

2018 年報

ANNUAL REPORT



HANS ENERGY COMPANY LIMITED

漢思能源有限公司

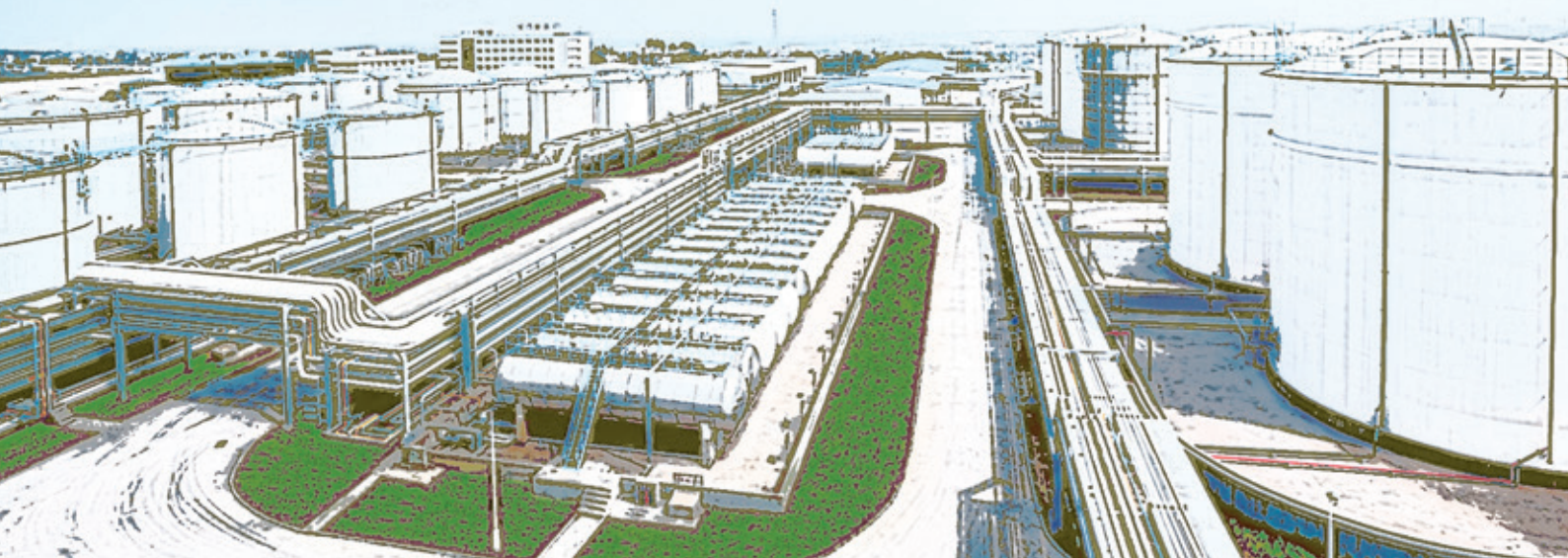
(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 554

CONTENTS 目錄

2-3	Corporate Information 公司資料
4-16	Management Discussion and Analysis 管理層討論及分析
17-21	Profile of Directors and Senior Management 董事及高級管理人員簡歷
22-38	Corporate Governance Report 企業管治報告
39-50	Directors' Report 董事報告
51-69	Environmental, Social and Governance Report 環境、社會及管治報告
70-77	Independent Auditor's Report 獨立核數師報告
78-79	Consolidated Income Statement 綜合損益表
80	Consolidated Statement of Comprehensive Income 綜合全面收益表
81-82	Consolidated Balance Sheet 綜合資產負債表
83	Consolidated Statement of Changes in Equity 綜合權益變動表
84-85	Consolidated Cash Flow Statement 綜合現金流量表
86-199	Notes to the Financial Statements 財務報表附註
200	Five Year Financial Summary 五年財務概要



CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Mr. David AN (*Chairman*)
Mr. YANG Dong
Ms. LIU Zhijun
Mr. ZHANG Lei
Ms. CHEUNG Siu Yuen, Rose (*resigned on 23 February 2018*)

Mr. LI Wai Keung*
Mr. CHAN Chun Wai, Tony*
Ms. HAI Hiu Chu*

* *Independent non-executive director*

AUDIT COMMITTEE

Mr. LI Wai Keung (*Committee Chairman*)
Mr. CHAN Chun Wai, Tony
Ms. HAI Hiu Chu

REMUNERATION COMMITTEE

Mr. LI Wai Keung (*Committee Chairman*)
Mr. David AN
Mr. CHAN Chun Wai, Tony
Ms. HAI Hiu Chu

NOMINATION COMMITTEE

Mr. CHAN Chun Wai, Tony (*Committee Chairman*)
Mr. LI Wai Keung
Ms. HAI Hiu Chu

COMPANY SECRETARY

Ms. LAM Lai Wan, Bondie

REGISTERED OFFICE

PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

董事會

戴偉先生(主席)
楊冬先生
劉志軍女士
張雷先生
章小婉女士(於二零一八年二月二十三日
辭任)

李偉強先生*
陳振偉先生*
奚曉珠女士*
* 獨立非執行董事

審核委員會

李偉強先生(委員會主席)
陳振偉先生
奚曉珠女士

薪酬委員會

李偉強先生(委員會主席)
戴偉先生
陳振偉先生
奚曉珠女士

提名委員會

陳振偉先生(委員會主席)
李偉強先生
奚曉珠女士

公司秘書

林麗雲女士

註冊辦事處

PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Corporate Information
公司資料

PRINCIPAL OFFICE

Unit 2608, 26th Floor
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

PRINCIPAL BANKERS

China Citic Bank
China Construction Bank
Hongkong and Shanghai Banking Corporation

AUDITORS

KPMG
Certified Public Accountants

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRARS AND TRANSFER OFFICE

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

WEBSITE

www.hansenergy.com

總辦事處

香港
灣仔
港灣道25號
海港中心
26樓2608室

主要往來銀行

中信銀行
中國建設銀行
香港上海滙豐銀行

核數師

畢馬威會計師事務所
執業會計師

主要股份過戶登記處

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

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心
22樓

網站

www.hansenergy.com



WAREHOUSING
倉庫



TRANSSHIPMENT
轉輸



STORAGE
貯存



TERMINAL
碼頭



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Company Profile

Hans Energy Company Limited (the “Company”) and its subsidiaries (the “Group”) is a leading operator in providing integrated facilities of jetties, storage tanks, warehousing and logistic services in south China for petroleum, liquid chemicals and gases products, offering value-added services in its own ports and storage tank farms.

The Group owns and operates two main liquid product terminals, namely Xiao Hu Island Terminal (“XHIT”) in the provision of terminal, storage, warehousing and transshipment activities carried out by Guangdong (Panyu) Petrochemical Storage & Transportation Ltd. (“GD (Panyu)”) and Dongzhou International Terminal (“DZIT”) in the provision of terminal, storage and transshipment activities carried out by Dongguan Dongzhou International Petrochemical Storage Limited (“東洲國際”).

Liquid Product Terminals

XHIT is situated in Xiao Hu Island, Nansha district, Guangzhou city, Guangdong province. The Terminal was built with five berths ranging from 500 to 30,000 dwt. The tank farm has a site area of approximately 212,000 square metres and is installed with 86 oil and chemical tanks of a total storage capacity of approximately 330,000 cubic metres, out of which 240,000 cubic metres are specialized for gasoline, diesel and similar petroleum products commonly available in trading and consumption markets. The rest of 90,000 cubic metres tanks are built for petrochemical products.

DZIT is situated in Lisha Island, Humen Harbour district, Shatian country, Dongguan city, Guangdong province. The Terminal was built with berths ranging from 500 to 100,000 dwt. The tank farm has a site area of approximately 516,000 square metres and is installed with 94 oil and chemical tanks of a total storage capacity of approximately 260,000 cubic metres, out of which 180,000 cubic metres are specialized for gasoline, diesel and similar petroleum products commonly available in trading and consumption markets. Storage tanks with capacity of 80,000 cubic metres were built for petrochemical products.

業務回顧

公司簡介

漢思能源有限公司(「本公司」)及其附屬公司(「本集團」)為能源行業之主要運營商，於華南地區提供石油、液體化學品及氣體產品之綜合碼頭港口、貯存罐及倉儲物流服務，並於其自有港口及貯存罐區提供增值服務。

本集團擁有及經營兩大液化產品碼頭，即於粵海(番禺)石油化工儲運開發有限公司(「粵海(番禺)」)從事提供碼頭、貯存、倉庫及轉輸服務的小虎島碼頭(「小虎石化庫」)及於東莞市東洲國際石化倉儲有限公司(「東洲國際」)從事提供碼頭、貯存及轉輸服務的東洲國際碼頭(「東洲石化庫」)。

液化產品碼頭

小虎石化庫位於廣東省廣州市南沙區小虎島。該庫區建有五個可容納介乎500至30,000噸級泊位。貯存罐區佔地約212,000平方米，裝備86個石油及化工品貯存罐，總庫容為約330,000立方米，其中240,000立方米設為汽油、柴油及於貿易及消費市場常見類似之石油產品的專區。其餘90,000立方米的貯存罐建作石化產品之用。

東洲石化庫位於廣東省東莞市虎門港沙田港區立沙島。該庫區建有可容納介乎500至100,000噸級泊位。貯存罐區佔地約516,000平方米，裝備94個石油及化工品貯存罐，總庫容為約260,000立方米，其中180,000立方米設為汽油、柴油及於貿易及消費市場常見類似之石油產品的專區。80,000立方米的貯存罐建作石化產品之用。

Management Discussion and Analysis 管理層討論及分析

Strategic Locations

The liquid product terminals of the Group are located in the centre of the Pearl River Delta. As Guangdong province is the pioneer in economic development of China and our terminals situate in the centre of the economic circle of the province, such location edge attracts customers to engage with our terminals for their distribution of refined oils. Apart from oil products customers, there are customers who have manufacturing plants in the Pearl River Delta. In their business cycle, there are requirements to temporarily store their dangerous, poisonous and hazardous goods in designated controlled facilities with proper licences in accordance with governmental regulations for safety and environment reasons. The customers may store their hazardous raw materials, work-in-progress and finished goods in our storage facilities. Our terminals employ experienced, professional and skillful management teams with well-equipped features storage hardware. The Group persistently maintain high standards in safety and environment protection. Our terminals are fully and properly licensed to handle wide range of dangerous and hazardous goods. They provide convenience to customers to move their cargoes in and out of the terminals during their production cycle.

Very Substantial Disposal Relating to Disposal of the Entire Equity Interest in GD (Panyu)

On 22 August 2018, Guangdong Petro-Chemicals Company Limited (“GD Petro-Chemicals”) (indirect wholly-owned subsidiary of the Company), Good Ocean Enterprises Limited and Guangdong Lian Ying Petro Chemicals Company Limited (both are the joint venture partners of GD Petro-Chemicals in GD (Panyu)) (collectively named as the “Sellers”) and a third party of Guangzhou Gas Group Company Limited (the “Purchaser”) have entered into a conditional sale and purchase agreement (“the Sale and Purchase Agreement”) in relation to the disposal of the entire equity interest in GD (Panyu) (the “Disposal”) for a purchase price of RMB1.56 billion (equivalent to HK\$1.78 billion). Pursuant to the Sale and Purchase Agreement, the purchase price will be paid to the Sellers in cash in two installments. During the year ended 31 December 2018, the first installment of RMB0.78 billion (equivalent to HK\$0.89 billion), representing 50% of the purchase price, has

策略位置

本集團液化產品碼頭位於珠江三角洲中心地帶。由於廣東省乃中國經濟發展先驅，加上我們的碼頭位於省內經濟圈中心，該地區優勢吸引了客戶駐於我們碼頭進行成品油分銷活動。除石油產品客戶外，我們亦有在珠三角設廠的製造業客戶。在彼業務週期內，由於安全及環保因素，彼等需在根據政府法規持有合適執照的指定受監控設施內臨時儲存危險、有毒及有害的貨物。客戶可在我們的倉庫設施內儲存其危險性的原料、半成品及成品。我們的碼頭聘有經驗豐富、專業及技術嫺熟的管理團隊，並配備設施功能齊全的倉儲硬件。本集團一直維持高水平的安全環保標準。我們的碼頭均領有全面及妥當的執照，可處理大部份危險有害的貨物，方便客戶於生產期內搬運貨物進出碼頭及庫區。

有關出售粵海(番禺)全部股權的非常重大出售事項

於二零一八年八月二十二日，粵海石油化工有限公司(「粵海石油化工」)(本公司的間接全資附屬公司)、海洋企業有限公司及廣東聯盈石油化工有限公司(兩家均為粵海石油化工於粵海(番禺)的合資夥伴)(統稱為「賣方」)與廣州燃氣集團有限公司(「買方」)的第三方已就出售粵海(番禺)全部股權(「出售事項」)訂立有條件買賣協議(「買賣協議」)，購買價為人民幣15.6億元(相當於17.8億港元)。根據買賣協議，購買價將分兩期以現金支付予賣方。截至二零一八年十二月三十一日止年度，賣方已收到第一期付款為人民幣7.8億元(相當於8.9億港元)，佔購買價的50%。該付款是基於以

Management Discussion and Analysis 管理層討論及分析

been received by the Sellers following the satisfaction of the conditions below: (i) the Purchaser has completed due diligence on GD (Panyu); (ii) the Sellers are not in breach of any representations and warranties provided in the Sale and Purchase Agreement; and (iii) the pledge of certain of the GD (Panyu)'s dock and storage facilities and 92% of its equity interest for the Purchaser has been registered in accordance with the relevant governmental requirement or regulations. The remaining price of RMB0.78 billion (equivalent to HK\$0.89 billion), representing 50% of the purchase price is expected to be paid by the Purchaser in 2019. As a result of the Disposal, the Company expects to realise a gain of over HK\$1 billion in 2019.

Upon the completion of Disposal, the Sellers will cease to have any interest in GD (Panyu) in which operates XHIT and its financial results will no longer be consolidated into the Company's consolidated financial statements and thus were classified as discontinued operation in this year. Details of classification are set out in note 27 to the financial statements. The Group will primarily consist the operation of jetty and storage facilities in DZIT for handling and storing petroleum oil and liquid chemical products.

For details of the very substantial disposal, please refer to the Company's announcements dated 29 August 2018 and 30 November 2018 and circular dated 18 September 2018.

Key Performance Indicators

The leaseout rates and cargo throughput are the major key performance indicators of the terminals. Higher leaseout rate should return with higher storage income. More cargoes flows mean more works the terminals have done thus more handling fee income.

下條件已經達成：(i)買方已完成對粵海(番禺)的盡職調查；(ii)賣方並無違反買賣協議所約定的陳述及保證；及(iii)以買方為受益人將粵海(番禺)若干碼頭及貯存設施以及其92%股權進行的質押已根據相關政府規定或規例進行登記。剩餘價格為人民幣7.8億元(相當於8.9億港元)，佔購買價的50%，預計將於二零一九年內由買方支付。由於進行出售事項，本公司預計於二零一九年實現收益超過10億港元。

於出售事項完成後，賣方將不再擁有經營小虎石化庫的粵海(番禺)權益及其財務業績將不再合併入本公司的綜合財務報表，因此於本年度分類為終止經營業務。分類詳細載列於財務報表附註27。本集團將會主要經營東洲石化庫的碼頭及貯存設施，處理及貯存石油產品及液體化工產品。

有關非常重大出售事項詳情，請參閱本公司日期為二零一八年八月二十九日及二零一八年十一月三十日的公告及日期為二零一八年九月十八日的通函。

主要表現指標

出租率及貨運量為碼頭的主要表現指標。出租率愈高，貯存收入回報愈大。貨運量愈多意味著碼頭工作量較大，因此服務費收入亦更高。

Management Discussion and Analysis 管理層討論及分析

The lease-out rates and cargo throughput of the last two years are as follows: 過去兩年的出租率及貨運量如下：

Operational statistics 營運統計數字	Continuing operation 持續經營業務 DZIT 東洲石化庫			Discontinued operation 終止經營業務 XHIT 小虎石化庫		
	2018 二零一八年	2017 二零一七年	Change % 變化%	2018 二零一八年	2017 二零一七年	Change % 變化%
Liquid product terminal and transshipment services 液化產品碼頭及轉輸服務						
Number of vessels visited 泊岸船隻總數						
— foreign — 外地	79	106	-25.5	202	197	+2.5
— domestic — 本地	652	538	+21.2	714	1,008	-29.2
Number of trucks served to pick up cargoes 接收貨物之貨車數目	61,122	43,288	+41.2	42,320	47,622	-11.1
Number of drums filled 灌桶數目	3,389	3,845	-11.9	29,690	36,691	-19.1
Transshipment volume (metric ton) 轉輸量(公噸)						
— petrochemicals — 石化品	5,134	4,214	+21.8	142,880	180,228	-20.7
Terminal throughput (metric ton) 庫區吞吐量(公噸)	3,214,000	2,779,000	+15.7	3,234,000	3,659,000	-11.6
— port jetty throughput — 碼頭吞吐量	1,788,000	1,747,000	+2.3	2,198,000	2,768,000	-20.6
— loading station throughput — 裝車台吞吐量	1,426,000	1,032,000	+38.2	1,036,000	891,000	+16.3
Storage services 貯存服務						
Leaseout rate — oil and chemicals products 出租率 — 油品及化學品	89.0%	78.7%	+10.3 % points 百分點	87.3%	93.8%	-6.5 % points 百分點
Solid chemical warehousing services 固體化學品倉庫服務						
Cargoes received (metric ton) 收貨量(公噸)				42,254	50,509	-16.3
Cargoes issued (metric ton) 發貨量(公噸)				44,299	50,297	-11.9
Floor area leased out (m ²) 出租建築面積(平方米)				28,863	30,377	-5.0
Leaseout rate 出租率				89.3%	94.0%	-4.7 % points 百分點

Continuing Operation

With the introduction of new customers to utilize our oil and chemical storage tanks, together with the advantages of our terminals, the major operational indices showed a stable growth at DZIT during 2018. During the year ended 31 December 2018, the number of domestic vessels visited and number of trucks served to pick up cargoes increased by 21.2% and 41.2% respectively on a year-on-year basis. Such increase drove the terminal throughput increased by 15.7% and the average leaseout rate of the storage tanks increased by 10.3 percentage points over the last year. Following the Disposal, some customers in XHIT have moved to DZIT for continuous leasing of the storage tanks. The Group continuously tries its best to tap into market potentials and to expand its oil and chemical storage volume.

持續經營業務

由於引入新客戶使用我們的石油化工貯存罐，連同我們的碼頭優勢，二零一八年主要經營指標顯示東洲石化庫穩定增長。於截至二零一八年十二月三十一日止年度，本地泊岸船隻總數及接收貨物之貨車數目按年分別增長21.2%及41.2%。該增長推動庫區吞吐量及貯存罐平均出租率分別較去年增加15.7%及10.3個百分點。於出售事項後，部分小虎石化庫的客戶已遷至東洲石化庫，繼續租賃貯存罐。本集團繼續盡最大努力發掘市場潛能並擴大油品及化學品貯存量。

Management Discussion and Analysis 管理層討論及分析

Discontinued Operation

During the year ended 31 December 2018, the major operational statistics of XHIT indicated an obvious decline. Upon the announcement of the Disposal, the customers were notified in advance to terminate the storage contracts in accordance with the terms of their contracts. The number of customers have gradually reduced that resulted the decrease of the terminals throughput and the leaseout rate of the storage tanks since September 2018.

SEGMENT REVENUE

The terminals earn storage income by leasing their storage tanks to customers based on the storage tank size engaged. Apart from this, they collect handling charges when providing services in moving cargoes in and out from the terminals for customers, either by water in the jetties or by road from the loading stations. Furthermore, the terminals provide ancillary services such as tank cleaning, waste treatment and blending to customers and earn respective fees for the services rendered.

During the year ended 31 December 2018, the Group had two reportable segments: one continuing reportable segment of DZIT and one discontinued reportable segments of XHIT. The breakdown of reportable segment revenues are as follows:

終止經營業務

於截至二零一八年十二月三十一日止年度，小虎石化庫的主要經營統計數據明顯下滑。自出售事項公告後，客戶根據合約條款被提前通知終止貯存合約。自二零一八年九月起，客戶數目已逐漸減少，使得庫區吞吐量及貯存罐出租率下降。

分部收入

該等碼頭向客戶出租貯存罐，根據客戶所租賃之貯存罐大小賺取貯存收入。除此之外，彼等於向客戶提供貨物進出碼頭（於碼頭經水路或自裝車台經陸路）的服務時收取服務費。此外，碼頭向客戶提供配套服務，例如貯存罐清潔、廢品處理及調和，並就所提供服務收取相關費用。

截至二零一八年十二月三十一日止年度，本集團有兩個可報告分部：一個關於東洲石化庫的持續經營可報告分部及一個關於小虎石化庫的終止經營可報告分部。可報告分部收入的明細如下：

		Continuing Operation 持續經營業務 DZIT 東洲石化庫				Discontinued Operation 終止經營業務 XHIT 小虎石化庫			
		2018 二零一八年		2017 二零一七年		2018 二零一八年		2017 二零一七年	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Storage and transshipment income	貯存及轉輸收入	139,790	98.8	108,411	97.9	122,669	80.5	134,021	82.0
Port income	港口收入	1,766	1.2	2,301	2.1	3,423	2.2	3,657	2.2
Solid chemical warehousing income	固體化學品倉庫收入	—	—	—	—	26,355	17.3	25,763	15.8
		141,556	100.0	110,712	100.0	152,447	100.0	163,441	100.0

Management Discussion and Analysis 管理層討論及分析

Continuing Operation

With regards to the continuous introduction of new customers and increase of leaseout rate of storage tanks, the revenue from the provision of terminal, storage and transshipment services for the liquid products in DZIT increased from HK\$110.7 million to HK\$141.6 million, representing an increase of 27.9% over the last year. During the year ended 31 December 2018, the storage income for oil and liquid chemicals products increased from HK\$85.6 million to HK\$108.9 million, representing an increase of 27.2% as compared with last year. Higher leaseout rate returned higher storage income. In addition, the active cargoes flows drove the increase of handling fee income from HK\$20.6 million to HK\$24.7 million, increased by 19.9% on yearly basis.

Discontinued Operation

During the year ended 31 December 2018, the revenue from discontinued operation was about HK\$152.4 million, representing a decrease of 6.7% as compared to HK\$163.4 million over the last year. Following the Disposal, the customers were notified in advance to terminate the storage contracts in accordance with the terms of the contracts. As such, number of customers have dropped since September 2018 that resulted the decrease of storage income.

OUTLOOK

In 2018, revenue from XHIT decreased slightly by 6.7% as compared with that in 2017 due to termination of the storage service contract before Disposal. However, DZIT has increased by more than 20% in terms of the leaseout rate of storage tanks, cargo throughput and operating income, that has reached the highest level in the past five years. In the current petrochemical market that generally remains slow, the Company's continued good performance reflects its leading position in the petrochemical terminal and storage industry. In 2018, the Company disposed the entire interest in GD (Panyu) to Guangzhou Gas Group Company Limited. The Group expects that transaction to be completed in the first half of 2019 and recognise a gain of over HK\$1 billion. Ample cash assets will lay a solid foundation for the rapid development of the Group in the future.

持續經營業務

由於持續地引入新客戶及貯存罐出租率增長，東洲石化庫就液態產品提供碼頭、貯存以及轉輸服務之收入由1.107億港元增加至1.416億港元，較去年增長27.9%。截至二零一八年十二月三十一日止年度，石油及液體化學產品貯存收入由8,560萬港元增加至1.089億港元，較去年增長27.2%。出租率愈高，貯存收入回報愈大。此外，貨物量愈大推動服務費收入由2,060萬港元增加至2,470萬港元，按年增長19.9%。

終止經營業務

截至二零一八年十二月三十一日止年度，終止經營業務的收入約為1.524億港元，較去年的1.634億港元下降6.7%。於出售事項後，客戶根據合約條款被提前通知終止貯存合約。因此，自二零一八年九月起客戶數目下降，導致貯存收入減少。

展望

二零一八年小虎島石化庫因受出售前結束倉儲服務合約的影響，收入較二零一七年略有下降6.7%。然而，東洲石化庫在儲罐出租率、貨物吞吐量及營業收入等方面，增長均超過20%，達到了近五年來的最高水平。在當前石油化工市場依舊平淡的大環境下，本公司能夠維持較好的業績，體現本公司在石化碼頭及倉儲行業的領先地位。本公司於二零一八年將粵海(番禺)全部股權出售給廣州燃氣集團有限公司。本集團預期該交易將於二零一九年上半年完成，並將為本集團帶來超過10億港元的收益。充裕的現金資產，將為本集團今後的快速發展奠定了堅實基礎。

Management Discussion and Analysis 管理層討論及分析

Continued Expansion and Enhancement of Storage Business of Petrochemical Terminal

Disposal of GD (Panyu) has brought new development opportunities to DZIT: 1) certain premium customers, such as ExxonMobil, Chevron Phillips and other multinational companies, transferred all or most of their long-term storage service business in GD (Panyu) to DZIT, further consolidating a stable source of premium customers for DZIT; 2) some experienced managers and operators from GD (Panyu) will also be employed by 東洲國際, allowing 東洲國際 to gain more advantages over human resources; 3) given the Group's improving capital strength, DZIT Phase II will also commence the actual construction stage according to the construction plan. In terms of storage capacity, revenue and profitability, DZIT Phase II under the construction plan will comprehensively outpace the sold XHIT, thus enabling the Company to maintain and enhance its leading position in the terminal business.

Commencement of Gasoline and Diesel Retail Business

In early 2019, the Company and a local state-owned enterprise in Guangzhou commenced the main construction of a filling station, which is currently progressing smoothly and expected to be operated in mid-2019. The completion and operation of the filling station in Zengcheng marks the official entry of the Company into the gasoline and diesel retail business. The Company is planning to build (including acquisition or lease) more filling stations to expand the scale of gasoline and diesel trade in a rapid manner. The Company plans to develop the gasoline and diesel retail and wholesale business into a new business segment of the Group within two to three years, which is expected to surpass the traditional terminal business in terms of operating income and profitability and become one of the major sources of the Company's performance growth.

In 2019, the Company will strive for milestones for its business development by effectively capturing and utilizing the favorable opportunities arising from the development of Guangdong-Hong Kong-Macao Greater Bay Area. Besides consolidating its traditional business, the Company will vigorously explore new business areas to achieve the leap-forward development of the Company.

繼續做大做強石化碼頭倉儲業務

出售粵海(番禺)後，為東洲石化庫帶來了新的發展機會：1)部分優質客戶，如：埃克森美孚、雪佛龍菲利普斯等跨國公司將其粵海(番禺)的全部或大部分長期倉儲服務業務，轉移至東洲石化庫，為東洲石化庫增加了穩定的優質客源；2)粵海(番禺)一些經驗豐富的管理人員和操作人員也將受聘於東洲國際，增加了東洲國際人力資源的優勢；3)基於本集團資金狀況的好轉，東洲石化庫二期建設也將從建設方案進入實質實施階段。東洲石化庫二期的建設計劃將在庫容、收入和盈利能力上都將全面超越已出售的小虎石化庫，從而繼續保持並增加本公司在碼頭業務方面的領先實力。

汽柴油零售業務開始運營

本公司與廣州市一家地方國有企業興建的加油站已於二零一九年初全面興建，目前進展順利，預期將於二零一九年中期投入運營。增城加油站的建成投產標誌著本公司正式進入汽柴油零售業務領域。本公司正在規劃建設(包括收購或租賃)更多的加油站，以迅速擴大汽柴油貿易規模。本公司計劃在兩至三年內將汽柴油零售和批發業務發展成為本集團一個全新的業務板塊，其營業收入和盈利水平有望超越傳統碼頭業務而成為本公司業績增長的主要來源之一。

二零一九年將是本公司發展歷史中具有里程碑意義的一年，本公司將利用好粵港澳大灣區建設的有利時機，在穩固傳統業務的基礎上，大力開拓新的業務領域，實現本公司跨越式發展。

Management Discussion and Analysis
管理層討論及分析

FINANCIAL REVIEW

During the year ended 31 December 2018, the Group's financial performance from continuing operations are set out as below:

財務回顧

截至二零一八年十二月三十一日止年度，本集團於持續經營業務的財務表現的詳情載列如下：

		2018 二零一八年	2017 二零一七年 (Restated) (重列)	Changes 變化
		HK\$'000 千港元	HK\$'000 千港元	% %
Continuing operations	持續經營業務			
Revenue	收入	141,556	110,712	+27.9
Gross profit	毛利	33,592	10,310	+225.8
Loss before interest and tax ("LBIT")	除息稅前虧損 (「LBIT」)	(49,883)	(26,889)	+85.5
Depreciation	折舊	66,011	64,939	+1.7
Finance costs	財務成本	39,633	41,409	-4.3
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	除利息、稅項、折舊 及攤銷前盈利 (「EBITDA」)	16,128	38,050	-57.6
Gross profit margin	毛利率	23.7%	9.3%	+14.4 % points 百分點
Net loss margin	淨虧損率	-69.7%	-61.7%	+8.0 % points 百分點
Loss attributable to equity shareholders of the Company	本公司股東應佔 虧損	(94,757)	(64,866)	+46.1
Basic and diluted loss per share (HK cents)	每股基本及攤薄 虧損(港仙)	(2.54)	(1.74)	+46.0

Management Discussion and Analysis 管理層討論及分析

Revenue and Gross Profit Margin

During the year, the Group's revenue from continuing operations was approximately HK\$141.6 million (2017: HK\$110.7 million), representing an increase of 27.9% on a year-on-year basis. The increase was mainly attributable to the increase of the storage and handling fee income which was driven by the increase of leaseout rate of storage tanks at about 10.3 percentage points and the introduction of new customers in DZIT during the year. Gross profit and gross profit margin from continuing operations was approximately HK\$33.6 million (2017: HK\$10.3 million) and 23.7% (2017: 9.3%), increased by 225.8% and 14.4 percentage points as compared with last year. The improvement was mainly attributable to the increase of storage and handling income during the year.

Loss for the Year

Loss attributable to equity shareholders of the Company from continuing operations was approximately HK\$94.8 million (2017: HK\$64.9 million), representing an increase of 46.1% over the prior year. Increase of loss was mainly attributable to the provision for doubtful debts of approximately HK\$38.4 million in respect of long outstanding balances past due from a customer (please refer to note 14(b) to the financial statements for details) and equity settled share-based payment expenses of approximately HK\$6.8 million charged to income statements during the year. As a result of the increase of loss, EBITDA from continuing operations reduced to HK\$16.1 million (2017: HK\$38.1 million) during the year.

Finance costs

During the year, finance costs from continuing operations amounted to HK\$39.6 million (2017: HK\$41.4 million) which were mainly incurred on certain of the Group's outstanding bank loans.

Taxation

The Group sustained a loss for Hong Kong Profits Tax purposes for the year. The applicable tax rate of the Group's PRC subsidiaries for the year ended 31 December 2018 was 25% (2017: 25%).

Basic and diluted loss per share

Basic and diluted loss per share of continuing operations for the year ended 31 December 2018 were 2.54 Hong Kong cents (2017: 1.74 Hong Kong cents).

收入及毛利率

年內，本集團的持續經營業務收入約為1.416億港元(二零一七年：1.107億港元)，按年增長27.9%。該增長主要由於貯存及服務費收入增加，此乃受東洲石化庫於年內貯存罐出租率增加約10.3個百分點及引入新客戶所致。持續經營業務的毛利及毛利率分別約為3,360萬港元(二零一七年：1,030萬港元)及23.7%(二零一七年：9.3%)，較去年增長225.8%及14.4個百分點。該增長乃主要由於年內貯存及服務收入增加所致。

年度虧損

本公司股東應佔持續經營業務虧損約為9,480萬港元(二零一七年：6,490萬港元)，較去年增加46.1%。虧損增加乃主要由於逾期應收一名客戶的長期未付款的壞賬撥備約3,840萬港元(詳情請參閱財務報表附註14(b))及年內以權益結算之股份交易費用約680萬港元計入損益表。由於虧損增加，本年度持續經營業務的EBITDA於年內減至1,610萬港元(二零一七年：3,810萬港元)。

財務成本

年內，持續經營業務的財務成本為3,960萬港元(二零一七年：4,140萬港元)，此乃主要是來自本集團之若干未償還銀行貸款。

稅項

就香港利得稅而言，本集團於年內錄得虧損。截至二零一八年十二月三十一日止年度，本集團的中國附屬公司的適用稅率為25%(二零一七年：25%)。

每股基本及攤薄虧損

截至二零一八年十二月三十一日止年度，持續經營業務的每股基本及攤薄虧損為2.54港仙(二零一七年：1.74港仙)。

Management Discussion and Analysis 管理層討論及分析

LIQUIDITY, GEARING AND CAPITAL STRUCTURE

As at 31 December 2018, the Group's total cash and cash equivalents amounted to approximately HK\$881 million (2017: HK\$41 million). Most of the funds were held in HK dollar, RMB and US dollar.

As at 31 December 2018, the Group had total assets of approximately HK\$1,955 million (2017: HK\$1,315 million) and net current liabilities of approximately HK\$78 million (2017: net current assets of HK\$26 million). The current ratio as at 31 December 2018 of the Group was 0.94 (2017: 1.21). The decrease of current ratio was mainly attributable that consideration received from a disposal of a subsidiary of HK\$890 million (being 50% of the purchase price) was recognised as other payable at 31 December 2018. Upon the completion of the Disposal, such consideration will be recognised as income. The current ratio will be improved significantly.

As at 31 December 2018, the Group had outstanding bank borrowings of HK\$880 million (2017: HK\$987 million). The total owners' deficit of the Group as at 31 December 2018 amounted to approximately HK\$84.4 million (2017: total owners' equity of HK\$8.4 million). The gearing ratio (defined as total liabilities to total assets) as at 31 December 2018 was 104.3% (2017: 99.4%). Upon receipt of total consideration of the transaction, the Group will be able to repay the outstanding bank borrowings. The Board expected that the liquidity and capital structure of the Group will be substantially improved.

FINANCIAL RESOURCES

During the year, the Group met its working capital requirement principally from its business operation. The Group has been taking various initiatives to improve the Group's operating cash flows to cope with future daily operation and future repayment of bank loans. Due attention will be paid to the capital and debt markets as well as the latest developments of the Group in order to ensure the efficient use of financial resources. During the year ended 31 December 2018, the Group entered into the Sale and Purchase Agreement with the Purchaser for a purchase price of RMB1.56 billion. The Board expected that the proceeds from disposal of GD (Panyu) will improve the Group's operating cash flows and reduce the Group's debts.

流動資金、資本負債比率及資本結構

於二零一八年十二月三十一日，本集團的總現金及現金等值項目約為8.81億港元(二零一七年：4,100萬港元)。大部分資金以港元、人民幣及美元持有。

於二零一八年十二月三十一日，本集團的資產總值約為19.55億港元(二零一七年：13.15億港元)及流動負債淨值約為7,800萬港元(二零一七年：流動資產淨值2,600萬港元)。本集團於二零一八年十二月三十一日的流動比率為0.94(二零一七年：1.21)。流動比率減少主要是由於出售附屬公司所收取之代價8.90億港元(佔購買價的50%)於二零一八年十二月三十一日確認為其他應付款項。於出售事項完成後，該代價將確認為收入。流動比率將大幅改善。

於二零一八年十二月三十一日，本集團的未償付銀行借款為8.80億港元(二零一七年：9.87億港元)。本集團於二零一八年十二月三十一日的擁有人虧絀總額約為8,440萬港元(二零一七年：擁有人權益總額840萬港元)。於二零一八年十二月三十一日的資本負債比率(定義按負債總額除以資產總額)為104.3%(二零一七年：99.4%)。於收取交易之全部代價後，本集團將能夠償還未償付銀行借貸。董事會預期本集團的流動資金及資本結構將大幅改善。

財務資源

年內，本集團主要透過其經營業務滿足其營運資金需求。本集團一直採取多項措施改善本集團之經營現金流，以應付未來的日常經營及償還銀行貸款。本集團將小心注意資本市場及債務市場的狀況以及本集團最新發展之情況，從而確保善用財務資源。截至二零一八年十二月三十一日止年度，本集團與買方訂立買賣協議，購買價為人民幣15.6億元。董事會預期粵海(番禺)出售事項的所得款項將改善本集團的經營現金流量及減少本集團的債務。

Management Discussion and Analysis 管理層討論及分析

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the year, the Group entered a very substantial disposal relating to disposal of the entire equity interest in GD (Panyu) as mentioned on page 6 and 7 in this section, further details of which are set out in note 27 to the financial statements.

Save for the very substantial disposal as mentioned above, there was no other significant investments, nor there was no any other material acquisitions or disposals during the year. The Group did not have any future plans for materials investments nor addition of capital assets during the year ended 31 December 2018.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES AND RELATED HEDGE

The Group's cash and cash equivalents are held predominately in Hong Kong dollar, RMB and US dollar. Operating outgoings incurred by the Group's subsidiaries in the PRC are mainly denominated in RMB, which usually receives revenue in RMB as well. Management is of the opinion that the Group's exposure to foreign exchange rate risks is not significant, and hedging by means of derivative instruments is considered unnecessary.

As the exchange rate of RMB depreciated as compared to the year ended 31 December 2017, the Group incurred an exchange loss of HK\$11.3 million (2017: exchange gain of HK\$12.3 million) on translation of financial statements of its PRC subsidiaries.

CHARGE ON GROUP'S ASSETS

The Group has provided the lender with certain of the Group's property, plant and equipment as collaterals for the banking facilities granted. For details, please refer to note 17(c) to the financial statements. During the year ended 31 December 2018, the Group had consideration received in advance of HK\$0.89 billion from the Purchaser relating to disposal of GD (Panyu) according to the Sale and Purchase Agreement and such amount was secured by certain of the GD (Panyu)'s dock and storage facilities and 92% of its equity interest as an indemnity arrangement for the Purchaser as the transaction was not completed as at 31 December 2018. For details, please refer to note 16 to the financial statements.

重要投資、重大收購事項及出售事項以及重大投資或資本資產的未來計劃

誠如本節第6及7頁所述，於本年度，本集團達成關於出售粵海(番禺)全部股權的非常重大出售事項，其進一步詳情載於財務報表附註27。

除上述非常重大出售事項外，年內概無其他重要投資，亦無任何其他重大收購或出售事項。本集團於截至二零一八年十二月三十一日止年度並無任何重大投資或添置資本資產的未來計劃。

匯率波動風險及有關對沖

本集團之現金及現金等值項目主要以港元、人民幣及美元持有。本集團之中國附屬公司之營運支出主要為人民幣，並常以人民幣收取收益。管理層認為本集團之匯率風險不大，並認為毋須採用衍生工具進行對沖。

由於人民幣匯率較截至二零一七年十二月三十一日止年度有所貶值，本集團於換算中國附屬公司的財務報表上產生匯兌虧損1,130萬港元(二零一七年：匯兌收益1,230萬港元)。

集團資產抵押

本集團已向貸款方提供本集團之若干物業、廠房及設備作為所授銀行融資之抵押品。詳情請參閱財務報表附註17(c)。截至二零一八年十二月三十一日止年度，本集團就根據買賣協議出售粵海(番禺)而自買方預收代價8.9億港元，該金額乃以粵海(番禺)若干碼頭及貯存設施及其92%股權作抵押，作為以買方為受益人的彌償安排，原因為交易於二零一八年十二月三十一日尚未完成。有關詳情，請參閱財務報表附註16。

Management Discussion and Analysis 管理層討論及分析

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2018, the Group had a workforce of approximately 462 employees (2017: 476), 448 (2017: 462) of which worked for the terminals. The Group remunerates its employees based on industry practices and individual performance and experience. On top of the basic remuneration, discretionary award or bonus (in cash or other forms in kind) as may be determined by the Board may be granted to selected employees by reference to the Group's as well as individual's performances. Every year, the Group devises a budget which states total salary and bonus plan for the year to encourage the Group's employees to contribute their best efforts and to make maximum economic benefits to the Group. In accordance with the relevant government regulations in the PRC, the Group is required to cover social insurance, including but not limited to retirement, medical, workman compensation and unemployment insurance as well as housing fund for every qualified employee in the PRC. With these insurance policies and staff benefits, the Group hopes to provide a reasonable welfare for each qualified employee.

CAPITAL COMMITMENT

Details of capital commitment are set out in note 25 to the financial statements.

CONTINGENT LIABILITIES

As at 31 December 2018, the Group has no material contingent liabilities.

EVENTS AFTER THE BALANCE SHEET DATE

Details of events after the balance sheet date are set out in note 30 to the financial statements.

FINAL DIVIDEND

The directors do not recommend any final dividend for the year ended 31 December 2018 (2017: Nil).

僱員及薪酬政策

於二零一八年十二月三十一日，本集團約有462名(二零一七年：476名)僱員，其中448名(二零一七年：462名)在庫區中任職。本集團根據行業慣例及個人表現和經驗支付僱員薪酬。除基本薪酬外，董事會可以決定根據本集團及個人的表現向選定僱員授予酌情花紅或獎金(以現金或其他形式的實物)。本集團每年制定一份預算方案，訂明該年度之總薪金及花紅計劃，藉以鼓勵本集團僱員竭盡所能，為本集團帶來最大的經濟利益。根據相關中國政府規例，本集團須為中國每名合資格僱員投購社會保險，包括但不限於退休、醫療、工人賠償及失業保險，以及房屋津貼。本集團希望藉著該等保險政策及員工福利，為每名合資格僱員提供合理福利。

資本承擔

資本承擔之詳情載於財務報表附註25。

或然負債

於二零一八年十二月三十一日，本集團並無重大或然負債。

資產負債表日後事項

資產負債表日後事項之詳情載於財務報表附註30。

末期股息

截至二零一八年十二月三十一日止年度，董事並不建議派付任何末期股息(二零一七年：無)。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員簡歷

EXECUTIVE DIRECTORS

Mr. David An, aged 59, has been the Chairman and an Executive Director of the Company since July 2002. He has many years of experience in China business particularly in the provision trading of petroleum products and petrochemicals, properties investments and developments in China.

Mr. Yang Dong, aged 58, has been an Executive Director and the Chief Executive Officer of the Company since July 2016. Mr. Yang joined the Company in 2012. Prior to that, he held various senior key positions in the subsidiaries of China Petroleum & Chemical Corporation such as the deputy general manager in China Petrochemical International Co. Ltd. and deputy chairman and executive director in Sinopec Kantons Holdings Limited (Stock code: 934), the securities of which is listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). Besides, he has extensive experience in international trade of petroleum and chemical commodities. Mr. Yang graduated from Beijing Normal University with a degree in Economics. He also holds a Master's degree in Project Management from University of Management and Technology.

Ms. Liu Zhijun, aged 51, has been an Executive Director of the Company since April 2006. Ms. Liu is also the Financial Controller — PRC of the Company, the Deputy Chairlady and Financial Controller of Guangdong Petro-Chemicals Company Limited ("GDPC"), Guangdong (Panyu) Petrochemical Storage & Transportation Ltd ("GD (Panyu)") and 東莞市東洲國際石化倉儲有限公司 ("東洲國際"). She joined GDPC in 1997. Prior to that, she had worked in various government departments and large State-owned enterprises, including the Audit Office of Guangdong Province, China Travel Service (Holdings) Hong Kong Limited, etc. She has more than 25 years of experience in financial management. Ms. Liu graduated from Sun Yat-sen University in 1989 with a Bachelor's degree in Economics. Ms. Liu also holds the auditor qualification certificate of speciality and technology issued by the Ministry of Personnel and National Audit Office of the People's Republic of China ("PRC").

執行董事

戴偉先生，59歲，自二零零二年七月起為本公司主席兼執行董事。戴先生於中國商業，尤其是石油及石化產品貿易及中國房地產投資及開發方面擁有多多年經驗。

楊冬先生，58歲，自二零一六年七月起為本公司執行董事兼行政總裁。楊先生於二零一二年加盟本公司。此前曾於中國石油化工股份有限公司的附屬公司擔任多個高級重要職務，例如中國石化國際事業有限公司副總經理，以及中石化冠德控股有限公司(股份代號：934)(該公司之證券於香港聯合交易所有限公司(「聯交所」)上市)副主席及執行董事。此外，彼於國際貿易中石油及化工產品具有豐富的經驗。楊先生畢業於北京師範大學，取得經濟學學士，並持有美國管理技術大學項目管理碩士學位。

劉志軍女士，51歲，自二零零六年四月起為本公司執行董事。劉女士亦為本公司中國業務財務總監、粵海石油化工有限公司(「粵海石化」)、粵海(番禺)石油化工儲運開發有限公司(「粵海(番禺)」)及東莞市東洲國際石化倉儲有限公司(「東洲國際」)的副董事長兼財務總監。彼於一九九七年加盟粵海石化，此前任職於中國政府部門及大型中資國企，包括廣東省審計廳、香港中旅(集團)有限公司等。彼於財務管理方面積逾二十五年經驗。劉女士於一九八九年畢業於中山大學，獲經濟學學士學位。劉女士亦擁有中華人民共和國(「中國」)人事部及審計署頒發的審計師專業技術資格。

Profile of Directors and Senior Management 董事及高級管理人員簡歷

Mr. Zhang Lei, aged 53, has been an Executive Director of the Company since August 2007. Mr. Zhang joined the Company as Chief Operating Officer, PRC in 2006. He has many years of experience in petrochemical industry. He has expertise in petrochemical specialized technology and is familiar with financial accounting policy and system of the PRC. Mr. Zhang also has in-depth knowledge in large petrochemical project management. He had served China Petrochemical Corporation and held various key positions such as the chief financial officer of the Singapore branch, deputy general manager and chief financial officer of the Hong Kong branch. Mr. Zhang graduated from Dongbei University of Finance and Economics and obtained the qualification of engineer.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Li Wai Keung, aged 62, has been an Independent Non-Executive Director of the Company since July 2002. He is also the Chairman of the Audit Committee and the Remuneration Committee and a member of the Nomination Committee of the Company. Mr. Li graduated from the Hong Kong Polytechnic and holds a Master's degree in Business Administration from The University of East Asia. He is also a fellow member of The Association of Chartered Certified Accountants and Hong Kong Institute of Certified Public Accountants. Mr. Li had worked for Henderson Land Development Company Limited. Mr. Li is now an executive director and chief financial officer of GDH Limited and the chief financial officer of Guangdong Holdings Limited. Besides, he has been re-designated from a non-executive director to an executive director of Guangdong Land Holdings Limited (stock code: 124) in 2012 and was appointed as company secretary in March 2017. He is currently a non-executive director of Guangdong Investment Limited (stock code: 270), an independent non-executive director of Shenzhen Investment Limited (stock code: 604) and China South City Holdings Limited (stock code: 1668), the securities of which are listed on the Stock Exchange. Apart from the abovementioned, Mr. Li was appointed as the Standing Committee Member of the 12th Guangdong Provincial Committee of the Chinese People's Political Consultative Conference in January 2018.

張雷先生，53歲，自二零零七年八月起為本公司執行董事。張先生於二零零六年加盟本公司出任中國業務營運總監。彼從事石油化工行業多年，精通石化專業技術及熟悉國內財務會計政策與制度。張先生掌握大型石化工程項目管理知識。彼曾任中國石油化工集團公司新加坡分公司財務總監，香港分公司副總經理、財務總監等重要職務。張先生畢業於中國東北財經大學，獲工程師資格。

獨立非執行董事

李偉強先生，62歲，自二零零二年七月起為本公司獨立非執行董事。彼亦為本公司之審核委員會及薪酬委員會主席兼提名委員會成員。李先生畢業於香港理工學院，並持有東亞大學工商管理碩士學位。彼亦為特許公認會計師公會及香港會計師公會資深會員。李先生曾於恒基兆業地產發展有限公司任職。李先生現為粵海控股集團有限公司之執行董事兼財務總監及廣東粵海控股有限公司之財務總監。此外，彼於二零一二年由粵海置地控股有限公司(股份代號：124)之非執行董事調任為執行董事，並於二零一七年三月獲委任為公司秘書。彼目前為粵海投資有限公司(股份代號：270)之非執行董事，並為深圳控股有限公司(股份代號：604)及華南城控股有限公司(股份代號：1668)之獨立非執行董事，該等公司之證券均於聯交所上市。除此之外，李先生於二零一八年一月獲委任為中國人民政治協商會議第十二屆廣東省委員會常務委員。

Profile of Directors and Senior Management 董事及高級管理人員簡歷

Mr. Chan Chun Wai, Tony, aged 47, has been an Independent Non-Executive Director of the Company since May 2005. He is also the Chairman of Nomination Committee and a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Chan is a Certified Public Accountant and owns a certified public accounting practice. He has extensive experience in general assurance and business advisory services in both Hong Kong and the PRC. Moreover, Mr. Chan has extensive experience in public listings in Hong Kong and Singapore, mergers and acquisition as well as corporate finance. He holds a Master degree in Business Administration from the Manchester Business School. Mr. Chan is now the independent non-executive director of Honbridge Holdings Limited (stock code: 8137) and Wai Chun Mining Industry Group Company Limited (stock code: 660), the securities of which are listed on the Stock Exchange. Apart from the abovementioned, Mr. Chan has been the joint company secretary of Zhejiang Cangnan Instrument Group Company Limited (stock code: 1743) since July 2017, the securities of which are listed on the Stock Exchange in January 2019.

Ms. Hai Hiu Chu, aged 47, has been an Independent Non-Executive Director of the Company since October 2017. She is also a member of the Audit Committee, Remuneration Committee and Nomination Committee. Ms. Hai is an executive director, the chief executive officer and one of the controlling shareholders of Bamboos Health Care Holdings Limited (“Bamboos Health Care”) (stock code: 2293) (the securities of which are listed on the Stock Exchange). She was also appointed as a chairman of Bamboos Health Care in August 2018. Ms. Hai co-founded Bamboos Health Care Holdings Limited and its subsidiaries.

Ms. Hai obtained a Bachelor’s degree in Pharmacy in Chinese Medicine and a Master’s degree of Science in Chinese Medicines from The University of Hong Kong. She has completed a program in EMBA and obtained a Master’s degree in Business Administration from The Chinese University of Hong Kong. She also obtained an Enrolled Nurse qualification from the Nursing Council of Hong Kong.

Ms. Hai has over 20 years of experience in the medical field and the pharmaceutical industry. She has served various directorship roles in various companies, including Bamboos Limited and Bamboos Education — School for Talents Limited. Ms. Hai currently serves as a director in each of Hong Kong Health Care Federation. She is also a guest professor in Guangdong Pharmaceutical University. Also, Ms. Hai was appointed as a member of Registration Committee of Chiropractors Council in April 2018.

陳振偉先生，47歲，自二零零五年五月起為本公司獨立非執行董事。彼亦為本公司提名委員會主席兼審核委員會及薪酬委員會成員。陳先生是一位執業會計師，並擁有一家執業會計師行。彼於香港及中國提供審計及業務諮詢服務方面具有豐富經驗。此外，陳先生於香港及新加坡公眾上市、併購及企業融資方面亦具有豐富經驗。彼持有曼徹斯特商學院工商管理碩士學位。陳先生現為洪橋集團有限公司(股份代號：8137)及偉俊礦業集團有限公司(股份代號：660)之獨立非執行董事，該兩家公司之證券均於聯交所上市。除了上述之外，陳先生已自二零一七年七月起獲委任為浙江蒼南儀錶集團股份有限公司(股份代號：1743)聯席公司秘書，該公司證券於二零一九年一月於聯交所上市。

奚曉珠女士，47歲，自二零一七年十月起為本公司獨立非執行董事。彼亦為審核委員會、薪酬委員會及提名委員會成員。奚女士現為百本醫護控股有限公司(「百本醫護」)(股份代號：2293)(該家公司之證券在聯交所上市)的執行董事、行政總裁及控股股東之一。彼亦曾於二零一八年八月獲委任百本醫護主席。奚女士共同創辦了百本醫護控股有限公司及其附屬公司。

奚女士取得了香港大學中醫藥學學士學位及中醫學碩士學位。彼已修畢行政人員工商管理碩士課程，並取得香港中文大學工商管理碩士學位。彼亦取得香港護士管理局登記護士資格。

奚女士於醫療領域及醫藥行業積逾20年經驗。彼於多間公司出任董事，包括百本有限公司及百本人才培訓學院有限公司。奚女士目前擔任香港醫護學會董事。彼亦擔任廣東藥科大學之客座教授。另外，奚女士曾於二零一八年四月獲委任脊醫管理局註冊事務委員會成員。

Profile of Directors and Senior Management 董事及高級管理人員簡歷

SENIOR MANAGEMENT

Mr. Li Xiao Hui, aged 50, is the Director and General Manager of 東洲國際. He joined GD (Panyu) in 1994. Mr. Li has extensive knowledge and experience in technology and operating management of oil and petrochemicals storage. He also holds a Master degree of corporate management. He is now fully responsible for the management of the infrastructure and construction project in Dongguan.

Mr. Huang Bo Heng, aged 42, is the Director and Deputy General Manager of GD (Panyu). He graduated from 廣東石油學校 in 1997 and joined GD (Panyu) in the same year. Mr. Huang has solid knowledge and many years of experience in technology, construction project and operating management of oil and petrochemicals storage.

Mr. Deng Zhi Gang, aged 45, is the Director and Deputy General Manager of GD (Panyu). Mr. Deng obtained his Master's degree in Business Administration from University of San Francisco. He joined GD (Panyu) in 1996. He has many years of experience in trading and marketing in the business of storage for oil and petrochemical products.

Mr. Han Ming, aged 47, is the Director and Deputy General Manager of GD (Panyu). Mr. Han graduated from Heilongjiang Institute of Commerce and majored in oil storage and transportation operation. He joined GD (Panyu) in 1994. Mr. Han has many years of experience in business operation and import and export customs of cargoes.

Mr. Cui Ming, aged 62, is the Deputy General Manager of GD (Panyu). Before joining GD (Panyu) in 1993, Mr. Cui was the deputy general manager of sales department of 中石化肇慶公司. He was engaged in the sales of petroleum products for a long time and has extensive experience in the sales and marketing management of petroleum products.

Mr. Nie Yu Hua, aged 51, is the Deputy Financial Controller of GD (Panyu) and the Director and Deputy Financial Controller of 東洲國際. He joined GD (Panyu) in 2006. He is an International Certified Internal Auditor, a member of the Chinese Institute of Certificate Public Accountants and has professional accountant qualification in PRC. He has over 15 years financial management experiences in large state owned enterprises, and has worked as a senior project manager in a renowned accounting firm.

高級管理人員

李曉輝先生，50歲，東洲國際董事兼總經理。彼於一九九四年加盟粵海(番禺)。李先生在石油及石化貯存技術和操作管理方面有豐富知識及經驗。李先生亦持有企業管理碩士學位。彼目前全面負責在東莞的基建及工程項目管理。

黃伯恒先生，42歲，粵海(番禺)董事兼副總經理。彼於一九九七年畢業於廣東石油學校，同年加盟粵海(番禺)。黃先生在石油及石化貯存技術、工程項目及營運管理方面具有扎實的基礎，積逾多年豐富的經驗。

鄧志剛先生，45歲，粵海(番禺)董事兼副總經理。鄧先生持有美國舊金山大學之工商管理碩士學位，一九九六年加盟粵海(番禺)。彼於石油及石化產品貯存業務之貿易及營銷方面積逾多年經驗。

韓明先生，47歲，粵海(番禺)董事兼副總經理。韓先生畢業於黑龍江商學院石油儲運專業，彼於一九九四年加盟粵海(番禺)。此外，韓先生在商務運作及貨物進出口通關業務方面積逾多年豐富經驗。

崔鳴先生，62歲，粵海(番禺)副總經理。彼於一九九三年加盟粵海(番禺)前為中石化肇慶公司銷售部副總經理，長期從事石油產品銷售工作，對石油產品行銷及市場管理有著豐富的經驗。

聶郁華先生，51歲，粵海(番禺)財務副總監及東洲國際董事兼財務副總監。彼於二零零六年加盟粵海(番禺)。聶先生為國際註冊內部審計師、中國註冊會計師協會會員及擁有中國會計師專業技術資格。彼於大型國企積逾十五年財務管理經驗，並曾於一家著名會計事務所擔任高級專案經理。

Profile of Directors and Senior Management 董事及高級管理人員簡歷

Mr. Choy Chak Wa, Peter, aged 61, has been the Chief Financial Officer of the Company since September 2017. Mr. Choy graduated from Hong Kong Polytechnic University and holds a Master's degree in Management from Imperial College London. He is a fellow member of The Chartered Institute of Management Accountants, The Association of Chartered Certified Accountants and Hong Kong Institute of Certified Public Accountants. Mr. Choy has held numerous executive positions across a wide spectrum of industries including manufacturing, university education, non-profits organisation, garment, audio-visual equipment trading, as well as civil engineering consultancy company. Prior to joining the Company, he held as a Regional Controller in Fugro Holdings (HK) Limited. He has extensive experience in accounting and financial management in both Hong Kong and across the Greater China Region.

On top of his professional career, Mr. Choy was awarded the Bronze Medal by The Chartered Institute of Management Accountants to recognise his outstanding contribution. He is currently a member of the HKSAR Inland Revenue Department Users' Committee.

COMPANY SECRETARY

Ms. Lam Lai Wan, Bondie, aged 43, has been the Company Secretary of the Company since February 2017. Ms. Lam joined the Company in 2008 and currently is the Financial Controller of the Company. Prior to that, she worked in a Singapore based company which is a subsidiary of Gold Peak Industries (Holdings) Limited (stock code: 040), the securities of which are listed on the Stock Exchange. Ms. Lam has extensive experience in accounting and financial management for the listed companies in Hong Kong and Singapore and has worked in numerous reputable international accounting firms. Ms. Lam graduated from The Hong Kong Polytechnic University with a Bachelor's degree in Accountancy, she is also a fellow member of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants.

蔡澤華先生，61歲，自二零一七年九月起為本公司首席財務總監。蔡先生畢業於香港理工大學，持有倫敦帝國學院管理碩士學位。彼為英國特許管理會計師公會、特許公認會計師公會及香港會計師公會的資深會員。蔡先生曾於多個行業，包括製造、大學教育、非牟利團體、成衣製造、影音視聽器材貿易以及土木工程顧問公司，擔任許多行政職務。於加入本公司前，彼於輝固控股(香港)有限公司任職區域財務總監。彼於香港及大中華地區的會計及財務管理方面擁有豐富經驗。

除專業職務外，蔡先生更獲英國特許管理會計師公會頒發公會銅章，以肯定他的卓越貢獻。彼現為香港特別行政區稅務局服務承諾關注委員會的成員。

公司秘書

林麗雲女士，43歲，自二零一七年二月起為本公司之公司秘書。林女士於二零零八年加盟本公司，現為本公司財務總監。在此之前，彼於金山工業(集團)有限公司(其證券於聯交所上市(股份代號：040))的一家新加坡附屬公司任職。林女士於香港及新加坡上市公司擁有豐富的會計及財務管理經驗，並曾於多家知名國際會計師事務所工作。林女士畢業於香港理工大學，持有會計學學士學位，同時亦為香港會計師公會及英國特許公認會計師公會資深會員。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to a high standard of corporate governance practices appropriate to the conduct and growth of its business in compliance with the principles and code provisions (“Code Provisions”) set out in the corporate governance Code (“CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) (“Listing Rules”). The board of directors of the Company (the “Board”) is of the view that throughout the year, the Company has complied with the CG Code except for the deviations from Code Provisions A.4.1 and E.1.2 and which deviations are explained in the relevant part of this report.

The Company regularly reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code.

THE BOARD

Roles and Responsibilities

The Company has formalised and adopted written terms on the division of functions reserved to the Board and delegated to the management.

The Board provides leadership and approves strategic policies and plans with a view to enhance shareholder interests while the day-to-day operations of the Company are delegated to the management.

The Board reserves for its decisions all major matters of the Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

All directors have full and timely access to all relevant information as well as the advice and services of the company secretary (the “Company Secretary”), with a view to ensuring that Board procedures and all applicable rules and regulations are followed.

Each director is normally able to seek independent professional advice in appropriate circumstances at the Company’s expense, upon making request to the Board.

本公司致力奉行一套適用於其業務進行及增長之高水平企業管治常規，以符合香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載企業管治守則（「企業管治守則」）內所列明之原則及守則條文（「守則條文」）。本公司董事會（「董事會」）認為，本公司已於整年內遵行企業管治守則，惟偏離守則條文第A.4.1及E.1.2條之規定除外，而有關偏離於本報告有關部分闡釋。

本公司定期檢討其企業管治常規，以確保持續符合企業管治守則之規定。

董事會

角色及責任

本公司已正式制定及採納有關職能劃分之職權範圍書，訂明董事會自行承擔及授予管理人員的職責。

董事會發揮領導角色及審批策略政策及計劃，務求提升股東利益，至於本公司之日常運作，則委託管理層負責。

董事會保留對本公司所有重大事宜之決定權，包括：批准及監察一切政策事宜、整體策略及財政預算、內部監控及風險管理系統、重大交易（特別是該等可能涉及利益衝突之交易）、財務資料、董事任命及其他重大財務及營運事宜。

全體董事均可全面及時取得一切有關資料，以及獲得公司秘書（「公司秘書」）之意見及服務，藉此確保董事會議事程序及所有適用規則及規例得以遵從。

於適當情況下，每名董事一般可向董事會提出要求後，以本公司之公費徵詢獨立專業意見。

Corporate Governance Report 企業管治報告

The day-to-day management, administration and operation of the Company are delegated to the chief executive and the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned officers.

The Board has the full support of the chief executive and the senior management to discharge its responsibilities.

Composition

The Board has in its composition a balance of skills and experiences necessary for independent decision making and fulfilling its business needs.

As at 31 December 2018, the Board comprised seven members, including four executive directors and three independent non-executive directors, as follows:

Executive Directors

Mr. David An (*Chairman and Member of Remuneration Committee*)
Mr. Yang Dong (*Chief Executive Officer*)
Ms. Liu Zhijun
Mr. Zhang Lei
Ms. Cheung Siu Yuen, Rose (*resigned on 23 February 2018*)

Independent Non-Executive Directors

Mr. Li Wai Keung (*Chairman of Audit Committee and Remuneration Committee and Member of Nomination Committee*)
Mr. Chan Chun Wai, Tony (*Chairman of Nomination Committee and Member of Audit Committee and Remuneration Committee*)
Ms. Hai Hiu Chu (*Member of Remuneration Committee, Audit Committee and Nomination Committee*)

None of the members of the Board is related to one another.

During the year ended 31 December 2018, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors ("INEDs") with at least one INED possessing appropriate professional qualifications, or accounting or related financial management expertise.

本公司之日常管理、行政及營運乃委託行政總裁及高級管理人員負責。已委託之職能及工作會獲定期檢討。於進行上述高級職員訂立的任何重大交易前，必須取得董事會批准。

董事會獲得行政總裁及高級管理人員全力支持，以履行其責任。

組成

董事會之組成兼備獨立決策及滿足業務需求的技能與經驗。

於二零一八年十二月三十一日，董事會由七名成員組成，包括以下四名執行董事及三名獨立非執行董事：

執行董事

戴偉先生 (*主席兼薪酬委員會成員*)
楊冬先生 (*行政總裁*)
劉志軍女士
張雷先生
章小婉女士 (*於二零一八年二月二十三日辭任*)

獨立非執行董事

李偉強先生 (*審核委員會及薪酬委員會主席兼提名委員會成員*)
陳振偉先生 (*提名委員會主席兼審核委員會及薪酬委員會成員*)
奚曉珠女士 (*薪酬委員會、審核委員會及提名委員會成員*)

董事會成員彼此概無關係。

於截至二零一八年十二月三十一日止年度，董事會於任何時間均符合上市規則規定，委任至少三名獨立非執行董事（「獨立非執行董事」），其中至少一名獨立非執行董事具備適當專業資格，或會計或相關財務管理專業知識。

Corporate Governance Report 企業管治報告

INEDs

The INEDs bring a wide range of business and financial expertise, experiences and independent judgement to the Board. Through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all INEDs make various contributions to the effective direction of the Company.

The Company has received written annual confirmation from each INED in respect of his/her independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company has assessed his/her independence and concluded that all INEDs are independent within the definition of the Listing Rules.

Appointment and Succession Planning of Directors

The Company has established formal, considered and transparent procedures for the appointment and succession planning of directors.

Under Code Provision A.4.1 of the CG Code, the non-executive directors should be appointed for a specific term, subject to re-election. The INEDs (save for Ms. Hai Hiu Chu) did not have a specific term of appointment before 22 January 2019.

Ms. Hai Hiu Chu entered into a letter of appointment with the Company for a term of three years, subject to, *inter alia*, retirement from office by rotation at least once every three years and re-election in accordance with the Company's memorandum and articles of association.

On 22 January 2019, each of the INEDs entered into an appointment letter with the Company for a term of three years from their date of appointment. The Company has complied with the Code Provision A.4.1 since 22 January 2019.

Pursuant to the Company's memorandum and article of association, all directors of the Company are subject to retirement by rotation at least once every three years at the Company's general meeting and any directors appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting after his/her appointment and be subject to re-election at such meeting.

獨立非執行董事

獨立非執行董事為董事會帶來各種不同之業務及財務專業知識、經驗及獨立判斷。透過積極參加董事會會議、於涉及潛在利益衝突之管理事項扮演領導角色及出任董事會委員會成員，全體獨立非執行董事對有效領導本公司作出多方面之貢獻。

本公司已接獲各獨立非執行董事根據上市規則第3.13條所載的獨立性之指引就彼之獨立性作出之年度書面確認。本公司已評核其獨立性，並認為全體獨立非執行董事於上市規則之定義內均為獨立。

董事之委任及接任計劃

本公司已就董事之委任及接任計劃，確立正式、周詳及透明程序。

根據企業管治守則之守則條文第A.4.1條，非執行董事須按固定任期獲委任，惟須膺選連任。獨立非執行董事(奚曉珠女士除外)於二零一九年一月二十二日前並無固定任期。

奚曉珠女士已與本公司訂立委任書，任期三年，惟須(其中包括)根據本公司組織章程大綱及細則，每三年至少輪席退任一次及膺選連任。

於二零一九年一月二十二日，各獨立非執行董事已與本公司訂立自委任日期起計為期三年的委任書。本公司自二零一九年一月二十二日起已遵守守則條文第A.4.1條。

根據本公司之組織章程大綱及細則，本公司所有董事均須最少每三年於本公司之股東大會上輪席退任一次，且任何獲董事會委任以填補臨時空缺或董事會新任之董事於其委任後只可留任直至下屆股東週年大會，惟可於該會上膺選連任。

Corporate Governance Report 企業管治報告

Continuous Professional Development of Directors

Every newly appointed director will receive comprehensive, formal and tailored induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Reading material on relevant topics will be issued to directors where appropriate. All directors are encouraged to attend relevant training courses at the Company's expenses.

Directors confirmed that they have complied with the Code Provision A.6.5 of the CG Code on directors' training. During the year, directors attended seminars and training sessions arranged by various professional institutes and bodies. In addition, relevant reading materials including the updates on the business, operations, corporate governance, legal and regulatory matters have been provided to all directors for their reference and studying.

Board Meetings

Number of Meetings and Directors' Attendance

Thirteen Board meetings were held during the year ended 31 December 2018.

董事之持續專業發展

每名新委任之董事於彼首獲委任時，將會接受全面、正式及度身訂造之就職輔導，以確保彼適當理解本公司之業務及運作，並充分知悉彼之責任及於上市規則及有關監管規例項下之義務。

董事應參與適當的持續專業發展，以發展及更新彼等之知識及技術，確保彼等繼續對董事會作出知情及相關之貢獻。董事在適當時會獲發有關題目之閱讀資料。本公司鼓勵各董事利用本公司之公費參加相關培訓課程。

董事確認，彼等已遵守企業管治守則守則條文第A.6.5條有關董事培訓之規定。年內，董事已出席由不同的專業機構及組織安排之研討會及培訓課堂。此外，包括商業、營運、企業管治、法律及監管事宜在內之相關閱讀資料亦已向各董事提供，以供彼等參考及細閱。

董事會會議

會議及董事出席次數

截至二零一八年十二月三十一日止年度內舉行十三次董事會會議。

Corporate Governance Report 企業管治報告

The individual attendance (either in person or through other electronic means of communication) record of each director at the meetings of the Board, the Nomination Committee, the Remuneration Committee and the Audit Committee during the year ended 31 December 2018 is set out below:

於截至二零一八年十二月三十一日止年度，各董事於董事會、提名委員會、薪酬委員會及審核委員會會議的個人出席（無論親身或透過其他電子通訊方式）記錄載列如下：

Directors 董事		Attendance/Number of Meetings held during the tenure of directorship 於董事任期內出席／已舉行會議次數					Annual General Meeting 股東週年大會	Extraordinary General Meeting 股東特別大會
		Board 董事會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會			
<i>Executive Directors</i> 執行董事								
Mr. David An (Chairman)	戴偉先生(主席)	12/13	N/A 不適用	2/2	N/A 不適用	0/1	0/1	
Mr. Yang Dong	楊冬先生	13/13	N/A 不適用	N/A 不適用	N/A 不適用	1/1	1/1	
Ms. Liu Zhijun	劉志軍女士	13/13	N/A 不適用	N/A 不適用	N/A 不適用	1/1	1/1	
Mr. Zhang Lei	張雷先生	13/13	N/A 不適用	N/A 不適用	N/A 不適用	0/1	0/1	
<i>INEDs</i> 獨立非執行董事								
Mr. Li Wai Keung	李偉強先生	13/13	3/3	2/2	5/5	1/1	1/1	
Mr. Chan Chun Wai, Tony	陳振偉先生	13/13	3/3	2/2	5/5	1/1	1/1	
Ms. Hai Hiu Chu	奚曉珠女士	13/13	3/3	2/2	5/5	1/1	1/1	

Apart from regular Board meetings, the Chairman also held meetings with the INEDs without the presence of other directors during the year pursuant to the Code Provision A.2.7 of the CG Code.

除董事會例會外，年內主席亦根據企業管治守則守則條文第A.2.7條，在其他董事不在場之情況下與獨立非執行董事舉行會議。

Practices and Conduct of Meetings

Notices of regular Board meetings are served to all directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

會議常規及守則

董事會例會通告最少於會議舉行前十四天送達全體董事。至於其他董事會及委員會會議，一般會作出合理通知。

Agenda and Board papers together with all appropriate, complete and reliable information are sent to all directors at least 3 days before each Board meeting or committee meeting to keep the directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each director also have separate and independent access to the senior executives whenever necessary.

議程及董事會文件連同所有適用、完整及可靠資料，最少於各董事會會議或委員會會議舉行前三天發送所有董事，以便彼等知悉本公司最新發展及財務狀況，並讓彼等作出知情決定。董事會及各董事如有需要，亦可個別獨立接觸高級行政人員。

The Company Secretary is responsible to take and keep minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to directors for comment within a reasonable time after each meeting and the final version is open for directors' inspection.

公司秘書負責記錄及保存所有董事會會議及委員會會議之會議記錄。會議記錄草稿一般會在各會議結束後之合理時間內予董事傳閱評論，而定稿則公開供董事查閱。

Corporate Governance Report 企業管治報告

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a director, will be considered and dealt with by the Board at a duly convened Board meeting. The Company's memorandum and articles of association also contain provisions requiring directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors or any of their associates have a material interest.

Company Secretary

Ms. Lam Lai Wan, Bondie is the Company Secretary of the Company. According to Rule 3.29 of the Listing Rules, she has taken no less than 15 hours of relevant professional training during the year ended 31 December 2018. The biographic of Ms. Lam is set out in the section headed "Profile of Directors and Senior Management" of this annual report.

Board Diversity Policy

The Board adopted a board diversity policy (the "Diversity Policy") in August 2013.

All Board appointments will be based on merits, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. Selection of candidates for Board membership will be based on a range of diversity perspectives, including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how.

The Nomination Committee will review the Diversity Policy, as appropriate, to ensure the effectiveness of such policy.

As at the date of this report, the Board comprises seven directors. Two of them are female, three of them are INEDs, thereby promoting critical review and control of the management process.

據現行董事會常規，任何涉及主要股東或董事利益衝突之重大交易，將由董事會正式召開董事會會議以作考慮及處理。本公司之組織章程大綱及細則亦有明文規定董事須就批准彼等或彼等任何聯繫人擁有重大利益之交易放棄投票權，亦不得計入會議之法定人數內。

公司秘書

林麗雲女士為本公司的公司秘書。根據上市規則第3.29條，於截至二零一八年十二月三十一日止年度，彼已參加不少於十五個小時的相關培訓。林女士之履歷載於本年報「董事及高級管理人員簡歷」章節內。

董事會成員多元化政策

董事會於二零一三年八月採納董事會成員多元化政策（「多元化政策」）。

董事會所有委任均以用人唯才為原則，顧及董事會成員多元化的益處，以客觀條件考慮人選。甄選董事會成員人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、經驗、文化及教育背景、專業知識、技能及知識。

提名委員會將在適當時候檢討多元化政策，以確保該政策行之有效。

於本報告日期，董事會由七名董事組成。其中兩名為女士，三名為獨立非執行董事，這有助嚴格檢討及監控管理程序。

Corporate Governance Report 企業管治報告

Dividend Policy

The Board adopted a dividend policy (the “Dividend Policy”) on 21 December 2018. According to the Dividend Policy, in deciding whether to propose any dividend payout, the Board shall also take into account, inter alia:–

- the Group’s actual and expected financial performance;
- shareholders’ interests;
- retained earnings and distributable reserves of the Company and each of the other members of the Group;
- the level of the Group’s debts to equity ratio, return on equity and financial covenants to which the Group is subject;
- possible effects on the Group’s creditworthiness;
- any restrictions on payment of dividends that may be imposed by the Group’s lenders;
- the Group’s expected working capital requirements and future expansion plans;
- liquidity position and future commitments at the time of declaration of dividend;
- taxation considerations;
- statutory and regulatory restrictions;
- general business conditions and strategies;
- general economic conditions, business cycle of the Group’s business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- other factors that the Board deems appropriate.

The Company will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

股息政策

董事會於二零一八年十二月二十一日採納股息政策（「股息政策」）。根據該股息政策，在決定是否提議任何股息派付時，董事會亦應當考慮，其中包括：—

- 本集團的實際及預期財務表現；
- 股東權益；
- 本公司及本集團其他各成員公司的保留盈利及可供分派儲備；
- 本集團之債務權益比率、股本回報率，以及施加於本集團的財務限制所處之水平；
- 對本集團信用可靠程度之潛在影響；
- 由本集團的貸款人可能施加的任何股息派發限制；
- 本集團之預期營運資金需求以及未來擴張計劃；
- 於宣派股息時之流動資金狀況及未來之承諾情況；
- 稅務考慮；
- 法定及合規限制；
- 整體商業條件及策略；
- 整體經濟狀況、本集團業務的商業週期，以及或會對本公司業務或財務表現及狀況有影響的其他內部或外部因素；及
- 董事會認為適當的其他因素。

本公司會持續檢討該股息政策，並且保留權利以全權絕對酌情權於任何時間更新、修訂及／或修改該股息政策，且該政策並不構成具法律約束力的承諾使本公司將以任何具體金額支付股息，及／或並不會使本公司有義務於任何時間或不時宣派股息。

Corporate Governance Report 企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 of the CG Code stipulates that the roles of the Chairman and chief executive officer (the “CEO”) should be separate and should not be performed by the same individual.

The Company complies with the Code Provision A.2.1, the positions of the Chairman and CEO are segregated and are held by Mr. David An and Mr. Yang Dong respectively. These positions have clearly defined separate responsibilities. Mr. David An will focus on the overall strategic planning and business development of the Group, whereas Mr. Yang Dong will be responsible for the overall management, administrative functions and day-to-day business operations of the Group.

The Company regularly reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code.

BOARD COMMITTEES

The Board has established three committees, namely, the Nomination Committee, Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company’s affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company’s website and Hong Kong Exchanges and Clearing Limited’s website and are available to shareholders upon request.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expenses.

Nomination Committee

All the three INEDs are the members of the Nomination Committee and Mr. Chan Chun Wai, Tony is the chairman of the committee.

The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board, making recommendations to the Board on the appointment and succession planning of directors, and assessment of the independence of the INEDs.

主席及行政總裁

企業管治守則之守則條文第A.2.1條訂明，主席與行政總裁（「行政總裁」）之角色應予區分，不應由同一人兼任。

本公司遵從守則條文第A.2.1條，主席及行政總裁職位有所區分並分別由戴偉先生及楊冬先生出任。兩者職位有明確分工。戴偉先生將集中處理本集團整體策略規劃及業務發展，而楊冬先生則將負責本集團整體管理、行政職能及日常業務營運。

本公司會定期檢討其企業管治常規，確保有關常規仍然符合企業管治守則的規定。

董事委員會

董事會已成立三個委員會，分別為提名委員會、薪酬委員會及審核委員會，以監察本公司特定方面之事務。本公司所有董事會委員會均已制定明確書面職權範圍。董事委員會之職權範圍刊載於本公司及香港交易及結算所有限公司網站，並可供股東按要求的查閱。

董事委員會獲提供足夠資源，以履行其職責，並於適當情況下，可提出合理要求，利用本公司之公費徵詢獨立專業意見。

提名委員會

全部三名獨立非執行董事為提名委員會成員，而陳振偉先生為委員會主席。

提名委員會之主要職責，包括檢討董事會之架構、人數及組成、就董事之委任及接任計劃向董事會提出推薦意見，以及評估獨立非執行董事之獨立性。

Corporate Governance Report 企業管治報告

The Nomination Committee will reference to the Board nomination policy (the "Nomination Policy") adopted by the Group on 21 December 2018 for selecting and recommending candidates for directorships.

Selection Criteria

The Nomination Committee will evaluate, select and recommend candidate(s) for directorships to the Board by giving due consideration to criteria, having due regard to the benefits of diversity on the Board, including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how, sufficient time to effectively carry out their duties, their services on other listed and non-listed companies should be limited to reasonable numbers, qualifications including accomplishment and experience in the relevant industries the Company's business is involved in, independence, reputation for integrity, potential contributions that the individual(s) can bring to the Board and commitment to enhance and maximize shareholders' value.

Nomination Process

The Nomination Committee will recommend to the Board for the appointment of a director in accordance with the following procedures and process:

- (a) By giving due consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience at the outset to focus the search effort;
- (b) To consult any source it deems appropriate in identifying or selecting suitable candidates, such as referrals from existing directors, advertising, recommendations from an independent agency firm and proposals from shareholders of the Company with due consideration given to the criteria;
- (c) To adopt any process it deems appropriate in evaluating the suitability of the candidates, such as interviews, background checks, presentations and third-party reference checks;
- (d) Upon considering a candidate suitable for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;
- (e) To make the recommendation to the Board in relation to the proposed appointment and the proposed remuneration package;

提名委員會會參考本集團於二零一八年十二月二十一日採納的董事提名政策（「提名政策」）以甄選及提名董事候選人。

甄選準則

提名委員會將依據準則，充分考慮多元化對董事會裨益作評估、篩選及推薦董事會董事人選，其中包括但不限於性別、年齡、經驗、文化及教育背景、專長、技能及專門知識方面的多樣化、有充足時間以有效履行其職責，彼等於其他上市及非上市公司的服務應限於合理數目、資歷，包括在本公司業務所涉相關行業的成績及經驗、獨立性、誠信聲譽、個人可對董事會作出的潛在貢獻及承諾提升及最大化股東價值。

提名程序

提名委員會將根據如下程序及流程推薦董事會委任董事：

- (a) 在適當考慮董事會的現有成員組成及規模下，將擬備一份理想的技能、觀點及經驗的清單，以便集中精力物色人選；
- (b) 物色或甄選合適人選時，可向其認為合適的任何來源作出諮詢，例如現任董事推介、刊登廣告、獨立第三方代理人公司推薦及本公司股東的建議，並適當參照準則；
- (c) 評估合適人選時，可採納其認為適當的任何程序，例如面試、背景核查、簡介申述及第三方推薦核查；
- (d) 在考慮適合擔任董事職務人選時，提名委員會將舉行會議及／或以書面決議案方式（如認為合適）批准向董事會提交的委任建議；
- (e) 就建議委任及擬訂薪酬福利方案向董事會提呈作出建議；

Corporate Governance Report 企業管治報告

- | | |
|---|--|
| <p>(f) The Board will have the final authority on determining the selection of nominees;</p> <p>(g) In order to be eligible to be elected as director at any general meeting, the candidate should be recommended by the Board; or a notice in writing by a member of the Company given his intention to propose such candidate, and also a notice in writing by the candidate of his willingness to be elected; and</p> <p>(h) In the context of re-appointment of retiring directors by giving due consideration to the overall contribution and service to the Company of the retiring directors including his attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board; and whether the retiring director(s) continue(s) to satisfy the criteria, thereafter recommend retiring director(s) to the Board for re-appointment. The Nomination Committee and/or the Board shall then make recommendation to shareholders in respect of the proposed re-election of director at the general meeting.</p> | <p>(f) 董事會將擁有甄選被提名人的最終決定權；</p> <p>(g) 為合資格於任何股東大會上參選成為董事，候選人應由董事會推薦；或本公司成員發出書面通知，以表示其提名該人選的意願，而該人選亦須以書面通知以表示其願意參選；及</p> <p>(h) 如重新委任退任董事，則會適當考慮退任董事對本公司的整體貢獻及服務，包括其出席董事會會議及（如適當）股東大會的情況以及在董事會中的參與程度及表現；及退任董事是否繼續符合準則，其後向董事會推薦其續聘。提名委員會及／或董事會須於股東大會上向股東推薦董事的建議膺選連任。</p> |
|---|--|

The Nomination Committee convened three meetings during the year ended 31 December 2018 to (i) ensure that the Board has a balance of expertise, skills and experience appropriate to meet the requirements of the business of the Company; (ii) review and recommend the re-appointment of directors standing for re-election at the Company's 2018 annual general meeting; (iii) identify individuals suitably qualified to become board members and make recommendations to the Board; and (iv) to review and recommend the Nomination Policy and Diversity Policy.

Remuneration Committee

The Chairman of the Board and all three INEDs are the members of the Remuneration Committee and Mr. Li Wai Keung is the chairman of the committee.

The primary objectives of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual executive directors and senior management, the remuneration policy and structure for all directors and senior management; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

於截至二零一八年十二月三十一日止年度，提名委員會召開了三次會議，以(i)確保董事會專業知識、技能及經驗並重，配合本公司業務所需；(ii)檢討及建議重新委任於本公司二零一八年股東週年大會上膺選連任之董事；(iii)物色適合兼具資格的人士成為董事會成員，並向董事會作出推薦意見；及(iv)審閱並推薦提名政策及多元化政策。

薪酬委員會

董事會主席及全體三名獨立非執行董事為薪酬委員會成員，而李偉強先生為委員會主席。

薪酬委員會之主要目標，包括檢討個別執行董事及高級管理人員之薪酬待遇、所有董事及高級管理人員之薪酬政策及架構，並向董事會作出推薦意見；以及確立透明程序，以擬定有關薪酬政策及架構，確保概無董事或彼任何聯繫人將參與決定彼之個人薪酬，有關薪酬將參考個人及本公司表現以及市場慣例及狀況釐定。

Corporate Governance Report 企業管治報告

The human resources department is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee consults the Chairman and/or the CEO of the Company about these recommendations on remuneration policy, structure and remuneration packages.

The Remuneration Committee met twice to review and make recommendations to the Board on the remuneration packages of the executive directors and senior executives during the year ended 31 December 2018.

Audit Committee

The Audit Committee comprises all three INEDs (including two INEDs who possess the appropriate professional qualifications or accounting or related financial management expertise) and Mr. Li Wai Keung is the chairman of the committee. None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

The main duties of the Audit Committee include the following:

- (a) To review the financial statements and reports and consider any significant or unusual items before submission to the Board.
- (b) To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendation to the Board on the appointment, reappointment and removal of external auditors.
- (c) To review the Company's financial reporting system, risk management and internal control systems.
- (d) To review the effectiveness of the Company's risk management and internal control measures, including the functions of account and financial reporting, reviewing the adequacy of the Group's human resources, staff qualifications and experiences, training programmes and budget of the Company's accounting and financial reporting functions.
- (e) To review arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters.

人力資源部負責收集及管理人力資源數據，向薪酬委員會作出推薦意見以供考慮。薪酬委員會就該等有關薪酬政策、架構及薪酬待遇之推薦意見，諮詢本公司主席及／或行政總裁之意見。

薪酬委員會在截至二零一八年十二月三十一日止年度舉行了兩次會議，以檢討執行董事及高級行政人員的薪酬待遇及向董事會作出推薦意見。

審核委員會

審核委員會由全體三名獨立非執行董事（包括兩名具備適當專業資格或會計或相關財務管理專業知識之獨立非執行董事）組成，而李偉強先生為委員會主席。審核委員會成員概非本公司現任外聘核數師之前任合夥人。

審核委員會之主要職責包括下列各項：

- (a) 審閱財務報表及報告以及考慮任何重大或不尋常事項，方行提交董事會。
- (b) 根據外聘核數師履行之工作、其收費及委聘條款、檢討與該核數師之關係，並就委聘、續聘及撤換外聘核數師之事宜，向董事會提出推薦意見。
- (c) 檢討本公司財務報告系統、風險管理及內部監控系統。
- (d) 檢討本公司風險管理及內部監控措施的成效，包括會計及財務匯報之職能、檢討本集團人力資源、員工資格及經驗、培訓計劃及本公司會計及財務報告職能之預算是否足夠。
- (e) 檢討本公司僱員就可能出現之財務報告、內部監控或其他事宜不當行為作保密提出關注之安排。

Corporate Governance Report 企業管治報告

The Audit Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice if considers necessary.

The Audit Committee held five meetings during the year ended 31 December 2018 to (i) review audited annual financial results for the year ended 31 December 2017 and unaudited interim financial results for the half-year ended 30 June 2018; (ii) review financial reporting, risk management and internal control and compliance procedures; (iii) review the scope of work and make recommendations on the appointment of the auditors; and (iv) review the terms of reference of Audit Committee.

The Audit Committee and the directors are aware of material uncertainties relating to events or conditions as disclosed in the section of "Independent Auditor's Report" that may cast significant doubt on the Company's ability to continue as a going concern.

Corporate Governance Functions

The Board is responsible for performing the functions set out in the Code Provision D.3.1 of the CG Code.

During the year ended 31 December 2018, the Board reviewed and monitored the Company's policies and practices on corporate governance, training and continuous professional development of directors and reviewing the Company's compliance with the code and disclosure in this report.

DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS

All the directors represented the senior management of the Company. Further particulars regarding directors' remuneration and the five highest paid individuals as required to be disclosed pursuant to Appendix 16 to the listing rules are set out in notes 7 and 8 to the financial statements, respectively.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

Specific enquiry has been made of all the directors and all of them have confirmed that they have complied with the Model Code throughout the year ended 31 December 2018.

審核委員會獲供給充足資源以履行其職責，並可於認為有需要時諮詢獨立專業意見。

於截至二零一八年十二月三十一日止年度，審核委員會舉行了五次會議，以(i)審閱截至二零一七年十二月三十一日止年度之經審核年度財務業績及截至二零一八年六月三十日止半年之未經審核中期財務業績；(ii)審閱財務報告、風險管理以及內部監控及合規程序；(iii)審閱工作範圍及就委任核數師提出建議；及(iv)審閱審核委員會的職權範圍。

審核委員會及董事知悉有重大不確定事件或情況(披露於「獨立核數師報告」章節內)可能會導致本公司持續經營能力存在重大疑問。

企業管治職能

董事會負責履行企業管治守則守則條文第D.3.1條所載之職能。

截至二零一八年十二月三十一日止年度，董事會檢討及監察本公司於企業管治的政策及慣例、董事的培訓及持續專業發展，以及審閱本公司有關於本報告內遵守守則及披露事項的情況。

董事薪酬及五名最高薪酬人士

全體董事乃本公司之高級管理人員。根據上市規則附錄16須就董事薪酬及五名最高薪酬人士披露之進一步詳情，分別載於財務報表附註7及8。

證券交易標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)。

本公司已向全體董事作出特別查詢，而彼等全部已確認彼等於截至二零一八年十二月三十一日止整個年度一直遵守標準守則。

Corporate Governance Report 企業管治報告

The Company has also established written guidelines on terms no less exacting than the Model Code (the “Employees Written Guidelines”) for securities transactions by employees who are likely to possess inside information of the Company.

No incidents of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

Responsibilities in respect of the Financial Statements and Auditors’ Remuneration

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, announcements and other financial disclosures required under the Listing Rules and other regulatory requirements.

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2018.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the “Independent Auditor’s Report” on pages 70 to 77.

The remuneration paid to the external auditors of the Company in respect of audit services and non-audit services for the year ended 31 December 2018 was set out in note 5 to the financial statements.

Risk Management and Internal Controls Responsibility

The Company has maintained an internal control system and its implementation has been considered effective by the Audit Committee and the Board. In addition, the Audit Committee has communicated with external auditors of the Company to understand if there is any material control deficiency. Nevertheless, the Company will review the need for an internal audit function on an annual basis.

The Board is responsible for maintaining an adequate risk management and internal control system and has overall responsibility for reviewing and maintaining an adequate and effective risk management and internal control systems to safeguard the interests of the shareholders and the assets of the Company and reviewing its effectiveness on an annual basis.

本公司亦已就可能得悉本公司內幕消息之僱員所進行之證券交易設立不遜於標準守則之書面指引(「僱員書面指引」)。

本公司並不知悉有僱員不遵守僱員書面指引之事件。

有關財務報表及核數師酬金之責任

董事會負責根據上市規則及其他監管規定呈列平衡、清晰及可理解之年度及中期報告評估、公佈及其他財務披露資料。

董事確悉其編製本公司截至二零一八年十二月三十一日止年度財務報表的責任。

本公司外聘核數師就其對財務報表申報責任之聲明載於第70至77頁之「獨立核數師報告」。

就於截至二零一八年十二月三十一日止年度之審核服務及非審核服務向本公司外聘核數師支付之酬金載於財務報表附註5。

風險管理及內部監控 責任

本公司已維持內部控制系統，且其實施已獲審核委員會及董事會視為有效。此外，審核委員會已與本公司外部核數師溝通，以了解是否有任何重大控制不足。儘管如此，本公司將每年審閱內部審核職能的需求。

董事會負責維持一套充份之風險管理及內部監控系統，並對檢討及維持足夠及有效之風險管理及內部監控制度負有全面責任，以保障股東利益及本公司資產，並逐年檢討其是否有效。

Corporate Governance Report 企業管治報告

The Company has maintained a tailored governance structure with defined lines of responsibility and appropriate delegation of responsibility and authority to the senior management.

Risk Management and Internal Control Framework

The Group's risk management framework adapts an integrated bottom-up and top-down risk review process. The top-down risk review process covers overseeing, identification, assessment and mitigation of risk at corporate level while the bottom-up risk review process covers identification, assessment and mitigation of risk at business unit level and across functional areas. The integrated risk review process is to enable comprehensive identification and prioritization of all material risks throughout the Group, escalation of material risks at the right managerial level, effective risk dialogue among the management, and proper oversight of risk mitigation efforts.

The Group's internal control framework, covering all material controls including financial, operational and compliance controls is established. The internal control framework also provides for identification and management of risk.

The management is accountable to the Board for operating and monitoring the system of internal control and for providing assurance to the Board that it has done so. The Board forms its own view on effectiveness after due and careful enquiry based on the information and assurances provided to it.

The Company improves its business and operational activities by identifying the areas of significant business risks via a regular review and taking appropriate measures to control and mitigate these risks. The management of the Company reviews all significant control policies and procedures and highlights all significant matters to the Board and Audit Committee.

Review of Risk Management and Internal Controls Effectiveness

During the year under review, the Group has performed the risk management and internal control review of the Group. The Board and the Audit Committee have reviewed the effectiveness of the Group's system of internal controls on all major operations and considered the Group's internal control system is designed to provide reasonable assurance, thereby minimizing risks and allowing the Group's business objectives to be achieved optimally. The Board and the Audit Committee considered that the risk management and internal control system was operating effectively during the year.

本公司設有度身訂造之管治架構，其中具有明確之責任條文及向高級管理人員就責任及授權作出適當委派。

風險管理及內部監控框架

本集團的風險管理框架採取整合由下而上及由上而下的風險檢討程序。由上而下風險檢討程序涵蓋於公司層面監督、識別、評估及減輕風險，而由下而上風險檢討程序則涵蓋於業務單位層面及所有職能範疇識別、評估及減輕風險。整合風險檢討程序可全面識別及優次排序本集團內所有重大風險、將重大風險上報至適當的管理層級別、讓各管理層團隊就風險進行有效溝通及適當監督風險紓緩工作。

本集團內部監控框架，涵蓋所有重大監控，包括財務、經營及合規監控。內部監控框架亦就識別及管理風險而設。

管理層就內部監控系統之運作及監察向董事會負責，並向董事會保證其已履行有關責任。董事會按所獲提供資料及保證作出適當及審慎之查詢，然後對系統之有效性自行作出意見。

本公司透過定期檢討以確定重大業務風險領域，以及採取適當措施控制和減低該等風險，從而改進其業務與營運活動。本公司管理層審閱所有重要監控政策及程序，並向董事會及審核委員會特別提出所有重大事件。

檢討風險管理及內部監控成效

回顧年內，本集團已進行風險管理及內部監控審視。董事會及審核委員會已就本集團的內部監控系統於所有主營業務的有效性作出檢討，並認為本集團的內部監控系統旨在提供合理保證，從而降低風險及容許本集團以最佳方法達到業務目標。董事會及審核委員會認為，風險管理及內部監控系統於年內有效地運作。

Corporate Governance Report 企業管治報告

SHAREHOLDERS' RIGHTS

To safeguard the interests and rights of shareholders, a separate resolution is proposed for each substantially separate issue at shareholder meetings, including the election of individual directors. All resolutions proposed at the shareholders' meetings are voted by poll pursuant to the Listing Rules. The poll results are also posted on the websites of Hong Kong Exchanges and Clearing Limited and the Company immediately after the relevant shareholders' meetings.

Convening an Extraordinary General Meeting by Shareholders

Pursuant to Article 72 of the Company's memorandum and articles of association, general meetings shall be convened on the written requisition of any two or more members of the Company deposited at the principal place of business of the Company in Hong Kong or, in the event that the Company ceases to have such a principal place of business, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitionists themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the extraordinary general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Board shall be reimbursed to them by the Company.

Putting Forward Proposals at General Meetings

There are no provisions in the Company's memorandum and articles of association or the Cayman Islands Companies Law for shareholders to move new resolutions at general meetings. Shareholders who wish to move a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph.

As regards proposing a person for election as a director of the Company, please refer to the procedures posted on the Company's website.

股東權利

為保障股東之權益及權利，股東大會上就各項重大獨立事項個別提呈決議案，包括推選個別董事。根據上市規則，所有在股東大會提呈的決議案以投票方式表決。投票結果亦會於緊隨有關股東大會後刊載於香港交易及結算有限公司及本公司網站。

股東召開股東特別大會

根據本公司組織章程大綱及細則第72條，若本公司任何兩名或以上股東向本公司之香港主要營業地點或（如本公司不再設有主要營業地點）註冊辦事處送達具體指述事項及由提呈要求之人士簽妥之書面要求，而有關提呈要求之人士於提呈要求當日持有本公司實繳股本（附有權利可於本公司股東大會上投票）不少於十分之一，則可要求召開股東大會。

倘董事會於送達要求日期起計二十一天內並沒有妥為召開會議，則提呈要求之人士自身或當中持有彼等全部總投票權過半數之任何人士，可以以董事會召開股東特別大會同等方式儘快召開股東大會，惟該有關大會必須由送達要求日期起計屆滿三個月內召開，而提呈要求之人士因董事會之不合作而產生之所有合理開支可亦向本公司報銷。

於股東大會上提呈建議

本公司組織章程大綱及細則或開曼群島公司法均無條文規管股東於股東大會上動議新決議案。有意動議決議案之股東可根據前段所載程序要求本公司召開股東大會。

就提名他人候選本公司董事，請參閱刊載於本公司網站刊載之程序。

Corporate Governance Report 企業管治報告

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company.

Note: The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Unit 2608, 26th Floor, Harbour Centre,
25 Harbour Road, Wanchai, Hong Kong
(For the attention of the Company Secretary)

Email: info@hansenergy.com.hk

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The shareholders' meetings of the Company provide an opportunity for communication between the shareholders and the Board. The Chairman of the Board, all INEDs, and the chairmen of all Board committees (or their delegates) and where applicable, the independent Board committee, are available at the general meetings to meet shareholders and answer their enquiries.

The Chairman of the Board and some of the directors were unable to attend the last annual general meeting and extraordinary general meeting held on 24 May 2018 and 8 October 2018 respective due to business engagement. They will use their best endeavour to attend all future shareholders' meetings of the Company.

向董事會提出查詢

就向本公司董事會提出查詢，股東可向本公司發出書面查詢。

附註：本公司一般不會受理口頭或匿名查詢。

聯絡資料

股東可將彼等之查詢或上述要求發送至：

地址：香港灣仔港灣道25號
海港中心26樓2608室
(請交予公司秘書辦理)

電郵：info@hansenergy.com.hk

與股東溝通及投資者關係

本公司之股東大會為股東與董事會提供溝通之良機。董事會主席、全體獨立非執行董事及各董事委員會主席(或其授權代表)及(倘適用)獨立董事委員會在股東大會上會見股東及回答彼等之查詢。

董事會主席及部分董事因公務未能分別出席於二零一八年五月二十四日及二零一八年十月八日舉行之上屆股東週年大會及股東特別大會。彼等將最大盡力出席本公司日後所有股東大會。

Corporate Governance Report 企業管治報告

During the year under review, the Company has not made any changes to its memorandum and articles of association. The Company places great emphasis to enhance communications and relationships with its investors as the Company's policy to maintain timely and effective communications with their shareholders. This is crucial aspect of good corporate governance, and part of the statutory and regulatory regime. Designated senior management maintains regular dialogue with existing shareholders and potential institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner.

To promote effective communication, the Company also maintains a website at www.hansenergy.com, where extensive information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are posted.

回顧年內，本公司並無對組織章程大綱及細則作出任何改動。本公司的政策為與股東保持適時及有效的溝通，本公司重視加強與投資者之溝通及關係。此舉為良好企業管治的關鍵，並為法定監管機制的一環。指定之高級管理人員會與現有股東、潛在機構投資者及分析員維持定期對話，以令彼等了解本公司之發展。投資者之查詢將及時處理以提供詳細資料。

為促進有效溝通，本公司亦設置網站（網址為www.hansenergy.com），刊載有關本公司業務發展及經營、財務資料、企業管治常規及其他資料之詳盡資料及更新。

DIRECTORS' REPORT

董事報告

The board of directors (the "Board") have pleasure in presenting their annual report and the audited financial statements of the Group for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 13 to the financial statements.

There were no significant changes in the nature of the Group's principal activities during the year.

BUSINESS REVIEW

Details of business review as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group's business are set out in the section of "Management Discussion and Analysis" from page 4 to 16 of this annual report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated income statement on page from 78 to 79.

Taking into account of the cash requirement for the repayment of bank loan of the Group and the Dividend Policy of the Company as set out in the section of "Corporate Governance Report" on page 28, the directors do not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: Nil).

RESERVES

The amounts and particulars of material transfers to and from reserves of the Group and of the Company during the year are set out on the consolidated statement of changes in equity and in note 22 to the financial statements.

DISTRIBUTABLE RESERVES

At 31 December 2018, the Company's reserve available for distribution amounted to HK\$139 million (2017: HK\$153 million).

PROPERTY, PLANT AND EQUIPMENT

Details of movements of property, plant and equipment during the year ended 31 December 2018 are set out in note 10 to the financial statements.

董事會(「董事會」)欣然呈送本集團截至二零一八年十二月三十一日止年度之年報及經審核財務報表。

主要業務

本公司為投資控股公司，其主要附屬公司之主要業務載於財務報表附註13。

本集團於年內的主要業務性質並無重大變動。

業務回顧

根據香港公司條例附表5規定，業務回顧詳情(包括本集團業務所面臨的主要風險及不確定性的討論)載於本年報第4至16頁之「管理層討論及分析」章節內。

業績及分派

本集團截至二零一八年十二月三十一日止年度之業績載於第78至79頁之綜合損益表內。

考慮到本集團須以現金償還銀行貸款以及第28頁「企業管治報告」一節所載之本公司股息政策，董事並不建議派付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)。

儲備

本集團及本公司於本年度之重大撥往及撥自儲備之金額及詳情分別載於綜合權益變動表及財務報表附註22。

可供分派儲備

於二零一八年十二月三十一日，本公司之可供分派儲備達1.39億港元(二零一七年：1.53億港元)。

物業、廠房及設備

物業、廠房及設備於截至二零一八年十二月三十一日止年度之變動詳情載於綜合財務報表附註10。

Directors' Report 董事報告

SHARE CAPITAL

Details in movement in share capital of the Company during the year, together with the reasons thereof, are set out in note 22 to the financial statements.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors

Mr. David An (*Chairman*)
Mr. Yang Dong (*Chief Executive Officer*)
Ms. Liu Zhijun
Mr. Zhang Lei
Ms. Cheung Siu Yuen, Rose (*resigned on 23 February 2018*)

Independent non-executive directors ("INEDs")

Mr. Li Wai Keung
Mr. Chan Chun Wai, Tony
Ms. Hai Hiu Chu

Pursuant to Article 116 of the Company's memorandum and articles of association, Mr. Yang Dong, Mr. Zhang Lei and Mr. Li Wai Keung shall retire by rotation and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS AND APPOINTMENT LETTERS

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2018 and up to the date of this annual report, no directors are considered to have interests, either directly or indirectly, in a business which competes or is likely to compete with the businesses of the Group, as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

股本

有關本公司年內股本變動之詳情及其原因載於財務報表附註22。

董事

於本年度及截至本報告日期止，本公司之董事為：

執行董事

戴偉先生(主席)
楊冬先生(行政總裁)
劉志軍女士
張雷先生
章小婉女士(於二零一八年二月二十三日
辭任)

獨立非執行董事(「獨立非執行董事」)

李偉強先生
陳振偉先生
奚曉珠女士

根據本公司組織章程大綱及細則第116條，楊冬先生、張雷先生與李偉強先生須於即將舉行之股東週年大會上輪值席退任，惟彼等符合資格於會上膺選連任。

董事服務合約及委任書

概無擬於即將舉行之股東週年大會上膺選連任之董事與本公司或其任何附屬公司訂立本集團於一年內不可不予賠償(法定賠償除外)而終止之服務合約。

董事於競爭業務之權益

於截至二零一八年十二月三十一日止年度及截至本年報日期，概無董事被認為於聯交所證券上市規則(「上市規則」)所界定與本集團業務競爭或可能競爭的業務中直接或間接擁有權益。

Directors' Report
董事報告

PERMITTED INDEMNITY PROVISIONS

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout this year.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2018, the interests and short positions of directors in the shares, underlying shares and debentures of the Company and their associates or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules were as follows:

Ordinary shares of HK\$0.10 each of the Company

Name of director 董事姓名	Capacity 身份	Number of shares 股份數目		Approximate percentage to the issued share capital of the Company 佔本公司已發行股本之 概約百分比	
		Long Positions 好倉	Short positions 淡倉	Long Positions 好倉	Short positions 淡倉
Mr. David An 戴偉先生	Founder of a discretionary trust 全權信託創始人	2,548,203,980 (Note 附註)	Nil無	68.27%	Nil無
	Beneficial owner 實益擁有人	218,390,000	Nil無	5.85%	Nil無

Note: Mr. David An ("Mr. An") was taken to be interested in those shares by virtue of being a founder of a discretionary trust. Those shares are held directly as to 209,773,980 shares by Extreme Wise Investments Ltd ("Extreme Wise") and 2,338,430,000 shares by Vand Petro-Chemicals (BVI) Company Ltd ("Vand Petro-Chemicals"). Both companies are wholly-owned by Julius Baer Family Office & Trust Ltd. ("Julius Baer") which is a trustee of the discretionary trust. By virtue of SFO, Mr. An is deemed to be interested in the 2,548,203,980 shares.

獲准許之彌償條文

有關本公司董事利益的獲准許的彌償條文(定義見香港公司條例第469條)現正生效及於本年內一直生效。

董事於本公司股份、相關股份及債權證中之權益及淡倉

於二零一八年十二月三十一日，董事於本公司及彼等之聯繫人或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中，擁有已根據證券及期貨條例第XV部第7及8分部知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉，或已記入根據證券及期貨條例第352條規定存置之登記冊內之權益及淡倉，或已根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)規定另行知會本公司及聯交所之權益及淡倉如下：

本公司每股面值0.10港元之普通股

附註：戴偉先生(「戴先生」)因是全權信託創始人而被認為於該等股份中擁有權益。該等股份中有209,773,980股由Extreme Wise Investments Ltd(「Extreme Wise」)及2,338,430,000股由Vand Petro-Chemicals (BVI) Company Ltd(「Vand Petro-Chemicals」)直接持有。兩家公司均由Julius Baer Family Office & Trust Ltd.(「Julius Baer」)全資擁有，其為全權信託之受託人。根據證券及期貨條例，戴先生被視為於該2,548,203,980股股份中擁有權益。

Directors' Report 董事報告

Save as disclosed above, as at 31 December 2018, none of the directors of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the paragraph headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company" and "Share Option Scheme", at no time during the year ended 31 December 2018 were rights to acquire benefits by means of the acquisition of shares in or debts securities (including debentures) of the Company granted to any Director or their respective spouses or children under the age of 18, or were any such rights exercised by them; or was the Company, or any of the Company's subsidiary, or holding company or a subsidiary of the Company's holding company a party to any arrangements to enable the Directors to acquire such rights in any other body corporate.

DIRECTORS' INTEREST IN SIGNIFICANT CONTRACTS

There were no contracts of significance to which the Company, or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly and indirectly, subsisting at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

As at 31 December 2018, the Company did not enter into or have any management and administration contracts in respect of the whole or any principal business of the Company.

CONNECTED AND RELATED PARTY TRANSACTIONS

There were no transactions which were required to be disclosed as connected and related party transactions in accordance with the requirements of the Listing Rules.

CONFIRMATION OF INDEPENDENCE OF INEDs

The Company had received from each of the INEDs the annual written confirmation of his/her independence pursuant to the rule 3.13 of the Listing Rules and the Company considers all INEDs are independent.

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)之股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉(包括彼等根據該等條文被當作或被視為擁有的權益或淡倉)，或記錄於本公司根據證券及期貨條例第352條須存置的登記冊內之任何權益或淡倉，或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

董事購入股份或債權證之權利

除「董事於本公司股份、相關股份及債權證中之權益及淡倉」及「購股權計劃」段落所披露外，任何董事或彼等各自之配偶或18歲以下之子女概無於截至二零一八年十二月三十一日止年度之任何時間獲授權利，可透過購入本公司之股份或債務證券(包括債權證)而獲益，或行使任何該等權利；或本公司或其任何附屬公司或控股公司或本公司控股公司之附屬公司訂立任何安排，致使董事獲得任何其他法團之該等權利。

董事於重要合約中之權益

本公司或其任何附屬公司概無訂立於年終或年內任何時間存續而本公司董事直接或間接擁有重大權益之重要合約。

管理合約

於二零一八年十二月三十一日，本公司並無訂立或擁有有關本公司全部或任何主要業務的任何管理及行政合約。

關連及關聯方交易

概無交易須根據上市規則規定披露為關連及關聯方交易。

獨立非執行董事之獨立性確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書及本公司認為全體獨立非執行董事均為獨立人士。

Directors' Report
董事報告

CORPORATE GOVERNANCE

Details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" of this annual report.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2018, shareholders (other than directors of the Company) who had, or were deemed to have interests or short positions in the shares, underlying shares and debentures of the Company which have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO were as follows:

Ordinary shares of HK\$0.10 each of the Company

Name of shareholder 股東名稱	Number of shares 股份數目		Approximate percentage to the issued share capital of the Company 佔本公司已發行股本之 概約百分比	
	Long Positions 好倉	Short positions 淡倉	Long Positions 好倉	Short positions 淡倉
Mr. An 戴先生	2,766,593,980	Nil無	74.12%	Nil無
Julius Baer	2,548,203,980	Nil無	68.27%	Nil無
Vand Petro-Chemicals	2,338,430,000	Nil無	62.65%	Nil無
Extreme Wise	209,773,980	Nil無	5.62%	Nil無

Note: The shares are held directly as to 218,390,000 shares by Mr. An personally, as to 209,773,980 shares by Extreme Wise and 2,338,430,000 shares by Vand Petro-Chemicals. Both companies are wholly-owned by Julius Baer which is the trustee of a trust and Mr. An is a founder of a discretionary trust. By virtue of the SFO, Mr. An is deemed to be interested in the 2,766,593,980 shares. Mr. An is a director of Extreme Wise, Vand Petro-Chemicals and the Company.

Save as disclosed above, as at 31 December 2018, the Company has not been notified by any persons (other than directors of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

企業管治

本公司的企業管治常規詳情載於本年報「企業管治報告」章節內。

主要股東於本公司股本中之權益及淡倉

截至二零一八年十二月三十一日，股東（本公司董事除外）於本公司股份、相關股份及債權證中，擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部已向本公司披露之權益或淡倉，或已記錄於本公司根據證券及期貨條例第336條規定存置之登記冊內之權益或淡倉如下：

本公司每股面值0.10港元之普通股

附註：該等股份中有218,390,000股由戴先生直接個人持有、209,773,980股由Extreme Wise直接持有及2,338,430,000股則由Vand Petro-Chemicals直接持有。兩家公司均由Julius Baer全資擁有，其為信託之受託人，而戴先生為全權信託創始人。根據證券及期貨條例，戴先生被視為於該2,766,593,980股股份中擁有權益。戴先生為Extreme Wise、Vand Petro-Chemicals及本公司之董事。

除上文所披露者外，截至二零一八年十二月三十一日，概無任何人士（本公司董事除外）已知會本公司其於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益或淡倉，或已記錄於本公司根據證券及期貨條例第336條規定存置之登記冊內之權益或淡倉。

Directors' Report
董事報告

EQUITY-LINKED AGREEMENTS

Details of the equity-linked agreements entered into during the year or subsisting at the end of the year are set out below:

Share Option Scheme

Pursuant to an ordinary resolution passed on 28 December 2012, the Company adopted a Share Option Scheme (the "scheme") in place of the old share option scheme. The summary of the scheme is stated as follows:

1. Purpose:

The purpose of the scheme is to enable the Company to recruit and retain high-caliber employees and attract resources that are available to the Group and to provide the Company with a means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to such persons who contribute or may bring benefit to the Group.

2. Participants:

Under the scheme, the Board may at their discretion grant options to any eligible participant including any employee, director, consultant, advisor, agent, business affiliate, business partner, joint venture partner, strategic partner, or any supplier or provider of goods or services to the Company or any subsidiaries of the Company as may be determined by the directors from time to time to subscribe for the shares of the Company (the "shares").

股本掛鈎協議

於年內訂立或於年末存續的股本掛鈎協議詳情列載如下：

購股權計劃

本公司根據於二零一二年十二月二十八日通過之普通決議案採納購股權計劃（「該計劃」）取代舊購股權計劃。該購股權計劃概要如下：

1. 目的：

該計劃之目的在於讓本公司聘請及續聘高材僱員以及廣納本集團可得之人力，為本公司提供渠道，向該等對本集團作出貢獻或可帶來利益之人士作出鼓勵、獎賞、報酬、補償及／或提供福利。

2. 參與者：

根據該計劃，董事會可酌情向任何合資格參與者（包括任何僱員、董事、諮詢人、顧問、代理、業務聯屬人、業務夥伴、合營企業夥伴、策略夥伴或本公司或本公司任何附屬公司之任何貨品供應商或服務提供商）（可經董事不時釐定）授出購股權，以認購本公司之股份（「股份」）。

Directors' Report
董事報告

3. Total number of shares available for issue under the scheme and percentage of issued share capital at the date of approval of the scheme:

The maximum number of shares in respect to which options may be granted under the scheme is 373,263,800 shares, being 10% of the issued share capital of the Company on the date of adopting the scheme. The limit may be refreshed at any time provided that the new limit must not be in aggregate exceed 10% of the issued share capital of the Company as at the date of the shareholders' approval in general meeting. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other scheme of the Company must not in aggregate exceed 30% of the shares in issue from time to time.

On 30 August 2018, the Board granted the share options to the Company's directors and senior management to subscribe for a total of 127,500,000 ordinary shares of the Company. The exercise price of each option is HK\$0.236 per share. The options are exercisable from 30 August 2019 to 29 August 2028. Further details of share option granted were set out in note 21 to the financial statements. As at the date of this annual report, the total number of shares available for issue under the scheme were 373,263,800 (including options for 127,500,000 shares that have been granted but not yet exercised), being 10% of the issued share capital of the Company.

4. Maximum entitlement of each participant:

The maximum number of shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. Options granted to substantial shareholders or INEDs in excess of issued share capital of the Company or with a value in excess of HK\$5 million must be approved in advance by the shareholders of the Company.

3. 根據該計劃可供發行的股份總數及批准該計劃當日已發行股本的百分比：

就根據該計劃可能授出之購股權之股份最高數目為373,263,800股，佔本公司於採納該計劃當日已發行股本之10%。該上限可隨時更新，惟新限額總計不得超過本公司於股東大會上批准之當日已發行股本之10%。然而，根據該計劃及本公司任何其他計劃已授出但尚未行使之全部未行使購股權獲行使時，可予發行之股份總數不得超過不時已發行股份之30%。

於二零一八年八月三十日，董事會向本公司董事及高級管理層授出購股權，以認購合共127,500,000股本公司普通股。每份購股權之行使價為每股0.236港元。購股權可於二零一九年八月三十日至二零二八年八月二十九日獲行使。已授出購股權之進一步詳情載於財務報表附註21。於本年報日期，根據該計劃可供發行之股份總數為373,263,800股（包括已授出但尚未行使的127,500,000股購股權），佔本公司已發行股本之10%。

4. 各參與者的最高限額：

可於任何十二個月期間授予任何個別人士之購股權所涉及之股份最高數目不得超過本公司於該十二個月期間最後一天之已發行股份之1%，除非已根據上市規則獲本公司股東批准則作別論。凡向主要股東或獨立非執行董事授出超過本公司已發行股本或價值超過500萬港元之購股權，必須事先經本公司股東批准。

Directors' Report
董事報告

5. The periods within which the shares must be taken up under an option:

The share options may be exercised at any time during the exercise period. All options granted prior to such termination and not then exercised shall continue to be valid and exercisable subject to and in accordance with the scheme.

6. The minimum period for which an option must be held before it can be exercised:

Options may be exercised at any time from date of grant of the share option to the tenth anniversary of the date of grant as may be determined by the directors.

7. The amount payable on application or acceptance of the option and the period within which payments of calls must or may be made:

Options granted must be taken up within 21 days of the date of grant, upon payment of HK\$1 per each option grantee.

8. The basis of determining the exercise price:

The exercise price is determined by the directors, provided that it shall be at least the higher of (i) the closing price per share as stated in the daily quotation sheets of the Stock Exchange on the date of the grant of the share options; (ii) the average closing price per share as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of the grant of the options; and (iii) the nominal value of a share.

9. The remaining life:

The scheme remains in force for a period of 10 years from adoption of such scheme and expires on 27 December 2022.

5. 購股權項下股份須獲承購的期限：

購股權可於行使期間任何時間內獲行使。於有關終止前已授出但當時尚未行使的所有購股權將於購股權計劃規限下及根據該計劃繼續有效及可予行使。

6. 可行使購股權前須持有購股權的最短期限：

購股權可在由董事釐定之授出日期至授出日期十週年期間內任何時間獲行使。

7. 申請或接納購股權的應付金額以及支付通知付款的期限：

所授出購股權須於授出日期起計21日內獲接納，接納時各購股權承授人須支付1港元。

8. 釐定行使價的基準：

行使價由董事釐定，惟其須為以下各項的較高者：(i)購股權授出日期在聯交所每日報價表所報之每股收市價；(ii)緊接購股權授出日期前五個營業日在聯交所每日報價表所報之每股平均收市價；及(iii)股份面值。

9. 剩餘期：

該計劃由計劃獲採納起計十年期間一直有效，並將於二零二二年十二月二十七日屆滿。

Directors' Report
董事報告

Details of the movements of the share options during the year ended 31 December 2018 are set as below:

截至二零一八年十二月三十一日止年度購股權變動的詳情載列如下：

Eligible person	合資格人員	Date of grant	Period during which share options are exercisable	Exercise price per share	Number of share options granted during the year and outstanding at 31/12/2018
		授出日期 D/M/YYYY 日/月/年	購股權可予行使的期間 D/M/YYYY 日/月/年	每股行使價 HK\$ 港元	年內授出及於二零一八年十二月三十一日尚未行使的購股權數目
Executive directors	執行董事				
Mr. Yang Dong	楊冬先生	30/8/2018	30/8/2019–29/8/2028	0.236	20,000,000
Ms. Liu Zhijun	劉志軍女士	30/8/2018	30/8/2019–29/8/2028	0.236	18,000,000
Mr. Zhang Lei	張雷先生	30/8/2018	30/8/2019–29/8/2028	0.236	18,000,000
INEDs	獨立非執行董事				
Mr. Li Wai Keung	李偉強先生	30/8/2018	30/8/2019–29/8/2028	0.236	3,000,000
Mr. Chan Chun Wai, Tony	陳振偉先生	30/8/2018	30/8/2019–29/8/2028	0.236	3,000,000
Ms. Hai Hiu Chu	奚曉珠女士	30/8/2018	30/8/2019–29/8/2028	0.236	3,000,000
					65,000,000
Employees	僱員	30/8/2018	30/8/2019–29/8/2028	0.236	62,500,000
					127,500,000

During the year, no share option was exercised, cancelled or lapsed by any of the directors and senior management (2017: Nil) and the number of share options outstanding at 31 December 2018 was 127,500,000 (2017: Nil).

年內，概無任何董事及高級管理層行使、註銷或失效的購股權（二零一七年：無）及於二零一八年十二月三十一日尚未行使的購股權數目為127,500,000（二零一七年：無）。

Directors' Report 董事報告

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2018, the percentage of the aggregate turnover attributable to the Group's five largest customers comprised approximately 23.3% of the Group's total turnover and the percentage of the turnover attributable to the Group's largest customer were approximately 8.6% of the Group's total turnover. The percentage of the aggregate purchases attributable to the Group's five largest suppliers comprised approximately 42.2% of the Group's total purchases and the percentage of the purchases attributable to the Group's largest supplier were approximately 15.3% of the Group's total purchases.

Saved as disclosed above, none of the directors, their close associates or any shareholder which, to the knowledge of the directors, owned more than 5% of the Company's issued share capital had any interest in the share capital of any of the five largest customers or suppliers of the Group.

BORROWINGS

Details of movements in the Group's bank loans during the year are set out in note 17 to the financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's memorandum and articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to the existing shareholders.

EMOLUMENT POLICY

Details of emolument policy for the employees of the Group as at 31 December 2018 are set out in the section of "Management Discussion and Analysis" of this annual report on page 16.

RETIREMENT BENEFITS PLANS

Details of retirement benefits plans of the Group as at 31 December 2018 are set out in note 20 to the financial statements of this annual report.

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, redeemed or sold any of the Company's listed securities.

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，本集團五大客戶應佔之總營業額之百分比佔本集團總營業額約23.3%，而本集團最大客戶應佔營業額之百分比則佔本集團總營業額約8.6%。本集團五大供應商應佔總購貨額之百分比佔本集團總購貨額約42.2%，而本集團最大供應商之應佔購貨額之百分比則佔本集團總購貨額約15.3%。

除上文所披露者外，據董事所知，概無董事、彼等之緊密聯繫人或擁有本公司已發行股本5%以上之任何股東於本集團任何五大客戶或供應商之股本擁有任何權益。

借貸

本集團於年內之銀行貸款變動詳情載於財務報表附註17。

優先購股權

本公司組織章程大綱及細則或開曼群島法例並無有關優先購買權之條文，致使本公司須按比例向現有股東提呈發售新股份。

薪酬政策

本集團於二零一八年十二月三十一日的僱員薪酬政策詳情載於本年度年報第16頁之「管理層討論及分析」章節內。

退休福利計劃

本集團於二零一八年十二月三十一日的退休福利計劃詳情載於本年報財務報表附註20。

購買、出售或贖回本公司之上市證券

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概無購買、贖回或出售任何本公司之上市證券。

Directors' Report 董事報告

PUBLIC FLOAT

For the year ended 31 December 2018, based on the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained the prescribed public float under the Listing Rules.

LITIGATION

As at 31 December 2018, there were no material contingent liabilities in respect of outstanding litigation or legal proceedings that need to be disclosed.

RISKS AND UNCERTAINTIES

Safety and Environment

Since the products handled by the terminals are hazardous, safety and environment protection measures and equipment are regarded as the most vital and critical importance to the success of the Group. The Group is committed to the long-term sustainability of the environment and communities in which it operates. As a responsible corporation, to the best knowledge of the Directors of the Company, the Group has complied with all relevant laws and regulations regarding environmental protection during the year ended 31 December 2018. For the financial risk management, please refer to the note 23 to the financial statements.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with the applicable rules and regulations. To the best knowledge of the directors of the Company, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the year ended 31 December 2018.

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group understands the success of the Group's business depends on the support from its key stakeholders, including employees, customers, suppliers, banks, regulators and shareholders. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

公眾持股量

截至二零一八年十二月三十一日止年度，根據本公司可公開取得之資料及據董事所知，本公司已維持上市規則項下規定之公眾持股量。

訴訟

截至二零一八年十二月三十一日，概無涉及未了結之訴訟或法律程序之重大或然負債須予披露。

風險及不確定性

安全及環境

由於碼頭處理的產品為危險品，故安全及環保措施以及設備均被視為本集團成功的關鍵及重大元素。本集團致力於環境和其營運所在的社區的長遠可持續發展。作為負責任的企業，就本公司董事深知，本集團於截至二零一八年十二月三十一日止年度內均已遵守有關環保的所有相關法例及規例。有關財務風險管理，請參閱財務報表附註23。

遵守相關法例及規例

本集團確認，遵守監管規定的重要性以及不遵守適用規則及規例的風險。就本公司董事所深知，於截至二零一八年十二月三十一日止年度內，本集團在重大方面均遵守對本集團業務和營運有重大影響的相關法例及規例。

與供應商、客戶和其他權益人的關係

本集團明白，本集團業務的成功有賴其主要權益人(包括僱員、客戶、供應商、銀行、監管機構和股東)的支持。本集團將繼續確保與各主要權益人有效溝通和保持良好關係。

Directors' Report
董事報告

AUDIT COMMITTEE

The Company has established the Audit Committee pursuant to Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises the INEDs of the Company.

The summary of duties and works of the Audit Committee is set out in the "Corporate Governance Report" of this annual report.

AUDITORS

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

By order of the Board

Yang Dong

Chief Executive Officer and Executive Director
Hong Kong, 26 March 2019

審核委員會

本公司已根據上市規則第3.21條成立審核委員會，以審閱及監督本集團的財務報告程序及內部監控。審核委員會由本公司的獨立非執行董事組成。

審核委員會的職責及工作概要載於本年報「企業管治報告」內。

核數師

畢馬威會計師事務所將會退任，並合資格接受續聘。即將舉行的股東週年大會上將提呈續聘畢馬威會計師事務所為本公司核數師的決議案。

承董事會命

行政總裁兼執行董事

楊冬

香港，二零一九年三月二十六日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

Hans Energy Company Limited (the “Company”), together with its subsidiaries (the “Group”), is pleased to present this Environmental, Social and Governance Report (the “Report”) to provide an overview of the Group’s management on significant issues affecting the operation, and the performance of the Group in terms of environmental and social aspects.

Preparation Basis and Scope

This Report is prepared in accordance with Appendix 27 to the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) — “Environmental, Social and Governance (ESG) Reporting Guide” and has complied with “comply or explain” provision in the Listing Rules.

This Report summarises the performance of the Group in respect of corporate social responsibility, covering its operating activities which are considered as material by the Group — provision of terminal and storage facilities and services for liquid petrochemical products in South China. With the aim to optimise and improve the disclosure requirements in the Report, the Group has taken initiative to formulate policies, record relevant data as well as implement and monitor measures.

Reporting Period

This Report demonstrates our sustainability initiatives during the reporting period from 1 January 2018 to 31 December 2018.

Contact Information

The Group welcomes your feedback on this Report for our sustainability initiatives. Please contact us by email to info@hansenergy.com.hk.

關於本報告

漢思能源有限公司(「本公司」，連同其附屬公司，「本集團」)欣然呈報環境、社會及管治報告(「報告」)，以概述本集團在影響營運的重大事項的管理及本集團在環境及社會方面的表現。

呈列基準及範圍

本報告乃根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄27 —「環境、社會及管治(ESG)報告指引」編製，並遵守上市規則「不遵守就解釋」條文。

本報告概述本集團在企業社會責任方面的表現，涵蓋本集團視為重大的營業活動 — 為華南地區提供液體石化產品之碼頭及貯存設施及服務。為優化及改善報告的披露要求，本集團已主動制訂政策、記錄相關數據，以及執行及監察措施。

報告期間

本報告列載於二零一八年一月一日至二零一八年十二月三十一日報告期間的可持續發展措施。

聯絡資料

本集團歡迎對本報告就可持續發展措施提出反饋。請電郵至info@hansenergy.com.hk聯絡我們。

Environmental, Social and Governance Report 環境、社會及管治報告

INTRODUCTION

The Group is a leading midstream player in providing integrated facilities of jetties, storage tanks, warehousing and logistic services in South China for petroleum, liquid chemicals and gases products, offering value-added services in its own ports and storage tank farms. To maintain a competitive edge, it is crucial that the Company stays healthy and fits for the future. Our long-term success depends on our efforts in managing the environmental and social risks.

The Group stores energy and chemical products that are important in people's daily life, yet can endanger their health and the environment if stored or handled inappropriately. As a service provider, our role and responsibility are to provide safe, efficient and clean chemical storage and handling services. The Group abides by existing rules and regulations as a minimum and adopts best practices whenever possible. The Group also aims to achieve sustainable development in our daily operation by maximising operational safety, by minimising our environmental impact, by training and developing our people as well as sharing best practices, and by both encouraging and maintaining an open dialog with our stakeholders as a responsible member of the communities in which we operate. In 2018, the Group is one of the first batch of enterprises which starts the "Together for Sustainability" (TfS) certification work in the People's Republic of China, and successfully finished and passed the assessment and audit to join TfS. This can help the Group to assess and improve sustainability supplier sourcing practices.

The Group strives for excellence to make the right choices to serve the long-term interests of all our stakeholders, from customers, business partners and shareholders, to employees, local communities and society at large. The Group also endeavours to be an environmental-friendly enterprise and to fulfil its responsibilities for the environment, whilst maintaining its position as a leading operator in the provision of terminal and storage facilities and services for liquid petrochemical products in South China.

序言

本集團為能源行業之領先中游企業，於華南地區提供石油、液體化學品及氣體產品之綜合碼頭港口及倉儲物流服務並於其自有港口及貯存罐區提供增值服務。為保持競爭優勢，本公司必須為未來維持穩健。我們的遠期成功視乎我們管理環境及社會風險的努力。

本集團貯存的能源及化學產品對人們日常生活十分重要，但倘貯存或處理方式不當，亦可能危及他們的健康及環境。身為服務供應商，我們的角色及責任是提供安全、高效及潔淨的化學品貯存及處理服務。本集團至少符合現有規例及法規，且盡可能採納最佳常規。本集團亦以在日常營運中達到可持續發展為目標，方法包括：透過達到最佳營運安全；盡量減低對環境的影響；培訓及培養人才及分享最佳常規；促進及維持與權益人的公開交流，對我們經營所在的社區負責任。於二零一八年，本集團是中華人民共和國首批開始「攜手實現可持續發展」(Together for Sustainability, TfS)認證工作的企業，並成功完成及通過加入TfS的評估及審核。此有助本集團評估及改善獲得具可持續發展能力供應商的常規。

本集團力臻完善以作出正確選擇，為全體權益人(包括客戶、業務夥伴、股東、僱員、本地社區及社會)爭取長遠利益。本集團亦致力成為環保企業，履行其對環境的責任，同時維持其為華南地區提供液體石化產品之碼頭及貯存設施及服務的領先營運商的地位。

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

The Group understands the success of the Group's business depends on the support from its key stakeholders, who (a) have invested or will invest in the Group; (b) have the ability to influence the outcomes within the Group; and (c) are interested in or affected by or have the potential to be affected by the impact of the Group's activities, products, services and relationships. It allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

Stakeholders are prioritised from time to time in view of the Group's roles and duties, strategic plan and business initiatives. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the marketplace, workplace, community and environment.

The Group acknowledges the importance of intelligence gained from the stakeholders' insights, inquiries and continuous interest in the Group's business activities. The Group has identified key stakeholders that are important to our business and established various channels for communication. The following table provides an overview of the Group's key stakeholders, and various platforms and methods of communication are used to reach, listen and respond.

權益人參與及重要性評估

本集團深知本集團業務的成功依賴其主要權益人的支持，彼等(a)已投資或將投資於本集團；(b)有能力影響本集團內部事宜的結果；及(c)於本集團的活動、產品、服務及關係中佔有利益又或受其影響或潛在影響。本集團可通過此途徑了解風險及機會。本集團將繼續確保與各主要權益人的有效溝通並維持與彼等的良好關係。

本集團不時因應其角色及職責、戰略規劃及業務計劃而將權益人按緩急輕重排序。本集團致力與權益人保持溝通，透過權益人的參與發展與權益人互惠互利的關係、諮詢彼等對本集團業務建議及工作計劃的意見，以及推動市場、工作環境、社區及環境的可持續發展。

本集團深知藉從權益人的洞察、查詢及對本集團業務活動的持續關注而獲得之情報至關重要。本集團已確定我們業務的主要權益人，及已建立多種溝通渠道。下表概述本集團的主要權益人及各種接觸、聆聽及回應的平台及溝通方式。

Environmental, Social and Governance Report
環境、社會及管治報告

Stakeholders 權益人	Issues of concern 關注事項	Engagement channels 參與渠道
Government and Market regulator 政府及市場監管機構	<ul style="list-style-type: none"> — Compliance — Promote regional economic development and employment 	<ul style="list-style-type: none"> — On-site inspections — Research and discussion through work conferences, work reports preparation and submission for approval — Annual and interim reports, announcements — 實地視察 — 透過工作會議研究及討論、編製及提交工作報告以供審批 — 年報及中期報告、公告
Shareholders and Investors 股東及投資者	<ul style="list-style-type: none"> — Return on the investment — Information transparency — Protection of interests and fair treatment — 投資回報 — 資訊透明度 — 保障權益及公平待遇 	<ul style="list-style-type: none"> — Annual general meeting and other shareholder meetings — Annual and interim reports, announcements — 股東週年大會及其他股東大會 — 年報及中期報告、公告
Employees 僱員	<ul style="list-style-type: none"> — Employee rights and interests — Working environment — Health and safety — Career development opportunities — 僱員權利及權益 — 工作環境 — 健康及安全 — 職業發展機遇 	<ul style="list-style-type: none"> — Conference — Training, seminars, briefing sessions — Cultural and sport activities — Intranet and emails — 會議 — 培訓、研討會、簡報會 — 文化及體育活動 — 內聯網及電郵
Customers 客戶	<ul style="list-style-type: none"> — Safe and high-quality service — Stable relationship — Information protection and privacy — Business ethics — 安全及優質服務 — 穩定關係 — 資訊保障及私隱 — 商業道德 	<ul style="list-style-type: none"> — Website, brochures, annual reports — Email and customer service hotline — Feedback forms — Regular meeting — 網站、小冊子及年報 — 電郵及客戶服務熱線 — 反饋表格 — 定期會議

Environmental, Social and Governance Report
環境、社會及管治報告

Stakeholders 權益人	Issues of concern 關注事項	Engagement channels 參與渠道
Suppliers 供應商	<ul style="list-style-type: none"> — Long-term partnership — Honest cooperation — Fair, open — Information resources sharing — Risk reduction — 長期夥伴關係 — 誠實合作 — 公平公開 — 資訊來源共享 — 風險緩減 	<ul style="list-style-type: none"> — Business meetings, supplier conferences, phone calls, interviews — Review and assessment — Tendering process — 業務會議、供應商會議、電話通話、訪談 — 審閱及評估 — 招標程序
Peer/Industry associations 同行／業界聯會	<ul style="list-style-type: none"> — Experience sharing — Cooperation — Fair competition — 經驗分享 — 合作 — 公平競爭 	<ul style="list-style-type: none"> — Industry conference — Site visit — 行業會議 — 實地考察
Community 社區	<ul style="list-style-type: none"> — Community involvement — Social responsibilities — 社區參與 — 社會責任 	<ul style="list-style-type: none"> — Charity and social projects — 慈善及社區項目

Through general communication with stakeholders, the Group understands the expectations and concerns from stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact.

透過與權益人的一般溝通，本集團了解權益人的期望及擔憂。獲得的反饋令本集團能夠作出更為明智的決策，並且更好地評估及管理由此產生的影響。

The Group have adopted the principle of materiality in the ESG reporting by understanding the key ESG issues that are important to the business of the Group. All the key ESG issues and key performance indicators (KPIs) are reported in the Report according to recommendations of the ESG Reporting Guide (Appendix 27 of the Listing Rules) and the GRI standards.

本集團透過了解對本集團業務重要的主要ESG事項而在ESG報告中採用重要性原則。根據上市規則附錄27 ESG報告指引及GRI準則的建議，主要ESG事項及關鍵績效指標(KPIs)全部呈報於報告內。

Environmental, Social and Governance Report 環境、社會及管治報告

The Group have evaluated the materiality and importance in ESG aspects through the following steps:

Step 1: Identification — Industry Benchmarking

- Relevant ESG areas were identified through the review of relevant ESG reports of the local and international industry peers.
- The materiality of each ESG areas was determined based on the important of each ESG area to the Group through internal discussion of the management and the recommendation of ESG Reporting Guide (Appendix 27 of the Listing Rules).

Step 2: Prioritization — Stakeholder Engagement

- The Group discussed with key stakeholders on key ESG area identified above to ensure all the key aspects to be covered.

Step 3: Validation — Determining Material Issues

- Based on the discussion with key stakeholders and internal discussion among the management, the Group's management ensured all the key and material ESG areas, which is important to the business development, were reported and in compliance with ESG Reporting Guide.

As a result of this process carried out in 2018, those important ESG areas to the Group were discussed in this Report.

本集團已透過以下步驟評估環境、社會及管治方面的重大性及重要性：

步驟1：識別 — 行業基準

- 透過審查當地及國際同業的相關環境、社會及管治報告，確定相關的環境、社會及管治範疇。
- 根據各個環境、社會及管治範疇對本集團的重要性，透過管理層的內部討論及環境、社會及管治報告指引(上市規則附錄27)的推薦建議，以釐定各個環境、社會及管治範疇的重要性。

步驟2：排序 — 權益人的參與

- 本集團已就上述主要環境、社會及管治範疇與主要權益人進行討論，以確保涵蓋所有關鍵方面。

步驟3：確認 — 釐定重要議題

- 根據與主要權益人的討論以及管理層之間的內部討論，本集團的管理層確保所有對業務發展至關重要的關鍵及重要環境、社會及管治範疇已予報告並遵守環境、社會及管治報告指引。

由於二零一八年進行該程序，因此本報告中已討論該等對本集團具重要性的環境、社會及管治範疇。

Environmental, Social and Governance Report
環境、社會及管治報告

A. ENVIRONMENTAL ASPECTS

Based on ISO14001, the standard of management system for environment, the Group has established a set of management systems regarding environmental protection, including but not limited to "Atmosphere Pollution Management System", "Waste Management System" and "Wastewater Management System". The Group's objectives on environmental protection are to eliminate and reduce the impact of its operation on the ecological environment and endeavours to save resources and protect the environment. The Group is in strict compliance with the "Environmental Protection Law of the People's Republic of China" and other relevant laws and regulations, and had no material non-compliance regarding environmental issues during the reporting period.

A1. EMISSIONS

Air Pollutant Emission

Emission control is essential for mitigating the impact on the environment and protecting the health of employees. The Group's emission complies with "Emission Limits of Air Pollutants (DB44/27-2001)" (大氣污染物排放限值) and "Emission Standard of Air Pollutant for Bulk Gasoline Terminal (GB 20950-2007)" (儲油庫大氣污染物排放標準).

The air pollutant emission during the reporting period is as follows:

Air Pollutants	大氣污染物	2018	2017
		二零一八年	二零一七年
		kg	kg
		公斤	公斤
Nitrogen oxides (NO _x)	氮氧化物(NO _x)	4,431.77	3,851.58
Sulfur dioxide (SO ₂)	二氧化硫(SO ₂)	77.16	74.18
Particular matter (PM)	懸浮粒子(PM)	444.60	431.99

Air pollutants emission increased in 2018 as fuel consumption in production facilities and services sites increased.

A. 環境層面

根據ISO14001(環境管理體系標準),本集團已建立一套環保管理系統,包括但不限於「大氣污染管理系統」、「廢物管理系統」及「污水管理系統」。本集團的環保目標是消除及減低其營運對生態環境的影響,並盡力節約資源及保護環境。本集團嚴格遵守《中華人民共和國環境保護法》及其他相關法例及法規,於報告期間並無有關環境事宜的重大不合規。

A1. 排放物

空氣污染物排放

控制排放對減低對環境的影響及保障僱員健康至關重要。本集團的排放物符合「大氣污染物排放限值(DB44/27-2001)」及「儲油庫大氣污染物排放標準(GB 20950-2007)」。

於報告期間大氣污染物排放的情況如下:

二零一八年的大氣污染物排放增加乃由於生產設施及服務站點的燃料消耗增加。

Environmental, Social and Governance Report 環境、社會及管治報告

As most of the products stored are highly volatile, the Group has implemented “VOCs One Enterprise One Policy Comprehensive Improvement Program” (VOCs 一企一策綜合整治方案) to control volatile organic compounds (VOCs) emission from source and production processes. Key measures to mitigate the leakage of the volatile chemicals are implemented as follows:

- External floating roof tanks¹ are used to store gasoline, diesel and other volatile chemical products
- Nitrogen blanketing² is used in the tanks to ensure stored product is separated from the air, vapour generated in the tank is collected and treated with activated carbon.
- To reduce the non-methane hydrocarbon (NMHC) emission, oil-gas condensation recovery devices are installed to achieve a recycling rate of 98%.
- All the volatile organic compounds (e.g. pentane, acetone) are stored in specific containers and sealed properly to avoid leakage.

Apart from measures adopted to reduce VOCs, the Group lowers the emission of SO₂ by using low-sulfur diesel (National V standard) for the boiler.

由於大部分貯存產品均非常容易揮發，本集團已實施「VOCs一企一策綜合整治方案」，從源頭及生產過程控制易揮發有機化合物(VOCs)的排放。減低易揮發化學品洩漏的關鍵措施已如下實行：

- 使用浮頂式儲存罐¹貯存汽油、柴油及其他易揮發化學品。
- 在儲油罐使用氮封裝置²，確保貯存產品與空氣隔絕，收集儲油罐內產生的油汽及以活性炭處理。
- 為減少非甲烷碳氫化合物排放，安裝油汽冷凝回收裝置，達到98%回收率。
- 所有易揮發有機化合物(如戊烷、丙酮)貯存於特定貯存器及妥善密封以避免洩漏。

除採取減低易揮發有機化合物的措施外，本集團透過於鍋爐使用低硫柴油(國家第五期標準)以減低二氧化硫的排放。

¹ External floating roof tanks (浮頂式儲存罐) are storage tanks commonly used to store large quantities of petroleum products. They eliminate breathing losses and greatly reduce the evaporative loss of the stored liquid.

² Nitrogen blanketing (氮封裝置) is widely used in many industries to prevent fires, explosion, degradation of products during their production, storage and transport.

¹ 浮頂式儲存罐為常用於貯存大量石油產品的儲油罐。其為所貯存液體消除通氣損失及大幅減少蒸發損失。

² 氮封裝置廣泛用於多個行業，以免於生產、貯存及運輸階段發生火災、爆炸、產品變壞。

Environmental, Social and Governance Report
環境、社會及管治報告

Greenhouse Gas (“GHG”) Emission³

Climate change is gradually concerned by the community. The Group manages the carbon footprint by minimising the energy consumption and water consumptions as these activities cause significant emission of greenhouse gas. Policies and procedures adopted on resources saving are mentioned in the section “Use of resources”.

The greenhouse gas emission during the reporting period is as follows:

GHG Emission	溫室氣體排放	2018	2017
		二零一八年	二零一七年
		tonnes of CO ₂ -e	tonnes of CO ₂ -e
		二氧化碳當量噸	二氧化碳當量噸
Scope 1 ⁴	範圍1 ⁴	365.12	414.28
Scope 2 ⁵	範圍2 ⁵	6,558.75	5,063.52
Total	合計	6,923.87	5,477.80
Intensity 密度	tonnes of CO ₂ -e/thousand tonnes of terminal throughput 二氧化碳當量噸／庫區吞吐量千噸	1.73	0.85

Scope 1 GHG emission in 2018 was lower than that in 2017 as direct emission from burning fossil fuel decreased. With a sense of supporting the use of clean energy, the Group supports green environment by transferring its fuel consumption to low-carbon fossil fuel such as LPG.

Hazardous and Non-hazardous Wastes

Wastes generated are handled with a comprehensive procedure to mitigate the impact to the environment. The Group has a strict classification system for different types of wastes. Each type of waste has specific storage location and collection procedures. There is a precaution implemented for the leakage of waste to prevent pollution.

³ The calculation of the greenhouse gas emission is based on the “Corporate Accounting and Reporting Standard” from Greenhouse Gas Protocol.

⁴ Scope 1: Direct emission from sources that are owned or controlled by the Group.

⁵ Scope 2: Indirect emissions from purchased electricity and steam consumed by the Group.

溫室氣體（「溫室氣體」）排放³

社區日益關注氣候轉變。本集團減少能源消耗及用水量以管理碳足印，因為該等活動導致大量排放溫室氣體。所採納資源節約政策及程序載於「資源使用」一節。

於報告期間溫室氣體排放的情況如下：

範圍1溫室氣體排放於二零一八年低於二零一七年，乃由於燃燒石化燃料產生的直接排放減少。為了支持使用清潔能源，本集團通過將其燃料消耗轉向LPG等低碳石化燃料來支持生態環境。

有害及無害廢物

所產生廢物透過全面程序處理以減低對環境影響。本集團對不同廢物類型設有嚴格分類制度。各類廢物有指定的存放地點及收集程序。已對廢物洩漏實施預防措施以防止污染。

³ 溫室氣體排放乃根據《溫室氣體核算體系》的「企業核算與報告標準」計算。

⁴ 範圍1：本集團擁有或控制的源頭直接排放。

⁵ 範圍2：本集團購買電力及消耗蒸氣的間接排放。

Environmental, Social and Governance Report 環境、社會及管治報告

Hazardous wastes such as hazardous wastewater, waste oil cleaning rag and organic solvents are handled according to the latest policies of "National Hazardous Waste Inventory". These wastes are separately stored and handled with ledger for record. The Group engages qualified recycling companies to perform waste disposal and treatment so as to minimise the impact on the nature.

有害廢物(如有害污水、廢棄去油布及有機溶劑)根據《國家危險廢物名錄》的最新政策處理。該等廢物獨立貯存及使用分類簿記處理,以作記錄。本集團委聘合資格回收公司負責廢物棄置及處理,以減低對自然的影響。

The wastes generated by the Group during the reporting period are as follows:

於報告期間本集團產生廢物的情況如下:

Waste Disposal 廢物處置	Unit 單位	2018 二零一八年	2017 二零一七年
Hazardous wastes 有害廢物	tonnes 噸	174.28	148.93
Hazardous wastes produced intensity 產生的有害廢物密度	tonnes/thousand tonnes of terminal throughput 噸/庫區吞吐量千噸	0.043	0.023
Non-hazardous wastes produced 產生的無害廢物	tonnes 噸	38.50	32.19
Non-hazardous wastes produced intensity 產生的無害廢物密度	tonnes/employee 噸/僱員	0.09	0.07
Non-hazardous wastes recycled 回收的無害廢物	tonnes 噸	7.20	6.00
Non-hazardous wastes recycled intensity 回收的無害廢物密度	tonnes/employee 噸/僱員	0.04	0.24

Total amount of waste generated in 2018 was higher than that in 2017 as port activity and storage, warehousing and transshipment operation increased. The Group put effort on waste-free initiatives in reducing waste, reflecting from an increase in amount of non-hazardous waste recycled.

於二零一八年產生的廢物總量高於二零一七年,乃由於港口活動及貯存、倉庫及轉輸業務增加。回收的無害廢物量增加反映出本集團減少廢物的零廢物活動的努力。

The Group has launched waste recycling and implemented different measures to reduce the wastes generated in the office. For example, used paper and plastic materials are collected in the office for recycling purpose. Waste electrical and electronic equipment is separately collected. With these measures, the Group hopes to ease the pressure on landfill space and bring benefits to the environment.

本集團已推行廢物回收及實施不同措施以減低辦公室產生的廢物。例如在辦公室收集已用的紙張及塑膠材料,以作回收用途。舊電器及電子設備分開收集。本集團期望藉著該等措施紓緩堆填區的壓力及為環境帶來益處。

Environmental, Social and Governance Report 環境、社會及管治報告

Wastewater

The terminal and warehouse areas are equipped with drainage system to collect wastewater. Impermeable layers are applied to all pipes and treatment facilities to avoid leakage of wastewater. Rainwater and wastewater are collected by two separate systems to prevent pollution to groundwater.

The Group also cooperated with the Environment Faculty of South China University of Technology (華南理工大學環境學院) to develop a sewage treatment facility, which treats wastewater with microorganisms. During this year, around 23,500 cubic metres of wastewater was discharged and treated. After the treatment, the water which meets satisfactory quality standard, is used in fire services and planting. Not only the emission of wastewater to land and water bodies is reduced, but also the water can be reused to save the water resource. This system is simple and the cost of maintenance and operation is low. Therefore, it is widely admired and accepted by government departments and peers.

Noise

Noise is mainly generated from the operations of blower of boilers, pumps and compressors, etc. Appropriate acoustic insulation is applied to those machines. Regular maintenance is also conducted as to reduce the noise generated due to wearing of the components in those machines.

A2. USE OF RESOURCES

The Group has adopted policies and guidelines to improve the efficiency in energy, water and other material consumption, including "Energy Saving Management System".

Energy

The energy consumption of the Group mainly comes from purchased steam and electricity. According to characteristics of different stored products, steam is required to maintain the temperatures of the products to ensure the quality of the products is satisfactory. In response to the National Environmental Policy, the Group has ceased the use of boiler system and switched to purchase public steam to reduce the fuel consumption and emissions at the same time.

The Group promotes the idea of "green office" to reduce the electricity consumption as follows:

- The temperature in the office is set at 26 Degree Celsius in summer.

污水

碼頭及倉庫地區設有排污系統以收集污水。所有管道及處理設施備有不滲水層，防止污水洩漏。雨水及污水使用兩個獨立系統收集，防止污染地下水。

本集團亦與華南理工大學環境學院合作開發污水處理設施，其使用微生物處理污水。於本年度污水排水及處理量約為23,500立方米。於處理後，符合良好品質標準的水會用於消防服務及種植。這不僅減少向陸地及水體排放污水，而且可再用水以節省水資源。該系統簡單且維護及運作成本低，因此廣獲政府部門及同業賞識及接納。

噪音

噪音主要源於鍋爐鼓風機、泵和壓縮機等的運作。該等機器備有適當隔音裝備，亦需定期維護，減少因該等機器的部件損耗而產生的噪音。

A2. 資源使用

本集團已採納政策及指引提升能源、水及其他物料的消耗效益，包括「節能管理系統」。

能源

本集團能源消耗主要來自購買的蒸氣及電力。根據不同貯存產品的特點，維持產品的溫度需要用蒸氣，以確保產品質量良好。為符合《國家環境政策》，本集團不再使用鍋爐系統，改為購買蒸氣以同時減低燃料的消耗及排放。

本集團推廣「綠色辦公室」概念，以減低電力消耗，詳情如下：

- 夏天時辦公室的溫度設定為攝氏26度。

Environmental, Social and Governance Report 環境、社會及管治報告

- No heating is supplied in winter according to the characteristic of weather in South China.
- All electronic appliances have to be switched off when leaving the office.
- After all staff leave the office, security guards double check the electronic appliances and ensure all of them are switched off.
- 根據華南地區天氣的特點，冬天不會提供暖氣。
- 離開辦公室時須關掉所有電器。
- 所有員工離開辦公室後，保安人員須複查電器，確保所有電器均已關掉。

The Group also checks the oil usage frequently to minimise the chances of oil leakage which wastes energy.

本集團亦會經常檢查用油情況，盡量減低漏油的機會，以免浪費能源。

During the reporting period, the energy consumptions are as follows:

於報告期間，能源消耗情況如下：

Energy Type	能源	2018	2017
		二零一八年	二零一七年
		kWh in '000s	kWh in '000s
		千個千瓦時	千個千瓦時
Purchased electricity	購買電力	6,956.55	5,003.01
Purchased steam	購買蒸氣	4,720.47	4,269.96
Petrol	汽油	367.64	421.09
Diesel	柴油	960.91	1,195.98
LPG	LPG	109.14	—
Total energy consumption	能源消耗總量	13,114.71	10,890.04
Energy intensity kWh in '000s/thousand tonnes of terminal throughput	能源密度 千個千瓦時／庫區吞吐量千噸	3.27	1.69

The increased in total energy consumption in 2018 was higher than that in 2017 because provision of terminal, storage, warehousing and transshipment services for oil and petrochemical product increased.

於二零一八年的能源消耗總量的增長高於二零一七年，乃由於提供的石油和石化產品碼頭、貯存、倉庫及轉輸服務增加。

Environmental, Social and Governance Report 環境、社會及管治報告

Water

Water is another important resource used for the daily operation. In order to monitor the usage of water, meters are installed in different locations and water consumption is recorded regularly. There is staff who is responsible for managing the water usage and checking the water system. If leakage of water pipe happens, repair will be immediately carried out to reduce the wastage of water resource.

In the workplace, the water pressure is adjusted according to the actual water usage. To encourage water-saving, water usage of each staff in the staff quarter is recorded and the staff has to pay water bills by themselves.

The water consumption during the reporting period is as follow:

Water 水	Unit 單位	2018 二零一八年	2017 二零一七年
Consumption 消耗量	Usage (in m ³) 用量(立方米)	136,847.50	93,393.07
Intensity 密度	m ³ /thousand tonnes of terminal throughput 立方米/庫區吞吐量千噸	34.13	14.53

Water consumption increased in 2018 because the Group's operation activities increased.

Nitrogen

Nitrogen is an important resource for facilitating the storage of highly volatile substances. It provides a protective layer of gas on the substances, which is named as blanketing. The process is controlled automatically instead of manually to avoid wastes. The usage of nitrogen is monitored to ensure there is no leakage.

水

水是用於日常營運的另一重要資源。為監察用水量，水錶已在不同地點安裝，定期記錄用水量。本集團有員工專門負責管理用水及檢查水系統。倘水管發生洩漏，將即時進行維修，以減少水資源的浪費。

工作場所的水壓根據實際用水量調節。為鼓勵節約用水，會記錄員工總部每名員工的用水，員工須自行支付水費。

於報告期間水消耗的情況如下：

二零一八年耗水量增加是因為本集團的營運活動增加。

氮

氮是有助貯存極容易揮發物質的重要資源。其在物質上添上氣體保護層，稱為氮封裝置。該程序乃自動而非人手控制，以免浪費。氮用量獲監察，確保並無洩漏。

Environmental, Social and Governance Report 環境、社會及管治報告

A3. THE ENVIRONMENT AND NATURAL RESOURCES

The Group's terminal is near to the waterbody with high biodiversity and rich fisheries resources. Based on the Group's internal policies, efforts have been made to minimise the impact of activities on the environment. For example, two sets of oil spill monitoring and alerting system have been installed in the water body near the terminal. The system is able to detect oil spill accidents occurred when the oil tanker is berthing or oil products are loaded. The situation of the terminal is also monitored by staff under 24-hour real-time video surveillance system. If oil spill accidents are detected, the signal from the alarm system can reach the responsible staff and prompt remedies can be carried out to reduce the impact on the environment.

To strength the pollution control, the Group has cooperated with a company specialised for handling oil spill accidents to equip adequate facilities (e.g. oil boom) to prevent the spread of oil leakage in the sea.

B. SOCIAL ASPECTS EMPLOYMENT AND LABOUR PRACTICES

The Group highly considers employees as important assets and is committed to improve in these four areas: employment, health and safety, development and training and labour standard.

B1. EMPLOYMENT

The Group has established and implemented a set of human resources management policies and procedures in place with the aim to provide good and safe working environment to its staff in order to comply with "Labour Contract Law of the People's Republic of China". It sets out the Group's standards for staff recruitment, promotion guidelines, remuneration scale, holiday and statutory paid leaves, parental leaves and working hours. All employees are treated equally and their employment, remuneration and promotion opportunities will not be affected by their nationality, race, age, religion and marital status.

This year, the Group has continued to support "The Second Trade Union Committee" (第二屆工會委員會) and "The Second Female Employee Committee" (第二屆女職工委員會) to foster communication between labour and the management, and to provide a platform for employees to express opinions.

A3. 環境及天然資源

本集團的碼頭鄰近水域，生態多樣性甚高及魚類資源豐富。根據本集團的內部政策，已致力減低業務活動對環境的影響。舉例而言，鄰近碼頭的水域已安裝兩組漏油監察及警報系統。在油輪靠岸或卸載油品時，系統能偵測是否發生漏油意外。員工亦會以24小時實時錄像監視系統監察碼頭情況。倘發生漏油意外，警報系統會傳達訊號予負責員工，並採取迅速補救措施，降低對環境之影響。

為加強污染監控，本集團與專門處理漏油意外的公司合作，以配備充分設施(如攔油索)，避免海上漏油擴散。

B. 社會層面 僱傭及勞工常規

本集團非常認同僱員是重要的資產，並盡力改善以下四大範疇：僱傭、健康及安全、發展及培訓和勞工標準。

B1. 僱傭

本集團已制定及實行一套人力資源管理政策及程序，旨在為員工提供良好及安全的工作環境，以符合《中華人民共和國勞動合同法》。其列載本集團對員工招聘、晉升指引、薪級表、假日及法定有薪假期、產假及工時的標準。所有僱員待遇平等，其聘用、薪酬及晉升機會不受國籍、種族、年齡、宗教及婚姻狀況影響。

本年，本集團已成立第二屆工會委員會及第二屆女職工委員會，促進勞方與管理層的溝通，為僱員提供發表意見的平台。

Environmental, Social and Governance Report 環境、社會及管治報告

The Group also advocates harmonious and work-life balance culture among the employees through organising diversified activities, including annual dinner, annual gathering, sport days and birthday parties, etc. These activities can help the employees to relax and enhance communications among them. During the reporting period, no concluded cases (2017: nil) regarding employment were brought against the issuer or its employees.

B2. HEALTH AND SAFETY

Upholding the belief that safety is the first priority, the Group is committed to providing a healthy and safe workplace for all its employees and the community. The Group has established “Health, Safety and Environment Policy Statement” in accordance with the requirement of “Occupational Health and Safety Management System” (OHSAS 18001). The Group continues to improve the working conditions and monitor the effectiveness of safety related controls. The Group complies with related health and safety laws and regulations such as “Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases”, “Production Safety Law of the People’s Republic of China”, “Provisions on the Supervision and Administration of Occupational Health at Work Sites”, etc. In 2018, no concluded cases (2017: nil) regarding health and safety were brought against the issuer or its employees.

Care to Employees

Every employee is required to have a medical check annually. Employees are provided with safety training and personal protective equipment (helmet, goggles, masks, etc.) in the workplace. Occupation hazards assessment is conducted by third party regularly to monitor the performance on occupational safety.

The Group is committed to providing all employees with a warm and comfortable working and living environment. The Group has set up self-managed staff quarters and canteens with a view to providing sound rest space and healthy catering to its employees. Drinks are also freely provided to all employees in hot season to prevent them from having heat stroke.

Safety Precaution in Workplace

Safety of employees in workplace is crucial. Key safety precautions are implemented as follows:

- Toxic gas detector, audible and visual alarm and emergency cut-off valve are installed in each berth.

本集團亦透過舉行包括年度晚宴、年度聚會、運動日、生日派對等多元化活動，提倡和諧及工作與生活平衡。此等活動有助僱員放鬆及加強彼此交流。於報告期間，概無(二零一七年：無)發生就僱傭對發行人或其僱員發起的已完結案件。

B2. 健康及安全

本集團堅守安全至上的信念，致力為其所有僱員及社區提供健康及安全的工作環境。本集團已根據「職業健康安全管理體系」(OHSAS 18001)制定「健康、安全及環境政策聲明」。本集團不斷改善工作環境，以及監察安全相關監控的有效性。本集團遵守《中華人民共和國職業病防治法》、《中華人民共和國安全生產法》及《工作場所職業衛生監督管理規定》等相關健康及安全法律及法規。二零一八年概無(二零一七年：零)發生任何針對發行人或其僱員的具體健康及安全個案。

關懷僱員

各僱員須每年進行醫務檢查。本集團在工場為僱員提供安全培訓及個人保護設備(頭盔、護目鏡、口罩等)。第三方會定期進行職業危險評估，以監察職業安全表現。

本集團致力為全體僱員提供溫暖舒適的工作及生活環境。本集團已設立自行管理的員工宿舍及飯堂，旨在為僱員提供完善休息空間及健康餐飲。全體僱員於炎熱季節均獲免費提供飲品，避免中暑。

工場的安全措施

僱員在工場的安全至為重要。本集團已實施下列主要安全措施：

- 每個區域皆裝有毒氣探測機、聲光警報及緊急斷流閥。

Environmental, Social and Governance Report 環境、社會及管治報告

- Parameters of all flammable and explosive substances are carefully and closely monitored (e.g. temperature, pressure, flow volume) during transfer. All parameters information is transferred to PLC (Programmable Logic Controllers) in the terminal control center for monitoring the frontline operation.
- Worker, who enters the tank, must wear protective clothes and make sure that the toxic gas concentration does not exceed the acceptable level.
- Emergency shower, eyewash facilities and breathing apparatus are provided.
- 搬運時會小心密切監察所有易燃及爆炸性物質的參數(例如溫度、壓力、流量)。所有參數資料均會傳送至終端控制中心的可編程序控制器，以便監察前線營運。
- 任何工作人員進入貯存罐均須配戴保護性衣物，並確保毒氣的濃度不超過可接受水平。
- 提供緊急灑水、洗眼設備及呼吸儀器。

B3. DEVELOPMENT AND TRAINING

The Group continues to provide comprehensive and suitable trainings to employees to promote a learning culture based on the Group's "Training Management Procedure" and other related internal policies. The Group analyses the employees' training and operation needs to prepare training and budget plan yearly. The Group provides diversified on-the-job trainings to employees, particularly safety trainings, with the aim to improve the quality of the employees' safety and to establish a corporate safety culture.

Generally, there are both internal and external trainings for employees. Every new employee needs to receive a three-month training including general knowledge and skills about storage tanks. Assessment is conducted after the training. Only the new employees who pass the assessment can start their work in their position. Continuous assessment is conducted to keep track on the performance of the current employees. The Group also offers on-the-job training, which based on the operation needs and annual training plan. It aims to enhance the performance and skill of employees. External training mainly includes certification training for specialists (e.g. safety management personnel, engineers, accountants, etc.). The Group invites related government departments and institutions to deliver training to ensure employees can perform duties with relevant qualifications.

With continuous trainings and assessments, the safety knowledge of the employees can be strengthened and the safety awareness can be enhanced. This can decrease the occurrence of work-related accidents.

B3. 發展及培訓

本集團根據其「培訓管理程序」及其他相關內部政策，持續為僱員提供全面合適培訓，以培養學習氛圍。本集團分析僱員的培訓及營運需要，每年編製培訓及預算計劃。本集團為僱員提供多元化的在職培訓，特別是安全訓練，旨在改善僱員安全質素，建立企業安全文化。

一般而言，本集團為僱員制定內部和外部培訓。每位新入職僱員須接受為期三個月的培訓，包括關於貯存罐的一般知識及技術。培訓後會進行評估。新僱員須通過評估後，方可開始於職位工作。本集團會進行持續評核，以記錄現有僱員的表現，其亦視乎營運需要及年度培訓計劃，提供在職培訓，旨在提升僱員的表現及技術。外部培訓主要包括專業人員的證書培訓(例如安全管理人員、工程師、會計師等)。本集團會邀請相關政府部門及機構舉辦培訓課程，以確保僱員擁有相關資格以履行職務。

持續培訓及評估可加強僱員的安全知識及提高安全意識。此舉可降低工作相關意外。

Environmental, Social and Governance Report 環境、社會及管治報告

B4. LABOUR STANDARDS

The Group respects the human rights of employees, especially gender equality and is strongly against employment of child labour and forced labour. The Group strictly complies with “Labour Law of the People’s Republic of China” and other relevant laws and regulations. Recruitment guideline clearly states that person under 16 is not allowed to work in the Group and zero tolerance to child labour and forced labour.

During the year, the Group was not subject to any punishment by the government and was not involved in any lawsuit related to child labour or forced labour.

OPERATING PRACTICES

B5. SUPPLY CHAIN MANAGEMENT

The Group depends on suppliers to provide production materials and components for different storage facilities. The choice of suppliers is based on a list of criteria, including compliance, price, quality, stability of supply and after-sales services in accordance with the Group’s internal policy “Material Procurement Management Regulations”. The Group maintains a long-term relationship with suppliers based on the result from supplier assessment. During the year, the assessment result is satisfactory and there are no significant risks related to supply chain in environmental and social aspects.

B6. PRODUCT RESPONSIBILITY

As a leading midstream player in providing storage service for chemical products in South China, maintaining the safety and quality of customers’ products in the warehouse is the utmost concern of the Group. In order to continuously improve the quality of service provided by the Group, we have set up an internal policy — “Hazardous chemical storage Management Procedures” and other related procedures in accordance with the requirement of quality management system (ISO9001). During the year, the Group was not subject to any disputes relating to the storage service or punishment by the government and was not involved in any lawsuit related to product responsibility.

Quality Control

According to “Regulations on the Safety Administration of Dangerous Chemicals”, the Group requires customers to provide Material Safety Data Sheet (MSDS) for chemicals stored. Besides, all storage tanks are labelled with UN Number (United Nation Number) and other relevant numbers for identification.

B4. 勞工準則

本集團尊重僱員的人權，特別是性別平等，且強烈反對僱用童工及強制勞工。本集團嚴格遵守《中華人民共和國勞務法》及其他相關法律及法規。招聘指引清楚列明16歲以下人士不得在本集團工作，且絕不容忍童工及強制勞工。

本集團於本年度並無被政府施加任何處分，且亦無牽涉任何有關童工或強制勞工的訴訟。

經營常規

B5. 供應鏈管理

本集團依賴供應商提供生產材料及不同貯存設施的部件。本集團根據其內部政策「材料採購管理規例」，按照合規情況、價格、質量、供應穩定性及售後服務等一系列準則挑選供應商。本集團根據供應商評估結果，與供應商維持長期關係。年內的評估結果令人滿意，在環境及社會方面概無與供應鏈有關的重大風險。

B6. 產品責任

作為於華南提供化學產品貯存服務的領先中游從業者，保持倉庫內客戶產品的安全及質量是本集團第一要務。為持續改善本集團提供的服務質素，我們已根據質量管理系統(ISO9001)制定內部政策—「危險化學倉儲管理程序」及其他相關程序。年內，本集團並未面臨任何有關倉儲服務的糾紛或受到政府懲處，亦無牽涉任何產品責任相關訴訟。

質量控制

根據《危險化學品安全管理條例》，本集團要求客戶就所貯存化學品提交《物料安全資料表》。除此之外，所有存儲罐均貼有UN編號(聯合國編號)及其他相關編號，以供識別。

Environmental, Social and Governance Report 環境、社會及管治報告

When customers' goods are delivered to the tank, the testing company engaged by the customers will carry out sample testing on the goods, verify the certification or testing report provided by the suppliers and check if the name, specification and technical information of the sample meet the national/international standards. Only goods that pass the testing and meet the related requirements can be stored in the Group's warehouse.

Department of commerce of the Group is responsible for dealing the with complaints from customers. Prompt response will be taken and the problem will be identified to prevent similar complaints from happening. During the year, three complaints (2017: two complaints) related to the efficiency of goods unloading were received by the Group. The Group responded to the cases immediately and explained to the clients. The situation has improved after the adjustment of the working schedule of employees and the increase in the consumer service training.

Customer Information Protection

The Group upholds a belief that information security and privacy is the key principle for operation. We comply with relevant laws and regulations. According to Group's Staff Handbook, employees are required to sign an agreement to protect the privacy of clients and any other sensitive business information. Employees who violate the agreement will receive punishment and legal action will be taken. During the year, no severe violation was found that posed a significant impact on the Group.

B7. ANTI-CORRUPTION

The Group maintains a high standard of business integrity throughout its operations and tolerates no corruption or bribery in any form, the Group strictly complies with the "Chapter III — Crimes of Undermining the Order of Socialist Market Economy Criminal Law of the People's Republic of China", "Chapter VIII — Graft and Bribery of Criminal Law of the People's Republic of China", "Prevention of Bribery Ordinance in HKSAR" and other relevant laws and regulations relating to anti-corruption.

The Group's has adopted "Compliance Policies" and stated that the Group takes reasonable care to ensure that it will not export, re-export, or otherwise divert customer's products and other items in violation of any Trade Control Laws. All the employees and external drivers who can get access to the customers' products are monitored. For example, the weight of truck is checked when it enters and leaves the premises to monitor any abnormal loading.

當客戶貨品交付至存儲罐時，客戶委聘的檢驗公司將對貨品進行抽樣測試、核實認證或測試供應商提供的報告及檢查樣品名稱、規格及技術資料是否達到國內／國際標準。只有通過檢測及達到相關要求的貨品可儲存於本集團倉庫。

本集團的商務部門負責處理客戶投訴。該部門會採取迅速反應，並識別問題所在，避免類似投訴出現。年內，本集團接獲三宗(二零一七年：兩宗)有關卸貨效率的投訴。本集團即時回應有關投訴並向客戶解釋情況。調整僱員工作時間表及增加消費者服務培訓後，有關情況已得到改善。

保護客戶資料

信息安全及隱私是對營運至關重要的原則，此乃本集團秉承的理念。我們遵守相關法律及法規。根據本集團的員工手冊，僱員須簽立協議以保護客戶隱私及任何其他敏感的商業資料。違反協議的僱員將遭懲處，並會採取法律行動。年內，概無發現對本集團造成重大影響的嚴重違規事項。

B7. 反貪污

本集團於整個營運過程貫徹高標準的行商操守，不姑息任何形式的腐敗或賄賂，本集團嚴格遵守中華人民共和國刑法《第三章 — 破壞社會主義經濟秩序罪》、中華人民共和國刑法《第八章 — 貪污賄賂罪》、香港特別行政區《防止賄賂條例》及其他有關反貪腐的相關法律及法規。

本集團採納了「合規政策」，訂明本集團合理審慎地確保其將不會違反任何貿易管制法，出口、再出口或以其他方式將客戶產品及其他貨品轉售。全體僱員及可獲得客戶產品的外部司機均受監察。舉例而言，當貨車進出場地時，會檢查其重量，以監控任何不合常規的裝卸。

Environmental, Social and Governance Report 環境、社會及管治報告

The Group has established related investigation and whistle-blowing procedure for any corruption cases. The Group has zero tolerance to any forms and degrees of bribery or corruption behaviours in relation to the Group's business activities. During the year, no concluded cases (2017: nil) regarding corrupt practices were brought against the issuer or its employees.

COMMUNITY

B8. COMMUNITY INVESTMENT

The Group is committed to contributing to the society and fostering positive relationship with the communities in which the Group operates. The Group has related policies and measures to understand the needs of the community, such as villagers, employees and non-governmental organisations. Contribution to the community and maintaining harmonious relationship with the stakeholders in the region of operation are crucial for the sustainable development.

- Donation of RMB20,000 to support alleviation of poverty.
- “東莞市能源協會優秀會員單位” was awarded to the Group.
- “企業安全生產工作突出成績獎” was awarded to the Group.
- Participated in the “Safety Knowledge Contest” (安全知識競賽) organised by the Lisha Island Chemical Industrial Park (立沙島化工園區) and got 1st runner-up in June 2018. This can raise the awareness of occupational health and safety among employees and help the Group to win the honour.
- Participated in the “東莞市港航行業水路危險貨物運輸員技能競賽” organised by the “東莞市港航管理局” and got 2nd, 6th, and 10th runner-up on 9 September 2018. This can raise the awareness of safety in production and management level.
- Participated in the “廣東省交通運輸行業水路危險貨物運輸員技能競賽” organised by the Transport Department of Guangdong Province (廣東省交通運輸廳) and got two first prize and one third prize. This can raise the awareness of safety in production and management level.
- Participated in the “沙田鎮虎門港2018年度企業消防業務技能大比武” and defended the champion successfully. This can raise the awareness of fire safety among employees.
- Participated in the “東莞市2018年「安康杯」安全生產知識競賽” and got 1st runner-up in November. This can improve working atmosphere.

本集團已就任何腐敗情況設立相關調查及舉報程序。本集團不會容忍任何形式或程度與本集團業務活動有關之賄賂或貪污行為。年內，我們不知悉有任何針對發行人或其僱員的已結案腐敗事宜相關案件(二零一七年：無)。

社區

B8. 社區投資

本集團致力為社會作貢獻，於本集團經營所在社區推進良好關係。本集團設有相關政策及措施，以了解社區需求，例如村民、僱員及非政府組織等。為社區作貢獻及與經營區域的權益人維持和諧關係對可持續發展至關重要。

- 捐款人民幣20,000元支持扶貧。
- 本集團榮獲「東莞市能源協會優秀會員單位」。
- 本集團榮獲「企業安全生產工作突出成績獎」。
- 於二零一八年六月參加立沙島化工園區組織的「安全知識競賽」並取得亞軍。此舉能夠提升僱員的職業健康及安全意識並幫助本集團贏得榮譽。
- 於二零一八年九月九日參加東莞市港航管理局組織的「東莞市港航行業水路危險貨物運輸員技能競賽」，並取得第三名、第七名及第十一名。此舉能夠提升生產管理層面的安全意識。
- 參加廣東省交通運輸廳組織的「廣東省交通運輸行業水路危險貨物運輸員技能競賽」並取得兩個一等獎及一個三等獎。此舉能夠提升生產管理層面的安全意識。
- 參加「沙田鎮虎門港2018年度企業消防業務技能大比武」並成功衛冕。此舉能夠提升僱員的消防安全意識。
- 於十一月參加「東莞市2018年「安康杯」安全生產知識競賽」並取得亞軍。此舉能夠提高工作氛圍。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

**Independent auditor's report to the shareholders of
Hans Energy Company Limited**
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Hans Energy Company Limited and its subsidiaries ("the Group") set out on pages 78 to 199, which comprise the consolidated balance sheet as at 31 December 2018, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**致漢思能源有限公司股東的獨立核數師
報告**
(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第78至199頁的漢思能源有限公司及其附屬公司(「貴集團」)的綜合財務報表，此財務報表包括於二零一八年十二月三十一日的綜合資產負債表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)以及與我們對開曼群島綜合財務報表的審計相關的道德要求，我們獨立於 貴集團，並已履行這些道德要求以及守則中的其他道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

Independent Auditor's Report
獨立核數師報告

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

Without qualifying our opinion, we draw attention to note 1(b) to the consolidated financial statements which indicates that the Group has been financed by a high level of borrowings and amounts due to related parties. As at 31 December 2018, the Group's total bank loans and other borrowings and amounts due to related parties totalled \$1,085,769,000, of which \$295,997,000 are due within one year and the Group is committed to incur finance cost of \$41,411,000 for these borrowings within one year. The Group is in the process of disposing of one of its subsidiaries to a third party in order to improve the Group's liquidity and reduce its financing costs. However, there is no guarantee that all conditions prior to the closing of the transaction can be satisfactorily fulfilled within the time limit. As stated in note 1(b), these events or conditions, along with other matters as set forth in note 1(b), indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

The consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the Group's ability to generate sufficient cash flows from future operations and/or other sources to meet its liquidity commitments. Further details are set out in note 1(b). The consolidated financial statements do not include any adjustments that would result should the Group be unable to continue to operate as a going concern.

KEY AUDIT MATTERS

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

持續經營能力的重大不確定性

我們不發表保留意見，但請注意綜合財務報表附註1(b)所述，貴集團通過高額銀行貸款及關聯方借款進行融資。於二零一八年十二月三十一日，貴集團銀行貸款總額及應付關聯方款項合計1,085,769,000元，其中295,997,000元於一年內到期，且貴集團將於一年內承擔該等借款所產生的41,411,000元財務成本。貴集團正在將其一間附屬公司出售予一名第三方，以改善貴集團流動資金以及降低財務成本。然而，概無法保證交易結束前所有條件均可於規定期限內悉數達成。誠如附註1(b)所述，該等事實或情況，連同載列附註1(b)其他事項顯示有重大不明朗因素可能導致貴集團的持續經營能力存在重大疑問。

綜合財務報表已按持續經營基準編製，其有效性基於貴集團能否自未來經營業務及／或其他來源產生充裕現金流量，以滿足其流動資金承諾。更多詳情載於附註1(b)。綜合財務報表概無就貴集團無法繼續按持續經營基準經營而載入任何調整。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的，且我們不會對這些事項提供單獨的意見。除上文持續經營能力的重大不確定性部分所述事項外，我們確定以下將在審計報告中傳達的事項為關鍵審計事項。

Independent Auditor's Report
獨立核數師報告

Assessing potential impairment of property, plant and equipment and interests in land held for own use under operating leases

Refer to accounting policy (h) and note 10 to the consolidated financial statements

評估物業、廠房及設備，以及根據經營租賃持作自用土地權益的潛在減值

請參閱綜合財務報表的會計政策(h)及附註10

The Key Audit Matter
關鍵審計事項

The Group's principal activities are the provision of terminal, storage, warehousing and transshipment services for oil and petrochemical products in the Guangdong province of the People's Republic of China ("PRC").

At 31 December 2018, the Group's property, plant and equipment and interests in land held for own use under operating leases accounted for 40% of the total assets of the Group. These assets principally comprised dock and storage facilities which had a carrying value HK\$572 million as at 31 December 2018.

During the year ended 31 December 2018, the Group recorded a loss from operations of HK\$50 million. In particular, one of the cash-generating units ("CGU") with property, plant and equipment and interests in land held for own use under operating leases carried at a value of HK\$776 million as at 31 December 2018, recorded a loss before taxation of HK\$53.4 million.

貴集團的主要業務是向位於中華人民共和國(「中國」)廣東省的油氣產品提供碼頭、貯存、倉庫及轉輸服務。

貴集團於二零一八年十二月三十一日的物業、廠房及設備，以及根據經營租賃持作自用土地的權益佔 貴集團總資產的40%。該等資產主要包括碼頭及貯存設施，其於二零一八年十二月三十一日的賬面價值為572,000,000港元。

截至二零一八年十二月三十一日止年度內，貴集團錄得經營虧損50,000,000港元。具體而言，其中一項於二零一八年十二月三十一日賬面價值為776,000,000港元的物業、廠房及設備以及根據經營租賃持作自用之土地權益所屬的現金生產單位(「現金生產單位」)錄得除稅前虧損53,400,000港元。

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

Our audit procedures to assess potential impairment of property, plant and equipment and interests in land held for own use under operating leases included the following:

- evaluating management's identification of CGUs and the amounts of property, plant and equipment, interests in land held for own use under operating leases and other assets allocated to each CGU;
- assessing and challenging management's impairment assessment models, which included evaluating the impairment indicators identified by management and assessing the impairment assessment methodology with reference to the requirements of the prevailing accounting standards;
- obtaining and inspecting the value in use calculations prepared by management and on which the directors' impairment assessments for property, plant and equipment and interests in land held for own use under operating leases were based;

我們就評估物業、廠房及設備，以及根據經營租賃持作自用土地權益的潛在減值的審計程序包括以下程序：

- 評價管理層對現金產生單位的識別，以及歸集於各個現金產生單位物業、廠房及設備和根據經營租賃持作自用土地權益的金額；
- 評估並質疑管理層的減值估計模式，包括參照現行會計準則的要求，對管理層識別的減值跡象及採用的減值評估方法進行評價；
- 獲取並檢查管理層編製的，且董事在評估物業、廠房及設備，以及根據經營租賃持作自用土地權益減值時以此為據的使用價值計算表；

Independent Auditor's Report
獨立核數師報告

Assessing potential impairment of property, plant and equipment and interests in land held for own use under operating leases

Refer to accounting policy (h) and note 10 to the consolidated financial statements

評估物業、廠房及設備，以及根據經營租賃持作自用土地權益的潛在減值

請參閱綜合財務報表的會計政策(h)及附註10

The Key Audit Matter
關鍵審計事項

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

In addition, the current economic environment in the PRC and the volatility of oil prices have created uncertainty in relation to the demand for the Group's facilities. Consequently, management considered that potential impairment of property, plant and equipment and interests in land held for own use under operating leases existed for this loss making CGU as at 31 December 2018.

Management performed impairment assessments for property, plant and equipment and interests in land held for own use under operating leases using the value in use model and compared the aggregate carrying values of each separately identifiable CGU to which the property, plant and equipment and interests in land held for own use under operating leases had been allocated with the net present value of the respective future cash flow ("discounted cash flow analyses") to determine the amount of impairment which should be recognised for the year, if any.

此外，中國目前的經濟環境及油價波動導致對本集團設施需求的不確定性。因此，管理層認為於二零一八年十二月三十一日，該虧損產生現金產生單位可能存在物業、廠房及設備以及根據經營租賃持作自用之土地權益減值。

管理層在對物業、廠房及設備，以及根據經營租賃持作自用土地權益進行減值評估時，採用使用價值模型，通過比較物業、廠房及設備，以及根據經營租賃持作自用之土地權益所屬的每個可識別現金產生單位的賬面價值總額與未來現金流量（「現金流量折現分析」）後的現時淨值進行對比，以確定將在年內確認的減值損失的金額（如有）。

- challenging the key assumptions and estimates adopted by management in the discounted cash flow analyses by comparing the significant inputs, which included future revenue and future operating costs with the historical performance, committed contracts on hand, the financial budgets of the Group which had been approved by the directors and externally derived data, which included projected growth rates, projected inflation rates and industry analyses published by external research institutes;
- assessing the discount rates applied in the discounted cash flow analyses by benchmarking against those of other similar companies in the same industry;
- 通過比較重大輸入數據，包括未來收入及未來經營成本與過往表現、現有承諾合同、董事已批准的貴集團財務預算，以及外部資料（包括外部研究機構發佈的預計增長率、預計通脹率及行業分析），對管理層在折現現金流量時分析所採用的關鍵假設與估計進行檢驗；
- 以同行業內其他類似企業為基準，評估現金流量折現分析所採用之折現率；

Independent Auditor's Report 獨立核數師報告

Assessing potential impairment of property, plant and equipment and interests in land held for own use under operating leases

Refer to accounting policy (h) and note 10 to the consolidated financial statements

評估物業、廠房及設備，以及根據經營租賃持作自用土地權益的潛在減值

請參閱綜合財務報表的會計政策(h)及附註10

The Key Audit Matter 關鍵審計事項

We identified assessing potential impairment of property, plant and equipment and interests in land held for own use under operating leases as a key audit matter because of the significant management judgement required in making assumptions and estimations, which can be inherently uncertain and could be subject to management bias.

由於作出假設及估計需要重大管理層判斷，而該等假設與估計可能存在固有不確定性並可能導致存在管理偏見，因此我們將評估物業、廠房及設備，以及根據經營租賃持作自用土地權益的潛在減值識別為關鍵審計事項。

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

- evaluating the historical accuracy of management's value in use calculations by comparing the forecasts at the end of the previous financial year for revenue and operating costs with the actual outcomes in the current year and investigating reasons for any significant differences between the forecast and actual results;
- performing sensitivity analyses for both the discount rates and future revenue and considering the resulting impact on the impairment assessments and whether there were any indicators of management bias in the selection of assumptions.
- 通過將上個財政年度末對收入及經營成本的預測與本年實際經營結果進行對比，對管理層在過去所做使用價值計算的準確性進行評價，並調查造成預測及實際結果之間任何重大差額的原因；
- 對折現率及未來收入進行敏感度分析，並考慮其對減值評估產生的影響，以及選擇假設是否存在任何管理偏見的跡象。

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

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

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

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對此發表任何形式的鑒證結論。

Independent Auditor's Report 獨立核數師報告

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為此其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

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

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

審核委員會協助董事履行監督貴集團的財務報告過程的責任。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。此報告僅為整體股東編製，除此之外，不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合

Independent Auditor's Report 獨立核數師報告

reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

財務報表使用者依賴此等財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露，或假若有關的披露不足，則我們應當修改意見。我們的結論是基於截至核數師報告日止所取得的審計憑證作出。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。

Independent Auditor's Report 獨立核數師報告

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Li Shiu Chung.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

26 March 2019

- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

從與審核委員會溝通的事項中，我們確定對本期綜合財務報表的審計最為重要的該等事項，因而構成關鍵審計事項。我們在核數師報告中描述此等事項，除非法律或法規不允許公開披露此等事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是李兆聰。

畢馬威會計師事務所

執業會計師
香港中環
遮打道十號
太子大廈八樓

二零一九年三月二十六日

CONSOLIDATED INCOME STATEMENT

綜合損益表

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

			2018 二零一八年	2017 二零一七年 (Restated) (經重列)
			\$'000 千元	\$'000 千元
			Note 附註	
Continuing operations:	持續經營業務：			
Revenue	收入	3	141,556	110,712
Direct costs and operating expenses	直接成本及經營費用		(107,964)	(100,402)
			33,592	10,310
Other income	其他收益	4	7,602	4,328
Administrative expenses	行政費用		(52,724)	(41,527)
Impairment losses	減值虧損	5(c)	(38,353)	—
Loss from operations	經營虧損		(49,883)	(26,889)
Finance costs	財務成本	5(a)	(39,633)	(41,409)
Loss before taxation	除稅前虧損	5	(89,516)	(68,298)
Income tax	所得稅	6(a)	(9,099)	—
Loss for the year from continuing operations	持續經營業務 年內虧損		(98,615)	(68,298)
Discontinued operations:	終止經營業務：			
Profit for the year from discontinued operations	終止經營業務 年內溢利	27	35,164	70,892
(Loss)/profit for the year	年內(虧損)/溢利		(63,451)	2,594

Consolidated Income Statement
綜合損益表

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

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
		Note 附註	
Attributable to:	應佔：		
Equity shareholders of the Company	本公司股東		
— continuing operations	— 持續經營業務	(94,757)	(64,866)
— discontinued operations	— 終止經營業務	32,351	65,221
		(62,406)	355
Non-controlling interests	非控股權益		
— continuing operations	— 持續經營業務	(3,858)	(3,432)
— discontinued operations	— 終止經營業務	2,813	5,671
		(1,045)	2,239
(Loss)/profit for the year	年內(虧損)/溢利	(63,451)	2,594
Basic and diluted (losses)/ earnings per share	每股基本及攤薄(虧損) /盈利	9	
— continuing operations	— 持續經營業務	(2.54 cents 仙)	(1.74 cents 仙)
— discontinued operations	— 終止經營業務	0.87 cents 仙)	1.75 cents 仙)
		(1.67 cents 仙)	0.01 cents 仙)

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

附註：本集團已於二零一八年一月一日初步應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料並未重列。見附註1(c)。

The notes on pages 86 to 199 form part of these financial statements.

載於第86頁至199頁之附註為組成此等財務報表之一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		2018 二零一八年	2017 二零一七年 (Note) (附註) (Restated) (經重列)
		\$'000 千元	\$'000 千元
	Note 附註		
(Loss)/profit for the year	年內(虧損)/溢利	(63,451)	2,594
Other comprehensive income for the year:	年內其他全面收益：		
Item that may be reclassified subsequently to consolidated income statement:	其後可能重新分類至綜合損益表的項目：		
Exchange differences on translation of financial statements of subsidiaries	換算附屬公司財務報表之匯兌差額		
— continuing operations	— 持續經營業務	(25,467)	(27,243)
— discontinued operations	— 終止經營業務	14,196	39,546
Total comprehensive income for the year	年內全面收益總額	(74,722)	14,897
Attributable to:	應佔：		
Equity shareholders of the Company	本公司股東		
— continuing operations	— 持續經營業務	(118,247)	(90,131)
— discontinued operations	— 終止經營業務	45,411	101,603
		(72,836)	11,472
Non-controlling interests	非控股權益		
— continuing operations	— 持續經營業務	(5,835)	(5,410)
— discontinued operations	— 終止經營業務	3,949	8,835
		(1,886)	3,425
Total comprehensive income for the year	年內全面收益總額	(74,722)	14,897

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

附註：本集團已於二零一八年一月一日初步應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料並未重列。見附註1(c)。

The notes on pages 86 to 199 form part of these financial statements.

載於第86頁至199頁之附註為組成此等財務報表之一部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

at 31 December 2018 於二零一八年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

		2018 二零一八年	2017 二零一七年 (Note) (附註)
		\$'000 千元	\$'000 千元
	Note 附註		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	606,718	925,065
Interests in land held for own use under operating leases	根據經營租賃持作自用 之土地權益	177,803	230,673
Prepayments	預付款項	704	9,941
Intangible assets	無形資產	1,565	1,743
Deferred tax assets	遞延稅項資產	—	2,916
		786,790	1,170,338
Current assets	流動資產		
Interests in land held for own use under operating leases	根據經營租賃持作自用 之土地權益	4,741	6,743
Consumable parts	消耗品	8,284	11,083
Trade and other receivables	貿易及其他應收款項	24,907	85,908
Cash and cash equivalents	現金及現金等值項目	881,071	41,161
		919,003	144,895
Assets classified as held for sale	分類為持作出售之資產	248,967	—
		1,167,970	144,895
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及計提 費用		
— Consideration received from disposal of a subsidiary	— 出售一間附屬公司 所收代價	890,206	—
— Other creditors and accruals	— 其他應付賬款及 計提費用	51,100	54,777
Bank loans and other borrowings	銀行貸款及其他借貸	90,162	64,601
Current taxation	即期稅項	9,096	—
Amounts due to related parties	應付關連方款項	205,835	—
		1,246,399	119,378
Net current (liabilities)/assets	流動(負債)/資產 淨值	(78,429)	25,517
Total assets less current liabilities	總資產減流動負債	708,361	1,195,855

Consolidated Balance Sheet
綜合資產負債表

at 31 December 2018 於二零一八年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

			2018 二零一八年	2017 二零一七年 (Note) (附註)
		Note 附註	\$'000 千元	\$'000 千元
Non-current liabilities	非流動負債			
Bank loans and other borrowings	銀行貸款及其他借貸	17	789,772	922,363
Amounts due to related parties	應付關聯方之款項	19	—	265,094
Deferred tax liabilities	遞延稅項負債	18(b)	2,971	—
			792,743	1,187,457
NET (LIABILITIES)/ASSETS	(負債)／資產淨值		(84,382)	8,398
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	22(b)	373,264	373,264
Reserves	儲備		(450,056)	(384,020)
Total deficit attributable to equity shareholders of the Company	本公司股東應佔總虧絀		(76,792)	(10,756)
Non-controlling interests	非控股權益		(7,590)	19,154
TOTAL (DEFICIT)/EQUITY	總(虧絀)／權益		(84,382)	8,398

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

於二零一九年三月二十六日獲董事會批准及授權刊發。

Yang Dong
楊冬
Director
董事

Zhang Lei
張雷
Director
董事

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

附註：本集團已於二零一八年一月一日初步應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料並未重列。見附註1(c)。

The notes on pages 86 to 199 form part of these financial statements.

載於第86頁至199頁之附註為組成此等財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity shareholders of the Company 本公司股東應佔權益									
		Share capital	Share premium	Special reserve	Translation reserve	Statutory reserve	Share-based compensation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
		(Note 21)									
		(附註21)									
Balance at 1 January 2017	於二零一七年一月一日之結餘	373,264	710,477	(251,428)	88,819	31,947	—	(975,307)	(22,228)	15,729	(6,499)
Changes in equity for 2017:	二零一七年權益變動:										
Profit for the year	年內溢利	—	—	—	—	—	—	355	355	2,239	2,594
Other comprehensive income	其他全面收益	—	—	—	11,117	—	—	—	11,117	1,186	12,303
Total comprehensive income	全面收益總額	—	—	—	11,117	—	—	355	11,472	3,425	14,897
Balance at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日之結餘	373,264	710,477	(251,428)	99,936	31,947	—	(974,952)	(10,756)	19,154	8,398
Changes in equity for 2018:	二零一八年權益變動:										
Loss for the year	年內虧損	—	—	—	—	—	—	(62,406)	(62,406)	(1,045)	(63,451)
Other comprehensive income	其他全面收益	—	—	—	(10,430)	—	—	—	(10,430)	(841)	(11,271)
Total comprehensive income	全面收益總額	—	—	—	(10,430)	—	—	(62,406)	(72,836)	(1,886)	(74,722)
Dividend paid to non-controlling interests in respect of prior years	就過往年度已付非控股權益的股息	—	—	—	—	—	—	—	—	(24,858)	(24,858)
Equity settled share-based transaction	以權益結算之股份交易	—	—	—	—	—	6,800	—	6,800	—	6,800
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	373,264	710,477	(251,428)	89,506	31,947	6,800	(1,037,358)	(76,792)	(7,590)	(84,382)

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

附註：於二零一八年一月一日本集團已首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，不予重列比較資料。參見附註1(c)。

The notes on pages 86 to 199 form part of these financial statements.

載於第86頁至199頁之附註為組成此等財務報表之一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

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

			2018 二零一八年	2017 二零一七年 (Note) (附註)
			\$'000 千元	\$'000 千元
		Note 附註		
Operating activities	營業活動			
Cash generated from operations	經營業務所得現金	15(b)	155,610	133,330
Net cash generated from operating activities	營業活動所得現金淨額		155,610	133,330
Investing activities	投資活動			
Consideration received from disposal of a subsidiary	出售一間附屬公司之已收代價	16	890,206	—
Payment for the purchase of property, plant and equipment	購入物業、廠房及設備之支出		(13,850)	(6,496)
Proceeds received from the disposal of property, plant and equipment	出售物業、廠房及設備之已收所得款項		3,165	—
Prepayments for acquisition of property, plant and equipment	購入物業、廠房及設備之預付款項		—	(1,885)
Interest received	已收利息		1,453	249
Net cash generated from/(used in) investing activities	投資活動所得/(所用)現金淨額		880,974	(8,132)
Financing activities	融資活動			
Interest paid	已付利息	15(c)	(45,940)	(47,526)
Advances from a related party	關聯方墊支款項	15(c)	30,465	19,132
Repayment to a related party	償還關聯方款項	15(c)	(88,927)	(19,606)
Repayment of bank loans	償還銀行貸款	15(c)	(61,656)	(59,973)
Dividend paid to non-controlling interests	已付非控股權益的股息		(24,858)	—
Net cash used in financing activities	融資活動所用現金淨額		(190,916)	(107,973)

Consolidated Cash Flow Statement 綜合現金流量表

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

		2018 二零一八年	2017 二零一七年 (Note) (附註)
		\$'000 千元	\$'000 千元
		Note 附註	
Net increase in cash and cash equivalents	現金及現金等值項目 增加淨額	845,668	17,225
Cash and cash equivalents at 1 January	於一月一日之現金及 現金等值項目	41,161	22,235
Effect of foreign exchange rate changes	外匯匯率 變動之影響	(5,758)	1,701
Cash and cash equivalents at 31 December	於十二月三十一日之 現金及現金等值項目	881,071	41,161
		15(a)	

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

附註：本集團已於二零一八年一月一日初步應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料並未重列。見附註1(c)。

The notes on pages 86 to 199 form part of these financial statements.

載於第86頁至199頁之附註為組成此等財務報表之一部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2018 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell (see note 1(u)).

1 重大會計政策

(a) 合規聲明

此等財務報表乃根據所有適用之《香港財務報告準則》(「香港財務報告準則」)編製。此統稱詞彙包括香港會計師公會(「香港會計師公會」)頒佈之所有適用之個別《香港財務報告準則》、《香港會計準則》(「香港會計準則」)及詮釋、香港公認會計原則及《香港公司條例》之披露規定。此等綜合財務報表亦符合香港聯合交易所有限公司證券上市規則(「上市規則」)適用之披露規定。本集團採用之重大會計政策披露如下。

香港會計師公會已頒佈若干新訂及經修訂之《香港財務報告準則》，於本集團之當前會計期間首次生效或可供提前採納。附註1(c)提供因初次採用該等新訂及經修訂之準則(與本集團於反映於此等財務報表之本會計期間及前會計期間相關)所引致之任何會計政策變動之資料。

(b) 財務報表之編製基準

截至二零一八年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司之賬目。

編製財務報表所採用之計算基準為歷史成本基準。

非流動資產及持作出售之出售組別按賬面值與公允值減出售成本的較低者列示(見附註1(u))。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

The Group incurred a loss attributable to the owners of the Company of approximately \$63.5 million during the year ended 31 December 2018, and as of that date, the Group's current liabilities exceeded its current assets by approximately \$78.4 million and the Group's total liabilities exceeded its total assets by approximately \$84.4 million.

As part of its going concern assessment, the Group has carried out a review of its cash flow forecast. The Group has been financed by a high level of borrowings and amounts due to related parties. As at 31 December 2018, the Group's total bank loans and other borrowings and amounts due to related parties totaling \$1,085,769,000, of which \$295,997,000 are due within one year and the Group is committed to incur finance cost of \$41,411,000 for these borrowings within one year.

To improve the Group's liquidity, as disclosed in note 27, on 22 August 2018, the Company and a third party signed a conditional sale and purchase agreement ("the Sale and Purchase Agreement") in which 100% equity interest of Guangdong (Panyu) Petrochemical Storage & Transportation Ltd. ("GD (Panyu)"), with 92% held by the Group, 7% held by Good Ocean Enterprises Limited and 1% held by Guangdong Lian Ying Petro Chemicals Company Limited, together ("the Sellers"), was conditionally agreed to be sold to a third party ("the Purchaser") namely Guangzhou Gas Group Company Limited ("the Transaction") at a total consideration of RMB1.56 billion (equivalent to \$1.78 billion). Pursuant to the Sale and Purchase Agreement, the total consideration is to be settled by installments.

1 重大會計政策(續)

(b) 財務報表之編製基準(續)

本集團於截至二零一八年十二月三十一日止年度產生本公司擁有人應佔虧損約6,350萬元，且截至該日，本集團的流動負債超過其流動資產約7,840萬元，而本集團總負債超過其總資產約8,440萬元。

作為對持續經營能力評估的一部分，本集團執行了對現金流量預測的檢閱。本集團通過高額銀行貸款及關聯方借款進行融資。於二零一八年十二月三十一日，本集團銀行貸款總額及其他借款以及應付關聯方款項合計1,085,769,000元，其中295,997,000元於一年內到期，且貴集團將於一年內承擔該等借款所產生的41,411,000元財務成本。

為改善本集團流動資金，誠如附註27所披露，本公司於二零一八年八月二十二日與一名第三方簽署一份有條件買賣協議(「買賣協議」)，其中粵海(番禺)石油化工儲運開發有限公司(「粵海(番禺)」)的100%股權分別由本集團、海洋企業有限公司及廣東聯盈石油化工有限公司(統稱「賣方」)持有92%、7%及1%股權，而賣方有條件同意出售予第三方(「買方」)，即廣州燃氣集團有限公司(「交易事項」)，總代價為人民幣15.6億元(相當於17.8億元)。根據買賣協議，總代價將分期結算。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(b) Basis of preparation of the financial statements (continued)**

The completion of the Transaction is subject to satisfaction of the conditions precedent and closing conditions within the time limit as stated in the Sale and Purchase Agreement. As at 31 December 2018, only some of the conditions have been fulfilled and the Group has received part of the consideration of RMB0.78 billion (see note 16). If all of these conditions are fully fulfilled and upon satisfaction (or waiver) of the closing conditions within the time limit as specified in the Sale and Purchase Agreement, the Group will receive the remaining consideration of RMB0.78 billion (equivalent to \$0.89 billion).

After the completion of the Transaction, the Group intends to use the proceeds to repay certain outstanding bank borrowings and expand the operations of the business remaining in the Group.

While the Purchaser and the Sellers continue to work together to fulfil the conditions, there is no guarantee that all the conditions precedent and the closing conditions will be satisfied as scheduled. In particular, some conditions require approval of relevant authorities and cooperation of other parties. In addition, the Purchaser has the right to terminate the Transaction under certain circumstances as specified in the Sale and Purchase Agreement. The cash flow consequences of the Transaction being terminated would be as follows:

- (i) If the Transaction is terminated by the Purchaser, the Group would be entitled to default payment of \$356,082,000. However, the Group may have to first return the consideration received of \$890,206,000 in full to the Purchaser and therefore, the timing of receiving the compensation in the event of default is uncertain.
- (ii) If the Transaction is terminated because of reasons other than termination by the Purchaser, the Group will need to return the consideration received of \$890,206,000 and may be liable to an additional default payment of \$356,082,000.

1 重大會計政策(續)**(b) 財務報表之編製基準(續)**

交易事項完成須待先決條件及完成條件在買賣協議所述有限時間內達成。於二零一八年十二月三十一日，部分條件已獲達成，且本集團已收取部分代價人民幣7.8億元(見附註16)。倘所有該等條件已悉數達成且於買賣協議所訂明有限時間內達成(或豁免)完成條件後，本集團將收取餘下代價人民幣7.8億元(相當於8.9億元)。

於完成交易事項後，本集團計劃使用所得款項以償還若干未償還銀行貸款並擴大本集團仍在運營的業務。

雖買方與賣方繼續共同努力以達成條件，但無法保證所有先決條件及完成條件均按計劃達成。特別是，若干條件需要有關當局的批准及其他方的合作方可達成。另外，買方有權根據買賣協議載述的若干情況終止交易。交易終止的現金流結果將會如下：

- (i) 若因買方原因違約終止交易，本集團將獲得違約金356,082,000元。然而，本集團可能須先悉數退還已收取的代價890,206,000元予買方，因此於違約情況下收取彌償款項的時間並不明確。
- (ii) 若因賣方原因違約終止交易，則本集團將須返還已收取的代價890,206,000元，且可能承擔額外違約金356,082,000元。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

In addition, the Group expects to incur non-operating cash outflows of \$337,408,000 within one year, being (i) repayment of the amounts due to related parties of \$205,835,000; (ii) repayment of bank loans of \$30,815,000 in June 2019 and \$59,347,000 in December 2019; and (iii) payment of interest of \$41,411,000.

The Group will be unable to return the consideration received and repay these amounts in full when they fall due unless it is able to generate sufficient net cash inflows from its operations and/or other sources, since the Group only had cash and cash equivalents of \$881,071,000 as at 31 December 2018.

These facts and circumstances indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Assuming the completion of the Transaction and based on the directors' intentions and the cash flow forecast mentioned above, the directors are of the opinion that it is appropriate to prepare the Group's financial statements for the year ended 31 December 2018 on a going concern basis. If the transaction is terminated and the Group is not able to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in these financial statements.

1 重大會計政策(續)

(b) 財務報表之編製基準(續)

此外，本集團預期於一年內產生非經營現金外流337,408,000元，即(i)償還應付關聯方款項205,835,000元；(ii)於二零一九年六月及二零一九十二月分別償還銀行貸款30,815,000元及59,347,000元；及(iii)支付利息41,411,000元。

本集團將無法退還已收取的代價及悉數償還該等到期時的款項，除非其能夠自經營及／或其他來源中產生足夠的現金流入淨額，原因是於二零一八年十二月三十一日本集團僅持有現金及現金等值項目881,071,000元。

該等事實及情況顯示有重大不明朗因素可能導致本集團的持續經營能力存在重大疑問，因此其可能無法在正常業務過程中變現其資產及清償其負債。

假設交易完成並基於上述董事意願及現金流預測，董事認為按持續經營基準編製本集團截至二零一八年十二月三十一日止年度之財務報表實屬合適。倘交易終止且本集團無法繼續按持續經營基準經營，則須作出調整，以撇減資產價值至其可收回金額並就可能產生之其他負債撥備，以及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整之影響並未於該等財務報表反映。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

(c) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- (i) HKFRS 9, *Financial instruments*
- (ii) HKFRS 15, *Revenue from contracts with customers*
- (iii) HK(IFRIC) 22, *Foreign currency transactions and advance consideration*

1 重大會計政策(續)

(b) 財務報表之編製基準(續)

為編製符合《香港財務報告準則》之財務報表，管理層需要就可影響政策應用以及資產、負債、收入及開支之呈報金額作出判斷、估計及假設。有關估計及相關假設乃根據過往經驗，以及多項在有關情況下相信屬合理之其他因素而作出，有關結果構成對未能在其他資料來源顯示之資產及負債之賬面值作出判斷之基礎。實際結果可能與有關估計有所不同。

本公司持續對估計及相關假設進行檢討。如果會計估計之更改僅影響該期間，則有關影響在估計變更期間確認，或如果有關更改影響本期間及未來期間，則有關影響於更改期間及未來期間確認。

附註2論述管理層在應用對財務報表有重大影響的《香港財務報告準則》時所作的判斷及估計的不確定性的主要來源。

(c) 會計政策變動

香港會計師公會已頒佈多項新訂《香港財務報告準則》及《香港財務報告準則》的修訂，並於本集團的本會計期間首次生效。其中與本集團財務報表相關的發展如下：

- (i) 《香港財務報告準則》第9號，*金融工具*
- (ii) 《香港財務報告準則》第15號，*來自客戶合約的收入*
- (iii) 香港(國際財務報告詮釋委員會)第22號，*外幣交易及預付代價*

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period, except for the amendments to HKFRS 9, *Prepayment features with negative compensation* which have been adopted at the same time as HKFRS 9.

(i) HKFRS 9, *Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation*

HKFRS 9 replaces HKAS 39, *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 January 2018 in accordance with the transition requirements.

There is no impact of transition to HKFRS 9 on the Group's accumulated losses and reserves at 1 January 2018.

1 重大會計政策(續)

(c) 會計政策變動(續)

本集團並無採用任何本會計期間尚未生效之新訂準則或詮釋，惟《香港財務報告準則》第9號修訂本具有反向補償的預付款特徵(已於採納《香港財務報告準則》第9號的同時採納)除外。

(i) 《香港財務報告準則》第9號，金融工具(包括《香港財務報告準則》第9號修訂本，具有反向補償的預付款特徵)

《香港財務報告準則》第9號取代《香港會計準則》第39號，金融工具：確認及計量，載列確認及計量金融資產、金融負債及若干買賣非金融項目合約的規定。

本集團已根據過渡規定追溯應用《香港財務報告準則》第9號於二零一八年一月一日存在的項目。

向《香港財務報告準則》第9號過渡對二零一八年一月一日本集團的累計虧損及儲備並無影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Changes in accounting policies (continued)****(i) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (continued)**

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

- a. Classification of financial assets and financial liabilities
HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL). These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics. Under HKFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated from the host. Instead, the hybrid instrument as a whole is assessed for classification.

1 重大會計政策(續)**(c) 會計政策變動(續)****(i) 《香港財務報告準則》第9號，金融工具(包括《香港財務報告準則》第9號修訂本，具有反向補償的預付款特徵)(續)**

有關先前會計政策變動的性質及影響的進一步詳情以及過渡方法載列如下：

- a. 金融資產及金融負債的分類
《香港財務報告準則》第9號將金融資產分類為三個主要類別：按攤銷成本、按公允值計入其他全面收益及按公允值計入損益計量，取代《香港會計準則》第39號持有至到期投資、貸款及應收款項、可供出售金融資產及按公允值計入損益計量的金融資產的分類。《香港財務報告準則》第9號金融資產的分類乃基於管理金融資產的業務模式及其合約現金流量特徵而定。根據《香港財務報告準則》第9號，合約內嵌衍生工具(倘主體為該準則範圍內的金融資產)不與主體分開處理。相反，混合工具將按整體作分類評估。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(i) HKFRS 9, *Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation* (continued)

- a. Classification of financial assets and financial liabilities (continued)
The measurement categories for all financial assets and financial liabilities remain the same in accordance with HKFRS 9.

The carrying amounts for all financial assets and financial liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

The Group did not designate or de-designate any financial asset or financial liability at FVPL at 1 January 2018.

- b. Credit losses
HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the “expected credit loss” (ECL) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

1 重大會計政策(續)

(c) 會計政策變動(續)

(i) 《香港財務報告準則》第9號，金融工具(包括《香港財務報告準則》第9號修訂本，具有反向補償的預付款特徵)(續)

- a. 金融資產及金融負債的分類(續)
根據《香港財務報告準則》第9號，所有金融資產及金融負債的計量類別維持不變。

於二零一八年一月一日的所有金融資產及金融負債的賬面值並無受首次應用《香港財務報告準則》第9號的影響。

本集團並無指定任何金融資產或金融負債於二零一八年一月一日以按公允值計入損益計量或撤銷有關指定。

- b. 信貸虧損
《香港財務報告準則》第9號以「預期信貸虧損」(預期信貸虧損)模式取代《香港會計準則》第39號的「已產生虧損」模式。預期信貸虧損模式要求持續計量金融資產相關的信貸風險，因此確認預期信貸虧損的時間較根據《香港會計準則》第39號之「已產生虧損」會計模式確認之時間為早。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Changes in accounting policies (continued)****(i) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (continued)**

- b. Credit losses (continued)
The Group applies the new ECL model to financial assets measured at amortised cost (including cash and cash equivalents, and trade and other receivables) and lease receivables.

For further details on the Group's accounting policy for accounting for credit losses, see note 1(h)(i).

The Group has concluded that there would be no material impact for the initial application of the new impairment requirements.

1 重大會計政策(續)**(c) 會計政策變動(續)****(i) 《香港財務報告準則》第9號，金融工具(包括《香港財務報告準則》第9號修訂本，具有反向補償的預付款特徵)(續)**

- b. 信貸虧損(續)
本集團將新預期信貸虧損模式應用於按攤銷成本計量的金融資產(包括現金及現金等值項目以及貿易及其他應收款項)及應收租金。

有關本集團信貸虧損會計政策的進一步詳情，請參閱附註1(h)(i)。

本集團認為首次應用新減值規定將不會產生重大影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(i) HKFRS 9, *Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation* (continued)

c. Transition

Changes in accounting policies resulting from the adoption of HKFRS 9 have been applied retrospectively, except as described below:

- Information relating to comparative periods has not been restated. Differences in the carrying amounts of financial assets resulting from the adoption of HKFRS 9 are recognised in accumulated losses and reserves as at 1 January 2018. Accordingly, the information presented for 2017 continues to be reported under HKAS 39 and thus may not be comparable with the current period.

1 重大會計政策(續)

(c) 會計政策變動(續)

(i) 《香港財務報告準則》第9號，金融工具(包括《香港財務報告準則》第9號修訂本，具有反向補償的預付款特徵) (續)

c. 過渡

採納《香港財務報告準則》第9號導致的會計政策變動已被追溯應用，惟下列所述者除外：

- 比較期間的相關資料沒有重列。因採納《香港財務報告準則》第9號產生的金融資產賬面值差額乃於二零一八年一月一日的累計虧損及儲備內確認。因此，繼續根據《香港會計準則》第39號呈列二零一七年的資料，故可能與本期間的資料不可比較。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(i) HKFRS 9, *Financial instruments*, including the amendments to HKFRS 9, *Prepayment features with negative compensation* (continued)

c. Transition (continued)

— The determination of the business model within which a financial asset is held has been made on the basis of the facts and circumstances that existed at 1 January 2018 (the date of initial application of HKFRS 9 by the Group).

— If, at the date of initial application, the assessment of whether there has been a significant increase in credit risk since initial recognition would have involved undue cost or effort, a lifetime ECL has been recognised for that financial instrument.

(ii) HKFRS 15, *Revenue from contracts with customers*

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue*, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specified the accounting for construction contracts.

1 重大會計政策(續)

(c) 會計政策變動(續)

(i) 《香港財務報告準則》第9號，*金融工具* (包括《香港財務報告準則》第9號修訂本，具有反向補償的預付款特徵) (續)

c. 過渡(續)

— 確認所持有金融資產的業務模式是根據二零一八年一月一日(本集團首次應用《香港財務報告準則》第9號之日)存在的事實和情況作出評估。

— 倘於初步應用日期評估信貸風險自初步確認以來有否大幅上升將涉及不必要的成本或努力，則就該金融工具確認全期的預期信貸虧損。

(ii) 《香港財務報告準則》第15號，*來自客戶合約收入*

《香港財務報告準則》第15號建立了確認來自客戶合約收入及若干成本的全面框架。《香港財務報告準則》第15號取代《香港會計準則》第18號，*收入* (包括銷售貨物及提供服務所產生的收入) 及《香港會計準則》第11號，*建造合約* (訂明建造合約的會計處理方法)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(ii) HKFRS 15, Revenue from contracts with customers (continued)

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 11 and 18. As allowed by HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 January 2018 (if any).

There is no impact of transition to HKFRS 15 on accumulated losses at 1 January 2018.

1 重大會計政策(續)

(c) 會計政策變動(續)

(ii) 《香港財務報告準則》第15號，來自客戶合約收入(續)

《香港財務報告準則》第15號亦引入額外的定性及定量披露規定，旨在讓財務報表使用者了解與客戶合約產生的收入及現金流量的性質、金額、時間及不確定性。

本集團已選擇使用累積效應過渡法，並確認首次應用的累積效應作為對二零一八年一月一日權益期初結餘之調整。因此，可比較資料並無重列及繼續根據《香港會計準則》第11號及《香港會計準則》第18號予以呈報。在《香港財務報告準則》第15號許可範圍內，本集團僅對在二零一八年一月一日之前未完成的合約採用新規定(如有)。

向《香港財務報告準則》第15號過渡對二零一八年一月一日的累計虧損並無影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Changes in accounting policies (continued)****(ii) HKFRS 15, Revenue from contracts with customers (continued)**

Further details of the nature and effect of the changes on previous accounting policies are set out below:

- a. Timing of revenue recognition
Previously, revenue arising from rental income was recognised over the accounting periods covered by the lease term and port income is recognised upon performance of the services.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

- A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

1 重大會計政策(續)**(c) 會計政策變動(續)****(ii) 《香港財務報告準則》第15號，來自客戶合約收入(續)**

有關過往會計政策變動的性質及影響的進一步詳情載列如下：

- a. 收入確認之時間
此前，自租金收入產生之收入於租約期間內之會計期間確認，而碼頭收入則於履行服務時確認。

根據《香港財務報告準則》第15號，收入於客戶獲得合約之承諾貨物或服務之控制權時確認。此可為單個時間點或一段時間。《香港財務報告準則》第15號確定了以下對承諾貨物或服務之控制被視為隨時間轉移之三種情況：

- A. 當客戶於實體履約時同時接受及使用實體履約所提供之利益時；
- B. 當實體履約創造或增強一項於資產被創造或增強時由客戶控制之資產(如半成品)時；

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(ii) HKFRS 15, Revenue from contracts with customers (continued)

- a. Timing of revenue recognition (continued)
- C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue from rental income and port income (see note 1(r)(i) and (ii)) and this change in accounting policy has no material impact on opening balances as at 1 January 2018.

1 重大會計政策(續)

(c) 會計政策變動(續)

(ii) 《香港財務報告準則》第15號，來自客戶合約收入(續)

- a. 收入確認之時間(續)
- C. 當實體之履約並無創造對實體而言具替代用途之資產，且該實體對迄今完成之履約付款具有可執行權利時。

倘合約條款及實體活動並不屬於任何該等三種情況，則根據《香港財務報告準則》第15號，實體於某一指定時間點(即控制權轉移時)就銷售貨物或服務確認收入。所有權風險及回報之轉移僅為釐定控制權轉移發生時考慮的其中一項指標。

採納《香港財務報告準則》第15號不會對本集團將租金收入及港口收入(見附註1(r)(i)及(ii))確認作收入時產生重大影響，且此項會計政策變動不會對二零一八年一月一日之期初結餘產生重大影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Changes in accounting policies (continued)****(ii) HKFRS 15, Revenue from contracts with customers (continued)**

- b. Significant financing component
HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance of revenue recognition or significantly deferred.

Previously, the Group only applied such a policy when payments were significantly deferred, which was not common in the Group's arrangements with its customers. The Group did not apply such a policy when payments were received in advance.

It is not common for the Group to receive payments significantly in advance of revenue recognition in the Group's arrangements with its customers.

The adoption of HKFRS 15 does not have a significant impact when the Group recognises financing component from rental income and port income and this change in accounting policy had no material impact on opening balances as at 1 January 2018.

1 重大會計政策(續)**(c) 會計政策變動(續)****(ii) 《香港財務報告準則》第15號，來自客戶合約收入(續)**

- b. 重大融資部分
《香港財務報告準則》第15號要求實體於合約包含重大融資部分時就貨幣時間價值調整交易價格，而不管來自客戶之付款將大部分於收入確認前收取或有重大遞延。

此前，本集團僅於付款有重大遞延方會採用此政策，而此於本集團及其客戶之間的安排不常見。本集團於預收付款時不會採納此政策。

在本集團與其客戶間的安排中，本集團收取付款較收入確認大幅提前並不常見。

採納《香港財務報告準則》第15號不會於本集團確認租金收入及港口收入所得融資部分時產生重大影響，且此項會計政策變動不會對二零一八年一月一日之期初結餘產生重大影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(ii) HKFRS 15, Revenue from contracts with customers (continued)

c. Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before being unconditionally entitled to the consideration for the promised services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

These changes in presentation have no impact on the Group's assets and liabilities as at 1 January 2018 and 31 December 2018 as a result of the adoption of HKFRS 15.

1 重大會計政策(續)

(c) 會計政策變動(續)

(ii) 《香港財務報告準則》第15號，來自客戶合約收入(續)

c. 呈列合同資產及負債

根據《香港財務報告準則》第15號，只有當本集團有權無條件收取代價款時，才會確認應收款項。如本集團在獲得無條件收取合同中提供承諾的服務的代價款的權利之前確認相關收入，該權利分類為合同資產。同樣，合同負債在本集團確認相關收入前當客戶支付代價或合同規定須支付代價且金額已支付時確認。對於單一客戶合同，將呈列合同資產淨值或合同負債淨額。對於多個合同，不相關合同的合同資產及合同負債不會按淨額基準呈列。

由於採納《香港財務報告準則》第15號，該等呈列的變動對本集團二零一八年一月一日及二零一八年十二月三十一日的資產及負債並無產生影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Changes in accounting policies (continued)****(iii) HK(IFRIC) 22, Foreign currency transactions and advance consideration**

This interpretation provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

The Interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way. The adoption of HK(IFRIC) 22 does not have any material impact on the financial position and financial results of the Group.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

1 重大會計政策(續)**(c) 會計政策變動(續)****(iii) 香港(國際財務報告詮釋委員會)第22號，外幣交易及預付代價**

該詮釋就釐定「交易日期」提供指引，旨在釐定於初步確認因實體收取或支付的外幣預付代價交易而產生的有關資產、開支或收入(或其中部分)所使用的匯率。

該詮釋澄清「交易日期」為初步確認因支付或收取預付代價而產生的非貨幣性資產或負債之日。倘確認有關項目前存在多筆付款或收款，應按該方式釐定每筆付款或收款的交易日期。採納香港(國際財務報告詮釋委員會)第22號對本集團財務狀況及財務業績並無產生任何重大影響。

(d) 附屬公司及非控股權益

附屬公司乃受本集團控制之實體。當本集團承受或享有參與實體所得的可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。於評估本集團是否擁有權力時，僅會考慮其實質權利(由本集團及其他方持有)。

於附屬公司之投資從擁有控制權日起被合併入綜合財務報表，直至該控制權終止時為止。集團內部往來之結餘、交易及現金流量以及集團內部交易所產生之任何未變現溢利，均在編製綜合財務報表時全數抵銷。在無證據顯示出現減值之情況下，集團內部交易所產生之未變現虧損，會按與未變現收益相同之方法抵銷。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and non-controlling interests (continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Non controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated balance sheet in accordance with notes 1(m) or (p) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

1 重大會計政策(續)

(d) 附屬公司及非控股權益(續)

非控股權益指並非由本公司直接或間接應佔之附屬公司股權，就此而言，本集團並無與該等權益之持有人協定任何額外條款，以致本集團整體上對該等權益產生符合財務負債的定義的合約責任。就各業務合併而言，本集團可選擇按公允值或彼等於附屬公司可辨認資產淨值的持股比例計量任何非控股權益。

非控股權益在綜合資產負債表之權益項目中與本公司股東應佔權益分開列示。本集團業績之非控股權益在綜合損益表及綜合全面收益表呈列以顯示本年度之溢利或虧損總額和全面收益總額於非控股權益與本公司股東之間之分配。來自非控股權益持有人的貸款及該等持有人的其他合約性責任，視乎負債性質根據附註1(m)或(p)於綜合資產負債表呈列為財務負債。

本集團就並無導致失去附屬公司控制權的變動按權益交易入賬，並對綜合權益中控股及非控股權益的數額作出調整，以表明相關權益變動，但並未對商譽作出調整，且並未確認收益或虧損。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(d) Subsidiaries and non-controlling interests (continued)**

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 1(h)).

(e) Property, plant and equipment

- (i) Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(h)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 1(t)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

1 重大會計政策(續)**(d) 附屬公司及非控股權益(續)**

當本集團失去對附屬公司之控制權時，入賬為出售於該附屬公司之所有權益，且所得收益或虧損於損益表內確認。於控制權喪失日於該前附屬公司保留的任何權益均按公允值予以確認，且該數額被視為金融資產初步確認之公允值或(倘適用)於聯營公司或合營企業之投資初步確認之成本。

於本公司之資產負債表內，於附屬公司之投資按成本減去減值虧損列賬(見附註1(h))。

(e) 物業、廠房及設備

- (i) 物業、廠房及設備按成本減累計折舊及減值虧損列賬(見附註1(h))。

自建物業、廠房及設備項目的成本包括物料成本、直接勞工成本，以及拆卸及搬遷項目及恢復項目所在地原貌之成本之初步估計(倘有關)和適當比例之生產經常費用及借貸成本(見附註1(t))。

報廢或出售物業、廠房及設備項目所產生之損益是以有關項目之出售所得款項淨額與賬面值之間之差額釐定，並在報廢或出售當日在損益賬內確認。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment (continued)

(i) (continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their residual value, if any, using the straight-line method over their estimated useful lives as follows:

— Buildings	30 years
— Dock and storage facilities	5–30 years
— Office equipment	5–10 years
— Motor vehicles	5–10 years
— Leasehold improvements	Over the term of the lease

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

- (ii) Construction in progress represents oil and gas station under construction and pending installation, and is stated at cost less impairment losses (see note 1(h)). Cost comprises direct costs of construction as well as interest charges, and foreign exchange differences on related borrowed funds to the extent that they are regarded as an adjustment to interest charges, during the periods of construction.

Construction in progress is transferred to property, plant and equipment when the asset is ready for its intended use. No depreciation is provided in respect of construction in progress.

1 重大會計政策(續)

(e) 物業、廠房及設備(續)

(i) (續)

物業、廠房及設備項目成本之折舊乃按下列估計可使用年期，在扣除其殘值(若有)後，以直線法計算：

— 樓宇	30年
— 碼頭及貯存設施	5–30年
— 辦公室設備	5–10年
— 汽車	5–10年
— 租賃物業裝修	租期

當一項物業、廠房及設備項目之各部分有不同之可使用年期，此項目各部分之成本將按合理基礎分配，而每部分將作個別折舊。一項資產之可使用年期及其殘值(若有)會每年進行檢討。

- (ii) 在建工程指在建及待安裝之油氣站，並按成本減減值虧損列賬(見附註1(h))。成本包括建設之直接成本以及利息費用，以及在建設期間，在相關借入資金之外匯差額被視為利息費用調整的範圍內。

在建工程在資產達到其擬可使用時轉移至物業、廠房及設備。就在建工程而言概無提供任何折舊。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(f) Intangible assets**

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 1(h)). Amortisation of club memberships is charged to profit or loss on a straight-line basis over the estimated useful lives of 17 to 24 years.

Both the period and method of amortisation are reviewed annually.

(g) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except that land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

1 重大會計政策(續)**(f) 無形資產**

本集團購入的無形資產按成本減累計攤銷(當有可預計之估計可使用年期)及減值虧損列賬(見附註1(h))。會所會籍之攤銷會按十七至二十四年估計可使用年期以直線法自損益賬中扣除。

攤銷的期間及方法均會每年進行檢討。

(g) 租賃資產

倘本集團釐定一項安排(不論由一宗交易或一系列交易組成)附有權利可於協定期間內以一項或多項付款換取使用一項特定資產或多項資產，則該安排為屬於或包含一項租約。該釐定乃根據對該安排之內容評估而作出，而不論該安排是否包含租約之法律形式。

(i) 租予本集團之資產分類

本集團以租約持有之資產，而其擁有權中的絕大部分風險及利益均轉移至本集團，乃分類為根據融資租賃持有之資產。並無向本集團轉移擁有權絕大部分風險及利益之租約乃分類為經營租賃，惟根據經營租賃持作自用之土地，而在租賃初始時其公允值無法與座落其上面之建築物之公允值分開計量，則會按根據融資租賃持有之物業列賬，惟倘該樓宇亦明顯根據經營租賃持有則除外。就此而言，該租賃之初始時間為本集團最初訂立有關租約或自前承租人轉租之時間。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Leased assets (continued)

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term.

(h) Credit loss and impairment of assets

(i) Credit losses from financial instrument and lease receivables

(A) Policy applicable from 1 January 2018

The Group recognises a loss allowance for expected credit losses (ECLs) on the financial assets measured at amortised cost (including cash and cash equivalents, and trade and other receivables) and lease receivables.

Financial assets measured at fair value are not subject to the ECL assessment.

1 重大會計政策(續)

(g) 租賃資產(續)

(ii) 經營租賃支出

如本集團是以經營租賃獲得資產的使用權，其租賃支出根據其租賃期所涵蓋的會計期間，以等額於損益賬中扣除，但如有其他基準能更清晰地反映租賃資產所產生的利益模式則除外。租賃優惠條件在損益賬中確認為租賃淨付款總額的組成部分。或有租金在其產生的會計期間內於損益賬中扣除。

以經營租賃持有土地的收購成本以直線法於租賃期內攤銷。

(h) 信貸虧損及資產減值

(i) 金融工具及應收租金的信貸虧損

(A) 自二零一八年一月一日起適用的政策

本集團對按攤銷成本計量的金融資產(包括現金及現金等值項目以及貿易及其他應收款項)及應收租金確認預期信貸虧損(預期信貸虧損)的虧損撥備。

按公允值計量的金融資產毋須進行預期信貸虧損評估。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Credit loss and impairment of assets (continued)****(i) Credit losses from financial instrument and lease receivables (continued)**

- (A) Policy applicable from 1 January 2018
-
- (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurement of the lease receivable.

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

1 重大會計政策(續)**(h) 信貸虧損及資產減值(續)****(i) 金融工具及應收租金的信貸虧損(續)**

- (A) 自二零一八年一月一日起適用的政策(續)

計量預期信貸虧損
預期信貸虧損為信貸虧損的概率加權估計。信貸虧損以所有預期現金差額的現值(即根據合同應付予本集團的現金流量與本集團預計收取的現金流量之間的差額)計量。

倘貼現影響重大，則預期現金差額將採用以下貼現率貼現：

- 定息金融資產、貿易及其他應收款項以及合約資產：於初步確認時釐定的實際利率或其近似值；
- 浮息金融資產：即期實際利率；
- 應收租金：計算應收租金時使用的折現率。

估計預期信貸虧損時所考慮的最長期間為本集團面對信貸風險的最長合約期間。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Credit loss and impairment of assets (continued)

(i) Credit losses from financial instrument and lease receivables (continued)

- (A) Policy applicable from 1 January 2018 (continued)

Measurement of ECLs (continued)

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the balance sheet date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

1 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具及應收租金的信貸虧損(續)

- (A) 自二零一八年一月一日起適用的政策(續)

計量預期信貸虧損(續)

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本及努力下即可獲得的合理可靠資料。此項包括有關過往事件、現時狀況及未來經濟狀況預測的資料。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指結算日後12個月內可能發生的違約事件而導致的預期虧損；及
- 全期的預期信貸虧損：指預期信貸虧損模型適用項目之預期年期內所有可能違約事件而導致的預期虧損。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Credit loss and impairment of assets (continued)****(i) Credit losses from financial instrument and lease receivables (continued)**

- (A) Policy applicable from 1 January 2018
(continued)

Measurement of ECLs (continued)

Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

1 重大會計政策(續)**(h) 信貸虧損及資產減值(續)****(i) 金融工具及應收租金的信貸虧損(續)**

- (A) 自二零一八年一月一日起適用的政策(續)

計量預期信貸虧損(續)

貿易應收款項之虧損撥備一般按等同於全期的預期信貸虧損的金額計量。於結算日，該等金融資產的預期信貸虧損乃根據本集團的歷史信貸虧損經驗使用提列矩陣進行評估，根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

對於所有其他金融工具，本集團確認相當於12個月預期信用虧損的虧損撥備，除非自初始確認以來金融工具的信貸風險顯著增加，在這種情況下，虧損撥備的計算金額等於全期預期信貸虧損。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Credit loss and impairment of assets (continued)

(i) Credit losses from financial instrument and lease receivables (continued)

- (A) Policy applicable from 1 January 2018
(continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

1 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具及應收租金的信貸虧損(續)

- (A) 自二零一八年一月一日起適用的政策(續)

信貸風險大幅上升評估金融工具的信貸風險自初步確認以來有否大幅上升時，本集團會比較於結算日及於初步確認日期評估的金融工具發生違約的風險。作出重新評估時，本集團認為，倘(i)借入人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Credit loss and impairment of assets (continued)****(i) Credit losses from financial instrument and lease receivables (continued)****(A) Policy applicable from 1 January 2018 (continued)**Significant increases in credit risk
(continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

1 重大會計政策(續)**(h) 信貸虧損及資產減值(續)****(i) 金融工具及應收租金的信貸虧損(續)****(A) 自二零一八年一月一日起適用的政策(續)**信貸風險大幅上升
(續)

具體而言，評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能按合同到期日期支付本金或利息；
- 金融工具外部或內部信貸測評的實際或預期顯著惡化(如有)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對本集團責任的能力有重大不利影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Credit loss and impairment of assets (continued)

(i) Credit losses from financial instrument and lease receivables (continued)

- (A) Policy applicable from 1 January 2018
(continued)

Significant increases in credit risk
(continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

1 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具及應收租金的信貸虧損(續)

- (A) 自二零一八年一月一日起適用的政策(續)
信貸風險大幅上升(續)

取決於金融工具的性質，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

預期信貸虧損於各結算日進行重新計量以反映金融工具自初步確認以來的信貸風險變動。預期信貸虧損的款項均於損益確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對彼等之賬面值作出相應調整。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Credit loss and impairment of assets (continued)****(i) Credit losses from financial instrument and lease receivables (continued)**

- (A) Policy applicable from 1 January 2018
(continued)

Significant increases in credit risk
(continued)

Basis of calculation of interest income

Interest income recognised in accordance with note 1(r)(iv) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each balance sheet date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;

1 重大會計政策(續)**(h) 信貸虧損及資產減值(續)****(i) 金融工具及應收租金的信貸虧損(續)**

- (A) 自二零一八年一月一日起適用的政策(續)

信貸風險大幅上升(續)

計算利息收入的基準

根據附註1(r)(iv)確認的利息收入按金融資產的總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

於各結算日，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產預計未來現金流量有不利影響的事件時，金融資產出現信貸減值。

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Credit loss and impairment of assets (continued)

(i) Credit losses from financial instrument and lease receivables (continued)

(A) Policy applicable from 1 January 2018 (continued)

Significant increases in credit risk (continued)

- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset and lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

1 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具及應收租金的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

信貸風險大幅上升(續)

- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人出現財務困難，證券活躍市場消失。

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部分或全部)金融資產的總賬面值。該情況通常出現在本集團確定債務人並無資產或可產生足夠現金流量的收入來源來償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Credit loss and impairment of assets (continued)****(i) Credit losses from financial instrument and lease receivables (continued)**

(B) Policy applicable prior to 1 January 2018

Prior to 1 January 2018, an “incurred loss” model was used to measure impairment losses on current and non-current receivables. Under the “incurred loss” model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

1 重大會計政策(續)**(h) 信貸虧損及資產減值(續)****(i) 金融工具及應收租金的信貸虧損(續)**

(B) 於二零一八年一月一日前適用的政策

於二零一八年一月一日前，「已產生虧損」模型用於計量即期及非即期應收款項的減值虧損。根據「已產生虧損」模式，僅在出現客觀減值證據時確認減值虧損。客觀減值證據包括：

- 債務人遭遇重大財務困難；
- 違約，譬如拖欠或無法如期償還利息或本金；
- 債務人可能會宣告破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境出現重大變化而對債務人造成不利影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Credit loss and impairment of assets (continued)

(i) Credit losses from financial instrument and lease receivables (continued)

(B) Policy applicable prior to 1 January 2018 (continued)

If any such evidence existed, an impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting was material. This assessment was made collectively where these financial assets shared similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreased and the decrease could be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss was reversed through profit or loss. A reversal of an impairment loss was only recognised to the extent that it did not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

1 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具及應收租金的信貸虧損(續)

(B) 於二零一八年一月一日前適用的政策(續)

倘存在任何該等憑證，如貼現影響重大，減值虧損是以資產的賬面金額與以其初始實際利率折現的預計未來現金流量現值之間的差額計量。如該等金融資產具備類似的風險特徵，例如類似的逾期情況及並未單獨被評估為減值，則有關評估會一同進行。金融資產的減值評估按未來現金流並根據與具有類似信貸風險特徵的資產的過往虧損的情況評估。

倘於其後期間減值虧損金額減少，而該減少可客觀地與減值虧損獲確認後發生之事件有關，則減值虧損會透過損益賬回撥。減值虧損僅於並無導致資產賬面值超逾過往年度並無確認減值虧損之金額時方予回撥。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Credit loss and impairment of assets (continued)****(i) Credit losses from financial instrument and lease receivables (continued)**

- (B) Policy applicable prior to 1 January 2018
(continued)

When the recovery of a trade debtor or other financial assets carried at amortised cost was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- interests in land held for own use under operating leases;
- intangible assets;
- non-current prepayments; and
- investments in subsidiaries in the Company's balance sheet.

If any such indication exists, the asset's recoverable amount is estimated.

1 重大會計政策(續)**(h) 信貸虧損及資產減值(續)****(i) 金融工具及應收租金的信貸虧損(續)**

- (B) 於二零一八年一月一日前適用的政策(續)

當貿易應收賬款或其他按攤銷成本列賬的金融資產之可收回性被視為可疑並非微乎其微時，相關減值虧損以撥備賬記錄。倘本集團相信收回性極低，該視為不可收回的金額從該等資產的總賬面值中直接撇銷。若之前計入撥備賬的款項在其後收回，則相關款項自撥備賬回撥。撥備賬的其他變動及之前直接撇銷而其後收回的款項，均在損益賬確認。

(ii) 其他非流動資產減值

內部和外來之信息來源會在每個結算日審閱，以確定下列資產有否出現減值跡象，或以往確認之減值虧損是否不復存在或可能已經減少：

- 物業、廠房及設備；
- 根據經營租約持作自用之土地權益；
- 無形資產；
- 非流動預付款項；及
- 本公司資產負債表中於附屬公司的投資。

如有任何減值跡象存在，則估計資產的可收回價值。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Credit loss and impairment of assets (continued)

(ii) Impairment of other non-current assets (continued)

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- Recognition of impairment losses
An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

1 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(ii) 其他非流動資產減值(續)

- 計算可收回價值
資產之可收回價值為其公允值減去處置費用之淨額與使用價值兩者中之較高者。在評估使用價值時，預期未來現金流量會按可以反映當時市場對貨幣時間值及資產特定風險之評估之稅前貼現率，貼現至其現值。如果資產所產生之現金流入基本上不能獨立於其他資產所產生之現金流入，則會以可獨立產生現金流入之最小一組資產(即現金產生單位)來釐定可收回價值。

- 確認減值虧損
減值虧損於一項資產或其所屬現金產生單位之賬面值超逾其可收回價值時於損益表內確認。就現金產生單位確認之減值虧損，會按比例分攤以減低現金產生單位(或一組單位)內之資產之賬面值，惟將不會減低資產賬面值至低於其個別公允值減出售成本(若可計量)，或其使用價值(若可確定)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Credit loss and impairment of assets (continued)****(ii) Impairment of other non-current assets (continued)**

- Reversal of impairment losses
An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the profit or loss in the year in which the reversals are recognised.

(i) Consumable parts

Consumable parts held for repair and maintenance purposes by the Group are stated at cost less any provision for obsolescence.

(j) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 1(r)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses (ECL) in accordance with the policy set out in note 1(h)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 1(k)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 1(r)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 1(k)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

1 重大會計政策(續)**(h) 信貸虧損及資產減值(續)****(ii) 其他非流動資產減值(續)**

- 減值虧損回撥
倘若用以釐定可收回價值之估計發生有利變化，便會將減值虧損回撥。所回撥之減值虧損限於該資產於過往年度並無確認減值虧損時之賬面值。減值虧損回撥於確認回撥之年度計入損益。

(i) 消耗品

本集團持作維修之用之消耗品按成本減廢棄撥備列賬。

(j) 合約資產及合約負債

當本集團根據合約所載付款條款無條件享有代價前確認收入(見附註1(r))時，確認合約資產。合約資產根據附註1(h)(i)所載政策評估預期信貸虧損(預期信貸虧損)，並於享有代價的權利變為無條件時重新分類至應收款項(見附註1(k))。

當客戶在本集團確認相關收入前支付代價時，確認合約負債(見附註1(r))。倘本集團於本集團確認相關收入前擁有無條件收取代價之權利，則亦將確認合約負債。在這種情況下，亦將確認相應的應收款項(見附註1(k))。

對於與客戶的單一合約，合約資產或合約負債按淨額呈列。對於多份合約，合約資產及無關合同的合約負債不以淨額呈列。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 1(h)).

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(m) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the group's accounting policy for borrowing costs (see note 1(t)).

(n) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

1 重大會計政策(續)

(k) 貿易及其他應收款項

應收款項於本集團有無條件接納代價之權利時確認。如在到期支付該代價前僅需要經過一段時間，則獲得代價的權利是無條件的。

應收款項採用實際利率法減去信貸虧損撥備，按攤餘成本列賬(見附註1(h))。

(l) 現金及現金等值項目

現金及現金等值項目包括銀行存款及現金、存放於銀行及其他財務機構之活期存款，以及短期及高流動性之投資，此等投資可以隨時換算為已知之現金額，而價值變動方面之風險不大，並在購入後三個月內到期。

(m) 計息借貸

計息借貸初始按公允值減交易成本計量。於最初確認後，計息借貸以實際利率法按攤銷成本列賬。利息開支根據本集團的借貸成本會計政策確認(見附註1(t))。

(n) 僱員福利

(i) 短期僱員福利及向定額供款退休計劃作出之供款

薪金、年度獎金、有薪年假、定額供款退休計劃之供款及非貨幣利益之成本，均在僱員提供相關服務之年度內累計。如延遲支付或結算且會構成重大影響，則上述數額須按現值列賬。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(n) Employee benefits (continued)****(ii) Share-based payments**

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a share-based compensation reserve within equity. The fair value is measured at grant date using the binomial model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based compensation reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share-based compensation reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share-based compensation reserve until either the option is exercised (when it is included in the amount recognised share capital for the shares issued) or the option expires (when it is released directly to accumulated losses).

1 重大會計政策(續)**(n) 僱員福利(續)****(ii) 以股份為基礎之支出**

授予員工之購股權之公允值確認為員工成本，並相應於股本內增加股份薪酬儲備。公允值於授予日期經考慮有關購股權之授出條款及條件後採用二項式模型釐定。倘員工須符合歸屬條件方能無條件取得購股權，則購股權之估計公允值總額將於歸屬期間攤分，並考慮到購股權將予歸屬持有人所有之可能性。

於歸屬期間，預期歸屬之購股權數目將獲審核。對於過往年度確認之累計公允值作出之任何調整，將支取／計入審核年度之損益賬，除非原來之員工開支可獲確認為資產，則於股份薪酬儲備中作出相應調整。於歸屬日，已確認為開支之金額將調整至反映歸屬之購股權之實際數目（並於股份薪酬儲備中作出相應調整），惟因無法達到與本公司股份市價相關之歸屬條件而喪失者除外。股本金額將於以股份薪酬儲備確認，直到購股權獲行使（屆時計入已發行股份之已確認股本金額）或購股權期屆滿（屆時直接撥入累計虧損）。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

1 重大會計政策(續)

(o) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產及負債之變動。本期稅項及遞延稅項資產及負債之變動均在損益賬內確認，但與直接確認為其他全面收益或權益項目相關者，則分別確認為其他全面收益項目或權益。

本期稅項乃按本年度應課稅收入，根據已生效或在結算日實質上已生效之稅率計算而預期應付之稅項，並就過往年度應付稅項作出任何調整。

遞延稅項資產及負債分別由可抵扣及應課稅暫時性差異產生，即資產及負債在就財務呈報目的之賬面值與其稅基之差異。遞延稅項資產亦可以由未利用稅項虧損及未利用稅項抵免產生。

除了某些有限之例外情況外，所有遞延稅項負債及遞延稅項資產(只以未來可能有應課稅溢利予以抵銷之資產為限)均會確認。支持確認由可抵扣暫時性差異所產生遞延稅項資產之未來應課稅溢利，包括因回撥現有應課稅暫時性差異而產生之數額；但有關差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時性差異預計回撥之同一期間或遞延稅項資產所產生之稅項虧損向後期或向前期結轉之期間內回撥。在決定現有之應課稅暫時性差異是否足以支持確認由未利用稅項虧損及抵免所產生之遞延稅項資產時，亦會採用同一準則，倘涉及同一稅務機關及同一應課稅實體，而且預期可利用稅項虧損及抵免之同一個或多個期間內回撥，則予以計算在內。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(o) Income tax (continued)**

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination) and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

1 重大會計政策(續)**(o) 所得稅(續)**

遞延稅項資產及負債確認之有限例外情況包括不影響會計或應課稅溢利(如屬業務合併之一部分則除外)之資產或負債之初次確認，以及於附屬公司之投資之暫時性差異(如屬應課稅差異，只限於本集團可以控制回撥之時間，而且在可預見之將來不大可能回撥之差異；或如屬可扣減之差異，則只限於可在將來回撥之差異)。

已確認之遞延稅項數額是按照資產及負債賬面值之預期變現或清償方式，以於結算日已生效或實際生效之稅率計量。遞延稅項資產及負債均不須貼現。

遞延稅項資產之賬面值，每個結算日予以重計，並於不可能再有足夠應課稅溢利可利用有關稅務優惠予以削減。任何有關減少在可能有足夠應課稅溢利可供抵免時回撥。

分配股息產生的額外所得稅於確認支付相關股息的負債時確認。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(p) Other payables

Other payables (including amounts due to related parties) are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

1 重大會計政策(續)

(o) 所得稅(續)

本期稅項結餘及遞延稅項結餘及其變動額會分開列示，並且不予抵銷。倘本公司或本集團有法定行使權以本期稅項資產抵銷本期稅項負債，並且符合以下附帶條件之情況下，本期稅項資產與遞延稅項資產始會分別與本期稅項負債及遞延稅項負債抵銷：

- 倘為本期稅項資產及負債，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘為遞延稅項資產及負債，而此等資產及負債與同一稅務機關就以下其中一項徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同之應課稅實體。此等實體計劃在日後每個預計有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回之期間內，按淨額基準變現本期稅項資產及清償本期稅項負債，或同時變現該資產及清償該負債。

(p) 其他應付款項

其他應付款項(包括應付關聯方款項)初步按公允值確認，其後則按攤銷成本列賬，惟在貼現並無重大影響之情況下，則按成本列賬。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(q) Provisions and contingent liabilities**

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(r) Revenue and other income

Income is classified by the Group as revenue when it arises from the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

1 重大會計政策(續)**(q) 撥備及或然負債**

如果本集團須就已發生之事件承擔法律或推定責任，而會導致經濟利益外流以履行該項責任及在可以作出可靠之估計時，則確認撥備。如果貨幣時間價值重大，則按履行責任預計所需支出之現值計提準備。

如經濟利益流出之可能性較低，或無法對有關數額作出可靠之估計，則會將該責任披露為或然負債，但經濟利益外流之可能性極低則除外。如果有關責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，則會披露為或然負債，除非經濟利益外流之可能性極低。

(r) 收入及其他收益

於本集團業務的日常業務過程中，本集團將根據租賃提供服務或他人使用本集團資產而產生的收入分類為收益。

收入於按本集團預期有權享有之約定代價金額將服務控制權轉移至客戶或租賃有權使用資產時確認，惟不包括代表第三方收取之金額。收入不包括增值稅或其他銷售稅，且已扣除任何貿易折扣。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Revenue and other income (continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

(ii) Port income

Port income is recognised upon performance of the services.

1 重大會計政策(續)

(r) 收入及其他收益(續)

合約包含融資部分，為客戶提供重大融資利益超過12個月，則收益按以與客戶進行之個別融資交易所反映貼現率貼現之應收款項現值計量，而利息收入則按實際利率法獨立累計。倘合約包含融資部分，為本集團提供重大融資利益，則根據該合約確認之收益包括按實際利率法計算合約責任產生之利息開支。本集團運用香港財務報告準則第15號第63段之實際合宜方法，當融資期限為12個月或以下時，則不會就重大融資部分之任何影響調整代價。

本集團之收入及其他收益確認政策之進一步詳情如下：

(i) 經營租賃所得租金收入

經營租賃之應收租金收入在租賃期所涵蓋之期間內，以等額分期在損益內確認；但如有其他基準能更清楚地反映使用租賃資產所產生之利益模式則除外。租賃優惠措施在損益內確認為應收租賃淨付款總額之組成部分。

(ii) 港口收入

港口收入於提供服務時確認。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(r) Revenue and other income (continued)****(iii) Dividends**

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(iv) Interest income

Interest income is recognised as it accrues under the effective interest method. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 1(h)(i)).

(v) Government grants

Government grants are recognised in the balance sheet initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

1 重大會計政策(續)**(r) 收入及其他收益(續)****(iii) 股息**

- 非上市投資的股息收入在股東收取付款的權利確定時確認。
- 上市投資的股息收入在投資的股價除息時確認。

(iv) 利息收入

利息收入按實際利率法累算所得確認。就按攤銷成本或按公允值計入其他全面收益(轉入損益)計量且並無出現信貸減值的金融資產而言，資產的賬面總值適用實際利率。就出現信貸減值的金融資產而言，資產的攤銷成本(即扣除虧損撥備的賬面總值)適用實際利率(見附註1(h)(i))。

(v) 政府補助金

倘可合理確定能夠收取政府補助金，而本集團將符合政府補助金所附帶的條件，則政府補助金將初步在資產負債表中確認。補償本集團所產生開支的補助金於產生開支的同一期間有系統地於損益中確認為收益。補償本集團資產成本的補助金乃於該資產之賬面值扣減，從而實際上通過減少折舊費用按資產的使用年限在損益賬確認。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Translation of foreign currencies

The functional currencies of the Company and its subsidiaries in the PRC are Hong Kong dollars and Renminbi Yuan (“RMB”) respectively. The Group adopted Hong Kong dollars as its presentation currency.

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains or losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of operations with functional currency other than Hong Kong dollars are translated into Hong Kong dollars at the exchange rates approximating the exchange rates ruling at the dates of the transactions. Balance sheet items are translated into Hong Kong dollars at the closing exchange rates at the balance sheet date. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the translation reserve.

On disposal of an operation with functional currency other than Hong Kong dollars, the cumulative amount of the exchange differences relating to that operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

1 重大會計政策(續)

(s) 外幣換算

本公司及其於中國之附屬公司之功能貨幣分別為港元及人民幣(「人民幣」)。本集團採納港元為呈列貨幣。

年內之外幣交易按交易日的匯率換算。以外幣計值之貨幣資產及負債均按結算日之匯率換算。匯兌盈虧均於損益賬內確認。

以歷史成本計量之外幣非貨幣資產及負債按交易日之匯率換算。交易日期是公司最初確認此類非貨幣資產或負債的日期。以公允值計量之外幣非貨幣資產及負債，則以釐定其公允值當日之匯率換算。

功能貨幣為港元以外之貨幣之業務業績按與交易日的匯率相若之匯率換算為港元。資產負債表項目則按結算日之匯率換算為港元。所產生之匯兌差額計入其他全面收益及於匯兌儲備權益中分開累計。

在出售一項業務而其功能貨幣並非港元時，當確認出售的利潤或虧損後，有關該業務的累計匯兌差異金額會從權益重新分類到損益內。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(t) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use are complete.

(u) Non-current asset held for sale and discontinued operations**(i) Non-current assets held for sale**

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the group will retain a non-controlling interest in the subsidiary after the sale.

1 重大會計政策(續)**(t) 借貸成本**

直接與為收購、建造或生產需頗長時間方可達致擬定用途或銷售目的之資產有關的借貸成本均資本化為資產的部分成本。其他借貸成本於產生之期間支銷。

屬於合資格資產成本一部分的借貸成本在資產產生開支、借貸成本產生和使資產投入擬定用途期間開始資本化。在使合資格資產投入擬定用途所必須的絕大部分工作完成時，借貸成本便會暫停或停止資本化。

(u) 持作出售之非流動資產及終止經營業務

(i) 持作出售之非流動資產
倘非流動資產(或出售組別)之賬面值很有可能將透過出售交易而非透過持續使用而收回，則會獲分類為持作出售，而該資產(或出售組別)於其現況下可供出售。出售組別指一組資產將於同一交易中被一併出售，而與該等資產有直接關連的負債將於該交易中轉移。

當本集團承諾之出售計劃涉及失去某附屬公司之控制權時，不論本集團是否將於出售後保留該附屬公司之非控股權益，該附屬公司之所有資產及負債於符合上述分類為持作出售之條件時會分類為持作出售。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Non-current asset held for sale and discontinued operations (continued)

(i) Non-current assets held for sale (continued)

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 1.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

(ii) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

1 重大會計政策(續)

(u) 持作出售之非流動資產及終止經營業務(續)

(i) 持作出售之非流動資產(續)

於緊接分類為持作出售前，非流動資產(及於出售組別內之所有個別資產及負債)之計量根據分類前之會計政策作出更新。其後於首次分類為持作出售及直至出售期間，非流動資產(不包括下列所闡釋之若干資產)或出售組別按其賬面值及公允值減出售成本之較低者列賬。就本集團及本公司之財務報表而言，此計量政策之主要例外為遞延稅項資產、僱員福利產生之資產、財務資產(不包括於附屬公司、聯營公司及合營企業之投資)及投資物業。該等資產即使持有出售，將繼續按照附註1其他地方所載的政策計量。

於首次分類為持作出售及其後在持作出售期間重新計量之減值虧損於損益中確認。只要非流動資產仍獲分類為持作出售，或獲納入分類為持作出售之出售組別，則該非流動資產即不予折舊或攤銷。

(ii) 終止經營業務

終止經營業務是本集團業務之一部分，其營運及現金流量可與本集團其他業務清楚區分，且代表一項按業務或地區劃分之獨立主要業務，或作為出售一項按業務或地區劃分之獨立主要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。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(u) Non-current asset held for sale and discontinued operations (continued)****(ii) Discontinued operations (continued)**

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale (see (i) above), if earlier. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the statement of profit or loss, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal of the assets, or disposal group(s) constituting the discontinued operation.

(v) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

1 重大會計政策(續)**(u) 持作出售之非流動資產及終止經營業務(續)****(ii) 終止經營業務(續)**

倘業務被出售或符合列為待出售項目(見上文(i))的標準(以較早者為準)，則分類為終止經營業務。此情況亦會於業務被廢止時出現。

倘若業務分類列為終止經營，則會於損益表按單一數額呈列，當中包含：

- 終止經營業務之除稅後溢利或虧損；及
- 就構成終止經營業務之資產或出售組別，計量公允值減銷售成本或於出售時確認之除稅後損益。

(v) 關連人士

(a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本集團母公司的主要管理層成員。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Related parties (continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

1 重大會計政策(續)

(v) 關連人士(續)

- (b) 倘符合下列任何條件，即此實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
 - (ii) 一家實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩家實體均為同一第三方的合營企業。
 - (iv) 一家實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 此實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
 - (vi) 此實體受(a)所識別人土控制或受共同控制。
 - (vii) 於(a)(i)所識別人土對此實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(v) Related parties (continued)****(b) (continued)**

- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

1 重大會計政策(續)**(v) 關連人士(續)****(b) (續)**

- (viii) 此實體或任何組成集團一部分的成員公司向本集團或其母公司提供主要管理人員服務。

有關人士之近親家族成員為預期於買賣實體時將影響該人士或受該人士影響之該等家族成員。

(w) 分部報告

經營分部及財務報表內申報各分部之金額，乃取自向本集團最高行政管理層定期提供用作向本集團各項業務及地點分配資源並評估其表現之財務資料。

個別重大經營分部不會為財務申報目的而合計，除非有關分部具有類似經濟特性，並具類似的產品及服務性質、生產工序性質、客戶類型或類別、分銷產品或提供服務方法，以及監管環境性質。個別非重大的經營分部倘符合上述大多數準則可予合計。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

2 ACCOUNTING JUDGEMENTS AND ESTIMATES

The critical accounting judgements in applying the Group's accounting policies and key sources of estimation uncertainty are as follows:

(a) Going concern

As disclosed in note 1(b), the directors have prepared the financial statements on a going concern basis as they are of the opinion that the Group has adequate sources of liquidity to fund the Group's working capital and to meet its debt obligations as they become due based on the cash flow forecast prepared by the directors and the net consideration arising from the Transaction. Any adverse result on the actual future cash flow would affect the Group's ability to continue as a going concern.

(b) Impairments

The Group reviews the carrying amounts of assets at each balance sheet date to determine whether there is objective evidence of impairment. When indication of impairment is identified, management prepares discounted future cash flow to assess the differences between the carrying amount and value in use and provides for impairment loss. Any change in the assumptions adopted in the cash flow forecasts would increase or decrease in the provision of impairment loss and affect the Group's financial position.

The Group estimates the loss allowances for trade receivables by assessing the ECLs. This requires the use of estimates and judgements. ECLs are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, and an assessment of both the current and forecast general economic conditions at the end of reporting period. Where the estimation is different from the original estimate, such difference will affect the carrying amounts of trade receivables and thus the impairment loss in the period in which such estimate is changed. The Group keeps assessing the expected credit loss of trade receivables during their expected lives.

2 會計判斷及估計

應用本集團會計政策之關鍵會計判斷及估計不確定因素之主要來源如下：

(a) 持續經營

如附註1(b)披露，董事已按持續經營基準編製財務報表，因為彼等認為根據彼等所編製的現金流量預測及交易產生的淨代價，本集團擁有充足的流動資金來源，可以為本集團營運資金撥資，並於債務責任到期時履行。實際未來現金流出現任何不利後果均會對本集團持續經營的能力造成影響。

(b) 減值

本集團於各資產負債表日審閱資產賬面值，以釐定是否有減值的客觀跡象。當發現有減值跡象，管理層便會編製貼現未來現金流量以評估賬面值與使用價值之間的差額，並計提減值虧損撥備。於現金流預測中採用的假設的任何變動會增加或減少有關減值虧損的撥備，並影響本集團的財務狀況。

本集團藉評估預期信貸虧損以對貿易應收款項的虧損撥備進行估計。此舉需要使用估計及判斷。預期信貸虧損乃基於本集團過往的信貸虧損經驗(但對債務人特定因素進行調整)及於報告期末對目前及未來整體經濟情況的評估。倘若估計數額有別於最初估計，則有關差額將影響貿易應收款項的賬面值以及因此有關估計變動發生之期間的減值虧損。本集團於貿易應收款項預計的存續期內對其預期信貸虧損進行持續評估。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

2 ACCOUNTING JUDGEMENTS AND ESTIMATES

(continued)

(c) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during the reporting period. The depreciation expense for future periods is adjusted if there are significant changes from previous estimation.

(d) Provision for taxation

Judgment is required in determining the provision for income taxes. There are transactions during the ordinary course of business for which calculations of the ultimate tax provision is uncertain. The final outcomes are subject to uncertainties and resulting liabilities may exceed provisions or tax losses may not be carried forward.

Recognition of deferred tax assets, which principally related to tax losses, depends on the management's expectation of taxable profit that will be available against which the tax losses can be utilised. Any difference of the actual outcome and estimated profit would affect the utilisation of deferred tax assets.

2 會計判斷及估計(續)

(c) 折舊

物業、廠房及設備以直線法按資產的估計可使用年期折舊。本集團會定期檢討報告期間資產的估計可使用年期，以釐定任何報告期間的折舊開支金額。未來的折舊開支會因應過往估計數字的重大變化而調整。

(d) 稅項撥備

釐定所得稅撥備時需要作出判斷。於日常業務過程中會出現其最終釐定稅項並不確定之交易。最終結果受到不確定因素影響，故所產生之負債或會高於撥備之金額或稅項虧損不會結轉。

遞延稅項資產(主要與稅項虧損有關)之確認取決於管理層就可動用稅項虧損進行抵銷之對可得應課稅溢利之預測。實際結果與估計溢利之間有任何差異均會影響遞延稅項資產的使用。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are provision of terminal, storage, warehousing and transshipment services for oil and petrochemical products.

Disaggregation of revenue from contracts with customers by major service lines is as follows:

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
Revenue from contracts with customers not within the scope of HKFRS 15	香港財務報告準則第15號範圍外的來自客戶合約的收入		
Continuing operations	持續經營業務		
Storage and warehousing income	貯存及倉庫收入	108,909	85,563
Discontinued operations	終止經營業務		
Storage and warehousing income	貯存及倉庫收入	118,658	124,394
		227,567	209,957
Revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則第15號範圍內的來自客戶合約的收入		
Continuing operations	持續經營業務		
Port and transshipment income	港口及轉輸收入	32,647	25,149
Discontinued operations	終止經營業務		
Port and transshipment income	港口及轉輸收入	33,789	39,047
		66,436	64,196
		294,003	274,153

Note: The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18 (see note 1(c)(ii)). There is no impact of transition to HKFRS 15 on accumulated losses at 1 January 2018.

3 收入及分部報告

(a) 收入

本集團之主要業務為提供石油和石化產品碼頭、貯存、倉庫及轉輸服務。

與客戶合約的收入按主要服務項目劃分的分類如下：

附註：本集團已採用累積影響法初步應用香港財務報告準則第15號。根據該方法，比較資料並未重列，並按照香港會計準則第18號編製（見附註1(c)(ii)）。於二零一八年一月一日，過渡至香港財務報告準則第15號對累計虧損並無影響。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

3 REVENUE AND SEGMENT REPORTING (continued)**(a) Revenue (continued)**

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in notes 3(b)(i) and 3(b)(iii) respectively.

In 2018, the Group has no customer (2017: Nil) with whom transactions have exceeded 10% of the Group's revenues. Details of concentrations of credit risk arising from the Group's major customers are set out in note 23(a).

(b) Segment reporting

The Group manages its businesses by entities, which are organised by geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Xiao Hu Island Terminal ("XHIT"): this segment represents the Group's provision of terminal, storage, warehousing and transshipment activities carried out in Guangzhou, the PRC.
- Dongzhou International Terminal ("DZIT"): this segment represents the Group's provision of terminal, storage and transshipment activities carried out in Dongguan, the PRC.

Discontinued operation — XHIT

As mentioned in notes 1 and 27, the entire equity interest in GD (Panyu), which owns XHIT, was conditionally agreed to be sold during the year ended 31 December 2018. Management of the Group considered that the disposal of the entire equity interest in GD (Panyu) would be expected to qualify for recognition as a completed sale within one year from the date of classification. Hence, the assets of GD (Panyu) were classified as held for sale and a single amount in the consolidated income statement was presented in respect of GD (Panyu)'s net profit for the year (with comparative figures represented) following the requirement as set out in note 1(u).

3 收入及分部報告(續)**(a) 收入(續)**

來自客戶合約的收入按收入確認時間及地域市場劃分的分類分別於附註3(b)(i)及3(b)(iii)披露。

於二零一八年，本集團並無客戶(二零一七年：無)與本集團進行之交易超過本集團收入之10%。本集團主要客戶產生信貸風險集中之詳情，載於附註23(a)。

(b) 分部報告

本集團透過按地區劃分之實體管理其業務。根據與向本集團最高層行政管理人員內部匯報資料以分配資源及評價表現一致之方式，本集團識別到以下兩個可報告分部。本集團並無合併任何經營分部，以組成下列之可報告分部。

- 小虎島碼頭(「小虎石化庫」)：此分部為本集團於中國廣州經營之提供碼頭、貯存、倉庫及轉輸之業務。
- 東洲國際碼頭(「東洲石化庫」)：此分部為本集團於中國東莞經營之提供碼頭、貯存及轉輸之業務。

終止經營業務 — 小虎石化庫
如附註1及27所述，截至二零一八年十二月三十一日止年度有條件同意出售於粵海(番禺)(其擁有小虎石化庫)的全部股權。本集團管理層認為，出售於粵海(番禺)的全部股權預計合資格確認為自分類之日起一年內完整出售。因此，粵海(番禺)的資產分類為持作出售，且按附註1(u)所載規定就粵海(番禺)的年內純利於綜合損益表呈列單一金額。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

3 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of investments in subsidiaries and other corporate assets. Segment liabilities include other payables and accruals attributable to the individual segments and bank borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit/(loss) is "profit/(loss) before taxation", i.e. "adjusted earnings/(losses) before taxes". To arrive at "profit/(loss) before taxation", the Group's earnings/(losses) are further adjusted for items not specifically attributed to individual segments, such as head office or corporate administration costs.

In addition to receiving segment information concerning profit/(loss) before taxation, management is provided with segment information concerning revenue, interest income and finance costs.

3 收入及分部報告(續)

(b) 分部報告(續)

(i) 分部業績、資產及負債

就評價分部表現及分配分部資源而言，本集團高層行政管理人員按以下基準監察各可報告分部應佔之業績、資產及負債：

分部資產包括所有有形資產、無形資產及流動資產，但不包括於附屬公司之投資及其他公司資產。分部負債包括各分部應佔之其他應付款項及計提費用，以及分部直接管理之銀行貸款。

收入及支出經參照可報告分部所產生之收入及該等分部所產生之支出或該等分部應佔資產所產生之折舊或攤銷金額而分配至可報告分部。

匯報分部溢利／(虧損)所採用之方法為「除稅前溢利／(虧損)」，即「未計稅項前之經調整盈利／(虧損)」。為達致「除稅前溢利／(虧損)」，本集團之盈利／(虧損)就並無特定歸屬個別分部之項目(如總部或公司行政成本)作出調整。

除獲得有關除稅前溢利／(虧損)之分部資料外，管理層亦獲提供有關收入、利息收入及財務成本之分部資料。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

3 REVENUE AND SEGMENT REPORTING (continued)**(b) Segment reporting (continued)****(i) Segment results, assets and liabilities (continued)**

Information regarding the Group's reportable segments provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2018 and 2017 is set out below.

3 收入及分部報告 (續)**(b) 分部報告 (續)****(i) 分部業績、資產及負債 (續)**

截至二零一八年及二零一七年十二月三十一日止年度，有關提供予本集團最高層行政管理人員以分配資源及評估分部表現之本集團可報告分部資料載列於下文。

		Continuing operations 持續經營業務 DZIT 東洲石化庫		Discontinued operations 終止經營業務 XHIT 小虎石化庫		Total 總計	
		2018 二零一八年	2017 二零一七年 (Restated) (經重列)	2018 二零一八年	2017 二零一七年 (Restated) (經重列)	2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Reportable segment revenue	可報告分部收入	141,556	110,712	152,447	163,441	294,003	274,153
Reportable segment (loss)/profit before taxation	可報告分部除稅前(虧損)/溢利	(53,409)	(39,655)	41,140	70,217	(12,269)	30,562
Interest income	利息收入	656	31	490	213	1,146	244
Finance costs	財務成本	39,633	41,409	6,202	6,032	45,835	47,441
Reportable segment assets	可報告分部資產	891,547	953,092	1,495,866	1,304,578	2,387,413	2,257,670
Reportable segment liabilities	可報告分部負債	768,632	972,065	892,062	1,089,754	1,660,694	2,061,819

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

3 REVENUE AND SEGMENT REPORTING (continued)**(b) Segment reporting (continued)****(ii) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities****3 收入及分部報告(續)****(b) 分部報告(續)****(ii) 可報告分部收入、損益、資產及負債之對賬**

		Continuing operations 持續經營業務		Discontinued operations 終止經營業務		Total 總計	
		2018 二零一八年	2017 二零一七年 (Restated) (經重列)	2018 二零一八年	2017 二零一七年 (Restated) (經重列)	2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Revenue	收入						
Reportable segment revenue	可報告分部收入	141,556	110,712	152,447	163,441	294,003	274,153
Consolidated revenue	綜合收入	141,556	110,712	152,447	163,441	294,003	274,153
Profit/(loss)	溢利/(虧損)						
Reportable segment (loss)/profit before taxation	可報告分部除稅前(虧損)/溢利	(53,409)	(39,655)	41,140	70,217	(12,269)	30,562
Unallocated other income	未分配其他收入	2,600	252	—	—	2,600	252
Unallocated head office and corporate expenses	未分配總部及公司支出	(38,707)	(28,895)	—	—	(38,707)	(28,895)
Consolidated (loss)/profit before taxation	綜合除稅前(虧損)/溢利	(89,516)	(68,298)	41,140	70,217	(48,376)	1,919

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

3 REVENUE AND SEGMENT REPORTING (continued)**(b) Segment reporting (continued)****(ii) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities (continued)****3 收入及分部報告 (續)****(b) 分部報告 (續)****(ii) 可報告分部收入、損益、資產及負債之對賬 (續)**

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Assets	資產		
Reportable segment assets	可報告分部資產	2,387,413	2,257,670
Elimination of inter-segment receivables	沖銷分部間之應收款項	(752,110)	(953,558)
		1,635,303	1,304,112
Unallocated head office and corporate assets	未分配總部及公司資產	303,550	11,121
Others	其他	15,907	—
Consolidated total assets	綜合總資產	1,954,760	1,315,233
Liabilities	負債		
Reportable segment liabilities	可報告分部負債	1,660,694	2,061,819
Elimination of inter-segment payables	沖銷分部間之應付款項	(752,110)	(953,558)
		908,584	1,108,261
Unallocated head office and corporate liabilities	未分配總部及公司負債	1,130,558	198,574
Consolidated total liabilities	綜合總負債	2,039,142	1,306,835

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

3 REVENUE AND SEGMENT REPORTING (continued)**(b) Segment reporting (continued)****(iii) Geographic information**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, interests in land held for own use under operating leases, intangible assets, non-current prepayments ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided. The geographical location of the specified non-current assets is based on the physical location of the asset.

3 收入及分部報告(續)**(b) 分部報告(續)****(iii) 地區資料**

下表載列有關地區位置 (i)本集團從外部客戶所得之收入及(ii)本集團之物業、廠房及設備、根據經營租約持作自用之土地權益、無形資產及非流動預付款項(「指定非流動資產」)所在地區之資料。客戶所在地區以提供服務之地點為依據。指定非流動資產所在地區以資產之實際所在地點為依據。

Revenues from external customers

外部客戶所得之收入

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
PRC (excluding Hong Kong)	中國(不包括香港)		
— continuing operations	— 持續經營業務	141,556	110,712
— discontinued operations	— 終止經營業務	152,447	163,441
		294,003	274,153

Specified non-current assets

指定非流動資產

		2018 二零一八年	2017 二零一七年
		\$'000 千元	\$'000 千元
Hong Kong	香港	1,734	2,229
PRC (excluding Hong Kong)	中國(不包括香港)	785,056	1,165,193
		786,790	1,167,422

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

4 OTHER INCOME

4 其他收益

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
Continuing operations:	持續經營業務：		
Interest income	利息收入	963	36
Net foreign exchange gain	匯兌收益淨額	2,316	246
Reversal of other payables recognised in prior years	撥回於過往年度確認之其他應付款項	—	2,100
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	3,165	—
Others	其他	1,158	1,946
		7,602	4,328
Discontinued operations:	終止經營業務：		
Interest income	利息收入	490	213
Government grants	政府補助	305	740
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(1,676)	(11)
Net foreign exchange gain/(loss)	匯兌收益／(虧損)淨額	667	(474)
Reversal of other payables recognised in prior years	撥回於過往年度確認之其他應付款項	1,100	—
Others	其他	1,556	1,758
		2,442	2,226
		10,044	6,554

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

5 LOSS/(PROFIT) BEFORE TAXATION

Loss/(profit) before taxation is arrived at after charging:

5 除稅前虧損／(溢利)

除稅前虧損／(溢利)乃經扣除下列各項後達致：

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
(a) Finance costs	(a) 財務成本		
Continuing operations:	持續經營業務：		
Interest on bank loans	銀行貸款利息	39,633	41,409
Discontinued operations:	終止經營業務：		
Interest on bank loans	銀行貸款利息	6,202	6,032
		45,835	47,441
(b) Staff costs*	(b) 員工成本*		
Continuing operations:	持續經營業務：		
Contributions to defined contribution retirement plans	向定額供款退休計劃作出之供款	1,578	1,247
Salaries, wages and other benefits	薪酬、工資及其他福利	33,952	32,340
Equity-settled share-based payment expenses (note 21)	以權益結算之股份支出(附註21)	6,800	—
		42,330	33,587
Discontinued operations:	終止經營業務：		
Contributions to defined contribution retirement plans	向定額供款退休計劃作出之供款	2,110	1,968
Salaries, wages and other benefits	薪酬、工資及其他福利	31,830	28,804
		33,940	30,772
		76,270	64,359

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

5 LOSS/(PROFIT) BEFORE TAXATION (continued)

5 除稅前虧損／(溢利)(續)

		2018 二零一八年	2017 二零一七年 (Note) (附註) (Restated) (經重列)
		\$'000 千元	\$'000 千元
(c) Other items	(c) 其他項目		
Continuing operations:	持續經營業務：		
Amortisation	攤銷		
— land lease premium	— 土地租賃費	4,926	4,791
— intangible assets	— 無形資產	170	170
Depreciation	折舊	60,915	59,978
Impairment losses	減值虧損		
— consumable parts (note 12)	— 消耗品(附註12)	2,134	2,364
— trade receivables (note 14)	— 貿易應收賬款(附註14)	38,353	—
Auditor's remuneration	核數師薪酬		
— audit services	— 審計服務	1,478	1,358
— review services	— 審閱服務	380	380
Operating lease charges on properties*	物業的經營租賃費用*	5,717	5,232
Discontinued operations:	終止經營業務：		
Amortisation	攤銷		
— land lease premium	— 土地租賃費	1,318	1,709
Depreciation	折舊	18,705	23,682
Impairment losses	減值虧損		
— prepayments	— 預付款項	6,872	2,311
Write down of consumable parts (note 12)	撇減消耗品(附註12)	—	382
Auditor's remuneration	核數師薪酬		
— other services	— 其他服務	980	—

* Staff costs include \$2,277,233 (2017: \$1,800,000) relating to operating lease charges on properties, which amount is also included in the respective total amount disclosed separately above.

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

* 員工成本包括物業的經營租賃費用2,277,233元(二零一七年：1,800,000元)，該款項亦計入於上述個別披露的各自總額中。

附註：於二零一八年一月一日本集團首次應用《香港財務報告準則》第15號及《香港財務報告準則》第9號。根據所選擇的過渡方法，並無重列比較數字(參閱附註1(c))。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Continuing operations

(i) Income tax in the consolidated income statement represents:

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
Current tax — PRC Corporate Income Tax (note (ii))	即期稅項 — 中國企業所得稅 (附註(ii))	89	—
Current tax — PRC dividend income withholding tax (note (iii))	即期稅項 — 中國股息收入預扣稅 (附註(iii))	9,010	—
		9,099	—

Notes:

- (i) No Hong Kong Profits Tax was provided for the year ended 31 December 2018 as the Group sustained a loss for Hong Kong Profits Tax purposes for the year (2017: \$Nil).
- (ii) The applicable PRC Corporate Income Tax rate of the PRC subsidiaries for the year ended 31 December 2018 was 25% (2017: 25%).
- (iii) During the year ended 31 December 2018, undistributed profits from GD (Panyu) of RMB250,482,000 (equivalent to \$282,456,000) and of which RMB159,801,000 (equivalent to \$180,199,000) related to undistributed profits for the years ended 31 December 2008 to 2017, have been declared to its holding company, Guangdong Petro-Chemicals Company Limited, before the completion of the transaction. Under the grandfathering treatments, undistributed profits of a foreign-invested enterprise as at 31 December 2007 are exempted from withholding tax. The amount RMB250,482,000 (equivalent to \$282,456,000) was fully paid in February 2019 together with withholding tax liability of \$9,010,000.

6 綜合損益表中之所得稅

(a) 持續經營業務

(i) 綜合損益表中之所得稅指：

附註：

- (i) 截至二零一八年十二月三十一日止年度，就香港利得稅而言，由於本集團於年內產生虧損，因此並無就香港利得稅計提撥備 (二零一七年：無)。
- (ii) 截至二零一八年十二月三十一日止年度，中國附屬公司之適用中國企業所得稅稅率為25% (二零一七年：25%)。
- (iii) 截至二零一八年十二月三十一日止年度，粵海(番禺)之未分配利潤人民幣250,482,000元(相當於282,456,000元)，其中人民幣159,801,000元(相當於180,199,000元)為截至二零零八年至二零一七年十二月三十一日止各年度之未分配利潤，已於交易完成前向其控股公司粵海石油化工有限公司宣派。在免受新稅法限制下，外商投資企業於截至二零零七年十二月三十一日之未分配利潤免徵預扣稅。相關金額人民幣250,482,000元(相當於282,456,000元)連同預扣稅稅務9,010,000元已於二零一九年二月支付。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (continued)**(a) Continuing operations** (continued)**(ii) Reconciliation between tax expense and accounting loss at applicable tax rates:**

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
Loss before taxation	除稅前虧損	(89,516)	(68,298)
Notional tax on loss before tax, calculated at the rates applicable in the tax jurisdictions concerned	按適用於有關稅務司法管轄權區之稅率及除稅前虧損計算之名義稅項	(19,293)	(14,643)
Tax effect of non-deductible expenses	不可抵扣支出之稅務影響	13,403	2,413
Tax effect of non-taxable income	非課稅收入之稅務影響	(412)	(132)
Tax effect of unused tax losses not recognised	未確認之稅項虧損	6,421	12,330
Utilization of tax loss not previously recognised	動用過往未確認之稅項虧損	(47)	—
Withholding tax on profits distributions	利潤分派預扣稅	9,010	—
Others	其他	17	32
Actual tax expense	實際稅項開支	9,099	—

(b) Discontinued operations**(i) Income tax in the consolidated income statement represents:**

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
Deferred tax — origination and reversal of temporary differences (note 18(b) and 27)	遞延稅項 — 暫時性差異之產生及回撥(附註18(b)及27)	5,976	(675)

6 綜合損益表中之所得稅(續)**(a) 持續經營業務(續)****(ii) 按適用稅率計算之稅項開支與會計虧損之對賬如下：****(b) 終止經營業務：****(i) 綜合損益表中之所得稅指：**

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (continued)

(b) Discontinued operations (continued)

(i) Income tax in the consolidated income statement represents: (continued)

Notes:

- (i) No Hong Kong Profits Tax was provided for the year ended 31 December 2018 as the Group sustained a loss for Hong Kong Profits Tax purposes for the year (2017: \$Nil).
- (ii) The applicable tax rate of the PRC subsidiaries for the year ended 31 December 2018 was 25% (2017: 25%).

(ii) Reconciliation between tax expense/(credit) and accounting profit at applicable tax rates:

6 綜合損益表中之所得稅(續)

(b) 終止經營業務：(續)

(i) 綜合損益表中之所得稅指：(續)

附註：

- (i) 截至二零一八年十二月三十一日止年度，就香港利得稅而言，由於本集團於年內產生虧損，因此並無就香港利得稅計提撥備(二零一七年：無)。
- (ii) 截至二零一八年十二月三十一日止年度，中國附屬公司之適用稅率為25%(二零一七年：25%)。

(ii) 按適用稅率計算之稅項開支/(抵免)與會計溢利之對賬如下：

		2018 二零一八年	2017 二零一七年 (Restated) (經重列)
		\$'000 千元	\$'000 千元
Profit before taxation (note 27)	除稅前溢利 (附註27)	41,140	70,217
Notional tax on profit before tax, calculated at the rates applicable in the tax jurisdictions concerned	按適用於有關稅務司法管轄權區之稅率及除稅前溢利計算之名義稅項	10,479	17,484
Tax effect of non-deductible expenses	不可抵扣支出之稅務影響	852	160
Tax effect of non-taxable income	非課稅收入之稅務影響	(9,793)	(632)
Tax effect of previously unrecognised tax losses utilised/recognised this year	過往未確認之稅項虧損於本年度使用/確認之稅務影響	—	(17,687)
Tax effect of reversal of previously recognised tax losses	撥回過往確認之稅項虧損之影響	4,438	—
Actual tax expense/(credit)	實際稅項開支/ (抵免)	5,976	(675)

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

7 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

2018

7 董事酬金

根據《香港公司條例》第383(1)條及公司(披露董事利益資料)規例第2部披露之董事酬金如下：

二零一八年

		Directors' fee	Salaries, allowances and benefits in kind	Retirement scheme contributions	Share-based payment (note)	Total
		董事袍金	薪酬、津貼及實物收益	退休計劃供款	以股份為基礎之支出(附註)	合共
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Executive directors	執行董事					
David An	戴偉	—	5,383	60	—	5,443
Yang Dong	楊冬	—	1,274	60	1,067	2,401
Liu Zhijun	劉志軍	—	975	60	960	1,995
Zhang Lei	張雷	—	1,209	60	960	2,229
Independent non-executive directors	獨立非執行董事					
Li Wai Keung	李偉強	120	—	—	160	280
Chan Chun Wai, Tony	陳振偉	120	—	—	160	280
Hai Hiu Chu (appointed on 23 October 2017)	奚曉珠(於二零一七年十月二十三日獲委任)	120	—	—	160	280
		360	8,841	240	3,467	12,908

Note: These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 1(n)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the directors' report and note 21.

附註：該等指根據本公司購股權計劃授予董事之購股權估計價值。該等購股權價值是根據本集團於附註1(n)(ii)所載股份支付交易之會計政策予以計量，並根據該政策包括調整過往年度應計之反向金額，其中權益工具之授予在歸屬前被沒收。

該等實物利益之詳情(包括主要條款及所授出之購股權數目)已在董事會報告之「購股權計劃」一段及附註21中披露。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

7 DIRECTORS' REMUNERATION (continued)
20177 董事酬金(續)
二零一七年

	Directors' fee	Salaries, allowances and benefits in kind	Retirement scheme contributions	Total	
	董事袍金	薪酬、津貼及實物收益	退休計劃供款	合共	
	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	
Executive directors	執行董事				
David An	戴偉	—	4,968	60	5,028
Yang Dong	楊冬	—	1,274	50	1,324
Fung Chi Kwan, Nicholas (resigned on 24 February 2017)	馮志鈞(於二零一七年二月二十四日辭任)	—	992	10	1,002
Liu Zhijun	劉志軍	—	975	60	1,035
Zhang Lei	張雷	—	1,209	60	1,269
Cheung Siu Yuen, Rose (re-designated from independent non-executive director to executive director on 23 October 2017 and resigned on 23 February 2018)	章小婉(於二零一七年十月二十三日由獨立非執行董事調任為執行董事並於二零一八年二月二十三日辭任)	—	244	8	252
Independent non-executive directors	獨立非執行董事				
Li Wai Keung	李偉強	120	—	—	120
Chan Chun Wai, Tony	陳振偉	120	—	—	120
Cheung Siu Yuen, Rose (re-designated from independent non-executive director to executive director on 23 October 2017 and resigned on 23 February 2018)	章小婉(於二零一七年十月二十三日由獨立非執行董事調任為執行董事並於二零一八年二月二十三日辭任)	90	—	—	90
Hai Hiu Chu (appointed on 23 October 2017)	奚曉珠(於二零一七年十月二十三日獲委任)	30	—	—	30
		360	9,662	248	10,270

During the years ended 31 December 2018 and 2017, no amount was paid or payable by the Company to the directors or any of the five highest paid individuals set out in note 8 below as an inducement to join or upon joining the Group or as compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any remuneration during the years.

截至二零一八年及二零一七年十二月三十一日止年度，本公司概無已付或應付董事或下文附註8所述五名最高薪酬人士中任何人士酬金，以吸引彼等加盟本集團或加入後的獎金或作為離職補償。年內，概無訂立安排以致董事放棄或同意放棄任何酬金。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, four (2017: five) are directors of the Company whose emoluments are disclosed in note 7. The emolument in respect of the remaining individual is as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Salaries and other benefits	薪酬及其他收益	650	—
Share-based payments	以股份為基礎之支出	160	—
Contributions to defined contribution retirement plans	向定額供款退休計劃作出之供款	60	—
		870	—

The emolument of the remaining individual with the highest emoluments is within the following band:

		2018 二零一八年 Number of individuals 人數	2017 二零一七年 Number of individuals 人數
Nil-\$1,000,000	零至1,000,000元	1	—

8 最高薪酬人士

於本集團五名最高薪酬人士中，四名(二零一七年：五名)人士均為本公司董事，其酬金於附註7披露。餘下人士之薪酬如下：

最高薪酬餘下人士之酬金在以下範圍內：

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

9 (LOSSES)/EARNINGS PER SHARE

Basic and diluted (losses)/earnings per share

The calculation of basic and diluted (losses)/earnings per share is based on the loss attributable to ordinary equity shareholders of the Company of \$62,406,000 (2017: profit attributable to ordinary equity shareholders of the Company of \$355,000) and the weighted average of 3,732,638,000 ordinary shares (2017: 3,732,638,000 ordinary shares) in issue during the year. The relevant calculation is as follows:

		2018 二零一八年 '000 千元	2017 二零一七年 '000 千元
(Loss)/profit attributable to ordinary equity shareholders — continuing operations — discontinued operations	普通股股東應佔 (虧損)/溢利		
	— 持續經營業務	(94,757)	(64,866)
	— 終止經營業務	32,351	65,221
		(62,406)	355

		2018 二零一八年	2017 二零一七年
Basic and diluted (losses)/earnings per share — continuing operations — discontinued operations	每股基本及攤薄 (虧損)/盈利		
	— 持續經營業務	(2.54 cents 仙)	(1.74 cents 仙)
	— 終止經營業務	0.87 cents 仙	1.75 cents 仙
		(1.67 cents 仙)	0.01 cents 仙

The diluted (losses)/earnings per share is the same as the basic (losses)/earnings per share as there were no dilutive potential ordinary shares in existence during the years ended 31 December 2018 and 2017.

9 每股(虧損)/盈利

每股基本及攤薄(虧損)/盈利

每股基本及攤薄(虧損)/盈利乃根據年內本公司之普通股股東應佔虧損62,406,000元(二零一七年：本公司之普通股股東應佔溢利355,000元)及已發行普通股加權平均數3,732,638,000股普通股(二零一七年：3,732,638,000股普通股)計算。有關計算如下：

由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任何具攤薄作用之潛在普通股，故每股攤薄(虧損)/盈利與每股基本(虧損)/盈利相同。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

10 PROPERTY, PLANT AND EQUIPMENT
(a) Reconciliation of carrying amount10 物業、廠房及設備
(a) 賬面值對賬

		Buildings	Dock and storage facilities	Office equipment	Motor vehicles	Leasehold improvements	Construction in progress	Sub-total	Interests in land held for own use under operating leases (note (b))	Total
		樓宇	碼頭及貯存設施	辦公室設備	汽車	租賃物業裝修	在建工程	小計	根據經營租賃持有自用之土地權益 (附註(b))	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元
Cost:	成本：									
At 1 January 2018	於二零一八年一月一日	51,984	1,864,625	8,579	19,698	1,892	—	1,946,778	306,879	2,253,657
Exchange adjustments	匯兌調整	(2,391)	(85,352)	(283)	(827)	—	—	(88,853)	(14,116)	(102,969)
Additions	添置	—	3,014	1,291	—	—	9,270	13,575	—	13,575
Disposals	出售	—	(13,082)	(2,013)	(151)	—	—	(15,246)	—	(15,246)
Reclassification to assets classified as held for sale (note 27)	重新分類分類為持作出售之資產 (附註27)	(18,653)	(681,548)	(2,703)	(10,289)	—	—	(713,193)	(75,842)	(789,035)
At 31 December 2018	於二零一八年十二月三十一日	30,940	1,087,657	4,871	8,431	1,892	9,270	1,143,061	216,921	1,359,982
Accumulated depreciation and amortisation:	累計折舊及攤銷：									
At 1 January 2018	於二零一八年一月一日	18,147	978,178	6,231	17,874	1,283	—	1,021,713	69,463	1,091,176
Exchange adjustments	匯兌調整	(893)	(47,398)	(214)	(749)	—	—	(49,254)	(3,428)	(52,682)
Charge for the year	年度折舊	1,547	76,964	611	182	316	—	79,620	6,244	85,864
Written back on disposals	於出售時撥回	—	(11,688)	(1,746)	(136)	—	—	(13,570)	—	(13,570)
Reclassification to assets classified as held for sale (note 27)	重新分類分類為持作出售之資產 (附註27)	(11,041)	(480,565)	(1,481)	(9,079)	—	—	(502,166)	(37,902)	(540,068)
At 31 December 2018	於二零一八年十二月三十一日	7,760	515,491	3,401	8,092	1,599	—	536,343	34,377	570,720
Net book value:	賬面淨值：									
At 31 December 2018	於二零一八年十二月三十一日	23,180	572,166	1,470	339	293	9,270	606,718	182,544	789,262

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

10 PROPERTY, PLANT AND EQUIPMENT (continued)
(a) Reconciliation of carrying amount (continued)**10 物業、廠房及設備(續)**
(a) 賬面值對賬(續)

	Buildings	Dock and storage facilities	Office equipment	Motor vehicles	Leasehold improvements	Sub-total	Interests in land held for own use under operating leases (note (b))	Total
	樓宇	碼頭及貯存設施	辦公室設備	汽車	租賃物業裝修	小計	根據經營租賃持作自用之土地權益	總計
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元	千元	千元
Cost:	成本：							
At 1 January 2017	於二零一七年一月一日							
	48,578	1,736,797	7,245	18,514	1,892	1,813,026	286,773	2,099,799
Exchange adjustments	3,406	122,089	485	1,184	—	127,164	20,106	147,270
Transfer	—	1,470	—	—	—	1,470	—	1,470
Additions	—	4,277	950	—	—	5,227	—	5,227
Disposals	—	(8)	(101)	—	—	(109)	—	(109)
	51,984	1,864,625	8,579	19,698	1,892	1,946,778	306,879	2,253,657
At 31 December 2017	於二零一七年十二月三十一日							
Accumulated depreciation and amortisation:	累計折舊及攤銷：							
At 1 January 2017	於二零一七年一月一日							
	15,369	835,862	5,380	16,467	967	874,045	58,611	932,656
Exchange adjustments	1,139	61,561	353	1,053	—	64,106	4,352	68,458
Charge for the year	1,639	80,762	589	354	316	83,660	6,500	90,160
Written back on disposals	—	(7)	(91)	—	—	(98)	—	(98)
	18,147	978,178	6,231	17,874	1,283	1,021,713	69,463	1,091,176
At 31 December 2017	於二零一七年十二月三十一日							
Net book value:	賬面淨值：							
At 31 December 2017	於二零一七年十二月三十一日							
	33,837	886,447	2,348	1,824	609	925,065	237,416	1,162,481

(b) The Group was granted the rights to use the land by the PRC authorities with lease terms of 50 years. The net book value as at 31 December 2018 includes an amount of \$4,741,000 (2017: \$6,743,000) which is disclosed as interest in land held for own use under operating leases under current assets.

(b) 本集團獲中國政府機關授予土地使用的權利，租賃期為50年。於二零一八年十二月三十一日之賬面淨值內包括金額4,741,000元(二零一七年：6,743,000元)，已於流動資產中之根據經營租賃持作自用之土地權益中披露。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

10 PROPERTY, PLANT AND EQUIPMENT (continued)
(c) The analysis of net book value of properties is as follow:**10 物業、廠房及設備(續)**
(c) 物業賬面淨值之分析如下：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
In PRC:	位於中國：		
Medium-term leases	中期租約	205,724	271,253
Representing:	包含：		
Buildings	樓宇	23,180	33,837
Interests in land held for own use under operating leases	根據經營租賃持作 自用之土地權益	182,544	237,416
		205,724	271,253

11 INTANGIBLE ASSETS**11 無形資產**

		Club memberships 會籍	
		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Cost:	成本：		
At 1 January	於一月一日	3,893	3,859
Exchange adjustments	匯兌調整	(24)	34
		3,869	3,893
At 31 December	於十二月三十一日	3,869	3,893
Accumulated amortisation:	累計攤銷：		
At 1 January	於一月一日	2,150	1,959
Exchange adjustments	匯兌調整	(16)	21
Charge for the year	年度折舊	170	170
		2,304	2,150
At 31 December	於十二月三十一日	2,304	2,150
Net book value:	賬面淨值：		
At 31 December	於十二月三十一日	1,565	1,743

The amortisation charge for the year is included in "administrative expenses" in the consolidated income statement.

本年度之攤銷費用計入綜合損益表「行政費用」中。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

12 CONSUMABLE PARTS**(a) Consumable parts in the consolidated balance sheet comprise:**

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Consumable parts 消耗品	8,284	11,083

(b) The analysis of the amount of consumable parts recognised as an expense and included in profit or loss is as follows:

	2018 二零一八年 \$'000 千元	2017 二零一七年 (Restated) (經重列) \$'000 千元
Continuing operations: Impairment losses of consumable parts	5(c) 2,134	2,364
Discontinued operations: Write down of consumable parts	5(c) —	382
	2,134	2,746

12 消耗品**(a) 綜合資產負債表內之消耗品包括：**

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
消耗品	8,284	11,083

(b) 確認為開支及計入損益之消耗品金額分析如下：

	2018 二零一八年 \$'000 千元	2017 二零一七年 (Restated) (經重列) \$'000 千元
Continuing operations: Impairment losses of consumable parts	5(c) 2,134	2,364
Discontinued operations: Write down of consumable parts	5(c) —	382
	2,134	2,746

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

13 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary shares unless otherwise indicated.

13 投資附屬公司

以下列表只包含對本集團的業績、資產或負債有重大影響的附屬公司之詳情。除非另有說明，否則所持之股份類別為普通股。

Name of subsidiary 附屬公司名稱	Place of operation 經營地點	Place of incorporation/ establishment/ 註冊成立/ 成立之地點	Particulars of issued and paid up capital 已發行及已繳足 股本詳情	Attributable equity interest		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Continuing operations 持續經營業務						
Guangdong Petro-Chemicals Company Limited 粵海石油化工有限公司	Hong Kong 香港	Hong Kong 香港	20,000,000 shares of \$1 each 20,000,000股 每股面值1元	—	100%	Provision of administrative services 提供行政服務
Oriental Point International Limited 東康國際有限公司	Hong Kong 香港	Hong Kong 香港	1,000,000 shares of \$1 each 1,000,000股 每股面值1元	—	100%	Inactive 暫無業務
Timeslink Development Limited 時亮發展有限公司	Hong Kong 香港	Hong Kong 香港	10,000 shares of \$1 each 10,000股 每股面值1元	100%	—	Provision of administrative services 提供行政服務
Union Petro-Chemicals (BVI) Company Limited 廣東聯盈石油化工有限公司	Hong Kong 香港	British Virgin Islands 英屬處女群島	100 shares of US\$1 each 100股 每股面值1美元	100%	—	Investment holding 投資控股
Guangzhou Zhongshui Petrochemical Development Limited 廣州中穗石油化工發展有限公司 (「中穗石化」)	PRC 中國	PRC 中國	RMB4,820,800 人民幣4,820,800元	—	92%	Investment holding 投資控股
Dongguan Dongzhou International Petrochemical Storage Limited 東莞市東洲國際石化倉儲有限公司 (「東洲國際」)	PRC 中國	PRC 中國	RMB555,000,000 人民幣555,000,000元	—	92%	Provision of terminal, storage and transshipment services 提供碼頭、貯存及轉輸 服務
Guangzhou Hans Energy Investment Ltd. ("GHEIL") (Note 3) 廣州漢思能源投資有限公司 (「廣州漢思」)(附註3)	PRC 中國	PRC 中國	RMB5,000,000 (Note 4) 人民幣5,000,000元 (附註4)	—	92%	Investment holding 投資控股
Discontinued operations 終止經營業務						
GD (Panyu) 粵海(番禺)	PRC 中國	PRC 中國	RMB220,000,000 人民幣220,000,000元	—	92%	Provision of terminal, storage, warehousing and transshipment services 提供碼頭、貯存、倉庫及轉 輸服務

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

13 INVESTMENTS IN SUBSIDIARIES (continued)

Note 1: GD (Panyu) and GHEIL are sino-foreign equity joint venture companies and 中穗石化 and 東洲國際 are limited liability companies. The official names of 中穗石化 and 東洲國際 are in Chinese and the English translations are for reference only.

Note 2: 東洲國際 and 中穗石化 are wholly owned by GHEIL. Before December 2018, 東洲國際 and 中穗石化 were wholly owned by GD (Panyu).

Note 3: GHEIL was incorporated during the year.

Note 4: The amount represented the registered share capital which is not paid up yet.

The following table lists out the information relating to (i) GHEIL and its subsidiaries as at 31 December 2018, (ii) GD (Panyu) as at 31 December 2018 and (iii) GD (Panyu) and its subsidiaries as at 31 December 2017, which are the subsidiaries of the Group which have material non-controlling interest ("NCI") as at 31 December 2018 and 31 December 2017 respectively. The summarised financial information presented below represents the amounts before any inter-company elimination.

13 投資附屬公司(續)

附註1：粵海(番禺)及廣州漢思為中外合資公司，中穗石化及東洲國際各為有限責任公司。中穗石化及東洲國際之正式名稱為中文，英文翻譯僅供參考。

附註2：東洲國際及中穗石化由廣州漢思全資擁有。於二零一八年十二月之前，東洲國際及中穗石化由粵海(番禺)全資擁有。

附註3：廣州漢思於年內註冊成立。

附註4：該金額指尚未支付的註冊股本。

下表載列有關本集團分別於二零一八年十二月三十一日及二零一七年十二月三十一日擁有重大非控股權益(「非控股權益」)的附屬公司(i)廣州漢思及其附屬公司於二零一八年十二月三十一日，(ii)粵海(番禺)於二零一八年十二月三十一日，及(iii)粵海(番禺)及其附屬公司於二零一七年十二月三十一日的資料。下文呈列的財務資料概要指未計任何公司間對銷的金額。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

13 INVESTMENTS IN SUBSIDIARIES (continued)

13 投資附屬公司(續)

		2018 二零一八年		2017 二零一七年
		\$'000 千元	\$'000 千元	\$'000 千元
		GHEIL and its subsidiaries 廣州漢思及 其附屬公司	GD (Panyu) 粵海(番禺)	GD (Panyu) and its subsidiaries 粵海(番禺)及 其附屬公司
NCI percentage	非控股權益百分比	8%	8%	8%
Non-current assets	非流動資產	787,425	—	1,170,348
Current assets	流動資產	412,209	743,756	186,936
Current liabilities	流動負債	(997,401)	(378,912)	(105,766)
Non-current liabilities	非流動負債	(661,948)	—	(1,012,087)
Net (liabilities)/assets	淨(負債)/資產	(459,715)	364,844	239,431
Carrying amount of NCI	非控股權益賬面值	(36,777)	29,187	19,154

		2018 二零一八年		2017 二零一七年
		\$'000 千元	\$'000 千元	\$'000 千元
		GHEIL and its subsidiaries 廣州漢思及 其附屬公司	GD (Panyu) 粵海(番禺)	GD (Panyu) and its subsidiaries 粵海(番禺)及其附 屬公司
Revenue	收益	141,556	152,447	273,331
(Loss)/profit for the year	年內(虧損)/溢利	(48,215)	35,164	27,980
Total comprehensive income	全面收入總額	(47,785)	35,228	29,024
(Loss)/profit allocated to NCI	分配至非控股權益的 (虧損)/溢利	(3,858)	2,813	2,239
Dividends paid to NCI	向非控股權益派付股息	—	24,858	—

		2018 二零一八年		2017 二零一七年
		\$'000 千元	\$'000 千元	\$'000 千元
		GHEIL and its subsidiaries 廣州漢思及 其附屬公司	GD (Panyu) 粵海(番禺)	GD (Panyu) and its subsidiaries 粵海(番禺)及 其附屬公司
Cash flows from operating activities	營業活動產生現金流量	(400,807)	583,031	154,123
Cash flows from investing activities	投資活動產生現金流量	885,051	(4,118)	(8,251)
Cash flows from financing activities	融資活動產生現金流量	(101,289)	(121,059)	(127,105)

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

14 TRADE AND OTHER RECEIVABLES

14 貿易及其他應收款項

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Trade debtors, net of loss allowance (note)	扣除虧損撥備的貿易應收賬款(附註)	18,257	79,368
Financial assets measured at amortised cost	按攤銷成本計量的金融資產	18,257	79,368
Prepayments and other receivables	預付款項及其他應收款項	6,650	6,540
		24,907	85,908

Note: The Group has concluded that there would be no material impact for the initial application of the new impairment requirements (see note 1(c)(i)).

The amounts of the prepayments and other receivables expected to be recovered or recognised as expense after more than one year are \$598,000 (2017: \$810,000). Apart from these, the prepayments and other receivables are expected to be recovered or recognised as expense within one year.

附註：本集團認為初步應用新減值規定(見附註1(c)(i))將不會產生重大影響。

預期於一年後收回或確認為費用之預付款項及其他應收款項為598,000元(二零一七年：810,000元)。除此之外，預付款項及其他應收款項預期將於一年內收回或確認為費用。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

14 TRADE AND OTHER RECEIVABLES (continued)**(a) Ageing analysis**

As at balance sheet date, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the invoice date and net of allowance, is as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Within 1 month	一個月內	17,491	37,031
Over 1 month but within 2 months	一個以上 但兩個月內	470	1,182
Over 2 months but within 3 months	兩個以上 但三個月內	8	69
Over 3 months but within 6 months	三個月以上 但六個月內	288	41,086
		18,257	79,368

Subject to negotiation, credit is generally only available to major customers with well-established trading records. The Group allows an average credit period of 30 days to its trade customers. Further details on the Group's credit policy and credit risk arising from trade debtors are set out in note 23(a).

14 貿易及其他應收款項(續)**(a) 賬齡分析**

於結算日，根據發票日期及已扣除撥備之貿易應收賬款(計入貿易及其他應收款項)之賬齡分析如下：

視乎洽談結果而定，除賬期一般僅授予有良好交易記錄之主要客戶。本集團給予貿易客戶平均30天之除賬期。有關本集團信貸政策及貿易應收賬款產生之信貸風險之進一步詳情載於附註23(a)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

14 TRADE AND OTHER RECEIVABLES (continued)

(b) Trade debtors that are not impaired

The ageing analysis of trade debtors that were not considered to be impaired are as follows:

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Neither past due nor impaired	17,491	37,031
Less than 1 month past due	470	1,182
1 to 2 months past due	8	69
Over 2 months past due	288	41,086
	18,257	79,368

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Balance at 31 December 2017 under HKAS 39	—	—
Impact on initial application of HKFRS 9 (note 1(c)(i))	—	—
Balance at 1 January	—	—
Amounts written off during the year	—	—
Impairment losses recognised during the year	38,353	—
Exchange difference	574	—
Balance at 31 December	38,927	—

14 貿易及其他應收款項(續)

(b) 並無減值的貿易應收賬款

並無視為減值的貿易應收賬款的賬齡分析如下：

並未逾期或減值之應收款項與眾多近期沒有拖欠記錄之客戶有關。

年內貿易應收款項相關虧損撥備賬變動如下：

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

14 TRADE AND OTHER RECEIVABLES (continued)**(b) Trade debtors that are not impaired (continued)**

At 31 December 2018, receivables that were past due mainly represented an amount of \$38,927,000 (2017: \$40,961,000) due from a customer ("Customer A") that was in financial difficulty. To reclaim the trade debts, the Group filed an application to the court in the PRC and the court granted the Group a lien on Customer A's goods stored at the storage facilities of the Group during the year ended 31 December 2015. Subsequently, the goods were sold by the court through an auction in 2016 and the related sale proceeds of the goods ("the auction proceeds") are being held under the custody of the court since then.

In June 2018, the Group has filed a written request to the court for releasing the auction proceeds to the Group. However, no formal reply has been received from the court regarding (i) the exact amount of sales proceeds to be received and (ii) the relevant receipt timeline up to the date of this report.

In December 2018, forced execution processes in respect of the auction proceeds and distribution of Customer A's assets were initiated and applied by the first mortgagor of Customer A, a third party. The court has accepted this application. However, there is no further progress in this aspect up to the date of this report.

Based on the foregoing and considering the complexity of the forced execution processes and the number of related creditors involved therein, the directors have reassessed the recovery of receivables due from Customer A during the year ended 31 December 2018. The directors are of the opinion that the expected credit losses of the amount due from Customer A as at 31 December 2018 amounting to \$38,927,000 was necessary to be recognised during the year ended 31 December 2018.

14 貿易及其他應收款項(續)**(b) 並無減值的貿易應收賬款(續)**

於二零一八年十二月三十一日，逾期應收款項主要是來自一名有財政困難之客戶(「客戶甲」)之應收款項為38,927,000元(二零一七年：40,961,000元)。為收回貿易應收賬款，截至二零一五年十二月三十一日止年度，本集團已向中國法院提出申請，而法院已就該申請授予本集團就客戶甲存放在本集團倉儲設施之貨品擁有留置權。其後，於二零一六年，該等貨品經法院拍賣出售，且貨品相關銷售所得款項(「拍賣所得款項」)自此由法院保管。

於二零一八年六月，本集團已向法院提交書面申請，要求向本集團發還拍賣所得款項。然而，本集團尚未從法院收到關於(i)將收到的確切所得款項金額及(ii)直至本報告日期的相關收款時間表的正式回覆。

於二零一八年十二月，拍賣所得款項及分派客戶甲資產的強制執行情序由客戶甲第一抵押人(第三方)發起並申請。法院已接受該申請。然而，直至本報告日期，此方面並無進一步的進展。

按上文所述及鑒於強制執行情序的複雜性以及其中涉及的相關債權人的人數，董事已評估截至二零一八年十二月三十一日止年度應收客戶甲款項之可收回性，董事認為有需要於截至二零一八年十二月三十一日止年度確認於二零一八年十二月三十一日應收客戶甲款項之預期信貸虧損達38,927,000元。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

14 TRADE AND OTHER RECEIVABLES (continued)

(b) Trade debtors that are not impaired (continued)

Apart from the above, receivables that were past due but not impaired relate to a number of independent customers that have good track record with the Group. Based on past experience, management believed that no impairment allowance was necessary in respect of these balances as there had been no significant change in credit quality and the balances were still considered fully recoverable.

During the year ended 31 December 2018, the Group kept assessing the expected credit loss of all the receivables and established a provision for doubtful debts, if any. The provision for doubtful debts is recorded using a provision account unless the Group is satisfied that the recovery is remote, in which case the expected credit loss is written off against the receivables and the provision for doubtful debts directly. The Group does not hold any collateral over these balances.

15 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Cash at bank and on hand	銀行存款及現金	881,071	41,161

14 貿易及其他應收款項(續)

(b) 並無減值的貿易應收賬款(續)

除上文所述外，已逾期但未減值的應收款項與數名獨立客戶有關，彼等與本集團具有良好交易記錄。根據過往經驗，管理層相信，因信貸質素尚無重大變動及結餘仍視作可悉數收回，故就此等結餘而言毋需作出減值撥備。

截至二零一八年十二月三十一日止年度，本集團持續評估所有應收款項的預期信貸虧損並計提呆壞賬(如有)撥備。呆壞賬撥備以撥備賬記錄，除非本集團確信可收回性很小，在此情況下預期信貸虧損直接與應收款項及呆壞賬撥備撇銷。本集團並無就該等結餘持有任何抵押品。

15 現金及現金等值項目及現金流量資料

(a) 現金及現金等值項目包括：

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

15 CASH AND CASH EQUIVALENTS AND OTHER CASH
FLOW INFORMATION (continued)
(b) Reconciliation of (loss)/profit before taxation to
cash generated from operations:15 現金及現金等值項目及現金流量
資料(續)
(b) 除稅前(虧損)/溢利與經營
業務所得現金之對賬:

	Note 附註	2018 二零一八年 \$'000 千元	2017 二零一七年 (Note) (附註) (Restated) (經重列) \$'000 千元
(Loss)/profit before taxation	除稅前(虧損)/溢利	(48,376)	1,919
— Continuing operations	— 持續經營業務	(89,516)	(68,298)
— Discontinued operations	— 終止經營業務	41,140	70,217
Adjustments for:	就以下各項作出調整:		
Interest income	利息收入	(1,453)	(249)
Finance costs	財務成本	45,835	47,441
Depreciation	折舊	79,620	83,660
Amortisation of land lease premium	土地租賃費攤銷	6,244	6,500
Amortisation of intangible assets	無形資產攤銷	170	170
Impairment of prepayments	預付款項減值	6,872	2,311
Impairment of consumable parts	消耗品減值	2,134	2,364
Written down of consumable parts	撇減消耗品	—	382
Equity-settled share-based payment expenses	以權益結算之股份支出	6,800	—
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	(1,489)	11
Impairment of trade receivables	貿易應收款項減值	38,353	—
Exchange differences	匯兌差額	(593)	(120)
Changes in working capital:	營運資金之變動:		
Decrease in consumable parts	消耗品減少	244	592
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少/(增加)	21,157	(14,014)
Increase in other payables and accruals	其他應付款項及計提費用增加	92	2,363
Cash generated from operations	經營業務所得現金	155,610	133,330

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

附註: 於二零一八年一月一日本集團首次應用《香港財務報告準則》第15號及《香港財務報告準則》第9號。根據所選擇的過渡方法，並無重列比較數字。見附註1(c)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

15 CASH AND CASH EQUIVALENTS AND OTHER CASH
FLOW INFORMATION (continued)(c) Reconciliation of liabilities arising from
financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

15 現金及現金等值項目及現金流量
資料(續)

(c) 融資活動產生之負債對賬

下表詳列本集團自融資活動產生之負債變動之詳情，包括現金及非現金變動。融資活動產生之負債變動指過往現金流量或未來現金流量將於本集團綜合現金流量表分類為融資活動所產生之現金流量之負債。

		Amounts due to related parties 應付關聯方 款項 \$'000 千元 (Note 19) (附註19)	Bank loans 銀行貸款 \$'000 千元 (Note 17) (附註17)	Total 合計 \$'000 千元
At 1 January 2018	於二零一八年 一月一日	265,094	986,964	1,252,058
Changes from financing cash flows:	融資現金流量的變 動：			
Advances from a related party	一名關聯方之墊支 款項	30,465	—	30,465
Repayment of bank loans/to a related party	償還銀行／關聯方 貸款	(88,927)	(61,656)	(150,583)
Interest paid	已付利息	—	(45,940)	(45,940)
Total changes from financing cash flows	融資現金流量變動 合計	(58,462)	(107,596)	(166,058)
Exchange adjustments	匯兌調整	(797)	(45,269)	(46,066)
Other changes:	其他變動：			
Interest expenses (note 5(a))	利息開支(附註 5(a))	—	45,835	45,835
Total other changes	其他變動合計	—	45,835	45,835
At 31 December 2018	於二零一八年 十二月三十一日	205,835	879,934	1,085,769

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

15 CASH AND CASH EQUIVALENTS AND OTHER CASH
FLOW INFORMATION (continued)(c) Reconciliation of liabilities arising from
financing activities (continued)15 現金及現金等值項目及現金流量
資料(續)(c) 融資活動產生之負債對賬
(續)

		Amounts due to related parties 應付關聯方 之款項 \$'000 千元 (Note 19) (附註19)	Bank loans 銀行貸款 \$'000 千元 (Note 17) (附註17)	Total 合計 \$'000 千元
At 1 January 2017	於二零一七年一月一日	259,089	980,433	1,239,522
Changes from financing cash flows:	融資現金流量的變動：			
Advances from a related party	一名關聯方之墊支款項	19,132	—	19,132
Repayment of bank loans/to a related party	償還銀行／關聯方貸款	(19,606)	(59,973)	(79,579)
Interest paid	已付利息	—	(47,526)	(47,526)
Total changes from financing cash flows	融資現金流量變動合計	(474)	(107,499)	(107,973)
Exchange adjustments	匯兌調整	6,479	66,589	73,068
Other changes:	其他變動：			
Interest expenses (note 5(a))	利息開支 (附註5(a))	—	47,441	47,441
Total other changes	其他變動合計	—	47,441	47,441
At 31 December 2017	於二零一七年十二月三十一日	265,094	986,964	1,252,058

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

16 OTHER PAYABLES AND ACCRUALS

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Consideration received from disposal of a subsidiary (note)	出售一間附屬公司的應收代價(附註)	890,206	—
Other creditors and accruals	其他應付賬款及計提費用	51,100	54,777
		941,306	54,777

Note: During the year ended 31 December 2018, the Group had consideration received in advance from Guangzhou Gas Group Company Limited relating to disposal of GD (Panyu) of \$890,206,000 according to the Sale and Purchase Agreement and this amount was secured by certain of the Group's dock and storage facilities with net book value of \$4,549,000 as at 31 December 2018 and 92% of GD (Panyu)'s equity interest with the corresponding issued and paid up capital of RMB202,400,000 as an indemnity arrangement for Guangzhou Gas Group Company Limited as the Transaction was not completed as at 31 December 2018.

At 31 December 2018 and 2017, all of the other payables and accruals are expected to be settled or recognised as income within one year.

17 BANK LOANS AND OTHER BORROWINGS

(a) The analysis of the carrying amount of bank loans and other borrowings is as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Current liabilities	流動負債		
Bank loans	銀行貸款	90,162	64,601
Non-current liabilities	非流動負債		
Bank loans	銀行貸款	789,772	922,363
		879,934	986,964

16 其他應付款項及計提費用

附註：截至二零一八年十二月三十一日止年度，本集團根據買賣協議就出售粵海(番禺)而從廣州燃氣集團有限公司所收到的預收代價款890,206,000元，該金額乃以本集團若干碼頭及貯存設施(於二零一八年十二月三十一日賬面淨值為4,549,000元)及粵海(番禺)的92%股權(相應已發行及實繳股本為人民幣202,400,000元)作抵押，作為以廣州燃氣集團有限公司為受益人的彌償安排，原因為交易於二零一八年十二月三十一日尚未完成。

於二零一八年及二零一七年十二月三十一日，所有其他應付款項及計提費用預期於一年內清還或確認為收入。

17 銀行貸款及其他借貸

(a) 銀行貸款及其他借貸賬面值的分析如下：

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

17 BANK LOANS AND OTHER BORROWINGS (continued)

(b) At 31 December 2018, the bank loans and other borrowings were repayable as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Bank loans (secured)	銀行貸款(有抵押)		
Within 1 year or on demand	於一年內或應要求時	90,162	64,601
After 1 year but within 2 years	一年後但兩年內	118,694	94,509
After 2 years but within 5 years	兩年後但五年內	534,124	672,332
After 5 years	五年後	136,954	155,522
		789,772	922,363
		879,934	986,964

(c) At 31 December 2018, the Group had banking facilities totalling \$879,934,000 (2017: \$986,964,000) which were secured by certain of the Group's property, plant and equipment with net book value of \$645,589,000 (2017: \$739,398,000) and interests in land held for own use under operating leases with net book value of \$210,671,000 (2017: \$224,993,000). The banking facilities were utilised to the extent of \$879,934,000 as at 31 December 2018 (2017: \$986,964,000).

17 銀行貸款及其他借貸(續)

(b) 於二零一八年十二月三十一日，銀行貸款及其他借貸須於下列期間償還：

(c) 於二零一八年十二月三十一日，本集團之銀行融資額度合共879,934,000元(二零一七年：986,964,000元)，乃以本集團賬面淨值為645,589,000元(二零一七年：739,398,000元)之物業、廠房及設備及賬面淨值為210,671,000元(二零一七年：224,993,000元)之根據經營租賃持有作自用土地之權益作抵押。於二零一八年十二月三十一日，已動用之銀行融資額度為879,934,000元(二零一七年：986,964,000元)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

18 INCOME TAX IN THE CONSOLIDATED BALANCE SHEET**(a) Current taxation in the consolidated balance sheet represents:**

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
PRC Corporate Income Tax 中國企業所得稅	86	—
PRC dividend income withholding tax 中國股息收入預扣稅	9,010	—
	9,096	—

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax liabilities/(assets) recognised in the consolidated statement of financial position and the movements during the year are as follows:

	Future benefits of tax losses 稅項虧損之未來利益 \$'000 千元	Depreciation allowances in excess of the related depreciation 超出相關折舊的折舊撥備 \$'000 千元	Total 總額 \$'000 千元
Deferred tax arising from:	遞延稅項來自：		
At 1 January 2017			
Exchange adjustments Credited to profit or loss (note 6(b))			
At 31 December 2017			
At 1 January 2018			
Exchange adjustments Credited to profit or loss (note 6(b))			
At 31 December 2018			

18 綜合資產負債表中之所得稅**(a) 綜合資產負債表之流動稅項指：**

(b) 已確認遞延稅項資產及負債：
年內於綜合財務狀況表中確認之遞延稅項負債／(資產)組成部分及其變動情況如下：

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

18 INCOME TAX IN THE CONSOLIDATED BALANCE SHEET
(continued)**(c) Deferred tax assets not recognised:**

In accordance with the accounting policy set out in note 1(o), the Group has not recognised deferred tax assets in respect of the cumulative tax losses of approximately \$537 million (2017: \$587 million) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses of the Group's PRC subsidiaries will expire in 5 years after the relevant tax losses were incurred while tax losses for the Group's subsidiaries in Hong Kong do not expire under the current tax legislation.

(d) Deferred tax liabilities not recognised:

In PRC, dividends paid by a foreign-invested enterprise to its foreign investors are subject to withholding tax at a rate of 10% unless reduced by treaty (5% for foreign investors who are registered in Hong Kong provided they meet certain criteria). Under the grandfathering treatments, undistributed profits of a foreign-invested enterprise as at 31 December 2007 are exempted from withholding tax.

At 31 December 2017, temporary differences relating to the undistributed profits of subsidiaries amounted to \$236,378,000. Deferred tax liabilities of \$11,819,000 have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that the profits will not be distributed in the foreseeable future.

At 31 December 2018, the profits of these subsidiaries were distributed under the Transaction and withholding tax was recognised in this regard (note 6(a)).

18 綜合資產負債表中之所得稅(續)**(c) 未確認之遞延稅項資產：**

根據附註1(o)所載之會計政策，由於有關實體未來不大可能於有關稅務司法權區有應課稅溢利以抵銷有關虧損，本集團未有就累計稅項虧損約5.37億元(二零一七年：5.87億元)確認遞延稅項資產。本集團的中國附屬公司的稅務虧損將在有關稅務虧損發生後5年內無效；而根據現行稅務條例，本集團在香港的附屬公司的稅務虧損並無限期。

(d) 未確認之遞延稅項負債：

於中國，除雙邊協議可減少徵稅外，外資企業支付其海外投資者之股息須繳納10%預扣稅(倘為於香港註冊符合且符合若干標準的外國投資者，則為5%)。在免受新稅法限制下，外資企業於二零零七年十二月三十一日之未分配溢利獲豁免繳納預扣稅。

於二零一七年十二月三十一日，與附屬公司之未分配利潤相關之稅項暫時性差異合共為236,378,000元。本公司未有就於分派此等未分配利潤而應付之稅項確認遞延稅項負債11,819,000元，原因為本公司控制該等附屬公司之股息政策，並確認很可能不會於可見將來分派利潤。

於二零一八年十二月三十一日，本公司已分派交易項下該等附屬公司的利潤，並就此確認預扣稅(附註6(a))。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

19 AMOUNTS DUE TO RELATED PARTIES

The amounts due to related parties are unsecured, interest-free and repayable within one year.

20 EMPLOYEE RETIREMENT BENEFITS

The employees of the Group's PRC subsidiaries are members of a state-managed retirement benefit scheme operated by the PRC government. The Group is required to contribute a certain percentage of the salaries, bonuses and certain allowances of its staff to the retirement scheme. The only obligation of the Group with respect to the retirement benefit scheme is to make the required contribution under the scheme. The Group has no other material obligation for the payment of pension benefits associated with this scheme beyond the annual contributions described above.

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$30,000 (\$25,000 prior to June 2014). Contributions to the plan vest immediately.

19 應付關聯方款項

應付關聯方之款項為無抵押、免息及須於一年內償還。

20 僱員退休福利

本集團在中國之附屬公司之僱員為中國政府所操作之國家管理退休福利計劃之成員。本集團須按其員工之薪酬、花紅及若干津貼之某個百分比向該退休計劃供款。就該退休福利計劃而言，本集團之唯一責任為根據該計劃作出所需之供款。除上述每年供款外，本集團於該計劃的退休金福利方面並無其他重大付款責任。

本集團亦為按香港僱傭條例聘用之僱員，根據香港強制性公積金計劃條例設有強制性公積金計劃（「強積金計劃」）。強積金計劃乃一項由獨立受託人管理之界定供款退休計劃。根據強積金計劃，僱主及僱員須各自按僱員有關收入之5%向計劃作出供款，惟以每月相關收入30,000元（二零一四年六月前為25,000元）為限。向計劃作出之供款即時歸屬予僱員。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

21 EQUITY SETTLED SHARE-BASED TRANSACTIONS

Pursuant to ordinary resolutions passed on 28 December 2012, the Company adopted a share option scheme (“the scheme”) for the purpose of enabling the Company to recruit and retain high-calibre employees and attract resources that are available to the Group and to provide the Company with a means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to such persons who contribute or may bring benefit to the Group. The scheme remains in force for a period of 10 years from adoption and expires on 27 December 2022.

Under the scheme, the board of directors of the Company may at their discretion grant options to any eligible participant including any employee, director, consultant, agent, business affiliate, business partner, joint venture partner, strategic partner of the Company or any subsidiaries of the Company, or any supplier or provider of goods or services to the Company or any subsidiaries of the Company, to take up options at a consideration of \$1 per each option grantee to subscribe shares of the Company, as may be determined by the directors from time to time to subscribe for the shares of the Company. The options vest on 31 May 2019 and are then exercisable from 30 August 2019 to 29 August 2028. Each option gives the holder the right to subscribe for one ordinary share in the Company.

On 30 August 2018, 65,000,000 options and 62,500,000 options were granted to directors and employees of the Group by the Company under the scheme respectively. The directors estimated the weighted average fair value of each option at the grant date to be \$0.12.

Equity-settled share-based payment expenses of \$6,800,000 (2017: \$Nil) were recognised in the consolidated income statement (note 5(b)) for the year ended 31 December 2018.

No share option was granted to or exercised by any of the Directors and employees during the year ended 31 December 2017 and no share option was outstanding under the scheme as at 31 December 2017.

21 以權益結算之股份交易

根據於二零一二年十二月二十八日通過之普通決議案，本公司採納一項購股權計劃（「該計劃」），藉此令本公司得以聘請及續聘具才幹之僱員、吸納對本集團有價值之資源，及為本公司提供渠道向該等對本集團有貢獻或可帶來利益之人士作出激勵、獎賞、報酬、補償及／或提供福利。該計劃由採納當日起計十年期間一直有效，並於二零一二年十二月二十七日屆滿。

根據該計劃，本公司之董事會可酌情向任何合資格參與者（包括本公司或本公司任何附屬公司之僱員、董事、顧問、代理人、業務附屬成員、業務夥伴、合營企業夥伴、策略夥伴或任何向本公司或本公司任何附屬公司提供任何貨品或服務之供應者（經董事不時釐定））授出購股權（按各購股權承授人支付1元的代價接納購股權），以認購本公司股份。購股權於二零一九年五月三十一日歸屬，其後於二零一九年八月三十日至二零二八年八月二十九日期間可予行使。每份購股權賦予持有人認購一股本公司普通股之權利。

於二零一八年八月三十日，本公司根據該計劃分別向本集團董事及僱員授出65,000,000份購股權及62,500,000份購股權。董事於授出日期估計每份購股權的加權平均公允值為0.12元。

截至二零一八年十二月三十一日止年度，以權益結算之股份支出6,800,000元（二零一七年：零元）於綜合損益表（附註5(b)）予以確認。

截至二零一七年十二月三十一日止年度，並無任何董事及僱員獲授出或行使有關該計劃之購股權及於二零一七年十二月三十一日根據該計劃並無尚未行使之購股權。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

21 EQUITY SETTLED SHARE-BASED TRANSACTIONS
(continued)**(i) The terms and conditions of the grants that existed during the year are as follows:**

	Number of instruments 工具數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約期限
Options granted to directors 授予董事之購股權			
— on 30 August 2018 — 於二零一八年八月三十日	65,000,000	100% vested on 31 May 2019 於二零一九年五月三十一日 全數歸屬	10 years 10年
Options granted to employees 授予僱員之購股權			
— on 30 August 2018 — 於二零一八年八月三十日	62,500,000	100% vested on 31 May 2019 於二零一九年五月三十一日 全數歸屬	10 years 10年
Total 總計	127,500,000		

21 以權益結算之股份交易(續)**(i) 年內現有購股權授出之條款及條件如下，****(ii) The number and weighted average exercise prices of the share options are as follow:****(ii) 購股權之數目及加權平均行使價如下：**

	Weighted average exercise price 加權平均行使價	Number of options 購股權數目	2018 二零一八年		2017 二零一七年	
			Weighted average exercise price 加權平均行使價	Number of options 購股權數目	Weighted average exercise price 加權平均行使價	Number of options 購股權數目
Outstanding at the beginning of the year 於年初未行使	—	—	—	—	—	—
Granted during the year 於年內授出	\$0.236	127,500,000	—	—	—	—
Outstanding at the end of the year 於年末未行使	\$0.236	127,500,000	—	—	—	—

No shares options were exercised during the year (2017: Not applicable).

年內概無購股權獲行使(二零一七年：不適用)。

The options outstanding at 31 December 2018 had an exercise price of \$0.236 (2017: Not applicable) and a weighted average remaining contractual life of 9.7 years (2017: Not applicable).

於二零一八年十二月三十一日尚未行使的購股權行使價為0.236元(二零一七年：不適用)及加權平均剩餘合約期為9.7年(二零一七年：不適用)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

21 EQUITY SETTLED SHARE-BASED TRANSACTIONS*(continued)***(iii) Fair value of the options and assumptions**

The fair value of services received in return for options granted is measured by reference to fair value of the options granted. The estimate of fair value of options granted is measured based on a binomial model. The contractual life of the share option is used as an input into this model.

Fair value at measurement date	\$0.12
Vesting period	9 months
Share price	\$0.236
Exercise price	\$0.236
Expected volatility	54%
Option life	10 years
Expected dividends	Nil %
Risk-free interest rate	2.17%

The expected volatility is based on statistical analysis of weekly share prices of the Company over the past years immediately preceding the grant date. The calculation is based on the assumption that there is no material difference between the expected volatility over the whole life of the options and the historical volatility of the shares of Company. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

21 以權益結算之股份交易(續)**(iii) 購股權的公允值及假設**

授出購股權以換取所獲服務之公允值，乃參考所授出購股權之公允值計量。授出購股權之公允值以二項式模式估算。購股權之合約年期用作此模式之計算資料。

計算當日之公允值	0.12元
歸屬期	九個月
股價	0.236元
行使價	0.236元
預期波幅	54%
購股權年期	10年
預期股息	無%
無風險利率	2.17%

預期波幅乃基於緊隨授出當日前過往年度本公司每周股價的統計分析。該計算結果乃假設購股權於整段有效期內之預期波幅與本公司股份之歷史波幅兩者間不存在重大差異。主觀輸入值假設的變化會對公允值估計造成重大影響。

購股權乃根據服務條件授出。計量授予日所獲服務的公允值時並未考慮該等條件。授出購股權並無附帶市場條件。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

22 CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below.

The Company

22 資本及儲備

(a) 權益組成部分之變動

本集團綜合權益各組成部分期初與期末結餘的對賬載於綜合權益變動表。本公司各個權益組成部分於本年度期初至期末的變動詳情載列如下。

本公司

		Share capital 股本 \$'000 千元	Share premium 股份溢價 \$'000 千元	Share-based compensation reserve 股份薪酬儲備 \$'000 千元	Accumulated losses 累計虧損 \$'000 千元	Total 總計 \$'000 千元
Balance 1 January 2017	於二零一七年一月一日之結餘	373,264	710,477	—	(553,139)	530,602
Changes in equity for 2017:	二零一七年權益變動：					
Loss and total comprehensive income for the year	年內虧損及全面收益總額	—	—	—	(4,220)	(4,220)
Balance at 31 December 2017 and 1 January 2018 (Note)	於二零一七年十二月三十一日及二零一八年一月一日之結餘 (附註)	373,264	710,477	—	(557,359)	526,382
Changes in equity for 2018:	二零一八年權益變動：					
Loss and total comprehensive income for the year	年內虧損及全面收益總額	—	—	—	(14,580)	(14,580)
Equity settled share-based payment transaction	以權益結算之股份交易	—	—	6,800	—	6,800
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	373,264	710,477	6,800	(571,939)	518,602

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

附註：於二零一八年一月一日本公司首次應用《香港財務報告準則》第15號及《香港財務報告準則》第9號。根據所選擇的過渡方法，並無重列比較數字。請參閱附註1(c)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

22 CAPITAL AND RESERVES (continued)
(b) Share capital**22 資本及儲備(續)**
(b) 股本

	Number of ordinary shares 普通股數目 '000 千股	Amount 金額 \$'000 千元
Ordinary shares of \$0.10 each: 每股面值0.10元之 普通股:		
<i>Authorised:</i> 法定:		
At 31 December 2017 and 2018 於二零一七年及 二零一八年 十二月三十一日	10,000,000	1,000,000
<i>Issued and fully paid:</i> 已發行及繳足:		
At 31 December 2017 and 2018 於二零一七年及 二零一八年 十二月三十一日	3,732,638	373,264

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣佈派發的股息，並有權於本公司會議上按每股一票投票表決。所有普通股在本公司剩餘資產方面具同等地位。

(c) Nature and purpose of reserves**(i) Share premium**

The application of the share premium account is governed by the Companies Law (Revised) of the Cayman Islands.

(ii) Special reserve

The special reserve arose from the reverse acquisition in December 2004.

(iii) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations outside Hong Kong. The reserve is dealt with in accordance with the accounting policy set out in note 1(s).

(c) 儲備性質及用途**(i) 股份溢價**

股份溢價賬的應用受開曼群島公司法(經修訂)監管。

(ii) 特別儲備

特別儲備因二零零四年十二月的反收購而產生。

(iii) 交易儲備

交易儲備包括換算香港以外的業務的財務報表產生的所有外匯差額。儲備乃根據附註1(s)所載會計政策處理。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

22 CAPITAL AND RESERVES (continued)

(c) Nature and purpose of reserves (continued)

(iv) Statutory reserve

Pursuant to the relevant laws and regulations for foreign investment enterprises, a portion of the profits of the Group's subsidiaries operating in the PRC is required to transfer to the statutory reserve. The amounts of profits transferred to the statutory reserve are determined by the board of directors of the subsidiaries according to the articles of association. The reserve is restricted to use and is not available for distribution.

(v) Share-based compensation reserve

The share-based compensation reserve represents portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in note 1(n)(ii).

(d) Distributability of reserves

The Company's reserves available for distribution to its shareholders comprise share premium and accumulated losses which in aggregate amounted to approximately \$139 million as at 31 December 2018 (2017: \$153 million). Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its memorandum and articles of association and provided that immediately following the payment of distribution or dividends, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's articles of association, distributions shall be payable out of the profits or other reserves, including the share premium account, of the Company.

22 資本及儲備(續)

(c) 儲備性質及用途(續)

(iv) 法定儲備

根據有關外商投資企業的相關法律及法規，本集團於中國營運的附屬公司的部分溢利須轉撥至法定儲備。轉撥至法定儲備的溢利數額由附屬公司的董事會根據章程細則釐定。儲備用途受到限制且不得用作分派。

(v) 股份薪酬儲備

股份薪酬儲備指授予本公司僱員之未獲行使購股權之授出日期公允值之一部分，已根據就附註1(n)(ii)中以股份為基礎之支出採納之會計政策予以確認。

(d) 可供分派儲備

本公司可供派予股東之儲備包括股份溢價及累計虧損，於二零一八年十二月三十一日合共約1.39億元(二零一七年：1.53億元)。根據開曼群島公司法(經修訂)，本公司之股份溢價可用作分派或作為股息派發予股東，惟該分派及派發股息須符合公司組織章程大綱及細則之規定，而且在緊隨分派及派發股息後，本公司仍能於日常業務過程中償還到期債務。根據本公司之組織章程細則，本公司之分派須從溢利或其他儲備，包括本公司之股份溢價賬中提取。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

22 CAPITAL AND RESERVES (continued)**(e) Capital management**

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Further details regarding the Group's ability to continue as a going concern are disclosed in note 1(b).

The Group monitors its capital structure on the basis of a net debt-to-capital ratio. For this purpose the Group defines net debt as total debt (which includes interest-bearing loans and borrowings), less cash and cash equivalents. Capital comprises all components of equity, plus net debt.

During 2018, the Group's strategy, which was unchanged from 2017, was to maintain the net debt-to-capital ratio at an appropriate level. In order to maintain or adjust the ratio, the Group will consider and may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The net debt-to-capital ratio (as defined above) was 0.01 and 0.99 as at 31 December 2018 and 2017 respectively.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

22 資本及儲備(續)**(e) 股本管理**

本集團之基本目標為管理股本以保障本集團之持續營運之能力，以使其能向股東提供回報及向其他相關人士提供利益，並保持最佳之資本架構以降低資本成本。關於本集團持續經營能力之更多詳情，於附註1(b)披露。

本集團會以淨負債對資本比率為基準監察其資本架構。就此，本集團按總負債(包括計息貸款及借貸)減現金及現金等值項目計算淨負債。資本包括所有權益部分及淨負債。

於二零一八年，本集團之策略如同二零一七年一樣，是維持其淨負債與經調整股本的比率於適當水平。為了維持或調整該比率，本集團將考慮及可能調整派付予股東之股息金額、發行新股、退回股本予股東、籌集新債項融資或出售資產以減少債項。

於二零一八年及二零一七年十二月三十一日，淨負債對股本的比率(定義見上文)分別為0.01及0.99。

本公司及其任何附屬公司概不受制於外界所施加之資本規定。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables and cash and cash equivalents.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry and country in which customers operate and therefore significant concentration of credit risk primarily arise when the Group has significant exposure to individual customers. At the balance sheet date, the Group has a certain concentration of credit risk as 26% (2017: 21%) of the total trade receivables was due from the Group's five largest customers.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 days from the date of billing. Debtors with balances that are more than 1 month past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

23 財務風險管理及金融工具公允值

信貸、資金流動性、利率及貨幣風險會於本集團的一般業務進程中產生。該等風險會受本集團的財務管理政策及常規(見下文)所管理。

(a) 信貸風險

信貸風險指交易對手將違反其合約責任而導致本集團產生財務虧損的風險。本集團的信貸風險主要歸因於貿易應收款項以及現金及現金等值項目。

貿易應收款項

本集團所面臨之信貸風險，主要受各客戶之個別特色所影響，而非客戶經營所在之行業及國家，故集中信貸風險主要在本集團面臨個別客戶的重大風險時產生。於結算日，本集團的五大客戶佔貿易應收款項總額的26% (二零一七年：21%)，故承受一定程度的信貸集中風險。

對於所有要求超過若干信貸金額之客戶均會進行個別信貸評估。此等評估針對客戶過往到期還款的記錄及現時的還款能力，並考慮客戶的個別資料及與客戶經營所在經濟環境相關的資料。貿易應收賬款由發出賬單當日起計三十日內到期。債務人如有逾期一個月以上之結餘，則須全數清償有關結餘後方可再獲授信貸。本集團一般不會向客戶收取抵押品。

本集團按相等於全期預期信貸虧損的金額計量貿易應收款項之虧損撥備，而有關撥備乃使用撥備矩陣計算。由於本集團之過往信貸虧損經驗並未表明不同客戶分部之虧損模式存在明顯差異，因此，處於逾期狀況之虧損撥備並不會對本集團不同客戶群體之間作出進一步區分。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)**(a) Credit risk** (continued)**Cash and cash equivalents**

In respect of cash and cash equivalents, the Group limits its exposure to credit risk by placing deposits with financial institutions that meet the established credit rating or other criteria. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations. As at 31 December 2018, the Group has a certain concentration of credit risk as 94% (2017: 69%) of total cash and cash equivalents were deposited with a financial institution in the PRC.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2018.

23 財務風險管理及金融工具公允價值 (續)**(a) 信貸風險** (續)**現金及現金等值項目**

就現金及現金等值項目，本集團透過將存款存放於符合既定信貸評級或其他標準之金融機構，限制其所承受之信貸風險。鑒於信貸評級高，故管理層預期不會有任交易對手無法盡其責任。於二零一八年十二月三十一日，本集團的現金及現金等值項目總額的94% (二零一七年：69%) 存放於一家位於中國的金融機構，因此承受一定程度的信貸集中風險。

下表載列有關本集團於二零一八年十二月三十一日之信貸風險及貿易應收款項之預期信貸虧損之資料。

		Expected loss rate 預期虧損率 %	Gross carrying amount 總賬面值 \$'000 千元	Loss allowance 虧損撥備 \$'000 千元
Neither past due nor impaired	並無逾期或減值	—	17,491	—
Less than one month past due	逾期少於一個月	—	470	—
1 to 2 months past due	逾期一至兩個月	—	8	—
Over 2 months and less than 5 months past due	逾期超過兩個月但少於五個月	—	288	—
Over 5 months past due	逾期超過五個月	100%	38,927	38,927
			57,184	38,927

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

Expected loss rates are based on actual loss experience over the past two years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Comparative information under HKAS 39

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 1(h)(i)(B) — policy applicable prior to 1 January 2018). At 31 December 2017, no trade receivables were determined to be impaired. The ageing analysis of trade debtors that were not considered to be impaired was disclosed in note 14(b).

Movement in the loss allowance account in respect of trade receivables during the year is disclosed in note 14(b).

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the Company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. Note 1(b) explains management's plans for managing liquidity needs of the Group to enable it to continue to meet its obligations as they fall due.

23 財務風險管理及金融工具公允值 (續)

(a) 信貸風險 (續)

預期虧損率按過往兩年的實際虧損經驗計算。此等比率為反映期內(往績數據已在期間收集)經濟狀況差異、目前狀況及本集團對應收款項預期存續期的經濟狀況之意見，而加以調整。

香港會計準則第39號的比較資料

二零一八年一月一日前，減值虧損僅在有客觀減值證據時確認(見附註1(h)(i)(B) — 二零一八年一月一日前適用的政策)。於二零一七年十二月三十一日，並無釐定貿易應收款項已減值。未視為減值的貿易應收款項之賬齡分析於附註14(b)中披露。

年內有關貿易應收款項的虧損撥備賬戶的變動於附註14(b)披露。

(b) 資金流動性風險

本集團旗下之個別營運實體負有自行管理現金之責任，包括將現金盈餘作短期投資及籌措貸款以應付預期現金需求，惟倘借貸超過預先釐定之若干授權水平時，須取得本公司董事會之批准。本集團之政策為定期監察現時及預期之流動性需求，以確保其維持足夠現金儲備及來自主要金融機構足夠的承諾信貸融資，以達至其短期及較長期流動性需求。附註1(b)闡述管理本集團流動資金需求之管理層計劃，讓其得以繼續償付到期責任。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)**(b) Liquidity risk** (continued)

The following table details the remaining contractual maturities at the balance sheet date of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group can be required to pay:

	2018 二零一八年						2017 二零一七年					
	Contractual undiscounted cash outflow 合約未貼現現金流出						Contractual undiscounted cash outflow 合約未貼現現金流出					
	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	More than 5 years	Total	Carrying amount at 31 December 於十二月 三十一日 賬面值	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	More than 5 years	Total	Carrying amount at 31 December 於十二月 三十一日 賬面值
	一年內或 於通知時	超過一年 但兩年內	超過兩年 但五年內	超過五年	合共	\$'000	一年內或 於通知時	超過一年 但兩年內	超過兩年 但五年內	超過五年	合共	\$'000
Bank loans 銀行貸款	131,573	154,972	583,155	142,487	1,012,187	879,934	111,264	138,007	754,594	168,570	1,172,435	986,964
Other payables and accruals 其他應付款項及計提費用	941,306	—	—	—	941,306	941,306	54,777	—	—	—	54,777	54,777
Amounts due to related parties 應付關聯方款項	205,835	—	—	—	205,835	205,835	—	265,094	—	—	265,094	265,094
	1,278,714	154,972	583,155	142,487	2,159,328	2,027,075	166,041	403,101	754,594	168,570	1,492,306	1,306,835

Note: Further details regarding material uncertainties in respect of the Group's ability to continue as a going concern are set out in note 1(b).

23 財務風險管理及金融工具公允價值 (續)**(b) 資金流動性風險** (續)

下表列出本集團之非衍生金融負債於結算日之餘下合約期限詳情。這是基於合約未折現現金流(包括根據約定之利率，或如是浮動利率時其於結算日，計算之利息支出)及本集團最早需要還款之日期計算：

附註：有關本集團持續經營業務之能力之重大不明朗因素更多詳情，載於附註1(b)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from bank borrowings. The Group's bank borrowings at 31 December 2018 were issued at variable rates and therefore expose the Group to cash flow interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate profile

		2018 二零一八年		2017 二零一七年	
		Effective interest rate 實際利率	Amount 金額 \$'000 千元	Effective interest rate 實際利率	Amount 金額 \$'000 千元
Net variable rate deposits/ (borrowings):	浮息存款/(借貸) 淨額:				
Cash at bank	銀行現金	0.1% – 0.3%	881,071	0.1% – 0.3%	41,161
Bank loans	銀行貸款	4.61% – 4.9%	(879,934)	4.61% – 4.9%	(986,964)
Total net deposits/(borrowings)	存款/(借貸)淨額總值		1,137		(945,803)

23 財務風險管理及金融工具公允值 (續)

(c) 利率風險

利率風險為一項金融工具之公允值或未來現金流量將因市場利率改變而波動所帶來的風險。本集團之利率風險主要來自銀行借貸。本集團於二零一八年十二月三十一日之銀行借貸按浮動利率計息，因而令本集團面對現金流利率風險。本集團之利率概況由管理層監控並載列於下文第(i)項。

(i) 利率概況

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)**(c) Interest rate risk** (continued)**(ii) Sensitivity analysis**

At 31 December 2018, it is estimated that a general increase/decrease of 100 basis points (2017: 100 basis points) in interest rates, with all other variables held constant, would decrease/increase the Group's loss for the year and decrease/increase the Group's accumulated losses by approximately \$11,370 (2017: decrease/increase the Group's profit for the year and increase/decrease accumulated losses by approximately \$9,189,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for all non-derivative financial instruments in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis as 2017.

(d) Currency risk**(i) Foreign currency transactions**

The Group is exposed to currency risk primarily through billings of (i) storage and warehousing income and (ii) port and transshipment income that are denominated in a currency other than the functional currency of the operations to which they relate. The currency giving rise to this risk is primarily United States dollars ("USD").

23 財務風險管理及金融工具公允值 (續)**(c) 利率風險** (續)**(ii) 敏感度分析**

於二零一八年十二月三十一日，在所有其他可變化因素維持不變的情況下，估計當利率中上升／下降100點子（二零一七年：100點子），將分別減少／增加本集團之年內溢利及減少／增加本集團之累計虧損約11,370元（二零一七年：減少／增加本集團之年內虧損及增加／減少累計虧損約9,189,000元）。

以上的敏感度分析假設利率變動已於結算日發生而釐定，並已應用於就於該日所面對來自非衍生金融工具之利率風險。一百點子增加或減少指管理層對直至下一個年度結算日期間之利率可能合理變動之評估。該分析是按二零一七年相同之基準進行。

(d) 貨幣風險**(i) 外幣交易**

本集團主要由於(i)貯存及倉庫收入以及(ii)港口及轉輸收入之賬款貨幣與該等經營業務之功能貨幣有所差異而須承擔貨幣風險。構成是項風險之貨幣主要為美元（「美元」）。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(d) Currency risk (continued)

(ii) Recognised assets and liabilities

In respect of trade receivables and deposits held in currencies other than the functional currency of the operations to which they relate, the Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

All the Group's borrowings are denominated in the functional currency of the entity taking out the loan. Given this, management does not expect that there will be any significant currency risk associated with the Group's borrowings.

(iii) Exposure to currency risk

The following table details the Group's exposure at the balance sheet date to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposures are expressed in HKD, translated using the spot rate at the balance sheet date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

		2018 二零一八年 USD 美元 \$'000 千元	2017 二零一七年 USD 美元 \$'000 千元
Trade and other receivables	貿易及其他應收款項	1,713	1,918
Cash and cash equivalents	現金及現金等值項目	4,193	2,832
Net exposure arising from recognised assets and liabilities	已確認資產及負債產生的淨風險	5,906	4,750

23 財務風險管理及金融工具公允值 (續)

(d) 貨幣風險 (續)

(ii) 已確認資產及負債

至於以有關業務之功能貨幣以外之貨幣持有之貿易應收賬款及存款，本集團會在出現短期的不平衡時，以現貨匯率買入或賣出外匯，確保淨影響維持在一個可接受的水平。

本集團之所有借貸均以借取貸款之實體之功能貨幣計值。因此，管理層並不預期本集團之借貸會帶來任何重大之貨幣風險。

(iii) 須承擔的貨幣風險

下表列出本集團於結算日承擔因以有關實體功能貨幣以外之貨幣列值之已確認資產或負債而產生之貨幣風險詳情。為作呈列之用，風險額按結算日之匯率轉換為港元列示。概不包括匯兌海外業務財務報表為本集團呈列貨幣引致之差異。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)**(d) Currency risk** (continued)

- (iv) The following table indicates the instantaneous change in the Group's loss/(profit) after tax (and accumulated losses) that would arise if foreign exchange rates to which the Group has significant exposure at the balance sheet date had changed at that date, assuming all other risk variables remained constant.

		2018 二零一八年			2017 二零一七年		
		Increase/ (decrease) in foreign exchange rates 外匯匯率 上升/(下降) \$'000 千元	Effect on loss after tax 除稅後 虧損影響 \$'000 千元	Effect on accumulated losses 累計 虧損影響 \$'000 千元	Increase/ (decrease) in foreign exchange rates 外匯匯率 上升/(下降) \$'000 千元	Effect on profit after tax 除稅後 溢利影響 \$'000 千元	Effect on accumulated losses 累計 虧損影響 \$'000 千元
USD	美元	5%	(295)	(295)	5%	238	(238)
		(5%)	295	295	(5%)	(238)	238

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' loss/profit after tax and accumulated losses measured in the respective functional currencies, translated into Hong Kong dollar at the exchange rate ruling at the balance sheet date for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the balance sheet date, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2017.

23 財務風險管理及金融工具公允值 (續)**(d) 貨幣風險** (續)

- (iv) 下表載列於結算日期本集團面臨重大風險的外匯匯率於當日出現變動(假設所有其他風險參數保持不變)對本集團除稅後虧損/(溢利)(及累計虧損)產生的即時變動。

上表所列示的分析結果代表對各集團實體按相應功能貨幣計算並按結算日的匯率換算為港元以供呈列之用的除稅後虧損/溢利及累計虧損之即時影響總額。

敏感度分析已假設外匯匯率變動已用於重新計量本集團於結算日所持有使本集團面臨外匯風險的金融工具，包括本集團公司間應付及應收款項，以貸方或借方功能貨幣以外之貨幣計值。分析不包括匯兌海外業務財務報表為本集團呈列貨幣引致之差異。該分析乃採用與二零一七年相同之基準進行。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(e) Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2018 and 2017, except for the amounts due to related parties which are unsecured, interest-free and with no fixed terms of repayment. Given these terms, it is not meaningful to disclose their fair values.

24 OPERATING LEASE ARRANGEMENTS

(a) The Group as lessee

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of certain properties, which fall due as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Within one year	一年內	6,075	4,169
After one year but within five years	一年後但五年內	2,419	3,126
		8,494	7,295

Leases are negotiated for an average term of 1 to 3 years with fixed rentals. None of the leases includes contingent rentals.

23 財務風險管理及金融工具公允價值 (續)

(e) 公允價值

所有金融工具之入賬金額與其於二零一八年及二零一七年十二月三十一日之公允價值並無重大不同，惟無抵押、免息及無固定還款期之應付關聯方款項除外。由於該等條款，披露其各自之公允價值並無意義。

24 經營租賃安排

(a) 本集團作為承租人

於結算日，本集團根據不可撤銷之若干物業經營租賃須支付之未來最低租金承擔之到期日如下：

租約乃按照平均一至三年之年期進行磋商，期內租金不變。所有租約概無包括或然租金。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

24 OPERATING LEASE ARRANGEMENTS (continued)**(b) The Group as lessor**

The Group leases out certain dock and storage facilities under operating leases.

Rental and storage income earned during the year was approximately \$228 million (2017: \$210 million). The leases are negotiated for a lease term of 1 to 4 years (2017: 1 to 4 years). None of the leases includes contingent rentals.

The Group's total future minimum lease payments under non-cancellable operating leases are receivables as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Within one year	一年內	36,758	51,752
After one year but within five years	一年後但五年內	15,777	42,890
		52,535	94,642

25 CAPITAL COMMITMENTS

At 31 December 2018, the Group had capital expenditure contracted for but not provided in the financial statements in respect of (i) construction of a filling station and (ii) terminal development and acquisition of port and storage facilities amounted to \$22 million (2017: \$19 million).

At 31 December 2018, the Group had no capital expenditure (i) not contracted for but approved by the board and (ii) not provided in the financial statements in respect of terminal development and acquisition of port and storage facilities (2017: \$140 million).

24 經營租賃安排(續)**(b) 本集團作為出租人**

本集團根據經營租賃出租若干碼頭及貯存設施。

年內所賺取之租金及貯存收入約為2.28億元(二零一七年：2.10億元)。租賃乃按照一至四年(二零一七年：一至四年)之年期進行磋商。該等租賃概無包括或然租金。

本集團根據不可撤銷之經營租賃應收之未來最低租金總額如下：

25 資本承擔

於二零一八年十二月三十一日，本集團就(i)建設加油站及(ii)發展碼頭及購買港口和貯存設施而作出已訂約但未於財務報表撥備之資本開支合共為2,200萬元(二零一七年：1,900萬元)。

於二零一八年十二月三十一日，本集團並沒有就發展碼頭及購買港口和貯存設施而作出(i)未訂約但經董事會批准且(ii)未於財務報表撥備之資本開支(二零一七年：1.40億元)。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

26 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

Key management personnel remuneration

Remuneration for key management personnel represents amounts paid to the Company's directors as disclosed in note 7.

None of the above related party transactions falls under the definition of connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

27 ASSETS HELD FOR SALE AND DISCONTINUED OPERATION

As disclosed in note 1(b), the Sellers entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Sellers have conditionally agreed to sell, and the Purchaser have conditionally agreed to purchase, the entire equity interest in GD (Panyu) for a purchase price of RMB1.56 billion (equivalent to approximately \$1.78 billion). GD (Panyu) is principally engaged in the operation of jetty and storage facilities in XHIT for handling and storing oil, petroleum and liquid petrochemical products. On 8 October 2018, the ordinary resolution to approve the Transaction was duly passed by the shareholders of the Company. It is expected that, the Group will record a gain from the Transaction of over \$1 billion. The exact amount of the gain on the Transaction will be subject to price adjustment pursuant to the Sale and Purchase Agreement, and, therefore may vary from the figure provided above.

Pursuant to the Sale and Purchase Agreement, GD (Panyu) owns certain assets of the Group and will dispose all assets, rights and liabilities other than the assets as specified in the Sale and Purchase Agreement prior to completion of the Transaction ("the Reorganisation"). The assets of GD (Panyu), after taking into account the impact of the Reorganisation, comprise the disposal group held for sale. The Transaction is expected to be completed in 2019.

26 關聯方之重大交易

除了本財務報表另處披露的交易及結餘，本集團與關聯方有以下重大交易：

主要管理層人員酬金

主要管理層人員酬金乃支付本公司董事之金額(於附註7披露)。

上述關聯方交易不涉及上市規則第14A章對關連交易或持續關連交易的定義。

27 持作出售的資產及終止經營業務

誠如附註1(b)所披露，賣方與買方訂立買賣協議，據此，賣方有條件同意出售，而買方有條件地出售同意購買粵海(番禺)的全部股權，購買價格為人民幣15.6億元(相當於約17.8億元)。粵海(番禺)主要從事小虎石化庫的碼頭及貯存設施，處理及貯存油、石油及液體化工產品。於二零一八年十月八日，就批准交易的普通決議案已獲本公司股東正式通過。預期本集團將錄得交易收益超過10億元。交易收益的確切金額將根據買賣協議進行價格調整，故該金額或會有別於上文所示數字。

根據買賣協議，粵海(番禺)擁有本集團若干資產，並將於交易(「重組」)完成前出售買賣協議所訂明資產以外之所有資產、權利及負債。經考慮重組影響後，粵海(番禺)之資產包括持作出售之出售組別。預期該交易將於二零一九年完成。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

27 ASSETS HELD FOR SALE AND DISCONTINUED OPERATION (continued)

The management assessed that the criteria for the classification of the disposal group held for sale were fulfilled prior to 31 December 2018 based on the fact and circumstances specific to the Transaction. The assets related to GD (Panyu) have been presented as assets of a disposal group classified as held for sale in aggregate in the consolidated balance sheet as at 31 December 2018 and a single amount in the consolidated income statement was presented in respect of GD (Panyu)'s net profits for the year. The presentation of comparative information in respect of the year ended 31 December 2017 has been restated to show the discontinued operations separately from continuing operations following the requirements as set out in note 1(u).

Assets classified as held for sale as at 31 December 2018:

27 持作出售的資產及終止經營業務 (續)

管理層根據交易事項之事實及具體情況進行評估，出售組別分類為持作出售之標準已於二零一八年十二月三十一日前獲達成。於二零一八年十二月三十一日，與粵海(番禺)有關的資產已於綜合資產負債表呈列為分類為持作出售之出售組別的資產，而就粵海(番禺)年度之淨利潤的綜合損益表的單一金額則已獲呈列。有關截至二零一七年十二月三十一日止年度比較資料的呈列已獲重列，以與已按照附註1(u)所載規定後將終止經營業務與持續經營業務分開顯示。

於二零一八年十二月三十一日分類為持作出售之資產：

		\$'000 千元
Property, plant and equipment (note 10)	物業、廠房及設備(附註10)	211,027
Interest in land held for own use under operating leases (note 10)	根據經營租賃持作自用之土地權益(附註10)	37,940
		248,967

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

27 ASSETS HELD FOR SALE AND DISCONTINUED OPERATION (continued)

Analysis of the results of discontinued operations in relation to GD (Panyu) is as follows:

27 持作出售的資產及終止經營業務 (續)

與粵海(番禺)有關的終止經營業績分析如下:

	Note 附註	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Revenue	3	152,447	163,441
Direct costs and operating expense		(77,583)	(72,767)
Gross profit		74,864	90,674
Other income	4	2,442	2,226
Administrative expenses		(29,964)	(16,651)
Profit from operations		47,342	76,249
Finance costs	5(a)	(6,202)	(6,032)
Profit before taxation		41,140	70,217
Income tax	6(b)	(5,976)	675
Profit for the year		35,164	70,892

Note a: As at 31 December 2018, there was a cumulative foreign currency translation gain of \$93 million recognised in other comprehensive income related to GD (Panyu).

Note b: As at 31 December 2018, the equity interest attributable to non-controlling interests relating to GD (Panyu) is \$48 million.

附註a: 於二零一八年十二月三十一日，與粵海(番禺)有關的其他全面收益確認累計外幣換算收益9,300萬元。

附註b: 於二零一八年十二月三十一日，與粵海(番禺)有關的非控股權益應佔股權為4,800萬元。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

27 ASSETS HELD FOR SALE AND DISCONTINUED OPERATION (continued)

Note c: Reconciliation to XHIT reportable segment assets and liabilities

27 持作出售的資產及終止經營業務 (續)

附註c：小虎石化庫可呈報分部資產及負債的對賬

		2018 二零一八年 \$'000 千元
Assets classified as held for sales as at 31 December 2018	於二零一八年十二月三十一日分類為持作出售資產	248,967
Add: Inter-segment receivables	加：分部間應收款項	752,110
Assets of GD (Panyu) not classified as held for sales	粵海(番禺)資產不列作分類為持作出售	494,789
XHIT reportable segment assets as at 31 December 2018	於二零一八年十二月三十一日的小虎石化庫可呈報分部資產	1,495,866

		2018 二零一八年 \$'000 千元
Liabilities classified as held for sales as at 31 December 2018	於二零一八年十二月三十一日分類為持作出售負債	—
Add: Inter-segment payables	加：分部間應付款項	752,110
Liabilities of GD (Panyu) not classified as held for sales	粵海(番禺)負債不列作分類為持作出售	139,952
XHIT reportable segment liabilities as at 31 December 2018	於二零一八年十二月三十一日的小虎石化庫可呈報分部負債	892,062

Analysis of the cash flows of discontinued operations in relation to GD (Panyu) is as follows:

與粵海(番禺)有關的終止經營業務之現金流量分析如下：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Net cash generated from operating activities	營業活動所得現金淨額	583,031	44,080
Net cash used in investing activities	投資活動所用現金淨額	(4,118)	(3,888)
Net cash used in financing activities	融資活動所用現金淨額	(121,059)	(25,724)
Net cash generated from discontinued operations	終止經營業務所得現金淨額	457,854	14,468

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

28 COMPANY-LEVEL BALANCE SHEET AT 31 DECEMBER 2018 **28 於二零一八年十二月三十一日的公司層面資產負債表**

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Non-current asset	非流動資產		
Interests in subsidiaries	於附屬公司之權益	555,253	602,174
Current assets	流動資產		
Prepayments and other receivables	預付款項及其他應收款項	—	356
Cash and cash equivalents	現金及現金等值項目	466	57
		466	413
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及計提費用	4,561	1,935
Amount due to a subsidiary	應付一間附屬公司款項	32,556	—
		37,117	1,935
Net current liabilities	流動負債淨值	(36,651)	(1,522)
Total assets less current liability	總資產減流動負債	518,602	600,652
Non-current liability	非流動負債		
Amount due to a related party	應付一名關聯方款項	—	74,270
NET ASSETS	資產淨值	518,602	526,382
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	373,264	373,264
Reserves	儲備	145,338	153,118
TOTAL EQUITY	總權益	518,602	526,382

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

於二零一九年三月二十六日獲董事會批准及授權刊發。

Yang Dong
楊冬
Director
董事

Zhang Lei
張雷
Director
董事

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

29 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2018, the directors consider the immediate parent and ultimate controlling party of the Group to be Vand Petro-Chemicals (BVI) Company Limited, which is incorporated in the British Virgin Islands. This entity does not produce financial statements available for public use.

30 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

(a) After the balance sheet date, the Group has announced and commenced the implementation of an employees termination plan under GD (Panyu) in relation to the Transaction in February 2019. Employee termination benefits of RMB55 million (equivalent to \$63 million) were recognised after 31 December 2018. No termination benefits payable has been recognised in these financial statements in this regard.

(b) Subsequent to the balance sheet date and up to the date of approval of the financial statements, new interest bearing borrowings of approximately RMB659 million (equivalent to \$752 million), of which RMB27 million (equivalent to \$30.8 million) is repayable within one year from the balance sheet date, have been granted by a bank to repay the existing Group's bank loans of \$752 million for Reorganisation purpose under the Transaction.

31 COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 1(c).

Additionally, the presentation of comparative information in respect of the year ended 31 December 2017 has been restated to show the discontinued operations separately from continuing operations following the requirements as set out in note 1(u).

29 直接及最終控股方

於二零一八年十二月三十一日，董事認為本集團的直接母公司及最終控股方為Vand Petro-Chemicals (BVI) Company Limited，其於英屬處女群島註冊成立。此實體不會編製財務報表以向公眾披露。

30 資產負債表日後事項中的非調整事項

(a) 於資產負債表日後，本集團已於二零一九年二月公佈並開始實施粵海(番禺)有關交易的僱員離職計劃。僱員離職福利為人民幣55,000,000元(相當於63,000,000元)於二零一八年十二月三十一日後確認。就此方面，概無於該等財務報表確認應付的離職福利。

(b) 於資產負債表日後及截至財務報表批准日，新的計息貸款約人民幣6.59億元(相當於7.52億元)，其中人民幣2,700萬元(相當於3,080萬元)須於資產負債表日期起一年內償還，新的計息貸款由銀行授予以償還本集團現有的銀行貸款7.52億元，用於交易重組目的。

31 比較數字

於二零一八年一月一日本集團首次應用《香港財務報告準則》第15號及《香港財務報告準則》第9號。根據所選擇的過渡方法，並無重列比較數字。有關會計政策變動的進一步詳情於附註1(c)披露。

此外，有關截至二零一七年十二月三十一日止年度比較資料的呈列已經重列，以根據附註1(u)所載規定後將終止經營業務與持續經營業務分開顯示。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018

Up to the date of approval of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

32 已頒佈但於截至二零一八年十二月三十一日止年度尚未生效之修訂、新訂準則及詮釋可能造成之影響

截至本財務報表日，香港會計師公會已頒佈多項修訂、新訂準則及詮釋，但於截至二零一八年十二月三十一日止年度尚未生效，亦未獲採納於本財務報表。該等可能與本集團相關之修訂、新訂準則及詮釋如下。

		Effective for accounting periods beginning on or after 於下列日期或之後開始之會計期間生效
HKFRS 16, <i>Leases</i>	《香港財務報告準則》第16號，租賃	1 January 2019 二零一九年一月一日
HK(IFRIC) 23, <i>Uncertainty over income tax treatments</i>	香港(國際財務報告詮釋委員會)第23號， <i>所得稅處理之不確定性</i>	1 January 2019 二零一九年一月一日
Annual Improvements to HKFRSs 2015–2017 Cycle	香港財務報告準則二零一五年至二零一七年週期之年度改進	1 January 2019 二零一九年一月一日

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of the HKFRS 16 which may have an impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the assessment completed to date is based on the information currently available to the Group, the actual impacts upon the initial adoption of the standards may differ, and further impacts may be identified before the standards are initially applied in the Group's interim financial report the six months ending 30 June 2019. The Group may also change its accounting policy elections, including the transition options, until the standard is initially applied in that financial report.

本集團正在評估該等修訂、新訂準則及詮釋於首次應用期間預期造成之影響。目前，本集團已發現《香港財務報告準則》第16號之若干方面可能會對綜合財務報表造成影響。下文將進一步討論預期之影響。由於迄今完成之評估乃根據本集團現時可得之資料進行，首次採納該等準則產生之實際影響可能會有所不同，而於該等準則首次應用於本集團截至二零一九年六月三十日止六個月之中期財務報告前，可能會發現進一步影響。本集團亦可能會更改其會計政策選擇，包括過渡選擇，直至該等準則首次應用於財務報告內。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)**HKFRS 16, Leases**

As disclosed in note 1(g), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

32 已頒佈但於截至二零一八年十二月三十一日止年度尚未生效之修訂、新訂準則及詮釋可能造成之影響(續)

《香港財務報告準則》第16號，租賃誠如附註1(g)所披露，本集團目前將租賃分為融資租賃及經營租賃，並根據租賃的類別，將該等租賃安排以不同形式入賬。本集團作為出租人訂立若干租賃，其他則作為承租人。

預期《香港財務報告準則》第16號將不會大幅影響出租人根據租約將彼等權利及義務入賬的方式。然而，一旦採納《香港財務報告準則》第16號，承租人將不再區分融資租賃及經營租賃。相反，受實際權益方法的規限，承租人將以類似方式將所有租約入賬列作現有融資租賃會計處理方法，即於該租約開始日期，承租人將按最低日後租賃款項的現值確認及計量租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債結餘所產生的利息開支及使用權資產折舊，而非於租期內按系統基準確認根據經營租約所產生的租賃開支的現有政策。作為實際的權益方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (以港元列示，另有註明者除外)

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)
HKFRS 16, Leases (continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the income statement over the period of the lease. As disclosed in note 25(a), at 31 December 2018 the Group's future minimum lease payments under non-cancellable operating leases amount to \$8,494,000 (2017: \$7,295,000) for properties, the majority of which is payable within 1 year after the balance sheet date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The standard offers different transition options and practical expedients, including the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. If this practical expedient is chosen, the Group will apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. If the practical expedient is not chosen, the Group will need to reassess all of its decisions about which existing contracts are, or contain, leases, using the new definition. Depending on whether the Group elects to adopt the standard retrospectively or follow a modified retrospective method of recognising a cumulative-effect adjustment to the opening balance of equity at the date of initial application, the Group may or may not need to restate comparative information for any changes in accounting resulting from the reassessment. The Group has not yet decided whether it will choose to take advantage of this practical expedient, and which transition approach to be taken.

32 已頒佈但於截至二零一八年十二月三十一日止年度尚未生效之修訂、新訂準則及詮釋可能造成之影響(續)

《香港財務報告準則》第16號，租賃(續)

《香港財務報告準則》第16號將主要影響本集團作為租約承租人就物業(現時分類為經營租賃)的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租約期間於損益表確認開支的時間。如附註25(a)所披露，於二零一八年十二月三十一日，就多項物業而言，本集團不可取消經營租賃下的日後最低租賃款項為8,494,000元(二零一七年：7,295,000元)，大部分款項須於資產負債表日後1年內支付。因此，一旦採納香港財務報告準則第16號，其中部分金額可能需要確認為租賃負債及相關之使用權資產。經考慮實際操作簡便方式的適用性及就現時至採納香港財務報告準則第16號期間訂立或終止的任何租賃以及貼現影響作出調整後，本集團將需進行更詳細的分析，以釐定採納香港財務報告準則第16號時經營租賃承擔所產生的新資產及負債金額。

香港財務報告準則第16號將於二零一九年一月一日或之後開始之年度期間生效。該準則提供不同之過渡選擇及可行權宜方法，包括融入先前評估之可行權宜方法，當中現有安排為(或包含)租賃。倘選擇此可行權宜方法，本集團僅將香港財務報告準則第16號對租賃之新定義應用於首次應用日期或之後訂立之合約。倘並無選擇可行權宜方法，本集團將須使用新定義重新評估其對哪些現有合約為(或包含)租賃而作之所有決定。視乎本集團是否選擇以追溯方式採納該準則，或遵從經修訂可追溯方式確認對首次應用當日權益期初結餘之累計效應調整，本集團可能或不需要重列因重新評估而引致任何會計變動之比較資料。本集團尚未決定是否將選擇採用此可行權宜方法及將採取哪種過渡方法。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

Year ended 31 December
截至十二月三十一日止年度

		2014 二零一四年 (Restated) (經重列) \$'000 千元	2015 二零一五年 (Restated) (經重列) \$'000 千元	2016 二零一六年 (Restated) (經重列) \$'000 千元	2017 二零一七年 (Restated) (經重列) \$'000 千元	2018 二零一八年 \$'000 千元
RESULTS	業績					
Continuing operations	持續經營業務					
Revenue	收入	107,412	112,885	98,116	110,712	141,556
Loss before taxation	除稅前虧損	(121,288)	(108,561)	(106,820)	(68,298)	(89,516)
Income tax	所得稅	—	—	—	—	(9,099)
Loss for the year	年內虧損	(121,288)	(108,561)	(106,820)	(68,298)	(98,615)
Discontinued operations	終止經營業務					
Profit for the year	年內溢利	5,922	8,288	27,512	70,892	35,164
(Loss)/profit for the year	年內(虧損)/溢利	(115,366)	(100,273)	(79,308)	2,594	(63,451)
Attributable to: Equity shareholders of the Company	應佔： 本公司股東	(108,814)	(94,469)	(75,611)	355	(62,406)
Non-controlling interests	非控股權益	(6,552)	(5,804)	(3,697)	2,239	(1,045)
		(115,366)	(100,273)	(79,308)	2,594	(63,451)

At 31 December
於十二月三十一日

		2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	2016 二零一六年 \$'000 千元	2017 二零一七年 \$'000 千元	2018 二零一八年 \$'000 千元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總額	1,710,331	1,495,723	1,283,331	1,315,233	1,954,760
Total liabilities	負債總額	1,507,552	1,409,944	1,289,830	1,306,835	2,039,142
Net assets/(liabilities)	資產/(負債)淨值	202,779	85,779	(6,499)	8,398	(84,382)
Non-controlling interests	非控股權益	27,744	20,564	15,729	19,154	(7,590)
Total equity/(deficit) attributable to equity shareholders of the Company	本公司股東應佔總 權益/(虧絀)	175,035	65,215	(22,228)	(10,756)	(76,792)
Total equity/(deficit)	總權益/(虧絀)	202,779	85,779	(6,499)	8,398	(84,382)

Notes:

- (i) The presentation of comparative information in the previous years has been restated to show the discontinued operations separately from continuing operations.
- (ii) The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated.

附註：

- (i) 過往年度比較資料的呈列已獲重列，將終止經營業務與持續經營業務分開顯示。
- (ii) 本集團已於二零一八年一月一日初步應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料並未重列。

Hans Energy Company Limited **漢思能源有限公司**

Unit 2608, 26th Floor,
Harbour Centre, 25 Harbour Road
Wanchai, Hong Kong

香港灣仔港灣道25號
海港中心26樓2608室

www.hansenergy.com



This annual report is printed on environmental paper
此年報以環保紙張印製