



MIE HOLDINGS CORPORATION

MI 能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock code 股份代號: 1555)



2020
Interim Report
中期報告

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Company Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Ruilin (*Chairman*)
Mr. Zhao Jiangwei
Mr. Mei Liming
(*resigned with effect from June 18, 2020*)

Non-executive Director

Ms. Xie Na

Independent Non-executive Directors

Mr. Mei Jianping
Mr. Jeffrey Willard Miller
Mr. Guo Yanjun

REGISTERED ADDRESS

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

BEIJING OFFICE

Suite 1501, Block C
Grand Place
5 Hui Zhong Road
Chaoyang District
Beijing 100101
China

董事會

執行董事

張芮霖先生 (*主席*)
趙江巍先生
梅黎明先生
(*於二零二零年六月十八日辭任*)

非執行董事

謝娜女士

獨立非執行董事

梅建平先生
Jeffrey Willard Miller 先生
郭燕軍先生

註冊地址

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

香港主要營業地點

香港
皇后大道東 183 號
合和中心 54 樓

北京辦公室

中國
北京朝陽區
慧忠路 5 號
遠大中心 C 座 1501 室
郵編 100101

Company Information

公司資料

LISTING INFORMATION

Stock Listing

The Stock Exchange of Hong Kong Limited
Stock Code: 01555

Senior Notes Listing

The Company's 13.75%, 3 years senior notes due 2022 listed on The Singapore Exchange Securities Trading Limited

WEBSITE ADDRESS

www.mienergy.com.cn

COMPANY SECRETARY

Ms. Chan Wing Sze (ACS, ACIS)
(resigned with effect from January 15, 2020)
Ms. Yuen Wing Yan, Winnie (FCS, FCIS)
(appointed with effect from January 15, 2020)

AUTHORIZED REPRESENTATIVES

Mr. Zhang Ruilin
Ms. Chan Wing Sze (ACS, ACIS)
(resigned with effect from January 15, 2020)
Ms. Yuen Wing Yan, Winnie (FCS, FCIS)
(appointed with effect from January 15, 2020)

MEMBERS OF THE AUDIT COMMITTEE

Mr. Jeffrey Willard Miller (Chairman)
Mr. Mei Jianping
Mr. Guo Yanjun

MEMBERS OF THE REMUNERATION COMMITTEE

Mr. Mei Jianping (Chairman)
Mr. Jeffrey Willard Miller
Mr. Guo Yanjun

MEMBERS OF THE NOMINATION COMMITTEE

Mr. Mei Jianping (Chairman)
Mr. Jeffrey Willard Miller
Mr. Guo Yanjun

上市資料

股份上市

香港聯合交易所有限公司
股份代號：01555

優先票據上市

本公司年息13.75%，於二零二二年到期為期三年的優先票據於新加坡證券交易所有限公司上市

公司網址

www.mienergy.com.cn

公司秘書

陳穎詩女士 (ACS, ACIS)
(於二零二零年一月十五日辭任)
袁穎欣女士 (FCS, FCIS)
(於二零二零年一月十五日獲委任)

授權代表

張芮霖先生
陳穎詩女士 (ACS, ACIS)
(於二零二零年一月十五日辭任)
袁穎欣女士 (FCS, FCIS)
(於二零二零年一月十五日獲委任)

審核委員會成員

Jeffrey Willard Miller 先生 (主席)
梅建平先生
郭燕軍先生

薪酬委員會成員

梅建平先生 (主席)
Jeffrey Willard Miller 先生
郭燕軍先生

提名委員會成員

梅建平先生 (主席)
Jeffrey Willard Miller 先生
郭燕軍先生

Company Information

公司資料

INDEPENDENT TECHNICAL CONSULTANT

Ryder Scott Company, L.P.
Gaffney, Cline & Associates Limited

INDEPENDENT AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22nd Floor, Prince's Building
Central
Hong Kong

LEGAL ADVISERS TO THE COMPANY

Ashurst (As to New York law)
Dechert (As to Hong Kong law)
Jingtian & Gongcheng Law Firm (As to PRC law)
Maples and Calder (As to Cayman Islands law)

PRINCIPAL BANKERS

Citibank, N.A.
China Construction Bank Corporation Limited

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples FS Limited
P.O. Box 1093, Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

獨立技術顧問

Ryder Scott Company, L.P.
Gaffney, Cline & Associates Limited

獨立核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體審計師
香港
中環
太子大廈22樓

本公司法律顧問

亞司特律師事務所(紐約州法律)
德杰律師事務所(香港法律)
競天公誠律師事務所(中國法律)
Maples and Calde (開曼群島法律)

主要往來銀行

花旗銀行
中國建設銀行股份有限公司

開曼群島主要股份 過戶登記處

Maples FS Limited
P.O. Box 1093, Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

香港股份 過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

Financial Summary

財務摘要

		Unaudited 未經審核	
		Six months ended June 30, 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	總收益	289,495	358,431
EBITDA from continuing operations	持續經營 EBITDA	(353,418)	117,055
Adjusted EBITDA from continuing operations	經調整持續經營 EBITDA	159,275	195,188
Loss for the period	本期虧損	(834,471)	(597,224)
– Continuing operations	– 持續經營	(834,471)	(363,532)
– Discontinued operations	– 終止經營	–	(233,692)
Basic losses per share (RMB per share)	基本每股虧損 (每股人民幣)	(0.26)	(0.20)
Diluted losses per share (RMB per share)	稀釋每股虧損 (每股人民幣)	(0.26)	(0.20)

		As at 於	
		June 30, 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Property, plant and equipment	不動產、工廠及設備	1,024,563	1,678,414
Cash and cash equivalents	現金及現金等價物	9,524	13,711
Total assets	資產總額	1,699,375	2,422,915
Total equity	權益總額	(3,650,465)	(2,744,132)

Operating Summary

營運摘要

		Six months ended June 30,	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
Properties Held by Subsidiaries 附屬公司所持資產			
Sales volume	銷量		
Crude oil (barrels)	原油 (桶)	1,009,115	1,464,420
China oilfields	中國油田	1,009,115	909,323
Canada (Canlin)	加拿大 (Canlin)	-	555,097
NGL (barrels) (Note 1)	天然氣凝析液 (桶) (附註 1)	-	188,487
Canada (Canlin)	加拿大 (Canlin)	-	188,487
Gas (Mscf)	天然氣 (千標準立方英尺)	848	41,008,126
China oilfields	中國油田	848	678
Canada (Canlin)	加拿大 (Canlin)	-	41,007,448
Total (BOE) (Note 2)	合計 (桶當量) (附註 2)	1,009,256	8,487,595
Net production volume	淨產量		
Crude oil (barrels)	原油 (桶)	1,030,745	1,468,901
China oilfields	中國油田	1,030,745	913,804
Canada (Canlin)	加拿大 (Canlin)	-	555,097
NGL (barrels)	天然氣凝析液 (桶)	-	188,487
Canada (Canlin)	加拿大 (Canlin)	-	188,487
Gas (Mscf)	天然氣 (千標準立方英尺)	848	41,008,126
China oilfields	中國油田	848	678
Canada (Canlin)	加拿大 (Canlin)	-	41,007,448
Total (BOE)	合計 (桶當量)	1,030,886	8,492,076
Average daily net production volume	日平均淨產量		
Crude oil (barrels)	原油 (桶)	5,663	8,116
China oilfields	中國油田	5,663	5,049
Canada (Canlin)	加拿大 (Canlin)	-	3,067
NGL (barrels)	天然氣凝析液 (桶)	-	1,041
Canada (Canlin)	加拿大 (Canlin)	-	1,041
Gas (Mscf)	天然氣 (千標準立方英尺)	5	226,567
China oilfields	中國油田	5	7
Canada (Canlin)	加拿大 (Canlin)	-	226,560
Total (BOE)	合計 (桶當量)	5,664	46,918

Note (1): Natural Gas Liquid

附註 (1): 天然氣凝析液

Note (2): Based on the conversion ratio of 1 barrel of oil to 6 Mscf.

附註 (2): 基於 6 千標準立方英尺天然氣 = 1 桶原油的換算比例計算。

Operating Summary

營運摘要

Six months ended June 30,

截至六月三十日止六個月

2020

2019

二零二零年

二零一九年

Properties Held by Subsidiaries 附屬公司所持資產			
Average realized price	平均實現價格		
Crude oil (US\$ per barrel of crude oil)	原油(美元/每桶原油)	40.97	52.68
China oilfields	中國油田	40.97	57.65
Canada (Canlin)	加拿大 (Canlin)	-	44.54
NGL (barrels)	天然氣凝析液(桶)	-	15.27
Canada (Canlin)	加拿大 (Canlin)	-	15.27
Gas (US\$ per Mscf)	天然氣(美元/千標準立方英尺)	6.20	1.15
China oilfields	中國油田	6.20	6.30
Canada (Canlin)	加拿大 (Canlin)	-	1.15
Lifting costs (US\$ per barrel of oil equivalent)	採油成本(美元/每桶當量)	8.37	8.24
China oilfields (Note 3)	中國油田(附註3)	8.37	10.01
Canada (Canlin)	加拿大 (Canlin)	-	8.05
Wells drilled during the period (Gross)	期內鑽井數(總數)	-	2
China oilfields	中國油田	-	2
Successful	成功井	-	2
Dry	乾井	-	-
Canada (Canlin)	加拿大 (Canlin)	-	-
Successful	成功井	-	-
Dry	乾井	-	-

Note (3): Lifting cost includes directly controllable costs to produce a barrel of oil. Other production costs such as safety fee, environment expenses, technical & research expenses and overhead have not been included above since they are not directly attributable to the production of a barrel of oil.

附註(3): 採油成本包括生產一桶石油直接可控制成本。其他生產成本如安全費、環境費用、技術及研究開支以及經常性費用並不包括在內，原因是該等成本並非生產一桶石油的直接成本。

Operating Summary

營運摘要

		Six months ended June 30,	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
Properties Held by Equity-accounted entities (Group share)	按權益入賬的實體所持資產(本集團應佔部分)		
Sales volume	銷量		
Crude oil (barrels)	原油(桶)	117,455	180,052
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	117,455	180,052
Export sales	出口銷售	94,210	126,812
Domestic sales	國內銷售	23,245	53,240
Gas (Mscf)	天然氣(千標準立方英尺)	217,438	284,892
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	217,438	284,892
Net production volume	淨產量		
Crude oil (barrels)	原油(桶)	119,996	185,965
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	119,996	185,965
Gas (Mscf)	天然氣(千標準立方英尺)	227,755	320,409
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	227,755	320,409
Average daily net production volume	日平均淨產量		
Crude oil (barrels)	原油(桶)	659	1,027
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	659	1,027
Gas (Mscf)	天然氣(千標準立方英尺)	1,251	1,770
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	1,251	1,770
Properties Held by Equity-accounted entities (Group share)	按權益入賬的實體所持資產(本集團應佔部分)		
Average realized price	平均實現價格		
Crude oil (US\$ per barrel of crude oil)	原油(美元/每桶原油)		
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	30.77	51.96
Export sales	出口銷售	34.20	63.18
Domestic sales	國內銷售	16.87	25.22
Gas (US\$ per Mscf)	天然氣(美元/千標準立方英尺)	0.50	0.51
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	0.50	0.51
Lifting costs (US\$ per barrel of crude oil)	採油成本(美元/每桶原油)	7.03	5.66
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	7.03	5.66
Wells drilled during the period (Gross)	期內鑽井數(總數)	1	-
Kazakhstan (Emir-Oil)	哈薩克斯坦(Emir-Oil)	1	-
Successful	成功井	1	-
Dry	乾井	-	-

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND PROSPECTS

In the first half of 2020 (“1H2020”), the un-precedented decrease in demand due to outbreak of COVID-19 coupled with the dislocation on the supply side brought huge uncertainties to the international crude oil market, resulting in large fluctuations in international oil prices. The significant decrease in production and sales resulted mainly from sale of Canlin Energy Corporation (“Canlin”) and its oil and gas asset in Canada back in September 2019. The Group’s oil and gas production decreased by 76.3% to about 2.33 million barrels oil equivalent (“BOE”, where 1 BOE = 6,000 standard cubic feet natural gas) compared with the amount of 1H2019 and net oil and gas production decreased by 87.9% to about 1.03 million BOE compared with the amount of 1H2019. During the 1H2020, net sales of crude oil decreased by 31.3% to approximately 1.01 million barrels from that of 1H2019, while natural gas sales decreased by 99.998% to 848 thousand standard cubic feet (“Mscf”).

In 1H2020, the average realized crude oil price of the Group decreased by 22.2% to US\$40.97 per barrel as compared with that of 1H2019, and the average realized natural gas price increased to US\$6.20 per Mscf. In 1H2020, revenue from China decreased by 19.2% to RMB289.5 million as compared with 1H2019. In 1H2020, loss for the period from the segments other than North America increased by 129.6% to RMB834.5 million as compared with RMB363.5 million in 1H2019 and the respective loss per share was RMB0.26 in 1H2020.

業務回顧及前景

二零二零年上半年，新冠疫情爆發導致需求空前減少，供需錯位，給國際原油市場帶巨大的不確定性，導致國際油價大幅波動。產量和銷售量的顯著下降主要是由於本集團在二零一九年九月的出售了麒麟能源公司（以下簡稱「麒麟」）及其在加拿大的石油和天然氣資產。二零二零年上半年集團的油氣作業產量較之二零一九年上半年下降76.3%至約2.33百萬桶當量（1桶當量=6,000立方英尺氣），油氣淨產量較之二零一九年上半年下降87.9%至約1.03百萬桶當量。二零二零年上半年本集團的原油淨銷量較之下降31.3%至約1.01百萬桶，天然氣淨銷量下降99.998%，至848千標準立方英尺。

二零二零年上半年，本集團平均實現原油價格比二零一九年上半年下降22.2%至40.97美元/桶，平均實現天然氣價格增長至6.20美元/千標準立方英尺。二零二零年上半年本集團來自中國的收入較二零一九年上半年下降19.2%至人民幣2.895億元。二零二零年上半年，除北美分部外，本集團其他業務分部共錄得淨虧損較二零一九年上半年3.635億元增加129.6%至人民幣8.345億元，相關的每股虧損為人民幣0.26元。

Management Discussion and Analysis

管理層討論及分析

In 1H2020, the EBITDA of the Group from segments other than North America segment decreased by RMB470.5 million to negative RMB353.4 million from RMB117.1 million in 1H2019 and the respective adjusted EBITDA decreased by RMB35.9 million to RMB159.3 million.

The following table sets out a summary of expenditures incurred in our exploration, development, and production activities for the six months ended June 30, 2020:

本集團來自除北美分部外的其他業務分部的EBITDA由二零一九年上半年的人民幣1.171億元減少人民幣4.705億元至負的人民幣3.534億元，經調整的EBITDA下降人民幣3,590萬元至人民幣1.593億元。

以下是本集團截至二零二零年六月三十日止六個月發生的勘探、開發及生產支出的匯總數據：

(RMB millions) (人民幣百萬元)		Exploration expenditures 勘探支出	Development expenditures 開發支出	Production/ operating expenditures 生產成本
China Onshore Projects (Daan, Moliqing)	中國陸地項目 (大安、莫里青)	-	19	65
Total	合計	-	19	65

The Group incurred development expenses of RMB19 million and production expenses of RMB65 million during the six months ended June 30, 2020.

截至二零二零年六月三十日止的六個月內，本集團中國境內發生開發支出人民幣19百萬元，生產支出人民幣65百萬元。

Management Discussion and Analysis

管理層討論及分析

China Operations (Daan, Moliqing, South China Sea)

Our projects in northeastern China maintained a relatively stable production in 1H2020. As at June 30, 2020, the Group held a participating interest of 100% and 10% in the Daan production sharing contract (“PSC”) and the Moliqing PSC respectively. During 1H2020, the total gross operated production for Daan and Moliqing increased by 3.1% from 2.26 million barrels in 1H2019 to 2.33 million barrels. Total net production allocated to the Group increased by 13.2% from 0.91 million barrels in 1H2019 to 1.03 million barrels. During 1H2020, the gross operated production increased by 2.5% to 12,816 barrels per day (“BOPD”) as compared to 1H2019, and net production allocated to the Group increased by 12.2% to 5,663 BOPD. With the collapse of international crude oil prices, the average oil price of Daan and Moliqing decreased by 28.9% from US\$57.65 per barrel in 1H2019 to US\$40.97 per barrel in 1H2020. The Group continued to focus on cost control and further decrease the lifting costs for Daan by US\$1.64/barrel, or 16.3%, from US\$10.01/barrel for 1H2019 to a remarkable US\$8.37/barrel for 1H2020.

On June 4, 2020, the Group successfully extended the term of the Daan PSC from December 31, 2024 to February 29, 2028 by extending the production period under the PSC. Pursuant to the extended PSC, the Group continues to operate the Daan oil field pursuant to the terms of the PSC and a supplemental overall development plan. The extension brings the Group additional business certainty and allows it to invest in Daan oilfield for future production and generate steady operating cash flow.

中國業務（大安、莫里青、南海項目）

二零二零年上半年，我們位於中國東北的項目依然保持著相對穩定的產量水平。截止二零二零年六月三十日本集團分別持有大安油田100%和莫里青油田10%的外國合同者權益。於二零二零年上半年期間，本集團位於中國的大安和莫里青兩個原油項目總的作業產量較之二零一九年上半年同期2.26百萬桶增加3.1%至2.33百萬桶。歸屬於本集團的份額原油產量較之二零一九年上半年同期0.91百萬桶增加13.2%至1.03百萬桶。與二零一九年上半年相比，二零二零年上半年日均作業產量上升2.5%至12,816桶，日均淨產量增長12.2%至5,663桶。隨著國際原油價格的回落，大安和莫里青項目二零二零年上半年平均油價較二零一九年上半年的57.65美元／桶下降28.9%至40.97美元／桶。本集團繼續注重成本控制，進一步降低大安項目的直接採油成本，從二零一九年上半年的10.01美元／桶下降1.64美元／桶，或者16.3%至二零二零年上半年8.37美元／桶。

二零二零年六月四日，本集團成功地將大安產品分成合同的期限從二零二四年十二月三十一日延長到二零二八年二月二十九日。根據延期後的產品分成合同，本集團將繼續按照產品分成合同條款和補充總體開發方案運營大安油田。此次延期給本集團在大安油田持續投資進行未來生產及產生穩定的運營現金流帶來了更多的確定性。

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Kazakhstan Operations (Emir-Oil)

We hold an indirect 40% interest in Emir-Oil in Kazakhstan. In 2019, Emir-Oil obtained production contracts for North Kariman and Yessen fields, for the respective periods of 16 years and 25 years respectively starting from January 1, 2020. Currently, Emir-Oil holds one exploration contract and six production contracts covering the Aksaz, Dolinnoe, Emir, Kariman, North kariman and Yessen producing oilfields. As at the end of 1H2020, Emir-Oil had a total of 20 producing wells. The daily production of crude oil attributable to the Group decreased by 35.8% from 1,027 BOPD in 1H2019 to 659 BOPD in 1H2020 mainly due to natural decline and uneconomic shut-ins.

OUTLOOK FOR 2020

At the beginning of 2020, the intensification of the US-Iran geopolitical conflict and the improved China-US trade talk provided certain positive support for oil prices, making oil prices relatively strong. However, the COVID-19 pandemic drastically reduced global oil demand. Many governments implemented lockdown and travel restrictions to contain COVID-19. The drop in demand was worsened by a supply glut. The two factors combined together crashed the oil price into negative territory in April. As COVID-19 pandemic evolves, demand remains uncertain and a significant risk to sustained oil price recovery. In addition, the US presidential election in early November, year-end Brexit deadline and possible second wave of COVID-19 pandemic would all have impact on oil prices.

哈薩克斯坦業務 (Emir-Oil)

本集團持有哈薩克斯坦境內的Emir-Oil項目40%權益。該項目已成功從哈薩克斯坦政府獲得北卡里曼(North Kariman)和葉森(Yessen)兩個油田的生產合同，從二零二零年一月一日開始，這兩個合同的石油和天然氣商業開發期分別為16年和25年。目前項目持有一個勘探合同和六個開發合同，涵蓋Aksaz, Dolinnoe, Emir, Kariman, North kariman和Yessen油田。截至二零二零年上半年末，Emir-Oil項目生產井共計20口，由於自然遞減及低效益井的關井，歸屬於本集團的原油日產量比二零一九年上半年的每天1,027桶下降35.8%至每天659桶。

二零二零年展望

二零二零年初，美伊地緣政治衝突加劇和中美貿易和談為油價提供了一定的利好支撐，令油價相對走強。但隨後新冠疫情的大規模爆發令世界的原油需求量大幅下降。為了遏制新冠疫情，許多政府實施了封鎖和旅行限制。供應過剩加劇了需求的下降。這兩個因素加在一起，使油價在四月份跌至負值。隨著新冠疫情的發展，需求仍然不確定，對油價持續復甦構成重大風險。此外，十一月初美國總統大選、年底英國脫歐截止日期、可能出現第二波新冠疫情，都將對油價產生影響。

Management Discussion and Analysis

管理層討論及分析

Operating in such a challenging market environment, the management continued to focus on safety and maximizing value through enhanced performance and lower costs. The Group will continue to (1) grow stable crude production by disciplined capital investment including re-completion of old wells, and drilling of economical new wells; (2) focus on deleveraging by disposing non-core asset; and (3) focus on controlling and reducing costs throughout the organization.

Restructuring of the Company

On May 11, 2020, the Company did not make the scheduled interest payment in relation to the Senior Notes (the “Default”). The Default has also triggered cross defaults under the other loan facilities entered into between members of the Group and its other lenders. The Company has assessed that the potential demands for repayment of loans by the relevant lenders including those yet to fall due, and the aggregate unfulfilled repayment obligations and possible breaches of the other loan facilities and notes amount to approximately over US\$316.6 million in principal amount plus accrued interest on such principal amount.

The Company has been proactively discussing with various creditors and the Company’s advisors in relation to the debt restructuring (“Debt Restructuring”), including but not limited to deferral of interest payment, reduction of interest rate and extension of maturity, which is expected to substantially improve the Group’s financial position and address the Company’s liquidity concerns. As at the date of this report, no agreement in relation to be above arrangements has been entered into or agreed between the Company and its creditors.

面對具有挑戰性的市場環境，本集團將繼續關注安全和通過提高性能、降低成本來實現企業價值最大化。本集團將繼續 (1) 通過增加資本開支，如老井二次完井，新鑽有經濟效益的井等來維持原油產量；(2) 處置非核心資產以去槓桿化；(3) 注重成本管控成本。

公司重組

於二零二零年五月十一日，本公司未能支付優先票據利息付款導致違約（「違約」）。違約亦觸發本集團成員公司與其他貸款人訂立的其他貸款融資項下的交叉違約。本公司已評估相關貸款人可能要求償還貸款（包括尚未到期的貸款），以及未履行還款責任總額及可能違反其他貸款融資及票據約超過本金美元3.166億元加上上述本金的應計利息。

本公司始終積極與債權人及本公司顧問就債務重組（「債務重組」）進行討論，包括但不限於延期付息，降低利率及延長到期日，預期將大大改善本集團的財務狀況。於本報告日期，本公司與其債權人之間尚未就上述安排達成任何協議。

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管理層討論及分析

REVIEW OF FINANCIAL RESULTS

Continuing operations

Revenue

The Group's revenue is generated from sales of oil and gas products.

The Group's revenue generated from sales of oil and gas was contributed entirely by our China oil fields, which decreased by RMB65.6 million, or 18.5%, from RMB355.1 million for the six months ended June 30, 2019 to RMB289.5 million for the six months ended June 30, 2020. Revenue decrease was primarily due to the lower realized oil price, from US\$57.65 per barrel for the six months ended June 30, 2019 to US\$40.97 per barrel for the six months ended June 30, 2020, partially offset by higher volumes. Crude oil sales volume increased by 0.1 million barrels, or 11.0%, from 0.91 million barrels for the six months ended June 30, 2019 to 1.01 million barrels for the six months ended June 30, 2020.

Operating expenses

Depreciation, depletion and amortization. The Group's depreciation, depletion and amortization increased by RMB11.0 million, or 6.4%, from RMB170.7 million for the six months ended June 30, 2019 to RMB181.7 million for the six months ended June 30, 2020. The increase in depreciation, depletion and amortization was mainly due to the following: (i) the increase in sales and production volumes during the six months ended 2020 than 2019; (ii) the depreciation, depletion and amortization related to ARO increased of RMB7.1 million.

經營業績回顧

持續經營

收益

本集團的收益來自石油及天然氣產品銷售。

本集團石油及天然氣銷售產生的收益全部來自中國油田，由截至二零一九年六月三十日止六個月期間的人民幣3.551億元減少人民幣6,560萬元或18.5%至截至二零二零年六月三十日止六個月期間的人民幣2.895億元。收入減少主要是由於原油實現價格的降低且被高銷量部分抵消，由截至二零一九年六月三十日止六個月期間內的平均實現油價為每桶57.65美元降低至截至二零二零年六月三十日止六個月期間內的平均實現油價為每桶40.97美元，原油銷量由截至二零一九年六月三十日止六個月的91萬桶增加至二零二零年六月三十日止六個月的101萬桶，增加了10萬桶，或11.0%。

經營支出

*折舊，折耗及攤銷。*本集團的折舊，折耗及攤銷由截至二零一九年六月三十日止六個月期間的人民幣1.707億元增加人民幣1,100萬元或6.4%至截至二零二零年六月三十日止六個月期間的人民幣1.817億元。折舊，折耗及攤銷的增加主要是由於：(i) 二零二零年六月三十日止六個月期間比二零一九年同期產量和銷量的增長；(ii) 與棄置費有關的折舊，折耗及攤銷增長了人民幣710萬元。

Management Discussion and Analysis

管理層討論及分析

Taxes other than income taxes. The Group's taxes other than income taxes decreased by RMB0.3 million, or 7.9%, from RMB3.8 million for the six months ended June 30, 2019 to RMB3.5 million for the six months ended June 30, 2020. The following table summarizes the Group's taxes other than income taxes for the six months ended June 30, 2020 and 2019:

稅項(所得稅除外)。本集團的稅項(所得稅除外)由截至二零一九年六月三十日止六個月期間的人民幣380萬元減少人民幣30萬元或7.9%至截至二零二零年六月三十日止六個月期間的人民幣350萬元。下表列示了截至二零二零年六月三十日及二零一九年六月三十日止六個月期間的稅項(所得稅除外)：

		Six months ended June 30, 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
PRC	中國		
Urban construction tax and education surcharge	城建稅及教育費附加	1,524	1,869
Others	其他	43	42
		1,567	1,911
Corporate and other segments	總部及其他分部		
Withholding tax and others	代扣代繳稅及其他	1,886	1,874
		3,453	3,785

PRC

With effect from January 1, 2015, the threshold price for special oil income levy was revised from US\$55 per barrel to US\$65 per barrel. During the first six months of 2020, the realized oil price never reached US\$65 per barrel and special oil income levy was not applicable.

中國

自二零一五年一月一日起，石油特別收益金起征點由55美元／桶調整為65美元／桶。在二零二零年前六個月，本集團的實現油價從未達到每桶65美元，故不適用石油特別收益金。

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管理層討論及分析

Corporate and other segments

Withholding Tax. Withholding tax represents accrual of withholding tax on interest charged on intercompany loans.

Employee compensation costs. The Group's employee compensation costs decreased by RMB7.7 million, or 13.3%, from RMB57.7 million for the six months ended June 30, 2019 to RMB50.0 million for the six months ended June 30, 2020. The decrease in employee compensation costs was primarily due to the decrease of share-based payment to employees and the exemption on employer's social security contribution during the COVID-19 period in the PRC.

Purchases, services and other expenses. The Group's purchases, services and other expenses decreased by RMB2.8 million, or 5.3%, from RMB52.8 million for the six months ended June 30, 2019 to RMB50.0 million for the six months ended June 30, 2020. The decrease was primarily due to the stringent cost control measures and optimization measures on the wells implemented by the Group.

Distribution and administrative expenses. The Group's distribution and administrative expenses decreased by RMB25.9 million, or 42.1%, from RMB61.5 million for the six months ended June 30, 2019 to RMB35.6 million for the six months ended June 30, 2020. The decrease in distribution and administrative expenses was primarily due to the amortization relating to financing for the six months ended June 30, 2019 and the more stringent cost control measures for the six months ended June 30, 2020.

總部及其他分部

代扣代繳稅。 代扣代繳稅指就公司間貸款利息應計提的代扣代繳稅。

員工薪酬成本。 本集團的員工薪酬成本由截至二零一九年六月三十日止六個月期間的人民幣5,770萬元減少人民幣770萬元或13.3%至截至二零二零年六月三十日止六個月期間的人民幣5,000萬元。員工薪酬減少成本主要由於：購股權計劃下僱員服務成本的減少及新冠肺炎疫情期間政府對職工保險的補助。

採購、服務及其他費用。 本集團的採購、服務及其他費用減少人民幣280萬元或5.3%，由截至二零一九年六月三十日止六個月期間的人民幣5,280萬元減少至截至二零二零年六月三十日止六個月期間的人民幣5,000萬元。減少的主要原因是本集團對油井執行了嚴格的成本控制和優化措施。

銷售及管理費用。 本集團的銷售及管理費用由截至二零一九年六月三十日止六個月期間的人民幣6,150萬元減少人民幣2,590萬元或42.1%至截至二零二零年六月三十日止六個月期間的人民幣3,560萬元。銷售及管理費用的減少主要是由於二零一九年六月三十日止六個月期間的與融資有關的攤銷費用及二零一九年六月三十日止六個月期間的更加嚴格的成本控制。

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Reversal/(provision) of impairment losses on financial assets, net. For the six months ended June 30, 2020, the Group has reversed impairment losses on financial assets amounting to RMB21.3 million, compared to a loss provision of RMB22.3 million for the six months ended June 30, 2019.

Impairment charges. Due to significant lower global oil prices during the six months ended June 30, 2020, the Group recognized an impairment charge amounting to RMB529.0 million on the long-live assets relating to assets in the PRC, to reflect their carrying value to the estimated recoverable amount calculated based on value-in-use. The Group recognized impairment charges of RMB4.7 million on investment in PetroBroad for the six months ended June 30, 2019.

Other losses, net. The Group had net other gain of RMB3.8 million for the six months ended June 30, 2020, compared to net other losses of RMB38.5 million for the six months ended June 30, 2019. The change was mainly due to the Group recognized losses on changes in fair value of financial instruments of RMB18.2 million and losses on disposal of financial instruments of RMB24.4 million for the six months ended June 30, 2019.

金融資產減值損失沖回/(準備金)淨額。截至二零二零年六月三十日止六個月期間，本集團轉回金融資產減值損失人民幣2,130萬元，而截至二零一九年六月三十日止六個月期間計提金融資產減值損失總額為人民幣2,230萬元。

減值損失。由於二零二零年六月三十日止六個月期間的油價大幅下跌，本集團對位於中國區塊的長期資產確認減值損失人民幣5.290億元，使其賬面價值減至以在用價值為基礎估計的可回收金額。截至二零一九年六月三十日止六個月期間內博道長和投資的減值損失總額為人民幣470萬元。

其他損失，淨值。截至二零二零年六月三十日止六個月期間，本集團的其他收益為人民幣380萬元，截至二零一九年六月三十日止六個月期間則為其他損失人民幣3,850萬元。該變動主要是由於二零一九年六月三十日止六個月期間內，本集團確認了金融工具公允價值變動損失達人民幣1,820萬元，處置金融工具損失達人民幣2,440萬元。

Management Discussion and Analysis

管理層討論及分析

Finance costs, net

The Group's net finance costs increased by RMB10.0 million, or 3.5%, from RMB287.5 million for the six months ended June 30, 2019 to RMB297.5 million for the six months ended June 30, 2020. There is generally no change for the finance cost for the same period of the two years.

Loss before income tax

The Group's loss before income tax was RMB832.6 million for the six months ended June 30, 2020, compared to the loss before income tax of RMB341.1 million for the six months ended June 30, 2019, representing an increase of RMB491.5 million, or 144.1%. The increase was primarily due to the impairment charge amounting to RMB529.0 million on the long-live assets relating to assets in the PRC, as a result of the significant lower global oil prices during the six months ended June 30, 2020.

財務費用，淨額

本集團的淨財務費用由截至二零一九年六月三十日止六個月期間的人民幣2.875億元增加人民幣1,000萬元或3.5%至截至二零二零年六月三十日止六個月期間的人民幣2.975億元。兩年同期財務費用基本持平。

除所得稅前的虧損

本集團所得稅前虧損截至二零二零年六月三十日止六個月期間為人民幣8.326億元，相比截至二零一九年六月三十日止六個月期間所得稅前虧損人民幣3.411億元，增加人民幣4.915億元，增幅為144.1%。該增長乃主要由於二零二零年六月三十日止六個月期間的油價大幅下跌所引起的本集團對位於中國區塊的長期資產確認減值損失人民幣5.290億元。

Management Discussion and Analysis

管理層討論及分析

Income tax expense

The Group recorded income tax expense of RMB1.9 million for the six months ended June 30, 2020, compared to income tax expense of RMB22.4 million for the six months ended June 30, 2019, representing a decrease of RMB20.5 million, or 91.5%. The effective tax rate for the six months ended June 30, 2020 was negative 0.2%, compared to the effective tax rate for the six months period ended June 30, 2019 of negative 7%.

Loss for the period from continuing operations

As a result of the foregoing, our net loss from continuing operations for the six months ended June 30, 2020 was RMB834.5 million, compared to a net loss from continuing operations of RMB363.5 million for the six months ended June 30, 2019.

Loss for the period

The Group's loss for the six months ended June 30, 2020 was RMB834.5 million, compared to the loss of RMB597.2 million for the six months ended June 30, 2019, increased by RMB237.3 million, or 39.7%. This increase was primarily due to the cumulative effects of the above factors.

所得稅費用

截至二零二零年六月三十日止六個月期間，本集團的所得稅費用為人民幣190萬元，而截至二零一九年六月三十日止六個月期間的所得稅費用為人民幣2,240萬元，減少人民幣2,050萬元，或91.5%。截至二零二零年六月三十日止六個月期間的實際稅率為負0.2%，而截至二零一九年六月三十日止六個月期間的實際稅率為負7%。

本期持續經營損失

由於上述原因，我們截至二零二零年六月三十日止六個月期間的持續經營業務淨虧損為人民幣8.345億元，而截至二零一九年六月三十日止六個月期間的持續經營業務淨虧損為人民幣3.635億元。

本期虧損

本集團截至二零二零年六月三十日止六個月期間虧損人民幣8.345億元，而截至二零一九年六月三十日止六個月期間虧損人民幣5.972億元，虧損增加人民幣2.373億元或39.7%。虧損增加主要是由於上述因素的累積影響。

Management Discussion and Analysis

管理層討論及分析

EBITDA AND ADJUSTED EBITDA

We provide a reconciliation of EBITDA and adjusted EBITDA to loss for the six months ended June 30, 2020, with our most directly comparable financial performance calculated and presented in accordance with IFRS. EBITDA refers to earnings before income tax, finance income, finance costs and depreciation, depletion and amortization. Adjusted EBITDA refers to EBITDA adjusted to exclude non-cash and non-recurring items such as value of employee services under share-based payments plan, provision/(reversal) of impairment losses on financial assets, net, impairment charges, losses/(gains) on changes in fair value of financial instruments, withholding tax arising from intercompany loan, losses on disposal of financial instruments, losses on disposal of assets, net and any other non-cash or non-recurring income/expenses.

We have included EBITDA and adjusted EBITDA as we believe that EBITDA is a financial measure commonly used in the oil and gas industry. We believe that EBITDA and adjusted EBITDA are used as supplemental financial measures by our management and by investors, research analysts, bankers and others, to assess our operating performance, cash flow and return on capital as compared to those of other companies in our industry, and our ability to take on financing. However, EBITDA and adjusted EBITDA should not be considered in isolation or construed as alternatives to profit from operations or any other measure of performance or as an indicator of our operating performance or profitability. EBITDA and adjusted EBITDA fail to account for tax, finance income, finance costs and other non-operating cash expenses. EBITDA and adjusted EBITDA do not consider any functional or legal requirements of the business that may require us to conserve and allocate funds for any purposes.

EBITDA 和經調整 EBITDA

我們已提供 EBITDA 及經調整 EBITDA 與年內本期虧損的調節，本期虧損為根據國際財務報告準則計算及呈列的最直接的可資比較財務表現。EBITDA 指扣除所得稅、財務收入、財務成本及折舊、折耗及攤銷前盈利。經調整 EBITDA 指經調整以扣除非現金及非經常性項目，如購股權計劃下僱員服務成本、金融資產減值計提／(轉回)、淨值、金融資產減值損失、金融工具損失／(收益)、公司間貸款應計利息的代扣代繳稅、處置金融工具的損失、處置資產產生的損失、淨值，及其他非現金或非經常性收入／支出。

我們已將 EBITDA 和調整後的 EBITDA 納入考慮範圍，因為我們認為 EBITDA 是石油和天然氣行業常用的財務指標。我們相信 EBITDA 及經調整 EBITDA 乃由我們管理層、投資者、研究分析師、銀行及其他人士用作補充財務計量，以評估我們相較於業內其他公司的經營表現、現金流量及資本回報，以及我們進行融資的能力。然而，EBITDA 及經調整 EBITDA 不可獨立於經營溢利或任何其他表現計量予以考慮，亦不可詮釋為經營溢利或任何其他表現計量的替代項目，或詮釋為我們經營表現或盈利能力的指標。EBITDA 及經調整 EBITDA 並不計及稅項、財務收入、財務費用及其他非經營性現金開支。EBITDA 及經調整 EBITDA 並無考慮可能導致我們須就任何目的而保留及分配資金的任何業務的功能或法定要求。

Management Discussion and Analysis

管理層討論及分析

The following table presents a reconciliation of EBITDA and adjusted EBITDA (for continuing operations only) to loss before income tax for each period indicated.

下表載列為持續經營EBITDA及經調整持續經營EBITDA於相應期間之持續經營所得稅前淨虧損的對比：

		Six months ended June 30,	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Loss before income tax from continuing operations	持續經營除所得稅前虧損	(832,585)	(341,118)
Finance income	財務收入	(26,412)	(7,149)
Finance costs	財務費用	323,873	294,662
Depreciation, depletion and amortization	折舊、折耗及攤銷	181,706	170,660
EBITDA from continuing operations	持續經營EBITDA	(353,418)	117,055
Share-based payment to employees	購股權計劃下僱員服務成本	3,174	6,597
(Reversal)/provision of impairment losses on financial assets, net	金融資產減值(轉回)/計提·淨值	(21,335)	22,336
Impairment charges	資產減值損失	528,968	4,740
Losses on changes in fair value of financial instruments	金融工具的公允價值變動損失	-	18,220
Withholding tax	代扣代繳稅	1,886	1,876
Losses from disposal of financial instruments	處置金融工具的損失	-	24,364
Adjusted EBITDA from continuing operations	經調整持續經營EBITDA	159,275	195,188

Management Discussion and Analysis

管理層討論及分析

The Group's EBITDA decreased by approximately RMB470.5 million, from approximately RMB117.1 million for the six months ended June 30, 2019 to approximately negative RMB353.4 million for the six months ended June 30, 2020. The decrease was mainly due to the impairment charge amounting to RMB529.0 million on the long-live assets relating to assets in the PRC, as a result of the significant lower global oil prices during the six months ended June 30, 2020.

The Group's adjusted EBITDA decreased by approximately RMB35.9 million, or 18.4%, from approximately RMB195.2 million for the six months ended June 30, 2019 to approximately RMB159.3 million for the six months ended June 30, 2020. The decrease was mainly due to the significant drop in realized oil price.

本集團的EBITDA減少約人民幣4.705億元，由截至二零一九年六月三十日止六個月期間約人民幣1.171億元減少至截至二零二零年六月三十日止六個月期間約負人民幣3.534億元。該減少乃主要由於二零二零年六月三十日止六個月期間的全球油價大幅下跌所引起的本集團對位於中國區塊的長期資產確認減值損失人民幣5.290億元。

本集團的經調整EBITDA由截至二零一九年六月三十日止六個月期間約人民幣1.952億元減少約人民幣3,590萬元或18.4%至截至二零二零年六月三十日止六個月期間約人民幣1.593億元。主要原因是由於實現油價的大幅下降。

Management Discussion and Analysis

管理層討論及分析

The Group's EBITDA and Adjusted EBITDA by operating segment for the six months ended June 30, 2020 and 2019 are set out below:

截至二零二零年六月三十日及二零一九年六月三十日止六個月期間，本集團按經營分部劃分的EBITDA及經調整EBITDA載列如下：

		Six months ended June 30, 2020		
		截至二零二零年六月三十日六個月		
		Corporate		
		PRC	and others	Total
		中國	總部	合計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)
Loss before income tax from continuing operations	持續經營除所得稅前虧損	(562,395)	(270,190)	(832,585)
Finance income	財務收入	(325)	(26,087)	(26,412)
Finance costs	財務費用	57,392	266,481	323,873
Depreciation, depletion and amortization	折舊、折耗及攤銷	177,652	4,054	181,706
EBITDA from continuing operations	持續經營EBITDA	(327,676)	(25,742)	(353,418)
Share-based payment to employees	購股權計劃下僱員服務成本	761	2,413	3,174
Reversal of impairment losses on financial assets	金融資產減值轉回	-	(21,335)	(21,335)
Impairment charges	資產減值損失	528,968	-	528,968
Withholding tax	代扣代繳稅	-	1,886	1,886
Adjusted EBITDA from continuing operations	經調整持續經營EBITDA	202,053	(42,778)	159,275

Management Discussion and Analysis

管理層討論及分析

		Six months ended June 30, 2019 截至二零一九年六月三十日六個月		
		Corporate and others		Total
		PRC 中國	and others 總部	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)
Profit/(Loss) before income tax from continuing operations	持續經營除所得稅前 收益／(虧損)	36,702	(377,820)	(341,118)
Finance income	財務收入	(12)	(7,137)	(7,149)
Finance costs	財務費用	55,064	239,598	294,662
Depreciation, depletion and amortization	折舊、折耗及攤銷	168,403	2,257	170,660
EBITDA from continuing operations	持續經營EBITDA	260,157	(143,102)	117,055
Share-based payment to employees	購股權計劃下僱員服務成本	1,619	4,978	6,597
Net impairment losses on financial assets	金融資產減值損失	–	22,336	22,336
Impairment charges	資產減值計提	–	4,740	4,740
Losses on changes in fair value of financial instruments	金融工具的公允價值變動損失	–	18,220	18,220
Withholding tax	代扣代繳稅	–	1,876	1,876
Losses from disposal of financial instruments	處置金融工具的損失	–	24,364	24,364
Adjusted EBITDA from continuing operations	經調整持續經營EBITDA	261,776	(66,588)	195,188

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND CAPITAL RESOURCES

Overview

Our primary source of cash during the six months ended June 30, 2020 was cash generated from operating activities.

In 1H2020, we had net cash generated from operating activities of RMB55.1 million, net cash used in investing activities of RMB31.9 million and net cash used in financing activities of RMB28.6 million, a translation gain for foreign currency exchange of RMB1.2 million, resulting in a net decrease in cash and cash equivalent of RMB4.2 million compared to the cash balance of RMB13.7 million as at December 31, 2019.

Cash generated from operating activities

Net cash generated from operating activities was RMB55.1 million for the six months ended June 30, 2020. In 1H2020, our net cash generated from operating activities included a loss before income tax of RMB832.6 million adjusted for, among other things, depreciation, depletion and amortization of RMB181.7 million, net interest expenses of RMB307.0 million, an unrealized foreign exchange gain of RMB9.5 million, a net reversal of impairment losses on financial assets of RMB21.3 million, an impairment charges of RMB529.0 million, value of employee services under share-based payments plan of RMB3.2 million. The cash movements from changes in working capital in the six months ended June 30, 2020 included a decrease in trade and other receivables of RMB17.6 million; an decrease in trade and other payables of RMB79.5 million; an increase in inventories of RMB1.3 million, interest paid of RMB30.8 million, and income tax paid of RMB8.3 million.

流動資金及資本資源

概覽

截至二零二零年六月三十日止六個月期間的主要現金來源為經營活動產生的現金流量。

於二零二零年上半年，我們的經營活動產生的現金淨額為人民幣5,510萬元，投資活動所用現金淨額為人民幣3,190萬元，融資活動所用現金淨額為人民幣2,860萬元，外幣兌換的換算收益為人民幣120萬元，現金及現金等價物較二零一九年十二月三十一日的現金餘額人民幣1,370萬元淨減少人民幣420萬元。

經營活動產生的現金

截至二零二零年六月三十日止六個月期間，經營活動所得現金淨額為人民幣5,510萬元。於二零二零年上半年，經營活動產生的現金淨額包括除所得稅前虧損人民幣8.326億元，經調整折舊、折耗及攤銷人民幣1.817億元，淨利息支出人民幣3.070億元，未實現匯兌收益人民幣950萬元，回金融資產減值準備人民幣2,130萬元，資產減值損失人民幣5.290億元，股份支付計劃下員工服務成本人民幣320萬元。截至二零二零年六月三十日止六個月期間的營運資金變動，包括應收及其他應收款項減少人民幣1,760萬元；應付及其他應付款項減少人民幣7,950萬元；存貨增加人民幣130萬元；支付利息人民幣3,080萬元以及支付所得稅人民幣830萬元。

Management Discussion and Analysis

管理層討論及分析

Net cash generated from operating activities was RMB165.2 million for the six months ended June 30, 2019. In 1H2019, our net cash generated from operating activities included a loss before income tax of RMB341.1 million adjusted for, among other things, depreciation, depletion and amortization of RMB170.7 million, net interest expenses of RMB287.4 million, an unrealized foreign exchange loss of RMB0.1 million, a net provision of impairment losses on financial assets of RMB22.3 million, an impairment charges of RMB4.7 million, value of employee services under share-based payments plan of RMB6.6 million, losses on changes in fair value of financial instruments of RMB18.2 million, losses on disposal of financial instruments of RMB24.4 million. The cash movements from changes in working capital in the six months ended June 30, 2019 included a decrease in trade and other receivables of RMB0.8 million; an increase in trade and other payables of RMB54.7 million; an increase in inventories of RMB0.9 million, interest paid of RMB166.7 million, and net cash generated from discontinued operations of RMB84.1 million.

Cash used in investing activities

Net cash used in investing activities for the six months ended June 30, 2020 amounted to RMB31.9 million, mainly as a result of: (i) purchase of property, plant and equipment of RMB42.2 million, (ii) payment for acquisition of interests under Daan and Moliqing PSCs interest of RMB10.5 million, (iii) received from disposal of subsidiaries of RMB20.7 million, and (iv) net proceeds upon disposal of investment in associate of RMB91 thousand.

截至二零一九年六月三十日止六個月期間，經營活動所得現金淨額為人民幣1.652億元。於二零一九年上半年，經營活動產生的現金淨額包括除所得稅前虧損人民幣3.411億元，經調整折舊、折耗及攤銷人民幣1.707億元，淨利息支出人民幣2.874億元，未實現匯兌損失人民幣10萬元，計提金融資產減值準備人民幣2,230萬元，資產減值損失人民幣470萬元，股份支付計劃下員工服務成本人民幣660萬元，金融工具公允價值變動損失人民幣1,820萬元，金融工具處置損失人民幣2,440萬元。截至二零一九年六月三十日止六個月期間的營運資金變動，包括應收及其他應收款項減少人民幣80萬元；應付及其他應付款項增加人民幣5,470萬元；存貨增加人民幣90萬元以及支付利息人民幣1.667億元，及終止經營產生的現金人民幣8,410萬元。

投資活動使用的現金

截至二零二零年六月三十日止六個月期間，投資活動所用現金淨額為人民幣3,190萬元，主要是由於：(i)購買不動產、工廠及設備人民幣4,220萬元，(ii)支付收購大安及莫里青油田產品分成合同的參與權的款項1,050萬元，(iii)收到處置子公司款項人民幣2,070萬元，及(iv)處置聯營投資取得的款項人民幣9.1萬元。

Management Discussion and Analysis

管理層討論及分析

Net cash used in investing activities for the six months ended June 30, 2019 amounted to RMB114.7 million, mainly as a result of: (i) purchase of property, plant and equipment of RMB18.5 million, (ii) payment for acquisition of interests under Daan and Moliqing PSCs interest of RMB27.0 million, (iii) contribution and loans to investments accounted for using the equity method of RMB4.7 million, and (iv) net cash used in discontinued operations of RMB64.5 million.

Cash used in financing activities

Net cash used in financing activities for the six months ended June 30, 2020 amounted to RMB28.6 million due to (i) repayments of borrowings of RMB10.4 million, (ii) payment of loan arrangement and other fees of RMB12.8 million, (iii) payment of lease liability of RMB5.3 million.

Net cash used in financing activities for the six months ended June 30, 2019 amounted to RMB68.7 million due to (i) repayments of borrowings of RMB44.1 million, (ii) repayments of 2019 Senior Notes of RMB516.4 million, (iii) payment of loan arrangement and other fees of RMB31.5 million, (iv) payment of lease liability of RMB6.2 million and (v) net cash used in discontinued operations of RMB19.5 million. Offset by: (i) proceeds from borrowings of RMB525.3 million and (ii) proceeds from issue of new shares of RMB23.7 million.

Borrowings

As at June 30, 2020, the Group's borrowings amounted to approximately RMB4,140.0 million, representing an increase of approximately RMB140.7 million as compared to December 31, 2019. All of the balance of borrowings repayable are within one year, representing an increase of RMB1,861.2 million as compared to that of December 31, 2019. All of the Group's borrowings are denominated in United States Dollars and Hong Kong Dollars. The Group's borrowings are all at fixed interest rates. No hedging instruments are used for bank borrowings.

截至二零一九年六月三十日止六個月期間，投資活動所用現金淨額為人民幣1.147億元，主要是由於：(i) 購買不動產、工廠及設備人民幣1,850萬元，(ii) 支付收購大安及莫里青油田產品分成合同的參與權的款項2,700萬元，(iii) 投入以權益法核算的投資及貸款為人民幣470萬元，及(iv) 終止經營產生的現金人民幣6,450萬元。

融資活動使用的現金

截至二零二零年六月三十日止六個月期間的融資活動所用現金淨額為人民幣2,860萬元，原因是(i) 償還借款人民幣1,040萬元，(ii) 支付借款安排費及相關費用人民幣1,280萬元，(iii) 支付租賃費人民幣530萬元。

截至二零一九年六月三十日止六個月期間的融資活動所用現金淨額為人民幣6,870萬元，原因是(i) 償還借款人民幣4,410萬元，(ii) 償還二零一九年到期的優先票據人民幣5.164億元，(iii) 支付借款安排費及相關費用人民幣3,150萬元，(iv) 支付租賃費人民幣620萬元及(v) 終止經營所用現金淨額為人民幣1,950萬元。抵減：(i) 借款所得款項人民幣5.253億元，(ii) 發行新股收到人民幣2,370萬元。

借款

於二零二零年六月三十日，本集團的借款約為人民幣41.400億元，較二零一九年十二月三十一日增加約人民幣1.407億元。全部借款均為一年內須償還，較二零一九年十二月三十一日增加人民幣18.612億元。本集團的所有借款均以美元或港幣計值。本集團的所有借款均為固定利率借款。本集團沒有為借款做套期保值。

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管理層討論及分析

Our gearing ratio, which is defined as total borrowings less cash and cash equivalents (“Net Borrowings”) divided by the sum of Net Borrowings and total equity, increased from 321.0% as at December 31, 2019 to 860.6% as at June 30, 2020, primarily due to the decrease of total equity.

Our total borrowings to Adjusted EBITDA ratio, which is defined as total borrowings divided by Adjusted EBITDA increased from 12.4 as at December 31, 2019 to 13.0 as at June 30, 2020.

Market Risks

Our market risk exposures primarily consist of fluctuations in oil and gas prices and exchange rates.

Oil and natural gas price risk

Our realized oil and gas prices are determined by reference to oil and gas prices in the international market, as changes in international oil and gas prices will have a significant impact on us. Unstable and highly volatile international oil and gas prices may have a significant impact on our revenue and profit.

Currency risk

The majority of the Group’s China operation sales revenue are in US dollars, while production and other expenses in China are incurred in RMB. The RMB is not a freely convertible currency and is regulated by the PRC Government. Limitations on foreign exchange transactions imposed by the PRC Government could cause future exchange rates to vary significantly from current or historical exchange rates.

The Group currently does not engage in hedging activities designed or intended to manage foreign exchange rate risk. The Group will continue to monitor foreign exchange changes to best preserve the Group’s cash value.

我們的負債率(借款總額減去現金及現金等價物(「淨借款額」)除以淨借款額和總權益之和)自二零一九年十二月三十一日的321.0%增加至截至二零二零年六月三十日的860.6%，主要由於總權益的減少。

我們的經調整EBITDA比率(借貸總額除以經調整EBITDA)由二零一九年十二月三十一日的12.4增加至二零二零年六月三十日的13.0。

市場風險

我們面臨的市場風險主要包括石油和天然氣價格及匯率的波動。

原油和天然氣價格風險

我們的實現石油和天然氣價格乃參照國際市場油價釐定，國際原油和天然氣價格的變動將對我們帶來重大影響。國際原油和天然氣價的不穩定及高波動性對本公司的收益及溢利造成顯著影響。

貨幣風險

集團的大部份中國銷售收入以美元計值，而於中國的生產及其他支出則以人民幣入賬。人民幣並非為自由轉換貨幣，須受中國政府規管。中國政府對外匯交易所設定的限制可能導致未來匯率與當前或歷史匯率相比出現大幅變動。

本集團現時並未從事旨在或在管理外匯匯率風險的對沖活動。本集團將繼續監察外匯變動，以盡量保障本集團的現金價值。

Management Discussion and Analysis

管理層討論及分析

CHARGES ON GROUP ASSETS

As at June 30, 2020, the Group's interest under the PSCs in China, bank accounts and shares of subsidiaries and associates of the Group were pledged to secure borrowings in the aggregate amount of RMB2,367.3 million.

EMPLOYEES

As at June 30, 2020, the Company had 1,034 employees, with 1,033 based in China (the PRC and Hong Kong) and one based in USA. There have been no material changes to the information disclosed in the Company's annual report for the year ended December 31, 2019 in respect of the remuneration of employees, remuneration policies and staff development.

集團資產抵押

於二零二零年六月三十日，本集團以位於中國的產品分成合同權益，銀行賬戶和子公司及聯營公司股份作為抵押擔保，獲得借款，餘額為人民幣23.673億元。

僱員

於二零二零年六月三十日，本公司擁有1,034名僱員，當中1,033名位於中國（大陸及香港）及1名位於美國。而就僱員薪酬、薪酬政策及員工發展方面的資料與在二零一九年年報內所披露的並無重大變動。

Other Information 其他資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at June 30, 2020, the interests or short positions of the directors of the Company (“Directors”) and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), which will have to be notified to the Company and the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in the Listing Rules, were detailed as follows:

董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債權證中擁有的權益及／或淡倉

於二零二零年六月三十日，本公司董事（「董事」）及主要行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）的權益或淡倉（包括根據證券及期貨條例的條文而當作或被視為擁有的權益及淡倉），或根據證券及期貨條例第352條的規定須登記於該條所指的登記冊內的權益或淡倉，或根據載於上市規則內上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益或淡倉詳述如下：

Name of Director 董事姓名	Name of Corporation 法團名稱	Capacity/ Nature of interest 身份／權益性質	Number of ordinary shares (including options to be exercised) 股份數目 (包括可行使購股權)	Approximate total percentage of interest in the corporation 佔法團權益的概約總百分比
Mr. Zhang Ruilin 張丙霖先生	Our Company 本公司	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L)	48.23%
		Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	88,521,234 (S)	2.70%
		Beneficial owner (Note 4) 實益擁有人(附註4)	7,987,000 (L)	0.24%

Other Information 其他資料

Name of Director 董事姓名	Name of Corporation 法團名稱	Capacity/ Nature of interest 身份／權益性質	Number of ordinary shares (including options to be exercised) 股份數目(包括可行使購股權)	Approximate total percentage of interest in the corporation 估法團權益的概約總百分比
Mr. Zhao Jiangwei 趙江巍先生	Our Company 本公司	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L)	48.23%
		Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	88,521,234 (S)	2.70%
		Beneficial owner (Note 4) 實益擁有人(附註4)	10,987,000 (L)	0.33%
Mr. Zhang Ruilin 張芮霖先生	Far East Energy Limited ("FEEL")	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	8,999	9.99%
Mr. Zhao Jiangwei 趙江巍先生	FEEL	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	9,000	10.00%
Mr. Mei Jianping 梅建平先生	Our Company 本公司	Beneficial owner 實益擁有人	2,067,933 (L)	0.06%
Mr. Jeffrey Willard Miller Jeffrey Willard Miller 先生	Our Company 本公司	Beneficial owner 實益擁有人	2,611,333 (L)	0.08%
Ms. Xie Na 謝娜女士	Our Company 本公司	Beneficial owner 實益擁有人	800,000 (L)	0.02%
Mr. Guo Yanjun 郭燕軍先生	Our Company 本公司	Beneficial owner 實益擁有人	800,000 (L)	0.02%

Other Information

其他資料

Note:

- (1) The letter “L” denotes the person’s long position in the shares of the Company. The letter “S” denotes the person’s short position in the shares of the Company.
- (2) FEEL is held by Ms. Zhao Jiangbo (“Mrs. Zhang”), Mr. Zhang Ruijin (“Mr. Zhang”) and Mr. Zhao Jiangwei (“Mr. Zhao”) as to 80%, 9.99% and 10%, respectively. On May 24, 2013, 72,000 shares in FEEL were issued to Mrs. Zhang, 399,070,000 shares in the Company were transferred from FEEL to Champion International Energy Limited (“Champion”), 399,070,000 shares in the Company were transferred from FEEL to Orient International Energy Limited (“Orient”), 475,000,000 shares in the Company were transferred from FEEL to New Sun International Energy Limited (“New Sun”) and 141,460,000 shares in the Company were transferred from FEEL to Power International Energy Limited (“Power”). Each of Champion, Orient, New Sun and Power is a wholly-owned subsidiary of Sunrise Glory Holdings Limited, which is itself a wholly-owned subsidiary of FEEL. Mrs. Zhang, Mr. Zhang and Mr. Zhao had entered into an Acting-in-Concert Agreement under which they agreed to act in concert in relation to all matters that require the decisions of the shareholders of FEEL. Pursuant to the Acting-in-Concert Agreement, if an unanimous opinion in relation to the matters that require action in concert is unable to be reached, Mr. Zhang shall be allowed to vote on his, Mrs. Zhang’s and Mr. Zhao’s shares.

The long interests which FEEL, Mr. Zhang and Mr. Zhao have in the 1,577,095,234 shares in the Company include (i) the beneficial interests which FEEL has (and in the case of Mr. Zhang and Mr. Zhao, the indirect beneficial interests which they have (through their shareholdings in FEEL)) in the 1,469,600,000 shares in the Company held by FEEL through its subsidiaries, (ii) the 7,887,000 share options granted to Mr. Zhang, (iii) the 7,887,000 share options granted to Mr. Zhao, (iv) the put option granted by FEEL, Mr. Zhang and Mr. Zhao, pursuant to a put and call option agreement, over the 88,521,234 shares in the Company held by Mr. Ho Chi Sing through Celestial Energy Limited (“Celestial”), as further described in note (3) below, (v) the 100,000 shares owned by Mr. Zhang himself, and (vi) the 3,100,000 shares owned by Mr. Zhao himself.

附註：

- (1) 字母「L」指某位人士於本公司股份中的好倉。字母「S」指某位人士於本公司股份中的淡倉。
- (2) FEEL由趙江波女士(「張夫人」)、張芮霖先生(「張先生」)及趙江巍先生(「趙先生」)分別擁有80%、9.99%及10%權益。於二零一三年五月二十四日，FEEL的72,000股股份發行予張夫人，FEEL分別將本公司399,070,000股、399,070,000股、475,000,000股及141,460,000股股份轉讓予Champion International Energy Limited(「Champion」)、Orient International Energy Limited(「Orient」)、New Sun International Energy Limited(「New Sun」)及Power International Energy Limited(「Power」)。Champion、Orient、New Sun及Power均為Sunrise Glory Holdings Limited的全資附屬公司。而Sunrise Glory Holdings Limited則為FEEL的全資附屬公司。張夫人、張先生及趙先生已訂立一致行動協議，據此，彼等同意就需由FEEL股東決定的一切事項一致行動。根據一致行動協議，倘未能達成有關需一致行動事項的一致意見，張先生獲准就其、張夫人及趙先生的股份進行投票表決。

FEEL、張先生和趙先生於本公司持有的1,577,095,234股長期權益包括(i) FEEL通過其子公司(而張先生和趙先生通過在FEEL的持股)持有的本公司1,469,600,000股實益權益，(ii) 張先生持有的7,887,000股購股權，(iii) 趙先生持有的7,887,000股購股權，(iv) 根據認沽及認購期權協議，FEEL、張先生和趙先生授予何志成先生通過Celestial Energy Limited(「Celestial」)持有的本公司88,521,234股認沽期權，見下文附註(3)，(v) 張先生本人持有的100,000股實益權益，以及(vi) 趙先生本人持有的3,100,000股實益權益。

Other Information 其他資料

- (3) The Company was informed on November 8, 2014 that TPG Star Energy Ltd. and Celestial had entered into a sale and purchase agreement pursuant to which Celestial had acquired and TPG Star Energy Ltd. has sold 211,855,234 ordinary shares in the Company.

On November 8, 2014, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang and Celestial entered into a put and call option agreement in relation to certain of shares (the "PCA"), pursuant to which the parties to the put and call option agreement have agreed to grant each other certain rights in relation to their shares, and Section 317(1)(a) of the SFO applies. Mr. Ho Chi Sing is the sole shareholder of Celestial.

In particular, Mr. Ho Chi Sing, through his holdings in Celestial, is beneficially interested in 211,855,234 shares in the Company. Pursuant to the abovementioned PCA, Mr. Ho Chi Sing and Celestial have been granted a put option to resell/put 211,855,234 shares to FEEL, Mr. Zhang and Mr. Zhao.

On January 6, 2017, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang (collectively, the "Controlling Shareholders") and Celestial entered into a letter agreement in relation to the PCA. The Board was also informed that Great Harmony International Ltd ("Great Harmony") and Celestial have entered into a sale and purchase agreement pursuant to which Great Harmony has agreed to acquire (or procure its affiliate or other person or company designated by it to acquire) and Celestial has agreed to sell 211,855,234 ordinary shares in the Company.

On January 18, 2017, February 23, 2017 and March 7, 2017, Celestial had ceased to have 53,334,000 shares, 40,000,000 shares and 30,000,000 shares in long and short positions, respectively.

On May 17, 2017, the Controlling Shareholders and Celestial entered into a second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated May 17, 2017.

On November 30, 2017, the Controlling Shareholders and Celestial entered into the supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated November 30, 2017.

- (3) 本公司於二零一四年十一月八日獲悉，TPG Star Energy Ltd. 與 Celestial 訂立買賣協議，據此，Celestial 同意收購及 TPG Star 同意出售 211,855,234 股本公司普通股。

於二零一四年十一月八日，FEEL、張先生、趙先生、張夫人及 Celestial 就若干股份訂立認沽及認購期權協議，據此，該協議之訂約方同意互相之間授出彼等股份之若干權利並應用證券及期貨條例第317(1)(a)條規定。何志成先生為 Celestial 的唯一股東。

尤其值得一提的是，何志成先生通過其在 Celestial 的持股，持有本公司 211,855,234 股權益。根據上述認沽及認購期權協議，何志成先生和 Celestial 持有認沽期權，得向 FEEL、張先生和趙先生轉／售出 211,855,234 股權。

於二零一七年一月六日，FEEL、張先生、趙先生、張夫人（統稱「控股股東」）及 Celestial 簽訂一份與認沽及認購期權協議相關的協議且董事會獲悉，Great Harmony International Ltd（「Great Harmony」）與 Celestial 簽訂了購銷協議，據此，Great Harmony 同意購買（或確保其附屬公司或指定的其他人或公司購買），且 Celestial 同意出售本公司 211,855,234 股普通股。

Celestial 分別於二零一七年一月十八日，二零一七年二月二十三日及二零一七年三月七日，再無擁有 53,334,000 股、40,000,000 股及 30,000,000 股的好倉及淡倉。

於二零一七年五月十七日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議。詳細信息請參照本公司於二零一七年五月十七日發佈之公告。

於二零一七年十一月三十日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議的補充協議。詳細信息請參照本公司於二零一七年十一月三十日發佈之公告。

Other Information

其他資料

On April 14, 2018, the Controlling Shareholders and Celestial entered into the second supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated April 15, 2018.

On November 26, 2018, the Controlling Shareholders and Celestial entered into the third supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated November 26, 2018.

On May 30, 2019, the Controlling Shareholders and Celestial entered into the fourth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated May 30, 2019.

On January 15, 2020, the Controlling Shareholders and Celestial entered into the fifth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated January 15, 2020.

- (4) These interests represent interests in outstanding stock options under the Company's stock incentive compensation plan and the share option scheme. For further details, please refer to the section headed "Share Options". Mr. Zhang's interests include the 100,000 shares held by himself. Mr. Zhao's interests include the 3,100,000 shares held by himself.

Save as disclosed above and in the section headed "Share Options", as at June 30, 2020, none of the Directors or the chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the 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 (including interests and short positions which he/she had taken or was deemed to have under such provisions of the SFO) or which were required to be entered into the register kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code; nor had there been any grant or exercise of rights of such interests during the six months ended June 30, 2020.

於二零一八年四月十四日，控股股東及 Celestial 簽訂認估及認購期權協議的第二份相關協議的第二次補充協議。詳細信息請參照本公司於二零一八年四月十五日發佈之公告。

於二零一八年十一月二十六日，控股股東及 Celestial 簽訂認估及認購期權協議的第二份相關協議的第三次補充協議。詳細信息請參照本公司於二零一八年十一月二十六日發佈之公告。

於二零一九年五月三十日，控股股東及 Celestial 簽訂認估及認購期權協議的第二份相關協議的第四次補充協議。詳細信息請參照本公司於二零一九年五月三十日發佈之公告。

於二零二零年一月十五日，控股股東及 Celestial 簽訂認估及認購期權協議的第二份相關協議的第五次補充協議。詳細信息請參照本公司於二零二零年一月十五日發佈之公告。

- (4) 該等權益指本公司股份獎勵酬金計劃及購股權計劃所涉未行使購股權的權益。其他詳情請參閱「購股權」一節。張先生的權益包括張先生本人持有的100,000股實益權益。趙先生的權益包括趙先生本人持有的3,100,000股實益權益。

除上文及「購股權」一節所披露者外，於二零二零年六月三十日，本公司董事或主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中概無擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的條文而當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條的規定須登記於本公司存置的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉；於截至二零二零年六月三十日六個月期間，亦無授予或行使該等權益之權利。

Other Information 其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware of, as at June 30, 2020, the following persons (other than the Directors, chief executive(s) or members of the Group) who had interests and/or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, which would be required, pursuant to Section 336 of the SFO, to be entered into the register referred to therein, were as follows:

主要股東於本公司的股份、相關股份中擁有的權益及／或淡倉

就董事所知，於二零二零年六月三十日，下列人士(除董事、主要行政人員或本集團成員公司外)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分部須向本公司披露的權益及／或淡倉，或根據證券及期貨條例第336條須登記於該條所指之登記冊內的權益及／或淡倉如下：

Name of interested party	Party Capacity/ Nature of interest	Total number of shares (including options to be exercised)	Approximate percentage of interest in our company
權益方名稱	身份／權益性質	股份總數 (包括可行使購股權)	佔本公司權益的 概約百分比
Ms. Zhao Jiangbo 趙江波女士	Interest of controlled corporations (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L) 88,521,234 (S)	48.23% 2.70%
FEEL	Interest of controlled corporations (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L) 88,521,234 (S)	48.23% 2.70%
Mr. Ho Chi Sing 何志成先生	Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	1,577,095,234 (L) 88,521,234 (S)	48.23% 2.70%
Celestial Energy Limited ("Celestial")	Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	1,577,095,234 (L) 88,521,234 (S)	48.23% 2.70%
Billion Capital Shine Inc.	Person having a security interest in shares (Note 4) 持有股份的保證權益的人(附註4)	1,472,300,000 (L)	45.03%
China Orient Asset Management (International) Holding Limited 中國東方資產管理(國際)控股有限公司	Interest of controlled corporation (Note 4) 受控制法團權益(附註4)	1,472,300,000 (L)	45.03%
China Orient Asset Management Co., Limited 中國東方資產管理股份有限公司	Interest of controlled corporation (Note 4) 受控制法團權益(附註4)	1,472,300,000 (L)	45.03%
Dong Yin Development (Holdings) Limited 東銀發展(控股)有限公司	Interest of controlled corporation (Note 4) 受控制法團權益(附註4)	1,472,300,000 (L)	45.03%
Wise Leader Assets Ltd.	Interest of controlled corporation (Note 4) 受控制法團權益(附註4)	1,472,300,000 (L)	45.03%
Fung Wing Nam Florence 馮穎楠	Interest of controlled corporation 受控制法團權益	199,160,000 (L)	6.09%

Other Information

其他資料

Notes:

- (1) The letter “L” denotes the person’s long position in the shares of the Company. The letter “S” denotes the person’s short position in the shares of the Company.
- (2) FEEL is held by Mrs. Zhang, Mr. Zhang and Mr. Zhao as to 80%, 9.99% and 10%, respectively. On May 24, 2013, 72,000 shares in FEEL were issued to Mrs. Zhang, 399,070,000 shares in the Company were transferred from FEEL to Champion, 399,070,000 shares in the Company were transferred from FEEL to Orient, 475,000,000 shares in the Company were transferred from FEEL to New Sun and 141,460,000 shares in the Company were transferred from FEEL to Power. Each of Champion, Orient, New Sun and Power is a wholly-owned subsidiary of Sunrise Glory Holdings Limited, which is itself a wholly-owned subsidiary of FEEL. Mrs. Zhang, Mr. Zhang and Mr. Zhao had entered into an Acting-in-Concert Agreement under which they agreed to act in concert in relation to all matters that require the decisions of the shareholders of FEEL. Pursuant to the Acting-in-Concert Agreement, if an unanimous opinion in relation to the matters that require action in concert is unable to be reached, Mr. Zhang shall be allowed to vote on his, Mrs. Zhang’s and Mr. Zhao’s shares.

The long interests which FEEL, Mr. Zhang and Mr. Zhao have in the 1,577,095,234 shares in the Company include (i) the beneficial interests which FEEL has (and in the case of Mr. Zhang and Mr. Zhao, the indirect beneficial interests which they have (through their shareholdings in FEEL)) in the 1,469,600,000 shares in the Company held by FEEL through its subsidiaries, (ii) the 7,887,000 share options granted to Mr. Zhang, (iii) the 7,887,000 share options granted to Mr. Zhao, (iv) the put option granted by Controlling Shareholders pursuant to a put and call option agreement, over the 88,521,234 shares in the Company held by Mr. Ho Chi Sing through Celestial, as further described in note (3) below, (v) the 100,000 shares owned by Mr. Zhang himself, and (vi) the 3,100,000 shares owned by Mr. Zhao himself.

附註：

- (1) 字母「L」指某位人士於本公司股份中的好倉。字母「S」指某位人士於本公司股份中的淡倉。
- (2) FEEL由張夫人、張先生及趙先生分別擁有80%、9.99%及10%權益。於二零一三年五月二十四日，FEEL的72,000股股份發行予張夫人，FEEL分別將本公司399,070,000股、399,070,000股、475,000,000股及141,460,000股股份轉讓予Champion、Orient、New Sun及Power。Champion、Orient、New Sun及Power均為Sunrise Glory Holdings Limited的全資附屬公司，而Sunrise Glory Holdings Limited則為FEEL的全資附屬公司。張夫人、張先生及趙先生已訂立一致行動協議，據此，彼等同意就需由FEEL股東決定的一切事項一致行動。根據一致行動協議，倘未能達成有關一致行動事項的一致意見，張先生獲准就其、張夫人及趙先生的股份進行投票表決。

FEEL、張先生和趙先生於本公司持有的1,577,095,234股長期權益包括(i)FEEL通過其子公司(而張先生和趙先生通過在FEEL的持股)持有的本公司1,469,600,000股實益權益，(ii)張先生持有的7,887,000股購股權，(iii)趙先生持有的7,887,000股購股權，(iv)根據認沽及認購期權協議，控股股東授予Ho Chi Sing先生通過Celestial持有的本公司88,521,234股認沽期權，見下文附註(3)，(v)張先生本人持有的100,000股實益權益，以及(vi)趙先生本人持有的3,100,000股實益權益。

Other Information 其他資料

- (3) The Company was informed on November 8, 2014 that TPG Star Energy Ltd. and Celestial had entered into the PCA pursuant to which Celestial had acquired and TPG Star Energy Ltd. has sold 211,855,234 ordinary shares in the Company.

On November 8, 2014, the Controlling Shareholders and Celestial entered into the PCA, pursuant to which the parties to the PCA have agreed to grant each other certain rights in relation to their shares, and section 317(1)(a) of the SFO applies. Mr. Ho Chi Sing is the sole shareholder of the Celestial.

Pursuant to the abovementioned PCA, Mr. Ho Chi Sing and Celestial have been granted a put option to resell/put 211,855,234 shares to FEEL, Mr. Zhang and Mr. Zhao.

On January 6, 2017, the Controlling Shareholders and Celestial entered into the letter agreement in relation to the PCA. The Board was also informed that Great Harmony and Celestial have entered into a sale and purchase agreement pursuant to which Great Harmony has agreed to acquire (or procure its affiliate or other person or company designated by it to acquire) and Celestial has agreed to sell 211,855,234 ordinary shares in the Company.

On January 18, 2017, February 23, 2017 and March 7, 2017, Celestial had ceased to have 53,334,000 shares, 40,000,000 shares and 30,000,000 shares in long and short positions, respectively.

On May 17, 2017, the Controlling Shareholders and Celestial entered into a second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated May 17, 2017.

On November 30, 2017, the Controlling Shareholders and Celestial entered into the supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated November 30, 2017.

On April 14, 2018, the Controlling Shareholders and Celestial entered into the second supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated April 15, 2018.

- (3) 本公司於二零一四年十一月八日獲悉，TPG Star Energy Ltd. 與 Celestial 訂立買賣協議，據此，Celestial 同意收購及 TPG Star 同意出售 211,855,234 股本公司普通股。

於二零一四年十一月八日，控股股東及 Celestial 就若干股份訂立認沽及認購期權協議。據此，該協議之訂約方同意互相之間授出彼等股份之若干權利並應用證券及期貨條例第317(1)(a)條規定。何志成先生為 Celestial 的唯一股東。

根據上述認沽及認購期權協議，何志成先生和 Celestial 持有認沽期權，得向 FEEL、張先生和趙先生轉／售出 211,855,234 股權。

於二零一七年一月六日，控股股東及 Celestial 簽訂一份與認沽及認購期權協議相關的協議且董事會獲悉，Great Harmony 與 Celestial 簽訂了購銷協議，據此，Great Harmony 同意購買（或確保其附屬公司或指定的其他人或公司購買），且 Celestial 同意出售本公司 211,855,234 股普通股。

Celestial 分別於二零一七年一月十八日、二零一七年二月二十三日及二零一七年三月七日，再無擁有 53,334,000 股、40,000,000 股及 30,000,000 股的好倉及淡倉。

於二零一七年五月十七日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議。詳細信息請參照本公司於二零一七年五月十七日發佈之公告。

於二零一七年十一月三十日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議的補充協議。詳細信息請參照本公司於二零一七年十一月三十日發佈之公告。

於二零一八年四月十四日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議的第二次補充協議。詳細信息請參照本公司於二零一八年四月十五日發佈之公告。

Other Information 其他資料

On November 26, 2018, the Controlling Shareholders and Celestial entered into the third supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated November 26, 2018.

On May 30, 2019, the Controlling Shareholders and Celestial entered into the fourth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated May 30, 2019.

On January 15, 2020, the Controlling Shareholders and Celestial entered into the fifth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated January 15, 2020.

(4) Billion Capital Shine Inc. has a security interest in the 1,472,300,000 shares of the Company in which China Orient Asset Management (International) Holding Limited, Wise Leader Assets Ltd., Dong Yin Development (Holdings) Limited and China Orient Asset Management Co., Ltd., were deemed to be interested in by virtue of SFO because:

- Billion Capital Shine Inc. is 100% owned by China Orient Asset Management (International) Holding Limited;
- China Orient Asset Management (International) Holding Limited is 50% owned by Dong Yin Development (Holdings) Limited and 50% owned by Wise Leader Assets Ltd.;
- Wise Leader Assets Ltd. is 100% owned by Dong Yin Development (Holdings) Limited; and
- Dong Yin Development (Holdings) Limited is 100% owned by China Orient Asset Management Co., Ltd.

Save as disclosed above, as at June 30, 2020, no person (other than the Directors or the chief executive of our Company, whose interests have been disclosed in the above section headed "Directors' and Chief Executives' Interests and/or Short Positions in Shares, Underlying Shares and Debentures of the Company or Any Associated Corporation") had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO.

於二零一八年十一月二十六日，控股股東及 Celestial 簽訂認估及認購期權協議的第二份相關協議的第三次補充協議。詳細信息請參照本公司於二零一八年十一月二十六日發佈之公告。

於二零一九年五月三十日，控股股東及 Celestial 簽訂認估及認購期權協議的第二份相關協議的第四次補充協議。詳細信息請參照本公司於二零一九年五月三十日發佈之公告。

於二零二零年一月十五日，控股股東及 Celestial 簽訂認估及認購期權協議的第二份相關協議的第五次補充協議。詳細信息請參照本公司於二零二零年一月十五日發佈之公告。

(4) Billion Capital Shine Inc. 取得本公司 1,472,300,000 股份的保證權益，根據證券及期貨條例，中國東方資產管理(國際)控股有限公司、Wise Leader Assets Ltd.、東銀發展(控股)有限公司及中國東方資產管理股份有限公司也同樣擁有該等權益，原因為：

- 中國東方資產管理(國際)控股有限公司擁有 Billion Capital Shine Inc. 100% 股份；
- 東銀發展(控股)有限公司及 Wise Leader Assets Ltd 分別擁有中國東方資產管理(國際)控股有限公司 50% 股份；
- 東銀發展(控股)有限公司擁有 Wise Leader Assets Ltd. 100% 股份；及
- 中國東方資產管理股份有限公司擁有東銀發展(控股)有限公司 100% 股份。

除上文所述者外，於二零二零年六月三十日，概無任何人士(除於上文「董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債權證中擁有的權益及／或淡倉」一節已披露權益的本公司董事或主要行政人員外)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 336 條登記於本公司存置之登記冊內的權益或淡倉。

Other Information 其他資料

SHARE OPTIONS

(i) Stock Incentive Compensation Plan ("Plan")

The Board adopted the Plan prior to the listing of the Company on the Stock Exchange designed to attract and retain the best available personnel for positions of substantial responsibility, provide additional incentive to employees and directors and promote the success of our business.

The exercise price of the granted share options is equal to or higher than the market price of the shares on the date of the grant. Each share option gives the holder the right to subscribe for one share of the Company. The share options granted under the Plan typically vest over a two or three year period at each anniversary of the grant date, subject to the participant continuing to be an employee on each vesting date.

The Company has undertaken that no further share options will be granted under the Plan upon the listing of the Company, but the provisions of the Plan shall in all other respects remain in full force and effect and share options granted under the Plan prior to the listing of the Company continue to be exercisable in accordance with the Plan and agreements entered into pursuant to the Plan.

購股權

(i) 股份獎勵酬金計劃(「該計劃」)

董事會已於本公司於聯交所上市之前採納該計劃，旨在為具重大責任的職位招攬及聘留優秀適用人才，為僱員及董事提供額外獎勵並促進本公司的業務發展。

所授出的購股權的行權價等於或高於授出日期的股份市場價格。各份購股權賦予持有人權利可認購本公司一股份。根據該計劃授出的購股權一般於授出日期各個周年的兩或三年期間歸屬，惟參與者須在各個歸屬日期須仍為僱員。

本公司已承諾於本公司上市後將不會根據該計劃授出其他購股權，惟該計劃的條文在所有其他方面須保持全面生效及有效，而本公司上市前根據該計劃授出的購股權可繼續根據該計劃及根據該計劃所訂立的協議行使。

Other Information

其他資料

Cancellation of Vested Options

Prior to the listing of the Company, the Company granted, pursuant to the Plan, share options to certain employees and directors of the Company, entitling the option holders to subscribe for an aggregate of 29,902,758 ordinary shares of the Company of USD0.001 each at the exercise prices of US\$0.13 and US\$0.25 per share ("Pre-IPO Grant"). As the exercise prices of vested options under the Plan have been consistently higher when compared with the prevailing market price of the Shares. As a result, the options could no longer serve as an effective incentive. In view of this, the Company offered to grant new share options pursuant to the Scheme to cancel vested options under the Pre-IPO Grant, subject to the option holders consenting to such cancellation.

As a result, 3,079,266 vested options under the Plan were cancelled on May 16, 2019. No compensation was paid to the holders for cancellation of the vested options.

取消已得權購股權

在本公司上市前，本公司根據該計劃向本公司的部分僱員和董事授予購股權，允許持有人分別按照每股0.13美元和每股0.25美元的價格認購本公司共計29,902,758股每股面值0.001美元普通股股票（「上市前授予購股權」）。由於該計劃下已得權購股權的行權價格始終高於公司股票的普遍市場價格，導致已得權購股權不再為有效激勵。因此本公司願意根據購股權計劃授予新購股權，以取消上市前授予購股權下的已得權購股，但須經購股權持有人同意取消。

因此，該計劃下的3,079,266股已得權購股二零一九年五月十六日被取消並未向持有人支付任何取消已得權購股的補償。

Other Information 其他資料

(ii) Share Option Scheme

On November 27, 2010, the Board adopted the Scheme to enable the Company to grant options to selected participants as incentives or rewards for their contributions to our Group. Participants of the Scheme include any executive Director, non-executive Director or full time employee of the Group as invited by the Board. The Scheme shall be valid and effective for a period of 10 years commencing from the approval of the Scheme.

The exercise period of any option granted under the Scheme must not be more than ten years commencing on the date of grant. The acceptance of an offer of the grant of the option must be made within 28 days from the date of grant with a non-refundable payment of HK\$1.00 from the grantee. The exercise price determined by the Board will be at the higher of (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the date of grant and (iii) the nominal value of the shares.

The share options granted under the Scheme typically vest over three years on the last day of each year starting from the subsequent year of the grant, subject to the participant continuing to be an employee on each vesting date and other performance evaluation results.

(ii) 購股權計劃

於二零一零年十一月二十七日，董事會採用購股權計劃，本公司可向選定參與者授出購股權，作為彼等對本集團所作貢獻的獎勵或回報。購股權計劃參與者包括董事會邀請的本集團任何執行董事、非執行董事或全職僱員。購股權計劃將於獲批准起計10年期間有效及生效。

根據購股權計劃授出的任何購股權之行使期間不得超過授出日期起計十年。倘接納授出之購股權，承授人必須於授出日期後28天內支付1.00港元之不可退還付款。由董事會釐定之行權價將為下列三者中之較高者：(i)於授出日期在聯交所每日報價表所示的股份收市價；(ii)緊接授出日期前五個交易日在聯交所每日報價表所示的股份平均收市價及(iii)股份面值。

根據購股權計劃授出的購股權一般於授出翌年起每年最後一天的三年內歸屬，惟參與者須於各歸屬日期仍為僱員及須受限於其他表現評估結果。

Other Information

其他資料

Cancellation of Vested Options

On September 20, 2011, the Company granted, pursuant to the Scheme adopted by the Company on November 27, 2010, share options to certain employees of the Company, entitling the option holders to subscribe for an aggregate of 112,048,000 Shares of the Company of USD0.001 each at the exercise price of HK\$2.254 per Share ("2011 Grant").

On March 21, 2014, the Company granted, pursuant to the Scheme, share options to 151 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 97,280,000 Shares of the Company of USD0.001 each at the exercise price of HK\$1.40 per Share ("2014 Grant").

On December 9, 2016, the Company granted, pursuant to the Scheme, share options to 93 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 95,920,000 Shares of the Company of USD0.001 each at the exercise price of HK\$0.816 per share ("2016 Grant").

As the exercise prices of vested options under the Scheme have been consistently higher when compared with the prevailing market price of the Shares. As a result, the options could no longer serve as an effective incentive. In view of this, the Company offered to grant new share options pursuant to the Scheme to cancel vested options under the 2011 Grant, 2014 Grant and 2016 Grant, subject to the option holders consenting to such cancellation. As a result, 122,333,243 vested options under the Scheme were cancelled on May 16, 2019. No compensation was paid to the holders for cancellation of the vested options.

取消已得權購股權

根據公司二零一零年十一月二十七日採納的購股權計劃，公司於二零一一年九月二十日向公司部分員工授予購股權，允許持有人按照每股2.254港元的價格認購本公司共計112,048,000股每股面值0.001美元普通股股票（「2011授予」）。

二零一四年三月二十一日，公司根據購股權計劃向151名合資格人士，包括公司的部分董事，主要股東和員工授予新的認股期權，允許持有人按照每股1.4港元的價格認購共計97,280,000股每股面值0.001美元的股份（「2014授予」）。

二零一六年十二月九日，公司根據購股權計劃向93名合資格人士，包括公司的部分董事，主要股東和員工授予新的認股期權，允許持有人按照每股0.816港元的價格認購本公司共計95,920,000股每股面值0.001美元的股份（「2016授予」）。

由於購股權計劃下已得權購股權的行權價格始終高於公司股票的普遍市場價格，導致已得權購股權不再為有效激勵。因此本公司願意根據購股權計劃授予新的購股權，以注銷2011授予，2014授予和2016授予下的已得權購股權，但須經購股權持有人同意取消。因此，購股權計劃下的122,333,243股已得權購股於二零一九年五月十六日被取消並未向持有人支付任何取消已得權購股的補償。

Other Information 其他資料

Grant of Options

On May 16, 2019, the Company granted share options pursuant to the Scheme to 90 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 155,089,171 Shares. These options have an exercise price of HK\$0.269 per share and a term of 10 years from the grant date, and will vest over the next three years.

The closing price per share as at May 15, 2019, being the date immediately before the date the share options were granted was HK\$0.242.

Under the Scheme, a total of 155,089,171 share options were granted to Directors, executives and employees, of which 8,677,693 share options lapsed during the period ended June 30, 2020. Details of the share options outstanding as at ended June 30, 2020 which have been granted under the Scheme are as follows:

授予購股權

於二零一九年五月十六日，本公司根據購股權計劃向90名合資格人士，包括公司的部分董事、主要股東和員工授予購股權，認購共計155,089,171股股份。購股權行權價為每股0.269港元，購股權有效期為自授予日起十年，且將於授權日後三年間得權。

於二零一九年五月十六日，即購股權授出前當日，每股股份收市價格為0.242港元。

根據購股權計劃，合共155,089,171份購股權已授予董事、行政人員及僱員。截至二零二零年六月三十日止期間，其中8,677,693份購股權失效。根據購股權計劃已授出但於二零二零年六月三十日尚未行使的購股權詳情如下：

Name	Held at January 1, 2020	Number of options granted during the period	Number of options exercised during the period	Number of options lapsed during the period	Number of options cancelled during the period	Held at June 30, 2020	Exercise price (per Share)	Date of grant	Exercisable period
姓名	於二零二零年一月一日持有	於期內授出之購股權數目	於期內行使之購股權數目	於期內已失效之購股權數目	於期內已取消之購股權數目	於二零二零年六月三十日持有	行權價(每股)	授權日	可予行使期間
Executive Directors									
執行董事									
Mr. Zhang Ruilin 張汝霖先生	7,887,000	-	-	-	-	7,887,000	HK\$0.269 0.269港元	May 16, 2019 二零一九年五月十六日	from May 16, 2019 to May 15, 2029 自二零一九年五月十六日至 二零一九年五月十五日
Mr. Zhao Jiangwei 趙江巍先生	7,887,000	-	-	-	-	7,887,000	HK\$0.269 0.269港元	May 16, 2019 二零一九年五月十六日	from May 16, 2019 to May 15, 2029 自二零一九年五月十六日至 二零一九年五月十五日
Mr. Mei Liming (resigned with effect from June 18, 2020) 梅啟明先生(於二零二零年 六月十八日辭任)	15,000,000	-	-	-	-	15,000,000	HK\$0.269 0.269港元	May 16, 2019 二零一九年五月十六日	from May 16, 2019 to May 15, 2029 自二零一九年五月十六日至 二零一九年五月十五日

Other Information 其他資料

Name	Held at January 1, 2020	Number of options granted during the period	Number of options exercised during the period	Number of options lapsed during the period	Number of options cancelled during the period	Held at June 30, 2020	Exercise price (per Share)	Date of grant	Exercisable period
姓名	於二零二零年 一月一日持有	於期內 授出之 購股權數目	於期內 行使之 購股權數目	於期內 已失效 購股權數目	於期內 已取消 購股權數目	於二零二零年 六月三十日 持有	行使價 (每股)	授權日	可予行使期間
Independent non-executive Directors									
獨立非執行董事									
Mr. Mei Jianping 梅建平先生	1,267,933	-	-	-	-	1,267,933	HK\$0.269 0.269港元	May 16, 2019 二零一九年五月十六日	from May 16, 2019 to May 15, 2029 自二零一九年五月十六日至 二零二九年五月十五日
Mr. Jeffrey Willard Miller Jeffrey Willard Miller先生	1,811,333	-	-	-	-	1,811,333	HK\$0.269 0.269港元	May 16, 2019 二零一九年五月十六日	from May 16, 2019 to May 15, 2029 自二零一九年五月十六日至 二零二九年五月十五日
Other employees 其他員工	117,720,349	-	-	8,677,693	-	109,042,656	HK\$0.269 0.269港元	May 16, 2019 二零一九年五月十六日	from May 16, 2019 to May 15, 2029 自二零一九年五月十六日至 二零二九年五月十五日
Total 總計	151,573,615	-	-	8,677,693	-	142,895,922			

Other Information 其他資料

(iii) 2012 Share Award Scheme (“2012 Share Award Scheme”)

To supplement the Plan in respect the operation of the share appreciation rights (“SARs”), the Board resolved to adopt a 2012 Share Award Scheme on May 30, 2012, pursuant to which the Company granted to selected grantees who are persons holding SARs under the Plan, such number of awarded shares as is equal to the number of outstanding notional shares to which the SAR of the selected grantees relates.

The Board resolved to adopt on November 20, 2015 the amended Plan, pursuant to which, restrictions on grant price of SARs granted after the adoption of amended Plan are removed. Lapsed SARs will be re-used and re-granted upon terms and conditions determined by the remuneration committee of the Company in its sole discretion, in accordance with the amended Plan.

According to the 2012 Share Award Scheme, shares of up to 44,415,800 of the Company will be purchased by a trustee from the market out of cash contributed by the Company and be held in trust for the benefit of the selected grantees pending the exercise of the SARs. Upon exercise of the SAR by the selected grantees, the trustee will sell the awarded shares to which the SAR so exercised relates and pay the selected grantees in satisfaction of the Company’s payment obligations in relation to the SAR under the Plan. Unless early terminated by the Board of the Company, the 2012 Share Award Scheme shall continue in full force and effect until the date when all the SARs are exercised, terminated or expired.

(iii) 2012 股份獎勵計劃 (「2012 股份獎勵計劃」)

為對該計劃作出股份增值權 (「股份增值權」) 方面的補充，董事會於二零一二年五月三十日議決採納一項 2012 股份獎勵計劃，本公司將向經挑選的承授人授出獎勵股份，該等承授人須為根據該計劃持有股份增值權之人士，而所授出之獎勵股份數目相等於與經挑選承授人相關之股份增值權之尚未發行名義股份數目。

董事會已於二零一五年十一月二十日議決採納修訂的該計劃，根據修訂的該計劃，對於該計劃實施後新授予的股份增值權，原該計劃中對股份增值權授予價格的限制條款被取消，並且原該計劃下已失效的股份增值權將在經由本公司薪酬委員會酌情決定的條件下恢復有效並被重新授予。

根據 2012 股份獎勵計劃，股票經紀或受託人將以本公司提供之現金於市場購買最多 44,415,800 股本公司股份，並以經挑選承授人為受益人以信託形式持有，以待行使股份增值權。於經挑選承授人行使股份增值權時，受託人將就所行使之股份增值權出售獎勵股份，並且向經挑選承授人付款已履行本公司在該計劃項下股份增值權之付款責任。除非由董事會提早終止，2012 股份獎勵計劃將一直全面生效及有效，直至所有股份增值權獲行使、終止或到期當日為止。

Other Information

其他資料

Cancellation of Vested SARs

Since the exercise price of the SAR has been higher than the prevailing market price of shares, the 2012 Share Award Scheme could no longer serve as an effective incentive. In view of this, the Company offered certain SAR grantees each one ordinary share of the Company in consideration of cancellation of two previously granted SARs subject to the SAR grantees consenting to such cancellation. On January 25, 2018, 17,847,663 SARs were cancelled and 8,923,833 shares were granted to such SAR grantees under the 2012 Share Award Scheme.

As at June 30, 2020, the trustee has no shares.

(iv) 2015 Share Award Scheme (“2015 Share Award Scheme”)

To recognize the contributions by certain grantees and to give incentives thereto in order to retain them for the continuing operation and development of the Group, and to attract suitable personnel for further development of the Group, the Board resolved to adopt on January 6, 2015 and amend on November 20, 2015 the 2015 Share Award Scheme, pursuant to which the Board may at their absolute discretion select any grantee, who is an employee or consultant of the Group or of any affiliate, for participation in the 2015 Share Award Scheme and determine the number of awarded shares to be granted to such grantee. The 2015 Share Award Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company, and will be in effect in parallel with the Plan, the Scheme and the Share Award Scheme.

取消已得股份增值權

因股票增值權的價格始終高於公司股票之普遍市場價格，導致股份增值權不再為有效激勵。因此，公司決定在股份增值權持有人同意取消股份增值權的前提下，向特定股份增值權持有人提出以本公司一股普通股股份置換兩股股份增值權的方式來取代之前授予的股份增值權。二零一八年一月二十五日當日，共計17,847,663股股份增值權已經被取消及8,923,833股被授予給2012股份獎勵計劃下的股份增值權持有人。

截至二零二零年六月三十日，受託人不再持有股份。

(iv) 2015 股份獎勵計劃 (「2015 股份獎勵計劃」)

本公司董事會已分別於二零一五年一月六日議決採納，並於二零一五年十一月二十日議決修訂2015股份獎勵計劃，目的是認可特定承授人所做的貢獻並給予激勵，為本集團的持續運營和發展聘留特定承授人，並為本集團進一步發展吸引適用人才。董事會將根據該計劃，不時自行酌情決定挑選任何承授人作為被挑選承授人參與該計劃，並決定授予該等被挑選承授人的獎勵股份數量，該等承授人為集團任何成員或其任何關聯公司的員工或顧問。2015股份獎勵計劃將與該計劃，購股權計劃及股份獎勵計劃並行生效。

Other Information 其他資料

Pursuant to the 2015 Share Award Scheme rules, existing shares will be purchased by a trustee from open market out of cash which will be paid by the Company as trust shares and be held in trust for the grantees until the relevant award(s) is vested in accordance with the relevant award agreement and the 2015 Share Award Scheme rules. Upon vesting, the trustee shall transfer the relevant trust shares as awarded shares to the relevant grantee, or upon receipt of the instructions from the grantees, dispose of the relevant awarded shares in open market and transfer the proceeds of the sale of the relevant awarded shares (after deduction of the relevant charges, expenses, stamp duty and levy) to the relevant grantee.

Subject to any early termination as may be determined by the Board pursuant to the 2015 Share Award Scheme rules, the 2015 Share Award Scheme shall be valid and effective from January 6, 2015 to the date of the last of the awarded shares has been vested and transferred to the relevant grantee or has lapsed, whichever is later in accordance with the 2015 Share Award Scheme rules, provided that no award shall be made on or after the 10th anniversary date of the adoption date.

On November 20, 2015, the Board resolved to offer to certain Directors and employees 14,200,000 shares under the 2015 Share Award Scheme.

On December 9, 2016, the Board resolved to offer to certain Director 12,000,000 shares under the 2015 Share Award Scheme.

根據2015股份獎勵計劃規則，受託人將以公司安排的現金從市場上購買現有股份作為信托股份，並由受託人為經挑選承授人持有信託，直到相關獎勵根據相關獎勵協議及2015股份獎勵計劃規則歸屬。歸屬後，受託人應將相關信託股份作為獎勵股份轉讓給相關承授人，或在收到承授人的指示後，在市場上處置相關獎勵股份，並將出售相關獎勵股份的收益（扣除相關費用、開支、印花稅及稅款後）轉讓給相關承授人。

倘董事會並未根據2015股份獎勵計劃條款決定提前終止，2015股份獎勵計劃將於二零一五年一月六日起，直至最終獎勵股份歸屬並轉移到相關經挑選承授人或其根據該計劃條款失效之日止，以較遲者為準，且採納日後的十周年日之後不得授出任何獎勵。

於二零一五年十一月二十日，本公司董事會決議根據2015股份獎勵計劃授予本公司特定董事及僱員合計14,200,000股股份。

於二零一六年十二月九日，本公司董事會決議根據2015股份獎勵計劃授予本公司特定董事合計12,000,000股股份。

Other Information

其他資料

On January 25, 2018, the Board resolved to offer to employees and directors 104,000,000 shares under the 2015 Share Award Scheme.

As at June 30, 2020, the trustee held 11,975,165 shares acquired through purchases from the market at an aggregate consideration of approximately HK\$13,095,325 (including transaction costs).

於二零一八年一月二十五日，本公司董事會決議根據2015股份獎勵計劃授予本公司董事及員工合計104,000,000股股份。

截至二零二零年六月三十日，受託人持有11,975,165股股份，在市場以總代價約港幣13,095,325元(包括交易成本)購買。

DIVIDEND

The Board has resolved that no interim dividend will be paid for the six months ended June 30, 2020.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters, including reviewing the unaudited interim results.

The Audit Committee has adopted the terms of reference which are in line with the Corporate Governance Code. The terms of reference were revised on August 24, 2016 and have been made available on the websites of the Stock Exchange and the Company.

BUY-BACK, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has bought back, sold or redeemed any of the Company's listed securities during the six months ended June 30, 2020.

股息

董事會議決不就截至二零二零年六月三十日止六個月期間派發中期股息。

審計委員會

審計委員會已經與管理層共同審閱本集團採用之會計準則及常規，並討論內部監控及財務報告事宜，包括審閱未經審核中期業績。

審計委員會已採納符合企業管治守則的職權範圍。職權範圍已於二零一六年八月二十四日修訂，並已載於聯交所及本公司網站。

回購、出售或贖回本公司上市證券

截止二零二零年六月三十日，本公司及子公司均無回購，出售或贖回本公司上市證券。

Other Information 其他資料

CORPORATE GOVERNANCE CODE

The Company has complied with the principles and code provisions as set out in the CG Code as contained in Appendix 14 to the Listing Rules throughout the period from January 1, 2020 to June 30, 2020.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules and applied the same to the Directors and the employees who are likely to be in possession of unpublished inside information of the Company.

Specific enquiry has been made of all the Directors and all the Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended June 30, 2020. In addition, no incident of non-compliance of the Model Code by the employees was noted by the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board of Directors has been, at all times, in compliance with (i) Rule 3.10(1) of the Listing Rules, which requires a company to maintain at least three independent non-executive Directors on the Board; (ii) Rule 3.10(2) of the Listing Rules, which requires one of those independent non-executive Directors to have appropriate professional qualifications or accounting or relevant financial management expertise; and (iii) Rule 3.10A of the Listing Rules, which requires the company to appoint independent non-executive Directors representing at least one-third of the Board.

企業管治守則

本公司已採納企業管治守則的原則及守則條文。本公司已於二零二零年一月一日至二零二零年六月三十日期間遵守上市規則附錄十四所載的企業管治守則的原則及守則條文。

證券交易的標準守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則（「標準守則」），並將其應用於可能擁有未刊發之本公司內幕消息之董事及僱員。

經向全體董事作出具體查詢後，董事已確認彼等於截至二零二零年六月三十日止六個月期間一直遵守標準守則。此外，本公司概無知悉任何僱員不遵守標準守則。

獨立非執行董事

董事會在任何時間均已遵守：(i) 上市規則第3.10(1)條，其規定公司的董事會須至少有三名獨立非執行董事；(ii) 上市規則3.10(2)條，其規定其中一名獨立非執行董事須具備會計或相關財務管理的專門知識；(iii) 上市規則第3.10A條，其規定獨立非執行董事須最少佔董事會三分之一人數。

Condensed Interim Consolidated Statement of Financial Position

簡明中期合併財務狀況表

			June 30, 2020 於6月30日 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2019 於12月31日 2019年 RMB'000 人民幣千元 (Audited) (經審核)
	Note 附註			
Assets		資產		
Non-current assets		非流動資產		
Property, plant and equipment	7	不動產、工廠及設備	1,024,563	1,678,414
Intangible assets	7	無形資產	58,848	94,025
Right-of-use assets		使用權資產	16,329	11,839
Deferred income tax assets		遞延所得稅資產	816	816
Financial assets at fair value through other comprehensive income		以公允價值計量且其變動計入 其他綜合收益的金融資產	42,584	43,754
Prepayments, deposits and other receivables	8	預付款項、保證金及其他應收款	392,428	385,363
			1,535,568	2,214,211
Current assets		流動資產		
Inventories		存貨	18,304	16,370
Prepayments, deposits and other receivables	8	預付款項、保證金及其他應收款	58,414	71,036
Trade and notes receivables	9	應收賬款及應收票據	30,667	61,374
Restricted cash		受限制現金	46,898	46,213
Cash and cash equivalents		現金及現金等價物	9,524	13,711
			163,807	208,704
Total assets		資產總額	1,699,375	2,422,915
Equity		權益		
Equity attributable to owners of the Company		歸屬於本公司所有者的權益		
Share capital	11	股本	1,101,249	1,101,249
Other reserves	12	其他儲備	(161,910)	(90,048)
Accumulated losses		累計虧損	(4,589,804)	(3,755,333)
Total shareholders' deficit		股東虧損總額	(3,650,465)	(2,744,132)

Condensed Interim Consolidated Statement of Financial Position (Continued)

簡明中期合併財務狀況表 (續)

		June 30, 2020 於 6 月 30 日 2020 年 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2019 於 12 月 31 日 2019 年 RMB'000 人民幣千元 (Audited) (經審核)
		Note 附註	
Liabilities	負債		
Non-current liabilities	非流動負債		
Borrowings	借款	15	-
Lease liabilities	租賃負債		1,720,505
Deferred income tax liabilities	遞延所得稅負債		4,738
Trade and notes payable	應付賬款及應付票據	13	174,188
Provisions, accruals and other liabilities	準備、預提及其他負債	14	30,808
			156,370
			369,525
			2,116,256
Current liabilities	流動負債		
Trade and notes payable	應付賬款及應付票據	13	301,931
Provisions, accruals and other liabilities	準備、預提及其他負債	14	529,139
Current income tax liabilities	當期所得稅負債		-
Borrowings	借款	15	4,139,964
Lease liabilities	租賃負債		9,281
			2,278,762
			8,707
			4,980,315
			3,050,791
Total liabilities	負債總額		5,349,840
			5,167,047
Total shareholders' deficit and liabilities	股東虧損及負債總額		1,699,375
			2,422,915

The accompanying notes on page 59 to 104 are an integral part of this condensed interim consolidated financial information.

後附第 59 頁至 104 頁之附註為本簡明中期合併財務資料的整體部分。

Condensed Interim Consolidated Statement of Comprehensive Income

簡明中期合併綜合收益表

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020 2020 年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019 年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Note 附註		
Continuing operations	持續經營		
Revenue from contracts with customers	客戶合同收入	6	289,495
Depreciation, depletion and amortization	折舊、折耗及攤銷		(181,706)
Taxes other than income taxes	稅項(所得稅除外)	16	(3,453)
Employee benefit expenses	員工薪酬成本		(50,039)
Purchases, services and other direct costs	採購、服務及其他直接成本		(49,957)
Distribution costs	銷售成本		(8,709)
General and administrative expenses	管理費用		(26,912)
Reversal/(provision) of impairment losses on financial assets, net	金融資產減值轉回/(計提), 淨值		21,335
Impairment charges	資產減值損失		(528,968)
Other gains/(losses), net	其他收益/(損失), 淨值	17	3,790
Finance income	財務收入	18	7,149
Finance costs	財務費用	18	(323,873)
Loss before income tax	除所得稅前虧損		(832,585)
Income tax expense	所得稅費用	19	(1,886)
Loss for the period from continuing operations	本期持續經營所得虧損		(834,471)
Discontinued operations	終止經營		
Loss for the period from discontinued operations	本期終止經營所得虧損		-
Loss for the period	本期虧損		(834,471)

Condensed Interim Consolidated Statement of Comprehensive Income (Continued)

簡明中期合併綜合收益表(續)

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020 2020 年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019 年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Note 附註	
Other comprehensive (losses)/income:	其他綜合(損失)/收益:		
Continuing operations	持續經營部分		
Items that will not be reclassified to profit or loss	其後不會重分類至損益的項目		
Change in the fair value of equity instruments at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的權益工具的公允價值變動	(1,808)	1,802
Items that may be reclassified to profit or loss	其後可能會重分類至損益的項目		
Currency translation differences	外幣折算差額	(73,228)	(9,918)
Discontinued operations	終止經營部分		
Items that may be reclassified to profit or loss	其後可能會重分類至損益的項目		
Currency translation differences	外幣折算差額	-	41,990
Other comprehensive (losses)/ income for the period, net of tax	稅後本期其他綜合(損失)/收益	(75,036)	33,874
Total comprehensive losses for the period	本期綜合虧損總額	(909,507)	(563,350)
Loss for the period attributable to:	本期虧損歸屬於:		
Owners of the Company	本公司所有者	(834,471)	(594,854)
Non-controlling interests	非控制性權益	-	(2,370)
		(834,471)	(597,224)
Loss for the period attributable to owners of the Company arising from:	歸屬於本公司所有者的本期虧損來源於:		
Continuing operations	持續經營	(834,471)	(361,162)
Discontinued operations	終止經營	-	(233,692)
		(834,471)	(594,854)

Condensed Interim Consolidated Statement of Comprehensive Income (Continued)

簡明中期合併綜合收益表(續)

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020 2020 年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019 年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Note 附註	
Total comprehensive losses for the period attributable to:	本期綜合虧損總額歸屬於：		
Owners of the Company	本公司所有者		(909,507)
Non-controlling interests	非控制性權益		(560,980)
			(2,370)
			(909,507)
			(563,350)
Total comprehensive losses for the period attributable to owners of the Company arising from:	歸屬於本公司所有者的本期綜合虧損總額來源於：		
Continuing operations	持續經營		(909,507)
Discontinued operations	終止經營		(369,278)
			(191,702)
			(909,507)
			(560,980)
Loss per share for loss attributable to ordinary equity holders of the Company for the period (expressed in RMB per share)	本期本公司普通股股東應佔虧損的每股虧損 (每股人民幣)		
Basic loss per share	基本每股虧損	21	
Continuing operations	持續經營		(0.26)
Discontinued operations	終止經營		(0.12)
			(0.08)
			(0.26)
			(0.20)
Diluted loss per share	稀釋每股虧損	21	
Continuing operations	持續經營		(0.26)
Discontinued operations	終止經營		(0.12)
			(0.08)
			(0.26)
			(0.20)

The accompanying notes on page 59 to 104 are an integral part of this condensed interim consolidated financial information.

後附第 59 頁至 104 頁之附註為本簡明中期合併財務資料的整體部分。

Condensed Interim Consolidated Statement of Changes in Equity

簡明中期合併權益變動表

		Attributable to owners of the Company 歸屬於本公司所有者						Non- controlling interests Total equity 權益總額
		Ordinary shares 普通股 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Other Reserves 其他儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non- controlling interests 非控制性權益 RMB'000 人民幣千元	
As at December 31, 2018 (Audited)	於2018年12月31日(經審核)	19,489	1,049,307	(143,782)	(2,630,296)	(1,705,282)	13,265	(1,692,017)
Comprehensive income for the period	本期綜合收益							
Loss for the period	本期虧損	-	-	-	(594,854)	(594,854)	(2,370)	(597,224)
Change in the fair value of equity instruments at fair value through other comprehensive income	以公允價值計量且其變動計入 其他綜合收益的權益工具的 公允價值變動	-	-	1,802	-	1,802	-	1,802
Currency translation differences	外幣折算差額	-	-	32,072	-	32,072	-	32,072
		-	-	33,874	(594,854)	(560,980)	(2,370)	(563,350)
Transaction with owners in their capacity as owners	與所有者以其所有者的身份 進行的交易							
Employees stock option schemes — value of employee services (Note 10)	僱員購股權計劃 — 僱員服務價值(附註10)	-	-	6,597	-	6,597	-	6,597
Allotment of new shares (Note 11)	配發新股份(附註11)	1,858	21,824	-	-	23,682	-	23,682
Non-controlling interests arising from the capital contribution of a non-wholly owned subsidiary	非全資子公司增資產生的 非控制性權益	-	-	-	-	-	993	993
Others	其他	-	-	-	-	-	41	41
		1,858	21,824	6,597	-	30,279	1,034	31,313
As at June 30, 2019 (Unaudited)	於2019年6月30日 (未經審核)	21,347	1,071,131	(103,311)	(3,225,150)	(2,235,983)	11,929	(2,224,054)

Condensed Interim Consolidated Statement of Changes in Equity (Continued)

簡明中期合併權益變動表(續)

		Attributable to owners of the Company 歸屬於本公司所有者				
		Ordinary shares 普通股 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Other Reserves 其他儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
As at December 31, 2019 (Audited)	於2019年12月31日(經審核)	21,752	1,079,497	(90,048)	(3,755,333)	(2,744,132)
Comprehensive losses for the period	本期綜合虧損					
Loss for the period	本期虧損	-	-	-	(834,471)	(834,471)
Change in the fair value of equity instruments at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的權益工具的公允價值變動	-	-	(1,808)	-	(1,808)
Currency translation differences	外幣折算差額	-	-	(73,228)	-	(73,228)
		-	-	(75,036)	(834,471)	(909,507)
Transaction with owners in their capacity as owners	與所有者以其所有者的身份進行的交易					
Employees stock option schemes	僱員購股權計劃					
— value of employee services (Note 10)	— 僱員服務價值(附註10)	-	-	3,174	-	3,174
		-	-	3,174	-	3,174
As at June 30, 2020 (Unaudited)	於2020年6月30日(未經審核)	21,752	1,079,497	(161,910)	(4,589,804)	(3,650,465)

The accompanying notes on page 59 to 104 are an integral part of this condensed interim consolidated financial information.

後附第59頁至104頁之附註為本簡明中期合併財務資料的整體部分。

Condensed Interim Consolidated Statement of Cash Flows

簡明中期合併現金流量表

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020 2020 年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019 年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Note 附註		
Cash flows from operating activities			
Continuing operations			
Cash generated from operations		94,229	247,857
Interest paid		(30,806)	(166,735)
Income tax paid		(8,292)	-
Discontinued operations		-	84,085
Net cash inflow from operating activities	22	55,131	165,207
Cash flows from investing activities			
Continuing operations			
Purchases of property, plant and equipment		(42,159)	(18,507)
Payment for acquisition of interests under Daan and Moliqing PSCs		(10,503)	(26,982)
Received from disposal of subsidiaries		20,663	-
Contribution to investments accounted for using the equity method		-	(4,715)
Net proceeds upon disposal of investment in associate		91	-
Discontinued operations		-	(64,539)
Net cash outflow from investing activities		(31,908)	(114,743)

Condensed Interim Consolidated Statement of Cash Flows (Continued)

簡明中期合併現金流量表(續)

		Six months ended June 30, 截至6月30日止6個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cash flows from financing activities	融資活動的現金流量		
Continuing operations	持續經營		
Proceeds from borrowings	借款所得款項	-	525,332
Repayments of borrowings	償還借款	(10,446)	(44,074)
Repayments of 2019 Senior Notes	償還2019優先票據	-	(516,424)
Proceeds from allotment of new shares	配發新股收到的現金	-	23,682
Payment of loan arrangement and other fees	支付借款安排費及相關費用	(12,848)	(31,462)
Payment of lease liability	支付租賃費	(5,339)	(6,249)
Discontinued operations	終止經營	-	(19,537)
Net cash outflow from financing activities	融資活動使用的現金淨額	(28,633)	(68,732)
Net decrease in cash and cash equivalents	現金及現金等價物的減少淨額	(5,410)	(18,268)
— Net decrease included in cash and cash equivalents per the condensed interim consolidated statement of financial position	— 包含在簡明中期合併財務狀況表的現金及現金等價物中的減少淨額	-	(18,277)
— Net increase included in the assets of disposal group classified as held for sale	— 包含在持有待售的處置組資產中的增加淨額	-	9
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	13,711	28,115
Effects of exchange rate changes on cash and cash equivalents	現金及現金等價物的匯兌損益的影響	1,223	511
Cash and cash equivalents at end of the period	期末現金及現金等價物	9,524	10,349

The accompanying notes on page 59 to 104 are an integral part of this condensed interim consolidated financial information.

後附第59頁至104頁之附註為本簡明中期合併財務資料的整體部分。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

1. GENERAL INFORMATION

MIE Holdings Corporation (the “Company”) and its subsidiaries (together, the “Group”) are principally engaged in the exploration, development, production and sale of oil in the People’s Republic of China (the “PRC”) under production sharing contract (the “PSC”). The Group also participates as associates in the exploration, development, production and sales of petroleum and petroleum products located in the Republic of Kazakhstan (the “Kazakhstan”).

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Maples Corporate Services Limited, P.O. Box 309 Ugland House, Grand Cayman KY1-1104, Cayman Islands.

The Company’s shares were listed on the Stock Exchange of Hong Kong Limited on December 14, 2010.

The condensed interim consolidated financial information is presented in Renminbi (“RMB”) unless otherwise stated. The condensed interim consolidated financial information was authorized for issuance by the board of directors of the Company (the “Board of Directors”) on November 27, 2020.

This condensed interim consolidated financial information has been reviewed by the Audit Committee of the Company but has not been reviewed or audited by the Company’s auditor.

1. 一般資料

MI能源控股有限公司(以下簡稱「本公司」)及其子公司(統稱「本集團」)主要在中華人民共和國(以下簡稱「中國」)按照產品分成合同及類似協議，從事勘探、開發、生產及銷售石油。本集團通過聯營企業形式參與位於哈薩克斯坦共和國(「哈薩克斯坦」)的勘探、開發、生產及銷售石油和其他石油產品活動。

本公司是一家於開曼群島註冊成立的有限公司。註冊地址為Maples Corporate Services Limited, P.O. Box 309 Ugland House, Grand Cayman KY1-1104, Cayman Islands.

本公司的股份於2010年12月14日在香港聯合交易所有限公司上市。

除另有注明外，本簡明中期合併財務資料以人民幣列報。本簡明中期合併財務資料已由本公司董事會於2020年11月27日批准刊發。

本簡明中期合併財務資料由本公司審核委員會審閱但尚未經本公司的審計師審閱或審核。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

2. BASIS OF PREPARATION

This condensed interim consolidated financial information for the six months ended June 30, 2020 has been prepared in accordance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting”. The condensed interim consolidated financial information should be read in conjunction with the annual financial statements for the year ended December 31, 2019, which have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standard Board (“IASB”).

2.1 Going concern

In the recent years, the Group’s performance was significantly affected by the relatively low commodity prices of oil and gas and the high borrowing costs for general funding and re-financing purposes. During the period, the Group incurred a net loss of RMB834.5 million.

2. 編製基準

截至2020年6月30日止6個月期間的簡明中期合併財務資料已根據國際會計準則第34號「中期財務報告」編製。本簡明中期合併財務資料應與截至2019年12月31日止年度的年度財務報表一併閱讀，該財務報表是根據國際會計準則委員會頒佈的國際財務報告準則編製的。

2.1 持續經營

近年來，本集團的業績受到石油和天然氣偏低的商品價格，以及為一般性融資及再融資目的所發生的借款成本較高的顯著影響。本集團當期淨虧損為人民幣834.5百萬元。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

As at June 30, 2020, the Group had a shareholders' deficit of RMB3,650.5 million and the its current liabilities exceeded its current assets by RMB4,816.5 million. As at the same date, the Group had total borrowings of RMB4,140.0 million. Included in the current liabilities as at June 30, 2020 were (1) a secured borrowing of US\$58.8 million (equivalent to approximately RMB 416.3 million), repayable on demand (the "On-Demand Borrowing"); (2) secured borrowings of RMB1,951.0 million which were repayable within twelve months from June 30, 2020; and (3) unsecured borrowings of RMB1,758.5 million, representing the senior notes listed on the Singapore Exchange Securities Trading Limited in the principal amount of US\$248.4 million with a contractual due date on April 12, 2022 (the "2022 Senior Notes"). As at June 30, 2020, the Group had cash and cash equivalents of RMB56.4 million, of which RMB9.5 million was unrestricted.

2. 編製基準 (續)

2.1 持續經營 (續)

截至2020年6月30日，本集團股東累積虧損為人民幣3,650.5百萬元。本集團的流動負債超出其流動資產人民幣4,816.5百萬元。於同日，本集團借款總額為人民幣4,140.0百萬元。於2020年6月30日，流動負債中包括(1)抵押借款58.8百萬美元(約合人民幣416.3百萬元)，按需償還(「即時償還借款」)；(2)抵押借款合計人民幣1,951.0百萬元，須於2020年6月30日起12個月內償還；(3)無抵押借款人民幣1,758.5百萬元，是在新加坡證券交易所有限公司上市的本金為248.4百萬美元、合同到期日為2022年4月12日的優先票據(「2022優先票據」)。截至2020年6月30日，本集團現金及現金等價物金額為人民幣56.4百萬元，其中人民幣9.5百萬元非受限。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

On May 11, 2020, the Group however did not pay the interest accrued on the 2022 Senior Notes of RMB120.5 million (US\$17.1 million) due on April 12, 2020, which resulted in an event of default by the Group after the expiry of the grace period. As a result, the entire balance of the principal and related outstanding interest due on the 2022 Senior Notes became immediately repayable if requested by the holders of such notes (the "Noteholders"). This event of default also triggered the cross-default of the borrowings under (1) and (2) (the "Cross-Defaulted Borrowings") and immediate repayment of such borrowings if requested by the respective lenders of these borrowings (the "Lenders"). In addition, the secured borrowings under (2) were also subsequently defaulted because of non-payment at their respective due dates. Up to the date of approval of these condensed interim consolidated financial statements, the Noteholders and the Lenders have not requested immediate repayments of any of the funding provided to the Group, nor any written waiver has been obtained from them. No additional borrowings were undertaken by the Group subsequent to June 30, 2020.

2. 編製基準 (續)

2.1 持續經營 (續)

於2020年5月11日，本集團未能支付2022優先票據於2020年4月12日到期應付的利息人民幣120.5百萬元(合17.1百萬美元)，導致本集團在寬限期到期後發生違約事件。因此，若2022優先票據的持有人(「票據持有人」)提出要求，則2022優先票據的本金和相關的未償利息的全部餘額需立即償還。此違約事件同時觸發了上述第(1)和(2)項下借款的交叉違約(「交叉違約借款」)，如果這些借款的相應貸款人(「貸款人」)提出要求，該等借款均需立即償還。此外，上述第(2)項下的有抵押借款借款後續也由於未各自到期日按時償還而發生違約。截至本簡明中期合併財務報表批准之日，票據持有人和貸款人尚未要求立即償還任何向本集團提供的資金，本集團也未從其獲得任何書面豁免。於2020年6月30日後，本集團並無新增借款。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

Furthermore, the Group's performance for the six-month period ended June 30, 2020 and subsequent to June 30, 2020 has been significantly affected by the low commodity price of crude oil as a result of the breakdown of production reduction negotiations amongst the Organisation of Petroleum Exporting Countries (the "OPEC"), coupled with the unfavourable outlook for the global economy due to the outbreak of Coronavirus Disease 2019 (the "COVID-19") in early 2020.

The above conditions indicate the existence of material uncertainties which may cast significant doubt regarding the Group's ability to continue as a going concern. In view of such circumstances, management has given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern, and have taken the following measures to mitigate the liquidity pressure and to improve its cash flows:

2. 編製基準(續)

2.1 持續經營(續)

此外，由於石油輸出國組織(「OPEC」)間原油減產談判破裂所導致的原油價格下跌，疊加二零二零年初爆發的2019新型冠狀病毒疫情(「COVID-19」)對全球經濟預期造成的不利影響，本集團在截至2020年6月30日止的6個月期間內以及於2020年6月30日之後的業績受到上述原油價格下跌及COVID-19新冠疫情因素的重大影響。

上述狀況顯示存有重大不確定因素，可能對本集團持續經營的能力產生重大疑慮。鑒於該等情況，管理層在評核本集團是否有充足的財務資源以持續經營時，已審慎考慮本集團未來流動資金、業績以及其可獲得的融資來源。本集團已採取若干措施以減輕流動資金的壓力並改善其現金流量：

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

- (a) The Group will continue its ongoing efforts in convincing the Lenders and the Noteholders not to take any actions against the Group for immediate payment of the principals and interest of the Cross-Defaulted Borrowings and the 2022 Senior Notes. Based on latest communications with the Lenders and certain key Noteholders, there is no indication that these parties have any current intention to take action against the Group to demand immediate payment;
- (b) The Group has been in active negotiations with the Lenders and certain key Noteholders for a debt restructuring of the Cross-Defaulted Borrowings and the 2022 Senior Notes (the “Debt Restructuring Plans”) to revise certain key terms and conditions of the original borrowing agreements and indenture, including but not limited to extension of principal and interest payment schedules and reduction in applicable interest rates. The Debt Restructuring Plans will involve entering into restructuring agreements (the “Restructuring Agreements”) among the Group, the Lenders and the key Noteholders participating in the negotiations; and the execution of such Restructuring Agreements is subject to, among others, the necessary legal proceedings and ultimate approval by Noteholders representing over 50% by number and 75% by value of the holders of the 2022 Senior Notes participating in the voting;

2. 編製基準 (續)

2.1 持續經營 (續)

- (a) 本集團將繼續保持盡力說服貸款人和票據持有人不會對本集團採取任何行動以要求立即償還交叉違約借款和2022優先票據的本金和利息。根據本集團與貸款人和部分主要票據持有人的最新溝通，沒有跡象表明對方目前有任何意圖要對本集團採取行動以要求立即還款；
- (b) 本集團持續與貸款人和部分主要票據持有人就交叉違約借款和2022優先票據的債務重組(「債務重組計劃」)進行積極協商溝通，以修改原借款協議及契約項下的部分關鍵條款和條件，包括但不限於延長本金和利息支付時間以及降低適用的利率。債務重組計劃中將包括本集團、貸款人和參與談判的主要票據持有人之間簽訂重組協議(「重組協議」)；在滿足其他相關要求以外，該等重組協議的執行還須完成必要的法律程序，以及獲得參加投票表決程序的票據持有人中，同時滿足人數超過50%並且所持有票據價值超過75%的票據持有人的最終批准；

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

- (c) On June 4, 2020, the Group successfully obtained approval from its production sharing counterparty, China National Petroleum Corporation, to extend the expiry date of the production period from December 31, 2024 to February 29, 2028 (the "Supplemental Production Sharing Contract") on the condition that the Group shall drill a minimum number of new wells in the Daan oilfield as agreed within a period of three years from June 2020. As a result, the Group will be able to improve its operating cash flows through increased production; and
- (d) The Group will also continue to seek other alternative financing, including proceeds from the disposal of assets, to finance the settlement of its existing financial obligations and future operating and capital expenditures.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from June 30, 2020. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations when they fall due within the next twelve months from the end of the reporting period. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. 編製基準 (續)

2.1 持續經營 (續)

- (c) 於2020年6月4日，本集團成功獲得其產品分成合同的合夥者中國石油天然氣集團有限公司（「中石油集團」）的批准，將產品分成合同的生產期到期日從2024年12月31日延長至2028年2月29日（「補充產品分成合同」），前提條件包括本集團應自2020年6月起的3年內，在大安油田完成協議約定的新鑽井最低工作量。通過取得此項延期，本集團將能夠通過增加產量來改善其經營現金流量；以及
- (d) 本集團還將繼續尋求其他替代融資方式，包括通過出售資產取得資金，以履行其現有的負債義務以及滿足未來的運營和資本支出。

董事已審閱管理層編製的本集團現金流量預測，其涵蓋自2020年6月30日起不少於12個月的期間。董事認為，考慮到上述計劃措施，本集團將擁有充足的營運資金以滿足經營所需，並能履行自本報告期末起12個月內到期的負債義務。因此，董事相信，以持續經營為基礎編製本合併財務報表屬恰當。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

Notwithstanding the above, significant uncertainties exist as to whether management of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- (i) the Lenders and the Noteholders not taking any actions against the Group to exercise their rights to demand immediate payments of the principals and interests of the Cross-Defaulted Borrowings and the 2022 Senior Notes before the finalisation of the Debt Restructuring Plans and execution of the Restructuring Agreements;
- (ii) successfully securing the required agreement of the Lenders and the Noteholders and completion of all necessary procedures by the Group for the Restructuring Agreements to be executed; and the Group's ability to continuously comply with the terms and conditions stipulated therein upon execution;
- (iii) actual oil prices throughout the forecast period up to June 30, 2021 being in line with the projected levels included in the cashflow projections; and

2. 編製基準(續)

2.1 持續經營(續)

儘管如此，本公司管理層能否如上文所述實現其計劃及措施存有重大的不確定性。本集團是否能夠保持持續經營將取決於以下條件：

- (i) 貸款人和票據持有人不會在債務重組計劃最終確定和執行重組協議之前對本集團採取任何行動以行使其權利、要求立即償還交叉違約借款和2022優先票據的本金和利息；
- (ii) 成功獲取貸款人與票據持有人就重組計劃所要求事項的一致同意，且本集團成功完成債務重組計劃項下執行重組協議所必需的所有程序；並且，於重組協議執行後，本集團有能力繼續遵守其中規定的條款和條件；
- (iii) 於截至2021年6月30日的整個預測期內，實際油價與現金流量預測中的預測油價水平相一致；以及

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

- (iv) the Group's ability to generate operating cash flows and to obtain additional sources of financing, other than those mentioned above, to finance the Group's oil exploration and production business, including capital expenditures needed to drill new wells, as well as other funding needs.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and 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 condensed interim consolidated financial statements.

2. 編製基準(續)

2.1 持續經營(續)

- (iv) 除上述事項以外，本集團有能力產生經營現金流量及獲得額外融資來源，以滿足本集團包括完成新井所需投資在內的石油勘探及生產業務的資金需求以及其他融資需求。

倘本集團未能實現上述計劃及措施，則可能無法在持續經營的基礎上繼續運營，並須作出調整以將本集團的資產賬面價值調整至其可收回金額，計提可能進一步產生的負債撥備，同時將非流動資產及非流動負債重新分類為流動資產和流動負債。該等調整的影響尚未反映於簡明中期合併財務報表中。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied in the preparation of this unaudited condensed interim consolidated financial information are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2019.

Amended standards adopted by the Group

The following amended standards became applicable for the current reporting period:

- Amendments to IAS 1 and IAS 8 — Definition of Material
- Amendments to IFRS 3 — Definition of a Business
- Amendments to IFRS 9, IAS 39 and IFRS 7 — Interest Rate Benchmark Reform

These amended standards did not have any significant impact on the Group's accounting policies and did not require retrospective adjustments.

3. 主要會計政策

編製本簡明中期合併財務資料(未經審核)所採用之會計政策與截至2019年12月31日止年度之年度財務報表所採用的會計政策一致，惟以下所述者除外。

本集團採用的修訂準則

本報告期內，一些新增及修訂準則已開始適用：

- 對《國際會計準則第1號》和《國際會計準則第8號》的修訂 — 「重要性」的定義
- 對《國際財務報告準則第3號》的修訂 — 「業務」的定義
- 對《國際財務報告準則第9號》，《國際會計準則第39號》和《國際財務報告準則第7號》的修訂 — 利率基準改革

修訂後的準則對本集團的會計政策沒有重大影響，不需要追溯調整。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

4. ESTIMATE

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2019.

5. FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2019.

There have been no changes in the risk management department or in any risk management policies since the year-end.

4. 估計

編製中期財務資料要求管理層對影響會計政策的應用和所報告資產和負債以及收支的數額作出判斷、估計和假設。實際結果或會與此等估計不同。

在編製此等簡明中期合併財務資料時，管理層應用本集團會計政策時作出的重大判斷和估計不確定性的關鍵來源，與截至2019年12月31日止年度合併財務報表所應用的相同。

5. 財務風險管理

(a) 財務風險因素

本集團的活動承受著多種的財務風險：市場風險（包括匯率風險、公允價值利率風險及價格風險）、信用風險及流動性風險。

簡明中期合併財務資料並未包括年度財務報表規定的所有財務風險管理信息和披露，此中期財務資料應與本集團截至2019年12月31日止年度的年度財務報表一併閱讀。

自年底以來，風險管理部門及風險管理政策並無任何變動。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

5. FINANCIAL RISK MANAGEMENT (Continued)

(b) Liquidity risk

Compared to December 31, 2019, there was no material change in the contractual undiscounted cash outflows for financial liabilities except for repayment of short-term borrowings in total amounting to RMB10.4 million (Note 15).

(c) Fair value estimation

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

5. 財務風險管理(續)

(b) 流動風險因素

與2019年12月31日相比，除了本期償還的合計為10.4百萬元的短期借款(附註15)以外，本集團無重大的因金融負債產生的合約性未貼現現金流流出。

(c) 公允價值估計

(i) 公允價值層級

下表利用估值法分析按公允價值入賬的金融工具。不同層級的定義如下：

相同資產或負債在活躍市場未經調整的報價(第一層級)。

除了第一層級的報價以外，相關資產或負債直接或間接可觀察的輸入值，可為直接的(即相近的價格)或間接(與價格相關的)輸入值(第二層級)。

資產和負債的輸入值並非依據可觀察市場數據，即不可觀察輸入值(第三層級)。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

The following table presents the Group's financial assets that are measured at fair value as at June 30, 2020 and December 31, 2019.

	Level 1	Level 2	Level 3	Total
	第一層級	第二層級	第三層級	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元

As at June 30, 2020 (Unaudited) 於2020年6月30日(未經審核)

Financial assets

金融資產

Financial assets at fair value through other comprehensive income (FVOCI): 以公允價值計量且其變動計入其他綜合收益的金融資產：

— Equity investments 一權益投資	-	-	40,287	40,287
— Debt investments 一債務投資	-	-	2,297	2,297
	-	-	42,584	42,584

	Level 1	Level 2	Level 3	Total
	第一層級	第二層級	第三層級	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元

As at December 31, 2019 (Audited) 於2019年12月31日(經審核)

Financial assets

金融資產

Financial assets at FVOCI 以公允價值計量且其變動計入其他綜合收益的金融資產

— Equity investments 一權益投資	-	-	41,491	41,491
— Debt investments 一債務投資	-	-	2,263	2,263
	-	-	43,754	43,754

5. 財務風險管理(續)

(c) 公允價值估計(續)

(i) 公允價值層級(續)

下表呈列本集團於2020年6月30日和2019年12月31日以公允價值計量的金融資產。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

There were no transfers between level 1, 2 and 3 during the period.

(a) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

5. 財務風險管理(續)

(c) 公允價值估計(續)

(i) 公允價值層級(續)

本期無第一、二、三層級間轉換。

(a) 在第一層級的金融工具

在活躍市場中交易的金融工具的報告期末的公允價值皆源於市場報價。倘市場報價易於定期從交易所、經銷商、經紀人、行業協會、定價服務機構或監管機構獲得，則該價格代表按市場規律實際發生的市場交易，則該市場視為活躍市場。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

(b) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

5. 財務風險管理(續)

(c) 公允價值估計(續)

(i) 公允價值層級(續)

(b) 在第二層級的金 融工具

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值利用估值技術釐定。估值技術盡量利用可觀察市場數據(如有),盡量少依賴主體的特定估計。如計算金融工具的公允價值所需的所有重大輸入為可觀察數據,則該金融工具歸屬於第二層級。如一項或多項重大輸入並非根據可觀察市場數據,則該金融工具歸屬於第三層級。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

(c) Financial instruments in level 3

With respect to the level 3 fair value measurement for the Group's financial assets at fair value that are unlisted equity investments and debt investments with no active market exists, the Group's finance department benchmark to the market price of certain comparable listed companies within the same or similar operation/industry and apply certain adjustments/discount for non-marketability.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- other valuation techniques, such as binomial model is used to determine the fair value of the share based payment

5. 財務風險管理 (續)

(c) 公允價值估計 (續)

(i) 公允價值層級 (續)

(c) 在第三層級的金融工具

對於本集團以公允價值計量的金融資產中以第三層級公允價值確認其公允價值的部分，因其為非上市的權益投資和債務投資，無活躍市場存在，本集團財務部門會對標若干相同或相似的行業／運營模式的可比上市公司的市價，並因其無市場可交易性作出特定調整／折讓。

(ii) 用以評估公允價值的估值技術

用以估值金融工具的特定制價技術包括：

- 同類型工具的市場報價或交易商報價
- 其他技術，例如二叉樹模型用來決定股份支付的公允價值

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

6. SEGMENT INFORMATION

As at June 30, 2020, the Group operated as a single operating segment in the PRC. The segment information for six months ended June 30, 2020 is as follows:

For the six months ended June 30, 2020:

6. 分部報告

截至2020年6月30日，本集團作為單一經營分部在中國運營。截至2020年6月30日止6個月期間，經營分部信息如下：

截至2020年6月30日止6個月期間：

	PRC	Corporate and other segments	Total
	中國	總部及其他分部	總計
	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元
	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)
Continuing operations			
Segment revenue	289,495	-	289,495
Depreciation, depletion and amortization	(177,652)	(4,054)	(181,706)
Taxes other than income taxes (Note 16)	(1,567)	(1,886)	(3,453)
Employee benefit expenses	(25,537)	(24,502)	(50,039)
Purchases, services and other direct costs	(49,957)	-	(49,957)
Distribution costs	(8,709)	-	(8,709)
General and administrative expenses	(4,618)	(22,294)	(26,912)
Reversal of impairment losses on financial assets, net	-	21,335	21,335
Impairment charges	(528,968)	-	(528,968)
Other gains, net	2,185	1,605	3,790
Finance income	325	26,087	26,412
Finance costs	(57,392)	(266,481)	(323,873)
Loss before income tax	(562,395)	(270,190)	(832,585)
Income tax expense	(1,725)	(161)	(1,886)
Loss for the period	(564,120)	(270,351)	(834,471)

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

6. SEGMENT INFORMATION (Continued)

As at June 30, 2020:

6. 分部報告(續)

於2020年6月30日：

		PRC	Corporate and other segments	Total
		中國	總部及 其他分部	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)
Total assets	總資產	1,215,054	484,321	1,699,375
Total liabilities	總負債	1,779,160	3,570,680	5,349,840

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

6. SEGMENT INFORMATION (Continued)

For the six months ended June 30, 2019:

6. 分部報告(續)

截至2019年6月30日止6個月期間：

	PRC	North America	Corporate and other segments	Total
	中國	北美	其他分部	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Continuing operations	持續經營			
Segment revenue	分部收益	358,431	-	358,431
Depreciation, depletion and amortization	折舊、折耗及攤銷	(168,403)	-	(170,660)
Taxes other than income taxes (Note 16)	稅項(所得稅除外)(附註16)	(1,911)	-	(3,785)
Employee benefit expenses	員工薪酬成本	(31,061)	-	(57,711)
Purchases, services and other direct costs	採購、服務及其他直接成本	(52,780)	-	(52,780)
Distribution costs	銷售成本	(7,814)	-	(7,814)
General and administrative expenses	管理費用	(7,094)	-	(53,661)
Net impairment losses on financial assets	金融資產減值損失	-	-	(22,336)
Impairment charges	資產減值損失	-	-	(4,740)
Other gains/(losses), net	其他利得/(損失), 淨值	2,386	-	(40,935)
Finance income	財務收入	12	-	7,149
Finance costs	財務費用	(55,064)	-	(294,662)
Profit/(loss) before income tax	除所得稅前利潤/(虧損)	36,702	-	(377,820)
Income tax expense	所得稅費用	(22,234)	-	(180)
Profit/(loss) for the period from continuing operations	本期持續經營所得利潤/(虧損)	14,468	-	(378,000)
Discontinued operations	終止經營			
Loss for the period from discontinued operations	本期終止經營虧損	-	(233,692)	(233,692)
Profit/(loss) for the period	本期利潤/(虧損)	14,468	(233,692)	(378,000)

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

6. SEGMENT INFORMATION (Continued)

As at December 31, 2019:

6. 分部報告 (續)

於2019年12月31日：

		PRC	Corporate and other segments	Total
	中國	其他分部	總部及	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
	(Audited)	(Audited)	(Audited)	(Audited)
	(經審核)	(經審核)	(經審核)	(經審核)
Total assets	總資產	1,980,084	442,831	2,422,915
Total liabilities	總負債	1,834,547	3,332,500	5,167,047

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

6. SEGMENT INFORMATION (Continued)

6. 分部報告(續)

		Six months ended June 30, 截至6月30日止6個月	
		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Timing of revenue recognition	收入確認時間		
At a point in time	在某一時點		
— Sales of oil and gas	— 銷售原油及天然氣	289,495	355,058
— Provision of services and others	— 提供服務及其他	—	3,373
		289,495	358,431

For the six months ended June 30, 2020, total revenue from crude oil and gas sales in the PRC amounting to RMB289.5 million (Six months ended June 30, 2019: RMB355.1 million) are derived solely from PetroChina. Crude oil sales revenues from PetroChina accounted for 100% of the Group's total revenue from continuing operations for the period (Six months ended June 30, 2019: 99.1%).

截至2020年6月30日止6個月期間，本集團在中國的原油和天然氣銷售收入金額為人民幣289.5百萬元（截至2019年6月30日止6個月期間：人民幣355.1百萬元）均為銷售給中石油股份取得的收入。本期從中石油股份取得的原油收入佔本集團持續經營總收入的100%（截至2019年6月30日止6個月期間：99.1%）。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

7. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

7. 不動產、工廠及設備以及無形資產

	Property, plant and equipment 不動產、工廠及設備 RMB'000 人民幣千元	Intangible assets 無形資產 RMB'000 人民幣千元
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Six months ended June 30, 2020 (Unaudited)

截至2020年6月30日止6個月期間(未經審核)

Opening net book amount as at January 1, 2020	2020年1月1日期初賬面淨值	1,678,414	94,025
Additions	增加	17,459	-
Depreciation and amortization charges	折舊及攤銷費用	(169,863)	(7,668)
Impairment (Note)	減值(附註)	(501,459)	(27,509)
Exchange gain	匯兌損益	12	-
Closing net book amount as at June 30, 2020	2020年6月30日期末賬面淨值	1,024,563	58,848

Six months ended June 30, 2019 (Unaudited)

截至2019年6月30日止6個月期間(未經審核)

Opening net book amount as at January 1, 2019	2019年1月1日期初賬面淨值	1,798,839	137,351
Additions	增加	34,410	-
Disposals	處置	(11)	-
Depreciation and amortization charges	折舊及攤銷費用	(155,168)	(10,856)
Closing net book amount as at June 30, 2019	2019年6月30日期末賬面淨值	1,678,070	126,495

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

7. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (Continued)

Note: **Impairment tests**

When any indicators of impairment are identified, property, plant and equipment and intangible assets are reviewed for impairment based on the Cash General per Unit ("CGU"), which is the individual block under the PSC held by the Group in the PRC. The carrying value of the CGU is compared to the recoverable amount of the CGU, which is calculated based on value-in-use, the higher of fair value less costs of disposal and value-in-use. Value-in-use calculations use pre-tax cash flow projections based on the budgets of the recent financial year approved by management. Cash flows beyond the year are extrapolated using the estimated growth rates not exceeding the long-term average growth rates for the businesses in which the CGU operates.

Due to the significant decline in crude oil price in March 2020 and continuing low global oil prices during the period ended June 30, 2020 as impairment indicator, the Group recognized impairment charges on property, plant and equipment and intangible assets totalling RMB529.0 million (2019: nil), which are related to the block in PRC, to reduce the carrying value to the estimated recoverable amounts calculated based on value-in-use. The pre-tax discount rate used in the calculation of recoverable amount for the CGU in the PRC is 20.65%.

7. 不動產、工廠及設備以及無形資產 (續)

附註：減值測試

現金產出單元包括本集團持有位於中國的石油分成合同下的獨立區塊。當識別出減值跡象時，以現金產出單元為基礎復核不動產、工廠及設備和無形資產的減值。將現金產出單元的賬面價值與其可回收金額進行比較，由於公允價值扣減處置成本後的金額與在用價值相比，在用價值為較高者，因此可回收金額以在用價值為基礎計算。在用價值的計算使用稅前預測現金流，該現金流的編製基於管理層批准的最近年度的財務預算。一年以上的現金流的增長使用了不超過該現金產出單元運營的長期平均增長率。

由於2020年3月原油價格大幅下跌，以及截止至2020年6月30日期間全球油價持續走低，導致產生減值跡象，本集團對不動產、工廠及設備和無形資產共計確認了人民幣529.0百萬元的減值。(2019年：無)。該等長期資產為中國境內的區塊，使其賬面價值減至了相應以在用價值為基礎的估計可回收金額。中國現金產出單元的可回收金額計算使用的稅前折現率為20.65%。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

8. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

8. 預付款項、保證金及其他應收款

		As at	
		June 30,	December 31,
		2020	2019
		2020年	2019年
		6月30日	12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Amounts due from related parties	應收關聯方款項		
— Palaeontol B.V.	— Palaeontol B.V.	950,575	919,022
— Others	— 其他	19,942	44,898
Loans and deposits to third parties	授予第三方的貸款和 保證金	4,956	4,883
Other receivables	其他應收款	185,041	184,611
Consideration receivables from disposal of subsidiaries	應收處置子公司股權 轉讓款	274,312	291,238
Deposit	保證金	9,147	9,014
Interest receivable	應收利息	354	349
Advances to employees	員工備用金	7,645	8,235
		1,451,972	1,462,250
Less: loss allowance	減：損失準備	(1,005,504)	(1,012,315)
		446,468	449,935
Prepaid expenses	待攤費用	1,285	4,334
Advances to suppliers	預付賬款	159,064	158,105
Less: loss allowance	減：損失準備	(155,975)	(155,975)
		450,842	456,399
Current	流動	58,414	71,036
Non-current	非流動	392,428	385,363
		450,842	456,399

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

8. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

Note (a):

The maximum exposure to credit risk at the reporting date is the carrying value of each class of prepayments and other receivables mentioned above. The Group does not hold any collateral as security.

9. TRADE AND NOTES RECEIVABLES

The aging analysis of trade and notes receivables is as follows:

8. 預付款項、保證金及其他應收款(續)

附註(a):

於報告日，最大的信用風險敞口為以上提及的各類預付及其他應收款的賬面價值。本集團不持有任何抵押品作為擔保。

9. 應收賬款及應收票據

應收賬款及應收票據的賬齡分析列示如下：

		As at	
		於	
		June 30, 2020 6月30日 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2019 12月31日 2019年 RMB'000 人民幣千元 (Audited) (經審核)
Up to 30 days	少於30日	29,801	61,238
Over 180 days	多於180日	866	136
		30,667	61,374

The Group's trade receivables have credit terms of between 30 days to 180 days.

Notes receivable are bank acceptance with maturity dates within six months.

The fair value of trade and notes receivables approximates their carrying amounts.

本集團的應收賬款的信用期為30天至180天。

應收票據為到期日在6個月以內的銀行承兌票據。

應收賬款及應收票據的公允價值與其賬面金額相近。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

10. SHARE-BASED PAYMENTS

During the six months ended June 30, 2020, total expense recognized in the statement of comprehensive income for share options and stock appreciation rights (“SARs”) granted to directors and employees amounted to RMB3.2 million (Six months ended June 30, 2019: RMB6.6 million).

The Company has adopted a Stock incentive compensation plan (“the Plan”) in 2009, a share option scheme (“Scheme”) in accordance with Chapter 17 of the Listing Rules in 2010, and adopted and amended the 2015 Share Award Scheme in 2015 (“2015 Share Award Scheme”).

In 2019, the Company cancelled certain options existed as at May 16, 2019, and grant new share options under the Scheme to certain directors and employees.

As at June 30, 2020, option to acquire of 142,895,922 (December 31, 2019: 151,573,615 shares) ordinary shares under the are outstanding, respectively, of which 95,263,948 (December 31, 2019: all) shares are exercisable.

As at June 30, 2020, out of the 400,000 outstanding stock appreciation rights (December 31, 2019: 854,644 shares stock appreciation rights), all (December 31, 2019: all) stock appreciation rights were exercisable.

As at June 30, 2020, 130,200,000 shares (December 31, 2019: 130,200,000 shares) under the 2015 Share Award Scheme are granted to certain directors and employees (the “Awarded Shares Grantees”) of the Group, of which 123,900,000 (December 31, 2019: 123,900,000) shares have been offered and 6,300,000 shares held by trust on behalf of holders (December 31, 2019: 6,300,000).

10. 股份支付

截至2020年6月30日止6個月期間內，確認到綜合收益表的授予董事及員工的購股權及股份增值權的費用為人民幣3.2百萬元(截至2019年6月30日止6個月：人民幣6.6百萬元)。

本公司於2009年採納一項股份獎勵酬金計劃(以下簡稱「計劃」)，於2010年根據上市規則第十七章的規定採納一項購股權計劃(以下簡稱「購股權計劃」)，並且於2015年採納及修訂2015年股份獎勵計劃(「2015年股份獎勵計劃」)。

於2019年，本公司取消了2019年5月16日存在的部分期權，並在購股權計劃下向董事及員工授予了新期權。

於2020年6月30日，根據上述購股權計劃中待行使購股權可認購142,895,922股(2019年12月31日：151,573,615股)普通股，其中95,263,948股(2019年12月31日：全部)為可行使購股權。

於2020年6月30日，400,000份尚未行使的股份增值權(2019年12月31日：854,644)中全部(2019年12月31日：全部)為可行使股份增值權。

於2020年6月30日，根據上述2015年股份獎勵計劃已授予本集團特定董事及僱員(「獎勵股份被授予者」)合計130,200,000股股份(2019年12月31日：130,200,000股)，其中123,900,000股(2019年12月31日：123,900,000股)已過戶給員工，6,300,000股(2019年12月31日：6,300,000股)由受托人代為持有。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

11. SHARE CAPITAL

Ordinary shares, issued and fully paid:

11. 股本

已發行並已繳足普通股：

		Number of shares 股數 (Thousand) (Unaudited) (未經審核)	Ordinary shares 股本 RMB'000 (Unaudited) (未經審核)	Share premium 股本溢價 RMB'000 (Unaudited) (未經審核)	Total 總計 RMB'000 (Unaudited) (未經審核)
As at January 1, 2019	於 2019 年 1 月 1 日	2,938,597	19,489	1,049,307	1,068,796
Add: allotment of new shares	加：配發新股	272,000	1,858	21,824	23,682
As at June 30, 2019	於 2019 年 6 月 30 日	3,210,597	21,347	1,071,131	1,092,478
As at January 1, 2020 and June 30, 2020	於 2020 年 1 月 1 日及 6 月 30 日	3,269,421	21,752	1,079,497	1,101,249

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

12. OTHER RESERVES

12. 其他儲備

		Repurchased shares held by trust	Currency translation reserve	Share-based payment reserve	Safety fund reserve	Financial assets at fair value through other comprehensive income 以公允價值計量 且其變動計入 其他綜合收益	Others	Total
		信託持有 回購股份 RMB'000 人民幣千元	外幣折算儲備 RMB'000 人民幣千元	股份支付儲備 RMB'000 人民幣千元	安全基金儲備 RMB'000 人民幣千元	其他綜合收益 RMB'000 人民幣千元	其他 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at December 31, 2019 (Audited)	於2019年12月31日(經審核)	(89,976)	(307,785)	202,058	187,356	(16,764)	(64,937)	(90,048)
Currency translation differences	外幣折算差額	-	(73,228)	-	-	-	-	(73,228)
Change in the fair value of equity instruments at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的權益工具的公允價值變動	-	-	-	-	(1,808)	-	(1,808)
Employees stock option scheme — value of employee services (Note 10)	僱員購股權計劃 — 僱員服務價值(附註10)	-	-	3,174	-	-	-	3,174
At June 30, 2020 (Unaudited)	於2020年6月30日(未經審核)	(89,976)	(381,013)	205,232	187,356	(18,572)	(64,937)	(161,910)

		Repurchased shares held by trust	Currency translation reserve	Share-based payment reserve	Safety fund reserve	Financial assets at fair value through other comprehensive income 以公允價值計量 且其變動計入 其他綜合收益	Others	Total
		信託持有 回購股份 RMB'000 人民幣千元	外幣折算儲備 RMB'000 人民幣千元	股份支付儲備 RMB'000 人民幣千元	安全基金儲備 RMB'000 人民幣千元	其他綜合收益 RMB'000 人民幣千元	其他 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at December 31, 2018 (Audited)	於2018年12月31日(經審核)	(89,976)	(355,156)	191,217	187,356	(13,336)	(63,887)	(143,782)
Currency translation differences	外幣折算差額	-	32,072	-	-	-	-	32,072
Change in the fair value of equity instruments at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的權益工具的公允價值變動	-	-	-	-	1,802	-	1,802
Employees stock option scheme — value of employee services	僱員購股權計劃 — 僱員服務價值	-	-	6,597	-	-	-	6,597
At June 30, 2019 (Unaudited)	於2019年6月30日(未經審核)	(89,976)	(323,084)	197,814	187,356	(11,534)	(63,887)	(103,311)

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

13. TRADE AND NOTES PAYABLE

The aging analysis of the trade and notes payable is as follows:

13. 應付賬款及應付票據

應付賬款及應付票據賬齡分析列示如下：

		As at	
		於	
		June 30, 2020	December 31, 2019
		6月30日 2020年	12月31日 2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Up to 6 months	少於6個月	89,456	222,202
6 months – 1 year	6個月至一年	126,126	93,183
1 – 2 years	一至兩年	83,525	99,986
2 – 3 years	兩至三年	22,425	30,707
Over 3 years	多於三年	11,207	14,167
		332,739	460,245

The fair values of trade and notes payable approximate their carrying amounts.

應付賬款及應付票據的公允價值與其賬面金額相近。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

14. PROVISIONS, ACCRUALS AND OTHER LIABILITIES

14. 準備、預提及其他負債

		As at 於	
		June 30, 2020 6月30日 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2019 12月31日 2019年 RMB'000 人民幣千元 (Audited) (經審核)
Asset retirement obligations (Note)	資產棄置義務(附註)	96,668	86,264
Interest payable	應付利息	305,641	122,846
Salary and welfare payable	應付薪金及福利	83,722	84,615
Withholding and other tax payable	代扣代繳稅及其他應付稅	59,743	58,186
Other payables	其他應付款項	139,735	162,191
		685,509	514,102
Less:	減：		
Non-current portion of	非流動部分之		
— Asset retirement obligations	— 資產棄置義務	(96,668)	(86,264)
— Withholding tax payable	— 代扣代繳稅	(59,702)	(56,777)
		(156,370)	(143,041)
Current	流動	529,139	371,061

Note:

附註：

Movements of asset retirement obligations are as follows:

資產棄置義務變動列示如下：

		RMB'000 人民幣千元 (Unaudited) (未經審核)
As at January 1, 2020	於2020年1月1日	86,264
Amortization of discounts	融資費用攤銷	10,404
As at June 30, 2020	於2020年6月30日	96,668

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

15. BORROWINGS

15. 借款

		As at 於	
		June 30, 2020 6月30日 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2019 12月31日 2019年 RMB'000 人民幣千元 (Audited) (經審核)
Non-current	非流動		
— 2022 Senior Notes (Note (a))	— 2022 優先票據(附註(a))	—	1,720,505
		—	1,720,505
Current	流動		
— 2022 Senior Notes (Note (a))	— 2022 優先票據(附註(a))	1,758,505	—
— On-Demand Borrowing (Note (b))	— 即時償還借款(附註(b))	416,275	394,693
— Other loans (Note (c))	— 其他借款(附註(c))	1,965,184	1,884,069
		4,139,964	2,278,762
		4,139,964	3,999,267

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

15. BORROWINGS (Continued)

Note

(a): 2022 Senior Notes

		As at				
		June 30,	December 31,			
		2020	2019			
Coupon rate	Due date	6月30日	12月31日			
票面利率	到期日	2020年	2019年			
		RMB'000	RMB'000			
		人民幣千元	人民幣千元			
		(Unaudited)	(Audited)			
		(未經審核)	(經審核)			
2022 Senior Notes	2022優先票據	13.75%	April 12, 2022	2022年4月12日	1,758,505	1,720,505

All senior notes are listed on the Singapore Exchange Securities Trading Limited.

On March 1, 2019, the Company announced the exchange offer to the holders of the 2019 Senior Notes to exchange the existing notes, together with the interest payable on maturity of US\$11.2 million, for a new package of senior notes and cash payment with a later maturity date. The exchange offer expired on April 10, 2019 and note holders representing approximately 84% of the total principal amount outstanding at December 31, 2018 accepted the exchange offer. In accordance with the related terms and conditions, the Company issued new senior notes in the principal amount of US\$248.4 million bearing annual interest at 13.750% due on April 12, 2022 (the "2022 Senior Notes"), made a cash payment of approximately US\$26.1 million (equivalent to approximately RMB175.6 million) to these holders on April 15, 2019, and the corresponding 2019 Senior Notes were cancelled accordingly. The Company settled the remaining 2019 Senior Notes with principal plus accrued interest totalling US\$52.6 million (equivalent to approximately RMB354.0 million) upon maturity on April 25, 2019.

15. 借款(續)

附註

(a): 2022 優先票據

優先票據均已在新加坡證券交易所有限公司上市。

於2019年3月1日，本公司宣布向2019優先票據持有人發出要約，將現有票據連同到期日應付利息11.2百萬美元換取新的優先票據和現金付款。交換要約於2019年4月10日到期，其中2018年12月31日未償還本金佔總額約84%的票據持有人接受了交換要約。根據相關條款及條件，本公司發行了本金約為248.4百萬美元並於2022年4月12日到期的新優先票據，年利率為13.750%（「2022優先票據」）。並於2019年4月15日向接受交換要約的票據持有人支付現金約26.1百萬美元（等價於人民幣175.6百萬元），至此相應部分的2019優先票據也相應取消。本公司於到期日2019年4月25日償還了剩餘的2019優先票據，本金加應計利息共計52.6百萬美元（等價於人民幣354.0百萬元）。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

15. BORROWINGS (Continued)

Note (Continued)

(a): 2022 Senior Notes (Continued)

As described in Note 2.1, on May 11, 2020, the 2022 Senior Notes defaulted due to failure to pay interests of RMB120.5 million (US\$17.1 million) due on April 12, 2020. As a result of the event of default, the entire balance of the principal and related outstanding interest due on the 2022 Senior Notes were reclassified to current liabilities.

This event of default also triggered the cross-default of the On-Demand Borrowing (see Note (b)) and the borrowings of RMB1,951.0 million included in other loans (see Note (c)) and immediate repayment of all such borrowings if requested by the respective lenders (Note 2.1).

(b): On-Demand Borrowing

The Group entered into an agreement with a third party to borrow a principal amount of US\$60.0 million, which bears an interest of 8% per annum and is repayable on February 1, 2020. The extension agreement for another 12 months to January 31, 2021 has been signed on February 20, 2020. Pursuant to the agreement, the lender has the right to demand the Group for immediate repayment of the principal amount and any accrued interest.

As of June 30, 2020, the On-Demand Borrowing was secured as set below:

- Personal guarantees provided by Mr. Zhang Ruilin, Ms. Zhao Jiangbo and Mr. Zhao Jiangwei;
- Share charge over certain issued share capital of certain subsidiaries of the Group used for investment holding purpose;
- Account charge over certain bank accounts of the Group to ensure the payment of interest and principal when due
- Other assets security and share charge

The event of default on the 2022 Senior Note on May 11, 2020 mentioned in Note (a) above triggered cross-default of the On-Demand Borrowing.

15. 借款(續)

附註(續)

(a): 2022 優先票據(續)

如註釋2.1所述，2020年5月11日，由於未能支付2020年4月12日到期的1.205億元人民幣(合1,710萬美元)的利息，2022優先票據違約。該違約導致2022優先票據到期的本金和相關未償利息的全部餘額重新分類至流動負債。

該違約事件還觸發了即時償還借款(詳見附註(b))與包含於其他借款(詳見附註(c))中的人民幣1,951.0百萬元的借款的交叉違約，如果各債權方要求，則需立即償還所有此類借款(註2.1)。

(b): 即時償還借款

本集團與第三方訂立協議，借入本金金額為60.0百萬美元，年利率為8%，並須於2020年2月1日償還。將還款日延長12個月至2021年1月31日的延期協議已於2020年2月20日簽訂。根據協議，貸款人有權要求本集團立即償還本金及應計利息。

於2020年6月30日，即時償還借款存在下列抵押：

- 張芮霖先生，趙江波女士及趙江巍先生提供個人擔保
- 用於投資持有目的而持有的部分子公司的全部股本
- 本集團的部分擔保銀行賬戶，用以確保償還到期的本金及利息
- 其他資產擔保和股本

如上面附註(a)所述，於2020年5月11日發生的2022優先票據違約事件觸發了即時償還借款的交叉違約。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

15. BORROWINGS (Continued)

Note (Continued)

(c): Other loans

As of June 30, 2020, the other loans were secured as set below:

- Share charge over the entire issued share capital of Gobi Energy Limited ("Gobi") held by the Group
- Pledge over the Group's interest under the Daan PSC held by Gobi
- Pledge over the Group's account receivable amounting to RMB29.8 million under the Daan PSC held by Gobi
- Share charge over certain issued share capital in associates held by the Group
- Pledge over the Group's receivables of the shareholder's loans from Palaeontol B.V. ("PBV")
- Pledge over the Group's receivable from a third party
- Account charge over certain accounts of the Group to ensure the payment of interest and principal when due
- Share charge over certain issued share capital of certain subsidiaries of the Group used for investment holding purpose

The event of default on the 2022 Senior Note on May 11, 2020 mentioned in Note (a) above triggered cross-default of other loans totalling RMB1,951.0 million.

15. 借款(續)

附註(續)

(c): 其他借款

於2020年6月30日，其他借款存在下列抵押：

- 本集團持有的戈壁能源公司(「戈壁」)全部股本
- 本集團通過戈壁持有的大安產品分成合同下的權益作為擔保
- 本集團通過戈壁持有的大安產品分成合同下的人民幣金額為29.8百萬元的應收賬款作為擔保
- 本集團持有的聯營企業的股本
- 本集團應收聯營企業Palaeontol B.V. (「PBV」)的股東貸款作為擔保
- 本集團應收第三方的一項其他應收款項作為擔保
- 本集團的部分擔保賬戶，用以確保償還到期的本金及利息
- 用於投資持有目的而持有的部分分子公司的全部股本

如上面附註(a)所述，於2020年5月11日發生的2022優先票據違約事件觸發了其他借款項下合計人民幣1,951.0百萬元的借款交叉違約。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

15. BORROWINGS (Continued)

Note (Continued)

(d): Movements in borrowings are analysed as follows:

15. 借款(續)

附註(續)

(d): 借款變動分析列示如下:

		Senior Notes	Third party institution	Total
		優先票據	機構借款	合計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Carrying amounts as at	於2020年1月1日			
January 1, 2020	賬面價值	1,720,505	2,278,762	3,999,267
Repayments of borrowing	償還借款	-	(10,446)	(10,446)
Amortization of discounts	融資費用攤銷	12,456	79,103	91,559
Exchange differences	匯兌差額	25,544	34,040	59,584
Carrying amounts as at	於2020年6月30日			
June 30, 2020 (Unaudited)	賬面價值(未經審核)	1,758,505	2,381,459	4,139,964

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

16. TAXES OTHER THAN INCOME TAXES

16. 稅項 (所得稅除外)

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020 2020 年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019 年 RMB'000 人民幣千元 (Unaudited) (未經審核)
PRC	中國		
Urban construction tax and education surcharge	城建稅及教育附加費	1,524	1,869
Others	其他	43	42
		1,567	1,911
Corporate and other segments	總部及其他分部		
Withholding tax and others	代扣代繳稅及其他	1,886	1,874
		3,453	3,785

Note:

Withholding tax is charged on interest expense arising from the intra-group loans.

附註：

代扣代繳稅是由集團內部貸款的利息產生。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

17. OTHER GAINS/(LOSSES), NET

17. 其他收益／(損失)，淨值

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020	2019
		2020 年	2019 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Losses on changes in fair value of financial instruments	金融工具的公允價值變動損失	-	(18,220)
Losses on disposal of financial instruments	金融工具處置損失	-	(24,364)
Others	其他	3,790	4,035
		3,790	(38,549)

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

18. FINANCIAL COSTS — NET

18. 財務費用 — 淨額

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020 2020 年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019 年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Finance income	財務收入		
Interest income	利息收入	26,412	7,149
Finance costs	財務費用		
Interest expense at coupon rates	利息費用 (按照票面利率核算)	(229,967)	(230,106)
Amortization of discounts	融資費用攤銷	(91,559)	(61,455)
Amortization of asset retirement obligation	棄置義務費用攤銷	(10,404)	(132)
Financing costs	融資費用	(232)	(1,483)
Other fees	其他費用	(1,225)	(1,371)
		(333,387)	(294,547)
Exchange gains/(losses), net	匯兌利得/(損失)·淨額	9,514	(115)
		(323,873)	(294,662)
Finance costs — net	財務費用 — 淨額	(297,461)	(287,513)

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

19. INCOME TAX EXPENSE

19. 所得稅費用

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020	2019
		2020 年	2019 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Current income tax	即期所得稅	1,501	1,527
Deferred income tax	遞延所得稅	385	20,887
		1,886	22,414

Note:

Taxation has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

Income tax expense is recognized based on management's estimate of the annual income tax rate applicable to the respective Group entities expected for the full financial year. The estimated income tax rate applicable to the Group entities (excluding Group companies that are currently tax exempted) for the period ended June 30, 2020 is 25%.

20. DIVIDENDS

The Board of Directors did not recommend payment of interim dividend for the six months ended June 30, 2020 (Six months ended June 30, 2019: nil).

附註：

課稅按照本期估計應課稅利潤計算，計算基礎乃本集團經營業務所在國家的現行稅率。

所得稅費用的確認是基於管理層對整個財政年度本集團各主體適用所得稅率的估計。預計截至 2020 年 6 月 30 日止期間，除本集團內免予繳納所得稅的實體外，本集團適用的稅率為 25%。

20. 股息

本公司董事會不擬就截至 2020 年 6 月 30 日止 6 個月期間內派發股息（截至 2019 年 6 月 30 日止 6 個月期間：無）。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

21. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

21. 每股虧損

(a) 基本

基本每股虧損是根據本公司所有者的應佔虧損，除以本期內已發行普通股的加權平均數目計算。

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2020	2019
		2020 年	2019 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Loss for the period attribute to owners of the company used to determine basic loss per share	用於釐定基本每股虧損的歸屬於本公司所有者的虧損		
— Continuing operations	— 持續經營	(834,471)	(361,162)
— Discontinued operations	— 終止經營	—	(233,692)
Weighted average number of ordinary shares (thousands)	加權平均普通股數目 (千股)	3,257,416	3,016,505
Basic loss per share	基本每股虧損		
— Continuing operations	— 持續經營	(0.26)	(0.12)
— Discontinued operations	— 終止經營	—	(0.08)
		(0.26)	(0.20)

(b) Diluted

The dilutive loss per share is same as the basic loss per share.

(b) 稀釋

每股攤薄虧損與每股基本虧損相同。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

22. NET CASH INFLOW FROM OPERATING ACTIVITIES

22. 經營活動產生的現金淨額

		Six months ended June 30, 截至6月30日止6個月	
		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Continuing operations	持續經營		
Loss before income tax	除所得稅前虧損	(832,585)	(341,118)
Adjustments for:	調整：		
Depreciation, depletion and amortization	折舊、折耗及攤銷	181,706	170,660
Interest expenses — net	淨利息支出	306,975	287,398
Exchange (gains)/losses, net (Note 18)	匯兌(收益)/損失，淨額(附註18)	(9,514)	115
(Reversal)/provision of impairment losses on financial assets, net	金融資產減值(轉回)/計提，淨值	(21,335)	22,336
Impairment charges	資產減值損失	528,968	4,740
Value of employee services under share-based payments plan (Note 10)	股份支付計劃下僱員服務成本(附註10)	3,174	6,597
Losses on changes in fair value of financial instruments (Note 17)	金融工具公允價值變動損失(附註17)	—	18,220
Losses on disposal of financial instruments (Note 17)	金融工具處置損失(附註17)	—	24,364

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

22. NET CASH INFLOW FROM OPERATING ACTIVITIES (Continued)

22. 經營活動產生的現金淨額(續)

		Six months ended June 30, 截至6月30日止6個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Changes in working capital:	營運資金變動：		
Inventories	存貨	(1,268)	(936)
Trade and other receivable	應收及其他應收款	17,622	813
Trade and other payable	應付及其他應付款	(79,514)	54,668
Cash inflows from operations	經營產生的現金	94,229	247,857
Interest paid	已付利息	(30,806)	(166,735)
Income tax paid	已付所得稅	(8,292)	-
Discontinued operations	終止經營	-	84,085
Net cash inflow from operating activities	經營產生的現金淨值	55,131	165,207

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

23. COMMITMENTS AND CONTINGENCIES

(a) Commitments

- (i) Capital commitments for the purchase of property, plant and equipment

23. 承諾事項及或有負債

(a) 承諾

- (i) 購買不動產、工廠及設備之資本性承諾事項

	As at	
	於	
	June 30, 2020	December 31, 2019
	6月30日 2020年	12月31日 2019年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)
Authorized by the Board of Directors but not contracted for	253,740	139,692

Authorized by the Board of Directors but not contracted for 本公司董事會已批准但未簽約

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

23. COMMITMENTS AND CONTINGENCIES (Continued)

(a) Commitments (Continued)

(ii) Operating lease commitments

The Group has operating lease commitments related to its non-cancellable operating leases for offices and vehicle. The future aggregate minimum lease payments under these operating leases are as follows:

		As at	
		於	
		June 30,	December 31,
		2020	2019
		6月30日	12月31日
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Less than 1 year	少於一年	671	1,448
		671	1,448

23. 承諾事項及或有負債 (續)

(a) 承諾 (續)

(ii) 經營租賃承諾

本集團因經營租賃辦公室和車輛而擁有不可撤銷的經營租約承諾。經營租賃項下的未來最低租賃付款額列示如下：

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

24. RELATED PARTY TRANSACTIONS

(a) The following transactions were carried out with related parties:

24. 關聯方交易

(a) 與關聯方的交易列示如下：

		Six months ended June 30, 截至6月30日止6個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Transactions with associates	與聯營企業的交易		
— Accrued interest income from shareholder's loan to PBV	— 提供予PBV的股東貸款所產生的利息收入	17,848	7,137
— Investment in PetroBroad	— 對PetroBroad的投資	-	(4,740)
Transactions with controlling shareholder of the Company's ultimate holding company and/or a company/person related to the controlling shareholder of the Company's ultimate holding company	與本公司最終控股公司、控股股東或本公司最終控股公司控股股東的關聯公司/人士的交易		
— Purchase for oilfield services	— 採購石油服務	(38,769)	(39,794)
— Rental of vehicles and office premises	— 汽車和房屋的租賃	(98)	(95)
— Receive from borrowing of Zhaojiangbo	— 收到趙江波借款	-	19,029
— Payment to borrowing of Zhaojiangbo	— 償還趙江波借款	(2,675)	(10,141)

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

24. RELATED PARTY TRANSACTIONS (Continued) (b) Key management compensation

24. 關聯方交易(續) (b) 主要管理人員酬金

		Six months ended June 30, 截至6月30日止6個月	
		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Salaries	薪金	6,777	13,367
Bonuses	紅利	6,689	3,837
Value of share base payment	股份支付金額		
— employee services	— 僱員服務價值	2,081	4,218
Benefits in-kind	其他福利	1,280	1,335
		16,827	22,757

Bonuses fall due wholly within twelve months after the end of the period in which management rendered the related services.

短期紅利將會在管理層完成相應服務後一年內發放。



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