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MIE HOLDINGS CORPORATION
MI能源控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1555)

**(I) DELAY IN PUBLICATION OF 2019
ANNUAL RESULTS AND DESPATCH OF 2019 ANNUAL REPORT;
(II) UNAUDITED FINANCIAL INFORMATION FOR
THE FINANCIAL YEAR ENDED DECEMBER 31, 2019;
AND
(III) SUSPENSION IN TRADING OF SHARES**

This announcement is made by MIE Holdings Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.49(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”).

**DELAY IN PUBLICATION OF ANNUAL RESULTS FOR THE YEAR ENDED
DECEMBER 31, 2019**

Pursuant to Rule 13.49(1) of the Listing Rules, the Company is required to publish the announcement for the financial results of the Group for the year ended December 31, 2019 (the “**2019 Annual Results**”) on a date not later than three months after the end of the financial year of the Company, i.e. on or before March 31, 2020.

The Company exchanged certain outstanding 7.5% senior notes due 2019 for US\$248,394,000 13.75% senior notes due 2022 in accordance with the terms and conditions of an exchange offer (the “**Senior Notes**”). The Senior Notes bear interest that is payable semi-annually in arrears on April 12 and October 12 of each year, commencing on October 12, 2019. As the Group’s performance was significantly affected by the low commodity prices of oil and gas and high borrowing costs, the Company sustained intensified liquidity pressure. There are material uncertainties as to, among others, (1) whether the Group has sufficient financial resources to make the scheduled interest payment of approximately US\$17 million due on April 12, 2020; and (2) whether the Group is able to convince various financial institutions for the renewal of the Group’s existing borrowings upon their maturity and/or obtaining financing, all of which affect the adoption of going concern assumption in

preparing the 2019 Annual Results. As at the date of this announcement, the Company does not have a concrete plan on the implementation of measures to mitigate its liquidity pressure, improve its cash flows and address the issues surrounding its ability to continue as a going concern. As such, as at the date of this announcement, the auditing process for the 2019 Annual Results has not been completed and the auditor is not able to issue an opinion on the 2019 Annual Results. The Company, after having discussed with its auditor, has concluded that the publication of the announcement of the 2019 Annual Results will be delayed. The Board wishes to clarify that the delay in the announcement of the 2019 Annual Results is not a direct result of travel restrictions in force in parts of the PRC and quarantine measures imposed by the relevant authorities to combat the COVID-19 outbreak.

In addition, given the delay in the announcement of the 2019 Annual Results, it is expected that the annual report of the Company for the year ended December 31, 2019 (the “**2019 Annual Report**”) will not be ready for despatch by April 30, 2020.

UNAUDITED FINANCIAL INFORMATION OF THE GROUP FOR THE YEAR ENDED DECEMBER 31, 2019

Rule 13.49(3) of the Listing Rules provides that where an issuer is unable to publish its preliminary results based on its financial statements in accordance with Rules 13.49(1) and 13.49(2) of the Listing Rules, it must announce, so far as the information is available, its results for the financial year based on financial results which have yet to be agreed with the auditor.

The following sets out the unaudited consolidated financial information of the Group for the year ended December 31, 2019, which has been reviewed by the audit committee of the Company.

The following unaudited consolidated financial information has been prepared on a going concern basis. Should the Group not be able to continue to operate as a going concern, adjustments would have to be made to write down the carrying value of the Group’s assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in the unaudited consolidated financial information as disclosed below.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	Unaudited	
	As at December 31,	
	2019	2018
	RMB'000	RMB'000
Assets		
Non-current assets		
Property, plant and equipment	1,678,414	1,798,839
Intangible assets	94,025	137,351
Right-of-use assets	11,839	–
Deferred income tax assets	816	601
Financial assets at fair value through other comprehensive income	43,754	46,458
Prepayments, deposits and other receivables	884,523	357,212
Restricted cash	<u>46,213</u>	<u>45,465</u>
	<u>2,759,584</u>	<u>2,385,926</u>
Current assets		
Inventories	16,370	22,390
Prepayments, deposits and other receivables	75,210	615,035
Trade and note receivables	61,374	69,791
Financial assets at fair value through profit or loss	–	17,755
Cash and cash equivalents	<u>13,711</u>	<u>28,115</u>
	<u>166,665</u>	<u>753,086</u>
Assets of disposal group classified as held for sale	<u>–</u>	<u>5,105,887</u>
	<u>166,665</u>	<u>5,858,973</u>
Total assets	<u><u>2,926,249</u></u>	<u><u>8,244,899</u></u>
Equity		
Equity attributable to owners of the Company		
Share capital	1,101,249	1,068,796
Other reserves	(84,146)	(143,782)
Accumulated losses	<u>(3,257,901)</u>	<u>(2,630,296)</u>
	<u>(2,240,798)</u>	<u>(1,705,282)</u>
Non-controlling interests	<u>–</u>	<u>13,265</u>
Total shareholders' deficit	<u><u>(2,240,798)</u></u>	<u><u>(1,692,017)</u></u>

	Unaudited	
	As at December 31,	
	2019	2018
	RMB'000	RMB'000
Liabilities		
Non-current liabilities		
Borrowings	1,720,505	1,786,066
Lease liabilities	4,738	–
Deferred income tax liabilities	173,803	114,669
Trade and note payables	74,169	65,871
Provisions, accruals and other liabilities	<u>143,041</u>	<u>77,252</u>
	<u>2,116,256</u>	<u>2,043,858</u>
Current liabilities		
Trade and note payables	386,076	220,283
Provisions, accruals and other liabilities	371,061	272,685
Lease liabilities	8,707	–
Current income tax liabilities	6,185	2,649
Financial liabilities at fair value through profit or loss	–	313,969
Borrowings	<u>2,278,762</u>	<u>2,549,888</u>
	<u>3,050,791</u>	<u>3,359,474</u>
Liabilities of disposal group classified as held for sale	<u>–</u>	<u>4,533,584</u>
	<u>3,050,791</u>	<u>7,893,058</u>
Total liabilities	<u>5,167,047</u>	<u>9,936,916</u>
Total shareholders' deficit and liabilities	<u>2,926,249</u>	<u>8,244,899</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Unaudited	
	Year ended December 31,	
	2019	2018
	<i>RMB'000</i>	<i>RMB'000</i>
Continuing operations		
Revenue from contracts with customers	756,094	789,704
Depreciation, depletion and amortisation	(348,751)	(329,318)
Taxes other than income taxes	(7,859)	(18,875)
Employee benefit expense	(143,367)	(155,747)
Purchases, services and other direct costs	(133,007)	(138,013)
Distribution costs	(16,642)	(15,792)
General and administrative expense	(158,160)	(120,551)
Net impairment losses on financial assets	(183,960)	(115,978)
Impairment charges	(4,826)	(37,471)
Other losses — net	(80,716)	(41,852)
Finance income	25,756	22,603
Finance costs	(605,803)	(614,352)
Share of losses of investments in associates	—	(9,318)
Loss before income tax	(901,241)	(784,960)
Income tax expense	(62,453)	(47,412)
Loss for the year from continuing operations	(963,694)	(832,372)
Discontinued operations		
Profit/(loss) for the year from discontinued operations	332,177	(363,463)
Loss for the year	(631,517)	(1,195,835)

Unaudited
Year ended December 31,
2019 **2018**
RMB'000 **RMB'000**

Other comprehensive income

Continuing operations

Items that may be reclassified to profit or loss

Transfer to profit or loss upon disposal of investments in associate	-	(2,602)
Currency translation differences	<u>(53,201)</u>	<u>(143,667)</u>

Items that will not be reclassified to profit or loss

Change in the fair value of equity instruments at fair value through other comprehensive income	<u>(3,428)</u>	<u>(19,900)</u>
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Discontinued operations

Items that may be reclassified to profit or loss

Currency translation differences	-	(129,629)
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Other comprehensive losses for the year, net of tax	<u>(56,629)</u>	<u>(295,798)</u>
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Total comprehensive losses for the year	<u>(688,146)</u>	<u>(1,491,633)</u>
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Loss for the year attributable to:

Owners of the Company	(627,605)	(1,195,793)
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Non-controlling interests	<u>(3,912)</u>	<u>(42)</u>
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	<u>(631,517)</u>	<u>(1,195,835)</u>
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Profit/(loss) for the year attributable to owners of the Company arising from:

Continuing operations	(959,782)	(832,330)
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Discontinued operations	<u>332,177</u>	<u>(363,463)</u>
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	<u>(627,605)</u>	<u>(1,195,793)</u>
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Total comprehensive losses for the year attributable to:

Owners of the Company	(684,234)	(1,491,591)
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Non-controlling interests	<u>(3,912)</u>	<u>(42)</u>
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	<u>(688,146)</u>	<u>(1,491,633)</u>
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Unaudited
Year ended December 31,
2019 2018
RMB'000 **RMB'000**

**Total comprehensive income/(losses) for the year
attributable to owners of the Company
arising from:**

Continuing operations	(1,016,411)	(998,499)
Discontinued operations	<u>332,177</u>	<u>(493,092)</u>
	<u>(684,234)</u>	<u>(1,491,591)</u>

Note: On September 24, 2018, the Group has entered into an agreement with Far East Energy International Limited (“**Far East Energy**” or the “**Purchaser**”) for the sale of its entire 100% equity investment in Maple Energy Investments Limited (“**Maple Energy**” or the “**Disposal Company**”) and its subsidiaries (collectively as the “**Disposal Group**”) held by the Group at a consideration of US\$250.0 million (the “**Maple Energy Disposal**”). The Purchaser is an investment holding company incorporated under the laws of the British Virgin Islands and indirectly wholly owned by the controlling shareholder of the Company, Mr. Zhang Ruilin. The disposal transaction was completed on September 30, 2019. As the Disposal Group represents the North American operation of the Group, the Board of the Directors classifies the North American segment as held for sale and discontinued operations in accordance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” (“**IFRS 5**”).

The Board wishes to emphasize that the unaudited financial information of the Company set out above is extracted directly from the latest unaudited management accounts of the Company for the year ended December 31, 2019 (which is prepared in accordance with International Financial Reporting Standards). The unaudited financial information of the Group sets out above has not been reviewed or audited by the auditor of the Company, and is therefore subject to potential adjustments and finalisation pending the completion of the audit by the Company’s auditor.

SUSPENSION IN TRADING OF SHARES

Pursuant to Rules 13.49(1) and 13.46(2)(a) of the Listing Rules, the Company is required to publish the 2019 Annual Results on or before March 31, 2020, and to despatch the 2019 Annual Report to the Shareholders on or before April 30, 2020. The delay in publication of the 2019 Annual Results and possible delay in despatch of the 2019 Annual Report (if materialised), constitutes and/or will constitute non-compliance of Rules 13.49(1) and 13.46(2)(a) of the Listing Rules, respectively.

Pursuant to Rule 13.50 of the Listing Rules, the Stock Exchange will normally require suspension of trading in an issuer’s securities if an issuer fails to publish periodic financial information in accordance with the Listing Rules. As such, at the request of the Company, trading in the Company’s shares on the Stock Exchange will be suspended with effect from 9:00 a.m. on April 1, 2020 pending the publication of the Company’s audited 2019 Annual Results.

The Company has been proactively discussing with various creditors in relation to the possible restructuring of the outstanding indebtedness of the Company. The Board wishes to point out that the Group is carrying on its business as usual and the Directors consider that the suspension in trading of the Company's shares does not have any material adverse effect on the daily business operation of the Group.

The Company will issue further announcement(s) in relation to the audited results for the year ended December 31, 2019 as agreed with the Company's auditor and explanations about the material differences (if any) as compared with the unaudited annual results contained herein once available. The Company will also make further announcement(s) as and when appropriate.

Shareholders and potential investors are reminded not to rely on the unaudited financial information of the Company set out above and should exercise caution when dealing in the securities of the Company.

By order of the Board
MIE Holdings Corporation
Mr. Zhang Ruilin
Chairman

Hong Kong, March 31, 2020

As at the date of this announcement, the Board comprises (1) the executive Directors namely Mr. Zhang Ruilin, Mr. Mei Liming and Mr. Zhao Jiangwei; (2) the non-executive Director namely Ms. Xie Na; and (3) the independent non-executive Directors namely Mr. Mei Jianping, Mr. Jeffrey Willard Miller and Mr. Guo Yanjun.