AMBER

AMBER ENERGY LIMITED

琥珀能源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 90)

2014 ANNUAL RESULTS ANNOUNCEMENT

The board of directors of Amber Energy Limited (the "Company") announce the audited results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2014 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2014

	Note	**2014** **RMB'000**	2013 *RMB'000*
Turnover	4	**894,339**	744,952
Operating expenses			
Fuel consumption		**(734,767)**	(591,634)
Depreciation and amortisation		**(57,520)**	(46,852)
Impairment losses	5(iii)	**(139,943)**	—
Repairs and maintenance		**(2,174)**	(2,439)
Personnel costs	5(ii)	**(20,106)**	(20,011)
Administrative expenses		**(26,044)**	(15,824)
Sales related taxes		**(5,147)**	(4,712)
Other operating expenses		**(3,250)**	(3,328)
Operating (Loss)/profit		**(94,612)**	60,152
Finance income		**3,350**	1,892
Finance costs		**(58,619)**	(36,106)
Net finance costs	5(i)	**(55,269)**	(34,214)
Other net income		**2,245**	976
(Loss)/profit before taxation	5	**(147,636)**	26,914
Tax expense	6	**(1,389)**	(11,287)
(Loss)/profit for the year		**(149,025)**	15,627

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2014

	Note	**2014** *RMB'000*	2013 *RMB'000*
Attributable to:			
Equity shareholders of the Company		**(148,897)**	**15,627**
Non-controlling interests		**(128)**	**—**
(Loss)/profit for the year		**(149,025)**	**15,627**
(Loss)/earnings per share			
Basic	8	**(0.36)**	**0.04**
Diluted	8	**(0.36)**	**0.03**
(Loss)/profit for the year		**(149,025)**	**15,627**
Other comprehensive income for the year (after tax and reclassification adjustment):			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		**549**	**2,615**
Total comprehensive income for the year		**(148,476)**	**18,242**
Attributable to:			
Equity shareholders of the Company		**(148,348)**	**18,242**
Non-controlling interests		**(128)**	**—**
Total comprehensive income for the year		**(148,476)**	**18,242**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2014

	Note	2014 RMB'000	2013 RMB'000
Non-current assets			
Property, plant and equipment		**1,176,030**	1,247,534
Lease prepayments		**50,163**	51,500
Deferred tax assets	6(iii)	**4,532**	2,787
		1,230,725	1,301,821
Current assets			
Inventories		**12,400**	4,386
Trade and other receivables	9	**140,677**	159,073
Pledged deposits		**45,000**	59,500
Term deposits		**20,000**	—
Cash and cash equivalents		**148,499**	60,235
		366,576	283,194
Current liabilities			
Interest-bearing borrowings	10	**305,445**	220,000
Trade and other payables	12	**252,505**	252,487
Current taxation		**755**	5,308
		558,705	477,795
Net current liabilities		**(192,129)**	(194,601)
Total assets less current liabilities		**1,038,596**	1,107,220
Non-current liabilities			
Interest-bearing borrowings	10	**527,500**	449,000
Convertible bonds	11	**85,857**	79,794
Deferred revenue		**10,920**	11,149
Long-term payables	13	**4,908**	9,848
Deferred tax liabilities	6(iii)	**3,224**	3,389
		632,409	553,180

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2014

	Note	**2014** *RMB'000*	2013 *RMB'000*
NET ASSETS		**406,187**	554,040
CAPITAL AND RESERVES			
Share capital	14	**36,582**	36,582
Reserves		**368,453**	517,458
Total equity attributable to equity shareholders of the Company		**405,035**	554,040
Non-controlling interests		**1,152**	—
TOTAL EQUITY		**406,187**	554,040

NOTES TO THE FINANCIAL STATEMENTS

1 REPORTING ENTITY AND BACKGROUND INFORMATION

Amber Energy Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability on 8 September 2008 under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 10 July 2009 (the "Listing").

The consolidated financial statements for the year ended 31 December 2014 of the Company comprise the Company and its subsidiaries (together referred to as the "Group"). The principal activities of the Group are the development, operation and management of power plants.

2 STATEMENT OF COMPLIANCE

These financial statements of the Group have been prepared in accordance with all applicable International Financial Reporting Standards (IFRSs), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (IASs) and related Interpretations, promulgated by the International Accounting Standards Board ("IASB"). These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor of Hong Kong Companies Ordinance (Cap.32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap.622), "Accounts and Audit", which are set out in section 76 to 87 of Schedule 11 to that Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued the following amendments to IFRSs and one new interpretation that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- Amendments to IFRS 10, IFRS 12 and IAS 27, Investment entities
- Amendments to IAS 32, Offsetting financial assets and financial liabilities
- Amendments to IAS 36, Recoverable amount disclosures for non-financial assets

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of new or amended IFRSs are discussed below:

Amendments to IFRS 10, IFRS 12 and IAS 27, Investment entities

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended IFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss. These amendments do not have an impact on the Group's financial report as Amber Energy Limited does not qualify to be an investment entity.

Amendments to IAS 32, Offsetting financial assets and financial liabilities

The amendments to IAS 32 clarify the offsetting criteria in IAS 32. The amendments do not have an impact on these financial statements as they are consistent with the policies already adopted by the Group.

Amendments to IAS 36, Recoverable amount disclosures for non-financial assets

The amendments to IAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired asset or CGU whose recoverable amount is based on fair value less costs of disposal. The effect of the amendments to IAS 36 is stated in note 5(iii).

4 TURNOVER AND SEGMENT REPORTING

(a) Turnover

The principal activities of the Group are the development, operation and management of power plants.

Turnover represents revenue from the sale of electricity to power grid companies and revenue from sales of electricity quotas.

The amount of each significant category of revenue recognised during the year is as follows:

	2014	2013
	RMB'000	*RMB'000*
Self generation	**874,109**	734,705
Alternative generation *	**20,230**	10,247
	894,339	744,952

* The alternative generation arrangement allows a coal-fired power plant to purchase the power generation quotas of the Group's power plants and sell such generation to power grid companies based on the buyer's approved on-grid tariff.

(b) Segment reporting

The most senior executive management have identified four operating segments, which are the four power plants, namely:

- Amber (Anji) Gas Turbine Thermal Power Co., Ltd. ("Anji Power Plant");
- Zhejiang Amber De-Neng Natural Gas Power Generation Co., Ltd. ("De-Neng Power Plant");
- Zhejiang Amber Jing-Xing Natural Gas Power Generation Co., Ltd. ("Jing-Xing Power Plant"); and
- Hangzhou Amber Blue Sky Natural Gas Power Generation Co., Ltd. ("Blue Sky Power Plant").

The most senior executive management are of the view that these four operating segments contribute to the entire revenue of the Group and should be aggregated to a single reportable segment of the Group, power segment, for financial reporting purpose as they have similar economic characteristics and are similar in respect of nature of products, production processes, the type of class of customers and the regulatory environment.

Segment assets include all tangible, intangible assets and current assets with the exception of other corporate assets. Segment liabilities include trade creditors, accruals and bills payable attributable to sales activities of the power segment, convertible bonds, and bank borrowings managed directly by the power segment, with the exception of corporate liabilities.

(i) Reconciliations of reportable segment turnover, profit or loss, assets and liabilities

Turnover

	2014	2013
	RMB'000	*RMB'000*
Reportable segment turnover	**894,339**	744,952
Consolidated turnover	**894,339**	744,952

(Loss)/profit

	2014	2013
	RMB'000	*RMB'000*
Reportable segment (loss)/profit	**(140,369)**	34,671
Unallocated corporate expenses	**(7,267)**	(7,757)
Consolidated (loss)/profit before taxation	**(147,636)**	26,914

Assets

	2014	2013
	RMB'000	*RMB'000*
Reportable segment assets	**1,596,518**	1,582,981
Other corporate assets	**783**	2,034
Consolidated total assets	**1,597,301**	1,585,015

Liabilities

	2014	2013
	RMB'000	*RMB'000*
Reportable segment liabilities	**1,173,414**	1,013,202
Corporate liabilities	**17,700**	17,773
Consolidated total liabilities	**1,191,114**	1,030,975

5 (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging/(crediting):

(i) Net finance costs

	2014	2013
	RMB'000	*RMB'000*
Interest income	**(3,097)**	(1,827)
Net foreign exchange gain	**(253)**	(65)
Financial income	**(3,350)**	(1,892)
Interest on interest-bearing borrowings and other bank advances	**68,804**	57,476
Interest on convertible bonds	**7,758**	7,220
Total interest expense on financial liabilities	**76,562**	64,696
Less: interest expense capitalised into assets under construction*	**18,184**	28,764
Total interest expense recognised in profit or loss	**58,378**	35,932
Bank charges	**241**	174
Financial expenses	**58,619**	36,106
Net finance costs	**55,269**	34,214

* The borrowing costs have been capitalised at a rate of 6% to 9.72% per annum (2013: 6% to 9.72%).

(ii) Personnel costs

	2014	2013
	RMB'000	*RMB'000*
Wages, salaries and other benefits	**18,831**	18,801
Contribution to defined contribution plan	**1,275**	1,210
	20,106	20,011

The Group participates in pension funds organised by the PRC government. According to the respective pension fund regulations, the Group is required to pay annual contributions. The Group remits all the pension fund contributions to the respective social security offices, which are responsible for the payments and liabilities relating to the pension funds. The Group has no obligation for payment of retirement and other post-retirement benefits of employees other than the contributions described above.

The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees employed by the Company in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

(iii) Other items

	2014	2013
	RMB'000	*RMB'000*
Operating lease charges	**1,324**	1,303
Net (gain)/loss on disposal of plant, property and equipment	**(86)**	48
Amortisation	**1,337**	1,337
Depreciation	**56,183**	45,515
Impairment losses	**139,943**	—
Auditor's remuneration		
— audit services	**1,280**	1,257

According to a notice issued by the Economic & Information Commission of Zhejiang Province in December 2014, there will be certain changes in respect of (i) the electricity tariff policies applicable to the Group; and (ii) the annual planned power generation volume of the Group's power plants from 2015. As a result, the Group identified an indicator of impairment for the related property, plant and equipment and performed an impairment assessment of the related assets based on their estimated recoverable amounts. The recoverable amounts are estimated using the present value of future cash flows based on the financial forecasts approved by management and a post-tax discount rate of 10%. The future cash flows are forecasted with reference to the estimated production capacity, annual planned power generation volume, expected tariff rate and gross margin and estimated years of operation. The forecasted revenue and gross margin are determined by past business performance and management's expectation for market development. Based on the results of this impairment assessment, the Group made an impairment loss for power plants amounting to RMB139,943,000 for the year ended 31 December 2014 (2013: nil).

6 TAXES

(i) Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

	2014	2013
	RMB'000	*RMB'000*
Current tax		
PRC Corporate Income Tax	**3,252**	8,183
Under-provision in respect of prior years	**47**	784
Deferred tax		
Origination and reversal of temporary differences	**(1,910)**	2,320
Total income tax expense in the consolidated statement of profit or loss and other comprehensive income	**1,389**	11,287

(a) Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

(b) No provision for Hong Kong Profits Tax has been made for the subsidiaries located in Hong Kong as these subsidiaries did not have assessable profits subject to Hong Kong Profits Tax for the year ended 31 December 2014 (2013: Nil).

(c) The provision for PRC income tax is based on the respective Corporate Income Tax rates applicable to the subsidiaries located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC.

According to the Corporate Income Tax Law of the People's Republic of China ("New Tax Law") which took effect on 1 January 2008, the Group's subsidiaries in the PRC are subject to the unified tax rate of 25%.

Pursuant to the Corporate Income Tax Law of the PRC, a 5% withholding tax is levied on foreign investors in respect of dividend distributions arising from profits of a foreign investment enterprise in the PRC earned after 1 January 2008, provided that the Company is the "beneficial owner" and holds 25% or more of the equity interest of a foreign investment enterprise in the PRC under the tax arrangement between the PRC and Hong Kong Special Administration Region. Deferred tax liabilities of RMB3,224,000 have been recognised for the retained profits of the Group's PRC subsidiaries as at 31 December 2014 to the extent that these earnings would be distributed in the foreseeable future (2013: RMB3,224,000).

(d) The Group has not recognised deferred tax assets in respect of cumulated tax losses of RMB10,692,000 (2013: RMB8,688,000) and impairment losses of RMB139,943,000 (2013: Nil) as it is not probable that future taxable profits will be available against which the Group can utilise the benefit therefrom.

(ii) Reconciliation between tax expense and accounting (loss)/profit at applicable tax rate:

	2014	2013
	RMB'000	*RMB'000*
(Loss)/profit before taxation	**(147,636)**	26,914
Notional tax on profit before taxation, calculated at the rates applicable to the jurisdictions concerned	**(34,570)**	7,244
Tax effect of non-deductible expenses	**425**	194
Tax effect of unused tax losses and impairment losses not recognised as deferred tax assets	**35,487**	2,172
Under provision in prior years	**47**	784
Withholding tax on profits retained by PRC subsidiaries	**—**	893
Actual tax expense	**1,389**	11,287

(iii) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	The Group			
	Assets		**Liability**	
	2014	2013	**2014**	2013
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Property, plant and equipment	**1,802**	—	**—**	(165)
Withholding tax on profits retained by the Group's PRC subsidiaries	**—**	—	**(3,224)**	(3,224)
Government grants	**2,730**	2,787	**—**	—
Deferred tax assets/(liabilities)	**4,532**	2,787	**(3,224)**	(3,389)

(iv) Movement in deferred tax balance during the year

	The Group			
	Property, plant and equipment	Withholding tax on profits retained by the Group's PRC subsidiaries	Government grants	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2014	(165)	(3,224)	2,787	(602)
Recognised in consolidated income statement	1,967	—	(57)	1,910
At 31 December 2014	1,802	(3,224)	2,730	1,308

7 DIVIDENDS

(i) Dividends payable to equity shareholders of the Company attributable to the year

	2014	2013
	RMB'000	*RMB'000*
No interim dividend was declared after the interim period (2013: HKD0.006 per share)	**—**	1,981
No final dividend proposed after the reporting date (2013: HKD0.002 per share)	**—**	657

The final dividend proposed after the reporting date has not been recognised as a liability at the reporting date.

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year approved during the year

	2014	2013
	RMB'000	*RMB'000*
Final dividends in respect of the previous financial year, approved during the year of HKD0.002 per share (2013: HKD0.015 per share)	**657**	5,029

8 BASIC AND DILUTED (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB148,897,000 (2013: profit of RMB15,627,000) and the weighted average of 415,000,000 ordinary shares (2013: 415,000,000) in issue during the year, calculated as follows:

(i) Weighted average number of ordinary shares

	2014	2013
	Number of shares	*Number of shares*
Issued ordinary shares at 1 January *(note 14 (i))*	**415,000,000**	415,000,000
Weighted average number of ordinary shares at 31 December	**415,000,000**	415,000,000

(b) Diluted (loss)/earnings per share

The calculation of diluted loss per share for the year ended 31 December 2014 does not assume the conversion of convertible bonds because the conversion of convertible bonds would be anti-dilutive. Diluted loss per share was the same as basic loss per share for the year ended 31 December 2014 as no dilutive potential shares were outstanding during the year.

The calculation of diluted earnings per share for the year ended 31 December 2013 is based on the profit attributable to equity shareholders of the Company of RMB15,627,000 and the weighted average number of ordinary shares (diluted) of 460,000,000.

9 TRADE AND OTHER RECEIVABLES

	The Group	
	2014	2013
	RMB'000	*RMB'000*
Trade receivables	**70,126**	65,699
Prepayments	**8,345**	28,997
VAT recoverable	**56,821**	60,173
Other receivables	**5,385**	4,204
	140,677	159,073

All of the trade and other receivables are expected to be recovered within one year. Credit term granted to power grid companies is 30 days.

At 31 December 2014, the ageing analysis of trade receivables of the Group based on the invoice date is as follows:

	The Group	
	2014	2013
	RMB'000	*RMB'000*
Not past due	**70,126**	65,699

10 INTEREST-BEARING BORROWINGS

	The Group	
	2014	2013
	RMB'000	*RMB'000*
Current		
Secured bank loans	**15,000**	15,000
Unsecured bank loans	**90,000**	100,000
Unsecured loans from a related party	**120,445**	10,000
Current portion of non-current secured bank loans	**27,500**	57,500
Current portion of non-current unsecured bank loans guaranteed by a related party	**52,500**	37,500
	305,445	220,000
Non-current		
Secured bank loans	**42,500**	60,000
Unsecured bank loans	**77,500**	87,500
Unsecured bank loans guaranteed by a related party	**407,500**	301,500
	527,500	449,000
	832,945	669,000

(i) The secured bank loans as at 31 December 2014 carried interest at rates ranging from 6.15% to 6.55% (2013: 6.15% to 6.8775% per annum) and were secured by the following assets:

	The Group	
	2014	2013
	RMB'000	*RMB'000*
Carrying amounts of assets:		
Property, plant and equipment	**181,180**	590,299
Lease prepayments	**10,792**	26,042

(ii) Unsecured bank and other loans as at 31 December 2014 carried interest at rates ranging from 4.95% to 7.2% (2013: 6% to 6.9% per annum).

(iii) The Group's non-current bank loans were repayable as follows:

	The Group	
	2014	2013
	RMB'000	*RMB'000*
Within 1 year	**80,000**	95,000
Over 1 year but less than 2 years	**127,000**	80,000
Over 2 years but less than 5 years	**281,000**	295,500
Over 5 years	**119,500**	73,500
	527,500	449,000
	607,500	544,000

11 CONVERTIBLE BONDS

On 29 November 2011, the Company issued convertible bonds (the "Convertible Bonds") in the aggregate principal amount of HKD124,800,000. The subscriber of the Convertible Bonds is Amber International Investment Co., Ltd. ("Amber International"), the immediate holding company of the Company. The principal terms of the Convertible Bonds are as follows:

(a) Optional conversion

The holder of the Convertible Bonds ("Bondholder") may convert the Convertible Bonds in integral multiples of HKD3,900,000 into fully paid ordinary shares of the Company with a par value of HKD0.10 each at an initial conversion price ("Conversion Price") of HKD1.30 per share at any time from 29 November 2011 (the "Issue Date") up to (and including) 28 November 2016 (the "Maturity Date"). The Conversion Price is subject to adjustments in the manner set out in the Convertible Bonds agreement as a result of dilutive events. The maximum number of ordinary shares that may be converted is limited to the extent that following such conversion, the shares held by public should not be less than 25% of the then issued share capital of the Company.

(b) Redemption

Unless previously converted, purchased or cancelled, the Company shall redeem the Convertible Bonds at the principal amount and pay all the outstanding interest on Maturity Date.

As the functional currency of the Company is HKD, the conversion of the Convertible Bonds will be settled by exchange of a fixed amount of cash in HKD with a fixed number of the Company's equity instruments. In accordance with the requirements of IAS 39 Financial Instruments–Recognition and Measurement, the Convertible Bonds agreement needs to be separated into a liability component consisting of the straight debt element and redemption elements of the bonds, and an equity component representing the options of the Bondholder to convert the bonds into equity. The proceeds received from the issue of the Convertible Bonds have been split as follows:

(i) Liability component represents the fair value of the contractually determined stream of cash flows discounted at the prevailing market interest rate applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the conversion features.

The liability component was subsequently measured at amortised cost using an effective interest rate of 9.72%.

(ii) Equity component represents the conversion options, which is determined by deducting the fair value of the liability component from the proceeds of issue of the Convertible Bonds as a whole.

The movement of the liability component and the equity component of the Convertible Bonds for the year is set out below:

	Liability component *RMB'000*	Equity component *RMB'000*	Total *RMB'000*
As at 1 January 2013	76,873	26,065	102,938
Interest capitalised during the year	7,220	—	7,220
Interest payable during the year	(1,962)	—	(1,962)
Foreign currency translation difference	(2,337)	—	(2,337)
As at 31 December 2013	79,794	26,065	105,859
Interest capitalised during the year	3,253	—	3,253
Interest expensed during the year	4,505	—	4,505
Interest payable during the year	(1,969)	—	(1,969)
Foreign currency translation difference	274	—	274
As at 31 December 2014	**85,857**	**26,065**	**111,922**

No conversion, redemption or purchase or cancellation of the Convertible Bonds has taken place up to 31 December 2014.

12 TRADE AND OTHER PAYABLES

	The Group	
	2014 *RMB'000*	2013 *RMB'000*
Trade and bill payables	**179,693**	179,564
Other payables and accrued expenses *(see note 13)*	**72,812**	72,923
	252,505	252,487

An ageing analysis of trade and bill payables of the Group is as follows:

	The Group	
	2014 *RMB'000*	2013 *RMB'000*
Within 3 months	**11,154**	29,746
Over 3 months but less than 6 months	**168,539**	149,818
	179,693	179,564

13 LONG-TERM PAYABLES

	2014 *RMB'000*	2013 *RMB'000*
Payable for purchase of property, plant and equipment	**4,908**	9,848

The balance represents payable for the purchase of an imported generator equipment by Jing-Xing Power Plant. The nominal value of the purchase consideration of RMB60,448,000 is payable over a period of 10 years. The amount has been measured at fair value being future cash outflows discounted at the prevailing interest rates as at the respective reporting dates.

Current portion of long-term payables of RMB6,222,000 (2013: RMB6,160,000) has been included in other payables and accrued expenses (see note 12).

14 SHARE CAPITAL

		2014		2013	
	Note	***No. of shares***	***Amount RMB'000***	*No. of shares*	*Amount RMB'000*
Authorised:					
Ordinary shares of HKD0.10 each	(i)	**1,000,000,000**	**88,050**	1,000,000,000	88,050
Ordinary shares, issued and fully paid					
At 1 January		**415,000,000**	**36,582**	415,000,000	36,582
At 31 December		**415,000,000**	**36,582**	415,000,000	36,582

(i) The Company was incorporated in the Cayman Islands on 8 September 2008 with an authorised share capital of HKD380,000 divided into 3,800,000 ordinary shares of par value HKD0.10 each. On 8 September 2008, one share was allotted and issued to the initial subscriber and was subsequently transferred to Amber International on the same date. On 20 March 2009, two shares were allotted and issued to Amber International to settle the consideration for the transfer of Blue Sky Power Plant and Jing-Xing Power Plant to Amber Bluesky and Amber Jingxing respectively. On 11 June 2009, one share was allotted and issued to Amber International to settle the consideration for the transfer of De-Neng Power Plant to Amber Deneng.

Pursuant to a resolution passed by the then sole shareholder of the Company on 18 June 2009, the authorised share capital of the Company was increased from HKD380,000 divided into 3,800,000 ordinary shares to HKD100,000,000 divided into 1,000,000,000 ordinary shares.

(ii) Pursuant to a written resolution of the then sole shareholder of the Company passed on 18 June 2009, 299,999,996 shares of HKD0.10 each in the Company were issued at par value on 9 July 2009 to the Company's existing shareholder as at 18 June 2009 by way of capitalisation of HKD30,000,000 (equivalent to RMB26,446,000) from the share premium account.

(iii) On 10 July 2009, 100,000,000 ordinary shares of HKD0.10 each were issued at a price of HKD1.66 per share under the share offer. The proceeds of HKD10,000,000 (equivalent to RMB8,814,000) representing the par value, were credited to the Company's share capital. The remaining proceeds of HKD156,000,000 (equivalent to RMB137,500,000), before the share issue expenses, were credited to the share premium account.

On 31 July 2009, the sole underwriter of the share offer exercised the over-allocation option for the issuance of 15,000,000 ordinary shares of HKD0.10 each at HKD1.66 per share. The proceeds of HKD1,500,000 (equivalent to RMB1,322,000) representing the par value, were credited to the Company's share capital. The remaining proceeds of HKD23,400,000 (equivalent to RMB20,629,000), before the share issue expenses, were credited to the share premium account.

15 COMMITMENTS

(i) Capital commitments in respect of purchase of property, plant and equipment outstanding at the year end but not provided for in the consolidated financial statements were as follows:

	2014	2013
	RMB'000	*RMB'000*
Authorised but not contracted for	**32,230**	85,149
Contracted for	**11,887**	84,658
	44,117	169,807

(ii) Non-cancellable operating lease rentals were payable as follows:

	2014	2013
	RMB'000	*RMB'000*
Less than 1 year	**756**	793
Over 1 year but less than 5 years	**1,120**	537
	1,876	1,330

16 SUBSEQUENT EVENTS

In late February 2014, Anji Power Plant and its appointed equipment import agent received a writ in respect of an alleged offence of smuggling general goods. On 29 July 2014, Anji Power Plant received the judgment which had determined that Anji Power Plant had committed an offence of smuggling general goods and was fined RMB1.5 million, payable within one month after the judgment has become legally effective. Accordingly, a provision for the amount has been made in the financial statements for the year ended 31 December 2014.

Anji Power Plant subsequently appealed against the judgment in August 2014. On 13 February 2015, the appeal was rejected and the judgement was maintained.

17 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2014

Up to the date of issue of these financial statements, the IASB has issued a few amendments and a new standard which are not yet effective for the year ended 31 December 2014 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group:

	Effective for accounting periods beginning on or after
Annual improvements to IFRSs 2010–2012 cycle	1 July 2014
Annual improvements to IFRSs 2011–2013 cycle	1 July 2014
Annual improvements to IFRSs 2012–2014 cycle	1 January 2016
Amendments to IAS 16 and IAS 38, Clarification of acceptable methods of depreciation and amortisation	1 January 2016
Amendments to IFRS 10 and IAS 28, Sale or contribution of assets between an investor and its associate or joint venture	1 January 2016
Amendments to IFRS 10, IFRS 12 and IAS 28, Investment entities: Applying the consolidation exception	1 January 2016
Amendments to IAS 1, Disclosure initiative	1 January 2016
IFRS 15, Revenue from contracts with customers	1 January 2017
Basis for conclusions on IFRS 15	
Illustrative examples on IFRS 15	
IFRS 9, Financial instruments (2014)	1 January 2018
Basis for conclusions on IFRS 9 (2014)	
Implementation guidance on IFRS 9 (2014)	

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

In addition, the requirements of Part 9, "Accounts and Audit", of the new Hong Kong Companies Ordinance (Cap. 622) come into operation from the company's first financial year commencing after 3 March 2014 (i.e. the company's financial year which began on 1 January 2015) in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of the expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9. So far it has concluded that the impact is unlikely to be significant and will primarily only affect the presentation and disclosure of information in the consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Installed Capacity

The Group is mainly engaged in the construction, operation and management of natural gas-fired power plants, and has four wholly-owned gas-fired power plants in Zhejiang province, namely Zhejiang Amber De-Neng Natural Gas Power Generation Co., Ltd. (浙江琥珀德能天然氣發電有限公司) ("De-Neng Power Plant"), Hangzhou Amber Blue Sky Natural Gas Power Generation Co., Ltd. (杭州琥珀藍天天然氣發電有限公司) ("Blue Sky Power Plant"), Amber (Anji) Gas Turbine Thermal Power Co., Ltd. (琥珀(安吉)燃機熱電有限公司) ("Anji Power Plant") and Zhejiang Amber Jing-Xing Natural Gas Power Generation Co., Ltd. (浙江琥珀京興天然氣發電有限公司) ("Jing-Xing Power Plant"). As at 31 December 2014, the aggregate installed capacity and the attributable installed capacity of the above power plants was approximately 457MW.

Production Volume

The production volume for the year ended 31 December 2014 was 1,101,421Mwh (2013: 1,004,391Mwh), representing an increase of 9.66% as compared with last year. The production volume has increased because of the increase of overall energy demand in Zhejiang province.

Natural Gas Supply

The total natural gas supply for the year ended 31 December 2014 was 257.42 million m^3 (2013: 235.27 million m^3), representing an increase of 9.41% as compared with last year. As the production volume increased, natural gas supply increased accordingly.

Fuel Cost

Natural gas is the only source of fuel for the Group's power plants. The natural gas price is determined by the Price Bureau of Zhejiang province.

Effective from 10 July 2013, natural gas price (inclusive of VAT) offered by Zhejiang Province Natural Gas Development Company (the sole natural gas supplier of the Group) to the Company's gas-fired power plants is adjusted from RMB2.41/m^3 to RMB3.22/m^3. Effective from 15 December 2014, natural gas price (inclusive of VAT) offered by Zhejiang Province Natural Gas Development Company (the sole natural gas supplier of the Group) to the Company's gas-fired power plants is adjusted from RMB3.22/m^3 to RMB3.36/m^3.

For the year ended 31 December 2014, the fuel cost accounted for 82.16% of the turnover, representing an increase of 2.74 percentage point as compared to last year.

On-grid Tariff

On-grid tariff is determined by the Price Bureau of Zhejiang province after taking into account the types of fuel, cost structure and operating profit of similar power plants within the provincial grid. Effective from 10 July 2013, on-grid tariff (inclusive of VAT) is adjusted from RMB0.8/Kwh to RMB0.96/Kwh.

FINANCIAL REVIEW

Highlight

For the year ended 31 December 2014, the turnover of the Group was approximately RMB894,339,000 (2013: RMB744,952,000), representing an increase of 20.05% as compared to last year.

For the year ended 31 December 2014, loss attributable to equity shareholders of the Company was approximately RMB148,897,000 (2013: profit of RMB15,627,000), representing a decrease of 1,052.82% as compared to 2013. Basic loss per share amounted to RMB0.36 for the year ended 31 December 2014 (2013: basic earnings per share of RMB0.04).

The significant decrease of profit attributable to equity shareholders of the Company was primarily attributable to the following two aspects:

First is the significant increase in cost for power generation. Effective from 10 July 2013, natural gas price (inclusive of VAT) increased from RMB2.41/m^3 to RMB3.22/m^3, while tariff rate increased from RMB0.80/Kwh to RMB0.96/Kwh. Effective from 15 December 2014, natural gas price (inclusive of VAT) increased from RMB3.22/m^3 to RMB3.36/m^3, while tariff rate remained unchange at RMB0.96/Kwh, resulting in a substantial increase in natural gas price to be borne by the Company.

Second, an impairment of approximately RMB139,943,000 is required to be made on the existing assets of the Group. Taking into account the overall situation of the natural gas power generation industry within Zhejiang province, in order to promote the healthier development for the industry, the regulatory authorities of Zhejiang Government may implement a trial dual tariff pricing policy for natural gas power generation starting from 2015 (the "Dual Tariff Policy").

Given the potential introduction of the above Dual Tariff Policy, the operating revenue of the power plants under the Group in 2015 will then comprise two components, namely capacity tariff revenue and volume tariff revenue. It will then change the business model of the power plants under the Group, which was previously based only on volume tariff revenue. However, as explained above, the Company has only received the documents concerning the power generation volume scheme for 2015, and the relevant documents concerning the specific pricing scheme of the Dual Tariff Policy from the Price Bureau of Zhejiang Province remains outstanding, the Company is unable to assess the specific potential impact arising from the possible trial implementation of the Dual Tariff Policy. The lack of the specific details of the Dual Tariff Policy makes it very hard to properly value and assess existing assets of the Company, thus the Company can carry out value assessment on its existing assets only on the basis of existing information, i.e. documents in relation to the above volume generation scheme. Accordingly, an impairment of approximately RMB139,943,000 is required to be made to the existing assets of the Group pursuant to the accounting treatment in accordance with the IFRS.

Turnover

Turnover of the Group for the year ended 31 December 2014 amounted to approximately RMB894,339,000, representing an increase of 20.05% as compared with RMB744,952,000 last year. An increase in turnover was primarily due to an increase in both the tariff rate and the production volume.

Operating Costs

Operating costs of the Group for 2014 was RMB988,951,000, representing an increase of 44.41% as compared with RMB684,800,000 in 2013. An increase in operating costs was primarily due to an increase in both the natural gas price and the production volume, and the provision of impairment losses.

Income Tax

Since preferential enterprise income tax enjoyed by the power plants of the Group expired on 31 December 2012, those power plants have provided for and paid the PRC enterprise income tax at a rate of 25% during 2013. The PRC enterprise income tax provided for the year ended 31 December 2014 amounted to RMB3,299,000.

Pursuant to the provisions of tax law of the PRC, 10% withholding tax is levied on foreign investors in respect of dividend distributions arising from profits of foreign invested enterprises earned after 1 January 2008, while the applicable tax rate for foreign investors registered in Hong Kong is 5% provided they meet certain criteria. Deferred tax liabilities of RMB3,224,000 have been recognised for the retained profits of the Group's PRC subsidiaries as at 31 December 2014 to the extent that these earnings would be distributed in the foreseeable future.

No provision of income tax was made for the members of the Group outside of the PRC as the Group had no assessable profits generated outside the PRC.

Loss Attributable to Equity Shareholders of the Company

For the year ended 31 December 2014, loss attributable to equity shareholders of the Company was RMB148,897,000 (2013: profit of RMB15,627,000), representing a decrease of RMB164,524,000, or approximately 1,052.82%, as compared with last year.

The loss in 2014 was mainly attributable to the significant increase in production cost and the impairment loss on assets as described under the paragraph "Highlight" above.

Liquidity and Financial Resources

Net cash generated from operating activities was RMB39,756,000 (2013: RMB134,012,000). A decrease in the net cash generated from operating activities as compared with last year was mainly due to the decrease of RMB45,000,000 in trade payment cash outflow from 2013 to 2014 as the bills payable were RMB125,000,000, RMB170,000,000 and RMB170,000,000 at the end of 2012, 2013 and 2014 respectively. The aging of the Group's receivables is one month and in general, the tariff revenue generated in the previous month is received in the current month and used for the settlement of fuel purchases of the current month. Credit record of our customers was satisfactory and there has been no risk of default. Net cash used in investing activities was RMB129,756,000 (2013: RMB185,066,000), representing a decrease of 29.89% as compared with last year. The amount was primarily used as the expenses for the construction of and equipment procurement for the Anji Project. Net cash generated from financing activities was RMB178,264,000 (net cash used in 2013: RMB43,899,000), which was primarily due to the borrowings of RMB643,945,000, the repayment of loans of RMB480,000,000, the decrease in pledged deposits of RMB14,500,000 and the payment of dividend of RMB181,000.

As at 31 December 2014, the Group had a cash balance of RMB148,499,000 (31 December 2013: RMB60,235,000) of which approximately RMB80,470,000 was used for financing the Anji project, while the remaining balance of approximately RMB68,029,000 was used for working capital purpose. Cash was generally placed with banks as short-term deposits.

As at 31 December 2014, the Group had net current liabilities of approximately RMB192,129,000 (31 December 2013: RMB194,601,000), mainly due to additional current liabilities used for repayment of long-term borrowings due.

The Group regularly monitors its liquidity positions and projected liquidity requirements and its compliance with lending covenants to ensure that it meets its short-term and long-term liquidity requirements. The Group maintains long-term satisfactory relationships with the major banks, and the directors of the Company (the "Directors") are confident that the Group will be able to satisfy all conditions required by its bank creditors and will have sufficient working capital for future operations.

The Group monitors its capital structure on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total debt (including all loans and borrowings as well as long-term payables and the Convertible Bonds, as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as equity attributable to equity shareholders of the Company, as shown in the consolidated statement of financial position, plus net debt. As at 31 December 2014, the gearing ratio was 65.68% (31 December 2013: 55.76%), representing an increase of 9.92 percentage points as compared with 2013.

Foreign Exchange

The Group has placed short-term deposits with licensed banks in Hong Kong Dollars, which will affect the Group's financial conditions as the exchange rate of Hong Kong Dollars to Renminbi fluctuates. As the Group's operating expenses are mainly denominated in Renminbi and our turnover is also settled in Renminbi, the Group has not hedged the risks of exchange rate fluctuations through any forward contracts or borrowings.

Contingent Liabilities and Capital Commitments

As at 31 December 2014, the Group has RMB11,887,000 (31 December 2013: RMB84,658,000) of capital commitments relating to the purchase and construction of property, plant and equipment contracted but not provided for in the financial report for the year. The Group has authorized but not contracted for capital commitments of RMB32,230,000 (31 December 2013: RMB85,149,000). During the year, the Group had no major contingent liabilities or off-balance sheet commitments.

Details of the capital commitment of the Group are set out in note 26 to the financial statements.

PROSPECTS

At the meetings of the National People's Congress and Chinese People's Political Consultative Conference in 2015, Premier Li Keqiang emphasised the fight against energy saving and emission reduction and environment management in the government work report. Citizens have suffered from environmental pollution, so this issue requires to be controlled with an iron fist. In 2015, emission of carbon dioxide has to decrease by over 3.1%, chemical oxygen demand and ammonia emission have to decrease by approximately 2%, sulphur dioxide and nitrogen oxide emission has to decrease by about 3% and 5%, respectively. The government will profoundly implement the air pollution prevention scheme and joint prevention and control across all regions. This demonstrates the emphasis on energy saving and emission reduction and environment management of Chinese Government.

The meetings of the National People's Congress and Chinese People's Political Consultative Conference also disclosed that the GDP in 2015 would increase by around 7%, similar to the economic growth last year. In view of the close relationship between energy consumption and economic development, it is expected that national energy consumption will increase in line with the economic development objectives. However, the Group believes that the clean energy industry, including the exploration and use of natural gas, will still be one of the most promising industries in the future as the importance of ecological civilization in economic development has been continuously highlighted. Natural gas, a fossil fuel and important transition fuel which is in compliance with the environment protection standards, is widely used in Europe and many other developed countries such as the United States. According to the "12th Five Year Plan", China will further optimize the structure of energy industry, reduce the reliance on coal resources and increase the proportion of natural gas in primary energy. The proportion of natural gas in primary energy is expected to increase from 4.3% in 2011 to 7.5% at the end of 2015. The Group, being a major clean energy supplier focusing on natural gas, will likely benefit from this policy.

In response to the above situation, the management will continue to support and dedicate to the development of clean energy and is confident in the future development of the existing power plants and new projects of the Group.

Meanwhile, the shareholders and potential investors of the Company shall be reminded that after the commencement of the operation of the Anji Project, the Group's installed capacity will be increased by approximately 158MW, representing an increase of approximately 52.8%. However, the operation at the initial stage of production commencement of the new project is subject to various uncertainties and there is no assurance that whether it will become a new source of profit growth for the Group at the initial stage of operation. Nevertheless, we will continue to create long-term returns for our shareholders at our best endeavours.

As the results of the Group was critically impacted by the increases of natural gas price in Zhejiang Province on 10 July 2013 and 15 December 2014, the Company has communicated with the government authorities and drawn considerable attention from the relevant authorities of Zhejiang Government.

Taking into account the overall situation of the natural gas power generation industry within Zhejiang province in 2015, in order to solve the difficulties in operation due to the rise in natural gas price and consequently the increase in natural gas power generation cost, settle the conflict in natural gas power generation price, protect the electricity supply for the entire province and promote the healthier development for the industry, the regulatory authorities of Zhejiang Government may implement the trial Dual Tariff Policy for natural gas power generation starting from 2015 (Dual tariff pricing divides the on-grid tariff into capacity tariff and volume tariff. Capacity tariff reflects the fixed cost and reasonable profit of power plants, and it is highly related to the type of power plant, investment costs, finance costs and reasonable profit, and the price of capacity tariff is determined by installed generation capacity in kw. Revenue will be received based on the capacity of installed generation and capacity tariff whether or not power is generated. Volume tariff reflects the variable cost and reasonable profit of power enterprises, and applies to actual electricity production volume in kwh).

As disclosed in the announcement of the Company dated 25 March 2015, the Group had received the documents titled "the Notice Regarding the 2015 Unified Production Plan for Power Plants in Zhejiang Province" (《關於下達2015年度浙江省統調電廠發電計畫的通知》) and "the Notice Regarding the Issue of the 2015 Scheme of Power and Volume Balance in Zhejiang Province" (《關於印發2015年度浙江省電力電量平衡方案的通知》) issued by the Economic & Information Commission of Zhejiang Province (浙江省經濟和資訊化委員會), which both suggested the trial implementation of the Dual Tariff Policy to provide more flexible tariff adjustments, and the 2015 planned natural gas power generation for Zhejiang Province will be based on the maximum demand within the power grid. The planned generation hours in 2015 for the original power plants of the Group may be adjusted from 3,500 hours to 1,800 hours, while the planned generation for the new Anji Power Plant in 2015 may be 560 hours. Subject to adjustment, the aforementioned planned generation corresponds with the volume tariff under the potential Dual Tariff Policy. However, the number of planned generation hours as specified above are the only available information regarding the proposed Dual Tariff Policy, and the pricing scheme remains outstanding. The Company is yet to obtain the complete information of the Dual Tariff Policy. In addition, the specific pricing scheme under the Dual Tariff Policy is still subject to the relevant approval procedures and the ensuing confirmation issued by the Price Bureau of Zhejiang Province. During the specific formulating process of the Dual Tariff Policy, the consideration of the downward adjustment of the price of natural gas may also be accounted for which may further change the generation hours. The Company is not aware of any further details of the specific details and release time of the 2015 Dual Tariff Policy of Zhejiang Province, and is unable to confirm if there will be any other new power generation policy other than the Dual Tariff Policy.

Given the potential introduction of the above Dual Tariff Policy, the operating revenue of the power plants under the Group in 2015 will then comprise two components, namely capacity tariff revenue and volume tariff revenue. It will then change the business model of the power plants under the Group, which was previously based only on volume tariff revenue. However, as explained above, the Company has only received the documents concerning the power generation volume scheme for 2015, and the relevant documents concerning the specific pricing scheme of the Dual Tariff Policy from the Price Bureau of Zhejiang Province remains outstanding, the Company is unable to assess the specific potential impact arising from the possible trial implementation of the Dual Tariff Policy.

Regarding the potential impairment loss on the Company's assets owing to the above situation, the Board is of the view that the potential Dual Tariff Policy is a policy intended to make the natural gas power generation enterprises healthier, and it should be beneficial to the development of the Group. This impairment loss will be re-assessed according to the new policy when it is released.

Furthermore, it is worth noting that this impairment loss is a non-cash accounting treatment in accordance with International Financial Reporting Standards and it will have no impact on the actual cash flow for the Group's operation.

National Development and Reform Commission announced that, effective from 1 April 2015, the natural gas prices across the country will be formally unified by the reduction of the maximum gateway station price for incremental natural gas by RMB0.44/m^3 and the increase of the maximum gateway station price for stock natural gas by RMB0.04/m^3 within the provinces. This is the first substantial decrease in natural gas price under China's natural gas price reform. Coupled with Dual Tariff Policy the information disclosed in the meeting of the authorities of Zhejiang Government on the tentative Dual Tariff Policy, the Company believed that the trial implementation of Dual Tariff Policy in Zhejiang will bring a positive impact to the Company's natural gas power generation business.

In addition, the Group is well prepared to develop and invest in new projects in areas such as gas-fired power generation and cogeneration projects, and carry out investigation, research and development of clean energy projects other than natural gas. The Group will further increase its reserves in projects for current and long term development, and will expand its market share in the clean energy supply in the PRC.

The Group will continue to strengthen its human resources and focus on the training of talents to build a team with outstanding members. In addition, the Group will continue to perfect its operation plan and budget management, upgrade its ability in plan execution and budget control in order to further enhance its management standard and secure a stable and healthy growth with sustainable development. The Group, having full confidence in the industry, shows perseverance in its development of clean energy business. It is believed that the Group may achieve satisfactory results in this business and become one of the top clean energy suppliers in the PRC.

FINAL DIVIDEND

The Board does not recommend to declare a final dividend for the year ended 31 December 2014 (2013: HKD0.002 per share).

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

During the year ended 31 December 2014, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

ANNUAL GENERAL MEETING

The annual general meeting will be held on Tuesday, 9 June 2015. A notice convening the annual general meeting will be published and despatched to the shareholders of the Company in the manner as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 5 June 2015 to Tuesday, 9 June 2015 (both dates inclusive) for the purpose of ascertaining shareholders' entitlement to attend and vote at the forthcoming annual general meeting of the Company. In order to be eligible to attend and vote at the annual general meeting, all transfers accompanied by the relevant share certificates shall be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 4 June 2015; and

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2014, the Group had a total of 282 employees, excluding 4 temporary staff (31 December 2013: 330, excluding 7 temporary staff). The Group determines employees' remuneration according to industry practices, financial performance and employees' performance. The Group also provides other fringe benefits such as insurance, medical benefits and mandatory provident fund contributions with an aim to retain talents on all levels for further contributions to the Group.

HEALTH AND SAFETY COMPLIANCE

The Group's power plants have adopted various internal policies and implemented protective measures to prevent health and safety hazards. The policies adopted by the Company are in line with government regulations. There were no material accidents or suspensions during the year.

ENVIRONMENT PROTECTION

Each of the Group's power plants has installed a monitoring system to monitor the emission volume of sulphur dioxide and nitrogen oxides on a real-time basis. The emission is inspected regularly to determine whether the relevant standard has been satisfied before discharging.

During the power generation process, conventional coal-fired power plant discharges waste water and emits air pollutants, such as sulphur dioxide, nitrogen oxides and fine particles. The Group's power plants are fuelled with natural gas which is a cleaner fossil fuel. Unlike conventional coal-fired power plants, the Group's power plants emit significantly less amount of nitrogen oxides and barely any sulphur dioxide and fine particles. For the same amount of heat generated, combusting natural gas releases less than 50% carbon dioxide as compared to combusting coal.

The Group believes that the environmental protection system and facilities of our power plants are in full compliance with the national and local regulations on environment protection.

CORPORATE GOVERNANCE

The Board has been adamant in upholding high standards of corporate governance to maximize the operational efficiency, corporate values and shareholder returns. The Company has adopted sound governance and disclosure practices and continued to upgrade internal control system, strengthen risk control management and reinforce the corporate governance structure.

The Company has complied with all the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules for the year ended 31 December 2014, save as disclosed below:

Since 10 January 2013, Mr. Chai Wei, the President of the Company, has also assumed the role of the Chairman of the Board as a result of the resignation of Mr. GU Jun Yuan (the former Chairman of the Board) which deviates from the code provision A.2.1. Mr. Chai has over 20 years of experience in corporate development and management in a variety of sectors, including energy and public media, and is the most suitable candidate to serve in the positions of both the Chairman of the Board and President of the Company. For the time being, the Company is unable to identify another suitable person who possesses abilities and talent better than or equivalent to Mr. Chai to serve in either of the positions. Given that there is a balanced Board with five experienced NEDs (including three INEDs) representing more than half of the Board, the Board is of the view that there is a strong independent element on the Board to exercise independent judgement and provide sufficient check and balance.

The Board will evaluate from time to time the appropriateness of the dual roles of Chairman and the President performed by the same individual and ensures that the arrangement will continue to be in the interests of the Company and its shareholders as a whole.

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.

All Directors have confirmed, following specific enquiry by the Company that they complied with the required standard as set out in the Model Code throughout the year ended 31 December 2014.

AUDIT COMMITTEE

The Company established the audit committee ("Audit Committee") in June 2009 and has formulated its written terms of reference, which may from time to time be modified, in accordance with the provisions set out in the CG Code. The Audit Committee comprises both the INEDs and the NED of the Company, namely Mr. Tse Chi Man (INED), Mr. Yao Xian Guo (INED), Mr. Yu Wayne W. (INED) and Mr. Pei Shao Hua (NED).

The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting system and internal control procedures, and review of the Group's financial data and relationship with the external auditor of the Company.

The Audit Committee has reviewed the Group's annual results for the year ended 31 December 2014.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.amberenergy.com.hk). The Company will despatch the annual report to the shareholders at the end of April 2015, and publish it on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Amber Energy Limited
Chai Wei
President and Chairman

Hong Kong, 27 March 2015

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Chai Wei and Mr. Lai Chun Yu; two non-executive directors, namely Mr. Pei Shao Hua and Mr. Li Jin Quan; and three independent non-executive directors, namely Mr. Tse Chi Man, Mr. Yao Xian Guo and Mr. Yu Wayne W.