



I n t e r i m R e p o r t 2 0 1 7 中 期 報 告



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

Stock Code 股份代號: 702

Corporate Information

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

Mr. Chen Chun Tung Jason

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 3707-3708, West Tower, Shun Tak Centre

168-200 Connaught Road Central

Hong Kong

REGISTERED OFFICE

Clarendon House, 2 Church Street

Hamilton HM11

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17/F., Hopewell Centre

183 Queen's Road East, Wanchai

Hong Kong

公司資料

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

程振東先生

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

董事會秘書

嚴筱虹女士

總辦事處及主要營業地點

香港

干諾道中168-200號

信德中心西座3707-3708室

註冊辦事處

Clarendon House, 2 Church Street

Hamilton HM11

Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司

香港

灣仔皇后大道東183號

合和中心17樓1712-1716室

Corporate Information

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

HONG KONG LEGAL ADVISOR

Michael Li & Co.
19/F, Prosperity Tower
39 Queen's Road Central, Central, Hong Kong

BERMUDA LEGAL ADVISOR

Conyers Dill & Pearman
2901 One Exchange Square
8 Connaught Place, Central
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AUDITOR

BDO Limited
Certified Public Accountants
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

STOCK CODE

702

WEBSITE

www.sino-oilgas.hk

公司資料

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

香港法律顧問

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香港中環皇后大道中39號
豐盛創建大廈19樓

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核數師

香港立信德豪會計師事務所有限公司
執業會計師
香港
干諾道中111號
永安中心25樓

股份代號

702

網址

www.sino-oilgas.hk

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 2017 as follows:

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2017

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2017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2017年6月30日止六個月

		Notes 附註	2017 (Unaudited) (未經審核) HK\$'000 千港元	2016 (Unaudited) (未經審核) HK\$'000 千港元
Continuing operations	持續經營業務			
Turnover	營業額	5	310,649	74,382
Direct costs	直接成本		(287,913)	(63,968)
Gross profit	毛利		22,736	10,414
Other revenue	其他收入	6	28,607	44,117
Other gains, net	其他收益淨額	7	64,092	1,551
Administrative expenses	行政費用		(42,468)	(31,918)
Profit from operations	經營溢利		72,967	24,164
Finance costs	融資成本	8(a)	(138,121)	(14,419)
Share of loss of an associate	應佔一家聯營公司虧損		(289)	(363)
(Loss)/profit before income tax expense	除所得稅支出前(虧損)/溢利	8	(65,443)	9,382
Income tax expense	所得稅支出	10	(2,125)	(1,752)
(Loss)/profit for the period from continuing operations	持續經營業務之本期(虧損)/溢利		(67,568)	7,630
Discontinued operations	已終止經營業務			
Loss for the period from discontinued operations	本期已終止經營業務之虧損	9	-	(1,933)
(Loss)/profit for the period	本期(虧損)/溢利		(67,568)	5,697
Other comprehensive income, after tax	其他全面收益，除稅後			
Item that may be reclassified to profit or loss:	可能重新分類至損益之項目：			
Exchange differences on translating foreign operations	換算海外業務之匯兌差異		142,432	(12,529)
Changes in fair value of available-for-sale investment	可供出售金融資產之公平值變動		(236)	-
Other comprehensive income for the period, after tax	本期其他全面收益，除稅後		142,196	(12,529)
Total comprehensive income for the period	本期全面收益總額		74,628	(6,832)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2017

簡明綜合全面收益表

截至2017年6月30日止六個月

	Notes 附註	2017 (Unaudited) (未經審核) HK\$'000 千港元	2016 (Unaudited) (未經審核) HK\$'000 千港元
(Loss)/profit attributable to:			
Owners of the Company	以下人士應佔(虧損)/溢利:		
(Loss)/profit for the period from continuing operations	本公司擁有人 本期持續經營業務之(虧損)/溢利	(69,809)	6,328
Loss for the period from discontinued operations	本期已終止經營業務之虧損	<u>-</u>	<u>(1,933)</u>
		(69,809)	4,395
Non-controlling interests	非控股權益		
Profit for the period from continuing operations	本期持續經營業務之溢利	<u>2,241</u>	<u>1,302</u>
		(67,568)	5,697
Total comprehensive income attributable to:			
Owners of the Company	以下人士應佔總全面收益:		
Profit/(loss) for the period from continuing operations	本公司擁有人 本期持續經營業務之溢利/(虧損)	72,022	(6,178)
Loss for the period from discontinued operations	本期已終止經營業務之虧損	<u>-</u>	<u>(1,933)</u>
		72,022	(8,111)
Non-controlling interests	非控股權益		
Profit for the period from continuing operations	本期持續經營業務之溢利	<u>2,606</u>	<u>1,279</u>
		74,628	(6,832)
		HK\$(cents) 港元(仙)	HK\$(cents) 港元(仙)
(Loss)/earnings per share from continuing and discontinued operations	來自持續經營業務及已終止經營業務的每股(虧損)/盈利		
- Basic and diluted	- 基本及攤薄	<u>(0.411)</u>	<u>0.025</u>
(Loss)/earnings per share from continuing operations	來自持續經營業務的每股(虧損)/盈利		
- Basic and diluted	- 基本及攤薄	<u>(0.411)</u>	<u>0.036</u>
Loss per share from discontinued operations	來自已終止經營業務的每股虧損		
- Basic and diluted	- 基本及攤薄	<u>N/A 不適用</u>	<u>(0.011)</u>

Condensed Consolidated Statement of Financial Position

At 30 June 2017

簡明綜合財務狀況表

於2017年6月30日

	Notes 附註	30.06.2017 (Unaudited) (未經審核)		31.12.2016 (Audited) (經審核)	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
ASSETS AND LIABILITIES					
Non-current assets					
Property, plant and equipment	13		2,003,606		1,878,250
Oil and gas exploration and evaluation assets			49,787		41,307
Payment for leasehold land held for own use			4,301		4,277
Intangible assets	14		2,265,634		2,207,202
Goodwill			96,371		93,483
Interest in a joint venture			-		-
Interest in an associate			58,367		58,010
Financial assets at fair value through profit or loss			-		4,487
Available-for-sale investment			1,496		4,592
Deposits and prepayments	15		93,636		44,045
Total non-current assets			4,573,198		4,335,653
Current assets					
Inventories			19,999		10,591
Financial assets at fair value through profit or loss			6,270		18,134
Trade, notes and other receivables, deposits and prepayments	15		468,185		534,315
Short-term investment			74,022		71,804
Loan receivables	16		46,048		22,334
Amount due from a joint venture			320		320
Cash and cash equivalents			28,065		251,530
Total current assets			642,909		909,028
Total assets			5,216,107		5,244,681
Current liabilities					
Other payables and accruals	17		(329,291)		(349,603)
Convertible notes	19		(305,162)		(105,112)
Financial liabilities at fair value through profit or loss	19		(163,493)		(224,937)
Taxation			(11,774)		(8,472)
Total current liabilities			(809,720)		(688,124)
Net current (liabilities)/assets			(166,811)		220,904
Total assets less current liabilities			4,406,387		4,556,557

Condensed Consolidated Statement of Financial Position

At 30 June 2017

簡明綜合財務狀況表

於2017年6月30日

	Notes 附註	30.06.2017 (Unaudited) (未經審核)		31.12.2016 (Audited) (經審核)	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-current liabilities					
Provisions		(4,959)		(4,810)	
Borrowings	18	(416,047)		(322,109)	
Convertible notes	19	(853,047)		(1,125,300)	
Deferred tax		(14,501)		(12,695)	
Total non-current liabilities			(1,288,554)		(1,464,914)
NET ASSETS			3,117,833		3,091,643
Capital and reserves attributable to owners of the Company					
Share capital			168,330		170,937
Reserves	20		2,930,817		2,905,194
Equity attributable to owners of the Company			3,099,147		3,076,131
Non-controlling interests			18,686		15,512
TOTAL EQUITY			3,117,833		3,091,643

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2017 – unaudited

簡明綜合權益變動表

截至2017年6月30日止六個月－未經審核

		Share capital	Share premium	Contributed surplus	Share option reserve	Available-		Exchange reserve	Equity		Total equity	
						for-sale investment reserve	Convertible note equity reserve		attributable to owners of the company	Non-controlling interests		
		股本	溢價	繳納盈餘	購股權儲備	可供出售金融資產儲備	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	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	千港元
At 1 January 2017	於2017年1月1日	170,937	4,212,718	81,043	110,344	(260)	10,409	(327,155)	(1,181,905)	3,076,131	15,512	3,091,643
(Loss)/profit for the period	本期(虧損)/溢利	-	-	-	-	-	-	-	(69,809)	(69,809)	2,241	(67,568)
Other comprehensive income	其他全面收益	-	-	-	-	(236)	-	142,067	-	141,831	365	142,196
Total comprehensive income for the period	本期全面收益總額	-	-	-	-	(236)	-	142,067	(69,809)	72,022	2,606	74,628
Release upon redemption of convertible notes	贖回可換股票據之回撥	-	-	-	-	-	(10,409)	-	10,409	-	-	-
Repurchase of shares	購回股份	(2,607)	(46,383)	-	-	-	-	-	-	(48,990)	-	(48,990)
Release upon lapse of vested share options	於已歸屬購股權失效時撥回	-	-	-	(3,088)	-	-	-	3,088	-	-	-
Others	其他	-	-	-	-	-	-	(16)	-	(16)	568	552
At 30 June 2017	於2017年6月30日	168,330	4,166,335	81,043	107,256	(496)	-	(185,104)	(1,238,217)	3,099,147	18,686	3,117,833
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撥	-	-	-	-	-	(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

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2017

簡明綜合現金流量表

截至2017年6月30日止六個月

		2017 (Unaudited) (未經審核) HK\$'000 千港元	2016 (Unaudited) (未經審核) HK\$'000 千港元
Net cash generated from/(used in) operating activities	經營業務產生/(所用)之現金淨額	27,425	(88,007)
Net cash used in investing activities	投資活動所用之現金淨額	(159,310)	(329,451)
Net cash used before financing activities	融資活動前所用之現金淨額	(131,885)	(417,458)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生之現金淨額	(100,235)	440,930
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(232,120)	23,472
Cash and cash equivalents at 1 January	於1月1日之現金及現金等價物	251,530	35,564
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	8,655	(3,588)
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	28,065	55,448

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 2016 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 2016 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 2016 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 29 March 2017.

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2016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2016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2016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2017年3月29日之核數師報告書中對該等財務報表表達無保留意見。

Notes to the Financial Statements

3. SIGNIFICANT ACCOUNTING POLICIES

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2016 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 2017. The adoption of these new and revised HKFRSs has no material impact on the Group's 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 four (2016: 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) Coalbed methane:	Exploration, development and production of coalbed methane
(ii) Raw and cleaned coal:	Raw coal washing and sale of raw and cleaned coal
(iii) Oil and gas exploitation:	Exploitation and sale of crude oil and natural gas
(iv) Finance leasing:	Provision of finance leasing services

3. 主要會計政策

本中期財務報告按照2016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2017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。

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。

本集團擁有四個(2016年：三個)可報告分部。由於各自業務提供不同產品及服務需要不同業務策略，故分部須獨立管理。以下為本集團可報告分部營運之概要：

(i) 煤層氣：	勘探、開發和生產煤層氣
(ii) 原煤及精煤：	原煤洗選和銷售原煤及精煤
(iii) 石油和天然氣開採：	開採及銷售原油和天然氣
(iv) 融資租賃：	提供融資租賃服務

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.

The Group has disposed the Key Wisdom Investments Limited and its subsidiaries (collectively known as "Key Wisdom Group") in 2016, which led to discontinue part of the operation of oil and gas exploitation segment. In accordance with HKFRS 5, part of the segment of oil and gas exploitation for the six months ended 30 June 2016 were reclassified as discontinued operations in the Group's condensed consolidated financial statements.

The segment information about these businesses is set out as follows:

For the six months ended 30 June 2017

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，原因是主要經營決策者評估分部表現的分部業績計算並無包括有關收益及開支在內。

本集團已於2016年出售堅俊投資有限公司及其附屬公司(統稱「堅俊集團」)，導致終止石油和天然氣開採分部部份業務。根據香港財務報告準則第5號，於截至2016年6月30日止，部份石油和天然氣開採分部於本集團綜合財務報表內分類為已終止業務。

有關該等業務之分部資料載列如下：

截至2017年6月30日止六個月

	Continuing operations 持續經營業務						Discontinued operations 已終止經營業務	Total 總計	
	Coalbed methane 煤層氣 HK\$'000 千港元	Raw and cleaned coal 原煤及精煤 HK\$'000 千港元	Oil and gas exploitation 石油和天然氣開採 HK\$'000 千港元	Finance leasing 融資租賃 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元	Oil and gas exploitation 石油和天然氣開採 HK\$'000 千港元		
Results	業績								
Turnover-	營業額—								
Revenue from external customers	來自外界客戶之收入	37,769	272,000	-	880	-	310,649	-	310,649
Segment results ⁽ⁱ⁾	分部業績 ⁽ⁱ⁾	12,691	11,104	7,905	(3,645)	(16,532)	11,523	-	11,523
Change in fair value of financial liabilities through profit or loss	按公平值透過損益列賬的財務負債之變動	-	-	-	-	61,444	61,444	-	61,444
Finance costs	融資成本	-	(2,606)	-	-	(135,515)	(138,121)	-	(138,121)
Share of loss of an associate	應佔一家聯營公司虧損	(289)	-	-	-	-	(289)	-	(289)
Profit/(loss) before income tax expense	除所得稅支出前溢利/(虧損)	12,402	8,498	7,905	(3,645)	(90,603)	(65,443)	-	(65,443)
Income tax expense	所得稅支出	-	(2,125)	-	-	-	(2,125)	-	(2,125)
Profit/(loss) for the period	本期溢利/(虧損)	12,402	6,373	7,905	(3,645)	(90,603)	(67,568)	-	(67,568)
Assets and liabilities	資產及負債								
- at 30 June 2017	— 於2017年6月30日								
Reportable segment assets ⁽ⁱⁱ⁾	可報告分部資產 ⁽ⁱⁱ⁾	4,453,951	267,837	320,779	50,265	123,275	5,216,107	-	5,216,107
Reportable segment liabilities ⁽ⁱⁱ⁾	可報告分部負債 ⁽ⁱⁱ⁾	230,410	85,843	16	81	1,781,924	2,098,274	-	2,098,274

Notes to the Financial Statements

5. TURNOVER AND SEGMENT REPORTING (Continued)

For the six months ended 30 June 2016

5. 營業額及分部報告(續)

截至2016年6月30日止六個月

		Continuing operations					Discontinued operations	Total
		持續經營業務					已終止經營業務	
		Coalbed methane	Raw and cleaned coal	Oil and gas exploitation	Unallocated	Subtotal	Oil and gas exploitation	
		煤層氣	原煤及精煤	天然氣開採	未分配	小計	天然氣開採	總計
		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
Results	業績							
Turnover	營業額							
- Revenue from external customers	- 來自外界客戶之收入	30,435	43,947	-	-	74,382	3,999	78,381
Segment results ⁽ⁱ⁾	分部業績 ⁽ⁱ⁾	4,808	4,988	-	14,368	24,164	(1,933)	22,231
Finance costs	融資成本	(83)	(69)	(1)	(14,266)	(14,419)	-	(14,419)
Share of loss of an associate	應佔一家聯營公司虧損	(363)	-	-	-	(363)	-	(363)
Profit/(loss) before income tax expense	除所得稅支出前溢利/(虧損)	4,362	4,919	(1)	102	9,382	(1,933)	7,449
Income tax expense	所得稅支出	-	(1,752)	-	-	(1,752)	-	(1,752)
Profit/(loss) for the period	本期溢利/(虧損)	4,362	3,167	(1)	102	7,630	(1,933)	5,697
Assets and liabilities	資產及負債							
- as at 31 December 2016	- 於2016年12月31日							
Reportable segment assets ⁽ⁱⁱ⁾	可報告分部資產 ⁽ⁱⁱ⁾	4,341,968	374,132	303,233	225,348	5,244,681	-	5,244,681
Reportable segment liabilities ⁽ⁱⁱ⁾	可報告分部負債 ⁽ⁱⁱ⁾	259,243	89,982	15	1,803,798	2,153,038	-	2,153,038

Notes:

附註:

- (i) Unallocated results mainly include salaries, rental expense and professional fees for Hong Kong head office.
- (ii) Unallocated assets mainly include cash and cash equivalents in head office, short term investment and available-for-sale investment. Unallocated liabilities mainly include convertible notes, corporate bonds and financial liabilities at fair value through profit or loss.

- (i) 未分配業績主要包括員工成本、租金及專業費用等香港總辦事處開支。
- (ii) 未分配資產主要包括香港總辦事處之現金和現金等價物、短期投資及可供出售金融資產。未分配負債主要包括可換股票據、企業債券和按公平值透過損益列賬的財務負債。

6. OTHER REVENUE

6. 其他收入

		Six months ended 30 June 截至6月30日止六個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest income	利息收入		
– bank deposits	– 銀行存款	43	66
– short-term investment	– 短期投資	4,688	4,938
– others (note (i))	– 其他(附註(i))	<u>11,858</u>	<u>29,390</u>
Total interest income on financial assets that are not 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	16,589	34,394
Government subsidies (note (ii))	政府補貼(附註(ii))	11,880	9,592
Others	其他	138	131
		<u>28,607</u>	<u>44,117</u>

Notes:

- (i) It mainly represents the interest income from the refundable deposits paid for possible acquisitions of Canada oil fields. Details please refer to note 15(iv).
- (ii) It represents the regular subsidies received during the period from relevant government authority on the sales of coalbed methane from the Sanjiao CBM Project for the year 2016.

附註：

- (i) 其他利息收入主要為收購加拿大油田項目之按金的利息收入(附註15(iv))。
- (ii) 此乃相關政府部門對三交煤層氣項目於2016年產生之煤層氣銷售並於期內收到的恆常補貼。

7. OTHER GAINS, NET

7. 其他收益淨額

		Six months ended 30 June 截至6月30日止六個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Continuing operations	持續經營業務		
Change in fair value of financial liabilities through profit or loss	按公平值透過損益列賬的財務負債公平值變動	61,444	–
Exchange (loss)/gains, net	匯兌(虧損)/收益淨額	(566)	181
Others	其他	3,214	1,370
		<u>64,092</u>	<u>1,551</u>

Notes to the Financial Statements

8. (LOSS)/PROFIT BEFORE INCOME TAX EXPENSE FROM CONTINUING OPERATIONS

(Loss)/profit before income tax expense from continuing operations is arrived at after charging:

8. 來自持續經營業務的除所得稅支出前(虧損)/溢利

來自持續經營業務的除所得稅支出前(虧損)/溢利已扣除：

		Six months ended 30 June 截至6月30日止六個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
(a) Finance costs	(a) 融資成本		
Amortisation of convertible notes transaction costs	可換股票據的交易成本之攤銷	7,658	2,781
Amortisation of corporate bonds transaction costs	企業債券的交易成本之攤銷	5,183	3,524
Interest on borrowings	借款利息	-	15,968
Imputed interest on convertible notes	可換股票據之應歸利息	133,065	24,967
Interest on corporate bonds	企業債券之利息	14,436	9,829
Others	其他	2,779	2,335
		163,121	59,404
Less: interest capitalised in qualifying assets	減：轉入合格資產之資本化利息	(25,000)	(44,985)
		138,121	14,419
(b) Employee 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	15,611	16,633
Contributions to defined contribution retirement plan	定額供款退休計劃之供款	290	434
		15,901	17,067
(c) Other items	(c) 其他項目		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	21,613	19,039
Amortisation of payments for leasehold land held for own use	自用租賃土地付款之攤銷	106	-
Amortisation of intangible assets	無形資產之攤銷	10,083	9,453
Minimum lease payments under operating lease – property rentals	經營租賃之最低租賃款項 – 物業租金	5,407	4,035

9. DISCONTINUED OPERATIONS

During 2016, the Group entered into a sale and purchase agreement to dispose of Key Wisdom Group, which was engaged in the exploration and sale of crude oil and natural gas in the People's Republic of China ("PRC"). The disposal was completed on 1 September 2016. The results of the discontinued operations were as follows:

9. 已終止經營業務

於2016年，本集團訂立一份出售協議出售堅俊集團。堅俊集團於中華人民共和國（「中國」）從事開採及銷售原油和天然氣業務。出售於2016年9月1日完成。已終止經營業務之業績如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2017	2016
		HK\$'000	HK\$'000
		千港元	千港元
Turnover	營業額	-	3,999
Direct cost	直接成本	-	(4,497)
Gross loss	毛利	-	(498)
Other revenue	其他收入	-	34
Administrative expenses	行政費用	-	(1,469)
Loss from operations	經營虧損	-	(1,933)
Finance costs	融資成本	-	-
Loss before income tax expense	除所得稅支出前虧損	-	(1,933)
Income tax expense	所得稅支出	-	-
Loss for the period from discontinued operations	來自已終止經營業務的 期內虧損	-	(1,933)

For the purpose of presenting discontinued operations, the condensed consolidated statement of comprehensive income and the related notes have been restated as if the operations discontinued at the beginning of the comparative period for the six months ended 30 June 2016.

為呈列已終止業務，簡明綜合全面收益表及相關附註已作重列，猶如該業務已於去年同期（2016年6月30日止六個月）期間開始時已經終止。

Notes to the Financial Statements

10. 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 period ended 30 June 2017 and 2016. During the period ended 30 June 2017 and 2016, the subsidiaries in the 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:

	2017	2016
	HK\$'000	HK\$'000
	千港元	千港元
Continuing operations		
Current income tax		
– PRC enterprises income tax		
Deferred tax for the period		
Income tax expense		

持續經營業務
即期所得稅
– 中國企業所得稅
期內之遞延稅項
所得稅支出

11. DIVIDEND

The directors have neither declared nor proposed any dividends in respect of the six months ended 30 June 2017 (six months ended 30 June 2016: nil).

10. 所得稅支出

截至2017年6月30日及2016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2017年6月30日及2016年6月30日止六個月，位於中國之附屬公司按法定稅率25%繳納稅項。

簡明綜合全面收益表的所得稅支出包括：

Six months ended 30 June	
截至6月30日止六個月	
2017	2016
HK\$'000	HK\$'000
千港元	千港元
2,963	1,752
(838)	–
2,125	1,752

11. 股息

董事並無宣派或擬派截至2017年6月30日止六個月之股息(截至2016年6月30日止六個月：無)。

12. (LOSS)/EARNINGS PER SHARE

For continuing operations

(a) *Basic (loss)/earnings per share from continuing operations*

The calculation of basic loss per share is based on the loss attributable to owners of the Company from continuing operations of HK\$69,809,000 (six months ended 30 June 2016: profit of HK\$6,328,000) and the weighted average number of 16,982,953,000 (2016: 17,545,260,000) ordinary shares in issue during the period.

(b) *Diluted (loss)/earnings per share from continuing operations*

Diluted (loss)/earnings per share for the six months ended 30 June 2017 and 30 June 2016 is the same as the basic (loss)/earnings per share. The computation of diluted (loss)/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 discontinued operations

(a) *Basic loss per share from discontinued operations*

The calculation of basic loss per share from discontinued operations for the six months ended 30 June 2016 is based on the loss attributable to owners of the Company from discontinued operations of HK\$1,933,000 and the weighted average number of 17,545,260,000 ordinary shares in issue during the period.

(b) *Diluted loss per share from discontinued operations*

Diluted loss per share from discontinued operations for the six months ended 30 June 2016 is the same as the basic loss per share from discontinued operations of the Company's outstanding share options and convertible notes, where applicable, had an anti-dilutive effect on the basic loss per share from discontinued operations for the period.

12. 每股(虧損)/盈利

持續經營業務

(a) *來自持續經營業務之每股基本(虧損)/盈利*

來自持續經營業務之每股基本虧損乃根據公司股權持有人來自持續經營業務之應佔虧損69,809,000港元(2016年6月30日止六個月:溢利6,328,000港元),以及期內已發行普通股之加權平均數16,982,953,000股(2016年6月30日止六個月:17,545,260,000股)普通股計算。

(b) *來自持續經營業務之每股攤薄(虧損)/盈利*

截至2017年6月30日及2016年6月30日止六個月,來自持續經營業務之每股攤薄(虧損)/盈利與來自持續經營業務之每股基本(虧損)/盈利相同。計算每股攤薄(虧損)/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。

已終止經營業務

(a) *來自已終止經營業務之每股基本虧損*

截至2016年6月30日止六個月,來自已終止經營業務之每股基本虧損乃根據本公司股權持有人來自已終止經營業務之應佔虧損1,933,000港元,以及期內已發行普通股之加權平均數17,545,260,000股普通股計算。

(b) *來自已終止經營業務之每股攤薄虧損*

截至2016年6月30日止六個月,來自已終止經營業務之每股攤薄虧損與來自已終止經營業務之每股基本虧損相同,因本公司尚未行使之購股權及可換股票據(如適用),對上述期內,每股基本虧損具有反攤薄影響。

Notes to the Financial Statements

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, the Group incurred the expenditure on property, plant and equipment with a cost of HK\$62,863,000 (six months ended 30 June 2016: HK\$132,828,000) and interest capitalised is HK\$25,000,000 (six months ended 30 June 2016: HK\$44,985,000).

14. INTANGIBLE ASSETS

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

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

13. 物業、廠房及設備

截至2017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62,863,000港元（截至2016年6月30止六個月：132,828,000港元）及資本化利息成本為25,000,000港元（截至2016年6月30日止六個月：44,985,000港元）。

14. 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。

15. 應收賬款、應收票據、其他應收賬款、按金及預付款項

		30.6.2017 HK\$'000 千港元	31.12.2016 HK\$'000 千港元
Non-current assets	非流動資產		
Deposits and prepayments (note (ii))	按金及預付款項(附註(ii))	93,636	44,045
Current assets	流動資產		
Trade receivables (note (i))	應收賬款(附註(i))	30,889	34,669
Notes receivable	應收票據	5,664	48,018
Other receivables (note (iii))	其他應收款項(附註(iii))	55,347	53,295
		91,900	135,982
Utility deposits	水電按金	726	726
Other deposits and prepayments (note (iv))	其他按金及預付款項(附註(iv))	375,559	397,607
		376,285	398,333
		468,185	534,315

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:

1 – 30 days	1至30天
31 – 60 days	31至60天
61 – 90 days	61至90天
Over 90 days	多於90天

- (ii) As at 30 June 2017, the balance included prepaid exploration costs of HK\$93,636,000 (31 December 2016: HK\$27,965,000) on the Group's construction in progress.
- (iii) As at 30 June 2017, the balance mainly included consideration receivables of HK\$24,050,000 (31 December 2016: HK\$27,550,000) on the disposal of Key Wisdom Group and contingent consideration receivables of HK\$17,050,000 (31 December 2016: Nil).
- (iv) As at 30 June 2017, the balance mainly included prepayment to a raw coal supplier of HK\$41,637,000 (31 December 2016: HK\$125,239,000), deposits of HK\$240,512,000 (31 December 2016: HK\$230,740,000) paid for possible acquisitions of Canada oil fields and interest receivables of HK\$30,170,000 (31 December 2016: HK\$28,975,000) in relation to these deposits. The deposits are interest bearing at 8.5% per annum.

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：

	30.6.2017	31.12.2016
	HK\$'000	HK\$'000
	千港元	千港元
1 – 30 days	7,591	4,987
31 – 60 days	6,421	4,232
61 – 90 days	6,513	3,976
Over 90 days	10,364	21,474
	30,889	34,669

- (ii) 於2017年6月30日，餘款包括對本集團在建工程之預付勘探成本93,636,000港元（2016年12月31日：27,965,000港元）。
- (iii) 於2017年6月30日，餘款主要包括出售堅俊集團之應收代價24,050,000港元（2016年12月31日：27,550,000港元）及或有應收代價17,050,000港元（2016年12月31日：無）。
- (iv) 於2017年6月30日，餘款主要包括預付一間原煤洗選供應商41,637,000港元（2016年12月31日：125,239,000港元）、按金240,512,000港元（2016年12月31日：230,740,000港元）及與按金相關之應收利息30,170,000港元（2016年12月31日：28,975,000港元）。此按金為本公司可能收購加拿大油田之按金，按金以每年8.5%計算利息。

Notes to the Financial Statements

16. LOAN RECEIVABLES

	30.6.2017 HK\$'000 千港元	31.12.2016 HK\$'000 千港元
Current assets	46,048	22,334

As at 30 June 2017, the loan receivables represented loans to an independent third party of RMB40,000,000 (31 December 2016: RMB20,000,000). The loans are secured by certain equipment, interest bearing at 10% per annum and repayable in April 2018.

流動資產

16. 應收貸款

	30.6.2017 HK\$'000 千港元	31.12.2016 HK\$'000 千港元
	46,048	22,334

截至2017年6月30日，本集團向一名獨立第三方墊付貸款共人民幣40,000,000元（2016年12月31日：人民幣20,000,000元）。該貸款以若干設備作抵押，年利率為10%，並須於2018年4月償還。

17. OTHER PAYABLES AND ACCRUALS

	30.6.2017 HK\$'000 千港元	31.12.2016 HK\$'000 千港元
Other payables and accruals (note (i))	317,598	337,910
Amounts due to a shareholder (note (ii))	11,693	11,693
	329,291	349,603

Notes:

- (i) Other payables mainly included exploration costs payable of approximately HK\$214,963,000 (31 December 2016: HK\$249,776,000) in respect of oil and gas properties.
- (ii) The amount represented a loan from a shareholder denominated in CAD. The loan was unsecured, interest free and repayable on demand.

17. 其他應付款項及預提費用

	30.6.2017 HK\$'000 千港元	31.12.2016 HK\$'000 千港元
Other payables and accruals (note (i))	317,598	337,910
Amounts due to a shareholder (note (ii))	11,693	11,693
	329,291	349,603

附註：

- (i) 其他應付款項包括有關油氣資產之應付勘探成本約214,963,000港元（2016年12月31日：249,776,000港元）。
- (ii) 應付股東款項為以加元計值之貸款。該貸款為無抵押，免息及須按要即時償還。

18. BORROWINGS

18. 借貸

		30.6.2017	31.12.2016
		HK\$'000	HK\$'000
		千港元	千港元
Corporate bonds – unsecured	企業債券—無抵押	416,047	322,109
On demand or within one year	按要求或一年內償還	–	–
More than one year, but not exceeding two years	超過一年，但不超過兩年	10,400	–
More than two years, but not exceeding five years	超過兩年，但不超過五年	10,000	7,500
More than five years	超過五年	395,647	314,609
		416,047	322,109
Amount due within one year included in current liabilities	列入流動負債一年內到期之金額	–	–
Non-current portion	非流動部分	416,047	322,109

Note:

During the six months ended 30 June 2017, the Company issued the corporate bonds of HK\$93,938,000 (31 December 2016: HK\$102,638,000) which bear fixed interest rate ranging from 5% to 8% per annum (31 December 2016: 5% to 7% per annum) with maturity in 2 to 8 years (31 December 2016: 4 to 8 years).

附註：

截至2017年6月30日止6個月內，本公司發行固定年息5%至8%（2016年12月31日：5%至7%）、年期為2–8年（2016年12月31日：4–8年）共93,938,000港元之企業債券（2016年12月31日：102,638,000港元）。

Notes to the Financial Statements

19. CONVERTIBLE NOTES

19. 可換股票據

		Liabilities component	Derivative component	Equity component	Total
		負債部分	衍生部分	權益部分	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2016	於2016年1月1日	285,250	-	26,322	311,572
Issue of convertible notes during the year	年內發行之可換股票據	1,058,564	277,746	-	1,336,310
Redeemed upon expiry	到期日贖回	(192,760)	-	(15,913)	(208,673)
Amortisation of transaction costs	交易成本之攤銷	8,539	-	-	8,539
Imputed interest expense	應歸利息支出	111,756	-	-	111,756
Interest paid	已付利息	(40,937)	-	-	(40,937)
Change in fair value	公平值之變動	-	(52,089)	-	(52,089)
Exchange adjustment	匯兌調整	-	(720)	-	(720)
		1,230,412	224,937	10,409	1,465,758
At 31 December 2016 and at 1 January 2017	於2016年12月31日及於2017年1月1日				
Redeemed during the period	期內贖回	(140,000)	-	(10,409)	(150,409)
Amortisation of transaction costs	交易成本之攤銷	7,658	-	-	7,658
Imputed interest expense	應歸利息支出	133,065	-	-	133,065
Gain on released upon expiry	贖回之收益	(3,214)	-	-	(3,214)
Interest paid	已付利息	(69,712)	-	-	(69,712)
Change in fair value	公平值之變動	-	(61,444)	-	(61,444)
		1,158,209	163,493	-	1,321,702
At 30 June 2017	於2017年6月30日				

Notes:

- (i) During the six months ended 30 June 2017, the Company redeemed convertible notes with aggregate principal amount of HK\$140,000,000.
- (ii) For the six months ended 30 June 2017, imputed interest expense on the convertible notes was charged at the rate of approximately 18.96% - 22.85% per annum calculated using the effective interest method.

附註：

- (i) 截至2017年6月30日止6個月內，本公司贖回本金總額為140,000,000港元之可換股票據。
- (ii) 於2017年6月30日止6個月內，可換股票據的應歸利息支出按實際年利率18.96%-22.85%使用實際利息法計算。

20. SHARE CAPITAL

20. 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 2016	於2016年1月1日	17,603,601	176,036
Shares repurchased and cancelled	股份購回及註銷	<u>(509,945)</u>	<u>(5,099)</u>
At 31 December 2016 and at 1 January 2017	於2016年12月31日及 2017年1月1日	17,093,656	170,937
Shares repurchased – note	股份購回 – 附註	<u>(260,645)</u>	<u>(2,607)</u>
At 30 June 2017	於2017年6月30日	<u>16,833,011</u>	<u>168,330</u>

Note:

During the six months ended 30 June 2017, the Company repurchased a total of 260,645,000 shares of the Company at an aggregate consideration of approximately HK\$48,990,000. Out of 260,645,000 shares repurchased, 252,435,000 shares were cancelled during the period while the remaining 8,210,000 shares were cancelled in July 2017.

附註：

於2017年6月30日止六個月，本公司以總代價約為48,990,000港元購回共260,645,000股公司股份。在260,645,000股購回股份當中，252,435,000股已在期內被註銷，餘下的8,210,000股亦已於2017年7月被註銷。

Notes to the Financial Statements

21. COMMITMENTS

(a) Operating lease commitments – Lessee

At 30 June 2017, the total future minimum lease payments under non-cancellable operating leases were payable as follows:

		30.6.2017	31.12.2016
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 year	1年內	4,547	7,170
After 1 year but within 5 years	1年後但5年內	3,263	7,253
		7,810	14,423

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 six years without an extension option. None of the leases includes contingent rentals.

(b) Capital commitments

		30.6.2017	31.12.2016
		HK\$'000	HK\$'000
		千港元	千港元
Commitments in respect of the Sanjiao CBM Project	就三交煤層氣項目之承擔	41,033	39,803
Commitments in respect of the LNG Project	就液化天然氣廠房之承擔	65,891	64,089
		106,924	103,892

21. 承擔

(a) 經營租賃承擔－承租人

於2017年6月30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：

	30.6.2017	31.12.2016
	HK\$'000	HK\$'000
	千港元	千港元
Within 1 year	4,547	7,170
After 1 year but within 5 years	3,263	7,253
	7,810	14,423

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6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

22. 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 2017, a provision of HK\$4,959,000 (31 December 2016: HK\$4,810,000) was made in the condensed consolidated statement of financial position.

22. 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2017年6月30日，簡明綜合財務狀況表內作出了4,959,000港元（2016年12月31日：4,810,000港元）之撥備。

Notes to the Financial Statements

23. MATERIAL RELATED PARTY TRANSACTIONS

Key management personnel remuneration

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

23. 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	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
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	8,911	8,968

24. EVENTS AFTER THE REPORTING PERIOD

There has been no significant event since 30 June 2017.

24. 報告期後事項

於2017年6月30日後並無重大事項。

BUSINESS REVIEW

During the six months ended 30 June 2017, Sino Oil and Gas Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) recorded a turnover of approximately HK\$310,649,000 (2016 interim: HK\$78,381,000), which has substantially increased by nearly 3 times as compared with that of the same period in last year. The turnover included the sales of Sanjiao Coalbed Methane (“CBM”) Project of approximately HK\$37,769,000 (2016 interim: HK\$30,435,000) and the sales derived from raw coal washing project located in Qinshui Basin, Shanxi Province of approximately HK\$272,000,000 (2016 interim: HK\$43,947,000). During the period, the Group recorded a net loss of approximately HK\$67,568,000 (2016 interim: net profit HK\$5,697,000). It was mainly attributable to the increase in the finance costs incurred arising from the convertible notes and borrowings during the period. The finance costs during the period were approximately HK\$138,121,000 (2016 interim: HK\$14,419,000). According to the Hong Kong Financial Reporting Standards, part of the finance costs were non-cash items, such as imputed interest on convertible notes and amortization of transaction costs on convertible notes and corporate bonds, and the finance costs actually affecting the cash flow of the period was approximately HK\$69,712,000 (2016 interim: HK\$4,205,000) (Please refer to note 19 to the financial statements as disclosed in this interim report for details).

During the period, the Group recorded earnings before interest, taxes, depreciation and amortization (“EBITDA”) of approximately HK\$104,480,000 (2016 interim: EBITDA HK\$52,293,000) which included other gains from fair value changes of derivative component of convertible notes of approximately HK\$61,444,000 (2016 interim: nil).

業務回顧

截至2017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」）錄得營業額為約310,649,000港元（2016年中期：78,381,000港元），較去年同期大幅上升近三倍。營業額分別來自於三交煤層氣銷售約37,769,000港元（2016年中期：30,435,000港元），以及山西沁水盆地之原煤洗選業務收入約272,000,000港元（2016年中期：43,947,000港元）。期內，本集團錄得淨虧損約67,568,000港元（2016年中期：淨溢利5,697,000港元），主要由於本集團之可換股票據及借貸所產生的融資成本增加所引致。期內融資成本約為138,121,000港元（2016年中期：14,419,000港元），根據香港財務報告準則，部分融資成本為非現金項目，例如可換股票據之應歸利息及企業債券和可換股票據之交易成本之攤銷等。而實際影響當期現金流的融資成本支出約為69,712,000港元（2016年中期：4,205,000港元）（詳見本中期報告之財務報表附註19）。

期內本集團稅息折舊及攤銷前利潤（「EBITDA」）則約為104,480,000港元（2016年中期：EBITDA 52,293,000港元），當中包括其他收益內可換股票據衍生部份之公平值變動約61,444,000港元（2016年中期：無）。

Management Discussion and Analysis

During the period, the operation of Sanjiao CBM Project has improved and CBM sales has increased by approximately 24% as compared with the same period of last year. In the first half of 2017, the Group actively expanded its sales channels of CBM, thereby, the gas sale-to-production rate has increased to approximately 90% (2016 interim: 81.6%). At the same time, government subsidy of approximately HK\$11,880,000 (2016 interim: HK\$9,592,000) for sales of CBM for the year 2016 has been received and recorded as “other revenue” during the period. The Group believes that with the concerted efforts of the team, Sanjiao CBM Project will generate long-term and substantial returns.

The interest income amounted to approximately HK\$11,858,000 (2016 interim: HK\$29,390,000) disclosed in “other revenue”, mainly derived from the refundable deposit of CAD40 million of the Group’s possible acquisitions located in Alberta, Canada.

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, utilization and production of the CBM field in the Sanjiao block (“Sanjiao CBM Project”), 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 amounted to approximately 8.301 billion cubic meters and the net present value at 10% discount of the future revenue of the reserve was approximately HK\$11.498 billion.

三交煤層氣項目之營運狀況於上半年有所改善，項目於期內銷售額較去年同期上升約24%。2017年上半年集團積極拓展煤層氣銷售，使期內平均產銷比率上升至約90%（2016年中期：81.6%）。同時，2016年銷售煤層氣之政府補貼為約11,880,000港元（2016年中期：9,592,000港元）已於期內入賬並披露於其他收入。本集團相信在團隊持續共同努力下，三交煤層氣項目能帶來長遠而豐厚的盈利。

另披露於其他收入的利息收入金額約11,858,000港元（2016年：29,390,000港元），該利息收入主要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。

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（「三交煤層氣項目」）。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。

管理層討論及分析

Following the approval of its overall development plan by the National Development and Reform Commission (“NDRC”) in 2015, Sanjiao CBM Project was granted a mining permit by the Ministry of Land and Resources of the PRC with an approved CBM production capacity of 500 million cubic meters per annum. The mining permit shall be valid for 25 years from July 2017 to July 2042. At this point, all necessary administrative approvals under the current PRC laws and regulations have been obtained for exploration, development, exploitation and production phases of Sanjiao CBM Project.

Infrastructure

As at 30 June 2017, the Sanjiao CBM Project has completed a total of 116 wells, comprising 64 multilateral horizontal wells and 52 vertical wells. Out of the total 116 wells, 82 wells were in the normal dewatering and gas producing stage, of which 84 wells had accessed to a gas collection pipeline network. A ground pipeline network of approximately 18 kilometers, inter-well pipelines of approximately 56 kilometers, and outbound pipelines of approximately 17 kilometers were completed. Approximately total 68.7 kilometers of 10KV power grid and branch power line were also completed.

During the period, the Group has completed the expansion of the CBM processing station. As at 30 June 2017, its total daily CBM processing capacity has reached 500,000 cubic meters, and the Group will continue to expand the coalbed methane processing capacity in due course so as to cope with the increasing production capacity of Sanjiao CBM Project.

三交煤層氣項目繼2015年總體開發方案獲國家發展和改革委員會（「國家發改委」）批覆後，於本年7月份獲國家國土資源部授予《採礦許可證》，獲准開採的生產規模為每年5億立方米煤層氣，開採有效期為25年（自2017年7月至2042年7月）。至此，三交煤層氣項目由勘探階段進入開發、開採、生產階段，依據中國現行法律法規所需要的行政許可均已齊備。

基礎建設

截至2017年6月30日止，三交煤層氣項目合計完成鑽井共116口，其中64口為多分支水平井，餘下的52口為直井。在上述116口井中，正常排採井為82口，接入集氣管網的井位有84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56公里，外輸管線約17公里；並架設總長度約68.7公里的10KV輸電幹線及電力支線。

期內，集團已完成煤層氣增壓脫水站的擴建工作，而截至2017年6月30日，其總煤層氣日處理能力已達50萬立方米。為配合三交煤層氣項目持續提升的產能，集團會適時繼續擴建該站之煤層氣處理能力。

Management Discussion and Analysis

Sales

During the period, Sanjiao CBM Project recorded EBITDA of approximately HK\$40,055,000 (2016 interim: HK\$28,992,000), which has increased by 38% as compared with the same period of last year. CBM sales amounted to HK\$37,769,000 (2016 interim: HK\$30,435,000), which has increased by 24% as compared with the same period of last year.

During the period, the production and sales of CBM were approximately 37.9 million cubic meters (2016 interim: 32.49 million cubic meters) and 34.17 million cubic meters (2016 interim: 26.52 million cubic meters) respectively, resulting in a gas sale-to-production rate of approximately 90% for the period (2016 interim: 81.6%). In terms of the composition of gas sales throughout the period, industrial piped CBM sales accounted for approximately 87.3% of total sales (2016 interim: 80.4%), while residential piped CBM sales contributed approximately 12.7% (2016 interim: 19.6%). Same as last year, all CBM was sold by pipeline.

Raw Coal Washing Project Located in Shanxi Province

The Group acquired a 75% equity interest of a raw coal washing project company (the "Project Company") located in Qinshui Basin, Shanxi Province in mid of 2015. In view of the extreme excess production capacity of the coal industry, the supply-side reform was launched in 2015 in China and improvement has gradually been seen since 2016. In the first half of 2017, the coal price continued to rise. It is expected that following the gradual implementation of the policy, the industry will progressively pick up. Pursuant to the sale and purchase agreement entered into by both parties, the vendor will provide the Group with profit guarantee for six consecutive years. The profit guarantee for the year ended 31 December 2016 was not met according to the actual profit of the Project Company. The vendor agreed to compensate the Company's share of the shortfall between the profit guarantee and the actual profit amounting to RMB14,810,858 (equivalent to HK\$17,050,000).

The project has already contributed stable income and cash flow to the Group. During the period, the coal washing operation recorded a total sale of refined coal approximately 218,500 tonnes (2016 interim: 93,500 tonnes) which has increased by approximately 134% as compared to the same period of last year.

銷售

期內，三交煤層氣項目錄得EBITDA約40,055,000港元（2016年中期：28,992,000港元），較去年同期上升約38%。煤層氣銷售額約37,769,000港元（2016年中期：30,435,000港元），較去年同期上升約24%。

期內項目分別生產及銷售煤層氣約3,790萬立方米（2016年中期：3,249萬立方米）及3,417萬立方米（2016年中期：2,652萬立方米），平均產銷比率約90%（2016年中期：81.6%）。期內銷售結構中，工業用管道煤層氣銷售佔約87.3%（2016年中期：80.4%），民用管道煤層氣銷售佔約12.7%（2016年中期：19.6%）。與去年同期一樣，煤層氣銷售均全部為管道銷售。

位於山西省的原煤洗選項目

本集團於2015年中收購一間位於山西省沁水盆地之原煤洗選項目公司（「項目公司」）之75%權益。針對煤炭行業產能極端過剩問題，內地2015年開始推行供給側改革，並於2016年已漸見成效。2017年上半年煤價持續走高，預期隨著政策逐步落實，行業將逐漸回暖，加上雙方所訂立的買賣協議，賣方會對集團提供連續6年的利潤保證，根據項目公司於2016年12月31日之實際利潤，未能達到利潤保證。賣方已同意向本公司補回本公司所應佔有之實際利潤與利潤保證之差額人民幣14,810,858元（等值為17,050,000港元）。

該項目已開始為集團貢獻穩定的收入以及現金流。期內，項目共銷售精煤約218,500噸（2016年中期：93,500噸），較去年同期上升約134%。

Other

At the end of last year, the Group set up a wholly-owned subsidiary, Shaanxi Zhao Yin Finance Leasing Company Limited (“Zhao Yin Finance Leasing”) in Shaanxi Province. The major purpose of the establishment of this finance leasing company is to strengthen the Group’s bank-enterprise relations so as to create cooperation channels; as well as to seek for the suitable financing channels and sources for the Group’s upcoming possible mergers and acquisitions (“M&A”) and development. Further it also provides short-term investment opportunities for the Group’s capital. In the first half of the year, Zhao Yin Finance Leasing granted a total of RMB40 million short-term leasing loans with the annual interest rate of 10% to a local company, operating natural gas pipeline business.

Capital Expenditure

For the period ended 30 June 2017, the total expenditure capitalized for the Sanjiao CBM Project was approximately HK\$86.76 million (2016 interim: HK\$177.40 million), which mainly comprises of (i) construction works in progress of oil and gas fields, (ii) direct expenses and (iii) finance costs, The breakdown of which is as follows:

- (i) Construction works in progress of oil and gas field mainly representing drilling expenses approximately HK\$31.12 million (2016 interim: HK\$94.27 million), dewatering expenses amounted for approximately HK\$4.08 million (2016 interim: HK\$2.81 million) and ground facility expenditure amounted to approximately HK\$1.75 million (2016 interim: HK\$16.50 million).
- (ii) Direct expenses mainly represent direct labour cost (included, but not limit to, petroleum engineers and geologists etc.) amounted to approximately HK\$13.57 million (2016 interim: HK\$9.77 million) and other direct cost incidental to the exploration and development of the Sanjiao CBM Project amounted to approximately HK\$11.24 million (2016 interim: HK\$9.06 million); and
- (iii) The total finance costs capitalized during the period was approximately HK\$25.00 million (2016 interim: HK\$44.99 million).

其他

去年年底本集團於陝西成立了一家全資附屬公司陝西兆銀融資租賃有限公司(「兆銀融資」)。成立此融資租賃公司之主要目的為加強集團與銀企關係，創建合作渠道，尋求合適的融資途徑及來源以配合集團未來可能項目併購及發展，同時亦為集團部份資金作短期的投資。於上半年，兆銀融資向當地一間營運天然氣管輸業務的企業批出人民幣共4,000萬元的短期融資租賃貸款，年利率為10%。

資本支出

截至2017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86,760,000港元(2016年中期：177,400,000港元)，其中主要為(i)油氣田之在建工程，(ii)直接支出及(iii)財務費用，明細如下：

- (i) 油氣田之在建工程主要為鑽井工程支出約31,120,000港元(2016年中期：94,270,000)，排採工程支出共約4,080,000港元(2016年中期：2,810,000港元)及地面工程支出共約1,750,000港元(2016年中期：16,500,000港元)。
- (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13,570,000港元(2016年中期：9,770,000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11,240,000港元(2016年中期：9,060,000港元)；及
- (iii) 期內資本化的總財務費用約為25,000,000港元(2016年中期：44,990,000港元)。

Management Discussion and Analysis

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.

Related due diligence review on the resources and financial aspect is being conducted. The Company expects that overseas acquisition activities can expand the Group's business portfolio of natural gas and oil which will contribute profit and cash flow. Further, this can augment the Group's overall risk resistance capacity when facing unstable external factors.

On 30 June 2017, 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 31 December 2017, and both parties are confident that the transaction can be finalized within the year.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 June 2017, the net assets of the Group were approximately HK\$3,118,000,000 (31 December 2016: HK\$3,091,000,000) while its total assets were approximately HK\$5,216,000,000 (31 December 2016: HK\$5,245,000,000). As at 30 June 2017, the Group had external borrowings including the liability component of convertible notes of approximately HK\$1,574,000,000 (31 December 2016: HK\$1,553,000,000), and the gearing ratio based on total assets was approximately 30.18% (31 December 2016: 29.61%). By the end of June 2017, the current ratio was approximately 0.79 (31 December 2016: 1.32). Information on repayment of the Group's borrowings and convertible notes are set out in notes 18 and 19 to the financial statements as disclosed in this interim report.

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。

就相關的資源及財務方面的盡職審查正在積極進行中，公司預期進行海外收購活動將可一方面擴大本集團的天然氣和石油的業務組合，帶來盈利及現金流貢獻，另一方面，當面對不穩定的外圍因素，可以加強集團整體的抗風險能力。

於2017年6月30日，本集團及賣方同意將該等諒解備忘錄中條款分別延至2017年12月31日，雙方亦有信心交易可望於年內完成。

財務回顧

流動資金及財政資源

於2017年6月30日，本集團的資產淨值約為3,118,000,000港元（2016年12月31日：3,091,000,000港元），總資產值則約為5,216,000,000港元（2016年12月31日：5,245,000,000港元）。於2017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1,574,000,000港元（2016年12月31日：1,553,000,000港元），負債比例按資產總值計算約為30.18%（2016年12月31日：29.61%）。而於2017年6月底的流動比率約為0.79（2016年12月31日：約1.32）。有關本集團借貸和可換股票據償還詳情載於本中期報告之財務報表附註18及19。

管理層討論及分析

As at 30 June 2017, the gearing ratio was still at a reasonable level. During the period, in addition to the large capital needs for the development of Sanjiao CBM Project, redemption of certain convertible notes matured during the period has led to a relatively low current ratio in short-term. It is expected that when the CBM operation gradually becomes stable, the Group's overall financial situation will improve and become healthy and stable.

In the first half of the year, the Company has redeemed convertible notes with the aggregate principal amount of HK\$140,000,000.

Foreign Exchange Fluctuations

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 at 30 June 2017, 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 at 30 June 2017, the Group employed approximately 350 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2017年6月30日，本集團之負債比率仍然維持合理水平，而由於期內開發三交煤層氣項目的資金需求量大，加上贖回部份於期內到期的可換股票據等，導致流動比率偏低，但預期煤層氣營運逐漸穩定，集團整體財政狀況，將會改善並愈趨穩健。

於上半年，公司已贖回本金總額為140,000,000港元之可換股票據。

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2017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平。

僱員薪酬政策

於2017年6月30日，本集團的僱員約有350人。本集團之薪酬政策主要按現行市場薪酬水準及各有關公司及個別僱員之表現釐訂。

Management Discussion and Analysis

PROSPECTS

In order to strengthen the air pollution control, the Chinese government vigorously advocates the use of natural gas and reduces air pollution caused by coal burning in recent years. The data released by NDRC shows that, in the first half of 2017, China's natural gas consumption has reached 114.6 billion cubic meters, with an increase of 15.2% year over year, which indicating a rapid trend of growth. The steady recovery of Chinese economy has led to the increase of overall gas demand, and the "coal to gas" policy is also one of the main driving forces. In accordance with the "Opinions on Promoting the Use of Natural Gas" published by NDRC in June 2017, it mentioned that natural gas will account for 10% and 15% of the primary energy consumption structure by 2020 and 2030 respectively. The Group believes that the natural gas industry in China will continue to develop healthily with an accelerating pace.

As an important strategic supplement to natural gas, CBM industry also has considerable development. The data released by the Ministry of Land and Resources of China shows that in 2016, the national production of CBM on ground exploration has reached a record high of 4.495 billion cubic meters. Moreover, subsidy policy in place and the introduction of incentive measure have provided a favorable policy environment for CBM industry. The Group will seize the opportunity to accelerate the construction and development of Sanjiao CBM Project in order to meet China's growing energy demand while consolidating the Group's core competitiveness and to lay a solid foundation for further expansion and development.

前景

為加快大氣污染治理，中國政府近年大力推廣天然氣利用減少燃燒煤炭造成的空氣污染。國家發改委發佈數據顯示，2017年上半年，中國天然氣消費量為1,146億立方米，同比增長15.2%，呈高速增長趨勢。中國經濟平穩回升帶動用氣需求整體回升，而「煤改氣」效果逐漸顯現也是其中一個主要推動力。2017年6月國家發改委公佈《關於推進天然氣利用的意見》指出，於2020年及2030年，天然氣在一次能源消費結構中佔比分別力爭達到約10%及15%。集團相信內地天然氣行業將繼續健康地增速發展。

作為天然氣的重要戰略補充，煤層氣行業亦有長遠的發展。中國國土資源部數據指出，2016年煤層氣全國地面開發產量達44.95億立方米創歷史新高。另外，國家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利好的政策環境，表明了煤層氣發展已進入快車道。集團將緊抓機遇加快推進三交煤層氣項目的建設發展，以滿足中國不斷增長的能源需求，同時鞏固集團核心競爭力，為進一步擴張發展奠定堅實基礎。

管理層討論及分析

The global economy recovered moderately in the first half of this year, the international oil and gas prices tend to become stable, while there are still many uncertainties for the supply and demand in the oil and gas market. However, the Group still believes that with the gradually stabilized oil prices and the solid fundamentals of the overall energy market, the growth of oil and gas industry as a whole will be eventually catching up and recovered. In the meantime, in order to accelerate the growth of the Group and balance the business risks, we are focusing on opportunities of M&A. For the interest of the shareholders, the Group is evaluating suitable midstream and downstream projects in addition to upstream projects. In assessing potential M&A targets, we mainly consider business stability, risk controllability, quality of resources and the ability of generating revenue and cash flow in the near future.

In the future, with the development and operation of Sanjiao CBM Project, we believe that the Group has sufficient strength to embrace more business opportunities in China and other countries. The Group will ride on the robust core business to speed up the pace of foreign expansion; actively looking for oil and gas assets with potential to become a professional international oil and gas player.

上半年全球經濟溫和復甦，國際油氣市場趨向平衡，但油氣市場的供需平衡依然存在許多不確定因素。不過，集團仍然相信隨著市場整體基本面轉好，油價逐步靠穩後，石油和天然氣工業的整體增長最終將會反彈。集團正加速併購步伐，為平衡業務風險，除上游項目之外，集團正評估合適的中下游項目。對於潛在併購目標，集團主要考慮項目業務穩定程度、風險可控制度、資源質素，以及項目能否於短期內為集團帶來現金流和收益，並以股東利益為依歸。

未來，隨著三交項目發展及營運日漸成熟，我們相信集團已有足夠實力迎接在國內外的更多商機。集團將憑藉穩健的核心業務，加快對外擴張步伐，積極尋找具潛力的油氣資產，成為專業的國際化油氣勘探開發商。

Other Information

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2017, 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") as set out in Appendix 10 to the Listing Rules were as follows:

董事於股份及相關股份中權益

於2017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規則附錄十所載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 於股份及相關 股份中權益	Nature of interest 權益性質	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
Dai Xiaobing 戴小兵	Long position	Shares	Interest of controlled corporation/ Beneficial owner	1,383,245,000	8.21%
	好倉	股份	受控制公司權益／實益擁有人		
	Short position	Shares	Interest of controlled corporation/ Beneficial owner	1,375,245,000	8.17%
	淡倉	股份	受控制公司權益／實益擁有人		
	Long position	Underlying shares	Interest of controlled corporation	4,879,710,144	28.97%
	好倉	相關股份	受控制公司權益		
King Hap Lee 景哈利	Long position	Share options	Beneficial owner/Family interest (Note 2)	96,000,000	0.57%
	好倉	購股權	實益擁有人／家族權益 (附註2)		
	Long position	Shares	Interest of controlled corporation (Note 3)	100,000,000	0.59%
Wan Tze Fan Terence 溫子勳	好倉	股份	受控制公司權益(附註3)		
	Long position	Share options	Beneficial owner	66,000,000	0.39%
	好倉	購股權	實益擁有人		
Wan Tze Fan Terence 溫子勳	Long position	Shares	Beneficial owner	33,660,000	0.20%
	好倉	股份	實益擁有人		
	Long position	Share options	Beneficial owner	66,000,000	0.39%
好倉	購股權	實益擁有人			

其他資料

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	於股份及相關 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
Chen Hua 陳華	Long position	Underlying Shares	Interest of controlled corporation (Note 4)	768,971,796	4.57%
	好倉	相關股份	受控制公司權益(附註4)		
	Long position	Shares	Beneficial owner	88,000,000	0.52%
	好倉	股份	實益擁有人		
	Long position	Share options	Beneficial owner	30,000,000	0.18%
好倉	購股權	實益擁有人			
Huang Shaowu 黃紹武	Long position	Shares	Interest of controlled corporation/ Beneficial owner (Note 5)	1,983,730,000	11.78%
	好倉	股份	受控制公司權益／實益擁有人(附註5)		
	Long position	Share options	Beneficial owner	17,000,000	0.10%
好倉	購股權	實益擁有人			
He Lin Feng 何林峰	Long position	Shares	Beneficial owner	1,500,000,000	8.91%
	好倉	股份	實益擁有人		
	Long position	Share options	Beneficial owner	30,000,000	0.18%
好倉	購股權	實益擁有人			
Wong Kwok Chuen Peter 黃國全	Long position	Share options	Beneficial owner	6,000,000	0.04%
	好倉	購股權	實益擁有人		
Wong Lung Tak Patrick 黃龍德	Long position	Share options	Beneficial owner	6,000,000	0.04%
	好倉	購股權	實益擁有人		
Wang Yanbin 王延斌	Long position	Share options	Beneficial owner	6,000,000	0.04%
	好倉	購股權	實益擁有人		
Dang Weihua 黨偉華	Long position	Share options	Beneficial owner	3,000,000	0.02%
	好倉	購股權	實益擁有人		

Notes:

- (1) Particulars of directors' interests in the share options of the Company are set out in the section "Share Option Scheme".
- (2) Sino Oil and Gas Resources Investments Limited ("SOGRI") owns 708,000,000 shares and has short position of 708,000,000 shares. SOGRI is wholly owned by Dr. Dai Xiaobing. Pursuant to the SFO, Dr. Dai is taken to have interests and short position in such shares. In addition, Dr. Dai beneficially owns 675,245,000 shares and has short position in 667,245,000 shares.

附註：

- (1) 董事於本公司購股權的權益詳情載於「購股權計劃」一節。
- (2) 中國油氣資源投資有限公司(「SOGRI」)持有708,000,000股股份的權益及708,000,000股股份的淡倉。SOGRI由戴小兵博士全資擁有。根據證券及期貨條例，戴博士被視為於該等股份中擁有權益及淡倉。此外，戴博士實益擁有675,245,000股股份及持有667,245,000股股份的淡倉。

Other Information

Unless the context requires otherwise, capitalized terms used in this paragraph shall have the same meanings as defined in the announcement issued by the Company on 31 May 2016. On 31 May 2016, the Company entered into the Subscription Agreement with Crescent Spring Investment Holdings Limited (the “Bondholder”) pursuant to which the Company issued to the Bondholder the Convertible Bonds in the aggregate principal amount of US\$130,000,000 due 2019 on 29 September 2016, and Sino Oil and Gas Resources Limited (“SOGGR”), a company wholly owned by Dr. Dai Xiaobing, entered into a Put and Call Option Deed with the Bondholder pursuant to which the Bondholder grants to SOGR an irrevocable and unconditional right (but without obligation) to purchase some or all of the Convertible Bonds at the Call Option Purchase Price during the Call Option Period, and SOGR grants to the Bondholder an irrevocable and unconditional right (but without obligation) to require SOGR to purchase some or all of the Convertible Bonds at the Put Option Purchase Price during the Put Option Period. Based on the conversion price of HK\$0.207 per share, a maximum of 4,879,710,144 shares may be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds in full. Further details are set out in the announcements and circular issued by the Company on 31 May 2016, 30 September 2016 and 12 July 2016 respectively. Pursuant to the SFO, the Convertible Bonds give rise to an interest in 4,879,710,144 underlying shares of the Bondholder and the Put and Call Option Deed gives rise to an interest in 4,879,710,144 underlying shares of the Company of SOGR and Dr. Dai Xiaobing and short position of 4,879,710,144 underlying shares of the Bondholder.

Dr. Dai Xiaobing and his spouse, Ms. Xu Ning, hold 66,000,000 options and 30,000,000 options respectively.

- (3) Wai Tech Limited owns 100,000,000 shares of the Company. 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 in such shares.
- (4) 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.
- (5) 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 of the Company.

除文義另有所指外，本段中所採用之詞彙與本公司於2016年5月31日刊發之公佈所界定者具有相同涵義。於2016年5月31日，本公司與Crescent Spring Investment Holdings Limited (「債券持有人」) 訂立認購協議，據此，本公司於2016年9月29日發行本金總額 130,000,000 美元於2019年到期之可換股債券予債券持有人；以及由戴小兵博士全資擁有的中國油氣資源有限公司 (「SOGGR」)，與債券持有人訂立認沽及認購期權契據，據此，債券持有人授予SOGGR一項不可撤回及無條件權利(但並無責任)，可於認購期權期間內按認購期權購買價購入部份或全部可換股債券，而SOGGR授予債券持有人一項不可撤回及無條件權利(但並無責任)，可要求SOGGR於認沽期權期間內按認沽期權購買價購入部份或全部可換股債券。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4,879,710,144股股份，有關詳情載于本公司於2016年5月31日及2016年9月30日發出之公佈及2016年7月12日發出之通函。根據證券及期貨條例，債券持有人按照可換股債券持有本公司4,879,710,144股相關股份權益，而SOGGR及戴小兵博士按照認沽及認購期權契據持有4,879,710,144股相關股份權益及債券持有人按照認沽及認購期權契據持有4,879,710,144股相關股份之淡倉。

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。

- (3) 威達有限公司持有100,000,000股股份的權益，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。
- (4) 768,971,796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。
- (5) 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，黃先生個人實益擁有本公司100,000,000股股份。

其他資料

Save as disclosed above, as at 30 June 2017, 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 2017, 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2017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2017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)	Exercise period (D.M.Y)	Exercise price per share HK\$ 每股股份 之行使價 港元
	Outstanding at 1 January 2017 於2017年 1月1日 尚未行使	Lapsed during the period 於期內失效	Outstanding at 30 June 2017 於2017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	305,000,000 878,000,000	7,000,000 34,000,000	298,000,000 844,000,000	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	1,479,000,000	41,000,000	1,438,000,000			

Notes:

1. 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 2017) to Ms. Xu Ning (being Dr. Dai Xiaobing's spouse and she had previously provided personal guarantee to a loan facility to Orion Energy International Inc. ("Orion"), a wholly owned subsidiary of the Company) and Ms. Dai Qing Fang (being Dr. Dai Xiaobing's sister and a deputy general manager of Orion) respectively.

2. No option was granted or exercised during the period.

附註：

1. 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2017年6月30日仍尚未行使）徐寧女士（戴小兵博士夫人，她曾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）。

2. 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 2017, the following persons, not being a Director or chief executive of the Company, had an 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, the details of which are set out below:

主要股東及其他人士之權益

於2017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及淡倉如下：

Name	Long/short position	Interests in shares/ underlying shares	Nature of interest	Number of shares/ underlying shares held	Percentage of issued shares
名稱	好倉／淡倉	於股份及相關 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)	Long position	Shares	Beneficial owner	1,883,730,000	11.19%
圓景國際有限公司(附註1)	好倉	股份	實益擁有人		
Other persons					
其他人士					
Crescent Spring Investment Holdings Limited (Note 2)	Long position	Underlying shares	Beneficial owner	4,879,710,144	28.97%
	好倉	相關股份	實益擁有人		
Crescent Spring Investment Holdings Limited (附註2)	Short position	Underlying shares	Beneficial owner	4,879,710,144	28.97%
	淡倉	相關股份	實益擁有人		
	Long position	Shares	Security interest	1,375,245,000	8.17%
	好倉	股份	保證權益		
Sino Oil and Gas Resources Limited (Note 2)	Long position	Underlying shares	Beneficial owner	4,879,710,144	28.97%
中國油氣資源有限公司(附註2)	好倉	相關股份	實益擁有人		

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).

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。

Other Information

2. Crescent Spring Investment Holdings Limited (“Crescent”) owns convertible bonds in the principal amount of US\$130,000,000 (equivalent to approximately HK\$1,010,100,000) due 2019 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 4,879,710,144 shares may be allotted and issued upon exercise of the conversion rights attaching to the convertible bonds in full. The convertible bonds give rise to an interest in 4,879,710,144 underlying shares of Crescent.

Unless the context requires otherwise, capitalized terms used in this paragraph shall have the same meanings as defined in the Company’s announcement dated 31 May 2016. Pursuant to the Put and Call Option Deed entered into between Crescent and Sino Oil and Gas Resources Limited (“SOGR”), a company wholly owned by Dr. Dai Xiaobing, Crescent grants to SOGR an irrevocable and unconditional right (but without obligation) to purchase some or all of the Convertible Bonds at the Call Option Purchase Price during the Call Option Period, and SOGR grants to Crescent an irrevocable and unconditional right (without obligation) to require SOGR to purchase some or all of the Convertible Bonds at the Put Option Purchase Price during the Put Option Period. The Put and Call Option Deed gives rise to an interest in 4,879,710,144 underlying shares of each of SOGR and Dr. Dai Xiaobing, and short position of 4,879,710,144 underlying shares of Crescent.

Crescent also holds security interest in 1,375,245,000 shares of the Company.

Crescent is a wholly-owned subsidiary of China Huarong International Holdings Limited (中國華融國際控股有限公司) which in turn is owned as to 88.1% by Huarong Real Estate Co., Ltd. (華融置業有限責任公司) (“Huarong Real Estate”) and 11.9% by Huarong Zhiyuan Investment & Management Co., Ltd. (華融致遠投資管理有限責任公司) (“Huarong Zhiyuan”). Both Huarong Real Estate and Huarong Zhiyuan are wholly owned by China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司) which is in turn owned as to 77.49% by Ministry of Finance of the People’s Republic of China (中華人民共和國財政部). Pursuant to the SFO, China Huarong International Holdings Limited, Huarong Real Estate, China Huarong Asset Management Co., Ltd. and Ministry of Finance of the People’s Republic of China are deemed to have the aforesaid interests and short position held by Crescent.

Saved as disclosed above in this section, as at 30 June 2017, 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.

2. Crescent Spring Investment Holdings Limited (「Crescent」) 持有本公司本金總額為130,000,000美元 (相等於約1,010,100,000港元) 於2019年到期之可換股債券，有權以換股價每股0.207港元兌換為本公司的股份。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4,879,710,144股股份。根據可換股債券，Crescent持有本公司4,879,710,144股相關股份權益。

除文義另有所指外，本段落所採用之詞彙與本公司於2016年5月31日刊發之公佈所界定者具有相同涵義。根據Crescent與由戴小兵博士全資擁有的中國油氣資源有限公司(「SOGR」)訂立的認沽及認購期權契據，Crescent授予SOGR一項不可撤回及無條件權利(但並無責任)，可於認購期權期間內按認購期權購買價購入部份或全部可換股債券，而SOGR 授予Crescent一項不可撤回及無條件權利(但並無責任)，可要求 SOGR 於認沽期權期間內按認沽期權購買價購入部份或全部可換股債券。按照認沽及認購期權契據，SOGR及戴小兵博士持有本公司4,879,710,144股相關股份權益及Crescent持有4,879,710,144股相關股份之淡倉。

Crescent亦持有本公司1,375,245,000股股份保證權益。

Crescent是中國華融國際控股有限公司的全資附屬公司，華融置業有限責任公司(「華融置業」)及華融致遠投資管理有限責任公司(「華融致遠」)分別持有中國華融國際控股有限公司的88.1%權益及11.9%權益。華融置業及華融致遠均由中國華融資產管理股份有限公司全資擁有，後者則由中華人民共和國財政部持有77.49%權益。根據證券及期貨條例，中國華融國際控股有限公司、華融置業、中國華融資產管理股份有限公司及中華人民共和國財政部也被視為持有上述Crescent的權益及淡倉。

除上文所披露者外，於2017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 2017, the Company repurchased a total of 260,645,000 shares on the Stock Exchange for enhancing its per share's net asset value and earnings, of which 252,435,000 shares were cancelled during the period and 8,210,000 shares were cancelled in July 2017. Details of the repurchase of shares are as follows:

Month of repurchase during the six months ended 30 June 2017	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\$ 最高 港元	Lowest HK\$ 最低 港元	
截至2017年6月30日止 六個月期間之購回月份	購回股份數目			
January 1月	64,745,000	0.190	0.189	12,280
March 3月	16,965,000	0.190	0.183	3,164
April 4月	41,355,000	0.190	0.185	7,815
May 5月	70,245,000	0.190	0.185	13,247
June 6月	67,335,000	0.190	0.179	12,484
Total: 合計:	260,645,000			48,990

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 2017.

購買、贖回或出售上市證券

截至2017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260,645,000股，其中252,435,000及8,210,000股分別於期內及2017年7月註銷。購回股份的詳情如下：

除上文所披露者外，截至2017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。

Other Information

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 2017.

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 2017.

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 2017.

By Order of the Board

Dai Xiaobing

Chairman

Hong Kong, 25 August 2017

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2017年6月30日止六個月之未經審核中期報告。

企業管治

本公司於截至2017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2017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，2017年8月25日



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