

中國領先的煤層氣生產商

The Leading Independent
Coalbed Methane Producer in China



2022

ANNUAL REPORT 年報



亞美能源控股有限公司
AAG Energy Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 2686

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Company at a Glance

公司簡介

AAG Energy, the Leading Independent CBM Producer in China

亞美能源，中國煤層氣行業的領先者

Vision

To be the world's leading, most enduring clean energy company for today and tomorrow.

Mission

To create best value for society, optimized platform for employees and highest return for shareholders.

About AAG Energy Holdings Limited

AAG Energy Holdings Limited (“**AAG Energy**” or “**the Company**”, together with its subsidiaries, the “**Group**”) is a leading international energy company in the field of Coal Bed Methane (“**CBM**”) exploration and production in China. It is committed to developing and optimizing the value of unconventional gas resources to supply clean energy to support the economic development in the People's Republic of China (“**PRC**”). AAG Energy's key operating assets, Panzhuang and Mabi concessions, are located in the southwestern part of Qinshui Basin in Shanxi Province, boasting the largest proved CBM geological reserves among basins in the PRC. AAG Energy's Panzhuang concession, which is in partnership with China United Coalbed Methane Corporation Ltd. (“**CUCBM**”), is the first Sino-foreign CBM cooperative project with full-scale commercial development and production and also the most commercially advanced Sino-foreign CBM asset in the PRC. In 2020, Panzhuang concession achieved an annual CBM production of over 1 billion cubic meters in only 63 square kilometers of operating area. The Overall Development Plan (“**ODP**”) for the southern area of Mabi concession, which is in partnership with China National Petroleum Corporation (“**CNPC**”), was approved by the National Development and Reform Commission (“**NDRC**”) of the PRC in September 2018. The designed annual production capacity for commercial development is 1 billion cubic meters and large scale commercial development has been carried out. Xinhe Investment Holding Co., Ltd. (“**Xinhe Investment**”), a wholly-owned subsidiary of AAG Energy, was established in December 2019 and commenced outsourced processing and energy trading business at the end of 2021 and gradually made contribution to our profit. Leveraging its successful experience in the commercialization of CBM and high-caliber management team, AAG Energy will continue to contribute more clean energy to society and create higher return for investors.

願景

勵志成為國際領先的永續發展的清潔能源偉大企業。

使命

為社會創造最佳價值，為員工創造最好平台，為股東創造最大效益。

關於亞美能源控股有限公司

亞美能源控股有限公司(「**亞美能源**」或「**本公司**」，與其附屬公司一起，統稱「**本集團**」)是一家在中國煤層氣勘探開發領域處於領先地位的國際能源公司，致力於非常規天然氣資源的開發及價值優化，為中國經濟發展供應清潔能源。亞美能源的主要運營資產潘莊及馬必區塊位於山西省沁水盆地西南部，其煤層氣探明地質儲量居中國各盆地之首。亞美能源與中聯煤層氣有限責任公司(「**中聯煤**」)合作的潘莊區塊是中國首個進入全面商業開發和生產的中外合作煤層氣區塊，同時也是中國商業化程度最高的中外合作煤層氣資產，潘莊區塊於2020年在僅63平方公里的作業面積內創造了煤層氣年產突破10億方的記錄。亞美能源與中國石油天然氣集團有限公司(「**中國石油**」)合作的馬必區塊南區煤層氣對外合作項目總體開發方案(「**ODP**」)於2018年9月獲得中華人民共和國國家發展和改革委員會(「**國家發改委**」)的批復，商業開發年設計產能為10億立方米，現已開展大規模開發。亞美能源全資孫公司新合投資控股有限責任公司(「**新合投資**」)於2019年12月成立，於2021年底開展委託加工、能源貿易等業務並已實現利潤貢獻。亞美能源憑藉其在煤層氣商業化進程中成功的經驗以及優秀的管理團隊，將繼續為社會奉獻更多的清潔能源，為投資者帶來更優的回報。



2022 Performance Highlights of AAG Energy

亞美能源2022年業績亮點

Safety is always our top priority
安全永遠是我們的第一要務

Zero injury and No Lost Time Injury for **8** years and **117** days
0 傷害記錄，累計**8**年零**117**天無損失工時事故

We delivered strong financial results
我們取得了卓越的財務成績

Profit for the Year
年度利潤

73.61%* ↑



Unit: Million RMB
單位: 百萬人民幣

Revenue (government subsidy and VAT refund are included)
收入 (包括政府補貼和增值稅退稅)

46.37% ↑



Unit: Million RMB
單位: 百萬人民幣

EBITDA
息稅折舊及攤銷前利潤

45.75% ↑



Unit: Million RMB
單位: 百萬人民幣

EPS
每股收益

73.75% ↑



Unit: RMB/share
單位: 人民幣元/股

We always focus on increasing production capacity and market sales volume
我們一直致力於產能和市場提高銷售量

◀ Panzhuang Concession 潘莊區塊

Gross Production
總產量

0.66% ↑



Unit: MMCM
單位: 百萬立方米

Gross Sales
總銷量

0.44% ↑



Unit: MMCM
單位: 百萬立方米

Realized Average Selling Price**
平均實現銷售價格**

28.33% ↑

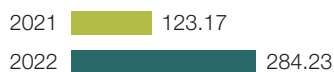


Unit: RMB/cubic meter
單位: 人民幣元/立方米

◀ Mabi Concession 馬必區塊

Gross Production
總產量

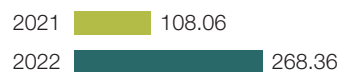
130.76% ↑



Unit: MMCM
單位: 百萬立方米

Gross Sales
總銷量

148.34% ↑



Unit: MMCM
單位: 百萬立方米

Realized Average Selling Price
平均實現銷售價格

22.75% ↑



Unit: RMB/cubic meter
單位: 人民幣元/立方米

* Due to the difference in unit of expression and decimal places reserved of data, there may be slight deviation in the percentage of increase or decrease; the percentage of increase or decrease is based on the calculation of the minimum units of expression and decimal places reserved available in the report.

由於數據的表達單位及保留位數不同，可能會使增減的百分比略有偏差；增減的百分比以報告內能獲取的最小表達單位及保留位數的計算結果為準。

** Average realized selling price excludes directly attributable excessive costs, reflecting the realized wellhead price.

平均實現銷售價格不包括直接歸屬的過渡成本，反映的是我們實現的井口價格。

Chairman's Statement

主席報告

To create best value for society,
optimized platform for employees
and highest return for shareholders.

為社會創造最佳價值，
為員工創造最好平台，
為股東創造最大效益。

Mr. Ming Zaiyuan
Chairman
明再遠先生
主席



Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of AAG Energy Holdings Limited (“**AAG Energy**” or the “**Company**”, together with its subsidiaries, collectively the “**Group**”), I am pleased to present the annual report of the Group for the year ended 31 December 2022.

各位股東：

本人謹代表亞美能源控股有限公司（「亞美能源」或「本公司」，連同其附屬公司統稱「本集團」）董事（「董事」）會（「董事會」）欣然提呈本集團截至2022年12月31日止之年度報告書。

Chairman's Statement

主席報告

OVERVIEW

2022 was an exceptionally challenging year as the global economy was weakened by the recurring outbreaks of the COVID-19 pandemic and the Russia-Ukraine conflict, which posed a profound impact on the global energy industry. With soaring international crude oil and natural gas prices, China's natural gas imports declined while prices remained high throughout the year. In the short term, the prices of domestic Liquefied Natural Gas ("LNG") and pipeline gas stayed at the same level despite being off-season. In addition, high gas prices also dampened the demand of downstream gas users, significantly hampering the end market. Due to the repeated outbreaks of the domestic epidemic which caused severe economic impacts, the apparent consumption of natural gas in China in 2022 experienced "negative growth" for the first time. In face of severe and complicated international environments, impacts of the persistent outbreaks of the domestic epidemic, frequent extreme weather conditions, fluctuations in the RMB exchange rate and other challenges, the Group adhered to its "Growth from Stability" approach under the prudent leadership of the Board. Continuous efforts were made to improve the management level of existing concessions while the investment in their development was expanded. Moreover, the Group further consolidated the entire natural gas industrial chain. It also joined hands with its partners for value cooperation in an effort to enhance its response to market changes, achieving dual growth in production and net profit. Financial performance of the Group in 2022 was as follows:

Gross production in 2022 increased by 13.00% to 1,467 million cubic meters ("MMCM") (or 51.8 billion cubic feet ("bcf")) as compared to that of 2021, and sales utilization rate remained relatively high. The annual production-to-sales ratio of the Panzhuang concession was 97.02%, while that of the Mabi concession was 94.42%. The Group's revenue and other income for the year (including government subsidies and VAT refunds) was RMB2.914 billion, representing a year-on-year ("YoY") increase of 46.37%, mainly due to the increase in both the sales volume and market price of natural gas. In terms of pricing, the realized average selling price ("ASP") in the Panzhuang concession was RMB2.31 per cubic meter in 2022, representing an increase of 28.33% as compared to that of RMB1.80 per cubic meter in 2021; the realized ASP in the Mabi concession for 2022 increased by 22.75% to RMB2.05 per cubic meter compared to that of RMB1.67 per cubic meter for 2021. In 2022, the Group realized operating profit of RMB1.697 billion, profit for the year of RMB1.416 billion, EBITDA of RMB2.251 billion and earnings per share of RMB0.417.

概覽

2022年是殊為不易的一年，疫情反復疊加俄烏衝突，削弱了全球經濟發展動能，對全球能源行業產生深層次影響。國際原油、天然氣價格大幅攀升，在此背景下，今年我國天然氣進口量少價高，短期內國內液化天然氣（「LNG」）及管道氣價格均呈現「淡季不淡」的特點。與此同時，高氣價也抑制了下游用氣的積極性，終端市場受到較大挫傷。加之反覆疫情影響下的國內經濟受到嚴重沖擊，造成了2022年中國天然氣表觀消費量首次迎來「負增長」。面對嚴峻複雜的國際環境和國內疫情反復衝擊、極端天氣頻發、人民幣匯率波動等多重考驗，本集團在董事會的正確領導下，堅持「穩中求進」，進一步提升存量區塊的管理水平，加大對存量區塊的開發投資力度，持續強化天然氣全產業鏈打造，通過與合作夥伴的價值合作，共同提升市場變化的應對能力，實現了產量、淨利潤雙增長。2022年本集團財務表現如下：

2022年總產量相比2021年增長13.00%至14.67億立方米（即518億立方英尺），銷售利用率仍保持較高水準，其中潘莊區塊全年產銷比為97.02%，馬必區塊全年產銷比為94.42%。本集團全年實現收入及其他收入（包括政府補貼和增值稅退稅）人民幣29.14億元，較去年同期增長46.37%，主要源自天然氣銷量和市場價格的雙增長。其中價格方面，潘莊區塊2022年平均實現銷售價格為每立方米人民幣2.31元，較2021年的每立方米人民幣1.80元增長28.33%；馬必區塊2022年平均實現銷售價格為每立方米人民幣2.05元，較2021年的每立方米人民幣1.67元增長22.75%。2022年實現經營利潤人民幣16.97億元，年度利潤人民幣14.16億元，EBITDA人民幣22.51億元，每股收益人民幣0.417。

Chairman's Statement

主席報告

OVERVIEW (Continued)

The Group has long been committed to developing the entire natural gas industrial chain, adhering to the concept of safety, efficiency, green and low-carbon practices, and sustainable development. With its quality and efficiency enhancement empowered by technological innovation, the Group has maintained the stable production volume in the Panzhuang concession, and achieved efficient investment and release of production capacity in the Mabi concession. Based on its goals for long-term development, the Group has actively explored new projects and new concessions for resources. While green exploitation, resource development and environmental protection have been considered as the basis of resource evaluation. This approach has provided a solid foundation for the Group to become a leading sustainable and clean energy enterprise. The Group attaches great importance to Quality, Health, Safety and Environment (“QHSE”) work and its obligation to fulfill social responsibility. Through the establishment of a dual prevention and control mechanism and quality management system, the Group has further upgraded its QHSE management system and promoted its high-quality development based on its pursuit of higher stability and better quality.

MAJOR RESULTS REVIEW:

— Health, Safety and Environment (“HSE”): Extensively Comply with the New Production Safety Law and Actively Implement the Five-Year Strategic Plan for Sustainable Development

The Group has always adhered to the concept of “safety first” and attached great importance to health, safety and environmental protection. In 2022, the Group continued to maintain its HSE performance with zero lost time injury rate, zero total recordable incident rate, zero preventable mobile vehicles accident and zero pollution incident.

— Panzhuang Concession: Continue the Exploration and Development of Thin Coal Seams with Phased Results Achieved

In 2022, the gross production of the Panzhuang concession reached 1,183 MMCM (41.8 bcf), exceeding the adjusted target of 1,155 MMCM (40.8bcf) by 2.34%, representing a YoY increase of 0.66% compared to 2021. The Group has completed the CBM reserve evaluation work and verified the production capacity of thin coal seam wells of the Panzhuang concession. These data have laid a foundation for the large-scale commercial development of thin coal seams.

概覽(續)

本集團始終堅持構建天然氣全產業鏈的發展方向，秉承：安全、高效、綠色低碳、可持續發展的產業理念。以技術創新為引領的提質增效保障了潘莊區塊產量貢獻的持續穩定、馬必區塊的高效投資及產能釋放；本集團以圍繞公司長遠發展為目的，積極拓展新項目，尋找新的資源區塊，將綠色開採、資源開發與環境保護並舉作為資源評價的基礎，為鑄建永續發展的清潔能源偉大企業奠定堅實基礎。本集團高度重視質量、健康、安全、環境(「QHSE」)工作及履行社會責任的義務，通過建設雙預控機制和質量管理體系，進一步完善升級公司QHSE管理體系，在實現更周全的「穩」與更高品質的「進」的良性互動中推動本集團高品質發展。

主要業績回顧：

— 健康、安全及環境(「HSE」)：全面踐行「新安法」，積極推動落實《可持續發展五年戰略規劃》

本集團始終堅持「安全是第一要務」的理念，高度重視健康安全環保工作。2022年本集團繼續保持了損失工時事故率為零、總可記錄事故率為零、可預防交通事故率為零、環境污染事故為零的HSE績效。

— 潘莊區塊：持續推進薄煤層勘探開發，取得階段性成果

2022年潘莊區塊總產量達到了11.83億立方米(即418億立方英尺)，超出了調整後的11.55億立方米(即408億立方英尺)目標的2.34%，同比2021年增長了0.66%。潘莊區塊完成了煤層氣探明儲量工作，同時也驗證了薄煤層井組產能，為薄煤層規模化商業開發奠定了數據基礎。

Chairman's Statement

主席報告

MAJOR RESULTS REVIEW: (Continued)

— Mabi Concession: Steadily Accelerate Production and Development

In 2022, the total production volume of the Mabi concession reached 284 MMCM (10.0 bcf), exceeding the original target of 254 MMCM (9.0 bcf) by 11.81%, representing a YoY increase of 130.76% compared to 2021. The construction and production achievements in 2022 have proven the effectiveness of adaptive engineering technology and process in the resource development and utilization of the southern part of the Mabi concession.

— Corporate Management: Expedite the Development of the Entire Natural Gas Industrial Chain

In 2022, the Group continued to facilitate the development of the natural gas industrial ecological chain and the acquisition of new resources, boosting market vitality across the entire industrial chain. In terms of the midstream sector, based on the acquisition of its associates such as Shanxi Tongyu and its extended coverage to midstream pipeline business, the Group has stepped up the transmission and distribution capability of CBM and the interconnection of external pipeline networks. In terms of the downstream sector, the Group has further tightened its direct control over storage capacity in order to consolidate the downstream market. Through investigation and research, the Group has actively explored potential resources investment opportunities. Having reached cooperation consensus with resource providers through active communication, the Group has laid a foundation for deep cooperation and provided integrated support for the high-quality transformation of the Company. The Group has established a joint venture company with Xinjiang Xintai Natural Gas Co. Ltd. ("XTRQ"), creating a "high-tech" base platform that expedites the implementation of "high-tech business" strategy. Meanwhile, in alignment with its business development needs, the Group has continued to invest in resources such as personnel, capital and materials, etc. Specific improvement and optimization have been introduced to its professional teams. The Group has further explored mature commercial models to create effective support initiatives for future new resource investments and new model of business cooperation.

主要業績回顧：(續)

— 馬必區塊：穩步加速產建開發

2022年馬必區塊總產量達到了2.84億立方米(100億立方英尺)，超出了原定的2.54億立方米(90億立方英尺)目標的11.81%，同比2021年增長130.76%。2022年完成的產建及產量成果印證了適應性的工程工藝技術在馬必南區資源開發利用的有效性。

— 企業管理：加快天然氣全產業鏈發展步伐

2022年本集團繼續推進天然氣產業生態鏈打造和新資源獲取工作，激發全產業鏈市場動力。中游方面，在2021年度收購聯營公司即山西通豫、切入中游管道業務的基礎上，推進煤層氣強輸配能力建設與外輸管線的互聯互通；下游方面，持續推進存儲的直控能力，積極構建下游市場；通過考察調研積極尋找潛力資源，與資源方積極溝通達成合作共識，奠定深度合作基礎，對公司實現高品質的轉型發展，注入一體化的支撐力量。本集團與新疆鑫泰天然氣股份有限公司成立合營公司，構建「高新科技化」基礎平台，「高新技術產業化」戰略開始進入加速發展期；與此同時，根據業務發展需求，本集團在人、財、物等方面的資源配置上持續投入，有針對性的完善優化專業化團隊的打造，進一步摸索成熟的商業化模式，打造未來新資源投資及新模式合作業務的有效支撐點。

Chairman's Statement

主席報告

BUSINESS OUTLOOK

2022 marked the beginning of China's goal for another 100 years of development. It was also a crucial year for the "14th Five-Year Plan". The release of the "14th Five-Year Plan for Modern Energy System" specifies the energy development policies, main goals and measures of China. This plan is a comprehensive blueprint and action plan for accelerating the construction of a modern energy system and promoting high-quality energy development during the "14th Five-Year Plan" period. Against the backdrop of "carbon peak and carbon neutrality" targets and the realisation of green and low-carbon energy transformation, there is still room for growth in the apparent consumption of natural gas in China.

In 2023, the Group will keep capitalising on technological innovation, and the Company will strive for sustainable development and transformation. Through consolidating the existing concession business, speeding up production capacity construction, the Group will be developed to further enhance the creation of the CBM resource ecological chain and to expand into new concessions and profitable business. Through joining hands with quality partners for value cooperation, the Group will enhance its ability to respond to regional market changes. Leveraging opportunities arising from new concessions and businesses, the Group will continue to contribute more clean energy to society and bring better returns to investors.

In 2023, with the implementation of the "Five-Year Strategic Plan for Sustainable Development" and the "Five-Year Plan for Digital Development of AAG Energy", the Group will incorporate the ESG development concepts into its core competitiveness while developing a low-carbon green development system applicable to the CBM industry and a systematic digital system to integrate the advantages of big data. Technology innovation experimental projects will also be expedited. Focusing on the future sustainable development and economic value featuring new energy research and technological innovations, the Group will conduct new energy research and develop essential technological innovations that can generate future value and align with the development strategy of the Company.

業務前景展望

2022年是我國第二個百年目標的開局之年，是「十四五」規劃的關鍵之年，《「十四五」現代能源體系規劃》出台，明確了我國能源發展方針、主要目標和任務舉措，是「十四五」時期加快構建現代能源體系、推動能源高品質發展的總體藍圖和行動綱領。在「碳达峰、碳中和」及實現綠色低碳能源轉型的背景下，中國天然氣表觀消費增量空間仍值得期待。

2023年本集團仍將以技術創新為依託，推進公司的可持續發展和轉型升級。夯實存量區塊業務，加速產能建設，進一步加強煤層氣資源生態鏈的打造，積極拓展新區塊及增量業務，通過與優質合作夥伴的價值合作，共同提升區域市場變化的應對能力。通過對新區塊、新業務機遇的博觀約取，持續為社會奉獻更多的清潔能源，為投資者帶來更優的回報。

2023年，本集團將積極推動落實《可持續發展五年戰略規劃》《亞美能源數字化發展五年規劃》，將ESG發展理念內化為公司核心競爭力的同時，深化適用於煤層氣行業的低碳綠色開發體系和大數據集成整合優勢的系統性數字化體系。加快推進技術創新實驗項目，以新能源研究和技術創新為未來發展可持續性和經濟價值的著力點，孵化能產生未來價值、符合公司發展戰略的新能源研究和技術創新要素。

Chairman's Statement

主席報告

BUSINESS OUTLOOK (Continued)

Finally, on behalf of AAG Energy, I would like to express my heartfelt appreciations to the shareholders, business partners and investors for their years of trust and support. I would also like to express my sincere gratitude to all of our employees. The Group will continue to make unremitting efforts in ensuring stable development and supporting low-carbon economic transformation of China in order to safeguard the environmental-friendly development of its economy and create greater value for society, employees and shareholders.

Ming Zaiyuan

Chairman of the Board

業務前景展望 (續)

最後，本人謹代表亞美能源，向多年來信任和支持的各位股東、業務夥伴及投資者致以衷心的謝意，亦向全體員工表達誠摯的感激。本集團將一如既往，繼續不懈努力確保穩定發展，助力國家低碳經濟轉型，為國家經濟發展提供綠色保障，為社會、員工及股東創造更大價值。

明再遠

董事會主席

Management Discussion and Analysis

管理層討論與分析



Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

In 2022, the COVID-19 pandemic became more severe, with a widespread and complex transmission chain. In addition, the conflict between Russia and Ukraine at the beginning of the year had a profound impact on global energy, existing a lot of uncertain factors in domestic and oversea energy sector and natural gas price.

In 2022, the Group forged ahead to the development strategy established at the end of 2020 to set up the existing business in the concessions and increasing development efforts, and achieved an excellent performance. In terms of production, the Group's gross production in 2022 increased by 13.00% from that of 2021 to 1,467 MMCM (or 51.8 bcf), including 1,183 MMCM (or 41.8 bcf) from Panzhuang concession and 284 MMCM (or 10 bcf) from the Mabi concession.

In terms of investment, the actual capital expenditure in 2022 was RMB1.282 billion as compared with the annual budget of RMB1.578 billion. Compared to 2021, drilling activities in 2022 remained stable, with a total of 250 wells drilled for the year. The fracturing activities continued to increase by 81.63% to 267 wells as compared to 2021, reaching a historical high. At the same time, we continued to focus on reducing costs and improving profitability. The average drilling cost per meter of a single lateral horizontal well ("SLH") was RMB1,728, representing a decrease of 4.86% as compared to 2021. The average drilling cost per well of a pad drilling well ("PDW") decreased by 7.69% from RMB0.78 million in 2021 to RMB0.72 million.

In terms of market sales, the Group's realized ASP in 2022 was RMB2.26 per cubic meter, of which realized ASP in Panzhuang concession was RMB2.31 per cubic meter (an increase of 28.33% from RMB1.80 per cubic meter in 2021), and the realized ASP in Mabi concession was RMB2.05 per cubic meter (an increase of 22.75% from RMB1.67 per cubic meter in 2021).

業務回顧

2022年，新冠疫情形勢更加嚴峻，波及範圍廣、傳播鏈複雜，加之年初爆發的俄烏衝突給全球能源帶來深刻影響，國內外能源領域及天然氣價格，存在諸多不確定因素。

2022年，本集團砥礪前行，堅持2020年底確立的深耕存量區塊、加大開發力度的發展策略，並獲得了卓越績效。在產量方面，本集團2022年總產量相比2021年增長了13.00%達到14.67億立方米(即518億立方英尺)，其中包括潘莊區塊的產量11.83億立方米(即418億立方英尺)和馬必區塊的產量2.84億立方米(即100億立方英尺)。

在投資方面，相比全年預算人民幣15.78億元的資本性支出，2022年實際的資本支出為人民幣12.82億元。2022年鑽井工程工作量與2021年基本持平，實現全年鑽井250口；壓裂工程工作量與2021年相比繼續增長了81.63%至267口，創歷史新高。同時，我們持續致力於降低成本，提升利潤空間。單支水平井「SLH」的平均米費鑽井成本較2021年下降4.86%至人民幣1,728元。叢式井「PDW」的平均單井鑽井成本較2021年的人民幣78萬元下降7.69%至人民幣72萬元。

在市場銷售方面，2022年本集團平均實現銷售價格為每立方米人民幣2.26元，其中潘莊區塊的平均實現銷售價格為每立方米人民幣2.31元(相比2021年的每立方米人民幣1.80元增長28.33%)，馬必區塊的平均實現銷售價格為每立方米人民幣2.05元(相比2021年的每立方米人民幣1.67元增長22.75%)。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

In terms of financial results, the Group's revenue and other income (including government subsidies and VAT refunds) in 2022 increased by 46.37% to RMB2.914 billion as compared to 2021, operating profit increased by 47.81% to RMB1.697 billion, profit for the year increased by 73.61% to RMB1.416 billion, EBITDA increased by 45.75% to RMB2.251 billion, and earnings per share increased by 73.75% to RMB0.417.

Key financial indicators for the last 5 years are as follows:

業務回顧(續)

在財務業績方面，本集團2022年的收入及其他收入(包括政府補貼和增值稅退稅)相比2021年增長了46.37%至人民幣29.14億元，經營利潤增長了47.81%至人民幣16.97億元，年度利潤增長了73.61%至人民幣14.16億元，EBITDA增長了45.75%至人民幣22.51億元，每股收益增長了73.75%至人民幣0.417元。

最近五年財務關鍵指標列示如下：

		As at or for the year ended 31 December				
		截至或截止各年度12月31日				
Items	項目	2022	2021	2020	2019	2018
		2022年	2021年	2020年	2019年	2018年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Current assets	流動資產	3,528,809	3,165,406	2,893,611	2,871,068	2,260,490
Non-current assets	非流動資產	5,780,916	4,920,536	4,144,770	3,877,092	3,746,617
Total assets	總資產	9,309,725	8,085,942	7,038,381	6,748,160	6,007,107
Current liabilities	流動負債	1,347,779	989,722	579,450	462,958	306,191
Non-current liabilities	非流動負債	378,310	670,670	498,089	441,560	324,063
Total liabilities	總負債	1,726,089	1,660,392	1,077,539	904,518	630,254
Revenue	收入	2,566,744	1,739,226	1,038,524	1,161,246	978,671
Other income	其他收入	347,683	251,875	240,368	346,805	279,169
Profit before income tax	除所得稅前利潤	1,800,857	1,144,322	742,573	940,765	596,260
Profit for the year	年度利潤	1,416,109	815,679	510,296	707,368	412,937
Net cash generated from operating activities	經營活動所得現金淨額	1,824,848	1,363,449	534,266	948,210	404,933
Net cash used in investing activities	投資活動所用現金淨額	(1,141,246)	(1,167,546)	(431,034)	(272,421)	(419,593)
Net cash used in financing activities	融資活動所用現金淨額	(203,019)	(355,833)	(367,656)	(263,492)	(635,140)

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

The two major assets operated by two subsidiaries of the Company, namely Panzhuang concession operated by Sino-American Energy, Inc. (“SAEI”), Mabi concession operated by Asian American Gas, Inc. (“AAGI”) and others, which business review as follow:

Panzhuang Concession

Our Panzhuang concession, which is in partnership with CUCBM, continued to be the CBM project with the highest output in China, and was listed as China’s key CBM project in production under the “14th Five-Year Plan” for the development and utilization of CBM (coal mine gas) prepared by the National Energy Administration (the “NEA”) and issued by the NDRC of the PRC.

In view of the impact of the “5·30” Incident (On 30 May 2022, a leakage and explosion accident occurred in the Tongyu Pipeline, one of the main transmission channel of Panzhuang concession (owned by Shanxi Tongyu Coalbed Methane Transportation and Distribution Co. Ltd, our associate)) on the production and sales of Panzhuang concession and based on the actual situation, we adjusted the annual targets for production and sales of the Panzhuang concession moderately.

— Production Update

In 2022, the gross production of Panzhuang concession reached 1,183 MMCM (41.8 bcf), which was 2.34% higher than the adjusted target of 1,155 MMCM (40.8 bcf), with a YoY increase compared to that of 1,175 MMCM (41.5 bcf) in 2021. The average daily gas production was 3.24 MMCM, which was relatively stable as compared to that of 3.22 MMCM in 2021. By the end of 2022, there were a total of 582 wells in production, including 230 PDWs, 49 multi-lateral drilling wells (“MLD”) and 303 SLHs in Panzhuang concession. Further details on production and well count are set out below in Table 1.

業務回顧(續)

本公司兩間附屬公司經營的兩項重大資產(美中能源有限公司(「SAEI」)經營的潘莊區塊、亞美大陸煤層氣有限公司(「AAGI」)經營的馬必區塊)及其他的經營情況回顧如下：

潘莊區塊

我們與中聯煤合作的潘莊區塊仍然是中國最高產的煤層氣項目，在由國家能源局(「國家能源局」)制定、國家發改委發佈的煤層氣(煤礦瓦斯)開發利用「十四五」規劃中，被列為國家在產煤層氣重點項目。

鑒於「5·30」事件(2022年5月30日，作為潘莊區塊主要外輸通道之一的通豫管線(本公司聯營公司山西通豫煤層氣輸配有限公司所有)發生洩漏燃爆)給潘莊區塊造成的產銷影響，我們結合實際情況，對潘莊區塊產量及銷量的年度目標作出了適度調整。

— 生產進展

2022年潘莊區塊的總產量達到了11.83億立方米(即418億立方英尺)，較調整後11.55億立方米(即408億立方英尺)的目標超產2.34%，同比2021年11.75億立方米(即415億立方英尺)有所增長。平均日產氣量達324萬立方米，與2021年平均日產氣量322萬立方米基本持平。截至2022年底，潘莊區塊共有在產生產井582口，其中包括230口PDW，49口多分支水平井(「MLD」)和303口SLH。更多的產量資料以及井數統計請詳見下列表1。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

Panzhuang Concession (Continued)

— Exploration and Development of Thin Coal Seams

The domestic proved CBM geological reserves is 5,950 MMCM of Panzhuang concession thin coal seams. The reporting progress of reserves is smooth. The report of proved reserves has passed the expert evaluation by the reserves evaluation office of the Ministry of Natural Resources of the PRC, and the approval documents will be obtained soon. The exploratory wells of thin coal seams have achieved good results and have been converted into production wells to increase gas production. The development plan for CBM in thin coal seams in Panzhuang concession has been prepared and submitted. It is expected to enter the development phase upon obtaining the relevant approvals.

— Drilling and Surface Facilities Update

In 2022, a total of 69 wells were drilled in Panzhuang concession, including 8 SLHs and 61 PDWs (including 10 parameter wells). The average drilling time for PDWs was only 5.16 days. The construction of thin coal seam parameter wells has been completed, which provide a basis for the preparation of thin coal seam development plan and laid a solid foundation for the replacement and improvement of production.

Currently, the surface facilities of Panzhuang concession include 6 gas gathering stations, 54 wellhead compressors, 68 kilometers of trunk lines and 142 kilometers of inter-well pipelines. The central gas gathering station has a secondary processing capacity of 1.90 MMCM per day, and compressors at remaining stations and wellheads have a processing capacity of 4.62 MMCM per day.

業務回顧(續)

潘莊區塊(續)

— 薄煤層勘探與開發

潘莊區塊薄煤層國內探明地質儲量59.50億立方米。儲量申報工作進展順利，探明儲量報告已通過中國自然資源部儲量評審辦公室組織的專家評審，即將獲得批復文件。薄煤層勘探井效果較好，已轉為生產井貢獻產氣量。潘莊區塊薄煤層煤層氣開發方案已編制完成，並提交申報，即將獲得相關批復，進入開發階段。

— 鑽井及地面設施進展

2022年潘莊區塊共完成鑽井69口，包括8口SLH和61口PDW(其中含10口參數井)，PDW井平均鑽井時間僅為5.16天。完成施工的薄煤層參數井施工，為薄煤層開發方案的編制提供了依據，為產量接替及提升奠定了堅實的基礎。

目前，潘莊區塊地面設施包括6座集氣站，54臺井口壓縮機，68千米集輸管線和142千米單井管線。中央集氣站二次加壓處理能力為190萬立方米/天，其餘各站及井口壓縮機處理能力為462萬立方米/天。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

Mabi Concession

Our Mabi concession, which is in partnership with CNPC, was listed as China's key CBM project under construction under the "14th Five-Year Plan" for the development and utilization of CBM (coal mine gas) prepared by the NEA and issued by the NDRC, and was also one of the key CBM construction projects in Shanxi Province in 2022.

— Production Update

In 2022, the gross production of Mabi concession was 284 MMCM (10.0 bcf), which was 11.81% higher than the original target of 254 MMCM (9.0 bcf), with a 130.76% YoY increase compared to that of 123 MMCM (4.3 bcf) in 2021. The average daily gas production in 2022 was 0.78 MMCM, representing an increase of 129.41% compared to that of 0.34 MMCM in 2021, the daily gas production exceeded 1 MMCM by 31 October and achieved 1.15 MMCM by 31 December. By the end of 2022, there were a total of 498 wells in production, including 314 PDWs, 1 MLD and 183 SLHs in Mabi concession. Further details on production and well count are set out below in Table 1.

In 2022, a total of 181 wells were drilled (including 164 SLHs and 17 PDWs) in Mabi concession. With the maturity of the drilling technology, the length of horizontal section of SLH has been extended, with focus on areas with more complex geological conditions. The average drilling time of SLH was 16 days.

In 2022, Mabi concession completed a total of 193 wells and a total of 2,142 stages of fracturing, representing an increase of 79% and 195% compared with 2021, respectively. The test of ultra-low-density ceramic proppant conducted in Mabi concession in 2020 and 2021 has showed obvious production enhancement effect in some wells, and further tests will be conducted to obtain more data support. The results of the tests of atypical large-scale volume fracturing of 2 wells and large-scale volume fracturing of 4 wells conducted in Mabi concession in 2022 are expected to be obtained in 2023.

181 wells drilled in 2022 will commence production in 2023.

業務回顧(續)

馬必區塊

我們與中石油合作的馬必區塊，在由國家能源局制定、國家發改委發佈的煤層氣(煤礦瓦斯)開發利用「十四五」規劃中被列為國家在建煤層氣重點項目，也是山西省2022年煤層氣重點建設項目之一。

— 生產進展

2022年馬必區塊的總產量為2.84億立方米(即100億立方英尺)，較原定2.54億立方米(即90億立方英尺)的目標超產11.81%，相比2021年1.23億立方米(即43億立方英尺)增長了130.76%。2022年平均日產氣量78萬立方米，較2021年平均日產氣量34萬立方米增長129.41%，於10月31日，日產氣量突破100萬立方米，至12月31日，日產氣量達115萬立方米。截至2022年底，馬必區塊共有在產井498口，其中包括314口PDW，1口MLD和183口SLH。更多的產量資料以及井數統計請詳見下列表1。

2022年馬必區塊共完成煤層氣鑽井181口(其中包括164口SLH和17口PDW)。隨著鑽井技術的日益成熟，SLH鑽井水平段加長，鑽井偏向地質條件更為複雜的區域，SLH平均鑽井時間為16天。

2022年馬必區塊共完成193口井、共計2,142級的壓裂施工，相比2021年分別增長了79%及195%。2020年和2021年在馬必區塊進行的超低密度陶粒支撐劑試驗在部分井已表現出明顯的增產效果，將繼續進行試驗以獲得更多數據支撐。2022年在馬必區塊進行的2口井的非典型大規模體積壓裂及4口井的大規模體積壓裂的工程試驗，將於2023年取得試驗結果。

2022年完井的181口井，將於2023年貢獻產量。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

Mabi Concession (Continued)

— Implementation Progress of the Overall Development Plan (“ODP”) of the Southern Area of Mabi Concession

Through continuous summarization and optimization of the management experience, a management model catering for the development of southern area of Mabi concession has been established. As the understanding of the geological conditions of the concession, drilling, fracturing, surface construction and other processes and technologies further enhances during the development phase, the Company has formulated the adjustment plan of the ODP of the southern area of Mabi concession in 2022 and is actively handling the relevant review and approval procedures, laying the foundation for further efficient development of the southern area.

In 2022, the surface constructions of Mabi concession, including the No. 2 gas gathering station, 35 kilovolt single tower double circuit and substation, were completed and put into use. The high-pressure outbound transmission capacity in the southern area has been established, which has improved the outbound capacity and supported the steady production enhancement in the southern area effectively.

— Research and Development Progress of the Northern Area of Mabi Concession

The Company adheres to the step-by-step rolling development strategy in order to facilitate the efficient development of Mabi concession, and further enhances our understanding of the geological conditions through 3D seismic exploration and continues to monitor the preliminary test wells. The Company has formulated the development plan for the selected MB076 well block in 2022, and is actively handling the relevant review and approval procedures. Upon approval, the Company will push forward the construction work steadily and efficiently in order to support the future production growth in Mabi concession.

業務回顧(續)

馬必區塊(續)

— 馬必南區ODP實施進展

馬必區塊不斷總結和優化管理經驗，建立了適應南區開發的管理模式。隨著開發過程中對區塊地質條件、鑽井、壓裂及地面工程等工藝技術認識地不斷加深，2022年完成了馬必南區ODP調整方案編製工作，並積極推進相關審批工作，為進一步高效開發南區奠定基礎。

2022年，馬必區塊完成了2號集氣站、35千伏電力單塔雙迴路及變電站等地面工程的建設並投入使用，實現了南區高壓外輸，提高了外輸能力，為南區穩步提產提供了有效保障。

— 馬必區塊北區研究開發進展

為保障馬必區塊的高效開發，本公司堅持推進分步滾動開發策略，通過三維地震不斷加深地質認識及對前期試驗井的持續監測，2022年完成了前期優選出的MB076井區開發方案的編制，並推進相關審批工作，獲批後將穩步高效推進產建工作，為馬必區塊未來產量增長提供保障。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

Mabi Concession (Continued)

Table 1 — Operation Update* of Panzhuang ("PZ") and Mabi ("MB") concessions

		2022 2022年	2021 2021年	% Change 變動百分比
Gross production (MMCM)	總產量(百萬立方米)	1,466.72	1,297.94	13.00%
Total average daily production (MMCMD)	總平均日產量 (百萬立方米每天)	4.02	3.56	12.92%
Gross production of PZ (MMCM)	潘莊總產量(百萬立方米)	1,182.49	1,174.77	0.66%
PZ MLD	潘莊MLD	96.56	123.05	-21.53%
PZ SLH	潘莊SLH	852.63	865.80	-1.52%
PZ PDW	潘莊PDW	233.30	185.92	25.48%
Total producing wells of PZ**	潘莊總生產井數**	582	504	15.48%
PZ MLD	潘莊MLD	49	49	0.00%
PZ SLH	潘莊SLH	303	297	2.02%
PZ PDW	潘莊PDW	230	158	45.57%
PZ wells drilled	潘莊鑽井完成	69	62	11.29%
PZ wells fracked	潘莊壓裂增產措施井數	74	39	89.74%
Gross production of MB (MMCM)	馬必總產量(百萬立方米)	284.23	123.17	130.76%
MB MLD	馬必MLD	0.20	0.20	0.00%
MB SLH	馬必SLH	175.07	60.68	188.51%
MB PDW	馬必PDW	108.96	62.29	74.92%
Total producing wells of Mabi**	馬必總生產井數**	498	327	52.29%
MB MLD	馬必MLD	1	1	0.00%
MB SLH	馬必SLH	183	54	238.89%
MB PDW	馬必PDW	314	272	15.44%
MB wells drilled	馬必鑽井完成	181	190	-4.74%
MB wells fracked	馬必壓裂增產措施井數	193	108	78.70%

Notes:

* Operations update as of 31 December 2022, 08: 00 CST.

** Well count is calculated from pumping start date.

業務回顧(續)

馬必區塊(續)

表1 — 潘莊區塊(「潘莊」)和馬必區塊(「馬必」)的運營進展*

附註：

* 運營進展情況截至2022年12月31日止，08:00中央標準時區。

** 井數統計自排採之日起計算。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

Reserve Update

Based on reports issued by Netherland Sewell & Associates Inc. (“NSAI”), an independent reserve certification company, the Group’s 1P and 2P natural gas reserves as at the end of 2022 (“2022YE”) were 172.6 bcf and 557.5 bcf respectively, representing a 14% increase from the 1P reserve of 152.0 bcf as at the end of 2021 (“2021YE”) and a 12% decrease from the 2P reserve of 635.1 bcf as at 2021YE. After deducting net gas production of 40.3 bcf for 2022, the 1P reserves increased by 55% and 2P reserves decreased by 6%.

The 1P reserve and 2P reserve of Panzhuang concession were 102.6 bcf and 124.2 bcf as at 2022YE, representing a decrease of 11% and 16% respectively from the 1P reserve of 114.7 bcf and the 2P reserve of 148.1 bcf as at 2021YE. After deducting net gas production of 32.0 bcf for 2022, 1P reserves increased by 24% and 2P reserves increased by 7%.

The 1P reserve and 2P reserve of Mabi concession were 70.0 bcf and 433.3 bcf as at 2022YE, representing an increase of 88% and a decrease of 11% respectively from the 1P reserve of 37.3 bcf and the 2P reserve of 487.0 bcf as at 2021YE. After deducting net gas production of 8.3 bcf for 2022, the 1P reserve increased by 141% and the 2P reserve decreased by 9%.

業務回顧(續)

儲量更新

根據獨立儲量認證公司Netherland Sewell & Associates Inc. (「NSAI」) 發佈的報告，截至2022年底，本集團的1P和2P天然氣儲量分別約為1,726億立方英尺和5,575億立方英尺，較2021年底的1P儲量1,520億立方英尺增長了14%，較2021年底的2P儲量6,351億立方英尺降低了12%。扣除2022年淨產氣量403億立方英尺後，1P儲量增長了55%，2P儲量降低了6%。

潘莊區塊2022年底的1P和2P儲量分別為1,026億立方英尺和1,242億立方英尺，較2021年底的1P儲量1,147億立方英尺降低了11%，較2021年底的2P儲量1,481億立方英尺降低了16%。扣除2022年淨產氣量320億立方英尺後，1P儲量增長了24%，2P儲量增長了7%。

馬必區塊2022年底的1P和2P儲量分別為700億立方英尺和4,333億立方英尺，較2021年底的1P儲量373億立方英尺增加了88%，較2021年底的2P儲量4,870億立方英尺降低了11%。扣除2022年淨產氣量83億立方英尺後，1P儲量增加了141%，2P儲量降低了9%。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

Reserve Update (Continued)

Table 2 — Reserve Data **

Reserve Data**		2022 Gross	2022 Net*	2021 Net*
儲量數據		2022年總量	2022年淨量*	2021年淨量*
		(bcf)	(bcf)	(bcf)
		十億立方英尺	十億立方英尺	十億立方英尺
Total	合計			
Proved (1P)	證實儲量 (1P)	232.53	172.65	152.0
Proved + probable (2P)	證實 + 概算儲量 (2P)	790.12	557.48	635.1
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	933.61	655.85	876.2
Panzhuang concession	潘莊區塊			
Proved (1P)	證實儲量 (1P)	133.17	102.62	114.7
Proved + probable (2P)	證實 + 概算儲量 (2P)	161.67	124.16	148.1
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	197.33	150.85	213.2
Mabi concession	馬必區塊			
Proved (1P)	證實儲量 (1P)	99.36	70.03	37.3
Proved + probable (2P)	證實 + 概算儲量 (2P)	628.45	433.32	487.0
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	736.28	505.00	663.0

Notes:

* Net gas reserves are the Company's share of the gas reserves according to the terms of each production sharing contract and after adjustment for fuel and shrinkage.

** Our reserve estimates and future net income have been prepared by NSAI in accordance with generally accepted petroleum engineering and valuation principles for oil and gas reserve estimates and audits issued by the Society for Petroleum Engineering. According to the definitions and guidelines of the 2018 PRMS (the Petroleum Resource Management System published by the Society of Petroleum Engineers ("SPE"), the World Petroleum Council ("WPC"), the American Association of Petroleum Geologists ("AAPG"), the Society of Petroleum Evaluation Engineers ("SPEE"), the Society of Exploration Geophysicists ("SEG"), the Society of Petrophysicists and Well Log Analysts ("SPWLA") and the European Association of Geoscientists and Engineers ("EAGE") in June 2018), NSAI has adopted standard engineering and geosciences methods or a combination of both, where analytical methods such as (production) dynamic methods, volumetric methods and simulation methods are considered to be necessary for the classification, classification and estimation of reserves. Our reserves are estimates only and should not be construed as exact quantities.

業務回顧(續)

儲量更新(續)

表 2 — 儲量數據 **

附註：

* 淨儲量為根據產品分成合同條款以及氣損調整後的本公司的天然氣儲量。

** 我們的儲量估計及未來淨收益乃由NSAI根據石油工程協會頒佈的石油和天然氣儲量估算及審計所普遍認可的石油工程及估值原則編製。根據2018年石油資源管理系統(石油資源管理系統由石油工程師協會([SPE])、世界石油理事會([WPC])、美國石油地質學家協會([AAPG])、石油評估工程師協會([SPEE])、地球物理勘探協會([SEG])、石油物理學家和測井分析師協會([SPWLA])及歐洲地質學家和工程師協會([EAGE])於2018年6月發佈)的定義及指引，NSAI採用了標準工程和地球科學或兩者相結合的方法，其中(生產)動態法、容積法和模擬法等分析方法被視為分類、歸類及估算儲量所試用而必要的方法。我們的儲量僅屬估算，不作為精準計算。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Continued)

Liquefied Natural Gas (“LNG”) Outsourced Processing and Trading Business

In 2022, the LNG outsourced processing gas volume of Xinhe Investment Holding Co., Ltd. (“**Xinhe Investment**”), a wholly-owned subsidiary of the Group, was 68.37 MMCM, the sales volume of LNG was 45,600 tonnes. The sales volume of piped gas of the energy trading business was 2.05 MMCM. The sales volume of LNG was 36,200 tonnes. The sales volume of CNG was 5.36 MMCM.

Operation of Dongcheng Xintai

Based on the development level of the energy industry and the Group’s own development scale, in order to better implement the “Four Alterations” core strategy of “development of full industrial chain, new-and-high technologies, internationalization and financial development” of natural gas energy, Xinjiang Xintai Natural Gas Co. Ltd. (“**XTRQ**”) and Xinhe Investment entered into the joint venture agreement on 18 January 2022 to make a capital contribution of RMB50 million for the joint establishment of Dongcheng Xintai Energy Research Co., Ltd.* (“**Dongcheng Xintai**”), with XTRQ and Xinhe Investment holding 51% (RMB25.50 million) and 49% (RMB24.50 million) of the shares, respectively.

Dongcheng Xintai conducts research with focus on renewable energy and new energy fields, develops new technologies, materials and development solutions, and promotes the application of technological research results. It has established a development platform through resource integration and vertical development.

On 30 March 2022, XTRQ and Xinhe Investment entered into a capital increase agreement, with each of XTRQ and Xinhe Investment contributing an additional RMB127.5 million and RMB122.5 million, respectively. The registered capital of the company increased to RMB300 million, and the share of equity held by the shareholders remained unchanged.

For details of Dongcheng Xintai, please refer to the announcement of the Company dated 18 January 2022 and the announcement of the Company dated 30 March 2022, respectively.

業務回顧(續)

LNG委託加工及貿易業務

2022年，本集團全資孫公司新合投資控股有限責任公司(「**新合投資**」)LNG委託加工氣量6,837萬立方米，實現LNG銷售4.56萬噸。能源貿易業務實現管道氣銷量205萬立方米，LNG銷量3.62萬噸，CNG銷量536萬立方米。

東承鑫泰經營情況

基於能源行業的發展水準和本集團自身的發展規模，為更好實施以「天然氣能源全產業鏈化、高新科技化、國際化、金融化」的「四化」核心戰略，2022年1月18日，新疆鑫泰天然氣股份有限公司(「**新天然氣**」)與新合投資簽署《合作協議》，注資人民幣5,000萬元聯合成立東承鑫泰能源研究有限責任公司(「**東承鑫泰**」)，新天然氣持股51%(人民幣2,550萬元)、新合投資持股49%(人民幣2,450萬元)。

東承鑫泰以可再生能源、新能源領域為核心要素開展研究，研發經營新技術、新材料和新開發方案，推廣應用技術研究成果，並通過資源整合縱深發展，建立新的發展平台。

2022年3月30日，新天然氣與新合投資簽署《增資擴股協定》。新天然氣增資人民幣1.275億元、新合投資增資人民幣1.225億元。公司註冊資本增至人民幣3億元，股東持股比例不變。

關於東承鑫泰的詳情，請參閱本公司日期分別為2022年1月18日及2022年3月30日的公告。

Management Discussion and Analysis

管理層討論與分析

MARKET OPERATION REVIEW

According to the 2022 Annual Report on Natural Gas Market by JLC(金聯創《2022年天然氣市場年度報告》), in 2022, as a result of the global widespread of COVID-19 pandemic, and increasingly intensified regional supply-demand contradictions caused by the conflicts between Russia and Ukraine and the surging international natural gas prices, the domestic LNG and pipeline gas prices stood at high levels during off seasons.

The Group focused on industry and market research to maintain high market sensitivity, and deployed and built the industrial ecological chains in advance. Despite the impact caused by the "5·30" Incident, the Company promptly optimized its customer structure through the implementation of market contingency plan, and achieved the increase in both product volume and price as well as full production and sales.

In 2022, the annual gross sales volume of Panzhuang concession reached 1,147 MMCM (40.5 bcf), representing a YoY increase of 0.44%, of which 471 MMCM (16.6 bcf) for LNG customers, 655 MMCM (23.1 bcf) for piped gas customers and 21 MMCM (0.8 bcf) for CNG customers. The annual realized ASP of Panzhuang concession was RMB2.31 per cubic meter, representing a YoY increase of 28.33%, and the annual production-to-sale ratio of Panzhuang concession was 97.02%.

In 2022, the annual gross sales volume of Mabi concession reached 268MMCM (9.5 bcf), representing a YoY increase of 148.34%, of which 264 MMCM (9.3 bcf) of piped gas customers and 4 MMCM (0.2 bcf) of CNG customers. The annual realized ASP of Mabi concession was RMB2.05 per cubic meter, representing a YoY increase of 22.75%, and the annual production-to-sale ratio of Mabi concession was 94.42%.

市場經營回顧

根據金聯創《2022年天然氣市場年度報告》，2022年全球新冠疫情持續蔓延，俄烏衝突爆發導致區域供需矛盾加劇，暴漲的國際天然氣價格導致國內LNG及管道氣價格均呈現「淡季不淡」的特點。

由於本集團致力於行業及市場研究，保持高市場敏感度，提前部署、建設產業生態鏈，雖有「5·30」事件造成部分影響，但公司立即啟動市場應急預案，優化客戶結構，仍實現產品量價齊漲及全產全銷。

2022年，潘莊區塊全年總銷售氣量達到11.47億立方米(即405億立方英尺)，同比增長0.44%，其中LNG客戶4.71億立方米(166億立方英尺)、管道氣客戶6.55億立方米(231億立方英尺)、CNG客戶0.21億立方米(8億立方英尺)，潘莊區塊全年平均實現銷售價格為人民幣2.31元每立方米，同比上漲28.33%，潘莊區塊全年產銷比為97.02%。

2022年，馬必區塊全年總銷售氣量達到2.68億立方米(即95億立方英尺)，同比上漲148.34%，其中管道氣客戶2.64億立方米(93億立方英尺)、CNG客戶0.04億立方米(2億立方英尺)，馬必區塊全年平均實現銷售價格為人民幣2.05元每立方米，同比上漲22.75%，馬必區塊全年產銷比為94.42%。

Management Discussion and Analysis

管理層討論與分析

MANAGEMENT REVIEW

1. Strictly carry out pandemic prevention and control and strengthen safety production.

In 2022, the daily operation of the Group was affected due to the significant impact on personnel and logistics caused by the increasingly stringent pandemic control measures in different cities. Faced with the complex and challenging pandemic situation, the Group adhered to and implemented the prevention and control requirements of local governments at all levels and industry management departments, and increased production and reserves of daily necessities. Meanwhile, the Group emphasized employee care, especially the physical and mental health of employees during the pandemic, and actively organized various activities for employees. The Group continued to achieve excellent pandemic prevention results and realized safe production and operation.

2. Proactively adjust market layout to achieve balance between production and sales

The "5·30" Incident had a significant impact on the southern market of the Panzhuang concession. In response, the Group promptly implemented the contingency plan, and enhanced the transmission and distribution capacity during the low season and reconstructed the northern market in a short period of time. The Group achieved balance between production and sales before the peak season arrived, which has effectively supported the outstanding performance of the Group during the year.

3. Quality and Efficiency Improvement through Technological Innovation

The Group is committed to improving quality and efficiency through technological innovation. In Panzhuang concession, the use of negative pressure extraction technology has accelerated the extraction of CBM, improved the recovery rate of CBM, and significantly enhanced the efficiency. In Mabi concession, the experimental ultra-low-density ceramic proppant fracturing technology has shown obvious production enhancement effect, providing support to the future production increase.

管理回顧

1. 嚴格疫情防控，加強安全生產

2022年，由於各地加強疫情管控，對人員、物流產生重大影響，進而影響本集團的日常運營。面對複雜嚴峻的疫情形勢，本集團積極響應並貫徹落實各級政府和行業管理部門的防控要求，加大生產、生活物資儲備力度。同時，本集團注重員工關懷，特別是疫情下員工身心健康，積極組織多種類員工活動，繼續保持了優異的防疫成果，並實現了本集團安全生產經營。

2. 積極調整市場佈局，實現產銷平衡

「5·30」事件對潘莊區塊南線市場影響較大。為此，本集團立即啟動應急預案，利用銷售淡季提升輸配能力，短期內完成北線市場的重新構建，於市場旺季到來前實現產銷平衡，有效保障了集團年度各項業績的卓越完成。

3. 堅持技術創新，助推提質增效

本集團始終致力於以技術創新為手段的提質增效。在潘莊區塊使用的負壓抽採技術，加速了煤層氣的抽採，提高了煤層氣的採收率，增效明顯。在馬必區塊，試驗的超低密度陶粒支撐劑壓裂技術增產效果明顯，為後續的產量提升提供了保障。

Management Discussion and Analysis

管理層討論與分析

MANAGEMENT REVIEW (Continued)

4. Deepen the Construction of Market Integration Strategy and Improve Industrial Layout

Adhering to the strategy of integrating the operation of upstream, midstream and downstream of natural gas, the Group strengthened its upstream investment and actively promoted the acquisition of new resources. In the midstream, the Group strengthened the transmission and distribution capacity and the construction of market channel interconnections. In downstream markets, the Group continued to optimize the customer structure and improve the gas industry layout while ensuring the full production and sales in order to maintain its competitive advantage.

5. Quality, Health, Safety and Environment (QHSE)

The Group placed great value on QHSE and made efforts on assuming its social responsibilities. In 2022, in strict compliance with the new Work Safety Law (《安全生產法》), the Group established the dual prevention and control system and the quality management mechanism to further enhance and upgrade the QHSE management system. Through the HSE performance evaluation, contractor bridging management and HSE information system, the responsibilities of all employees in safety production were consolidated, management measures were refined, safety management of contractors were strengthened, and HSE education and training and supervision and inspections were enhanced. We continued to improve our risk management capabilities so as to ensure the safe, continuous, stable and compliant operation of all business activities of the Group. In 2022, the Group continued to maintain zero lost time injury rate ("LTIR"), zero total recordable incident rate ("TRIR") and zero environmental pollution incident rate in respect of the HSE performance. As of 31 December 2022, the Group has achieved extraordinary results of a total of 8 years and 117 days without lost time injury.

管理回顧(續)

4. 深化市場一體化，加強產業佈局

本集團始終堅持天然氣上中下游一體化經營策略，上游強化投資開發，並積極推進獲取新資源；中游加強輸配能力的提升與市場互聯互通的建設，下游持續優化客戶結構，保障全產全銷的同時，加強產業佈局，獲取有利競爭地位。

5. 質量、健康、安全、環境(QHSE)

本集團高度重視QHSE工作及履行社會責任的義務。2022年，本集團嚴格落實新《安全生產法》要求，通過建設雙預控機制和質量管理體系，進一步完善升級了QHSE管理體系，通過對HSE履職能力評估、承包商橋接管理和HSE信息化建設，壓實全員安全生產責任，優化管理舉措，強化承包商安全管理，增強HSE教育培訓和監督檢查，不斷提高風險管控能力，有力保障了本集團各項經營活動安全、連續、穩定、合規地進行。2022年本集團繼續保持了損失工時事故(「LTIR」)為零、總可記錄事故(「TRIR」)為零、環境污染事故為零的健康安全環保績效。截至2022年12月31日，本集團取得了累計8年零117天無損失工時事故的優秀安全業績。

Management Discussion and Analysis

管理層討論與分析

MANAGEMENT REVIEW (Continued)

6. Acquisition of new resources

In 2022, the Group focused on developing new projects to support our long-term development and seek potential resources in resource-rich areas such as the Ordos Basin, Sichuan Basin, and Southern North China Basin. In addition to shallow-level CBM resources, we also put efforts in the acquisition of medium- and deep-level CBM resources and other unconventional resources such as tight gas and shale gas. In order to ensure the development potential of resources and policy support, the Group actively familiarized itself with the laws and regulations of the resource locations and the policies for resource development and establishment. Green mining, resource development, and environmental protection were also considered as the basis for resource evaluation. Currently, the Group has identified various potential investment opportunities and is actively negotiating with the resource owners for cooperation. In 2023, the Group is expected to finalize the negotiations and establish partnerships or acquisitions in respect of 1 to 2 concessions.

管理回顧(續)

6. 新資源獲取

2022年，本集團新項目拓展緊緊圍繞集團長遠發展，在資源富集的鄂爾多斯盆地、四川盆地、南華北盆地尋找潛力資源。資源目標不但關注淺部煤層氣資源，更關注中深部煤層氣資源和緻密氣、頁岩氣等其他非常規資源的獲取。同時，積極熟悉了解資源所在地的法律法規和相關資源設立及開發政策，保證資源的開發潛力和政策扶持。同時將綠色開採、資源開發與環境保護並舉等作為資源評價的基礎。目前已對部分區塊建立信心，與資源方積極溝通獲取合作共識。2023年有望完成1-2個區塊的深度合作洽談，直至達成合作或獲取成果。

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		Year Ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入	2,566,744	1,739,226
— Panzhuang	— 潘莊	1,918,205	1,522,736
— Mabi	— 馬必	471,513	176,946
— Xinhe	— 新合	297,725	39,544
— Inter-segment eliminations	— 分部間抵銷	(120,699)	—
Subsidy income	補貼收入	165,402	111,630
— Panzhuang	— 潘莊	140,727	99,188
— Mabi	— 馬必	24,675	12,442
VAT refund	增值稅退稅	182,281	140,245
— Panzhuang	— 潘莊	139,695	124,463
— Mabi	— 馬必	42,586	15,782
Other (losses)/gains, net	其他(損失)/利得 — 淨額	(21,729)	18,022
Operating expenses	經營開支	(1,195,511)	(860,924)
Depreciation and amortization	折舊及攤銷	(554,238)	(396,523)
Employee benefit expenses	僱員福利開支	(106,833)	(102,901)
Exploration expenses	勘探開支	(94,918)	(50,280)
Materials, services and logistics	材料、服務及物流	(379,862)	(283,644)
Net impairment losses on financial assets	金融資產減值淨損失	(39,264)	(9,757)
Others	其他	(20,396)	(17,819)
Panzhuang	潘莊	(616,777)	(596,668)
Depreciation and amortization	折舊及攤銷	(356,703)	(325,181)
Employee benefit expenses	僱員福利開支	(72,517)	(68,798)
Materials, services and logistics	材料、服務及物流	(159,637)	(182,296)
Net impairment losses on financial assets	金融資產減值淨損失	(15,038)	(7,579)
Others	其他	(12,882)	(12,814)
Mabi	馬必	(411,382)	(196,727)
Depreciation and amortization	折舊及攤銷	(190,687)	(65,389)
Employee benefit expenses	僱員福利開支	(27,957)	(28,338)
Exploration expenses	勘探開支	(94,918)	(50,280)
Materials, services and logistics	材料、服務及物流	(93,414)	(46,913)
Net impairment losses on financial assets	金融資產減值淨損失	—	(2,173)
Others	其他	(4,406)	(3,634)

Management Discussion and Analysis

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FINANCIAL REVIEW (Continued)

財務回顧(續)

		Year Ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Xinhe	新合	(267,620)	(46,480)
Depreciation and amortization	折舊及攤銷	(2,800)	(1,592)
Employee benefit expenses	僱員福利開支	(598)	(69)
Materials, services and logistics	材料、服務及物流	(237,412)	(44,235)
Net impairment losses on financial assets	金融資產減值淨損失	(24,226)	(5)
Others	其他	(2,584)	(579)
<i>Inter-segment eliminations</i>	<i>分部間抵銷</i>		
Materials, services and logistics	材料、服務及物流	120,699	–
<i>Headquarters</i>	<i>總部</i>	(20,431)	(21,049)
Depreciation and amortization	折舊及攤銷	(4,048)	(4,361)
Employee benefit expenses	僱員福利開支	(5,761)	(5,696)
Materials, services and logistics	材料、服務及物流	(10,098)	(10,200)
Others	其他	(524)	(792)
EBITDA	EBITDA	2,251,425	1,544,722
— Panzhuang	— 潘莊	1,933,483	1,477,455
— Mabi	— 馬必	300,990	73,537
— Xinhe	— 新合	31,566	7,449
— Headquarters	— 總部	(14,614)	(13,719)
Profit from operations	經營利潤	1,697,187	1,148,199
Finance income	財務收益	36,023	24,522
Finance costs	財務費用	(9,738)	(5,750)
Exchange gains/(losses)	匯兌收益/(損失)	95,100	(8,597)
Finance income, net	財務收益 — 淨額	121,385	10,175
Share of net loss of associates accounted for using the equity method	應佔按權益法入賬的聯營公司投資虧損	(17,715)	(14,052)
Profit before income tax	除所得稅前利潤	1,800,857	1,144,322
Income tax expense	所得稅費用	(384,748)	(328,643)
Profit for the year	年度利潤	1,416,109	815,679

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FINANCIAL REVIEW (Continued)

The gross production volume, gross sales volume, net sales volume, realized ASP and revenue of Panzhuang and Mabi concessions are set out below:

財務回顧(續)

潘莊區塊和馬必區塊的總產量、總銷量、淨銷量、平均實現銷售價格及收入排列如下：

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
Gross production volume (bcf) ¹	總產量(十億立方英尺) ¹	51.80	45.84
Panzhuang	潘莊	41.76	41.49
Mabi	馬必	10.04	4.35
Gross production volume (MMCM) ¹	總產量(百萬立方米) ¹	1,466.72	1,297.94
Panzhuang	潘莊	1,182.49	1,174.77
Mabi	馬必	284.23	123.17
Gross sales volume (bcf) ²	總銷量(十億立方英尺) ²	50.00	44.16
Panzhuang	潘莊	40.52	40.34
Mabi	馬必	9.48	3.82
Gross sales volume (MMCM) ²	總銷量(百萬立方米) ²	1,415.64	1,250.27
Panzhuang	潘莊	1,147.28	1,142.21
Mabi	馬必	268.36	108.06
Net sales volume (bcf) ³	淨銷量(十億立方英尺) ³	36.39	31.75
Panzhuang	潘莊	29.00	28.79
Mabi	馬必	7.39	2.96
Net sales volume (MMCM) ³	淨銷量(百萬立方米) ³	1,030.47	899.20
Panzhuang	潘莊	821.26	815.34
Mabi	馬必	209.21	83.86
Realized ASP (RMB per cubic meter) ⁴	平均實現銷售價格(人民幣元/立方米) ⁴	2.26	1.79
Panzhuang	潘莊	2.31	1.80
Mabi	馬必	2.05	1.67
Revenue (RMB'000)	收入(人民幣千元)	2,389,718	1,699,682
Panzhuang	潘莊	1,918,205	1,522,736
Mabi	馬必	471,513	176,946

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (Continued)

Notes:

1. Gross production volume is the total amount of CBM produced.
2. Gross sales volume is gross production volume less utilization loss.
3. Net sales volume is the portion of gross sales volume allocated to us under the production sharing contract, after the deduction of amount sold to pay applicable VAT and local taxes.
4. Realized ASP excludes the directly attributable pass through cost, thus reflecting the realized wellhead price.

Revenue. Our revenue increased by RMB828 million or 47.58% from RMB1.739 billion in 2021 to RMB2.567 billion in 2022. The increase was mainly due to the increase in realized ASP and net sales volume as a result of the increase in production volume in Panzhuang and Mabi concessions, as well as the increase in revenue due to the newly incurred energy trading and LNG outsourced processing and sales businesses. The gross production volume of Panzhuang concession increased by 0.66% from 1,175 MMCM in 2021 to 1,183 MMCM in 2022; realized ASP increased from RMB1.80 per cubic meter in 2021 to RMB2.31 per cubic meter in 2022. The gross production volume of Mabi concession increased by 130.76% from 123 MMCM in 2021 to 284 MMCM in 2022; realized ASP increased from RMB1.67 per cubic meter in 2021 to RMB2.05 per cubic meter in 2022.

Subsidy income. Our subsidy income increased by RMB53 million or 48.17% from RMB112 million in 2021 to RMB165 million in 2022, primarily due to the increase in central and local fiscal award and subsidy funds.

VAT refund. Our VAT refund increased by RMB42 million or 29.97% from RMB140 million in 2021 to RMB182 million in 2022, mainly due to the increase in net sales volume and realized ASP of Panzhuang and Mabi concessions.

Other (losses)/gains, net. Our other (losses)/gains changed from a gain of RMB18.02 million in 2021 to a loss of RMB21.73 million in 2022, primarily due to the payment of other expenses for land occupation.

財務回顧(續)

附註：

1. 總產量為已生產煤層氣總量。
2. 總銷量為總產量減去使用損失。
3. 淨銷量為我們根據產品分成合同獲得的總銷量減去為支付適用增值稅及當地稅項的所售數量的我們的部分。
4. 平均實現銷售價格不包括直接歸屬的過渡成本，反映的是我們實現的井口價格。

收入。我們的收入由2021年的人民幣17.39億元增加了人民幣8.28億元或47.58%至2022年的人民幣25.67億元。該增加主要來自於潘莊區塊和馬必區塊的平均實現銷售價格增加及產量增加導致的淨銷量增加，以及新增能源貿易和LNG委託加工銷售業務導致的收入增加。潘莊區塊的總產量從2021年的11.75億立方米增長了0.66%至2022年的11.83億立方米；平均實現銷售價格從2021年的每立方米人民幣1.80元增加至2022年的每立方米人民幣2.31元。馬必區塊的總產量從2021年的1.23億立方米增長了130.76%至2022年的2.84億立方米；平均實現銷售價格從2021年的每立方米人民幣1.67元增加至2022年的每立方米人民幣2.05元。

補貼收入。我們的補貼收入由2021年的人民幣1.12億元增加了人民幣0.53億元或48.17%至2022年的人民幣1.65億元，主要是由於中央和地方財政獎補資金增加所致。

增值稅退稅。我們的增值稅退稅由2021年的人民幣1.40億元增加了人民幣0.42億元或29.97%至2022年的人民幣1.82億元，主要是由於潘莊區塊和馬必區塊的淨銷量及平均實現銷售價格增加所致。

其他(損失)/利得—淨額。我們的其他(損失)/利得由2021年的收益人民幣1,802萬元變化至2022年的損失人民幣2,173萬元，主要是由於繳納土地佔用的其他費用所致。

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FINANCIAL REVIEW (Continued)

Operating expenses. Our operating expenses increased by RMB335 million or 38.86% from RMB861 million in 2021 to RMB1,196 million in 2022, primarily due to the increase in depreciation and amortization as a result of the increase in production wells and production volume, the increase in exploration expenses, the increase in materials, services and logistics as a result of the increase in production wells, the increase in sales costs of LNG as a result of the increase in LNG outsourced processing and sales businesses, and the increase in net impairment losses on financial assets.

- *Depreciation and amortisation.* Our depreciation and amortization increased by RMB158 million or 39.77% from RMB396 million in 2021 to RMB554 million in 2022, mainly due to the increase in production wells and production volume in Panzhuang and Mabi concessions.
- *Employee benefit expenses.* Our employee benefit expenses were RMB103 million and RMB107 million in 2021 and 2022, respectively.
- *Exploration expenses.* Our exploration expenses increased by RMB45 million or 88.78% from RMB50 million in 2021 to RMB95 million in 2022, mainly due to the increase in the well closure in Mabi concession.
- *Materials, services and logistics.* Our materials, services and logistics expenses increased by RMB96 million or 33.92% from RMB284 million in 2021 to RMB380 million in 2022, primarily due to the increase in electricity, repair, wastewater treatment and other operating costs as a result of more wells coming into production and increased production, and the increase in sales costs of LNG as a result of the increase in LNG outsourced processing and sales businesses.
- *Net impairment losses on financial assets.* Our net impairment losses on financial assets increased by RMB29.50 million or 302.42% from RMB9.76 million in 2021 to RMB39.26 million in 2022, primarily due to the increase in expected credit losses on trade receivables and other financial assets at amortised costs.
- *Others.* Our other expenses were RMB17.82 million and RMB20.40 million in 2021 and 2022, respectively.

財務回顧(續)

*經營開支。*我們的經營開支由2021年的人民幣8.61億元增加了人民幣3.35億元或38.86%至2022年的人民幣11.96億元，主要是由於生產井增加和產量增加導致的折舊及攤銷增加，勘探開支增加，生產井增加導致的材料、服務及物流增加，LNG委託加工銷售業務增加導致的LNG銷售成本增加，以及金融資產減值淨損失增加所致。

- *折舊及攤銷。*我們的折舊及攤銷由2021年的人民幣3.96億元增加了人民幣1.58億元或39.77%至2022年的人民幣5.54億元，主要是由於潘莊區塊和馬必區塊的生產井增加和產量增加所致。
- *僱員福利開支。*我們2021年和2022年的僱員福利開支分別為人民幣1.03億元和人民幣1.07億元。
- *勘探開支。*我們的勘探開支由2021年的人民幣0.50億元增加了人民幣0.45億元或88.78%至2022年的人民幣0.95億元，主要是由於馬必區塊的封井增加所致。
- *材料、服務及物流。*我們的材料、服務及物流開支由2021年的人民幣2.84億元增加了人民幣0.96億元或33.92%至2022年的人民幣3.80億元，主要由於更多井投入生產以及產量增加導致的電力、修井、污水處理和其他運營成本增加，以及LNG委託加工銷售業務增加導致的LNG銷售成本增加所致。
- *金融資產減值淨損失。*我們的金融資產減值淨損失由2021年的人民幣976萬元增加了人民幣2,950萬元或302.42%至2022年的人民幣3,926萬元，主要是由於應收賬款及以攤餘成本計量的其他金融資產的預期信用損失增加所致。
- *其他。*我們2021年和2022年的其他開支分別為人民幣1,782萬元和人民幣2,040萬元。

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管理層討論與分析

FINANCIAL REVIEW (Continued)

EBITDA. Our EBITDA increased by RMB706 million or 45.75% from RMB1.545 billion in 2021 to RMB2.251 billion in 2022. The increase was primarily due to the increase in realized ASP and production volume, resulting in the increase in net sales volume in Panzhuang and Mabi concessions, as well as the increase in revenue as a result of the newly incurred energy trading and LNG outsourced processing and sales businesses, partially offset by the increase in exploration expenses, the increase in materials, services and logistics, and the increases in LNG sales costs and net impairment losses on financial assets. Overall, higher production volume and realized ASP have led to an increase in EBITDA. The EBITDA of Panzhuang concession increased by RMB456 million or 30.87% from RMB1.477 billion in 2021 to RMB1.933 billion in 2022, primarily due to increase in production volume and realized ASP. Mabi concession's EBITDA increased by RMB227 million or 309.30% from RMB74 million in 2021 to RMB301 million in 2022, primarily due to increase in production volume and realized ASP, partially offset by increase in materials, services and logistics and exploration expenses. The EBITDA of Xinghe Investment increased by RMB24.12 million or 323.76% from RMB7.45 million in 2021 to RMB31.57 million in 2022, mainly due to the increase in revenue from the newly incurred energy trading and LNG outsourced processing and sales business, which was partially offset by the increase in cost of sales of LNG.

Profit from operations. As a result of the foregoing, our profit from operations increased by RMB549 million or 47.81% from RMB1.148 billion in 2021 to RMB1.697 billion in 2022.

Finance income. Our finance income increased by RMB11.50 million or 46.90% from RMB24.52 million in 2021 to RMB36.02 million in 2022, primarily due to the increase in cash and bank balances.

Finance costs. Our finance costs were RMB5.75 million and RMB9.74 million in 2021 and 2022, respectively.

Exchange gains/(losses). Our exchange gains/(losses) turned from exchange losses of RMB8.60 million in 2021 to exchange gains of RMB95.10 million in 2022, primarily due to the foreign exchange gains of monetary items in foreign currency arising from the exchange rate fluctuations for foreign currency against RMB.

財務回顧(續)

EBITDA。我們的EBITDA由2021年的人民幣15.45億元增加了人民幣7.06億元或45.75%至2022年的人民幣22.51億元。該增加主要是由於潘莊區塊和馬必區塊的平均實現銷售價格增加及產量增加導致的淨銷量增加，以及新增能源貿易和LNG委託加工銷售業務導致的收入增加，惟部分被勘探開支增加，材料、服務及物流增加，LNG銷售成本增加以及金融資產減值淨損失增加所抵銷。概括而言，更高的產量和平均實現銷售價格導致EBITDA的增加。潘莊區塊的EBITDA由2021年的人民幣14.77億元增加了人民幣4.56億元或30.87%至2022年的人民幣19.33億元，主要是由於產量和平均實現銷售價格增加。馬必區塊的EBITDA由2021年的人民幣0.74億元增加了人民幣2.27億元或309.30%至2022年的人民幣3.01億元，主要是由於產量和平均實現銷售價格增加，惟部分被材料、服務及物流增加以及勘探開支增加所抵銷。新合投資的EBITDA由2021年的人民幣745萬元增加了人民幣2,412萬元或323.76%至2022年的人民幣3,157萬元，主要是由於新增能源貿易和LNG委託加工銷售業務導致的收入增加，惟部分被LNG銷售成本增加所抵銷。

經營利潤。基於上文所述，我們的經營利潤由2021年的人民幣11.48億元增加了人民幣5.49億元或47.81%至2022年的人民幣16.97億元。

財務收益。我們的財務收益由2021年的人民幣2,452萬元增加了人民幣1,150萬元或46.90%至2022年的人民幣3,602萬元，主要是由於現金及銀行結餘增加所致。

財務費用。我們2021年和2022年的財務費用分別為人民幣575萬元和人民幣974萬元。

匯兌收益/(損失)。我們的外匯匯兌收益/(損失)由2021年的匯兌損失人民幣860萬元變化至2022年的匯兌收益人民幣9,510萬元，主要是由於外幣貨幣性項目因外幣對人民幣匯率波動而形成的外幣折算收益所致。

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FINANCIAL REVIEW (Continued)

Share of net loss of associates accounted for using the equity method. Our share of net loss of associates accounted for using the equity method were RMB14.05 million and RMB17.72 million in 2021 and 2022, respectively.

Profit before income tax. Our profit before income tax increased by RMB657 million or 57.37%, from RMB1.144 billion in 2021 to RMB1.801 billion in 2022, primarily due to the factors affecting EBITDA as described above and the increases in finance income and exchange gains, partially offset by the increase in depreciation and amortization expenses, the increase in finance costs and the increase in share of net loss of associates accounted for using the equity method.

Income tax expense. Our income tax expenses increased by RMB56 million or 17.07% from RMB329 million in 2021 to RMB385 million in 2022, mainly due to the increase in profit before income tax of Panzhuang concession in 2022.

Profit for the year. Our profit for the year increased by RMB600 million or 73.61% from RMB816 million in 2021 to RMB1.416 billion in 2022, mainly due to the factors affecting profit before income tax stated above but partially offset by the increase in income tax expense.

EBITDA AND ADJUSTED EBITDA

We provide a reconciliation of EBITDA and adjusted EBITDA to profit for the year, which is the most directly comparable financial performance calculated and presented in accordance with HKFRS. EBITDA refers to earnings before finance income, finance costs, exchange gains or losses, share of net profit or loss of associates accounted for using the equity method, income tax, and depreciation and amortization. Adjusted EBITDA refers to EBITDA adjusted to exclude non-cash expenses, non-recurring items or non-operation-related expenses to demonstrate EBITDA of the Group's core operations.

財務回顧(續)

應佔按權益法入賬的聯營公司投資虧損。我們2021年和2022年的應佔按權益法入賬的聯營公司投資虧損分別為人民幣1,405萬元和人民幣1,772萬元。

除所得稅前利潤。我們的除所得稅前利潤由2021年的人民幣11.44億元增加了人民幣6.57億元或57.37%至2022年的人民幣18.01億元，主要是因為上述影響EBITDA的因素及財務收益增加、匯兌收益，惟部分被折舊及攤銷開支增加、財務費用增加和應佔按權益法入賬的聯營公司投資虧損增加所抵銷。

所得稅費用。我們的所得稅費用由2021年的人民幣3.29億元增加了人民幣0.56億元或17.07%至2022年的人民幣3.85億元，主要是由於2022年潘莊區塊的除所得稅前利潤增加所致。

年度利潤。我們的年度利潤由2021年人民幣8.16億元增加了人民幣6.00億元或73.61%至2022年人民幣14.16億元，主要是由於上述影響除所得稅前利潤的因素所致，惟部分被所得稅費用增加所抵銷。

EBITDA及經調整EBITDA

我們提供年內EBITDA及經調整EBITDA與利潤的對賬，該利潤為根據香港財務報告準則計算及呈列的最直接的可比較財務表現。EBITDA指除財務收益、財務費用、匯兌收益或損失、應佔按權益法入賬的聯營公司投資收益或虧損、所得稅、折舊及攤銷前的收益。經調整EBITDA指EBITDA調整至不包括非現金開支、非經常性項目或非營運相關開支，以說明本集團核心業務的EBITDA。

Management Discussion and Analysis

管理層討論與分析

EBITDA AND ADJUSTED EBITDA (Continued)

We have included EBITDA and adjusted EBITDA as we believe they are financial measures commonly used in the oil and gas industry. We believe that EBITDA and adjusted EBITDA are used as supplemental financial measures by our management, investors, research analysts, bankers and others to assess our operating performance, cash flow and return on capital as compared to those of other companies in our industry, and our financing ability. However, EBITDA and adjusted EBITDA should not be considered in isolation or construed as alternatives to profit from operations or any other measure of performance or as indicators of our operating performance or profitability. EBITDA and adjusted EBITDA are unable to account for income tax, share of net profit or loss of associates accounted for using the equity method, exchange gains or losses, finance income, finance costs, depreciation and amortization.

The following table sets forth a reconciliation of EBITDA and adjusted EBITDA to profit for the year.

EBITDA及經調整EBITDA(續)

我們已計入EBITDA及經調整EBITDA，是由於我們認為它們是油氣行業常用的財務計量。我們認為EBITDA及經調整EBITDA由我們的管理層、投資者、研究分析師、銀行家及其他人士用作補充財務計量，以評估我們相較於業內其他公司的經營表現、現金流量及資本回報率以及我們承擔融資的能力。然而，EBITDA及經調整EBITDA不可被認定獨立於經營利潤或任何其他表現計量，亦不可詮釋為經營利潤或任何其他表現計量的替代項目，或視為我們經營表現或收益能力的指標。EBITDA及經調整EBITDA未能對所得稅、應佔按權益法入賬的聯營公司投資收益或虧損、匯兌收益或損失、財務收益、財務費用、折舊及攤銷做出記賬。

下表載列年度EBITDA及經調整EBITDA與利潤的對賬。

		Year ended 31 December 截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Reconciliation of profit for the year to EBITDA:	年度利潤與EBITDA的對賬		
Profit for the year	年度利潤	1,416,109	815,679
Income tax expense	所得稅費用	384,748	328,643
Share of net loss of associates accounted for using the equity method	應佔按權益法入賬的聯營公司投資虧損	17,715	14,052
Finance income	財務收益	(36,023)	(24,522)
Finance costs	財務費用	9,738	5,750
Exchange (gains)/losses	匯兌(收益)/損失	(95,100)	8,597
Depreciation and amortization	折舊及攤銷	554,238	396,523
EBITDA	EBITDA	2,251,425	1,544,722
Non-operation-related business development and legal consulting service expenses	非營運相關的業務發展和法律諮詢服務費開支	2,735	6,998
Adjusted EBITDA	經調整EBITDA	2,254,160	1,551,720

Management Discussion and Analysis

管理層討論與分析

EBITDA AND ADJUSTED EBITDA (Continued)

Our EBITDA increased by RMB706 million or 45.75% from RMB1.545 billion in 2021 to RMB2.251 billion in 2022. The increase was primarily due to the increase in realised ASP and net sales volume as a result of the increase in production volume in Panzhuang and Mabi concessions, as well as the increase in revenue as a result of the newly incurred energy trading and LNG outsourced processing and sales businesses, partially offset by the increase in exploration expenses, the increase in materials, services and logistics, and the increases in LNG sales costs and net impairment losses on financial assets. In conclusion, higher production volume and realised ASP have led to an increase in EBITDA. The EBITDA of Panzhung concession increased by RMB456 million or 30.87% from RMB1.477 billion in 2021 to RMB1.933 billion in 2022, primarily due to increased production volume and realised ASP. Mabi concession's EBITDA increased by RMB227 million or 309.30% from RMB74 million in 2021 to RMB301 million in 2022, primarily due to increased production volume and realised ASP, partially offset by the increases in materials, services and logistics and exploration expenses. The EBITDA of Xinha Investment increased by RMB24.12 million or 323.76% from RMB7.45 million in 2021 to RMB31.57 million in 2022, mainly due to the increase in revenue from the newly incurred energy trading and LNG outsourced processing and sales business, which was partially offset by the increase in cost of sales of LNG.

Our adjusted EBITDA increased by RMB702 million or 45.27% from RMB1.552 billion in 2021 to RMB2.254 billion in 2022. The increase was primarily due to the aforementioned reasons for the increase in EBITDA.

LIQUIDITY AND CAPITAL RESOURCES

The Group's financial management department is responsible for the financing and fund management policies related to the overall operations of the Group. Our investment funds were mainly derived from cash generated from operating activities.

As at 31 December 2022, we had cash and bank balances of RMB2.186 billion (31 December 2021: RMB1.887 billion).

Save as the information disclosed above or otherwise in this annual report, the Group had no outstanding mortgage, pledge, debentures or other loan capital issued or agreed to be issued, bank overdrafts, borrowings, liabilities under acceptance or other similar liabilities, hire purchase and finance lease commitments, or any guarantee or other material contingent liabilities as at 31 December 2022.

EBITDA 及經調整 EBITDA (續)

我們的 EBITDA 由 2021 年的人民幣 15.45 億元增加了人民幣 7.06 億元或 45.75% 至 2022 年的人民幣 22.51 億元。該增加主要是由於潘莊區塊和馬必區塊的平均實現銷售價格增加及產量增加導致的淨銷量增加，以及新增能源貿易和 LNG 委託加工銷售業務導致的收入增加，惟部分被勘探開支增加，材料、服務及物流增加，LNG 銷售成本增加以及金融資產減值淨損失增加所抵銷。概括而言，更高的產量和平均實現銷售價格導致 EBITDA 的增加。潘莊區塊的 EBITDA 由 2021 年的人民幣 14.77 億元增加了人民幣 4.56 億元或 30.87% 至 2022 年的人民幣 19.33 億元，主要是由於產量和平均實現銷售價格增加。馬必區塊的 EBITDA 由 2021 年的人民幣 0.74 億元增加了人民幣 2.27 億元或 309.30% 至 2022 年的人民幣 3.01 億元，主要是由於產量和平均實現銷售價格增加，惟部分被材料、服務及物流增加以及勘探開支增加所抵銷。新合投資的 EBITDA 由 2021 年的人民幣 745 萬元增加了人民幣 2,412 萬元或 323.76% 至 2022 年的人民幣 3,157 萬元，主要是由於新增能源貿易和 LNG 委託加工銷售業務導致的收入增加，惟部分被 LNG 銷售成本增加所抵銷。

我們的經調整 EBITDA 由 2021 年的人民幣 15.52 億元增加了人民幣 7.02 億元或 45.27% 至 2022 年的人民幣 22.54 億元。該增加是由於上文說明的 EBITDA 增加的原因所致。

流動資金及資本資源

本集團的財務管理部負責與本集團總體運營相關的融資及資金管理政策。我們的投資資金主要來源於經營活動所產生的現金。

於 2022 年 12 月 31 日，我們的現金及銀行結餘為人民幣 21.86 億元 (2021 年 12 月 31 日：人民幣 18.87 億元)。

除上文或本年報其他部分所披露之資料外，於 2022 年 12 月 31 日，本集團並無任何未償還按揭、抵押、債券或其他貸款資本 (已發行或同意發行)、銀行透支、借款、承兌負債或其他同類負債、租購及財務租賃承擔或任何擔保或其他重大或然負債。

Management Discussion and Analysis

管理層討論與分析

LIQUIDITY AND CAPITAL RESOURCES (Continued)

流動資金及資本資源(續)

Cash flows

現金流量

The table below sets forth our cash flow for each of the years indicated:

下表載列於各所示年度我們的現金流量：

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net cash generated from operating activities	經營活動所得現金淨額	1,824,848	1,363,449
Net cash used in investing activities	投資活動所用現金淨額	(1,141,246)	(1,167,546)
Net cash used in financing activities	融資活動所用現金淨額	(203,019)	(355,833)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	480,583	(159,930)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	1,626,675	1,790,505
Exchange gains/(losses) on cash and cash equivalents	現金及現金等價物匯兌收益/(損失)	11,402	(3,900)
Cash and cash equivalents at end of the year	年末現金及現金等價物	2,118,660	1,626,675

Operating activities

Net cash generated from operating activities in 2022 was RMB1.825 billion, mainly due to profit before income tax of RMB1.801 billion, depreciation and amortization of RMB554 million, exploration expenses of RMB95 million and net impairment losses on financial assets of RMB39 million. These items were offset by income tax paid of RMB651 million and an increase in trade and other receivables of RMB25 million.

Net cash generated from operating activities in 2021 was RMB1.363 billion, mainly due to profit before income tax of RMB1.144 billion, depreciation and amortization of RMB397 million and exploration expenses of RMB50 million. These items were offset by income tax paid of RMB210 million.

經營活動

於2022年，經營活動所得現金淨額為人民幣18.25億元，主要是由於除所得稅前利潤人民幣18.01億元，折舊及攤銷人民幣5.54億元，勘探開支人民幣0.95億元，以及金融資產減值淨損失人民幣0.39億元。該等項目被已付所得稅人民幣6.51億元以及應收賬款及其他應收款增加人民幣0.25億元所抵銷。

於2021年，經營活動所得現金淨額為人民幣13.63億元，主要是由於除所得稅前利潤人民幣11.44億元，折舊及攤銷人民幣3.97億元以及勘探開支人民幣0.50億元。該等項目被已付所得稅人民幣2.10億元所抵銷。

Management Discussion and Analysis

管理層討論與分析

LIQUIDITY AND CAPITAL RESOURCES (Continued)

Investing activities

Net cash used in investing activities in 2022 was RMB1.141 billion, mainly comprised of purchases of property, plant and equipment of RMB1.130 billion, investments in associates of RMB147 million, investments in financial assets of RMB70 million, offset by a decrease in term deposits with maturity over 3 months of RMB200 million. The purchase of property, plant and equipment mainly comprised of payment for more wells drilled, additional well head compressors and construction of gas gathering stations and power facilities.

Net cash used in investing activities in 2021 was RMB1.168 billion, mainly comprised of purchases of property, plant and equipment of RMB699 million, investments in associates of RMB234 million, purchases of term deposits with maturity over 3 months of RMB200 million. The purchase of property, plant and equipment mainly comprised of payment for more wells drilled, additional well head compressors and construction of gas gathering stations and power facilities.

Financing activities

Net cash used in financing activities in 2022 was RMB203 million, which was mainly due to the payment of dividend of RMB197 million for year ended 31 December 2021 and repayment of lease liabilities of RMB6.44 million.

Net cash used in financing activities in 2021 was RMB356 million, which was mainly due to the payment of dividend of RMB351 million for year ended 31 December 2020 and repayment of lease liabilities of RMB6.19 million.

Cash and bank balances

We had cash and bank balances of RMB1.887 billion and RMB2.186 billion as at 31 December 2021 and 2022, respectively. Our cash and bank balances consist of cash on hand, cash at banks and restricted bank deposits. As at 31 December 2021 and 2022, approximately 0.84% and 20.55% of our cash and bank balances were held in Hong Kong dollars or US dollars, respectively.

流動資金及資本資源(續)

投資活動

於2022年，投資活動所用現金淨額為人民幣11.41億元，主要包括購買人民幣11.30億元的不動產、工廠及設備，投資聯營公司人民幣1.47億元，投資金融資產人民幣0.70億元，被三個月以上定期存款減少人民幣2.00億元所抵銷。購買不動產、工廠及設備主要包括支付更多已鑽探的井、添置井口增壓機及興建集氣站和電力設施。

於2021年，投資活動所用現金淨額為人民幣11.68億元，主要包括購買人民幣6.99億元的不動產、工廠及設備，投資聯營公司人民幣2.34億元，購買三個月以上定期存款人民幣2.00億元。購買不動產、工廠及設備主要包括支付更多已鑽探的井、添置井口增壓機及興建集氣站和電力設施。

融資活動

於2022年，融資活動所用的現金淨額為人民幣2.03億元，主要用於支付截至2021年12月31日止年度的股息人民幣1.97億元及償還租賃負債人民幣644萬元。

於2021年，融資活動所用的現金淨額為人民幣3.56億元，主要用於支付截至2020年12月31日止年度的股息人民幣3.51億元及償還租賃負債人民幣619萬元。

現金及銀行結餘

於2021年及2022年12月31日，我們的現金及銀行結餘分別為人民幣18.87億元及人民幣21.86億元。我們的現金及銀行結餘包括結存現金、銀行存款及受限制銀行存款。於2021年及2022年12月31日，我們有約0.84%及20.55%的現金及銀行結餘分別以港元或美元持有。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL RISK FACTORS

The operating activities of the Group expose to a variety of financial risks: credit risk, market risk (includes foreign exchange risk), liquidity risk and concentration risk. The overall risk management program of the Group focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Credit risk

Credit risk of the Group arises from cash at bank, trade and other receivables and other financial assets at amortised cost.

As the majority of the cash at bank are placed with state-owned and international banks and financial institutions in the PRC and Hong Kong, and there has been no recent history of default in relation to these banks and financial institutions, the corresponding credit risk is relatively low.

The Group has controls in place to assess the credit quality of its customers, taking into account of their financial positions, past experience and other factors. The Group's sales were only made to the customers with good credit history. The utilisation of credit limits is regularly monitored.

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, particularly with respect to US dollar. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency other than the entity's functional currency.

Prior to 30 April 2016, we were exposed to non-cash foreign exchange risks arising from retranslation of inter-company loans denominated in US dollar. To manage the foreign exchange risk, the management decided to execute a debt restructuring on 30 April 2016 by converting the inter-company loans into perpetual loans through entering into perpetual loan agreements between respective group companies such that the perpetual loans do not bear interest and the lenders cannot request repayment. Upon completion of this debt restructuring, any foreign exchange difference arising from the retranslation of these US dollar denominated perpetual loans was recognized in equity in the consolidated financial statements.

The Group manages its foreign exchange risk by closely monitoring the movement of the foreign exchange rates and companies' internal accounts denominated in US dollar.

財務風險因素

本集團的經營活動面臨各種財務風險：信用風險、市場風險(包括外匯風險)、流動性風險及集中風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並致力減低對本集團財務表現的潛在不利影響。

信用風險

本集團的信用風險來自銀行存款、應收賬款及其他應收款以及以攤銷成本計量的其他金融資產。

由於大部分銀行存款存放於中國及香港的國有及國際銀行及金融機構，且該類銀行及金融機構近期並無違約記錄，相應信用風險相對較低。

本集團實施控制措施以評估客戶的信用資質，考慮其財務狀況、過往經驗及其他因素。本集團只向具有良好信貸記錄的客戶進行銷售。信用限額的使用會受定期監控。

外匯風險

本集團須承受各種貨幣所產生外匯風險，尤以美元為甚。當未來商業交易或已確認資產或負債以實體功能貨幣以外的貨幣計值，則會產生外匯風險。

2016年4月30日之前，本集團承受的非現金外匯風險來自重新折算的以美元計價的公司間貸款。為了管理外匯風險，管理層決定於2016年4月30日執行債務重組，通過將公司間貸款轉為永久性貸款。所屬的集團公司各自簽訂永久貸款協定，永續貸款不承計利息並且貸款方不得要求償還。在此次債務重組完成時，由這些美元永續貸款轉換產生的任何匯兌差異在合併財務報表確認為權益。

本集團密切監控匯率變動及美元公司內部往來款賬戶，以管理外匯風險。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL RISK FACTORS (Continued)

Foreign exchange risk (Continued)

As at 31 December 2022, if RMB had weakened/strengthened by 1% against US dollar, with all other variables being held constant, profit before income tax for the year would have been RMB46,000 (31 December 2021: negative RMB1,187,000) lower/higher, respectively, mainly as a result of foreign exchange gains/losses on translation of US\$ denominated receivables and payables held by our entities with their functional currency as RMB.

SIGNIFICANT INVESTMENTS

The Group did not hold any significant investments for the year ended 31 December 2022.

ACQUISITION AND DISPOSAL OF SUBSIDIARIES OR ASSOCIATES

The details of acquisition of associates by the Group are disclosed in note 9 to the section headed "Notes to the Consolidated Financial Statements" of this annual report. Save as disclosed above, the Group had no other acquisition or disposal of subsidiaries or associates for the year ended 31 December 2022.

OUTLOOK AND GUIDANCE FOR 2023

The Group will continue to strengthen the investment and development strategy of the existing CBM concessions, striving to build an ecological chain of the entire natural gas industry while strengthening the development of CBM transmission and distribution capabilities, thus lowering the market risks of the products. Meanwhile, by leveraging its advantages in CBM exploration and development technology and industry, the Group intends to further expand its upstream resources.

For 2023, we are pleased to present the latest goals as follows:

財務風險因素(續)

外匯風險(續)

於2022年12月31日，如人民幣兌美元貶值／升值1%，而所有其他可變因素保持不變，則除所得稅前年度利潤將分別減少／增加人民幣46,000元（2021年12月31日：負人民幣1,187,000元），主要原因是將本集團實體所持以美元計值的往來款換算為其功能貨幣人民幣所產生的匯兌收益／損失。

重大投資

截至2022年12月31日止年度，本集團並未有任何重大投資。

收購及出售附屬公司或聯營公司

截至2022年12月31日止年度，本集團收購聯營公司之詳情載於本年報「合併財務報表附註」一節附註9。除上文所披露者外，本集團並無其他收購或出售附屬公司或聯營公司之重大事項。

2023年展望及指引

本集團將延續並加強現有煤層氣區塊投資開發發展策略，著力構築天然氣全產業生態鏈，持續加強煤層氣輸配能力建設，降低產品面臨的市場風險。同時，本集團意在憑藉自身在煤層氣勘探開發技術及產業上的優勢，進一步拓展上游資源。

對於2023年，我們欣然呈報更新目標如下：

Management Discussion and Analysis

管理層討論與分析

OUTLOOK AND GUIDANCE FOR 2023 (Continued)

Panzhuang Concession

The Group will continue to invest in Panzhuang concession in 2023, details are as follows:

- The Group will implement the full year plan upon the related government approvals on Panzhuang concession, including the plans of completing pre-drilling construction of 21 well sites, the drilling work of 75 new wells (including 70 drilling operations for thin coal seams and 5 drilling operations for main coal seams), the fracturing construction work of 77 new wells, the commencing production of 85 new wells and implementing related ancillary surface facilities engineering.
- With the scheduled project implementation and related government approvals, the gross production of Panzhuang concession in 2023 is expected to be 1,149 MMCM (40.6 bcf).
- Due to the frequent coal mining activities in the surrounding coal mines adjoin Panzhuang concession, the Company will continue to strengthen communication and cooperation with these coal mines in 2023, to optimize mutual guarantee agreements and continue to identify new development opportunities and cooperation channels.

Mabi Concession

The Group will continue to strengthen investment in Mabi concession in 2023, details are as follows:

- In Mabi concession, the Group will continue to obtain approval for the ODP adjustment plan of the southern area and the development plan for MB076 well block, continue to enhance the investment and construction per the ODP of the southern area of Mabi concession and optimize the development of the northern area. In 2023, we plan to complete the drilling work of 178 new wells (including 51 wells in the southern area and 127 wells in the northern area), the fracturing construction work of 165 new wells, the commencing production of 151 new wells and implementing related ancillary surface facilities engineering in Mabi concession.
- With the scheduled project implementation and related government approvals, the gross production of Mabi concession in 2023 is expected to be 536 MMCM (18.9 bcf).

2023年展望及指引(續)

潘莊區塊

2023年，本集團將在潘莊區塊繼續投資如下：

- 潘莊區塊在政府相關審批基礎上，開始實施全年計劃，計劃完成21座井場的鑽前工程、75口新井的鑽井作業(其中，薄煤層鑽井作業70口、主力煤層鑽井作業5口)、77口新井的壓裂施工作業及85口新井投產，以及實施相應的地面配套設施工程。
- 基於預期的項目執行和相關的政府審批，潘莊區塊2023年總產量的預期為11.49億立方米(即406億立方英尺)。
- 由於潘莊區塊的週邊煤礦採煤活動頻繁，2023年公司會繼續加強與週邊煤礦的溝通合作，完善互保協議及繼續尋求新的發展機會及合作途徑。

馬必區塊

2023年，本集團將在馬必區塊繼續加大投資，具體如下：

- 在馬必區塊，本集團將加強推進南區ODP調整方案及MB076井區開發方案的審批工作，堅定不移地強化馬必南區ODP投資建設及優化北區的開發，2023年計劃在馬必區塊完成178口新井的鑽井作業(其中包括南區51口和北區127口)、165口新井的壓裂作業及151口新井投產，以及實施相應的地面配套設施工程。
- 基於預期的項目執行和相關的政府審批，馬必區塊2023年總產量的預期為5.36億立方米(即189億立方英尺)。

Management Discussion and Analysis

管理層討論與分析

OUTLOOK AND GUIDANCE FOR 2023 (Continued)

According to the development plan of Panzhuang concession and Mabi concession mentioned above, the Group estimates to incur capital expenditures of approximately RMB1.592 billion in 2023, which will be financed by its own cash flow. The Group will assess the capital investment plan for 2023 from time to time, and will make necessary disclosure in the interim results for 2023 for any change.

The Group will committed to sustainable cost reduction and efficiency enhancement to deliver promising operating results. Meanwhile, we will continue to enhance technological innovation, thereby laying a solid foundation for the stable production and development of Panzhuang concession and the future development of Mabi concession. Besides, the Group will base on its groundbreaking technological advantages to identify new development opportunities mainly in China's market as planned and actively expand new concessions and businesses.

LNG Outsourced Processing and Trading Business

It is expected that the global economic growth will slow down in 2023, which may reduce the demand for natural gas. However, the natural gas market remains in a tight balance. AAG Energy has implemented the comprehensive industry strategy, strengthening strategy and innovation strategy. By leveraging its platform advantages, Xinhe Investment will continue to expand upstream gas sources, strengthen pipeline interconnection, cultivate the mid and downstream markets, and proactively layout incremental markets to expand its sales scope. In the coming year, Xinhe Investment expects to achieve a sales volume of 107,300 tonnes for the outsourced processing of LNG, a sales volume of 2.85 MMCM for piped gas, a sales volume of 44,000 tonnes for LNG and a sales volume of 12 MMCM for CNG of the energy trading business.

2023年展望及指引(續)

根據上述潘莊區塊和馬必區塊的開發計劃，本集團預計將在2023年投入資本性支出約人民幣15.92億元，這些資金將由自身的現金流來解決。本集團將不時評估2023年的資本性投資計劃，並且一旦有必要將在2023年中期業績中披露任何變化。

本集團將致力於可持續性降本增效，取得更好的經營業績。同時我們將持續推進技術創新，為潘莊區塊的穩產與發展，馬必區塊的進一步開發奠定良好基礎。本集團還將依據規劃，著重聚焦中國市場，以突破性技術優勢為基礎，尋求新的發展機遇，積極拓展新區塊與新業務。

LNG 委託加工及貿易業務

預計2023年，全球經濟增速放緩，或將降低天然氣需求，天然氣市場仍處於緊平衡態勢。在亞美能源全產業戰略、強化戰略和創新戰略的實施背景下，新合投資將繼續發揮平台優勢，不斷拓展上游氣源，加強管網互聯互通，深耕細作中下游市場，提前佈局增量市場，擴大銷售半徑，未來一年，新合投資委託加工LNG銷量預計10.73萬噸，能源貿易業務的管道氣銷量預計285萬立方米，LNG銷量預計4.4萬噸，CNG銷量預計1,200萬立方米。

Directors and Senior Management

董事及高級管理層

DIRECTORS

Executive Directors

Mr. Ming Zaiyuan (明再遠), aged 59, is an executive Director of the Company, chairman of the Board and chairman of the Nomination Committee of the Company. Mr. Ming is primarily responsible for the Group's overall development and growth strategies, investor and public relations, board governance and supervision of key management issues. Mr. Ming was appointed as an executive Director of the Company, chairman of the Board and chairman of the Nomination Committee of the Company on 24 August 2018.

Mr. Ming has been the chairman of the board of Xinjiang Xintai Natural Gas Co., Ltd. (新疆鑫泰天然氣股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 603393), since January 2013. From June 2010 to December 2012, Mr. Ming was a director of Xinjiang Xintai Natural Gas Co., Ltd. (formerly known as Xinjiang Xintai Investment (Group) Co., Ltd. (新疆鑫泰投資(集團)有限公司)). From March 1985 to May 1998, Mr. Ming served as the head of the supervision and audit department, the head of the personnel department, the chief audit officer and the deputy governor of the Agricultural Bank of China Limited (Deyang Central District Branch) (中國農業銀行(德陽市中區支行)), and as the director and the secretary of the Party committee of the credit cooperative union, respectively.

Mr. Ming graduated from the correspondence college of Party College of Sichuan Province Committee of the Communist Party of China (中共四川省委黨校函授學院) in 1987, majoring in law.

董事

執行董事

明再遠先生，59歲，本公司執行董事、董事會主席及提名委員會主席。明先生主要負責本集團整體發展及增長策略、投資者及公共關係、董事會監管及主要管理層監督等方面事宜。明先生於2018年8月24日獲委任為本公司執行董事、董事會主席及本公司提名委員會主席。

明先生自2013年1月起擔任於上海證券交易所上市的新疆鑫泰天然氣股份有限公司(股份代號：603393)的董事長。於2010年6月至2012年12月，明先生曾擔任新疆鑫泰天然氣股份有限公司(前稱新疆鑫泰投資(集團)有限公司)董事。於1985年3月至1998年5月，明先生先後任職於中國農業銀行(德陽市中區支行)，歷任監察科長、審計科長、人事科長、總稽核及副行長，以及於信用聯社擔任聯社主任兼黨委書記。

明先生於1987年畢業於中共四川省委黨校函授學院，主修法律。

Directors and Senior Management

董事及高級管理層

DIRECTORS (Continued)

Executive Directors (Continued)

Mr. Yan Danhua (嚴丹華), aged 55, is an executive Director, the President, a member of the Strategic Development Committee and a member of the ESG Working Group of the Company. Mr. Yan is primarily responsible for the Group's overall operation management. Mr. Yan was appointed as an executive Director of the Company on 24 August 2018, the President of the Company on 7 September 2018, a member of the ESG Working Group of the Company on 27 March 2020 and a member of the Strategic Development Committee of the Company on 26 March 2021.

Mr. Yan has more than 11 years of strategic investment and operation management experience in the energy industry. He was responsible for managing the energy investment projects of China AVIC Trust Co., Ltd. (中航信託股份有限公司) from 2016 to 2018. In 2015, Mr. Yan was the deputy general manager of Guangzheng Group Co., Ltd. (光正集團股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 002524), and was responsible for the business of natural gas and new energy development. From 2007 to 2013, he worked as the office director of balanced scorecard department for Xinjiang Guanghui Industry Investment Group Co., Ltd. (新疆廣匯實業投資(集團)有限責任公司) and as the deputy general manager for Guanghui Energy Co., Ltd. (廣匯能源股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 600256), respectively. In Guanghui Energy Co., Ltd., he was responsible for strategic planning, operation management, natural gas project management and the development of conventional gas and oil. From 1999 to 2006, Mr. Yan worked as the general manager at the department of fruit business of Xinjiang Tunhe Co., Ltd. (新疆屯河股份有限公司) (currently known as Cofco Tunhe Sugar Co., Ltd. (中糧屯河糖業股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 600737)).

Mr. Yan obtained a bachelor's degree in economics from Shaanxi Institute of Finance and Economics (陝西財經學院), currently known as Xi'an Jiao Tong University of China (中國西安交通大學), in 1990.

董事(續)

執行董事(續)

嚴丹華先生，55歲，本公司執行董事、總裁、戰略發展委員會委員及ESG工作組成員。嚴先生主要負責本集團的全面經營管理。嚴先生於2018年8月24日獲委任為本公司執行董事，於2018年9月7日獲委任為本公司總裁，於2020年3月27日獲委任為本公司ESG工作組成員，及於2021年3月26日獲委任為本公司戰略發展委員會委員。

嚴先生於能源業累積超過11年戰略投資及經營管理經驗。彼於2016年至2018年負責管理中航信託股份有限公司能源投資項目。於2015年，嚴先生擔任深圳證券交易所上市公司光正集團股份有限公司(股份代號：002524)副總經理，負責天然氣及新能源開發業務。於2007年至2013年，彼分別出任新疆廣匯實業投資(集團)有限責任公司平衡計分卡部的辦公室主任，以及上海證券交易所上市公司廣匯能源股份有限公司(股份代號：600256)的副總經理。於廣匯能源股份有限公司，彼負責策略規劃、營運管理、天然氣項目管理以及傳統燃氣及石油的開發。於1999年至2006年，嚴先生擔任上海證券交易所上市公司新疆屯河股份有限公司(現稱中糧屯河糖業股份有限公司)(股份代號：600737)的果業事業部總經理。

嚴先生於1990年取得陝西財經學院(現稱中國西安交通大學)經濟學學士學位。

Directors and Senior Management

董事及高級管理層

DIRECTORS (Continued)

Executive Directors (Continued)

Mr. Zhang Jianbing (張艦兵), aged 59, is an executive Director, authorized representative, an executive vice-president, a member of the Remuneration Committee and a member of the ESG Working Group of the Company. Mr. Zhang is authorized to be responsible for general management of the Group, primarily responsible for human resources and management of procurement matters. Mr. Zhang was appointed as an executive Director of the Company on 24 August 2018 and an authorized representative of the Company on 25 August 2018, respectively. He was appointed as the vice president of the Company on 7 September 2018 and a member of the Remuneration Committee of the Company on 21 March 2019, respectively. He was redesignated from vice president to executive vice-president on 28 January 2021 and appointed as a member of the ESG Working Group of the Company on 19 August 2021, respectively.

Mr. Zhang has worked in various government departments and enterprises for over 35 years. Mr. Zhang has management experience in industrial economy, finance, safety production management and other aspects. Since April 2015, Mr. Zhang has worked as a director of the general manager's office of Xinjiang Xintai Natural Gas Co., Ltd., the general manager of Fukang Xintai Gas Co., Ltd. (阜康市鑫泰燃氣有限責任公司), the head of investment management department and an assistant to the general manager of Xinjiang Xintai Natural Gas Co., Ltd., respectively. From 2010 to 2015, Mr. Zhang served as a deputy director of Deyang Municipal Committee of Economic and Information Technology (德陽市經信委). From 2006 to 2010, he was a director of Deyang Information & Technology Office (德陽市信息化辦公室). From 1999 to 2006, Mr. Zhang worked in Deyang Municipal Government Office (德陽市政府辦) as a deputy chief of the administrative department and the deputy director of the supervision and inspection office. From 1990 to 1999, Mr. Zhang served as a deputy chief of the industrial transport department in Deyang Economic Restructuring Committee (德陽市經濟體制改革委員會).

Mr. Zhang graduated from the correspondence college of Party College of Sichuan Province Committee of the Communist Party of China (中共四川省委黨校函授學院) in 2000, majoring in law. Mr. Zhang obtained the Certificate of Secretary from the Shanghai Stock Exchange in 2018.

董事(續)

執行董事(續)

張艦兵先生，59歲，本公司執行董事、授權代表、常務副總裁、薪酬委員會委員及ESG工作組成員。張先生經授權負責本集團常務管理，主要負責人力資源及採購管理事務。張先生於2018年8月24日獲委任為本公司執行董事，於2018年8月25日獲委任為本公司授權代表，於2018年9月7日獲委任為本公司副總裁，於2019年3月21日獲委任為本公司薪酬委員會委員，於2021年1月28日由副總裁調任為常務副總裁，及於2021年8月19日獲委任為本公司ESG工作組成員。

張先生曾於政府部門及企業工作逾35年，在工業經濟、金融、安全生產管理及其他方面具備管理經驗。自2015年4月起，張先生分別擔任新疆鑫泰天然氣股份有限公司總經理辦公室主任、阜康市鑫泰燃氣有限責任公司總經理、新疆鑫泰天然氣股份有限公司投資管理部主管及總經理助理。於2010年至2015年，張先生擔任德陽市經信委副主任。於2006年至2010年，彼擔任德陽市信息化辦公室主任。於1999年至2006年，張先生在德陽市政府辦工作，歷任行政處副處長及督查辦副主任。於1990年至1999年，張先生擔任德陽市經濟體制改革委員會工交處副處長。

張先生於2000年畢業於中共四川省委黨校函授學院，主修法律。張先生於2018年自上海證券交易所取得董事會秘書證書。

Directors and Senior Management

董事及高級管理層

DIRECTORS (Continued)

Non-executive Director

Mr. Huang Min (黃敏), aged 59, is a non-executive Director and a member of the Audit Committee of the Company. Mr. Huang is primarily responsible for advising on accounting, internal control and financial matters. Mr. Huang joined the Company and was appointed as a non-executive Director of the Company on 27 March 2020. He was appointed as a member of the Audit Committee of the Company on 27 August 2020.

Mr. Huang has been focusing on the natural gas sector for over 20 years with extensive experience in the industry. He is currently the chairman of the supervisory committee of Xinjiang Xintai Natural Gas Co., Ltd., a company listed on the Shanghai Stock Exchange (Stock Code: 603393). Prior to that, he served as an accountant, teller, credit and subsequently deposits officer and credit card business officer of the Agricultural Bank of China Limited (Deyang City Jingyang District Branch) (中國農業銀行(德陽市旌陽區支行)) from December 1979 to March 2000. He served as a manager in Miquan LPG Co., Ltd., (米泉液化氣公司) from March 2000 to March 2002, a chief officer of the Planning and Construction Office of the Urban Natural Gas Transmission Project in Yanqi County from March 2002 to February 2003, and a manager of Business Operations Department in Xinjiang Xintai Investment (Group) Co., Ltd. from March 2004 to December 2012. He has been the chairman of the supervisory committee of Xinjiang Xintai Natural Gas Co., Ltd. since January 2013.

Mr. Huang graduated from Deyang Municipal College of the Communist party of China (中共德陽市委黨校) in 1987, majoring in law.

董事(續)

非執行董事

黃敏先生，59歲，本公司非執行董事及審核委員會委員。黃先生主要負責就會計、內部監控及財務事宜提供建議。黃先生於2020年3月27日加入本公司及獲委任為本公司非執行董事，於2020年8月27日獲委任為本公司審核委員會委員。

黃先生專注天然氣領域逾20年，具有豐富的行業經驗，現任上海證券交易所上市的新疆鑫泰天然氣股份有限公司(股份代號：603393)監事會主席。在此之前，彼於1979年12月至2000年3月任中國農業銀行德陽市旌陽區支行會計、出納、信貸及後續從事存款和信用卡業務。於2000年3月至2002年3月，任米泉液化氣公司經理。於2002年3月至2003年2月任焉耆縣城市天然氣輸配項目籌建處處長。於2004年3月至2012年12月任新疆鑫泰投資(集團)有限公司經營業務部經理，及自2013年1月起至今任新疆鑫泰天然氣股份有限公司監事會主席。

黃先生於1987年畢業於中共德陽市委黨校，主修法律。

Directors and Senior Management

董事及高級管理層

DIRECTORS (Continued)

Independent Non-executive Directors

Mr. Tai Kwok Leung Alexander (戴國良), aged 65, is an independent non-executive Director and a member of each of the Nomination Committee, Remuneration Committee and Strategic Development Committee of the Company and the chairman of the Audit Committee of the Company. Mr. Tai is primarily responsible for independently overseeing the management. Mr. Tai joined the Company on 24 August 2018, and was appointed as an independent non-executive Director and a member of each of the Audit Committee and Remuneration Committee of the Company. He was appointed as the chairman of Audit Committee and a member of each of the Nomination Committee and Strategic Development Committee of the Company on 7 September 2018.

Mr. Tai is currently a partner of VMS Securities Limited. Mr. Tai currently also serves as an independent non-executive director for each of China Star Entertainment Limited (中國星集團有限公司) (Stock Code: 326), G&M Holdings Limited (信越控股有限公司) (Stock Code: 6038) and Shengjing Bank Co., Ltd. (盛京銀行股份有限公司) (Stock Code: 2066), all being companies listed on the Main Board of the Stock Exchange. He was appointed as an independent director of Qingdao Eoroom Smart Home Technology Company Limited (青島有屋智能家居科技股份有限公司) on 29 June 2020 and ceased to be an independent non-executive director of Anhui Conch Cement Company Limited (安徽海螺水泥股份有限公司) (Stock Code: 914), Luk Fook Holdings (International) Limited (六福集團(國際)有限公司) (Stock Code: 0590), and Jiayuan International Group Limited (佳源國際控股有限公司) (Stock Code: 2768), all being companies listed on the Main Board of the Stock Exchange, on 30 May 2019, 20 August 2020 and 30 June 2022, respectively. Mr. Tai was elected as a member of the 12th session of Shandong Committee of Chinese People's Political Consultative Conference in January 2018.

Mr. Tai is a member of the Hong Kong Institute of Certified Public Accountants, CPA Australia and New Zealand Institute of Chartered Accountants. He has extensive experience in accounting, corporate finance and investment in Hong Kong and overseas.

Mr. Tai obtained a bachelor's degree in commerce and administration from Victoria University of Wellington (威靈頓維多利亞大學), New Zealand in 1982.

董事(續)

獨立非執行董事

戴國良先生，65歲，本公司獨立非執行董事，提名委員會、薪酬委員會、戰略發展委員會委員及審核委員會主席。戴先生主要負責獨立監督管理。戴先生於2018年8月24日加入本公司獲委任為獨立非執行董事、本公司審核委員會及薪酬委員會委員，於2018年9月7日獲委任為本公司審核委員會主席及獲委任為提名委員會及戰略發展委員會委員。

戴先生現為鼎佩證券有限公司合夥人。戴先生目前亦於聯交所主板上市公司中國星集團有限公司(股份號碼：326)、信越控股有限公司(股份代號：6038)、盛京銀行股份有限公司(股份代號：2066)擔任獨立非執行董事。於2020年6月29日獲委任為青島有屋智能家居科技股份有限公司之獨立董事。戴先生分別於2019年5月30日、2020年8月20日及2022年6月30日不再擔任聯交所主板上市公司安徽海螺水泥股份有限公司(股份代碼：914)、六福集團(國際)有限公司(股份代號：0590)、佳源國際控股有限公司(股份代號：2768)之獨立非執行董事。戴先生於2018年1月當選中國人民政治協商會議第十二屆山東省委員會委員。

戴先生為香港會計師公會會員、澳洲會計師公會會員及紐西蘭會計師公會會員，在香港及海外擁有豐富的會計、企業融資及投資經驗。

戴先生於1982年取得紐西蘭威靈頓維多利亞大學商業及行政學士學位。

Directors and Senior Management

董事及高級管理層

DIRECTORS (Continued)

Independent Non-executive Directors (Continued)

Dr. Liu Xiaofeng (劉曉峰), aged 60, is an independent non-executive Director and a member of the Audit Committee, Nomination Committee of the Company and the chairman of the Remuneration Committee of the Company. Dr. Liu is primarily responsible for independently overseeing the management. Dr. Liu joined the Company on 24 August 2018 and was appointed as an independent non-executive Director and a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He was appointed as the chairman of the Remuneration Committee and the Strategic Development Committee of the Company on 7 September 2018. He ceased to be the chairman of the Strategic Development Committee of the Company on 9 November 2018.

Dr. Liu has been an independent non-executive director of Kunlun Energy Company Limited (昆侖能源有限公司) (Stock Code: 0135) since 2004, Cinda International Holdings Limited (信達國際控股有限公司) (Stock Code: 0111) since 2016, Sunfonda Group Holdings Limited (新豐泰集團控股有限公司) (Stock Code: 1771) since 2017, and Logory Logistics Technology Co., Ltd. (合肥維天運通信息科技股份有限公司) (Stock Code: 2482) since 2021, all being companies listed on the Main Board of the Stock Exchange. Dr. Liu was an independent non-executive director of Honghua Group Limited (宏華集團有限公司) (stock code: 0196) from 2008 to 2021, a company listed on the Main Board of the Stock Exchange. Dr. Liu also served as an independent director of the board of UBS Securities Company Limited from June 2016 to June 2022. Dr. Liu has more than 29 years of experience in corporate finance. He has served in a number of international financial institutions since 1993, including N.M. Rothschild & Sons Limited (洛希爾父子有限公司), J.P. Morgan Securities (Asia Pacific) Limited (摩根大通(證券)(亞太)有限公司), N.M. Rothschild & Sons (HK) Limited (洛希爾父子(香港)有限公司), DBS Asia Capital Limited (星展亞洲融資有限公司) and China Resources Capital Holdings Company Limited (華潤金融控股有限公司).

Dr. Liu obtained a master's degree and a PhD from the Faculty of Economics, University of Cambridge, United Kingdom in 1988 and 1994, respectively. He obtained a master's degree in development studies from the University of Bath, United Kingdom in 1987, and a bachelor's degree in political economics from the Southwestern University of Finance and Economics (西南財經大學) (formerly known as Sichuan Economic College (四川財經學院)) in the PRC in 1983, successively.

董事(續)

獨立非執行董事(續)

劉曉峰博士，60歲，本公司獨立非執行董事，審核委員會、提名委員會委員及薪酬委員會主席。劉博士主要負責獨立監督管理。劉博士於2018年8月24日加入本公司獲委任為獨立非執行董事與本公司審核委員會、薪酬委員會及提名委員會委員，於2018年9月7日獲委任為本公司薪酬委員會主席及戰略發展委員會主席、於2018年11月9日不再為本公司戰略發展委員會主席。

劉博士自2004年起於聯交所主板上市公司昆侖能源有限公司(股份代號：0135)、自2016年起於聯交所主板上市公司信達國際控股有限公司(股份代號：0111)、自2017年起於聯交所主板上市公司新豐泰集團控股有限公司(股份代號：1771)及自2021年起於聯交所主板上市公司合肥維天運通信息科技股份有限公司(股份代號：2482)擔任獨立非執行董事。劉博士自2008年起至2021年期間於聯交所主板上市公司宏華集團有限公司(股份代號：0196)擔任獨立非執行董事。劉博士亦曾於2016年6月至2022年6月擔任瑞銀證券有限責任公司董事會的獨立董事。劉博士具備逾29年企業融資經驗，自1993年以來效力多家國際金融機構，包括洛希爾父子有限公司、摩根大通(證券)(亞太)有限公司、洛希爾父子(香港)有限公司、星展亞洲融資有限公司及華潤金融控股有限公司。

劉博士分別於1988年及1994年於英國劍橋大學經濟系取得碩士及博士學位，並先後於1987年及1983年取得英國巴斯大學發展研究學碩士學位及中國西南財經大學(前稱四川財經學院)政治經濟學學士學位。

Directors and Senior Management

董事及高級管理層

DIRECTORS (Continued)

Independent Non-executive Directors (Continued)

Dr. Yang Ruizhao (楊瑞召), aged 59, is an independent non-executive Director, the chairman of the Strategic Development Committee and the head of the ESG Working Group of the Company. Dr. Yang is primarily responsible for independently overseeing the management. Dr. Yang was appointed as an independent non-executive Director and the chairman of the Strategic Development Committee of the Company on 9 November 2018. He was appointed as the head of the ESG Working Group of the Company on 27 March 2020.

Dr. Yang worked as a geological engineer in the Institute of Petroleum Geology at the Department of Geology and Minerals (地礦部石油地質研究所) from July 1986 to April 1995. Dr. Yang then served as a senior geological engineer in the Institute of Petroleum at China New Star Petroleum Co. (新星石油公司研究院) from April 1995 to July 1996. From May 2000 to July 2002, Dr. Yang joined the post-doctoral program and conducted research work in areas of geological resources and geological engineering at the China University of Mining and Technology (Beijing branch) (中國礦業大學(北京)). In December 2002, Dr. Yang started working as a senior geological engineer and an associate professor at the China University of Mining and Technology (Beijing branch) and was later promoted as a professor in July 2017. He has been working as a senior geological engineer and a professor at the China University of Mining and Technology (Beijing branch) since then. Dr. Yang has received several awards including a special award from the China Coal Industry Association (中國煤炭工業協會) and a second prize for progress in Science and Technology from the State Council of the PRC. Dr. Yang was also appointed as a member of the Mine Geophysical Committee of the Chinese Geophysical Society (中國地球物理學會礦山地球物理專業委員會) and Geofluid Science Committee (流體地球科學專業委員會).

Dr. Yang obtained a bachelor's degree of petroleum geology from the Chengdu College of Geology (成都地質學院) in the PRC in July 1986 and a doctoral degree in earth exploration and information technology from the China University of Geosciences (Beijing) (中國地質大學(北京)) in December 1999, respectively.

董事(續)

獨立非執行董事(續)

楊瑞召博士，59歲，本公司獨立非執行董事、戰略發展委員會主席及ESG工作組負責人。楊博士主要負責獨立監督管理。楊博士於2018年11月9日獲委任為本公司獨立非執行董事、戰略發展委員會主席，及於2020年3月27日獲委任為本公司ESG工作組負責人。

楊博士於1986年7月至1995年4月，擔任地礦部石油地質研究所地質工程師。於1995年4月至1996年7月，楊博士在新星石油公司研究院擔任高級地質工程師。於2000年5月至2002年7月，楊博士在中國礦業大學(北京分校)參加博士後研究，並進行了地質資源及地質工程領域的研究工作。於2002年12月，楊博士開始在中國礦業大學(北京)擔任高級地質工程師及副教授，之後於2017年7月晉升為教授。彼自此一直在中國礦業大學(北京)擔任高級地質工程師及教授。楊博士獲有多份獎項，包括中國煤炭工業協會頒發的特等獎以及中國國務院頒發的國家科技進步二等獎。楊博士亦被委任為中國地球物理學會礦山地球物理專業委員會、流體地球科學專業委員會成員。

楊博士於1986年7月於中國成都地質學院取得石油地質學學士學位，並於1999年12月於中國地質大學(北京)獲得地球探測與信息技術學博士學位。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT

Mr. Wei Jiangtao (衛江濤), aged 55, vice president, financial controller and member of the ESG Working Group of the Company.

Mr. Wei has served as the vice president and financial controller of the Company since September 2018 and is primarily responsible for the Group's financial compliance management, project budget and final accounts management and corporate financing activities. He has over 20 years of experience in auditing, corporate finance, corporate governance and financial management. Mr. Wei was appointed as a member of the ESG Working Group of the Company on 19 January 2022.

Before joining the Group, from 2016 to 2018, Mr. Wei served as a post-investment manager for energy projects of China AVIC Trust Co., Ltd. (中航信託股份有限公司). From 2008 to 2015, he was a financial controller of each of Jiangsu Yangkou Port Development and Investment Co., Ltd. (江蘇洋口港投資開發有限公司) and Jiangsu Yangtong Investment and Development Co., Ltd. (江蘇洋通開發投資有限公司), both are the subsidiaries of PYI Corporation Limited (保華集團有限公司) (Stock Code: 0498), a company listed on the Main Board of the Stock Exchange. From 2006 to 2007, he was a founding partner and general manager of Xi'an Junchung Finance Consulting Limited (西安君創財務諮詢有限公司). From 1999 to 2005, he successively served as a project manager, department manager and business director in Shaanxi Yiyou Accounting Firm Limited Liability Company (陝西益友會計師事務所有限公司).

Mr. Wei obtained a bachelor's degree in industrial economics from Shaanxi Institute of Finance and Economics (陝西財經學院), currently known as Xi'an Jiaotong University of China (中國西安交通大學), in 1990 and was admitted as a member of the Chinese Institute of Certified Public Accountants in 1999.

高級管理層

衛江濤先生，55歲，本公司副總裁及財務總監及ESG工作組成員。

衛先生自2018年9月擔任公司副總裁及財務總監，主要負責本集團財務合規管理、工程預決算管理及企業融資活動。彼於審計、企業融資、企業管治及財務管理方面擁有逾20年經驗。衛先生於2022年1月19日獲委任為本公司ESG工作組成員。

加入本集團之前，衛先生於2016年至2018年，擔任中航信託股份有限公司能源項目投後經理。於2008年至2015年，擔任聯交所主板上市公司保華集團有限公司(股份代號：0498)附屬江蘇洋口港投資開發有限公司及江蘇洋通開發投資有限公司財務總監。於2006年至2007年，為西安君創財務諮詢有限公司創始合夥人並擔任公司總經理。於1999年至2005年，於陝西益友會計師事務所有限公司先後擔任項目經理、部門經理及業務總監等職務。

衛先生於1990年取得陝西財經學院(現稱中國西安交通大學)工業經濟學學士學位。於1999年成為中國註冊會計師協會會員。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT (Continued)

Mr. Wang Bing (王冰), aged 53, vice president and a member of the ESG Working Group of the Company.

Mr. Wang has been the vice president of the Company since November 2013 and is primarily responsible for the Group's government relations and investment development matters. Mr. Wang was appointed as a member of the ESG Working Group of the Company on 27 March 2020.

Mr. Wang has over 15 years of experience in project management, public relations, sales and marketing in the CBM business. Mr. Wang has held various positions in the Group since joining the Group in June 2005. Mr. Wang served as a director of operation from February 2012 to November 2013 and as a general manager of Panzhuang Project from September 2008 to February 2012. He was a business development and sales manager of Mabi Project from 2005 to 2007.

Before joining the Group, he was the deputy general manager of Shanxi Kotel Micro Technique Co., Ltd. (山西科泰微技術有限公司) from September 2001 to May 2005 and the marketing manager of the Beijing branch of American ATMEL Company from July 1997 to September 2001.

Mr. Wang obtained a bachelor's degree in metallic material engineering from Northeast Heavy Machinery Institute (東北重型機械學院), currently known as Yanshan University (燕山大學), in the PRC in September 1992 and his master's degree in business administration from Hong Kong Metropolitan University (formerly known as The Open University of Hong Kong) (香港公開大學) in December 2000.

高級管理層(續)

王冰先生，53歲，本公司副總裁及ESG工作組成員。

王先生於2013年11月起擔任本公司副總裁，其主要負責本集團政府關係及投資發展等事務。王先生於2020年3月27日獲委任為本公司ESG工作組成員。

王先生在煤層氣業務領域積累了超過15年的項目管理、公共關係、銷售及市場推廣經驗。彼於2005年6月加入本集團以來擔任過多個職務，於2012年2月至2013年11月期間擔任運營總監，於2008年9月至2012年2月期間擔任潘莊項目總經理，於2005年至2007年任馬必項目業務、銷售經理。

加入本集團之前，彼於2001年9月至2005年5月期間任山西科泰微技術有限公司副總經理。於1997年7月至2001年9月，任American ATMEL Company北京分公司市場推廣經理。

王先生於1992年9月取得中國東北重型機械學院(現稱中國燕山大學)金屬材料工程學學士學位，並於2000年12月取得香港都會大學(前稱香港公開大學)工商管理碩士學位。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT (Continued)

Mr. Li Jun (李軍), aged 58, vice president and a member of the ESG Working Group of the Company.

Mr. Li was appointed as a vice president of the Company in December 2020, and is primarily responsible for the Group's production and operation management, administration management and information management. Mr. Li was appointed as a member of the ESG Working Group of the Company on 19 August 2021. In February 2022, his division of duties as a vice president of the Company was adjusted to primarily responsible for new energy technology research management and new project development management.

Mr. Li has nearly 30 years of experience in project management, supply chain management, public relations and crisis management in the oil and gas industry. He has held various positions since joining the Group in September 2014. He has been a vice president since December 2020 and primarily responsible for production operation since December 2020 and project management. From April 2020 to December 2020, he was an assistant to the President and the Head of Investment Development Department. From September 2014 to September 2020, he was the general manager of each of Panzhuang Project and Mabi Project respectively.

Prior to joining the Group, he was the Panyu asset manager of ConocoPhillips China Inc. (康菲石油中國有限公司) from January 2013 to June 2014. From November 2009 to December 2012, he was the general manager of supply chain in the PRC for ConocoPhillips China Inc., During his tenure, Mr. Li, as a representative of ConocoPhillips China Inc., coordinated the crisis management and communication with the authorities in respect of the Bohai Bay oil spill from July 2011 to January 2012. From October 1995 to October 2009, he was the chief operation officer of logistics, liaison officer in charge of communication with government authorities and joint venturers, and the head of procurement and logistics management for ConocoPhillips China Inc., overseeing the operations in Bohai Rim Region. Prior to that, he was a diplomatic, political and press attaché at the embassy of the People's Republic of China in Yemen (中華人民共和國駐也門大使館) from February 1991 to April 1994, when he was stationed in Sana'a, the capital of the Republic of Yemen.

Mr. Li obtained a bachelor's degree in English Language and Literature from Tianjin Foreign Studies University (天津外國語大學) in 1986 and an MBA degree from the State University of New York (紐約州立大學), USA in June 2004.

高級管理層(續)

李軍先生，58歲，本公司副總裁及ESG工作組成員。

李先生於2020年12月獲委任為本公司副總裁，其主要負責本集團生產運營管理、行政管理、信息化管理事務。李先生於2021年8月19日獲委任為本公司ESG工作組成員。於2022年2月其作為本公司副總裁的分工安排作了調整，其主要負責新與能源技術研究管理及新項目發展管理事務。

李先生在油氣行業業務領域積累了近30年的項目管理、供應鏈管理、公共關係及危機管控等經驗。彼於2014年9月加入本集團以來擔任多個職務。於2020年12月至今任副總裁，負責生產運行和項目管理。於2020年4月至2020年12月期間任總裁助理兼投資發展部部長。於2014年9月至2020年9月期間分別擔任潘莊項目總經理、馬必項目總經理。

加入本集團之前，彼於2013年1月至2014年6月期間任康菲石油中國有限公司番禺資產經理，於2009年11月至2012年12月期間任康菲石油中國有限公司中國區供應鏈總經理，於2011年7月至2012年1月彼作為康菲石油中國有限公司代表協調了渤海灣溢油事件危機處置和相關政府事務溝通，於1995年10月至2009年10月期間任康菲石油中國有限公司渤海區後勤運營總監、政府關係和合作方聯絡主管、採購及物流管理主管。在此之前，彼於1991年2月至1994年4月期間任中華人民共和國駐也門大使館外交政治和新聞事務隨員，派駐也門共和國首都薩那市。

李先生於1986年取得天津外國語大學英語語言文學學士學位，並於2004年6月取得美國紐約州立大學工商管理碩士學位。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT (Continued)

Mr. Gong Chihua (龔池華), aged 54, vice president and a member of the ESG Working Group of the Company.

Mr. Gong has been a vice president of the Company since 5 February 2022 and is primarily responsible for the Group's production and operation management and HSE matters. Mr. Gong was appointed as a member of the ESG Working Group of the Company in 2022.

Mr. Gong has over 30 years of experience in both state-owned and foreign enterprises, including international oil companies, covering both conventional and unconventional energy industries. He has held various positions since joining the Group in April 2015, and was appointed as the vice president of the Company on 5 February 2022. From September 2020 to December 2020, Mr. Gong served as the vice president of the Company, as well as a general manager of both the Panzhuang Project and Mabi Project. From April 2020 to September 2020, he served as the vice president of the Company and a general manager of Panzhuang Project. From January 2016 to April 2020, he served as a general manager of Panzhuang Project of the Company. From April 2015 to December 2015, he served as a general manager of Mabi Project of the Company.

Before joining the Group, from November 2009 to March 2015, Mr. Gong served as a manager of supply chain and Panyu asset manager of ConocoPhillips China Inc. (康菲石油中國有限公司). From July 2008 to October 2009, he served as production manager of Bohai Operation Zone of ConocoPhillips China Inc.. From September 2006 to June 2008, he served as an oilfield director of the BELENAK in the Eastern Region of ConocoPhillips Indonesia. From December 2005 to August 2006, he was the director of production operations of ConocoPhillips China Inc.. Prior to that, he held various positions from September 1992 to November 2005, including the Pearl No. 1 FPSO offshore installation manager of SuiZhong 36-1 oilfield in China National Offshore Oil Corporation Bohai Branch, engineering coordinator of the development department in the Bohai Branch, head of engineering of Penglai 19-3 Phase I, coordinator of the overall development plan of Penglai 19-3 Phase II and deputy director of production operations of Penglai Phase I.

Mr. Gong obtained a bachelor's degree in China University of Petroleum (East China) with a major in Oil and Gas Storage and Transportation in 1991 and a master's degree in Oil and Gas Storage and Transportation from China University of Petroleum (Beijing) in 2002.

高級管理層(續)

龔池華，54歲，本公司副總裁及ESG工作組成員。

龔先生於2022年2月5日起擔任本公司副總裁，其主要負責本集團生產運營管理及HSE事務。龔先生於2022年獲委任為本公司ESG工作組成員。

龔先生在國企和外企(包括國際油公司)有著30多年的從業經驗，覆蓋常規和非常規能源行業。彼於2015年4月加入本集團以來擔任多個職務。於2022年2月5日獲委任為本公司副總裁。於2020年9月至2020年12月期間擔任本公司副總裁兼潘莊項目總經理兼馬必項目總經理。於2020年4月至2020年9月期間擔任本公司副總裁兼潘莊項目總經理。於2016年1月至2020年4月期間任本公司潘莊項目總經理。於2015年4月至2015年12月期間，任本公司馬必項目總經理。

加入本集團之前，龔先生於2009年11月至2015年3月期間任康菲石油中國有限公司供應鏈經理及番禺資產經理，於2008年7月至2009年10月任康菲石油中國有限公司渤海作業區生產經理，於2006年9月至2008年6月任康菲石油印尼分公司東區BELENAK油田總監，於2005年12月至2006年8月任康菲石油中國有限公司生產作業總監。在此之前，彼於1992年9月至2005年11月分別任中國海洋石油集團有限公司渤海分公司綏中36-1油田明珠號外輸系長，渤海分公司開發部工程協調人，蓬萊19-3一期開發項目管理組工程主管，蓬萊19-3二期總體開發方案協調人，以及蓬萊一期生產作業副總監。

龔先生於1991年取得中國石油大學(華東)油氣儲運專業學士學位，並於2002年取得中國石油大學(北京)油氣儲運專業工學碩士學位。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT (Continued)

Mr. He Guoxian (何國賢), aged 59, is the chief geologist of the Company.

Mr. He was appointed as the chief geologist of the Company on 9 December 2021 and is primarily responsible for the preparation of exploration and development plans, drilling deployment, production dynamic analysis, comprehensive geological research, reserves assessment of the existing concessions of the Group as well as geological assessment of new businesses and concessions.

Mr. He has over 30 years of extensive work experience in the oil and gas industry including geological evaluation, exploration and development, drilling deployment, engineering technology innovation and management. Mr. He has held various positions since joining the Group in January 2010. From December 2020 to December 2021, he was the deputy chief engineer and general manager of Mabi project. From April 2020 to December 2020, he was the deputy chief engineer and the Head of Geology and Gas Reserve Department. From October 2018 to April 2020, he was the Head of Technology Department and from January 2010 to October 2018, he was a senior geologist of Mabi Project and an exploration manager of Mabi Project successively.

Before joining the Group, from July 2002 to January 2010, Mr. He served as a manager of the Northeast Project Department, a manager of the production technology department and the deputy chief engineer and the head of research institute of Sinopec North China Petroleum Bureau Logging Company (中石化華北石油局錄井公司) successively. From December 1983 to June 2002, he successively served as a geology team member, a geologist, and a geology team leader of the drilling team of the 5th survey and exploration brigade of the North China Petroleum Geology Bureau of the Ministry of Geology and Mineral Resources (地礦部華北石油地質局第五普查勘探大隊鑽井隊).

Mr. He graduated from Zhengzhou School of Geology (鄭州地質學校) (currently known as Zhengzhou Industry & Trade School (鄭州工業貿易學校)) majoring in geology in December 1983, and graduated from China University of Geosciences (Wuhan) (中國地質大學(武漢)) majoring in exploration geology in July 1991. Mr. He holds the title of senior engineer of petroleum geology.

高級管理層(續)

何國賢先生，59歲，本公司總地質師。

何先生於2021年12月9日獲委任為本公司總地質師，其主要負責本集團存量區塊勘探開發規劃方案編制、鑽井部署、生產動態分析、綜合地質研究、儲量評估及新業務、新區塊地質評估工作等。

何先生在地質評價、勘探開發、鑽井部署、工程技術創新與管理等油氣領域擁有逾30年的豐富工作經驗。何先生於2010年1月加入本集團以來擔任過多個職務，於2020年12月至2021年12月任副總工程師兼馬必項目總經理，於2020年4月至2020年12月任副總工程師兼地質油藏部部長，於2018年10月至2020年4月任技術部部長，及於2010年1月至2018年10月先後任馬必專案高級地質師、馬必項目勘探經理。

在加入本集團之前，何先生於2002年7月至2010年1月期間先後任中石化華北石油局錄井公司東北項目部經理、生產技術部經理、副總工程師兼研究所所長等職，於1983年12月至2002年6月期間先後任地礦部華北石油地質局第五普查勘探大隊鑽井隊地質工、地質師、地質組長等職。

何先生於1983年12月畢業於鄭州地質學校(現稱鄭州工業貿易學校)地質專業，並於1991年7月畢業於中國地質大學(武漢)勘查地質專業。何先生擁有石油地質高級工程師職稱。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT (Continued)

Ms. Su Xiaohang (蘇曉航), aged 37, company secretary, authorized representative and a member of the ESG Working Group of the Company.

Ms. Su has served as the manager of the board of Directors' office (董事會辦公室主任) of the Company from September 2018 to January 2021 and was appointed as a joint company secretary and the Board secretary of the Company in April 2019. She is primarily responsible for implementing good corporate governance and the Group's compliance matters, investors' and public relations management. Ms. Su was appointed as a member of the ESG Working Group of the Company on 19 August 2021. She was appointed as the sole company secretary and the authorized representative of the Company on 22 July 2022.

Ms. Su has over seven years of experience in the financial services and investment industry. Before joining the Company, she worked as an investment manager in the investment department at Chinastone Capital Management Limited (濤石股權投資管理(上海)股份有限公司) from November 2016 to August 2018. She served as a branch finance manager in the finance department at the Beijing Branch of the Standard Chartered Bank (China) Limited (渣打銀行(中國)有限公司北京分行) from February 2014 to November 2016. From January 2011 to January 2014, she worked as a senior auditor at the Beijing office of Deloitte Touche Tohmatsu CPA Ltd. (德勤·華永會計師事務所) under the audit group of global financial service industry.

Ms. Su obtained a master's degree of science in International Accounting and Finance at the University of Birmingham (伯明翰大學), United Kingdom, in 2010. She obtained the Securities Qualification Certificate from the Asset Management Association of China (中國證券投資基金業協會) in June 2017. She is a member of the Association of Chartered Certified Accountants.

高級管理層(續)

蘇曉航女士，37歲，本公司公司秘書、授權代表及ESG工作組成員。

蘇女士自2018年9月至2021年1月擔任本公司董事會辦公室主任，於2019年4月獲委任為本公司聯席公司秘書及董事會秘書，其主要負責執行良好的企業管治工作、本集團合規事務、投資者關係及公共關係管理。蘇女士於2021年8月19日獲委任為本公司ESG工作組成員。於2022年7月22日獲委任為本公司唯一公司秘書及授權代表。

蘇女士於金融服務及投資行業擁有超過七年的經驗。加入本公司之前，彼於2016年11月至2018年8月在濤石股權投資管理(上海)股份有限公司投資部擔任投資經理；於2014年2月至2016年11月，擔任渣打銀行(中國)有限公司北京分行財務主管；於2011年1月起至2014年1月，擔任德勤·華永會計師事務所北京分所全球金融服務業審計組的高級審計師。

蘇女士於2010年取得英國伯明翰大學國際會計與金融理學碩士學位。於2017年6月獲得中國證券投資基金業協會頒發的基金業從業證書。彼為英國特許公認會計師公會會員。

Report of the Directors

董事會報告

The Board is pleased to present its report and the audited consolidated financial statements of the Group for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES AND SUBSIDIARIES

The Company is a leading independent CBM producer in China. It focuses on developing and optimizing value of unconventional gas resources to supply clean energy to the Chinese economy. Details of the principal activities of the principal subsidiaries of the Group are set out in note 1 and note 32 to the section headed “Consolidated Financial Statements” of this annual report. There were no significant changes in the nature of the Group’s principal activities during the year ended 31 December 2022.

BUSINESS REVIEW

A review of the business of the Group during the year ended 31 December 2022 and a discussion on the Group’s future business development are provided in the section headed “Chairman’s Statement” of this annual report. Description of possible risks and uncertainties that the Group may be facing can also be found in the section headed “Chairman’s Statement” of this annual report. In addition, the financial risk management objectives and policies of the Group can be found in note 3 to the section headed “Consolidated Financial Statements” of this annual report. An analysis of the Group’s performance during the year ended 31 December 2022 using financial key performance indicators is provided in the section headed “Management Discussion and Analysis” of this annual report. Further, discussions on the Group’s environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are contained in the sections headed “Chairman’s Statement”, “Report of the Directors”, and “Corporate Governance Report” of this annual report, respectively. Discussions and information therein form part of this Report of the Directors.

RESULTS

The results of the Group for the year ended 31 December 2022 are set out in the section headed “Consolidated Financial Statements” of this annual report.

董事會欣然提呈本報告以及本集團截至2022年12月31日止年度經審核合併財務報表。

主要業務及附屬公司

本公司是中國領先的獨立煤層氣生產商，專注於非常規天然氣資源的開發及價值優化，為中國經濟供應清潔能源。本集團主要附屬公司的主要業務詳情載於本年報「合併財務報表」一節附註1和附註32。截至2022年12月31日止年度，本集團主要業務性質並無重大變化。

業務回顧

本集團截至2022年12月31日止年度的業務回顧及有關本集團未來業務發展的探討，載於本年報「主席報告」一節。本集團可能面臨的風險和不確定因素詳述於本年報「主席報告」一節。此外，本集團財務風險管理目標及政策載於本年報「合併財務報表」一節附註3。本集團截至2022年12月31日止年度運用關鍵財務業績指標的業績分析，載於本年報「管理層討論及分析」一節。此外，有關本集團環境政策、與主要權益持有人之關係以及對本集團有重大影響的相關法律及法規合規情況探討，請分別參見本年報「主席報告」、「董事會報告」及「企業管治報告」各節。該類章節的討論和資料屬於董事會報告一部分。

業績

本集團截至2022年12月31日止年度的業績載於本年報「合併財務報表」一節。

Report of the Directors

董事會報告

DIVIDEND

The Board has not recommended the payment of final dividend for the year ended 31 December 2022.

USE OF PROCEEDS FROM THE LISTING OF THE COMPANY

The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 23 June 2015 with proceeds from the initial public offering (“**IPO**”) of approximately RMB1.5069 billion, after deduction of the underwriting commission and other expenses. The Company intends to apply the proceeds from the Listing in accordance with the proposed applications as set out in the section headed “Future Plans and Use of Proceeds — Use of Proceeds” in the prospectus of the Company dated 11 June 2015.

As at 31 December 2022, the proceeds from the IPO of the Company had been fully utilized.

PROPERTY, PLANT AND EQUIPMENT AND REVENUE GENERATING ASSETS

Details of movements in the property, plant and equipment, and revenue generating assets of the Group during the year ended 31 December 2022 are set out in note 6 to the section headed “Consolidated Financial Statements” of this annual report, respectively.

BANK LOANS AND OTHER BORROWINGS

The Group did not have any bank loans and other borrowings during the year ended 31 December 2022.

SHARE CAPITAL AND SHARE INCENTIVE SCHEMES

Details of movements in the Company’s share capital and share incentive schemes are set out in note 15 to the section headed “Consolidated Financial Statements” of this annual report and the paragraph headed “Share Incentive Schemes” below, respectively.

股息

董事會並無建議派付截至2022年12月31日止年度之末期股息。

本公司上市所得款項用途

本公司股份於2015年6月23日在香港聯合交易所有限公司(「**聯交所**」)主板上市，經扣除包銷佣金及其他開支後，首次公開發售(「**IPO**」)所得款項約為人民幣15.069億元。本公司擬根據本公司於2015年6月11日披露的招股章程「未來計劃及所得款項用途 — 所得款項用途」一節所載的建議用途使用上市所得款項。

於2022年12月31日，本公司IPO所得款項悉數動用。

物業、廠房及設備與創收資產

本集團截至2022年12月31日止年度物業、廠房及設備與創收資產的變動詳情分別載於本年報「合併財務報表」一節附註6。

銀行貸款及其他借款

本集團截至2022年12月31日止年度無銀行貸款及其他借款。

股本及股權激勵計劃

本公司股本及股權激勵計劃的變動詳情分別載於本年報「合併財務報表」一節附註15，以及下文「股權激勵計劃」一段。

Report of the Directors

董事會報告

CLOSURE OF REGISTER OF MEMBERS

The AGM is scheduled to be held on Tuesday, 2 May 2023. The AGM circular will be published and issued to the Shareholders in due course. For the purposes of determining the Shareholders' eligibility to attend and vote at the AGM, the register of members of the Company (the "Register of Members") will be closed from 26 April 2023 to 2 May 2023, both days inclusive, during which period no transfer of shares of the Company will be registered. To be eligible to attend and vote at the AGM, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 25 April 2023 (being the business day prior to the first day of closure of the Register of Members).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association (the "Articles") or the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro rata basis to its existing Shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2022.

RESERVES

Details of reserve movement of the Company during the year ended 31 December 2022 are set out in note 31 to the section headed "Consolidated Financial Statements" of this annual report.

DISTRIBUTABLE RESERVES

As of 31 December 2022, the distributable reserves of the Company was approximately RMB4,510 million.

CHARITABLE CONTRIBUTIONS

During the year ended 31 December 2022, the Group made charitable contributions of RMB100,000.

暫停辦理股東登記

本公司股東週年大會計劃於2023年5月2日星期二召開。股東週年大會通知函將適時刊載並寄發予股東。為決定出席股東週年大會並在會上投票的權利，本公司之股東名冊(「股東名冊」)將於2023年4月26日至2023年5月2日(包括首尾兩日)暫停辦理股東登記手續，在此期間，本公司將不會受理任何股份過戶登記。為符合資格參加股東週年大會並在會上投票，股東須不遲於2023年4月25日(即暫停辦理股東登記首日前的營業日)下午四時三十分，將所有股份過戶表格連同有關股票送達本公司香港股份過戶登記分處香港中央證券登記有限公司(地址：香港灣仔皇后大道東183號合和中心17樓1712-1716號舖)，以辦理登記。

優先購買權

本公司組織章程細則(「細則」)或開曼群島法例並無優先購買權的相關條款規定本公司須向現有股東按比例發售新股。

購買、出售或贖回上市證券

截至2022年12月31日止年度，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

儲備

有關本公司截至2022年12月31日止年度儲備的變動詳情載於本年報「合併財務報表」一節附註31。

可分派儲備

截至2022年12月31日，本公司可分配儲備約為人民幣45.10億元。

慈善捐款

截至2022年12月31日止年度，本集團做出人民幣10萬元的慈善捐款。

Report of the Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2022, the sales to the Group's five largest customers accounted for 48.6% of the total sales for the year, in which the sales to the largest customer represented 18.4%. For the year ended 31 December 2022, the Group's five largest customers were principally engaged in the exploration and exploitation of CBM, liquefaction and processing of CBM, and sales of town gas. The Group and its five largest customers have maintained a relationship for 1 year and even longer. The credit term granted to the Group's major customers for trade receivables is generally 30 to 90 days, which is consistent with that granted to other customers. In response to the risk of the Group's dependence on major customers in peak-shaving of natural gas, the Group has taken targeted measures to add other customers for peak-shaving and establish a long-term and stable relationship with its customers.

For the year ended 31 December 2022, the purchases from the Group's five largest suppliers accounted for 20.9% of the total purchases for the year in which the purchases from the largest supplier represented 4.7%.

None of the directors of the Company or any of their close associates or any substantial shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's share capital) had any beneficial interest in the Group's five largest customers and suppliers.

For the year ended 31 December 2022, there was no material and significant dispute between the Group and its suppliers and/or customers.

主要客戶及供應商

截至2022年12月31日止年度，面向本集團五大客戶的銷售額佔該年度銷售總額的48.6%，其中對最大客戶銷售額佔18.4%。截至2022年12月31日止年度，本集團的五大客戶主要從事煤層氣的勘探開發、煤層氣的液化加工、城市燃氣銷售。本集團與前五大客戶的關係年限約為1年以及長期。本集團授予主要客戶的貿易應收款項信用期通常為30天至90天，與授予其他客戶的信用期一致。針對本集團對主要客戶在天然氣調峰的依賴性風險，本集團已採取針對性措施，新增其他調峰客戶，建立新的長期穩定的客戶關係。

截至2022年12月31日止年度，來自本集團五大供應商的採購額佔該年度採購總額的20.9%，其中來自最大供應商的採購額佔4.7%。

本公司董事或其他任何緊密聯繫人或任何主要股東（含其他根據董事所知範圍持有本公司股本5%以上股東）均未在本集團五大客戶及供應商處擁有任何實益權益。

截至2022年12月31日止年度，本集團與供應商和／或客戶之間均無嚴重或重大糾紛。

Report of the Directors

董事會報告

DIRECTORS

The Directors of the Company during the year ended 31 December 2022 and up to the date of this annual report were:

Executive Directors

Mr. Ming Zaiyuan (*Chairman*)

Mr. Yan Danhua (*President*)

Mr. Zhang Jianbing (*Executive Vice President*)

Non-executive Director

Mr. Huang Min

Independent non-executive Directors

Mr. Tai Kwok Leung Alexander

Dr. Liu Xiaofeng

Dr. Yang Ruizhao

As of 31 December 2022 and up to the date of this annual report, Mr. Wei Jiangtao was appointed as a member of the ESG Working Group of the Company on 19 January 2022 with effect on the same day. Mr. Gong Chihua was appointed as a member of the ESG Working Group of the Company on 16 March 2022 with effect on the same day. Ms. Su Xiaohang was appointed as our sole company secretary and authorized representative on 22 July 2022 with effect on the same day. Mr. Chiu Ming King resigned as the joint company secretary and authorized representative with effect from 22 July 2022.

Save as disclosed above, as of 31 December 2022 and up to the date of this annual report, there have been no changes to the composition of each of the Board, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Strategic Development Committee and the ESG Working Group of the Company.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the current Directors and the senior management of the Group are set out in the section headed "Directors and Senior Management" of this annual report. Save as disclosed therein, there was no other matter with respect to the appointment of the Directors that needs to be brought to the attention of the Shareholders and there was no information relating to the Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as of the date of this annual report.

董事

截至2022年12月31日止年度及至本年報披露日期，本公司董事名單如下：

執行董事

明再遠先生(主席)

嚴丹華先生(總裁)

張艦兵先生(常務副總裁)

非執行董事

黃敏先生

獨立非執行董事

戴國良先生

劉曉峰博士

楊瑞召博士

截止至2022年12月31日及本年報披露日，衛江濤先生於2022年1月19日獲委任為ESG工作組成員，於同日生效。龔池華先生於2022年3月16日獲委任為本公司ESG工作組成員，於同日生效。蘇曉航女士於2022年7月22日獲委任為唯一公司秘書及授權代表，於同日生效。趙明環先生辭任聯席公司秘書及授權代表，自2022年7月22日生效。

除上文披露者，截止至2022年12月31日及本年報披露日，本公司董事會、審核委員會、薪酬委員會、提名委員會、戰略發展委員會及ESG工作組的成員組成概無變動。

董事及高級管理層履歷

本集團現有董事及高級管理層履歷詳情載於本年報「董事及高級管理層」一節。截至本年報日期，除本年報所披露者外，均無涉及委任董事之其他事項須提請股東注意，也無涉及董事的任何資料須根據上市規則第13.51(2)(h)至(v)條進行披露。

Report of the Directors

董事會報告

DIRECTORS' SERVICE CONTRACTS

Each executive Director has entered into a service agreement with the Company for a term of three years commencing from the date of appointment subject to the relevant provisions of retirement by rotation and re-election at the AGMs of the Company in accordance with the Articles. Each of the non-executive Directors (including independent non-executive Directors), Mr. Huang Min, Mr. Tai Kwok Leung Alexander, Dr. Liu Xiaofeng and Dr. Yang Ruizhao, have signed a letter of appointment with the Company for a term of three years commencing from the date of appointment subject to the relevant provisions of retirement by rotation and re-election at the AGMs of the Company in accordance with the Articles.

In accordance with the Articles, Mr. Yan Danhua, Dr. Liu Xiaofeng and Dr. Yang Ruizhao will retire and being eligible, offer themselves for re-election at the forthcoming AGM.

None of the Directors has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN CONTRACTS, TRANSACTIONS AND ARRANGEMENTS OF SIGNIFICANCE

Save as disclosed in this annual report, no contracts, transactions and arrangements of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted during the year ended 31 December 2022 or at any time of this period.

DIRECTORS' EMOLUMENTS

Details of the remuneration of the Directors and the five highest paid individuals of the Group are set out in note 33 and note 22 to the section headed "Consolidated Financial Statements" of this annual report. The remunerations of the Directors are determined based on the market price and contribution made by such Directors to the Company. There has been no arrangement under which any Director has waived or agreed to waive any emoluments.

董事服務合約

每位執行董事已與本公司訂立服務協定，自獲委任日期起為期三年，須遵守根據細則於本公司股東週年大會輪值退任及膺選連任的相關條款。各非執行董事（包括獨立非執行董事）已與本公司簽署委任函件，黃敏先生、戴國良先生、劉曉峰博士及楊瑞召博士自獲委任日期起為期三年，須遵守根據細則於本公司股東週年大會輪值退任及膺選連任的相關條款。

根據細則，在即將到來的股東週年大會上，嚴丹華先生、劉曉峰博士及楊瑞召博士退任並符合資格申請膺選連任。

概無董事訂立於一年內不可由本集團終止而毋須支付賠償（法定賠償除外）的服務合同。

董事在重大合約、交易及安排方面的權益

除本年報所披露者外，董事均未在本公司或其任何附屬公司訂立與本集團業務有重大關係、並且在截至2022年12月31日止年度或在此期間任何時間仍然有效的合約、交易及安排中，直接或間接擁有重大權益。

董事酬金

本集團董事及五位享受最高薪酬人士的酬金詳情載於本年報「合併財務報表」一節附註33和附註22。董事薪酬根據市價及相關董事對本公司的貢獻而決定。無任何董事放棄或同意放棄任何酬金的安排。

Report of the Directors

董事會報告

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received annual confirmations of independence from each of the independent non-executive Directors and as of the date of this annual report, the Company considers that they are all independent.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year ended 31 December 2022.

PERMITTED INDEMNITY

The Articles provides that each Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her officer or otherwise in relation thereto. Provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of such directors or officers. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors.

確認獨立非執行董事的獨立性

本公司已收到各獨立非執行董事就獨立性發出的年度確認函，截至本年報日期，本公司認為他們均為獨立人士。

管理合約

截至2022年12月31日止年度均未訂立或存在任何有關本集團全部或任何重大部分業務的管理和行政合約。

准許補償

細則規定，本公司各董事或其他高級職員可從本公司的資產中獲取補償，以補償他們履行職責時或就此在其他方面蒙受或產生的所有損失或責任。惟此項彌償保證並不包括與該董事或高級職員欺詐或不誠實有關的任何事宜。此外，本公司就董事可能面對的法律訴訟適當購買董事及高級職員責任險。

Report of the Directors

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2022, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken, or are deemed to have taken, under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept by the Company; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"), to be notified to the Company and the Stock Exchange were as follows:

董事及主要行政人員在本公司股份、相關股份及債券中擁有的權益和淡倉

於2022年12月31日，本公司董事及主要行政人員在本公司或其關聯公司(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及8部分，須知會本公司及聯交所的權益和淡倉(包括根據證券及期貨條例有關條款被當作或視作擁有的權益和淡倉)；或(b)根據證券及期貨條例第352條須記錄於本公司備置登記冊內的權益和淡倉；或(c)根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益和淡倉如下：

Name	Position	Company/name of associated corporation	Capacity	Number of shares held (Note 1)	Approximate percentage of shareholding (Note 2)
姓名	職位	本公司／ 相關法團名稱	身份	所持股份數目 (附註1)	持股概約百分比 (附註2)
Ming Zaiyuan (Note 3) 明再遠(附註3)	Chairman and Executive Director 主席兼執行董事	Company 本公司	Interest in a controlled corporation 受控法團權益	1,933,704,886(L)	56.95%(L)
			Interest in spouse 配偶權益	2,024,000(L)	0.060%(L)
Huang Min 黃敏	Non-executive Director 非執行董事	Xinjiang Xintai Natural Gas Co., Ltd 新疆鑫泰天然氣股份有限公司	Beneficial owner 實益擁有人	5,146,656(L)	1.21%(L)
			Interest in spouse 配偶權益	60,000(L)	0.01%(L)

Notes:

- The letter "L" denotes long position in such shares.
- Approximate percentage of shareholding as at 31 December 2022. As at 31 December 2022, the total number of issued shares was 3,395,316,832.
- Liming Holding Limited beneficially owned 1,933,704,886 Shares of the Company. Liming Holding Limited is entirely controlled by Sichuan Liming Energy Development Co., Ltd., which in turn is entirely controlled by Xinjiang Xintai Natural Gas Co., Ltd. Mr. Ming beneficially owned 1,933,704,886 Shares of the Company through his holding of 174,090,367 shares in Xinjiang Xintai Natural Gas Co., Ltd, representing 41.07% of the total issued share capital of Xinjiang Xintai Natural Gas Co., Ltd. In addition, Mr. Ming is deemed to be interested in 2,024,000 Shares held by his spouse for the purposes of the SFO.

附註：

- 字母「L」指該人士在這些股份中的好倉。
- 截至2022年12月31日止的持股百分比。於2022年12月31日，已發行股份總數為3,395,316,832股。
- 香港利明控股有限公司實益擁有本公司1,933,704,886股股份。香港利明控股有限公司由四川利明能源開發有限責任公司全權控制；四川利明能源開發有限責任公司由新疆鑫泰天然氣股份有限公司全權控制。明先生通過其持有的新疆鑫泰天然氣股份有限公司174,090,367股股份，佔新疆鑫泰天然氣股份有限公司總發行股本的41.07%，擁有本公司1,933,704,886股股份。此外，就證券及期貨條例而言，明先生視為於2,024,000股股份中擁有權益，該等權益由明先生的配偶實際擁有。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2022, the following persons (other than the Directors or the chief executives of the Company) have interests or short positions in the Shares or underlying shares or debentures as recorded in the register required to be kept by the Company under section 336 of the SFO:

主要股東在本公司股份、相關股份及債券中擁有的權益和淡倉

於2022年12月31日，下列人士（本公司董事或主要行政人員除外）在本公司根據證券及期貨條例第336條存置登記冊所載的股份，相關股份及債券中擁有權益或淡倉如下：

Name of shareholder 股東名稱	Capacity 身份	Number of shares held (Note 1) 所持股份數目 (附註1)	Approximate percentage of shareholding (Note 2) 持股概約百分比 (附註2)
Liming Holding Ltd. (Note 3) 香港利明控股有限公司(附註3)	Beneficial owner 實益擁有人	1,933,704,886(L)	56.95%(L)
Sichuan Liming Energy Development Co., Ltd. (Note 3) 四川利明能源開發有限責任公司(附註3)	Interest in a controlled corporation 受控法團權益	1,933,704,886(L)	56.95%(L)
Xinjiang Xintai Natural Gas Co., Ltd. (Note 3) 新疆鑫泰天然氣股份有限公司(附註3)	Interest in a controlled corporation 受控法團權益	1,933,704,886(L)	56.95%(L)
Wisdom Treasure Holdings Inc. (Note 4)(附註4)	Beneficial owner 實益擁有人	601,628,379(L)	17.72%(L)
Weng Ming (Note 4) 翁鳴(附註4)	Interest in a controlled corporation 受控法團權益	601,628,379(L)	17.72%(L)
	Beneficial owner 實益擁有人	3,361,000(L)	0.10%(L)

Notes:

- The letter "L" denotes long position in such shares.
- Approximate percentage of shareholding as at 31 December 2022. As at 31 December 2022, the total number of issued shares was 3,395,316,832.
- Liming Holding Limited beneficially owned 1,933,704,886 Shares (long position) of the Company. Liming Holding Limited is entirely controlled by Sichuan Liming Energy Development Co., Ltd., which in turn is entirely controlled by Xinjiang Xintai Natural Gas Co., Ltd. In addition, according to the security pledge and transfer deed signed by Liming Holding Limited and Urumqi Branch of China Minsheng Banking Corp., Ltd. on 27 December 2022, Liming Holding Limited (as the charger) pledged its 1,933,704,886 ordinary shares of AAG Energy Holdings Limited to Urumqi Branch of China Minsheng Banking Corp., Ltd. for the loan agreement signed by Sichuan Liming Energy Development Co., Ltd. (as the borrower) and Urumqi Branch of China Minsheng Banking Corp., Ltd. (as the lender) on 27 December 2022.
- Wisdom Treasure Holdings Inc. beneficially owned 601,628,379 Shares (long position). Wisdom Treasure Holdings Inc. is entirely controlled by Mr. Weng Ming, who beneficially owned 3,361,000 Shares (long position).

附註：

- 字母「L」指在這些證券中的好倉。
- 截至2022年12月31日止的持股百分比。於2022年12月31日，已發行股份總數為3,395,316,832股。
- 香港利明控股有限公司實益擁有1,933,704,886股股份（好倉）。香港利明控股有限公司由四川利明能源開發有限責任公司全權控制；四川利明能源開發有限責任公司由新疆鑫泰天然氣股份有限公司全權控制。此外，根據香港利明控股有限公司於2022年12月27日與中國民生銀行股份有限公司烏魯木齊分行訂立的證券質押和轉讓契據，香港利明控股有限公司作為押記人為四川利明能源開發有限責任公司（作為借款人）與中國民生銀行股份有限公司烏魯木齊分行（作為貸款人）於2022年12月27日簽訂的貸款協議，抵押其持有的亞美能源控股有限公司1,933,704,886股普通股予中國民生銀行股份有限公司烏魯木齊分行。
- Wisdom Treasure Holdings Inc. 實益擁有601,628,379股股份（好倉）。Wisdom Treasure Holdings Inc. 由翁鳴先生全權控制，及翁鳴先生實益擁有3,361,000股股份（好倉）。

Report of the Directors

董事會報告

Save as disclosed above, as at 31 December 2022, none of the Directors and chief executives of the Company are aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

SHARE INCENTIVE SCHEMES

In order to incentivize the Directors, senior management and other employees of the Group for their contribution to the Group and to attract and retain suitable personnel of our Group, the Company adopted the Pre-IPO Share Option Scheme and the Post-IPO RSU Scheme (as defined below).

PRE-IPO SHARE OPTION SCHEME

The Company adopted a pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) on 31 March 2015, the principal terms (such as the purpose, participants and consideration for accepting any options) of which are set out in the section headed “Statutory and General Information — Pre-IPO Share Option Scheme” in Appendix V to the prospectus of the Company dated 11 June 2015 (the “**Prospectus**”).

The Pre-IPO Share Option Scheme is valid from its effective date to the earlier of the Listing Date or the date of completion of the Pre-IPO change of control and no further options will be granted under it thereafter. Options granted during the term of the Pre-IPO Share Option Scheme may be terminated in accordance with any of the provisions described in the Pre-IPO Share Option Scheme. Each option will lapse on the date specified under the Pre-IPO Share Option Scheme, but in any event the exercise period of the options shall not exceed five years from the date of vesting of the relevant options.

The maximum number of Shares issued and to be issued upon exercise of the options granted under the Pre-IPO Share Option Scheme to any person (including exercised and outstanding options) pursuant to the Pre-IPO Share Option Scheme and any other share compensation arrangements adopted by the Company shall not exceed 3.0% of the Shares in issue from time to time.

除上文所披露者外，於2022年12月31日，本公司董事及主要行政人員均不知悉任何其他人士（本公司董事及主要行政人員除外）在根據證券及期貨條例第336條本公司備存登記冊所載的股份或相關股份中擁有權益或淡倉。

股權激勵計劃

本公司採納首次公開發售前購股權計劃和首次公開發售後受限制股份單位計劃（定義見下文），旨在鼓勵本集團董事、高級管理人員及其他僱員對本集團作出貢獻，並吸引和挽留本集團的適用人才。

首次公開發售前購股權計劃

本公司於2015年3月31日採用首次公開發售前購股權計劃（「**首次公開發售前購股權計劃**」），其主要條款（包括目的、參與者、接受任何購股權的代價）載於本公司於2015年6月11日發佈的招股章程（「**招股章程**」）附錄五「法定及一般資料 — 首次公開發售前購股權計劃」一節。

首次公開發售前購股權計劃自生效日期起至上市日或首次公開發售前控制權變更完成日兩者孰早日止，此後不再根據其授予期權。首次公開發售前購股權計劃有效期內授出的期權，可根據首次公開發售前購股權計劃所述的任何提前終止，各份購股權將於首次公開發售前購股權計劃項下指定的日期屆滿，但無論如何購股權的行使期均不得超過相關購股權歸屬當日起五年以內。

根據首次公開發售前購股權計劃及本公司採納的任何其他股份薪酬安排授予任何一名人士的首次公開發售前購股權計劃的購股權（包括已行使及未行使購股權）行使時已發行或將發行的最高股份數目不得超逾不時的已發行股份的3.0%。

Report of the Directors

董事會報告

PRE-IPO SHARE OPTION SCHEME (Continued)

Outstanding Options

For the year ended 31 December 2022, 192,715 options were exercised and no option was cancelled or lapsed. There was no change in the share options of the Directors, chief executives or substantial shareholders of the Company or their respective associates during the year. As at 31 December 2022, the Company has no option outstanding. None of the Directors, chief executives or substantial shareholders of the Company or their respective associates held outstanding options.

As at the date of this annual report, the Company has no option outstanding under the Pre-IPO Share Option Scheme.

Save as disclosed above, no further options have been or would be granted by the Company after the Listing Date pursuant to the Pre-IPO Share Option Scheme.

For the year ended 31 December 2022, movements of the share options under the Pre-IPO Share Option Scheme are as follows:

Name of Share Option Grantees ⁽¹⁾	Date of Grant	Exercise Price (US\$)	Number of Shares represented by Options at 1 January 2022 購股權於2022年1月1日所代表的股份數目	Exercised during the period ⁽⁵⁾	Lapsed during the period	Cancelled during the period	Total number of Shares represented by Options at 31 December 2022 購股權於2022年12月31日所代表的股份數目	Approximate percentage of issued shares of the Company ⁽⁴⁾	Vesting Period ⁽²⁾	Exercise Period ⁽³⁾
購股權承授人名稱 ⁽¹⁾	授出日期	行使價(美元)	股份數目	期內已行使 ⁽⁵⁾	期內已失效	期內已註銷	股份數目	佔本公司已發行股份的概約百分比 ⁽⁴⁾	歸屬期 ⁽²⁾	行使期 ⁽³⁾
Other employees of the Company 本公司其他僱員	31 March 2015 and 5 June 2015 2015年3月31日及2015年6月5日	0.151 0.151	192,715	192,715	-	-	-	-	please see note 2 below 請參閱下文附註2	please see note 3 below 請參閱下文附註3
Total			192,715	192,715	-	-	-	-	-	-

Notes:

- Prior to the Listing, certain of the grantees have transferred their options to companies wholly-owned by them, in accordance with the Pre-IPO Share Option Scheme.

首次公開發售前購股權計劃(續)

未行使購股權

截至2022年12月31日止年度，有192,715份購股權獲行使，並無購股權註銷或失效，其中本公司董事、最高行政人員或主要股東又或其各自聯繫人於本年度無任何購股權變動。於2022年12月31日，本公司無尚未行使之購股權，其中本公司董事、最高行政人員或主要股東又或其各自聯繫人未持有尚未行使之購股權。

截止本年報披露日，根據公開發售前購股權計劃本公司已無尚未行使之購股權。

除上文所披露者外，本公司於上市日期後並無根據首次公開發售前購股權計劃授出或將授出其他購股權。

截至2022年12月31日止年度，首次公開發售前購股權計劃項下的購股權變動具體如下：

附註：

- 於上市前，一些購股權承授人已根據首次公開發售前購股權計劃向他們全資擁有的公司轉讓其購股權。

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PRE-IPO SHARE OPTION SCHEME (Continued)

Notes: (Continued)

2. Unvested options granted to the grantees pursuant to the Pre-IPO Share Option Scheme vested as follows:

(a) 50% of the Share Options shall be time-based and shall vest at the rate of (i) one half (1/2) for each 12-month period commencing from 1 January 2015 if the relevant date on which the employment relationship between the Company (the “**Employment Date**”) is on or prior to 1 January 2014; or (ii) one third (1/3) for each 12-month period commencing from the relevant Employment Date if such date is after 1 January 2014; and

(b) 50% of the Share Options shall be KPI-linked (the “**KPI-linked Options**”) and shall be divided into three equal instalments, with each instalment being linked with one of the three KPIs (as defined below) and vested at the rate of one (i) half (1/2) for each 12-month period commencing from 1 January 2015 if the relevant Employment Date is on or prior to 1 January 2014; or (ii) one third (1/3) for each 12-month period commencing from the relevant Employment Date if such date is after 1 January 2014 pursuant to the following payout schedule:

(1) 100% of the KPI-linked Options shall vest if 100% of the relevant KPI Target is met; or

(2) if the relevant KPI Target is not met at 100%, 50% of the KPI-linked Options shall vest if 80% of the Relevant KPI Target is met and an additional 2.5% of the KPI-linked Options shall vest for each 1% further improvement in such KPI Target; provided that if the performance rate of any KPI Target exceeds 100%, then up to 10% of the improvement of that KPI Target can be added to the performance rate of other KPI Target(s) that is not 100% accomplished.

For the purposes of above, “KPIs” refer to (i) EBITDA; (ii) Reserves; and (iii) All-in Unit Cost. “KPI Target” shall mean 95% (in the case of EBITDA and Reserves) or 105% (in the case of All-in-Unit Cost) of the estimated number of that relevant KPI presented in (i) the annual work plan and budget of the relevant year approved by the Board; or (ii) the revised annual work plan and budget for the relevant year, which is subsequently presented to and approved by the Board. The treatment for any unvested KPI-linked Options shall be determined by the Board or the Committee as delegated by the Board.

3. Subject to any accelerated termination as set forth in the Pre-IPO Share Option Scheme, each option shall expire on the date specified under the Pre-IPO Share Option, provided that in no event, shall the Exercise Period of an Option exceed five years from the date upon which the relevant option has vested.

4. Approximate percentage of issued Shares of the Company is calculated by dividing the options held by the relevant grantees by the issued and outstanding Shares of the Company as at 31 December 2022.

Further details of the Pre-IPO Share Option Scheme are set out in the Prospectus.

首次公開發售前購股權計劃(續)

附註：(續)

2. 根據首次公開發售前購股權計劃，授予購股權承授人的未歸屬購股權按以下方式歸屬：

(a) 50%的購股權(i)自2015年1月1日(如果與本公司確定僱傭關係的相關日期(「**僱傭日期**」)為2014年1月1日或之前)起計每12個月期間根據時間按二分之一(1/2)的比例歸屬；或(ii)自相關僱傭日期(如果該日期在2014年1月1日之後)起計每12個月期間根據時間按三分之一(1/3)的比例歸屬；以及

(b) 50%的購股權須與關鍵業績指標掛鈎(「**關鍵業績指標掛鈎購股權**」)並且須分為三等份，每份與三個關鍵業績指標(定義見下文)之一掛鈎，並根據以下支付進度自(i)2015年1月1日(如相關僱傭日期在2014年1月1日或之前)起每12個月期間按二分之一(1/2)的比例歸屬；或(ii)相關僱傭日期(如相關僱傭日期在2014年1月1日之後)起計每12個月期間按三分之一(1/3)比例歸屬：

(1) 如完全達成相關關鍵業績指標目標，則關鍵業績指標掛鈎購股權全部獲歸屬；或者

(2) 如未完全達成相關關鍵業績指標目標但達成80%，則關鍵業績指標掛鈎購股權的一半獲歸屬，而該關鍵業績指標目標每改善1%，則每次增加歸屬2.5%的關鍵業績指標掛鈎購股權；但如果任何關鍵業績指標目標的任何表現速度超過100%，則最多有10%的該項關鍵業績指標目標改善可計入未完全達成的其他關鍵業績指標目標的表現速度。

就上文而言，關鍵業績指標指(i)EBITDA；(ii)儲量；以及(iii)整個單位成本。「關鍵業績指標目標」指(i)經董事會批准相關年度的年度工作計劃及預算；或(ii)相關年度經修訂年度工作計劃及預算中所示相關關鍵業績指標估計數目的95%(如為EBITDA及儲量)或105%(如為整個單位成本)，並隨後呈遞董事會批准。任何未獲歸屬關鍵業績指標掛鈎購股權的處理，須由董事會或董事會指定的委員會決定。

3. 根據首次公開發售前購股權計劃所述的任何提前終止，各份購股權將於首次公開發售前購股權計劃項下指定的日期屆滿，但無論如何購股權的行使期均不得超過相關購股權歸屬當日起五年以內。

4. 佔本公司已發行股份的大約百分比，按相關購股權承授人持有的購股權除以2022年12月31日已發行和未發行的股份計算。

首次公開發售前購股權計劃的其他詳情載於招股章程。

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POST-IPO RSU SCHEME

The Company adopted a post-IPO restricted share unit scheme (the “**Post-IPO RSU Scheme**”) on 5 June 2015, which took effect on the Listing Date, a summary of the principal terms (such as the purpose, participants) of which is set out in the section headed “Statutory and General Information — Post-IPO RSU Scheme” in Appendix V to the Prospectus.

The Post-IPO RSU Scheme is valid and effective for a term of 10 years from 5 June 2015 (the “**Scheme Period**”), after which period no further restricted share units (“**RSUs**”) shall be granted or accepted, but the provisions of such scheme shall remain in full force and effect in order to give effect to the vesting of RSUs granted and accepted prior to the expiration of the Scheme Period.

The Post-IPO RSU Scheme Limit may be refreshed from time to time subject to prior Shareholders’ approval, but in any event, the total number of Shares that may underlie the RSUs granted following the date of approval of the refreshed limit (the “**New Approval Date**”) under the limit as refreshed from time to time must not exceed 2% of the number of Shares in issue as at the New Approval Date.

On 18 December 2015, the Company granted an aggregate of 41,234,696 RSUs to certain connected grantees and non-connected grantees of the Group pursuant to the Post-IPO RSU Scheme. Subsequently the grant of RSUs to three connected grantees was approved by the independent shareholders at the extraordinary general meeting held on 22 January 2016. On 31 January 2016, an aggregate of 19,865,199 RSUs were accepted by the connected grantees and an aggregate of 21,199,297 RSUs were accepted by the non-connected grantees, respectively.

On 24 March 2017, the Board granted an aggregate of 26,333,182 RSUs to certain connected grantees and non-connected grantees of the Group pursuant to the Post-IPO RSU Scheme. Subsequently the grant of RSUs to six connected grantees was approved by the independent shareholders at the extraordinary general meeting held on 9 May 2017. On 31 May 2017, an aggregate of 26,333,182 RSUs were accepted by the relevant grantees.

At the 2021 AGM, a specific mandate was granted to the Directors to exercise all the powers of the Company to grant RSUs pursuant to the Post-IPO RSU Scheme in respect of the underlying Shares not exceeding 2% (i.e. the Directors were authorized to exercise the powers of the Company to grant the RSUs involving a maximum number of 67,902,482 underlying Shares) of the Shares in issue as at the date of the 2021 AGM during the period from the date of approving the Mandate at that meeting up to the conclusion of the next AGM.

首次公開發售後受限制股份單位計劃

本公司於2015年6月5日採納首次公開發售後受限制股份單位計劃(「**首次公開發售後受限制股份單位計劃**」)，已於上市日期生效，其主要條款(其中包括目的、參與人)概要載於招股章程附錄五「法定及一般資料 — 首次公開發售後受限制股份單位計劃」一節。

首次公開發售後受限制股份單位計劃自2015年6月5日起計十年內(「**計劃期間**」)有效及具效力，此後不再授出或接受任何受限制股份單位，惟該等計劃條款應具十足效力以使於計劃期間屆滿前授出及接受的受限制股份單位歸屬生效。

首次公開發售後受限制股份單位計劃限額於取得股東事先批准後可予不時更新，惟根據經不時更新的限額於經更新限額批准日期(「**新批准日期**」)後授出的受限制股份單位涉及的股份總數，無論如何不得超過新批准日期已發行股份的2%。

於2015年12月18日，本公司根據首次公開發售後受限制股份單位計劃授予本集團部份關連承授人及非關連承授人合共41,234,696份受限制股份單位。獨立股東其後於2016年1月22日召開的股東特別大會上批准授予三位關連承授人受限制股份單位。於2016年1月31日，共計19,865,199份受限制股份單位由關連承授人接納，共計21,199,297份受限制股份單位由非關連承授人接納。

於2017年3月24日，董事會根據首次公開發售後受限制股份單位計劃向本集團若干關連承授人及非關連承授人授出合共26,333,182份受限制股份單位。獨立股東其後於2017年5月9日召開的股東特別大會上批准授予六位關連承授人受限制股份單位。於2017年5月31日，相關承授人接納合共26,333,182份受限制股份單位。

於2021年度股東週年大會，董事獲授特別授權，以於此股東大會批准授權當日至下屆股東週年大會結束止期間，行使本公司一切權力根據首次公開發售後受限制股份單位計劃授出受限制股份單位，所涉及相關股份不得超過2021年度股東週年大會日期已發行股份2%即董事獲授權行使本公司權力授出涉及最多約67,902,482股相關股份之受限制股份單位。

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OUTSTANDING RSUs AS AT 31 DECEMBER 2022

During the reporting period, no RSUs have been granted, vested, lapsed or cancelled. As at 31 December 2022, there were no outstanding RSUs.

As at the date of this annual report, pursuant to the specific mandate obtained by the Board, the total number of securities available for issue under the Scheme were 67,902,482 representing approximately 2.0% of the issued shares. However, this specific mandate will expire at the conclusion of the 2022 AGM.

EQUITY-LINKED AGREEMENTS

Other than the Pre-IPO Share Option Scheme and the Post-IPO RSU Scheme disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreement that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above under the paragraph "Share Incentive Schemes", no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any of the Directors or their respective associates (as defined in the Listing Rules), or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective associates (as defined in the Listing Rules), to acquire such rights in acquisition of any other body corporate for the year ended 31 December 2022.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

For the year ended 31 December 2022, except as disclosed below, the Group has not entered into any connected transactions or continuing connected transactions which are required to be disclosed under Chapter 14A of the Listing Rules. The related party transaction with Shanxi Tongyu, as set out in note 29 to the section headed "Consolidated Financial Statements" in this annual report, is not a connected transaction under Chapter 14A of the Listing Rules.

於2022年12月31日未行使受限制股份單位

報告期間並未涉及任何受限制股份單位的授出、歸屬、失效以及註銷等。於2022年12月31日，尚無未行使之受限制股份單位。

截至本年報披露日，根據董事會獲得的特別授權，計劃中可予發行的證券總數為67,902,482份，佔已發行股份約為2.0%，惟此特別授權至2022年度股東週年大會結束。

與股權掛鈎的協議

除上文披露的首次公開發售前購股權計劃和首次公開發售後受限制股份單位計劃外，本公司在年內並未訂立且截至年底也不存在與股權掛鈎的協議將會或可能導致本公司發行股份，或規定本公司須訂立任何協議以導致本公司將會或可能發行股份。

董事收購股份或債券的權利

除上文「股權激勵計劃」一段所披露者外，截至2022年12月31日止年度，任何董事及其各自聯繫人（定義見上市規則）均未被授予任何權利從認購本公司股份、債券或行使任何有關權利中獲取利益；本公司或其任何附屬公司均未作為訂約方訂立任何安排，從而使得董事及其各自聯繫人（定義見上市規則）從收購任何其他公司的有關權利中獲取利益。

關連交易及持續關連交易

截至2022年12月31日止年度，除下文披露者外，本集團並未訂立任何根據上市規則第14A章規定須予以披露的關連交易或持續關連交易。載於本年報「合併財務報表」一節附註29之與山西通豫的關聯方交易，並非上市規則第14A章規定之關連交易。

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CONNECTED TRANSACTIONS

On 18 January 2022, Xinhe Investment and XTRQ entered into a joint venture agreement (the “**Joint Venture Agreement**”), pursuant to which Xinhe and XTRQ agreed to make a capital contribution of RMB24.5 million and RMB25.5 million, respectively, to establish Dongcheng Xintai Energy Research Co., Ltd* (東承鑫泰能源研究有限責任公司) (“**Dongcheng Xintai**”). On 30 March 2022, Xinhe Investment and XTRQ further entered into the capital increase agreement (the “**Capital Increase Agreement**”) to increase the registered capital of Dongcheng Xintai. Pursuant to the Capital Increase Agreement, Xinhe Investment and XTRQ agreed to increase the registered capital of Dongcheng Xintai from RMB50 million to RMB300 million, with each of Xinhe Investment and XTRQ contributing additional RMB122.5 million and RMB127.5 million by cash, respectively. Upon completion of such capital increase, Dongcheng Xintai was held as to 49% by Xinhe Investment and 51% by XTRQ. For details, please refer to the announcements of the Company on 18 January 2022 and 30 March 2022.

XTRQ indirectly holds approximately 56.95% of the total issued share capital of the Company. Accordingly, XTRQ, the controlling shareholder of the Company is a connected person of the Company and the transactions contemplated under the Joint Venture Agreement and the Capital Increase Agreement constitute connected transactions of the Company under Chapter 14A of the Listing Rules. Since the Capital Increase Agreement was entered into within 12 months after the signing of the Joint Venture Agreement, the transactions under the Joint Venture Agreement and the Capital Increase Agreement shall be aggregated pursuant to Rule 14A.81 of the Listing Rules.

關連交易

2022年1月18日，新合投資與新天然氣簽署合作協議(「**合作協議**」)，新合與新天然氣同意分別注資人民幣2,450萬元及人民幣2,550萬元成立東承鑫泰能源研究有限責任公司(「**東承鑫泰**」)。2022年3月30日，新合投資與新天然氣進一步簽署增資協議(「**增資協議**」)，增加東承鑫泰的註冊資本。根據增資協議，新合投資與新天然氣同意將東承鑫泰的註冊資本由人民幣5,000萬元增至人民幣3億元，其中新合投資及新天然氣分別以現金出資人民幣1.225億元及人民幣1.275億元。增資完成後，新合投資及新天然氣分別持有東承鑫泰49%及51%權益。詳情請參閱本公司於2022年1月18日及2022年3月30日發佈的公告。

新天然氣間接持有本公司已發行股本總額約56.95%。據此，根據上市規則第14A章，本公司控股股東新天然氣為本公司的關連人士，而合作協議及增資協議所涉交易構成本公司的關連交易。由於增資協議乃於簽訂合作協議後12個月內訂立，故根據上市規則第14A.81條，合作協議及增資協議項下的交易須合併計算。

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CONTINUING CONNECTED TRANSACTIONS

- (1) On 16 December 2021, the Company entered into the Cooperation Framework Agreement with Urumqi Xintai Jinggong Construction Engineering Co., Ltd (烏魯木齊鑫泰精工建設工程有限公司) (“XTJG”) (“**2022 Cooperation Framework Agreement**”), pursuant to which, XTJG and its associates may bid for the Group’s coalbed methane (the “**CBM**”) development projects as construction contractor for the provision of construction services in accordance with the invited bidding, inquiry procurement or competitive negotiation procedures of the Group from time to time, following the same and general terms offered to other independent third parties. The final price and transaction terms entered into between the Group and XTJG and/or its associates are subject to the invited bidding, inquiry procurement or competitive negotiation procedures which apply to both connected persons and independent third parties of the Group.

As XTRQ holds 100% equity interests in XTJG, and XTRQ holds approximately 56.95% of the total issued share capital of the Company through Sichuan Liming Energy Development Co., Ltd. and Liming Holding Limited. Therefore, XTJG is the contact person of XTRQ and a connected person of the Company, and the transactions contemplated under the 2022 Cooperation Framework Agreement constitute a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Background and purpose of entering into the 2022 Cooperation Framework Agreement: With the increase in production output of the Group of both the Panzhuang and Mabi concessions in the past few years, demand for the Construction Services increased accordingly. XTJG is a reputable contractor in the industry with experience in handling various construction projects as an independent contractor for CBM projects. XTJG’s participation in the bidding, inquiry procurement or competitive negotiations will increase the competitiveness between other construction contractors and will accordingly allow the Group to reduce its procurement risks and ensure quality services provided by the construction contractors.

Under the 2022 Cooperation Framework Agreement, the annual caps of the transactions under the agreement for each of the years ended 31 December 2022, 2023 and 2024 are RMB38,740,000, RMB40,410,000 and RMB41,350,000 respectively. The agreement shall be valid for three years from 1 January 2022 to 31 December 2024.

持續關連交易

- (1) 於2021年12月16日，本公司與烏魯木齊鑫泰精工建設工程有限公司(「鑫泰精工」)訂立了合作框架協議(「**2022年合作框架協議**」)，據此，鑫泰精工及其聯繫人可根據本集團不時的邀請招標、詢價採購或競爭性磋商程式，按照提供予其他獨立第三方的相同及一般條款，以工程承包商身份競投本集團的煤層氣開發項目，以提供工程服務。本集團與鑫泰精工及／或其聯繫人訂立的最終價格及交易條款須遵守適用於本集團關連人士及獨立第三方的邀請招標、詢價採購或競爭性磋商程式。

新天然氣持有100%股權，而新天然氣透過四川利明能源開發有限責任公司、香港利明控股有限公司持有本公司已發行股本總額約56.95%。因此，鑫泰精工根據上市規則第14A章為新天然氣的連絡人及本公司的關連人士，2022年合作框架協議項下擬進行的交易構成上市規則第14A章下本公司的持續關連交易。

訂立2022年合作框架協定的背景及目的為：隨著本集團潘莊及馬必區塊產量增加，對工程服務的需求亦相應增加。鑫泰精工在業內聲譽優良，作為煤層氣項目的獨立承包商，擁有處理各種工程項目的經驗。鑫泰精工參與投標、詢價採購或競爭性磋商，將提高其於其他工程承包商之中的競爭力，繼而使本集團降低採購風險，確保工程承包商提供優質服務。

根據2022年合作框架協定，於協定下的交易於截至2022年、2023年及2024年12月31日止三個年度各年的年度上限分別為人民幣38,740,000元、人民幣40,410,000元及人民幣41,350,000元。協定有效期自2022年1月1日起至2024年12月31日止為期三年。

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CONTINUING CONNECTED TRANSACTIONS (Continued)

(1) (Continued)

For the year ended 31 December 2022, the total contract value of the execution agreement entered into between the Group and XTJG under the 2022 Cooperation Framework Agreement was approximately RMB15,731,396. As of 31 December 2022, the sum of the transaction amount of the year under the total contract value of the execution agreement concluded above, and the transaction amount of the year under the total contract value of the execution agreement entered into in 2021 under the Cooperation Framework Agreement entered into between the Company and XTJG on 28 January 2021 accordingly was RMB10,054,215.

ANNUAL REVIEW BY INDEPENDENT NON-EXECUTIVE DIRECTORS AND THE AUDITOR

The independent non-executive directors of the Company have reviewed the above continuing connected transactions in accordance with the Listing Rules, and confirmed that the continuing connected transactions:

- a) were entered into in the ordinary and usual course of business of the Group;
- b) were entered into on normal commercial terms; and
- c) the terms of the agreements are fair and reasonable and are in the interests of the shareholders of the listed issuer as a whole.

CONFIRMATION FROM THE AUDITOR OF THE COMPANY

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 (Revised), Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unmodified letter to the Board containing its conclusions in respect of the continuing connected transactions disclosed by the Group in this Report of the Directors in accordance with Main Board Listing Rule 14A.56. A copy of the auditor's letter has been provided by the Company to the Stock Exchange as required under Main Board Listing Rule 14A.57.

持續關連交易 (續)

(1) (續)

截至2022年12月31日止年度，本集團與鑫泰精工根據2022年合作框架協定內訂立的執行協定的總合同金額約為人民幣15,731,396元。截至2022年12月31日，上述訂立的執行協定的總合同金額下之本年度發生的交易金額，及根據於2021年1月28日本公司與鑫泰精工訂立的合作框架協議而在2021年度訂立的執行協定的總合同金額於本年度發生的交易金額之和為人民幣10,054,215元。

獨立非執行董事及核數師進行年度審閱

根據上市規則，本公司獨立非執行董事已審閱上述持續關連交易，並確認該等持續關連交易：

- a) 於本集團日常及一般業務過程中訂立；
- b) 乃按正常商業條款訂立；及
- c) 協議條款公平合理，並且符合上市發行人股東的整體利益。

本公司核數師確認

本公司核數師已受聘根據香港會計師公會頒佈的香港鑒證業務準則第3000號(修訂)「歷史財務資料審核或審閱以外之鑒證業務」及參考實務說明第740號(修訂)「香港上市規則規定的持續關連交易的核數師函件」對本集團的持續關連交易出具函件。核數師已根據主機板上市規則第14A.56條就本集團於本董事會報告披露的持續關連交易向董事會出具無保留意見函件，內載其結論。本公司已根據主機板上市規則第14A.57條的規定向聯交所提供核數師函件的副本。

Report of the Directors

董事會報告

RELATED PARTY TRANSACTIONS

Details of related party transactions during the year ended 31 December 2022 are set out in note 29 to the section headed “Consolidated Financial Statements” of this annual report, of which connected transactions under chapter 14A of the Listing Rules is only set out in the section headed “Connected Transactions and Continuing Connected Transactions” above. During the year under review, the directors of the Company confirmed that we have complied with the disclosure requirements under Chapter 14A of the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its Directors, the Board confirms that the Company has maintained the sufficiency of public float as required under the Listing Rules at all times for the year ended 31 December 2022 and as of the date of this annual report.

DIRECTORS’ INTERESTS IN A COMPETING BUSINESS

As at 31 December 2022 none of the Directors or their respective associates had engaged in or had any interest in any business which competes or likely to compete with the business of the Group.

SIGNIFICANT LEGAL PROCEEDINGS AND COMPLIANCE MATTERS

For the year ended 31 December 2022 the Company was not engaged in any litigation or arbitration of material importance.

For the year ended 31 December 2022 the Company obtained all the material licenses, permits and approvals necessary for the development stage of Panzhuang concession; and for the Southern area of Mabi concession (131 sq km), except for the mining license which is still under approval, all material licenses have been obtained. The “3 in 1” proposal of the proven reserves in the Northern area of Mabi concession was approved in 2021, whereas the material licenses, such as the approval of the environmental assessment report were handled in 2021, other related works have been progressing well.

For the year ended 31 December 2022 and up to the date of this report, to the best knowledge of the Directors, the Group complied with applicable laws and regulations in all material respects.

關連方交易

截至2022年12月31日止年度的關聯方交易詳情載於本年報「合併財務報表」一節附註29，其中屬於上市規則第14A章規定之關連交易僅為上文「關連交易及持續關連交易」一節。回顧本年度，本公司董事確認已遵守上市規則第14A章的披露規定。

充足的公眾持股量

基於本公司公開可獲取資料以及根據董事所知，董事會確認，截至2022年12月31日止年度，以及截至本年報日期，本公司的公眾持股量一直維持在上市規則規定的水平。

董事對於競爭業務的權益

截至2022年12月31日，董事及其各自聯繫人沒有從事與本集團業務競爭或可能競爭的任何業務或在當中擁有權益。

重大法律訴訟及合規事宜

截至2022年12月31日止年度，本公司並未涉及任何重大訴訟或仲裁。

截至2022年12月31日止年度，本公司獲得了潘莊區塊發展階段所需的主要牌照、許可證和批文；馬必區塊南部區域(131平方公里)除採礦證正在辦理外，其他主要牌照均已獲取。馬必區塊北部探明儲量區域「三合一」方案在2021年獲批、環境影響評價報告批復等主要牌照已於2021年辦理，目前各項工作正在有序進行中。

截至2022年12月31日止年度，以及截至本報告日期，根據董事所知，本集團在所有重大方面均遵守相關法律法規。

Report of the Directors

董事會報告

HUMAN RESOURCES MANAGEMENT

The management believes that talent is the basis for corporate development. Based on the results of the “Leadership Censoring and Development Program for Middle and Senior Managers”, the Group has been able to conduct leadership improvement planning with continuous precise teaching. Through the echelon building of talents and the development of employee training system, the Group provides a platform and assistance for the development of employees’ personal potential and career path. In addition, the Group provides its employees with competitive remuneration packages and various benefits in line with industry practice, aiming to create a good working environment and cultivate positive corporate culture atmosphere. The Group regularly reviews human resources policies to ensure that the policies align with market practice and comply with regulatory requirements. As at 31 December 2022, the Group employed 531 employees (including five disabled persons), with two of them based in Hong Kong. The total employee benefit expenses (excluding termination compensation) for 2022 was approximately RMB107 million. Details are set out in note 22 to the section headed “Notes to Consolidated Financial Statements” of this annual report.

EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2022

Reference is made to the announcement jointly issued by the Company and Liming Holdings Limited (the “Offeror”) dated 17 February 2023 (the “Scheme Announcement”) in relation to, among other things, the proposed privatisation of the Company by the Offeror by way of a scheme of arrangement (the “Scheme”) under section 86 of the Companies Act and the proposed withdrawal of listing of the Company. Unless otherwise defined, capitalised terms used in this paragraph shall have the same meanings as those defined in the Scheme Announcement. If the Scheme becomes unconditional, the Scheme Shareholders will receive from the Offeror the Scheme Consideration of HK\$1.85 in cash for each Scheme Share, as consideration for the cancellation and extinguishment of the Scheme Shares held as at the Effective Date. Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished (with the equivalent number of new Shares being issued as fully paid to the Offeror) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange immediately following the Effective Date pursuant to Rule 6.15 of the Listing Rules.

Saved as disclosed in the section headed “Consolidated Financial Statements” of this annual report, there were no subsequent events between the end of the reporting period and the date of this annual report that would have a material impact on the Group.

人力資源管理

管理層相信人才是企業發展的基礎。本集團依據《中高層管理者領導力盤點與發展項目》結果，持續精準施教，進行領導力的提升。不斷完善梯隊人才建設和培養課程體系的開發，為員工個人潛力的挖掘和職業發展規劃提供平台和幫助。此外，本集團向其僱員提供具有競爭力的薪酬組合及符合行業慣例的各種福利，創造良好的工作環境及建立積極向上的企業文化氛圍。本集團定期檢討人力資源政策以確保政策與市場慣例一致及符合監管規定。於2022年12月31日，本集團聘用531名僱員（包含5名殘疾人），其中2名位於香港。2022年的僱員福利開支總額（不包括離職補償）約人民幣1.07億元。有關詳情載於本年報「合併財務報表附註」一節附註22。

截至2022年12月31日止年度後之事項

謹請參閱本公司與香港利明控股有限公司（「要約人」）於2023年2月17日聯合發佈的公告（「計劃公告」），內容有關（其中包括）要約人建議根據公司法第86條以協議安排方式將本公司私有化（「該計劃」），以及建議撤銷本公司的上市地位。除非另有定義，否則計劃公告中定義的詞彙在本段中具有相同涵義。如該計劃成為無條件，計劃股東將就每股計劃股份向要約人收取現金1.85港元的計劃代價，作為在有效日期持有的計劃股份獲註銷及終絕的代價。於該計劃生效後，所有計劃股份將被註銷及終絕（並向要約人發行同等數目之已繳足新股份），而計劃股份之股票將自此不再具有所有權文件或憑證之效力。本公司將根據上市規則第6.15條於緊隨生效日期後向聯交所申請撤銷股份於聯交所之上市地位。

除本年報「合併財務報告」一節所披露外，報告期末至本年報披露日期內，無後續事件會對本集團造成重大影響。

Report of the Directors

董事會報告

CORPORATE GOVERNANCE

Information on the corporate governance practices adopted by the Company is set out in the section headed "Corporate Governance Report" of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Information on the environmental, social and governance aspects of the Company will be prepared based on the Environmental, Social, and Governance Reporting Guide contained in Appendix 27 to the Listing Rules. The environmental, social and governance report of the Group will be published no later than 4 months after the financial year ended 31 December 2022. The Group has established an ESG working group under the Board. The working group consists of eight members, of which the leader (or person in charge) is served by an independent non-executive director. The working group reports to the Board and is accountable to the Board, it is mainly responsible for formulating ESG strategies for the Company and monitoring the enforcement; reviewing the progress of ESG objectives; supervising the operating system to ensure its consistently effectiveness and reviewing and auditing the ESG report, etc.

REVIEW BY THE AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and policies adopted by the Group and discussed the Group's risk management, internal controls and financial reporting matters with the management. The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2022.

PROFESSIONAL TAX ADVICE RECOMMENDED

If the Shareholders are unsure about the taxation implications of purchasing, holdings, disposing of, dealing in, or the exercise of any rights in relation to the Shares, they are advised to consult an expert.

企業管治

有關本公司採用企業管治常規的資料載於本年報「企業管治報告」一節。

環境、社會及管治

本公司有關環境、社會及管治方面的資料將根據上市規則附錄27所載的《環境、社會及管治報告指引》編制。本集團的環境、社會及管治報告將不遲於截至2022年12月31日止財務年度結束後4個月內刊發。本集團已專門成立隸屬於公司董事會的ESG工作組，工作組由8名成員組成，其中組長或稱負責人由一名獨立非執行董事擔任。工作組履行向董事會匯報並對董事會負責，主要負責制定公司ESG戰略及監察其執行情況，檢討ESG目標進度；監察運行體系以確保其持續有效；審閱及核定ESG報告等。

審核委員會的審閱

審核委員會已審閱本集團所採用的會計準則及政策，並與管理層討論了本集團的風險管理、內部監控及財務報告事宜。審核委員會也已審閱本集團截至2022年12月31日止年度的經審核合併財務報表。

專業稅務意見建議

如果股東對購買、持有、處置及買賣股份或行使其任何有關權利的稅務影響有任何疑問，建議諮詢專家。

Report of the Directors

董事會報告

DIVIDEND POLICY

The dividend policy of the Company (the “**Policy**”) aims to set out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the shareholders of the Company.

PRINCIPLES AND GUIDELINES

The Board adopts the policy that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. The Company intends to distribute no less than 25% of its annual net profits as dividends to its shareholders, subject to the conditions and factors as set out below.

The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the articles of association of the Company and all applicable laws and regulations and the factors set out below.

The Board shall also take into account the following factors of the Group when considering the declaration and payment of dividends:

- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans;
- interests of Shareholders;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

股息政策

本公司之股息政策(「**政策**」)旨在載列本公司擬向本公司股東宣派、派付或分派純利作為股息時所應用的原則及指引。

原則及指引

在建議或宣派股息時，董事會採納之政策為本公司應維持充裕現金儲備以符合其營運資金要求及未來增長和其股東價值。本公司擬分派不少於其年度淨利潤的25%作為派發予股東的股息，惟須視乎下文所載的條件及因素。

董事會可根據本公司之組織章程細則及所有適用法律及法規以及下列因素酌情向本公司股東宣派及分派股息。

在考慮宣派及派發股息時，董事會亦須考慮下列有關本集團的因素：

- 財務業績；
- 現金流量情況；
- 業務狀況及策略；
- 日後營運及盈利；
- 資本規定及開支計劃；
- 股東權益；
- 支付股息的任何限制；及
- 董事會可能認為相關的任何其他因素。

Report of the Directors

董事會報告

DIVIDEND POLICY (Continued)

PRINCIPLES AND GUIDELINES (Continued)

Depending on the financial conditions of the Group and the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period:

- interim dividend;
- final dividend;
- special dividend; and
- any distribution of net profits that the Board may deem appropriate.

Any final dividend for a financial year will be subject to Shareholders' approval.

The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate.

Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Articles.

REVIEW OF THE POLICY

The Board will review the Policy as appropriate from time to time.

AUDITORS

There have been no changes of auditors in the past three years.

APPRECIATION

The Group would like to express its appreciation to all the staff for their outstanding contribution towards the Group's development. The Board wishes to sincerely thank the management for their dedication and diligence, and they are the key factors for the Group to continue its success in future. Also, the Group wishes to extend its gratitude for the continued support from its Shareholders, customers, and business partners. The Group will continue to deliver sustainable business development, so as to meet its business objectives for 2023 and realize higher values for its Shareholders and other stakeholders.

ON BEHALF OF THE BOARD

Ming Zaiyuan

Chairman and Executive Director

Hong Kong
14 March 2023

股息政策(續)

原則及指引(續)

因應本集團的財務狀況及上文所載條件及因素，董事會可就一個財政年度或期間建議及／或宣派股息：

- 中期股息；
- 末期股息；
- 特別股息；及
- 董事會可能視作合適的任何純利分派。

就任何財政年度派付的末期股息將須待股東批准。

本公司可以董事會認為合適的方式宣派及派付股息，如現金或以股代息或其他方式。

任何未領取的股息應被沒收及應根據本公司細則復歸本公司。

檢討政策

董事會將在適當情況下不時檢討股息政策。

核數師

在過去三年中，核數師無變動。

致謝

本集團衷心感謝所有員工對本集團發展所作出的傑出貢獻。董事會對管理層的盡職勤勉表示誠摯的謝意，管理層是本集團日後繼續走向成功的關鍵因素。本集團也非常感謝股東、客戶及業務夥伴一如既往的支持。本集團將繼續進行可持續業務發展，旨在實現2023年的業務目標，為股東及其他權益持有人創造更高價值。

代表董事會

主席及執行董事

明再遠

香港
2023年3月14日

Corporate Governance Report

企業管治報告

The Board is pleased to present this corporate governance report for the year ended 31 December 2022 (the “Review Period”).

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance our corporate value and accountability. The Company has adopted the principles and code provisions as set out in part 2 of the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as its own code of corporate governance. The Company has complied with all applicable provisions under the CG Code during the year ended 31 December 2022. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

THE BOARD

Responsibilities of the Board

The Board is responsible for the overall leadership of the Group, oversees the Group’s strategic decisions and monitors business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company’s affairs, the Board has established four Board committees and a working group under the Board, namely the Audit Committee (the “Audit Committee”), the Remuneration Committee (the “Remuneration Committee”), the Nomination Committee (the “Nomination Committee”) and the strategic development committee (the “Strategic Development Committee”) (together, the “Board Committees”) and the ESG Working Group. The Board has delegated to the Board Committees and ESG Working Group responsibilities as set out in their respective terms of reference.

The Board’s composition is in compliance with the requirements under Rule 3.10A of the Listing Rules that the number of independent non-executive directors must represent at least one-third of the Board. The Board believes that the balance between executive Directors and the non-executive Directors is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of the Shareholders and the Group.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its shareholders at all times.

董事會欣然提呈截至2022年12月31日止年度（「回顧期」）的企業管治報告。

企業管治

本集團致力於維持高標準的企業管治以保障股東利益並提升企業價值及問責文化。本公司已採納香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四載有的企業管治守則（「企業管治守則」）第二部分所載準則及守則條文作為其自身的企業管治守則。本公司截至2022年12月31日止年度已遵守企業管治守則的所有適用條文。本公司將繼續檢討並監察企業管治常規以確保遵守企業管治守則。

董事會

董事會職責

董事會負責本集團的整體領導工作，監督本集團的策略決定、業務與表現。董事會授權本集團高級管理層負責本集團日常管理及營運。為監督本公司特定範疇的情況，董事會成立了四個董事委員會和一個隸屬於董事會的工作組，包括審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）、提名委員會（「提名委員會」）、戰略發展委員會（「戰略發展委員會」）（合稱「董事委員會」）以及ESG工作組。董事會已向董事委員會、ESG工作組授予了各自職權範圍內所列的職責。

董事會組成符合上市規則第3.10A條項下的規定，即獨立非執行董事的人數須達董事會成員人數最少三分之一。董事會認為執行董事及非執行董事之間的比例屬合理及適當，並充分發揮制衡作用，以保障股東及本集團的利益。

所有董事須確保其在任何時候均真誠履行職責，遵守相關法律及法規，並符合本公司及股東的利益。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Board Composition

As at the date of this report, the Board comprised seven Directors, including one executive director and chairman of the Board, two executive Directors, one non-executive Director and three independent non-executive Directors as follows:

Executive Director and Chairman of the Board

Mr. Ming Zaiyuan

Executive Directors

Mr. Yan Danhua (*President*)

Mr. Zhang Jianbing (*Executive Vice President*)

Non-executive Director

Mr. Huang Min

Independent Non-executive Directors

Mr. Tai Kwok Leung Alexander

Dr. Liu Xiaofeng

Dr. Yang Ruizhao

The biographies of the current Directors are set out under the section headed "Directors and Senior Management" of this annual report. Saved as disclosed in this annual report (if any), to the knowledge of the Directors, the Board members have no financial, business, family or other material relationship with each other.

Each of the independent non-executive Directors has confirmed his independence pursuant to Rule 3.13 of the Listing Rules and there are no evidence that have an adverse impact on their independence. Therefore, the Company considers each of them to be independent.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee, the Nomination Committee, the Strategic Development Committee and the ESG Working Group.

As regards the CG Code provision requiring directors to disclose the number and nature of offices held in public companies or organizations and other significant commitments as well as their identity and the time involved to the issuer, Directors have agreed to disclose their commitments to the Company in a timely manner.

董事會 (續)

董事會組成

於本報告日期，董事會由七名董事組成，包括一名執行董事兼董事會主席、兩名執行董事、一名非執行董事和三名獨立非執行董事，具體如下：

執行董事及董事會主席

明再遠先生

執行董事

嚴丹華先生 (*總裁*)

張艦兵先生 (*常務副總裁*)

非執行董事

黃敏先生

獨立非執行董事

戴國良先生

劉曉峰博士

楊瑞召博士

本公司現有董事的履歷簡介載於本年報「董事及高級管理層」一節。除本年報所披露的情形 (如有) 外，根據董事所知，董事會成員相互之間無任何財務、業務、家屬或其他重大關係。

各獨立非執行董事已根據上市規則第3.13條確認其獨立性，並無發現任何證據對其獨立性有不利影響。因此，本公司認為他們均為獨立人士。

所有董事 (包括獨立非執行董事) 為董事會帶來了寶貴而廣泛的商業經驗、知識及專業技能，協助董事會有效地運作。獨立非執行董事更獲邀加入審核委員會、薪酬委員會、提名委員會、戰略發展委員會及 ESG 工作組。

對於企業管治守則規定董事須向發行人披露自身在上市公司或組織中擔任的職務數量與性質、其他重大承擔、自身身份以及投入時間，董事同意及時向本公司披露各自的承擔情況。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Induction and Continuous Professional Development for Directors

Each newly appointed Director is provided with necessary induction and information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under relevant status, laws, rules and regulations. The Company also provides Directors with regular updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to perform their duties.

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The company secretary of the Company and the lawyers engaged by the Company have from time to time updated and provided written training materials relating to the roles, functions and duties of a Director.

董事會 (續)

董事的就職和持續專業發展

每名新委任的董事均會被提供相關就職講解及資訊，以確保其充分瞭解本公司的運作及業務，以及自身在相關法律地位、法律法規下的責任。本公司也會不時向董事提供關於上市規則及其他相關法律法規規定最新發展及變更的定期更新資料。董事還會被提供關於本公司營運表現、狀況及前景的定期更新資料，以便董事會全體及每名董事履行職責。

本公司鼓勵董事繼續致力於發展自身專業以拓展並鞏固知識及技能。本公司的公司秘書及公司聘用律師會不時更新並提供有關董事職務、職能及職責的書面培訓資料。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Induction and Continuous Professional Development for Directors (Continued)

During the Review Period, all Directors have participated in continuous professional development by attending training courses and/or referring materials on the topics related to the Group's business, corporate governance and regulations on the roles, functions and duties of a Director of a listed company:

董事會 (續)

董事的就職和持續專業發展 (續)

在回顧期內，全體董事均通過參加和／或學習有關本集團業務、上市公司董事角色、功能及職責相關的企業管治和監管的培訓課程和／或材料，以參與持續專業發展：

Name of Director		Reading regulatory update	Attending expert briefings/ seminars/ conferences/ on-line courses relevant to the business of the Group or directors' duties
董事姓名		閱讀最新監管資料	線上課程
Executive Directors	執行董事		
Mr. Ming Zaiyuan (Chairman)	明再遠先生 (主席)	✓	✓
Mr. Yan Danhua	嚴丹華先生	✓	✓
Mr. Zhang Jianbing	張艦兵先生	✓	✓
Non-executive Director	非執行董事		
Mr. Huang Min	黃敏先生	✓	✓
Independent non-executive Directors	獨立非執行董事		
Mr. Tai Kwok Leung Alexander	戴國良先生	✓	✓
Dr. Liu Xiaofeng	劉曉峰博士	✓	✓
Dr. Yang Ruizhao	楊瑞召博士	✓	✓

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Appointment, Re-election and Removal of Directors

The procedures and process of appointment, re-election and removal of directors are set out in the Articles. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election and succession planning of Directors.

Each of the executive Directors, non-executive Directors and independent non-executive Directors has entered into a service agreement or a letter of appointment with the Company. There are currently seven members in the Board, the term of service for each of them is three years from the date of appointment or re-appointment. Such term is subject to re-election by the Company at an annual general meeting upon retirement. The Articles provide that Directors are eligible to appoint any person to fill a casual vacancy in the Board or as an additional Director to the existing Board from time to time. Any Director appointed by the Board to fill a casual vacancy in the Board shall hold office only until the first general meeting of the Company after his appointment, and for any Director appointed by the Board as an addition to the existing Board shall hold office until the next following annual general meeting of the Company, and in both cases, they shall then be eligible for re-election at such meeting. In accordance with the Articles, at every annual general meeting, one third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years and being eligible offer themselves for re-election.

In accordance with the Articles, Mr. Yan Danhua, Dr. Liu Xiaofeng and Dr. Yang Ruizhao shall retire by rotation and being eligible, have offered themselves for re-election at the forthcoming annual general meeting.

董事會 (續)

委任、重選及罷免董事

關於委任、重選及罷免董事的程式及過程載於細則。提名委員會負責審核董事會的組成，並監察董事的委任、重選及更替計劃。

執行董事、非執行董事及獨立非執行董事各自與本公司訂立服務協定或委任書，年限自聘任或續聘日期起計算，目前董事會共有七名成員，為期均為三年但該年限可在其任滿退任時由本公司在股東周年大會重選而延長。細則規定，董事將有權不時及隨時委任任何人士為董事，以填補董事會臨時空缺，或作為現有董事會的新增董事。任何獲董事會委任的董事，其任期僅至獲委任後的首個股東周年大會（就填補臨時空缺而言）或於其委任後直至本公司首個股東周年大會（就作為新增董事而言）為止，屆時將合資格於會上膺選連任。根據細則，在每屆股東周年大會上，當時三分之一的董事（若其人數並非三的倍數，則以最接近但不少於三分之一的人數）將輪值退任，惟每位董事必須最少每三年於股東周年大會上退任一次。

根據細則，在即將到來的股東周年大會上，嚴丹華先生、劉曉峰博士及楊瑞召博士將輪值退任並符合資格申請應選連任。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

General Meetings

During the Review Period, a general meeting, being the 2021 AGM, was held and the attendance of the individual Directors at the meeting is set out in the table below:

董事會 (續)

股東大會會議

在回顧期內，舉行了一次股東大會會議即2021年度股東周年大會，各董事出席此次會議的情況見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Executive Directors	執行董事	
Mr. Ming Zaiyuan (<i>Chairman</i>)	明再遠先生 (主席)	1/1
Mr. Yan Danhua	嚴丹華先生	1/1
Mr. Zhang Jianbing	張艦兵先生	1/1
Non-executive Director	非執行董事	
Mr. Huang Min	黃敏先生	1/1
Independent non-executive Directors	獨立非執行董事	
Mr. Tai Kwok Leung Alexander	戴國良先生	1/1
Dr. Liu Xiaofeng	劉曉峰博士	1/1
Dr. Yang Ruizhao	楊瑞召博士	1/1

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Board Meetings

The Company adopts the practice of holding board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than 14 days will be given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting.

For other Board and committee meetings, reasonable notice will generally be given. The agenda and accompanying board papers are dispatched to the Directors or committee members three days before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When directors or committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairman of the Board prior to the meeting.

Minutes of the Board meetings and Board Committee meetings will be recorded in sufficient detail the matters considered by the Board and the Board Committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and Board Committee meeting are/will be sent to the Directors for comments within a reasonable time after the date on which the meeting is held.

董事會(續)

董事會會議

本公司採取定期舉行董事會會議(每年最少四次,約每季度舉行一次)的規定。所有定期董事會會議須至少提前14日發出通知,以便所有董事均可參與並在議程中提出討論事項。

其他董事會及委員會會議一般也會提供合理的通知期。議程及相關董事會文件會在會議舉行前三天派發董事或委員會成員,以確保他們有足夠時間審閱有關文件並為會議做出妥善準備。如果董事或委員會成員未能出席會議,則會在會議前獲得事先通知討論事項並可就這些事項向董事會主席發表意見。

董事會會議及董事委員會會議的會議記錄將詳細記載董事會及董事委員會審議的事項及決定,包括所有董事關注事項。各董事會會議及董事委員會會議的會議記錄草案將在會議日期後的合理時間內發送給各位董事以供發表意見。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Board Meetings (Continued)

During the Review Period, five board meetings were held and the attendance of the individual Directors at these meetings is set out in the table below:

董事會 (續)

董事會會議 (續)

在回顧期內，董事會舉行了五次會議，各董事出席這些會議的情況見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Executive Directors	執行董事	
Mr. Ming Zaiyuan (<i>Chairman</i>)	明再遠先生 (主席)	4/4
Mr. Yan Danhua	嚴丹華先生	5/5
Mr. Zhang Jianbing	張艦兵先生	5/5
Non-executive Director	非執行董事	
Mr. Huang Min	黃敏先生	4/4
Independent non-executive Directors	獨立非執行董事	
Mr. Tai Kwok Leung Alexander	戴國良先生	5/5
Dr. Liu Xiaofeng	劉曉峰博士	5/5
Dr. Yang Ruizhao	楊瑞召博士	5/5

Our Company held a meeting attended by the chairman of the Board and independent non-executive Directors during the Review Period in compliance with requirements under Rule C.2.7 of Appendix 14 to the Listing Rules to discuss and consider duties and roles of the Board and its relevant members as well as their performance during the Reporting Period.

本公司已遵守香港上市規則附錄十四第C.2.7條之規定，回顧期內召開了董事會主席與獨立非執行董事會議，以探討及評議在報告期內董事會及相關成員職責角色及履行情況。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Chairman and Chief Executive

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and performed by different individuals.

The chairman of the Board and the president of the Company are currently two separate positions held by Mr. Ming Zaiyuan as the chairman of the Board and Mr. Yan Danhua as the president, with clear distinction in responsibilities. The chairman of the Board is responsible for providing strategic advice and guidance on the business development of the Group, while the president is responsible for the day-to-day operations of the Group.

Model Code for Securities Transactions

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that they have complied with the required standards as set out in the Model Code for the year ended 31 December 2022.

The Company also established written guidelines on terms no less exacting than the Model Code (the “**Employees Written Guidelines**”) for securities transactions by relevant employees who are likely to possess inside information of the Company in respect of their dealings in the Company’s securities. No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company during the Review Period.

Delegation by the Board

The Board reserves for its decision-making authorities on all major matters of the Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at the Company’s expense and are encouraged to access and to consult with the Company’s senior management independently.

董事會 (續)

主席及行政總裁

根據企業管治守則條款第C.2.1條規定，主席與行政總裁的職務必須分開，並由不同人士擔任。

本公司董事會主席及公司總裁現為兩個獨立職位，分別由明再遠先生擔任董事會主席，由嚴丹華先生擔任公司總裁，分工清晰明確。董事會主席負責就本集團業務發展提供策略意見和指導，而公司總裁則負責集團日常運營。

證券交易的標準守則

本公司已採取了上市規則附錄十所載之「上市發行人董事進行證券交易標準守則」（「**標準守則**」）作為其董事進行證券交易操守守則。經向全體董事做出特定查詢後，所有董事確認彼等於截至2022年12月31日止年度已遵守標準守則所載的規定標準。

本公司還就買賣本公司證券且可能持有本公司內幕消息的相關員工進行的證券交易，制定了一套不低於標準守則的書面指引（「**員工書面指引**」）。在回顧期內本公司未發現相關僱員違反員工書面指引的事件發生。

董事會授權

董事會保留對本公司所有重要事項的決定權，包括批准和監督所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易（尤其是涉及利益衝突）、財務資料、委任董事及其他重大財務和運營事宜。董事可在履行職責時徵求獨立專業意見，相關費用由本公司承擔。本公司也鼓勵董事單獨約見本公司高級管理人員並向其進行徵詢。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Delegation by the Board (Continued)

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

Corporate Governance Function

The Board recognizes that corporate governance should be the collective responsibility of Directors and the corporate governance duties include:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management of the Company;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Company and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

董事會 (續)

董事會授權 (續)

高級管理人員獲授權處理本集團的日常管理、行政及營運而所獲職能及職責均由董事會定期審核。管理層的任何重大交易必須事先獲得董事會批准。

企業管治功能

董事會認同企業管治為董事共同承擔的責任，而企業管治職責包括：

- (a) 制定並審核本公司的企業管治政策及常規情況；
- (b) 審核並監察本公司董事和高級管理人員的培訓及持續專業發展；
- (c) 審核並監察本公司遵守法律法規規定的政策及常規情況；
- (d) 制定、審核並監察適用於本公司僱員及董事的操守守則及合規手冊(如有)；以及
- (e) 審核本公司遵守企業管治守則及企業管治報告披露事宜的情況。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Remuneration of Directors and Senior Management

The Company has established a formal and transparent procedure for formulating policies on remuneration of Directors and senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 December 2022 are set out in note 33 to the section headed “Notes to Consolidated Financial Statements” of this annual report.

The remuneration of the senior management who were senior management of the Group as at 31 December 2022 is within the following bands:

		Number of Individuals 人數
Emolument bands	薪酬範圍	
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	6
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1
HK\$6,500,001 to HK\$7,000,000	6,500,001 港元至 7,000,000 港元	1

Directors' Liability Insurance

The Company has arranged appropriate insurance cover in respect of legal action against its Directors.

董事會 (續)

董事及高級管理人員薪酬

本公司為制定本集團董事及高級管理人員薪酬的政策建立了一套正規而具有透明度的程式。各董事本年度截至2022年12月31日的薪酬詳情載於本年報「合併財務報表附註」一節附註33。

於2022年12月31日作為本集團高級管理層的高級管理人員的薪酬範圍如下：

董事責任險

本公司已就董事可能面對的法律訴訟購買了合適的保險。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES

Audit Committee

As at the date of this annual report, the Audit Committee comprises three members, namely Mr. Tai Kwok Leung Alexander and Dr. Liu Xiaofeng, the independent non-executive Directors, and Mr. Huang Min, the non-executive Director. The chairman is Mr. Tai Kwok Leung Alexander, who confirmed that he possesses appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The main duties of the Audit Committee include the following:

1. to review the financial statements and reports and consider any significant or unusual items raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or the auditor before submission to the Board;
2. to review and monitor the external auditor's independence and objectivity and effectiveness of the audit process in accordance with applicable standard and discuss with external auditor the nature and scope of the audit and reporting obligations before the audit commences; and
3. to review the appropriateness and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures, including the adequacy of the resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function.

The Audit Committee oversees the risk management and internal control systems of the Group, reports to the Board on any material issues, and makes recommendations to the Board.

The written terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

董事委員會

審核委員會

於本年報日期，審核委員會共有三名成員，即獨立非執行董事戴國良先生、劉曉峰博士，及非執行董事黃敏先生，其中戴國良先生為審核委員會主席。戴國良先生確認自身具備上市規則第3.10(2)及3.21條規定的合適專業資格。審核委員會的主要職責如下：

1. 審閱財務報表和報告、並在遞交董事會前考量任何本公司會計及財務申報員工、合規主任或核數師提出的重大或不尋常事項；
2. 按相關準則審核並監督外聘核數師的獨立性、客觀性以及審核流程的有效性，並在審核工作開始前與外聘核數師討論審核性質、範圍、有關申報責任；以及
3. 評估本公司的財務申報機制、內部監控系統、風險管理系統及相關程式的適當性和有效性，包括資源的充足率、員工資格及經驗、培訓計劃，以及本公司會計及財務申報功能的預算。

審核委員會監督本集團的風險管理和內部監控系統，向董事會彙報所有重大事件並提出建議。

審核委員會的書面職權範圍在聯交所及本公司網站可供查閱。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

During the Review Period, five meetings of the Audit Committee were held to discuss and consider the following matters:

- reviewed annual results, auditor's report internal audit report, auditors' remuneration, engagement conditions, independence and terms of reference of the Audit Committee of the Company and its subsidiaries for the period ended 31 December 2021;
- reviewed the unaudited financial information of the Company and its subsidiaries for the three months ended 31 March 2022;
- reviewed interim results of the Company and its subsidiaries for the period ended 30 June 2022, execution of their risk management and internal control system for the first half of 2022 and internal audit and risk management plan for the second half of 2022 etc.;
- reviewed the unaudited financial information of the Company and its subsidiaries for the nine months ended 30 September 2022; and
- reviewed the 2022 audit plan, 2022 internal review work plan adjustment and the remedy for deficiencies in internal control of the Company and its subsidiaries in 2021.

The attendance record of the Audit Committee members is set out in the table below:

Members of the Audit Committee 審核委員會成員		Attended/ Eligible to attend 實際出席／可出席次數
Mr. Tai Kwok Leung Alexander (Chairman)	戴國良先生(主席)	5/5
Dr. Liu Xiaofeng	劉曉峰博士	5/5
Mr. Huang Min	黃敏先生	5/5

Pursuant to the code provision D.3.3 of the CG Code, the Audit Committee should meet with the Company's auditors at least twice a year. During the Review Period, the Company had met the auditors twice.

董事委員會(續)

審核委員會(續)

在回顧期內，審核委員會舉行了五次會議，討論並審議了以下事項：

- 審閱本公司及其附屬公司截至2021年12月31日期間的年度業績、核數師報告，內部審核報告，核數師酬金、聘用條件、獨立性，及審核委員會職權範圍等；
- 審閱本公司及其附屬公司截至2022年3月31日止三個月的未審計財務資訊；
- 審閱本公司及其附屬公司截至2022年6月30日期間的中期業績，及2022年上半年風險管理及內部監控系統執行情況、2022年下半年內審及風險管理計劃等；
- 審閱本公司及其附屬公司截至2022年9月30日止九個月的未審計財務資訊；以及
- 審閱本公司及其附屬公司2022年度審計計劃，2022年內審工作計劃調整及2021年內控缺陷整改情況。

各審核委員會成員的出席記錄見下表：

根據企業管治守則條款第D.3.3條規定，審核委員會應每年至少與本公司核數師會面兩次。在回顧期內，本公司已於核數師會面兩次。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Remuneration Committee

As at the date of this annual report, the Remuneration Committee comprises three members, namely Dr. Liu Xiaofeng and Mr. Tai Kwok Leung Alexander, the independent non-executive Directors, and Mr. Zhang Jianbing, the executive Director. Dr. Liu Xiaofeng is the chairman of the Remuneration Committee.

The principal duties of the Remuneration Committee include the following:

1. to make recommendations to the Board on the Company's policy and structure for the remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policies;
2. to review and approve the management's remuneration proposals with reference to the corporate goals and objectives determined by the Board;
3. to adopt the code provision E.1.2(c)(ii) by making recommendations to the Board on the remuneration packages of individual executive Directors and senior management. These include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
4. to make recommendations to the Board on the remuneration of non-executive Directors;
5. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions of the Group;
6. to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
7. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
8. to ensure that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration.

董事委員會(續)

薪酬委員會

於本年報日期，薪酬委員會共有三名成員，即獨立非執行董事劉曉峰博士、戴國良先生，及執行董事張艦兵先生，其中劉曉峰博士為薪酬委員會主席。

薪酬委員會的主要職責如下：

1. 就本公司全體董事及高級管理人員的薪酬政策、架構，以及制訂此等薪酬政策而設立正規而具透明度的程式，向董事會提出建議；
2. 參考董事會的企業目標及目的，審核並批准管理層的薪酬建議；
3. 採納守則條文E.1.2(c)(ii)條項下之向董事會建議個別執行董事及高級管理人員的薪酬待遇，包括實物福利、退休金、賠償金(包括任何喪失或終止職務或委任而應支付的賠償)；
4. 就非執行董事的薪酬向董事會提出推薦建議；
5. 考量同類公司支付的薪酬、須付出的時間及職責，以及本集團職位的僱傭條件；
6. 審核並批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保這些賠償與合約條款一致；若未能與合約條款一致，賠償也應公平合理，不應過多；
7. 審核並批准因行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保這些安排與合約條款一致；若未能與合約條款一致，有關賠償也應合理適當；以及
8. 確保任何董事或其任何連繫人(定義見上市規則)均不得參與決定其自身薪酬。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

The written terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

During the Review Period, a meeting of the Remuneration Committee was held to discuss and consider the following matters:

- reviewed and discussed the performance evaluation and an analysis of bonus distribution and staff cost for the year 2021;
- reviewed remuneration policy and structure of all Directors and senior management;
- reviewed and discussed the suspension of granting of share option incentive;
- reviewed and discussed the 2022 performance bonus scheme; and
- reviewed the terms of reference of the Remuneration Committee.

The attendance record of the Remuneration Committee members is set out in the table below:

Members of the Remuneration Committee 薪酬委員會成員		Attended/ Eligible to attend 實際出席／可出席次數
Dr. Liu Xiaofeng (Chairman)	劉曉峰博士(主席)	1/1
Mr. Tai Kwok Leung Alexander	戴國良先生	1/1
Mr. Zhang Jianbing	張艦兵先生	1/1

Directors' Remuneration Policy

The remuneration of Directors comprises an annual directors' fee and may also be entitled to options and/or awards under the rules of the share option scheme or restricted share unit scheme adopted by the Company from time to time. Such remuneration is determined and recommended by the Remuneration Committee with reference to the respective Directors' qualifications, industry experience, position and performance, and the prevailing market conditions.

董事委員會(續)

薪酬委員會(續)

薪酬委員會的書面職權範圍在聯交所及本公司網站可供查詢。

在回顧期內，薪酬委員會舉行了一次會議，以討論並審議以下事項：

- 審核及討論2021年度公司績效考核及獎金發放、人工成本分析；
- 審核全體董事及高級管理人員的薪酬政策及架構；
- 審核及討論暫緩授予新的股權激勵；
- 審核及討論2022年度績效獎金計劃；及
- 審核薪酬委員會書面職權範圍。

各薪酬委員會成員的出席記錄見下表：

董事薪酬政策

董事薪酬包括董事年度袍金及根據本公司不時採納的購股權計劃或受限制股份單位計劃規則享有的購股權及／或獎勵。相關薪酬由薪酬委員會參考各董事的資格、行業經驗、職位及表現以及現行的市場狀況後釐定及建議。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Nomination Committee

As at the date of this annual report, the Nomination Committee consists of three members, being Dr. Liu Xiaofeng and Mr. Tai Kwok Leung Alexander, the independent non-executive Directors, and Mr. Ming Zaiyuan, the executive Director and chairman of the Board. Mr. Ming Zaiyuan is the chairman of the Nomination Committee.

The principal duties of the Nomination Committee include the following:

1. to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
2. to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
3. to assess the independence of independent non-executive Directors;
4. to make recommendations to the Board on the appointment or re-appointment of Directors and the succession planning for Directors, in particular the chairman and the chief executive officer; and
5. to review the Board diversity policy and the Nomination Policy.

The Nomination Committee assesses the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to assume the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision. The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

董事委員會(續)

提名委員會

於本年報日期，提名委員會共有三名成員，即獨立非執行董事劉曉峰博士、戴國良先生，及執行董事、董事會主席明再遠先生，明再遠先生為提名委員會主席。

提名委員會的主要職責如下：

1. 至少每年審核董事會的結構、規模及組成(包括技能、知識及經驗)，並就董事會的任何變動提供建議，以補充本公司企業策略；
2. 物色符合適當資格成為董事會成員的人士，甄選或向董事會建議甄選獲提名的董事候選人；
3. 評估獨立非執行董事的獨立性；
4. 就董事的委任或重新委任以及董事(尤其是主席及行政總裁)的繼任計劃向董事會提出建議；以及
5. 審核董事會成員多元化政策及提名政策。

提名委員會根據誠信、經驗、技能及是否能夠付出時間及精力履行職務及職責等範疇，評估候選人或現任成員。提名委員會的建議會交由董事會決定。提名委員會的書面職權範圍在聯交所及本公司網站可供查閱。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

During the Review Period, a meeting of the Nomination Committee was held to discuss and consider the following matters:

- reviewed the structure, size, composition and the Board diversity policy and its implementation;
- reviewed and considered retirement and re-election of Directors;
- reviewed the independence of independent non-executive Directors; and
- reviewed the terms of reference of the Nomination Committee.

The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

The attendance record of the Nomination Committee members is set out in the table below:

董事委員會(續)

提名委員會(續)

在回顧期內，提名委員會舉行了一次會議，以討論及審議以下事項：

- 審核董事會的架構、人數、組成和多元化政策及其執行情況；
- 審核並考慮董事的退任和重選；
- 審核獨立非執行董事的獨立性；以及
- 審核提名委員會的書面職權範圍。

提名委員會的書面職權範圍在聯交所及本公司網站可供查閱。

各提名委員會成員的出席記錄見下表：

Members of the Nomination Committee 提名委員會成員		Attended/ Eligible to attend 實際出席／可出席次數
Mr. Ming Zaiyuan (Chairman)	明再遠先生(主席)	1/1
Dr. Liu Xiaofeng	劉曉峰博士	1/1
Mr. Tai Kwok Leung Alexander	戴國良先生	1/1

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Strategic Development Committee

As at the date of this annual report, the Strategic Development Committee consists of three members, being Dr. Yang Ruizhao and Mr. Tai Kwok Leung Alexander, the independent non-executive Directors, and Mr. Yan Danhua, the executive Director. Dr. Yang Ruizhao is the chairman of the Strategic Development Committee.

The principal duties of the Strategic Development Committee include the following:

1. to review and evaluate the investment strategies, annual investment plan(s) proposed by senior management and the chairman of the Board and the relevant risk management policy of the Company and make recommendations to the Board;
2. to review and evaluate the investment opportunities of the Company and issue opinion for long-term development plan (including mergers and acquisition, joint venture and equity investments) proposed by senior management and the chairman of the Board and make recommendations to the Board;
3. to review and evaluate significant investment projects pursued under the Company's investment strategy and annual investment plan, review and approve the issue of non-binding indicative offers or letter of intent, and make recommendations to the Board on final proposals of significant investment projects;
4. to review and assess, in addition to new opportunities, the ongoing investment strategy, technical merits and risks associated with existing development and exploration projects, including the annual reserve and resource assessments and make recommendations to the Board;
5. to supervise the implementation of the above-mentioned matters duly approved by the Board and assess periodically the Company's capacity to conduct technical work and the Company's approach in managing technical risk associated with above matters;
6. to advise management from time to time on the engagement of appropriate external financial and technical advisors in connection with material acquisitions or divestitures, including a review of the terms of their proposed compensation; and
7. other matters as delegated by the Board.

董事委員會(續)

戰略發展委員會

於本年報日期，戰略發展委員會共有三名成員，即獨立非執行董事楊瑞召博士、戴國良先生，及執行董事嚴丹華先生。楊瑞召博士為戰略發展委員會主席。

戰略發展委員會的主要職責包括以下方面：

1. 審閱、評估公司的投資策略、年度投資計劃(由高級管理層及董事會主席提議)及公司的相關風險管理政策並給予意見，向董事會提出建議；
2. 審閱、評估公司的投資機會並給予意見，對高級管理層及董事會主席提議的長期發展計劃(包括併購、合資及股權投資)給予意見，向董事會提出建議；
3. 審閱、評估根據公司的投資策略及年度投資計劃推行的重大投資專案並給予意見，審批發出非約束性的指示性要約或意向書，就重大投資專案的最終方案向董事會提出建議；
4. 審閱、評估除新機會以外的持續投資策略、現有開發勘探專案的技術優勢和風險，包括公司編寫的年度儲量和資源量評估，向董事會提出建議；
5. 監督董事會正式批准的上述事務的落實情況，定期評估公司開展技術工作的能力以及公司管理上述事務相關技術風險的方法；
6. 在重大收購或剝離事務的外部財務顧問和技術顧問聘請方面，不時給予管理層建議，包括審核相關報酬條款；以及
7. 董事會指定的其他事務。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Strategic Development Committee (Continued)

The written terms of reference of the Strategic Development Committee are available on the websites of the Stock Exchange and the Company.

During the Review Period, two meetings of Strategic Development Committee were held to discuss and consider the following matters:

- reviewed the reports relating to the technical summary and development update of existing concessions of the Company;
- reviewed the reports relating to strategic consideration and development of the Company;
- reviewed the strategic pilot test for medium- and deep-level CBM; and
- reviewed the terms of reference of the Strategic Development Committee.

The attendance record of the Strategic Development Committee members is set out in the table below:

Members of the Strategic Development Committee 戰略發展委員會成員		Attended/ Eligible to attend 實際出席／可出席次數
Dr. Yang Ruizhao (Chairman)	楊瑞召博士(主席)	2/2
Mr. Tai Kwok Leung Alexander	戴國良先生	2/2
Mr. Yan Danhua	嚴丹華先生	2/2

BOARD DIVERSITY POLICY

The Board has adopted a Board Diversity Policy which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company.

The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

董事委員會(續)

戰略發展委員會(續)

戰略發展委員會的書面職權範圍在聯交所及本公司網站可供查閱。

於回顧期內，戰略發展委員會舉行二次會議。該次會議討論並審議以下事項：

- 審閱有關本公司存量區塊的技術總結及開發進展的報告；
- 審閱有關本公司戰略考慮及發展的彙報；
- 審閱有關中深部煤層氣戰略引導試驗；以及
- 審閱戰略發展委員會的職權範圍。

各戰略發展委員會成員的出席記錄見下表：

董事會多元化政策

董事會已採用了成員多元化政策，該政策列出了本公司取得持續平衡發展以及提升表現素質的方針。

本公司考慮多項因素以保證董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識和服務期限。

Corporate Governance Report

企業管治報告

BOARD DIVERSITY POLICY (Continued)

All board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives as stated in the above. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The composition of the Board (includes gender, age, cultural and educational background, profession, experience, skills and knowledge), which is characterized by significant diversity, is disclosed in the section headed "Directors and Senior Management".

Workforce diversity

As of December 31, 2022, the gender ratio in the workforce (including senior management) is 83%:17%. The Group will continue to maintain the gender diversity in workforce. For further details of gender ratio and initiatives taken to improve gender diversity together with the relevant data, please refer to the disclosure in the Sustainable Development Report.

The Board will identify suitable female candidate to serve on the Board in due course and will appoint at least one female Director no later than September 30, 2024.

Board Independence

The Company recognizes that Board independence is key to good corporate governance. The Company has in place effective mechanisms that underpin an independent Board and that independent views. The current composition of the Board, comprising one third of the of the independent non-executive Directors. The Remuneration Committee and Audit Committee are all chaired by independent non-executive Directors. The remuneration of independent non-executive Directors is subject to a regular review to maintain competitiveness and commensurate with their responsibilities and workload. The independence of each independent non-executive Director is assessed upon his/her appointment and annually.

董事會多元化政策(續)

董事會所有委任均堅持用人唯才原則，並兼顧董事會成員多元化的益處根據客觀條款考慮人選。

董事會根據上述各種多元化因素選定候選人。最終決定取決於所選候選人的長處以及可能為董事會帶來的貢獻。

董事會組成(包括性別、年齡、文化及教育背景、專業經驗、技能和知識)披露於「董事及高級管理人員」中。從其可以看出，董事會屬於多元化狀態。

員工多元化

於2022年12月31日，員工(包括管理層)的性別比例為83%:17%。本集團將繼續保持員工性別多元化。有關性別比例及為提升性別多元化採取的措施以及相關數據的其他詳情，請參閱可持續發展報告的披露。

董事會將適時物色合適女性候選人加入董事會，並將不遲於2024年9月30日委任至少一名女性董事。

董事會獨立性

本公司深明董事會獨立性是良好企業管治的關鍵。本集團已建立有效機制，支持獨立董事會及獨立觀點。現行董事會包括三分之一的獨立非執行董事。薪酬委員會及審核委員會主席均由獨立非執行董事擔任。獨立非執行董事的薪酬須定期審閱，以維持競爭力及與彼等的職責及工作量相稱。各獨立非執行董事的獨立性將於其獲委任後每年進行評估。

Corporate Governance Report

企業管治報告

Board Independence (Continued)

Directors are requested to declare their direct or indirect interests, if any, in proposals or transactions to be considered by the Board at the Board meetings and abstain from voting, where appropriate. External independent professional advice is available to all Directors, including independent non-executive Directors, whenever deemed necessary. The independent non-executive Directors have consistently demonstrated strong commitment and the ability to devote sufficient time to discharge their responsibilities at the Board.

The Company has also established channels through formal and informal means whereby independent non-executive Directors can express their views in an open manner, and in a confidential manner, should circumstances requires.

Anti-corruption Policy

The Company does not tolerate any form of bribery, whether direct or indirect, by, or of, its Directors, officers, employees, agents or consultants or any persons or companies acting for it or on its behalf. The Company adopts the anti-corruption policy in assisting the employees in recognising circumstances which may lead to or give the appearance of being involved in corruption or unethical business conduct, so as to avoid such conduct which is clearly prohibited, and to promptly seek guidance if necessary.

The anti-corruption policy will be reviewed on a regular basis, any convicted cases will be reported to the Board/the Audit Committee.

Whistleblowing Policy

The Company expects and encourages employees of the Group and those who deal with the Group (e.g. suppliers, customers, creditors and debtors) to report to the Company, in confidence, any suspected impropriety, misconduct or malpractice concerning the Group. The Company adopts the whistleblowing policy to provide reporting channels and guidance on reporting possible improprieties and reassurance to whistleblowers of the protection that the Group will extend to them in the formal system.

The whistleblowing policy will be reviewed on a regular basis, any suspected cases will be reported to the Audit Committee.

董事會獨立性(續)

董事在董事會會議審議任何動議或交易時，須申報其涉及直接或間接利益(如有)，並在適當情況下放棄投票。如有需要，所有董事(包括獨立非執行董事)均可獲得外部獨立專業意見。獨立非執行董事一貫展示堅定的承擔及可投入足夠時間履行董事會職責的能力。

此外，本公司亦已透過正式及非正式方法建立渠道，讓獨立非執行董事能夠公開地表達意見，以及在情況需要時以保密方式表達意見。

反貪腐政策

本公司不會容忍其董事、高級職員、僱員、代理人或顧問或代表本公司行事的任何人士或公司直接或間接作出的任何形式的賄賂。本公司採納反貪腐政策，協助僱員識別可能導致或疑似涉及腐敗或不道德商業行為的情況，以避免此類明確禁止的行為，並在必要時及時尋求指導。

本公司會定期檢討反貪腐政策，並向董事會／審核委員會報告任何定罪案件。

舉報政策

本公司期望並鼓勵本集團僱員及與本集團共事的人士(例如供應商、客戶、債權人及債務人)以保密方式向本公司舉報與本集團有關的任何涉嫌不當的行為、不檢行為或不法行為。本公司採納舉報政策，就舉報潛在不當行為提供舉報渠道及指引，並向舉報人保證本集團將在正式制度中為彼等提供保障。

本公司會定期檢討舉報政策，並向審核委員會報告任何疑似案件。

Corporate Governance Report

企業管治報告

Company's Culture

The Board believes that corporate culture underpins the long-term business, economic success and sustainable growth of the Group. A strong culture enables the Company to deliver long-term sustainable performance and fulfil its role as a responsible corporate citizen. The Company is committed to developing a positive and progressive culture that is built on its Vision and Mission.

During 2022, the Company continued to strengthen its cultural framework by focusing on the following:

- Vision: to be the world's leading, most enduring clean energy company for today and tomorrow.
- Mission: to create best value for society, optimized platform for employees and highest return for shareholders.

The Board sets and promotes corporate culture and expects and requires all employees to reinforce. All of our new employees are required to attend orientation and training programs so that they may better understand our corporate culture, structure and policies, learn relevant laws and regulations, and raise their quality awareness. In addition, from time to time, the Company will invite external experts to provide training to our management personnel to improve their relevant knowledge and management skills.

公司文化

董事會相信，企業文化乃本集團長遠業務發展、取得經濟成就及可持續增長的基石。深厚的文化根基讓本公司得以實現長期可持續發展，履行作為企業公民的責任。本公司致力以其願景及使命為本，創建正面、鼓勵進步的文化。

2022年，本公司專注以下方面，繼續加強其文化框架：

- 願景：勵志成為國際領先的永續發展的清潔能源偉大企業。
- 使命：為社會創造最佳價值，為員工創造最好平台，為股東創造最大效益。

董事會制定及推廣企業文化，期望並要求所有僱員牢記。新員工均須參加入職培訓及培訓項目，以便加深對我們企業文化、結構及政策的了解，學習相關法律法規，並提高品質意識。此外，本公司會不時邀請外部專家為我們的管理人員提供培訓，以提高彼等的相關知識及管理技能。

Corporate Governance Report

企業管治報告

Directors' Responsibilities for Financial Reporting in respect of Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2022 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

Pursuant to the code provision C.5.9 of the CG Code, the management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. The Company provides all members of the Board with monthly updates on Company's performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The statement by the Auditor regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the section headed "Independent Auditor's Report" of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

Responsibility of the Board

The Board acknowledges that it is the responsibility of the Board for ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems and reviewing the effectiveness of such systems on an annual basis. The Board is also aware of the fact that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable assurance and not absolute assurance against material misstatement or loss.

董事有關財務報表的財務申報責任

董事知曉自身須準備本年度截至2022年12月31日財務報表的責任，而該財務報表真實而公平地反映本公司及本集團的狀況，以及本集團的業績和現金流量。

根據企業管治守則條款第C.5.9條，管理層已向董事會提供了所需的解釋和資料，以使董事會能夠有根據地評估並審批本公司的財務報表。本公司每月向董事會全體成員提供本公司營運表現、狀況及前景的最新資料。

根據董事所知，並無可能導致本集團持續經營能力受到嚴重質疑的重大不確定時間或情況。

核數師關於本公司合併財務報表申報責任的聲明載於本年報「獨立核數師報告」章節。

風險管理及內部監控

董事會責任

董事會明白本身有責任確保本公司建立及維持恰當且有效的風險管理及內部監控系統，並每年檢討該系統的有效性。董事會亦明白該等系統旨在管理而非消除未能達成業務目標的風險，且盡可作出合理而非絕對保證不會有重大失實陳述或損失。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

The Risk Management and Internal Control Systems

The Company adopted the three lines of defence model in the management of risk. Operational management form the core of the first line of defence as they contact with the risk sources in the first place. They are responsible for identifying, reporting and preliminarily managing risks in their daily operations. Our second line of defence is the risk management function, comprised of Legal, HSE departments etc., aiming to facilitate and monitor the implementation of effective risk management practices by operational management throughout the Company. Our internal audit function is the core of the third line of defence and mainly responsible for checking, auditing and monitoring the work performed by the first and second lines of defence.

The Company's risks are identified from business processes in our established enterprise-wide risk assessment methodologies. Key responsible personnel for the management of risk in each of the business process are selected as interviewees to identify the risks to form our risk universe. Each risk within the risk universe is assessed in terms of likelihood of occurrence and the significance of impact and the maturity of our control and management measures, taken into account the current internal controls in place to mitigate these risks. The risk assessment results are reported to senior management and the Board for them to evaluate whether risks have been appropriately managed and decide on our priorities in risk management, based on the Company's risk appetite, and in particular how much risks the Company is willing to take for the achievement of its strategy and business objectives, the availability of resources for risk mitigation, and the effectiveness of current internal control system.

The Company's internal control system is based on Internal Control — Integrated Framework of the Committee of Sponsoring Organisations of the Treadway Commission, and has five components, namely Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. The system intends to facilitate the design and functioning of good control practices and reduce the likelihood and impact of risks to an acceptably low level, in order for us to achieve our objectives in operations, reporting, and compliance.

風險管理及內部監控 (續)

風險管理及內部監控系統

風險管理及內部監控系統本公司採取三道防線模式管理風險。營運管理人員是第一道防線的核心，因為一旦出現風險，彼等首當其衝。營運管理人員負責識別、報告及初步管理日常營運中存在的風險。第二道防線是由法務、HSE等部門承擔的風險管理職能，旨在推動及監察營運管理人員在本公司高效實施風險管理措施。內部審核功能是第三道防線，主要負責檢查、審核及監察第一及第二道防線的工作。

根據我們建立的全面風險評估辦法，本公司從業務流程出發，推進風險識別。各個業務流程中的主要負責人被選作受訪者，識別流程中的風險，並匯總形成最終風險清單。風險清單中的各風險按發生的可能性及影響的程度、管控成熟度評價，並列入目前降低該等風險所採用的內部監控。風險評估結果向高級管理層及董事會彙報，以根據公司的風險偏好，尤其公司願意為其戰略和經營目標的實現承擔多少風險，降低風險的資源利用和現行內部控制系統的有效性等因素來評估風險是否被適當管理和決定風險管理的優先次序。

本公司的內部監控系統是基於特雷德韋委員會贊助組織委員會的內部監控整合框架，包括監控環境、風險評估、監控活動、資訊及溝通和監督活動五個部分。該系統旨在推動良好監控實踐的設計及實施，降低風險發生的可能性，並將風險影響降低到可接受水準，以便實現我們的營運、申報及合規目標。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

The Risk Management and Internal Control Systems

(Continued)

Any material internal control defects identified are timely communicated and carefully evaluated for their potential impacts. The departments or functions who are owners of these controls, are required to propose corrective measures and obtain approval from management before implementation. The implementation statuses are monitored by both management and the internal audit function to ensure these control defects are properly resolved in a timely manner. The Company has also established policies and procedures for the handling and dissemination of inside information. The information to be disclosed should be properly reviewed and approved by our compliance functions and management to ensure its appropriateness and accuracy, and is closely monitored after disclosure.

During the Review Period, the Company continuously upgraded its internal control system starting from corporate governance, organisation structure and business process through risk identification and assessment, thereby reducing operational risk while further enhancing operational efficiency of the Company at the same time.

Internal Audit Function

In order to enhance the Company's adaptability to the business environment, the Company established the Risk Control and Compliance Department, which is responsible for providing effective legal professional support for various legal matters of the Company, handling corporate information disclosure and legal compliance management, as well as providing value-added internal audit and consulting services for independent review, in January 2021 by merging the functions of the former Legal Affairs Department, the Board of Directors' Office and the Audit and Supervision Department. The internal audit function reports to the Company Secretary in respect of administration and directly to the Board and the Audit Committee in respect of operation. The internal audit function still has the independence required to conduct audit business.

風險管理及內部監控 (續)

風險管理及內部監控系統 (續)

我們及時就所識別的重大內部監控瑕疵進行溝通，並審慎評價潛在影響。身為監控責任人的部門須提出糾正措施，並於實施前獲得管理層批准。管理層及內部審核部門監察實施情況，確保及時妥善解決監控瑕疵。本公司亦制定處理及傳播內幕消息的政策及程式。將予披露的資料由合規部及管理層妥為審閱及批准，確保合適準確，並於披露後密切監察。

在回顧期內，公司從公司治理、組織結構、業務流程出發，通過風險識別、風險評估等途徑，不斷對公司的內控制度進行了升級，在降低了公司運營風險的同時也進一步提升了公司的運營效率。

內部審計職能

為提升公司對經營環境的適應性，本公司將原法律事務部、董事會辦公室、審計監察部職能合併，於2021年1月新成立了風控合規部，負責對公司各項法律事務提供有效的法律專業支援，處理公司資訊披露及合法合規管理，以及提供獨立審議的內部審計及諮詢增值服務等。其中內部審計職能行政上向公司秘書報告，業務上直接向董事會及審核委員會報告。內部審計職能在其功能上仍具備開展審計業務所需要的獨立性。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Internal Audit Function (Continued)

The Company's internal audit function plays a major role in the monitoring of the Company's internal governance processes, i.e., to provide independent assurance that the Company's risk management, governance and internal control processes are operating effectively. The major tasks of this function include providing assurance on the effectiveness of the Company's governance, risk management and internal controls in areas of operations, safeguarding of assets, reporting, and compliance, and conducting risk-based audits of the Company and its subsidiaries on a regular basis with recommended action plans to audit findings. This function also provides consulting services in risk management and internal control related issues within the Company.

During the Review Period, the Company's internal audit function conducted annual independent full scope risk assessment update and internal audit for selected areas, and reported to the management and the Board.

Review of the Effectiveness and Adequacy of Our Systems

The Company prepares and submits reports to the Board in relation to risk and control at least annually, detailing how risks have been managed and internal controls been designed and implemented in accordance with the established risk and control frameworks, to keep our overall risk exposures within risk appetite and achieve our business objectives. The Board reviews the reasonableness of these reports and representations from management and makes sufficient enquiries whenever they feel necessary, before reaching their conclusions.

During the Review Period, the Board has conducted a review of the effectiveness of the Company's risk management and internal control systems with the application of the above review process, and considered our risk management and internal control systems effective and adequate in both design and operations.

風險管理及內部監控(續)

內部審計職能(續)

本公司內部審計職能在監察本公司內部管治流程方面舉足輕重，為本公司的風險管理、治理和內部監控流程有效運行提供獨立性保證。該職能的主要任務包括對本公司在營運、資產保護、申報及合規領域的管治、風險管理及內部監控有效提供保證，並定期對本公司及附屬公司開展風險導向的審計，並就審計結果建議應採取的措施。該職能亦就本公司風險管理及內部監控事宜提供諮詢服務。

在回顧期內，本公司內部審計職能開展年度獨立性全面風險評估更新，針對選定的領域推進內部審計，並向管理層和董事會彙報。

審核系統是否有效及充足

本公司至少每年就風險控制事宜編制報告並遞交予董事會，詳述如何按照已建立的風險和控制框架管理風險和設計實施內部控制，以保持我們的全部風險敞口在風險偏好中，並實現我們的業務目標。董事會審閱這些管理層報告及聲明是否合理，並於得出結論前在必要時進行充分詢問。

回顧期內，董事會應用上述審核流程審核本公司風險管理及內部監控系統是否有效後認為我們風險管理及內部監控系統的設計及實施方面有效且充分。

Corporate Governance Report

企業管治報告

EXTERNAL AUDITORS AND AUDITOR'S REMUNERATION

The statement by the external auditor of the Company regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the section headed "Independent Auditor's Report" of this annual report.

For the year ended 31 December 2022, the total remuneration paid or payable to the Company's external auditors, PricewaterhouseCoopers ("PwC"), for audit and related services totaled RMB3,150,000.

An analysis of the remuneration paid or payable to PwC is set out below:

		Year ended 31 December 截至12月31日止年度 2022 2022年 RMB'000 人民幣千元
Auditors' remunerations	核數師費用	
— Audit Service	— 審計服務	3,150
— The Company	— 本公司	2,900
— Subsidiaries	— 附屬公司	250
— Non-audit services	— 非審計服務	—

COMPANY SECRETARY

Ms. Su Xiaohang is the company secretary of the Company, mainly responsible for reporting different affairs to the chairman of the Board and chief executive officer, and all Directors may obtain advises and service from Ms. Su. Please refer to the section headed "Directors and Senior Management" for details of Ms. Su.

During the Review Period, Ms. Su undertook at least 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

外聘核數師及其酬金

本公司外部核數師關於本公司合併財務報表申報責任的聲明載於本年報「獨立核數師報告」一節。

本年度截至2022年12月31日，本公司就審核及相關服務已付或應付給外聘核數師羅兵咸永道會計師事務所「羅兵咸永道」的酬金總額為人民幣3,150,000元。

已付或應付給羅兵咸永道的酬金分析如下：

公司秘書

蘇曉航女士為本公司之公司秘書，主要向董事會主席及行政總裁彙報，全體董事均可獲得其意見及服務。蘇女士詳細資料見「董事及高級管理人員」一節。

回顧期內，根據上市規則第3.29條，蘇女士接受了不少於15個小時的相關專業訓練。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognizes the importance of timely and nonselective disclosure of information, which will enable shareholders and investors to make the informed investment decisions.

The AGM provides opportunity for Shareholders to communicate directly with the Directors. The chairman of the Board and the chairmen of the Board Committees of the Company will attend the AGMs to answer Shareholders' questions. The external auditor of the Company will also attend the AGMs to answer questions about the conduct of the audit, the preparation and contents of the auditor's report, the accounting policies and auditor independence.

To promote effective communication, the Company adopts a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and its Shareholders and maintains a website at <http://www.aagenergy.com/>, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access.

SHAREHOLDERS' RIGHTS

Convening of Extraordinary General Meetings ("EGM") by Shareholders

Pursuant to the Articles, the Board may, whenever it thinks fit, convene an EGM. An EGM shall also be convened on the requisition of one or more shareholders of the Company holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting on a one vote per share basis at general meetings. Such requisition shall be made in writing to the Board or the company secretary of the Company for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition and to include the relevant resolution in such meeting. The Directors shall within two (2) months after the deposit of such requisition proceed duly to convene such meeting. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

與股東的溝通及投資者關係

本公司認為，與股東的有效溝通對加強投資者關係和讓投資者瞭解本集團業務、表現及策略至關重要。本公司也深知，及時且非選擇性的資訊披露對於股東和投資者能夠作出知情投資決定的重要性。

本公司股東周年大會為股東提供了與董事直接溝通的機會。本公司董事會主席及董事委員會主席會出席股東周年大會，並回答股東的提問。本公司的外聘核數師也會出席股東周年大會以解答有關審計工作、核數師報告及其內容、會計政策及核數師獨立性等方面的提問。

為加強有效溝通，本公司採用了旨在建立本公司與股東之間雙向關係及溝通的股東通訊政策，並開設了網站<http://www.aagenergy.com/>用於刊載本公司業務營運和發展、財務資料、企業管治常規情況及其他資料等最新資訊以供公眾人士查閱。

股東權利

股東召開股東特別大會「股東特別大會」

根據細則，董事會可於其認為適當的任何時候召開股東特別大會。任何於遞交請求日期持有不少於本公司實繳股本（附有於本公司股本中按一股一票基準於本公司股東大會表決的權利）十分之一的一名或多名股東，於任何時候有權透過向董事會或本公司的公司秘書提出書面要求，要求董事會召開股東特別大會，以處理有關要求中列明的任何事項並於會議議程上添加決議案且該大會應於遞交該要求後兩(2)個月內舉行。倘要求遞交後21日內，董事會未有召開該大會，則請求人士可自行以同樣方式作出召開大會，而本公司應向請求人支付董事會未能召開大會所產生的一切合理開支。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

Putting Forward Proposals at General Meetings

The Board is not aware of any provisions allowing the shareholders of the Company to put forward proposals at general meetings of the Company under the Articles and the laws of the Cayman Islands (2021 version). Shareholders who wish to put forward proposals at general meeting may refer to the preceding paragraph to make a written requisition to require the convening of an extraordinary general meeting of the Company.

Detailed procedures for shareholders to propose a person for election as a Director are published on the website of the Company.

Enquiries to the Board and Contact Details

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Unit 2506, 25/F
Cosco Tower
183 Queen's Road Central, Sheung Wan
Hong Kong
(For the attention of the Board of Directors)

Email: xiaohang.su@aagenergy.com

CHANGE IN CONSTITUTIONAL DOCUMENTS

The second amended and restated Memorandum and Articles of Association of the Company was adopted by special resolutions passed on May 20, 2022, which allow the Company to:

1. hold hybrid general meetings and general meetings by electronic means;
2. ensure the existing Memorandum and Articles of Association to align with any amendments of the applicable laws of the Cayman Islands and the Listing Rules; and
3. adopt certain amendments on internal management measures.

The second amended and restated Memorandum and Articles of Association of the Company is available on the websites of the Stock Exchange and the Company.

股東權利(續)

於股東大會上提呈議案

董事會並不知悉細則及開曼群島法例(2021版本)有任何條文允許本公司股東於本公司之股東大會上提呈議案。股東擬於股東大會上提呈議案，可參照前段所述遞呈請求書以要求召開本公司股東特別大會。

有關股東提名候選董事的議程詳情已刊載於本公司網站。

向董事會提出查詢及聯絡資訊

股東可將其向董事會提出的任何查詢以書面形式發送至本公司。口頭或匿名查詢本公司一般不予處理。股東可發送上述查詢或要求至以下地址：

地址：香港
上環皇后大道中183號
中遠大廈
25樓2506室
(送交董事會)

郵箱：xiaohang.su@aagenergy.com

章程文件的變更

本公司第二次修訂及重訂的組織章程大綱及細則，根據於2022年5月20日通過的特別決議案採納，以允許本公司：

1. 舉行混合股東大會及電子股東大會；
2. 使現有組織章程大綱及細則與開曼群島適用法例及上市規則的修訂一致；及
3. 納入若干內部管理修訂。

本公司第二次修訂及重訂的組織章程大綱及細則在聯交所及本公司網站可供查閱。

Independent Auditor's Report

獨立核數師報告



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
AAG ENERGY HOLDINGS LIMITED**
(incorporated in the Cayman Islands with limited liability)

獨立核數師報告
致亞美能源控股有限公司股東
(於開曼群島註冊成立的有限公司)

OPINION

What we have audited

The consolidated financial statements of AAG Energy Holdings Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 112 to 197, comprise:

- the consolidated balance sheet as at 31 December 2022;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

我們已審計的內容

亞美能源控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第112至197頁的合併財務報表，包括：

- 於2022年12月31日的合併資產負債表；
- 截至該日止年度的合併綜合收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策及其他解釋信息。

我們的意見

我們認為，該等合併財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2022年12月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

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Independent Auditor's Report

獨立核數師報告



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT
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(於開曼群島註冊成立的有限公司)

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部分中作進一步闡述。

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

The key audit matter identified in our audit is related to:

我們在審計中識別的關鍵審計事項是關於：

- Impairment of exploration and evaluation assets and gas properties, gas gathering stations and relating facilities and constructions in progress.

- 勘探及評估資產和天然氣資產、集氣站及相關設施和在建工程的減值評估。

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獨立核數師報告



羅兵咸永道

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KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter	How our audit addressed the Key Audit Matter
關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>Impairment of exploration and evaluation assets ("E&E Assets") and gas properties, gas gathering stations and relating facilities and constructions in progress (collectively the "Relevant Gas Assets") 勘探及評估資產和天然氣資產、集氣站及相關設施和在建工程(合稱「天然氣相關資產」)的減值評估</p> <p>Refer to note 6 to the consolidated financial statements. 請參閱合併財務報表附註6。</p> <p>As at 31 December 2022, the carrying amount of E&E Assets and Relevant Gas Assets of the Group amounted to 763.9 million and 4,361.3 million (31 December 2021: 661.6 million and 3,757.5 million), respectively. 於2022年12月31日，本集團的勘探及評估資產和天然氣相關資產賬面價值分別為763.9百萬人民幣和4,361.3百萬人民幣(2021年12月31日：661.6百萬人民幣和3,757.5百萬人民幣)。</p> <p>Management assessed E&E Assets and Relevant Gas Assets for impairment whenever there are events or changes in circumstance which indicate that the carrying amounts of these assets may exceed their recoverable amounts. 當存在事件或環境變化顯示勘探及評估資產和天然氣相關資產的賬面價值可能超過其可收回金額時，管理層將對勘探及評估資產和天然氣相關資產進行減值評估。</p>	<p>In addressing this matter, we have performed the following procedures: 在處理關鍵審計事項中，我們執行了以下程序：</p> <ul style="list-style-type: none"> • Understood and assessed the design, implementation effectiveness of key process and controls relating to the identification of impairment indicator, determination of cash generating units and the assessment of the recoverable amount. 了解並評估與識別潛在減值跡象、確定現金產出單元及評估可收回金額有關的關鍵流程和相關控制的設計及執行的有效性。 • Evaluated management's assessment of whether events or circumstances existed at 31 December 2022, which would indicate that E&E Assets or Relevant Gas Assets are impaired. 評估管理層對於2022年12月31日是否存在可能顯示勘探及評估資產和天然氣相關資產減值的事項或環境變化進行的評估。 • Where an impairment indicator was identified by management, procedures were performed on their impairment assessment, as below: 當管理層識別出存在資產減值跡象時，則對其實施如下的減值評估程序： <ul style="list-style-type: none"> — Compared the forecast gas prices used in the determination of the recoverable amount of respective cash generating unit against historical actual gas prices; 將管理層在評估相應的現金產生單元的可收回金額時採用的預測的天然氣價格與歷史實際天然氣價格進行比較； — 將管理層在評估相應的現金產生單元的可收回金額時採用的預測的天然氣價格與歷史實際天然氣價格進行比較；

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 (於開曼群島註冊成立的有限公司)

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter	How our audit addressed the Key Audit Matter
關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>When indicators of impairment of E&E Assets or Relevant Gas Assets were identified, management assessed the recoverable amounts of the cash generating units based on their value in use as estimated using discounted cash flow models. In performing such assessment, management adopted key assumptions, including:</p> <p>當勘探及評估資產和天然氣相關資產的減值跡象被識別時，管理層以基於折現現金流模型估算得出的可使用價值為基礎對現金產生單元的可收回金額進行評估。在實施該項評估時，管理層採用了以下關鍵假設：</p> <ul style="list-style-type: none"> — Forecast gas prices; 預測的天然氣價格； — Forecast production volumes; 預測的產量； — Forecast operating costs and capital expenditures; and 預測的經營性支出和資本性支出；及 — Discount rates. 折現率。 <p>Because of the significant balance of E&E Assets and Relevant Gas Assets as at 31 December 2022, together with the use of significant management judgements over various assumptions in estimating the recoverable amount, we have identified this matter as a key audit matter.</p> <p>鑒於勘探及評估資產和天然氣相關資產於2022年12月31日的賬面價值相對重大，以及在對該賬面價值的可收回金額進行評估時涉及的各项假設需要運用重要的管理層判斷，我們將此事項識別為關鍵審計事項。</p>	<ul style="list-style-type: none"> — Assessed the forecast production volume by comparing it against (i) the approved production plan for the year ending 31 December 2023; (ii) forecast production volume for the remaining concession period prepared by the management, which is consistent to the information set out in the reserve report; and (iii) historical actual production volume. We also performed procedures to evaluate the competence, capability and objectivity of external reserve experts engaged by management for preparing the reserve report; — 將預測的產量與(i)經批准的截至2023年12月31日止年度的生產計劃；(ii)管理層準備的剩餘合同期限內的預測產量，該產量與列示於儲量報告中的信息一致；及(iii)歷史實際產量進行比較，以評估預測的產量。此外，我們還實施程序對管理層聘用的編製儲量報告的外部專家的資質、勝任能力及客觀性進行評估； — Assessed the forecast operating costs against (i) the approved budget; and (ii) the historical actual costs; — 將預測的經營性支出與(i)經批准的預算；及(ii)歷史實際支出進行比較； — Compared the forecast capital expenditures against (i) the approved budget; and (ii) the historical actual costs; — 將預測的資本性支出與(i)經批准的預算；及(ii)歷史實際支出進行比較； — Compared the discount rate with external market data and published information of comparable companies; — 將折現率與外部市場資料和可比公司的公開信息進行比較； — Tested mathematical accuracy of the discounted cash flow projections. — 測算折現現金流量預測計算的準確性。

Based on our work, no significant exception has been noticed.
 基於我們的工作，未發現重大異常。

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獨立核數師報告



羅兵咸永道

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OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括合併財務報表及我們的核數師報告。

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

我們對合併財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

結合我們對合併財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

董事及審核委員會就合併財務報表 須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

在擬備合併財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

The Audit Committee is responsible for overseeing the Group's financial reporting process.

審核委員會須負責監督貴集團的財務報告過程。

Independent Auditor's Report

獨立核數師報告



羅兵咸永道

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
AAG ENERGY HOLDINGS LIMITED (Continued)
(incorporated in the Cayman Islands with limited liability)

獨立核數師報告
致亞美能源控股有限公司股東(續)
(於開曼群島註冊成立的有限公司)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

核數師就審計合併財務報表承擔的責任

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report

獨立核數師報告



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
AAG ENERGY HOLDINGS LIMITED** (Continued)
(incorporated in the Cayman Islands with limited liability)

獨立核數師報告
致亞美能源控股有限公司股東(續)
(於開曼群島註冊成立的有限公司)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

核數師就審計合併財務報表承擔的 責任(續)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

Independent Auditor's Report

獨立核數師報告



INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
AAG ENERGY HOLDINGS LIMITED (Continued)
(incorporated in the Cayman Islands with limited liability)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Hon Chong Heng.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 14 March 2023

羅兵咸永道

獨立核數師報告
致亞美能源控股有限公司股東(續)
(於開曼群島註冊成立的有限公司)

核數師就審計合併財務報表承擔的責任(續)

從與審核委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是韓宗慶。

羅兵咸永道會計師事務所
執業會計師

香港，2023年3月14日

Consolidated Balance Sheet

合併資產負債表

		As at 31 December		
		於 12 月 31 日		
		2022	2021	
		2022 年	2021 年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note			
	附註			
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	不動產、工廠及設備	6	5,202,581	4,478,379
Right-of-use assets	使用權資產	7	51,838	59,435
Intangible assets	無形資產	8	20,809	24,198
Restricted bank deposits	受限制銀行存款	14	67,797	60,230
Investments in associates	對聯營公司投資	9	372,270	242,985
Other financial assets at amortised cost	以攤餘成本計量的其他金融資產	10	31,378	55,000
Other non-current assets	其他非流動資產		34,243	309
			5,780,916	4,920,536
Current assets	流動資產			
Inventories	存貨		16,871	11,049
Other current assets	其他流動資產		77,146	101,146
Trade and other receivables	應收賬款及其他應收款	11	1,246,486	1,226,536
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產	12	69,646	–
Term deposits with initial terms of over three months	初始期限超過三個月的定期存款	14	–	200,000
Cash and cash equivalents	現金及現金等價物	14	2,118,660	1,626,675
			3,528,809	3,165,406
Total assets	總資產		9,309,725	8,085,942
EQUITY	權益			
Equity attributable to owners of the Company	歸屬於本公司所有者的權益			
Share capital	股本	15	2,080	2,080
Share premium	股本溢價		3,323,159	3,522,168
Other reserves	其他儲備	16	217,044	276,058
Retained earnings	留存收益		4,041,353	2,625,244
Total equity	總權益		7,583,636	6,425,550

Consolidated Balance Sheet

合併資產負債表

		As at 31 December	
		於 12 月 31 日	
		2022	2021
		2022 年	2021 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note		
	附註		
LIABILITIES			
Non-current liabilities			
Asset retirement obligations	17	141,335	150,695
Non-current lease liabilities	7	41,297	41,914
Deferred income tax liabilities	18	195,678	478,061
		378,310	670,670
Current liabilities			
Trade and other payables	19	1,149,372	803,599
Current income tax liabilities		188,967	172,390
Current lease liabilities	7	9,440	13,733
		1,347,779	989,722
Total liabilities		1,726,089	1,660,392
Total equity and liabilities		9,309,725	8,085,942

The notes on pages 117 to 197 are an integral part of these consolidated financial statements.

第117頁至197頁的附註是本合併財務報表的整體部分。

The consolidated financial statements on pages 112 to 197 were approved by the Board of Directors on 14 March 2023 and were signed on its behalf.

第112頁至197頁的財務報表由董事會於2023年3月14日批准，並由其代表簽署。

Director
董事
Yan Danhua
嚴丹華

Director
董事
Zhang Jianbing
張艦兵

Consolidated Statement of Comprehensive Income

合併綜合收益表

		Year ended 31 December 截至12月31日止年度		
		2022	2021	
		2022年	2021年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note 附註			
Revenue	收入	20	2,566,744	1,739,226
Other income	其他收入	21	347,683	251,875
Other (losses)/gains, net	其他(損失)/利得 — 淨額		(21,729)	18,022
Operating expenses	經營開支			
Depreciation and amortisation	折舊及攤銷		(554,238)	(396,523)
Employee benefit expenses	僱員福利開支	22	(106,833)	(102,901)
Exploration expenses	勘探開支		(94,918)	(50,280)
Materials, services and logistics	材料、服務及物流		(379,862)	(283,644)
Net impairment losses on financial assets	金融資產減值淨損失		(39,264)	(9,757)
Others	其他		(20,396)	(17,819)
Total operating expenses	經營開支總額		(1,195,511)	(860,924)
Profit from operations	經營利潤		1,697,187	1,148,199
Finance income	財務收益	23	36,023	24,522
Finance costs	財務費用	23	(9,738)	(5,750)
Exchange gains/(losses)	匯兌收益/(損失)	23	95,100	(8,597)
Finance income, net	財務收益 — 淨額		121,385	10,175
Share of net loss of associates accounted for using the equity method	應佔按權益法入賬的聯營公司投資虧損		(17,715)	(14,052)
Profit before income tax	除所得稅前利潤	24	1,800,857	1,144,322
Income tax expense	所得稅費用	25	(384,748)	(328,643)
Profit attributable to owners of the Company for the year	歸屬於本公司所有者的年度利潤		1,416,109	815,679
Other comprehensive income: Items that may be reclassified subsequently to profit or loss	其他綜合收益： 其後可能重分類至損益的項目			
Currency translation differences	外幣折算差額		(58,811)	(1,663)
Total comprehensive income attributable to owners of the Company for the year	歸屬於本公司所有者的年度綜合收益總額		1,357,298	814,016
Earnings per share (RMB)	每股收益(人民幣元)			
— Basic	— 基本	26	0.417	0.240
— Diluted	— 稀釋	26	0.417	0.240

The notes on pages 117 to 197 are an integral part of these consolidated financial statements.

第117頁至197頁的附註是本合併財務報表的整體部分。

Consolidated Statement of Changes in Equity

合併權益變動表

		Attributable to owners of the Company 歸屬於本公司的所有者					Total equity 總權益 RMB'000 人民幣千元
		Share capital 股本 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 留存收益 RMB'000 人民幣千元		
	Note 附註						
As at 1 January 2021	於 2021 年 1 月 1 日	2,079	3,869,806	279,392	1,809,565	5,960,842	
Comprehensive income	綜合收益						
Profit for the year	年度利潤	-	-	-	815,679	815,679	
Currency translation differences	外幣折算差額	-	-	(1,663)	-	(1,663)	
		-	-	(1,663)	815,679	814,016	
Transactions with owners	與所有者的交易						
Exercise of options	行使購股權	15	1	3,157	(1,671)	1,487	
Dividends	股利分配	27	-	(350,795)	-	(350,795)	
			1	(347,638)	(1,671)	(349,308)	
As at 31 December 2021	於 2021 年 12 月 31 日	2,080	3,522,168	276,058	2,625,244	6,425,550	
As at 1 January 2022	於 2022 年 1 月 1 日	2,080	3,522,168	276,058	2,625,244	6,425,550	
Comprehensive income	綜合收益						
Profit for the year	年度利潤	-	-	-	1,416,109	1,416,109	
Currency translation differences	外幣折算差額	-	-	(58,811)	-	(58,811)	
		-	-	(58,811)	1,416,109	1,357,298	
Transactions with owners	與所有者的交易						
Exercise of options	行使購股權	15	-	422	(203)	219	
Dividends	股利分配	27	-	(199,431)	-	(199,431)	
		-	(199,009)	(203)	-	(199,212)	
As at 31 December 2022	於 2022 年 12 月 31 日	2,080	3,323,159	217,044	4,041,353	7,583,636	

The notes on pages 117 to 197 are an integral part of these consolidated financial statements.

第 117 頁至 197 頁的附註是本合併財務報表的整體部分。

Consolidated Statement of Cash Flows

合併現金流量表

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
	Note 附註		
Cash flows from operating activities	經營活動現金流量		
Cash generated from operations	經營所得現金	28	2,479,187
Interest paid	已付利息		(3,785)
Income tax paid	已付所得稅		(650,554)
Net cash generated from operating activities	經營活動所得現金淨額		1,824,848
Cash flows from investing activities	投資活動現金流量		
Purchases of property, plant and equipment and intangible assets	購買不動產、工廠及設備以及無形資產		(1,130,134)
Increase in restricted bank deposits	受限制銀行存款增加		(7,566)
Decrease/(increase) in term deposits with initial terms of over three months	初始期限超過三個月的定期存款減少/(增加)		200,000
Payments for financial assets at fair value through profit or loss	購買以公允價值計量且其變動計入損益的金融資產		(279,114)
Payments for financial assets at amortised cost	購買以攤餘成本計量的其他金融資產		(604)
Loans to third party	向第三方提供貸款		(2,300)
Investments to associates	對聯營公司投資		(147,000)
Proceeds from sale of financial assets at fair value through profit or loss	出售以公允價值計量且其變動計入損益的金融資產		212,450
Proceeds from repayment of financial assets at amortised cost	收到以攤餘成本計量的其他金融資產償還款		–
Proceeds from disposal of property, plant and equipment	出售不動產、工廠及設備所得款項		–
Interest received	已收利息		13,022
Net cash used in investing activities	投資活動所用現金淨額		(1,141,246)
Cash flows from financing activities	融資活動現金流量		
Proceeds from exercise of options	行使購股權所得款項		207
Principal elements of lease payments	償還租賃負債本金		(6,436)
Dividends paid to the Company's shareholders	已付股利		(196,790)
Net cash used in financing activities	融資活動所用現金淨額		(203,019)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額		480,583
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	14	1,626,675
Exchange gains/(losses) on cash and cash equivalents	現金及現金等價物匯兌收益/(損失)		11,402
Cash and cash equivalents at end of the year	年末現金及現金等價物	14	2,118,660

The notes on pages 117 to 197 are an integral part of these consolidated financial statements.

第117頁至197頁的附註是本合併財務報表的整體部分。

Notes to the Consolidated Financial Statements

合併財務報表附註

1. GENERAL INFORMATION

AAG Energy Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are principally engaged in exploration, development and production of coalbed methane (“CBM”) in the People’s Republic of China (the “PRC”). The Company is an exempted company incorporated in the Cayman Islands with limited liability on 23 December 2014. The address of the Company’s registered office is P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Group conducts its business through two Production Sharing Contracts (“PSC”) entered into with China United Coalbed Methane Corporation Ltd. (“CUCBM”) and China National Petroleum Corporation (“CNPC”) (authorizing its subsidiary PetroChina Company Limited (“PetroChina”)) for Panzhuang and Mabi concessions respectively in Shanxi Province of the PRC.

The Overall Development Plan (“ODP”) of Panzhuang concession was approved by the National Development and Reform Commission (“NDRC”) of the PRC on 28 November 2011, which allowed Panzhuang concession to enter into commercial development phase. On 1 November 2016, Panzhuang concession entered into production phase after the Joint Management Committee (“JMC”) approved and announced based on the terms of Panzhuang PSC. The ODP of the Southern Area of Mabi concession was approved by NDRC in September 2018. With this approval, the Southern Area of Mabi concession is eligible for commercial development. On 1 January 2020, the Southern Area of Mabi concession entered into production phase after the JMC approved and announced based on the terms of Mabi PSC. As at 31 December 2022, the Northern Area of Mabi concession was still in exploration phase.

The Company’s initial public offering (“IPO”) of its shares on the Main Board of the Stock Exchange of Hong Kong Limited was completed on 23 June 2015.

1. 一般資料

亞美能源控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要在中華人民共和國(「中國」)從事煤層氣(「CBM」)的勘探、開發及生產。本公司於2014年12月23日在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands。

本集團通過與中聯煤層氣有限責任公司(「CUCBM」)及中國石油天然氣集團有限公司(「CNPC」)(授權其子公司中國石油天然氣股份有限公司(「中石油」))分別就中國山西省潘莊和馬必區塊訂立的兩份產品分成合同(「產品分成合同」)開展業務。

潘莊區塊的總體開發方案(「ODP」)於2011年11月28日獲中國國家發展和改革委員會(「國家發改委」)批准，允許潘莊區塊進入商業開發階段。於2016年11月1日，潘莊區塊在獲聯合管理委員會(「聯合管理委員會」)基於潘莊產品分成合同條款的批准和宣告之後，進入生產階段。馬必區塊南區ODP於2018年9月獲國家發改委批覆。自此，馬必區塊南區具備了商業開發的條件。於2020年1月1日，馬必區塊南區在獲聯合管理委員會基於馬必產品分成合同條款的批准和宣告之後，進入生產階段。於2022年12月31日，馬必區塊北區仍處於勘探階段。

本公司於2015年6月23日在香港聯合交易所有限公司主板完成首次公開發售(「首次公開發售」)。

Notes to the Consolidated Financial Statements

合併財務報表附註

1. GENERAL INFORMATION (Continued)

In 2018, Liming Holding Limited (“Liming”), an indirect wholly owned subsidiary, controlled through Sichuan Liming Energy Development Co., Ltd. (“Sichuan Liming”), of Xinjiang Xintai Natural Gas Co., Ltd. (“XTRQ”), a company incorporated in the PRC and listed on the Shanghai Stock Exchange (stock code: 603393), acquired approximately 50.5% of issued shares of the Company.

The Directors regard Liming, Sichuan Liming and XTRQ as its immediate parent entity, intermediate parent entity and the ultimate parent entity of the Company respectively subsequent to the completion of the takeover (“Change of Control”).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) and the disclosure requirements of the Hong Kong Companies ordinance Cap.622. The consolidated financial statements have been prepared under the historical cost convention.

The consolidated financial statements are presented in Renminbi (“RMB”) unless otherwise stated.

The preparation of the financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

1. 一般資料(續)

於2018年，新疆鑫泰天然氣股份有限公司(「新天然氣」，於中國註冊成立的公司，於上海證券交易所上市(股份代號：603393))通過四川利明能源開發有限責任公司(「四川利明」)持有的間接全資附屬公司香港利明控股有限公司(「利明」)收購本公司約50.5%已發行股份。

收購完成後，董事將利明、四川利明及新天然氣分別視為本公司的直接控股公司、中間控股公司及最終控股公司(「控制權變更」)。

2. 重要會計政策摘要

編製本合併財務報表採用的主要會計政策載於下文，除另有說明外，此等政策在所列報的所有年度內貫徹使用。

2.1 編製基準

本集團的合併財務報表已根據所有適用香港財務報告準則(「香港財務報告準則」)及《香港公司條例》第622章的披露規定編製。合併財務報表根據歷史成本法編製。

除另有說明外，合併財務報表以人民幣(「人民幣」)列報。

編製符合香港財務報告準則的財務報表需要使用若干關鍵會計估計。亦需要管理層在應用本集團的會計政策過程中行使其判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對合併財務報表作出重大假設和估計的範疇，在附註4中披露。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(a) New and amended standards adopted by the Group

The Group has applied the following amendments or annual improvements for the first time for their annual reporting period commencing 1 January 2022:

- Property, Plant and Equipment: Proceeds before Intended Use — Amendments to HKAS 16
- Reference to the Conceptual Framework — Amendments to HKFRS 3
- Annual Improvements to HKFRS Standards 2018–2020
- Covid-19 Related Rent Concessions beyond 30 June 2021 — Amendment to HKFRS 16 (March 2021)

The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the abovementioned amended standards or annual improvements.

2. 重要會計政策摘要(續)

2.1 編製基準(續)

(a) 本集團已採納新訂及已修訂準則

本集團於2022年1月1日開始的年度報告期間首次採用以下修訂或年度改進：

- 物業、廠房及設備：預定用途前的收益 — 對《香港會計準則第16號》的修訂
- 參考概念框架 — 對《香港財務報告準則第3號》的修訂
- 2018–2020年香港財務報告準則的年度改進
- 2021年6月30日以後與新冠疫情相關的租金優惠 — 對《香港財務報告準則第16號》的修訂(2021年3月)

本集團並未由於採納上述修訂或年度改進而改變其會計政策或進行追溯調整。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group.

- Classification of Liabilities as Current or Non-current — Amendments to HKAS 1
- Disclosure of Accounting Policies — Amendments to HKAS 1 and HKFRS Practice Statement 2
- Definition of Accounting Estimates — Amendments to HKAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction — Amendments to HKAS 12

These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2. 重要會計政策摘要(續)

2.1 編製基準(續)

(b) 尚未採納的新準則及解釋

多項新會計準則、修訂及解釋已頒佈，惟毋須於2022年12月31日的報告期間強制應用，而本集團亦無提早採納。

- 流動負債和非流動負債的分類 — 對《香港會計準則第1號》的修訂
- 會計政策披露 — 對《香港會計準則第1號》和《香港財務報告準則實務說明第2號》的修訂
- 會計估計的定義 — 對《香港會計準則第8號》的修訂
- 與單項交易產生的資產和負債相關的遞延所得稅 — 對《香港會計準則第12號》的修訂

此等準則、修訂或解釋預期將不會於當前或未來報告期間對實體以及可見將來交易造成重大影響。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3 Production Sharing Contract

The Group's exploration, development and production activities are primarily conducted through PSCs which establish joint control over the exploration, development and production activities. Each participant is entitled to a predetermined share of the related output and bears an agreed share of the costs.

The consolidated financial statements reflects:

- (i) The Group's assets used in joint operations;
- (ii) Any liabilities that the Group has incurred;
- (iii) Any income from the sale or use the Group's share of the output of the production, together with its share of any expenses incurred in the production; and
- (iv) Any expenses that the Group has incurred in respect of its interest in the production.

2. 重要會計政策摘要(續)

2.2 附屬公司

附屬公司是指本集團對其有控制權的實體(包括結構性實體)。當本集團因參與該實體而接受或享有可變回報的權益，並有能力通過其權力指揮實體活動而影響該回報時，則本集團對該實體具有控制權。附屬公司自控制權轉移至本集團之日起全面合併入賬。子公司在控制權終止之日起停止合併入賬。

集團內部交易，集團公司間交易產生的結餘及未變現收益會相互抵銷。未變現虧損也會抵銷，除非此交易提供了轉移資產減值的證據。於必要時會對附屬公司的會計政策作出調整以確保與本集團所採用的政策保持一致。

2.3 產品分成合同

本集團的勘探、開發及生產活動主要通過產品分成合同進行，而產品分成合同確立了對勘探、開發及生產活動的共同控制權。各參與者均享有產量的預定份額及承擔協定的成本。

合併財務報表反映了：

- (i) 本集團用於共同業務的資產；
- (ii) 本集團產生的任何負債；
- (iii) 銷售或使用本集團應佔產量產生的任何收入，連同其生產過程中的產生的任何費用；及
- (iv) 本集團就其產品權益產生的任何費用。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Production Sharing Contract (Continued)

The Group's PSCs comprise of three phases: the exploration phase, development phase and production phase. Costs incurred with respect to exploration activities within the PSC contract areas are solely borne by the Group. All costs incurred subsequent to the date of the approval of ODP are treated as development costs and provided by the Group and the PSC partners in the proportion of their respective participating interests. Operating costs incurred for the production operation shall be borne by the Group and the PSC partners in proportion to their share of the output of the CBM productions in each concession.

Pursuant to the Panzhuang and Mabi PSCs, the annual gross production of CBM, after payment of value-added tax ("VAT") and royalties, is allocated into Cost Recovery CBM and Remainder CBM.

(a) Cost Recovery CBM

Cost Recovery CBM is the CBM allocated to the Group and the PSC partners for recovery of the operating costs, as well as the exploration costs and development costs. 70% and 80% of annual gross production of CBM is deemed as Cost Recovery CBM under the Panzhuang and Mabi PSC, respectively. Cost Recovery CBM is allocated until all costs incurred by each party have been fully recovered. Cost Recovery CBM is allocated as follows:

- (i) Prior to the production phase, Cost Recovery CBM is firstly applied to recover costs incurred during the exploration phase of the PSC and once such costs have been fully recovered, Cost Recovery CBM is allocated to recover costs incurred during the development phase.

2. 重要會計政策摘要(續)

2.3 產品分成合同(續)

本集團的產品分成合同包含三個階段：勘探階段、開發階段及生產階段。就產品分成合同區域的勘探活動所產生成本全部由本集團承擔。總體開發方案獲批日之後所產生全部成本視作開發成本並由本集團及產品分成合同合作方按其各自參與權益比例分擔。生產運營所產生的營運成本應由本集團及產品分成合同合作方按其應佔各區塊煤層氣產量的比例承擔。

根據潘莊和馬必的產品分成合同，煤層氣的年度總產量經扣減增值稅（「增值稅」）及礦區土地使用費後分配至費用回收氣及餘額氣。

(a) 費用回收氣

費用回收氣為分配於本集團和產品分成合同合作方以回收經營成本，勘探成本以及開發成本的煤層氣。潘莊及馬必產品分成合同下分別有70%和80%的煤層氣年度總產量被視為費用回收氣。費用回收氣獲分配直至各方產生的全部成本已收回為止。費用回收氣分配如下：

- (i) 生產階段前，費用回收氣首先用於收回產品分成合同勘探階段所產生成本，一旦有關成本全部回收，費用回收氣將分配至開發階段產生的成本。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Production Sharing Contract (Continued)

(a) Cost Recovery CBM (Continued)

- (ii) After the PSC enters the production phase, Cost Recovery CBM is allocated according to the following mechanism:

Operating cost recovery: payment in kind for the operating costs actually incurred but not yet recovered by each party.

Exploration and development cost recovery: after operating costs have been fully recovered, the Cost Recovery CBM is allocated to the Group and the PSC partners for the recovery of exploration and development costs. Exploration costs, 100% of which are borne by the Group, are fully recovered before development costs can be recovered. Upon the full recovery of exploration costs, any remaining Cost Recovery CBM is allocated between the Group and the PSC partners for the recovery of development costs according to the respective participating interests in the CBM concessions.

For the purpose of recovery, exploration costs do not include any interest, while development costs include a deemed interest calculated at a fixed compound interest rate of 9% per annum.

2. 重要會計政策摘要(續)

2.3 產品分成合同(續)

(a) 費用回收氣(續)

- (ii) 產品分成合同進入生產階段之後，費用回收氣根據以下機制分配：

經營成本回收：對實際發生但各方尚未收回的各類經營成本的支付。

勘探及開發成本回收：經營成本全部回收之後，費用回收氣將分配至本集團和產品分成合同合作方，以回收勘探和開發成本。勘探成本（100%由本集團承擔）於開發成本回收之前全部回收。回收全部勘探成本後，任何剩餘的費用回收氣根據本集團和產品分成合同合作方按其應佔各區塊參與權益在兩者之間分配以收回開發成本。

就回收目的而言，勘探成本不包括任何利息，而開發成本包括按9%的固定複合年利率計算的認定利息。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Production Sharing Contract (Continued)

(b) Remainder CBM

Remainder CBM represents the remainder annual gross CBM production after payment of VAT, royalties and allocation to Cost Recovery CBM.

The Remainder CBM is further divided into allocable remainder CBM and share CBM. The allocable remainder CBM equals to the total remainder CBM multiplied by a factor (X) and the share CBM equals the Remainder CBM minus the allocable remainder CBM. The factor (X) is determined in accordance with a set of successive incremental tiers on the basis of the annual gross CBM production as set out in the PSCs. The allocable remainder CBM is allocated between the Group and the PSC partner according to the respective participating interest in the PSC. Share CBM is allocated 100% to the PSC partner.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the directors and chief executive of the Company.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company is US\$, whereas the functional currency of the production sharing projects in the PRC is RMB. The consolidated financial statements are presented in RMB.

2. 重要會計政策摘要(續)

2.3 產品分成合同(續)

(b) 餘額氣

餘額氣為煤層氣總年產量扣除增值稅、礦區土地使用費及費用回收氣分配後的餘額。

餘額氣進一步分為分成氣和留成氣。分成氣等於總剩餘氣乘以一個係數(X)，而留成氣等於餘額氣減分成氣。係數(X)根據產品分成合同所載以煤層氣總年產量為基礎的一系列滑動階梯決定。分成氣根據本集團與產品分成合同合作方各自於產品分成合同的參與權益之間分配。留成氣100%分配於產品分成合同合作方。

2.4 分部報告

經營分部的報告方式與向主要營運決策者提供的內部報告方式一致。董事和本公司首席執行官被認定為主要營運決策者，負責分配資源並評估經營分部的業績。

2.5 外幣折算

(a) 功能及列報貨幣

本集團各主體的財務報表所列項目均以該主體營運所在主要經濟環境的貨幣(「功能貨幣」)計量。本公司的功能貨幣是美元，而在中國的產品分成合同項目的功能貨幣是人民幣。合併財務報表以人民幣列報。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Foreign currency translation (Continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are generally recognised in the consolidated statements of comprehensive income.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the consolidated statements of comprehensive income within "exchange gains/(losses)".

(c) Group companies

The results and financial positions of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income ("OCI").

2. 重要會計政策摘要(續)

2.5 外幣折算(續)

(b) 交易及結餘

外幣交易採用交易日的適用匯率換算為功能貨幣。結算此類交易產生的匯兌利得和損失以及按年終匯率換算以外幣計價的貨幣資產及負債產生的匯兌利得和損失通常在合併綜合收益表確認。

有關現金及現金等價物的匯兌盈虧於合併綜合收益表以「匯兌收益／(損失)」列報。

(c) 集團公司

功能貨幣與列報貨幣不同的所有集團實體(當中無惡性通貨膨脹經濟下的貨幣)的業績及財務狀況按以下方式換算為列報貨幣：

- (i) 每份資產負債表中的資產和負債按資產負債表日的收市匯率換算；
- (ii) 每份綜合收益表的收入及費用按平均匯率換算(除非此匯率並非交易日匯率累計影響的合理近似值，在此情況下，收入和費用按交易日期的匯率折算)；及
- (iii) 所有由此產生的貨幣折算差額在其他綜合收益中確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment

Property, plant and equipment, other than exploration and evaluation assets and construction in progress, are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the consolidated statements of comprehensive income during the financial period in which they are incurred.

Other than gas properties, depreciation of each asset is calculated using the straight-line method to allocate its cost less its residual value over its estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

	Estimated useful lives 估計可使用年期
Gas gathering station and relating facilities 集氣站及相關設施	Shorter of remaining PSC period or 20 years 產品分成合同剩餘年限或20年(以較短者為準)
Building and structures 樓宇及建築物	20 years 20年
Vehicles 車輛	4-5 years 4-5年
Furniture, fittings and others 傢俱、裝置及其他	3-5 years 3-5年

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

2. 重要會計政策摘要(續)

2.6 不動產、工廠及設備

不動產、工廠及設備(勘探和評估資產及在建工程除外)均以歷史成本減去累計折舊和減值列示。歷史成本包括直接歸屬於收購項目的所有開支。

後續成本僅會在與項目有關的未來經濟利益很可能流入本集團，而該項目的成本可以被可靠計量時，方會計入資產的賬面價值或確認為一項單獨資產(如適用)。已替換部分的賬面價值予以終止確認。所有其他維修和維護費在產生之財務期間計入合併綜合收益表。

除了天然氣資產，各資產的折舊按其成本減剩餘價值在其估計使用年期中以直線法計算。不動產、工廠及設備的估計使用年期如下：

資產的剩餘價值及使用年限於各資產負債表日進行覆核及調整(如適用)。

如果資產的賬面價值大於其估計可回收金額，其賬面價值須立即調減至資產的可回收金額(附註2.10)。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment (Continued)

Construction in progress represents development costs occurred after the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and the buildings, machinery and equipment for which the construction work has not been completed. It is carried at cost which includes construction expenditures and other direct costs less any impairment losses. Upon completion, the development costs recorded in construction in progress are transferred to gas properties. No depreciation is provided for construction in progress until they are completed and available for use.

Spare parts are accounted for as property, plant and equipment when (a) they can be used only in connection with an item of property, plant and equipment; or (b) the Group expects to use them during more than one year. Other spare parts are classified as inventory.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised within "other (losses)/gains" in the consolidated statements of comprehensive income.

2.7 Exploration and evaluation assets

Exploration and evaluation expenditures mainly include acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, sampling and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

During initial stage of a project, exploration and evaluation expenditures are expensed as incurred. Expenditure on a project after it has reached a stage at which there is a high degree of confidence in its viability is capitalised as exploration and evaluation assets. If a project does not prove viable, all irrecoverable expenditures associated with the project are expensed in the consolidated statements of comprehensive income.

2. 重要會計政策摘要(續)

2.6 不動產、工廠及設備(續)

在建工程指就開採礦產資源進行技術可行性及商業可行性之後所產生的開發成本以及建造工程尚未完工的樓宇、機器及設備。在建工程以成本列示，成本包括建造開支及其他直接成本扣除任何減值損失。於完工後，計入在建工程的開發成本轉入天然氣資產。在建工程在完工並投入使用之前不計提折舊。

當備件(a)僅用於一項不動產、工廠及設備；或(b)本集團預期該設備的使用年限超過一年時，作為不動產、工廠及設備列示。其他備件分類為存貨。

處置的收益和損失按所得款項與賬面價值的差額確定，並於合併綜合收益表中的「其他(損失)/利得」中確認。

2.7 勘探及評估資產

勘探及評估開支主要包括勘探權的購買，地形、地質、地球化學和地球物理研究，勘探鑽井、取樣以及有關評估技術可行性和商業開採礦產資源的可行性的活動的支出。

在項目的最初階段，勘探和評估開支於產生時支銷。項目達到確信可行階段後，其開支作為勘探及評估資產撥充資本。若項目經證實不可行，與該項目有關的所有不可回收開支於合併綜合收益表中列示。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Exploration and evaluation assets (Continued)

Costs of exploratory wells are capitalised and evaluated for economic viability within one year after completion of drilling. The related well costs are expensed as dry holes if it is determined that such economic viability is not attained.

Exploration and evaluation assets are measured at cost less impairment provisions. Exploration and evaluation assets are reclassified to gas properties when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, and also tested for impairment immediately prior to reclassification to gas properties.

2.8 Gas properties

Gas properties include drilling costs, exploration and evaluation costs, development costs and other direct costs attributable to the gas production properties. Gas properties are depreciated based on the unit of production method. Unit of production rates are based on proved and probable gas reserves estimated to be recoverable from whole concessions based on the current terms of the respective PSC and taking into account estimated future development costs necessary to bring those reserves into production.

2.9 Intangible assets

Intangible assets represent computer software. Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over their estimated useful lives ranging from 3 to 10 years.

2. 重要會計政策摘要(續)

2.7 勘探及評估資產(續)

勘探井成本於佔採完成後一年內予以資本化並評價其經濟可行性。如果被證實此經濟可行性無法達成，相關井成本作為乾井支銷。

勘探及評估資產以成本減減值撥備計量。當證實技術上可行和商業開採礦產資源可行後，勘探及評估資產會重分類至天然氣資產。

當事實及實際情況顯示勘探及評估資產的賬面價值可能超過其可回收金額時，將對勘探及評估資產進行減值評估，亦會於重分類至天然氣資產前進行減值測試。

2.8 天然氣資產

天然氣資產包括鑽井成本，勘探及評估成本，開發成本和其他歸屬於天然氣生產資產的直接成本。天然氣資產基於單位生產法計提折舊。單位生產法下的折舊率根據各產品分成合同現行條款，按證實及概算天然氣儲量的估計可採量計算並考慮生產該等儲量所需的估計未來開發成本。

2.9 無形資產

無形資產是指電腦軟件。購入的電腦軟件按購入該指定軟體並將其投入使用所產生的成本予以資本化。該成本按三至十年的估計可使用年限以直線法攤銷。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independently of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

2.11 Investments in associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

2. 重要會計政策摘要(續)

2.10 非金融資產減值

對於須做折舊或攤銷的資產，當有事件出現或情況改變預示賬面價值不能收回時要進行減值測試。減值虧損按照該資產的賬面價值超出其可回收金額的差額確認。可回收金額按照該資產的公允價值扣除出售成本或使用價值中較高者確認。就評估減值而言，資產將按可單獨識別並大致上獨立於其他資產或資產組別的現金流量的最低層級（現金產生單位）進行分組。除商譽外，已出現減值的非金融資產在各資產負債表日就是否可能轉回減值進行檢查。

2.11 對聯營公司投資

聯營公司指所有本集團對其有重大影響力而無控制權的主體，通常附帶有20%至50%投票權的股權。

對聯營公司投資初始以成本確認後，以權益法入賬。

根據權益法，投資初始以成本確認。本集團應佔聯營公司購買後利潤或虧損於合併綜合收益表內確認，而應佔其購買後的其他綜合收益變動則於其他綜合收益內確認，並相應調整投資賬面值。已收或應收聯營公司的股息確認為投資賬面值的減少。

如本集團應佔一家聯營公司的虧損等於或超過其在該聯營公司的權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團對聯營公司已產生法律或推定債務或已代聯營公司作出付款。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments in associates (Continued)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.10.

2.12 Financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2. 重要會計政策摘要(續)

2.11 對聯營公司投資(續)

本集團與其聯營公司之間的上流和下流交易的利潤和虧損，在集團的財務報表中確認，但僅限於無關連投資者在聯營權益的數額。除非交易提供證據顯示所轉讓資產已減值，否則未實現虧損亦予以對銷。聯營的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

以權益法入賬的投資，其賬面值根據附註2.10所述的政策進行減值測試。

2.12 金融資產

(a) 分類

本集團按以下計量類別對金融資產進行分類：

- 後續以公允價值計量（且其變動計入其他綜合收益或損益）的金融資產，及
- 以攤餘成本計量的金融資產。

該分類取決於實體管理金融資產的業務模式以及該金融資產的合同現金流量特徵。

當且僅當管理該等資產的業務模式發生變化時，本集團才對債務投資進行重分類。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Financial assets (Continued)

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other (losses)/gains together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

2. 重要會計政策摘要(續)

2.12 金融資產(續)

(b) 確認和終止確認

常規購買及出售的金融資產於交易日確認。交易日是指本集團承諾購買或出售資產的日期。當收取金融資產現金流量的權利已到期或已轉讓，且本集團已經轉移了金融資產所有權上幾乎所有的風險和報酬，金融資產即終止確認。

(c) 計量

對於不被分類為以公允價值計量且其變動計入損益的金融資產，本集團以其公允價值加上可直接歸屬於獲得該項金融資產的交易費用進行初始確認。與以公允價值計量且其變動計入損益的金融資產相關的交易費用計入損益。

債務工具

債務工具的后續計量取決於本集團管理該資產的業務模式以及該資產的現金流量特徵。本集團將債務工具分為以下三種計量類別：

- 以攤餘成本計量：對於持有以收取合同現金流量的資產，如果合同現金流量僅代表對本金和利息的支付，則該資產以攤餘成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收益。終止確認時產生的利得或損失直接計入損益，並與匯兌收益和損失一同列示在其他(損失)/利得中。減值損失作為單獨的科目在合併綜合收益表中列報。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Financial assets (Continued)

(c) Measurement (Continued)

Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other (losses)/gains. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other (losses)/gains and impairment expenses are presented as separate line item in the consolidated statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other (losses)/gains in the period in which it arises.

2. 重要會計政策摘要(續)

2.12 金融資產(續)

(c) 計量(續)

債務工具(續)

- 以公允價值計量且其變動計入其他綜合收益：對於業務模式為持有以收取現金流量及出售的金融資產，如果該資產的現金流量僅代表對本金和利息的支付，則該資產被分類為以公允價值計量且其變動計入其他綜合收益。除減值利得或損失、利息收入以及匯兌收益和損失計入損益外，賬面價值的變動計入其他綜合收益。該等金融資產終止確認時，之前計入其他綜合收益的累計利得或損失從權益重分類至損益中，並計入其他(損失)/利得。該等金融資產的利息收入以實際利率法計算，計入財務收益。匯兌收益和損失在其他(損失)/利得中列示，減值損失作為單獨的科目在合併綜合收益表中列報。
- 以公允價值計量且其變動計入損益：不符合以攤餘成本計量或以公允價值計量且其變動計入其他綜合收益標準的金融資產，被分類為以公允價值計量且其變動計入損益。對於後續以公允價值計量且其變動計入損益的債務工具，其利得或損失計入損益，並於產生期間以淨值在其他(損失)/利得中列示。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Financial assets (Continued)

(c) Measurement (Continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other (losses)/gains in the consolidated statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

2. 重要會計政策摘要(續)

2.12 金融資產(續)

(c) 計量(續)

權益工具

本集團以公允價值對所有權益投資進行後續計量。如果本集團管理層選擇將權益投資的公允價值利得和損失計入其他綜合收益，則當終止確認該項投資時，不會將公允價值利得和損失重分類至損益。對於股利，當本集團已確立收取股利的權利時，該等投資的股利才作為其他收益而計入損益。

對於以公允價值計量且其變動計入損益的金融資產，其公允價值變動列示於合併綜合收益表的其他(損失)/利得(如適用)。對於以公允價值計量且其變動計入其他綜合收益的權益投資，其減值損失(以及減值損失轉回)不與其他公允價值變動單獨列示。

(d) 減值

對於以攤餘成本計量和以公允價值計量且其變動計入其他綜合收益的債務工具，本集團就其預期信用損失做出前瞻性評估。減值方法取決於其信用風險是否顯著增加。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Inventories

(a) **Material, spare parts and consumables with low value**

Material, spare parts and consumables with low value are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(b) **Raw materials, work in progress and finished goods**

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises raw material costs, pipeline transportation costs associated with purchasing raw materials and outsourced processing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Trade and other receivables

Trade receivables are amounts due from customers for gas sold in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Other receivables are mainly government grants due from government and PSC partners and cash call due from PSC partners, which are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

See Note 11 for further information about the Group's accounting for trade and other receivables and Note 3.1(a) for a description of the Group's impairment policies.

2. 重要會計政策摘要(續)

2.13 存貨

(a) **材料、備件及低值易耗品**

材料、備件及低值易耗品按成本與可變現淨值的較低者列示。成本按照加權平均法確認。可變現淨值是日常業務中的估計售價減適用的可變銷售開支所得。

(b) **原材料、在產品及產成品**

原材料、在產品及產成品按成本與可變現淨值的較低者列示。成本包括原材料成本、與採購原材料相關的管道運輸成本以及委託加工成本，按照加權平均法進行分配。可變現淨值是日常業務中的估計售價減估計完工成本和估計進行銷售所需的成本所得。

2.14 應收賬款及其他應收款

應收賬款為在日常經營活動中就煤層氣銷售而應收客戶的款項。應收賬款按可無條件獲得的對價金額進行初始確認，但當其包含重大融資成分時，按公允價值進行初始確認。本集團持有應收賬款的目的是收取合同現金流量，因此後續使用實際利率法按攤餘成本計量應收賬款。

其他應收款主要是應從政府及產品分成合同合作方收取的政府補助，以及應產品分成合同合作方收取的現金籌款。其他應收款初始按公允價值計量，隨後採用實際利率法按照攤餘成本扣除減值準備計量。

關於本集團應收賬款及其他應收款會計處理的更多信息，請參見附註11。關於本集團的減值政策，請參見附註3.1(a)。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and term deposits with original maturities of three months or less.

2.16 Share capital

Ordinary shares are classified as equity (Note 15).

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Current and deferred income tax

The income tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statements of comprehensive income, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

2. 重要會計政策摘要(續)

2.15 現金及現金等價物

現金及現金等價物包括現金、可隨時支取的銀行存款及原到期期限為三個月或以下的定期存款。

2.16 股本

普通股分類為權益(附註15)。

直接歸屬於發行新股或購股權的新增成本從所得款項中扣減(已扣除稅款)。

2.17 應付賬款

應付賬款是在日常經營活動中，因接受供應商提供的商品或服務而承擔的債務。除非付款期限在一年以上，應付賬款列示為流動負債。

應付賬款按照公允價值進行初始確認，其後使用實際利率法按攤銷成本計量。

2.18 當期及遞延所得稅

所得稅開支包含當期稅項和遞延稅項。稅項在合併綜合收益表內確認，但與其他綜合收益或直接在權益確認的項目有關的稅項除外。在此情況下，稅項分別在其他綜合收益或者直接權益內確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Current and deferred income tax (Continued)

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group companies operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2. 重要會計政策摘要(續)

2.18 當期及遞延所得稅(續)

(a) 當期所得稅

當期所得稅支出根據集團公司營運所在及產生應課稅收入的國家與結算日已頒佈或實質已頒佈的稅務法規計算。管理層就使用稅務法規所規定的情況定期評估稅務狀況，並在適用情況下根據需向稅務機關支付的稅款設定撥備。

(b) 遞延所得稅

遞延所得稅利用負債法就資產和負債的稅基與資產和負債在合併財務報表中的賬面價值的差額所產生的暫時性差異而確認。然而倘遞延稅項負債因初始確認商譽而產生，則不會確認有關遞延稅項負債，若遞延所得稅來自交易(不包含業務合併)中對資產和負債的初始確認，而在交易中不影響會計損益或應課稅利潤或虧損，亦不進行確認。遞延所得稅採用在結算日前已頒佈或實質上已頒佈，並根據有關遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用的稅率(及法例)予以確定。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available to utilise those temporary differences and losses.

Deferred income tax liabilities are recognised on all taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint arrangements, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on all deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

(c) Offsetting

Deferred tax assets and tax liabilities are offset where there is a legally enforceable right to offset current tax assets and tax liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2. 重要會計政策摘要(續)

2.18 當期及遞延所得稅(續)

(b) 遞延所得稅(續)

遞延所得稅資產僅在未來可能產生應課稅利潤以使用暫時性差異和虧損的情況下予以確認。

本集團就與投資附屬公司、聯營公司及合營安排相關的應課稅暫時性差異確認遞延所得稅負債，除非本集團可控制暫時性差異轉回的時間，且該暫時性差異在可預見將來很可能不會轉回。

本集團就投資附屬公司、聯營公司及合營安排所產生的可扣減暫時性差異確認遞延所得稅資產，但僅限於暫時性差異在可預見將來很可能轉回，且將來很可能獲得用來抵銷可扣減暫時性差異的應課稅利潤。

(c) 抵銷

當有法定可執行權力將當期稅項資產與稅項負債抵銷，且遞延稅項餘額涉及同一稅務機關時，則可將遞延稅項資產與稅項負債互相抵銷。當本集團有法定可執行的抵銷權且有意向以淨額基準結算，或實現資產並同時結算負債，則可將當期稅項資產與稅項負債互相抵銷。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The Group participates in defined contribution plans operated by relevant government authorities. A defined contribution plan is a pension plan which the Group pays to the relevant government authorities contributions calculated according to the bases and percentage prescribed. When employees retire, the relevant government authorities are obliged to pay the pensions to them. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised and allocated to related cost of assets and expenses based on different beneficiaries. There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

All Chinese employees of the Group also participate in other social security plans, including medical, housing and other welfare benefits, organised and administered by the government authorities. According to the relevant regulations, the premiums and welfare benefit contributions that should be borne by the Group are calculated based on percentages of the total salary of employees, subject to a certain ceiling, and are paid to the labor and social welfare authorities.

2. 重要會計政策摘要(續)

2.19 僱員福利

預期將在僱員提供相關服務的期間結束後12個月內完全結算的工資及薪金負債(包括非貨幣性福利)在僱員提供相關服務的期間確認，並按負債結算時預期支付的金額計量。

本集團參與由相關政府機關運營的設定提存計劃。設定提存計劃為本集團向相關政府機關支付根據規定的基數和百分比計算供款的退休金計劃。當僱員退休時，相關政府機關有義務向其支付退休金。如果該基金沒有足夠資產向所有僱員就其在當期及以往期間的僱員服務支付福利，本集團亦無法定或推定責任支付進一步供款。供款根據不同受益者確認並分配至資產的相關成本及費用。在設定提存計劃下，無已被沒收的供款(即僱員在有關供款歸其所有前退出該計劃，由僱主代僱員處理的供款)，可用於抵減現有的供款水平。

本集團的所有中國員工亦參與政府機關組織及管理的其他社會保障計劃，包括醫療、住房及其他福利。根據有關規定，本集團須承擔的保險及福利計劃供款根據僱員薪金總額的比例且在不超過規定上限的基礎計算，並向勞動及社會福利機構繳納。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts and VAT.

Sales of gas

The Group produces and sells gas. Sales of gas are recognised when control of the gas has transferred, being when the gas is delivered to the customers. The amount of revenue is recognised based on the terms of the PSCs and gas sales agreements.

2.21 Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants that are receivable as compensation for expenses or losses already incurred with no future related costs, such as refund of VAT paid and subsidies granted according to CBM production, are recognised in profit or loss in the period in which they become receivable. Note 21 provides further information on how the Group accounts for government grants.

2. 重要會計政策摘要(續)

2.20 收入確認

收入按已收或者應收對價的公允價值計量並相當於供應商品的應收款項，扣除折扣和增值稅後列賬。

煤層氣銷售

本集團生產及銷售煤層氣。當煤層氣控制權已轉移，即煤層氣已交付予客戶時，本集團確認煤層氣銷售收入。收入金額根據產品分成合同及煤層氣銷售協議的條款予以確認。

2.21 政府補助

政府補助按公允價值合理確認將可收到補助，並且本集團符合所有附帶條件時方可確認。

政府補助為已產生的開支或虧損並且無日後相關成本的補償，如退回已付增值稅及按煤層氣生產授予的補貼，並於其成為應收款期間確認為損益。附註21提供有關本集團如何入賬政府補助的進一步資料。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Share-based compensation

(a) Equity-settled share-based payment transactions

The Group operates two equity-settled share-based compensation plans, under which the Group receives services from employees as consideration for equity instruments (options and restricted share unit) of the Company. The fair value of the employee services received in exchange for the grant of the options and restricted share unit is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options and restricted share unit granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining as an employee of the Group over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or to hold shares for a specified period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of the equity instruments that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statements of comprehensive income, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received from the exercise of options net of any directly attributable transaction costs are credited to share capital (and share premium).

2. 重要會計政策摘要(續)

2.22 以股份為基礎的報酬

(a) 以權益結算以股份為基礎的交易

本集團運營兩種權益結算下以股份為基礎的報酬計劃，根據該計劃，將實際收取僱員的服務作為本集團權益工具(購股權和受限制股份單位)的代價。職工為換取授予購股權和受限制股份單位而提供服務的公允價值確認為費用。將作為費用的總金額參考授予購股權和受限制股份單位的公允價值釐定：

- 包括任何市場業績條件(例如主體的股價)；
- 不包括任何服務和非市場業績條件(例如盈利能力、銷售增長目標和在特定時期內僱員的留任率)的影響；及
- 包括任何非可行權條件的影響(例如僱員於特定期間存有或持有股份的規定)。

費用總額在授予期內確認，授予期指達成所有指定授予條件的期間。在各報告期末，本集團依據非市場業績和服務條件修訂其對預期授予的權益工具數目的估計。在合併綜合收益表確認對原估算的修訂(如有)的影響，並對權益做出相應調整。

在行使購股權時，本公司發行新股。行使購股權收取的所得款項扣除任何直接交易成本計入股本(和股本溢價)。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Share-based compensation (Continued)

(a) Equity-settled share-based payment transactions (Continued)

If the terms of an equity-settled award are modified, at a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the equity instruments, or is otherwise beneficial to the employee, as measured at the date of modification.

If a grant of equity instruments is cancelled or settled during the vesting period, the Company shall account for the cancellation or settlement as an acceleration of vesting, and shall therefore recognise immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

(b) Share-based payment transactions among group entities

The grant by the Company of its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent company entity accounts.

2.23 Interest income

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Interest income is calculated by applying the effective interest rate.

2. 重要會計政策摘要(續)

2.22 以股份為基礎的報酬(續)

(a) 以權益結算以股份為基礎的交易(續)

在修訂以權益結算的獎勵條件時，如果有關條款並無作出修訂，將會至少確認開支。亦會就增加權益工具的總公允價值的任何修訂，或於修訂當日計算時對僱員有利的任何修訂確認額外開支。

如果在歸屬期內取消授予的權益工具或對所授予的權益性工具進行結算，公司應將取消或結算作為加速歸屬處理，立即確認本應在剩餘歸屬期間確認的金額。

(b) 集團間以股份為基礎的支付交易

母公司向為本集團工作的附屬公司僱員所授出其權益工具視為注資。所獲得的僱員服務的公允價值參考授予日的公允價值計量，於授予期內確認為增加附屬公司的投資，並相應計入母公司實際賬目之權益。

2.23 利息收入

出於現金管理目的而持有的金融資產的利息收入列示為財務收益。利息收入按實際利率計算。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Provision-Asset retirement obligation

Asset retirement obligation for environmental restoration is recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Asset retirement obligation is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Asset retirement obligation are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.25 Lease

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;

2. 重要會計政策摘要(續)

2.24 撥備 — 資產棄置義務

當本集團因過往事件而產生現有法定或推定債務，並可能需要有資源流出以結清債務，且金額已經可靠估計，則須確認有關環境恢復的資產棄置義務。

如有多項類似責任，其需在結算中有資源流出的可能性，則可根據債務類別整體考慮。即使在同一債務類別所包含的任何一個項目相關的資源流出的可能性較低，仍需確認資產棄置義務。

資產棄置義務按照與其需用作結清債務稅前利率計算的開支現值計量，該利率反映當時市場對時間價值及該債務的特定風險評估。因時間的流逝而增加的撥備確認為利息開支。

2.25 租賃

本集團在租賃資產可供其使用的當日將租賃確認為使用權資產和相應的負債。

合同可能同時包含租賃組成部分和非租賃組成部分。本集團基於各租賃組成部分與非租賃組成部分的單獨價格相對比例分攤合同對價。

租賃產生的資產和負債按現值進行初始計量。租賃負債包括以下租賃付款額的淨現值：

- 固定付款額(包括實質固定付款額)，扣除任何應收的租賃激勵；
- 基於指數或比率確定的可變租賃付款額，採用租賃期開始日的指數或比率進行初始計量；

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Lease (Continued)

- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

2. 重要會計政策摘要(續)

2.25 租賃(續)

- 本集團根據餘值擔保預計應付的金額；
- 本集團合理確定將行使的購買選擇權的行權價格；及
- 在租賃期反映出本集團將行使選擇權的情況下終止租賃的罰款金額。

當本集團合理確定將行使續租選擇權時，租賃付款額也納入負債的計量中。

租賃付款額按租賃內含利率折現。本集團的租賃內含利率通常無法直接確定，在此情況下，應採用承租人的增量借款利率，即承租人在類似經濟環境下獲得與使用權資產價值接近的資產，在類似期間以類似抵押條件借入資金而必須支付的利率。

為確定增量借款利率，本集團應：

- 在可能的情況下，以承租人最近收到的第三方融資為起點，並進行調整以反映融資條件自收到第三方融資後的變化；
- 對於近期末獲得第三方融資的本集團持有的租賃，採用以無風險利率為起點的累加法，並按照租賃的信用風險進行調整；及
- 針對租賃做出特定調整，如租賃期、國家、貨幣及抵押。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Lease (Continued)

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of buildings and all leases of low-value assets are recognised on a straight-line basis as an expense in consolidated statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2. 重要會計政策摘要(續)

2.25 租賃(續)

本集團未來可能會面臨基於指數或利率確定的可變租賃付款額增加的風險，這部分可變租賃付款額在實際發生時納入租賃負債。當基於指數或利率對租賃付款額進行調整時，租賃負債應予以重估並根據使用權資產調整。

租賃付款額在本金和融資費用之間進行分攤。融資費用在租賃期內計入合併綜合收益表，以按照固定的週期性利率對各期間負債餘額計算利息。

使用權資產按成本計量，包括：

- 租賃負債的初始計量金額；
- 在租賃期開始日或之前支付的租賃付款額扣除收到的租賃激勵；
- 初始直接費用；及
- 復原成本。

使用權資產一般在資產的使用壽命與租賃期兩者孰短的期間內按直線法計提折舊。如本集團合理確定會行使購買權，則在標的資產的使用壽命期間內對使用權資產計提折舊。本集團對列報為不動產、廠房及設備的土地和建築物的價值進行重估，但未選擇重估所持有的使用權建築物的價值。

與短期樓宇租賃及所有低價值資產租賃相關的付款額按直線法確認為費用，計入合併綜合收益表。短期租賃是指租賃期為12個月或者小於12個月的租賃。低價值資產包括IT設備和小型辦公傢俱。

Notes to the Consolidated Financial Statements

合併財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, market risk (including foreign exchange risk), liquidity risk and concentration risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Credit risk

(i) Risk management

Credit risk of the Group arises from cash at bank, trade and other receivables and other financial assets at amortised cost.

As the majority of the cash at bank are placed with state-owned and international banks and financial institutions in the PRC and Hong Kong, and there has been no recent history of default in relation to these banks and financial institutions, the corresponding credit risk is relatively low.

The Group has controls in place to assess the credit quality of its customers, taking into account of their financial positions, past experience and other factors. The Group's sales were only made to the customers with good credit history. The utilisation of credit limits is regularly monitored.

2. 重要會計政策摘要(續)

2.26 股利

本集團就報告期結束時或之前經適當授權且不再由實體自行決定的任何已宣佈但在報告期結束時未分配的股利金額計提撥備。

3. 財務風險管理

3.1 財務風險因素

本集團的經營活動面臨各種財務風險：信用風險、市場風險(包括外匯風險)、流動性風險及集中風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並致力減低對本集團財務表現的潛在不利影響。

(a) 信用風險

(i) 風險管理

本集團的信用風險來自銀行存款、應收賬款及其他應收款以及以攤餘成本計量的其他金融資產。

由於大部分銀行存款存放於中國及香港的國有及國際銀行及金融機構，且該類銀行及金融機構近期並無違約記錄，相應信用風險相對較低。

本集團實施控制措施以評估客戶的信用資質，考慮其財務狀況、過往經驗及其他因素。本集團只向具有良好信貸記錄的客戶進行銷售。信用限額的使用會受定期監控。

Notes to the Consolidated Financial Statements

合併財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Impairment of financial assets

The Group has financial assets that are subject to the expected credit loss model:

- trade receivables,
- notes receivables,
- other receivables, and
- other financial assets at amortised cost

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

For trade and notes receivables, the Group applies the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade and notes receivables.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 信用風險(續)

(ii) 金融資產減值

本集團的以下幾類金融資產適用於預期信用損失模型：

- 應收賬款；
- 應收票據；
- 其他應收款；及
- 以攤餘成本計量的其他金融資產

現金及現金等價物亦須遵循香港財務報告準則第9號的減值要求，但已確認的減值損失並不重大。

就應收賬款及應收票據而言，本集團採用簡化方法計量預期信用損失，即對所有應收賬款及應收票據確認整個存續期的預期損失撥備。

Notes to the Consolidated Financial Statements

合併財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

The Group assesses the expected credit losses on an individual basis and grouped basis. As for the grouped basis, trade receivables have been grouped based on shared credit risk characteristics, and then recalculates their respective historical credit loss information. The historical credit loss rate are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the consumer price index to be the most relevant factors and accordingly adjusts the historical loss rate based on expected changes in these factors.

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 信用風險(續)

(ii) 金融資產減值(續)

本集團按個別基準和組合基準評估預期信用損失。在組合基準下，根據共同風險特徵對應收賬款進行分組，然後重新計算其各自的歷史信用損失信息。本集團調整了歷史信用損失率，以反映影響客戶應收賬款結算能力的當前和前瞻性宏觀經濟因素信息。本集團已將消費者物價指數確定為最重要的因素，並基於這些因素的預期變化相應地調整歷史信用損失率。

本集團將應收賬款於12月31日的期末損失撥備調整至期初損失撥備，具體如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Opening loss allowance	期初損失撥備	(15,184)	(7,600)
Increase in loss allowance recognised in profit or loss during the year	本年內計入損益的損失撥備增加	(15,038)	(7,584)
Closing loss allowance	期末損失撥備	(30,222)	(15,184)

Notes to the Consolidated Financial Statements

合併財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

To measure the expected credit losses of notes receivables, the Group calculates the expected credit loss based on the default risk exposure and the lifetime expected credit loss rate, with the consideration of the historical credit loss experience, the current situation and the forecast of future economic conditions. Considering all of the notes receivables are bank acceptance bills and there is no default experience in the past, the Group does not recognise any impairment.

For other receivables, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the other receivables since initial recognition or the other receivables not determined to have low credit risk at the reporting date, in which cases the loss allowance is measured at an amount equal to lifetime ECLs.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 信用風險(續)

(ii) 金融資產減值(續)

應收賬款的減值損失在經營利潤中列報為減值損失淨額。後續收回的以前沖銷金額貸記入相同的項目中。

為計量應收票據的預期信用損失，本集團參考歷史信用損失經驗，結合當前狀況，以及對未來經濟狀況的預測，通過違約風險敞口和整個存續期間的預期信用損失率，計算其信用損失。由於本集團所有應收票據均為銀行承兌匯票，且歷史期間並無違約記錄，本集團未確認減值撥備。

就其他應收款而言，本集團按照相當於未來12個月內預期信用損失的金額計量其損失準備，除非該其他應收款的信用風險自初次確認以來顯著增加或在報告日不被認為具有較低的信用風險，此種情況下，損失準備按等同於整個存續期預期信用損失的金額計量。

Notes to the Consolidated Financial Statements

合併財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

The loss allowances for other receivables as at 31 December reconcile to the opening loss allowances as follows:

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Opening loss allowance	期初損失撥備	(2,173)	–
Increase in loss allowance recognised in profit or loss during the year	本年內計入損益的損失撥備增加	–	(2,173)
Closing loss allowance	期末損失撥備	(2,173)	(2,173)

The Group assess the expected credit losses of other financial assets at amortised cost on an individual basis. The expected credit losses are assessed with reference to the credit status of the recipients and the past due status of doubtful debtors.

管理層按個別基準評估以攤餘成本計量的其他金融資產的預期信用損失。預期信用損失乃經參考收款人的信用狀況及呆賬債務人的逾期情況後進行評估。

The loss allowances for other financial assets at amortised cost as at 31 December reconcile to the opening loss allowances as follows:

本集團將以攤餘成本計量的其他金融資產於12月31日的期末損失撥備調整至期初損失撥備，具體如下：

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Opening loss allowance	期初損失撥備	–	–
Increase in loss allowance recognised in profit or loss during the year	本年內計入損益的損失撥備增加	(24,226)	–
Closing loss allowance	期末損失撥備	(24,226)	–

Notes to the Consolidated Financial Statements

合併財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Market risk

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US\$. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency other than the entity's functional currency.

Prior to 30 April 2016, the Group was exposed to non-cash foreign exchange risk arising from retranslation of US\$ denominated inter-company loans. To manage the foreign exchange risk, management decided to execute a debt restructuring on 30 April 2016 by converting the inter-company loans into perpetual loans through entering into perpetual loan agreements between respective group companies such that the perpetual loans do not bear interest and the lenders can not request repayment. Upon completion of this debt restructuring, any foreign exchange differences arising from retranslation of these US\$ denominated perpetual loans are recognised in equity in the consolidated financial statements.

The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates, and by monitoring the amount of the US\$ intracompany accounts.

As at 31 December 2022, if RMB had weakened/strengthened by 1% against the US\$ with all other variables held constant, profit before income tax for the year would have been RMB46,000 (31 December 2021: negative RMB1,187,000) lower/higher, respectively, mainly as a result of foreign exchange gains/losses on translation of US\$ denominated receivables and payables held by the Group entities with their functional currency as RMB.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(b) 市場風險

外匯風險

本集團須承受各種貨幣所產生外匯風險，尤以美元為甚。當未來商業交易或已確認資產或負債以實體功能貨幣以外的貨幣計值，則會產生外匯風險。

2016年4月30日之前，本集團承受的非現金外匯風險來自重新折算的以美元計價的公司間貸款。為了管理外匯風險，管理層決定於2016年4月30日執行債務重組，通過將公司間貸款轉為永久性貸款。所屬的集團公司各自簽訂永久貸款協定，永續貸款不承計利息並且貸款方不得要求償還。在此次債務重組完成時，由這些美元永續貸款轉換產生的任何匯兌差異在合併財務報表確認為權益。

本集團密切監控匯率變動及美元公司內部往來款賬戶，以管理外匯風險。

於2022年12月31日，如人民幣兌美元貶值/升值1%，而所有其他可變因素保持不變，則除所得稅前年度利潤將分別減少/增加人民幣46,000元(2021年12月31日：負人民幣1,187,000元)，主要原因是將本集團實體所持以美元計值的公司內部往來款換算為其功能貨幣人民幣所產生的匯兌收益/損失。

Notes to the Consolidated Financial Statements

合併財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

The liquidity risk of the Group is mainly controlled by maintaining sufficient cash and cash equivalents through operations. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

		Less than 1 year	1-2 years	2-5 years	Over 5 years	Total contractual cash flows 合同現金 流量總額	Carrying amount liabilities 賬面價值 負債
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 31 December 2022	於2022年12月31日						
Trade and other payables	應付賬款及其他應付款	1,099,727	-	-	-	1,099,727	1,099,727
Lease liabilities	租賃負債	9,440	10,895	29,048	17,904	67,287	50,737
		1,109,167	10,895	29,048	17,904	1,167,014	1,150,464
As at 31 December 2021	於2021年12月31日						
Trade and other payables	應付賬款及其他應付款	750,415	-	-	-	750,415	750,415
Lease liabilities	租賃負債	13,733	10,519	26,831	24,225	75,308	55,647
		764,148	10,519	26,831	24,225	825,723	806,062

(d) Concentration risk

Revenue of the Group is mainly derived from Panzhuang concession. Any disruption to the operation of the concession may have a material adverse impact to the result of operation and the financial position of the Group.

During the year, 48.6% of the Group's revenue was derived from sales made to the top five customers (2021: 46.7%). In the event that these customers terminate their business relationship with the Group and the Group fails to find new customers, it may have a material adverse impact on the Group's financial position and result of operations.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動性風險

本集團的流動性風險主要是通過經營維持充裕的現金及現金等價物進行控制。下表顯示本集團的金融負債，按照相關的到期類別，根據由結算日至合同到期日的剩餘時間進行分析。

(d) 集中風險

本集團的收入主要來自潘莊區塊。該區塊營運的任何中斷，均可能對本集團的經營業績及財務狀況造成重大不利影響。

本年內，本集團48.6%的收入來自向前五名客戶作出的銷售(2021年：46.7%)。若該等客戶終止與本集團的業務關係，而本集團未能尋得新客戶，則本集團的財務狀況及經營業績會受到重大不利影響。

Notes to the Consolidated Financial Statements

合併財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital by using debt-to-asset ratio analysis. This ratio is calculated as amount of total liabilities divided by total assets as shown in the consolidated balance sheet. The debt-to-asset ratio at 31 December 2022 and 2021 is 18.5% and 20.5%, respectively.

3.3 Fair value estimation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is as follow:

(i) **Financial instruments in level 1**

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period.

(ii) **Financial instruments in level 2**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

3. 財務風險管理(續)

3.2 資本管理

本集團的資本管理目標旨在保障本集團能夠持續經營，為股東提供回報及為其他利益相關者提供利益，同時維持最佳的資本結構以減少資本成本。

為了維持或調整資本結構，本集團可能會調整支付給股東的股利金額、向股東返還資本或發行新股。

本集團利用資產負債率分析監控資本。該比率按合併資產負債表列示的負債總額除以資產總額計算。本集團在2022年12月31日及2021年12月31日的資產負債率分別為18.5%和20.5%。

3.3 公允價值估計

本節闡述釐定於財務報表內按公允價值確認及計量之金融工具之公允價值時所作判斷及估計。為得出釐定公允價值所用輸入數據的可信程度指標，本集團根據會計準則將其金融工具分為三層。各層級之說明如下：

(i) **在第一層級內的金融工具**

在活躍市場(如公開買賣衍生工具、買賣及股本證券)中交易的金融工具的報告期末的公允價值皆源於市場報價。

(ii) **在第二層級內的金融工具**

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值利用估值技術釐定。估值技術盡量利用可觀察市場數據(如有)，盡量少依賴主體的特定估計。如計算一金融工具的公允價值所需的所有重大輸入為可觀察數據，則該金融工具歸屬於第二層級。

Notes to the Consolidated Financial Statements

合併財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(iii) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The following table presents the Group's financial assets that are measured at fair value.

		Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets	金融資產				
As at 31 December 2022	於 2022 年 12 月 31 日				
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產				
— Investment in unlisted fund (Note 12)	— 權益投資 (附註 12)	—	—	69,646	69,646

For the financial instruments traded in active market, the Group generally use the closing price quoted on the relevant active market; for the financial instruments not traded in active market, the Group use the valuation techniques to determine the fair value. Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments, discounted cashflow model and etc.

For the year ended 31 December 2022, if the fair values of the financial assets at FVPL held by the Group had been 10% higher/lower, the profit before income tax would have been approximately RMB6,964,600 higher/lower.

3. 財務風險管理 (續)

3.3 公允價值估計 (續)

(iii) 在第三層級內的金融工具

如一項或多項重大輸入並非根據可觀察市場數據，則該金融工具歸屬於第三層級。非上市權益證券屬於此類情況。

下表呈列本集團以公允價值計量的金融資產。

對於在活躍市場上交易的金融工具，本集團以其活躍市場報價確定其公允價值；對於不在活躍市場上交易的金融工具，本集團採用估值技術確定其公允價值。所使用的估值模型主要為類似工具的市場報價或交易商報價、現金流量折現模型及其他技術等。

截至 2022 年 12 月 31 日止年度，如本集團所持有以公允價值計量且其變動計入損益的金融資產的公允價值上升/下跌 10%，則除所得稅前利潤將上升/下跌人民幣 6,964,600 元。

Notes to the Consolidated Financial Statements

合併財務報表附註

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4.1 Estimation of proved and probable gas reserves

Proved gas reserves are those quantities of CBM that by analysis of geoscience and engineering data can be estimated with reasonable certainty to be commercially recoverable, from a given date forward and under defined economic conditions, operating methods, and government regulations. Probable gas reserves are those additional reserves of CBM that analysis of geoscience and engineering data indicate are less likely to be recovered than proved reserves but more certain to be recovered than possible reserves.

The Group's reserve estimates were prepared for each concession area and include only CBM that the Group believes can be reasonably produced within current economic and operating conditions. Reserves cannot be measured exactly. Reserve estimates are based on many factors that require evaluation by the engineers interpreting the available data, as well as price and other economic factors. The reliability of these estimates at any point in time depends on both the quality and quantity of the technical and economic data, and the production performance as well as engineering judgement. Consequently, reserve estimates are subject to revision as additional data become available. Well tests and engineering studies will likely improve the reliability of the reserve estimate. The evolution of technology may also result in the application of improved recovery techniques such as supplemental or enhanced recovery projects, or both, which have the potential to increase reserves beyond those envisioned during the early years of a reservoir's producing life.

4. 關鍵會計估計及判斷

估計及判斷是根據過往經驗及其他因素（包括在某些情況下對未來事件的合理預測）進行持續評估。本集團對未來作出評估及假設。顧名思義，會計估計極少與相關的實際結果相同。對下個財務年度的資產與負債的賬面價值造成重大調整的估計與假設討論如下。

4.1 證實及概算煤層氣儲量的估計

證實煤層氣儲量是通過分析地質科學及工程資料，自某特定日期起在限定經濟條件、經營條件及政府監管下，可合理確定作為商業性開採的估計煤層氣數量。概算煤層氣儲量是地質科學及工程資料分析顯示其與證實儲量相比回收的可能性更低，但與可能儲量相比回收可能性更加確切的煤層氣儲量。

本集團的儲量估計按各區塊編製，僅包括本集團認為在現行經濟及經營條件下可合理生產的煤層氣。儲量無法精確計算。儲量估計基於工程師對可用數據的解釋以評估的諸多因素，同時考慮價格及其他經濟因素。任何時間點的估計可靠性取決於技術及經濟數據的質量和數量、生產表現以及工程判斷。因此，儲量估計在可獲得額外資料時進行修訂。井的測試及工程研究可能提高儲量估計的可靠性。技術發展也可能導致應用經改良的採氣技術，例如補充或經提升開採項目（或一併採用），該技術具有使儲量增至超過氣藏生產週期初期儲量的潛力。

Notes to the Consolidated Financial Statements

合併財務報表附註

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.1 Estimation of proved and probable gas reserves (Continued)

Proved and probable reserves are key elements in the Group's investment decision-making process. They are also an important element in testing for impairment. A reduction in proved and probable reserves will increase depreciation and amortisation charges (assuming constant production) and reduce net profit. Proved and probable reserve estimates are subject to revision, either upward or downward based on new information, such as from development drilling and production activities or from changes in economic factors, including gas prices, contract terms or development plans.

In general, changes in the technical maturity of gas reserves resulting from new information becoming available from exploration, development and production activities and change in gas price have tended to be the most significant cause of annual revisions.

4.2 Impairment of exploration and evaluation assets

Exploration and evaluation assets are capitalised on a field-by-field basis and are assessed for impairment when circumstances suggest that the carrying amount may exceed its recoverable amount. This assessment involves judgment as to (i) the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; and (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; and (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; and (iv) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. While conducting an impairment review of its assets, the Group makes certain judgments in making assumptions about the future gas prices, reserves and future development and production costs. Changes in these estimates could require a material change on the carrying amount of exploration and evaluation assets.

4. 關鍵會計估計及判斷(續)

4.1 證實及概算煤層氣儲量的估計(續)

證實及概算儲量是本集團投資決策過程中的關鍵元素，也是減值測試的重要元素。證實及概算儲量減少將增加折舊及攤銷費用(假設產量不變)，並減少淨利潤。證實及概算儲量估計可根據新資料(例如來自開發鑽探和生產活動或者天然氣價格、合同條款以及開發方案等經濟因素變動)而向上或向下調整。

一般而言，因勘探、開發及生產活動取得最新資料而令煤層氣儲量的技術成熟度變動以及天然氣價格變動是導致每年作出修訂的最重要原因。

4.2 勘探及評估資產減值

勘探及評估資產按氣田基準撥充資本，當發生賬面價值超過可收回金額的情況評估減值。相關評估涉及有關以下各項的判斷：(i)在特定區域的探礦權期內已經或將於近期屆滿，並預期不會續期；及(ii)對進一步勘探及評估特定區域礦產資源的大量開支既無預算亦無規劃；及(iii)在特定區域勘探及評估礦產資源未發現商業上有利的礦產資源數量，而本集團決定終止在該區域的活動；及(iv)有充分資料顯示，儘管可能在特定區域進行開發，但勘探及評估資產的賬面價值不可能在成功開發或銷售中全數收回。在進行資產減值討論時，本集團就有關煤層氣未來價格、儲量及未來開發和生產成本的假設進行若干判斷。該估計變動可能導致勘探及評估資產的賬面價值產生重大變動。

Notes to the Consolidated Financial Statements

合併財務報表附註

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.3 Impairment of gas properties, gas gathering stations and relating facilities and construction in progress

Gas properties, gas gathering stations and relating facilities and construction in progress are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. In estimating the recoverable amounts of assets, various assumptions, including future cash flow to be associated with the assets and discounted rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will be revised and this may have impacts on the Group's result of operation or financial position.

4.4 Income taxes and deferred tax

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be reflected in the income tax expense and deferred tax provisions in the period in which such determination is made.

In addition, the realisation of future income tax assets is dependent on the Group's ability to generate sufficient taxable income in future years to utilise income tax benefits and tax loss carry-forwards. Deviations of future profitability from estimates or in the income tax rate would result in adjustments to the value of future income tax assets and liabilities that could have a significant effect on the income tax expenses.

4. 關鍵會計估計及判斷(續)

4.3 天然氣資產、集氣站及相關設施和在建工程減值

天然氣資產、集氣站及相關設施和在建工程會在事項發生或情況出現變化而導致賬面價值可能不能收回時，評估是否減值。減值虧損按有關資產的賬面價值超過其可收回金額的數額確認。可收回金額為資產的公允價值減去銷售成本或使用價值中的較高值。評估資產的可回收金額時，會作出多項假設(包括與資產相關的未來現金流量及貼現率)。若將來情況與該假設不相符，將修訂可收回金額，而此舉可能會對本集團的經營業績或財務狀況造成影響。

4.4 所得稅及遞延稅項

本集團須在多個司法權區繳納所得稅。對於所得稅的全球撥備須作出重大判斷。在正常業務過程中，若干交易及計算的最終稅務結果並不確定。本集團根據是否須繳納額外稅項的估計對預期稅項審核事宜確認負債。若該事宜的最終稅務結果與最初記錄的金額不符，該差額將在相關期間的所得稅開支和遞延稅項撥備中反映。

此外，未來所得稅資產的實現，取決於本集團未來年度是否產生足夠的應課稅收入，以使用所得稅收益及稅項虧損結轉的能力而定。若將來盈利能力偏離估計或所得稅率，則須對未來所得稅資產及負債的價值作出調整，此舉可能對所得稅開支構成重大影響。

Notes to the Consolidated Financial Statements

合併財務報表附註

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.5 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3.1(a).

5. SEGMENT INFORMATION

The chief operating decision-maker ("CODM") has been identified as the directors and chief executive of the Company who review the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The CODM considers the business from perspective of types of goods delivered. During the year ended 31 December 2022, the Group's operating segments are as follows:

— Panzhuang and Mabi concessions: the sales of CBM

The two operating segments are defined by PSCs, which is the basis by which the CODM makes decisions about resources to be allocated and assesses their performance. The financial information of the two concessions under the relating PSCs has been separated to present segment information to be reviewed by the CODM.

— Xinhe: the sales of liquified natural gas ("LNG")

The measurement of results and assets of the operating segments are the same as those described in the summary of significant accounting policies. The CODM evaluates the performance of the operating segments based on profit before income tax, depreciation and amortisation, finance income, finance costs and exchange gains/(losses) ("EBITDA").

4. 關鍵會計估計及判斷(續)

4.5 金融資產減值

金融資產的損失撥備是基於有關違約風險和預期損失率的假設。本集團在做出這些假設時運用判斷，並根據過去的歷史、現有的市場狀況以及每個報告期末的前瞻性估計選擇計算減值的輸入值。註釋3.1(a)中披露了所使用的關鍵假設和輸入值的詳細信息。

5. 分部資料

主要營運決策者(「主要營運決策者」)為本公司的董事及總裁，負責審閱本集團的內部報告以評估表現和分配資源。主要營運決策者已根據該等報告確定經營分部。

主要營運決策者從所交付之貨品類型之角度考慮有關業務。截至2022年12月31日止年度，本集團之經營及可呈報分部如下：

— 潘莊區塊和馬必區塊：CBM銷售。

該等經營分部按產品分成合同界定，這是主要營運決策者做出資源分配決定及評估其表現的基準。產品分成合同下兩區塊的財務資料已分為不同的分部資料列示，以供主要營運決策者審閱。

— 新合：液化天然氣(「LNG」)銷售。

經營分部的業績及資產的計量方法與重要會計政策摘要中所述相同。主要營運決策者根據除所得稅、折舊及攤銷、財務收益、財務費用及匯兌收益/(損失)前的利潤(「EBITDA」)評估經營分部的表現。

Notes to the Consolidated Financial Statements

合併財務報表附註

5. SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the reportable segments for the year ended 31 December 2022 is as follows:

5. 分部資料(續)

截至2022年12月31日止年度，就可呈報分部提供給主要營運決策者的分部資料如下：

		Panzhuang concession 潘莊區塊 RMB'000 人民幣千元	Mabi concession 馬必區塊 RMB'000 人民幣千元	Xinhe 新合 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Year ended 31 December 2022	截至2022年12月31日止年度				
Segment revenue	分部收入	1,918,205	471,513	297,725	2,687,443
Inter-segment revenue	分部間收入	(120,699)	–	–	(120,699)
Revenue from external customers	來自外部客戶的收入	1,797,506	471,513	297,725	2,566,744
EBITDA (i)	EBITDA (i)	1,933,483	300,990	31,566	2,266,039
Other income	其他收入	280,422	67,261	–	347,683
Operating expenses	經營開支	(616,777)	(411,382)	(146,921)	(1,175,080)
Depreciation and amortisation	折舊及攤銷	(356,703)	(190,687)	(2,800)	(550,190)
Net impairment losses on financial assets	金融資產減值淨損失	(15,038)	–	(24,226)	(39,264)
Finance income	財務收益	22,246	4,124	4,194	30,564
Finance costs	財務費用	(8,449)	(1,251)	–	(9,700)
Exchange gains/(losses)	匯兌收益/(損失)	40,897	(6,705)	–	34,192
Share of net loss of associates accounted for using the equity method	應佔按權益法入賬的投資虧損	–	–	(17,715)	(17,715)
Income tax expense	所得稅費用	(391,930)	15,745	(8,562)	(384,747)

(i) EBITDA is calculated based on segment revenue and segment expenses of each segment.

(i) EBITDA根據各分部的分部收入和分部開支計算。

Notes to the Consolidated Financial Statements

合併財務報表附註

5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

		Panzhuang concession 潘莊區塊 RMB'000 人民幣千元	Mabi concession 馬必區塊 RMB'000 人民幣千元	Xinhe 新合 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Year ended 31 December 2021	截至 2021 年 12 月 31 日止年度				
Revenue from external customers	來自外部客戶的收入	1,522,736	176,946	39,544	1,739,226
EBITDA	EBITDA	1,477,455	73,537	7,449	1,558,441
Other income	其他收入	223,651	28,224	–	251,875
Operating expenses	經營開支	(596,668)	(196,727)	(46,480)	(839,875)
Depreciation and amortisation	折舊及攤銷	(325,181)	(65,389)	(1,592)	(392,162)
Net impairment losses on financial assets	金融資產減值淨損失	(7,579)	(2,173)	(5)	(9,757)
Finance income	財務收益	17,200	2,221	1,899	21,320
Finance costs	財務費用	(4,602)	(1,078)	–	(5,680)
Exchange (losses)/gains	匯兌(損失)/收益	(10,358)	6,054	(548)	(4,852)
Share of net loss of associates accounted for using the equity method	應佔按權益法入賬的投資虧損	–	–	(14,052)	(14,052)
Income tax expense	所得稅費用	(295,202)	(31,559)	(1,878)	(328,639)

Notes to the Consolidated Financial Statements

合併財務報表附註

5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

		Panzhuang concession 潘莊區塊 RMB'000 人民幣千元	Mabi concession 馬必區塊 RMB'000 人民幣千元	Xinhe 新合 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 31 December 2022	於2022年12月31日				
Segment assets	分部資產	3,502,496	4,442,580	646,627	8,591,703
Segment liabilities	分部負債	712,711	982,183	23,822	1,718,716
Investments in associates	對聯營公司投資	–	–	372,270	372,270
Additions to non-current assets (other than deferred income tax assets)	非流動資產增加 (遞延稅項資產除外)	239,265	1,055,927	126,485	1,421,677
As at 31 December 2021	於2021年12月31日				
Segment assets	分部資產	4,088,985	3,261,864	618,392	7,969,241
Segment liabilities	分部負債	1,073,233	566,004	13,772	1,653,009
Investments in associates	對聯營公司投資	–	–	242,985	242,985
Additions to non-current assets (other than deferred income tax assets)	非流動資產增加 (遞延稅項資產除外)	292,940	537,638	352,064	1,182,642

A reconciliation of EBITDA to total profit before income tax is provided as follows:

EBITDA與除所得稅前利潤總額的調節如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Total EBITDA for reportable segments	可呈報分部的EBITDA總額	2,266,039	1,558,441
Headquarters overheads	總部日常開支	(14,614)	(13,719)
Depreciation and amortisation	折舊及攤銷	(554,238)	(396,523)
Finance income	財務收益	36,023	24,522
Finance costs	財務費用	(9,738)	(5,750)
Exchange gains/(losses)	匯兌收益/(損失)	95,100	(8,597)
Share of net loss of associates accounted for using the equity method	應佔按權益法入賬的聯營公司 投資虧損	(17,715)	(14,052)
Profit before income tax	除所得稅前利潤	1,800,857	1,144,322

Notes to the Consolidated Financial Statements

合併財務報表附註

5. SEGMENT INFORMATION (Continued)

Reportable segments' assets are reconciled to total assets as follows:

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total segment assets	分部資產總額	8,591,703	7,969,241
Unallocated	未分配		
Unallocated property, plant and equipment	未分配不動產、工廠及設備	51	151
Unallocated trade and other receivables	未分配應收賬款及其他應收款	338	250
Unallocated financial assets at fair value through profit or loss	未分配以公允價值計量且其變動計入損益的金融資產	69,646	–
Unallocated cash and cash equivalents	未分配現金及現金等價物	647,661	115,225
Others	其他	326	1,075
Total assets per balance sheet	資產負債表所示資產總額	9,309,725	8,085,942

Reportable segments' liabilities are reconciled to total liabilities as follows:

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total segment liabilities	分部負債總額	1,718,716	1,653,009
Unallocated	未分配		
Unallocated lease liabilities	未分配租賃負債	83	823
Unallocated trade and other payables	未分配應付賬款及其他應付款	7,290	6,560
Total liabilities per balance sheet	資產負債表所示負債總額	1,726,089	1,660,392

5. 分部資料(續)

可呈報分部資產與總資產的調節如下：

可呈報分部負債與總負債的調節如下：

Notes to the Consolidated Financial Statements

合併財務報表附註

6. PROPERTY, PLANT AND EQUIPMENT

6. 不動產、工廠及設備

		Gas Exploration and Gas properties	Gas evaluation assets 勘探及 評估資產	Gas gathering station and relating facilities 集氣站及 相關設施	Construction in progress 在建工程	Building and Structures 樓宇及 建築物	Vehicles 車輛	Furniture, fittings and others 傢俱、裝置及 其他	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Year ended 31 December 2021	截至2021年12月31日止年度								
Opening net book value	年初賬面淨值	2,224,548	683,024	518,526	561,932	-	2,002	4,227	3,994,259
Additions	增加	79,644	29,496	24,492	728,051	61,230	1,849	2,022	926,784
Transferred in/(out)	轉入/(出)	463,403	-	57,171	(520,574)	-	-	-	-
Disposal — cost	處置 — 成本	-	-	-	-	(7,608)	-	(914)	(8,522)
— depreciation	— 折舊	-	-	-	-	-	-	777	777
Write off	撇銷	-	(50,280)	-	-	-	-	-	(50,280)
Depreciation charge	折舊費用	(312,146)	-	(64,729)	-	(1,564)	(775)	(1,927)	(381,141)
Currency translation differences	外幣折算差額	(2,288)	(642)	-	(567)	-	-	(1)	(3,498)
Closing net book value	年末賬面淨值	2,453,161	661,598	535,460	768,842	52,058	3,076	4,184	4,478,379
As at 31 December 2021	於2021年12月31日								
Cost	成本	3,782,445	661,598	841,689	768,842	53,622	18,771	54,685	6,181,652
Accumulated depreciation	累計折舊	(1,329,284)	-	(306,229)	-	(1,564)	(15,695)	(50,501)	(1,703,273)
Net book value	賬面淨值	2,453,161	661,598	535,460	768,842	52,058	3,076	4,184	4,478,379
Year ended 31 December 2022	截至2022年12月31日止年度								
Opening net book value	年初賬面淨值	2,453,161	661,598	535,460	768,842	52,058	3,076	4,184	4,478,379
Additions	增加	31,221	194,668	9,972	1,104,325	-	1,088	4,253	1,345,527
Transferred in/(out)	轉入/(出)	585,936	-	197,157	(783,093)	-	-	-	-
Disposal — cost	處置 — 成本	-	-	-	-	-	-	(433)	(433)
— depreciation	— 折舊	-	-	-	-	-	-	433	433
Write off	撇銷	-	(94,918)	-	-	-	-	-	(94,918)
Depreciation charge	折舊費用	(450,771)	-	(82,648)	-	(2,681)	(943)	(2,280)	(539,323)
Currency translation differences	外幣折算差額	8,276	2,533	-	2,098	-	-	9	12,916
Closing net book value	年末賬面淨值	2,627,823	763,881	659,941	1,092,172	49,377	3,221	6,166	5,202,581
As at 31 December 2022	於2022年12月31日								
Cost	成本	4,414,737	763,881	1,048,818	1,092,172	53,622	19,859	58,772	7,451,861
Accumulated depreciation	累計折舊	(1,786,914)	-	(388,877)	-	(4,245)	(16,638)	(52,606)	(2,249,280)
Net book value	賬面淨值	2,627,823	763,881	659,941	1,092,172	49,377	3,221	6,166	5,202,581

During the year ended 31 December 2022, the additions of property, plant and equipment include RMB2,265,126 (2021: RMB102,189,482) relating to the asset retirement obligations recognised during the year.

截至2022年12月31日止年度，不動產、工廠及設備增加人民幣2,265,126元(2021年：人民幣102,189,482元)，與年內確認的資產棄置義務有關。

Notes to the Consolidated Financial Statements

合併財務報表附註

7. LEASE

(a) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Right-of-use assets	使用權資產		
Land use rights	土地使用權	51,763	56,990
Buildings	樓宇	75	2,445
		51,838	59,435
Lease liabilities	租賃負債		
Current	流動	(9,440)	(13,733)
Non-current	非流動	(41,297)	(41,914)
		(50,737)	(55,647)

Additions to the right-of-use assets during 2022 were RMB1,487,000 (2021: RMB6,077,000).

合併資產負債表列示的下列金額與租賃有關：

2022年度，使用權資產增加人民幣1,487,000元(2021年：人民幣6,077,000元)。

(b) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

		Year ended 31 December 截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Depreciation charge of right-of-use assets	使用權資產的折舊費用		
Land use rights	土地使用權	(8,014)	(7,112)
Buildings	樓宇	(1,120)	(2,476)
		(9,134)	(9,588)
Interest expense (included in finance cost) (Note 23)	利息費用(計入財務費用)(附註23)	(3,785)	(3,707)
Expense relating to short-term leases (included in administrative expenses)	與短期租賃相關的費用(計入管理費用)	(1,077)	(3,140)

(b) 合併綜合收益表內確認的金額

合併綜合收益表列示的下列金額與租賃有關：

Notes to the Consolidated Financial Statements

合併財務報表附註

8. INTANGIBLE ASSETS

8. 無形資產

		Computer software 電腦軟件 RMB'000 人民幣千元
As at 1 January 2021		
Cost	於 2021 年 1 月 1 日 成本	58,474
Accumulated amortisation	累計攤銷	(28,732)
Net book value	賬面淨值	29,742
Year ended 31 December 2021		
Opening net book value	截至 2021 年 12 月 31 日止年度 年初賬面淨值	29,742
Additions	增加	250
Amortisation charge	攤銷費用	(5,794)
Closing net book value	年末賬面淨值	24,198
As at 31 December 2021		
Cost	於 2021 年 12 月 31 日 成本	58,724
Accumulated amortisation	累計攤銷	(34,526)
Net book value	賬面淨值	24,198
Year ended 31 December 2022		
Opening net book value	截至 2022 年 12 月 31 日止年度 年初賬面淨值	24,198
Additions	增加	2,392
Amortisation charge	攤銷費用	(5,781)
Closing net book value	年末賬面淨值	20,809
As at 31 December 2022		
Cost	於 2022 年 12 月 31 日 成本	61,116
Accumulated amortisation	累計攤銷	(40,307)
Net book value	賬面淨值	20,809

Notes to the Consolidated Financial Statements

合併財務報表附註

9. INVESTMENTS IN ASSOCIATES

9. 對聯營公司投資

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Beginning of the year	於年初	242,985	-
Addition(a)	增加(a)	147,000	257,037
Loss for the year	年內虧損	(17,715)	(14,052)
End of the year	於年末	372,270	242,985

(a) During the year of 2021, the Group increased the capital of Shanxi Tongyu Coalbed Methane Transportation and Distribution Ltd ("Shanxi Tongyu") with a total consideration of RMB257,036,418 and hold 32.1296% of the total shares of Shanxi Tongyu after the completion of capital contribution. Shanxi Tongyu is mainly engaged in sales, transmission and distribution of CBM.

During the year of 2022, the Group paid RMB147,000,000 to establish Dongcheng Xintai Energy Research Co., Ltd. ("Dongcheng Xintai"), representing 49% share of the total capital contribution. Dongcheng Xintai is mainly engaged in energy technology development and energy technology services.

(b) Interests in associates

Set out below are the associates of the Group as at 31 December 2022 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(a) 2021年，本集團對山西通豫增資，總對價為人民幣257,036,418元，並在完成註資後持有山西通豫32.1296%的股權。山西通豫煤層氣輸配有限公司（「山西通豫」）主要從事煤層氣的銷售和輸配。

2022年，本集團以人民幣147,000,000元設立東承鑫泰能源研究有限責任公司（「東承鑫泰」），佔出資總額的49%。東承鑫泰主要從事能源技術開發和能源技術服務。

(b) 對聯營公司投資

以下為集團在2022年12月31日，董事認為對集團屬重大的聯營公司。以下列載的聯營公司股本全部為普通股，由集團直接持有；註冊成立或登記國家亦為其主要業務地點。所有權權益與所持表決權權益相同。

Name of entity	Place of business/ country of incorporation	% of ownership interest	Nature of relationship	Measurement method	Carrying amount at 31 December 2022
名稱	註冊成立國家/ 業務地點	所有權權益	關係的性質	計量方法	12月31日 賬面值 RMB'000 人民幣千元
		%			
Shanxi Tongyu 山西通豫	Shanxi, PRC 中國山西	32.1296	Associate 聯營公司	Equity method 權益法	225,265

Notes to the Consolidated Financial Statements

合併財務報表附註

9. INVESTMENTS IN ASSOCIATES (Continued)

(c) Summarised financial information for associates

The tables below provide summarised financial information for those associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

9. 對聯營公司投資(續)

(c) 重大聯營公司摘要財務資料

對集團屬重大的聯營公司相關摘要財務資料如下。披露的信息反映了相關聯營公司財務報表中呈列的金額，而不是本集團在這些金額中的份額，並經修正以反映實體在採用權益法時所做的調整，包括公允價值的調整和會計政策差異的調整。

		As at 31 December	
		於 12 月 31 日	
		2022	2021
		2022 年	2021 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Shanxi Tongyu	山西通豫		
Current assets	流動資產	235,503	312,192
Non-current assets	非流動資產	559,617	555,610
Current liabilities	流動負債	(256,772)	(258,148)
Non-current liabilities	非流動負債	(52,901)	(113,806)
Net assets	淨資產	485,447	495,848
Reconciliation to carrying amounts:	摘要財務資料的調節：		
Net assets	淨資產	485,447	495,848
Group's share (%)	本集團應佔(%)	32.1296%	32.1296%
Group's share (RMB'000)	本集團應佔(人民幣千元)	155,972	159,314
Goodwill and others	商譽及其他	69,293	83,671
Carrying amount	賬面值	225,265	242,985
Revenue	收入	178,355	53,678
Loss for the period	期內虧損	(15,487)	(131,466)
Other comprehensive income	其他綜合收益	-	-
Total comprehensive income	總綜合收益	(15,487)	(131,466)

Notes to the Consolidated Financial Statements

合併財務報表附註

9. INVESTMENTS IN ASSOCIATES (Continued)

(d) Individually immaterial associates

In addition to the interests in associates disclosed above, the Group also has interests in individually immaterial associates that are accounted for using the equity method.

		As at 31 December 2022 於2022年 12月31日 RMB'000 人民幣千元
Carrying amount of individually immaterial associates	個別而言不重大的聯營公司賬面值	147,005
Amounts of the Group's share of:	本集團應佔：	
Net Profit	期內利潤	11
Other comprehensive income	其他綜合收益	-
Total comprehensive income	總綜合收益	11

9. 對聯營公司投資(續)

(d) 個別而言不重大的聯營公司摘要財務資料

除上文所披露聯營公司權益外，本集團亦擁有個別而言不重大的聯營公司權益，以權益法入賬。

10. OTHER FINANCIAL ASSETS AT AMORTISED COST

10. 以攤餘成本計量的其他金融資產

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Beginning of the period	於期初	55,000	-
Addition	增加	604	55,000
Increase in loss allowance recognised in profit or loss during the period	本期內計入損益的損失撥備增加	(24,226)	-
End of the period	於期末	31,378	55,000

On 28 June 2021, the Group entered into an agreement with a third party company (original lessor) and acquired the leased property under the lease contract and its associated rights and interests related to the leased property, and obtained the right to collect rent and other payments from the lessee, a company mainly engaged in the investment and construction of liquefied natural gas, and the guarantee rights under the related guarantee and pledge contracts.

Details about the Group's impairment policies and detail of loss allowance are provided in Note 3.1 (a).

於2021年6月28日，本集團與第三方公司(原出租人)簽訂協議，取得租賃合同項下的租賃財產，以及與租賃財產相關的權益，並取得向承租人(一家主要從事液化天然氣投資建設的公司)收取租金及其他款項的權利，以及相關擔保和質押合同項下的擔保權利。

本集團減值政策及損失撥備詳情載於附註3.1(a)。

Notes to the Consolidated Financial Statements

合併財務報表附註

11. TRADE AND OTHER RECEIVABLES

11. 應收賬款及其他應收款

		As at 31 December	
		於 12 月 31 日	
		2022	2021
		2022 年	2021 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables (a)	應收賬款 (a)		
— CUCBM	— CUCBM	344,921	318,319
— PetroChina	— 中石油	79,789	102,049
— Shanxi Tongyu (Note 9, 29(b))	— 山西通豫 (附註 9、29(b))	89,267	89,267
— External customers	— 外部客戶	3,365	8,271
		517,342	517,906
Less: loss allowance for impairment of trade receivables (f)	減：應收賬款損失撥備 (f)	(30,222)	(15,184)
Trade receivables, net	應收賬款 — 淨額	487,120	502,722
Notes receivables (b)	應收票據 (b)	16,000	—
Government grants receivables (c)	應收政府補貼 (c)		
— Government	— 政府	397,323	404,779
— CUCBM	— CUCBM	20,137	43,783
— PetroChina	— 中石油	—	9,745
Due from PSC partners for cash calls and accrued expenses (d)	應收產品分成合同合作方現金籌款及預提費用 (d)		
— CUCBM	— CUCBM	107,492	134,876
— PetroChina	— 中石油	205,892	123,096
Loans to third party (e)	向第三方提供貸款 (e)	5,752	3,452
Deposits and others	押金和其他費用	8,943	6,256
		745,539	725,987
Less: loss allowance for impairment of other receivables (f)	減：其他應收款損失撥備 (f)	(2,173)	(2,173)
Other receivables, net	其他應收款 — 淨額	743,366	723,814
Total trade and other receivables	應收賬款及其他應收款總額	1,246,486	1,226,536

Notes to the Consolidated Financial Statements

合併財務報表附註

11. TRADE AND OTHER RECEIVABLES (Continued)

(a) Trade receivables

The ageing analysis of trade receivables is as follows:

		As at 31 December	
		於 12 月 31 日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 3 months	三個月內	428,075	505,367
6 months to 1 year	六個月至一年	-	12,539
1 year to 2 years	一至兩年	89,267	-
		517,342	517,906
Less: loss allowance for impairment of trade receivables (f)	減：應收賬款損失撥備(f)	(30,222)	(15,184)
		487,120	502,722

Trade receivables due from CUCBM represent the cash collected from external customers attributable to Sino-American Energy, Inc. ("SAEI") and deposited into CUCBM's bank account on behalf of the Group, which is jointly managed by CUCBM and SAEI.

Trade receivables due from PetroChina represent the amount to be collected from PetroChina relating to the sale of the Group's share of CBM from Mabi and Panzhuang concessions.

Trade receivables due from Shanxi Tongyu represent the amount to be collected from Shanxi Tongyu relating to the sale of the Group's share of CBM from Panzhuang concession.

Trade receivables due from external customers represent the amount to be collected from the independent customers relating to the sale of LNG from Xinhe and the sale of the Group's share of CBM from Panzhuang concession.

11. 應收賬款及其他應收款(續)

(a) 應收賬款

應收賬款的賬齡分析如下：

應收CUCBM的應收賬款指收取自外部客戶並存入由CUCBM與美中能源有限公司(「美中能源公司」)共同管理，並由CUCBM代表本集團開立的銀行賬戶的現金。

應收中石油的應收賬款指將收取自中石油有關本集團自馬必區塊及潘莊區塊所佔煤層氣的銷售款項。

應收山西通豫的應收賬款指將收取自山西通豫有關本集團自潘莊區塊所佔煤層氣的銷售款項。

應收外部客戶的應收賬款指將收取自獨立客戶有關本集團自新合的LNG銷售款項以及潘莊區塊所佔煤層氣的銷售款項。

Notes to the Consolidated Financial Statements

合併財務報表附註

11. TRADE AND OTHER RECEIVABLES (Continued)

- (b) Notes receivable are bank acceptance with maturity dates within six months.
- (c) This represents the VAT refund and government subsidies for CBM receivable from the government directly or through CUCBM and PetroChina.
- (d) This represents CUCBM's and PetroChina's share of the cash calls and accrued expenses for the development and production costs of Panzhuang and Mabi concessions yet to be received from CUCBM and PetroChina, respectively.
- (e) This represents loans to third party with a term of six months.
- (f) Details about the Group's impairment policies and detail of loss allowance are provided in Note 3.1(a).
- (g) As at 31 December 2022, the carrying amounts of trade and other receivables approximated their fair values.
- (h) The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

11. 應收賬款及其他應收款 (續)

- (b) 應收票據為到期日在六個月以內的銀行承兌票據。
- (c) 此為直接或通過CUCBM及中石油應收政府的煤層氣增值稅退稅及政府補貼。
- (d) 此為CUCBM及中石油分佔潘莊區塊及馬必區塊開發及生產成本的現金籌款及預提費用，尚未向CUCBM及中石油收取。
- (e) 此為向第三方提供的貸款，期限為六個月。
- (f) 本集團減值政策及損失撥備詳情載於附註3.1(a)。
- (g) 於2022年12月31日，應收賬款及其他應收款的賬面值與其公允價值相若。
- (h) 本集團的應收賬款及其他應收款的賬面值以下列貨幣計價：

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	1,246,241	1,226,312
HK\$	港元	245	224
		1,246,486	1,226,536

Notes to the Consolidated Financial Statements

合併財務報表附註

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

12. 以公允價值計量且其變動計入損益的金融資產

		As at 31 December 於 12 月 31 日	
		2022	2021
		2022 年	2021 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Investment in unlisted fund	非上市基金投資	69,646	–
		69,646	–

For the year ended 31 December 2022, the changes in fair value of this financial assets is not material due to the investment has been made closing to the year end.

截至 2022 年 12 月 31 日止年度，由於投資時點接近年末，該金融資產的公允價值變動並不重大。

Details about the Group's accounting policies in determining fair value are provided in Note 3.3.

本集團確定公允價值的會計政策詳情載於附註 3.3。

13. FINANCIAL INSTRUMENTS BY CATEGORY

13. 金融工具(按類別)

		As at 31 December 於 12 月 31 日	
		2022	2021
		2022 年	2021 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial assets	金融資產		
Other financial assets at amortised cost (Note 10)	以攤餘成本計量的其他金融資產(附註 10)	31,378	55,000
Trade and other receivables (Note 11)	應收賬款及其他應收款(附註 11)	1,246,486	1,226,536
Financial assets at fair value through profit or loss (Note 12)	以公允價值計量且其變動計入損益的金融資產(附註 12)	69,646	–
Cash and cash equivalents (Note 14)	現金和現金等價物(附註 14)	2,118,660	1,626,675
Term deposits with initial terms of over three months (Note 14)	初始期限超過三個月的定期存款(附註 14)	–	200,000
Restricted bank deposits (Note 14)	受限制銀行存款(附註 14)	67,797	60,230
		3,533,967	3,168,441

Notes to the Consolidated Financial Statements

合併財務報表附註

13. FINANCIAL INSTRUMENTS BY CATEGORY

(Continued)

13. 金融工具(按類別)(續)

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial liabilities	金融負債		
Trade and other payables excluding non-financial liabilities	應付賬款及其他應付款，不包括非金融負債	1,099,727	750,415
Lease liabilities (Note 7)	租賃負債(附註7)	50,737	55,647
		1,150,464	806,062

14. CASH AND BANK BALANCES

14. 現金及銀行結餘

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物		
— Cash at banks	— 銀行存款	2,118,660	1,626,675
Term deposits with initial terms of over three months	初始期限超過三個月的定期存款	—	200,000
Restricted bank deposits (a)	受限制銀行存款(a)	67,797	60,230
		2,186,457	1,886,905

(a) Restricted bank deposits represented deposits for the purpose of decommissioning of gas properties and restoration of land deposits for Panzhuang and Mabi concessions.

(a) 受限制銀行存款為潘莊區塊和馬必區塊用於棄用天然氣資產及復原土地的存款。

Notes to the Consolidated Financial Statements

合併財務報表附註

14. CASH AND BANK BALANCES (Continued)

Cash and bank balances were denominated in the following currencies:

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	1,737,210	1,871,143
HK\$	港元	27,853	13,437
US\$	美元	421,394	2,325
		2,186,457	1,886,905

14. 現金及銀行結餘(續)

現金及銀行結餘按以下貨幣計量：

15. SHARE CAPITAL

15. 股本

		Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares
		普通股數目	普通股面值	等額面值
		Thousands	US\$'000	RMB'000
		千股	千美元	人民幣千元
<i>Issued and fully paid:</i>		<i>已發行及繳足：</i>		
Ordinary shares of US\$0.0001 each		每股面值0.0001美元的 普通股		
As at 1 January 2021	於2021年1月1日	3,393,582	339	2,079
— Exercise of share options	— 行使購股權	1,542	—	1
As at 31 December 2021	於2021年12月31日	3,395,124	339	2,080
— Exercise of share options	— 行使購股權	193	—	—
As at 31 December 2022	於2022年12月31日	3,395,317	339	2,080

Notes to the Consolidated Financial Statements

合併財務報表附註

15. SHARE CAPITAL (Continued)

The Company adopted the Pre-IPO Share Option Scheme (share options) on 31 March 2015 and the Post-IPO Restricted Share Unit Scheme (RSUs) on 5 June 2015.

During the year ended 31 December 2022, 192,715 (31 December 2021: 1,541,722) share options were exercised. As at 31 December 2022, there are no outstanding share options (31 December 2021: 192,715).

As at 31 December 2018, all RSUs have been vested or cancelled after Change of Control (Note 1), and no RSU was outstanding.

16. OTHER RESERVES

Other reserves consist of share-based compensation and foreign currency translation difference.

17. ASSET RETIREMENT OBLIGATIONS

		As at 31 December 於 12 月 31 日	
		2022	2021
		2022 年	2021 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Beginning of the year	於年初	150,695	20,120
Provision	撥備	(16,839)	127,994
Accretion expenses	增加開支	7,479	2,581
End of the year	於年末	141,335	150,695

The asset retirement obligations represent the present value of estimated future expenditures on decommissioning of gas properties, restoration of land and recovery of environment.

15. 股本(續)

公司分別於2015年3月31日和2015年6月5日採納首次公開發售前購股權計劃(購股權)和首次公開發售後受限制股份單位計劃(受限制股份單位)。

截至2022年12月31日止年度，行使購股權192,715份(截至2021年12月31日止年度：1,541,722份)。於2022年12月31日，無尚未行使購股權的數目(2021年12月31日：192,715份)。

於2018年12月31日，控制權變更(附註1)後全部受限制股份單位均已歸屬或取消，無尚未行使受限制股份單位。

16. 其他儲備

其他儲備包括以股份為基礎的報酬及外幣折算差額。

17. 資產棄置義務

資產棄置義務主要指棄用天然氣資產、復原土地及恢復環境的估計未來開支的現值。

Notes to the Consolidated Financial Statements

合併財務報表附註

18. DEFERRED INCOME TAX LIABILITIES

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

		As at 31 December 於 12 月 31 日	
		2022 2022 年 RMB'000 人民幣千元	2021 2021 年 RMB'000 人民幣千元
Deferred income tax assets	遞延所得稅資產	237,924	209,003
Deferred income tax liabilities	遞延所得稅負債	(433,602)	(687,064)
Net balance	結餘淨額	(195,678)	(478,061)

Deferred income tax assets and liabilities are related to Panzhuang and Mabi concessions. The Group has legally enforceable right to offset the deferred tax assets and liabilities in each concession. Accordingly, it is presented on net basis for each of the concession.

The gross movement on the deferred income tax account is as follows:

		Year ended 31 December 截至 12 月 31 日止年度	
		2022 2022 年 RMB'000 人民幣千元	2021 2021 年 RMB'000 人民幣千元
Beginning of the year	於年初	(478,061)	(437,612)
Charged to the consolidated statement of comprehensive income (Note 25)	於合併綜合收益表扣除(附註25)	282,383	(40,449)
End of the year	於年末	(195,678)	(478,061)

18. 遞延所得稅負債

遞延所得稅資產與遞延所得稅負債分析如下：

遞延所得稅資產與負債與潘莊區塊及馬必區塊有關。在各區塊本集團可分別依法強制行使權利使遞延所得稅資產與負債相互抵銷，因此各區塊分別以淨額基準呈列。

遞延所得稅賬目的總變動如下：

Notes to the Consolidated Financial Statements

合併財務報表附註

18. DEFERRED INCOME TAX LIABILITIES (Continued)

The movement in deferred income tax account is as follows:

18. 遞延所得稅負債(續)

遞延所得稅賬目的變動如下：

		Depreciation and amortisation	Tax losses	Income not yet subject to tax and others	Total
		折舊及攤銷 RMB'000 人民幣千元	稅務虧損 RMB'000 人民幣千元	不須納稅的 收益及其他 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at 1 January 2021	於2021年1月1日	(384,957)	241,862	(294,517)	(437,612)
Charged to the consolidated statement of comprehensive income (Note 25)	於合併綜合收益表扣除 (附註25)	5,502	(38,489)	(7,462)	(40,449)
As at 31 December 2021	於2021年12月31日	(379,455)	203,373	(301,979)	(478,061)
Charged to the consolidated statement of comprehensive income (Note 25)	於合併綜合收益表扣除 (附註25)	40,879	18,783	222,721	282,383
As at 31 December 2022	於2022年12月31日	(338,576)	222,156	(79,258)	(195,678)

For the purpose of filing of PRC corporate income tax, development expenditures incurred prior to commercial production from tax perspective are tax deductible over a 8-year period starting from the commencement date of commercial production; exploration expenditures incurred prior to commercial production from tax perspective except for those qualified as production wells are tax deductible over a 3-year period starting from the commencement date of commercial production.

就中國企業所得稅申報而言，於商業生產(從稅務角度判定)前產生的開發支出可自商業生產開始之日起在八年期間內進行稅項抵扣；於商業生產(從稅務角度判定)前所發生的勘探支出(符合資格作為生產井的勘探支出除外)可自商業生產開始之日起在三年期間內進行稅項抵扣。

Notes to the Consolidated Financial Statements

合併財務報表附註

18. DEFERRED INCOME TAX LIABILITIES (Continued)

Deferred income tax assets for tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Other deferred income tax expense mainly relates to government grants which comprise of government subsidies and VAT refunds recognised by the Group, which will be taxable when the Group receives the government grants according to relevant tax regulations and local authority in the PRC. During the year, the Group paid deferred income tax expense recognised in previous years in relation to the government grants already received from the government according to the tax regulations and discussion with local tax authority.

18. 遞延所得稅負債(續)

由稅務虧損導致的遞延所得稅資產僅在可能有未來應課稅利潤並可就此使用暫時性差異的情況下予以確認。

其他遞延所得稅費用主要與政府補助相關，包括本集團確認的政府補貼和增值稅退稅，根據中國相關稅務法規和地方當局將在本集團收到政府補助的期間納稅。本年內，本集團根據相關稅務法規和與地方稅務機關的協商，就已收到政府的政府補助，支付了以前年度確認的遞延所得稅費用。

19. TRADE AND OTHER PAYABLES

19. 應付賬款及其他應付款

		As at 31 December	
		於 12 月 31 日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables	應付賬款	1,055,488	615,143
Amounts due to related parties	應付關聯方款項		
— Xintai Jinggong (Note 29(b))	— 鑫泰精工(附註29(b))	4,316	15,705
— Shanxi Tongyu (Note 9, 29(b))	— 山西通豫(附註9、29(b))	7,655	4,661
Amounts due to PSC partners	應付產品分成合同合作方款項		
— CUCBM	— CUCBM	12,820	93,257
— PetroChina	— 中石油	6,128	9,552
Advance from customers	預收賬款	3,388	4,476
Tax payables	應付稅款	2,051	14,513
Payroll liabilities	應付工資	44,206	34,195
Other payables	其他應付款	13,320	12,097
		1,149,372	803,599

Notes to the Consolidated Financial Statements

合併財務報表附註

19. TRADE AND OTHER PAYABLES (Continued)

(a) The ageing analysis of trade payables is as follows:

The ageing analysis of the trade payables based on invoice date is as follows:

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 6 months	六個月內	818,071	536,916
6 months to 1 year	六個月至一年	167,667	24,646
1 to 2 years	一至兩年	52,220	38,208
2 to 3 years	兩至三年	9,643	3,405
Over 3 years	三年以上	7,887	11,968
		1,055,488	615,143

(b) The carrying amounts of trade and other payables approximated their fair values.

(c) The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	1,141,709	802,989
HK\$	港元	3,404	283
US\$	美元	4,259	327
		1,149,372	803,599

19. 應付賬款及其他應付款(續)

(a) 應付賬款的賬齡分析如下：

基於發票日期的應付賬款的賬齡分析如下：

(b) 應付賬款及其他應付款的賬面值與其公允價值相若。

(c) 本集團的應付賬款及其他應付款的賬面值以下列貨幣計價：

Notes to the Consolidated Financial Statements

合併財務報表附註

20. REVENUE

20. 收入

		Year ended 31 December 截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Sales of CBM	CBM 銷售	2,269,019	1,700,285
Sales of LNG	LNG 銷售	293,857	37,078
Others	其他	3,868	1,863
		2,566,744	1,739,226

The Group's revenue is mainly derived through the sale of LNG and the Group's share of CBM sold to customers in the PRC. Sales of gas are recognised when control of the gas has transferred, being when the gas is delivered to the customers. The amount of revenue is recognised based on the terms of the PSCs and gas sales agreements.

本集團收入主要來自 LNG 銷售和本集團所佔 CBM 對中國客戶的銷售所得。當煤層氣控制權已轉移，即煤層氣已交付予客戶時，本集團確認煤層氣銷售收入。收入金額根據產品分成合同及煤層氣銷售協議的條款予以確認。

21. OTHER INCOME

21. 其他收入

		Year ended 31 December 截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
VAT refund (a)	增值稅退稅(a)	182,281	140,245
Government subsidy (b)	政府補貼(b)	165,402	111,630
		347,683	251,875

Notes to the Consolidated Financial Statements

合併財務報表附註

21. OTHER INCOME (Continued)

- (a) VAT refund is granted by the PRC government according to “The Notice on Tax Policy Issued by The Ministry of Finance and The State Administration of Taxation on Speeding Up The Drainage of Coalbed Methane” (《財政部國家稅務總局關於加快煤層氣抽採有關稅收政策問題的通知》). CUCBM and PetroChina apply for the VAT refund for Panzhuang and Mabi concessions, respectively. The Group recognises its entitlement based on the Group’s share of CBM sold and when there is reasonable assurance that the amount will be received.
- (b) Government subsidy is granted by the PRC government according to “The Implementation Opinions of Subsidies Granted by The Ministry of Finance on The Development and Utilisation of Coalbed Methane” (《財政部關於煤層氣(瓦斯)開發利用補貼的實施意見》) published on 20 April 2007, as amended by “Interim Measures for the Administration of Special Funds for the Development of Clean Energy” (《清潔能源發展專項資金管理暫行辦法》) issued on 12 June 2020. The Group applies for the subsidy for Panzhuang concession. PetroChina applies for the subsidy for Mabi concession. The Group recognises its entitlement based on the Group’s share of CBM sold and when there is reasonable assurance that the amount will be received.

21. 其他收入(續)

- (a) 增值稅退稅是中國政府根據《財政部國家稅務總局關於加快煤層氣抽採有關稅收政策問題的通知》授出。CUCBM及中石油分別為潘莊區塊及馬必區塊申請增值稅退稅。本集團已根據本集團攤佔所售CBM於有合理保證該金額可收回時確認其所享有的金額。
- (b) 政府補貼是中國政府根據於2007年4月20日發佈的《財政部關於煤層氣(瓦斯)開發利用補貼的實施意見》授出，經於2020年6月12日發佈的《清潔能源發展專項資金管理暫行辦法》修訂。本集團為潘莊區塊申請補貼。中石油為馬必區塊申請補貼。本集團已根據本集團攤佔所售CBM於有合理保證該金額可收回時確認其所享有的金額。

Notes to the Consolidated Financial Statements

合併財務報表附註

22. EMPLOYEE BENEFIT EXPENSES

22. 僱員福利開支

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	90,132	87,172
Retirement and other benefits (a)	退休金及其他福利(a)	16,701	15,729
		106,833	102,901

(a) Retirement and other benefits

In the PRC, the pension plans are organized by the municipal and provincial governments at a certain rate of the employees' salaries, subject to certain ceilings. The Group also contributes to government-sponsored housing funds at a certain rate of the employees' salaries, subject to certain ceilings.

(b) Five highest paid individuals

Details of five highest paid individuals are set out below:

(a) 退休金及其他福利

於中國，按僱員薪金的一定比例（受若干上限規限）向由市及省政府管理的退休金計劃作出供款。本集團亦按僱員薪金的一定比例（受若干上限規限）向由政府資助的住房基金作出供款。

(b) 五位最高薪酬人士

五位最高薪酬人士的詳情如下：

		Number of Individuals 人數	
		2022 2022年	2021 2021年
Director (Note 33)	董事(附註33)	3	3
Non-director individuals (i)	非董事成員(i)	2	2
		5	5

Notes to the Consolidated Financial Statements

合併財務報表附註

22. EMPLOYEE BENEFIT EXPENSES (Continued)

(b) Five highest paid individuals (Continued)

- (i) The emoluments payable to the non-director individuals during the year are as follows:

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Basic salaries and allowances	基本薪金及津貼	1,935	2,032
Discretionary bonuses	酌情獎金	2,708	2,048
Retirement and other benefits	退休金及其他福利	219	293
		4,862	4,373

The emoluments fell within the following bands:

薪酬範圍如下：

		Number of Individuals	
		人數	
		2022	2021
		2022年	2021年
Emolument bands	薪酬範圍		
HK\$2,000,001 ~ HK\$2,500,000	2,000,001港元至2,500,000港元	–	1
HK\$2,500,001 ~ HK\$3,000,000	2,500,001港元至3,000,000港元	2	1
		2	2

Notes to the Consolidated Financial Statements

合併財務報表附註

23. FINANCE INCOME, NET

23. 財務收益 — 淨額

		Year ended 31 December 截至 12 月 31 日止年度	
		2022 2022 年 RMB'000 人民幣千元	2021 2021 年 RMB'000 人民幣千元
Interest expense of lease liabilities (Note 7)	租賃負債的利息費用 (附註 7)	(3,785)	(3,707)
Accretion expenses of asset retirement obligations	資產棄置義務的遞增費用	(5,953)	(2,043)
Finance costs	財務費用	(9,738)	(5,750)
Finance income	財務收益	36,023	24,522
Exchange gains/(losses)	匯兌收益/(損失)	95,100	(8,597)
Finance income, net	財務收益 — 淨額	121,385	10,175

24. PROFIT BEFORE INCOME TAX

Profit before income tax was determined after charging the following:

24. 除所得稅前利潤

除所得稅前利潤乃經扣除下列各項後釐定：

		Year ended 31 December 截至 12 月 31 日止年度	
		2022 2022 年 RMB'000 人民幣千元	2021 2021 年 RMB'000 人民幣千元
LNG sales cost	LNG 銷售成本	113,116	37,509
Pipeline transportation cost	管道運輸成本	92,349	84,453
Power and fuel	電力和燃料	60,244	48,599
Maintenance cost	維修費用	32,110	27,374
Auditors' remunerations	核數師薪酬		
— Audit services	— 審計服務		
— The Company	— 本公司	2,900	2,900
— Subsidiaries	— 附屬公司	250	250

Notes to the Consolidated Financial Statements

合併財務報表附註

25. INCOME TAX EXPENSE

25. 所得稅費用

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Current income tax	當期所得稅	667,131	288,194
Deferred income tax (Note 18)	遞延所得稅(附註18)	(282,383)	40,449
		384,748	328,643

The Company and its subsidiaries incorporated under respective jurisdiction of the Cayman Islands, the British Virgin Islands and Samoa, are exempted from payment of local income tax.

本公司及其在開曼群島、英屬維爾京群島和薩摩亞各自管轄下註冊成立的附屬公司豁免繳當地所得稅。

No provision for Hong Kong profits tax has been provided as the Group did not derive any assessable profits in Hong Kong during the year.

由於本集團於本年度並沒有在香港取得任何應課稅利潤，故並無計提香港利得稅。

According to the PRC Corporate Income Tax Law promulgated by the PRC government, the tax rate applicable to the Group's subsidiary established in the PRC and the PRC branches of the Group's subsidiaries is 25%. Corporate income tax in the PRC is calculated based on the taxable profit of the company or branches established in the PRC.

根據中國政府頒佈的中國企業所得稅法，本集團在中國成立的附屬公司及本集團附屬公司的中國分公司的適用稅率為25%。中國企業所得稅乃根據於中國成立的公司和分公司的應課稅利潤計算。

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

本集團除所得稅前利潤的稅項與使用法定稅率計算的理論數額不同，詳情如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	1,800,857	1,144,322
Tax expense calculated at applicable tax rates	按適用稅率計算的稅項費用	358,323	308,221
Utilization of previously year deductible temporary differences for which no deferred tax asset was recognised	使用以前年度未確認遞延稅項資產的可抵扣暫時性差異	-	(744)
Expenses not deductible for taxation purposes	不可扣除的費用	17,179	21,122
Others	其他	9,246	44
Income tax expense	所得稅費用	384,748	328,643

Notes to the Consolidated Financial Statements

合併財務報表附註

26. EARNINGS PER SHARE

(a) Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 December 2022 and 2021.

		Year ended 31 December 截至12月31日止年度	
		2022 2022年	2021 2021年
Profit attributable to owners of the Company (RMB'000)	歸屬於本公司所有者的利潤 (人民幣千元)	1,416,109	815,679
Weighted average number of ordinary shares in issue (Thousands)	已發行普通股的加權平均數 (千股)	3,395,126	3,394,444
Basic earnings per share (RMB)	基本每股收益(人民幣元)	0.417	0.240

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options outstanding which are potentially dilutive. The assumed proceeds from conversion of these options shall be regarded as having been received from the issue of ordinary shares at average market price of ordinary shares during the period. The difference between the number of shares that would have been issued assuming the exercise of the share options and the number of shares that could have been issued at the average market price of the ordinary shares during the period with the same total assumed proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share.

26. 每股收益

(a) 基本

基本每股收益乃按歸屬於本公司所有者的利潤除以截至2022年及2021年12月31日止年度內已發行普通股的加權平均數計算得出。

(b) 稀釋

稀釋每股收益假設所有可稀釋的潛在普通股被兌換後，根據已發行普通股的加權平均數計算。本公司的購股權具有潛在稀釋效應。假設這些購股權兌換所獲取的價款應被視為按照期內普通股平均市場價格發行而獲得。零代價發行的股份數目是基於假設行使了購股權應該發行的股份數目，與假設按照期內普通股平均市場價格發行並獲得相同合計價款的情況下可能需要發行的股份數目的差額。這一零代價發行的股份數目將構成普通股的加權平均數的一部分，並作為計算稀釋每股收益時所用的分母。

Notes to the Consolidated Financial Statements

合併財務報表附註

26. EARNINGS PER SHARE (Continued)

(b) Diluted (Continued)

26. 每股收益(續)

(b) 稀釋(續)

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
Profit attributable to owners of the Company (RMB'000)	歸屬於本公司所有者的利潤(人民幣千元)	1,416,109	815,679
Weighted average number of ordinary shares in issue (Thousands)	已發行普通股的加權平均數(千股)	3,395,126	3,394,444
Adjustments for assumed conversion of share options (Thousands)	假設兌換購股權的調整(千股)	-	34
Weighted average number of ordinary shares for diluted earnings per share (Thousands)	計算稀釋每股收益的普通股加權平均數(千股)	3,395,126	3,394,478
Diluted earnings per share (RMB)	稀釋每股收益(人民幣元)	0.417	0.240

27. DIVIDENDS

The Board has not recommended the payment of a final dividend for the year ended 31 December 2022.

A dividend in respect of the year ended 31 December 2021 of RMB0.0589 per share was approved at the annual general meeting on 20 May 2022 and was paid on 6 June 2022.

27. 股息

董事會並無建議派付截至2022年12月31日止年度之末期股息。

截至2021年12月31日止年度的股息每股人民幣0.0589元已於2022年5月20日之股東週年大會上獲批准，並於2022年6月6日派付。

Notes to the Consolidated Financial Statements

合併財務報表附註

28. CASH FLOW INFORMATION

(a) Cash generated from operations

Reconciliation of profit before income tax to net cash flow generated from operations:

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit before income tax	除所得稅前利潤	1,800,857	1,144,322
Adjustments for:	就下列各項作出調整：		
Depreciation	折舊	548,457	390,729
Amortisation	攤銷	5,781	5,794
Net impairment losses of financial assets	金融資產減值淨損失	39,264	9,757
Write off of exploration and evaluation assets	勘探及評價資產撇銷	94,918	50,280
Gains on disposals of property, plant and equipment	出售不動產、工廠及設備的利得	–	(741)
Gains on repayment of financial assets at amortised costs	收到出售以攤餘成本計量的金融資產償還款的利得	–	(12,386)
Shares of losses of associates	應佔聯營公司投資虧損	17,715	14,052
Finance income	財務收益	(10,592)	(14,968)
Finance costs	財務費用	5,953	2,043
Exchange (gains)/losses	匯兌(收益)/損失	(90,890)	5,465
Changes in working capital:	經營資金的變動：		
Increase in inventories	存貨增加	(5,822)	(1,227)
Increase in trade and other receivables	應收賬款及其他應收款增加	(24,507)	(200,906)
Increase in trade and other payables	應付賬款及其他應付款增加	98,053	185,318
Cash generated from operations	經營活動產生的現金	2,479,187	1,577,532

(b) Non-cash investing and financing activities

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Investments to associates with real estate assets	以不動產對聯營公司投資	–	(22,648)

28. 現金流量信息

(a) 經營活動所得現金

除所得稅前利潤與經營活動所得現金流量淨額的調節：

(b) 非現金投融資活動

Notes to the Consolidated Financial Statements

合併財務報表附註

29. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family member of the Group are also considered as related parties.

(a) The following individuals and companies are related parties of the Group during the year ended 31 December 2022

29. 關聯方交易

若一方有能力直接或間接控制另一方或對另一方的財務及運營決策實施有重大影響力，則視為關聯方。受共同控制的各方亦視為關聯方。本集團主要管理人員及其家族成員亦視為關聯方。

(a) 截至2022年12月31日止年度，下列人士和公司為本集團的關聯方：

Names of the related parties 關聯方名稱	Nature of relationship 關係性質	Ownership interest 所有者權益
Mr. Ming Zaiyuan (i) 明再遠先生 (i)	Ultimate control shareholder and executive director 最終控股股東及執行董事	56.95%
XTRQ (i) 新天然氣 (i)	Ultimate parent entity 最終控股公司	56.95%
Sichuan Liming (i) 四川利明 (i)	Intermediate parent entity 中間控股公司	56.95%
Liming (i) 利明 (i)	Immediate parent entity 直接控股公司	56.95%
Urumqi Xintai Jinggong Construction Engineering Co., Ltd. ("Xintai Jinggong") 烏魯木齊鑫泰精工建設工程有限公司(「鑫泰精工」)	Under the same control of ultimate control shareholder 受同一最終控股股東控制	N/A 不適用
Shanxi Tongyu (Note 9) 山西通豫 (附註9)	Associate 聯營公司	32.1296%
Dongcheng Xintai (Note 9) 東承鑫泰 (附註9)	Associate 聯營公司	49%

(i) As at 31 December 2022, XTRQ, through its 100% controlled subsidiary Sichuan Liming, holds 100% of the issued ordinary shares of Liming. The directors regard Mr. Ming Zaiyuan as the ultimate control shareholder of the Company for his holdings of XTRQ's shares.

(i) 於2022年12月31日，新天然氣通過其全資控股公司四川利明持有利明100%已發行普通股。由於明再遠先生在新天然氣持有的權益，本公司董事將其視為最終控股股東。

Notes to the Consolidated Financial Statements

合併財務報表附註

29. RELATED PARTY TRANSACTIONS (Continued)

(b) Significant transactions with related parties

29. 關聯方交易(續)

(b) 與關聯方的重大交易

		Year ended 31 December 截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Purchase of services	已獲得的服務		
— Xintai Jinggong	— 鑫泰精工	10,054	19,253
— Shanxi Tongyu	— 山西通豫	61,608	17,708
		71,662	36,961
Sales of goods	已銷售的商品		
— Shanxi Tongyu	— 山西通豫	22,083	9,676
Purchase of goods	已獲得的商品		
— Shanxi Tongyu	— 山西通豫	2,705	3,639

(c) Key management compensation

(c) 主要管理人員薪酬

		Year ended 31 December 截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Basic salaries and allowances	基本薪金及津貼	12,152	12,545
Discretionary bonuses	酌情獎金	12,687	9,919
Retirement and other benefits	退休金及其他福利	808	721
		25,647	23,185

Notes to the Consolidated Financial Statements

合併財務報表附註

29. RELATED PARTY TRANSACTIONS (Continued)

(d) Outstanding balances arising from sales/purchases of goods and services

Outstanding balances arising from sales/purchases of goods and services at the end of the year in relation to transactions with related parties are provided in Note 11 and Note 19.

(e) Terms and conditions

Transactions with related parties during the year were based on the prices and terms that would be available to third parties.

30. COMMITMENTS

Capital commitments

Capital expenditure contracted at the end of the year but not yet incurred is as follows:

29. 關聯方交易 (續)

(d) 銷售／購買商品和服務產生的結餘

附註11和附註19提供了於年度末與關聯方交易相關的銷售或購買商品和服務產生的結餘。

(e) 條款和條件

年內與關聯方的交易基於第三方可獲得的價格和條款。

30. 承諾事項

資本承諾

於年度末已訂約但並沒有產生的資本開支如下：

		As at 31 December	
		於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property, plant and equipment	不動產、工廠及設備	178,652	184,973

Notes to the Consolidated Financial Statements

合併財務報表附註

31. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY 31. 本公司資產負債表及儲備變動

(a) Balance sheet of the Company

(a) 本公司資產負債表

		As at 31 December	
		於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
ASSETS	資產		
Non-current assets	非流動資產		
Long-term investment	長期投資	3,931,588	3,490,688
Property, plant and equipment	不動產、工廠及設備	51	151
Right-of-use assets	使用權資產	153	870
		3,931,792	3,491,709
Current assets	流動資產		
Other receivables	其他應收款	625,508	523,228
Dividends receivables (i)	應收股利(i)	29,385	36,545
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產	69,646	–
Cash and cash equivalents	現金及現金等價物	539,330	111,698
		1,263,869	671,471
Total assets	總資產	5,195,661	4,163,180
EQUITY	權益		
Equity attributable to owners of the Company	歸屬於本公司所有者的權益		
Share capital	股本	2,080	2,080
Share premium	股本溢價	3,116,993	3,316,002
Other reserves	其他儲備	668,543	216,317
Retained earnings	留存收益	1,392,776	541,869
		5,180,392	4,076,268
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Non-current lease liabilities	非流動租賃負債	11	77
		11	77
Current liabilities	流動負債		
Other payables	其他應付款	15,187	86,088
Current lease liabilities	流動租賃負債	71	747
		15,258	86,835
Total liabilities	總負債	15,269	86,912
Total equity and liabilities	總權益及負債	5,195,661	4,163,180

The balance sheet of the Company was approved by the Board of Directors on 14 March 2023 and was signed on its behalf.

本公司資產負債表由董事會於2023年3月14日批准，並由其代表簽署。

Director
董事
Yan Danhua
嚴丹華

Director
董事
Zhang Jianbing
張艦兵

Notes to the Consolidated Financial Statements

合併財務報表附註

31. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(b) Reserve movement of the Company

		Share premium 股本溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 留存收益 RMB'000 人民幣千元
As at 1 January 2021	於2021年1月1日	3,663,640	317,349	530,852
Profit for the year	年度利潤	–	–	11,017
Currency translation differences	外幣折算差額	–	(99,361)	–
Exercise of option	行使購股權	3,157	(1,671)	–
Dividend distributed	股利分配	(350,795)	–	–
As at 31 December 2021	於2021年12月31日	3,316,002	216,317	541,869
Profit for the year (i)	年度利潤(i)	–	–	850,907
Currency translation differences	外幣折算差額	–	452,429	–
Exercise of option	行使購股權	422	(203)	–
Dividend distributed	股利分配	(199,431)	–	–
As at 31 December 2022	於2022年12月31日	3,116,993	668,543	1,392,776

(i) A dividend of RMB1,000,000,000 was approved by the Board of Directors of AAGI on 20 January 2022.

(i) 亞美大陸煤層氣董事會已於2022年1月20日批准派發股息人民幣1,000,000,000元。

Notes to the Consolidated Financial Statements

合併財務報表附註

32. SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2022:

32. 附屬公司

以下列示於2022年12月31日的主要附屬公司：

Name	Place of incorporation and type of legal entity	Issued/ paid-up capital	Principal activities and place of operation	Proportion of ordinary shares held by the Group (%)
名稱	註冊成立地及法人實體類型	已發行/實繳股本	主要業務及運營地點	本集團持有普通股比例(%)
AAGI	British Virgin Islands ("BVI"), Limited liability company	US\$50,000/US\$50,000	CBM project development, BVI	100%
亞美大陸煤層氣	英屬維京群島(「英屬維京群島」), 有限公司	50,000美元/50,000美元	煤層氣項目開發, 英屬維京群島	
AAG Energy (China) Limited	BVI, Limited liability company	US\$5,000/US\$5,000	CBM project development, BVI	100%
	英屬維京群島, 有限公司	5,000美元/5,000美元	煤層氣項目開發, 英屬維京群島	
SAEI	Samoa, Limited liability company	US\$7,000,000/US\$7,000,000	CBM project development, Samoa	100%
美中能源公司	薩摩亞, 有限公司	7,000,000美元/7,000,000美元	煤層氣項目開發, 薩摩亞	
Alpha Eagle Limited	Cayman Islands, Limited liability company	US\$1/US\$1	CBM project development, Cayman Islands	100%
佳鷹有限公司	開曼群島, 有限公司	1美元/1美元	煤層氣項目開發, 開曼群島	
Xinhe Investment Holding Co., Ltd.	Sichuan, PRC, Limited liability company	US\$100,000,000/US\$97,147,897	Investment, Sichuan, PRC	100%
新合投資控股有限責任公司	四川, 中國, 有限公司	100,000,000美元/97,147,897美元	投資, 四川, 中國	

Notes to the Consolidated Financial Statements

合併財務報表附註

33. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2022:

33. 董事福利及利益

(a) 董事及首席執行官的酬金

各董事及首席執行官的薪酬如下：

截至2022年12月31日止年度：

Name	Fees	Salary	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Termination benefits	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
姓名	費用	薪金	酌情獎金	福利津貼	退休福利計劃僱主供款	辭退福利	董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的其他薪酬	合計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive Directors	執行董事							
Mr. Ming Zaiyuan (i)	明再遠先生 (i)	-	2,815	2,967	-	-	-	5,782
Mr. Yan Danhua	嚴丹華先生	-	1,515	1,675	27	52	-	3,269
Mr. Zhang Jianbing (i)	張鑑兵先生 (i)	-	1,115	1,358	-	-	-	2,473
Non-executive Directors	非執行董事							
Mr. Huang Min	黃敏先生	-	-	-	-	-	-	-
Independent Non-executive Directors	獨立非執行董事							
Mr. Tai Kwok Leung Alexander	戴國良先生	302	-	-	-	-	-	302
Dr. Liu Xiaofeng	劉曉峰博士	302	-	-	-	-	-	302
Dr. Yang Ruizhao	楊瑞召博士	302	-	-	-	-	-	302
Total	合計	906	5,445	6,000	27	52	-	12,430

Notes to the Consolidated Financial Statements

合併財務報表附註

33. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(a) Directors' and chief executive's emoluments

(Continued)

For the year ended 31 December 2021:

Name	Fees	Salary	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Termination benefits	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
姓名	費用	薪金	酌情獎金	福利津貼	退休福利計劃僱主供款	辭退福利	董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的其他薪酬	合計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Executive Directors	執行董事							
Mr. Ming Zaiyuan (i)	-	2,814	2,503	-	-	-	-	5,317
Mr. Yan Danhua	-	1,514	1,576	25	47	-	-	3,162
Mr. Zhang Jianbing (i)	-	1,106	1,063	-	-	-	-	2,169
Non-executive Directors	非執行董事							
Dr. Cui Guiyong (ii)	-	-	-	-	-	-	-	-
Mr. Huang Min	-	-	-	-	-	-	-	-
Independent Non-executive Directors	獨立非執行董事							
Mr. Tai Kwok Leung Alexander	290	-	-	-	-	-	-	290
Dr. Liu Xiaofeng	290	-	-	-	-	-	-	290
Dr. Yang Ruizhao	290	-	-	-	-	-	-	290
Total	870	5,434	5,142	25	47	-	-	11,518

33. 董事福利及利益 (續)

(a) 董事及首席執行官的酬金 (續)

截至2021年12月31日止年度：

Notes to the Consolidated Financial Statements

合併財務報表附註

33. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(a) Directors' and chief executive's emoluments

(Continued)

Notes:

- (i) Retirement benefit costs of Mr. Ming Zaiyuan and Mr. Zhang Jianbing are borne by the Company's ultimate holding company.
- (ii) Mr. Cui Guiyong has resigned as a non-executive Director and a member of the Strategic Development Committee of the Company on 26 March 2021.

Directors' emoluments

Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertaking		Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking		Total	Total
董事就其作為董事 (不論是本公司或其附屬公司) 的服務支付或應收的薪酬總額		董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的薪酬總額		合計	合計
2022	2021	2022	2021	2022	2021
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
906	870	11,524	10,648	12,430	11,518

Notes: Emoluments above include estimated money value of non-cash benefits: insurance premium.

(b) Directors' retirement benefits

During the year ended 31 December 2022, no retirement benefits operated by the Group was paid or made, directly or indirectly, to or receivable by a director in respect of his services as a director or other services in connection with the management of the affairs of the Company or its subsidiaries (2021: nil).

33. 董事福利及利益 (續)

(a) 董事及首席執行官的酬金 (續)

附註：

- (i) 明再遠先生和張艦兵先生的退休福利由本公司的最終控股公司承擔。
- (ii) 於2021年3月26日，崔桂勇先生辭任本公司非執行董事及戰略發展委員會成員。

董事薪酬

(b) 董事退休福利

截至2022年12月31日止年度，本集團沒有就董事職務或與本公司或其附屬公司的事務管理有關的其他服務，直接或間接向董事支付或作出退休福利，董事亦沒有應收退休福利(2021年：無)。

Notes to the Consolidated Financial Statements

合併財務報表附註

33. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(c) Directors' termination benefits

During the year ended 31 December 2022, no payments or benefits in respect of termination of director's services was paid or made, directly or indirectly, to or receivable by a director, nor is any payable (2021: nil).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2022, no consideration was provided to or receivable by third parties for making available director's services (2021: nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2022, there is no loans, quasi-loans or other dealings in favour of directors, controlled bodies corporate by and connected entities (2021: nil).

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of 2022 or at any time during the year ended 31 December 2022 (2021: nil).

34. SUBSEQUENT EVENTS

As of 17 February 2023, Liming as the Offeror, and the Company made a Joint Announcement for (1) Pre-conditional proposal for the Privatisation of the Company by the Offeror ("the Proposal") by the way of a scheme of arrangement ("the Scheme") (under section 86 of the company act); (2) Proposed withdrawal of listing of the Company upon completion of the Scheme.

As of the date of this report issued, the Proposal is still subject to the fulfillment or waiver, as applicable, of certain pre-condition and conditions as described in the Joint Announcement.

33. 董事福利及利益 (續)

(c) 董事辭退福利

截至2022年12月31日止年度，沒有就董事服務終止直接或間接向董事支付的款項或福利，亦沒有任何應付款(2021年：無)。

(d) 因董事服務向第三方提供的報酬

截至2022年12月31日止年度，沒有因董事服務向第三方提供報酬，第三方亦沒有應收報酬(2021年：無)。

(e) 關於向董事、受控制法人及與該董事相關聯的實體提供的貸款、準貸款及其他交易資料

截至2022年12月31日止年度，沒有向董事、受控制法人及相關聯的實體提供的貸款、準貸款或其他交易(2021年：無)。

(f) 董事在交易、安排或合約方面的重大權益

於2022年度末及全年任何時間，本公司沒有訂立任何與本集團業務有關且本公司董事擁有重大權益(無論是直接或間接)的重大交易、安排及合約(2021年：無)。

34. 期後事項

於2023年2月17日，香港利明(「要約人」)與本公司發布聯合公告宣布(1)要約人根據公司法第86條以協議安排方式私有化亞美能源(「該計劃」)之附帶先決條件建議(「該建議」)；(2)於該計劃完成後，建議撤銷亞美能源的上市地位。

截至本報告報出日，上述建議尚待聯合公告中所載之先決條件及條件獲達成或豁免(如適用)。

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Ming Zaiyuan (*Chairman*)

Mr. Yan Danhua (*President*)

Mr. Zhang Jianbing (*Executive Vice President*)

Non-Executive Director

Mr. Huang Min

Independent Non-Executive Directors

Mr. Tai Kwok Leung Alexander

Dr. Liu Xiaofeng

Dr. Yang Ruizhao

COMPANY SECRETARIES

Mr. Chiu Ming King (resigned on 22 July 2022)

Ms. Su Xiaohang

AUTHORIZED REPRESENTATIVES

Mr. Zhang Jianbing

Mr. Chiu Ming King (resigned on 22 July 2022)

Ms. Su Xiaohang (appointed on 22 July 2022)

AUDIT COMMITTEE

Mr. Tai Kwok Leung Alexander (*Chairman*)

Dr. Liu Xiaofeng

Mr. Huang Min

REMUNERATION COMMITTEE

Dr. Liu Xiaofeng (*Chairman*)

Mr. Tai Kwok Leung Alexander

Mr. Zhang Jianbing

NOMINATION COMMITTEE

Mr. Ming Zaiyuan (*Chairman*)

Dr. Liu Xiaofeng

Mr. Tai Kwok Leung Alexander

STRATEGIC DEVELOPMENT COMMITTEE

Dr. Yang Ruizhao (*Chairman*)

Mr. Tai Kwok Leung Alexander

Mr. Yan Danhua

董事會

執行董事

明再遠先生 (*主席*)

嚴丹華先生 (*總裁*)

張艦兵先生 (*常務副總裁*)

非執行董事

黃敏先生

獨立非執行董事

戴國良先生

劉曉峰博士

楊瑞召博士

公司秘書

趙明璟先生 (於 2022 年 7 月 22 日辭任)

蘇曉航女士

授權代表

張艦兵先生

趙明璟先生 (於 2022 年 7 月 22 日辭任)

蘇曉航女士 (於 2022 年 7 月 22 日獲委任)

審核委員會

戴國良先生 (*主席*)

劉曉峰博士

黃敏先生

薪酬委員會

劉曉峰博士 (*主席*)

戴國良先生

張艦兵先生

提名委員會

明再遠先生 (*主席*)

劉曉峰博士

戴國良先生

戰略發展委員會

楊瑞召博士 (*主席*)

戴國良先生

嚴丹華先生

Corporate Information

公司資料

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") WORKING GROUP

Dr. Yang Ruizhao (Group Leader)
Mr. Yan Danhua (Vice Group Leader)
Mr. Zhang Jianbing (Member)
Mr. Wang Bing (Member)
Mr. Li Jun (Member)
Ms. Su Xiaohang (Member)
The Head of Health, Safety and Environmental
Protection Department (Member)
Mr. Wei Jiangtao (appointed on 19 January 2022)
Mr. Gong Chihua (appointed on 16 March 2022)

REGISTERED OFFICE

P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2506, 25/F
Cosco Tower
183 Queen's Road Central, Sheung Wan
Hong Kong

PRINCIPAL PLACE OF BUSINESS IN CHINA

Panzhuang Management Center
Guobei Village
Jiafeng Town, Qinshui County
Jincheng City
Shanxi Province, 048204
People's Republic of China

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Campbells Corporate Services Limited
Floor 4, Willow House, Cricket Square
Grand Cayman, KY1-9010
Cayman Islands

環境、社會及管治("ESG")工作組

楊瑞召先生(組長)
嚴丹華先生(副組長)
張艦兵先生(組員)
王冰先生(組員)
李軍先生(組員)
蘇曉航女士(組員)
安全環保部部長(組員)

衛江濤先生(組員)(於2022年1月19日獲委任)
龔池華先生(組員)(於2022年3月16日獲委任)

註冊辦事處

P.O.Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

香港總部及主要營業地點

香港
上環皇后大道中183號
中遠大廈
25樓2506室

中國主要營業地點

中華人民共和國
山西省晉城市
沁水縣嘉峰鎮
郭北村
潘莊管理中心
郵編：048204

開曼群島股份過戶登記總處

Campbells Corporate Services limited
Floor 4, Willow House, Cricket Square
Grand Cayman, KY1-9010
Cayman Islands

Corporate Information

公司資料

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of Communications (Hong Kong) Limited
Bank of Communications Co., Ltd., Offshore Banking Unit
China Minsheng Bank Corporation Limited (Hong Kong Branch)

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and
Registered PIE Auditor
22/F, Prince's Building
Central
Hong Kong

LEGAL ADVISERS

As to Hong Kong law:
Jingtian & Gongcheng LLP
Suite 3203-3207
Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

As to PRC law:
Beijing AnJie Broad Law Firm
19/F, Tower D1, Liangmaqiao Diplomatic Office Building,
No. 19 Dongfangdonglu, Chaoyang District
Beijing, 100600
People's Republic of China

Shanxi Benhe Law Office
14th Floor, Yicui Commercial Centre
Jincheng City
Shanxi Province, 048000
People's Republic of China

STOCK CODE

2686

COMPANY'S WEBSITE

www.aagenergy.com

香港證券登記處

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 號舖

主要往來銀行

香港上海滙豐銀行有限公司
交通銀行(香港)有限公司
交通銀行股份有限公司離岸金融業務中心
中國民生銀行股份有限公司香港分行

核數師

羅兵咸永道會計師事務所
執業會計師及
註冊公眾利益實體核數師
香港
中環
太子大廈 22 樓

法律顧問

香港法律：
競天公誠律師事務所有限法律責任合夥
香港
中環皇后大道中 15 號
置地廣場
公爵大廈
3203 至 3207 室

中國法律：
北京安傑世澤律師事務所
中華人民共和國
北京市
朝陽區東方東路 19 號
亮馬橋外交辦公大樓 D1 座 19 層
郵編：100600

山西本和律師事務所
中華人民共和國
山西省
晉城市頤翠商務中心 14 樓
郵編：048000

股份代號

2686

公司網址

www.aagenergy.com



亞美能源控股有限公司
AAG Energy Holdings Limited