



**CHINA ENERGY DEVELOPMENT HOLDINGS LIMITED**  
**中國能源開發控股有限公司\***

(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 : 00228



Interim Report  
中期報告 2011

\* For identification purposes only 僅供識別

## CORPORATE INFORMATION 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Zhao Guoqiang (*Chief Executive Officer*)  
Mr. Chui Kwong Kau  
Mr. Huang Changbi  
Mr. Liu Baohe  
Mr. Zhang Zhenming  
Mr. Chan Shi Yung (*resigned on 1 May 2011*)

#### Independent Non-executive Directors

Mr. Fu Dali (*appointed on 28 July 2011*)  
Mr. Fu Wing Kwok, Ewing  
Mr. Sun Xiaoli (*appointed on 1 July 2011*)  
Ms. Zhang Wei (*resigned on 28 July 2011*)  
Mr. Yin Guohui (*resigned on 1 July 2011*)

### COMPANY SECRETARY

Mr. Ho Ka Yiu Simon (*appointed on 1 May 2011*)  
Mr. Wong Siu Keung, Joe (*resigned on 1 May 2011*)

### COMPANY'S WEBSITE

<http://www.cnenergy.com.hk>

### REGISTERED OFFICE

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

### 董事會

#### 執行董事

趙國強先生 (*行政總裁*)  
崔光球先生  
黃昌碧先生  
劉寶和先生  
張振明先生  
陳樹鎔先生 (*於二零一一年五月一日辭任*)

#### 獨立非執行董事

付大利先生 (*於二零一一年七月二十八日獲委任*)  
傅榮國先生  
孫曉靈先生 (*於二零一一年七月一日獲委任*)  
張偉女士 (*於二零一一年七月二十八日辭任*)  
殷國輝先生 (*於二零一一年七月一日辭任*)

### 公司秘書

何嘉耀先生 (*於二零一一年五月一日獲委任*)  
黃兆強先生 (*於二零一一年五月一日辭任*)

### 公司網址

<http://www.cnenergy.com.hk>

### 註冊辦事處

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

## CORPORATE INFORMATION 公司資料

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 3607, 36th Floor  
West Tower, Shun Tak Centre  
168-200 Connaught Road Central  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcum Group (Cayman) Ltd.  
Butterfield House  
68 Fort Street  
P.O. Box 705  
Grand Cayman KY1-1107  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### LEGAL ADVISERS TO THE COMPANY

*As to Hong Kong law*  
Robertsons

*As to Cayman Islands law*  
Conyers Dill & Pearman, Cayman

### AUDITOR

BDO Limited

### PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

### 總辦事處及主要營業地點

香港  
干諾道中168-200號  
信德中心西座  
36樓3607室

### 股份過戶登記總處

Butterfield Fulcum Group (Cayman) Ltd.  
Butterfield House  
68 Fort Street  
P.O. Box 705  
Grand Cayman KY1-1107  
Cayman Islands

### 香港股份過戶登記分處

卓佳登捷時有限公司  
香港  
灣仔  
皇后大道東28號  
金鐘匯中心  
26樓

### 本公司之法律顧問

*有關香港法律*  
羅拔臣律師事務所

*有關開曼群島法律*  
Conyers Dill & Pearman, Cayman

### 核數師

香港立信德豪會計師事務所有限公司

### 主要往來銀行

中國銀行(香港)有限公司

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 簡明綜合全面收益表

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### INTERIM RESULTS

The Board of Directors (the "Board") of China Energy Development Holdings Limited (the "Company") hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2011 together with comparative figures as follows. These interim financial statements have not been audited, but have been reviewed by the Company's Audit Committee.

### 中期業績

中國能源開發控股有限公司(「本公司」)之董事會(「董事會」)謹此宣佈本公司及其附屬公司(「本集團」)截至二零一一年六月三十日止六個月之未經審核簡明綜合中期業績連同以下比較數字。本中期財務報表乃未經審核，惟已由本公司審核委員會審閱。

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月		
		Notes 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Turnover	營業額	3	36,080	50,153
Other income	其他收入	4	5,217	2,032
Cost of inventories consumed	經消耗存貨成本		(18,654)	(18,804)
Staff costs	員工成本		(16,055)	(17,457)
Operating lease rentals	經營租賃租金		(5,318)	(8,191)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊		(762)	(370)
Impairment loss on other receivables, deposits and prepayment	其他應收款項、訂金及 預付款項之減值虧損	19	(8,375)	-
Impairment loss on loan receivables	應收貸款之減值虧損	19	(37,100)	-
Fuel costs and utility expenses	燃油費及水電費		(1,921)	(3,562)
Fair value loss of financial assets held for trading	持作買賣之金融資產之 公平價值虧損		(4,163)	(16,965)
Other operating expenses	其他經營開支		(7,657)	(7,293)
Finance costs	財務成本	16	(5,455)	-
<b>Loss before taxation</b>	<b>除稅前虧損</b>	5	<b>(64,163)</b>	(20,457)
Taxation	稅項	6	2,080	-
<b>Loss for the period</b>	<b>期內虧損</b>		<b>(62,083)</b>	(20,457)

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 簡明綜合全面收益表

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

Unaudited  
six months ended 30 June  
未經審核  
截至六月三十日止六個月

		Notes 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<b>Other comprehensive income</b>	<b>其他全面收益</b>			
Exchange differences arising on translation of foreign operations	換算境外業務產生之匯兌差額		(2,611)	–
Other comprehensive income for the period	期內其他全面收益		(2,611)	–
<b>Total comprehensive income for the period</b>	<b>期內全面收益總額</b>		<b>(64,694)</b>	(20,457)
<b>Loss for the period attributable to:</b>	<b>期內虧損歸屬於：</b>			
Owners of the Company	本公司擁有人		(62,083)	(20,457)
Non-controlling interests	非控股權益		–	–
			<b>(62,083)</b>	(20,457)
<b>Total comprehensive income attributable to:</b>	<b>全面收益總額歸屬於：</b>			
Owners of the Company	本公司擁有人		(64,694)	(20,457)
Non-controlling interests	非控股權益		–	–
			<b>(64,694)</b>	(20,457)
<b>Loss per share</b>	<b>每股虧損</b>			
– Basic (HK cents)	– 基本 (港仙)	8	(0.96)	(0.49)
– Diluted (HK cents)	– 攤薄 (港仙)		(0.96)	(0.49)

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

At 30 June 2011  
於二零一一年六月三十日

			Unaudited 未經審核 30 June 2011 二零一一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元
		Notes 附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	9	582,175	1,337
Intangible assets	無形資產	10	2,940,519	–
Rental deposits and other deposits	租金按金及其他訂金		1,174	1,174
Deposits for acquisition	收購之訂金	18	–	804,000
Deferred tax assets	遞延稅項資產		73,382	–
			<b>3,597,250</b>	806,511
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		6,066	5,516
Trade receivables	應收賬款	11	77	41
Financial assets held for trading	持作買賣之金融資產		9,246	29,677
Other receivables, deposits and prepayments	其他應收款項、訂金及預付款項		41,679	47,575
Loan receivables	應收貸款		14,841	51,941
Amounts due from related companies	應收關連公司款項	12	11,118	12,450
Tax recoverable	可收回稅項		54	54
Cash and bank balances	現金及銀行結餘		554,843	4,674
			<b>637,924</b>	151,928
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付賬款	13	6,947	8,159
Other payables and accruals	其他應付款項及應計款項		575,961	30,132
Amount due to a related company	應付一間關連公司款項	14	13,828	13,598
Provision for legal claims	法律索償撥備	15	5,000	–
			<b>601,736</b>	51,889
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>36,188</b>	100,039
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>3,633,438</b>	906,550
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible notes	可換股票據	16	102,770	–
Other payable	其他應付款項		50,000	–
Deferred tax liabilities	遞延稅項負債		53	53
Provision for long service payments	長期服務金撥備		86	86
			<b>152,909</b>	139
<b>Net Assets</b>	<b>資產淨值</b>		<b>3,480,529</b>	906,411

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 簡明綜合財務狀況表

At 30 June 2011  
於二零一一年六月三十日

			<b>Unaudited</b> 未經審核	Audited 經審核
			<b>30 June</b> <b>2011</b>	31 December 2010
			二零一一年 六月三十日	二零一零年 十二月三十一日
		Notes 附註	<b>HK\$'000</b> 千港元	HK\$'000 千港元
<b>Equity</b>	<b>權益</b>			
Share capital	股本	17	<b>346,306</b>	217,684
Reserves	儲備		<b>3,133,470</b>	687,974
Attributable to owners of the Company	本公司擁有人應佔		<b>3,479,776</b>	905,658
Non-controlling interests	非控股權益		<b>753</b>	753
<b>Total Equity</b>	<b>權益總額</b>		<b>3,480,529</b>	906,411

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

		Unaudited 未經審核								
		Attributable to owners of the Company 本公司擁有人應佔								
		Issued share capital	Contributed surplus	Share premium	Convertible notes reserve (note)	Translation reserve	Accumulated losses	Sub-total	Non- controlling interests	Total equity
		已發行 股本	實繳 股本盈餘	股份溢價	可換股票據 儲備 (附註)	匯兌儲備	累計虧損	小計	非控股權益	權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 January 2010	於二零一零年 一月一日之結餘	181,434	30,004	853,146	-	-	(425,844)	638,740	753	639,493
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	(20,457)	(20,457)	-	(20,457)
Issue of share capital	發行股本	36,250	-	281,655	-	-	-	317,905	-	317,905
Balance at 30 June 2010	於二零一零年 六月三十日之結餘	217,684	30,004	1,134,801	-	-	(446,301)	936,188	753	936,941

		Unaudited 未經審核								
		Attributable to owners of the Company 本公司擁有人應佔								
		Issued share capital	Contributed surplus	Share premium	Convertible notes reserve (note)	Translation reserve	Accumulated losses	Sub-total	Non- controlling interests	Total equity
		已發行 股本	實繳 股本盈餘	股份溢價	可換股票據 儲備 (附註)	匯兌儲備	累計虧損	小計	非控股權益	權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 January 2011	於二零一一年 一月一日之結餘	217,684	30,004	1,134,801	-	-	(476,831)	905,658	753	906,411
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	(2,611)	(62,083)	(64,694)	-	(64,694)
Issue of convertible notes upon acquisition of subsidiaries	收購附屬公司時發行 可換股票據	-	-	-	2,618,811	-	-	2,618,811	-	2,618,811
Issue of share capital upon conversion of convertible notes (Note 16)	兌換可換股票據時發行股本 (附註16)	128,622	-	333,823	(442,444)	-	-	20,001	-	20,001
Balance at 30 June 2011	於二零一一年 六月三十日之結餘	346,306	30,004	1,468,624	2,176,367	(2,611)	(538,914)	3,479,776	753	3,480,529

Note: The convertible notes reserve represents the equity conversion component on issue of convertible notes (i.e. option to convert the debt into share capital).

附註：可換股票據儲備指發行可換股票據時的股權轉換部分（即將債項轉換為股本之期權）。



# CONDENSED CONSOLIDATED CASH FLOW STATEMENT

## 簡明綜合現金流量表

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

Unaudited  
six months ended 30 June  
未經審核  
截至六月三十日止六個月

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<b>NET CASH INFLOW/(OUTFLOW) FROM:</b>	<b>現金流入／(流出)淨額：</b>		
OPERATING ACTIVITIES	經營業務	<b>(35,406)</b>	31,500
INVESTING ACTIVITIES	投資業務	<b>594,673</b>	(235,054)
FINANCING ACTIVITIES	融資活動	-	317,905
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及等同現金增加／(減少)淨額</b>	<b>559,267</b>	114,351
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	<b>(9,098)</b>	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>期初之現金及等同現金</b>	<b>4,674</b>	11,476
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>期終之現金及等同現金</b>	<b>554,843</b>	125,827

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard (the "HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

### 2. PRINCIPAL ACCOUNTING POLICIES

These unaudited condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2010. The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2010 with addition for the following amendments and interpretations (the "new HKFRSs") issued by the HKICPA, which have become effective.

HKFRS 1 (Amendments)	Improvements of HKFRSs issued in 2010
HKAS 32 (Amendments)	Classification of Rights Issues
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments
HKAS 24 (Revised)	Related Party Disclosures
HK(IFRIC) – Int 14 (Amendment)	Prepayment of a Minimum Funding Requirement

The adoption of the new and revised HKFRSs had no material impact on the unaudited condensed consolidated financial statements of the Group for the current and prior accounting period.

### 1. 編製基準

本未經審核簡明綜合中期財務報表已根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄16之適用披露規定及香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。

### 2. 主要會計政策

本未經審核簡明綜合財務報表應與截至二零一零年十二月三十一日止年度之全年財務報表一併閱讀。編製本未經審核簡明綜合財務報表所採用之會計政策及計算方法，與截至二零一零年十二月三十一日止年度之年度財務報表所採納者一致，並採納以下多項由香港會計師公會頒佈並已生效之修訂及詮釋（「新訂香港財務報告準則」）。

香港財務報告準則 第1號（修訂本）	二零一零年頒佈之香港財務報告準則之改進
香港會計準則 第32號（修訂本）	供股分類
香港（國際財務報告詮釋委員會）— 詮釋第19號	以股本工具抵銷金融負債
香港會計準則 第24號（修訂）	關連人士之披露
香港（國際財務報告詮釋委員會）— 詮釋第14號（修訂本）	預付最低資金需求

採納新訂及經修訂香港財務報告準則並無對本集團當前或先前會計期間之未經審核簡明綜合財務報表造成任何重大影響。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

The Group has not early adopted the new and revised standards, amendments and interpretations that have been issued but are not yet effective.

The Group is in the process of assessing the potential impact of the new HKFRSs but is not yet in a position to determine whether the new HKFRSs will have a significant impact on how its results of operations and financial position are prepared and presented. The new HKFRSs may result in change in the future as to how the results and financial position are prepared and presented.

In addition, the Group has acquired certain subsidiaries which have entered into production sharing contracts for the exploration, development and production of petroleum in Kashi, the People's Republic of China (the "PRC"). These production sharing contracts constitute jointly controlled operations. The Group's interests in production sharing contracts are accounted for in the consolidated financial statements on the following bases:

- i) The assets that the Group controls and the liabilities that the Group incurs; and
- ii) The share of expenses that the Group incurs and its share of income from the production according to the terms stipulated in these contracts.

### 2. 主要會計政策 (續)

本集團並無提早採納已頒佈但尚未生效之新訂及經修訂準則、修訂及詮釋。

本集團現正評估新訂香港財務報告準則之潛在影響，惟尚未能確定新訂香港財務報告準則會否對本集團編製及呈列其經營業績及財務狀況之方式構成重大影響。新訂香港財務報告準則可能導致日後編製及呈列業績及財務狀況之方式出現變動。

此外，本集團已收購若干附屬公司，而該等附屬公司已訂立在中華人民共和國（「中國」）喀什勘探、開發及生產石油之分成合約。該等分成合約構成共同控制業務。本集團於分成合約之權益按下列基礎在綜合財務報表內列賬：

- i) 本集團控制之資產及本集團產生之負債；及
- ii) 本集團根據該等合同訂明之條款分佔產生之開支及分佔生產收益。

## NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS 未經審核中期財務報表附註

### 3. TURNOVER AND SEGMENT INFORMATION

During the period, the Group acquired certain subsidiaries, which are engaged in exploration and production of natural gas, as detailed in note 18.

The Group determines its operating segment based on the internal reports that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segment and to assess its performance. In accordance with the Group's internal organization and reporting structure, the operating segments are based on nature of business.

The Group has two reportable segments: Exploration and Production of natural gas and Restaurant Business.

The Exploration and Production segment is engaged in the exploration, development, production and sales of natural gas.

The Restaurant Business segment is engaged in the operation of Chinese restaurant.

### 3. 營業額及分類資料

期內，本集團收購若干附屬公司，該等附屬公司從事勘探及生產天然氣，詳情載於附註18。

本集團乃按照主要營運決策者為對分部作資源分配及評估其表現所定期審閱的內部報告確定其經營分部。根據本集團之內部組織及匯報架構，經營分部乃根據業務性質釐定。

本集團有兩個可報告分類：勘探及生產天然氣及酒樓業務。

勘探及生產分類從事勘探、開發、生產及銷售天然氣。

酒樓業務分類從事經營中式酒樓。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 3. TURNOVER AND SEGMENT INFORMATION (Continued)

The segment information provided to the Board for the reportable segments for the six months ended 30 June 2011 and 2010 are as follows:

(a) Information about reportable segment revenue, profit or loss and other information

		Exploration and Production 勘探及生產 HK\$'000 千港元	Restaurant Business 酒樓業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
		<b>For the six months ended 30 June 2011</b>	<b>截至二零一一年 六月三十日止六個月</b>	
Revenue from external customers	來自外部客戶之收入	-	36,080	36,080
Reportable segment (loss)/profit before tax expenses	扣除稅項開支前之可報告分類(虧損)/溢利	(5,329)	553	(4,776)
Segment results included:	分類業績包括:			
Interest income	利息收入	235	-	235
Depreciation	折舊	474	264	738
Expenditures for reportable segment non-current assets	可報告分類非流動資產之開支	3,515,584	48	3,515,632
Reportable segment assets	可報告分類資產	4,119,855	23,441	4,143,296
Reportable segment liabilities	可報告分類負債	(507,831)	(28,436)	(536,267)
<b>Net assets/(liabilities)</b>	<b>資產/(負債)淨值</b>	<b>3,612,024</b>	<b>(4,995)</b>	<b>3,607,029</b>

### 3. 營業額及分類資料(續)

截至二零一一年及二零一零年六月三十日止六個月，就可報告分類而提供予董事會的分類資料如下：

(a) 有關可報告分類收入、損益及其他資料

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

(a) Information about reportable segment revenue, profit or loss and other information *(Continued)*

		Exploration and Production 勘探及生產 HK\$'000 千港元	Restaurant Business 酒樓業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>For the six months ended 30 June 2010</b>	<b>截至二零一零年 六月三十日止六個月</b>			
Revenue from external customers	來自外部客戶之收入	–	50,153	50,153
Reportable segment loss before tax expenses	扣除稅項開支前之可報告分類虧損	–	(466)	(466)
Segment results included:	分類業績包括：			
Interest income	利息收入	–	–	–
Depreciation	折舊	–	345	345
Expenditures for reportable segment non-current assets	可報告分類非流動資產之開支	–	54	54
Reportable segment assets	可報告分類資產	–	21,811	21,811
Reportable segment liabilities	可報告分類負債	–	(35,325)	(35,325)
<b>Net liabilities</b>	<b>負債淨值</b>	–	(13,514)	(13,514)

### 3. 營業額及分類資料 (續)

(a) 有關可報告分類收入、損益及其他資料 (續)

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

### 3. 營業額及分類資料 (續)

#### (b) Reconciliation of reportable segment profit or loss, assets and liabilities

#### (b) 可報告分類損益、資產及負債之對賬

Loss before tax expenses	扣除稅項開支前之虧損	Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Reportable segment loss before tax expenses	扣除稅項開支前之可報告分類虧損	<b>(4,776)</b>	(466)
Interest income	利息收入	<b>694</b>	2,008
Other income	其他收入	<b>12</b>	–
Impairment on other receivables, deposits and prepayment	其他應收款項、訂金及預付款項之減值	<b>(8,375)</b>	–
Impairment on loan receivables	應收貸款之減值	<b>(37,100)</b>	–
Fair value loss of financial assets held for trading	持作買賣之金融資產之公平價值虧損	<b>(4,163)</b>	(16,965)
Finance costs	財務成本	<b>(5,455)</b>	–
Unallocated head office and corporate expenses	未分配之總辦事處及企業開支	<b>(5,000)</b>	(5,034)
Loss before tax expenses	扣除稅項開支前之虧損	<b>(64,163)</b>	(20,457)

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 3. TURNOVER AND SEGMENT INFORMATION (Continued)

#### (b) Reconciliation of reportable segment profit or loss, assets and liabilities (Continued)

Assets	資產	Unaudited 未經審核 30 June 2011 二零一一年 六月三十日 HK\$'000 千港元	Unaudited 未經審核 30 June 2010 二零一零年 六月三十日 HK\$'000 千港元
Reportable segment assets	可報告分類資產	4,143,296	21,811
Deposits for acquisition	收購之訂金	-	704,000
Financial assets held for trading	持作買賣之金融資產	9,246	24,492
Loan receivables	應收貸款	14,841	33,100
Other receivables	其他應收款項	39,103	72,103
Unallocated head office and corporate assets	未分配之總辦事處及企業資產	28,688	121,834
<b>Total assets</b>	<b>總資產</b>	<b>4,235,174</b>	<b>977,340</b>
Liabilities	負債	Unaudited 未經審核 30 June 2011 二零一一年 六月三十日 HK\$'000 千港元	Unaudited 未經審核 30 June 2010 二零一零年 六月三十日 HK\$'000 千港元
Reportable segment liabilities	可報告分部負債	536,267	35,325
Convertible notes	可換股票據	102,770	-
Unallocated head office and corporate liabilities	未分配之總辦事處及企業負債	115,608	5,074
<b>Total liabilities</b>	<b>總負債</b>	<b>754,645</b>	<b>40,399</b>

### 3. 營業額及分類資料 (續)

#### (b) 可報告分類損益、資產及負債之對賬 (續)



# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 4. OTHER INCOME

### 4. 其他收入

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Bank interest income	銀行利息收入	235	3
Exchange gain	匯兌收益	4,271	-
Interest income from other loans	其他貸款之利息收入	694	2,005
Rental income	租金收入	15	15
Sundry income	雜項收入	2	9
		<b>5,217</b>	2,032

### 5. LOSS BEFORE TAXATION

### 5. 除稅前虧損

Loss before taxation is arrived at after crediting and charging:

除稅前虧損已計入及扣除：

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Cost of inventories consumed	經消耗存貨成本	18,654	18,804
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	762	370
Staff costs (including directors' remuneration):	員工成本(包括董事酬金)：		
Wages and salaries and other staff benefits	工資及薪金及其他員工福利	15,636	16,825
Retirement scheme contributions	退休金計劃供款	419	632
		<b>16,055</b>	17,457
Operating lease payment on leased premises:	租賃物業之經營租約付款：		
Related companies	關連公司	2,177	2,040
Third parties	第三方	3,141	6,151
		<b>5,318</b>	8,191

## NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS 未經審核中期財務報表附註

### 6. TAXATION

No provision for the Hong Kong profits tax and the PRC Enterprise Income Tax have been made as the Group had no assessable profits for the period (2010: Nil).

### 6. 稅項

由於本集團於本期間並無應課稅溢利，因此並無就香港利得稅及中國企業所得稅作出撥備（二零一零年：無）。

		<b>Unaudited</b>	
		<b>six months ended 30 June</b>	
		未經審核	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		<i>HK\$'000</i>	<i>HK\$'000</i>
		千港元	千港元
Deferred tax	遞延稅項	<b>2,080</b>	-

### 7. DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2011 (2010: Nil).

### 7. 股息

董事會並不建議派付截至二零一一年六月三十日止六個月之中期股息（二零一零年：無）。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 8. 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.

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss attributable to owners of the Company	本公司擁有人應佔虧損	62,083	20,457
		Number of shares 股份數目	Number of shares 股份數目
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	6,439,749,614	4,145,392,707
		HK Cents 港仙	HK Cents 港仙
Basic loss per share	每股基本虧損	0.96	0.49

#### (b) Diluted

No diluted loss per share for six months period ended 30 June 2011 is presented as the potential ordinary shares on convertible notes are anti-dilutive.

No diluted loss per share for the six months period ended 30 June 2010 is presented as the Company has no potential dilutive ordinary shares at 30 June 2010.

### 8. 每股虧損

#### (a) 基本

每股基本虧損是將本公司擁有人應佔虧損除以期內已發行普通股的加權平均數而計算。

#### (b) 攤薄

由於可換股票據之潛在普通股具反攤薄效果，故並無呈列截至二零一一年六月三十日止六個月期間之每股攤薄虧損。

由於本公司於二零一零年六月三十日並無潛在攤薄之普通股，故並無呈列截至二零一零年六月三十日止六個月期間之每股攤薄虧損。

## NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS 未經審核中期財務報表附註

### 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2011, the Group acquired property, plant and equipment, excluding the oil and gas properties as discussed below, at cost of HK\$9,637,000 (2010: HK\$174,000).

#### Oil and gas properties

During the period, certain oil and gas properties at cost of HK\$565,476,000 were acquired as a result of the acquisition of subsidiaries as detailed in note 18.

The successful efforts method of accounting is used for oil and gas exploration and production activities. Under this method, all costs for development wells, support equipment and facilities, and proved mineral interests in oil and gas properties are capitalised. Geological and geophysical costs are expensed when incurred. Costs of exploratory wells are capitalised as construction in progress pending determination of whether the wells find proved oil and gas reserves. Proved oil and gas reserves are the estimated quantities of crude oil and natural gas which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Prices include consideration of changes in existing prices provided only by contractual arrangements, but not on escalations based upon future conditions. Exploratory wells in areas not requiring major capital expenditure are evaluated for economic viability within one year of completion of drilling. The related well costs are expensed as dry holes if it is determined that such economic viability is not attained. Otherwise, the related well costs are reclassified to oil and gas properties and subject to impairment review. For exploratory wells that are found to have economically viable reserves in areas where major capital expenditure will be required before production can commence, the related well costs remain capitalised only if additional drilling is underway or firmly planned. Otherwise the related well costs are expensed as dry holes. The Group does not have any significant costs of unproved properties capitalised in oil and gas properties.

### 9. 物業、廠房及設備

截至二零一一年六月三十日止六個月，本集團以成本9,637,000港元（二零一零年：174,000港元）收購資產、廠房及設備（不包括下文所討論之油氣資產）。

#### 油氣資產

期內，已因為收購附屬公司而以成本565,476,000港元購入若干油氣資產，詳情見附註18。

油氣勘探與生產活動採用成效會計法處理。根據此方法，開發井、配套設備設施以及油氣資產中的探明礦產權益的所有成本均予以資本化。地質及地球物理成本乃於產生時費用化。勘探井的成本乃根據該等井是否發現探明油氣儲量而決定是否作為在建工程予以資本化。探明油氣儲量為在現有經濟及作業條件（即於估算日的價格及成本）下，地質及工程數據表明於未來年度可合理肯定從已知油藏開採出原油及天然氣的估算量。價格包括僅按合同安排規定的現有價格變化的考慮，而並非根據未來條件調高價格。於無需投入大量資本支出的地域的勘探井乃於完成鑽探的一年期內按經濟可行性予以評估。倘若釐定該等油氣井並不存在經濟可行性，則相關井乃作為乾井支出。否則，相關油氣井成本乃重新分類至油氣資產，並進行減值審閱。至於在可開始投產前將需投入大量資本支出的地域發現具有經濟可行儲量的勘探井，相關油氣井成本僅當正在進行或已正式計劃額外鑽探時繼續進行資本化。否則，相關油氣井成本乃作為乾井支出。本集團於油氣資產中已資本化之未探明資產中並無任何重大成本。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 9. PROPERTY, PLANT AND EQUIPMENT

(Continued)

#### Oil and gas properties (Continued)

The cost of oil and gas properties is amortised at the field level based on the unit of production method. Unit of production rates are based on oil and gas reserves estimated to be recoverable from existing facilities based on the current terms of the Group's production licenses. The Group's oil and gas reserves estimates include only crude oil and condensate and natural gas which management believes can be reasonably produced within the current terms of these production licenses.

### 10. INTANGIBLE ASSETS

Intangible assets acquired separately are initially recognized at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

During the six months period ended 30 June 2011, the interests in the petroleum production sharing contracts acquired in relation to the acquisition of subsidiaries as detailed in note 18 was recognized as intangible assets at costs of HK\$2,940,519,000. The interests in petroleum production sharing contracts were amortised on unit of production method. No amortisation was provided in the current period.

### 11. TRADE RECEIVABLES

Customers are usually offered a credit period ranging from one to three months. An ageing analysis of trade receivables is as follows:

### 9. 物業、廠房及設備 (續)

#### 油氣資產 (續)

油氣資產的成本乃以油田為單位按單位產量法予以攤銷。單位產量乃根據本集團生產許可證的現有期限，按油氣儲備在現有設施中的估計可採量計算。本集團的油氣儲量估計僅包括管理層認為可於此等生產許可證之現有期限內合理開採之原油及濃縮物和天然氣。

### 10. 無形資產

獨立收購之無形資產初步按成本確認。其後，具有限可使用年期之無形資產按成本減累計攤銷及累計減值虧損列賬。

截至二零一一年六月三十日止六個月，關於收購附屬公司（詳載於附註18）所獲得之石油分成合約之權益按成本2,940,519,000港元確認為無形資產。石油分成合約之權益按單位產量法進行攤銷。本期間並無計提攤銷。

### 11. 應收賬款

客戶一般獲得之信貸期為一至三個月不等。應收賬款之賬齡分析如下：

	Unaudited 未經審核 30 June 2011 二零一一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元
Current to 3 months	77	41

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 12. AMOUNTS DUE FROM RELATED COMPANIES

Amounts due from related companies in which directors of certain subsidiaries of the Company have held beneficial interests. These amounts are unsecured, interest free and are repayable on demand.

### 13. TRADE PAYABLES

The ageing analysis of the trade payables of the Group is as follows:

Current to 3 months	即期至三個月
Over 1 year	一年以上

### 12. 應收關連公司款項

應收關連公司款項為本公司若干附屬公司之董事在該等關連公司擁有實益權益。該等款項為無抵押、免息及應要求償還。

### 13. 應付賬款

本集團之應付賬款賬齡分析如下：

		<b>Unaudited</b> 未經審核 <b>30 June</b> <b>2011</b> 二零一一年 六月三十日 <b>HK\$'000</b> 千港元	Audited 經審核 31 December 2010 二零一零年 十二月三十一日 <b>HK\$'000</b> 千港元
		<b>4,001</b>	5,213
		<b>2,946</b>	2,946
		<b>6,947</b>	8,159

### 14. AMOUNT DUE TO A RELATED COMPANY

Amount due to a related company is unsecured, interest free and repayable on demand.

### 15. PROVISION FOR LEGAL CLAIMS

On 1 April 2009, Sican Petroleum Plc (the "Plaintiff") issued a Writ of Summons against China Era Energy Power Investment (Hong Kong) Limited ("China Era") and several other parties (collectively called the "Defendants") claiming an interest in the petroleum contract awarded to China Era and its cooperation partner in PRC on 22 December 2008 for exploration and development of the oil and gas blocks in Xinjiang Province, the PRC, pursuant to an agreement dated 18 May 2007 allegedly entered into between the Plaintiff and the China Era.

According to the legal opinion issued by the legal counsel, it is estimated that the amount of damages liable by the Defendants would not exceed HK\$5 million. The Group has provided for the potential damages of HK\$5 million as of 30 June 2011.

### 14. 應付一間關連公司款項

應付一間關連公司款項為無抵押、免息及應要求償還。

### 15. 法律索償撥備

於二零零九年四月一日，Sican Petroleum Plc（「原告」）向中國年代能源（香港）有限公司（「中國年代」）及數名其他各方（統稱「被告」）發出傳訊令狀，申索中國年代與其中方合作夥伴於二零零八年十二月二十二日的石油合約中，有關根據原告與中國年代聲稱已訂立之日期為二零零七年五月十八日之協議勘探及開發中國新疆省之油氣區塊之權益。

按照法律顧問發出之法律意見，估計被告須承擔責任之損失金額將不超過5,000,000港元。於二零一一年六月三十日，本集團已就潛在損失5,000,000港元作出撥備。

## NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS 未經審核中期財務報表附註

### 16. CONVERTIBLE NOTES

Pursuant to the acquisition of subsidiaries as detailed in note 18, the Company issued Tranche 1 zero coupon convertible notes with principal amount of HK\$2,558,000,000 with maturity date falling 30 years from the date of issue on 3 January 2011.

The convertible notes do not bear any interest and are freely transferable, provided that where the convertible bonds are intended to be transferred to a connected person (as defined in the Listing Rules) of the Group (other than the associates of the bondholder) such transfer shall comply with the requirements under the Listing Rules and/or requirements imposed by the Stock Exchange, if any.

The noteholders may at any time during the 30 years from the issue date convert the whole or part of the principal amount of the convertible notes into new ordinary shares of the Company at the conversion price of HK\$0.168 per share, provided that (i) no conversion rights attached to the convertible notes may be exercised, to the extent that following such exercise, a holder of the convertible notes and parties acting in concert with it, taken together, will directly or indirectly, control or be interested in 30% or more of the entire issued shares of the Company (or in such percentage of the issued share capital of the Company as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer); and (ii) no holder of the convertible notes shall exercise the conversion right attached to the convertible notes held by such holders if immediately after such conversion, the public float of the shares fall below the minimum public float requirement stipulated under Rule 8.08 of the Listing Rules as required by the Stock Exchange. The conversion price of HK\$0.168 per share is subject to adjustment for consolidation, sub-division or re-classification of shares, capital reduction, rights issues and other events which have diluting effects on the issued share capital of the Company.

### 16. 可換股票據

根據附註18所詳述之附屬公司收購，本公司發行第一批本金額為2,558,000,000港元之零票息可換股票據。可換股票據之到期日為發行日期二零一一年一月三日起計屆滿三十年之日。

可換股票據不計息及可自由轉讓，惟倘可換股債券擬轉讓予債券持有人聯繫人士以外之本集團關連人士（定義見上市規則），則有關轉讓須符合上市規則之規定及／或聯交所實施之規定（如有）。

票據持有人可於發行日期起計三十年內，隨時按換股價每股0.168港元將全部或部分可換股票據本金額兌換為本公司新普通股，惟(i)倘有關行使後，可換股票據持有人及與其一致行動人士將合共直接或間接控制或擁有30%或以上本公司全部已發行股份權益（或香港公司收購及合併守則可能不時訂明會引發強制性全面收購建議之本公司已發行股本之百分比），則不得行使可換股票據所附兌換權；及(ii)倘緊隨兌換後，股份之公眾持股量降低於上市規則第8.08條所訂明聯交所規定之最低公眾持股量規定，則可換股票據持有人不得行使該等持有人所持可換股票據所附兌換權。換股價每股0.168港元可因應股份合併、拆細或重新分類、削減股本、供股及其他對本公司已發行股本具攤薄影響之事項作出調整。

## NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

### 未經審核中期財務報表附註

#### 16. CONVERTIBLE NOTES (Continued)

The fair values of the liability component and the equity component were determined at the issuance of the convertible notes. The fair value of the liability component, included in the non-current liabilities, was calculated using a market interest rate of equivalent non-convertible notes. The effective interest rate of the liabilities component is 11% and the interest expenses will be charged to income statement over the loan periods. The equity component of the convertible notes, representing the difference of the fair value of the convertible notes and the fair value of the liabilities component, was included in the owner's equity and denoted as convertible notes reserves.

The movement of the principal amount, liability component and equity component of the convertible notes are as follows:

#### 16. 可換股票據 (續)

負債部分及權益部分之公平價值於發行可換股票據時釐定。負債部分之公平價值（包括於非流動負債）使用同等非可換股票據之市場利率計算。負債部分之實際利率為11%，而利息開支將於貸款期內在收益表扣除。可換股票據之權益部分（代表可換股票據公平價值與負債部分公平價值之差額）計入擁有人之權益內及表示為可換股票據儲備。

可換股票據本金額、負債部分及權益部分之變動如下：

		Carrying amount		
		賬面值		
		Liability component	Equity component	Principal amount
		負債部分	權益部分	本金額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 January 2010, 31 December 2010 and 1 January 2011	於二零一零年一月一日、 二零一零年 十二月三十一日及 二零一一年一月一日	-	-	-
Issued during the period	期內已發行	117,316	2,618,811	2,558,000
Converted into ordinary shares during the period	期內兌換為普通股	(20,001)	(442,444)	(432,170)
Interest expenses	利息開支	5,455	-	-
At 30 June 2011	於二零一一年六月三十日	102,770	2,176,367	2,125,830



# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 17. SHARE CAPITAL

### 17. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.05 each	每股面值0.05港元之普通股		
Authorised:	法定：		
At 31 December 2010 and 30 June 2011	於二零一零年十二月三十一日 及二零一一年六月三十日	25,000,000,000	1,250,000
Issued and fully paid	已發行及繳足		
At 31 December 2010	於二零一零年十二月三十一日	4,353,680,000	217,684
Issue of shares upon conversion of convertible notes ( <i>Note</i> )	兌換可換股票據時發行股份 (附註)	2,572,440,000	128,622
At 30 June 2011	於二零一一年六月三十日	6,926,120,000	346,306

*Note:*

On 5 January 2011, the convertible notes in the principal amount of HK\$312,480,000 were converted into fully paid shares at an conversion price of HK\$0.168 per share, 1,860,000,000 shares were issued upon conversion.

On 17 March 2011, the convertible notes in the principal amount of HK\$8,400,000 were converted into fully paid shares at an conversion price of HK\$0.168 per share, 50,000,000 shares were issued upon conversion.

On 27 April 2011, the convertible notes in the principal amount of HK\$111,289,920 were converted into fully paid shares at an conversion price of HK\$0.168 per share, 662,440,000 shares were issued upon conversion.

*附註：*

於二零一一年一月五日，本金額為312,480,000港元之可換股票據按兌換價每股0.168港元悉數兌換為繳足股份，已因兌換而發行1,860,000,000股股份。

於二零一一年三月十七日，本金額為8,400,000港元之可換股票據按兌換價每股0.168港元悉數兌換為繳足股份，已因兌換而發行50,000,000股股份。

於二零一一年四月二十七日，本金額為111,289,920港元之可換股票據按兌換價每股0.168港元悉數兌換為繳足股份，已因兌換而發行662,440,000股股份。

## NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS 未經審核中期財務報表附註

### 18. ACQUISITION OF SUBSIDIARIES

On 22 January 2009, the Company, Totalbuild Investments Holdings Group Limited (the "Vendor"), Mr. Wang Guoju, as guarantor for the Vendor, China Era, as a guarantor for the Vendor, entered into the agreement ("the Agreement") in relation to proposed acquisition of 100% equity interest in the Totalbuild Investments Group (Hong Kong) Limited ("Totalbuild Investments"). Totalbuild Investments holds the entire issued share capital of China Era which has entered into the petroleum contract with CNPC in relation to the drilling, exploration, exploitation and production of oil and/or natural gas from the site located at North Kashi Block, Tarim Basin in the PRC for 30 years commencing 1 June 2009. The Company paid the refundable deposits amounted to HK\$804,000,000 as at 31 December 2010 to China Era, and part of which has been utilised by China Era as working capital.

On 3 January 2011, all the conditions of the Acquisition of the first designated area of the Akemomu Gas Field (the "First Designated Area") and the entire issued share capital (the "Acquisition") of Totalbuild Investments and its subsidiaries (the "Totalbuild Investments Group") have been fulfilled.

As a result of completion of the Acquisition sale share and the First Designated Area, the Tranche I consideration in the sum of HK\$2,558,000,000 was paid by the Company with Tranche I convertible notes of HK\$2,558,000,000 at the conversion price of HK\$0.168 each, to the Vendor including the shortfall amount of HK\$1,279,000,000 which was deposited with an escrow agent pursuant to the Agreement. The sale loan consideration payable by the Company in the sum of HK\$906,299,000 was satisfied by deducting the deposit in the sum of HK\$804,000,000 and with the balance of HK\$102,299,000 to be settled in cash.

### 18. 收購附屬公司

於二零零九年一月二十二日，本公司、共創投資控股有限公司（「賣方」）、王國巨先生（作為賣方之擔保人）及中國年代（作為賣方之擔保人）訂立協議（「該協議」），內容有關建議收購共創投資集團（香港）有限公司（「共創投資」）之全部股權。共創投資持有中國年代全部已發行股本，而中國年代已與中石油集團訂立石油合約，內容有關在中國塔里木盆地喀什北區塊鑽探、勘探、開採及生產石油及／或天然氣，由二零零九年六月一日起，為期三十年。於二零一零年十二月三十一日，本公司已向中國年代支付可退還訂金804,000,000港元，中國年代已將該款項之一部分用作營運資金。

於二零一一年一月三日，收購阿克莫木氣田第一指定地區（「第一指定地區」）及共創投資和其附屬公司（「共創投資集團」）全部已發行股本（「收購」）之所有條件已獲達成。

由於完成收購銷售股份及第一指定地區，本公司已以第一批可換股票據2,558,000,000港元（兌換價為每股0.168港元）支付第一批代價2,558,000,000港元（包括已根據協議存放於託管代理的差額1,279,000,000港元）予賣方。本公司應付之銷售貸款代價906,299,000港元已透過扣減訂金804,000,000港元而償付，而餘額102,299,000港元則以現金償付。

## NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS 未經審核中期財務報表附註

### 18. ACQUISITION OF SUBSIDIARIES (Continued)

According to the Agreement, the shortfall amount of HK\$1,270,000,000 convertible notes should only be released to the Vendor upon the Company having received a written certificate issued by the competent evaluator confirming that the First Designated Area be evaluated on the basis of unrisks economic evaluation within the six years period from 1 June 2009 (the "Relevant Period").

In addition, according to the Agreement, the Group is not entitled to the benefits and interests of the second designated area in the Akemomu Gas Field. A separate shareholders' approval will be required for the Acquisition of the second designated area by issuing additional convertible bonds of not more than HK\$7,442,000,000 subjected to the fulfillment of certain conditions as stipulated in the Agreement within the Relevant Period.

The Acquisition was not accounted for under HKFRS 3 "Business Combination" as the major assets of the Totalbuild Investments Group are the oil and gas properties and the interests in petroleum sharing contracts. The assets acquired and liabilities assumed were accounted for under relevant accounting standards.

Further details are set out in the Company's circular dated 3 December 2010.

### 19. IMPAIRMENT LOSS ON OTHER RECEIVABLES, DEPOSITS, PREPAYMENT AND LOAN RECEIVABLES

During the period ended 30 June 2011, impairment loss on loan receivables from SMI Publishing Group Limited ("SMI") of HK\$37,100,000 and the related interest income receivable of HK\$8,375,000 was recognised in the statement of comprehensive income. The receivables were impaired due to the fact that SMI is unable to repay the principal and interest when the amounts fall due.

Up to the date of this report, the Group has not been able to obtain a viable repayment proposal from SMI. The Group is now actively considering to take appropriate legal action to secure the Group's position.

### 18. 收購附屬公司 (續)

按照協議，差額1,270,000,000港元之可換股票據應於本公司已獲得由勝任估算師發出的書面證書，確認第一指定地區於二零零九年六月一日起六年期間（「有關期間」）內按不具風險經濟估算之基準評估，才可發放予賣方。

此外，按照協議，本集團無權取得阿克莫木氣田第二指定地區之利益和權益。藉額外發行不超過7,442,000,000港元之可換股債券收購第二指定地區將要獲得股東之獨立批准，惟須於有關期間內達成協議內訂明之若干條件後，方可作實。

由於共創投資集團之主要資產為油田資產及於石油分成合約之權益，故並無根據香港財務報告準則第3號「業務合併」為收購入賬。所收購資產及所承擔負債根據相關會計準則入賬。

進一步詳情載於本公司日期為二零一零年十二月三日之通函內。

### 19. 其他應收款項、訂金、預付款項及應收貸款之減值虧損

截至二零一一年六月三十日止期間，應收星美出版集團有限公司（「星美」）之貸款之減值虧損37,100,000港元及應收之有關利息收入8,375,000港元已於全面收益表內確認。由於星美無法於到期時償還本金及利息，故有關應收款項已予減值。

截至本報告日期，本集團未能從星美獲取可行之還款建議。本集團現正積極考慮採取適當的法律行動，令本集團之狀況獲得足夠保障。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

## 未經審核中期財務報表附註

### 20. RELATED PARTY TRANSACTIONS

During the period, the Group had the following significant transactions with related parties:

### 20. 關連人士交易

期內，本集團與關連人士有以下重大交易：

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Key management personnel remuneration:	主要管理人員酬金：		
Director – short-term employee benefits	董事—短期僱員福利	1,220	1,302
Rental expenses paid to related companies (Note i)	已付關連公司租金開支 (附註i)	2,177	2,040
Sales of food to related companies (Note ii)	向關連公司銷售食品(附註ii)	12,596	7,955

Notes:

- i) The rental expenses were paid to:
- N.W.P. Investments Limited (“N.W.P. Investments”), which is controlled indirectly by a discretionary trust of which Mr. Ng Wing Po’s wife and certain of his children are beneficiaries. Mr. Ng Wing Po is a director of certain subsidiaries of the Company and a director of N.W.P. Investments. The rental expenses were based on the agreement signed with the Group.
  - Hon Po Investment Limited of which directors of certain subsidiaries of the Company have a beneficial interest. The rental expenses were based on the tenancy agreements signed with the Group.
- ii) The directors of certain subsidiaries of the Company who have held beneficial interests of Bestcase Hong Kong Limited, Dragongem Development Limited, Jing Hua (Allied) Limited, Metropolis Harbour View Chinese Cuisine Limited and Twin Star Investments Limited are namely Mr. Chan Nun Chiu, Ms. Lim Mai Tak, Grace, Mr. Cheung To Seng, Mr. Ng Wing Po and Mr. She Hing Chiu.

附註：

- i) 租金開支乃付予：
- 永波投資有限公司(「永波投資」)，由吳永波先生之妻子及若干子女為受益人之全權信託間接控制。吳永波先生為本公司若干附屬公司之董事，並為永波投資之董事。租金開支乃根據與本集團所簽訂之協議計算。
  - 漢寶投資有限公司，由本公司若干附屬公司之董事擁有實益權益。租金開支乃根據與本集團所簽訂之租賃協議計算。
- ii) 本公司之若干附屬公司中，於百基香港有限公司、龍之寶發展有限公司、京華(聯合)有限公司、景逸軒有限公司及雙星投資有限公司持有實益權益之董事為陳能照先生、林美德女士、張道生先生、吳永波先生及余慶潮先生。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### OPERATING RESULTS

During the six months period under review, the Group recorded a turnover of the Chinese restaurant business of approximately HK\$36,080,000 (2010: HK\$50,153,000), representing a decrease of 28% as compared to the corresponding period in 2010. The significant decline in turnover was because the Group disposed a Chinese restaurant in September 2010.

The Group recorded a loss for the six months period attributable to the owners of the Company of approximately HK\$62,083,000 compared to a loss of approximately HK\$20,457,000 to the corresponding period in 2010. The loss was mainly attributable to the impairment loss of HK\$45,475,000 to the loan receivables and other receivables. Loss per share attributable to the owners of the Company was 0.96 HK cents (2010: 0.49 HK cents).

### BUSINESS REVIEW

During the period, the Group has successfully completed the acquisition of the Totalbuild Investments Group which has entered into petroleum contract with CNPC for the drilling, exploration, exploitation and production of oil and/or natural gas within the specified site located in North Kashi Block, Tarim Basin, Xinjiang, the PRC. The term of the Petroleum Contract is for a term of 30 years commencing 1 June 2009. The results of the Group during the period have included operating costs relating to the petroleum operation from the date of completion of acquisition to 30 June 2011. The results of operations in exploration and production segment and costs incurred in oil and gas property are shown as below:

#### (a) Results of operations in exploration and production segment

Net sales to customers	客戶淨銷售額	-	-
Other income	其他收入	4,496	-
Operating expenses	經營開支	(9,351)	-
Depreciation	折舊	(474)	-
Result of operations before income tax expenses	除所得稅開支前經營業績	(5,329)	-

### 經營業績

於六個月回顧期間內，本集團的中式酒樓業務錄得營業額約36,080,000港元（二零一零年：50,153,000港元），較二零一零年同期下跌28%。營業額大幅下跌是由於本集團於二零一零年九月出售一間中式酒樓所致。

於該六個月期間，本集團錄得本公司擁有人應佔虧損約62,083,000港元，二零一零年同期則錄得虧損約20,457,000港元。虧損主要來自應收貸款及其他應收款項之減值虧損45,475,000港元。本公司擁有人應佔每股虧損為0.96港仙（二零一零年：0.49港仙）。

### 業務回顧

期內，本集團已成功完成收購共創投資集團，而共創投資集團已與中石油集團訂立石油合約，內容有關在中國新疆塔里木盆地喀什北區塊內之指定地點鑽探、勘探、開採及生產石油及／或天然氣。石油合約之年期由二零零九年六月一日起，為期三十年。本集團於期內之業績包括自完成收購當日至二零一一年六月三十日為止有關石油業務之經營成本。勘探及生產分類之經營業績及油氣資產產生之成本列示如下：

#### (a) 勘探及生產分類之經營業績

Unaudited	
Six months ended 30 June	
未經審核	
截至六月三十日止六個月	
2011	2010
二零一一年	二零一零年
HK\$'000	HK\$'000
千港元	千港元

Net sales to customers	客戶淨銷售額	-	-
Other income	其他收入	4,496	-
Operating expenses	經營開支	(9,351)	-
Depreciation	折舊	(474)	-
Result of operations before income tax expenses	除所得稅開支前經營業績	(5,329)	-

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

#### (b) Costs incurred in oil and gas property

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Acquisition costs	收購成本	565,476	–
Exploration	勘探	4,686	–
		<b>570,162</b>	–

Since the Group is still negotiating with CNPC regarding the pricing and percentage of revenue sharing on the natural gas and the operations to those gas wells. No turnover was recognized in relation to the exploration and production of natural gas.

During the period, the Group continues to operate one Chinese restaurant and continues to face pressure due to persistence increase in the price of raw materials and labour wages.

### 業務回顧 (續)

#### (b) 油氣資產產生之成本

由於本集團仍在與中石油集團磋商有關天然氣之價格及攤分天然氣收益之百分比以及該等氣井之操作，故並無確認有關勘探及生產天然氣之營業額。

期內，本集團繼續經營一間中式酒樓，並且由於原材料價格和工資持續上漲而承受壓力。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

#### Liquidity, Financial Resources and Capital Structure

As at 30 June 2011, the Group had no outstanding interest-bearing borrowings (31 December 2010: Nil). The cash and cash equivalents of the Group were approximately HK\$554,843,000 (31 December 2010: HK\$4,674,000)

As at 30 June 2011, The Group's current ratio (current assets to current liabilities) was approximately 1.1 (31 December 2010: 2.9). The ratio of total liabilities to total assets of the Group was 17.8% (31 December 2010: 5.4%).

During the period, convertible notes of the principal amount of HK\$432,170,000 were converted at an exercise price of HK\$0.168 resulted in the issuance of additional 2,572,440,000 ordinary shares of the Company.

As at 30 June 2011, the Company has outstanding convertible notes in the principal amount of HK\$2,125,830,000 due in 2041 not carrying any interest with right to convert the convertible notes into ordinance shares of the Company. A maximum number of 12,653,750,000 shares may be allotted and issued upon exercise of the conversion rights attached to the convertible notes in full.

#### Charge of Assets

None of the assets of the Group were pledged as security for any banking facilities and borrowings as at 30 June 2011 and 31 December 2010.

#### Exchange Exposure

It is the Group's policy for its operating entities to operate in their corresponding local currencies to minimize currency risks. The Group had an insignificant exchange risk exposure under review since the principal businesses was conducted in the functional currency of respective group entities during the period.

#### Capital Commitments

The Group had no material capital commitments as at 30 June 2011 and 31 December 2010.

### 財務回顧

#### 流動資金、財務資源及資本架構

於二零一一年六月三十日，本集團並無未償還計息借款（二零一零年十二月三十一日：無）。本集團之現金及等同現金約為554,843,000港元（二零一零年十二月三十一日：4,674,000港元）。

於二零一一年六月三十日，本集團之流動比率（流動資產比流動負債）約為1.1（二零一零年十二月三十一日：2.9）。本集團負債總額與資產總值之比率為17.8%（二零一零年十二月三十一日：5.4%）。

期內，本金額約為432,170,000港元之可換股票據已按行使價0.168港元獲兌換，導致額外發行2,572,440,000股本公司普通股。

於二零一一年六月三十日，本公司本金額為2,125,830,000港元之未償還二零四一年到期可換股票據並不計息，並且附有權利可將可換股票據兌換為本公司普通股。倘可換股票據附帶之兌換權獲悉數行使，可配發及發行最多12,653,750,000股股份。

#### 資產抵押

於二零一一年六月三十日及二零一零年十二月三十一日，概無本集團之資產已抵押為任何銀行信貸及借款之擔保。

#### 外匯風險

本集團的政策旨在讓其經營實體以其相應地區的貨幣經營業務，以降低貨幣風險。由於本集團於本期間之主要業務以各個集團實體之功能貨幣經營，回顧期內之外匯風險並不重大。

#### 資本承擔

於二零一一年六月三十日及二零一零年十二月三十一日，本集團無任何重大資本承擔。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW *(Continued)*

#### Contingent Liabilities

The Group had no material contingent liabilities as at 30 June 2011 and 31 December 2010.

#### Employee Information

As at 30 June 2011, the Group had a total workforce of 156 (30 June 2010: 186). The Group remunerates its employees based on their work performance, working experiences, professional qualifications and the prevailing market practice.

### PROSPECTS

#### Chinese Restaurant Business

It is expected that the Chinese restaurant business will continue to face challenging business environment, the Group will take a very cautious approach to manage its Chinese restaurant operation and implement a tighter costs control in the near future.

#### Natural Resource Industries

The Group has been seeking investment opportunities from time to time to broaden the Group's sources of income.

On 3 January 2011, the Company completed the acquisition of the entire issued share capital of the Totalbuild Investments and issued Tranche I convertible notes of principal amount HK\$2,558,000,000, the convertible notes may issue upto 15,226,190,476 ordinary shares of the Company upon conversion. The convertible notes will be matured in the year 2041.

The success of the acquisition enables the Group to diversify its business into natural resources business. The management of the Group maintains its long-term confidence on the natural gas and oil industries and the acquisition will broaden the revenue stream of the Group in the future.

### 財務回顧 (續)

#### 或然負債

於二零一一年六月三十日及二零一零年十二月三十一日，本集團無任何重大或然負債。

#### 僱員資料

於二零一一年六月三十日，本集團共有156名（二零一零年六月三十日：186名）員工。本集團僱員之薪酬與彼等之工作表現、工作經驗、專業資格及現行市場慣例掛鉤。

### 展望

#### 中式酒樓業務

預期中式酒樓業務將繼續面對充滿挑戰的商業環境，本集團將會採取極為審慎之方式管理其中式酒樓業務，並於短期內實行更嚴謹之成本控制。

#### 天然資源行業

本集團一直尋求投資機會，以擴闊本集團之收入來源。

於二零一一年一月三日，本公司完成收購共創投資之全部已發行股本及發行本金額為2,558,000,000港元之第一批可換股票據，有關可換股票據於獲兌換時最多可發行15,226,190,476股本公司普通股。可換股票據將於二零四一年到期。

成功收購讓本集團能將其業務分散至天然資源業務。長遠而言，本集團管理層對天然氣及石油行業抱持信心，而有關收購將擴大本集團今後之收入來源。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 June 2011, the interests or short positions of the Directors and chief executives and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests which they are taken or deemed to have under Section 344 of the SFO) or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Long positions in Shares:  
股份好倉：

Name of Directors 董事姓名	Nature of interest 權益性質	Number of Ordinary shares Held 持有普通股數目	Total 總計	Approximate % of Shareholdings 概約股權百分比
Zhao Guoqiang 趙國強	Beneficial owner 實益擁有人	10,200,000	10,200,000	0.15%

Save as disclosed above, none of the Directors or chief executives of the Company had, as at 30 June 2011, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

### 董事於股份之權益及淡倉

於二零一一年六月三十日，董事及高級行政人員與彼等之聯繫人士於本公司或其任何關聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，持有證券及期貨條例第XV部第7及8分部規定須知會本公司及聯交所之權益或淡倉（包括證券及期貨條例第344條所當作或視為之權益），或證券及期貨條例第352條規定須載入該條例所指定之記錄冊之權益或淡倉，或上市公司董事進行證券交易之標準守則規定須知會本公司及聯交所之權益或淡倉如下：

除上文所披露者外，於二零一一年六月三十日，董事或高級行政人員並無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）之股份、相關股份及債券中持有證券及期貨條例第XV部第7及8分部規定須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例之有關條文彼等所當作或視為之權益或淡倉），或根據證券及期貨條例第352條規定本公司須載入記錄冊之權益或淡倉，或標準守則規定須知會本公司及聯交所之權益或淡倉。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from the share option scheme disclosures in the section "Share Option Scheme" below, at no time during the past six months period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

#### SHARE OPTION SCHEME

Under the terms of the Scheme adopted conditionally by the Company on 28 January 2002 and the amendments on 2 November 2006, the Board of the Company may, at its discretion, grant options to eligible participants to subscribe for shares in the Company.

No share option was granted and outstanding during the interim period under review and there was no outstanding share option as at 30 June 2011 and 2010.

#### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 30 June 2011, the interests or short positions of the persons, other than a director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

#### 董事購入股份或債券之權利

除下列「購股權計劃」一節披露之購股權計劃外，本公司或其任何附屬公司於過去六個月期間內並無訂立任何安排致使本公司之董事可透過購入股份或債券獲得本公司或其任何其他公司實體之利益。

#### 購股權計劃

根據本公司於二零零二年一月二十八日有條件採納之購股權計劃以及二零零六年十一月二日之修訂之條款，本公司董事會可酌情向合資格參與者授出購股權，以認購本公司股份。

於回顧的中期期間，概無授出及有尚未行使之購股權，於二零一一年及二零一零年六月三十日亦無尚未行使之購股權。

#### 主要股東之權益及淡倉

於二零一一年六月三十日，董事或本公司高級行政人員以外之人士於本公司之股份及相關股份中持有證券及期貨條例第336條規定本公司須載入記錄冊之權益或淡倉如下：

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS (Continued)

### 主要股東之權益及淡倉 (續)

#### Long Positions in the Shares and Underlying Shares of the Company

於本公司股份及相關股份之好倉

Name of Shareholder	Nature of interests	Interest in shares	Interest in underlying shares	Aggregate interest	Approximate percentage of issued share capital
股東名稱/姓名	權益性質	股份權益	於相關股份之權益	總權益	已發行股本概約百分比
U.K. Prolific Petroleum Group Company Limited (note)	Beneficial Owner	1,860,000,000	12,653,750,000	14,513,750,000	209.55
U.K. Prolific Petroleum Group Company Limited (附註)	實益擁有人				
Wang Ghanning (note)	Interest of controlled corporation	1,860,000,000	12,653,750,000	14,513,750,000	209.55
王漢寧 (附註)	受控制法團之權益				

**Note:**

U.K. Prolific Petroleum Group Company owned 1,860,000,000 shares of the Company and convertible notes (the "Convertible Note") in the principal amount of HK\$2,125,830,000 due in 2041 not carrying any interest with right to convert the Convertible Note into shares of the Company at a conversion price of HK\$0.168 per share. Based on the conversion price of HK\$0.168 per share, a maximum number of 12,653,750,000 shares may be allotted and issued upon exercise of the conversion rights attached to the Convertible Note in full. The Convertible Note gave rise to an interest in 12,653,750,000 underlying shares of the Company of U.K. Prolific Petroleum Group Company. U.K. Prolific Petroleum Group Company is wholly and beneficially owned by Mr. Wang Ghanning and such Mr. Wang Ghanning deemed to be interested in shares and the underlying shares of the company held by U.K. Prolific Petroleum Group Company.

All the interests stated above represented long positions and as at 30 June 2011, there were no short position interests recorded in the register.

**附註:**

U.K. Prolific Petroleum Group Company 擁有 1,860,000,000 股本公司股份及本金額為 2,125,830,000 港元之可換股票據 (「可換股票據」)。可換股票據於二零四一年到期，不計息及有權按兌換價每股 0.168 港元將可換股票據兌換為本公司股份。根據兌換價每股 0.168 港元計算，於可換股票據附帶之兌換權獲悉數行使時可配發及發行最多 12,653,750,000 股股份。可換股票據致使 U.K. Prolific Petroleum Group Company 於本公司 12,653,750,000 股相關股份中擁有權益。U.K. Prolific Petroleum Group Company 由王漢寧先生全資實益擁有，故此王漢寧先生被視為於 U.K. Prolific Petroleum Group Company 持有之本公司股份及相關股份中擁有權益。

上列所有權益均指好倉，於二零一一年六月三十日，記錄冊內並無記錄任何淡倉權益。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities, during the six months ended 30 June 2011.

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain good corporate governance standard and procedures.

The Stock Exchange has promulgated the Code on Corporate Governance Practices (the "CG Code"). Throughout the six months ended 30 June 2011, the Group has complied itself with all the code provision of the Code except for the following:

Pursuant to A2.1 of the CG Code which states that the role of the Chairman and Chief Executive Officer (the "CEO") should be separated and should not be performed by the same individual. Up to the date of this report, the Chairman of the Board is vacated and Mr. Zhao Guoqiang was elected as the CEO.

The code provision E1.2 stipulates that the Chairman of the Board shall attend the annual general meeting of the Company. Due to the vacancy of chairman of the Company, Mr. Zhao chaired the annual general meeting of the Company held on 16 June 2011. This constitutes a deviation from the code provision E1.2 of the Code.

Pursuant to A4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. Under the period of review, all independent non-executive directors of the Company have not been appointed for a specific term but they are subject to retirement by rotation in accordance with the Company's Articles of Association.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 as its own Code of conduct regarding securities transactions by the directors of the Company. All Directors have confirmed following specific enquiry by the Company that they have complied with the required standard set out in the Model Code through the period under review.

### 購買、出售或贖回本公司證券

於截至二零一一年六月三十日止六個月內，本公司及其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

### 企業管治常規

本公司致力維持良好之企業管治標準及程序。

聯交所已公佈企業管治常規守則（「企業管治守則」）。於截至二零一一年六月三十日止六個月，本集團一直遵守企業管治守則之所有守則條文，惟下列各項除外：

根據企業管治守則條文第A2.1條，主席及行政總裁（「行政總裁」）之角色應予區分及不應由一人兼任。截至本報告日期，董事會主席一職懸空及趙國強先生（「趙先生」）已獲選為行政總裁。

守則條文第E1.2條規定，董事會主席須出席本公司股東週年大會。由於本公司主席一職懸空，故趙先生主持於二零一一年六月十六日舉行之本公司股東週年大會。此舉偏離守則第E1.2條。

根據企業管治守則條文第A4.1條，非執行董事應按指定任期委任，並膺選連任。於回顧期間，本公司所有獨立非執行董事均非按指定任期委任，惟須按照本公司組織章程細則輪值告退。

### 董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為其本身對於本公司董事進行證券交易之行為守則。全體董事經本公司作出特定查詢後確認，彼等已於整個回顧期間內一直遵守標準守則所載之規定標準。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company. The Audit Committee has adopted terms of reference which are in line with the CG Code. The Group's unaudited financial statements for the six months ended 30 June 2011 have been reviewed by the Audit Committee, who is of the opinion that such statements comply with applicable accounting standards, the Listing Rules and other legal requirements, and that adequate disclosures have been made.

### REMUNERATION COMMITTEE

The Remuneration Committee was established for the purpose of making recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management. The written terms of reference have described the authority and duties of the Remuneration Committee which in line with the CG Code were prepared and adopted. The Remuneration Committee comprises three independent non-executive directors, namely Mr. Fu Wing Kwok, Ewing, Mr. Sun Xiaoli and Mr. Fu Dali.

### CHANGES IN INFORMATION OF DIRECTORS PURSUANT TO LISTING RULES 13.51B(1)

There are no changes in the information of Directors since the date of the annual report of the Company for the year ended 31 December 2010 to the announcement dated 20 April 2011 regarding the resignation of Mr. Chan Shi Yung as executive director dated 1 May 2011. The resignation of Mr. Yin Guohui as independent non-executive director and the appointment of Mr. Sun Xiaoli as independent non-executive director dated 1 July 2011 and the resignation of Ms. Zhang Wei as independent non-executive director and the appointment of Mr. Fu Dali as independent non-executive director dated 28 July 2011, details as per announcements dated 30 June 2011 and 28 July 2011 respectively.

By Order of the Board  
**China Energy Development Holdings Limited**  
**Zhao Guoqiang**  
*Chief Executive Officer & Executive Director*

Hong Kong, 31 August 2011

### 審核委員會

審核委員會包括本公司三名獨立非執行董事。審核委員會已採納與企業管治守則一致之職權範圍。本集團截至二零一一年六月三十日止六個月之未經審核財務報表已由審核委員會審閱，該委員會認為該等報表已遵守適用會計準則、上市規則及其他法定要求，並已作出充份披露。

### 薪酬委員會

薪酬委員會乃就本公司之政策及所有董事和高級管理層之薪酬架構，為向董事會作出推薦建議而設立。本公司已編製及採納與企業管治守則一致之書面職權範圍，該職權範圍對薪酬委員會之權利及職責均作出規定。薪酬委員會包括三名獨立非執行董事，即傅榮國先生、孫曉露先生及付大利先生。

### 根據上市規則第13.51B(1)條披露的董事資料之變動

自本公司刊發截至二零一零年十二月三十一日止年度之年報當日起至刊發二零一一年四月二十日有關陳樹鎔先生於二零一一年五月一日起辭任執行董事之公佈，董事資料概無任何變動。二零一一年七月一日殷國輝先生辭任獨立非執行董事及孫曉露先生獲委任為獨立非執行董事，以及二零一一年七月二十八日張偉女士辭任獨立非執行董事及付大利先生獲委任為獨立非執行董事之詳情，分別載於二零一一年六月三十日及二零一一年七月二十八日刊發之公佈內。

承董事會命  
**中國能源開發控股有限公司**  
 行政總裁兼執行董事  
**趙國強**

香港，二零一一年八月三十一日

