

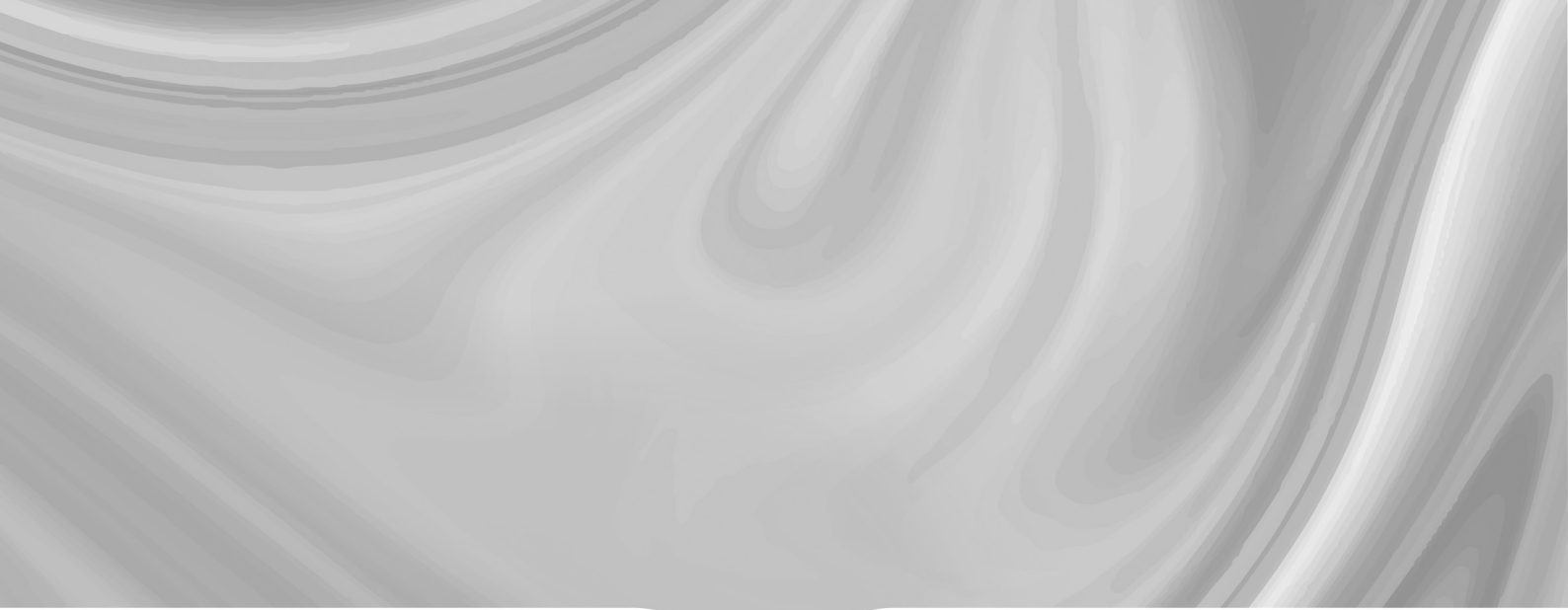


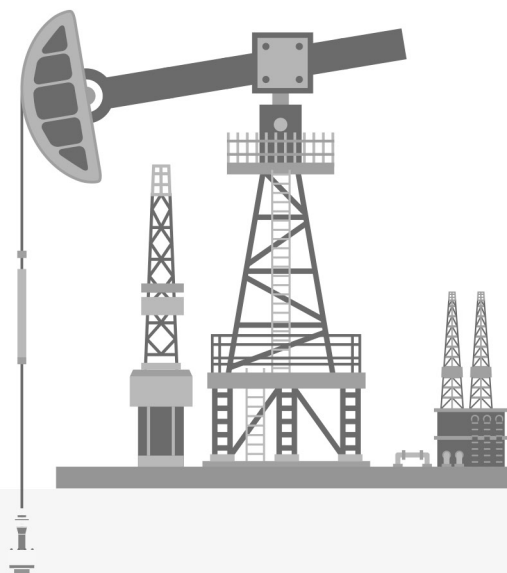
# CHINA HUARONG ENERGY COMPANY LIMITED

## 中國華榮能源股份有限公司

(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: 01101





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# CHAIRMAN'S STATEMENT

主席報告書

2018 was a landmark year for the Group. The Group has significantly improved its financial position by taking a number of significant steps, including the disposal of (the “**Disposal**”) its shipbuilding, offshore engineering, engineering machinery and marine engine building segments in the PRC (the “**shipbuilding and engineering business**” and “**Discontinued Operation**”) and a series of debt restructuring arrangements.

Through the Disposal of Liabilities and the Disposal, the Continuing Group will primarily focus on and engage in the production and sales of crude oil.

Looking ahead to 2019, the energy segment is expected to continue to perform satisfactorily. Despite the Group will continue to face global economic challenges such as volatility of crude oil price and rising operating costs, given the upward trend and the worldwide increasing demand for oil, the directors are of the optimistic view that crude oil prices will stabilise at a relatively higher range compared to the previous years. To cope with the recovery of oil price, the Group has deployed additional resources for the oilfield development to increase the exploration scale, production capacity and improve operating efficiency. The oil trading revenues are expected to improve in the coming years.

Since the Group has an ultimate goal to refinance the business operations and restructure its debts, the Group is continuing to negotiate with creditors and seek the most efficient measurements to settle debts. The Group has obtained positive feedback from the creditors and they are willing to participate in the debt-restructuring arrangements proposed by the Group. We believe the Group has the capability to achieve an improving result in the coming years, along with the positive progression of the Group's investments in the energy sector. To overcome all challenges faced during the transformation, we will continue to strive for improvement and success with our commitment for the stable and sustainable development of the Group, and to create greater value for all of our shareholders. Furthermore, the Group is actively pursuing energy trading, storage and logistic projects in the Asia Pacific region,

二零一八年是本集團具有重大意義的一年。本集團通過採取包括出售其於中國的造船、海洋工程、工程機械及動力工程板塊(「**造船及工程業務**」)及「**已終止業務**」(「**出售事項**」)及一系列債務重組措施在內的各項安排，大幅改善了財務狀況。

通過債務處置及出售事項，持續集團將專注於從事原油產品生產及銷售。

展望二零一九年，能源板塊表現預計將繼續令人滿意。儘管本集團將繼續面對全球經濟挑戰，如原油價格波動及經營成本上升，但鑑於油價上升趨勢及全球石油需求增加，董事們對原油價格與過往年份相比將穩定在相對較高水平範圍保持樂觀。為應對油價回升，本集團在油田開發上部署了額外資源，以增加勘探規模、生產能力和提高運營效率。預計未來數年石油交易收益將有所改善。

由於本集團之最終目標乃為業務運作再融資，並重組其債務，本集團正繼續與債權人談判，並尋求最有效的措施以償還債務。本集團已得到債權人正面回應，其願意參與本集團提出的債務重組安排。我們相信本集團有能力在未來數年改善業績，以及在能源領域上的投資取得積極進展。為克服轉型過程中面臨的所有挑戰，我們將繼續力求改善及成功，堅守我們對集團穩定和可持續發展之承諾，為所有股東創造更大價值。此外，本集團正積極尋求亞太地區的能源貿易、倉儲及物流項目，並預期將利用本集團現有的行業知識及網絡帶來競爭優勢。此等發展將改善營運上的協同效應，提供可持續之盈利能力，並創造更多渠道擴展集團之能源貿易和

## CHAIRMAN'S STATEMENT 主席報告書

and foreseeing that it will bring competitive advantages by leveraging the existing industry knowledge and network of the Group. Such development shall improve the operational synergy, generate sustainable profitability and create greater bandwidth to expand the Group's energy trading and service supply chain operation. The Group is also seeking opportunities to further expand its business operations to establish and achieve a sustainable development objective, including seeking potential subsidies and supports from local authorities subsequent to the restructuring and the completion of the Disposal.

### Acknowledgements

I would like to take this opportunity to express my sincere gratitude to the Directors and the employees for their dedicated and concerted effort, and to our shareholders and all creditors and relevant institutions for their patience and ardent support to the Group.

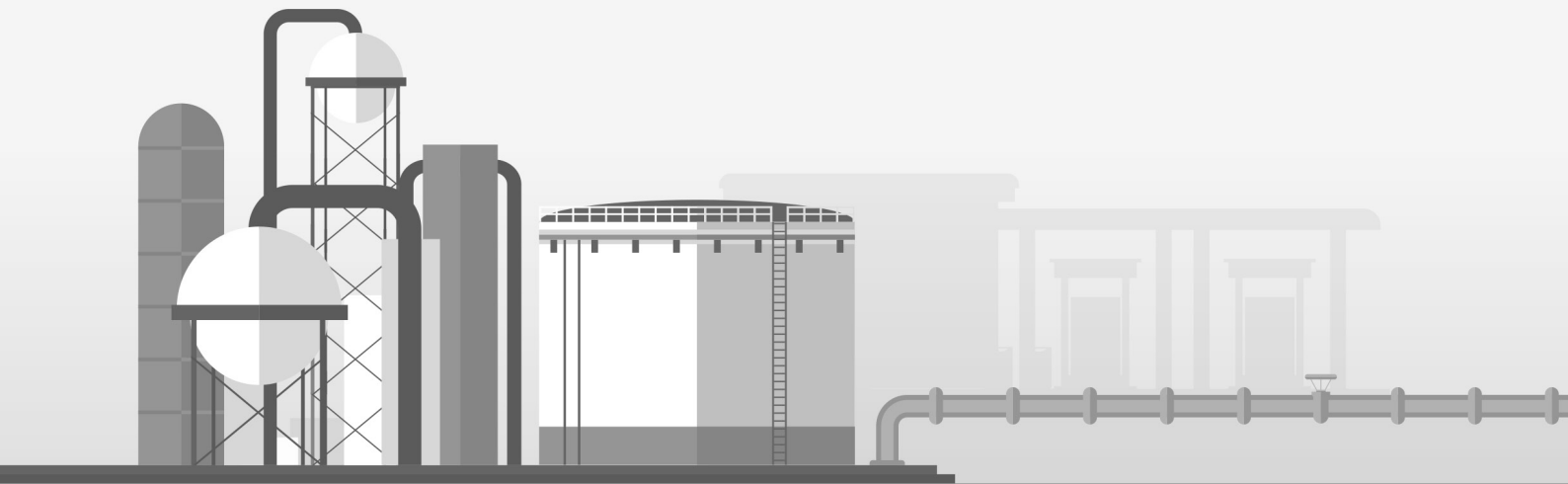
**Chen Qiang**  
*Chairman*

服務供應鏈營運。本集團亦尋求機會進一步擴展其業務營運，以建立及實現可持續發展目標，包括在重組及完成出售事項後尋求當地政府潛在補貼及支持。

### 致謝

借此機會，我對全體董事及員工的團結協作，以及各位股東和所有債權人和相關機構給予我們的耐心和鼎力支持表示衷心感謝！

主席  
陳強



# MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

## BUSINESS REVIEW

For the year ended 31 December 2018 (the “**Period**”), the Company and its subsidiaries (excluding the Disposal entities) engaged in the energy exploration and production segment (“**Energy Business**”) (the “**Continuing Group**”) recorded a revenue of approximately RMB49.0 million, compared to a revenue of approximately RMB45.2 million for the year ended 31 December 2017 (the “**Comparative Period**”). Profit attributable to the equity holders of the Company from the continuing operations was approximately RMB2,213.3 million for the Period (Comparative period: Loss RMB920.6 million).

For the Period, the Disposal entities recorded a revenue of RMB65.3 million, compared to a revenue of RMB87.6 million (excluding revenue related to the cancellation of construction contracts) for the Comparative Period. Loss attributable to the equity holders of the Company from the discontinued operations was RMB2,351.7 million for the period (Comparative Period: RMB964.2 million).

Loss attributable to the equity holders of the Company was approximately RMB138.4 million for the Period, while loss attributable to the equity holders of the Company was approximately RMB1,884.8 million for the Comparative Period.

### Disposal

Whilst the Group’s shipbuilding and engineering businesses are continuously facing rapidly declining revenues, both businesses have limited growth prospects, in together with overcapacity among the shipbuilding industry and heavily debt-burdened since 2013. A strategic decision was taken and executed to dispose of both businesses. In October 2018, the Company entered an agreement regarding the disposal of both business together with all debts owing by the Disposal Group to the Continuing Group. The transaction was subsequently approved by shareholders on 13 December 2018, and all the conditions precedent of the transaction were fulfilled on 10 March 2019. For details, please refer to the Company’s announcement dated 11 March 2019.

In accordance with International Financial Reporting Standard 5, the shipbuilding and engineering business have been classified as Discontinued Operations and its underlying assets and liabilities have been classified as ‘Assets classified as held for sale’ and ‘Liabilities directly associated with assets classified as held for sale’ as at 31 December 2018.

## 業務回顧

於截至二零一八年十二月三十一日止年度（「**本期間**」），本公司及其附屬公司（不包括出售事項實體）從事能源勘探及生產板塊（「**能源業務**」）（「**持續集團**」）並錄得收入約人民幣49.0百萬元，而截至二零一七年十二月三十一日止年度（「**可比期間**」）收入約為人民幣45.2百萬元。本期間本公司來自持續集團的權益持有人應佔溢利約為人民幣2,213.3百萬元（於可比期間：人民幣920.6百萬元虧損）。

於本期間，出售事項實體錄得收益人民幣65.3百萬元（不包括有關撤銷建築合約的收益），相比於可比期間的收益人民幣87.6百萬元。本公司來自已終止業務的權益持有人應佔虧損金額為人民幣2,351.7百萬元（於可比期間：人民幣964.2百萬元）。

本公司權益持有人應佔虧損於本期間約為人民幣138.4百萬元，而可比期間本公司權益持有人應佔虧損約為人民幣1,884.8百萬元。

### 出售事項

本集團的造船和工程業務之收益持續急速下跌，自二零一三年，由於兩項業務增長前景有限，加上造船業產能過剩及背負債務沉重，本集團採取並執行策略性決定，出售兩項業務。於二零一八年十月，本公司就出售兩項業務連同向出售集團結欠持續集團的所有債務訂立協議。該交易其後於二零一八年十二月十三日獲股東批准，且交易的所有先決條件均已於二零一九年三月十日達成。有關詳情，請參閱本公司日期為二零一九年三月十一日之公告。

根據國際財務報告準則第5號，截至二零一八年十二月三十一日，造船及工程業務已歸類為已終止業務，其相關資產及負債已歸類為「持作可供出售的資產」及「與分類為持有待售資產直接相關的負債」。



The Board believes the completion of the Disposal shall generate greater managerial focus and release internal resources of the Group to prioritise the promising energy business and allocate resources flexibly to seize any possible investment opportunities, in addition to the significant improvement to the Group's financial situation. The combination of growing oil-related trading activities and increased capital expenditures within the energy sector shall generate a steady revenue stream and sustainable cashflow for the Group.

The Board believes that the Group business will continue to expand and generate greater value to our investors.

### Debt Restructuring

Together with the Disposal, the Group has also conducted and executed a series of debt restructuring arrangements with an aim to ease the financial burden of the Group during the period.

#### (a) Disposal of liabilities

On 22 November 2018, the Company entered into a tripartite deed and subscription agreement, pursuant to which the Company settled a bank debt of RMB3,100.0 million by the issuance of certain convertible preference shares ("**Convertible Preference Shares**") (the "**Disposal of Liabilities**"). Further details of the Disposal of Liabilities were set out in the Company's announcement dated 22 November 2018 and circular dated 23 November 2018. Subsequent to the issuance of Convertible Preference Shares, the Group has recognised a gain on the extinguishment of financial liabilities amounting to approximately RMB2,067.3 million.

With the completion of the debt restructuring arrangements, it will significantly strengthen the liquidity and capital structure of the Group and place the Group in a better position to pursue investment opportunities for future development that would further enhance shareholder value.

董事會認為完成出售事項將使本集團能夠投放更多管理、釋放本集團內部資源，從而優先發展有前景的能源業務並靈活分配資源以把握潛在投資機遇，同時大力改善本集團的財務狀況。將不斷增長的石油相關貿易活動及能源板塊內增加的資本支出相結合，將為本集團帶來穩定的收入來源和可持續的現金流。

董事會相信本集團業務將繼續擴展並為我們的投資者創造更大價值。

### 債務重組

進行出售事項的同時，本集團亦已於本期間進行及執行一系列債務重組安排，旨在減輕本集團的財務負擔。

#### (a) 債務處置

於二零一八年十一月二十二日，本公司訂立了一份三方契據及認購協議，根據該協議本公司發行若干可轉換優先股（「**可轉換優先股**」）以償還人民幣3,100.0百萬元銀行債務（「**債務處置**」）。有關債務處置進一步詳情載列於本公司日期為二零一八年十一月二十二日之公告及日期為二零一八年十一月二十三日之通函。於發行可轉換優先股後，本集團已就消除金融負債確認收益約人民幣2,067.3百萬元。

完成債務重組安排將大大強化本集團的流動資金及資本架構，使本集團處於優勢地位，為未來發展尋求投資機會，從而進一步提升股東價值。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### (b) Conversion of certain convertible bonds

With the continuous negotiations with the convertible bondholders, during the Period, convertible bonds with an aggregate principal amount of approximately HK\$933.9 million (equivalent to approximately RMB790.2 million) have been converted into ordinary shares, representing approximately 50.6% of the total principal amount of all convertible bonds of approximately HK\$1,847.3 million (equivalent to approximately RMB1,544.2 million) as at 31 December 2017. As at the date of this report, the aggregate principal amount of the outstanding convertible bonds is approximately HK\$703.4 million (equivalent to approximately RMB617.8 million). The Company is currently negotiating with the remaining convertible bondholders and expects that more conversion of convertible bonds may take place from time to time.

#### (c) Repayment of bank loan

In addition, the Group has proceeded with repayment of a secured bank loan principal and interest payable approximately RMB159.2 million during the Period and proceeded further payment of approximately RMB13.8 million as of the date of this report. The outstanding principal and interest payable balance was reduced to approximately RMB594.1 million. The Group intended to settle the remaining outstanding balance within the year of 2019.

#### (d) Extension of maturity date of promissory notes

The Group is also in the process of finalizing the extension terms with certain promissory note holders with an aggregate principal amount of approximately HK\$1,782.7 million. These aforesaid debt-restructuring actions are devised to align with the Disposal and Disposal of Liabilities to improve the overall financial position of the Group. The Group expects that the completion of the Disposal and the Disposal of Liabilities shall have a positive impact on the extension of maturity date of promissory notes.

#### (b) 若干可換股債券轉股

基於與可換股債券持有人的持續磋商，於本期間本金總額約為933.9百萬港元（相等於約人民幣790.2百萬元）的可換股債券已轉換為普通股，佔二零一七年十二月三十一日的可換股債券本金總額約1,847.3百萬港元（相等於約人民幣1,544.2百萬元）的50.6%。於本報告日期，未償還可換股債券的本金總額約為703.4百萬港元（相等於約人民幣617.8百萬元）。本公司目前正在與餘下的可換股債券持有人進行磋商，並預期可能會不時進行更多可換股債券轉換。

#### (c) 償還銀行貸款

此外，於本期間本集團已償還已抵押銀行貸款本金及應付利息約人民幣159.2百萬元，並於本報告日期，進一步償還約人民幣13.8百萬元。未償還銀行貸款本金及應付利息減少至約人民幣594.1百萬元。本集團擬於二零一九年內結清剩餘未償還銀行貸款。

#### (d) 承兌票據延長到期日

本集團亦正在與本金總額約為1,782.7百萬港元之若干承兌票據持有人訂立延期條款。上述債務重組之目標為改善本集團的整體財務狀況，與出售事項及債務處置的目標一致。本集團預期完成出售事項及債務處置將為承兌票據的延期帶來正面影響。

## Obtaining Financial Resources

To further improve the Group financing situation and future development, the Group has entered certain financing arrangements during the Period, including but not limited to (1) the US Dollar facility entered with a substantial shareholder in the amount of USD250.0 million. It is an interest-free and unsecured facility with a maturity of two years. Up to the date of this report, the Company had utilized approximately USD50.4 million, mainly for the oilfield development, repayment of remaining debts and general working capital; and (2) a framework cooperation agreement entered with a third party vendor for the provision of purchasing USD500.0 million equivalent oil-production-related equipment and materials on credit. Up to the date of this report, equipment and materials worth of approximately RMB12.0 million have been ordered through the cooperation agreement. Followed by the Disposal, the Group will further utilize and leverage financing options provided by the substantial shareholder and the third party vendor.

The loan agreement previously entered in November 2017 of USD600.0 million remained undrawn as of 31 December 2018. The Group considered the USD250.0 million shareholder loan and the USD500.0 million cooperation agreement entered during the Period as alternative financing options to replace the USD600.0 million loan agreement. The Group is in the process of negotiating with the associated party to terminate the USD600.0 million loan agreement.

## Energy Exploration and Production

For the Period, the project involving four oilfields located in the Fergana Valley of the Republic of Kyrgyzstan (the “**Kyrgyzstan Project**”) [of which 60% interests were held by the Group] recorded sales of 163,728 barrels (bbl) [for the Comparative Period: 204,676 bbl] of light crude oil. Revenue from the energy exploration and production segment was approximately RMB49.0 million for the Period with an increase of approximately 8.4% from RMB45.2 million for the Comparative Period.

The growth of revenue in 2018 were driven by the rise in crude oil price, whilst the sales volume dropped compared to Comparative Period primarily due to decrease in demand and the delay in orders from customers in the second half of 2018 which were driven by relatively high inventory level in customer’s refinery and storage facilities.

## 獲取財政資源

為進一步改善本集團融資情況及未來發展，本集團於本期間已訂立若干融資安排，包括但不限於：(1)與一位主要股東訂立金額為250.0百萬美元之美元融資。該融資為免息無抵押，為期兩年。截至本報告日期止，本公司已動用約50.4百萬美元用於油田開發、償還剩餘債務及一般營運資金；及(2)與第三方供應商簽訂之框架合作協議，分期提供購買500.0百萬美元等值的與石油生產相關設備及材料。截至本報告日期止，約人民幣12.0百萬元之設備及材料已通過合作協議訂購。隨著出售事項的完成，本集團將進一步利用主要股東及第三方供應商提供之融資方案。

於二零一七年十一月訂立之600.0百萬美元貸款協議於二零一八年十二月三十一日仍未提取，本集團考慮以250.0百萬美元之股東貸款及於本期間簽訂之500.0百萬美元框架合作協議作為600.0百萬美元貸款協議之替代融資方案。本集團正與相關貸款方磋商，以終止600.0百萬美元之貸款協議。

## 能源勘探及生產

於本期間，由本集團持有60%權益涉及位於吉爾吉斯共和國費爾幹納盆地四個油田的項目(「**吉爾吉斯項目**」)錄得銷售輕質原油163,728桶(於可比期間：204,676桶)。能源勘探及生產板塊於本期間錄得收益約人民幣49.0百萬元，較可比期間收益人民幣45.2百萬元上升約8.4%。

二零一八年收益增長由於原油價格上漲，而銷售數量較同比期間下降，主要由於客戶煉油廠和倉儲設施庫存水平較高，導致二零一八年下半年需求減少和客戶訂單延遲。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

Despite the revenue from the oil production and sales increased during the Period, the overall revenue growth has been restrained largely due to temporary shortage on certain specific exploration materials, and the delay in the completion of the Disposal which has slowed down the drawdown process of the loan facilities and the exploration development plan.

The proved oil reserve remained consistent compared to the forecast in the oil competent evaluation report as at 30 June 2018. We estimated the proved reserve as at 31 December 2018 was approximately 23,628,000 tonnes, and it was reduced by approximately 22,000 tonnes during the second half of 2018.

The Group has been making continuous endeavours to implement its plan to accelerate the development of upstream and downstream energy exploration and production business and increase the production volume through various means to cope with the recovery of oil price, including well-drilling operations and the construction of oil-production-related amenities to improve its operation efficiency and enhanced its production capacity.

### Discontinued Operations

The shipbuilding and engineering business has been classified as Discontinued Operations and its underlying asset and liabilities have been classified as 'Assets classified as held for sale' and 'Liabilities directly associated with assets classified as held for sale' in accordance with International Financial Reporting Standard 5, as at 31 December 2018. Please refer to the announcement dated 11 March 2019 and the circular of the Company dated 23 November 2018 for further details. A gain on disposal is expected to realize in the 2019 financial year, resulting from a significant portion of the Group's net deficit being disposed of in the Disposal.

儘管於本期間原油生產及銷售收入增加，但整體收入增長受限，主要由於若干特定勘探材料暫時短缺，以及出售事項進展延期，令提取借貸融資及勘探開發計劃進展減緩。

與二零一八年六月三十日的石油評估報告中的預測相比，已探明的石油儲量保持一致。我們估計截至二零一八年十二月三十一日的探明儲量約為23,628,000噸，於在二零一八年下半年減少了約22,000噸。

本集團一直努力實施其加快上下游能源勘探及生產業務發展的計劃，通過各種措施增加產量以應對油價回升，包括鑽井作業和石油生產相關設施建設，以提高其運作效率和生產能力。

### 已終止業務

根據國際財務報告準則第5號，截至二零一八年十二月三十一日，造船和工程業務已歸類為已終止業務，其相關資產及負債已歸類為「分類為持作可供出售的資產」及「與分類為持作可供出售資產直接相關的負債」。有關進一步詳情，請參閱本公司分別日期為二零一九年三月十一日之公告及二零一八年十一月二十三日之通函。由於本集團的大部分淨虧損將於出售事項中處置，預計出售收益將於二零一九財政年度實現。

## FINANCIAL REVIEW

The Group's operating results from the Continuing Group for the Period were primarily contributed by the Company and its subsidiaries engaging in the energy exploration and production. As a result of adopting International Financial Reporting Standard 5, the results of the shipbuilding and engineering business for the Period were included under the Discontinued Operations, and its underlying assets and liabilities were classified as 'Assets classified as held for sale' and 'Liabilities directly associated with assets classified as held for sale'. The consolidated statement of comprehensive income for Comparative Period have also been restated for comparison purpose.

### Revenue

For the Period, the Continuing Group recorded a revenue of approximately RMB49.0 million (for the Comparative Period: approximately RMB45.2 million), representing a year-on-year increase of approximately 8.4%. The revenues are derived from the sales of crude oil produced from the Kyrgyzstan Project. The average oil price received per tonne of crude oil was approximately USD317 in the Period compared to approximately USD230 in the Comparative Period, representing an increase of approximately 37.8%.

### Cost of Sales

For the Period, the Continuing Group's cost of sales remained steady at approximately RMB34.0 million (for the Comparative Period: RMB34.5 million), which was mainly driven by improvement in production efficiency during the period.

### Gross profit

Gross profit from the Continuing Group for the Period was approximately RMB14.9 million compared to gross profit of approximately RMB10.7 million for the Comparative Period, which was mainly due to increase in oil price and cost saving from production efficiency.

### Distribution cost

For the Period, the Continuing Group's distribution cost decreased by approximately 20.0% to RMB2.8 million (for the Comparative Period: RMB3.5 million), which was in line with the decrease in sales volume during the Period.

## 財務回顧

於本期間，本集團之持續集團經營業績主要來自本公司及其附屬公司從事能源勘探及生產。由於採納國際財務報告準則第5號，故於本期間造船及工程業務業績已列入已終止業務，其相關資產及負債分類為「分類為持作可供出售的資產」及「與分類為持作可供出售資產直接相關的負債」。於可比期間之綜合全面收益表經已調整，以作比較用途。

### 收益

於本期間，來自持續集團錄得收益約為人民幣49.0百萬元(於可比期間：約人民幣45.2百萬元)，年度同比增加約8.4%。收益來自吉爾吉斯項目生產的原油銷售，於本期間每噸原油之平均油價約為317美元，而於可比期間之平均油價為230美元，增幅約為37.8%。

### 銷售成本

於本期間，來自持續集團的銷售成本穩定維持在約人民幣34.0百萬元(於可比期間：人民幣34.5百萬元)，主要由於本期間生產效率有所提升。

### 毛利潤

於本期間，來自持續集團的毛利潤約為人民幣14.9百萬，而於可比期間毛利潤約為人民幣10.7百萬元，主要由於於本期間油價上漲及生產效率的節省成本所致。

### 分銷成本

於本期間，來自持續集團的分銷成本減少約20.0%至人民幣2.8百萬元(於可比期間：人民幣3.5百萬)，與期內銷量減少一致。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### General and Administrative Expenses

For the Period, the Continuing Group's general and administrative expenses remained steady at approximately RMB54.7 million (for the Comparative Period: RMB56.0 million). This was mainly due the implementation of cost control.

#### Other Gains/(Losses) – Net

For the Period, the Continuing Group's other gains – net was approximately RMB621.8 million (for the Comparative Period: other losses of RMB822.0 million), which was mainly due to fair value gain on derivative instruments and net foreign exchange gains for the Period.

#### Finance Costs – Net

The Continuing Group's Finance income for the Period increased significantly to approximately RMB47.0 million (for the Comparative Period: RMB6.9 million), which was mainly due to the increase in imputed interest income on interest-free loans. Finance costs for the Period increased to approximately RMB486.4 million (for the Comparative Period: RMB64.6 million), which was mainly due to the increase in interests of convertible bonds and net foreign exchange losses from financing activities for the Period.

#### Total Comprehensive Loss for the Period

During the Period, the Group recorded total comprehensive loss of approximately RMB195.7 million (for the Comparative Period: RMB2,028.2 million), of which total comprehensive loss attributable to the equity holders of the Company was approximately RMB74.5 million (for the Comparative Period: RMB1,977.7 million). Loss attributable to the equity holders of the Company was the result of the considerable finance costs and relatively fixed administrative expenses.

#### Discontinued Operations – Shipbuilding and Engineering

The turnover for the Discontinued Operations decreased by 25.5% to approximately RMB65.3 million in the Period (for the Comparative Period: revenue of RMB87.6 million excluding the revenue related to cancellation of contracts) the gross loss was reduced to approximately RMB111.1 million (for the Comparative Period: loss of RMB645.3 million). Majority of the losses are attributed from administrative expenses approximately of RMB633.7 million (for the Comparative Period: RMB630.8 million), finance costs – Net approximately of RMB1,643.1 million (for the Comparative Period: RMB1,066.1 million).

#### 一般及行政開支

於本期間，來自持續集團的一般及行政開支穩定維持在約人民幣54.7百萬元（於可比期間：人民幣56.0百萬元），主要是由於實施成本控制所致。

#### 其他收益／（虧損）－淨額

於本期間，來自持續集團的其他收益－淨額約為人民幣621.8百萬元（於可比期間：其他虧損人民幣822.0百萬元），主要由於本期間衍生工具公允值收益以及外匯收益淨額所致。

#### 融資成本－淨額

於本期間，來自持續集團的融資收益大幅增加至約人民幣47.0百萬元（於可比期間：約人民幣6.9百萬元），主要因為估算免息貸款利息收入上升。於本期間，融資成本增加至約人民幣486.4百萬元（於可比期間：人民幣64.6百萬元），主要因為於本期間可換股債券利息及融資活動外匯虧損淨額增加所致。

#### 本期間全面虧損總額

於本期間，本集團的全面虧損總額約為人民幣195.7百萬元（於可比期間：人民幣2,028.2百萬元），其中本公司權益持有人應佔全面虧損金額約為人民幣74.5百萬元（於可比期間：人民幣1,977.7百萬元）。本公司權益持有人應佔虧損由金額龐大的融資成本以及相對固定的行政費用所致。

#### 已終止業務－造船及工程

已終止業務的營業額於本期間減少25.5%至約人民幣65.3百萬元（於可比期間：收益人民幣87.6百萬元，不包括有關撤消合約的收入），毛損減少至約人民幣111.1百萬元（於可比期間：虧損人民幣645.3百萬元）。大部分虧損來自行政開支約人民幣633.7百萬元（於可比期間：人民幣630.8百萬元）及融資成本淨額約人民幣1,643.1百萬元（於可比期間：人民幣1,066.1百萬元）。

## Liquidity and Going Concern

The Group incurred a net loss of RMB259.5 million (2017: RMB1,936.2 million) and had an operating cash outflow of RMB201.0 million (2017: inflow of RMB20.1 million) during the year ended 31 December 2018. As at 31 December 2018, the Group had a deficit of RMB9,630.1 million (2017: RMB11,246.4 million) and the Group's current liabilities exceeded its current assets by RMB11,326.2 million (2017: RMB32,416.8 million). The Group maintained cash and cash equivalents of RMB9.3 million (2017: RMB69.9 million) as at 31 December 2018.

As at 31 December 2018, borrowings of Discontinued Operation which are included in "Liabilities directly associated with assets classified as held for sale" amounted to RMB15,735.8 million, out of which RMB15,501.0 million were overdue. As at 31 December 2018, overdue interest payables of the Disposal Group amounted to RMB3,905.1 million. Subsequent to 31 December 2018, additional loan principal in the Disposal Group totaling RMB234.9 million were not renewed nor repaid upon the scheduled repayment dates and thus became overdue. The Disposal Group had cash and cash equivalents of RMB14.0 million as at 31 December 2018.

As at 31 December 2018, borrowings of the Group, excluding Borrowings of Discontinued Operation (the "**Borrowings of Continuing Group**"), amounted to RMB3,640.4 million, out of which RMB2,165.3 million were overdue. As at 31 December 2018, overdue interest payables of the Continuing Group amounted to RMB165.0 million. Certain borrowings of the Group contain cross-default terms, causing Borrowings of Continuing Group of RMB775.8 million at 31 December 2018 to become immediately repayable.

A series of plans and measures have been taken to mitigate liquidity pressure and to improve the financial position of the Group. In order to enhance the liquidity and financial position of the Group, the Group has reduced its borrowings by issuing shares of the Company to satisfy certain of the Group's outstanding debts during the Period. Upon the completion of the disposal of the shipbuilding and engineering business, it will enable the Group to ease its debt burden immediately and to enhance the flexibility of fund utilization.

## 流動資金及可持續經營

截至二零一八年十二月三十一日止年度，本集團產生淨虧損人民幣259.5百萬元(二零一七年：人民幣1,936.2百萬元)及經營現金流出人民幣201.0百萬元(二零一七年：流入人民幣20.1百萬元)。於二零一八年十二月三十一日，本集團虧絀為人民幣9,630.1百萬元(二零一七年：人民幣11,246.4百萬元)，而且本集團的流動負債超過其流動資產人民幣11,326.2百萬元(二零一七年：32,416.8百萬元)。於二零一八年十二月三十一日，本集團維持現金及現金等價物人民幣9.3百萬元(二零一七年：人民幣69.9百萬元)。

於二零一八年十二月三十一日，包括在「與分類為持有待售資產直接相關的負債」的出售集團借款為人民幣15,735.8百萬元，當中人民幣15,501.0百萬元已逾期。於二零一八年十二月三十一日，出售集團的逾期應付利息為人民幣3,905.1百萬元。二零一八年十二月三十一日後，合共人民幣234.9百萬元出售集團的額外借款本金於預定還款日期後未獲重續或償還，故此已屬逾期論。於二零一八年十二月三十一日，出售集團的現金及現金等價物為人民幣14.0百萬元。

於二零一八年十二月三十一日，本集團不包括出售集團借款(「**持續集團借款**」)的借款為人民幣3,640.4百萬元，當中人民幣2,165.3百萬元已逾期。於二零一八年十二月三十一日，持續集團的逾期應付利息為人民幣165.0百萬元。本集團的若干借款含交叉違約條款，導致持續集團借款人民幣775.8百萬元須於二零一八年十二月三十一日立即償還。

我們已採取一系列計劃及措施減輕流動資金壓力，改善本集團財務水平。為提升本集團的流動資金及財務狀況，本集團於本期間已透過發行本公司股份減少其借款以償付本集團若干未償還債務。完成出售造船及工程業務後，本集團將即時減輕其債務負擔及提升資金使用的靈活性。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

Details regarding uncertainties on the going concern of the Group and the respective plans and measures are set out in the section headed "Going Concern Basis" in Note 2.1(a) to the consolidated financial statements.

### Borrowings and Finance Lease Liabilities

Our Continuing Group's short-term borrowings and finance lease liabilities decreased by RMB20,436.9 million from RMB23,322.7 million as at 31 December 2017 to RMB2,885.8 million as at 31 December 2018. Our Continuing Group's long-term borrowings increased by RMB546.2 million from RMB208.4 million as at 31 December 2017 to RMB754.6 million as at 31 December 2018. Short-term borrowings with amount RMB15,735.8 million was reclassified to liabilities directly associated with assets classified as held for sale as at 31 December 2018.

As at 31 December 2018, our Continuing Group's total borrowings and finance lease liabilities were RMB3,640.4 million (as at 31 December 2017: RMB23,531.2 million), of which RMB28.1 million (approximately 0.7%) was denominated in RMB (as at 31 December 2017: RMB19,533.7 million (approximately 83.0%)) and the remaining RMB3,612.2 million (approximately 99.3%) was denominated in other currencies such as USD and HKD (as at 31 December 2017: RMB3,997.5 million (approximately 17.0%)). Certain borrowings were secured by the Group's land use rights, buildings, construction contracts, pledged deposits, guarantee from certain related parties and guarantee from a subsidiary of the Group. Approximately 83.5% of the borrowings bear interests at fixed rate (as at 31 December 2017: approximately 57.0%).

### Significant Investments

Save as disclosed in this annual report, the Group did not have any significant investments during the Period.

有關本集團可持續經營的不確定性及相關計劃與措施的細節，載列於綜合財務報表附註2.1(a)「持續經營基準」一節。

### 借款及融資租賃負債

我們持續集團的短期借款及融資租賃負債從於二零一七年十二月三十一日的人民幣23,322.7百萬元減少人民幣20,436.9百萬元至於二零一八年十二月三十一日的人民幣2,885.8百萬元。我們持續集團的長期借款從於二零一七年十二月三十一日的人民幣208.4百萬元增加人民幣546.2百萬元至於二零一八年十二月三十一日的人民幣754.6百萬元。金額為人民幣15,735.8百萬元的短期借款於二零一八年十二月三十一日重新分類為與分類為持作可供出售資產直接相關的負債。

於二零一八年十二月三十一日，我們持續集團的借款及融資租賃負債總額為人民幣3,640.4百萬元(於二零一七年十二月三十一日：人民幣23,531.2百萬元)，其中人民幣28.1百萬元(約0.7%)以人民幣計值(於二零一七年十二月三十一日：人民幣19,533.7百萬元(約83.0%))，另外人民幣3,612.2百萬元(約99.3%)則以其他貨幣如美元及港元計值(於二零一七年十二月三十一日：人民幣3,997.5百萬元(約17.0%))。我們的部分借款由本集團的土地使用權、樓宇、建造合約、已抵押存款作抵押及由若干關聯方及本集團內附屬公司提供擔保。約83.5%的借款以固定利率計算利息(於二零一七年十二月三十一日：約57.0%)。

### 重大投資

除本年報所披露外，本集團於本期間並無任何重大投資。



## Material Acquisition and Disposal of Subsidiaries

On 9 October 2018, the Group announced the disposal of shipbuilding and engineering business, at a consideration of HKD1. For details of the Disposal, please refer to the announcements of the Company dated 9 October 2018, 15 November 2018, 13 December 2018, 25 December 2018, 4 March 2019 and 11 March 2019 and circular of the Company dated 23 November 2018 respectively. Save for the above, the Group had no other material acquisitions or disposals of investments during the Period under review.

## Foreign Exchange Risks

The Continuing Group incurred net foreign exchange gain of approximately RMB407.1 million (for the Comparative Period: loss of RMB618.0 million) due to the depreciation of RMB against USD and HKD during the Period, which resulted in exchange gain on certain USD-denominated and HKD-denominated liabilities, such as trade and other payables and borrowings of the Group.

## Capital Expenditure

For the Period, our capital expenditure was approximately RMB128.3 million (for the Comparative Period: RMB70.0 million), which was mainly used in the energy exploration and production segment.

## Gearing Ratio

Our gearing ratio (measured by total borrowings and finance lease liabilities divided by the sum of total borrowings and finance lease liabilities and total deficit) increased from approximately 191.5% as at 31 December 2017 to approximately 198.8% as at 31 December 2018 after taking the borrowings and finance lease liabilities included in 'Liabilities directly associated with assets classified as held for sale' into consideration. Affected by the losses of approximately RMB259.5 million for the year ended 31 December 2018, the total deficit was approximately RMB9,630.1 million as at 31 December 2018 (as at 31 December 2017: RMB11,246.4 million).

## Contingent Liabilities

As at 31 December 2018, we had contingent liabilities of RMB7,329.8 million which was resulted from financial guarantees provided by the Company to Discontinued Operation. (as at 31 December 2017: RMB12,261 million).

As at 31 December 2018, the Discontinued Operation had contingent liabilities of RMB26.7 million (as at 31 December 2017 same), which resulted from financial guarantees provided to the customers of the Discontinued Operation.

## 附屬公司的重大收購及出售

於二零一八年十月九日，本集團公佈以代價1港元出售造船及工程業務。有關出售事項詳情，請參閱本公司日期分別為二零一八年十月九日、二零一八年十一月十五日、二零一八年十二月十三日、二零一八年十二月二十五日、二零一九年三月四日及二零一九年三月十一日之公告以及二零一八年十一月二十三日之通函。除上文所述外，本集團於本期間內並無其他重大收購或出售投資。

## 外匯風險

於本期間，持續集團錄得外匯收益淨額約人民幣407.1百萬元(於可比期間：虧損人民幣618.0百萬元)，由於人民幣兌美元及港元貶值，令本集團應付賬款及其他應付款項及借款等若干以美元及港元計值負債產生匯兌收益。

## 資本開支

於本期間，我們的資本開支約人民幣128.3百萬元(於可比期間：人民幣70.0百萬元)，主要用於能源勘探及生產板塊。

## 資本負債比率

我們的資本負債比率(根據總借款及融資租賃負債除以總借款及融資租賃負債與總虧絀之和計算)於考慮在「與分類為可供出售資產直接相關的負債」內的借款及融資租賃負債後，從於二零一七年十二月三十一日的約191.5%上升到於二零一八年十二月三十一日的約198.8%。受截至二零一八年十二月三十一日止年度虧損約人民幣259.5百萬元影響，於二零一八年十二月三十一日的總虧絀約為人民幣9,630.1百萬元(於二零一七年十二月三十一日：人民幣11,246.4百萬元)。

## 或然負債

於二零一八年十二月三十一日，我們的或然負債為人民幣7,329.8百萬元，此乃由於向已終止業務提供財務擔保所致(於二零一七年十二月三十一日：人民幣12,261百萬元)。

於二零一八年十二月三十一日，已終止業務有或然負責人民幣26.7百萬元(於二零一七年十二月三十一日：相同)，此乃由於向已終止業務客戶提供財務擔保所致。

### Credit Assessment and Risk Management

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, pledged deposits, outstanding trade, bills and other receivables and prepayments. As at 31 December 2018, the Continuing Group had cash and cash equivalents of approximately RMB9.3 million (as at 31 December 2017: RMB9.6 million including pledged deposits), of which approximately RMB0.2 million (approximately 2.0%) was denominated in RMB and the remaining RMB9.1 million (approximately 98.0%) was denominated in USD, HKD and other currencies. The Group does not use any financial instruments for hedging purposes.

All of the Group's cash and bank balances, short-term and long-term bank deposits and pledged deposits were placed with reputable banks which the management believes are of high creditworthiness and without significant credit risk.

The Group carries out customer credit checks prior to entering into sales contract with customers. The Group offers credit lines after evaluating the customer's credit profiles, financial conditions, past experiences and other factors.

As at 31 December 2017, RMB202.5 million and RMB375.4 million related to certain customers of the shipbuilding segment and the engineering machinery segment were impaired and provided for respectively, as a result of the management's assessment on the recoverability of the balances. Such amounts were transferred to 'Assets classified as held for sale' for the year ended 31 December 2018.

### Human Resources

As at 31 December 2018, we had approximately 470 employees (as at 31 December 2017: approximately 602 employees). The decrease in the number of employees was mainly in relation to the downsizing of the shipbuilding business of the Group. Total staff costs (including directors' emoluments) for the Continuing Group were approximately RMB19.4 million for the Period (for the Comparative Period: approximately RMB24.9 million). The principal elements of remuneration package of the Group include basic salary and other benefits, contribution to pension schemes, discretionary bonus and/or share options granted under an approved share option scheme. Such remuneration should reflect work complexity, time commitment, responsibility and performance with a view of attracting, motivating and retaining high performing individuals.

### 信貸評估及風險管理

信貸風險乃按集團基準管理。信貸風險來自現金及現金等價物、已抵押存款、未償還應收賬款、應收票據及其他應收款項及預付款項。於二零一八年十二月三十一日，持續集團的現金及現金等價物約為人民幣9.3百萬元（於二零一七年十二月三十一日：人民幣90.6百萬元，當中包括已抵押存款），其中約人民幣0.2百萬元（約2.0%）以人民幣計值，另外餘下人民幣9.1百萬元（約98.0%）以美元、港元及其他貨幣計值。本集團並無使用任何金融工具作對沖用途。

我們所有現金及銀行結餘、短期及長期銀行存款及已抵押存款均存置於有良好信譽的銀行，管理層認為該等銀行具有高信貸素質且無重大信貸風險。

我們與客戶訂立銷售合約前審核客戶信貸狀況。本集團會先評估客戶信用素質，計及其財務狀況、過往經驗及其他因素，然後授予信貸限額。

基於管理層對結餘可回收性的評估，於二零一七年十二月三十一日，與造船板塊及工程機械板塊的若干客戶有關的人民幣202.5百萬元及人民幣375.4百萬元已分別作出減值及計提撥備。該等金額已轉撥至二零一八年十二月三十一日止年度「持作可供出售的資產」。

### 人力資源

於二零一八年十二月三十一日，我們的員工合共約470名（於二零一七年十二月三十一日：約602名）。僱員人數減少主要與本集團縮減造船業務有關。於本期間，持續集團的總員工成本（包括董事薪酬）約為人民幣19.4百萬元（於可比期間：約人民幣24.9百萬元）。本集團的酬金組合的主要項目包括基本薪金及其他福利、退休金計劃供款、酌情花紅及／或根據已獲批准的購股權計劃授出的購股權。該等酬金應反映個人工作的複雜性、時間的投入、責任和工作表現，以吸引、獎勵和續聘高績效表現的人才。

### Additional Information On Auditors' Modified Opinions

The Board wishes to draw the attention of the shareholders of the Company (the "Shareholders") to the section headed "Basis for Disclaimer of Opinion" as contained in the Independent Auditor's Report dated 29 March 2019 issued by the Company's auditors, PricewaterhouseCoopers, now contained in pages 88 to 93 of this annual report. On the basis set out therein, our auditors do not express an opinion on the consolidated financial statements of the Group for the year ended 31 December 2018.

As explained in the "Basis for Disclaimer of Opinion", the auditors' disclaimer of opinion was principally caused by the multiple uncertainties relating to going concern and the uncertainty of assets impairment of the energy business. Such uncertainties were not resolved as at 31 December 2018 primarily due to the delayed progression of the Disposal.

During the Year, the Group has entered a total of USD250 million loan facilities with a substantial shareholder (note 19), which would be utilised to support the Group operations, including oilfield development and repayment of outstanding debts. As at 31 December 2018, approximately USD46 million has been drawn down. The utilisation of such facilities would be mainly used for the energy sector development and debt repayment. Thus the Group will continue to negotiate with the substantial shareholder on the drawdown schedule, and the Group is expecting to proceed further drawdown to support the operations and debt repayment.

The Board and audit committee agreed with the views of the management and the auditors regarding the uncertainty of going concern and the uncertainty of impairment of energy sector's asset. There is no disagreement by the Board, the management nor the audit committee with the position taken by the Company's auditors regarding the disclaimer of opinion.

The Directors will continue to use their best efforts to protect and uphold the Company's best interest, including ongoing negotiation with various lenders over the debt restructuring arrangements. The Group Directors and Management are proactively to resolve matters relating to disclaimer of opinion throughout the financial year 2019.

### 有關核數師非無保留意見之其他資料

董事會謹此提請本公司股東(「股東」)垂注本公司核數師羅兵咸永道會計師事務所刊發日期為二零一九年三月二十九日之獨立核數師報告書(現時載於本年報第88至93頁)所載「導致無法表示意見的基礎」一節。在該節所載之基礎上，核數師不會就本集團截至二零一八年十二月三十一日止年度之綜合財務報表發表意見。

誠如「導致無法表示意見的基礎」中闡釋，核數師之非無保留意見乃主要由於與持續經營相關的多重不確定性以及能源領域相關資產減值之不確定性。該等不確定性於二零一八年十二月三十一日並未解決，主要由於出售進度延遲。

於本年度，本集團已透過主要股東(附註19)獲得總額為250百萬美元的貸款融資，其將用以支持本集團營運，包括油田開發投資及償還未償還債務。於二零一八年十二月三十一日，約46百萬美元已獲提取。該等融資將主要用於能源領域發展及債務償還。因此，本集團將繼續就提取時間表與主要股東進行磋商，而本集團預期將進一步提取，以支持經營及債務償還。

董事會及審核委員會均同意管理層及核數師對持續經營的不確定性及能源領域資產減值的不確定性之意見。董事會、管理層或審核委員會對本公司核數師無法表示意見所採取之立場並無異議。

董事將繼續盡最大努力保障及維護本公司之最佳利益，包括就債務重組協議與多名借款人進行持續磋商。本集團董事及管理層於整個二零一九年財政年度積極解決所有與無法表示意見相關的事項。

### Events After the Reporting Period

On 3 March 2019, the Company entered into a supplemental agreement (“**Supplemental Agreement**”) with Unique Orient Limited (the “**Purchaser**”), which supplemented the original share purchase agreement entered into on 9 October 2018 and the first supplemental agreement entered into on 25 December 2018. The Purchaser agreed to procure the release or discharge of the Relevant Guarantees in full and completion of the relevant registration within 180 days from the date of completion of the transfer of the sale shares of Able Diligent Limited (“**Sale Shares**”), and it was agreed that all debts owing by the Disposal Group to the Remaining Group will be assigned to the Purchaser upon the Relevant Guarantees being released or discharged in full and the relevant registration being completed. For the purpose of securing the due performance of the obligations of the Purchaser under the Supplemental Agreement, the Purchaser agreed to execute a share charge over the Sale Shares in favour of the Company. On 10 March 2019, the Company entered into a share charge with the Purchaser and the Sale Shares were transferred to the Purchaser. For further details, please refer to the announcement of the Company dated 11 March 2019.

On 7 March 2019, convertible bonds with face value of HKD135.1 million were converted to the Company’s ordinary shares at HKD0.50 per share. Subsequent to the conversion, the Company’s outstanding Convertible Bonds liabilities are reduced to approximately HKD703.4 million.

### 報告期後事項

於二零一九年三月三日，本公司與東唯有限公司(Unique Orient Limited) (「買方」)為補充於二零一八年十月九日簽訂的原股份購買協議及於二零一八年十二月二十五日簽訂的第一份補充協議，簽訂一份補充協議(「補充協議」)。買方同意促成全面免除或解除相關擔保，並於Able Diligent Limited的銷售股份(「銷售股份」)轉讓完成日期起180日內完成有關登記，並同意出售集團結欠餘下集團的所有債務將於相關擔保獲全面免除或解除及有關登記完成後轉讓予買方。為擔保買方根據補充協議妥為履行責任，買方同意以本公司為受益人就銷售股份訂立股份質押。於二零一九年三月十日，本公司與買方訂立股份質押，且銷售股份已轉讓予買方。有關進一步詳情，請參閱本公司日期為二零一九年三月十一日之公告。

於二零一九年三月七日，面值為135.1百萬港元的可換股債券已兌換為本公司每股面值0.5港元的普通股。於兌換後，本公司未償還可換股債券負債減少至約703.4百萬港元。

# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### Board of Directors

The Board, which oversees the Company's operations through several committees, has ultimate responsibility for the administration of the affairs of the Company. The Board consists of eight Directors, five of whom are executive Directors, and three of whom are independent non-executive Directors.

### Executive Directors

#### Mr. CHEN Qiang

Chairman of the Board,  
Executive Director and Chief Executive Officer

Mr. Chen Qiang, aged 57, an executive Director, the Chairman and chief executive officer of the Company. Mr. Chen joined the Group in 2004 and was appointed as an executive Director on 24 October 2010. He was further appointed as the Chairman with effect from 26 November 2012. He is also the chairman of our finance and investment committee, a member of our corporate governance committee and a member of our remuneration committee. He is responsible for overseeing the overall operations of the Group and is a director of a subsidiary of the Company. In 2002, Mr. Chen obtained his doctorate degree in naval architecture and ocean engineering from Harbin Engineering University (哈爾濱工程大學) and an MBA degree from China Europe International Business School (中歐國際工商學院). Mr. Chen obtained a master's degree in professional accounting (EMPAcc) (專業會計碩士) from the Chinese University of Hong Kong and was awarded the CFO Qualifying Certificate from the Shanghai National Accounting Institute (上海國家會計學院) in 2010. He also obtained a bachelor's degree in marine power engineering from Shanghai Jiao Tong University (上海交通大學) in 1982. He also completed the Rongsheng Global Leaders Program of the Wharton School of the University of Pennsylvania in October 2011. Mr. Chen once served as an assistant to the general manager and subsequently a deputy manager of Jiangnan Shipbuilding Group Co., Ltd. (江南造船集團有限公司). He was an executive deputy general manager and subsequently the vice-chairman to the board of directors and general manager of Shanghai Waigaoqiao Shipbuilding Co., Ltd. (上海外高橋造船有限公司), and was one of the founders of the company. Mr. Chen is one of the experts on the national expert database of the PRC

### 董事會

董事會通過若干委員會監督本公司運營，承擔本公司事務管理的最終責任。董事會由八人組成，其中包括五名執行董事及三名獨立非執行董事。

### 執行董事

#### 陳強先生

董事會主席、  
執行董事兼首席執行官

陳強先生，57歲，為本公司執行董事、主席兼首席執行官。陳先生於二零零四年加入本集團，並於二零一零年十月二十四日獲委任為執行董事。彼還於二零一二年十一月二十六日獲委任為董事會主席。彼亦為財務及投資委員會主席、企業管治委員會成員及薪酬委員會成員。彼負責監管本集團整體運營，並為本公司一家附屬公司之董事。陳先生於二零零二年獲哈爾濱工程大學船舶與海洋工程博士學位，及獲中歐國際工商學院工商管理碩士學位。陳先生二零一零年獲香港中文大學專業會計碩士學位，並獲上海國家會計學院頒發財務總監資格證書。彼亦於一九八二年獲上海交通大學船舶動力機械學士學位。彼亦於二零一一年十月完成賓夕法尼亞大學沃頓商學院的熔盛全球領袖課程。陳先生曾先後出任江南造船集團有限公司的總經理助理及副總經理。陳先生曾任上海外高橋造船有限公司的常務副總經理及董事會副主席兼總經理，並為該公司創始人之一。陳先生為中國國家級專家庫人才，亦被江蘇省政府選為「百名創業人才」之一。彼於二零一一

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

and was named as one of the “one hundred entrepreneurial talents” by the Jiangsu provincial government. In 2011, he was also a top-tier chief scientist enrolled in the 4th “333 Talents Cultivation Project” of Jiangsu Province. In 2010, the prestigious Norwegian shipping magazine “TradeWinds” ranked him the 41st among the “100 Most Influential People in Shipping Today”. In 2012, Lloyd’s List ranked him the 88th among the “100 Most Influential People in Global Shipping Industry of 2012”.

Mr. Chen enjoys special government allowances granted by the State Council and has won many domestic awards and has been granted many honorary titles, for example, the State Scientific and Technological Progress Second Class Award (國家科學技術進步二等獎) in 1990. Mr. Chen is a committee member of the Jiangsu Shipbuilding and Offshore Engineering Assessment Panel of Professional Qualification (江蘇省船舶與海洋工程高級專業技術資格評審會). He is also a member of the council of CCS (中國船級社) and a member of the technology committee of the four biggest ship classification societies, namely, DNV GL, ABS, LR and CCS.

#### *Mr. HONG Liang*

Executive Director and Chief Operating Officer

Mr. Hong Liang, aged 47, is an executive Director and chief operating officer of the Company. Mr. Hong joined the Group in 2006 and was appointed as an executive Director on 24 October 2010. He is a member of our finance and investment committee. He was further appointed as the chief operating officer of the Company on 27 November 2017. He is also a director of certain subsidiaries of the Company. Mr. Hong is primarily responsible for investment and financing, capital as well as cost and budget management. Mr. Hong obtained his bachelor’s degree in accounting from Shanghai University (上海大學) in 1994. He obtained the Master of Executive Professional Accountancy (EMPAcc) from Shanghai National Accounting Institute and The Chinese University of Hong Kong in August 2010. He also completed the Rongsheng Global Leaders Program of the Wharton School of the University of Pennsylvania in October 2011. Mr. Hong has 20 years of experience in corporate finance and strategic investment gained from his service at investment banks. Mr. Hong worked at Shenyin and Wanguo Securities (申銀萬國證券公司) as an assistant manager of division two of the Shanghai investment banking department from 1994 to 1997, the deputy general manager of the Shanghai investment banking division of CITIC Securities Limited (中信證券有限責任公司), the

年亦獲選為江蘇省第四期「333高層次人才培養」的第一層次首席科學家。於二零一零年，挪威知名船運雜誌「Trade Winds」將其列於「當今船運業最具影響力的百名人物(100 Most Influential People in Shipping Today)」第四十一名。於二零一二年，勞氏海運報將其列入「2012國際航運界最有影響力100人」第八十八名。

陳先生享有國務院政府特殊津貼，並曾多次獲得多項國內獎項和獲授多項榮譽，如一九九零年獲國家科學技術進步二等獎。陳先生為江蘇省船舶與海洋工程高級專業技術資格評審會委員。彼並為中國船級社理事及四大船級社DNV GL、ABS、LR及CCS技術委員。

#### *洪樑先生*

執行董事及首席營運官

洪樑先生，47歲，為本公司的執行董事兼首席營運官。洪先生於二零零六年加入本集團，並於二零一零年十月二十四日獲委任為執行董事。彼為財務及投資委員會成員。彼於二零一七年十一月二十七再獲委任為本公司首席營運官。彼亦為本公司若干附屬公司之董事。洪先生主要負責投融資、資金及成本預算管理。洪先生於一九九四年獲上海大學會計學學士學位，於二零一零年八月獲得上海國家會計學院與香港中文大學的高級財會人員專業會計碩士學位。彼亦於二零一一年十月完成賓夕法尼亞大學沃頓商學院的熔盛全球領袖課程。洪先生曾在投資銀行工作，在企業融資及策略融資方面累積二十年經驗。洪先生曾自一九九四年至一九九七年擔任申銀萬國證券公司上海投資銀行部門第二部副經理、中信證券有限責任公司上海投資銀行部的副總經理、自一九九八年至一九九九年擔任聯合證券股份公司投資銀行部總經理、自一九九九年至二零零二年擔任中信

general manager of the investment banking division of United Securities Company Limited (聯合證券股份公司) from 1998 to 1999, the deputy manager of the investment banking division of CITIC Securities Limited (中信證券股份公司) from 1999 to 2002, the general manager of the investment and development division of Shanghai Sun Glow Investment Co., Ltd. (上海陽光投資集團有限公司) from 2002 to 2004, and the deputy general manager of the strategic investment division of Shanghai Dasheng Holdings Limited (上海大盛資產公司) from 2004 to 2005.

**Mr. WANG Tao**

Executive Director

Mr. Wang Tao, aged 46, is an executive Director. Mr. Wang joined us in 2008 and was appointed as an executive Director on 24 October 2010. He is a member of our corporate governance committee. He is also a director of certain subsidiaries of the Company. Mr. Wang is primarily responsible for legal affairs. He obtained his bachelor's degree in law from China University of Political Science and Law (中國政法大學) in 1994. Mr. Wang obtained his certificate in world economics from the Department of Economics of Renmin University of China (中國人民大學研究生院經濟學院) in 2005 and graduated from an advanced course in ship finance law (船舶融資法律實務高級研修班) from Shanghai Jiao Tong University (上海交通大學) in 2010. He also completed the Rongsheng Global Leaders Program of the Wharton School of the University of Pennsylvania in October 2011. From 1999 to 2008, Mr. Wang had held various positions in Shanghai Sun Glow Investment Group Co., Ltd. (上海陽光投資集團有限公司), namely, legal consultant, assistant to the president, vice-president and assistant to the chairman of the board. Mr. Wang qualified as a lawyer in the PRC in 1999.

證券股份公司投資銀行部副經理、自二零零二年至二零零四年擔任上海陽光投資集團有限公司投資發展部總經理及自二零零四年至二零零五年擔任上海大盛資產公司策略投資部副總經理。

**王濤先生**

執行董事

王濤先生，46歲，為執行董事。王先生於二零零八年加入本集團，並於二零一零年十月二十四日獲委任為執行董事。彼為企業管治委員會成員。彼亦為本公司若干附屬公司之董事。王先生主要負責法律事務。彼於一九九四年獲中國政法大學法學學士學位、於二零零五年獲中國人民大學研究生院經濟學院世界經濟學證書並於二零一零年畢業於上海交通大學船舶融資法律實務高級研修班。彼亦於二零一一年十月完成賓夕法尼亞大學沃頓商學院的熔盛全球領袖課程。王先生自一九九九年至二零零八年分別擔任上海陽光投資集團有限公司多個職位，分別為法律顧問、總裁助理、副總裁及董事會主席助理。王先生於一九九九年獲中國律師資格。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### *Ms. ZHU Wen Hua*

Executive Director

Ms. Zhu Wen Hua, aged 50, is an executive Director. Ms. Zhu was appointed as an executive Director on 31 December 2013. She is a member of our nomination committee. She has served as vice-chairman of Rongsheng Heavy Industries since May 2015. She served as an assistant supervisor of the supervisory audit department and a supervisor of the bidding control department of Rongsheng Heavy Industries, a subsidiary of the Company, since 2009 and January 2012 respectively. She also has served as an assistant to the president of Rongsheng Heavy Industries since October 2013. Since March 2014, she has served as vice-president of Rongsheng Heavy Industries, as well as head of the cost control department and director of the bidding office. She is also a director of certain subsidiaries of the Company. Ms. Zhu graduated from the Graduate School of the Shanghai University (上海大學研究生部) in May 2010 studying a professional postgraduate course in Management Science & Engineering. She also completed the Rongsheng Global Leaders Program of the Wharton School of the University of Pennsylvania in June 2012.

#### *Mr. ZHANG Ming*

Executive Director

Mr. Zhang Ming, aged 62, is an executive Director. Mr. Zhang was appointed as an executive Director on 24 October 2016. He is a member of our finance and investment committee and corporate governance committee. Mr. Zhang has over 30 years of experience in the shipping and shipbuilding businesses. Mr. Zhang has previously joined the Group in May 2006 until leaving as the executive vice-president of Rongsheng Heavy Industries in July 2010. He rejoined the Group in November 2015 as the vice-president of Rongsheng Heavy Industries and became the president of Rongsheng Heavy Industries since September 2016. Prior to joining the Group, Mr. Zhang once served as an assistant supervisor of engineering and maintenance department in Qingdao Ocean Shipping Co., Ltd. (青島遠洋運輸有限公司), the general manager of Coscoship (Qingdao)

#### *朱文花女士*

執行董事

朱文花女士，50歲，為執行董事。朱女士於二零一三年十二月三十一日獲委任為執行董事，彼亦為提名委員會成員。彼於二零一五年五月起擔任熔盛重工副董事長。彼曾於二零零九年出任熔盛重工的監察審計部副主任，及於二零一二年一月起擔任熔盛重工招標管控制主任，並於二零一三年十月起擔任熔盛重工的總裁助理。彼於二零一四年三月起擔任熔盛重工副總裁，兼任成本管控制部長及招標辦公室主任。彼亦為本公司若干附屬公司之董事。朱女士於二零一零年五月畢業於中國上海大學研究生部，學習管理科學與工程專業研究生課程。彼亦於二零一二年六月完成賓夕法尼亞大學沃頓商學院的熔盛全球領袖課程。

#### *張明先生*

執行董事

張明先生，62歲，為執行董事。張先生於二零一六年十月二十四日獲委任為執行董事，彼亦為財務及投資委員會成員及企業管治委員會成員。張先生於航運及造船行業擁有逾三十年的經驗。張先生曾於二零零六年五月加入本集團，直至二零一零年七月離職前擔任熔盛重工常務副總裁；並於二零一五年十一月再次加入本集團，擔任熔盛重工副總裁，及後於二零一六年九月起擔任熔盛重工總裁。加入本集團之前，張先生曾先後任職青島遠洋運輸有限公司機務中心副主任、青島遠洋船舶國際貿易有限公司總經理、南通中遠川崎船舶工程有限公司副總經理、上海佳豪船舶科技發展有限公司總裁及上海佳豪



Co., Ltd. (青島遠洋船舶國際貿易有限公司), the deputy general manager of Nantong COSCO KHI Ship Engineering Co., Ltd. (南通中遠川崎船舶工程有限公司), the president of Shanghai Bestway Marine Technology Development Co., Ltd. (上海佳豪船舶科技發展有限公司) and the general manager of Shanghai Bestway Yacht Development Co., Ltd. (上海佳豪遊艇發展有限公司). Mr. Zhang obtained a bachelor's degree in ship design and manufacturing from Dalian University of Technology (大連理工大學) in 1982; and obtained a master's degree in transportation management and engineering from Dalian Maritime University (大連海事大學) in 1998. He has been acting as a visiting professor of Dalian Maritime University since November 2004.

### Independent Non-executive Directors

#### *Mr. WANG Jin Lian*

Independent Non-executive Director

Mr. Wang Jin Lian, aged 73, is an independent non-executive Director. He was appointed as an independent non-executive Director on 31 July 2013. He is the chairman of our corporate governance committee and nomination committee and a member of our audit committee, finance and investment committee and remuneration committee. He was the secretary general of China Association of the National Shipbuilding Industry from May 2006 to August 2014, and he is currently a consultant for China Association of the National Shipbuilding Industry. Mr. Wang has over 40 years of experience in shipbuilding industry. He previously held various senior positions, including deputy director general of the international bureau of China State Shipbuilding Corporation (中國船舶工業總公司), director general of the planning and development department of China State Shipbuilding Corporation (中國船舶工業集團公司), vice chairman of Shanghai Waigaoqiao Shipbuilding Co., Ltd. (上海外高橋造船有限公司) and vice chairman of Hudong Heavy Machinery Co., Ltd. (滬東重機股份有限公司). Mr. Wang holds the senior engineer (researcher level) qualification in China. He graduated from Beijing Institute of Aeronautics (currently named as Beihang University) (北京航空學院, 現為北京航空航天大學) in 1969.

遊艇發展有限公司總經理。張先生於一九八二年獲大連理工大學船舶設計與製造專業學士學位，並於一九九八年獲大連海事大學運輸管理工程工學碩士學位。彼自二零零四年十一月起擔任大連海事大學客座教授。

### 獨立非執行董事

#### *王錦連先生*

獨立非執行董事

王錦連先生，73歲，為獨立非執行董事。彼於二零一三年七月三十一日獲委任為獨立非執行董事。彼為企業管治委員會及提名委員會主席，及審核委員會、財務投資委員會及薪酬委員會成員。彼於二零零六年五月至二零一四年八月擔任中國船舶工業行業協會秘書長，及現為中國船舶工業行業協會顧問。王先生於船舶工業行業方面擁有超過四十年的經驗。彼曾先後擔任中國船舶工業總公司國際事業局副局長、中國船舶工業集團公司發展計劃部主任、上海外高橋造船有限公司副董事長及滬東重機股份有限公司副董事長。王先生在中國擁有高級工程師(研究員級)資格。彼於一九六九年畢業於北京航空學院(現為北京航空航天大學)。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### *Ms. ZHOU Zhan*

Independent Non-executive Director

Ms. Zhou Zhan, aged 57, is an independent non-executive Director. She was appointed as an independent non-executive Director on 21 May 2014. She is the chairman of our audit committee and remuneration committee and a member of our finance and investment committee and nomination committee. She is currently a partner at Beijing Promise Certified Public Accountants General Partnership (北京京重信會計師事務所). She participated in founding Sino-Reality Certified Public Accountants (華實會計師事務所) in 1997, where she served as a partner from 1997 to 2013. Ms. Zhou has more than 30 years of experience in auditing, accounting and taxation. Ms. Zhou holds Certified Public Accountant and Certified Public Tax Advisor qualifications in the PRC. She graduated from Zhongnan University of Economics and Law (中南財經政法大學) with a bachelor's degree in economics in 1983.

#### *Mr. LAM Cheung Mau*

Independent Non-executive Director

Mr. Lam Cheung Mau, aged 62, is an independent non-executive Director. Mr. Lam was appointed as an independent non-executive Director on 18 November 2015. He is a member of our audit committee and corporate governance committee. Mr. Lam has over 30 years of experience in auditing and finance. He previously held various positions, as officers in the audit department of Hua Chiao Commercial Bank, in the corporate planning and budgeting division of the finance department of Bank of China (Hong Kong) and was an audit manager of Han's Laser Technology Industry Group Co., Ltd. Mr. Lam graduated in 1982 from the accounting division of Xiamen University (廈門大學) with a bachelor's degree in economics. Mr. Lam is currently an independent non-executive director of China Smarter Energy Group Holdings Limited (a company listed on the Hong Kong Stock Exchange) and a member of its audit committee, remuneration committee and nomination committee.

#### *周展女士*

獨立非執行董事

周展女士，57歲，為獨立非執行董事。彼於二零一四年五月二十一日獲委任為獨立非執行董事。彼為審核委員會及薪酬委員會主席，及財務及投資委員會成員及提名委員會成員。彼現為北京京重信會計師事務所合夥人。彼於一九九七年組建華實會計師事務所，並於一九九七年至二零一三年擔任合夥人。周女士在審計、會計及稅務行業擁有超過三十年的經驗。周女士擁有中國註冊會計師及中國註冊稅務師資格。彼於一九八三年畢業於中南財經政法大學經濟學學士學位。

#### *林長茂先生*

獨立非執行董事

林長茂先生，62歲，為獨立非執行董事。林先生於二零一五年十一月十八日獲委任為獨立非執行董事。彼為審核委員會及企業管治委員會成員。林先生於審計及財務行業擁有逾三十年的經驗。林先生先後任職華僑商業銀行稽核(審計)部及中國銀行(香港)財務部企業規劃預算處主任及深圳市大族激光科技股份有限公司審計部經理。林先生於一九八二年於廈門大學會計專業畢業，獲授經濟學學士學位。林先生目前為中國智慧能源集團控股有限公司(一家於香港聯交所上市的公司)的獨立非執行董事，以及其審核委員會、薪酬委員會及提名委員會成員。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors are pleased to submit this report together with the audited consolidated financial statements of the Group for the year ended 31 December 2018.

## Principal Activities and Analysis of Operations

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in note 37 on pages 262 to 274 to the financial statements.

Details of the analysis of the Group's turnover and contribution to gross profit for the year, by operating segments, are set out in Note 5 to the consolidated financial statements.

## Business Review

A fair review of the business of the Group as required pursuant to Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), comprising analysis of the Group performance during the year, description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year 2018 as well as indication of likely future development in the business of the Group are set out in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Corporate Governance Report" contained in this annual report.

The financial risk management objectives and policies of the Group are set out in Note 3 to the consolidated financial statements. An analysis of the Group's performance using financial key performance indicators is shown in the section headed "Five-Year Financial Summary" of this annual report.

## Results

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of comprehensive income on pages 96 to 98 of this annual report.

## Dividend Policy and Dividends

The Directors did not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: nil).

董事欣然呈報本報告連同本集團截至二零一八年十二月三十一日止年度的經審核綜合財務報表。

## 主要業務及營運分析

本公司的主要業務為投資控股。其主要附屬公司的業務載於財務報表第262頁至第274頁附註37。

本集團按經營板塊的營業額及年度毛利潤貢獻分析詳情載列於綜合財務報表附註5。

## 業務回顧

按公司條例(香港法例第622章)附表5指定本集團業務之中肯審視，其中包括集團於年內之表現分析、本集團所面對主要風險及不明朗因素之描述、自二零一八年財政年度終結後發生並對本集團有影響之重大事項，以及本集團日後可能出現之業務發展，均載於本年報之「主席報告書」、「管理層討論與分析」及「企業管治報告」之章節內。

本集團之金融風險管理目標及政策載於綜合財務報表附註3。運用財務關鍵表現指標對本集團表現之分析載於本年報之「五年財務概要」之章節中。

## 業績

本集團截至二零一八年十二月三十一日止年度的年度業績載列於本年報第96至98頁綜合全面收益表。

## 股息政策及股息

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

## REPORT OF THE DIRECTORS 董事會報告

The Company's ability to pay dividends depends on, among other things, the Group's current and future operations, liquidity position and capital requirements. The payment of dividends by the Company is also subject to compliance with any restrictions under the Laws of the Cayman Islands, the memorandum and articles of association of the Company and any applicable laws, rules and regulations. The Board will review the dividend policy from time to time and may exercise at its absolute and sole discretion to update, amend, and/or modify the policy at any time as it deems fit and necessary. There is no assurance that dividends will be paid in any particular amount for any specific period.

### Closure of Register of Members

The register of members of the Company will be closed during the period from Tuesday, 4 June 2019 to Monday, 10 June 2019 (both days inclusive), during which no transfers will be registered, for the purpose of ascertaining shareholders' entitlement to attend and vote at the forthcoming annual general meeting of the Company to be held on Monday, 10 June 2019 ["2019 AGM"]. In order to be eligible to attend and vote at the 2019 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 3 June 2019.

### Share Capital

Details of the movements in the share capital of the Company are set out in Notes 15 and 16 to the consolidated financial statements.

### Convertible Bonds

Details of the convertible bonds are set out in the Note 19 to the consolidated financial statements.

### Distributable Reserves

As at 31 December 2018, no reserves of the Company available for distribution to shareholders (2017: RMB8,253.8 million).

本公司派付股息之能力取決於(其中包括)本集團現時及未來營運、流動資金狀況及資本需求等情況。本公司股息的派付亦須遵守開曼群島法律、本公司組織章程大綱及章程細則以及任何適用法例、規則及法規項下的任何限制。董事會將不時檢討股息政策，並在其認為合適及必要的情況下可隨時全權酌情更新、修訂及/或更改該政策。本公司概不能保證於任何特定期間派付任何特定金額之股息。

### 暫停股份過戶登記

本公司將由二零一九年六月四日(星期二)至二零一九年六月十日(星期一)止(包括首尾兩日)，期間暫停辦理股份過戶登記，目的是確定有權出席本公司將於二零一九年六月十日(星期一)舉行的應屆股東週年大會(「二零一九年股東週年大會」)並於會上投票的股東名單。為合資格有權出席二零一九年股東週年大會並於會上投票，所有股份過戶登記連同相關股票須於不遲於二零一九年六月三日(星期一)下午四時三十分送交本公司香港證券登記處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室)進行登記。

### 股本

本公司股本的變動詳情載列於綜合財務報表附註15及16。

### 可換股債券

本公司可換股債券詳情載列於綜合財務報表附註19。

### 可供分派儲備

於二零一八年十二月三十一日，本公司概無可供分派予股東的儲備(二零一七年：人民幣8,253.8百萬元)。

## Financial Summary

A summary of the results for the year ended and of the assets and liabilities of the Group as at 31 December 2018 and for the previous four financial years are set out in the Five-Year Financial Summary section on page 279 of this annual report.

## Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association or the relevant laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis.

## Purchase, Sale or Redemption of the Company's Listed Securities

During the year ended 31 December 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## Share Option Schemes

### Pre-IPO Share Option Scheme

On 24 October 2010, the Company conditionally approved and adopted the Pre-IPO Share Option Scheme.

As at 31 December 2018 and, 29 March 2019, being the date of this report, the total number of Shares in respect of the outstanding options granted under the Pre-IPO Share Option Scheme was 3,650,000 Shares, representing approximately 0.09% and 0.08% of the total issued share capital of the Company comprising 4,116,371,507 Shares and 4,386,491,507 Shares, respectively. No further options will be offered or granted by the Company pursuant to the Pre-IPO Share Option Scheme. The exercise price per Share of the options granted under the Pre-IPO Share Option Scheme is HKD20.00.

The purpose of the Pre-IPO Share Option Scheme is to give the participants an opportunity to acquire a personal stake in the Company and help motivate such participants to optimise their performance and efficiency, and also to help retain the participants whose contributions are important to the long-term growth and profitability of the Group. The maximum number of Shares issued and to be issued upon exercise of the options granted under the Pre-IPO Share Option Scheme to any one Participant (including both exercised and unexercised options) in any 12-month period shall not exceed 1% of the Shares in issue as at the date of grant.

## 財務概要

本集團截至二零一八年十二月三十一日止年度以及之前四個財政年度的業績及資產負債概要載列於本年報第279頁五年財務概要一節。

## 優先購買權

本公司的細則或相關開曼群島法律概無優先購買權條文規定要求本公司須按比例發行新股份。

## 購買、出售或贖回本公司的上市證券

截至二零一八年十二月三十一日止年度，本公司及其任何附屬公司均無購買、出售或贖回任何本公司上市證券。

## 購股權計劃

### 首次公開發售前購股權計劃

於二零一零年十月二十四日，本公司有條件批准及採納首次公開發售前購股權計劃。

於二零一八年十二月三十一日及二零一九年三月二十九日(即本報告日期)，首次公開發售前購股權計劃授出的未行使購股權的股份總數均為3,650,000股，分別相等於本公司已發行股本總額4,116,371,507股及4,386,491,507股股份的約0.09%及0.08%。本公司不會根據首次公開發售前購股權計劃再發行或授出購股權。根據首次公開發售前購股權計劃授予的購股權行使價為每股股份20.00港元。

首次公開發售前購股權計劃的目的是給予參與者擁有本公司私人股份的機會，並能推動參與者發揮其最好的表現與效率，及用以保留對本集團之長遠增長及利益有重要貢獻的參與者。在任何十二個月期間內，向任何一位參與人士根據首次公開發售前購股權計劃授出之購股權(包括已行使及未行使之購股權)獲行使時所發行及將發行之最高股份數目不得超過於授出日期已發行股份之1%。

## REPORT OF THE DIRECTORS 董事會報告

The following table discloses details of the Company's outstanding share options held by the Directors and certain employees of the Company under the Pre-IPO Share Option Scheme and their movements during the year ended 31 December 2018:

下表披露本公司董事及若干僱員持有本公司首次公開發售前購股權計劃項下未行使購股權的詳情以及截至二零一八年十二月三十一日止年度的變動：

Names of grantees	Date of grant	Number of share options 購股權數目					As at 31 December 2018 於二零一八年 十二月 三十一日	Exercise price (HKD) 行使價 (港元)	Exercisable period 行使期
		As at 1 January 2018 於二零一八年 一月一日	Exercised 已行使	Cancelled 註銷	Lapsed 失效	As at 31 December 2018 於二零一八年 十二月 三十一日			
Mr. Hong Liang 洪禎先生	24 October 2010 二零一零年 十月二十四日	875,000	-	-	-	875,000	20.00	Note 附註	
Mr. Wang Tao 王濤先生	24 October 2010 二零一零年 十月二十四日	875,000	-	-	-	875,000	20.00	Note 附註	
Ms. Zhu Wen Hua 朱文花女士	24 October 2010 二零一零年 十月二十四日	75,000	-	-	-	75,000	20.00	Note 附註	
Senior Management and other employees (in aggregate) 高級管理層及 其他僱員(合共)	24 October 2010 二零一零年 十月二十四日	2,275,000	-	-	450,000	1,825,000	20.00	Note 附註	
Total 合計		4,100,000	-	-	450,000	3,650,000			

Note:

Each of the grantees to whom the options have been granted under the Pre-IPO Share Option Scheme is entitled to exercise:

- (i) up to 20% of the shares that are subject to the options granted to the relevant grantee (rounded down to the nearest whole number of shares) at any time during the period commencing on 19 November 2010 (the "Listing Date") and ending on the first anniversary of the Listing Date;
- (ii) up to 40% of the shares that are subject to the options granted to the relevant grantee less the number of shares in respect of which the options have been exercised by the grantee (rounded down to the nearest whole number of shares) at any time during the period commencing on the expiry of the first anniversary of the Listing Date and ending on the second anniversary of the Listing Date;
- (iii) up to 60% of the shares that are subject to the options granted to the relevant grantee less the number of shares in respect of which the options have been exercised by the grantee (rounded down to the nearest whole number of shares) at any time during the period commencing on the expiry of the second anniversary of the Listing Date and ending on the third anniversary of the Listing Date;

附註：

根據首次公開發售前購股權計劃獲授購股權的各承授人有權行使：

- (i) 由二零一零年十一月十九日(「上市日期」)起至上市日期一週年屆滿止期間任何時間，不多於授予相關承授人購股權所涉股份的20% (約減至最接近股份總數的整數)；
- (ii) 由上市日期一週年屆滿起至上市日期兩週年屆滿止期間任何時間，不多於授予相關承授人購股權所涉股份的40%減承授人已行使購股權所涉股份(約減至最接近股份總數的整數)；
- (iii) 由上市日期兩週年屆滿起至上市日期三週年屆滿止期間任何時間，不多於授予相關承授人購股權所涉股份的60%減承授人已行使購股權所涉股份(約減至最接近股份總數的整數)；

- (iv) up to 80% of the shares that are subject to the options granted to the relevant grantee less the number of shares in respect of which the options have been exercised by the grantee (rounded down to the nearest whole number of shares) at any time during the period commencing on the expiry of the third anniversary of the Listing Date and ending on the fourth anniversary of the Listing Date; and
- (v) such number of shares subject to the options granted to the relevant grantee less the number of shares in respect of which the options have been exercised by the grantee (rounded down to the nearest whole number of shares) at any time during the period commencing on the expiry of the fourth anniversary of the Listing Date and ending on 26 October 2020.

- (iv) 由上市日期三週年屆滿起至上市日期四週年屆滿止期間任何時間，不多於授予相關承授人購股權所涉股份的80%減承授人已行使購股權所涉股份(約減至最接近股份總數的整數)；及
- (v) 由上市日期四週年屆滿起至二零二零年十月二十六日止期間任何時間，授予相關承授人購股權所涉股份減承授人已行使購股權所涉股份數目(約減至最接近股份總數的整數)。

## Share Option Scheme

On 24 October 2010, the Company also conditionally approved and adopted a share option scheme for the purpose of enabling the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. Under the Share Option Scheme, the maximum number of Shares which may be issued by the Company pursuant to the exercise of the share options under the Share Option Scheme is 140,000,000 Shares, representing 10% of the total issued share capital of the Company on the Listing Date. As at 31 December 2018, the total number of Shares in respect of the outstanding options granted under the Share Option Scheme was 29,048,000 Shares, representing approximately 0.71% of the total issued share capital of the Company comprising 4,116,371,507 Shares. The exercise price per Share of the options granted under the Share Option Scheme is HKD9.70. During the Period, no share options had been granted under the Share Option Scheme.

As at 29 March 2019, being the date of this report, the maximum number of Shares which may be issued by the Company pursuant to the exercise of the share options under the Share Option Scheme (after taking into account of any lapse of share options thereunder) was 29,048,000 Shares, representing approximately 0.66% of the total issued share capital of the Company comprising 4,386,491,507 Shares. The maximum number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to each participant (including both exercised and unexercised options) in any 12-month period shall not exceed 1% of the Shares in issue as at the date of grant.

The following table discloses details of the Company's outstanding share options held by the Directors and certain employees of the Company under the Share Option Scheme and their movements during the year ended 31 December 2018:

## 購股權計劃

於二零一零年十月二十四日，本公司亦有條件批准及採納一項購股權計劃，旨在容許本集團授出購股權予經甄選的參與者，作為彼等對本集團作出貢獻的獎勵或獎賞。根據購股權計劃，本公司可能根據購股權計劃行使購股權而發行的股份數目最多為140,000,000股股份，相等於上市日期當日的本公司已發行股本總額的10%。截至二零一八年十二月三十一日，購股權計劃授出的未行使購股權涉及的股份總數為29,048,000股，相等於本公司已發行股本總額4,116,371,507股股份的約0.71%。根據購股權計劃授予的購股權行使價為每股股份9.70港元。於本期間，概無根據購股權計劃授出購股權。

於二零一九年三月二十九日(即本報告日期)，本公司可根據購股權計劃(已計及其項下任何失效的購股權)行使購股權而發行之股份數目為最多29,048,000股股份，相等於本公司已發行股本總額4,386,491,507股股份的約0.66%。在任何十二個月期間內，向任何一位參與人士根據購股權計劃授出之購股權(包括已行使及未行使之購股權)獲行使時所發行及將發行之最高股份數目不得超過於授出日期已發行股份之1%。

下表披露本公司董事及若干僱員持有本公司購股權計劃項下未行使購股權的詳情以及截至二零一八年十二月三十一日止年度的變動：

# REPORT OF THE DIRECTORS

## 董事會報告

Name of grantee	Date of grant	Number of share options 購股權數目				As at 31 December 2018 於二零一八年 十二月 三十一日	Exercise price (HKD) 行使價 (港元)	Exercisable period 行使期
		As at 1 January 2018 於二零一八年 一月一日	Exercised 已行使	Cancelled 註銷	Lapsed 失效			
Mr. Chen Qiang 陳強先生	30 April 2012 二零一二年 四月三十日	14,000,000	-	-	-	14,000,000	9.70	Note 附註
Mr. Hong Liang 洪樑先生	30 April 2012 二零一二年 四月三十日	2,800,000	-	-	-	2,800,000	9.70	Note 附註
Mr. Wang Tao 王濤先生	30 April 2012 二零一二年 四月三十日	1,276,000	-	-	-	1,276,000	9.70	Note 附註
Ms. Zhu Wen Hua 朱文花女士	30 April 2012 二零一二年 四月三十日	900,000	-	-	-	900,000	9.70	Note 附註
Senior Management and other employees (in aggregate) 高級管理層及 其他僱員(合共)	30 April 2012 二零一二年 四月三十日	13,148,000	-	-	3,076,000	10,072,000	9.70	Note 附註
Total 合計		32,124,000	-	-	3,076,000	29,048,000		

Note:

No share options are exercisable prior to the first anniversary of 30 April 2012 ("Date of Grant"). On each of the first, second, third, fourth and fifth anniversaries of the Date of Grant, a further 20% of the share options granted to each grantee may be exercised, provided that no share options shall be exercised after 30 April 2022.

Particulars of the Company's Pre-IPO Share Option Scheme and Share Option Scheme are set out in Note 16 to the consolidated financial statements.

## Subsidiaries

Details of the Company's subsidiaries as at 31 December 2018 are set out in Note 37 to the consolidated financial statements.

附註：

概無購股權可於二零一二年四月三十日(「授出日期」)一週年屆滿前行使。於授出日期一週年、兩週年、三週年、四週年及五週年分別可行使向各承授人進一步授出之20%購股權，惟概無購股權可於二零一二年四月三十日後行使。

本公司首次公開發售前購股權計劃及購股權計劃的詳情載列於綜合財務報表附註16。

## 附屬公司

於二零一八年十二月三十一日，本公司附屬公司詳情載列於綜合財務報表附註37。



## Connected Transactions

Pursuant to Chapter 14A of the Listing Rules, the following transactions are connected transactions or continuing connected transactions under the Listing Rules which are subject to the disclosure requirements under Chapter 14A of the Listing Rules.

### Structure Agreements

According to the Foreign Investment Industries Catalogue, foreign ownership in a ship repair, design and manufacturing company in PRC may not exceed 49%. Additionally, foreign ownership in companies which repair, design and manufacture marine engineering equipment and those that design and manufacture low-speed and medium-speed marine diesel engines may not exceed 49%.

In view of the abovementioned foreign ownership restrictions, Rongsheng Heavy Industries only owns a 49% equity interest in Rongsheng Shipbuilding and Rongsheng Investment (renamed as Xuming Investment) owns the remaining 51% equity interest. Similarly, Rong An Power Machinery is owned by Rongsheng Shipbuilding as to 51% and by Rongye Mechanical as to 49%. Mr. Zhang Zhi Rong, who is currently a substantial shareholder of the Company and who was formerly the Chairman and a non-executive director of the Company prior to his resignation on 26 November 2012, is the ultimate controlling shareholder of Rongsheng Investment. Particulars of Rongsheng Heavy Industries and Rongsheng Shipbuilding are set out in Note 37 to the consolidated financial statements.

In order to enable us to govern and control the financial and operating policies of Rongsheng Shipbuilding and for Rongsheng Heavy Industries to enjoy 100% of the economic benefits of Rongsheng Shipbuilding, we have entered into a shareholders' agreement (the "**Shareholder Agreement**") through Rongsheng Heavy Industries with Rongsheng Investment dated 8 January 2009 but effective as at 21 May 2008 and a supplemental agreement in relation thereto through Rongsheng Heavy Industries with Rongsheng Investment dated 18 October 2010 but effective as at 21 May 2008.

## 關連交易

根據上市規則第14A章，下列交易構成上市規則項下的關連交易或持續關連交易，須遵守上市規則第14A章之披露規定。

### 架構協議

根據外商投資產業指導目錄，外資在中國的船舶維修、設計和製造企業的持股權益最多不得超過49%。此外，維修、設計及製造海洋工程設備以及設計和製造中低速船用柴油發動機的外資持股亦不得超過49%。

鑒於存在上述對外資所有權之限制，熔盛重工僅擁有熔盛造船的49%股權，而熔盛投資(現稱旭明投資)擁有其餘的51%股權。同樣，熔安動力機械由熔盛造船擁有51%權益及由熔焊機電擁有49%權益。張志熔先生，其現時為本公司的主要股東及於二零一二年十一月二十六日辭任前為本公司的主席兼非執行董事，為熔盛投資的最終控股股東。熔盛重工及熔盛造船的詳情載列於綜合財務報表附註37。

為規管及控制熔盛造船的財務及經營政策以及熔盛重工享有熔盛造船的全部經濟效益，我們經已透過熔盛重工與熔盛投資於二零零九年一月八日訂立而於二零零八年五月二十一日生效的股東協議(「**股東協議**」)並通過熔盛重工與熔盛投資於二零一零年十月十八日訂立(但於二零零八年五月二十一日生效)相關的補充協議。

## REPORT OF THE DIRECTORS 董事會報告

On 20 October 2010, a services agreement (the “**Services Agreement**”) was entered into amongst Rongsheng Heavy Industries, Rongsheng Shipbuilding and Rongsheng Investment, the key provisions of which are as follows:

- (1) Rongsheng Heavy Industries agreed to provide shipbuilding technology guidance, support and improvements, engineering supervision, acceptance testing and other support work- related consulting services to Rongsheng Shipbuilding (the “**Services**”);
- (2) Rongsheng Investment agreed to pay Rongsheng Heavy Industries a services fee equivalent to all of the economic benefits flowing from the dividend income received from Rongsheng Shipbuilding as a result of its 51% interest in the share capital of Rongsheng Shipbuilding (which is due and payable on the same date when Rongsheng Shipbuilding pays any dividend to its shareholders); and
- (3) Rongsheng Investment undertakes not to retain any parties other than Rongsheng Heavy Industries to provide similar services to Rongsheng Shipbuilding without the prior written consent of Rongsheng Heavy Industries.

The Group does not have a controlling equity interest in Rongsheng Shipbuilding and therefore can only rely on contractual arrangements under the Shareholders’ Agreement and the Services Agreement (collectively, the “**Structure Agreements**”) to carry out its shipbuilding operations. The PRC governmental authorities may in the future interpret or issue laws, regulations or policies that result in the contractual arrangements under the Structure Agreements being deemed to be in violation of the existing or then prevailing PRC laws and regulations, which would materially impact on the Group’s entitlement to the economic benefits of Rongsheng Shipbuilding, as a result of which the Group’s business, financial condition and results of operations may be materially and adversely affected. In addition, the contractual arrangement under the Structure Agreements may not give the Group as effective control and power as direct legal and beneficial ownership of 100% of Rongsheng Shipbuilding. In the event of any breach or default by Rongsheng Investment and/or Rongsheng Shipbuilding, the Group would need to resort to legal remedies under PRC laws to enforce its rights, which may or may not be effective to provide the Group with adequate remedies.

於二零一零年十月二十日，熔盛重工、熔盛造船及熔盛投資訂立服務協議(「**服務協議**」)，主要條款如下：

- (1) 熔盛重工同意向熔盛造船提供造船技術指導、支援及改良、工程監督、驗收測試及其他與支持工作相關的諮詢及服務(「**服務**」)；
- (2) 熔盛投資同意支付熔盛重工服務費，金額等於就其於熔盛造船股本中的51%權益而收取熔盛造船股息收入的所有經濟利益(於熔盛造船向其股東派付股息當日到期及應付)；及
- (3) 熔盛投資承諾不會在未徵得熔盛重工事先書面同意的情况下聘用熔盛重工以外的任何人士向熔盛造船提供類似服務。

本集團並未擁有對熔盛造船的控制性股權，因此僅可依賴股東協議及服務協議(統稱「**架構協議**」)安排開展造船業務。中國政府機構日後可能詮釋或頒佈法律、法規或政策，而導致架構協議項下的合約安排被視為違反現行或當時的中國法律及法規，而對本集團獲得熔盛造船的經濟利益產生重大影響，因而導致本集團之業務、財務狀況及運營成果受到重大負面影響。此外，架構協議項下的該等合約安排賦予本集團的有效控制權與權利或不及擁有熔盛造船的100%直接合法及實益擁有權所賦予者。倘若熔盛投資及／或熔盛造船出現違約或不履行，本集團需要在中國法律下訴諸法律手段以行使其權利，而有關行動可能會或可能不會有效，以為本集團提供足夠補償。

To reduce the above-mentioned risks to the Group, the Company regularly monitors compliance by Rongsheng Investment with the Structure Agreements and internal controls are in place over Rongsheng Shipbuilding to safeguard its interests under the Structure Agreements. The Company's legal department also works closely with its external PRC counsel to monitor the PRC regulatory environment and seek to reduce risks associated under the Structure Agreements. In the event that there are changes to PRC laws such that the Group is permitted to have legal and beneficial ownership of Rongsheng Shipbuilding without the Structure Agreements, the Group shall seek to unwind the Structure Agreements in accordance with applicable laws and regulations.

During the year ended 31 December 2018, Rongsheng Investment had not received any dividend income from Rongsheng Shipbuilding.

The Services Agreement and the terms of the transactions thereunder during the year ended 31 December 2018 have been reviewed by the independent non-executive Directors who have confirmed that, pursuant to the terms of the Services Agreement:

- (1) the transactions carried out during the year ended 31 December 2018 were entered into in accordance with the relevant provisions of the Services Agreement and had been operated so that any profits generated by Rongsheng Shipbuilding had been retained by the Group;
- (2) no dividends or other distributions were made by Rongsheng Shipbuilding to the holders of its equity interests other than the Group (or to the extent that they were made, they had been forwarded to Rongsheng Heavy Industries by way of payment of the fee for the Services); and
- (3) Rongsheng Heavy Industries had obtained its entitlement under the Services Agreement.

為降低本集團之上述風險，本公司定期監察熔盛投資在架構協議中的合規情況以及對熔盛造船的內部控制以保障其於架構協議中的利益。本公司之法務部門亦與其外部中國法律顧問緊密合作，以監察中國法規環境及尋求減輕架構協議中的相關風險。倘若中國法律變更而容許本集團在缺少架構協議下持有熔盛造船的合法和實益擁有權，本集團將根據適用的法律及法規尋求解除架構協議。

截至二零一八年十二月三十一日止年度期間，熔盛投資從未自熔盛造船收取任何股息收入。

截至二零一八年十二月三十一日止年度期間內，服務協議及協議交易條款已經被獨立非執行董事審閱。獨立非執行董事確認，根據服務協議的條款：

- (1) 截至二零一八年十二月三十一日止年度期間內進行的交易乃按照服務協議有關條款訂立且在熔盛造船產生所有溢利均由本集團保留的條件下進行；
- (2) 除本集團(或僅以支付服務費方式交付熔盛重工者為限)外，熔盛造船並無向其權益持有人派付股息或作出其他分派；及
- (3) 熔盛重工已獲得於服務協議項下的權益。

### Exempt Connected Transactions

During the year ended 31 December 2018, the Company entered into certain related party transactions which also constitute fully exempt connected transaction under Chapter 14A of the Listing Rules, details of which are set out below:

During the year ended 31 December 2018, Mr. Zhang Zhi Rong (a substantial Shareholder of the Company) and/or entities controlled by him or his close family members, agreed to provide security-free and interest-free loan facilities to the Group for working capital purposes for an aggregate amount up to RMB1,807.2 million.

During the year ended 31 December 2018, directors and substantial shareholders of the Company or entities controlled by them provided guarantees and security in respect of certain bank borrowings and refund guarantees of the Group.

As the above financial assistance was provided by connected persons for the benefit of the Company on normal commercial terms (or better to the Company) and no security over the assets of the Group is granted in respect of the financial assistance, the financial assistance constitutes connected transactions of the Company exempt from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

### Related Party Transactions

Details of the material related party transactions undertaken by the Group in the normal course of business are set out in Note 36 to the consolidated financial statements. Those related party transactions which constituted connected transactions/ continuing connected transactions under the Listing Rules are set out in the section headed "Connected Transactions" above, and the Company has complied with the applicable requirements in accordance with Chapter 14A of the Listing Rules.

### 獲豁免關連交易

截至二零一八年十二月三十一日止年度，本公司訂立若干關聯方交易，該等交易亦構成上市規則第14A章項下獲全面豁免之關連交易，詳情如下：

截至二零一八年十二月三十一日止年度，本公司主要股東張志榕先生及／或由其或其家屬控制的實體同意向本集團提供用於運營資金的無抵押免息貸款，合計金額最多人民幣1,807.2百萬元。

截至二零一八年十二月三十一日止年度，本公司董事及主要股東或受其控制的實體為本集團若干銀行借款和退款擔保提供擔保及抵押。

由於上述關連人士提供的財務支持，乃為本公司利益按照一般商業條款(或更有利於本公司)作出，而且並無以本集團資產就財務支持作出抵押。根據上市規則第14A.90條，有關財務支持構成本公司之關連交易，其可豁免遵守申報、公告及獨立股東批准的規定。

### 關聯方交易

本集團於日常業務中進行的重大關聯方交易詳情載列於綜合財務報表附註36。該等構成上市規則項下之關連交易／持續關連交易的關聯方交易載列於上文「關連交易」一節，及本公司已遵守上市規則第14A章的適用規定。

## Major Customers and Suppliers

During the year ended 31 December 2018, the Group had no purchases from major suppliers since the operations of the Group were minimal. The percentages of sales, excluding cancellation of construction contracts, attributable to the Group's largest customer and the five largest customers were 39.7% and 82.6%, respectively. During the year ended 31 December 2018, none of the Directors or any of their associates, or any shareholders of the Company (which to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any interest in any of the Group's five largest suppliers or customers.

## Remuneration Policy

The remuneration of directors are recommended by the remuneration committee of the Company and approved by the Board, based on prevailing market conditions and with reference to other companies of a similar size, business nature and scope as the Company. In addition, the Company may grant share options to eligible directors and employees as incentives for their contributions to the Group.

The primary goal of our policy for remuneration packages is to ensure that Directors are fairly rewarded and they receive appropriate incentives to maintain high standards of performance.

The principal elements of the Directors' remuneration package include:

- basic salary and other benefits;
- contribution to pension schemes;
- discretionary bonus; and
- share options granted under an approved option scheme.

Details of the Directors' emoluments, the five highest-paid individuals and senior management of the Group for the year ended 31 December 2018 are set out in Notes 24 and 30, respectively, to the consolidated financial statements.

## 主要客戶及供應商

截至二零一八年十二月三十一日止年度，由於本集團的經營處於相當低的水平，本集團並無向主要供應商進行採購。本集團最大客戶及五大客戶（不包括撤銷建造合約）應佔銷售百分比分別為39.7%及82.6%。截至二零一八年十二月三十一日止年度，本公司董事或彼等的任何聯繫人士或據董事所深知擁有本公司已發行股5%以上的本公司任何股東並無擁有本集團五大供應商或客戶的任何權益。

## 酬金政策

董事酬金乃根據當時市場情況及參考規模、業務性質及範疇相若的其他公司，由本公司薪酬委員會推薦並由董事會批准。此外，本公司或會向合資格董事及僱員授出購股權，作為彼等對本集團貢獻的獎勵。

本集團薪酬組合政策主要旨在確保董事獲得公平報酬並適當激勵董事保持高水準表現。

董事酬金組合的主要項目包括：

- 基本薪金及其他福利；
- 退休金計劃供款；
- 酌情花紅；及
- 根據已獲批准的購股權計劃授出的購股權。

於截至二零一八年十二月三十一日止年度，本集團董事酬金、五位最高薪酬人士及高級管理層詳情分別載於綜合財務報表附註24及30。

## REPORT OF THE DIRECTORS 董事會報告

### Directors

Directors of the Company during the year ended 31 December 2018 and up to the date of this report are as follows:

#### Executive Directors

Mr. Chen Qiang (*Chairman and Chief Executive Officer*)  
Mr. Hong Liang (*Chief Operating Officer*)  
Mr. Wang Tao  
Ms. Zhu Wen Hua  
Mr. Zhang Ming

#### Independent Non-executive Directors

Mr. Wang Jin Lian  
Ms. Zhou Zhan  
Mr. Lam Cheung Mau

Mr. Wang Tao, Ms. Zhu Wen Hua and Mr. Zhang Ming are due to retire from the Board by rotation at the 2019 AGM in accordance with Article 16.18 of the Articles of Association. Mr. Wang Tao and Mr. Zhang Ming have informed the Board that they would not offer themselves for re-election respectively. The other one retiring Director, being eligible, will offer herself for re-election.

The biographical details of the Directors and senior management of the Company as at the date of this Report are set out in the Directors and Senior Management section on pages 19 to 24 of this annual report.

### Directors' Service Contracts

During the year ended 31 December 2018, none of the Directors had entered into a service contract with the Group which was not determinable within one year without payment of compensation, other than statutory compensation.

### 董事

於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，本公司董事如下：

#### 執行董事

陳強先生(主席兼首席執行官)  
洪樑先生(首席營運官)  
王濤先生  
朱文花女士  
張明先生

#### 獨立非執行董事

王錦連先生  
周展女士  
林長茂先生

根據細則第16.18條，王濤先生、朱文花女士及張明先生將於二零一九年股東週年大會上輪席退任。王濤先生及張明先生已分別知會董事會他們將不會參與重選。另一位退任董事合資格並將願意膺選連任。

本公司董事及高級管理人員截至本報告日期的履歷詳情載列於本年報第19至24頁董事及高級管理人員一節。

### 董事的服務合約

於截至二零一八年十二月三十一日止年度，概無董事與本集團訂立不得於一年內免付賠償(法定賠償除外)予以終止的服務合約。

## Directors' Material Interests in Transactions, Arrangements and Contracts that are Significant in Relation to the Company's Business

Save for the contracts described under the section headed "Connected Transactions" above, no contracts of significance (as defined in Appendix 16 to the Listing Rules) or arrangements in relation to the Group's business to which the Company or its holding company or a subsidiary of the Company or its holding company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2018.

## Directors' Interests in Competing Business

As at 31 December 2018, none of the Directors were interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with businesses of the Group.

## Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Any Specified Undertaking of the Company

As at 31 December 2018, the Directors and chief executive of the Company had the following interests in the Shares or underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"):

## 董事於與本公司業務有關之交易、安排及合約中之重大權益

除上文「關連交易」一節所述合約外，本公司或其控股公司或本公司附屬公司或其控股公司並無訂立任何有關本集團業務的重大合約（定義見上市規則附錄十六）或安排，及董事直接或間接擁有重大權益且於年終或截至二零一八年十二月三十一日止年度期間內任何時間有效的重大合約或安排。

## 董事於競爭業務的權益

於二零一八年十二月三十一日，除本集團的業務外，概無董事於與本集團業務構成或可能構成直接或間接競爭的業務中擁有權益。

## 董事及最高行政人員於本公司或本公司之任何特定業務之股份、相關股份及債權證中的權益及淡倉

於二零一八年十二月三十一日，本公司董事及最高行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份或相關股份中擁有須登記於證券及期貨條例第352條規定存置的登記冊，或須根據上市公司董事進行證券交易之標準守則（「標準守則」）知會本公司及聯交所的權益如下：

REPORT OF THE DIRECTORS  
董事會報告

(A) Long Positions in Shares and Underlying Shares of the Company (A) 於本公司股份及相關股份的好倉

Name of Director 董事姓名	Number of Shares Interested 擁有權益的股份數目				Total 合計	Percentage of issued share capital <sup>3</sup> 佔已發行股本百分比 <sup>3</sup>
	Personal interest 個人權益	Corporate interest 公司權益	Equity derivatives (share options) <sup>2</sup> 股本衍生工具 (購股權) <sup>2</sup>			
Mr. Chen Qiang 陳強先生	-	209,200,000 <sup>1</sup>	14,000,000		223,200,000	5.42%
Mr. Hong Liang 洪樑先生	-	-	3,675,000		3,675,000	0.09%
Mr. Wang Tao 王濤先生	-	-	2,151,000		2,151,000	0.05%
Ms. Zhu Wen Hua 朱文花女士	-	-	975,000		975,000	0.02%

Notes:

- 1 Among 209,200,000 Shares (before taking into account the 14,000,000 Shares that may be granted to Mr. Chen Qiang pursuant to share options), 27,200,000, 84,000,000 and 98,000,000 Shares are directly held by Boom Will Limited, Leader World Investments Limited and Outspace Limited, respectively. Boom Will Limited, Leader World Investments Limited and Outspace Limited are 100%, 38.33% and 100% directly beneficially owned by Mr. Chen Qiang, respectively.
- 2 These interests represented the interests in underlying shares in respect of share options granted by the Company to these directors as beneficial owners, the details of which are set out in the section headed "Share Option Schemes" above.
- 3 These percentages have been compiled based on the total number of issued shares of the Company of 4,116,371,507 as at 31 December 2018 and rounded to two decimal places.

附註：

- 1 於該209,200,000股股份(不計及根據購股權可能授予陳強先生的14,000,000股股份)中，27,200,000股、84,000,000股及98,000,000股股份分別由盛意有限公司、Leader World Investments Limited及宇宙有限公司直接持有。盛意有限公司、Leader World Investments Limited及宇宙有限公司分別由陳強先生直接實益持有100%、38.33%及100%權益。
- 2 該等權益代表本公司向該等作為實益擁有人之董事授出之購股權涉及之相關股份之權益，有關詳情載列於上文「購股權計劃」一節。
- 3 該等百分比乃按照本公司於二零一八年十二月三十一日的已發行股份總數4,116,371,507股計算，並湊整至兩個小數位。



**(B) Long Positions in Associated Corporations**

**(B) 於相聯法團的好倉**

Name of Director	Name of associated corporation	Nature of interest/capacity	Number of shares	Percentage of shareholding
董事姓名	相聯法團名稱	權益性質／身份	股份數目	所持股權百分比
Mr. Chen Qiang 陳強先生	Rongsheng Heavy Industries Holdings Limited 熔盛重工控股有限公司	Interest in a controlled corporation 受控法團權益	15,000 <sup>1</sup>	1.5%

Note:

- 1 As at 31 December 2018, 15,000 shares in Rongsheng Heavy Industries Holdings Limited were held by Boom Will Limited, a company 100% beneficially owned by Mr. Chen Qiang.

Save as disclosed above, as at 31 December 2018, none of the Directors or the chief executive of the Company had any interest or short position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

**(C) Share Options**

The interests of the Directors and chief executive in the share options (being regarded as unlisted physically settled equity derivatives) of the Company are detailed in the section headed "Share Option Schemes" above.

Save as disclosed above, at no time during the year, the Directors and chief executive (including their spouses and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares, warrants or debentures, if applicable) of the Company or its associated corporations required to be disclosed pursuant to the SFO.

附註：

- 1 於二零一八年十二月三十一日，熔盛重工控股有限公司之15,000股股份由陳強先生實益擁有100%權益之公司盛意有限公司持有。

除上文所披露者外，於二零一八年十二月三十一日，概無本公司董事或最高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第XV部)的股份、相關股份或債權證中擁有須登記於根據證券及期貨條例第352條規定存置的登記冊，或根據標準守則須知會本公司及香港聯交所的權益或淡倉。

**(C) 購股權**

董事及最高行政人員於本公司購股權的權益被界定為非上市實物結算股本衍生工具，詳情載於上文「購股權計劃」一節。

除上文所披露者外，於年內任何時間，董事及最高行政人員(包括彼等的配偶及18歲以下子女)均無擁有須根據證券及期貨條例作出披露的本公司或其相聯法團的任何股份(或認股證或債權證，倘適用)認購權益或獲授或行使任何權利認購有關股份(或認股證或債權證，倘適用)。

## Substantial Shareholders' Interests and Short Positions in the Share Capital of the Company

As at 31 December 2018, the interests of substantial shareholders (other than the Directors or chief executive of the Company) in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

## 主要股東於本公司股本的權益及淡倉

於二零一八年十二月三十一日，主要股東（本公司董事或最高行政人員除外）於本公司股份或相關股份中擁有須登記於根據證券及期貨條例第336條規定存置登記冊的權益如下：

Name of substantial shareholder 主要股東名稱	Number of shares and derivatives interested 擁有權益的 股份及衍生工具數目	Percentage of issued share capital <sup>8</sup> 佔已發行 股本百分比 <sup>8</sup>
Minsheng Banking (Shanghai) <sup>1,2</sup> 民生銀行(上海)	6,639,880,000	161.30%
Minsheng Banking (Suzhou) <sup>2</sup> 民生銀行(蘇州)	366,120,000	8.89%
Ms. Zhao Xuejun <sup>3</sup> 趙雪君女士	1,490,120,000	36.20%
Skyline Asia International Limited <sup>3</sup> Action Phoenix Limited <sup>3</sup>	1,490,120,000	36.20%
Mr. Wang Ping <sup>4</sup> 王平先生	1,220,000,000	29.64%
Kingwin Victory Investments Limited <sup>4</sup> 宏易勝利投資有限公司	771,359,794	18.74%
Mr. Zhang Zhi Rong <sup>5</sup> 張志熔先生	771,359,794	18.74%
Fine Profit Enterprises Limited <sup>5</sup> 好利企業有限公司	388,301,031	9.43%
Mr. Mei Liang <sup>6</sup> 梅靚先生	388,301,031	9.43%
Top Acton Limited <sup>6</sup> Castle Giant Investments Limited <sup>3</sup>	348,000,000	8.45%
Ms. Shi Jing <sup>7</sup> 史靜女士	348,000,000	8.45%
Abhaya Limited <sup>7</sup> Noble Path Holdings Limited <sup>7</sup>	270,120,000	6.56%
Wickhams Cay Trust Company Limited <sup>7</sup>	281,232,465	6.83%
	281,232,465	6.83%
	281,232,465	6.83%

Notes:

1. Minsheng Bank (Shanghai) may be subject to the obligations to make a general offer under the Takeovers Code in the event that it holds 30% or more of the issued share capital of the Company upon conversion of the Subscription Convertible Preference Shares. Pursuant to the Company's Amendments and Restatement of Memorandum and Articles of Association, if the issue of ordinary Shares following the exercise by a holder of the Convertible Preference Shares of the conversion rights would result in the Company not meeting the Public Float Requirement immediately after the conversion, then the conversion and the number of ordinary Shares to be issued pursuant to such conversion shall be restricted to the maximum number of ordinary Shares issuable by the Company which would not in the reasonable opinion of the Company result in a breach of the Public Float Requirement.
2. Both Minsheng Bank (Suzhou) and Minsheng Bank (Shanghai) are branches of China Minsheng Banking Corp., Ltd. As such, Minsheng Bank (Suzhou) will also not be regarded as a public Shareholder in the event that Minsheng Bank (Suzhou) and Minsheng Bank (Shanghai), individually or in aggregate, hold 10% or more of the issued share capital of the Company upon conversion of the Subscription Convertible Preference Shares. Minsheng Bank (Suzhou) and Minsheng Bank (Shanghai) may be subject to the obligations to make a general offer under the Takeovers Code in the event that they, individually or in aggregate, hold 30% or more of the issued share capital of the Company upon conversion of the Subscription Convertible Preference Shares.
3. These interests are derivative interests directly held by Action Phoenix Limited and Castle Giant Investments Limited in the 1,220,000,000 underlying shares and 270,120,000 underlying shares of the Company respectively in relation to the convertible bonds issued by the Company. Each of Action Phoenix Limited and Castle Giant Investments Limited is a wholly owned subsidiary of Skyline Asia International Limited, of which is 100% directly beneficially owned by Ms. Zhao Xuejun.
4. Kingwin Victory Investments Limited is wholly-owned by Mr. Wang Ping. This presents the same interest of Kingwin Victory Investment Limited.
5. This presents the same interest of Fine Profit Enterprises Limited ("Fine Profit") and Wealth Consult Limited ("Wealth Consult") of 21,744,800 shares. Wealth Consult is a wholly-owned subsidiary of Fine Profit, of which is wholly owned by Mr. Zhang Zhi Rong. Mr. Zhang Zhi Rong was therefore deemed to have an interest in the shares in which Fine Profit was interested.
6. Top Acton Limited is wholly-owned by Mr. Mei Liang. This represents the same interest of Top Acton Limited.
7. This represents the same interest of Noble Path Holdings Limited ("Noble Path"). Noble Path is a wholly-owned subsidiary of Abhaya Limited. Abhaya Limited is wholly-owned by Wickhams Cay Trust Company Limited, being a trustee of a private trust set up by Ms. Shi Jing.
8. These percentages have been compiled based on the total number of issued shares of the Company of 4,116,371,507 as at 31 December 2018 and rounded to two decimal places. All interest stated above represent long positions.

Save as disclosed above, as at 31 December 2018, the Company had not been notified of any persons (other than the Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO.

附註：

1. 倘民生銀行(上海)於兌換供認購可轉換優先股後持有本公司30%或以上已發行股本，則其須根據收購守則履行全面要約義務。根據本公司修訂及重列組織章程大綱及細則，倘可轉換優先股持有人行使換股權後發行普通股將會導致緊隨兌換後本公司不符合公眾持股量規定，則兌換及根據該兌換而將發行的普通股數目應限於在合理認為本公司不會導致違反公眾持股量規定的情況下本公司可發行普通股的最大數目。
2. 民生銀行(蘇州)及民生銀行(上海)均為中國民生銀行股份有限公司的分行。因此，倘民生銀行(蘇州)及民生銀行(上海)個別或合共有供認購可轉換優先股兌換時本公司10%或以上已發行股本，則民生銀行(蘇州)亦不會被視為公眾股東。倘民生銀行(蘇州)及民生銀行(上海)個別或合共有供認購可轉換優先股兌換時本公司30%或以上已發行股本，則彼等須根據收購守則履行全面要約義務。
3. 該等權益包括Action Phoenix Limited及Castle Giant Investments Limited分別就與本公司所發行可換股債券有關之本公司1,220,000,000股及270,120,000股相關股份所直接持有之衍生權益。Action Phoenix Limited及Castle Giant Investments Limited為Skyline Asia International Limited的全資附屬公司，後者由趙雪君女士直接全資實益擁有。
4. 宏易勝利投資有限公司為由王平先生全資實益擁有之公司。該權益指宏易勝利投資有限公司之相同權益。
5. 該權益指好利企業有限公司("好利")及Wealth Consult Limited ("Wealth Consult")於21,744,800股股份中之相同權益。Wealth Consult為好利之全資附屬公司，好利由張志榕先生全資擁有。因此，張志榕先生被視作擁有好利所持股份之權益。
6. Top Acton Limited為由梅靚先生全資擁有。該權益指Top Acton Limited之相同權益。
7. 該權益指Noble Path Holdings Limited ("Noble Path")之相同權益。Noble Path為Abhaya Limited之全資附屬公司。Abhaya Limited為史靜女士成立的私人信託受託人Wickhams Cay Trust Company Limited全資擁有。
8. 該等百分比乃按照本公司於二零一八年十二月三十一日的全部已發行股份總數4,116,371,507股計算，並湊整至兩個小數位。上述所有權益均屬好倉。

除上文所披露者外，於二零一八年十二月三十一日，本公司未獲知會有任何人士(本公司董事或最高行政人員除外)擁有本公司股份或相關股份的權益或淡倉於根據證券及期貨條例第336條規定存置的登記冊記載。

## Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, throughout the year ended 31 December 2018 and as at the date of this report, there has been sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

## Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2018.

## Compliance with Laws and Regulations

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact to the Group. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees from time to time. As far as the Company is aware, it has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company.

## Environmental Policies and Performance

Our commitment to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations. We encourage environmental protection and comply with environmental regulation and promotes awareness towards environmental protection to the employees. In the course of its daily operations, the Group adheres to the principle of recycling and reducing. It implements green office practices such as double-sided printing and copying, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliances. The Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the operations of the Group's businesses to enhance environmental sustainability.

For details, please refer to the relevant sections in the "Environmental, Social and Governance Report" of this annual report.

## 公眾持股量

根據本公司公開獲得的資料及就董事所知，截至二零一八年十二月三十一日止整個年度及於本報告日期，本公司公眾持股量超過本公司已發行股份的25%，故符合上市規則規定。

## 管理合約

截至二零一八年十二月三十一日止年度，本公司概無就全部或任何部份重大業務的管理及行政事務訂立或存有任何管理合約。

## 遵守法律和法規

本集團已制定合規程序，以確保遵守(尤其是)對其產生重大影響之適用法律、規則及法規。相關員工會不時獲知悉適用法律、規則及法規之任何變動。就本公司所知，其已於各重大方面遵守對本公司業務及營運有重大影響之相關法律及規例。

## 環保政策及表現

我們在日常業務營運中不斷推廣環保措施和意識，以達到其保護環境的承諾。我們鼓勵環保、遵守環保法規，並推動僱員提升環保意識。於日常營運過程中，本集團堅持循環再造及減廢之原則，實施各項綠色辦公室措施，例如雙面打印及複印、提倡使用環保紙及透過關掉閒置的電燈及電器減少耗能。本集團將不時檢討其環保工作，並將考慮在本集團之業務營運中實施進一步環保措施及慣例，以加強環境之可持續性。

詳情請參閱本年報之「環境、社會及管治報告」中的相關章節。

## Relationship with Customers and Suppliers

The Group has been maintaining friendly negotiation with its customers and suppliers to develop long-term relationships. Further details in relation to the major customers and suppliers identified during the Period are disclosed in the paragraph headed "Major Customers and Suppliers" in this report and in the section headed "Operation Practices" in the "Environmental, Social and Governance Report" of this annual report.

## Tax Relief

The Company is not aware of any relief from taxation available to the shareholders of the Company by reason of their holdings in the shares of the Company.

## Corporate Governance

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report section on pages 45 to 62 of this annual report.

## Permitted Indemnity Provisions

The Articles of Association provides that every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director or other officer of the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of the relevant legal actions against the Directors.

## Auditor

The consolidated financial statements for the year ended 31 December 2018 have been audited by PricewaterhouseCoopers, who will retire at the conclusion of the 2019 AGM. PricewaterhouseCoopers, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as the auditor of the Company will be proposed at the 2019 AGM.

## 與客戶及供應商之關係

本集團致力與客戶及供應商保持友善協商，從而建立長遠的合作關係。有關本期間內已物色主要客戶之進一步詳情已於本報告「主要客戶及供應商」一段以及本年報「環境、社會及管治報告」之「營運慣例」一段中披露。

## 稅務減免

本公司概不知悉任何因股東持有本公司股份而享有的稅務減免。

## 企業管治

本公司採納的企業管治常規載列於本年報第45至62頁企業管治報告一節。

## 獲准許的彌償條文

根據細則規定，本公司各董事或其他高級人員對於其在任何民事或刑事法律訴訟中作為本公司董事或其他高級人員出庭抗辯而得直或獲釋所產生或所致的損失和債務，則有權從本公司資產中獲得彌償。此外，本公司已就董事面對有關法律訴訟安排適當的董事及高級人員責任保險。

## 核數師

截至二零一八年十二月三十一日止年度的綜合財務報表已由羅兵咸永道會計師事務所審核，其將於二零一九年股東週年大會結束時退任。羅兵咸永道會計師事務所將合資格並將膺選連任。續聘羅兵咸永道會計師事務所為本公司核數師的決議案將於二零一九年股東週年大會上提呈。

## Directors' Responsibilities for the Financial Statements

The Directors are responsible for the preparation of financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing these financial statements for the year ended 31 December 2018, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable, and have prepared the financial statements on a going concern basis. The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Group.

On behalf of the Board

**Chen Qiang**  
*Chairman*

Hong Kong, 29 March 2019

## 董事對財務報表的責任

董事須負責編製各財政期間的財務報表，以真實及公平地反映本集團業務狀況及期內業績及現金流量。在編製截至二零一八年十二月三十一日止年度的財務報表時，董事選用並貫徹採用合適的會計政策，作出審慎合理判斷及預測，及按持續經營基準編製財務報表。董事亦須負責妥善保存會計記錄，以隨時合理準確地披露本集團財務狀況。

代表董事會

*主席*  
**陳強**

香港，二零一九年三月二十九日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Board and the management of the Company strictly adhere to the principles of good corporate governance, which is vital to prudent management and the enhancement of shareholder value. These principles emphasise transparency, accountability and independence. Set out below are those principles of corporate governance adopted by the Company.

During the year ended 31 December 2018, the Company complied with the applicable code provisions set out in the Corporate Governance Code (the “Code”) contained in Appendix 14 to the Listing Rules, save for the deviations as described in this Corporate Governance Report.

Code provision A.2.1 of the Code stipulates that the roles of the chairman of the board (the “Chairman”) and the chief executive officer should be separate and should not be performed by the same individual. Mr. Chen Qiang had performed both the roles of Chairman and chief executive officer of the Company in deviation from code provision A.2.1 of the Code during the year ended 31 December 2018. The Company believes that it is more efficient and effective for the Company to develop its long term strategies and in the execution of its business plans if Mr. Chen Qiang serves as both the Chairman and the chief executive officer of the Company.

## The Board

### Board Composition

The Board currently comprises five executive Directors, namely Mr. Chen Qiang (Chairman and Chief Executive Officer), Mr. Hong Liang (Chief Operating Officer), Mr. Wang Tao, Ms. Zhu Wen Hua and Mr. Zhang Ming, and three independent non-executive Directors, namely Mr. Wang Jin Lian, Ms. Zhou Zhan and Mr. Lam Cheung Mau. The Board considers this composition to be balanced, and reinforces a strong independent review and monitoring function on overall management practices.

Full details of changes in the Board during the year and to the date of this report are provided in the Report of the Directors on pages 25 to 44 of this annual report.

The Directors’ biographical details are set out in the Directors and Senior Management section on pages 19 to 24 of this annual report.

本公司董事會及管理層堅守良好的企業管治原則，此舉對穩健管理及提升股東價值至關重要。該等原則重視透明度、問責性及獨立性。下文載列本公司所採納的企業管治原則。

截至二零一八年十二月三十一日止年度，本公司遵守上市規則附錄十四企業管治守則（「守則」）所載的適用守則條文，除本企業管治報告所述之偏離者除外。

A.2.1守則條文規定董事會主席（「主席」）及首席執行官的角色應有區分，並不應由同一人同時兼任。於截至二零一八年十二月三十一日止年度，陳強先生同時兼任本公司主席及首席執行官之職位，與A.2.1守則條文有所偏離。本公司相信，倘陳強先生同時出任本公司主席兼首席執行官，此舉令本公司可更有效發展其長遠策略及實施其業務計劃。

## 董事會

### 董事會成員

董事會現由五名執行董事（即陳強先生（主席兼首席執行官）、洪樑先生（首席營運官）、王濤先生、朱文花女士及張明先生）及三名獨立非執行董事（即王錦連先生、周展女士及林長茂先生）組成。董事會認為這個組合權力平衡，能加強對整體管理運作的獨立審查及監督。

年內及截至本報告日期，董事會變動之全部詳情載於本年報第25頁至第44頁的董事會報告內。

董事簡歷詳情載於本年報第19至24頁董事及高級管理層一節。

## Roles and Responsibilities of the Board

The Board is responsible for formulating the overall strategies as well as reviewing the operation and financial performance of the Group. The Board is responsible for considering and deciding on matters covering the Group's overall strategies, major acquisitions and disposals, annual and interim results, approving Directors' appointments to the Board, major capital transactions and other significant operational and financial matters.

Our independent non-executive Directors offer diverse industry expertise, serve the important functions of advising the management on strategies, ensuring that the Board fulfils high standards of financial and other mandatory reporting requirements as well as providing adequate checks and balances for safeguarding the interests of shareholders and the Company as a whole.

## Delegation to Management

Day-to-day operational responsibilities are specifically delegated by the Board to the management. Major responsibilities include:

- execution of business and operational strategies and initiatives adopted by the Board;
- preparation of reports and accounts for the Board's approval before publication;
- adoption of the remuneration policy approved by the Board;
- implementation of internal control and risk management procedures; and
- compliance with relevant statutory requirements, rules and regulations.

## Attendance Records of Directors and Board Committee Members

During the year ended 31 December 2018, the Board held eight Board meetings. The agendas and accompanying board papers are given to all Directors in a timely manner. The Chairman of the Board shall ensure the Directors being properly briefed on issues arising at those Board meetings.

## 董事會角色及責任

董事會負責制定整體策略，並檢討本集團營運及財務表現。董事會負責審議本集團整體策略、重大收購及出售、年度及中期業績、批准委任董事加入董事會、重大資本交易及其他重大營運及財務事宜，以及進行有關方面的決策。

本集團獨立非執行董事具備不同行業的專業知識，負責履行的重要職務包括向管理層提供策略方面的建議，並確保董事會在達致高水平財務及其他強制申報規定的同時，具備充分權力制衡，以保障股東及本公司整體利益。

## 轉授於管理層

董事會特別指派管理層履行日常營運職務，其中主要職務包括：

- 執行董事會所採納之業務及營運策略及方針；
- 編製報告及賬目，以供董事會在對外公佈前審批；
- 採納董事會批准之薪酬政策；
- 推行內部監控及風險管理程序；及
- 遵守相關法定規定、規則及法規。

## 董事及董事委員會成員出席記錄

截至二零一八年十二月三十一日止年度，董事會舉行了八次董事會會議。會議議程及隨附的董事會文件已適時給予全體董事。董事會主席確保全體董事適當知悉董事會會議上商討之事項。



Apart from the regular Board meetings, the Chairman of the Board also held a meeting with all independent non-executive Directors, without the presence of the other executive Directors.

除定期舉行董事會會議外，董事會主席亦在並無其他執行董事出席的情況下與全體獨立非執行董事舉行會議。

	Meetings Attended/Held 出席會議次數/會議舉行次數					Continuous Professional Development 持續專業發展		
	Board 董事會	Audit Committee 審核委員會	Corporate Governance Committee 企業管治委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Annual General Meeting 股東週年大會	Extraordinary General Meeting 股東特別大會	Type of Training (Note) 培訓類別 (附註)
<b>Executive Directors</b> <b>執行董事</b>								
Mr. Chen Qiang (Chairman) 陳強先生(主席)	8/8 <sup>(C)</sup>		2/2		1/1	1/1	2/2	A
Mr. Hong Liang 洪樑先生	8/8					1/1	2/2	A
Mr. Wang Tao 王濤先生	8/8		2/2			0/1	2/2	A
Ms. Zhu Wen Hua 朱文花女士	8/8			1/1		0/1	2/2	A
Mr. Zhang Ming 張明先生	8/8		2/2			0/1	2/2	A
<b>Independent non-executive Directors</b> <b>獨立非執行董事</b>								
Mr. Wang Jin Lian 王錦連先生	8/8	2/2	2/2 <sup>(C)</sup>	1/1 <sup>(C)</sup>	1/1	0/1	1/2	A
Ms. Zhou Zhan 周展女士	8/8	2/2 <sup>(C)</sup>		1/1	1/1 <sup>(C)</sup>	0/1	0/2	A
Mr. Lam Cheung Mau 林長茂先生	8/8	2/2	2/2			1/1	2/2	A

Note relating to attendance records of meetings:

1 Chairmen of the Board and the Board Committees are indicated by (C).

Note relating to attendance records of training:

A Reviewing training materials prepared by the Company's external legal advisor.

有關會議出席記錄的附註：

1 董事會及董事委員會主席以(C)表示。

有關培訓的出席記錄的附註：

A 研讀由本公司外聘法律顧問提供之培訓材料。

## Continuous Professional Development

Code Provision A.6.5 of the Code stipulates that all directors should participate in continuous professional development to develop and refresh their knowledge and skills. The Group also makes available continuous professional development to the Directors at the expense of the Company and to ensure that their contribution to the Board remains informed and relevant.

The Group has also regularly organised and conducted continuous training and development programmes to executive Directors and senior management staff through lectures, seminars and/or workshops by internal or external speakers with professional expertise and experience, covering areas in financial, industrial, commercial, management, legal and regulatory, risk management and control and anti-corruption education. The Directors received their training by attending either in person or via telephone and/or by studying the training materials at their own leisure.

The Directors irregularly receive training from the Company's external legal advisor on corporate governance requirements and statutory disclosure obligations. During the year ended 31 December 2018, all directors have reviewed training materials prepared by the Company's external legal advisor with emphasis on the roles and duties of the directors of the Company as well as the applicable legal and regulatory requirements and the Company's policies and practices on corporate governance. The newly appointed Director has received the induction programme and briefing on directors' duties and obligations on corporate governance and regulatory requirements prepared and delivered by our external legal advisor immediately prior to his date of appointment.

## Independence of Independent Non-executive Directors

During the year ended 31 December 2018, the Board at all times met the requirements of the Listing Rules relating to the appointment of independent non-executive Director, whereby at least one of whom possesses appropriate professional qualifications or accounting or related financial management expertise.

The Board has received from each independent non-executive Director a written annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and is satisfied with the independence of all the independent non-executive Directors.

## 持續專業發展

守則A.6.5守則條文規定，所有董事均須參加持續專業發展，以擴闊及更新董事的知識及技能。本集團亦使董事可參與持續專業發展，費用由本公司承擔，並確保彼等繼續在掌握全面資訊及切合所需的情況下向董事會作出貢獻。

本集團亦定期為執行董事及高級管理層員工組織及舉辦持續培訓及發展課程，由具備專業知識及經驗的內部或外聘講者主持講座、研討會及／或工作坊，內容涵蓋財務、工業、商業、管理、法律及法規、風險管理及控制、廉政教育等方面。董事已親身或透過電話參加培訓課程及／或於彼等的私人時間研習有關培訓材料。

董事不定期接受本公司外聘法律顧問有關企業管治要求及法定披露責任的培訓。截至二零一八年十二月三十一日止年度，全體董事均已研讀由本公司外聘法律顧問提供的培訓材料。培訓重點強調本公司董事的角色及職務，以及適用的法律和監管規則及本公司的企業管治政策和常規。新任董事緊接於其委任日期前已接受由我們的外聘法律顧問所編製及提供的董事有關企業管治及監管規定的職責及責任的就職課程及簡報。

## 獨立非執行董事之獨立性

截至二零一八年十二月三十一日止年度期間內，董事會一直符合有關委任獨立非執行董事的上市規則要求，據此至少一名獨立非執行董事具備適當的專業資格或具有會計或相關財務管理之專業知識。

根據上市規則第3.13條，董事會已接獲各獨立非執行董事就其獨立性呈交之年度書面確認，亦信納全體獨立非執行董事之獨立性。

Each independent non-executive Director is required to inform the Company as soon as practicable if there is any change that may affect his/her independence.

### Appointment and Re-election of Directors

The procedures for appointing and re-electing directors are set out in the Articles of Association. The Board is responsible for selecting and recommending candidates for directorship, taking into consideration factors such as appropriate professional knowledge and industry experience, personal ethics, integrity and personal skills.

Under the Articles of Association, one-third of the Directors must retire, and if eligible, may be subject to re-election at each AGM. To further reinforce accountability, any further re-appointment of an independent non-executive Director who has served the Company's Board for more than nine years will be subject to separate resolution to be approved by the shareholders of the Company.

In accordance with the Articles of Association, Mr. Wang Tao, Ms. Zhu Wen Hua and Mr. Zhang Ming will retire by rotation at the 2019 AGM. Mr. Wang Tao and Mr. Zhang Ming have informed the Board that they would not offer themselves for re-election respectively. The other one retiring Director, being eligible, has offered herself for re-election as Director at the 2019 AGM.

Each of the executive Directors entered into renewed service contracts with the Company for a term of three years commencing on 24 October 2016.

Each of the independent non-executive directors is appointed for a specific term, subject to re-election, which will run until the conclusion of the third annual general meeting from the date of their last re-election and in accordance with the Company's Bye-laws.

### Directors' Interests in Shares

Details of Directors' interests in the Shares are set out in the Report of the Directors section on pages 25 to 44 of this annual report.

倘出現任何可能影響他／她的獨立性的轉變，各獨立非執行董事須在可行情況下盡快知會本公司。

### 委任及重選董事

委任及重選董事的程序載於細則。董事會負責甄選及推薦董事人選，考慮因素包括合適專業知識及行業經驗、個人操守、誠信及個人才能等。

根據細則，三分之一的董事必須於每屆股東週年大會上輪席退任，惟若合乎資格可重選連任。為進一步加強問責性，再度委任於本公司董事會服務超過九年的獨立非執行董事，將須以獨立決議案方式提呈本公司股東批准。

根據細則，王濤先生、朱文花女士及張明先生將於二零一九年股東週年大會上輪值退任董事一職。王濤先生及張明先生已分別知會董事會他們將不會參與重選。另一位退任董事合資格並願意膺選連任。

各執行董事已與本公司訂立自二零一六年十月二十四日起計為期三年的重續服務合約。

每位獨立非執行董事乃按特定任期委任及可膺選連任，任期由上次重選當日起計至第三個股東週年大會結束時為止，並需根據本公司細則之規定。

### 董事的股份權益

有關董事的股份權益詳情載於本年報第25至第44頁的董事會報告內。

### Model Code on Securities Transactions

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standards of the Model Code set out in Appendix 10 to the Listing Rules. Having made specific enquiry of the Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code and the Company's code of conduct regarding directors' securities transactions during the year ended 31 December 2018.

### Directors' Liability Insurance and Indemnity

The Company has arranged for appropriate liability insurance to indemnify its Directors for their liabilities arising out of corporate activities undertaken for the Company. During the year ended 31 December 2018, no claim was made against the Directors.

### Board Committees

The Board has established an audit committee (the "**Audit Committee**"), a remuneration committee (the "**Remuneration Committee**"), a nomination committee (the "**Nomination Committee**"), a corporate governance committee (the "**Corporate Governance Committee**") and a finance and investment committee (the "**Finance and Investment Committee**") with defined terms of reference. Details and reports of the committees are set out below.

### Audit Committee

The Audit Committee was established to review the Group's financial reporting, risk management and internal control systems and make relevant recommendations to the Board. The Audit Committee comprises of three members: Ms. Zhou Zhan, being chairman of the Audit Committee, Mr. Wang Jin Lian and Mr. Lam Cheung Mau, all of whom are independent non-executive Directors. Ms. Zhou Zhan, as the chairman of the Audit Committee, possesses appropriate professional qualifications, accounting or related financial management expertise as required under the Listing Rules.

### 證券交易的標準守則

本公司已採納一套有關董事進行證券交易之行為守則，該守則之嚴格程度不低於上市規則附錄十所載的標準守則所規定之標準。經向董事作出具體查詢後，各名董事確認，於截至二零一八年十二月三十一日止年度，彼一直遵守標準守則所載之規定標準及本公司有關董事進行證券交易之行為守則。

### 董事責任保險及彌償保證

本公司已安排適當的責任保險，以就董事因本公司各種企業活動所產生之責任提供彌償保證。截至二零一八年十二月三十一日止年度期間內，概無董事遭索償。

### 董事委員會

董事會已成立審核委員會(「**審核委員會**」)、薪酬委員會(「**薪酬委員會**」)、提名委員會(「**提名委員會**」)、企業管治委員會(「**企業管治委員會**」)以及財務及投資委員會(「**財務及投資委員會**」)，並已界定其職權範圍。各委員會之詳情及報告載列如下。

### 審核委員會

審核委員會的成立乃為審查本集團的財務申報、風險管理及內部監控，並向董事會提出相關建議。審核委員會由三名成員組成，分別為周展女士(即審核委員會主席)、王錦連先生及林長茂先生，彼等均為獨立非執行董事。審核委員會主席周展女士具備上市規則規定的適當專業資格、會計或相關財務管理專業知識。

Pursuant to the terms of reference of the Audit Committee, the main duties of the Audit Committee are to audit and supervise the financial reporting procedures of the Group, consider the appointment, re-appointment and remuneration of the auditor and any matters related to the removal and resignation of the auditor. In addition, the Audit Committee is responsible for examining and inspecting the effectiveness of the Group's risk management and internal control systems, including conducting reviews, on a regular basis, in respect of the risk management and internal control over various corporate structures and business procedures, and considering their potential risks and imminence, so as to ensure the effectiveness of the Company's business operations and to achieve its corporate objectives and strategies. The scope of such reviews covers finance, operations, compliance and regulations.

During the year ended 31 December 2018, the Audit Committee held two meetings. The following is a summary of the work of the Audit Committee during the year:

- review of and recommendation for the Board's approval of the Group's consolidated financial statements for the year ended 31 December 2017;
- review of and recommendation for the Board's approval the Group's interim condensed consolidated financial information for the six months ended 30 June 2018;
- review of the reports from the external auditor;
- review of the risk management and internal control systems of the Group;
- review of the reports from the internal auditor;
- approval of the internal audit plan for the year ended 31 December 2018;
- review of the effectiveness of the internal audit function; and
- review of the external auditor's remuneration and terms of engagement.

根據審核委員會的職權範圍，審核委員會的主要職責為審核及監督本集團的財務申報程序、審議核數師的任命、續聘、報酬以及任何與核數師的罷免及辭任相關的事宜。此外，審核委員會負責檢視本集團風險管理及內部監控之成效，包括定期檢討企業架構及業務流程之風險管理及內部監控，並考慮其潛在風險及迫切性以確保公司業務運作效率及實現其企業目標及策略。該等檢討的範圍涵蓋財務、營運、合規及法規各方面。

截至二零一八年十二月三十一日止年度，審核委員會舉行了兩次會議。年內審核委員會進行之工作之概要如下：

- 檢討及建議董事會批准本集團截至二零一七年十二月三十一日止年度之綜合財務報表；
- 檢討及建議董事會批准本集團截至二零一八年六月三十日止六個月內之中期簡明綜合財務資料；
- 審議外聘核數師之報告；
- 檢討本集團之內部監控及風險管理系統；
- 審議內部核數師之報告；
- 批准截至二零一八年十二月三十一日止年度的內部審核計劃；
- 檢討內部核數功能之有效性；及
- 檢討外聘核數師之酬金及委聘條款。

The consolidated financial statements of the Group for the year ended 31 December 2018 have been reviewed and approved by the Audit Committee, and the Audit Committee is of the opinion that such financial statements comply with the applicable accounting standards, the Listing Rules and all other applicable legal requirements. The Audit Committee therefore recommended the Board's approval of the Group's consolidated financial statements for the year ended 31 December 2018.

### Remuneration Committee

The Remuneration Committee was established on 24 October 2010 and has been delegated with the responsibility of determining the remuneration policy and structure for all Directors and senior management, reviewing and approving the specific remuneration packages of all Directors and making recommendations to the Board regarding the remuneration of independent non-executive Directors. The Remuneration Committee comprises three members: Ms. Zhou Zhan (an independent non-executive Director) being the chairman of the Remuneration Committee, Mr. Chen Qiang (Chairman of the Board and an executive Director) and Mr. Wang Jin Lian (an independent non-executive Director).

During the year ended 31 December 2018, the Remuneration Committee held one meeting. The following is a summary of the work of the Remuneration Committee during the year:

- annual review of the remuneration packages of the Directors and senior management of the Company.

All the members of the Remuneration Committee had also passed written resolutions to approve and recommend for the Board's approval the remuneration package of one independent non-executive Directors under letters of appointment for the extended term of their appointment.

The particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in Notes 30 and 24 to the consolidated financial statements respectively.

審核委員會已審閱及批准本集團截至二零一八年十二月三十一日止年度的綜合財務報表，及審核委員會認為該財務報表符合適用的會計準則、上市規則及所有其他適用法律規定。審核委員會因此建議董事會批准本集團截至二零一八年十二月三十一日止年度的綜合財務報表。

### 薪酬委員會

薪酬委員會於二零一零年十月二十四日成立，負責釐定全體董事及高級管理人員的薪酬政策及架構，以及檢討並批准全體董事之特定薪酬組合併就獨立非執行董事之薪酬向董事會提出建議。薪酬委員會由三名成員組成：即薪酬委員會主席周展女士（獨立非執行董事）、陳強先生（董事會主席兼執行董事）及王錦連先生（獨立非執行董事）。

截至二零一八年十二月三十一日止年度，薪酬委員會舉行了一次會議。薪酬委員會於年內的工作概要如下：

- 就董事及本公司高級管理層的薪酬待遇進行年度檢討。

薪酬委員會全體成員亦已通過書面決議，以批准並建議董事會批准一名獨立非執行董事在延長彼等任期的委任函項下的薪酬待遇。

根據上市規則附錄十六規定須予披露之有關董事薪酬及最高薪酬的五位僱員的詳細資料分別載於綜合財務報表附註30及24。

Pursuant to B.1.5 of the Code, the remuneration of the members of the senior management by band for the year ended 31 December 2018 is set out below:

根據B.1.5守則，截至二零一八年十二月三十一日止年度，高級管理層成員之薪酬等級載列如下：

Remuneration bands (RMB) 薪酬等級(人民幣)	Number of persons 人員數目
Below 1,000,000 少於1,000,000	1

### Nomination Committee

The Nomination Committee was established on 1 April 2012 with written terms of reference. The Nomination Committee comprises of three members, namely Mr. Wang Jin Lian (an independent non-executive Director) being the chairman of the Nomination Committee, Ms. Zhu Wen Hua (an executive Director) and Ms. Zhou Zhan (an independent non-executive Director).

### 提名委員會

提名委員會成立於二零一二年四月一日，並以書面形式劃定其職權範圍。提名委員會由三名成員組成，分別為提名委員會主席王錦連先生(獨立非執行董事)、朱文花女士(執行董事)及周展女士(獨立非執行董事)。

The key duties of the Nomination Committee are as follows:

提名委員會之主要職責如下：

- |   |   |
|---|---|
| (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; | (a) 每年最少一次檢討董事會之架構、人數及組成(包括技能、知識及經驗方面)，並就任何擬作出之變動向董事會提出建議以配合本公司之公司策略； |
| (b) to identify individuals suitably qualified to become members of the Board and select, or make recommendations to the Board on the selection of, individuals nominated for directorships;  | (b) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提供意見；                     |
| (c) to assess the independence of independent non-executive Directors;  | (c) 評核獨立非執行董事之獨立性；  |
| (d) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive; and   | (d) 就董事委任或重新委任以及董事(尤其是主席及最高行政人員)繼任計劃向董事會提出建議；及                        |
| (e) to determine the policy, procedures and criteria for the nomination of directors.   | (e) 決定董事提名的政策、程序及標準。  |

The Nomination Committee is to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. To ensure changes to the Board composition can be managed without undue disruption, a formal, considered and transparent procedure is in place for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee. The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities. Further details of the selection criteria and the procedure are set out in the terms of reference of the Nomination Committee which are available on the websites of the Stock Exchange and the Company.

During the year ended 31 December 2018, the Nomination Committee held one meeting. The meeting was held, amongst other things, to review on the structure, size and composition (including the skills, knowledge and experience) of the Board, to assess the independence of each of the independent non-executive Directors and to review the retirement plan of the Board.

### Nomination Procedures and Criteria

A shareholder may at any general meeting nominate a candidate for directorship if, within the 7 days commencing the day after the despatch of the notice of such general meeting, such shareholder (being entitled to attend and vote at such general meeting and not being the candidate) gives to the company secretary a written notice of his/her intention to propose such candidate for election and also a written notice signed by such candidate of his/her willingness to be elected.

Other than the nomination of directors by shareholders, at present, candidates for directorship may be nominated by the Chief Executive Officer of the Company, who will provide the Nomination Committee with notice of such nomination once a candidate has been identified.

The Nomination Committee is responsible for making recommendations to the Board with respect to the nomination of candidates for directorship by making reference to the Company's Board Diversity Policy, which was adopted by the Board on 26 March 2013 and various aspects of the candidate, including (but not limited to) his/her education background, professional experience, experience in the relevant industry and past directorships. In particular, for candidates to be independent non-executive directors, the Nomination Committee assesses his/her independence under Rule 3.13 of the Listing Rules. Then, the Nomination Committee will make its recommendations to the Board for consideration and approval.

提名委員會確保董事會按照本公司業務而具備適當所需技巧、經驗及多樣的觀點與角度。為確保董事會組成人員的變動不會帶來不適當的干擾，本公司應設有正式、經審慎考慮並具透明度的董事甄選、委任及重新委任程序，並設定有秩序的董事繼任計劃(如認為有需要)，包括定期檢討此類計劃。委任新董事(作為新增董事或填補所出現的臨時空缺)或重新委任任何董事乃經提名委員會推薦候選人後由董事會作出決定。用於考慮候選人是否符合資格的標準，應視乎候選人是否能投入足夠時間及精神以處理本公司事務，並促進董事會成員多元化，使董事會能有效履行其職責。更多甄選標準及程序的詳情載於提名委員會職權範圍，該職權範圍已於聯交所及本公司網站內登載。

截至二零一八年十二月三十一日止年度，提名委員會舉行一次會議。舉行會議以(其中包括)審議董事會之架構、人數及組成(包括技能、知識及經驗)、評核向獨立非執行董事之獨立性及審議董事會之退休計劃。

### 提名程序及準則

倘股東於寄發股東大會通知起計7日內向公司秘書提交有關其有意建議人選參選董事的書面通知且有關係人已簽署有關書面通知表示其願意參選，則有關股東(其有權出席有關股東大會並於會上投票及並非為候選人)可於有關股東大會上提名候選人參選。

除由股東提名董事外，現時董事候選人可由本公司首席執行官提名，本公司首席執行官於確定候選人後將即時向提名委員會提供有關提名通知。

提名委員會負責參考董事會於二零一三年三月二十六日採納的本公司董事會多元化政策就提名董事候選人向董事會提供建議，以及多方面考慮候選人，包括(但不限於)其學歷背景、專業經驗、於相關行業的經驗及過往曾擔任的董事職位。特別就獨立非執行董事候選人而言，提名委員會會根據上市規則第3.13條評核其獨立性。其後提名委員會將向董事會提供建議以作考慮及批准。



## Corporate Governance Committee

The Corporate Governance Committee was established on 1 April 2012 with written terms of reference. The Corporate Governance Committee comprises of five members, namely Mr. Wang Jin Lian (an independent non-executive Director) being the chairman of the Corporate Governance Committee, Mr. Chen Qiang (Chairman of the Board and an executive Director), Mr. Wang Tao (an executive Director), Mr. Zhang Ming (an executive Director) and Mr. Lam Cheung Mau (an independent non-executive Director).

The key duties of the Corporate Governance Committee are as follows:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (e) to review the Company's compliance with the Code on Corporate Governance Practices (Appendix 14 to the Listing Rules) and disclosure in the Corporate Governance Report.

During the year ended 31 December 2018, the Corporate Governance Committee held two meetings. The meetings were held:

- to review the compliance with the Code and the relevant disclosure in the draft 2017 Annual Report and the draft 2018 interim report;
- to review the training and continuous professional development of Directors and senior management; and
- to review the corporate governance policy in relation to the disclosure on inside information and the proposed appointment of members of the inside information disclosure committee.

## 企業管治委員會

企業管治委員會成立於二零一二年四月一日，並以書面形式劃定其職權範圍。企業管治委員會由五名成員組成，分別為企業管治委員會主席王錦連先生(獨立非執行董事)、陳強先生(董事會主席兼執行董事)、王濤先生(執行董事)、張明先生(執行董事)及林長茂先生(獨立非執行董事)。

企業管治委員會之主要職責如下：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事會提供意見；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)；及
- (e) 檢討本公司遵守上市規則附錄十四所載的企業管治常規守則及在企業管治報告內的披露。

截至二零一八年十二月三十一日止年度，企業管治委員會舉行兩次會議。會議舉行乃為：

- 檢討守則的遵守情況及二零一七年年度報告及二零一八年中中期報告草案內的相關披露；
- 檢討董事及高級管理層的培訓及持續專業發展；及
- 檢討有關披露內幕消息及建議委任內幕消息披露委員會成員的企業管治政策。

### Finance and Investment Committee

The Finance and Investment Committee was established on 1 April 2012 with written terms of reference. The Finance and Investment Committee comprises of five members, namely Mr. Chen Qiang (Chairman of the Board and an executive Director) being the chairman of the Finance and Investment Committee, Mr. Hong Liang (an executive Director), Mr. Zhang Ming (an executive Director), Mr. Wang Jin Lian (an independent non-executive Director) and Ms. Zhou Zhan (an independent non-executive Director).

The key responsibilities of the Finance and Investment Committee are as follows:

- (a) to develop and review the Company's investment policies, financial strategies and objectives and make recommendations to the Board;
- (b) to consider, evaluate and review major project investments, acquisitions and disposals of the Group and to make recommendations to the Board;
- (c) to conduct post-investment evaluations on investment projects of the Group;
- (d) to arrange and approve banking facilities, loans, financial instruments, guarantees and indemnities of the Group;
- (e) to approve the opening and cancellation of bank or securities accounts of the Group and to approve the authorised signatories and mode of operations of the accounts;
- (f) to oversee the overall management of all the risks of the Group, including, without limitation, the financial and operational risks by setting and formulating risk management policies and strategies; and
- (g) to review and assess the adequacy and effectiveness and risk management policies and framework in identifying, measuring, monitoring and controlling risks.

### 財務及投資委員會

財務及投資委員會成立於二零一二年四月一日，並以書面形式劃定其職權範圍。財務及投資委員會由五名成員組成，分別為財務及投資委員會主席陳強先生(董事會主席兼執行董事)、洪樑先生(執行董事)、張明先生(執行董事)、王錦連先生(獨立非執行董事)及周展女士(獨立非執行董事)。

財務及投資委員會之主要職責如下：

- (a) 制定及檢討公司的投資政策、財務策略及目標，並向董事會提供意見；
- (b) 考慮、評估及檢討本集團主要項目投資、收購及出售，並就此向董事會提供意見；
- (c) 就本集團投資項目開展投資後進行評估；
- (d) 安排及批准本集團的銀行融資、借貸、金融工具、擔保及彌償保證；
- (e) 批准本集團銀行或證券戶口之開戶及取消，並批准其戶口之授權簽署及運作模式；
- (f) 設定及規劃風險管理政策及策略以監督本集團的風險的全面管理，包括但不限於財務及運營風險；及
- (g) 檢討及評估風險管理政策及架構是否足夠及有效發現、估量、監察及控制風險。

### Board Diversity Policy

The Board Diversity Policy was adopted by the Company pursuant to the resolutions passed at a Board meeting held on 26 March 2013. The Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, the nomination and the board appointments during the year ended 31 December 2018 were made after considering the board diversity in a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

### Risk Management and Internal Control

The Board places great importance on internal controls and is responsible for the risk management and internal control systems and reviewing the effectiveness of those risk management and internal control. The Company has provided directors training materials, which contain, amongst other things, inside information regulatory requirements, prepared by the Company's external legal advisor in order to ensure the company is compliance with regulatory requirements.

The risk management and internal control systems are designed to manage the risk of failure to achieve corporate objectives and to protect the Group's assets and information. It aims to provide reasonable assurance against material misstatements, losses, damages or fraud and to manage rather than eliminate risks of failure in operations systems. The Board has delegated the design, implementation and ongoing assessment of risk management and internal control systems to the management, while the Board, through its Audit Committee, oversees and reviews the adequacy and effectiveness of relevant financial, operational and compliance controls and risk management procedures in place. Qualified personnel of the Group maintain and monitor these systems of controls on an ongoing basis.

### 董事會多元化政策

本公司根據於二零一三年三月二十六日舉行之董事會會議上通過之決議案，採納董事會多元化政策。本公司視董事會層面日益多元化為支持其達到戰略目標及維持可持續發展之關鍵元素。於設計董事會組成時，本公司從多個方面考慮董事會多元化後，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，作出於截至二零一八年十二月三十一日止年度的提名及董事會委任。

### 風險管理及內部監控

董事會非常重視內部控制，並負責風險管理及內部監控系統及評估這些風險管理及內部監控的成效。本公司已為董事提供由本公司外聘法律顧問起草載有(其中包括)內幕消息監管規定的培訓材料，以確保本公司遵守相關的監管規定。

風險管理及內部監控系統乃為管理未能達成企業目標的相關風險及保障本集團資產及資料而設。該系統旨在合理防範嚴重誤報、損失、損害或詐騙，以及管理(而並非杜絕)作業系統的故障風險。董事會已委託管理層設計、執行及持續評核風險管理及內部監控系統，而董事會則會通過審核委員會監督及評審現有財務、營運及合規監控系統以及風險管理措施，以評估其是否充足及有效。本集團合資格人士持續維護與監察上述監控系統。

## CORPORATE GOVERNANCE REPORT 企業管治報告

The Board reviewed the effectiveness of the Group's risk management and internal control systems, including financial, operational and compliance control and risk management systems. 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 reviewed the adequacy and effectiveness of the Group's risk management and internal control systems semi-annually through the Audit Committee. During the year ended 31 December 2018, no irregularity or material weakness was noted within any function or process. The Audit Committee is satisfied that the risk management and internal control systems had functioned effectively as intended.

The Company had established internal audit function and regularly carries out reviews on the effectiveness of the risk management and internal control in order to ensure that they are able to meet and deal with the dynamic and ever changing business environment.

The Board considers the risk management and internal control systems are effective and adequate for the Group as a whole. The Board further considers that there was no issue relating to the material controls, including financial, operational and compliance controls and risk management functions of the Group.

In addition, the Board and/or its committees have also reviewed the adequacy of the Company's resources, staff's qualifications and experience, training programmes and the related budgets in the Company's accounting, internal audit and financial reporting functions.

### Inside Information

The Company has established a disclosure committee to oversee disclosure of inside information in accordance with a policy on disclosure of inside information (the "**Disclosure Policy**"). The Disclosure Policy sets out the procedures and internal controls for handling and dissemination of inside information in a timely manner and in such a way so as not to place any person in a privileged dealing position and to allow sufficient time for the market to price the listed securities of the Company with the latest available information of the Company.

董事會已評核本集團風險管理及內部監控系統，包括財務、營運及合規監控與風險管理系統之成效。董事會承認其須對風險管理及內部監控系統負責，並有責任檢討該等制度的有效性。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。董事會透過審核委員會每半年檢討集團的風險管理及內部監控系統的充足程度及成效。截至二零一八年十二月三十一日止年度內，未有發現任何職能或工序有欠穩妥之處或重大缺失。審核委員會信納風險管理及內部監控系統之運作效率一如預期。

本公司有設立內部審核功能並定期對風險管理及內部監控的有效性進行審閱，確保其能夠符合及應對靈活多變的經營環境。

董事會認為，風險管理及內部監控系統對本集團整體而言屬有效及充足。董事會並認為，本集團在財務、營運及合規監控以及風險管理職能各方面未有任何重大監控問題。

此外，董事會及／或其委員會亦審閱本公司的資源、員工資歷及經驗、培訓項目，以及本公司會計、內部審核及財務報告功能相關預算之足夠性。

### 內幕消息

本公司設有披露委員會，以根據內幕消息披露管理規定(「**披露規定**」)監督內幕消息披露。披露規定載列有關處理及發佈內幕消息之程序及內部監控，使內幕消息得以適時處理及發佈，並不會導致任何人士在本公司上市證券交易上處於佔優地位，亦讓市場在得悉本公司最新可得資料的情況下，有充足時間定出本公司上市證券之價格。

All directors and employees of the Company must comply with the Disclosure Policy which provides guidelines to the directors, senior officers and other relevant employees of the Group to ensure proper safeguards in place to prevent the Company from breaching the statutory disclosure requirements of inside information. The Disclosure Policy also includes appropriate internal control and reporting systems to identify and assess potential inside information and relevant steps to be taken.

The Disclosure Policy also stipulates that dissemination of inside information of the Company shall be conducted by publication of the relevant information on the websites of Hong Kong Exchanges and Clearing Limited and the Company, according to the requirements of the SFO and the Listing Rules.

## Company Secretary

In July 2018, Ms. Lee Man Yee resigned and Ms. Leung Yin Fai was appointed as the Company Secretary of the Company. Ms. Leung Yin Fai, is responsible for advising the Board on corporate governance matters and ensuring that the Board policy and ensuring that the Board policy and procedures, and the applicable laws, rules and regulations are followed. All Directors have access to the advice and services of the company secretary to ensure that the Board procedures and all applicable laws are followed. Moreover, the company secretary is responsible for facilitating communications among Directors as well as with management.

The Company engages an external service provider, Ms. Leung Yin Fai, as its company secretary. Mr. Hong Liang, executive director of the Company, is the primary contact person whom Ms. Leung Yin Fai can contact. During the year ended 31 December 2018, the company secretary has undertaken more than 15 hours of relevant professional training.

## External Auditor

The Company has engaged PricewaterhouseCoopers as its external auditor. The aggregate remuneration in respect of services provided by PricewaterhouseCoopers for the year ended 31 December 2018 was approximately HKD10.4 million (2017: HKD6.8 million), of which HKD5.5 million (2017: HKD5.8 million) represents annual audit and other audit-related services and HKD4.9 million (2017: HKD1.0 million) represents fees for certain non-audit related services, which mainly consist of taxation, review, consultancy and other reporting services.

本公司所有董事及僱員必須遵守披露規定。該規定為本集團董事、高級人員及其他相關僱員提供指引，確保設有適當措施，以預防本公司違反法定的內幕消息披露規定。披露規定亦載有適當的內部監控及匯報制度，以識別及評估潛在的內幕消息及採取相關行動。

根據證券及期貨條例及上市規則規定，披露規定亦規範本公司內幕消息之發佈方法乃於香港交易及結算所有限公司及本公司網站內刊載相關消息。

## 公司秘書

於二零一八年七月，李敏兒女士已辭任而梁燕輝女士已獲委任為本公司公司秘書。梁燕輝女士負責就企業管治事宜向董事會提供意見並確保遵守董事會政策及程序、適用法例、規則及規例。所有董事均可獲得公司秘書的建議及服務以確保董事會遵守議事程序及所有適用法律。此外，公司秘書負責促進董事之間以及管理層之間的溝通。

本公司已委聘外部服務提供者梁燕輝女士作為公司秘書。本公司執行董事洪樑先生為梁燕輝女士可聯絡的主要聯絡人士。截至二零一八年十二月三十一日止年度，公司秘書已進行了超過15小時的相關專業培訓。

## 外聘核數師

本公司已委聘羅兵咸永道會計師事務所為外聘核數師。截至二零一八年十二月三十一日止年度，羅兵咸永道會計師事務所就其提供之服務收取酬金合共約10.4百萬港元(二零一七年：6.8百萬港元)，其中5.5百萬港元(二零一七年：5.8百萬港元)乃年度審計及其他審計相關服務費用，而4.9百萬港元(二零一七年：1.0百萬港元)則為若干非審計服務(主要包括稅務、審閱、諮詢及其他申報服務)的費用。

## Directors' Responsibility for Financial Statements and Auditor's Responsibility

All Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company for the year ended 31 December 2018 and of ensuring that the preparation of the consolidated financial statements of the Company is in accordance with the applicable standards and requirements.

The statement of the auditor about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 88 to 93 of this annual report.

## Going Concern and Mitigation Measures

During the Period, the Group incurred a net loss of approximately RMB259.5 million and had an operating cash outflow of RMB201.0 million. As at 31 December 2018, the Group had a total deficit of RMB9,630.1 million and the Group's current liabilities exceeded its current assets by RMB11,326.2 million. While the Group only maintained cash and cash equivalents of RMB9.3 million. These conditions, together with others described in Note 2.1(a) to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt over the Group's ability to continue as a going concern. However, a number of measures have been undertaken to improve the Group's liquidity and financial position, to refinance its operations and to restructure its debts. For further details of these measures, please refer to Note 2.1(a) to the consolidated financial statements.

## Shareholders' Rights

Under the Articles of Association, in addition to regular Board meetings, Directors of the Company, on the written requisition of two or more shareholders of the Company holding not less than 10% of the paid-up capital of the Company which carry voting rights, shall convene an extraordinary general meeting to address specific issues of the Company.

The requisition must (i) specify the objects of the meeting, the name of the requisitioner(s), their contact details and the number of ordinary shares in the Company held by them, (ii) be signed by the requisitioner(s) and (iii) be deposited at the Company's principal place of business in Hong Kong.

## 董事對財務報表的責任及核數師責任

所有董事知悉彼等負責編製本公司截至二零一八年十二月三十一日止年度的綜合財務報表，並確保根據適用標準及規定編製本公司綜合財務報表。

有關核數師對本集團財務報表申報責任的陳述載於本年報第88頁至第93頁的獨立核數師報告內。

## 持續經營及應對措施

於本期間，本集團產生淨虧損約人民幣259.5百萬元及錄得經營現金流出約人民幣201.0百萬元。於二零一八年十二月三十一日，本集團虧絀總額為人民幣9,630.1百萬元，而本集團流動負債超過流動資產人民幣11,326.2百萬元。本集團只維持現金及現金等價物人民幣9.3百萬元。以上事項，連同綜合財務報表附註2.1(a)所述的其他事項，表明可能導致貴集團的持續經營能力產生重大疑慮的事項或情況存在重大不確定性。不過，我們已採取多項措施以改善流動資金水平及財務狀況，務求為其業務再融資及重組債務。有關該等應對計劃及措施的進一步詳情，請參閱綜合財務報表附註2.1(a)。

## 股東權利

根據細則，除董事會定期會議外，在持有不少於本公司帶有投票權之繳足股本10%的兩名或以上本公司股東書面要求下，本公司董事須召開股東特別大會處理本公司的特定議題。

請求書必須(i)明確說明大會的主旨、請求人士名稱、彼等的聯絡資料及其持有本公司普通股的數目、(ii)由請求人簽署及(iii)繳存於本公司香港主要營業地點。

The Directors must, within 21 days from the date of the deposit of the requisition, proceed to convene an extraordinary general meeting to be held within a further 21 days. If the Directors fail to convene the extraordinary general meeting as aforesaid, the requisitionist(s), or any of them representing more than one-half of the total voting rights of all of them, may themselves convene the meeting. Any meeting so convened shall not be held after the expiration of three months from the date of the deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

## Shareholders' Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Investor Relations Department whose contact details are as follows:

### Investor Relations Department

China Huarong Energy Company Limited  
Room 2201, 22nd Floor, China Evergrande Centre,  
38 Gloucester Road, Wanchai, Hong Kong  
Email: ir@rshi.cn  
Tel no.: +852 3900 1888  
Fax no.: +852 2180 7880

The Investor Relations Department will forward the shareholders' enquiries and concerns to the Board and/or the relevant Board committees and answer any shareholders' questions (where applicable and appropriate).

## Shareholders' Meetings

The Company regards the AGM as an important event as it provides an invaluable opportunity for the Board to communicate with the shareholders of the Company. All shareholders are given at least 20 clear business days' prior notice to attend the AGM. During the AGM, the Directors are available to answer questions which shareholders may have. Poll results are published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in a timely manner.

All shareholders of the Company have the right to be informed and participate in material matters of the Company as prescribed by laws and the Articles of Association.

在請求書繳存日期起計21天內，董事必須安排於其後21天內召開一次股東特別大會。如董事未能如上文所述召開股東特別大會，該等請求人或佔全體請求人一半以上總表決權的請求人可自行召開會議。惟於請求書繳存日期起計三個月屆滿後不能舉行任何該等會議，而本公司須向請求人償付所有因董事會未有召開會議致使請求人須自行召開會議而產生的合理開支。

## 股東向董事會進行查詢

股東可於任何時間以書面方式透過投資者關係部向董事會提出查詢及表達意見。投資者關係部的聯絡資料如下：

### 投資者關係部

中國華榮能源股份有限公司  
香港灣仔告士打道38號  
中國恆大中心22樓2201室  
電郵：ir@rshi.cn  
電話：+852 3900 1888  
傳真：+852 2180 7880

投資者關係部將向董事會及／或相關董事委員會轉交股東的查詢及意見，並在適當情況下回覆股東提問。

## 股東大會

本公司將股東週年大會視為重要事件，因其提供寶貴機會讓董事會與本公司股東溝通。全體股東最少於足20個營業日前得悉有關出席股東週年大會之通知。於股東週年大會舉行期間，董事將即場回應股東的提問。投票結果將適時分別登載於香港交易及結算所有有限公司及本公司網站內。

本公司所有股東均擁有法例及細則所規定的關於本公司重大事項的知情權及參與權。

## Investor Relations

The Group is committed to regular and proactive communication with its shareholders. It has adopted a policy of disclosing clear, adequate and relevant information to its shareholders in a timely manner through various channels.

The Board communicates with its shareholders and investors through various channels. The Board members meet and communicate with shareholders and investors at annual general meetings and other general meetings.

Investor Relations Department responds in a timely manner to letters and telephone enquiries from shareholders and investors of the Company. An email contact (ir@rshi.cn) is available to shareholders and investors of the Company.

The Company's website (<http://www.huarongenergy.com.hk>) facilitates effective communications with shareholders, investors and other stakeholders of the Company by making up-to-date information relating to the Group's business developments, operations, financial information, corporate governance practices and other information available electronically and on a timely basis.

## 投資者關係

本集團致力與其股東進行定期及主動的溝通。其已採納政策，透過多種渠道及時向其股東清晰及充足地披露有關資料。

董事會透過各種渠道與股東及投資者進行溝通。董事會成員參加股東週年大會和其他股東大會，以與股東及投資者會面與溝通。

投資者關係部門一直適時回覆本公司股東及投資者的函件及電話查詢。本公司股東及投資者可通過電郵(ir@rshi.cn)與本公司聯絡。

本公司的網站(<http://www.huarongenergy.com.hk>)提供有關本集團的業務發展、經營、財務資料、企業管治常規的最新資訊及以電子方式適時提供其他資料，有效促進本公司與其股東、投資者及其他持份者之間的溝通。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The Group constantly concerns about the resources on earth and sustainable development, and is committed to balancing the development of society, economy and environment. The Group is pleased to announce the 2018 Environmental, Social and Governance Report to demonstrate the Group's commitment and effort in corporate social responsibility and environmental protection.

### Reporting Scope and Period

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Listing Rules. It sets out the Group's environmental, social and governance commitments and practices during the Period. This report covers the shipbuilding and engineering business in Jiangsu, Anhui, China and the energy exploration and production business in Kyrgyzstan.

### Responding to Climate Change

The problem of climate change has been snowballing everyday. According to the latest Emissions Gap Report 2018 published by the United Nations Environment Programme, the global carbon emission did not drop but went the other way, and various countries are facing the impact of extreme weather associated with climate change. The Group has implemented a number of measures in its business and supply chain in response to the global climate change, such as: making use of energy-saving devices and equipment; and constructing sewage pools in order to reduce carbon emission. More details can be found in this report, and for supply chain please refer to the section Supply Chain Management.

### Stakeholders Engagement

To have a sustainable operating business, the Group is aware of the needs to fully understand the expectations and needs of its stakeholders to have appropriate, relevant and effective countermeasures. Our aim is to strike a balance between business development and meeting the expectations of stakeholders. The Group has identified external stakeholders, such as investors, customers, suppliers and communities, and internal stakeholders such as employees and directors. By communicating with them regularly through different channels, they can understand more about the Group in the environmental, social and corporate governance aspects.

本集團時刻關注地球資源和可持續發展的議題，致力平衡社會、經濟及環境三方面的發展。本集團欣然發表二零一八年度環境、社會及管治報告，以顯示集團在企業社會責任和環境保護上的承諾和努力成果。

### 本報告範圍及報告期

本報告參照上市規則附錄二十七《環境、社會及管治報告指引》的規定而編寫。載列於本期間本集團在環境、社會及管治上的承諾和實踐。涵蓋於中國江蘇、安徽的造船及工程業務及於吉爾吉斯的能源勘探及生產業務。

### 應對氣候變化

近年氣候變化的問題日益嚴重，根據聯合國環境署最新發表的《2018年氣體排放差距報告》可知，全球的碳排放不跌反升，全球多國都正面對著氣候變化所帶來的影響如極端天氣。本集團在業務和供應鏈上實踐了多項措施以應對全球氣候變化，例如：採用節能的裝置及設備；建造排污池等，以減低碳排放量。詳情已記錄在這報告中，而供應鏈方面可瀏覽供應商管理部分。

### 持份者參與

本集團明白要持續營運業務，需要充分了解持份者的期望和需求，從而作出適切、相關及有效的回應。我們的目標是兼顧業務發展的同時滿足持份者的要求，以取得平衡。本集團識別出外部持份者（如投資者、客戶、供應商、社區）及內部持份者（如員工、董事）。透過不同形式，定期與他們溝通，以加深他們對本集團在環境、社會及企業管治方面的瞭解。

## Environmental Protection

The Group strictly complies with the environmental laws and regulations of China and operating locations to execute environmental protection policies, and discharge pollutants in strict accordance with statutory requirements and standards. Each production site of the Group has a specialized department responsible for monitoring whether the Group's operation complies with the environmental laws and regulations of China and operating locations, as well as reviewing the environmental plannings. The Group also identifies environmental risk factors according to different businesses and develops countermeasures. Looking forward, the Group will pay close attention to the trend in environmental protection of China and operating locations to ensure it is up-to-date, invest in corresponding environmental protection projects according to needs and actively seek breakthroughs to improve the overall environmental protection performance.

## Energy Exploration and Production Business

The Group's energy exploration and production business mainly involves in the 60% interests it holds in four oilfields in the Fergana Valley of Kyrgyzstan to conduct oil exploration and exploitation. Oil exploitation requires consumption of a huge amount of resources, therefore the Group adheres to the principle of green production during exploitation and refining to improve energy development and performance. The State Inspection for Environmental and Technical Safety of the Kyrgyz Republic conducts inspection on companies every year. The State Inspection for Environmental and Technical Safety of the Kyrgyz Republic issued proof of non-violation to the Group during the Period, proving that there was no evidence of excessive emission according to the permitted and approved emission regulation of Kyrgyz Republic Jalalabad State Forestry Environmental Protection Agency of the State Environmental and Forestry Agency at the Government. The Group also has not violated any environmental protection laws and regulations.

## 環境保護

本集團嚴格遵守國家及營運所在地的環保法令規章執行環境保護方針，亦會嚴格按照法定要求和標準排放污染物。本集團各生產基地均設有專責部門，負責監察本集團運作是否符合國家及營運所在地的環保法令及規章，審查環保規劃。本集團亦根據不同業務識別出各項環境風險因素，制定應對方法。展望未來，本集團會密切留意國家以及營運所在地在環境保護方面的走勢，與時並進，按需要投資相應的環保項目，積極尋求突破，從而提升整體的環保表現。

## 能源勘探及生產業務

本集團的能源勘探及生產業務主要通過持有60%權益涉及位於吉爾吉斯費爾幹納盆地的四個油田，以進行石油勘探及開採。開採石油需要消耗大量天然資源，所以本集團堅守綠色生產的原則進行開採及提煉，提高能源開發率及效能。吉爾吉斯國家安全環保監督局每年亦會對公司進行例行檢查。在報告期內，本集團獲吉爾吉斯國家安全環保監督局發出環保無違規證明，證實未發現任何排放量超出吉爾吉斯共和國國家林業環保總局賈拉拉巴德州林業環保局本法的排放許可和核准的排放量。本集團亦沒有違反任何環境保護的法律法規。

In order to efficiently make use of the resources, the Group employs professional experts with experience in oilfield engineering and production development, which is implemented and managed according to the standards established. Safety engineers are required to be familiar with the local ecological environment and work in accordance with the laws and regulations, regularly inspect each oil well and site, the energy safety of engineering production projects and land use. They should also identify the work procedures with high environmental risks in the production workflow and strictly adjust accordingly to avoid any major accidents due to environmental safety that will affect the local ecological environment. Also, external consultants are engaged by the Group to provide professional advice in the early stages of operation, monitoring the entire production process to operate properly. The Group also strictly controls the emissions of waste, sewage and greenhouse gases every year to ensure that the emission limits required by local laws and regulations are met.

#### *Greenhouse Gas and Energy Consumption*

Oilfield development inevitably entails direct and indirect greenhouse gas emissions. In development of the Kyrgyzstan Project, the Group carried out detailed environmental impact assessment reports to identify potential environmental risk factors and formulated a response plan accordingly, and submitted it to the State Inspectorate for Environmental and Technical Safety of Kyrgyzstan for joint instruction with other relevant departments with a view to minimizing impacts on the environment. In addition, the Group also regularly monitors greenhouse gas emissions to ensure that the required limits are not exceeded and that the corresponding sewage charges are paid. In terms of energy use, the Group is also actively seeking new technologies to increase energy development rates and reduce pollutant emissions. The Group uses equipment such as energy-saving pumping units and oil transfer pumps. The insulation layer of the crude oil pipelines will also be replaced and thickened before the winter to prevent heat loss and save energy.

為了更有效地善用資源，本集團聘請具有油田工程及生產開發經驗的專業人員，按照已制定的標準執行和管理。而安全工程師需熟悉當地的生態環境，按照法律法規開展工作，定期巡查各油井現場、工程生產項目的能源安全、土地使用等情況，亦會識別生產流程中具高環境安全風險的工序，嚴格作出調整，避免發生因環境安全而引起的重大事故，以免破壞當地生態環境。此外，本集團亦聘請外部顧問在營運初期提供專業意見，監察整個生產流程能妥善地運行。每年也嚴格管控本集團在廢棄物、污水和溫室氣體的排放，以確保達致當地法律法規所要求的排放量上限。

#### *溫室氣體及能源消耗*

油田開發無可避免會直接及間接產生溫室氣體。吉爾吉斯項目開發過程中，本集團進行了詳細的環境影響評估報告，以識別各項潛在的環境風險因素，就此制定應對方案，並呈交給吉爾吉斯國家生態技術監督部聯合其他相關部門作批示，務求將環境影響減至最低。除此以外，本集團亦會定期監測溫室氣體排放量，確保沒有超出規定並繳納相應排污費。在能源使用上，本集團也積極尋求新技術，以提高能源開發率及減低污染物的排放。本集團採用節能的抽油機、輸油泵等設備；每年冬季前亦會更換及加厚原油輸管線的保溫層，以防止熱量散失，節約能耗。

### *Waste Water and Waste Liquids Management*

Unrefined oil is a viscous liquid that can cause irreversible and catastrophic effects on the environment once it is accidentally leaked. As an oil miner, the Group has a responsibility to reduce the impact of oil exploration activities on the surrounding environment. Therefore, as early as the development and design of the Kyrgyzstan project, sewage pools have been built, which is covered with anti-seepage cloths. There are also oil booms, oil-absorbing felts and oil-disinfecting agents at the dock to prevent wastes and waste liquids from seeping into the soil and polluting the environment.

On the other hand, oil extraction activities can potentially cause water pollution. The Group strives for a balance between business development and the ecological environment, hence we are incumbent on water pollution prevention. The Group and the qualified outsourcers signed a cooperation agreement stipulating that all waste water must be appropriately treated before discharged to meet the national standards of the Kyrgyz Republic. In addition, the waste liquid generated during the crude oil production process is transported to a central collection point for centralized treatment and stored in a sealed cylinder, and must be transported by a qualified outsourcer. In terms of daily supervision, the Group has not only formulated a disaster response code, but also provided clear safety process guidelines and contingency measures to respond to oil spills. We also closely monitor oil pipelines and equipment by the combination of on-site duty, regular inspections and irregular inspections.

### **Shipbuilding and Engineering Business**

The “prevention, reduction, and control of pollution” is the strategic direction of the Group’s sustainable development. Strengthening the comprehensive utilization of resources, optimizing resource allocation, achieving discharge standards of waste water and waste gas, and legal disposal of waste are regarded as the Group’s highest priority in shipbuilding and engineering business. In order to realize the above visions, the Group has made unremitting efforts to make changes from the following aspects.

### *廢水及廢液管理*

未經提煉的石油是一種黏稠液體，一旦不慎洩漏會對生態環境造成不可逆轉的災難性影響。作為石油開採商，本集團有責任減低石油開採活動對周邊環境的影響。因此，早在吉爾吉斯項目開發設計時已建有排污池，鋪有防滲布，在碼頭亦設有圍油欄、吸油氈、消油劑等，以防止廢料及廢液滲入泥土，污染環境。

另一方面，石油開採活動亦有機會造成水體污染。本集團務求業務發展和生態環境的平衡，固然在防範水污染上責無旁貸。本集團與合資格外包商簽署合作協議，規定所有廢水必須經過合適的廢水處理，達到吉爾吉斯共和國國家的排放標準，方可排走。此外，在原油開採過程中產生的廢棄液體會運送到中央收集點集中處理，並用密封油缸儲存再必須經由合資格的外包商負責運輸。在日常監管方面，本集團不單制定了災難應變守則，向工作人員提供清晰的安全流程指引及應變措施以應對石油洩漏事故，還通過駐井值班、定期巡視和不定期檢查相結合的方式密切監測輸油管及設備。

### **造船及工程業務**

「預防、減少、控制污染」為集團可持續發展的戰略方針將強化資源綜合利用，優化資源配置，廢水廢氣等排放達標，合法處置廢棄物視為本集團在造船及工程業務上的重中之重。為實現以上理念，本集團努力不懈地從以下各方面作出變革。

### *Greenhouse Gas and Pollutant Emissions*

For the electricity consumption of the engineering machinery manufacturing industry, the Anhui factory building merged the circuits, transforming the circuit of the large-load electricity workshops and switching from the original high-power lighting system of the decommissioning workshops to mobile LED lighting. At the same time, in the shipbuilding and engineering business, processes such as abrasive blasting, welding, painting and metal surface treatment inevitably generate waste gas and soot. The Group also does its utmost to reduce unorganized emissions in this respect: A grit recycling system is built in the abrasive blasting room, and the steel grit is recycled by vacuum sand suction machines. The metal oxide dust generated by abrasive blasting and the steel grit dust pass through secondary cyclone dust filtration, and are discharged through the 25-meter-long exhaust cylinder after reaching the standard. The technicians of the Group will monitor the exhaust vents, on a sample basis, and follow the emission standards of the national and local environmental protection departments. In addition, the Group also equipped the welding fume purification units to deal with the large amount of fume emitted from manual welding. We not only strengthened the ventilation system at the welding site, but also enhanced the ventilation of the production site to reduce the concentration level of fume and minimize the impact on the adjacent areas.

### *溫室氣體及污染物排放*

針對工程機械製造業的用電，安徽廠房通過線路合併，改造大負荷用電車間電路以及更改停用車間原有大功率照明系統為移動式LED照明燈。與此同時，造船及工程業務上，噴砂、焊接、噴漆及金屬表面處理等工序無可避免的會產生廢氣及煙塵，本集團亦竭盡所能減少這方面的無組織排放：在噴砂間設置回砂系統，通過真空吸砂機回收鋼砂後迴圈使用。噴砂產生的金屬氧化物粉塵和鋼砂自碎粉塵通過旋風和過濾二級除塵，達標後方經25米長的排氣筒排走。本集團的技術人員會對排放口進行取樣監控，確保遵循國家及當地環保部門的排放標準。此外，本集團也對煙塵散發量較大的手工焊配置焊煙淨化機，不僅在焊接處加強排風，也加強生產場所的通風，以降低濃度，把對鄰近地區的影響降到最低。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

	Unit	(For the year ended 31 December 2018)
	單位	(截至於二零一八年 十二月三十一日止年度)
<b>Emissions</b>		
<b>排放物</b>		
Total greenhouse gas emissions (scope 1 and 2)	tonne of CO <sub>2</sub> equivalent	415,925
溫室氣體總排放量(範圍1及2)	噸二氧化碳當量	
Direct emissions (scope 1)	tonne of CO <sub>2</sub> equivalent	405,654
直接排放(範圍1)	噸二氧化碳當量	
Indirect emissions (scope 2)	tonne of CO <sub>2</sub> equivalent	10,271
間接排放(範圍2)	噸二氧化碳當量	
Nitrogen oxides (NO <sub>x</sub> )	kg	18.45
氮氧化物(NO <sub>x</sub> )	千克	
Sulfur oxides (SO <sub>x</sub> )	kg	1.88
硫氧化物(SO <sub>x</sub> )	千克	
Particulate matter	kg	1.36
顆粒	千克	
<b>Use of Resources</b>		
<b>資源使用</b>		
Electricity purchased	kWh	12,765,109
購買電力	千瓦時	
Diesel	liter	22,528
柴油	公升	
Gasoline	liter	127,788
汽油	公升	
Natural gas	m <sup>3</sup>	184,894
天然氣	立方米	

### Waste Management

Sewage and waste oil will be produced during the ship's production process. Therefore, special treatment pools for sewage and waste oil are built to meet the environmental protection requirements of the Ministry of Ecology and Environment. Dockyard washing will also cause water pollution problems. The Group uses deep-well booster water pumps at the river embankment area of Road No.5 in the Nantong production site to wash the ships to reduce water and electricity consumption. The sewage after dockyard washing is stored in the sewage pool due to the chemical substances it contained and is properly disposed of by qualified outsourcers.

In daily operations, the Group has formulated the Waste Management Measures (《廢棄物管理辦法》), the Solid Waste Pollution Prevention and Control Law (《固體廢物污染環境防治法》) and the 5S Management System (《5S管理制度》). Non-hazardous wastes are classified according to these regulations. Regulated waste shall be stored in two categories, recyclable and non-recyclable, and be collected and recycled as much as possible.

The Group has also basically achieved paperless office, with the Group's network platform as the main body of the office, reducing the use of paper consumption and ink cartridges. The Group has also implemented the following measures to reduce waste, with an aim to encourage and promote awareness of waste reduction among employees.

- Making good use of electronic communication such as mail, WeChat, QQ, etc., to transfer documents;
- Setting up recycling paper trays in the office;
- Promoting double-sided photocopying and the use of second-hand paper printing (photocopying);
- Saving files by electronic means to reduce the use of printers;
- Reusing old file folders;

### 廢棄物管理

船舶生產過程中會產生污水及廢油，故特別建設港池污水及廢油的處理收集池，以配合環保局的環評要求而作出環境改進。而當船舶進行洗塢時，也會衍生水污染的問題。因此，本集團使用南通生產基地五號路江堤崗的深井水泵為船舶進行清洗，利用深井水泵可減少水資源和電力的消耗。洗塢過後的污水因含有化學物質，會存放於污水池，由合資格的外包商妥善處理。

日常運作上，本集團制定了《廢棄物管理辦法》、《固體廢物污染環境防治法》及《5S管理制度》，根據該等規定，對無害廢棄物進行分類管理。規範廢棄物須按可回收及不可回收兩類分類存放，盡可能收集及回收廢棄物。

集團亦已基本實現無紙化辦公，以集團網路平台為辦公主體，減少紙張消耗和墨水匣的使用。本集團也實施了以下減廢的措施，以鼓勵及推動員工間的減廢意識。

- 善用電子通訊如郵件、微信、QQ等傳遞文件；
- 於辦公室設置再用紙回收欄；
- 提倡雙面影印及重用二手紙打(複)印；
- 以電子方式存檔，減少使用印表機；
- 重用舊檔夾；

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

- After recycling the reusable printer ink cartridges, the Group recycles and sends them to the professional unit for refilling;
  - Recycling glass, waste plastic, waste paper, metal and waste wood;
  - Planning out meals in the canteen effectively to reduce food waste;
  - The kitchen adopts the “first-in-first-out” principle to process ingredients; and
  - The packaging materials such as 9mm plywood sheets should be reused as much as possible before the product is shipped.
- 回收重用印表機墨水匣使用完後，由集團回收送專業單位再次充裝使用；
  - 回收玻璃、廢膠料、廢紙、金屬、廢木板；
  - 有效規劃飯堂的膳食，以減少廚餘；
  - 廚房採用「先入先出」的原則處理食材；及
  - 產品發貨前的包裝盡量重用廢棄的九夾板等材料。

	Unit	(For the year ended 31 December 2018) (截至於二零一八年 十二月三十一日止年度)	Compared to the results of 2017 相較二零一七年成果
	單位		
<b>Waste</b>			
<b>廢棄物</b>			
Hazardous waste	tonne	4.2	-30%
有害廢棄物	噸		
Non-hazardous waste	tonne	44	-10.2%
無害廢棄物	噸		

As far as hazardous waste is concerned, the Group has identified the hazardous wastes of the factory in strict accordance with the provisions of the Directory of National Hazardous Wastes and complied with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the Administrative Measures on the Transfer of Hazardous Wastes, looking for qualified and licensed disposal units to properly dispose of hazardous waste. At the same time, the Group has also met the requirements of the regulations, centralized collection of hazardous waste and stored such waste temporarily in covered containers. The collection points of waste are located away from the river and waterways to avoid contaminating the soil and the ocean.

至於有害廢棄物方面，本集團嚴格參照國家《國家危險名錄》規定，對工廠的有害廢棄物進行鑒別，並依據《中華人民共和國固體廢棄物環境污染防治法》、《危險廢棄物轉移聯單管理辦法》等法規要求，尋找有資格及持牌的處理單位，對危險的廢棄物合理地處置。同時集團也符合法規要求，針對危險廢棄物進行集中收集和暫存在有蓋容器。而廢棄物的收集點設置於遠離江邊及食水道，避免污染土壤和海洋。



## Energy Consumption and Pollutant Emissions

The Group understands the importance of raising employees' awareness regarding energy saving and emission reduction cannot be overlooked. Therefore, the Group has not only put up environmental protection signs at prominent positions inside the factories, but also encouraged its employees to travel by public transports at the same time, so as to reduce the emission of greenhouse gases. The Group also formulated the Administrative Measures for Environmental Pollution Prevention (《環境污染防治管理辦法》) to strengthen the environmental protection work of the Group, improve the environmental quality, standardize environmental management, and specify the responsibilities as well as inspection and assessment methods of various departments regarding environmental management. In addition, the Group has also implemented the following series of energy saving and emission reduction measures as follows to encourage and enhance the energy saving awareness among employees. During the Period, the Group is pleased to have a decrease of 7.6% in total electricity consumption.

- Reminding employees to turn off the air conditioners, lighting system and switch off the power of electronic equipment when they leave their accommodations, which are included in departmental performance appraisals;
  - Making use of electric flatbeds and electric forklifts when transporting finished goods and semi-finished goods from workshops to workshops;
  - Hiring professional maintenance technicians to maintain and clean the air conditioning system in spring;
  - Maintaining indoor air-conditioned temperature at 24 to 26 degrees celsius;
  - Replacing lighting system to T5/LED Luminaires continuously;
  - Installing a motion sensor to control the lighting system;
  - Using biodiesel/low sulphur content diesel to drive generators/vortex furnaces/equipment; and
  - Rrying to arrange video/phone calls for conferences to reduce business travel.
- 提醒員工離開宿舍時關掉空調，照明系統及電子設備電源，並列入部門績效考核中；
  - 盡量採用電動平板車、電動叉車轉運各車間之間的成品及半成品；
  - 每年的春季會聘請專業的維修師傅維修、清洗空調系統；
  - 維持室內空調溫度在24 至26 度；
  - 持續更換照明系統為T5 / LED 燈具
  - 安裝移動感應器，以管控照明系統；
  - 使用生物柴油 / 低硫柴油驅動發電機渦爐設備；及
  - 儘量安排視訊 / 電話會議，以減少出行。

## 能源消耗及污染物排放

本集團明瞭提升員工對節能減排的意識不容忽視。因此，本集團不僅會在廠房當眼處張貼環保標誌，提醒員工節約用電；同時倡導乘坐公共交通工具出行，以減少溫室氣體排放。本集團亦制定《環境污染防治管理辦法》，以加強集團的環境保護工作，改善環境品質，規範環境管理，明確各部門環境管理的職責內容及檢查考核辦法。此外，本集團也實施了以下一系列節能減排的措施，以鼓勵及提升員工間的節能意識。本報告期內，集團亦欣然在總耗電量上，錄得百分之七點六的減幅。

### Use of Water Resources

The Group also attaches great importance to the internal water use, not only does it cut unnecessary water from the source, but also actively explore measures for recycling water in the hope of achieving the goal of effective water use. For instances, the Group timely closes the faucet valves in the non-use areas according to the water usage of the Company's various regions and stops water supply during non-office hours at night. The measures successfully saved about 850 liters of water per day. In addition, the Group has also implemented a "separate drainage and sewerage system" in the factory area to avoid spillage of sewage due to rainwater runoff and other reasons. All sewage must be pre-treated to ensure that the sewage meets national standards before being discharged into the municipal sewage pipe network for centralized treatment. The Group also uses groundwater sources in some of its factories. The Group prevents the damage and leakages of ground water pipelines by conducting more inspection and maintenance to utilize groundwater resources.

### 水資源使用

本集團亦重視內部的用水情況，不單會從源頭切斷不必要的用水，還積極開拓循環用水的措施，期望達致有效用水的目標。例如：本集團會根據公司各區域的用水情況，及時將不用水的區域的水龍頭閥門關閉；在夜間非辦公時間停止供水。這項措施成功節省每天約850公升的水資源。此外，本集團也在廠區實行雨污分流，避免因雨水徑流等原因引致污水外溢。而所有污水必須經過預先處理，確保污水符合國家標準，方可排入市政污水管網統一集中處理。本集團亦有部分廠房使用地下水源。透過加強地下水路排查及維修，避免地下水管損壞及漏水的現象，善用地下水資源。

	Unit	(For the year ended 31 December 2018)	Compared to the results of 2017
	單位	(截至於二零一八年 十二月三十一日止)	相較二零一七年成果
Water consumption	liter	1,261,087	-9.38%
耗水量	公升		

## Green Procurement

For the wide scope of our businesses involves a certain degree of transportation needs, the Group actively identifies local suppliers/contractors and endeavors to engage local suppliers/contractors to alleviate the problems of greenhouse gas emissions and environmental pollution caused by long-distance transportation. The policy can be reflected in the business of the Group. For example, the Group has prioritizes the procurement of steel, welding wire, standard parts and non-standard parts from local suppliers in Anhui; we purchased environmentally friendly products such as biodegradable plastic or wood for packaging materials of engines. The Group also considers giving priority to suppliers with certification of international environmental systems or suppliers of environmentally friendly products/services to enhance overall environmental performance.

## Biodiversity

The Group understands that it will affect the surrounding ecosystems more or less in the energy exploration and production business or in the shipbuilding engineering business. Considering that the ship body directly poses a threat to the marine ecology, the Group only adopts the based anti-fouling paints and anti-rust paints that free of TBT/TPT/DDT on the ship bottom. The technical specifications and performance indicators of the paint are in line with the requirements of major classification societies. The acceptance procedure is completed by ensuring compliance and passing the actual ship inspection. The Group's support and commitment to sustainable ecology, environmental protection and development will continue to be communicated to suppliers and partners through irregular meetings, encouraging and urging them to demonstrate their social responsibilities. Although the Group has consistently implemented the above series of environmental protection measures, the Group still thinks they are insufficient and will try its best to explore more measures to maintain biodiversity.

## Caring for Employees

Human resource is a crucial asset to the Group, and the business development and expansion depend on the efforts of all employees. The Group not only complies with the national regulations for employees, but also endeavors to create a fair, open, safe and healthy working environment. The Group also seeks for improvement on its social corporate responsibilities, and strives to do better by creating a harmonious and caring future hand in hand with our employees.

## 綠色採購

由於本集團業務範圍廣泛，涉及一定程度的運輸需要，因此，本集團積極物色本地供應商／外包商，盡量採用本地供應商／外包商，減少距離運輸所帶來的溫室氣體排放和環境污染的問題。此項政策能在本集團的業務上獲得體現。例如集團優先從安徽本地供貨商採購鋼材、焊絲、標準件和非標件；持續購買環境友好的產品，如可降解塑膠或木材用作主機包裝材料等。本集團更會考慮優先起用具國際環保認證體系的證書或提供環境友好的產品／服務的供應商，以提升整體環保的表現。

## 生物多樣性

本集團瞭解無論在能源勘探及生產業務上或是在造船工程業務上，或多或少會對周邊生態系統造成影響。考慮到船身直接對海洋生態構成威脅，故本集團只會採用不含TBT / TPT / DDT的船底防污漆及防銹漆，油漆的技術規格以及各項性能指標均符合各大船級社的要求，並確保合格和通過了實船檢驗方可完成驗收程式。而本集團對可持續生態、環境保護與發展的支持和承諾會持續地透過不定期的會議向供應商及合作夥伴傳達，鼓勵並督促他們體現社會責任。儘管本集團已經持之以恆實踐以上一系列的環境保護措施，但本集團仍覺不足，將竭力尋找更多措施以維持生物多樣性。

## 關愛員工

人力資本乃本集團至為重要的資產，業務發展和開拓均有賴全體員工努力的成果。本集團不單遵循國家對僱員的規定，也致力建立一個公平、公開、安全和健康的工作環境。本集團亦會在社會企業責任上一直尋求改進空間，務求做得更好，與員工攜手並肩建設一個和諧和人性化的未來。

## Employment Policy

The Group strictly complies with the Labor Law and Labor Contract Law of China when hiring and promoting employees. All applicants have equal opportunities for employment and promotion, and are hired based on their qualification, experience, abilities and job requirements, and the decision is not affected by factors such as nationality, ethnicity, race, gender, religious belief and cultural background. At the same time, the Group has formulated the Management Measures for Recruitment (《招聘管理辦法》) and Annual Assessment Program (《年度考核方案》) to set qualifications and standards for different posts and to standardize the recruiting system. Recruitment is strictly conducted according to the recruitment system with strict control at each step from screening resumes to interviews, ensuring that the applicant meets the requirements of the Company as well as the job. The Group benchmarks employees' salaries against industry norms to maintain a competitive salary based on different salary systems designed for different posts. As for the employment for committees at or above division level, the Group also established a pre-employment inspection system to assess employees' the staff's performance to ensure the appointment is required by the business. At the same time, the Group has set up a special assessment and regular monthly assessment program to evaluate employees' performances and to promote those with efficiency and potential. On the other hand, the Group also strictly complies with Labor Contract Law and relevant laws and regulations of the provinces and municipalities for matters such as dismissal and termination as well as early termination of employee contracts. Compensation will be paid to the employee wherever applicable. For business in Kyrgyzstan, the Group follows the policies of the Kyrgyzstan government to promote local employment by recruiting certain percentage of local residents on the oilfields according to the requirements of the government. No complaints and/or labor disputes were received during the Period. Yet the change of overall employee structure was higher than last year for the strategic transformation of the Group.

## 僱傭政策

本集團嚴格遵行國家《勞動法》及《勞動合同法》聘請和升遷員工，所有求職者均享有平等就業和升遷的機會，錄用時會根據求職者的學歷、經驗、能力和職位需求而定，絕不受國籍、民族、種族、性別、宗教信仰和文化背景等因素所影響。同時，本集團亦制定《招聘管理辦法》和《年度考核方案》，根據生產經營需要，為不同崗位元設置了任職資格及標準，規範招聘程式。招聘工作亦嚴格按照招聘制度執行，從篩選簡歷到面試各環節嚴格把關，確保錄用人員符合公司及崗位要求。更會在綜合人力市場薪酬水準的前提下，根據不同崗位設計薪酬體系，提供具有競爭力的薪資。針對科級以上幹部的任命，本集團也訂立幹部任前考察制度，根據考察期內的工作表現進行評定，以確保人員任命符合業務需要。同時，本集團又設立專案考核評估和定期的月度考核評估方案，評估員工的工作表現，提拔高績效、高潛力的員工。另一方面，本集團在解僱事務上也嚴格遵守《勞動合同法》以及省市相關法律法規執行員工合同到期終止以及提前解除等行為，如需要更會向員工支付離職補償金。而在吉爾吉斯的業務上，本集團更積極配合當地政府的政策，按比例聘請當地居民作為本集團油田員工，促進當地居民就業。在報告期內，並無接獲任何投訴或／及勞資糾紛。但因配合集團戰略轉型，故整體僱員結構變化較去年為高。



(For the year ended  
31 December 2018)  
Number of employees  
(截至二零一八年  
十二月三十一日止)  
員工人數

Employee structure	僱員團體結構	
<b>By gender</b>	<b>按性別</b>	
Male	男	346
Female	女	111
<b>By employment type</b>	<b>按僱員類型</b>	
Full time	全職	454
Contracted	合約	3
<b>By age group</b>	<b>按年齡</b>	
Aged 18 – 24	18-24歲	11
Aged 25 – 34	25-34歲	201
Aged 35 – 44	35-44歲	135
Aged 45 – 54	45-54歲	77
Aged 55 – 64	55-64歲	30
Aged 65 or above	65歲或以上	3
<b>By region</b>	<b>按地區</b>	
China	中國	399
Kyrgyzstan	吉爾吉斯	58
<b>By rank</b>	<b>按職級類型</b>	
Senior management	高級管理層	19
Middle management	中層管理層	48
Supervisor	主管	60
Employee	員工	330

## Benefits and Welfares

In terms of employee benefits and welfares, the Group sticks to the relevant national and regional laws and regulations. Apart from paying the pension, medical, work injury, fertility, unemployment and housing fund for employees, the employees are also entitled to statutory holidays, personal and family related holidays such as marriage leave and honeymoon as well as retirement and medical protection. The Group also introduced the maternity leave and breastfeeding leave to ensure that the female workers are also entitled to receive undifferentiated salary and benefits during the maternity leave. Meanwhile, the Group has provided hostels to employees, and has arranged cleaning services to make tidy of the dormitory regularly. Colleagues could take the free transportation provided by the Group and use the meal allowance to enjoy the meal in canteen. The Group also raises funds for the sick employees of the Company if needed. The office of the president would arrange personnel to conduct hospital care; provide funds and assistance to the employees whose family experienced major changes.

Labor rights have been a concern in recent years. The Group understands that a good and well established employee benefits policy can stabilize the production business of the Group and also is deemed as an indicator of social corporate responsibility. Therefore the Group set up channels such as notice boards, seminars and emails to collect opinions about salary, leaves, safe working environment, dismissal, compensation on work injury and others from the employees for follow up actions and improvements. In addition, the Group also established trade union organizations in order to have direct connection with high level governmental trade union organizations to practically protect the rights of our employees. The trade union also launched an activity called "New Year's Condolence Visits" this year. While promoting the voluntary services, it also helped the family members of employees with serious illnesses or sudden illnesses through "mutual help fund", which helped and improved the lives of employees. As the Group was undergoing structural and business restructuring during the Period, the overall turnover rate was 2.17%, which was higher than last year. The Group foresees that the employee structure will gradually stabilize as the restructuring process ends.

## 僱傭福利及待遇

在僱傭福利及待遇上，本集團嚴格按照國家和地區相關法律規定，不單會為員工繳納五險一金(養老、醫療、工傷、生育、失業和住房公積金)，員工還可享有法定假期、個人和家庭相關的休假如婚假、蜜月假，退休和醫療保障。本集團更增添產假和哺乳假，保障女職工在產假期間亦可享無差別的薪資待遇。同時，本集團也為員工提供宿舍，並安排保潔，定期清理宿舍區的衛生。各同事都可使用本集團提供的免費交通車和使用就餐津貼享用員工食堂的膳食。如有需要，本集團亦會為公司生病員工募捐，並由總裁辦安排人員進行醫院陪護，也會對家庭出現重大變故的員工提供資助及援助。

近年勞工權益備受關注，本集團明瞭良好而完善的僱傭福利及待遇能穩定集團生產業務，並獲視為社會企業責任的一項指標。所以本集團特設告事板、座談會、電郵等管道收集員工對薪酬、假期、安全工作環境、遣散、工傷賠償等方面的意見，從而作出跟進及改善。此外，本集團更成立工會組織，直接與上級政府工會組織對接，切實維護員工權益。本年度工會組織也開展了名為「新春慰問走訪」的活動，在宣導幫扶工作的同時，通過「互助基金」的形式，對員工家庭成員重大病患及突發重病等方面，實行幫扶救助，改善員工生活。由於在本期間，本集團正經歷架構及業務重整，故此，整體人員流失率為2.17%，較去年為高。本集團預見隨著重整架構工作結束，僱員團體結構也會漸趨穩定。



(For the year ended  
31 December 2018)

(截至二零一八年

十二月三十一日止年度)

Employee Turnover rate <sup>Note</sup>	僱員流失率 <sup>附註</sup>	
<b>By gender</b>	<b>按性別</b>	
Male	男	18.16
Female	女	7.88
<b>By age group</b>	<b>按年齡</b>	
Aged 25 - 34	25-34歲	9.19
Aged 35 - 44	35-44歲	9.63
Aged 45 - 54	45-54歲	6.56
Aged 55 - 64	55-64歲	0.44
Aged 65 or above	65歲或以上	0.22
<b>By region</b>	<b>按地區</b>	
China	中國	26.04

Note: Turnover rate (%) = number of employee leaving during the Reporting Period/total number of employees in the category as at 31 December 2018 x 100.

附註：流失率(%) = 於本報告期間離職員工總人數 / 於二零一八年十二月三十一日該類別員工的總數 x 100。

## Health and Safety

As the Group's energy exploration and production business as well as the shipbuilding and engineering business are both technical industries involving many processes with potential health and safety risks. Some of the employees even have to work at height and use large tools. Their health and safety cannot be ignored. Therefore, the Group has reduced the occupational health risks by continuously improving the operating environment, improving production processes, reducing the use and discharge of harmful substances and preventing injuries and diseases.

## 健康與安全

由於本集團的能源勘探及生產業務及造船及工程業務均為技術性工業，牽涉不少具有潛在健康和安全的風險的工序，部份員工更需要高空作業並使用大型工具，他們的健康和安全的不可忽視。故此，本集團透過不斷改善作業環境，改進生產工藝，減少有害物質的使用和排放、預防傷害和疾病，把企業的職業健康風險降低。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

Each production site of the Group has established safety committee, which is mainly responsible for technical safety of labor protection equipment, enterprise labor conditions and personnel business training and business knowledge inspection. The frontline supervisors supervise the operation method of the frontline employees in the production business in accordance with the Safety Management Regulations for Site Inspection (《現場檢測安全管理規定》) and the Health Management Regulations for Radiation Workers (《放射工作人員健康管理規定》), etc., to correct the incorrect or risky operation practices of employees, and also adopt preventive monitoring measures. Moreover, the Group conducts daily inspections for operating points and key departments to monitor dangerous operations such as working at height and work associated with fire to prevent accidents. Special positions require employees to hold relevant professional qualifications before serving. In addition, the Group carries out safety inspections before and after holidays, special safety inspections for flood control and typhoons, winter fire inspections, and special inspections for certified operators. If any potential dangers are discovered, rectification will be conducted promptly. In order to strengthen employees' safety awareness, the Group regularly organizes safety management qualification training for full-time safety management personnel. They have to pass the exams with certificates before employment. All employees are also required to receive safety training and be familiar with the contingency plan and process. The Group will also enter into safety management agreements with the foreign units and the outsourcer operators entering the production site, carry out safety education and training in the factory and safety monitoring of the operation process, reducing the safety risks of outsourcers. If necessary, the Group can provide training on occupational health knowledge and emergency knowledge.

本集團各生產基地成立了安全委員會，主要負責勞動保護設備技術安全，企業勞動條件和人員業務培訓及業務知識檢查。基層主管會按照《現場檢測安全管理規定》、《放射工作人員健康管理規定》等對生產業務的一線員工操作方式進行觀察，糾正員工錯誤或存在風險的操作方式，同時亦會採用預防措施予以管控。而且，本集團每日會對作業點、重點部門巡查，監控如高空作業、明火作業等危險性作業，以預防事故的發生。特別的崗位會要求員工必需持有相關的職業資格證才可擔任。此外，每逢假日本集團也會開展假日前後安全檢查、防洪防颱專項安全檢查、冬季防火檢查、作業人員持證上崗專項檢查等。如有發現隱患，定必及時督促整改。為加強員工的安全意識，本集團定期組織專職安全管理人員參加安全管理人員資質培訓，並通過考核持證上崗。全體員工也要接受安全培訓，熟習應變方案及流程。並會對進入生產基地的外來單位以及外包商作業人員簽訂安全管理協定，進行入廠安全教育培訓及作業過程安全監控，降低外包商工作安全風險。如有需要，本集團更可為他們提供職業健康知識，應急知識的培訓。



In addition, the Group also prohibits employees from smoking and making fire in the oilfields, and attaches electrical hazard signs to appropriate locations to alert employees to fire safety. The Group has also standardized the signs of dangerous goods and regulated the use and storage of flammable and explosive materials. The Group also provides overalls, shoes and hard hats for each frontline production employees to ensure their occupational safety and reduce the health risks posed by the production process. In order to further protect the health of employees, the Group also conducts medical checkups for employees every year to ensure their health. In the event that any abnormal situations are found, we will make appropriate work arrangement and medical follow-ups, employees are also protected by insurance and a full reimbursement system for work-related injuries taken out for them by the Group. Apart from that, the Group understands that its business is vulnerable to fire hazards, typhoons and water hazards, hence, the Group has established various fire emergency measures such as evacuation plans, which are displayed in conspicuous places; and increase or repair and maintain fire safety facilities to efficiently enhance employees' knowledge regarding fire emergency.

The Group is pleased that there were no material incidents regarding cases of death at work or injuries resulted from industrial accidents during the Period. In the event that cases of death and injury occur unfortunately, the Group will also provide immediate assistance to the injured employees, and the safety committee will also conduct investigation on each accident to prevent it from happening again.

此外，本集團亦嚴禁員工在油田範圍內吸煙及生火，並在適當位置貼上用電危險標誌提醒員工注意防火安全。本集團也會統一危險品識別標誌，規範使用、儲存易燃易爆的物品。本集團更為每名一線生產員工配備工作服、鞋和安全帽，以保障他們的職業安全，降低工序對員工健康所構成的健康風險。為了進一步保障員工的健康，本集團每年也會為員工進行身體檢查，確保健康。如發現任何異常情況會作出合適的工作安排及醫療跟進，員工亦受本集團為他們購買的保險和工傷就醫全額報銷制度所保障。除此之外，本集團深明其業務中容易受火災、颱風或水災影響，制定各項消防應急措施如逃生路線圖貼在當眼處；增設或維修保養消防設施，以有效提高員工的消防應急認知。

本集團樂見在本期內並無錄得任何工作死亡及因工業意外而受傷的重大事故。倘若不幸發生傷亡，本集團會為受傷的僱員提供即時援助。而安全委員會亦會對每宗意外進行調查，以防止事故再次發生。

### Development and Training

Employees continuing to acquire new knowledge and skills can enhance their competitiveness. All newly recruited employees must receive a new induction training, including explanation on the Employee Handbook, which states all the internal employment policies, systems as well as skills and knowledge for the position clearly. Kyrgyz employees must pass a vocational training and receive certificates issued by a Kyrgyz agency before they can start working. Each in-service employee is required to receive pre-employment education and on-site training for a probation period of 3 months with guidance from the experienced employees. The Group also arranges employees to renew and apply for occupational qualification certificates, special types of work permits, and special equipment operation certificates. The cost of obtaining certain work permits such as safety management operating permits, forklifts and electricians permits will be fully covered by the Group to ensure that employees receive adequate and appropriate training to carry out production work. In addition, the Group also carries out professional, internal and external training in production, technical and management, including master's courses and online courses, in accordance with the needs of production and operation. All capable employees will be able to obtain training opportunities. The Group also introduces examination leave to encourage employees to pursue further studies or obtain professional qualifications. It will also provide full payment of training expenses to meet the needs of the Group's business and personal development.

### 發展及培訓

員工時刻學習新知識及技能有助於提高其競爭力。所有新入職的員工固然會獲得新入職培訓，內容包括講解《員工手冊》，手冊上亦清晰載列公司內部所有僱傭政策、制度及崗位上的技能知識。吉爾吉斯的員工必須通過由吉爾吉斯相關機構頒發的職業培訓證書後才可開始工作。每名入職員工均需進行入職前教育，在工作現場進行培訓，試用3個月，期間會由有經驗的員工進行指導。本集團也會不定期組織員工續領和申請各崗位職業資格證、特殊工種上崗證、特種設備操作證等。部分取證如安全管理操作證、叉車及電工等特殊工種更可獲得豁免全額的費用，以確保員工接受足夠和合適的訓練才進行生產工作，以策萬全。此外，本集團亦會根據生產經營需要，開展生產、技術、管理多方位的專業內、外部的培訓，包括碩士課程和網上課程。有能者皆可獲得培訓的機會。本集團更設立考試假，以鼓勵員工進修或考取專業資格，更會提供全額支付培訓費用的福利，以配合集團業務所需及個人發展。



(For the year ended 31 December 2018 )  
(截至於二零一八年十二月三十一日止年度)

Development and training	發展及培訓	Cumulative headcount		Hour		Average hour
		trained	Percentage	時數	Percentage	
		受訓人次	百分比	(小時)	百分比	平均時數 (小時)
<b>By gender</b>	<b>按性別</b>					
Male	男	176	78.57%	1888	81.87%	10.73
Female	女	48	21.43%	418	18.13%	8.71
<b>By rank</b>	<b>按職級類別</b>					
Senior management	高級管理層	51	22.77%	75	3.25%	1.5
Middle management	中層管理層	68	30.36%	166	7.20%	2.44
Supervisor	主管	23	10.27%	105	4.55%	4.57
Employee	員工	82	36.61%	880	38.16%	10.73

The Group has also created internship and short-term employment opportunities for students and graduates at the Confucius Institute in Kyrgyz Republic and high school in countries of the Group's residence in the hope of cultivating talents for industrial development. In 2018, the Group has provided internship opportunities as translators from schools in Kyrgyzstan, which have been appreciated by students, teachers and schools. The Group is eager to do something good. It will continue to evaluate the results of the training and expect to continue with the relevant programs in the coming year.

本集團亦與吉爾吉斯共和國的孔子學院及集團駐在本地的高校建立在校學生和畢業生實習及短期就業機會，為行業發展培育合適人才，薪火相傳。2018年本集團為吉爾吉斯院校的學生提供翻譯崗位的實習機會，獲得學生、老師和學校的一致好評。本集團求好心切，會持續評估培訓成果，期望來年能繼續開辦相關計劃。

## Labor Standards

The Group strictly abides by the national and regional labor laws. The Group prohibits the employment of child labor and resists all forms of forced labor. Once found, the Group will issue a warning or even dismiss such employees. To avoid the above situations from occurring, the Group requests candidates to present their identity documents, for instance, identity cards, graduation certificates, employment history, military service cards, medical examination reports or even the Certificates of No Criminal Conviction, during the recruitment process in order to examine their age, nationality and identity to ensure the employment is legal and compliant. The Group strictly follows the working hour system of 40 hours per week as stipulated in the laws of the host country to arrange holidays and holiday shift. The Employee Handbook has also stated clearly the obligations and the rights of employees covering the working hours, working models, statutory holidays and overtime work arrangement as well as other labor practices. In case of overtime work is needed during peak seasons, the Group will adopt the shift mode where employees who work overtime will be provided with leave in accordance with laws of the host country so as to ensure they have enough rest. During the Period, the Group has not identified any violations of laws and regulations related to labor practices.

## 勞工準則

本集團嚴格遵守國家及地區勞動相關法律，本集團嚴禁僱用童工，抵制一切形式的強迫和強制性勞動，一經發現本集團會發出警告甚至解僱。為避免以上情況發生，本集團在招聘時會要求應徵者出示身份證明檔包括身份證，畢業證，就業經歷，兵役證，體檢報告，甚或需提供《無犯罪記錄證明》等，以核對其年齡、國籍和身份準確無誤，以確保招聘合法合規。而本集團嚴格按照東道國法律每週40小時工作制的規定來進行休假、調休。員工手冊中也清楚列明僱員的義務和權利，當中涵蓋了工作時數，工作模式，法定假期和加班安排等勞動實務。倘若遇上業務繁忙的季節需加班工作，本集團採用輪班工作模式，按照東道國法律為加班工人提供休假，以確保員工有足夠的休息。在本期間內，本集團沒有發現任何有關勞動實務上違規違法的個案。



## Operation Practices

### Supplier Management

The Group's business involves different suppliers and outsourcers. It has not only obtained the ISO 9001 Quality Management Systems Certification since 2009 but also obtained the latest version of ISO 9001 Quality Management Systems Certification. The Group has set up a special tender committee which is responsible for the bidding procedures. All procurement projects with a value above RMB50,000 shall be subject to public bidding as stipulated. The tendering and procurement processes also requires suppliers to provide detailed quotation. The reasonableness of the price is being evaluated in the review process. At the same time, both parties should establish a code of conduct for transactions and specify obligations of suppliers in the contract. To prevent the transfer of benefits and corruption, a margin system shall be used to restrain the performance of the contract obligations of suppliers.

For the Kyrgyzstan Project, the Group insists on selecting suppliers with good reputation from corporations of major oil and gas groups in China to ensure the service quality. Audit firm is engaged for review purpose annually. In addition, the Group maintains a continuous and two-way communication with suppliers. In view of the Group's strong support for sustainable ecology, environmental protection and development, the Group hopes that suppliers can fulfill their social corporate responsibility and endeavor to demonstrate environmental improvements in response to the environmental impact assessment requirements of the Ministry of Ecology and Environment.

## 營運慣例

### 供應商管理

本集團的業務牽涉到不同的供貨單位及外包商，不僅自2009年獲取ISO 9001品質管理體系證書，並已考獲最新版ISO 9001品質管理證書。本集團也特別成立招標委員會專責招標程序：所有高於5萬元的採購專案須通過公開招標的方式進行招標工作。招標採購流程亦要求供方提供報價明細，並在評審過程中審核價格構的合理性。同時，訂立雙方交易行為準則，並會在合同中明確供應商的義務，以保證金制度約束供應商的合同義務履行情況，杜絕利益輸送及腐敗發生。

於吉爾吉斯項目上，本集團堅持從中國國內的主要油氣集團的入網企業中選擇口碑好的供應商，以確保服務質素。每年也會聘請審核機構進行審核。此外，本集團與供應商維持持續及雙向的交流。鑑於本集團大力支持可持續的生態、環境保護與發展，本集團亦期望供應商能履行社會企業責任，盡其所能以響應環保局的環評要求作出環境改進。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

All suppliers shall pass the supplier assessment to meet the Group's standards in quality, service, design and development, quality environment and occupational health system before being appointed as the approved suppliers of the Group. For suppliers that have been included in the list of qualified suppliers, the Group will perform a comprehensive assessment to the suppliers according to the Management and Control Procedures for Qualified Suppliers (《合格供應商管理控制程式》) to establish product quality files, as well as review the assessment results on a regular basis. The Group will issue a warning to unqualified suppliers or for their misconduct or even remove them from the list. The Group appoints an independent institute every year to audit each supplier's performance in 13 aspects including safety, environmental protection and labor protection. Suppliers are required to undergo rectification and perform obligations according to the audit results.

### Product Responsibility

In addition to the supervision of the suppliers, the management of quality is also of great importance. Consequently, the Group has exercised controls over the quality of outsourced products in accordance with the Control and Management Procedures for Quality of Products of Outsourcers (《外包商產品品質控制管理程式》). Stringent quality control are also implemented for our own products. Controls and evaluations are performed from multiple aspects to ensure that the products can satisfy laws and regulations and industry standards in the process of manufacturing and services delivery. Inspection with standards higher than those required by laws and regulations may also be conducted. The Group will appoint institutes to test products in order to obtain relevant certificates when necessary. Meanwhile, through the platforms of petroleum institutes, the Group exchanges information and discusses issues with other market owners, facilitating the establishment of and maintaining a healthy and orderly market as well as a fair competition environment.

所有供應商要通過供方評審，滿足本集團在品質、服務、設計研發、品質環境及職業健康體系的標準，方可獲委任為集團認可的供應商。而對已納入合格供方名冊的供應商，本集團依據《合格供應商管理控制程式》對供應商定期進行全面評估，建立產品品質檔案，以業績考核結果定期進行評審。本集團會對不合格或行為不符的供應商發出警告，嚴重的更會在供方名冊上除名。每年本集團都會委任獨立機構就著安全，環保，勞動保護等13項內容對每一家供應商進行審核，並根據審核結果要求供應商進行整改及履行義務。

### 產品責任

除了對供應商的監管外，品質的管理也非常重要。因此，本集團根據《外包商產品品質控制管理程式》對外包產品質量進行控制。自家產品也會嚴格進行品質控制，從多方面進行控制和評估，要求產品在生產以及服務過程中，都滿足法律法規和行業標準，甚或比法律法規要求更高的標準執行檢驗。如有需要，本集團也會委任廠商檢驗以獲得相關證書。同時，本集團也會與其他的市場佔有者，通過石油協會的平台，互通資訊，協商問題，共同促進建立及維護健康有序的市場和公平競爭的環境。

Among which, product inspection conducted by the China Classification Society (CCS) and inspection by Det Norske Veritas (DNV) are the commonly known ones. In case of any problems with the Group's products, the management and control procedures will be initiated. Our service staff will be in place within 24 hours to handle and recall the sub-standard products according to the Procedures for Defective Product Control (《不合格品控制程式》). The energy exploration and production business and the shipbuilding business have the respective customer service department. Customers can make suggestions via consumer service hotlines and emails. Our service employees will respond to each feedback within 24 hours as specified under the Administrative Measures for Technical Services (《技術服務管理辦法》), Procedures for Measurement of Customer Satisfaction (《顧客滿意度測量程式》) and Procedures for Improvement Control (《改進控制程式》). We expect to achieve the goal of customer satisfaction reaching 95% or above with high-quality completion while maintaining close communication with customers. During the Period, the Group did not recall any products or services for health or safety reasons. In order to enable the customers to understand the products better, the Group will comply with requirements of the national and regional ministry of transport regarding advertising and marks of products to ensure the legal requirements are fulfilled. We also regularly organize employees to learn about standards of International Maritime Organization (IMO) to master the latest laws and regulations, so as to be more professional and reliable in the process of manufacturing and market sales.

中國船結社(CCS)產品檢驗和挪威船級社(DNV)的檢驗便是好例子。倘若本集團的產品有任何問題，會啟動管控程式，24小時內服務人員到位，並將依據《不合格品控制程式》進行處理和召回不合規範的產品。能源勘探及生產業務及造船業務都分別設有客戶服務，客戶亦可通過消費者服務熱線郵箱等渠道表達他們的建議，每個回饋將會根據《技術服務管理辦法》、《顧客滿意度測量程式》及《改進控制程式》規定，於24小時內服務人員到位，期望顧客滿意度達到95%以上高品質完成的目標，更與客戶保持密切溝通。期內，本集團並無因健康或安全理由回收任何產品或服務。為了令客戶清楚瞭解產品，本集團會遵守國家及地區的交通運輸部對產品廣告標示方面的要求，確保符合法例要求。更定期組織員工學習國際海事組織(IMO)等的標準，以掌握最新法例法規，好讓在生產過程及市場銷售上更加專業可靠。

Professional and reliable services can be manifested in the protection of intellectual property right. The Group has developed an exclusive management system for handling patent-related issues and intellectual property rights such as receipt of patents and its own patent application. The Group has currently applied for various national intellectual property patents. The Group has also taken measures including implementation of software licensing management and drawings administrative power during operation so that the relevant regulations of copyright and intellectual property rights are not violated. In addition, the Group has provided confidentiality training for its employees, signed agreements and formulated strict management measures. The Group has also entered into relevant agreements before signing contracts with suppliers to ensure that no drawings or other information of the Company are leaked. With respect to information confidentiality, only employees who are responsible for customer sales and participate in communication with customers can get access to the respective customers' information based on their scope of work. Our staff are reminded of the Group's requirements on information management at the weekly meeting to avoid information being used improperly or leaked. In case of any violation, the Group will not tolerate and handle it impartially.

## Anti-Corruption

The Group has formulated a series of regulations including the Administrative Measures for Employees of Hefei Rong An Power Machinery Co., Ltd.\* on the Receipt of Gifts and Benefits (《合肥熔安動力機械有限公司員工收受禮品禮金管理辦法》), Administrative Provisions for Employees on Reimbursement of Travel Expenses (《員工差旅費報銷管理規定》), Eight-Prohibition Regulations for Management of Hefei Rong An Power Machinery Co., Ltd.\* (《合肥熔安動力機械有限公司管理人員八不准規定》). These standards stated the code of conduct for employees regarding corruption and receipt of advantages. Integrity construction has also commenced within the Group. Internal audit rules and system have been established with auditors responsible for the Group's internal audit supervision and internal control system construction. Internal investment projects such as those for financial income and expenditure, quality of products, operational results and other economic activities of the Company, as well as infrastructure construction and major technical improvement are supervised. Each year, the finance of the Company is audited by audit firms with international standards for the purpose of reducing operational risks and strengthening anti-corruption management.

專業可靠的服務還體現在保護知識產權上，本集團已建立處理專利事務及知識產權的專屬管理系統，包括專利接收和自己的專利申請。目前本集團已申請了多項國家智慧財產權專利。本集團並在運營過程中，實施軟體授權管理，圖紙管理許可權等措施，確保不違反版權和智慧財產權的相關規定。再者，本集團對員工進行了保密培訓，簽署協議和制定了嚴格的管理措施。當與供應商簽合同前，也簽訂相關協定，確保公司圖紙等資料不會外泄。而在資料保密一環中，只有負責客戶銷售及參與客戶交流的員工，可根據工作內容獲取相關的客戶資料。每週的例會上也會時刻提醒員工本集團對資料管理的要求，以防資料被不當使用或外洩。如有違例，本集團是絕不姑息，定會秉公辦理。

## 反貪污

本集團制定一系列的規定如《合肥熔安動力機械有限公司員工收受禮品禮金管理辦法》、《員工差旅費報銷管理規定》、《合肥熔安動力機械有限公司管理人員八不准規定》等規範訂明員工對貪污及收受利益方面的行為標準。在集團內部也開展廉潔建設工作，建立內部審計規章制度，設有審計員，負責本集團的內部審計監督及內部控制體系建設工作。就企業的財務收支、產品品質、經營績效及其他經濟活動，以及基建工程、重大技術改造等內部投資專案進行監督。每年均會由具有國際資質的審計機構審核財務，從而降低經營風險，加強反腐敗管理。



As for the employees of the procurement department, the Group has also explicated that corruption and malpractice are prohibited by the Group by means of declaration and undertaking. The same message is also delivered to tenderers and employees that they must declare a conflict of interest. Any companies or employees who have committed a disciplinary offence will be punished according to the severity of the consequences of such behaviors and under the Company's system. Those who have violated the laws will not be tolerated and will be dealt with by judicial authorities accordingly. The Group encourages reporting on misconduct in an effort to carry out uncorrupted operations and improve its effectiveness. Further details are set out in the Corporate Governance Report from pages 45 to 62 of this annual report. For the year ended 31 December 2018, no acts of bribery, extortion, fraud and money laundering have been found by the Group.

## Community Commitment

The Group also values community commitment and is dedicated to fully utilizing its strengths and existing resources to contribute to society, improving the quality and standard of living of the people. In order to facilitate employment, the Group has, apart from offering jobs to local residents, cooperated with local agency in Kyrgyzstan to provide local residents with introductory courses on Mandarin to have more employment opportunities. The Group strictly abides by the local laws and regulations and ethnic customs of Kyrgyzstan, and has been unanimously recognized by the local residents. The Group has been one of dozens of local Chinese companies with strong reputation. The Group continues to exchange in between China and Kyrgyzstan in the future.

至於針對採購部的員工，集團亦會通過聲明書及承諾書明確表達集團禁止貪污舞弊的行為，同樣的訊息也清楚向入標公司及員工傳達，他們必須申報利益衝突。任何公司或員工若出現違紀行為，將根據行為後果嚴重性，按照公司制度給予處罰，行為觸犯法律的，將交由司法機關依法處理，絕不姑息。為更有效執行廉潔營運並提升效率，本集團鼓勵舉報不當行為。企業管治報告在本年報第45頁至第62頁詳述。截至於二零一八年十二月三十一日止年度，本集團並未發現任何涉及賄賂、勒索、欺詐及洗黑錢的情況。

## 社區投入

本集團也重視社區的投入，致力利用集團的優勢及現有的資源為社會出一分力，提高人民生活質素及水準。為了促進就業，除了提供職位予當地居民外，本集團特別與吉爾吉斯的機構合作，為當地居民提供普通話入門課程，為他們的就業提供更多機會。本集團嚴格遵守吉爾吉斯當地法律法規和民族風俗，獲得當地居民的一致認可，本集團為當地幾十家中國公司中高聲譽的公司。本集團未來將持續促進中國及吉爾吉斯之間的交流。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### TO THE SHAREHOLDERS OF CHINA HUARONG ENERGY COMPANY LIMITED

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

致中國華榮能源股份有限公司股東

*(於開曼群島註冊成立的有限公司)*

### Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of China Huarong Energy Company Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages 94 to 278, which comprise:

- the consolidated statement of financial position as at 31 December 2018;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group because we have not been able to obtain sufficient appropriate audit evidence and due to the potential interaction of the multiple uncertainties and their possible cumulative effect on the consolidated financial statements as described in the Basis for Disclaimer of Opinion section of our report. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 無法表示意見

我們已獲委聘審計列載於第94至278頁中國華榮能源股份有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表，包括：

- 於二零一八年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們不對該等 貴集團的綜合財務報表發表意見，基於「導致無法表示意見的基礎」一節所述，我們未能取得充分和適當的審計憑證，以及由於多個不確定事項之間可能相互影響及對綜合財務報表產生累計影響。在所有其他方面，我們認為該等綜合財務報表已按照香港《公司條例》的披露規定妥為擬備。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Basis for Disclaimer of Opinion

#### Multiple Uncertainties Relating to Going Concern

As set out in Note 2.1(a) to the consolidated financial statements, the Group incurred a net loss of RMB259,479,000 and had an operating cash outflow of RMB200,998,000 during the year ended 31 December 2018. As at 31 December 2018, the Group had a deficit of RMB9,630,126,000 and the Group's current liabilities exceeded its current assets by RMB11,326,204,000. The Group maintained cash and cash equivalents of RMB9,274,000 as at 31 December 2018.

On 9 October 2018, the Group entered into a conditional sale and purchase agreement to dispose of the core assets and liabilities of shipbuilding, offshore engineering, engineering machinery and marine engine building segments (the "Shipbuilding Business", together with the holding company of the Shipbuilding Business referred to as the "Disposal Group") with an independent third party (the "Transaction"). Pursuant to certain supplemental agreements signed with Unique Orient Limited (the "Purchaser"), an independent third party, the sale shares of Able Diligent Limited, the holding company of the Disposal Group, was transferred to the Purchaser on 10 March 2019. As at 31 December 2018, borrowings of Shipbuilding Business which are included in "Liabilities directly associated with assets classified as held for sale" (the "Borrowings of Disposal Group") amounted to RMB15,735,828,000, out of which RMB15,500,976,000 were overdue. As at 31 December 2018, overdue interest payables of the Disposal Group amounted to RMB3,905,073,000. As at the date of this report, guarantees provided by the Company to the Disposal Group in respect of bank and other borrowings, inclusive of principals and interest, amounted to RMB7,479,948,000. The Disposal Group had cash and cash equivalents of RMB13,962,000 as at 31 December 2018.

### 導致無法表示意見的基礎

#### 與持續經營相關的多個不確定事項

如綜合財務報表附註2.1(a)所述，截至二零一八年十二月三十一日止年度，貴集團產生淨虧損為人民幣259,479,000元及淨經營現金流出人民幣200,998,000元。於二零一八年十二月三十一日，貴集團虧絀為人民幣9,630,126,000元，而貴集團流動負債超出其流動資產人民幣11,326,204,000元。於二零一八年十二月三十一日，貴集團維持現金及現金等價物人民幣9,274,000元。

於二零一八年十月九日，貴集團已與獨立第三方訂立有條件出售及購買協議，以售出出售集團之造船、海洋工程、工程機械及動力工程板塊（「造船業務」，連同控股造船業務公司統稱為「出售集團」）的核心資產及負債（「該交易」）。根據與獨立第三方東唯有限公司（Unique Orient Limited，「買方」）簽訂的若干補充協議，出售集團控股公司Able Diligent Limited的銷售股份已於二零一九年三月十日轉讓予買方。於二零一八年十二月三十一日，包括在「與分類為持作出售資產直接相關的負債」的造船業務借款（「出售集團借款」）為人民幣15,735,828,000元，當中人民幣15,500,976,000元已逾期。於二零一八年十二月三十一日，出售集團的逾期應付利息為人民幣3,905,073,000元。截至本報告日期，貴公司就銀行及其他借款（包括本金及利息）向出售集團提供的擔保為人民幣7,479,948,000元。於二零一八年十二月三十一日，出售集團的現金及現金等價物為人民幣13,962,000元。

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During the year, the Group's operation was focused primarily on the energy exploration and production segment (the "Energy Business", together with the corporate headquarters referred to as the "Remaining Group"), the development of which has however been limited due to shortage of funds for investments in exploration and drilling of wells. As at 31 December 2018, borrowings of the Group, excluding Borrowings of Disposal Group (the "Borrowings of Remaining Group"), amounted to RMB3,640,431,000, out of which RMB2,165,294,000 were overdue. As at 31 December 2018, overdue interest payables of the Remaining Group amounted to RMB165,011,000. Certain borrowings of the Remaining Group contain cross-default terms, causing Borrowings of Remaining Group of RMB775,832,000 as at 31 December 2018 to become immediately repayable. The Remaining Group had cash and cash equivalents of RMB9,274,000 as at 31 December 2018.

These conditions, together with others described in Note 2.1(a) to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt over the Group's ability to continue as a going concern.

The directors of the Company have been undertaking a number of measures to improve the Group's liquidity and financial position, to refinance its operations and to restructure its debts which are set out in Note 2.1(a) to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these measures, which are subject to multiple uncertainties, including (i) whether the Group is able to obtain the agreement from the banks and lenders to release or discharge the Company's guarantees for the borrowings owed by the Disposal Group; (ii) whether the Group is able to convince the banks and lenders not to demand for repayment of the outstanding loans of the Disposal Group before the completion of the release of the Relevant Guarantees; (iii) whether the Group is able to negotiate with the promissory note holders to make further arrangement including extension of the maturity dates; (iv) whether the Group is able to convince the convertible bondholders to convert the outstanding convertible bond into equity before maturity and/or extend the maturity dates beyond 31 December 2019; (v) whether the Group is able to negotiate with the relevant bank for the renewal or extension for repayments

年內，貴集團的營運主要集中於能源勘探及生產板塊（「能源業務」，連同公司總部稱為「餘下集團」），其發展因勘探及鑽井方面缺乏資金投資而受限。於二零一八年十二月三十一日，貴集團不包括出售集團借款（「餘下集團借款」）的借款為人民幣3,640,431,000元，當中人民幣2,165,294,000元已逾期。於二零一八年十二月三十一日，餘下集團的逾期應付利息為人民幣165,011,000元。餘下集團的若干借款含交叉違約條款，導致餘下集團須立即於二零一八年十二月三十一日償還的借款為人民幣775,832,000元。於二零一八年十二月三十一日，餘下集團的現金及現金等價物為人民幣9,274,000元。

以上事項，連同綜合財務報表附註2.1(a)所述的其他事項，表明可能導致貴集團的持續經營能力產生重大疑慮的事項或情況存在重大不確定性。

貴公司董事一直採取多項措施改善貴集團的流動性及財務狀況，為其營運再融資及重組其債務（詳情載於綜合財務報表附註2.1(a)）。綜合財務報表在持續經營的基礎上編製。該編製基礎是基於上述改善措施實施的結果，而該等措施的實施結果取決於多個不確定事項，包括：(i) 貴集團是否能夠取得銀行及貸方的同意，以釋放或解除貴公司對出售集團所欠借款的擔保；(ii) 貴集團是否能夠於相關擔保解除完成前說服銀行及貸方不要求償還出售集團的未償還貸款；(iii) 貴集團能否與承兌票據持有人磋商以作進一步安排，包括延後到期日；(iv) 貴集團能否說服債券持有人於到期前兌換未償還可換股債券為股本及／或延長到期日至二零一九年十二月三十一日之後；(v) 貴集團能否與有關銀行磋商重續或延長還款至二零一九年十二月三十一日止年度之後；(vi) 貴集團能否向有關借款人就貸款協議項下交叉違約條款而成為需即時還款的借款獲取豁免；(vii) 貴集團能否為其能源業務成功執行業務計劃以產生現金流；及(viii) 貴集團

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beyond the year ending 31 December 2019; (vi) whether the Group is able to obtain waivers from the relevant lenders for the due payment in relation to those loans that have cross-default terms; (vii) whether the Group can successfully implement a business plan for its Energy Business to generate cash flows; and (viii) whether the Group can secure additional sources of financing, including those to finance its the Energy Business and draw down from the various facilities made available to the Group by entities controlled by Mr Zhang Zhi Rong and a third party during the year as and when needed.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in the consolidated financial statements.

### **Impairment of property, plant and equipment and intangible assets and impairment of the Company's investments in subsidiaries and amounts due from subsidiaries**

As at 31 December 2018, the Group's property, plant and equipment and intangible assets amounted to RMB748,012,000 and RMB1,668,765,000, respectively. Such assets pertain to the Energy Business. In determining the recoverable amounts of these non-current assets, the directors of the Company used value-in-use calculations, taking into consideration the proven oil reserve and new sources of financing for oil exploration. As the value-in-use amounts for the Energy Business exceeded the carrying values of the corresponding non-current assets, the directors of the Company are of the opinion that there was no impairment of these non-current assets as at 31 December 2018. The recoverable amounts of these non-current assets are estimated based on the assumption that the Group will obtain adequate financing for oil exploration in the future.

能否取得額外融資來源，包括為其能源業務提供資金的融資來源，以及動用由張志熔先生所控制的實體及第三方於年內及有需要時向 貴集團所提供多項融資。

如 貴集團無法達成上述計劃及措施，其未必能在持續經營的基礎上繼續經營，並必須作出調整，將 貴集團的資產賬面值調整至其可收回金額，以為進一步可能出現的負債撥備，同時將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整的影響尚未反映於綜合財務報表中。

### **物業、廠房及設備以及無形資產之減值以及 貴公司於附屬公司之投資及應收附屬公司款項之減值**

於二零一八年十二月三十一日， 貴集團物業、廠房及設備以及無形資產分別為人民幣748,012,000元及人民幣1,668,765,000元。該等資產屬於能源業務。釐定該等非流動資產的可收回金額時， 貴公司董事以使用價值計算，並考慮已探明的石油儲量及石油勘探新融資來源。由於能源業務的使用價值金額超過相應非流動資產的賬面值， 貴公司董事認為於二零一八年十二月三十一日，該等非流動資產並無減值。該等非流動資產的可收回金額乃假設 貴集團將於未來就石油勘探取得足夠融資而估計。

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We were unable to obtain sufficient appropriate audit evidence we consider necessary to assess the recoverable amounts of the non-current assets amounting to RMB2,416,777,000 of the Remaining Group, as the recoverable amount of the non-current assets of the Remaining Group is dependent on the availability of financing for oil exploration. There were no alternative audit procedures that we could perform to satisfy ourselves as to the recoverable amounts of these property, plant and equipment and intangible assets and whether any impairment charge should be made. Any impairment provision for these assets found to be necessary would affect the Group's net assets as at 31 December 2018, the Group's net loss for the year then ended and the related note disclosures to the consolidated financial statements.

In addition, as these assets were held by a material subsidiary, any impairment provision for these assets found to be necessary would also affect the carrying amounts of the Company's investments in subsidiaries and amounts due from subsidiaries as well as the Company's accumulated losses, which amounted to RMB1,514,410,000, RMB149,723,000 and RMB15,858,364,000, respectively, as at 31 December 2018 and the related disclosures in the consolidated financial statements.

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

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards ("IFRSs") 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.

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

我們無法取得我們認為需要的足夠合適審計證據以評核餘下集團可收回金額為人民幣2,416,777,000元的非流動資產，乃由於餘下集團非流動資產的可收回金額取決於為石油勘探融資的能力。我們並無可替代的審計程序完成審計工作以達致該等物業、廠房及設備以及無形資產的可收回金額，亦無法斷定應否扣除減值。一旦需就該等資產作減值撥備，將影響 貴集團於二零一八年十二月三十一日的資產淨值、 貴集團截至該日止年度的淨虧損以及綜合財務報表之相關附註披露。

此外，由於該等資產由主要附屬公司持有，一旦需就該等資產作減值撥備，亦會影響 貴公司於附屬公司之投資及應收附屬公司款項於二零一八年十二月三十一日的賬面價值及 貴公司之累計虧損分別為人民幣1,514,410,000元、人民幣149,723,000元及人民幣15,858,364,000元及於綜合財務報表之相關披露。

### 董事及治理層對綜合財務報表須承擔的責任

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

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

治理層須負責監督 貴集團的財務報告過程。

# INDEPENDENT AUDITOR'S REPORT

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with International Standards on Auditing and to issue an auditor's report. We report solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because we have not been able to obtain sufficient appropriate audit evidence and due to the potential interaction of the multiple uncertainties and their possible cumulative effect on the consolidated financial statements as described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

The engagement partner on the audit resulting in this independent auditor's report is Fong Wan Huen.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 29 March 2019

### 核數師就審核綜合財務報表承擔的責任

我們負責按照國際審計工作準則，對貴集團的綜合財務報表進行審計，並出具核數師報告。我們僅向閣下(作為整體)報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。然而，基於我們未能獲得充分和適當的審計證據，且由於本報告「導致無法表示意見的基礎」一節所述的多重不確定事項之間可能相互影響及其對綜合財務報表的累計影響，故不可能對綜合財務報表發表意見。根據國際道德準則委員會的《專業會計師的會計師道德守則》(「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

出具本獨立核數師報告的審計項目合夥人是方蘊萱。

**羅兵咸永道會計師事務所**  
*執業會計師*

香港，二零一九年三月二十九日

# 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

			2018 二零一八年	2017 二零一七年
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Land use rights	土地使用權	6	-	3,663,429
Property, plant and equipment	物業、廠房及設備	7	<b>748,012</b>	16,073,235
Intangible assets	無形資產	8	<b>1,668,765</b>	1,587,572
Prepayments for non-current assets	非流動資產的預付款項	12(b)	<b>33,939</b>	10,298
Available-for-sale financial asset	可供出售金融資產	10	-	44,342
			<b>2,450,716</b>	21,378,876
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	11	<b>3,022</b>	545,999
Trade receivables	應收賬款	12(a)	<b>3,497</b>	9,846
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	12(b)	<b>5,265</b>	480,939
Pledged deposits	已抵押存款	13	-	20,720
Cash and cash equivalents	現金及現金等價物	14	<b>9,274</b>	69,858
			<b>21,058</b>	1,127,362
Assets classified as held for sale	分類為持作出售的資產	22	<b>22,428,968</b>	-
			<b>22,450,026</b>	1,127,362
<b>Total assets</b>	<b>總資產</b>		<b>24,900,742</b>	22,506,238
<b>DEFICIT</b>	<b>虧絀</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>	<b>本公司權益持有人應佔資本及儲備</b>			
Ordinary shares	普通股	15	<b>1,737,050</b>	937,772
Convertible preference shares	可轉換優先股	15	<b>3,100,000</b>	-
Share premium	股份溢價	15	<b>8,345,372</b>	10,432,701
Other reserves	其他儲備	17	<b>3,704,672</b>	3,662,824
Accumulated losses	累計虧損		<b>(25,907,616)</b>	(25,791,247)
			<b>(9,020,522)</b>	(10,757,950)
Non-controlling interests	非控股權益	37	<b>(609,604)</b>	(488,405)
<b>Total deficit</b>	<b>總虧絀</b>		<b>(9,630,126)</b>	(11,246,355)



# 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

			2018 二零一八年	2017 二零一七年
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Borrowings	借款	19	<b>754,638</b>	208,445
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	應付賬款及其他應付款項	18	<b>952,033</b>	9,532,441
Advances from related parties	關聯方預支款	36(ii)	-	368,959
Borrowings	借款	19	<b>2,885,793</b>	23,298,366
Derivative financial instruments	衍生金融工具	20	<b>7,194</b>	320,001
Finance lease liabilities	融資租賃負債	19	-	24,381
			<b>3,845,020</b>	33,544,148
Liabilities directly associated with assets classified as held for sale	與分類為持作出售資產直接相關的負債	22	<b>29,931,210</b>	-
			<b>33,776,230</b>	33,544,148
<b>Total liabilities</b>	<b>總負債</b>		<b>34,530,868</b>	33,752,593
<b>Total deficit and liabilities</b>	<b>總虧絀及負債</b>		<b>24,900,742</b>	22,506,238

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

以上綜合財務狀況表應與隨附附註一併參閱。

The consolidated financial statements on pages 94 to 278 were approved by the Board of Directors on 29 March 2019 and signed on its behalf by

第94至278頁的綜合財務報表經董事會於二零一九年三月二十九日批准並由下列人士代表董事會簽署

**Chen Qiang**  
陳強  
Director  
董事

**Hong Liang**  
洪樑  
Director  
董事

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

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

		Note 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 (Restated) (重列)
<b>Continuing operations</b> 持續經營業務				
Revenue	收益	5	<b>48,956</b>	45,207
Cost of sales	銷售成本	23	<b>(34,027)</b>	(34,478)
Gross profit	毛利潤		<b>14,929</b>	10,729
Selling and marketing expenses	銷售及市場推廣開支	23	<b>(2,845)</b>	(3,514)
General and administrative expenses	一般及行政開支	23	<b>(54,678)</b>	(56,022)
Other income	其他收入	25	-	293
Other gains/(losses) – net	其他收益/(虧損) – 淨額	26	<b>621,816</b>	(821,950)
Operating profit/(loss)	經營利潤/(虧損)		<b>579,222</b>	(870,464)
Gain on extinguishment of financial liabilities upon issuance of convertible preference shares	於發行可轉換優先股時消除金融負債	15	<b>2,067,284</b>	-
			<b>2,646,506</b>	(870,464)
Finance income	融資收入	27	<b>46,951</b>	6,935
Finance costs	融資成本	27	<b>(486,409)</b>	(64,559)
Finance costs – net	融資成本 – 淨額	27	<b>(439,458)</b>	(57,624)
Profit/(loss) before income tax	除所得稅前利潤/(虧損)		<b>2,207,048</b>	(928,088)
Income tax expense	所得稅開支	28	-	-
Profit/(loss) for the year from continuing operations	來自持續經營業務的年度利潤/(虧損)		<b>2,207,048</b>	(928,088)
<b>Discontinued operations</b> 已終止業務				
Loss for the year from discontinued operations	來自已終止業務的年度虧損	22	<b>(2,466,527)</b>	(1,008,091)
Loss for the year	年度虧損		<b>(259,479)</b>	(1,936,179)

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

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

		2018 二零一八年	2017 二零一七年
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元 (Restated) (重列)
Loss attributable to:	虧損歸屬於：		
Equity holders of the Company	本公司權益持有人	<b>(138,361)</b>	(1,884,826)
Non-controlling interests	非控股權益	<b>(121,118)</b>	(51,353)
		<b>(259,479)</b>	(1,936,179)
Profit/(loss) attributable to the equity holders of the Company arise from:	本公司權益持有人應佔利潤／(虧損)產生於：		
– Continuing operations	– 持續經營業務	<b>2,213,293</b>	(920,608)
– Discontinued operations	– 已終止業務	<b>(2,351,654)</b>	(964,218)
		<b>(138,361)</b>	(1,884,826)
Other comprehensive income/(loss) for the year:	年度其他全面收入／(虧損)：		
Items that cannot be reclassified to profit or loss	不可重新分類至損益之項目		
– Fair value loss on a financial asset at fair value through other comprehensive income	– 按公允值計入其他全面收益的金融資產的公允值虧損	<b>(16,635)</b>	–
Items that may be reclassified to profit or loss	可能重新分類至損益之項目		
– Fair value gain on an available-for-sale financial asset	– 可供出售金融資產公允值收益	–	4,143
Other comprehensive (loss)/income arising from discontinued operations	來自已終止業務的其他全面(虧損)／收入	<b>(16,635)</b>	4,143
Items that may be reclassified to profit or loss	可能重新分類至損益之項目		
– Exchange difference on translation of foreign operations	– 換算海外營運產生的匯兌差額	<b>80,394</b>	(96,190)

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

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

		2018 二零一八年	2017 二零一七年
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元 (Restated) (重列)
Other comprehensive income/(loss) for the year, net of tax	除稅後年度其他全面收入/(虧損)	<b>63,759</b>	(92,047)
Total comprehensive loss for the year	年度全面虧損總額	<b>(195,720)</b>	(2,028,226)
Attributable to:	歸屬於：		
Equity holders of the Company	本公司權益持有人	<b>(74,521)</b>	(1,977,658)
Non-controlling interests	非控股權益	<b>(121,199)</b>	(50,568)
		<b>(195,720)</b>	(2,028,226)
Total comprehensive income/(loss) for the year attributable to the equity holders of the Company arise from:	本公司權益持有人應佔年度全面收益/(虧損)總額產生於：		
Continuing operations	持續經營業務	<b>2,293,166</b>	(1,017,433)
Discontinued operations	已終止業務	<b>(2,367,687)</b>	(960,225)
		<b>(74,521)</b>	(1,977,658)
Earnings/(loss) per share for profit/(loss) from continuing operations attributable to the equity holders of the Company (expressed in RMB per share)	本公司權益持有人應佔持續經營業務利潤/(虧損)每股利潤/(虧損)(以每股人民幣元計)		
- Basic	- 基本	31	0.75
- Diluted	- 攤薄	31	0.48
Loss per share for loss attributable to the equity holders of the Company (expressed in RMB per share)	本公司權益持有人應佔每股虧損(以每股人民幣元計)		
- Basic and diluted	- 基本及攤薄	31	<b>(0.05)</b>

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

以上綜合全面收益表應與隨附附註一併參閱。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

Attributable to equity holders of the Company  
本公司權益持有人應佔

	Note 附註	Attributable to equity holders of the Company 本公司權益持有人應佔					Total 總計	Non- controlling interests 非控股權益	Total Deficit 總虧絀
		Ordinary shares 普通股 RMB'000 人民幣千元 (Note 15) (附註15)	Convertible preference shares 可轉換優先股 RMB'000 人民幣千元 (Note 15) (附註15)	Share premium 股份溢價 RMB'000 人民幣千元 (Note 15) (附註15)	Other Reserves 其他儲備 RMB'000 人民幣千元 (Note 17) (附註17)	Accumulated losses 累計虧損 RMB'000 人民幣千元 (Note 17) (附註17)			
<b>Balance at 1 January 2018</b>	於二零一八年一月一日的結餘	937,772	-	10,432,701	3,662,824	(25,791,247)	(10,757,950)	(488,405)	(11,246,355)
Loss for the year	年度虧損	-	-	-	-	(138,361)	(138,361)	(121,118)	(259,479)
Other comprehensive income	其他全面收益								
Fair value loss on a financial asset at fair value through other comprehensive income	按公允價值計入其他全面收益的金融資產的公允價值虧損	-	-	-	(16,033)	-	(16,033)	(602)	(16,635)
Exchange difference on translation of foreign operations	換算海外營運的匯兌差額	-	-	-	79,873	-	79,873	521	80,394
<b>Total comprehensive income/(loss) for the year</b>	年度全面收益/(虧損)總額	-	-	-	63,840	(138,361)	(74,521)	(121,199)	(195,720)
<b>Transactions with equity holders in their capacity as owners</b>	與身為擁有人之權益持有人的交易								
Issuance of convertible preference shares	發行可轉換優先股	-	3,100,000	(2,067,284)	-	-	1,032,716	-	1,032,716
Issuance of shares upon conversion of convertible bonds	因轉換可換股債券而發行股份	799,278	-	(20,045)	-	-	779,233	-	779,233
Lapse of employee share options	僱員購股權失效	-	-	-	(21,992)	21,992	-	-	-
<b>Total transactions with owners in their capacity as owners</b>	與本公司權益持有人的交易	799,278	3,100,000	(2,087,329)	(21,992)	21,992	1,811,949	-	1,811,949
<b>Balance at 31 December 2018</b>	於二零一八年十二月三十一日的結餘	1,737,050	3,100,000	8,345,372	3,704,672	(25,907,616)	(9,020,522)	(609,604)	(9,630,126)

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔								
		Ordinary shares 普通股	Convertible preference shares 可轉換優先股	Share premium 股份溢價	Other Reserves 其他儲備	Accumulated losses 累計虧損	Total 總計	Non-controlling interests 非控股權益	Total Deficit 總虧絀	
Note 附註		RMB'000 人民幣千元 (Note 15) (附註15)	RMB'000 人民幣千元 (Note 15) (附註15)	RMB'000 人民幣千元 (Note 15) (附註15)	RMB'000 人民幣千元 (Note 17) (附註17)	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
<b>Balance at 1 January 2017</b>	於二零一七年一月一日的結餘	905,191	-	10,430,533	3,744,776	(23,906,421)	(8,825,921)	(437,837)	(9,263,758)	
Loss for the year	年度虧損	-	-	-	-	(1,884,826)	(1,884,826)	(51,353)	(1,936,179)	
Other comprehensive income/(loss)	其他全面收入/(虧損)									
Fair value gain on an available-for-sale financial asset	可供出售金融資產公允值收益	10	-	-	3,993	-	3,993	150	4,143	
Exchange difference on translation of foreign operations	換算海外營運的匯兌差額	-	-	-	(96,825)	-	(96,825)	635	(96,190)	
<b>Total comprehensive loss for the year</b>	年度全面虧損總額	-	-	-	(92,832)	(1,884,826)	(1,977,658)	(50,568)	(2,028,226)	
<b>Transactions with equity holders in their capacity as owners</b>	與身為擁有人之權益持有人的交易									
Share-based payments	以股份為基礎的支付	17	-	-	10,880	-	10,880	-	10,880	
Issue shares upon conversion of convertible bonds	因轉換可換股債券而發股份		32,581	2,168	-	-	34,749	-	34,749	
<b>Total transactions with owners in their capacity as owners</b>	與本公司權益持有人的交易		32,581	2,168	10,880	-	45,629	-	45,629	
<b>Balance at 31 December 2017</b>	於二零一七年十二月三十一日的結餘	937,772	-	10,432,701	3,662,824	(25,791,247)	(10,757,950)	(488,405)	(11,246,355)	

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

以上綜合權益變動表應與隨附附註一併參閱。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

			2018 二零一八年	2017 二零一七年
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Cash flows from operating activities</b>	<b>來自經營活動的現金流</b>			
Cash generated from operations	經營所得現金	33	<b>51,643</b>	1,061
Interest paid	已付利息		<b>(181,593)</b>	(6,007)
Net cash (used in)/generated from operating activities	來自已終止業務的經營活動(所用)/			
from discontinued operations	所得現金淨額	22	<b>(71,048)</b>	25,048
<b>Net cash (used in)/generated from operating activities</b>	<b>經營活動(所用)/所得現金淨額</b>		<b>(200,998)</b>	20,102
<b>Cash flows from investing activities</b>	<b>來自投資活動的現金流</b>			
Purchase of property, plant and equipment	購買物業、廠房及設備		<b>(128,332)</b>	(68,530)
Interest received	已收利息		<b>27</b>	2
Proceeds from sale of property, plant and equipment	銷售物業、廠房及設備所得款項		<b>-</b>	63
Net cash generated from investing activities	來自已終止業務的投資活動所得現金淨額			
from discontinued operations		22	<b>20,667</b>	45,613
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>		<b>(107,638)</b>	(22,852)
<b>Cash flows from financing activities</b>	<b>來自融資活動的現金流</b>			
Proceeds from other borrowings	其他借款所得款項		<b>464,217</b>	77,522
Repayment of other borrowings	償還其他借款		<b>(82,605)</b>	-
Repayment of bank borrowings	償還銀行借款		<b>(118,267)</b>	(346)
Net cash used in financing activities	來自已終止業務的融資活動所用現金淨額			
from discontinued operations		22	<b>(1,715)</b>	(111,681)
<b>Net cash generated from/(used in) financing activities</b>	<b>融資活動所得/(所用)現金淨額</b>		<b>261,630</b>	(34,505)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

			2018 二零一八年	2017 二零一七年
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等價物減少淨額</b>		<b>(47,006)</b>	(37,255)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物		<b>69,858</b>	107,263
Exchange difference on cash and cash equivalents	現金及現金等價物的匯兌差異		<b>384</b>	(150)
<b>Cash and cash equivalents at end of the year</b>	<b>年終現金及現金等價物</b>		<b>23,236</b>	69,858
<b>Analysis of balances of cash and cash equivalents:</b>	<b>現金及現金等價物結餘分析：</b>			
Cash and cash equivalents	現金及現金等價物	14	<b>9,274</b>	69,858
Cash and cash equivalents included in assets classified as held for sale	計入資產且分類為持作出售的現金及現金等價物	22	<b>13,962</b>	-
			<b>23,236</b>	69,858

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 以上綜合現金流量表應與隨附附註一併參閱。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 1 General information

China Huarong Energy Company Limited (the “Company”) was incorporated in the Cayman Islands on 3 February 2010 as an exempted company with limited liability under the Companies Law of the Cayman Islands. Its registered address is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The principal activities of the subsidiaries are set out in Note 37 to the consolidated financial statements.

The consolidated financial statements are presented in thousands of Renminbi (RMB’ 000), unless otherwise stated.

### 2 Principal accounting policies

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

#### 2.1 Basis of preparation

##### (a) Going concern basis

The Group incurred a net loss of RMB259,479,000 (2017: RMB1,936,179,000) and had an operating cash outflow of RMB200,998,000 (2017: inflow of RMB20,102,000) during the year ended 31 December 2018. As at 31 December 2018, the Group had a deficit of RMB9,630,126,000 (2017: RMB11,246,355,000) and the Group’s current liabilities exceeded its current assets by RMB11,326,204,000 (2017: RMB32,416,786,000). The Group maintained cash and cash equivalents of RMB9,274,000 (2017: RMB69,858,000) as at 31 December 2018.

### 1 一般資料

中國華榮能源股份有限公司(「本公司」)於二零一零年二月三日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。本公司的註冊地址為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司為投資控股公司。附屬公司的主要業務載列於綜合財務報表附註37。

除非另行訂明，否則綜合財務報表以人民幣千元列報。

### 2 主要會計政策

編製該等綜合財務報表時應用的主要會計政策載列如下。除非另有指明，有關政策已貫徹應用於所呈列的所有年度。

#### 2.1 編製基準

##### (a) 持續經營基準

截至二零一八年十二月三十一日止年度，本集團產生淨虧損人民幣259,479,000元(二零一七年：人民幣1,936,179,000元)及經營現金流出人民幣200,998,000元(二零一七年：流入人民幣20,102,000元)。於二零一八年十二月三十一日，本集團虧絀為人民幣9,630,126,000元(二零一七年：人民幣11,246,355,000元)，而本集團流動負債超出其流動資產人民幣11,326,204,000元(二零一七年：人民幣32,416,786,000元)。於二零一八年十二月三十一日，本集團維持現金及現金等價物人民幣9,274,000元(二零一七年：人民幣69,858,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

During the year ended 31 December 2018, the operation of the Group's shipbuilding, offshore engineering, engineering machinery and marine engine building segments (together, the "Shipbuilding Business") was minimal as the Group intended to dispose of these segments. The Group's operation was focused primarily on the energy exploration and production segment (the "Energy Business", together with the corporate headquarters referred to as the "Remaining Group"), the development of which has however been limited due to shortage of funds for investments in exploration and drilling of wells.

On 9 October 2018, the Company entered into a conditional sale and purchase agreement with Unique Orient Limited (the "Purchaser"), an independent third party, to dispose of the core assets and liabilities of the Shipbuilding Business (the "Disposal Group") at a consideration of HKD1 (the "Transaction"). There are certain conditions precedent pursuant to the Transaction, which included, but not limited to, the successful issuance of certain Convertible Preference Shares ("CPS") to certain bank creditors of the subsidiaries of the Disposal Group, and the release or discharge of the relevant guarantees provided by the Company in respect of the debts of the Shipbuilding Business (the "Relevant Guarantees"). The conditional sale and purchase agreement and the issuance of CPS were approved by the shareholders of the Company and CPS were issued in December 2018 (see Note 15) for further details).

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

截至二零一八年十二月三十一日止年度，本集團造船、海洋工程、動力工程及工程機械分部(統稱「造船業務」)的營運已減至最小，此乃由於本集團擬出售該等分部。本集團的營運主要集中於能源勘探及生產板塊(「能源業務」，連同公司總部稱為「餘下集團」)，其發展因勘探及鑽井方面缺乏資金投資而受到窒礙。

於二零一八年十月九日，本公司已與獨立第三方東唯有限公司(「買方」)訂立有條件出售及購買協議，以1港元出售造船業務(「出售集團」)的核心資產及負債(「該交易」)。根據該交易有若干先決條件，包括但不限於成功向若干出售集團附屬公司的若干銀行債權人發行若干可轉換優先股(「可轉換優先股」)，以及釋放或解除本公司就造船業務的債務提供的相關擔保(「相關擔保」)。有條件買賣協議及可轉換優先股之發行已獲本公司股東批准，而可轉換優先股已於二零一八年十二月發行(詳見附註15)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

Subsequent to 31 December 2018, supplemental agreements were signed with the Purchaser, such that (1) the transfer of sale shares of Able Diligent Limited, the holding company of the Disposal Group, to the Purchaser shall take place on or before 31 March 2019; (2) the Purchaser agreed to procure the release or discharge of the Relevant Guarantees; and (3) the Purchaser agreed to execute a share charge over the sale shares in favour of the Company. On 10 March 2019, the Group transferred the sale shares of Able Diligent Limited to the Purchaser. As of the date of this report, financial guarantees provided by the Company to the banks and lenders of the Shipbuilding Business, inclusive of principals and interest, amounted to RMB7,479,948,000.

As at 31 December 2018, assets and liabilities of the Shipbuilding Business were classified as "Assets classified as held for sale" and "Liabilities directly associated with assets classified held for sale" respectively in the consolidated statement of financial position.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

於二零一八年十二月三十一日後，與買方簽訂補充協議，以致(1)出售集團控股公司Able Diligent Limited，向買方轉讓出售股份將於二零一九年三月三十一日或之前進行；(2)買方同意促成免除或解除相關擔保；及(3)買方同意以本公司為受益人就銷售股份訂立股份質押。於二零一九年三月十日，本集團將Able Diligent Limited的銷售股份轉讓予買方。截至本報告日期，本公司就造船業務向銀行及借款人提供的財務擔保(包括本金及利息)為人民幣7,479,948,000元。

於二零一八年十二月三十一日，造船業務的資產及負債分別於綜合財務狀況表內分類為「分類為持作出售資產」及「與分類為持作出售資產直接相關的負債」。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

As at 31 December 2018, borrowings of Shipbuilding Business which are included in “Liabilities directly associated with assets classified as held for sale” (the “**Borrowings of Disposal Group**”) amounted to RMB15,735,828,000, out of which RMB15,500,976,000 were overdue. As at 31 December 2018, overdue interest payables of the Disposal Group amounted to RMB3,905,073,000. Subsequent to 31 December 2018, additional loan principal in the Disposal Group totaling RMB234,852,000 were not renewed nor repaid upon the scheduled repayment dates and thus became overdue. The Disposal Group had cash and cash equivalents of RMB13,962,000 as at 31 December 2018. As at 31 December 2018 and up to the date of this report, the Group has not obtained waivers from the relevant banks and lenders for such defaults; nor have these banks and lenders taken any action against the Group to demand immediate repayment.

As at 31 December 2018, borrowings of the Group, excluding Borrowings of Disposal Group (“**Borrowings of Remaining Group**”), amounted to RMB3,640,431,000, out of which RMB2,165,294,000 were overdue. As at 31 December 2018, overdue interest payables of the Remaining Group amounted to RMB165,011,000. Certain borrowings of the Group contain cross-default terms, causing Borrowings of Remaining Group of RMB775,832,000 at 31 December 2018 to become immediately repayable. These borrowings are further explained below:

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

於二零一八年十二月三十一日，包括在「與分類為持有待售資產直接相關的負債」的造船業務借款(「**出售集團借款**」)為人民幣15,735,828,000元，當中人民幣15,500,976,000元已逾期。於二零一八年十二月三十一日，出售集團的逾期應付利息為人民幣3,905,073,000元。二零一八年十二月三十一日後，合共人民幣234,852,000元出售集團的額外借款本金於預定還款日期後未獲重續或償還，故此已屬逾期。於二零一八年十二月三十一日，出售集團的現金及現金等價物為人民幣13,962,000元。於二零一八年十二月三十一日及截至本報告日期，本集團並無就相關違約事項從相關銀行及貸方獲得豁免；該等銀行及借款人並無對本集團採取任何行動要求立即償還款項。

於二零一八年十二月三十一日，本集團不包括出售集團借款(「**餘下集團借款**」)的借款為人民幣3,640,431,000元，當中人民幣2,165,294,000元已逾期。於二零一八年十二月三十一日，餘下集團的逾期應付利息為人民幣165,011,000元。本集團的若干借款含交叉違約條款，導致餘下集團須立即償還於二零一八年十二月三十一日的借款人民幣775,832,000元。該等借款於下文進一步詳述：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

- (i) The Remaining Group had promissory notes with an aggregate principal amount of RMB1,605,163,000 outstanding as at 31 December 2018, out of which approximately RMB796,035,000 had been overdue since 2017 and RMB769,672,000 had been overdue since 2018. The remaining outstanding promissory notes amounting to RMB39,456,000 became immediately repayable pursuant to the cross-default terms under the relevant loan agreements.
- (ii) As at 31 December 2018, the Remaining Group had five outstanding convertible bonds (2017: six) with an aggregate principal amount of RMB736,376,000 (2017: RMB1,544,177,000) with maturity dates ranging from May 2019 to November 2019. During the year ended 31 December 2018, convertible bonds with amounts of RMB820,236,000 were converted into equity. Since the bondholders have early redemption options to require the Company to redeem these convertible bonds at any time before the maturity dates, these convertible bonds are classified as current liabilities. In addition, all the convertible bonds became immediately repayable pursuant to the cross-default terms under the relevant agreements.
- (iii) The Remaining Group had bank and other borrowings of RMB600,275,000, out of which bank borrowings of RMB599,587,000 were overdue and the remaining other borrowings of RMB688,000 would be due for repayment within the next twelve months in accordance with the repayment dates of the respective agreements as at 31 December 2018.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

- (i) 於二零一八年十二月三十一日，餘下集團持有本金總額為人民幣1,605,163,000元的未償還承兌票據，其中約人民幣796,035,000元自二零一七年起已經逾期，自二零一八年起已經逾期的承兌票據則為人民幣769,672,000元。餘下未償還承兌票據金額為人民幣39,456,000元，將根據相關貸款協議項下的交叉違約條款立即償還。
- (ii) 於二零一八年十二月三十一日，餘下集團有五批未償還可換股債券(二零一七年：六)，本金總額為人民幣736,376,000元(二零一七年：人民幣1,544,177,000元)，到期日為二零一九年五月至二零一九年十一月不等。截至二零一八年十二月三十一日止年度，人民幣820,236,000元的可換股債券已兌換為股本。由於債券持有人擁有提前贖回權，有權於到期日前任何時間要求本公司贖回可換股債券，該等可換股債券分類為流動負債。此外，所有可換股債券根據相關協議項下的交叉違約條款立即償還。
- (iii) 餘下集團持有銀行及其他借款人民幣600,275,000元，其中銀行借款人民幣599,587,000元已經逾期，而於二零一八年十二月三十一日根據相關協議的還款日期，餘下其他借款人民幣688,000元將須於12個月內償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

##### (a) Going concern basis (Continued)

The above conditions indicate the existence of material uncertainties, which may cast significant doubt upon the Group's ability to continue as a going concern.

In view of such circumstances, the directors of the Company have, during the year and up to the date of the approval of these consolidated financial statements, taken the following measures to mitigate the liquidity pressure and to improve the financial position of the Group, to refinance its operation and to restructure its debts:

- i) The Group has been actively negotiating with the relevant banks and lenders of the Disposal Group to release or discharge the Relevant Guarantees.
- ii) The Group is also maintaining its relationship with the banks and the lenders of the Disposal Group such that no action will be taken by them to demand immediate repayment of its outstanding borrowings under the Relevant Guarantees.
- iii) The Group has also been actively negotiating with the banks and lenders regarding the Borrowings of Remaining Group of RMB2,941,814,000 to take the following actions:

### 2 主要會計政策(續)

#### 2.1 編製基準(續)

##### (a) 持續經營基準(續)

上述狀況表明可能導致本集團的持續經營能力產生重大疑慮存在重大不確定性。

鑒於上述情況，本公司董事於年內及截至批准綜合財務報表日期已採取以下措施，以減緩流動性壓力，並改善本集團財務狀況，同時對其營運進行再融資及重組債務：

- i) 本集團一直積極與相關銀行及出售集團的借款人磋商，以釋出或解除相關擔保。
- ii) 本集團亦維持其與銀行及出售集團的借款人的關係，以確保彼等不會採取行動要求即時償還相關擔保項下的未償還借款。
- iii) 本集團亦一直積極就餘下餘下集團之借款人民幣2,941,814,000元與銀行及借款人磋商，以採取以下行動：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

##### iii) (Continued)

(a) As at 31 December 2018, the outstanding promissory notes amounting to RMB1,565,707,000 were not extended nor repaid upon the schedule repayment dates and thus became overdue and RMB39,456,000 became immediately repayable pursuant to the cross-default terms under the relevant loan agreements. The Company is in the process of negotiating with these promissory note holders for further arrangements, including the extension of maturity dates and obtaining waiver from the lender for the due payment pursuant to the relevant cross-default terms.

(b) As at 31 December 2018, the Remaining Group had five outstanding convertible bonds with an aggregate principal amount totaling RMB736,376,000 with maturity dates ranging from May 2019 to November 2019, provided that the bondholders do not exercise the early redemption options.

Subsequent to 31 December 2018, convertible bonds with total principal amounts of RMB118,623,000 were converted into equity. Three convertible bondholders with total principal amounts of RMB422,770,000 have agreed not to demand for repayment in 2019. The Company will continue to convince the remaining bondholders to convert the bonds into equity before their maturities or extend the maturity dates beyond 31 December 2019.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

##### iii) (續)

(a) 於二零一八年十二月三十一日，未償還承兌票據金額為人民幣1,565,707,000元並未按期限償還日期延長或償還，因此已逾期，而人民幣39,456,000元已根據相關貸款協議項下的交叉違約條款立即償還。本公司正與該等承兌票據持有人磋商以作進一步安排，包括延長到期日，並根據相關交叉違約條款就到期付款向借款人獲取豁免。

(b) 於二零一八年十二月三十一日，餘下集團有 five 批未償還可換股債券，本金總額為人民幣736,376,000元，將於二零一九年五月至二零一九年十一月期間到期(倘債券持有人並未行使提早贖回權)。

於二零一八年十二月三十一日後，本金總額為人民幣118,623,000元的可換股債券已兌換為股本。三位共持有本金總額人民幣422,770,000元的可換股債券持有人同意於二零一九年不要求償還。本公司會繼續遊說其餘債券持有人於到期日前將債券轉換成股本或延遲到期日至二零一九年十二月三十一日之後。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

##### (a) Going concern basis (Continued)

- iii) (Continued)
  - (c) As at 31 December 2018, the Remaining Group had bank and other borrowings of RMB600,275,000 which were overdue or would be due for repayment within the next twelve months in accordance with the repayment date of respective agreements. Subsequent to 31 December 2018, the Group repaid bank borrowing of RMB5,660,000 and other borrowing of RMB688,000. The Group is in the process of negotiating with the relevant bank for extension of repayment and renewal of such borrowings.
- iv) During the year ended 31 December 2018, the Group obtained security-free and interest-free loans from an entity controlled by a close family member of Mr. Zhang Zhi Rong amounting to RMB506,356,000, which will be repayable in April 2020.
- v) During the year ended 31 December 2018, the Group also entered into a loan agreement with an entity controlled by Mr. Zhang Zhi Rong, who agreed to provide a loan facility up to USD250,000,000 (equivalent to approximately RMB1,719,625,000) to the Group for the funding of the oilfield operations of the Energy Business. The Group has drawn down USD45,601,000 (equivalent to approximately RMB313,665,000) up to 31 December 2018. Subsequent to 31 December 2018, the Group has further drawn down USD4,771,000 (equivalent to approximately RMB32,819,000).

### 2 主要會計政策(續)

#### 2.1 編製基準(續)

##### (a) 持續經營基準(續)

- iii) (續)
  - (c) 於二零一八年十二月三十一日，餘下集團持有銀行及其他借款人民幣600,275,000元，並已逾期或根據相關協議的還款日期將須於十二個月內償還。隨後於二零一八年十二月三十一日，本集團償還銀行借款人民幣5,660,000元及其他借款人民幣688,000元。本集團正與相關銀行磋商，以延遲還款及續借該等借款。
- iv) 截至二零一八年十二月三十一日止年度，本集團向受張志榕先生家屬控制的實體取得無擔保及免息貸款，金額為人民幣506,356,000元，將於二零二零年四月償還。
- v) 截至二零一八年十二月三十一日止年度，本集團亦與由張志榕先生控制的實體訂立貸款協議，該實體同意向本集團提供不多於250,000,000美元(相當於約人民幣1,719,625,000元)的貸款融資，為本集團能源業務下的油田經營提供資金。直至二零一八年十二月三十一日，本集團已提取45,601,000美元(相當於約人民幣313,665,000元)。二零一八年十二月三十一日後，本集團進一步提取4,771,000美元(相當於約人民幣32,819,000元)。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

- vi) The Group has focused on its operations in development of the energy exploration and production segment. During the year, a number of wells were developed in the Republic of Kyrgyzstan (“Kyrgyzstan”) and management expects to realise an increase of oil output through further development and expansion of this segment, thereby generate steady operating cash flows.

During the year ended 31 December 2018, the Group entered into a loan agreement with an entity controlled by Mr. Zhang Zhi Rong, who agreed to provide a loan facility up to RMB40,000,000 to the Group for the funding in respect of the energy exploration and production segment. As at 31 December 2018, the Group has drawn down RMB9,100,000 for exploration and drilling of wells. The Group expects to draw down the remaining balance of the facility in 2019.

In addition, the Group also entered into a Co-operative Framework Agreement during the year ended 31 December 2018 with an independent third party who agreed to provide materials for the exploration and production of crude oil with an aggregate amount up to USD500,000,000, in exchange for an option to purchase up to 70% of the total crude oil produced by the Group at 92% to 95% of the market price as a form of repayment until all the liabilities are repaid.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

- vi) 本集團專注發展能源勘探及生產業務板塊。年內，在吉爾吉斯共和國(「吉爾吉斯」)已開發數口油井，而管理層預計透過進一步發展及拓展該業務板塊將石油產量提升，從而帶來穩定的經營現金流。

截至二零一八年十二月三十一日止年度，本集團與由張志榕先生控制的實體訂立貸款協議，該實體同意向本集團提供不多於人民幣40,000,000元的貸款融資，為本集團的能源勘探及生產板塊提供資金。於二零一八年十二月三十一日，本集團已就勘探及鑽井提取人民幣9,100,000元。本集團預期於二零一九年動用餘下結餘。

此外，截至二零一八年十二月三十一日止年度，本集團亦與一名獨立第三方訂立合作框架協議，該獨立第三方同意提供原油勘探及生產材料總額高達500,000,000美元以交換可按市場價格92%至95%購買本集團生產的原油生產總量最多70%的期權，作為償還方式，直至償還所有負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

##### vi) (Continued)

The directors have reviewed the Group's cash flow projections prepared by management that covered a period of not less than twelve months from 31 December 2018. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of the statement of financial position. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether management of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows through the successful fulfillment of the following plans:

- i) obtaining the agreement from the banks and lenders to release or discharge the Company's guarantees for the borrowings owed by the Disposal Group;
- ii) convincing the banks and lenders not to demand for repayment of the outstanding loans of the Disposal Group before the completion of the release of the Relevant Guarantees;

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

##### vi) (續)

董事已審閱管理層編製的涵蓋自二零一八年十二月三十一日起至少十二個月的本集團的現金流量預測。彼等認為，考慮到上述計劃及措施，本集團將有充足的營運資金為其業務經營提供資金，並能履行自財務狀況表結算日起計未來十二個月內到期的財務義務。因此，董事相信，以持續經營的基礎編製綜合財務報表屬恰當。

儘管如此，本公司管理層能否如上文所述達成其計劃及措施存有重大的不確定性。本集團日後能否以持續經營基礎繼續經營，將視乎本集團能否成功達成以下計劃，獲得充足的融資及經營現金流量：

- i) 向銀行及借款人取得同意，免除或解除本公司就出售集團所結欠借款作出的擔保；
- ii) 說服銀行及借款人於相關擔保免除完成前不要求償還出售集團的未償還貸款；

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

- iii) negotiating with all existing promissory note holders of outstanding principals of RMB1,565,707,000, together with accrued interests thereon for further arrangement including the extension of the maturity dates;
- iv) convincing the convertible bondholders of outstanding principal of RMB617,753,000 to convert the bond into equity before their maturity and/or extend the maturity dates beyond 31 December 2019;
- v) negotiating with the relevant bank for the renewal or extension for repayments beyond the year ending 31 December 2019 for the bank borrowing of RMB599,587,000 that was overdue as at 31 December 2018;
- vi) obtaining waivers from the relevant lenders for the due payment in relation to those loans that have cross-default terms in the respective loan agreements for the Remaining Group;
- vii) implementing a business plan for its energy and exploration and production segment to generate cash flows; and
- viii) obtaining additional sources of financing other than those mentioned above, including those to finance the Energy Business, and the successful drawdown of the various facilities made available to the Group by entities controlled by Mr Zhang Zhi Rong and a third party, as described in management's plan above, as and when needed.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

- iii) 與未償還本金為人民幣1,565,707,000元(連同其應計利息)的所有現有承兌票據持有人磋商，以作進一步安排，包括延後到期日；
- iv) 說服未償還本金為人民幣617,753,000元的可換股債券持有人於到期前兌換債券為股本及／或將到期日延後至二零一九年十二月之後；
- v) 就二零一八年十二月三十一日之逾期銀行借款人民幣599,587,000元，與有關銀行磋商重續或延長還款至二零一九年十二月三十一日止年度之後；
- vi) 從相關借款人就因餘下集團貸款協議中有交叉違約條款而成為需即時還款的貸款獲取豁免；
- vii) 為其能源及勘探及生產板塊執行業務計劃以產生現金流；及
- viii) 取得上述以外的額外融資來源，包括為其能源業務提供資金的融資來源，以及成功動用由張志熔先生所控制的實體及第三方(誠如以上管理層計劃所述)於有需要時向本集團所提供多項融資。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in these consolidated financial statements.

#### (b) Statement of compliance

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRSs"). The consolidated financial statements have been prepared under the historical cost convention, except as modified by the accounting policies stated below.

The preparation of the consolidated financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

如本集團無法達成上述計劃及措施，其未必能在持續經營的基礎上繼續經營，並必須作出調整，將本集團的資產賬面值撇減至其可收回金額，以為未來可能出現的負債撥備，同時將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整的影響尚未反映於綜合財務報表。

#### (b) 合規聲明

本公司綜合財務報表乃按國際財務報告準則(「國際財務報告準則」)編製。綜合財務報表乃按歷史成本法編製，惟就下文所述的會計政策所作出的調整除外。

按照國際財務報告準則編製綜合財務報表需要運用若干重大會計估計，亦要求管理層在應用本集團的會計政策時作出判斷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

(c) New and amended standards, improvements and interpretation adopted by the Group:

During the year ended 31 December 2018, the Group has adopted the following new and amended standards, improvements and interpretation which are mandatory for accounting periods beginning on 1 January 2018:

IAS 28 (Amendments)	Investment in Associates and Joint Ventures
IAS 40 (Amendments)	Transfers of Investment Property
IFRS 1 (Amendments)	First Time Adoption of IFRS
IFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions
IFRS 4 (Amendments)	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IFRS 15 (Amendments)	Clarifications to IFRS 15
Annual Improvements Project	Annual Improvements 2014-2016 Cycle
IFRIC Int 22	Foreign Currency Transactions and Advance Consideration

Saved as disclosed in Note 2.1(e), the adoption of these new and amended standards, improvements and interpretation did not have any impact on the amounts recognised in prior periods and will also not affect the current or future periods.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

(c) 本集團採納的新訂及經修訂準則、改進及詮釋：

截至二零一八年十二月三十一日止年度，本集團採納以下於二零一八年一月一日開始的會計期間強制採納的新訂及經修訂準則、改進及詮釋：

國際會計準則第28號(修訂本)	於聯營公司及合營企業的投資
國際會計準則第40號(修訂本)	轉讓投資物業
國際財務報告準則第1號(修訂本)	首次採用國際財務報告準則
國際財務報告準則第2號(修訂本)	以股份為基礎的支付交易的分類及計量
國際財務報告準則第4號(修訂本)	結合國際財務報告準則第4號保險合同應用國際財務報告準則第9號金融工具
國際財務報告準則第9號	金融工具
國際財務報告準則第15號	來自客戶合約的收益
國際財務報告準則第15號(修訂本)	對國際財務報告準則第15號的澄清
年度改進計劃	年度改進二零一四年至二零一六年週期
國際財務報告詮釋委員會－詮釋第22號	外幣交易及預付對價

如附註2.1(e)所披露，採用這些新訂及經修訂準則、改進和詮釋對以前期間確認之金額沒有任何影響，也不會影響當前或未來期間。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

(d) New standards, amendments to standards and interpretations have been issued, but are not effective for the financial period beginning 1 January 2018 and have not been early adopted by the Group:

		<b>Effective for annual periods beginning on or after 於以下日期或之 後開始之年度 期間生效</b>
Annual Improvements Project (Amendments)	Annual Improvements 2015-2017 Cycle	1 January 2019
年度改進計劃(修訂本)	年度改進二零一五年至二零一七年週期	二零一九年一月一日
IAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement	1 January 2019
國際會計準則第19號(修訂本)	計劃修正、縮減或清償	二零一九年一月一日
IAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures	1 January 2019
國際會計準則第28號(修訂本)	於聯營公司及合資企業的長期權益	二零一九年一月一日
IFRS 9 (Amendments)	Prepayment Features with Negative Compensation	1 January 2019
國際財務報告準則第9號 (修訂本)	預付款項特性及負補償	二零一九年一月一日
IFRS 16	Leases	1 January 2019
國際財務報告準則第16號	租賃	二零一九年一月一日
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture	A date to be determined by the IASB
國際財務報告準則第10號及 國際會計準則第28號 (修訂本)	投資者與其聯營公司或合資公司之間的 資產出售或注資	待國際會計準則理事會釐定之日期
IFRS 17	Insurance Contracts	1 January 2021
國際財務報告準則第17號	保險合同	二零二一年一月一日
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting	1 January 2020
財務報告概念框架(2018版)	財務報告概念框架(經修訂)	二零二零年一月一日
IFRIC 23	Uncertainty Over Income Tax Treatments	1 January 2019
國際財務報告詮釋委員會一 釋第23號	所得稅處理的不確定性	二零一九年一月一日

### 2 主要會計政策(續)

#### 2.1 編製基準(續)

(d) 於二零一八年一月一日開始的財政期間已頒佈但尚未生效及本集團未有提早採納的新訂準則、準則的修訂及詮釋：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (d) (Continued)

IFRS 16, "Leases"

#### Nature of change

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the consolidated statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

#### Impact

The standard will affect primarily the accounting for the Group's operating leases. As at 31 December 2018, the Group has non-cancellable operating lease commitments of RMB1,033,000 (Note 35).

However, the Group has not yet assessed what other adjustments, if any, are necessary for example because of the change in the definition of the lease term and the different treatment of variable leases payments and of extension and termination options. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the Group's profit or loss and classification of cash flows going forward.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (d) (續)

國際財務報告準則第16號「租賃」

#### 變動性質

國際財務報告準則第16號於二零一六年一月頒佈。其將致使絕大部分租賃於綜合財務狀況表確認，此乃由於經營租賃與融資租賃之間的區別被移除。根據該新訂準則，資產(使用租賃項目的權利)及支付租金的金融負債會予以確認。唯一例外者為短期及低價值租賃。

#### 影響

此準則將主要影響本集團經營租賃的會計處理。於二零一八年十二月三十一日，本集團不可撤銷的經營租賃承擔為人民幣1,033,000元(附註35)。

然而，本集團尚未評估須作出何種其他調整(如有)，例如因租賃期間定義改變及可變租賃付款與續租及終止選擇權的不同處理。因此，尚未能估計於採納新訂準則時必須確認的使用權資產及租賃負債金額，以及其將可能如何影響本集團的損益與未來現金流量分類。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (d) (Continued)

Date of adoption by the Group

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

Apart from the aforementioned IFRS 16, the directors have yet to assess the full impact of adopting these new standards, amendments to standards and interpretation but anticipate that the adoption of these standards will not result in a significant impact on the results and financial position of the Group.

#### (e) Changes in accounting policies

This note explains the impact of the adoption of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers on the group's financial statements.

IFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new impairment rules are therefore not reflected in the restated consolidated statement of financial position as at 31 December 2017, but are recognised in the opening consolidated statement of financial position on 1 January 2018.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (d) (續)

本集團採納日期

本集團將自強制採納日期二零一九年一月一日起應用該準則。本集團擬應用簡化過渡法，並將不會重列首次採納前年度的比較金額。物業租賃的使用權資產將在過渡時計量，猶如該新訂規則一直被應用。所有其他使用權資產將於採納時按租賃負債的金額計量(經任何預付或應付租賃開支調整)。

除上述國際財務報告準則第16號外，董事尚未評估採納該等新準則、準則之修訂及詮釋之全面影響，但預計採用該等準則將不會對本集團的業績及財務狀況造成重大影響。

#### (e) 會計政策變動

本附註解釋採納國際財務報告準則第9號金融工具及國際財務報告準則第15號來自客戶合約的收益對本集團財務報表的影響。

採納國際財務報告準則第9號時一般無須重列比較資料。因此，新減值準則引致的重新分類及調整並未於二零一七年十二月三十一日的重列綜合財務狀況表中反映，惟於二零一八年一月一日的期初綜合財務狀況表中確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

##### (e) Changes in accounting policies (Continued)

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

### 2 主要會計政策(續)

#### 2.1 編製基準(續)

##### (e) 會計政策變動(續)

下表載列於各項目確認的調整。未受變動影響的項目並未包括在內。因此，披露的小計及總計不能由提供的數字重新計算。該等調整將於下列準則中加以詳述。

		31 December 2017 As originally presented 二零一七年 十二月三十一日 原先列示為 RMB'000 人民幣千元	IFRS 9 國際財務報告 準則第9號 RMB'000 人民幣千元	IFRS 15 國際財務報告 準則第15號 RMB'000 人民幣千元	1 January 2018 Restated 二零一八年 一月一日 重列 RMB'000 人民幣千元
Consolidated statement of financial position	綜合財務狀況表				
<u>Non-current assets</u>	<u>非流動資產</u>				
Financial asset at fair value through other comprehensive income	按公允值計入其他全面收益的 金融資產	-	44,342	-	44,342
Available-for-sale financial asset	可供出售金融資產	44,342	(44,342)	-	-
		44,342	-	-	44,342
<u>Current liabilities</u>	<u>流動負債</u>				
Trade and other payables	應付賬款及其他應付款項				
- Trade payables	- 應付賬款	1,474,940	-	-	1,474,940
- Other payables	- 其他應付款項	8,057,501	-	(33,033)	8,024,468
- Contract liabilities	- 合約負債	-	-	33,033	33,033
		9,532,441	-	-	9,532,441
<u>Reserves</u>	<u>儲備</u>				
- Available-for-sale financial asset reserve	- 可供出售金融資產儲備	7,277	(7,277)	-	-
- Financial asset at fair value through other comprehensive income reserve	- 按公允值計入 其他全面收益的 金融資產	-	7,277	-	7,277
- Other reserves	- 其他儲備	3,655,547	-	-	3,655,547
		3,662,824	-	-	3,662,824

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

##### (e) Changes in accounting policies (Continued)

###### (i) IFRS 9 “Financial Instruments”

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of IFRS 9 “Financial Instruments” from 1 January 2019 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in Notes 2.12 below.

There is no material impact on the Group’s accumulated losses as at 1 January 2018 and no restatement is made.

### 2 主要會計政策(續)

#### 2.1 編製基準(續)

##### (e) 會計政策變動(續)

###### (i) 國際財務報告準則第9號「金融工具」

國際財務報告準則第9號取代了國際會計準則第39號有關金融資產及金融負債確認、分類及計量、金融工具終止確認、金融資產減值及對沖會計處理的相關規定。

自二零一九年一月一日起採納國際財務報告準則第9號「金融工具」導致會計政策變動及財務報表確認金額調整。新會計政策載於下文附註2.12。

於二零一八年一月一日，本集團的累計虧損並無受到重大影響，亦未重列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

##### (e) Changes in accounting policies (Continued)

- (i) IFRS 9 “Financial Instruments” (Continued)

##### (1) Classification and measurement

Equity investments previously classified as available-for-sale

On 1 January 2018 (the date of initial application of IFRS 9), the Group’s management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate IFRS 9 categories. The main effects resulting from this reclassification are as follows:

### 2 主要會計政策(續)

#### 2.1 編製基準(續)

##### (e) 會計政策變動(續)

- (i) 國際財務報告準則第9號「金融工具」(續)

##### (1) 分類及計量

權益投資先前分類為可供出售

於二零一八年一月一日(首次應用國際財務報告準則第9號之日)，本集團管理層已評估應就本集團所持有的金融資產採用何種業務模式，並已將其金融工具分類至國際財務報告準則第9號項下適當的類別。此重新分類的主要影響如下：

Financial assets – 1 January 2018 金融資產 – 二零一八年一月一日	Fair value through other comprehensive income 按公允值計入 其他全面收益 RMB'000 人民幣千元	Available- for-sale 可供出售 RMB'000 人民幣千元
Closing balance 31 December 2017 – IAS 39 於二零一七年 十二月三十一日 的期末結餘 – 國際會計準則 第39號	-	44,342
Reclassify non-trading equities from available-for-sale financial asset to financial asset at fair value through other comprehensive income 非交易性權益由 可供出售金融 資產重新分類至 按公允值計入 其他全面收益的 金融資產	44,342	(44,342)
Opening balance 1 January 2018 – IFRS 9 於二零一八年 一月一日的期初 結餘 – 國際財務 報告準則第9號	44,342	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

##### (e) Changes in accounting policies (Continued)

- (i) IFRS 9 “Financial Instruments” (Continued)

#### (1) Classification and measurement (Continued)

The impact of these changes on the Group’s equity is as follows:

Reserves – 1 January 2018		Financial assets at fair value through other comprehensive income reserve 按公允值計入 其他全面收益的 金融資產 RMB’000 人民幣千元	Available-for- sale reserve 可供出售儲備 RMB’000 人民幣千元
儲備—二零一八年一月一日			
Opening balance – IAS 39	期初餘額—國際會計準則第39號	-	7,277
Reclassify non-trading equities from available-for-sale reserve to financial asset at fair value through other comprehensive income reserve	非交易性權益由可供出售儲備重新分類至按公允值計入其他全面收益的儲備	7,277	(7,277)
Opening balance – IFRS 9	期初餘額—國際財務報告準則第9號	7,277	-

The Group elected to present the changes in the fair value of its equity investment previously classified as available-for-sale financial asset in other comprehensive income, because these investments are held as long-term strategic investments that are not expected to be sold in the short to medium term. As a result, assets with a fair value of RMB44,342,000 were reclassified from available-for-sale financial asset to financial asset at fair value through other comprehensive income and cumulative fair value gain of RMB7,277,000 were reclassified from the available-for-sale financial asset reserve to the financial asset at fair value through other comprehensive income reserve on 1 January 2018.

本集團選擇於其他全面收益呈列先前分類為可供出售金融資產之權益投資公允值變動，此乃由於該等投資乃持作長期策略投資且預期不會於短期至中期出售。因此，於二零一八年一月一日，公允值人民幣44,342,000元的資產由可供出售金融資產重新分類至按公允值計入其他全面收益的金融資產，而累計公允值收益人民幣7,277,000元則由可供出售金融資產儲備重新分類至按公允值計入其他全面收益的金融資產儲備。

### 2 主要會計政策(續)

#### 2.1 編製基準(續)

##### (e) 會計政策變動(續)

- (i) 國際財務報告準則第9號「金融工具」(續)

#### (1) 分類及計量(續)

該等變動對本集團權益的影響如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (e) Changes in accounting policies (Continued)

- (i) IFRS 9 “Financial Instruments” (Continued)

#### (2) Reclassifications of financial instruments on adoption of IFRS 9

On the date of initial application, 1 January 2018, the financial instruments of the Group were as follows, with any reclassifications noted:

		Measurement category		Carrying amount	
		計量分類		賬面值	
		Original (IAS 39)	New (IFRS 9)	Original	New
		原國際會計準則第39號	新(國際財務報告準則第9號)	原	新
				RMB'000	RMB'000
				人民幣千元	人民幣千元
<b>Non-current financial assets</b>	<b>非流動金融資產</b>				
Financial asset at fair value through other comprehensive income	按公允值計入其他全面收益的金融資產	Available-for-sale	Fair value through other comprehensive income	44,342	44,342
		可供出售	按公允值計入其他全面收益		
<b>Current financial assets</b>	<b>流動金融資產</b>				
Trade receivables	應收賬款	Amortised cost	Amortised cost	9,846	9,846
		攤銷成本	攤銷成本		
Deposits and other receivables	按金及其他應收款項	Amortised cost	Amortised cost	93,382	93,382
		攤銷成本	攤銷成本		
Pledged deposits	已抵押存款	Amortised cost	Amortised cost	20,720	20,720
		攤銷成本	攤銷成本		
Cash and cash equivalents	現金及現金等價物	Amortised cost	Amortised cost	69,858	69,858
		攤銷成本	攤銷成本		
<b>Current financial liabilities</b>	<b>流動金融負債</b>				
Trade and other payables	應付賬款及其他應付款項	Amortised cost	Amortised cost	9,449,410	9,449,410
		攤銷成本	攤銷成本		
Borrowings and finance lease liabilities	借款及融資租賃負債	Amortised cost	Amortised cost	23,531,192	23,531,192
		攤銷成本	攤銷成本		

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (e) 會計政策變動(續)

- (i) 國際財務報告準則第9號「金融工具」(續)

#### (2) 採用國際財務報告準則第9號之金融工具的重新分類

於首次應用日期，即二零一八年一月一日，本集團的金融工具如下，並指出任何重新分類：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (e) Changes in accounting policies (Continued)

- (i) IFRS 9 “Financial Instruments” (Continued)

#### (3) Impairment of financial assets

The Group has two types of financial assets that are subject to IFRS 9’s new expected credit loss model:

- trade receivables
- deposits and other receivables

The Group was required to revise its impairment methodology under IFRS 9 for each of these classes of assets. The impact of the change in impairment methodology on the Group’s retained earnings and equity was immaterial.

While cash and cash equivalents and pledged bank deposits are also subject to the impairment requirements of IFRS 9, the identified impairment loss was also immaterial.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (e) 會計政策變動(續)

- (i) 國際財務報告準則第9號「金融工具」(續)

#### (3) 金融資產減值

本集團有兩類金融資產，須遵守國際財務報告準則第9號的新預期信貸虧損模式：

- 應收賬款
- 按金及其他應收款項

本集團須就各個該等類別的資產根據國際財務報告準則第9號修訂其減值方法。減值方法變動對本集團之留存收益及權益並無重大影響。

儘管現金及現金等價物及已抵押銀行存款亦須遵守國際財務報告準則第9號的減值要求，惟已識別的減值虧損並不重大。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (e) Changes in accounting policies (Continued)

- (i) IFRS 9 “Financial Instruments” (Continued)

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

##### Trade receivables

The Group applies the IFRS 9 simplified approach to measure the expected credit losses, and uses a lifetime expected loss allowance for all trade receivables. The resulted increase of loss allowance for trade receivables on 1 January 2018 was immaterial. Note 3.1(b) provides for details about the calculation of the allowance.

##### Deposits and other receivables

Deposits and other receivables at amortised cost are considered to be low credit risk, and therefore the impairment provision is determined as 12 months expected credit losses. The resulted increase of loss allowance for deposits and other receivables on 1 January 2018 was immaterial. The loss allowance for deposits and other receivables have not further increased during the current reporting period.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (e) 會計政策變動(續)

- (i) 國際財務報告準則第9號「金融工具」(續)

#### (3) 金融資產減值(續)

##### 應收賬款

本集團採用國際財務報告準則第9號之簡化方式計量預期信貸虧損，並就所有應收賬款使用終身預期虧損撥備。因其增加的應收賬款虧損撥備於二零一八年一月一日並不重大。附註3.1(b)提供了有關計算撥備的詳細資料。

##### 按金及其他應收款項

攤銷成本之按金及其他應收款項被視為低信貸風險，因此減值撥備確定為12個月預期信貸虧損。因其增加之按金及其他應收款項之虧損撥備於二零一八年一月一日並不重大。於本報告期間，按金及其他應收款項的虧損撥備並未進一步增加。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

##### (e) Changes in accounting policies (Continued)

- (ii) IFRS 15 “Revenue from Contracts with Customers”

The Group has adopted IFRS 15 “Revenue from Contracts with Customers” from 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. In accordance with the transition provisions in IFRS 15, comparative figures have not been restated. The adoption of IFRS 15 did not result in significant changes to the Group recognition policies.

In summary, the following adjustments were made to the amounts recognised in the consolidated statement of financial position at the date of initial application (1 January 2018):

### 2 主要會計政策(續)

#### 2.1 編製基準(續)

##### (e) 會計政策變動(續)

- (ii) 國際財務報告準則第15號「來自客戶合約的收益」

本集團自二零一八年一月一日起採納國際財務報告準則第15號「來自客戶合約的收益」，導致會計政策有所變動及綜合財務報表確認金額有所調整。根據國際財務報告準則第15號的過渡性條文，比較數字尚未重列。採用國際財務報告準則第15號並未導致本集團之確認政策發生重大變動。

總括而言，於綜合財務狀況表所確認的金額於二零一八年一月一日首次應用當日作出以下調整：

		IAS 18 carrying amount 31 December 2017 於二零一七年 十二月三十一日 國際會計準則 第18號下的 賬面值 RMB'000 人民幣千元	Reclassification	IFRS 15 carrying amount 1 January 2018 於二零一八年 一月一日 國際財務報告 準則第15號下的 賬面值 RMB'000 人民幣千元
Receipt in advance	預收賬款	33,033	(33,033)	-
Contract liabilities	合約負債	-	33,033	33,033



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (e) Changes in accounting policies (Continued)

- (ii) IFRS 15 “Revenue from Contracts with Customers” (Continued)

The Group has voluntarily changed the presentation of certain amounts in the consolidated statement of financial position to reflect the terminology of IFRS 15. As such, receipt in advance from customers which was previously included in trade and other payables, amounting to RMB33,033,000 as at 1 January 2018, are now recognised as contract liabilities (as included in trade and other payables) to reflect the terminology of IFRS 15.

### 2.2 Restatements due to discontinued operations

The presentation of comparative information in respect of the consolidated statement of comprehensive income for the year ended 31 December 2017 has been restated in order to disclose the discontinued operations separately from continuing operations.

As the restatements do not affect the consolidated statement of financial position, it is not necessary to disclose comparative information as at 1 January 2017.

## 2 主要會計政策(續)

### 2.1 編製基準(續)

#### (e) 會計政策變動(續)

- (ii) 國際財務報告準則第15號「來自客戶合約的收益」(續)

本集團已自願更改綜合財務狀況表中若干金額之呈列，以反映國際財務報告準則第15號的術語。因此，於二零一八年一月一日，從客戶收取之預收賬款(之前包括在應付賬款及其他應付款項中)的金額為人民幣33,033,000元，確認為合約負債(包括在應付賬款及其他應付款項中)以反映國際財務報告準則第15號的術語。

### 2.2 就已終止業務重述

截至二零一七年十二月三十一日止年度綜合全面收益表的比較資料呈列經已重述，以便將已終止業務與持續經營業務分開披露。

由於重述不影響綜合財務狀況表，因此無需披露截至二零一七年一月一日的比較資料。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.3 Principles of consolidation and equity accounting

##### (a) Subsidiaries

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

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.4).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

### 2 主要會計政策(續)

#### 2.3 綜合入賬及權益會計法原則

##### (a) 附屬公司

附屬公司為本集團具有控制權的所有實體(包括結構實體)。若本集團具有承擔或通過參與享有有關實體所得的可變回報的風險或權利，並能透過其指揮實體業務的權力影響該等回報，即本集團對該實體具有控制權。附屬公司於其控制權轉移至本集團當日全面綜合入賬。於控制權終止的日期則取消綜合入賬。

本集團採用收購會計法將業務綜合入賬(參見附註2.4)。

集團公司間之公司間交易、結餘及未變現交易收益予以對銷。未變現虧損亦會予以抵銷，除非有關交易顯示所轉讓資產的減值證據。附屬公司之會計政策已按需要調整，以確保與本集團採納之政策貫徹一致。

業績內之非控股權益及附屬公司權益分別獨立呈列於綜合全面收益表、權益變動表及財務狀況表。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.3 Principles of consolidation and equity accounting (Continued)

#### (b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs.

## 2 主要會計政策(續)

### 2.3 綜合入賬及權益會計法原則(續)

#### (b) 擁有權權益變動

本集團將不會引致失去控制權的非控股權益交易視為與本集團權益持有人的交易。擁有權權益變動導致控股權益與非控股權益賬面值之間之調整以反映彼等於附屬公司之相對權益。非控股權益調整數額與任何已付或已收代價間之任何差額於本公司權益持有人應佔權益中之個別儲備內確認。

倘本集團因喪失控制權、共同控制權或重大影響力而終止就投資綜合入賬或按權益入賬，其於該實體之任何保留權益按其公允值重新計量，而賬面值變動則於損益內確認。就隨後入賬列作於聯營公司、合營企業或金融資產之保留權益而言，公允值成為初步賬面值。此外，先前於其他全面收益內確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這可能代表先前在其他全面收益內確認之金額重新分類至損益或轉撥至適用國際財務報告準則所指／准許之另一權益類別。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- (i) fair values of the assets transferred
- (ii) liabilities incurred to the former owners of the acquired business
- (iii) equity interests issued by the group
- (iv) fair value of any asset or liability resulting from a contingent consideration arrangement, and
- (v) fair value of any pre-existing equity interest in the subsidiary

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

## 2 主要會計政策(續)

### 2.4 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論收購權益工具或其他資產。收購附屬公司之已轉讓代價為：

- (i) 所轉讓資產之公允值
- (ii) 所收購業務先前擁有人產生之負債
- (iii) 本集團發行之股權
- (iv) 或然代價安排產生之任何資產或負債之公允值，及
- (v) 於附屬公司任何已存在權益之公允值。

除在有限的例外情況外，在業務合併中所購買可識別的資產以及所承擔的負債及或然負債，首先以彼等於購買日期的公允值計量。本集團按逐項收購基準以公允值或非控股權益按比例應佔的被收購實體可識別資產淨值確認被收購實體中的任何非控股權益。

收購相關成本於發生時計入當期損益。

所轉讓代價、於被收購實體的任何非控股權益金額及任何先前於被收購實體的權益於收購日期的公允值與已收購可識別資產淨值的公允值的差額按商譽列賬。倘上述金額低於所收購業務可識別資產淨值的公允值，有關差額會作為一項廉價購買直接於損益表確認。

或然代價歸類為權益或金融負債。歸類為金融負債的金額其後重新計量至公允值，公允值變動於損益表確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.4 Business combinations (Continued)

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

### 2.5 Segment reporting

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

### 2.6 Foreign currency translation

#### (a) Functional and presentation currency

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

## 2 主要會計政策(續)

### 2.4 業務合併(續)

倘業務合併分階段完成，收購方過往於收購對象所持股權於收購日期的賬面值重新計量至收購日期的公允值；該項重新計量所產生的任何收益或虧損，於損益表中確認。

### 2.5 板塊報告

經營板塊的報告方式與主要經營決策者獲提供的內部報告的方式一致。本公司的執行董事被視為作出策略決定的主要經營決策者，負責分配資源及評估營運板塊業績。

### 2.6 外幣換算

#### (a) 功能及呈列貨幣

本集團各公司的財務報表所載的項目以各實體經營所在的主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表乃以人民幣(「人民幣」)呈列，人民幣為本公司的功能貨幣及本集團呈列貨幣。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.6 Foreign currency translation (Continued)

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the profit or loss within 'finance income' or 'finance costs'. All other foreign exchange gains and losses are presented in the profit or loss within 'other gains/(losses) – net'.

Translation differences on non-monetary financial assets and liabilities such as derivative financial instruments are recognised as part of the fair value gain or loss.

#### (c) Group companies

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

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

## 2 主要會計政策(續)

### 2.6 外幣換算(續)

#### (b) 交易及結餘

外幣交易根據於交易當日或項目重新計量時的估值當日的通行匯率換算為功能貨幣。因結算該等交易及按結算日匯率換算以外幣計價的貨幣性資產及負債而產生的匯兌盈虧乃於損益確認。倘該等交易與合資格現金流對沖及合資格投資淨額對沖有關或歸因於海外業務投資淨額的一部分，則會於權益中遞延。

有關借款的外匯收益及虧損於損益「融資收益」或「融資成本」內呈列。所有其他外匯收益及虧損於損益「其他收益／(虧損)－淨額」呈列。

衍生金融工具等非貨幣金融資產及負債之匯兌差額確認為公允值收益或虧損之一部分。

#### (c) 集團公司

功能貨幣有別於呈列貨幣的所有集團公司(該等公司概無擁有嚴重通貨膨脹經濟的貨幣)的業績及財務狀況均按以下方式換算為呈列貨幣：

- (i) 於財務狀況表呈列的資產及負債乃按有關財務狀況表日期的收市匯率換算；

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.6 Foreign currency translation (Continued)

#### (c) Group companies (Continued)

- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in the profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income.

### 2.7 Oil properties

The successful efforts method of accounting is used for oil exploration and production activities. Costs are accumulated on a field-by-field basis. All costs for development wells, support equipment and facilities, and proved mineral interests in oil properties are capitalised within construction in progress under property, plant and equipment. Geological and geophysical costs are expensed when incurred. Costs directly associated with an exploration well, and exploration and property leasehold acquisition costs, are capitalised within construction in progress until the determination of reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are charged to the profit or loss.

Once commercial reserves are found, construction in progress relevant to oil properties are tested for impairment, or whenever facts and circumstances indicate impairment. No depreciation and depletion is charged during the exploration and evaluation phase. When development is completed on a specific field, it is transferred to oil properties.

## 2 主要會計政策(續)

### 2.6 外幣換算(續)

#### (c) 集團公司(續)

- (ii) 各全面收益表內的收支乃按平均匯率換算(除非該平均匯率並非在有關交易日期當日通行匯率累積影響的合理估計內,在該情況下,收支按有關交易日期當日匯率換算);及
- (iii) 所有因而產生的匯兌差額在損益內確認。

在綜合時,換算海外實體的淨投資,以及換算借貸及其他指定作為該等投資對沖的貨幣工具所產生的匯兌差額於其他全面收益確認。

### 2.7 石油物業

石油勘探與生產活動採用成果法記帳。成本以每塊油田之基準累計。開發井、配套設施以及石油資產中的已探明礦區權益的所有成本均於物業、廠房及設備項下的在建工程中撥充資本。地質及地球物理成本於產生時費用化。直接涉及勘探井的成本以及勘探及物業租賃收購成本乃待評估儲量後而決定是否作為在建工程中撥充資本。倘確定儲量不足以作商業用途,則有關成本會自損益扣除。

一旦發現可作商業用途之儲量,或當事實及情況顯示出現減值,則有關石油項目的在建工程會進行減值測試。於勘探及評估期間無須扣除折舊及折耗。當特定油田完成開發時,其將轉撥為石油項目。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.7 Oil properties (Continued)

An impairment loss is recognised for the amount by which the exploration and evaluation assets' carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration and evaluation assets' fair value less costs of disposal and their value in use.

Oil properties are depreciated using the units-of-production method. Unit-of-production rates are based on proved developed reserves, which are oil reserves estimated to be recovered from existing facilities using current operating methods. Oil volumes are considered to be part of production once they have been measured through meters at custody transfer or sales transaction points at the outlet valve on the field storage tank.

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

### 2 主要會計政策(續)

#### 2.7 石油物業(續)

當勘探及評估資產賬面值高於可收回金額時，須將差額確認為減值虧損。可收回金額即勘探及評估資產公允值扣除銷售成本後的數額或使用價值(兩者的較高者)。

石油項目按單位生產法折舊。單位生產率乃基於已探明經開發儲備，即以目前經營方法估計自現有設施收回的石油儲備。當石油量透過交接或儲存缸的出口閥銷售交易點計量時，即被視為生產的一部份。

倘出現事件或情況變動顯示可能無法收回其賬面值，則探明石油項目作減值檢討。當資產賬面值高於可收回金額時，須將差額確認為減值虧損。可收回金額為資產之公允值減出售成本與使用價值之較高者。就評估減值而言，資產乃按可個別識別現金流量之最低級別分組。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.8 Property, plant and equipment

The Group's buildings, including buildings under construction, are stated at revalued amount. All other property, plant and equipment, except for construction in progress, are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition and construction of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the profit or loss during the financial period in which they are incurred.

Except for oil properties, the depreciation of which is calculated using the unit-of-production method, depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	50 years
Plant and machinery	5-20 years
Computer equipment	3-5 years
Office equipment	5 years
Motor vehicles	4-10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## 2 主要會計政策(續)

### 2.8 物業、廠房及設備

本集團的樓宇(包括在建樓宇)按重估金額列賬。所有其他物業、廠房及設備(在建工程除外)按歷史成本減累計折舊及累計減值虧損列賬。歷史成本包括收購及建設該等項目之直接開支。

期後成本只有在與該項目有關的未來經濟利益很有可能流入本集團，而該項目的成本能被可靠計量時，才包括在資產的賬面值或確認為一項獨立資產(視情況而定)。被替代部份的賬面值取消確認。所有其他維修及保養在產生的財政期間內於損益支銷。

除石油項目(其折舊乃採用單位生產法計算)外，折舊採用以下的估計可使用年期將成本按直線法分攤至剩餘價值計算：

樓宇	五十年
廠房及機器	五至二十年
電腦設備	三至五年
辦公設備	五年
車輛	四至十年

資產的剩餘價值及可使用年期在每個報告期間進行檢討，及在適當情況下調整。倘資產的賬面值高於其估計可收回金額，其賬面值即時撇減至可收回金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

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

Buildings comprise mainly factories, shipyards and offices.

Plant and equipment under construction or pending installation are stated at cost impairment losses, if any. No depreciation is made on assets under construction in progress until such time as the relevant assets are completed and available for their intended use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit or loss.

### 2.9 Land use rights

Land use rights represented upfront payments made for the use of land and the attached coastal line, if any, and are stated at cost and amortised over the period of the lease and the rights to use the land ranged from 5 to 50 years on a straight-line basis. Leases of land are classified as operating leases as the risks and rewards incidental to the ownership have not been passed. Amortisation of land use rights are expensed in the profit or loss.

### 2.10 Intangible assets

#### (a) Patents

Separately acquired patents are shown at historical cost. Patents acquired in a business combination are recognised at fair value at the acquisition date. Patents have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of patents over their estimated useful lives of 5 years.

## 2 主要會計政策(續)

### 2.8 物業、廠房及設備(續)

樓宇主要由廠房、造船廠及辦公室組成。

正在興建或尚待安裝的廠房及設備按成本減值虧損(如有)列賬。相關資產完成並可用作擬定用途前，在建工程資產不會作出折舊。

出售盈虧通過比較所得款項與賬面值而釐定，並在損益內確認。

### 2.9 土地使用權

土地使用權指就使用土地及附屬海岸線(如有)而預付的款項，按成本入賬，並在租賃及有權使用介乎5至50年的土地期間內按直線法攤銷。土地租賃歸類為經營租賃，乃由於所有權的有關風險及回報並未被轉移。土地使用權的攤銷在損益內支銷。

### 2.10 無形資產

#### (a) 專利

個別收購的專利按歷史成本值列示。業務合併中收購的專利按收購日公允值確認。專利具確定的可使用年期，並按成本減累計攤銷及累計減值虧損列賬。攤銷以直線法將專利的成本於五年的估計可使用年期内分攤計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.10 Intangible assets (Continued)

#### (b) Computer software

Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their respective estimated useful lives of 2 to 10 years.

#### (c) Research and development costs

Expenditure on research shall be recognised as an expense as it incurred. An intangible asset arising from development shall be recognised if, and only if, the Group can demonstrate all of the followings:

- (i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) Its intention to complete the intangible asset;
- (iii) Its ability to use or sell the intangible asset;
- (iv) How the intangible asset will generate probable future economic benefits that among other things, the Group can demonstrate the existence of a market for the output of the intangible assets or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (v) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (vi) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

## 2 主要會計政策(續)

### 2.10 無形資產(續)

#### (b) 電腦軟件

所購買的電腦軟件按購買成本及使該特定軟件可供運用所引致的成本作資本化處理。該等成本按彼等各自2至10年的估計可使用年期攤銷。

#### (c) 研發成本

研究成本於產生時確認為開支。於及僅於本集團顯示以下各項時，由開發產生的無形資產方獲確認：

- (i) 完成無形資產的技術可行性報告顯示該資產可供使用或出售；
- (ii) 其有意完成該無形資產；
- (iii) 其可使用或出售該無形資產；
- (iv) 該無形資產產生日後經濟利益的方式，其中包括本集團可表明該無形資產或其產物存在市場，如供內部使用，則須表明該無形資產的效用；
- (v) 具備充裕的技術、財務及其他資源，可完成開發工作及使用或出售該無形資產；及
- (vi) 能夠可靠計量該無形資產於開發階段的開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.10 Intangible assets (Continued)

##### (c) Research and development costs (Continued)

Amortisation of development costs is calculated on a straight-line basis over the estimated useful lives of 5 years from the date that they are available for use. The useful lives of intangible assets that are not being amortised are reviewed at the end of each reporting period to determine whether events and circumstances continue to support definite useful life assessments for those assets. Changes are accounted for as changes in accounting estimates.

##### (d) Co-operation Rights

The Co-operation Rights represent rights to cooperate with the national oil company of Kyrgyzstan in the operation of the five oil fields zones ("**Co-operation Rights**"). The Co-operation Rights are stated at cost less accumulated amortisation and any impairment losses. The Co-operation Rights are amortised using the unit-of-production method. Unit-of-production rates are based on proved reserves, which are oil reserves estimated to be recovered from existing facilities using current operating methods. Oil volumes are considered to be part of production once they have been measured through meters at custody transfer or sales transaction points at the outlet valve on the field storage tank.

### 2 主要會計政策(續)

#### 2.10 無形資產(續)

##### (c) 研發成本(續)

開發成本乃按以直線法按自可供使用年期起計的估計可使用年期5年攤銷。未被攤銷的無形資產可使用年期乃於每個報告期末審閱，以釐定是否有事件及情況繼續支持該等資產被評為具有限可使用年期。變動乃以會計估計變動入賬。

##### (d) 合作經營權

合作經營權指與吉爾吉斯國家油公司合作經營五個油田區(「**合作經營權**」)。合作經營權以成本減累計攤銷及任何減值虧損入賬。合作經營權採用單位生產法攤銷。單位生產率乃基於已探明經儲備，即以目前經營方法估計自現有設施收回的石油儲備。當石油量透過交接或儲存缸的出口閥銷售交易點計量時，即被視為生產的一部份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.10 Intangible assets (Continued)

#### (e) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested for impairment and carried at cost less accumulated impairment losses, if any. Impairment losses on goodwill are not reversed. Gains and losses on the disposals of an entity include the carrying amount of goodwill relating to the entity disposed of or sold.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose.

### 2.11 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

## 2 主要會計政策(續)

### 2.10 無形資產(續)

#### (e) 商譽

商譽指收購成本超出本集團於收購日期分佔已收購附屬公司可識別資產淨值之公允值之差額。收購附屬公司之商譽包括在無形資產中。商譽會測試減值及以成本減累計減值虧損(如有)列賬。商譽之減值虧損並不會撥回。出售實體之收益及虧損包括與已出售或已售實體有關之商譽賬面值。

商譽獲分配至現金產生單位(「現金產生單位」)以測試減值。該分配乃就預期可於商譽產生之業務合併中受惠之一項現金產生單位或一組現金產生單位而作出。

### 2.11 持作出售的非流動資產(或出售集團)及已終止經營業務

倘非流動資產(或出售集團)的賬面值將主要透過銷售交易而非持續使用而收回，而且有關銷售被視為極可能發生時，則分類為持作出售。其乃按賬面值及公允值減銷售成本兩者中較低者計量，惟本規定明確豁免的遞延稅項資產、僱員福利產生之資產、按公允值列賬的金融資產及投資物業以及保險合同項下的合約權利等資產除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.11 Non-current assets (or disposal groups) held for sale and discontinued operations (Continued)

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the consolidated statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the consolidated statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of comprehensive income.

### 2 主要會計政策(續)

#### 2.11 持作出售的非流動資產(或出售集團)及已終止經營業務(續)

減值虧損乃按資產(或出售集團)任何初始或其後撇減至公允值減銷售成本確認。收益乃按公允值減銷售資產(或出售集團)成本的任何其後增加確認，惟不超過先前確認的任何累計減值虧損。於銷售非流動資產(或出售集團)日期先前尚未確認的收益或虧損會於終止確認日期時獲確認。

非流動資產(包括該等屬於出售集團一部分的非流動資產)在獲分類為持作出售時不予折舊或攤銷。分類為持作出售的出售集團負債應佔利息及其他開支繼續被確認。

分類為持作出售的非流動資產及分類為持作出售的出售集團資產與綜合財務狀況表內的其他資產分開呈列。分類為持作出售的出售集團負債與綜合財務狀況表內的其他負債分開呈列。

已終止業務為已出售實體之一部分或分類為持作出售，並代表一項按業務或經營地區劃分之獨立主要業務；作為出售該按業務或經營地區劃分之業務之單一統籌計劃一部分；或為一間純粹為轉售而收購之附屬公司。已終止業務業績於綜合全面收益表分開呈列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.12 Investments and other financial assets

#### (i) Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

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

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

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

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

#### (ii) Recognition and derecognition

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

## 2 主要會計政策(續)

### 2.12 投資及其他金融資產

#### (i) 分類

自二零一八年一月一日起，本集團將其金融資產按以下計量類別分類：

- 隨後將按公允值計量(計入其他全面收益或計入損益)；及
- 將按攤銷成本計量。

該分類取決於實體管理金融資產及現金流量合約期之業務模式。

就按公允值計量的資產而言，收益及虧損將於損益或其他全面收益列賬。對於並非持作買賣的權益工具投資，則取決於本集團是否於初始確認時不可撤銷地選擇按公允值計入其他全面收益(「按公允值計入其他全面收益」)對權益投資列賬。

僅當管理該等資產之業務模式發生變動時，本集團才對債務投資進行重新分類。

#### (ii) 確認及終止確認

金融資產的定期收購及出售，均於交易日(即本集團承諾收購或出售該資產當日)確認。當本集團從該等金融資產收取現金流量的權利已到期或已被轉讓且本集團已將大部分擁有權的所有風險及回報轉移，則會終止確認該等金融資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

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

##### (iii) Measurement

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

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

##### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

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 only 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

### 2 主要會計政策(續)

#### 2.12 投資及其他金融資產(續)

##### (iii) 計量

初始計量時，本集團按金融資產之公允值加(倘並非透過損益按公允值計量(「透過損益按公允值計量」)之金融資產)直接歸屬於金融資產收購之交易成本計量。透過損益按公允值計量之金融資產之交易成本於損益列作開支。

在確定具有嵌入衍生工具的金融資產的現金流量是否僅為支付本金及利息時，需從金融資產的整體進行考慮。

##### 債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及有關資產之現金流量特徵。本集團將其債務工具分類為三個計量類別：

債務工具之後續計量取決於本集團管理資產之業務模式及有關資產之現金流量特徵。本集團僅將其債務工具分類為一個計量類別：

- 攤銷成本：持作收回合約現金流量之資產，該等現金流量僅指支付之本金及利息。該等金融資產的利息收入採用實際利率法計入財務收入。終止確認產生的任何收益或虧損直接於損益確認，並與匯兌收益及虧損一併於其他收益／(虧損)一內列報。減值虧損於損益表內作為單獨項目列示。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

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

#### (iii) Measurement (Continued)

##### Equity instruments

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

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

#### (iv) Impairment

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 3.1(b) for further details.

## 2 主要會計政策(續)

### 2.12 投資及其他金融資產(續)

#### (iii) 計量(續)

##### 權益工具

本集團按公允值後續計量所有權益投資。倘本集團管理層選擇於其他全面收益列報權益投資之公允值收益及虧損淨額，終止確認投資後，概無後續重新分類公允值收益及虧損至損益。當本集團有權收取股息付款時，該等投資之股息於損益確認為其他收入。

按公允值計入其他全面收益之權益投資之減值虧損(及減值虧損撥回)不會因其他公允值變動而分開列報。

#### (iv) 減值

自二零一八年一月一日起，本集團按前瞻性原則，對按攤銷成本列賬的債務工具相關的預期信貸虧損進行評估。所採用的減值方法取決於信貸風險是否大幅增加。

就應收賬款而言，本集團採用國際財務報告準則第9號允許的簡化方法，其中要求全期預期虧損須自首次確認應收款項時確認，進一步詳情見附註3.1(b)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

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

##### (v) Accounting policies applied until 31 December 2017

The Group has applied IFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Until 31 December 2017 the Group classifies its financial assets in the following categories:

- loans and receivables; and
- available-for-sale financial asset

The classification determined on the purpose for which the investments were acquired. Management determined the classification of its investments at initial recognition.

##### (i) Subsequent measurement

The measurement at initial recognition did not change an adoption of IFRS 9, see description above.

Subsequent to the initial recognition, loans and receivables were subsequently carried at amortised cost using the effective interest method.

### 2 主要會計政策(續)

#### 2.12 投資及其他金融資產(續)

##### (v) 截至二零一七年十二月三十一日應用的會計政策

本集團已追溯應用國際財務報告準則第9號，惟選擇不重列比較資料。因此，所提供的比較資料繼續按本集團先前的會計政策入賬。

自二零一七年十二月三十一日起，本集團將其金融資產按以下計量類別分類：

- 貸款及應收款項；及
- 可供出售金融資產

分類方法乃取決於投資的收購目的。管理層於首次確認時釐定其投資的分類。

##### (i) 其後計量

初始確認的計量並無改變採納國際財務報告準則第9號，詳見上文。

於首次確認後，貸款及應收款項其後以實際利率法按攤銷成本列賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

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

(v) *Accounting policies applied until 31 December 2017 (Continued)*

- (i) Subsequent measurement (Continued)
- Available-for-sale financial asset was subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:
- for available-for-sale financial asset that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortised cost of the security were recognised in profit or loss and other changes in the carrying amount were recognised in other comprehensive income
  - for other monetary and non-monetary securities classified as available-for-sale – in other comprehensive income.

Details on how the fair value of financial instruments are determined are disclosed in Note 3.3.

When securities classified as available-for-sale were sold, the accumulated fair value adjustments recognised in other comprehensive income were reclassified to profit or loss as gains and other losses from investment securities.

## 2 主要會計政策(續)

### 2.12 投資及其他金融資產(續)

(v) *截至二零一七年十二月三十一日應用的會計政策(續)*

- (i) 其後計量(續)
- 可供出售金融資產其後按公允值列賬。公允值變動所產生的收益或虧損按以下方式確認：
- 為可供出售金融資產的以外幣計值的貨幣證券－與證券攤銷成本變動相關的匯兌差異於損益確認，賬面值的其他變動則於其他全面收益確認。
  - 其他分類為可供出售的貨幣及非貨幣證券－於其他全面收益。

有關如何釐定金融工具公允值的詳情披露於附註3.3。

當分類為持作出售的證券已出售，其於其他全面收益確認的累計公允值調整重新分類至損益為「投資證券收益及虧損」。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

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

(v) *Accounting policies applied until 31 December 2017 (Continued)*

(ii) Impairment

The Group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost was considered an indicator that the assets are impaired.

**Asset carried at amortised cost**

For loans and receivables, the amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that had not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in profit or loss. If a loan or held-to-maturity investment had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract. As a practical expedient, the Group could measure impairment on the basis of an instrument's fair value using an observable market price.

### 2 主要會計政策(續)

#### 2.12 投資及其他金融資產(續)

(v) *截至二零一七年十二月三十一日應用的會計政策(續)*

(ii) 減值

本集團於各報告期末評估有否客觀證據證明一項金融資產或一組金融資產已減值。當有客觀證據顯示於初始確認資產後曾發生一宗或多宗導致減值的事件(「損失事件」)，而該宗或該等損失事件對該項金融資產或該組金融資產之估計未來現金流量構成能可靠地估計之影響，則該項金融資產或該組金融資產已減值及產生減值損失。就權益投資分類為可供出售而言，證券的公允值大幅下跌或持續跌至低於其成本被視為減值的客觀證。

**以攤餘成本計量的資產**

就貸款及應收款項而言，減值損失金額按照資產賬面價值與按金融資產實際利率貼現估計未來現金流量現值(不包括尚未產生的未來信用損失)之間的差額進行計量。資產賬面值會予以削減，而虧損金額會於損益中確認。倘貸款或持有至到期的投資按浮動利率計息，則計量任何減值虧損的貼現率乃根據合約釐定的現行實際利率。作為可行權宜之計，本集團採用可觀察市場價格根據工具的公允值計量減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

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

(v) *Accounting policies applied until 31 December 2017 (Continued)*

(ii) Impairment (Continued)

**Asset carried at amortised cost (Continued)**

If, in a subsequent period, the amount of the impairment loss decreased and the decrease could be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss was recognised in profit or loss.

Impairment testing of trade receivables is described in Note 3.1(b).

**Asset classified as available-for-sale**

If there was objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – was removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or were not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increased in a subsequent period and the increase could be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss was reversed through profit or loss.

## 2 主要會計政策(續)

### 2.12 投資及其他金融資產(續)

(v) *截至二零一七年十二月三十一日應用的會計政策(續)*

(ii) 減值(續)

**以攤餘成本計量的資產**

若在後續期間，減值損失的金額減少，而該減少客觀上與確認減值後發生的事件有關(例如債務人信用評級改善)，則之前確認的減值損失的撥回在綜合全面收益表中確認。

應收賬款減值測試闡述於附註3.1(b)。

**分類為可供出售資產**

如果存在任何可供出售金融資產的客觀減值證據，累計損失(按其收購成本與當前公允值之間的差額減去金融資產此前在損益中確認的任何減值損失計量)會從權益轉出，並於損益中確認。

在損益確認的權益工具減值虧損並不會於後續期間在損益轉回。

倘分類為可供出售債務工具的公允值於後續期間增加，而該增加客觀上與於損益確認減值虧損後發生之事件有關，則減值虧損於損益轉回。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.13 Impairment of non-financial assets

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

### 2.14 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The Group's derivative instruments do not qualify for hedge accounting, and are accounted for at fair value through profit or loss. Changes in the fair value of these derivative instruments are recognised immediately within "other gains/(losses) – net" in the profit or loss.

## 2 主要會計政策(續)

### 2.13 非金融資產減值

並無確定可使用年期的資產(例如商譽或尚未可供使用的無形資產)毋須攤銷，惟須每年進行減值測試，須予攤銷的資產須於出現顯示賬面值可能無法收回的事件或轉變時檢討有否減值。當資產賬面值高於可收回金額時，須將差額確認為減值虧損。可收回金額即資產公允值扣除銷售成本後的數額或使用價值(兩者的較高者)。當評估減值，資產按獨立可識別現金流量的最低水平(現金產生單位)分類。商譽以外的非金融資產若出現減值，則須於各報告日期評估能否撥回減值。

### 2.14 衍生金融工具

衍生工具初步於訂立衍生工具合約當日按公允值確認，之後按公允值重新計量。本集團的衍生工具並不符合作對沖會計處理的資格，而是按公允值計入損益。有關衍生工具的公允值變動即時在損益內確認為「其他收益/(虧損)－淨額」。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.15 Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.16 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 2.12 for further information about the Group's accounting for trade receivables and Note 3.1 for a description of the Group's impairment policies.

## 2 主要會計政策(續)

### 2.15 存貨

原料及儲存物、在製品及成品以成本及可變現淨值兩者中的較低者入賬。成本包括直接原料、直接勞工及適當比例的可變及固定間接開銷(後者即按正常營運能力分配)。成本包括轉撥自股本的原料購買項目的合資格現金流量對沖所產生任何收益或虧損，但不包括借貸成本。存貨單個項目的成本按加權平均成本法計算。購買存貨之成本經扣除回扣及折扣後釐定。可變現淨值按一般業務過程中估計的銷售價格減去所有尚需投入的估計生產成本及估計銷售費用計算。

### 2.16 應收賬款及其他應收款項

應收賬款為在日常經營活動中就銷售商品或提供服務而應收客戶的款項。如預期在一年或以內(如仍在正常經營週期中，則可在較長時間內)收回應收賬款及其他應收款項，有關應收賬款及其他應收款項會分類為流動資產，否則以非流動資產呈列。

應收賬款按可無條件代價金額初始確認，除非其包括重大融資成分時，則按公允值確認。本集團持有以收取合約現金流為目的之應收賬款，因此其後其乃使用實際利率法按攤銷成本計量。有關本集團應收賬款會計處理進一步資料，見附註2.12；有關本集團減值政策，詳見附註3.1。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.17 Pledged deposits and cash and cash equivalents

Pledged deposits represent the amount of cash pledged as collateral to the banks for issuing refund guarantees or providing additional financings.

Cash and cash equivalents include cash in bank and deposits held at call with banks.

#### 2.18 Share capital

##### (i) Ordinary shares

Ordinary shares and non-redeemable preference shares are classified as equity.

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

##### (ii) Convertible preference shares

Non-redeemable convertible preference shares issued by the Company that contain the conversion option components are classified as equity on initial recognition in accordance with the substance of the contractual arrangements and the definitions of an equity instrument. The conversion options allows the holder of the non-redeemable convertible preference shares to convert the convertible preference shares into a fixed number of the Company's own ordinary shares and therefore the whole instrument is classified as an equity instrument.

The convertible preference shares are initially recognised at their par value in share capital. The difference between the par value of the issued convertible preference shares and its fair value is recognised in share premium.

### 2 主要會計政策(續)

#### 2.17 已抵押存款、現金及現金等價物

已抵押存款指抵押予銀行作為發出退款擔保或提供額外融資的抵押品的現金額度。

現金及現金等價物包括銀行現金及存放在銀行的活期存款。

#### 2.18 股本

##### (i) 普通股

普通股及不可贖回的優先股分類為權益。

發行新股份直接衍生的費用在權益內從所得款項扣減(扣除稅項)。

##### (ii) 可轉換優先股

本公司發行包括可換股權部分的不可贖回可轉換優先股，其於初始確認時根據合約安排內容及權益工具的定義分類為權益。換股權容許不可贖回可轉換優先股持有人兌換可轉換優先股為固定數目的本公司之普通股，因此整個工具分類為權益工具。

可轉換優先股初始按其面值於股本確認。已發行可轉換優先股面值與公允值的差額將於股份溢價確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.19 Trade and other payables

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

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

### 2.20 Borrowings

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

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

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

## 2 主要會計政策(續)

### 2.19 應付賬款及其他應付款項

應付賬款為在日常經營活動中就向供應商購買的商品或服務付款的責任。如付款在一年或以內(如仍在正常經營週期中,則可在較長時間內)到期支付,應付賬款及其他應付款項會分類為流動負債,否則以非流動負債呈列。

應付賬款及其他應付款項初步以公允值確認,隨後使用實際利率法按攤銷成本計量。

### 2.20 借款

借款初步按公允值扣除已產生的交易成本確認。借款其後按攤銷成本計賬,而所得款項(扣除交易成本)與贖回價值的任何差額則以實際利息法於借款期間在損益中確認。

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

借款分類為流動負債,除非本集團擁有將償還負債限期推遲至報告期末後至少12個月的無條件權利。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.21 Convertible bonds

#### (a) *Convertible bonds without equity component*

Convertible bonds without equity component are accounted for as hybrid instruments consisting of an embedded derivative and a host debt contract. At initial recognition, the embedded derivative of the convertible bonds is accounted for as derivative financial instruments and is measured at fair value. Any excess of proceeds over the amount initially recognised as the derivative component is recognised as liability under the contract. Transaction costs that relate to the issuance of the convertible bonds are allocated to the liability under the contract. The derivative component is subsequently carried at fair value and changes in fair value are recognised in the profit or loss. The liability under the contract is subsequently carried at amortised cost, calculated using the effective interest method, until extinguished on conversion, redemption or maturity. When the convertible bonds are converted, the carrying amount of the liability under the contract together with the fair value of the relevant derivative component at the time of conversion are transferred to share capital and share premium as consideration for the shares issued. When the convertible bonds are redeemed, any difference between the redemption amount and the carrying amounts of both components are recognised in the profit or loss.

#### (b) *Convertible bonds issued for unidentified services*

If the identifiable consideration received by the Company appears to be less than the fair value of the convertible bonds issued, the Company measures the unidentifiable services received (to be received) as the difference between the fair value of the convertible bond issued and that of the identifiable consideration received, and the difference is recognised in the profit or loss immediately unless qualified for capitalisation.

## 2 主要會計政策(續)

### 2.21 可換股債券

#### (a) *不附帶權益部分的可換股債券*

不附帶權益部分的可換股債券，均入賬為包含嵌入式衍生工具及主債務合約的混合工具。於初始確認時，可換股債券的嵌入式衍生工具乃入賬作為衍生金融工具，並按公允值計量。所得款項超出確認衍生工具部分時初始確認金額的數額，乃確認為合約項下負債。關於發行可換股債券的交易成本乃分攤至合約項下負債。衍生工具部分其後按公允值列賬，而公允值變動在損益內確認。合約項下負債其後按攤銷成本列賬，並採用實際利率法計算，直至於轉換、贖回或到期時註銷為止。倘可換股債券獲轉換，合約項下的負債部分連同轉換時相關衍生工具部分的公允值乃轉撥至股本及股份溢價，作為發行股份的代價。倘可換股債券獲贖回，贖回金額與兩個部分賬面值之間的任何差額在損益內確認。

#### (b) *因未識別服務而發行的可換股債券*

若本公司收取可辨識的代價看似低於所發行可換股債券的公允值，本公司應以所發行可換股債券的公允值與已收取可辨識代價公允值之間的差額，計量已收取(將會收取)未能辨識的服務，而有關差額應即時在損益內確認，除非其符合資格可撥充資本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.21 Convertible bonds (Continued)

#### (b) Convertible bonds issued for unidentified services (Continued)

The debt component (i.e. the bondholder's right to demand payment in cash) of the convertible bond will be accounted for as a cash-settled share-based payment transaction while the equity component (i.e. the bondholder's right to demand settlement in the Company's shares) of the convertible bonds will be accounted for as an equity settled share-based payment transaction. The entity first measures the fair value of the liability component, and then measure the fair value of the equity component by taking into account that the bondholder must forfeit the right to receive cash in order to receive the equity instrument. Subsequent to initial recognition, the debt component of the convertible bond is stated at fair value, with changes recorded in the income statement under "other gains/(losses) – net". The equity component is not re-measured subsequent to initial recognition.

### 2.22 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

## 2 主要會計政策(續)

### 2.21 可換股債券(續)

#### (b) 因未識別服務而發行的可換股債券(續)

可換股債券之債務成份(即債券持有人要求以現金付款之權利),將作為現金結算以股份為基礎之付款交易入賬,而可換股債券之權益成份(即債券持有人要求以本公司股份償付之權利),將作為以股本結算以股份為基礎之付款交易。實體首先計量負債成份之公允值,其後計量權益成份之公允值,其中已考慮債券持有人必須放棄收取現金之權利,方可收取權益工具。初始確認後,可換股債券之債務成份按公允值列賬,而變動則記入收益表之「其他收益/(虧損) – 淨額」項下。權益成份於初始確認後不作重新計量。

### 2.22 撥備

環境恢復撥備、重建成本及法律索償於出現下列情況時確認:本集團由於過往事件而須負上現時法律或建設責任;可能需要自資源撥付以履行責任;且該金額已作出可靠估計。重建成本撥備包括終止租約罰款及終止僱員合約賠款。未來經營虧損並無確認撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.22 Provisions (Continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Provisions for warranties granted by the Group on shipbuilding products and undertakings to repair or replace items that fail to perform satisfactorily are recognised at the end of each reporting period for expected warranty claims for repairs and returns based on industry practice and past experience of the Group.

### 2.23 Current and deferred income tax

Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in the profit or loss or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of each reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 2 主要會計政策(續)

### 2.22 撥備(續)

當有若干類似責任時，須就該等責任類別整體釐定付款現金流出。即使同類責任包括之任何一個項目之現金流出金額較小，仍須作出撥備。

撥備採用稅前利率按照預期需結算有關責任的支出現值計量，該利率反映當時市場對金錢時間值和有關責任固有風險的評估。隨著時間過去而增加的撥備確認為利息費用。

本集團就造船產品授出的保修及在未能正常運作時修理或替換產品的承諾的撥備，於各報告期末根據行業慣例及本集團過往經驗就修理及退貨的預期保修索償而確認。

### 2.23 即期及遞延所得稅

除與於損益或直接於權益確認的項目相關外，稅項於損益內確認。於此情況下，稅項亦分別於其他全面收益內或直接於權益中確認。

#### (a) 即期所得稅

即期所得稅支出根據本公司及其附屬公司營運及產生應課稅收益的國家於各報告期末已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.23 Current and deferred income tax (Continued)

#### (b) Deferred income tax

##### Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of each reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

##### Outside basis differences

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

## 2 主要會計政策(續)

### 2.23 即期及遞延所得稅(續)

#### (b) 遞延所得稅

##### 內在基準差異

遞延所得稅採用負債法核算，就資產和負債的稅基與資產和負債在綜合財務報表的賬面值之間產生的暫時性差異予以確認。然而，若遞延稅項負債來自對商譽的初始確認，則不予確認。若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初始確認，而在交易時不影響會計損益也不影響應課稅損益，則不予列賬。遞延所得稅採用在各報告期末前已頒佈或實質頒佈、並預期在遞延所得稅資產變現或遞延所得稅負債結算時適用的稅率(及法律)而釐定。

遞延所得稅資產以可能出現未來應課稅溢利，並可用於與暫時性差異互相抵銷為限予以確認。

##### 外在基準差異

遞延所得稅按本集團投資附屬公司所產生的暫時性差異計提撥備，惟倘本集團可以控制暫時性差異的轉回時間，且該暫時性差異在可預見將來有可能不會轉回時，則遞延所得稅負債除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Principal accounting policies (Continued)

#### 2.23 Current and deferred income tax (Continued)

##### (c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### 2.24 Employee benefits

##### (a) Pension and employee social security and benefits obligations

The group companies in the PRC participate in defined contribution retirement plans and other employee social security plans, including pension, medical, other welfare benefits, organised and administered by the relevant governmental authorities for employees in the PRC. The Group contributes to these plans based on certain percentages of the total salary of employees, subject to a certain ceiling, as stipulated by the relevant regulations.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 2 主要會計政策(續)

#### 2.23 即期及遞延所得稅(續)

##### (c) 抵銷

當有法定可執行權力將即期稅項資產與即期稅務負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅主體或不同應課稅主體但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

#### 2.24 僱員福利

##### (a) 退休金及僱員社會保障及福利責任

在中國的集團公司參加界定供款退休計劃及相關政府部門為中國僱員組織及管理的其他僱員社會保障計劃，包括退休金、醫療、其他福利計劃。本集團根據相關法例規定的僱員總薪金的一定百分比(存在上限)向有關計劃供款。

作出供款後，本集團再無進一步供款責任。該等供款會於到期支付時確認為僱員福利開支。可提供現金退還或扣減未來付款之預付供款會確認為資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.24 Employee benefits (Continued)

#### (b) Share-based compensation

The employees receive equity instruments of the Company as consideration for their services rendered to the Group. The fair value of the employee services received in exchange for the grant of the equity instruments is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted, including any market performance conditions; excluding the impact of any service and non-market performance vesting conditions; and including the impact of any non-vesting conditions. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of equity instrument that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision of original estimates, if any, in the profit or loss with a corresponding adjustment to equity.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (and share premium).

#### (c) Bonus plan

The Group recognises a provision for bonus when contractually obliged or when there is a past practice that has created a constructive obligation.

## 2 主要會計政策(續)

### 2.24 僱員福利(續)

#### (b) 以股份為基準的薪酬

僱員收取本公司的股本工具作為向本集團提供服務的代價。就僱員提供服務而授予的股本工具的公允值須確認為一項支出。將列作支出的總金額乃參考所授股本工具的公允值釐定(包括任何市場表現條件;不包括任何非市場服務及表現歸屬條件所產生的影響;及包括任何非歸屬條件的影響)。所支出的總金額於歸屬期間確認,歸屬期間為所有指定歸屬條件已達成的期間。於各報告期末,實體根據非市場表現及服務條件調整對預計將予歸屬的股本工具數目所作的估計,並在損益確認(如有)調整原來估計所產生的影響,並對權益作出相應調整。

此外,在部分情況下,僱員可在授出日期之前提供服務,故授出日期的公允值就確認服務開始期與授出日期的期間內的開支作出估計。

本公司於購股權獲行使時發行新股份。所收款項(扣除任何直接應計交易成本)會撥入股本(及股份溢價)。

#### (c) 花紅計劃

本集團在有合約責任或已形成推定責任的過往做法時確認花紅撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.25 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Group's activities. Revenue from sale of goods of the Group comprises:

- sale of vessels
- sale of marine engines and engineering machineries
- production and sales of oil

Revenue are recognised when or as the control of the goods is transferred to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the product have been transported to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

#### (a) *sale of vessels, marine engines and engineering machineries*

Revenue from sale of vessels, marine engines and engineering machineries are recognised at a point in time, at the consideration specified in the sales contracts or invoices, when the customers pick up the goods and accept them. The physical possession of the vessels, marine engines and engineering machineries also indicate that the transfer of control has been completed and the Group recognises the revenue of the related performance obligations performed.

#### (b) *production and sales of oil*

Revenue from the production and sales of oil are recognised at a point in time when the customer picks up the oil products from the Group, as such the control of the goods is transfer to the customer. The Group does not provide shipment of oil products to customers at any specified location. The performance obligation is completely fulfilled upon the pick-up and the Group then has the right to invoice and recognises the revenue for the oil sold.

## 2 主要會計政策(續)

### 2.25 收益確認

收益包括於本集團之日常業務活動中銷售服務的已收或應收代價之公允值。本集團來自貨品銷售的收益包括：

- 船隻銷售
- 船用發動機及工程機械銷售
- 石油生產及銷售

於或當貨品控制權轉移予客戶，且並無未履約責任可影響客戶接受產品時，收益予以確認。當產品已運送到指定地點、已向客戶轉移過時及損失的風險，且客戶依據銷售合約接受產品、接受條款已告失效或本集團有客觀證據證明所有接受標準均已達成，則交付發生。

#### (a) *船隻、船用發動機及工程機械銷售*

船隻、船用發動機及工程機械銷售收益於客戶接收及接受貨品的時間點，按銷售合約或發票所訂明的代價確認。擁有船隻、船用發動機及工程機械的實物亦表明控制權轉移已完成，且本集團確認已履行相關履約責任的收益。

#### (b) *石油生產及銷售*

石油生產及銷售收益於客戶從本集團接收石油產品的時間點確認，其時貨品控制權已轉移予客戶。本集團並無於任何指定地點為客戶提供石油產品裝運。倘履約責任於接收時已完全達成，則本集團有權開具發票並就已售石油確認收益。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.26 Dividend income

Dividends are received from financial assets measured at fair value through other comprehensive income (FVOCI) (2017: available-for-sale financial assets). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

### 2.27 Interest income

Interest income on financial assets at amortised cost (2017: loans and receivables) calculated using the effective interest method is recognised in the consolidated statement of comprehensive income as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

## 2 主要會計政策(續)

### 2.26 股息收入

股息自按公允值計入其他全面收益計量的金融資產(二零一七年：可供出售金融資產)收取。當收取付款的權利確立時，股息於損益確認為其他收入。即使其乃使用收購前溢利支付，本條仍然適用，除非股息明顯為一項投資成本的收回部份。於此情況下，倘股息與按公允值計入其他全面收益計量的投資相關，其於其他全面收益確認。然而，本集團或須因此就該投資進行減值測試。

### 2.27 利息收入

按以攤餘成本計量的金融資產利息收入(二零一七年：貸款及應收款項)，乃於綜合全面收益表確認為其他收入的一部分。

倘利息收入來自為現金管理目的而持有金融資產，利息收入會呈列為融資收入。任何其他利息收入計入其他收入。

利息收入乃將實際利率應用於金融資產之賬面總額計算得出，惟其後成為信貸減值之金融資產除外。對於信貸減值金融資產而言，會向金融資產之賬面值淨額(經扣除虧損撥備)應用實際利率。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.28 Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.29 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor), are charged to the profit or loss on a straight-line basis over the period of the leases.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has retained substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in finance lease liabilities. The interest element of the finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

## 2 主要會計政策(續)

### 2.28 借貸成本

收購、建設或生產合資格資產(需要大量時間才能作擬定用途或銷售的資產)直接衍生的一般及特定借貸成本，加入該等資產的成本內，直至資產大致上備妥供其預定用途或銷售為止。

就特定借貸，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的借貸成本中扣除。所有其他借貸成本在產生期內的損益中確認。

### 2.29 租賃

由出租人保留所有權的大部分風險及回報的租賃列作經營租賃。經營租賃的付款(扣除出租人給予的任何優惠)於租期內以直線法在損益內支銷。

本集團租賃若干物業、廠房及設備。凡本集團承擔物業、廠房及設備所有權絕大部份風險及回報的租賃均列作融資租賃。融資租賃乃於租約年期開始時按租賃物業的公允值與最低租金的現值兩者的較低者予以資本化。

各租金乃於負債與財務費用之間分配。相應的租金責任於扣除財務支出後計入融資租賃負債。財務成本的利息部份乃於租期內在損益內扣除，以就各期間的負債結餘餘額達致固定的定期利率。根據融資租賃取得的物業、廠房及設備按資產的可用年期或租期兩者之較低者折舊。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Principal accounting policies (Continued)

### 2.30 Financial guarantees

The Group provides guarantees to certain banks in respect of mortgage loans drawn by customers to finance their purchase of equipment from the Group's engineering machinery segment. Financial guarantee contracts where the Group is a guarantor are initially recognised at fair value on the date the guarantee is issued and the fair value at inception is equal to the premium received for the issued guarantee. The premium received is amortised on a straight-line basis over the life of the guarantee.

Subsequent to initial recognition, the Group's liability under such guarantees are measured at the higher of the initial amount, less amortisation of premium, and the best estimate of the amount required to settle the guarantee. Any increase in the liability relating to guarantees is recognised as general and administrative expenses in the profit or loss.

### 2.31 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

## 3 Financial risk management

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange rate risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

## 2 主要會計政策(續)

### 2.30 財務擔保

本集團就客戶提取的按揭貸款以讓客戶獲得資金向本集團工程機械板塊購買設備，向若干銀行提供擔保。以本集團為擔保人的財務擔保合約以發出擔保日期的公允值初始確認，初始公允值相當於就提供擔保所獲溢價。所獲溢價於擔保年期內按直線法攤銷。

於初始確認後，本集團於該等擔保下的負債按初始金額減溢價攤銷所得金額以及對結算擔保所需金額的最佳估計金額兩者中的較高者釐定。與擔保有關的任何負債增加確認為一般及行政開支計入損益內。

### 2.31 股息分派

分派予本公司股東的股息，於股息獲本公司股東或董事(倘適用)批准的期間內於本集團及本公司的財務報表內確認為負債。

## 3 財務風險管理

### 3.1 財務風險因素

本集團的業務面臨多種財務風險：市場風險(包括外幣匯率風險及利率風險)、信貸風險及流動性風險。本集團的整體風險管理方案專注於金融市場的不可預測性，並致力盡量降低對本集團財務表現的潛在不利影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk

###### (i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising primarily from the transactions in its Energy business with asset denominated in US dollar (“USD”) and borrowings denominated in USD and Hong Kong dollar (“HKD”). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the entity’s functional currency.

Certain trade receivables, other receivables, deposits, pledged deposits, cash and cash equivalents, trade and other payables and borrowings are denominated in USD and HKD which are also exposed to foreign exchange risk. Details of the Group’s trade and other receivables and deposits, pledged deposits, cash and cash equivalents, trade and other payables and borrowings denominated in foreign currencies in continuing operations are disclosed in Notes 12, 13, 14, 18 and 19 respectively.

The Group’s entities under the Disposal Group mainly operate in the PRC with most of the transactions denominated in RMB. For the entities the Remaining Group, they mainly operate in Kyrgyzstan with most of the transactions denominated in their functional currency which is USD. Therefore, the volatility against changes in exchange rates for the Group as a whole would not be significant. However, there are intercompany balances between the Remaining Group and the Disposal Group denominated in USD and HKD which cause significant foreign exchange risk.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險

###### (i) 外匯風險

本集團面臨主要由其能源業務交易中以美元(「美元」)及借款中以美元及港元(「港元」)列值的資產產生的外匯風險。以非實體的功能貨幣列值的日後商業交易和已確認的資產及負債亦會引致外匯風險。

若干應收賬款、其他應收款項、按金、已抵押存款、現金及現金等價物、應付賬款及其他應付款項以及借款以美元及港元列值，亦面臨外匯風險。有關本集團於持續經營業務以外幣列值的應收賬款及其他應收款項及按金、已抵押存款、現金及現金等價物、應付賬款及其他應付款項及借款的詳情分別於附註12、13、14、18及19披露。

出售集團下的本集團實體主要於中國經營，大部份交易以人民幣計值。餘下集團下的實體主要於吉爾吉斯經營，大部份交易以彼等的功能貨幣(即美元)計值。因此，整體而言，本集團的匯率變動波動並不顯著。然而，餘下集團與出售集團之間存在以美元及港元列值的公司內結餘，導致重大外匯風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

###### (i) Foreign exchange risk (Continued)

At 31 December 2018, if RMB had weakened/strengthened by 5% against the USD and HKD respectively with all other variables held constant, post-tax loss for the year would have been approximately RMB597,675,000 (2017: RMB253,143,000) higher/lower, mainly as a result of foreign exchange differences on translation of USD and HKD denominated monetary assets and liabilities.

###### (ii) Interest rate risk

The Group has no significant interest-bearing assets except for pledged deposits, cash and cash equivalents with short maturities. Certain Group's short-term borrowings at fixed rates expose the Group to fair value interest-rate risk. Since all fixed-rate borrowings are current and at market interest rate, the directors are of the opinion that the fair value interest-rate risk is minimal. Certain borrowings have variable rate interest and expose the Group to cash flow interest risk. The Group analyses its interest rate exposure on a dynamic basis and will consider the interest rate exposure when enter into any financing, renewal of existing positions and alternative financing transactions.

At 31 December 2018, if interest rate had increased/decreased by 100 basis points with all other variables held constant, post-tax loss for the year would have been approximately RMB600,000 (2017: RMB101,181,000) higher/lower.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

###### (i) 外匯風險(續)

於二零一八年十二月三十一日，倘人民幣兌美元及港元分別貶值／升值5%，而所有其他變量維持不變，則年度除稅後虧損將增加／減少約人民幣597,675,000元（二零一七年：人民幣253,143,000元），主要是由於換算以美元及港元列值的貨幣性資產及負債的外匯差額所致。

###### (ii) 利率風險

除於短期內到期的已抵押存款、現金及現金等價物外，本集團並無重大計息資產。若干本集團以固定利率計息的短期借款令本集團面臨公允值利率風險。由於所有固定利率借款為即期且按市場利率，董事認為公允值利率風險為輕微。若干以浮動利率計息的借款令本集團面臨現金流利率風險。本集團按動態基準分析其利率風險，並於訂立任何融資、現有持倉額的重續、其他融資交易時考慮利率風險。

於二零一八年十二月三十一日，倘利率上升／下降100個基點，而所有其他變量維持不變，則年度除稅後虧損將增加／減少約人民幣600,000元（二零一七年：人民幣101,181,000元）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk

Credit risk arises from cash and cash equivalents, pledged deposits, as well as credit exposures to outstanding trade receivables, other receivables and prepayments.

The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets which are stated as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade and other receivables (Note 12)	應收賬款及其他應收款項 (附註12)	16,386	490,785
Cash at banks (Note 14)	銀行存款(附註14)	8,680	69,419
Maximum exposure to credit risk	面臨的最大信貸風險	25,066	560,204

(i) Impairment of financial assets  
The Group has financial assets that are subject to the expected credit loss model:

- trade receivables
- deposits and other receivables

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險

信貸風險來自現金及現金等價物、已抵押存款、未償還應收賬款、其他應收款項及預付款項。

該等結餘賬面值代表本集團載於下文的所面對與金融資產相關最大信貸風險：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade and other receivables (Note 12)	應收賬款及其他應收款項 (附註12)	16,386	490,785
Cash at banks (Note 14)	銀行存款(附註14)	8,680	69,419
Maximum exposure to credit risk	面臨的最大信貸風險	25,066	560,204

(ii) 金融資產減值  
本集團有金融資產，須遵守預期信貸虧損模式：

- 應收賬款
- 按金及其它應收款項

儘管現金及現金等價物亦須遵守國際財務報告準則第9號的減值要求，惟已確認的減值虧損並不重大。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (ii) Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2018 or 1 January 2018, respectively, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified forecast economic conditions to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 2 years past due.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

###### (ii) 應收賬款

本集團採用國際財務報告準則第9號之簡化方式計量預期信貸虧損，並就所有應收賬款使用終身預期虧損撥備。

為計量預期信貸虧損，應收賬款已根據逾期天數分類。

預期虧損率分別基於二零一八年十二月三十一日或二零一八年一月一日前十二個月以上的銷售付款情況以及此期間相應的歷史信貸虧損經驗。歷史虧損率會進行調整，以反映影響客戶清償應收款項能力的宏觀經濟因素當前及前瞻性資料。本集團已識別預測經濟狀況為最相關因素，因此根據該等因素的預期變化調整歷史虧損率。

當不存在可收回的合理可收回預期時，撇銷應收賬款。不存在可收回的合理預期跡象包括(其中包括)債務人無法與本集團達成還款計劃，以及無法就逾期兩年以上的賬款作出合約付款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (ii) Trade receivables (Continued)

Given the track record of regular repayment of trade receivables and contract assets, the directors are of the opinion that the risk of default by these customers is not significant and does not expect any losses from non-performance by customers. Therefore, expected credit loss rate of trade receivables and contract assets is assessed to be close to zero and no provision was made as at 1 January and 31 December 2018.

##### **Previous accounting policy for impairment of trade receivables**

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The Group considered that there was evidence of impairment if any of the following indicators were present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or late payments (more than 1 years overdue).

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

###### (ii) 應收賬款(續)

基於定期償還應收賬款及合約資產的往績記錄，董事認為該等客戶違約風險並不重大，且並不預期因客戶不履行責任而引致任何損失。因此，應收賬款及合約資產的預期信貸虧損率評估接近零，於二零一八年一月一日及十二月三十一日並無撥備。

##### **應收賬款減值過往會計政策**

於上一年度，應收賬款減值乃按已產生虧損模式評估。已知不可收回的個別應收款項透過直接扣減賬面值予以撇銷。其他應收款項乃經集體評估，以確定是否存在客觀證據顯示已發生但未識別之減值。就該等應收款項而言，估計減值虧損於獨立減值撥備內確認。本集團認為若出現以下任何指標便存在減值跡象：

- 債務人出現重大的財務困難；
- 債務人可能破產或進行財務重組及
- 欠付或拖欠付款(逾期1年以上)

如預期不能收回額外現金，則已確認減值撥備的應收款項會與撥備撇銷。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iii) Other financial assets at amortised cost

For other financial assets at amortised cost, including deposits and other receivables, management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The impairment provision is determined based on the 12-month expected credit losses which is close to zero.

Impairment losses on other financial assets at amortised cost are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

##### (c) Liquidity risk

The Group incurred a net loss of RMB259,479,000 (2017: RMB1,936,179,000) and had an operating cash outflow of RMB200,998,000 (2017: inflow of RMB20,102,000) during the year ended 31 December 2018. As at 31 December 2018, the Group had a deficit of RMB9,630,126,000 (2017: RMB11,246,355,000) and the Group's current liabilities exceeded its current assets by RMB11,326,204,000 (2017: RMB32,416,786,000). The Group maintained cash and cash equivalents of RMB9,274,000 (2017: RMB69,858,000) as at 31 December 2018.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

##### (iii) 以攤餘成本計量的其他金融資產

就以攤餘成本計量的其他金融資產(包括按金及其他應收款項)而言,管理層於參考對手方歷史違約率及當前財務狀況後,認為其信貸風險自初步確認後並未大幅增加。按12個月預期信貸虧損釐定的減值撥備接近零。

按攤銷成本的其他金融資產的減值虧損於經營利潤入賬並呈列為減值虧損淨額。隨後收回先前撇銷的款項入賬列為同一項目。

##### (c) 流動性風險

截至二零一八年十二月三十一日止年度,本集團產生淨虧損人民幣259,479,000元(二零一七年:人民幣1,936,179,000元)及經營現金流出人民幣200,998,000元(二零一七年:流入人民幣20,102,000元)。於二零一八年十二月三十一日,本集團虧絀為人民幣9,630,126,000元(二零一七年:人民幣11,246,355,000元),而本集團流動負債超出其流動資產人民幣11,326,204,000元(二零一七年:人民幣32,416,786,000元)。於二零一八年十二月三十一日,本集團維持現金及現金等價物人民幣9,274,000元(二零一七年:人民幣69,858,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

As at 31 December 2018, borrowings of Shipbuilding Business which are included in Borrowings of Disposal Group amounted to RMB15,735,828,000, out of which RMB15,500,976,000 were overdue. As at 31 December 2018, overdue interest payables of the Disposal Group amounted to RMB3,905,073,000. Subsequent to 31 December 2018, additional loan principal in the Disposal Group totaling RMB234,852,000 were not renewed nor repaid upon the scheduled repayment dates and thus became overdue. The Disposal Group had cash and cash equivalents of RMB13,962,000 as at 31 December 2018. As at 31 December 2018 and up to the date of this report, the Group has not obtained waivers from the relevant banks and lenders for such defaults; nor have these banks and lenders taken any action against the Group to demand immediate repayment.

As at 31 December 2018, Borrowings of Remaining Group amounted to RMB3,640,431,000, out of which RMB2,165,294,000 were overdue. As at 31 December 2018, overdue interest payables of the Remaining Group amounted to RMB165,011,000. Certain borrowings of the Group contain cross-default terms, causing Borrowings of Remaining Group of RMB775,832,000 at 31 December 2018 to become immediately repayable. These borrowings are further explained below:

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動性風險(續)

於二零一八年十二月三十一日，包括於出售集團借款的造船業務借款為人民幣15,735,828,000元，其中人民幣15,500,976,000元已逾期。於二零一八年十二月三十一日，出售集團的逾期應付利息為人民幣3,905,073,000元。二零一八年十二月三十一日後，合共人民幣234,852,000元出售集團的額外借款本金於預定還款日期後未獲重續或償還，故此已屬逾期論。於二零一八年十二月三十一日，出售集團的現金及現金等價物為人民幣13,962,000元。於二零一八年十二月三十一日及截至本報告日期，本集團並無就相關違約事項從相關銀行及貸方獲得豁免；該等銀行及借款人並無對本集團採取任何行動要求立即償還款項。

於二零一八年十二月三十一日，餘下集團借款為人民幣3,640,431,000元，其中人民幣2,165,294,000元已逾期。於二零一八年十二月三十一日，餘下集團的逾期應付利息為人民幣165,011,000元。本集團的若干借款含交叉違約條款，導致餘下集團須立即償還於二零一八年十二月三十一日的借款人民幣775,832,000元。該等借款於下文進一步詳述：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

- (i) The Remaining Group had promissory notes with an aggregate principal amount of RMB1,605,163,000 outstanding as at 31 December 2018, out of which approximately RMB796,035,000 had been overdue since 2017 and RMB769,672,000 had been overdue since 2018. The remaining outstanding promissory notes amounting to RMB39,456,000 became immediately repayable pursuant to the cross-default terms under the relevant loan agreements.
  
- (ii) As at 31 December 2018, the Remaining Group had five outstanding convertible bonds (2017: six) with an aggregate principal amount of RMB736,376,000 (2017: RMB1,544,177,000) with maturity dates ranging from May 2019 to November 2019. During the year ended 31 December 2018, convertible bonds with amounts of RMB820,236,000 were converted into equity. Since the bondholders have early redemption options to require the Company to redeem these convertible bonds at any time before the maturity dates, these convertible bonds are classified as current liabilities. In addition, all the convertible bonds became immediately repayable pursuant to the cross-default terms under the relevant agreements.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動性風險(續)

- (i) 於二零一八年十二月三十一日，餘下集團持有本金總額為人民幣1,605,163,000元的未償還承兌票據，其中約人民幣796,035,000元自二零一七年起已經逾期，自二零一八年起已經逾期的承兌票據則為人民幣769,672,000元。餘下未償還承兌票據金額為人民幣39,456,000元，將根據相關貸款協議項下的交叉違約條款立即償還。
  
- (ii) 於二零一八年十二月三十一日，餘下集團有五批未償還可換股債券(二零一七年：六)，本金總額為人民幣736,376,000元(二零一七年：人民幣1,544,177,000元)，到期日為二零一九年五月至二零一九年十一月不等。截至二零一八年十二月三十一日止年度，人民幣820,236,000元的可換股債券已兌換為股本。由於債券持有人擁有提前贖回權，有權於到期日前任何時間要求本公司贖回可換股債券，該等可換股債券分類為流動負債。此外，所有可換股債券根據相關協議項下的交叉違約條款立即償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

- (iii) The Remaining Group had bank and other borrowings of RMB600,275,000, out of which bank borrowings of RMB599,587,000 were overdue and the remaining other borrowings of RMB688,000 would be due for repayment within the next twelve months in accordance with the repayment dates of the respective agreements as at 31 December 2018.

The above conditions indicate the existence of material uncertainties, which may cast significant doubt upon the Group's ability to continue as a going concern.

In view of such circumstances, the directors of the Company have, during the year and up to the date of the approval of these consolidated financial statements, taken the following measures to mitigate the liquidity pressure and to improve the financial position of the Group, to refinance its operation and to restructure its debts:

- i) The Group has been actively negotiating with the relevant banks and lenders of the Disposal Group to release or discharge the Relevant Guarantees.
- ii) The Group is also maintaining its relationship with the banks and the lenders of the Disposal Group such that no action will be taken by them to demand immediate repayment of its outstanding borrowings under the Relevant Guarantees.
- iii) The Group has also been actively negotiating with the banks and lenders regarding the Borrowings of Remaining Group of RMB2,941,814,000 to take the following actions:

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動性風險(續)

- (iii) 餘下集團持有銀行及其他借款人民幣600,275,000元，其中銀行借款人民幣599,587,000元已經逾期，而於二零一八年十二月三十一日根據相關協議的還款日期，餘下其他借款人民幣688,000元將須於12個月內償還。

上述狀況表明可能導致本集團的持續經營能力產生重大疑慮存在重大不確定性。

鑒於上述情況，本公司董事於年內及截至批准綜合財務報表日期已採取以下措施，以減緩流動性壓力，並改善本集團財務狀況，同時對其營運進行再融資及重組債務：

- i) 本集團一直積極與相關銀行及出售集團的借款人磋商，以釋出或解除相關擔保。
- ii) 本集團亦維持其與銀行及出售集團的借款人的關係，以確保彼等不會採取行動要求即時償還相關擔保項下的未償還借款。
- iii) 本集團亦一直積極就餘下集團之借款人民幣2,941,814,000元與銀行及借款人磋商，以採取以下行動：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

###### iii) (Continued)

(a) As at 31 December 2018, the outstanding promissory notes amounting to RMB1,565,707,000 were not extended nor repaid upon the schedule repayment dates and thus became overdue and RMB39,456,000 became immediately repayable pursuant to the cross-default terms under the relevant loan agreements. The Company is in the process of negotiating with these promissory note holders for further arrangements, including the extension of maturity dates and obtaining waiver from the lender for the due payment pursuant to the relevant cross-default terms.

(b) As at 31 December 2018, the Remaining Group had five outstanding convertible bonds with an aggregate principal amount totaling RMB736,376,000 with maturity dates ranging from May 2019 to November 2019, provided that the bondholders do not exercise the early redemption options.

Subsequent to 31 December 2018, convertible bonds with total principal amounts of RMB118,623,000 were converted into equity. Three convertible bondholders with total principal amounts of RMB422,770,000 have agreed not to demand for repayment in 2019. The Company will continue to convince the remaining bondholders to convert the bonds into equity before their maturities or extend the maturity dates beyond 31 December 2019.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動性風險(續)

###### iii) (續)

(a) 於二零一八年十二月三十一日，未償還承兌票據金額為人民幣1,565,707,000元並未按期限償還日期延長或償還，因此已逾期，而人民幣39,456,000元已根據相關貸款協議項下的交叉違約條款立即償還。本公司正與該等承兌票據持有人磋商以作進一步安排，包括延長到期日，並根據相關交叉違約條款就到期付款向借款人獲取豁免。

(b) 於二零一八年十二月三十一日，餘下集團有五批未償還可換股債券，本金總額為人民幣736,376,000元，將於二零一九年五月至二零一九年十一月期間到期(倘債券持有人並未行使提早贖回權)。

於二零一八年十二月三十一日後，本金總額為人民幣118,623,000元的可換股債券已兌換為股本。三位共持有本金總額人民幣422,770,000元的可換股債券持有人同意於二零一九年不要求償還。本公司會繼續遊說其餘債券持有人於到期日前將債券轉換成股本或延遲到期日至二零一九年十二月三十一日之後。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

- iii) (Continued)
- (c) As at 31 December 2018, the Remaining Group had bank and other borrowings of RMB600,275,000 which were overdue or would be due for repayment within the next twelve months in accordance with the repayment date of respective agreements. Subsequent to 31 December 2018, the Group repaid bank borrowing of RMB5,660,000 and other borrowing of RMB688,000. The Group is in the process of negotiating with the relevant bank for extension of repayment and renewal of such borrowings.
- iv) During the year ended 31 December 2018, the Group obtained security-free and interest-free loans from an entity controlled by a close family member of Mr. Zhang Zhi Rong amounting to RMB506,356,000, which will be repayable in April 2020.
- v) During the year ended 31 December 2018, the Group also entered into a loan agreement with an entity controlled by Mr. Zhang Zhi Rong, who agreed to provide a loan facility up to USD250,000,000 (equivalent to approximately RMB1,719,625,000) to the Group for the funding of the oilfield operations of the Energy Business. The Group has drawn down USD45,601,000 (equivalent to approximately RMB313,665,000) up to 31 December 2018. Subsequent to 31 December 2018, the Group has further drawn down USD4,771,000 (equivalent to approximately RMB32,819,000).

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動性風險(續)

- iii) (續)
- (c) 於二零一八年十二月三十一日，餘下集團持有銀行及其他借款人民幣600,275,000元並已逾期或根據相關協議的還款日期將須於12個月內償還。於二零一八年十二月三十一日後，本集團償還銀行借款人民幣5,660,000元及其他借款人民幣688,000元。本集團正與相關銀行磋商，以延遲還款及續借該等借款。
- iv) 截至二零一八年十二月三十一日止年度，本集團向受張志熔先生家屬控制的實體取得無擔保及免息貸款，金額為人民幣506,356,000元，將於二零二零年四月償還。
- v) 截至二零一八年十二月三十一日止年度，本集團亦與由張志熔先生控制的實體訂立貸款協議，該實體同意向本集團提供不多於250,000,000美元(相當於約人民幣1,719,625,000元)的貸款融資，為本集團能源業務下的油田經營提供資金。直至二零一八年十二月三十一日，本集團已提取45,601,000美元(相當於約人民幣313,665,000元)。二零一八年十二月三十一日後，本集團進一步提取4,771,000美元(相當於約人民幣32,819,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

- vi) The Group has focused on its operations in development of the energy exploration and production segment. During the year, a number of wells were developed in Kyrgyzstan and management expects to realise an increase of oil output through further development and expansion of this segment, thereby generate steady operating cash flows.

During the year ended 31 December 2018, the Group entered into a loan agreement with an entity controlled by Mr. Zhang Zhi Rong, who agreed to provide a loan facility up to RMB40,000,000 to the Group for the funding in respect of the energy exploration and production segment. As at 31 December 2018, the Group has drawn down RMB9,100,000 for exploration and drilling of wells. The Group expects to draw down the remaining balance of the facility in 2019.

In addition, the Group also entered into a Co-operative Framework Agreement during the year ended 31 December 2018 with an independent third party who agreed to provide materials for the exploration and production of crude oil with an aggregate amount up to USD500,000,000, in exchange for an option to purchase up to 70% of the total crude oil produced by the Group at 92% to 95% of the market price as a form of repayment until all the liabilities are repaid.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動性風險(續)

- vi) 本集團專注發展能源勘探及生產業務板塊。年內，在吉爾吉斯已開發數口油井，而管理層預計透過進一步發展及拓展該業務板塊將石油產量提升，從而帶來穩定的經營現金流。

截至二零一八年十二月三十一日止年度，本集團與由張志榕先生控制的實體訂立貸款協議，該實體同意向本集團提供不多於人民幣40,000,000元的貸款融資，為本集團的能源勘探及生產板塊提供資金。於二零一八年十二月三十一日，本集團已就勘探及鑽井提取人民幣9,100,000元。本集團預期於二零一九年動用餘下結餘。

此外，截至二零一八年十二月三十一日止年度，本集團亦與一名獨立第三方訂立合作框架協議，該獨立第三方同意提供原油勘探及生產材料總額高達500,000,000美元以交換可按市場價格92%至95%購買本集團生產的原油生產總量最多70%的期權，作為未來償還的方式，直至償還所有負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

Group	本集團	Repayable on demand/			Total
		less than 1 year	Between 1 and 2 years	More than 2 years	
		按要求償還 或一年內	一至兩年	兩年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 31 December 2018	於二零一八年十二月三十一日				
Borrowings - Remaining Group	借款 - 餘下集團	3,103,205	860,232	-	3,963,437
Borrowings - Disposal Group	借款 - 出售集團	16,458,346	-	-	16,458,346
Derivative financial instruments	衍生金融工具	7,194	-	-	7,194
Trade and other payables	應付賬款及其他應付款項	952,033	-	-	952,033
At 31 December 2017	於二零一七年十二月三十一日				
Borrowings	借款	22,411,186	1,892,346	-	24,303,532
Finance lease liabilities	融資租賃負債	28,263	-	-	28,263
Derivative financial instruments	衍生金融工具	320,001	-	-	320,001
Trade and other payables	應付賬款及其他應付款項	9,060,511	-	-	9,060,511
Advances from related parties	關聯方預支款	368,959	-	-	368,959

#### Maturity Analysis - borrowings based on scheduled repayments

Certain borrowings contain a repayment on demand clause which can be exercised at the bank's sole discretion. Taking into account the Group's situation, arrangement and the transaction as describe in note 2.1(a)(i), the directors do not consider that it is probable that the banks will exercise their discretion to immediate repayment. The analysis below shows the cash outflows based on the scheduled repayment. The amount includes interest payments computed using contractual rates. The directors believe that such borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. During the year ended 31 December 2018, borrowings of Disposal Group have been transferred to liabilities directly associated with assets classified as held for sale.

#### 到期日分析 - 按計劃還款日期之借款

若干借款附帶銀行可全權酌情行使按要求償還條款。經考慮本集團之情況、安排及於附註2.1(a)(i)中所闡述的交易，董事認為銀行不大可能會行使要求即時還款之酌情權。以下分析按協定計劃還款日期列示現金流出量。有關金額包括以合約利率計算之利息付款。董事相信，有關借款將會根據貸款協議所載之計劃還款日期償還。截至二零一八年十二月三十一日止年度，出售集團借款已轉撥至與分類為持作出售資產直接相關的負債。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

Maturity Analysis – borrowings based on scheduled repayments (Continued)

Group	本集團	Less than 1 year 一年內 RMB'000 人民幣千元	Between 1 and 2 years 一至兩年 RMB'000 人民幣千元	More than 2 years 兩年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2018	於二零一八年十二月三十一日				
- Remaining Group	- 餘下集團	3,103,205	860,232	-	3,963,437
- Disposal Group	- 出售集團	10,809,612	5,648,734	-	16,458,346
		13,912,817	6,508,966	-	20,421,783
At 31 December 2017	於二零一七年十二月三十一日	19,866,496	1,997,240	2,439,796	24,303,532

#### 3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of shareholders' equity. Capital is managed so as to maximise the return to shareholders while maintaining a capital base to allow the Group to operate effectively in the marketplace and sustain future development of the business. This ratio is calculated as total liabilities divided by total assets.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動性風險(續)

到期日分析 – 按計劃還款日期之借款(續)

#### 3.2 資本風險管理

本集團資本管理的目標乃保障本集團持續經營的能力，以繼續為股東提供回報並為其他利益相關方謀取利益，同時維持最佳的資本結構以減低資金成本。

為維持或調整資本結構，本集團可能會調整支付予股東的股息金額、向股東退回資本、發行新股份或銷售資產以削減債務。

本集團的資本架構包括股東權益。資本受管理以將股東回報最大化並維持資本基礎以使本集團能夠在市場上有效經營及持續進行未來業務發展。該比率乃按負債總額除以資產總額計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.2 Capital management (Continued)

The Group's total liabilities and total assets positions and debt-asset ratio at 31 December 2018 and 2017 were as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Total liabilities	總負債	<b>34,530,868</b>	33,752,593
Total assets	總資產	<b>24,900,742</b>	22,506,238
Debt-asset ratio	負債與資產比率	<b>1.39</b>	1.50

#### 3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- (b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- (c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 3 財務風險管理(續)

#### 3.2 資本風險管理(續)

本集團於二零一八年及二零一七年十二月三十一日的負債總額及資產總額狀況以及負債與資產比率如下：

#### 3.3 公允價值估計

下表分析以估值法按公允值入賬之金融工具。不同等級的定義如下：

- (a) 相同資產或負債在活躍市場中的報價(未經調整)(第一級)。
- (b) 除第一級所包括的報價外，可直接(即如價格)或間接(即由價格衍生)觀察的資產或負債的輸入值(第二級)。
- (c) 資產或負債的輸入值並非依據可觀察的市場數據(即不可觀察輸入值)(第三級)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.3 Fair value estimation (Continued)

The following table presents the Group's financial liabilities that are measured at fair value at 31 December 2018.

Group		Level 1	Level 2	Level 3	Total
本集團		第一級	第二級	第三級	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Financial liabilities</b>	<b>金融負債</b>				
Financial derivative component of borrowings	借款的金融衍生部分	-	(7,194)	-	(7,194)
<b>Total financial liabilities</b>	<b>總金融負債</b>	-	(7,194)	-	(7,194)

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2017.

Group		Level 1	Level 2	Level 3	Total
本集團		第一級	第二級	第三級	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Financial assets</b>	<b>金融資產</b>				
Available-for-sale financial asset	可供出售金融資產	-	-	44,342	44,342
<b>Total financial assets</b>	<b>總資產</b>	-	-	44,342	44,342
<b>Financial liabilities</b>	<b>金融負債</b>				
Financial derivative component of borrowings	借款的金融衍生部分		(320,001)	-	(320,001)
<b>Total financial liabilities</b>	<b>總金融負債</b>	-	(320,001)	-	(320,001)

There were no transfers between levels 2 and 3 during the year.

### 3 財務風險管理(續)

#### 3.3 公允價值估計(續)

下表呈列於二零一八年十二月三十一日按公允價值計量的本集團金融負債。

下表呈列於二零一七年十二月三十一日按公允價值計量的本集團金融資產及負債。

年內第二級及第三級之間並無轉撥。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.3 Fair value estimation (Continued)

##### (a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

##### (b) Financial instruments in levels 2 and 3

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### 3 財務風險管理(續)

#### 3.3 公允值估計(續)

##### (a) 第一級內的金融工具

在活躍市場買賣的金融工具之公允值，根據報告期末的市場報價計算。倘市場報價可向交易所、交易商、經紀、行業組織、定價服務或監管機構隨時及定期查詢，且為實際及定期進行公平市場交易的報價，則有關市場視為活躍市場。本集團所持金融資產的市場報價為當時買入價。有關工具計入第一級。

##### (b) 第二級及第三級內的金融工具

沒有在活躍市場買賣的金融工具(如場外交易的衍生工具)的公允值採用估值方法釐定。該等估值技術儘量利用可觀察市場數據(如有)，並儘量減少依賴實體的特定估計。倘計算工具的公允值所需的所有重大輸入值為可觀察數據，則該工具計入第二級。

倘一項或多項重大輸入值並非根據可觀察市場數據釐定，則該工具計入第三級。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.3 Fair value estimation (Continued)

##### (b) Financial instruments in levels 2 and 3 (Continued)

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The following table presents the changes in level 3 instruments for the year ended 31 December 2018.

		<b>Available-for-sale financial asset</b>
		<b>可供出售金融資產</b>
		RMB'000
		人民幣千元
Balance at 1 January 2017	於二零一七年一月一日的結餘	40,199
Fair value gain on revaluation recognised in other comprehensive income	於其他全面收入確認的重估公允價值收益	4,143
Balance at 31 December 2017	於二零一七年十二月三十一日的結餘	44,342

### 3 財務風險管理(續)

#### 3.3 公允價值估計(續)

##### (b) 第二級及第三級內的金融工具(續)

用於對金融工具作出估值的特定估值技術包括：

- 類似工具的市場報價或交易商報價。
- 利率掉期的公允價值按可觀察收益率曲線釐定的估計未來現金流量的現值計算。
- 其他技術(如貼現現金流量分析)用於釐定餘下金融工具的公允價值。

下表呈列截至二零一八年十二月三十一日止年度第三級工具的變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.3 Fair value estimation (Continued)

(b) Financial instruments in levels 2 and 3  
(Continued)

### 3 財務風險管理(續)

#### 3.3 公允值估計(續)

(b) 第二級及第三級內的金融  
工具(續)

		Financial assets at fair value through other comprehensive income 按公允值計入 其他全面收益的 金融資產 RMB'000 人民幣千元
Balance at 1 January 2018	於二零一八年一月一日的結餘	44,342
Fair value loss on revaluation recognised in other comprehensive income	於其他全面收入確認的 重估公允值虧損	(16,635)
Transferred to Assets classified as held for sale	轉至分類為持作出售的 資產	(27,707)
Balance at 31 December 2018	於二零一八年十二月三十一日 的結餘	-

### 4 Critical accounting estimates, assumptions and judgement

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, seldom 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 addressed below.

### 4 關鍵會計估計、假設及判斷

估計及判斷會被持續評估，並以過往經驗及其他因素為基礎進行評價，包括在有關情況下對將來發生的事件的合理預期。

本集團就未來作出估計和假設。所得會計估計將難免偏離實際的相關業績。下文所述的估算和假設存在巨大風險致使下一個財政年度的資產及負債賬面值出現重大調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 Critical accounting estimates, assumptions and judgement (Continued)

#### 4.1 Critical accounting estimates

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

The Group follows the guidance of IAS 36 "Impairment of Assets" to determine when assets are impaired, which requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the recoverable amount of assets is less than their carrying balance, including factors such as the industry performance and changes in operational and financing cash flows. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (a CGU). The recoverable amount of the CGU has been determined based on value-in-use calculations or fair value less cost to sell, whichever is higher. These calculations require the use of estimates, including operating results, income and expenses of the business, future economic conditions on growth rates and future returns. Significant changes in the key assumptions on which the recoverable amount of the assets is based could significantly affect the Group's financial position and results of operations. Based on management's assessment, no impairment charge was recognised during the year ended 31 December 2018 (2017: nil). Details of which have been disclosed in Note 7.

### 4 關鍵會計估計、假設及判斷(續)

#### 4.1 關鍵會計估計

##### (a) 非金融資產減值

本集團遵從國際會計準則第36號「資產減值」的指引，以釐定資產減值(須作出重大判斷)。在作出此項判斷時，本集團評估(其中包括)資產的可收回金額少於賬面餘額的持續期間及程度，包括行業表現以及營運及融資現金流量變動等因素。就評估減值而言，資產按可獨立識別現金流量的最低水平分組(現金產生單位)。現金產生單位的可收回金額乃根據使用價值或公允值減銷售成本(以較高者為準)計算釐定。該等計算須使用估計，包括經營業績、業務的收入及開支、增長率等未來經濟狀況及未來回報。資產可收回金額所依據的主要假設的重大變動可能對本集團的財務狀況及經營業績產生重大影響。根據管理層的評估，概無於截至二零一八年十二月三十一日止年度內確認減值開支(二零一七年：無)。有關詳情披露於附註7。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 Critical accounting estimates, assumptions and judgement (Continued)

#### 4.1 Critical accounting estimates (Continued)

##### (b) Convertible bond classification

The Group's convertible bonds are financial instruments, which were all accounted for under International Accounting Standard 32 – “Financial Instruments: Presentation” (“IAS 32”) and International Financial Reporting Standard 9 – “Financial Instruments (“IFRS 9”). The principal amount of the convertible bonds were lower than the aggregate fair value of the host debt contract and the embedded derivative (Note 4(c)) at the respective completion dates. Such difference may imply that unidentifiable services or goods could be received by the Group, where the convertible bonds could be accounted for in accordance with International Financial Reporting Standard 2 – “Share-based Payment” (Note 2.24). After taking into account of the Group's current financial performance, liquidity position and other appropriate factors, management concluded that there were no unidentifiable services received and have accounted for the convertible bonds in accordance with IAS 32 and IFRS 9.

##### (c) Estimated fair value of convertible bond

Convertible bond consisted of host debt contracts and embedded derivatives. The fair value of the host contract and embedded derivative are determined based on the directors' estimation in light of the latest information obtained relating to the convertible bond and with reference to independent valuer assessment. Any new development in the convertible redeemable bond or the market conditions and changes in assumptions and estimates, including but not limited to the Company's share price and its volatility, interest rates, the likelihood of the exercise of the conversion right and redemption rights of the convertible redeemable bond by the bondholder and the Company, could affect the fair value of such host contract and embedded derivative and as a result affect the Group's financial position and results of operations.

### 4 關鍵會計估計、假設及判斷(續)

#### 4.1 關鍵會計估計(續)

##### (b) 可換股債券分類

本集團可換股債券為財務工具，均按照國際會計準則第32號「財務工具：呈列」（「國際會計準則第32號」）及國際財務報告準則第9號「財務工具」（「國際財務報告準則第9號」）入賬。可換股債券的本金金額低於各自完成日期之主債務合約及嵌入式衍生工具之公允值總額（附註4(c)）。差異可能暗示本集團可能收取無法識別的服務或產品，其中可換股債券按照國際財務報告準則第2號「以股份為基礎的支付」（附註2.24）入賬。經考慮本集團現時的財務表現、流動資產狀況及其他恰當的因素後，管理層認為並無獲取無法識別的服務，而可換股債券按照國際會計準則第32號及國際財務報告準則第9號入賬。

##### (c) 可換股債券的估計公允值

可換股債券包括主債務合約及嵌入式衍生工具。主合約及嵌入式衍生工具的公允值乃基於董事所獲得有關可換股債券的最新資料的估計及參考獨立估值師評估後釐定。可換股可贖回債券或市場狀況的任何新發展，以及假設及估計的變動，包括但不限於本公司的股價及其波幅、利率、債券持有人及本公司可能行使可換股可贖回債券的轉換權及贖回權，可影響有關主合約及嵌入式衍生工具的公允值，從而影響本集團的財務狀況及經營業績。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 Critical accounting estimates, assumptions and judgement (Continued)

#### 4.1 Critical accounting estimates (Continued)

##### (d) Convertible preference share classification

The Group's convertible preference shares were all accounted for under International Accounting Standard 32 – “Financial Instruments: Presentation” (“IAS 32”) and International Financial reporting Standard 9 – “Financial Instruments (“IFRS 9”). Considering the lack of redemption right and cash settlement option, as well as the Group's discretion on the dividend payment, as stated in the amended Memorandum and Articles of Association, the Group has accounted for the convertible preference shares as equity instrument in accordance with IAS 32 and IFRS 9.

##### (e) Estimated fair value of convertible preference shares

The fair value of convertible preference shares are determined based on directors' estimation with reference to independent valuer assessment. Key assumptions used in estimating the fair value of the convertible preference shares include but not limited to the Company's share price, volatility, interest rates, control premium, dividend yield and the likelihood of the exercise of the conversion right by the holder, changes in these estimates could affect the fair value of convertible preference shares and as a result affect the Group's financial position and results of operations.

### 4 關鍵會計估計、假設及判斷(續)

#### 4.1 關鍵會計估計(續)

##### (d) 可轉換優先股分類

本集團可轉換優先股，均按照國際會計準則第32號「財務工具：呈列」（「國際會計準則第32號」）及國際財務報告準則第9號「財務工具」（「國際財務報告準則第9號」）入賬。鑒於欠缺贖回權及現金結算權，以及誠如經修訂組織章程大綱及細則所述本集團有關派付股息的酌情權，本集團已根據國際會計準則第32號及國際財務報告準則第9號將可轉換優先股入賬為權益工具。

##### (e) 可轉換優先股的估計公允值

可轉換優先股的公允值乃基於董事參考獨立估值師評估後的估計釐定。估計可轉換優先股公允價所用的主要假設包括但不限於本公司的股價、波幅、利率、控制溢價、股息收益率及持有人可能行使轉換權，該等估計的變動可影響可轉換優先股的公允值，從而影響本集團的財務狀況及經營業績。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 Critical accounting estimates, assumptions and judgement (Continued)

#### 4.1 Critical accounting estimates (Continued)

##### (f) *Useful lives and residual values of property, plant and equipment*

The Group's management determines the estimated useful lives, and related depreciation expense for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will increase the depreciation expense where useful lives are less than previously estimated lives. It will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation expense in future periods.

##### (g) *Current income tax and deferred tax*

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues 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 current and deferred income tax assets and liabilities in the period in which such determination is made.

### 4 關鍵會計估計、假設及判斷(續)

#### 4.1 關鍵會計估計(續)

##### (f) *物業、廠房及設備的可使用年期及剩餘價值*

本集團的管理層釐定其物業、廠房及設備的估計可使用年期及相關折舊開支。此估計乃根據具有類似性質及功能的物業、廠房及設備的實際可使用年期的過往經驗得出。倘可使用年期少於過往估計年期，管理層將增加折舊開支。其將撇銷或撇減已廢棄或出售而技術過時或非策略性的資產。實際經濟年期可能有別於估計可使用年期。定期檢討可能導致折舊年期的變化，因此影響未來期間的折舊開支。

##### (g) *即期所得稅及遞延所得稅*

本集團須於多個司法權區內繳納所得稅。於釐定就所得稅計提撥備時須作出重大判斷。多項交易及計算均難以明確釐定最終的稅務。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜的責任。倘該等事宜的最終稅務結果與起初入賬的金額不同，該等差額將影響稅務釐定期內的即期及遞延所得稅資產及負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 Critical accounting estimates, assumptions and judgement (Continued)

#### 4.1 Critical accounting estimates (Continued)

##### (g) Current income tax and deferred tax (Continued)

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred income tax assets and income tax charges in the period in which such estimates have been changed.

##### (h) Estimation of oil reserves

Estimation of oil reserves is a key element in the Group's investment decision-making process in energy exploration and production segment. It is also an important element in testing for impairment. Changes in proved oil reserves, particularly proved developed reserves, will affect unit-of-production depreciation, depletion and amortisation recorded in the Group's consolidated financial statements for property, plant and equipment and intangible assets related to oil production activities. A reduction in proved developed reserves will increase depreciation, depletion and amortisation charges. Proved reserve estimates are subject to revision, either upward or downward, based on new information, such as from drilling and production activities or from changes in economic factors, including product prices, contract terms or development plans.

### 4 關鍵會計估計、假設及判斷(續)

#### 4.1 關鍵會計估計(續)

##### (g) 即期所得稅及遞延所得稅(續)

當管理層認為未來形成的應課稅收益可使用暫時差額或稅款損失，與若干暫時差額及稅款損失相關之遞延所得稅資產可入賬。當現有估算與原有估算存在差額，而有關差額將影響該估算改變的稅務釐定期內的遞延所得稅資產入賬及所得稅開支。

##### (h) 石油儲量的估計

石油儲量對本集團於能源勘探及生產業務板塊的投資決策過程至關重要，亦為進行減值測試的重要因素。探明石油儲量，尤其是探明已開發儲量的變動將影響本集團綜合財務報表就與石油生產活動相關的物業、廠房及設備以及無形資產所記錄的單位產量折舊、損耗及攤銷。探明已開發儲量的減少將增加折舊、損耗及攤銷費用。探明儲量估計乃按照鑽探及生產活動的新資訊或產品價格、合約期限或開發方案等經濟因素變化而上下調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 Critical accounting estimates, assumptions and judgement (Continued)

#### 4.2 Revision of accounting estimates

##### (a) Proved developed reserves of oil properties

Oil properties are depreciated using the units-of-production method. Unit-of-production rates are based on proved developed reserves, which are oil reserves estimated to be recovered from existing facilities. During the year, estimated proved developed reserves per well has been revised by the management based on the latest valuation. Changes in such estimates have resulted in an increase of depreciation expense of RMB8,238,000 for the current year.

### 4 關鍵會計估計、假設及判斷(續)

#### 4.2 修訂會計估計

##### (a) 證明已開發的石油物業儲備

石油項目按單位生產法折舊。單位生產率乃基於已探明經開發儲備，即以估計自現有設施收回的石油儲備。年內，管理層已根據最新估值修訂每個油井的估計證明已開發的儲備。相關估計變動導致本年度折舊開支增加人民幣8,238,000元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. These reports are prepared on the same basis as these consolidated financial statements.

The chief operating decision-maker is identified as the Executive Directors of the Company. The Executive Directors consider the business from both a geographic and product perspective. The shipbuilding segment derives its revenue primarily from the construction of vessels, and the offshore engineering segment derives its revenue from the construction of vessels for marine projects. The engineering machinery segment derives its revenue from manufacturing of excavators and crawler cranes while the marine engine building segment derives its revenue from building marine engines. The energy exploration and production segment derives its revenue from sales of crude oil since this segment has commenced commercial production during the year ended 31 December 2015. The Executive Directors assess the performance of the reportable segments based on a measure of revenue and gross profit. Segment results are calculated by offsetting segment revenue from external customers with segment cost of sales. The shipbuilding, offshore engineering, engineering machinery and marine engine building segments (the “Disposal Group”) were discontinued and were classified as held for sale as at balance sheet date. Information about the discontinued operations is provided in note 22. The comparative figures in the consolidated statement of comprehensive income have been restated to present the results of Disposal Group as discontinued operations. The segment information provided to the Executive Directors for the reportable segments for the years ended 31 December 2017 and 2018 is as follows:

### 5 板塊資料

管理層根據由經主要營運決策者審閱及用作策略決定的報告釐定經營板塊。該等報告乃根據該等綜合財務報表相同的基準編製。

主要營運決策者為本公司執行董事。執行董事按地區及產品劃分業務。造船板塊的收益主要來自建造船舶，海洋工程板塊的收益來自建造作海洋項目用途的船舶。工程機械板塊的收益來自製造挖掘機及履帶起重機，而動力工程板塊的收益主要來自製造船用發動機。能源勘探及生產板塊的收益則來自銷售原油，而該板塊已自截至二零一五年十二月三十一日止年度開始商業生產。執行董事根據收益及毛利計量評估可呈報板塊的表現。板塊業績按來自外部客戶的板塊收益抵銷板塊銷售成本計算。造船、海洋工程、工程機械及船用發動機建築板塊(「出售集團」)已於資產負債表日終止並分類為持作出售。有關該已終止業務的資料載於附註22，而綜合全面收益表之比較數字已重列，以重新呈列出售集團作為已終止經營業務之業績。截至二零一七年及二零一八年十二月三十一日止年度，就可呈報板塊向執行董事提供的板塊資料如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Segment information (Continued)

### 5 板塊資料(續)

	Discontinued operations 已終止業務								Continuing operations 持續經營業務							
	Shipbuilding 造船		Offshore Engineering 海洋工程		Engineering Machinery 工程機械		Marine Engine Building 動力工程		Sub-total 小計		Energy Exploration and Production 能源勘探及生產		Sub-total 小計		Total 總計	
	Year ended 31 December 截至十二月三十一日止年度		Year ended 31 December 截至十二月三十一日止年度		Year ended 31 December 截至十二月三十一日止年度		Year ended 31 December 截至十二月三十一日止年度		Year ended 31 December 截至十二月三十一日止年度		Year ended 31 December 截至十二月三十一日止年度		Year ended 31 December 截至十二月三十一日止年度		Year ended 31 December 截至十二月三十一日止年度	
	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元
Revenue from sales of crude oil	-	-	-	-	-	-	-	-	-	48,956	45,207	48,956	45,207	48,956	45,207	
Revenue from sales of vessels	45,350	65,384	-	-	-	-	-	-	45,350	65,384	-	-	-	45,350	65,384	
Revenue from shipbuilding and other contracts	-	-	-	-	19,914	22,258	-	-	19,914	22,258	-	-	-	19,914	22,258	
Reversal related to the cancellation of the construction contracts	-	(645,211)	-	-	-	-	-	-	-	(645,211)	-	-	-	-	(645,211)	
Segment revenue	45,350	(579,827)	-	-	19,914	22,258	-	-	65,264	(557,569)	48,956	45,207	48,956	45,207	114,220	(512,362)
Segment results	(126,953)	(669,688)	-	-	15,837	16,939	-	7,472	(111,116)	(645,277)	14,929	10,729	14,929	10,729	(96,187)	(634,548)
Selling and marketing expenses	-	-	-	-	-	-	-	-	(2,077)	(2,107)	-	-	(2,845)	(3,514)	(4,922)	(5,621)
General and administrative expenses	-	-	-	-	-	-	-	-	(633,701)	(630,812)	-	-	(54,678)	(56,022)	(688,379)	(686,834)
(Provision for)/reversal of impairments and delayed penalties	-	-	-	-	-	-	-	-	(64,174)	472,043	-	-	-	-	(64,174)	472,043
Reversal of impairments related to the cancellation of construction contracts	-	-	-	-	-	-	-	-	-	224,896	-	-	-	-	-	224,896
Compensation to shipowners for cancellation of contracts	-	-	-	-	-	-	-	-	-	(211,472)	-	-	-	-	-	(211,472)
Other income	-	-	-	-	-	-	-	-	59,212	52,148	-	293	-	59,212	52,441	
Other (losses)/gains - net	-	-	-	-	-	-	-	-	(71,547)	798,750	-	-	621,816	(821,950)	550,269	(23,200)
Gain on extinguishment of financial liabilities upon issuance of convertible preference shares	-	-	-	-	-	-	-	-	-	-	-	-	2,047,284	-	2,047,284	-
Finance costs - net	-	-	-	-	-	-	-	-	(1,643,124)	(1,066,040)	-	-	(439,458)	(57,624)	(2,082,582)	(1,123,684)
Loss before income tax	-	-	-	-	-	-	-	-	(2,466,527)	(1,008,091)	-	-	2,207,048	(928,088)	(259,479)	(1,936,179)
Segment assets	4,495	5,595	1,034,807	1,036,306	166,679	217,369	2,479,957	2,689,945	3,685,938	3,949,235	2,459,032	2,238,051	2,459,032	2,238,051	6,144,970	6,187,286
Unallocated	-	-	-	-	-	-	-	-	18,743,030	16,317,611	-	-	12,742	1,341	18,755,772	16,318,952
Total assets	-	-	-	-	-	-	-	-	22,428,968	20,266,846	-	-	2,471,774	2,239,392	24,900,742	22,506,238
Segment liabilities	-	-	193,887	139,910	520,973	509,555	5,808,151	5,054,831	6,523,011	5,704,296	755,275	608,878	755,275	608,878	7,278,286	6,313,174
Unallocated	-	-	-	-	-	-	-	-	23,408,199	23,276,982	-	-	3,844,383	4,162,437	27,252,582	27,439,619
Total liabilities	-	-	-	-	-	-	-	-	29,931,210	28,981,278	-	-	4,599,658	4,771,315	34,530,868	33,752,793
Other segment disclosures:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	309,638	318,417	-	-	-	-	54,119	54,454	363,757	372,871	27,027	20,970	27,027	20,970	390,784	393,841
Amortisation	75,265	75,267	-	-	1,613	3,713	2,741	2,740	79,619	81,720	2,372	2,914	2,372	2,914	81,991	84,634
Additions to non-current assets	-	1,167	-	-	-	-	-	275	-	1,442	106,857	70,391	106,857	70,391	106,857	71,833

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Segment information (Continued)

The unallocated items mainly included prepayments and deposits and cash and cash equivalents. Unallocated assets also included inventories and property, plant and equipment jointly used by the shipbuilding and offshore engineering segments.

Unallocated liabilities mainly included trade and other payables and borrowings, which are jointly shared by the shipbuilding and offshore engineering segments.

During the year ended 31 December 2018, revenue from continuing operations from the top customer of the energy exploration and production segment amounted to RMB20,320,000 (2017: RMB15,032,000), representing 41.5% (2017: 33.3%) of the total revenue from continuing operations.

There are three individual customers contributed more than 10% revenue of the Group's revenue from continuing operations, for the year ended 31 December 2018 (2017: 3 individual customers). The revenue of these customers during the year are RMB20,320,000, RMB14,201,000 and RMB5,178,000 (2017: RMB15,032,000 and RMB10,146,000 and RMB7,082,000 respectively) respectively.

During the year ended 31 December 2018, revenue from the top customer of the shipbuilding segment, excluding cancellation of construction contracts, amounted to RMB45,350,000 (2017: RMB50,855,000), representing 69.5% of the total revenue from discontinued operations excluding revenue related to the cancellation of the construction contracts (2017: 58.0%).

There are two individual customers contributed more than 10% revenue of the Group's revenue from discontinued operations, excluding cancellation of construction contracts, for the year ended 31 December 2018 (2017: 2 individual customers). The revenue of these customers during the year are RMB45,350,000 and RMB9,333,000 (2017: RMB50,855,000 and RMB14,529,000 respectively) respectively.

### 5 板塊資料(續)

未分配項目主要包括預付款及按金及現金及現金等價物。未分配資產亦包括造船板塊及海洋工程板塊共同使用的存貨、物業、廠房及設備。

未分配負債主要包括造船板塊及海洋工程板塊共享的應付賬款及其他應付款項及借款。

截至二零一八年十二月三十一日止年度，源自能源勘探及生產板塊的最大客戶的持續經營收益達人民幣20,320,000元(二零一七年：人民幣15,032,000元)，佔持續經營業務總收益的41.5%(二零一七年：33.3%)。

截至二零一八年十二月三十一日止年度，三名(二零一七年：3名個別客戶)個別客戶貢獻本集團持續經營業務收益超過10%。年內該等客戶貢獻收益分別為人民幣20,320,000元、人民幣14,201,000元及人民幣5,178,000元(二零一七年：分別為人民幣15,032,000元、人民幣10,146,000元及人民幣7,082,000元)。

截至二零一八年十二月三十一日止年度，源自造船板塊的最大客戶的收益(不包括撤銷建造合約)達人民幣45,350,000元(二零一七年：人民幣50,855,000元)，佔已終止業務總收益(不包括撤銷建造合約)的69.5%(二零一七年：58.0%)。

截至二零一八年十二月三十一日止年度，兩名(二零一七年：兩名個別客戶)個別客戶貢獻本集團已終止業務收益超過10%，不包括撤銷建造合約。年內該等客戶貢獻收益分別為人民幣45,350,000元及人民幣9,333,000元(二零一七年：分別為人民幣50,855,000元及人民幣14,529,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Segment information (Continued)

The top three customers of the Group for discontinued operations amounted to RMB56,733,000 (2017: RMB70,427,000), representing 86.9% of the total revenue from discontinued operations excluding cancellation of construction contracts (2017: 80.4%).

During the year ended 31 December 2017, the Group terminated 6 shipbuilding contracts. Accordingly, the Group reversed revenue and cost of sales of RMB645,211,000 and RMB459,308,000 respectively. In relation to such cancellations, the Group reversed impairments of trade receivables and amounts due from customers for contract work amounted to RMB224,896,000 and correspondingly provided for inventories amounting to RMB459,308,000. According to the agreements, the Group had to refund to these customers the instalments received and to pay interest on these instalments at the interest rate in accordance with the contracts. Accordingly, RMB211,672,000 interest were accrued for these instalments as at 31 December 2018.

Geographically, management considers the operations of shipbuilding, offshore engineering, engineering machinery and marine engine building segments are all located in the PRC while the energy exploration and production segment is located in Kyrgyzstan, with revenue derived from different geographical locations, which is determined by the country in which the customer is located.

### 5 板塊資料(續)

本集團已終止業務中三大客戶的收入達人民幣56,733,000元(二零一七年：人民幣70,427,000元)，佔持已終止業務總收益(不包括撤銷建造合約)的86.9%(二零一七年：80.4%)。

截至二零一七年十二月三十一日止年度，本集團終止六份建造合約。因此，本集團分別撥回收益及銷售成本人民幣645,211,000元及人民幣459,308,000元。就有關取消建造合同，本集團撥回應收賬款及應收合約工程客戶款項人民幣224,896,000元，並相應地計提存貨撥備人民幣459,308,000元。根據該等協議，本集團須向該等客戶退還從彼等收取的分期付款及就根據合約按利率計算的分期付款支付利息。因此，於二零一八年十二月三十一日，該等分期付款產生利息人民幣211,672,000元。

就地區而言，管理層認為造船、海洋工程、工程機械及動力工程板塊業務均位於中國境內，而能源勘探及生產板塊則位於吉爾吉斯，而收入源自不同地區，來源按客戶的所在國家釐定。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Segment information (Continued)

The Group's revenue, excluding cancellation of construction contracts, by country from shipbuilding and other contracts is analysed as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Continuing operations	持續經營業務		
Kyrgyzstan	吉爾吉斯	<b>48,956</b>	45,207
Discontinued operations	已終止業務		
China	中國	<b>65,264</b>	87,642

Geographically, total assets and capital expenditures are allocated based on where the assets are located.

Non-current assets (excluding land use rights and intangible assets) are analysed as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Remaining Group	餘下集團		
Kyrgyzstan	吉爾吉斯	<b>780,846</b>	633,532
Hong Kong	香港	<b>124</b>	71
China	中國	<b>981</b>	-
		<b>781,951</b>	633,603
Disposal Group	出售集團		
China	中國	<b>14,970,461</b>	15,449,930

### 5 板塊資料(續)

本集團的造船及其他合約收益(取消造船合約除外)分析如下:

就地區而言, 資產及資本開支總額均按資產所在位置分配。

非流動資產(不包括土地使用權及無形資產)分析如下:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6 Land use rights

The Group's interests in land use rights represented prepaid operating lease payments and their net book values are analysed as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Opening net book amount	年初賬面淨值	<b>3,663,429</b>	3,745,196
Amortisation	攤銷	<b>(79,619)</b>	(81,720)
Disposals	出售	<b>(158,055)</b>	(47)
Transfer to assets classified as held for sale	轉至分類為持作出售的資產	<b>(3,425,755)</b>	-
Closing net book amount	年末賬面淨值	-	3,663,429
In the PRC, held on: Leases between 10 to 50 years	在中國持有： 租約介乎10至50年	-	3,663,429

As at 31 December 2017, the Group was in the process of renewing and obtaining the certificate of a coastal line in the PRC with carrying amount of approximately RMB2,933,422,000. In the opinion of directors, the absence of the certificate of a coastal line does not impair its carrying value to the Group and the probability of being prohibited to use in the absence of the certificate of the coastal line is remote.

Amortisation of the Group's land use rights has been charged to loss for the year from discontinued operations.

### 6 土地使用權

本集團於土地使用權的權益指預付經營租賃款項，其賬面淨值分析如下：

於二零一七年十二月三十一日，本集團正重續及申領中國海岸線證書，賬面金額為人民幣2,933,422,000元。董事認為，欠缺海岸線證書不會減損其對本集團之賬面金額，且因欠缺海岸線證書而被禁使用有關土地及海岸線之機會相當微。

本集團的土地使用權攤銷已計入已終止業務年內虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 7 Property, plant and equipment

### 7 物業、廠房及設備

		Construction in progress	Oil properties	Buildings	Plant and machinery	Computer equipment	Office equipment	Motor vehicles	Total
		在建工程	石油物業	樓宇	廠房及機器	電腦設備	辦公設備	車輛	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<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 book amount	年初賬面淨值	4,520,656	357,259	9,592,625	1,593,022	699	1,764	7,210	16,073,235
Additions	添置	119,446	-	-	-	110	386	777	120,719
Disposals	出售	(79,998)	-	(14,127)	(24,825)	-	-	(41)	(118,991)
Transfer	轉撥	(68,999)	68,999	-	-	-	-	-	-
Depreciation (Note 23)	折舊(附註23)	-	(26,691)	(188,599)	(172,838)	(32)	(344)	(2,280)	(390,784)
Transfer to assets classified as held for sale	轉至分類為持作出售的資產	(4,178,642)	-	(9,389,899)	(1,395,359)	(563)	(1,247)	(4,598)	(14,970,308)
Exchange difference	匯兌差異	14,213	19,888	-	-	9	14	17	34,141
Closing net book amount	年末賬面淨值	326,676	419,455	-	-	223	573	1,085	748,012
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>								
Cost or valuation	成本或估值	326,676	501,259	-	-	298	1,061	1,382	830,676
Accumulated depreciation and impairment loss	累計折舊及減值虧損	-	(81,804)	-	-	(75)	(488)	(297)	(82,664)
Net book amount	賬面淨值	326,676	419,455	-	-	223	573	1,085	748,012
<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 book amount	年初賬面淨值	4,655,214	330,044	9,806,198	1,777,536	419	2,367	10,403	16,582,181
Additions	添置	70,026	-	-	781	441	80	505	71,833
Disposals	出售	(119,724)	-	(454)	(29,213)	(55)	(140)	(359)	(149,945)
Transfer	轉撥	(68,558)	68,558	-	-	-	-	-	-
Depreciation (Note 23)	折舊(附註23)	-	(20,701)	(213,119)	(156,082)	(106)	(521)	(3,312)	(393,841)
Exchange difference	匯兌差異	(16,302)	(20,642)	-	-	-	(22)	(27)	(36,993)
Closing net book amount	年末賬面淨值	4,520,656	357,259	9,592,625	1,593,022	699	1,764	7,210	16,073,235
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>								
Cost or valuation	成本或估值	4,520,656	408,671	10,057,848	3,453,505	45,878	59,199	39,313	18,585,070
Accumulated depreciation and impairment loss	累計折舊及減值虧損	-	(51,412)	(465,223)	(1,860,483)	(45,179)	(57,435)	(32,103)	(2,511,835)
Net book amount	賬面淨值	4,520,656	357,259	9,592,625	1,593,022	699	1,764	7,210	16,073,235

As at 31 December 2017, the net book amount of the Group's buildings, including buildings under construction, is the same as to the revalued amounts.

於二零一七年十二月三十一日，本集團的樓宇包括在建工程的賬面淨值和重估價值相同。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 7 Property, plant and equipment 7 物業、廠房及設備(續)

(Continued)

Depreciation of the Group's property, plant and equipment has been recognised as follows:

本集團已確認的物業、廠房及設備折舊如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cost of sales	銷售成本	<b>26,795</b>	20,747
Selling and marketing expenses	銷售及市場推廣開支	<b>3</b>	3
General and administrative expenses	一般及行政開支	<b>229</b>	220
		<b>27,027</b>	20,970
Discontinued operations		<b>363,757</b>	372,871
Charged to the profit or loss		<b>390,784</b>	393,841

Borrowings and refund guarantee are secured by certain property, plant and equipment classified held for sale with an aggregate carrying value of approximately RMB5,356,007,000 as at 31 December 2017 (Notes 19 and 34).

借款及退款擔保以二零一七年十二月三十一日總賬面值約為人民幣5,356,007,000元的若干物業、廠房及設備作抵押(附註19及34)。

Plant and machinery include the following amounts where the Group is a lessee under finance lease:

廠房及機器包括以下本集團作為承租人以融資租賃方式取得的金額：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cost – capitalised finance lease	成本 – 資本化的融資租賃	-	25,988
Accumulated depreciation	累計折舊	-	(2,139)
Accumulated impairment	累計減值	-	(23,849)
Net book amount		-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 7 Property, plant and equipment 7 物業、廠房及設備(續)

#### (Continued)

As at 31 December 2017, certain plant and machineries under non-cancellable leases, with costs of RMB25,988,000, were held by the Group under certain sale and leaseback arrangements. These leases have a bargain purchase option and with terms of 3 to 5 years where substantial risks and rewards of ownership of the assets retained with the Group. These plant and machineries have zero net book value as at 31 December 2017.

Included in the construction in progress are exploration and evaluation assets of RMB326,676,000 as at 31 December 2018 (2017: RMB265,145,000) in respect of the Co-operation Rights in Kyrgyzstan.

Please refer to Note 8 for the impairment assessment associated with the property, plant and equipment of the energy exploration and production segment, together with the related intangible assets of the Cooperation Rights.

於二零一七年十二月三十一日，本集團根據若干售後租回安排持有不可撤銷租約項下的若干廠房及機器，成本為人民幣25,988,000元。該等租約本集團享有優先購買權，租約期介乎三年至五年，本集團保留該等資產所有權的大部分風險及回報。該等廠房及機器於二零一七年十二月三十一日的賬面淨值為零。

計入在建工程乃於二零一八年十二月三十一日有關於吉爾吉斯的合作經營權之勘探及評估資產人民幣326,676,000元(二零一七年：人民幣265,145,000元)。

有關能源勘探及生產板塊的物業、廠房及設備，連同相關無形資產(即合作經營權)之減值測試請參閱附註8。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 8 Intangible assets

### 8 無形資產

		2018 二零一八年					2017 二零一七年						
		Goodwill 商譽 RMB'000 人民幣千元	Co-operation Rights 合作經營權 RMB'000 人民幣千元	Patents 專利 RMB'000 人民幣千元	Computer software 電腦軟件 RMB'000 人民幣千元	Development costs 發展成本 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Goodwill 商譽 RMB'000 人民幣千元	Co-operation Rights 合作經營權 RMB'000 人民幣千元	Patents 專利 RMB'000 人民幣千元	Computer software 電腦軟件 RMB'000 人民幣千元	Development costs 發展成本 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January costs	於一月一日的成本	55,139	1,594,675	21,644	77,517	514,191	2,263,166	55,139	1,692,980	21,644	77,517	514,191	2,361,471
Accumulated impairment	累計減值	(55,139)	-	(3,535)	(35,122)	(409,780)	(503,576)	(55,139)	-	(3,535)	(35,122)	(409,780)	(503,576)
Accumulated amortisation	累計攤銷	-	(7,103)	(18,109)	(42,395)	(104,411)	(172,018)	-	(4,543)	(18,109)	(42,395)	(104,411)	(169,458)
Net book amount	賬面淨值	-	1,587,572	-	-	-	1,587,572	-	1,688,437	-	-	-	1,688,437
Movement during the year	年內變動												
Amortisation charge (Note 23)	攤銷支出(附註23)	-	(2,372)	-	-	-	(2,372)	-	(2,914)	-	-	-	(2,914)
Exchange difference	匯兌差異	-	83,565	-	-	-	83,565	-	(97,951)	-	-	-	(97,951)
		-	81,193	-	-	-	81,193	-	(100,865)	-	-	-	(100,865)
At 31 December costs	於十二月三十一日的成本	-	1,678,702	-	-	-	1,678,702	55,139	1,594,675	21,644	77,517	514,191	2,263,166
Accumulated impairment	累計減值	-	-	-	-	-	-	(55,139)	-	(3,535)	(35,122)	(409,780)	(503,576)
Accumulated amortisation	累計攤銷	-	(9,937)	-	-	-	(9,937)	-	(7,103)	(18,109)	(42,395)	(104,411)	(172,018)
Closing net book amount	年末賬面淨值	-	1,668,765	-	-	-	1,668,765	-	1,587,572	-	-	-	1,587,572

The intangible assets represent rights to cooperate with the national oil company of Kyrgyzstan in the operation of the five oil fields zones ("Co-operation Rights"). The Co-operation Rights are stated at cost less accumulated amortisation and any impairment losses. As at 31 December 2018, 51 wells (2017: 43 wells) were at production stage. As a result, amortisation of RMB2,372,000 has been charged to the profit or loss during year (2017: RMB2,914,000) based on the unit-of-production method.

During the year ended 31 December 2018, the Group entered into a loan agreement with a related party who agreed to provide a loan facility up to RMB40,000,000 to the Group for the funding in respect of the energy exploration and production segment. As at 31 December 2018, the Group has drawn down RMB9,100,000 for exploration and drilling wells. The Group expects to draw down the rest by 2019.

無形資產指與吉爾吉斯國家油公司合作經營五個油田的權利(「合作經營權」)。合作經營權以成本減累計攤銷及任何減值虧損入賬。於二零一八年十二月三十一日，51座(二零一七年：43座)油井已進入生產階段。因此，已於年內損益按單位生產法扣除攤銷人民幣2,372,000元(二零一七年：人民幣2,914,000元)。

截至二零一八年十二月三十一日止年度，本集團與一名關聯方訂立貸款協議，該名關聯方同意向本集團提供不多於人民幣40,000,000元的貸款融資，為本集團的能源勘探及生產板塊提供資金。於二零一八年十二月三十一日，本集團已就勘探及鑽井提取人民幣9,100,000元。本集團預計二零一九年將動用其餘款項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 8 Intangible assets (Continued)

In addition, the Group also entered into an Co-operative Framework Agreement with an independent third party who agreed to provide materials for the exploration and production of crude oil with an aggregate amount up to USD500,000,000, in exchange for an option to purchase up to 70% of the total crude oil produced by the Group at 92% to 95% of the market price as a form of repayment until all the liabilities are repaid.

In determining the recoverable amounts of the Co-operation Rights and property, plant and equipment under energy exploration and production segment amounting to RMB1,668,765,000 (2017: RMB1,587,572,000) and RMB734,345,000 (2017: RMB623,387,000), respectively, the directors have evaluated the recoverable amounts based on value-in-use calculations using pre-tax cash flow projections. Key assumptions include crude oil price of USD 57-70 per barrel (2017: USD50-72 per barrel), a discount rate of 12% (2017: 18%) and that the Group can obtain adequate financing afterwards.

As a result of the above assessment, the recoverable amounts of the intangible assets and property, plant and equipment under energy exploration and production segment as estimated by the directors exceeded the carrying amounts of these assets and therefore, the directors are of the opinion that no impairment charge is considered necessary as at 31 December 2018. A decrease of 20% financing obtained in the coming three years would remove the headroom.

### 8 無形資產(續)

此外，本集團亦與一名獨立第三方訂立合作框架協議，該獨立第三方同意提供原油勘探及生產材料總額高達美元500,000,000以交換可按市場價格92%至95%購買本集團生產的原油生產總量最多70%的期權，作為未來償還的方式，直至償還所有負債。

在釐定能源勘探及生產板塊下合作經營權及物業、廠房及設備的可收回金額分別人民幣1,668,765,000元(二零一七年：人民幣1,587,572,000元)及人民幣734,345,000元(二零一七年：623,387,000元)，董事已按照使用價值計算利用稅前現金流量預測評估可收回金額。主要假設包括原油價格為每桶57至70美元(二零一七年：每桶50至72美元)，貼現率12%(二零一七年：18%)，以及本集團日後能夠獲得足夠資金。

作為評估結果，董事估計的能源勘探及生產板塊的無形資產及物業、廠房及設備的可收回金額超出該等資產的賬面值，因此，董事認為無須就截至二零一八年十二月三十一日止的該等資產扣除減值。於未來三年所得融資下跌20%將消除餘量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 9 Financial instruments by category

The following is an analysis of financial instruments by category:

### 9 按類別劃分之金融工具

以下為按類別劃分之金融工具分析：

		Available- for-sale financial assets 可供出售 金融資產 RMB'000 人民幣千元	Loans and receivables 貸款及 應收款項 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Financial assets as per consolidated statement of financial position</b>		<b>綜合財務狀況表的金融資產</b>		
<b>As at 31 December 2018</b>		<b>於二零一八年十二月三十一日</b>		
Financial assets of amortised cost	以攤餘成本計量的金融資產			
Trade receivables (Note 12(a))	應收賬款(附註12(a))	-	3,497	3,497
Other receivables and deposits	其他應收款項及按金		9,839	9,839
Cash and cash equivalents (Note 14)	現金及現金等價物(附註14)	-	9,274	9,274
<b>Total</b>	<b>總計</b>	<b>-</b>	<b>22,610</b>	<b>22,610</b>
<b>As at 31 December 2017</b>		<b>於二零一七年十二月三十一日</b>		
Trade receivables (Note 12(a))	應收賬款(附註12(a))	-	9,846	9,846
Other receivables and deposits	其他應收款項及按金	-	93,382	93,382
Available-for-sale financial asset (Note 10)	可供出售金融資產(附註10)	44,342	-	44,342
Pledged deposits (Note 13)	已抵押存款(附註13)	-	20,720	20,720
Cash and cash equivalents (Note 14)	現金及現金等價物(附註14)	-	69,858	69,858
<b>Total</b>	<b>總計</b>	<b>44,342</b>	<b>193,806</b>	<b>238,148</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 9 Financial instruments by category 9 按類別劃分之金融工具

(Continued)

(續)

		Liabilities at fair value through profit or loss 按公允值計入 損益的負債 RMB'000 人民幣千元	Other financial liabilities at amortised cost 按攤銷成 本入賬的 其他金融負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Liabilities as per consolidated statement of financial position</b>	<b>綜合財務狀況表的負債</b>			
<b>As at 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>			
Trade and other payables	應付賬款及其他應付款項	-	949,559	949,559
Borrowings (Note 19)	借款(附註19)	-	3,640,431	3,640,431
Derivative financial instruments (Note 20)	衍生金融工具(附註20)	7,194	-	7,194
<b>Total</b>	<b>總計</b>	<b>7,194</b>	<b>4,589,990</b>	<b>4,597,184</b>
<b>As at 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>			
Trade and other payables	應付賬款及其他應付款項	-	9,060,511	9,060,511
Advances from related parties (Note 36(iii))	關聯方預支款(附註36(iii))	-	368,959	368,959
Borrowings (Note 19)	借款(附註19)	-	23,506,811	23,506,811
Derivative financial instruments (Note 20)	衍生金融工具(附註20)	320,001	-	320,001
Finance lease liabilities (Note 19)	融資租賃負債(附註19)	-	24,381	24,381
<b>Total</b>	<b>總計</b>	<b>320,001</b>	<b>32,960,662</b>	<b>33,280,663</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 10 Available-for-sale financial asset

### 10 可供出售金融資產

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Unlisted equity investment outside Hong Kong at fair value	按公允值計值的香港境外非上市股本投資	-	44,342
As at 1 January	於一月一日	<b>44,342</b>	40,199
Reclassified to financial asset at fair value through OCI	重新分類為按公允值計入其他全面收益的金融資產	<b>(44,342)</b>	-
Fair value gain on revaluation in other comprehensive income	其他全面收入的重估公允值收益	-	4,143
As at 31 December	於十二月三十一日	-	44,342

Note: The available-for-sale financial asset was reclassified to financial asset at fair value through OCI on 1 January 2017 upon the effective date of IFRS 9.

附註：於國際財務報告準則第9號生效日期二零一七年一月一日，可供出售金融資產重新分類為按公允值計入其他全面收益的金融資產。

As at 31 December 2017, the fair value of unlisted securities amounted to RMB44,342,000 is determined based on the valuation prepared by management using inputs that are not observable in active market.

於二零一七年十二月三十一日，非上市證券的公允值為人民幣44,342,000元乃由管理層採用活躍市場上不可觀察編製輸入數字釐定。

An equity security was considered to be impaired if there has been a significant or prolonged decline in the fair value below its cost. Please refer to Note 2.12(iv) for details of the Group's impairment policies for financial assets.

倘股本證券的公允值大幅地或長期地下降至低於其成本，該股本證券即被視為減值。有關本集團金融資產減值政策的詳情，請參閱附註2.12(iv)。

During the year ended 31 December 2017, fair value gain of RMB4,143,000 was recognised in other comprehensive income.

截至二零一七年十二月三十一日止年度，已於其他全面收益確認公允值收益人民幣4,143,000元。

A bank borrowing is secured by the available-for-sale financial asset with an amount of RMB44,342,000 as at 31 December 2017.

於二零一七年十二月三十一日，一筆銀行借款以總計人民幣44,342,000元的可供出售金融資產作抵押。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 11 Inventories

### 11 存貨

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	-	830,732
Work in progress	在製品	-	236,307
Finished goods	成品	<b>3,022</b>	144,220
Vessels under construction	在建船舶	-	497,678
Provision for inventories	存貨撥備	-	(1,162,938)
		<b>3,022</b>	545,999

Movements on the Group's provision for impairment of inventories are as follows:

本集團的存貨減值撥備變動如下：

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	<b>1,162,938</b>	5,380,811
Reversal during the year	年內撥回	<b>(181,469)</b>	(305,500)
Provision made during the year	年內計提撥備	<b>135,188</b>	513,428
Written off during the year	年內撤銷	<b>(5,126)</b>	(4,425,801)
Transfer to assets classified as held for sale	轉至分類為持作出售的資產	<b>(1,111,531)</b>	-
At 31 December	於十二月三十一日	-	1,162,938

The cost of inventories recognised as expense and included in cost of sales in discontinued operations amounted to RMB229,576,000 for the year ended 31 December 2018 (2017: RMB345,813,000).

截至二零一八年十二月三十一日止年度，確認為開支及計入已終止業務銷售成本的存貨成本為人民幣229,576,000元（二零一七年：人民幣345,813,000元）。

As at 31 December 2017, vessels under construction of RMB365,498,000 of the shipbuilding segment were impaired pursuant to the cancelled contracts.

於二零一七年十二月三十一日，根據已撤銷合約，造船板塊的在建船舶人民幣365,498,000元已減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 11 Inventories (Continued)

During the year, inventory provision of RMB5,126,000 (2017: RMB4,425,801,000) were written off.

Bank borrowings are secured by certain inventories with an aggregate amount, before provision, of RMB654,916,000 as at 31 December 2017.

### 11 存貨(續)

年內，存貨撥備人民幣5,126,000元(二零一七年：人民幣4,425,801,000元)已撇銷。

於二零一七年十二月三十一日，銀行借款乃以若干的存貨成本(撥備前)合共人民幣654,916,000元作抵押。

### 12 Trade receivables, other receivables, prepayments and deposits

#### (a) Trade receivables

		31 December 十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade receivables	應收賬款	3,497	587,775
Less: Provision for doubtful receivables	減：應收款項呆賬撥備	-	(577,929)
		<b>3,497</b>	9,846

At 31 December 2018 and 2017, the ageing analysis of the trade receivables based on due date were as follows:

於二零一八年及二零一七年十二月三十一日，按到期日期劃分的應收賬款的賬齡分析如下：

		31 December 十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Undue	未到期	3,497	9,846

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 12 Trade receivables, other receivables, prepayments and deposits (Continued)

#### (a) Trade receivables (Continued)

Movements on the provision for doubtful receivables are as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At 1 January	於一月一日	<b>577,929</b>	2,952,894
Provision for the year (Note 23)	年內撥備(附註23)	<b>6,205</b>	595
Written-off	撇銷	-	(2,309,394)
Transfer to 'Assets classified as held for sale'	轉至「分類為持作出售的資產」	<b>(584,134)</b>	-
Exchange difference	匯兌差異	-	(66,166)
At 31 December	於十二月三十一日	-	577,929

The creation and release of provision for doubtful receivables have been included within provisions of impairments and delayed penalties in the profit or loss.

During the year ended 31 December 2018, trade receivables and provision for doubtful receivables of RMB584,134,000 had been transferred to Assets classified as held for sale.

### 12 應收賬款、其他應收款項、預付款項及按金(續)

#### (a) 應收賬款(續)

應收款項呆賬撥備變動如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At 1 January	於一月一日	<b>577,929</b>	2,952,894
Provision for the year (Note 23)	年內撥備(附註23)	<b>6,205</b>	595
Written-off	撇銷	-	(2,309,394)
Transfer to 'Assets classified as held for sale'	轉至「分類為持作出售的資產」	<b>(584,134)</b>	-
Exchange difference	匯兌差異	-	(66,166)
At 31 December	於十二月三十一日	-	577,929

該等應收款項呆賬撥備的增設及解除已計入損益內減值及延期罰款撥備項下。

截至二零一八年十二月三十一日止年度，應收賬款及應收款項呆賬撥備人民幣584,134,000元已轉撥至「分類為持作出售的資產」。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 12 Trade receivables, other receivables, prepayments and deposits (Continued)

#### (a) Trade receivables (Continued)

The carrying amounts of trade receivables approximate their fair values. The maximum exposure to credit risk at the reporting date is the fair value of RMB3,497,000 (2017: RMB9,846,000).

The credit terms granted to customers of the Group are generally ranged from 30 days to 90 days, accordingly, balances are past due if not settled within the credit period.

The carrying amounts of trade receivables are denominated in the following currencies:

### 12 應收賬款、其他應收款項、預付款項及按金(續)

#### (a) 應收賬款(續)

應收賬款的賬面值與其公允值相若。於報告日所面臨的最大信貸風險為公允值人民幣3,497,000元(二零一七年：人民幣9,846,000元)。

本集團授予其客戶的信貸期通常介乎30天至90天。因此，倘未於信貸期結算，結餘將被視為逾期。

應收賬款的賬面值乃以下列貨幣列值：

		<b>31 December</b>	
		十二月三十一日	
		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
USD	美元	<b>3,497</b>	4,251
RMB	人民幣	-	5,595
		<b>3,497</b>	9,846

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 12 Trade receivables, other receivables, prepayments and deposits (Continued)

#### (b) Other receivables, prepayments and deposits

### 12 應收賬款、其他應收款項、預付款項及按金(續)

#### (b) 其他應收款項、預付款項及按金

		31 December	
		十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Receivables from agents (i)	應收代理款項(i)	-	121,666
Other receivables	其他應收款項		
- Third parties	- 第三方	<b>1,907</b>	333,050
- Deposits (ii)	- 按金(ii)	-	167,284
VAT receivable	應收增值稅	<b>303</b>	851,076
Deposits (iii)	按金(iii)	<b>25</b>	12,302
Prepayments for property, plant and equipment and land use rights	物業、廠房及設備及土地使用權的預付款項		
- Third parties	- 第三方	<b>33,939</b>	245,137
Prepayments for raw materials and production costs	原材料預付款項及生產成本		
- Third parties (iv)	- 第三方(iv)	-	643,288
Prepayments - others	預付款項 - 其他		
- Third parties	- 第三方	<b>3,030</b>	5,662
Less: allowance for impairment of other receivables and prepayments	減：其他應收款項及預付款項減值撥備	-	(1,888,228)
		<b>39,204</b>	491,237
Less: non-current deposits and prepayments	減：非即期按金及預付款項	<b>(33,939)</b>	(10,298)
Current portion	即期部分	<b>5,265</b>	480,939

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 12 Trade receivables, other receivables, prepayments and deposits (Continued)

#### (b) Other receivables, prepayments and deposits (Continued)

- (i) The Group entered into a number of agency contracts with several agency companies.

These agency companies assisted the Group to secure the shipbuilding contracts and procure the relevant refund guarantees. Pursuant to the agency contracts, the customers agreed to pay the contract price to the agents for which the agents are responsible for payment to the raw materials suppliers according to the progress of the shipbuilding works. As such, the amounts received by the agents from the customers are classified as receivables from agents and the relevant payments made to suppliers by the agents are classified as payables to agents. As at 31 December 2017, receivables from agents amounting to RMB121,666,000 were impaired, as a result of the management's assessment on the recoverability of these receivables.

Furthermore, during the year ended 31 December 2017, RMB188,008,000 receivables from agents, which had been provided for in previous years, was used to settle a litigation according to court verdict, and accordingly, such provision had been reversed during the year. During the year ended 31 December 2018, provision amounting to RMB121,000,000 had been transferred to "Assets classified as held for sale"

- (ii) As at 31 December 2017, according to the Framework Agreements, shipbuilding segment and marine engine building segment placed deposits of RMB50,000,000 and RMB117,284,000 into bank accounts which were under the name of the Jiangsu and Anhui government respectively. Such deposits are to be used for the payments of the Group's operating expenses and the renewal of the Group's bank borrowings. These deposits have been transferred to "Assets classified as held for sale" during year ended 31 December 2018.

### 12 應收賬款、其他應收款項、預付款項及按金(續)

#### (b) 其他應收款項、預付款項及按金(續)

- (i) 本集團與多家代理公司訂立代理合約。

該等代理公司協助本集團取得造船合約並促成有關退款擔保。根據代理合約，客戶同意向代理公司支付合約價，而代理公司負責根據造船進度向原材料供應商付款。因此，代理公司自客戶獲得的款項分類為應收代理款項，而代理公司向供應商作出的有關付款分類為應付代理款項。於二零一七年十二月三十一日，應收代理款項人民幣121,666,000元已減值，乃由於管理層對該等應收款項的可收回性進行評估。

此外，截至二零一七年十二月三十一日止年度，於上一年度已作撥備的應收代理款項人民幣188,008,000元已按法庭判決用以處理訴訟，因此，年內已撥回有關撥備。截至二零一八年十二月三十一日止年度，撥備人民幣121,000,000元已轉撥至「分類為持作出售的資產」。

- (ii) 於二零一七年十二月三十一日，根據框架協議，造船板塊及動力工程板塊分別將人民幣50,000,000元及人民幣117,284,000元的存款存入以江蘇及安徽省政府名義開立的銀行賬戶。有關存款將用於支付本集團營運開支及重續本集團銀行借款。該等存款已於截至二零一八年十二月三十一日止年度內轉撥至「分類為持作出售的資產」。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 12 Trade receivables, other receivables, prepayments and deposits (Continued)

#### (b) Other receivables, prepayments and deposits (Continued)

(iii) No non-refundable deposits were used to secure the finance lease as at 31 December 2017.

(iv) According to the contracts entered into with certain suppliers, the Group placed deposits and prepayments to secure the supply of raw materials. As at 31 December 2017, the Group prepaid RMB458,374,000 to the five largest suppliers. As at 31 December 2017, a provision of RMB276,550,000 has been made as a result of the management's assessment on the recoverability of these deposits and prepayments. During the year ended 31 December 2018, receivable and provision amounted to RMB198,840,000, had been transferred to "Assets classified as held for sale".

(v) Except as described above, the provision for impairments of other receivables and prepayments represented provision for certain prepayments for raw materials and property, plant and equipment, other receivables and VAT receivable, on which management has performed assessment on their recoverability. Based on management's assessment, there may be risks that the Group cannot utilise the respective prepayments or other receivables through its production plan. During the year ended 31 December 2018, no further provision was made and included in result from continuing operation.

As at 31 December 2018, no other receivables were past due (2017: nil) but not impaired. The carrying amounts of other receivables and current deposits approximate their fair values.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable and deposit mentioned above.

### 12 應收賬款、其他應收款項、預付款項及按金(續)

#### (b) 其他應收款項、預付款項及按金(續)

(iii) 於二零一七年十二月三十一日，概無以不可退還按金擔保融資租賃。

(iv) 根據與若干供應商訂立的合約，本集團存置按金及預付款作為原材料供應的擔保。於二零一七年十二月三十一日，本集團向五大供應商預付人民幣458,374,000元。於二零一七年十二月三十一日，管理層就此等按金及預付款項可收回金額進行評估，故已作出人民幣276,550,000元撥備。截至二零一八年十二月三十一日止年度，應收款項及撥備人民幣198,840,000元已轉撥至「分類為持作出售的資產」。

(v) 除上文所述外，其他應收款項及預付款項的減值撥備指原材料及物業、廠房及設備的若干預付款項、其他應收款項及應收增值稅款項撥備，而管理層已對其可收回性進行評估。基於管理層的評估，可能出現本集團無法透過其生產計劃使用相應預付款項或其他應收款項的風險。截至二零一八年十二月三十一日止年度，概無作出進一步撥備且包括在持續經營業務業績內。

於二零一八年十二月三十一日，概無其他應收款項到期(二零一七年：無)但無減值。其他應收款項及即期按金的賬面值與其公允值相若。

於報告日所面臨的最大信貸風險為上述各類應收款項及按金的公允值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 12 Trade receivables, other receivables, prepayments and deposits (Continued)

#### (b) Other receivables, prepayments and deposits (Continued)

The carrying amounts of other receivables, prepayments and convert deposits are denominated in the following currencies:

		31 December	
		十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	89	468,759
HKD	港元	3,119	1,482
USD	美元	35,996	20,996
		<b>39,204</b>	491,237

### 13 Pledged deposits

Pledged deposits are denominated in the following currency:

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	-	20,720

Pledged deposits were held in dedicated bank accounts pledged as security for the Group's refund guarantee and borrowings in 2017, and have been transferred to "Assets classified as held for sale" during the year ended 31 December 2018.

As at 31 December 2017, the weighted average effective interest rate was 2.42% per annum.

### 12 應收賬款、其他應收款項、預付款項及按金(續)

#### (b) 其他應收款項、預付款項及按金(續)

其他應收款項、預付款項及流動按金的賬面值以下列貨幣計值：

### 13 已抵押存款

已抵押存款以下列貨幣計值：

專用銀行賬戶持有的已抵押存款已抵押作為本集團於二零一七年退款擔保及借款的擔保，並已於截至二零一八年十二月三十一日止年度內轉撥至「分類為持作出售的資產」。

於二零一七年十二月三十一日，加權平均實際年利率為2.42%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 14 Cash and cash equivalents

### 14 現金及現金等價物

		31 December 十二月三十一日	
		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Cash on hand	手頭現金	594	439
Cash at banks	銀行存款	8,680	69,419
Total cash and cash equivalents	現金及現金等價物總額	9,274	69,858
Maximum exposure to credit risk	面臨的最大信貸風險	8,680	69,419

Cash and cash equivalents are denominated in the following currencies:

現金及現金等價物以下列貨幣計值：

		31 December 十二月三十一日	
		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
RMB	人民幣	181	65,456
USD	美元	7,268	2,813
HKD	港元	1,763	963
Others	其他	62	626
		9,274	69,858

Cash at banks and short-term bank deposits are placed in major financial institutions located in Hong Kong, the PRC, Kyrgyzstan and Singapore where there are no history of default.

銀行存款及短期銀行存款存放於香港、中國、吉爾吉斯及新加坡的大型金融機構，其並無拖欠歷史。

As at 31 December 2018, the Group had cash at banks and short-term bank deposits amounting to approximately RMB5,647,000 [2017: RMB65,522,000] which are denominated in RMB and USD and held in the PRC. These cash and bank balances are subject to the rules and regulations of foreign exchange control promulgated by the PRC Government.

於二零一八年十二月三十一日，本集團擁有以人民幣及美元計值並存放於中國的銀行存款及短期銀行存款約人民幣5,647,000元(二零一七年：人民幣65,522,000元)。該等現金及銀行結餘須受中國政府頒佈的外匯管制條例及法規限制。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 Ordinary share, preference share and share premium 15 普通股、優先股及股份溢價

	Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares	Number of convertible preference shares	Nominal value of convertible preference shares	Equivalent nominal value of convertible preference shares	Share premium	Total
	普通股數目	普通股面值 HKD 港元	普通股面值等額股 RMB'000 人民幣千元	可轉換優先股數目	可轉換優先股面值 HKD 港元	可轉換優先股 面值等額股 RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>Authorised</b>								
Ordinary shares of HKD0.5 each at 31 December 2017	於二零一七年十二月三十一日 每股面值0.5港元的 普通股	52,994,000,000	26,497,000,000	-	-	-	-	-
Convertible preference shares of HKD0.5 each at 31 December 2018	於二零一八年十二月三十一日 每股面值0.5港元的 可轉換優先股	-	-	7,006,000,000	3,503,000,000	-	-	-
<b>Issued:</b>								
Ordinary shares of HKD0.5 each at 1 January 2017	於二零一七年一月一日 每股面值0.5港元的 普通股	2,171,591,507	1,085,795,753	905,191	-	-	10,430,533	11,335,724
Conversion of convertible bonds (Note a)	兌換可換股債券 (附註a)	77,000,000	38,500,000	32,581	-	-	2,168	34,749
Ordinary shares of HKD0.5 each at 31 December 2017	於二零一七年十二月三十一日 每股面值0.5港元的 普通股	2,248,591,507	1,124,295,753	937,772	-	-	10,432,701	11,370,473
Ordinary shares of HKD0.5 each at 1 January 2018	於二零一八年一月一日 每股面值0.5港元的 普通股	2,248,591,507	1,124,295,753	937,772	-	-	10,432,701	11,370,473
Issuance of convertible preference shares (Note b)	發行可轉換優先股 (附註b)	-	-	7,006,000,000	3,503,000,000	3,100,000	(2,067,284)	1,032,716
Conversion of convertible bonds (Note a)	兌換可換股債券 (附註a)	1,867,780,000	933,890,000	799,278	-	-	(20,045)	779,233
Ordinary shares of HKD0.5 each at 31 December 2018	於二零一八年十二月三十一日 每股面值0.5港元的 普通股	4,116,371,507	2,058,185,753	1,737,050	7,006,000,000	3,503,000,000	8,345,372	13,182,422

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 Ordinary share, preference share and share premium (Continued)

Notes:

(a) During the year ended 31 December 2018, the holders of convertible bonds converted principal amounts totaling HKD933,890,000 (equivalent to approximately RMB799,278,000) (2017: HKD38,500,000 (equivalent to approximately RMB32,581,000)) into ordinary shares. Please refer to Note 19 for further details.

(b) In December 2018, the Company issued 7,006,000,000 convertible preference shares with nominal value of HKD0.50 each, totaling HKD3,503,000,000 (equivalent to RMB3,100,000,000) to a bank creditor of the Disposal Group to settle bank borrowings and interest payables amounting to RMB3,100,000,000. The 7,006,000,000 convertible preference shares consisted of three classes of shares, namely 2,330,000,000 of class A shares, 2,330,000,000 of class B shares and 2,346,000,000 of class C shares. Ordinary shares converted from class A convertible preference shares can be transferred without restriction, while the ordinary shares converted from class B and class C convertible preference shares will be subject to a lock-up period of six and twelve months, respectively.

Holders of the convertible preference shares are not entitled to the right to vote at any general meeting of the Company, yet they have the right to attend such meetings. They have the rights to receive any dividends *pari passu* to the holders of ordinary shares on the basis of the number of shares converted.

The fair value of the convertible preference shares amounted to HKD1,169,687,000 (equivalent to approximately RMB1,032,716,000) on the issuance date and the difference between the par value issued and the fair value of the convertible preference shares has been recorded as a gain on extinguishment of financial liabilities upon issuance of such shares.

As at 31 December 2018, no convertible preference shares had been converted into ordinary shares.

### 15 普通股、優先股及股份溢價(續)

附註：

(a) 截至二零一八年十二月三十一日止年度，可換股債券的持有人已兌換本金總額933,890,000港元(相當於約人民幣799,278,000元)(二零一七年：38,500,000港元(相當於約人民幣32,581,000元))為普通股。進一步詳情請參閱附註19。

(b) 於二零一八年十二月，本公司已向出售集團銀行債權人發行7,006,000,000股每股面值0.5港元的可轉換優先股，總額為3,503,000,000港元(相當於人民幣3,100,000,000元)，以償付銀行借款及應付利息人民幣3,100,000,000元。該7,006,000,000股可轉換優先股由三類股份組成，即2,330,000,000股A類股份、2,330,000,000股B類股份及2,346,000,000股C類股份。轉換自A類可轉換優先股的普通股可無轉讓限制，惟轉換自B類及C類可轉換優先股的普通股須分別遵守六個月及十二個月的禁售期規定。

可轉換優先股持有人無權於本公司任何股東大會投票，惟彼等有權出席該等大會。彼等有權按照已兌換股份數目，與普通股持有人享有同等地位收取任何股息。

可轉換優先股公允值於發行日期為1,169,687,000港元(相當於約人民幣1,032,716,000元)，而已發行面值與可轉換優先股公允值之間的差額已入賬為在發行該等股份時消除金融負債的收益。

於二零一八年十二月三十一日，概無可轉換優先股轉換為普通股。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 16 Share-based payment – Group and Company

#### (a) Pre-IPO Share Option Scheme

Pursuant to a written resolution of the Shareholders dated 24 October 2010, selected employees were granted a total share options of 62,500,000 shares (the “Pre-IPO Share Options”) under the Pre-IPO Share Option Scheme (the “Pre-IPO Share Option Scheme”). The exercise price per share under the Pre-IPO Share Options shall be equal to a 50% discount to the Offer Price (i.e. HKD4 per share, the exercise price of the outstanding share options granted has been adjusted to HKD20 per consolidated share of HK0.50 each with effect from 29 March 2016). Each of the Pre-IPO Share Options has a 10-year exercisable period, from 19 November 2010 (“Old Grant Date”), and ending on the expiration of the tenth anniversary of the date of acceptance of the grant of options, on 26 October 2020. As at 31 December 2018, the number of outstanding share options granted has been adjusted for the effect of share consolidation and 3,650,000 share options was exercisable (31 December 2017: 4,100,000 share options) after the share consolidation adjustment.

### 16 以股份為基礎的支付－集團及公司

#### (a) 首次公開發售前購股權計劃

根據日期為二零一零年十月二十四日的股東書面決議案，特選僱員獲授予首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）項下合共62,500,000股股份的購股權（「首次公開發售前購股權」）。首次公開發售前購股權項下每股股份的行使價較發售價折讓50%（即每股4港元）（自二零一六年三月二十九日起已授出的未行使購股權的行使價已調整為每股面值為0.50港元的合併股份20港元）。每份首次公開發售前購股權均有十年行使期，由二零一零年十一月十九日（「舊授出日期」）起至接納授出購股權第十週年當日屆滿，即二零二零年十月二十六日。於二零一八年十二月三十一日，經股份合併調整後，未行使購股權數目受股份合併影響而調整及有3,650,000份購股權可予行使（二零一七年十二月三十一日：4,100,000份購股權）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 16 Share-based payment – Group and Company (Continued)

#### (a) Pre-IPO Share Option Scheme (Continued)

Commencing from the date on which trading in the shares of the Company first commenced on the Main Board of the Hong Kong Stock Exchange, being 19 November 2010 (“Listing Date”), the expiry of first, second, third, and fourth anniversaries of the Listing Date, the relevant grantee may exercise options up to 20%, 40%, 60%, 80% and 100% respectively. No additional share options were granted pursuant to the Pre-IPO Share Option Scheme during the year.

The fair value of the share options granted on 24 October 2010, determined using the binomial model (the “Model”), ranging from HKD4.38 to HKD5.17 per option. The significant inputs into the Model were the share price of HKD8 at the Listing Date, exercise price shown above, expected dividend yield rate of 1.32%, risk-free rate of 2.09%, an expected option life of ten years and expected volatility of 55.0%. The volatility measured is based on the average annualised standard deviations of the continuously compounded rates of return on the share prices of comparable companies with similar business operations.

### 16 以股份為基礎的支付—集團及公司(續)

#### (a) 首次公開發售前購股權計劃(續)

由本公司股份開始於香港聯交所主板買賣當日(「上市日期」，即二零一零年十一月十九日)、上市日期第一、第二、第三及第四週年屆滿當日，有關承授人可分別行使購股權的最多20%、40%、60%、80%及100%。年內不會根據首次公開發售前購股權計劃另行授出購股權。

於二零一零年十月二十四日授出的購股權的公允值乃採用二項式模式(「模式」)釐定，每份購股權介乎4.38港元至5.17港元。模式的重要參數包括於上市日期的股價8港元、上述行使價、預期股息收益率1.32%、無風險利率2.09%、預期購股權年限十年及預期波幅55.0%。波幅乃根據經營類似業務的可比較公司股價的持續複式回報率的平均年度標準偏差計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 16 Share-based payment – Group and Company (Continued)

#### (a) Pre-IPO Share Option Scheme (Continued)

Movements in the number of share options outstanding and their related exercise prices are as follows:

		Average exercise price in HKD 每股港元 平均行使權	Number of share options 購股權數目 (thousands) (千份)
At 1 January 2017	於二零一七年一月一日	20	4,100
Granted	已授出	-	-
Exercised	已行使	-	-
Lapsed	已失效	-	-
Adjustment arising from share consolidation	就股份合併調整	-	-
At 31 December 2017	於二零一七年十二月三十一日	20	4,100
At 1 January 2018	於二零一八年一月一日	<b>20</b>	<b>4,100</b>
Granted	已授出	-	-
Exercised	已行使	-	-
Lapsed	已失效	<b>20</b>	<b>(450)</b>
Adjustment arising from share consolidation	就股份合併調整	-	-
At 31 December 2018	於二零一八年十二月三十一日	<b>20</b>	<b>3,650</b>

### 16 以股份為基礎的支付－集團及公司(續)

#### (a) 首次公開發售前購股權計劃(續)

未行使購股權數目的變動及其相關行使價如下：

		Average exercise price in HKD 每股港元 平均行使權	Number of share options 購股權數目 (thousands) (千份)
At 1 January 2017	於二零一七年一月一日	20	4,100
Granted	已授出	-	-
Exercised	已行使	-	-
Lapsed	已失效	-	-
Adjustment arising from share consolidation	就股份合併調整	-	-
At 31 December 2017	於二零一七年十二月三十一日	20	4,100
At 1 January 2018	於二零一八年一月一日	<b>20</b>	<b>4,100</b>
Granted	已授出	-	-
Exercised	已行使	-	-
Lapsed	已失效	<b>20</b>	<b>(450)</b>
Adjustment arising from share consolidation	就股份合併調整	-	-
At 31 December 2018	於二零一八年十二月三十一日	<b>20</b>	<b>3,650</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 16 Share-based payment – Group and Company (Continued)

#### (b) Share Option Scheme

The Company conditionally approved and adopted a share option scheme on 24 October 2010 (the “Share Option Scheme”). The Share Option Scheme became unconditional on 19 November 2010 when the Company’s shares were listed on the Main Board of the Hong Kong Stock Exchange.

Pursuant to the written resolutions of the Directors dated 30 April 2012, selected employees were granted a total of 348,580,000 share options under the Share Option Scheme. The exercise price per share under the Share Option Scheme is HKD1.94 per share of HKD0.10 each (the exercise price of the outstanding share options granted has been adjusted to HKD9.70 per consolidated share of HKD0.50 each with effect from 29 March 2016). No share option is exercisable prior to the first anniversary of 30 April 2012 (the “New Grant Date”). On each of the first, second, third, fourth and fifth anniversaries of the New Grant Date, a further 20% of the share options granted to the selected employees may be exercised, provided that no share option shall be exercised after 30 April 2022. As at 31 December 2018, the number of outstanding share options granted has been adjusted for the effect of share consolidation and 29,048,000 share options were exercisable (31 December 2017: 32,124,000 share options) after the share consolidation adjustment.

The fair value of the share options granted on 30 April 2012, determined using the Model, ranged from HKD0.63 to HKD0.64 per option. The significant inputs into the Model were the share price of HKD1.94 at the New Grant Date, the exercise price shown above, expected dividend yield rate of 4.66%, risk-free rate of 1.14%, an expected option life of 10 years and expected volatility of 54.50%. The volatility measured is based on the average annualised standard deviations of the continuously compounded rates of return on the share prices of comparable companies with similar business operations.

### 16 以股份為基礎的支付—集團及公司(續)

#### (b) 購股權計劃

本公司於二零一零年十月二十四日有條件批准及採納一項購股權計劃(「購股權計劃」)。購股權計劃於二零一零年十一月十九日本公司股份在香港聯交所主板上市起成為無條件。

根據日期為二零一二年四月三十日的董事書面決議案，特選僱員獲授予購股權計劃項下合共348,580,000份購股權。購股權計劃項下的每股行使價為每股面值0.10港元的股份1.94港元(自二零一六年三月二十九日起已授出的未行使購股權的行使價已調整為每股面值0.50港元的合併股份9.70港元)。於二零一二年四月三十日(「新授出日期」)起第一週年前，概無購股權可予行使。由新授出日期起第一、第二、第三、第四及第五週年屆滿當日，獲授購股權的特選僱員可進一步行使購股權的20%，惟二零一二年四月三十日後不可行使購股權。於二零一八年十二月三十一日，經股份合併調整後，未行使購股權數目受股份合併影響而調整及有29,048,000份購股權可予行使(二零一七年十二月三十一日：32,124,000份購股權)。

於二零一二年四月三十日授出的購股權的公允值乃採用該模式釐定，每份購股權介乎0.63港元至0.64港元。模式的重要參數包括於新授出日期的股價1.94港元、上述行使價、預期股息收益率4.66%、無風險利率1.14%、預期購股權年限10年及預期波幅54.50%。波幅乃根據經營類似業務的可比較公司股價的持續複式回報率的平均年度標準偏差計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 16 Share-based payment – Group and Company (Continued)

#### (b) Share Option Scheme (Continued)

### 16 以股份為基礎的支付—集團及公司(續)

#### (b) 購股權計劃(續)

		Average exercise price in HKD 每股港元 平均行使權	Number of share options 購股權數目 (thousands) (千份)
At 1 January 2017	於二零一七年一月一日	9.70	32,124
Granted	已授出	-	-
Exercised	已行使	-	-
Lapsed	已失效	-	-
At 31 December 2017	於二零一七年十二月三十一日	9.70	32,124
At 1 January 2018	於二零一八年一月一日	<b>9.70</b>	<b>32,124</b>
Granted	已授出	-	-
Exercised	已行使	-	-
Lapsed	已失效	<b>9.70</b>	<b>(3,076)</b>
At 31 December 2018	於二零一八年十二月三十一日	<b>9.70</b>	<b>29,048</b>

During the year ended 31 December 2018, no expense was recognised in the consolidated statement of comprehensive income for share options granted to directors and employees (2017: RMB10,880,000). No expense is recognised for the Pre-IPO Share Scheme (2017: nil) or Share Option Scheme (2017: RMB10,880,000). The Group has no legal or constructive obligations to repurchase or settle the options in cash.

截至二零一八年十二月三十一日止年度，並無於綜合全面收益表中就授予董事及僱員購股權確認開支(二零一七年：人民幣10,880,000元)。其中並無就首次公開發售前購股權計劃確認開支(二零一七年：無)，亦無就購股權計劃確認開支(二零一七年：人民幣10,880,000元)。本集團並無法定或推定責任以現金購回或結算購股權。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 17 Other reserves

### 17 其他儲備

		Capital reserve	Available- for-sale financial asset reserve	Financial asset at fair value through other comprehensive income reserve	Share based payment reserve	Statutory reserve	Translation reserve	Total
		資本儲備	可供出售 金融資產儲備	按公允價值計入 其他全面收益 儲備的金融資產	以股份為基礎的 支付儲備	法定儲備	匯兌儲備	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日	2,462,930	3,284	-	590,054	498,854	189,654	3,744,776
Available-for-sale financial asset reserve	可供出售金融資產儲備	-	3,993	-	-	-	-	3,993
Share-based payment reserve	以股份為基礎的支付儲備	-	-	-	10,880	-	-	10,880
Exchange difference on translation of foreign operations	換算海外營運的匯兌差額	-	-	-	-	-	(96,825)	(96,825)
At 31 December 2017	於二零一七年十二月三十一日	2,462,930	7,277	-	600,934	498,854	92,829	3,662,824
At 1 January 2018	於二零一八年一月一日	<b>2,462,930</b>	<b>7,277</b>	-	<b>600,934</b>	<b>498,854</b>	<b>92,829</b>	<b>3,662,824</b>
Reclassify non-trading equities from available-for-sale financial asset to financial asset at fair value through other comprehensive income	非交易性權益由可供出售金融資產重新分類至按公允價值計入其他全面收益的金融資產	-	(7,277)	7,277	-	-	-	-
Financial asset at fair value through other comprehensive income	按公允價值計入其他全面收益的金融資產	-	-	(16,033)	-	-	-	(16,033)
Exchange difference on translation of foreign operations	換算海外營運的匯兌差額	-	-	-	-	-	79,873	79,873
Lapse of employee share options	僱員購股權失效	-	-	-	(21,992)	-	-	(21,992)
At 31 December 2018	於二零一八年十二月三十一日	<b>2,462,930</b>	-	<b>(8,756)</b>	<b>578,942</b>	<b>498,854</b>	<b>172,702</b>	<b>3,704,672</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 18 Trade and other payables

### 18 應付賬款及其他應付款項

		31 December 十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade payables	應付賬款	<b>362,349</b>	1,474,940
Other payables for purchase of property, plant and equipment	購買物業、廠房及設備的其他應付款項		
– Third parties	– 第三方	–	386,145
– Related parties (Note 36)	– 關聯方(附註36)	–	458,289
Other payables	其他應付款項		
– Third parties (Note a)	– 第三方(附註a)	<b>229,654</b>	2,666,959
– Related parties (Note 36)	– 關聯方(附註36)	<b>33,808</b>	55,754
Receipt in advance	預收賬款	–	33,033
Contract liabilities	合約負債	<b>120</b>	–
Accrued expenses	應計費用		
– Payroll and welfare	– 工資及福利	<b>22,112</b>	100,501
– Interest	– 利息	<b>165,011</b>	3,700,530
– Exploration costs	– 勘探成本	<b>132,554</b>	62,484
– Others	– 其他	<b>4,071</b>	154,909
Provision for litigation cases	訴訟撥備	–	436,471
VAT payable	應付增值稅	–	62
Other tax-related payables	其他稅務相關應付款項	<b>2,354</b>	2,364
<b>Total trade and other payables</b>	<b>總應付賬款及其他應付款項</b>	<b>952,033</b>	9,532,441

Note a:

The Company has provided guarantees to bank creditors in the PRC in respect of borrowings of the Disposal Group, under which, the Company is required to make payments to the financial institutions should the Disposal Group default on the borrowings. Interest payable of RMB150,445,000 arisen from certain bank borrowings of the Disposal Group became liable by the Remaining Group as a result of extinguishment of financial liabilities upon issuance of convertible preference shares (see Note 15(b) for details).

At 31 December 2018 and 2017, the ageing analysis of the trade payables based on invoice date were as follows:

附註a:

本集團已就出售集團之借款向中國若干銀行債權人提供擔保，據此，倘出售集團拖欠借款，本公司須向金融機構付款。餘下集團因在發行可轉換優先股時消除金融負債，而須承擔出售集團若干銀行借款所產生的應付利息人民幣150,445,000元(詳見附註15(b))。

於二零一八年及二零一七年十二月三十一日，按發票日期劃分的應付賬款的賬齡分析如下：

		31 December 十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
0 – 30 days	0-30日	<b>2,751</b>	1,645
31 – 60 days	31-60日	<b>10,613</b>	–
61 – 90 days	61-90日	<b>1,359</b>	27
Over 90 days	超過90日	<b>347,626</b>	1,473,268
		<b>362,349</b>	1,474,940

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 18 Trade and other payables (Continued)

The carrying amount of trade and other payables are denominated in the following currencies:

		31 December 十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	178,546	7,927,657
USD	美元	563,039	1,361,137
HKD	港元	210,448	12,878
Euro	歐元	-	214,718
Others	其他	-	16,051
		<b>952,033</b>	9,532,441

### 18 應付賬款及其他應付款項(續)

應付賬款及其他應付款項的賬面值乃以下列貨幣列值：

### 19 Borrowings

		31 December 十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Non-current</b>	<b>非即期</b>		
Borrowings from a shareholder	來自一名股東的借款	-	9,177
Other borrowings	其他借款	754,638	199,268
		<b>754,638</b>	208,445
<b>Current</b>	<b>流動</b>		
Bank borrowings	銀行借款	599,587	19,482,898
Finance lease liabilities	融資租賃負債	-	24,381
Borrowings from a shareholder	來自一名股東的借款	-	36,732
Convertible bonds	可換股債券	680,355	1,285,926
Promissory notes	承兌票據	1,605,163	1,447,596
Other borrowings	其他借款	688	1,045,214
		<b>2,885,793</b>	23,322,747
<b>Total borrowings</b>	<b>借款總額</b>	<b>3,640,431</b>	23,531,192

### 19 借款

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

Borrowings and finance lease liabilities amounting to RMB2,885,105,000 as at 31 December 2018 (2017: RMB23,297,064,000) were secured by guarantee from a director of the Company, certain shareholders of the Company and the related parties and share capital of certain related parties.

Borrowings and other borrowings amounted to RMB2,165,294,000 were overdue. As at 31 December 2018, overdue interest payables of the Remaining Group amounted to RMB165,011,000. Certain borrowings of the Group contain cross-default terms, causing Borrowings of Remaining Group of RMB775,832,000 at 31 December 2018 to become immediately repayable. As at the date of the approval of these consolidated financial statements, the Group has not obtained waivers to comply with these cross-default terms from the relevant lenders; nor have these lenders taken any action against the Group to demand immediate repayment.

The Group's borrowings are repayable as follows:

### 19 借款(續)

於二零一八年十二月三十一日，借款及融資租賃負債人民幣2,885,105,000元（二零一七年：人民幣23,297,064,000元）由本公司一名董事、本公司若干股東及若干關聯方提供的擔保，以及若干關聯方的股本作抵押。

銀行及其他借款人民幣2,165,294,000元已經逾期。於二零一八年十二月三十一日，餘下集團的逾期應付利息為人民幣165,011,000元。本集團的若干借款含交叉違約條款，導致餘下集團借款人民幣775,832,000元須於二零一八年十二月三十一日立即償還。於該等綜合財務報表獲批准日期，本集團尚未獲得相關借款人遵守這些交叉違約條款之豁免；該等借款人並無對本集團採取任何行動要求立即償還款項。

本集團的還款時間如下：

		31 December	
		十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year	一年內	<b>2,885,793</b>	23,322,747
Between 1 and 2 years	一至二年	<b>754,638</b>	208,445
		<b>3,640,431</b>	23,531,192

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

The Group's borrowings repayable based on the scheduled repayment dates were as follows:

		31 December 十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 1 year	一年內	<b>2,846,337</b>	19,676,152
Between 1 and 2 years	一至二年	<b>794,094</b>	1,443,694
Between 2 and 5 years	二至五年	-	2,411,346
		<b>3,640,431</b>	23,531,192

The weighted average effective interest rates at the end of each reporting period were as follows:

		31 December 十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Finance lease liabilities	融資租賃負債	<b>N/A 不適用</b>	6.70%
Bank borrowings	銀行借款	<b>7.97%</b>	5.24%
Other borrowings	其他借款	<b>8.53%</b>	6.20%

The carrying amounts of the non-current borrowings approximate their fair values.

### 19 借款(續)

本集團借款的還款時間按計劃還款日期如下：

於每個報告期末，加權平均實際利率如下：

非即期借款的賬面值與其公允值相若。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

The carrying amounts of the borrowings are denominated in the following currencies:

### 19 借款(續)

借款的賬面值乃以以下貨幣計值：

		31 December	
		十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	<b>28,149</b>	19,533,712
HKD	港元	<b>2,661,040</b>	2,931,369
USD	美元	<b>951,242</b>	1,066,111
		<b>3,640,431</b>	23,531,192

The exposure of the Group's borrowings to interest-rate changes and the contractual repricing dates are as follows:

本集團借款面臨的利率變動及合約重新定價日期風險如下：

		31 December	
		十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
6 months or less	六個月或之內	<b>2,635,727</b>	17,807,277
6 – 12 months	六至十二個月	<b>680,355</b>	4,494,937
1 – 5 years	一至五年	<b>324,349</b>	1,228,978
		<b>3,640,431</b>	23,531,192



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

The Group has the following undrawn borrowing facilities:

		31 December 十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Expiring within one year	一年內到期	-	1,995,468
Expiring beyond one year	一年以後到期	<b>1,437,462</b>	2,035,479
		<b>1,437,462</b>	4,030,947

During the year ended 31 December 2018, the Group obtained security-free and interest-free loans from an entity controlled by a close family member of Mr. Zhang Zhi Rong amounting to RMB506,356,000, which will be repayable in April 2020.

During the year ended 31 December 2018, the Group also entered into a loan agreement with a related party who agreed to provide a loan facility up to USD250,000,000 (equivalent to approximately RMB1,719,625,000) to the Group for the funding of its operations. The Group has drawn down the loan as at 31 December 2018 of USD45,601,000 (equivalent to approximately RMB313,665,000). Subsequent to 31 December 2018, the Group has drawn down USD4,771,000 (equivalent to approximately RMB32,819,000).

During the year ended 31 December 2018, the Group entered into a loan agreement with an entity controlled by Mr. Zhang Zhi Rong, who agreed to provide a loan facility up to RMB40,000,000 to the Group for the funding in respect of the energy exploration and production segment. As at 31 December 2018, the Group has drawn down RMB9,100,000 for exploration and drilling of wells. The Group expects to draw down the remaining balance of the facility in 2019.

### 19 借款(續)

本集團有以下未提取授信額度：

		31 December 十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Expiring within one year	一年內到期	-	1,995,468
Expiring beyond one year	一年以後到期	<b>1,437,462</b>	2,035,479
		<b>1,437,462</b>	4,030,947

截至二零一八年十二月三十一日止年度，本集團向受張志榕先生近親家屬控制的實體取得無擔保及免息貸款，金額為人民幣506,356,000元，將於二零二零年四月償還。

截至二零一八年十二月三十一日止年度，本集團亦與關聯方訂立貸款協議，該關聯方同意向本集團提供最多250,000,000美元(相當於約人民幣1,719,625,000元)的貸款融資以資助其營運。於二零一八年十二月三十一日，本集團已提取45,601,000美元(相當於約人民幣313,665,000元)。於二零一八年十二月三十一日後，本集團已提取4,771,000美元(相當於約人民幣32,819,000元)。

截至二零一八年十二月三十一日止年度，本集團與由張志榕先生控制的實體訂立貸款協議，該實體同意向本集團提供不多於人民幣40,000,000元的貸款融資，為本集團的能源勘探及生產板塊提供資金。於二零一八年十二月三十一日，本集團已就勘探及鑽井提取人民幣9,100,000元。本集團預期於二零一九年動用餘下結餘。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Finance lease liabilities – Group

Finance lease liabilities are effectively secured by the rights to the leased assets revert to the lessor in the event of default.

### 19 借款(續)

#### 融資租賃負債－集團

融資租賃負債已獲有效擔保，原因是倘有違約，租賃資產的權利仍會返還於出租人。

	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Gross finance lease liabilities – minimum lease payments		
No later than 1 year	-	28,263
Later than 1 year and no later than 5 years	-	-
Future finance charges on finance lease	-	(3,882)
Present value of finance lease liabilities	-	24,381
The present value of finance lease liabilities are as follows:		
No later than 1 year	-	24,381
Later than 1 year and no later than 5 years	-	-
	-	24,381

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds

As at 31 December 2018, the Group had five outstanding convertible bonds (2017: six) with an aggregate principal amount of HKD838,410,000 (equivalent to approximately RMB736,376,000) (2017: HKD1,847,300,000 (equivalent to approximately RMB1,544,177,000)) with maturity dates ranging from May 2019 to November 2019. During the year ended 31 December 2018, convertible bonds with amounts of HKD933,890,000 (equivalent to approximately RMB820,236,000) were converted into equity. Since the bondholders have early redemption options to require the Company to redeem these convertible bonds at any time before the maturity dates, these convertible bonds are classified as current liabilities. In addition, all the convertible bonds became immediately repayable pursuant to the cross-default terms under the relevant agreements.

Subsequent to 31 December 2018, convertible bonds with total principal amounts of RMB118,623,000 were converted into equity. Three convertible bondholders with total principal amounts of RMB422,770,000 have agreed not to demand for repayment in 2019.

### 19 借款(續)

#### 可換股債券

於二零一八年十二月三十一日，本集團有五批未償還可換股債券(二零一七年：六批)，本金總額為838,410,000港元(相當於約人民幣736,376,000元)(二零一七年：1,847,300,000港元(相當於約人民幣1,544,177,000元))，將於二零一九年五月至二零一九年十一月期間到期。截至二零一八年十二月三十一日止年度，總額為933,890,000港元(相當於約人民幣820,236,000元)的可換股債券已兌換為股本。由於債券持有人擁有提前贖回權，有權於到期日前任何時間要求本公司贖回可換股債券，該等可換股債券分類為流動負債。此外，所有可換股債券根據相關協議項下的交叉違約條款立即償還。

二零一八年十二月三十一日後，本金總額為人民幣118,623,000元的可換股債券已兌換為股本。三位共持有本金總額人民幣422,770,000元的可換股債券持有人同意於二零一九年不要求償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds (Continued)

The table below summarised the details and features of the guaranteed convertible bonds:

Guaranteed convertible bonds	Principal as at 31 December 2018	Principal as at 31 December 2017	Issuance and closing date	Maturity date	Conversion period	Conversion price as at 31 December 2018	Conversion price as at 31 December 2017
有擔保可換股債券	於二零一八年十二月三十一日的本金金額	於二零一七年十二月三十一日的本金金額	發行交割日期	到期日	兌換期	於二零一八年十二月三十一日的換股價	於二零一七年十二月三十一日的換股價
1st	Nil	HKD75,000,000	31 October 2016	24 months after the closing date	After issue date up to maturity date	N/A	HKD0.50 per share
第一批	零	75,000,000港元	二零一六年十月三十一日	交割日後24個月內	於發行日後至到期日	不適用	每股0.50港元
2nd	HKD345,060,000	HKD745,060,000	19 May 2017	24 months after the closing date	After issue date up to maturity date	HKD0.50 per share	HKD0.50 per share
第二批	345,060,000港元	745,060,000港元	二零一七年五月十九日	交割日後24個月內	於發行日後至到期日	每股0.50港元	每股0.50港元
3rd	HKD120,000,000	HKD169,820,000	30 November 2017	24 months after the closing date	After issue date up to maturity date	HKD0.50 per share	HKD0.50 per share
第三批	120,000,000港元	169,820,000港元	二零一七年十一月三十日	交割日後24個月內	於發行日後至到期日	每股0.50港元	每股0.50港元
4th	HKD30,000,000	HKD108,070,000	30 November 2017	24 months after the closing date	After issue date up to maturity date	HKD0.50 per share	HKD0.50 per share
第四批	30,000,000港元	108,070,000港元	二零一七年十一月三十日	交割日後24個月內	於發行日後至到期日	每股0.50港元	每股0.50港元
5th	HKD102,000,000	HKD102,000,000	30 November 2017	24 months after the closing date	After issue date up to maturity date	HKD0.50 per share	HKD0.50 per share
第五批	102,000,000港元	102,000,000港元	二零一七年十一月三十日	交割日後24個月內	於發行日後至到期日	每股0.50港元	每股0.50港元
6th	HKD241,350,000	HKD647,350,000	30 November 2017	24 months after the closing date	After issue date up to maturity date	HKD0.50 per share	HKD0.50 per share
第六批	241,350,000港元	647,350,000港元	二零一七年十一月三十日	交割日後24個月內	於發行日後至到期日	每股0.50港元	每股0.50港元

### 19 借款(續)

#### 可換股債券(續)

下表概述有擔保可換股債券的詳情及特徵：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds (Continued)

The table below summarised the details and features of the conversions of convertible bonds during the year:

7% convertible bonds	Principle amount as at the date of issue (HKD)	Date of issue	Maximum number of Shares to be issued upon the exercise of the conversion rights as at the date of issue (after the adjustments to the conversion price per Share if applicable)	Net proceeds received by the Company from the issue	Conversion dates (during the Period)	Conversion Shares issued (conversion price per Share)	Maximum number of Shares to be exercised of conversion rights as at 31 December 2018	Principal amount as at 31 December 2018 (HKD)
7厘可換股債券	於發行日期的本金金額(港元)	發行日期	調整每股換股價(如適用)後於發行日期最多可通過行使換股權而發行的股份數目	本公司通過發行而獲得的所得款項淨額	兌換日期(於本期間)	發行兌換股份數目(每股換股價)	於二零一八年十二月三十一日最多可通過行使換股權而發行的股份數目	於二零一八年十二月三十一日的本金金額(港元)
Convertible bonds due 2018 (the "2018 Convertible Bonds") 於二零一八年到期的可換股債券 [[二零一八年可換股債券]]	103,500,000	31 October 2016 二零一六年十月三十一日	207,000,000	Not applicable (Note) 不適用(附註)	-	-	-	-
1st 2019 Convertible Bonds 第一批二零一九年可換股債券	745,060,000	19 May 2017 二零一七年五月十九日	1,490,120,000	Not applicable (Note) 不適用(附註)	31 August 2018 二零一八年八月三十一日 7 December 2018 二零一八年十二月七日	340,000,000 460,000,000 (HKD0.50) (0.50港元)	690,120,000	345,060,000

### 19 借款(續)

#### 可換股債券(續)

下表概述年內可換股債券轉換的詳情及特徵：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds (Continued)

The table below summarised the details and features of the conversions of convertible bonds during the year:  
(Continued)

7% convertible bonds	Principle amount as at the date of issue (HKD)	Date of issue	Maximum number of Shares to be issued upon the exercise of the conversion rights as at the date of issue (after the adjustments to the conversion price per Share if applicable)	Net proceeds received by the Company from the issue	Conversion dates (during the Period)	Conversion Shares issued (conversion price per Share)	Maximum number of Shares to be issued upon the exercise of conversion rights as at 31 December 2018	Principal amount as at 31 December 2018 (HKD)
7厘可換股債券	於發行日期的本金金額(港元)	發行日期	調整每股換股價(如適用)後於發行日期最多可通過行使換股權而發行的股份數目	本公司通過發行而獲得的所得款項淨額	兌換日期(於本期間)	發行兌換股份數目(每股換股價)	於二零一八年十二月三十一日最多可通過行使換股權而發行的股份數目	於二零一八年十二月三十一日的本金金額(港元)
2nd 2019 Convertible Bonds 第二批二零一九年可換股債券	169,820,000	30 November 2017 二零一七年十一月三十日	339,640,000	Not applicable (Note) 不適用(附註)	23 March 2018 二零一八年三月二十三日 3 April 2018 二零一八年四月三日 2 May 2018 二零一八年五月二日 14 May 2018 二零一八年五月十四日 23 May 2018 二零一八年五月二十三日 4 June 2018 二零一八年六月四日 13 June 2018 二零一八年六月十三日 27 July 2018 二零一八年七月二十七日 13 August 2018 二零一八年八月十三日 29 August 2018 二零一八年八月二十九日	4,000,000 6,000,000 10,000,000 10,000,000 10,000,000 10,000,000 10,000,000 10,000,000 19,640,000 (HKD0.5) (0.5港元)	240,000,000	120,000,000

### 19 借款(續)

#### 可換股債券(續)

下表概述年內可換股債券轉換的詳情及特徵:(續)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds (Continued)

The table below summarised the details and features of the conversions of convertible bonds during the year: (Continued)

7% convertible bonds	Principle amount as at the date of issue (HKD)	Date of issue	Maximum number of Shares to be issued upon the exercise of the conversion rights as at the date of issue (after the adjustments to the conversion price per Share if applicable)	Net proceeds received by the Company from the issue	Conversion dates (during the Period)	Conversion Shares issued (conversion price per Share)	Maximum number of Shares to be issued upon the exercise of conversion rights as at 31 December 2018	Principal amount as at 31 December 2018 (HKD)
7厘可換股債券	於發行日期的本金金額(港元)	發行日期	調整每股換股價(如適用)後於發行日期最多可通過行使換股權而發行的股份數目	本公司通過發行而獲得的所得款項淨額	兌換日期(於本期間)	發行兌換股份數目(每股換股價)	於二零一八年十二月三十一日最多可通過行使換股權而發行的股份數目	於二零一八年十二月三十一日的本金金額(港元)
3rd 2019 Convertible Bonds 第三批 二零一九年可換股債券	118,070,000	30 November 2017 二零一七年十一月三十日	236,140,000	Not applicable (Note) 不適用 (附註)	12 January 2018 二零一八年一月十二日 31 January 2018 二零一八年一月三十一日 23 March 2018 二零一八年三月二十三日 7 May 2018 二零一八年五月七日 6 June 2018 二零一八年六月六日 20 June 2018 二零一八年六月二十日	20,000,000 40,000,000 20,000,000 20,000,000 36,140,000 (HKD0.5) (0.5港元)	60,000,000	30,000,000
4th 2019 Convertible Bonds 第四批 二零一九年可換股債券	102,000,000	30 November 2017 二零一七年十一月三十日	204,000,000	Not applicable (Note) 不適用 (附註)	-	-	204,000,000	102,000,000

### 19 借款(續)

#### 可換股債券(續)

下表概述年內可換股債券轉換的詳情及特徵:(續)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds (Continued)

The table below summarised the details and features of the conversions of convertible bonds during the year: (Continued)

7% convertible bonds	Principal amount as at the date of issue (HKD)	Date of issue	Maximum number of Shares to be issued upon the exercise of the conversion rights as at the date of issue (after the adjustments to the conversion price per Share if applicable)	Net proceeds received by the Company from the issue	Conversion dates (during the Period)	Conversion Shares issued (conversion price per Share)	Maximum number of Shares to be exercised of conversion rights as at 31 December 2018	Principal amount as at 31 December 2018 (HKD)
7厘可換股債券	於發行日期的本金金額(港元)	發行日期	調整每股換股價(如適用)後於發行日期最多可通過行使換股權而發行的股份數目	本公司通過發行而獲得的所得款項淨額	兌換日期(於本期間)	發行兌換股份數目(每股換股價)	於二零一八年十二月三十一日最多可通過行使換股權而發行的股份數目	於二零一八年十二月三十一日的本金金額(港元)
5th 2019 Convertible Bonds 第五批二零一九年可換股債券	647,350,000	30 November 2017 二零一七年十一月三十日	1,294,700,000	Not applicable (Note) 不適用 (附註)	27 June 2018 二零一八年六月二十七日	618,000,000	482,700,000	241,350,000
Total 總計	1,885,800,000		3,771,600,000		30 August 2018 二零一八年八月三十日	200,000,000 (HKD0.5) (0.5港元)		838,410,000

Note:

During the year ended 31 December 2018, a total of 1,867,780,000 shares had been converted from the convertible bonds issued by the Company. As at 31 December 2018, the outstanding principal amount of all convertible bonds was HKD838,410,000 (equivalent to approximately RMB736,376,000). Based on the conversion price of the convertible bonds as at 31 December 2018, a maximum number of 1,676,820,000 Shares would be allotted and issued upon exercise of the conversion rights attaching to the outstanding convertible bonds in full, which represent approximately 40.74% of the then existing issued share capital of the Company as at 31 December 2018, and approximately 28.94% of the issued share capital of the Company as enlarged by the issue of the Shares, before taking into account the additional shares issued upon conversion of convertible preference shares.

### 19 借款(續)

#### 可換股債券(續)

下表概述年內可換股債券轉換的詳情及特徵:(續)

附註:

於截至二零一八年十二月三十一日止年度，本公司發行的可換股債券兌換為1,867,780,000股股份。於二零一八年十二月三十一日，所有可換股債券的未兌換本金金額為838,410,000港元(相當於約人民幣736,376,000元)。基於可換股債券於二零一八年十二月三十一日之兌換價，本公司最多可通過附於餘下可換股債券之全數換股權行使而配發及發行之股份數目為1,676,820,000股，相當於於二零一八年十二月三十一日，於計及兌換可轉換優先股時已發行的額外股份前，本公司當時已發行總股本約40.74%，以及發行股份後擴大之本公司已發行股本約28.94%。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds (Continued)

For the above convertible bonds, subject to the following conditions, amongst others, the Company has the right to redeem all or any part of the principal amount of the convertible bonds outstanding. (1) The Company may redeem the respective convertible bonds at any time up to (and excluding) the commencement of the 7 calendar day-period ending on the (and including) maturity date, when the principal amount of the relevant convertible bonds outstanding is equal to or less than 10% of its original aggregate principal amount issued by the Company. The redemption price of the convertible bond is equal to 100% of the principal amount plus the unpaid interest. (2) The Company may redeem the respective bond at any time on or after the eighteen months from the closing date and up to the third business day prior to the maturity date. The redemption price of the convertible bond is equal to 100% of the principal amount plus the unpaid interest.

Subject to certain conditions, the bondholders have the right to require the Company to redeem all or part of the convertible bonds. Bondholders may at any time on or after the closing date and up to the third business day prior to the maturity dates to require the Company to redeem the whole or any part of the principal amount outstanding under the bond at a value at 100% of the principal amount plus the unpaid interest.

The conversion feature of the above convertible bonds fails the fixed-for-fixed requirement for equity classification. The conversion option, together with all other options, are therefore regarded as a single embedded derivative with changes in fair value through profit or loss in accordance with IFRS 9. For details, please refer to Note 20.

### 19 借款(續)

#### 可換股債券(續)

就上述可換股債券而言，在下列條件的規限下(其中包括)，本公司有權贖回可換股債券全部或任何部分尚未償還本金：(1)本公司或會於直至(但不包括)到期日(包括該日)止第七個曆日期間開始前隨時贖回相關可換股債券，屆時尚未兌換相關可換股債券的本金金額等於或少於本公司已發行原來本金總額的10%。可換股債券的贖回價等於100%本金金額加未付利息。(2)本公司可由交割日起第十八個月營業日當日或之後直至到期日前第三個營業日止隨時贖回相關債券。可換股債券的贖回價等於100%本金金額加未付利息。

在若干條件的規限下，債券持有人有權要求本公司贖回全部或任何部分可換股債券。任何債券持有人可於由交割日直至到期日前第三個營業日起隨時要求本公司贖回債券項下全部或任何部分尚未償還本金金額，價值為100%本金金額加未付利息。

由於上述可換股債券的兌換特性未能符合權益分類固定換固定的規定，因此，按照國際財務報告準則第9號，換股權連同所有其他購股權被視為公允值變動計入損益的單一嵌入式衍生工具。詳情請參閱附註20。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds (Continued)

The fair value of the above convertible bonds were determined by an independent qualified valuer based on the Effective Interest Method and Mixed Discount Model. The fair value of the liability component on initial recognition was valued as the proceeds of the convertible redeemable bond (net of transaction cost) minus the fair value of the embedded derivative. The fair value of the embedded derivative was valued by estimating the value of the whole bond with and without the conversion feature. The difference in value reflects the value of the embedded derivatives and changes in fair value would be recognised in the profit or loss. During the year ended 31 December 2018, changes in fair value of the embedded derivatives amounted to RMB255,138,000 (2017: RMB47,710,000).

The convertible bonds are guaranteed by Mr. Zhang Zhi Rong ("Mr. Zhang"), the Company's single largest ordinary shareholder (before taking into account full conversion of the convertible bonds and exercise of the share options issued by the Company).

The movements of convertible bonds (excluding the embedded derivatives that were separately accounted for) recognised in the consolidated statement of financial position are shown as follows:

### 19 借款(續)

#### 可換股債券(續)

上述可換股債券的公允值由獨立合資格估值師根據有效利息法及混合貼現模型釐定。首次確認時的負債部分公允值以可換股可贖回債券所得款項(扣除交易成本)減嵌入式衍生工具的公允值進行估值。嵌入式衍生工具的公允值乃透過估計附有與不附兌換功能的全部債券的價值進行估值。價值差異反映嵌入式衍生工具的價值及公允值變動將於損益確認。截至二零一八年十二月三十一日止年度，嵌入式衍生工具公允值變動約人民幣255,138,000元(二零一七年：人民幣47,710,000元)。

可換股債券由本公司單一最大普通股股東張志熔先生(「張先生」)(於計及本公司悉數轉換可換股債券及行使已發行購股權之前)擔保。

於綜合財務狀況表確認的可換股債券(不包括分開入賬的嵌入式衍生工具)的變動載列如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Carrying amount as at 1 January	於一月一日的賬面值	<b>1,285,926</b>	77,071
Issuance of convertible bonds	發行可換股債券	-	1,561,838
Fair value of the embedded derivatives upon issuance	嵌入式衍生工具於發行時的公允值	-	(352,605)
Conversion to ordinary shares	兌換為普通股	<b>(717,993)</b>	(29,013)
Interest expenses (Note 27)	利息開支(附註27)	<b>222,061</b>	85,692
Interest paid and discharged via promissory notes	已付利息及透過承兌票據全數解除	<b>(95,949)</b>	(6,008)
Expired and repaid	已到期及已償還	<b>(63,457)</b>	-
Exchange losses/(gains)	匯兌虧損/(收益)	<b>49,767</b>	(51,049)
Carrying amount as at 31 December	於十二月三十一日的賬面值	<b>680,355</b>	1,285,926

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Borrowings (Continued)

#### Convertible bonds (Continued)

The fair value of the host liability component of the convertible bond as at 31 December 2018 amounted to RMB661,238,000 (31 December 2017: RMB1,256,998,000). The fair value is calculated using the market rate of the convertible bonds on the date of the statement of the financial position (or the nearest day of trading).

#### Promissory Notes

### 19 借款(續)

#### 可換股債券(續)

於二零一八年十二月三十一日，可換股債券主要負債部分的公允價值達人民幣661,238,000元(二零一七年十二月三十一日：人民幣1,256,998,000元)。公允價值採用可換股債券於財務狀況表日期(或最近交易日)的市值計算。

#### 承兌票據

		RMB'000 人民幣千元
<b>For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度</b>		
Opening amount as at 1 January 2017	於二零一七年一月一日的期初金額	3,011,988
Discharged by convertible bonds	以可換股債券解除	(1,418,084)
Exchange difference	匯兌差異	(146,308)
<hr/>		
Closing amount as at 31 December 2017	於二零一七年十二月三十一日的期末金額	1,447,596
<hr/>		
<b>For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度</b>		
Opening amount as at 1 January 2018	於二零一八年一月一日的期初金額	1,447,596
Issuance of promissory notes	發行承兌票據	44,128
Addition to discharge convertible bonds interest	註銷可換股債券利息增加	43,063
Repayment	還款	(6,118)
Exchange difference	匯兌差異	76,494
<hr/>		
Closing amount as at 31 December 2018	於二零一八年十二月三十一日的期末金額	1,605,163

The promissory notes are interest bearing at 7% per annum, unsecured and guaranteed by Mr. Zhang Zhi Rong.

As at 31 December 2018, the outstanding promissory notes amounting to RMB1,565,707,000 were not extended nor repaid upon the schedule repayment dates and thus became overdue, out of which RMB796,035,000 had been overdue since 2017 and RMB769,672,000 had been overdue since 2018, and RMB39,456,000 became immediately repayable pursuant to the cross-default terms under the relevant loan agreements. The Company is in the process of negotiating with these promissory note holders for further arrangements, including the extension of maturity dates and obtaining waiver from the lender for the due payment pursuant to the relevant cross-default terms.

承兌票據按年利率7%計息、無抵押及由張志熔先生擔保。

於二零一八年十二月三十一日，未償還承兌票據金額為人民幣1,565,707,000元並未按期限償還日期延長或償還，因此已逾期，其中人民幣796,035,000元自二零一七年已逾期，人民幣769,672,000元自二零一八年逾期，而人民幣39,456,000元已根據相關貸款協議項下的交叉違約條款立即償還。本公司正與該等承兌票據持有人磋商以作進一步安排，包括延長到期日，並根據相關交叉違約條款就到期付款向借款人獲取豁免。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 20 Derivative financial instruments

### 20 衍生金融工具

		31 December 2018		31 December 2017	
		二零一八年十二月三十一日		二零一七年十二月三十一日	
		Assets	Liabilities	Assets	Liabilities
		資產	負債	資產	負債
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Embedded derivatives in convertible bond	可換股債券的嵌入衍生工具	-	7,194	-	320,001
		-	7,194	-	320,001

The fair value of the embedded derivatives in convertible bonds as at 31 December 2017 and 31 December 2018 are determined using the Binomial Model. The tables below show the significant inputs into the Binomial Model:

於二零一七年十二月三十一日及二零一八年十二月三十一日，可換股債券的嵌入衍生工具的公允值根據二項期權定價模型釐定。下表載列二項期權定價模型的主要輸入數據：

As at 31 December 2017

於二零一七年十二月三十一日

Guaranteed convertible bonds	Principal as at 31 December 2017	Issuance date	Stock price as at 31 December 2017 of the underlying shares	Exercise price	Expected option life	Risk-free interest rate	Expected dividend yield	Expected volatility
有擔保可換股債券	於二零一七年十二月三十一日的本金金額	發行日期	於二零一七年十二月三十一日的股價 (HKD) (港元)	行使價 (HKD) (港元)	預計購股權期限 (years) (年)	無風險利率 (%)	預期股息收益率 (%)	預期波幅 (%)
1st	第一批 HKD75,000,000 75,000,000港元	31 October 2016 二零一六年十月三十一日	0.295	0.50	0.84	1.4913	0	41
2nd	第二批 HKD745,060,000 745,060,000港元	19 May 2017 二零一七年五月十九日	0.295	0.50	1.38	1.6745	0	38
3rd	第三批 HKD169,820,000 169,820,000港元	30 November 2017 二零一七年十一月三十日	0.295	0.50	1.92	1.7919	0	43
4th	第四批 HKD108,070,000 108,070,000港元	30 November 2017 二零一七年十一月三十日	0.295	0.50	1.92	1.7919	0	43
5th	第五批 HKD102,000,000 102,000,000港元	30 November 2017 二零一七年十一月三十日	0.295	0.50	1.92	1.7919	0	43
6th	第六批 HKD647,350,000 647,350,000港元	30 November 2017 二零一七年十一月三十日	0.295	0.50	1.92	1.7919	0	43

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 20 Derivative financial instruments 20 衍生金融工具(續)

(Continued)

As at 31 December 2018

於二零一八年十二月三十一日

Guaranteed convertible bonds	Principal as at 31 December 2018	Issuance date	Stock price as at 31 December 2018 of the underlying shares	Exercise price	Expected option life	Risk-free interest rate	Expected dividend yield	Expected volatility
有擔保可換股債券	於二零一八年十二月三十一日的本金金額	發行日期	於二零一八年十二月三十一日 相關股份的股價 (HKD) (港元)	行使價 (HKD) (港元)	預計 購股權期限 (years) (年)	無風險利率 (%)	預期 股息收益率 (%)	預期波幅 (%)
1st	第一批	Nil	31 October 2016	N/A	N/A	N/A	N/A	N/A
		零	二零一六年十月三十一日	不適用	不適用	不適用	不適用	不適用
2nd	第二批	HKD345,060,000	19 May 2017	0.143	0.50	0.38	2.2636	0
		345,060,000港元	二零一七年五月十九日					104
3rd	第三批	HKD120,000,000	30 November 2017	0.143	0.50	0.92	2.1767	0
		120,000,000港元	二零一七年十一月三十日					80
4th	第四批	HKD30,000,000	30 November 2017	0.143	0.50	0.92	2.1767	0
		30,000,000港元	二零一七年十一月三十日					80
5th	第五批	HKD102,000,000	30 November 2017	0.143	0.50	0.92	2.1767	0
		102,000,000港元	二零一七年十一月三十日					80
6th	第六批	HKD241,350,000	30 November 2017	0.143	0.50	0.92	2.1767	0
		241,350,000港元	二零一七年十一月三十日					80

The volatility measured is based on the daily share price volatility of the Company for an observation period calculated by the difference between the valuation date and maturity date and adjusted by the difference of Hang Seng Index historical and implied volatility as of the valuation dates.

波幅計量乃基於本公司一段觀察期內的每日股價波幅，計算方法為估值日與到期日之差額，並就截至估值日期的恒生指數過往及引伸波幅之差額作出調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 21 Provision for warranty

The Group provides a one-year warranty from the date of delivery of the vessel on shipbuilding products and undertakes to repair or replace items that fail to perform satisfactorily. A provision is recognised at the end of each reporting period for expected warranty claims for repairs and returns based on management estimates and industry practice.

Movements in provision for warranty for the Group are as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At 1 January	於一月一日	-	3,049
Reversal of provision for the year upon expiring of the warranty period	因保修期完結而撥回 年內撥備	-	(3,049)
At 31 December	於十二月三十一日	-	-

There was no effective shipbuilding contract on hand and the warranty period for all the delivered vessels had expired, thus there was no provision for warranty as at 31 December 2018 and 2017.

### 22 Assets and liabilities of Disposal Group classified as held for sale

The Company has entered into a conditional sale and purchase agreement dated on 9 October 2018 with Purchaser to dispose of the assets and liabilities of Disposal Group (together, the "Disposal Group") at HKD1. There are certain conditions precedent pursuant to the Transaction which included, but not limited to, the successful issuance of Convertible Preference Shares (see Note 2.1 for further details).

On 13 December 2018, the terms of the conditional sale and purchase agreement were approved by the shareholders in an extraordinary general meeting of the Company.

### 21 保修撥備

本集團自交付船舶之日起就造船產品提供一年期的保修期，並承諾維修或更換運行不理想的部份。根據管理層估計及行業慣例，就維修及退貨的預期保修索償已於各報告期末確認撥備。

本集團保修撥備的變動如下：

	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At 1 January	-	3,049
Reversal of provision for the year upon expiring of the warranty period	-	(3,049)
At 31 December	-	-

本集團並無手持有效的造船合約，所有已交付之船舶的保修期均已屆滿，因此於二零一八年及二零一七年十二月三十一日並無就保修計提撥備。

### 22 出售集團分類為持作出售的資產和負債

於二零一八年十月九日，本公司已與買方訂立有條件出售及購買協議，以1港元出售出售集團（統稱「出售集團」）的資產及負債。根據該交易有若干先決條件，包括但不限於成功發行可轉換優先股（進一步詳情見附註2.1）。

於二零一八年十二月十三日，有條件買賣協議之條款獲股東於本公司股東特別大會上批准。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 22 Assets and liabilities of Disposal Group classified as held for sale

(Continued)

On 25 December 2018, the first supplemental agreement of the Transaction was signed to extend the date for fulfilment of conditions of the above-mentioned agreement to 31 March 2019.

The Company signed the second supplemental agreement on 3 March 2019 regarding the Transaction, pursuant to which (1) the transfer of sale shares of Able Diligent Limited, the holding company of Disposal Group, to the Purchaser shall take place on or before 31 March 2019; (2) the Purchaser agreed to procure the release or discharge of the relevant guarantees provided by the Company in respect of borrowings owed by the Disposal Group (the "Relevant Guarantees"); and (3) the Purchaser agreed to execute a share charge over the sale shares in favour of the Company.

On 10 March 2019, the Group completed the transfer of the sale shares of Able Diligent Limited to the Purchaser.

The completion of Transaction is subject to the release or discharge of the Relevant Guarantees.

Assets and liabilities of the Disposal Group were classified as "Assets classified as held for sale" and "Liabilities directly associated with assets classified as held for sale" respectively in accordance with IFRS 5 as at 31 December 2018.

### 22 出售集團分類為持作出售的資產和負債(續)

於二零一八年十二月二十五日，該交易的第一份補充協議已簽署，以將上述協議的條件達成日期延長至二零一九年三月三十一日。

本公司於二零一九年三月三日就該交易簽訂第二份補充協議，據此(1)出售集團之控股公司Able Diligent Limited將於二零一九年三月三十一日或之前向買方轉讓出售股份；(2)買方同意促成全面免除或解除本公司就出售集團借款所提供的相關擔保(「相關擔保」)；及(3)買方同意以本公司為受益人就銷售股份訂立股份質押。

於二零一九年三月十日，本集團完成將Able Diligent Limited的銷售股份轉讓予買方。

完成交易需視乎免除或解除相關擔保的情況。

根據國際財務報告準則第5號，於二零一八年十二月三十一日出售集團的資產和負債已歸類為「分類為持作出售的資產」及「與分類為持作出售資產直接相關的負債」。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 22 Assets and liabilities of Disposal Group classified as held for sale

### 22 出售集團分類為持作出售的資產和負債(續)

(Continued)

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operations as at 31 December 2018:

於二零一八年十二月三十一日，以下資產和負債被重新分類為已終止業務的持有待售：

		2018 二零一八年 RMB'000 人民幣千元
<b>Assets classified as held for sale</b>	<b>分類為持作出售的資產</b>	
Financial assets at fair value through other comprehensive income	按公允值計入其他全面收益的金融資產	27,707
Land use right	土地使用權	3,425,755
Property, plant and equipment	物業、廠房及設備	14,970,308
Prepayment for non-current assets	非流動資產的預付款項	153
Inventories	存貨	425,884
Trade receivables	應收賬款	4,459
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	3,558,969
Pledged deposits	已抵押存款	1,771
Cash and cash equivalents	現金及現金等價物	13,962
<b>Total assets of the Disposal Group held for sale</b>	<b>出售集團持作出售的總資產</b>	<b>22,428,968</b>

		2018 二零一八年 RMB'000 人民幣千元
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>與分類為持作出售資產直接相關的負債</b>	
Trade and other payables	應付賬款及其他應付款項	13,783,523
Advances from related parties	關聯方預支款	368,959
Contract liabilities	合約負債	42,900
Borrowings	借款	15,735,828
<b>Total liabilities of the Disposal Group directly associated with assets classified as held for sale</b>	<b>出售集團與分類為持作出售資產直接相關的總負債</b>	<b>29,931,210</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 22 Assets and liabilities of Disposal Group classified as held for sale

(Continued)

#### Discontinued operations

Upon the classification of the assets and liabilities of the shipbuilding and engineering business as 'Assets classified as held for sale' and 'Liabilities directly associated with assets classified as held for sale' respectively, the Disposal Group is reported in the current period as a discontinued operations. Financial information relating to the discontinued operations for the year is set out below.

The financial performance and cash flow information presented are for the year ended 31 December 2018 and 2017.

### 22 出售集團分類為持作出售的資產和負債(續)

#### 已終止業務

於造船及工程業務的資產及負債分別分類為「持作出售資產」及「與分類為持作出售資產直接相關的負債」時，出售集團於本期間報告為已終止經營業務。年內有關已終止經營業務的財務資料載列如下。

所呈列的財務表現及現金流量資料乃截至二零一八年及二零一七年十二月三十一日止年度。

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Revenue	收益	<b>65,264</b>	(557,569)
Cost of sales	銷售成本	<b>(176,380)</b>	(87,708)
Gross profit	毛利潤	<b>(111,116)</b>	(645,277)
Other (losses)/gains – net	其他(虧損)/收益 – 淨額	<b>(71,547)</b>	798,750
Other income	其他收入	<b>59,212</b>	52,148
Expenses	開支	<b>(699,952)</b>	(147,652)
Finance costs – net	融資成本 – 淨額	<b>(1,643,124)</b>	(1,066,060)
Loss before income tax	除所得稅前虧損	<b>(2,466,527)</b>	(1,008,091)
Income tax expense	所得稅開支	-	-
Loss from discontinued operations	來自已終止業務的虧損	<b>(2,466,527)</b>	(1,008,091)
Fair value loss on a financial asset at fair value through other comprehensive income	按公允值計入其他全面收益的金融資產的公允值虧損	<b>(16,635)</b>	-
Fair value gain on an available-for-sale financial asset	可供出售金融資產公允值收益	-	4,143
Total comprehensive loss from discontinued operations	來自已終止業務的全面虧損	<b>(2,483,162)</b>	(1,003,948)
Net cash (outflow)/inflow from operating activities	經營活動現金(流出)/流入淨額	<b>(71,048)</b>	25,048
Net cash inflow from investing activities	投資活動現金流入淨額	<b>20,667</b>	45,613
Net cash outflow from financing activities	融資活動現金流出淨額	<b>(1,715)</b>	(111,681)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	<b>(52,096)</b>	(41,020)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 23 Expenses by nature

### 23 按性質劃分的開支

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(重列)
Amortisation of intangible assets (Note 8)	無形資產攤銷(附註8)	<b>2,372</b>	2,914
Auditors' remuneration	核數師酬金		
– audit services	– 核數服務	<b>4,654</b>	5,029
– non-audit services	– 非核數服務	<b>84</b>	82
Bank charges	銀行收費	<b>87</b>	35
Consultancy and professional fees	諮詢及專業費用	<b>12,348</b>	14,530
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊(附註7)	<b>27,027</b>	20,970
Employee benefits expenses (Note 24)	僱員福利開支(附註24)	<b>19,350</b>	24,910
Insurance premiums	保險費	<b>640</b>	558
Other expenses	其他開支	<b>22,034</b>	21,443
Operating lease payments	經營租賃付款	<b>1,172</b>	1,852
Outsourcing and processing costs	外包及加工成本	<b>1,782</b>	1,691
Total cost of sales, selling and marketing expenses, general and administrative expenses	總銷售成本、銷售及市場推廣開支、一般及行政開支	<b>91,550</b>	94,014

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 24 Employee benefits expenses (including directors' emoluments) 24 僱員福利開支(包括董事薪酬)

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(重列)
Salaries and wages	薪金及工資	<b>18,053</b>	12,925
Social security costs	社會保障成本	<b>1,110</b>	1,069
Contribution to pension plans	退休金計劃供款	<b>187</b>	36
Share-based compensation (Note 16)	以股份為基礎的補償(附註16)	-	10,880
		<b>19,350</b>	24,910

#### (a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2018 are five directors (2017: Four directors and one senior management personnel). The emoluments of the five directors (2017: Four directors) are reflected in the analysis presented in Note 30. (2017: The emoluments of the senior management personnel was approximately RMB4,477,000 including basic salaries, housing allowances, other allowances and benefit-in-kind of RMB4,456,000 and contribution to pension plan of RMB21,000).

(b) During the year ended 31 December 2018, no directors or the five highest paid individuals received any emoluments from the Group as an inducement to join, upon joining the Group, leave the Group or as compensation for loss of office (2017: same).

#### (a) 五位最高薪酬人士

截至二零一八年十二月三十一日止年度，本集團五位最高薪酬人士為五名董事(二零一七年：四名董事及一名高級管理人員)。該五名董事(二零一七年：四名董事)的酬金載列於附註30之分析中(二零一七年：高級管理人員酬金約為人民幣4,477,000元，包括基本工資、住房津貼、其他津貼及實物利益人民幣4,456,000元以及退休金計劃供款人民幣21,000元)。

(b) 截至二零一八年十二月三十一日止年度，本集團概無為吸引其他董事或五位最高薪酬人士加盟或在彼等加盟或離開本集團時或以離職補償為由向彼等支付酬金(二零一七年：相同)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 25 Other income

### 25 其他收入

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 (Restated) (重列)
Others	其他	-	293
		-	293

### 26 Other gains/(losses) – net

### 26 其他收益／(虧損)淨額

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 (Restated) (重列)
Fair value change on derivative instruments – embedded derivative in convertible bonds	衍生工具的公允值變動－可換股債券的嵌入式衍生工具	<b>255,138</b>	47,710
Net foreign exchange gains/(losses) (Note 29)	外匯收益／(虧損)淨額 (附註29)	<b>517,097</b>	(869,585)
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備的收益／(虧損)	<b>26</b>	(75)
Loss on recognition of obligation from financial guarantee (Note)	確認財務擔保責任的虧損 (附註)	<b>(150,445)</b>	-
		<b>621,816</b>	(821,950)

Note: The amount represents the financial obligation taken up by the Company for the extinguishment of financial liabilities upon issuance of convertible preference shares (see Note 15(b) for further details).

附註：該金額指本公司在發行可轉換優先股時消除金融負債所承擔的財務義務(詳見附註15(b))。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27 Finance income and costs

### 27 融資收益及成本

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 (Restated) (重列)
<b>Finance income:</b>	<b>融資收益：</b>		
Interest income from bank deposits	銀行存款的利息收益	<b>27</b>	2
Imputed interest income	估算利息收入	<b>46,924</b>	6,933
		<b>46,951</b>	6,935
<b>Finance costs:</b>	<b>融資成本：</b>		
Interest expenses	利息開支		
– Borrowings	– 借款	<b>(168,950)</b>	(232,340)
– Convertible bonds	– 可換股債券	<b>(222,061)</b>	(85,692)
Net foreign exchange (losses)/gains (Note 29)	外匯(虧損)/收益 淨額(附註29)	<b>(109,954)</b>	251,614
Less: borrowing costs capitalised	減：資本化的借款成本	<b>14,556</b>	1,859
		<b>(486,409)</b>	(64,559)
<b>Finance costs – net</b>	<b>融資成本 – 淨額</b>	<b>(439,458)</b>	(57,624)

### 28 Income tax

No Hong Kong profits tax has been provided for the years ended 31 December 2018 and 2017 as the Group had no assessable profit in Hong Kong. All PRC subsidiaries and Kyrgyzstan subsidiary are subject to EIT rates of 25% and 10%, respectively.

### 28 所得稅

由於本集團並無在香港產生應課稅溢利，故於截至二零一八年及二零一七年十二月三十一日止年度並無就香港利得稅作出撥備。所有中國附屬公司及吉爾吉斯附屬公司須分別按25%及10%的企業所得稅繳稅。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 28 Income tax (Continued)

### 28 所得稅(續)

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Income tax expense is attributable to	所得稅開支歸屬於：		
- Profit/(loss) for continuing operations	- 持續經營業務的利潤/(虧損)	-	-
- Loss for discontinued operations	- 來自已終止業務的虧損	-	-
		-	-

The tax on the Group's results before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to results of the consolidated entities as follows:

本集團除稅前業績的稅項有別於採用綜合實體業績所適用的加權平均稅率產生的理論金額，如下所示：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Profit/(loss) from continuing operations before income tax	來自持續經營的稅前利潤/(虧損)	<b>2,207,048</b>	(928,088)
Loss from discontinued operations before income tax	來自已終止業務的稅前虧損	<b>(2,466,527)</b>	(1,008,091)
Loss before income tax	除所得稅前虧損	<b>(259,479)</b>	(1,936,179)
Tax calculated at domestic tax rates applicable to profit of respective companies	按有關公司溢利所適用的國內稅率計算的稅項	<b>(51,600)</b>	(423,443)
Income not subject to tax	毋須課稅收益	<b>(350,865)</b>	(3,561)
Expenses not deductible for tax purposes	不可扣稅開支	<b>1,277</b>	377
Items which no deferred income tax asset was recognised	未確認遞延所得稅資產的項目	<b>401,188</b>	426,627
		-	-

The weighted average applicable tax rate was 20% for the year ended 31 December 2018 (2017: 22%).

截至二零一八年十二月三十一日止年度，適用加權平均稅率為20%（二零一七年：22%）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 28 Income tax (Continued)

As at 31 December 2018, the Group did not recognise deferred income tax assets of RMB2,127,177,000 (2017: RMB2,766,217,000), among which RMB2,119,043,000 are from discontinued operations, in respect of certain provisions and accruals amounting to RMB10,085,189,000 (2017: RMB12,641,349,000) including RMB10,079,200,000 from discontinued operations as future profitability of the respective entities tax is not probable.

As at 31 December 2018, the Group did not recognise deferred income tax assets of RMB4,160,910,000 (2017: RMB3,771,588,000) of the discontinued operations in respect of losses amounting to RMB18,795,915,000 (2017: RMB18,309,383,000) that can be carried forward and utilised against future taxable income.

As at 31 December 2018, management is of the view that undistributed earnings of Group's subsidiaries in the PRC totaling RMB296,973,000 (2017: RMB632,234,000) including RMB296,503,000 from discontinued operations and RMB470,000 from continuing operations respectively, are for re-investment in the PRC. Accordingly, deferred income tax liabilities of RMB29,697,000 (2017: RMB63,223,000) have not been recognised for the withholding tax that would be payable upon distribution of profits of those entities.

### 28 所得稅(續)

於二零一八年十二月三十一日，由於不太可能有未來相應實體稅盈利，本集團並未就若干撥備與應計費用總額人民幣2,127,177,000元(二零一七年：人民幣2,766,217,000元)(其中人民幣2,119,043,000元來自已終止業務)確認遞延所得稅資產人民幣10,085,189,000元(二零一七年：人民幣12,641,349,000元)(包括來自已終止業務的人民幣10,079,200,000元)。

於二零一八年十二月三十一日，本集團並未就可結轉且可用於抵銷未來應課稅收益的已終止業務虧損人民幣4,160,910,000元(二零一七年：人民幣3,771,588,000元)確認遞延所得稅資產人民幣18,795,915,000元(二零一七年：人民幣18,309,383,000元)。

於二零一八年十二月三十一日，管理層認為，本集團於中國的附屬公司未分派盈利合共人民幣296,973,000元(二零一七年：人民幣632,234,000元)(分別包括來自已終止業務的人民幣296,503,000元及來自持續經營的人民幣470,000元)乃用作於中國再投資，而非分派用途。因此，遞延所得稅負債人民幣29,697,000元(二零一七年：人民幣63,223,000元)並無就將於分派該等實體溢利時應付的預扣稅確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 28 Income tax (Continued)

The Group's PRC tax losses have expiration period of five years as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 1 year	一年內	-	3,674,378
Within 2 years	兩年內	-	4,468,093
Within 3 years	三年內	-	2,869,537
Within 4 years	四年內	-	3,525,787
Within 5 years	五年內	-	3,771,588
		-	18,309,383

### 28 所得稅(續)

本集團屆滿期為五年的中國稅項虧損載列如下：

### 29 Net foreign exchange gains/(losses)

The exchange differences credited/(charged) in the profit or loss are included as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 [Restated] (重列)
Net foreign exchange gains/(losses) taken to:	納入的外匯收益/(虧損)淨額:		
Other gains/(losses) – net (Note 26)	其他收益/(虧損) – 淨額 (附註26)	<b>517,097</b>	(869,585)
Finance costs (Note 27)	融資成本(附註27)	<b>(109,954)</b>	251,614
		<b>407,143</b>	(617,971)

### 29 外匯收益/(虧損)淨額

扣除/(計入)損益的匯兌差額如下：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 30 Benefits and interest of directors

#### (a) Directors' emoluments

The emoluments of every director is set out below:

For the year ended 31 December 2018:

### 30 董事利益及權益

#### (a) 董事薪酬

每名董事薪酬如下：

截至二零一八年十二月三十一日止年度：

Emoluments paid or receivable in respect of a person's services as a director,  
whether of the Company or its subsidiary undertaking  
就一名人士作為董事(不論本公司或其附屬公司承諾)的服務已付或應收酬金

		Basic salaries, housing allowances, other allowance and benefit-in-kind	Discretionary bonuses	Estimated money value of share based payment	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking 就管理本公司或 其子公司企業的 事務提供其他 董事服務已付或 應收酬金	Total
		薪金、 住房津貼、 其他津貼、 及實物利益	酌情獎金	以股份為基礎的 支付的估計 金錢價值	退休福利計劃的 僱主供款	就接納董事職務 已付或應收酬金	董事服務已付或 應收酬金	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>2018</b>	<b>二零一八年</b>							
<b>Executive directors</b>	<b>執行董事</b>							
Chen Qiang (i)	陳強(i)	-	1,500	-	-	13	-	1,513
Hong Liang	洪霖	-	1,000	-	-	107	-	1,107
Wang Tao	王濤	-	1,000	-	-	107	-	1,107
Zhu Wen Hua	朱文花	-	999	-	-	94	-	1,093
Zhang Ming	張明	-	992	-	-	-	-	992
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>							
Wang Jin Lian	王錦蓮	304	-	-	-	-	-	304
Zhou Zhan	周展	304	-	-	-	-	-	304
Lam Cheung Mau	林長茂	304	-	-	-	-	-	304
<b>Total emoluments</b>	<b>總酬金</b>	<b>912</b>	<b>5,491</b>	<b>-</b>	<b>-</b>	<b>321</b>	<b>-</b>	<b>6,724</b>

Notes:

(i) Being the Chief Executive Officer of the Company.

附註：

(i) 即本公司首席執行官。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 30 Benefits and interest of directors 30 董事利益及權益(續)

(Continued)

#### (a) Directors' emoluments (Continued)

For the year ended 31 December 2017:

#### (a) 董事薪酬(續)

截至二零一七年十二月三十一日止年度：

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就一名人士作為董事(不論本公司或其附屬公司承諾)的服務已付或應收酬金					Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking 就管理本公司或其子公司企業的事務提供其他董事服務已付或應收酬金		Total
	Fee	Basic salaries, housing allowances, other allowance and benefit-in-kind	Discretionary bonuses	Estimated money value of share based payment	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director			
	袍金	基本工資、住房津貼、其他津貼、及實物利益	酌情獎金	以股份為基礎的支付的估計金錢價值	退休福利計劃的僱主供款	就按納董事職務已付或應收酬金	應收酬金	總計	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>2017</b>									
<b>Executive directors</b>	<b>執行董事</b>								
Chen Qiang (i)	陳強(i)	-	1,500	-	3,732	13	-	-	5,245
Hong Liang (ii)	洪梁(ii)	-	1,000	-	746	99	-	-	1,845
Wang Tao	王濤	-	1,000	-	340	99	-	-	1,439
Zhu Wen Hua	朱文花	-	1,000	-	240	86	-	-	1,326
Zhang Ming	張明	-	1,000	-	-	-	-	-	1,000
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>								
Wang Jin Lian	王錦連	304	-	-	-	-	-	-	304
Zhou Zhan	周展	304	-	-	-	-	-	-	304
Lam Cheung Mau	林煥茂	304	-	-	-	-	-	-	304
<b>Total emoluments</b>	<b>總酬金</b>	912	5,500	-	5,058	297	-	-	11,767

Notes:

- (i) Being the Chief Executive Officer of the Company.
- (ii) Appointed as the Chief Operating Officer of the Company on 27 November 2017.

附註：

- (i) 即本公司首席執行官。
- (ii) 於二零一七年十一月二十七日獲委任為本公司首席營運官。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 30 Benefits and interest of directors

(Continued)

#### (b) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits during the year (2017: nil).

#### (c) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2018, the Company did not pay consideration to any third parties for making available directors' services (2017: nil).

#### (d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and controlled entities with such directors (2017: nil).

#### (e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Group had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2017: nil).

### 30 董事利益及權益(續)

#### (b) 董事的退休福利及終止僱用福利

年內，概無董事曾或將獲得任何退休福利或終止僱用福利(二零一七年：無)。

#### (c) 就提供董事服務而向第三方提供之對價

截至二零一八年十二月三十一日止年度，本公司概無就提供董事服務而向任何第三方支付之對價(二零一七年：無)。

#### (d) 向董事、受該等董事控制的法人團體及該董事的關連主體提供的貸款、準貸款及其他交易資料

概無以向董事、受該等董事控制的法人團體及該董事的關連主體提供的貸款、準貸款及其他交易安排。(二零一七年：無)。

#### (e) 董事在交易、安排或合同之重大權益

本集團概無訂立與本集團業務有關，而本集團董事直接或間接擁有重大權益且於年末或年內任何時間存在之重大交易、安排及合同(二零一七年：無)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31 Earnings/(loss) per share

#### (a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the results attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

		2018 二零一八年	2017 二零一七年
		RMB 人民幣	RMB 人民幣
Earnings/(loss) from continuing operations per share	來自持續經營業務的每股盈利/(虧損)	<b>0.75</b>	(0.42)
Loss from discontinued operations per share	來自已終止業務的虧損	<b>(0.80)</b>	(0.44)
Loss per share	每股虧損	<b>(0.05)</b>	(0.86)

#### (b) Diluted earnings/(loss) per share

##### *Diluted earnings from continuing operations per share*

Diluted earnings from continuing operations per share for the year ended 31 December 2018 is calculated by dividing the results from continuing operations attributable to equity holders of the Company by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares (2017: the diluted loss from continuing operations per share is the same as basic loss from continuing operation per share as there were no potential dilutive ordinary shares outstanding).

### 31 每股盈利/(虧損)

#### (a) 每股基本盈利/(虧損)

每股基本盈利/(虧損)的計算方法為將本公司權益持有人應佔業績除以年內已發行普通股的加權平均數。

#### (b) 每股攤薄盈利/(虧損)

##### *來自持續經營業務的每股攤薄盈利*

截至二零一八年十二月三十一日止年度，持續經營業務所得每股攤薄盈利乃按本公司權益持有人應佔持續經營業績，除以假設所有具攤薄性潛在普通股獲轉換後將予發行在外的額外普通股的加權平均數計算得出。(二零一七年：由於並無潛在攤薄普通股發行在外，持續經營業務所得每股攤薄虧損與持續經營業務每股基本虧損相同)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31 Earnings/(loss) per share (Continued)

#### (b) Diluted earnings/(loss) per share (Continued)

*Diluted earnings from continuing operations per share (Continued)*

### 31 每股盈利／(虧損)(續)

#### (b) 每股攤薄盈利／(虧損)(續)

來自持續經營業務的每股攤薄盈利(續)

2018

二零一八年

Earnings from continuing operations per share in calculating diluted earnings per share (RMB'000)	用以計算每股攤薄盈利之持續經營業務的每股盈利(人民幣千元)	<b>2,365,007</b>
Weighted average number of ordinary shares in issue	已發行普通股的加權平均數	<b>4,882,216,165</b>
Diluted earnings per share (RMB per share)	每股攤薄盈利(每股人民幣元)	<b>0.48</b>

#### *Diluted loss from discontinued operations per share*

Diluted loss from discontinued operations per share is the same as basic loss from discontinued operations per share as there were no potential dilutive ordinary shares outstanding during the year (2017: same).

#### 來自己終止業務的每股攤薄虧損

來自己終止業務的每股攤薄虧損與來自己終止業務的每股基本虧損相同，原因為年內並無已發行具潛在攤薄影響之普通股(二零一七年：相同)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31 Earnings/(loss) per share (Continued)

(c) Reconciliations of earnings used in calculating loss per share

### 31 每股盈利／(虧損)(續)

(c) 用以計算每股虧損的盈利對賬：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Basic and diluted loss per share</b>	<b>每股基本及攤薄虧損</b>		
Profit/(loss) attributable to equity holders of the Company	本公司權益持有人應佔利潤／(虧損)		
– Continuing operations	– 持續經營業務	<b>2,213,293</b>	(920,608)
– Discontinued operations	– 已終止業務	<b>(2,351,654)</b>	(964,218)
		<b>(138,361)</b>	(1,884,826)
<b>Diluted earnings/(loss) per share</b>	<b>每股攤薄盈利／(虧損)</b>		
Profit/(loss) from continuing operations attributable to the ordinary equity holders of the company:	來自持續經營的利潤／(虧損) 歸屬於公司普通股權持有人：		
Used in calculating basic earnings per share	用於計算每股基本盈利	<b>2,213,293</b>	(920,608)
Add: interest savings on convertible bonds	加上：可換股債券的利息	<b>122,874</b>	–
Add: exchange effect on convertible bonds	加上：可換股債券的匯兌效益	<b>28,840</b>	–
		<b>2,365,007</b>	(920,608)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31 Earnings/(loss) per share (Continued)

(d) Weighted average number of shares used as the denominator

### 31 每股盈利／(虧損)(續)

(d) 用於作為分母之加權平均股份數目

		2018 二零一八年	2017 二零一七年
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	用於作為分母之加權平均普通股份數目計算每股基本盈利	<b>2,941,266,904</b>	2,191,236,343
Adjustment for calculating diluted earnings from continuing operations per share:	用以計算持續經營業務所得每股攤薄盈利之調整：		
– Convertible preference shares	– 可轉換優先股	<b>268,723,288</b>	–
– Convertible bonds	– 可換股債券	<b>1,672,225,973</b>	–
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	用於作為分母之加權平均普通股份數目計算每股攤薄盈利	<b>4,882,216,165</b>	2,191,236,343

### 32 Dividends

The Board has resolved not to declare for the payment of final dividend for the year ended 31 December 2018 (2017: nil).

### 32 股息

董事會已決議不派發截至二零一八年十二月三十一日止年度之末期股息(二零一七年：無)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 33 Notes to the consolidated statement of cash flows

#### (a) Cash generated from operations

### 33 綜合現金流量表附註

#### (a) 經營所得現金

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 (Restated) (重列)
<b>Continuing operations</b>	<b>持續經營業務</b>		
Profit/(loss) before income tax	除所得稅前利潤/(虧損)	<b>2,207,048</b>	(928,088)
Adjustments for:	對以下各項作出調整：		
- Amortisation of intangible assets (Note 8)	- 無形資產攤銷(附註8)	<b>2,372</b>	2,914
- Depreciation (Note 7)	- 折舊(附註7)	<b>27,027</b>	20,970
- Share-based compensation (Note 16)	- 以股份為基準的補償(附註16)	-	10,880
- Fair value gain on derivative financial instruments (Note 26)	- 衍生金融工具的公允價值收益(附註26)	<b>(255,138)</b>	(47,710)
- Interest income (Note 27)	- 利息收益(附註27)	<b>(46,951)</b>	(6,935)
- Interest expense (Note 27)	- 利息開支(附註27)	<b>486,409</b>	64,559
- (Gain)/loss on disposal of property, plant and equipment (Note 26)	- 出售物業、廠房及設備的(收益)/虧損(附註26)	<b>(26)</b>	75
- Loss on recognition of obligation from financial guarantee (Note 26)	- 確認財務擔保責任的虧損(附註26)	<b>150,445</b>	-
- Unrealised exchange (gains)/losses (Note 26)	- 未變現匯兌(收益)/虧損(附註26)	<b>(517,097)</b>	869,585
- Gain on extinguishment of financial liabilities upon issuance of convertible preference shares (Note 15)	- 於發行可轉換優先股時消除金融負債(附註15)	<b>(2,067,284)</b>	-
Changes in working capital:	營運資金變動：		
- Inventories	- 存貨	<b>(2,624)</b>	2,636
- Trade receivables, and other receivables, prepayments and deposits	- 應收賬款及其他應收款項、預付款項及按金	<b>(2,613)</b>	(5,435)
- Trade and other payables	- 應付賬款及其他應付款項	<b>70,075</b>	17,610
Cash generated from continuing operations	持續經營業務所得現金	<b>51,643</b>	1,061



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 33 Notes to the consolidated statement of cash flows (Continued)

#### (b) Net debt reconciliation

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	<b>9,274</b>	69,858
Borrowings – repayable within one year (including overdraft)	借款 – 一年內償還(包括透支)	<b>(2,846,337)</b>	(20,045,111)
Borrowings – repayable after one year	借款 – 一年後償債	<b>(794,094)</b>	(3,855,040)
Net debt	債務淨額	<b>(3,631,157)</b>	(23,830,293)

### 33 綜合現金流量表附註(續)

#### (b) 債務淨額對賬

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	<b>9,274</b>	69,858
Gross debt – fixed interest rate	債務總額 – 固定利率	<b>(3,040,844)</b>	(13,762,919)
Gross debt – variable interest rate	債務總額 – 浮動利率	<b>(599,587)</b>	(10,137,232)
Net debt	債務淨額	<b>(3,631,157)</b>	(23,830,293)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 33 Notes to the consolidated statement of cash flows (Continued)

#### (b) Net debt reconciliation (Continued)

Movements in net debt for the year ended 31 December 2017 and 2018:

	Other assets 其他資產	Liabilities from financing activities 融資活動負債				Total 總計	
		Cash/bank overdraft	Finance leases due within 1 year	Finance leases due after 1 year	Borrowings due within 1 year		Borrowings due after 1 year
	現金/銀行透支	融資租賃	融資租賃	借款	借款		
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
Net debt as at 1 January 2017	於二零一七年一月一日的債務淨額	107,264	(576,097)	-	(20,667,375)	(3,018,700)	(24,154,908)
Cash flow	現金流	(37,256)	-	-	111,975	(77,470)	(2,751)
Foreign Exchange movement	外匯變動	(150)	-	-	254,901	14,597	269,348
Other non-cash movement (Note a)	其他非現金變動(附註a)	-	557,987	(6,271)	273,498	(767,196)	58,018
Net debt as at 31 December 2017	於二零一七年十二月三十一日的債務淨額	69,858	(18,110)	(6,271)	(20,027,001)	(3,848,769)	(23,830,293)
Cash flow	現金流	(47,006)	-	-	182,775	(444,405)	(308,636)
Foreign Exchange movement	外匯變動	384	-	-	(78,392)	(31,562)	(109,570)
Other non-cash movement (Note b)	其他非現金變動(附註b)	-	18,110	6,271	6,806,537	(1,935,104)	4,895,814
Transferred to (Assets)/Liabilities classified as held for sale	轉至分類為持作出售的(資產)/負債	(13,962)	-	-	10,230,288	5,505,202	15,721,528
Net debt as at 31 December 2018	於二零一八年十二月三十一日的債務淨額	9,274	-	-	(2,885,793)	(754,638)	(3,631,157)

Notes:

- (a) Other non-cash movements during 2017 mainly include (i) an increase of RMB1,109,655,000 due to the settlement of convertible bonds and accrued interest by promissory notes, and (ii) a decrease of RMB50,000,000 due to the deposit confiscated to repay certain finance leases and other borrowings.
- (b) Other non-cash movements during 2018 mainly include (i) an increase in Remaining Group of RMB717,993,000 due to the settlement of convertible bonds by conversion of shares, (ii) an increase in Disposal Group of RMB3,687,489,000 due to settlement of borrowings by issuance of preference shares and repayment by funds from third party and (iii) an increase in Disposal Group of RMB351,577,000 due to repayment of borrowings by court compulsorily using the proceeds of land auction.

附註：

- (a) 二零一七年的其他非現金變動包括(i)以承兌票據償付可換股債券及應計利息及而導致增加人民幣1,109,655,000元；及(ii)按金遭沒收以償付若干融資租賃及其他借款而導致減少人民幣50,000,000元。
- (b) 二零一八年的其他非現金變動主要包括(i)以轉換股份償付可換股債券導致餘下集團增加人民幣717,993,000元；(ii)以發行優先股及第三方償還資金償付借款導致出售集團增加人民幣3,687,489,000元；及(iii)法庭強制以拍賣土地所得款項償付借款導致出售集團增加人民幣351,577,000元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 34 Contingencies

### 34 或有事項

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Contingencies:	或有事項：		
Financial guarantees (Note)	財務擔保(附註)	<b>7,329,803</b>	26,674
		<b>7,329,803</b>	26,674

Note:

The Company has provided guarantees to certain financial institutions in the PRC in respect of borrowings of the Disposal Group. Under the financial guarantee contracts, the Company is required to make payments to the financial institutions should the Disposal Group default on the borrowings. As at 31 December 2018, the total value of the guaranteed borrowings outstanding was RMB7,329,803,000 (2017: RMB12,261,154,000).

As at 31 December 2018, the Disposal Group has also provided guarantees to certain financial institutions in the PRC in respect of borrowings drawn by certain customers of the engineering machinery segment. The borrowings were drawn by the customers of the engineering machinery segment to finance the purchase of excavators from the Disposal Group. Under the financial guarantee contracts, the Disposal Group is required to make payments to the financial institutions should the customers default on the borrowings. The total value of the guaranteed borrowings outstanding was RMB29,112,000 in which a provision of RMB2,438,000 was made for borrowings with delinquent payments. Management has determined that no further provision for the remaining contingency of RMB26,674,000 is required as the relevant customers have no history of default and it is not probable that the Group would have to make payments to the financial institutions for the guarantees (2017: same).

附註：

本集團已就出售集團之借款向中國若干金融機構提供擔保。根據財務擔保合約，倘出售集團拖欠借款，本公司須向金融機構付款。於二零一八年十二月三十一日，有擔保未清償借款總額為人民幣7,329,803,000元(二零一七年：人民幣12,261,154,000元)。

於二零一八年十二月三十一日，出售集團亦已就工程機械板塊的若干客戶所提取的借款向中國若干金融機構提供擔保。該借款由工程機械板塊的客戶提取，以為購買出售集團挖掘機提供資金。根據財務擔保合約，倘客戶拖欠借款，本集團須向金融機構付款。尚未償還的已擔保借款總額為人民幣29,112,000元，其中，就拖欠款項的借款作出人民幣2,438,000元的撥備。由於有關客戶並無拖欠歷史且本集團不太可能須就擔保向金融機構作出付款，因此，管理層認為，本集團無須就餘下或然款項人民幣26,674,000元作出進一步撥備(二零一七年：相同)。

### 35 Commitments

### 35 承諾

#### (a) Capital commitments

Capital expenditure committed at the end of each reporting period but not yet incurred is as follows:

#### (a) 資本承諾

於各報告期末已承諾但尚未產生的資本開支如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備		
– Contracted but not provided for	– 已訂約但尚未撥備	<b>65,389</b>	700,409
Other capital commitment	其他資本承諾		
– Contracted but not provided for (note i)	– 已訂約但尚未撥備(附註i)	-	160,000

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 35 Commitments (Continued)

#### (a) Capital commitments (Continued)

Note:

- (i) Capital commitment for the investment in 農銀無錫股權投資基金企業 (the "Fund")

On 16 January 2012, the Group entered into an agreement with 6 strategic investors for the Fund, where the Group proposed to invest RMB200,000,000 into the Fund, representing 6.66% of the total capital of the Fund. As at 31 December 2017, the Group has paid the first instalment of RMB40,000,000 to the Fund which is included in Assets classified as held for sale in the consolidated statement of the financial position (Note 22) as financial assets at fair value through other comprehensive income.

#### (b) Operating lease commitments – where the Group is the lessee

The Group leases various offices, residential properties and production facilities under non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

### 35 承諾(續)

#### (a) 資本承諾(續)

附註：

- (i) 投資農銀無錫股權投資基金企業(「基金」)的資本承諾

於二零一二年一月十六日，本集團就基金與六名策略投資者訂立協議，據此，本集團擬向基金投資人民幣200,000,000元，佔基金總資本6.66%。於二零一七年十二月三十一日，本集團已向基金支付首期款項人民幣40,000,000元，該筆款項為按公允值計入其他全面收益的金融資產，於綜合財務狀況表內列作持作可供出售的資產(附註22)。

#### (b) 經營租賃承擔 – 本集團為承租人

本集團根據不可撤銷經營租賃協議租用多個辦公室、住宅物業及生產設施。根據不可撤銷經營租約而應付的未來最低租賃付款總額如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
No later than 1 year	不超過一年	517	3,131
Later than 1 year and no later than 5 years	一年後但五年內	516	554
		<b>1,033</b>	3,685

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 36 Related party transactions

Fine Profit Enterprises Limited (a company incorporated in the British Virgin Islands) ("Fine Profit") owned 9.43% of the issued shares of the Company as at 31 December 2018 (2017: 16.43%), before taking into account the additional shares issued upon conversion of various convertible instruments. Fine Profit was wholly-owned by Mr. Zhang as at 31 December 2018.

The directors of the Company are of the view that the following companies were related parties that had transactions or balances with the Group during the year:

### 36 關聯方交易

好利企業有限公司(於英屬處女群島註冊成立的公司)(「好利」)於二零一八年十二月三十一日擁有本公司9.43%已發行股份(二零一七年: 16.43%)，於計及兌換可換股工具時已發行的額外股份前。好利於二零一八年十二月三十一日由張先生全資擁有。

本公司董事認為下列公司為於年內與本集團進行交易或之間有結餘的關聯方：

Name 名稱	Relationship with the Group 與本集團的關係
Shanghai Ditong Construction (Group) Co., Ltd. 上海地通建設(集團)有限公司	Entity controlled by a shareholder/close family member of Mr. Zhang 受一股東／張先生家屬控制的實體
Smart Frontier Limited	Entity controlled by a close family member of Mr. Zhang 受張先生家屬控制的實體
Rongying Capital Management Limited 熔盈資本管理有限公司	Entity ultimately controlled by Mr. Zhang 受張先生最終控制的實體
Crystal Mont Limited	Entity ultimately controlled by Mr. Zhang 受張先生最終控制的實體
Jiangsu Xu Ming Investment Group Co., Ltd. 江蘇旭明投資集團有限公司	Entity ultimately controlled by Mr. Zhang 受張先生最終控制的實體
Nantong Rongsheng Infrastructure Accessories Co., Ltd. 南通熔盛基礎設施配套工程有限公司	Entity ultimately controlled by Mr. Zhang 受張先生最終控制的實體
Jiangsu Rong Tong Marine Mechanical and Electrical Co., Ltd. 江蘇熔通海工機電有限公司	Entity ultimately controlled by Mr. Zhang 受張先生最終控制的實體
Nantong Drawshine Petrochemical Co., Ltd. 南通焯晟石油化工有限公司	Entity controlled by a shareholder/close family member of Mr. Zhang 受一股東／張先生家屬控制的實體
Shanghai Sunglow Investment (Group) Co., Ltd 上海陽光投資(集團)有限公司	Entity controlled by a shareholder/close family member of Mr. Zhang 受一股東／張先生家屬控制的實體
Dynamic Great Limited	Entity controlled by a close family member of Mr. Zhang 受張先生家屬控制的實體
Zhang Jiping 張繼平	Director of a subsidiary 附屬公司董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 36 Related party transactions (Continued)

During the year ended 31 December 2018, the Group carried out the following transactions with the related parties:

#### (i) Year-end balances with related parties

As at 31 December 2018 and 2017, the balances are interest-free, unsecured and approximate their fair values. All these balances are repayable on demand.

### 36 關聯方交易(續)

截至二零一八年十二月三十一日止年度，本集團與關聯方進行以下交易：

#### (i) 與關聯方的年末結餘

於二零一八年及二零一七年十二月三十一日，結餘乃免息、無抵押及與其公允值相若。所有該等結餘均須於要求時償還。

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Other payables for property, plant and equipment (Note 18):	物業、廠房及設備的其他應付款項(附註18):		
- Entities controlled by Mr. Zhang or a shareholder/close family members of Mr. Zhang	- 受張先生或一名股東/張先生家屬控制的實體	-	458,289
Other payables - non-trade (Note 18):	其他應付款項 - 非貿易性質(附註18):		
- Entities controlled by Mr. Zhang or a shareholder/close family members of Mr. Zhang	- 受張先生或一名股東/張先生家屬控制的實體	<b>13,023</b>	35,486
- A director of a subsidiary	- 附屬公司董事	<b>20,785</b>	20,268
		<b>33,808</b>	55,754

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 36 Related party transactions (Continued)

#### (ii) Advances from related parties

During the year ended 31 December 2018, no security-free and interest-free revolving facilities was provided to the Group (2017: RMB3,000,000,000) from the single largest shareholder (before taking into account full conversion of convertible bonds, conversion of convertible preference shares and exercise of the share options issued by the Company).

#### (iii) Guarantee by a director

As at 31 December 2018, no bank borrowing was secured by a director of the Group (2017: RMB2,429,930,000).

#### (iv) Guarantee by the shareholders and related parties

As at 31 December 2018, certain borrowings totaling RMB599,586,000 (2017: RMB8,695,113,000) are secured by certain shareholders and the controlling entities of certain shareholders.

#### (v) Borrowings from a director of a subsidiary

As at 31 December 2018, no security-free and interest-free borrowings were provided by a director of a subsidiary (2017: RMB45,909,000) for working capital purposes.

#### (vi) Borrowings from related parties

As at 31 December 2018, certain related parties provided security-free facilities up to USD255,000,000 (2017: USD5,000,000), RMB40,000,000 (2017: Nil) and HKD15,000,000 (2017: HKD23,698,000) (totalling equivalent to approximately RMB1,807,192,000 (2017: RMB52,480,000)) for use by the Group for working capital purposes.

#### (vii) Key management compensation

Key management includes directors. Details of key management compensation are disclosed in Note 30.

### 36 關聯方交易(續)

#### (ii) 關聯方預支款

截至二零一八年十二月三十一日止年度，單一最大股東(於計及本公司悉數轉換可換股債券、轉換可轉換優先股及行使已發行購股權之前)並無提供無抵押及免息循環融資予本集團(二零一七年：人民幣3,000,000,000元)。

#### (iii) 一名董事提供的擔保

於二零一八年十二月三十一日，本集團一名董事並無就銀行借款提供擔保(二零一七年：人民幣2,429,930,000元)。

#### (iv) 股東及關聯方提供的擔保

於二零一八年十二月三十一日，若干借款合共人民幣599,586,000元(二零一七年：人民幣8,695,113,000元)由股東及其控股實體提供擔保。

#### (v) 來自一家附屬公司的一名董事的借款

於二零一八年十二月三十一日，一家附屬公司的一名董事並無提供無抵押及免息借款(二零一七年：人民幣45,909,000元)作營運資金用途。

#### (vi) 來自關聯方的借款

於二零一八年十二月三十一日，若干關聯方提供無抵押融資最多255,000,000美元(二零一七年：5,000,000美元)、人民幣40,000,000元(二零一七年：零)及15,000,000港元(二零一七年：23,698,000港元)(合共相當於約人民幣1,807,192,000元(二零一七年：人民幣52,480,000元))供本集團作營運資金用途。

#### (vii) 關鍵管理層薪酬

關鍵管理層包括董事。關鍵管理層薪酬的詳情於附註30披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:

### 37 主要附屬公司詳情

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group 本集團應佔股權	
						2018 二零一八年	2017 二零一七年
Rongsheng Heavy Industries Holdings Limited (Note 2) 榕盛重工控股有限公司(附註2)	Cayman Islands 開曼群島	27 Jul 2007 二零零七年七月二十七日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD100,000 100,000港元	98.50%	98.50%
Rongsheng Engineering Machinery Limited (Note 2) 榕盛工程機械有限公司(附註2)	Cayman Islands 開曼群島	14 Jul 2010 二零一零年七月十四日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD10 10港元	100%	100%
Rongsheng Power Machinery Limited (Note 2) 榕盛動力機械有限公司(附註2)	Cayman Islands 開曼群島	14 Jul 2010 二零一零年七月十四日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD10 10港元	100%	100%
Rongsheng Marine Engineering Petroleum Services Limited (Note 2) 榕盛海洋工程石油服務有限公司(附註2)	Cayman Islands 開曼群島	14 Jul 2010 二零一零年七月十四日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD10 10港元	100%	100%
Rongsheng Capital Limited <sup>#</sup> 榕盛資本有限公司 <sup>#</sup>	Cayman Islands 開曼群島	14 Jul 2010 二零一零年七月十四日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD10 10港元	100%	100%
Clear Joy International Limited (Note 2) 明欣國際有限公司(附註2)	British Virgin Islands 英屬處女群島	2 Apr 2007 二零零七年四月二日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD50,000 50,000美元	98.50%	98.50%
Nice In Holdings Limited (Note 2) 美來控股有限公司(附註2)	British Virgin Islands 英屬處女群島	13 Apr 2007 二零零七年四月十三日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD50,000 50,000美元	98.50%	98.50%
Charm Dragon Holdings Limited (Note 2) 美龍控股有限公司(附註2)	British Virgin Islands 英屬處女群島	19 Apr 2007 二零零七年四月十九日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD50,000 50,000美元	98.50%	98.50%
Grace Shine International Limited (Note 2) 明恩國際有限公司(附註2)	British Virgin Islands 英屬處女群島	19 Apr 2007 二零零七年四月十九日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD50,000 50,000美元	98.50%	100%



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries

### 37 主要附屬公司詳情(續)

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group	
						2018 二零一八年	2017 二零一七年
Head Park Group Limited (Note 2) 柏源集團有限公司(附註2)	British Virgin Islands 英屬處女群島	25 Apr 2007 二零零七年四月二十五日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD50,000 50,000美元	100%	98.50%
New Sea Enterprises Limited (Note 2) 新時企業有限公司(附註2)	British Virgin Islands 英屬處女群島	2 May 2007 二零零七年五月二日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD50,000 50,000美元	100%	100%
Mega New International Limited (Note 2) 宏新國際有限公司(附註2)	British Virgin Islands 英屬處女群島	2 May 2007 二零零七年五月二日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD50,000 50,000美元	98.50%	98.50%
Host Rich International Enterprise Limited (Note 2) 東富國際企業有限公司(附註2)	British Virgin Islands 英屬處女群島	13 May 2009 二零零九年五月十三日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD1 1美元	100%	100%
System Advance Limited (Note 2) (附註2)	British Virgin Islands 英屬處女群島	12 Jan 2010 二零一零年一月十二日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD1 1美元	98.50%	98.50%
Ocean Sino Holdings Limited	British Virgin Islands 英屬處女群島	18 Jan 2010 二零一零年一月十八日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD1 1美元	100%	100%
Power Shine Investment Limited (Note 2) (附註2)	British Virgin Islands 英屬處女群島	7 Jan 2010 二零一零年一月七日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD1 1美元	98.50%	98.50%
Capital Sign International Limited	British Virgin Islands 英屬處女群島	26 Mar 2009 二零零九年三月二十六日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD1 1美元	100%	100%
Dragon Courage Investments Limited	British Virgin Islands 英屬處女群島	2 Apr 2009 二零零九年四月二日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD1 1美元	100%	100%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries 37 主要附屬公司詳情(續)

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group 本集團應佔股權	
						2018 二零一八年	2017 二零一七年
Xcellcrest Holdings Pte. Ltd. (Note 2) (附註2)	Singapore 新加坡	1 Nov 2012 二零一二年十一月一日	Limited liability company 有限公司	Investment holding; Singapore 投資控股；新加坡	SGD1 1新加坡元	100%	100%
Rongsheng Offshore & Marine Pte. Ltd. (Note 2) 熔盛海事有限公司(附註2)	Singapore 新加坡	5 Apr 2012 二零一二年四月五日	Limited liability company 有限公司	Installation of industrial machinery and equipment; Manufacture and repair of marine engine and ship parts; Singapore 安裝工業機械和設備； 製造及維修船用發動機及船舶配件； 新加坡	SGD1,000,000 1,000,000 新加坡元	95%	95%
Hinco International Limited (Note 2) 興高國際有限公司(附註2)	Hong Kong 香港	12 Apr 2007 二零零七年四月十二日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	98.50%	98.50%
Pacific Atlantic Limited (Note 2) 僑洋有限公司(附註2)	Hong Kong 香港	24 Apr 2007 二零零七年四月二十四日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	98.50%	98.50%
Wenca Development Limited (Note 2) 偉佳發展有限公司(附註2)	Hong Kong 香港	25 Apr 2007 二零零七年四月二十五日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	100%	100%
Asiafair International Limited (Note 2) 雅發國際有限公司(附註2)	Hong Kong 香港	25 Apr 2007 二零零七年四月二十五日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	98.50%	98.50%
Sinwell (H.K.) Limited (Note 2) 信華(香港)有限公司(附註2)	Hong Kong 香港	10 May 2007 二零零七年五月十日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	100%	100%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

### 37 主要附屬公司詳情(續)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group	
						2018 二零一八年	2017 二零一七年
Wellbo Holdings Limited (Note 2) 運寶集團有限公司(附註2)	Hong Kong 香港	10 May 2007 二零零七年五月十日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	98.50%	98.50%
Profit On International Development Limited (Note 2) 安利國際發展有限公司(附註2)	Hong Kong 香港	15 May 2009 二零零九年五月十五日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	100%	100%
Yes Power Corporation Limited (Note 2) 佑力有限公司(附註2)	Hong Kong 香港	28 Jan 2010 二零一零年一月二十八日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	98.50%	98.50%
Ocean Power International Industrial Limited 海裕國際實業有限公司	Hong Kong 香港	28 Jan 2010 二零一零年一月二十八日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD1 1港元	100%	100%
Glory Source Limited 源鴻有限公司	Hong Kong 香港	25 Jan 2010 二零一零年一月二十五日	Limited liability company 有限公司	Dormant 暫無營業	HKD1 1港元	100%	100%
World Profit Corporation Limited 蒼利有限公司	Hong Kong 香港	5 Feb 2010 二零一零年二月五日	Limited liability company 有限公司	Dormant 暫無營業	HKD1 1港元	100%	100%
Jiangsu Rongsheng Shipbuilding Co., Ltd. 江蘇榕盛造船有限公司 (Note 1 and 2) 江蘇榕盛造船有限公司 (附註1及2)	PRC 中國	21 Jun 2007 二零零七年六月二十一日	Limited liability company 有限公司	Manufacturing, maintaining and machining of shipping; Trading of self-produced products; PRC 製造、維修及加工船舶；買賣自製產品；中國	RMB778,784,897 人民幣 778,784,897元	96.38%	96.38%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries

### 37 主要附屬公司詳情(續)

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group 本集團應佔股權	
						2018 二零一八年	2017 二零一七年
Nantong Rongsheng Painting Co., Ltd. (Note 2) 南通熔盛塗裝有限公司(附註2)	PRC 中國	21 Jun 2007 二零零七年六月二十一日	Limited liability company 有限公司	Painting, coating and fabrication of shipping; Manufacturing and trading of self-produced products; PRC 塗裝及防腐、特塗工程；製造及買賣自製產品；中國	USD29,500,000 29,500,000美元	<b>93.58%</b>	93.58%
Nantong Rongye Ship Mechanical and Equipment Installation Co., Ltd. (Note 2) 南通熔燁機電設備有限公司(附註2)	PRC 中國	21 Jun 2007 二零零七年六月二十一日	Limited liability company 有限公司	Manufacturing mechanical and electrical equipment and accessories for shipping production; Trading of self-produced products; PRC 製造機電設備及船舶生產的配件；買賣自製產品；中國	USD29,600,000 29,600,000美元	<b>95%</b>	95%
Nantong Rongye Storage Co., Ltd. (Note 2) 南通熔燁倉儲有限公司(附註2)	PRC 中國	21 Jun 2007 二零零七年六月二十一日	Limited liability company 有限公司	Storing of shipping material; Carry cargo; PRC 存儲船舶物料；運載貨物；中國	USD99,700,000 99,700,000美元	<b>97.76%</b>	97.76%
Jiangsu Rongsheng Offshore Engineering Co., Ltd. (Note 2) 江蘇熔盛海洋工程有限公司(附註2)	PRC 中國	22 Jun 2007 二零零七年六月二十二日	Limited liability company 有限公司	Manufacturing and installing of pipeline and shipping equipment; Trading of self-produced products; PRC 製造及安裝管線及船舶設備；買賣自製產品；中國	USD29,900,000 29,900,000美元	<b>95%</b>	95%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries

### 37 主要附屬公司詳情(續)

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group	
						2018 二零一八年	2017 二零一七年
Jiangsu Rongsheng Heavy Industries Co., Ltd. (Note 2) 江蘇熔盛重工有限公司(附註2)	PRC 中國	8 Jun 2006 二零零六年六月八日	Limited liability company 有限公司	Manufacturing of shipping; Trading of self-produced products; Providing services of shipping; PRC 製造船舶類鋼結構；買賣自製產品；提供船運服務；中國	USD701,000,000 701,000,000美元	96.38%	96.38%
Jiangsu Rongsheng shipbuilding Engineering Research and Design Company Limited (Note 2) 江蘇熔盛船舶工程研究設計院有限公司(附註2)	PRC 中國	4 Mar 2008 二零零八年三月四日	Limited liability company 有限公司	Researching, designing and providing consultation for shipbuilding; PRC 研究、設計並就造船提供諮詢；中國	RMB10,000,000 人民幣 10,000,000元	96.38%	96.38%
Nantong Rongjin Steel Construction Engineering Company Limited (Note 2) 南通熔錦鋼結構工程有限公司(附註2)	PRC 中國	16 Mar 2005 二零零五年三月十六日	Limited liability company 有限公司	Steel construction engineering; manufacture, processing and sales of steel and accessories and sales of building materials; PRC 鋼結構工程、鋼材及配件製造、加工及銷售；建築材料銷售；中國	RMB50,000,000 人民幣 50,000,000元	96.38%	96.38%
Shanghai Rongsheng Shipbuilding Trading Company Limited (Note 2) 上海熔盛船舶貿易有限公司(附註2)	PRC 中國	27 Mar 2007 二零零七年三月二十七日	Limited liability company 有限公司	Trading of vessel accessories; PRC 買賣船舶配件；中國	RMB100,000,000 人民幣 100,000,000元	96.38%	96.38%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries

### 37 主要附屬公司詳情(續)

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group	
						2018 二零一八年	2017 二零一七年
Rongsheng Machinery Company Limited (Note 2) 榕盛機械有限公司(附註2)	PRC 中國	11 Mar 2010 二零一零年三月十一日	Limited liability company 有限公司	Manufacturing and sales of engineering machineries; PRC 製造及銷售工程機械；中國	USD78,000,000 78,000,000美元	100%	100%
Hefei Zhenyu Engineering Machinery Company Limited (Note 2) 合肥振宇工程機械有限公司(附註2)	PRC 中國	10 Dec 1998 一九九八年十二月十日	Limited liability company 有限公司	Manufacturing of excavators and crawler cranes; PRC 製造挖掘機及履帶起重機；中國	RMB100,000,000 人民幣 100,000,000元	99.79%	99.79%
Hefei Zhenyu Yida Engineering Machinery Company Limited (Note 2) 合肥振宇意達工程機械有限公司(附註2)	PRC 中國	18 Apr 2003 二零零三年四月十八日	Limited liability company 有限公司	Manufacturing and sales of engineering machineries; PRC 製造及銷售工程機械；中國	RMB10,000,000 人民幣 10,000,000元	99.79%	99.79%
Hefei Rong An Power Machinery Co., Ltd. (Note 2) 合肥榕安動力機械有限公司(附註2)	PRC 中國	15 Aug 2007 二零零七年八月十五日	Limited liability company 有限公司	Building of marine engines; PRC 船用發動機建造；中國	RMB1,232,300,000 人民幣 1,232,300,000元	95.70%	95.70%
Shanghai Rong An Mechanical & Electrical Equipment Company Limited (Note 2) 上海榕安機電設備有限公司(附註2)	PRC 中國	10 Nov 2009 二零零九年十一月十日	Limited liability company 有限公司	Wholesale and retail sales of electronic machinery; PRC 批發及零售電子機械；中國	RMB10,000,000 人民幣 10,000,000元	95.70%	95.70%
Jiangsu Bosheng Industrial Trading Development Co., Ltd. (Note 2) 江蘇博盛興業貿易發展有限公司(附註2)	PRC 中國	26 Apr 2011 二零一一年四月二十六日	Limited liability company 有限公司	Manufacturing and sales of metal proceeding products; PRC 製造及銷售金屬加工產品；中國	RMB200,000,000 人民幣 200,000,000元	96.38%	96.38%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries 37 主要附屬公司詳情(續)

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group	
						2018 二零一八年	2017 二零一七年
Nantong Rongsheng Shipowners Club Construction Co., Ltd. (Note 2) 南通熔盛船東會所建設有限公司(附註2)	PRC 中國	20 Jun 2011 二零一一年六月二十日	Limited liability company 有限公司	Building of shipowners club; PRC 船舶擁有人會所建造； 中國	RMB100,000,000 人民幣 100,000,000元	96.38%	96.38%
Hefei Rong An Heavy Machinery Co., Ltd. (Note 2) 合肥熔安重機有限公司(附註2)	PRC 中國	6 Dec 2011 二零一一年十二月六日	Limited liability company 有限公司	Manufacturing and sales of metal proceeding products such as cast iron, steel, etc.; PRC 製造及銷售鑄鐵及鋼件等金屬加工產品；中國	RMB37,917,000 人民幣 37,917,000元	95.92%	95.92%
Rongsheng Machinery Hefei Sales Co., Ltd (Note 2) 熔盛機械合肥銷售有限公司(附註2)	PRC 中國	17 Sep 2013 二零一三年九月十七日	Limited liability company 有限公司	Wholesale and retail sale of engineering machinery; PRC 批發及零售工程機械； 中國	RMB100,000 人民幣100,000元	100%	100%
Radiant Business Global Limited 盛業環球有限公司	British Virgin Islands 英屬處女群島	3 Sep 2014 二零一四年九月三日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD1 1美元	100%	100%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries

### 37 主要附屬公司詳情(續)

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Date of incorporation/ establishment 註冊成立/ 成立日期	Type of legal entity 法定實體類型	Principal activities and place of operation 主要業務及營運地點	Issued/ paid-in capital 已發行/ 繳足股本	Equity interest attributable to the Group 本集團應佔股權	
						2018 二零一八年	2017 二零一七年
КыргызжерНефтегаз "Kyrgyzjer Neftgaz Limited Liability Company" 吉爾吉斯大陸油氣有限公司*	Kyrgyzstan 吉爾吉斯	13 Aug 2013 二零一三年八月十三日	Limited liability company 有限公司	Oil and gas exploration and production and sales of petroleum product; Kyrgyzstan 石油及天然氣勘探及生產以及石油產品銷售；吉爾吉斯	KGS100,000 100,000 吉爾吉斯索姆	60%	60%
Crown Winner Investment Limited 捷冠投資有限公司	Hong Kong 香港	8 Nov 2013 二零一三年十一月八日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	HKD10,000 10,000港元	60%	60%
Central Point Worldwide Inc.	British Virgin Islands 英屬處女群島	19 Jun 2014 二零一四年六月十九日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD100 100美元	60%	60%
Huarong Energy Australia Pty Ltd	Australia 澳洲	14 Nov 2018 二零一八年十一月十四日	Limited liability company 有限公司	Investment holding; Australia 投資控股；澳洲	AUD1,000 1,000澳元	100%	-
Able diligent limited# (Note 2) (附註2)	British Virgin Islands 英屬處女群島	6 Jul 2018 二零一八年七月六日	Limited liability company 有限公司	Investment holding; Hong Kong 投資控股；香港	USD1 1美元	100%	-
Greatest Time Limited	British Virgin Islands 英屬處女群島	28 Sep 2018 二零一八年九月二十八日	Limited liability company 有限公司	Investment holding; Australia 投資控股；澳洲	USD50,000 50,000美元	100%	-
Xinjiang Huarong Haijia Energy Co., Ltd 新疆華榮海嘉能源有限公司	PRC 中國	4 May 2018 二零一八年五月四日	Limited liability company 有限公司	Oil and gas exploration and production and sales of petroleum product; PRC 石油及天然氣勘探及生產以及石油產品銷售；中國	RMB1,050,000 人民幣1,050,000元	100%	-

# Shares held directly by the Company

# 股份由本公司直接持有

\* For identification purpose only

\* 僅供識別



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries

(Continued)

(a) As at 31 December 2018, the Company has direct and indirect interests in the following subsidiaries:  
(Continued)

Note:

- (1) Relevant PRC laws and regulations requires PRC domestic entities to have not less than 51% of the equity interest in a company of repairing, designing and manufacturing of vessels. The Group acquired, through Jiangsu Rongsheng Heavy Industries Co., Ltd. ("Rongsheng Heavy Industries"), 49% of the equity interest in Jiangsu Rongsheng Shipbuilding Co., Ltd. ("Rongsheng Shipbuilding") and the remaining 51% equity interest in Rongsheng Shipbuilding is owned by Jiangsu Xu Ming Investment Group Co., Ltd.. The Group has obtained confirmations from Jiangsu Xu Ming Investment Group Co., Ltd. where Jiangsu Xu Ming Investment Group Co., Ltd. has undertaken to vote in accordance with Rongsheng Heavy Industries in any shareholders' meetings of Rongsheng Shipbuilding and Jiangsu Xu Ming Investment Group Co., Ltd. will not transfer any of its interest in Rongsheng Shipbuilding to any third party without Rongsheng Heavy Industries' consent. Pursuant to confirmations and undertakings, the Group is able to govern and control the finance and operating policies of Rongsheng Shipbuilding. Accordingly, Rongsheng Shipbuilding has been consolidated as a subsidiary of the Company. While Rongsheng Heavy Industries entitles 100% the economic benefits of Rongsheng Shipbuilding, Jiangsu Xu Ming Investment Group Co., Ltd. does not share profit or loss of Rongsheng Shipbuilding.
- (2) The companies under Disposal Group are to be disposed upon the completion of the Transaction (see Note 22 for further details).

#### (b) Material non-controlling interests

Material non-controlling interests amounting to RMB68,936,000 (2017: equity of RMB40,578,000) mainly represented an 51% equity interest in Rongsheng Shipbuilding held by Jiangsu Xu Ming Investment Group Co., Ltd.. Such non-controlling interest was recognised on the date when the Group had control over the finance and operating policies of Rongsheng Shipbuilding in relation to the restructuring before the initial public offering of the Company in year 2010.

Pursuant to certain confirmations and undertakings obtained from Mr. Zhang, the Company's substantial shareholder and also the controlling shareholder of Jiangsu Xu Ming Investment Group Co., Ltd., the Group is entitled to 51% of the economic benefits of Rongsheng Shipbuilding held by Jiangsu Xu Ming Investment Group Co., Ltd.. Accordingly, Rongsheng Shipbuilding has been consolidated as a subsidiary of the Company and Jiangsu Xu Ming Investment Group Co., Ltd. does not share any profit or loss of Rongsheng Shipbuilding after the restructuring.

### 37 主要附屬公司詳情(續)

(a) 於二零一八年十二月三十一日，本公司於以下附屬公司擁有直接及間接權益：(續)

附註：

- (1) 中國相關法律及法規規定，中國內資公司在維修、設計及製造船舶公司中擁有的股權不得少於51%。本集團通過江蘇熔盛重工有限公司(「熔盛重工」)收購江蘇熔盛造船有限公司(「熔盛造船」)的49%股權，而熔盛造船的餘下51%股權由江蘇旭明投資集團有限公司擁有。本集團已獲江蘇旭明投資集團有限公司確認，江蘇旭明投資集團有限公司承諾按照熔盛重工的意向在熔盛造船的任何股東大會上投票，且未經熔盛重工同意，不會將所持熔盛造船的權益轉讓予任何第三方。根據該確認及承諾，本集團能夠監管及控制熔盛造船的財務及營運政策。因此，熔盛造船作為本公司附屬公司綜合入賬。熔盛重工100%有權享有熔盛造船的經濟利益，但江蘇旭明投資集團有限公司並無分佔熔盛造船之損益。
- (2) 出售集團旗下的公司將於該交易完成時出售(詳見附註22)。

#### (b) 重大非控股權益

人民幣68,936,000元(二零一七年：人民幣40,578,000元的權益)的重大非控股權益主要為江蘇旭明投資集團有限公司持有熔盛造船的51%股權。有關非控股權益乃於本集團對熔盛造船有關本公司二零一零年首次公開發售前的財務重組及營運政策獲得控制權當日予以確認。

根據張先生(本公司主要股東兼江蘇旭明投資集團有限公司的控股股東)取得的若干確認函及承諾，本集團有權獲得江蘇旭明投資集團有限公司所持有熔盛造船的51%經濟利益。因此，熔盛造船已被合併為本公司的附屬公司，而江蘇旭明投資集團有限公司於重組後不會分佔熔盛造船的任何溢利或虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries 37 主要附屬公司詳情(續)

(Continued)

#### (b) Material non-controlling interests (Continued)

As at 31 December 2018, the Group held 96.4% equity interest in Rongsheng Shipbuilding (2017: 96.4%).

Except for the above, there were no other individually material non-controlling interests as at 31 December 2018.

#### (c) Summarised financial information on a subsidiary with material non-controlling interests

Set out below is the summarised financial information of the subsidiary that has non-controlling interest which is material to the Group.

##### Material non-controlling interests

Summarised statement of financial position

		<b>Rongsheng Shipbuilding</b>	
		<b>熔盛造船</b>	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current Assets	流動資產	<b>1,576,258</b>	1,940,417
Liabilities	負債	<b>(8,696,941)</b>	(8,011,228)
Net current liabilities	流動資產淨額	<b>(7,120,683)</b>	(6,070,811)
Non-current Assets	非流動資產	<b>3,849,446</b>	3,979,746
Liabilities	負債	-	-
Net non-current assets	非流動資產淨額	<b>3,849,446</b>	3,979,746
Net liabilities	負債淨值	<b>(3,271,237)</b>	(2,091,065)

The information above is the amount before inter-company eliminations.

#### (b) 重大非控股權益(續)

於二零一八年十二月三十一日，本集團持有熔盛造船96.4%股權(二零一七年：96.4%)。

除上述者外，於二零一八年十二月三十一日，概無其他個別重大非控股權益。

#### (c) 一家擁有重大非控股權益附屬公司的財務資料概要

以下載列於本集團擁有重大非控股權益的附屬公司之財務資料概要。

##### 重大非控股權益

財務狀況表概要

上文所載資料乃為公司間對銷前之金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries 37 主要附屬公司詳情(續)

(Continued)

(c) Summarised financial information on a subsidiary with material non-controlling interests (Continued)

*Material non-controlling interests (Continued)*

Summarised statement of comprehensive income

(c) 一家擁有重大非控股權益附屬公司的財務資料概要(續)

*重大非控股權益(續)*

全面收益表概要

		<b>Rongsheng Shipbuilding</b>	
		熔盛造船	
		For the year ended 31 December 2018 截至 二零一八年 十二月 三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月 三十一日 止年度 RMB'000 人民幣千元
Revenue	收益	-	-
Loss before income tax	除所得稅前虧損	<b>(1,180,171)</b>	(481,343)
Income tax	所得稅	-	-
<b>Total comprehensive loss</b>	<b>全面虧損總額</b>	<b>(1,180,171)</b>	(481,343)
Total comprehensive loss allocated to non-controlling interest	分配至非控股權益的全面虧損總額	<b>(45,348)</b>	(19,699)
Dividends paid to non-controlling interests	派付予非控股權益的股息	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Particulars of principal subsidiaries 37 主要附屬公司詳情(續)

(Continued)

(c) Summarised financial information on a subsidiary with material non-controlling interests (Continued)

Material non-controlling interests (Continued)

Summarised cash flows

(c) 一家擁有重大非控股權益附屬公司的財務資料概要(續)

重大非控股權益(續)

現金流量概要

#### Rongsheng Shipbuilding

熔盛造船

		For the year ended 31 December 2018 截至 二零一八年 十二月 三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月 三十一日 止年度 RMB'000 人民幣千元
Net cash used in operating activities	經營活動所用現金淨額	<b>(71,645)</b>	(34,278)
Net cash generated from investing activities	投資活動所得現金淨額	<b>63,953</b>	19,040
Net cash generated from financing activities	融資活動所得現金淨額	-	-
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	<b>(7,692)</b>	(15,238)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	<b>8,673</b>	23,911
Cash and cash equivalents at end of the year	年終現金及現金等價物	<b>981</b>	8,673

The information above is the amount before inter-company eliminations.

上文所載資料乃為公司間對銷前之金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 38 Subsequent event

#### (a) Completion of transfer of sale shares

As disclosed in Note 2.1(a), the Company entered a supplemental agreement ( "**Supplemental Agreement**" ) with the Purchaser on 3 March 2019, which supplemented the original share purchase agreement entered on 9 October 2018 and the first supplemental agreement entered on 25 December 2018. The Purchaser agreed to procure the release or discharge of the Relevant Guarantees in full and completion of the relevant registration within 180 days from the date of completion of the transfer of the sale shares of Able Diligent Limited ( "**Sale Shares**" ), and it was agreed that all debts owing by the Disposal Group to the Remaining Group will be assigned to the Purchaser upon the Relevant Guarantees being released or discharged in full and the relevant registration being completed. For the purpose of securing the due performance of the obligations of the Purchaser under the Supplemental Agreement, the Purchaser agreed to execute a share charge over the Sale Shares in favour of the Company. On 10 March 2019, the Company entered into a share charge with the Purchaser and the Sale Shares were transferred to the Purchaser.

#### (b) Conversion of convertible bonds

On 7 March 2019, convertible bonds with face value of HKD135,060,000 (equivalent to approximately RMB118,623,000) were converted to the Company's ordinary shares at HKD0.50 per share. Subsequent to the conversion, the Company's outstanding convertible bonds principal amount is reduced to approximately HKD703,351,000 (equivalent to approximately RMB617,753,000).

### 38 期後事項

#### (a) 銷售股份轉讓完成

誠如附註2.1(a)所披露，本公司為補充與買方於二零一八年十月九日簽訂的原股份購買協議及於二零一八年十二月二十五日簽訂的第一份補充協議，於二零一九年三月三日簽訂一份補充協議(「**補充協議**」)。買方同意促成全面免除或解除相關擔保，並於Able Diligent Limited的銷售股份(「**銷售股份**」)轉讓完成日期起180日內完成有關登記，並同意出售集團結欠餘下集團的所有債務將於相關擔保獲全面免除或解除及有關登記完成後轉讓予買方。為擔保買方根據補充協議妥為履行責任，買方同意以本公司為受益人就銷售股份訂立股份質押。於二零一九年三月十日，本公司與買方訂立股份質押，而銷售股份已轉讓予買方。

#### (b) 可換股債券轉股

於二零一九年三月七日，面值為135,060,000港元(相當於約人民幣118,623,000元)的可換股債券已兌換為本公司每股面值0.5港元的普通股。於兌換後，本公司未償還可換股債券本金減少至約703,351,000港元(相當於約人民幣17,753,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 Statement of financial position and reserve movement of the Company

Statement of financial position of the Company

### 39 本公司的財務狀況表及儲備變動

本公司的財務狀況表

		As at 31 December	
		於十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司的投資	<b>1,514,410</b>	1,514,444
<b>Current assets</b>	<b>流動資產</b>		
Other receivables and prepayments	其他應收款項及預付款項	<b>3,086</b>	861
Amounts due from subsidiaries	應收附屬公司款項	<b>149,723</b>	12,241,203
Cash and cash equivalents	現金及現金等價物	<b>132</b>	211
		<b>152,941</b>	12,242,275
<b>Total assets</b>	<b>總資產</b>	<b>1,667,351</b>	13,756,719
<b>DEFICIT</b>	<b>虧絀</b>		
<b>Capital and reserves attributable to the Company's equity holders</b>	<b>本公司權益持有人應佔資本及儲備</b>		
Share capital	股本	<b>4,837,050</b>	937,772
Share premium	股份溢價	<b>8,366,819</b>	10,454,148
Other reserves (Note a)	其他儲備(附註a)	<b>342,366</b>	364,358
Accumulated losses (Note a)	累計虧損(附註a)	<b>(15,858,364)</b>	(2,200,334)
<b>Total (deficit)/equity</b>	<b>總(虧絀)/權益</b>	<b>(2,312,129)</b>	9,555,944

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 Statement of financial position and reserve movement of the Company

(Continued)

Statement of financial position of the Company  
(Continued)

### 39 本公司的財務狀況表及儲備變動(續)

本公司的財務狀況表(續)

		As at 31 December	
		於十二月三十一日	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>LIABILITIES</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Borrowings	借款	<b>284,893</b>	-
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	<b>407,593</b>	245,556
Amounts due to subsidiaries	應付附屬公司款項	<b>394,695</b>	237,580
Borrowings	借款	<b>2,885,105</b>	3,397,638
Derivative financial instruments	衍生金融工具	<b>7,194</b>	320,001
<b>Current liabilities</b>	<b>流動負債</b>	<b>3,694,587</b>	4,200,775
<b>Total liabilities</b>	<b>總負債</b>	<b>3,979,480</b>	4,200,775
<b>Total equity and liabilities</b>	<b>總權益及負債</b>	<b>1,667,351</b>	13,756,719

The Company's statement of financial position was approved by the Board of Directors on 29 March 2019 and signed on its behalf by

本公司的財務狀況經董事會於2019年3月29日批准並由下列人士代表董事會簽署

**Chen Qiang**  
陳強  
Director  
董事

**Hong Liang**  
洪樑  
Director  
董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 Statement of financial position and reserve movement of the Company

(Continued)

Statement of financial position of the Company

(Continued)

Note (a)

### 39 本公司的財務狀況表及儲備變動(續)

本公司的財務狀況表(續)

附註(a)

		Other reserves 其他儲備		Total 總計	Retained earnings/ [Accumulated losses] 留存收益/ (累計虧損)	Total 總計
		Capital reserve 資本儲備	Share-based payment reserve 以股份為基礎的支付儲備			
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2017	於二零一七年一月一日	33	353,445	353,478	(1,290,069)	(936,591)
Share-based payment reserve	以股份為基礎的支付儲備	-	10,880	10,880	-	10,880
Loss and total comprehensive loss for the year	年度虧損及全面虧損總額	-	-	-	(910,265)	(910,265)
At 31 December 2017	於二零一七年十二月三十一日	33	364,325	364,358	(2,200,334)	(1,835,976)
Loss and total comprehensive loss for the year	年度虧損及全面虧損總額	-	-	-	(13,680,022)	(13,680,022)
Lapse of employee share options	僱員購股權失效	-	(21,992)	(21,992)	21,992	-
At 31 December 2018	於二零一八年十二月三十一日	33	342,333	342,366	(15,858,364)	(15,515,998)



# FIVE-YEAR FINANCIAL SUMMARY

## 五年財務概要

### Consolidated results

#### 綜合業績

		Year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 (Resated) (重列)	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>Revenue</b>	收入	<b>48,956</b>	45,207*	(4,118,791)	738,465	(3,802,365)
<b>Gross profit/(loss)</b>	毛利潤/(虧損)	<b>14,929</b>	10,729*	(4,586,648)	(1,476,696)	(4,114,023)
<b>Operating profit/(loss)</b>	經營利潤/(虧損)	<b>579,222</b>	(870,464)*	(1,172,801)	(4,988,872)	(6,057,678)
<b>Total comprehensive loss for the year</b>	年度全面虧損	<b>(195,720)</b>	(2,028,226)	(3,567,527)	(7,053,447)	(8,091,175)
<b>Continuing Operations</b>	持續經營業務	<b>2,287,442</b>	(1,024,278)			
<b>Discontinued Operations</b>	已終止業務	<b>(2,483,162)</b>	(1,003,948)			
<b>Attributable to:</b>	歸屬於:					
Equity holders of the Company	本公司權益持有人	<b>(74,521)</b>	(1,977,658)	(3,454,849)	(6,448,325)	(7,756,819)
Non-controlling interests	非控股權益	<b>(121,199)</b>	(50,568)	(112,678)	(605,122)	(334,356)

### Consolidated assets and liabilities

#### 綜合資產與負債

		As at 31 December 於十二月三十一日				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>Total assets</b>	總資產	<b>24,900,742</b>	22,506,238	23,312,124	24,652,068	30,006,256
Non-current assets	非流動資產	<b>2,450,716</b>	21,378,876	22,060,123	22,520,473	22,878,155
Current assets	流動資產	<b>22,450,026</b>	1,127,362	1,252,001	2,131,595	7,128,101
<b>Total liabilities</b>	總負債	<b>34,530,868</b>	33,752,593	32,575,882	30,355,040	29,692,560
Non-current liabilities	非流動負債	<b>754,638</b>	208,445	30,003	459,607	1,841,204
Current liabilities	流動負債	<b>33,776,230</b>	33,544,148	32,545,879	29,895,433	27,851,356
<b>Total (deficit)/equity</b>	總(虧絀)/權益	<b>(9,630,126)</b>	(11,246,355)	(9,263,758)	(5,702,972)	313,696

\* On 9 October 2018, the Group announced the disposal of its Shipbuilding and Engineering Business. The Shipbuilding and Engineering Business is classified as Discontinued Operations. Comparative figures for the year ended 31 December 2017 were restated accordingly.

\* 於二零一八年十月九日，本集團宣佈出售其造船及工程業務。造船及工程業務分類為已終止業務。截至二零一七年十二月三十一日止年度的比較數字已相應重列。

# GLOSSARY

## 詞彙表

“2019 AGM” 「二零一九年股東週年大會」	指	the annual general meeting of the Company to be held on Monday, 10 June 2019 本公司將於二零一九年六月十日(星期一)舉行的股東週年大會
“ABS” 「ABS」	指	American Bureau of Shipping, a classification society founded in the United States in 1862, is a non-profit organization that provides marine and offshore classification services 美國船級社，一間於一八六二年在美國創辦的船級社，為提供海洋及離岸入級服務的非營利機構
“Articles of Association” 「細則」	指	the amended and restated articles of association of the Company adopted by special resolution passed on 24 October 2010 which became effective upon the Company’s listing on the Hong Kong Stock Exchange, as amended from time to time 本公司經修訂及重訂的組織章程細則(於二零一零年十月二十四日通過特別決議案採納並於本公司在香港聯交所上市後生效)，及其經不時之修訂
“bbl” 「桶」	指	barrels 桶
“Board” 「董事會」	指	the board of Directors of our Company 本公司的董事會
“CCS” 「CCS」	指	China Classification Society, a classification society founded in the PRC in 1956, is a specialised non-profit organization providing classification service 中國船級社，一間於一九五六年在中國創辦的船級社，為專門提供入級服務的非營利機構
“China” or “PRC” 「中國」	指	the People’s Republic of China excluding, for the purposes of this annual report, Hong Kong, Macau and Taiwan 中華人民共和國，就本年度報告而言，不包括香港、澳門及台灣

# GLOSSARY

## 詞彙表

<p>“Company”, “our Company” or “Huarong Energy” 「公司」、「本公司」或「華榮能源」</p>	<p>指</p>	<p>China Huarong Energy Company Limited (中國華榮能源股份有限公司) (formerly known as China Rongsheng Heavy Industries Group Holdings Limited (中國熔盛重工集團控股有限公司)), a company incorporated as an exempted company with limited liability in the Cayman Islands on 3 February 2010 中國華榮能源股份有限公司(前稱中國熔盛重工集團控股有限公司)·一家於二零一零年二月三日在開曼群島註冊成立為獲豁免的有限公司</p>
<p>“Consolidated Share(s)” or “Share(s)” 「合併股份」或「股份」</p>	<p>指</p>	<p>ordinary share(s) of HKD0.50 each in the share capital of the Company upon the Share Consolidation becoming effective on 29 March 2016 股份合併於二零一六年三月二十九日生效後本公司股本中每股面值0.50港元之普通股</p>
<p>“Director(s)” 「董事」</p>	<p>指</p>	<p>director(s) of our Company 本公司的董事</p>
<p>“Disposal Group” 「出售集團」</p>	<p>指</p>	<p>Able Diligent Limited together with its subsidiaries engaging in the Shipbuilding and Engineering Business Able Diligent Limited及其從事造船工程業務之附屬公司</p>
<p>“DNV GL” 「DNV GL」</p>	<p>指</p>	<p>Det Norske Veritas is a classification society founded in 1864 and originally a Norwegian-based organization that inspected and evaluated the technical condition of merchant vessels there. Since then, the core competencies have expanded to cover the identification, assessment and advisement on managing risks in a variety of industries (including maritime vessels); Germanischer Lloyd is a classification society founded in 1867, which is a Germanbased organization that serves a wide range of industries in both the maritime and energy sectors. DNV and GL signed an agreement to merge in December 2012. The new entity will be called DNV GL Group 挪威船級社(DNV)·一間於一八六四年創辦的船級社·原為挪威的一家監察及評估商船技術條件的機構。此後·核心競爭力已擴大到包括為各行業(包括海上船舶)的風險管理提供鑑定·評估及建議;德國勞氏船級社(GL)·一間於一八六七年創辦的船級社·為德國的一家機構·在海事及能源領域為各行業提供服務;二零一二年十二月挪威船級社與德國勞氏船級社簽署合併協議·成立新公司DNV GL</p>

# GLOSSARY

## 詞彙表

<p>“Foreign Investment Industries Catalogue” 「外商投資產業指導目錄」</p>	指	<p>the Catalogue for the Guidance of Foreign investment industries (外商投資產業指導目錄) (promulgated by the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會) and the Ministry of Commerce of the PRC (中華人民共和國商務部) on 31 October 2007) which became effective on 1 December 2007 於二零零七年十二月一日生效的外商投資產業指導目錄(中華人民共和國國家發展和改革委員會及中華人民共和國商務部於二零零七年十月三十一日頒佈)</p>
<p>“Group”, “our Group”, “we” or “us” 「集團」、「本集團」或「我們」</p>	指	<p>the Company and its subsidiaries or any of them or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, the present subsidiaries of the Company 本公司及其附屬公司或其中任何一方，或倘文義所需，就本公司成為其現有附屬公司的控股公司之前期間而言，指本公司現有的附屬公司</p>
<p>“HKD” 「港元」</p>	指	<p>Hong Kong dollars, the lawful currency of Hong Kong 香港法定貨幣港元</p>
<p>“Hong Kong” 「香港」</p>	指	<p>the Hong Kong Special Administrative Region of China 中國香港特別行政區</p>
<p>“Hong Kong Stock Exchange” or “Stock Exchange” 「香港聯交所」或「聯交所」</p>	指	<p>The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司</p>
<p>“Kyrgyzstan” or “Kyrgyz” 「吉爾吉斯斯坦」或「吉爾吉斯」</p>	指	<p>the Kyrgyz Republic (a Country in Central Asia) 吉爾吉斯共和國(中亞的一個國家)</p>
<p>“Listing” 「上市」</p>	指	<p>the listing of the ordinary shares of HKD0.10 each of the Company on the Main Board of the Hong Kong Stock Exchange 本公司每股面值0.10港元的普通股股份於香港聯交所主板上市</p>
<p>“Listing Date” 「上市日期」</p>	指	<p>19 November 2010, being the date on which the ordinary shares of HKD0.10 each of the Company are listed on the Main Board of the Hong Kong Stock Exchange 二零一零年十一月十九日，本公司每股面值0.10港元的普通股股份於香港聯交所主板上市日期</p>

# GLOSSARY

## 詞彙表

<p>“Listing Rules” 「上市規則」</p>	<p>指</p>	<p>the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended and supplemented from time to time</p> <p>香港聯合交易所有限公司證券上市規則，經不時修訂及補充</p>
<p>“LR” 「LR」</p>	<p>指</p>	<p>Lloyd’s Register Society, a classification society and independent risk management organization founded in 1760 in the United Kingdom, is a non-profit organization that provides risk assessment and mitigation services and management systems certification</p> <p>英國勞氏船級社，一間於一七六零年在英國創辦的船級社及獨立風險管理機構，為一間提供風險評估及緩解服務以及管理系統認證的非盈利機構</p>
<p>“Pre-IPO Share Option Scheme” 「首次公開發售前購股權計劃」</p>	<p>指</p>	<p>the pre-IPO share option scheme conditionally approved and adopted by our Company pursuant to a resolution passed by our Shareholders on 24 October 2010</p> <p>根據股東於二零一零年十月二十四日通過的決議，本公司有條件批准並採納的首次公開發售前購股權計劃</p>
<p>“RMB” or “Renminbi” 「人民幣」</p>	<p>指</p>	<p>the lawful currency of the PRC</p> <p>中國法定貨幣</p>
<p>“Rong An Power Machinery” 「熔安動力機械」</p>	<p>指</p>	<p>Hefei Rong An Power Machinery Co., Ltd. (合肥熔安動力機械有限公司), a company established under the laws of the PRC on 15 August 2007, and our non-wholly owned subsidiary</p> <p>合肥熔安動力機械有限公司，一家於二零零七年八月十五日根據中國法律成立的公司，為本公司的非全資附屬公司</p>
<p>“Rongye Mechanical” 「熔燁機電」</p>	<p>指</p>	<p>Nantong Rongye Ship Mechanical and Electrical Equipment Installation Co., Ltd (南通熔燁船舶機電安裝有限公司), a company established under the laws of the PRC on 21 June 2007, and owned by us as to 95% and owned by Rongsheng Investment as to 5%, now renamed as Nantong Rongye Mechanical and Equipment Co., Ltd (南通熔燁機電設備有限公司)</p> <p>南通熔燁船舶機電安裝有限公司，一家於二零零七年六月二十一日根據中國法律成立的公司，並由我們擁有95%權益及熔盛投資擁有5%權益，現稱為南通熔燁機電設備有限公司</p>

# GLOSSARY

## 詞彙表

“Rongsheng Heavy Industries” or “Jiangsu Rongsheng Heavy Industries” 「熔盛重工」或「江蘇熔盛重工」	指	Jiangsu Rongsheng Heavy Industries Co., Ltd. (江蘇熔盛重工有限公司), a company established under the laws of the PRC on 8 June 2006 and a company owned by Rongsheng Heavy Industries Holdings as to 97.85% and Rongsheng Investment as to 2.15% 江蘇熔盛重工有限公司，一家於二零零六年六月八日根據中國法律成立的公司，由熔盛重工控股及熔盛投資分別擁有97.85%及2.15%權益
“Rongsheng Heavy Industries Holdings” 「熔盛重工控股」	指	Rongsheng Heavy Industries Holdings Limited (熔盛重工控股有限公司), a company incorporated in the Cayman Islands with limited liability on 27 July 2007 and owned by the Company as to 98.50% 熔盛重工控股有限公司，一家於二零零七年七月二十七日在開曼群島註冊成立的有限公司，由本公司擁有98.50%的權益
“Rongsheng Investment” or “Xuming Investment” 「熔盛投資」或「旭明投資」	指	Jiangsu Rongsheng Investment Group Co., Ltd. (江蘇熔盛投資集團有限公司), a company established under the laws of the PRC on 12 February 2004 and ultimately controlled by Mr. Zhang, renamed as Jiangsu Xuming Investment Group Co., Ltd. (江蘇旭明投資集團有限公司) 江蘇熔盛投資集團有限公司，一家於二零零四年二月十二日根據中國法律成立的公司，並由張先生最終控制，現稱為江蘇旭明投資集團有限公司
“Rongsheng Shipbuilding” 「熔盛造船」	指	Jiangsu Rongsheng Shipbuilding Co., Ltd. (江蘇熔盛造船有限公司), a company established under the laws of the PRC on 21 June 2007 and owned by Rongsheng Heavy Industries as to 49% and Rongsheng Investment as to 51% and a non-wholly owned subsidiary of the Company 江蘇熔盛造船有限公司，一家於二零零七年六月二十一日根據中國法律成立的公司，由熔盛重工及熔盛投資分別擁有49%及51%權益，為本公司的非全資附屬公司
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended and supplemented from time to time 香港法例第571章證券及期貨條例(經不時修訂及補充)



## GLOSSARY 詞彙表

“Share Consolidation” 「股份合併」	指	with effect from 29 March 2016, the consolidation of every five issued and unissued shares of HKD0.10 each in the existing share capital of the Company into one Consolidated Share of HKD0.50 each 本公司現有股本中每五股每股面值0.10港元之已發行及未發行股份合併為一股每股面值0.50港元之合併股份，並於二零一六年三月二十九日起生效
“Share Option Scheme” 「購股權計劃」	指	the share option scheme we conditionally adopted pursuant to a resolution passed by our Shareholders on 24 October 2010 我們根據我們的股東於二零一零年十月二十四日通過的決議案有條件採納的購股權計劃
“USD” 「美元」	指	United States dollars, the lawful currency of the United States 美國法定貨幣美元

# INFORMATION FOR SHAREHOLDERS

## 股東資訊

### Listing Information

Listing : Hong Kong Stock Exchange  
Stock Code : 01101

### Principal Share Registrar and Transfer Agent

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

### Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited  
Shops 1712 - 1716, 17th Floor,  
Hopewell Centre,  
183 Queen's Road East,  
Wanchai, Hong Kong  
Tel : (852) 2862-8628  
Email : hkinfo@computershare.com.hk

### Registered Office

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

### Principal Place of Business and Headquarters

Room 2201, 22nd Floor,  
China Evergrande Centre,  
38 Gloucester Road,  
Wanchai, Hong Kong

### Contact Enquiries

Investor Relations  
Tel : (852) 3900-1888  
Email : ir@rshi.cn  
Website : www.huarongenergy.com.hk

### 上市資料

上市交易所 : 香港聯交所  
股份代號 : 01101

### 股份過戶登記總處

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

### 香港證券登記處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心  
17樓1712-1716室  
電話 : (852) 2862-8628  
電郵 : hkinfo@computershare.com.hk

### 註冊辦事處

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

### 主要營業地點及總部

香港灣仔告士打道38號  
中國恆大中心  
22樓2201室

### 聯絡查詢

投資者關係  
電話 : (852) 3900-1888  
電郵 : ir@rshi.cn  
網站 : www.huarongenergy.com.hk





### Executive Directors

CHEN Qiang (*Chairman and Chief Executive Officer*)  
HONG Liang (*Chief Operating Officer*)  
WANG Tao  
ZHU Wen Hua  
ZHANG Ming

### Independent Non-executive Directors

WANG Jin Lian  
ZHOU Zhan  
LAM Cheung Mau

### Audit Committee

ZHOU Zhan (*Chairman*)  
WANG Jin Lian  
LAM Cheung Mau

### Corporate Governance Committee

WANG Jin Lian (*Chairman*)  
CHEN Qiang  
WANG Tao  
ZHANG Ming  
LAM Cheung Mau

### Nomination Committee

WANG Jin Lian (*Chairman*)  
ZHU Wen Hua  
ZHOU Zhan

### Remuneration Committee

ZHOU Zhan (*Chairman*)  
CHEN Qiang  
WANG Jin Lian

### 執行董事

陳強(*主席兼首席執行官*)  
洪樑(*首席營運官*)  
王濤  
朱文花  
張明

### 獨立非執行董事

王錦連  
周展  
林長茂

### 審核委員會

周展(*主席*)  
王錦連  
林長茂

### 企業管治委員會

王錦連(*主席*)  
陳強  
王濤  
張明  
林長茂

### 提名委員會

王錦連(*主席*)  
朱文花  
周展

### 薪酬委員會

周展(*主席*)  
陳強  
王錦連

# CORPORATE INFORMATION

## 公司資料

### Finance and Investment Committee

CHEN Qiang (*Chairman*)

HONG Liang

ZHANG Ming

WANG Jin Lian

ZHOU Zhan

### Company Secretary

LEUNG Yin Fai

### Auditor

PricewaterhouseCoopers

### Principal Bankers

China Development Bank

*(Jiangsu Province Branch)*

Agricultural Bank of China Limited

*(Rugao City Branch)*

China Everbright Bank Company Limited

*(Nanjing Branch)*

### Legal Advisors

Paul Hastings

Commerce & Finance Law Offices

### Company Website

<http://www.huarongenergy.com.hk>

### 財務及投資委員會

陳強(主席)

洪樑

張明

王錦連

周展

### 公司秘書

梁燕輝

### 核數師

羅兵咸永道會計師事務所

### 主要往來銀行

國家開發銀行股份有限公司(江蘇省分行)

中國農業銀行股份有限公司(如皋市支行)

中國光大銀行股份有限公司(南京分行)

### 法律顧問

普衡律師事務所

通商律師事務所

### 公司網址

<http://www.huarongenergy.com.hk>

CHINA HUARONG ENERGY  
COMPANY LIMITED  
中國華榮能源股份有限公司

