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NEW TIMES ENERGY CORPORATION LIMITED
新時代能源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 00166)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2015	2014	**Change**
	HK$'000	*HK$'000*	*%*
		(Restated)	
Revenue	**33,589**	30,198	+11.2
Gross (loss)/profit	**(1,204)**	5,382	N/A
Loss before taxation from continuing operations	**(50,492)**	(20,136)	+150.8
Loss attributable to owners of the Company	**(46,192)**	(46,140)	+0.1
Basic loss per share (HK cent)	**(2.33)**	(3.68)	-36.7

	At 30 June	At 31 December	
	2015	2014	**Change**
	HK$'000	*HK$'000*	*%*
Total assets	**4,485,395**	4,507,116	-0.5
Total equity	**3,868,200**	3,820,975	+1.2
Debt ratio(1)	**13.76%**	15.22%	-1.5
Gearing ratio(2)	**12.49%**	11.83%	+0.7
Net asset value per share(3) (HK$)	**1.86**	2.76	-32.6

Remarks:

(1) Debt ratio: Total liabilities divided by total assets

(2) Gearing ratio: Interest bearing borrowings divided by total equity

(3) Net asset value per share: Net assets divided by number of issued shares

* *For identification purposes only*

The board of directors (the "**Board**") of New Times Energy Corporation Limited (the "**Company**") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2015, together with the comparative figures for the corresponding period in 2014. These condensed consolidated financial statements for the six months ended 30 June 2015 have not been audited, but have been reviewed by the audit committee of the Company (the "**Audit Committee**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 June 2015

		(Unaudited) Six months ended 30 June	
		2015	2014
	Note	***HK$'000***	*HK$'000*
			(Restated)
Continuing operations:			
Revenue	*3*	**33,589**	30,198
Cost of sales		**(34,793)**	(24,816)
Gross (loss)/profit		**(1,204)**	5,382
Other revenue		**6,935**	10,215
Other net income		**25,670**	27,419
Administrative expenses		**(44,431)**	(53,666)
Other net operating expenses		**(20,205)**	(49)
Loss from operations		**(33,235)**	(10,699)
Finance costs	*4(a)*	**(16,482)**	(9,175)
Share of losses of joint ventures		**(775)**	(262)
Loss before taxation from continuing operations	*4*	**(50,492)**	(20,136)
Income tax	*5*	**4,276**	(9,958)
Loss from continuing operations		**(46,216)**	(30,094)
Discontinued operation:			
Loss from discontinued operation, net of tax		**(1,837)**	(17,564)
Loss for the period		**(48,053)**	(47,658)

	Note	(Unaudited) Six months ended 30 June 2015 HK$'000	2014 HK$'000 (Restated)
Attributable to:			
Owners of the Company:			
Loss for the period from continuing operations		**(44,382)**	(29,683)
Loss for the period from discontinued operation		**(1,810)**	(16,457)
Loss for the period attributable to owners of the Company		**(46,192)**	(46,140)
Non-controlling interests:			
Loss for the period from continuing operations		**(1,834)**	(411)
Loss for the period from discontinued operation		**(27)**	(1,107)
Loss for the period attributable to non-controlling interests		**(1,861)**	(1,518)
Loss for the period		**(48,053)**	(47,658)
Loss per share	*7*		
Basic (HK cent)		**(2.33)**	(3.68)
Diluted (HK cent)		**(2.33)**	(3.68)
Loss per share — continuing operations	*7*		
Basic (HK cent)		**(2.24)**	(2.37)
Diluted (HK cent)		**(2.24)**	(2.37)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	(Unaudited) Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Loss for the period	**(48,053)**	(47,658)
Other comprehensive income for the period (after tax and reclassification adjustments):		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas and PRC subsidiaries	**(17,532)**	(73,205)
Available-for-sale investments:		
Net movement in the fair value reserve	**(1,376)**	–
Other comprehensive income for the period	**(18,908)**	(73,205)
Total comprehensive income for the period	**(66,961)**	(120,863)
Attributable to:		
Owners of the Company	**(67,880)**	(130,095)
Non-controlling interests	**919**	9,232
Total comprehensive income for the period	**(66,961)**	(120,863)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2015

	Note	**(Unaudited) At 30 June 2015** *HK$'000*	(Audited) At 31 December 2014 *HK$'000*
Non-current assets			
Exploration and evaluation assets	*8*	**3,465,480**	3,474,804
Property, plant and equipment	*9*	**121,729**	96,982
Intangible assets	*10*	**205,411**	211,015
Goodwill		**477**	512
Interest in joint ventures		**54,644**	55,419
Convertible notes receivables		**79,115**	9,395
Available-for-sale investments		**109,100**	110,476
Prepayments, deposits and other receivables	*11*	**55,038**	56,034
Deferred tax assets		**5,383**	1,301
		4,096,377	4,015,938
Current assets			
Inventories		**9,317**	9,282
Trade and other receivables	*11*	**103,446**	97,304
Trading securities		**23,305**	–
Convertible notes receivables		**54,154**	53,688
Current tax recoverable		**273**	6,153
Cash and cash equivalents	*12*	**67,570**	21,693
Assets held for sale	*16*	**130,953**	303,058
		389,018	491,178
Current liabilities			
Trade and other payables	*13*	**74,151**	58,774
Other borrowings	*14*	**170,693**	73,410
Convertible notes payables		**53,965**	82,774
Liabilities held for sale		**–**	83,726
		298,809	298,684
Net current assets		**90,209**	192,494
Total assets less current liabilities		**4,186,586**	4,208,432

	Note	(Unaudited) At 30 June 2015 HK$'000	(Audited) At 31 December 2014 HK$'000
Non-current liabilities			
Other borrowings	*14*	**227,268**	297,203
Promissory notes payables		**31,323**	30,579
Deferred tax liabilities		**47,360**	47,322
Provisions		**12,435**	12,353
Total non-current liabilities		**318,386**	387,457
NET ASSETS		**3,868,200**	3,820,975
CAPITAL AND RESERVES			
Share capital	*15*	**20,789**	13,850
Reserves		**3,874,333**	3,831,171
Total equity attributable to owners of the Company		**3,895,122**	3,845,021
Non-controlling interests		**(26,922)**	(24,046)
TOTAL EQUITY		**3,868,200**	3,820,975

1. GENERAL INFORMATION AND BASIS OF PREPARATION

New Times Energy Corporation Limited ("the Company") is a limited liability company incorporated in Bermuda and its registered office and principal place of business are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Room 1402, 14/F., New World Tower 1, 16–18 Queen's Road Central, Hong Kong. The Company is listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") It was authorised for issue in accordance with a resolution of the board of directors on 28 August 2015.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2014 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2015 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of the events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 December 2014. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The interim financial report is unaudited. The financial information relating to the financial year ended 31 December 2014 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory financial statements for the financial year but is derived from those financial statements. The statutory financial statements for the year ended 31 December 2014 are available from the Company's registered office. The auditor has expressed an unqualified opinion on those financial statements in their report dated 25 March 2015.

In determining the appropriate basis of preparation of the interim financial report, the directors of the Company have reviewed the Group's cash flow projections, which cover a period of twelve months from the reporting period end date. They are of the opinion that, taking into account the following measures, the Group will have sufficient working capital to meet its financial obligations when they fall due and committed future capital expenditures within the next twelve months from the reporting period end date,

(i) In July 2015, the Company completed a placement of 415,000,000 shares at a price of HK$0.268 per share and received the net proceeds of approximately HK$107,875,000; and

(ii) The Group would plan to obtain additional financing to fulfill the obligations of the Group, including but not limited to (i) considering raising funds from existing and potential investors for any proposed financial arrangements; (ii) obtaining additional borrowings from the existing and potential lenders; and/or (iii) rescheduling the capital expenditures and minimising general and administrative expenses, when necessary.

As a result, the directors have concluded that the combination of these circumstances no longer represents a material uncertainty which may cast significant doubt upon the Group's abilities to continue as a going concern. Accordingly the interim financial report has been prepared on a going concern basis.

2. CHANGES ON ACCOUNTING POLICIES

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company.

Annual Improvements to HKFRSs 2010–2012 Cycle

Annual Improvements to HKFRSs 2011–2013 Cycle

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. SEGMENT REPORTING

(a) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of both business lines and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

Details of the Group's reportable segments as follows:

General trading: This segment includes trading of oil products and non-ferrous metal. Currently the Group's activities in this regard are carried out in Hong Kong and the People's Republic of China ("PRC").

Upstream: This segment is engaged in the exploration, development, production and sale of crude oil. It is further evaluated on a geographic basis. Currently the Group's activities in this regard are carried out in Argentina and the United States ("US").

Distribution of natural gas (classified as a discontinued operation): This segment is engaged in the sales and the transmission of natural gas in PRC.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below:

			Upstream						Distribution of natural gas (discontinued operation)			
	General trading		Argentina		US		Sub-total				Total	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
For the six months ended 30 June												
Reportable segment revenue *(note)*	**–**	–	**33,167**	29,551	**422**	647	**33,589**	30,198	**1,704**	2,584	**35,293**	32,782
Reportable segment (loss)/profit	**(2)**	–	**(15,067)**	18,012	**(25,525)**	(4,462)	**(40,592)**	13,550	**(1,837)**	(18,353)	**(42,431)**	(4,803)
Depreciation and amortisation	**–**	–	**4,993**	7,677	**150**	143	**5,143**	7,820	**–**	4,900	**5,143**	12,720
Interest income	**–**	–	**30**	–	**1,866**	2,408	**1,896**	2,408	**–**	4	**1,896**	2,412
Interest expenses	**–**	–	**–**	56	**–**	–	**–**	56	**3**	5,002	**3**	5,058
Impairment loss of property, plant and equipment	**–**	–	**–**	–	**18,803**	–	**18,803**	–	**–**	–	**18,803**	–
At 30 June 2015 and 31 December 2014												
Reportable segment assets	**1,266**	1,268	**3,639,008**	3,658,020	**286,042**	310,083	**3,925,050**	3,968,103	**–**	290,703	**3,926,316**	4,260,074
Reportable segment liabilities	**–**	–	**(69,414)**	(35,240)	**(58,063)**	(58,083)	**(127,477)**	(93,323)	**–**	(83,465)	**(127,477)**	(176,788)

Note: Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current and prior periods.

(b) Reconciliation of reportable segment revenues and profit or loss

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
		(Restated)
Revenue		
Reportable segment revenue	**35,293**	32,782
Less: discontinued operation	**(1,704)**	(2,584)
Consolidated revenue	**33,589**	30,198
Loss		
Reportable segment loss	**(42,431)**	(4,803)
Unallocated interest expenses	**(16,482)**	(9,119)
Other net income/(expense) in corporate head office	**7,359**	(24,305)
Share of post-tax losses of joint ventures	**(775)**	(262)
Less: reportable segment loss from discontinued operation	**1,837**	18,353
Consolidated loss before taxation from continuing operations	**(50,492)**	(20,136)

4. LOSS BEFORE TAXATION

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

(a) Finance costs

Continuing operations

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
		(Restated)
Interest on bank and other borrowings wholly repayable within five years	**3,217**	1,121
Interest on other loans	**7,845**	1,514
Interest on promissory notes payables	**744**	1,355
Interest on convertible notes payables	**4,676**	5,185
Total interest expenses on financial liabilities not at fair value through profit or loss	**16,482**	9,175

(b) Staff costs (including directors' remuneration)

Continuing operations

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
		(Restated)
Salaries, wages and other benefits	**11,940**	13,010
Contributions to defined contribution retirement plan	**2,114**	701
	14,054	13,711

(c) Other items

Continuing operations

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
		(Restated)
Amortisation of intangible assets	**1,920**	4,048
Depreciation of property, plant and equipment	**3,363**	3,813
Operating lease charges: minimum lease payments		
— leasehold land and buildings	**1,791**	1,499
Interest income	**(4,521)**	(3,039)
Net foreign exchange loss/(gain)	**1,779**	(22,132)
Net gain on disposal of property, plant and equipment	**(134)**	(35)
Impairment loss on property, plant and equipment	**18,803**	–
Cost of inventories	**34,793**	24,816

5. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Continuing operations

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
		(Restated)
Current tax — Overseas		
— Provision for the period	**–**	–
— Under-provision in respect of prior years	**1,427**	11,557
	1,427	11,557
Deferred tax		
Origination and reversal of temporary differences	**(5,703)**	(1,599)
	(4,276)	9,958

Pursuant to the rules and regulations of the Bermuda and the British Virgin Islands ("BVI"), the Company and its subsidiaries incorporated in Bermuda and BVI are not subject to any income tax in the Bermuda and the BVI during the current and prior periods.

No Hong Kong Profits Tax has been provided for in the condensed consolidated financial statements as the Company and its subsidiaries incorporated or operated in Hong Kong did not generate any assessable profits arising in Hong Kong during the current and prior periods.

Subsidiaries of the Group in PRC are subject to PRC enterprise income tax at 25% (2014: 25%).

Subsidiaries of the Group in Argentina are subject to Argentina corporate income tax ("CIT") at 35% (2014: 35%) and minimum presumed income tax ("MPIT"). MPIT is supplementary to CIT and is chargeable at the applicable tax rate of 1% on the tax basis of certain assets. The tax liabilities of subsidiaries of the Group in Argentina are the higher of CIT and MPIT.

Subsidiaries of the Group operated in Louisiana, US are subject to federal and Louisiana income taxes. As the subsidiaries have adequate accumulated losses brought forward from previous years to offset the taxable income for the period, no provision has been provided in the condensed consolidated financial statements.

Subsidiaries of the Group operated in Utah, US are subject to federal and Utah income taxes. As the subsidiaries have no taxable income during the current and prior periods, the income taxes paid would be limited to US$100 which is the minimum fee to be charged regardless of income.

6. DIVIDENDS

The directors do not recommend any payment of an interim dividend for the six months ended 30 June 2015 (2014: Nil).

7. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company for the six months ended 30 June 2015 of HK$46,192,000 (2014: HK$46,140,000) and the weighted average of 1,981,743,000 ordinary shares in issue during the period (2014 (restated): 1,252,793,000 ordinary shares after adjusting for the open offer completed in January 2015), calculated as follows:

(i) Loss attributable to owners of the Company (basic)

	Six months ended 30 June					
	2015			2014		
	Continuing operations *HK$'000*	**Discontinued operation** *HK$'000*	**Total** *HK$'000*	Continuing operations *HK$'000*	Discontinued operation *HK$'000*	Total *HK$'000*
Loss attributable to owners of the Company	**(44,382)**	**(1,810)**	**(46,192)**	(29,683)	(16,457)	(46,140)

(ii) Weighted average number of ordinary shares (basic)

	2015 *'000*	2014 *'000* (Restated)
Issued ordinary shares at 1 January	**1,385,024**	1,169,998
Effect of issue of consideration shares	**–**	2,962
Effect of share options exercised	**117**	291
Effect of bonus element on shares issued for open offer	**15,045**	79,542
Effect of shares issued for open offer	**581,557**	–
Weighted average number of ordinary shares (basic) at 30 June	**1,981,743**	1,252,793

(b) Diluted loss per share

The calculation of diluted loss per share is based on the loss attributable to owners of the Company for the six months ended 30 June 2015 of HK$46,192,000 (2014: HK$46,140,000) and the weighted average of 1,981,743,000 ordinary shares in issue during the period (2014 (restated): 1,252,793,000 ordinary shares after adjusting for the open offer completed in January 2015), calculated as follows:

(i) Loss attributable to owners of the Company (diluted)

	Six months ended 30 June					
	2015			2014		
	Continuing operations HK$'000	**Discontinued operation HK$'000**	**Total HK$'000**	Continuing operations HK$'000	Discontinued operation HK$'000	Total HK$'000
Loss attributable to owners of the Company	**(44,382)**	**(1,810)**	**(46,192)**	(29,683)	(16,457)	(46,140)

(ii) Weighted average number of ordinary shares (diluted)

	2015 *'000*	2014 *'000*
Weighted average number of ordinary shares at 30 June	**1,981,743**	1,252,793
Weighted average number of ordinary shares (diluted) at 30 June	**1,981,743**	1,252,793

For the period ended 30 June 2015 and 2014, diluted loss per share was the same as the basic loss per share as the potential ordinary shares outstanding during the period had an anti-dilutive effect on the basic loss per share.

8. EXPLORATION AND EVALUATION ASSETS

	Exploration rights *HK$'000*	Exploratory drilling *HK$'000*	Geological studies *HK$'000*	Others *HK$'000*	Total *HK$'000*
Cost					
At 1 January 2014	3,233,419	56,929	215,568	40,024	3,545,940
Additions	975	410	278	–	1,663
Exchange adjustments	(2,963)	(8,067)	(42,722)	(2,141)	(55,893)
At 31 December 2014	3,231,431	49,272	173,124	37,883	3,491,710
At 1 January 2015	**3,231,431**	**49,272**	**173,124**	**37,883**	**3,491,710**
Additions	**2,356**	**133**	**91**	**–**	**2,580**
Exchange adjustments	**(799)**	**(1,883)**	**(9,893)**	**(495)**	**(13,070)**
At 30 June 2015	**3,232,988**	**47,522**	**163,322**	**37,388**	**3,481,220**
Accumulated impairment					
At 1 January 2014	–	21,948	–	–	21,948
Exchange adjustments	–	(5,042)	–	–	(5,042)
At 31 December 2014	–	16,906	–	–	16,906
At 1 January 2015	**–**	**16,906**	**–**	**–**	**16,906**
Exchange adjustments	**–**	**(1,166)**	**–**	**–**	**(1,166)**
At 30 June 2015	**–**	**15,740**	**–**	**–**	**15,740**
Net book value					
At 30 June 2015	**3,232,988**	**31,782**	**163,322**	**37,388**	**3,465,480**
At 31 December 2014	3,231,431	32,366	173,124	37,883	3,474,804

At the end of the reporting period, the management of the Group determines that there is no event and changes in circumstances Indicate the carrying amount of the exploration and evaluation assets may not be recoverable. As a result, no impairment of exploration and evaluation assets is recognised.

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	Machinery	Furniture, fixtures and office equipment	Motor vehicles	Oil production assets	Construction in progress	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost							
At 1 January 2014	1,798	9,025	1,854	5,493	10,406	20,489	49,065
Additions	639	394	2,065	–	66,747	23,683	93,528
Acquisition through business combination	–	350	133	129	26,154	699	27,465
Disposals	–	–	(10)	–	–	–	(10)
Reclassified to disposal group held for sale	(1,788)	(9,338)	(999)	(2,514)	–	(43,740)	(58,379)
Exchange adjustments	(10)	(94)	(365)	(910)	(1,925)	(189)	(3,493)
At 31 December 2014	639	337	2,678	2,198	101,382	942	108,176
At 1 January 2015	639	337	2,678	2,198	101,382	942	108,176
Additions	–	49,382	197	237	–	85	49,901
Disposals	–	–	–	(1,714)	–	–	(1,714)
Exchange adjustments	–	(1,787)	(149)	(46)	(1,725)	(7)	(3,714)
At 30 June 2015	639	47,932	2,726	675	99,657	1,020	152,649
Accumulated depreciation and impairment							
At 1 January 2014	712	112	755	3,240	–	–	4,819
Charge for the year	375	1,075	1,030	700	9,009	–	12,189
Written back on disposals	–	–	(4)	–	–	–	(4)
Reclassified to disposal group held for sale	(997)	(1,065)	(525)	(1,085)	–	–	(3,672)
Exchange adjustments	(3)	(18)	(132)	(844)	(1,141)	–	(2,138)
At 31 December 2014	87	104	1,124	2,011	7,868	–	11,194
At 1 January 2015	87	104	1,124	2,011	7,868	–	11,194
Charge for the period	93	30	364	57	2,819	–	3,363
Written back on disposals	–	–	–	(1,714)	–	–	(1,714)
Impairment loss	–	–	–	–	18,803	–	18,803
Exchange adjustments	–	(8)	(66)	(27)	(625)	–	(726)
At 30 June 2015	180	126	1,422	327	28,865	–	30,920
Net book value							
At 30 June 2015	459	47,806	1,304	348	70,792	1,020	121,729
At 31 December 2014	552	233	1,554	187	93,514	942	96,982

During the period under review, the Group carried out a review of the recoverable amount of the oil production assets in view of the weak West Texas Intermediate ("WTI") oil price. These assets are used in the Group's upstream US reportable segment. The review led to the recognition of an impairment loss of HK$18,803,000, which has been recognised in profit or loss. The recoverable amount of the relevant assets has been determined on the basis of their value-in-use. The impairment loss has been included in "Other operating expenses" in the consolidated statement of profit or loss.

10. INTANGIBLE ASSETS

	Rights on oil sharing HK$'000 (note a)	Oil exploration rights HK$'000 (note b)	Operating rights HK$'000	Total HK$'000
Cost				
At 1 January 2014	–	156,701	67,072	223,773
Acquired through business combination	65,261	–	–	65,261
Reclassified to disposal group held for sale	–	–	(66,861)	(66,861)
Exchange adjustments	(4,597)	24	(211)	(4,784)
At 31 December 2014	60,664	156,725	–	217,389
At 1 January 2015	**60,664**	**156,725**	**–**	**217,389**
Exchange adjustments	**(4,184)**	**(6)**	**–**	**(4,190)**
At 30 June 2015	**56,480**	**156,719**	**–**	**213,199**
Accumulated amortisation				
At 1 January 2014	–	–	1,081	1,081
Charge for the year	7,287	33	7,590	14,910
Reclassified to disposal group held for sale	–	–	(8,639)	(8,639)
Exchange adjustments	(946)	–	(32)	(978)
At 31 December 2014	6,341	33	–	6,374
At 1 January 2015	**6,341**	**33**	**–**	**6,374**
Charge for the period	**1,912**	**8**	**–**	**1,920**
Exchange adjustments	**(506)**	**–**	**–**	**(506)**
At 30 June 2015	**7,747**	**41**	**–**	**7,788**
Net book value				
At 30 June 2015	**48,733**	**156,678**	**–**	**205,411**
At 31 December 2014	54,323	156,692	–	211,015

Notes:

(a) It represents the rights on oil sharing relating to the Palmar Largo concession areas. Amortisation is calculated using the unit of production method based upon the estimated proved and probable oil reserves to write off the cost over the production period, less any estimated residue value.

(b) Oil exploration rights have finite useful lives and are carried at costs less accumulated amortisation. Amortisation is calculated using the unit of production method based upon the estimated proved and probable oil reserves to write off the cost over the production period.

11. TRADE AND OTHER RECEIVABLES

	At 30 June 2015 HK$'000	At 31 December 2014 HK$'000
Trade receivables *(note)*	**7,768**	5,652
	7,768	5,652
Other receivables	**17,665**	18,070
Less: Allowance for doubtful debts	**(28)**	(30)
	17,637	18,040
Amounts due from associates	**6,523**	6,507
Amounts due from joint ventures	**11,019**	–
Amounts due from non-controlling shareholders	**855**	1,048
	18,397	7,555
VAT recoverable	**37,681**	35,623
Other tax recoverable	**12,818**	8,610
Deposit paid for potential investment	**17,000**	17,000
Other prepayments and deposits	**47,183**	60,858
	158,484	153,338
Reconciliation to the consolidated statement of financial position:		
Non-current	**55,038**	56,034
Current	**103,446**	97,304
	158,484	153,338

Note:

The following is an ageing analysis of trade receivables, presented based on the invoice date, which approximates the respective revenue recognition dates.

	At 30 June 2015 HK$'000	At 31 December 2014 HK$'000
0-30 days	**7,768**	5,650
Over 90 days	**–**	2
	7,768	5,652

Trade receivables are due within 30 days (2014: 30 days) from the date of billing.

12. CASH AND CASH EQUIVALENTS

	At 30 June 2015 HK$'000	At 31 December 2014 HK$'000
Deposits with banks	–	4,628
Cash at bank and in hand	**67,570**	17,065
Cash and cash equivalents in the consolidated statement of financial position and the condensed consolidated statement of cash flows	**67,570**	21,693

13. TRADE AND OTHER PAYABLES

	At 30 June 2015 HK$'000	At 31 December 2014 HK$'000
Trade payables	**9,778**	4,563
Accrued expenses	**55,765**	28,789
Deposit received from a related company	–	17,000
Others	**8,608**	8,422
Financial liabilities measured at amortised cost	**74,151**	58,774

Note:

The following is an ageing analysis of the trade payables presented based on the invoice date at the end of the reporting period:

	At 30 June 2015 HK$'000	At 31 December 2014 HK$'000
0–30 days	**8,872**	2,610
31–60 days	**398**	1,199
61–90 days	**481**	10
Over 90 days	**27**	744
	9,778	4,563

14. OTHER BORROWINGS

	At **30 June** **2015** ***HK$'000***	At 31 December 2014 *HK$'000*
Other borrowings:		
Term loans due for repayment within 1 year *(note (a))*	**170,693**	73,410
Term loans due for repayment after 1 year:		
After 1 year but within 2 years *(note (a))*	**15,868**	88,803
After 2 years but within 5 years	**54,400**	54,400
After 5 years	**157,000**	154,000
	227,268	297,203
	397,961	370,613
Reconciliation to the consolidated statement of financial position:		
Current liabilities	**170,693**	73,410
Non-current liabilities	**227,268**	297,203
	397,961	370,613

Notes:

(a) Other borrowings comprise:

(i) fixed rate loan bearing interest at 5% per annum from a related party, China Venturetechno International Co., Ltd., of HK$10,008,000(31 December 2014: HK$15,047,000). The loan is repayable on 24 June 2016;

(ii) fixed rate loan bearing interest at 6% per annum from a related party, China Venturetechno International Co., Ltd., of HK$15,868,000(31 December 2014: HK$15,422,000). The loan is repayable on 13 July 2016.

(b) Certain of the Group's other borrowings are subject to the fulfilment of covenants relating to the Company's assets/liabilities ratio and consolidated adjusted tangible net assets, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the other borrowings would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 30 June 2015, none of the covenants relating to other borrowings had been breached.

15. SHARE CAPITAL

Authorised and issued share capital

	At 30 June 2015		At 31 December 2014	
	No. of shares		No. of shares	
	'000	***HK$'000***	*'000*	*HK$'000*
Authorised:				
At 1 January				
Ordinary shares of HK$0.50 each	**–**	**–**	4,000,000	2,000,000
Ordinary shares of HK$0.01 each	**200,000,000**	**2,000,000**	–	–
Capital sub-division	**–**	**–**	196,000,000	–
At 30 June 2015/31 December 2014				
Ordinary shares of HK$0.01 each	**200,000,000**	**2,000,000**	200,000,000	2,000,000
Ordinary shares, issued and fully paid:				
At 1 January				
Ordinary shares of HK$0.50 each	**–**	**–**	1,169,998	584,999
Ordinary shares of HK$0.01 each	**1,385,024**	**13,850**	–	–
Shares issued for open offer *(note (a))*	**692,512**	**6,925**	–	–
Issue of consideration shares	**–**	**–**	145,472	4,704
Shares issued under share option scheme *(note (b))*	**1,410**	**14**	1,244	622
Shares issued for acquisition of a joint venture	**–**	**–**	68,310	683
Capital reduction	**–**	**–**	–	(577,158)
At 30 June 2015/31 December 2014				
Ordinary shares of HK$0.01 each	**2,078,946**	**20,789**	1,385,024	13,850

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(a) Shares issued for open offer

On 30 January 2015, the Company completed an open offer of 692,512,000 ordinary shares at a price of HK$0.17 per share for a net proceeds of HK$112,159,000, of which HK$6,925,000 and HK$108,114,000 were credited to the share capital and the share premium account respectively and HK$2,880,000 was charged to "Administrative expenses" in the consolidated statement of profit or loss.

(b) Shares issued under share option scheme

During the period under review, options under the 2011 Share Option Scheme (i.e. the 2011 share option scheme adopted by the Company on 17 May 2011) were exercised to subscribe for 1,410,000 (2014: 1,244,000) ordinary shares of the Company at a consideration of HK$529,000 (2014: HK$1,288,000), of which HK$14,000 (2014: HK$622,000) was credited to the share capital and the balance of HK$515,000 (2014: HK$666,000) was credited to the share premium account. An amount of HK$274,000 (2014: HK$9,000) has been transferred from share-based compensation reserve to the share premium account in accordance with the Group's accounting policies.

16. DISPOSAL OF SUBSIDIARIES

On 7 October 2014, Shine Great Investments Limited ("Shine Great"), an indirect wholly-owned subsidiary of the Company and Goldlink Capital Limited ("Goldlink"), a direct wholly-owned subsidiary of Blue Sky Power Holdings Limited ("Blue Sky") entered into a subscription agreement pursuant to which a total of 1,453,790 subscription shares of Shine Great representing approximately 14.54% of the enlarged issued share capital of 10,000,000 shares shall be subscribed by Goldlink at a cash consideration of HK$37,800,000 ("Subscription").

On the same date, Total Belief Limited ("Total Belief"), a direct wholly-owned subsidiary of the Company and the parent company of Shine Great, and Goldlink entered into a sale and purchase agreement ("Shine Great Agreement") pursuant to which Goldlink conditionally agreed to acquire and Total Belief conditionally agreed to sell the entire equity interest in Shine Great ("Disposal"). The Disposal will be completed in two transactions as follows:

Transaction I: sale of 36.46% of 10,000,000 enlarged shares of Shine Great to Goldlink

Transaction II: sale of 49.00% of 10,000,000 enlarged shares of Shine Great to Goldlink

The consideration for Transaction I shall be satisfied by a cash consideration of HK$17,000,000 and the issue of convertible bonds by Blue Sky to Total Belief in a principal amount of HK$77,805,000 upon the fulfillment of certain conditions precedent.

The consideration for Transaction II shall be satisfied by the issue of convertible bonds by Blue Sky to Total Belief in the principal amount of HK$135,240,000 upon the fulfillment of certain conditions precedent. The principal amount of convertible bonds in Transaction II will be adjusted in case of any shortfall between (i) revenue guarantee as defined in the Shine Great Agreement ("Revenue Guarantee") and the actual consolidated revenue of Shine Great for the year ending 31 December 2015 ("Actual Revenue"), and/or (ii) profit guarantee as defined in the Shine Great Agreement ("Profit Guarantee") and the actual consolidated profit of Shine Great for the year ending 31 December 2015 ("Actual Profit"). If the shortfall is within 20%, the principal amount of the convertible bonds will be adjusted from HK$135,240,000 to HK$133,888,000. Otherwise, the principal amount of the convertible bonds will be adjusted from HK$135,240,000 to HK$132,535,000.

The consideration for Transaction II shall be satisfied by Blue Sky within 10 business days after (i) the fulfillment of the conditions precedent, and (ii) an independent auditor having reviewed the Actual Revenue and Actual Profit on or before 30 June 2016. The consideration for Transaction II may be amended from time to time.

On 24 February 2015, the Subscription and Transaction I were completed and convertible bonds in principal amounts of HK$77,805,000 was received. Upon the completion of the Subscription and Transaction I, the Group's effective interest in Shine Great decreased from 100% to 49%. Accordingly, Shine Great and its subsidiaries ("Shine Great Group"), which carried out the Group's operation in distribution of natural gas business segment, ceased to be subsidiaries of the Group.

(a) Consideration received

	HK$'000
Deposit	17,000
Convertible bonds	80,072
Total consideration received	97,072

(b) Details of net assets/(liabilities) in respect of Shine Great Group over which control was lost

	HK$'000
Assets held for sale	
Property, plant and equipment	54,816
Lease prepayments	5,619
Intangible assets	58,063
Goodwill	33,619
Interest in associates	12,322
Inventories	221
Trade and other receivables	171,855
Cash and cash equivalents	3,095
	339,610
Liabilities held for sale	
Bank and other borrowings	(7,539)
Trade and other payables	(66,387)
Obligation under finance leases	(248)
Deferred tax liabilities	(14,836)
	(89,010)
Net assets disposed of	250,600

(c) Gain on partial disposal of Shine Great Group

	HK$'000
Consideration received	97,072
Net assets disposed of	(250,600)
Non-controlling interest	39,675
Cumulative exchange difference in respect of the net assets of Shine Great Group reclassified from equity to profit or loss on loss of control of Shine Great Group	1,060
Fair value of the remaining 49% interest in Shine Great Group classified as assets held for sale	130,953
Gain on partial disposal	18,160

(d) Net cash outflow on partial disposal of Shine Great Group

	HK$'000
Consideration received in cash and cash equivalents	–
Less: Cash and cash equivalents disposed of	(3,095)
Net cash outflow on partial disposal	(3,095)

17. COMMITMENTS

(a) Capital commitments

Capital commitments outstanding as at 30 June 2015 not provided for in the condensed consolidated financial statement were as follows:

	At 30 June 2015 *HK$'000*	At 31 December 2014 *HK$'000*
Authorised but not contracted for	**21,130**	21,140

(b) Commitments under operating leases

As at 30 June 2015, total future minimum lease payments under non-cancellable operating leases payable as follows:

	At 30 June 2015 *HK$'000*	At 31 December 2014 *HK$'000*
Within one year	**3,139**	3,222
After 1 year but within 5 years	**2,206**	3,729
	5,345	6,951

The Group leases its office under operating lease arrangements. The leases for properties are negotiated for a term ranged from one to three years. None of the leases includes contingent rentals.

18. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Company completed a placement of 415,000,000 ordinary shares at a price of HK$0.268 per share in July 2015. At completion, a total of 415,000,000 ordinary shares were issued to independent third parties for net proceeds of approximately HK$107,875,000.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL REVIEW

The Group's strategy is still at looking around the world, especially in Americas, for undervalued yet high-potential oil and gas assets and moves its focus back to the upstream business. During the period under review, in February 2015, the Group completed the first stage of disposal of the downstream portfolio (i.e., 51% equity interest of Shine Great Investments Limited) and has streamlined the Group's corporate structure. Further in April 2015, the Group entered into a farm-in agreement with Petrobras Argentina S.A. ("PESA") and will entitle for 50% participating interest in the Chirete block, which comprises an area of approximately 1,793 km^2, by performing drilling, logging, testing and completion of an exploration well of a depth of approximately 2,900 meters at a location designated by PESA and pay all of the costs to be incurred in respect thereof in the amount of approximately US$8 million (equivalent to approximately HK$62.00 million). The Group believes the further expansion of its investments in the northwestern basin of Argentina can generate a synergy that will benefit the Group during the exploration stage, and also gain a better understanding and knowledge of the local geology in Argentina, especially the exploration blocks that the Group has in the northwestern basin of Argentina.

Consolidated revenue of the Group from continuing operations for the six months ended 30 June 2015 was HK$33.59 million (2014 (restated): HK$30.20 million), representing an increase of 11.2%, which mainly contributed by the oil shared from our Palmar Largo participating interest. The gross profit of the Group from continuous operations has been turned around from gross profit of HK$5.38 million for the six months ended 30 June 2014 to gross loss of HK$1.20 million for the six months ended 30 June 2015. The change was mainly resulted from the decline of oil price and the costs borne for workovers performed for enhancing the daily production level in Palmar Largo concession during the period under review. For the period under review, the Group recorded a loss attributable to owners of the Company of HK$46.19 million (2014: HK$46.14 million).

Administrative expenses of the Group from continuing operations for the period under review amounted to HK$44.43 million (2014 (restated): HK$53.67 million), representing a decrease of HK$9.24 million in compare with previous comparable period. Staff costs, legal and professional expenses and consultancy fees continue acting as the key components of administrative expenses of the Group.

Finance costs of the Group from continuing operations for the period under review amounted to HK$16.48 million (2014 (restated): HK$9.18 million), representing an increase of HK$7.30 million in compare with previous comparable period. The increase reflected the increase in interest bearing debts owed by the Group in compare with the corresponding comparative period.

Loss per share for the period under review was HK2.33 cents (2014 (restated): HK3.68 cents). The Board does not recommend any interim dividend for this financial period (2014: nil).

REVIEW OF BUSINESS OPERATIONS

Oilfield Exploration and Development Business

ARGENTINA, NOROESTE BASIN

Tartagal Oriental and Morillo Concessions

The Tartagal Oriental concession and the Morillo concession (collectively the "T&M Concessions"), located in the province of Salta in northern Argentina, covering a total surface area of approximately 7,065 km^2 and 3,518 km^2 respectively, remain the core assets and business of the Group. Through the increase in its stake in last year, the Group now has 69.25% interests in the T&M Concessions.

Exploration, Development and Production in T&M Concessions

During the period under review, the Morillo drilling locations have been determined and the Group is now working on preparing the drilling crew and access roads and locations.

The T&M Concessions are still in exploration stage, and there has been no development or production activity performed during the period under review. Development and production activities will commence once drilling supported by exploration data from the T&M Concessions areas suggest that there are commercially viable reserves.

Expenditures incurred for exploration activities during the period under review are as follows:

	HK$'000
Nature of expenditure	
Exploration rights	2,356
Geological and geochemical studies	666
Others	241
Total	3,263

Palmar Largo Concession

The Palmar Largo concession (the "PL Concession") is located in Argentina's Noroeste Basin. The PL Concession includes two blocks. The first is the Palmar Largo block, located mainly in the Province of Formosa, covering an area of 1,221.1 km^2. This block holds the most important fields within the PL Concession. The second is the Balbuena Este block located further west in the Province of Salta, covering an area of 161 km^2 and containing the Balbuena Este oilfield. The PL Concession has a term of 25 years from 23 December 1992 to 23 December 2017, and is conditionally extendible for 10 years up to 23 December 2027, and can apply for a further extension of 10 years up to 23 December 2037 after the first extension. Currently, the Group owns 38.15% participating interest of Palmar Largo UTE ("PL Participating Interest") and is also the operating partner of Palmar Largo UTE.

During the period under review, the Group shared from the Palmar Largo UTE around 61 MBBL (2014: 44 MBBL) with an average daily production at around 338 BOPD (2014: 360 BOPD) regarding its PL Participating Interest. The sales of these shared crude oils contributed revenue of HK$33.17 million (2014: HK$29.55 million) at average selling price of US$72.21 (2014: US$75.16) per barrel.

Exploration, Development and Production in PL Concession

During the period under review, the Group fixed the problems occurred in late 2014 after the workover program last year (included corrosion generating damages to the well casing and certain technical issues) and performed a coiled tubing program in three productive wells and one injection well. The daily production has been improved to 864 BOPD as at 30 June 2015, in compare with 829 BOPD as at 31 December 2014, representing a 4.2% increment. In addition, the Group has reviewed the geological interpretation based on previous 3D seismic performed in PL Concession, and now is detecting several formations with high production potential that have potential to be drilled in the future if the PL Concession has been extended for 10 years.

During the period under review, there was no exploratory and development activities performed.

Expenditures incurred from the production activities during the period under review regarding the Group's PL Participating Interest are as follows:

	HK$'000
Nature of expenditure	
Capital expenditures	2,597
Workover	8,274
Production costs	10,151
Total	21,022

UNITED STATES

STATE OF UTAH, UINTA BASIN

The Uinta basin is a structural basin located in eastern Utah, east of the Wasatch Mountains and south of the Uinta Mountains, where commercial oil and gas production is available. Currently, the Group has the following investments in the Uinta basin, State of Utah, US:

Natural Buttes project

During the period under review, Natural Buttes project had production with an average daily output at around 9 BOPD (2014: 6 BOPD). There was no exploration and development activity performed during the period under review. The Group generated a revenue of HK$0.42 million (2014: HK$0.65 million) from the sale of crude oil of 1.3 MBBL (2014: 1.0 MBBL) at an average price of US$40.74 (2014: US$80.87) per barrel.

Altamont-Bluebell project

During the period under review, the Group is still reworking certain wells to achieve for production, and there was no other exploratory, development and production activities performed. The Group will devote more resources and efforts and monitor closely on the rework to get this project starting production in the earliest future.

During the period under review, the Group made the following expenditures in relation to its development and production activities performed in Utah, US:

	Natural Buttes project	**Altamont-Bluebell project**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Nature of expenditure			
Development costs	–	2,034	2,034
Production costs	754	–	754
Total	754	2,034	2,788

OUTLOOK

After farmed-in the Chirete block in April 2015, the Group has fine-tuned its drilling plan and changed its first drilling to Chirete block. Since the proposed drilling location in Chirete block is near the east boundary of the Morillo block, the management of the Company believes that the drilling result in Chirete block will provide useful geological data and information for the following drillings in Morillo block, and may able to enhance the successful rate of the Morillo drillings. We look forward our success in the upcoming drillings in both Chirete and Morillo blocks, and would achieve oil production in these areas. Furthermore, the Group will continue looking for investment opportunities in Argentina and US to enrich and strengthen our operation and assets portfolios to enhance the Group's future profitability and reserves and/or resources, and would deliver maximum returns to our shareholders.

LIQUIDITY AND FINANCIAL RESOURCES

Capital Structure, Liquidity and Financial resources

During the period under review, the Group mainly financed its operations from its own working capital, short-term borrowings and the net proceeds from open offer completed in January 2015.

As at 30 June 2015, the Group's total cash and bank balances were approximately HK$67.57 million (31 December 2014: HK$21.69 million), representing an increase of HK$45.88 million compared with 31 December 2014. The increase was mainly from HK$60.00 million short-term loans made in late June 2015.

As at 30 June 2015, the total equity of the Group was HK$3,868.20 million (31 December 2014: HK$3,820.98 million) and the net asset value per share was HK$1.86 (31 December 2014: HK$2.76). The debt ratio, calculated by total liabilities divided by total assets, was 13.76% as at 30 June 2015 (31 December 2014: 15.22%).

As at 30 June 2015, the total asset value and net current asset value of the Group were HK$4,485.40 million (31 December 2014: HK$4,507.12 million) and HK$90.21 million (31 December 2014: HK$192.49 million) respectively.

Fund raising activities during the period under review

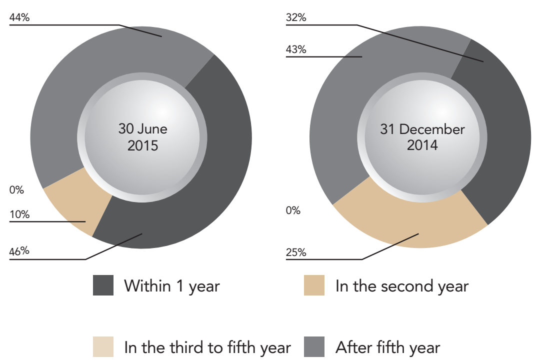
On 21 November 2014, the Company proposed an open offer on the basis of one offer share for every two shares held on 31 December 2014 at the subscription price of HK$0.17 per offer share. The open offer was closed on 30 January 2015 and the closing market price on this date was HK$0.206 per share. Net proceeds of approximately HK$112.16 million (equivalent to HK$0.162 per share) were received and were used for general working capital and to strengthen the business in Argentina and/or other jurisdiction and to prepare for acquisitions and drillings in Argentina when the suitable opportunities arise.

On 9 July 2015, the Company completed a placement and issued 415,000,000 new ordinary shares of HK$0.01 each (aggregate nominal value of HK$4.15 million) to independent third parties at the price of HK$0.268 per share pursuant to the placing agreement dated 23 June 2015. The closing market price on the date of issue was at HK$0.23 per share. Net proceeds of approximately HK$107.87 million (equivalent to approximately HK$0.260 per share) were received and are used for as a general working capital, for financing the Group's future investment opportunities (if any) and for repayment of certain debts upon due.

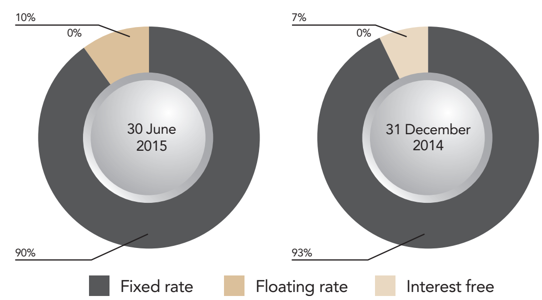
Borrowings

Total borrowings outstanding at 30 June 2015 were HK$483.25 million (31 December 2014: HK$483.97 million), comprising other borrowings and debt securities in issue. The profile of the Group's borrowings as at 30 June 2015 is set out in the tables below:

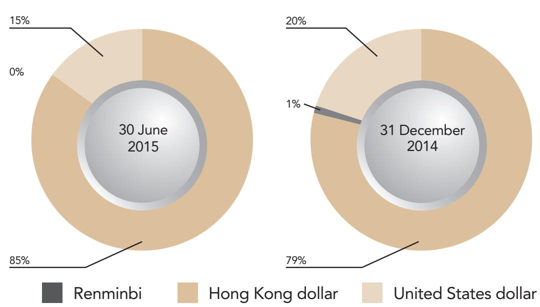
Debt Profile by Maturity



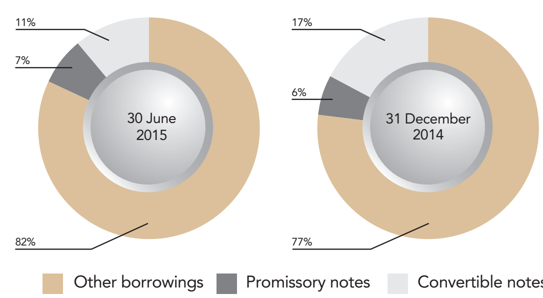
Debt Profile by Interest Rate Structure



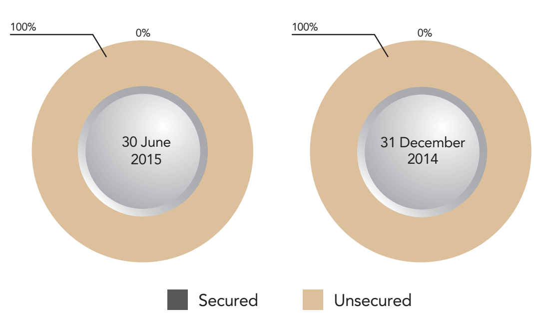
Debt Profile by Currencies



Debt Profile by Types of Borrowings



Debt Profile by Security Nature



Gearing ratio

As at 30 June 2015, the gearing ratio, calculated on the basis of interest bearing borrowings divided by total equity, was 12.49% (31 December 2014: 11.83%).

Charge on Assets

As at 30 June 2015, the Group did not have any charge on its assets (31 December 2014: nil).

Contingent Liabilities

As at 30 June 2015, the Group did not have any material contingent liabilities (31 December 2014: nil).

Capital Commitments

Details of the capital commitments of the Group as at 30 June 2015 are set out in note 17(a) to the unaudited interim financial report.

Foreign Exchange Exposure

Assets and liabilities of the Group are mainly denominated in Hong Kong dollar, Renminbi, United States dollar and Argentine peso. Most of these assets and liabilities are in functional currency of the operations to which the transactions relate. The currencies give rise to the foreign exchange risk is primarily United States dollars and Renminbi. As Hong Kong dollars was pegged to United States dollars and the fluctuation of Renminbi during the period under review is moderate, the Group had minimal exposures to foreign exchange fluctuations. Thus, the Group currently does not have a foreign currency hedging policy. However, the management of the Company will monitor the Group's foreign exchange exposure on an ongoing basis and will consider hedging significant foreign currency exposure should the need arise.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Code on Corporate Governance Practices

The Company has complied with the applicable code provisions in the Corporate Governance Code (the "CG Code") set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the six months ended 30 June 2015, save and except for the following deviation:

Code Provision A.4.1

Under Code Provision A.4.1, non-executive directors should be appointed for a specific term and subject to re-election. During the period, all non-executive directors and independent non-executive directors of the Company are not appointed for a specific term. They are, however, subject to the requirement of retirement and re-election at least once every three years at the annual general meetings of the Company in accordance with the relevant provisions of the Company's byelaws. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the code provisions of the CG Code.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") as set out in Appendix 10 to the Listing Rules as the code of conduct regarding directors' securities transactions. All directors have confirmed, upon specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2015. The Company has also adopted a code of conduct governing securities transactions by employees who may possess or have access to price sensitive information.

Purchase, Sale and Redemption of Listed Securities

During the six months ended 30 June 2015, neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on The Stock Exchange of Hong Kong Limited.

Review of Interim Results

The Audit Committee has reviewed the unaudited interim financial report of the Company for the six months ended 30 June 2015.

Publication of Interim Results and Interim Report

This announcement of interim results of the Group for the six months ended 30 June 2015 is published on the websites of the Company (www.nt-energy.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2015 containing all the information required by the Listing Rules shall be despatched to the shareholders of the Company and made available on the abovementioned websites in due course.

GLOSSARY

"BOPD"	Barrels of oil per day
"km^2"	Square kilometers
"MBBL"	Thousand barrels of oil
"Probable Reserves"	Additional reserves that are less certain to be recovered than Proven Reserves but which, together with Proven Reserves, are as likely as not to be recovered
"Prospective Resources"	Quantities of petroleum which are estimated to be potentially recovered from undiscovered accumulations
"Proven Reserves"	Proven oil and gas reserves are those quantities of oil and gas which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible
"1P Reserves"	Proven Reserves
"2P Reserves"	Proven Reserves + Probable Reserves

By order of the Board
New Times Energy Corporation Limited
Cheng Kam Chiu, Stewart
Chairman

Hong Kong, 28 August 2015

As at the date of this announcement, the Board comprises seven directors, of whom two are executive directors, namely Mr. Cheng Kam Chiu, Stewart and Mr. Cheng Ming Kit; one is a non-executive director, namely Mr. Heffner, Paul Lincoln; and four are independent non-executive directors, namely Mr. Wong Man Kong, Peter, Mr. Chan Chi Yuen, Mr. Yung Chun Fai, Dickie and Mr. Chiu Wai On.