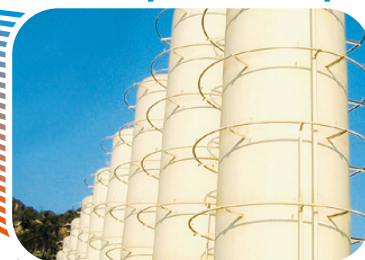


# 中國煤層氣集團有限公司

## China CBM Group Company Limited

(於開曼群島註冊成立並在百慕達繼續營業之有限公司)  
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

股份代號 Stock Code: 8270



Annual  
Report  
2017  
年度報告

## CHARACTERISTICS OF THE GEM (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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

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### 香港聯合交易所有限公司(「聯交所」)GEM(「GEM」)之特色

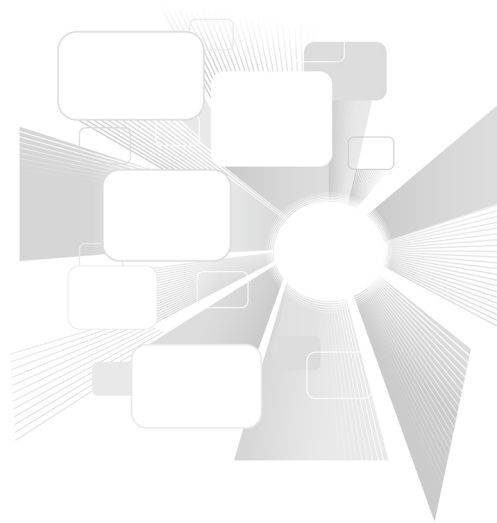
**GEM**的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。

由於**GEM**上市公司普遍為中小型公司，在**GEM**買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在**GEM**買賣之證券將會有高流通量之市場。

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本報告的資料乃遵照聯交所**GEM**證券上市規則(「**GEM**上市規則」)而刊載，旨在提供有關中國煤層氣集團有限公司(「本公司」)的資料；本公司的董事(「董事」)願就本報告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成份，並無遺漏其他事項致使本報告所載任何陳述或本報告產生誤導，且本報告所表達的一切意見乃經審慎周詳考慮後作出，並建基於公平和合理的基準及假設。

本報告將自其刊發日期起最少一連七日載於**GEM**網站[www.hkgem.com](http://www.hkgem.com)的「最新公司公告」網頁。



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## CORPORATE INFORMATION 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Wang Zhong Sheng (*Chairman*)  
Mr. Fu Shou Gang

#### Independent Non-Executive Directors

Mr. Lau Chun Pong (appointed on 13 November 2017)  
Mr. Luo Wei Kun  
Ms. Pang Yuk Fong (resigned on 30 September 2017)  
Mr. Wang Zhi He

### AUDIT COMMITTEE

Ms. Pang Yuk Fong (*former Chairman of audit committee*)  
(resigned on 30 September 2017)  
Mr. Lau Chun Pong (*Chairman of audit committee*)  
(appointed on 13 November 2017)  
Mr. Luo Wei Kun  
Mr. Wang Zhi He

### NOMINATION COMMITTEE

Mr. Wang Zhi He (*Chairman of nomination committee*)  
Mr. Lau Chun Pong (appointed on 13 November 2017)  
Mr. Luo Wei Kun  
Ms. Pang Yuk Fong (resigned on 30 September 2017)

### REMUNERATION COMMITTEE

Ms. Pang Yuk Fong  
(*former Chairman of remuneration committee*)  
(resigned on 30 September 2017)  
Mr. Lau Chun Pong (*Chairman of remuneration committee*)  
(appointed on 13 November 2017)  
Mr. Luo Wei Kun  
Mr. Wang Zhi He

### COMPANY SECRETARY

Mr. Lui Chi Keung

### COMPLIANCE OFFICER

Mr. Wang Zhong Sheng

### 董事會

#### 執行董事

王忠勝先生(*主席*)  
付壽剛先生

#### 獨立非執行董事

劉振邦先生(於二零一七年十一月十三日  
獲委任)  
羅維崑先生  
彭玉芳女士(於二零一七年九月三十日辭任)  
王之和先生

### 審核委員會

彭玉芳女士(*前審核委員會主席*)  
(於二零一七年九月三十日辭任)  
劉振邦先生(*審核委員會主席*)  
(於二零一七年十一月十三日獲委任)  
羅維崑先生  
王之和先生

### 提名委員會

王之和先生(*提名委員會主席*)  
劉振邦先生(於二零一七年十一月十三日  
獲委任)  
羅維崑先生  
彭玉芳女士(於二零一七年九月三十日辭任)

### 薪酬委員會

彭玉芳女士  
(*前薪酬委員會主席*)  
(於二零一七年九月三十日辭任)  
劉振邦先生(*薪酬委員會主席*)  
(於二零一七年十一月十三日獲委任)  
羅維崑先生  
王之和先生

### 公司秘書

呂志強先生

### 監察主任

王忠勝先生

## CORPORATE INFORMATION

### 公司資料

#### **AUTHORISED REPRESENTATIVES**

Mr. Wang Zhong Sheng  
Mr. Lui Chi Keung

#### **授權代表**

王忠勝先生  
呂志強先生

#### **HEAD OFFICE & PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Room 19, 13/F, Tower A  
New Mandarin Plaza  
14 Science Museum Road  
Tsim Sha Tsui East, Kowloon  
Hong Kong

#### **香港總辦事處兼主要營業地點**

香港  
九龍尖沙咀東  
科學館道14號  
新文華中心A座  
13樓19室

#### **REGISTERED OFFICE**

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

#### **註冊辦事處**

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

#### **PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

Codan Services Limited  
Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

#### **主要股份過戶登記處**

Codan Services Limited  
Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

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

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

#### **香港股份過戶登記分處**

卓佳登捷時有限公司  
香港  
皇后大道東183號  
合和中心22樓

## CORPORATE INFORMATION 公司資料

### AUDITOR

KTC Partners CPA Limited

### LEGAL ADVISER AS TO HONG KONG LAW

Michael Li & Co  
19th Floor  
Prosperity Tower  
39 Queen's Road Central  
Central, Hong Kong

### PRINCIPAL BANKER

Hongkong and Shanghai Banking Corporation Limited

### STOCK CODE

08270

### 核數師

和信會計師事務所有限公司

### 香港法律之法律顧問

李智聰律師事務所  
香港中環  
皇后大道中三十九號  
豐盛創建大廈  
十九樓

### 主要往來銀行

香港上海滙豐銀行有限公司

### 股份代號

08270

## CORPORATE PROFILE

### 公司簡介

China CBM Group Company Limited and its subsidiaries (collectively referred to as the “Group”) currently conduct the business of manufacture and sales of liquefied coalbed gas whose operations are located in the PRC. The Company was incorporated in Cayman Islands as an exempted company with limited liability in July 2002 and continued in Bermuda as an exempted company with limited liabilities in accordance with the Company Act 1981 (as amended) of Bermuda. It was initially listed on the GEM (“GEM”) of The Stock Exchange of Hong Kong Limited on 12 August 2003.

The Group is principally engaged in the business of exploitation, liquefaction production and sales of natural gas in the PRC. Headquartered in Tianjin. The Group’s production of liquefied coalbed gas is in Shanxi Qinshui Basin which boasts the richest liquefied coalbed gas, while its distribution network extends to Shanxi, Guangxi and Guangdong Provinces, etc.

In order to stabilise our natural gas supply and hence raise the utilisation of our liquefied natural gas (“LNG”) plant, the Group has made significant investment in resources exploration and exploitation at the coalbed methane blocks located in Yangcheng, Shanxi since July 2011. The Group had successfully supplied gas to the LNG plant. The commercial production of coalbed gas has transformed our Group into a vertically integrated natural gas company and continued to enhance our leading position in China’s unconventional gas market.

The Group will adhere to the principle of “social responsibility is of overriding importance” while exploring and developing in the new energy sector with an aim to provide the world with high-quality clean energy and keep improving and promoting the harmonious coexistence of man and nature.

中國煤層氣集團有限公司及其附屬公司(統稱「本集團」)目前在中國經營液化煤層氣生產及銷售業務。本公司於二零零二年七月在開曼群島註冊成立為獲豁免有限公司，並根據百慕達一九八一年公司法(經修訂)於百慕達存續為獲豁免有限公司。本公司股份於二零零三年八月十二日初次在香港聯合交易所有限公司GEM(「GEM」)上市。

本集團目前主要於中國從事天然氣開採、液化生產及銷售業務。本集團之總部設於天津。本集團的液化煤層氣生產則設於液化煤層氣氣源最豐富的山西沁水盆地，銷售業務覆蓋山西、廣西、廣東等地。

為獲得更為穩定的天然氣供應以提高我們液化天然氣(「液化天然氣」)工廠的利用率，自二零一一年七月起，本集團於山西陽城的煤層氣田的資源勘探及開採方面作出大量投資，已實現向液化天然氣工廠供氣。煤層氣的商業生產已令本集團成為垂直一體化的天然氣公司，並繼續增強我們在中國非常規天然氣市場的領先地位。

本集團將本著「社會責任高於一切」的工作態度，努力在新能源領域不斷探索和發展，為人類提供優質的清潔能源，持續改善和促進人與自然的和諧共存。

## CHAIRMAN'S STATEMENT

### 主席報告

Dear Shareholders,

I am pleased to present the audited financial results of the Group for the year ended 31 December 2017.

#### OVERALL BUSINESS REVIEW

After years of development, we have achieved the goal of turning ourselves into a vertically integrated natural gas producer with complete value chain businesses. We have established a complete business process covering Coalbed Methane (“CBM”) extraction, liquefaction, pipelines and highway transportation, distribution network and technical services. The Group adjusted its business in 2017 by suspending the LNG business, but its CBM extraction and production business did not stop. As at 31 December 2017, we have completed the groundwork and drilling of 274 wells in the Yangcheng gas block which resulted in stable increase of the number of production wells and gas output. Due to suspension of production by the Qinshui Shuntai LNG plant, the developed natural gas would be delivered directly to customers by pipeline.

#### EXTRACTION AND PRODUCTION BUSINESS REVIEW

During 2017, the construction of new wells was somewhat affected by our focus on improving capabilities of production wells. As at 31 December 2017, we have completed the ground work and drilling of a total of 274 CBM wells, of which 225 wells were producing gas. The gas output volume of the existing production wells amounts to 800 cubic meters per day per well on average. Thanks to the stable gas output in gas blocks, the Group has generated revenue, profit and cash flow from the business of exploitation of natural gas, and its profitability and cash flow position will be further improved as the number and capabilities of production wells further increase.

各位股東：

本人欣然呈報本集團截至二零一七年十二月三十一日止年度之經審核財務業績。

#### 整體業務回顧

經過多年的努力，我們已經實現了將自身打造為垂直一體化的具有完整產業鏈的天然氣生產商的目標，建立了包括煤層氣開採、液化、管道和公路運輸、終端分銷、技術服務等在內的一整套產業流程。本集團於2017年對業務進行了調整，停止了液化天然氣業務，但本集團之開採及生產煤層氣業務並沒有停止。截至二零一七年十二月三十一日，我們完成了陽城天然氣區塊274口井的地面施工及打井，生產井數量和出氣井產量穩步提升，由於沁水順泰液化天然氣工廠停產，所以開發之天然氣會直接由管道輸送至銷售客戶。

#### 開採及生產業務回顧

雖然二零一七年很大部分精力都放在了提高生產井的產能上，新井的建設受到一定程度的影響，截至二零一七年十二月三十一日止，本集團已累計完成了274口煤層氣井的地面施工及打井，其中，投產井數目為225口。現有的可出氣井之平均單井出氣量可達每天800立方米。由於天然氣區塊出氣量穩定，天然氣開採業務獲得收益、溢利及現金流量，隨著生產井數量的增加和產能的進一步提升，本集團的盈利能力和現金流情況將進一步改善。



## CHAIRMAN'S STATEMENT

### 主席報告

#### MARKETING BUSINESS REVIEW

After years of development, the Group has developed a diversified customer base comprising industrial, commercial and resident customers and established complete distribution channel and network. In addition, we have also taken different measures to maximise the profitability of our gas sale. In 2017, we used different sales mix and flexibly selected various equipment such as pipeline, cylinder group, gas station and skid-mounted equipment to sell gas to our customers. With commencement of the related work, we will be able to reduce the uncertainty in future natural gas sales and optimise our sales mix, i.e. shifting towards a balanced mix from a residential user dominated mix.

#### EMPHASIS ON TECHNOLOGIES ADVANCEMENT

In order to ensure the smooth development of our exploration and production business and the continuous improvement of technologies, and to maintain our leading position in technological advancement, we actively worked with research institutes to build and expand our professional technical team, so as to provide professional and advanced technical services to our exploration and liquefaction production business. In the future, we will be investing heavily in developing and advancing our CBM extraction technology and techniques.

#### ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY

As a responsible corporation, the Group is committed to observing its environmental and social responsibility, in order to ensure sustainable development of its business. To the knowledge of the Directors, the Group has complied with all material relevant applicable laws and regulations in relation to its business including employment and the environment. The Group encourages employees, customers, suppliers and other stakeholders to participate in environmental and social activities. The Company as a leading CBM company will seize opportunities to grow our CBM business on a long term sustainable basis.

#### 市場營銷業務回顧

經過多年的經營，本集團已經積累了包括工業、商業和居民使用者在內的多種客戶群，形成了完善的銷售管道和終端，此外，我們亦已採取多項不同的措施來盡可能地改善我們天然氣銷售的利潤率。在二零一七年，我們通過不同的銷售組合，靈活選擇管道、瓶組、加氣站、撬裝等設備向客戶銷售天然氣。隨著相關工作進一步推進，我們將能夠降低未來天然氣銷售中的不確定性，並優化我們的銷售組合（即由居民用戶主導的組合轉變為一個更為均衡的組合）。

#### 注重技術升級

為確保我們的開採及生產業務得以順利發展、專業技術能夠不斷提升及保持技術領先的地位，我們積極開展和相關科研院所的合作，建立和擴充我們專業的技術團隊，為開採和液化生產業務提供專業、先進的技術服務。未來我們仍將投入大量資金來開發及提升我們的煤層氣開採技術及方法。

#### 環境、社會及企業責任

作為一間負責任之企業，本集團致力履行其環境及社會責任，以確保其業務可持續發展。就董事所知，本集團已遵守所有與其業務有關且屬重大之相關適用法例及法規（包括就業及環境）。本集團亦鼓勵僱員、客戶、供應商及其他權益人參與環境及社會活動。本公司作為一間領先的煤層氣公司將把握機會推動其煤層氣業務長期持續增長。

## CHAIRMAN'S STATEMENT

### 主席報告

#### PERMITTED INDEMNITY PROVISION

The bye-laws provide that the directors shall be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices.

The Company has taken out and maintained directors' liability insurance which provides appropriate cover for the directors and directors of the subsidiaries of the Group.

#### OUTLOOK

At present, demand for natural gas is increasing in China with huge growth potential. As pollution is worsening in China, governments at all levels are placing more emphasis on development of clean energy, which shows great potential in further development, recognizing the rising advocacy of safer – especially under the recent nuclear power crisis – and cleaner energy. However, the existing conventional natural gas production is unlikely to satisfy China's strong demand of natural gas in the coming years; and we believe that it is inevitable that the PRC government would need to encourage the unconventional gas production. With all the favourable policies and measures in place, there is no doubt that the Company, as a leading CBM company, will gain major benefits. We will seize this opportunity to grow our CBM business on a long term sustainable basis and would try our very best to maximize our shareholders' investment return.

To carry through the Group's spirit of advancement by innovation, the Group has since the beginning of 2017 commenced the research and development (R&D) on natural gas production by coal. The Group has entered into in-depth strategic cooperation with Institute of Process Engineering under Chinese Academy of Sciences on projects of researching, developing and commercializing the natural gas production by coal. The projects of natural gas production by coal at Guangxi Beiliu and Hebei Nuoxin are expected to start production in June 2018 with an average daily output of 200,000 cubic meters. We will strive to increase the daily output to 800,000 cubic meters by the end of 2018. The Group's wells and projects of natural gas production by coals are expected to provide stable natural gas supply to its LNG plants in 2018. Therefore, the Group expects the LNG business to resume operation in September 2018.

#### 獲准許之彌償條文

公司細則規定，如董事在執行其各自職務之職責或假定職責或與此相關之事務時因所作出、發生之任何行為或不作為而應會或可能招致或蒙受訴訟、成本、費用、損失、損害及開支，則彼等或彼等任何一方均應自本公司之資產及溢利中獲彌償一切有關之款項。

本公司已購買並維持董事責任保險，為董事及本集團附屬公司之董事提供適當保障。

#### 展望

目前中國的天然氣需求不斷增長，市場潛力巨大。隨著國內污染情況的加劇，各級政府對發展清潔能源的重視程度也與日俱增，顯示其進一步發展的潛力巨大，反映出市場對更安全（特別是經歷最近的核能源危機後）及潔淨能源的需求逐漸增加。然而，現有的常規天然氣產量不大可能滿足未來數年中國對天然氣的強勁需求；我們相信中國政府勢必會鼓勵非常規天然氣的生產。隨著各種優惠政策及措施的出臺，本公司作為領先的煤層氣公司無疑將會獲得重大利好。我們將緊抓這個機會推動煤層氣業務的長期持續增長，並將竭盡所能，力求最大程度地提升我們股東的投資回報。

為貫徹本集團創新進步的精神，本集團自2017年起自主研發煤制天然氣項目，已經與中國科學院過程研究所達成深度戰略合作，共同研究開發並產業化煤製天然氣項目。預計2018年6月煤製天然氣項目在廣西北流、河北諾信公司正式投產，日產量達200,000立方米，並爭取於2018年年末，增加日產量至800,000立方米。預期2018年本集團的井口自產氣與煤製天然氣能給予液化天然氣工廠穩定的天然氣供應，所以本集團估計液化天然氣業務將於2018年9月重新起動。

## CHAIRMAN'S STATEMENT

### 主席報告

In addition, the Group has since the beginning of 2016 commenced the R&D on liquefied A-class air. However, liquefied A-class air was not launched on market in 2017 due to unstable ratios of nitrogen oxygen in liquefied A-class air. In 2018, the Group will augment its efforts in the R&D of liquefied A-class air, anticipating that the liquefied A-class air business will become a new profit growth driver of the Group.

Lastly, I would like to take this opportunity to thank our team for all their hard work in the past years for turning the Group a better enterprise than I have ever seen. Going forward, I believe that our team will pay more efforts in making the Group a leading enterprise in China's CBM industry and other innovative industries.

**Wang Zhong Sheng**  
*Chairman*

27 March 2018

另外，本集團於2016年初即開始了液化A級空氣的研發。但由於遇到液化A級空氣氮氧比例不穩定的組份問題，所以2017年，液化A級空氣仍未推出市場。2018年，本集團會更專注於液化A級空氣的研發，希望液化A級空氣業務會對本集團帶來新的盈利增長點。

最後，本人藉此機會，感謝我們的團隊在過去數年中為推動本集團不斷進步而付出的辛勤努力。展望未來，我相信我們的團隊必會加倍努力，將本集團打造為中國煤層氣及其他創新行業的領先企業。

**王忠勝**  
*主席*

二零一八年三月二十七日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

The Group recorded a consolidated turnover of approximately RMB178,562,000 for the year ended 31 December 2017, representing an decrease of approximately 18.42% compared with year ended 31 December 2016. The Group has suspended the production of liquefied natural gas by Shanxi Qinshui Shuntai since February 2017, and it leads to the decrease in turnover of the Group during the year.

The Group recorded a loss attributable to equity shareholders of the Company for the year ended 31 December 2017 of approximately RMB70,219,000 compared with that of approximately RMB101,002,000 for the year ended 31 December 2016. The decrease in loss attributable to equity shareholders of the Company as a result of the turn around from gross loss of RMB11,688,000 in 2016 to gross profit of RMB32,776,000 in 2017. The reasons for the decrease are as follows:

- (i) in 2016, the gross loss are mainly due to the decline in the selling price of LNG, and the shortage in the natural gas supply (it would lead to the increase in the unit cost), as a result, the Group has suspended the LNG plant operation since February 2017. Instead, the natural gas from our wells would sell to our customers directly by pipeline, and it would dispense the cost of liquefaction processing, therefore, the Group recorded a gross profit of RMB32,776,000 in 2017;
- (ii) except for the depreciation of approximately RMB14,900,000 is recorded as administrative expenses in 2017, due to the suspension of our LNG plant since February 2017, the administrative expenses of the Group, in fact, was decreased from RMB60,961,000 to RMB52,999,000 (exclude the depreciation) in 2017. It mainly due to our costing saving plan successfully implemented in 2017; and
- (iii) other income and gains or losses increased from RMB5,012,000 to RMB12,818,000 in 2017, it mainly due to an impairment loss on trade and other receivable and property, plant and equipment of RMB6,080,000 and RMB8,329,000 respectively in 2017.

### 財務回顧

本集團於截至二零一七年十二月三十一日止年度錄得綜合營業額約人民幣178,562,000元，較截至二零一六年十二月三十一日止年度減少約18.42%。本集團自2017年2月起停止了山西沁水順泰之液化天然氣的生產，令本集團於本年度的營業額下跌。

本集團於截至二零一七年十二月三十一日止年度錄得本公司權益股東應佔虧損約人民幣70,219,000元，而截至二零一六年十二月三十一日止年度則約為人民幣101,002,000元。本公司權益股東應佔虧損減少乃由於由二零一六年的毛損人民幣11,688,000元扭虧為盈至二零一七年的毛利人民幣32,776,000元。有關減少原因如下：

- (i) 二零一六年，毛損主要由於液化天然氣售價下跌，而天然氣供應短缺導致單位成本上漲，故本集團自二零一七年二月起暫停液化天然氣工廠的營運。與之相反，我們井口生產的天然氣直接通過管道售予客戶，削減了液化加工的成本，因此本集團於二零一七年錄得毛利人民幣32,776,000元；
- (ii) 除為數約人民幣14,900,000元之折舊會於二零一七年錄為行政開支外，由於我們的液化天然氣工廠自二零一七年二月起暫停生產，本集團的行政開支從人民幣60,961,000元降至二零一七年的人民幣52,999,000元（不包括折舊）。這主要是由於我們於二零一七年成功推行成本節約計劃所致；及
- (iii) 其他收入及收益或虧損從人民幣5,012,000元增至二零一七年的人民幣12,818,000元，此乃主要由於應收賬款及其他應收款項以及物業、機器及設備於二零一七年分別錄得金額人民幣6,080,000元及人民幣8,329,000元的減值虧損。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW AND DEVELOPMENT PROSPECTS

#### Resources and reserves

Yangcheng Huiyang New Energy Development Company Limited (hereinafter referred to as "Huiyang New Energy") has interest in certain CBM properties located at Shanxi Province, the PRC. The Yangcheng area is approximately 96 km<sup>2</sup> in the Shanxi Province, the PRC. Development within the Yangcheng gas block is focused on the #3 and #15 coal seams. These CBM properties are located at various coal mine areas owned by Shanxi Yangcheng Yangtai Group Industrial Company Limited. Huiyang New Energy is a joint venture company and 60% of its equity interests is held by one of the wholly-owned subsidiaries of the Group.

The movements in the reserves of certain CBM properties as of 31 December 2017 are set out below:

### 業務回顧及發展前景

#### 資源及儲量

陽城縣惠陽新能源發展有限公司(下稱「惠陽新能源」)於位於中國山西省的若干煤層氣資產擁有權益。陽城地區位於中國山西省，面積約96平方公里。陽城天然氣區塊主要開發3號和15號煤層。該等煤層氣資產位於山西陽城陽泰集團實業有限公司擁有的多個煤礦區域內。惠陽新能源為一間合營企業，其60%股本權益由本集團其中一間全資附屬公司持有。

若干煤層氣資產截至二零一七年十二月三十一日的儲量變化於下文載列：

		<b>Reserve evaluation of the CBM properties as at 31 December 2017 BCF 於二零一七年 十二月三十一日 的煤層氣資產 儲量評估 十億立方英尺</b>	<b>Reserve evaluation of the CBM properties as at 31 March 2012 BCF 於二零一二年 三月三十一日 的煤層氣資產 儲量評估 十億立方英尺</b>
Total original gas in place on all blocks	所有區塊的原始天然氣地質總含量	2,724	2,724
Net 1P (Proved) reserves	已證實(1P)淨儲量	1,419	35
Net 2P (Proved + Probable) reserves	已證實加概略(2P)淨儲量	1,869	277
Net 3P (Proved + Probable + Possible) reserves	已證實加概略加可能(3P)淨儲量	2,282	2,050

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The reserve evaluation of the CBM properties as at 31 March 2012 is the results of evaluation conducted by an independent, US-licensed natural gas reserve engineer, Netherlands, Sewell & Associates, Inc. (“NSAI”) engaged by the Company in 2011 to evaluate the CBM properties reserves.

Due to continued development of the gas field blocks by the Company, the number and scope of the gas production wells are relatively increased as compared with that of 2012, enabling the Company to collect more data about the CBM properties to evaluate the CBM properties more accurately. Accordingly, the Company engaged an independent professional valuer in the PRC in July 2014 to evaluate certain CBM properties of “Huiyang New Energy” in terms of net 3P (Proved + Probable + Possible) reserves, net 2P (Proved + Probable) reserves and net 1P (Proved) reserves based on substantially the same definitions and guidelines as that of NSAI in 2012. According to the results of the evaluation, the total original gas in place on all blocks was generally unchanged as compared with that of NSAI in 2012. Based on the current costs for developing wells, the technical department of the Group estimates the capital expenditure for each well to be approximately RMB1.4 million, mainly comprising of road maintenance fees of approximately RMB0.09 million, drilling expenses of approximately RMB0.86 million, well testing fees of approximately RMB0.04 million and costs of equipment and materials of approximately RMB0.41 million.

Gas volumes are expressed in billion of cubic feet (BCF) at standard temperature and pressure bases. The reserves shown in the above table are estimates only and should not be construed as exact quantities. Proved reserves are those quantities of oil and gas which, by analysis of engineering and geoscience data, can be estimated with reasonable certainty to be commercially recoverable; probable and possible reserves are those additional reserves which are sequentially less certain to be recovered than proved reserves. Estimates of reserves may increase or decrease as a result of market conditions, future operations, changes in regulations, or actual reservoir performance.

二零一二年三月三十一日的煤層氣資產儲量評估是本公司於二零一一年委聘獨立美國持牌天然氣儲量工程師Netherlands, Sewell & Associates, Inc. (「NSAI」)對煤層氣資產儲量的評估結果。

由於氣田區塊得到本公司的持續發展，產氣井口數量及範圍比二零一二年相對地提高，這促使本公司能夠搜集更多煤層氣資產的數據，藉此對煤層氣資產作出更準確的評估。所以本公司於二零一四年七月已聘請中國境內之獨立專業評估機構對「惠陽新能源」的若干煤層氣資產作出以上對於已證實加概略加可能(3P)淨儲量、已證實加概略(2P)淨儲量和已證實(1P)淨儲量的評估，而評估的定義及指引與二零一二年NSAI之定義及指引大致相同。根據評估的結果，所有區塊的原始天然氣地質總含量與二零一二年NSAI之評估大致沒有變動。根據本集團技術部門以目前開發井口成本計算，預計每一口井的資本支出約人民幣140萬元，主要包括道路維修費用約人民幣9萬元、鑽井費用約人民幣86萬元、測試井口費用約人民幣4萬元及設備材料費用約人民幣41萬元。

天然氣儲量乃按標準溫度及壓力以十億立方英尺(BCF)表示。上表所載的儲量僅為估計之數，不應當作實際數量。已證實儲量為透過分析工程及地質數據可合理肯定可作商業性採收而加以估計的石油及天然氣數量；概略及可能儲量為可採收機會依次低於已證實儲量的額外儲量。儲量估計可能因市況、未來營運、監管變動或實際儲層情況而增加或減少。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Natural Gas Exploration and Extraction

As at 31 December 2017, the Group has completed the ground work and drilling of 274 CBM wells, among which 225 wells were in production, representing no change in number of wells compared with the number of wells at the end of 2016. It was mainly attributed to the fact that the Company spent part of funds and put certain efforts in stabilizing and increasing the output of producing wells, which, to some extent, has led to slowdown of construction of new wells. The existing gas output wells produce approximately 800 cubic meters of gas on average per day.

#### Marketing and Sales

During 2017, the marketing and sales systems did not change significantly and the personnel structure and sales strategies basically remained the same. Affected by overall environment, the sales price during traditional peak periods did not represent a substantial increase as the previous year, by contrast, the sales price took on a descending trend, which, to some extent, has affected the sales performance.

#### Liquidity, Financial Resources and Capital Structure

As at 31 December 2017, the Group had net assets of approximately RMB333,625,000, including cash and bank balances of approximately RMB8,572,000. To minimize financial risks, the Group implements stringent financial and risk management strategies and avoids the use of highly-g geared financing arrangements. The Group's gearing ratio, calculated by the Group's total external borrowings divided by its shareholders' fund, was approximately 23.97% as at 31 December 2017 (2016: 21.74%).

The Group is opportunistic in obtaining financing to further improve the cash position given that the natural gas drilling program is capital intensive. If the Group has adequate financing in the future (whether it is from internal cash flow due to increased gas sales, or from fund raising), the Group will accelerate the drilling program. Apart from the intended investment in upstream CBM exploration and extraction, the Group does not have any other plan for acquisition or investment, disposal or scale-down of any current business.

#### 天然氣勘探及開採

於二零一七年十二月三十一日，本集團已完成了274口煤層氣井的地面施工及打井，其中，投產井數目為225口，比二零一六年沒有增加井口數目。主要由於本公司使用了部份資金及致力於穩定及提高生產井產量，以致某程度上減慢了新井的建設。現有的可出氣井之平均單井出氣量約為每天800立方米。

#### 市場營銷及銷售業務

於二零一七年，市場營銷及銷售業務系統並無重大變動及員工結構及銷售策略基本維持一致。受整體經濟環境影響，銷售價格於傳統高峰期並未如往年般大幅上升，相反，銷售價格呈下調的勢頭，某程度上影響銷售表現。

#### 流動資金、財務資源及資本結構

於二零一七年十二月三十一日，本集團的資產淨值約為人民幣333,625,000元，其中包括現金及銀行結存約人民幣8,572,000元。本集團為減低其財務風險，採取謹慎的財務及風險管理策略，盡量避免使用高槓桿比率之融資安排。故此，本集團於二零一七年十二月三十一日之資本與負債比率（按本集團對外借貸總額除以其股東資金計算）約為23.97%（二零一六年：21.74%）。

由於天然氣打井項目需要大量資金，本集團有可能為進一步改善現金狀況獲得融資。倘本集團於日後擁有充足融資（無論是來自內部現金流量（因天然氣銷量增長）或者來自集資），本集團將加快打井項目進程。除擬於上游煤層氣勘探及開採進行投資外，本集團並無任何其他計劃進行收購事項或投資、出售或縮減目前的業務規模。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### The Employees

As at 31 December, 2017, the employees of the Group totaled 476, among which 98 were R&D staff and 223 were project and customer service staff; 121 were administration staff and 34 were marketing and sales staff. During the year, the total cost of staff (including the remuneration of the Board Directors) recognised in profit or loss account was approximately RMB28,819,000 (2016: approximately RMB30,728,000). The remuneration and salary packages and dividend policy of the Group were determined based on the individual performance of staff. The Group will continue to offer professional further studies and training to staff.

### Impairment of Property, Plant and Equipment

In view of the continuing operating losses of certain subsidiaries operating in the PRC during the years ended 31 December 2017 and 2016, the directors of the Company have performed impairment assessment on the property, plant and equipment of these subsidiaries as at 31 December 2017 and 2016. The recoverable amounts of these property, plant and equipment have been determined by an independent professional valuer, Asset Appraisal Limited ("Asset Appraisal") based on value-in-use calculations. The pretax discount rates in measuring the amounts of value-in-use range from 24% to 27% per annum in relation to these property, plant and equipment (2016: range from 22% to 29% per annum). There has been no change from the valuation technique used in prior year. As a result of the impairment assessment, no impairment loss had been recognised in respect of these property, plant and equipment during the year ended 31 December 2017 (2016: RMB Nil).

However, due to wear and tear, an impairment loss of approximately RMB8,329,000 (2016: RMB Nil) was recognised in respect of certain property, plant and equipment.

### 僱員

於二零一七年十二月三十一日，本集團共僱用476名僱員，其中研發人員98名及工程和客服人員223名；行政管理人員121名及市場營銷及銷售人員34名。於年內，員工總成本（包括董事酬金）於損益賬確認約人民幣28,819,000元（二零一六年：約人民幣30,728,000元）。酬金及薪酬組合及本集團股息政策乃根據僱員個人表現釐定。本集團將繼續為僱員提供專業進修及培訓。

### 物業、機器及設備減值

鑒於截至二零一七年及二零一六年十二月三十一日止年度於中國經營的若干附屬公司的持續經營虧損，本公司董事已於二零一七年及二零一六年十二月三十一日就該等附屬公司的物業、機器及設備進行減值評估。該等物業、機器及設備的可收回金額乃由獨立專業估值師中誠達資產評值顧問有限公司（「中誠達資產評值」）根據使用價值計算釐定。計算該等物業、機器及設備使用價值所採用的稅前貼現年率介乎24%至27%（二零一六年：年率介乎22%至29%）。所使用的估值方法與去年相同。因減值評估的結果，截至二零一七年十二月三十一日止年度，並無就該等物業、機器及設備確認減值虧損（二零一六年：人民幣零元）。

然而，由於日久損耗，已就若干物業、機器及設備確認減值虧損約人民幣8,329,000元（二零一六年：人民幣零元）。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Risk in Foreign Exchange

The group entities collect most of the revenue and incur most of expenditures in their respective functional currencies. The Directors consider that the Group's exposure to foreign currency exchange is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity.

#### Significant Investment, Material Acquisitions and Disposal of Subsidiaries and Associated Companies

During the year ended 31 December 2017, there was no significant investment, material acquisition and disposal of subsidiaries and associated companies by the Company.

#### 外匯風險

集團實體各自收取的大部份收益及產生的大部份開支均以其各自的功能貨幣計值。董事認為，由於本集團大部份交易以個別集團實體各自的功能貨幣計值，故本集團所面臨的外匯風險並不重大。

#### 重大投資、重大收購及出售附屬公司及聯營公司

截至二零一七年十二月三十一日止年度，本公司並無作出任何重大投資、重大收購及出售附屬公司及聯營公司。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### OUTLOOK

The upstream business of the Company is improving steadily and the well construction and gas output are both increasing constantly. During 2017, the Company made technological upgrade to some old wells to improve production capacity and output, laying a solid foundation for the Company's long-term performance. However, the shortage in supply of raw gas kept handicapping the Company. Daily gas output of the upstream business was insufficient to allow the 500,000 cubic meters daily production capacity of liquefaction plants to be fully unleashed. In view of this, the Group commenced the R&D on natural gas production by coal in 2017, and invited Institute of Process Engineering under Chinese Academy of Sciences to provide technological guidance. As at the date of this report, the experiment on natural gas production by coal was largely completed. The Group intends to commence the first stage of the project of natural gas production by coal in June 2018 on a pilot basis, with a daily output of 200,000 cubic meters. In addition, the Group plans to increase the daily output to 800,000 cubic meters by the end of 2018. The Group also plans to resume its LNG business in 2018, as the number of upstream wells and gas output are both steadily increasing, the group successfully developed natural gas production by coal and LNG price stabilized and saw upward momentum in the second half of 2017. The Group's raw gas supply will be further consolidated and the advantage of vertical integration business will emerge. The production capacity of liquefaction plants will be fully unleashed. In 2018, thanks to the stable supply from self-produced well gas and natural gas production by coal, the Company will be gradually less affected by external factors and the uncontrollable risks involved in the operation of the Company will become less. It is projected that by the end of 2018, the daily output of gas exploration business will break through beyond 200,000 cubic meters, and daily output of natural gas production by coal will reach about 800,000 cubic meters.

### 前景

本公司之上游業務正穩定提升及井口建設及出氣量亦不斷提升。於二零一七年，本公司對若干舊井作出技術升級以改善產能及產量，為本公司長期表現打下穩固基礎。然而未加工天然氣供應短缺問題一直困擾本集團，上游業務之每日出氣量不足以完全釋放液化工廠每日500,000立方米的產能。本集團有見及此，於2017年開始自組研發煤製天然氣項目，更引入中國科學院過程研究所所在技術上作指導。截至本報告日，煤製天然氣實驗大致完成，本集團預計於2018年6月開始試產第一階段日產200,000立方米煤製天然氣，更計劃於2018年年末增加日產量至800,000立方米。隨著上游井口及出氣量的數目穩定增加，及煤製天然氣的開發成功，加上液化天然氣銷售價格於2017年下半年開始回穩並呈上漲勢頭，所以，本集團將計劃於2018年重新起動液化天然氣業務，由於本集團的未加工天然氣供應將進一步鞏固及本集團垂直一體化業務的協同優勢將展現，而液化工廠的產能將完全釋放。2018年，井口自產天然氣和自產煤制天然氣的穩定供應，本集團將逐漸減少受外來因素影響，而本集團營運中不能控制的風險亦將會減少。預期於二零一八年底，天然氣勘探業務的每日產量將超越200,000立方米，而自產煤製天然氣的每日產量約800,000立方米。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

As there are growing concerns over the environmental issues, it is foreseen that the highly-polluted energy will be eliminated from the market more rapidly and the use of replaceable clean energy will be more popular, resulting in a keener market demand for natural gas. The demand growth of natural gas market will continue to retain its strong momentum. Management of the Company will spare no effort in overcoming difficulties and be devoted to making contribution to the Company's profit margin and long-term development.

In addition, the Group has since the beginning of 2016 commenced the R&D on liquefied A-class air. However, liquefied A-class air was not launched on market in 2017 due to unstable ratios of nitrogen oxygen in liquefied A-class air. In 2018, the Group will continue with the R&D of liquefied A-class air, and strive to make a breakthrough as soon as possible, in a bid to create a new profit growth driver for the Group.

#### DISCUSSION ON QUALIFIED OPINION

As the predecessor auditor's audit opinion on the consolidated financial statements of the Group for the year ended 31 December 2016 was disclaimed, therefore, the qualified opinion on corresponding figures is raised in the independent auditor's report. Any adjustments to the figures mentioned above might have consequential effects on the Group's financial performance and cash flow for the year ended 31 December 2016 and the related disclosures thereof in the consolidated financial statements. After review of the financial statements of the Company by the Board and the audit committee of the Company, the opinion of the Group towards this issue is that the corresponding figures are no material impact in the financial performance of the Group in the year of 2017 and the financial position of the Group as at 31 December 2017, and there will have no any financial impact in the years onwards.

隨著大眾日益關注環境問題，預期高污染能源將更快被市場淘汰，使用可替代潔淨能源將更普及，使天然氣市場需求更殷切，天然氣市場的需求將維持強勁的增長勢頭。本公司管理層將全力克服困難，致力為本公司利潤率及長期發展作出貢獻。

另外，本集團自2016年初即開始了液化A級空氣的研發。但由於遇到液化A級空氣氮氧比例不穩定的組份問題，所以在2017年，液化A級空氣仍未推出市場。2018年，本集團會繼續研發液化A級空氣，並盡快尋求突破，為本集團帶來新的盈利增長點。

#### 有關保留意見之討論

由於前核數師對本集團截至二零一六年十二月三十一日止年度之綜合財務報表出具不表示意見之審核意見，故對獨立核數師報告中的比較數字提出保留意見。對上述有關數字作出任何調整均可能對本集團截至二零一六年十二月三十一日止年度之財務表現及現金流量，以及於綜合財務報表所作出之相關披露產生後續影響。董事會及本公司審核委員會經審閱本公司財務報表後，本集團對該問題之意見是，該等比較數字對本集團二零一七年之財務表現及本集團於二零一七年十二月三十一日之財務狀況並無影響，對今後年度亦無任何財務影響。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

#### (a) Application of Corporate Governance Principles

The Group is committed to promoting good corporate governance, with the objectives of (i) the maintenance of responsible decision making, (ii) the improvement in transparency and disclosure of information to shareholders, (iii) the continuance of respect for the rights of shareholders and the recognition of the legitimate interests of shareholders, and (iv) the improvement in crisis management and the enhancement of performance by the Group. The Group has applied the principles set out in the Corporate Governance Code (the “Code”) contained in Appendix 15 to the GEM Listing Rules with these objectives in mind.

#### (b) Promulgation of Company’s Corporate Governance Code

To this end, the Group has promulgated a set of code on corporate governance (the “Company Code”) which sets out the corporate standards and practices used by the Group to direct and manage its business affairs. It is prepared by reference to the principles, code provisions and recommended best practices set out in the Code, which came into effect on 1 January 2005. In addition to formalising existing corporate governance principles and practices, the Company Code also serves the purpose of assimilating existing practices with benchmarks prescribed by the Code and ultimately ensuring high transparency and accountability to the Group’s shareholders.

### 企業管治常規

#### (a) 應用企業管治原則

本集團致力提高企業管治水平，宗旨在於(i)維持負責任的決策、(ii)改善對股東的透明度及向股東披露的資料、(iii)貫徹一向對股東權益的尊重及股東的合法權益的認同，及(iv)改善危機管理，提升本集團表現。在此等宗旨下，本集團已應用GEM上市規則附錄十五所載《企業管治守則》(「守則」)中的原則。

#### (b) 頒佈本公司的企業管治守則

本集團為此頒佈一套企業管治守則(「公司守則」)，載列集團在指導及管理其商業事務時所採用的企業準則及常規。公司守則在編製時已參考由二零零五年一月一日起生效的守則內所載的原則、守則條文及建議最佳常規。除訂定現有企業管治原則及常規外，公司守則亦將現有常規及守則所規定的基準兼收並蓄，最終確保高透明度及向集團股東負責。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### (c) Compliance of Company Code and the code provisions under the Code (the “Code Provisions”)

The Group has complied with all provisions in the Company Code and the Code Provisions under the Code during the year ended 31 December 2017 save for code provisions A.2.1 and A.4.1 of the Code, details of the derivation and reason for derivation are set out in the paragraphs headed “Chairman and Chief Executive” and “Appointment term of Non-executive Directors” of this corporate governance report.

The Company Code contains all the Code Provisions of the Code and other provisions.

#### SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than those as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors have complied with the required standard of dealings and code of conduct regarding securities transactions by Directors as set out in the Company’s code of conduct for the year 2017.

#### BOARD COMPOSITION, ROLE AND FUNCTION

The Board is entrusted with the overall responsibility for promoting the success of the Company through direction and supervision of the Company’s business and affairs.

The Board comprises a total of five Directors, comprising two executive Directors, namely, Mr. Wang Zhong Sheng (Chairman), and Mr. Fu Shou Gang and three independent non-executive Directors, namely, Mr. Luo Wei Kun, Mr. Wang Zhi He and Mr. Lau Chun Pong. Mr. Lau Chun Pong has appropriate professional qualifications, accounting and financial management expertise as required under the GEM Listing Rules.

#### (c) 公司守則及守則之守則條文(「守則條文」)的遵行

本集團已於截至二零一七年十二月三十一日止年度遵守公司守則之所有條文及守則之守則條文，惟守則之守則條文第A.2.1條及A.4.1條除外。偏離之詳情及理由載於本企業管治報告「主席及行政總裁」及「非執行董事之任期」各段。

公司守則包括守則內之所有守則條文以及其他條文。

#### 董事進行證券交易

本公司已採納一項董事進行證券交易之操守守則，其條款標準不低於GEM上市規則第5.48條至5.67條所載之董事進行證券交易之操守守則。經向全體董事提出具體徵詢，所有董事於截至二零一七年度內均有遵守本公司操守守則所列示有關董事進行證券交易之規定買賣準則及操守守則。

#### 董事會組成、角色及職能

董事會負責本公司業務及事務的整體領導與監管，促成本公司的成功。

董事會由五名董事組成，其中兩名屬執行董事，包括王忠勝先生(主席)及付壽剛先生及另外三名屬獨立非執行董事，包括羅維崑先生、王之和先生及劉振邦先生。劉振邦先生擁有GEM上市規則所要求之適當專業資格及具備會計及財務管理專業知識。

# CORPORATE GOVERNANCE REPORT

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Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and are independent in accordance with the terms of the guidelines.

The Company has complied with Rules 5.05(1), 5.05(2) and 5.05A of the GEM Listing Rules. During the year ended 31 December 2017, there were three independent non-executive Directors in the Board and the number of independent non-executive Directors represents at least one-third of the Board. The Company has also complied with Rule 5.05(2) of the GEM Listing Rules, which stipulates that one of the independent non-executive Directors must possess appropriate professional qualifications or accounting or related financial management expertise. The Board considers that the independent non-executive Directors are all independent persons with appropriate qualifications or expertise and the Company has complied with the relevant requirements of the GEM Listing Rules.

### Corporate Governance Functions

The Board is responsible for performing the corporate governance functions set out in code provision D.3.1 of the Code. In 2017, the Board has reviewed and monitored: (a) the Company's corporate governance policies and practices, (b) training and continuous professional development of directors and senior management, (c) the Company's policies and practices on compliance with legal and regulatory requirements, (d) the Company's code of conduct and (e) the Company's compliance with the Code disclosure requirements.

### Appointment Term of Non-executive Directors

Under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term, subject to re-election. Currently, the independent non-executive Directors have no fixed term of office but are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company's Articles of Association. As such, the Company considers that sufficient measures have been taken to serve the purpose of this code provision.

各獨立非執行董事已按GEM上市規則第5.09條作出年度獨立性確認。本公司認為，全部獨立非執行董事均已符合GEM上市規則第5.09條所載的獨立性指引，並根據該指引的條款屬獨立人士。

本公司已遵守GEM上市規則第5.05(1)條、第5.05(2)條及第5.05A條。截至二零一七年十二月三十一日止年度，董事會有三名獨立非執行董事，獨立非執行董事人數佔董事會至少三分之一。本公司亦已遵守GEM上市規則第5.05(2)條，該條規定，其中一名獨立非執行董事必須具備適當的專業資格或者會計或相關財務管理專長。董事會認為，獨立非執行董事均屬具備適當資格或專長的獨立人士且本公司已遵守GEM上市規則的相關規定。

### 企業管治職能

董事會負責履行守則的守則條文第D.3.1條所載的企業管治職能。於二零一七年，董事會已檢討及監察：(a)本公司的企業管治政策及常規；(b)董事及高級管理層的培訓及持續專業發展；(c)本公司遵守法律及法規規定的政策及常規；(d)本公司的操守守則；及(e)本公司遵守守則披露規定的情況。

### 非執行董事之任期

根據守則之守則條文第A.4.1條，非執行董事應有固定任期，並須接受重選。目前，獨立非執行董事並無固定任期，惟須根據本公司之公司組織章程細則於本公司股東週年大會上輪值告退。因此，本公司認為已就達致本守則條文之目的採取足夠措施。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Roles of Directors

The Board assumes responsibility for leadership and control of the management of the Company and is collectively responsible for appointing and supervising senior management to ensure that the operations of the Group are conducted in accordance with the objectives of the Group. The principal roles of the Board are:

- to lay down the Group's objectives, strategies, policies and business plans;
- to monitor and control operating and financial performance through the determination of the annual budget; and
- to formulate internal control policies and set appropriate policies to manage risks in pursuit of the Group's strategic objectives.

The Board is directly accountable to the shareholders and is responsible for preparing the accounts.

### Delegation by the Board

The Board has delegated the day-to-day management responsibility to the management staff under the instruction/supervision of the Board.

The management staff of the Company are principally responsible for:

1. exercising all such other powers and perform all such other acts as may be exercised and performed by the Directors, save and except for those that may specifically be reserved by the Board and/or the committees set up by the Board for decision and implementation; or those that may only be exercised by the Board pursuant to the Articles of Association, the GEM Listing Rules and other applicable laws and regulations;
2. formulating and/or implementing policies for business activities, internal controls and administration of the Company;

### 董事角色

董事會肩負領導及監控本公司管理層的責任，同時集體負責委任及監督高級管理層，以確保本集團之營運符合本集團之目標。董事會的主要角色為：

- 制定本集團的目標、策略、政策及業務計劃；
- 通過釐定每年財政預算，監察及控制營運及財務表現；及
- 制定內部管制政策及制定適當的風險管理政策，以達致本集團的策略目標。

董事會直接向股東負責，並負責編製賬目。

### 董事會授權

董事會授權管理層人員在董事會的指示／監察下，履行日常管理職責。

本公司之管理人員主要負責：

1. 行使董事可行使的其他所有權力及進行董事可進行的其他所有行動(指定由董事會及／或董事會成立的委員會負責決定及執行的事務，或根據公司組織章程細則、GEM上市規則及其他適用法律及法規之規定，僅可由董事會負責處理的事務則除外)；
2. 制定及／或執行有關本公司業務活動、內部監控及行政的政策；

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

3. planning and deciding the Company's strategies on its business activities; and
4. keeping proper written records of its decisions taken which may be inspected by any members of the Board or the Board committees upon request.

The Board will review the above arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

### Chairman and Chief Executive

Under the code provision A.2.1 of the Code, the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Prior to the retirement of Mr. Feng San Li on 26 November 2012, Mr. Feng San Li was holding the title of CEO. Mr. Wang Zhong Sheng is the chairman of the Board. After Mr. Feng's retirement, Mr. Wang Zhong Sheng continues to act as the chairman and the duties of the chief executive have been undertaken by the other executive Director. The Board meets regularly to consider major matters affecting the business and operations of the Group. The Board considers that this structure will balance the power and authority between the Board and management and believes that this structure enables the Group to make and implement decision promptly and efficiently.

### BOARD OPERATION

Regular Board meetings are held normally every three months, with additional meetings arranged, if and when required. In 2017, the Board held 7 meetings.

3. 計劃及決定本公司業務策略；及

4. 保留各項決定的適當書面紀錄，以便董事會或各董事委員會的任何成員按要求查閱。

董事會定期對上述安排作出檢討以確保其一直符合本集團所需。

### 主席及行政總裁

根據守則之守則條文A.2.1條，主席與行政總裁的職能應予區分，不應由同一人士兼任。於馮三利先生於二零一二年十一月二十六日退任前，本公司行政總裁為馮三利先生。王忠勝先生為董事會主席。於馮先生退任後，王忠勝先生繼續擔任主席，而行政總裁的職責已由其他執行董事承擔。董事會定期開會審議影響本集團業務及運作的主要事項。董事會認為現時該結構可維持董事會與管理層的權力與職權的平衡，並相信該結構能使本集團迅速有效地作出與執行決定。

### 董事會運作

董事會一般會每三個月定期會面一次，並在有需要時另外安排會面。董事會於二零一七年曾舉行七次會議。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The attendance record of each member of the Board at board meetings and general meetings of the Company are set out below:

各董事會成員出席本公司董事會會議及股東大會的紀錄如下：

	<b>Attendance of Board Meetings 董事會會議出席率</b>	<b>Attendance of General Meetings 股東大會出席率</b>
<b>Executive Directors</b>		
<b>執行董事</b>		
Mr. Wang Zhong Sheng ( <i>Chairman</i> ) 王忠勝先生(主席)	7/7	1/1
Mr. Fu Shou Gang 付壽剛先生	7/7	1/1
<b>Independent Non-executive Directors</b>		
<b>獨立非執行董事</b>		
Mr. Lau Chun Pong (appointed on 13 November 2017) 劉振邦先生(於二零一七年十一月十三日獲委任)	2/2	0/0
Mr. Luo Wei Kun 羅維崑先生	7/7	1/1
Ms. Pang Yuk Fong (resigned on 30 September 2017) 彭玉芳女士(於二零一七年九月三十日辭任)	5/5	1/1
Mr. Wang Zhi He 王之和先生	7/7	1/1

Note: Number of board meeting and general meeting held during the tenure of the Director

附註：董事任期內舉行董事會會議及股東大會的次數

Directors are free to contribute alternative views at meetings and major decisions would only be taken after deliberation at Board meetings. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolution.

董事於會上可自由發表不同的意見，重要決定只會在董事會會議上進行討論後始作出。如董事在建議的交易或即將討論的事宜上被視為存在利益衝突或擁有重大權益，有關董事將不計入會議法定人數，並須就有關決議案放棄表決權。

All Directors have access to the company secretary who is responsible for ensuring that the Board procedures are complied with, and advising the Board on compliance matters.

全體董事均可接觸公司秘書；公司秘書負責確保董事會程序得以遵守，並就守規事宜向董事會提供意見。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Directors' Duties

Every Director is required to keep abreast of his responsibilities as a director of the Company and of the conduct, business activities and development of the Company:

- A comprehensive director's handbook is issued to every Director, which sets out guidelines on conduct by making reference to the relevant sections of the statutes or the GEM Listing Rules, and reminds Directors of their responsibilities in making disclosure of their interests and potential conflict of interests.
- Orientation programmes are organised for providing induction to new Directors to help them familiarise with the Company's management, business and governance practices.
- Management provides appropriate and sufficient information to Directors and the committee members in a timely manner to keep them apprised of the latest development of the Group and enable them to discharge their responsibilities. Directors also have independent and unrestricted access to senior executives of the Company.

### 董事職責

每名董事須不時瞭解其作為本公司董事的職責，以及本公司的經營方式、業務活動及發展：

- 每名董事均獲發給資料完備的《董事手冊》。《董事手冊》透過引述成文法或GEM上市規則的有關章節提供操守指引，及提醒董事必須履行的責任，包括披露權益及潛在的利益衝突。
- 為新任董事舉辦介紹公司的活動，提供就任須知，協助董事熟悉本公司的管理、業務及管治常規。
- 管理層向董事及委員會成員適時提供恰當及充足資料，讓他們知悉本集團的最新發展，以便他們履行職責。董事亦可有獨立及不受限制的途徑接觸本公司高級行政人員。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT PROGRAMME

Each newly appointed director is provided with necessary induction and information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under the relevant statutes, laws, rules and regulations. Directors' training is an ongoing process. During the year ended 31 December 2017, Directors are provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties. In addition, all Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates Directors on the latest development regarding the GEM Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

#### 董事的持續專業發展計劃

向各新任董事提供必要的就任須知及資料以確保彼適當了解本公司的運營及業務以及其根據相關成文法、法律、規則及法規須承擔的責任。董事持續進行培訓。截至二零一七年十二月三十一日止年度，每月向董事提供有關本公司表現、狀況及前景的最新情況以使董事會整體及各董事能夠履行其職責。此外，鼓勵所有董事參與持續專業發展以增進及更新其知識及技能。本公司不時向董事提供有關GEM上市規則及其他適用監管規定的最新進展情況，以確保遵守及增強關注良好企業管治常規。

	<b>Attending seminar(s) or programme(s)/ reading relevant materials in relation to the business, GEM Listing Rules or directors' duties (Yes/No)</b>		<b>參與研討會或計劃／閱覽與業務、GEM上市規則或董事職責有關的相關資料 (是／否)</b>
Mr. Wang Zhong Sheng	Yes	王忠勝先生	是
Mr. Fu Shou Gang	Yes	付壽剛先生	是
Mr. Lau Chun Pong (appointed on 13 November 2017)	Yes	劉振邦先生 (於二零一七年十一月十三日獲委任)	是
Mr. Luo Wei Kun	Yes	羅維崑先生	是
Ms. Pang Yuk Fong (resigned on 30 September 2017)	Yes	彭玉芳女士 (於二零一七年九月三十日辭任)	是
Mr. Wang Zhi He	Yes	王之和先生	是

The briefing sessions covered topics including the Code, listed company regulations and disclosure obligations in Hong Kong, discloseable transactions and connected transactions etc.

簡介會涵蓋的主題包括守則、香港上市公司法規及披露責任、須予披露交易及關連交易等。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### REMUNERATION PAID TO MEMBERS OF KEY MANAGEMENT

Details of remuneration paid to member of key management (exclude Director) fell within the following band:

	<b>2017</b> 二零一七年 <b>Number of</b> <b>individuals</b> 人數	2016 二零一六年 Number of individuals 人數
Nil ~ RMB1,000,000 零至人民幣1,000,000元	<b>4</b>	3

### 支付予主要管理人員的薪酬

支付予主要管理人員(不包括董事)的薪酬具體介乎以下範圍：

### REMUNERATION COMMITTEE

A remuneration committee of the Company (the “Remuneration Committee”) was established on 12 August 2005 for, inter alia, the following purposes:

- (a) to make recommendations to the Board on policies and structure for remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing such policy on remuneration;
- (b) to make recommendations to the Board the remuneration packages for executive Directors and senior management and to make recommendations to the Board on the remuneration of non-executive Directors.

The Remuneration Committee is made up of all of the Company’s independent non-executive Directors, namely, Mr. Lau Chun Pong (Chairman), Mr. Luo Wei Kun and Mr. Wang Zhi He. The duties of Remuneration Committee is to review and make recommendations to the remuneration policy and packages of the executive Directors and executives.

### 薪酬委員會

本公司的薪酬委員會(「薪酬委員會」)已於二零零五年八月十二日成立，當中目的包括：

- (a) 就董事及高級管理層的薪酬政策及架構，及就設立正規而具透明度的程序以制定此等薪酬政策，向董事會提出建議；
- (b) 就執行董事及高級管理層的酬金待遇向董事會提出建議，並就非執行董事的酬金向董事會提出建議。

薪酬委員會由本公司全部獨立非執行董事組成，包括劉振邦先生(主席)、羅維崑先生及王之和先生。薪酬委員會之職責為檢討及就執行董事及行政人員之薪酬政策及待遇提出建議。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

In 2017, the Remuneration Committee held one meeting. The attendance record of each member of the Remuneration Committee is set out below:

薪酬委員會於二零一七年曾舉行一次會議。薪酬委員會各成員的出席紀錄如下：

	<b>Attendance</b> 出席率
Ms. Pang Yuk Fong ( <i>former Chairman</i> ) (resigned on 30 September 2017) 彭玉芳女士(前主席)(於二零一七年九月三十日辭任)	1/1
Mr. Lau Chun Pong ( <i>Chairman</i> ) (appointed on 13 November 2017) 劉振邦先生(主席)(於二零一七年十一月十三日獲委任)	0/0
Mr. Luo Wei Kun 羅維崑先生	1/1
Mr. Wang Zhi He 王之和先生	1/1

During the meeting, members of the Remuneration Committee reviewed the remuneration packages and overall benefits of the Directors by taking into account factors such as remuneration packages and benefits offered by comparable companies, the respective contribution of each of the Directors to the Group and the business objectives of the Group.

會上，薪酬委員會成員已根據若干因素(如可資比較公司所提供的薪酬待遇及福利、各董事對本集團的貢獻及本集團業務目標)檢討董事的薪酬待遇及整體福利。

The executive Directors are responsible for reviewing all relevant remuneration data and market conditions as well as the performance of individuals and the profitability of the Group, and proposing to the remuneration committee for consideration and approval. The Remuneration Committee performed the major work as below:

執行董事負責檢討所有有關薪酬數據及市況以及個別員工表現與本集團盈利能力，並向薪酬委員會提呈考慮及批准。薪酬委員會執行主要工作如下：

1. reviewed and discussed the remuneration policy and structure of the Company and the remuneration and performance of duties of the executive Directors and senior management in the year under review; and
2. made recommendation to the Board on the remuneration packages of individual executive directors and senior management.

1. 檢討及討論於回顧年度內本公司的薪酬政策及架構以及執行董事及高級管理層之薪酬及職責履行情況；及
2. 就各執行董事及高級管理層的酬金組合向董事會提出建議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### NOMINATION COMMITTEE

A nomination committee of the Company (the “Nomination Committee”) was established on 12 August 2005 for, inter alia, the following purposes:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board;
- (b) to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship; and
- (c) to make recommendations to the Board on relevant matters relating to the appointment or reappointment of directors and succession planning for directors.

In August 2013, the Board has adopted its board diversity policy (the “Board Diversity Policy”). All Board appointments will be based on meritocracy, and candidates will be considered against selection criteria based on a range of diversity perspectives, which would include but not be limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Nomination Committee is made up of all of the Company’s independent non-executive Directors, namely Mr. Wang Zhi He (Chairman), Mr. Luo Wei Kun and Mr. Lau Chun Pong.

In 2017, the Nomination Committee held one meeting. The attendance record of each member of the Nomination Committee is set out below:

	<b>Attendance</b> 出席率
Mr. Wang Zhi He ( <i>Chairman</i> ) 王之和先生(主席)	1/1
Mr. Lau Chun Pong (appointed on 13 November 2017) 劉振邦先生(於二零一七年十一月十三日獲委任)	0/0
Mr. Luo Wei Kun 羅維崑先生	1/1
Ms. Pang Yuk Fong (resigned on 30 September 2017) 彭玉芳女士(於二零一七年九月三十日辭任)	1/1

### 提名委員會

本公司的提名委員會(「提名委員會」)已於二零零五年八月十二日成立，當中目的包括：

- (a) 檢討董事會的架構、規模及組成(包括技能、知識及經驗)；
- (b) 物色具備適合資格成為董事會成員的人士，並就挑選被提名人士出任董事向董事會提出建議；及
- (c) 就與委任或重新委任董事及董事之接任計劃有關的事宜向董事會提出建議。

於二零一三年八月，董事會採納其董事會成員多元化政策(「董事會成員多元化政策」)。董事會所有委任均以用人唯才為原則，考慮人選之甄選標準以一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年期。最終將按人選之長處及可為董事會作出之貢獻而作決定。

提名委員會由本公司全部獨立非執行董事組成，包括王之和先生(主席)、羅維崑先生及劉振邦先生。

提名委員會於二零一七年曾舉行一次會議。提名委員會各成員的出席紀錄如下：

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

At the meeting, the Nomination Committee reviewed the structure, size and composition of the Company's Board of Directors, made reference to criteria including, inter alia, reputation for integrity, accomplishment and experience in the relevant industry, professional and educational background, and commitment in respect of available time and relevant interest. The Nomination Committee was satisfied with the existing composition of the Board and recommended no change in the near future, and performed the major work as below:

1. examined the structure, size and composition of the Board, to ensure the Directors have the expertise, skills and experience required to meet the Company's business;
2. assessed the independency of all independent non-executive Directors; and
3. made recommendations to the Board in this regard.

#### AMENDMENT TO THE TERMS OF REFERENCE OF NOMINATION COMMITTEE

The terms of reference of the nomination committee of the Company was amended on 14 August 2013 to include the review of the Company's board diversity policy and the progress on achieving the objectives set for implementing the said policy as one of its duty.

#### AUDIT COMMITTEE

The Company's audit committee (the "Audit Committee") was established on 28 July 2003 and currently comprises all three independent non-executive Directors, namely, Mr. Lau Chun Pong (Chairman), Mr. Luo Wei Kun and Mr. Wang Zhi He. The primary duties of the Audit Committee are (a) to review the Group's annual reports, financial statements, half year reports and quarterly reports; (b) to serve as a focal point for communication between Directors, the external auditors and internal auditors; (c) to assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, and the effectiveness of the Group's internal control and risk management system; and (d) to review the appointment of external auditors on an annual basis as well as to ensure independence of the continuing auditors.

會上，提名委員會檢討了本公司董事會的架構、規模及組成，製訂參考準則其中包括有關人士的誠信、其在相關行業的成就及經驗、其專業及教育背景以及其投入的程度，包括能夠付出的時間及對相關範疇的關注等。提名委員會滿意董事會的現有組合，建議於近期內毋須變動並執行主要工作如下：

1. 檢查董事會的架構、規模及組成，以確保董事具備符合本公司業務所需的專長、技能及經驗；
2. 評估所有獨立非執行董事的獨立性；及
3. 就此向董事會提出建議。

#### 修訂提名委員會之職權範圍

本公司於二零一三年八月十四日修訂提名委員會之職權範圍，以將檢討本公司之董事會成員多元化政策及達成就實施上述政策設定之目標之進度納入作為其職責之一。

#### 審核委員會

本公司的審核委員會（「審核委員會」）於二零零三年七月二十八日成立，現任成員包括全部三名獨立非執行董事劉振邦先生（主席）、羅維崑先生及王之和先生。審核委員會之主要職責是(a)審閱本集團的年報、財務報表、半年度報告及季度報告；(b)作為董事、外聘核數師及內部核數師之間的一個溝通渠道；(c)透過對財務報告及集團內部監控及風險管理程序的有效性提供獨立檢討及監督，協助董事會履行職責；及(d)每年檢討外聘核數師之委任以及確保續任核數師之獨立性。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

In 2017, the Audit Committee held four meetings. The attendance record of each member of the Audit Committee is set out below:

薪酬委員會於二零一七年曾舉行四次會議。薪酬委員會各成員的出席紀錄如下：

	<b>Attendance</b> 出席率
Ms. Pang Yuk Fong ( <i>former Chairman</i> ) (resigned on 30 September 2017) 彭玉芳女士( <i>前主席</i> )(於二零一七年九月三十日辭任)	3/3
Mr. Lau Chun Pong ( <i>Chairman</i> ) (appointed on 13 November 2017) 劉振邦先生( <i>主席</i> )(於二零一七年十一月十三日獲委任)	1/1
Mr. Luo Wei Kun 羅維崑先生	4/4
Mr. Wang Zhi He 王之和先生	4/4

At the meetings, the Audit Committee has carefully reviewed the Company's quarterly, half-yearly and annual results and its system of internal control and has made suggestions to improve them. The Audit Committee also carried out and discharged its other duties set out in Code. In the course of doing so, the Audit Committee has met the company's management several times during year 2017. Each member of the Audit Committee has unrestricted access to the Group's external auditors and the management.

會上，審核委員會已詳細審閱本公司的季度、半年度及年度業績，以及內部管制制度，並已提出改善建議。審核委員會亦已按守則進行及履行其他職責。過程中，審核委員會於二零一七年度曾與本公司的管理層舉行多次會議。本公司並無限制審核委員會各成員與本集團外聘核數師及管理層聯絡。

During the financial year 2017, the Audit Committee has held four meetings. The Group's results for the year 2017 have been reviewed and commented by the Audit Committee members, and performed the major works as below:

於二零一七年財政年度內，審核委員會曾舉行四次會議，而本集團之二零一七年度之業績已由審核委員會成員審閱及提供意見並執行主要工作如下：

- |  |   |
|--|---|
| <p>1. reviewed the annual financial results and report for the year ended 31 December 2016, interim financial results and report for the six months ended 30 June 2017 and quarterly financial results and reports for each of the three months ended 31 March 2017 and 30 September 2017;</p> | <p>1. 審閱截至二零一六年十二月三十一日止年度之年度財務業績及報告、截至二零一七年六月三十日止六個月之中期財務業績及報告以及截至二零一七年三月三十一日及二零一七年九月三十日止三個月各自之季度財務業績及報告；</p> |
| <p>2. reviewed the internal audit department's report regarding the reviewing and procedures of the internal control and risk management of the Company; and</p>   | <p>2. 審閱內部審核部門有關本公司內部監控及風險管理檢討與程序的報告；及</p>  |
| <p>3. provided opinions to the Board in respect of the terms of appointment of external auditors.</p>  | <p>3. 就外聘核數師委任條款向董事會提供意見。</p>   |



## CORPORATE GOVERNANCE REPORT

### 企業管治報告

The Group's result for the year ended 31 December 2017 have been reviewed and commented by the audit committee members, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the GEM Listing Rules and that adequate disclosures have been made.

#### Procedures for directing Shareholders' enquiries to the Board

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

Room 19, 13/F, Tower A  
New Mandarin Plaza  
14 Science Museum Road  
Tsim Sha Tsui East, Kowloon  
Hong Kong  
Tel No.: 2366 1613  
Fax No.: 2366 1665

#### Procedures for putting forward proposals at general meetings by Shareholders

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

本集團於截至二零一七年十二月三十一日止年度之業績已由審核委員會成員審閱及提供意見，彼等認為編製該等業績已遵守適用之會計準則及要求以及GEM上市規則，且已作出充分披露。

#### 股東向董事會提出查詢之程序

股東可隨時以書面透過郵遞向董事會提出查詢及關注，郵遞之聯絡詳情如下：

香港  
九龍尖沙咀東  
科學館道14號  
新文華中心A座  
13樓19室  
電話：2366 1613  
傳真：2366 1665

#### 股東於股東大會上提出建議之程序

根據公司組織章程細則第58條，董事會如認為適當可隨時召開股東特別大會。任何一位或以上於提請要求當日持有不少於本公司繳足股本(賦有權利在本公司股東大會投票)十分之一的股東，可隨時向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的事項，且須於提請該要求後兩(2)個月內舉行。倘提請後二十一(21)日內董事會未有召開大會，則提請要求的人士可自行以相同方式召開大會，而本公司須向提請要求的人士補償因董事會未有召開大會而自行召開大會的所有合理開支。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Pursuant to Article 88 of the Articles of Association, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that the period for lodgment of such notice(s) shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

### ACCOUNTABILITY AND AUDIT

#### Financial reporting

The Directors are responsible for overseeing the preparation of the annual accounts which give a true and fair view of the Group's state of affairs of the results and cash flow for the year. In preparing the accounts for the year ended 31 December 2017, the Directors have:

- adopted suitable accounting policies and applied them consistently; and
- made judgements and estimates that are prudent and reasonable; and ensured the accounts are prepared on a going concern basis.

The Company recognises that high quality corporate reporting is important in reinforcing the trust relationship between the Company and its stakeholders and aims at presenting a balanced, clear and comprehensible assessment of the Company's performance, position and prospects in all corporate communications.

根據公司組織章程細則第88條，除非獲董事推薦參選，或由正式合資格出席大會並可於會上投票的股東（並非擬參選人）簽署通知，表明建議提名相關人士參選的意向，且獲提名人士簽署該通知表明願意參選，否則除會上退任董事外，概無任何人士有資格於任何股東大會上參選董事。上述通知須呈交總辦事處或過戶登記處，通知期不得少於七(7)日，呈交該等通知之期間為寄發有關推選董事之股東大會通告翌日起計至不遲於該股東大會舉行日期前七(7)日。

#### 問責及審核

##### 財務報告

董事負責監督年度賬目之編製，以真實公平地反映出本集團於年內之相關業績及現金流量狀況。於編製截至二零一七年十二月三十一日止年度賬目時，董事已：

- 採用適合之會計政策並貫徹應用；及
- 作出審慎合理之判斷及估計，以及確保賬目乃按持續經營基準編製。

本公司認為高質素的公司報告對加強本公司與其權益人之間的信任非常重要，因此所有的企業傳訊均力求以平衡、清晰及全面的方式評估本公司的表現、狀況及前景。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### Internal Control and risk management

The Board, through the Audit Committee, has reviewed the effectiveness of the Company's system of internal control and risk management over financial, operational and compliance issues for the year 2017. The Audit Committee concluded that, in general, the Group has set up a sound control environment and installed necessary control mechanisms to monitor and correct non-compliance. The Board, through the review of the Audit Committee, is satisfied that the Group in 2017, fully complied with the code provisions on internal controls and risk management as set forth in the Code. The Audit Committee also concluded that the Group has employed sufficient staff for the propose of accounting, financial and internal control. The Group has internal audit department.

#### External Auditors

The Group's external auditors are KTC Partners CPA Limited. The Audit Committee is mandated to ensure continuing auditors' objectivity and safeguard independence of the auditors, and it has:

- determined the framework for the type and authorisation of non-audit services for which the external auditors may provide. In general, the engagement of the external auditors to perform non-audit services is prohibited except for tax related services; and
- agreed with the Board on the policy relating to the hiring of employees or former employees of the external auditors and monitored the applications of such policy.

During 2017, the remuneration payable to the Company's external auditors for audit and non-audit services were approximately RMB1,480,000 and RMB Nil respectively.

#### 內部管制及風險管理

董事會已通過審核委員會於二零一七年內檢討本集團內部管制及風險管理系統之有效性，其中涵蓋財務、營運與合規等職能。審核委員會認為，整體而言，本集團已建立妥善之管制環境，並已採用必需之管制機制監督及改正不合規問題。通過審核委員會之檢討，董事會滿意本集團於二零一七年內完全遵守守則所列表載之內部管制及風險管理守則條文。審核委員會亦認為，本集團已聘用足夠的員工處理會計、財務及內部管制之工作。本集團設有內部管制部門。

#### 外聘核數師

本集團之外聘核數師為和信會計師事務所有限公司。審核委員會有責任確保續任核數師的客觀性及保持核數師的獨立性，委員會已：

- 釐定外聘核數師可提供之非核數服務的類別及授權的框架。一般而言，除稅項有關服務外，委員會禁止委任外聘核數師提供非核數服務；及
- 與董事會協定有關聘請外聘核數師現職或前僱員的政策以及如何監察此等政策的應用。

於二零一七年，本公司支付予外聘核數師之核數及非核數服務酬金分別約為人民幣1,480,000元及人民幣零元。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The accounts for the year ended 31 December 2017 were audited by KTC Partners CPA Limited whose term of office will expire upon the forthcoming annual general meeting of the Company. The Audit Committee has recommended to the Board that KTC Partners CPA Limited be re-appointed as the auditors of the Company at the forthcoming annual general meeting of the Company.

The Group has not employed any staff who was formerly involved in the Group's statutory audit.

### Corporate Communication

The Group recognises the importance of shareholder feedback and the need for ongoing communication with its stakeholders, including the general public, investors, and the institutional and individual shareholders. The Company published annual, interim and quarterly reports which contained detailed information about the Group. Inquiries by shareholders are directed and dealt with by senior management of the Group.

### Company secretary

Mr. Lui Chi Keung has been appointed as the company secretary since September 2007. For the details, please refer to page 39 to this report.

The company secretary has complied with Rule 5.15 of the GEM Listing Rules in relation to the professional training requirements.

### INVESTORS RELATIONSHIP

The Company has established a range of communication channels between itself and its Shareholders, investors and other stakeholders. These include the annual general meeting, the annual, interim and quarterly reports, notices, announcements and circulars and the Company's website at <http://www.capitalfp.com.hk/eng/index.jsp?co=8270>.

During the year ended 31 December 2017, there had been no significant change in the Company's constitutional documents.

本公司於截至二零一七年十二月三十一日止年度之賬目已經由和信會計師事務所有限公司審核，其任期將於本公司應屆股東週年大會後屆滿。審核委員會已建議董事會於本公司應屆股東週年大會上提名和信會計師事務所有限公司獲續聘為本公司之核數師。

本集團從未僱用任何曾參與本集團法定核數工作的人士。

### 企業傳訊

本集團明白到股東反饋的重要性以及與權益人(包括公眾、投資者以及機構及個人股東)保持溝通的必要性。本公司發佈包含有關本集團之詳細資訊之年度、中期及季度報告。股東的一切查詢均有本集團高級管理層直接處理。

### 公司秘書

呂志強先生已自二零零七年九月起獲委任為公司秘書。詳情請參閱本報告第39頁。

公司秘書已遵守GEM上市規則第5.15條有關專業培訓的規定。

### 投資者關係

本公司與其股東、投資者及其他利益相關者之間設有一系列溝通渠道，包括股東週年大會、年度、中期及季度報告、通知、公佈及通函以及本公司網站 <http://www.capitalfp.com.hk/chi/index.jsp?co=8270>。

截至二零一七年十二月三十一日止年度，本公司組織章程文件並無任何重大變動。

## BIOGRAPHICAL INFORMATION OF DIRECTORS AND KEY MANAGEMENT 董事及主要管理層履歷資料

### DIRECTORS

#### Executive Directors

Mr. Wang Zhong Sheng, aged 54, has been appointed as chairman of the Board, an executive Director and the compliance officer of the Company since May 2006. From 9 January 2004 to 26 May 2006, Mr. Wang was an executive director of Tianjin Jinran Public Utilities Company Limited (“Tianjin Jinran”) (formerly known as Tianjin Tianlian Public Utilities Company Limited), a company listed on the Main Board of the Stock Exchange (Stock Code: 01265, former stock code: 08290), and was responsible for its business strategies. He graduated from the University of Tianjin with a bachelor degree in engineering in 1984. Mr. Wang is also a director of Tianjin Leason Investment Group Company Limited (天津市聯盛投資集團有限公司). Mr. Wang is a substantial shareholder of the company which holds 394,239,983 Shares in person or through controlled corporation, representing approximately 29.88% of the issued share capital of the Company as at the date of this report. In addition, as at the date of this report, Mr. Wang is interested as a grantee of options to subscribe for 324,750 shares under the share option scheme adopted by the Company on 18 May 2011 and as a holder of convertible bonds convertible to 94,142,021 conversion shares.

Mr. Fu Shou Gang, aged 51, has years of experiences in the natural gas sector. Prior to joining the Group, he worked in Tianjin Jinran, where was pointed as an executive Director. Mr. Fu is interested as a grantee of options to subscribe for 324,750 shares under the share options scheme adopted by the Company on 18 May 2011.

### 董事

#### 執行董事

王忠勝先生，54歲，自二零零六年五月起獲委任為本公司之董事會主席、執行董事及監察主任。王先生曾於二零零四年一月九日至二零零六年五月二十六日期間為天津津燃公用事業股份有限公司（「天津津燃」，一家於聯交所主板上市之公司，股份代號：01265）（前稱天津天聯公用事業股份有限公司，股份代號：08290）之執行董事，並負責其業務策略。王先生一九八四年於天津大學畢業，持有工程學學士學位。王先生亦為天津市聯盛投資集團有限公司之董事。王先生為本公司主要股東，以個人及透過受控法團方式持有394,239,983股股份，相當於本公司在本報告刊發日期之已發行股本約29.88%。此外，於本報告日期，王先生作為購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購324,750股股份的購股權，並為可轉換為94,142,021股換股股份之可換股債券之持有人。

付壽剛先生，51歲，有多年天然氣行業工作經驗，於加入本集團前，在天津津燃工作，期間獲委任為執行董事。付先生為購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購324,750股股份的購股權。

## BIOGRAPHICAL INFORMATION OF DIRECTORS AND KEY MANAGEMENT 董事及主要管理層履歷資料

### Independent Non-Executive Directors

Mr. Lau Chun Pong, aged 44, was appointed as an independent non-executive director on 13 November 2017. Mr. Lau graduated from the University of California, Los Angeles with a Bachelor of Arts degree in Business Economics in 1997. Mr. Lau is an associate member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. He has over 15 years' working experience in the accounting and auditing field. Mr. Lau was a qualified accountant and company secretary of Shenzhen Mingwah Aohan High Technology Corporation Limited (深圳市明華澳漢科技股份有限公司), a company listed on the Growth Enterprises Market of the Stock Exchange (stock code: 8301), since April 2005 till May 2006. Mr. Lau was the financial controller and company secretary of O Luxe Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 860), since June 2008 and resigned on 13 November 2017, and he is an independent non-executive director of China Longevity Group Company Limited (stock code: 1863), a company whose shares are listed on the Main Board of the Stock Exchange since June 2016.

Mr. Luo Wei Kun, aged 79, has been an independent non-executive director of the Company since August 2006. He graduated from the Tsinghua University with a bachelor's degree in civil engineering in 1964 and started postgraduate studies in the same year. He was awarded a postgraduate diploma in civil engineering in 1967. He acted as a technician in Wuhan Branch of the Chinese Medicine Industrial Limited during 1968 to 1969 and as a technician, deputy section chief, section chief, engineer and vice chief engineer in the State Ministry of Medicine – Hubei Medical Manufactory Branch during 1969 to 1985. He then worked as a senior engineer, section chief and assistant factory manager in Tianjin Second Coal Gas Factory during 1986 to 1992. From 1992 to 2000, he acted as a vice chief engineer in Tianjin Utility Department and at the same time, worked as a chief engineer in Tianjin City Gas Administrative Office. After his retirement in March 2000, Mr. Luo acted as a consultant of Tianjin City Gas Administrative Office and Tianjin City Gas Planning Office.

### 獨立非執行董事

劉振邦先生，44歲，於二零一七年十一月十三日獲委任為獨立非執行董事。劉先生於一九九七年畢業於加州大學洛杉磯分校，獲得商業經濟學文學學士學位。劉振邦先生為香港會計師公會會員及美國註冊會計師協會會員。彼於會計及核數範疇擁有逾15年經驗。劉先生自二零零五年四月至二零零六年五月為深圳市明華澳漢科技股份有限公司（一間於聯交所GEM上市之公司，股份代號：8301）之合資格會計師及公司秘書。彼自二零零八年六月起為奧立仕控股有限公司（一間於聯交所主板上市之公司，股份代號：860）之財務總監及公司秘書，並於二零一七年十一月十三日辭任。彼自二零一六年六月起為中國龍天集團有限公司（其股份於聯交所主板上市，股份代號：1863）之獨立非執行董事。

羅維崑先生，79歲，自二零零六年八月起為本公司獨立非執行董事。羅先生一九六四年畢業於清華大學，獲土木工程學士學位，同年繼續攻讀研究生，於一九六七年獲土木工程研究生畢業文憑。其後於一九六八年至一九六九年擔任中國醫藥工業公司武漢分公司技術員，一九六九年至一九八五年先後擔任國家醫藥總局湖北製藥製劑分廠的技術員、副科長、科長、工程師和副總工程師。一九八六年至一九九二年任職天津市第二煤氣廠，期間曾任高級工程師、科長和副廠長，一九九二年至二零零零年擔任天津市公用局副總工程師，兼任天津市燃氣管理處總工程師。羅先生於二零零零年三月退休後，還曾任天津市燃氣管理處和天津市燃氣規劃辦公室顧問。

## BIOGRAPHICAL INFORMATION OF DIRECTORS AND KEY MANAGEMENT 董事及主要管理層履歷資料

Ms. Pang Yuk Fong, Yvonne, aged 51, is an experienced practising certified public accountant in Hong Kong with over 25 years of professional experience in accounting and auditing. Ms. Pang is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Company Secretaries and the Institute of Chartered Secretaries and Administrators and an associate of the Institute of Chartered Accountants in England and Wales. Ms. Pang holds a Master of Professional Accounting Degree from the Hong Kong Polytechnic University.

Ms. Pang's professional career started in Deloitte (one of the Big-4 International Accountancy Firms) and subsequently held the accounting positions in the listed companies in Hong Kong. Ms. Pang has been running her own practice of Certified Public Accountant (practicing) in Hong Kong since 1990's and has currently been the Managing Director of Focus Asia CPA Limited. She has also been the Managing Director of Focus Secretarial Services Limited which is engaged in providing multilateral company secretarial services and the Managing Director of Focus Asia Market Consultants Limited and Focus Corporate Consultancy Limited which are engaged in providing business advisory services to her clients in various aspects.

Ms. Pang has been appointed as an independent non-executive Director since 2006 and resigned on 30 September 2017.

Mr. Wang Zhi He, aged 70, has been an independent non-executive director of the Company since August 2006. Mr. Wang is a senior accountant. Mr. Wang graduated from Anhui University of Finance and Economics in February 1972, and was assigned to finance department of Anhui Huaibei Mining Bureau and worked as a commissioner, deputy section chief, section chief, deputy director and director. Mr. Wang was transferred to the Ministry of Coal Industry in May 1995, and worked as a director of Asset Capital Management Division and State-owned Assets Management department. In October 1997, Mr. Wang was re-designated as a chief accountant of China Coal Construction Group Corporation, and worked as a deputy general manager and chief accountant in May 1999. Mr. Wang was transferred to Zhonglian Gas Company Limited and worked as a chief accountant in March 2004. Mr. Wang has years of relevant experience.

彭玉芳女士，51歲，是一名擁有豐富經驗的香港執業會計師，在會計及核數方面擁有逾25年的專業經驗。彭女士是特許公認會計師公會及香港會計師公會、香港公司秘書公會及英國特許秘書及行政人員公會的資深會員以及英格蘭及威爾斯特許會計師公會的會員，持有香港理工大學專業會計碩士學位。

彭女士於德勤會計師事務所(國際四大會計師行之一)開始她的職業生涯，繼而擔任香港上市公司的會計職位。自九零年代開始，彭女士已在其於香港的會計師事務所(執業會計師)執業，現於匯亞會計師事務所有限公司擔任董事總經理。她亦在匯點企業代理人有限公司(該公司提供多邊公司秘書服務)及匯亞策略有限公司和匯點企業諮詢有限公司(該兩間公司在各範疇向其客戶提供商業顧問服務)擔任董事總經理。

彭女士自二零零六年起獲委任為獨立非執行董事，並於二零一七年九月三十日辭任。

王之和先生，70歲，自二零零六年八月起為本公司獨立非執行董事。王先生是一位高級會計師。王先生一九七二年二月畢業於安徽省財經學校，被分配到安徽淮北礦務局財務處工作，先後擔任專員、副科長、科長、副處長、處長。於一九九五年五月調到煤炭工業部工作，先後任資產资金管理處及國有資產管理處處長。於一九九七年十月調到中煤建設集團公司任總會計師。於一九九九年五月任副總經理兼總會計師。於二零零四年三月調到中聯煤氣有限責任公司任總會計師。王先生累積多年相關工作經驗。

## BIOGRAPHICAL INFORMATION OF DIRECTORS AND KEY MANAGEMENT 董事及主要管理層履歷資料

### Senior Management

Mr. Lui Chi Keung, aged 60, has been appointed as the company secretary and authorised representative of the Company since September 2007. Mr. Lui presently is appointed as the Company's secretary and authorised representative. Mr. Lui is a fellow member of the Hong Kong Institute of Certified Public Accountants. He is also a fellow member of the Association of Chartered Certified Accountants. Mr. Lui has over 30 years of experience in auditing, accounting, financial and business management.

### 高級管理人員

呂志強先生，60歲，自二零零七年九月起獲委任為本公司之公司秘書兼授權代表。呂先生現被委任為公司秘書兼授權代表。呂先生為香港會計師公會資深會員，亦為特許公認會計師公會資深會員。呂先生於核數、會計、財務及商業管理方面積逾30年經驗。



## DIRECTORS' REPORT

### 董事會報告

The Directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2017.

#### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 19 to the consolidated financial statements.

#### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income on page 58 to 59.

The state of affairs of the Group and the Company as at 31 December 2017 are set out in the consolidated and company statements of financial position on pages 60 to 61 and note 40 respectively. The cash flows of the Group are set out in the consolidated statement of cash flows on pages 63 to 64.

The Directors of the Company do not recommend the payment of a dividend for the year ended 31 December 2017.

#### SHARE CAPITAL AND RESERVES

Details of the movements in share capital of the Company during the year are set out in note 30(a) to the consolidated financial statements.

Movements in the reserves of the Group during the year is set out in page 62 to the consolidated financial statements.

#### PROPERTY, PLANT AND EQUIPMENT

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

董事謹此提呈本集團截至二零一七年十二月三十一日止年度之年報及經審核綜合財務報表。

#### 主要業務

本公司為投資控股公司。其附屬公司之主要業務載於綜合財務報表附註19。

#### 業績及分派

本集團截至二零一七年十二月三十一日止年度之業績載於第58至59頁之綜合損益表以及綜合損益及其他全面收益表。

本集團及本公司於二零一七年十二月三十一日之營運狀況分別載於第60至61頁及附註40之綜合及本公司之財務狀況表。本集團之現金流量載於第63至64頁之綜合現金流量表。

本公司董事不建議就截至二零一七年十二月三十一日止年度派付股息。

#### 股本及儲備

本公司於年內之股本變動詳情載於綜合財務報表附註30(a)。

本集團於年內之儲備變動載於第62頁之綜合財務報表。

#### 物業、機器及設備

有關本集團之物業、機器及設備變動詳情載於綜合財務報表附註15。

## DIRECTORS' REPORT

### 董事會報告

#### DISTRIBUTABLE RESERVES

In accordance with the Companies Act 1981 of Bermuda and the Company's articles of association, the Company's reserves available for distribution to its shareholders comprise share premium, contributed surplus and accumulated losses which in aggregate amounted to approximately RMB336,144,000 as at 31 December 2017 (2016: RMB345,994,000). The distributable reserves are available for distribution provided that immediately following the date on which the dividend is proposed, the Company will be able to pay off its debt as they fall due in the ordinary course of business.

#### DIRECTORS

The Directors who held office during the year ended 31 December 2017 were:

##### Executive Directors

Mr. Wang Zhong Sheng (*Chairman*)  
Mr. Fu Shou Gang

##### Independent Non-Executive Directors

Mr. Lau Chun Pong  
(appointed on 13 November 2017)  
Mr. Luo Wei Kun  
Ms. Pang Yuk Fong (resigned on 30 September 2017)  
Mr. Wang Zhi He

In accordance with article 87 of the Company's articles of association, Mr. Fu Shou Gang, Mr. Lau Chun Pong and Mr. Wang Zhong Sheng retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The term of office for each of independent non-executive Directors is the period up to his retirement by rotation and re-election at annual general meeting of the Company in accordance with the provisions of the articles of association of the Company.

#### 可分派儲備

根據百慕達公司法(一九八一)及本公司組織章程細則，本公司可供向其股東分派的儲備包括股份溢價、實繳盈餘及累計虧損，於二零一七年十二月三十一日總計約為人民幣336,144,000元(二零一六年：人民幣345,994,000元)。可分派儲備可作分派的前提是於緊接建議宣派股息日期之後，本公司將有能力支付其於日常業務過程中的到期債務。

#### 董事

於截至二零一七年十二月三十一日止年度之在任董事如下：

##### 執行董事

王忠勝先生(*主席*)  
付壽剛先生

##### 獨立非執行董事

劉振邦先生  
(於二零一七年十一月十三日獲委任)  
羅維崑先生  
彭玉芳女士(於二零一七年九月三十日辭任)  
王之和先生

根據本公司組織章程細則第87條，付壽剛先生、劉振邦先生及王忠勝先生須要在即將舉行的股東週年大會退任，並符合規定及願意膺選連任。

各獨立非執行董事的任期為直至彼根據本公司組織章程細則的條款於本公司股東週年大會輪值退任及重選為止。

## DIRECTORS' REPORT

### 董事會報告

Biographical information of the Directors is set out on page 36 to page 39 of this report.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers the independent non-executive Directors have remained independent.

#### DIRECTORS' SERVICE CONTRACTS

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

#### DIRECTORS' AND KEY MANAGEMENT'S REMUNERATION

Details of Directors' and key management's remuneration for the year are set out in notes 9 and 10 to the consolidated financial statements.

The Directors' remuneration are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group.

#### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No other contract of significance in relation to the Group's business subsisted at the year-end or any time during the year to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly.

有關該等董事之履歷資料載於本報告第36至39頁。

本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條就其獨立性而作出之年度確認函。本公司認為有關獨立非執行董事仍為獨立人士。

#### 董事服務合約

董事均無與本公司或其任何附屬公司訂立本集團不可於一年內免付補償(法定補償除外)而終止之服務合約。

#### 董事及主要管理人員之酬金

董事及主要管理人員於年內之酬金詳情載於綜合財務報表附註9及10。

董事酬金須由股東於股東大會批准。其他酬金由董事會參考董事之職務、責任及表現以及本集團業績後釐定。

#### 董事於重大合約之權益

本公司或其任何附屬公司於年終或年內任何時間概無訂有任何董事於其中佔有重大權益(不論直接或間接)且與本集團業務有關之其他重大合約。

## DIRECTORS' REPORT 董事會報告

### COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had an interest in a business which causes or may cause any significant competition with the business of the Group.

### SUFFICIENCY OF PUBLIC FLOAT

Based on Information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

### 競爭權益

本公司董事或管理層股東或任何彼等各自之聯繫人士(定義見GEM上市規則)概無於對本集團業務構成或可能構成任何重大競爭之業務中擁有權益。

### 足夠公眾持股量

根據本公司可公開取得的資料，並就董事所知，於本報告日期，本公司已發行股本總額中有最少25%由公眾人士持有。

### 董事及最高行政人員於股份、相關股份及債券之權益或淡倉

於二零一七年十二月三十一日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條規定而存置之登記冊所記錄，或根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定標準已知會本公司及聯交所，董事及本公司最高行政人員在本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中之權益及淡倉如下：

# DIRECTORS' REPORT

## 董事會報告

### Long positions in shares, underlying shares and debentures of the Company

於本公司股份、相關股份及債券之好倉

Name	Capacity	Nature of interest	Number of shares/ underlying shares	Approximate % of shareholdings
姓名	身份	權益性質	相關股份數目	持股概約百分比
Mr. Wang Zhong Sheng 王忠勝先生	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	18,118,500 (Note 1) (附註 1)	1.38%
	Beneficial owner 實益擁有人	Personal 個人	470,588,254 (Note 2) (附註 2)	35.66%
Mr. Fu Shou Gang 付壽剛先生	Beneficial owner 實益擁有人	Personal 個人	324,750 (Note 3) (附註 3)	0.02%

Notes:

附註：

1. Such shares are owned by Jumbo Lane Investments Limited.

1. 該等股份由寶連投資有限公司擁有。

Mr. Wang Zhong Sheng owns 100% interest in the issued share capital of Jumbo Lane Investments Limited and he is taken to be interested in the shares owned by Jumbo Lane Investments Limited pursuant to Part XV of the SFO (Chapter 571 of the Laws of Hong Kong).

王忠勝先生擁有寶連投資有限公司已發行股本之100%權益，根據香港法例第571章證券及期貨條例第XV部，彼被視為於寶連投資有限公司擁有之股份中擁有權益。

2. Out of the 470,588,254 long positions, Mr. Wang Zhong Sheng is interested as (i) a grantee of options to subscribe for 324,750 shares under the new share option scheme adopted by the Company on 18 May 2011; (ii) a beneficial owner of 376,121,483 issued shares of the Company; and (iii) a holder of convertible bonds convertible to 94,142,021 conversion shares.

2. 於該470,588,254股股份之好倉中，王忠勝先生以下列形式擁有權益：(i)購股權之承授人，可根據本公司於二零一一年五月十八日採納的新購股權計劃認購324,750股股份；(ii)實益擁有人，擁有376,121,483股本公司已發行股份；及(iii)可換股債券之持有人，可轉換為94,142,021股換股股份。

3. Mr. Fu Shou Gang is interested as a grantee of options to subscribe for 324,750 shares under the new share option scheme adopted by the Company on 18 May 2011.

3. 付壽剛先生作為購股權之承授人擁有權益，可根據本公司於二零一一年五月十八日採納的新購股權計劃認購324,750股股份。

## DIRECTORS' REPORT

### 董事會報告

Save as disclosed above, as at 31 December 2017, none of the Directors or chief executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were otherwise required, pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange. The Group had not issued any debentures during the Year.

#### SUBSTANTIAL SHAREHOLDERS AND PERSONS WITH DISCLOSEABLE INTEREST AND SHORT POSITION IN SHARES AND UNDERLYING SHARES UNDER THE SFO

As at 31 December 2017, the following persons (other than the Directors or chief executive of the Company as disclosed above) had an interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

##### Long positions in shares of the Company

Name 姓名	Number of shares 股份數目	Nature of Interest 權益性質	Percentage of shareholding 持股百分比
Ms. Zhao Xin (Note) 趙馨女士(附註)	488,706,754	Interest of spouse 配偶之權益	37.04%

Note:

Ms. Zhao Xin (the spouse of Mr. Wang Zhong Sheng) is deemed to be interested in her spouse's interest in the Company pursuant to the SFO.

Save as disclosed above, as at 31 December 2017, no other person (other than the Directors or chief executive of the Company) had an interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under to section 336 of the SFO.

除上文所披露者外，於二零一七年十二月三十一日，董事或本公司最高行政人員概無在本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中擁有根據證券及期貨條例第352條規定而須載入該條例所述登記冊內，或根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定標準而須知會本公司及聯交所之任何其他權益或淡倉。本集團於本年度內並無發行任何債券。

#### 主要股東及於股份及相關股份擁有根據證券及期貨條例須予披露之權益及淡倉之人士

於二零一七年十二月三十一日，按根據證券及期貨條例第336條規定本公司須予存置之登記冊所記錄，下列人士(已於上文披露之董事或本公司最高行政人員除外)於本公司股份及相關股份中擁有權益或淡倉：

##### 於本公司股份之好倉

附註：

根據證券及期貨條例，趙馨女士(王忠勝先生之配偶)被視為於本公司擁有其配偶權益之權益。

除上文披露者外，按根據證券及期貨條例第336條規定本公司須予存置之登記冊所記錄，於二零一七年十二月三十一日，並無其他人士(董事或本公司最高行政人員除外)於本公司股份及相關股份中擁有權益或淡倉。

## DIRECTORS' REPORT

### 董事會報告

#### DIRECTORS' AND CHIEF EXECUTIVE'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the heading "Directors' and Chief Executive's Interests or Short Positions in Shares, Underlying Shares and Debentures" above and in the section "Share Option Scheme" below, at no time during the Year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children or chief executive or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

#### SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed on 18 May 2011, the Company's share option scheme adopted on 28 July 2003 (the "Old Share Option Scheme") was terminated and a new share option scheme (the "New Share Option Scheme") was adopted which will remain in force for a period of 10 years from adoption of the New Share Option Scheme and will expire on 17 May 2021. On 30 May 2011, the Board approved to grant options in respect of 258,300,000 ordinary shares to the Company's Directors, employees and consultants under the New Share Option Scheme.

There were no share options that had been granted remained outstanding under the Old Share Option Scheme prior to its termination.

For details of the New Share Option Scheme, please refer to the circular of the Company dated 20 April 2011.

#### 董事及最高行政人員購買股份或債券之權利

除上文「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」及下文「購股權計劃」章節所披露者外，於本年度內任何時間，概無授予任何董事或彼等各自之配偶或未成年子女或最高行政人員透過購買本公司股份或債券之方法而獲得利益之權利，或彼等亦無行使任何該等權利；或本公司或其任何附屬公司概無訂立任何安排，致使董事可購買任何其他法人團體之該等權利。

#### 購股權計劃

根據於二零一一年五月十八日通過的普通決議案，本公司於二零零三年七月二十八日採納的購股權計劃（「舊購股權計劃」）已告終止，及新的購股權計劃（「新購股權計劃」）已被採納，其將自採納新購股權計劃起十年期間內持續有效，並將於二零二一年五月十七日屆滿。於二零一一年五月三十日，董事會批准根據新購股權計劃授予本公司董事、僱員及顧問購股權以認購258,300,000股普通股。

於舊購股權計劃終止前，已無根據其授出但尚未行使的購股權。

有關新購股權計劃之詳情，請參閱本公司日期為二零一一年四月二十日之通函。

# DIRECTORS' REPORT

## 董事會報告

Information in relation to share options disclosed in accordance with the GEM Listing Rules was as follows:

根據GEM上市規則所披露有關購股權的資料如下：

Name and category of participants	As at 1 January 2017 於二零一七年一月一日	Granted during the year 年內已授出	Exercised during the year 年內已行使	Cancelled/ lapsed during the year 年內已註銷/失效	As at 31 December 2017 於二零一七年十二月三十一日	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使期	Exercise price of share options as at the date of grant of share options 於購股權授出日期之每股行使價	Adjusted exercise price per share option 每份購股權之經調整行使價
<i>Executive Directors</i>									
<i>執行董事</i>									
Mr. Wang Zhong Sheng 王忠勝先生	324,750	-	-	-	324,750	30/5/2011	30/5/2011-29/5/2021	0.495	3.81
Mr. Fu Shou Gang 付壽剛先生	324,750	-	-	-	324,750	30/5/2011	30/5/2011-29/5/2021	0.495	3.81
	649,500	-	-	-	649,500				
Employees 僱員	5,486,976	-	-	-	5,486,976	30/5/2011	30/5/2011-29/5/2021	0.495	3.81
Consultants 顧問	25,982,598	-	-	-	25,982,598	30/5/2011	30/5/2011-29/5/2021	0.495	3.81
	32,119,074	-	-	-	32,119,074				



# DIRECTORS' REPORT

## 董事會報告

Notes:

(i) The terms and conditions of the grants that existed during the year are as follows:

	Number of options 購股權數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約年期
Options granted: 已授出購股權：			
30 May 2011 二零一一年五月三十日	215,220,000	Vest immediately 即時歸屬	10 years 10年
30 May 2011 二零一一年五月三十日	43,080,000	Half on each of the first and second anniversaries of grant date 授出日期之首個及第二個週年日每次一半	10 years 10年

附註：

(i) 於本年度存續之授出條款及條件如下：

(ii) The number and weighted average exercise prices of options are as follows:

		Weighted average exercise price 加權平均行使價 HK\$ 港元	Number of options 購股權數目
Outstanding as at 1 January 2017	於二零一七年一月一日未行使	3.81	32,119,074
Granted during the year	年內已授出	-	-
Outstanding as at 31 December 2017	於二零一七年十二月三十一日未行使	3.81	32,119,074
Exercisable as at 31 December 2017	於二零一七年十二月三十一日可行使	3.81	32,119,074

(ii) 購股權之數目及加權平均行使價如下：

The options outstanding as at 31 December 2017 had an exercise price of HK\$3.81 and a weighted average remaining contractual life of 3.4 years.

於二零一七年十二月三十一日之未行使購股權之行使價為3.81港元，加權平均合約剩餘年期為3.4年。

The subscription price per share under the New Share Option Scheme is solely determined by the Board, and shall be at least the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of offer to grant option, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of offer to grant option; and (iii) the nominal value of a share on the date of offer to grant option, provided that in the event of fractional prices, the subscription price per share shall be rounded upwards to the nearest whole cent.

新購股權計劃項下之每股認購價由董事會全權釐定，並須至少為以下各項之較高者：(i)股份於提呈授出購股權當日(須為營業日)於聯交所每日報價表上所列之收市價；(ii)股份於緊接提呈授出購股權當日前五個營業日在聯交所每日報價表所列之平均收市價；及(iii)股份於提呈授出購股權當日之面值，前提為倘出現零碎價格，則每股認購價須上調至最接近而完整的一仙。

## DIRECTORS' REPORT

### 董事會報告

#### MAJOR CUSTOMERS AND SUPPLIERS

For the year under review, the top five customers of the Group together accounted for approximately 52.97% of the Group's total sales for the year while the single largest customers accounted for approximately 20.91% of the Group's total sales during the year.

The top five suppliers of the Group for the year under review together accounted for approximately 68.33% of the Group's total purchases for the year and the single largest supplier accounted for approximately 25.54% of the Group's total purchases.

None of the Directors, their respective associates or any shareholders of the Company who owns more than 5% of the issued share capital of the Company has any interests in the Group's five largest customers and suppliers above mentioned.

#### AMOUNT OF CAPITALISED INTEREST

Save as disclosed in this report, no interest has been capitalised by the Group during the year.

#### RETIREMENT BENEFITS SCHEMES

Particular of the retirement benefits schemes of the Group are set out in note 32 to the consolidated financial statements.

#### CONVERTIBLE SECURITIES, WARRANTS OR SIMILAR RIGHTS

As at the date of this report, the Company had outstanding options to subscribe for 32,119,074 shares under the share option scheme adopted on 18 May 2011 and outstanding convertible bonds convertible to 94,142,021 conversion shares.

#### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the bye-laws of the Company or the laws of Bermuda, which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

#### 主要客戶及供應商

於回顧年內，本集團五大客戶合共佔本集團年內總銷售額約52.97%，而最大單一客戶則佔本集團年內總銷售額約20.91%。

本集團五大供應商於回顧年內合共佔本集團年內總採購額約68.33%，而最大單一供應商則佔本集團總採購額約25.54%。

董事、彼等各自之聯繫人士或任何擁有本公司已發行股本5%以上之本公司股東概無於上述本集團五大客戶及供應商中擁有任何權益。

#### 已撥充資本之利息金額

除本報告所披露者外，本集團於年內並無將任何利息撥充資本。

#### 退休福利計劃

本集團退休福利計劃詳情載於綜合財務報表附註32。

#### 可換股證券、認股權證或類似權利

於本報告日期，本公司尚存於二零一一年五月十八日採納的購股權計劃項下可認購32,119,074股股份的仍未行使購股權以及可轉換為94,142,021股換股股份的未轉換可換股債券。

#### 優先購買權

本公司之公司細則或百慕達法例並無訂有有關優先購買權之條文，規定本公司須向現有股東按比例提呈發售新股份。

## DIRECTORS' REPORT

### 董事會報告

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

During the year ended 31 December 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company nor any of its subsidiaries.

#### MATERIAL RELATED PARTY TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Details of the related party transactions of the Company are set out in note 39 to the consolidated financial statements.

During the year ended 31 December 2017, Shanxi Qinshui Prefecture Chengrong Investment Limited ("Chengrong Investment") has provided financing to the Group in the sum of RMB24,300,000. As Chengrong Investment owns 17% equity interest in Shanxi Wanzhi Logistics Limited (a non-wholly owned subsidiary of the Company), Chengrong Investment is a connected person of the Company under the GEM Listing Rules. As the financing is financial assistance provided by a connected person for the benefit of the Group on normal commercial terms (or better to the Company) where no security over the assets of the Group is granted in respect of the financial assistance, the transaction are exempt from the reporting, announcement and independent shareholders' approval under Rule 20.65 of the GEM Listing Rules.

During the year ended 31 December 2017, Yangcheng Yangtai Group Industrial Company Limited ("Yangcheng Yangtai") has provided financing to the Group in the sum of RMB13,080,000. As Yangcheng Yangtai owns 20% equity interest in Huiyang New Energy, (a non-wholly owned subsidiary of the Company), Yangcheng Yangtai is a connected person of the Company under the GEM Listing Rules. As the financing is financial assistance provided by a connected person for the benefit of the Group on normal commercial terms (or better to the Company) where no security over the assets of the Group is granted in respect of the financial assistance, the transaction are exempt from the reporting, announcement and independent shareholders' approval under Rule 20.65 of the GEM Listing Rules.

#### 購買、出售或贖回本公司上市證券

於截至二零一七年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司或其任何附屬公司的任何上市證券。

#### 重大關連人士交易及持續關連交易

本公司關連人士交易之詳情載於綜合財務報表附註39。

截至二零一七年十二月三十一日止年度，沁水縣盛融投資有限責任公司(「盛融投資」)向本集團提供資金人民幣24,300,000元。由於盛融投資擁有山西萬志物流有限公司(本公司之非全資附屬公司)之17%股本權益，根據GEM上市規則，盛融投資為本公司之關連人士。由於有關資金為關連人士按一般商業條款(或對本公司而言更優)提供予本集團之財務資助，且並無就該財務資助抵押本集團之資產，故根據GEM上市規則第20.65條，該交易獲豁免遵守申報、公佈及獨立股東批准之規定。

截至二零一七年十二月三十一日止年度，陽城縣陽泰集團實業有限公司(「陽城陽泰」)向本集團提供資金人民幣13,080,000元。由於陽城陽泰擁有惠陽新能源(本公司之非全資附屬公司)之20%股本權益，根據GEM上市規則，陽城陽泰為本公司之關連人士。由於有關資金為關連人士按一般商業條款(或對本公司而言更優)提供予本集團之財務資助，且並無就該財務資助抵押本集團之資產，故根據GEM上市規則第20.65條，該交易獲豁免遵守申報、公佈及獨立股東批准之規定。

## DIRECTORS' REPORT 董事會報告

The Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules. Save as disclosed above, The Directors consider that those material related party transactions disclosed in note 39 to the consolidated financial statements did not fall under the definition of “connected transactions” or “continuing connected transactions” in accordance with the GEM Listing Rules during the year under review.

### COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had an interest in a business which causes or may cause any significant competition with the business as of the Group.

### AUDITORS

The accounts for the year ended 31 December 2017 were audited by KTC Partners CPA Limited whose term of office will expire upon the annual general meeting. A resolution for the reappointment of KTC Partners CPA Limited as the auditors of the Company for the subsequent year is to be proposed at the forthcoming annual general meeting.

By order of the Board

**Wang Zhong Sheng**  
*Chairman*

27 March 2018

本公司已遵守GEM上市規則第20章之披露規定。除上文所披露者外，董事認為於回顧年度內綜合財務報表附註39所披露的重大關連人士交易根據GEM上市規則並不隸屬於「關連交易」或「持續關連交易」。

### 競爭權益

本公司董事或管理層股東或任何彼等各自之聯繫人士(定義見GEM上市規則)概無於對本集團業務構成或可能構成任何重大競爭之業務中擁有權益。

### 核數師

截至二零一七年十二月三十一日止年度的賬目乃由和信會計師事務所有限公司審核，其任期將於股東週年大會屆滿。有關重新委任和信會計師事務所有限公司為本公司核數師的決議案將於即將舉行的股東週年大會上提呈。

承董事會命

**王忠勝**  
*主席*

二零一八年三月二十七日

## INDEPENDENT AUDITORS' REPORT 獨立核數師報告

### KTC Partners CPA Limited

*Certified Public Accountants (Practising)*

和信會計師事務所有限公司

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香港九龍尖沙咀東部科學館道9號新東海商業中心7樓701室

#### TO THE SHAREHOLDERS OF CHINA CBM GROUP COMPANY LIMITED

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

致中國煤層氣集團有限公司全體股東

*(於開曼群島註冊成立並於百慕達存續之有限公司)*

#### QUALIFIED OPINION

We have audited the consolidated financial statements of China CBM Group Company Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 58 to 182, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

#### 保留意見

我們已審核載於第58至182頁中國煤層氣集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一七年十二月三十一日之綜合財務狀況表，以及截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為，除我們的報告中「保留意見之基礎」一節所述事項之可能影響外，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一七年十二月三十一日之財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已根據香港公司條例之披露規定妥為編製。

#### BASIS FOR QUALIFIED OPINION

##### Corresponding figures

The consolidated financial statements of the Group for the year ended 31 December 2016 which form the basis for the corresponding figures presented the current year's consolidated financial statements were not audited by us. The predecessor auditor's audit opinion on the consolidated financial statements of the Group for the year ended 31 December 2016 was disclaimed because of the significance of the possible effect of the limitation on the scope of their audit and fundamental uncertainty relating to the going concern bases, details of which are set out in the predecessor's auditor's report dated 27 March 2017.

#### 保留意見之基礎

##### 比較數字

貴集團截至二零一六年十二月三十一日止年度之綜合財務報表構成本年度綜合財務報表所呈列之比較數字之基準，且並非由我們審核。由於其審核範圍限制可能產生重大影響及有關持續經營基礎存在重大不確定性，故前核數師對 貴集團截至二零一六年十二月三十一日止年度之綜合財務報表出具拒絕表示意見之審核意見。有關詳情載於日期為二零一七年三月二十七日之前核數師報告。

# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告

Any adjustments to the figures mentioned above might have consequential effects on the Group's financial performance and cash flow for the year ended 31 December 2016 and the related disclosures thereof in the consolidated financial statements.

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

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2(b) to the consolidated financial statements, which indicates that the Group incurred a net loss of approximately RMB66,971,000 for the year ended 31 December 2017, and as of 31 December 2017, the Group's current liabilities exceeded its current assets by approximately RMB368,917,000. As stated in Note 2(b), these events or conditions, along with other matters as set forth in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional 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.

對上述數字作出任何調整可能對 貴集團截至二零一六年十二月三十一日止年度之財務表現及現金流量以及於綜合財務報表中之相關披露產生後續影響。

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。我們就該等準則承擔之責任於本報告「核數師就審核綜合財務報表須承擔的責任」一節中進一步闡述。根據香港會計師公會頒佈之專業會計師道德守則(「守則」)，我們獨立於 貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得之審核證據屬充分及適當，可為我們的保留意見提供基準。

### 與持續經營相關的重大不確定性

我們注意到綜合財務報表附註2(b)，其中指出 貴集團截至二零一七年十二月三十一日止年度產生淨虧損約人民幣66,971,000元，且截至二零一七年十二月三十一日 貴集團之流動負債已超出其流動資產約人民幣368,917,000元。誠如附註2(b)所述，該等事項或狀況連同附註2(b)所載其他事宜表明，可能存在導致對 貴集團持續經營能力產生重大疑慮的重大不確定性。我們的意見並無就該事項作出修改。

### 關鍵審核事項

關鍵審核事項為根據我們的專業判斷，認為對本期間的綜合財務報表審核最為重要的事項。該等事項乃於我們審核整體綜合財務報表並就此達致意見時進行處理，而我們不會就此等事項提供單獨意見。

# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告

Key audit matters identified in our audit are summarised as follows:

### Impairment of property, plant and equipment and prepaid land lease payments

Refer to notes 15 and 16 to the consolidated financial statements and the accounting policies on pages 79 to 81 and 82 to 84 respectively.

#### Key Audit Matter 關鍵審核事項

As at 31 December 2017, the carrying amounts of property, plant and equipment and the prepaid land lease payments were approximately RMB664,994,000 and RMB35,120,000 respectively.

於二零一七年十二月三十一日，物業、機器及設備以及預付土地租金的賬面值分別為約人民幣664,994,000元及人民幣35,120,000元。

We have identified the impairment of property, plant and equipment and prepaid land lease payments as a key audit matter because of their significance to the consolidated financial statements and the involvement of a significant degree of judgements and estimates made by the management for the profit forecasts and cash flows projections for the value-in-use calculations and the fair value calculation made by the independent valuer.

我們將物業、機器及設備以及預付土地租金減值識別為關鍵審核事項，原因是其對綜合財務報表的重要性，並涉及管理層對溢利預測及使用價值計算的現金流量預測以及獨立估值師所作的公平值計算作出重大判斷及估計。

於我們的審核中識別的關鍵審核事項概述如下：

### 物業、機器及設備以及預付土地租金減值

分別參閱綜合財務報表附註15及16以及第79頁至81頁及第82頁至84頁之會計政策。

#### How our audit addressed the key audit matter 我們的審核如何解決該關鍵審核事項

Our procedures were designed to review the management's assessment on the indication of possible impairment and the reasonableness of the judgements and estimates used by the management in the value-in-use calculations and the fair value calculation made by the independent valuer.

我們的程序，旨在審查管理層對可能出現減值跡象及管理層在使用價值的計算以及獨立估值師所作的公平值計算中使用的判斷和估計的合理性作出的評估。

We have discussed the indication of possible impairment with the management and, where such indication were identified by the management, assessed the impairment testing performed by the management. We have already discussed with the management the possible impairment signs, and if the management has identified such signs, then we will assess the impairment testing performed by the management.

We have tested the profit forecasts and cash flows projections on whether they were agreed to the budgets approved by the directors of the Company and compare with actual results available up to the report date.

我們測試溢利預測及現金流量預測是否與貴公司董事批准的預算一致，並與截至報告日的實際結果進行比較。

We have challenged the appropriateness of the management judgements and estimates used in the profit forecasts and cash flows projections, including the sales growth rates and gross profit margins, against latest market expectations.

我們還參照最新市場預測對溢利預測及現金流量預測所用的管理層判斷及估計(包括銷售增長率及毛利率)的適用性提出質疑。

We have also challenged the discount rates adopted in the value-in-use calculations by reviewing its basis of calculations and comparing the input data to market sources.

我們還透過審查其計算基礎並將輸入數據與市場來源進行比較，質疑使用價值計算中採用的貼現率。

Our audit procedures in relation to management's fair value calculation included assessing the valuation methodology used and the appropriateness of the key assumptions based on the public available facts and circumstances of the property market in the People's Republic of China (the "PRC"). We had also checked, on sample basis, the accuracy and relevance of the input data used.

我們有關管理層公平值計算的審核程序包括根據中華人民共和國(「中國」)物業市場的公開可得事實及情況評估所用估值方法及關鍵假設是否適當。我們亦以抽樣形式查核所用輸入數據是否準確及相關。

# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告

### Impairment assessment of trade and other receivables

### 應收賬款及其他應收款項減值評估

Refer to note 22 to the consolidated financial statements and the accounting policies on pages 85 to 91.

參閱綜合財務報表附註22及第85頁至91頁之會計政策。

#### Key Audit Matter

##### 關鍵審核事項

As at 31 December 2017, trade and other receivables of the Group amounted to approximately RMB81,352,000, net of accumulated impairment losses of approximately RMB20,366,000.

於二零一七年十二月三十一日，貴集團的應收賬款及其他應收款項為約人民幣81,352,000元（扣除累計減值虧損約人民幣20,366,000元）。

We have identified impairment assessment of trade and other receivables as a key audit matter because the assessment of allowance for impairment loss required significant management estimations and judgement.

我們將應收賬款及其他應收款項的減值評估識別為關鍵審核事項，原因是評估減值虧損撥備須管理層作出重大估計及判斷。

#### How our audit addressed the key audit matter

##### 我們的審核如何解決該關鍵審核事項

Our audit procedures were designed to challenge the assumptions and critical judgements of the Group's impairment assessment on trade and other receivables and the management estimations.

我們的審核程序旨在質疑 貴集團就應收賬款及其他應收款項減值評估的假設及關鍵判斷以及管理層估計。

We have discussed the indication of possible impairment with the management and, where such indication were identified, assessed the management's impairment testing.

我們已經與管理層討論可能出現的減值跡象，及倘已識別出該等跡象，則評估管理層進行的減值測試。

We have discussed with the management in respect of the adequacy of the provision of impairment made by the management.

我們已就管理層所作減值撥備是否充足與其進行討論。

We have challenged the assumptions and critical judgements used by the management by assessing the reliability of the management's past estimates and taking into account the ageing at year end and cash received after year end, as well as the recent creditworthiness of each debtor.

我們透過評估管理層過往估計的可靠性並計及年末賬齡及年末後已收現金以及每名債務人的近期信譽度，對管理層所用假設及關鍵判斷提出質疑。



## INDEPENDENT AUDITORS' REPORT

### 獨立核數師報告

#### OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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.

#### RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

#### 其他資料

董事須對其他資料承擔責任。其他資料包括 貴公司年報中的所有資料，惟不包括綜合財務報表及我們就此出具的核數師報告。預期我們將於本核數師報告日期後獲得有關其他資料。

我們對綜合財務報表之意見並無涵蓋其他資料，且我們不會對其他資料發表任何形式的核證結論。

就我們審核綜合財務報表而言，我們的責任為在取得上文所識別之其他資料時閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉之資料存在重大不符，或似乎存在重大錯誤陳述。

#### 董事就綜合財務報表須承擔的責任

董事須負責按照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，編製真實而公平地反映情況之綜合財務報表，並落實董事認為編製綜合財務報表所必要的內部控制，以確保綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並披露與持續經營有關之事項(如適用)。除非董事擬將 貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

審核委員會協助董事履行其責任，負責監督 貴集團之財務申報過程。

# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981 and our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at: <http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

This description forms part of our auditor's report.

**KTC Partners CPA Limited**  
*Certified Public Accountants (Practising)*

Chow Yiu Wah, Joseph  
*Audit Engagement Director*  
Practising Certificate Number: P04686

Hong Kong  
27 March 2018

### 核數師就審核綜合財務報表須承擔 的責任

我們旨在就綜合財務報表整體而言是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，以及出具載有我們意見之核數師報告，並按照一九八一年百慕達公司法第90條的規定及我們雙方所協定之委聘條款，僅向全體股東報告。除此之外，本報告不作其他用途。我們概不就本報告的內容向任何其他人士承擔或負上任何責任。

合理保證屬高水平之保證，惟根據香港審計準則進行之審核工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可能因欺詐或錯誤而引起，倘預期個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出經濟決定時，則被視為重大錯誤陳述。

有關我們就審核綜合財務報表須承擔的責任之進一步詳情載於香港會計師公會網站：<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

該詳情構成核數師報告之一部分。

**和信會計師事務所有限公司**  
*執業會計師*

周耀華  
*審核項目董事*  
執業證書編號：P04686

香港  
二零一八年三月二十七日

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

### 綜合損益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>	5	<b>178,562</b>	218,879
Cost of sales	銷售成本		<b>(145,786)</b>	(230,567)
<b>Gross profit/(loss)</b>	<b>毛利/(毛虧)</b>		<b>32,776</b>	(11,688)
Other income and gains or losses	其他收入及收益或虧損	6	<b>(12,818)</b>	(5,012)
Selling and distribution costs	銷售及分銷成本		<b>(9,239)</b>	(10,721)
Administrative expenses	行政開支		<b>(67,899)</b>	(60,961)
Finance costs	財務費用	7(c)	<b>(9,171)</b>	(10,925)
<b>Loss before taxation</b>	<b>除稅前虧損</b>	7	<b>(66,351)</b>	(99,307)
Income tax expense	所得稅開支	8(a)	<b>(620)</b>	(3,077)
<b>Loss for the year</b>	<b>本年度虧損</b>		<b>(66,971)</b>	(102,384)
<b>Attributable to:</b>	<b>下列應佔：</b>			
Equity shareholders of the Company	本公司權益股東		<b>(70,219)</b>	(101,002)
Non-controlling interests	非控股權益		<b>3,248</b>	(1,382)
			<b>(66,971)</b>	(102,384)
			<b>RMB</b>	<b>RMB</b>
			<b>人民幣</b>	<b>人民幣</b>
<b>Loss per share</b>	<b>每股虧損</b>	12		
– Basic and diluted	– 基本及攤薄		<b>5.32 cents分</b>	7.65 cents分

The notes on pages 58 to 182 form part of these consolidated financial statements.

第58頁至182頁之附註組成此等綜合財務報表其中部份。

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Loss for the year</b>	<b>本年度虧損</b>	<b>(66,971)</b>	(102,384)
<b>Other comprehensive income for the year</b>	<b>本年度其他全面收入</b>		
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：		
Exchange differences on translation of financial statements of foreign operations	換算境外業務財務報表之匯兌差額	<b>(17,540)</b>	116
<b>Total comprehensive expense for the year</b>	<b>本年度全面開支總額</b>	<b>(84,511)</b>	(102,268)
<b>Total comprehensive expense attributable to:</b>	<b>下列應佔全面開支總額：</b>		
Equity shareholders of the Company	本公司權益股東	<b>(87,759)</b>	(100,886)
Non-controlling interests	非控股權益	<b>3,248</b>	(1,382)
		<b>(84,511)</b>	(102,268)

The notes on pages 58 to 182 form part of these consolidated financial statements.

第58頁至182頁之附註組成此等綜合財務報表其中部份。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	15	664,994	728,717
Prepaid land lease payments	預付土地租金	16	34,249	35,074
Deposits and prepayments	訂金及預付款項	18	26,347	26,347
			<b>725,590</b>	790,138
<b>Current assets</b>	<b>流動資產</b>			
Prepaid land lease payments	預付土地租金	16	871	863
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	20	–	200
Inventories	存貨	21	1,492	8,115
Trade and other receivables	應收賬款及其他應收款項	22	81,378	100,285
Tax recoverable	可收回稅項		2,000	2,000
Cash and cash equivalents	現金及現金等值物	23	8,572	20,534
			<b>94,313</b>	131,997
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	應付賬款及其他應付款項	24	378,151	382,927
Bank and other borrowings	銀行及其他借款	25	47,280	40,080
Obligations under finance leases	融資租賃承擔	26	21,912	19,933
Provision	撥備	28	10,963	8,658
Tax payable	應付稅項		4,924	6,574
			<b>463,230</b>	458,172
<b>Net current liabilities</b>	<b>流動負債淨值</b>		<b>(368,917)</b>	(326,175)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>356,673</b>	463,963

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Obligations under finance leases	融資租賃承擔	26	3,849	25,626
Convertible bonds	可換股債券	27	9,543	8,316
Deferred tax liabilities	遞延稅項負債	29	9,656	11,885
			<b>23,048</b>	45,827
<b>Net assets</b>	<b>資產淨值</b>		<b>333,625</b>	418,136
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	30(a)	10,910	10,910
Reserves	儲備		333,578	421,337
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益		<b>344,488</b>	432,247
Non-controlling interests	非控股權益		<b>(10,863)</b>	(14,111)
<b>Total equity</b>	<b>總權益</b>		<b>333,625</b>	418,136

Approved and authorised for issue by the board of directors on 27 March 2018.

董事會於二零一八年三月二十七日批准及授權刊發。

**Wang Zhong Sheng**

王忠勝

Director

董事

**Fu Shou Gang**

付壽剛

Director

董事

The notes on pages 58 to 182 form part of these consolidated financial statements.

第58頁至182頁之附註組成此等綜合財務報表其中部份。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司權益股東應佔										
		Share capital	Share premium	General reserve	Translation reserve	Contributed surplus	Share option reserve	Convertible bonds reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	一般儲備	換算儲備	實繳盈餘	購股權儲備	可換股債券儲備	累計虧損	總計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2016	於二零一六年一月一日結餘	10,910	131,082	8,273	(5,528)	584,838	30,849	8,652	(235,943)	533,133	(12,729)	520,404
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(101,002)	(101,002)	(1,382)	(102,384)
Other comprehensive income for the year	本年度其他全面收入	-	-	-	116	-	-	-	-	116	-	116
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	116	-	-	-	(101,002)	(100,886)	(1,382)	(102,268)
Balance at 31 December 2016	於二零一六年十二月三十一日結餘	10,910	131,082	8,273	(5,412)	584,838	30,849	8,652	(336,945)	432,247	(14,111)	418,136
Balance at 1 January 2017	於二零一七年一月一日結餘	10,910	131,082	8,273	(5,412)	584,838	30,849	8,652	(336,945)	432,247	(14,111)	418,136
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(68,024)	(68,024)	3,248	(64,776)
Deregistration of a subsidiary (Note 36)	撤銷登記一間附屬公司 (附註36)	-	-	-	-	-	-	-	(2,195)	(2,195)	-	(2,195)
Other comprehensive income for the year	本年度其他全面收入	-	-	-	(17,540)	-	-	-	-	(17,540)	-	(17,540)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	(17,540)	-	-	-	(70,219)	(87,759)	3,248	(84,511)
Balance at 31 December 2017	於二零一七年十二月三十一日結餘	10,910	131,082	8,273	(22,952)	584,838	30,849	8,652	(407,164)	344,488	(10,863)	333,625

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	Note	2017	2016
	附註	二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Operating activities</b>	<b>經營業務</b>		
Loss before taxation	除稅前虧損	<b>(66,351)</b>	(99,307)
Adjustments for:	就下列各項調整：		
Depreciation of property, plant and equipment	物業、機器及設備折舊	<b>77,805</b>	80,080
Amortisation of prepaid land lease payments	預付土地租金攤銷	<b>817</b>	863
Impairment loss on property, plant and equipment	物業、機器及設備減值	<b>8,329</b>	–
Interest income	利息收入	<b>(32)</b>	(85)
Net (gain)/loss on disposal of property, plant and equipment	出售物業、機器及設備之淨(收益)/虧損	<b>(406)</b>	228
Impairment loss on inventories	存貨減值虧損	<b>4,397</b>	–
Impairment loss on trade receivables and other receivables	應收賬款及其他應收款項之減值虧損	<b>6,080</b>	5,513
Written off of other receivables	撇銷其他應收款項	<b>1,561</b>	–
Finance costs	財務費用	<b>9,171</b>	10,925
Loss on deregistration of a subsidiary	撤銷登記一間附屬公司的虧損	<b>2,195</b>	–
Provision for production safety	生產安全撥備	<b>3,804</b>	4,293
		<b>47,370</b>	2,510
<b>Changes in working capital</b>	<b>營運資金變動</b>		
Decrease/(increase) in inventories	存貨減少/(增加)	<b>2,226</b>	(63)
Decrease in trade and other receivables	應收賬款及其他應收款項減少	<b>9,037</b>	5,974
(Decrease)/increase in trade and other payables	應付賬款及其他應付款項(減少)/增加	<b>(3,748)</b>	18,173
Decrease in provision for production safety	生產安全撥備減少	<b>(1,499)</b>	(2,247)
		<b>53,386</b>	24,347
<b>Cash generated from operations</b>	<b>經營業務產生之現金</b>	<b>53,386</b>	24,347
PRC Enterprise Income Tax paid	已繳中國企業所得稅	<b>(4,387)</b>	(1,477)
		<b>48,999</b>	22,870
<b>Net cash generated from operating activities</b>	<b>經營業務產生之現金淨額</b>	<b>48,999</b>	22,870



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	Note 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Cash flows from investing activities</b>	<b>投資活動產生之現金流量</b>		
Payment for purchase of property, plant and equipment	購買物業、機器及設備之付款	(23,090)	(9,473)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項	1,078	1,641
Decrease in deposits and prepayments	訂金及預付款項減少	-	183
Interest received	已收利息	32	85
Sale proceed of financial assets at fair value	按公平值計量之金融資產銷售所得款項	200	-
<b>Net cash used in investing activities</b>	<b>投資活動所用之現金淨額</b>	<b>(21,780)</b>	<b>(7,564)</b>
<b>Cash flows from financing activities</b>	<b>融資活動產生之現金流量</b>		
Proceeds from new bank and other borrowings	新增銀行及其他借款之所得款項	9,900	-
Repayment of bank and other borrowings	償還銀行及其他借款	(2,700)	(3,000)
Interest paid on bank and other borrowings	銀行及其他借款之已付利息	(4,043)	(3,625)
Capital element of finance leases	融資租約之資本部份	(19,798)	(28,327)
Interest element of finance leases	融資租約之利息部份	(3,241)	(5,796)
<b>Net cash used in financing activities</b>	<b>融資活動所用之現金淨額</b>	<b>(19,882)</b>	<b>(40,748)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等值物增加/(減少)淨額</b>	<b>7,337</b>	<b>(25,442)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>於一月一日之現金及現金等值物</b>	<b>20,534</b>	<b>45,437</b>
<b>Effect of foreign exchange rate changes</b>	<b>匯率變動之影響</b>	<b>(19,299)</b>	<b>539</b>
<b>Cash and cash equivalents at 31 December</b>	<b>於十二月三十一日之現金及現金等值物</b>	<b>8,572</b>	<b>20,534</b>

The notes on pages 58 to 182 form part of these consolidated financial statements.

第58頁至182頁之附註組成此等綜合財務報表其中部份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 1. GENERAL INFORMATION

China CBM Group Company Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 15 July 2002 under the Companies Laws of the Cayman Islands and continued in Bermuda. The change of domicile of the Company from Cayman Islands to Bermuda was effective on 23 April 2014.

The shares of the Company are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section in the annual report.

The principal activity of the Company is investment holding. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the business of exploitation, liquefaction production and sale of natural gas in the People’s Republic of China (the “PRC”).

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Statement of compliance

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

### 1. 一般資料

中國煤層氣集團有限公司(「本公司」)於二零零二年七月十五日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司並於百慕達存續。本公司自開曼群島遷冊至百慕達於二零一四年四月二十三日生效。

本公司之股份於香港聯合交易所有限公司(「聯交所」)GEM上市。本公司註冊辦事處及主要營業地點之地址，均披露於年報「公司資料」一節。

本公司業務活動主要為投資控股。本公司及其附屬公司(統稱「本集團」)主要在中華人民共和國(「中國」)境內從事天然氣開採、液化生產及銷售業務。

### 2. 主要會計政策

#### (a) 守章聲明

此等綜合財務報表乃按所有適用之香港財務報告準則(「香港財務報告準則」，該統稱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」)及詮釋以及香港普遍採納之會計原則)編製。此等綜合財務報表亦符合香港公司條例之披露規定及香港聯合交易所有限公司GEM證券上市規則(「GEM上市規則」)之適用披露條文。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (b) Basis of preparation of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2017 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis, except those disclosed otherwise in the accounting policies below.

The preparation of consolidated 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 a significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 4.

### 2. 主要會計政策(續)

#### (b) 綜合財務報表編製基準

截至二零一七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綜合財務報表。

除下文之會計政策另有披露者外，編製綜合財務報表時所用之計量基準為歷史成本基準。

編製符合香港財務報告準則之綜合財務報表時，需要管理層作出影響政策之應用及有關資產、負債、收入及開支之呈報款額之判斷、估計及假設。該等估計及相關假設乃根據歷史經驗及多項其他因素(相信於該等情況下為合理)而作出。所得結果構成管理層就目前未能從其他來源明顯得出資產及負債的賬面值作出判斷之基準。實際結果或會有別於估計情況。

本集團持續就所作估計及相關假設作出檢討。會計估計之變動如只影響當期，則有關影響於估計變動當期確認。如該項會計估計之變動影響當期及以後期間，則有關影響於當期及以後期間確認。

於應用香港財務報告準則時管理層所作之判斷(對綜合財務報表構成重大影響)及估計不確定性之主要來源均於附註4中討論。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (b) Basis of preparation of the consolidated financial statements (Continued)

##### Going concern

The Group incurred a net loss of approximately RMB66,971,000 during the year ended 31 December 2017 and as at 31 December 2017, the Group had net current liabilities of approximately RMB368,917,000. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless, the directors of the Company had adopted the going concern basis in the preparation of the consolidated financial statements of the Group based on the following factors:

- (1) Mr. Wang Zhong Sheng ("Mr. Wang"), a substantial shareholder, the chairman and executive director of the Company, has confirmed to provide continuing financial support to the Group to enable it to continue as a going concern and to settle its liabilities as and when they fall due in the foreseeable future;
- (2) The directors of the Company will anticipate that the Group will generate possible cash flows from its future operations;
- (3) 2 major gas suppliers of the Group with an aggregate amount of approximately RMB135 million, which represents about 91% of the trade payable balance as at 31 December 2017, have agreed that their amount due by the Group would be payable by way of monthly settlement in accordance with the repayment schedule;

### 2. 主要會計政策(續)

#### (b) 綜合財務報表編製基準(續)

##### 持續經營

截至二零一七年十二月三十一日止年度，本集團產生淨虧損約人民幣66,971,000元。於二零一七年十二月三十一日，本集團有淨流動負債約人民幣368,917,000元。該等狀況顯示存在重大不確定性，其可能令本集團持續經營之能力出現重大疑問，以及本集團可能無法在日常業務過程中變現其資產及償付其負債。

儘管如此，基於以下因素，本公司董事在編製本集團綜合財務報表時仍採納持續經營基準：

- (1) 本公司之主要股東、主席兼執行董事王忠勝先生(「王先生」)確認將為本集團提供持續財務支援，以令本集團能夠持續經營，及能夠償付在可見未來到期應付之債務；
- (2) 本公司董事預期本集團之日後營運可能產生現金流量；
- (3) 就金額合共約人民幣135,000,000元之款項(約佔二零一七年十二月三十一日之應付賬款結餘之91%)，本集團兩大氣體供應商已協定本集團應付之款項將根據還款安排按月予以支付；

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (b) Basis of preparation of the consolidated financial statements (Continued)

##### Going concern (Continued)

- (4) Certain construction suppliers of the Group with an aggregate amount of approximately RMB34 million included in payables for acquisition of property, plant and equipment as set out in note 24 under trade and other payables, have agreed not to demand for repayment for their amount due before 30 June 2019;
- (5) The lender of an unsecured loan of approximately RMB24 million due to a non-controlling shareholder of PRC subsidiary as at 31 December 2017 as set out in note 25, has agreed to extend repayment period up to 27 August 2019;
- (6) To raise funds by way of issuing additional equity or debt securities; and
- (7) To negotiate with certain bankers to obtain additional banking facilities, if necessary.

Provided that these measures can successfully improve the liquidity of the Group, the directors of the Company are satisfied that the Group will be able to meet its financial obligations as and when they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

### 2. 主要會計政策(續)

#### (b) 綜合財務報表編製基準(續)

##### 持續經營(續)

- (4) 就附註24所載計入應付賬款及其他應付款項項下之收購物業、機器及設備應付款項之金額合共約人民幣34,000,000元之款項，本集團若干建築供應商已協定並不要求於二零一九年六月三十日之前償還彼等到期款項；
- (5) 就附註25所載於二零一七年十二月三十一日應付中國附屬公司一名非控股股東之無抵押貸款約人民幣24,000,000元之款項，貸款人已協定延長還款期至二零一九年八月二十七日；
- (6) 透過發行額外股權或債務證券集資；及
- (7) 與若干銀行進行磋商，以取得額外銀行融資(如需)。

倘上述措施能成功改善本集團之流動資金狀況，本公司董事信納本集團將能夠於可見未來履行其到期應付之財務承擔。因此，綜合財務報表乃根據持續經營基準編製。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (b) Basis of preparation of the consolidated financial statements (Continued)

##### Going concern (Continued)

Should the Group be unable 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 liabilities as current assets and liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

#### (c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

### 2. 主要會計政策(續)

#### (b) 綜合財務報表編製基準(續)

##### 持續經營(續)

倘本集團未能以持續經營基準經營，將須作出調整以撇減資產價值至其可收回金額、為可能產生之進一步負債作出撥備，以及將非流動資產及負債分別重新分類為流動資產及負債。該等調整的影響並未反映在綜合財務報表中。

#### (c) 附屬公司及非控股權益

附屬公司為本集團控制之實體。倘本集團具有承擔或享有參與實體所得之可變回報之風險或權利，並能透過其對該實體擁有之權力影響該等回報，則本集團對該實體擁有控制權。當評估本集團是否擁有該權力時，僅考慮(由本集團及其他人士擁有之)實質權利。

於附屬公司之投資由控制開始當日至控制終止當日在綜合財務報表中綜合入賬。集團內公司間之結餘、交易及現金流量以及集團內公司間交易所產生之任何未變現溢利均於編製綜合財務報表時全部撇銷。集團內公司間交易所產生之未變現虧損亦按照未變現收益之方法同樣予以撇銷，惟僅限於並未出現減值證據之情況。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (c) Subsidiaries and non-controlling interests

(Continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the 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 statement of financial position in accordance with the accounting policies in note 2 depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

### 2. 主要會計政策(續)

#### (c) 附屬公司及非控股權益(續)

非控股權益是指並非由本公司直接或間接擁有之附屬公司權益，及本集團並未與該等權益之持有人達成任何額外條款，從而將導致本集團總體上對該等權益產生合約性責任，使其符合金融負債之定義。就各項業務合併而言，本集團可選擇按公平值或非控股權益所佔附屬公司可識別淨資產之比例來計量任何非控股權益。

非控股權益納入綜合財務狀況表之權益項目，與本公司權益股東應佔之權益分開呈列。非控股權益所佔本集團之業績，會按照年度損益總額及全面收益總額在非控股權益與本公司權益股東之間進行分配，並在綜合損益表及綜合損益及其他全面收益表呈列。來自非控股權益持有人之貸款及該等持有人之其他合約責任視乎負債之性質，根據附註2之會計政策於綜合財務狀況表中呈列為金融負債。

本集團於附屬公司之權益變動，如不構成失去控制權，這些變動會作為權益交易入賬，並對綜合權益之控股及非控股權益金額作出調整，以反映相對權益變動，但不會調整商譽及確認盈虧。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

*(Continued)*

#### (c) Subsidiaries and non-controlling interests

*(Continued)*

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(e)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investments in subsidiaries are stated at cost less impairment losses (see note 2(j)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

#### (d) Business combinations and goodwill

##### (i) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

### 2. 主要會計政策(續)

#### (c) 附屬公司及非控股權益(續)

如本集團失去附屬公司控制權，該權益變動會被視為出售該附屬公司之全部權益入賬，其盈虧將會於損益確認。於失去附屬公司控制權當日，如仍然持有該前附屬公司部份權益，該部份權益將會以公平值確認，而該金額將被視為金融資產初始確認之公平值（見附註2(e)），或於聯營公司或合營企業之投資之初始確認成本（如適用）。

於附屬公司之投資按成本減去減值虧損（見附註2(j)）在本公司之財務狀況表內列賬，惟分類為持作出售（或計入分類為持作出售之出售組別）之投資則除外。

#### (d) 業務合併及商譽

##### (i) 業務合併

收購業務採用收購法進行會計處理。業務合併中轉讓之代價會按公平值計量，而該公平值包括本集團為換取被收購方控制權而向被收購方之前擁有人轉讓之資產、產生之負債及發行之股本權益於收購日之公平值總和。與收購有關之成本一般會於產生時在損益確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (d) Business combinations and goodwill (Continued)

##### (i) Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

### 2. 主要會計政策(續)

#### (d) 業務合併及商譽(續)

##### (i) 業務合併(續)

於收購日，所獲得之可識別資產及所承擔之負債按其公平值確認，但以下各項除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債，乃分別根據香港會計準則第12號 *所得稅* 及香港會計準則第19號 *僱員福利* 確認和計量；
- 與被收購方以股份為基礎支付之安排有關，或與本集團所訂立以取代被收購方以股份為基礎支付之安排之股份為基礎支付之安排有關之負債或權益工具，乃於收購日期按香港財務報告準則第2號 *以股份為基礎之支付* 計量(見下述會計政策)；及
- 按照香港財務報告準則第5號 *持作出售之非流動資產及終止經營業務* 劃歸為持作出售之資產(或出售組別)乃根據該準則計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (d) Business combinations and goodwill (Continued)

##### (i) Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

### 2. 主要會計政策(續)

#### (d) 業務合併及商譽(續)

##### (i) 業務合併(續)

商譽是以所轉讓之代價、於被收購方中任何非控股權益所佔金額及收購方以往持有之被收購方股權之公平值(如有)之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨額後，所超出之差額計值。倘經過重新評估後，所收購可識別資產與所承擔負債於收購日期之淨額高於轉讓之代價、於被收購方中任何非控股權益所佔金額及收購方以往持有之被收購方權益之公平值(如有)之總和，所超出之差額即時於損益內確認為議價收購收益。

倘若本集團在業務合併中轉讓之代價包括或有代價安排所產生之資產或負債，則或有代價按其於收購日期之公平值計量，並計入作為業務合併中轉讓之部份代價。符合計量期間調整之條件之或有代價公平值變動會追溯調整，並相應調整商譽。計量期間調整是指在「計量期間」(從收購日期起計不超過一年)所獲取關於收購日期存在之事實和環境之新資訊而引致之調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (d) Business combinations and goodwill (Continued)

##### (i) Business combinations (Continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

### 2. 主要會計政策(續)

#### (d) 業務合併及商譽(續)

##### (i) 業務合併(續)

倘若或有代價公平值之變動不符合計量期間調整之條件，則其後續會計處理須視乎或有代價如何分類而定。歸類為權益之或有代價在後續報告日期不會重新計量，而其後續結算會在權益中入賬。歸類為資產或負債之或有代價在後續報告日期均按照香港會計準則第39號或香港會計準則第37號撥備、或然負債及或然資產(視何者適用而定)重新計量，相關盈虧在損益中確認。

如果業務合併分階段進行，則按收購日期(即本集團獲得控制權之日)之公平值重新計量本集團先前在被收購方中持有之權益，且相關盈虧(如有)於損益確認。於收購日期前，以往在其他全面收益中確認之於被收購方之權益而產生之金額，獲重新分類至損益，而倘出售權益，重新分類至損益為合適計量方法。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (d) Business combinations and goodwill (Continued)

##### (ii) Goodwill

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

### 2. 主要會計政策(續)

#### (d) 業務合併及商譽(續)

##### (ii) 商譽

倘於出現業務合併之報告期結束時業務合併之初步入賬尚未完成，則本集團須報告尚未入賬之項目之暫定款額。該等暫定款額須於計量期間(見上文)內調整，或須確認額外資產或負債，以反映所取得有關於收購日期存在之事實及狀況之新資料(如有)對該日已確認金額之影響。

收購業務所產生之商譽乃按於收購業務(見上述會計政策)日期確定之成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽乃分配至預期可受益於合併之協同效益之本集團各現金產生單位或現金產生單位之組別。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (d) Business combinations and goodwill (Continued)

##### (ii) Goodwill (Continued)

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### 2. 主要會計政策(續)

#### (d) 業務合併及商譽(續)

##### (ii) 商譽(續)

獲分配商譽之現金產生單位會每年或於有跡象顯示有關單位可能出現減值時更頻密進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先分配以調減該單位任何商譽之賬面值，其後則按該單位內各項資產之賬面值之比例分配至該單位之其他資產。任何商譽之減值虧損會直接於損益確認。就商譽確認之減值虧損不會於其後期間撥回。

於出售相關現金產生單位時，釐定出售損益時會包含商譽之應佔金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (e) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are as follows:

Investments in debt and equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification.

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in note 2(s).

Dated debt securities that the Group have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated at amortised cost less impairment losses (see note 2(j)).

### 2. 主要會計政策(續)

#### (e) 於債務及股本證券之其他投資

本集團有關於債務及股本證券之投資(不包括於附屬公司、聯營公司及合營企業之投資)之政策載述如下：

於債務及股本證券之投資最初乃按公平值(即其交易價)列賬，除非可確定初步確認時之公平值與交易價不同，並且可按相同資產或負債於活躍市場所報之價格或按僅使用可觀測市場數據進行之估值方法證明該公平值。除下文所述例外情況外，成本包括應佔交易成本。該等投資其後按下文所述視乎其分類入賬。

於持作交易用途證券之投資均歸類為流動資產。任何應佔交易成本於產生時在損益內確認。公平值於每個報告期末重新計量，而得出之任何盈虧則於損益內確認。於損益內確認之盈虧淨額不包括該等投資所賺取之任何股息或利息，因該等股息或利息乃根據附註2(s)所載之政策確認。

本集團有能力及有意持至到期之有期債務證券歸類為持至到期證券。持至到期證券按攤銷成本減減值虧損列賬(見附註2(j))。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (e) Other investments in debt and equity securities

(Continued)

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (see note 2(j)). Dividend income from equity securities and interest income from debt securities calculated using the effective interest method are recognised in profit or loss in accordance with the policies set out in note 2(s). Foreign exchange gains and losses resulting from changes in the amortised cost of debt securities are also recognised in profit or loss.

When the investments are derecognised or impaired (see note 2(j)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

#### (f) 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. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

### 2. 主要會計政策(續)

#### (e) 於債務及股本證券之其他投資(續)

不屬於上述任何類別之證券投資歸類為可供出售證券。公平值於每個報告期末重新計量，由此產生之收益或虧損於其他全面收益確認並在公平值儲備中之權益單獨累計。作為例外情況，股本證券投資並無就相同工具在活躍市場取得報價且其公平值無法可靠計量時，以成本扣除減值虧損(見附註2(j))於財務狀況表確認。股本證券之股息收入及按實際利率法計算之債務證券之利息收入乃根據附註2(s)所載之政策於損益確認。債務證券攤銷成本變動所產生之外匯收益及虧損亦於損益確認。

該等投資取消確認或出現減值(見附註2(j))時，於權益確認之累計收益或虧損重新分類至損益。投資於本集團承諾購入/出售投資或投資屆滿當日確認/取消確認。

#### (f) 現金及現金等值物

現金及現金等值物包括銀行及手頭現金，銀行及其他金融機構之活期存款，以及可隨時轉換為已知數額現金，並於購入時起計三個月內到期且幾乎不受價值變動風險所影響之短期高度流通投資項目。就綜合現金流量表而言，須應要求償還且構成本集團現金管理中組成部份之銀行透支亦已作為現金及現金等值物計算在內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (g) Property, plant and equipment

Property, plant and equipment (other than construction in progress) are stated at cost less accumulated depreciation and impairment losses (see note 2(j)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(u)).

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. Any related revaluation surplus is transferred from the revaluation reserve to accumulated losses and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Buildings held for own use	Over the shorter of unexpired term of the leases or 20 to 30 years
- Leasehold improvements	2 – 5 years
- Pipelines	5 – 20 years
- Plant and machinery	3 – 15 years
- Computer equipment	3 – 5 years
- Furniture and equipment	3 – 10 years
- Transportation and motor vehicles	4 – 10 years

### 2. 主要會計政策(續)

#### (g) 物業、機器及設備

物業、機器及設備(在建工程除外)按成本減累計折舊及減值虧損列賬(見附註2(j))。

自建物業、機器及設備項目之成本包括物料成本、直接勞工成本、拆卸及搬遷項目以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2(u))。

報廢或出售物業、機器及設備項目所產生之損益以該項目之出售所得款項淨額與其賬面值之間之差額釐定，並於報廢或出售當日在損益內確認。任何相關重估盈餘乃由重估儲備轉撥至累計虧損，且不會重新分類至損益。

物業、機器及設備項目之折舊乃按下列估計可用年期，在扣除估計餘值(如有)後，以直線法撇銷其成本計算：

- 持作自用之樓宇	按租約之未屆滿年期或20-30年之較短者
- 租賃裝修工程	2-5年
- 管道	5-20年
- 機器及機械	3-15年
- 電腦設備	3-5年
- 傢俱及設備	3-10年
- 運輸及機動車輛	4-10年



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (g) Property, plant and equipment (Continued)

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.

Construction in progress represents property, plant and equipment under construction and pending installation and is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction of the buildings, the costs of plant and machinery and interest charges arising from borrowings used to finance these assets during the period of construction or installation and testing. No provision for depreciation is made on construction in progress until such time the relevant assets are completed and are available for their intended use. When the assets concerned are brought into use, the costs are transferred to other property, plant and equipment and depreciated in accordance with the policy as stated above.

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of commercially proven development wells but do not include geological and geophysical costs which are expensed directly to profit or loss as they are incurred, is capitalised as coalbed methane development costs within construction in progress. Coalbed methane development costs are stated at cost less any identified impairment loss. Coalbed methane development costs are classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### 2. 主要會計政策(續)

#### (g) 物業、機器及設備(續)

倘若物業、機器及設備項目有部份之可使用年期不同，則該項目之成本乃按合理基準分配至各部份，而各部份則獨立予以折舊。資產之可使用年期及餘值(如有)乃每年予以審核。

在建工程指正在建設及有待安裝之物業、機器及設備，並按成本減累計減值虧損(如有)列賬。成本包括興建樓宇成本、機器及機械之成本，以及在建設或安裝及測試期間用以為該等資產融資所貸款之利息開支。在建工程於有關資產落成及可供擬定用途前，暫不計提折舊。當有關資產投入運作，成本會轉撥至其他物業、機器及設備，並根據上述政策計提折舊。

建設、安裝或完成如平台、管道等基建設施，以及鑽探證實可作商業開發之礦井之費用(但不包括地質及地理成本，其將於產生時直接於損益支銷)，將資本化為在建工程內之煤層氣開發成本。煤層氣開發成本列為成本減任何已識別減值虧損。煤層氣開發成本將於完成並可用作擬定用途時歸類至合適之物業、機器及設備類別。於資產可用作擬定用途時，該等資產將按與其他物業資產相同之基準開始計提折舊。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (g) Property, plant and equipment (Continued)

Tangible assets acquired for use in well drilling works of ground drainage activities are classified as property, plant and equipment.

#### (h) Intangible assets (other than goodwill)

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(j)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. Intangible assets with finite useful lives are amortised from the date they are available for use over their estimated useful lives.

Both the period and method of amortisation are reviewed annually.

### 2. 主要會計政策(續)

#### (g) 物業、機器及設備(續)

所收購用於地面抽採打井作業之有形資產乃分類為物業、機器及設備。

#### (h) 無形資產(商譽除外)

業務合併中收購及與商譽分開確認之無形資產初步按收購日期之公平值(視為彼等的成本)確認。

於初步確認後，業務合併中收購的無形資產按照與單獨收購的無形資產相同的基準，按成本減累計攤銷及累計減值虧損列賬。

本集團收購的其他無形資產乃以成本減累計攤銷(倘估計可使用年期有限)及減值虧損入賬(見附註2(j))。

可使用年期有限之無形資產攤銷以直線法按資產之估計可使用年期自損益扣除。可使用年期有限之無形資產乃由彼等之可供使用當日起於彼等之估計可使用年期內予以攤銷。

攤銷的期間及方法均按年檢討。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (h) Intangible assets (other than goodwill) (Continued)

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

#### (i) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

#### (i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, 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.

### 2. 主要會計政策(續)

#### (h) 無形資產(商譽除外)(續)

倘無形資產被評定為可無限期使用，則不會作攤銷。無形資產可無限期使用之任何結論每年均會作檢討，以釐定有關事件及情況是否繼續支持有關資產可無限期使用之評估。如情況有變，則會自轉變日期起就使用年期從無限轉為有限之評定作前瞻性會計處理，並根據上文所述有限可使用年期之無形資產之攤銷政策入賬。

#### (i) 租賃資產

倘本集團決定安排在協定期限內出讓一項特定資產或多項資產之使用權，以換取一筆付款或一連串付款，則有關安排(包括一項交易或一連串交易)即屬於或包括租賃。有關決定根據對安排本質之評估(不論安排是否以法定租賃形式)作出。

#### (i) 出租予本集團之資產分類

倘本集團根據租賃持有資產，而其中擁有權涉及之絕大部份風險及回報均轉移至本集團，乃列作根據融資租賃持有之資產。並無將擁有權涉及之絕大部份風險及回報轉移至本集團之租賃則列作經營租賃，惟以經營租賃持作自用的土地除外，其無法在租賃開始時將其公平價值與建於其上的建築物的公平價值分開計量，故按融資租賃持有方式入賬；但清楚地以經營租賃持有的建築物除外。就此而言，租賃的開始時間是指本集團首次訂立租賃時，或自前承租人接收建築物時。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (i) Lease assets (Continued)

##### (ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the group will obtain ownership of the asset, the life of the asset, as set out in note 2(g). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(j). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

### 2. 主要會計政策(續)

#### (i) 租賃資產(續)

##### (ii) 根據融資租賃獲得的資產

倘若本集團根據融資租賃購入資產使用權，乃按租賃資產之公平值或該資產之最少應付租金之現值兩者之較低者計入物業、機器及設備內，而相應之負債在扣除融資費用後，則列作融資租約承擔入賬。折舊是在相關之租賃期或資產之可使用年期（如本集團可能取得資產之所有權）內，以撇銷資產成本或估值的比率計提；有關的資產可使用年期載於附註2(g)。減值虧損按照附註2(j)所載的會計政策入賬。包含在租金內之融資費用於租賃期自損益賬扣除，使各會計期間之融資費用佔責任餘額之比率大致相同。或然租金乃於其產生之會計期間自損益扣除。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (i) Lease assets (Continued)

##### (iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property or is held for development for sale.

### 2. 主要會計政策(續)

#### (i) 租賃資產(續)

##### (iii) 經營租賃費用

倘本集團根據經營租約使用資產，租約項下之付款將按租期所涵蓋之會計期間按均等分期金額自損益扣除，惟倘有其他基準更能清晰反映自租賃資產所得利益之情況，則另當別論。已收取之租賃優惠乃於損益確認為應付累計租賃款項淨額之組成部份。或然租金於其產生之會計期間自損益扣除。

收購根據經營租約持有之土地之成本，乃於租賃期內按直線法予以攤銷，除非有關物業列為投資物業或持作發展供銷售則作別論。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Impairment of assets

##### (i) Impairment of investments in debt and equity securities and other receivables

Investments in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty 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;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

### 2. 主要會計政策(續)

#### (j) 資產減值

##### (i) 於債務及股本證券之投資及其他應收款項之減值

於債務及股本證券之投資及其他現時及非現時應收款項(按成本或攤銷成本列賬或歸類為可供出售證券)均於各報告期末予以審核，以釐定是否有減值之客觀證據。減值之客觀證據包括本集團得悉的有關下列一項或多項虧損事項的可觀察資料：

- 債務人遭遇重大財務困難；
- 違約，譬如拖欠或欠付利息或本金付款；
- 債務人可能會進行破產程序或進行其他財務重組；
- 科技、市場、經濟或法律環境出現對債務人造成負面影響的重大變動；及
- 股本工具投資的公平值大幅或長期下降至低於其成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Impairment of assets (Continued)

##### (i) Impairment of investments in debt and equity securities and other receivables (Continued)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.
- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

### 2. 主要會計政策(續)

#### (j) 資產減值(續)

##### (i) 於債務及股本證券之投資及其他應收款項之減值(續)

倘若任何該等證據出現，則任何減值虧損均按以下方式釐定及確認：

- 就按成本列賬之非上市股本證券而言，減值虧損乃按金融資產之賬面值與類似金融資產當時市場回報率折現計算(倘折現產生重大影響)的預計未來現金流量之間的差額計量。以成本列賬的股本證券之減值虧損將不會撥回。
- 就按攤銷成本列賬之應收賬款及其他流動應收款項以及其他金融資產而言，倘貼現之影響重大，減值虧損按資產之賬面值與估計未來現金流量(按金融資產之原本實際利率(即於初步確認該等資產時計算之實際利率)貼現)之現值之差額計量。倘若按攤銷成本列賬之金融資產具備類似之風險特徵，例如類似之逾期情況及並未個別被評估為減值，則有關評估會一同進行。金融資產之未來現金流量根據與該類資產具有類似信貸風險特徵之資產之過往虧損經驗一同評估減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Impairment of assets (Continued)

##### (i) Impairment of investments in debt and equity securities and other receivables (Continued)

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivable included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

### 2. 主要會計政策(續)

#### (j) 資產減值(續)

##### (i) 於債務及股本證券之投資及其他應收款項之減值(續)

倘若於其後減值虧損之數額減少，且有關減少可客觀地與於確認減值虧損後發生之事件連帶起來，則於損益內撥回減值虧損。撥回減值虧損不會導致資產之賬面值超過於過去年度並無確認減值虧損時所釐定之數額。

減值虧損應從相應的資產中直接撇銷，除非包含在應收賬款及其他應收款項中的應收貿易賬款及應收票據的已確認減值虧損被視為呆賬但並非不能收回。在此情況下，應以撥備賬記錄呆壞賬的減值虧損。倘本集團信納收回應收賬款的機會微乎其微，則該金額被視為不可收回並從應收賬款及應收票據中直接撇銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撇銷而其後收回的款項，均在損益中確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Impairment of assets (Continued)

##### (ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- goodwill;
- property, plant and equipment;
- prepaid land lease payments;
- intangible assets;
- deposits and prepayments; and
- investments in subsidiaries.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

### 2. 主要會計政策(續)

#### (j) 資產減值(續)

##### (ii) 其他資產減值

於每個報告期末審核內部及外部資料來源，以確認下列資產是否出現減值，或(倘為商譽則除外)先前確認之減值虧損是否不再存在或已經減少：

- 商譽；
- 物業、機器及設備；
- 預付土地租金；
- 無形資產；
- 訂金及預付款項；及
- 於附屬公司之投資。

倘存在任何該等跡象，則估計資產之可收回金額。此外，就商譽、尚未可供使用之無形資產及無固定可使用年期之無形資產而言，不論有否減值跡象，均會每年估計可收回金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Impairment of assets (Continued)

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

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

### 2. 主要會計政策(續)

#### (j) 資產減值(續)

##### (ii) 其他資產減值(續)

- 計算可收回金額

資產之可收回金額指其公平值減去出售成本與使用價值之較高者。在估計使用價值時，估計日後現金流量按反映現時市場對貨幣之時間價值及資產之特定風險所評估之除稅前貼現率貼現至其現值。倘一項資產所生之現金流入在很大程度上並非獨立於其他資產所產生之現金流入，則就獨立產生現金流入之最小資產類別(即現金產生單位)釐定可收回金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Impairment of assets (Continued)

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

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

### 2. 主要會計政策(續)

#### (j) 資產減值(續)

##### (ii) 其他資產減值(續)

- 確認減值虧損

當資產或其所屬現金產生單位之賬面值超過其可收回金額，則於損益中確認減值虧損。就現金產生單位確認之減值虧損，均首先被分配以減少分配至現金產生單位(或單位組別)之任何商譽之賬面值，然後分配以按比例減少該單位(或單位組別)之其他資產之賬面值，惟資產之賬面值將不會被減至低於其個別公平值減出售成本(如可予計量)或使用價值(如可予釐定)。

- 撥回減值虧損

就商譽以外之資產而言，倘用以釐定可收回金額之估計出現有利變動，則撥回減值虧損。商譽之減值虧損則不會撥回。

減值虧損之撥回以於過往年度並無確認減值虧損而原應釐定之資產賬面值為限。減值虧損之撥回計入確認該等撥回之年度之損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Impairment of assets (Continued)

##### (iii) Interim financial reporting and impairment

Under the GEM Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim Financial Reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 2(j)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

#### (k) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

### 2. 主要會計政策(續)

#### (j) 資產減值(續)

##### (iii) 中期財務報告及減值

根據GEM證券上市規則，本集團須按照香港會計準則第34號中期財務報告就財政年度首六個月編製中期財務報告。於中期期末，本集團應用其於財政年度末時將會採用之相同減值測試、確認及撥回標準(見附註2(j)(i)及(ii))。

於中期期間就按成本列賬之商譽、可供出售股本證券及非上市股本證券而確認之減值虧損不得於往後期間撥回。假設與中期期間有關之減值評估於財政年度末才進行，即使沒有確認虧損，或虧損屬輕微，均採用以上相同處理方法。因此，倘可供出售股本證券之公平值於全年期間剩餘時候(或其後任何其他期間)有所增加，有關增幅於其他全面收益(而非損益)內確認。

#### (k) 存貨

存貨以成本及可變現淨值兩者之較低者入賬。

成本乃根據加權平均成本法計算，包括所有購買成本、加工成本及將存貨送抵目前地點及達致目前狀況所產生之其他成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (k) Inventories (Continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### (l) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 2(j)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

### 2. 主要會計政策(續)

#### (k) 存貨(續)

可變現淨值指於日常業務中之估計售價減估計完工成本及作出銷售所需估計成本。

售出存貨後，有關存貨之賬面值將於有關收益獲確認之期間確認為開支。所有將存貨撇減至可變現淨值之數額及有關存貨之所有虧損於撇減或出現虧損期間確認為開支。任何撇減存貨所撥回之有關數額將於出現撥回期間確認為已確認為開支之存貨數額的減少。

#### (l) 應收賬款及其他應收款項

應收賬款及其他應收款項先按公平值確認，其後使用實際利率法按攤銷成本減去呆賬減值撥備後所得數額入賬(見附註2(j))；但如應收款為向關聯方作出的無任何固定還款期的免息貸款或其折現影響並不重大則除外。在此情況下，應收款會按成本減去呆賬減值撥備後所得數額入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (m) Convertible bonds

Convertible bonds that contain an equity component

Convertible bonds that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition the liability component of the convertible bonds is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. Any excess of proceeds over the amount initially recognised as the liability component is recognised as the equity component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the capital reserve until either the note is converted or redeemed.

If the note is converted, the capital reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, the capital reserve is released directly to retained profits.

### 2. 主要會計政策(續)

#### (m) 可換股債券

包含權益部份之可換股債券

倘於轉換時將予發行之股份數目及當時將收取之代價價值並無發生變動，可按持有人選擇轉換為權益股本之可換股債券入賬列作複合式金融工具(包含負債部份及權益部份)。

於初始確認時，可換股債券之負債部份乃按日後利息及本金付款現值計量，而日後利息及本金付款現值乃以並無轉換權之相近負債於初始確認時適用之市場利率進行貼現。倘所得款項高於初始確認為負債部份之金額，則差額確認為權益部份。與發行複合式金融工具有關之交易成本按所得款項之分配比例分配至負債及權益部份。

負債部份其後按攤銷成本列賬。於損益中確認之債務部份的利息開支使用實際利率法計算。權益部份於資本儲備中確認，直至債券獲轉換或贖回。

倘債券獲轉換，則資本儲備連同負債部份於轉換時之賬面值會一併轉撥至股本及股份溢價，作為已發行股份之代價。倘債券獲贖回，則有關資本儲備直接撥入保留溢利。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (n) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

#### (o) Trade and other payables

Trade and other payables are initially recognised at fair value. Trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### (p) Employee benefits

##### (i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave and 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.

Contributions to Mandatory Provident Funds required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and mandatory central pension schemes organised by the local government of the PRC government are recognised as an expense in the consolidated statement of profit or loss as incurred.

### 2. 主要會計政策(續)

#### (n) 計息借款

計息借款初步按公平值減應佔交易成本確認。於初步確認後，計息借款按攤銷成本列賬，初步確認金額與贖回價值間的任何差額（連同任何應付利息及費用）會在借款期內以實際利率法於損益內確認。

#### (o) 應付賬款及其他應付款項

應付賬款及其他應付款項均初步按公平值確認。應付賬款及其他應付款項其後按攤銷成本列賬，惟倘若貼現之影響並不重大，則按成本列賬。

#### (p) 僱員福利

##### (i) 短期僱員福利及向定額供款退休計劃的供款

薪金、年度花紅、有薪年假、定額供款退休計劃供款及非貨幣福利成本，乃於僱員提供有關服務之年度內計算。倘付款或結算獲遞延處理且其影響屬重大，則該等金額按其現值列賬。

根據香港強制性公積金計劃條例須向強制性公積金作出之供款，以及向中國地方政府所籌辦之強制性中央退休金計劃作出之供款，於產生時在綜合損益表內確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (p) Employee benefits (Continued)

##### (ii) Share-based payments

Share options granted by the Company to employees of the Group in an equity-settled share-based payment arrangement.

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a share option reserve within equity. The fair value is measured at grant date using the Binomial option pricing 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 share 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 option 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 option 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 option reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to the accumulated losses).

### 2. 主要會計政策(續)

#### (p) 僱員福利(續)

##### (ii) 以股份為基礎之付款

於一項以股權結算以股份為基礎之付款安排中本公司向本集團僱員授出的購股權。

授予僱員之購股權之公平值，乃確認為僱員成本，並相應增加權益中之購股權儲備。公平值乃於授出日期利用二項式期權定價模式計量，當中考慮到授出購股權所依據之條款及條件。倘若僱員於有權無條件享有購股權前須符合歸屬條件，則估計購股權之總體公平值乃於歸屬期間內分攤，當中考慮到購股權將會歸屬之可能性。

於歸屬期內，會審核預期歸屬之購股權數目。於過去年度確認之累計公平值之任何調整，乃於審核年度於損益內扣除／計入，惟合資格確認為資產之原本僱員開支則除外，並對購股權儲備作相應調整。於歸屬日，確認為開支之款額會予以調整，以反映歸屬購股權之實際數目（並對購股權儲備作相應調整），惟因並無達致與本公司股份市值相關之歸屬條件才沒收之購股權除外。權益款額乃於購股權儲備內確認，直至購股權獲行使（當其轉撥至股份溢價賬）或購股權到期（直接撥入累計虧損時）為止。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (p) Employee benefits (Continued)

##### (ii) Share-based payments (Continued)

Share options granted to consultant in an equity-settled share-based payment transactions.

Share options issued in exchange for goods or services are measured at fair values of the goods or services rendered, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of goods or services received are recognised as expenses immediately, unless the goods or services qualify for recognition as assets. Corresponding adjustment has been made to equity (share option reserve).

#### (q) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

### 2. 主要會計政策(續)

#### (p) 僱員福利(續)

##### (ii) 以股份為基礎之付款(續)

於一項以股權結算以股份為基礎之付款交易中向顧問授出的購股權。

為換取貨品或服務而發行的購股權按收到的貨品或服務的公平值計量，除非有關公平值無法可靠計量，在此情況下收到的貨品或服務參考授出的購股權的公平值計量。本集團取得的貨品或服務的公平值乃即時確認為開支，除非貨品或服務符合資格確認為資產。已在權益(購股權儲備)作出相應調整。

#### (q) 所得稅

本年度所得稅包括即期稅項以及遞延稅項資產及負債變動。即期稅項以及遞延稅項資產及負債變動於損益確認，惟倘與於其他全面收益或直接於權益確認之項目有關者，則相關稅項金額分別於其他全面收益或直接於權益中確認。

即期稅項指年內就應課稅收入，按於報告期末已實施或實際已實施之稅率，並經就過往年度應付稅項之任何調整而計算之估計應付稅項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (q) Income tax (Continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

### 2. 主要會計政策(續)

#### (q) 所得稅(續)

分別由可扣減及應課稅暫時差額產生之遞延稅項資產及負債，指就財務申報之資產及負債賬面值與其稅基之差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項抵免產生。

除若干例外情況外，所有遞延稅項負債均予以確認，而倘日後應課稅溢利有可能對銷可予以使用的資產，則所有遞延稅項資產均予以確認。支持確認由可扣減臨時差額所產生遞延稅項資產的日後應課稅溢利包括因撥回現有應課稅臨時差額而產生的數額，惟該等差額須與同一稅務機構及同一應課稅實體有關，並預期會在可扣減臨時差額預期撥回之相同期間或轉回或結轉遞延稅項資產產生稅項虧損之期間撥回。於釐訂現有應課稅臨時差額是否可用以確認尚未動用的稅項虧損及抵免之遞延稅項資產時，可採納相同的準則，即該等差額若與同一稅務機構及同一應課稅實體有關，並預期在能使用稅項虧損或抵免的相同期間內撥回，則會被考慮。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (q) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

### 2. 主要會計政策(續)

#### (q) 所得稅(續)

確認遞延稅項資產及負債之例外情況包括不能為課稅而扣減商譽所產生之臨時差額，初步確認既不影響會計亦不影響應課稅溢利（惟須非業務組成部份）之資產或負債，及有關於附屬公司投資所出現臨時差額時，惟倘就應課稅差額而言，本集團可控制撥回之時間，且差額很可能不會於可見將來撥回或出現可扣減差額則除外，除非日後很可能會撥回。

所確認之遞延稅項金額乃按預期資產及負債賬面值之變現或結算方式，使用於報告期末已實施或實際已實施之稅率計算。遞延稅項資產及負債不會折現。

遞延稅項資產賬面值於各報告期末審核，倘可能不再有足夠應課稅溢利以容許使用有關稅項利益，則會進行扣減。倘可能會有足夠應課稅溢利，該等扣減將會撥回。

源自股息分派之額外所得稅於確認支付有關股息責任時予以確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (q) 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.

### 2. 主要會計政策(續)

#### (q) 所得稅(續)

即期稅項結餘及遞延稅項結餘和其變動，均獨立呈列及不會予以抵銷。當本公司或本集團有法定強制執行權，可以即期稅項資產抵銷即期稅項負債及達成以下額外條件時，則即期稅項資產將抵銷即期稅項負債，及遞延稅項資產將抵銷遞延稅項負債：

- 倘為即期稅項資產及負債，本公司或本集團擬按淨額結算或同時變現資產及清償負債；或
- 倘為遞延稅項資產及負債，由同一稅務機構按以下情況徵收所得稅：
  - 同一個課稅實體；或
  - 不同的課稅實體。這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的各個未來期間，按淨額變現即期稅項資產和清償即期稅項負債或在變現資產的同時清償負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (r) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company 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.

#### (s) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

##### (i) Sales of liquefied coalbed gas and piped natural gas

Revenue from sales of liquefied coalbed gas and piped natural gas are recognised when the gas is delivered and title has passed. Revenue excludes value-added and business taxes and trade discounts.

##### (ii) Income from provision of gas supply connection services

Revenue from provision of gas supply connection services is recognised when the relevant construction work is completed and connection services are rendered.

### 2. 主要會計政策(續)

#### (r) 撥備及或然負債

倘本公司或本集團因過往事件而負有可能導致經濟利益流出方可了結之法定或推定責任，且能作出可靠估計，則就不確定時限或金額之其他負債確認撥備。倘貨幣時間值為重大者，則撥備按預期清償債務所需開支之現值入賬。

倘可能毋須導致經濟利益流出或不能可靠估計金額，則將責任列作或然負債披露，除非經濟利益流出之可能性極微。僅可由發生或不發生一件或數件未來事件予以確定之可能責任，亦列作或然負債披露，除非經濟利益流出之可能性極微。

#### (s) 收益確認

收益按已收或應收代價之公平值計量。倘經濟利益極有可能流入本集團，且收益及成本(倘適用)能可靠計算，收益將按以下方式於損益確認：

##### (i) 銷售液化煤層氣及管道天然氣

銷售液化煤層氣及管道天然氣之收益乃於氣體已發送及所有權已轉讓時確認。收益不包括增值稅及營業稅及商業折扣。

##### (ii) 提供供氣接駁服務之收入

提供供氣接駁服務之收益於相關工程完工及提供接駁服務時確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (s) Revenue recognition (Continued)

##### (iii) Income from provision of liquefied coalbed gas logistics services

Revenue from provision of logistics services is recognised when services are rendered.

##### (iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

##### (v) Government grants

Government grants are recognised in the consolidated statement of financial position 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 revenue 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.

A government grant that becomes receivables as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

##### (vi) Rental income

Rental income is recognised on a straight-line basis over the period of the lease.

### 2. 主要會計政策(續)

#### (s) 收益確認(續)

##### (iii) 提供液化煤層氣物流服務之收入

提供物流服務之收益於提供服務時確認。

##### (iv) 利息收入

利息收入乃於其利用實際利率法計提時確認。

##### (v) 政府津貼

倘可合理確定能夠收取政府津貼，而本集團將符合政府津貼所附帶的條件，則政府津貼在綜合財務狀況表中初步確認。補償本集團所產生開支的津貼於產生開支的同一期間有系統地於損益中確認為收入。補償本集團資產成本的津貼在相關資產賬面值中扣除，其後於該項資產的可用年期內以減少折舊開支方式於損益內實際確認。

作為產生之開支或虧損的補償或為實體提供即時財務援助之應收政府津貼如無未來相關成本，應於應收期內於損益確認。

##### (vi) 租金收入

租金收入以直線法按租期確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (t) Translation of foreign currencies

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

The functional currency of the Company is Hong Kong dollars ("HK\$") and the presentation currency is RMB. The reason for using RMB as a presentation currency is that the functional currency of the principal entities within the Group is RMB.

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. 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.

## 2. 主要會計政策(續)

### (t) 外幣換算

本集團各實體之財務報表中所包括之項目，均使用有關實體業務所在之主要經濟環境之貨幣（「功能貨幣」）進行計量。綜合財務報表乃以人民幣（「人民幣」）呈列。

本公司之功能貨幣為港元（「港元」）及呈報貨幣為人民幣。使用人民幣作為呈報貨幣之原因為本集團內主要實體之功能貨幣均為人民幣。

年內以外幣結算之交易乃按交易當日之匯率換算。以外幣計值之貨幣資產及負債，則按報告期末之匯率換算。匯兌收益及虧損乃於損益內確認。

按歷史成本計量及以外幣列值之非貨幣資產及負債，乃按於交易日期之匯率換算。以外幣列值並按公平值列賬之非貨幣資產及負債，均按於計量公平值當日之匯率換算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

*(Continued)*

#### (t) Translation of foreign currencies *(Continued)*

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the translation reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

#### (u) 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.

### 2. 主要會計政策(續)

#### (t) 外幣換算(續)

海外業務之業績均按與於交易當日之匯率相若之匯率換算為人民幣。財務狀況表項目(包括因綜合於二零零五年一月一日或之後收購之海外業務而產生之商譽)均按於報告期末之收市匯率換算為人民幣。所產生之匯兌差額,均於其他全面收益確認及於換算儲備的權益中分開累計。因綜合於二零零五年一月一日之前收購之海外業務而產生之商譽,乃按收購海外業務當日之匯率換算。

當出售海外業務時,與該海外業務有關的累計匯兌差額於出售盈虧確認時,由權益重新分類至損益。

#### (u) 借貸成本

為購入、建設或生產資產而直接應佔並須經一段頗長時間始能投入擬定用途或出售之借貸成本,作為該項資產之部份成本撥充資本。其他借款成本於產生期間內支銷。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (u) Borrowing costs (Continued)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

##### (v) 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 lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

#### 2. 主要會計政策(續)

##### (u) 借貸成本(續)

屬於合資格資產成本一部份的借貸成本在資產產生開支、產生借貸成本和使資產投入擬定用途或出售所必須的準備工作進行期間開始撥充資本。在使合資格資產投入擬定用途或出售所必須的絕大部份準備工作中止或完成時，借貸成本便會暫停或停止撥充資本。

##### (v) 分部呈報

財務報表所呈報之經營分部及各分部項目之款項乃於為分配資源予本集團不同業務及地區以及評估該等業務及地區之表現而定期向本集團首席執行管理人員提供之財務資料中確認。

就財務報告而言，個別重大經營分部不會合併，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務之方法以及監管環境性質方面相類似則除外。倘並非個別重大之經營分部符合大部份此等準則，則該等經營分部可能合併處理。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (w) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

### 2. 主要會計政策(續)

#### (w) 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。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)；
  - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)；
  - (iii) 兩間實體均為同一第三方的合營企業；
  - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (w) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (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); and
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

#### 2. 主要會計政策(續)

##### (w) 關連人士(續)

- (b) 倘符合下列任何條件，即實體與本集團有關連：(續)
- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職後福利計劃；
- (vi) 實體受(a)所識別人士控制或受共同控制；
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員；及
- (viii) 實體、或一間集團之任何成員公司(為集團之一部分)向本集團或本集團之母公司提供主要管理人員服務。

個人的近親家庭成員指在與該實體進行交易時預期可影響，或受該個人影響的家庭成員。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

#### Amendments to HKFRSs that are mandatory effective for the current year

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

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle

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

#### Amendments to HKAS 7 “Disclosure Initiative”

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 37. Apart from the additional disclosure in note 37, the application of these amendments has had no impact on the Group’s consolidated financial statements.

### 3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

#### 於本年度強制生效之香港財務報告準則之修訂

本集團已於本年度首次應用下列由香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則之修訂：

香港會計準則第7號(修訂本)	披露計劃
香港會計準則第12號(修訂本)	就未實現虧損確認遞延稅項資產
香港財務報告準則第12號(修訂本)	作為二零一四年至二零一六年週期香港財務報告準則之年度改進之一部份

除下文所述者外，於本年度應用香港財務報告準則之修訂對本集團於本年度及以往年度之財務表現及狀況及／或綜合財務報表所載之披露並無重大影響。

#### 香港會計準則第7號(修訂本)「披露計劃」

本集團於本年度首次應用此等修訂。該等修訂要求實體提供披露資料，使財務報表使用者能夠評估融資活動產生的負債變動，包括現金及非現金變動。此外，倘若此等金融資產的現金流量或將來的現金流量將計入融資活動的現金流量，則此等修訂亦要求披露金融資產的變動。

具體而言，修訂要求披露以下各項：(i) 融資現金流量的變動；(ii) 因取得或失去附屬公司或其他業務的控制權而產生的變動；(iii) 匯率變動的影響；(iv) 公平值變動；及(v) 其他變動。

有關該等項目期初及期末結餘之對賬載於附註37。除附註37的額外披露外，應用該等修訂並無對本集團綜合財務報表造成影響。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

## 3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

## New and revised HKFRSs in issue but not yet effective

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

HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers and the related Amendments <sup>1</sup>
HKFRS 16	Leases <sup>2</sup>
HKFRS 17	Insurance Contracts <sup>3</sup>
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments <sup>2</sup>
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions <sup>1</sup>
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>1</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures <sup>2</sup>
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle <sup>1</sup>
Amendments to HKAS 40	Transfers of Investment Property <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined

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

## 3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

## 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提前應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第15號	來自客戶合約之收益及相關修訂 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港財務報告準則第17號	保險合約 <sup>3</sup>
香港(國際財務報告詮釋委員會)–詮釋第22號	外幣交易及墊付代價 <sup>1</sup>
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 <sup>2</sup>
香港財務報告準則第2號(修訂本)	以股份付款交易的分類及計量 <sup>1</sup>
香港財務報告準則第4號(修訂本)	對香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具 <sup>1</sup>
香港財務報告準則第9號(修訂本)	具有負補償之提前還款特點 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者及其聯營公司或合營企業出售或注入資產 <sup>4</sup>
香港會計準則第28號(修訂本)	於聯營公司或合營企業之長期權益 <sup>2</sup>
香港會計準則第28號(修訂本)	作為二零一四年至二零一六年週期香港財務報告準則之年度改進之一部份 <sup>1</sup>
香港會計準則第40號(修訂本)	轉移投資物業 <sup>1</sup>
香港財務報告準則(修訂本)	二零一五年至二零一七年週期香港財務報告準則之年度改進 <sup>2</sup>

<sup>1</sup> 於二零一八年一月一日或之後開始的年度期間生效

<sup>2</sup> 於二零一九年一月一日或之後開始的年度期間生效

<sup>3</sup> 於二零二一年一月一日或之後開始的年度期間生效

<sup>4</sup> 於將釐定之日期或之後開始的年度期間生效

除下文所述之新訂及經修訂香港財務報告準則及詮釋外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則及詮釋於可見將來將不會對綜合財務報表造成重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### HKFRS 9 “Financial Instruments”

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

### 3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) (續)

#### 香港財務報告準則第9號「金融工具」

香港財務報告準則第9號引入金融資產與金融負債分類及計量之新規定、一般對沖會計以及有關金融資產之減值規定。

與本集團相關之香港財務報告準則第9號之主要規定為：

- 香港財務報告準則第9號範圍內之所有已確認金融資產其後須按攤銷成本或公平值計量。具體而言，以收取合約現金流為目的之業務模式持有之債務投資，及擁有純粹為支付本金及尚未償還本金利息之合約現金流之債務投資，一般於其後會計期末按攤銷成本計量。於目的為同時收取合約現金流及出售金融資產之業務模式中持有之債務工具，以及合約條款令於特定日期產生之現金流純粹為支付本金及尚未償還本金利息的債務工具，一般均以按公平值計入其他全面收益(「按公平值計入其他全面收益」)之方式計量。所有其他金融資產於其後會計期間按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇於其他全面收益呈列股本投資(並非持作買賣)之其後公平值變動，而一般僅於損益內確認股息收入。
- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換而言之，毋須再待發生信貸事件方確認信貸虧損。

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### 綜合財務報表附註

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### 3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### HKFRS 9 “Financial Instruments” (Continued)

Based on the Group’s financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9:

#### Impairment

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 January 2018 would be slightly increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on rental and other receivables and fixed deposits with financial institutions. Such further impairment recognised under expected credit loss model would reduce the opening retained profits at 1 January 2018.

#### HKFRS 15 “Revenue from Contracts with Customers”

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations when it becomes effective.

### 3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第9號「金融工具」(續)

根據本集團截至二零一七年十二月三十一日的金融工具和風險管理政策，本公司董事預期首次應用香港財務報告準則第9號之潛在影響如下：

#### 減值

一般而言，本公司董事預期應用香港財務報告準則第9號的預期信貸虧損模式將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量之金融資產以及其他須作出減值撥備的項目之尚未產生的信貸虧損提前撥備。

根據本公司董事的評估，倘若本集團須應用預期信貸虧損模式，則本集團於二零一八年一月一日將予確認的累計減值虧損金額將較根據香港會計準則第39號確認的累計金額略有增加，主要是由於租金及其他應收款項以及於金融機構之定期存款的預期信貸虧損撥備所致。按預期信貸虧損模式確認的進一步減值將減少於二零一八年一月一日的期初保留溢利。

#### 香港財務報告準則第15號「來自客戶合約之收益」

香港財務報告準則第15號為實體將自客戶合約產生的收益入賬制定單一全面模式。香港財務報告準則第15號生效後，將取代包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋的現有收益確認指引。

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## 綜合財務報表附註

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### 3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### HKFRS 15 “Revenue from Contracts with Customers” (Continued)

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, they do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

### 3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第15號「來自客戶合約之收益」(續)

香港財務報告準則第15號的核心原則為，實體應確認收益，以說明實體按反映交換商品或服務預期所得代價之金額向客戶轉讓所承諾商品或服務。具體而言，該準則引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於實體完成履約責任時(或就此)確認收益

根據香港財務報告準則第15號，實體於完成履約責任之時(或就此)確認收益，即於特定履約責任相關貨品或服務的「控制權」移交客戶時。香港財務報告準則第15號已就特殊情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求更詳盡的披露。

二零一六年，香港會計師公會發出香港財務報告準則第15號的澄清，內容有關履約責任的識別、委託人相對代理人的考慮因素以及許可授權的應用指引。

本公司董事預期將來應用香港財務報告準則第15號可能會導致更多披露，但預期應用香港財務報告準則第15號不會對各報告期間所確認之收益的時間性及金額產生重大影響。



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### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### HKFRS 16 “Leases”

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

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

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

### 3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號為租賃安排的識別以及出租人及承租人的會計處理引入一套全面模型。香港財務報告準則第16號於生效時將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制以區分租賃及服務合約。除短期租賃及低值資產的租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式所取代。

使用權資產初步按成本計量，隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量而作出調整。租賃負債乃按租賃款項(非當日支付)的現值初步計量。其後，租賃負債就(其中包括)利息及租賃款項以及租賃修訂的影響進行調整。就現金流量分類而言，本集團現時將自用租賃土地及分類為投資物業之租賃土地的前期預付租賃款項呈列為投資現金流量，而其他經營款項則呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃付款將被分配為本金及利息部分，並將以融資及經營現金流量呈列。

與承租人會計處理方法相反，香港財務報告準則第16號大致沿用香港會計準則第17號內出租會計處理方法之規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求廣泛的披露。

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### 3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### HKFRS 16 “Leases” (Continued)

As at 31 December 2017, the Group has non-cancellable operating lease commitments of RMB584,000 as disclosed in note 35(b). A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, the directors of the Company do not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in significant impact on the result and the financial position of the Group.

### 4. ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### (a) Sources of estimation uncertainty

Key sources of estimation uncertainty are as follows:

##### (i) Estimation of impairment of trade and other receivables

The policy for recognising impairment on receivables of the Group is based on an evaluation of the collectibility and ageing analysis of accounts and on management’s judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of the Group’s debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment may be required.

### 3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) (續)

#### 香港財務報告準則第16號「租賃」 (續)

於二零一七年十二月三十一日，本集團擁有不可撤銷的經營租賃承擔人民幣584,000元(如附註35(b)所披露)。初步評估顯示該等安排將符合香港財務報告準則第16號項下租賃的定義，因此本集團將就所有租賃確認使用權資產及相應負債，除非於應用香港財務報告準則第16號時其符合低值或短期租賃。此外，應用新規定可能導致上文所述的計量、呈列及披露有所變動。然而，本公司董事預期，相對現行會計政策，採用香港財務報告準則第16號不會對本集團業績及財務狀況造成重大影響。

### 4. 會計判斷及估計

判斷及估計將按過往經驗及其他因素(包括相信當時情況下合理發生之預期未來事項)作出持續評估。

#### (a) 估計不確定性之來源

估計不確定性之主要來源如下：

##### (i) 估計應收賬款及其他應收款項之減值

本集團確認應收款項減值之政策，乃根據評估賬目之可收回程度及賬齡分析，以及根據管理層之判斷而制訂。於評估該等應收款項之最終變現數額時，需作出大量判斷，包括各名債務人之目前信譽及過去收款歷史。倘若本集團債務人之財務狀況惡化，減低彼等付款之能力，則可能須作額外減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 4. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

#### (a) Sources of estimation uncertainty (Continued)

##### (ii) Impairment of property, plant and equipment and prepaid land lease payments

The Group tests annually whether property, plant and equipment and prepaid land lease payments have suffered any impairment in accordance with relevant accounting policies. The recoverable amounts have been determined based on value-in-use calculations and fair value calculation. The value-in-use calculations require the use of estimates such as the profit forecast, cash flows projections and pre-tax discount rates. In determining the fair values, an independent professional valuer assesses the significant unobservable input by reference to market data and takes into consideration certain estimates of market conditions. As at 31 December 2017, the carrying amounts of property, plant and equipment and prepaid land lease payments are approximately RMB664,994,000 (2016: RMB728,717,000) and RMB35,120,000 (2016: RMB35,937,000) respectively net of accumulated impairment losses recognised of approximately RMB100,415,000 (2016: RMB92,086,000) and RMB Nil (2016: RMB Nil) respectively.

##### (iii) Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set-up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account changes in tax legislations. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

### 4. 會計判斷及估計(續)

#### (a) 估計不確定性之來源(續)

##### (ii) 物業、機器及設備以及預付土地租金減值

本集團每年均根據有關會計政策就物業、機器及設備以及預付土地租金有否出現任何減值進行測試。可收回金額根據使用價值計算及公平價值計算釐定。使用價值計算需要利用溢利預測、現金流量預測及稅前貼現率等估計。於釐定公平值時，獨立專業估值師參考市場數據及計及若干市況估計評估重大不可觀察輸入數據。於二零一七年十二月三十一日，物業、機器及設備以及預付土地租金的賬面值分別約為人民幣664,994,000元(二零一六年：人民幣728,717,000元)及人民幣35,120,000元(二零一六年：人民幣35,937,000元)，已分別扣除已確認的累計減值虧損約人民幣100,415,000元(二零一六年：人民幣92,086,000元)及人民幣零元(二零一六年：人民幣零元)。

##### (iii) 所得稅

釐定所得稅撥備涉及對未來若干交易之稅項待遇之判斷。本集團謹慎評估交易的稅務影響，並相應作出稅項撥備。有關交易之稅務待遇會定期重新檢討，以計及稅法變動。就所有未被動用稅項虧損確認遞延稅項資產，惟以應課稅溢利可能可用作抵扣可動用之虧損為限。為釐定可予確認之遞延稅項資產金額，須根據未來應課稅溢利之可能時間及數額連同未來稅務規劃策略作出重大管理層判斷。

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### 4. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

#### (b) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following critical accounting judgements:

##### (i) Renewal of gas business operating permits

The Group holds certain gas business operating permits with licence period of 3 to 5 years at date of issue which will be expired in year 2018 to 2021 and the renewal of which is subject to the approval by the relevant PRC authorities. In the opinion of the directors, taking into account legal opinion from the Company's PRC legal counsel, there are no legal impediments for the Group to renew its gas business operating permits upon expiry.

If the Group were unable to renew these permits upon expiry, the carrying amounts of the Group's property, plant and equipment of approximately RMB664,994,000 (2016: RMB728,717,000) and prepaid land lease payments of approximately RMB35,120,000 (2016: RMB35,937,000) might be significantly reduced, and the Group might increase depreciation and amortisation charges of those assets where their useful lives are less than previously estimated, or it might write off or write down the carrying amount of those assets.

##### (ii) Going concern consideration

The assessments of the going concern assumptions involve making judgement by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has the ability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt about the going concern assumptions are set out in Note (2b) to the consolidated financial statements.

### 4. 會計判斷及估計(續)

#### (b) 在應用本集團會計政策時所作之重大會計判斷

於應用本集團的會計政策過程中，管理層已作出以下重大會計判斷：

##### (i) 天然氣業務經營許可證的續期

本集團持有若干天然氣業務經營許可證，於發出日期的有效期間為3至5年，並將於二零一八年至二零二一年到期，而該等許可證的續期將須獲得相關中國部門的批准。董事認為，考慮到本公司中國法律顧問的法律意見，本集團於其天然氣業務經營許可證到期時進行續期不存在任何法律障礙。

倘若本集團無法於該等許可證到期時續期，則本集團物業、機器及設備的賬面值約人民幣664,994,000元(二零一六年：人民幣728,717,000元)及預付土地租金約人民幣35,120,000元(二零一六年：人民幣35,937,000元)可能會大幅降低，而本集團可能會增加使用年期少於之前估計的該等資產的折舊及攤銷費用，或可能撇銷或撇減該等資產的賬面值。

##### (ii) 持續經營考慮

評估持續經營假設涉及本公司董事於某個特定時間，就本質上不確定的事項或條件的未來結果，作出的判斷。本公司董事認為本集團有能力持續經營，而個別或共同可能對持續經營假設構成重大疑問，從而可能導致經營風險的主要事項或條件已載於綜合財務報表附註(2b)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 5. REVENUE

### 5. 收益

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Sales of liquefied coalbed gas	液化煤層氣銷售	35,684	146,951
Provision of liquefied coalbed gas logistics services	提供液化煤層氣物流服務	7,263	10,013
Sales of piped natural gas (including provision of gas supply connection services)	管道天然氣銷售 (包括提供供氣接駁服務)	135,615	61,915
		<b>178,562</b>	218,879

### 6. OTHER INCOME AND GAINS OR LOSSES

### 6. 其他收入及收益或虧損

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Other income</b>	<b>其他收入</b>		
Interest income from bank deposits	銀行存款之利息收入	32	85
Net foreign exchange gain	外匯收益淨額	-	72
Rental income	租金收入	303	148
Value-added tax refund	可抵扣增值稅	4,003	-
Sundry income	雜項收入	603	424
		<b>4,941</b>	729
<b>Other gains or losses</b>	<b>其他收益或虧損</b>		
Gain/(loss) on disposal of property, plant and equipment	出售物業、機器及設備 收益/(虧損)	406	(228)
Impairment loss on property, plant and equipment	物業、機器及設備之 減值虧損	(8,329)	-
Impairment loss on trade and other receivables	應收賬款及其他應收款項之 減值虧損	(6,080)	(5,513)
Written-off of other receivables	撇銷其他應收款項	(1,561)	-
Loss on deregistration of a subsidiary (Note 36)	撇銷登記一間附屬公司 的虧損(附註36)	(2,195)	-
		<b>(12,818)</b>	(5,012)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

### 7. 除稅前虧損

除稅前虧損已扣除以下各項：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>(a) Staff costs (including directors' and chief executive's emoluments in note 9)</b>	<b>(a) 員工成本(包括附註9中的董事及最高行政人員酬金)</b>		
Salaries and other benefits	薪金及其他福利	24,658	26,566
Retirement benefits schemes contributions	退休福利計劃供款	4,161	4,162
<b>Total staff costs*</b>	<b>總員工成本*</b>	<b>28,819</b>	<b>30,728</b>

\* Amount excluded staff costs capitalised in construction in progress of approximately RMB29,000 (2016: RMB31,000).

\* 金額不包括於在建工程資本化之員工成本約人民幣29,000元(二零一六年：人民幣31,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**7. LOSS BEFORE TAXATION (Continued)**

Loss before taxation is arrived at after charging: (Continued)

**7. 除稅前虧損(續)**

除稅前虧損已扣除以下各項：(續)

		<b>2017</b>	2016
		<b>二零一七年</b>	二零一六年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
<b>(b) Other items</b>	<b>(b) 其他項目</b>		
Cost of inventories (Note 21(b))	存貨之成本(附註21(b))	<b>81,216</b>	132,301
Auditors' remuneration	核數師薪酬		
– audit services	– 核數服務	<b>2,033</b>	1,716
– non-audit services	– 非核數服務	–	189
Depreciation of property, plant and equipment	物業、機器及設備折舊	<b>77,805</b>	80,080
Amortisation of prepaid land lease payments	預付土地租金攤銷	<b>817</b>	863
Operating lease charges in respect of land and buildings	土地及樓宇之經營租約費用	<b>428</b>	811
Research and development costs	研究及開發成本	<b>317</b>	579
<b>(c) Finance costs</b>	<b>(c) 融資成本</b>		
Interest expenses on bank and other borrowings	銀行及其他借款之利息開支	<b>4,043</b>	3,625
Effective interest on convertible bonds	可換股債券之實際利息	<b>1,887</b>	1,504
Finance charges on obligations under finance leases	融資租賃承擔之融資費用	<b>3,241</b>	5,796
Total interest expenses on financial liabilities not at fair value through profit or loss	並非按公平值計入損益之金融負債之利息開支總額	<b>9,171</b>	10,925

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Current tax – PRC Enterprise Income Tax (“EIT”)</b>	<b>即期稅項 — 中國企業所得稅(「企業所得稅」)</b>		
Provision for the year	本年度撥備	2,738	4,769
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences	暫時差額產生及撥回	<b>(2,118)</b>	(1,692)
Income tax expense	所得稅開支	<b>620</b>	3,077

The Company was incorporated in the Cayman Islands and continued in Bermuda as an exempted company under the laws of Bermuda and, accordingly, is exempted from payment of the Bermuda Income Tax.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year ended 31 December 2017 (2016: 16.5%). No provision for Hong Kong Profits Tax has been made as the Group has no estimated assessable profits arising in or derived from Hong Kong for the years ended 31 December 2017 and 2016.

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

本公司在開曼群島註冊成立並根據百慕達法例於百慕達存續為獲豁免公司，因此獲豁免繳納百慕達所得稅。

截至二零一七年十二月三十一日止年度之香港利得稅按估計應課稅溢利之16.5%（二零一六年：16.5%）計算。由於本集團於截至二零一七年及二零一六年十二月三十一日止年度並無於香港產生或源自香港的估計應課稅溢利，故並無為香港利得稅作出任何撥備。

海外附屬公司的稅項乃按相關國家現行適當稅率徵收。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

- (a) Taxation in the consolidated statement of profit or loss represents: (Continued)

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

- (b) Reconciliation between income tax expenses and accounting loss at applicable tax rates:

### 8. 綜合損益表內之所得稅(續)

- (a) 綜合損益表內之稅項指：(續)

根據有關企業所得稅的中國法律(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司自二零零八年一月一日起之稅率為25%。

- (b) 按適用稅率計算之所得稅開支與會計虧損之對賬如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Loss before taxation	除稅前虧損	<b>(66,351)</b>	(99,307)
Notional tax on loss before taxation, calculated at the rates applicable to the tax jurisdictions concerned	按相關稅務司法權區適用稅率計算之除稅前虧損名義稅項	<b>(14,752)</b>	(23,000)
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	<b>6,953</b>	11,387
Tax effect of unrecognised temporary differences	未確認暫時差額之稅務影響	<b>(3,403)</b>	1,328
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	<b>13,332</b>	14,568
PRC withholding tax	中國預扣稅	<b>(1,510)</b>	(1,206)
Income tax expense	所得稅開支	<b>620</b>	3,077

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS *(Continued)*

- (c) Pursuant to the EIT Law in the PRC, from 1 January 2008, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax at the rate of 10% (unless reduced by tax treaty) on various types of passive income such as dividends derived from sources within the PRC.

Pursuant to the Sino-Hong Kong Double Tax Arrangement and the related regulations, a qualified Hong Kong tax resident will be liable for a reduced withholding tax rate of 5% on dividends from a PRC enterprise if the Hong Kong tax resident is the “beneficial owner” and holds 25% or more of the equity interest of the PRC enterprise. A withholding tax rate of 5% is applicable to entities held by a qualified Hong Kong incorporated subsidiary.

### 8. 綜合損益表內之所得稅(續)

- (c) 根據中國企業所得稅法，由二零零八年一月一日起，在中國境內未設立機構或營業地點，或者雖在中國境內設立機構或營業地點但取得之收入與其在中國境內所設機構或營業地點沒有實際聯繫之非居民企業，將須就多種被動收入(如源於中國境內之股息)按10%稅率(除非按稅收協定減免)繳納預扣稅。

根據中港雙重徵稅安排及有關規定，倘香港繳稅居民為中國企業的「實益擁有人」，並持有該中國企業25%或以上股本權益，合資格香港繳稅居民獲中國企業派付的股息則可享有經調低預扣稅稅率5%。由在香港註冊成立之附屬公司持有之實體之預扣稅率為5%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the six (2016: five) directors and the chief executive were as follows:

### 9. 董事及最高行政人員酬金

已付或應付六名(二零一六年：五名)董事及最高行政人員各人之酬金如下：

		Salaries, allowances and benefits Fees	Discretionary bonuses	Retirement benefits schemes contributions	Equity-settled share-based payment expenses	2017 Total
		薪金、 津貼及 袍金	酌情花紅	退休福利 計劃供款	以股權結算 以股份為 基礎之 付款開支	二零一七年 總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive directors</b>	<b>執行董事</b>					
Wang Zhong Sheng	王忠勝	-	867	-	-	867
Fu Shou Gang	付壽剛	-	87	-	-	87
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Lau Chun Pong (appointed on 13 November 2017)	劉振邦 (於二零一七年十一月十三日獲委任)	-	-	-	-	-
Wang Zhi He	王之和	43	-	-	-	43
Luo Wei Kun	羅維崑	43	-	-	-	43
Pang Yuk Fong (resigned on 30 September 2017)	彭玉芳 (於二零一七年九月三十日辭任)	33	-	-	-	33
		119	954	-	-	1,073

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

### 9. 董事及最高行政人員酬金(續)

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement benefits schemes contributions	Equity-settled share-based payment expenses	2016 Total
		RMB'000 人民幣千元	薪金、津貼及實物福利 RMB'000 人民幣千元	酌情花紅 RMB'000 人民幣千元	退休福利計劃供款 RMB'000 人民幣千元	以股權結算以股份為基礎之付款開支 RMB'000 人民幣千元	二零一六年總計 RMB'000 人民幣千元
<b>Executive directors</b>	<b>執行董事</b>						
Wang Zhong Sheng	王忠勝	-	1,098	-	6	-	1,104
Fu Shou Gang	付壽剛	-	252	-	-	-	252
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>						
Wang Zhi He	王之和	86	-	-	-	-	86
Luo Wei Kun	羅維崑	43	-	-	-	-	43
Pang Yuk Fong	彭玉芳	43	-	-	-	-	43
		172	1,350	-	6	-	1,528

During the years ended 31 December 2017 and 2016, since the appointment of the chief executive officer of the Company remains outstanding, no emoluments were paid to the chief executive officer of the Company.

Neither the chief executive officer nor any of the directors waived any emoluments in the years ended 31 December 2017 and 2016. No inducement payments to join or upon joining the Group or as compensation for loss of office were paid or payable to any director or the chief executive officer for the years ended 31 December 2017 and 2016.

於截至二零一七年及二零一六年十二月三十一日止年度，由於本公司尚未委任行政總裁，故並無向本公司行政總裁支付酬金。

於截至二零一七年及二零一六年十二月三十一日止年度，概無行政總裁或任何董事放棄任何酬金。於截至二零一七年及二零一六年十二月三十一日止年度，並無向任何董事或行政總裁支付或應付任何加入本集團或加入本集團時之獎賞或離職補償。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2016: two) are directors whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the other three (2016: three) individuals are as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他福利	1,512	1,681
Retirement benefits schemes contributions	退休福利計劃供款	40	41
		<b>1,552</b>	<b>1,722</b>

The emoluments of the three (2016: three) individuals with the highest emoluments are within the following bands:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Nil to RMB1,000,000	零至人民幣1,000,000元	3	3

#### 10. 最高薪人士

本集團五名最高薪人士中，兩名(二零一六年：兩名)為董事，彼等之酬金於附註9披露。其他三名(二零一六年：三名)人士之酬金總額如下：

三名(二零一六年：三名)最高薪人士之酬金介乎以下範圍：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 11. DIVIDENDS

No dividend has been proposed or declared by the directors for the year ended 31 December 2017 (2016: Nil).

### 12. LOSS PER SHARE

The basic and diluted loss per share is RMB5.32 cents per share (2016: RMB7.65 cents per share). The calculation of the basic loss per share for the year ended 31 December 2017 is based on the loss attributable to equity shareholders of the Company of approximately RMB70,219,000 (2016: RMB101,002,000) and the weighted average number of shares of approximately 1,319,484,000 (2016: 1,319,484,000) in issue during the year ended 31 December 2017.

The calculation for diluted loss per share for the year ended 31 December 2017 is based on the loss attributable to equity shareholders of the Company of approximately RMB70,219,000 (2016: RMB101,002,000) and the denominator used are the same as for the basic loss per share. Diluted loss per share attributable to equity shareholders of the Company for the years ended 31 December 2017 and 2016 is the same as the basic loss per share as the effect of potential ordinary shares from the exercise and conversion of share options and convertible bonds are anti-dilutive.

### 11. 股息

截至二零一七年十二月三十一日止年度，董事並無建議派付或宣派股息(二零一六年：無)。

### 12. 每股虧損

每股基本及攤薄虧損為每股人民幣5.32分(二零一六年：每股人民幣7.65分)。截至二零一七年十二月三十一日止年度之每股基本虧損乃根據於截至二零一七年十二月三十一日止年度本公司權益股東應佔虧損約人民幣70,219,000元(二零一六年：人民幣101,002,000元)及已發行股份加權平均數約1,319,484,000股(二零一六年：1,319,484,000股)計算得出。

截至二零一七年十二月三十一日止年度之每股攤薄虧損乃根據本公司權益股東應佔虧損約人民幣70,219,000元(二零一六年：人民幣101,002,000元)計算得出，而用於計算之分母與每股基本虧損相同。截至二零一七年及二零一六年十二月三十一日止年度本公司權益股東應佔每股攤薄虧損與每股基本虧損相同，原因是來自行使及轉換購股權及可換股債券之潛在普通股具有反攤薄效應。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. SEGMENT REPORTING

The Group's operating segments are determined based on information reported to the chief operating decision maker (the "CODM"), being the Company's board of directors, for the purpose of resources allocation and performance assessment. The CODM reviews the Group's internal reporting, assesses the performance and allocates the resources of the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the performance of exploitation, liquefaction production and sale of natural gas in the PRC. Therefore, the CODM considers there is only one operating segment under the requirements of HKFRS 8 Operating Segments. In this regard, no segment information is presented.

Additional disclosure in relation to segment information is not presented as the CODM assess the performance of the sole operating segment identified based on the consistent information as disclosed in the consolidated financial statements.

The total segment result is equivalent to total comprehensive expense for the year as shown in the consolidated statement of profit or loss and other comprehensive income and the total segment assets and total segment liabilities are equivalent to total assets and total liabilities as shown in the consolidated statement of financial position.

### 13. 分部呈報

本集團的經營分部乃根據向首席營運決策人(「首席營運決策人」,即本公司董事會)就資源分配及表現評估而呈報的資料而釐定。鑑於本集團的所有活動均視為主要依賴於在中國開採、液化生產及銷售天然氣的表現,首席營運決策人從整體上來檢討本集團的內部呈報、評估本集團的表現及分配本集團資源。因此,首席營運決策人認為根據香港財務報告準則第8號經營分部的規定,本集團僅有一個經營分部。就此而言,並無呈列分部資料。

由於首席營運決策人根據綜合財務報表中披露的統一資料而評核已識別的唯一經營分部之表現,因此並無呈列有關分部資料的額外披露。

分部業績總額相等於綜合損益及其他全面收益表所示的本年度全面開支總額,而分部資產總值及分部負債總額則相等於綜合財務狀況表所示的總資產及總負債。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**13. SEGMENT REPORTING (Continued)****(a) Geographical information**

The Group principally operates in Hong Kong and the PRC.

The Group's revenue from external customers and information about its non-current assets by geographical locations are detailed below:

**13. 分部呈報(續)****(a) 地理資料**

本集團主要在香港及中國經營業務。

本集團按地理位置劃分的來自外部客戶的收益及非流動資產的資料詳列如下：

		Revenue from external customers 來自外部客戶的收益		Non-current assets* 非流動資產*	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Hong Kong	香港	-	-	-	210
PRC	中國	178,562	218,879	725,590	789,928
		178,562	218,879	725,590	790,138

\* Non-current assets excluding deferred tax assets.

\* 非流動資產不包括遞延稅項資產。



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. SEGMENT REPORTING (Continued)

#### (b) Information about major customers

Revenue from customers of corresponding years contributing over 10% of total revenue of the Group is as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Customer A	客戶A	37,338	-
Customer B	客戶B	26,852	-
Customer C	客戶C	-	31,047
Customer D	客戶D	-	26,419
Customer E	客戶E	-	25,354
		<b>64,190</b>	82,820

### 13. 分部呈報(續)

#### (b) 主要客戶的資料

相應年度貢獻之收益超過本集團總收益10%的客戶如下：

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**14. GOODWILL****14. 商譽**RMB'000  
人民幣千元

<b>Cost:</b>	<b>成本：</b>	
At 1 January 2016, 31 December 2016 and 2017	於二零一六年一月一日、二零一六年 及二零一七年十二月三十一日	347,651
<b>Accumulated impairment losses:</b>	<b>累計減值虧損：</b>	
At 1 January 2016, 31 December 2016 and 2017	於二零一六年一月一日、二零一六年 及二零一七年十二月三十一日	347,651
<b>Carrying amount:</b>	<b>賬面值：</b>	
At 31 December 2016 and 2017	於二零一六年及二零一七年十二月三十一日	-

The carrying amount of the goodwill was fully impaired during the year ended 31 December 2015.

截至二零一五年十二月三十一日止年度，商譽之賬面值已全數減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、機器及設備

		Buildings held for own use 持作自用 之樓宇 RMB'000 人民幣千元	Leasehold improvements 租賃 裝修工程 RMB'000 人民幣千元	Pipelines 管道 RMB'000 人民幣千元	Plant and machinery 機器及機械 RMB'000 人民幣千元	Computer equipment 電腦設備 RMB'000 人民幣千元	Furniture and equipment 傢俱及設備 RMB'000 人民幣千元	Transportation and motor vehicles 運輸工具 及汽車 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost</b>	<b>原值</b>									
At 1 January 2016	於二零一六年一月一日	156,742	675	169,328	619,480	318	2,654	36,400	144,769	1,130,366
Additions	添置	1,152	930	-	1,302	-	311	3,118	3,146	9,959
Transfer from construction in progress	從在建工程轉出	-	-	9,337	-	-	-	-	(9,337)	-
Disposals	出售	-	-	-	-	-	-	(3,479)	-	(3,479)
Exchange adjustments	匯兌調整	-	47	-	-	2	7	110	-	166
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	157,894	1,652	178,665	620,782	320	2,972	36,149	138,578	1,137,012
Additions	添置	-	-	-	224	-	27	58	22,781	23,090
Disposals	出售	-	-	-	-	-	-	(5,764)	-	(5,764)
Deregistration of a subsidiary	撤銷登記一間附屬公司	-	-	-	-	(5)	-	-	-	(5)
Exchange adjustments	匯兌調整	-	(51)	-	-	(3)	(8)	(127)	-	(189)
At 31 December 2017	於二零一七年十二月三十一日	157,894	1,601	178,665	621,006	312	2,991	30,316	161,359	1,154,144
<b>Accumulated depreciation and impairment</b>	<b>累計折舊及減值</b>									
At 1 January 2016	於二零一六年一月一日	83,711	675	29,954	181,976	271	2,143	23,661	7,294	329,685
Charge for the year	本年度支出	8,048	258	9,454	57,387	21	225	4,687	-	80,080
Written back on disposals	出售撥回	-	-	-	-	-	-	(1,610)	-	(1,610)
Exchange adjustments	匯兌調整	-	47	-	-	2	7	84	-	140
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	91,759	980	39,408	239,363	294	2,375	26,822	7,294	408,295
Charge for the year	本年度支出	8,062	310	10,574	55,270	10	161	3,418	-	77,805
Impairment	減值	-	-	-	4,408	-	40	-	3,881	8,329
Written back on disposals	出售撥回	-	-	-	-	-	-	(5,092)	-	(5,092)
Deregistration of a subsidiary	撤銷登記一間附屬公司	-	-	-	-	(4)	-	-	-	(4)
Exchange adjustments	匯兌調整	-	(51)	-	-	(3)	(8)	(121)	-	(183)
At 31 December 2017	於二零一七年十二月三十一日	99,821	1,239	49,982	299,041	297	2,568	25,027	11,175	489,150
<b>Carrying amount</b>	<b>賬面值</b>									
At 31 December 2017	於二零一七年十二月三十一日	58,073	362	128,683	321,965	15	423	5,289	150,184	664,994
At 31 December 2016	於二零一六年十二月三十一日	66,135	672	139,257	381,419	26	597	9,327	131,284	728,717

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Notes:

- (i) The buildings held for own use are situated on land held under medium-term leases in the PRC.
- (ii) The pipelines of the Group are located in the PRC.
- (iii) At 31 December 2017, the Group's building held for own use and plant and machinery with carrying amount of approximately RMB53,210,000 (before impairment) (2016: RMB57,301,000 before impairment) and RMB66,220,000 (before impairment) (2016: RMB76,721,000 before impairment) respectively were pledged.
- (iv) The carrying amount of the Group's assets held under finance leases at 31 December 2017 of approximately RMB66,220,000 (before impairment) (2016: RMB76,721,000 before impairment) was included in plant and machinery and approximately RMB454,000 (2016: RMB601,000) was included in transportation and motor vehicles.

In view of the continuing operating losses of certain subsidiaries operating in the PRC during the years ended 31 December 2017 and 2016, the directors of the Company have performed impairment assessment on the property, plant and equipment of these subsidiaries as at 31 December 2017 and 2016. The recoverable amounts of these property, plant and equipment have been determined by an independent professional valuer, Asset Appraisal Limited ("Asset Appraisal") based on value-in-use calculations. The pretax discount rates in measuring the amounts of value-in-use range from 24% to 27% per annum in relation to these property, plant and equipment (2016: range from 22% to 29% per annum). There has been no change from the valuation technique used in prior year. As a result of the impairment assessment, no impairment loss had been recognised in respect of these property, plant and equipment during the year ended 31 December 2017 (2016: RMB Nil).

However, due to wear and tear, an impairment loss of approximately RMB8,329,000 (2016: RMB Nil) was recognised in respect of certain property, plant and equipment.

### 15. 物業、機器及設備(續)

附註：

- (i) 持作自用之樓宇位處中國按中期租約持有之土地上。
- (ii) 本集團之管道位於中國。
- (iii) 於二零一七年十二月三十一日，本集團持作自用之樓宇以及機器及機械之賬面值分別約人民幣53,210,000元(減值前)(二零一六年：人民幣57,301,000元(減值前))及人民幣66,220,000元(減值前)(二零一六年：人民幣76,721,000元(減值前))已獲抵押。
- (iv) 於二零一七年十二月三十一日，本集團根據融資租賃持有之資產之賬面值約人民幣66,220,000元(減值前)(二零一六年：人民幣76,721,000元(減值前))乃計入機器及機械，另約人民幣454,000元(二零一六年：人民幣601,000元)計入運輸工具及汽車。

鑒於截至二零一七年及二零一六年十二月三十一日止年度於中國經營的若干附屬公司的持續經營虧損，本公司董事已於二零一七年及二零一六年十二月三十一日就該等附屬公司的物業、機器及設備進行減值評估。該等物業、機器及設備的可收回金額乃由獨立專業估價師中誠達資產評估顧問有限公司(「中誠達資產評估」)根據使用價值計算釐定。計算該等物業、機器及設備使用價值所採用的稅前貼現年率介乎24%至27%(二零一六年：年率介乎22%至29%)。所使用的估值方法與去年相同。因減值評估的結果，截至二零一七年十二月三十一日止年度，並無就該等物業、機器及設備確認減值虧損(二零一六年：人民幣零元)。

然而，由於日久損耗，已就若干物業、機器及設備確認減值虧損約人民幣8,329,000元(二零一六年：人民幣零元)。

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## 綜合財務報表附註

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### 16. PREPAID LAND LEASE PAYMENTS

The carrying amount of the Group's prepaid land lease payments is analysed as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日之賬面值	35,937	36,800
Amortisation for the year	本年度攤銷	(817)	(863)
Carrying amount at 31 December	於十二月三十一日之賬面值	35,120	35,937
Less: Current portion	減：即期部份	(871)	(863)
Non-current portion	非即期部份	34,249	35,074

The prepaid land lease payments are held under medium-term leases and situated in the PRC.

At 31 December 2017, the Group's prepaid land lease payments with a carrying amount of approximately RMB16,341,000 (2016: RMB17,192,000) were pledged.

The amortisation charges for the year ended 31 December 2017 of approximately RMB Nil (2016: RMB154,000) and RMB817,000 (2016: RMB709,000) are included in cost of sales and administrative expenses respectively in the consolidated statement of profit or loss.

The directors of the Company have performed an impairment assessment on the related prepaid land lease payments with carrying values of approximately RMB35,120,000 (2016: RMB35,937,000) of the Group as at 31 December 2017 based on a valuation performed by Asset Appraisal using the comparable approach where comparison based on prices realised or market prices of comparable real properties. Comparable real properties of similar size, character and location are analysed and weighed against all the respective advantages and disadvantage of each of real property. Adjustments in the prices of the comparable real properties are then made to account for the identified differences between such real properties and the real properties in the relevant factors. As a result of the impairment assessment, no impairment loss had been recognised in respect of the prepaid land lease payments during the year ended 31 December 2017 (2016: RMB Nil).

### 16. 預付土地租金

本集團預付土地租金之賬面值分析如下：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Carrying amount at 1 January	35,937	36,800
Amortisation for the year	(817)	(863)
Carrying amount at 31 December	35,120	35,937
Less: Current portion	(871)	(863)
Non-current portion	34,249	35,074

預付土地租金乃按中期租約持有，其位於中國。

於二零一七年十二月三十一日，本集團預付土地租金之賬面值約人民幣16,341,000元（二零一六年：人民幣17,192,000元）已獲抵押。

截至二零一七年十二月三十一日止年度攤銷支出約人民幣零元（二零一六年：人民幣154,000元）及人民幣817,000元（二零一六年：人民幣709,000元）分別於綜合損益表之銷售成本及行政開支列賬。

於二零一七年十二月三十一日，本公司董事已根據中誠達資產評估使用比較法進行的估值，就賬面值約人民幣35,120,000元（二零一六年：人民幣35,937,000元）的有關預付土地租金進行減值評估，而比較乃按可資比較不動產的已變現價格或市價作出。本公司會就各項不動產的所有個別優點及缺點，分析及衡量面積、質素及地點相似的可資比較不動產。其後，根據有關不動產與不動產於相關因素上的已識別差異對可資比較不動產的價格進行調整。因減值評估的結果，截至二零一七年十二月三十一日止年度，概無就預付土地租金確認減值虧損（二零一六年：人民幣零元）。

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## 綜合財務報表附註

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**17. INTANGIBLE ASSETS****17. 無形資產**

		Exclusive right for piped natural gas operation 管道天然氣 業務之獨家權利 RMB'000 人民幣千元	Operating license for liquefied coalbed gas logistics 液化煤層氣 物流營運執照 RMB'000 人民幣千元	Total  總計 RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>			
At 1 January 2016, 31 December 2016 and 2017	於二零一六年一月一日、 二零一六年及二零一七年 十二月三十一日	334,811	97,300	432,111
<b>Accumulated amortisation and impairment</b>	<b>累計攤銷及減值</b>			
At 1 January 2016, 31 December 2016 and 2017	於二零一六年一月一日、 二零一六年及二零一七年 十二月三十一日	334,811	97,300	432,111
<b>Carrying amount</b>	<b>賬面值</b>			
At 31 December 2016 and 2017	於二零一六年及二零一七年 十二月三十一日	-	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 17. INTANGIBLE ASSETS (Continued)

##### (a) Exclusive right for piped natural gas operation in Beiliu City

It represented the exclusive right to operate in gas pipeline infrastructure and provision of piped natural gas in Beiliu City, Guangxi Zhuang Autonomous Region, the PRC and was amortised as cost of sales on a straight-line basis over the estimated useful lives of 45 years starting from 2009.

The carrying amount of this exclusive right was fully impaired in 2015.

##### (b) Exclusive right for piped natural gas operation in Ruyang County

It represented the exclusive right to operate in gas pipeline infrastructure and provision of piped natural gas in Ruyang County, Luoyang City, Henan Province, the PRC and was amortised as cost of sales on a straight-line basis over the estimated useful lives of approximately 28.5 years starting from 2011.

The carrying amount of this exclusive right was fully impaired in 2015.

##### (c) Operating license for liquefied coalbed gas logistics

It represented the operating license for liquefied coalbed gas logistics in the PRC and was amortised as cost of sales on a straight-line basis over the estimated useful lives of 5 years starting from 2010. The carrying amount of this operating license was fully amortised /impaired in 2015.

#### 17. 無形資產(續)

##### (a) 在北流市經營管道天然氣業務之獨家權利

該權利指在中國廣西壯族自治區北流市經營燃氣管道基礎設施和提供管道天然氣之獨家權利，並按直線基準於自二零零九年計45年之估計可使用年期內作為銷售成本攤銷。

該獨家權利之賬面值已於二零一五年全數減值。

##### (b) 在汝陽縣經營管道天然氣業務之獨家權利

該權利指在中國河南省洛陽市汝陽縣經營燃氣管道基礎設施和提供管道天然氣之獨家權利，並按直線基準於自二零一一年計約28.5年之估計可使用年期內作為銷售成本攤銷。

該獨家權利之賬面值已於二零一五年全數減值。

##### (c) 液化煤層氣物流營運執照

該執照指在中國經營液化煤層氣物流之營運執照，並按直線基準於自二零一零年起計5年之估計可使用年期內作為銷售成本攤銷。該營運執照之賬面值已於二零一五年全數攤銷/減值。

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## 綜合財務報表附註

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### 18. DEPOSITS AND PREPAYMENTS

### 18. 訂金及預付款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Warranty money paid for the acquisition of equipment under finance lease arrangements (note (i))	就融資租賃安排項下收購設備支付之保證金(附註(i))	14,700	14,700
Other deposits for acquisition of interests in land (note (ii))	收購土地權益之其他訂金(附註(ii))	10,462	10,462
Prepayments	預付款項	1,185	1,185
		<b>26,347</b>	<b>26,347</b>

Notes:

- (i) On 28 January 2015, 山西沁水順泰能源發展有限公司 (transliterated as Shanxi Qinshui Shuntai Energy Development Company Limited) ("Shanxi Qinshui") entered into a conditional equipments with 中集融資租賃有限公司 (transliterated as CIMC finance lease agreement in relation to the sale and lease of Capital Ltd.) ("CIMC") ("2015 Finance Lease Arrangement"), pursuant to which, (i) Shanxi Qinshui conditionally agreed to sell and CIMC conditionally agreed to purchase the certain liquefied natural gas equipment ("Equipments") for a total consideration of RMB98,000,000; and (ii) Shanxi Qinshui conditionally agreed to lease from CIMC, and CIMC conditionally agreed to lease to Shanxi Qinshui, the Equipments for a total lease consideration of RMB114,836,400 for a term of 36 months by monthly installments inclusive of interest, with a lump sum handling fee in the sum of RMB980,000. The lease consideration may be adjusted according to the floating lending interest rate to be promulgated by PBC from time to time. Shanxi Qinshui shall pay an amount of RMB14,700,000 as warranty money to CIMC. The 2015 Finance Lease Arrangement constituted a major transaction on the part of the Company under the GEM Listing Rules. The 2015 Finance Lease Arrangement was approved by the shareholders by way of ordinary resolution at the special general meeting of the Company held on 30 March 2015. During the year ended 31 December 2016, Shanxi Qinshui entered into a supplemental agreement to extend the term for a further 12 months up to February 2019.
- (ii) The balance represents deposits paid by the Group for the acquisition of interests in land located in the PRC which will be held for own use under operating leases.

附註：

- (i) 於二零一五年一月二十八日，山西沁水順泰能源發展有限公司(「山西沁水」)就銷售及租賃設備與中集融資租賃有限公司(「中集」)簽訂有條件融資租賃協議(「二零一五年融資租賃協議」)。據此，(i)山西沁水有條件同意出售而中集有條件同意購買若干液化天然氣設備(「設備」)，總代價為人民幣98,000,000元；及(ii)山西沁水有條件同意向中集承租，而中集有條件同意向山西沁水出租設備，總租賃代價為人民幣114,836,400元，為期36個月(按月分期付款，包括利息)，另加一筆手續費合共人民幣980,000元。租賃代價可根據中國人民銀行不時頒佈的浮動借貸利率作出調整。山西沁水須向中集支付人民幣14,700,000元作為保證金。根據GEM上市規則，二零一五年融資租賃協議構成本公司的一項主要交易。股東已於二零一五年三月三十日舉行之本公司股東特別大會上以普通決議案批准二零一五年融資租賃協議。截至二零一六年十二月三十一日止年度內，山西沁水訂立一份補充協議將租期延續多12個月至二零一九年二月。
- (ii) 該結餘指本集團就收購位於中國的土地之權益支付之訂金，該土地將根據經營租約持作自用。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the Company's principal subsidiaries at 31 December 2017 are as follows:

### 19. 本公司主要附屬公司之詳情

於二零一七年十二月三十一日，本公司主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立地點/ 經營地點	Particulars of issued and paid-up share/registered capital 已發行及繳付 股本/註冊資本詳情	Proportion of ownership interest 股權比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Direct 直接	Indirect 間接	
山西陽城順泰能源發展有限公司 (transliterated as Shanxi Yangcheng Shuntai Energy Development Company Limited) ("Shanxi Yangcheng Shuntai") (notes (a) and (e)) (「山西陽城順泰」) (附註(a)及(e))	PRC 中國	Registered capital of HK\$83,000,000 註冊資本 83,000,000港元	100%	100%	-	Investment holding 投資控股
Shanxi Qinshui (notes (a) and (d)) 山西沁水(附註(a)及(d))	PRC 中國	Registered capital of HK\$300,000,000 註冊資本 300,000,000港元	100%	100%	-	Manufacture and sales of liquefied coalbed gas 生產及銷售液化煤層氣
廣西北流燃氣有限公司 (transliterated as Guangxi Beiliu Gas Company Limited) (note (b)) (附註(b))	PRC 中國	Registered capital of RMB20,000,000 註冊資本 人民幣20,000,000元	97.5%	-	97.5%	Sales of piped natural gas and provision of gas supply connection services 銷售管道天然氣及提供 供氣接駁服務
Hebei Shuntai (note (a)) 河北順泰(附註(a))	PRC 中國	Registered capital of RMB87,280,000 註冊資本 人民幣87,280,000元	100%	100%	-	Sales of liquefied coalbed gas 銷售液化煤層氣
山西萬志物流有限公司 (transliterated as Shanxi Wanzhi Logistics Limited) ("Wanzhi Logistics") (note (c)) (「萬志物流」)(附註(c))	PRC 中國	Registered capital of RMB60,000,000 註冊資本 人民幣60,000,000元	83%	-	83%	Provision of liquefied coalbed gas logistics services 提供液化煤層氣 物流服務

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

### 19. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立地點/ 經營地點	Particulars of issued and paid-up share/registered capital 已發行及繳付 股本/註冊資本詳情	Proportion of ownership interest 股權比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Direct 直接	Indirect 間接	
Hong Kong Chung Wo Energy Investments Limited 香港中和能源產業投資有限公司	Hong Kong 香港	HK\$1 1港元	100%	-	100%	Investment holding 投資控股
洛陽順和能源有限公司 (transliterated as Luoyang Shunhe Energy Company Limited) ("Luoyang Shunhe") (note (b)) (「洛陽順和」)(附註(b))	PRC 中國	Registered capital of HK\$60,000,000 註冊資本 60,000,000港元	100%	-	100%	Sales of natural gas 天然氣銷售
陽城縣惠陽新能源有限公司 (transliterated as Yangcheng Huiyang New Energy Development Company Limited) ("Yangcheng Huiyang") (note (b)) (「陽城惠陽」)(附註(b))	PRC 中國	Registered capital of RMB30,000,000 註冊資本 人民幣30,000,000元	60%	-	60%	Exploration, development and production of coalbed methane 勘探、開發及 生產煤層氣
陽城縣順安集輸管道有限公司 (transliterated as Yangcheng Shun An Gathering Pipeline Company Limited) (note (a)) (附註(a))	PRC 中國	Registered capital of RMB10,000,000 註冊資本 人民幣10,000,000元	100%	-	100%	Gas distribution 天然氣分銷
諾信(獻縣)機械工程材料有限公司 (transliterated as Nuoxin (Xian County) Engineering Materials Company Limited) ("Nuoxin Engineering") (note (b)) (「諾信」)(附註(b))	PRC 中國	Registered capital of RMB47,564,900 註冊資本 人民幣47,564,900元	100%	-	100%	Manufacturing and sales of PE gas pipelines 生產及銷售聚乙烯 供氣管道

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes:

- (a) Registered under the laws of the PRC as a wholly-owned foreign enterprise.
- (b) Registered under the laws of the PRC as a limited liability enterprise.
- (c) Registered under the laws of the PRC as a Sino-foreign equity joint venture.
- (d) The registered capital of Shanxi Qinshui was HK\$300,000,000, of which HK\$240,000,000 (2016: HK\$240,000,000) has been paid up as at 31 December 2017.
- (e) The registered capital of Shanxi Yangcheng Shuntai was HK\$83,000,000 (2016: HK\$300,000,000), of which HK\$83,000,000 (2016: HK\$85,000,000) has been paid up as at 31 December 2017.

### 19. 本公司主要附屬公司之詳情(續)

董事認為上述本公司附屬公司為主要影響本集團業績或資產者。董事認為，提供其他附屬公司之詳情會導致篇幅過於冗長。

附註：

- (a) 根據中國法律註冊為外商獨資企業。
- (b) 根據中國法律註冊為有限責任企業。
- (c) 根據中國法律註冊為中外合資企業。
- (d) 山西沁水之註冊資本為300,000,000港元，其中240,000,000港元(二零一六年：240,000,000港元)已於二零一七年十二月三十一日繳付。
- (e) 山西陽城順泰之註冊資本為83,000,000港元(二零一六年：300,000,000港元)，其中83,000,000港元(二零一六年：85,000,000港元)已於二零一七年十二月三十一日繳付。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

The following table shows information of subsidiary that has non-controlling interest ("NCI") material to the Group. The summarised financial information represents amounts before inter-company eliminations.

#### 陽城縣惠陽新能源有限公司

(transliterated as Yangcheng Huiyang New Energy Development Company Limited)

### 19. 本公司主要附屬公司之詳情(續)

下表列示本集團擁有重大非控股權益(「非控股權益」)之附屬公司之資料。財務資料概要呈列集團內公司間撇銷前之金額。

		2017 二零一七年	2016 二零一六年
Principal place of business/country of incorporation	主要營業地點／註冊成立國家	PRC 中國	PRC 中國
% of ownership interests/voting rights held by NCI	非控股權益持有之所有者權益／投票權百分比	40%/40%	40%/40%
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At 31 December:</b>	<b>於十二月三十一日：</b>		
Non-current assets	非流動資產	430,439	471,047
Current assets	流動資產	21,634	75,265
Current liabilities	流動負債	(565,959)	(568,167)
Net liabilities	淨負債	(13,886)	(21,855)
Accumulated NCI	累計非控股權益	(5,554)	(8,742)
<b>Year ended 31 December:</b>	<b>截至十二月三十一日止年度：</b>		
Revenue	收益	68,925	61,762
Impairment loss on other receivables	其他應收款項減值虧損	(3,688)	-
Profit/(Loss)	溢利／(虧損)	7,969	(2,012)
Total comprehensive income	全面收入總額	7,969	(2,012)
Profit/(Loss) allocated to NCI	分配至非控股權益之溢利／(虧損)	3,188	(805)
Dividends paid to NCI	派付予非控股權益之股息	-	-
Net cash generated from/ (used in) operating activities	經營活動產生／(所用)之現金淨額	4,107	(3,545)
Net cash used in investing activities	投資活動所用之現金淨額	(2,839)	(112)
Net cash generated from financing activities	融資活動產生之現金淨額	-	-
Net increase/(decrease) in cash and cash equivalents	現金及現金等值物增加／(減少)淨額	1,268	(3,657)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 20. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

#### 20. 按公平值計入損益之金融資產

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Financial assets at fair value through profit or loss:	按公平值計入損益之金融資產：		
– Unlisted investment fund outside Hong Kong	– 香港境外非上市投資基金	–	200

#### 21. INVENTORIES

#### 21. 存貨

(a) Inventories in the consolidated statement of financial position comprise:

(a) 於綜合財務狀況表內之存貨包括：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Raw materials	原材料	788	6,003
Finished goods	製成品	704	2,112
		<b>1,492</b>	<b>8,115</b>

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

(b) 已確認為開支並計入損益之存貨金額之分析如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cost of inventories sold	已售存貨之成本	<b>81,216</b>	132,301

The cost of inventories recognised included approximately RMB4,397,000 (2016: RMB Nil) in respect of written-downs of inventories to net realisable value.

就撇減存貨至可變現淨值確認之存貨成本約為人民幣4,397,000元(二零一六年：人民幣零元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**22. TRADE AND OTHER RECEIVABLES****22. 應收賬款及其他應收款項**

		<b>2017</b>	2016
		<b>二零一七年</b>	二零一六年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Trade and bills receivables	應收賬款及票據	<b>19,107</b>	20,796
Less: Allowance for doubtful debts	減：呆賬撥備	<b>(13,609)</b>	(13,257)
		<b>5,498</b>	7,539
Other receivables	其他應收款項	<b>12,840</b>	22,328
Amount due from a related company (note 39(a)(i))	應收關連公司款項 (附註39(a)(i))	<b>3,813</b>	3,730
Loans and receivables	貸款及應收款項	<b>22,151</b>	33,597
Advances to suppliers	向供應商墊款	<b>4,848</b>	1,840
Prepayment relating to construction expenses	與建設開支有關之 預付款項	<b>42,473</b>	49,248
Other prepayments	其他預付款項	<b>7,920</b>	9,904
Value-added tax recoverable	可抵扣增值稅	<b>3,986</b>	5,696
		<b>81,378</b>	100,285

All of the trade and other receivables are expected to be recovered or recognised as expenses within one year.

預期所有應收賬款及其他應收款項將於一年內收回或確認為開支。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 22. TRADE AND OTHER RECEIVABLES (Continued)

##### (a) Ageing analysis

As of the end of the reporting period, the ageing analysis of the trade and bills receivables, based on invoice date and net of allowance for doubtful debts, is as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 month	1個月內	3,221	6,271
More than 1 month but less than 3 months	1個月後但3個月內	-	428
More than 3 months but less than 6 months	3個月後但6個月內	-	-
More than 6 months but less than 12 months	6個月後但12個月內	1,030	-
More than 12 months	12個月後	1,247	840
		<b>5,498</b>	7,539

The Group generally allows credit period of 30 to 180 days to its customers. The Group may, on a case by case basis and after evaluation of the business relationship and creditworthiness, extend the credit period upon the customers' requests.

##### (b) Impairment of trade and other receivables

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly (see note 2 (j)).

#### 22. 應收賬款及其他應收款項(續)

##### (a) 賬齡分析

應收賬款及票據(按發票日期及扣除呆賬撥備)於報告期末之賬齡分析如下:

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 month	3,221	6,271
More than 1 month but less than 3 months	-	428
More than 3 months but less than 6 months	-	-
More than 6 months but less than 12 months	1,030	-
More than 12 months	1,247	840
	<b>5,498</b>	7,539

本集團一般給予客戶30至180日信貸期。本集團可按每個個案及於評估業務關係及信譽後，應客戶要求延長信貸期。

##### (b) 應收賬款及其他應收款項之減值

應收賬款之減值虧損乃採用撥備賬記錄，惟本集團信納收回款項的可能性極微除外，在此情況下，減值虧損直接與應收賬款撇銷(見附註2(j))。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**22. TRADE AND OTHER RECEIVABLES (Continued)****(b) Impairment of trade and other receivables**  
(Continued)

The movement in the allowance for doubtful debts for trade receivables during the year is as follows:

		<b>2017</b> <b>二零一七年</b> <b>RMB'000</b> <b>人民幣千元</b>	2016 二零一六年 RMB'000 人民幣千元
At 1 January	於一月一日	<b>13,257</b>	7,744
Impairment loss recognised	已確認減值虧損	<b>352</b>	5,513
At 31 December	於十二月三十一日	<b>13,609</b>	13,257

At 31 December 2017, the Group's trade receivables of approximately RMB13,609,000 (2016: RMB13,257,000) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that the receivables were not recoverable. Consequently, specific allowance for doubtful debts were recognised.

The Group does not hold any collateral or other credit enhancement over their receivable balances.

Impairment loss on other receivables of the Group of approximately RMB5,728,000 (2016: RMB Nil) was recognised in the consolidated statement of profit or loss for the year ended 31 December 2017. The individually impaired other receivables of the Group relate to other debtors that were in financial difficulties or long outstanding and is not expected to be recoverable.

The Group do not hold any collateral or other credit enhancement over their other receivable balances.

**22. 應收賬款及其他應收款項(續)****(b) 應收賬款及其他應收款項之減值(續)**

年內應收賬款之呆賬撥備之變動如下：

於二零一七年十二月三十一日，本集團之應收賬款約為人民幣13,609,000元(二零一六年：人民幣13,257,000元)乃個別釐定為減值。個別減值之應收款項與陷入財務困難之客戶有關，且管理層估計有關應收款項不可收回。因此，已就呆賬確認特別撥備。

本集團並無就其應收款項結餘持有任何抵押品或其他信貸增級工具。

本集團其他應收款項之減值虧損約人民幣5,728,000元(二零一六年：人民幣零元)已於截至二零一七年十二月三十一日止年度之綜合損益表內確認。本集團個別減值之其他應收款項與陷入財務困難或久未償還之其他債務人有關，預期有關款項不可收回。

本集團並無就其他應收款項結餘持有任何抵押品或其他信貸增級工具。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 22. TRADE AND OTHER RECEIVABLES (Continued)

##### (c) Trade and bills receivables that are not impaired

The ageing analysis of trade and bills receivables that are neither individually nor collectively considered to be impaired are as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Neither past due nor impaired	未逾期及未減值	3,221	6,271
Less than 1 month past due	逾期少於1個月	-	-
1 to 3 months past due	逾期1至3個月	-	428
Over 3 months past due	逾期超過3個月	2,277	840
		<b>2,277</b>	1,268
		<b>5,498</b>	7,539

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to independent customers that have a good track record with the Group. Based on past experience, management believed that no impairment allowance was necessary in respect of this balance as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group did not hold any collateral over these balances.

#### 22. 應收賬款及其他應收款項(續)

##### (c) 未減值應收賬款及票據

被認為未個別及共同減值的應收賬款及票據之賬齡分析如下：

未逾期及未減值的應收款項涉及眾多客戶，該等客戶最近均無拖欠記錄。

已逾期但尚未減值之應收款項與於本集團擁有良好往績記錄之獨立客戶有關。根據過往經驗，管理層相信由於信貸質素並無重大變動，且有關結餘仍被視為可全數收回，故毋須就有關結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 23. CASH AND CASH EQUIVALENTS

### 23. 現金及現金等值物

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等值物		
– Cash at bank and in hand	– 銀行及手頭現金	<b>8,572</b>	20,534

Cash at bank earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB amounted to approximately RMB8,359,000 (2016: RMB17,419,000). RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於銀行之現金根據銀行每日存款利率按浮動利率賺取利息。銀行結餘存放於信譽良好及最近並無拖欠記錄的銀行。

於報告期末，本集團以人民幣計值的現金及現金等值物約為人民幣8,359,000元(二零一六年：人民幣17,419,000元)。人民幣不可自由兌換成其他貨幣，但根據中國之外匯管理條例和結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行把人民幣兌換成其他貨幣。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 24. TRADE AND OTHER PAYABLES

### 24. 應付賬款及其他應付款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Trade payables	應付賬款	<b>148,593</b>	160,236
Amounts due to directors (note 39(a)(ii))	應付董事款項(附註39(a)(ii))	<b>10,171</b>	13,738
Amounts due to non-controlling shareholders of subsidiaries (note 39(a)(ii))	應付附屬公司之非控股股東 款項(附註39(a)(ii))	<b>10,797</b>	6,451
Accrued expenses and other payables	應計開支及其他應付款項	<b>28,962</b>	31,039
Payables for acquisition of property, plant and equipment	收購物業、機器及 設備應付款項	<b>164,269</b>	159,618
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	<b>362,792</b>	371,082
Deposits received from customers	向客戶收取訂金	<b>13,028</b>	10,019
Value-added and other taxes payables	增值稅及其他應付稅項	<b>2,331</b>	1,826
		<b>378,151</b>	382,927

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 24. TRADE AND OTHER PAYABLES (Continued)

As of the end of the reporting period, the ageing analysis of the trade payables, based on invoice date, is as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 month	1個月內	12,935	3,294
More than 1 month but less than 3 months	1個月後但3個月內	106	447
More than 3 months but less than 6 months	3個月後但6個月內	214	-
More than 6 months but less than 12 months	6個月後但12個月內	264	155,688
More than 12 months	12個月後	135,074	807
		<b>148,593</b>	160,236

The trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

### 24. 應付賬款及其他應付款項(續)

於報告期末，應付賬款(按發票日期)之賬齡分析如下：

應付賬款及其他應付款項預期將於一年內清償或確認為收入或須按的要求償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 25. BANK AND OTHER BORROWINGS

### 25. 銀行及其他借款

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Secured bank loans repayable	須償付之已抵押銀行貸款	9,900	–
Unsecured other loans	無抵押其他貸款	37,380	40,080
		<b>47,280</b>	40,080
Analysed as:	分析如下：		
Amount due within 1 year shown under current liabilities	流動負債下一年內到期之款項	<b>47,280</b>	40,080

Notes:

- (a) Secured bank loans carry varies interest rate from 5.8% to 7% per annum. The bank loans were secured by personal guarantees given by Mr. Wang and general manager of the Company.
- (b) Unsecured other loans represent loans due to non-controlling shareholders of PRC subsidiaries of the Group and bear interest at fixed rates ranging from 7.12% to 11.50% (2016: 7.12% to 11.50%) per annum. Interest expenses on unsecured other loans to non-controlling shareholders of the subsidiaries amounted to approximately RMB1,884,000 (2016: RMB2,122,000) to Chengrong Investment (Note 39(c)) and amounted to approximately RMB1,525,000 (2016: RMB1,503,000) to Yangcheng Yangtai (Note 39(c)) were charged to profit or loss within "finance costs" during the year ended 31 December 2017.

附註：

- (a) 有抵押銀行貸款按介乎每年5.8%至7%之浮動利率計息。銀行貸款由王先生及本公司總經理提供的個人擔保作抵押。
- (b) 無抵押其他貸款指應付本集團中國附屬公司非控股股東之貸款，按介乎每年7.12%至11.50%（二零一六年：7.12%至11.50%）之固定利率計息。向附屬公司非控股股東盛融投資（附註39(c)）及陽城陽泰（附註39(c)）作出之無抵押其他貸款之利息開支分別為約人民幣1,884,000元（二零一六年：人民幣2,122,000元）及約人民幣1,525,000元（二零一六年：人民幣1,503,000元），已自截至二零一七年十二月三十一日止年度「財務費用」內之損益扣除。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 26. OBLIGATIONS UNDER FINANCE LEASES

At 31 December 2017, the Group had obligations under finance leases repayable as follows:

### 26. 融資租約承擔

於二零一七年十二月三十一日，本集團有以下應償付的融資租約承擔：

		2017 二零一七年		2016 二零一六年	
		Present value of the minimum lease payments 最低租賃 付款的現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元	Present value of the minimum lease payments 最低租賃 付款的現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元
Within 1 year	1年內	21,912	23,357	19,933	23,479
After 1 year but within 2 years	1年後但2年內	3,849	3,872	21,800	23,337
After 2 years but within 5 years	2年後但5年內	-	-	3,826	3,871
		<b>25,761</b>	<b>27,229</b>	45,559	50,687
Less: Total future interest expenses	減：未來利息開支 總額		<b>(1,468)</b>		(5,128)
Present value of lease obligations	租約承擔的現值		<b>25,761</b>		45,559

The Group leases certain equipment for its operations under the finance lease arrangements as detailed in note 18. These leases are classified as finance leases and have remaining lease term of 14 (2016: 26) months.

本集團根據融資租約安排租賃若干設備用於業務營運，詳情載於附註18。該等租約乃分類為融資租約，剩餘租期為14個月(二零一六年：26個月)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 27. CONVERTIBLE BONDS

During the year ended 31 December 2015, the Company issued HK\$ denominated zero-coupon convertible bonds with principal amount of HK\$21,238,440 as part of the consideration for acquisition of the Nuoxin Engineering Group. The convertible bonds have a maturity period of 5 years from the issue date and are convertible at the option of the bondholder into 94,142,021 ordinary shares of HK\$0.01 each in the capital of the Company at a conversion price of HK\$0.2256 per share.

The convertible bonds contain two components: liability and equity elements. The equity element on initial recognition amounted to RMB10,544,000 was presented in equity as part of the “convertible bonds reserve”. The effective interest rate of the liability component of the convertible bonds on initial recognition was 23.4% per annum.

No convertible bonds were converted during the years ended 31 December 2016 and 2017.

The movement of the liability component of the convertible bonds for the year is set out below:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
At 1 January	於一月一日	8,316	6,304
Effective interest expense charged	已扣除之實際利息開支	1,887	1,504
Exchange difference	匯兌差額	(660)	508
At 31 December	於十二月三十一日	9,543	8,316

### 27. 可換股債券

截至二零一五年十二月三十一日止年度內，本公司發行以港元計值、本金額為21,238,440港元之零息可換股債券，以作為收購諾信集團之部份代價。可換股債券自發行日期起計五年屆滿，且債券持有人可選擇按換股價每股0.2256港元轉換為本公司股本中每股面值0.01港元之94,142,021股普通股。

可換股債券包含兩個部份：負債及權益部份。初步確認時權益部份約為人民幣10,544,000元，於權益內列作「可換股債券儲備」之一部份。初步確認時可換股債券負債部分之實際年利率為23.4%。

於截至二零一六年及二零一七年十二月三十一日止年度，概無可換股債券獲轉換。

可換股債券負債部份於年內之變動載列如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**28. PROVISION****28. 撥備**

		<b>2017</b>	2016
		<b>二零一七年</b>	二零一六年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
At 1 January	於一月一日	<b>8,658</b>	6,612
Provision for the year	本年度撥備	<b>2,614</b>	3,224
Amount utilised for the year	本年度動用之款項	<b>(309)</b>	(1,178)
At 31 December	於十二月三十一日	<b>10,963</b>	8,658

The provision for production safety has been determined by the directors to meet the production safety standards.

生產安全撥備乃由董事釐定，以符合生產安全標準。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 29. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

#### Deferred tax liabilities recognised

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Fair value adjustment on prepaid lease	Fair value adjustment for land under operating leases	Fair value adjustment on intangible assets	Convertible bonds	Withholding tax	Others	Total
		物業、機器 及設備之 公平值調整	經營租約下 預付土地 租金之 公平值調整	無形資產之 公平值調整	可換股債券	預扣稅	其他	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2016	於二零一六年一月一日	(3,685)	(2,492)	-	(1,894)	(5,102)	(283)	(13,456)
Credited to profit or loss	計入損益	179	59	-	248	1,206	-	1,692
Exchange differences	匯兌差額	-	-	-	(121)	-	-	(121)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	(3,506)	(2,433)	-	(1,767)	(3,896)	(283)	(11,885)
Credited to profit or loss	計入損益	-	13	-	312	1,510	283	2,118
Exchange differences	匯兌差額	-	-	-	111	-	-	111
At 31 December 2017	於二零一七年十二月三十一日	(3,506)	(2,420)	-	(1,344)	(2,386)	-	(9,656)

### 29. 綜合財務狀況表內之所得稅

#### 已確認之遞延稅項負債

綜合財務狀況表中確認的遞延稅項負債之部份及其於年內的變動載列如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 29. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

#### Deferred tax liabilities recognised (Continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表內確認之遞延稅項負債	(9,656)	(11,885)
		(9,656)	(11,885)

#### Deferred tax assets not recognised

At 31 December 2017, the Group has not recognised deferred tax assets in respect of estimated cumulative tax losses carried forward of approximately RMB161 million (2016: RMB108 million) is due to expire within 1 to 5 years under the current tax legislation for offsetting against future taxable profits of the Group in which the losses arise. The cumulative tax losses have not been recognised as a deferred tax asset 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.

### 29. 綜合財務狀況表內之所得稅(續)

#### 已確認之遞延稅項負債(續)

下列為就財務報告而言的遞延稅項結餘分析：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表內確認之遞延稅項負債	(9,656)	(11,885)
		(9,656)	(11,885)

#### 尚未確認之遞延稅項資產

於二零一七年十二月三十一日，本集團並未確認與結轉估計累計稅項虧損(其根據當前稅法將於產生虧損之一至五年內到期，以抵銷本集團日後之應課稅溢利)約人民幣161,000,000元(二零一六年：人民幣108,000,000元)有關的遞延稅項資產。累計稅項虧損並未被確認為遞延稅項資產，乃由於在相關稅務司法權區及實體不大可能有可抵銷虧損之未來應課稅溢利。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 30. CAPITAL AND RESERVES

### 30. 資本及儲備

#### (a) Authorised and issued share capital

#### (a) 法定及已發行股本

		2017 二零一七年		2016 二零一六年	
		Number of shares 股份數目	Amount 金額	Number of shares 股份數目	Amount 金額
		'000 千股	RMB'000 人民幣千元	'000 千股	RMB'000 人民幣千元
Authorised ordinary shares of HK\$0.01 each:	每股面值0.01港元 之法定普通股：				
At 1 January and 31 December	於一月一日及 十二月三十一日	<b>20,000,000</b>	<b>174,064</b>	20,000,000	174,064
Issued and fully paid – Ordinary shares of HK\$0.01 each:	已發行及繳足 – 每股面值0.01 港元之普通股：				
At 1 January and 31 December	於一月一日及 於十二月三十一日	<b>1,319,484</b>	<b>10,910</b>	1,319,484	10,910

The holders of ordinary shares are entitled to receive dividends as declared from time to time and entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息及於本公司會議上享有每股一票之投票權。所有普通股對本公司之剩餘資產均享有相等權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 30. CAPITAL AND RESERVES (Continued)

#### (b) Nature and purpose of reserves

##### (i) Share premium

The application of share premium account is governed by the Companies Act 1981 of Bermuda.

##### (ii) General reserve

According to the relevant laws and regulations in the PRC, each of the PRC subsidiaries is required to appropriate at least 10% of its after-tax profit (after offsetting prior years' losses), based on the PRC statutory financial statements prepared in accordance with the generally accepted accounting principles ("GAAP") and financial regulations applicable to PRC enterprises, to the general reserve until the balance of the fund reaches 50% of the PRC subsidiary's registered capital. Thereafter, any further appropriation can be made at the directors' discretion.

The general reserve fund can be utilised to offset the prior years' losses, or be utilised to increase the capital on the condition that the general reserve shall be maintained at a minimum of 25% of the registered capital after such increase.

##### (iii) Share options reserve

The share options reserve comprises the portion of the grant date fair value of unexercised share options granted to executive directors, employees and consultants of the Group that has been recognised in accordance with the accounting policy adopted for share-based payments in note 2 (p)(ii).

### 30. 資本及儲備(續)

#### (b) 儲備之性質及目的

##### (i) 股份溢價

股份溢價賬之應用受百慕達公司法(一九八一年)所規管。

##### (ii) 一般儲備

根據中國有關法律及法規，各中國附屬公司於抵銷過往年度虧損後，須根據按公認會計原則(「公認會計原則」)及中國企業適用之財務規例編製之中國法定財務報表，將其除稅後溢利撥出最少10%作為一般儲備，直至基金之結餘達到中國附屬公司註冊資本之50%為止。其後，董事可酌情決定作出任何額外撥款。

一般儲備金可用作抵銷過往年度虧損，或用作增加資本，惟增加資本後，一般儲備須維持不少於註冊資本之25%。

##### (iii) 購股權儲備

購股權儲備包括授予本集團執行董事、僱員及顧問的未行使購股權的授出日期公平價值部份，該部份已根據附註2(p)(ii)所述就以股份為基礎的付款所採納的會計政策而予以確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 30. CAPITAL AND RESERVES (Continued)

#### (b) Nature and purpose of reserves (Continued)

##### (iv) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2(t).

##### (v) Contributed surplus

The contributed surplus represents the surplus from share capital reduction arising from the capital reorganisation in 2014.

##### (vi) Convertible bonds reserve

The convertible bonds reserve represent the value of unexercised equity component of convertible bonds issued by the Company. The reserve is dealt with in accordance with the accounting policy set out in note 2(m).

#### (c) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

### 30. 資本及儲備(續)

#### (b) 儲備之性質及目的(續)

##### (iv) 換算儲備

換算儲備包括所有換算國外業務財務報表產生之匯兌差額。換算儲備按照附註2(t)所載之會計政策處理。

##### (v) 實繳盈餘

實繳盈餘指因二零一四年資本重組導致股本削減之盈餘。

##### (vi) 可換股債券儲備

可換股債券儲備指本公司發行的可換股債券的未行使權益部份之價值。該儲備根據附註2(m)所載的會計政策處理。

#### (c) 資本管理

本集團管理資本之主要目標為確保本集團持續經營之能力，以向股東提供回報，並維持最佳資本結構藉以減低資金成本。

本集團積極並定期檢討及管理其資本結構，以在盡可能提高股東回報與穩健資本狀況可承受之較高借貸水平之間取得平衡，並因應經濟情況之變動對資本結構作出調整。為維持或調整資本結構，本集團可能調整派付予股東之股息金額、發行新股或出售資產以減低債務。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 30. CAPITAL AND RESERVES (Continued)

#### (c) Capital management (Continued)

The Group monitors its capital structure on the basis of total debt to equity. Total debt comprises the Group's bank and other borrowings, obligations under finance leases and convertible bonds as shown in the consolidated statement of financial position. Equity comprises equity attributable to equity shareholders of the Company as shown in the consolidated statement of financial position.

The total debt to equity ratio as at 31 December 2017 and 2016 are as follows:

### 30. 資本及儲備(續)

#### (c) 資本管理(續)

本集團以總負債對權益基準監察其資本結構。總負債包括本集團之銀行及其他借款、融資租約承擔及可換股債券(如綜合財務狀況表所示)。權益包括本公司權益股東應佔權益(如綜合財務狀況表所示)。

於二零一七年及二零一六年十二月三十一日之總負債對權益比率如下：

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Bank and other borrowings	銀行及其他借款	25	47,280	40,080
Obligations under finance leases	融資租賃承擔	26	25,761	45,559
Convertible bonds	可換股債券	27	9,543	8,316
Total debt	總負債		82,584	93,955
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益		344,488	432,247
Total debt to equity ratio	總負債對權益比率		23.97%	21.74%

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 31. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company's share option scheme (the "Scheme") was adopted pursuant to an ordinary resolution passed by the shareholders of the Company at the extraordinary general meeting held on 18 May 2011 and will remain in force for a period of 10 years. The purpose of the Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants and advisers of the Group and to promote the success of the business of the Group.

**(a) The terms and conditions of the grants are as follows:**

	Number of options 購股權數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約年期
Options granted: 已授出購股權：			
30 May 2011 二零一一年五月三十日	27,957,078	Vest immediately 即時歸屬	10 years 十年
30 May 2011  二零一一年五月三十日	5,596,092	50% are exercisable at any time after the expiry of 1 year from the date of grant up to 2 years from the date of grant; and 100% are exercisable at any time after the expiry of 2 years from the date of grant up to 10 years from the date of offer.  50%可於授出日期起計滿1年至授出日期起計滿2年期間隨時行使；及100%可於授出日期起計滿2年至要約日期起計滿10年期間隨時行使。	10 years  十年
Total share options granted 已授出購股權總數	33,553,170		

### 31. 以股權結算以股份為基礎之交易

本公司的購股權計劃(「該計劃」)乃根據本公司股東於二零一一年五月十八日舉行的股東特別大會上通過普通決議案採納，並將於十年期間內持續有效。該計劃的目的是吸引及挽留優秀人員，向本集團的僱員(全職及兼職)、董事、顧問及諮詢人提供額外獎勵，並促進本集團業務成功。

**(a) 授出條款及條件如下：**

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 31. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

#### (b) The number and weighted average exercise prices of share options are as follows:

The following table discloses movements in the Company's share options under the Scheme during the year ended 31 December 2017:

Date of grant	Period during which share options are exercisable	Exercise price per share	Outstanding at 1 January 2017	Number of share options granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31 December 2017
授出日期	購股權可行使期	每股行使價 HK\$ 港元	於二零一七年一月一日未行使	年內授出之購股權數目	年內已行使	年內已失效	於二零一七年十二月三十一日未行使
30/5/2011	30/5/2011 – 29/5/2021	3.81	27,632,328	-	-	-	27,632,328
30/5/2011	30/5/2012 – 29/5/2021	3.81	2,243,373	-	-	-	2,243,373
30/5/2011	30/5/2013 – 29/5/2021	3.81	2,243,373	-	-	-	2,243,373
			32,119,074	-	-	-	32,119,074
Exercisable at the end of year							
於年末可行使							32,119,074
Weighted average exercise price (HK\$)							
加權平均行使價 (港元)							3.81

### 31. 以股權結算以股份為基礎之交易 (續)

#### (b) 購股權之數目及加權平均行使價如下：

下表披露截至二零一七年十二月三十一日止年度該計劃項下之本公司購股權變動：



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 31. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

#### (b) The number and weighted average exercise prices of share options are as follows: (Continued)

The following table discloses movements in the Company's share options under the Scheme during the year ended 31 December 2016:

Date of grant	Period during which share options are exercisable	Exercise price per share	Outstanding at 1 January 2016 於二零一六年一月一日	Number of share options granted during the year 年內授出之購股權數目	Exercised during the year 年內已行使	Lapsed during the year 年內已失效	Outstanding at 31 December 2016 於二零一六年十二月三十一日
授出日期	購股權可行使期	每股行使價 HK\$ 港元	未行使				未行使
30/5/2011	30/5/2011 – 29/5/2021	3.81	27,632,328	-	-	-	27,632,328
30/5/2011	30/5/2012 – 29/5/2021	3.81	2,243,373	-	-	-	2,243,373
30/5/2011	30/5/2013 – 29/5/2021	3.81	2,243,373	-	-	-	2,243,373
			32,119,074	-	-	-	32,119,074
Exercisable at the end of year 於年末可行使							32,119,074
Weighted average exercise price (HK\$) 加權平均行使價 (港元)			3.81	-	-	-	3.81

No new share options were granted to eligible participants under the Scheme during the years ended 31 December 2017 and 2016.

No share options were exercised during the years ended 31 December 2017 and 2016.

### 31. 以股權結算以股份為基礎之交易(續)

#### (b) 購股權之數目及加權平均行使價如下：(續)

下表披露截至二零一六年十二月三十一日止年度該計劃項下之本公司購股權變動：

截至二零一七年及二零一六年十二月三十一日止年度，概無根據該計劃向合資格參與者授出新購股權。

截至二零一七年及二零一六年十二月三十一日止年度概無購股權獲行使。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 31. EQUITY SETTLED SHARE-BASED TRANSACTIONS *(Continued)*

#### (b) The number and weighted average exercise prices of share options are as follows: *(Continued)*

The options outstanding at 31 December 2017 had an exercise price of HK\$3.81 (2016: HK\$3.81) and a weighted average remaining contractual life of 3.4 (2016: 4.4) years.

### 32. DEFINED CONTRIBUTION RETIREMENT PLAN

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the MPF Scheme vest immediately.

The Company's subsidiaries established in the PRC participate in a mandatory central pension scheme organised by the PRC Government for certain of its employees, the assets of which are held separately from those of the Group. Contributions made are based on a percentage of the eligible employees' salaries and are charged to profit or loss as they become payable in accordance with the rules of the scheme. The employer's contributions vest fully once they are made.

### 31. 以股權結算以股份為基礎之交易 *(續)*

#### (b) 購股權之數目及加權平均行使價如下：*(續)*

於二零一七年十二月三十一日之未行使購股權之行使價為3.81港元(二零一六年：3.81港元)，餘下之加權平均合約年期為3.4年(二零一六年：4.4年)。

### 32. 定額供款退休計劃

本集團就僱用於香港僱傭條例管轄範圍之僱員，根據香港強制性公積金計劃條例設立強制性公積金計劃(「強積金計劃」)。強積金計劃指由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員須各自按僱員相關收入之5%向強積金計劃作出供款，每月之相關收入上限為30,000港元。強積金計劃供款將即時撥歸僱員所有。

本公司於中國成立之附屬公司為其若干僱員參與由中國政府籌辦之強制性中央退休金計劃，該計劃之資產與本集團之資產分開持有。根據該計劃之規則，本集團按合資格僱員之薪金比率作出供款，並於應付時於損益扣除。僱主供款於作出後立即全數撥歸僱員所有。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 32. DEFINED CONTRIBUTION RETIREMENT PLAN (Continued)

Under the above schemes, retirement benefits of existing and retired employees are payable by the relevant scheme administrators and the Group has no further obligations beyond the annual contributions.

The aggregate amounts of employer's contributions by the Group in respect of retirement benefits schemes dealt with in profit or loss for the year are disclosed in note 7(a) to these consolidated financial statements.

The Group does not have any other pension schemes for its employees in respect of the subsidiaries outside Hong Kong and the PRC. In the opinion of the directors of the Company, the Group did not have any significant contingent liabilities as at 31 December 2017 and 2016 in respect of the retirement of its employees.

#### 32. 定額供款退休計劃(續)

根據上述計劃，現有及退休僱員之退休福利由有關計劃管理人負責支付，本集團除每年供款外並無其他責任。

本集團就退休福利計劃作出之僱主供款總額於年內之損益中處理，並已於此等綜合財務報表附註7(a)中披露。

本集團並無就香港及中國以外附屬公司之僱員設立任何其他退休金計劃。本公司董事認為，於二零一七年及二零一六年十二月三十一日，本集團並無任何有關其僱員退休之重大或然負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 33. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments of the Group as at the end of the reporting period are as follows:

### 33. 金融工具分類

本集團於報告期末的各類金融工具之賬面值如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at fair value through profit or loss:	按公平值計入損益之金融資產：		
Held for trading	持作買賣	-	200
Loans and receivables:	貸款及應收款項：		
Trade and other receivables	應收賬款及其他應收款項	22,151	33,597
Cash and cash equivalents	現金及現金等值物	8,572	20,534
<b>Financial liabilities</b>	<b>金融負債</b>		
At amortised cost:	以攤銷成本列賬：		
Trade and other payables	應付賬款及其他應付款項	362,792	371,082
Bank and other borrowings	銀行及其他借款	47,280	40,080
Obligation under finance leases	融資租賃承擔	25,761	45,559
Convertible bonds	可換股債券	9,543	8,316

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### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group's major financial instruments include financial assets at fair value through profit or loss, trade and other receivables, cash and cash equivalents, trade and other payables, bank and other borrowings, obligations under finance leases and convertible bonds. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include credit risk, liquidity risk, interest rate risk, currency risk and other price risk arises in the normal course of the Group's business. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

##### (a) Credit risk

- (i) As at 31 December 2017, the Group's maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance.
- (ii) In respect of trade and other receivables, in order to minimise risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each major customer periodically. These evaluations focus on the customers' past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. The Group does not require collateral in respect of its financial assets. Trade debtors are usually due within 30 to 180 days from the date of billing.

#### 34. 金融工具之財務風險管理及公平值

本集團之主要金融工具包括按公平值計入損益之金融資產、應收賬款及其他應收款項、現金及現金等值物、應付賬款及其他應付款項、銀行及其他借款、融資租賃承擔以及可換股債券。金融工具之詳情於其各自附註披露。該等金融工具之相關風險包括本集團在日常業務過程中產生之信貸風險、流動資金風險、利率風險、貨幣風險及其他價格風險。管理層管理及監測該等風險，以確保能及時有效落實妥善的措施。本集團有關金融工具之風險類型或其管理及計量風險之方式並無變動。

##### (a) 信貸風險

- (i) 於二零一七年十二月三十一日，本集團之最大信貸風險為綜合財務狀況表內各項金融資產經扣除任何減值撥備後之賬面值。
- (ii) 為盡量減低應收賬款及其他應收款項之風險，管理層已訂立一項信貸政策，並對有關信貸風險進行持續監察。本集團會定期對各主要客戶之財務狀況及條件進行信貸評估。該等評估針對客戶過往支付到期款項之歷史及目前之支付能力，並考慮客戶特定資料及客戶經營所處經濟環境之資料。本集團並無就其金融資產要求抵押品。應收賬款一般自開單日期起30至180日內到期。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

*(Continued)*

#### (a) Credit risk *(Continued)*

(ii) *(Continued)*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group has no significant concentration of credit risk as only 3.85% (2016: 3.46%) of the total trade receivables was due from the Group's five largest customers.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 22.

(iii) The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

### 34. 金融工具之財務風險管理及公平值(續)

#### (a) 信貸風險(續)

(ii) (續)

本集團面對之信貸風險主要受各客戶之個別特點影響。客戶營運之行業及業務所在之國家之違約風險亦對信貸風險有影響，但程度較輕。於報告期末，本集團並無重大集中信貸風險，原因是應收本集團五大客戶之應收賬款僅佔總額之3.85%（二零一六年：3.46%）。

有關本集團來自應收賬款及其他應收款項之信貸風險之進一步量化披露載於附註22。

(iii) 由於對手方均為獲國際信貸評級機構授予高信貸評級之銀行，故此流動資金之信貸風險有限。

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### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

*(Continued)*

##### (b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to board of directors' approval. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient amount of cash and adequate committed lines of funding from financial institutions to meet its liquidity requirements in the short and longer term.

#### 34. 金融工具之財務風險管理及公平值(續)

##### (b) 流動資金風險

本集團旗下之獨立營運實體須負責其各自之現金管理，包括現金盈餘之短期投資及籌措貸款以滿足預期現金需求，惟須獲董事會批准方可作實。本集團之政策為定期監察當前及預計之流動資金需求，及遵守借貸契諾之情況，以確保本集團能維持充裕的現金金額及從金融機構取得足夠的承諾信貸融資，以滿足其短期及長期流動資金之要求。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

#### (b) Liquidity risk (Continued)

The following tables set out the weighted average effective interest rate and the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

		2017 二零一七年					Carrying amount	2016 二零一六年					Carrying amount
		Effective interest rate	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flows		Effective interest rate	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flows	
		%	1年內 或須按 要求償還	1年以上 2年以內	2年以上 5年以內	未貼現現金 流量總額		%	1年內 或須按 要求償還	1年以上 2年以內	2年以上 5年以內	未貼現現金 流量總額	
		%	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元		%	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Trade payables	應付賬款	N/A不適用	148,593	-	-	148,593	148,593	N/A不適用	160,236	-	-	160,236	160,236
Amounts due to directors	應付董事款項	N/A不適用	10,171	-	-	10,171	10,171	N/A不適用	13,738	-	-	13,738	13,738
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司之非控股股東款項	N/A不適用	10,797	-	-	10,797	10,797	N/A不適用	6,451	-	-	6,451	6,451
Accrued expenses and other payables	應計開支及其他應付款項	N/A不適用	28,962	-	-	28,962	28,962	N/A不適用	31,039	-	-	31,039	31,039
Payables for acquisition of property, plant and equipment	收購物業、機器及設備之應付款項	N/A不適用	164,269	-	-	164,269	164,269	N/A不適用	159,618	-	-	159,618	159,618
Bank and other borrowings (note 25)	銀行及其他借款(附註25)	5.8% to 11.5%	50,864	-	-	50,864	47,280	7.12 to 11.5%	42,282	-	-	42,282	40,080
Obligations under finance leases (note 26)	融資租賃承擔(附註26)	10.20%	23,357	3,872	-	27,229	25,761	10.20%	23,479	23,337	3,871	50,687	45,559
Convertible bonds (note 27)	可換股債券(附註27)	23.4%	-	-	17,400	17,400	9,543	23.4%	-	-	17,400	17,400	8,316
			437,013	3,872	17,400	458,285	445,376		436,843	23,337	21,271	481,451	465,037

### 34. 金融工具之財務風險管理及公平值(續)

#### (b) 流動資金風險(續)

下表載列本集團之非衍生金融負債於報告期末之加權平均實際利率及餘下合約期，乃基於合約未貼現現金流(包括使用合約利率或(如按浮息)按報告期末之現行利率計息之利息付款)及本集團須予償還之最早日期而釐定：



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#### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

##### (c) Interest rate risk

The Group's fair value interest rate risk relates to primarily to its fixed-rate borrowings. The cash flow interest rate risk of the Group relates primarily to their variable-rate bank deposits and obligations under finance leases. The management considers that the exposure to interest rate risk on bank deposits is insignificant. For borrowings which are fixed-rate instruments is insensitive to any change in interest rates. A change in interest rates at the end of the reporting period would not affect profit or loss. The cash flow interest rate risk is mainly concentrated on the fluctuation of the interest rate to be promulgated by the People's Bank of China ("PBOC") arising from the Group's RMB denominated obligations under finance leases. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

##### Sensitivity analysis

At 31 December 2017, it is estimated that a general increase/decrease of 50 basis points in the interest rates, with all other variables held constant, would have increased/decreased the Group's loss for the year by approximately RMB365,000 (2016: RMB428,000). The sensitivity analysis above indicates the instantaneous change in the Group's loss for the year that would arise in respect of the exposure to cash flow interest risk arising from floating rate obligations under finance lease held by the Group.

#### 34. 金融工具之財務風險管理及公平值(續)

##### (c) 利率風險

本集團之公平值利率風險主要與其定息借款有關。本集團之現金流量利率風險主要與其浮息銀行存款及融資租賃承擔有關。管理層認為，銀行存款之利率風險承擔並不重大。屬於定息工具之借款對任何利率變動反應不大。報告期末之利率變動不會影響損益。現金流量利率風險主要集中於本集團以人民幣計值之融資租約承擔所產生之將由中國人民銀行(「人行」)公佈之利率波動。本集團現時並無任何利率對沖政策。然而，管理層會監察利率風險，並將在有需要時考慮對沖重大利率風險。

##### 敏感度分析

於二零一七年十二月三十一日，在所有其他變數維持不變的情況下，估計利率整體增加／減少50個基點將導致本集團年內虧損增加／減少約人民幣365,000元(二零一六年：人民幣428,000元)。上述之敏感度分析顯示，本集團持有之浮息融資租賃承擔所產生之現金流量利率風險將會令本集團年內虧損出現即時變動。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

*(Continued)*

#### (d) Currency risk

##### (i) Exposure to currency risk

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through PBOC or other institutions authorised to buy and sell foreign exchange. The exchange rate adopted for foreign exchange transactions are the rates of exchange quoted by the PBOC that would be subject to a managed float against an unspecified basket of currencies.

Foreign currency payments, including the remittance of earnings outside the PRC, are subject to the availability of foreign currency (which depends on the foreign currency denominated earnings of the Group) or must be arranged through the PBOC with government approval.

The group entities collect most of the revenue and incur most of expenditures in their respective functional currencies. The directors consider that the Group's exposure to foreign currency exchange is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign exposure should the need arise.

### 34. 金融工具之財務風險管理及公平值(續)

#### (d) 貨幣風險

##### (i) 貨幣風險承擔

人民幣不可自由兌換為外幣。所有涉及人民幣之外匯交易必須透過中國人民銀行或其他獲准買賣外匯之機構進行。就外匯交易採納之匯率為中國人民銀行所報之匯率，有關匯率將根據一籃子沒有列明之貨幣於受監管範圍內浮動。

外幣付款，包括將盈利匯出中國，須視乎外幣供應情況（外幣供應則視乎本集團以外幣列值之盈利金額）而定或必須在政府批准下透過中國人民銀行安排。

集團實體收取的大部份收益及產生的大部份開支均以其各自的功能貨幣計值。董事認為，由於本集團大部份交易以個別集團實體各自的功能貨幣計值，故本集團所面臨的外匯風險並不重大。本集團現時並無外幣對沖政策。然而，管理層會監察外匯風險，並於有需要時，考慮對重大外幣風險作出對沖。

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## 綜合財務報表附註

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### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

#### (d) Currency risk (Continued)

##### (i) Exposure to currency risk (Continued)

At the end of the reporting period, the carrying amounts of the Group's major monetary assets denominated in a currency other than the functional currencies of the relevant group entities are as follows:

		Exposure to foreign currency 外幣風險承擔	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等值物		
– Hong Kong dollars	– 港元	189	3,088

##### (ii) Sensitivity analysis

The following table indicates the approximate change in the Group's loss for the year and accumulated losses in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of the reporting period.

		2017 二零一七年		2016 二零一六年	
		Increase/ (decrease) in foreign exchange rates	Effect on loss after taxation and accumulated losses 對稅後虧損 及累計虧損 之影響	Increase/ (decrease) in foreign exchange rates	Effect on loss after taxation and accumulated losses 對稅後虧損 及累計虧損 之影響
			RMB'000 人民幣千元		RMB'000 人民幣千元
Hong Kong dollars	港元	5% (5%)	(9) 9	5% (5%)	(123) 123

### 34. 金融工具之財務風險管理及公平值(續)

#### (d) 貨幣風險(續)

##### (i) 貨幣風險承擔(續)

於報告期末，本集團以相關集團實體功能貨幣以外貨幣列值之主要貨幣資產的賬面值如下：

		Exposure to foreign currency 外幣風險承擔	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等值物		
– Hong Kong dollars	– 港元	189	3,088

##### (ii) 敏感度分析

下表說明，於報告期末，本集團本年度虧損及累計虧損因應本集團有顯著風險承擔之匯率之合理潛在變動而產生之概約變動。

		2017 二零一七年		2016 二零一六年	
		Increase/ (decrease) in foreign exchange rates	Effect on loss after taxation and accumulated losses 對稅後虧損 及累計虧損 之影響	Increase/ (decrease) in foreign exchange rates	Effect on loss after taxation and accumulated losses 對稅後虧損 及累計虧損 之影響
			RMB'000 人民幣千元		RMB'000 人民幣千元
Hong Kong dollars	港元	5% (5%)	(9) 9	5% (5%)	(123) 123

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### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

#### (d) Currency risk (Continued)

##### (ii) Sensitivity analysis (Continued)

The sensitivity analysis above has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to the Group's exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the group entities' loss for the year. The stated changes are used when reporting currency risk internally to key management and represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of the next reporting period. The analysis is performed on the same basis for 2016.

#### (e) Other price risk

##### Oil and gas price risk

Apart from the financial instruments disclosed above, the Group's activities expose it to market risk relating to oil and gas price risks.

The Group is engaged in a wide range of gas related activities. The global oil and gas market is affected by international political, economic and global demand for and supply of oil and gas. A decrease in the world prices of crude oil and gas could adversely affect the Group's financial position. The Group has not used any derivative instruments to hedge against potential price fluctuations of crude oil and refined and gas products. The management will consider hedging oil and gas exposure should the need arise.

### 34. 金融工具之財務風險管理及公平值(續)

#### (d) 貨幣風險(續)

##### (ii) 敏感度分析(續)

上述敏感度分析乃假設外匯匯率變動於報告期末已發生，並已應用於本集團就該日存在之金融工具承擔之貨幣風險，且假設所有其他變數(尤其是利率)維持不變而釐定。上表呈列之分析結果代表對各集團實體年內溢利／虧損之整體影響。上述變動於向主要管理層內部匯報貨幣風險時應用，代表管理層對外匯匯率於截至下一個報告期末止期間之合理潛在變動之評估。有關分析按與二零一六年相同之基準進行。

#### (e) 其他價格風險

##### 石油及天然氣價格風險

除上文所披露之金融工具外，本集團之業務活動令本集團承受與石油及天然氣價格風險相關之市場風險。

本集團從事多項天然氣相關業務。全球石油及天然氣市場受國際政治、經濟及全球石油及天然氣供求所影響。原油及天然氣之全球價格下跌可對本集團之財務狀況造成不利影響。本集團並未使用任何衍生工具，對沖原油、經提煉產品及天然氣產品之潛在價格波動。倘有需要時，管理層將會考慮對沖石油及天然氣價格風險。

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#### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

##### (f) Fair value measurement

###### (i) Financial assets and financial liabilities measured at fair value

###### *Fair value hierarchy*

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

#### 34. 金融工具之財務風險管理及公平值(續)

##### (f) 公平值計量

###### (i) 按公平值計量之金融資產及金融負債

###### *公平值等級*

下表呈列於報告期末按經常性基準計量之本集團金融工具之公平值，該等公平值按香港財務報告準則第13號公平值計量界定之三個公平值等級分類。公平值計量之分類經參考估值技術中使用之輸入數據之可觀察性及重要性釐定如下：

- 第1級估值：僅以第1級輸入數據計量之公平值，即以相同資產或負債於計量日在活躍市場中之未調整報價計量。
- 第2級估值：以第2級輸入數據(即不符合第1級之可觀察輸入數據)計量，且不使用重大之不可觀察輸入數據之公平值。不可觀察輸入數據為無法獲得相關市場數據之輸入數據。
- 第3級估值：使用重大之不可觀察輸入數據計量之公平值。

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### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

*(Continued)*

#### (f) Fair value measurement *(Continued)*

##### (i) Financial assets and financial liabilities measured at fair value *(Continued)*

*Fair value hierarchy (Continued)*

The fair value of the Group's financial assets carried at fair value through profit or loss amounting to approximately RMB Nil (2016: RMB200,000) as at 31 December 2017 and is classified as Level 1. The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. During the year ended 31 December 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

##### (ii) Fair value of financial assets and financial liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2017 and 2016 except for the following financial instruments, for which their carrying amounts and fair value and the level of fair value hierarchy are disclosed below:

### 34. 金融工具之財務風險管理及公平值(續)

#### (f) 公平值計量(續)

##### (i) 按公平值計量之金融資產及金融負債(續)

*公平值等級(續)*

於二零一七年十二月三十一日，本集團按公平值計入損益之金融資產之公平值約為人民幣零元(二零一六年：人民幣200,000元)，並分類為第1級。於活躍市場買賣之金融工具之公平值根據報告期末之市場報價計算。於截至二零一七年十二月三十一日止年度，第1級及第2級之間概無調動，亦無調入或調出第3級之情況。本集團之政策是於各報告期末確認公平值等級各層級之間的調動。

##### (ii) 並非按公平值列賬之金融資產及金融負債之公平值

於二零一七年及二零一六年十二月三十一日，本集團按成本或攤銷成本列賬之金融工具之賬面值與其公平值概無重大差異，惟以下金融工具除外，其賬面值及公平值以及公平值等級之層級披露如下：

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#### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

## (f) Fair value measurement (Continued)

## (ii) Fair value of financial assets and financial liabilities carried at other than fair value (Continued)

		2017 二零一七年		2016 二零一六年	
		Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元
<b>Financial liabilities</b>	<b>金融負債</b>				
Convertible bonds	可換股債券	9,543	14,243	8,316	9,597

The fair values of the liability component in convertible bonds are estimated as being the present values of future cash flows, discounted at interest rates based on the government yield curve as at the end of the reporting period plus an adequate constant credit spread, adjusted for the Group's own credit risk.

可換股債券負債部份之公平值乃估計作為未來現金流量之現值，而未來現金流量乃根據於報告期末之政府收益曲線以及充足而平穩之信貸息差按利率折現計算，並已就本集團之自身信貸風險作出調整。

#### 34. 金融工具之財務風險管理及公平值(續)

## (f) 公平值計量(續)

## (ii) 並非按公平值列賬之金融資產及金融負債之公平值(續)

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## 綜合財務報表附註

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### 34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

## (f) Fair value measurement (Continued)

## (ii) Fair value of financial assets and financial liabilities carried at other than fair value (Continued)

Liabilities for which fair values are disclosed

### 34. 金融工具之財務風險管理及公平值(續)

## (f) 公平值計量(續)

## (ii) 並非按公平值列賬之金融資產及金融負債之公平值(續)

已披露公平值之負債

	Fair value measurements as at 31 December 2017 categorised into 於二零一七年十二月三十一日分為 以下類別之公平值計量				Fair value measurements as at 31 December 2016 categorised into 於二零一六年十二月三十一日分為 以下類別之公平值計量			
	Fair value 公平值 RMB'000 人民幣千元	Level 1 第1級 RMB'000 人民幣千元	Level 2 第2級 RMB'000 人民幣千元	Level 3 第3級 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元	Level 1 第1級 RMB'000 人民幣千元	Level 2 第2級 RMB'000 人民幣千元	Level 3 第3級 RMB'000 人民幣千元
<b>Liabilities</b>	<b>負債</b>							
Convertible bonds	14,243	-	-	14,243	9,597	-	-	9,597
	可換股債券							

### 35. COMMITMENTS

- (a) In addition to the finance lease arrangements as detailed in note 18, the Group had the following significant capital commitments contracted but not provided for in the consolidated financial statements:

### 35. 承擔

- (a) 除附註18所詳述之融資租賃安排外，本集團於綜合財務報表已訂約惟未撥備之重大資本承擔如下：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Acquisition of property, plant and equipment (including construction in progress)	130,610	135,000
收購物業、機器及設備 (包括在建工程)		



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 35. COMMITMENTS (Continued)

- (b) At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases in respect of office premises are payable as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 year	1年內	282	109
After 1 year but within 5 years	1年後但5年內	302	-
		<b>584</b>	109

The Group leases a property held under operating lease with initial lease term of one to three years. None of the leases includes contingent rentals.

#### 35. 承擔(續)

- (b) 於報告期末，根據辦公室物業之不可撤銷經營租約應付之日後最低租賃款項總額如下：

本集團按經營租約租賃物業，初始租期為一至三年。有關租約並不附有任何或然租金。

#### 36. DEREGISTRATION OF A SUBSIDIARY

During the financial year ended 31 December 2017, the Group deregistered Xian Country Lun Shun Energy Development Company Limited, a wholly-owned subsidiary in the PRC which was inactive.

#### 36. 一間附屬公司撤銷登記

於截至二零一七年十二月三十一日止財政年度，本集團撤銷登記一間在中國並無營業的非全資附屬公司獻縣聯順能源有限公司。

		RMB'000 人民幣千元
Property, plant and equipment	物業、機器及設備	1
Other receivables	其他應收款項	2,194
Net assets of deregistered subsidiary	撤銷登記的附屬公司資產淨值	2,195
<b>Loss on deregistration of a subsidiary</b>	<b>撤銷登記一間附屬公司的虧損</b>	<b>2,195</b>

The subsidiary deregistered during the year ended 31 December 2017 had no significant impact on the turnover and results of the Group

於截至二零一七年十二月三十一日止年度撤銷登記的附屬公司對本集團的營業額及業績並無重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 37. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### Changes in liabilities arising from financing activities

The following table shows the Group's changes in liabilities arising from financing activities during the year:

		<b>Bank and other borrowings</b>	<b>Finance lease payables</b>	<b>Total liabilities from financing activities</b>
		<b>銀行及其他借款</b>	<b>應付融資租約</b>	<b>融資活動產生的總負債</b>
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
At 1 January 2016	於二零一六年一月一日	43,080	73,400	116,480
Interest paid	已付利息	3,625	5,796	9,421
Non-cash changes-additions	非現金變動—添置	—	486	486
Changes in cash flows	現金流量變動	(6,625)	(34,123)	(40,748)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	40,080	45,559	85,639
Interest paid	已付利息	4,043	3,241	7,284
Changes in cash flows	現金流量變動	3,157	(23,039)	(19,882)
At 31 December 2017	於二零一七年十二月三十一日	47,280	25,761	73,041

### 37. 綜合現金流量表附註

#### 融資活動產生之負債變動

下表列示本年度本集團融資活動產生之負債變動：

### 38. PLEDGE OF ASSETS

As at 31 December 2017, the Group's shareholding in Shanxi Qinshui were pledged. Details of the Group's pledge of other assets are included in notes 15 and 16 respectively.

### 38. 資產抵押

於二零一七年十二月三十一日，本集團於山西沁水的股權已作抵押。本集團之其他資產抵押詳情分別載於附註15及16。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 39. MATERIAL RELATED PARTY TRANSACTIONS

For the years ended 31 December 2017 and 2016, the directors are of the view that the following are related parties of the Group:

Name of party	Relationship
沁水縣盛融投資有限責任公司(transliterated as Shanxi Qinshui Prefecture Chengrong Investment Limited) ("Chengrong Investment")	Effectively owned 17% equity interest in Wanzhi Logistics as a non-controlling shareholder of a subsidiary and provided financing to the Group of RMB29,000,000 as disclosed in note 25.
陽城縣陽泰集團實業有限公司(transliterated as Yangcheng Yangtai Group Industrial Company Limited) ("Yangcheng Yangtai")	Effectively owned 20% equity interest in Yangcheng Huiyang as a non-controlling shareholder of a subsidiary and provided financing to the Group of RMB11,080,000 as disclosed in note 25.
鄭州貞成能源技術服務有限公司(transliterated as Zhengzhou Zhengcheng Energy Technology Service Company Limited) ("Zhengzhou Zhengcheng")	Effectively owned 20% equity interest in Yangcheng Huiyang as a non-controlling shareholder of a subsidiary.

### 39. 重大關連人士交易

截至二零一七年及二零一六年十二月三十一日止年度，董事認為下列各方為本集團之關連人士：

有關各方名稱	關係
沁水縣盛融投資有限責任公司 （「盛融投資」）	作為一間附屬公司非控股股東實際擁有萬志物流的17%股本權益，及向本集團提供資金人民幣29,000,000元（如附註25所披露）。
陽城縣陽泰集團實業有限公司 （「陽城陽泰」）	作為一間附屬公司之非控股股東實際擁有陽城惠陽的20%股本權益，及向本集團提供資金人民幣11,080,000元（如附註25所披露）。
鄭州貞成能源技術服務有限公司 （「鄭州貞成」）	作為一間附屬公司之非控股股東實際擁有陽城惠陽的20%股本權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**39. MATERIAL RELATED PARTY TRANSACTIONS***(Continued)***(a) Balances with related parties**

As at 31 December 2017 and 2016, the Group and the Company had the following balances with related parties:

**(i) Amount due from a related company**

Name of related party 關連人士名稱	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	Maximum amount outstanding during the year 年內最高 未償還金額 RMB'000 人民幣千元
	Yangcheng Yangtai 陽城陽泰	3,813	3,730

The amount due is unsecured, interest-free and repayable on demand.

**(ii) Amounts due to directors/non-controlling shareholders of subsidiaries**

The amounts due are unsecured, interest-free and repayable on demand.

**(iii) Other borrowings**

Name of related party 關連人士名稱	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Yangcheng Yangtai 陽城陽泰	13,080
Chengrong Investment 盛融投資	24,300	29,000

**39. 重大關連人士交易(續)****(a) 與關連人士之結餘**

於二零一七年及二零一六年十二月三十一日，本集團及本公司與關連人士有下列結餘：

**(i) 應收一間關連公司款項**

該等結欠款項為無抵押、免息及須按要求償還。

**(ii) 應付董事／附屬公司之非控股股東款項**

該等結欠款項為無抵押、免息及須按要求償還。

**(iii) 其他借款**

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**39. MATERIAL RELATED PARTY TRANSACTIONS***(Continued)***(b) Key management personnel remuneration**

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and the chief executive as disclosed in note 9 and certain of the highest paid employees as disclosed in note 10, is as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	2,585	3,203
Post-employment benefits	離職後福利	40	47
Total remuneration is included in "Staff costs" (Note 7(a))	薪酬總額計入「員工成本」(附註7(a))	2,625	3,250

(c) The Group entered into the following material related party transactions during the years ended 31 December 2017 and 2016:

Name of related party 關連人士名稱	Nature of transaction 交易性質	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Yangcheng Yangtai 陽城陽泰	Loan interest expense 貸款利息開支	1,525	1,503
Chengrong Investment 盛融投資	Loan interest expense 貸款利息開支	1,884	2,122

**(d) Other transactions with related parties**

As set out in note 25, as at 31 December 2017, Mr. Wang has guaranteed bank loans made to the Group of approximately RMB9,900,000.

**39. 重大關連人士交易(續)****(b) 主要管理人員之薪酬**

本集團主要管理人員之薪酬(包括分別於附註9及附註10披露之已付本公司董事、最高行政人員及若干最高薪酬僱員之款項)如下:

(c) 截至二零一七年及二零一六年十二月三十一日止年度，本集團已訂立下列重大關連人士交易:

**(d) 與關連人士之其他交易**

如附註25所披露，於二零一七年十二月三十一日，王先生向本集團之銀行貸款約人民幣9,900,000元作出擔保。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 40. 本公司之財務狀況表

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、機器及設備	1,026	1,827
Investments in subsidiaries	於附屬公司之投資	231,201	232,963
		<b>232,227</b>	234,790
<b>Current assets</b>	<b>流動資產</b>		
Amounts due from subsidiaries	應收附屬公司款項	180,430	207,271
Amount due from a director	應收董事款項	2,909	4,633
Prepayment and other receivables	預付款項及其他應收款項	632	751
Cash and cash equivalents	現金及現金等值物	171	552
		<b>184,142</b>	213,207
<b>Current liabilities</b>	<b>流動負債</b>		
Amounts due to subsidiaries	應付附屬公司款項	11,593	11,554
Amounts due to directors	應付董事款項	1,315	1,247
Accruals and other payables	應計費用及其他應付款項	3,411	3,540
		<b>16,319</b>	16,341
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>167,823</b>	196,866
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>400,050</b>	431,656
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Convertible bonds	可換股債券	9,543	8,316
Deferred tax liabilities	遞延稅項負債	1,344	1,222
		<b>10,887</b>	9,538
Net assets	資產淨值	<b>389,163</b>	422,118
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital	股本	10,910	10,910
Reserves	儲備	378,253	411,208
<b>Total equity</b>	<b>總權益</b>	<b>389,163</b>	422,118

Approved and authorised for issue by the board of directors on 27 March 2018.

董事會於二零一八年三月二十七日批准及授權刊發。

**Wang Zhong Sheng**  
王忠勝  
Director  
董事

**Fu Shou Gang**  
付壽剛  
Director  
董事

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

#### 40. 本公司之財務狀況表(續)

##### Reserves

##### 儲備

		Share premium	Translation reserve	Contributed surplus	Share option reserve	Convertible bonds reserve	Accumulated losses	Total
		股份溢價	換算儲備	實繳盈餘	購股權儲備	債券儲備	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2017	於二零一七年一月一日結餘	(668,084)	25,713	1,384,004	30,849	8,652	(369,926)	411,208
Loss for the year	本年度虧損	-	-	-	-	-	(9,850)	(9,850)
Other comprehensive income for the year	本年度其他全面收入	-	(23,105)	-	-	-	-	(23,105)
Total comprehensive expense for the year	本年度全面開支總額	-	(23,105)	-	-	-	(9,850)	(32,955)
Balance at 31 December 2017	於二零一七年十二月三十一日結餘	(668,084)	2,608	1,384,004	30,849	8,652	(379,776)	378,253

#### 41. IMMEDIATE PARENT AND ULTIMATE CONTROLLING PARTY

At 31 December 2017, the directors consider the immediate parent and ultimate controlling party of the Group to be Jumbo Lane Investments Limited, which is incorporated in the BVI. Jumbo Lane Investments Limited does not produce financial statements available for public use.

#### 41. 直接母公司及最終控股方

於二零一七年十二月三十一日，董事認為本集團直接母公司及最終控股方為寶連投資有限公司，其於英屬處女群島註冊成立。寶連投資有限公司並無編製供公眾使用之財務報表。

# FIVE YEAR FINANCIAL SUMMARY

## 五年財務摘要

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### RESULTS

### 業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Revenue	收益	<b>178,562</b>	218,879	329,120	301,119	187,184
Loss from operations	經營業務產生之虧損	<b>(48,851)</b>	(88,382)	(44,971)	(64,559)	(76,196)
Finance costs	財務費用	<b>(9,171)</b>	(10,925)	(14,324)	(16,057)	(27,657)
Loss on extinguishment of financial liability	註銷金融負債之虧損	-	-	-	(57,024)	-
Impairment loss on goodwill	商譽減值虧損	-	-	(3,551)	(104,298)	(163,000)
Impairment loss on intangible assets	無形資產減值虧損	-	-	(134,385)	(138,702)	(25,000)
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	<b>(8,329)</b>	-	(92,086)	-	-
Loss before taxation	除稅前虧損	<b>(66,351)</b>	(99,307)	(289,317)	(380,640)	(291,853)
Income tax (expense)/credit	所得稅(開支)/抵免	<b>(620)</b>	(3,077)	34,291	38,324	13,092
Loss for the year	本年度虧損	<b>(66,971)</b>	(102,384)	(255,026)	(342,316)	(278,761)
Attributable to :	下列應佔 :					
Equity shareholders of the Company	本公司權益股東	<b>(70,219)</b>	(101,002)	(235,943)	(333,348)	(271,440)
Non-controlling interests	非控股權益	<b>3,248</b>	(1,382)	(19,083)	(8,968)	(7,321)
Loss for the year	本年度虧損	<b>(66,971)</b>	(102,384)	(255,026)	(342,316)	(278,761)



## FIVE YEAR FINANCIAL SUMMARY

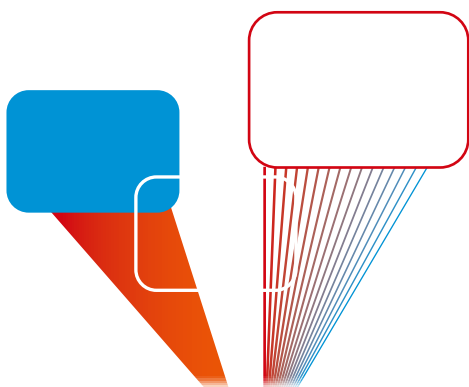
### 五年財務摘要

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### ASSETS AND LIABILITIES

#### 資產及負債

		At 31 December 於十二月三十一日				
		2017	2016	2015	2014	2013
		二零一七年	二零一六年	二零一五年	二零一四年	二零一三年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	總資產	<b>819,903</b>	922,135	1,031,530	1,283,223	1,506,671
Total liabilities	總負債	<b>(486,278)</b>	(503,999)	(511,126)	(548,147)	(685,922)
		<b>333,625</b>	418,316	520,404	735,076	820,749
Attributable to:	下列應佔：					
Equity shareholders of the Company	本公司權益股東	<b>344,488</b>	432,247	533,133	728,722	805,427
Non-controlling interests	非控股權益	<b>(10,863)</b>	(14,111)	(12,729)	6,354	15,322
		<b>333,625</b>	418,136	520,404	735,076	820,749



# 中國煤層氣集團有限公司 China CBM Group Company Limited

(於開曼群島註冊成立並在百慕達繼續營業之有限公司)  
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

股份代號 Stock Code: 8270

