



POLYARD PETROLEUM INTERNATIONAL GROUP LIMITED  
百田石油國際集團有限公司

(Stock Code 股份代號: 8011)

# 2016 Annual Report 年報



## Characteristics of the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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.

*The Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.*

*This report, for which the directors (the “Directors”) of Polyard Petroleum International Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

### 香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板之定位，乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。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。創業板之較高風險及其他特色表示創業板較適合專業及其他資深投資者。

由於在創業板上市公司之新興性質所然，在創業板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，同時無法保證在創業板買賣之證券會有高流通量之市場。

香港交易及結算所有限公司及香港聯合交易所有限公司對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部份內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告乃遵照聯交所創業板證券上市規則(「創業板上市規則」)之規定而提供有關百田石油國際集團有限公司(「本公司」)之資料。本公司各董事(「董事」)對此共同及個別地承擔全部責任。董事在作出一切合理查詢後確認，就彼等所知及所信：(1)本報告所載資料在各重大方面均為準確及完整，且並無誤導成份；(2)本報告並無遺漏其他事項致使本報告所載任何內容有所誤導；及(3)所有在本報告內表達之意見乃經過審慎周詳考慮後始行作出，並以公平合理之基準及假設為依據。

# Contents

## 目錄

Annual Report 2016 二零一六年年報

Corporate Information	公司資料	2
Chairman's Statement	主席報告	4
Management Discussion and Analysis	管理層討論及分析	7
Corporate Governance Report	企業管治報告	16
Environmental, Social and Governance Report	環境、社會及管治報告	29
Biographical Details of Directors and Senior Management	董事及高級管理人員簡介	62
Report of the Directors	董事報告	70
Independent Auditor's Report	獨立核數師報告	83
Consolidated Statement of Profit or Loss	綜合損益表	93
Consolidated Statement of Profit or Loss and Other Comprehensive Income	綜合損益及其他全面收益表	94
Consolidated Statement of Financial Position	綜合財務狀況表	95
Consolidated Statement of Changes in Equity	綜合權益變動表	97
Consolidated Statement of Cash Flows	綜合現金流量表	98
Notes to the Consolidated Financial Statements	綜合財務報表附註	100
Five Year Financial Summary	五年財務概要	244

# Corporate Information

## 公司資料

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Executive Directors

Mr. Kuai Wei (*Chairman*)  
Mr. Lai Chun Liang  
Mr. Lin Zhang

### Independent Non-Executive Directors

Mr. Pai Hsi-Ping  
Ms. Xie Qun  
Mr. Kwan King Chi George

### Compliance Officer

Mr. Kuai Wei

### Company Secretary

Mr. Chan Francis Ping Kuen *CPA*

### Authorised Representatives

Mr. Kuai Wei  
Mr. Chan Francis Ping Kuen

### Audit Committee

Mr. Kwan King Chi George (*Chairman*)  
Mr. Pai Hsi-Ping  
Ms. Xie Qun

### Remuneration Committee

Mr. Pai Hsi-Ping (*Chairman*)  
Ms. Xie Qun  
Mr. Lai Chun Liang

### Nomination Committee

Ms. Xie Qun (*Chairman*)  
Mr. Pai Hsi-Ping  
Mr. Lin Zhang

### Registered Office

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

### 執行董事

鄧偉先生(*主席*)  
來俊良先生  
林漳先生

### 獨立非執行董事

白旭屏先生  
謝群女士  
關敬之先生

### 監察主任

鄧偉先生

### 公司秘書

陳炳權先生*CPA*

### 獲授權代表

鄧偉先生  
陳炳權先生

### 審核委員會

關敬之先生(*主席*)  
白旭屏先生  
謝群女士

### 薪酬委員會

白旭屏先生(*主席*)  
謝群女士  
來俊良先生

### 提名委員會

謝群女士(*主席*)  
白旭屏先生  
林漳先生

### 註冊辦事處

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

#### Legal Adviser

Stevenson, Wong & Co.  
4th-5th Floors, Central Tower  
No. 28 Queen's Road Central  
Hong Kong

#### Principal Place of Business in Hong Kong

Room 801-802, 8th Floor  
Shanghai Industrial Investment Building  
48-62 Hennessy Road  
Wanchai  
Hong Kong

#### Principal Share Registrar and Transfer Office in Cayman Islands

Royal Bank of Canada Trust Company  
(Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

#### Hong Kong Branch Share Registrar and Transfer Office

Tricor Standard Limited  
26th Floor, Tesbury Centre  
28 Queen's Road East  
Wanchai  
Hong Kong

#### Auditors

Pan-China (H.K.) CPA Limited  
Certified Public Accountants  
11th Floor, Hong Kong Trade Centre  
161-167 Des Voeux Road Central  
Hong Kong

#### Principal Banker

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

#### Company's Website Address

[www.ppig.com.hk](http://www.ppig.com.hk)

#### 法律顧問

史蒂文生黃律師事務所  
香港  
皇后大道中28號  
中匯大廈4-5樓

#### 香港主要營業地點

香港  
灣仔  
軒尼詩道48-62號  
上海實業大廈  
8樓801-802室

#### 開曼群島主要股份過戶登記處

Royal Bank of Canada Trust Company  
(Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

#### 香港股份過戶登記分處

卓佳標準有限公司  
香港  
灣仔  
皇后大道東28號  
金鐘匯中心26樓

#### 核數師

天健(香港)會計師事務所有限公司  
執業會計師  
香港  
德輔道中161-167號  
香港貿易中心11樓

#### 主要往來銀行

香港上海滙豐銀行有限公司  
中國銀行(香港)有限公司

#### 公司網頁地址

[www.ppig.com.hk](http://www.ppig.com.hk)

# Chairman's Statement

## 主席報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

I would like to present to the shareholders the annual report of Polyard Petroleum International Group Limited and its subsidiaries (collectively, the "Group") for the year ended 31 December 2016.

2016 had been a turbulent year in energy markets. To start the year crude prices plunged as supplies piled up in storage due to resilient shale production and rising output from OPEC. Crude bottomed out in the mid-US\$20s per barrel by early February. Then OPEC tried to work on a coordinated production freeze. As a result, crude hit the ceiling at around US\$50 per barrel and fluctuated between that level and US\$40 for much of the summer. At the end of November when OPEC members agreed to cut their production by 1.2 million barrels per day and go back to their former quota system, crude spiked nearly 9% to more than US\$50 a barrel. Subsequently, OPEC announced that it persuaded several non-member countries to reduce their output by roughly 560,000 barrels per day in the first half of 2017. This agreement pushed crude prices to nearly US\$55 per barrel, which was crude's highest level in more than a year. Both oil and natural gas showed promising signs heading into 2017, with oil prices having nearly doubled since January 2016. However, the relative stability since November has broken in early March 2017 when crude oil was once again in selloff mode with prices sinking below the US\$50 per barrel threshold, mainly caused by faded enthusiasm for the OPEC deal and increased American shale production. Consequently, we expect oil prices to remain volatile at least in the near future.

本人謹向各股東提呈百田石油國際集團有限公司及其附屬公司(下文統稱「本集團」)截至二零一六年十二月三十一日止年度之年報。

二零一六年是能源市場動蕩的一年。由於頁岩油彈性生產及歐佩克產量的增加，供應儲量堆積，年度開始原油價格暴跌。二月初，原油降到最低每桶20美元中位左右。隨後，歐佩克試圖協調凍產。從而，原油達到每桶約50美元的高位，在夏季的大部分時間內在這一水平與40美元之間波動。在十一月底，歐佩克成員國同意每天減產120萬桶，回歸到先前的配額制度，原油價格上漲近9%，達到每桶50美元以上。其後，歐佩克宣布，其已說服多個非成員國在二零一七年上半年每天減產約56萬桶。此項協議推動原油價格漲至接近每桶55美元，這是一年多來原油價格的最高水平。邁入二零一七年，石油及天然氣呈現前景廣闊的信號，自二零一六年一月以來石油價格幾近翻番。然而，自十一月以來相對穩定的行情已在二零一七年三月初被打破，原油再次開啟拋售模式，價格下跌至低於每桶50美元關口，主要是由於對歐佩克協議的熱情減退及美國頁岩油增產。因此，我們預計石油價格至少在不久將來仍會波動。

In addition to competition, slumping oil prices, and saturated energy demand, we are also facing the public's growing fear of climate change and a powerful, concerted effort to reduce carbon dioxide emissions. To tackle the situation, we continue to assess the purpose and strategic direction of our Company, and to find a profitable role to play in the industry and generate the maximum return to our shareholders. We focus our organization on what we do best and where we can outperform competitors. I believe our strength lies in our inhouse expertise to evaluate commercial feasibility of potential projects, to lead on sophisticated exploration and drilling programs, and to advise on complexities of production operations, in particular in respect of small to medium-sized oil fields. These enable us to minimize costs to a great extent and adapt to challenges swiftly. On the other hand, we make efforts to channel funding into investment programs that are suitable for a more carbon-constrained operating environment. Aside from the profit margin initiative, our plan to construct and operate a natural gas-fired power plant is our move into low-carbon technologies since natural gas is a preferred fuel for power generation in many parts of the world.

During 2016 we were on track with our drilling plans of South Cebu SC49 project to drill additional three appraisal wells (Polyard-3, Polyard-6 and Polyard-8), achieving a total of 4,564 meters in depth. Oil testing results for the three wells estimated an aggregate of daily oil production of 388.52 barrels and gas production of 31,409 cubic meters. They have been turned into production wells. The project will submit to the Department of Energy a plan of development comprising information of the three oil wells discovered and, upon its approval, oil production will officially commence and more development wells will be drilled in the coming year.

除競爭、油價暴跌及能源需求飽和外，我們還面臨公眾對氣候變化的日益擔憂，以及協力加大力度減少二氧化碳排放。為應對此情況，我們持續評估本公司的目標及戰略方向，並尋求在行業中有利可圖的空間，為股東創造最大的回報。我們將我們的組織重點放在我們擅長且可超越競爭對手的領域。我相信我們的優勢在於我們內部具備的專業知識，以評估潛在項目的商業可行性，引領複雜的勘探及鑽探計劃，及就生產運營的複雜性提供意見，尤其是在中小型油田方面。該等使我們能夠最大限度地降低成本及迅速適應挑戰。另一方面，我們努力將資金投入到適合於碳減排經營環境的投資計劃。除利潤率為主導因素外，我們建造和經營天然氣發電廠的計劃是我們進入低碳技術的舉措，因為天然氣是世界許多地區發電的首選燃料。

於二零一六年，我們宿務島南部SC49項目的鑽探計劃如期展開，已鑽探額外三口評估井(Polyard-3、Polyard-6及Polyard-8)，深度合共達到4,564米。三口井的試油結果估計，日產油量合共為388.52桶，天然氣產量合共為31,409立方米。該等井已轉為生產井。該項目將向能源部提交一份包括三個已發現油井資料的開發計劃，並在獲得批准後，正式開始石油生產，並在來年鑽探更多的開發井。

## Chairman's Statement 主席報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

During the past year Sinotech Research Institute continued to serve as the Group's technical talent center with an expanded team. Their international experience and track record in leading the technical fronts of projects will be of great value to the Group as we address the opportunities and challenges ahead.

Given the dramatic pressure in the crude prices in 2016, capital market became more and more selective in granting their investment spending. I am pleased to report that during the year our projects and programs were able to raise approximately HK\$112,000,000 by issuing convertible bonds and new shares to an institutional investor and an individual investor, respectively, who shared our vision into the future. The Company will continue to seek operating funds from the financial market and expand the base of strategic shareholders to provide financial support to the projects.

A highlight of my year was getting out of the office to visit our well site at South Cebu to meet so many colleagues and see the passion and enthusiasm they have for their tasks. I was delighted to see the determination and efforts of our employees to try to make the project a success. I want it to be recognised how hard our colleagues have worked during the past year and thank them for their commitment through difficult times. On behalf of the Company, I also would like to thank the senior management team and my fellow Board members for their continued hard work and dedication. It has been a very challenging year but I remain extremely positive and confident about the future of this great business.

For and on behalf of the Board  
**Kuai Wei**  
Chairman

Hong Kong, 20 March 2017

在過去一年中，中科研究院繼續作為本集團的技術人才中心，並已擴大團隊。他們在領導項目技術領域方面的國際經驗及良好記錄將在我們迎接未來的機遇和挑戰時為本集團帶來巨大價值。

鑒於二零一六年原油價格的巨大壓力，資本市場在投資支出方面變得越來越精挑細選。我謹此欣然呈報，本年度我們的項目及計劃通過向認可我們未來願景的機構投資者及個人投資者分別發行可換股債券及新股籌集約港幣112,000,000元。本公司將繼續從金融市場尋求營運資金，及擴大戰略股東基礎，為項目提供財務支持。

今年我其中一個工作亮點是走出辦公室實地參觀我們在宿務島南部的油井工地，與眾多現場同事會面，了解到他們對本職工作充滿熱誠及激情。令人欣慰的是，我看到同事們為了成功完成項目而下定的決心和努力。我謹藉此機會讚揚各位同仁於過去一年的努力工作，並對他們在艱苦時間的付出深表感謝。此外，我謹代表本公司，感謝高級管理團隊及我的董事會同僚的不斷努力工作與奉獻。雖然這一年困難重重，但我仍對我們未來的事業高度樂觀及充滿信心。

代表董事會  
**鄺偉**  
主席

香港，二零一七年三月二十日



# Management Discussion and Analysis

## 管理層討論及分析

Annual Report 2016 二零一六年年報

### Financial Review

The Group did not generate any turnover for the year ended 31 December 2016 (2015: Nil). The Group recorded a net loss attributable to owners of the Company of approximately HK\$51,694,000 for 2016 (2015: approximately HK\$99,583,000).

Loss for the year included (1) a reversal of impairment loss of approximately HK\$102,376,000 on the Oil and Gas Project in South Cebu, the Philippines as a result of increased valuation due to the rise in oil prices and increase in the estimate of resources of the project; (2) an impairment loss of approximately HK\$27,430,000 on the Coal Mine Project in San Miguel, the Philippines and an impairment loss of approximately HK\$16,287,000 on amounts due from associates related to the project; and (3) an impairment loss of approximately HK\$25,548,000 on the Gas Project in Central Luzon, the Philippines. Loss for 2015 included (1) an impairment loss of approximately HK\$98,382,000 on the Oil and Gas Project in South Cebu, the Philippines; and (2) an impairment loss of approximately HK\$2,644,000 on the Coal Mine Project in San Miguel, the Philippines.

Administrative and other operating expenses for the year ended 31 December 2016 amounted to approximately HK\$37,013,000 representing an increase of approximately HK\$6,249,000 or 20%, as compared with the corresponding period last year. The increase was mainly attributable to increase in business development activities and employee costs.

Finance costs for the year ended 31 December 2016 amounted to approximately HK\$18,737,000 (2015: approximately HK\$5,584,000). The increase in interest costs was mainly resulted from the issuance of the convertible bonds in the amount of HK\$100,000,000 and HK\$50,000,000 in July 2015 and January 2016, respectively.

### 財務回顧

截至二零一六年十二月三十一日止年度，本集團並無產生營業額(二零一五年：無)。本年度本集團錄得本公司擁有人應佔虧損淨額約港幣51,694,000元(二零一五年：約港幣99,583,000元)。

本年度虧損包含(1)有關菲律賓南宿霧油氣項目約港幣102,376,000元之減值虧損撥回，此乃由於石油價格上升及該項目之資源量評估上升以至估值增加而導致；(2)有關菲律賓San Miguel煤礦項目約港幣27,430,000元之減值虧損及相關應收聯營公司款項約港幣16,287,000元之減值虧損；及(3)有關菲律賓中呂宋天然氣項目約港幣25,548,000元之減值虧損。二零一五年度虧損包含(1)有關菲律賓南宿務油氣項目約港幣98,382,000元之減值虧損；及(2)有關菲律賓San Miguel煤礦項目約港幣2,644,000元之減值虧損。

截至二零一六年十二月三十一日止年度之行政及其他營運開支約為港幣37,013,000元，較去年同期增加約港幣6,249,000元或20%。增加乃主要由於業務拓展活動及僱員成本上升所致。

截至二零一六年十二月三十一日止年度之融資成本約為港幣18,737,000元(二零一五年：約港幣5,584,000元)。利息成本增加乃主要由於港幣100,000,000元及港幣50,000,000元之可換股債券分別於二零一五年七月及二零一六年一月發行所致。

# Management Discussion and Analysis

## 管理層討論及分析

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Liquidity, Financial Resources, Capital and Gearing

As at 31 December 2016, the Group had net assets amounted to approximately HK\$208.0 million (2015: approximately HK\$166.6 million) and net current liabilities amounted to approximately HK\$75.7 million (2015: net current assets approximately HK\$75.9 million). The current ratio was 35% (2015: 919%). The gearing ratio of the Group based on the net debt to the total equity was 77% (2015: 33%).

Operations of the Group are mainly conducted in Renminbi (“RMB”), Hong Kong Dollars (“HKD”), United States Dollars (“USD”) and Philippine Pesos (“PHP”) and its revenue, expenses, assets and liabilities and borrowings are principally denominated in RMB, HKD, USD and PHP, which do not pose significant foreign currency risk at present.

### Employee Information

The Group had a total number of staff of 63 (2015: 51). Remuneration packages are reviewed on a periodical basis. Bonus is awarded to employees according to the assessment of individual performance. Staff cost (including directors’ emoluments) was approximately HK\$21.7 million for the year as compared with that of approximately HK\$17.5 million in 2015.

### 流動資金、財務資源、資本及資產負債

於二零一六年十二月三十一日，本集團之淨資產約為港幣208,000,000元(二零一五年：約港幣166,600,000元)，淨流動負債則約為港幣75,700,000元(二零一五年：淨流動資產約港幣75,900,000元)。流動比率為35%(二零一五年：919%)。本集團之資產負債比率按淨債務除以總權益計算為77%(二零一五年：33%)。

本集團之業務主要以人民幣(「人民幣」)、港幣(「港幣」)、美元(「美元」)及菲律賓披索(「披索」)進行，而其收益、開支、資產、負債及借款均主要以人民幣、港幣、美元及菲律賓披索作為貨幣單位，該等貨幣現時不會構成重大外匯風險。

### 僱員資料

本集團員工人數合共63人(二零一五年：51人)。本公司對薪酬組合會作定期檢討，另會依據僱員個別工作表現給予花紅獎勵。本年度之員工成本(包括董事酬金)約為港幣21,700,000元，而二零一五年則約為港幣17,500,000元。

# Management Discussion and Analysis

## 管理層討論及分析

Annual Report 2016 二零一六年年報

### Business Review and Prospects

#### Philippines Central Luzon Gas Project

The project's original 2012 work program was for re-entry work at the Victoria-3 well and drilling a new well. However, the re-entry activity and the drilling a new well were delayed due to rig availability. In 2012, project management gave up the re-entry work and, instead, conducted a further support study for a new drilling plan. The support study, and new well design had continued into 2013. As a result of the above-described delay, consolidation of the work programs under exploration Sub-phases 1 and 2 was granted by the Department of Energy to extend the expiry to 28 February 2017, on condition that (i) two exploration wells will be drilled or (ii) one exploration well will be drilled and 200 line-kilometer of 2D seismic data will be acquired, processed and interpreted by end of the new Sub-phase. Application for further extension has been submitted to the Department of Energy, which is still under process at the date of this report.

On 2 September 2015, Polyard Petroleum International Company Limited ("PPIC"), an indirect wholly-owned subsidiary of the Company which owns 89% participating interests of the project, along with two other project owners owning the remaining 11% participating interests (together "Vendors"), entered into a sale and purchase agreement (the "Agreement") with an independent third party ("Purchaser"), pursuant to which the Vendors conditionally agreed to sell and the Purchaser agreed to purchase the entire participating interests of the Vendors, and the corresponding Vendors' rights, interests, privileges, duties and obligations pursuant thereto, at an aggregate consideration of US\$4,995,000, among which the consideration payable to PPIC was US\$4,500,000 (the "Disposal").

### 業務回顧及前景

#### 菲律賓中呂宋天然氣項目

該項目原來之二零一二年工作計劃乃涉及Victoria-3重新進入鑽井規劃及鑽探一口新井，後來由於鑽機供應問題致令此計劃擱置。於二零一二年，項目管理層決定不再繼續鑽井，代之，項目管理層為新鑽井計劃進行了更深入的數據支持性研究工作，此支持性研究連同新井設計工作一直延展至二零一三年。因上文提及的延誤，結合勘探期內第一及第二次階段內工作計劃獲能源部批准並獲延期至二零一七年二月二十八日，條件為必須於新次階段完結前(i)鑽探兩口勘探井或(ii)鑽探一口勘探井及採集、處理及解釋200線公里的二維地震資料。已向能源部遞交進一步延期申請，該申請於本報告日仍在處理中。

於二零一五年九月二日，百田石油國際有限公司（「百田國際」，本公司之間接全資附屬公司），彼擁有本項目之89%參與權益，連同另外兩方持有其餘11%參與權益之項目擁有人（統稱「賣方」），與一獨立第三方（「買方」）訂立買賣協議（「協議」），據此，賣方有條件同意出售及買方有條件同意購買賣方之全部參與權益及相應之賣方權利、權益、特權、責任及義務，總代價為4,995,000美元，其中應付百田國際之代價為4,500,000美元（「出售事項」）。

## Management Discussion and Analysis

### 管理層討論及分析

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Completion of the Disposal was to take place upon receiving total consideration in two installments on or before 30 September 2015. After numerous extensions, the Purchaser did not perform its duties as set out under the Agreement. On 31 August 2016, PPIC terminated the Agreement in accordance with the provisions set out thereunder, and is seeking legal advices and considering taking further action if necessary. The Board considers that termination of the Agreement will not have any material adverse impact on the financial and operational positions of the Company.

As described in the above, the development of the Gas Project has been delayed and the duration of exploration period has expired on 28 February 2017 and application for further extension has not been granted by the Department of Energy of Philippines. Management determined that it was appropriate to adopt a prudence approach to fully write down the carrying amount of the deferred exploration expenditure associated with the Gas Project. As a result, an impairment loss of approximately HK\$25.5 million (2015: Nil) was made in the financial year in respect of the Gas Project. This impairment loss was non-cash in nature and would not affect the Group's liquidity, cash flows or debt covenants, nor have any impact on future operations.

完成出售事項以於二零一五年九月三十日或之前收取到分兩期支付之總代價作實。於多次延期後，買方並未有按協議履行其義務。於二零一六年八月三十一日，百田國際根據協議內所載之條款終止協議，並正尋求法律意見及如有需要考慮採取進一步行動。董事會認為終止協議不會對公司之財務及營運狀況有任何重大不利影響。

誠如以上所述，該天然氣項目之開發有所延誤，同時，項目之勘探期已於二零一七年二月二十八日到期及菲律賓能源部對延期申請尚未授出批准。管理層認為採納審慎方法將有關項目遞延勘探開支之賬面值作全面減值屬適當。據此，本公司於財政年度就該天然氣項目作出減值虧損約港幣25,500,000元（二零一五年：無）。該減值虧損屬非現金性質，且將不會影響本集團之流動資金、現金流量或債務契約，亦不會對未來營運造成任何影響。

# Management Discussion and Analysis

## 管理層討論及分析

Annual Report 2016 二零一六年年報

### Philippines San Miguel Coal Mine Project

The project has progressed into the development phase. Construction of the phase-2 road, which will extend the vehicle-assessable road into the initial mining area, began in the second quarter 2011 but was suspended pending receipt of clearance from governmental agencies overseeing environmental protection. Construction can only be resumed upon the grant of tree cutting permit. A moratorium on the work commitments for the project has been granted by the Department of Energy to 31 December 2017.

As described in the above, the development of the Coal Mine Project has been suspended and could only be resumed after obtaining a tree cutting permit. In addition, upon the new president was elected during 2016, the new Philippines government planned to review coal power projects and to seek for the increased use of renewable energy in response to the protests of anti-coal activists and environmental advocates. Hence, the condition of the development of the associate's coal mine in the Philippines has become considerably more unfavourable to the Group. In view to the ongoing suspension for the development of the coal mine and the pessimistic business outlook of the coal industry in the Philippines, management was in its view that the issue might not be resolved in the short term and it was appropriate to adopt a prudence approach to fully write down the carrying amount of the project. As a result, an impairment loss of approximately HK\$27.4 million (2015: approximately HK\$2.64 million) was made in the financial year in respect of the Coal Mine Project. This impairment loss was non-cash in nature and would not affect the Group's liquidity, cash flows or debt covenants, nor have any impact on future operations.

### 菲律賓San Miguel煤礦項目

該項目已進入開發階段。建設第二階段之道路將令汽車可達道路伸延至首採區，其建設已於二零一一年第二季開始，惟因須待監督環境保護之政府機構發出核准而暫停。建設工程只能於授出砍樹許可證後恢復。能源部已就項目之工程承諾授出暫緩令至二零一七年十二月三十一日。

誠如以上所述，煤礦項目之開發已暫時停止及只能於取得砍樹許可證後恢復。此外，於2016年新總統獲選後，菲律賓新政府計劃審查煤電項目及尋求提高再生能源的採用，以回應反煤炭活動激進人士及環保倡議者之抗議。因此，聯營公司於菲律賓的煤礦開發狀況變得對本集團相當不利。鑑於煤礦開發之持續暫停及煤炭行業於菲律賓的黯淡前景，管理層認為該問題在短期內將會不能解決及採納審慎方法將項目的賬面值作全面減值屬適當。據此，本財政年度就煤礦項目作出減值虧損約港幣27,400,000元(二零一五年：約港幣2,640,000元)。該減值虧損屬非現金性質，且將不會影響本集團之流動資金、現金流量或債務契約，亦不會對未來營運造成任何影響。

# Management Discussion and Analysis

## 管理層討論及分析

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Philippines South Cebu Oil and Gas Project

The project ("SC49") is situated at the southern part of Cebu, central Philippines. China International Mining Petroleum Company Limited ("CIMP") acquired 80% participating interests of SC49 and became the operator of SC49 in July 2009. The Group indirectly acquired 51% of CIMP's issued capital in October 2012, and an additional 12% in April 2014, bringing the effective interest in the project to 50.4% after the latest acquisition.

Building on the discoveries of Polyard-2 and Polyard-1 in the A6 and A8 Fault Blocks, CIMP has been actively procuring the required materials and equipment for the preparation of the drilling of Polyard-3 and the subsequent production wells.

On 7 May 2016, the third appraisal well, Polyard-3 was successfully spudded. On 9 July 2016, Polyard-3 completed the fourth section drilling, reaching the final depth at 2,118 meters. There are positive oil and gas shows, with discoveries of multiple oil and gas layers. According to the results of on-site wireline logging interpretation, a total of 29 hydrocarbon-bearing intervals were discovered in the third section, totaling 83.6 meters in thickness, including 5.2 meters of oil zone, 18.7 meters of gas zone, and 26.4 meters of gas-bearing zone. Oil testing operation completed on 25 August 2016 which indicated that the main target intervals attain steady oil production of 235.3 barrels per day and gas production of 9,022 cubic meters per day. Polyard-3 has turned into a production well.

On 23 September 2016, the fourth appraisal well, Polyard-6 successfully spudded in. The drilling of Polyard-6 was completed on 14 October 2016 at the total depth of 1,420 meters. Polyard-6 mainly appraised the Miocene Maingit Sandstone reservoir in the Alegria Anticline, pre-exploring the Upper Miocene Maingit Limestone reservoir for acquiring key hydrocarbon reservoir parameters which will provide a reliable basis

### 菲律賓南宿務油氣項目

項目(「SC49」)位於菲律賓中部宿霧島南端。於二零零九年七月中國國際礦業石油有限公司(「中國國際礦業」)獲得SC49區塊80%的參與權益，並成為SC49項目的操作方。集團於二零一二年十月間接收購中國國際礦業51%之已發行股本，並於二零一四年四月增購額外12%。於最終收購完成後，集團擁有該項目50.4%之實際權益。

在A6及A8斷塊Polyard-2井及Polyard-1井發現的基礎上，中國國際礦業一直為籌備鑽探Polyard-3井及其後之生產井積極採購所需物資器械。

於二零一六年五月七日，第三口評價井Polyard-3井成功開鑽。於二零一六年七月九日，Polyard-3井四開順利完鑽，總深達2,118米。全井鑽揭油氣顯示良好，並已發現多套油氣層。根據現場測井解釋結果，三開井段發現共29層油氣顯示層，總計83.6米厚，其中包括油層5.2米，氣層18.7米，及含氣層26.4米。於二零一六年八月二十五日完成之試油作業顯示，主要產油層獲得穩產日產油235.3桶，及日產天然氣9,022立方米。Polyard-3井已轉為生產井。

於二零一六年九月二十三日，第四口評價井Polyard-6井成功開鑽。Polyard-6井已於二零一六年十月十四日完鑽，總井深1,420米。Polyard-6井主要評價Algeria背斜中新統Maingit組砂岩油氣藏，

## Management Discussion and Analysis 管理層討論及分析

Annual Report 2016 二零一六年年報

for future oil and gas production and development. The wireline logging was completed on 16 October 2016. According to the results of on-site wireline logging interpretation, multiple gas zones were discovered with a net thickness of 31.2 meters. Oil testing operation commenced on 17 November 2016 and was completed on 12 December 2016. After testing for 26 days, a single layer of the main gas interval tested with a 4 mm choke is estimated to report a daily gas production of 21,000 cubic meters. Polyard-6 has turned into a production well.

The fifth appraisal well, Polyard-8 was spudded in on 17 November 2016 to mainly appraise the Upper Miocene Maingit Sandstone reservoir in the Alegria Anticline for acquiring key hydrocarbon reservoir parameters in order to provide a reliable basis for future oil and gas production and development. Drilling was completed on 30 November 2016 at the final depth of 1,026 meters at Toledo formation. Lithology of the well bottom is mudstone. On 2 December 2016, logging of Polyard-8 Well was successfully completed, indicating good oil and gas shows. According to initial on-site logging interpretation, five hydrocarbon bearing sandstone zones were discovered at the 258 meters to 830 meters interval with a net pay thickness of 21 meters. Cementing was successfully completed on the same day. Oil testing operation commenced on 15 December 2016 and was completed on 28 December 2016. The single oil zone of the main interval tested with a 4mm choke indicated an estimated daily oil production of 153.22 barrels, which is of light crude oil, and an associated daily gas production of 1,387 cubic meters. Polyard-8 has turned into a production well. The project will submit to Department of Energy a plan of development comprising Polyard-8 together with Polyard-3 and Polyard-1 oil blocks and, upon its approval, oil production will officially commence and more development wells will be drilled.

預探上中新統Maingit組灰岩油氣藏情況，以獲得重要油氣藏參數，為進一步油氣生產開發提供可靠依據。測井於二零一六年十月十六日完成，根據現場測井解釋結果，已發現多套氣層，氣層淨厚度31.2米。試油作業於二零一六年十一月十七日開始，至二零一六年十二月十二日完成，通過二十六天的測試，主氣層單層以4毫米油嘴試油，預計日產氣達2.1萬立方米。Polyard-6井已轉為生產井。

第五口評價井Polyard-8井於二零一六年十一月十七日開鑽。該井主要評價Algeria背斜上中新統Maingit組砂岩油氣藏，以獲得重要油氣藏參數，為進一步油氣生產開發提供可靠依據。該井於二零一六年十一月三十日完鑽，完鑽井深1,026米，完鑽層位Toledo，井底岩性為泥岩。於二零一六年十二月二日，Polyard-8井順利完成測井，油氣顯示良好，根據現場初步測井解釋，在258米至830米井段顯示砂岩油氣層5層，淨厚度為21米，並於當天順利完成固井。試油作業於二零一六年十二月十五日開始，至二零一六年十二月二十八日完成，主油層單層以4毫米油嘴試油，預計日產原油153.22桶，原油為輕質原油；並伴生日產天然氣1,387立方米。Polyard-8井已轉為生產井。該項目將向能源部申報一個涵蓋Polyard-8井連同Polyard-3井及Polyard-1井油井區塊的原油生產開發計劃，待批准後可開始正式原油生產及鑽探更多開發生產井。

## Management Discussion and Analysis

### 管理層討論及分析

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

On 3 April 2016, CIMP entered into a sale and purchase agreement with an independent third party namely Tom's Power Petroleum Distributor Inc. ("TPPDI", a company incorporated under the laws of the Philippines specializing in fuels and lubricants distribution) for the sale and purchase of crude oil in the Philippines (the "Agreement"). The Agreement shall last for one year unless extended by mutual consent.

During the period, the Group had organized the well log details related to Polyard-1 and Polyard-2 oil and gas discoveries, which were provided to a competent person for the purposes of re-evaluating resources of the project. Based on the newly acquired data, the competent person determined an upward adjustment on the estimate of Project's resources. An impairment analysis with the assistance of an independent valuer was undertaken subsequently.

An impairment loss reversal of approximately HK\$102.4 million (2015 impairment loss: approximately HK\$98.4 million) was made in the financial year in respect of the Oil and Gas Project. This impairment loss reversal was non-cash in nature and would not affect the Group's liquidity, cash flows or debt covenants, nor have any impact on future operations.

An impairment analysis with the assistance of an independent valuer was undertaken. Since the detailed feasibility study and production plan of Oil and Gas Project have not yet been finalized, the independent valuer adopted market approach to obtain the recoverable amount of the Oil and Gas Project as at 31 December 2016. The market approach was based on price information on recent comparable sale and purchase transactions of oil and gas fields of similar character and location (the "Comparable Transactions"). The underlying theory of this approach is that the recoverable amount of the Oil and Gas Project can be determined with reference

於二零一六年四月三日，中國國際礦業與一獨立第三方Tom's Power Petroleum Distributor Inc. (「TPPDI」，一家依照菲律賓法律成立的貿易公司，專門分銷燃油和潤滑油)訂立一份原油買賣協議，於菲律賓買賣原油(「協議」)。除非雙方同意延長，協議為期一年。

本期間集團整理了Polyard-1及Polyard-2井油氣發現的詳細數據，提供予一合資格人士就項目的資源量重新評估。基於新近獲取的數據，該合資格人士調升了項目資源量的評估。之後減值分析在獨立估值師之協助下進行。

本公司於財政年度就油氣項目作出減值虧損撥回約港幣102,400,000元(二零一五年減值虧損：約港幣98,400,000元)。該減值虧損撥回屬非現金性質，且將不會影響本集團之流動資金、現金流量或債務契約，亦不會對未來營運造成任何影響。

減值分析在獨立估值師之援助下進行。由於油氣項目之詳盡可行性研究及生產計劃尚未落實，故獨立估值師採用市場法以取得油氣項目於二零一六年十二月三十一日之可收回金額。市場法乃基於最近具類似特徵、位置之油氣田之可資比較買賣交易之價格資料(「可資比較交易」)。該方法之相關理論為油氣項目之可回收金額可參考可資比較交易之代價資



# Management Discussion and Analysis

## 管理層討論及分析

Annual Report 2016 二零一六年年報

to consideration price to resources multiple (adjusted to reflect the value of controlling interest) of the Comparable Transactions and adjusted against the changes in oil and gas price indexes at the date of Comparable Transactions and at the end of the reporting period. The major change from last year's valuation under market approach was the upward adjustment of the oil and gas price indexes based on the latest information available.

The Company believes that the estimates/assumptions applied in the assessment of recoverable amount by the independent valuer are reasonable. However, these estimates/assumptions are subject to significant uncertainties and judgments. The Company has made its best estimates of all relevant factors to be included in the market approach based on the latest information available. However, it is possible that the underlying estimates/assumptions can be changed significantly and further impairment charges/reversal of charges may be required in future period.

### Summary of Expenditure Incurred for Projects

A summary of expenditure incurred for the above projects by the Group for the year ended 31 December 2016 is as follows:

源比率(經調整以反映控股權益之價值)釐定，並可根據油氣價格指數於可資比較交易日期及報告期末之變動予以調整。與去年以市場法估值之主要變動為根據最新可得資料油氣價格指數上調。

本公司認為，獨立估值師評估可收回金額所採用之估計／假設屬合理。然而，該等估計／假設涉及重大不確定性及需作出判斷。本公司已對所有相關因素作出其最佳估計，以根據最新可得消息載入市場法。然而，有關估計／假設可能出現重大變動，且未來期間或需額外減值費用／撥回減值費用。

### 該等項目產生之開支概要

本集團以上項目截至二零一六年十二月三十一日止年度產生之開支概要如下：

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Philippines Central Luzon Gas Project	菲律賓中呂宋天然氣項目	500	429
Philippines San Miguel Coal Mine Project	菲律賓San Miguel煤礦項目	41	101
Philippines South Cebu Oil and Gas Project	菲律賓南宿務油氣項目	93,515	48,009

# Corporate Governance Report

## 企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Introduction

The Company had applied the principles and complied with the code provisions and recommended best practices set out in Appendix 15 of the GEM Listing Rules throughout the year ended 31 December 2016 by establishing formal and transparent procedures to protect and maximize the interests of shareholders.

### Code of Conduct Regarding Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Upon the Company's specific enquiry, all Directors confirmed that they have fully complied with the code of conduct and the required standard of dealings regarding securities transactions throughout the year ended 31 December 2016.

### Board of Directors

The Board, which comprises 6 Directors, is responsible for the Group's corporate policy formulation, business strategy planning, business development, risk management, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. Details of the Chairman and the other Directors of the Group are set out in the section "Biographical Details of Directors and Senior Management" of this report. All Directors have given sufficient time and attention to the affairs of the Group.

### 序言

於截至二零一六年十二月三十一日止年度，本公司一直採用創業板上市規則附錄十五所載原則並遵守其守則條文及建議最佳常規，制定正統而具透明度程序，以保障及為股東獲取最佳利益。

### 有關董事進行證券交易之操守準則

本公司已採納有關董事進行證券交易之操守準則，其條款不比創業板上市規則第5.48至5.67條所載之交易必守標準寬鬆。本公司作出特定查詢後，所有董事確認彼等於截至二零一六年十二月三十一日止年度內，一直遵守有關證券交易之操守準則及交易必守標準。

### 董事會

本集團由六名董事組成之董事會負責制訂集團企業政策、規劃業務策略、發展業務、管理風險、重大收購、出售及資金交易，以及其他重大營運及財務事宜。本集團主席及其他董事之詳細資料詳載於本報告「董事及高級管理人員簡介」一節。所有董事均能付出足夠時間及精神以處理本集團之事務。

# Corporate Governance Report

## 企業管治報告

Annual Report 2016 二零一六年年報

The Company complies with Rules 5.05(1) and (2) of the GEM Listing Rules, and has three independent non-executive Directors and at least one of whom has appropriate professional qualifications or accounting or related financial management expertise.

During the year, the Board adopted a board diversity policy setting out the approach to diversity of members of the Board. The Company recognizes and embraces the benefits of diversity of Board members. It endeavors to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

### Board Meetings

The Board regularly meets in person or through other means of electronic communication at least four times a year. At least 14 days' notice of regular Board meetings is given to all Directors, who are all given an opportunity to include matters in the agenda for discussion. The Company Secretary assists the Directors in preparing the agenda for the meetings, and ensures that all applicable rules and regulations regarding the meetings are observed.

本公司一直遵守創業板上市規則第5.05(1)及(2)條之規定，擁有一名獨立非執行董事，而其中最少一名具備適當專業資格或會計或相關財務管理專業知識。

年內，董事會採納董事會成員多元化政策，旨在列載為達致董事會成員多元化而採取之方針。本公司確認和相信董事會成員多元化之好處，可確保董事會就適合本公司業務所需之技能，經驗和多元化方面取得平衡。董事會所有委任均以用人唯才為原則，並充分顧及董事會成員多元化的裨益。甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他方面)、技能及知識。最終將按人選的長處及可為董事會提供的貢獻而作決定。

### 董事會會議

董事會定期開會，每年最少召開董事會會議四次，董事們皆能親身出席或透過其他電子通訊方法參與。召開定期董事會會議前，董事在不少於14天前收到通知，全體董事皆有機會提出商討事項列入會議議程。公司秘書協助董事為會議準備議程，以確保有關會議遵守所有適用守則及規例。

# Corporate Governance Report

## 企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The attendance records of the individual Directors at the regular Board meetings during the year are set out below:

本年度，於董事會定期會議上各董事之出席記錄載列如下：

	<b>Attendance</b>
	<b>出席次數</b>
<b>Executive Directors:</b>	
Mr. KUAI Wei	4/4
Mr. LAI Chun Liang	4/4
Mr. LIN Zhang	4/4
<b>Independent Non-executive Directors:</b>	
Mr. PAI Hsi-Ping	4/4
Ms. XIE Qun	4/4
Mr. KWAN King Chi George	4/4

During regular meetings of the Board, the Directors discuss and formulate the overall strategies of the Group, monitor financial performances and discuss the annual and interim and quarterly results, as well as discuss and decide on other significant matters. Execution of daily operational matters is delegated to management. Apart from the regular Board meetings, the Board meets on other occasions when a Board level decision on a particular matter is required.

於董事會定期會議中，董事們商討並制定本集團之整體策略，監察財政表現及商討年度及中期及季度業績，及商討及作出其他重大決定。管理日常運作之責任則交予管理層執行。除定期董事會會議外，董事會當有需要就特定事宜作決定時會舉行董事會會議。

The Company Secretary records the proceedings of each Board meeting by keeping detailed minutes, including all decisions by the Board together with concerns raised and dissenting views expressed (if any). Drafts of Board minutes are circulated to all Directors for comment and approval as soon as practicable after the meeting. All minutes are open for inspection at any reasonable time on request by any Director.

公司秘書就每次董事會會議作出詳細會議記錄，包括董事會作出之一切決定，以及任何疑慮或表達之反對意見(如有)。董事會會議結束後，在實際可行情況下盡快將會議記錄之初稿發送給全體董事，以供表達意見及審批。所有會議記錄均可供任何董事於任何合理時間查閱。

# Corporate Governance Report

## 企業管治報告

Annual Report 2016 二零一六年年報

All Directors have access to relevant and timely information at all times as the Chairman ensures that management will supply the Board and its committees with all relevant information in a timely manner. They may make further enquiries if in their opinion it is necessary or appropriate to request for further information. They also have unrestricted access to the advice and services of the Company Secretary, who is responsible to the Board for providing Directors with Board papers and related materials, and ensuring that all proper Board procedures are followed and that all applicable laws and regulations are complied with. If considered to be necessary and appropriate by the Directors, they may retain independent professional advisors at the Group's expense.

In case where a conflict of interest may arise involving a substantial shareholder or a Director, such matter will be discussed through an actual meeting and will not be dealt with by written resolutions. Independent non-executive Directors with no conflict of interest will be present at meetings dealing with such conflict issues.

The Board committees, including the Audit Committee, the Nomination Committee and the Remuneration Committee, have all adopted the applicable practices and procedures used in Board meetings for all committee meetings.

主席確保管理層向董事會及其轄下委員會適時提供一切有關之資料，以使全體董事能夠隨時掌握有關及適時之資料。董事如認為取得進一步資料屬必要或適當時可進一步查詢。所有董事亦可在不受限制之情況下取得公司秘書之意見和獲得其服務，包括向董事提供有關董事會之文件及相關資料，及確保符合適當之董事會程序及一切適用之法律及規例均能遵守。如董事認為有需要及在適當之情況下，可尋求獨立專業顧問意見，費用由本集團支付。

若主要股東或董事可能涉及利益衝突時，有關事項不會以書面決議之方式處理，而董事將會就該事項舉行現場會議。無利益衝突之獨立非執行董事將會出席處理有關衝突事件之會議。

董事會轄下委員會，包括審核委員會、提名委員會及薪酬委員會，均就所有委員會會議採納董事會沿用之適用原則及程序。

# Corporate Governance Report

## 企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Chairman and Chief Executive Officer

The Chairman of the Group is Mr. Kuai Wei and the Chief Executive Officer of the Group is Mr. Lai Chun Liang. The roles of Chairman and Chief Executive Officer are segregated and not performed by the same individual to ensure segregation of duties.

The Chairman of the Group is primarily responsible for the leadership and effective running of the Board, in formulating the overall strategies of the Group, whereas the Chief Executive Officer is primarily responsible for the running of the Group's business and implementation of the Group's strategies in achieving the overall commercial objectives.

### Non-Executive Directors

Code Provision A.4.1 provides that non-executive Directors should be appointed for a specific term and subject to re-election. The Company issues appointment letters to each of the independent non-executive Directors setting out the terms and conditions of their appointment. The Company's independent non-executive Directors are required by the Company's Articles of Association to retire from office by rotation at the Company's annual general meeting. A retiring Director shall be eligible for re-election.

The Company has received from each of independent non-executive Directors an annual confirmation of his/her independence, and the Company considers such Directors to be independent in accordance with the guidelines set out in Rule 5.09 of the GEM Listing Rules.

### 主席及行政總裁

本集團主席乃鄧偉先生，而本集團之行政總裁乃來俊良先生。主席與行政總裁之角色有區分，並非由一人同時兼任，以確保職責分離。

本集團主席主要負責領導及有效運作董事會，並制定集團整體策略，而行政總裁則主要負責主持本集團業務及執行本集團策略以達致整體商業目標。

### 非執行董事

守則條文A.4.1規定非執行董事之委任應有指定任期，並須接受重新選舉。本公司向各獨立非執行董事發出的委任書，載列彼等之任期及委任條款。根據本公司之公司章程，本公司之獨立非執行董事須於本公司之股東週年大會上輪值告退。退任董事可膺選連任。

本公司已從每位獨立非執行董事收到確認其獨立性之年度確認，並根據創業板上市規則第5.09條所列出之指引認為每位有關董事均為獨立。

## Remuneration Committee

The Remuneration Committee comprises three members, namely Mr. Lai Chun Liang, an executive Director, and Ms. Xie Qun and Mr. Pai Hsi-Ping, both independent non-executive Directors. Mr. Pai Hsi-Ping is the Chairman of the Remuneration Committee.

The role and function of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for directors' and senior management remuneration, making recommendations to the Board on the remuneration packages of executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and making recommendations to the Board on the remuneration of non-executive Directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration.

Upon the recommendation of Remuneration Committee, the Board has considered and reviewed the existing terms of employment contracts of the executive Directors and senior management and considers that the existing terms of employment contracts of the executive Directors and senior management are fair and reasonable. The Remuneration Committee meets at least once a year. Details of the attendance of the meetings of the Remuneration Committee during 2016 are as follows:

Mr. PAI Hsi-Ping  
Ms. XIE Qun  
Mr. LAI Chun Liang

## 薪酬委員會

薪酬委員會包括三名成員，分別為執行董事來俊良先生及獨立非執行董事謝群女士及白旭屏先生。白旭屏先生為薪酬委員會之主席。

薪酬委員會之角色及職務包括向董事會就本公司董事及高級管理人員的薪酬政策及架構、執行董事及高級管理人員之薪酬待遇，包括實物利益、退休金權益及補償(包括任何離職或入職補償)，以及就非執行董事之薪酬向董事會提供建議。薪酬委員會應考慮之各種因素包括：比較其它同類型公司所付薪金、董事所投注時間及職責、本集團內僱傭條件及按表現發放薪酬之適切性。

按薪酬委員會之建議，董事會已考慮及審閱執行董事及高級管理人員僱傭合約之現有條款，並認為執行董事及高級管理人員僱傭合約之現有條款屬公平合理。薪酬委員會每年至少召開一次會議。於二零一六年內薪酬委員會會議之出席記錄詳情如下：

### Attendance 出席次數

白旭屏先生 1/1  
謝群女士 1/1  
來俊良先生 1/1

# Corporate Governance Report

## 企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Nomination Committee

The Nomination Committee comprises three members, namely Mr. Lin Zhang, an executive Director, Mr. Pai Hsi-Ping and Ms. Xie Qun, both independent non-executive Directors. Ms. Xie Qun is the Chairman of the Nomination Committee.

The duties of the Nomination Committee include reviewing the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, skills, knowledge and professional experience) of the Board annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, identifying individuals suitably qualified to become Board members and making recommendations to the Board on selection of individuals nominated for directorships, assessing the independence of independent non-executive Directors, and making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the chief executive. In carrying out the responsibility for identifying suitably qualified candidates to become members of the Board, the Committee will give adequate consideration to the board diversity policy.

Details of the attendance of the meetings of the Nomination Committee during 2016 are as follows:

Ms. XIE Qun  
Mr. PAI Hsi-Ping  
Mr. LIN Zhang

### 提名委員會

提名委員會包括三名成員，分別為執行董事林漳先生、獨立非執行董事白旭屏先生及謝群女士。謝群女士為提名委員會之主席。

提名委員會之職責包括每年檢討董事會之架構、規模、組成及成員多元化(包括但不限於性別、年齡、文化及教育背景、技能、知識及專業經驗)；向董事會任何建議變動作出推薦建議，以符合本公司之企業策略；識別合資格成為董事會成員之人士，並向董事會就提名董事之人選作出推薦建議；評獨立非執行董事之獨立性，以及向董事會就委任、重新委任及董事之繼任計劃(特別是主席及行政總裁)提出推薦建議。於履行物色合資格人選為董事會成員之職責時，委員會將充分考慮董事會成員多元化政策。

於二零一六年內提名委員會會議之出席記錄詳情如下：

#### Attendance 出席次數

謝群女士	3/3
白旭屏先生	3/3
林漳先生	3/3



### Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with Rules 5.28 and 5.33 of the GEM Listing Rules. The primary duties of the Audit Committee include reviewing the Company's annual report, half-year report and quarterly financial reports and providing advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing the Company's financial controls, risk management and internal control systems. It is also responsible for making recommendations to the Board on the appointment, re-appointment and removal of external auditor, approving the remuneration and terms of engagement of the external auditor, reviewing and monitoring the external auditor's independence and objectivity, and meeting the external auditor at least twice a year regarding the review of the financial reports and accounts.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Pai Hsi-Ping, Ms. Xie Qun and Mr. Kwan King Chi George. Mr. Kwan King Chi George is the Chairman of the Audit Committee.

The Group's unaudited quarterly and interim results and audited annual results for the year ended 31 December 2016 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosure have been made.

### 審核委員會

本公司已根據創業板上市規則第5.28及5.33條成立具書面職權範圍之審核委員會。審核委員會之主要職責包括審閱本公司年報、中期報告及季度財務報告，並就此向董事會提出建議及意見。審核委員會亦負責檢討本公司之財務監控、風險管理及內部監控制度。其亦負責向董事會就委任、重新委任及免任外聘核數師提供推薦建議、批准外聘核數師之薪酬及委聘條款、審核及監察外聘核數師之獨立性及客觀性，以及就財務報告及賬目的審閱會見外聘核數師不少於一年兩次。

審核委員會由三名獨立非執行董事組成，分別為白旭屏先生、謝群女士及關敬之先生。關敬之先生為審核委員會之主席。

本集團於截至二零一六年十二月三十一日止年度之未經審核季度及中期業績，以及經審核全年業績已由審核委員會審閱。審核委員會認為，該等業績乃按照適用會計準則、聯交所及法律規定編製，並已作出充分披露。

# Corporate Governance Report

## 企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The Audit Committee held 4 meetings during the year under review. Details of the attendance of the Audit Committee meetings are as follows:

審核委員會於回顧年度曾舉行四次會議。審核委員會會議之出席記錄詳情如下：

		<b>Attendance</b>
		出席次數
Mr. PAI Hsi-Ping	白旭屏先生	4/4
Ms. XIE Qun	謝群女士	4/4
Mr. KWAN King Chi George	關敬之先生	4/4

### Auditors' Remuneration

### 核數師之酬金

The Company has appointed Pan-China (H.K.) CPA Limited as the auditors of the Group. The Board is authorised in the annual general meeting to determine the remuneration of the auditors.

公司已任命天健(香港)會計師事務所有限公司為本集團核數師。董事會於股東周年大會獲授權決定核數師之酬金。

During the year ended 31 December 2016, a summary of the total fee paid/payable in respect of audit and non-audit services provided by the Company's external auditors is set out below:

於截至二零一六年十二月三十一日止年度，本公司外聘核數師提供審核及非審核服務之已付／應付酬金總額總結如下：

		2016 二零一六年	2015 二零一五年
		<i>HK\$'000</i> 港幣千元	<i>HK\$'000</i> 港幣千元
<b>Types of services</b>	<b>服務種類：</b>		
Audit services	審核服務	500	480
Non-audit services	非審核服務	—	—
<b>Total</b>	<b>總計</b>	<b>500</b>	<b>480</b>

# Corporate Governance Report

## 企業管治報告

Annual Report 2016 二零一六年年報

### Directors' and Auditors' Responsibilities for Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements of the Group. In preparing the financial statements, the general accepted accounting standards in Hong Kong have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made. The responsibilities of the external auditors are set out in the Independent Auditors' Report to the members of the Company on pages 83 to 92 of this annual report.

### Directors' Training

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company has arranged inhouse trainings for Directors in the form of seminar and provision of training materials. A summary of training received by Directors during the year according to the records provided by the Directors is as follows:

### 董事及核數師就財務報表之責任

董事確認其就編製本集團財務報表之責任。於編製財務報表之過程中，本公司已採用香港通用會計準則、持續地應用適當之會計政策、作出合理及謹慎之判斷及估計。外聘核數師之責任載於本年報第83至92頁致本公司全體成員之獨立核數師報告。

### 董事培訓

本公司鼓勵全體董事參與持續專業發展，以發展及更新彼等的知識及技能。本公司已透過舉行研討會及向董事提供培訓資料，為董事安排內部培訓。根據董事提供的記錄，董事於本年度接受的培訓概要如下：

Training on corporate governance, regulatory development and other relevant topics  
企業管治、監管發展及其他相關主題培訓

#### Executive Directors:

Mr. KUAI Wei

Mr. LAI Chun Liang

Mr. LIN Zhang

#### 執行董事：

鄧偉先生

來俊良先生

林漳先生

✓

✓

✓

#### Independent Non-executive Directors:

Mr. PAI Hsi-Ping

Ms. XIE Qun

Mr. KWAN King Chi George

#### 獨立非執行董事：

白旭屏先生

謝群女士

關敬之先生

✓

✓

✓

# Corporate Governance Report

## 企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Company Secretary

The Company Secretary is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary reports to the Chairman and is responsible for advising the Board on governance matters. For the year under review, the Company Secretary has confirmed that he has taken no less than 15 hours of relevant professional training.

### Shareholders' Rights

#### Convening Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

Pursuant to Article 58 of the Articles of Association of the Company, any one or more shareholders, 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.

### 公司秘書

公司秘書為本公司全職僱員，並對本公司的日常事務有所認識。公司秘書向主席匯報，並負責就管治事宜向董事會提供建議。就回顧年度而言，公司秘書確認其已接受不少於15小時的相關專業培訓。

### 股東權利

#### 召開股東特別大會及於股東會議上提呈議案

根據本公司組織章程細則第58條，任何一個或多個股東，在申請提交之日，持有不少於本公司繳足股本十分之一，而且在本公司股東大會上行使投票權，隨時有權透過向董事會或本公司秘書遞交書面申請，請求董事會針對該申請中指定的任何事務處理召開特別股東大會；該等會議應在該申請提交後的兩(2)個月內召開。若在該申請提交後的二十一(21)天內，董事會未能召開該會議，申請人本身可以相同方式召開，對於因董事會失責而使申請人產生的合理費用，本公司將償付予申請人。

### Procedures for Shareholders to Propose a Person for Election as a Director of the Company

If a shareholder wishes to propose a person (the “Candidate”) for election as a director of the Company at a general meeting, he/she shall deposit a written notice (the “Notice”) at the Company’s head office. The Notice (i) must include the personal information of the Candidate as required by Rule 17.50(2) of the GEM Listing Rules; and (ii) must be signed by the shareholder concerned and signed by the Candidate indicating his/her willingness to be elected and consent of publication of his/her personal information. The period for lodgment of the Notice shall commence on the day after the despatch of the notice of general meeting and end no later than seven (7) clear days prior to the date of such general meeting.

### Enquiries to the Board

Enquiries may be put to the Board through the Company’s Investor Relations Department at Room 801-802, 8/F., Shanghai Industrial Investment Building, 48-62 Hennessy Road, Wanchai, Hong Kong (email: info-hk@ppig.com.hk).

### 股東提名人選參選董事的程序

若股東擬提名個別人士(「候選人」)於股東大會上參選為本公司董事，須把一份書面通知(「提名通知」)送交本公司的總辦事處。該提名通知必須：(i)包括候選人按《創業板上市規則》第17.50(2)條的規定而須披露的資料；及(ii)由有關股東簽署，以及候選人簽署以表示其願意接受委任和同意公布其個人資料。遞交提名通知的期間將由股東會議的通告發送後開始，至該股東會議舉行日期前足七(7)天止的期間。

### 向董事會作出查詢

如欲向董事會作出任何查詢，可聯絡本公司投資者關係部，地址為香港灣仔軒尼詩道48-62號上海實業大廈8樓801-802室(電郵：info-hk@ppig.com.hk)。

# Corporate Governance Report

## 企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Communication with Shareholders

The Board and senior management maintain a continuing dialogue with the Company's shareholders and investors through various channels including the Company's annual general meeting. The Chairman, other members of the Board and external auditors attend the annual general meeting. The Directors will answer questions raised by the shareholders on the performance of the Group. Our corporate website which contains corporate information, quarterly and annual reports, announcements and circulars issued by the Group as well as the recent developments of the Group enables the Company's shareholders to have a timely and updated information of the Group. Shareholders can refer to the "Shareholders' Communication Policy" posted on the Company's website for more details.

### Constitutional Documents

During 2012, the Directors proposed to the shareholders adoption of new Memorandum and Articles of Association of the Company, which was approved by way of passing special resolutions proposed at an Extraordinary General Meeting, to adopt the new Memorandum and Articles of Association in order to bring the constitution of the Company in line with the amendments to the GEM Listing Rules that came into effect on 1 January 2012 and 1 April 2012.

### Internal Control and Risk Management

The Board is responsible for ensuring that appropriate and effective internal control and risk management systems are maintained to safeguard the assets of the Company and to respond appropriately to significant business, operational, financial, compliance and other risks. The Board, through the Audit Committee, has conducted a review of the effectiveness of the internal control and risk management systems of the Group and considered these systems to be effective and adequate.

### 與股東的溝通

董事會及高級管理層透過本公司股東週年大會等不同渠道與本公司股東及投資者維持溝通。主席、董事會其他成員及外聘核數師均會出席股東週年大會。董事將回答股東提出有關本集團表現的問題。本公司的網站載有公司資料、本集團刊發的季度及年度報告、公告及通函以及本集團最近期的發展，使本公司股東可適時地取得本集團最新的資訊。有關更多詳情，股東可參閱本公司網站刊登的「股東通訊政策」。

### 章程文件

於2012年，董事向股東建議採納本公司之新組織章程大綱及細則，並於股東特別大會上以特別決議案方式提呈及獲股東通過，令本公司之組織章程大綱及細則符合創業板上市規則於二零一二年一月一日及於二零一二年四月一日生效之修訂。

### 內部監控及風險管理

董事會負責確保維持合適及有效的內部監控及風險管理系統，以保障本公司的資產及對重大業務、營運、財務、合規及其他風險作出適當反應。董事會透過審核委員會已就本集團的內部監控及風險管理系統的有效性進行檢討，並認為該等系統為有效及充足。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

### About This Report

This Environmental, Social and Governance Report (this “Report”) concentrates on the environmental and social aspects of the sustainable performance of the Polyard Petroleum International Group Limited (“PPIG” or the “Company”) and its subsidiary companies (the “Group”) in the fiscal year 2016. This Report is prepared in accordance with the GEM Board Listing Rules Appendix 20 “Environmental, Social and Governance (ESG) Reporting Guide” issued by Hong Kong Exchanges and Clearing Limited. This Report is published annually and it is the first report published by the Group. The purpose of this Report is to strengthen the communication with stakeholders and to promote the sustainable development of the Group.

### Reporting Scope

This Report covers the period from 1 January 2016 to 31 December 2016, unless otherwise mentioned. The reporting scope covers the Group. The information presented in this Report provides a material, balanced and reliable disclosure of the Group’s environmental and social performances.

### Cautionary Statement

This Report is prepared by CECEP Environmental Consulting Group (CECEPEC) as an independent third party to highlighting the sustainable performance of the Group, focusing on the disclosure based on the reporting principles and introducing the Group’s responsibility, actions and commitments. The Company guarantees the reliability, authenticity and objectivity of the information in this Report. Through the publication of this Report, the Company aims to strengthen the communication between the Group and stakeholders, and show the transparency of the company as well as the promotion of sustainable development.

### 關於本報告

本環境、社會及管治(ESG)報告(「本報告」)專注於百田石油國際集團有限公司(「PPIG」或「本公司」)及其附屬公司(「本集團」)於2016年財政年度在環境和社會方面的可持續發展表現。本報告是根據香港交易及結算有限公司發出的創業板上市規則附錄二十《環境、社會及管治(ESG)報告指引》進行編製。ESG報告每年進行出版，本報告為本集團公佈的第一份報告，旨在加強與利益相關者的溝通，並促進本集團的可持續發展。

### 報告範圍

除非另有說明，本報告涵蓋時間為2016年1月1日至2016年12月31日。報告範圍包括本集團。本報告中提供的信息為本集團的環境和社會績效提供了重要、平衡和可靠的披露。

### 警告聲明

本報告由中國節能環境顧問集團(CECEPEC)作為獨立第三方進行編製，以突出管理過程，重點關注基於報告原則的披露，並介紹集團的責任、行動和承諾。本公司保證本報告中信息的可靠性、真實性和客觀性。本公司致力於強化本集團與利益相關者之間的溝通，通過出版報告以促進自身的可持續發展，並展示公司的透明度。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

This Report contains certain forward-looking statements with respect to the results of operations and businesses of the Group and certain plans and objectives of the Group. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of the Group.

### Hear from You

The Group values the questions and opinions from its clients and society. For any questions and comments raised during reading this Report, please contact us at [info-hk@ppig.com.hk](mailto:info-hk@ppig.com.hk).

## 1. Sustainable Operation

The Group commits to the safety and health of all employees and other persons who may be affected and to the optimum protection of the environment in which operations are conducted. Working safety and protecting the environment is a condition of employment in the Group. The health, safety and environmental (HSE) performance is a core indicator of the progress towards sustainable operation. The Group believes that there is a permanent interaction between the HSE performance, operation efficiency, personnel motivation, morale and financial success. Although a major incident is infrequent, it can cause serious harm to people and the environment. Prevention and protection are the keys to avoid incidents and achieve the permanent interaction. The Group thus attaches importance to prevent incidents and enhance operational safety.

本報告載有有關本集團營運及業務的表現及本集團若干計劃和目標的前瞻性陳述。前瞻性陳述的性質涉及風險和不確定性，因為它們與個別事件有關，並取決於將來可能發生且不在集團控制範圍內的情況。

### 您的意見

本集團重視來自客戶和社會的疑問和意見。若在閱讀本報告時有任何問題和意見，請通過 [info-hk@ppig.com.hk](mailto:info-hk@ppig.com.hk) 與我們聯繫。

## 1. 可持續營運

本集團承諾保障每一位員工和其他可能受影響的人士的安全和健康，並對集團的業務開展所在地區的環境提供最妥善的保護。本集團承諾為員工提供安全和舒適的工作環境。健康、安全和環境(HSE)績效是實現可持續營運進展的核心指標。本集團認為，HSE績效、營運效率、員工動力、士氣和業績成功這五個因素之間存在永久相互作用。雖然重大事故並不常見，一旦發生則可對人類和環境造成嚴重傷害。預防和保護措施是避免事故和實現以上五個因素永久相互作用的關鍵。因此，本集團重視預防事故和提高營運安全。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

### 1.1. Safety and Health Management

The Group is open to any kind of proven tools for enhancing the safety and health management. The HSE Policies of the Group give a framework to the prevention and protection implementation. Various tools are incorporated into the management to provide detailed records and comprehensive analysis. The Safety Training Observation Programme (STOP) and Jobs Safety Analysis (JSA) are implemented to identify potential hazards, propose the safety precautions and recommend areas for improvement. The Permit To Work (PTW) system and Confined Space Entry (CSE) serves as a means of communication between the management, supervisors and contractors. This mechanism ensures the personnel carrying out specific work clearly understand the nature of the work and the potential hazards involved. Specific precautions can then be taken before starting the work, during the work and after its completion. Emergency Response Plans (ERPs) for major potential hazards have been established to provide a concise guideline in case of emergency. ERPs and roles of personnel in the plan should be communicated with all employees. Drills are required to be arranged at specific intervals and attended by all required personnel. A performance evaluation report of a drill is necessary for the man in charge to prepare after the drill completion.

### 1.1. 安全與健康管理

本集團願實施任何經驗證可提升安全和健康管理的措施和方法。本集團的HSE政策為執行預防和保護措施提供了一個框架。本集團在安全管理上利用各種不同的工具，以提供詳細的記錄和綜合分析。使用安全培訓觀察計劃(STOP)和工作安全分析(JSA)識別潛在危害，提出安全預防措施並建議需要改進的地方。工作許可證系統(PTW)和密閉空間入口(CSE)作為管理層、主管和承包商之間的溝通手段，確保執行特定工作的員工清楚瞭解工作的性質和潛在危險，並在開始項目之前、項目期間和完成項目之後採取特定的預防措施。針對主要潛在危害的應急響應計劃(ERP)已經建立，以便在緊急情況下提供簡明指引，所有員工在ERP中的角色亦都與當事人事先溝通好。演習需要按照特定時間安排，並由所有有關員工參加。每次演習完成後，負責人都必須提交演習表現評價報告。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Table 1. The general prevention and protection tool in safety and health management

表1. 一般用於安全與健康管理的預防和保護措施工具

	Tool 工具
Prevention 預防	<ul style="list-style-type: none"> <li>• Safety Training Observation Programme (STOP) 安全培訓觀察計劃</li> <li>• Jobs Safety Analysis (JSA) 工作安全分析</li> <li>• Permit to Work (PTW) 工作許可證</li> <li>• Confined Space Entry (CSE) 密閉空間作業</li> <li>• Drills (fire, rescue, toxic gas leakage etc.) 演習(火災、挽救、有毒氣體泄漏等等)</li> <li>• Emergency Response Plan (ERP) 應急預案</li> <li>• Safety induction briefing 安全指引簡報會</li> <li>• Safety training (International Well Control Certificate, HSE Certificate, Operation Certificate) 安全訓練(國際井控證書、HSE證書、營運證書)</li> </ul>
Protection 保護	<ul style="list-style-type: none"> <li>• Requesting pre-employment medical examination 要求進行就業前體檢</li> <li>• Providing regular and special medical examinations 提供定期和特別體檢</li> <li>• Providing first aid kits in project sites 在項目現場提供急救包</li> <li>• Hygiene of living quarters 生活衛生</li> <li>• Personal protective equipment supply 個人防護用具的供應</li> </ul>

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

The Group has a focus on developing a comprehensive medical system with hygiene programme integrated to protect its labours. Each individual employee including contract and sub-contract based employment is requested to take a pre-employment medical examination. Employees, after confirmation of employment, can receive a medical examination on a regular basis. Regular medical examination aims to detect body abnormalities or symptoms of diseases at the early stage, so that the condition of each employee can be examined comprehensively, and a better risk assessment can be evaluated by STOP and JSA. A special medical examination is arranged to employees resuming work after an injury or an illness to ensure readiness. In addition, first aid kits are required to be provided in each project site. Inventories of the equipment and medicines are maintained by a medic. A series of hygiene practice targeting living quarters is required to be maintained at all times. The catering crew must strictly follow the Group's hygiene rules.

The importance of safety is presented variously with an aim of developing a safety sense in the mind of workers. Safety induction briefing is given to each newly hired employee. The employees briefed are then given a test to ensure adequate knowledge of safety has been acquired. An instruction on the project details, different types of alarms and emergency procedures is provided to each employee assigned to a project site. Training in fire protection, gas detection, hazardous material handling, personal protection, etc., is given to employees

本集團致力於發展綜合醫療系統，並配合衛生計劃來保護我們的員工。每名員工(包括基於合同和分包合同的聘用)在入職前會被要求進行醫療檢查。成為正式員工後，本集團會為員工提供定期醫療檢查，以幫助其盡早發現身體異常或病徵。透過這些檢查，能夠全面地瞭解每名員工的身體狀況，並且STOP和JSA可以更好地評估員工的工作風險。員工在受傷或生病後，集團會在他們恢復工作時提供特殊體檢，以確保員工準備就緒。另外，集團的每一個項目地點都會提供配備急救包，其中的醫藥用品存貨由醫師負責管理。員工需要遵守並保持生活區的一系列衛生習慣。項目區內的餐飲團隊亦必須嚴格遵守本集團的衛生規定。

為了培養員工的安全意識，本集團以不同的方式體現安全的重要性。首先將安全指引簡報提供給每名新員工，然後對員工進行測試以確保他們獲得足夠的安全知識。每名員工獲指派到項目現場後，會獲得關於項目的細節和不同類型的警報和緊急程序的指示。在必要時，向員工提供火災保護、氣體檢測、危險材料處理和個人防護等培訓。每次鑽井完成後，負責人需準備一份完整的HSE

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

whenever necessary. A full HSE report is prepared upon the completion of each well drilling by the employee in charge. The report is provided to on-site workers. Case studies of different hazards are included and evaluated in the report. This approach has fostered an understanding of safety issues among personnel in the project site.

The HSE Policies of the Group target all third parties with whom the Group is associated. The Group considers improving the HSE performance of all third parties working on its projects as one of the responsibilities. Contractors, sub-contractors, suppliers and third party personnel work on the Group's projects, who are required to ensure compliance with the HSE policies. The Group regularly invited the contractors to discuss the HSE plans, such as safety precaution, and ask them to report HSE issues in the project site. The contractors should report to the Group any event or incident in terms of health, safety and the environment under any circumstance.

報告，並提供給現場工人。該HSE報告中包括並評估了不同危害的案例研究，這種方法促進了員工瞭解項目現場的安全問題。

本集團的HSE政策針對與本集團相關的所有第三方。本集團認為提高所有從事本集團項目工作的第三方的HSE績效是自身的一個職責，其中包括承包商、分包商、供應商和從事集團項目的第三方員工，本集團要求他們必須確保遵守HSE政策。本集團定期邀請承包商討論如安全防範方面的HSE計劃，並要求他們報告在項目現場的HSE問題。在任何情況下，承包商應及時向本集團報告任何關於健康、安全和環境問題的事件或意外。



Regular On-site HSE Meeting with Contractors  
與承包商定期召開項目現場HSE會議

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

### Prevention Practice 1 – Blowout Prevention

Blowouts have been identified as one of the major hazards in the oil and gas industry. A blowout is an uncontrolled flow of gas, oil or other formation fluids into the environment. Apart from the contamination of water, land and ecosystem, blowouts are closely related to massive fire and huge explosion, which are both identified as the major hazards. The occurrences of the two are dependent on blowouts to a certain extent. The Group takes the blowout prevention seriously, as the safety of both employees and local community is what the Group values. During the reporting period, no blowout was reported in the project sites.

Table 2. The measures against blowouts by type

Measure Type 措施類型	Measure 措施
Management 管理	<ul style="list-style-type: none"> <li>• Blowout drill 井噴演習</li> <li>• Regular revision in systems and procedures 定期審查系統和程序</li> <li>• Emergency Response Plan (ERP) 應急預案</li> </ul>
Technology 科技	<ul style="list-style-type: none"> <li>• Detectors 探測器</li> <li>• Blowout Preventer (BOP) 防噴器</li> <li>• Relief well 減壓井</li> </ul>

### 實踐預防1 – 預防井噴

井噴已被確定為石油和天然氣工業的主要危害之一。井噴是指氣體、油或其它地層流體不受控制地流入環境中。除了對水、土地和生態系統的污染，井噴可能造成巨大的火災和爆炸。這兩樣都被認為是主要危害，且兩者的發生在一定程度上取決於井噴。本集團重視員工和當地社區的安全，所以採取一系列措施預防井噴。於本報告期內，無關於項目地點井噴的匯報發生。

表2. 按類型劃分的預防井噴的措施

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Risk Management plays a critical role in blowout prevention. All required personnel in the project site have to attend regular blowout drills. The attendance of each drill is recorded. The performance of the drill was evaluated by the man in charge with the supervisors and personnel involved. A regular review in blowout prevention is conducted. Appropriate changes can be all incorporated, if areas for improvement are found in review. ERP for blowout has been prepared for communication with required personnel responsible to take actions in an emergency.

風險管理在井噴預防中起著至關重要的作用。項目現場的所有必要員工必須定期參與井噴演習，且出席情況將被記錄。演習的表現由負責人、主管和相關員工進行評估。本集團定期進行井噴預防的審查，若發現需要改善的方面則落實適當的改進方案。本集團已制定井噴應急預案，並會與負責在緊急情況下採取行動的員工進行溝通。



Training for Blowout Prevention Drill  
預防井噴演習訓練

Early detection of undesired formation pressure is fundamental to blowout prevention. A kick is formed when fluid, such as crude oil and water, is forced to flow due to greater formation pressure than hydrostatic pressure. A blowout is eventually resulted when a kick is uncontrolled. Pressure detectors are thus required to be installed at all wells.

及早檢測過度的地層壓力是防止井噴的基礎。當地層壓力大於流體靜壓時，流體諸如原油和水會被強迫流動而形成「衝擊」。當「衝擊」不受控制時，最終將導致井噴。因此，所有項目的井口都需要安裝壓力檢測器。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

A blow preventer (BOP) is routinely integrated with the drilling system to prevent oil, gas and other liquids from escaping into the environment. Basically, a BOP on a drilling rig is attached to the heavy surface casing before drilling activity begins. It acts as a lid on the hole being drilled, and can close off a well if a loss of control of the fluids in the formation is detected.

Drilling a relief well is carried out if a blowout cannot be controlled from the surface. The energy accumulated due to great formation pressure does not deplete significantly in some extreme cases. Those blowouts can be so forceful that normal control measures are not functional. Injecting fluid with high density by drilling a relief well to intersect the well can produce hydrostatic pressure and shut off the flow of fluid along the well.

### **Prevention Practice 2 – Preventing Release of Hydrogen Sulfide**

Some toxic gases naturally occurred in oil and gas deposits can be forced out by undesired pressure. Particular attention is paid to hydrogen sulfide (H<sub>2</sub>S), which is a common gas found at oil and gas well sites with characteristics of corrosive, flammable and colourless at high level. H<sub>2</sub>S becomes highly hazardous and can be fatal when concentrations reach a certain level. Workers, and even local community, can be accidentally exposed to this toxic gas during exploration activities. The Group recognizes the fatalities of H<sub>2</sub>S and possibility of occurrence. During the reporting period, release of H<sub>2</sub>S was not detected in the project sites and no personal injury case related to release of H<sub>2</sub>S had been reported.

防噴器(BOP)通常與鑽井系統結合，以防止油、氣體和其他液體逸出到環境中。基本上，在鑽井活動開始之前，鑽機上的BOP就會附接到重型的地表鑽蓋上，充當井口的蓋子，並且在檢測到地層中流體失控時，可以關閉油井。

如果不能從地表控制井噴，則可以開鑽一口減壓井。在一些極端情況下，巨大地層壓力累積的能量不會顯著減少，井噴可能會過於強烈，以致平常的控制措施不起作用。通過鑽出減壓井與油井相連來注入具有高密度的流體，可產生流體靜壓並切斷沿井的流體流動。

### **實踐預防2 – 預防硫化氫釋出**

在油和氣體沉積物中天然生成的有毒氣體可能會由於過度的壓力而被釋放。硫化氫(H<sub>2</sub>S)是油氣井中常見的在高濃度下具有腐蝕性、易燃性和無色等特徵的氣體，本集團對該有毒氣體予以特別重視。當H<sub>2</sub>S濃度達到一定水平時，將變得危險且致命。在開採活動期間，員工甚至當地社區的人員均可能意外地暴露於這種有毒氣體之中。本集團清楚意識到H<sub>2</sub>S可能帶來的致命性和其發生的可能性。於本報告期內，項目現場沒有發現任何H<sub>2</sub>S釋放的情況，並且沒有收到任何因H<sub>2</sub>S釋放導致人員傷害的報告。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Detection is the first barrier against H2S release at the project site. It is strictly regulated that a fixed gas detection system for continuous monitoring and a minimum of 2 portable electronic gas detectors should be equipped at each project site. The detectors should be placed strategically to make the monitoring effective. All the detectors are regularly inspected, maintained for use at all time and calibrated with the information recorded.

A H2S drill is an important part of preparation. The Group emphasizes to enhance the safety sense of employees through simulation of a drilling activity in a suspected or known H2S area. The drill is conducted twice a week and all required personnel have to participate. Before drilling into sulfur-bearing formation, man in charge has to organize a H2S prevention drill and send out warning signs to personnel of all levels. The implementation of H2S prevention measures must be checked rigorously in inspection and acceptance before drilling reservoirs.

檢測措施是項目現場對H2S釋放的第一個防線。本集團嚴格規定每個項目現場需要配備用於連續監測的固定氣體檢測系統和至少兩個便攜式電子氣體檢測器。檢測器應該被策略性地放置，以使監測有效。所有的檢測器都需進行定期檢查，以維持可於所有時間使用，並對探測器進行定期校準和記錄相關信息。

H2S演習是預防事故的重要部分。本集團注重通過模擬疑似或已知存在H2S溢出的地區的演習活動，以提高員工的安全意識。演習每周進行兩次，所有有關員工都必須參加。在鑽進含硫地層之前，負責人必須組織一次H2S防護演練，並向各級員工發出警示標志。在鑽井開始之前，必須嚴格檢查驗收硫化氫防治措施的執行情況。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

### 1.2. Building a Reliable Workforce

The Group strictly follows the labour and employment-related laws. The Group is determined to provide equal opportunity to all qualified persons without regard to creed, colour, age, gender and regional origin. The employment contracts are prepared based on the labour law to protect the rights of employees. An individual person not reaching legal adult age will not be employed according to the labour law. Moreover, the Group is impartial and equally treat any applicant who shall be selected on the basis of education, work experience, compatibility with work culture and potential for future advancement.

Motivating employees to continue developing their skill is important to the Group. It is the policy of the Group to provide career training and development opportunities to employees in accordance with their growth potential and job interest. Employees are encouraged to attend external courses, and consideration will be given to reimburse employees with the cost of fees and examinations provided. Employees are mostly encouraged to attend well control course and RigPass course conducted by the International Association of Drilling Contractors (IADC). The training can enhance the ability of the employees, and thus the operation performance including safety and management.

### 1.2. 培養可靠的員工

本集團嚴格遵守勞工和就業相關的法律。本集團決心為所有合資格人士提供平等的機會，而不因其信仰、膚色、年齡、性別和地區給予差別待遇。本集團的勞工合同是根據運營當地的勞工法制定，用以保護員工的權利。根據勞工法，未達法定成年年齡的人士不得被聘用。此外，本集團公正並同等對待所有申請人，用人將參考申請人的學歷、工作經驗與工作文化的兼容性和未來發展潛力而定。

本集團非常重視對員工在繼續發展技能方面的激勵。本集團的政策是根據員工的發展潛力和工作興趣為員工提供職業培訓和發展機會。本集團鼓勵員工參加外部課程，並會考慮補償報銷員工支付的課程費用和考試費用。本集團鼓勵員工參加由國際鑽井承包商協會(IADC)舉辦的鑽井控制課程和RigPass課程。該培訓可以增強員工的工作能力，以至提升安全和管理方面的營運表現。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

A Performance Appraisal System (PAS) is developed to regularly monitor work performance of every employee. It helps an individual employee to identify his/her strengths and areas for improvement. Department heads can then better utilize and develop the employee's capability. The Group insists to offer internal promotions to employees. Ability, performance and potential of the employees are the major factors in the consideration of promotion.

Work-life balance is gradually merged in the Group's system. The Group aims at developing mentally and physically healthy and productive employees in an atmosphere of unity based on fellowship and camaraderie. Hospitalization and medical benefits are established to keep employees fit. Accident insurance is provided to all regular employees. Employees can grant leave for personal matter, such as examination and marriage. The Group has established plans to promote recreation, sports and social activities.

本集團建立了績效評估系統(PAS)，定期監測每位員工的工作績效，有助於員工識別自身優勢和需改進的地方，部門主管亦可以更好地利用和發展員工的能力。本集團堅持向員工提供內部晉升機會，其中員工的能力、績效和潛力是晉升機制中的主要考量因素。

本集團逐漸將工作與生活的平衡融入自身體系中。在團結和友誼的和睦氣氛中，本集團致力於打造身心健康並富有生產力的員工。為保持員工身體健康，本集團建立了住院和醫療的福利制度，並向所有正式員工提供意外保險。如員工因考試或結婚等個人事務需要假期，本集團亦批准給予相應假期。此外，本集團已製定相應計劃，以推廣康樂、體育及社會活動。



Eco-Tourism of Bohol Island in Philippines  
菲律賓薄荷島生態旅遊

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報



Philippines Oil & Gas Bowling Tournament  
菲律賓石油和天然氣保齡球比賽

The Group has no tolerance towards bribery. Either receiving or offering bribes is illegal and not accepted by the Group. Clear rules and statement are attached in the staff handbook. Contractors, sub-contractors, suppliers and third party personnel working on the Group's projects are clearly informed to follow the anti-corruption rules of the Group. The Group takes steps to improve the internal anti-corruption system and enhance the sense of employees.

本集團對賄賂行為持零容忍態度，收受或提供賄賂是非法並不被本集團所接受的。本集團將與反貪污相關的規則和聲明明確附在員工手冊中，並向承包商、分包商、供應商和從事集團項目工作的第三方員工明確表達需遵守本集團的反貪污規則。本集團會採取措施，以完善內部反腐敗制度和提高員工意識。

## 2. Sustainable Environment

The Group attaches great importance to the environmental impacts generated by its business operations. The Group is principally engaged in the exploration and development of oil, natural gas and coal, of which the operations station mainly in the Southeast Asia region. During the reporting period, the main environmental impacts of the Group were generated from the exploration and development of oil and gas, of which the subsidiary of the Group, China International Mining Petroleum Company Limited (Philippines Branch) (CIMP) principally engaged in.

## 2. 可持續環境

本集團高度重視其業務營運所產生的環境影響。本集團主要從事勘探、開採及開發石油、天然氣及煤炭，營運項目主要位於東南亞地區。於本報告期內，本集團之附屬公司中國國際礦業石油有限公司(菲律賓分公司)(CIMP)主要從事石油和天然氣的勘探和開發，由於其業務性質，在集團範圍內來說產生的環境影響較為主要。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The approach of the Group is to comply with all environmental and social regulations, to improve the performance continually with best practices, and to prepare to respond to environmental risks as well as social concerns. The Group aims to reduce environmental impacts from early project planning to operation.

Philippines South Cebu Oil and Gas Project (SC49) is the business focus of the Company and CIMP in 2016, as it has been approved to be turned into production period by the Department of Energy (DOE) of the Philippines since the end of 2015. The project is located on a small village of Montpellier in the Municipality of Alegria, Province of Cebu. Oil exploration and development have significant impacts on the local environment and community, if it is not properly controlled. Land and water are particularly at risk. The Company and CIMP worked to satisfy all the requirements set by the Department of Environment and Natural Resources (DENR) on the application of Environmental Compliance Certificate (ECC). An environmental study was conducted and an Environmental Impact Statement (EIS) was prepared and submitted to the Environmental Management Bureau (EMB), an agency under DENR. The EIS is a major requirement for the issuance of an ECC and it contains comprehensive information of the project components that can impact the environment, the prevailing environmental conditions at the project site, the impacts of the project on these conditions, and the mitigating measures the proponent commits to implement. It also has a social development component that focuses on the programs of the Company to alleviate living conditions of affected families, commitment to help the village in several social services, and ensuring the host community of safe operations of the project through an

PPIG的方法是遵守所有環境和社會法規，以最佳實踐來不斷改進績效表現，並時刻準備應對環境風險和社會問題。本集團的目標是從早期項目規劃到營運過程持續減少對環境的影響。

菲律賓南宿霧石油和天然氣項目(SC49)是本公司和CIMP在2016年的業務重點，該項目自2015年年底起已被菲律賓能源部批准進入生產期。該項目位於宿務省Alegria市Montpeller中的一個小村莊。如果沒有適當的管理，石油開採對當地的環境和社區將產生重大影響，特別是對土地和水資源的影響尤為嚴重。為了申請環境合規證書(ECC)，公司和CIMP致力於滿足環境及自然資源部(DENR)的所有有關要求。本公司和CIMP進行了環境研究後，將準備的環境影響聲明(EIS)提交給隸屬於DENR下屬的環境管理局(EMB)。提交EIS是獲發ECC的主要要求，它包含了可影響環境的項目組成部份的全面信息、項目現場的當前環境條件、項目開發對這些條件的影響以及項目發起者承諾實施的減輕環境影響的措施。EIS亦包含社會發展部分，著重於本公司的計劃如何緩和受影響家庭的生活環境、承諾透過社會服務幫助村莊，並通過環境風險評估(ERA)向當地社區確保項目的營運安全。在DENR授予ECC給CIMP之後，SC49項目獲准開始生產。基於ECC中所述條件，此項目涉及多種合規性要

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

Environmental Risk Assessment (ERA). SC49 project was permitted to start production, after DENR granted ECC to CIMP. The project involves various compliance requirements based on the conditions stated in ECC. Representatives from the project, contractor, Environmental Management Bureau (EMB), DOE, Department of Social Welfare and Development (DSWD), religious organizations and local environmental non-governmental organizations (NGO) have formed a Multi-partite Monitoring Team (MMT) to continuously monitor the progress on compliance.

求。來自項目、承包商、環境管理局(EMB)、能源部、社會福利和發展部(DSWD)、宗教組織和地方環境非政府組織(NGO)的代表組成了一個多方監控小組(MMT)持續監測合規進度。



Regular MMT Meeting and Site Inspection  
定期MMT會議和項目現場檢查

Various actions are taken in the planning stage to examine the environmental impacts associated with the exploration and development of oil and gas. The exploration and development of oil and gas is a series of activities to extract crude oil and natural gas from existing reservoirs. These activities include material and equipment procurement, civil construction and well drilling. A screening process to identify potential impacts and compliance requirements related to mentioned activities is completed in the early planning stage. The impacts on topography, water availability and air quality are included. EIS is done following the screening

本集團在開採石油和天然氣項目的規劃階段採取多種行動以檢查相關的環境影響。油氣開採是從現有油藏中提取原油和天然氣的一系列活動，這些活動包括材料和設備採購、土木建設和鑽井。在項目的早期規劃階段，本集團會通過篩選過程識別與上述活動相關的潛在影響和合規要求，其中包括對地形、水供應和空氣質量的影響。在篩選過程之後，通過進行環境影

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

process to identify mitigation measures and propose implementations in different stages of the exploration and development. Mitigation measures are implemented by both the Group and project-related parties. No ceilings of the implementation cost for all the mitigating measures are set to make sure that proper structures or systems can be fully implemented.

The Group invites contractors with proven techniques and quality in drilling for its projects. Well drilling is the core part of exploration and development, and it impacts on local environment. The Group takes drilling contractor management seriously. Drilling contractors have to strictly follow the environmental regulations of the Group and the countries which operation is conducted. The Group is responsible to integrally disclose and explain all information regarding to the project to the contractor. Contractors must provide relevant certificates or inspection reports of each rig to prove the qualification before the spudding. Any event or incident related to environment, whether it has a direct impact on the operation, is required to be reported to the Group under any circumstance. The contractor should take a responsibility for the waste disposal and rehabilitation in the well site after the well completion or well abandonment.

響評估，確定緩解各種影響的措施，並在開採開發的不同階段提出實施建議。緩解措施由本集團和項目相關方執行。所有緩解措施的執行費用不設上限，以確保適當的緩解架構或體系能夠得到全面執行。

本集團邀請具有成熟技術和優質的承包商進行鑽井。鑽井是開採的核心部分，同時它會對當地環境帶來影響。本集團認真對待鑽井承包商的管理，鑽井承包商必須嚴格遵守集團和經營活動所在國家的環境法規。本集團負責向承包商披露和解釋有關項目的所有信息。承包商在開鑽定位前必須提供每台鑽機的相關證書或檢驗報告以證明其鑽機資格。在任何情況下，與環境相關的任何事件或意外，無論是否對營運產生直接影響，都需要向本集團報告。承包商亦應負責在完井或棄井後對井場的廢物進行處置和場地復原。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

PPIG has taken steps to improve the environmental performance. An environmentally sound management is crucial to achieving sustainable operation. In 2016, oil spill, solid waste and waste water were the major concerns of the SC49 project. The Group has implemented various measures and management systems in an effort to minimize the impacts of those concerns.

### 2.1. Oil Spill Preparedness

PPIG gives a top priority to preventing oil spills, but they can still happen even with best risk management. Oil spills happen when crude oil is released into the environment during drilling, delivery and storage. Drilling can cause uncontrolled release of crude oil from an oil well, which is known as blowout. Oil spills can happen due to malfunction in delivery pipelines and storage tanks. The release of crude oil can cause fatal damage to the ecosystem and contaminate land and sea. The Group works to prevent crude oil deposit from accidentally releasing by the technology implementation and development of risk management. During the reporting period, there was no oil spill accident happened in the project sites.

PPIG已採取措施以提高其環境績效。良好的環境管理對於實現可持續營運是至關重要的。於2016年度，石油洩漏、固體廢物和污水是SC49項目的主要關注點。集團已實施多種措施和管理系統，以盡量減少這些主要關注點的影響。

### 2.1. 石油洩漏的準備

防止石油洩漏是PPIG的首要任務，然而即使具備最好的風險管理，它們仍然有機會發生。石油洩漏是指原油在鑽井、運輸和儲存期間流入到環境中。鑽井可能導致原油從油井中不受控制地釋放，這稱為井噴。輸送管道和儲存罐發生故障亦可能造成漏油的發生。原油的洩露可能會污染陸地和海洋，對生態系統造成嚴重影響。本集團通過技術實施和開發風險管理，防止原油庫存意外泄露。於本報告期內，項目地點沒有發生漏油事件。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The Group commits to taking impactful actions to protect human life, infrastructure, property and environmental resources in major oil spill incidents. An oil spill contingency plan is developed through the risk management system to ensure a safe, timely, effective and coordinated response to oil spills could be provided. The Group takes an active leadership role in the event of an oil spill and the corresponding clean-up and recovery activities in the environment that may be contaminated. An onsite oil spill emergency response team is maintained to handle minor and major spills happened during project life cycle (Fig.1). The team is divided into three main sections, which are the operation section, planning section and logistics section. The operation section will take lead in resource identification, protection and treatment for the contaminated areas and oily waste handing. The planning and logistics sections will manage a spill in coordination with the local government unit (LGU) and other parties by providing equipment and trained personnel. PPIG strives with determination to protect people, property and the environment through the most environmentally-sound and economically-feasible mitigation measures.

本集團承諾在重大石油洩漏事故發生時採取有效的行動，以保障人身、基礎設施、財產和環境資源的安全。本集團通過風險管理系統制定漏油應急計劃，以確保可以提供安全、及時、有效和協調的應對方案。在石油洩漏事件和相應被污染的環境的清理和修復活動中，本集團將發揮積極的領導作用。本集團設有現場漏油應急響應小組，以處理項目週期中發生的輕微和主要漏油事故(圖1)。該團隊分為三個主要部分，分別是行動部門、計劃部門和物流部門。行動部門將牽頭進行資源識別和保護，並處理污染區域和含油廢物。計劃和物流部門透過提供設備和受訓有素的員工，與地方政府單位(LGU)和其他各方協調處理事故。PPIG致力於通過最環保和經濟的緩解措施來保障人民、財產和環境的安全。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

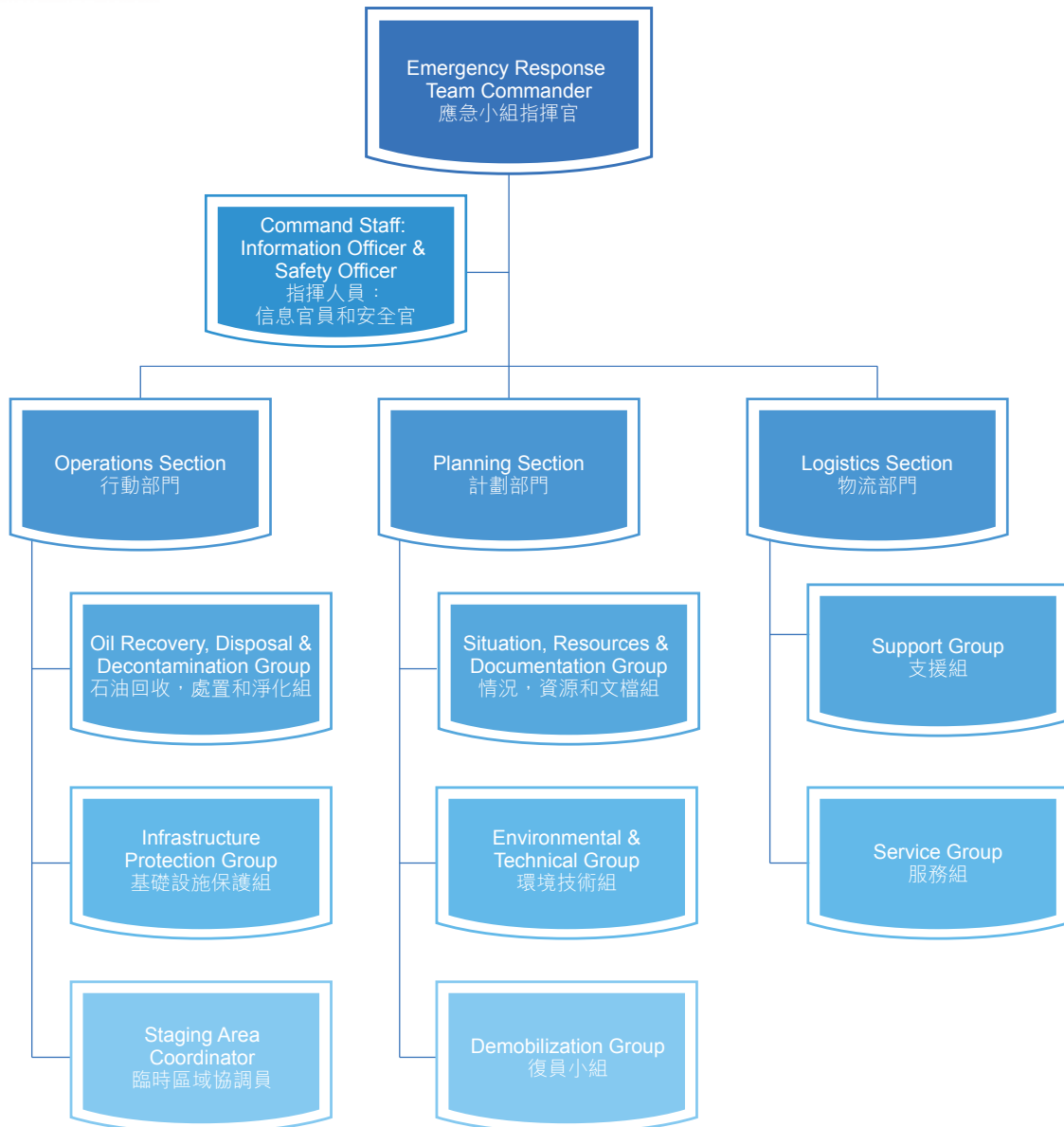


Fig.1. The structure of the oil spill emergency response team  
圖1.漏油應急響應團隊的架構

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 2.2. Solid Waste Management

The Group has gained experiences in solid waste management over the time, and considers waste management as an important part of the environmental and resource management. The well drilling activities of SC49 are all outsourced to drilling contractors. The selected drilling contractors are required to ensure compliance with the HSE Policies of the Group, in which the waste treatment is tightly regulated. Wastes are categorized and treated independently. Drilling is an activity involving people, machines and environment. These three parts can generate several types of solid waste that include domestic waste, packaging materials, wastes associated with drilling and hazardous wastes. Domestic wastes include personal wastes such as plastics, paper, food orts etc. Packaging materials include materials used in the mud component transport and storage, packing materials for equipment etc. Wastes associated with drilling include drill cuttings and excess materials. Drill cuttings are produced by the rock grinding of the drill bit on the bottom of the well. Excess materials can be generated from slope cutting, widening road and lowering grade of road, which are done for facilitating drilling. Hazardous wastes include busted fluorescent lights and bulbs, paints, batteries etc.

### 2.2. 固體廢物管理

本集團在固體廢物管理方面取得了長足的經驗，並認為廢物管理是環境和資源管理的重要組成部分。SC49項目的鑽井活動均外包給鑽井承包商進行。在選擇鑽井承包商時，本集團要求合格承包商必須遵守集團的HSE政策，其中包含嚴格監管廢物處理，廢物將被分類並獨立處理。鑽井活動牽涉人、機器和環境的共同參與，這三個部分可以產生幾種類型的固體廢物，包括生活廢物、包裝材料、鑽井相關廢物和危險廢物。生活廢物包括諸如塑料、紙、食物渣滓等的個人廢物。包裝材料包括用於泥漿運輸和存儲的材料和用於設備的包裝材料等。鑽井相關廢物包括鑽屑和多餘材料，其中鑽屑是在鑽井底部的岩石和鑽頭研磨產生的，而為了方便鑽井而進行的斜坡切割、擴寬道路和降低道路坡度則會產生多餘材料。危險廢物包括破碎的熒光燈、燈泡、油漆和電池等。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

Proper waste minimization, segregation and treatment have been developed and well-implemented in each project site. Waste minimization and effective use of resource are monitored at the level of natural resource and waste generation. Solid wastes are further categorized into 4 groups: recyclables/reusables, biodegradables, disposables and hazardous. Wastes associated with drilling can only be placed in a pre-designated area. These are collected and later disposed to the appropriate dumpsite or landfill the local authority is using. Domestic wastes generated by workers, offices, pantries etc. are collected by garbage bins provided. Catering in project sites are outsourced to outside parties and kitchen wastes are well collected and disposed as well.

Persons from local community, who are interested in reusable materials, are welcomed to either sell or reuse the materials. Those items can be reused are given to labours who might take interest in bringing these materials home. Repairable spare parts of equipment are recorded and placed in a storage for future repair. Other wastes are placed in garbage bins and sent to the municipal landfill.

Hazardous wastes are only arranged to be collected by an authority-accredited hazardous waste treater. Drill cuttings are disposed through onsite solidification or burial if not hazardous. Otherwise, these are sent to a legitimate waste treater that can properly handle this type of waste.

本集團於每個項目場地都制定並良好實施了適當的廢物減量、隔離和處理措施。從天然資源和廢物產生的層面上，本集團監測廢物減量和有效利用資源的情況。項目運營過程中產生的固體廢物可進一步分為四類：可回收物／可重複使用物、可生物降解物、一次性用品和危險物。鑽井相關廢物只能放置在預先指定的區域，這些被收集的廢物隨後被運往地方當局正在使用的垃圾填埋場或堆填區進行處置。員工於辦公室和食堂等地方產生的生活垃圾則收集至本集團提供的垃圾桶。員工在項目場地的餐飲外判給外部團體提供且會妥善收集並處置產生的廚餘垃圾。

對可回收利用材料感興趣的當地市民，本集團歡迎他們出售或重複使用這些材料。員工如對可再用的物品有興趣，亦可以把這些材料帶回家使用。可修理的設備備件會被記錄並且放置在保管室中以便將來修理。其他廢物則放置在垃圾箱中並送到市政垃圾堆填區。

危險廢物則只能由官方認可的危險廢物處理商收集。不含有危險物的鑽屑會通過現場固化或埋藏來處置，而含有危險物的鑽屑則會被送往可以妥善處理該類廢物的合法處理單位。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 2.3. Water Management and Waste Water Treatment

PPIG recognizes the importance of long-term water management and water recycling, as long-term demand for water is found in the operation. The Group uses fresh water to form drilling fluid, which principally acts as a lubricant. It is important to examine the water management including water sourcing, wastewater disposal and water recycling.

PPIG values the water resources from sourcing to recycling. The drilling fluid selected by the Company is water-based, which are composed of bentonite, barite and caustic soda. Drilling generates tremendous friction, which can damage the drill bit. Drilling fluid minimizes the friction, reducing the heat of drilling and reducing the risk of friction-related complications. The fluid also acts as a carrier for the materials being drilled, becoming suspended in the mud and then being carried up the well to the surface. The Group implements different measures to source water reliably and optimize drilling fluid usage. Water used in formation of drilling fluid must be obtained from reliable sources authorized by local government. In Cebu, water is mainly sourced from municipal water network, so the impact on local fresh water sources can be minimized. Drilling fluid is circulated throughout the drilling process. The materials are tripped from the borehole, when the fluid passes through screens before being cycled back into the system. The recirculation process is designed to minimize the waste by reusing as much fluid as possible. The final disposal of fluid and cuttings is treated in environmentally safe manner.

### 2.3. 水管理和廢水處理

因營運中長期的用水需求，PPIG認識到長遠的水管理和循環用水的重要性。集團使用淡水組成鑽井液，其主要作用為潤滑劑。基於這種長期需求，不時審查水管理措施對本集團來說十分重要，其中包括對求取水源、廢水處理和循環用水的審視。

PPIG重視水資源從尋源到回收的全過程。本公司選擇了水基鑽井液，由膨潤土、重晶石和苛性鈉組成。鑽井產生的巨大摩擦有可能損壞鑽頭，鑽井液則可以把該摩擦減至最低，以減少鑽探的熱量，並降低因摩擦相關的情況而產生的風險。鑽井液還是因被鑽磨而變得懸浮在泥漿中的物質的載體，將這些物質沿著井口運送到地面。本集團實施不同的措施以尋找可靠的水源和優化鑽井液的使用。用於形成鑽井液的水必須從當地政府授權的可靠水源獲得。在宿霧，水主要來自市政水網，因此鑽井活動可以對當地淡水源的影響減至最少。鑽井液循環用於整個鑽井過程中，當其通過篩網時，其中的懸浮物在回流進整個系統之前會被隔離在井口之外。通過設計再循環過程以重複使用盡可能多的鑽井液，盡量減少廢液的產生和排放。鑽井液和鑽屑的最終處置以對環境安全的方式進行。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報



Fig. 2. The drilling fluid management

圖2. 鑽井液的管理

Water contamination should not be a concern during regular activities of the exploration and development. The major sources of contamination are the materials used in drilling particularly for the production of drilling fluid. However, the main components are non-toxic and therefore considered as safe substances. In order to further minimizing the impact on local water bodies, the company has integrated a wastewater treatment system into the drilling operations to make sure that the used drilling fluids will not affect the quality of water in the surroundings when released. The final product is a colourless water that can subscribe to the government standards on water quality. Even with acceptable quality however, the treated water is not discharged to a nearby drainage system but evaporated instead with some residuals left where further neutralization and filtration take place.

The problems associated with the combined impact of the Group's activities and local weather are in consideration. The climate system and water environment of the Project SC49 area were assessed at the planning stage, and the risk of water pollution by siltation was identified. The project site is situated within a Type 3 climate, which is divided by the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA). Type 3 climate is

常規的油氣開採活動中，水污染不是一個主要關注問題。水污染的主要來源是用於鑽井的材料，特別是用於生產鑽井液的材料。然而，鑽井液的主要成分是无毒的，因此被認為是安全的物質，亦根據相應的材料安全數據表(MSDS)的要求進行適宜的處置和儲存。

本集團意識到集團的活動和當地天氣會產生綜合影響，並將有關問題納入考量。通過在SC49項目區的規劃階段對該項目區的氣候系統和水環境進行評估，識別出因泥沙淤積而導致水污染的風險。SC49項目區位於由菲律賓大氣地球物理和天文服務管理局(PAGASA)劃分的三類氣候之下。三類氣候的特點是沒有明顯的季節，11月至4月相對乾燥，其餘時間則相對潮濕。由於井場中的沉

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

characterized by no pronounced seasons, relatively dry from November to April and wet for the rest of the year. Sediments in the well construction sites washed out by storm runoff could pollute the streambeds. The well sites were provided with appropriate silt traps and siltation ponds to settle the sediments and reduce the silt deposition in the streambeds.

### 2.4. Air Emission

The principal activities of the Group in 2016 have a minor impact on air quality and the Group presses for reducing the emission. During oil exploration and development, air quality can be affected in many ways. The dust generation from well site preparation and vehicle movement, nitrogen oxide (NOx) and sulfur oxide (SOx) emissions from rig engines and vehicles, and slow release of carbon monoxide (CO) and hydrogen sulfide (H2S) from drilling sites are the major emissions of the Group's activities causing a negative impact on air quality. Dust particulates can be generated from the mixing unit for the formation of drilling mud and feeding cementing materials into the cutting bottle. Moving vehicle can cause lifting and suspension of dust. Regular water spraying is applied to restrict dust suspension from the above sources. NOx and SOx are formed from fuel combustion in diesel engines of drill rigs and vehicles. CO and H2S naturally appear in oil reservoirs and can be released accidentally. A fatal consequence for workers can be resulted from exposure to CO and H2S, but not for the environment. During the reporting period, there was no record that CO and H2S release was found in the project sites.

積物可因暴雨徑流沖刷而被沖走並污染河床，井場設有適當的淤泥捕集器和淤積池，以此沉澱沉積物，並減少河床中的淤泥沉積。

### 2.4. 廢氣排放

本集團在2016年的主要活動對空氣質量有輕微影響，並且本集團致力減少廢氣排放。在石油開採期間，空氣質量可以受到許多方面的影響。本集團運營過程中最主要的排放來自井場準備期間和因車輛移動而產生的粉塵、鑽機引擎和車輛產生的氮氧化物(NOx)和硫氧化物(SOx)排放、以及鑽井場地緩慢釋放的一氧化碳(CO)和硫化氫(H2S)，該等排放都對空氣質量產生負面影響。粉塵顆粒產生的途徑可來自鑽井泥漿的混合裝置中，可來自將膠凝材料倒進切割罐時，車輛移動時亦可導致粉塵揚起和懸浮在空氣中。本集團實施定期噴水以限制來自上述來源的粉塵懸浮。NOx和SOx由鑽機和車輛的柴油發動機燃燒燃料時形成。而CO和H2S則本身存在於油層中並且有可能因意外而被釋放，員工暴露於CO和H2S時可導致致命後果，唯CO和H2S不會對環境造成災難性的後果。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

The Group requests the well drilling contractors to complete the tasks with rig engines in tip-top condition. Certificates or inspection reports of each rig should be provided to prove the qualification of the equipment. Regular monitoring is applied to ensure equipment and vehicles in a good working condition. Detectors are installed at strategic places to detect CO and H2S. Testing and calibration of the detectors are done regularly.

Noise generation due to the Group's activities is in consideration. Engines and gas flares can generate considerable noise to both workers and local community. Appropriate mufflers are installed to tone down the noise generated from equipment and vehicles. Regular reviews of the impact of noise on the living quality of the residents living within a certain distance from the project site (usually within 50-100 meters from project sites) are conducted. Residents can be assisted in relocation during drilling projects. Relocation fee is provided whenever necessary. The Group works to reduce the noise pollution to protect employees and local residents.

本集團要求鑽井承包商以設備狀況最好的鑽機引擎完成任務。承包商應提供每台鑽機的證書或檢驗報告以證明其設備的合格性，並定期監控設備和車輛以確保其處於良好的工作狀態。為實時監測CO和H2S的產生，將探測器策略性安裝在重要的位置並定期進行測試和校準。

本集團將項目過程中產生的噪聲納入考量。因引擎和廢氣燃燒塔的運作會產生相當大的噪音並對員工和當地居民產生影響，承包商通過安裝合適的消聲器來降低設備和車輛產生的噪音。本集團定期與距項目地點一定半徑範圍內(通常在半徑50-100米以內)的居民進行磋商，研究項目運行產生的噪聲對其生活質量的影響，在項目週期內協助居民搬遷，亦在必要時為居民提供搬遷費。本集團致力於減少噪聲污染以保護員工和當地居民。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Sustainable Community

PPIG believes that listening and responding to concerns raised by communities, in which the Group operates, enables all parties to constructively resolve potential disagreements and avoid disruption to the Group's activities. The Group requires its businesses to respond to community and stakeholder concerns and to record and act on any commitments. The Group works in compliance with regulations to minimize its impacts, and the Group is willing to create more positive impacts on local communities.

The Group strives to minimize the impact of the businesses on local communities and maintain a close relationship with residents. Apart from the compliance practice, the Group consults with communities throughout the life cycle of projects and manage any related impacts. Negative impacts can be avoided with an appropriate consideration of local concerns, while positive impacts can be generated by mutual discussions with communities.

The concerns and expectation of local communities are studied by conducting Information, Education and Communication (IEC) activities at the starting stage of the project. The benefits and potential impacts are shared to local communities to provide a wide picture of the project. Mitigation measures for the environmental and social concerns are prepared before the IEC activities so as to communicate with local residents and solve their concerns at the early stage. The generation of work and livelihood opportunities is the benefit that the Group can definitely foster. A certain number of local temporary employments are necessary for facilitating the project. The expanded basic daily needs in local community from the employees can create various investment opportunities for enterprising residents. The drilling activities can provide an improved economic condition where currency circulation is accelerated and business opportunities are created.

### 3. 可持續社區

PPIG相信聆聽和回應本集團經營所在社區提出的問題，能使各方積極地解決潛在的分歧，避免中斷本集團的活動。本集團要求其經營業務對社區和利益相關者的關注作出回應並記錄，且對所做的承諾採取行動。本集團在運營過程中遵守法規，盡量減少自身帶來的不利影響，並願意對當地社區帶去更積極的影響。

本集團力求盡量減少其經營業務對當地社區的影響，並與居民保持密切的關係。除遵守法規外，本集團在整個項目週期內與當地社區進行諮詢，並管理任何相關影響。適當地考慮當地的關注可以避免產生負面的影響，而通過與社區的相互討論則可產生積極的影響。

本集團通過開展信息、教育和溝通(IEC)活動來研究當地社區的關注和期望，將有關項目的益處和潛在影響的資訊分享給當地社區，以提供全面的項目情況。在IEC活動之前，本集團預先準備好有關環境和社會影響的緩解措施，以便與當地居民溝通，在早期階段解決他們的關注問題。本集團樂於促成並為當地社區提供工作和謀生的機會。為了促進項目，本集團需要聘請一定數量的當地臨時工。因本集團員工而增加的基本日常需求，可為當地社區進取的居民創造多種投資機會。鑽井活動可促進貨幣流通，創造商業機會，從而改善經濟。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

The Social Development Program which is integrated in the EIS, is the foundation of the Company's Corporate Social Responsibility. The program will provide assistance to residents living near the project site such as but not limited to medical, cultural, social and even personal. The Company staff members are enjoined to immerse into the community to foster closer relationship with the people. Community meetings are conducted regularly to feel the pulse of the people, updates them of the progress of the project, inform them of the benefits derived from the project especially employment and solicit any grievances they might have so that immediate solution can be applied before these deteriorate into conflicts.

The Group supports various activities with the objectives matching the Group's core values. In 2016, the Group sponsored The United Nations Children's Fund (UNICEF) and "Haitong International "Care for the Elderly, Care for the Brain" Project 2017/2018" in Hong Kong. In Cebu, the Group sponsored celebration activities conducted by LGU and initiated social gathering, such as Christmas parties.

社會發展計劃作為EIS的一部份，是本公司實現企業社會責任的基礎。該計劃將為居住在項目地點附近的居民提供援助，例如但不限於醫療、文化、社會甚至個人援助。本公司囑咐員工投入於社區中，與當地居民建立更密切的關係。本公司定期舉行社區會議，感受當地人的脈搏；更新項目的進展，告知他們項目可帶來的特別是就業方面的好處；並徵詢他們可能存在的的不同，及時解決以防不滿演變為衝突。

本集團支持以符合集團核心價值觀為目標的各項活動。於2016年度，本集團贊助了聯合國兒童基金會(UNICEF)和海通國際「『愛老，愛腦』計劃2017/2018」項目。在宿霧，集團贊助地方政府(LGU)舉辦的慶祝活動，例如聖誕派對等社交聚會。



Local Christmas Party Sponsored by PPIG  
由PPIG贊助的當地聖誕聚會

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司



LGU Fiesta Sponsored by PPIG  
贊助的地方政府嘉年華會



Local Elementary School Sports Day Sponsored by PPIG  
PPIG贊助的地方小學運動會

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報



Rice Distribution for PPIG Local HSE Awareness Program  
PPIG本地HSE意識計劃中派發大米的活動



Local Sport Events Sponsored by PPIG  
贊助的當地體育賽事

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Subject Areas, Aspects and General Disclosures 香港交易所《環境、社會及管治報告指引》內容	Pages 本報告參考頁數	Remarks 備註
<b>A. Environment</b> A. 環境		<ul style="list-style-type: none"> <li>• Sustainable Environment – p.41;</li> <li>• 可持續環境– p.41;</li> </ul>
<b>Aspect A1: Emissions</b> 層面A1：排放物	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	<ul style="list-style-type: none"> <li>• Solid Waste Management – p.48;</li> <li>• Water Management and Waste Water Treatment – p.50;</li> <li>• Air Emission – p.52;</li> <li>• 固體廢物管理p.48;</li> <li>• 水管理和廢水處理– p.50;</li> <li>• 廢氣排放– p.52;</li> </ul>
<b>Aspect A2: Use of Resources</b> 層面A2：資源使用	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	<ul style="list-style-type: none"> <li>• Solid Waste Management – p.48;</li> <li>• Water Management and Waste Water Treatment – p.50;</li> <li>• 固體廢物管理– p.48;</li> <li>• 水管理和廢水處理– p.50;</li> </ul>
<b>Aspect A3: The Environment and Natural Resources</b> 層面A3：環境及天然資源	Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	<ul style="list-style-type: none"> <li>• Oil Spill Preparedness – p.45;</li> <li>• 石油洩漏的準備– p.45;</li> </ul>

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

Subject Areas, Aspects and General Disclosures 香港交易所《環境、社會及管治報告指引》內容		Pages 本報告參考頁數	Remarks 備註
<b>B. Social</b> B. 社會			
<b>Employment and Labour Practices</b> 僱傭及勞工常規			
<b>Aspect B1:</b> <b>Employment</b> 層面B1：僱傭	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	<ul style="list-style-type: none"> <li>• Building a Reliable Workforce – p.39;</li> <li>• 培養可靠的員工– p.39;</li> </ul>	
<b>Aspect B2: Health and Safety</b> 層面B2：健康與安全	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	<ul style="list-style-type: none"> <li>• Safety and Health Management – p.31;</li> <li>• 安全與健康管理– p.31;</li> </ul>	
<b>Aspect B3:</b> <b>Development and Training</b> 層面B3：發展及培訓	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	<ul style="list-style-type: none"> <li>• Building a Reliable Workforce – p.39;</li> <li>• 培養可靠的員工– p.39;</li> </ul>	

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Subject Areas, Aspects and General Disclosures 香港交易所《環境、社會及管治報告指引》內容		Pages 本報告參考頁數	Remarks 備註
<b>Aspect B4:</b> <b>Labour Standards</b> 層面B4：勞工準則	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	<ul style="list-style-type: none"> <li>Building a Reliable Workforce – p.39;</li> <li>培養可靠的員工– p.39;</li> </ul>	
<b>Operating Practices</b> 營運慣例			
<b>Aspect B5:</b> <b>Supply Chain Management</b> 層面B5：供應鏈管理	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	<ul style="list-style-type: none"> <li>Sustainable Environment – p.41;</li> <li>Safety and Health Management – p.31;</li> <li>可持續環境– p.41;</li> <li>安全與健康管理– p.31;</li> </ul>	
<b>Aspect B6:</b> <b>Product Responsibility</b> 層面B6：產品責任	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。		Does not apply to the Group's business scope 不適用於本集團的業務範圍

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Annual Report 2016 二零一六年年報

Subject Areas, Aspects and General Disclosures 香港交易所《環境、社會及管治報告指引》內容		Pages 本報告參考頁數	Remarks 備註
<b>Aspect B7:</b> <b>Anti-corruption</b> 層面B7：反貪污	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	<ul style="list-style-type: none"> <li>Building a Reliable Workforce – p.39;</li> <li>培養可靠的員工 – p.39;</li> </ul>	
<b>Community</b>			
社區			
<b>Aspect B8:</b> <b>Community Investment</b> 層面B8：社區投資	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	<ul style="list-style-type: none"> <li>Sustainable Communities – p.54</li> <li>可持續社區 – p.54</li> </ul>	

# Biographical Details of Directors and Senior Management

## 董事及高級管理人員簡介

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Executive Directors

**Mr. Kuai Wei**, aged 55, is the Chairman and executive Director of the Company. Mr. Kuai holds a master degree in business administration from the University of South Australia and has over 20 years of experience in banking, electrical transmission and transformation equipment and satellite broadcasting. Mr. Kuai had been involved as a senior management member for strategic planning, business development, operation and overall management of various companies. He joined the Group in July 2007.

**Mr. Lai Chun Liang**, aged 52, joined Polyard Petroleum International Co., Ltd., a wholly-owned subsidiary of the Company as an Executive Vice President in 2003. He was appointed as the Chief Operating Officer of the Group in September 2009, the Chief Executive Officer in June 2010, and an executive Director in May 2012. He holds a bachelor degree in electronic engineering from the Feng Chia University, Taiwan. Prior to joining the Group, he had over 10 years of experience in the development of angiography monitoring instrument and research on GPS and navigation system. He has over 16 years of experience in the operation and management of companies.

**Mr. Lin Zhang**, aged 35, holds a bachelor degree in economics from the Tianjin University of Commerce. Prior to joining the Company in November 2007, Mr. Lin worked in the Indonesia branch of Chinaoil USA (Macao) Company Limited for two years and was responsible for the petroleum exploitation, development and related trading business.

### 執行董事

**鄧偉先生**，55歲，為本公司主席兼執行董事。鄧先生持有南澳大學(University of South Australia)工商管理碩士學位，彼於銀行、輸電與變電設備以及衛星廣播方面擁有逾20年經驗。鄧先生曾在多間公司出任高級管理人員，負責策略規劃、業務發展、經營及整體管理。彼於二零零七年七月加入本集團。

**來俊良先生**，52歲，於二零零三年加入百田石油國際有限公司(彼為本公司一間全資擁有之附屬公司)出任行政副總裁，其後於二零零九年九月獲委任為本集團首席營運總裁，於二零一零年六月獲委任為行政總裁，並於二零一二年五月獲委任為執行董事。彼持有台灣私立逢甲大學電子工程學士學位。加入本集團前，彼於發展心血管監察儀器及研究衛星導航系統方面擁有逾10年經驗。彼擁有逾16年經營及管理公司經驗。

**林漳先生**，35歲，持有天津商業大學經濟學學士學位。於二零零七年十一月加入本公司前，林先生曾於中國聯合石油美國(澳門)有限公司印尼分公司工作兩年，負責石油勘探、開發及貿易等相關工作。



## Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

Annual Report 2016 二零一六年年報

### Independent Non-Executive Directors

**Mr. Pai Hsi-Ping**, aged 59, holds a bachelor degree in international trade from the National Chen-Chi University, Taiwan. He has over 21 years of working experience in management and is currently the Chief Executive Officer of a consultancy company in Taiwan. Besides, he previously held directorship and other major appointment in three listed public companies in Taiwan. He is currently the Director of Taiyen Biotech Company Limited. In addition, he was the Director of Formosa Plastics Corporation during the period from June 2006 to March 2008 and the Chairperson of Far East Air Transport Corporation for the period from April 2008 to May 2008. Mr. Pai was appointed as an independent non-executive Director of the Company in July 2009.

**Ms. Xie Qun**, aged 52, holds a Ph.D. Degree in English Language of The Chinese University of Hong Kong and a Master of Arts Degree and a Bachelor of Arts Degree in English Language of Central China Normal University. She has over 25 years of experience in the profession of education. While devoting herself to the fields of higher education research, foreign literature studies and enterprise culture research, Ms. Xie participated and completed one national social science fund project and one national publishing fund project. She was responsible for many research programs at provincial level as well as other academic projects, and published more than 10 academic books and textbooks and released over 20 research papers in literature on major local and international journals. She is currently the Professor in School of Foreign Languages of Zhongnan University of Economics and Law. Ms. Xie was appointed as independent non-executive Director of the Company in September 2013.

### 獨立非執行董事

白旭屏先生，59歲，持有台灣國立政治大學國際貿易學士學位。彼擁有逾21年管理工作經驗，現於台灣一顧問公司任職行政總裁。此外，彼曾於三間台灣上市公司擔任董事職務及其他主要職務。彼現為台鹽實業股份有限公司之董事。此外，彼亦於二零零六年六月至二零零八年三月期間擔任台灣塑膠工業股份有限公司之董事及於二零零八年四月至二零零八年五月期間擔任遠東航空股份有限公司之董事長。白先生於二零零九年七月獲委任為本公司獨立非執行董事。

謝群女士，52歲，持有香港中文大學英語語言博士學位、華中師範大學英語語言文學碩士及學士學位。彼於教育專業方面擁有逾25年經驗。在高等教育研究、外國文學研究、企業文化研究等領域潛心鑽研，謝女士曾參與並完成國家社科基金一項，國家出版基金項目一項。彼主持省部級課題及其他學術課題多項。同時出版學術著作和教材十幾本。在國內外重要期刊上發表論文二十餘篇。彼現任中南財經政法大學外國語學院教授。謝女士於二零一三年九月獲委任為本公司之獨立非執行董事。

## Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

**Mr. Kwan King Chi George**, aged 67, holds a Master Degree of Science (Finance) with Honours from the National University of Ireland and a Bachelor Degree of Business Administration from the Royal Melbourne Institute of Technology. He also obtained a Doctoral Degree of History from the Wuhan University in 2016. He has over 40 years of experience in the profession of banking and finance, accounting, investment and business management. He had been the Assistant General Manager and Chief Operation Officer of ICBC (Asia) Limited, the Senior Vice President and Head of Operations of International Bank of Asia Limited (now Fubon Bank (Hong Kong) Limited), and the Senior Manager in the International Banking Department of Bank of Hawaii. Mr. Kwan is a member of The Hong Kong Institute of Directors. He was appointed as independent non-executive Director of the Company in November 2014.

### Senior Management

**Mr. Chan Francis Ping Kuen**, aged 58, joined the Company as the Chief Financial Officer in August 2009. Mr. Chan holds a bachelor degree in economics from the University of Sydney in Australia. He is a member of The Institute of Chartered Accountants Australia and also a member of the Hong Kong Institute of Certified Public Accountants. Mr. Chan has over 25 years of experience in auditing, accounting and financial management and previously worked for an international accounting firm and a number of companies listed in Hong Kong and the United States. Mr. Chan was appointed as the Company Secretary of the Company on 9 September 2011.

**關敬之先生**，67歲，持有愛爾蘭國立大學科學(金融)榮譽碩士學位及皇家墨爾本理工學院工商管理學士學位。他並於二零一六年取得武漢大學歷史學博士學位。彼於銀行及財務、會計、投資及商業管理專業方面擁有逾40年經驗。彼曾任中國工商銀行(亞洲)有限公司助理總經理及營運總監、港基銀行有限公司(現富邦銀行(香港)有限公司)高級副總裁及營運總監及美國夏威夷銀行國際部高級經理。關先生現為香港董事學會會員。他於二零一四年十一月獲委任為本公司獨立非執行董事。

### 高級管理人員

**陳炳權先生**，58歲，於二零零九年八月加入本公司出任首席財務總監。陳先生持有澳洲雪梨大學(University of Sydney)經濟學學士學位。彼為澳洲特許會計師公會會員及香港會計師公會會員。陳先生擁有逾25年之審計、會計及財務管理經驗，並曾於一間國際性會計師事務所及多間於香港及美國上市之公司任職。陳先生於二零一一年九月九日獲委任為本公司之公司秘書。

## Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

Annual Report 2016 二零一六年年報

**Dr. Zhao Yingcheng**, aged 62, graduated from the Exploration Department of the Southwest Petroleum Institute with a major in petroleum geology. He has over 30 years of experience in geological exploration, scientific research and development, production stimulation and management. Dr. Zhao joined the Company in April 2015 and is the Chief Geologist and Dean of the research institute of the Group. Prior to joining the Company, he worked for Academy of Yumen Petroleum Administrative Bureau and Northwestern Academic Center of Research Institute of Exploration and Development – CNPC and held various positions as Chief Engineer, Chief Geologist, Director and President etc.. He had enormous contributions in the exploration projects at Turpan and Kumul (Hami) Basins and Western Jiuquan Basin. He is a member of Society of Petroleum Engineers (SPE), Petroleum Geology Committee under the Chinese Petroleum Society (CPS) and the Lithofacies Palaeogeography Committee under the Chinese Society for Mineralogy, Petrology and Geochemistry (CSMPG), as well as the managing director of Gansu Branch of the Geological Society of China (GSC).

**Ms. Zhang Xia**, aged 60, joined the Company in August 2009 as a Senior Engineer. Ms. Zhang holds a bachelor degree in science, majoring in petroleum geology from the Jiangnan Petroleum Institute. She has over 30 years of experience in geological research, stratigraphic correlation, sedimentary facies analyses, hydrocarbon source rock research, exploration well appraisal and evaluation, and well position deployment. She participated in and was responsible for the Sinopec Jiangnan oil project and CNPC Xinjiang oil field projects operated by China National Petroleum Corporation. She is currently the Vice Dean of Sinotech Research Institute.

**趙應成博士**，62歲，畢業於西南石油學院勘探系石油地質專業。他擁有超過30年有關地質勘探、科研究生產發展、上產及管理的工作經驗。趙博士於二零一五年四月加入本公司，現出任集團總地質師及研究院院長。在加入本公司前，他曾於玉門石油管理局研究院及中國石油勘探開發研究院西北分院工作，及擔任過主任工程師、總地質師、處長及所長等不同職位。他對吐哈盆地及酒西盆地的勘探項目作出了巨大貢獻。彼為國際石油工程師學會(SPE)、中國石油學會(CPS)石油地質專業委員會及中國礦物岩石地球化學學會(CSMPG)岩相古地理專業委員會會員，以及中國地質學會(GSC)甘肅省分會常務理事。

**張霞女士**，60歲，於二零零九年八月加入本公司，出任高級工程師。張女士自江漢石油學院取得科學學士學位(主修石油地質學)。她於地質研究及分析工作、沉積相劃分、煙源岩研究和勘探開發井位部署等方面有逾30年經驗。彼曾參與及負責中石化江漢石油項目及由中國石油天然氣集團經營之中國石油天然氣集團新疆油田項目。她現為中科百田研究院常務副院長。

## Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

**Mr. Wang Dengwen**, aged 47, Deputy General Manager and Chief Engineer of China International Mining Petroleum Company Limited (subsidiary of the Company), Philippines Branch (Cebu Oilfield), joined the Company in January 2016. He holds a bachelor degree from University of Petroleum (East China), majoring in geophysical prospecting and a master degree in geologic engineering from University of Petroleum (Beijing). Prior to joining the Company, Mr. Wang worked for Shandong Kerui Group as Dean of Petroleum Engineering Technology Institute where he managed geological research, reserves estimation, development program design, economic evaluation, oil well sand control technology, oil well paraffin control technology, oil well nitrogen injection technology etc. for 27 blocks in 18 countries, including Kazakhstan, Republic of Dagestan, Trinidad and Tobago, Columbia, Gabon, Albania, Mexico, Sudan, Tadjikistan and Indonesia. He also worked for Production Department and Geological Center of Dongsheng Oil Company and geological institute of Gudao Oil Production Plant, Shengli Oilfield, SINOPEC as Senior Engineer, Chief Geologist and Deputy Director. Mr. Wang is responsible for implementing exploration and development strategies of the Company's oil and gas fields, monitoring production operations, applying hydrocarbon recovery engineering technology to downhole operations and taking care of QHSE issues etc.

**Mr. Li Jiaqiang**, aged 42, Chief Geologist of Sinotech Polyard Institute and Project Manager of SC70, joined the Company in January 2016. He holds a master degree of engineering in geological exploration of oil and gas from China University of Petroleum. Mr. Li has over 18 years of experience in petroleum geophysical prospecting and comprehensive research, with more than 13 years of experience in managing petroleum assets exploration and development. He is familiar with oil field operations and related technology research. Mr. Li has extensive experience in petroleum geophysical prospecting in

王登穩先生，47歲，中國國際礦業石油有限公司(本公司之附屬公司)菲律賓分公司(宿霧油田)副總經理兼總工程師，於二零一六年一月加入本公司。他持有石油大學(華東)物探專業學位及石油大學(北京)地質工程碩士學位。加入本公司前，王先生出任山東科瑞集團石油工程技術研究院院長，負責18國家(包括哈薩克斯坦、達吉斯坦共和國、特立尼達和多巴哥、哥倫比亞、加蓬、阿爾巴尼亞、墨西哥、蘇丹、塔吉克及印尼) 27個區塊的開展地質研究、儲量計算、開發方案設計編寫設計、經濟評價、油井防砂工藝、油井防蠟工藝、油井注氮工藝等工作。他亦曾在中石化勝利油田東勝油公司生產部、地質中心及孤島採油廠地質所工作，擔任高級工程師、主任地質師及副主任。王先生負責執行公司對於油氣田發展戰略規劃、生產運行、採油採氣工程技術、井下作業、品質和安全等工作。

李家強先生，42歲，中科百田研究院總地質師兼SC70項目經理，於二零一六年一月加入本公司。他持有中國石油大學石油天然氣地質勘查工程碩士學位。李先生從事石油地質物探綜合勘探開發研究超過18年，具有13年以上石油區塊勘探開發管理經營的經驗，熟悉油田運作以及相關科技研究，具有亞洲、北美及西部非洲地區石油地質物探研究廣泛經驗，熟悉國際石油資產的地質評價、經濟評估、風險分析及資產交易。李先生曾在中國石化勝

## Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

Annual Report 2016 二零一六年年報

Asia, North America and West Africa and is familiar with geological evaluation, economic assessment, risks analysis and capital opportunities for all kinds of petroleum properties worldwide. Mr. Li previously worked for Shengli Oil Field Company of SINOPEC as Head Geologist and Senior Engineer for petroleum geophysical prospecting. He was also Project Manager and Senior Engineer (petroleum geophysical prospecting) of Glowin Energy Co. and Dynamic Geosolutions Ltd., and Well Site Geological Supervisor of Statoil Canada Ltd. He is a Licensed Professional Engineer (petroleum geophysical exploration) & Geoscientist of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), Canada.

**Mr. Chen Hao**, aged 58, joined the Company in September 2016 as Deputy Chief Geologist of Sinotech Polyard Institute. He graduated from the Geology Department of Northwest University, majored in petroleum and natural gas exploration. He has devoted himself to geological research on progressive exploration and development of petroleum for 35 years. He possesses rich experiences in geological research and planning design for progressive exploration and development of complex fault-block reservoir, carbonate reservoir and igneous rock reservoir as well as hydrocarbon reserves management. He was the Deputy Dean of Zhongyuan Oilfield Exploration and Production Research Institute under SINOPEC and Chief Subsurface Consultant of Eco Orient Resource (Thailand) Ltd. under Hong Kong and China Gas Company Limited. He was involved in geological research on progressive exploration and development of petroleum in Dongpu Depression, Ordos Basin, Muglad Basin in Sudan, Tarim Basin, Phetchabun Basin in Thailand and Cebu Basin in the Philippines. He had won four Science Technology Progress Awards under CNPC and SINOPEC and was the Senior Consultant for the Editorial Department of an academic journal titled "Fault-Block Oil & Gas Field". Mr. Chen is a member of the Chinese Petroleum Society (CPS) and the Society of Petroleum Engineers (SPE).

利油田分公司任主任地質師及高級石油地質物探工程師。他亦曾在Glowin Energy Co.及Dynamic Geosolutions Ltd.任項目經理、高級石油地質物探工程師，及在Statoil Canada Ltd.任井場石油地質監督。李先生是加拿大阿爾比省職業工程師及地球物理師協會(APEGA)的註冊石油地質物探工程師及註冊地球物理師。

陳昊先生，58歲，於二零一六年九月加入本公司出任中科百田研究院副總地質師。他畢業於西北大學地質系石油與天然氣勘探專業。35年來他一直致力於石油與天然氣滾動勘探開發地質研究，具有複雜斷塊油氣藏、碳酸鹽岩油氣藏和火成岩油氣藏滾動勘探開發地質研究與部署設計及油氣儲量管理的豐富經驗。曾任中國石油化工集團公司中原油田勘探開發研究院副院長及香港中華煤氣公司旗下易高(泰國)公司之總地質顧問。先後在東僕窪陷、鄂爾多斯盆地、蘇丹國穆格萊德盆地、塔里木盆地、泰國碧差汶盆地和菲律賓宿務盆地從事石油與天然氣滾動勘探開發地質研究。他曾四次獲得中國石油、中國石化科技進步獎，及為學術期刊《斷塊油氣田》編輯部擔任高級顧問。陳先生現為中國石油學會(CPS)會員及美國石油工程師學會(SPE)會員。

## Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

**Mr. Yao Hefa**, aged 49, Deputy Chief Geologist of Sinotech Polyard Institute, joined the Company in September 2016. He holds a bachelor degree of science from Northwest University, majored in geology of petroleum and gas and a doctoral degree of geological resources and geological engineering from China University of Petroleum (East China). Mr. Yao has devoted himself to exploration and development research and production management of oil and gas fields in China and overseas countries for 27 years. He possesses rich experiences in petroleum exploration and development. He was formerly Associate Chief Geologist of Overseas Center in Petroleum Exploration and Development Institute of SINOPEC, Vice President of Reflection Oil & Gas Ltd., and Director of Technical Center in Schlumberger Copower Oilfield Engineering Ltd.

**Mr. Zhou Jintang**, aged 52, graduated from Wuhan Geological Institute with a major in Geology and from University of Petroleum (Beijing), with a Master's Degree in Mineral Prospecting and Exploration. Prior to joining the Company, Mr. Zhou provided services to Sinopec's Henan Oilfield Research Institute and a logging company in Henan's oilfield as Senior Engineer and Project Manager. He joined the Company in October 2007 and is currently the Deputy Chief Geologist of Sinotech Research Institute and one of the major researchers for the oil and gas exploration of the Group. He is mainly responsible for exploration research and management of the two projects in the Philippines and, meanwhile, undertakes the evaluation of oil and gas potentials for other overseas blocks.

姚合法先生，49歲，中科百田研究院副總地質師，於二零一六年九月加入本公司。他持有西北大學石油天然氣地質專業學士學位及中國石油大學(華東)地質資源與地質工程專業博士學位。姚先生從事國內外油氣田勘探研究、開發研究、及生產管理等工作27年，擁有豐富的油氣勘探和開發經驗。彼曾任中國石化集團石油勘探開發研究院海外中心副主任地質師、瑞弗萊克石油天然氣有限公司副總裁、及斯倫貝謝長和油田工程公司技術中心主任。

周金堂先生，52歲，畢業於武漢地質學院地質專業，並在石油大學(北京)獲得礦產普查和勘探專業碩士學位。加入本公司前，周先生曾在中石化河南油田研究院及一間河南油田錄井公司工作，為高級工程師及項目經理。二零零七年十月加入本公司，現為中科百田研究院副總地質師，及集團油氣勘探專業主要研究者之一，主要從事菲律賓兩個項目的勘探研究及專案管理，同時承擔其他海外區塊油氣潛力評價工作。

## Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

Annual Report 2016 二零一六年年報

**Mr. Wang Shuquan**, aged 50, graduated from Guangdong Petroleum College (major in Petroleum Geology) and Jiangnan Petroleum Institute (now called Yangtze University, major in Petroleum Engineering). He has over 20 years of experience in operational skills in geological supervision and management. He joined the Company as Geologic Director in July 2014. Mr. Wang is an expert in the on-site geological production and management, familiar with technology of on-site geological logging, strata of continental, marine and their transitional facies, geosteering technology of horizontal wells, mud logging and DST, identification and evaluation of traces of oil, gas and water at sites, HSE management system and quality standards system. He had working experience in various regions including Jiangnan Basin, Nanyang Basin, Xiangzao Sag, Tarim Basin, Bohai Bay Basin, Sichuan Basin, Songliao Basin and Northern Jiangsu Basin. Mr. Wang was also appointed as the Geologic Supervisor or Geologic Director of CNODC Sultan No.6 Block, CNOOC Myanmar project, CNODC Mauritania project, SIPC Algeria project, CNPC Turkmenistan Amu Darya gas project, SIPC Myanmar project and Iran Yada project Phase I.

**Mr. Liu Jianguo**, aged 48, joined the Company as Drilling Manager in February 2015. He graduated from the Southwest Petroleum Institute, major in drilling engineering. With over 20 years of oil field drilling and production management, he is familiar with drilling and production procedures and quality control. He is experienced in drilling of vertical, directional and HPHT wells and in handling downhole complex conditions and accidents and in well closing. He previously worked in Sichuan, Changqing, and Jidong oil fields (offshore platform) and in Mid-Asian deserts. He was the Drilling Supervisor of Schlumberger Changhe Oil Field Engineering Ltd., CNPC Turkmenistan Company, CNPC Jidong Company, CNOOC Zhanjiang Company, CNPC Changqing Company and Project Manager of CNPC Sichuan Company.

**王述權先生**，50歲，畢業於廣東石油學校石油地質專業及江漢石油學院(現長江大學)石油工程專業。彼擁有超過20年有關地質監督及管理的操作工作經驗，他於二零一四年七月加入本公司，出任地質總監。王先生為一位地質現場生產及管理專家，熟悉地質錄井現場技術、陸相、海相、海陸過渡相的地層、水準井地質導向技術、測錄試生產管理、現場油氣水顯示識別和評價、HSE管理體系和品質標準體系。他具有於不同區域包括江漢盆地、南陽盆地、襄東凹陷、塔里木盆地、渤海灣盆地、四川盆地、松遼盆地、及蘇北盆地等的工作經驗。王先生亦曾在CNODC蘇丹六區塊、CNOOC緬甸專案、CNODC茅利塔尼亞項目、SIPC阿爾及利亞、CNPC土庫曼斯坦阿姆河天然氣項目、SIPC緬甸項目和伊朗雅達一期項目從事地質監督或地質總監工作。

**劉建國先生**，48歲，於二零一五年二月加入本公司，出任鑽井經理。彼畢業於西南石油學院大學鑽井工程專業。彼具有20多年油田現場鑽井和生產管理經驗，熟悉鑽探生產程式與品質控制環節，對直井、定向井、深井、三高井的鑽探；處理解決井下複雜事故；以至完井工作具有豐富的經驗。他曾在四川油田、長慶油田及冀東油田(海上鑽井平臺)、及中亞沙漠等地區工作。他曾於斯倫貝謝長和油田工程有限公司、CNPC土庫曼斯坦公司、CNPC冀東油田分公司、CNOOC湛江分公司、CNPC長慶油田公司出任鑽井監督及於CNPC四川石油管理局出任項目經理。

# Report of the Directors

## 董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The Directors would like to submit their report together with the audited consolidated financial statements for the year ended 31 December 2016.

### Principal Activities

The principal activity of the Company is investment holding. The Group is principally engaged in the exploration, exploitation and development of oil, natural gas and coal, provision of technical services and trading of petroleum-related products. The principal activities of its subsidiaries are set out in note 33 to the consolidated financial statements. An analysis of the Group's performance for the year by business and geographical segments is set out in note 12 to the consolidated financial statements.

### Results

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 93.

### Risk Factors

The Group's business and financial performance may be affected by risks and uncertainties as set out below. Such risks are by no means exhaustive and there may be other risks which are not known to the Group.

#### 1. Price Fluctuation of Crude Oil Risk

The Group is engaged in the exploration and development of oil and natural gas and trading of petroleum-related products. The prices of crude oil, natural gas and refined products in the international market are affected by various factors such as changes in demand and supply of oil and gas and the general state of the global economy, which could adversely affect the valuation of the projects and financial results of the Group.

董事謹提呈截至二零一六年十二月三十一日止年度之報告連同經審核綜合財務報表。

### 主要業務

本公司之主要業務為投資控股。本集團主要從事勘探、開採及開發石油、天然氣及煤炭、提供技術服務以及買賣石油相關產品。其附屬公司之主要業務載於綜合財務報表附註33。本集團本年度之業務及地區分部表現分析載於綜合財務報表附註12。

### 業績

本集團本年度之業績詳列於第93頁之綜合損益表。

### 風險因素

本集團業務及財務表現或會受到下文載列的風險及不確定因素的影響。該等風險因素並無詳盡列出且或會存在本集團未知的其他風險。

#### 1. 原油價格波動風險

本集團從事石油及天然氣的勘探及開發以及石油相關產品的買賣。國際市場上的原油、天然氣及精煉產品的價格受到諸如石油及天然氣供需以及全球經濟的整體狀況變化等各種因素的影響，該等因素可對本集團的項目估值及財務業績產生不利影響。



**2. Overseas Investment Risk**

As the Group's principal investment projects are all located in the Philippines, it is subject to the influences of the stability of the local political environment, taxation policies and other legal and regulatory requirements. The Group will continue to mitigate the concentration investment risk by exploring other investment opportunities in other countries.

**3. Operational Risk**

Oil and gas exploration and development involve hazard risks such as accidents, personal injuries or death, property and environment damages, natural disasters such as typhoon and tsunami etc., which may cause stoppage and losses to the operations. The Group has implemented a HSE (Health, Safety and Environment) management system which requires strict compliance by the employees, contractors, sub-contractors, suppliers and third party personnel working on the Group's project sites or facilities.

**4. Financial and Capital Risk**

The Group also faces financial risks including foreign currency risk, interest rate risk, credit risk and liquidity risk as well as capital risk, details of which are set out in note 32 to the consolidated financial statements.

**2. 海外投資風險**

由於本集團主要投資項目全部位於菲律賓，受當地政治環境、稅務政策及其他法律及法規規定的穩定性的影響。本集團將繼續通過在其他國家尋求其他投資機遇降低集中投資風險。

**3. 運營風險**

石油及天然氣勘探及開發涉及事故、人員傷亡、財產及環境損害、颱風及海嘯等自然災害等危險風險，可能導致運營停工及虧損。本集團已實施HSE(健康、安全及環境)管理系統，要求僱員、承包商、分包商、供應商及第三方人員於本集團項目場所或設施工作時嚴格遵守該系統。

**4. 財務及資本風險**

本集團亦面臨外幣風險、利率風險、信貸風險及流動資金風險等財務風險及資本風險，詳情載於綜合財務報表附註32。

# Report of the Directors

## 董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Environmental Policies and Performance

The Group's operations are subject to the environmental laws and regulations in relation to the oil and gas exploration and development in the Philippines. An independent environmental consultant is engaged by the Group to conduct environmental impact assessments at all of the projects, which are submitted to the Department of Environment and Natural Resources (DENR) for approval. After satisfying the requirements in the application, and with the recommendation of the Environmental Management Bureau (EMB), the DENR will grant the Environmental Compliance Certificate (ECC) to the project. With the issue of the ECC, the Group will need to implement measures to protect and mitigate the project's adverse impacts on community health, welfare and the environment throughout all phases of the project. The Group is required to secure all necessary permits in areas such as hazardous waste materials and wastewater management and control, transportation of oil, drainage systems and road networks etc. To effectively monitor the compliance requirements, a Multi-partite Monitoring Team (MMT) composed of representatives from the project, contractor, EMB, Department of Energy (DOE), Department of Social Welfare and Development (DSWD), religious organization and local environmental non-government organization (NGO) is established to oversee the compliance of the project with the requirements of the ECC conditions. The Group has also put in place a strict HSE management system in the protection of health, safety and environment. The Group is in compliance in all material aspects with the applicable environmental laws and regulations in the Philippines.

### Dividends

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

### 環境政策及表現

本集團於菲律賓勘探及開發石油及天然氣的營運活動須遵守環境法律法規。本集團委任一名獨立環境顧問就遞交予環境及自然資源部(環境及自然資源部)審批的所有項目進行環境影響評估。於滿足所有申請要求並經環境管理局(環境管理局)建議，環境及自然資源部將授予項目環境合規證書(環境合規證書)。經頒發環境合規證書，本集團須於整個項目各階段落實措施保護及減輕項目對社區健康、福利及環境的不利影響。本集團須確保獲得各領域所有必要的許可，如有害廢料及廢水的管理及控制、石油運輸、排水系統及道路網絡等。為有效監控合規規定，由來自項目、承包商、環境管理局、能源部(能源部)、社會福利和發展部(社會福利和發展部)、宗教組織及地方環境非政府組織(非政府組織)的代表組成的多方監控團隊(多方監控團隊)監控項目遵守環境合規證書規定的情況。本集團亦設有保護健康、安全及環境的HSE管理體系。本集團於各重大方面均遵守菲律賓適用環境法律及法規。

### 股息

董事不建議派發任何本年度之股息。

### Reserves

Details of movements in the reserves of the Company during the year are set out in note 37 to the consolidated financial statements. Details of movements in the reserves of the Group during the year are presented in the consolidated statement of changes in equity on page 97.

### Property, Plant and Equipment

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

### Convertible Bonds

Details of movements in the convertible bonds of the Company are set out in note 23 to the consolidated financial statements.

### Share Capital

Details of the movements in share capital of the Company are set out in note 27 to the consolidated financial statements.

### Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's Articles of Association and the laws of Cayman Islands, which would oblige the Company to offer new shares on a prorata basis to existing shareholders.

### 儲備

本公司於年內儲備變動之詳情載於綜合財務報表附註37。本集團於年內儲備變動之詳情載於第97頁之綜合權益變動表內。

### 物業、廠房及設備

本集團物業、廠房及設備變動之詳情載於綜合財務報表附註13。

### 可換股債券

本公司可換股債券變動之詳情載於綜合財務報表附註23。

### 股本

本公司股本變動之詳情載於綜合財務報表附註27。

### 優先購買權

本公司之組織章程細則及開曼群島法例並無有關優先購買權之條文，致促使本公司須按比例向現有股東提呈發售新股份。

# Report of the Directors

## 董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Distributable Reserves

Details of distributable reserves of the Company at 31 December 2016 are set out in note 37 to the consolidated financial statements.

### Five Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years ended 31 December 2016 is set out on page 244 of the annual report.

### Subscription of Convertible Bonds

On 21 December 2015, the Company as the issuer, and CCB International Overseas Limited as the subscriber, entered into a subscription agreement pursuant to which the Company agreed to issue and the subscriber agreed to subscribe for the convertible bonds in the principal amount of HK\$50,000,000 (“CCB Convertible Bonds Subscription Agreement”).

The convertible bonds accrue interest at the rate of 10% per annum, mature on the second anniversary of the issue date, and may be converted to an aggregate of 120,772,946 conversion shares at an initial conversion price of HK\$0.414 per conversion share during the conversion period.

On 28 January 2016, the conditions precedent set out in the CCB Convertible Bonds Subscription Agreement had been fulfilled and completion took place. The convertible bonds in the principal amount of HK\$50,000,000 were issued to the subscriber on 28 January 2016.

### 可供派儲備

本公司於二零一六年十二月三十一日之可供分派儲備之詳情載於綜合財務報表附註37。

### 五年財務概要

本集團過往截至二零一六年十二月三十一日止五個財政年度之業績、資產及負債概要載於本年報第244頁。

### 認購可換股債券

於二零一五年十二月二十一日，本公司作為發行人，及建銀國際海外有限公司作為認購人，訂立認購協議，據此，本公司同意發行，而認購人同意認購可換股債券，本金額為港幣50,000,000元（「建銀可換股債券認購協議」）。

該可換股債券年利率為10厘，於發行日兩週年當日到期，及可於兌換期內以兌換股份初步兌換價每股港幣0.414元，兌換總數120,772,946股兌換股份。

於二零一六年一月二十八日，建銀可換股債券認購協議的先決條件已經達成，據此，該協議於當日完成。於二零一六年一月二十八日，本金額港幣50,000,000元的可換股債券已發行給認購人。

The net proceeds from the subscription after deducting the related expenses were approximately HK\$49,300,000. The net proceeds from the subscription were intended to be used for as to (i) approximately HK\$20,000,000 for the exploration and development of the oil and gas project in South Cebu, Philippines; and (ii) approximately HK\$29,300,000 for general working capital of the Group. As at 31 December 2016, (i) approximately HK\$19,100,000 was used for the exploration and development of the oil and gas project in South Cebu, Philippines; and (ii) approximately HK\$30,200,000 was used for general working capital.

Further details of the above are explained in the Company's announcements dated 21 December 2015 and 28 January 2016, and the Company's circular dated 12 January 2016.

### Subscription of New Shares

On 9 May 2016, the Company entered into a subscription agreement with the subscriber, an independent third party and pursuant to which, the subscriber agreed to subscribe for and the Company agreed to allot and issue a total of 150,000,000 new shares at a subscription price of HK\$0.414 per new share. On 29 July 2016 the subscription was completed.

The gross proceeds raised from the subscription were approximately HK\$62,100,000. The net proceeds from the subscription after deducting the related expenses were approximately HK\$62,050,000. The net proceeds from the subscription were intended to be used for as to (i) approximately HK\$35,000,000 for the exploration and development of the oil and gas project in South Cebu, Philippines; and (ii) approximately HK\$27,050,000 for general working capital of the Group. As at 31 December 2016, (i) approximately HK\$31,500,000 was used for the exploration and development of the oil and gas project in South Cebu, Philippines; and (ii) approximately HK\$26,050,000 was used for general working capital.

此認購所得款項，扣除相關費用後，淨額約為港幣49,300,000元。認購事項之所得款項淨額擬(i)約港幣20,000,000元用作勘探及開發位於菲律賓南宿霧之油氣項目；及(ii)約港幣29,300,000元用作本集團之一般流動資金。於二零一六年十二月三十一日，(i)約港幣19,100,000元用作勘探及開發位於菲律賓南宿霧之油氣項目；及(ii)約港幣30,200,000元用作一般營運資金。

上文之進一步詳情於本公司二零一五年十二月二十一日及二零一六年一月二十八日之公佈及二零一六年一月十二日之通函內解釋。

### 認購新股份

於二零一六年五月九日，本公司與一獨立第三方認購人訂立認購協議，據此，認購人同意認購及本公司同意按每股新股份港幣0.414元之認購價配發及發行總共150,000,000股新股份。於二零一六年七月二十九日，認購事項已完成。

認購事項所籌集之所得款項總額約為港幣62,100,000元。認購事項扣除相關費用後所得款項淨額約為港幣62,050,000元。認購事項之所得款項淨額擬(i)約港幣35,000,000元用作勘探及開發位於菲律賓南宿霧之油氣項目；及(ii)約港幣27,050,000元用作本集團之一般流動資金。於二零一六年十二月三十一日，(i)約港幣31,500,000元用作勘探及開發位於菲律賓南宿霧之油氣項目；及(ii)約港幣26,050,000元用作一般營運資金。

# Report of the Directors

## 董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Further details of the above are explained in the Company's announcements dated 9 May 2016, 12 May 2016, and 29 July 2016.

### Formation of Joint Venture Company

On 27 May 2016, a joint venture agreement was entered into between Joyful View International Limited ("Joyful View", a direct wholly-owned subsidiary of the Company) and 深圳金澳控股集團有限公司 (Kingao Holding Group Co. Ltd.) ("Kingao"), to form a joint venture company, namely Platinum Petroleum Chemical Industry Limited ("Platinum Petroleum Chemical"), with the intention to conduct import and export trading of crude oil and petroleum-related products. Pursuant to the joint venture agreement, Platinum Petroleum Chemical, with an issued share capital of HK\$10,000,000, is 50% each owned by Joyful View and Kingao. The joint venture company had no business activities during the year.

Further details of the above are explained in the Company's announcement dated 27 May 2016.

### Event after the End of the Reporting Period

#### Memorandum of Understanding in respect of a Possible Subscription

On 11 March 2017, the Company and China Wheat (Shenzhen) Equity Investment Fund Management Limited (中麥田(深圳)股權投資基金管理有限公司) (the "Subscriber") entered into a memorandum of understanding pursuant to which the Company agreed to allot and issue 900,000,000 subscription shares to the Subscriber at a cash price of HK\$0.414 per share pursuant to the formal agreement to be negotiated between the Company and the Subscriber.

Further details of the above are explained in the Company's announcement dated 12 March 2017.

上文之進一步詳情於本公司二零一六年五月九日、二零一六年五月十二日及二零一六年七月二十九日之公佈內解釋。

### 成立合營公司

於二零一六年五月二十七日，景悅國際有限公司（「景悅國際」，本公司之直接全資附屬公司）與深圳金澳控股集團有限公司（「金澳」）訂立合營協議成立合營公司，稱為白金石油化工有限公司（「白金石化」），計劃從事原油及石油相關產品進出口貿易之業務。據此合營協議，白金石化之發行股本為港幣10,000,000元，由景悅國際及金澳各擁有50%。合營公司於本年度並沒有營業活動。

上文之進一步詳情於本公司二零一六年五月二十七日之公佈內解釋。

### 報告期後事項

#### 可能進行認購事項之諒解備忘錄

於二零一七年三月十一日，本公司與中麥田(深圳)股權投資基金管理有限公司（「認購人」）訂立諒解備忘錄，據此，本公司同意根據本公司與認購人將商議之正式協議，按每股認購股份港幣0.414元之現金價格配發及發行900,000,000股認購股份予認購人。

上文之進一步詳情於本公司二零一七年三月十二日之公佈內解釋。

## Directors

The Directors of the Company during the year and up to the date of this report are:

### Executive Directors:

Mr. KUAI Wei

Mr. LAI Chun Liang

Mr. LIN Zhang

### Independent Non-executive Directors:

Mr. PAI Hsi-Ping

Ms. XIE Qun

Mr. KWAN King Chi George

By virtue of Articles 84(1) and 84(2) of the Company's Articles of Association, Messrs. Lin Zhang and Pai Hsi-Ping will hold office until the forthcoming annual general meeting of the Company, and being eligible, offer themselves for re-election at that meeting.

## Directors' Service Contracts

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

## Directors' Interest in Contracts

None of the Directors had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party at any time during the year ended 31 December 2016.

## 董事

本公司於年內及直至本報告日期之董事如下：

### 執行董事：

鄺偉先生

來俊良先生

林漳先生

### 獨立非執行董事：

白旭屏先生

謝群女士

關敬之先生

根據本公司之組織章程細則第84(1)及84(2)條，林漳及白旭屏先生之董事職務將於本公司應屆股東週年大會上結束，彼合乎資格並願意於會上膺選連任。

## 董事服務合約

董事概無與本公司或其任何附屬公司訂立本集團於一年內不作出賠償(法定賠償除外)即不能予以終止之服務合約。

## 董事之合約權益

於截至二零一六年十二月三十一日止年度內任何時間，董事概無於任何本公司、其控股公司或其任何附屬公司作為一方訂立對本集團業務屬重要合約中直接或間接擁有重大實益權益。

# Report of the Directors

## 董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Permitted Indemnity Provision

Pursuant to the Company's Articles of Association, every Director shall be entitled to be indemnified out of the assets of the Company against all loss or liabilities (the Companies Ordinance (Cap. 622)) which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Group.

### Biographical Details of Directors and Senior Management

Biographical details of Directors of the Company and senior management of the Group are set out on pages 62 to 69 of the annual report.

### Directors' and Chief Executive's Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporations

As at 31 December 2016, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to the securities transactions by Directors.

### 獲准許之彌償條文

根據本公司組織章程細則，每位董事有權就其任期內，或因執行其職務而可能遭致或發生與此相關之一切損失或責任(按公司條例(第622章))從本公司資產中獲得賠償。本公司已安排為本集團董事及高級職員購買適當的董事及高級職員責任保險作為保障。

### 董事及高級管理人員簡介

本公司董事及本集團高級管理人員簡介載於本年報第62頁至69頁。

### 董事及最高行政人員於本公司或任何相聯法團之股份、相關股份及債券中之權益及／或淡倉

於二零一六年十二月三十一日，任何董事及本公司最高行政人員概無於本公司或其任何相聯法團(證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有任何根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉，或根據證券及期貨條例第352條須記載於該條所述之登記冊內之權益或淡倉，或根據創業板上市規則第5.46至第5.67條有關董事進行證券交易之規定須知會本公司及聯交所之權益或淡倉。



### Substantial Shareholders' Interests and/or Short Positions in the Shares and Underlying Shares of the Company

As at 31 December 2016, the interests and short positions of persons, other than Directors or chief executive of the Company, in the shares and/or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or substantial shareholders as recorded in the register of substantial shareholders required to be kept by the Company under Section 336 of the SFO were as follows:

### 主要股東於本公司股份及相關股份之權益及／或淡倉

於二零一六年十二月三十一日，除董事或本公司最高行政人員外，於本公司之股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部之規定須向本公司及聯交所披露之權益及淡倉，或直接或間接擁有附有權利於任何情況下在本集團任何其他成員公司之股東大會上投票之任何類別股本面值5%或以上之權益之人士，或按本公司根據證券及期貨條例第336條須存置之主要股東登記冊所記錄之主要股東如下：

Name of person 人士名稱	Number of shares held 所持股份數目 (Note 1) (附註1)	Capacity 身份	Approximate percentage of interest 概約權益百分比
Silver Star Enterprises Holdings Inc.	1,894,255,931 (L) (Note 2) (附註2)	Beneficial owner 實益擁有人	64.48%
Lam Nam 林南	1,894,255,931 (L) (Note 2) (附註2)	Interest of a controlled corporation 受控制公司之權益	64.48%
	48,240,000	Beneficial owner 實益擁有人	1.64%
Haitong International Securities Company Limited 海通國際證券有限公司	250,000,000 (L) (Note 3) (附註3)	Beneficial owner 實益擁有人	8.51%
Shu Xin 舒心	152,580,000	Beneficial owner 實益擁有人	5.19%

# Report of the Directors

## 董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Notes:

1. The letter "L" denotes long positions in shares or underlying shares.
2. The entire issued share capital of Silver Star Enterprises Holdings Inc. is beneficially owned by Mr. Lam Nam. Mr. Lam Nam is deemed to be interested in 1,894,255,931 shares held by Silver Star Enterprises Holdings Inc.
3. These shares may be allotted and issued upon exercise of the conversion rights attaching to the convertible bonds issued by the Company.

Save as disclosed above, as at 31 December 2016, the Directors were not aware of any other person (other than the Directors or chief executive of the Company) who had an interest or short position in the shares and/or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 附註：

1. 「L」字母指該人士於股份或相關股份之權益。
2. Silver Star Enterprises Holdings Inc.之全部已發行股本由林南先生實益擁有。林南先生被視作於Silver Star Enterprises Holdings Inc.持有之1,894,255,931股股份中擁有權益。
3. 該等股份於行使本公司發行之可換股債券附帶之兌換權而可予配發及發行。

除上文所披露者外，於二零一六年十二月三十一日，就董事所知，除本公司董事或主要行政人員外，概無任何其他人士於本公司之股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之規定須向本公司及聯交所披露之權益或淡倉，或直接或間接擁有附有權利於任何情況下在本集團任何其他成員公司之股東大會上投票之任何類別股本面值5%或以上之權益，或任何其他主要股東擁有須記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

## Directors' Rights to Acquire Shares and Debentures

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

## Major Customers and Suppliers

None of the Directors, their respective associates or any shareholders of the Company (who to the knowledge of the Directors owns more than 5% of the issued share capital of the Company) had any interests in the Group's five largest suppliers or customers.

## Sufficiency of Public Float

Based on the information that is publicly available to and within the knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued shares at the latest practicable date prior to the issuance of this report.

## Competing Interests

None of the Directors or the management shareholders of the Company (as defined in the GEM Listing Rules) had any interest in a business which competes or may compete with the business of the Group.

## 董事購入股份及債券之權利

於本年內任何時間，概無授予董事、彼等各自之配偶或未滿十八歲子女可透過收購本公司或任何其他法人團體之股份或債券而獲取利益之權利，或由彼等行使有關權利；而本公司或其任何附屬公司亦無參與任何安排，令董事、彼等各自之配偶或未滿十八歲子女取得本公司或任何其他法人團體之該等權利。

## 主要客戶及供應商

根據董事所知，各董事、彼等各自之聯繫人士及任何擁有本公司已發行股本5%以上之股東概無於本集團之五大供應商或客戶中擁有任何權益。

## 足夠公眾持股量

根據公眾所得資料及就董事所知，已確定於本報告刊發前之最後實際可行日期有足夠公眾持股量，其最少佔本公司已發行股份之25%。

## 競爭權益

本公司各董事或管理層股東(定義見創業板上市規則)概無擁有任何現時或可能與本集團業務構成競爭之業務權益。

# Report of the Directors

## 董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Auditor

The consolidated financial statements for the year have been audited by Pan-China (H.K.) CPA Limited who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

**Kuai Wei**

*Chairman*

Hong Kong, 20 March 2017

### 核數師

本年度之綜合財務報表已由天健(香港)會計師事務所有限公司審核。天健(香港)會計師事務所有限公司將退任並符合資格於本公司應屆股東週年大會上膺選連任。

代表董事會

**鄒偉**

*主席*

香港，二零一七年三月二十日

# Independent Auditor's Report 獨立核數師報告

Annual Report 2016 二零一六年年報

TO THE MEMBERS OF  
**POLYARD PETROLEUM INTERNATIONAL GROUP LIMITED**  
(Incorporated in Cayman Islands with limited liability)

## Opinion

We have audited the consolidated financial statements of Polyard Petroleum International Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 93 to 243, which comprise the consolidated statement of financial position as at 31 December 2016, and the 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.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## Basis for Opinion

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

致百田石油國際集團有限公司全體成員  
(於開曼群島註冊成立之有限公司)

## 意見

我們已審核載列於第93至243頁百田石油國際集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，當中包括於二零一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收入表、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(包括重大會計政策概要)。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為擬備。

## 意見基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。該等準則要求我們遵守的道德規範將在我們報告的綜合財務報表部分的審計責任中進一步說明。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，我們獨立於 貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的意見提供基礎。

# Independent Auditor's Report

## 獨立核數師報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Material Uncertainty Related to Going Concern

We draw attention to note 3 (b) to the consolidated financial statements, which describes that the Group incurred a net loss of approximately HK\$21,839,000 during the year ended 31 December 2016 and, as of that date, the Group's current liabilities exceeded its current assets by approximately HK\$75,716,000. Notwithstanding the above, the consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the Group's ability to extend the redemption date of convertible bonds upon maturity and obtain alternative sources of external funding in order for the Group to meet its financial obligations as they fall due and to finance its future working capital and financial requirements. These conditions, along with other matters as set forth in note 3 (b), indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

### 有關持續經營重大不明朗因素

我們自綜合財務報表附註3(b)中注意到，截至二零一六年十二月三十一日止年度，貴集團錄得虧損淨值約港幣21,839,000元，且截至該日，貴集團流動負債超出其流動資金約港幣75,716,000元。儘管如此，綜合財務報表按持續經營基準進行編製，其有效性取決於貴集團於可換股債券到期時延長贖回日並獲得其他外部資金使貴集團償付到期財務負債並為未來營運資金及財務需求撥資的能力。此等情況連同附註3(b)所載述其他事項顯示存在重大不明朗因素，而可能對貴集團之持續經營能力構成重大疑問。就此事項而言，我們並未修改意見。

### 主要審計事項

根據我們的專業判斷，主要審計事項為我們審核於本期間的綜合財務報表中最重要的事項。我們在審核綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。除有關持續經營之重大不明朗因素中所述事項外，我們釐定下文所述為會在報告中予以披露的主要審計事項。

# Independent Auditor's Report

## 獨立核數師報告

Annual Report 2016 二零一六年年報

### The Key Audit Matter

#### ***Impairment assessment of interests in associates and amounts due from associates***

As at 31 December 2016, the Group had interests in associates which had been engaged in the exploration, exploitation and development of coal mine in Philippines.

Due to the significance of the assets to the Group's consolidated statement of financial position, we had identified the impairment assessment of interests in associates and amount due from associates as one of the key audit matters.

#### **How the matter was addressed in our audit**

We discussed with the management of the Company regarding the development of the associate's coal mine as well as whether and the extent of the impairment on the Group's interests in associates and amounts due from the associates.

The development of the associate's coal mine had been suspended due to the Department of Environment and Natural Resources of Philippines ("DENR") did not grant a tree cutting permit which enabled the associate to build a road to get access to the mining area. In addition, upon the new president was elected during the year 2016, the new Philippines government planned to review coal power projects and to seek for the increase use of renewable energy in response to the protest of anti-coal activists and environmental advocates. Hence, the condition of the development of the associate's coal mine in Philippines became considerably more unfavourable to the Group. In view to the ongoing suspension for the development of the coal mine and the pessimistic business outlook of the coal industry in the Philippines, the management had concluded that no future economic benefits were expected to be generated by the associate and the amounts due from associates were expected to be irrecoverable. Accordingly, full impairment losses of interests in associates and amounts due from associates of HK\$27,430,000 and HK\$16,287,000 respectively were recognised for the year ended 31 December 2016. Details were disclosed in notes 14 and 17 to the consolidated financial statements.

We assessed the reasonableness and appropriateness of the full impairment conclusion made by the management of the Company based on our knowledge of the industry and the specific facts and circumstances applicable to the associates.

### 主要審計事項

#### **關聯公司權益及應收關聯公司款項之減值評估**

於二零一六年十二月三十一日，貴集團於在菲律賓從事煤礦勘探、開採及開發之聯營公司中擁有權益。

由於資產對貴集團之綜合財務狀況表非常重要，我們已識別於聯營公司權益以及應收聯營公司款項之減值評估作為一項主要審計事宜。

#### **我們的審計如何處理有關事項**

我們已與貴公司管理層討論關於聯營公司煤礦之開發以及是否應就貴集團於聯營公司之權益以及應收聯營公司款項作出減值和減值之程度。

聯營公司之煤礦開發已經暫停，原因是菲律賓環境及自然資源部(「環境及自然資源部」)並無授出可讓聯營公司修建接通採礦區之公路所需之砍樹許可證。此外，於2016年新總統獲選後，菲律賓新政府計劃審查煤電項目及尋求提高再生能源的採用、以回應反煤炭活動激進人士及環保倡議者之抗議。因此，聯營公司於菲律賓的煤礦開發狀況變得對本集團相當不利。鑑於煤礦開發之持續暫停及煤炭行業於菲律賓的黯淡前景，管理已得出結論，聯營公司預期將不會產生任何未來經濟利益且應收聯營公司款項預期將無法收回。因此，已於截至二零一六年十二月三十一日止年度分別確認於聯營公司權益以及應收聯營公司款項之全數減值虧損27,430,000港元及16,287,000港元。詳情披露於綜合財務報表附註14及17。

我們已根據我們的行業知識以及適用於聯營公司之特定事實及情況評估貴公司管理層作出全數減值結論之合理性及適當性。

# Independent Auditor's Report

## 獨立核數師報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### The Key Audit Matter

#### *Impairment assessment of interests in a joint venture*

As disclosed in note 15, the Group had interests in a joint venture of HK\$330,768,000 as at 31 December 2016 which had been engaging in exploration, exploitation and development of oil and gas in Philippines. The management of the Company engaged an independent professional valuer in assisting the management of the Company in determining the recoverable amount of the interests in a joint venture. Due to the upward adjustment of estimated resources determined by a competent person and the rebound of the market prices of oil and gas, reversal of impairment losses recognized on the interests in a joint venture of approximately HK\$102,376,000 was recognized for the year ended 31 December 2016.

A number of key assumptions were made by the management including estimated resources and the market prices of oil and gas. Due to high level of judgement involved as well as the significance of the assets to the Group's consolidated statement of financial position, we had identified the impairment assessment of interests in a joint venture as one of the key audit matters.

#### How the matter was addressed in our audit

1. We discussed with the management of the Company and the independent professional valuer engaged by the Company the valuation methodology, bases and assumptions used in determining the recoverable amount of the interests in a joint venture.
2. We checked the objectivity, competence and capability of the valuer.
3. We assessed the reasonableness and appropriateness of the adopted methodology, bases and assumptions used in arriving at the recoverable amount of the interests in a joint venture.
4. In addition to discussion with the valuer engaged by the Company, we engaged another independent valuation specialist to assist us in evaluating the reasonableness and appropriateness of the valuation performed by the management of the Company and the Company's valuer.

### 主要審計事項

#### 於合營企業權益之減值評估

如附註15所披露，截至二零一六年十二月三十一日，貴集團於在菲律賓從事油氣勘探、開採及開發之合營企業中擁有權益330,768,000港元。貴公司管理層已聘用一間獨立專業估值師行協助貴公司管理層釐定於合營企業權益之可收回金額。由於一名合資格人士釐定估計資源量有向上調整以及油氣市場價格回升，已於截至二零一六年十二月三十一日止年度確認於合營企業權益之減值虧損撥回約102,376,000港元。

管理層所作多項主要假設包括估計資源量以及油氣之市場價格。由於涉及高層次判斷以及資產對貴集團之綜合財務狀況表非常重要，我們已識別於合營企業權益之減值評估作為一項主要審計事宜。

#### 我們的審計如何處理有關事項

1. 我們已與貴公司管理層及貴公司委聘之獨立專業估值師討論釐定於合營企業權益之可收回金額時所用估值方法、基準及假設。
2. 我們已檢查估值師之客觀性、資格及能力。
3. 我們已評估達致於合營企業權益之可收回金額時所用方法、基準及假設之合理性及適當性。
4. 除與貴公司委聘之估值師討論外，我們已委聘另一名獨立估值專家協助我們評估貴公司管理層及貴公司估值師所進行估值之合理性及適當性。



# Independent Auditor's Report

## 獨立核數師報告

Annual Report 2016 二零一六年年報

### The Key Audit Matter

#### ***Impairment assessment of deferred exploration expenditures***

As at 31 December 2016, the Group had incurred deferred exploration expenditures for the exploration of a gas project in Central Luzon, Philippines. Details were disclosed in note 16 to the consolidated financial statements.

Due to the significance of the assets to the Group's consolidated statement of financial position, we had identified the impairment assessment of deferred exploration expenditures as one of the key audit matters.

#### **How the matter was addressed in our audit**

We discussed with the management of the Company regarding the development of the Central Luzon's gas project as well as whether and the extent of the impairment on the Group's deferred exploration expenditures.

Since the exploration phases of the gas project granted by the Department of Energy of Philippines had been expired after the end of the reporting period on 27 February 2017 and the application for the extension has not yet been granted, the management of the Company concluded that no future economic benefits was expected to be generated by the gas project and full impairment loss of HK\$25,548,000 was recognised for the year ended 31 December 2016.

We assessed the reasonableness and appropriateness of the full impairment conclusion made by the management of the Company based on our knowledge of the industry and the specific facts and circumstances applicable to the gas project.

### 主要審計事項

#### ***遞延勘探開支之減值評估***

於二零一六年十二月三十一日，貴集團已就勘探菲律賓中呂宋天然氣項目產生遞延勘探開支。詳情披露於綜合財務報表附註16。

由於資產對貴集團之綜合財務狀況表非常重要，我們已識別遞延勘探開支之減值評估作為一項主要審計事宜。

#### **我們的審計如何處理有關事項**

我們已與貴公司管理層討論關於中呂宋天然氣項目之開發以及是否應就貴集團之遞延勘探開支作出減值和減值之程度。

由於菲律賓能源部授出之天然氣項目勘探期已於二零一七年二月二十七日報告期末之後屆滿，且續期申請尚未獲批准，貴公司管理層得出結論，預期天然氣項目將不會產生任何未來經濟利益且已於截至二零一六年十二月三十一日止年度確認全數減值虧損25,548,000港元。

我們已根據我們的行業知識以及適用於天然氣項目之特定事實及情況評估貴公司管理層作出全數減值結論之合理性及適當性。

# Independent Auditor's Report

## 獨立核數師報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

### Responsibilities of Directors for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the 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.

### 綜合財務報表及相關核數師報告以外的資料

貴公司董事負責其他資料。其他資料包括年報所載全部資料，綜合財務報表及本核數師報告除外。

我們對綜合財務報表的意見並不涵蓋其他資料，我們不對及將不會對其他資料發表任何形式的鑒證結論。

審核綜合財務報表時，我們的責任為閱讀上文指出的其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審計過程中所了解的情況有重大抵觸，或者似乎有重大錯誤陳述。

基於我們就於本核數師報告日期前獲得的其他資料已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。於此方面，我們沒有任何報告。

### 董事就綜合財務報表須承擔責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露要求編製真實而公平的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

# Independent Auditor's Report

## 獨立核數師報告

Annual Report 2016 二零一六年年報

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.

### Auditor's Responsibility 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. Our report is made solely to you, as a body, in accordance with 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

在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，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助董事負責監督 貴集團的財務報告過程。

### 核數師就審計綜合財務報表承擔的責任

我們的目的是獲取綜合財務報表作為一個整體是否存在由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的合理保證，並出具一份包含我們意見的核數師報告。我們按照約定的條件僅向閣下(作為整體)報告，除此之外本報告別無其他目的。我們並無就本報告的內容向任何人士承擔責任或接受責任。

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

依據香港審計準則，作為我們審計的一部分，我們在整個審計過程中進行職業判斷並保持職業懷疑態度。我們亦：

# Independent Auditor's Report

## 獨立核數師報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程式以應對該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程式，但目的並非對 貴集團內部控制的有效性發表意見。
- 評估所使用的會計政策的恰當性和作出會計估計的合理性以及董事所披露的相關內容。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當修改意見。我們的結論乃基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。

# Independent Auditor's Report

## 獨立核數師報告

Annual Report 2016 二零一六年年報

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露以及綜合財務報表是否中肯反映相關交易和事項。

我們與審核委員會溝通了(其中包括)計劃的審計範圍、時間安排及重大審計發現等，包括我們在審計中發現的內部控制的任何重大缺陷。

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

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

# Independent Auditor's Report

## 獨立核數師報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The engagement director on the audit resulting in this independent auditor's report is Tsang Chiu Keung.

出具本獨立核數師報告並發表審計意見的項目董事為曾昭強。

**Pan-China (H.K.) CPA Limited**  
*Certified Public Accountants*

天健(香港)會計師事務所有限公司  
執業會計師

11/F., Hong Kong Trade Centre  
161-167 Des Voeux Road  
Central, Hong Kong  
Hong Kong S.A.R. China

中國香港特別行政區  
香港  
德輔道中161-167號  
香港貿易中心11樓

20 March 2017  
Tsang Chiu Keung  
Practising Certificate Number: P04968

二零一七年三月二十日  
曾昭強  
執業證書編號：P04968

# Consolidated Statement of Profit or Loss

## 綜合損益表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

			2016 二零一六年	2015 二零一五年
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Turnover</b>	<b>營業額</b>	5	—	—
Other income	其他收入	5	143	133
Administrative and other operating expenses	行政及其他營運開支		(37,013)	(30,764)
Finance costs	融資成本	6	(18,737)	(5,584)
Impairment losses recognised on deferred exploration expenditure	就遞延勘探開支確認之減值虧損	16	(25,548)	—
Impairment losses recognised on interests in associates	就於聯營公司權益確認之減值虧損	14	(27,430)	(2,644)
Impairment losses recognised on amounts due from associates	就應收聯營公司款項確認之減值虧損	17	(16,287)	—
Share of results of associates	應佔聯營公司業績	14	(6)	(14)
Reversal of impairment losses recognised on interests in a joint venture	就於合營企業權益確認之減值虧損撥回	15	102,376	—
Impairment losses recognised on interests in a joint venture	就於合營企業權益確認之減值虧損	15	—	(98,382)
Loss on early redemption of promissory note	提早贖回承付票據之虧損	24	—	(814)
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>	7	<b>(22,502)</b>	(138,069)
Income tax credit	所得稅抵免	8	663	126
<b>Loss for the year</b>	<b>本年度虧損</b>		<b>(21,839)</b>	(137,943)
<b>Attributable to:</b>	<b>應佔：</b>			
Owners of the Company	本公司擁有人		(51,694)	(99,583)
Non-controlling interests	非控制性權益		29,855	(38,360)
			<b>(21,839)</b>	(137,943)
<b>Loss per share</b>	<b>每股虧損</b>	10		
— Basic (in HK cents)	— 基本(港仙)		(1.80) cents 仙	(3.99) cents 仙
— Diluted (in HK cents)	— 攤薄(港仙)		(1.80) cents 仙	(3.99) cents 仙

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為本綜合財務報表之一部份。

# 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 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
<b>Loss for the year</b>	<b>本年度虧損</b>	<b>(21,839)</b>	<b>(137,943)</b>
<b>Other comprehensive (expense)/income</b>	<b>其他全面(支出)/收益</b>		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
Exchange differences on translation of foreign operations	換算國外營運所產生之匯兌差額	<b>(1,511)</b>	160
Release of exchange reserve upon deregistration of a subsidiary	因一間附屬公司撤銷註冊而解除匯兌儲備	—	(53)
<b>Total comprehensive expense for the year</b>	<b>本年度全面支出總額</b>	<b>(23,350)</b>	<b>(137,836)</b>
<b>Attributable to:</b>	<b>應佔：</b>		
Owners of the Company	本公司擁有人	<b>(53,231)</b>	(99,465)
Non-controlling interests	非控制性權益	<b>29,881</b>	(38,371)
<b>Total comprehensive expense for the year</b>	<b>本年度全面支出總額</b>	<b>(23,350)</b>	<b>(137,836)</b>



# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2016  
於二零一六年十二月三十一日

Annual Report 2016 二零一六年年報

			2016	2015
			二零一六年	二零一五年
		Notes	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	912	1,199
Interests in associates	於聯營公司之權益	14	—	27,436
Interests in a joint venture	於合營企業之權益	15	330,768	134,877
Deferred exploration expenditure	遞延勘探開支	16	—	25,048
			<b>331,680</b>	188,560
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Amounts due from associates	應收聯營公司款項	17	—	16,257
Other receivables	其他應收款項	18	35,520	17,190
Cash and bank balances	現金及銀行結餘	19	4,698	51,774
			<b>40,218</b>	85,221
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Other payables	其他應付款項	20	(16,153)	(6,153)
Amounts due to directors	應付董事款項	21	(735)	(1,391)
Amounts due to a shareholder	應付股東款項	22	(9)	(1,578)
Convertible bonds	可換股債券	23	(98,874)	—
Obligations under finance leases – current portion	融資租賃責任 — 流動部份	26	(163)	(155)
			<b>(115,934)</b>	(9,277)
<b>NET CURRENT (LIABILITIES)/ ASSETS</b>	<b>淨流動(負債)/資產</b>		<b>(75,716)</b>	75,944
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動 負債</b>		<b>255,964</b>	264,504

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2016

於二零一六年十二月三十一日

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

			2016 二零一六年	2015 二零一五年
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Convertible bonds	可換股債券	23	(47,086)	(97,013)
Deferred tax liabilities	遞延稅項負債	25	(667)	(493)
Obligations under finance leases – non-current portion	融資租賃責任 – 非流動部份	26	(214)	(377)
			<b>(47,967)</b>	<b>(97,883)</b>
<b>NET ASSETS</b>	<b>淨資產</b>		<b>207,997</b>	<b>166,621</b>
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
Share capital	股本	27	117,502	111,502
Reserves	儲備		47,329	41,834
Equity attributable to owners of the Company	本公司擁有人 應佔權益		<b>164,831</b>	153,336
Non-controlling interests	非控制性權益		<b>43,166</b>	13,285
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>207,997</b>	<b>166,621</b>

Approved and authorised for issue by the board of directors on 20 March 2017.

經董事會於二零一七年三月二十日核准及授權刊印。

**KUAI Wei**  
Director

**LIN Zhang**  
Director

董事  
鄒偉

董事  
林漳

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium	Special reserve	Exchange reserve	Convertible bonds reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	股份溢價	特別儲備	匯兌儲備	可換股債券儲備	累計虧損	總計	非控制性權益	總計
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2015	於二零一五年一月一日	77,502	797,182	985	(141)	—	(802,116)	73,412	51,656	125,068
Loss for the year	年內虧損	—	—	—	—	—	(99,583)	(99,583)	(38,360)	(137,943)
Other comprehensive income/(expense) for the year	本年度其他全面收益/(支出)	—	—	—	118	—	—	118	(11)	107
Total comprehensive income/(expense) for the year	本年度全面收益/(支出)總額	—	—	—	118	—	(99,583)	(99,465)	(38,371)	(137,836)
Issue of shares under share subscription	股份認購發行股份	8,000	44,434	—	—	—	—	52,434	—	52,434
Issue of shares upon loan capitalisation	貸款資本化發行之股份	26,000	100,321	—	—	—	—	126,321	—	126,321
Recognition of equity component of convertible bonds	確認可換股債券權益部份	—	—	—	—	1,253	—	1,253	—	1,253
Deferred tax liability on recognition of equity component of convertible bonds	確認可換股債券權益部份之遞延稅項負債	—	—	—	—	(619)	—	(619)	—	(619)
At 31 December 2015	於二零一五年十二月三十一日	111,502	941,937	985	(23)	634	(901,699)	153,336	13,285	166,621
At 1 January 2016	於二零一六年一月一日	111,502	941,937	985	(23)	634	(901,699)	153,336	13,285	166,621
Loss for the year	年內虧損	—	—	—	—	—	(51,694)	(51,694)	29,855	(21,839)
Other comprehensive income/(expense) for the year	本年度其他全面收益/(支出)	—	—	—	(1,537)	—	—	(1,537)	26	(1,511)
Total comprehensive income/(expense) for the year	本年度全面收益/(支出)總額	—	—	—	(1,537)	—	(51,694)	(53,231)	29,881	(23,350)
Issue of shares under share subscription	股份認購發行股份	6,000	56,075	—	—	—	—	62,075	—	62,075
Recognition of equity component of convertible bonds	確認可換股債券權益部份	—	—	—	—	3,488	—	3,488	—	3,488
Deferred tax liability on recognition of equity component of convertible bonds	確認可換股債券權益部份之遞延稅項負債	—	—	—	—	(837)	—	(837)	—	(837)
At 31 December 2016	於二零一六年十二月三十一日	117,502	998,012	985	(1,560)	3,285	(953,393)	164,831	43,166	207,997

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Loss before income tax	除所得稅前虧損	(22,502)	(138,069)
Adjustments for:	調整：		
Interest income	利息收入	(18)	(1)
Interest expense	利息支出	18,737	5,584
Depreciation	折舊	318	304
Loss on early redemption of promissory note	提早贖回承付票據之虧損	—	814
Share of results of associates	應佔聯營公司業績	6	14
Impairment losses recognised on deferred exploration expenditure	就遞延勘探開支確認之減值虧損	25,548	—
Impairment losses recognised on interests in associates	就於聯營公司權益確認之減值虧損	27,430	2,644
Impairment losses recognised on amounts due from associates	就應收聯營公司款項確認之減值虧損	16,287	—
Reversal of impairment losses recognised on interests in a joint venture	就於合營企業權益確認之減值虧損撥回	(102,376)	—
Impairment losses recognised on interests in a joint venture	就於合營企業權益確認之減值虧損	—	98,382
Gain on deregistration of a subsidiary	一間附屬公司撤銷註冊之收益	—	(53)
Operating loss before movements in working capital	營運資金變動前之經營虧損	(36,570)	(30,381)
Decrease in other receivables	其他應收款項減少	6,073	6,827
Increase in amounts due from associates	應收聯營公司款項增加	(30)	(142)
Increase/(Decrease) in other payables	其他應付款項增加/(減少)	6,306	(4,598)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>經營業務所耗現金淨額</b>	<b>(24,221)</b>	<b>(28,294)</b>
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Interest received	已收利息	18	1
Additional investment in a joint venture	於合營企業之額外投資	(93,515)	(48,009)
Purchase of property, plant and equipment	購置物業、廠房及設備	(39)	(547)
Payments of exploration expenditure	勘探開支付款	(500)	(429)
Advance to parties to a joint venture	墊付合營企業方	(24,403)	(9,109)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所耗現金淨額</b>	<b>(118,439)</b>	<b>(58,093)</b>

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

		2016 二零一六年	2015 二零一五年
		<b>HK\$'000</b> 港幣千元	<b>HK\$'000</b> 港幣千元
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Net proceeds from issue of ordinary shares	發行普通股所得款項淨額	<b>62,075</b>	52,005
Net proceeds from issue of convertible bonds	發行可換股債券所得款項淨額	<b>48,414</b>	97,500
Interest paid	已付利息	<b>(11,022)</b>	(4,523)
Repayment to directors	償還董事墊款	<b>(656)</b>	(641)
Repayment to a shareholder	償還股東墊款	<b>(1,569)</b>	(8,974)
Repayment of obligations under finance leases	融資租賃責任還款	<b>(155)</b>	(148)
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>融資活動產生之現金淨額</b>	<b>97,087</b>	135,219
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值物(減少)/增加淨額</b>	<b>(45,573)</b>	48,832
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初之現金及現金等值物</b>	<b>51,774</b>	2,779
Effect of foreign exchange rate changes	外幣匯率變動之影響	<b>(1,503)</b>	163
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>年終之現金及現金等值物</b>	<b>4,698</b>	51,774
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值物之結餘分析</b>		
Cash and bank balances	現金及銀行結餘	<b>4,698</b>	51,774

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 1. General Information

Polyard Petroleum International Group Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is located at Room 801-802, 8/F, Shanghai Industrial Investment Building, 48-62 Hennessy Road, Wanchai, Hong Kong. The parent company of the Company is Silver Star Enterprises Holdings Inc. (incorporated in British Virgin Islands) and the Company’s ultimate controlling party is Mr. Lam Nam.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are the exploration, exploitation and development of oil, natural gas and coal, trading of petroleum-related products and provision of technical services.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

### 1. 一般資料

百田石油國際集團有限公司(「本公司」)於開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司創業板上市。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，其主要營業地點則位於香港灣仔軒尼詩道48-62號上海實業大廈8樓801-802室。本公司之母公司為Silver Star Enterprises Holdings Inc. (於英屬處女群島註冊成立)及本公司之最終控制方為林南先生。

本公司之主要業務為投資控股，其附屬公司之主要業務則為勘探、開採及開發石油、天然氣及煤炭、買賣石油相關產品以及提供技術服務。

本綜合財務報表乃以本公司之功能貨幣港幣(「港幣」)呈列。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current year, the Group has applied a number of amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are mandatorily effective for an accounting period that begins on or after 1 January 2016. These amendments have been applied by the Group for the first time in the current year unless otherwise specified.

HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	<i>Investment Entities: Applying the Consolidation Exception</i>
HKFRS 11 (Amendments)	<i>Accounting for Acquisitions of Interests in Joint Operations</i>
HKAS 1 (Amendments)	<i>Disclosure Initiative</i>
HKAS 16 and HKAS 38 (Amendments)	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
HKAS 16 and HKAS 41 (Amendments)	<i>Agriculture: Bearer Plants</i>
HKFRSs (Amendments)	<i>Annual Improvements to HKFRSs 2012-2014 Cycle</i>

The nature and the impact of each amendment is described below:

- (a) Amendments to HKFRS 10, HKFRS 12 and HKAS 28 mainly clarify that the exemption from preparing consolidated financial statements is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all its subsidiaries at fair value in accordance with HKFRS 10. The Company is not an investment entity, hence, the consolidation exemption set out in the amendments is not applicable to the Company.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度內，本集團已採納多項香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則修訂，該等修訂於二零一六年一月一日或之後開始之會計期內強制生效。除另有規定外，本集團已於本年度內首次採用該等修訂。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號（修訂本）	投資實體：應用合併例外規定
香港財務報告準則第11號（修訂本）	收購合營業務權益的會計處理方法
香港會計準則第1號（修訂本）	披露計劃
香港會計準則第16號及香港會計準則第38號（修訂本）	可接受之折舊及撇銷方法之澄清
香港會計準則第16號及香港會計準則第41號（修訂本）	農業：生產性植物
香港財務報告準則（修訂本）	二零一二年至二零一四年週期之香港財務報告準則年度改進

各項修訂的性質及影響載述如下：

- (a) 香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂主要澄清，若母公司實體為投資實體之附屬公司，則編製綜合財務報表之豁免對其適用，即使該投資實體根據香港財務報告準則第10號按公平值計量其全部附屬公司。本公司並非投資實體，因此，該等修訂所載之綜合豁免將不適用於本公司。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

- (b) Amendments to HKFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in HKFRS 3 Business Combinations. Specifically, the amendments state that the relevant principles on accounting for business combinations in HKFRS 3 and other standards should be applied. The amendments also require that a joint operator to disclose the relevant information required by HKFRS 3 and other standards for business combinations. The amendments require prospective application; prospectively in annual periods beginning on or after 1 January 2016. The Group did not have any joint operation in the current year and hence the application of these amendments has had no impact on the consolidated financial statements.

### 2. 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）

- (b) 香港財務報告準則第11號之修訂就收購聯合經營（其構成一項業務（定義見香港財務報告準則第3號「業務合併」）者）之會計處理提供指引。具體而言，該等修改訂明香港財務報告準則第3號及其他準則有關業務合併之相關會計原則應予以應用。該等修訂亦規定聯合經營者亦須就業務合併披露香港財務報告準則第3號及其他準則規定之相關資料。該等修訂須追溯應用，尤其於二零一六年一月一日或之後開始之年度期間。於本年度，本集團並無任何聯合經營，因此，應用該等修訂對綜合財務報表並無影響。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

- (c) Amendments to HKAS 1 clarify that an entity need not provide a specific disclosure required by a HKFRS if the information resulting from that disclosure is not material (even if the HKFRS contains a list of specific requirements or describes them as minimum requirements). The amendments also give guidance on the bases of aggregating and disaggregating information for disclosure purposes. The amendments emphasize that an entity should consider whether to provide additional disclosures when compliance with the specific requirements in HKFRSs is insufficient to enable users of financial statements to understand the impact of particular transactions, other events and conditions on the entity’s financial position and financial performance. Furthermore, the amendments require that an entity’s share of the other comprehensive income of associates and joint ventures accounted for using the equity method should be presented separately from those arising from the Group, and should be separated into the share of items that, in accordance with other HKFRSs: (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met. The application of these amendments has not resulted in any impact on the financial performance or financial position of the Group.

### 2. 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）

- (c) 香港會計準則第1號的修訂闡明倘若由披露產生的資料並不重大，實體毋須按照香港財務報告準則的規定提供特定披露（即使香港財務報告準則載列明確規定或將其描述為最低要求）。該等修訂亦基於綜合及分解用於披露目的的資料為披露提供指引。該等修訂強調實體應考慮是否在遵守香港財務報告準則特定要求不足以使財務報表的使用者明白特定交易、其他事件及情況對實體的財務狀況及財務表現的影響時提供額外披露。此外，該等修訂要求實體應佔使用權益法入賬的聯營公司及合營企業的其他全面收益應與本集團分開呈列，並根據其他香港財務報告準則單獨列入應佔：(i)其後將不會重新分類至損益；及(ii)其後於特定條件達成時重新分類至損益的項目中。應用該等修訂並無對本集團財務表現或財務狀況產生任何影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

(d) The amendments to HKAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that revenue-based amortisation is not an appropriate basis for amortisation of an intangible asset. The amendments state that such a presumption can only be rebutted in the following two limited circumstances:

- when the intangible asset is expressed as a measure of revenue; or
- when it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

With regard to the Group’s property, plant and equipment and intangible assets, the Group did not use revenue-based depreciation and amortisation method and hence the amendments have not have any impact on the Group’s financial position and financial performance. Rather, the Group has been using the straight-line method for depreciation and amortisation for its property, plant and equipment, and intangible assets respectively.

### 2. 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）

(d) 香港會計準則第16號修訂本禁止實體就物業、廠房及設備使用以收益為基礎的折舊法。香港會計準則第38號修訂本引入可推翻的前設，即以收益為基礎的攤銷並非無形資產攤銷的合適基準。該修訂規定有關前設可於以下兩種有限情況被推翻：

- 於無形資產以計量收益的方式代表時；或
- 於其能顯示無形資產的收益與其經濟利益假設有緊密關係時。

就本集團物業、廠房及設備以及無形資產而言，本集團並無採用以收益為基礎的折舊及攤銷方法，因此，該等修訂對本集團財務狀況及財務表現並無任何影響。相反，本集團一直使用直線法分別進行物業、廠房及設備以及無形資產之折舊及攤銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

- (e) The amendments to HKAS 16 and HKAS 41 define a bearer plant that is a living plant that:
- i) is used in the production or supply of agricultural produce;
  - ii) is expected to bear produce for more than one period; and
  - iii) has a remote likelihood of being sold as agricultural produce except for incidental scrap sales.

The amendments require that biological assets that meet the definition of a bearer plant should be accounted for as property, plant and equipment in accordance with HKAS 16, instead of HKAS 41. The produce growing on bearer plants continues to be accounted for in accordance with HKAS 41.

The application of these amendments has had no impact on the consolidated financial statements as the Group is not engaged in agricultural activities.

### 2. 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）

- (e) 香港會計準則第16號及香港會計準則第41號修訂將以下生產性植物界定為存活的植物：
- i) 用於農作物之生產或供應；
  - ii) 預期可帶來多於一造之產物；及
  - iii) 不大可能會被當作農作物銷售，惟偶然之廢料銷售除外。

該等修訂規定符合生產性植物定義之生物資產應根據香港會計準則第16號而非香港會計準則第41號入賬列為物業、廠房及設備。生產性植物之產物繼續根據香港會計準則第41號入賬。

由於本集團並不從事農業活動，因此，應用該等修訂對綜合財務報表並無影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

- (f) The annual improvements to HKFRSs 2012-2014 Cycle include a number of amendments to various HKFRSs, which are summarized below.

Firstly, the amendments to HKFRS 5 introduce specific guidance for when an entity reclassifies an asset (or disposal group) from held for sale to held for distribution to owners (or vice versa). The amendments clarify that such a change should be considered as a continuation of the original plan of disposal and hence requirements set out in HKFRS 5 regarding the change of sale plan do not apply.

Secondly, the amendments to HKFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of the disclosures required in relation to transferred assets.

Thirdly, the amendments to HKAS 19 clarify that the rate used to discount post-employment benefit obligations should be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. The assessment of the depth of a market for high quality corporate bonds should be at the currency level (i.e. the same currency as the benefits are to be paid). For currencies for which there is no deep market in such high quality corporate bonds, the market yields at the end of the reporting period on government bonds denominated in that currency should be used instead. The Group did not have any defined benefit scheme.

The application of these amendments has had no effect on the consolidated financial statements.

### 2. 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）

- (f) 二零一二年至二零一四年週期香港財務報告準則之年度改進包括對不同香港財務報告準則之多項修訂，概述如下。

第一，香港財務報告準則第5號之修訂引入了對實體將資產（或出售組別）從持作銷售重新分類為持作向擁有人銷售（反之亦然）的具體指引。有關修訂澄清，上述轉變應視為原來出售計劃之延續，因此香港財務報告準則第5號所載有關出售計劃轉變之規定並不適用。

第二，香港財務報告準則第7號之修訂的額外指引澄清服務合約於資產轉移中是否持續牽涉（就有關資產轉移所要求的披露而言）。

第三，香港會計準則第19號之修訂澄清用於將退休後福利責任貼現之比率應參考優質公司債券於報告期末之市場收益而釐定。優質公司債券市場深度之評估應於貨幣（即用於支付福利之同一貨幣）層面進行。若相關貨幣並無有關優質公司債券之深度市場，則應代為使用以該貨幣計值之政府債券於報告期末之市場收益。本集團並無任何界定福利計劃。

應用該等修訂並無對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 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

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

HKFRS 9	<i>Financial Instruments</i> <sup>(1)</sup>
HKFRS 15	<i>Revenue from Contracts with Customers</i> <sup>(1)</sup>
HKFRS 16	<i>Leases</i> <sup>(2)</sup>
HKFRS 2 (Amendments)	<i>Classification and Measurement of Share-based Payment Transactions</i> <sup>(1)</sup>
HKFRS 10 and HKAS 28 (Amendments)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>(3)</sup>
HKAS 7 (Amendments)	<i>Disclosure Initiative</i> <sup>(4)</sup>
HKAS 12 (Amendments)	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> <sup>(4)</sup>

- (1) Effective for annual periods beginning on or after 1 January 2018.
- (2) Effective for annual periods beginning on or after 1 January 2019.
- (3) Effective for annual periods beginning on or after a date to be determined.
- (4) Effective for annual periods beginning on or after 1 January 2017.

### 2. 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)

本集團並未提早採納下列已頒佈但仍未強制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	<i>財務工具</i> <sup>(1)</sup>
香港財務報告準則第15號	<i>客戶合約收入</i> <sup>(1)</sup>
香港財務報告準則第16號	<i>租賃</i> <sup>(2)</sup>
香港財務報告準則第2號(修訂本)	<i>以股份為基礎付款交易之分類及計量</i> <sup>(1)</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)	<i>投資者與其聯營或合營企業之間的資產出售或注資</i> <sup>(3)</sup>
香港會計準則第7號(修訂本)	<i>披露計劃</i> <sup>(4)</sup>
香港會計準則第12號(修訂本)	<i>就未變現虧損確認遞延稅項資產</i> <sup>(4)</sup>

- (1) 於二零一八年一月一日或以後開始之年度期間生效。
- (2) 於二零一九年一月一日或以後開始之年度期間生效。
- (3) 於釐定日期或以後開始之年度期間生效。
- (4) 於二零一七年一月一日或以後開始之年度期間生效。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets; and (b) limited amendments to the classification and measurement requirements by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category for certain simple debt instruments.

## 2. 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「財務工具」

於二零零九年頒佈之香港財務報告準則第9號引入有關財務資產之分類及計量之新規定。香港財務報告準則第9號其後於二零一零年修訂，以包括有關財務負債之分類及計量以及取消確認之規定，並於二零一三年進一步修訂，以包括一般對沖會計法之新規定。於二零一四年頒佈之香港財務報告準則第9號另一個經修訂版本主要包括(a)財務資產減值規定；及(b)藉為若干簡單債務工具引入「透過其他全面收入按公平值列賬」（「透過其他全面收入按公平值列賬」）計量類別，對分類及計量規定作出有限修訂。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 9 Financial Instruments (Continued)

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 “Financial Instruments: Recognition and Measurement” are 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 have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting 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.

## 2. 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「財務工具」（續）

香港財務報告準則第9號之主要規定描述如下：

- 所有屬於香港會計準則第39號「財務工具：確認及計量」範圍內所有已確認財務資產其後按攤銷成本或公平值計量，特別是就以業務模式持有以收取合約現金流量為目的之債務投資，及純粹為支付本金及未償還本金之利息而擁有合約現金流量之債務投資，則一般於其後會計期末按攤銷成本計量。於目的為同時收回合約現金流及出售財務資產的業務模式中持有的債務工具模型，以及財務資產合約條款令於特定日期產生的現金流純為支付本金及未償還本金的利息的債務投資，透過其他全面收入按公平值列賬計量。所有其他債務投資及股本投資於其後報告期末按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回之選擇，於其他全面收益中呈列股本投資（並非持作買賣）公平值之其後變動，惟股息收入通常於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 9 Financial Instruments (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented 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.

## 2. 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「財務工具」（續）

- 就指定為按公平值計入損益列賬財務負債而言，香港財務報告準則第9號規定，該負債因信貸風險變動而導致其公平值變動，該變動金額於其他全面收益中呈列，除非在其他全面收益中確認負債之信貸風險變動影響會導致或擴大損益上之會計錯配。財務負債信貸風險之公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益列賬財務負債公平值變動全部金額於損益中呈列。
- 就財務資產的減值而言，香港財務報告準則第9號規定與香港會計準則第39號項下的已發生信貸損失模型相對立的預期信貸虧損模型。預期信貸虧損模型要求一實體計算預期信貸虧損及其每一報告期間之變化以反映從初次確認的信貸風險之變化。換言之，在確認信貸損失前無需再進行信貸事件。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 9 Financial Instruments (Continued)

- With regard to the general hedge accounting requirements, HKFRS 9 retains the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an ‘economic relationship’. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

The Group is still in the process of assessing the impact of HKFRS 9. The directors of the Company believe that it is impractical to disclose the impact in these consolidated financial statements until the Group has completed the assessment.

## 2. 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「財務工具」（續）

- 就一般對沖會計規定而言，香港財務報告準則第9號保留根據香港會計準則第39號目前可運用之三類對沖會計機制。根據香港財務報告準則第9號，已為合資格作對沖會計處理之各類交易提供更大的靈活性，特別是擴闊合資格作為對沖工具之工具類別以及合資格作對沖會計處理的非財務項目之風險成分類別。此外，有效性測試已經全面改革，並以「經濟關係」原則取代。對沖有效性不再需要追溯評估。新規定同時引入增加披露有關實體風險管理活動之規定。

本集團仍在評估香港財務報告準則第9號的影響。本公司董事認為在本集團完成評估前披露對於該等綜合財務報表的有關影響屬不可行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 15 Revenue from Contracts with Customers and the Clarifications

HKFRS 15 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.

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

## 2. 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「客戶合約收入及澄清」

香港財務報告準則第15號制定一項單一全面模式供實體用作將客戶合約收入入賬。於香港財務報告準則第15號生效時，其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」及相關詮釋的現時收益確認指引。

香港財務報告準則第15號的核心原則為實體應確認收入以描述向客戶轉讓承諾貨品或服務的金額，而該金額反映該實體預期就交換貨品或服務有權獲得的代價。具體而言，該準則引入確認收入的五個步驟：

- 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）確認收入

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 15 Revenue from Contracts with Customers and the Clarifications (Continued)

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.

The Group is still in the process of assessing the impact of HKFRS 15. The directors of the Company believe that it is impractical to disclose the impact in these consolidated financial statements until the Group has completed the assessment.

### HKFRS 16 Leases

HKFRS 16 will supersede the current lease guidance including HKAS 17 Leases and the related interpretations when it becomes effective.

## 2. 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「客戶合約收入及澄清」（續）

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收入，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別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。

本集團仍在評估香港財務報告準則第15號的影響。本公司董事認為在本集團完成評估前披露對該等綜合財務報表的有關影響屬不可行。

### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號於生效時將取代現有的租賃指引，包括香港會計第17號「租賃」及相關詮釋。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 16 Leases (Continued)

With regard to lessee accounting, the distinction of operating leases and finance leases, as required by HKAS 17, has been replaced by a model which requires a right-of-use asset and a corresponding liability to be recognised for all leases by lessees except for short-term leases and leases of low value assets. Specifically, 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 re-measurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments. Furthermore, the classification of cash flows will also be affected as operating lease payments under HKAS 17 are presented as operating cash flows; whereas, under the HKFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

With regard to lessor 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, HKFRS 16 requires extensive disclosures in the financial statements.

The Group is in the process of assessing the impact of HKFRS 16. The directors of the Company believe that it is impractical to disclose the impact in these consolidated financial statements until the Group has completed the assessment.

## 2. 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）

就承租人的會計處理而言，根據香港會計準則第17號，經營租賃及融資租賃的區分已由規定由承租人就所有租賃確認使用權資產及相應負債之模式取代，惟不包括短期租賃及低價值資產之租賃。具體而言，使用權資產初始按成本計量及後續按成本（不包括若干例外情況）減累計折舊及減值虧損計量，並就重新計量租賃負債作出調整。租賃負債初始按截至有關日期未支付租賃付款的現值計量。其後，租賃負債乃就利息及租賃付款作出調整。此外，現金流量之分類亦將受到影響，原因為香港會計準則第17號項下的經營租賃付款乃呈列為經營現金流量；而於香港財務報告準則第16號的模式下，租賃付款將分拆為本金及利息部分，並分別呈列為融資及經營現金流量。

就出租人的會計處理而言，香港財務報告準則第16號大體繼承香港會計準則第17號的出租人會計處理規定，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號規定須於財務報表進行全面披露。

本集團仍在評估香港財務報告準則第16號的影響。本公司董事認為在本集團完成評估前披露對該等綜合財務報表的有關影響屬不可行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 2 (Amendments) Classification and Measurement of Share-based Payment Transactions

The amendments clarify the following:

- In estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payments.
- Where tax law or regulation requires an entity to withhold a specified number of equity instruments equal to the monetary value of the employee's tax obligation to meet the employee's tax liability which is then remitted to the tax authority, i.e. the share-based payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature.
- A modification of a share-based payment that changes the transaction from cash-settled to equity-settled should be accounted for as follows: the original liability is derecognised. The equity-settled share-based payment is recognised at the modification date fair value of the equity instrument granted to the extent that services have been rendered up to the modification date. Any difference between the carrying amount of the liability at the modification date and the amount recognised in equity should be recognised in profit or loss immediately.

## 2. 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2號（修訂本）「以股份支付交易之分類及計量」

該等修訂作出以下澄清：

- 於估計以現金結算以股份支付之公平價值時，對歸屬及非歸屬條件影響之會計處理應遵循與以權益結算以股份支付相同之方法。
- 倘稅收法律或法規要求實體預留與僱員納稅義務之貨幣價值相等之特定數量的股本工具，以符合屆時須匯至稅務機關之僱員納稅義務，即以股份支付安排具有「淨額結算特徵」，則有關安排應全部分類為以權益結算，惟以股份支付不包括淨額結算特徵時應分類為以權益結算除外。
- 將交易從現金結算轉變為權益結算的以股份支付之更改應按以下方式入賬：取消確認原負債。以權益結算以股份支付於更改日期確認已授出股本工具之公平價值，惟須於更改日期前提供相關服務。負債於更改日期之賬面值與於權益確認金額之差額應即時於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 2 (Amendments) Classification and Measurement of Share-based Payment Transactions (Continued)

The Group does not have any cash-settled share-based payment arrangements or any withholding tax arrangements with tax authorities in relation to share-based payments and hence the directors of the Company do not anticipate that the application of the amendments in the future will have a significant impact on the consolidated financial statements.

### HKFRS 10 and HKAS 28 (Amendments) Sale or Contribution Assets between an Investor and its Associate or Joint Venture

The amendments to HKFRS 10 and HKAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

## 2. 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2號（修訂本）「以股份支付交易之分類及計量」（續）

本集團並無任何以現金結算以股份支付安排或與稅務機關有任何以股份支付相關之預留稅務安排，因此，本公司董事預期日後應用該等修訂將不會對綜合財務報表產生重大影響。

### 香港財務報告準則第10號及香港會計準則第28號（修訂本）「投資者與其聯營公司或合資公司之間的資產出售或注資」

香港財務報告準則第10號及香港會計準則第28號之修訂本與投資者與其聯營公司或合營企業之間的資產出售或注資的情況有關。特別是，該等修訂訂明，因失去與聯營公司或合營企業（以權益法列賬）的交易中並無包含業務之附屬公司之控制權而產生之收益或虧損，於母公司損益賬確認且僅以非相關投資者於該聯營公司或合營企業之權益為限。類似地，按於成為聯營公司或合營企業（以權益法列賬）之任何前附屬公司所保留之投資公平值重新計量所得盈虧於前母公司損益賬確認且僅以非相關投資者於新聯營公司或合營企業之權益為限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 10 and HKAS 28 (Amendments) Sale or Contribution Assets between an Investor and its Associate or Joint Venture (Continued)

The Group did not enter into these transactions in the current year. The directors of the Company anticipate that the application of these amendments may have an impact on the consolidated financial statements in future periods should such transactions arise.

### HKAS 7 (Amendments) Disclosure Initiative

The amendments require an entity to make disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The directors of the Company do not anticipate that the application of these amendments will have a material impact on the consolidated financial statements.

### HKAS 12 (Amendments) Recognition of Deferred Tax Assets for Unrealised Losses

The amendments provide a number of guidance to help entities assess and estimate whether sufficient taxable profits will be available against which it can utilise a deductible temporary difference. The directors of the Company do not anticipate that the application of these amendments will have a material impact on the consolidated financial statements.

## 2. 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10號及香港會計準則第28號（修訂本）「投資者與其聯營公司或合資公司之間的資產出售或注資」（續）

於本年度，本集團並無訂立該等交易。本公司董事預期倘有關交易發生，應用該等修訂或會對未來期間之綜合財務報表產生影響。

### 香港會計準則第7號（修訂本）「披露計劃」

該修訂本規定實體須作出披露，使財務報表的使用者能夠評估融資活動產生的負債變動。本公司董事預期應用該修訂本將不會對綜合財務報表產生重大影響。

### 香港會計準則第12號（修訂本）「就未變現虧損確認遞延稅項資產」

該修訂本提供若干指引以幫助實體評估及估計是否存有充足應課稅溢利可供動用可扣稅暫時差異。本公司董事預期應用該修訂本將不會對綜合財務報表產生重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies

#### (a) Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. The consolidated financial statements also comply with applicable disclosure requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and of the Hong Kong Companies Ordinance.

#### (b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

### 3. 主要會計政策

#### (a) 遵守聲明

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。綜合財務報表亦符合香港聯合交易所有限公司創業板證券上市規則及香港公司條例之適用披露規定。

#### (b) 編製基準

編製本綜合財務報表所採用之計量基準為歷史成本基準，該基準大致按兌換為貨品及服務之公平值代價釐定。

公平值指於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付之價格，而不論該價格是否可使用其他估值方法直接可觀察或估計。於估計資產或負債之公平值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮之資產或負債特點。該等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟於香港財務報告準則第2號範圍內之股份付款交易、香港會計準則第17號範圍內之租賃交易及與公平值類似但並非公平值之計量（如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值）除外。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (b) Basis of preparation (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Group incurred a net loss of approximately HK\$21,839,000 during the year ended 31 December 2016, and, as of that date, the Group's current liabilities exceeded its current assets by approximately HK\$75,716,000. In preparing the consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group. The Directors have adopted the going concern basis for the preparation of the consolidated financial statements and taken the following measures in order to improve the working capital and liquidity and cash flow position of the Group.

### 3. 主要會計政策(續)

#### (b) 編製基準(續)

此外，就財務呈報而言，公平值計量根據公平值計量之輸入數據可觀察程度及公平值計量之輸入數據對其整體之重要性分類為第一、第二及第三級，載述如下：

- 第一級輸入數據為實體有能力於計量日期獲得之相同資產或負債之活躍市場報價(未經調整)；
- 第二級輸入數據為不包括第一級報價之資產或負債之直接或間接觀察之輸入數據；及
- 第三級輸入數據為資產或負債之不可觀察輸入數據。

本集團於截至二零一六年十二月三十一日止年度產生淨虧損約港幣21,839,000元，且截至該日，本集團的流動負債超過其流動資產約港幣75,716,000元。於編製綜合財務報表時，董事已對本集團之未來流動資金作出仔細考慮。董事已採用持續基準編製綜合財務報表，並採取以下措施改善本集團之營運資金及流動資金和現金流狀況。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (b) Basis of preparation (Continued)

- (i) The Company intends to negotiate with potential strategic investors in respect of a possible equity investment in the Company. On 11 March 2017, the Company entered into a memorandum of understanding with a potential investor, China Wheat (Shenzhen) Equity Investment Fund Management Limited (中麥田(深圳)股權投資基金有限公司)(the “Subscriber”) pursuant to which the Company agreed to allot and issue 900,000,000 subscription shares to the Subscriber at a cash price of HK\$0.414 per share pursuant to the formal agreement to be negotiated between the Company and the Subscriber;
- (ii) The Company intends to negotiate with a holder of convertible bonds to extend the date of redemption of convertible bonds or to exercise the option to convert the convertible bonds to equity investment in the Company upon their maturity on 20 July 2017; and
- (iii) The controlling shareholder, Mr. Lam Nam, has agreed to provide continuing financial support for the Group to meet its liabilities as and when they fall due.

### 3. 主要會計政策(續)

#### (b) 編製基準(續)

- (i) 本公司擬與潛在策略投資者就於本公司之潛在股權投資進行磋商。於二零一七年三月十一日，本公司與潛在投資者中麥田(深圳)股權投資基金有限公司(「認購人」)訂立諒解備忘錄，據此，本公司同意根據本公司與認購人將磋商的正式協議按每股港幣0.414元之現金價格向認購人配發及發行900,000,000股認購股份；
- (ii) 本公司擬與可換股債券之持有人磋商延長贖回可換股債券之日期或在其可換股債券於二零一七年七月二十日到期時行使選擇權兌換可換股債券為本公司之權益投資；及
- (iii) 控股股東林南先生已同意為本集團提供持續財務支持以在其負債到期時償還負債。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (b) Basis of preparation (Continued)

Provided that the above measures can successfully improve the liquidity position of the Group, the Directors 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 Directors are satisfied that it is appropriate to prepare the consolidated financial statements on the going concern basis. 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 any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in the consolidated financial statements.

#### (c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

### 3. 主要會計政策(續)

#### (b) 編製基準(續)

倘上述措施能夠成功改善本集團的流動資金狀況，本公司董事信納本集團將有能力在可見未來滿足其到期財務負債。因此，本公司董事信納，按持續基準編製綜合財務報表屬恰當。倘本集團未能持續經營，則將須作出調整對資產價值撇減至其可收回金額、就可能產生之任何進一步負債計提撥備以及重新分類非流動資產及非流動負債為流動資產及流動負債。該等調整之影響尚未反映在綜合財務報表內。

#### (c) 綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體及其附屬公司之財務報表。本公司在以下情況下取得控制權：

- 擁有對被投資公司之權力；
- 因參與被投資公司之營運而面對回報可變之風險或有權享有可變回報；及
- 有能力運用其權力影響其回報金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (c) Basis of consolidation (Continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group transactions, balances, income and expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### 3. 主要會計政策(續)

#### (c) 綜合賬目基準(續)

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對被投資公司擁有控制權。

附屬公司於本集團取得對附屬公司控制權時開始綜合入賬，並於本集團失去對附屬公司控制權時終止綜合入賬。尤其是，於年內收購或出售附屬公司之收益及開支，會由本集團取得控制權之日期直至本集團對附屬公司控制權終止之日期計入綜合損益及其他全面收益表內。

損益及其他全面收益之各項目，均歸屬於本公司擁有人及非控制性權益。即使會使非控制性權益會出現虧絀結餘，附屬公司之全面收益總額仍會歸屬於本公司擁有人及非控制性權益。

如有需要，附屬公司之財務報表已作適當調整，以令其會計政策與本集團之會計政策一致。

所有集團內交易、結存、收入及開支以及與本集團成員公司之間交易有關之現金流量均於綜合賬目時全數撇銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (c) Basis of consolidation (Continued)

##### **Changes in the Group's ownership interests in existing subsidiaries**

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (included goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets or liabilities (i.e. reclassified to profit or loss or transferred directly to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3. 主要會計政策(續)

#### (c) 綜合賬目基準(續)

##### **本集團於現有附屬公司之擁有權權益變動**

本集團於附屬公司擁有權權益之變動如不會導致本集團失去附屬公司之控制權，則入賬列為股權交易。本集團之權益及非控制性權益之賬面值應予調整，以反映其於附屬公司相關權益之變動。非控制性權益之調整金額與已付或應收代價公平值之差額直接於權益確認，並歸屬於本公司擁有人。

倘本集團失去一間附屬公司之控制權，則收益或虧損於損益中確認，並以下列兩項之差額計算：(i)所收取代價之公平值及任何保留權益公平值之總和，及(ii)附屬公司先前之資產(包括商譽)及負債及任何非控制性權益之賬面值。所有先前於其他全面收益確認及於權益累計之金額予以入賬，猶如本集團已直接出售相關資產或負債(即按適用香港財務報告準則所指定重新分類至損益或直接轉撥至保留盈利)。於失去控制權當日於前附屬公司保留之任何投資之公平值，根據香港會計準則第39號於往後之會計方法中被視為初步確認之公平值，或(如適用)初步確認於聯營公司或合營企業之投資成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (d) 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.

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 to 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

### 3. 主要會計政策(續)

#### (d) 業務合併

業務收購乃採用收購法入賬。於業務合併中轉撥之代價按公平值計量，乃按本集團所轉讓資產於收購日期之公平值、本集團結欠被收購公司前擁有人之負債，以及本集團發行以換取被收購公司控制權之股權之總和計算。收購相關成本一般於產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債乃按其於收購日期之公平值確認，惟：

- 遞延稅項資產或負債及與僱員福利安排有關之負債或資產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號僱員福利確認及計量；
- 與被收購公司股份付款交易或以本集團股份付款交易取代被收購公司股份付款交易有關之負債或股本工具於收購日期根據香港財務報告準則第2號股份付款計量(見下文之會計政策)；及

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (d) Business combinations (Continued)

- 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.

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.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

### 3. 主要會計政策(續)

#### (d) 業務合併(續)

- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之資產(或出售組別)乃根據該準則計量。

商譽為轉讓之代價、於被收購公司之任何非控制性權益及收購公司之前持有被收購公司之股權(如有)公平值之總和高於所收購之可識別資產及承擔之負債於收購日之淨額之差額。倘重估後,本集團應佔被收購公司之可識別淨資產之公平值高於所轉讓之代價、於被收購公司之任何非控制性權益及收購公司之前持有被收購公司之權益(如有)公平值之總和,則多出之金額即時於損益內確認為議價購買收益。

非控制性權益為現有所有權權益,授權持有人於清盤時按比例分佔實體資產淨值,其可初步按公平價值或非控制性權益按比例分佔收購對象可識別資產淨值已確認數額計量。計量基準可按個別交易選擇。其他非控制性權益類型按公平值或其香港財務報告準則所規定之基準(倘適用)計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (d) Business combinations (Continued)

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.

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.

### 3. 主要會計政策(續)

#### (d) 業務合併(續)

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，或然代價按其收購日期公平值計量並視為於業務合併中所轉撥之代價一部份。或然代價之公平值變動(如符合計量期間調整資格)可回顧調整，並對商譽或廉價收購收益作出相應調整。計量期間調整為於「計量期間」(不得超出收購日期一年內)就於收購日期存在之事實及情況獲得額外資訊而引致之調整。

並不符合計量期間調整之或然代價，其公平值變動之隨後入賬取決於或然代價如何分類。分類為權益之或然代價並無於隨後報告日期重新計量，而其隨後結算於權益內入賬。分類為資產或負債之或然代價根據香港會計準則第39號或香港會計準則第37號撥備、或然負債及或然資產(如適用)於隨後報告日期重新計量，而相應盈虧於損益中確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (d) Business combinations (Continued)

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.

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), or 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.

#### (e) Goodwill

Goodwill arising from a business combination is carried at cost 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.

### 3. 主要會計政策(續)

#### (d) 業務合併(續)

倘業務合併分階段完成，本集團先前持有被收購方權益重新計量至收購日期(即本集團獲得控制權當日)之公平值，而所產生之收益或虧損(如有)於損益確認。在收購日前於其他全面收益中確認來自被收購方權益之金額，在權益出售時重新分類至損益。

倘於合併發生之呈報期末仍未完成業務合併之初步會計處理，本集團則就仍未完成會計處理之項目呈報暫定金額。該等暫定金額於計量期間(見上文)內作出調整，或確認額外資產或負債，以反映獲得有關於收購日已存在事實及情況之新資料，而倘知悉該等資料，將會影響於當日確認之金額。

#### (e) 商譽

業務合併所產生之商譽按成本減累計減值虧損(如有)入賬。

就減值測試而言，商譽分配至預期將受惠於合併協同效益之各本集團現金產生單位(或現金產生單位組別)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (e) 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.

The Group's policy for goodwill relating to an associate or a joint venture is described below.

#### (f) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies.

### 3. 主要會計政策(續)

#### (e) 商譽(續)

獲分配商譽之現金產生單位於每年及如有跡象顯示該單位可能已經減值時則多於每年一次。倘現金產生單位之可收回金額少於其賬面值時，則減值虧損首先分配作減低該單位獲分配之任何商譽之賬面值，其後根據該單位中各項資產賬面值之比例分配予該單位之其他資產。商譽之任何減值虧損直接於損益確認。商譽之減值虧損不會於隨後期間撥回。

出售相關現金產生單位時，釐定出售損益金額時計入應佔資本化商譽之金額。

本集團有關聯營公司或合營企業商譽之政策於下文概述。

#### (f) 於聯營公司及合營企業之投資

聯營公司乃本集團於其中有重大影響力之實體。重大影響力指參與被投資公司之經營及財務決策，而非控制或共同控制該等政策之權力。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (f) Investments in associates and joint ventures (Continued)

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associate or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or portion thereof, is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the associate or joint venture.

### 3. 主要會計政策(續)

#### (f) 於聯營公司及合營企業之投資(續)

合營企業乃一項合營安排，據此，對安排具有共同控制權之各方有權享有合營安排之淨資產。共同控制權為合約協定分享安排之控制權，僅在相關活動決策必須獲分享控制權之人士一致同意方會存在。

聯營公司或合營企業之業績與資產及負債，乃採用權益會計法列入該等綜合財務報表，惟若該項投資或其部份分類為持有作出售者除外，在該情況下，則按香港財務報告準則第5號入賬。根據權益法，於聯營公司或合營企業之投資初步在綜合財務狀況表按成本確認，並於其後就確認本集團應佔該聯營公司或合營企業之損益及其他全面收益而作出調整。當本集團應佔一間聯營公司或合營企業虧損超出本集團於該聯營公司或合營企業之權益時(包括任何實際上構成本集團於聯營公司或合營企業投資淨值其中部份之長期權益)，本集團會終止確認其應佔之進一步虧損。當本集團產生法定或推定責任或代表該聯營公司或合營企業付款時，方會確認額外虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (f) Investments in associates and joint ventures (Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately on profit or loss on the period in which the investment is acquired.

The requirement of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised form part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

### 3. 主要會計政策(續)

#### (f) 於聯營公司及合營企業之投資(續)

於聯營公司或合營企業之投資乃自被投資公司成為聯營公司或合營企業日期起採用權益法入賬。於收購於聯營公司或合營企業之投資時，投資成本超出本集團分佔被投資公司可予識別資產及負債公平淨值之任何差額，確認為商譽，有關商譽計入投資賬面值內。本集團分佔可予識別資產及負債公平淨值超出投資成本之任何差額，於重新評估後隨即於收購投資期間之損益中確認。

香港會計準則第39號之規定予以應用，以釐定是否需要就本集團於聯營公司或合營企業之投資確認任何減值虧損。倘需要，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號資產減值以單一資產之方式進行減值測試，方法是比較其可收回金額(即使用價值與公平值減出售成本之較高者)與賬面值。任何已確認之減值虧損構成該項投資之賬面值之一部份。該減值虧損之任何撥回乃於該項投資之可收回金額其後增加之情況下根據香港會計準則第36號確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (f) Investments in associates and joint ventures (Continued)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at the date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

### 3. 主要會計政策(續)

#### (f) 於聯營公司及合營企業之投資(續)

於投資不再為聯營公司或合營企業，或投資被分類為持作出售當日起，本集團終止使用權益法。當本集團保留於前聯營公司或合營企業之權益，且保留權益為財務資產時，則本集團於當日按公平值計量保留權益，而公平值則被視為根據香港會計準則第39號初步確認時之公平值。該聯營公司或合營企業於終止使用權益法當日之賬面值與任何保留權益之公平值及出售該聯營公司或合營企業部份權益所得任何所得款項之間之差額，乃計入釐定出售該聯營公司或合營企業之收益或虧損。此外，本集團會以該聯營公司或合營企業已直接出售有關資產或負債之相同方式，將所有以往因該聯營公司或合營企業而於其他全面收益確認之所有金額入賬。故此，若以往由該聯營公司或合營企業於其他全面收益確認之收益或虧損會於出售有關資產或負債時重新分類至損益，本集團會於終止使用權益法時將該收益或虧損由權益重新分類至損益(作為重新分類調整)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (f) Investments in associates and joint ventures (Continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interest.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group (such as a sale or contribution of assets), profits and losses resulting from the transaction with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

### 3. 主要會計政策(續)

#### (f) 於聯營公司及合營企業之投資(續)

當於聯營公司之投資成為於合營企業之投資，或於合營企業之投資成為於聯營公司之投資時，本集團繼續採用權益法。出現該等擁有權權益變動後不會重新計量公平值。

倘本集團減少其於聯營公司或合營企業之擁有權權益但本集團繼續使用權益法，則本集團於出售有關資產或負債時會將該收益或虧損重新分類至損益之情況下，會將先前就該等擁有權權益減少而於其他全面收益確認之收益或虧損按比例重新分類至損益。

倘集團實體與本集團之聯營公司或合營企業進行交易(如出售或捐贈資產)，與該聯營公司或合營企業交易所產生之損益僅會在有關聯營公司或合營企業之權益與本集團無關之情況下，方會於本集團之綜合財務報表中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (g) 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 and loss as follows:

- (i) Revenue from sale of goods is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.
- (ii) Revenue from provision of technical services is recognised when services are rendered; and
- (iii) Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- (iv) Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

### 3. 主要會計政策(續)

#### (g) 收益確認

收益於經濟利益可能流入本集團而收益及成本(如適用)能可靠計量時，按已收或應收代價之公平價計量。收益按下列基準於損益確認：

- (i) 來自銷售產品之收益於產品交付至客戶物業時確認，而此時被視為於客戶接受產品且所有權相關風險及回報轉至客戶之時。收益扣除增值稅或其他銷售稅項且經扣除任何其他貿易折扣。
- (ii) 提供技術服務之收入於提供服務時確認；及
- (iii) 利息收入乃參考未行使本金額及適用之實際利率按時間基準累計，該利率指按財務資產之預期可使用年期實際折現估計未來現金收入至財務資產初始確認時之賬面淨值之利率。
- (iv) 未上市投資產生的股息收入於股東接受付款權力確立時確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

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

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and subsequent accumulated impairment loss, if any.

Depreciation is provided to write off the cost of property, plant and equipment, after taking into account of their estimated residual value, if any, using the straight-line method over their estimated useful lives commencing on the date of completion of acquisition for the intended use, at the annual rates as follows:

Leasehold improvement	Over the shorter of the lease term and 20%
Furniture and fixtures	20%
Equipment	20%-25%
Motor vehicle	20%

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated statement of profit or loss in the year in which the item is derecognised.

### 3. 主要會計政策(續)

#### (h) 物業、廠房及設備

物業、廠房及設備乃按成本減去累計折舊及期後減值虧損(如有)列賬。

物業、廠房及設備項目的折舊，按其於購入用途之日起估計可使用年期並計及其估計剩餘價值(如有)，以直線法按下列年率撇銷其成本：

租賃減值	租期及20% (以較短者為準)
傢俱及裝置	20%
設備	20%-25%
機動車輛	20%

根據融資租賃持有之資產乃於其預期可使用年期或相關租期(取較短者)按與自置資產相同之基準折舊。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時取消確認。資產取消確認產生之任何收益或虧損(按該項目的出售所得款項淨額及賬面值間之差額計算)於該項目取消確認之年度計入綜合損益表。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (i) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### *The Group as lessor*

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### 3. 主要會計政策(續)

#### (i) 租約

凡租約條款將有關擁有權之絕大部份風險及回報轉嫁予承租人之租賃，均列為融資租賃。所有其他租賃均列為經營租賃。

##### *本集團作為出租人*

融資租賃承租人之欠款乃按本集團於有關租賃之淨投資而確認為應收款項。融資租賃收入乃於會計期間分配，從而反映本集團有關租賃之淨投資所產生之固定回報率。

經營租賃之租金收益乃按有關租賃之年期以直線法確認。於協商及安排經營租賃時產生之初步直接成本乃加入租賃資產之賬面值，並於租賃期按直線法確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (i) Leasing (Continued)

##### *The Group as lessee*

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

### 3. 主要會計政策(續)

#### (i) 租約(續)

##### *本集團作為承租人*

根據融資租賃持有之資產按租賃起初之公平值或最低租金現值之較低者確認為本集團資產。出租人之相應負債於財務狀況表列作融資租賃承擔。

租金按比例於融資費用及租約承擔減少之間分配，從而就計算該等負債應付餘額得出固定息率。融資費用直接自損益扣除，惟直接源自合資格資產則除外，在此情況下，根據本集團之一般借貸成本政策資本化(見下文之會計政策)。或然租金於產生期間確認為開支。

經營租賃付款按直線法在租約期內確認為開支，除非有另一系統基準為更具代表性之時間段以能體現租賃資產之經濟利益於該時間段被消耗除外。經營租賃項下產生之或然租金於其產生期內確認為開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (i) Leasing (Continued)

##### *The Group as lessee (Continued)*

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### (j) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### 3. 主要會計政策(續)

#### (i) 租約(續)

##### *本集團作為承租人(續)*

於訂立經營租賃時倘取得租賃獎勵，該等獎勵確認為負債。獎勵利益總額以直線法於租金支出作扣減項目確認，除非有另一系統基準為更具代表性之時間段以能體現租賃資產之經濟利益於該時間段被消耗除外。

#### (j) 外幣

編製個別集團實體之財務報表時，以該實體功能貨幣之外貨幣(外幣)進行之交易乃以交易日期之現行匯率記錄。於報告期末，以外幣列值之貨幣項目以該日之現行匯率重新換算。以外幣結算且按公平值列賬之非貨幣項目以釐定公平值當日之現行匯率重新換算。以外幣歷史成本計量之非貨幣項目不予重新換算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (j) Foreign currencies (Continued)

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see the accounting policies below); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

### 3. 主要會計政策(續)

#### (j) 外幣(續)

貨幣項目的匯兌差額乃於產生期間於損益內確認，惟以下各項除外：

- 有關用作未來生產用途之在建資產之匯兌差額，該等差額被視為外幣借貸利息成本之調整而計入該等資產之成本；
- 為對沖若干外幣風險而訂立之交易之匯兌差額(見下文之會計政策)；及
- 應收或應付海外業務之貨幣項目的匯兌差額，而其既無計劃結算或不大可能結算(因為海外業務淨投資之一部份)，乃於其他全面收益表內初步確認，並於償還貨幣項目時由權益重新分類至損益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (j) Foreign currencies (Continued)

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

### 3. 主要會計政策(續)

#### (j) 外幣(續)

就呈列綜合財務報表而言，本集團對外營運之資產及負債均按各報告期末之現行匯率以本集團之呈列貨幣(即港幣)列值。收入及開支項目乃按期間平均匯率換算，除非期內匯率出現重大波動，於此情況下，則採用交易當日之匯率。所產生匯兌差額(如有)乃於全面收益確認，並於匯兌儲備之權益累計(計入非控制性權益(如適用))。

於出售一家海外業務(即出售本集團於一家海外業務之全部權益、涉及失去對包含海外業務之一家附屬公司之控制權之出售，或部份出售於包含海外業務而其中保留權益成為財務資產之一項合營安排或一家聯營公司)時，就本公司擁有人應佔該業務於權益內累計之所有匯兌差額會重新分類至損益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (j) Foreign currencies (Continued)

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired and liabilities assumed arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

### 3. 主要會計政策(續)

#### (j) 外幣(續)

此外，有關部份出售包含海外業務之一家附屬公司並未導致本集團失去對該附屬公司之控制權，則按比例將累計匯兌差額重新歸屬為非控制性權益，而並不於損益內確認。對於所有其他部份出售（即部份出售聯營公司或合營企業並無造成本集團失去重大影響力或共同控制權），會按比例將累計匯兌差異重新分類至損益。

收購海外業務所產生商譽及所收購可識別資產及所承擔負債公平值變動，當作該海外業務之資產與負債處理，按於各報告期末適用之匯率換算。所產生匯兌差額於其他全面收益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (k) Mineral exploration and evaluation expenditure

Ongoing costs of acquisition, exploration and evaluation are capitalised as deferred exploration expenditure at cost on initial recognition. Subsequent to initial recognition, these assets are stated at cost less any accumulated impairment losses. They are assessed for impairment when facts and circumstances suggest that the carrying amount of capitalised exploration and evaluation expenditures may exceed their recoverable amount.

When the technical feasibility and commercial viability of extracting natural resources become demonstrable, previously capitalized exploration and evaluation expenditures are reclassified as either intangible or tangible assets. These assets are assessed for impairment before reclassification.

#### **Impairment of capitalized exploration and evaluation expenditures**

The carrying amount of the capitalized exploration and evaluation expenditures are reviewed annually and adjusted for impairment in accordance with HKAS 36 "Impairment of Assets" whenever one of the following events or changes in circumstances indicate that the carrying amount may not be recoverable (the list is not exhaustive):

### 3. 主要會計政策(續)

#### (k) 礦物勘探及評估開支

收購、勘探及評估之經常成本於初步確認時按成本資本化為遞延勘探開支。於初步確認後，該等資產乃按成本扣除任何累計減值虧損列賬。如有事實及情況顯示已資本化勘探及評估開支可能超過其可收回金額，則會進行減值評估。

當開採自然資源在技術及商業上顯示可行，先前已資本化之勘探及評估開支重新分類為無形或有形資產。該等資產於重新分類前會進行減值評估。

#### **已資本化勘探及評估開支之減值**

已資本化勘探及評估開支之賬面值會根據香港會計準則第36號「資產減值」，每年及每當以下任何一項事件或情況變動顯示賬面值可能無法收回時進行檢討，並作出減值調整(以下清單並非巨細無遺):

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (k) Mineral exploration and evaluation expenditure (Continued)

##### **Impairment of capitalized exploration and evaluation expenditures (Continued)**

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; or
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount.

### 3. 主要會計政策(續)

#### (k) 礦物勘探及評估開支(續)

##### **已資本化勘探及評估開支之減值(續)**

- 本集團有權於特定區域勘探之期限於有關期間已屆滿，或將於短期內屆滿，且預期不會續期；
- 於特定區域進一步勘探及評估礦產資源有相當支出並無預算亦未有規劃；
- 於特定區域勘探及評估礦產資源之結果並無發現有充分並具商業價值之礦產資源，且本集團已決定終止該特定區域之有關活動；或
- 現有足夠數據顯示，雖然在特定區域發展很可能進行，但勘探及評估資產之賬面值不大可能從成功開發或銷售獲全數收回。

每當資產賬面值超過其可收回金額，即會於綜合損益及其他全面收益表中確認減值虧損。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### (m) Employee benefits

##### (i) Short Term Employee Benefits and Contributions to Defined Contribution Retirement Plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

### 3. 主要會計政策(續)

#### (l) 借貸成本

與收購、建設或生產需要長時間方能達致計劃用途或推出銷售之合資格資產直接有關之借貸成本，均加入為該等資產之部份成本，直至該等資產大致可作擬定用途或銷售為止。

特定借貸用以支付合資格資產之經費前作出之暫時投資所賺取投資收益，從合資格資本化之借貸成本中扣除。

一切其他借貸成本均於其產生期間在損益確認。

#### (m) 僱員福利

##### (i) 短期僱員福利及定額供款退休計劃之供款

薪金、年度花紅、有薪年假、定額供款退休計劃之供款及非貨幣福利之成本乃於僱員提供相關服務之年度內計提。倘付款或結算被遞延，而其影響可能屬重大，則該等數額乃按其現值列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (m) Employee benefits (Continued)

##### (ii) Share-based Payments

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of share options granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained earnings.

### 3. 主要會計政策(續)

#### (m) 僱員福利(續)

##### (ii) 以股份支付之支出

就待達成特定歸屬條件後授出之購股權而言，所獲服務之公平值乃參考購股權於授出日期之公平值釐定，在權益歸屬期間以直線法列作開支，並於權益中(購股權儲備)作相應之增加。

於報告期末，本集團會修改其對預期最終歸屬購股權數目的估計。修改原估計之影響(如有)於損益確認，致使累計開支反映經修訂之估計，並於購股權儲備作相應調整。

就於授出日期即時歸屬之購股權，所授出購股權之公平值乃於損益直接支銷。

當購股權獲行使時，之前確認於購股權儲備之金額將轉至股份溢價。當購股權被沒收或於屆滿日期仍未行使，先前於購股權儲備中確認之款項將撥入保留溢利。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (m) Employee benefits (Continued)

##### (iii) Termination Benefits

Termination benefits are recognized when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

#### (n) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### 3. 主要會計政策(續)

#### (m) 僱員福利(續)

##### (iii) 離職福利

離職福利乃當及僅當本集團明確地承諾自身終止僱用或透過實際上不可能撤回之詳細正式計劃而向自願辭職之僱員提供福利時予以確認。

#### (n) 稅項

所得稅開支指本期應付稅項及遞延稅項之總和。

本期應付稅項乃按年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報除稅前溢利不同，乃由其他年度之應課稅或可扣稅收入或開支項目及毋須課稅或不能扣稅之項目。本集團之本期稅項負債乃使用截至報告期末已制定或大致制定之稅率計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (n) Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

### 3. 主要會計政策(續)

#### (n) 稅項(續)

遞延稅項乃按綜合財務報表中之資產及負債賬面值及計算應課稅溢利相應稅基之臨時差額確認，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時提撥。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致之臨時差額既不影響應課稅務溢利，亦不影響會計溢利，則不會確認該等遞延稅項資產及負債。

遞延稅項負債乃就附屬公司及聯營公司之投資及於一間合營公司之權益而引致之應課稅臨時差異而確認，惟若本集團可控制臨時差異之逆轉，以及臨時差異可能不會於可見將來逆轉者除外。與該等投資及權益相關之可扣減臨時差額所產生之遞延稅項資產，僅在按可能出現可利用臨時差額扣稅之足夠應課稅溢利時，並預期於可見將來撥回時確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (n) Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### 3. 主要會計政策(續)

#### (n) 稅項(續)

遞延稅項資產之賬面值於每個報告期末作檢討，並於不再可能有足夠應課稅溢利恢復全部或部份資產價值時作調減。

遞延稅項資產及負債乃按預期於償還負債或變現資產期間適用之稅率及基於於報告期末已頒佈或實際頒佈之稅率(及稅法)計算。遞延稅項負債及資產之計量反映本集團預期於報告期末將出現之稅務後果，以收回其資產或清償其負債之賬面值。

即期或遞延稅項於損益內確認，惟當其與於其他全面收益確認或直接於權益確認之項目有關時，在此情況下，即期及遞延稅項亦會分別於其他全面收益確認或直接於權益確認。當自初始會計處理自業務合併產生即期或遞延稅項，則稅務影響入賬列作業務合併。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (o) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation cannot be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposals and value in use.

### 3. 主要會計政策(續)

#### (o) 商譽以外之有形及無形資產減值

於每個報告期末，本集團檢討其有形及無形資產之賬面值，以確定該等資產有否任何跡象顯示出現減值虧損。倘任何該跡象存在，則估計資產之可收回金額，以確定減值虧損(如有)之程度。倘未能估計個別資產之可收回金額，本集團將估計資產所屬現金產生單位之可收回金額。於不可識別合理和一貫分配基準的情況下，企業資產亦會被分配到個別現金產生單位，否則或會被分配到可識別合理及一貫分配基準的最小現金產生單位組別中。

無限可使用年期之無形資產以及尚未可供使用之無形資產均至少每年，或於顯示資產有可能減值之情況下進行減值測試。

可收回金額乃公平值減出售成本及使用中價值之較高者。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (o) Impairment of tangible and intangible assets other than goodwill (Continued)

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 for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### (p) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

### 3. 主要會計政策(續)

#### (o) 商譽以外之有形及無形資產減值(續)

在評估使用價值時，預計未來現金流量按照可以反映當前市場對貨幣時間價值及該資產之特定風險評估(而未來現金流量之估計並無就此調整)之稅前折現率折算至現值。如果估計資產(或現金產生單位)之可收回金額低於其賬面值，則將該資產(或現金產生單位)之賬面值減至其可收回金額。減值虧損會立即於損益確認。

倘減值虧損隨後撥回，資產(或現金產生單位)之賬面值將調高至經修訂之估計可收回金額，但增加之賬面值不超過資產(或現金產生單位)假設於以往年度並無已確認減值虧損之賬面值。減值虧損撥回會即時於損益內確認。

#### (p) 財務工具

當本集團之實體參與訂立有關工具之合約條文時，則確認財務資產及財務負債。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### **Financial assets**

Financial assets are classified into the following specified categories: financial assets “at fair value through profit or loss” (FVTPL), “held-to-maturity” investments, “available-for-sale” (AFS) financial assets and “loans and receivables”. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The financial assets of the Group include loans and receivables only.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

財務資產及財務負債初步以公平值計量。初步確認時，收購或發行財務資產及財務負債直接產生之交易成本(按公平值計入損益列賬之財務資產及財務負債除外)將視乎情況於初步確認時加入或扣除自財務資產或財務負債之公平值。按公平值計入損益列賬之財務資產及財務負債直接應佔之交易成本會即時於損益確認。

#### **財務資產**

財務資產分類為以下特定類別：「按公平值計入損益列賬(FVTPL)」之財務資產、「持有至到期」投資、「可供出售(AFS)」財務資產及「貸款及應收賬款」。分類乃由財務資產之性質及目的所釐定並於初始確認時予以釐定。所有正常購買或出售財務資產乃按交易日基準確認及取消確認。正常購買或出售乃購買或銷售財務資產，並要求於市場上按規則或慣例設定之時間框架內交付資產。本集團之財務資產僅包括貸款及應收賬款。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### *Financial assets (Continued)*

##### *— Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including amount due from associates, trade and other receivables, and cash and bank balances) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### *財務資產(續)*

##### *— 實際利率法*

實際利率法乃計算債務工具之攤銷成本及分配相關期間利息收入之方法。實際利率乃按債務工具預計年期或適用之較短期間將估計未來現金收入(包括實際利率重要組成部份之已支付或已收全部費用或差價、交易成本及其他溢價或折讓)實際貼現至初步確認時之賬面淨值。

債務工具之利息收入乃按實際利率基準確認。

##### *貸款及應收款項*

貸款及應收款項為並非於活躍市場報價而具備固定或可釐定款項之非衍生工具財務資產。貸款及應收款項(包括應收聯營公司款項、貿易賬款及其他應收款項，以及現金及銀行結餘)乃以實際利率法攤銷成本減任何減值計量。

除所確認利息並不重大之短期應收款項外，利息收入均應用實際利率確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### *Financial assets (Continued)*

##### *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### *財務資產(續)*

##### *財務資產減值*

財務資產於各報告期末評估有否減值跡象。倘有客觀證據證明初步確認財務資產後發生之一項或多項事件令投資估計未來現金流量受到影響，則財務資產會被視為將予減值。減值的客觀證據可包括以下各項：

- 發行人或對手方有重大財務困難；或
- 違約，如未能支付利息或本金付款；或
- 借款人有可能破產或進行財務重組；或
- 因財務困難而令該財務資產失去活躍市場。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### *Financial assets (Continued)*

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

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of 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 current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods (see the accounting policy below).

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### *財務資產(續)*

##### *財務資產減值(續)*

對於若干類別之財務資產(如應收賬款)，經個別評估顯示並無減值後進行集體減值評估。應收賬組合減值之客觀證據包括：本集團過往收款記錄、應收賬款組合中延遲付款次數(平均信貸期為60天)增加及與應收賬款欠款有關之國家或地方經濟狀況出現可觀察變化。

就按攤銷成本列賬之財務資產而言，已確認減值虧損金額乃資產賬面值與按財務資產原實際利率貼現之估計未來現金流量現值之差額。

就按成本列賬之財務資產而言，減值虧損金額乃按資產賬面值與按類似財務資產目前市場回報率貼現之估計未來現金流量現值兩者之差額計量。該等減值虧損將不會於其後期間撥回(見下文之會計政策)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### *Financial assets (Continued)*

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### *財務資產(續)*

##### *財務資產減值(續)*

就所有財務資產而言，財務資產之賬面值乃以減值虧損直接扣減，惟應收賬款除外，其賬面值乃透過使用撥備賬扣減。當應收賬款被視為不可收回，其將於撥備賬內撇銷。倘過往已撇銷之款項其後收回，則計入撥備賬。撥備賬之賬面值變動於損益確認。

就按攤銷成本計量之財務資產而言，如在隨後某一期間減值虧損之金額減少，而有關減少可客觀地與確認減值後發生之事件相關連，則之前已確認之減值虧損將透過損益撥回，惟該項投資於撥回減值該日之賬面值不超出倘並無確認減值則應有之攤銷成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### *Financial liabilities and equity instruments*

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### *Other financial liabilities*

Other financial liabilities (including other payables, amounts due to a director and a shareholder, bank borrowings and promissory note) are subsequently measured at amortised cost using the effective interest method, unless the effect of discounting would not be material, in which case they are stated at cost.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### *財務負債及股本工具*

集團實體發行之債務及股本工具根據合約安排之具體內容及財務負債及股本工具之定義分類為財務負債或股本。

##### *股本工具*

股本工具乃證明實體資產經扣除其所有負債後剩餘權益之任何合約。集團實體發行之股本工具按已收所得款項扣除直接發行成本確認。

本公司購回本身股本工具於權益確認及直接扣減。本公司購回、出售、發行或註銷本身股本工具不會於損益中確認為收益或虧損。

##### *其他財務負債*

其他財務負債(包括其他應付款項、應付一名董事及一名股東款項、銀行借款及承付票據)隨後採用實際利率法以攤銷成本計量，惟於貼現影響不大之情況下以成本列賬則除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### **Financial liabilities and equity instruments** (Continued)

##### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

##### **Convertible notes**

Convertible notes issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### **財務負債及股本工具(續)**

##### *實際利率法*

實際利率法乃計算財務負債之攤銷成本及分配相關期間利息開支之方法。實際利率乃按財務負債預計年期或適用之較短期間將估計未來現金付款(包括實際利率重要組成部份之已支付或已收全部費用及差價、交易成本及其他溢價或折讓)實際貼現至初步確認時之賬面淨值。

利息開支按實際利率基準計算。

##### **可換股票據**

由本公司發行之可換股票據，按所訂立之合約安排性質及財務負債及股本工具之定義獨立分類為財務負債及股本工具。將以固定金額現金或另一項財務資產交換固定數量之本公司股本工具之模式結付之換股權，分類為股本工具。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### **Convertible notes (Continued)**

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### **可換股票據(續)**

於發行日期，負債部份之公平值乃按類似不可轉換工具之現行市場利率估計。此金額乃以實際利率法按攤銷成本基準記錄為負債，直致兌換時抵銷或工具到期日為止。

被分類為權益之換股權乃透過從整體複合工具之公平價值中扣減負債部份金額而釐定。其將於扣除所得稅影響後在權益中確認及入賬，且隨後不可重新計量。此外，被分類為權益之換股權將一直保留於權益內，直至換股權獲行使為止，而在此情況下，在權益中確認之結餘將轉撥至股份溢價。倘換股權於可換股票據到期日仍未獲行使，在權益中確認之結餘將轉撥至保留盈利。在換股權獲轉換或到期時，不會在損益確認任何收益或虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### *Convertible notes (Continued)*

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

##### *Derecognition*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### *可換股票據(續)*

發行可換股票據之相關交易成本會按所得款項總額之分配比例，分配至負債及權益部份。權益部份之相關交易成本直接於權益確認。負債部份之相關交易成本計入負債部份之賬面值，並於可換股票據之年期內以實際利率法攤銷。

##### *取消確認*

僅於資產現金流量之合約權利屆滿時，或將財務資產及資產所有權之絕大部份風險及回報轉讓予另一實體時，本集團方會取消確認財務資產。倘本集團並未轉讓亦未保留所有權之絕大部份風險及回報，並繼續控制已轉讓資產，則本集團繼續確認資產之持續貢獻及確認相關負債。倘本集團保留已轉讓財務資產所有權之絕大部份風險及回報，則本集團繼續確認該財務資產並亦確認已收所得款項之有抵押借款。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### *Derecognition (Continued)*

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### *取消確認(續)*

全面取消確認財務資產時，資產賬面值與已收及應收代價總額以及於其他全面收益及於權益累計確認之累計損益間之差額乃於損益確認。

除全面取消確認外，於取消確認財務資產時，本集團將財務資產之過往賬面值，根據其確認為繼續參與之部份及不再確認之部份於轉讓日期之相對公平值在兩者間作出分配。不再確認部份獲分配之賬面值與已於其他全面收益確認之不再確認部份之已收代價及獲分配之任何累計收益或虧損之總和之差額乃於損益內確認。已於其他全面收益確認之累計收益或虧損，將按繼續確認部份及不再確認部份之相對公平值在兩者間作出分配。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (p) Financial instruments (Continued)

##### *Derecognition (Continued)*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Modification is deemed to be substantial if the net present value of the cash flows under the modified terms, including any fees paid or received, is at least 10 percent different from the net present value of the remaining cash flows of the liability prior to the modification, both discounted at the original effective interest rate of the liability prior to the modification. On derecognition, the difference between the carrying amount of a financial liability derecognised/extinguished and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

### 3. 主要會計政策(續)

#### (p) 財務工具(續)

##### *取消確認(續)*

本集團會並僅於本集團之責任解除、註銷或屆滿時取消確認財務負債。現有財務負債條款之重大修改須以撤銷原來財務負債及確認新財務負債的方式入賬。倘經修改條款項下現金流淨現值(包括任何已付或已收費用)與修改前負債餘下現金流淨現值相差至少10%(兩者均按修改前負債原實際利率貼現)，則有關修改被視為重大修改。於取消確認時，取消確認／已撤銷財務負債的賬面值與已付及應付代價(包括任何已轉讓非現金資產或已承擔負債)的差額須於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (q) Provisions and contingent liabilities

##### (i) *Contingent liabilities assumed in business combinations*

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note (q)(ii) below. Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note (q)(ii) below.

### 3. 主要會計政策(續)

#### (q) 撥備及或然負債

##### (i) 業務合併須承擔之或然負債

倘公平值能可靠計量，則業務合併須承擔之或然負債(現行責任)於收購日期按公平值初步確認。初步按公平值確認後，該或然負債按初步確認金額(減累計虧損(如適用))及根據下文附註(q)(ii)釐定之金額之較高者確認。不能可靠地計量或非收購日期現行責任之業務合併須承擔之或然負債乃根據下文附註(q)(ii)披露。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (q) Provisions and contingent liabilities (Continued)

##### (ii) Other 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.

### 3. 主要會計政策(續)

#### (q) 撥備及或然負債(續)

##### (ii) 其他撥備及或然負債

倘集團或公司須就已發生之事件承擔法律或推定責任，因而預期會導致含有經濟效益之資源外流，在可以作出可靠之估計時，集團或公司便會就該時間或數額不定之其它負債確認撥備。倘貨幣時間值重大，則按預計所需支出之現值計提撥備。

如果含有經濟效益之資源外流之可能性較低，或是無法對有關數額作出可靠之估計，便會將該責任披露為或然負債，惟資源外流之可能性極低則除外。倘本集團之責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，惟資源外流之可能性極低則除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (r) 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.

### 3. 主要會計政策(續)

#### (r) 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之主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
  - (i) 該實體與本公司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之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之合營企業。
  - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 3. Principal Accounting Policies (Continued)

#### (r) 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).

(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.

### 3. 主要會計政策(續)

#### (r) 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之離職福利計劃。

(vi) 實體受(a)所識別人士控制或受共同控制。

(vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。

(viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供管理要員服務。

任何人士之近親是指與該實體交易時預期可影響該名人士或受該人士影響之家庭成員。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 3. Principal Accounting Policies (Continued)

#### (s) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the group's various lines of business and geographical locations.

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

#### (t) Events after reporting period

Events after reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

### 3. 主要會計政策(續)

#### (s) 分部報告

經營分部及財務報表所呈報各分部項目的金額乃自定期提供予本集團最高行政管理人員之財務資料中識別得出，以將資源分配至本集團各項業務及地理位置，以及評估本集團各項業務及地理位置之表現。

就財務報告而言，除非分部具備相似經濟特徵以及在產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務之方法及監管環境性質方面相似，否則各個重大經營分部不會進行合算。個別非重大之經營分部，倘若符合上述大部份標準，則可進行合算。

#### (t) 報告期後事件

提供有關本集團在報告期末的狀況或那些表明持續經營假設並不恰當的額外資料的報告期後事件屬於為調整事件並在綜合財務報表中反映。屬不調整事項的報告期後事項如屬重要，則在綜合財務報表附註中披露。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 4. Significant Accounting Judgements and Estimation

#### Critical judgements in applying accounting policies

In the application of the Group's accounting policies, which are described in note 3, management has made the following judgement which has the most significant effect on the amounts recognised in the consolidated financial statements.

#### *Joint arrangements*

As at 31 December 2016, the Group held 80% (2015: 80%) participating interests in a joint arrangement. The Group and the other participants have joint control over the arrangement as decisions about the relevant activities require unanimous consent from all participants sharing the control.

All participants have rights to the net assets of the joint arrangement. Therefore, based on the judgement of the management, the joint arrangement is classified as joint venture in the consolidated financial statements.

#### Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of the Group's assets and liabilities within the next financial year are discussed below.

### 4. 重大會計判斷及估計

#### 應用會計政策的關鍵判斷

應用附註3所述的本集團會計政策時，管理層曾作出下列對綜合財務報表中已確認金額影響最大的判斷。

#### *合營安排*

於二零一六年十二月三十一日，本集團持有合營安排之80%（二零一五年：80%）參與權益。由於有關活動的決策要求擁有控制權的各參與者一致同意，故本集團與其他參與者對此安排擁有共同控制權。

所有參與者均有權持有合營安排之資產淨值，因此，根據管理層之判斷，合營安排在綜合財務報表中被分類為合營企業。

#### 估計不確定性的主要來源

下文討論於報告期間結束時極可能導致本集團之資產與負債賬面值於下一個財政年度需要做出重大調整之未來相關重要假設及導致估計不可靠之其他重要因素。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 4. Significant Accounting Judgements and Estimation (Continued)

##### Impairment of assets and assessment of cash generating units (“CGU”)

The Group reviews the carrying value of its interests in associates and interests in a joint venture to determine whether there is any indication that those assets are impaired. In making assessments for impairment, assets that do not generate independent cash flows are allocated to an appropriate CGU. The recoverable amount of those assets, or CGU, is measured at the higher of their fair value less costs of disposal and value in use.

The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. The fair value estimation requires the Group to use market observable data to the extent that it is available. The Group engaged independent professional valuer to establish appropriate techniques and inputs for the valuation of interests in associates/joint ventures. Where the recoverable amount of the interests in associates/joint ventures is less than the carrying amount, a material impairment loss may arise.

Changes to the inputs and assumptions underlying the assessment of the recoverable value may result in changes to impairment charges, either through further impairment charges or reversal of previously recognised impairments, which could have a significant impact on the financial information in future periods.

As at 31 December 2016, the carrying amounts of interests in associates and a joint venture were approximately HK\$Nil and HK\$330,768,000 respectively (2015: approximately HK\$27,436,000 and HK\$134,877,000 respectively).

#### 4. 重大會計判斷及估計(續)

##### 資產減值及評估現金產生單位(「現金產生單位」)

本集團檢討於聯營公司及合營企業之權益之賬面值，以釐定該等資產有否減值跡象。評估減值時，不會產生獨立現金流之資產會分配至合適之現金產生單位。該等資產或現金產生單位之可收回金額按公平值減銷售成本與使用價值之較高者計量。

使用價值的計算需本集團估計預期產自現金產生單位的未來現金流量及合適的折現率以計算現值。公平值的估算需本集團在可以取得的範圍內使用市場可觀察的數據。本集團委聘獨立評估師建構合適的方法和輸入數據對聯營公司權益／合營公司權益作出估值。當聯營公司權益／合營公司權益的可收回價值低於其賬面值，有可能需要作出重大減值。

可收回價值評估所涉輸入數據及假設之改變或會透過進一步確認減值費用或撥回之前已確認之減值而導致減值費用變更，因而可能對未來期間之財務資料產生重大影響。

於二零一六年十二月三十一日，於聯營公司權益及於合營企業權益的賬面值分別約為港幣零元及港幣330,768,000元(二零一五年：分別約為港幣27,436,000元及港幣134,877,000元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 4. Significant Accounting Judgements and Estimation (Continued)

#### Exploration and evaluation costs

The Group's accounting policy for exploration and evaluation expenditure results in such expenditure being capitalised for those projects for which such expenditure is considered likely to be recoverable through future extraction activity or sale, or for which the exploration activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether the Group will proceed with development based on existence of reserves or whether an economically viable extraction operation can be established. Such estimates and assumptions may change from period to period as new information becomes available. If, subsequent to the exploration and evaluation expenditure capitalised, a judgement is made that recovery of the expenditure is unlikely or the project is to be abandoned, the relevant capitalised amount will be written off to profit or loss.

As at 31 December 2016, the carrying amount of deferred exploration expenditure was HK\$Nil (2015: approximately HK\$25,048,000).

#### Valuation of convertible bonds

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of convertible bonds. Note 23 provides detailed information about the key assumptions used in the determination of the fair value of convertible bonds.

The directors believe that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of convertible bonds.

At the date of initial recognition, the fair value of the liability component of convertible bonds was approximately HK\$44,926,000 (2015: HK\$96,247,000).

### 4. 重大會計判斷及估計(續)

#### 勘探及評估成本

根據本集團有關勘探及評估開支之會計政策，視為可能透過未來開採活動或銷售而收回或勘探活動尚未達致可合理評估有否礦床之階段之勘探及評估開支會撥作資本。該政策要求管理層作出有關未來事件及情況之若干估計及假設，尤其是本集團會否在發現礦床後進行開發，或開採是否經濟上可行。該等估計及假設或會不時由於獲得新資料而改變。倘將勘探及評估開支資本化後方認為不可能收回開支或放棄有關項目，已撥作成本之相關款項將自損益撤銷。

於二零一六年十二月三十一日，遞延勘探開支的賬面值港幣零元(二零一五年：約為港幣25,048,000元)。

#### 可換股債券之估值

本集團用以估計可換股債券之公平值所使用之估值技術涉及非根據可觀察市場數據而得出之輸入參數。附註23載有釐定可換股債券公平值使所用之主要假設。

董事相信，所選用之估值技術及所用之假設能恰當釐定可換股債券之公平值。

於初始確認日期，可換股債券負債部分之公平值約為港幣44,926,000元(二零一五年：港幣96,247,000元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 5. Turnover and Other Income

- (a) The Group did not have any turnover during the year (2015: Nil).
- (b) An analysis of the Group's other income for the year is as follows:

### 5. 營業額及其他收入

- (a) 本集團年內並無產生任何營業額(二零一五年：無)。
- (b) 本集團之本年度其他收入分析如下：

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Bank interest income	銀行利息收入	18	1
Gain on deregistration of a subsidiary	一間附屬公司撤銷註冊之收益	—	53
Exchange gain-net	匯兌收益淨額	41	79
Other miscellaneous income	其他雜項收入	84	—
		<b>143</b>	<b>133</b>

### 6. Finance Costs

- Imputed interest on promissory note 承付票據之推算利息
- Imputed interest on convertible bonds 可換股債券之推算利息
- Finance lease interest 融資租賃利息

### 6. 融資成本

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Imputed interest on promissory note	承付票據之推算利息	—	295
Imputed interest on convertible bonds	可換股債券之推算利息	18,714	5,259
Finance lease interest	融資租賃利息	23	30
		<b>18,737</b>	<b>5,584</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 7. Loss Before Income Tax

### 7. 除所得稅前虧損

Loss before income tax is arrived at after charging:

除所得稅前虧損已扣除以下項目：

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)		
— Salaries, allowances and benefits in kind	— 薪金、津貼及實物利益	21,425	17,149
— Discretionary bonus	— 酌情花紅	—	—
— Retirement scheme defined contributions	— 退休計劃供款	292	339
		<b>21,717</b>	<b>17,488</b>
Auditor's remuneration	核數師酬金		
— Audit services	— 審核服務	500	480
— Non-audit services	— 非審核服務	—	—
		<b>500</b>	<b>480</b>
Depreciation of property, plant and equipment	物業、廠房及設備折舊	318	304
Operating lease payments for land and buildings and equipment	土地及樓宇及設備之經營租約款項	2,056	1,675

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 8. Income Tax Credit

### 8. 所得稅抵免

#### Income tax credit recognised in profit or loss

#### 於損益內確認之所得稅抵免

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Current tax:	本期稅項：		
— Hong Kong	— 香港	—	—
— PRC enterprise income tax	— 中國企業所得稅	—	—
— Other jurisdictions	— 其他司法權區	—	—
Deferred tax (note 25)	遞延稅項(附註25)	663	126
<b>Income tax credit for the year</b>	<b>本年度所得稅抵免</b>	<b>663</b>	<b>126</b>

Hong Kong profits tax is calculated at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit for the year.

香港利得稅乃按本年度估計應課稅溢利16.5% (二零一五年：16.5%)之稅率計算。

PRC subsidiaries are subject to PRC enterprise income tax at the rate of 25% (2015: 25%). Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

中國附屬公司須按25% (二零一五年：25%)稅率繳付中國企業所得稅。於其他司法權區產生之稅項按相關司法權區之通行稅率計算。

Deferred tax for the year represents tax income recognised on reversal of temporary differences arising from convertible bonds.

本年度之遞延稅項為就撥回可換股債券所產生暫時差額確認之稅項收入。

No deferred tax asset has been recognized on losses for the year (2015: Nil) due to unpredictability stream of future taxable profits that will be available against which the tax losses can be utilized.

由於可利用稅務虧損抵銷之未來應課稅溢利之來源難以預測，故並無就本年度虧損確認遞延稅項資產(二零一五年：無)。

There was no material unprovided deferred tax charge for the year (2015: Nil).

本年度並無重大未計提撥備遞延稅項支出(二零一五年：無)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 8. Income Tax Credit (Continued)

#### Income tax credit recognised in profit or loss (Continued)

The income tax credit for the year can be reconciled to the loss before income tax per the consolidated statement of profit or loss as follows:

### 8. 所得稅抵免(續)

#### 於損益內確認之所得稅抵免(續)

本年度所得稅抵免可與綜合損益表之除所得稅前虧損對賬如下：

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Loss before income tax:	除所得稅前虧損：	(22,052)	(138,069)
Notional income tax, calculated at the tax rates applicable to the jurisdictions concerned	按有關司法權區適用稅率計算之所得稅之名義稅	3,202	22,737
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響	(1)	(2)
Tax effect of impairment losses recognised on interests in associates	聯營公司權益減值虧損確認之稅務影響	(4,526)	(436)
Tax effect of impairment losses recognised on interests in a joint venture	合營企業權益減值虧損確認之稅務影響	—	(16,233)
Tax effect of reversal of impairment losses recognised on interests in a joint venture	合營企業權益減值虧損確認撥回之稅務影響	16,892	—
Tax effect of impairment losses recognised on amounts due from associates	應收聯營公司款項減值虧損確認之稅務影響	(2,687)	—
Tax effect of impairment losses recognised on deferred exploration expenditure	遞延勘探開支減值虧損確認之稅務影響	(3,066)	—
Tax effect of losses not allowable	不可扣稅虧損之稅務影響	(8,972)	(5,437)
Tax effect of allowable losses not recognised	未確認可扣稅虧損之稅務影響	(842)	(629)
Deferred tax on convertible bonds	有關可換股債券之遞延稅項	633	126
Income tax credit for the year	本年度所得稅抵免	633	126

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 9. Directors' Emoluments and Individuals with Highest Emoluments

#### (i) Directors' Emoluments

Directors' emoluments for the year, disclosed pursuant to the GEM Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about benefits of Directors) Regulation are as follows:

### 9. 董事薪酬及最高薪酬人士

#### (i) 董事薪酬

根據創業板上市規則、香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部份披露之董事酬金詳情如下：

2016 二零一六年		Fees	Salaries, allowances and benefits in kind 薪金、津貼及實物利益	Discretionary Bonus 酌情花紅	Retirement scheme contributions 退休計劃供款	Total 總計
		袍金				
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Executive directors:	執行董事：					
KUAI Wei	鄧偉	—	360	—	18	378
LIN Zhang	林漳	—	893	—	15	908
LAI Chun Liang	來俊良	—	390	—	—	390
Independent non-executive directors:	獨立非執行董事：					
PAI Hsi-Ping	白旭屏	60	—	—	—	60
XIE Qun	謝群	60	—	—	—	60
KWAN King Chi George	關敬之	60	—	—	—	60
		180	1,643	—	33	1,856

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 9. Directors' Emoluments and Individuals with Highest Emoluments (Continued)

### 9. 董事薪酬及最高薪酬人士(續)

#### (i) Directors' Emoluments (Continued)

#### (i) 董事薪酬(續)

2015 二零一五年		Fees 袍金	Salaries, allowances and benefits in kind 薪金、津貼及 實物利益	Discretionary Bonus 酌情花紅	Retirement scheme contributions 退休 計劃供款	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Executive directors:	執行董事：					
KUAI Wei	鄺偉	—	360	—	18	378
LIN Zhang	林漳	—	902	—	15	917
LAI Chun Liang	來俊良	—	432	—	—	432
Independent non-executive directors:	獨立非執行董事：					
PAI Hsi-Ping	白旭屏	322	—	—	—	322
XIE Qun	謝群	126	—	—	—	126
KWAN King Chi George	關敬之	60	—	—	—	60
		508	1,694	—	33	2,235

Salaries, allowances and benefits in kind paid to or for the executive directors are generally entitlements paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

支付予執行董事的薪金、津貼或實物利益一般為已支付的權益或彼等有關管理本公司及其附屬公司事務的其他服務之應收款項。

None of the directors waived or agreed to waive any emoluments during the year ended 31 December 2016 (2015: Nil). No emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 31 December 2016 (2015: Nil).

於截至二零一六年十二月三十一日止年度內，概無董事豁免或同意豁免任何酬金(二零一五年：無)。於截至二零一六年十二月三十一日止年度內，本集團概無向董事支付酬金以作為邀請其加入本集團或加盟本集團後的獎勵或離職補償(二零一五年：無)。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 9. Directors' Emoluments and Individuals with Highest Emoluments (Continued)

##### (ii) Individuals with Highest Emoluments

Of the 5 individuals with the highest emoluments in the Group, 1 (2015: 1) was a director of the Company. The emoluments of the remaining 4 (2015: 4) individuals were as follows:

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,225	3,814
Discretionary bonus	酌情花紅	—	—
Retirement scheme contributions	退休計劃供款	18	18
		<b>4,243</b>	<b>3,832</b>

The emoluments of those 4 (2015: 4) individuals with the highest emoluments are within the following bands:

		Number of individuals 人數	
		2016 二零一六年	2015 二零一五年
HK\$0 to HK\$1,000,000	港幣0元至港幣1,000,000元	2	3
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至港幣1,500,000元	2	1

#### 9. 董事薪酬及最高薪酬人士(續)

##### (ii) 最高薪酬人士

本集團五名最高薪酬人士中，一名(二零一五年：一名)為本公司董事。餘下四名(二零一五年：四名)人士之薪酬如下：

該四名(二零一五年：四名)薪酬最高人士之薪酬介乎下列範圍：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 10. Loss Per Share

##### Basic and diluted loss per share

The calculations of the basic and diluted loss per share are based on the following data:

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Loss for the year attributable to the owners of the Company	本公司擁有人應佔本年度虧損	(51,694)	(99,583)

#### 10. 每股虧損

##### 每股基本及攤薄虧損

每股基本及攤薄虧損乃根據下列數據計算：

		2016 二零一六年	2015 二零一五年
		'000 千股	'000 千股
Weighted average number of ordinary shares	普通股加權平均數		
Issued ordinary shares at 1 January	於一月一日已發行的普通股	2,787,538	1,937,537
Effect of loan capitalization	貸款資本化影響	—	423,836
Effect of ordinary shares issued	已發行普通股影響	80,683	132,054
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	2,868,221	2,493,427

During the years ended 31 December 2016 and 2015, the computation of diluted loss per share does not assume the conversion of the outstanding convertible bonds since it would result in a decrease in loss per share, and is regarded as anti-dilutive.

於截至二零一六年及二零一五年十二月三十一日止年度，由於轉換未兌換可換股債券將減少每股虧損而被視為具有反攤薄影響，故於計算每股攤薄虧損時假設並未進行有關轉換。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 11. Dividends

No dividend has been paid or proposed for the year (2015: Nil).

### 12. Segment Information

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

For the years ended 31 December 2015 and 2016, the Group has 3 reportable and operating segments — (1) exploration of oil, natural gas and coal, (2) trading of petroleum-related products and (3) provision of technical services for oil and gas exploration and development. These segments are managed separately as they belong to different industries and require different operating systems and strategies.

The Group accounts for inter-segment revenue and transfers as if revenue or transfers were to third parties.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit or loss represents profit or loss reported by each segment without allocation of central administration costs including directors' emoluments, finance costs and income tax. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than unallocated corporate assets.
- all liabilities are allocated to operating segments other than unallocated corporate liabilities.

An analysis of the Group's reportable segment revenues, results, assets, liabilities and other selected financial information is presented below.

### 11. 股息

本年度並無派付或建議派付股息(二零一五年：無)。

### 12. 分部資料

本集團按首席經營決策人所審閱用以作出策略性決定之報告釐定其經營分部。

截至二零一五年及二零一六年十二月三十一日止年度，本集團有三個報告及經營分部 — (1) 勘探石油、天然氣及煤炭、(2) 買賣石油相關產品及(3) 就油氣勘探及開發提供技術服務。由於該等分部屬於不同行業及需要不同經營系統及策略，故分開管理。

本集團把分部間收益及轉讓入賬，猶如對第三方收益或轉讓。

經營分部的會計政策與本集團的會計政策一致。分部損益代表各分部所產生之損益及並未分配中央行政成本(包括董事薪酬、融資成本及所得稅)。此方法用作計量分部資料，呈報給主要營運決策人作分配資源及評估表現之用。

就監控分部表現及分部之間的資源分配而言：

- 除未分配企業資產外，所有資產被分配至其相關經營分部。
- 除未分配企業負債外，所有負債被分配至其相關經營分部。

本集團報告分部收益、業績、資產、負債及其他經挑選財務資料之分析呈列如下。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 12. Segment Information (Continued)

### 12. 分部資料(續)

#### (a) Reportable Segments

#### (a) 報告分部

2016 二零一六年	Exploration of oil, natural gas and coal 勘探石油、 天然氣及煤炭	Trading of petroleum related products 買賣石油 相關產品	Provision of technical services 提供 技術服務	Elimination 撤銷	Total 總計
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue from external customer 來自外部客戶之收益	—	—	—	—	—
Inter-segment revenue 分部間收益	—	—	5,513	(5,513)	—
<b>Reportable segment revenue 報告分部收益</b>	<b>—</b>	<b>—</b>	<b>5,513</b>	<b>(5,513)</b>	<b>—</b>
Reportable segment loss before income tax 報告分部之除所得稅 前虧損	(5,167)	—	(16,277)	—	(21,444)
Unallocated corporate income 未分配企業收益					1
Unallocated corporate expenses 未分配企業開支					(15,427)
Impairment losses recognised on interests in associates 就於聯營公司權益確認 之減值虧損	(27,430)				(27,430)
Impairment losses recognised on amounts due from associates 就應收聯營公司款項 確認之減值虧損	(16,287)				(16,287)
Reversal of impairment losses recognised on interests in a joint venture 就於合營企業權益確認 之減值虧損撥回	102,376				102,376
Impairment losses recognised on deferred exploration expenditure 就遞延勘探開支確認 之減值虧損	(25,548)				(25,548)
Share of results of associates 應佔聯營公司業績	(6)				(6)
Interest expenses 利息開支					(18,737)
<b>Loss before income tax 除所得稅前虧損</b>					<b>(22,502)</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 12. Segment Information (Continued)

### 12. 分部資料(續)

#### (a) Reportable Segments (Continued)

#### (a) 報告分部(續)

2015 二零一五年		Exploration of oil, natural gas and coal 勘探石油、 天然氣及煤炭	Trading of petroleum related products 買賣石油 相關產品	Provision of technical services 提供 技術服務	Elimination 撤銷	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue from external customer	來自外部客戶之收益	—	—	—	—	—
Inter-segment revenue	分部間收益	—	—	8,804	(8,804)	—
<b>Reportable segment revenue</b>	<b>報告分部收益</b>	<b>—</b>	<b>—</b>	<b>8,804</b>	<b>(8,804)</b>	<b>—</b>
Reportable segment loss before income tax	報告分部之除所得稅 前虧損	(6,460)	(179)	(12,185)	—	(18,824)
Unallocated corporate expenses	未分配企業開支					(12,621)
Impairment losses recognised on interests in associates	就於聯營公司權益確認 之減值虧損	(2,644)				(2,644)
Impairment losses recognised on interests in a joint venture	就於合營企業權益確認 之減值虧損	(98,382)				(98,382)
Share of results of associates	應佔聯營公司業績	(14)				(14)
Interest expenses	利息開支					(5,584)
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>					<b>(138,069)</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 12. Segment Information (Continued)

### 12. 分部資料(續)

#### (a) Reportable Segments (Continued)

#### (a) 報告分部(續)

2016 二零一六年		Exploration of oil, natural gas and coal 勘探石油、 天然氣及煤炭	Trading of petroleum related products 買賣石油 相關產品	Provision of technical services 提供 技術服務	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Assets:	資產：				
Segment assets	分部資產	36,214	—	1,387	37,601
Interests in associates	於聯營公司權益	—			—
Interests in a joint venture	於合營企業權益	330,768			330,768
Unallocated corporate assets	未分配企業資產				3,529
Total assets	總資產				371,898
Liabilities:	負債：				
Segment liabilities	分部負債	1,727	—	4,506	6,233
Unallocated corporate liabilities	未分配企業負債				157,668
Total liabilities	總負債				163,901

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 12. Segment Information (Continued)

### 12. 分部資料(續)

#### (a) Reportable Segments (Continued)

#### (a) 報告分部(續)

2015 二零一五年	Exploration of oil, natural gas and coal 勘探石油、 天然氣及煤炭	Trading of petroleum related products 買賣石油 相關產品	Provision of technical services 提供 技術服務	Total 總計
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Assets:	資產：			
Segment assets	分部資產	89,226	—	15,280
Interests in associates	於聯營公司權益	27,436		
Interests in a joint venture	於合營企業權益	134,877		
Unallocated corporate assets	未分配企業資產			6,962
Total assets	總資產			<u>273,781</u>
Liabilities:	負債：			
Segment liabilities	分部負債	2,392	—	1,021
Unallocated corporate liabilities	未分配企業負債			103,747
Total liabilities	總負債			<u>107,160</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 12. Segment Information (Continued)

### 12. 分部資料(續)

#### (a) Reportable Segments (Continued)

#### (a) 報告分部(續)

#### Other segment information

#### 其他分部資料

2016 二零一六年	Exploration of oil, natural gas and coal 勘探石油、 天然氣及煤炭	Trading of petroleum related products 買賣石油 相關產品	Provision of technical services 提供技術服務	Unallocated 未分配	Total 總計
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation 折舊	92	—	47	179	318
Additions to non-current assets 添置非流動資產	94,035	—	12	7	94,054
2015 二零一五年	Exploration of oil, natural gas and coal 勘探石油、 天然氣及煤炭	Trading of petroleum related products 買賣石油 相關產品	Provision of technical services 提供技術服務	Unallocated 未分配	Total 總計
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation 折舊	61	—	53	190	304
Loss on early redemption of promissory note 提早贖回承付票據虧損	—	—	—	814	814
Additions to non-current assets 添置非流動資產	48,884	—	9	92	48,985



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 12. Segment Information (Continued)

#### (b) Geographical Information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, interests in associates and a joint venture ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, and the location of operation, in the case of interests in associates and a joint venture.

### 12. 分部資料(續)

#### (b) 地區資料

下表載列有關(i)本集團來自外部客戶之收益及(ii)本集團物業、廠房及設備，以及於聯營公司及合營企業權益(「特定非流動資產」)之地區位置資料。客戶之地區位置是根據提供服務或付運貨物之地點而決定。特定非流動資產之地區位置是根據(如屬物業、廠房及設備)資產實質所在位置，以及(如屬於聯營公司及合營企業)營運地點而決定。

	Revenue from external customers		Specified non-current assets		
	來自外部客戶之收益		特定非流動資產		
	2016	2015	2016	2015	
	二零一六年	二零一五年	二零一六年	二零一五年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	
Mainland China, including Hong Kong and Macau	中國內地，包括香港及澳門	—	—	598	818
Philippines	菲律賓	—	—	331,082	187,742
		—	—	331,680	188,560

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 13. Property, Plant and Equipment

### 13. 物業、廠房及設備

		Leasehold improvement 租賃裝修	Equipment 設備	Furniture and fixtures 傢俱及裝置	Motor vehicles 汽車	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Cost:	成本：					
At 1 January 2015	於二零一五年一月一日	303	312	945	1,491	3,051
Additions	添置	—	10	137	400	547
Disposals	處理	—	—	(1)	—	(1)
Exchange adjustment	匯兌調整	—	—	(17)	—	(17)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日 及二零一六年一月一日	303	322	1,064	1,891	3,580
Additions	添置	—	7	32	—	39
Written off	撇銷	(173)	(34)	(100)	—	(307)
Exchange adjustment	匯兌調整	—	—	(28)	—	(28)
At 31 December 2016	於二零一六年十二月三十一日	130	295	968	1,891	3,284
Depreciation and impairment losses:	折舊及減值虧損：					
At 1 January 2015	於二零一五年一月一日	302	240	798	752	2,092
Provided for the year	本年度撥備	1	34	84	185	304
Eliminated on disposals	於出售時撇銷	—	—	(1)	—	(1)
Exchange adjustment	匯兌調整	—	—	(14)	—	(14)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日 及二零一六年一月一日	303	274	867	937	2,381
Provided for the year	本年度撥備	—	24	60	234	318
Written off	撇銷	(173)	(34)	(100)	—	(307)
Exchange adjustment	匯兌調整	—	—	(20)	—	(20)
At 31 December 2016	於二零一六年十二月三十一日	130	264	807	1,171	2,372
Carrying amounts:	賬面值：					
At 31 December 2016	於二零一六年十二月三十一日	—	31	161	720	912
At 31 December 2015	於二零一五年十二月三十一日	—	48	197	954	1,199

At the end of the reporting period, the net carrying amount of motor vehicles held under finance leases of the Group was HK\$419,000 (2015: HK\$573,000).

於報告期末，本集團根據融資租賃持有的汽車賬面淨值為港幣419,000元(二零一五年：港幣573,000元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 14. Interests in Associates

This represents the Group's share of the interests in associates which are engaged in the exploration, exploitation and development of coal mine in the Philippines.

### 14. 於聯營公司的權益

此乃本集團分佔於菲律賓從事煤礦勘探、開採及開發之聯營公司之權益。

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Share of fair value of net assets of associates	分佔聯營公司淨資產公平值		
At the beginning of the year	於年初	27,436	30,094
Share of loss from associates	應佔聯營公司虧損	(6)	(14)
Impairment losses	減值虧損	(27,430)	(2,644)
At the end of the year	於年終	—	27,436

Details of associates are as follows:

聯營公司之詳情如下：

Name 名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Registered capital 註冊資本	Attributable equity interest held by an indirect wholly-owned subsidiary of the Group 應佔本集團經一間間接擁有之全資附屬公司持有之股權		Principal activities 主要業務		
			2016 二零一六年	2015 二零一五年	Directly 直接	Indirectly 間接	
Great Wall Mining and Power Corp. ("Great Wall")	Philippines 菲律賓	PHP2,500,000 2,500,000披索	40%	24%	40%	24%	Coal mining 煤礦開採
Eastern Star Mining and Power Corp. ("Eastern Star")	Philippines 菲律賓	PHP2,500,000 2,500,000披索	40%	—	40%	—	Investment holding 投資控股

Note: The boards of Great Wall and Eastern Star are not controlled by the Group.

附註：Great Wall及Eastern Star之董事會不受本集團控制。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 14. Interests in Associates (Continued)

All of the above associates are accounted for using equity method in the consolidated financial statements.

The development of the associate's coal mine had been suspended due to the Department of Environment and Natural Resources of Philippines ("DENR") did not grant a tree cutting permit which would have enabled the associate to build a road to get access to the mining area. In addition, upon the new president was elected during the year 2016, the new Philippines government planned to review coal power projects and to seek for the increase use of renewable energy in response to the protest of anti-coal activists and environmental advocates. Hence, the condition of the development of the associate's coal mine in the Philippines became considerably more unfavourable to the Group. In view of the ongoing suspension for the development of the coal mine and the pessimistic business outlook of the coal industry in the Philippines, the management had concluded that no future economic benefits were expected to be generated by the associate. Accordingly, full impairment losses of interests in associates of HK\$27,430,000 was recognised for the year ended 31 December 2016.

For the year ended 31 December 2015, the management of the Company engaged an independent professional valuer, namely, Greater China Appraisal Limited, to assist the management of the Company in determining the recoverable amount of the interests in associates. The recoverable amount was measured at its fair value less costs of disposal at the end of the reporting period.

### 14. 於聯營公司的權益(續)

上述所有聯營公司均使用權益法於綜合財務報表入賬。

聯營公司之煤礦開發已經暫停，原因是菲律賓環境及自然資源部(「環境及自然資源部」)並無授出可讓聯營公司修建接通採礦區之公路所需之砍樹許可證。此外，於2016年新總統獲選後，菲律賓新政府計劃審查煤電項目及尋求提高再生能源的採用，以回應反煤炭活動激進人士及環保倡議者之抗議。因此，聯營公司於菲律賓的煤礦開發狀況變得對本集團相當不利。鑑於煤礦開發之持續暫停和煤炭行業於菲律賓的黯淡前景，管理已得出結論，聯營公司預期將不會產生任何未來經濟利益。因此，已就截至二零一六年十二月三十一日止年度確認於聯營公司權益之全數減值虧損27,430,000港元。

於截至二零一五年十二月三十一日止年度，本公司管理層已委聘一間獨立專業估值師行(即漢華評值有限公司)協助本公司管理層釐定於聯營公司權益之可收回金額。可收回金額乃按其於報告期末之公平值減出售成本計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 14. Interests in Associates (Continued)

The valuation of the coal mining business in the Philippines as at 31 December 2015 was RMB35,902,000, of which approximately RMB22,977,000 (equivalent to approximately HK\$27,436,000) was attributable to the interest held by the Group, resulting in an impairment loss of approximately HK\$2,644,000. The impairment loss was mainly resulted from the decrease in the coal price in the world market during the year 2015.

#### (i) Fair value hierarchy

The following table presents the fair value measured at the end of reporting period, categorized into the three-level fair value hierarchy as defined in HKFRS 13 "Fair Value Measurement":

	Fair value as at			31/12/2015 於二零一五年十二月三十一日之公平值
	Level 1 第一級	Level 2 第二級	Level 3 第三級	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Interests in associates 於聯營公司的權益	—	27,436	—	—

#### (ii) Valuation techniques and key assumptions used in Level 2 fair value measurement

The fair value measurement is determined using market comparison approach by reference to comparable transactions which is publicly available and adjusted for time and regional factors for coal price.

### 14. 於聯營公司的權益(續)

於二零一五年十二月三十一日，菲律賓煤礦業務之估值為人民幣35,902,000元，當中約人民幣22,977,000元(相當於約27,436,000港元)乃歸因於本集團持有之權益，導致減值虧損約2,644,000港元。減值虧損主要是由於二零一五年全球市場的煤炭價格下跌所致。

#### (i) 公平值層級

下表呈列報告期末計量的公平值，分為三級公平值層級(定義見香港財務報告準則第13號「公平值計量」):

#### (ii) 第二級公平值計量使用之估值方法及主要假設

公平值計量乃經參考可得公開及經調整時間及地域因素後之煤價之可資比較交易按市場比較法釐定。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 14. Interests in Associates (Continued)

Movements in accumulated impairment losses on interests in associates are as follows:

#### 14. 於聯營公司的權益(續)

於聯營公司權益之累計減值虧損變動如下：

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Accumulated impairment losses</b>	<b>累計減值虧損</b>		
At the beginning of the year	於年初	<b>54,285</b>	51,641
Impairment loss recognised for the year	於年內確認之減值虧損	<b>27,430</b>	2,644
At the end of the year	於年終	<b>81,715</b>	54,285

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 14. Interests in Associates (Continued)

#### 14. 於聯營公司的權益(續)

Summarised financial information in respect of the Group's associates is set out below:

有關本集團聯營公司之財務資料概述如下：

		Eastern Star		Great Wall		Total 總計	
		2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Total non-current assets	總非流動資產	235	247	14,505	15,298	14,740	15,545
Total current assets	總流動資產	137	144	1,046	1,095	1,183	1,239
Total non-current liabilities	總非流動負債	—	—	—	—	—	—
Total current liabilities	總流動負債	(97)	(91)	(15,412)	(16,243)	(15,509)	(16,334)
Net assets	淨資產	275	300	139	150	414	450
Total revenue	總收益	—	—	—	—	—	—
Loss	虧損	(10)	(19)	(3)	(9)	(13)	(28)
Other comprehensive expense	其他全面支出	—	—	—	—	—	—
Total comprehensive expense	全面支出總額	(10)	(19)	(3)	(9)	(13)	(28)
Dividends received from associates	已收聯營公司股息	—	—	—	—	—	—

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 14. Interests in Associates (Continued)

#### 14. 於聯營公司的權益(續)

Reconciliation of above summarised financial information to carrying amount of interests in associates to consolidated financial statements:

上述有關聯營公司之概述財務資料與綜合財務報表內的聯營公司之賬面值對賬：

		Eastern Star		Great Wall		Total 總計	
		2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Net assets of associates	聯營公司淨資產	275	300	139	150	414	450
Group's effective interest	本集團有效權益	40%	40%	64%	64%		
Group's share of net assets of associate	本集團應佔聯營公司淨資產	110	120	89	96	199	216
Effect of fair value adjustment at acquisition	於收購時作出公平值調整之影響	—	—	81,915	81,915	81,915	81,915
Accumulated impairment losses	累計減值虧損	(110)	—	(81,605)	(54,285)	(81,715)	(54,285)
Others	其他	—	—	(399)	(410)	(399)	(410)
Carrying amount of Group's interests in associates	本集團於聯營公司權益之賬面值	—	120	—	27,316	—	27,436



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 15. Interests in a Joint Venture

The interests held by the Group in a joint venture which is engaged in the exploration, exploitation and development of oil and gas in Philippines is 80% (2015: 80%).

#### 15. 於合營企業的權益

本集團於菲律賓從事油氣勘探、開採及開發之合營企業持有之實際權益為80% (二零一五年：80%)。

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
At the beginning of the year	於年初	134,877	185,250
Additional investment	額外投資	93,515	48,009
Impairment losses recognised	已確認之減值虧損	—	(98,382)
Reversal of impairment losses recognised	已確認之減值虧損撥回	102,376	—
At the end of the year	於年終	330,768	134,877

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 15. Interests in a Joint Venture (Continued)

Details of impairment test on interests in a joint venture are as follows:

At the end of the reporting period, i.e. 31 December 2016 and 31 December 2015, the management of the Company engaged an independent professional valuer, namely, BMI Appraisals Limited, to assist the management of the Company in determining the recoverable amount of the interests in a joint venture. The recoverable amount was measured at its fair value less costs of disposal at the end of the reporting period.

Since the production plan have not yet been finalised, management of the Company considered that fair value less costs of disposal was the appropriate methodology to determine the recoverable amount of the interests in a joint venture.

The recoverable amount of the interests in a joint venture as at 31 December 2016 was HK\$330,768,000 (2015: HK\$134,877,000), resulting in a reversal of impairment losses of HK\$102,376,000 recognised in the profit or loss for the year ended 31 December 2016 (2015: impairment loss of HK\$98,382,000). The reversal of impairment losses were due to the upward adjustment of estimated oil and gas resources determined by a competent person and the rebound of the market prices of oil and gas during the year ended 31 December 2016.

### 15. 於合營企業的權益(續)

於合營企業權益之減值測試詳情如下：

於二零一六年十二月三十一日及二零一五年十二月三十一日報告期末，本公司管理層已委聘一間獨立專業估值師行(即中和邦盟評估有限公司)協助本公司管理層釐定於合營企業權益之可收回金額。可收回金額乃按其於報告期末之公平值減出售成本計量。

由於生產計劃尚未落實，本公司管理層認為公平值減出售成本為釐定於合營企業權益可收回金額之恰當方法。

於二零一六年十二月三十一日，於合營企業權益之可收回金額為330,768,000港元(二零一五年：134,877,000港元)，導致截至二零一六年十二月三十一日止年度於損益確認之減值虧損撥回102,376,000港元(二零一五年：減值虧損98,382,000港元)。減值虧損撥回乃由於截至二零一六年十二月三十一日止年度一名合資格人士釐定估計油氣資源量有向上調整以及油氣市場價格回升所致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 15. Interests in a Joint Venture (Continued)

Movements in accumulated impairment losses on interests in a joint venture are as follows:

### 15. 於合營企業的權益(續)

有關合營企業累計減值虧損之變動如下：

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Accumulated impairment losses</b>	<b>累計減值虧損</b>		
At the beginning of the year	於年初	<b>244,400</b>	146,018
Impairment losses recognised	已確認減值虧損	—	98,382
Reversal of impairment losses recognised	已確認之減值虧損撥回	<b>(102,376)</b>	—
At the end of the year	於年終	<b>142,024</b>	244,400

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 15. Interests in a Joint Venture (Continued)

**Recoverable amount of interests in joint ventures, measured at its fair value less costs of disposal at the end of the reporting period**

#### (i) Fair value hierarchy

The following table presents the fair value of the Group's interests in a joint venture measured at the end of reporting period, categorized into the three-level fair value hierarchy as defined in HKFRS 13 "Fair Value Measurement".

		Level 1		Level 2		Level 3		Fair value as at	
		第一級		第二級		第三級		31 December	
		2016	2015	2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Interests in a joint venture	於合營企業權益	—	—	330,768	134,877	—	—	330,768	134,877

#### (ii) Valuation techniques and key assumptions used in Level 2 fair value measurement

The fair value measurement of interests in a joint venture is determined using market approach based on price information on recent comparable sale and purchase transactions of oil and gas fields of similar character and location and oil and gas price indexes at the end of each reporting period.

### 15. 於合營企業的權益(續)

合營企業權益的可收回金額(按報告期末其公平值減出售成本計量)

#### (i) 公平值層級

下表呈列報告期末計量的本集團合營企業權益的公平值，分為三級公平值層級(定義見香港財務報告準則第13號「公平值計量」)。

#### (ii) 第二級公平值計量使用之估值方法及主要假設

合營企業權益的公平值計量乃採用市場法釐定，而該市場法乃基於最近具類似特徵及位置之油氣田之可資比較買賣交易之價格資料，及於每個報告期末的油氣價格指數。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 15. Interests in a Joint Venture (Continued)

Summarised financial information in respect of the Group's joint venture are set out below:

#### 15. 於合營企業的權益(續)

有關本集團合營企業之財務資料概述如下：

		Philippines 菲律賓	
		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Total non-current assets	總非流動資產	207,565	89,711
Total current assets	總流動資產	20	7
Total non-current liabilities	總非流動負債	—	—
Total current liabilities	總流動負債	—	—
Net assets	淨資產	207,585	89,718
<b>The above amounts include the followings:</b>	<b>以上金額包括下列各項：</b>		
Cash and cash equivalents	現金及現金等值物	20	7
Current financial liabilities (excluding trade and other payables and provision)	流動財務負債 (不包括應付賬款及其他應付款及撥備)	—	—
Non-current financial liabilities (excluding trade and other payables and provision)	非流動財務負債 (不包括應付賬款及其他應付款及撥備)	—	—

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 15. Interests in a Joint Venture (Continued)

#### 15. 於合營企業的權益(續)

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Total revenue	總收益	—	—
Profit or loss	損益	—	—
Other comprehensive income	其他全面收益	—	—
Total comprehensive income	全面收益總額	—	—
Dividends received from joint venture	從合營企業收到之股息	—	—
<b>The above profit or loss includes the followings:</b>	<b>以上金額包括下列各項：</b>		
Depreciation and amortisation	折舊及攤銷	—	—
Interest income	利息收入	—	—
Interest expense	利息支出	—	—
Income tax expense	所得稅開支	—	—

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 15. Interests in a Joint Venture (Continued)

Reconciliation of above summarised financial information to carrying amount of interests in a joint venture to consolidated financial statements:

#### 15. 於合營企業的權益(續)

上述有關合營企業之概述財務資料與綜合財務報表內的合營企業之賬面值對賬：

		Philippines 菲律賓	
		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Net assets of joint venture	合營企業淨資產	207,585	89,718
Group's effective interest	本集團有效權益	80%	80%
Group's share of joint venture's net assets	本集團應佔合營企業淨資產	166,068	71,774
Effect of fair value adjustment at acquisition	於收購時作出公平值調整之影響	309,804	309,804
Accumulated impairment loss	累計減值虧損	(142,024)	(244,400)
Others	其他	(3,080)	(2,301)
Carrying amount of Group's interest in a joint venture	本集團於合營企業權益之賬面值	330,768	134,877

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 16. Deferred Exploration Expenditure

#### 16. 遞延勘探開支

		2016 二零一六年	2015 二零一五年
		<b>HK\$'000</b> 港幣千元	<b>HK\$'000</b> 港幣千元
Exploration phase	勘探階段		
At cost	按成本	<b>25,548</b>	25,048
Less: Impairment losses	減：減值虧損	<b>(25,548)</b>	—
<b>Net carrying amount</b>	<b>賬面淨值</b>	<b>—</b>	<b>25,048</b>
Reconciliation of movements:	變動對賬：		
At the beginning of the year	於年初	<b>25,048</b>	24,619
Amount recognised	已確認金額	<b>500</b>	429
Impairment losses	減值虧損	<b>(25,548)</b>	—
<b>At the end of the year</b>	<b>於年終</b>	<b>—</b>	<b>25,048</b>

At the end of the reporting period, the Group had incurred deferred exploration expenditure for the exploration, of gas project in Central Luzon Philippines.

Since the duration of exploration phases of the gas project had expired after the end of the reporting period on 28 February 2017 and the application for the extension has not yet been granted by the Department of Energy of Philippines, the management of the Company concluded that no future economic benefits was expected to be generated by the gas project and full impairment loss of HK\$25,548,000 was recognised for the year ended 31 December 2016.

於報告期末，本集團已就勘探菲律賓中呂宋天然氣項目產生遞延勘探開支。

由於天然氣項目勘探期已於二零一七年二月二十八日之報告期末之後屆滿，且續期申請尚未獲菲律賓能源部批准，本公司管理層得出結論，預期天然氣項目將不會產生任何未來經濟利益且已於截至二零一六年十二月三十一日止年度確認全數減值虧損25,548,000港元。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 17. Amounts due from Associates

### 17. 應收聯營公司款項

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Amounts due from associates	應收聯營公司款項	16,287	16,257
Impairment losses	減值虧損	(16,287)	—
		—	16,257

As explained in note (14) to the consolidated financial statements, due to the ongoing suspension for the development of coal mine and the pessimistic business outlook of the coal industry in Philippines, the management of the Company concluded that the amounts due from associates were expected to be irrecoverable and full impairment losses of HK\$16,287,000 were recognised in the profit or loss for the year ended 31 December 2016.

The amounts due from associates are unsecured and non-interest bearing and have no fixed terms of repayment.

誠如綜合財務附註附註(14)所載，由於煤礦開發持續暫停及於菲律賓煤炭行業的黯淡前景，本公司管理層認為截至二零一六年十二月三十一日止年度應收關聯公司款項預期為不可收回並於損益表中確認全額減值虧損16,287,000港元。

應收聯營公司款項為無抵押、免息及無固定還款期。

### 18. Other Receivables

### 18. 其他應收款項

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Prepayments	預付款項	1,339	1,128
Deposits and other debtors	按金及其他應收款項	668	6,953
Amounts due from parties to a joint venture (Note)	應收合營企業方款項(附註)	33,513	9,109
		35,520	17,190

Note:

The amounts due from parties to a joint venture represent the capital contribution paid on behalf of parties to a joint venture. The amounts are interest-free, repayable on demand and secured by their participating interests in the joint venture.

附註：

應收合營企業方款項指代表合營企業方支付的資本出資。該等款項為免息，須按要價償還並由其於合營企業中的參與股份作抵押。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 18. Other Receivables (Continued)

The carrying amounts of the Group's other receivables are denominated in the following currencies:

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
HK dollars	港元	724	882
Renminbi	人民幣	272	1,258
Macau Pataca	澳門元	15	30
Philippines Peso	菲律賓披索	1	—
US dollars	美元	34,508	15,020
		<b>35,520</b>	<b>17,190</b>

None of the other receivables is either past due or impaired. The financial assets included in the above balances are related to receivables for which there has been no recent history of default.

The maximum exposure to credit risk at the reporting date is carrying value of each class of receivable mentioned above.

#### 18. 其他應收款項(續)

本集團其他應收款項的賬面值以下列貨幣計值：

概無其他應收款項為逾期或已減值。上述結餘包括之財務資產乃與最近並無拖欠記錄之應收款項有關。

於報告日期的信貸風險最高承擔額為上述各項應收款的賬面值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 19. Cash and Bank Balances

### 19. 現金及銀行結餘

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Cash at banks	銀行現金	4,580	51,594
Cash in hand	手頭現金	118	180
		<b>4,698</b>	<b>51,774</b>

Cash and bank balances of the Group comprise cash and short-term bank deposits with an original maturity of three months or less.

本集團的現金及銀行結餘包含現金及原到期日為三個月或更短時間的短期銀行存款。

The Group's cash and bank balance of approximately HK\$1,006,000 (2015: HK\$13,906,000) were deposited with banks in the PRC. The remittance of these funds out of the PRC is subject to exchange control restrictions imposed by the PRC government.

本集團的現金及現金等值物約1,006,000港元(二零一五年：13,906,000港元)已存放於中國銀行。將此等資金匯出中國須受到中國政府推行之外匯控制規定之限制。

### 20. Other Payables

### 20. 其他應付款項

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Accrued charges	應計費用	9,594	3,423
Interest payables	應付利息	5,638	1,945
Other payables	其他應付款項	921	785
		<b>16,153</b>	<b>6,153</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 20. Other Payables (Continued)

The carrying amounts of the above balances are denominated in the following currencies:

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
HK dollars	港元	13,878	4,897
Renminbi	人民幣	575	235
Macau Pataca	澳門元	555	190
Philippines Peso	菲律賓披索	548	—
US dollars	美元	597	831
		<b>16,153</b>	<b>6,153</b>

### 20. 其他應付款項(續)

以上款項的賬面值以下列貨幣計值：

### 21. Amounts due to Directors

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
KUAI Wei	鄧偉	—	260
LAI Chun Liang	來俊良	264	85
LIN Zhang	林漳	471	1,046
		<b>735</b>	<b>1,391</b>

### 21. 應付董事款項

The amounts due to directors are unsecured, interest-free and have no fixed terms of repayment.

應付董事款項為無抵押、免息及無固定還款期。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 22. Amount due to a Shareholder

### 22. 應付股東款項

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
LAM Nam	林南	9	1,578

The amount is unsecured, interest-free and has no fixed repayment terms. On 11 March 2015, the Company and Silver Star Enterprises Holdings Inc., entered into a subscription agreement whereby Silver Star Enterprises Holdings Inc. agreed to subscribe for, and the Company agreed to issue and allot for an aggregate of 650,000,000 new shares at the subscription price of HK\$0.195 per new share to settle an amount of HK\$126,750,000 owed by the Group to Mr. Lam Nam.

該款項乃無抵押、免息且並無固定還款條款。於二零一五年三月十一日，本公司與 Silver Star Enterprises Holdings Inc. 訂立認購協議，據此 Silver Star Enterprises Holdings Inc. 同意認購，而本公司同意按每股新股份港幣0.195元之認購價發行及配發總共 650,000,000 股新股份以支付本集團結欠林南先生之款項港幣126,750,000元。

### 23. Convertible Bonds

### 23. 可換股債券

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 January	於一月一日	97,013	—
Liability component of Convertible Bonds recognised (Notes)	可換股債券確認的負債部份 (附註)	44,926	96,247
Interest charged	已徵收利息	18,714	5,259
Interest paid	已付利息	(14,693)	(4,493)
At 31 December	於十二月三十一日	145,960	97,013
Carrying amount repayable Within one year	須償還之賬面值於一年內	98,874	—
More than one year, but not exceeding two years	多於一年但不超過兩年	47,086	97,013
		145,960	97,013

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 23. Convertible Bonds (Continued)

#### Notes

- (i) The convertible bonds at an interest rate of 10% per annum accrued on quarterly basis (the "Convertible Bonds A") were issued on 21 July 2015 to Haitong International Securities Company Limited (the "Bondholder A") in the principal amount of HK\$100,000,000 for a term of 24 months. The punctual performances by the Company of its obligations under the terms of the Convertible Bonds A are guaranteed by Mr. Lam Nam, the controlling shareholder of the Company. The Bondholder A may at any time during the conversion period, the period commencing from the date falling 30 days immediately after the issue date and up to and including the date falling 10 days immediately prior to the maturity date, convert the whole or part of the principal amount outstanding under the Convertible Bonds A into ordinary shares of HK\$0.04 each in the share capital of the Company at the conversion price of HK\$0.4 per conversion share. The principal amount of the Convertible Bonds A which remains outstanding on the maturity date shall be redeemed by the Company together with interest accrued thereon.

The fair value of the liability component of the Convertible Bonds A was measured using a market interest rate of approximately 11.14% for an equivalent non-convertible bond; the remaining balance represented the equity conversion component, is included in owners' equity under convertible bonds reserve.

Details of the subscription of the Convertible Bonds A are set out in the Company's announcements dated on 10 July 2015 and 21 July 2015.

### 23. 可換股債券(續)

#### 附註

- (i) 按年利率10%按季度累計之可換股債券(「可換股債券A」)於二零一五年七月二十一日按本金額港幣100,000,000元發行予海通國際證券有限公司(「債券持有人A」)，為期24個月。本公司之控股股東林南先生就本公司按時履行其於可換股債券A條款內之責任提供擔保。債券持有人A可於轉換期(緊隨發行日期30天後開始截至緊接到期日(包括該日)前10天之期間)內任何時間，按每股轉換股份港幣0.4元之轉換價將可換股債券A項下之未償還本金額全部或部分轉換為本公司股本中每股港幣0.04元之普通股。於到期日尚未償還之可換股債券A本金額將由本公司連同其上應計利息贖回。

可換股債券A負債部份之公平值乃採用同等非可換股債券之市場利率約11.14%計算；餘額指權益兌換部份，計入可換股債券儲備之擁有人權益內。

有關可換股債券A認購詳情載於本公司日期為二零一五年七月十日及二零一五年七月二十一日之公告。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 23. Convertible Bonds (Continued)

#### Notes (Continued)

- (ii) The convertible bonds at an interest rate of 10% per annum accrued on semi-annually basis (the "Convertible Bonds B") were issued on 28 January 2016 to CCB International Overseas Limited (the "Bondholder B") in the principal amount of HK\$50,000,000 for a term of 24 months. The punctual performances by the Company of its obligations under the terms of the Convertible Bonds B are guaranteed by Mr. Lam Nam, the controlling shareholder of the Company. The Bondholder B may at any time during the conversion period, the period commencing from the issue date and up to the close of business of the maturity date, convert the whole or part of the principal amount outstanding under the Convertible Bonds B into ordinary shares of HK\$0.04 each in the share capital of the Company at the conversion price of HK\$0.414 per conversion share. The principal amount of the Convertible Bonds B which remains outstanding on the maturity date shall be redeemed by the Company together with interest accrued thereon.

The fair value of the liability component of the Convertible Bonds B was measured using a market interest rate of approximately 14.76% for an equivalent non-convertible bond; the remaining balance represented the equity conversion component, is included in owners' equity under convertible bonds reserve.

Details of the subscription of the Convertible Bonds B are set out in the Company's announcements dated on 21 December 2015 and 28 January 2016.

### 23. 可換股債券(續)

#### 附註(續)

- (ii) 按年利率10%按半年度累計之可換股債券(「可換股債券B」)於二零一六年一月二十八日按本金額港幣50,000,000元發行予建銀國際海外有限公司(「債券持有人B」)，為期24個月。本公司之控股股東林南先生就本公司按時履行其於可換股債券B條款內之責任提供擔保。債券持有人B可於轉換期(自發行日期開始直至業務到期日期營業結束)內任何時間，按每股轉換股份港幣0.414元之轉換價將可換股債券B項下之未償還本金額全部或部分轉換為本公司股本中每股港幣0.04元之普通股。於到期日尚未償還之可換股債券B本金額將由本公司連同其上應計利息贖回。

可換股債券B負債部份之公平值乃採用同等非可換股債券之市場利率約14.76%計算；餘額指權益兌換部份，計入可換股債券儲備之擁有人權益內。

有關可換股債券B認購詳情載於本公司日期為二零一五年十二月二十一日及二零一六年一月二十八日之公告。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 24. Promissory Note

### 24. 承付票據

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 January	於一月一日	—	8,774
Imputed interest charge	估算利息費用	—	212
Interest paid	已付利息	—	(295)
Derecognition	取消確認	—	(8,691)
At 31 December	於十二月三十一日	—	—

On 14 April 2014, the Company issued a promissory note with a principal amount of HK\$9,800,000 ("Promissory Note") to Mr. Lam Nam ("Mr. Lam"), a substantial shareholder of the Company, as consideration for the acquisition of 12% of the issued capital in Mass Leader Inc., a non-wholly owned subsidiary of the Group. The Promissory Note is unsecured, bears interest at the rate of 3% per annum with maturity date on 13 April 2016. The Promissory Note was measured at amortised cost using effective interest method with the effective interest rate at 12.3% per annum.

The Promissory Note was early redeemed by the Company on 13 April 2015.

於二零一四年四月十四日，本公司向林南先生（本公司之主要股東）（「林先生」）發行本金額為港幣9,800,000元之承付票據（「承付票據」），作為收購Mass Leader Inc.（本集團非全資擁有附屬公司）12%已發行股本之代價。承付票據乃無抵押、年利率3厘、於二零一六年四月十三日到期。承付票據採用實際利率法以攤銷成本計量，實際年利率為12.3%。

本公司已於二零一五年四月十三日提早贖回該承付票據。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 25. Deferred Taxation

The Group's major deferred tax liabilities recognised and movements thereon during the current and prior year are summarized below:

### 25. 遞延稅項

本集團於本年度及上年度確認之重大遞延稅項負債及其變動概述如下：

		Convertible bonds 可換股債券 HK\$'000 港幣千元
At 1 January 2015	於二零一五年一月一日	—
Recognition upon issuance of convertible bonds	於發行可換股債券時確認	619
Credit to income statement for the year	本年度計入收益表	(126)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及 二零一六年一月一日	493
Recognition upon issuance of convertible bonds	於發行可換股債券時確認	837
Credit to income statement for the year	本年度計入收益表	(663)
At 31 December 2016	於二零一六年十二月三十一日	667

No deferred tax asset has been recognised in the consolidated financial statements of the Group in respect of tax losses of approximately HK\$33,214,000 (2015: HK\$35,083,000) available to offset future profits due to the unpredictability of future profit streams against which the asset can be utilised. The unrecognised deferred tax asset of the Group in respect of deductible temporary differences attributable to unused tax losses as at 31 December 2016 amounted to approximately HK\$5,698,000 (2015: HK\$6,165,000).

由於未能預測會否有未來溢利來源可以資產予以抵銷，故並無就可予抵銷未來溢利之稅務虧損約港幣33,214,000元(二零一五年：港幣35,083,000元)於本集團之綜合財務報表確認遞延稅項資產。於二零一六年十二月三十一日，本集團尚未就本集團未使用稅務虧損應佔可扣稅暫時差異確認之遞延稅項資產約為港幣5,698,000元(二零一五年：港幣6,165,000元)。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 26. Obligations under Finance Leases

The Group leased a motor vehicle under finance leases during the year. The lease term is 5 years. Interest rate is fixed at 4.84% per annum at the contract date. The Group has option to purchase the motor vehicle for a nominal amount at the end of the lease terms. No arrangements have been entered into for contingent rental payments.

#### 26. 融資租賃責任

於年內本集團以融資租約租賃一機動車輛，租期五年，於合約日以固定年利率4.84%計息。於租賃期滿本集團可選擇以面值購買該機動車輛。該租約未有就或有租金作出安排。

		Minimum lease payments 最低租金		Present value of minimum lease payments 最低租金現值	
		2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Amounts payable under finance leases:	融資租賃應付 款項：				
Within one year	一年內到期	177	177	163	155
In more than one year and not more than five years	二至五年期	310	487	214	377
		487	664	377	532
Less: Future finance charges	減：未來融資開支	(110)	(132)	N/A	N/A
Present value of lease obligations	租約責任現值	377	532	377	532
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：十二個月內到期 (列入流動 負債)			(163)	(155)
Amount due for settlement after 12 months	十二個月後應到期 支付的款項			214	377

The Group's obligations under finance leases are secured by the lessor's title to the leased assets.

租賃人根據融資租賃持有資產的所有權已作抵押，作為本集團融資租賃責任之擔保。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 27. Share Capital

### 27. 股本

		Number of shares 股份數目		Amount 金額	
		2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年
		'000 千股	'000 千股	HK\$'000 港幣千元	HK\$'000 港幣千元
Authorised:	法定：				
	每股面值				
Ordinary shares of HK\$0.04 each	港幣0.04元的 普通股	5,000,000	5,000,000	200,000	200,000
Issued and fully paid:	已發行及繳足：				
At the beginning of the year	於年初	2,787,537	1,937,537	111,502	77,502
Issue of shares upon loan capitalisation	貸款資本化 發行股份	—	650,000	—	26,000
Issue of shares under share subscription	股份認購發行 股份	150,000	200,000	6,000	8,000
At the end of the year	於年終	2,937,537	2,787,537	117,502	111,502

On 18 March 2015, 100,000,000 ordinary shares were allotted and issued to an independent third party at HK\$0.195 per share for cash. The new shares rank pari passu in all respects with the existing shares of the Company.

於二零一五年三月十八日，本公司向一獨立第三方以每股港幣0.195元現金配發及發行100,000,000股普通股。新股份於各方面均與本公司現有股份享有同等地位。

On 8 May 2015, 650,000,000 ordinary shares were allotted and issued at the subscription price of HK\$0.195 per share to settle a loan of HK\$126,750,000 owed by the Group to Mr. Lam Nam, the controlling shareholder of the Company. The new shares rank pari passu in all respects with the existing shares of the Company.

於二零一五年五月八日，本公司按每股港幣0.195元之認購價配發及發行650,000,000股普通股以支付本集團結欠林南先生(本公司之控股股東)之貸款港幣126,750,000元。新股份於各方面均與本公司現有股份享有同等地位。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 27. Share Capital (Continued)

On 22 June 2015, 50,000,000 ordinary shares each were allotted and issued to each of two independent third parties at HK\$0.33 per share for cash. The new shares rank pari passu in all respects with the existing shares of the Company.

Pursuant to a subscription agreement dated 9 May 2016, an aggregate of 150,000,000 ordinary shares were allotted and issued to an independent third party at HK\$0.414 per share for cash. The new shares rank pari passu in all respects with the existing shares of the Company.

### 28. Retirement Benefit Schemes

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions at HK\$1,500 or 5% of the relevant payroll costs, whichever is the lower, to the scheme. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme.

The employees of the Group's subsidiaries in the People's Republic of China are members of a state-managed retirement benefit scheme operated by the local government. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

### 27. 股本(續)

於二零一五年六月二十二日，本公司向兩名獨立第三方各自按每股港幣0.33元以現金配發及發行50,000,000股普通股。新股份於各方面均與本公司現有股份享有同等地位。

根據二零一六年五月九日訂立之認購協議，本公司按每股港幣0.414元現金向一獨立第三方配發及發行150,000,000股普通股。新股份於各方面均與本公司現有股份享有同等地位。

### 28. 退休福利計劃

本集團為香港所有合資格僱員經營一項強制性公積金計劃(「強積金計劃」)。強積金計劃之資產與本集團之資產分開處理，由獨立受託人控制之基金持有。根據強積金計劃之規定，僱主及其僱員均須各自向該計劃繳納港幣1,500元或相關薪金成本5%(以較低者為準)之供款。本集團就強積金計劃具有之唯一責任為根據該計劃繳納所需供款。

本集團於中華人民共和國境內附屬公司之僱員是一項由當地政府經營之國家管理退休福利計劃之成員。該等附屬公司須按薪金成本之指定百分比向該退休福利計劃供款，以便為該等福利提供資金。本集團就該退休福利計劃具有之唯一責任為繳納指定供款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 29. Related Party Transactions

Save as disclosed in elsewhere in these consolidated financial statements, the Group had transactions with the following related parties during the year:

- (a) Transactions and balances between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.
- (b) Remuneration for key management personnel of the Group, including the Company's Directors and certain highest paid employees, is set out in note 9.
- (c) During the year, the Group made/received advances to/from related parties. Details and balances outstanding as at 31 December 2016 are disclosed in notes 17, 21 and 22.
- (d) During the year, the Group paid office rentals and business promotion expenses in amounts of approximately HK\$500,000 (2015: HK\$594,000) and HK\$Nil (2015: HK\$600,000) respectively to the companies controlled by Mr. Lam Nam, the controlling shareholder of the Company.
- (e) In 2015, the Company allotted and issued 650,000,000 ordinary shares at the subscription price of HK\$0.195 per Share to settle a loan of HK\$126,750,000 owed by the Group to Mr. Lam Nam, the controlling shareholder of the Company.

### 29. 關連方交易

除於本綜合財務報表其他地方所披露外，本集團於年內與關聯方進行以下交易：

- (a) 本公司與其附屬公司(為本公司關連方)之交易及結餘已於綜合賬目撇銷及並無在本附註中披露。
- (b) 本集團主要管理人員(包括本公司董事及若干最高薪酬僱員)之酬金載於附註9。
- (c) 於年內，部份本集團向關連方作出／部份收取墊款。詳情及於二零一六年十二月三十一日之未償還結餘於附註17、21及22部份披露。
- (d) 年內，本集團向本公司之控股股東林南先生控制的公司支付辦公室租金及業務推廣費分別約港幣500,000元(二零一五年：港幣594,000元)及港幣零元(二零一五年：港幣600,000元)。
- (e) 於二零一五年，本公司按每股港幣0.195元之認購價配發及發行650,000,000股普通股以支付本集團結欠本公司之控股股東林南先生港幣126,750,000元之貸款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 29. Related Party Transactions (Continued)

The related party transaction in respect of (e) above constitutes connected transactions as defined in Chapter 20 of the GEM Listing Rules. The disclosures required by Chapter 20 of the GEM Listing Rules were provided in the Directors' Report.

The related party transactions in respect of (b), (c) and (d) above constitute connected transactions as defined in Chapter 20 of the GEM Listing Rules. However those transactions are exempt from the disclosure requirements in Chapter 20 of the GEM Listing Rules.

The related party transaction in respect of (a) above does not constitute connected transactions as defined in Chapter 20 of the GEM Listing Rules.

### 29. 關連方交易(續)

以上關連方交易(e)構成創業板上市規則第二十章所定義之關連交易。有關披露已按創業板上市規則第二十章在董事報告內提供。

以上關連方交易(b)、(c)和(d)構成創業板上市規則第二十章所定義之關連交易。此等交易豁免遵守創業板上市規則第二十章內的披露規定。

以上關連方交易(a)並不構成創業板上市規則第二十章所定義之關連交易。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 30. Operating Leases

Minimum lease payments paid by the Group as lessee under operating leases during the year:

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Premises and equipment	物業及設備	2,056	1,675

At the reporting date, the total commitments for future minimum lease payments under non-cancelable operating leases are as follows:

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Premises and equipment	物業及設備		
— within 1 year	— 一年內	1,502	2,170
— due after 1 year but within 5 years	— 一年後 但五年內	667	1,514
		2,169	3,684

### 30. 經營租約

本集團於年內根據經營租約支付之最低租金：

於報告日期，根據不可撤銷經營租約有關未來最低租金之總承擔如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 31. Capital Commitments

At the reporting date, the capital commitments outstanding contracted for but not provided for in these consolidated financial statements are as follows:

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Contributions to a joint venture	出資予合營企業	45,364	89,774

### 31. 資本承擔

於報告日期，已訂約惟未於本綜合財務報表撥備之尚未履行資本承擔如下：

### 32. Financial Risk and Capital Risk Management

#### (a) Financial risk management

##### (a) Categories of financial instruments

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Financial assets</b>	<b>財務資產</b>		
Other receivables	其他應收款項	34,181	16,062
Amounts due from associates	應收聯營公司款項	—	16,257
Cash and bank balances	現金及銀行結餘	4,698	51,774
		<b>38,879</b>	<b>84,093</b>

### 32. 財務風險及資本風險管理

#### (a) 財務風險管理

##### (a) 財務工具之分類



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 32. Financial Risk and Capital Risk Management (Continued)

#### (a) Financial risk management (Continued)

##### (a) Categories of financial instruments (Continued)

### 32. 財務風險及資本風險管理(續)

#### (a) 財務風險管理(續)

##### (a) 財務工具之分類(續)

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Financial liabilities</b>	<b>財務負債</b>		
Other payables	其他應付款項	16,153	6,153
Amounts due to directors	應付董事款項	735	1,391
Convertible bonds	可換股債券	145,960	97,013
Obligations under finance leases	融資租賃責任	377	532
Amount due to a shareholder	應付股東款項	9	1,578
		<b>163,234</b>	106,667

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 32. Financial Risk and Capital Risk Management (Continued)

#### (a) Financial risk management (Continued)

#### (b) Financial risk management and policies (Continued)

The Group's major financial instruments are disclosed in section (a) of this note. The risks associated with these financial instruments include market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk and policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### (i) Market risk management

Foreign currency risk

The Group has certain foreign currency cash and bank balances, other receivables, amounts due from associates and other payables denominated in foreign currencies other than the respective functional currencies of the entities and thus expose the Group to foreign currency risk. The management continuously monitors the foreign exchange exposure and will consider hedging foreign currency risk should the need arise.

### 32. 財務風險及資本風險管理(續)

#### (a) 財務風險管理(續)

#### (b) 財務風險管理及政策(續)

本集團之主要財務工具於本附註(a)部份披露。有關該等財務工具之風險包括市場風險(外幣風險及利率風險)、信貸風險及流動資金風險，而減低該等風險之政策於下文載列。管理層管理及監察該等風險，以確保適時實行有效之適當措施。

#### (i) 市場風險管理

外幣風險

本集團擁有以外幣(實體之有關功能貨幣除外)列值之外幣現金及銀行結餘、其他應收款項、應收聯營公司及其他應付款項，因此本集團須承受外幣風險。管理層持續監察外幣風險，並將於有需要時考慮對沖外幣風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 32. Financial Risk and Capital Risk Management (Continued)

#### (a) Financial risk management (Continued)

#### (b) Financial risk management and policies (Continued)

##### (i) Market risk management (Continued)

Foreign currency risk (Continued)

The carrying amounts of the Group's significant foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

### 32. 財務風險及資本風險管理(續)

#### (a) 財務風險管理(續)

#### (b) 財務風險管理及政策(續)

##### (i) 市場風險管理(續)

外幣風險(續)

於報告日期，本集團以外幣列值之重大貨幣資產及貨幣負債之賬面值如下：

		Assets 資產	
		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Renminbi	人民幣	1,114	14,630
Macau Pataca	澳門幣	19	21
United State dollar	美元	33,855	14,393
Philippines Peso	菲律賓披索	231	263
		Liabilities 負債	
		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Renminbi	人民幣	575	235
Macau Pataca	澳門幣	555	190
Philippines Peso	菲律賓披索	548	—

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 32. Financial Risk and Capital Risk Management (Continued)

#### (a) Financial risk management (Continued)

#### (b) Financial risk management and policies (Continued)

##### (i) Market risk management (Continued)

Foreign currency risk (Continued)

Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss for the year and consolidated equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. As the Hong Kong Dollars are pegged to the United State Dollars, the risk of movements in exchange rates between the Hong Kong Dollars and the United States Dollars is assumed to be insignificant. The analysis is performed on the same basis in 2016 and 2015.

### 32. 財務風險及資本風險管理(續)

#### (a) 財務風險管理(續)

#### (b) 財務風險管理及政策(續)

##### (i) 市場風險管理(續)

外幣風險(續)

敏感度分析

下表列明在假設所有其他風險變量不變的情況下，集團面對重大風險之外匯匯率如在報告期末出現變動，對本集團的損益和綜合權益的即時變動。由於港幣與美元掛鈎，因此預設港元與美元之間的匯率波動風險並不重大。二零一六年和二零一五年的分析是在同一基礎上進行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 32. Financial Risk and Capital Risk Management (Continued)

### 32. 財務風險及資本風險管理(續)

#### (a) Financial risk management (Continued)

#### (a) 財務風險管理(續)

#### (b) Financial risk management and policies (Continued)

#### (b) 財務風險管理及政策(續)

#### (i) Market risk management (Continued)

#### (i) 市場風險管理(續)

Foreign currency risk (Continued)

外幣風險(續)

Sensitivity analysis (Continued)

敏感度分析(續)

		2016 二零一六年			2015 二零一五年		
		(Increase)/ Increase/ (decrease) in (decrease) loss for the in foreign year and exchange accumulated rates losses 本年度虧損 匯率百分比 及累計虧損			(Increase)/ Increase/ (decrease) in (decrease) loss for the in foreign year and exchange accumulated rates losses 本年度虧損 匯率百分比 及累計虧損		
		equity 綜合權益 增加/(減少)			equity 綜合權益 增加/(減少)		
		HK\$'000 港幣千元			HK\$'000 港幣千元		
Renminbi	人民幣	5%	(27)	27	5%	(720)	720
		(5%)	27	(27)	(5%)	720	(720)
Macau Pataca	澳門幣	5%	27	(27)	5%	9	(9)
		(5%)	(27)	27	(5%)	(9)	9
Philippines Peso	菲律賓披索	5%	16	(16)	5%	(14)	14
		(5%)	(16)	16	(5%)	14	(14)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 32. Financial Risk and Capital Risk Management (Continued)

#### (a) Financial risk management (Continued)

##### (b) Financial risk management and policies (Continued)

###### (i) Market risk management (Continued)

###### Interest rate risk

The Group's interest rate risk is primarily from the convertible bonds issued at fixed rate which exposes the Group to fair value interest rate risk. 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 arises.

###### (ii) Credit risk management

As at 31 December 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to perform an obligation by the counterparties is the carrying amount of the respective recognized financial assets as stated in the consolidated statement of financial position.

### 32. 財務風險及資本風險管理(續)

#### (a) 財務風險管理(續)

##### (b) 財務風險管理及政策(續)

###### (i) 市場風險管理(續)

###### 利率風險

本集團之利率風險主要來自按固定利率發行之可換股債券，令本集團承擔公平值利率風險。本集團目前並無利率對沖政策。然而，管理層監察利率風險，並會於有需要時考慮對沖重大利率風險。

###### (ii) 信貸風險管理

於二零一六年十二月三十一日，本集團所面對之最高信貸風險(將因對方未能履行責任而對本公司構成財務虧損)為綜合財務狀況表所述相關已確認財務資產之賬面值。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 32. Financial Risk and Capital Risk Management (Continued)

#### (a) Financial risk management (Continued)

#### (b) Financial risk management and policies (Continued)

##### (ii) Credit risk management (Continued)

In order to minimize the credit risk in relation to amounts due from parties to a joint venture, the Group obtained collateral from parties to a joint venture. In relation to other receivables, the management has strengthened the credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the management reviews the recoverable amount of each individual receivable at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management considers that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the majority of the counterparties are reputable banks or banks with high credit ratings assigned by international credit-rating agencies.

### 32. 財務風險及資本風險管理(續)

#### (a) 財務風險管理(續)

#### (b) 財務風險管理及政策(續)

##### (ii) 信貸風險管理(續)

為減低有關應收合營企業方款項之信貸風險，本集團已獲取合營企業方的抵押品。有關其他應收款項，管理層已加強信貸限制、信貸審批及其他監察程序，以確保採取跟進行動以收回逾期債務。此外，管理層於各報告日期均會檢討各個別應收款項之可收回金額，以確保已就不可收回金額作出足夠減值虧損。就此而言，管理層認為，本集團之信貸風險已大大減低。

由於交易對方大部份為信譽良好之銀行或獲國際信貸評級機構授予高信貸評級之銀行，故流動資金之信貸風險有限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 32. Financial Risk and Capital Risk Management (Continued)

#### (a) Financial risk management (Continued)

#### (b) Financial risk management and policies (Continued)

##### (iii) Liquidity risk management

In the management of the liquidity risk, the management manages its funds conservatively by maintaining a comfortable level of cash and cash equivalents in order to meet continuous operational need. Various bank facilities and credit lines will be considered to fund any emergency liquidity requirements. The Group relies on fund raising activities from issuance of shares and convertible bonds as principal sources of liquidity. Further details of measures taken in order to improve the liquidity of the Group are explained in note 3(b) to the consolidated financial statements.

### 32. 財務風險及資本風險管理(續)

#### (a) 財務風險管理(續)

#### (b) 財務風險管理及政策(續)

##### (iii) 流動資金風險管理

於管理流動資金風險時，管理層透過維持足夠水平之現金及現金等值物，保守管理其資金，以應付持續經營需要。本集團將考慮多項銀行融資及信貸額度，以為任何緊急流動資金需要提供資金。本集團倚賴發行股份及可換股債券之集資活動作為流動資金之主要來源。有關本集團改善流動資金之措施之進一步詳情於綜合財務報表附註3(b)內解釋。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 32. Financial Risk and Capital Risk Management (Continued)

#### (a) Financial risk management (Continued)

#### (b) Financial risk management and policies (Continued)

#### (iii) Liquidity risk management (Continued)

The following tables detail the Group's remaining contractual maturity for its financial liabilities, which are based on the undiscounted cash flows of financial liabilities and the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

### 32. 財務風險及資本風險管理(續)

#### (a) 財務風險管理(續)

#### (b) 財務風險管理及政策(續)

#### (iii) 流動資金風險管理(續)

下表詳述本集團就其財務負債之餘下合約到期情況，乃基於財務負債之未貼現現金流量以及本集團可能須支付之最早日期而定。下表包括利息及主要現金流量。

		On demand or less than 1 year	More than 1 year	Total un-discounted cash flows	Total carrying amount at 31/12/2016 於二零一六年 十二月三十一日 之賬面總值
		按要求或 少於一年	多於一年	未貼現現金 流量總額	之賬面總值
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
2016	二零一六年				
Obligations under finance leases	融資租賃責任	177	222	398	377
Other payables	其他應付款項	16,153	—	16,153	16,153
Amount due to a shareholder	應付股東款項	9	—	9	9
Amounts due to directors	應付董事款項	735	—	735	735
Convertible bonds	可換股債券	112,500	55,000	167,500	145,960
		129,574	55,221	184,795	163,234

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 32. Financial Risk and Capital Risk Management (Continued)

### 32. 財務風險及資本風險管理(續)

#### (a) Financial risk management (Continued)

#### (a) 財務風險管理(續)

#### (b) Financial risk management and policies (Continued)

#### (b) 財務風險管理及政策(續)

#### (iii) Liquidity risk management (Continued)

#### (iii) 流動資金風險管理(續)

	On demand or less than 1 year	More than 1 year	Total un-discounted cash flows	Total carrying amount at 31/12/2015	
	按要求或 少於一年	多於一年	未貼現現金 流量總額	十二月三十一日 之賬面總值	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	
2015		二零一五年			
Obligations under finance leases	融資租賃責任	177	399	576	532
Other payables	其他應付款項	6,153	—	6,153	6,153
Amount due to a shareholder	應付股東款項	1,578	—	1,578	1,578
Amounts due to directors	應付董事款項	1,391	—	1,391	1,391
Convertible bonds	可換股債券	10,000	107,500	117,500	97,013
		19,299	107,899	127,198	106,667

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 32. Financial Risk and Capital Risk Management (Continued)

#### (b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the net debt-to-equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total liabilities (including current and non-current liabilities as shown in the consolidated statement of financial position) less cash and cash equivalents. Total equity represents the equity as shown in the consolidated statement of financial position.

### 32. 財務風險及資本風險管理(續)

#### (b) 資本風險管理

本集團管理資本之目的為保障本集團持續經營之能力，以為股東提供回報及為其他利益相關者提供利益，並維持最佳資本架構以減低資本成本。

為維持或調整資本架構，本集團可調整已付予股東之股息金額、退還資本予股東、發行新股份或出售資產以減少債務。

與業內其他企業一致，本集團按淨債務對權益比率監察資本。比率以淨債務除以總權益計算。淨債務以總負債(包括綜合財務狀況表所示之流動及非流動負債)減現金及現金等值物計算。總權益指綜合財務狀況表所示之權益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 32. Financial Risk and Capital Risk Management (Continued)

#### (b) Capital risk management (Continued)

During 2016, the Group's strategy, which was unchanged from 2015, was to maintain the net debt-to-equity ratio at an acceptable level. The net debt-to-equity ratios at 31 December 2016 and 2015 are as follows:

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Total debts	總債務	163,901	107,160
Less: Cash and cash equivalents	減：現金及現金等值物	(4,698)	(51,774)
Net debt	淨債務	159,203	55,386
Total equity	總權益	207,997	166,621
Net debt-to-equity ratio	淨債務對權益比率	77%	33%

### 32. 財務風險及資本風險管理(續)

#### (b) 資本風險管理(續)

於二零一六年內，本集團之策略(自二零一五年起維持不變)為將淨債務對權益比率維持於可接受水平。於二零一六年及二零一五年十二月三十一日之淨債務對權益比率如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 32. Financial Risk and Capital Risk Management (Continued)

### 32. 財務風險及資本風險管理(續)

#### (c) Fair value measurement

The Group has no financial assets and financial liabilities that are measured at fair value on a recurring basis.

The Group has financial liabilities (as detailed in the following table) that are not measured at fair value on a recurring basis but fair value disclosures are required.

#### (c) 公平值計量

本集團並無財務資產及財務負債需按經常性基準以公平值計量。

本集團的財務負債(如下表所詳述)需不按經常性基準以公平值計量但按需求披露其公平值。

	Carrying amount		Fair value		Fair value as at 31 December categorized into					
	賬面值		公平值		Level 1		Level 2		Level 3	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	2016年	2015年	2016年	2015年	2016年	2015年	2016年	2015年	2016年	2015年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Financial liabilities 財務負債										
Convertible bonds 可換股債券	145,960	97,013	150,546	97,544	—	—	150,546	97,544	—	—

Valuation techniques and inputs used in Level 2 fair value measurements:

The fair values of liability components of convertible bonds are estimated as being the present value of future cash flows, discounted at interest rates based on the Hong Kong Government Bond rate as at the end of the reporting period plus an adequate constant credit spread of traded bonds with similar maturity of the Company's convertible bonds and credit rating.

Except as detailed in the above table, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values.

採用於計量公平值第二級的估值方法及輸入數據：

可換股債券負債部份之公平值按經折讓(利率採用於本報告期末之香港政府債券息率加上與本公司之可換股債券到期日及信譽評級的類同可買賣債券之充足均勻信貸分佈率)未來現金流現值估計。

除上表所詳述者外，董事認為於綜合財務報表確認之財務資產及財務負債之賬面值與其公平值相若。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 33. Particulars of Subsidiaries

### 33. 附屬公司詳情

Particulars of the Company's subsidiaries at 31 December 2016 were as follows:

於二零一六年十二月三十一日，本公司之附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/經營地點	Forms of legal entity 法定實體形式	Issued and fully paid share capital/ registered capital* 已發行及註冊資本*	Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之已發行股本/註冊資本所佔面值比例				Principal activities 主要業務
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Kanstar Environmental Technology Group Limited	British Virgin Islands 英屬處女群島	International Business Company 國際商務公司	US\$1,000 1,000美元	100%	—	100%	—	Investment holding 投資控股
Win Easy International Limited	British Virgin Islands 英屬處女群島	International Business Company 國際商務公司	US\$1 1美元	100%	—	100%	—	Investment holding 投資控股
Polyard Petroleum Resources Development Inc	British Virgin Islands 英屬處女群島	International Business Company 國際商務公司	US\$1 1美元	100%	—	100%	—	Investment holding 投資控股
Mexford Holdings Limited	British Virgin Islands 英屬處女群島	International Business Company 國際商務公司	US\$50,000 50,000美元	—	100%	—	100%	Investment holding 投資控股
Carson Coal Trading Co., Limited 佳信煤炭銷售有限公司	Hong Kong 香港	Limited Liability Company 有限責任公司	HK\$1 港幣1元	—	100%	—	100%	Trading of minerals and energy products 礦物及能源產品買賣
Blue Sky Power Company Limited 藍天電力有限公司 (formerly Polyard Natural Gas Power Plant Group Limited) (前稱為百田天然氣發電集團有限公司)	Hong Kong 香港	Limited Liability Company 有限責任公司	HK\$30,000,000 港幣30,000,000元	—	100%	—	100%	Operation of power plant 發電廠營運
Modern Lucky International Limited 新運通國際有限公司	Hong Kong 香港	Limited Liability Company 有限責任公司	HK\$2 港幣2元	—	100%	—	100%	Investment holding 投資控股
Polyard Petroleum (Hong Kong) Limited 百田石油(香港)有限公司	Hong Kong 香港	Limited Liability Company 有限責任公司	HK\$1 港幣1元	—	100%	—	100%	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 33. Particulars of Subsidiaries (Continued)

### 33. 附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/經營地點	Forms of legal entity 法定實體形式	Issued and fully paid share capital/ registered capital* 已發行及 繳足股本/ 註冊資本*	Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之已發行股本/ 註冊資本所佔面值比例				Principal activities 主要業務
				2016		2015		
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Polyard Petroleum International Company Limited 百田石油國際有限公司	Macau 澳門	Limited Liability Company 有限責任公司	MOP40,000,000 40,000,000 澳門元	-	100%	-	100%	Investment holding 投資控股
Sinotech Polyard Petroleum Exploration & Development Research Institute Limited 中科百田石油勘探開發研究院有限公司	Hong Kong 香港	Limited Liability Company 有限責任公司	HK\$100,000 港幣100,000元	-	70%	-	70%	Provision of consultancy services for oil and gas exploration and development 提供油氣勘探及發展 顧問服務
Sinotech Polyard (Beijing) Resource Science and Technology Limited 中科百田(北京)資源科技有限公司	PRC 中國	Limited Liability Company 有限責任公司	HK\$4,000,000 港幣4,000,000元	-	92.5%	-	92.5%	Provision of consultancy services for oil and gas exploration and development 提供油氣勘探及發展 顧問服務
Polyard International Mining Company Limited 百田國際礦業有限公司	Hong Kong 香港	Limited Liability Company 有限責任公司	HK\$1,000,000 港幣1,000,000元	-	100%	-	100%	Investment holding 投資控股
Joyful View International Limited 景悅國際有限公司	British Virgin Islands 英屬處女群島	International Business Company 國際商務公司	US\$1 1美元	100%	-	-	-	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 33. Particulars of Subsidiaries (Continued)

### 33. 附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/經營地點	Forms of legal entity 法定實體形式	Issued and fully paid share capital/ registered capital* 已發行及 繳足股本/ 註冊資本*	Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之已發行股本/ 註冊資本所佔面值比例				Principal activities 主要業務
				2016		2015		
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Polyard Petroleum Philippines Company Limited, Inc.	Philippines 菲律賓	Limited Liability Company 有限責任公司	PHP10,000,000 10,000,000披索	-	100%	-	100%	Mineral and energy related business 礦物及能源相關業務
Mass Leader Inc.	British Virgin Islands 英屬處女群島	International Business Company 國際商務公司	US\$50,000 50,000美元	-	63%	-	63%	Investment holding 投資控股
China International Mining Petroleum Company Limited 中國國際礦業石油有限公司	Hong Kong 香港	Limited Liability Company 有限責任公司	HK\$10,000,000 港幣10,000,000元	-	63%	-	63%	Mineral and energy related business 礦物及能源相關業務

None of the subsidiaries had issued any debt securities at the end of the year.

於年終，概無附屬公司發行任何債務證券。

### 34. Non-Cash Transactions

### 34. 非現金交易

A total amount of HK\$126,750,000 due from the Group to Mr. Lam Nam, the controlling shareholder of the Company, was settled by the allotment and issue of 650,000,000 shares of the Company at the subscription price of HK\$0.195 per share ("Loan Capitalisation") which are non-cash financing activities and not reflected in the consolidated statement of cash flows. Details of the Loan Capitalisation are set out in note 27.

本集團欠本公司控股股東林南先生總金額為126,750,000港元，通過配售及發行650,000,000股本公司股份結算，認購價為每股0.195港元(「貸款資本化」)，該等收購乃非現金融資活動，且並無於綜合現金流量表內反映。貸款資本化詳情載列於附註27。

There were no material non-cash transactions in 2016.

於二零一六年沒有重大非現金交易。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

### 35. 擁有重大非控制性權益之非全資附屬公司詳情

下表列示本集團擁有重大非控制性權益之非全資附屬公司詳情：

Name of subsidiary 附屬公司名稱	Place of incorporation/ principle place of business 註冊成立/ 主要營業地點	Proportion of ownership interest and voting rights held by non- controlling interests 非控制性權益所持擁有權權益 及投票權比例		(Loss)/Profit allocated to non-controlling interests 非控制性權益 所佔(虧損)/溢利		Accumulated non-controlling interests 累計非控制性權益	
		2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
				HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Xian Polyard Petrochemical Limited (Deregistered during 2015) 西安百田石油化工有限公司 (於2015年度已撤銷註冊)	China 中國	—	49%	—	(87)	—	—
Mass Leader Inc	BVI/Hong Kong 英屬處女群島/香港	37%	37%	(5)	(3)	117	122
China International Mining Petroleum Company Limited 中國國際礦業石油有限公司	Hong Kong 香港	37%	37%	32,174	(38,041)	46,239	14,065
Sinotech Polyard Petroleum Exploration & Development Research Institute Limited 中科百田石油勘探開發研究院有限公司	Hong Kong 香港	30%	30%	(2,062)	(59)	(2,638)	(576)
Individually immaterial subsidiaries with non-controlling interests 擁有非控制性權益之個別 不屬重大附屬公司				(226)	(181)	(552)	(326)
				29,881	(38,371)	43,166	13,285

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-controlling Interests (Continued)

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intergroup eliminations.

#### 35. 擁有重大非控制性權益之非全資附屬公司詳情(續)

本集團擁有重大非控制性權益之各附屬公司之財務資料概要載列如下。下文之財務資料概要呈示集團內對銷前之金額。

Xian Polyard Petrochemical Limited 西安百田石油化工有限公司		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Current assets	流動資產	—	—
Non-current assets	非流動資產	—	—
Current liabilities	流動負債	—	—
Non-current liabilities	非流動負債	—	—
Equity attributable to owners of the Company	本公司擁有人應佔權益	—	—
Non-controlling interests	非控制性權益	—	—
Revenue	收益	—	—
Expenses	開支	—	(178)
Loss for the year	本年度虧損	—	(178)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	—	(91)
Loss attributable to the non-controlling interests	非控股權益應佔虧損	—	(87)
Loss for the year	本年度虧損	—	(178)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

#### 35. 擁有重大非控制性權益之非全資附屬公司詳情(續)

Xian Polyard Petrochemical Limited 西安百田石油化工有限公司		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Other comprehensive expense attributable to owners of the Company	本公司擁有人應佔其他全面支出	—	—
Other comprehensive expense attributable to the non-controlling interests	非控制性權益應佔其他全面支出	—	—
<b>Other comprehensive expense for the year</b>	<b>本年度其他全面支出</b>	<b>—</b>	<b>—</b>
Total comprehensive expense attributable to owners of the Company	本公司擁有人應佔其他全面支出總額	—	(91)
Total comprehensive expense attributable to the non-controlling interests	非控制性權益應佔其他全面支出總額	—	(87)
<b>Total comprehensive expense for the year</b>	<b>本年度全面支出總額</b>	<b>—</b>	<b>(178)</b>
<b>Net cash inflow from operating activities</b>	<b>經營業務現金流入淨額</b>	<b>—</b>	<b>—</b>
<b>Net cash outflow from investing activities</b>	<b>投資活動現金流出淨額</b>	<b>—</b>	<b>—</b>
<b>Net cash outflow from financing activities</b>	<b>融資活動現金流出淨額</b>	<b>—</b>	<b>—</b>
<b>Effect of foreign exchange rate changes</b>	<b>外幣滙率變動之影響</b>	<b>—</b>	<b>—</b>
<b>Net cash inflow</b>	<b>現金流入淨額</b>	<b>—</b>	<b>—</b>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

#### 35. 擁有重大非控制性權益之非全資附屬公司詳情(續)

Mass Leader Inc		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Current assets	流動資產	14,072	14,072
Non-current assets	非流動資產	10,000	10,000
Current liabilities	流動負債	23,753	23,742
Non-current liabilities	非流動負債	—	—
Equity attributable to owners of the Company	本公司擁有人應佔權益	202	208
Non-controlling interests	非控制性權益	117	122
Revenue	收益	—	—
Expenses	開支	(11)	(7)
Loss for the year	本年度虧損	(11)	(7)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(6)	(4)
Loss attributable to the non-controlling interests	非控制性權益應佔虧損	(5)	(3)
Loss for the year	本年度虧損	(11)	(7)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

#### 35. 擁有重大非控制性權益之非全資附屬公司詳情(續)

Mass Leader Inc		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Other comprehensive income attributable to owners of the Company	本公司擁有人應佔其他全面收益	—	—
Other comprehensive income attributable to the non-controlling interests	非控制性權益應佔其他全面收益	—	—
Other comprehensive income for the year	本年度其他全面收益	—	—
Total comprehensive expense attributable to owners of the Company	本公司擁有人應佔全面支出總額	(6)	(4)
Total comprehensive expense attributable to the non-controlling interests	非控制性權益應佔全面支出總額	(5)	(3)
Total comprehensive expense for the year	本年度全面支出總額	(11)	(7)
Net cash outflow from operating activities	經營業務現金流出淨額	(2)	—
Net cash outflow from investing activities	投資活動現金流出淨額	—	—
Net cash inflow from financing activities	融資活動現金流入淨額	2	—
Effect of foreign exchange rate changes	外幣匯率變動之影響	—	—
Net cash inflow/(outflow)	現金流入/(流出)淨額	—	—

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

#### 35. 擁有重大非控制性權益之非全資附屬公司詳情(續)

China International Mining Petroleum Company Limited 中國國際礦業石油有限公司		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Current assets	流動資產	34,310	9,930
Non-current assets	非流動資產	331,081	135,258
Current liabilities	流動負債	246,507	107,233
Non-current liabilities	非流動負債	—	—
Equity attributable to owners of the Company	本公司擁有人應佔權益	72,645	23,890
Non-controlling interests	非控制性權益	46,239	14,065
Other income	其他收益	102,377	—
Expenses	開支	(21,456)	(112,230)
Profit/(loss) for the year	本年度溢利/(虧損)	80,921	(112,230)
Profit/loss attributable to owners of the Company	本公司擁有人應佔溢利/虧損	48,746	(74,209)
Profit/loss attributable to the non-controlling interests	非控制性權益應佔溢利/虧損	32,175	(38,021)
Profit/(loss) for the year	本年度溢利/(虧損)	80,921	(112,230)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016  
截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

### 35. 擁有重大非控制性權益之非全資附屬公司詳情(續)

China International Mining Petroleum Company Limited 中國國際礦業石油有限公司		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Other comprehensive expense attributable to owners of the Company	本公司擁有人應佔其他全面支出	(1)	(34)
Other comprehensive expense attributable to the non-controlling interests	非控制性權益應佔其他全面支出	(1)	(20)
Other comprehensive expense for the year	本年度其他全面支出	(2)	(54)
Total comprehensive income/(expense) attributable to owners of the Company	本公司擁有人應佔全面收益/(支出)總額	48,745	(74,243)
Total comprehensive income/(expense) attributable to the non-controlling interests	非控制性權益應佔全面收益/(支出)總額	32,174	(38,041)
Total comprehensive income/(expense) for the year	本年度全面收益/(支出)總額	80,919	(112,284)
Net cash outflow from operating activities	經營業務現金流出淨額	(46,031)	(28,973)
Net cash outflow from investing activities	投資活動現金流出淨額	(93,527)	(48,409)
Net cash inflow from financing activities	融資活動現金流入淨額	140,029	77,198
Effect of foreign exchange rate changes	外幣匯率變動之影響	(108)	(54)
Net cash inflow/(outflow)	現金流入淨額/(流出)	363	(238)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

#### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

#### 35. 擁有重大非控制性權益之非全資附屬公司詳情(續)

Sinotech Polyard Petroleum Exploration & Development Research Institute Limited 中科百田石油勘探開發研究院有限公司		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Current assets	流動資產	28,376	23,388
Non-current assets	非流動資產	1,000	1,000
Current liabilities	流動負債	38,170	26,308
Non-current liabilities	非流動負債	—	—
Equity attributable to owners of the Company	本公司擁有人應佔權益	(6,156)	(1,344)
Non-controlling interests	非控制性權益	(2,638)	(576)
Revenue	收益	6,036	8,804
Expenses	開支	(12,910)	(9,002)
Loss for the year	本年度虧損	(6,874)	(198)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(4,812)	(139)
Loss attributable to the non-controlling interests	非控制性權益應佔虧損	(2,062)	(59)
Loss for the year	本年度虧損	(6,874)	(198)



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

#### 35. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

#### 35. 擁有重大非控制性權益之非全資附屬公司詳情(續)

Sinotech Polyard Petroleum Exploration & Development Research Institute Limited 中科百田石油勘探開發研究院有限公司		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Other comprehensive income attributable to owners of the Company	本公司擁有人應佔其他全面收益	—	—
Other comprehensive income attributable to the non-controlling interests	非控制性權益應佔其他全面收益	—	—
Other comprehensive income for the year	本年度其他全面收益	—	—
Total comprehensive expense attributable to owners of the Company	本公司擁有人應佔全面支出總額	(4,812)	(139)
Total comprehensive expense attributable to the non-controlling interests	非控制性權益應佔全面支出總額	(2,062)	(59)
Total comprehensive expense for the year	本年度全面支出總額	(6,874)	(198)
Net cash outflow from operating activities	經營業務現金流出淨額	(3,506)	—
Net cash outflow from investing activities	投資活動現金流出淨額	—	—
Net cash inflow from financing activities	融資活動現金流入淨額	3,509	—
Effect of foreign exchange rate changes	外幣匯率變動之影響	—	—
Net cash inflow	現金流入淨額	3	—

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 36. Event after the End of the Reporting Period

Memorandum of Understanding in respect of a Possible Subscription

On 11 March 2017, the Company and China Wheat (Shenzhen) Equity Investment Fund Management Limited (中麥田(深圳)股權投資基金管理有限公司)(the “Subscriber”) entered into a memorandum of understanding pursuant to which the Company agreed to allot and issue 900,000,000 subscription shares to the Subscriber at a cash price of HK\$0.414 per share pursuant to the formal agreement to be negotiated between the Company and the Subscriber.

### 36. 報告期後事項

可能進行認購事項之諒解備忘錄

於二零一七年三月十一日，本公司與中麥田(深圳)股權投資基金管理有限公司(「認購人」)訂立諒解備忘錄，據此，本公司同意根據本公司與認購人將商議之正式協議，按每股認購股份港幣0.414元之現金價格配發及發行900,000,000股認購股份予認購人。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 37. Information about the Statement of Financial Position of the Company

### 37. 有關本公司財務狀況表之資料

		2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	—	—
Interests in subsidiaries	於附屬公司之權益	266,350	196,638
		<b>266,350</b>	<b>196,638</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Other receivables	其他應收款項	393	461
Cash and bank balances	現金及銀行結餘	13	2
		<b>406</b>	<b>463</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Other payables	其他應付款項	(9,180)	(2,835)
Convertible Bonds	可換股債券	(98,874)	—
		<b>(108,054)</b>	<b>(2,835)</b>
<b>NET CURRENT LIABILITIES</b>	<b>淨流動負債</b>	<b>(107,648)</b>	<b>(2,372)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>	<b>158,702</b>	<b>194,266</b>
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>		
Convertible bonds	可換股債券	(47,086)	(97,013)
Deferred tax liabilities	遞延稅項負債	(667)	(493)
		<b>(47,753)</b>	<b>(97,506)</b>
<b>NET ASSETS</b>	<b>淨資產</b>	<b>110,949</b>	<b>96,760</b>
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>		
Share capital	股本	117,502	111,502
Reserves	儲備	(6,553)	(14,742)
		<b>110,949</b>	<b>96,760</b>
<b>TOTAL EQUITY</b>	<b>總權益</b>	<b>110,949</b>	<b>96,760</b>

Approved and authorised for issue by the board of directors on 20 March 2017.

經董事會於二零一七年三月二十日核准及授權刊印。

**KUAI Wei**  
Director

**LIN Zhang**  
Director

董事  
鄺偉

董事  
林漳

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

### 37. Information about the Statement of Financial Position of the Company (Continued)

### 37. 有關本公司財務狀況表之資料(續)

#### (i) Reserves

#### (i) 儲備

		Share premium 股份溢價	Accumulated losses 累計虧損	Convertible bonds reserve 可換股債券儲備	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 January 2015	於二零一五年一月一日	822,062	(867,389)	—	(45,327)
Loss for the year	本年度虧損	—	(114,804)	—	(114,804)
Issue of shares upon loan capitalisation	貸款資本化發行股份	44,434	—	—	44,434
Issue of shares under share subscription	根據股份認購發行股份	100,321	—	—	100,321
Recognition of equity component of convertible bond	確認可換股債券權益部分	—	—	1,253	1,253
Deferred tax liability on recognition of equity component of convertible bonds	確認可換股債券權益部份之遞延稅項負債	—	—	(619)	(619)
At 31 December 2015	於二零一五年十二月三十一日	966,817	(982,193)	634	(14,742)
At 1 January 2016	於二零一六年一月一日	966,817	(982,193)	634	(14,742)
Loss for the year	本年度虧損	—	(50,536)	—	(50,536)
Issue of shares under share subscription	根據股份認購發行股份	56,075	—	—	56,075
Recognition of equity component of convertible bond	確認可換股債券權益部分	—	—	3,487	3,487
Deferred tax liability on recognition of equity component of convertible bonds	確認可換股債券權益部份之遞延稅項負債	—	—	(837)	(837)
At 31 December 2016	於二零一六年十二月三十一日	1,022,892	(1,032,729)	3,284	(6,553)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Annual Report 2016 二零一六年年報

### 37. Information about the Statement of Financial Position of the Company (Continued)

#### (i) Reserves (Continued)

##### (a) Nature and purpose of reserves

###### (i) Share premium

Under the Companies Law (Revised) Chapter 22 of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum or Articles of Association and provided that immediately following the distribution or dividend, the Company is able to pay its debts as they fall due in the ordinary course of business.

###### (ii) Convertible bonds reserve

The convertible bonds reserve has been set up and is dealt with in accordance with the accounting policies adopted for convertible bonds in note 3(p).

##### (b) Distributability of reserves

At the end of the reporting period, the Company had no reserves available for distribution to owners of the Company (2015: HK\$Nil).

### 37. 有關本公司財務狀況表之資料(續)

#### (i) 儲備(續)

##### (a) 儲備之性質及目的

###### (i) 股份溢價

根據開曼群島公司法(經修訂)第22章,本公司之股份溢價可用以分派或派付股息予股東,惟須按照其公司組織章程大綱或細則之規定,及於緊隨分派或派付股息後,本公司須有能力償還其日常業務中之到期債務。

###### (ii) 可換股債券儲備

可換股債券儲備經已設立,並根據附註3(p)所載就可換股債券採納之會計政策處理。

##### (b) 可供分派儲備

於報告期末,本公司並無儲備可供分派予本公司擁有人(二零一五年:港幣零元)。

## Five Year Financial Summary

### 五年財務概要

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The summarised consolidated results, assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements of the Group, are set out below:

本集團於過去五個財政年度之綜合業績、資產及負債之概要(摘錄自本集團之經審核綜合財務報表)載列如下:

#### Results

#### 業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2012 二零一二年	2013 二零一三年	2014 二零一四年	2015 二零一五年	2016 二零一六年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Turnover	營業額	462	—	—	—	—
Profit/(loss) attributable to	應佔溢利/(虧損)					
— Owners of the Company	— 本公司擁有人	(61,342)	(40,104)	(1,076,075)	(99,583)	(51,694)
— Non-controlling interests	— 非控制性權益	(7,068)	(5,793)	(43,344)	(38,360)	29,855
		(68,410)	(45,897)	(1,119,419)	(137,943)	(21,839)

#### Assets and Liabilities

#### 資產及負債

		At 31 December 於十二月三十一日				
		2012 二零一二年	2013 二零一三年	2014 二零一四年	2015 二零一五年	2016 二零一六年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Total assets	總資產	1,491,640	1,469,271	274,724	273,781	371,898
Total liabilities	總負債	(200,797)	(225,213)	(149,656)	(107,160)	(163,901)
Net assets	淨資產	1,290,843	1,244,058	125,068	166,621	207,997



POLYARD PETROLEUM INTERNATIONAL GROUP LIMITED  
百田石油國際集團有限公司

---

Room 801-802, 8/F, Shanghai Industrial Investment Building  
48-62 Hennessy Road, Wan Chai, Hong Kong

香港灣仔軒尼詩道48-62號上海實業大廈8樓801-802室

[www.ppig.com.hk](http://www.ppig.com.hk)