



中國油氣控股有限公司

SINO OIL AND GAS HOLDINGS LIMITED

Stock Code 股份代號: 702

中期報告 2016
Interim Report



DIRECTORS

Executive Directors

Dr. Dai Xiaobing (*Chairman*)

Mr. King Hap Lee (*Chief Executive Officer*)

Mr. Wan Tze Fan Terence

Non-executive Directors

Mr. Chen Hua

Mr. Huang Shaowu

Mr. He Lin Feng

Independent Non-executive Directors

Mr. Wong Kwok Chuen Peter

Professor Wong Lung Tak Patrick

Dr. Wang Yanbin

Dr. Dang Weihua

COMPANY SECRETARY

Ms. Yim Siu Hung

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168-200 Connaught Road Central

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REGISTERED OFFICE

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Hamilton HM11

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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董事

執行董事

戴小兵博士(主席)

景哈利先生(行政總裁)

溫子勳先生

非執行董事

陳華先生

黃紹武先生

何林峰先生

獨立非執行董事

黃國全先生

黃龍德教授

王延斌博士

黨偉華博士

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嚴筱虹女士

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香港中央證券登記有限公司

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STOCK CODE

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WEBSITE

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主要股份過戶登記處

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Interim Results

The board of directors (the “Board”) of Sino Oil and Gas Holdings Limited (the “Company”) announces the unaudited interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2016 as follows:

Condensed Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2016

中期業績

中國油氣控股有限公司(「本公司」)董事會(「董事會」)宣佈，本公司及其附屬公司(統稱「本集團」)截至2016年6月30日止六個月之未經審核中期業績如下：

簡明綜合全面收益表

截至2016年6月30日止六個月

		Notes 附註	2016 (unaudited) (未經審核) HK\$' 000 千港元	2015 (unaudited) (未經審核) HK\$' 000 千港元
Turnover	營業額	5	78,381	5,963
Direct costs	直接成本		(68,465)	(6,865)
Gross profit/(loss)	毛利／(毛損)		9,916	(902)
Other revenue	其他收入	6	44,151	45,892
Other gains, net	其他收益淨額		1,551	2,037
Administrative expenses	行政費用		(33,387)	(28,553)
Profit from operations	經營溢利		22,231	18,474
Finance costs	融資成本	7(a)	(14,419)	(3,676)
Share of loss of a joint venture	應佔一家合營企業虧損	13	–	(597)
Share of loss of an associate	應佔一家聯營公司虧損	14	(363)	(325)
Profit before income tax expense	除所得稅支出前溢利	7	7,449	13,876
Income tax expense	所得稅支出	8	(1,752)	–
Profit for the period	本期溢利		5,697	13,876
Other comprehensive income, after tax	其他全面收益，除稅後			
Item that may be reclassified to profit and loss:	可重新分類至損益的項目			
Exchange difference on translating foreign operation	換算海外業務之匯兌差異		(12,529)	(20,636)
Total comprehensive income for the period	本期全面收益總額		(6,832)	(6,760)

Condensed Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2016

簡明綜合全面收益表

截至2016年6月30日止六個月

		Notes 附註	2016 (unaudited) (未經審核) HK\$' 000 千港元	2015 (unaudited) (未經審核) HK\$' 000 千港元
Profit attributable to:	以下人士應佔溢利：			
– Owners of the Company	– 本公司擁有人		4,395	13,876
– Non-controlling interests	– 非控股權益		1,302	–
			5,697	13,876
Total comprehensive income attributable to:	以下人士應佔總全面收益：			
– Owners of the Company	– 本公司擁有人		(8,111)	(6,760)
– Non-controlling interests	– 非控股權益		1,279	–
			(6,832)	(6,760)
			HK\$(cents) 港元(仙)	HK\$(cents) 港元(仙)
Earnings per share	每股盈利			
– Basic	– 基本	10	0.0250	0.0773
– Diluted	– 攤薄	10	0.0250	0.0736

Condensed Consolidated Statement of Financial Position

At 30 June 2016

簡明綜合財務狀況表

於2016年6月30日

	Notes 附註	30.6.2016 (Unaudited) (未經審核) HK\$' 000 千港元	31.12.2015 (audited) (經審核) HK\$' 000 千港元
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	11	1,820,873	1,699,730
Payment for leasehold land held for own use		4,707	4,812
Intangible assets	12	2,331,000	2,341,404
Goodwill		99,896	99,896
Interest in a joint venture	13	-	-
Interest in an associate	14	59,755	60,118
Financial assets at fair value through profit or loss		22,417	22,417
Deposits and prepayments	15	87,129	21,235
Loan receivables		1,704	2,092
		4,427,481	4,251,704
Current assets			
Inventories		17,471	10,981
Trade, notes and other receivables, deposits and prepayments	15	364,815	289,122
Short-term investment		75,045	76,729
Loan receivables		670	1,267
Amount due from a joint venture	13	320	320
Cash and cash equivalents		55,448	35,564
		513,769	413,983
Total assets		4,941,250	4,665,687
Current liabilities			
Other payables and accruals	16	(149,361)	(237,575)
Borrowings	17	(144,429)	(186,155)
Convertible notes	18	(98,861)	(192,029)
Taxation		(9,524)	(7,072)
		(402,175)	(622,831)
Net current assets/(liabilities)		111,594	(208,848)
Total assets less current liabilities		4,539,075	4,042,856
Non-current liabilities			
Provisions		(2,356)	(2,409)
Borrowings	17	(705,840)	(416,366)
Convertible notes	18	(312,305)	(93,221)
Deferred tax		(27,555)	(27,555)
		(1,048,056)	(539,551)
NET ASSETS		3,491,019	3,503,305
Capital and reserves attributable to owners of the Company			
Share capital	19	172,796	176,036
Reserves		3,302,276	3,312,601
Equity attributable to the owners of the Company		3,475,072	3,488,637
Non-controlling interests		15,947	14,668
TOTAL EQUITY		3,491,019	3,503,305

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2016 – unaudited

簡明綜合權益變動表

截至2016年6月30日止六個月－未經審核

		Share capital	Share premium	Contributed surplus	Share option reserve	Convertible note equity reserve	Exchange reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		股本	股份溢價	繳納盈餘	購股權儲備	可換股票據權益儲備	匯兌儲備	累計虧損	本公司擁有人應佔權益	非控股權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於2016年1月1日	176,036	4,302,009	81,043	111,794	26,322	(106,285)	(1,102,282)	3,488,637	14,668	3,503,305
Profit for the period	本期溢利	-	-	-	-	-	-	4,395	4,395	1,302	5,697
Other comprehensive income	其他全面收益	-	-	-	-	-	(12,506)	-	(12,506)	(23)	(12,529)
Total comprehensive income for the period	本期全面收益總額	-	-	-	-	-	(12,506)	4,395	(8,111)	1,279	(6,832)
Issue of convertible notes	發行可換股票據	-	-	-	-	53,681	-	-	53,681	-	53,681
Release upon redemption of convertible notes	贖回可換股票據之回發	-	-	-	-	(15,913)	-	15,913	-	-	-
Repurchase of shares	購回股份	(3,240)	(55,895)	-	-	-	-	-	(59,135)	-	(59,135)
Release upon lapse of vested share options	於已歸屬購股權失效時撥回	-	-	-	(73)	-	-	73	-	-	-
At 30 June 2016	於2016年6月30日	172,796	4,246,114	81,043	111,721	64,090	(118,791)	(1,081,901)	3,475,072	15,947	3,491,019
At 1 January 2015	於2015年1月1日	179,539	4,362,863	81,043	35,785	15,913	4,116	(625,270)	4,053,989	-	4,053,989
Profit for the period	本期溢利	-	-	-	-	-	-	13,876	13,876	-	13,876
Other comprehensive income	其他全面收益	-	-	-	-	-	(20,636)	-	(20,636)	-	(20,636)
Total comprehensive income for the period	本期全面收益總額	-	-	-	-	-	(20,636)	13,876	(6,760)	-	(6,760)
Issue of convertible notes	發行可換股票據	-	-	-	-	10,453	-	-	10,453	-	10,453
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	43,570	43,570
Repurchase of shares	購回股份	(735)	(14,890)	-	-	-	-	-	(15,625)	-	(15,625)
Release upon lapse of vested share options	於已歸屬購股權失效時撥回	-	-	-	(1,509)	-	-	1,509	-	-	-
At 30 June 2015	於2015年6月30日	178,804	4,347,973	81,043	34,276	26,366	(16,520)	(609,885)	4,042,057	43,570	4,085,627

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2016

簡明綜合現金流量表

截至2016年6月30日止六個月

		2016	2015
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Net cash used in operating activities	經營業務所用之現金淨額	(88,007)	(5,145)
Net cash used in investing activities	投資活動所用之現金淨額	(329,451)	(85,000)
Net cash used before financing activities	融資活動前所用之現金淨額	(417,458)	(90,145)
Net cash generated from financing activities	融資活動產生之現金淨額	440,930	131,219
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	23,472	41,074
Cash and cash equivalents at 1 January	於1月1日之現金及現金等價物	35,564	19,455
Effect of foreign exchange rate changes on cash and cash equivalents	現金及現金等價物匯率變動之影響	(3,588)	(4,470)
Cash and cash equivalents at 30 June, representing cash and bank balances	於6月30日之現金及現金等價物 — 即現金及銀行結餘	55,448	56,059

Notes to the Financial Statements

1. GENERAL

The Company was incorporated as an exempted company with limited liability in Bermuda on 2 November 1999 under the Companies Act 1981 of Bermuda (as amended) and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 9 February 2000. The registered office and principal place of business of the Company are located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Suite 3707-3708, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong, respectively.

2. BASIS OF PREPARATION

The interim financial report of the Group has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Hong Kong Accounting Standard (“HKAS”) 34, “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The preparation of an interim report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and 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 events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2015 annual financial statements. The 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”).

This interim financial report is unaudited, but has been reviewed by the Company’s Audit Committee.

The financial information relating to the financial year ended 31 December 2015 that is included in this interim financial report as being previously reported information does not constitute the Group’s statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2015 are available from the Company’s head office or at the Company’s website (www.sino-oilgas.hk). The auditor has expressed an unqualified opinion on those financial statements in his report dated 30 March 2016.

1. 一般資料

本公司根據百慕達一九八一年公司法(經修訂)於1999年11月2日在百慕達註冊成立為受豁免有限公司，其股份於2000年2月9日於香港聯合交易所有限公司主板上市。本公司之註冊辦事處及主要營業地點分別位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda及香港干諾道中168-200號信德中心西座3707-3708室。

2. 編製基準

本集團之中期財務報告乃按照香港聯合交易所有限公司證券上市規則(「上市規則」)適用之披露條文編製及香港會計師公會頒佈之《香港會計準則》第34號—「中期財務報告」之規定。管理層在編製符合香港會計準則第34號規定之中期財務報告時所作之判斷、估計及假設，會影響會計政策之應用及按目前情況為基準計算之經匯報資產與負債、收入及支出之金額。實際業績可能有別於該等估計。本中期財務報告包括簡明綜合財務報表及部分附註。附註闡述了自2015年年度財務報表刊發以來，在瞭解本集團之財務狀況變動及表現方面確屬重要之事件及交易。此中期財務報表及附註沒有包括按照《香港財務報告準則》規定編製完整財務報表所需之全部資料。

本中期財務報告雖未經審核，但已由本公司審核委員會審閱。

本中期財務報告所載截至2015年12月31日止財政年度之財務資料為已匯報之資料，並不構成本集團該財政年度之法定財務報表，但資料則源自有關財務報表。截至2015年12月31日止年度之法定財務報表可於本公司之總辦事處索取，或瀏覽本公司網址(www.sino-oilgas.hk)。本公司核數師已在2016年3月30日之核數師報告書中對該等財務報表表達無保留意見。

3. SIGNIFICANT ACCOUNTING POLICIES

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2015 annual financial statements, which have been prepared in accordance with all applicable HKFRSs, except for the new standards, amendments and interpretations of HKFRSs issued by HKICPA which have become effective in this period.

4. ADOPTION OF NEW AND REVISED HKFRSs

In the reporting period, the Group has adopted a number of new and revised HKFRSs, issued by the HKICPA that are effective for the accounting period beginning on 1 January 2016. The adoption of these new and revised HKFRSs has no material impact on the Group's financial statements.

The Group has already commenced an assessment of the impact of adopting the above standards and amendments to existing standards to the Group. The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group's accounting policies and financial statements.

5. TURNOVER AND SEGMENT REPORTING

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has three (2015: three) reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- i) Oil and gas exploitation: Exploitation and sale of crude oil and natural gas.
- ii) Coalbed methane: Exploration, development and production of coalbed methane.
- iii) Raw and cleaned coal: Raw coal washing and sale of raw and cleaned coal.

3. 主要會計政策

本中期財務報告按照2015年年度財務報表所採用之會計政策及所有適用之香港財務報告準則編製，包括香港會計師公會頒佈之所有適用之個別香港財務報告準則，除香港會計師公會頒佈於本期間生效之新訂及經修訂之香港財務報告準則及詮釋。

4. 採納新訂及經修訂香港財務報告準則

於本報告期內，本集團已採納多項由香港會計師公會頒佈，並於2016年1月1日開始的會計期間生效的新訂及經修訂香港財務報告準則。採納這些新訂及經修訂香港財務報告準則對本集團的財務報表沒有重大影響。

本集團已開始評估採納上述準則及現有準則之修訂對本集團之影響。本集團尚未能陳述此等新公佈是否將引致本集團之會計政策及財務報表出現重大變動。

5. 營業額及分部報告

本集團按主要經營決策者審閱並用以作出策略性決策之報告釐定其經營分部。

本集團擁有三個(2015年：三個)可報告分部。由於各自業務提供不同產品及服務並需要不同業務策略，故分部須獨立管理。以下為本集團各可報告分部營運之概要：

- i) 石油及天然氣開採：開採及銷售原油和天然氣
- ii) 煤層氣：勘探、開發及生產煤層氣
- iii) 原煤及精煤：原煤洗選及銷售原煤和精煤

Notes to the Financial Statements

5. TURNOVER AND SEGMENT REPORTING (Continued)

There are no sales or trading transactions between the business segments. Corporate revenue and expenses are not allocated to the operating segments as they are not included in the measurement of the segments' results used by the chief operating decision-maker in the assessment of segment performance. Segment information about these businesses is set out as follows:

For the six months ended 30 June 2016

5. 營業額及分部報告 (續)

業務分部間並無出售或買賣交易。企業收入及開支不分配至各經營分部，原因在於主要經營決策者評估分部表現之分部業績計算並無包括有關收益及開支在內。有關該等業務之分部資料載例如下：

截至2016年6月30日止六個月

		Oil and gas exploitation 石油及 天然氣開採 HK\$' 000 千港元	Coalbed methane 煤層氣 HK\$' 000 千港元	Raw and cleaned coal 原煤及 精煤 HK\$' 000 千港元	Unallocated – note (i) 未分配 – 附註(i) HK\$' 000 千港元	Total 總計 HK\$' 000 千港元
Results	業績					
Revenue from external customers	來自外界客戶之收入	<u>3,999</u>	<u>30,435</u>	<u>43,947</u>	<u>–</u>	<u>78,381</u>
Segments results – note (ii)	分部業績 – 附註(ii)	<u>(1,933)</u>	<u>4,808</u>	<u>4,988</u>	<u>14,368</u>	<u>22,231</u>
Finance costs	融資成本	<u>(1)</u>	<u>(83)</u>	<u>(69)</u>	<u>(14,266)</u>	<u>(14,419)</u>
Share of loss of an associate	應佔一家聯營公司虧損	<u>–</u>	<u>(363)</u>	<u>–</u>	<u>–</u>	<u>(363)</u>
Profit/(loss) before income tax expense	除所得稅支出前 溢利/(虧損)	<u>(1,934)</u>	<u>4,362</u>	<u>4,919</u>	<u>102</u>	<u>7,449</u>
Income tax expense	所得稅支出	<u>–</u>	<u>–</u>	<u>(1,752)</u>	<u>–</u>	<u>(1,752)</u>
Profit/(loss) for the period	本期溢利/(虧損)	<u>(1,934)</u>	<u>4,362</u>	<u>3,167</u>	<u>102</u>	<u>5,697</u>
Assets and liabilities – at 30 June 2016	資產及負債 – 於2016年6月30日					
Reportable segment assets – note (iii)	可報告分部資產 – 附註(iii)	<u>324,918</u>	<u>4,300,676</u>	<u>207,099</u>	<u>108,557</u>	<u>4,941,250</u>
Reportable segment liabilities – note (iv)	可報告分部負債 – 附註(iv)	<u>22,173</u>	<u>701,119</u>	<u>22,818</u>	<u>704,121</u>	<u>1,450,231</u>

5. TURNOVER AND SEGMENT REPORTING (Continued)

For the six months ended 30 June 2015

5. 營業額及分部報告(續)

截至2015年6月30日止六個月

		Oil and gas exploitation 石油及 天然氣開採 HK\$' 000 千港元	Coalbed methane 煤層氣 HK\$' 000 千港元	Raw and cleaned coal 原煤及 精煤 HK\$' 000 千港元	Unallocated – note (i) 未分配 – 附註(i) HK\$' 000 千港元	Total 總計 HK' 000 千港元
Results	業績					
Revenue from external customers	來自外界客戶之收入	5,963	–	–	–	5,963
Segments results – note (ii)	分部業績 – 附註(ii)	(2,701)	33,705	–	(12,530)	18,474
Finance costs	融資成本	(49)	–	–	(3,627)	(3,676)
Share of loss of a joint venture	應佔一家合營企業虧損	(597)	–	–	–	(597)
Share of loss of an associate	應佔一家聯營公司虧損	–	(325)	–	–	(325)
Profit/(loss) before income tax expense	除所得稅支出前 溢利/(虧損)	(3,347)	33,380	–	(16,157)	13,876
Income tax expense	所得稅支出	–	–	–	–	–
Profit/(loss) for the period	本期溢利/(虧損)	(3,347)	33,380	–	(16,157)	13,876
Assets and liabilities – at 31 December 2015	資產及負債 – 於2015年12月31日					
Reportable segment assets – note (iii)	可報告分部資產 – 附註(iii)	283,436	4,073,699	214,998	93,554	4,665,687
Reportable segment liabilities – note (iv)	可報告分部負債 – 附註(iv)	54,613	435,297	149,329	523,143	1,162,382

Notes:

- (i) Unallocated results before finance costs mainly include the interest income from short-term investment and other interest income (note 6), salaries, rental expense and professional fees for Hong Kong head office.
- (ii) Included in the segment result of coalbed methane segment are revenue from the sale of HK\$30,435,000 (six months ended 30 June 2015: other revenue from the trial sale of HK\$42,268,000) of coalbed methane generated from the Sanjiao coalbed methane project (“Sanjiao CBM Project”) and government subsidies of HK\$9,592,000 (six months ended 30 June 2015: nil) (note 6).
- (iii) Unallocated segment assets mainly include cash and cash equivalents and short-term investment.
- (iv) Unallocated segment liabilities mainly include convertible notes and unsecured borrowings.

附註：

- (i) 未分配分部業績(除融資成本外)主要包括短期投資之利息及其他利息收入(附註6)、工資、租金及專業費用等香港總辦事處之開支。
- (ii) 煤層氣分部的業績包括來自於三交煤層氣項目之銷售收入30,435,000港元(截至2015年6月30日止六個月之試銷售收入: 42,268,000港元)及政府補貼為9,592,000港元(截至2015年6月30日止六個月: 無)(附註6)。
- (iii) 未分配分部資產主要包括現金及現金等價物及短期投資。
- (iv) 未分配分部負債主要包括可換股票據及無抵押借貸。

Notes to the Financial Statements

6. OTHER REVENUE

6. 其他收入

		Six months ended 30 June 截至6月30日止六個月	
		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Interest income	利息收入		
– bank deposits	– 銀行存款	100	148
– short-term investment	– 短期投資	4,938	3,266
– other interest – note	– 其他利息 – 註	29,390	–
Total interest income on financial assets that are not financial assets at fair value through profit or loss	並非按公平值於損益列賬之財務資產之利息收入總額	34,428	3,414
Income from trial sale of coalbed methane	煤層氣的試銷售收入	–	42,268
Government subsidies	政府補貼	9,592	–
Others	其他	131	210
		44,151	45,892

Note: It represents the interest income on the deposits paid for possible acquisitions of Canada oil fields as disclosed in note 15 (iv).

附註：其他利息收入為收購加拿大油田項目之按金的利息收入（附註15(iv)）。

7. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense is arrived at after charging:

7. 除所得稅支出前溢利

除所得稅支出前溢利已扣除：

		Six months ended 30 June 截至6月30日止六個月	
		2016 HK\$'000 千港元	2015 HK\$'000 千港元
a) Finance costs	a) 融資成本		
Interest on borrowings wholly repayable within five years	須於五年內全部償還之借款利息	15,968	12,488
Imputed interest expense on convertible notes – note 18	可換股票據之應歸利息 – 附註18	24,967	15,762
Amortisation of transaction costs on issue of convertible notes – note 18	發行可換股票據的交易成本之攤銷 – 附註18	2,781	1,504
Interest on corporate bonds	企業債券之利息	9,829	1,863
Amortisation of transaction cost on corporate bonds	企業債券的交易成本之攤銷	3,524	672
Interest on promissory note	匯兌票據之利息	–	1,092
Others	其他	2,335	794
		59,404	34,175
Less: interest capitalised (included in property, plant and equipment) – note 11	減：已資本化物業、廠房及設備之利息 – 附註11	(44,985)	(30,499)
		14,419	3,676
b) Staff costs (including directors' remuneration)	b) 員工成本 (包括董事酬金)		
Salaries, wages and other benefits	薪金、工資及其他福利	18,755	16,239
Contributions to defined contribution retirement plan	定額供款退休計劃之供款	808	819
		19,563	17,058
c) Other items	c) 其他項目		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	19,204	1,214
Amortisation of intangible assets	無形資產之攤銷	9,498	215
Minimum lease payments under operating leases	經營租賃之最低租賃款項		
– property rentals	– 物業租金	2,670	2,486
– plant and equipment	– 廠房及設備	1,485	–

Notes to the Financial Statements

8. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the group companies did not have any estimated assessable profits subject to Hong Kong profits tax for the six months ended 30 June 2016 and 2015. During the six months ended 30 June 2016 and 2015, the subsidiaries in the People's Republic of China ("PRC") were subject to statutory tax rate of 25%.

The amount of income tax expense, charged to the condensed consolidated statement of comprehensive income represents:

Current income tax	即期所得稅
– PRC enterprises income tax	– 中國企業所得稅

9. DIVIDENDS

The directors have not declared nor proposed any dividends in respect of the six months ended 30 June 2016 (six months ended 30 June 2015: nil).

10. EARNINGS PER SHARE

a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company of HK\$4,395,000 (six months ended 30 June 2015: HK\$13,876,000) and the weighted average of 17,545,260,000 ordinary shares (six months ended 30 June 2015: 17,949,146,000 ordinary shares) in issue during the period.

8. 所得稅支出

截至2016年6月30日及2015年6月30日止六個月，由於集團公司並無須繳納香港利得稅之估計應課稅溢利，故並無計提香港利得稅撥備。截至2016年6月30日及2015年6月30日止六個月，位於中華人民共和國（「中國」）之附屬公司按法定稅率25%繳納稅項。

綜合全面收益表的所得稅包括：

Six months ended 30 June 截至6月30日止六個月

2016	2015
HK\$' 000	HK\$' 000
千港元	千港元

1,752	–
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9. 股息

董事並無宣派或擬派截至2016年6月30日止六個月之股息（截至2015年6月30日止六個月：無）。

10. 每股盈利

a) 每股基本盈利

每股基本盈利是根據本公司擁有人應佔溢利4,395,000港元（截至2015年6月30日止六個月溢利：13,876,000港元），除以期內已發行普通股之加權平均數17,545,260,000股（截至2015年6月30日止六個月：17,949,146,000股普通股）計算。

10. EARNINGS PER SHARE (Continued)

b) Diluted earnings per share

Diluted earnings per share for the six months ended 30 June 2016 is the same as the basic earnings per share. The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options and convertible notes as the exercise price of those share options and convertible notes is higher than the average market price for shares.

For the six months ended 30 June 2015, the calculation of the diluted earnings per share attributable to the owners of the Company was based on the following data:

10. 每股盈利 (續)

b) 每股攤薄盈利

截至2016年6月30日止六個月，每股攤薄盈利與每股基本盈利相同。計算每股攤薄盈利時並無假設行使本公司尚未行使購股權及可換股票據，乃由於該等購股權及可換股票據之行使價高於股份之平均市價。

截至2015年6月30日止六個月，本公司股權持有人應佔每股攤薄盈利乃按下數據計算：

		2015 HK\$'000 千港元
Profit for the purposes of basic earnings per share	計算每股基本盈利之溢利	13,876
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：	
– Imputed interest on convertible notes	– 可換股票據之應歸利息	15,762
– Amortisation of convertible notes transaction costs	– 可換股票據交易成本之攤銷	1,504
Less: interest capitalised as gas exploration and evaluation and assets	減：天然氣勘探及評估資產之資本化利息	(17,266)
Profit for the purposes of diluted earnings per share	計算每股攤薄盈利之溢利	<u>13,876</u>

		2015 '000 千股
Weighted average number of ordinary shares in issue during the period	年內已發行普通股之加權平均數	17,949,146
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：	
– Convertible notes	– 可換股票據	898,204
Weighted average number of ordinary shares in issue during the period for the purposes of diluted earnings per share	計算每股攤薄盈利之期內已發行普通股之加權平均數	<u>18,847,350</u>

Notes to the Financial Statements

10. EARNINGS PER SHARE (Continued)

b) Diluted earnings per share (Continued)

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options, convertible notes (if applicable) and warrants (if any) as the exercise price of those share options, convertible notes and warrants is higher than the average market price for shares.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, the group incurred the expenditure on property, plant and equipment with a cost of HK\$132,828,000 (six months ended 30 June 2015: HK\$103,000) and interest capitalised is HK\$44,985,000 (six months ended 30 June 2015: interest capitalised as the gas exploration and evaluation assets was HK\$30,499,000).

As at 30 June 2016, certain oil and gas properties with a carrying amount of HK\$1,199,500,000 (31 December 2015: HK\$1,235,200,000) are pledged to secure the group's secured interest-bearing borrowings as set out in note 17.

12. INTANGIBLE ASSETS

The intangible assets represent mainly an operation rights in respect of coalbed methane project in PRC and a favourable supplier agreement in respect of raw and cleaned coal project in PRC.

13. INTEREST IN A JOINT VENTURE

10. 每股盈利(續)

b) 每股攤薄盈利(續)

計算每股攤薄盈利時並無假設行使本公司尚未行使購股權、可換股票據(如適用)及認股權證(如有)，乃由於該等購股權、可換股票據及認股權證之行使價高於股份之平均市價。

11. 物業、廠房及設備

截至2016年6月30日止六個月，本集團關於物業、廠房及設備之資本開支成本為132,828,000港元(截至2015年6月30止六個月：103,000港元)及資本化利息成本為44,985,000港元(截至2015年6月30日止六個月，計入天然氣勘探及評估資產：30,499,000港元)。

於2016年6月30日，賬面值共約1,199,500,000港元(2015年12月31日：1,235,200,000港元)之若干油氣資產已抵押，作為本集團有抵押付息借貸之抵押(附註17)。

12. 無形資產

無形資產主要為位於中國煤層氣項目之營運權及原煤和精煤項目之優惠供應商協議。

13. 於一家合營企業之權益

		30.6.2016 HK\$'000 千港元	31.12.2015 HK\$'000 千港元
Share of net assets	分佔資產淨值		
As at 1 January	於1月1日	-	587
Share of loss for the period/year	本期間/年度分佔虧損	-	(587)
Amount due from a joint venture	應收一間聯營公司	320	320
		320	320

14. INTEREST IN AN ASSOCIATE

14. 於一家聯營公司之權益

		30.6.2016	31.12.2015
		HK\$'000	HK\$'000
		千港元	千港元
As at 1 January	於1月1日	60,118	62,448
Share of loss for the period/year	本期間／年度分佔虧損	(363)	(1,203)
Exchange difference	匯兌差異	-	(1,127)
		59,755	60,118

15. TRADE, NOTES AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

15. 應收賬款、應收票據、其他應收賬款、按金及預付款項

		30.6.2016	31.12.2015
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產		
Deposits and prepayments	按金及預付款項		
- notes (ii) & (iii)	- 附註(ii)及(iii)	87,129	21,235
Current assets	流動資產		
Trade receivables - note (i)	應收賬款 - 附註(i)	52,135	27,857
Notes receivable	應收票據	4,696	18,374
Other receivables	其他應收賬款	56,806	7,836
		113,637	54,067
Utility deposits	水電按金	744	747
Other deposits and prepayments - note (iv)	其他按金及預付款項 - 附註(iv)	250,434	234,308
		251,178	235,055
		364,815	289,122

Notes to the Financial Statements

15. TRADE, NOTES AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Notes:

- (i) Trade receivables are expected to be recovered within one year. All trade receivables are not impaired and related to customers which have good business track records with the Group. Ageing analysis of trade receivables is as follows:

		30.6.2016	31.12.2015
		HK\$' 000	HK\$' 000
		千港元	千港元
1 – 30 days	1至30天	9,396	23,371
31 – 60 days	31至60天	3,814	699
61 – 90 days	61至90天	6,393	64
Over 90 days	多於90天	32,532	3,723
		52,135	27,857

- (ii) Prepayments include prepaid costs of HK\$69,133,000 (31 December 2015: HK\$11,455,000) on construction in progress in respect of Sanjiao CBM Project.
- (iii) The balance includes a guarantee deposit of HK\$17,996,000 (31 December 2015: HK\$9,780,000) paid to secure the Group's secured interest-bearing borrowings as set out in note 17.

15. 應收賬款、應收票據、其他應收賬款、按金及預付款項 (續)

附註：

- (i) 所有應收賬款預計可於一年內收回，基於本公司與客戶有良好之商業記錄，故並無作出減值。應收賬款之賬齡分析如下：

- (ii) 預付款項包括對本集團在建工程之預付勘探成本 69,133,000 港元 (2015 年 12 月 31 日：11,455,000 港元)。
- (iii) 餘款包括載於附註 17 用於擔保本集團有抵押附息借貸之保證金，總數為 17,996,000 港元 (2015 年 12 月 31 日：9,780,000 港元)。

15. TRADE, NOTES AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Notes: (Continued)

(iv) The balance includes deposits of HK\$238,904,000 (31 December 2015: HK\$223,892,000) paid for possible acquisitions of Canada oil fields as disclosed in the Company's announcement dated 30 June 2014 and 1 September 2014 respectively. On 30 June 2014, a wholly-owned subsidiary of the Company has entered into first non-legally binding memorandum of understanding ("MOU 1") with Jade Million Co Ltd, (the "Vendor") in relation to a possible acquisition of the interests of certain oil and gas blocks in Canada ("Target 1"). According to the MOU 1, the Group paid a refundable deposit of Canadian Dollars ("CAD") 30 million ("Deposit 1") which is interest-free to the Vendor in July 2014. On 1 September 2014, the Group has entered into another memorandum of understanding ("MOU 2") with Vendor and paying a refundable deposit of CAD 10 million ("Deposit 2") which is interest bearing at 4.5% per annum in relation to a possible acquisition of the interests of certain oil and gas blocks (other than Target 1) in Canada ("Target 2"). In both MOU 1 and MOU 2, the Vendor has pledged the interests of Target 1 and Target 2 to the Group as return. On 30 April 2015 and 31 December 2015, the Group and the Vendor have agreed in writing to further extend the time limit for entering into formal agreements in respect of MOUs and the exclusive periods as set out in the MOUs respectively to 31 December 2015 and 30 September 2016 respectively. Save and except for the aforesaid extension of the time limit for entering into formal agreements and the exclusive periods, all other terms of the MOUs shall remain unchanged. Up to the date of this interim report, the Group is still performing the due diligence review.

On 30 June 2016, after negotiation with the Vendor, the Company and the Vendor entered into a supplemental memorandum to amend and supplement certain terms of the MOU 1 and MOU 2 that interest on the Deposit 1 and Deposit 2 shall accrue at the rate of 8.5% per annum with reference to the existing cost of capital to the Company. Interests were accrued from 1 December 2014 with respect to the Deposit 1 and from 1 April 2015 with respect to the Deposit 2 respectively.

15. 應收賬款、應收票據、其他應收賬款、按金及預付款項 (續)

附註：(續)

(iv) 餘款包括按金238,904,000港元(2015年12月31日：223,892,000港元)，為本公司分別於2014年6月30日及2014年9月1日公佈披露之可能收購加拿大油田之按金。於2014年6月30日，本公司全資附屬公司已與Jade Million Co Ltd (「賣方」) 訂立第一份不具法律約束力之諒解備忘錄 (「諒解備忘錄1」)，內容有關可能收購加拿大若干油田區塊 (「目標1」) 之權益。根據諒解備忘錄1，本集團已於2014年7月支付免息之可退還按金30,000,000加元 (「按金1」)。於2014年9月1日，本集團已與賣方訂立另一份諒解備忘錄 (「諒解備忘錄2」)，內容有關可能收購加拿大若干油田區塊 (「目標2」，目標1以外區塊) 之權益，並支付按每年4.5%計息之可退還按金10,000,000加元 (「按金2」)。就目標1及目標2而言，賣方已將目標1及目標2之權益抵押予本集團。於2015年4月30日及2015年12月31日，買方及賣方書面同意將該等諒解備忘錄中訂立正式協議的期限及該等獨家有效期，兩者均分別延至2015年12月31日及2016年9月30日 (或其他買賣雙方同意的較後日期)。除上述延長訂立正式協議的期限及該等獨家有效期外，該等諒解備忘錄所有其他條款維持不變。截至本中期報告，本集團仍在進行盡職審查。

於2016年6月30日，與賣方協商後，本公司和賣方簽訂一份補充備忘錄，修改及補充諒解備忘錄1及諒解備忘錄2的若干條款。參考集團目前融資成本，其中按金1及按金2需以每年8.5%計回利息，按金1及按金2分別從2014年12月1日及2015年4月1日開始計算利息。

Notes to the Financial Statements

16. OTHER PAYABLES AND ACCRUALS

		30.6.2016	31.12.2015
		HK\$'000	HK\$'000
		千港元	千港元
Other payables and accruals – note	其他應付款項及預提費用—附註	149,361	227,432
Amounts due to a shareholder	應付股東款項	–	10,143
		149,361	237,575

Note: Other payables represent the exploration costs payable in respect of oil and gas properties.

16. 其他應付款項及預提費用

附註：其他應付款項及預提費用主要為有關油氣資產之應付勘探成本。

17. BORROWINGS

		30.6.2016	31.12.2015
		HK\$'000	HK\$'000
		千港元	千港元
Secured interest-bearing borrowings – notes (i) and (ii)	有抵押附息借貸—附註(i)及(ii)	571,879	214,794
Other borrowings – unsecured	其他借貸—無抵押	–	66,825
Promissory note	匯兌票據	–	101,431
Corporate bonds – note (iii)	企業債券—附註(iii)	278,390	219,471
		850,269	602,521
Secured	有抵押	571,879	214,794
Unsecured	無抵押	278,390	387,727
		850,269	602,521
On demand or within one year	按要求或一年內償還	144,429	186,155
More than one year, but not exceeding two years	超過一年，但不超過兩年	113,792	170,045
More than two year, but not exceeding five years	超過兩年，但不超過五年	313,658	34,349
More than five years	超過五年	278,390	211,972
		850,269	602,521
Less: Amount due within one year included in current liabilities	列入流動負債一年內到期之金額	(144,429)	(186,155)
Non-current portion	非流動部分	705,840	416,366

17. BORROWINGS (Continued)

Notes:

- (i) The secured interest-bearing borrowings are secured by certain assets of the Group as set out in notes 11 and 15 and by personal guarantees of Dr. Dai Xiaobing and his spouse, all the trade receivables from sales of Sanjiao CBM Project, certain number of shares of the Company and a corporate guarantee by the Company.
- (ii) The range of effective interest rates on the Group's secured interest – bearing borrowings for the six month ended 2016 is 7.25% – 7.75% (2015: 8.25% – 9.00%).
- (iii) As at 30 June 2016, the corporate bonds carried fixed interest rate ranging from 5% to 7% (2015: 6%-7%) per annum with maturity in 4 to 8 years.

17. 借貸(續)

附註：

- (i) 此等有抵押附息借貸之抵押品包括載於附註11及15之本集團若干資產、由戴小兵博士及其配偶提供之個人擔保、三交煤層氣項目所有銷售之應收帳款、本公司一定數量的股票及本公司作出的公司擔保。
- (ii) 於2016年6月30日止六個月期間，集團的有抵押附息借貸附帶利息之實際浮動率為7.25%–7.75% (2015：8.25%–9.00%)。
- (iii) 於2016年6月30日，本公司的企業債券附帶固定年利率介乎於5%至7% (2015：6%–7%)之間，年期為4–8年。

18. CONVERTIBLE NOTES

18. 可換股票據

		Liability component	Equity component
		負債部分	權益部分
		HK\$' 000	HK\$' 000
		千港元	千港元
At 1 January 2015	於2015年1月1日	160,750	15,913
Issue of convertible notes during the year	年內發行之可換股票據	87,191	10,409
Amortisation of transaction costs	交易成本之攤銷	3,432	–
Imputed interest expense	應歸利息支出	40,888	–
Interest paid	已付利息	(7,011)	–
		<hr/>	<hr/>
At 31 December 2015 and 1 January 2016	於2015年12月31日及 2016年1月1日	285,250	26,322
Issue of convertible notes during the period – note (i)	期內發行之可換股票據 – 附註(i)	295,133	53,681
Redemption of convertibles notes	贖回可換股票據	(192,760)	(15,913)
Amortisation of transaction costs – note 7(a)	交易成本之攤銷–附註7(a)	2,781	–
Imputed interest expense – note 7(a)	應歸利息支出–附註7(a)	24,967	–
Interest paid	已付利息	(4,205)	–
		<hr/>	<hr/>
At 30 June 2016	於2016年6月30日	<u>411,166</u>	<u>64,090</u>

Notes to the Financial Statements

18. CONVERTIBLE NOTES (Continued)

Notes:

- (i) On 1 February 2016 and 26 May 2016, the company issued convertible notes in an aggregate principal amount of HK\$200,000,000 and HK\$160,000,000 with a 8% coupon rate respectively. The convertible notes were denominated in Hong Kong Dollar and will mature in two years from the issue date. The notes can be converted into ordinary shares of the Company at the holder's option at the rate of HK\$0.207 per share.
- (ii) For the six months ended 30 June 2016, imputed interest expense on the convertible notes was charged at the rate of approximately 18.67% – 21.24% per annum respectively calculated using the effective interest method.
- (iii) On 31 May 2016, the company entered into a convertible notes subscription agreement with a subscriber in an aggregate principal amount of USD130,000,000 (equivalent to HK\$1,010,100,000) with a 8% coupon rate. The convertible notes were denominated in United States Dollar and will mature in three years from the issue date. The notes can be converted into ordinary shares of the Company at the holder's option at the rate of HK\$0.207 per share. As at 30 June 2016, the subscription is not completed and the completion of the subscription is subject to the satisfaction of the conditions precedent under the subscription agreement.

18. 可換股票據 (續)

附註：

- (i) 於2016年2月1日及2016年5月26日，本公司分別發行本金金額為200,000,000港元及160,000,000港元，票息率為8%之可換股票據。可換股票據以港元計值，自發行日期起計兩年內到期。票據可依據持有人之選擇以每股0.207港元之價格轉換為本公司之普通股股票。
- (ii) 於2016年6月30日止六個月期間，可換股票據的應歸利息支出按實際年利率18.67%至21.24%使用實際利息法計算。
- (iii) 於2016年5月31日，本公司與可換股票據認購人訂立認購協議，發行本金總額為130,000,000美元（相等於1,010,100,000港元），票息率為8%之可換股票據。可換股債券以美元計值，自發行日期起計三年內到期。票據可依據持有人之選擇以每股0.207港元之價格轉換為本公司之普通股股票。於2016年6月30日，認購仍未完成。完成認購事項須待達成認購協議事項下之先決條件後，方可作實。

19. SHARE CAPITAL

19. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Issued and fully paid	已發行及繳足		
At 1 January 2015	於2015年1月1日	17,953,931	179,539
Shares repurchased and cancelled	股份購回及註銷	(350,330)	(3,503)
At 31 December 2015 and at 1 January 2016	於2015年12月31日及 2016年1月1日	17,603,601	176,036
Shares repurchased – note	股份購回 – 附註	(324,080)	(3,240)
At 30 June 2016	於2016年6月30日	<u>17,279,521</u>	<u>172,796</u>

Note: During the six months ended 30 June 2016, the Company repurchased a total of 324,080,000 shares of the Company at an aggregate consideration of approximately HK\$59,134,185. Out of 324,080,000 shares repurchased, 314,875,000 shares were cancelled during the period while the remaining 9,205,000 shares were cancelled on 29 July 2016.

附註：於2016年6月30日止六個月，本公司以總代價約為59,134,185港元購回共324,080,000股股份。在324,080,000股購回股份當中，314,875,000股已在期內被註銷，餘下的9,205,000股亦已於2016年7月29日被註銷。

Notes to the Financial Statements

20. COMMITMENTS

a) Operating lease commitments – Lessee

At 30 June 2016 and 31 December 2015, the total future minimum lease payments under non-cancellable operating leases were payable as follows:

		30.6.2016	31.12.2015
		HK\$' 000	HK\$' 000
		千港元	千港元
Within 1 year	1年內	8,639	7,435
After 1 year but within 5 years	1年後但5年內	13,968	22,450
		22,607	29,885

The Group is the lessee of a number of properties and plant and equipment held under operating leases. The leases typically run for an initial period of one to ten years without an extension option. None of the leases includes contingent rentals.

b) Capital commitments

(i) Authorised but not contracted

At 30 June 2016 and 31 December 2015, the Group was committed to develop a total 9 (31 December 2015:9) new oil wells under the development contracts of the Liuluoyu Oil Field and Yanjiawan Oil Field. The estimated total capital expenditure for developing these new oil wells is approximately HK\$9.4 million (31 December 2015: HK\$9.6 million).

(ii) Contracted but not provided for

Commitments in respect of the Sanjiao CBM Project	就三交煤層氣項目之承擔
Commitments in respect of the liquefied natural gas plant	就液化天然氣廠房之承擔

20. 承擔

a) 經營租賃承擔－承租人

於2016年6月30日及2015年12月31日，不可撤銷經營租賃之日後應付之最低租賃款項總額如下：

	30.6.2016	31.12.2015
	HK\$' 000	HK\$' 000
	千港元	千港元
	8,639	7,435
	13,968	22,450
	22,607	29,885

本集團為根據經營租賃租用多項物業、廠房及設備之承租人。一般而言，該等租賃之初步期間介乎1至10年，並無續租選擇權。所有租賃概無包括或有租金。

b) 資本承擔

(i) 已授權但未訂約

於2016年6月30日及2015年12月31日，本集團致力根據柳洛峪油田及閩家灣油田開發合同開發合共9個(2015年12月31日：9個)新油井。估計開發該等新油井之資本支出總額約為9,400,000港元(2015年12月31日：9,600,000港元)。

(ii) 已訂約但未撥備

	30.6.2016	31.12.2015
	HK\$' 000	HK\$' 000
	千港元	千港元
	23,020	32,945
	67,156	68,664
	90,176	101,609

21. CONTINGENT LIABILITIES

The Group carries out oil exploitation operations in the PRC. The PRC has adopted environmental laws and regulations that affect the operations of the oil industry. The outcome of environmental liabilities under proposed or future environmental legislation cannot reasonably be estimated at present, and could be material. Under the existing legislations, however, management believes that there are no probable liabilities that will have a material adverse effect on the financial position of the Group.

The Group also engages in the exploration, development and production of coalbed methane resources. The consequence of coalbed mining includes dismantlement and demolition of infrastructure in the mining sites. The Group may have obligations to make payments for restoration and rehabilitation of the land after the sites have been extracted. At 30 June 2016, a provision of HK\$2,356,000 (31 December 2015: HK\$2,409,000) was made in the condensed consolidated statement of financial position.

22. MATERIAL RELATED PARTY TRANSACTIONS

Key management personnel remuneration

Details of compensation paid to key management personnel including the directors of the Company are as follows:

Salaries and other benefits including the contribution to defined contribution retirement plan

薪金及其他福利，包括定額供款退休計劃之供款

23. EVENT AFTER REPORTING PERIOD

There has been no significant event since 30 June 2016.

21. 或有負債

本集團於中國經營石油開採業務。中國已實行環保法律及法規，該等法律及法規影響到石油工業之經營。建議中或未來之環保立法所引致之有關環保之負債目前尚無法合理地估計，負債可能重大。然而，根據現有立法，管理層認為，並不存在任何可能對本集團財務狀況產生重大負面影響之負債。

本集團亦經營煤層氣資源之勘探、開發和生產，而進行煤層開採之後果包括拆遷及拆除礦場之基本設施。本集團或須負責在礦場完成開採後，支付礦區土地復原及復墾之費用。於2016年6月30日，簡明綜合財務狀況表內作出了2,356,000港元（2015年12月31日：2,409,000港元）之撥備。

22. 重大關連人士交易

主要管理人員酬金

已付主要管理人員（包括本公司董事）酬金詳情如下：

Six months ended 30 June

截至6月30日止六個月

2016	2015
HK\$'000	HK\$'000
千港元	千港元

8,968

6,623

23. 報告期後事項

於2016年6月30日後並無重大事項。

Management Discussion and Analysis

BUSINESS REVIEW

During the six months ended 30 June 2016, Sino Oil and Gas Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) recorded a net profit of approximately HK\$5,697,000 (2015 interim: HK\$13,876,000), which has decreased by 59% as compared with that of the same period in last year, mainly due to the gas selling price adjustment for industrial users of the Sanjiao coalbed methane project (“Sanjiao CBM Project”) in November 2015. Meanwhile, as Sanjiao CBM Project has entered in development phase from exploration, the CBM sales has been recognised as the turnover of principal activities, the financing cost, construction related amortisation and depreciation expenses increased during the period.

In addition, the Group recorded a turnover of approximately HK\$78,381,000 (2015 interim: HK\$5,963,000), which has increased substantially compared with that of the same period in last year. The turnover included the revenue from oil exploitation operations in Shaanxi Province; the sales derived from raw coal washing project located in Qinshui Basin, Shanxi Province; and the sales of coalbed methane (“CBM”) respectively. By the end of 2015, the overall development plan of Sanjiao CBM Project (“ODP”) was approved by the National Development and Reform Commission (“NDRC”) and the project has stepped into large scale development stage. Thereby, the CBM sales has been officially recognised as turnover of principal activities since December 2015. The government subsidy of approximately HK\$9,592,000 (2015 interim: nil) on the sales of CBM for the year 2015 has been received and recorded as “other revenue” during the period.

The interest income amounted to approximately HK\$29,390,000 (2015 interim: nil) disclosed in “other revenue” (note 6 to the financial statements as disclosed in this interim report), derived from the refundable deposit of CAD40 million of the Group’s possible acquisition located in Alberta, Canada at an annual interest rate of 8.5%. During the period, after negotiation with the Vendor of the possible acquisition projects, despite the refundable deposit is mainly used for the due diligence and exploration wells drilling for the possible acquisition, for the interests of shareholders and the Company, interest expenses will be charged against the Vendor retrospectively commencing from the date of the first extension of the memorandums of understanding with reference to the Group’s existing financing cost (note 15(iv) to the financial statements as disclosed in this interim report).

業務回顧

截至2016年6月30日止六個月內，中國油氣控股有限公司（「本公司」）及其附屬公司（「本集團」）錄得淨溢利約5,697,000港元（2015年中期：淨溢利13,876,000港元），較去年同期下降約59%，主要歸因於三交煤層氣項目於2015年11月下調工業用戶煤層氣銷售價格；同時由於三交煤層氣項目發展已由勘探進入開發階段，煤層氣銷售已列入主營業務的營業額，期內融資成本、建設之攤銷及折舊支出都有所增加。

另外，本集團於期內錄得營業額為約78,381,000港元（2015年中期：5,963,000港元），較去年同期大幅上升。營業額分別來自於陝西省之石油開採、山西沁水盆地之原煤洗選業務收入，以及煤層氣銷售。於2015年底，三交煤層氣項目的總體開發方案（「ODP」）已獲中國國家發展和改革委員會（「發改委」）正式批覆，並進入大開發階段。故此，煤層氣銷售已於去年12月開始正式列入主營業務的營業額。2015年銷售煤層氣之政府補貼約9,592,000港元（2015年中期：無）已於期內入賬並披露於其他收入。

另披露於其他收入（載於本中期報告之財務報表附註6）的利息收入金額約29,390,000港元（2015年中期：無），該利息收入來自本集團位於加拿大阿爾伯特省的擬收購項目的可退還按金40,000,000加元按年利率8.5%計算所產生。期內，集團經與擬收購項目賣家協商後同意，雖然認為可退還按金為用於擬收購項目之盡職調查以及勘探試井，但為股東及公司利益，會參考集團目前融資成本向賣家由第一次延長收購備忘錄的日期起開始收取利息（載於本中期報告之財務報表附註15(iv)）。

NATURAL GAS AND OIL EXPLOITATION

COALBED METHANE EXPLOITATION – SANJIAO BLOCK IN THE ORDOS BASIN

PROJECT OVERVIEW

Through its wholly-owned subsidiary Orion Energy International Inc. (“Orion”), the Group entered into a production sharing contract (“PSC”) with China National Petroleum Corporation (“PetroChina”), its partner in the PRC, for exploration, utilisation and production of the CBM field in the Sanjiao block, located in the Ordos Basin in Shanxi and Shaanxi provinces. The Group has a 70% interest in the PSC. The PSC covers a block in the Ordos Basin in Shanxi and Shaanxi provinces, with a total site area of 383 square kilometers. According to a competent person’s updated report provided to the Company by the end of 2015, the proved and probable CBM reserves of Sanjiao block amounts to approximately 8.301 billion cubic meters and the net present value at 10% discount of the future revenue of the reserve is approximately HK\$11.498 billion.

In November 2015, the NDRC has granted the “National Development and Reform Commission: re Shanxi Sanjiao, Qikou CBM blocks, Foreign Cooperation Project, Overall Development Plan Approval” 《國家發展改革委關於山西三交—磧口區塊煤層氣對外合作項目總體開發方案的批覆》. The approval of ODP represents Sanjiao CBM Project officially entering into the large scale development and production phase with an annual production capacity of 500 million cubic meters. Upon entering into the development stage, both the PRC and foreign parties will jointly invest into the project proportionately according to PSC, and will substantially increase the productivity and sales of CBM.

In addition, Sanjiao CBM Project has been nominated as the key CBM project in both 2015 and 2016, issued by the Office of the Shanxi People’s Governments. It implies that the Government of Shanxi Province highly recognises the result of the exploration work done on the CBM field by the Group.

天然氣及石油開採

煤層氣開採—鄂爾多斯盆地三交區塊

項目總覽

本集團透過旗下全資附屬公司奧瑞安能源國際有限公司（「奧瑞安」），與中國夥伴中國石油天然氣集團公司（「中石油」）訂立生產分成合約（「PSC」），在中國山西及陝西省鄂爾多斯盆地三交區塊進行煤層氣田勘探、開採及生產，並享有當中70%權益。PSC覆蓋中國山西省及陝西省鄂爾多斯盆地合共383平方公里之區塊。根據一份由合資格人士於2015年底向本公司提供之儲量報告更新，三交煤層氣項目之淨儲量（已證實+概略）約為83.01億立方米，而該儲量未來收入淨現值（10%折現）約為114.98億港元。

2015年11月發改委已發出《國家發展改革委關於山西三交—磧口區塊煤層氣對外合作項目總體開發方案的批覆》。按此，ODP的獲批意味著三交煤層氣項目正式進入年產能5億立方米的大規模開發和生產階段。進入開發期後，中外雙方可以依據PSC的規定按比例共同投資，大幅度提高產能及增加煤層氣的銷售收入。

此外，三交煤層氣項目連續於2015年及2016年被納入山西省人民政府辦公廳重點煤層氣項目，說明了山西省政府對本集團三交煤層氣項目的前期勘探工作作出了高度肯定。

Management Discussion and Analysis

INFRASTRUCTURE

As at 30 June 2016, the Sanjiao CBM Project has completed a total of 99 wells, comprising 46 multilateral horizontal wells and 53 vertical wells. Out of the total 99 wells, 82 wells were in the normal dewatering stage, of which 60 wells had accessed to a gas collection pipeline network. A ground pipeline network of approximately 18 kilometers, inter-well pipelines of approximately 42 kilometers, and outbound pipelines of approximately 17 kilometers were completed. Approximately total 59.7 kilometers of 10KV power grid and branch power line were also completed.

During the period, the Group has undertaken the expansion of the CBM processing station with daily processing capacity of up to 500,000 cubic meters. As at 30 June 2016, the total CBM daily processing capacity is 270,000 cubic meters. In order to cope with the increasing CBM production in Sanjiao, the Group will continue to expand the CBM processing capacity of the station.

During the period, the Group has started the low productivity wells rework programme. After the joint technology examination and economic assessment conducted by local and foreign experts, 18 wells with the great potential value have been selected. With cautious implementation schedule, the Group prepares operation plans, optimises the drainage system and improves the single well productivity. As of 30 June 2016, significant progress has been obtained through the rework of low productivity wells, including the dewatering quantitative management, dewatering recovery of low productivity wells, blockage relief by nitrogen and fracturing reform etc. Steady increase of the single well productivity has been noted in a number of transformed wells. The low productivity wells rework programme is expected to be completed by this year and to contribute additional productivity.

基礎建設

截至2016年6月30日止，三交煤層氣項目合計完成鑽井共99口，其中46口為多分支水平井，餘下的53口為直井。在上述99口井中，正常排採井為82口，當中接入集氣管網的井位60口。另三交地面系統工程方面，已建成區內集氣幹線約18公里，集氣支線約42公里，外輸管線約17公里；並架設總長度約59.7公里的10KV輸電幹線及電力支線。

集團於期內已開展擴建煤層氣增壓脫水站至日處理能力達50萬立方米的工作。截至2016年6月30日，總煤層氣日處理量已達27萬立方米。為配合三交煤層氣項目不斷提升的煤層氣產量，集團將不斷擴建該站之煤層氣處理能力。

集團已於期內開展低產井改造工作，經國內外專家聯合技術審查和經濟評估之後，篩選出最具改造價值的18口潛力井，以分批分次、逐步實施為基本思路，進行方案編制，優化排採制度，提升單井產量。截至2016年6月30日，低產井改造工作在排採定量化管理、低產井復排、氮氣解堵、壓裂改造等工程項目取得重大進展，多口改造井單井產量穩步提升。低產井改造工作預計可於年內完成，並在各井達產後貢獻新增產量。

管理層討論及分析

In addition, the Group owns a 30% equity interest of Shanxi Guo Liang CBM Development Limited. It is in the process of setting up a liquefied natural gas (“LNG”) station with daily processing capacity of 1.2 million cubic meters in the Sanjiao area of Shanxi Province. The first phase design of the LNG station, with a daily processing capacity of 300,000 cubic meters has been completed through public tender. The 120,000 square meters land use rights has also been obtained at the same time. The major government approval procedures, including environmental assessment and the professional qualification of four gas types (四氣從業資格) were ready. The Group constructs the project in order to expand the sales channels of Sanjiao CBM Project which is an important strategic plan for forming a complete industrial chain and actively taking the initiatives in the gas market in Shanxi Province.

SALES

With reference to 《關於“十三五”期間煤層氣（瓦斯）開發利用補貼標準的通知》 (“Notice re Period of ‘13th Five-Year Plan’: Subsidies Granted to Development of Coalbed Methane”) issued by the Chinese Ministry of Finance on 14 February 2016, the subsidy from central government for CBM production during the “13th Five-Year Plan” (from January 2016), has been increased from RMB0.2 per cubic meter to RMB0.3 per cubic meter so as to boost the development of CBM industry. The Group believes that the state policy will have direct positive impact on the development of the Group’s Sanjiao CBM Project as well as the entire industry in the long run.

The Group’s Sanjiao CBM Project is currently using three designated CBM pipelines in the Sanjiao block and its surrounding areas, built by the Shanxi provincial government as its major sales channels. These pipelines are all constructed and invested by third parties. All three pipelines are currently operational.

此外，本集團擁有30%權益的山西國梁煤層氣開發有限公司，已準備於山西三交籌建日處理能力達120萬立方米之液化天然氣（「LNG」）處理站。第一期日處理能力達30萬立方米的LNG站已通過公開招標形式設計完畢，並已取得12萬平方米的國有土地使用証。項目主要政府審批手續包括環境評估，四氣從業資格等已基本辦理完成。該項目是為配合三交煤層氣項目拓寬銷售渠道而興建，是集團形成完整的產業鏈，積極掌握山西省燃氣市場主動地位的重要戰略部署。

銷售

於2016年2月14日國家財政部發佈《關於「十三五」期間煤層氣（瓦斯）開發利用補貼標準的通知》，為鼓勵煤層氣的開發，於「十三五規劃」期間，即2016年1月起，煤層氣開發的中央財政補貼標準已從煤層氣每立方米人民幣0.2元提高到人民幣0.3元。集團相信，政策扶持將對本集團持有的三交煤層氣項目以及整個行業的發展有長遠而直接的正面影響。

本集團三交煤層氣項目現時以三交區域內及其周邊地區由政府規劃的三條已建成煤層氣專用管線作為主要銷售渠道。該等管線均由第三方建設及投資，且均已投入營運。

Management Discussion and Analysis

During the period, the Sanjiao CBM Project recorded the CBM sales amount to approximately HK\$30,435,000 (2015 interim: HK\$42,268,000) and CBM production of approximately 32.49 million cubic meters (2015 interim: 27.9 million cubic meters) and CBM sales of approximately 26.52 million cubic meters (2015 interim: 27.38 million cubic meters), resulting in a gas sale-to-production rate of approximately 81.6% for the period (2015 interim: 98.1%). The decrease of sales was mainly due to reduction of the gas selling price for industrial users of the Sanjiao CBM Project by approximately 20% since November 2015. Meanwhile, as Orion is negotiating with an existing customer for renewal of sales contract, the CBM sales dropped during the period and some of produced gas was flared, the sales-to-production rate declined accordingly. The Company has been speeding up the contract renewal process and the sales performance is expected to be improved in the second half of this year. In terms of the composition of gas sales throughout this time, industrial piped CBM sales accounted for approximately 80.4% of total sales (2015 interim: 89.7%), while residential piped CBM sales contributed approximately 19.6% (2015 interim: 10.3%). Same as last year, all CBM was sold by pipeline.

Although the Sanjiao CBM Project has recorded operating profit during the period, it is inevitably affected by the slowing down of economy and price volatility of natural gas in China. After entering into the large scale development phase, with the continuous increase of the gas production capacity, the Group believes that the project will bring promising and long-term profit.

OILFIELDS LOCATED IN SHAANXI PROVINCE—LIULUOYU, YANJIWAN AND JINZHUANG

In order to optimise the Group's resources allocation so as to focus on the development of Sanjiao CBM Project and also due to the fact that continuous drop of domestic oil price in Shaanxi Province, the Group has slowed down the crude oil business development.

For the period ended 30 June 2016, three oilfields in Liuluoyu, Yanjiawan and Jinzhuang, located at the Ordos Basin in Shaanxi Province, yielded an aggregate crude oil output of approximately 1,930 tonnes (2015 interim: 1,900 tonnes).

期內，三交煤層氣項目錄得銷售額約30,435,000港元（2015年中期：42,268,000港元）。項目共生產煤層氣約3,249萬立方米（2015年中期：2,790萬立方米），銷售煤層氣約2,652萬立方米（2015年中期：2,738萬立方米），期內平均產銷比率約81.6%（2015年中期：98.1%）。銷售額下降主要由於三交煤層氣項目於2015年11月下調工業用戶煤層氣銷售價格約20%，同時，由於奧瑞安正與一個現有工業用戶商討銷售合約更新事宜，因此期內煤層氣銷量有所下降，亦引致部份產氣需放空，使產銷比率下降。公司會加緊完成新合約簽訂，預計下半年銷售表現可以改善。期內銷售結構中，工業用管道煤層氣銷售佔約80.4%（2015年中期：89.7%），民用管道煤層氣銷售佔約19.6%（2015年中期：10.3%）。與去年一樣，煤層氣銷售均全部為管道銷售。

雖然三交煤層氣項目在期內持續錄得經營溢利，但難免受到國內經濟增長放緩及天然氣售價波動影響。當進入大開發階段後，在產能的不斷提升下，本集團相信該項目能帶來長遠而豐厚的盈利。

位於陝西省的油田區塊—柳洛峪、閻家灣及金莊

近年來本集團優化資源配置，集中發展三交煤層氣項目，加上陝西省當地原油銷售價格一再下調，原油業務的發展速度相對放緩。

截至2016年6月30日止期內，位於陝西省鄂爾多斯盆地的柳洛峪、閻家灣及金莊三個油田區塊之原油產量共約1,930噸（2015年中期：1,900噸）。

RAW COAL WASHING PROJECT LOCATED IN SHANXI PROVINCE

The Group acquired a 75% equity interest of a raw coal washing project company located in Qinshui Basin, Shanxi Province in May 2015. The raw coal supplier of the project is a sizable state-owned coal enterprise in Qinshui basin and thereby the raw materials supply is stable. The project has been officially launched on 1 July 2015. It has already entered into stable production phase and also gradually developed sales channels. During the period, the project recorded a total sale of refined coal approximately 93,500 tonnes. The Group expects this project will bring a steady income and cash flow.

Through in-depth cooperation with the local sizable coal enterprises with further understanding to local geological environment, the Group is actively seeking to diversify the business model and cooperation projects, continuously to improve the CBM development business model and inject new momentum for the Group's growth. In January 2016, the Group entered into a non-legally binding Strategic Cooperation Framework Agreement ("Framework Agreement") with Shanxi Guxian Lanhua Baoxin Coal Company Limited (山西古縣蘭花寶欣煤業有限公司) ("Lanhua Baoxin"), pursuant to which the Company and Lanhua Baoxin, intend to establish a project management team for the development of CBM projects located in the coal mine block of Lanhua Baoxin Qinshui Basin and eastern edge of Ordos Basin. These are the regions with the richest CBM reserve in China, and also the most representative CBM production bases in China. This Framework Agreement has landmark significance to the Group, which benchmarked the Group's official entrance into the CBM market of Qinshui Basin.

CAPITAL EXPENDITURE

For the period ended 30 June 2016, the total expenditure capitalised was approximately HK\$177.4 million (2015 interim: HK\$53.94 million), which mainly comprises of (i) construction works in progress of oil and gas fields, (ii) direct expenses and (iii) finance expenses, the breakdown of which is as follows:

- (i) Construction works in progress of oil and gas field mainly representing drilling expenses approximately HK\$94.27 million (2015 interim: nil), dewatering expenses amounted to approximately HK\$2.81 million (2015 interim: HK\$8.11 million) and ground facility expenditure amounted to approximately HK\$16.5 million (2015 interim: HK\$4 million).

位於山西省的原煤洗選項目

本集團於2015年5月收購一間位於山西省沁水盆地之原煤洗選項目公司之75%權益，該原煤洗選項目之原煤供應商為山西沁水盆地內大型國有煤炭企業，原材料供應穩定。項目於2015年7月1日正式啟動，至今已進入穩定生產階段，並陸續打開了銷售渠道。期內，項目共銷售精煤約93,500噸。集團預期該項目會帶來穩定的收入以及現金流。

通過與當地大型煤炭企業的深入合作以及對當地的地質環境有更深入了解，集團積極尋求多樣化的經營模式和合作項目，不斷完善煤層氣商業發展模式，務求為集團騰飛注入新動力。2016年1月，本集團與位於沁水盆地腹地的山西古縣蘭花寶欣煤業有限公司（「蘭花寶欣」）簽訂戰略合作框架協定（「框架協定」）。據此，本集團擬與蘭花寶欣組建項目管理團隊，開展在蘭花寶欣煤礦區塊開採煤層氣項目。鄂爾多斯盆地東緣和沁水盆地是中國煤層氣最富集的地區，也是中國最具代表性的煤層氣生產示範基地。此框架協定具有里程碑式的意義，標誌著本集團正式進軍沁水盆地煤層氣市場。

資本支出

截至2016年6月30日止期內，投入三交煤層氣項目的總資本化的支出約為177,400,000港元（2015年中期：53,940,000港元），其中主要為(i)油氣田之在建工程，(ii)直接支出及(iii)財務支出，明細如下：

- (i) 油氣田之在建工程主要為鑽井工程支出約港元94,270,000（2015年中期：無），排採工程支出共約2,810,000港元（2015年中期：8,110,000港元）及地面工程支出共約16,500,000港元（2015年中期：4,000,000港元）。

Management Discussion and Analysis

- (ii) Direct expenses mainly represent direct labour cost (included, but not limit to, petroleum engineers and geologists etc.) amounted to approximately HK\$9.77 million (2015 interim: HK\$10.11 million) and other direct cost incidental to the exploration and development of the Sanjiao CBM Project amounted to approximately HK\$9.06 million (2015 interim: HK\$1.22 million); and
- (iii) The total finance expenses capitalised during the period was approximately HK\$44.99 million (2015 interim: HK\$30.5 million).

For the six month ended 30 June 2016 and 30 June 2015, there were no significant drilling activities performed in the oilfields located in Shaanxi Province.

POSSIBLE ACQUISITION—OILFIELD IN ALBERTA, CANADA

With the purpose of further enriching the Group's resources reserves, apart from actively seeking suitable oil and gas blocks in China, the Group is also exploring investment opportunities in overseas upstream businesses. The Group hence entered into two non-legally-binding memorandums of understanding ("MOUs") in June and September 2014. The acquisition targets are oil and gas fields located in Alberta Province, Canada.

According to the MOUs, the Group is now conducting due diligence review on the resources and financial aspect of the target groups. The Vendor has collected seismic data so as to identify areas where oil and gas may have accumulated; and has drilled exploratory wells to evaluate if the site can produce enough oil or gas to make it economically viable to develop. On 31 December 2015, the Group and the Vendor have agreed to further extend the time limit for entering into formal agreements in respect of the terms in the MOUs to 30 September 2016. Meanwhile, during the period, after negotiation with the Vendor, taking into account of the interests of shareholders and the Company, interest is charged at the rate of 8.5% per annum against the Vendor on the refundable deposits on MOUs (i.e. CAD40 million) retrospectively commencing from the date of the first extension of the MOUs, with reference to the existing cost of capital to the Company (note 15(iv) to the financial statements as disclosed in this interim report).

- (ii) 直接支出主要為直接工資(包括但不限於石油工程師和地質師等)共約9,770,000港元(2015年中期: 10,110,000港元)及其他有關於三交煤層氣項目勘探和發展的直接支出,共約9,060,000港元(2015年中期: 1,220,000港元);及
- (iii) 期內資本化的總財務支出約為44,990,000港元(2015年中期: 30,500,000港元)。

截至2016年6月30日及2015年6月30日止六個月內,位於陝西省的油田區塊並無進行重大鑽井工程。

潛在的收購項目—位於加拿大阿爾伯特省的油田區塊

為進一步充實集團的資源儲備,除在國內尋求合適油氣區塊外,集團亦積極拓展海外上游業務,物色優質投資機會。集團於2014年6月及9月訂立兩份不具法律約束力之諒解備忘錄(「該等備忘錄」)。收購目標為位於加拿大阿爾伯特省之油氣田。

根據該等諒解備忘錄,本集團正就上述兩個目標集團的資源及財務方面進行盡職審查,賣方已採集地震數據,以識別出油氣可能聚集的區域,進行鑽造探井以評估該區域出產的油氣是否具有足夠的經濟開發價值。於2015年12月31日,本集團及賣方同意將該等諒解備忘錄中條款分別延至2016年9月30日。同時於期內,集團經與擬收購項目賣家協商同意後,考慮到股東及公司利益,參考集團目前融資成本,按該等備忘錄的可退還按金金額(即4,000萬加元),由該等備忘錄首次延期日開始,以年利率8.5%支付利息予公司(載於本中期報告之財務報表附註15(iv))。

The management is actively preparing for these possible acquisitions. The Company expects that acquiring overseas assets will further diversify the Group's global resources allocation, balance the development of the gas and oil business portfolio. This will strengthen its capacity of operations and establish its position as an international oil and gas explorer and developer. The shareholders' value can therefore be enhanced.

FINANCIAL REVIEW

LIQUIDITY AND FINANCIAL RESOURCES

As of 30 June 2016, the net assets of the Group were approximately HK\$3,491,000,000 (31 December 2015: HK\$3,503,000,000) while its total assets were approximately HK\$4,941,000,000 (31 December 2015: HK\$4,666,000,000). As of 30 June 2016, the Group had external borrowings including the liability component of convertible notes of approximately HK\$1,261,435,000 (31 December 2015: HK\$887,771,000), and the gearing ratio based on total assets was approximately 25.53% (31 December 2015: 19.02%). Details of the Group's pledge of assets and the maturity profile of the Group's borrowings are set out in note 17 to the financial statements as disclosed in this interim report. By the end of June 2016, the current ratio was approximately 1.27 (31 December 2015: 0.66). As at 30 June 2016, the gearing ratio was still at a reasonable level and the liquidity position is expected to improve gradually following the further introduction of funds in the second half of 2016. The Group's overall financial situation will become more healthy and stable.

In February 2016, CCB International Overseas Limited subscribed the Group's convertible bonds in the aggregate principal amount of HK\$200,000,000 due 2018. 70% of the net proceeds has been used for settlement of the construction and operation costs payable in respect of the Group's Sanjiao CBM Project, the remaining of which has been used for development of oil and gas business and for repayment of certain financial obligations.

In mid May 2016, Central China International Investment Company Limited, Central China Blue Ocean Investment Management Co., Ltd., President Securities (Hong Kong) Limited subscribed the Group's convertible bonds in the aggregate principal amount of up to HK\$160,000,000 due 2018. 65% of the net proceeds has been used for repayment of certain financial obligations and substantial of the remaining of which has been used for the working capital of the Sanjiao CBM Project.

管理層現正積極準備是次潛在收購事宜，公司預期進行海外收購活動將可讓本集團的全球資源佈局進一步多元化，平衡發展天然氣和石油的業務組合，擴大營運能力，加強其作為一家國際化油氣勘探開發商的地位，並提高股東價值。

財務回顧

流動資金及財政資源

於2016年6月30日，本集團的資產淨值約為3,491,000,000港元(2015年12月31日：3,503,000,000港元)，總資產值則約為4,941,000,000港元(2015年12月31日：4,666,000,000港元)。於2016年6月30日，本集團的總借貸包括可換股票據之負債部分約為1,261,435,000港元(2015年12月31日：887,771,000港元)，負債比例按資產總值計算約為25.53%(2015年12月31日：19.02%)。有關本集團已抵押資產及借貸償還期限的詳情載於本中期報告之財務報表附註17。於2016年6月底的流動比率約為1.27(2015年12月31日：約0.66)。於2016年6月30日，本集團之負債比率仍然維持合理水平，而預期流動資金狀況隨着2016年下半年進一步引入的資金而逐步改善，集團整體財政狀況會趨穩健。

於2016年2月，建銀國際海外有限公司認購本公司發行之本金總額為200,000,000港元並於2018年到期之可換股債券。約70%的所得款項淨額已用作支付本集團三交煤層氣項目之應付工程款項及運營支出，餘下所得款項則已用作油氣業務發展及償還若干財務承擔。

於2016年5月中旬，中州國際投資有限公司、中州藍海投資管理有限公司以及統一證券(香港)有限公司認購本公司發行之本金總額為160,000,000港元並於2018年到期之可換股債券。約65%的所得款項淨額已用作償還若干財務承擔，而其餘大部份已投入用作三交煤層氣項目之營運資金。

Management Discussion and Analysis

By the end of May 2016, Crescent Spring Investment Holdings Limited, a wholly-owned subsidiary of China Huarong International Holdings Limited, and the Group entered into the subscription agreement to subscribe in cash for convertible bonds in the aggregate principal amount of US\$130,000,000 (approximately HK\$1,010,100,000 equivalents) due 2019. It was approved by special general meeting in July. The proceeds will be mainly used for the Sanjiao CBM Project, including exploration, drilling, exploitation, production and repayment of certain financial obligations. The Group is now actively fulfilling the requirements of the conditions precedent for drawdown of the subscription monies and expects to be completed by September 2016.

The above financing sources, can provide Orion with the capital at lower cost and higher flexibility to support the sizable development of Sanjiao CBM Project. With sufficient funding, the overall financial position of the Group will be further strengthened, and with the satisfactory operation and development of the Sanjiao CBM Project, the Group is able to meet its financing needs for developing various oil and gas projects.

FOREIGN EXCHANGE FLUNCTUAION

The Group is exposed to currency risk primarily through sales and purchase transactions and recognized liabilities of assets that are denominated in a currency other than the functional currency of the operations to which they relate. As of 30 June 2016, no related hedges were made by the Group. In respect to trade and other receivables and payables held in currencies other than the functional currency of the operations to which they relate, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

EMPLOYEES AND REMUNERATION POLICIES

As of 30 June 2016, the Group employed approximately 380 employees. The remuneration policy of the Group is based on the prevailing remuneration level in the market and the performance of respective companies and individual employees.

於2016年5月底，中國華融國際控股有限公司之全資附屬公司Crescent Spring Investment Holdings Limited與本公司就發行本金總額為130,000,000美元(約等值1,010,100,000港元)並於2019年到期之可換股債券訂立認購協議，並於7月份經股東特別大會批准發行可換股債券之所得款項淨額將主要用於三交煤層氣項目(包括勘探、鑽井、開採、生產和償還相關財務承擔)。集團現正積極處理該可換股票據放款之前置條件要求，預計可於今年9月完成。

上述之融資將可以為奧瑞安提供成本較低及靈活性更高的資金以支持三交煤層氣項目大開發的進行，令三交項目的營運與發展，以致本集團整體財務狀況，都更趨穩健，並足以應付未來各油氣項目發展及潛在投資機會的資金需要。

外匯波動

本集團承受之貨幣風險主要源自以有關業務之功能貨幣以外之貨幣計值之買賣交易及已確認資產和負債。於2016年6月30日，本集團並無作出相關對沖。就以有關業務之功能貨幣以外之貨幣持有之應收款項及應付款項，本集團在必要時按即期匯率買賣外匯以解決短期不均衡，以此確保風險處於可接受水準。

僱員薪酬政策

於2016年6月30日，本集團的僱員約有380人。本集團之薪酬政策主要按現行市場薪酬水平及各有關公司及個別僱員之表現釐訂。

PROSPECTS

In recent years, the global energy structure gradually transits to low-carbon fuels. Natural gas has become the fastest growing and the cleanest fossil fuel. With both technology and productivity improvement, including CBM, shale gas and other renewable energy sources, have made a significant contribution to energy reform.

According to BP Statistical Review of World Energy 2016, China is the largest energy consumption and production country in the world and plays a pivotal role in restructuring the mix of the global energy supply. In the last decade, China energy structure continues to improve with continuous optimisation of energy consumption structure, the proportion of coal and other fossil energy consumption declined while the energy consumption of clean energy such as natural gas increases gradually.

As an important unconventional gas resources, CBM is an important strategic supplement to conventional natural gas. In 2016, China has issued a series of supportive policies to strengthen the related technology and accelerate the development of CBM. Subsidy policy in place and the introduction of incentives have provided a favourable policy environment for the development of CBM industry, showing that the development of CBM has already accelerated.

In February 2016, the Chinese Ministry of Finance announced the subsidy from central government for CBM production under the “13th Five-Year Plan” increases by 50%. In April 2016, the Ministry of Land and Resources announced that in the next two years, part of the CBM exploration and exploitation approval and registration will be processed by the Department of Land and Resources of Shanxi Province, entrusted by the Ministry of Land and Resources. Sanjiao CBM Project will directly benefit from the policy.

Sanjiao CBM Project is the core asset of the Group. The ODP for the project was duly approved by the NDRC in the last quarter of 2015 and became the first approved sino-foreign cooperation CBM project with PetroChina. Accordingly, the Group has commenced the sizeable development and production which targeting to build an annual CBM production capacity of 500 million cubic meters. The works of which include large-scale drilling works, expansion of CBM processing stations, laying and improvement of pipelines for gas collection and transmission in the region and developing additional sales channels.

前景

近年來，全球能源結構逐漸向低碳燃料轉型，天然氣成為增長最快和最清潔的化石燃料。在技術和生產力提升的雙重推動下，包括煤層氣、頁岩氣和其他可再生能源對能源結構優化做出了重大貢獻。

根據《BP世界能源統計年鑒2016》，中國是全球最大的能源消費國和生產國，在全球能源結構轉型中起到了舉足輕重的作用。十年間，中國能源結構持續改進，能源消費結構持續優化，煤炭等化石能源消費比重下降，天然氣等清潔能源消費量逐步提高。

作為重要的非常規天然氣資源，煤層氣是常規天然氣的重要戰略補充。2016年，國家陸續出台了一系列利好政策，增強科技力量及加快煤層氣發展。政策補貼的到位和激勵措施的推出為煤層氣產業發展提供了有利的政策環境，表明了煤層氣發展正式進入快車道。

2016年2月，中國財政部公佈於「十三五」期間，煤層氣開發利用補貼標準提高50%；2016年4月，國土資源部決定於未來兩年，山西省部分煤層氣勘查開採審批將改為由國土資源部委託山西省國土資源廳實施審批，三交煤層氣項目成為直接受惠項目。

三交煤層氣項目是本集團的核心資產，隨著2015年下旬ODP獲發改委正式批覆，成為合作夥伴中石油第一個獲正式批覆的中外合作煤層氣項目，三交項目已正式按ODP進行建設，進入年產5億立方米的大規模開發和生產階段，包括實施大規模鑽井工程、擴建增壓脫水站、鋪設完善區域內集氣輸氣管線及開拓更多銷售渠道等。

Management Discussion and Analysis

Although 2016 is still a year full of challenges for the international oil and gas sector, international oil price remains at low level due to oversupply and our industry finds itself in a position not seen for some 30 years. This industry downturn however provides the Group with a good opportunity for overseas mergers and acquisitions. We will continue to consolidate the existing resources, balance domestic and foreign oil and gas resources, expand to the overseas oil and gas market. The Group can therefore achieve a more diversified, comprehensive and balanced business model.

The development strategy of the Group is to, based on its core business of natural gas and oil exploration and development, strengthen its competitiveness, optimise its resources allocation and enhance investment returns. At the same time, we will attempt to expand into downstream businesses relying on the Group's upstream businesses as appropriate. On this basis, we will implement active but cautious financial strategies, and seek opportunities for mergers and acquisitions as well as integration of high-quality oil and gas assets globally, targeting to become a professional international oil and gas player.

儘管就國際油氣行業而言，2016年仍然會是充滿挑戰的一年，供過於求令國際油價繼續低位徘徊，為業界於過往三十多年所未見，然而行業形勢低迷卻為集團作出海外併購，推進開放性收購提供了良好的窗口期。集團將繼續整合現有資源，均衡國內外油氣資源配置，梯度化拓展海外油氣佈局，實現集團經營模式多樣化、全面化發展。

集團未來的發展戰略是，以天然氣和石油勘探開發為主營業務，打造核心競爭力，優化資源佈局，創造良好的投資收益。同時依託本集團的上游業務，適當向下游業務延伸發展。在此基礎上，我們會實施積極穩健的財政策略，在全球範圍內尋求優質的油氣資源併購整合機會，致力於發展成為專業的國際化油氣勘探開發商。

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2016, the interests and short positions of the directors (the "Directors") or chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事於股份及相關股份中權益

於2016年6月30日，本公司董事（「董事」）或最高行政人員於本公司或其任何相聯法團（具有證券及期貨條例（「證券及期貨條例」）第XV部所賦予之涵義）之股份及相關股份中擁有誠如本公司根據證券及期貨條例第352條存置之登記冊所載或根據上市發行人董事進行證券交易的標準守則（「標準守則」）而須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

Name of Director	Long/short position	Interests in shares/ underlying shares	Nature of interest	Number of shares/ underlying shares of the Company held	Percentage of issued shares
董事姓名	好倉／淡倉	於股份／相關 股份中權益	權益性質	所持本公司股份／ 相關股份數目	佔已發行 股份百分比
Dai Xiaobing 戴小兵	Long position 好倉	Shares 股份	Beneficial owner 實益擁有人	1,381,245,000	7.99%
	Short position 淡倉	Shares 股份	Beneficial owner 實益擁有人	708,000,000	4.10%
	Long position 好倉	Share options 購股權	Beneficial owner/Family interest (Note 2) 實益擁有人／ 家族權益（附註2）	96,000,000	0.56%
King Hap Lee 景哈利	Long position 好倉	Shares 股份	Interest of controlled corporation/Beneficial owner (Note 3) 受控制公司權益／ 實益擁有人（附註3）	200,010,000	1.16%
	Short position 淡倉	Shares 股份	Interest of controlled corporation (Note 3) 受控制公司權益（附註3）	200,000,000	1.16%
	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	66,000,000	0.38%
Wan Tze Fan Terence 溫子勳	Long position 好倉	Shares 股份	Beneficial owner 實益擁有人	33,660,000	0.19%
	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	66,000,000	0.38%
Chen Hua 陳華	Long position 好倉	Underlying shares 相關股份	Interest of controlled corporation (Note 4) 受控制公司權益 （附註4）	768,971,796	4.45%
	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	30,000,000	0.17%

Other Information

Name of Director	Long/short position	Interests in shares/ underlying shares 於股份／相關 股份中權益	Nature of interest	Number of shares/ underlying shares of the Company held 所持本公司股份／ 相關股份數目	Percentage of issued shares 佔已發行 股份百分比
董事姓名	好倉／淡倉		權益性質		
Huang Shaowu 黃紹武	Long position 好倉	Shares 股份	Interest of controlled corporation/Beneficial owner (Note 5) 受控制公司權益／ 實益擁有人(附註5)	1,983,730,000	11.47%
	Short position 淡倉	Shares 股份	Beneficial owner (Note 5) 實益擁有人(附註5)	100,000,000	0.58%
	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	17,000,000	0.10%
He Lin Feng 何林峰	Long position 好倉	Shares 股份	Beneficial owner 實益擁有人	1,500,000,000	8.68%
	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	30,000,000	0.17%
Wong Kwok Chuen Peter 黃國全	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	6,000,000	0.03%
Wong Lung Tak Patrick 黃龍德	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	6,000,000	0.03%
Wang Yanbin 王延斌	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	6,000,000	0.03%
Dang Weihua 黨偉華	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	3,000,000	0.02%

Notes:

- Particulars of directors' interests in the share options of the Company are set out in the section "Share Option Scheme".
- Dr. Dai Xiaobing and his spouse, Ms. Xu Ning, hold 66,000,000 options and 30,000,000 options respectively.
- Wai Tech Limited owns 200,000,000 shares and has short position of 200,000,000 shares. Wai Tech Limited is wholly owned by Petromic Corporation which in turn is wholly and beneficially owned by Mr. King Hap Lee. Pursuant to the SFO, Mr. King is taken to have interests and short position in such shares. In addition, Mr. King beneficially owns 10,000 shares.
- 768,971,796 underlying shares are owned by 天津京基酒店有限公司, a wholly owned subsidiary of 京基集團有限公司 which is owned as to 90% by Mr. Chen Hua. Pursuant to the SFO, Mr. Chen is taken to be interested in such underlying shares.
- 1,883,730,000 shares are owned by Yuanjing International Limited, a company wholly and beneficially owned by Mr. Huang Shaowu. Pursuant to the SFO, Mr. Huang is taken to be interested in such shares. In addition, Mr. Huang beneficially owns 100,000,000 shares and has short position of 100,000,000 shares.

附註：

- 董事於本公司購股權的權益詳情載於「購股權計劃」一節。
- 戴小兵博士及他夫人徐寧女士分別持有66,000,000購股權及30,000,000購股權。
- 威達有限公司持有200,000,000股股份及200,000,000股股份的淡倉，而威達有限公司由美科石油有限公司擁有，而後者則由景哈利先生全資及實益擁有。根據證券及期貨條例，景先生被視為於該等股份中擁有權益及淡倉。此外，景先生實益擁有10,000股股份。
- 768,971,796股相關股份由天津京基酒店有限公司持有，其為京基集團有限公司的全資附屬公司，後者由陳華先生擁有90%權益。根據證券及期貨條例，陳先生被視為於該等相關股份中擁有權益。
- 1,883,730,000股股份由圓景國際有限公司持有，其為一間由黃紹武先生全資及實益擁有的公司。根據證券及期貨條例，黃先生被視為於該等股份中擁有權益。此外，黃先生實益擁有100,000,000股股份及100,000,000股股份的淡倉。

其他資料

Save as disclosed above, as at 30 June 2016, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted by the shareholders of the Company at the Annual General Meeting held in 2010. The Scheme is in full compliance with the relevant requirements of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

As at 30 June 2016, the Directors and employees of the Group had the following personal interests in options to subscribe for shares of the Company granted at nominal consideration under the Scheme. Each option gives the holder the right to subscribe for one share. Details of share options held by the Directors and employees of the Group and movements (if any) in such holdings during the period are as follows:

除上文所披露者外，於2016年6月30日，概無本公司董事及最高行政人員於本公司或其相聯法團（具有證券及期貨條例第XV部所賦予之涵義）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須載錄於登記冊之任何權益或淡倉，或擁有根據標準守則須知會本公司及聯交所之任何權益或淡倉。

購股權計劃

本公司的購股權計劃（「計劃」）乃於2010年舉行的股東週年大會上經股東採納。計劃完全符合聯交所證券上市規則（「上市規則」）第十七章之有關規定。

於2016年6月30日，董事及本集團僱員於根據計劃以名義代價授出可認購本公司股份之購股權中擁有以下之個人權益。每份購股權賦予持有人認購一股股份之權利。董事及本集團僱員於期內所持購股權及其變動詳情（如有）載於下表：

Other Information

	Number of options 購股權數目			Date of grant (D.M.Y) 授出日期 (日.月.年)	Exercise period (D.M.Y) 行使期限 (日.月.年)	Exercise price per share HK\$ 每股股份 之行使價 港元
	Outstanding at 1 January 2016 於2016年 1月1日 尚未行使	Lapsed during the period 於期內失效	Outstanding at 30 June 2016 於2016年 6月30日 尚未行使			
Directors: 董事：						
Dai Xiaobing 戴小兵	36,000,000 30,000,000	- -	36,000,000 30,000,000	06.12.2011 23.11.2015	06.12.2011-05.12.2021 23.11.2015-22.11.2018	0.276 0.222
King Hap Lee 景哈利	36,000,000 30,000,000	- -	36,000,000 30,000,000	06.12.2011 23.11.2015	06.12.2011-05.12.2021 23.11.2015-22.11.2018	0.276 0.222
Wan Tze Fan Terence 溫子勳	36,000,000 30,000,000	- -	36,000,000 30,000,000	06.12.2011 23.11.2015	06.12.2011-05.12.2021 23.11.2015-22.11.2018	0.276 0.222
Chen Hua 陳華	30,000,000	-	30,000,000	23.11.2015	23.11.2015-22.11.2018	0.222
Huang Shaowu 黃紹武	17,000,000	-	17,000,000	23.11.2015	23.11.2015-22.11.2018	0.222
He Lin Feng 何林峰	30,000,000	-	30,000,000	23.11.2015	23.11.2015-22.11.2018	0.222
Wong Kwok Chuen Peter 黃國全	3,000,000 3,000,000	- -	3,000,000 3,000,000	06.12.2011 23.11.2015	06.12.2011-05.12.2021 23.11.2015-22.11.2018	0.276 0.222
Wong Lung Tak Patrick 黃龍德	3,000,000 3,000,000	- -	3,000,000 3,000,000	06.12.2011 23.11.2015	06.12.2011-05.12.2021 23.11.2015-22.11.2018	0.276 0.222
Wang Yanbin 王延斌	3,000,000 3,000,000	- -	3,000,000 3,000,000	06.12.2011 23.11.2015	06.12.2011-05.12.2021 23.11.2015-22.11.2018	0.276 0.222
Dang Weihua 黨偉華	3,000,000	-	3,000,000	23.11.2015	23.11.2015-22.11.2018	0.222
Employees 僱員	321,000,000 879,000,000	- 1,000,000	321,000,000 878,000,000	06.12.2011 23.11.2015	06.12.2011-05.12.2021 23.11.2015-22.11.2018	0.276 0.222
Total 合計	<u>1,496,000,000</u>	<u>1,000,000</u>	<u>1,495,000,000</u>			

Notes:

- On 23 November 2015, the Company granted 1,058,000,000 options to eligible persons at an exercise price of HK\$0.222 per share exercisable for three years from 23 November 2015, being the date of grant. Out of these options, 30,000,000 options and 10,000,000 options were granted (and remained outstanding as at 30 June 2016) to Ms. Xu Ning (being Dr. Dai Xiaobing's spouse and she has provided personal guarantee to a loan facility of RMB1,000 million to Orion Energy International Inc. ("Orion"), a wholly owned subsidiary of the Company) and Ms. Dai Qing Fang (being the deputy general manager of Orion and Dr. Dai Xiaobing's sister) respectively.
- No option was granted or exercised during the period.

附註：

- 於2015年11月23日，本公司向合資格人士授出1,058,000,000購股權，其行使價為每股0.222港元並可自2015年11月23日（即授出日期）起計三年內行使。在這等購股權中，30,000,000購股權及10,000,000購股權分別授予（並於2016年6月30日仍尚未行使）徐寧女士（戴小兵博士夫人，她並向本公司全資附屬公司奧瑞安能源國際有限公司（「奧瑞安」）的人民幣10億元之貸款提供個人擔保）及戴清芳女士（奧瑞安的副總經理及戴小兵博士的姊姊）。
- 於期內並無購股權被授出或行使。

其他資料

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

As at 30 June 2016, the following persons, not being a Director or chief executive of the Company, had an interest in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, the details of which are set out below:

Long position in the shares and underlying shares of the Company

主要股東及其他人士之權益

於2016年6月30日，根據證券及期貨條例第336條存置之登記冊所載錄，以下人士（並非本公司董事或最高行政人員）於本公司之股份及相關股份中擁有權益如下：

於本公司股份及相關股份中擁有之好倉

Name	Interests in shares/ underlying shares	Nature of interest	Number of shares/underlying shares held	Percentage of issued shares
名稱	於股份／相關 股份權益	權益性質	所持股份／相關 股份數目	佔已發行 股份百分比
Substantial shareholders				
主要股東				
Yuanjing International Limited (Note 1) 圓景國際有限公司 (附註1)	Shares 股份	Beneficial owner 實益擁有人	1,883,730,000	10.90%
Other persons				
其他人士				
CDB Leasing Co., Ltd. (Note 2) 國銀金融租賃有限公司(附註2)	Shares 股份	Security interest 保證權益	2,296,000,000	13.28%
CCB International Overseas Limited (Note 3) 建銀國際海外有限公司(附註3)	Underlying shares 相關股份	Beneficial owner 實益擁有人	966,183,574	5.59%

Other Information

Notes:

- 1,883,730,000 shares are owned by Yuanjing International Limited, a company wholly and beneficially owned by Mr. Huang Shaowu (a non-executive director of the Company).
- Regarding the security interest in 2,296,000,000 shares being held by CDB Leasing Co., Ltd. ("CDB"), China Development Bank Corporation which holds 88.95% interest in CDB is deemed to have security interest in these shares.
- CCB International Overseas Limited owns convertible bonds in the principal amount of HK\$200,000,000 due 2018 carrying the right to convert into shares of the Company at a conversion price of HK\$0.207 per share. Based on the conversion price of HK\$0.207 per share, a maximum of 966,183,574 shares may be allotted and issued upon exercise of the conversion rights attaching to the convertible bonds in full. CCB International Overseas Limited is therefore interested in 966,183,574 underlying shares of the Company.

CCB International Overseas Limited is a wholly-owned subsidiary of CCB International (Holdings) Limited which in turn is wholly-owned by CCB Financial Holdings Limited ("CCB Financial"). CCB Financial is a wholly-owned subsidiary of CCB International Group Holdings Limited which is in turn wholly-owned by China Construction Bank Corporation which is owned as to 57.31% by Central Huijin Investment Ltd. Pursuant to the SFO, CCB International (Holdings) Limited, CCB Financial, CCB International Group Holdings Limited, China Construction Bank Corporation and Central Huijin Investment Ltd. are deemed to be interested in the underlying shares held by CCB International Overseas Limited.

Saved as disclosed above in this section, as at 30 June 2016, the Company has not been notified of any other persons (other than the Directors or chief executive of the Company) who had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

附註：

- 1,883,730,000股股份由圓景國際有限公司持有，其為一間由黃紹武先生（本公司非執行董事）全資及實益擁有的公司。
- 有關國銀金融租賃有限公司（「國銀」）持有的2,296,000,000股股份的保證權益，由於國家開發銀行股份有限公司持有國銀88.95%權益，據此亦視為於該等股份中擁有保證權益。
- 建銀國際海外有限公司擁有本金額200,000,000港元於2018年到期的可換股債券，有權以換股價每股0.207港元兌換為本公司股份。根據換股價每股0.207港元，於悉數行使可換股債券所附之換股權後將予配發及發行最多966,183,574股股份。建銀國際海外有限公司因此於966,183,574股本公司相關股份中擁有權益。

建銀國際海外有限公司為建銀國際（控股）有限公司的全資附屬公司，而建銀國際（控股）有限公司由建行金融控股有限公司（「建行金融」）全資擁有。建行金融為建行國際集團控股有限公司的全資附屬公司，而建行國際集團控股有限公司由中國建設銀行股份有限公司全資擁有，中國建設銀行股份有限公司則由中央匯金投資有限責任公司擁有57.31%。根據證券及期貨條例，建銀國際（控股）有限公司、建行金融、建行國際集團控股有限公司、中國建設銀行股份有限公司及中央匯金投資有限責任公司被視為於建銀國際海外有限公司所持相關股份中擁有權益。

除上文所披露者外，於2016年6月30日，本公司並無接獲任何其他人士（不包括本公司之董事或最高行政人員）通知指彼等擁有根據證券及期貨條例第336條須記錄於登記冊的本公司股份或相關股份的任何權益或淡倉。

其他資料

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the six months ended 30 June 2016, the Company repurchased a total of 324,080,000 shares on the Stock Exchange for enhancing its per share's net asset value and earnings. All the repurchased shares were subsequently cancelled. Details of the repurchase of shares are as follows:

Month of repurchase during the six months ended 30 June 2016	Number of shares repurchased	Price per share 每股股份價格		Total consideration (excluding expenses) HK\$' 000 總代價 (不包括費用) 千港元
		Highest HK\$	Lowest HK\$	
截至2016年6月30日 止六個月期間之購回月份	購回股份數目	最高 港元	最低 港元	
March 3月	43,930,000	0.190	0.183	8,312
April 4月	32,995,000	0.190	0.183	6,170
June 6月	247,155,000	0.190	0.175	44,652
Total: 合計 :	<u>324,080,000</u>			<u>59,134</u>

Except as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the listed securities of the Company during the six months ended 30 June 2016.

AUDIT COMMITTEE

The Audit Committee, which comprises Mr. Wong Kwok Chuen Peter, Professor Wong Lung Tak Patrick and Dr. Wang Yanbin, has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the unaudited interim report of the Company for the six months ended 30 June 2016.

購買、贖回或出售上市證券

截至2016年6月30日止六個月期間，為提高本公司的每股資產淨值及盈利，本公司在聯交所購回股份共324,080,000股，全部購回的股份經已隨後註銷，購回股份的詳情如下：

Month of repurchase during the six months ended 30 June 2016	Number of shares repurchased	Price per share 每股股份價格		Total consideration (excluding expenses) HK\$' 000 總代價 (不包括費用) 千港元
		Highest HK\$	Lowest HK\$	
截至2016年6月30日 止六個月期間之購回月份	購回股份數目	最高 港元	最低 港元	
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Total: 合計 :	<u>324,080,000</u>			<u>59,134</u>

除上文所披露者外，截至2016年6月30日止六個月期間，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

審核委員會

由黃國全先生、黃龍德教授及王延斌博士組成的審核委員會與管理層已檢討本集團採納的會計原則及常規，並已商討有關審核、內部監控及財務申報的事宜，包括審閱本公司截至2016年6月30日止六個月之未經審核中期報告。

Other Information

CORPORATE GOVERNANCE

The Company has complied with all the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2016.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the Company's code of conduct and rules to govern transactions by all directors in the securities of the Company. All directors have complied with the required standard regarding directors' securities dealings set out in the Model Code during the six months ended 30 June 2016.

By Order of the Board

Dai Xiaobing

Chairman

Hong Kong, 24 August 2016

企業管治

本公司於截至2016年6月30日止六個月期間已遵守上市規則附錄十四所載的《企業管治守則》的全部守則條文。

董事進行證券交易的標準守則

本公司採納上市規則附錄十所載的標準守則，作為本公司的操守準則及所有董事買賣本公司證券規則。截至2016年6月30日止六個月，全體董事均已遵守標準守則所載有關董事買賣證券所規定的準則。

承董事會命

主席

戴小兵

香港，2016年8月24日



中國油氣控股有限公司
SINO OIL AND GAS HOLDINGS LIMITED