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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)

UNAUDITED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

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 “**Listing Rules**”).

Reference is made to the Company’s announcement dated March 27, 2019 (the “**Announcement**”) in relation to, among other things, the delay in publication of the Company’s audited annual results for the year ended December 31, 2018. Unless otherwise defined, capitalized terms used in this announcement shall have the same meaning ascribed to them in the Announcement.

UNAUDITED FINANCIAL INFORMATION OF THE GROUP FOR THE YEAR ENDED DECEMBER 31, 2018

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 auditors.

The following sets out the unaudited consolidated financial information of the Group for the year ended December 31, 2018, which has been reviewed by the audit committee of the Company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	Unaudited	
	As at December 31,	
	2018	2017
	<i>RMB'000</i>	<i>RMB'000</i>
Assets		
Non-current assets		
Property, plant and equipment	1,798,839	7,719,859
Intangible assets	137,351	708,193
Investments in associates	–	182,541
Deferred tax assets	601	334
Available-for-sale financial assets	–	67,132
Derivative financial instrument	–	25,652
Financial assets at fair value through other comprehensive income	46,458	–
Prepayments, deposits and other receivables	357,212	727,966
Restricted cash	45,465	43,285
	<u>2,385,926</u>	<u>9,474,962</u>
Current assets		
Inventories	22,390	16,745
Prepayments, deposits and other receivables	615,035	751,426
Trade receivables	69,791	407,035
Derivative financial instruments	–	342,763
Available-for-sale financial assets	–	111,228
Financial assets at fair value through profit or loss	17,755	–
Restricted cash	–	72,012
Cash and cash equivalents	28,115	132,172
	<u>753,086</u>	<u>1,833,381</u>
Assets of disposal group classified as held for sale	<u>5,105,887</u>	–
	<u>5,858,973</u>	<u>1,833,381</u>
Total assets	<u><u>8,244,899</u></u>	<u><u>11,308,343</u></u>

	Unaudited	
	As at December 31,	
	2018	2017
	RMB'000	RMB'000
Equity		
Equity attributable to owners of the Company		
Share capital	1,068,796	1,068,796
Other reserves	(143,782)	47,265
Accumulated losses	(2,630,296)	(1,384,495)
	<u>(1,705,282)</u>	<u>(268,434)</u>
Non-controlling interests	13,265	(27)
	<u>(1,692,017)</u>	<u>(268,461)</u>
Liabilities		
Non-current liabilities		
Borrowings	1,786,066	4,520,457
Deferred tax liabilities	114,669	589,281
Trade and other payable	65,871	26,529
Provisions, accruals and other liabilities	77,252	2,620,311
Derivative financial instruments	–	5,574
Financial liabilities at fair value through profit or loss	–	1,067,626
	<u>2,043,858</u>	<u>8,829,778</u>
Current liabilities		
Trade and other payable	220,283	392,984
Provisions, accruals and other liabilities	272,685	718,598
Current tax liabilities	2,649	97,233
Financial liabilities at fair value through profit or loss	313,969	–
Derivative financial instruments	–	9,200
Borrowings	2,549,888	1,529,011
	<u>3,359,474</u>	<u>2,747,026</u>
Liabilities of disposal group classified as held for sale	<u>4,533,584</u>	–
	<u>7,893,058</u>	<u>2,747,026</u>
Total liabilities	<u>9,936,916</u>	<u>11,576,804</u>
Total equity and liabilities	<u>8,244,899</u>	<u>11,308,343</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Unaudited	
	Year ended December 31,	
	2018	2017
	RMB'000	RMB'000
		Re-presented
Continuing operations		
Revenue from contracts with customers	789,704	657,365
Depreciation, depletion and amortisation	(329,318)	(350,034)
Taxes other than income taxes	(18,875)	(14,214)
Employee benefit expense	(155,747)	(121,190)
Purchases, services and other direct costs	(138,013)	(98,398)
Distribution costs	(15,792)	(17,055)
Administrative expense	(120,551)	(104,150)
Net impairment losses on financial assets	(117,064)	(728,613)
Impairment charges	(37,451)	(35,524)
Other (losses)/gains-net	(40,787)	22,575
Finance income	22,603	47,985
Finance costs	(614,352)	(38,290)
Share of losses of investments in associates	(9,318)	(63,023)
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Loss before income tax	(784,961)	(842,566)
Income tax expense	(47,412)	(105,485)
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Loss from continuing operations	(832,373)	(948,051)
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Discontinued operations		
Loss from discontinued operations	(363,463)	(151,425)
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Loss for the year	(1,195,836)	(1,099,476)
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Unaudited
Year ended December 31,
2018 **2017**
RMB'000 **RMB'000**
Re-presented

Other comprehensive income

Items that may be reclassified to profit or loss

Change in the fair value of equity instruments at fair value through other comprehensive income	–	8,168
Share of other comprehensive income of investments in associates	–	(3,758)
Transfer to profit or loss upon disposal of investments in associate	(2,602)	–
Currency translation differences	(273,295)	166,660

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	(19,900)	–
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Other comprehensive (losses)/income for the year, net of tax

(295,797)	171,070
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Total comprehensive losses for the year

(1,491,633)	(928,406)
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Losses for the year attributable to:

Owners of the Company	(1,195,794)	(1,099,476)
Non-controlling interests	(42)	–
	(1,195,836)	(1,099,476)

Losses for the year attributable to owners of the Company arising from:

Continuing operations	(832,331)	(948,051)
Discontinued operations	(363,463)	(151,425)
	(1,195,794)	(1,099,476)

Total comprehensive losses for the year attributable to:

Owners of the Company	(1,491,591)	(928,406)
Non-controlling interests	(42)	–
	(1,491,633)	(928,406)

Unaudited
Year ended December 31,
2018 2017
RMB'000 *RMB'000*
Re-presented

**Total comprehensive losses for the year
attributable to owners of the Company
arises from:**

Continuing operations	(998,499)	(809,976)
Discontinued operations	(493,092)	(118,430)
	(1,491,592)	(928,406)

**Loss per share for loss attributable to ordinary
equity holders of the Company for the year**
(expressed in RMB per share)

Basic losses per share

Continuing operations	(0.29)	(0.34)
Discontinued operations	(0.12)	(0.05)
	(0.41)	(0.39)

Diluted losses per share

Continuing operations	(0.29)	(0.34)
Discontinued operations	(0.12)	(0.05)
	(0.41)	(0.39)

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 Marathon Investments Limited (“**Maple Marathon**” 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 Marathon 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. As at December 31, 2018, 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**”). As required under IFRS 5, the comparative figures related to the discontinued operations have been re-presented on a consistent basis accordingly.

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, 2018 (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 auditors.

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, 2019

As at the date of this announcement, the Board comprises (1) the executive Directors namely Mr. Zhang Ruilin 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.