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

(Incorporated in Bermuda with limited liability)

(Stock Code: 00166)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL HIGHLIGHTS

	Year ended 31 December 2023	Year ended 31 December 2022
	HK$ million	*HK$ million*
Revenue	**26,150.2**	20,913.2
(Loss)/profit before taxation	**(159.6)**	300.7
Adjusted EBITDA ("**EBITDA**")	**167.0**	453.5
(Loss)/profit for the year	**(150.5)**	285.9
	HK cent	*HK cent*
(Losses)/earnings per share – basic	**(1.72)**	3.26

The Board does not recommend the payment of any final dividend for the year ended 31 December 2023 (2022: Nil).

* *For identification purposes only*

Adjusted EBITDA is derived from profit before tax, excluding interests, adding back depreciation, amortisation and assets impairment losses.

The board of directors (the "**Board**") of New Times Energy Corporation Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2023, together with the comparative figures for the year ended 31 December 2022.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2023

	Note	2023 HK$ million	2022 HK$ million
Revenue	3	**26,150.2**	20,913.2
Cost of sales	6	**(26,287.1)**	(20,491.8)
Gross (loss)/profit		**(136.9)**	421.4
Other income and net gains and losses	4	**161.1**	13.0
Net investment (loss)/income	5	**(20.9)**	25.0
General and administrative expenses	6	**(108.3)**	(130.9)
Finance costs	7	**(54.6)**	(27.8)
Share of losses of joint ventures		**–***	–*
(Loss)/profit before taxation		**(159.6)**	300.7
Income tax credit/(expense)	8	**9.1**	(14.8)
(Loss)/profit for the year		**(150.5)**	285.9
(Loss)/profit attributable to:			
Owners of the Company		**(150.5)**	285.9
Non-controlling interests		**–***	–*
		(150.5)	285.9
(Losses)/earnings per share attributable to owners of the Company (expressed in HK cents per share)	10		
Basic		**(1.72)**	3.26
Diluted		**(1.72)**	3.26

* *Amount less than HK$10,000*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023	2022
	HK$ million	*HK$ million*
(Loss)/profit for the year	**(150.5)**	285.9
Other comprehensive income/(loss) for the year		
Item that will not be reclassified to profit or loss:		
Change in fair value of financial assets at fair value through other comprehensive income	**–***	–*
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**1.8**	(134.3)
Other comprehensive income/(loss) for the year, net of tax	**1.8**	(134.3)
Total comprehensive (loss)/income for the year	**(148.7)**	151.6
Total comprehensive (loss)/income attributable to:		
Owners of the Company	**(148.7)**	151.6
Non-controlling interests	**–***	–*
	(148.7)	151.6

* *Amount less than HK$10,000*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2023

	Note	2023 HK$ million	2022 HK$ million
Non-current assets			
Exploration and evaluation assets		**8.4**	–
Property, plant and equipment		**418.0**	961.7
Intangible assets		**2.4**	–
Investment property		**218.5**	–
Investments in joint ventures		**0.9**	0.9
Financial assets at fair value through other comprehensive income		**–***	–*
Prepayments, deposits and other receivables	*11*	**24.2**	17.6
		672.4	980.2
Current assets			
Inventories		**102.8**	111.4
Trade and other receivables	*11*	**93.4**	166.7
Current tax recoverable		**–**	–
Financial assets at fair value through profit or loss	*12*	**35.5**	55.9
Cash and bank balances		**796.6**	851.2
		1,028.3	1,185.2
Current liabilities			
Trade and other payables	*13*	**164.8**	237.0
Lease liabilities		**5.8**	8.1
Derivative financial instruments		**1.5**	4.6
Provisions		**78.1**	80.1
Income tax payable		**2.6**	–
		252.8	329.8
Net current assets		**775.5**	855.4
Total assets less current liabilities		**1,447.9**	1,835.6

* *Amount less than HK$10,000*

	Note	**2023**	2022
		HK$ million	*HK$ million*
Non-current liabilities			
Lease liabilities		**16.2**	21.0
Deferred tax liabilities		**23.7**	59.8
Provisions		**215.6**	433.2
		255.5	514.0
Net assets		**1,192.4**	1,321.6
Equity			
Equity attributable to owners of the Company			
Share capital	*14*	**87.4**	88.1
Reserves		**1,105.1**	1,233.6
		1,192.5	1,321.7
Non-controlling interests		**(0.1)**	(0.1)
Total equity		**1,192.4**	1,321.6

Notes

1. GENERAL INFORMATION

New Times Energy Corporation Limited (the "**Company**") is a limited liability company incorporated in Bermuda as an exempted company and its registered office and principal place of business are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda, and Room 1402, 14/F., New World Tower I, 16-18 Queen's Road Central, Hong Kong, respectively. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Company is an investment holding company. The principal activities of the Company's subsidiaries are exploration, development, production and sale of oil and gas, and general and commodities refinery and trading. The Company and its subsidiaries are collectively referred to the "**Group**".

The consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated.

The annual results set out in this announcement do not constitute the Group's consolidated financial statements for the year ended 31 December 2023 but are extracted from those financial statements.

2. BASIS OF PREPARATION

These consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**"). The consolidated financial statements have been prepared under the historical cost convention except for the following:

- financial assets at fair value through other comprehensive income ("**FVOCI**") and financial assets and liabilities at fair value through profit or loss ("**FVPL**") (including derivative financial instruments) measured at fair value;

- investment property measured at fair value; and

- adjustments for the effect of inflation where entities operate in a hyperinflationary economy.

The preparation of the consolidated financial statements in conformity with HKFRSs 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.

(a) New standards and amendments to accounting standards adopted by the Group

Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
HKFRS 17	Insurance Contracts
HKFRS 17	Amendments to HKFRS 17
HKFRS 17	Initial Application of HKFRS 17 and HKFRS 9 – Comparative Information

The new standards and amendments to accounting standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current and future periods.

(b) Amendments to accounting standards and interpretations not yet adopted

Certain amendments to accounting standards and interpretations have been published that are not mandatory for the year ended 31 December 2023 and have not been early adopted by the Group. These amendments to accounting standards and interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

3. REVENUE AND SEGMENT REPORTING

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. The chief operating decision-maker is identified as the executive directors of the Company. The executive directors assess the performance of the operating segments based on the segment revenue, segment results, segment assets and segment liabilities for the purposes of allocating resources and assessing performance. These reports are prepared on the same basis as these consolidated financial statements.

Management has identified two reportable segments based on the Group's business model:

- Upstream: This segment is engaged in the exploration, development, production and sale of oil and gas. Currently the Group's activities in this segment are carried out in Canada and Argentina.

- General and commodities refinery and trading: This segment includes refinery and trading of precious metals and petroleum-related products.

Segment results represents the profit or loss resulted from each segment without allocation of share of losses of joint ventures, gain on bargain purchase, unallocated interest income and expenses and other corporate expenses. Segment assets include all the assets with the exception of investments in joint ventures, financial assets at FVOCI and unallocated corporate assets. Segment liabilities include all the liabilities with the exception of deferred tax liabilities and unallocated corporate liabilities. This is the measure reported to the Group's chief executive decision maker for the purposes of resource allocation and performance assessment.

Capital expenditure comprises addition to exploration and evaluation assets and property, plant and equipment for the years ended 31 December 2023 and 2022.

(i) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's chief executive decision maker for the purposes of resource allocation and performance assessment for the year is set out below:

	Upstream		General and commodities refinery and trading		Total	
	2023	2022	**2023**	2022	**2023**	2022
	HK$ million	*HK$ million*	***HK$ million***	*HK$ million*	***HK$ million***	*HK$ million*
Reportable segment revenue *(Note (i))*	**533.3**	1,002.5	**25,616.9**	19,910.7	**26,150.2**	20,913.2
Reportable segment results	**(264.6)**	309.2	**21.8**	3.9	**(242.8)**	313.1
Reportable segment adjusted EBITDA ("**EBITDA**") *(Restated) (Note (ii))*	**64.9**	460.1	**26.8**	6.3	**91.7**	466.4
Depreciation and amortisation	**(170.6)**	(129.3)	**(4.9)**	(2.5)	**(175.5)**	(131.8)
Asset impairment loss	**(119.9)**	–	**–**	–	**(119.9)**	–
Gains on derivative financial instruments	**–**	–	**0.4**	1.0	**0.4**	1.0
Fair value losses on gold investment	**–**	–	**–**	(1.0)	**–**	(1.0)
Interest income	**15.1**	5.6	**0.3**	0.5	**15.4**	6.1
Interest expenses	**(54.1)**	(27.2)	**(0.4)**	(0.4)	**(54.5)**	(27.6)
Capital expenditure	**45.0**	197.3	**23.1**	3.8	**68.1**	201.1
Reportable segment assets	**872.8**	1,531.4	**372.2**	331.9	**1,245.0**	1,863.3
Reportable segment liabilities	**(417.7)**	(685.5)	**(13.7)**	(40.7)	**(431.4)**	(726.2)

Notes:

(i) Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during both the current and prior year. All of the Group's revenue is recognised at a point in time.

(ii) In prior year the internal reporting provided to the chief operating decision-maker did not include the analysis of reportable segment adjusted EBITDA. In the current year, this information is included in the internal reporting. The prior year comparatives are therefore restated.

Adjusted EBITDA is derived from profit before tax, excluding interests, adding back depreciation, amortisation and assets impairment losses.

Following the designation of certain property, plant and equipment to investment property during the current year, the corresponding property, plant and equipment which was included in the reportable segment assets in the prior year has been included as unallocated corporate assets in the current year.

(ii) Reconciliation of reportable segment results, assets and liabilities

	2023	2022
	HK$ million	*HK$ million*
Results		
Reportable segment results	**(242.8)**	313.1
Unallocated interest income	**10.3**	1.6
Unallocated interest expenses	**(0.1)**	(0.2)
Unallocated other income and net gains and losses	**116.4**	–
Other corporate expenses	**(22.5)**	(37.5)
Share of losses of joint ventures	**–***	–*
Unallocated net investment (loss)/income	**(20.9)**	23.7
(Loss)/profit before taxation	**(159.6)**	300.7

	2023	2022
	HK$ million	*HK$ million*
Assets		
Reportable segment assets	**1,245.0**	1,765.3
Investments in joint ventures	**0.9**	0.9
Financial assets at FVOCI	**–***	–*
Unallocated corporate assets:		
– Investment property	**218.5**	–
– Property, plant and equipment	**2.1**	98.0
– Cash and bank balances	**198.7**	240.9
– Financial assets at FVPL	**32.7**	54.3
– Other receivables	**2.8**	3.0
– Others	**–**	3.0
Consolidated total assets	**1,700.7**	2,165.4

	2023	2022
	HK$ million	*HK$ million*
Liabilities		
Reportable segment liabilities	**431.4**	726.2
Deferred tax liabilities	**23.7**	59.8
Unallocated corporate liabilities:		
– Deposit received	**45.0**	45.0
– Unallocated lease liabilities	**1.0**	2.9
– Others	**7.2**	9.9
Consolidated total liabilities	**508.3**	843.8

* *Amount less than HK$10,000*

(iii) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's non-current assets other than financial assets at FVOCI ("**specified non-current assets**"). The geographical location of the Group's revenue is based on the locations of customers. The geographical location of the specified non-current assets is based on (i) the physical location of the asset, in the case of property, plant and equipment and exploration and evaluation assets; and (ii) the location of the operation to which they are allocated, in the case of prepayments, deposits and other receivables. In the case of investments in joint ventures, it is based on the location of the operation of such joint ventures.

	Revenues from external customers		**Specified non-current assets**	
	2023	2022	**2023**	2022
	HK$ million	*HK$ million*	***HK$ million***	*HK$ million*
Hong Kong	**25,616.9**	19,910.7	**30.3**	29.6
Canada	**475.8**	900.8	**609.7**	872.5
Argentina	**57.5**	101.7	**32.4**	78.1
	26,150.2	20,913.2	**672.4**	980.2

(iv) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2023	2022
	HK$ million	*HK$ million*
Revenue from contracts with customers		
– Refinery and sales of precious metals under general and commodities trading	**25,616.9**	19,910.7
– Sales of oil and gas products under oil and gas exploration and production	**533.3**	1,002.5
	26,150.2	20,913.2

Revenue from major customers who have individually contributed 10% or more of the total revenue of the Group for the year ended 31 December 2023 and 2022 are disclosed as follows:

	2023	2022
	HK$ million	*HK$ million*
Customer 1	**3,718.7**	1,198.0
Customer 2	**3,066.7**	2,724.3
Customer 3	**2,648.0**	3,895.6
Customer 4	**2,641.9**	1,139.7

The above customers are included in general and commodities refinery and trading segment.

4. OTHER INCOME AND NET GAINS AND LOSSES

	2023	2022
	HK$ million	*HK$ million*
Bank interest income	**25.7**	7.6
Drilling service income	**1.1**	1.5
(Losses)/gains on derivative financial instruments	**(0.4)**	1.0
Fair value losses on gold investment	**–**	(0.9)
Fair value gains on investment property	**116.4**	–
Hyperinflation monetary adjustments *(Note)*	**(1.0)**	19.3
Net foreign exchange losses	**(4.5)**	(27.4)
Trading revenue	**0.6**	2.0
Rental income	**18.1**	6.9
Loss on disposal of property, plant and equipment	**(0.5)**	–
Others	**5.6**	3.0
	161.1	13.0

Note:

In May 2018, the Argentine peso ("**ARS**") underwent a severe devaluation resulting in the three-year cumulative inflation of Argentina to exceed 100%, thereby triggering the requirement to transition to hyperinflation accounting as prescribed by HKAS 29, Financial Reporting in Hyperinflationary Economies, for the activities of the Argentine subsidiaries and branches from 1 January 2018 onwards.

Under HKAS 29, the non-monetary assets and liabilities stated at historical cost, the equity and the statement of profit or loss of subsidiaries and branches operating in hyperinflationary economies are restated for changes in the general purchasing power of the local currency applying a general price index, and monetary items that are already stated at the measuring unit at the end of the reporting period are not restated.

To measure the impact of inflation on the Group's financial position and results, the Group has elected to use the Wholesale Price Index (Indice de Precios Mayoristas) for periods up to 31 December 2016, and the Retail Price Index (Indice de Precios al Consumidor) thereafter. These price indices have been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences.

Current year hyperinflation monetary adjustment for the change in price index amounting to a loss of HK$1.0 million (2022: a gain of HK$19.3 million) was recognised in the consolidated statement of profit or loss.

5. NET INVESTMENT (LOSS)/INCOME

	2023	2022
	HK$ million	*HK$ million*
Net (loss)/income in listed equity securities	**(21.2)**	23.7
Net income in listed and unlisted debt securities	**0.3**	0.1
Others	**–**	1.2
	(20.9)	25.0

6. EXPENSES BY NATURE

(Loss)/profit before taxation has been arrived after charging the following items:

	2023	2022
	HK$ million	*HK$ million*
Cost of inventories recognised as expense	**25,944.0**	20,321.7
Processing charges	**9.4**	7.3
Depreciation of property, plant and equipment	**177.8**	132.6
Employee benefit expenses (including directors' remuneration)	**94.6**	102.6
Auditor's remuneration		
– Audit services	**3.8**	3.3
– Non-audit services	**0.4**	0.7
Assets impairment losses	**119.9**	–
Legal, professional and transaction-related expenses	**14.6**	21.4
Others	**30.9**	33.0
Total cost of sales and general and administrative expenses	**26,395.4**	20,622.6

7. FINANCE COSTS

	2023	2022
	HK$ million	*HK$ million*
Interest on borrowings	**–**	–
Interest on lease liabilities	**0.6**	1.6
Imputed interest on provisions	**54.0**	26.2
	54.6	27.8

8. INCOME TAX

	2023	2022
	HK$ million	*HK$ million*
Current tax		
Provision for the year	**2.6**	–
Overprovision in prior year	**–**	(1.0)
	2.6	(1.0)
Deferred tax		
(Credited)/charged to the profit or loss	**(11.7)**	15.8
	(9.1)	14.8

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

Hong Kong profits tax has been provided for at the rate of 16.5% for the year ended 31 December 2023 (2022: 16.5%) on the estimated assessable profit for the year. No provision for Hong Kong profits tax has been made for the year ended 31 December 2023 as the Group's operations in Hong Kong had no assessable profits.

Subsidiaries of the Group in Argentina are subject to Argentina corporate income tax ("**AIT**") at 35% (2022: 35%) and minimum presumed income tax ("**MPIT**"). MPIT is supplementary to AIT and is chargeable at the applicable tax rate of 35% (2022: 35%) on the tax basis of certain assets. The tax liabilities of subsidiaries of the Group in Argentina are the higher of AIT and MPIT.

Subsidiaries of the Group in Canada are subject to Canadian corporate income tax ("**CCIT**") at 38% (2022: 38%) together with the federal abatement of 10% (2022: 10%) and general rate reduction or manufacturing and processing deduction of 13% (2022: 13%), the net federal tax rate is 15% (2022: 15%). With the provincial and territorial CCITs range from 8% (Alberta) (2022: 8%) to 12% (British Columbia) (2022: 12%), the aggregate tax rate ranged from 23% to 27% (2022: 23% to 27%).

Subsidiaries of the Group in the Mainland China are subject to Corporate Income Tax ("**CIT**") in accordance with the Law of the People's Republic of China ("**PRC**") on Corporate Income Tax (the "**CIT Law**"). Under the CIT Law, the income tax rate applicable to these subsidiaries is 25% (2022: 25%).

Taxation for other overseas subsidiaries of the Group is charged at the appropriate current rates of taxation ruling in the relevant countries and regions.

9. DIVIDENDS

The board of directors of the Company does not recommend the payment of any final dividend for the year ended 31 December 2023 (2022: Nil).

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the Group's loss attributable to owners of the Company of HK$150.5 million (2022: profit attributable to owners of the Company of HK$285.9 million) and weighted average number of ordinary shares in issue during the year of approximately 8,766.0 million shares (2022: 8,780.8 million shares).

(b) Diluted earnings per share

For the years ended 31 December 2023 and 2022, basic and diluted earnings per share were the same as there were no potentially dilutive ordinary shares in issue during the year.

11. TRADE AND OTHER RECEIVABLES

	2023	2022
	HK$ million	*HK$ million*
Trade receivables *(Notes (b) and (c))*	**52.7**	103.9
Other debtors	**13.4**	10.1
Deposits	**26.8**	38.9
Amount due from a joint venture *(Note (d))*	**0.6**	0.6
Financial assets measured at amortised cost	**93.5**	153.5
VAT recoverable	**0.6**	2.3
Other tax recoverable	**18.4**	19.2
Other prepayments	**5.1**	9.3
	117.6	184.3
Reconciliation to the consolidated statement of financial position:		
Non-current	**24.2**	17.6
Current	**93.4**	166.7
	117.6	184.3

Notes:

(a) The Board considers that the carrying amounts of deposits, trade receivables and other debtors approximate their fair values as the impact of discounting is not significant.

(b) Trade receivables are due within 30 to 90 days (2022: 30 to 90 days) from the date of billing. The following is an ageing analysis of trade receivables, presented based on the invoice date and net of loss allowance, is as follows:

	2023	2022
	HK$ million	*HK$ million*
0 – 30 days	**29.9**	88.1
31 – 60 days	**1.6**	0.4
61 – 90 days	**3.9**	1.5
Over 90 days	**17.3**	13.9
	52.7	103.9

(c) The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables.

(d) The amount due from a joint venture is non-secured, interest-free and repayable on demand.

(e) Trade receivables, other debtors, deposit and amount due from a joint venture were denominated in the following currencies:

	2023	2022
	HK$ million	*HK$ million*
United States dollar ("**US$**").	**8.3**	0.8
Argentine peso ("**ARS**")	**1.3**	21.2
Canadian dollar ("**C$**")	**70.6**	112.1
Hong Kong dollar ("**HK$**")	**13.3**	19.4
	93.5	153.5

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2023	2022
	HK$ million	*HK$ million*
Listed equity securities *(Note (a))*	**32.5**	54.3
Listed debt securities *(Note (b))*	**0.2**	–
Unlisted fund	**2.8**	1.6
	35.5	55.9

Notes:

(a) The listed equity securities represent listed shares on the Stock Exchange and are stated at fair value. Net investment loss of approximately HK$21.2 million (2022: income of HK$23.7 million) has been recognised in profit or loss during the year ended 31 December 2023.

(b) During the year ended 31 December 2022, the Group had two listed debt securities that were in default as the issuers failed to repay the debts upon maturity. As at 31 December 2022, the Group determined these debt securities were of no commercial value and valued at HK$Nil.

13. TRADE AND OTHER PAYABLES

	2023	2022
	HK$ million	*HK$ million*
Trade payables *(Note (b))*	**21.2**	21.4
Other creditors and accrued charges *(Note (c))*	**136.7**	188.3
Financial liabilities measured at amortised cost	**157.9**	209.7
Accrued charges	**3.9**	–
Other tax payables	**3.0**	7.2
Contract liabilities	**–***	20.1
	164.8	237.0

Notes:

(a) All of the trade and other payables are expected to be settled within one year or are repayable on demand.

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

	2023	2022
	HK$ million	*HK$ million*
0 – 30 days	**7.7**	13.4
31 – 60 days	**10.8**	2.8
61 – 90 days	**2.5**	2.1
Over 90 days	**0.2**	3.1
	21.2	21.4

(c) Included in other creditors and accrued charges is a deposit of HK$45.0 million (2022: HK$45.0 million) received from two independent third parties which appointed a subsidiary of the Company as trustee to pursue an acquisition. The potential acquisition had been cancelled and the deposit is to be returned to those third parties.

* *Amount less than HK$10,000*

14. SHARE CAPITAL

(a) Authorised and issued share capital

	2023		2022	
	No. of shares		No. of shares	
	'000	***HK$ million***	*'000*	*HK$ million*
Authorised:				
At 1 January and 31 December				
Ordinary shares of HK$0.01 each	**200,000,000**	**2,000**	200,000,000	2,000
Ordinary shares, issued and fully paid:				
At 1 January				
Ordinary shares of HK$0.01 each	**8,808,881**	**88.1**	8,758,881	87.6
Shares issued under share option scheme	**–**	**–**	50,000	0.5
Purchase of own shares	**(67,104)**	**(0.7)**	–	–
At 31 December				
Ordinary shares of HK$0.01 each	**8,741,777**	**87.4**	8,808,881	88.1

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

During the year ended 31 December 2023, the Company repurchased 67,104,000 of its own shares from the market and subsequently cancelled (2022: Nil). The shares were repurchased at prices ranging from HK$0.081 to HK$0.130 per share, with an average price of HK$0.117 per share.

15. COMMITMENTS

The Group had the following capital commitments at the date of statement of financial position:

	2023	2022
	HK$ million	*HK$ million*
Authorised but not contracted for	**124.9**	125.0
Authorised and contracted for	**8.9**	13.7
	133.8	138.7

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL REVIEW

For the year ended 31 December 2023, the Group recorded a loss after tax of HK$150.5 million and an adjusted EBITDA (Profit before interest, taxes, depreciation, amortisation, and impairment charge) of HK$167.1 million profit.

The loss after tax was mainly attributable to the following factors:

(i) a precipitous decline in natural gas commodity price and the extreme widespread of wildfire in Western Canada, forcing the prolonged suspension of natural gas production, which resulted in a loss of revenue, and an impairment charge of HK$119.9 million against the Group's carrying value for natural gas assets in Canada; and

(ii) a reduction in revenue and profit from the Group's Argentina operations, primarily due to an annual hyperinflation rate of 211% and a devaluation of the Argentina Peso against the US Dollar in 2023 of 354%. Lower Argentina domestic oil price during the year also adversely affected the financial performance of the Group's Argentina operations.

The impairment charge of the Group's oil and gas assets is a non-cash item and does not have an impact on the Group's cash flow. Should there be changes in circumstances, such as a significant rebound of natural gas commodity prices, the Group may recognise a reversal of impairment loss in the future.

The Group remains financially healthy with stable cashflows generated across all its business segments. As of 31 December 2023, the Group had no external borrowings, and possessed highly liquid current assets of HK$832.1 million which consisted of cash and bank balances of HK$796.6 million and HK$35.5 million in financial assets at fair value through profit or loss.

As the world accelerates towards a low carbon economy driven by the Paris Agreement, the Group is embarking on its own energy transition endeavour. The Group is committed to redeveloping its 1,200 acres (4.9 km^2) Discovery Park site situated at Campbell River, British Columbia, Canada into a green ecosystem hub by hosting ecofriendly businesses including hydrogen/green ammonia production, bio-fuel production, aquaculture, vertical farming, and modular construction. The Group's vision is to create a circular economy at Discovery Park by bringing together complementary businesses, where economic value is created by reducing waste, whilst contributing to better sustainability, climate protection and resource efficiency.

In Argentina, where the political and economic landscape is uniquely challenging, the Group managed to operate the most productive conventional oil well in the country and repatriate cash surplus to head office for reinvestment during the year. The Group continues to evaluate options with its Argentina investment.

The Group's commodities trading business (predominantly physical gold and silver trading) continued to perform solidly and grew its trade volumes year on year. Trial runs of the Group's new 10,000 square foot refinery plant for precious metals commenced in October 2023 after the completion of construction works. The Group is optimistic that upon commercial operation, the new in-house refining process will further strengthen the Group's overall profitability.

The Group operates under a strong Environmental, Social and Governance ("**ESG**") mandate and is passionate in the investment and future development of green energy for global sustainability. It is actively exploring ways to collaborate with local authorities, governing bodies, and key stakeholders to ultimately achieve the mutual objective of net-zero emissions.

CANADA

Operations update

Oil and Gas

Greater Sierra Area, Horn River Basin, Wapiti, and Willesden Green

The Group's Canadian oil and gas assets operated by its subsidiary, NTE Energy Canada Limited ("**NTEC**"), consist of over 800 active wells and spanning approximately 761,000 acres (3,080 km^2) of land. They are situated in four locations in the Western Canadian Sedimentary Basin, namely Greater Sierra Area ("**GSA**") and Horn River Basin ("**HRB**") in the province of British Columbia (representing approximately 90% of NTEC's annual oil and gas production), and Wapiti and Willesden Green in the province of Alberta.

In November 2023, NTEC increased its position on the renowned Montney Formation at Wapiti by making a successful crown land bid for 100% working interest of three sections of land with a total acreage of approximately 1,920 acres with full PNG (Petroleum and Natural Gas) rights in West Gold Creek, Alberta. The sections are estimated to contain Proved plus Probable (2P) reserves of 2.9 million boe, with an approximate split of 45% oil, 45% natural gas and 10% natural gas liquids. The reserves estimation was based on a four well drilling program across two out of the three sections of land.

According to GLJ Limited, an independent Canadian oil and gas resource consulting firm, the Group's assets in Wapiti, Alberta, Canada (including, but not limited to the areas in the Montney Formation which the Group acquired in November 2023) is valued at approximately HK$226 million. However, due to relevant accounting standards, the Group was unable to recognise the associated fair value gain in its 2023 annual results.

The four locations in total are estimated to contain Proved (1P) reserves of 24.4 million boe (2022: 26.1 million boe) and Proved plus Probable (2P) reserves of 30.7 million boe (2022: 34.1 million boe), attributable to the Group.

During the year ended 31 December 2023, NTEC's average daily oil and gas production was 11,100 boe per day (95% natural gas). Production at NTEC's HRB and GSA facilities were interrupted for part of year due to wildfires in the vicinity, prompting local authorities and emergency services to enforce evacuation orders. The production suspensions of HRB between July to September, and GSA between September to October, curtailed NTEC's daily output by 3,200 boe and 7,700 boe respectively.

Due to depressed Canada natural gas prices and the forced production suspensions at HRB and GSA, NTEC's annual revenue was HK$475.8 million, a decrease of 47.2% as compared to the 2022 year. The average realised price in 2023 was C$20.2/boe, in contrast to C$35.2/boe the previous year.

Based on latest forecasts by independent consultants, there is consensus that there will be a rebound in Canada's energy commodity prices, albeit possibly not as accelerated or to the record levels witnessed during the first half of last year, immediately after the Russian invasion of Ukraine in February 2022. Owing to the subdued outlook of energy commodity prices, the Group took a HK$119.9 million non-cash accounting impairment charge during the year, against the carrying value of its Willesden Green, Canada assets. Subject to future energy commodity price trends, the Group will contemplate a reversal of impairment, when appropriate.

Following a successful optimisation campaign to enhance the production of certain existing wells, in conjunction with the drilling of six unconventional wells operated by NTEC and minority participation in three additional unconventional wells last year, the Group's Canada production increased by approximately 1,150 boe per day.

Besides optimising production rates, NTEC has sought process efficiency improvements and cost rationalisation opportunities to maximise financial performance. Key initiatives in progress include renegotiating fees levied by natural gas pipeline and processing intermediaries and cutting NTEC's carbon emissions to reduce the carbon tax burden, both a significant expense for the business.

NTEC pays an average of approximately C$0.9 million per month in carbon tax. The availability of approved carbon offsetting schemes from British Colombia Government would help in reducing NTEC's carbon footprint from its natural gas production. NTEC hopes that it will be in a concrete position to propose projects that work towards the goal of lowering carbon emissions and ultimately achieve net-zero. Carbon reduction activities already underway include conducting energy audits on all NTEC operated facilities and a feasibility study to modify the configuration of GSA's gas plant.

With an anticipated rebound in energy commodity prices and NTEC's efficiency initiatives, the Group is optimistic of improved profitability and cashflows in the new fiscal year ahead.

Discovery Park at Campbell River, British Colombia

The Group via its wholly owned subsidiary, NTE Discovery Limited, operates Discovery Park at Campbell River, British Columbia ("**BC**"), a 1,200 acres (4.9 km^2) site, providing industrial land parcels, buildings, and warehouses for development and leasing. Onsite facilities include a substation with access to renewable hydroelectricity, solid industrial waste landfill to handle hazardous substance disposal needs, a complimentary wastewater treatment facility, ample supply of freshwater from Campbell River, and two deep water piers for dock usage and direct ocean water access.

The Group is committed to the redevelopment of Discovery Park, formerly a paper and pulp mill, into a green ecosystem hub to attract new tenants that align with the Group's ESG mandate. The Group's ambition is to establish a circular economy at Discovery Park by bringing together interdependent businesses such as hydrogen/green ammonia production, renewable natural gas/biofuel production, aquaculture, vertical farming, and modular construction to form a self-contained mutually beneficial loop, where the by-products generated by one business activity can be harnessed as production inputs by the other business activities.

As the world clean energy transitions, the global demand for hydrogen/green ammonia is poised to increase significantly. Hydrogen is gaining traction as a potentially viable fuel solution to reduce carbon emissions by the shipping, transportation, automotive, and heavy industries. With an abundant supply of water available at Discovery Park and ecofriendly hydroelectricity from BC Hydro, the Group is keen to capture a share of this fast-growing hydrogen/green ammonia market by establishing a production plant on site. During the year, the Group extensively negotiated with potential developers and stakeholders both from the private and public sector to bring this project to fruition. Concurrently, the Group is aiming to set up a renewable natural gas/biofuel production facility using hog fuel as raw material, and fish sludge in the future.

The Group's efforts to seek established ag-tech companies to partner, develop and operate vertical farming system to provide efficient, localised food supply solutions continues. Discovery Park will contribute to redefining the way traditional agriculture is being conducted for certain food groups, by overcoming seasonal and climate constraints, and eliminating wasteful long supply chain that benefit the Western Canadian people, resources, and economy. Furthermore, the Group's negotiations with three fish farming companies, who have earlier expressed their interest to develop inland aquaculture facilities at Discovery Park, capable of producing Atlantic salmon and other breeds are progressing in earnest.

Demolition of the disused paper and pulp facilities at Discovery Park is already 25% complete.

A masterplan for the redevelopment of Discovery Park is progressing. The redevelopment will include rezoning the landmarks to increase the area available for commercial and residential purposes. Identifying potential subdivision of land, increasing the overall occupant density for the entire site, upgrading current facilities, and the construction of new facilities to fulfil the Group's ESG mandate to turn Discovery Park into a green ecosystem hub, able to accommodate hydrogen/green ammonia production, renewable natural gas/biofuel production, aquaculture, vertical farming, and modular construction.

The Group is conducting a systems impact study (SIS) with BC Hydro for the provision of 300MW of hydroelectricity at Discovery Park. Presently, Discovery Park contains an electrical substation that is connected to two 138 kV transmission lines, providing environmentally friendly hydroelectricity, sourced from a dam approximately 6 km away from the site at a rate as low as C$0.05/kWh.

With the support and cooperation from the First Nation of Campbell River, local and federal government, BC Hydro and key stakeholders, the Group is focused in transforming Discovery Park into a green ecosystem hub, consistent with the Group's ESG mandate and global efforts towards a net-zero/low-carbon economy. It will define the industrial park of the future for a green economy.

ARGENTINA

Operations update

Los Blancos

Operated by High Luck Group Limited ("**High Luck**"), the Group's wholly owned Argentinian branch office, the Los Blancos Concession ("**Los Blancos**") covers a surface area of approximately 95 km^2 in the Province of Salta in Northern Argentina.

Los Blancos is an oil exploitation concession in which the Group has a 50% participating interest, with Pampa Energia S.A (NYSE: PAM) ("**Pampa**") being the owner of the other 50%. Granted by the provincial authorities of Salta in October 2020, the Group is entitled to produce crude oil in Los Blancos for the next 25 years.

During the 2023 year, High Luck continued to steadily produce light crude oil unaided at an average rate of 1,228 barrels per day, under a stable and high wellhead pressure, with an API index of approximately 37º, and zero water content, free of sulphur and other contaminants. According to an official Argentina national statistics database, the Los Blancos well was recognised as the most productive conventional oil well in Argentina before output was scaled down in the fourth quarter of 2023, due to the temporary shutdown of Refinor, a major customer in Northern Argentina.

On 15 November 2023, the arbitration initiated by Pampa against High Luck in June 2021 over a dispute of approximately US$0.2 million (equivalent to HK$1.4 million) arising from a difference in interpretation of the Farm-Out Agreement was successfully ruled in High Luck's favour. Pampa's frivolous and abusive compensation demand for the restitution of High Luck's 50% participating interest in Los Blancos was quashed by the arbitrators. Pampa, in their unrelenting attempt to nullify High Luck's operatorship, subsequently initiated a second arbitration. This time alleging High Luck in its capacity as the operator of Los Blancos had mismanaged the concession. The Group is represented by the law firm Marval, O'Farrell & Mairal.

On 18 January 2024, oil production at Los Blancos was precautionarily suspended after the detection of water, together with an observable drop in well head pressure. Following advice sought from Netherland, Sewell & Associates, Inc. (NSAI), an internationally renowned petroleum consulting firm, Los Blancos subsequently resumed oil production on 27 February 2024 at a managed rate of approximately 270 bopd to preserve integrity of the LB.x-2001 well to the fullest extent.

Tartagal Oriental & Morillo

Prior to the expiry of the Tartagal Oriental & Morillo ("**TO&M**") exploration permit which the Salta provincial authorities refused to grant an extension on 13 September 2019, the Group was a 69.25% participating interest holder and operator of the concessions. Despite having invested over US$100 million in qualifying exploratory drilling and related activities in TO&M since October 2013 (exceeding the Group's original US$45 million commitment to the province), the Group is alleged to have outstanding capital commitments due. Following a series of legal and administrative procedures, hierarchical appeals and reappeals between the Group and the Salta provincial authorities, the protracted dispute remains unresolved and ongoing. The Group made full impairment provision against the TO&M asset value in 2019 fiscal year.

Devaluation of the Argentine Pesos and Hyperinflation

For the year to 31 December 2023, the ARS devalued by 354% against the US$ to a rate of US$1 : ARS808, whilst annual inflation reached a record 211%. Faced with depressed domestic oil prices (historically around 30% below prevailing Brent), Argentina remains a difficult country to operate. Due to the challenging political and economic climate, which is not expected significantly improve anytime soon, the Group continues to assess options for High Luck.

The Group's total exposure in Argentina accounted for only 1.4% of total net assets of the Group as of 31 December 2023.

COMMODITIES REFINERY AND TRADING

Operating under the registered name of AC Precious Metals Refinery Limited ("**ACPMR**"), the Group's physical precious metals refinery and trading business is jointly operated with Cheung's Gold Traders Limited ("**CGTL**"), an established and reputable intermediary in the industry, with a long history and presence in Hong Kong. To ensure the Group is not financially exposed to the day-to-day fluctuations of gold prices, all physical gold trades, and physical gold inventories held by the Group are hedged with financial instruments.

During 2023, the Group's physical gold and silver refinery and trading business recorded an annual trading volume of HK$25,616.9 million and a segment profit of HK$21.8 million. Robust trade volumes attributable to buoyant gold prices and better bid/ask spread contributed to the Group's strong financial performance compared to the previous year.

In October 2023, the Group completed the construction and commenced trial runs of its new 10,000 square foot refinery plant for precious metals, after overcoming supply chain issues which delayed the importation of specialist equipment. Trademark and accreditation applications filed under the ACPMR brand name in Hong Kong and Macau were successfully granted by the relevant authorities during the year.

Upon full commercial operation, the Group's new refinery will have the capacity to process approximately fifty tonnes of 99.9% gold per annum. CGTL will be responsible for the day-to-day operation of the new refinery plant with working capital and financing provided by ACPMR. The Group's total investment to date on this venture is approximately HK$27 million.

By integrating precious metals refining processes in-house, it enables the Group to streamline activities and further enhance its profitability.

OUTLOOK FOR 2024 AND BEYOND

As the world accelerates towards a low carbon economy, the Group is committed in its energy transition journey. Plans to revitalise and transform Discovery Park from a former paper and pulp mill into a green ecosystem hub have begun. The Group's vision is to develop and attract complementary industries including hydrogen/green ammonia production, biofuel production, aquaculture, vertical farming, and modular construction to create a circular economy at Discovery Park. By redeveloping the site into a green ecosystem hub, the Group can deliver economic value by reducing waste, and contributing to better sustainability, climate protection and resource efficiency. The Group is resolute in its efforts towards achieving net-zero through its redevelopment of Discovery Park.

With a strong financial position and stable cash flows generated by the Group's current operations, the Group is excited by the prospects and benefits that redeveloping Discovery Park can bring. With the support and cooperation from the First Nation of Campbell River, local and federal governments, and vested stakeholders, the Group is committed to positive environmental change by building a green ecosystem hub that is restorative, regenerative, circular, and sustainable.

With a strengthening of energy commodity prices anticipated, the Group is hopeful of improved results for its oil and gas operations in Canada and Argentina. The Group's new gold and silver refinery is expected to positively contribute to the Group's future profitability. The Group is committed to creating long-term value for its shareholders, whilst operating under its ESG mandate to significantly lower carbon emissions for global sustainability.

FINANCIAL REVIEW

The Group's revenue for the year ended 31 December 2023 amounted to HK$26,150.2 million (2022: HK$20,913.2 million), of which HK$533.3 million of the total revenue were derived from sales of oil and gas products in the upstream business (2022: HK$1,002.6 million) and the remaining HK$25,616.9 million were from the sales in the general and commodities refinery and trading business (2022: HK$19,910.7 million). The decline in revenue from oil and gas products by HK$469.3 million as compared to last year was mainly due to global energy price fluctuations. Sales in the general and commodities refinery and trading business increased as the Group continued to expand the gold trading business.

Gross loss for the year was HK$136.9 million (2022: gross profit of HK$421.4 million), mainly due to the latest outlook for energy commodity prices, the Group recognised a HK$119.9 million non-cash accounting impairment charge against its Willesden Green, Canada assets, in addition a sharp decline in average Canadian natural gas price by approximately 50% and a drop in average Argentine oil price by approximately 15% as compared to last year also contributed to the loss.

A net investment loss of HK$20.9 million was recognised during the year from the Group's investments in financial assets at fair value through profit or loss (2022: gain of HK$25.0 million), as the performance of certain investments in listed equity securities have worsen during 2023.

General and administrative expenses for the year were HK$108.3 million, a decrease of HK$22.6 million as compared to last year of HK$130.9 million resulted mainly from cost saving measures implemented and reduction of overall staff costs.

Finance costs for the year were HK$54.6 million, which represented imputed interest from lease liabilities and provisions, increased by approximately one-fold as compared to last year of HK$27.8 million from the changes in provisions estimation of the Canadian operations.

Income tax credits for the year were HK$9.1 million (2022: expenses of HK$14.8 million), mainly arising from adjustments in deferred tax charges in Argentina.

Loss attributable to the owners of the Company amounted to HK$150.5 million for the year (2022: profit of HK$285.9 million). Basic and diluted losses per share for the year were 1.72 HK cents (2022: basic and diluted earnings per share for the year: 3.26 HK cents).

The Board does not recommend the payment of final dividend for the year ended 31 December 2023 (2022: Nil).

As at 31 December 2023, the Group has a net working capital of HK$134.3 million (2022: HK$193.9 million), which included inventories, trade receivables and trade payables. The decrease in net working capital is mainly from settlement of trade receivables as at year-end.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

In respect of the net proceeds of approximately HK$736.4 million ("**Open Offer Proceeds**") raised from the open offer in April 2017, amongst which HK$574.7 million had been used from the date of subscribing the open offer to 31 December 2023 in accordance with its intended use as stated in the circular of the Company dated 28 February 2017, the offering memorandum of the Company dated 27 March 2017, and the announcements of the Company dated 27 August 2018, 26 March 2020, 29 April 2020 and 18 March 2021. As at 31 December 2022 and 2023, the unused balance of the Open Offer Proceeds was HK$161.7 million.

The following table summarises the use of net proceeds for the Open Offer Proceeds for the year ended 31 December 2023:

	Unused amount of net proceeds as at 31 December 2022	**Actual use of net proceeds during the year ended 31 December 2023**	**Unused amount of net proceeds as at 31 December 2023**	
	HK$ million	*HK$ million*	*HK$ million*	*Note*
Open Offer Proceeds				
– Investment in oil and gas, power generation and renewable energy	161.7	–	161.7	*1*
Total	161.7	–	161.7	

Notes:

1. The unused amount of net proceeds as at 31 December 2023 is expected to be used for investment in oil and gas, power generation and renewable energy and expected to be utilised on or before the year ending 31 December 2024. In the previous years, the Group investigated multiple investment opportunities, but had deferred utilising the proceeds due to inherent uncertainties that exist with the opportunities, regarding to the timing and outcome of negotiations with counterparties.

The Group maintains a treasury policy (as reviewed or modified from time to time when deemed necessary) for the investment of surplus cash. Surplus cash is mainly maintained in the form of term deposits with licensed banks. The management of the Group closely monitors the Group's liquidity position to ensure that the Group has sufficient financial resources to meet its funding requirements from time to time.

The Group entered into certain derivative financial instruments for economic hedging purposes in order to mitigate the financial impact from price fluctuations on inventories of precious metals and gold bullion held by the Group. The use of these derivative financial instruments is closely monitored and controlled by the Group.

As at 31 December 2023, the Group's net current assets amounted to approximately HK$775.5 million (2022: HK$855.4 million) with cash and bank balances of HK$796.6 million (2022: HK$851.2 million). Highly liquid assets, including cash and bank balances, listed equity securities and gold investment, were HK$829.3 million (2022: HK$905.4 million). Cash and bank balances of the Group as at 31 December 2023 were mainly denominated in Hong Kong Dollar, United States Dollar, Canadian Dollar, Argentine Peso and Renminbi.

As at 31 December 2023, total equity of the Group was HK$1,192.4 million (2022: HK$1,321.6 million). Net asset value per share was HK$0.14 (2022: HK$0.15). Debt ratio, calculated as total liabilities divided by total assets, was 29.9% (2022: 39.0%).

The Group financed its operations and capital expenditures from a combination of working capital and proceeds from the issuance of shares of the Company.

Borrowings and gearing ratio

As at 31 December 2023, the Group did not have unsecured debt securities and unsecured short-term loans (2022: Nil). Therefore, the Group's gearing ratio, calculated on the basis of interest bearing borrowings divided by total equity, was 0% (2022: 0%).

Charge on Assets

As at 31 December 2023, the Group did not have any charge on its assets (2022: Nil).

Contingent Liabilities

As at 31 December 2023, the Group did not have any material contingent liabilities (2022: Nil).

Capital Commitments

As at 31 December 2023, details of the capital commitments of the Group are set out in Note 15 to this announcement.

Principal Risks and Uncertainties

The Group's financial condition, results of operations, businesses and prospects are subject to a number of risks and uncertainties including business risks, operational risks and financial risks.

The Group's business of commodities trading is exposed to development risk, as well as supply chain risk. The Group mitigates these risk factors by developing its customer base in order to achieve better operating performance on its commodities trading, and also by expanding its supplier base to achieve a stable supply of commodities.

The Group's business activities in exploration, development, production and sale of oil and gas products are susceptible to geological, exploration and development risks. The Group strives to establish and maintain comprehensive technical and operational teams. Through detailed planning, analysis and discussion amongst the teams, and with support from experienced consultants and experts, the Group is able to manage and mitigate the risks arising from changes in the business environment to a reasonably acceptable level.

In addition to the above, the Group's Canadian operation is subject to wildfire risk which may adversely affect its natural gas production, the Group will continue monitoring the impact on production from wildfire hazard and adopt measures to mitigate the risk including insurance coverage on natural disasters.

In the normal course of business, the Group is exposed to credit risk, liquidity risk, interest rate risk, currency risk, price risk arising from price fluctuation in crude oil, natural gas and commodities, and equity price risk arising from its investment in equity securities.

In addition to the abovementioned risks and uncertainties, there may be other risks and uncertainties which the Group has not identified, or is aware of, or considers it to be of minimal impact to the Group presently, which however has the potential to become significant in the future.

Foreign Exchange Exposure

Assets and liabilities of the Group are mainly denominated in Hong Kong Dollar, United States Dollar, Canadian Dollar, Argentine Peso and Renminbi. Most of these assets and liabilities are in the functional currency of the operations to which the transactions relate. The currencies giving rise to foreign exchange risk is primarily those from the Group's exploration and production activities in Canada and Argentina and investments in foreign companies. The Group currently does not have a foreign currency hedging policy. However, the management of the Group will monitor the foreign exchange exposures on an on-going basis and will consider hedging instruments should the need arise.

Employees

As at 31 December 2023, the Group employed a total of 142 (2022: 132) permanent employees in Hong Kong, Canada, Argentina and China. Total employee remuneration (including directors' remuneration and benefits) for the year ended 31 December 2023 was amounted to HK$94.6 million (2022: HK$102.6 million). The Group provides its employees with competitive remuneration packages relative to their job performance, qualifications, experience, and prevailing market conditions in the respective geographical locations and businesses in which the Group operates. The Group also operates mandatory defined contribution retirement benefits schemes for its employees in Hong Kong, Canada, Argentina and China as required by the applicable laws and regulations of the countries where the staff are employed.

Relationship with Suppliers, Customers and Other Stakeholders

The Group understands the importance of maintaining a good relationship with its suppliers, customers, social communities and governments to meet its objectives and long-term goals. Other than as disclosed in the "Management Discussion and Analysis" section in this announcement, there was no material or significant dispute between the Group and its suppliers, customers and/or stakeholders during the year ended 31 December 2023.

Material Acquisitions and Disposals

The Group has neither material acquisitions nor disposals of subsidiaries, associated companies, and joint ventures during the year ended 31 December 2023.

Significant Investments

As at 31 December 2023, the Group held financial assets at fair value through profit or loss, which comprised of listed equity securities, listed debt security and unlisted fund, of HK$35.5 million (2022: HK$55.9 million), of which none constituted significant investments of the Group as no single investment accounted for more than 5% of the Group's total assets.

The Group had adopted a prudent investment strategy for surplus funds, aiming at maximising the returns on idle capital. With the recent improvement in the capital market, the above investment can achieve the purpose set out in the investment strategy.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, the Group does not have any material subsequent events after 31 December 2023 and up to the date of this announcement.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Corporate Governance Code

The Board is committed to upholding high standards of corporate governance practices and business ethics in the Company, believing that they are crucial to improving the efficiency and performance of the Group and to safeguarding the interests of the shareholders. The Chairman takes primary responsibility for ensuring that good corporate governance practices and procedures are established. The Board reviews the Company's corporate governance practices from time to time in order to meet the expectations of stakeholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Company has adopted and applied the principles of the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Company periodically reviews its corporate governance practices to ensure its continuous compliance with the CG Code. Except for the code provision C.1.6 of the CG Code, the Company has complied with all code provisions of the CG Code and adopted the recommended best practices of the CG Code insofar as they are relevant and practicable for the year ended 31 December 2023 (the "**Year**").

Model Code for Director's 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 C3 to the Listing Rules. Having made specific enquiry of all Directors, each of the Directors has confirmed that he had complied with the required standard set out in the Model Code throughout the Year.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position, and the related notes thereto for the year ended 31 December 2023 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, with respect to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants, and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

REVIEW OF 2023 CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Group for the Year, including the accounting principles and practices, internal control and financial reporting matters have been reviewed and approved by the Audit Committee, and the Audit Committee is of the opinion that such financial statements comply with the applicable accounting standards, the Listing Rules and all other applicable legal requirements. The Audit Committee therefore recommended the Board's approval of the Group's consolidated financial statements for the Year.

DISTRIBUTABLE RESERVES

As at 31 December 2023, the Company had no retained profits available for cash distribution and/or distribution in specie. Pursuant to the Company Act 1981 of Bermuda (as amended), the Company's contributed surplus of HK$740.9 million is currently not available for distribution. The Company's share premium account of HK$4,871.0 million may be distributed in the form of fully paid bonus shares.

DIVIDEND

The Directors did not recommend the payment of a final dividend for the Year (2022: Nil).

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

During the year ended 31 December 2023, the Company repurchased a total of 67,104,000 ordinary shares of par value HK$0.01 each in the share capital of the Company on the Stock Exchange, with the aggregate consideration paid (before expenses) amounting to HK$7.8 million. All the repurchased shares were subsequently cancelled. The repurchases were effected because the Board considered that the then trading price of the Shares did not reflect their intrinsic value and business prospects of the Company and that it presented a good opportunity for the Company to repurchase Shares. The Board also believed that such repurchases would enhance the earnings per share and increase the net asset value per share attributable to the shareholders.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained the minimum public float of 25% as required under the Listing Rules throughout the Year and up to the date of this announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Thursday, 20 June 2024 (the "**AGM**"). A notice convening the AGM and all other relevant documents will be published and dispatched to the Shareholders in due course.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the year ended 31 December 2023. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group for the year ended 31 December 2023.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the period from Monday, 17 June 2024 to Thursday, 20 June 2024 (both days inclusive), during which no transfers of shares will be registered, for the purpose of determining shareholders' entitlement to attend and vote at the forthcoming annual general meeting to be held on Thursday, 20 June 2024 (the "**AGM**"). In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, 14 June 2024.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the respective websites of the Company (www.nt-energy.com) and The Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The annual report of the Company for the Year will be dispatched to the Shareholders and made available on the above websites in due course.

By order of the board of directors
New Times Energy Corporation Limited
CHENG, Kam Chiu Stewart
Chairman

Hong Kong, 25 March 2024

As at the date of this announcement, the Board comprises:

EXECUTIVE DIRECTORS:
Mr. CHENG, Kam Chiu Stewart *(Chairman)*
Mr. TANG, John Wing Yan *(Chief Executive Officer)*

NON-EXECUTIVE DIRECTOR:
Mr. LEE, Chi Hin Jacob

INDEPENDENT NON-EXECUTIVE DIRECTORS:
Mr. YUNG, Chun Fai Dickie
Mr. CHIU, Wai On
Mr. HUANG, Victor