

ANNUAL REPORT 2014 年報



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

Stock Code 股份代號: 702

Contents目錄



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

CORPORATE INFORMATION	公司資料	2
CORPORATE MILESTONE	企業里程碑	4
FIVE YEAR FINANCIAL SUMMARY	五年財務概要	6
BUSINESS STRUCTURE	業務架構圖	8
CORPORATE MISSION	企業文化定位	9
CHAIRMAN'S STATEMENT	主席報告書	10
THE PRESSURIZATION AND DEHYDRATION PROCESS OF COALBED METHANE (CBM)	煤層氣增壓脫水流程	16
CALENDAR OF EVENTS	年度摘要	18
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析	20
DIRECTORS AND SENIOR MANAGEMENT PROFILES	董事及高層管理人員簡介	30
CORPORATE GOVERNANCE REPORT	企業管治報告	38
REPORT OF THE DIRECTORS	董事會報告書	50
INDEPENDENT AUDITOR'S REPORT	獨立核數師報告書	64
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	綜合損益及其他全面收益表	66
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	綜合財務狀況表	67
STATEMENT OF FINANCIAL POSITION	財務狀況表	68
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	綜合權益變動表	69
CONSOLIDATED STATEMENT OF CASH FLOWS	綜合現金流量表	70
NOTES TO THE FINANCIAL STATEMENTS	財務報表附註	72

Corporate Information

公司資料

DIRECTORS

Executive Directors

Dr. Dai Xiaobing (*Chairman*)

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

Mr. Wan Tze Fan Terence

Non-executive Directors

Mr. Chen Hua

Mr. Huang Shaowu

Mr. He Lin Feng

Mr. Ma Tengying

Independent Non-executive Directors

Mr. Wong Kwok Chuen Peter

Professor Wong Lung Tak Patrick

Dr. Wang Yanbin

Dr. Dang Weihua

COMPANY SECRETARY

Ms. Yim Siu Hung

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 3707-3708, West Tower, Shun Tak Centre

168-200 Connaught Road Central

Hong Kong

REGISTERED OFFICE

Clarendon House, 2 Church Street

Hamilton HM11

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

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

183 Queen's Road East, Wanchai

Hong Kong

董事

執行董事

戴小兵博士 (*主席*)

景哈利先生 (*行政總裁*)

溫子勳先生

非執行董事

陳華先生

黃紹武先生

何林峰先生

馬騰營先生

獨立非執行董事

黃國全先生

黃龍德教授

王延斌博士

黨偉華博士

公司秘書

嚴筱虹女士

總辦事處及主要營業地點

香港

干諾道中168-200號

信德中心西座3707-3708室

註冊辦事處

Clarendon House, 2 Church Street

Hamilton HM11

Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司

香港

灣仔皇后大道東183號

合和中心17樓1712-1716室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM 11
Bermuda

HONG KONG LEGAL ADVISOR

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

BERMUDA LEGAL ADVISOR

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

AUDITOR

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

STOCK CODE

702

WEBSITE

www.sino-oilgas.hk

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM 11
Bermuda

香港法律顧問

李智聰律師事務所
香港中環皇后大道中39號
豐盛創建大廈19樓

百慕達法律顧問

Conyers Dill & Pearman
香港
中環康樂廣場8號
交易廣場第1座2901室

核數師

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

股份代號

702

網址

www.sino-oilgas.hk

Corporate Milestone

企業里程碑

Production Sharing Contract (“PSC”) of Sanjiao CBM Block has been officially signed between Orion and PetroChina. Production sharing proportion between Orion and PetroChina is 70% and 30% respectively

奧瑞安與中石油正式簽訂三交煤層氣區塊產品分成合同，雙方分成比例分別為奧瑞安70%及中石油30%

Note: Sino Oil and Gas Holdings Ltd. (“Sino Oil and Gas”) acquired 100% equity interest of Orion Energy International Inc. (“Orion”) in November 2010, and Orion had become a wholly-owned subsidiary of the Group

附註：中國油氣控股有限公司（「中國油氣」）於2010年11月收購奧瑞安能源國際有限公司（「奧瑞安」）之100%權益，成為本集團全資附屬公司

2006.3

Zhang Dejiang, former Vice Premier of State Council approved to promote a Coalbed Methane (“CBM”) development model namely the “Sanjiao Model” as proposed by PetroChina, which focusing on mutual planning and joint development between sino-foreign parties

張德江前副總理批示推廣中石油所創立的煤層氣區塊開發模式：以中外雙方共同籌劃，合作開發為基礎的「三交模式」

2009.12

Sino Oil and Gas acquired 100% equity interest of Orion, entering into China CBM sector

中國油氣收購奧瑞安100%權益，正式進入中國煤層氣開發業務

2010.11

Sanjiao CBM Block obtained Proved Reserve of 43.5 billion cubic meter (in accordance with relevant Chinese standard) followed by endorsement of Expert review panel of the National Reserve Committee

經國家儲委專家評審組確認按相關中國標準三交煤層氣區塊證實儲量達435億立方米

2011.2

Received RMB1 billion credit facility from CDB Leasing Co., Ltd. 獲國銀金融租賃有限公司10億元人民幣之授信額度

2011.12

Sanjiao CBM Block has been included in “12th Five-Year Plan” released by National Development and Reform Commission (“NDRC”) as one of the key development projects
國家發展和改革委員會（「發改委」）公佈三交煤層氣區塊獲「十二五規劃」納入重點發展的項目之一

2012.1

Daily CBM production achieved 100,000 cubic meter and started pipeline sales
煤層氣日產量達到10萬立方米，開始管道銷售

2012.12

2012.8

National Energy Administration (“NEA”) of NDRC granted a reply for the application of the Overall Development Plan (“ODP”) with the consent on the work for the early development phase of the CBM reserve in the Sanjiao region. The granting of the reply represents NEA’s official acceptance of the ODP application to have the Sanjiao CBM Project proceeding from exploration to development and production phase

三交煤層氣項目之整體開發計劃申請，獲得發改委－國家能源局同意三交地區煤層氣藏開發建設前期工作的覆函。覆函標誌著國家能源局正式受理了三交煤層氣項目由勘探期轉入開發期和生產期的申請

2013.7

NDRC announced price adjustment to city-gate gas of non-residential users effective from 10 July 2013 with increment of no more than RMB0.4 per cubic meter. Accordingly, the Group and PetroChina jointly agreed to adjust non-residential users wellhead price by RMB0.32-0.33 per cubic meter (increased by 21.6%).

發改委自2013年7月10日起通知調整非居民用天然氣全國門站價每立方米提價幅度最高不超過0.4元人民幣，本集團與中石油共同決定每立方米工業用氣售價提高0.32至0.33元人民幣，漲幅為21.6%。

2013.4

Institutional investor: China Orient Asset Management Corporation has been introduced to the Group and subscribed convertible notes in amount of HK\$275 million
本集團於2013年4月引入機構投資者中國東方資產管理公司，並向公司認購可換股票據共港幣2.75億元

Five Year Financial Summary

五年財務概要

		Year ended 31 December 2014 截至2014年 12月31日 止年度 千港元	Year ended 31 December 2013 截至2013年 12月31日 止年度 千港元	Year ended 31 December 2012 截至2012年 12月31日 止年度 千港元	Year ended 31 December 2011 截至2011年 12月31日 止年度 千港元	Year ended 31 December 2010 截至2010年 12月31日 止年度 千港元
Turnover	營業額	16,540	21,598	28,932	35,079	29,224
Result	業績					
Profit/(loss) before income tax expense	除所得稅支出前溢利/(虧損)	8,719	(58,512)	(126,761)	(92,611)	8,194
Income tax credit/(expense)	所得稅抵減/(支出)	1,701	(2,820)	13,356	(3,628)	(3,510)
Profit/(loss) for the year	本年度溢利/(虧損)	10,420	(61,332)	(113,405)	(96,239)	4,684
Profit/(loss) attributable to:	以下人士應佔溢利/(虧損):					
Owners of the Company	本公司擁有人	10,420	(61,332)	(113,405)	(96,239)	6,108
Non-controlling interests	非控股權益	-	-	-	-	(1,424)
		10,420	(61,332)	(113,405)	(96,239)	4,684
Earning/(loss) per share	每股盈利/(虧損)					
- Basic (HK cents)	- 基本(港仙)	0.064	(0.467)	(0.927)	(0.979)	0.101
- Diluted (HK cents) - note	- 攤薄(港仙)- 附註	0.060	N/A不適用	N/A不適用	N/A不適用	0.098

Note: For the years ended 31 December 2013, 2012 and 2011, the computation of diluted loss per share does not assume the conversion of the Company's outstanding share options, warrants and convertible notes where applicable since their exercise would have an anti-dilutive effect on the basic loss per share.

附註：截至2013年、2012年及2011年12月31日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未行使購股權、認股權證及可換股票據(如適用)，乃由於有關行使對每股基本虧損具有反攤薄影響。

Five Year Financial Summary

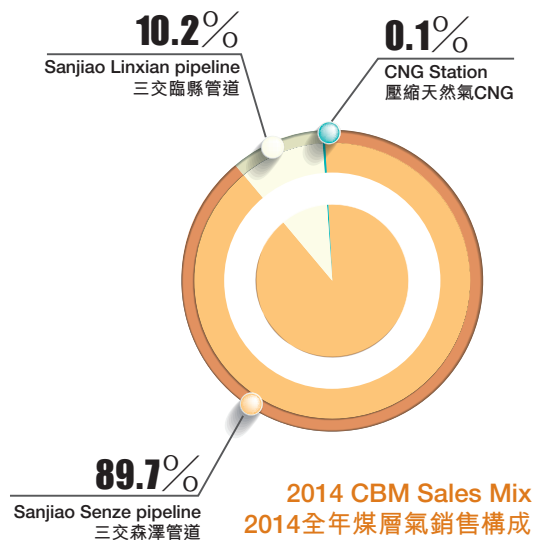
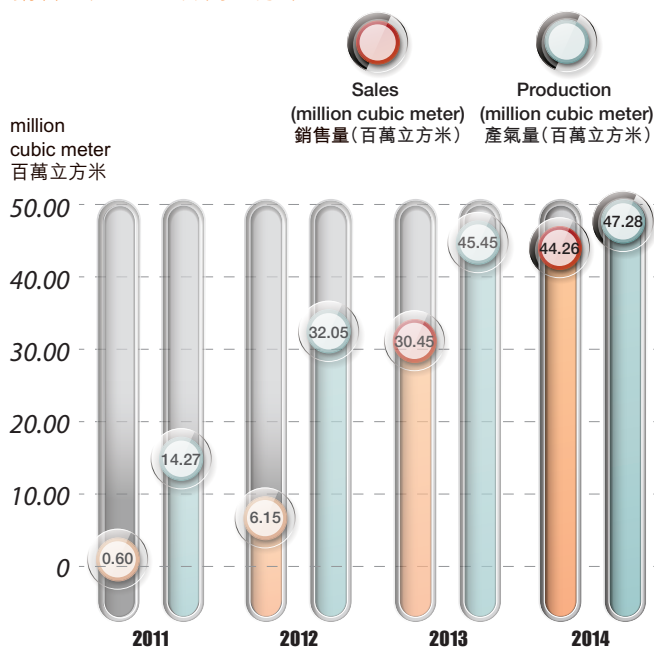
五年財務概要

		At 31 December 2014 於2014年 12月31日 千港元	At 31 December 2013 於2013年 12月31日 千港元	At 31 December 2012 於2012年 12月31日 千港元	At 31 December 2011 於2011年 12月31日 千港元	At 31 December 2010 於2010年 12月31日 千港元
Assets and liabilities	資產與負債					
Non-current assets	非流動資產	4,287,972	4,154,453	3,810,593	3,567,892	2,750,595
Net current assets/(liabilities)	流動資產/(負債)淨值	121,919	(226,968)	(412,360)	(201,437)	(207,122)
Non-current liabilities	非流動負債	(355,902)	(480,248)	(375,059)	(305,499)	(15,098)
Net assets	資產淨值	4,053,989	3,447,237	3,023,174	3,060,956	2,528,375
Non-controlling interest	非控股權益	-	-	-	-	-
Equity attributable to owners of the Company	本公司擁有人 應佔權益	4,053,989	3,447,237	3,023,174	3,060,956	2,528,375

Sanjiao CBM Block Production and Gas Sales 三交煤層氣產量及銷售量

2014 total gas production recorded at 47.28 million cubic meter and gas sales at 44.26 million cubic meter
2014年累計產氣量達47.28百萬立方米及銷售量達44.26百萬立方米

2014 pipeline gas sales accounted for 99.9% of total gas sales
2014年管道銷售佔總銷售量之99.9%



Business Structure

業務架構圖



- Orion holds 70% interest of Sanjiao CBM Block through a PSC
- 奧瑞安通過產品分成合同，持有三交煤層氣區塊70%的產品分成權
- Bi Tuo Yuan holds 95% revenue interest of Liuluoyu and Yanjiawan Oil Fields through a development contract
- 佰拓源通過開發合同，持有柳洛峪及閩家灣油田95%的收入分成權
- Xian Lilong holds 95% revenue interest of Jinzhuang Oil Field through a PSC
- 西安利隆通過產品分成合同，持有金莊油田95%的收入分成權

Corporate Mission

企業文化定位

Corporate Value

Have passion for our business and drive to accomplish our goals

企業價值觀
激情開創事業
理性成就夢想

Strategic Goal:

To become a leading Hong Kong-listed private unconventional natural gas producer operating in the PRC

戰略目標：

成為在香港上市民企領先之國內非常規天然氣生產商

Business Policy

Steady investments to achieve progressive development

經營方針
梯度發展
穩健投資

Management Principle

Count on talent and effective use of resources

企業精神
唯才是用
善用資源

Chairman's Statement

主席報告書

Dear Shareholders,

On behalf of the board of directors, I am delighted to report the audited annual results of Sino Oil and Gas Holdings Limited (the "Company"), together with its subsidiaries (the "Group"), for the year ended 31 December 2014.

The Group is principally engaged in natural gas and oil exploration and production. Through its wholly-owned subsidiary Orion Energy International Inc. ("Orion"), the Group entered

各位股東：

本人謹代表董事會，欣然提呈本公司及其附屬公司（「本集團」）截至2014年12月31日止12個月之經審核全年業績。

本集團主要從事天然氣及石油勘探和開採，其中核心業務乃透過旗下全資附屬公司奧瑞安能源國際有限公司（「奧瑞安」）與中石油



Chairman's Statement

主席報告書

into a production sharing contract (“PSC”) in 2010 with China National Petroleum Corporation (“PetroChina”) for the exploration, exploitation and production of coalbed methane (“CBM”) in the Sanjiao block located in Shanxi and Shaanxi provinces. The Group shares a 70% interest in the PSC. We are glad to report that, after four years of dedicated joint efforts by our staff teams since the acquisition, the Sanjiao CBM project has achieved landmark results.

Significant Achievement for Sanjiao Project

In 2014, the Group succeeded in turning around its performance, primarily contributed by the significant growth in CBM sales. Apart from setting a milestone for the Group, this achievement stands as testimony to the development of China's CBM industry. After number of years' development, the Sanjiao project is able to show the viability of the industry and to deliver a satisfactory return on investment. The Group will further pursue its in-depth exploration work in Sanjiao in order to lay a solid foundation for the CBM industry.

The Sanjiao CBM project moved into trial production after its overall development plan (“ODP”) was granted a reply by the National Development and Reform Commission (“NDRC”) – National Energy Administration (“NEA”) in 2012. Up to the reporting year, the Group has made considerable achievements before the final approval of the ODP. This has greatly boosted our confidence in the CBM sector's future development. Upon approval of the ODP, the Group will build a capacity of 500 million cubic meters within two years as planned, which is expected to generate tremendous financial returns for the Group. The Group will therefore undertake solid preparatory planning and works well in advance to ensure smooth production in future. Specifically, the Group will get well prepared in terms of capital reserve, technology and management.

To ensure there is sufficient capital reserve, the Group has made financing arrangements including issue bonds with an aggregate amount of HK\$300,000,000, and the remaining loan facility of RMB600,000,000 provided by CDB Leasing Co., Ltd.

天然氣集團公司（「中石油」）合作，於中國山西及陝西省之三交區塊勘探、開採及生產煤層氣。合作雙方自2010年簽訂分成合約（「PSC」），本集團享有此項目70%權益。本集團收購三交煤層氣項目至今四年，在員工同仁的努力下取得了標誌性的成果。

三交項目取得標誌性成果

2014年，集團成功扭虧為盈，主要歸因於煤層氣銷售收入大幅增長。這除了是企業的一個標誌性里程碑，更說明中國煤層氣產業的勘探開發到今天，有一個項目能夠給投資者帶來良好的收益，是行業發展的重要標誌。集團會繼續在這領域內做深度工作，把三交項目開發好，為中國煤層氣行業發展奠下一個堅實的基礎。

三交煤層氣項目的整體開發方案（「ODP」）於2012年獲得國家發展和改革委員會（「發改委」）國家能源局正式受理，正式開始試生產運營。至本年度，集團在獲授ODP最終批覆前已能取得一定成績，大大增強了我們對中國煤層氣發展的信心。在取得ODP最終批覆後，集團會根據申報的發展規劃，兩年內建成5億立方米的建設規模，屆時項目對集團的財務貢獻會非常巨大。因此，集團會在ODP批覆前做好各項準備工作，把項目規劃好，令開發更暢順。集團在資金、技術、管理等三方面均作好儲備，將具體工作做得紮實。

資金儲備方面，項目不僅擁有國銀金融租賃有限公司提供的項目貸款剩餘600,000,000元人民幣額度，集團還做了相應的安排，包括發行了300,000,000港元的企業債券，為項目資金作了充足的補充。

Chairman's Statement

主席報告書

On the technological front, the Group has continued to introduce the multi-lateral horizontal well-drilling system from the America with one experimental pilot wells completed in 2014. We have adjusted and improved the well drilling plans by adopting more sophisticated techniques, and have enhanced the dewatering process and the use of equipment. The one pilot well demonstrate good production prospects.

As the project is set to enter commercial exploitation and production, the Group will also strengthen its project and corporate management in order to secure higher efficiency in investment and deployment of technology. With better investment returns from technological input, we will be able to deliver improved returns for all shareholders.

CBM Project is Entering Critical Phase

The reporting and application work required for obtaining final approval of Sanjiao's ODP has substantially been completed. During the period, the project has gained a number of critical government approvals which will provide a sound legal basis for future commercial production. Amongst them, a safety production permit was granted to the project by the Shanxi Administration Bureau of Coal Mine Safety in July 2014. This permit carries significant weight in the development of the CBM industry, as it was the first batch of safety permits issued to the sector, and the first to be granted to a Sino-foreign collaboration. The permit also came as a great encouragement to our team members who have put in much effort in obtaining safety approval. We believe the permit will help to raise the confidence of investors in the project.

With stepped-up efforts on preparation work, we expect the Sanjiao project to deliver further improved operating results in 2015.

技術儲備方面，集團繼續引進美國的多分支水平井鑽井技術，在2014年完成了一口先導性實驗井，以更精細的技術調整和改進鑽井方案，並對排採方案和設備各方面作了優化。目前，該實驗井表現良好的產能前景。

項目將進入商業開發及生產狀態，集團會不斷強化項目及企業管理，爭取在投資和技術方面做得更高效，讓技術的投入取得更好的投資效益，能為全體股東帶來更佳投資回報。

煤層氣項目進入關鍵階段

三交項目ODP最終審批所需的各項報告和手續已基本完成，其間獲授多項關鍵性的批核，為項目進入生產狀態取得必要的法律保障。其中，項目的安全生產許可證於2014年7月獲山西煤礦安全監察局批出，對整個煤層氣行業的發展具有重大意義。此為中國政府授予煤層氣行業的第一批證書，也是對中外合作項目授出的第一張許可證。三交項目獲授安全生產許可證，是團隊經過艱苦努力而取得的成果，為集團帶來極大的鼓勵，對投資者來說也增加了信心。

進入2015年，集團會對三交項目繼續加大工作力度，提前做好充分安排，預計營運業績應能更上一層樓。

Chairman's Statement

主席報告書

International Expansion to Stabilize Ongoing Development

The Group remains focused on seeking further growth and collaboration opportunities in China's CBM sector. After a few years' active development, and with the Chinese government's support of clean energy businesses, we are able to achieve a successful start in this area. We hold full confidence in the prospects for our CBM business, and will seek to expand our asset base in natural gas resources so as to deliver greater returns.

The target acquisition in Canada will signify the first of the Group's steps into international oil and gas businesses. Related works are in order and the Group will make respective arrangements upon stabilization of oil prices. The Group is currently engaged in detailed assessment of the project and its resources. The oil field in Canada is a priority in the Group's international expansion plan. As a responsible management, we will undertake through investigation and related work to avoid any negative impacts on our future development arising from the acquisition. In the long term, the Group's China-based and overseas resources will be complementary to each other.

Long-term Strategy to Capture Windows of Opportunity

The Group's development strategy is to build a core competence on its oil and natural gas exploration and production business. We will make further efforts to optimize the geographical distribution of resources in order to maintain a sound commercial portfolio. Only on this solid foundation will the Group take initiatives to pursue further expansion and more sizeable resources acquisitions.

國際資源佈局以穩發展

本集團會繼續關注中國煤層氣行業的發展，不斷尋找合作機會。經過數年的努力，加上中國政府對於清潔能源產業的關注扶持，集團在中國天然氣領域取得較好的開端，並對發展遠景抱有十足信心。對於此業務區域，集團會著力發展，不斷擴充天然氣資源，以產生更大回報。

加拿大油田的目標收購是集團參與國際油氣業務的最新一步，有關的工作正有條不紊地進行中。待國際油價穩定下來，集團會對收購作出相應的安排，目前正對項目和資源進行評估，做更仔細的研究。加拿大油田是在戰略佈局方面的首選項目，基於對投資者負責的態度，集團會認真細緻做好一切工作，避免對日後發展形成負面影響。長遠來說，集團會以中國海外資源相互補充。

為當前機遇制訂長遠發展戰略

集團的未來發展戰略，是以基於石油和天然氣的勘探開發為核心業務，打造核心能力，優化資源佈局，形成良好的商業效益。在此基礎上集團才會做更大的擴張、更大規模的資源併購。

Chairman's Statement

主席報告書

The Group makes every move by considering the current state of business. This will ensure that no negative consequences will be caused to impact any stage of our development. As such, the Group will seek expansion based on a solid financial strategy. As the Group's financial conditions improve, we will continue to solicit high-quality investors as our partners, laying the foundations of a strong investor base.

Management has undertaken a prudent analysis of the industry and China's development trends, and subsequently laid down a set of strategic plans on the basis of our vision for the future.

First, as a technological leader: leveraging the success of the Sanjiao project, the Group will recruit top-tier professionals and advanced technologies in CBM development in order to develop into a technological leader. Second, as an industry collaborator: the Group will utilize its status as a listed company in Hong Kong, as well as its competence in technology, management and capital utilization, to actively drive collaboration within China's CBM sector. We aim to establish the Group as a model business for the industry. Third, through business enhancement, we strive to deliver excellent performance and investment returns for the Group and our shareholders. Fourth, as a talent developer: through sound management and rapid business development, we empower our staff members to grow in terms of their capabilities and personal qualities.

集團的每一步，都根據現有的狀況而決定，務求不對任何階段的發展造成負面影響。因此，集團會在穩健的財務策略之上做相應的擴張。而隨著財政狀況的優化，集團亦不斷吸引優質投資者成為夥伴，為未來發展打下良好的投資者基礎。

管理層就當前行業環境及國家發展趨勢進行了審慎的分析及思考，為未來發展制訂了發展戰略規劃，而首要為明確集團遠景。

一是技術引領者：集團將會利用三交項目的開發，網羅業內技術精英，集成煤層氣開發各方面的頂尖技術，銳意成為行業的技術領導者。二是產業整合者：本集團會善用在香港的上市公司地位，發揮本身在開發技術、企業管理及資本運作上的優勢，積極參與中國煤層氣產業的整合，為行業樹立典範。三是借由業務提升，為公司和股東創造優良業績和投資回報。四是員工培育者：借由集團的卓越管理實踐和快速業務發展，讓員工的能力和素質得到全面成長。

Chairman's Statement

主席報告書

Appreciation

The Group has achieved significant development over the past year. These achievements have been made possible through our hard effort and also the support of shareholders and business partners. I therefore take this opportunity to express my heartfelt gratitude to the board, senior management, the technical team, business partners and all staff members who have worked with us along the way. With the expertise and dedicated efforts of our team, the Group is making firm progress towards its goal of becoming a leading producer of non-conventional natural gas in China.

Dai Xiaobing

Chairman

Hong Kong, 20 March 2015

致謝

本集團在過去一年取得重大進展，各項成就除了是通過自身的努力而達到，亦有賴各股東和業務夥伴多年來的支持。本人謹此向各董事會成員、管理高層、技術團隊、業務夥伴和一起共事的員工致以衷心謝意。憑藉全體同仁的專業知識和積極投入，集團正朝向成為國內領先非常規天然氣生產商之目標邁進。

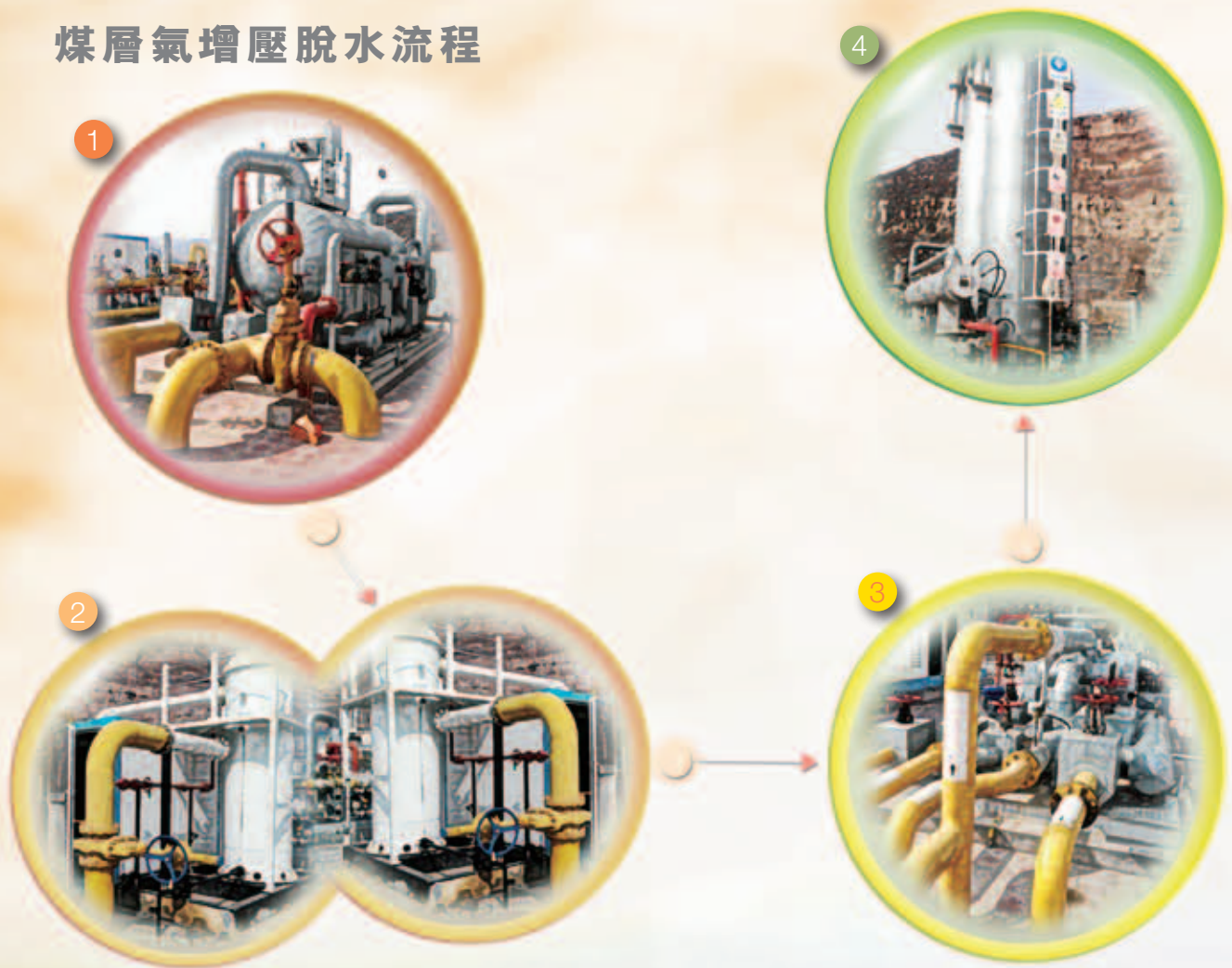
主席

戴小兵

香港，2015年3月20日

The Pressurization and Dehydration Process of Coalbed Methane (CBM)

煤層氣增壓脫水流程



The Significance of CBM's Pressurization and Dehydration 煤層氣增加壓脫水處理的意義

The CBM exists in subsurface coalbed, mainly as the form of adsorption state for macromolecules group. The CH₄ content in Sanjiao CBM district is high, but the CO₂ content is low, and no H₂S and hydrocarbon which contains C₃. When the CBM is drained to the wellhead, the gas pressure is relatively low which is around 0.05MPa, and CBM contains saturated water, unsaturated water and pulverized coal. Therefore, the CBM need to go through the pressurization, filtration and dehydration treatment in order to meet the national standards of natural gas (GB17820) quality indicator and then entering the gas pipelines network for sales.

煤層氣主要以大分子團的吸附狀態存在於地下煤層中，三交煤層氣甲烷(CH₄)含量高、二氧化碳(CO₂)含量少，不含硫化氫(H₂S)及三碳C₃以上的烴類。煤層氣被抽采到井口後，氣體的壓力較低，一般在0.05左右，且氣體中含有飽和水、不飽和水以及煤粉微粒，因此煤層氣需要經過增壓、過濾、脫水處理，氣體質量達到國家標準《天然氣》(GB17820) II類氣質指標的標準後才能進入輸氣管網進行銷售。

The Technological Process of Pressurization and Dehydration 增壓脫水處理工藝流程

After entering the pressurizing dehydration station, the CBM firstly gets into the buffer tank to undergo the process of pressure buffering, preliminary dewatering and solid phase separation. Then CBM enters into the screw compressor with pressure increased to 1-1.5MPa. After that, the CBM goes through the filtering decompression lever, which removes the pulverized coal. After the molecular sieve dehydration lever, the saturated water is removed. Then the CBM water dew point will not be higher than -60℃ (atmospheric pressure). Finally, CBM gets into the buffer regulator metering lever. After the metering value calculation set, CBM can be distributed in two ways. Firstly, the CBM can be sold in pipeline directly. Secondly, after the buffering and regulating, the pressure of CBM is increased to 20MPa in the CNG compressor, we can achieve the CNG sales by using the CNG filling gas device for tankers.

煤層氣進行入增壓脫水站後，首先進入緩衝罐進行壓力緩衝、初級脫水及固相分離處理，然後進入螺桿壓縮機氣體壓力增加到1~1.5MPa，再進入過濾減壓撬除去煤層氣中的煤粉、經過分子篩脫水撬處理量脫除煤層氣中的飽和水，使煤層氣水露點不高於-60℃(常壓)，最後進入緩衝穩壓計量撬，經過計量閥組計量後，一是進入用戶銷售管網直接進行銷售；二是可在緩衝穩壓後進入CNG壓縮機將氣體壓力進一步提高到20MPa，用CNG加氣裝置為槽車加氣，實現CNG槽車運輸銷售。

The Pressurization and Dehydration Process of Coalbed Methane (CBM)

煤層氣增壓脫水流程



Process 流程

- 1** Buffer emptying lever: achieve the CBM's primary separation of water and liquid. Buffer inlet pressure
緩衝放空撬：實現煤層氣的初級水、液分離，緩衝進口壓力
- 2** Screw compressor: increase CBM's initial pressure
螺桿壓縮機：煤層氣初次加壓
- 3** Filtering decompression lever: the second filtration of CBM to extract the pulverized coal
過濾減壓撬：煤層氣二次過濾，除去煤層氣中的煤粉
- 4** Low pressure molecular sieve dehydration lever: remove the saturated water in CBM
低壓分子篩脫水撬：除去煤層氣的飽和水
- 5** Buffer regulator metering lever: regulate the pressure of CBM to meet the requirement of outside pipelines
緩衝穩壓計量撬：將煤層氣穩壓符合外輸管線所需壓力
- 6** CNG compressor: compress the CBM inlet pressure from 1-1.5MPa to 20MPa to comply with the standards of compressed natural gas
CNG壓縮機：將煤層氣進氣壓力由1-1.5MPa壓縮至20MPa以符合壓縮天然氣標準

Calendar of Events

年度摘要

2014.07

The report on environmental effects from Sanjiao CBM Project was approved by Shanxi Provincial Department of Environmental Protection on 28 July 2014. The report on environmental effects is a core assessment report which is the most crucial and symbolic part to the Overall Development Plan (“ODP”)

三交煤層氣項目之環境影響報告書於2014年7月28日獲山西省環境保護廳批准。此報告書為三交項目整體開發方案「ODP」中最為核心及具標誌性一項專項評估報告

Successful placement of HK\$593 million new shares of the Company
成功配售593,000,000港元公司之新股



2014.07

On 4 July, 2014, Shanxi Administration Bureau of Coal Mine Safety granted to the first batch of five coalbed methane enterprises with safety production permit. Orion Energy International Inc. under Sino Oil and Gas Holdings Limited was among the first batch of nationwide enterprises and first batch of foreign coalbed methane enterprises in the PRC to be issued the safety production permit.

2014年7月4日，山西煤礦安全監察局頒發了首批五家煤層氣企業安全生產許可證，中國油氣控股有限公司旗下之奧瑞安能源國際有限公司成為全國首批取證企業，也成為中國首批煤層氣外國企業取得安全生產許可證的企業



2014.09

According to a "Notice Regarding Adjustment of Natural Gas Price for Non-Residential Users" issued by the National Development and Reform Commission in 2014, the Group and PetroChina have jointly decided to increase the gas selling price for industrial users of the Sanjiao coalbed methane project by RMB0.25 per cubic meter with retrospective effect from 1 September 2014

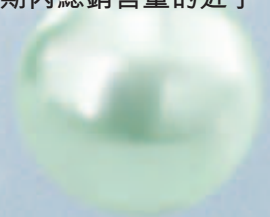
按國家發展和改革委員會於2014年發出之《關於調整非居民用存量天然氣價格的通知》，本集團與中石油共同決定，將調整三交煤層氣項目工業用戶之銷售價格，每立方米增加人民幣0.25元，生效期追溯至2014年9月1日



2014.12

Gas sale-to-production rate has further improved to 94% in the 2014, achieve nearly 100% pipeline sales

2014年，煤層氣產銷比達到94%，管道煤層氣銷售已佔期內總銷售量的近乎100%



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

During the year ended 31 December 2014, Sino Oil and Gas Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) recorded a turnover of HK\$16,540,000 (2013: HK\$21,598,000), while posting an 80.5% increase in trial sales of coalbed methane (“CBM”) together with related government subsidies amounting to HK\$70,198,000 (2013: HK\$38,899,000) as disclosed under the item of “other revenue”.

The CBM operation moved rapidly into profitability as sales increased upon the completion of complementary facilities, including the CBM processing station and sales pipelines, in phases. The achievement of profitability was also attributable to the increase in CBM sales price in 2013 and subsequently the 13.9% increase in CBM price for industrial users during the year. In the absence of any one-off expenses (2013: HK\$25,247,000) for this year, as well as a 11.9% reduction in administrative expenses owing to enhanced internal cost controls, the Group registered a profit for the year of HK\$10,420,000 (loss in 2013: HK\$61,332,000).

Natural Gas and Oil Exploitation

Coalbed Methane Exploitation—Sanjiao Block in the Erdos Basin

Project Overview

Through its wholly-owned subsidiary Orion Energy International Inc. (“Orion”), the Group entered into a production sharing contract (“PSC”) with China National Petroleum Corporation (“PetroChina”), its partner in the PRC, for exploration, exploitation and production at a CBM field in the Sanjiao block, located in the Erdos Basin in Shanxi and Shaanxi provinces. The Group has a 70% interest in the PSC. The PSC covers a block in the Erdos Basin in Shanxi and Shaanxi provinces, with a total site area of 383 square kilometers. According to a competent person’s report provided to the Company in November 2011, the proved and probable CBM reserves of Sanjiao block amounted to 405.6 billion cubic feet (approximately 11.5 billion cubic meters).

In August 2012, the National Development and Reform Commission (“NDRC”) – National Energy Administration (“NEA”) granted a reply to the application of the overall development plan (“ODP”) for the development of Sanjiao CBM project. This signifies a milestone in the project’s commercial production process. On 28 July 2014, the report on environmental effects

業務回顧

截至2014年12月31日止年度內，中國油氣控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）之營業額為16,540,000港元（2013年：21,598,000港元），另披露於其他收入的煤層氣試銷售及其相關政府補貼則達70,198,000港元（2013年：38,899,000港元），增幅達80.5%。

基於三交煤層氣項目配套設施，包括煤層氣壓縮站及銷售管道的逐步建成，煤層氣銷售價格繼2013年上調後，工業用氣銷售價格於年內再往上調13.9%，試銷售逐步提升，煤層氣項目已迅速進入盈利階段，加上本年度並無如去年之一次性費用支出（2013：25,247,000港元），兼且整體內部成本控制改善，令本集團的行政費用下降11.9%，本集團錄得年度盈利10,420,000港元（2013年虧損：61,332,000港元）。

天然氣及石油開採

煤層氣開採——鄂爾多斯盆地三交區塊

項目總覽

本集團透過旗下全資附屬公司奧瑞安能源國際有限公司（「奧瑞安」），與中國夥伴中國石油天然氣集團公司（「中石油」）訂立產品分成合同（「PSC」），在中國山西及陝西省鄂爾多斯盆地三交區塊進行煤層氣田勘探、開採及生產，並享有當中70%權益。PSC覆蓋中國山西省及陝西省鄂爾多斯盆地合共383平方公里之區塊。根據一份由合資格人士於2011年11月向本公司提供之儲量報告，當時煤層氣證實及概略儲量為4,056億立方英尺（即約115億立方米）。

於2012年8月，三交煤層氣項目之整體開發方案（「ODP」）的申請已獲得國家發展和改革委員會（「發改委」）國家能源局正式受理，為項目進入商業化生產過程中的一個重要階段。於2014年7月28日，三交煤層氣項目之環境報告書獲得山西環境保護廳批准，此環境報告

from Sanjiao CBM project was further approved by Shanxi Provincial Department of Environmental Protection. The report on environmental effects is a core assessment report which is the most crucial and emblematic part of the ODP. Pursuant to the “Regulations on Exploitation of Onshore Petroleum Resources in Cooperation with Foreign Enterprises”, only when a foreign CBM cooperation project has obtained the State’s approval of its ODP is allowed to carry out sizable development and production. Hence, this approval has laid a solid foundation for the grant of final approval of the ODP from the PRC government. The Group has completed all necessary assessment reports and has been granted all required governmental approvals, pending the final approval of the ODP.

Infrastructure

As at the end of 2014, the Sanjiao CBM project has completed a total of 73 wells, comprising 40 multilateral horizontal wells and 33 vertical wells. Out of the total 73 wells, 63 wells were in the normal dewatering stage, of which 52 wells had access to the gas collection pipeline network. A ground pipeline network of approximately 18 kilometers, inter-well pipelines of approximately 39 kilometers, and outbound pipelines of approximately 17 kilometers were completed. Approximately total 49 kilometers of 10KV power grid and branch power line were also completed.

Adopting the multi-lateral horizontal well-drilling system designed by US oil service professionals, one multi-lateral horizontal well was added during the year with dewatering and gas extraction currently underway. With constant enhancement to dewatering and gas extraction technologies, the Group was able to maintain a stable preliminary production capacity so as to prepare for steady growth in production over the long term, thus helping to achieve a favorable sales-to-production rate.

書為ODP中最為核心及具標誌性的一項專項評估報告。根據《對外合作開採陸上石油資源條例》，煤層氣對外合作項目需待ODP方案獲得國家審批通過，才能正式開展大規模開發和生產，故此項批覆為ODP方案最終通過中國政府審批，奠定了堅實基礎。目前集團已基本完成三交煤層氣項目ODP方案所需之各項評估報告，並已獲得所需之所有相關政府批文，等待ODP的最終批覆。

基礎建設

截至2014年年底，三交項目合計完成鑽井共73口，其中40口為多分支水平井，餘下的33口為直井。在上述73口井中，正常排採井為63口，當中接入集氣管網的井位52口。另三交地面系統工程方面，已建成區內集氣幹線約18公里，集氣支線約39公里，外輸管線約17公里；並架設總長度約49公里的10KV輸電幹線及電力支線。

集團於年內繼續採用美國油服專家提出的多分支水平井鑽井設計，並於年內新增一口多分支水平井，目前正進行排採。同時，集團不斷對排採工藝進行優化，控制單井平均前期產能，以確保產量能夠維持長期穩定提升，從而達到良好的產銷比率。

Management Discussion and Analysis

管理層討論及分析

In 2012, the Group completed the construction of a CBM processing station with daily processing capacity of 150,000 cubic meters. The Company has been expanding the capacity of the station during the period in order to cope with increasing CBM production.

Owing to the tight gas supply in the western part of Shanxi Province and the lack of pipelines and other infrastructure, the Shanxi provincial government has set up three designated CBM pipelines in the Sanjiao block and its surrounding areas. These pipelines are all constructed and invested by third parties, including (1) the CBM pipeline from Sanjiao to Linxian for gas supply for residential, commercial and industrial use, as well as heating in winter, with an annual designed gas transmission capacity of 350 million cubic meters; (2) the designated CBM pipeline of the Sanjiao CBM block for gas supply to Senze Coal & Aluminum Group, a local coal processor and aluminium manufacturer, with an annual designed gas transmission capacity of 350 million cubic meters; and (3) the CBM pipeline from Sanjiao to Luliang for gas supply to Xiaoyi and central Shanxi. All three pipelines are currently operational.

In addition, in December 2012 the Group acquired a 30% equity interest in a Sino-foreign joint venture. In order to broaden sales channels in the future, this joint venture is in the process of setting up a liquefied natural gas (“LNG”) station with daily processing capacity of 1.2 million cubic meters in the Sanjiao area of Shanxi Province. The design of the first phase of the LNG station, with a daily processing capacity of 300,000 cubic meters, was completed in early March 2015 and will be constructed in line with the schedule of ODP approval. Tendering of related works is currently in process. Upon completion, the LNG station will broaden the Sanjiao project’s sales channels.

Sales

According to a “Notice Regarding Adjustment of Natural Gas Price for Non-Residential Users” issued by NDRC in the second half of 2014, the Group and PetroChina have jointly decided to increase the gas selling price for industrial users of the Sanjiao CBM project. The gas selling price was increased by RMB0.25 per cubic meter with retrospective effect from 1 September 2014 as agreed with the buyer. This 13.9% price adjustment had an immediate and significant positive impact on the revenue and earnings of the Sanjiao project.

集團於2012年已建成日處理15萬立方米煤層氣的煤層氣壓縮站一座，期內本公司已逐步擴建其處理能力，以配合三交項目不斷提升中的煤層氣產量。

此外，由於山西省西部地區氣源供應緊張以及缺乏管道等基礎設施，省政府在三交區塊及其周邊地區規劃了三條煤層氣專用管線。該等管線均由第三方建設及投資，其中包括：(一)三交至臨縣煤層氣輸氣管道，供應臨縣城市居民、工商業用氣及冬季取暖用氣，管道設計年輸氣能力為3.5億立方米；(二)三交區塊專用煤層氣管道，向一間當地的煤鋁生產企業一森澤煤鋁集團供氣，管道設計年輸氣能力為3.5億立方米；及(三)三交至呂梁煤層氣輸氣管道，計劃供應孝義及山西省中部天然氣管網。上述三條管線均已投入營運。

另外，本集團於2012年12月收購了一家中外合資企業之30%權益，該合資企業準備於山西三交籌建日處理能力120萬立方米之液化天然氣(「LNG」)處理站。於2015年3月上旬，第一期每日處理能力達30萬立方米的LNG站已設計完畢，會配合ODP最終通過審批的時間表而興建，現在相關工程正進行招標，將來可為三交項目進一步拓闊銷售渠道。

銷售

於2014年下半年，按發改委2014年頒佈之《關於調整非居民用存量天然氣價格的通知》，本集團與中石油共同決定調整三交項目工業用戶煤層氣銷售價格，並與購買方達成一致意見，銷售價格將按每立方米增加人民幣0.25元，生效期追溯至2014年9月1日起。此次上漲幅度達13.9%。價格調整對三交項目的營運收入有即時而顯著的正面影響。

In addition, during the year, the Ministry of Finance has released subsidies on CBM sales from Sanjiao project in 2012 and 2013 on the basis of RMB0.2 per cubic meter in accordance with the state policy. It is expected that government subsidies on 2014 sales will be received around the third quarter of 2015.

During the year, the Sanjiao project recorded CBM production of approximately 47.28 million cubic meters (2013: 45.45 million cubic meters) and CBM sales of approximately 44.26 million cubic meters (2013: 30.45 million cubic meters), resulting in a gas sale-to-production rate of 93.6% (2013: 67.0%) for the full year. In terms of the composition of gas sales during the year, industrial piped CBM sales accounted for 89.7% of total sales, while residential piped CBM sales contributed 10.2% and CNG sales contributed 0.1%. Total piped CBM sales accounted for 99.9% of total gas sales during the year.

The Sanjiao project posted an operating profit during the year. With the positive impact of both sales and price increases, the project's long-term outlook for profitability is promising.

Oilfields Located in Shaanxi Province—Liuluoyu, Yanjiawan and Jinzhuang

In view of the promising prospects for the development of the CBM business, the Group has reallocated resources to focus on the Sanjiao CBM project. The development of the oilfields is thus proceeding somewhat more slowly than previously.

During the year under review, the two oilfields in Liuluoyu and Yanjiawan in the Erdos Basin, Shaanxi Province, yielded an aggregate crude oil output of approximately 2,449 tonnes (2013: 3,500 tonnes). The Jinzhuang oilfield in the hinterland of the Erdos highland, Shaanxi Province, has an area of 62 square kilometers and yielded a crude oil output of approximately 2,208 tonnes (2013: 2,600 tonnes). As the Sanjiao project is proceeding smoothly into profitability, the Group is actively planning to reallocate resources with a view to driving more solid development of the oilfields in Shaanxi Province.

另外，於年內，國家財政部已按既定政策所規定，按所銷售煤層氣量每立方米人民幣0.2元標準，向三交項目發放於2012年及2013年銷售的相關補貼款，而2014年煤層氣銷售的相關政府補貼，預期會於2015年第三季前後收到。

年度內，三交項目共生產煤層氣約4,728萬立方米（2013年：4,545萬立方米），銷售煤層氣約4,426萬立方米（2013年：3,045萬立方米），全年平均產銷比率達93.6%（2013年：67.0%）。在全年的銷售結構中工業用管道煤層氣銷售佔89.7%，民用管道煤層氣銷售佔10.2%，CNG銷售佔0.1%。故此，管道煤層氣銷售已佔全年總銷售量的99.9%。

三交項目於本年度內已能錄得經營溢利，在銷售和價格提升的正面影響下，本集團對其長遠盈利能力抱有信心。

位於陝西省的油田區塊—柳洛峪、閻家灣及金庄

鑑於煤層氣的發展前景優厚，本集團暫時將資源重新調配，集中發展三交煤層氣項目，油田的發展因而較前緩慢。

在回顧年度內，位於陝西省鄂爾多斯盆地的柳洛峪及閻家灣兩個油田區塊之原油產量約為2,449噸（2013年：3,500噸）。另外，金庄油田位處陝西省鄂爾多斯高原腹地，面積達62平方公里。年度內，金庄油田之原油產量約為2,208噸（2013年：2,600噸）。有見於三交項目已漸上軌道，目前本集團正積極計劃於2015年度重新調配資源，以加強陝西省的油田區塊的發展。

Management Discussion and Analysis

管理層討論及分析

Capital Expenditure

As Sanjiao CBM project is yet to enter into the development and production phase, the income generated from trial sales of coalbed methane during the year was recorded as other revenue. Therefore, substantial portion of expenditure incurred in relation to Sanjiao CBM project had been capitalized. For the year ended 31 December 2014, the total expenditure capitalized was HK\$180 million (2013: HK\$295 million), which mainly comprises of (i) gas exploration expenses, (ii) direct expenses and (iii) finance expenses, the breakdown of which is as follows:

- (i) Gas exploration expenses mainly represented drilling expenses amounted to HK\$9.1 million (2013: HK\$59 million), dewatering expenses amounted to HK\$16 million (2013: HK\$29 million) and ground facility expenditure amounted to HK\$14.4 million (2013: HK\$26 million);
- (ii) Direct expenses mainly represented direct labour cost (included, but not limit to, petroleum engineers and geologists etc.) amounted to HK\$23.6 million (2013: HK\$21 million) and other direct cost incidental to exploration and development of the Sanjiao CBM project amounted to HK\$40.7 million (2013: HK\$33 million) (included, but not limit to, cost of various technical reports prepared for the purpose of applying the overall development plan for the Sanjiao CBM project); and
- (iii) The total finance expenses capitalized during the year was HK\$76.2 million (2013: HK\$127 million).

For the year ended 31 December 2014, there was no significant drilling activities performed in the Oilfields located in Shaanxi Province.

資本支出

由於三交煤層氣項目尚未進入開發及生產階段，所以將於當年度試銷售煤層氣所產生的收入列載於其他收入。故此，大部份有關三交煤層氣項目所產生之支出都已資本化。截至2014年12月31日止年度內，總資本化的支出為180,000,000港元（2013年：295,000,000港元），其中主要為(i)天然氣勘探支出，(ii)直接支出及(iii)財務支出，明細如下：

- (i) 天然氣勘探支出主要為鑽井工程支出共9,100,000港元（2013年：59,000,000港元），排採工程支出共16,000,000港元（2013年：29,000,000港元）及地面工程支出共14,400,000港元（2013年：26,000,000港元）；
- (ii) 直接支出主要為直接工資（包括但不限於石油工程師和地質師等）共23,600,000港元（2013年：21,000,000港元）及其他有關於三交煤層氣項目勘探和發展的直接支出，共40,700,000港元（2013年：33,000,000港元）（包括但不限於為申請三交煤層氣項目整體開發計劃而預備不同技術報告所產生之成本）；及
- (iii) 當年度資本化的總財務支出為76,200,000港元（2013年：127,000,000港元）。

截至2014年12月31日止年度，位於陝西省的油田區塊並無進行重大鑽井工程。

Management Discussion and Analysis

管理層討論及分析

Possible Acquisition—Oilfields in Alberta, Canada

In order to increase resources reserves, the Group is actively seeking appropriate oil and gas blocks in China, while exploring investment opportunities in overseas upstream businesses. The Group hence entered into two non-legally-binding memorandums of understanding (“MOU”) in June and September 2014. The acquisition targets are oilfields located in Alberta Province, Canada. The Group is currently undertaking geological evaluation of the target area. The vendor is required to engage a professional geology consultancy firm to issue a geology research report on the correlation of oil-bearing horizons, reservoir dynamic testing, research on fractured reservoirs, formational pressure, research on formation temperature and drive type of reservoir of the oil field in Canada. The Group is also conducting a due diligence review of the assets, indebtedness, operation and financial aspects of the target blocks. Oil and gas resources in North America are abundant and the local markets are sophisticated. Despite the current drop in international oil prices, which will increase the Group’s bargaining power in negotiations towards the acquisition of oil and gas businesses, the Group believes that, as oil prices begin to recover from their trough, the operation of high-quality oil and gas businesses in North America or other overseas countries will contribute to the asset base and profitability of the Group in the long term. Such investments will also help balance the Group’s geographical risk exposure.

Summary of Resources

The Group’s oil and gas reserves, as at 31 December 2014, are summarized as follows:

潛在的收購項目—位於加拿大艾伯塔省的油田區塊

為增加集團資源儲量，集團不僅在國內尋求合適油氣區塊，亦積極拓展海外上游業務，物色優質投資機會。集團於2014年6月及9月訂立兩份不具法律約束力之諒解備忘錄。目標收購位於加拿大艾伯塔省之油田，集團現正於目標收購區域進行地質測評，賣方需聘請專業地質諮詢公司，以出具包括加拿大油田之油層分化對比、儲層動態測試、裂縫性儲層研究、地層壓力和地層溫度研究以及油氣藏驅動類型之地質研究報告等。同時集團亦會就目標的資產、債務、營運及財務方面進行盡職審查。北美地區油氣資源質量豐富，當地行業市場成熟，雖然目前國際油價下跌，但相對亦增加了集團收購油氣業務的議價能力，長遠來說，若成功收購，當國際油價逐步走出低潮後，北美或其他優質的海外油氣業務會為本集團資產及盈利帶來貢獻，同時亦可以平衡集團的業務地域性風險。

資源概覽

本集團於2014年12月31日的油氣儲備概述如下：

		Crude Oil 原油		Coalbed Methane 煤層氣	
		Liuluoyu and Yanjiawan 柳洛峪及閻家灣 tonnes 噸	Jinzhuang 金庄 tonnes 噸	Sanjiao 三交 Billion cubic feet (Gross) 十億立方英尺(總額)	
Proved and Probable	證實及概略	349,951 (Note a) (附註a)	4,148,792 (Note b) (附註b)	400.7 (Note c) (附註c)	

Management Discussion and Analysis

管理層討論及分析

Notes:

- (a) In the absence of large-scale exploration works during the year, no material change to the resources reserve has been observed. The Company has thus made an estimation of the oil reserve as at 31 December 2014 on the basis of the internal experts' oil reserve estimates of 2010, adjusted and updated based on oil production volume.
- (b) In the absence of large-scale exploration works during the year, no material change to the resources reserve has been observed. The Company has thus made an estimation of the oil reserve as at 31 December 2014 on the basis of a report formulated by an independent professional reserve valuation firm in September 2011, according to the PRC's reserve standards, adjusted and updated based on oil production volume.
- (c) In the absence of large-scale exploration works during the year, no material change to the resources reserve has been observed. The Company has thus made an estimation on the oil reserve as at 31 December 2014 on the basis of a competent person's report prepared in accordance with the standards for "Petroleum Resources Management System" recognized under Chapter 18 of the Listing Rules and provided to the Company in November 2011, adjusted and updated based on oil production volume.

Category 類別

Proved (1P)	證實 (1P)
Proved and Probable (2P)	證實及概略 (2P)

- (d) Reserve translation reference: One tonne of crude oil is equivalent to approximately 7.3 barrels; one cubic meter of natural gas is equivalent to approximately 35.2 cubic feet.

附註:

- (a) 由於在年內沒有進行大型資源勘探活動，並未有發現資源儲量等有重大轉變，故本公司按2010年內部專家估算的石油儲量作為基礎，再按產油量作出調整更新，估算截止至2014年12月31日的石油儲量。
- (b) 由於在年內沒有進行大型資源勘探活動，並未有發現資源儲量等有重大轉變，故本公司以一份由獨立的專業儲量評估機構於2011年9月份，按中國儲量標準編制的儲量報告作為基礎，再按產油量作出調整更新，估算截止至2014年12月31日的石油儲量。
- (c) 由於在年內沒有進行大型資源勘探活動，並未有發現資源儲量等有重大轉變，故本公司以一份由合資格人士，按香港聯合交易所有限公司證券上市規則第18章認可的「石油資源管理體系」標準編制，於2011年11月份向本公司提供之儲量報告作為基礎，再按煤層氣產量作出調整更新，估算截止至2014年12月31日的煤層氣儲量。

Coalbed Methane Reserve 煤層氣儲量

Billion cubic feet (Gross)
十億立方英尺(總額)

74.2
400.7

- (d) 儲量換算參考：原油每噸約等於7.3桶；天然氣每立方米約等於35.2立方英尺。

FINANCIAL REVIEW

Capital Structure

In January 2014, the Company entered into subscription agreements with not less than six subscribers, to which a total of 300,000,000 subscription shares were allotted and issued at a price of HK\$0.22 per subscription share. The proceeds from the subscriptions of approximately HK\$66,000,000 have been fully utilised for operations of the Group's existing oil and gas projects and working capital.

In July 2014, the Group entered into subscription agreements with not less than six subscribers for the allotment and issue of 2,900 million new shares, at a price of HK\$0.205 per subscription share. The net proceeds from the subscriptions of approximately HK\$593,500,000 have been used for operations of the Group's existing oil and gas projects, repayment of loan, purchase of short-term investment and payment for the necessary deposit for the possible acquisition of the Canadian oilfield.

Subsequently in January 2015, the Group appointed a placing agent for the issue of bonds up to an aggregate amount of HK\$300,000,000. The bonds bear an interest rate of 7% per annum, are unsecured and transferrable and with maturity dates of 84 months immediately following the respective dates of issue of the bonds. The net proceeds from the bonds issue will be used as general working capital and/or for repayment of loans.

Apart from the above financing sources, the Group's subsidiary, Orion, may utilise the remaining loan facility of RMB600 million provided by CDB Leasing Co., Ltd. as and when needed upon approval of the ODP. With sufficient funding, the overall financial position of the Group has strengthened steadily, and with the satisfactory operation and development of the Sanjiao CBM project, the Group is able to meet its financing needs for developing various oil and gas projects.

財務回顧

資本結構

於2014年1月，本公司按每股0.22港元向不少於六名認購人士配發3億新股，籌集款項約66,000,000港元，全數已用作營運本集團現有之油氣項目及一般營運資金。

於2014年7月，本集團按每股0.205港元向不少於六名認購人士配發29億新股，籌集款項約593,500,000港元。所得款項已用作本集團現有油氣項目營運，償還貸款，購入短期投資及支付可能收購加拿大油田所需的訂金。

同時於2015年1月，本集團委任配售代理，配售最多總額共300,000,000港元之債券，債券按每年7%計息，為無抵押，可轉讓及到期日為發行債券之日期後84個月。債券發行之所得款項將用作本集團之一般營運資金及／或償還貸款。

除上述之融資外，本集團旗下的奧瑞安將可於獲得ODP的批覆後，適時動用國銀金融租賃有限公司提供餘下人民幣600,000,000之貸款額度。以上充分的資金支持，令三交煤層氣項目的營運與發展，以致本集團整體財務狀況，都日趨穩健，並足以應付未來各油氣項目發展及潛在投資機會的資金需要。

Management Discussion and Analysis

管理層討論及分析

Liquidity and Financial Resources

As at 31 December 2014, the net assets of the Group were HK\$4,054,000,000 (31 December 2013: HK\$3,447,000,000) while its total assets were HK\$4,699,000,000 (31 December 2013: HK\$4,275,000,000). As at 31 December 2014, the Group had external borrowings including the liability component of convertible notes of HK\$473,075,000 (31 December 2013: HK\$617,062,000), and the gearing ratio based on total assets was 10.06% (31 December 2013: 14.43%). Details of the Group's pledge of assets and the maturity profile of the Group's borrowings is set out in note 33 to the financial statements. At 31 December 2014, the current ratio was 1.42 (31 December 2013: 0.35). With a significant improvement in the gearing ratio and liquidity position, the Group's overall financial position has strengthened.

Foreign Exchange Fluctuations

The Group is exposed to currency risk primarily through sales and purchase transactions and recognised liabilities of assets that are denominated in a currency other than the functional currency of the operations to which they relate. At 31 December 2014, no related hedges were made by the Group. In respect of trade and other receivables and payables held in currencies other than the functional currency of the operations to which they relate, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

Employees and Remuneration Policies

As at 31 December 2014, the Group employed approximately 356 employees. The remuneration policy of the Group is based on the prevailing remuneration level in the market and the performance of respective companies and individual employees.

流動資金及財政資源

於2014年12月31日，本集團的資產淨值為4,054,000,000港元（2013年12月31日：3,447,000,000港元），總資產值則為4,699,000,000港元（2013年12月31日：4,275,000,000港元）。於2014年12月31日，本集團的總借貸包括可換股票據之負債部分為473,075,000港元（2013年12月31日：617,062,000港元），負債比例按資產總值計算為10.06%（2013年12月31日：14.43%）。有關本集團已抵押資產及借貸償還期限的詳情載於財務報表附註33。於2014年12月31日的流動比率為1.42（2013年12月31日：0.35）。本集團之負債比率以及流動資金狀況均有顯著改善，集團財務整體已日趨健康。

外匯波動

本集團承受之貨幣風險主要源自以有關業務之功能貨幣以外之貨幣計值之買賣交易及已確認資產和負債。於2014年12月31日，本集團並無作出相關對沖。就以有關業務之功能貨幣以外之貨幣持有之應收款項及應付款項，本集團在必要時按即期匯率買賣外匯以解決短期不均衡，以此確保風險處於可接受水平。

僱員薪酬政策

於2014年12月31日，本集團的僱員約有356人。本集團之薪酬政策主要按現行市場薪酬水平及各有關公司及個別僱員之表現釐訂。

PROSPECTS

Natural gas and oil exploitation is the focus of the Group's ongoing development. It will continue to expand the exploration and production of the Sanjiao CBM project in the Erdos Basin in Shaanxi Province, an area listed by NEA as a core CBM production base in China. The Sanjiao block has been listed as a core project under the "12th Five-Year Plan". It is expected that the project will be able to enjoy stronger policy support in terms of the use of land, government approvals and financing.

Liaison work in respect of ODP approval has proceeded further. Following the grant of approval of the report on environmental effects by Shanxi Provincial Department of Environmental Protection, the application work has substantially completed. The project has already moved forward into trial commercial operations with operating profit recorded. In line with the schedule of ODP approval by NDRC, the Group will continue to engage in the active development of ground facilities, while the capacity of the CBM processing station is being expanded to cope with increased gas sales. The Group has also employed foreign advanced well-drilling technologies to seek to further explore the recoverable gas reserves of the Sanjiao block.

The "12th Five-Year Plan" has outlined China's target to achieve CBM production of 20 billion cubic meters by 2015. However, in view of the slower-than-expected CBM production growth against a backdrop of suppressed gas prices, meeting this target will prove to be a challenging task. Being a major energy consumer in the world, China's natural gas demand is currently 32% met by imports. To provide impetus for domestic CBM production, China has moved forward a price reform for the natural gas sector, to be implemented in three years from 2013, with the ultimate goal of opening up the sector. The increase in CBM price will have a positive impact on the Sanjiao project's revenue and earnings and its contribution to the Group.

The Sanjiao CBM project is a major growth driver for the Group. Management is confident that the project will bring satisfactory long-term returns for shareholders. The Group is also pursuing investment opportunities in mid- and lower-stream businesses, as well as in mergers and acquisitions of overseas oil and gas assets, in order to drive the Group's business momentum forward.

前景

本集團以天然氣及石油開採業務為發展重點，積極於被國家能源局列為煤層氣產業化基地之一的陝西鄂爾多斯盆地，拓展三交煤層氣項目的開發與生產。三交區塊已被列為「十二五」重點發展項目，在項目發展所需的土地利用、政府審批、財政配套支持方面，都可得到較大的政策扶持。

有關三交煤層氣項目ODP申請手續的協調，隨著項目的環境影響報告書獲得山西環境保護廳批准，報批工作基本完成，現階段項目已進入試商業營運模式並錄得經營溢利。配合三交項目的ODP最終獲得發改委批覆時間，集團將繼續積極發展地面配套設施，擴建煤層氣增壓脫水站處理能力，配合提升天然氣銷售。本集團並積極引進國外先進鑽井技術，全力開發三交煤層氣藏。

中國「十二五」能源規劃提出，到2015年煤層氣商品量要達到200億立方米。然而，由於煤層氣價格長期受壓，產業的增長速度較慢，要完成目標存在難度。中國是全球能源消耗大國，目前天然氣對外依賴度達32%，因此國家的天然氣價格改革自2013年起分三年實施，最終目標是完全開放氣源價格，以誘發企業開發的積極性。煤層氣的銷售價格提升，對三交項目的營收，以至對集團的貢獻，有顯著的正面影響。

三交煤層氣項目是本集團未來的增長亮點，管理層有信心項目可為股東帶來理想的長遠回報。另一方面亦會關注非常規天然氣領域內的中、下游投資機會及優質的海外油氣項目的收購併購機遇，不斷為業務注入動力。

Directors and Senior Management Profiles

董事及高層管理人員簡介

BOARD OF DIRECTORS

Executive Directors

Dr. Dai Xiaobing, aged 47, was appointed as Executive Director of the Company in May 2010 and Chairman of the Board of the Company in September 2011. Dr. Dai was awarded a PhD in Econometrics by the School of Economics, Jilin University, the PRC. Dr. Dai is experienced in the corporate finance sector as well as merger and acquisitions and corporate restructuring of companies in the PRC. He is also familiar with the capital market in the PRC. Dr. Dai had been one of the co-founder of China Securities Journal published by Xinhua News Agency and was a journalist, department head and deputy general manager of the agency, through which he has extensive experience in government public relations and investor relations. He was the president of Huda Technology & Education Development Co., Ltd. (河北湖大科技教育發展股份有限公司) and also an independent director of Jiangxi Ganneng Co., Ltd. (江西贛能股份有限公司). Both of the above companies are listed on the Shanghai Stock Exchange and listed on the Shenzhen Stock Exchange respectively.

Mr. King Hap Lee, aged 52, was appointed as Chief Executive Officer of the Company in November 2010 and Executive Director of the Company in September 2011. In September 2012, Mr. King resigned as Chief Executive Officer of the Company and assumed the position as Deputy Chairman of the Board of the Company. Then in June 2014, Mr. King was appointed as Chief Executive Officer (and Deputy Chairman of the Board). Mr. King is principally responsible for assisting the Chairman of the Company to lead the Board and formulating the corporate strategies and development plans for the oil and gas business with the Board, while pursuing and exploring the potential opportunities for the midstream and upstream oil and gas business. Mr. King graduated from Xian Jiaotong University in 1983. He worked for various central government departments and state-owned enterprises for a considerable period of time and has more than 20 years experience in government organizations and enterprises management. He was the deputy director and Chairman of Workers Union of Mechanic and Electronic Products Importation and Exportation Office of the State Council, the deputy general manager of 中國機械工業供銷深圳集團公司 (China Machinery Industry Marketing & Supply Shenzhen Group Corporation*) and managing director of 中機香港公司 (China National Machinery Hong Kong Company*).

董事會

執行董事

戴小兵博士，47歲，於2010年5月獲委任為本公司之執行董事，並於2011年9月獲委任為本公司董事會主席。戴博士持有中國吉林大學商學院計量經濟學博士學位。戴博士在企業融資和中國企業併購與企業重組方面擁有豐富的經驗，彼亦熟悉中國之資本市場。戴博士曾參與創辦新華通訊社出版的《中國證券報》，歷任記者、部門主任和報社副總經理，期間積累了豐富的政府公共關係和投資者關係等資源。他曾任河北湖大科技教育發展股份有限公司董事長，及江西贛能股份有限公司之獨立董事，而上述兩家公司分別於上海交易所及深圳交易所上市。

景哈利先生，52歲，自2010年11月起出任本公司行政總裁，並於2011年9月獲委任為本公司之執行董事。於2012年9月，景先生獲委任為本公司董事會副主席，同時辭任本公司行政總裁，其後於2014年6月再獲委任為本公司行政總裁(兼董事會副主席)。景先生的職責包括協助本公司主席領導董事會及與董事會共同制訂油氣業務上的企業策略及發展規劃，同時尋找及開拓潛在的中上游油氣業務機遇。景先生於1983年畢業於西安交通大學，長期任職於中央國家機關和國有企業，擁有二十多年政府機關及企業管理工作經驗。曾任國務院機電產品進出口辦公室副處長及工會主席、中國機械工業供銷深圳集團公司副總經理、以及中機香港公司董事總經理。

Directors and Senior Management Profiles

董事及高層管理人員簡介

Mr. Wan Tze Fan Terence, aged 50, was appointed as Executive Director of the Company in March 2009. He is also the chief financial officer of the Company. Mr. Wan holds a bachelor degree of commerce and a master degree of business administration. He has years of experience in accounting and financial management and has worked for international accounting firms and listed companies in Hong Kong. He is a fellow member of Hong Kong Institute of Certified Public Accountants and a Certified Practising Accountant of CPA Australia. He is also an independent non-executive director of China Primary Energy Holdings Limited and Eagle Legend Asia Limited, both of which are listed on The Stock Exchange of Hong Kong Limited.

Non-executive Director

Mr. Chen Hua, aged 49, was appointed as Non-executive Director of the Company in June 2014. Mr. Chen holds a bachelor degree and founded the Kingkey Group Limited (“Kingkey Group”) in 1994. He is the founder, chairman and chief executive officer of Kingkey Group. Kingkey Group is a Chinese well-known brand with an integrated business comprising property development, hotel, property management, financial investment, golf club and beverage operations. Kingkey Group has invested and developed total construction area of over 5 million square metres and its constructions have been awarded various prizes by different cities, provinces and the state. It is one of the Top 50 Property Enterprises in China and renowned in the property sector across the nation. Kingkey Group took four years to complete the ‘KK100’ Complex which has become the landmark of Shenzhen and one of the tallest complex building in the world. Mr. Chen also actively involves in various community charities and has accumulated hundreds of millions RMB charitable donations over the years.

溫子勳先生，50歲，於2009年3月獲委任為本公司之執行董事，現為本公司之財務總監。溫先生持有商科學士學位及工商管理碩士學位，擁有多年會計及財務管理經驗，並曾在國際會計師事務所及香港上市公司等工作。溫先生為香港會計師公會資深會員及澳洲會計師公會註冊會計師，他亦為中國基礎能源控股有限公司及鵬程亞洲有限公司之獨立非執行董事，這兩間公司均於香港聯合交易所上市。

非執行董事

陳華先生，49歲，於2014年6月獲委任為本公司之非執行董事。陳先生本科學歷，於1994年創立京基集團有限公司（「京基集團」），為京基集團的創始人、董事長兼行政總裁。京基集團為中國的知名品牌企業，集合房地產、酒店、物業管理、金融投資、高爾夫俱樂部、餐飲等多元化產業的大型集團公司，投資開發的總建築面積超過500萬平方米，多次獲得市、省及國家頒發的各類獎項，是中國房地產50強企業之一，在全國地產界享有極高的聲譽。京基集團用四年時間傾力打造的京基100城市綜合體項目，目前已成為深圳最高建築地標，亦是世界上最高的綜合體之一。陳先生積極參與各項社會公益慈善事業，歷年累計慈善捐贈超過數億元人民幣。

Directors and Senior Management Profiles

董事及高層管理人員簡介

Mr. Huang Shaowu, aged 44, was appointed as Non-executive Director of the Company in June 2014. Mr. Huang was the main founder for Shenzhen Aisidi Co., Ltd. (“Aisidi”) (shares of which are listed on the Shenzhen Stock Exchange) in 1998 and it is the “Fortune” 500 enterprises in China. Mr. Huang is currently a director of Aisidi, the chairman of Shenzhen Sinomaster Investment Group Co., Ltd. (深圳市神州通投資集團有限公司, “SMT”) which is the controlling shareholder of Aisidi and substantial shareholder of the Company, and the chairman and general manager of 深圳市全球星投資管理有限公司 which is major shareholder of Aisidi. SMT is an investment conglomerate with extensive investments in distribution, retail, logistics, finance, real estate, tourism, high-tech, e-commerce and ecological agricultural businesses.

Mr. He Lin Feng, aged 45, was appointed as Non-executive Director of the Company in August 2014. Mr. He holds a bachelor degree in Economics from Renmin University of China. Mr. He has been an executive director of 珠海景順科技有限公司 since 2006. He was a director of 珠海市榮業投資有限公司 from 1996 to 2005 and the business manager of 珠海市海平實業公司 from 1991 to 1995. Mr. He has extensive experience in financial management and project investment businesses.

Mr. Ma Tengying, aged 44, was appointed as Non-executive Director of the Company in April 2013. Mr. Ma is currently the executive director and co-president of China Orient Asset Management (International) Holding Limited (“COAMCI”). He worked in the Credit Department of the Head Office of the Bank of China for 6 years and has been serving the China Orient Asset Management Corporation (parent company of COAMCI) and its subsidiaries for over 15 years. He has successively held posts including the deputy director of the Credit Department of the Bank of China, the head of the preparatory group for Dongxing Securities (601198 CH), the general manager of COAMC Zhengzhou Branch, the general manager of Bangxin Asset Management Co., Ltd., and the vice chairman of the board of Dong Yin Development (Holdings) Limited. Mr. Ma held a Master’s degree in economics granted by the Graduate School of Chinese Academy of Social Sciences and a Bachelor’s degree conferred by the Renmin University of China. He is superbly experienced in managing securities firms, financial institutions, asset management and wealth management both in Mainland China and Hong Kong.

黃紹武先生，44歲，於2014年6月獲委任為本公司之非執行董事。黃先生於1998年作為主要創始人創立的深圳市愛施德股份有限公司（「愛施德」）（股份於深圳證券交易所上市），為《財富》中國500強企業。黃先生現為愛施德董事，現任愛施德控股股東及本公司主要股東深圳市神州通投資集團有限公司（「神州通投資集團」）董事長、愛施德主要股東深圳市全球星投資管理有限公司董事長兼總經理。神州通投資集團為大型綜合民營投資企業，投資控股產業橫跨分銷、零售、物流、金融、地產、旅遊、高科技、電子商務和生態農業等領域。

何林峰先生，45歲，於2014年8月獲委任為本公司之非執行董事。何先生持有中國人民大學的經濟學學士學位。何先生自2006年起擔任珠海景順科技有限公司的執行董事。於1996年至2005年，他曾任珠海市榮業投資有限公司的董事，並於1991年至1995年擔任珠海市海平實業公司的業務經理，何先生於財務管理、項目投資業務累積了豐富經驗。

馬騰營先生，44歲，於2013年4月獲委任為本公司之非執行董事。馬先生現任中國東方資產管理（國際）控股有限公司（「東方國際」）執行董事及聯席總裁。馬先生在中國銀行總行從事信貸工作六年，在中國東方資產管理公司（東方國際的母公司）及其轄下的公司工作超過十五年。他此前曾出任中國銀行信貸副處長、東興證券(601198 CH)籌備組負責人、中國東方資產管理公司鄭州辦事處總經理、邦信資產管理有限公司總經理、東銀發展(控股)董事會副主席。馬先生持有中國人民大學學士學位及中國社會科學院研究生院經濟學碩士學位，他在內地及香港的證券、金融、資產管理及個人財富管理方面都有著豐富的經驗。

Directors and Senior Management Profiles

董事及高層管理人員簡介

Independent Non-executive Director

Mr. Wong Kwok Chuen Peter, aged 55, was appointed as Independent Non-Executive Director of the Company in April 2006. Mr. Wong is currently a practising barrister-at-law of the High Court of the Hong Kong SAR. Mr. Wong holds a master degree of commerce in marketing from University of Strathclyde, UK and a post-graduate certificate in laws from University of Hong Kong. Mr. Wong has 21 years of extensive experience in legal practice.

Professor Wong Lung Tak Patrick, BBS, JP, aged 66, was appointed as an Independent Non-Executive Director of the Company in August 2010. Professor Wong is a Certified Public Accountant (Practising) in Hong Kong and Managing Practising Director of Patrick Wong CPA Limited. He is also a Chartered Secretary and a Certified Tax Advisor. He has over 40 years' experience in the accountancy profession. Professor Wong was accorded Doctor of Philosophy in Business, was awarded a Badge of Honour by the Queen of England, was appointed a Justice of the Peace and was awarded a Bronze Bauhinia Star (BBS) by the Hong Kong Government of SAR. He was appointed Adjunct Professor, School of Accounting and Finance, The Hong Kong Polytechnic University from 2002 to 2013. Professor Wong is currently an independent non-executive director of Galaxy Entertainment Group Limited, CC Land Holdings Limited, China Precious Metal Resources Holdings Co., Ltd., Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited, Water Oasis Group Limited, Real Nutraceutical Group Limited, National Arts Entertainment and Culture Group Limited, Winox Holdings Limited, Excel Development (Holdings) Limited and BAIC Motor Corporation Limited, all of which are listed on the Hong Kong Stock Exchange.

獨立非執行董事

黃國全先生，55歲，於2006年4月獲委任為本公司之獨立非執行董事。黃先生現為香港執業大律師，黃先生持有英國University of Strathclyde之商業管理(市場學)碩士學位及香港大學之法律深造證書，黃先生擁有二十一年豐富法律實務經驗。

黃龍德教授，BBS，太平紳士，66歲，於2010年8月獲委任為本公司之獨立非執行董事。黃教授為香港執業會計師，並為黃龍德會計師事務所有限公司的執行董事。黃教授亦是特許秘書及註冊稅務師。彼於會計專業擁有逾四十年經驗。黃教授取得商業哲學博士學位，獲英女皇頒發榮譽獎章，獲委任為太平紳士，並獲香港特別行政區政府頒授銅紫荊星章。彼於2002年至2013年獲香港理工大學會計及金融學院委任為兼任教授。黃教授現為銀河娛樂集團有限公司、中渝置地控股有限公司、中國貴金屬資源控股有限公司、廣州白雲山醫藥集團股份有限公司、奧思集團有限公司、瑞年國際有限公司、國藝娛樂文化集團有限公司、盈利時控股有限公司、怡益控股有限公司及北京汽車股份有限公司的獨立非執行董事，該些公司均於香港聯合交易所上市。

Directors and Senior Management Profiles

董事及高層管理人員簡介

Dr. Wang Yanbin, aged 58, was appointed as an Independent Non-Executive Director of the Company in September 2011. Dr. Wang is a professor and tutor for doctoral candidates of China University of Mining & Technology (Beijing), and head of the Scientific Research Office of China University of Mining & Technology (Beijing). Dr. Wang holds a bachelor degree in coalfield geology from the faculty of geology of Huainan Mining Institute in China. He also holds a master degree in coal petrology and coalfield geology and a doctor degree in coalfield, oil and gas geology and organic geochemistry from China University of Mining & Technology (Beijing). Prior to 1993, Dr. Wang mainly engaged in teaching and scientific research on coalfield geology and coalbed methane geology. Since 1993, he has focused on geological research on coalfield geology, oil, natural gas and coalbed methane. He has led the development of a project for the National Natural Science Foundation of China, and few scientific projects for China National Petroleum Corporation and China Petrochemical Corporation. Dr. Wang has also participated in more than 30 scientific projects in cooperation with various oil fields and Mining Bureaus nationwide. He was granted the State Scientific and Technological Progress Award for several times and has published 3 books and more than 70 academic papers.

Dr. Dang Weihua, aged 49, was appointed as an Independent Non-Executive Director of the Company in July 2013. Dr. Dang is currently the General Manager of Shenzhen Branch of Changjiang Securities Company Limited (“Changjiang Securities”) and the Chief Representative of Shenzhen Representative Office of Changjiang Securities. Prior to this, he served as Deputy General Manager of Asset Preservation Department and Legal & Compliance Department of Changjiang Securities. Dr. Dang has worked in Changjiang Securities (formerly known as Hubei Securities Company Limited) for 22 years and served in different departments and positions. He has extensive experience in securities industry. Dr. Dang holds a master degree of business administration at Zhongnan University of Economics and Law. He was awarded a PhD in Econometrics by the School of Economics, Jilin University. Dr. Dang holds a Chinese lawyer qualification as well as securities practice qualification.

王延斌博士，58歲，於2011年9月獲委任為本公司之獨立非執行董事。王博士現為中國礦業大學(北京)教授、博士生導師，以及中國礦業大學(北京)科研處處長。王博士持有中國淮南礦業學院地質系煤田地質學士學位，以及中國礦業大學北京煤岩學和煤田地質學碩士學位及煤田、油氣地質學及有機地球化學博士學位。於1993年前，主要從事與煤田地質和煤層氣地質有關的教學科研工作。1993年以後，主要從事與煤田地質、石油天然氣和煤層氣有關的地質研究，先後主理國家自然科學基金項目，以及中國石油天然氣集團總公司、中國石化集團總公司等多項科技項目，與全國各油田和礦務局合作科技項目30餘項，先後多次獲得國家科技進步獎，出版專著3部，發表學術論文70餘篇。

黨偉華博士，49歲，於2013年7月獲委任為本公司之獨立非執行董事。黨博士現為長江證券股份有限公司(「長江證券」)深圳分公司總經理及深圳代表處首席代表。在此之前，他曾出任長江證券的資產保全部、法律合規部副總經理，黨博士任職於長江證券(前身為湖北證券有限責任公司)二十二年，歷任不同部門及職位，於業內累積豐富經驗。黨博士持有中南財經政法大學的工商管理碩士學位，以及於吉林大學商學院獲數量經濟學博士學位。黨博士持有國家法律執業資格，以及證券從業資格。

Directors and Senior Management Profiles

董事及高層管理人員簡介

SENIOR MANAGEMENT

Ms. Yim Siu Hung was appointed as the *company secretary* of the Company in December 2011 mainly responsible for the Group's legal compliance work. Ms. Yim has joined the Company since August 2005 and holds a degree in law and a degree in accountancy. She is a fellow member of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. She has years of extensive experience in the company secretarial sector and has worked for international accounting and law firms and listed companies in Hong Kong.

Mr. Zhu Danping joined the Group in September 2012. He is responsible for the Group's operational management and the coordination in relation to the government's public affairs, in particular the production and operation of Orion Energy International Inc. In early 2013, Mr. Zhu was appointed as chairman of Orion Energy International Inc.; director and legal representative of Pipeline International Limited (a wholly-owned subsidiary of the Company) and vice chairman of 山西國梁煤層氣開發有限公司, 30% equity interest of which is being held by the subsidiary of the Company. Mr. Zhu was Executive Director and Chief Executive Officer of the Company during the period from June 2013 to June 2014. Prior to joining the Group, Mr. Zhu worked in Shenzhen Industrial Exhibition Centre as a curator for the construction of the new building and the tender for exhibition during the period between 2007 and 2012 and has extensive experience in the operating management and working for government authorities. Mr. Zhu was a postgraduate in philosophy from Zhongshan University and worked for the institute for Shenzhen Intermediate People's Court as well as 深圳市海潤工貿公司 (Shenzhen Hairun Industrial and Trading Company*) as a deputy general manager and a supervisor, 華展國際展覽公司 (Sinoexpo International Exhibition Company*) of 深圳國際展覽中心 (Shenzhen International Exhibition Centre*) as a managing director, Shenzhen Industrial Exhibition Centre as a deputy curator and Shenzhen Productivity Centre as an officer. He was responsible for the organization of various significant projects for the government and the planning and management of exhibitions during his term of office. With a strong social connection and network, he delivered a remarkable performance.

高層管理人員

嚴筱虹女士，於2011年12月獲委任為本公司之公司秘書，主要負責處理集團法律及法規相關事宜。嚴女士自2005年8月加入本公司，持有法律學士學位及會計學士學位，亦為香港特許秘書公會及英國特許秘書及行政人員公會的資深會員。嚴女士於公司秘書範疇擁有多年豐富經驗，並曾在國際會計師事務所和律師事務所以及香港上市公司等工作。

朱耽平先生，於2012年9月加入本集團，負責本集團的營運管理和有關政府公共事務協調事宜，主要管理奧瑞安能源國際有限公司的生產及運營。其後於2013年初，朱先生獲委任為奧瑞安能源國際有限公司的董事長及本公司全資附屬公司國際管網有限公司董事、法定代表人及其下屬持有30%權益的山西國梁煤層氣開發有限公司副董事長，朱先生曾於2013年6月至2014年6月期間出任本公司執行董事兼行政總裁。朱先生於加入本集團前，曾自2007年至2012年期間出任深圳市工業展覽館館長，負責新館建設及展覽工程招標等工作，擁有豐富的營運管理及政府機關工作經驗。朱先生於中山大學哲學系研究生畢業，曾於深圳市中級人民法院研究室工作，並先後出任深圳市海潤工貿公司常務副總經理及主管、深圳國際展覽中心華展國際展覽公司總經理、深圳市工業展覽館副館長、深圳市生產力促進中心主任等職位，任內曾負責政府舉辦的各類大型項目及展覽會的策劃及管理工作，累積了豐富之人脈關係及網路，成績斐然。

Directors and Senior Management Profiles

董事及高層管理人員簡介

Mr. Wang Liang joined the Group in 2010 and was General Manager for the Group's Shaanxi oilfield projects. He has been appointed as Vice President of the Group, General Manager of Orion Energy International Inc. ("Orion") and Manager of Sanjiao Joint Project Division fully in charge of Orion and Sanjiao Joint Project Division since 2014. Mr. Wang graduated from the Department of Law of Heilongjiang University. He has extensive management experience in the sectors of oil, natural gas and communication.

Ms. Ngai Mei Angel joined the Company in September 2014 as Vice President of the Group, mainly responsible for investor relations and financing. Ms. Ngai graduated from Manchester Metropolitan University, UK, and has ten years of working experience in relation to investor relations. Ms. Ngai once worked in Minsheng Bank, during which time she participated in the acquisition of Asia Commercial Bank in 2006, and was a member of the Listing Team in 2009, responsible for overall planning of overseas investor relations. She participated in various large roadshows, cooperated closely with investment banks, financial public relation and related professional teams, and participated in the licence application of Minsheng Bank, Hong Kong Branch. Ms. Ngai was also responsible for investor relations and corporate financing of Hong Kong listed companies, leading a number of financing projects.

Mr. Tan Xin joined the Company in February 2015 as Vice President of the Group, mainly responsible for financing and business mergers and acquisitions of the Group. Mr. Tan graduated from the Department of World Economy of Shanghai University of Finance and Economics majoring in International Finance, and obtained his master degree from Nankai University in Tianjin. He has extensive experience in international finance and investment banking. Mr. Tan once worked in China Construction Bank, Shenzhen Branch, and acted as cadre at sub-section level and economist in the Foreign Exchange Department of China Construction Bank and General Department of China Investment Bank. Thereafter, he served as the Deputy General Manager of 中國遠東國際貿易公司, the General Manager of China Affairs Department of 香港首億國際金融有限公司 and the General Manager of 深圳市佳泰隆投資擔保有限公司.

王亮先生，於2010年加入本集團，曾擔任集團陝西油田項目的總經理，自2014年起獲委任為集團副總裁及奧瑞安能源國際有限公司（「奧瑞安」）總經理兼任三交聯合項目部經理，全面主持奧瑞安及三交聯合項目部工作。王先生畢業於黑龍江大學法律系，在石油、天然氣等行業有豐富管理經驗。

魏薇女士，於2014年9月加入本公司擔任集團副總裁，主要負責投資者關係及融資。魏女士畢業於英國Manchester Metropolitan University，擁有十年投資者關係相關的工作經驗。魏女士曾任職於民生銀行，期間參與2006年亞洲商業銀行的收購，並於2009年擔任上市小組成員，負責統籌境外投資者關係工作，參予多項大型路演，與投資銀行、財經公關、及相關專業團隊緊密合作，並曾參與民生銀行香港分行牌照申請的一系列工作。魏女士亦曾於香港上市公司負責投資者關係以及企業融資的工作，主導多項融資項目。

談心先生，於2015年2月加入本公司擔任集團副總裁，主要負責集團融資及業務併購。談先生畢業於上海財經大學財經大學世界經濟系國際金融專業，並於天津南開大學完成了研究生課程，在國際金融及投資銀行領域擁有豐富經驗。談先生曾於中國建設銀行深圳市分行工作，曾先後在建設銀行外匯處、中國投資銀行綜合部工作，任副科級幹部、經濟師。其後先後出任中國遠東國際貿易公司副總經理、香港首億國際金融有限公司中國事務部總經理、深圳市佳泰隆投資擔保有限公司總經理。

Directors and Senior Management Profiles

董事及高層管理人員簡介

Dr. Rao Mengyu has been working for Orion Energy International Inc. (a wholly-owned subsidiary of the Group since November 2010) since December 2007 and now serves as the Chief Geologist and Vice President of the Group, mainly responsible for geology research and exploration work of the Group's Sanjiao coalbed methane project. Dr. Rao graduated from the Department of Geology of Anhui University of Science & Technology. In 2005, Dr. Rao was awarded a PhD in Geology by the China University of Petroleum (East China). He was engaged in research work for the oil and gas geology fundamental theories and coalbed methane ("CBM") development technology in the post-doctoral station of the College of Petroleum and Natural Gas Engineering, China University of Petroleum (Beijing). He has over 20 years of experience in the industry and has years of experience in onsite work and indoor scientific research in respect of CBM projects. Dr. Rao has published 24 research papers in the journals such as *Acta Petrolei Sinica*, and also is one of the principal participants in the scientific research achievement of "Research, development and application of CBM multi-lateral horizontal well". Such achievement was awarded the second prize of science and technology advancement in 2009 by the China National Coal Association.

Mr. Zhou Suolin joined the Group in 2007 and now serves as Deputy Chief Accountant of the Group, responsible for the financial management of the Group. Mr. Zhou graduated from Changchun College of Geology majoring in Geology, held a college degree in Statistics, and obtained his master degree in Accounting from Business School of Jilin University. Mr. Zhou was once Head of the Accounting and Finance Division of Jilin Petroleum Survey and Exploration Command Office of the Ministry of Geology and Mineral Resources, Director of the Finance Department of Northeast Petroleum Bureau of the Ministry of Geology and Mineral Resources (Shihai Bureau) and Director of the Finance Department of Northeast Petroleum Bureau of Sinopec Star Petroleum Co., Ltd. Mr. Zhou has extensive financial management experience in the oil and natural gas sectors.

* For identification purpose only

饒孟餘博士，自2007年12月起於奧瑞安能源國際有限公司（於2010年11月成為本集團之全資附屬公司）工作，現為總地質師及集團副總裁，主要負責本集團三交煤層氣項目的地質研究及勘探等工作。饒博士畢業於安徽理工大學地質系，於2005年獲得中石油大學（華東）地質學理學博士學位，並曾在中國石油大學（北京）石油與天然氣工程學院博士後站從事油氣基礎理論及煤層氣開發工藝的研究工作。他於行內有逾20年工作經驗，擁有多年從事煤層氣項目的現場工作經驗和室內科研經歷。饒博士曾在《石油學報》等期刊上發表科研論文24篇，亦是“煤層氣多分支水平井研發與應用”科技成果的主要參與人之一，該成果並榮獲2009年度中國煤炭工業協會科技進步二等獎。

周鎖林先生，於2007年加入本集團，現為集團副總會計師，主要負責集團財務管理。周先生持有長春地質學校地質專業學歷、亦擁有統計專業大專學歷，並於吉林大學商學院完成了會計專業研究生課程。周先生曾出任地礦部吉林石油普查勘探指揮所計財科科長，其後先後出任地礦部（石海局）東北石油局財務處及中國新星石油公司東北石油局財務處的處長，周先生於石油及天然氣行業擁有豐富的財務管理經驗。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board of Directors (the “Board”) and management of the Company continue to achieve high standards of corporate governance for the purpose of providing a framework and solid foundation for its business operation and development. The Company considers that effective corporate governance with probity, transparency and accountability makes an important contribution to corporate success and to enhancement of shareholders value.

The Company complied with all the code provisions set out in the Corporate Governance Code (“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”) throughout the year ended 31 December 2014.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code (the “Model Code”) for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules as the Company’s code of conduct and rules governing dealing by all directors in the securities of the Company.

All the Directors have confirmed that they have complied with the required standard regarding directors’ securities dealings set out in the Model Code during the year.

THE BOARD OF DIRECTORS

As at 31 December 2014, the Board comprises three executive Directors, namely Dr. Dai Xiaobing (Chairman), Mr. King Hap Lee (Chief Executive Officer) and Mr. Wan Tze Fan Terence; four Non-executive Directors, namely Mr. Chen Hua, Mr. Huang Shaowu, Mr. He Lin Feng and Mr. Ma Tengying; and four Independent Non-executive Directors (“INEDs”), namely Mr. Wong Kwok Chuen Peter, Professor Wong Lung Tak Patrick, Dr. Wang Yanbin and Dr. Dang Weihua.

企業管治常規

本公司董事會（「董事會」）及管理層繼續達致高水平的企業管治，以為其業務營運及發展提供一個架構及穩固基礎。本公司認為，有效的企業管治，乃通過高度誠信，具透明度及負責任的處事態度，為企業成功作出重要貢獻，並提升股東價值。

本公司於截至2014年12月31日止年度已遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載的企業管治守則（「管治守則」）的全部守則條文。

遵守董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載的上市公司董事進行證券交易的標準守則（「標準守則」），作為本公司監管全體董事買賣本公司證券的操守準則和規則。

全體董事已確認，彼等於整個年度內一直遵守標準守則所載有關董事買賣證券所需的準則。

董事會

於2014年12月31日，董事會包括三名執行董事，即戴小兵博士（主席）、景哈利先生（行政總裁）及溫子勳先生，四位非執行董事，即陳華先生、黃紹武先生、何林峰先生及馬騰營先生，以及四位獨立非執行董事（「獨立非執行董事」），即黃國全先生、黃龍德教授、王延斌博士及黨偉華博士。

Corporate Governance Report

企業管治報告

The individual attendance records of each Director at the meetings of the Board, Audit Committee, Remuneration Committee, Nomination Committee and general meetings during the year are set out below:

各董事於董事會、審核委員會、薪酬委員會、提名委員會會議及股東大會之個別出席記錄載列如下：

Number of meetings attended/held during term of office in 2014

於2014年任職期間出席／舉行的會議次數

		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會	Special General Meeting 股東特別大會
Number of meetings held during the year	本年度內舉行會議次數	10	2	1	2	1	1
Executive Directors	執行董事						
Dai Xiaobing (Chairman)	戴小兵 (主席)	10/10	-	1/1	2/2	1/1	0/1
King Hap Lee (Chief Executive Officer)	景哈利 (行政總裁)	8/10	-	-	-	0/1	0/1
Wan Tze Fan Terence	溫子勳	10/10	-	-	-	1/1	1/1
Zhu Danping (resigned on 9 June 2014)	朱耽平 (於2014年6月9日辭任)	4/4	-	-	-	0/1	0/1
Wang Ziming (resigned on 16 June 2014)	王自明 (於2014年6月16日辭任)	4/4	-	-	-	0/1	0/1
Non-executive Directors	非執行董事						
Chen Hua (appointed on 9 June 2014)	陳華 (於2014年6月9日獲委任)	6/6	-	-	-	0/1	0/1
Huang Shaowu (appointed on 9 June 2014)	黃紹武 (於2014年6月9日獲委任)	6/6	-	-	-	0/1	0/1
He Lin Feng (appointed on 22 August 2014)	何林峰 (於2014年8月22日獲委任)	1/1	-	-	-	0/1	0/1
Ma Tengying	馬騰營	3/10	-	-	-	0/1	0/1
Kong Siu Tim (resigned on 9 June 2014)	江少甜 (於2014年6月9日辭任)	3/4	-	-	-	0/1	0/1
Independent Non-executive Directors	獨立非執行董事						
Wong Kwok Chuen Peter	黃國全	10/10	2/2	1/1	2/2	1/1	1/1
Wong Lung Tak Patrick	黃龍德	10/10	2/2	1/1	2/2	1/1	1/1
Wang Yanbin	王延斌	8/10	2/2	-	-	0/1	0/1
Dang Weihua	黨偉華	10/10	-	-	-	0/1	0/1

Corporate Governance Report

企業管治報告

Notes:

1. The Audit Committee comprises Mr. Wong Kwok Chuen Peter, Professor Wong Lung Tak Patrick and Dr. Wang Yanbin.
2. The Remuneration Committee comprises Professor Wong Lung Tak Patrick, Dr. Dai Xiaobing and Mr. Wong Kwok Chuen Peter.
3. The Nomination Committee comprises Dr. Dai Xiaobing, Mr. Wong Kwok Chuen Peter and Professor Wong Lung Tak Patrick.

Apart from the fiduciary duty and statutory responsibility towards the Company and the Group, the Board is responsible for the management of the business and affairs of the Group with the objective of enhancing the Company and shareholders' value. Key responsibilities include formulation of the Group's overall strategies, setting of corporate and management targets, monitoring of operational and financial matters, approval of major capital expenditures, material acquisitions and disposal of assets, corporate or financial restructuring, material borrowings and any issuing, or buying back, of equity securities. Responsibility for delivering Company's objectives and running the business on a day-to-day basis is delegated to divisional management who have been given clear guidelines and directions as to their authority. The Board also delegates certain specific responsibilities to three committees (Audit Committee, Remuneration Committee and Nomination Committee). The composition and functions of each committee are described below.

The Board includes four INEDs representing not less than one-third of the Board which is in compliance with under Rule 3.10(1) and 3.10A of the Listing Rules. Professor Wong Lung Tak Patrick has appropriate qualifications and accounting related financial expertise required under Rule 3.10(2) of the Listing Rules.

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. All the four INEDs are independent under these independence criteria, and with their wide range of skills and experience to the Group, they are capable to effectively exercise independent judgment on issues of strategy, performance, risk and people through their contribution at Board and committee meetings.

附註：

1. 審核委員會成員為黃國全先生、黃龍德教授及王延斌博士。
2. 薪酬委員會成員為黃龍德教授、戴小兵博士及黃國全先生。
3. 提名委員會成員為戴小兵博士、黃國全先生及黃龍德教授。

董事會除對本公司及本集團負有誠信責任及法定責任外，董事會亦負責管理本集團的業務及事務，目的乃提升本公司及股東的價值。主要責任包括制訂本集團的整體策略、設定公司及管理目標、監控營運及財務事宜、批准主要資本開支、重大收購及出售資產、公司或財務重組、重大借貸及任何發行或購回股本證券。各部門管理人員負責實現本公司的目標和本公司業務的日常營運工作，並已就該等人員的職權給予彼等清晰的指引及指示。董事會同時分派特定職責予三個委員會（審核委員會、薪酬委員會及提名委員會），每個委員會的組成及功能在下文說明。

董事會包括四名獨立非執行董事佔董事會成員人數不少於三分之一，符合上市規則第3.10(1)條及第3.10A條的規定。黃龍德教授擁有上市規則第3.10(2)條所規定的適當資格及相關會計財務專長。

本公司已接獲各獨立非執行董事之年度確認書，確認彼等符合上市規則第3.13條所載有關彼等的獨立性之規定。根據該等獨立性標準，全部四位獨立非執行董事均具獨立性，並在管理本集團方面擁有豐富技能及經驗，彼等可透過於董事會及委員會會議所付出的貢獻，就策略、表現、風險及人員事宜有效作出獨立判斷。

The Board has extensive corporate and strategic planning and industry experience for discharging their duties as Directors in the best interest of the Company and that the current board size is adequate for its present operations. Each of the Directors keeps abreast of his responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.

There is no financial, business, family or other material/relevant relationship between the Directors.

On appointment to the Board, each Director receives a comprehensive induction package covering the general, statutory and regulatory obligations of being a Director to ensure that he is sufficiently aware of his responsibilities under the Listing Rules and other relevant regulatory requirements. All Directors and senior management are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Directors are regularly briefed on the business operations and policies of the Company and from time to time provided with written training materials to develop and refresh their professional skills.

All the Directors, namely Dr. Dai Xiaobing, Mr. King Hap Lee, and Mr. Wan Tze Fan Terence, Mr. Chen Hua, Mr. Huang Shaowu, Mr. He Lin Feng, Mr. Ma Tengying, Mr. Wong Kwok Chuen Peter, Professor Wong Lung Tak Patrick, Dr. Wang Yanbin and Dr. Dang Weihua, participated in continuous professional development by reading materials and attending seminars on corporate governance, regulatory development and other relevant topics with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the CG Code during the year.

The Company updates the Directors from time to time with development in the laws and regulations relevant to their role as director of the Company. Directors are also encouraged to update their skills, knowledge and familiarity with the Group through initial induction, ongoing participation at Board and committee meetings.

董事會各董事均具備履行彼等責任所需的豐富企業策略規劃及行業經驗，並以本公司最佳利益為依歸。董事會的現有規模足以應付其目前營運所需。各董事須瞭解擔任本公司董事所須負的責任，並瞭解操守、本公司業務活動及發展的最新情況。

董事間並不存在任何財務、業務、家族或其他重大／相關關係。

在獲委任加入董事會時，各董事將收到一份詳盡之入職資料，涵蓋作為董事在一般、法律及監管規定上所須履行責任之資料，以確保其充分瞭解其於上市規則及其他相關監管規定下之責任。本公司鼓勵全體董事和高級管理層參與持續專業發展，以發展及更新彼等的知識及技能。董事定期獲簡介本公司業務營運和政策，以及不時獲提供書面培訓材料以發展及重溫專業技能。

所有董事，即戴小兵博士、景哈利先生、溫子勳先生、陳華先生、黃紹武先生、何林峰先生及馬騰營先生，黃國全先生、黃龍德教授、王延斌博士及黨偉華博士，為符合管治守則，於年內透過閱讀有關企業管治、監管規定的發展和其他相關主題的讀物及參加相關研討會，參與重點在於上市公司董事的角色、職能及責任之持續專業發展。

本公司不時向董事提供與擔任本公司董事相關的法律及法規之發展的更新資料。本公司亦會鼓勵董事透過就任須知、持續參與董事會會議及委員會會議來更新彼等的技能、知識及對本集團的瞭解。

Corporate Governance Report

企業管治報告

The Company's senior management regularly supplies the Board and its committees with adequate information in a timely manner to enable them to make informed decisions. Monthly updates as required in C.1.2 of the CG Code are provided by the senior management to all Directors to enable them to be apprised of the circumstances of the Company and to discharge their duties. The Company Secretary provides the Directors with updates on developments regarding the Listing Rules and other applicable regulatory requirements. All Directors have access to Board papers and related materials that will assist them for decision making. Any Director, wishing to do so in the furtherance of his duties, may take professional advice at the Company's expense as arranged by the Company.

The biographical details of the Directors are listed in the section of "Directors and Senior Management Profiles" in this annual report and the INEDs are expressly identified in all of the Company's publication such as circular, announcement or relevant corporate communications in which the names of Directors of the Company are disclosed. The Company maintains on its website and on the Stock Exchange's website a list of its directors with their role and function.

DIRECTORS' AND OFFICERS' INSURANCE

The Company continues to subscribe for an insurance policy to indemnify the Directors and senior executives from any losses, claims, damages, liabilities and expenses, including without limitation, any proceedings brought against them, arising from the performance of their duties pursuant to their appointment under their respective service agreements entered into with the Company. The current policy shall be under constant review to ensure that the insurance cover is appropriate.

本公司高級管理人員定期向董事會及其委員會適時提供充足的資料，以令彼等作出知情決定。高級管理人員會根據管治守則第C.1.2條的規定每月提供更新資料予所有董事，使彼等了解本公司的現況，以履行其職責。公司秘書提供予董事有關上市規則及其他適用法規的發展的更新資料。全體董事均有權使用將有助於彼等作出決定的董事會文件及相關資料。任何董事因履行職責可由本公司安排尋求獨立專業意見，由此所產生的費用將由本公司承擔。

董事的履歷詳情載於本年報「董事及高層管理人員簡介」一節，而獨立非執行董事均可在本公司披露本公司董事姓名的所有刊物（如通函、公佈或相關企業通訊）中明確識別。於本公司網站及聯交所網站上已列載本公司的董事及其角色和職能。

董事及要員的投保安排

本公司續保一份保單，乃關於彌償董事及高級行政人員因根據與本公司訂立之相關服務協議項下之委聘履行彼等之職責而產生之任何損失、索償、損害賠償、債務及開支（包括但不限於針對彼等提出之任何訴訟）。現有保單將獲定期檢討以確保投保安排適當。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of Chairman and Chief Executive Officer are segregated and performed by two separate individuals, Dr. Dai Xiaobing and Mr. King Hap Lee respectively, to ensure a balance of power and authority. The Chairman of the Company provides leadership to the Board and ensures that the Board discharges its responsibilities effectively. Dr. Dai Xiaobing's primary roles and duties include to formulate corporate strategies and plans in conjunction with the Board and to ensure that Directors receive complete, accurate and timely information and are properly briefed on issues arising at Board meetings; and that good corporate governance practices and procedures are established, implemented and maintained. He also holds annually meeting with the non-executive directors (including independent non-executive directors) without the presence of other executive directors. The Chief Executive Officer, Mr. King Hap Lee, is responsible for the effective management and operation of the Company and his primary roles and duties include to monitor and control the operational and financial performance within the Group and to implement and report to the Board on the adoption of the Company's strategy and policies for achieving its objectives.

NON-EXECUTIVE DIRECTORS

Each of the non-executive Directors and INEDs (except Mr. Ma Tengying) has entered into a service contract with the Company for a specific term. Such term is subject to his re-election by the Company at an annual general meeting upon retirement. The Company's Bye-laws provide that any Director appointed by the Board to fill a casual vacancy in the Board or as an additional member of the Board shall hold office only until the first general meeting of the Company and shall then be eligible for re-election at such meeting. In accordance with the Company's Bye-laws, at each AGM of the Company, one third (or the number nearest to but not less than one-third) of the Directors 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. As such, all the non-executive Directors and INEDs are regarded as appointed for a specific term. Furthermore, each of Mr. Chen Hua, Mr. Huang Shaowu, Mr. He Lin Feng, Wong Kwok Chuen Peter, Professor Wong Lung Tak Patrick, Dr. Wang Yanbin and Dr. Dang Weihua has entered into a service contract with the Company for a term of two years.

主席及行政總裁

主席與行政總裁的角色清楚劃分，分別由戴小兵博士及景哈利先生擔任，以確保權力和權利得以平衡。本公司主席領導董事會並確保董事會能有效地履行其職責。戴小兵博士的主要角色及職責包括與董事會共同制訂企業策略及規劃，以確保董事獲得完整、準確且及時的資料，並確保所有董事適當地獲悉董事會會議上提出的事宜及良好的企業管治常規及程序可予建立、執行及維持。本公司主席每年與非執行董事（包括獨立非執行董事）舉行一次沒有執行董事出席的會議。行政總裁景哈利先生負責本公司的有效管理及營運，其主要角色及職責包括監控本集團內的營運及財務表現，並執行及向董事會匯報本公司為達致其目標而制定的策略及政策。

非執行董事

每名非執行董事及獨立非執行董事（馬騰營先生除外）均與本公司以指定任期訂立服務合約，並於本公司日後股東週年大會告退及膺選連任。根據本公司之公司細則規定，任何獲董事會委任以填補臨時空缺或新加入董事會的董事的任期將直至其獲委任後首屆股東大會為止，並於該大會上膺選連任。按照本公司公司細則規定，於本公司每屆股東週年大會上，三分之一董事（或最接近三分之一但不少於三分之一之數目）須輪席告退，惟各董事須最少每三年輪席告退一次，屆時均符合資格並可膺選連任。故此，所有非執行董事及獨立非執行董事被視為以指定任期委任。再者，陳華先生、黃紹武先生、何林峰先生、黃國全先生、黃龍德教授、王延斌博士及黨偉華博士與本公司訂立為期兩年的服務合約。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES

The Board has established three committees delegated with various responsibilities, including Audit Committee, Remuneration Committee and Nomination Committee. All the Board committees perform their distinct roles in accordance with their respective terms of reference which are available on the websites of the Company and the Stock Exchange. The meetings and proceedings of the committees are governed by the provisions contained in the bye-laws of the Company for regulating the meetings and proceedings of Directors unless otherwise stipulated in their respective terms of reference.

AUDIT COMMITTEE

The Audit Committee assists the Board in discharging its responsibilities for financial reporting and corporate control. The Committee comprises three INEDs, namely Mr. Wong Kwok Chuen Peter, Professor Wong Lung Tak Patrick and Dr. Wang Yanbin, and is chaired by Professor Wong Lung Tak Patrick.

The Company has complied with Rule 3.21 of the Listing Rules which requires that the audit committee has a minimum of three non-executive directors, must be chaired by an INED, at least one of the audit committee member is an INED who possesses appropriate professional qualifications or accounting or related financial management expertise, and a majority of the audit committee are INEDs.

None of the Audit Committee members are members of the former or existing auditors of the Company. The Audit Committee met twice during the year in accordance with its terms of reference. During the year, the Audit Committee has discharged its duties which include to review the completeness, accuracy and fairness of the Company's financial statements, evaluating the Company's auditing scope and procedures as well as its internal control systems, to review the interim and final financial statements before their submission to the Board and the annual general meeting for approval, and to make recommendation on the appointment of external auditor and approve the remuneration and terms of engagement of external auditor. The Audit Committee is provided with sufficient resources, including independent access to and advice from external auditor.

The terms of reference of the Audit Committee setting out the Audit Committee's authority and duties are available on the websites of the Company and the Stock Exchange.

董事委員會

董事會轄下已成立三個委員會，並將分派各種職責，分別為審核委員會、薪酬委員會及提名委員會。全部董事委員會均按其各自的職權範圍履行其特定的職務，而該職權範圍於本公司網站及聯交所網站可供查閱。除非各自的職權範圍另有規定外，各委員會之會議及程序均受本公司的細則規定，以規管各會議及其程序。

審核委員會

審核委員會負責協助董事會履行財務報告及企業監控的責任。審核委員會包括三名獨立非執行董事，即黃國全先生、黃龍德教授及王廷斌博士，黃龍德教授是審核委員會的主席。

本公司已遵守上市規則第3.21條之規定，即審核委員會最少須由三名非執行董事組成，且必須由獨立非執行董事擔任主席，最少一名成員為具有適當專業資格或會計或相關財務管理經驗之獨立非執行董事，並且大部份的審計委員會成員為獨立非執行董事。

審核委員會的成員並非本公司前任或現任核數師。該委員會按照其職權範圍於年內舉行了兩次會議。於年內，審核委員會已履行其職責，包括檢討公司財務報表的完整性、準確性及公平性、評估本公司的審核範圍和程序以及本公司的內部監控系統、在中期和末期財務報表遞交給董事會並在股東週年大會上批准前對該等報表進行審閱、就外聘核數師的委任提供建議、以及批准外聘核數師的薪酬及聘用條款。審核委員會獲提供充足資源，包括獨立會晤外聘核數師及獲得外聘核數師的意見。

載有審核委員會權力及職責之審核委員會職權範圍可於本公司網站及聯交所網站查閱。

REMUNERATION COMMITTEE

The Company's objective for its remuneration policy is to maintain fair and competitive packages based on business requirements and industry practice. The Remuneration Committee comprises three members including one Executive Director and two INEDs, namely Dr. Dai Xiaobing, Mr. Wong Kwok Chuen Peter and Professor Wong Lung Tak Patrick. The committee is chaired by Professor Wong Lung Tak Patrick. The Company has complied with Rule 3.25 of the Listing Rules which requires that the remuneration committee has a majority of the member being INEDs and must be chaired by an INED.

With reference to business needs and company development, individual performance and contribution, changes in relevant markets and general economic situation, the Remuneration Committee has adopted the model set out in B.1.2(c)(ii) of the CG Code where the Committee reviews and recommends to the Board on the Company's policy and structure for remuneration of the Directors and senior management. During the review process, no individual director is involved in decisions relating to his own remuneration.

The terms of reference of the Remuneration Committee setting out the Remuneration Committee's authority and duties are available on the websites of the Company and the Stock Exchange.

NOMINATION COMMITTEE

The Board has adopted a board diversity policy which aims to set out the approach to achieve diversity on the Board to ensure that the Board has the balance of skills, experience and diversity of perspectives, including but not limited to gender, age, cultural and educational background, professional experience, knowledge and skills. In identifying suitable candidates, the Nomination Committee will consider candidates with the objective criteria with due regard of the benefits of diversity on the Board.

薪酬委員會

本公司的薪酬政策旨在根據業務需求及行業慣例維持公平且具競爭力的薪酬計劃。董事會已設立薪酬委員會，包括一名執行董事及兩名獨立非執行董事共三名成員，分別為戴小兵博士、黃國全先生及黃龍德教授。該委員會的主席是獨立非執行董事黃龍德教授。本公司已遵守上市規則第3.25條之規定，即薪酬委員會之會員過半為獨立非執行董事，且必須由獨立非執行董事擔任主席。

參照業務需求及公司發展情況、個人表現及貢獻、有關市場及整體經濟狀況的變動，薪酬委員會已採納管治守則B.1.2(c)(ii)條所載之模式，就本公司董事及高級管理人員的薪酬政策及架構進行檢討，並向董事會提供意見。於檢討過程中，任何董事不會參予有關其本人薪酬的決定。

載有薪酬委員會權力及職責之薪酬委員會職權範圍可於本公司網站及聯交所網站查閱。

提名委員會

董事會已採納一項董事會多元化政策。該政策旨在為達到董事會多元化而訂出之方法，以確保董事會具備所需技巧、經驗及多樣的觀點與角度，包括（但不限於）性別、年齡、文化及教育背景、專業經驗、知識及技能。提名委員會物色合適人選時，會考慮有關人選的長處，並以客觀條件充分顧及董事會成員多元化的裨益。

Corporate Governance Report

企業管治報告

The Nomination Committee currently has three members including one Executive Director and two INEDs, namely Dr. Dai Xiaobing, Mr. Wong Kwok Chuen Peter and Professor Wong Lung Tak Patrick. Dr. Dai Xiaobing acts as Chairman of the Nomination Committee. The Nomination Committee bases on the aforesaid criteria when making recommendations to the Board on the nomination and appointment of directors, assesses the independence of INEDs, review the structure, size and composition of the Board at least annually and makes recommendations on any proposed changes to the Board to complement the Company's corporate strategy. The terms of reference of the Nomination Committee are made available on the websites of the Company and the Stock Exchange.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance functions within its terms of reference. Its duties include to develop and review the Company's policies and practices on corporate governance; review and monitor the training and continuous professional development of directors and senior management and the Company's policies and practices on compliance with legal and regulatory requirements; develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report as required under Appendix 14 of the Listing Rules.

ACCOUNTABILITY AND AUDIT

External Auditor

BDO Limited was appointed as external auditor of the Company by shareholders at the 2014 Annual General Meeting until the conclusion of the next annual general meeting.

During the year, the fees paid or payable to the external auditor of the Company, BDO Limited were approximately HK\$1,550,000 and HK\$90,000 for audit service and non-audit service rendered (excluding disbursement fees) to the Group respectively. The reporting responsibilities of BDO Limited are stated in the Independent Auditor's Report contained in this Annual Report.

本公司提名委員會現有三名成員，包括一名執行董事及兩名獨立非執行董事，分別為戴小兵博士、黃國全先生及黃龍德教授，戴小兵博士為提名委員會主席。提名委員會按照上述準則，就提名及委任董事向董事會提出建議，以及評核獨立非執行董事的獨立性。提名委員會至少每年檢討董事會之架構、人數及組成，並就任何為配合公司策略而擬對董事會作出的變動提出建議。提名委員會之職權範圍可於本公司網站及聯交所網站查閱。

企業管治職能

董事會依照企業管治職權範圍負責執行企業管治職務，職務包括制定及檢討本公司的企業管治政策及常規；檢討及監察董事及高級管理人員的培訓及持續專業發展；以及本公司在遵守法律及監管規定方面的政策及常規；制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；以及檢討本公司遵守上市規則附錄十四管治守則的情況及在《企業管治報告》內的披露。

問責及審核

外聘核數師

香港立信德豪會計師事務所有限公司已於2014年股東週年大會上經股東批准獲重新委任為本公司外聘核數師，任期直至下屆股東週年大會結束時為止。

於本年度內，就本集團提供的審核服務及非審核服務（不包括支出費用），已支付或應付予本公司外聘核數師香港立信德豪會計師事務所有限公司的酬金分別約為1,550,000港元及90,000港元。香港立信德豪會計師事務所有限公司的申報責任載於本年報內的獨立核數師報告書。

Financial Reporting

The Board is accountable for proper stewardship of the Company's affairs, and is responsible for ensuring that the Group keeps fair and accurate accounting records which disclose its financial position. The Directors also acknowledge their responsibility to prepare the financial statements of the Group in accordance with statutory requirements and applicable accounting standards. This responsibility extends to both interim and annual reports.

Internal Controls

The Board acknowledges its responsibility to establish, maintain and review the effectiveness of the Group's system of internal controls to ensure that shareholders' investments and the Group's assets are safeguarded.

During the year, the nature of the Group's operation remained unchanged comparing with that of last year. In order to maintain an effective and efficient internal control system, the Group performs review for the internal control system systematically on a regular basis which covers financial, operational, and compliance controls as well as risk management function.

On behalf of the Board, the Audit Committee reviews annually the continued effectiveness of the Group's internal controls dealing with risk and financial accounting and reporting, the effectiveness and efficiency of operations, compliance with laws and regulations, risk management functions. During the year, no significant control failures or weaknesses have been noted. The Board considered that these systems of internal controls were effective and sufficient to guarantee the Group in achieving its business objectives.

COMPANY SECRETARY

The Company Secretary of the Company, Ms. Yim Siu Hung, is a full-time employee of the Company and has day-to-day knowledge of the Company's affairs. The Directors have access to the advice and services of the Company Secretary regarding board procedures, and relevant laws, rules and regulations. For the year ended 31 December 2014, Ms. Yim has complied with paragraph 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

財務報告

董事會有責任適當地管理本公司業務，並負責確保本集團保存披露其財政狀況所需的公平及準確的會計記錄。董事亦知悉，彼等的責任是根據法定要求及適用會計準則編製本集團的財務報表。董事亦須承擔編製中期報告及年報的責任。

內部監控

董事會明瞭其有責任設立、維持及檢討本集團內部監控系統的有效性，以確保股東投資及本集團資產受到保障。

於年內，本集團的運營性質與上年度比較沒有變動，為了可維持有效而高效率的內部監控系統，本集團定期對內部監控系統作出有系統的檢討，包括財務、營運、合規監控及風險管理職能。

審核委員會代表董事局每年就集團對處理風險與財務會計及報告的內部監控是否持續有效、營運是否有效及富效率、有否遵守有關法規和風險管理職能等方面進行檢討。於年內，並無發現任何重大監控失當或缺失。董事會認為該等內部監控系統行之有效，足以確保本集團能夠達致其業務目標。

公司秘書

本公司的公司秘書為嚴筱虹女士，她為本公司的僱員，並瞭解本公司的每日運作情況。董事可就董事會程序及相關法律，法規和規章向公司秘書尋求意見及服務。嚴女士於截至2014年12月31日止年度已遵守上市規則第3.29條接受了不少於15小時的相關專業培訓。

SHAREHOLDERS' RIGHTS

Pursuant to Section 74 of the Companies Act 1981 of Bermuda (the "Act") and Bye-law 58 of the Bye-laws of the Company, shareholders holding in aggregate not less than 10% of the paid-up capital of the Company carrying the right of voting at general meetings of the Company have the right, by written requisition to the Board or the Company Secretary of the Company, to request a special general meeting to be called by the Board for the transaction of any business specified in such requisition, and such meeting shall be held within two months after the deposit of such requisition. If the directors do not within twenty-one days from the date of the deposit of the requisition proceed to convene such meeting, any of the requisitionists representing more than one half of the total voting rights of all of them, may themselves convene a meeting to be held within three months from the said date.

Any number of shareholders representing not less than 5% of the total voting rights of the Company at the date of the requisition or not less than 100 shareholders of the Company are entitled to put forward a proposal for consideration at a general meeting of the Company. Shareholders should follow the requirements and procedures as set out in Section 79 of the Act for putting forward such proposal at a general meeting. The procedures for shareholders to propose a person for election as a director are made available on our website as required by the Listing Rules. The requisition of the proposals made by shareholders may be addressed to the Company Secretary at the Company's head office and principal place of business in Hong Kong.

Annual general meetings and special general meetings provide a useful forum for shareholders to share views with the Board. Members of the Board (including members of the Audit, Remuneration and Nomination Committees) attend shareholders' meetings and make themselves available to answer shareholders' questions. Enquiries of shareholders may also be put to the Board by contacting the Company Secretary by phone or email, as stated in our website, www.sino-oilgas.hk.

股東權利

根據百慕達1981年公司法(「公司法」)第74條及本公司之公司細則第58條，持有不少於10%本公司已繳足股本而有權於股東大會投票之股東有權透過向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項，而有關會議須於遞交有關要求後之兩個月內舉行。倘於提交要求當日起計21日內，董事會並無著手召開有關大會，則提出要求人士(佔彼等全體之總投票權一半以上者)可自行召開大會，惟按此方式召開之任何大會須於有關日期起計三個月內舉行。

於提出要求當日佔不少於本公司總投票權5%之股東(不論任何人數)或不少於100名之本公司股東，有權於本公司股東大會上提出建議以供考慮。股東於股東大會上提出之有關建議須根據公司法第79條所載列之規定及程序作出。股東提名一名人士參選董事的程序已根據上市規則於本公司網站刊載。股東可致函本公司香港總辦事處及主要營業地點向公司秘書提出建議。

股東週年大會及股東特別大會亦為股東與董事會交流意見提供了一個有效平台。董事會成員(包括審核委員會、薪酬委員會及提名委員會成員)出席股東大會，並於會議上回答股東提問。股東亦可透過刊載於本公司網站 www.sino-oilgas.hk 的電話號碼和電郵地址聯絡本公司的公司秘書以便向董事會作出查詢。

COMMUNICATION WITH INVESTORS

The Board recognizes the importance of good communication with shareholders as well as investors. During the year, two press and analysts' conferences were held in relation to the interim and final results announcements respectively, at which the Executive Directors were available to answer questions regarding the Group's operational and financial performances. Quarterly operation update announcements were released to enhance transparency of the Company's affairs. Information in relation to the Group is disseminated to shareholders and investors in a timely manner through a number of channels include quarterly operation update announcements, interim and annual reports, announcements, circulars and press releases. Electronic copies of these documents and general information of the Group's operation can be obtained through the Company's website. Throughout 2014, the Company also avails itself of opportunities to communicate and explain its strategies to shareholders and the investor community, through active participation in investors' conferences and regular meetings with financial analysts, fund managers and potential investors. The Company will continue to promote and enhance investor relations and communication with its investors. During the year, no change was made to the Company's Memorandum of Association and Bye-laws.

與投資者的溝通

董事會認識到與股東及投資者保持良好聯繫的重要性。年內，本公司就中期業績公佈及全年業績公佈分別舉行了共兩次記者及分析員會議，在會議上執行董事即時回覆有關本集團運營及財務表現的題問。本公司刊發了季度營運簡報以提高本公司事務的透明度。有關本集團的資料乃透過多種渠道適時向股東及投資者傳達，該等資料包括季度營運簡報公佈、中期報告及年報、公佈、通函、以及新聞稿。此等文件的電子版及有關本集團營運的一般資料可於本公司網站取得。於2014年，本公司也透過積極參予投資者簡報會及定期與分析員、基金經理及潛在投資者會面把握機會與股東及投資者溝通及解釋本公司的策略，本公司會繼續促進及提升與投資者的關係及溝通。年內，本公司的組織章程大綱及細則並無變動。

Report of the Directors

董事會報告書

The directors submit their annual report together with the audited financial statements for the year ended 31 December 2014, which are set out on pages 66 to 176.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group is principally engaged in (i) exploration, development and production of coalbed methane and (ii) exploitation and sale of crude oil and natural gas in China.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in note 22 to the financial statements.

DIVIDENDS

The Board has resolved not to recommend the payment of a dividend for the year ended 31 December 2014 (2013: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in note 17 to the financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year are set out in note 38 to the financial statements.

ISSUE OF SHARES UNDER GENERAL MANDATE

On 13 January 2014, the Company entered into the Subscription Agreements with not less than six subscribers who were third parties independent of the Company and the connected persons of the Company (as defined in the Listing Rules), under which the Company allotted and issued to the subscribers a total of 300,000,000 shares of the Company with the aggregate nominal value of HK\$3,000,000 at a price of HK\$0.22 per share. The closing market price of the Company's shares was HK\$0.237 per share on 13 January 2014, being the date on which the terms of the issue were fixed. The net proceeds from the subscriptions were fully utilized as intended for operations of the Group's existing oil and gas projects and working capital.

董事會謹此提呈此年度報告以及載於第66頁至第176頁之截至2014年12月31日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股，而本集團主要於中國從事(i) 勘探、開發及生產煤層氣及(ii) 開採及銷售原油及天然氣。

附屬公司

本公司附屬公司之詳情載於財務報表附註22。

股息

董事會已決議不會建議支付截至2014年12月31日止年度之股息(2013年：無)。

物業、廠房及設備

集團年內物業、廠房及設備之變動詳情載於財務報表附註17。

股本

本公司於年內股本變動之詳情載於財務報表附註38。

根據一般授權發行的股份

於2014年1月13日，本公司與不少於六位認購人訂立認購協議，認購人為與本公司及本公司關連人士(定義見上市規則)並無關連之獨立第三方人士，據此，本公司配發及發行300,000,000股股份(其面值總額為3,000,000港元)予認購人，作價每股股份0.22港元，本公司股份於2014年1月13日(即訂定發行條款當日)的收市價為每股0.237港元。認購事項之所得款項已悉數按擬定用途作為經營本集團現有油氣項目及一般營運資金。其中，所得款項約80%用作本集團三交煤層氣項目之營運，包括結算及完成先導性水平井及直井

Report of the Directors

董事會報告書

Among which, approximately 80% of the proceeds were used for the operations of the Group's coalbed methane project in Sanjiao, including settlement and completion of the construction work of pilot horizontal and vertical wells and certain construction work of the ground facilities. The remaining of the net proceeds were used for operation of existing oil fields in Shaanxi Province and general working capital for offices in different locations. The net subscription price was about HK\$0.2193 per share. Further details of the aforesaid issue of shares are set out in the announcements of the Company dated 13 January 2014 and note 38(a)(ii) to the financial statements.

On 17 March 2014, the Company and Smart Bond Development Ltd. (the "Lender"), being an indirect wholly owned subsidiary of China Orient Asset Management Corporation ("COAMC") which is a wholly state-owned financial enterprise with independent corporate capacity upon approval of the State Council and the People's Bank of China, entered into the Facility Agreement pursuant to which the Company granted the Warrants to the Lender in consideration of the Lender made available to the Company the Facility. Terms defined in the Company's announcement dated 17 March 2014 have the same meanings when used in this paragraph. The Warrants carry rights to subscribe for Warrant Shares at the Exercise Price of HK\$0.2714 per Warrant Share in aggregate of up to HK\$50,000,000 for a period of one year from the date of the issue of the Warrants. Upon the exercise in full of the subscription rights attaching to the Warrants, 184,229,918 Warrant Shares (with the aggregate nominal value of HK\$1,842,299.18) at the subscription price of HK\$0.2714 per share will be allotted and issued. The proceeds from the issue of the Warrant Shares would be applied as general working capital of the Group (no Warrants were exercised during the year). The closing market price of the Company's shares was HK\$0.227 per share on 17 March 2014, being the date on which the terms relating to the grant of the Warrants were fixed. The net price to the Company of each Warrant Share, which was calculated by dividing the aggregate net proceeds from the exercise in full of the subscription rights attached to the Warrants by the total number of the Warrant Shares, was approximately HK\$0.2714. Further details of the aforesaid grant of Warrants are set out in the announcement of the Company dated 17 March 2014 and note 31 to the financial statements.

的興建工程，及部分地面設施的興建工程。其餘所得款項用於經營位於陝西省的現有油田及位於不同地方的辦事處的一般營運資金。每股股份之淨認購價約為0.2193港元。有關上述股份發行的進一步詳情載於本公司日期為2014年1月13日的公佈，及財務報表附註38(a)(ii)。

於2014年3月17日，本公司與Smart Bond Development Ltd. (「貸款人」) (為中國東方資產管理公司 (「東方資產」) 的間接全資附屬公司，東方資產是經國務院及中國人民銀行批准設立，具有獨立法人資格的國有獨資金融企業) 訂立貸款協議。據此，本公司向貸款人授出認股權證，代價為貸款人向本公司提供貸款額度。在本段中所界定之詞彙與本公司於2014年3月17日刊發之公佈所界定者具有相同涵義。認股權證附帶權利於發行認股權證日期起計1年內，按行使價每股認股權證股份0.2714港元可認購最高達50,000,000港元之認股權證股份。於認股權證所附之認購權按每股認股權證股份0.2714港元之行使價獲悉數行使時將予配發及發行184,229,918股認股權證股份 (其面值總額為1,842,299.18港元)，發行認股權證股份之所得款項將被本集團用作一般營運資金 (年內，並無任何認股權證獲行使)。本公司股份於2014年3月17日 (即訂定授出認股權證條款當日) 的收市價為每股0.227港元。每股認股權證股份之淨價格 (按悉數行使認股權證所附認購權之所得款項淨額總額除以認股權證股份總數計算) 約為0.2714港元。有關上述授出認股權證的進一步詳情載於本公司日期為2014年3月17日的公佈，及財務報表附註31。

Report of the Directors

董事會報告書

On 8 July 2014, the Company entered into the Subscription Agreements with not less than six subscribers who were third parties independent of the Company and the connected persons of the Company (as defined in the Listing Rules), under which the Company allotted and issued to the subscribers a total of 2,900,000,000 shares of the Company with the aggregate nominal value of HK\$29,000,000 at a price of HK\$0.205 per share. The closing market price of the Company's shares was HK\$0.242 per share on 8 July 2014, being the date on which the terms of the issue were fixed. The proceeds were basically used as intended. Among which, a refundable deposit of CAD40 million (equivalent to approximately HK\$268 million) has been paid pursuant to the memorandum of understanding as disclosed in the announcements of the Company dated 30 June 2014 and 1 September 2014 (the "Announcements") respectively. Approximately HK\$75 million has been used for operations of the Group's existing oil and gas projects and working capital, including, but not limited to, construction of ground facilities, settlement and completion of the construction work of horizontal wells in the Group's coalbed methane operation. Amount of approximately HK\$100 million has been used for repayment of a loan (details of the loan were disclosed in the announcement of the Company dated 17 March 2014). Amount of approximately HK\$80 million has been used for purchase of short-term investment. The remaining balance of the proceeds may be used as intended, including for operations of the Group's existing oil and gas projects, general working capital and possible payment for the total consideration for the possible acquisition as disclosed in the Announcements and such amount is held as deposits with financial institutions in Hong Kong and the PRC. The net subscription price was about HK\$0.2046 per share. Further details of the aforesaid issue of shares are set out in the announcement of the Company dated 8 July 2014 and note 38(a)(ii) to the financial statements.

RESERVES

Details of movements in reserves of the Company and the Group during the year are set out in note 38(b) to the financial statements and the Consolidated Statement of Changes in Equity respectively.

FINANCIAL SUMMARY

A summary of results, assets and liabilities of the Group for the last five financial years is set out on pages 6 and 7.

於2014年7月8日，本公司與不少於六位認購人訂立認購協議，認購人為與本公司及本公司關連人士（定義見上市規則）並無關連之獨立第三方人士，據此，本公司配發及發行2,900,000,000股股份（其面值總額為29,000,000港元）予認購人，作價每股股份0.205港元，本公司股份於2014年7月8日（即訂定發行條款當日）的收市價為每股0.242港元。認購事項之所得款項按擬定用途動用，其中包括，誠如本公司日期為2014年6月30日及2014年9月1日之公佈（「該等公佈」）所披露，已按照諒解備忘錄支付可退還按金40,000,000加元（相當於268,000,000港元）。大約75,000,000港元作為經營本集團現有油氣項目和一般營運資金，包括但不限於地面設施的興建、結算及完成本集團煤層氣項目水平井的興建工程。用作償還貸款的大約為100,000,000港元（有關貸款的詳情，請參閱本公司日期為2014年3月17日之公佈）。購入短期投資款大約為80,000,000港元。其餘款項可能按擬定用途動用，包括作為經營本集團現有油氣項目、一般營運資金及就可能收購事項而可能支付的總代價（如該等公佈所披露），且有關款項已存入香港及中國的金融機構。每股股份之淨認購價約為0.2046港元。有關上述股份發行的進一步詳情載於本公司日期為2014年7月8日的公佈，及財務報表附註38(a)(ii)。

儲備

本公司及本集團於年內儲備之變動詳情分別載於財務報表附註38(b)及綜合權益變動表。

財務概要

本集團最近五個財政年度之業績、資產及負債之概要載於第6及7頁。

Report of the Directors

董事會報告書

MAJOR CUSTOMERS AND SUPPLIERS

Sales which also represent turnover of the Group were made entirely to the Group's sole customer during the year. The aggregate purchases attributable to the Group's five largest suppliers accounted for 23% and the largest supplier accounted for approximately 7% of the Group's total purchases for the year.

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive Directors

Dr. Dai Xiaobing (*Chairman*)
Mr. King Hap Lee (*Chief Executive Officer*)
Mr. Wan Tze Fan Terence
Mr. Zhu Danping (resigned on 9 June 2014)
Mr. Wang Ziming (resigned on 16 June 2014)

Non-executive Director

Mr. Chen Hua (appointed on 9 June 2014)
Mr. Huang Shaowu (appointed on 9 June 2014)
Mr. He Lin Feng (appointed on 22 August 2014)
Mr. Ma Tengying
Mr. Kong Siu Tim (resigned on 9 June 2014)

Independent Non-executive Directors

Mr. Wong Kwok Chuen Peter
Professor Wong Lung Tak Patrick
Dr. Wang Yanbin
Dr. Dang Weihua

Pursuant to the Company's bye-law 87(1), Dr. Dai Xiaobing, Mr. Wan Tze Fan Terence, Mr. Wong Kwok Chuen Peter and Dr. Wang Yanbin will retire by rotation and, being eligible, will offer themselves for re-election. All other remaining directors continue in office.

主要客戶及供應商

年度本集團之銷售收入即營業額來自集團之唯一客戶。本集團五大供應商及最大供應商分別佔本集團於本年度總採購額23%及約7%。

於年內任何時間，概無任何董事、彼等之聯繫人士或據董事所知擁有本公司股本5%以上之本公司任何股東，於此等主要客戶及供應商中擁有任何權益。

董事

本公司年內及截至本報告刊發日期止之在任董事如下：

執行董事

戴小兵博士 (*主席*)
景哈利先生 (*行政總裁*)
溫子勳先生
朱耽平先生 (於2014年6月9日辭任)
王自明先生 (於2014年6月16日辭任)

非執行董事

陳華先生 (於2014年6月9日獲委任)
黃紹武先生 (於2014年6月9日獲委任)
何林峰先生 (於2014年8月22日獲委任)
馬騰營先生
江少甜先生 (於2014年6月9日辭任)

獨立非執行董事

黃國全先生
黃龍德教授
王延斌博士
黨偉華博士

戴小兵博士、溫子勳先生、黃國全先生及王延斌博士將依據本公司細則第87(1)條輪席告退，並合資格及願意重選連任，所有其他董事均仍然留任。

Report of the Directors

董事會報告書

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2014, the interests and short positions of the directors (the "Directors") or chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

董事之服務合約

擬在應屆股東週年大會上候選連任之董事概無與本公司訂立不可於一年內由本公司不作出賠償(法定賠償除外)而終止之服務合約。

董事於股份及相關股份中之權益

於2014年12月31日，本公司董事(「董事」)或行政總裁於本公司或其任何相聯法團(具有證券及期貨條例(「證券及期貨條例」)第XV部所賦予之涵義)之股份、相關股份或債券中擁有誠如本公司根據證券及期貨條例第352條存置之登記冊所載或根據上市規則附錄十所載上市公司董事進行證券交易之標準守則(「標準守則」)而須知會本公司及聯交所之權益及淡倉如下：

Name of Director	Long/short position	Interests in shares/ underlying shares	Nature of interest	Number of shares/ underlying shares of the Company held
董事姓名	好倉／淡倉	於股份及 相關股份中權益	權益性質	所持本公司股份/ 相關股份數目
Dai Xiaobing 戴小兵	Long position 好倉	shares 股份	Beneficial owner 實益擁有人	1,304,560,000
	Short position 淡倉	shares 股份	Beneficial owner 實益擁有人	708,000,000
	Long position 好倉	share options 購股權	Beneficial owner 實益擁有人	36,000,000
King Hap Lee 景哈利	Long position 好倉	shares 股份	Interest of controlled corporation (Note 2) 受控制公司權益(附註2)	200,000,000
	Long position 好倉	shares 股份	Beneficial owner 實益擁有人	139,110,000
	Short position 淡倉	shares 股份	Interest of controlled corporation (Note 2) 受控制公司權益(附註2)	200,000,000
	Long position 好倉	share options 購股權	Beneficial owner 實益擁有人	36,000,000

Report of the Directors

董事會報告書

Name of Director	Long/short position	Interests in shares/ underlying shares	Nature of interest	Number of shares/ underlying shares of the Company held
董事姓名	好倉/淡倉	於股份及 相關股份中權益	權益性質	所持本公司股份/ 相關股份數目
Wan Tze Fan Terence 溫子勳	Long position 好倉	shares 股份	Beneficial owner 實益擁有人	33,660,000
	Long position 好倉	share options 購股權	Beneficial owner 實益擁有人	36,000,000
Chen Hua 陳華	Long position 好倉	underlying shares 相關股份	Interest of controlled corporation (Note 3) 受控制公司權益(附註3)	768,971,796
Huang Shaowu 黃紹武	Long position 好倉	shares 股份	Interest of controlled corporation (Note 4) 受控制公司權益(附註4)	1,863,730,000
	Long position 好倉	shares 股份	Beneficial owner 實益擁有人	100,000,000
	Short position 淡倉	shares 股份	Beneficial owner 實益擁有人	100,000,000
He Lin Feng 何林峰	Long position 好倉	shares 股份	Beneficial owner 實益擁有人	1,500,000,000
Wong Kwok Chuen Peter 黃國全	Long position 好倉	share options 購股權	Beneficial owner 實益擁有人	3,000,000
Wong Lung Tak Patrick 黃龍德	Long position 好倉	share options 購股權	Beneficial owner 實益擁有人	3,000,000
Wang Yanbin 王延斌	Long position 好倉	share options 購股權	Beneficial owner 實益擁有人	3,000,000

Notes:

附註：

- | | |
|---|--|
| <p>(1) Particulars of directors' interests in the share options of the Company are set out in the section "Share Option Scheme".</p> | <p>(1) 董事於本公司購股權的權益詳情載於「購股權計劃」一節。</p> |
| <p>(2) Wai Tech Limited owns 200,000,000 shares and has short position of 200,000,000 shares of the Company. Wai Tech Limited is wholly owned by Petromic Corporation which in turn is wholly and beneficially owned by Mr. King Hap Lee. Pursuant to the SFO, Mr. King Hap Lee is taken to have interests and short position in such shares.</p> | <p>(2) 威達有限公司持有200,000,000股股份的權益及200,000,000股股份的淡倉，而威達有限公司由美科石油有限公司擁有，而後者則由景哈利先生全資及實益擁有，根據證券及期貨條例，景哈利先生被視為於該等股份中擁有權益及淡倉。</p> |
| <p>(3) 768,971,796 underlying shares are owned by 天津京基酒店有限公司, a wholly owned subsidiary of 京基集團有限公司 which is owned as to 90% by Mr. Chen Hua. Pursuant to the SFO, Mr. Chen Hua is taken to be interested in such underlying shares.</p> | <p>(3) 768,971,796相關股份由天津京基酒店有限公司持有，其為京基集團有限公司的全資附屬公司，後者由陳華先生擁有90%權益，根據證券及期貨條例，陳華先生被視為於該等相關股份中擁有權益。</p> |

Report of the Directors

董事會報告書

(4) 1,863,730,000 shares are owned by Sinomaster Global Limited, a wholly owned subsidiary of 深圳市神州通投資集團有限公司 which is owned as to 66.5% by 深圳市華夏風投資有限公司 which is in turn owned as to 90% by Mr. Huang Shaowu. Pursuant to the SFO, Mr. Huang Shaowu is taken to be interested in such shares.

Save as disclosed above, as at 31 December 2014, none of the Directors nor the chief executive had any interests or short positions in the securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

At the Annual General Meeting of the Company held on 28 May 2010, the shareholders of the Company approved the adoption of a share option scheme (the "Scheme").

The Scheme are in full compliance with the relevant requirements of Chapter 17 of the Listing Rules. The purpose of the Scheme is to enable the Company to recognise the contributions of the participants to the Group and to motivate the participants to continuously work to the benefit of the Group by offering to the participants an opportunity to have personal interest in the share capital of the Company.

The eligible participants includes any full-time and part-time employee (including Directors) of the Company or its subsidiaries, any suppliers, consultants, agents and advisers. The Scheme became effective on 28 May 2010 and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of coming into effect.

(4) 1,863,730,000股股份由神州通國際有限公司持有，其為深圳市神州通投資集團有限公司的全資附屬公司，後者由深圳市華夏風投資有限公司擁有66.5%權益，而黃紹武先生擁有深圳市華夏風投資有限公司的90%權益，根據證券及期貨條例，黃紹武先生被視為於該等股份中擁有權益。

除上文所披露者外，於2014年12月31日，根據證券及期貨條例第352條存置之登記冊所載，概無董事或行政總裁於本公司或其相聯法團（具有證券及期貨條例第XV部所賦予之涵義）之證券中擁有任何權益或淡倉，或擁有須根據標準守則知會本公司及聯交所之任何權益或淡倉。

購股權計劃

本公司於2010年5月28日舉行的股東週年大會上經股東批准採納購股權計劃（「計劃」）。

計劃完全符合上市規則第17章之有關規定。計劃之目的為透過向參與者提供擁有本公司股本權益之機會，肯定其對本集團之貢獻，並激勵其繼續為集團之利益而工作。

計劃之合資格參與者包括本公司或其附屬公司之任何全職或兼職僱員（包括董事）及任何供應商、諮詢人、代理及顧問。計劃於2010年5月28日生效，而除非另行註銷或修訂，否則計劃將由生效日期起計10年內有效。

Report of the Directors

董事會報告書

Pursuant to the Scheme, the maximum number of shares in respect of which options may be granted under the Scheme shall not in aggregate exceed 10% of the shares of the Company in issue as at the date of approval of the limit and such limit may be refreshed by shareholders in general meeting. However, the total maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes must not exceed 30% of the shares in issue from time to time. As at 20 March 2015, being the date of this report, there are outstanding options for subscription of 455,700,000 shares under the Scheme, representing 2.54% of the issued shares of the Company.

Under the Scheme, the maximum entitlement for any eligible person (other than a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates) is that the total number of shares issued and to be issued upon exercise of all options granted and to be granted in any 12-month period up to and including the date of the latest grant does not exceed 1% of the shares of the Company in issue at the relevant time. Any further grant of share options in excess of this limit is subject to shareholders' approval in general meeting. Share options to be granted to a director, chief executive or substantial shareholder of the Company or any of their respective associates are subject to approval by the independent non-executive directors of the Company. In addition, any grant of share options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, when aggregated with all share options (whether exercised, cancelled or outstanding) already granted to any of them during the 12-month period up to the date of grant, in excess of 0.1 percent of the shares of the Company in issue and with an aggregate value in excess of HK\$5,000,000 (based on the closing price of the shares at the date of each grant of the options), is subject to shareholders' approval in general meeting of the Company.

The period within which an option may be exercised under the Scheme will be determined by the Board in its absolute discretion. Under the Scheme, an option may not be exercised after the expiration of 10 years from the date of grant of the option.

根據計劃可能授出之購股權涉及之股份數目最多不得超過於批准限制日期之已發行本公司股份之10%，股東可於股東大會上更新該限制。然而，因行使根據計劃及任何其他購股權計劃授出的所有尚未行使及有待行使之購股權而可能發行之最高股份數目總額須不得超過不時已發行股份之30%。於2015年3月20日（本年報之日期），於計劃下尚有可認購455,700,000股股份的購股權尚未行使，佔本公司已發行股份約2.54%。

根據計劃，任何合資格人士（不包括本公司之主要股東或獨立非執行董事或彼等各自之任何聯繫人士）之配額最多為截至最後授出日期（包括該日）止任何12個月期間內授出及將授出之所有購股權獲行使時發行及將發行之股份總數不得超過於有關時間之本公司已發行股份之1%，任何進一步授出之購股權倘超過此限制，則須得到股東於股東大會上批准。向本公司董事或行政總裁或主要股東或其任何聯繫人士授出購股權，均須待本公司獨立非執行董事批准，方可作實。此外，如果向本公司主要股東或獨立非執行董事或其任何聯繫人士授出的任何購股權，連同其於直至授出日期的十二個月期間獲授的所有購股權（不論是否已經行使、註銷或尚未行使）合共超過本公司已發行股份0.1%，且總值超過5,000,000港元（按每次購股權授出當日股份收市價計算），則須待股東於本公司股東大會批准，方可作實。

計劃之購股權可行使之期限將由董事會絕對酌情釐定，計劃之購股權不得於授出購股權日期起計十年屆滿後行使。

Report of the Directors

董事會報告書

Pursuant to the Scheme, the exercise price in relation to each option shall be determined by the Board in its absolute discretion, but in any event shall not be less than the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of such option; and (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of such option.

Some further disclosures relating to the Scheme are set out in note 37 to the financial statements.

As at 31 December 2014, the directors and employees of the Group had the following personal interests in options to subscribe for shares of the Company granted at nominal consideration under the Scheme. Each option gives the holder the right to subscribe for one share. During the year, 107,500,000 options lapsed pursuant to the terms of the Scheme. Details of share options held by the Directors and employees of the Group and movements in such holdings during the year ended 31 December 2014 are as follows:

根據計劃，每份購股權之行使價將由董事會絕對酌情釐定，惟於任何情況下均不可低於下列3者中之最高者：(i)股份於授出購股權日期在聯交所每日報價表載列之收市價；及(ii)股份於緊接授出購股權日期前5個營業日在聯交所每日報價表載列之平均收市價。

有關計劃之若干進一步披露載於財務報表附註37。

於2014年12月31日，本集團董事及僱員於根據計劃以名義上的代價授出可認購本公司股份之購股權中擁有以下之個人權益，每份購股權賦予持有人認購1股股份之權利，年內共107,500,000份購股權根據計劃條款失效。本集團董事及僱員於截至2014年12月31日止年度所持購股權及該等持股量之變動詳情載於下表：

Number of options 購股權數目

Outstanding at 1 January 2014 於2014年 1月1日 尚未行使	Exercised during the year 於年內行使	Outstanding at 31 December 2014 於2014年 12月31日 尚未行使	Date of grant (D.M.Y) 授出日期 (日.月.年)	Exercise price per share HK\$ 每股股份 之行使價 港元
---	--	---	---	---

Directors: 董事：

Dai Xiaobing 戴小兵	36,000,000	-	36,000,000	06.12.2011	06.12.2011-05.12.2021	0.276
King Hap Lee 景哈利	36,000,000	-	36,000,000	06.12.2011	06.12.2011-05.12.2021	0.276
Wan Tze Fan Terence 溫子勳	36,000,000	-	36,000,000	06.12.2011	06.12.2011-05.12.2021	0.276

Report of the Directors

董事會報告書

Number of options 購股權數目

	Outstanding at 1 January 2014 於2014年 1月1日 尚未行使	Exercised during the year 於年內行使	Outstanding at 31 December 2014 於2014年 12月31日 尚未行使	Date of grant (D.M.Y) 授出日期 (日.月.年)	Exercise period (D.M.Y) 行使期限 (日.月.年)	Exercise price per share HK\$ 每股股份 之行使價 港元
Wong Kwok Chuen Peter 黃國全	3,000,000	-	3,000,000	06.12.2011	06.12.2011-05.12.2021	0.276
Wong Lung Tak Patrick 黃龍德	3,000,000	-	3,000,000	06.12.2011	06.12.2011-05.12.2021	0.276
Wang Yanbin 王延斌	3,000,000	-	3,000,000	06.12.2011	06.12.2011-05.12.2021	0.276
Employees 僱員	338,700,000	-	338,700,000	06.12.2011	06.12.2011-05.12.2021	0.276

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the sections "Directors' Interests in Shares and Underlying Shares" and "Share Option Scheme", at no time during the year was the Company or any of its associated corporations a party to any arrangement to enable the directors of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事購買股份或債券之權利

除於「董事於股份及相關股份中之權益」及「購股權計劃」兩節中所披露者外，本公司或其任何相聯法團概無於年內任何時間訂立任何安排，致使本公司董事或彼等任何配偶或18歲以下子女藉購入本公司或任何其他公司機構之股份或債券而獲益。

Report of the Directors

董事會報告書

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 December 2014, the following persons, not being a Director or chief executive of the Company, had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long position in the shares of the Company

Name	Nature of interest	Number of shares held	Number of underlying shares held	Total number of shares and underlying shares held
名稱	權益性質	所持股份數目	所持相關股份數目	所持股份及相關股份總數
Sinomaster Global Limited (Note 1) 神州通國際有限公司 (附註1)	Beneficial owner 實益擁有人	1,863,730,000	–	1,863,730,000
China Orient Asset Management Corporation (Note 2) 中國東方資產管理公司 (附註2)	Interest of controlled corporation 受控制公司權益	169,401,197	1,082,433,510	1,251,834,707
CDB Leasing Co., Ltd. (Note 3) 國銀金融租賃有限公司 (附註3)	Security interest 保證權益	2,296,000,000	–	2,296,000,000

Notes

- 1,863,730,000 shares are owned by Sinomaster Global Limited, a wholly owned subsidiary of 深圳市神州通投資集團有限公司 which is owned as to 66.5% by 深圳市華夏風投資有限公司 which is in turn owned as to 90% by Mr. Huang Shaowu (a non-executive director of the Company). Pursuant to the SFO, 深圳市神州通投資集團有限公司 and 深圳市華夏風投資有限公司 are taken to be interested in the shares held by Sinomaster Global Limited.

主要股東之權益

於2014年12月31日，以下人士（並非本公司董事或行政總裁）於根據證券及期貨條例第336條存置之登記冊所載於本公司之股份或相關股份中擁有權益或淡倉：

於本公司股份及相關股份中擁有之好倉

Name	Nature of interest	Number of shares held	Number of underlying shares held	Total number of shares and underlying shares held
名稱	權益性質	所持股份數目	所持相關股份數目	所持股份及相關股份總數
Sinomaster Global Limited (Note 1) 神州通國際有限公司 (附註1)	Beneficial owner 實益擁有人	1,863,730,000	–	1,863,730,000
China Orient Asset Management Corporation (Note 2) 中國東方資產管理公司 (附註2)	Interest of controlled corporation 受控制公司權益	169,401,197	1,082,433,510	1,251,834,707
CDB Leasing Co., Ltd. (Note 3) 國銀金融租賃有限公司 (附註3)	Security interest 保證權益	2,296,000,000	–	2,296,000,000

附註：

- 1,863,730,000股股份由神州通國際有限公司持有，其為深圳市神州通投資集團有限公司的全資附屬公司，後者由深圳市華夏風投資有限公司擁有66.5%權益，而黃紹武先生（本公司非執行董事）擁有深圳市華夏風投資有限公司的90%權益。根據證券及期貨條例，深圳市神州通投資集團有限公司及深圳市華夏風投資有限公司均被視為於神州通國際有限公司所持有的股份中擁有權益。

Report of the Directors

董事會報告書

2. Sunny Merit Holdings Corp. owns 169,401,197 shares of the Company and convertible notes in the principal amount of HK\$150,000,000 due in 2016 with right to convert the convertible notes into shares of the Company at a conversion price of HK\$0.167 per share. Based on the conversion price of HK\$0.167 per share, a maximum of 898,203,592 shares may be allotted and issued upon exercise of the conversion rights attached to the convertible notes in full. The convertible notes give rise to an interest in 898,203,592 underlying shares of the Company of Sunny Merit Holdings Corp.

In addition, Smart Bond Development Ltd. owns warrants carrying rights to subscribe for shares in aggregate of up to HK\$50,000,000 for a period of 1 year from 25 March 2014, being the date of issue of the warrants. Based on the exercise price of HK\$0.2714 per share, a maximum of 184,229,918 shares may be allotted and issued upon exercise of the subscription rights attached to the warrants in full. The warrants give rise to an interest in 184,229,918 underlying shares of the Company of Smart Bond Development Ltd.

Both Sunny Merit Holdings Corp. and Smart Bond Development Ltd. are wholly owned subsidiaries of China Orient Asset Management (International) Holding Limited which in turn is owned as to 50% by Dong Yin Development (Holdings) Limited ("Dong Yin") and as to 50% by Wise Leaders Assets Ltd. (also a wholly owned subsidiary of Dong Yin). Dong Yin is wholly owned by China Orient Asset Management Corporation which is a wholly state-owned financial enterprise with independent corporate capacity upon approval of the State Council and the People's Bank of China. Pursuant to the SFO, China Orient Asset Management (International) Holding Limited, Dong Yin, Wise Leaders Assets Ltd. and China Orient Asset Management Corporation are taken to be interested in the shares and underlying shares held by Sunny Merit Holdings Corp. and the underlying shares held by Smart Bond Development Ltd.

3. Regarding the security interest in 2,296,000,000 shares being held by CDB Leasing Co., Ltd., China Development Bank Corporation which holds 88.95% interest in CDB Leasing Co., Ltd. is deemed to have security interest in such shares.

2. Sunny Merit Holdings Corp. 擁有本公司 169,401,197 股股份及本金額 150,000,000 港元並於 2016 年到期，以及有權以換股價每股 0.167 港元將可換股票據兌換為本公司股份之可換股票據。根據換股價每股 0.167 港元，於悉數行使可換股票據所附之換股權後將予配發及發行最多 898,203,592 股股份，Sunny Merit Holdings Corp. 根據可換股票據擁有本公司 898,203,592 股相關股份權益。

此外，Smart Bond Development Ltd. 擁有附帶權利於 2014 年 3 月 25 日（即發行認股權證日期）起計 1 年內認購本公司最高達 50,000,000 港元之股份的認股權證。根據認購價每股 0.2714 港元，於悉數行使認股權證所附之認購權後將予配發及發行最多 184,229,918 股股份，Smart Bond Development Ltd. 根據認股權證擁有本公司 184,229,918 股相關股份權益。

Sunny Merit Holdings Corp. 及 Smart Bond Development Ltd. 均為中國東方資產管理（國際）控股有限公司的全資附屬公司，而後者之 50% 股本權益由東銀發展（控股）有限公司（「東銀發展」）持有，另外 50% 股本權益由 Wise Leaders Assets Ltd. 持有（亦是東銀發展的全資附屬公司）。東銀發展由中國東方資產管理公司全資擁有，後者是經國務院及中國人民銀行批准設立，具有獨立法人資格的國有獨資金融企業。根據證券及期貨條例，中國東方資產管理（國際）控股有限公司、東銀發展、Wise Leaders Assets Ltd. 及中國東方資產管理公司均被視為於 Sunny Merit Holdings Corp. 所持有的本公司股份及相關股份及 Smart Bond Development Ltd. 所持有的本公司相關股份中擁有權益。

3. 有關國銀金融租賃有限公司（「國銀租賃」）擁有的 2,296,000,000 股股份的保證權益，由於國家開發銀行股份有限公司持有國銀租賃 88.95% 權益，據此亦視為於該等股份中擁有保證權益。

Report of the Directors

董事會報告書

Saved as disclosed above in this section, as at 31 December 2014, the Company has not been notified of any other persons (other than the Directors or chief executive of the Company) who had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

RETIREMENT SCHEMES

The employees of the Group's subsidiaries in the PRC are members of retirement schemes operated by local authorities in the PRC. The Group also operates a defined contribution scheme covering full time employees in Hong Kong. Details of employee retirement benefits are set out in note 36 to the financial statements.

DIRECTORS' REMUNERATION AND HIGHEST PAID INDIVIDUALS' EMOLUMENTS

Particulars of the directors' remuneration and highest paid individuals' emoluments are set out in note 11 and note 12 to the financial statements respectively.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 47 to the financial statements, no contracts of significance subsisted at any time during the year to which the Company or any of its subsidiaries was a party and in which a director of the Company had material interest, whether directly or indirectly.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its directors, as of the date of this report, there is sufficient public float of the shares with not less than 25% of the total issued shares of the Company as required under the Listing Rules.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

除上節所披露者外，於2014年12月31日，本公司並無接獲任何其他人士（不包括本公司之董事或行政總裁）告知於根據證券及期貨條例第336條存置之登記冊所記錄於本公司股份或相關股份中擁有權益或淡倉。

退休計劃

本集團於中國之附屬公司僱員乃中國地方機關營辦之退休計劃之成員。本集團亦營辦一個定額供款計劃，成員包括香港之全職僱員。僱員退休福利詳情載列於財務報表附註36。

董事及最高薪人士之酬金

有關董事及最高薪人士之酬金之詳情已分別載於財務報表附註11及附註12。

董事於合約中之權益

除財務報表附註47所披露者外，本公司董事概無在本公司或其任何附屬公司於年內任何時間訂立之重大且仍然生效之合約中直接或間接擁有任何重大權益。

公眾持股量

根據本公司可取得的資料及據董事所知，於本報告日期，公眾人士持有本公司所有已發行股份不少於25%，符合上市規則的規定。

購買、贖回或出售上市證券

年內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

Report of the Directors

董事會報告書

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws or the laws in Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

AUDITOR

The financial statements for the year have been audited by BDO Limited who retires and, being eligible, offers for re-appointment.

By order of the Board

Dai Xiaobing
Chairman

Hong Kong, 20 March 2015

優先購股權

根據本公司之公司細則或百慕達法例，並無有關優先購股權之規定以致本公司須就此按比例向現有股東提呈發售新股。

核數師

本年度財務報表經香港立信德豪會計師事務所有限公司審核，該核數師現依章卸任，惟願意受聘連任。

承董事會命

主席

戴小兵

香港，2015年3月20日

Independent Auditor's Report

獨立核數師報告書



Tel : +852 2541 5041
Fax: +852 2815 2239
www.bdo.com.hk

電話 : +852 2541 5041
傳真 : +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

香港干諾道中111號
永安中心25樓

TO THE SHAREHOLDERS OF SINO OIL AND GAS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Sino Oil and Gas Holdings Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 66 to 176, which comprise the consolidated and company statements of financial position as at 31 December 2014, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致中國油氣控股有限公司股東

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「本行」)已審核中國油氣控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)列載於第66至176頁之綜合財務報表,此綜合財務報表包括於2014年12月31日之綜合及公司財務狀況表與截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他說明附註。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製綜合財務報表,以令綜合財務報表作出真實公平之反映,及落實董事認為編製綜合財務報表所必要之內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

本行之責任為根據本行之審核對該等綜合財務報表提出意見。根據百慕達1981年公司法第90條,本報告僅向全體股東報告而不作其他用途。本行不會就本報告之內容,對任何其他人士負責或承擔責任。

AUDITOR'S RESPONSIBILITY (Continued)

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

BDO Limited

Certified Public Accountants

Cheung Or Ping

Practising Certificate Number P05412

Hong Kong, 20 March 2015

核數師之責任(續)

本行乃根據香港會計師公會頒佈之香港核數準則進行審核工作。該等準則規定本行遵守道德規範，並規劃與履行審核工作，以合理確保綜合財務報表是否不存有重大錯誤陳述。

審核包括進行獲取有關綜合財務報表內金額及披露事項之審核憑證之程序。所選擇之程序視乎核數師之判斷而定，包括評估綜合財務報表是否存在由於欺詐或錯誤而導致之重大錯誤陳述風險。評估該等風險時，核數師考慮與該實體編製綜合財務報表相關之內部控制，以令綜合財務報表作出真實公平之反映，並按情況設計適當之審核程序，但並非旨在對該實體之內部控制成效表示意見。審核亦包括評估所使用之會計政策是否適當、董事作出之會計估計是否合理，以及評估綜合財務報表之整體列報。

本行認為本行已取得充分及適當之審核憑證，作為本行之審核意見之基準。

意見

本行認為，綜合財務報表已根據香港財務報告準則真實公平地反映 貴公司及 貴集團於2014年12月31日之財務狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥為編製。

香港立信德豪會計師事務所有限公司

執業會計師

張珂屏

執業證書號碼P05412

香港，2015年3月20日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2014 截至2014年12月31日止年度

		Notes 附註	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Turnover	營業額	6 & 16	16,540	21,598
Direct cost	直接成本		(19,739)	(25,397)
Gross loss	毛損		(3,199)	(3,799)
Other revenue	其他收入	7	76,385	42,472
Other losses, net	其他虧損淨額	8	(1,126)	(25,836)
Administrative expenses	行政費用		(62,101)	(70,469)
Profit/(loss) from operations	經營溢利/(虧損)		9,959	(57,632)
Finance costs	融資成本	9(a)	(329)	(25)
Share of loss of a joint venture	應佔一家合營企業虧損	20	(628)	(232)
Share of loss of an associate	應佔一家聯營公司虧損	21	(283)	(623)
Profit/(loss) before income tax expense	除所得稅支出前溢利/(虧損)	9	8,719	(58,512)
Income tax credit/(expense)	所得稅抵減/(支出)	10	1,701	(2,820)
Profit/(loss) for the year	本年度溢利/(虧損)		10,420	(61,332)
Other comprehensive income, after tax Item that may be reclassified to profit or loss: Exchange differences on translating foreign operation	其他全面收益，除稅後 可能重新分類至損益之項目： 換算海外業務之匯兌差異		(60,868)	26,489
Total comprehensive income for the year	本年度全面收益總額		(50,448)	(34,843)
Profit/(loss) attributable to: Owners of the Company Non-controlling interest	以下人士應佔溢利/(虧損)： 本公司擁有人 非控股權益	13	10,420 -	(61,332) -
Total comprehensive income attributable to: Owners of the Company Non-controlling interests [#]	以下人士應佔總全面收益： 本公司擁有人 非控股權益 [#]		(50,448) -	(34,843) -
Earning/(loss) per share	每股盈利/(虧損)			
- Basic	- 基本	15	0.064 HK cents港仙	(0.467) HK cents港仙
- Diluted	- 攤薄	15	0.060 HK cents港仙	N/A不適用

[#] Non-controlling interest represented the 30% equity interest of a subsidiary listed in note 22(a).

[#] 非控股權益指附註22(a)所列一家附屬公司30%股本權益。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2014 於2014年12月31日

	Notes 附註	2014		2013	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-current assets					
Property, plant and equipment	17		226,242		234,670
Gas exploration and evaluation assets	18		3,749,048		3,602,475
Intangible assets	19		227,527		232,960
Interest in a joint venture	20		587		1,215
Interest in an associate	21		62,448		62,731
Deposits and prepayments	26		19,240		20,402
Loan receivables	24		2,880		-
Total non-current assets			4,287,972		4,154,453
Current assets					
Inventories	25		15,163		21,349
Trade, notes and other receivables, deposits and prepayments	26		295,622		74,229
Short-term investment	27		80,330		-
Loan receivables	24		637		-
Pledged bank deposits	28		-		7,832
Cash and cash equivalents	29		19,455		17,536
Total current assets			411,207		120,946
Total assets			4,699,179		4,275,399
Current liabilities					
Other payables and accruals	30		(160,030)		(199,568)
Warrant liability	31		(1,955)		-
Borrowings – secured	33		(124,930)		(145,932)
Taxation			(2,373)		(2,414)
Total current liabilities			(289,288)		(347,914)
Net current assets/(liabilities)			121,919		(226,968)
Total assets less current liabilities			4,409,891		3,927,485
Non-current liabilities					
Provisions	32		(1,280)		(747)
Borrowings – secured	33		(187,395)		(336,210)
Convertible notes	34		(160,750)		(134,920)
Deferred tax	35		(6,477)		(8,371)
Total non-current liabilities			(355,902)		(480,248)
NET ASSETS			4,053,989		3,447,237
Capital and reserves attributable to owners of the Company					
Share capital	38(a)		179,539		147,539
Reserves			3,874,450		3,299,698
TOTAL EQUITY			4,053,989		3,447,237

On behalf of the Board
代表董事會

Dai Xiaobing
戴小兵
Director
董事

Wan Tze Fan Terence
溫子勳
Director
董事

Statement of Financial Position

財務狀況表

As at 31 December 2014 於2014年12月31日

	Notes 附註	2014		2013	
		HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元
Non-current assets					
Interests in subsidiaries	22		3,983,733		3,531,760
Total non-current assets			3,983,733		3,531,760
Current assets					
Other receivables, deposits and prepayments	26	433		574	
Cash and cash equivalents	29	75		311	
Total current assets			508		885
Total assets			3,984,241		3,532,645
Current liabilities					
Other payables and accruals	30	(26,743)		(2,218)	
Warrant liability	31	(1,955)		-	
			(28,698)		(2,218)
Net current liabilities			(28,190)		(1,333)
Total assets less current liabilities			3,955,543		3,530,427
Non-current liabilities					
Convertible notes	34		(160,750)		(134,920)
NET ASSETS			3,794,793		3,395,507
Capital and reserves attributable to owners of the Company					
Share capital	38(a)		179,539		147,539
Reserves	38(b)		3,615,254		3,247,968
TOTAL EQUITY			3,794,793		3,395,507

On behalf of the Board

代表董事會

Dai Xiaobing

戴小兵

Director

董事

Wan Tze Fan Terence

溫子勳

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2014 截至2014年12月31日止年度

		Share capital	Share premium	Contributed surplus	Share option reserve	Warrant reserve	Convertible note equity reserve	Exchange reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interests [#]	Total
		股本	股份溢價	繳納盈餘	購股權儲備	認股權證儲備	可換股票據權益儲備	匯兌儲備	累計虧損	本公司擁有人應佔權益	非控股權益 [#]	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2013	於2013年1月1日	123,560	3,318,649	81,043	48,020	1,250	-	38,495	(587,843)	3,023,174	-	3,023,174
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(61,332)	(61,332)	-	(61,332)
Other comprehensive income	其他全面收益	-	-	-	-	-	-	26,489	-	26,489	-	26,489
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	-	-	26,489	(61,332)	(34,843)	-	(34,843)
Shares issued on placing (note 38(a)(ii))	按配售發行股份 (附註38(a)(ii))	9,280	139,196	-	-	-	-	-	-	148,476	-	148,476
Issue of convertible notes (note 34)	發行可換股票據 (附註34)	-	-	-	-	-	31,296	-	-	31,296	-	31,296
Shares issued on conversion of convertible notes (note 38(a)(iii))	按轉換可換股票據發行之股份 (附註38(a)(iii))	7,485	117,515	-	-	-	(15,383)	-	-	109,617	-	109,617
Shares issued to extinguish financial liabilities (note 38(a)(iv))	按抵銷財務負債發行之股份 (附註38(a)(iv))	7,214	162,303	-	-	-	-	-	-	169,517	-	169,517
At 31 December 2013	於2013年12月31日	147,539	3,737,663	81,043	48,020	1,250	15,913	64,984	(649,175)	3,447,237	-	3,447,237
Profit for the year	本年度溢利	-	-	-	-	-	-	-	10,420	10,420	-	10,420
Other comprehensive income	其他全面收益	-	-	-	-	-	-	(60,868)	-	(60,868)	-	(60,868)
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	-	-	(60,868)	10,420	(50,448)	-	(50,448)
Shares issued on placing (note 38(a)(ii))	按配售發行股份 (附註38(a)(ii))	32,000	625,200	-	-	-	-	-	-	657,200	-	657,200
Release upon lapse of vested warrants (note 38(a)(v))	於已歸屬認股權證失效時撥回 (附註38(a)(v))	-	-	-	-	(1,250)	-	-	1,250	-	-	-
Release upon lapse of vested share options (note 38(a)(vi))	於已歸屬購股權失效時撥回 (附註38(a)(vi))	-	-	-	(12,235)	-	-	-	12,235	-	-	-
At 31 December 2014	於2014年12月31日	179,539	4,362,863	81,043	35,785	-	15,913	4,116	(625,270)	4,053,989	-	4,053,989

[#] Non-controlling interests represented 30% equity interest of a subsidiary listed in note 22(a).

[#] 非控股權益指附註22(a)所列一家附屬公司30%股本權益。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2014 截至2014年12月31日止年度

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Operating activities	經營業務		
Profit/(loss) before income tax expense	除所得稅支出前溢利/(虧損)	8,719	(58,512)
Adjustments for:	調整項目：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,798	3,516
Amortisation of intangible assets	無形資產之攤銷	549	823
Interest expense	利息支出	329	25
Interest income	利息收入	(3,587)	(579)
Loss on extinguishing of financial liabilities	抵銷財務負債之虧損	-	25,247
Loss on disposal/written off of plant and equipment	出售/註銷廠房及設備之虧損	692	7
Share of loss of a joint venture	應佔一家合營企業虧損	628	232
Share of loss of an associate	應佔一家聯營公司虧損	283	623
Change in fair value of warrant liability	認股權證負債之公平值變動	(1,527)	-
Gain on disposal of subsidiaries	出售附屬公司之收益	(1,714)	-
Deposits and other receivables written off	按金及其他應收賬款註銷	3,642	534
Operating profit/(loss) before changes in working capital	營運資金變動前經營溢利/(虧損)	11,812	(28,084)
Decrease/(increase) in inventories	存貨減少/(增加)	6,186	(17,425)
Decrease/(increase) in trade, notes and other receivables, deposits and prepayments	應收賬款、應收票據、其他應收賬款、按金及預付款項減少/(增加)	47,611	(40,354)
Decrease in other payables and accruals	其他應付款項及預提費用減少	(49,083)	(118,708)
Net cash from/(used) in operating activities	經營業務所得/(所用)之現金淨額	16,526	(204,571)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2014 截至2014年12月31日止年度

	Notes 附註	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Investing activities			
Payment of purchase of property, plant and equipment		(1,826)	(1,701)
Payment of purchase of intangible assets		(819)	-
Payment of purchase of short term investment		(80,431)	-
Proceeds from disposal of property, plant and equipment		-	119
Payment of purchase of gas exploration and evaluation assets		(103,300)	(168,861)
Deposit paid for the possible acquisition of Canada oil fields	26(iii)	(287,678)	-
Increase in loan receivables		(3,517)	-
Decrease in pledge bank deposits		7,832	124
Acquisition of an associate		-	(13,402)
Interest received		532	579
Interest paid		(46,663)	(50,394)
Proceeds from disposal of subsidiaries		675	-
Dividend received from a joint venture		-	3,500
Net cash used in investing activities		(515,195)	(230,036)
Financing activities			
Proceeds from issuance of shares	38(a)(ii)	657,200	148,476
Proceeds from bank borrowings		-	102,464
Repayment of bank borrowings		(157,959)	(95,587)
Proceeds from convertible notes issued	34	-	264,000
Issuance cost on convertible notes	34	-	(9,626)
Repayment to loans from directors		(7,855)	(28,967)
Proceeds from loans from shareholders		34,350	7,500
Repayment from loans from shareholders		(17,500)	-
Net cash generated from financing activities		508,236	388,260
Net increase/(decrease) in cash and cash equivalents		9,567	(46,347)
Cash and cash equivalents at 1 January		17,536	71,114
Effect of foreign exchange rate changes		(7,648)	(7,231)
Cash and cash equivalents at 31 December, representing cash and bank balances	29	19,455	17,536

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

1. GENERAL

Sino Oil and Gas Holdings Limited was incorporated as an exempted company with limited liability in Bermuda on 2 November 1999 under the Companies Act 1981 of Bermuda (as amended) and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 9 February 2000. The registered office and principal place of business of the Company are located at 26 Burnaby Street, Hamilton HM11, Bermuda and Suite 3707-3708, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong, respectively.

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 22(a).

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(a) Adoption of new/revised HKFRSs – effective 1 January 2014

Amendments to HKAS 32
香港會計準則第32號之修訂
Amendments to HKAS 36
香港會計準則第36號之修訂
Amendments to HKFRS 10,
HKFRS 12 and HKAS 27 (2011)
香港財務報告準則第10號、
香港財務報告準則第12號及
香港會計準則第27號(2011年)之修訂
Amendments to HKAS 39
香港會計準則第39號之修訂
HK (IFRIC) 21
香港(國際財務報告詮釋委員會)第21號

Offsetting Financial Assets and Financial Liabilities
抵銷財務資產及財務負債
Recoverable Amount Disclosures
可收回金額披露
Investment Entities
投資實體

投資實體

Novation of Derivatives and Continuation of Hedge Accounting
衍生工具之更替及對沖會計之延續
Levies
徵費

Except as explained below, the adoption of these amendments has no material impact on the Group’s financial statements.

Amendments to HKAS 32 – Offsetting Financial Assets and Financial Liabilities

The amendments clarify the offsetting requirements by adding appliance guidance to HKAS 32 which clarifies when an entity “currently has a legally enforceable right to set off” and when a gross settlement mechanism is considered equivalent to net settlement. The amendments are applied retrospectively.

1. 一般資料

中國油氣控股有限公司根據百慕達1981年公司法(經修訂)於1999年11月2日在百慕達註冊成立為受豁免有限公司，其股份於2000年2月9日於香港聯合交易所有限公司主板上市。本公司之註冊辦事處及主要營業地點分別位於26 Burnaby Street, Hamilton HM11, Bermuda及香港干諾道中168-200號信德中心西座3707-3708室。

本公司為一家投資控股公司，其附屬公司之主要業務載於附註22(a)。

2. 採納香港財務報告準則

(a) 採納新訂／經修訂香港財務報告準則 – 2014年1月1日起生效

Offsetting Financial Assets and Financial Liabilities
抵銷財務資產及財務負債
Recoverable Amount Disclosures
可收回金額披露
Investment Entities
投資實體
Novation of Derivatives and Continuation of Hedge Accounting
衍生工具之更替及對沖會計之延續
Levies
徵費

除下文所述者外，採納該等修訂對本集團財務報表並無重大影響。

香港會計準則第32號之修訂 – 抵銷財務資產及財務負債

該等修訂透過對香港會計準則第32號加入應用指引而澄清抵銷規定，並澄清實體何時「現時擁有法律上可強制執行權利以抵銷」以及何時總額結算機制被認為等同於淨額結算。該等修訂獲追溯應用。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2014 (Continued)

The adoption of the amendments has no impact on these financial statements as the Group does not have any offsetting arrangements.

Amendments to HKAS 36 – Recoverable Amount Disclosures

The amendments limit the requirements to disclose the recoverable amount of an asset or cash generating unit (CGU) to those periods in which an impairment loss has been recognised or reversed, and expand the disclosures where the recoverable amount of impaired assets or CGUs has been determined based on fair value less costs of disposal.

The adoption of the amendments has no impact on these financial statements as the Group has no asset or CGU has impairment recognised or reversed.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – Investment Entities

The amendments apply to a particular class of businesses that qualify as investment entities. An investment entity's business purpose is to invest funds solely for returns from capital appreciation, investment income or both. It evaluates the performance of its investments on a fair value basis. Investment entities could include private equity organisations, venture capital organisations, pension funds and investment funds.

The amendments provide an exception to the consolidation requirements in HKFRS 10 “Consolidated Financial Statements” and require investment entities to measure particular subsidiaries at fair value through profit or loss rather than to consolidate them. The amendments also set out the disclosure requirements for investment entities. The amendments are applied retrospectively subject to certain transitional provisions.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則－2014年1月1日起生效 (續)

由於本集團並無任何抵銷安排，故採納該等修訂對該等財務報表並無影響。

香港會計準則第36號之修訂－可收回金額披露

此等修訂將披露資產或現金產生單位（「現金產生單位」）之可收回金額之規定限於已確認或已撥回減值虧損之期間，而倘已減值資產或現金產生單位之可收回金額乃根據公平值減出售成本釐定，則須增加披露。

由於本集團並無確認或撥回任何資產或現金產生單位減值，故採納該等修訂對該等財務報表並無影響。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號 (2011年)之修訂－投資實體

該等修訂適用於符合投資實體資格之某一類業務。投資實體之業務目的為僅為資本增值、投資收入或兩者兼備之回報而投資資金。其根據公平值評估其投資之表現。投資實體可包括私人權益組織、風險資本組織、退休金基金及投資基金。

該等修訂提供香港財務報告準則第10號「綜合財務報表」綜合要求之例外情況，並要求投資實體以按公平值於損益賬列賬之方式計量個別附屬公司，而並非將其綜合處理。該等修訂亦載列有關投資實體之披露要求。該等修訂獲追溯應用，惟須受限於若干過渡性條文。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2014 (Continued)

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – Investment Entities (Continued)

The adoption of the amendments has no impact on these financial statements as the Company is not an investment entity.

Amendments to HKAS 39 – Novation of Derivatives and Continuation of Hedge Accounting

The amendments provide relief from discontinuing hedge accounting when novation of a hedging instrument to a central counterparty meets specified criteria. The amendments are applied retrospectively.

The adoption of the amendments has no impact on these financial statements as the Group does not apply hedge accounting.

HK (IFRIC) 21 – Levies

HK (IFRIC) 21 clarifies that an entity recognises a liability to pay a levy imposed by government when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation has been applied retrospectively.

The adoption of HK (IFRIC) 21 has no impact on these financial statements as the interpretation is consistent with the Group’s previous application of its accounting policies on provisions.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂香港財務報告準則－2014年1月1日起生效 (續)

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(2011年)之修訂－投資實體(續)

由於本公司並非投資實體，故採納該等修訂對該等財務報表並無影響。

香港會計準則第39號之修訂－衍生工具之更替及對沖會計之延續

該等修訂闡明在對沖工具更替至中央交易對手時倘符合特定標準，可延續對沖會計法。該等修訂獲追溯應用。

由於本集團並未應用對沖會計，故採納該等修訂對該等財務報表並無影響。

香港(國際財務報告詮釋委員會)第21號－徵費

香港(國際財務報告詮釋委員會)第21號澄清根據相關法例所識別，實體於引發付款之活動發生時確認支付政府施加之徵稅負債。該項詮釋獲追溯應用。

由於該項詮釋與本集團先前應用之撥備會計政策一致，故採納香港(國際財務報告詮釋委員會)第21號對該等財務報表並無影響。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 1 香港會計準則第1號之修訂	Amendments to HKAS 27 香港會計準則第27號之修訂
HKFRS 9 (2014) 香港財務報告準則第9號 (2014年)	Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及 香港會計準則第28號之修訂
Amendments to HKFRS 11 香港財務報告準則第11號之修訂	HKFRS 14 香港財務報告準則第14號
HKFRS 15 香港財務報告準則第15號	

- ¹ Effective for annual periods beginning on or after 1 January 2016
- ² Effective for annual periods beginning on or after 1 January 2017
- ³ Effective for annual periods beginning on or after 1 January 2018

Amendments to HKAS 1 – Disclosure Initiative

The amendments to HKAS 1 are designed to further encourage companies to apply professional judgment in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.

2. 採納香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

本集團並無提前採納下列已頒佈但尚未生效之新訂／經修訂香港財務報告準則，但有關準則可能與本集團之財務報表相關。

Disclosure Initiative ¹ 披露計劃 ¹	Equity Method in Separate Financial Statements ¹ 獨立財務報表之權益法 ¹
Financial Instruments ³ 財務工具 ³	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹ 投資者與其聯營公司或合營企業之間之資產出售或注資 ¹
Accounting for Acquisitions of Interests in Joint Operations ¹ 收購合營業務權益之會計處理 ¹	Regulatory Deferral Accounts ¹ 監管遞延賬目 ¹
Revenue from Contracts with Customers ² 客戶合約收入 ²	

- ¹ 於2016年1月1日或之後開始之年度期間生效
- ² 於2017年1月1日或之後開始之年度期間生效
- ³ 於2018年1月1日或之後開始之年度期間生效

香港會計準則第1號之修訂－披露計劃

香港會計準則第1號之修訂旨在進一步鼓勵公司於釐定財務報表披露資料時運用專業判斷力。例如，該等修訂釐清適用於整份財務報表之重要性，而載入不重要之資料可限制財務披露資料之效能。再者，上述修訂澄清，公司應運用專業判斷力釐定財務披露資料之呈列章節及排序。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKAS 27 – Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements.

HKFRS 9 (2014) – Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income (“FVTOCI”) if the objective of the entity’s business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss (“FVTPL”).

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

2. 採納香港財務報告準則(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港會計準則第27號之修訂－獨立財務報表之權益法

該等修訂允許實體可在其獨立財務報表內應用權益法對其於附屬公司、合營企業及聯營公司之投資作會計處理。

香港財務報告準則第9號(2014年)－財務工具

香港財務報告準則第9號引進有關財務資產分類及計量之新要求。按業務模式持有而目的為收取合約現金流之債務工具(業務模式測試)以及具產生現金流之合約條款且僅為支付本金及未償還本金利息之債務工具(合約現金流特徵測試)，一般按攤銷成本計量。倘該實體業務模式之目的為持有及收取合約現金流以及出售財務資產，則符合合約現金流特徵測試之債務工具以按公平值於其他全面收益列賬(「FVTOCI」)計量。實體可於初步確認時作出不可撤銷之選擇，以FVTOCI計量並非持作買賣之股本工具。所有其他債務及股本工具按公平值於損益列賬(「FVTPL」)。

香港財務報告準則第9號就並非以FVTPL計量的所有財務資產納入新的預期虧損減值模式(取代了香港會計準則第39號的已產生虧損模式)以及新的一般對沖會計規定，以讓實體於財務報表內更好地反映其風險管理活動。

香港財務報告準則第9號貫徹香港會計準則第39號之財務負債確認、分類及計量規定，惟指定以FVTPL計量之財務負債除外，該負債信貸風險變動產生之公平值變動金額於其他全面收益確認，除非在其他全面收益呈列該負債之信貸風險變動影響會導致或加劇會計錯配則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號有關終止確認財務資產及財務負債之規定。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors’ interests in the joint venture or associate.

Amendments to HKFRS 11- Accounting for Acquisitions of Interests in Joint Operations

The amendments require an entity to apply all of the principles of HKFRS 3 “Business Combinations” when it acquires an interest in a joint operation that constitutes a business as defined in that standard. The principles of HKFRS 3 are also applied upon the formation of a joint operation if an existing business as defined in that standard is contributed by at least one of the parties.

HKFRS 15 – Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and related interpretations.

2. 採納香港財務報告準則(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第10號及香港會計準則第28號之修訂－投資者與其聯營公司或合營企業之間之資產出售或注資

該等修訂澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務之資產，則僅須就不相關投資者於合營企業或聯營公司之權益確認收益或虧損。

香港財務報告準則第11號之修訂－收購合營業務權益之會計處理

該等修訂規定實體於其收購構成香港財務報告準則第3號「業務合併」所界定之業務之合營業務權益時須應用該準則之所有原則。倘香港財務報告準則第3號所界定之現有業務乃由其中至少一方出資，則該準則亦於合營業務成立後獲應用。

香港財務報告準則第15號－客戶合約收入

該項新訂準則設立單一收入確認框架。框架的核心原則為實體應確認收入，以說明實體按反映交換商品及服務預期所得代價的金額向客戶轉讓所承諾商品或服務。香港財務報告準則第15號取代現有收入確認指引，包括香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 15 – Revenue from Contracts with Customers (Continued)

HKFRS 15 requires the application of a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

The Group is in the process of making an assessment of the potential impact of these pronouncements. The directors so far concluded that they are not yet in a position to quantify the effects on the Group’s financial statements.

3. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRSs”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. 採納香港財務報告準則(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第15號 – 客戶合約收入(續)

香港財務報告準則第15號規定確認收入之五個步驟：

- 第1步： 識別與客戶所訂立合約
- 第2步： 識別合約的履約責任
- 第3步： 釐定交易價格
- 第4步： 分配交易價格至各履約責任
- 第5步： 於履行各履約責任後確認收入

香港財務報告準則第15號包括對與可能改變目前根據香港財務報告準則的做法的特定收入相關事宜的特定指引。該項準則亦顯著加強有關收入的定性及定量披露。

本集團現正評估該等公告之潛在影響，而董事迄今認為，彼等未能量化該等準則對本集團財務報表之影響。

3. 編製基準

(a) 遵例聲明

綜合財務報表乃按照香港所有適用之香港財務報告準則、香港會計準則及詮釋(以下統稱「香港財務報告準則」)及香港公司條例之披露規定編製。此外，本綜合財務報表亦符合香港聯合交易所有限公司證券上市規則之適用披露規定。

3. BASIS OF PREPARATION (Continued)

(b) Basis of measurement and going concern assumption

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments, which are measured at fair values as explained in the accounting policies set out below.

(c) Functional and presentational currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Hong Kong dollar ("HKD"), which is also the functional currency of the Company.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the "Group"). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

3. 編製基準(續)

(b) 計量基準及持續經營假設

綜合財務報表乃採用歷史成本為基礎編製，惟如下文所載會計政策所述，若干財務工具乃以公平值計量。

(c) 功能及呈報貨幣

本集團各實體之財務報表內之項目，均採用該實體經營業務所在之主要經濟環境之貨幣計量。綜合財務報表乃以香港貨幣(「港元」)(亦即本公司之功能貨幣)呈報。

4. 主要會計政策

(a) 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司(「本集團」)之財務報表。集團內公司間之交易及結餘連同未變現溢利均於編製綜合財務報表時全數對銷。未變現虧損亦予以對銷，除非有關交易顯示已轉讓資產出現減值，在此情況下，虧損於損益賬內確認。

於年內收購或出售之附屬公司之業績，乃由收購生效日期起或截至出售生效日期止(如適當)列入綜合損益及其他全面收益表。必要時，附屬公司之財務報表將予調整以使其會計政策與本集團其他成員公司所使用者一致。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Business combination and basis of consolidation (Continued)

Acquisitions of subsidiaries or businesses are accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

Contingent consideration balances arising from business combinations whose acquisition dates preceded 1 January 2010 (i.e. the date the Group first applied HKFRS 3 (2008)) have been accounted for in accordance with the transition requirements in the standard. Such balances are not adjusted upon first application of the standard. Subsequent revisions to estimates of such consideration are treated as adjustments to the cost of these business combinations and are recognised as part of goodwill.

4. 主要會計政策 (續)

(a) 業務合併及綜合基準 (續)

收購附屬公司或業務採用收購法入賬。收購成本乃按所轉讓資產、所產生負債及本集團(作為收購方)發行之股權於收購當日之公平值總額計量。所收購可辨別資產及所承擔負債則主要按收購當日之公平值計量。本集團先前所持被收購方之股權以收購當日公平值重新計量，而所產生之收益或虧損則於損益賬內確認。本集團可按每宗交易選擇以公平值或被收購方之可識別資產淨值應佔比例計算現時於附屬公司之擁有權權益之非控股權益。除非香港財務報告準則有規定其他計量基準，否則所有其他非控股權益均按公平值計量。所產生之收購相關成本列作支出，除非該等成本乃於發行股本工具時產生，在該情況下，有關成本乃從權益中扣除。

收購方將予轉讓之任何或有代價按收購日期之公平值確認。其後對代價之調整僅於調整源出於計量期(最長為收購日期起計十二個月)內所取得有關於收購日期之公平值之新資料時，方以商譽確認。所有其他分類為資產或負債之或有代價之其後調整均於損益賬內確認。

收購日期為2010年1月1日(即本集團首次應用香港財務報告準則第3號(2008年)之日)前之業務合併所產生之或有代價結餘已根據該準則之過渡規定入賬。有關結餘於首次應用該準則時並未作調整。其後對有關代價估計之修訂作為對該等業務合併成本之調整處理，並被確認為商譽之一部分。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Business combination and basis of consolidation (Continued)

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

(b) Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

4. 主要會計政策 (續)

(a) 業務合併及綜合基準 (續)

本集團於附屬公司之權益變動如未導致失去控制權，則入賬列為權益交易。本集團權益及非控股權益之賬面值均予調整，以反映其各自於附屬公司之權益之變動。經調整後非控股權益金額與所付或所收代價公平值之任何差額，直接於權益中確認，並歸屬於本公司擁有人。

當本集團失去附屬公司控制權，出售損益乃按以下兩者之差額計算：(i)已收代價之公平值與任何保留權益之公平值之總額；與(ii)該附屬公司之資產（包括商譽）及負債與任何非控股權益過往之賬面值。先前於其他全面收益確認與附屬公司有關之金額以相同方式入賬，猶如有關資產或負債已經出售。

收購後，現時於附屬公司之擁有權權益之非控股權益之賬面值為該等權益於初步確認時之款額加以非控股權益應佔權益其後變動之部分。即使會導致非控股權益出現虧絀結餘，全面收益總額乃歸屬於非控股權益。

(b) 附屬公司

附屬公司為本公司可行使控制權的被投資方。以下三個因素全部滿足時，本公司控制該被投資方：對被投資方的權力、來自被投資方可變回報的風險或權利及利用其權力影響該等可變回報的能力。當有事實或情況顯示任何該等控制因素可能出現變動時，控制權會被重新評估。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Subsidiaries (Continued)

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(c) Goodwill

Goodwill is initially recognised at cost being the excess of the aggregate of consideration transferred and the amount recognised for non-controlling interests over the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

4. 主要會計政策 (續)

(b) 附屬公司 (續)

在本公司之財務狀況表中，於附屬公司之投資按成本扣除減值虧損（如有）列賬。附屬公司之業績按已收及應收股息由本公司入賬。

(c) 商譽

商譽初步按成本確認，即所轉讓代價總額及已確認之非控股權益金額超出所收購可辨別資產、負債及或有負債公平值之金額。

倘可辨別資產、負債及或有負債之公平值超出已付代價之公平值，則超出部分於重估後於收購日期在損益賬內確認。

商譽按成本減任何減值虧損計量。就減值測試而言，因收購而產生之商譽分配至相關預期受惠於收購所帶來協同效益之各現金產生單位。獲分配商譽之現金產生單位每年及每當有跡象顯示單位可能出現減值時進行減值測試。

就於某一財政年度進行收購產生之商譽而言，獲分配商譽之現金產生單位會於該財政年度完結之前進行減值測試。倘現金產生單位之可收回金額低於該單位之賬面值，則本集團首先會分配減值虧損以減少分配予該單位之任何商譽之賬面值，再根據該單位之各項資產之賬面值按比例分配至該單位之其他資產。商譽之任何減值虧損於損益賬內確認，且不會在其後期間撥回。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amount are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

(e) Joint arrangements

The group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

4. 主要會計政策 (續)

(d) 聯營公司

聯營公司為本集團對其擁有重大影響力之實體，既非附屬公司，亦非合營安排。重大影響力指有權力參與被投資方之財務及經營決策，但並非對該等政策擁有控制或聯合控制權。

聯營公司乃採用權益法入賬，據此聯營公司按成本初步確認，此後其賬面值於聯營公司之資產淨值內調整以反映本集團應佔收購後變動，惟超過本集團於聯營公司之權益之虧損不會確認，除非有責任彌補該等虧損。

本集團與其聯營公司之間的交易產生之損益僅於不相關投資者於聯營公司擁有權益時方才確認。該等交易產生之投資者分佔聯營公司溢利及虧損與聯營公司之賬面值對銷。倘未變現虧損證明所轉移資產出現減值，則即時於損益賬確認。

聯營公司已付任何溢價高於已收購本集團應佔可識別資產、負債及或有負債之公平值乃撥充資本，計入聯營公司之賬面值內。倘客觀證據證明聯營公司投資已出現減值，則投資的賬面值按與其他非財務資產相同的方式進行減值測試。

(e) 聯合安排

當有合約安排賦予本集團及至少一名其他訂約方之相關安排活動之共同控制權時，本集團為聯合安排之訂約方。共同控制乃根據控制附屬公司之相同原則予以評估。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Joint arrangements (Continued)

The group classifies its interests in joint arrangements as either:

- Joint ventures: where the group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

The Group accounts for its interests in joint ventures in the same manner as investments in associates (i.e. using the equity method – see note 4(d)).

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The Group accounts for its production sharing contracts as joint operations by recognising its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations.

4. 主要會計政策 (續)

(e) 聯合安排 (續)

本集團將其於聯合安排之權益分類為：

- 合營企業：倘本集團僅對聯合安排之資產淨值擁有控制權；或
- 合營業務：倘本集團對聯合安排之資產及負債責任均擁有控制權。

於評估有關於聯合安排之權益之分類時，本集團會考慮：

- 聯合安排之架構；
- 透過獨立實體組織之合營安排之法律形式；
- 聯合安排協議之合約條款；及
- 任何其他事實及情況（包括任何其他合約安排）。

本集團採用與於聯營公司之投資相同之方式（即使用權益法—見附註4(d)）將其於合營企業之權益列賬。

任何支付作投資合營企業而較本集團應估已購入可識別資產、負債及或然負債的公平值更高的溢價將獲資本化，並計入於合營企業的投資的賬面值。倘有客觀證據顯示於合營企業的投資已出現減值，則該投資的賬面值將會以與其他非金融資產相同的方式進行減值測試。

本集團根據按合約獲賦予之權利及義務，透過確認其應估資產、負債、收入及費用將其產品分成合同入賬列為合營業務。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property, plant and equipment

The property, plant and equipment are stated in the consolidated statement of financial position at cost less accumulated depreciation and accumulated impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs 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 recognised as an expense in profit or loss during the financial period in which they are incurred.

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells is capitalised as oil and gas properties under property, plant and equipment.

Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis, except for oil and gas properties which are depreciated by the units of production method. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

– Leasehold improvements	The shorter of their estimated useful lives or the lease term
– Oil and gas properties	Units of production
– Furniture, fixtures and office equipment	3 – 10 years
– Motor vehicles	4 – 5 years

4. 主要會計政策 (續)

(f) 物業、廠房及設備

物業、廠房及設備乃按照成本扣除累計折舊及累計減值虧損於綜合財務狀況表列賬。

物業、廠房及設備之成本包括其購入價及收購項目之直接應佔成本。

其後成本包括在資產賬面值內，或僅於與項目有關之未來經濟利益可能流向本集團且項目成本能可靠計量時確認為獨立資產（視何者適用而定）。替補部分之賬面值予以終止確認。所有其他維修及保養開支於其產生之財政期間在損益賬確認為開支。

興建、安裝或完成平台、管道等基建設施及鑽探開發井之開支乃撥充作物業、廠房及設備項下之油氣資產。

物業、廠房及設備（除油氣資產以生產單位法折舊外）於估計可用年限內按直線基準折舊，以註銷其扣除預計剩餘價值後之成本。於各報告期間結束時，均會檢討可用年限、剩餘價值及折舊方法，並視需要作出調整。可用年限如下：

– 租賃物業裝修	估計可用年限或租賃期間 (以較短者為準)
– 油氣資產	生產單位
– 傢俬、固定裝置及辦公室設備	3至10年
– 汽車	4至5年

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property, plant and equipment (Continued)

Construction in progress is stated at cost less impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

(g) Intangible assets

Oil operation rights

Oil operation rights are stated at cost less accumulated amortisation and any impairment losses and are amortised on the units of production method.

Motor vehicle registration license

Motor vehicle registration licenses with indefinite useful lives acquired are carried at cost less any accumulated impairment losses. The Group tests impairment for the indefinite useful lives motor vehicle licenses annually by comparing its carrying amounts with its recoverable amounts, irrespective of whether there is any indication that it may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, but when an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

4. 主要會計政策 (續)

(f) 物業、廠房及設備 (續)

在建工程按成本減去減值虧損入賬。成本包括直接建築成本，以及建築及安裝期間之資本化借貸成本。當資產投入擬定用途所需之準備工作大致完成時，該等成本便會停止資本化，而在建工程亦會轉入適當類別之物業、廠房及設備內。在建工程在完工並可隨時投入擬定用途前不計提任何折舊準備。

資產之賬面值如高於估計可收回金額，則會立即撇減至可收回金額。

出售物業、廠房及設備項目之收益或虧損，乃出售所得款項淨額與其賬面值之差額，且會於出售時於損益中確認。

(g) 無形資產

石油營運權

石油營運權按成本減累計攤銷及任何減值虧損列賬，並以生產單位法攤銷。

汽車登記牌照

具無限使用年期之汽車登記牌照按成本減任何累計減值虧損列賬。就擁有無限使用年期之汽車登記牌照而言，不論其有否出現任何可能減值跡象，本集團均會每年透過比較汽車登記牌照之賬面值及其可收回金額為其進行減值測試。倘資產之可收回金額估計低於賬面值，則資產之賬面值會調低至其可收回金額。減值虧損即時確認為開支，惟倘減值虧損其後撥回，則資產之賬面值增加至經修訂之估計可收回金額，惟增加後之賬面值不可超逾倘資產於過往年度並無確認減值虧損而原應釐定之賬面值。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Gas exploration and evaluation assets

Gas exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

The licence costs paid in connection with a right to explore are capitalised as gas exploration and evaluation asset. Once the legal right to explore has been acquired, costs directly associated with an exploration well are capitalised as gas exploration and evaluation assets until the drilling of the well is complete and the results have been evaluated. These costs include directly attributable employee remuneration, materials and fuel used, rig costs and payments made to contractors.

Geological and geophysical costs are also capitalised as gas exploration and evaluation asset.

If extractable coalbed methane are found and, subject to further appraisal activity (e.g., the drilling of additional wells), are likely to be capable of being commercially developed, the costs continue to be carried as an intangible assets while sufficient/continued progress is made in assessing the commerciality of the coalbed methane. Costs directly associated with appraisal activity undertaken to determine the size, characteristics and commercial potential of a reservoir following the initial discovery of coalbed methane, including the costs of appraisal wells where coalbed methane were not found, are initially capitalised as an intangible asset.

All such capitalised costs are subject to technical, commercial and management review as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off to profit or loss.

4. 主要會計政策 (續)

(h) 天然氣勘探及評估資產

天然氣勘探及評估活動包括尋找礦產資源、釐定技術可行性及評估已識別資源之商業可行性。

已支付有關勘探權之特許權費用乃資本化為天然氣勘探及評估資產。倘合法勘探權被收購，與勘探井直接相關之成本將資本化為天然氣勘探及評估資產，直至鑽井結束及就結果進行評估為止。該等成本包括直接應佔僱員薪酬、所用物料及燃料費、鑽機成本及向承包商支付之款項。

地質及地球物理成本亦資本化為天然氣勘探及評估資產。

如發現可萃取煤層氣，且根據進一步評估活動（例如，新井鑽探），該等煤層氣可能能夠進行商業開發，則在評估煤層氣之商業性取得充分／繼續進展時，成本將繼續作為無形資產入賬。與最初發現煤層氣之後進行之釐定儲集層之大小、特性及商業潛力之評估活動直接相關之成本（包括評估未發現煤層氣之乾井之成本）將初步資本化為無形資產。

所有該等資本化成本每年至少須接受一次技術、商業及管理審核，以及減值指標檢討，以確定繼續開發或以其他方式萃取有關儲量價值之意圖。如情況有變，有關成本將於損益中註銷。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Gas exploration and evaluation assets (Continued)

When proved reserves of coalbed methane are identified, development is sanctioned by management and approved by relevant government bodies, the relevant capitalised expenditure is first assessed for impairment and (if required) any impairment loss is recognised, then the remaining balance is reclassified to intangible assets and oil and gas properties under property, plant and equipment. After reclassification, amortisation or depreciation will be provided for the respective assets consistent with the relevant accounting policy. No amortisation or depreciation is charged during the exploration and evaluation phase.

(i) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

The Group as lessee

The total rentals payable under the operating leases are recognised in profit or loss on a straight-line basis over the lease term. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease.

4. 主要會計政策 (續)

(h) 天然氣勘探及評估資產 (續)

當釐定煤層氣之已證實儲量，且管理層及有關政府機構已批准開發時，有關資本化開支將首先接受減值評估及任何減值虧損將獲確認（如必要），之後，剩餘結餘將重新分類至無形資產及物業、廠房及設備項下之油氣資源。重新分類後，將根據相關會計政策，就各項資產計提攤銷或折舊。在勘探及評估階段期間，不作任何攤銷或折舊。

(i) 租賃

租賃條款轉移與資產擁有權有關之絕大部分風險及回報之租賃分類為融資租賃。所有其他租賃分類為經營租賃。

本集團作為出租人

經營租賃之租金收入在相關租賃期內按直線法確認計入損益。磋商及安排經營租賃所產生之初始直接成本計入租賃資產之賬面值，並在租賃期內按直線法確認為開支。

本集團作為承租人

經營租賃之應付租金總額在租賃期內按直線法確認計入損益。租賃優惠於租賃期內確認為租金開支總額之一部分。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments

(i) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. Financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade debtors), and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method, less any identified impairment losses.

(ii) Impairment loss on financial assets

The Group assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtor's financial difficulty; or
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

4. 主要會計政策 (續)

(j) 財務工具

(i) 財務資產

本集團於初步確認時按收購資產之目的將財務資產分類。財務資產初步按公平值加收購財務資產之應佔直接交易成本計量。所有按常規購買或出售之財務資產乃按交易日基準確認及終止確認。所謂按常規購買或出售，指根據合約購買或出售財務資產，而該合約條款規定須一般按有關市場之規則或慣例所設時限內交付資產。

貸款及應收款項

該等資產為沒有活躍市場報價並具固定或可確定收款金額之非衍生財務資產，主要透過向客戶（貿易債務人）提供貨品及服務而產生，亦涵蓋其他具有合約性之貨幣資產類別。初步確認後，該等資產採用實際利率法按攤銷成本減任何已確定之減值虧損列賬。

(ii) 財務資產之減值虧損

本集團於每個報告期間結束時評估是否存在客觀跡象顯示財務資產出現減值。倘於初步確認資產後發生一項或多項事件導致存在客觀減值跡象，而該項事件對財務資產之估計未來現金流量造成之影響能夠可靠地估計，則有關財務資產為出現減值。減值跡象包括：

- 債務人有重大財務困難；
- 違反合約，如違約或拖欠償還利息或本金；
- 由於債務人出現財務困難而給予債務人優惠條件；或
- 債務人可能破產或進行其他財務重組。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

(ii) Impairment loss on financial assets (Continued)

Loans and receivables

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance account for the relevant financial asset.

Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

4. 主要會計政策 (續)

(j) 財務工具 (續)

(ii) 財務資產之減值虧損 (續)

貸款及應收款項

減值虧損於有客觀證據顯示資產已減值時在損益賬內確認，並按資產賬面值與以原實際利率折現之估計未來現金流量現值之差額計量。財務資產之賬面值透過使用撥備賬目減少。倘財務資產之任何部分被釐定為無法收回，則與相關財務資產之撥備賬目撇銷。

倘資產可收回金額之增加客觀上可與確認減值後發生之事件有關，則減值虧損於其後期間撥回，惟該資產於撥回減值當日之賬面值不得超出倘並無確認減值原應有之攤銷成本。

(iii) 財務負債

本集團按產生負債之目的將其財務負債分類。按公平值於損益列賬之財務負債初步按公平值計量，而按攤銷成本計量之財務負債初步按公平值減直接應佔所產生之成本計量。

按公平值於損益列賬之財務負債

按公平值於損益列賬之財務負債包括持作買賣之財務負債，以及於初步確認時指定為按公平值於損益列賬之財務負債。

倘收購財務負債旨在於短期內出售，則有關財務負債將分類為持作買賣。衍生工具(包括獨立內含衍生工具)，除非指定為有效對沖工具，否則亦分類為持作買賣。持作買賣負債之收益或虧損於損益賬確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

(iii) Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss (Continued)

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, the debt element of convertible debts issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

4. 主要會計政策 (續)

(j) 財務工具 (續)

(iii) 財務負債 (續)

按公平值於損益列賬之財務負債 (續)

倘一份合約包含一份或多份內含衍生工具，則整份混合式合約將被指定為按公平值於損益列賬之財務負債，除非有關內含衍生工具不會對現金流量產生重大影響，或此衍生工具被明令禁止拆分。

符合以下條件之財務負債可於初步確認時指定為按公平值於損益列賬：(i)有關指定能消除或大大減低因按照不同基準計量有關負債或確認其收益或虧損而出現之不一致處理情況；(ii)根據列明之風險管理策略，該等負債為一組受管理且其表現乃按公平值估值之財務負債之其中一部分；或(iii)該財務負債包含需單獨入賬之內含衍生工具。

初步確認後，按公平值於損益列賬之財務負債按公平值計量，而公平值變動於變動產生期間在損益賬確認。

按攤銷成本計量之財務負債

按攤銷成本計量之財務負債包括應付賬款及其他應付款項、借貸及本集團所發行可換股債項之債務部分，其後使用實際利率法按攤銷成本計量。相關利息支出於損益賬確認。

當負債終止確認時，以及在攤銷過程中，收益或虧損會在損益賬內確認。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

(iv) Convertible notes containing liability and equity components

Convertible notes issued by the Group that contain both the liability and conversion option components are classified separately into their respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the loan notes into equity, is included in equity as convertible notes equity reserve.

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes equity reserve until the embedded option is exercised when the balance stated in convertible notes equity reserve will be transferred to share premium. Where the option remains unexercised at the expiry dates, the balance stated in convertible notes equity reserve will be released to accumulated losses. No gain or loss is recognised upon conversion or expiration of the option.

(v) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

4. 主要會計政策 (續)

(j) 財務工具 (續)

(iv) 包括負債及權益部分之可換股票據

本集團發行之可換股票據包括負債及兌換權部分，於初步確認時分別歸類至相關項目。將以指定金額現金或其他財務資產交換本公司指定數目之股本工具結算之兌換權分類為股本工具。

初步確認時，負債部分之公平值按同類非可換股債項之現行市場利率釐定。發行可換股貸款票據之所得款項與撥入負債部分（即持有人將貸款票據兌換為權益之兌換權）之公平值差額計入權益之可換股票據權益儲備。

於其後期間，可換股票據之負債部分使用實際利率法按攤銷成本列賬。權益部分（即將負債部分兌換為本公司普通股之選擇權）保留於可換股票據權益儲備，直至附帶選擇權獲行使為止，屆時可換股票據權益儲備之結餘將轉撥至股份溢價。倘選擇權於到期日仍未行使，則可換股票據權益儲備之結餘將轉撥至累計虧損。選擇權兌換或到期時不會確認任何收益或虧損。

(v) 實際利率法

實際利率法乃財務資產或財務負債攤銷成本及於有關期間分配利息收入或利息支出之計算方法。實際利率乃於財務資產或負債之預期年期或（倘適用）較短期間用作準確折現估計未來現金收款或付款之利率。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

(vi) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Warrants issued by the Company that will be settled by a fixed amount of cash for fixed number of the Company's own equity instruments are equity (warrant reserve). The warrant reserve will be transferred to the share capital and share premium accounts upon the exercise of the warrants. When the warrants are still not yet exercised at the expiry date, the amount previously recognised in warrant reserve will be transferred to accumulated losses.

(vii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

(viii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

4. 主要會計政策 (續)

(j) 財務工具 (續)

(vi) 股本工具

由本公司發行之股本工具按收取之款項扣除直接發行成本入賬。

本公司發行之認股權證乃一種股本(認股權證儲備)，其將以指定金額現金交換本公司指定數目股本工具之方式結算。認股權證儲備將於行使認股權證時轉撥至股本及股份溢價賬。倘認股權證於到期日仍未行使，則先前於認股權證儲備確認之金額將轉撥至累計虧損。

(vii) 財務擔保合約

財務擔保合約乃在債務工具根據其原始或修訂條款到期時特定債務人無法還款之情況下要求發行人向持有人支付特定金額以補償其所受損失之合約。由本集團發行之並非指定按公平值入賬損益之財務擔保合約，初步按其公平值減發行財務擔保合約直接應佔之交易成本確認。初步確認後，本集團以下列較高者計量財務擔保合約：(i)根據香港會計準則第37號撥備、或有負債及或有資產釐定之金額；及(ii)初步確認之款額減(如適用)根據香港會計準則第18號收益確認之累計攤銷。

(viii) 終止確認

倘涉及財務資產之未來現金流量之合約權利屆滿，或倘財務資產已經轉讓，而有關轉讓符合香港會計準則第39號之終止確認標準，則本集團可終止確認該項財務資產。

財務負債於有關合約內指定之責任獲履行、被取消或到期時終止確認。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

(viii) Derecognition (Continued)

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with banks, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(l) Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

4. 主要會計政策 (續)

(j) 財務工具 (續)

(viii) 終止確認 (續)

倘由於重新磋商財務負債之條款，本集團向債權人發行其自身股本工具以支付全部或部分之財務負債，則已發行之股本工具為已付代價並於抵銷全部或部分財務負債日期按彼等之公平值初步確認及計量。倘已發行股本工具之公平值不能可靠計量，則股本工具將計量以反映所抵銷財務負債之公平值。所抵銷財務負債或其部分之賬面值與已付代價之差額於本年度損益賬中確認。

(k) 現金及現金等價物

現金及現金等價物包括手頭現金及銀行通知存款以及其他具高流動性之短期投資，此等投資可隨時變現為可知數量之現金，而所須承受之價值變動風險屬輕微。

(l) 存貨

存貨初步按成本確認，其後按成本及可變現淨值兩者中之較低數額確認。成本包括所有採購成本、加工成本及將存貨運輸至現時地點及變成現狀所產生之其他成本。成本以加權平均法計算。可變現淨值指以日常業務過程中之估計售價減去銷售所需之估計成本後所得之數。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Provision and contingent liabilities

(i) Provisions

General

Provision are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(ii) Contingent liability

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4. 主要會計政策 (續)

(m) 撥備及或有負債

(i) 撥備

一般情況

倘若本集團須就已發生事件承擔現有法律或推定責任，而本集團有可能須履行有關責任，且能夠可靠地估計有關責任數額，則會確認撥備。

已確認為撥備之數額乃計及有關責任之風險及不確定因素後，於報告期間結束時履行現有責任所需代價之最佳估計數額。倘撥備以預期履行現有責任之現金流量計算，則其賬面值為該等現金流量之現值。

倘預期結算撥備所需之部分或全部經濟利益可自第三方收回，且幾乎肯定能收回償付金額及應收款項金額能可靠地計量，則該應收款項將確認為資產。

(ii) 或有負債

或有負債指一項因已發生事件而可能引致之責任，而其存在與否僅取決於日後是否發生一件或以上並非完全受本集團控制之不確定事件而定。或有負債亦可能是已發生事件所引致之現有承擔，但由於可能不需要有經濟資源流出，或承擔金額不能可靠地計量而未有確認。

或有負債不予確認，但須於財務報表中披露。當經濟資源流出之可能性改變而可能導致資源流出時，則或有負債將確認為撥備。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Income tax

Income tax expense represents current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items directly recognised in other comprehensive income in which case the taxes are also directly recognised in other comprehensive income.

4. 主要會計政策 (續)

(n) 所得稅

所得稅支出指現時應付稅項及遞延稅項之總和。

即期稅項乃按已就毋須就所得稅課稅或不可扣減所得稅之項目作出調整之日常業務損益，按報告期間結束時已頒佈或實際頒佈之稅率計算。

遞延稅項乃就財務報告之資產及負債之賬面值與就稅務所用相應數值間之暫時差額確認。除不影響會計或應課稅溢利之商譽及已確認資產及負債外，所有暫時差額之遞延稅項負債均會確認。遞延稅項資產僅在應課稅溢利可供可扣減暫時差額抵銷時確認。遞延稅項乃按預期適用於清償負債或變現資產期間之稅率，按報告期間結束時已頒佈或實際頒佈之稅率計量。

除本集團可控制暫時差額之撥回而暫時差額有可能在可預見未來不予撥回之情況外，因投資附屬公司、聯營公司及共同控權合資公司而引致之應課稅暫時差額會確認遞延稅項負債。

所得稅乃於損益賬內確認，惟所得稅與直接於其他全面收益確認之項目有關則除外，在此情況下，所得稅亦直接於其他全面收益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Foreign currencies

Transactions entered into by group entities in currencies other than the currency of the primary economic environment in which they operate (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which case, the exchange differences are also recognised directly in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to minority interests as appropriate). Exchange differences recognised in profit or loss of group entities’ separate financial statements on the translation of long-term monetary items forming part of the Group’s net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

4. 主要會計政策 (續)

(o) 外幣

本集團旗下各實體以其經營業務所在之主要經濟環境之貨幣(「功能貨幣」)以外其他貨幣進行之交易，乃按交易當日之匯率入賬。以外幣為單位之貨幣資產及負債按報告期間結束時之匯率換算。以外幣表示公平值之非貨幣項目按公平值釐定當日之現行匯率重新換算。以外幣歷史成本計量之非貨幣項目毋須重新換算。

因結算及換算貨幣項目所產生之匯兌差異，於產生期間之損益賬內確認。重新換算按公平值列賬之非貨幣項目所產生之匯兌差異計入期內損益賬，惟重新換算有關收益及虧損而直接於其他全面收益確認之非貨幣項目所產生之匯兌差異，亦直接於其他全面收益確認。

綜合賬目時，海外業務之收入及支出項目以年內平均匯率換算為本集團之呈報貨幣(即港元)，除非期內匯率大幅波動，在此情況下，則按進行該等交易時之相若匯率換算。所有海外業務之資產及負債均以報告期間結束時之匯率換算。所產生之匯兌差異(如有)，於其他全面收益確認，並於權益累計入賬為外匯儲備(在適當情況下歸屬於少數股東權益)。於換算構成本集團於所涉海外業務之部分投資淨額之長期貨幣項目時，在本集團旗下各實體獨立財務報表之損益賬內確認之匯兌差異則重新分類至其他全面收益，並於權益累計入賬為外匯儲備。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Foreign currencies (Continued)

On disposal of a foreign operation, the cumulative exchange differences recognised in the exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the exchange reserve.

(p) Employee's benefits

(i) Short term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

(ii) Defined contribution retirement plan

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the Scheme. The assets of the Scheme are held separately from those of the Group in an independently administered fund. The Group's contributions as employer vest fully with the employees when contributed into the Scheme.

4. 主要會計政策 (續)

(o) 外幣 (續)

出售海外業務時，外匯儲備內確認該業務截至出售日期止之累計匯兌差異將轉至損益賬，作為出售損益之一部分。

於2005年1月1日或之後，於收購海外業務時產生之所收購可辨別資產之商譽及公平值調整乃作為該海外業務之資產及負債處理，並按報告期間結束時之現行匯率進行換算。產生之匯兌差異乃於外匯儲備內確認。

(p) 僱員福利

(i) 短期僱員福利

短期僱員福利是指預計在僱員提供相關服務之年度報告期結束後十二個月以前將全數結付之僱員福利(終止福利除外)。短期僱員福利於僱員提供相關服務之年度確認。

(ii) 界定供款退休計劃

向界定供款退休計劃作出之供款於僱員提供服務時在損益賬內確認為開支。

本集團根據強制性公積金計劃條例，為其香港所有僱員設立界定供款強制性公積金退休福利計劃(「該計劃」)。供款乃以僱員之基本薪金百分比作出，並根據該計劃之規則於應付時在損益賬內扣除。該計劃之資產乃存放於一支獨立管理之基金內，與本集團之資產分開持有。當本集團向該計劃供款後，僱員有權完全享有僱主供款。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee's benefits (Continued)

(ii) Defined contribution retirement plan (Continued)

The Group has joined a mandatory central pension scheme organised by the People's Republic of China ("PRC") government for certain of its employees, the assets of which are held separately from those of the Group. Contributions made are based on a percentage of the eligible employees' salaries and are charged to profit or loss as they became payable, in accordance with the rules of the scheme. The employer's contributions vest fully once they are made.

(q) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the share option reserve.

Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Group obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at the end of each reporting period.

4. 主要會計政策 (續)

(p) 僱員福利 (續)

(ii) 界定供款退休計劃 (續)

本集團已為若干僱員參加由中華人民共和國(「中國」)政府管理之強制性中央退休金計劃，計劃資產與本集團資產分開持有。供款乃以合資格僱員之薪金百分比作出，並根據計劃之規則於應付時在損益賬內扣除。僱主供款於作出供款時即全數歸屬僱員。

(q) 以股份支付之款項

向僱員及提供類似服務之其他人士支付股本結算以股份支付之款項，乃以股本工具於授出日期之公平值計量。

於股本結算以股份支付之款項授出日期釐定之公平值會於歸屬期內根據最終將會歸屬之本集團股本工具之估計，按直線法支銷。於各報告期間結束時，本集團會修訂預期將歸屬之股本工具數目之估計數字。對原估計進行修訂(如有)所產生之影響乃於餘下歸屬期於損益賬內確認，並對購股權儲備作出相應調整。

與其他人士所進行股本結算以股份付款之交易，乃以所獲貨品或服務之公平值計量，惟倘公平值未能可靠地估計，則將於本集團獲得貨品或交易方提供服務當日以授出股本工具之公平值計量。

就現金結算以股份支付之款項而言，相等於所獲貨品或服務部分之負債按於各報告期間結束時釐定之當前公平值確認。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Impairment of other assets

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment under cost model;
- gas exploration and evaluation assets;
- intangible assets; and
- investments in subsidiaries, jointly venture and associate

If the recoverable amount (i.e. the greater of the fair value less costs to sell and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

(s) Capitalisation of borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets, are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 主要會計政策 (續)

(r) 其他資產之減值

於每個報告期間結束時，本集團審閱下列資產之賬面值，以判斷是否有任何跡象顯示該等資產出現減值虧損，或先前確認之減值虧損已不復存在或已有所減少：

- 成本模式下之物業、廠房及設備；
- 天然氣勘探及評估資產；
- 無形資產；及
- 於附屬公司、合營企業及聯營公司之投資

倘資產之可收回金額（即公平值減銷售成本之差額與使用價值之較高者）估計低於其賬面值，則資產之賬面值會調低至其可收回金額。減值虧損即時確認為開支。

倘減值虧損其後撥回，則資產之賬面值增加至其經修訂之估計可收回金額，惟增加後之賬面值不可超逾倘資產於過往年度並無確認減值虧損而原應釐定之賬面值。減值虧損撥回即時確認為收入。

(s) 借貸成本資本化

需要相當長時間才可以投入原定用途或銷售之合資格資產在購入、建設或生產過程中直接引致之借貸成本，均撥充資本作為該等資產之部分成本，直至該等資產大致上可作其原定用途或銷售。所有其他借貸成本均於產生期間於損益賬內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Government grants

Government grants are recognised when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(u) Related parties

(i) A person or a close member of that person's family is related to the Group if that person:

- (a) has control or joint control over the Group;
- (b) has significant influence over the Group; or
- (c) is a member of key management personnel of the Group or the Company's parent.

(ii) An entity is related to the Group if any of the following conditions apply:

- (a) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (b) One entity is joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (c) Both entities are joint ventures of the same third party.
- (d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (e) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
- (f) The entity is controlled or jointly controlled by a person identified in (i).
- (g) A person identified in (i)(a) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

4. 主要會計政策 (續)

(t) 政府補貼

政府補貼於合理確信將會獲得及本集團符合其所附條件時予以確認。補償本集團所產生開支之補貼於產生開支期間有系統地於損益賬確認為收益。補償本集團資產成本之補貼自該資產之賬面值扣減，其後按該資產之可使用年期以扣減折舊開支之方式於損益賬有效確認。

(u) 關連人士

(i) 倘適用下列情況，該名人士或該名人士之近親家屬成員便被視為與本集團有關聯：

- (a) 對本集團有控制權或共同控制權；
- (b) 對本集團有重大影響力；或
- (c) 為本集團或本公司母公司主要管理人員。

(ii) 倘適用下列情況，該實體便被視為與本集團有關聯：

- (a) 該實體及本集團屬同一集團之成員（即各母公司、附屬公司及同系附屬公司互相關聯）。
- (b) 一個實體為另一實體之合營企業（或為某一集團之成員之聯營企業或合營企業，而該另一實體為此集團之成員）。
- (c) 兩個實體皆為相同第三方之合營企業。
- (d) 一個實體為第三實體之合營企業及另一實體為第三實體之聯營企業。
- (e) 該實體為本集團或與本集團有關聯之實體之僱員福利而設之離職後福利計劃。
- (f) 該實體受(i)部分所識別之人士控制或共同控制。
- (g) 於(i)(a)所識別對實體有重大影響之人士，或是實體（或實體之母公司）高級管理人員。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Related parties (Continued)

(iii) Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependents of that person or that person's spouse or domestic partner.

(v) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances and excluded value added tax or other sales related taxes.

(i) Sale of crude oil

Revenue is recognised when crude oil is delivered at the customers' premises which is taken to be the point in time when the customer has accepted the crude oil delivered and the related risks and rewards of ownership.

(ii) Sale of coalbed methane

Revenue from sale of coalbed methane is recognised when the coalbed methane is siphoned to the customers' tankers which is taken to be the point in time when the customer has accepted the coalbed methane delivered and the related risks and rewards of ownership.

Revenue from trial-sales of natural gas through pipeline is recognised when the natural gas passes through the gas reader built in CNG Gas Station which is taken to be the point in time when the customer has accepted the natural gas delivered and the related risks and rewards of ownership.

4. 主要會計政策 (續)

(u) 關連人士 (續)

(iii) 某一人士之近親家屬成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響之有關家屬成員並包括：

- (a) 該名人士之子女及配偶或家庭夥伴；
- (b) 該名人士之配偶或家庭夥伴之子女；及
- (c) 該名人士或該名人士之配偶或家庭夥伴之受養人。

(v) 收入確認

收入乃以已收或應收代價之公平值計量。收入已就估計客戶退貨、回扣及其他類似津貼作出扣減，惟不包括增值稅或其他銷售稅。

(i) 銷售原油

收入在原油送達客戶物業時(即視為客戶接收已送達原油及其擁有權相關之風險及回報時)確認。

(ii) 銷售煤層氣

煤層氣銷售收入在煤層氣吸入至客戶之油箱時(即視為客戶接收已送達煤層氣及其擁有權相關之風險及回報時)確認。

透過管道試銷售天然氣之收入在天然氣經過壓縮天然氣母站之天然氣儀表時(即視為客戶接收已送達天然氣及其擁有權相關之風險及回報時)確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Revenue recognition (Continued)

(iii) Interest income

Interest income is accrued on a time-apportioned basis by reference to the principal outstanding using the effective interest method.

(iv) Rental income

Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4. 主要會計政策 (續)

(v) 收入確認 (續)

(iii) 利息收入

利息收入就未償還本金額使用實際利率法按時間比例基準累計。

(iv) 租金收入

經營租賃之租金收入在相關租期內按直線法確認。

5. 重大會計判斷及估計不明朗因素之主要理據

於應用本集團之會計政策時，董事須就未能從其他來源取得之資產及負債之賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及其他被視為相關之因素而作出。實際結果可能有別於該等估計。

估計及相關假設會按持續基準檢討。會計估計之修訂於該估計修訂之期間確認（倘該修訂僅影響該期間），或於修訂期間及未來期間確認（倘該修訂影響現時及未來期間）。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(a) Critical judgements in applying the Group's accounting policies

(i) Units of production for depreciation and amortisation

Oil and gas properties are depreciated and intangible assets are amortised using the units of production method over total proved developed and undeveloped oil reserves. This results in depreciation and amortisation charge proportional to the depletion of the anticipated remaining production from the field. Each item's life, which is assessed annually, having regard to both its physical life limitations and to present assessments of economically recoverable reserves of the field at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves. The calculation of the units of production rate of depreciation and amortisation could be affected by actual future production which may differ from current forecast production based on total proved reserves. Changes to proved reserves could arise due to changes in the factors or assumptions used in estimating reserves, including price assumptions. If there is any changes in the assumptions used, the calculation will be changed prospectively.

(b) Key sources of estimation uncertainty

In the process of applying the Group's accounting policies which are described in note 4, management has made certain key assumptions concerning the future and other key sources of estimated uncertainty at the end of reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as discussed below.

5. 重大會計判斷及估計不明朗因素之主要理據(續)

(a) 本集團會計政策所應用之重大判斷

(i) 生產單位之折舊及攤銷

油氣資產及無形資產乃使用生產單位法就經證實已開發及未開發石油總儲量分別進行折舊及攤銷。這導致按油田之預計剩餘生產量消耗比例計之折舊及攤銷費用。各項目之壽命每年經考慮其實際壽命限制及資產所處之油田經濟上可採儲備之現時估計後評估。該等計算需要採用估計及假設，包括可採儲備量。生產單位之折舊率及攤銷率之計算可能受或不同於基於總證實儲量之當前估計生產量之實際未來生產量影響。證實儲量可能因估計儲量時採用之因素或假設(包括價格假設)變動而變動。若採用之假設發生任何變動，計算或將變動。

(b) 估計不明朗因素之主要理據

於應用本集團會計政策(載於附註4)之過程中，管理層曾就報告期間結束時估計不確定因素之未來及其他主要來源作出若干重要假設，有關假設可能帶有導致於下個財政年度對資產及負債之賬面值作出重大調整之重大風險，如下文討論。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(b) Key sources of estimation uncertainty (Continued)

(i) Impairment of intangible assets and property, plant and equipment

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, which requires significant judgement relating to level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and operating costs. Changes in these estimates could have a significant impact on the carrying value of the assets and could result in additional impairment charge or reversal of impairment in future periods.

(ii) Impairment of receivables

The Group performs impairment review for doubtful accounts based upon evaluation of the recoverability of the trade receivables and other receivables, where applicable, at each the end of reporting period. The estimates are based on the ageing of the trade receivable and other receivables balances and the historical write-off experience, net of recoveries. If the financial condition of the debtors were to deteriorate, additional impairment allowance may be required.

5. 重大會計判斷及估計不明朗因素之主要理據 (續)

(b) 估計不明朗因素之主要理據 (續)

(i) 無形資產以及物業、廠房及設備減值

資產之可收回金額為其淨售價及使用價值之較高者。在評估使用價值時，按除稅前折現率將估計之日後現金流量折現至現值，而有關折現率須反映現時市場所評估之金額之時間值及與資產相關之特定風險，當中須對收入水準及經營成本金額作出重大判斷。本集團利用所有現有資料對可收回金額作合理估算，包括基於合理及可支持之假設以及收入及經營費用之推算作估算。該等估計之變動可能對資產之賬面值造成重大影響，並可能導致在未來期間計提額外減值開支或作出減值撥回。

(ii) 應收款項減值

於每個報告期間結束時，本集團根據對應收賬款及其他應收賬款(倘適用)可收回性之評估就呆賬進行減值檢討。該等估計乃根據應收賬款及其他應收賬款結餘之賬齡及過往註銷經驗作出，並扣除收回之款項。倘債務人之財務狀況轉差，則可能需要作出額外減值撥備。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(b) Key sources of estimation uncertainty (Continued)

(iii) *Income taxes and deferred taxation*

The Group is subject to income taxes in a number of jurisdictions. Significant judgement is required in determining the provision for income taxes. Transactions and calculations may exist for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax 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 impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised to the extent that management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and tax in the periods in which such estimate is changed.

(iv) *Contingencies*

Periodically, the Group assesses potential liabilities related to any lawsuits or claims brought against the Group or any asserted claims. Although it is typically very difficult to determine the timing and ultimate outcome of such actions, the Group uses its best judgement to determine if it is probable that it will incur an expense related to the settlement or final adjudication of such matters and whether a reasonable estimation of such probable loss, if any, can be made. In accordance with HKAS 37, Provisions, Contingent Liabilities and Contingent Assets, the Group accrues a liability when it believes a loss is probable and the amount of loss can be reasonably estimated. Due to the inherent uncertainties related to the eventual outcome of litigation, although the Group believes that the estimates and judgement are reasonable, it is possible that certain matters may be resolved for amounts materially different from any estimated provisions or previous disclosures.

5. 重大會計判斷及估計不明朗因素之主要理據 (續)

(b) 估計不明朗因素之主要理據 (續)

(iii) *所得稅及遞延稅項*

本集團須繳納不同司法權區之所得稅。釐定所得稅撥備時需要作出重大判斷。許多交易及計算方法在日常業務過程中難以確定最終稅項。本集團按照會否出現額外應繳稅項之估計確認預期稅務事宜所產生之負債。倘該等事宜之最終稅務結果與起初記賬之金額不同，則該等差額將會影響作出有關決定期間之所得稅及遞延稅項撥備。

由於管理層認為日後應課稅溢利可能用於抵銷暫時差額或稅項虧損，故確認與若干暫時差額及稅項虧損有關之遞延稅項資產。倘預期有別於原本估計，則有關差異將於有關估計變動之期間影響遞延稅項資產及稅項之確認。

(iv) *或有事項*

本集團定期評估任何有關向本集團提出之訴訟或申索或任何聲稱申索之潛在負債。儘管一般而言難以確定該等事宜之時間及最終結果，本集團將作出最佳判斷確定會否因和解或最終判決該等事宜而產生開支，以及能否就該等可能虧損(如有)作出合理估計。根據香港會計準則第37號撥備、或有負債及或有資產，本集團於其相信有可能出現虧損並可合理地估計虧損金額時產生負債。由於訴訟最終結果內在之不穩定因素，儘管本集團相信估計及判斷屬合理，仍可能導致若干事宜獲解決金額與估計撥備或先前披露者出現重大差異。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(b) Key sources of estimation uncertainty (Continued)

(v) Oil and gas reserves

Engineering estimates of the Group's oil and gas reserves are inherently imprecise and represent only approximate amounts because of the subjective judgement involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated oil reserves can be designated as 'proved' and 'probable'. Proved and probable oil and gas reserve estimates are updated on regular intervals taking into account recent production and technical information about each oil and gas field. In addition, as prices and cost levels change from year to year, the estimate of proved and probable oil and gas reserves also changes. This change is considered a change in estimate for accounting purposes and is reflected on a prospective basis in the related depreciation rate and amortisation rate of oil and gas properties and intangible assets respectively.

Despite the inherent imprecision, engineering estimates are used in determining depreciation and amortisation charges and impairment losses. The oil and gas properties and operation rights are amortised using the units of production method based on the proved and probable oil and gas reserves.

(vi) Estimation of impairment on exploration and evaluation assets

The Group tests the exploration and evaluation assets for impairment according to accounting policies stated in notes 4(h) and 4(r). The assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates. While conducting an impairment review of the assets, the Group makes certain judgement in making assumptions about the future gas prices and production costs, changes in these estimates may result in significant variance to the statement of comprehensive income.

5. 重大會計判斷及估計不明朗因素之主要理據 (續)

(b) 估計不明朗因素之主要理據 (續)

(v) 油氣儲量

鑒於編製有關資料涉及主觀判斷，本集團油氣儲量之工程估計存有內在不精確性，並僅屬相若數額。在估計石油儲量可確定為「證實儲量」及「概略儲量」之前，需要遵從若干有關工程標準之權威性指引。證實及概略油氣儲量之估計須定期更新，並計入各個油氣田最近之生產及技術資料。此外，由於價格及成本水平按年變更，因此，證實及概略油氣儲量之估計也會出現變動。就會計目的而言，該變動視為估計變更處理，並按預期基準分別反映於有關油氣資產之折舊率及無形資產之攤銷率中。

儘管工程估計存有內在不精確性，但該等估計可用作釐定折舊及攤銷費用及減值虧損。油氣資產及營運權按證實及概略油氣儲量以生產單位法攤銷。

(vi) 估計勘探及評估資產之減值

本集團根據附註4(h)及4(r)所載之會計政策為勘探及評估資產進行減值測試。有關資產在事件或情況改變，顯示有關資產之賬面值超逾其可收回款額時進行減值檢討。一項資產或一個現金產生單位之可收回金額乃根據其使用價值之基準（就此而言，需要採用假設及估計）而釐定。在進行資產之減值檢討時，本集團須就未來之燃氣價格及生產成本假設作出若干判斷，倘此等估計改變，或會導致全面收益表出現重大變動。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(b) Key sources of estimation uncertainty (Continued)

(vii) Estimation of assets retirement obligations

Provision is recognised for the future decommissioning and restoration of oil and gas properties. The amount of provision recognised is the present value of the estimate future expenditure. The estimation of the future expenditure is based on current local conditions and requirements, including legal requirements, technology, price level, etc. In addition to these factors, the present value of these estimated future expenditure is also impacted by the estimation of the economic lives of oil properties. Changes in any of these estimates will impact the operating results and the financial position of the Group over the remaining economic lives of the oil properties.

6. TURNOVER

The principal activities of the Group are operation of (i) exploitation and sale of crude oil and natural gas and (ii) exploration, development and production of coalbed methane. Since the operation of exploration, development and production of coalbed methane is in the exploration stage, revenue generated from trial sales was not recorded as turnover during the years 2014 and 2013.

The amount of revenue recognised in turnover during the year was as follows:

	2014 HK\$'000 千港元	2013 HK\$'000 千港元
Sale of crude oil 銷售原油	<u>16,540</u>	<u>21,598</u>

5. 重大會計判斷及估計不明朗因素之主要理據 (續)

(b) 估計不明朗因素之主要理據 (續)

(vii) 對資產棄置報廢之估計

本集團就油氣資產未來之棄置及重置確認撥備，其金額乃確認為估計未來開支之現值。未來開支之估計乃基於當地現有狀況及有關規定作出，包括法律規定、技術及價格水平等。除該等因素外，對石油資產經濟年期之估計亦會影響估計未來開支之現值。任何該等估計之變動將影響本集團於石油資產之剩餘經濟年內之經營業績及財務狀況。

6. 營業額

本集團之主要業務是經營(i)開採及銷售原油及天然氣及(ii)勘探、開發及生產煤層氣。由於勘探、開發及生產煤層氣之業務尚在勘探階段，故此於2014年及2013年內因試銷售而產生的收入並未入賬列作營業額。

年內在營業額確認之收入款額如下：

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

7. OTHER REVENUE

7. 其他收入

		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Interest income	利息收入		
– bank deposits	– 銀行存款	458	579
– short-term investment	– 短期投資	3,055	–
– others	– 其他	74	–
Total interest income on financial assets that are not at fair value through profit or loss	並非按公平值於損益列賬之財務資產之利息收入總額	3,587	579
Income from sale of coalbed methane – note (i)	煤層氣的銷售收入 – 附註(i)	63,441	38,899
Government subsidies – note (ii)	政府補貼 – 附註(ii)	6,757	–
Sub-lease income	分租收入	1,665	852
Others	其他	935	2,142
		76,385	42,472

Notes:

- (i) It represents trial sales of coalbed methane generated from the Sanjiao production sharing contract (“Sanjiao PSC”).
- (ii) It represents the regular subsidies from relevant government authority on the trial sales of coalbed methane from the Sanjiao PSC for the years from 2012 to 2013.

附註：

- (i) 此乃於三交產品分成合同中產生的煤層氣試銷售。
- (ii) 此乃相關政府部門對三交產品分成合同由2012年度至2013年產生之煤層氣試銷售的恆常補貼。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

8. OTHER LOSSES, NET

8. 其他虧損淨額

		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Loss on extinguishment of financial liabilities (note 38(a)(iv))	抵銷財務負債之虧損 (附註38(a)(iv))	-	(25,247)
Loss on disposal/write off of property, plant and equipment	出售/註銷物業、廠房及設備之虧損	(692)	(7)
Change in fair value of warrant liability	認股權證負債公平值變動	1,527	-
Deposits and other receivables written off	按金及其他應收賬款註銷	(3,642)	(534)
Exchange losses, net	匯兌虧損淨額	(33)	(48)
Gain on disposal of subsidiaries (note 39)	出售附屬公司收益 (附註39)	1,714	-
		<u>1,126</u>	<u>(25,836)</u>

9. PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE

9. 除所得稅支出前溢利/(虧損)

Profit/(loss) before income tax expense is arrived at after charging/(crediting):

除所得稅支出前溢利/(虧損)已扣除/(計入):

		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
(a) Finance costs	(a) 融資成本		
Amortisation of convertible notes transactions costs (note 34)	可換股票據的交易成本之攤銷(附註34)	2,811	1,874
Amortisation of warrant liability transaction cost (note 31)	認股權證負債的交易成本之攤銷(附註31)	2,000	-
Interest on borrowings wholly repayable within five years	須於五年內全部償還的借款利息	38,172	49,932
Imputed interest on convertible notes (note 34)	可換股票據之應歸利息(附註34)	26,690	21,775
Imputed interest on other loan (note 31)	其他借款之應歸利息(附註31)	6,134	-
Interest on late payment charged by a subcontractor	承建商收取逾期款項之利息	-	52,536
Others	其他	717	590
		<u>76,524</u>	<u>126,707</u>
Less: interest capitalised as gas exploration and evaluation assets (note 18)	減: 天然氣勘探及評估資產之資本化利息(附註18)	(76,195)	(126,682)
		<u>329</u>	<u>25</u>

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

9. PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE (Continued)

9. 除所得稅支出前溢利／（虧損）（續）

		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
(b) Staff costs (including directors' remuneration in note 11)	(b) 員工成本（包括附註11之董事酬金）		
Salaries, wages and other benefits	薪金、工資及其他福利	35,327	36,097
Contributions to defined contribution retirement plan	定額供款退休計劃之供款	1,587	1,726
		<u>36,914</u>	<u>37,823</u>
(c) Other items	(c) 其他項目		
Auditor's remuneration	核數師酬金	1,550	1,450
Depreciation of property, plant and equipment (note 17)	物業、廠房及設備折舊（附註17）	3,798	3,516
Amortisation of intangible assets# (note 19)	無形資產之攤銷#（附註19）	549	823
Minimum lease payments under operating lease – property rentals	經營租賃之最低租賃款項 – 物業租金	6,291	5,878

Included in "direct costs" in the consolidated statement of profit or loss and other comprehensive income.

計入綜合損益及其他全面收益表之「直接成本」。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

10. INCOME TAX CREDIT/(EXPENSE)

No provision for Hong Kong profits tax has been made as the group companies did not have any estimated assessable profits subject to Hong Kong profits tax during the years ended 31 December 2014 and 2013. During the years ended 31 December 2014 and 2013, the subsidiaries in the PRC were subject to statutory tax rate of 25%.

- (i) The amount of income tax expense credited/(charged) to the consolidated statement of profit or loss and other comprehensive income represents:

10. 所得稅抵減／(支出)

截至2014年及2013年12月31日止年度內，由於集團公司並無須繳納香港利得稅之估計應課稅溢利，故並無計提香港利得稅撥備。截至2014年及2013年12月31日止年度內，位於中國之附屬公司按法定稅率25%繳納稅項。

- (i) 計入／(扣除)綜合損益及其他全面收益表的所得稅包括：

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Current income tax	即期所得稅		
– PRC enterprises income tax	– 中國企業所得稅	–	–
Deferred tax for the year (note 35)	年內之遞延稅項(附註35)	1,701	(2,820)
Income tax credit/(expense)	所得稅抵減／(支出)	1,701	(2,820)

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

10. INCOME TAX CREDIT/(EXPENSE) (Continued)

(ii) The income tax credit/(expense) for the year can be reconciled to the Group's profit/(loss) before income tax expense per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅抵減／(支出)(續)

(ii) 本年度之所得稅抵減／(支出)與綜合損益及其他全面收益表之本集團除所得稅支出前溢利／(虧損)對賬如下：

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
(Profit)/loss before income tax expense	除所得稅支出前 (溢利)／虧損	(8,719)	58,512
Tax credit on (profit)/loss before income tax expense, calculated at 25% (2013: 25%)	除所得稅支出前(溢利)／虧損 稅項抵減，按25%計算 (2013年：25%)	(2,179)	14,628
Effect of different tax rates of subsidiaries operating in other jurisdiction	於其他司法權區營運之附屬公司 不同稅率之影響	741	(4,572)
Tax effect of non-deductible expenses and non-taxable income	不可扣除支出及毋須課稅收入 之稅務影響	3,121	(12,266)
Tax effect of utilisation/(origination) of tax loss not recognised	未確認之稅項虧損之動用／(產生) 之稅務影響	18	(610)
Income tax credit/(expense)	所得稅抵減／(支出)	<u>1,701</u>	<u>(2,820)</u>

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

11. DIRECTORS' REMUNERATION

Directors and the chief executive's remuneration disclosed pursuant to the Listing Rules and section 78 of Schedule 11 to Hong Kong Companies Ordinance, Cap.622 which requires compliance with section 161 of the Hong Kong Companies Ordinance (Cap. 32) is as follows:

For the year ended 31 December 2014

		Directors' fees	Salaries, allowances and benefits	Retirement scheme contributions	Total
		薪金、津貼及福利	退休計劃供款		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors	執行董事				
Dai Xiaobing	戴小兵	-	2,197	17	2,214
King Hap Lee	景哈利	-	2,000	17	2,017
Zhu Danping ¹	朱耽平 ¹	-	883	-	883
Wang Ziming ²	王自明 ²	-	922	7	929
Wan Tze Fan Terence	溫子勳	-	2,000	17	2,017
		-	8,002	58	8,060
Independent non-executive directors	獨立非執行董事				
Wong Kwok Chuen Peter	黃國全	200	-	-	200
Wong Lung Tak Patrick	黃龍德	200	-	-	200
Wang Yanbin	王延斌	200	-	-	200
Dang Weihua ³	黨偉華 ³	200	-	-	200
		800	-	-	800
Non-executive directors	非執行董事				
Kong Siu Tim ²	江少甜 ²	88	-	-	88
Ma Tengying ⁴	馬騰營 ⁴	-	-	-	-
Chen Hua ⁵	陳華 ⁵	112	-	-	112
Huang Shaowu ⁵	黃紹武 ⁵	112	-	-	112
He Lin Feng ⁶	何林峰 ⁶	72	-	-	72
		384	-	-	384
		1,184	8,002	58	9,244

11. 董事酬金

根據上市規則及香港公司條例(第622章)附表11第78條(遵照香港公司條例(第32章)第161條)披露之董事及最高行政人員酬金如下:

截至2014年12月31日止年度

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

11. DIRECTORS' REMUNERATION (Continued)

For the year ended 31 December 2013

11. 董事酬金 (續)

截至2013年12月31日止年度

		Directors' fees	Salaries, allowances and benefits	Retirement scheme contributions	Total
		董事袍金	薪金、津貼 及福利	退休計劃 供款	總計
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
		千港元	千港元	千港元	千港元
Executive directors	執行董事				
Dai Xiaobing	戴小兵	-	2,000	15	2,015
King Hap Lee	景哈利	-	2,000	15	2,015
Zhu Danping ¹	朱耽平 ¹	-	1,127	-	1,127
Wang Ziming ²	王自明 ²	-	2,000	15	2,015
Wan Tze Fan Terence	溫子勳	-	2,000	15	2,015
Xu Zucheng ⁷	徐祖成 ⁷	-	833	-	833
		-	9,960	60	10,020
Independent non-executive directors	獨立非執行董事				
Wong Kwok Chuen Peter	黃國全	200	-	-	200
Wong Lung Tak Patrick	黃龍德	200	-	-	200
Wang Yanbin	王延斌	200	-	-	200
Dang Weihua ³	黨偉華 ³	87	-	-	87
		687	-	-	687
Non-executive directors	非執行董事				
Kong Siu Tim ²	江少甜 ²	200	-	-	200
Ma Tengying ⁴	馬騰營 ⁴	-	-	-	-
		200	-	-	200
		887	9,960	60	10,907

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

11. DIRECTORS' REMUNERATION (Continued)

Notes:

1. Appointed as chief executive officer in June 2013 and resigned in June 2014.
2. Resigned in June 2014.
3. Appointed in July 2013.
4. Appointed in April 2013.
5. Appointed in June 2014.
6. Appointed in August 2014.
7. Appointed as executive director and chief executive office in March 2012 and September 2012 respectively. Resigned from both positions in June 2013.

During the year, no emoluments (2013: HK\$Nil) were paid by the Group to any of the directors as an inducement to join or upon joining the Group or as a compensation for loss of office. None of the directors waived or agreed to waive any remuneration for the years ended 31 December 2014 and 2013.

12. INDIVIDUALS WITH HIGHEST EMOLUMENTS

All the five individuals with the highest emoluments in the Group (2013: five) were directors of the Company whose emoluments are disclosed in note 11.

11. 董事酬金 (續)

附註：

1. 於2013年6月獲委任為行政總裁，並於2014年6月辭任。
2. 於2014年6月辭任。
3. 於2013年7月獲委任。
4. 於2013年4月獲委任。
5. 於2014年6月獲委任。
6. 於2014年8月獲委任。
7. 於2012年3月及2012年9月分別獲委任為執行董事及行政總裁，並於2013年6月辭任上述職位。

年內，本集團並無向任何董事支付酬金（2013年：零港元）作為彼等加入或於加入本集團時之獎勵或作為離職之補償。截至2014年及2013年12月31日止年度，概無董事放棄或同意放棄任何酬金。

12. 最高薪人士

本集團所有五位最高薪人士（2013年：五位）均為本公司之董事，其酬金已在附註11披露。

12. INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued)

The emoluments paid or payable to members of senior management (non-director individual) were within the following bands:

Below HK\$1,000,000	1,000,000港元以下
HK\$1,000,000 – HK\$1,500,000	1,000,000港元至1,500,000港元

No emoluments were paid by the Group to the above highest paid non-director individual as an inducement to join or upon joining the Group or as a compensation for loss of office.

13. PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

The profit/(loss) attributable to owners of the Company includes a loss of HK\$49,453,000 (2013: HK\$42,563,000) which has been dealt with in the financial statements of the Company.

14. DIVIDEND

The directors do not recommend the payment of any dividend for the year ended 31 December 2014 (2013: Nil).

12. 最高薪人士 (續)

已支付或應付予高級管理層成員(非董事人士)之酬金介乎下列範圍:

2014 Number of individuals 人數	2013 Number of individuals 人數
5	2
1	2
6	4

本集團並無向上述最高薪非董事人士支付酬金作為彼加入或於加入本集團時之獎勵或作為離職之補償。

13. 本公司擁有人應佔溢利/(虧損)

本公司擁有人應佔溢利/(虧損)包括已載於本公司財務報表之虧損49,453,000港元(2013年: 42,563,000港元)。

14. 股息

董事不建議派發截至2014年12月31日止年度任何股息(2013年: 無)。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

15. EARNING/(LOSS) PER SHARE

(a) Basic earning/(loss) per share

The calculation of basic earning/(loss) per share is based on the profit attributable to owners of the Company of HK\$10,420,000 (2013: loss of HK\$61,332,000) and the weighted average number of 16,386,807,000 (2013: 13,142,713,000) ordinary shares in issue during the year.

(b) Diluted earning/(loss) per share

The calculation of the diluted earning/(loss) per share attributable to the owners of the Company is based on the following data:

15. 每股盈利／（虧損）

(a) 每股基本盈利／（虧損）

每股基本盈利／（虧損）乃根據本公司擁有人應佔溢利10,420,000港元（2013年：虧損61,332,000港元），以及年內已發行普通股之加權平均數16,386,807,000股（2013年：13,142,713,000股）計算。

(b) 每股攤薄盈利／（虧損）

本公司擁有人應佔每股攤薄盈利／（虧損）乃按以下數據計算：

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Profit/(loss) for the purposes of basic earning/(loss) per share	計算每股基本盈利／（虧損）之溢利／（虧損）	10,420	(61,332)
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
– Imputed interest on convertible notes	– 可換股票據之應歸利息	26,690	–
– Amortisation of convertible notes transaction costs	– 可換股票據交易成本之攤銷	2,811	–
Less: interest capitalised as gas exploration and evaluation assets	減：天然氣勘探及評估資產之資本化利息	(29,501)	–
Profit/(loss) for the purposes of diluted earning/(loss) per share	計算每股攤薄盈利／（虧損）之溢利／（虧損）	10,420	(61,332)

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

15. EARNING/(LOSS) PER SHARE (Continued)

(b) Diluted earning/(loss) per share (Continued)

Weighted average number of ordinary shares in issue during the year	年內已發行普通股之加權平均數
Effect of dilutive potential ordinary shares: – Convertible notes	潛在攤薄普通股之影響： – 可換股票據
Weighted average number of ordinary shares in issue during the year for the purposes of diluted earning/(loss) per share	計算每股攤薄盈利/(虧損)之年內已發行普通股之加權平均數

For the year ended 31 December 2014, the computation of diluted earning per share does not assume the exercise of the Company's outstanding share options and warrants as the exercise price of those share options and warrants is higher than the average market price for shares.

For the year ended 31 December 2013, the computation of diluted loss per share does not assume the conversion of the Company's outstanding share options, warrants and convertible notes since their exercise would have an anti-dilutive effect on the basic loss per share.

15. 每股盈利/(虧損)(續)

(b) 每股攤薄盈利/(虧損)(續)

	2014 '000 千股	2013 '000 千股
	16,386,807	13,142,713
	898,204	–
	17,285,011	13,142,713

截至2014年12月31日止年度，計算每股攤薄盈利時並無假設行使本公司尚未行使購股權及認股權證，乃由於該等購股權及認股權證之行使價高於股份之平均市價。

截至2013年12月31日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未行使購股權、認股權證及可換股票據，乃由於有關行使對每股基本虧損具有反攤薄影響。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

16. SEGMENT REPORTING

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

The Group has two (2013: two) reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

Oil and gas exploitation: Exploitation and sale of crude oil and natural gas

Coalbed methane: Exploration, development and production of coalbed methane

There are no sales or trading transactions between the business segments. Corporate revenue and expenses are not allocated to the operating segments as they are not included in the measurement of the segments' used by the chief operating decision-maker in the assessment of segment performance.

16. 分部報告

本集團按主要經營決策者審閱並用以作出策略性決策之報告釐定其經營分部。

本集團擁有兩個(2013年：兩個)可報告分部。由於各自業務提供不同產品及服務需要不同業務策略，故分部須獨立管理。以下為本集團各可報告分部營運之概要：

石油和天然氣開採： 開採及銷售原油和天然氣

煤層氣： 勘探，開發和生產煤層氣

業務分部間並無出售或買賣交易。企業收入及開支不分配至各經營分部，原因是主要經營決策者評估分部表現的分部業績計算並無包括有關收益及開支在內。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

16. SEGMENT REPORTING (Continued)

(a) Business segments

Segment information about these businesses is set out as follows:

For the year ended 31 December 2014

16. 分部報告(續)

(a) 業務分部

有關該等業務之分部資料載列如下：

截至2014年12月31日止年度

		Oil and gas exploitation 石油和 天然氣開採 HK\$'000 千港元	Coalbed methane 煤層氣 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Results	業績				
Revenue from external customers	來自外界客戶之收入	16,540	-	-	16,540
Segment results ^{(i)&(ii)}	分部業績 ^{(i)&(ii)}	(7,300)	51,614	(32,427)	11,887
Finance costs	融資成本	(229)	-	(100)	(329)
Gain on disposal of subsidiaries	出售附屬公司收益	-	-	1,714	1,714
Deposits and other receivables written off	按金及其他應收賬款註銷	-	(3,642)	-	(3,642)
Share of loss of a joint venture	應佔一家合營企業虧損	(628)	-	-	(628)
Share of loss of an associate	應佔一家聯營公司虧損	-	(283)	-	(283)
Profit/(loss) before income tax expense	除所得稅支出前 溢利/(虧損)	(8,157)	47,689	(30,813)	8,719
Income tax credit	所得稅抵減	1,701	-	-	1,701
Profit/(loss) for the year	本年度溢利/(虧損)	(6,456)	47,689	(30,813)	10,420
Assets and liabilities	資產及負債				
Reportable segment assets ⁽ⁱⁱⁱ⁾	可報告分部資產 ⁽ⁱⁱⁱ⁾	734,579	3,868,464	96,136	4,699,179
Reportable segment liabilities ⁽ⁱⁱⁱ⁾	可報告分部負債 ⁽ⁱⁱⁱ⁾	20,644	434,270	190,276	645,190
Other segment information	其他分部資料				
Depreciation and amortisation	折舊及攤銷	1,917	1,989	441	4,347
Capital expenditure incurred during the year	年內產生之資本支出	23	180,046	2,622	182,691

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

16. SEGMENT REPORTING (Continued)

(a) Business segments (Continued)

Segment information about these businesses is set out as follows:

For the year ended 31 December 2013

16. 分部報告(續)

(a) 業務分部(續)

有關該等業務之分部資料載列如下：

截至2013年12月31日止年度

		Oil and gas exploitation 石油和 天然氣開採 HK\$' 000 千港元	Coalbed methane 煤層氣 HK\$' 000 千港元	Unallocated 未分配 HK\$' 000 千港元	Total 總計 HK\$' 000 千港元
Results	業績				
Revenue from external customers	來自外界客戶之收入	21,598	–	–	21,598
Segment results ^{(i)&(ii)}	分部業績 ^{(i)&(ii)}	(10,075)	15,057	(62,614)	(57,632)
Finance costs	融資成本	(25)	–	–	(25)
Share of loss of a joint venture	應佔一家合營企業虧損	(232)	–	–	(232)
Share of loss of an associate	應佔一家聯營公司虧損	–	(623)	–	(623)
(Loss)/profit before income tax expense	除所得稅支出前 (虧損)/溢利	(10,332)	14,434	(62,614)	(58,512)
Income tax expense	所得稅支出	(2,820)	–	–	(2,820)
(Loss)/profit for the year	本年度(虧損)/溢利	(13,152)	14,434	(62,614)	(61,332)
Assets and liabilities	資產及負債				
Reportable segment assets ⁽ⁱⁱⁱ⁾	可報告分部資產 ⁽ⁱⁱⁱ⁾	475,176	3,787,872	12,351	4,275,399
Reportable segment liabilities ⁽ⁱⁱⁱ⁾	可報告分部負債 ⁽ⁱⁱⁱ⁾	28,992	648,609	150,561	828,162
Other segment information	其他分部資料				
Depreciation and amortisation	折舊及攤銷	2,222	1,752	365	4,339
Capital expenditure incurred during the year	年內產生之資本支出	1,375	295,550	66	296,991

16. SEGMENT REPORTING (Continued)**(a) Business segments (Continued)**

Notes:

- (i) Unallocated results mainly include salaries, rental expense and professional fees for Hong Kong head office and loss on extinguishment of financial liabilities.
- (ii) Included in the segment result of coalbed methane segment are revenue of HK\$63,441,000 (2013: HK\$38,899,000) from the trial sales of coalbed methane generated from the Sanjiao PSC and government subsidies of HK\$6,757,000 (2013: Nil).
- (iii) Unallocated assets mainly include cash and cash equivalents and short term investment and unallocated liabilities mainly include convertible notes and warrant liability.

(b) Geographical information and major customers

The following table provides and analysis of the Group's revenue from an external customer and non-current assets other than deposits paid, interest in a joint venture and interest in an associate ("specified non-current assets").

16. 分部報告 (續)**(a) 業務分部 (續)**

附註：

- (i) 未分配業績主要包括薪金、租金、專業費用等香港總辦事處開支及抵銷財務負債之虧損。
- (ii) 2014年煤層氣之分部業績包括63,441,000港元(2013年:38,899,000港元)來自於三交產品分成合同之試銷售收入及政府補貼6,757,000港元(2013年:無)。
- (iii) 未分配資產主要包括現金及現金等價物以及短期投資,未分配負債主要包括可換股票據及認股權證負債。

(b) 地區資料及主要客戶

下表就本集團來自外界客戶之收益及除已付按金、於一家合營企業之權益及於一家聯營公司之權益以外之非流動資產(「指定非流動資產」)進行分析。

		Revenue from external customers 來自外界客戶之收入		Specified non-current assets 指定非流動資產	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Hong Kong (place of domicile)	香港(所在地)	-	-	3,733	1,594
The PRC	中國	16,540	21,598	4,208,835	4,079,185
		16,540	21,598	4,212,568	4,080,779

During the year, revenues from the Group's sole customer were HK\$16,540,000 (2013: HK\$21,598,000), being 100% (2013: 100%) of the Group's total revenue from the oil and gas exploitation segment.

年內,來自本集團唯一客戶之收益為16,540,000港元(2013年:21,598,000港元),佔本集團石油和天然氣開採分部收益總額之100%(2013年:100%)。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

17. PROPERTY, PLANT AND EQUIPMENT

The Group

17. 物業、廠房及設備

本集團

		Leasehold improvements	Construction in progress	Oil and gas properties	Furniture, fixtures and office equipment	Motor vehicles	Total
		租賃 物業裝修	在建工程	油氣資產	傢俬、 固定裝置及 辦公室設備	汽車	總計
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
		千港元	千港元	千港元	千港元	千港元	千港元
			(note)				
			(附註)				
Costs:	成本：						
At 1 January 2013	於2013年1月1日	3,773	22,755	258,234	3,736	10,160	298,658
Additions	添置	-	-	-	396	1,305	1,701
Transfer	轉撥	-	(119)	-	-	(139)	(258)
Exchange adjustments	匯兌調整	111	673	7,660	99	211	8,754
At 31 December 2013	於2013年12月31日	3,884	23,309	265,894	4,231	11,537	308,855
Additions	添置	27	-	-	211	1,588	1,826
Disposal/Written off	出售/註銷	(2,770)	-	-	-	-	(2,770)
Disposal of subsidiaries (note 39(a))	出售附屬公司(附註39(a))	(41)	-	-	(570)	(2,069)	(2,680)
Exchange adjustments	匯兌調整	(73)	(573)	(6,539)	(89)	(165)	(7,439)
At 31 December 2014	於2014年12月31日	1,027	22,736	259,355	3,783	10,891	297,792

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

17. PROPERTY, PLANT AND EQUIPMENT (Continued)

17. 物業、廠房及設備(續)

		Leasehold improvements	Construction in progress	Oil and gas properties	Furniture, fixtures and office equipment	Motor vehicles	Total
		租賃 物業裝修	在建工程	油氣資產	傢俬、 固定裝置及 辦公室設備	汽車	總計
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
		千港元	千港元	千港元	千港元	千港元	千港元
			(note)				
			(附註)				
Accumulated depreciation and impairment:	累計折舊及減值：						
At 1 January 2013	於2013年1月1日	1,032	-	61,201	1,486	5,092	68,811
Charge for the year (note 9(c))	年內支出(附註9(c))	649	-	977	285	1,605	3,516
Written off	註銷	-	-	-	-	(132)	(132)
Exchange adjustments	匯兌調整	41	-	1,829	33	87	1,990
At 31 December 2013	於2013年12月31日	1,722	-	64,007	1,804	6,652	74,185
Charge for the year (note 9(c))	年內支出(附註9(c))	648	-	694	683	1,773	3,798
Written off	註銷	(2,078)	-	-	-	-	(2,078)
Disposal of subsidiaries (note 39(a))	出售附屬公司(附註39(a))	(34)	-	-	(539)	(2,069)	(2,642)
Exchange adjustments	匯兌調整	(27)	-	(1,580)	(36)	(70)	(1,713)
At 31 December 2014	於2014年12月31日	231	-	63,121	1,912	6,286	71,550
Carrying amount:	賬面值：						
At 31 December 2014	於2014年12月31日	796	22,736	196,234	1,871	4,605	226,242
At 31 December 2013	於2013年12月31日	2,162	23,309	201,887	2,427	4,885	234,670

Note: It represents oil and gas properties under construction as at the end of the reporting period.

附註：其表示於報告期間結束時之在建油氣資產。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

18. GAS EXPLORATION AND EVALUATION ASSETS

The Group

Cost:

At 1 January 2013
Additions*
Interest capitalised (note 9(a))
Exchange adjustments

At 31 December 2013
Additions*
Interest capitalised (note 9(a))
Exchange adjustments

At 31 December 2014

成本：

於2013年1月1日
添置*
資本化利息(附註9(a))
匯兌調整

於2013年12月31日
添置*
資本化利息(附註9(a))
匯兌調整

於2014年12月31日

18. 天然氣勘探及評估資產

本集團

HK\$' 000
千港元

3,272,934
168,608
126,682
34,251

3,602,475
103,851
76,195
(33,473)

3,749,048

* The amount included adjustment for an increase in provision for environmental restoration and decommissioning costs of HK\$551,000 (2013: decrease in provision of HK\$253,000) (note 32).

The operations of Power Great Limited and its subsidiary ("Power Great Group") are governed by and based on the Sanjiao PSC. Details of the Sanjiao PSC are set out in note 40.

As at 31 December 2014 and 2013, the major components of gas exploration and evaluation assets were exploration right, exploratory drilling and trenching costs. The directors have assessed the gas exploration and evaluation assets for impairment in accordance with the criteria under HKFRS 6 and by reference to the progress in the implementation of the Sanjiao PSC during the year, and the valuation report prepared by the Asset Appraisal Limited, an independent firm of professional valuers, which possesses the relevant professional qualifications and experience. The directors concluded that there are no facts or circumstances which may indicate that the carrying amount of gas exploration and evaluation assets has exceeded the recoverable amount as at the end of reporting period.

* 該金額包括提供環境修復和停止使用費的撥備增加551,000港元(2013年:撥備減少253,000港元)(附註32)作出之調整。

威遠有限公司及其附屬公司(「威遠集團」)之營運受三交產品分成合同約束,並據此進行。三交產品分成合同之詳情載於附註40。

於2014年及2013年12月31日,天然氣勘探及評估資產主要由勘探權、勘探鑽井及槽探成本組成。董事已根據香港財務報告準則第6號之標準並參考年內三交產品分成合同之執行進度及一份由獨立專業評估公司—中誠達資產評估顧問有限公司編製之估值報告對天然氣勘探及評估資產進行減值評估,該公司具有相關專業資格及經驗。董事推定,於報告期間終結日,不存在事實或情況表明天然氣勘探及評估資產之賬面值已超過其可收回金額。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

19. INTANGIBLE ASSETS

The Group

19. 無形資產

本集團

		Motor vehicle registration license 汽車 登記牌照 HK\$'000 千港元	Operation rights 營運權 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Costs:	成本：			
At 1 January 2013	於2013年1月1日	910	251,751	252,661
Exchange adjustments	匯兌調整	–	7,468	7,468
At 31 December 2013	於2013年12月31日	910	259,219	260,129
Additions	添置	819	–	819
Exchange adjustments	匯兌調整	–	(6,375)	(6,375)
At 31 December 2014	於2014年12月31日	1,729	252,844	254,573
Accumulated amortisation:	累計攤銷：			
At 1 January 2013	於2013年1月1日	–	25,573	25,573
Amortisation for the year (note 9(c))	本年度攤銷(附註9(c))	–	823	823
Exchange adjustments	匯兌調整	–	773	773
At 31 December 2013	於2013年12月31日	–	27,169	27,169
Amortisation for the year (note 9(c))	本年度攤銷(附註9(c))	–	549	549
Exchange adjustments	匯兌調整	–	(672)	(672)
At 31 December 2014	於2014年12月31日	–	27,046	27,046
Carrying amount:	賬面值：			
At 31 December 2014	於2014年12月31日	1,729	225,798	227,527
At 31 December 2013	於2013年12月31日	910	232,050	232,960

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

19. INTANGIBLE ASSETS (Continued)

Operation rights

The Group's operation rights represent the rights under two (2013: two) development contracts and one (2013: one) production sharing contract which give the Group the rights to participate in the production of crude oil with details as follows:

Oil fields 油田	Location 地點	Expiry date 到期日
1. Liuluoyu Oil Field 柳洛峪油田	Shaanxi Province, the PRC 中國陝西省	2023
2. Yanjiawan Oil Field 閻家灣油田	Shaanxi Province, the PRC 中國陝西省	2023
3. Jinzhuang Oil Field 金庄油田	Shaanxi Province, the PRC 中國陝西省	2025

The operation rights are initially recognised at their fair value on the date of acquisition by reference to a professional valuation prepared by Asset Appraisal Limited. Subsequent to the reporting period, the operation rights are measured using the cost mode.

Amortisation is provided to write off the cost of the operation rights using the units of production method based on the amount of proved and probable oil and gas reserves. Amortisation is charged to "direct costs" in the consolidated statement of profit or loss and other comprehensive income.

19. 無形資產(續)

營運權

本集團之營運權乃兩份(2013年:兩份)開發合同及一份(2013年:一份)產品分成合同內之權利,讓本集團有權參與原油生產,詳情如下:

營運權初步按收購當日之公平值經參考中誠達資產評估顧問有限公司進行之專業估值後確認。於報告期間後,營運權採用成本模式計量。

撇銷營運權成本乃按證實及概略油氣儲量以生產單位法進行攤銷。攤銷在綜合損益及其他全面收益表之「直接成本」內扣除。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

20. INTEREST IN A JOINT VENTURE

The Group

As at 1 January	於1月1日
Share of loss for the year	年內分佔虧損
Dividend received	已收股息
As at 31 December	於12月31日

The Group has a 50% (2013: 50%) interest in a joint venture, Smart Win International Limited, a separate structured vehicle incorporated in the British Virgin Island ("BVI") and operating in Hong Kong. The primary activity of Smart Win International Limited is investment holding.

The contractual arrangement provides the Group with only the rights to the net assets of the joint arrangement, with the rights to the assets and obligation for the liabilities of the joint arrangement resting primarily with Smart Win International Limited. Under HKFRS 11 this joint arrangement is classified as a joint venture and has been included in the consolidated financial statements using the equity method. In the opinion of the directors of the Company, this joint venture is not material to the Group, and the summarised financial information in relation to the joint venture is presented below:

Loss for the year	年內虧損
Other comprehensive income	其他全面收益
Total comprehensive income	總全面收益

20. 於一家合營企業之權益

本集團

	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
As at 1 January	1,215	4,947
Share of loss for the year	(628)	(232)
Dividend received	-	(3,500)
As at 31 December	587	1,215

本集團於合營企業凱智國際有限公司擁有50% (2013年: 50%) 權益，後者為於英屬維爾京群島註冊成立並與香港經營業務之獨立結構實體。凱智國際有限公司之主要業務為投資控股。

合約安排僅向本集團提供對合營安排資產淨值之權利，而對合營安排資產之權利及負債之義務主要歸於凱智國際有限公司。根據香港財務報告準則第11號，該合營安排分類為合營企業並使用權益法於綜合財務報表入賬。本公司董事認為，該合營企業對本集團影響不大，而有關合營企業之財務資料概要呈列如下：

	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Loss for the year	(1,256)	(464)
Other comprehensive income	-	-
Total comprehensive income	(1,256)	(464)

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

21. INTEREST IN AN ASSOCIATE

The Group

As at 1 January	於1月1日
Share of loss for the year	年內分佔虧損
As at 31 December	於12月31日

Details of the Group's associate are as follows:

Name of company 公司名稱	Form of business structure 業務架構形式	Place of incorporation 註冊成立地點	Percentage of ordinary shares indirectly held 間接持有普通股百分比	Principal activity 主要業務
山西國梁煤層氣開發有限公司	Sino-foreign equity joint venture 中外合資企業	The PRC 中國	30%	Development and operation of a liquefied natural gas plant in the PRC to produce liquefied coalbed methane 於中國發展及經營液化 天然氣處理站 以生產液化煤層氣

In the opinion of the directors of the Company, this associate is not material to the Group, and the financial information in respect of the Group's associate is set out below:

Loss for the year	年內虧損
Other comprehensive income	其他全面收益
Total comprehensive income	總全面收益

21. 於一家聯營公司之權益

本集團

	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
As at 1 January	62,731	63,354
Share of loss for the year	(283)	(623)
As at 31 December	62,448	62,731

有關本集團聯營公司之詳情載列如下：

本公司董事認為，該聯營公司對集團的影響不大，集團的聯營公司的財務狀況表呈列如下：

	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Loss for the year	(943)	(2,063)
Other comprehensive income	-	(13)
Total comprehensive income	(943)	(2,076)

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

22. INTERESTS IN SUBSIDIARIES

The Company

		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Unlisted equity investments, at cost	非上市股本投資，按成本	2,529,922	2,529,920
Less: impairment loss (note 22(b))	減：減值虧損(附註22(b))	(81,143)	(81,143)
		2,448,779	2,448,777
Amounts due from subsidiaries (note 22(c))	應收附屬公司款項(附註22(c))	1,534,954	1,082,983
		3,983,733	3,531,760

(a) Details of principal subsidiaries as at 31 December 2014 are listed below. The class of shares held is ordinary unless stated otherwise.

(a) 於2014年12月31日主要附屬公司之詳情如下。除另有說明者外，所持股份類別為普通股。

Name of the Company 公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 擁有權百分比			Principal activities 主要業務
			Group's effective holding 本集團 實際持量	Held by the Company 由本 公司持有	Held by a subsidiary 由一家附 屬公司持有	
Wiseley Investments Limited 偉利投資有限公司	The BVI 英屬維爾京群島	100 ordinary shares of US\$1.00 each 100股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Easy Sino Investments Limited 慧領投資有限公司	Hong Kong 香港	1 ordinary share of HK\$1.00 each 1股每股面值1.00港元之普通股	100%	100%	-	Provision of administrative services to group companies 向集團公司提供行政服務
Chuang Xin Management Services Limited 創新管理服務有限公司	Hong Kong 香港	2 ordinary shares of HK\$1.00 each 2股每股面值1.00港元之普通股	100%	100%	-	Provision of management services to group companies 向集團公司提供管理服務
Genesis International Petroleum & Chemicals Co., Ltd. ("GIPC") 創新國際石油化工有限公司(「創新國際」)	The BVI 英屬維爾京群島	100 ordinary shares of US\$1.00 each 100股每股面值1.00美元之普通股	70%	70%	-	Inactive 暫無營業

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

22. INTERESTS IN SUBSIDIARIES (Continued)

(a) (Continued)

Name of the Company 公司名稱	Notes 附註	Place of incorporation/ operation 註冊成立/ 經營地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 擁有權百分比			Principal activities 主要業務
				Group's effective holding 本集團 實際持股量	Held by the Company 由本 公司持有	Held by a subsidiary 由一家附 屬公司持有	
Elite Ascend Holdings Limited 怡隆控股有限公司		The BVI 英屬維爾京群島	690 ordinary shares of US\$1.00 each 690股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Grand Rise Development Limited 浩晉發展有限公司		Hong Kong 香港	100 ordinary shares of HK\$1.00 each 100股每股面值1.00港元之普通股	100%	100%	-	Investment holding 投資控股
Key Wisdom Investments Limited 堅俊投資有限公司		The BVI 英屬維爾京群島	100 ordinary shares of US\$1.00 each 100股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Power Great Limited 威遠有限公司		The Cayman Islands 開曼群島	1 ordinary share of US\$1.00 each 1股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Superb China Limited 秀華有限公司		The BVI 英屬維爾京群島	100 ordinary shares of US\$1.00 each 100股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Key Well Development Limited 啟隆發展有限公司		Hong Kong 香港	100 ordinary shares of HK\$1.00 each 100股每股面值1.00港元之普通股	100%	-	100%	Investment holding 投資控股
Bi Tuo Yuan Technology (Shenzhen) Co., Ltd 鉅拓源科技(深圳)有限公司	(i)	The PRC 中國	Registered capital RMB500,000 註冊股本人民幣500,000元	100%	-	100%	Participation in oil and gas projects 參與油氣項目
Orion Energy International Inc. 奧瑞安能源國際有限公司		The Cayman Islands 開曼群島	100,000,000 ordinary shares of US\$0.001 each 100,000,000股每股面值0.001美元 之普通股	100%	-	100%	Exploration, development and production of coalbed methane 勘探、開發和生產煤層氣
Xian Hong Chang Co., Inc. 西安鴻昌石油開發服務有限公司	(i)	The PRC 中國	Registered capital RMB51,700,000 註冊股本人民幣51,700,000元	100%	-	100%	Participation in oil and gas projects 參與油氣項目
Trillion International Petroleum Extraction Technology Ltd 利隆國際石油開採技術有限公司		Hong Kong 香港	1 ordinary share of HK\$1.00 each 1股每股面值1.00港元之普通股	100%	-	100%	Investment holding 投資控股

22. 於附屬公司之權益(續)

(a) (續)

Name of the Company 公司名稱	Notes 附註	Place of incorporation/ operation 註冊成立/ 經營地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 擁有權百分比			Principal activities 主要業務
				Group's effective holding 本集團 實際持股量	Held by the Company 由本 公司持有	Held by a subsidiary 由一家附 屬公司持有	
Elite Ascend Holdings Limited 怡隆控股有限公司		The BVI 英屬維爾京群島	690 ordinary shares of US\$1.00 each 690股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Grand Rise Development Limited 浩晉發展有限公司		Hong Kong 香港	100 ordinary shares of HK\$1.00 each 100股每股面值1.00港元之普通股	100%	100%	-	Investment holding 投資控股
Key Wisdom Investments Limited 堅俊投資有限公司		The BVI 英屬維爾京群島	100 ordinary shares of US\$1.00 each 100股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Power Great Limited 威遠有限公司		The Cayman Islands 開曼群島	1 ordinary share of US\$1.00 each 1股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Superb China Limited 秀華有限公司		The BVI 英屬維爾京群島	100 ordinary shares of US\$1.00 each 100股每股面值1.00美元之普通股	100%	100%	-	Investment holding 投資控股
Key Well Development Limited 啟隆發展有限公司		Hong Kong 香港	100 ordinary shares of HK\$1.00 each 100股每股面值1.00港元之普通股	100%	-	100%	Investment holding 投資控股
Bi Tuo Yuan Technology (Shenzhen) Co., Ltd 鉅拓源科技(深圳)有限公司	(i)	The PRC 中國	Registered capital RMB500,000 註冊股本人民幣500,000元	100%	-	100%	Participation in oil and gas projects 參與油氣項目
Orion Energy International Inc. 奧瑞安能源國際有限公司		The Cayman Islands 開曼群島	100,000,000 ordinary shares of US\$0.001 each 100,000,000股每股面值0.001美元 之普通股	100%	-	100%	Exploration, development and production of coalbed methane 勘探、開發和生產煤層氣
Xian Hong Chang Co., Inc. 西安鴻昌石油開發服務有限公司	(i)	The PRC 中國	Registered capital RMB51,700,000 註冊股本人民幣51,700,000元	100%	-	100%	Participation in oil and gas projects 參與油氣項目
Trillion International Petroleum Extraction Technology Ltd 利隆國際石油開採技術有限公司		Hong Kong 香港	1 ordinary share of HK\$1.00 each 1股每股面值1.00港元之普通股	100%	-	100%	Investment holding 投資控股

22. INTERESTS IN SUBSIDIARIES (Continued)

(a) (Continued)

Name of the Company	Notes	Place of incorporation/ operation 註冊成立/ 經營地點	Particulars of issued and paid up capital 已發行及繳足股本詳情
公司名稱	附註		
Xian Lilong Petroleum Extraction Technology Limited 西安利隆石油開採技術有限公司	(i)	The PRC 中國	Registered capital HK\$50,000,000 註冊股本50,000,000港元
Pipeline International Limited 國際管網有限公司		Hong Kong 香港	1 ordinary share of HK\$1.00 1股每股面值1.00港元之普通股
Metro Standard Limited 衡城有限公司	(ii)	Hong Kong 香港	1 ordinary share of HK\$1.00 1股每股面值1.00港元之普通股
Ultraway International Limited 超揚國際有限公司	(ii)	Hong Kong 香港	1 ordinary share of HK\$1.00 1股每股面值1.00港元之普通股
SOG Energy Inc.	(ii)	Canada 加拿大	1 ordinary share of CAD1.00 each 1股每股面值1.00加元之普通股
Sino Executive Limited	(ii)	The BVI 英屬維爾京群島	100 ordinary share of US\$1.00 100股每股面值1.00美元之普通股
Total Orient Global Limited	(ii)	The BVI 英屬維爾京群島	100 ordinary share of US\$1.00 100股每股面值1.00美元之普通股

Notes:

(i) Registered under the laws of the PRC as a wholly-owned foreign enterprise

(ii) Incorporated in 2014

None of the subsidiaries had issued any debt securities at the end of the year.

(b) Impairment on investments in subsidiaries

There were no movements in the provision for impairment loss during the year. The impairment loss on investments in subsidiaries was made by the directors by reference to the net assets of the subsidiaries and their ability to generate sufficient future economic benefits as evidence by the internal reporting of their economic performance.

22. 於附屬公司之權益(續)

(a) (續)

Proportion of ownership interest 擁有權百分比			Principal activities 主要業務
Group's effective holding 本集團 實際持股量	Held by the Company 由本 公司持有	Held by a subsidiary 由一家附 屬公司持有	
100%	-	100%	Participation in oil and gas projects 參與油氣項目
100%	-	100%	Investment holding 投資控股
100%	-	100%	Investment holding 投資控股
100%	100%	-	Investment holding 投資控股
100%	-	100%	Participation in oil and gas projects 參與油氣項目
100%	100%	-	Investment holding 投資控股
100%	100%	-	Investment holding 投資控股

附註：

(i) 根據中國法律登記為外資獨資企業

(ii) 於2014年註冊成立

於年末，概無附屬公司發行任何債務證券。

(b) 於附屬公司之投資減值

於本年度內，減值虧損撥備並無變動。於附屬公司之投資減值虧損乃由董事參考附屬公司之資產淨值及其未來產生充足經濟利益之能力(以附屬公司內部報告之經濟表現表示)而作出。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

22. INTERESTS IN SUBSIDIARIES (Continued)

(c) Amounts due from subsidiaries

An analysis of the amounts due from subsidiaries is listed below:

		The Company 本公司	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Due from subsidiaries	應收附屬公司款項	1,926,474	1,474,366
Less: impairment loss	減：減值虧損	(391,520)	(391,383)
		<u>1,534,954</u>	<u>1,082,983</u>

The amounts due from subsidiaries are unsecured, interest-free and in substance represent the Company's investments in the subsidiaries.

The movements in the provision for impairment loss during the year were as follows:

		The Company 本公司	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
At 1 January	於1月1日	391,383	369,343
Additional provision	額外撥備	137	22,040
At 31 December	於12月31日	<u>391,520</u>	<u>391,383</u>

Impairment loss on amounts due from subsidiaries are made by the directors by reference to the net assets of the subsidiaries, ability to generate sufficient future economic benefits and evidence from internal reporting that indicate the economic performance of the subsidiaries.

22. 於附屬公司之權益(續)

(c) 應收附屬公司款項

應收附屬公司款項之分析如下：

		The Company 本公司	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Due from subsidiaries	應收附屬公司款項	1,926,474	1,474,366
Less: impairment loss	減：減值虧損	(391,520)	(391,383)
		<u>1,534,954</u>	<u>1,082,983</u>

應收附屬公司款項為無抵押、免息，實質上指本公司於附屬公司作出之投資。

年內減值虧損撥備之變動如下：

		The Company 本公司	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
At 1 January	於1月1日	391,383	369,343
Additional provision	額外撥備	137	22,040
At 31 December	於12月31日	<u>391,520</u>	<u>391,383</u>

應收附屬公司款項之減值虧損乃由董事參考附屬公司之資產淨值、未來產生充足經濟利益之能力及顯示附屬公司之經濟表現之內部報告證據而作出。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

23. NON-CONTROLLING INTERESTS

The non-controlling interest of GIPC which is 70% owned by the Group is considered to be immaterial.

23. 非控股權益

本集團擁有70%權益之創新國際之非控股權益被視為並不重大。

24. LOAN RECEIVABLES

The Group

During the year ended 31 December 2014, the Group advances a loan to an independent third party of HK\$3,670,000. The loan is secured by certain motor vehicles and equipment, interest bearing at 8% per annum and repayable within 5 years.

The loan receivables are presented in the consolidated statement of financial position as follows:

24. 應收貸款

本集團

截至2014年12月31日止年度，本集團向一名獨立第三方提供貸款3,670,000港元。該貸款以若干汽車及設備作抵押，年利率為8%，並須於5年內償還。

應收貸款於綜合財務狀況表呈列如下：

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Current assets	流動資產	637	—
Non-current assets	非流動資產	2,880	—
		<u>3,517</u>	<u>—</u>

25. INVENTORIES

The Group

Spare parts, consumables and others 備件、耗材及其他

25. 存貨

本集團

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Spare parts, consumables and others	備件、耗材及其他	<u>15,163</u>	<u>21,349</u>

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

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

26. 應收賬款、應收票據、其他應收賬款、按金及預付款項

		The Group 本集團		The Company 本公司	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Non-current assets	非流動資產				
Deposits and prepayments (note (i))	按金及預付款項 (附註(i))	19,240	20,402	-	-
Current assets	流動資產				
Trade receivables	應收賬款	4,811	5,046	-	-
Notes receivable	應收票據	3,123	-	-	-
Other receivables (note (ii))	其他應收賬款 (附註(ii))	14,997	61,387	164	373
		22,931	66,433	164	373
Utility deposits	水電按金	887	502	-	-
Other deposits and prepayments (note (iii))	其他按金及預付款項 (附註(iii))	271,804	7,294	269	201
		272,691	7,796	269	201
		295,622	74,229	433	574

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

Notes:

- (i) The balance includes a guarantee deposit of HK\$9,489,000 (2013: HK\$9,728,000) paid to secure the Group's borrowings as set out in note 33(ii) and prepaid exploration costs of HK\$9,751,000 (2013: HK\$10,674,000) on the Group's gas evaluation and exploration assets.
- (ii) As at 31 December 2014, the balance included consideration receivables of HK\$600,000 (2013: nil) on the disposal of a subsidiary, Genesis Energy (Hong Kong) Limited ("GEHK") as set out in note 39(a).
- (iii) The balance includes deposit of HK\$267,588,000 (2013: nil) paid for possible acquisitions of Canada oil fields as disclosed in the Company's announcement dated 30 June 2014 and 1 September 2014 respectively. On 30 June 2014, a wholly-owned subsidiary of the Company has entered into first non-legally binding memorandum of understanding ("MOU 1") with Jade Million Co Ltd, (the "Vendor") in relation to a possible acquisition of the interests of certain oil and gas blocks in Canada ("Target 1"). According to the MOU 1, the Group paid a refundable deposit of Canadian Dollars ("CAD") 30 million which is interest-free to the Vendor in July 2014. On 1 September 2014, the Group has entered into another memorandum of understanding ("MOU 2") with Vendor and paying a refundable deposit of CAD 10 million which is interest bearing at 4.5% per annum in relation to a possible acquisition of the interests of certain oil and gas blocks (other than Target 1) in Canada ("Target 2"). In both MOU 1 and MOU 2, the Vendor has pledged the interests of Target 1 and Target 2 to the Group as return. Up to the date of this report, the Group is still performing the due diligence review, and the valid dates of MOU 1 and MOU 2 are up to 30 June 2015 and 30 April 2015 respectively.

26. 應收賬款、應收票據、其他應收賬款、按金及預付款項(續)

附註：

- (i) 餘款包括載於附註33(ii)用於擔保本集團借款之保證金9,489,000港元(2013年：9,728,000港元)及對本集團天然氣勘探及評估資產之預付勘探成本9,751,000港(2013年：10,674,000港元)。
- (ii) 於2014年12月31日，餘款包括出售附註39(a)所載之一間附屬公司—創新能源(香港)有限公司(「創新能源」)之應收代價600,000港元(2013年：無)。
- (iii) 餘款包括按金267,588,000港元(2013年：無)，為本公司分別於2014年6月30日及2014年9月1日公佈披露之可能收購加拿大油田之按金。於2014年6月30日，本公司全資附屬公司已與Jade Million Co Ltd(「賣方」)訂立第一份不具法律約束力之諒解備忘錄(「諒解備忘錄1」)，內容有關可能收購加拿大若干油田區塊(「目標1」)之權益。根據諒解備忘錄1，本集團已於2014年7月支付免息之可退還按金30,000,000加元。於2014年9月1日，本集團已與賣方訂立另一份諒解備忘錄(「諒解備忘錄2」)，內容有關可能收購加拿大若干油田區塊(「目標2」，目標1以外區塊)之權益，並支付按每年4.5%計息之可退還按金10,000,000加元。就目標1及目標2而言，賣方已將目標1及目標2之權益抵押予本集團作為回報。截至本報告日期，本集團仍在進行盡職審查，而諒解備忘錄1及諒解備忘錄2之有效日期分別為截至2015年6月30日及2015年4月30日止。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

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

The ageing analysis of trade receivables based on invoice date at the end of reporting period is as follows:

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

The average credit period granted to customers is 0-30 days from the invoice date.

All trade receivables are less than 180 days past due, not impaired and related to one customer which has a good track record with the Company. Based on the past experience, management estimated that the carrying amount will be fully recovered.

The Group recognised impairment loss on individual assessment based on the accounting policy stated in note 4(j)(ii).

26. 應收賬款、應收票據、其他應收賬款、按金及預付款項(續)

應收賬款於報告期間結束時之賬齡分析如下：

		The Group 本集團	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
30 days	30天	736	5,046
31 – 60 days	31至60天	639	–
61 – 90 days	61至90天	845	–
Over 90 days	多於90天	2,591	–
		4,811	5,046

集團給客戶的平均信貸期為開單日起0-30天。

所有應收賬款為到期後180天內及屬於單一客戶，本公司與該客戶有良好的商業記錄，故沒有作減值。根據以往經驗，管理層估計其賬面金額將全數收回。

本集團根據附註4(j)(ii)所載之會計政策，通過個別評估確認減值虧損。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

27. SHORT-TERM INVESTMENT

Short-term investment 短期投資

On 10 July 2014, the Group entered into a subscription agreement with a PRC company (“Investee”), an independent third party, to acquire bonds with term of 15 months, bearing interest at 8.5% per annum amounted to RMB64,300,000. The bonds are guaranteed by an Investee’s related company.

27. 短期投資

The Group
本集團

2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
80,330	–

於2014年7月10日，本集團與為獨立第三方的一間中國公司（「被投資方」）訂立認購協議，以認購人民幣64,300,000元為期15個月之債券，年息率為8.5%。該等債券由被投資方之一間關連公司作擔保。

28. PLEDGED BANK DEPOSITS

Bank deposits pledged against certain bank loans (note 33(ii)) and performance bonds (note 44) 用作若干銀行貸款（附註33(ii）及履約保證金（附註44）抵押之銀行存款

Pledged bank deposits were denominated in United States dollars (“USD”), earned interest at fixed rate ranged from 0.025% to 1.2% per annum. The deposits were matured in August 2014. The directors considered that the carrying amounts of these bank deposits approximate their fair values because of their short maturity period on inception.

28. 已抵押銀行存款

The Group
本集團

2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
–	7,832

已抵押銀行存款以美元計值，並按介於0.025%至1.2%之固定年利率賺取利息。有關存款於2014年8月到期。董事認為，由於該等銀行存款於存入時為短期存款，因此彼等之賬面值與其公平值相若。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

29. CASH AND CASH EQUIVALENTS

Cash and bank balances, denominated in	以下列貨幣計值之現金及銀行結餘
– HKD and USD	– 港元及美元
– Renminbi (“RMB”)	– 人民幣
– CAD	– 加元
– Others	– 其他

29. 現金及現金等價物

The Group 本集團		The Company 本公司	
2014 HK\$' 000 千港元	2013 HK\$' 000 千港元	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
8,693	8,932	75	311
7,086	8,588	–	–
3,661	–	–	–
15	16	–	–
19,455	17,536	75	311

Cash and cash equivalents of HK\$7,086,000 (equivalent to RMB5,669,000) (2013: HK\$8,588,000 (equivalent to RMB6,682,000)) were denominated in RMB. RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC Government.

7,086,000港元(相等於人民幣5,669,000元)(2013年:8,588,000港元(相等於人民幣6,682,000元))之現金及現金等價物以人民幣計值。人民幣並非自由兌換貨幣,從中國匯出資金須受中國政府之外匯管制所規限。

30. OTHER PAYABLES AND ACCRUALS

Current liabilities	流動負債
Other payables and accruals (note (i))	其他應付款項及預提費用(附註(i))
Amounts due to shareholders (note (ii))	應付股東款項(附註(ii))

30. 其他應付款項及預提費用

The Group 本集團		The Company 本公司	
2014 HK\$' 000 千港元	2013 HK\$' 000 千港元	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
135,680	184,213	2,393	2,218
24,350	15,355	24,350	–
160,030	199,568	26,743	2,218

30. OTHER PAYABLES AND ACCRUALS (Continued)

Notes:

- (i) Other payables include exploration costs payable of approximately HK\$104,328,000 (2013: HK\$149,955,000) in respect of gas exploration and evaluation assets and oil and gas properties.

- (ii) As at 31 December 2014, the amount represented a loan from a shareholder denominated in CAD of HK\$24,350,000. The loan was unsecured, interest free and repayable on demand. The amounts as at 31 December 2013 included a loan denominated in RMB of HK\$3,842,000 from a shareholder. The loan was unsecured, bearing interest at 8% per annum and was settled in January 2014. Another loan from a shareholder amounted to HK\$7,500,000 was guaranteed by two of the directors of the Company, unsecured, bearing interest at 8% per annum and was settled in February 2014. The remaining balance was unsecured, interest free and repayable on demand.

30. 其他應付款項及預提費用 (續)

附註：

- (i) 其他應付款項包括有關油氣勘探及評估資產以及油氣資產之應付勘探成本約104,328,000港元(2013年：149,955,000港元)。

- (ii) 截至2014年12月31日，應付股東款項為以加元計值之24,350,000港元貸款。該貸款為無抵押，免息及須按要求即時償還。截至2013年12月31日，應付股東款項包括來自一名股東之一筆以人民幣計值之3,842,000港元貸款。該貸款為無抵押、按年息8%計息及已於2014年1月償還。另一筆股東借款為7,500,000港元，由本公司之兩位董事提供擔保、為無抵押、按年息8%計息及已於2014年2月償還。餘額為無抵押、免息及須按要求即時償還。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

31. WARRANT LIABILITY

The Group and the Company

On 17 March 2014, the Company entered into a facility agreement with a wholly-owned subsidiary of China Orient Asset Management Corporation (the “Lender”) to obtain a facility of HK\$100,000,000 with interest rate of 8% per annum and to issue the warrant (“Warrants”) with the right to subscribe the shares of the Company at a nominal amount of HK\$50,000,000 at an initial subscription price of HK\$0.2714 per share. The expiry date of the facility and Warrants is 24 March 2015. The Company shall pay the Lender an additional fee not exceeding HK\$750,000 for any unexercised subscription rights of the Warrants on the date of expiry of the warrant. The loan was fully repaid on 31 July 2014.

The fair value of the Warrants was determined at the date of issuance, and measured based on binomial option pricing model. The residual amount, representing the value of the loan which measured at amortised cost. The Company classified this Warrants as financial liabilities at fair value through profit or loss and recognised according to the accounting policy in note 4(j)(iii).

As at 31 December 2014, the Warrants have neither been exercised nor transferred.

31. 認股權證負債

本集團及本公司

於2014年3月17日，本公司與中國東方資產管理公司的一所全資附屬公司（「貸方」）訂立貸款協議，以獲取年利率8%之貸款為100,000,000港元，及發行可按每股0.2714港元之初始認購價認購本公司面值50,000,000港元股份之認股權證（「認股權證」）。貸款及認股權證之屆滿日期為2015年3月24日。本公司須對於認股權證屆滿日期未行使之認股權證之認購權向貸方支付不超過750,000港元的額外費用。貸款於2014年7月31日悉數償還。

認股權證之公平值於發行日期釐定，並根據二項式期權定價模型計量。餘額指按攤銷成本計量之貸款價值。本公司將該認股權證分類為按公平值於損益列賬之財務負債，並根據附註4(j)(iii)之會計政策確認。

於2014年12月31日，認股權證並無獲行使或轉讓。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

32. PROVISIONS

32. 撥備

		The Group 本集團	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Balance at 1 January	於1月1日之結餘	747	971
Provision for environmental restoration and decommissioning costs	環境修復及停止使用費之撥備	551	(253)
Exchange adjustments	匯兌調整	(18)	29
Balance at 31 December	於12月31日之結餘	1,280	747

The provision for environmental restoration and decommissioning costs for 2014 and 2013 represented directors' estimated assets retirement obligations relating to the Sanjiao PSC as set out in note 40(i).

2014年及2013年環境修復及停止使用費之撥備指與三交產品分成合同(載於附註40(i))有關之董事估計資產棄置報廢。

33. BORROWINGS – SECURED

33. 借貸 – 有抵押

		The Group 本集團	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Secured interest-bearing borrowings	有抵押付息借貸		
On demand or within one year	按要求或一年內償還	124,930	145,932
More than one year, but not exceeding two years	超過一年，但不超過兩年	124,930	128,080
More than two years, but not exceeding five years	超過兩年，但不超過五年	62,465	208,130
Amount due within one year included in current liabilities	列入流動負債一年內到期之金額	312,325	482,142
Non-current portion	非流動部分	(124,930)	(145,932)
		187,395	336,210

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

33. BORROWINGS – SECURED (Continued)

As at 31 December 2014, the Group obtained borrowings from one (2013: two) party as follows:

- (i) On 19 September 2011, Orion Energy International Inc. (“OEI”), an indirect wholly owned subsidiary of the Group, entered into a financing agreement (“Agreement 1”) with Minsheng Financial Leasing Co., Ltd (民生金融租賃股份有限公司) (“Minsheng”), an independent third party, pursuant to which Minsheng advanced RMB50,000,000 (equivalent to HK\$61,596,000) under certain conditions to OEI to be repaid by instalment over three years. In the opinion of the directors, the financing arrangement was in substance a secured borrowing. As at 31 December 2013, this borrowing was secured by certain gas exploration and evaluation assets of OEI with a carrying amount of HK\$60,108,000 (note 18) and a personal guarantee from the Company’s shareholders, Mr. Dai Xiaobing and Mr. King Hap Lee who were also directors of the Company. The borrowing was fully repaid in October 2014.
- (ii) On 23 December 2011, OEI entered into another financing agreement (“Agreement 2”) with CDB Leasing Co., Ltd (國銀金融租賃有限公司) (“CDB Leasing”), an independent third party, pursuant to which CDB Leasing granted a facility of RMB1,000,000,000 to OEI to be repaid by instalment over five years, of which RMB200,000,000 was to finance the exploration phase and RMB800,000,000 to be drawn after obtaining the approval of the Overall Development Plan (“ODP”) in respect of the Sanjiao PSC. In 2012, a revised agreement was signed between OEI and CDB Leasing, pursuant to which OEI can draw loans to the extent of RMB400,000,000 and RMB600,000,000 during exploration stage and production stage of the Sanjiao PSC respectively. As at 31 December 2014, loans due to CDB Leasing, net of repayment, amounted to RMB250,000,000 (equivalent to HK\$312,325,000) (2013: RMB350,000,000 (equivalent to HK\$448,280,000)).

33. 借貸－有抵押（續）

截至2014年12月31日止年度內，本集團分別自一方（2013年：兩方）之借貸詳情如下：

- (i) 2011年9月19日，本集團之全資附屬公司－奧瑞安能源國際有限公司（「奧瑞安」）與獨立第三方民生金融租賃股份有限公司（「民生」）訂立融資協議（「協議一」），據此民生向奧瑞安預付50,000,000人民幣（相等於61,596,000港元），該款項將按三年分期償還且須遵守若干條件。董事認為，該融資安排在本質上屬於有抵押借貸之一。截至2013年12月31日年度內，此項借貸之抵押品包括奧瑞安賬面值為60,108,000港元（附註18）之若干天然氣勘探及評估資產，以及本公司股東戴小兵先生及景哈利先生（兩位亦為本公司董事）提供之個人擔保，此項借貸已於2014年10月全部償還。
- (ii) 2011年12月23日，奧瑞安與獨立第三方國銀金融租賃有限公司（「國銀金融租賃」）訂立另一項融資協議（「協議二」），據此國銀金融租賃向奧瑞安提供人民幣1,000,000,000元之融資，該融資將按五年分期償還，其中人民幣200,000,000元已用於勘探階段，剩餘人民幣800,000,000元融資需就有關三交產品分成合同之總體開發方案批覆後方可提取。於2012年，奧瑞安與國銀金融租賃簽訂一份經修訂協議，據此，奧瑞安於三交產品分成合同的勘探階段及生產階段可分別最多提取貸款人民幣400,000,000元及人民幣600,000,000元。於2014年12月31日，奧瑞安欠國銀金融租賃之貸款餘額（扣除本金還款後）為人民幣250,000,000元（相等於312,325,000港元）（2013年：人民幣350,000,000元（相等於448,280,000港元））。

33. BORROWINGS – SECURED (Continued)

(ii) (Continued)

The facility is secured by certain gas exploration and evaluation assets with a carrying amount of HK\$593,571,000 (2013: HK\$615,917,000) (note 18), a guarantee deposit of HK\$9,489,000 (2013: HK\$9,728,000) (note 26(i)), all accounts receivable from sales generated from the Sanjiao PSC, all the shares of OEI held by Power Great Limited, a wholly-owned subsidiary of the Company, 2,296,000,000 shares of the Company held by certain directors and shareholders of the Company, personal guarantees of Dr. Dai Xiaobing and his spouse and a corporate guarantee by the Company.

In the opinion of the directors, the financing arrangement is in substance a secured borrowing.

(iii) During 2012, the Group entered into a loan agreement (“Agreement 3”) with Bank of Beijing for loan facilities of RMB1,069,000 (equivalent to HK\$1,330,000). The loans were fully repaid in 2013.

The borrowings under Agreement 1 and Agreement 2 carry interest at effective floating rates ranging from 8.5% to 11.7% (2013: 8.9% to 11.7%) during the year.

33. 借貸－有抵押（續）

(ii) (續)

該融資之抵押品包括賬面值為593,571,000港元（2013：615,917,000港元）之若干天然氣勘探及評估資產（附註18）、9,489,000港元（2013年：9,728,000港元）之擔保按金（附註26(i)）、三交提交有關三交產品分成合同產生之所有銷售應收賬款、威遠有限公司（本公司之全資附屬公司）持有之所有奧瑞安股份、由數位董事及本公司股東持有之本公司2,296,000,000股股份、戴小兵先生及其配偶提供之個人擔保，以及本公司提供之公司擔保。

董事認為，以上融資安排在本質上屬於有抵押借貸之一。

(iii) 於2012年，本集團與北京銀行就人民幣1,069,000元（相等於1,330,000港元）之貸款融資訂立貸款協議（「協議三」）。該等貸款已於2013年全部償還。

本年內，協議一及協議二兩項下之借貸附帶利息，其實際浮動利率介於8.5%至11.7%（2013年：8.9%至11.7%）之間。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

34. CONVERTIBLE NOTES

The convertible notes recognised in the statement of financial position are calculated as follows:

34. 可換股票據

於財務狀況表確認之可換股票據計算如下：

		The Group and the Company 本集團及本公司			
		2014		2013	
		Liability component 負債部分 HK\$' 000 千港元	Equity component 權益部分 HK\$' 000 千港元	Liability component 負債部分 HK\$' 000 千港元	Equity component 權益部分 HK\$' 000 千港元
At 1 January	於1月1日	134,920	15,913	-	-
Face value of convertible notes issued on 26 April 2013 after 4% discount	於2013年4月26日發行 並折讓4%後之 可換股票據面值	-	-	231,510	32,490
Transaction costs on issue	發行之交易成本	-	-	(8,432)	(1,194)
Conversion of convertible notes	轉換可換股票據	-	-	(109,617)	(15,383)
Amortisation of transaction costs (note 9(a))	交易成本之攤銷 (附註9(a))	2,811	-	1,874	-
Imputed interest expense (note 9(a))	應歸利息支出 (附註9(a))	26,690	-	21,775	-
Interest paid	已付利息	(3,671)	-	(2,190)	-
At 31 December	於12月31日	160,750	15,913	134,920	15,913

34. CONVERTIBLE NOTES (Continued)

The Company issued convertible notes in an aggregate principal amount of HK\$275,000,000 with a 4% discount and a 2% coupon rate on 26 April 2013. The convertible notes was denominated in Hong Kong dollars and will mature in three years from the issue date. The notes can be converted into ordinary shares of the Company at the holder's option at the rate of HK\$0.167 per share.

The fair values of the liability component and the equity conversion component were determined at the date of issue of the convertible notes. The fair value of the liability component, included as non-current financial liabilities, was calculated using the market interest rate for an equivalent non-convertible notes. The residual amount, representing the value of the equity conversion component, was included in equity, net of deferred income taxes, where applicable.

Imputed interest expense on the convertible notes was charged at the rate of 18.67% calculated using the effective interest method.

34. 可換股票據(續)

本公司於2013年4月26日以4%折讓發行本金額為275,000,000港元且票息率為2%之可換股票據。可換股票據以港元計值，自發行日期起計三年內到期。票據可依據持有人之選擇以每股0.167港元之價格轉換為本公司之普通股股票。

負債部分及權益轉換部分之公平值乃於發行日期釐定。負債部分之公平值作為非流動財務負債入賬，並使用同等不可換股票據之市場利率計算。餘額指權益轉換部分之價值，扣除遞延所得稅(如適用)後計入權益內。

可換股票據之應歸利息支出乃按實際年利率18.67%使用實際利息法計算。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

35. DEFERRED TAX

Details of the deferred tax assets and (liabilities) recognised and movements during the year were as follows:

		The Group 本集團			
		Accelerated tax depreciation 加速稅項 折舊 HK\$' 000 千港元	Intangible assets 無形資產 HK\$' 000 千港元	Tax losses 稅項虧損 HK\$' 000 千港元	Total 總計 HK\$' 000 千港元
At 1 January 2013	於2013年1月1日	(18,177)	(6,605)	19,433	(5,349)
(Charged)/credited to profit or loss (note 10)	(扣除)/計入損益賬 (附註10)	(6,713)	65	3,828	(2,820)
Exchange adjustments	匯兌調整	(644)	(195)	637	(202)
At 31 December 2013	於2013年12月31日	(25,534)	(6,735)	23,898	(8,371)
(Charged)/credited to profit or loss (note 10)	(扣除)/計入損益賬 (附註10)	(5,694)	50	7,345	1,701
Exchange adjustments	匯兌調整	672	165	(644)	193
At 31 December 2014	於2014年12月31日	(30,556)	(6,520)	30,599	(6,477)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off when the deferred tax related to same fiscal authority. The following net amounts determined after appropriate offsetting, are shown on the consolidated statement of financial position.

35. 遞延稅項

年內確認之遞延稅項資產及(負債)之詳情及變動如下:

遞延稅項資產及負債只有有合法強制執行權利抵銷以及遞延稅項為同一稅務機關下，方會作出抵銷。以下是在綜合財務狀況表合理抵銷後釐定之金額淨值。

		The Group 本集團	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Deferred tax liabilities	遞延稅項負債	(37,076)	(32,269)
Deferred tax assets	遞延稅項資產	30,599	23,898
		(6,477)	(8,371)

36. EMPLOYEE RETIREMENT BENEFITS

- (a) The Group operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, both the employer and each employee are required to make contributions to the plan at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$30,000 (2013: HK\$25,000) by each party. Contributions to the plan vest immediately.
- (b) Pursuant to the relevant labour rules and regulations in the PRC, the Group participates in defined contribution retirement benefit schemes (the "Schemes") organised by the relevant local government authorities, whereby the Group is required to make contributions to the Schemes at a rate ranging from 21% to 30% (2013: 21% to 30%) of the eligible employees' salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees. The obligations are calculated based on a certain percentage of the basic payroll.

37. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company operates a share option scheme which was adopted on 28 May 2010 ("scheme") for a period of ten years commencing from 28 May 2010 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any companies within the Group, to take up options to subscribe for shares of the Company. The terms and conditions of the grant are determined by the Board at the time of grant. The exercisable period of an option is not to exceed a period of ten years commencing the date the share options be granted. The options give the holder the right to subscribe for ordinary shares in the Company. A nominal consideration of HK\$1 is payable by the grantee upon acceptance of an option. Options would be forfeited should the employee leave the Group. All the existing share options were granted under the scheme.

36. 僱員退休福利

- (a) 本集團根據香港強制性公積金計劃條例，為根據香港僱傭條例受僱之僱員設定強制性公積金計劃（「強積金計劃」）。強積金計劃乃由獨立信託人管理之界定供款退休計劃。根據強積金計劃，僱主及各僱員各自須按僱員之有關收入之5%作出供款，惟各方每月有關收入以30,000港元（2013年：25,000港元）為上限。向計劃作出之供款即時歸僱員所有。
- (b) 根據中國相關勞動規則及法規，本集團參與由有關當地政府機關管理之界定供款退休福利計劃（「該等計劃」）。據此，本集團須按合資格僱員的薪金向該等計劃作出介乎21%至30%（2013年：21%至30%）的供款。當地政府機關須對應付退休僱員之全部退休金負責。該等責任乃根據基本薪金之某個百分比計算。

37. 股本結算以股份付款之交易

本公司於2010年5月28日採納一項購股權計劃（「計劃」），自2010年5月28日起計為期10年，據此，本公司董事獲授權酌情向本集團僱員（包括本集團任何成員公司之董事）授出購股權，以認購本公司股份。授出之條款及條件由董事會於授出時釐定。購股權之可予行使期不得超過自購股權授出日期起計10年。購股權賦予持有人權利認購本公司普通股。獲授購股權之人士於接納購股權時，須支付象徵式代價1港元。倘僱員離開本集團，則將沒收有關購股權。現有之所有購股權乃根據計劃授出。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

37. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

(a) The terms and conditions of the share options that existed during the year ended 31 December 2014 were as follows and all options are settled by physical delivery of shares:

Date of grant	Vesting condition	Exercise period	Contractual exercise price	Number of options	Contractual life of options
授出日期	歸屬條件	行使期限	合約行使價	購股權數目	購股權合約年期
				'000 千份	
Options granted to directors:					
授予董事之購股權：					
- on 6 December 2011 - 於2011年12月6日	Immediately 即時	6 December 2011 to 5 December 2021 2011年12月6日至2021年12月5日	HK\$0.276 0.276港元	117,000	10 years 10年
Option granted to employees:					
授予僱員之購股權：					
- on 6 December 2011 - 於2011年12月6日	Immediately 即時	6 December 2011 to 5 December 2021 2011年12月6日至2021年12月5日	HK\$0.276 0.276港元	338,700	10 years 10年
Total share options					
購股權總數				455,700	

37. 股本結算以股份付款之交易 (續)

(a) 以下為截至2014年12月31日止年度存在之購股權之條款及條件，所有購股權均透過實際交付股份結算：

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

37. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

(b) The number and weighted exercise prices of share options are as follows:

37. 股本結算以股份付款之交易 (續)

(b) 購股權之數目及加權行使價如下：

		2014		2013	
		Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options
		加權平均行使價	購股權數目	加權平均行使價	購股權數目
		HK\$	'000	HK\$	'000
		港元	千份	港元	千份
Outstanding at beginning of the year	於年初尚未行使	0.276	563,200	0.276	563,200
Lapsed during the year	年內失效	0.276	(107,500)	-	-
Outstanding at the end of the year	於年末尚未行使	0.276	455,700	0.276	563,200
Exercisable at the end of the year	於年末可予行使	0.276	455,700	0.276	563,200

The options outstanding at 31 December 2014 had exercise prices of HK\$0.276 (2013: HK\$0.276) and a weighted average remaining contractual life of 6.93 years (2013: 7.93 years).

於2014年12月31日，尚未行使購股權之行使價為0.276港元（2013年：0.276港元），而加權平均餘下合約年期為6.93年（2013年：7.93年）。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

38. CAPITAL AND RESERVES

(a) Share capital

(i) Authorised and issued share capital

		2014		2013	
		Number of shares	Amount	Number of shares	Amount
		股份數目	金額	股份數目	金額
		'000	HK\$'000	'000	HK\$'000
		千股	千港元	千股	千港元
Authorised	法定				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	<u>25,000,000</u>	<u>250,000</u>	<u>25,000,000</u>	<u>250,000</u>
Issued and fully paid	已發行及繳足				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股				
At beginning of the year	於年初	14,753,931	147,539	12,356,078	123,560
Shares issued on placing (ii)	按配售發行股份(ii)	3,200,000	32,000	928,000	9,280
Shares issued on conversion of convertible notes (iii)	轉換可換股票據時發行股份(iii)	-	-	748,503	7,485
Shares issued to extinguish financial liabilities (iv)	為抵銷財務負債而發行股份(iv)	-	-	721,350	7,214
At end of the year	於年末	<u>17,953,931</u>	<u>179,539</u>	<u>14,753,931</u>	<u>147,539</u>

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.

(ii) Shares issued on placing

During 2014, 2,900,000,000 and 300,000,000 (2013: 928,000,000) ordinary shares were subscribed at HK\$0.205 and HK\$0.22 (2013: HK\$0.167) per share with proceeds of HK\$594,500,000 and HK\$66,000,000 respectively (2013: HK\$154,976,000). Accordingly, the Company's issued share capital was increased by HK\$32,000,000 (2013: HK\$9,280,000) and the balance of the proceeds, net of direct cost incurred of HK\$625,200,000 (2013: HK\$139,196,000) was credited to the share premium account.

38. 資本及儲備

(a) 股本

(i) 法定及已發行股本

The Company
本公司

		2014		2013	
		Number of shares	Amount	Number of shares	Amount
		股份數目	金額	股份數目	金額
		'000	HK\$'000	'000	HK\$'000
		千股	千港元	千股	千港元
Authorised	法定				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	<u>25,000,000</u>	<u>250,000</u>	<u>25,000,000</u>	<u>250,000</u>
Issued and fully paid	已發行及繳足				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股				
At beginning of the year	於年初	14,753,931	147,539	12,356,078	123,560
Shares issued on placing (ii)	按配售發行股份(ii)	3,200,000	32,000	928,000	9,280
Shares issued on conversion of convertible notes (iii)	轉換可換股票據時發行股份(iii)	-	-	748,503	7,485
Shares issued to extinguish financial liabilities (iv)	為抵銷財務負債而發行股份(iv)	-	-	721,350	7,214
At end of the year	於年末	<u>17,953,931</u>	<u>179,539</u>	<u>14,753,931</u>	<u>147,539</u>

普通股持有人有權收取不時宣派之股息，並在本公司大會上每股可獲一票投票權。所有普通股對本公司之餘下資產享有同等權益。

(ii) 按配售發行股份

於2014年，2,900,000,000股及300,000,000股（2013年：928,000,000股）普通股分別按每股0.205港元及0.22港元（2013年：0.167港元）之價格獲認購，所得款項分別為594,500,000港元及66,000,000港元（2013年：154,976,000港元）。因此，本公司之已發行股本增加32,000,000港元（2013年：9,280,000港元），而所得款項餘額扣除直接費用後，625,200,000港元（2013年：139,196,000港元）已計入股份溢價賬。

38. CAPITAL AND RESERVES (Continued)

(a) Share capital (Continued)

(iii) Shares issued on conversion of convertible notes

During 2013, certain convertible notes were converted to subscribe for a total of 748,503,000 ordinary shares in the Company at a total consideration of HK\$125,000,000 of which HK\$7,485,000 was transferred to share capital and balances of HK\$117,515,000 was transferred to the share premium account from the convertible note equity reserves respectively.

(iv) Shares issued to extinguish financial liabilities

In November 2013, the company's issued share capital was increased by HK\$7,214,000 through the issue of 721,350,000 shares to extinguish financial liabilities of HK\$144,270,000 as disclosed in the Company's announcement dated 28 November 2013. The fair value of these shares based on the closing market price of HK\$0.235 per share on 13 December 2013, amounted to HK\$169,517,000. The premium on the issue of new shares amounted to HK\$162,303,000 was credited to the share premium account. The difference between the carrying amount of the financial liabilities extinguished and the fair value of these shares are recognised in profit or loss (note 8).

(v) Lapse of vested warrants

In 2014, there were 250,000,000 outstanding unlisted warrants issued by the Company on 10 November 2010, conferring rights to subscribe for ordinary shares of the Company at a subscription price of HK\$0.53 per share on and after 22 January 2011 and up to and including 10 November 2014. These warrants were unexercised and lapsed upon the expiration of their exercise periods on 10 November 2014.

(vi) Lapse of vested share options

In 2014, 107,500,000 share options lapsed.

38. 資本及儲備 (續)

(a) 股本(續)

(iii) 轉換可換股票據時發行股份

於2013年，若干可換股票據已獲轉換以認購合共748,503,000股本公司普通股，總代價為125,000,000港元，其中已從可換股票據權益儲備轉撥7,485,000港元至股本，並將餘下117,515,000港元轉撥至股份溢價賬。

(iv) 為抵銷財務負債而發行股份

如本公司日期為2013年11月28日之公佈所披露，於2013年11月，本公司發行721,350,000股股份以抵銷144,270,000港元之財務負債，其已發行股本因而增加7,214,000港元。該等股份之公平值按2013年12月13日之收市價每股0.235港元計算，總額為169,517,000港元。發行新股份之溢價共162,303,000港元已計入股份溢價賬。所抵銷財務負債之賬面值與該等股份之公平值間之差額於損益確認(附註8)。

(v) 已歸屬認股權證之失效

於2014年，本公司於2010年11月10日發行並賦予權利自2011年1月22日起直至2014年11月10日(包括當日)止按認購價每股股份0.53港元認購本公司普通股而未獲行使之非上市認股權證為250,000,000份。於2014年11月10日行使期滿後，該等認股權證未獲行使，並告失效。

(vi) 已歸屬購股權之失效

於2014年，107,500,000份購股權已失效。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

38. CAPITAL AND RESERVES (Continued)

(b) The Company

		Share capital	Share premium	Contributed surplus	Share option reserve	Warrant reserve	Convertible notes equity reserve	Accumulated losses	Total
	Notes	股本	股份溢價	繳納盈餘	購股權儲備	儲備	可換股票據權益儲備	累計虧損	總計
	附註	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元
At 31 December 2012	於2012年12月31日	123,560	3,318,649	81,043	48,020	1,250	-	(562,423)	3,010,099
Shares issued on placing	按配售發行股份	38(a)(ii) 9,280	139,196	-	-	-	-	-	148,476
Shares issued on conversion of convertible notes	轉換可換股票據時發行股份	38(a)(iii) 7,485	117,515	-	-	-	(15,383)	-	109,617
Shares issued to extinguish financial liabilities	為抵銷財務負債而發行股份	38(a)(iv) 7,214	162,303	-	-	-	-	-	169,517
Issuance of convertible notes	發行可換股票據	-	-	-	-	-	31,296	-	31,296
Loss and total comprehensive income for the year	本年度虧損及全面收益總額	-	-	-	-	-	-	(73,498)	(73,498)
At 31 December 2013	於2013年12月31日	147,539	3,737,663	81,043	48,020	1,250	15,913	(635,921)	3,395,507
Shares issued on placing	按配售發行股份	38(a)(ii) 32,000	625,200	-	-	-	-	-	657,200
Release upon lapse of vested warrants	於已歸屬認股權證失效時發回	38(a)(v) -	-	-	-	(1,250)	-	1,250	-
Release upon lapse of vested share options	於已歸屬購股權失效時發回	38(a)(vi) -	-	-	(12,235)	-	-	12,235	-
Loss and total comprehensive income for the year	本年度虧損及全面收益總額	-	-	-	-	-	-	(257,914)	(257,914)
At 31 December 2014	於2014年12月31日	179,539	4,362,863	81,043	35,785	-	15,913	(880,350)	3,794,793

(c) Nature and purpose of reserves

(i) Share premium

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share. Share premium is not distributable but may be applied in paying up unissued shares of the Company to be issued to equity holders as fully paid bonus shares or to provide the premiums on repurchase of own shares.

38. 資本及儲備 (續)

(b) 本公司

Convertible

Share capital	Share premium	Contributed surplus	Share option reserve	Warrant reserve	Convertible notes equity reserve	Accumulated losses	Total		
股本	股份溢價	繳納盈餘	購股權儲備	儲備	可換股票據權益儲備	累計虧損	總計		
Notes	附註	股本	股份溢價	繳納盈餘	購股權儲備	儲備	可換股票據權益儲備	累計虧損	總計
附註	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元

At 31 December 2012	於2012年12月31日	123,560	3,318,649	81,043	48,020	1,250	-	(562,423)	3,010,099
Shares issued on placing	按配售發行股份	38(a)(ii) 9,280	139,196	-	-	-	-	-	148,476
Shares issued on conversion of convertible notes	轉換可換股票據時發行股份	38(a)(iii) 7,485	117,515	-	-	-	(15,383)	-	109,617
Shares issued to extinguish financial liabilities	為抵銷財務負債而發行股份	38(a)(iv) 7,214	162,303	-	-	-	-	-	169,517
Issuance of convertible notes	發行可換股票據	-	-	-	-	-	31,296	-	31,296
Loss and total comprehensive income for the year	本年度虧損及全面收益總額	-	-	-	-	-	-	(73,498)	(73,498)
At 31 December 2013	於2013年12月31日	147,539	3,737,663	81,043	48,020	1,250	15,913	(635,921)	3,395,507
Shares issued on placing	按配售發行股份	38(a)(ii) 32,000	625,200	-	-	-	-	-	657,200
Release upon lapse of vested warrants	於已歸屬認股權證失效時發回	38(a)(v) -	-	-	-	(1,250)	-	1,250	-
Release upon lapse of vested share options	於已歸屬購股權失效時發回	38(a)(vi) -	-	-	(12,235)	-	-	12,235	-
Loss and total comprehensive income for the year	本年度虧損及全面收益總額	-	-	-	-	-	-	(257,914)	(257,914)
At 31 December 2014	於2014年12月31日	179,539	4,362,863	81,043	35,785	-	15,913	(880,350)	3,794,793

(c) 儲備性質及用途

(i) 股份溢價

股份溢價指以超出股份每股面值價格發行股份而產生之溢價。股份溢價不可分派但可用作繳清本公司將作為繳足紅股向權益持有人發行之未發行股份或為購回本身股份提供溢價。

38. CAPITAL AND RESERVES (Continued)

(c) Nature and purpose of reserves (Continued)

(ii) Contributed surplus

Contributed surplus arose when the Company issues shares in exchange for the shares of subsidiaries being acquired, and represented the difference between the nominal value of the Company's shares issued and the value of net assets of the subsidiaries acquired under the group reorganisation in 1999 in preparation for the listing of the Company's shares on The Stock Exchange of Hong Kong. Under the Companies Act 1981 of Bermuda (as amended), contributed surplus is available for distribution to equity holders. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- it is or would after the payment, be unable to pay its liabilities as they become due; or
- the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

(iii) Share option reserve

The share option reserve represents the fair value of the actual or estimated number of unexercised share options granted by the Company and recognised in accordance with the accounting policy adopted for share-based payments as set in note 4(q).

(iv) Warrant reserve

Warrant reserve represents the equity component of warrants issued by the Company.

(v) Convertible notes equity reserve

The reserve represents the equity component (i.e. option to convert the notes into shares) of the convertible notes issued by the Company.

(vi) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations outside Hong Kong which were dealt with in accordance with the accounting policy as set out in note 4(o).

38. 資本及儲備(續)

(c) 儲備性質及用途(續)

(ii) 繳納盈餘

本公司之繳納盈餘來自本公司發行股份以交換所購入附屬公司之股份，相當於本公司已發行股份面值與1999年為籌備本公司股份在香港聯合交易所上市而進行之集團重組所購入附屬公司資產淨值之間之差額。根據百慕達1981年公司法(經修訂)，繳納盈餘可供分派予權益持有人。然而，倘發生下列情況，本公司不可自繳納盈餘宣派或派付股息或作出分派：

- 派付後導致無法或可能無法償還到期負債；或
- 導致資產之可變現價值低於負債、已發行股本及股份溢價賬之總額。

(iii) 購股權儲備

購股權儲備為本公司已授出之實際或估計數目之尚未行使購股權之公平值，並已按照附註4(q)就以股份支付之款項所採納會計政策確認入賬。

(iv) 認股權證儲備

認股權證儲備代表本公司發行之認股權證之權益部分。

(v) 可換股票據權益儲備

儲備代表本公司發行之可換股票據之權益部分(即將票據轉換為股份之選擇權)。

(vi) 匯兌儲備

匯兌儲備包括因換算香港以外業務之財務報表所產生之所有外匯差額，乃按照附註4(o)所載之會計政策處理。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

38. CAPITAL AND RESERVES (Continued)

(d) Distribution of reserves

At 31 December 2014, the Company had no reserves available for cash distribution and/or distribution in specie. Under the Bermuda Companies Act 1981, the Company's contributed surplus in the amount of HK\$81,043,000 (2013: HK\$81,043,000) is currently not available for distribution. The Company's share premium account in the amount of HK\$4,362,863,000 as at 31 December 2014 (2013: HK\$3,737,663,000) may be distributed in the form of fully paid bonus shares.

39. DISPOSAL OF SUBSIDIARIES

(a) On 28 March 2014, the Group disposed of GEHK which is dormant during the period. The net liabilities of GEHK as at the completion date was as follows:

38. 資本及儲備(續)

(d) 分派儲備

於2014年12月31日，本公司概無儲備可供現金分派及／或實物分派。根據百慕達1981年公司法，本公司之繳納盈餘81,043,000港元(2013年：81,043,000港元)現不可分派。於2014年12月31日，本公司之股份溢價賬為4,362,863,000港元(2013年：3,737,663,000港元)，可以繳足紅股方式分派。

39. 出售附屬公司

(a) 於2014年3月28日，本集團出售期內暫無業務之創新能源。創新能源於完成日期之負債淨值如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	38
Other receivables	其他應收款項	25
Cash and cash equivalents	現金及現金等價物	25
Other payable and accruals	其他應付款項及預提費用	(514)
Net liabilities disposed of	出售之負債淨值	(426)
Gain on disposal	出售之收益	1,026
Total consideration	總代價	600
Satisfied by:	支付：	
Cash consideration receivable (note 26(ii))	應收現金代價(附註26(ii))	600
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash and cash equivalents disposed of	出售之現金及現金等價物	(25)

GEHK did not contribute to the Group's turnover and a loss of HK\$96,000 for the period from 1 January 2014 to the date of disposal.

於2014年1月1日至出售日期之期間，創新能源並無向本集團貢獻營業額，並產生虧損96,000港元。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

39. DISPOSAL OF SUBSIDIARIES (Continued)

(b) On 24 April 2014, the Group disposed of Gain All Limited (“Gain All”) which is dormant during the period. The net assets of Gain All as at the completion date was as follows:

39. 出售附屬公司(續)

(b) 於2014年4月24日，本集團出售期內暫無業務之得全有限公司(「得全」)。得全於完成日期之資產淨值如下：

		HK\$'000 千港元
Other receivables	其他應收款項	12
Net assets disposed of	出售之資產淨值	12
Gain on disposal	出售之收益	688
Total consideration	總代價	700
Satisfied by:	支付：	
Cash and cash equivalents	現金及現金等價物	700
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	700

Gain All did not contribute to the Group's turnover and a profit of HK\$1,730,000 for the period from 1 January 2014 to the date of disposal.

於2014年1月1日至出售日期之期間，得全並無向本集團貢獻營業額，並產生盈利1,730,000港元。

40. PRODUCTION SHARING CONTRACTS AND DEVELOPMENT CONTRACTS

The Group currently has two production sharing arrangements and two development contracts in respect of the development and production and development of coalbed methane, crude oil and natural gas in the PRC.

- (i) On 28 March 2006, OEI (which the Group acquired on 15 November 2010) entered into the Sanjiao PSC with China United Coalbed Methane Corporation Ltd (“CUCMCL”) (the “PRC partner”) for the exploration, development, production and sale of the coalbed methane and other related or derivative products that may exist in a total exploration area of approximately 383 square kilometers subject to reduction in accordance with the Sanjiao PSC located in the Erdos Basin of Shanxi and Shaanxi Provinces in the PRC (the “Contract Area”).

Pursuant to the Sanjiao PSC, OEI is engaged as the foreign partner and operator to provide the necessary technology know how and assign its competent experts to explore, develop, produce and sell coalbed methane or coalbed methane products extracted from the Contract Area. OEI and PRC partner have formed a joint management committee as required under the Sanjiao PSC and appointed representatives as members of the committee (the “Joint Management Committee”). The Joint Management Committee is responsible to oversee the operation in the Contract Area.

In April 2009, CUCMCL transferred all of its interest and associated obligations with respect to certain gas fields, including the areas covered by the Sanjiao PSC, to PetroChina. The transfer was approved by the State-owned Assets Supervision and Administration Commission of the State Council. PetroChina joined the Joint Management Committee of the Sanjiao PSC.

Under the Sanjiao PSC, the development of the Contract Area is divided into the exploration phase, development and production phase. OEI is required to conduct core testing and run pilot production to ascertain the potential commercial value of the coalbed methane field in the planned exploration area.

40. 產品分成合同及開發合同

本集團目前在中國有兩項與煤層氣、原油及天然氣開發及生產有關之產品分成安排及兩項開發合同。

- (i) 於2006年3月28日，奧瑞安（本集團於2010年11月15日收購該公司）與中聯煤層氣有限責任公司（「中聯煤層氣」）（「中方夥伴」）訂立一份三交產品分成合同，有關按照位於中國山西省及陝西省之鄂爾多斯盆地（「合同地區」）之三交產品分成合同勘探、開發、生產及銷售可能在約383平方公里總勘探面積（有待削減）內存在之煤層氣及其他有關或衍生產品。

根據三交產品分成合同，奧瑞安作為外方夥伴及營運商，提供必要之技術知識及委派稱職之專家以從合同地區勘探、開發、生產及銷售所提取之煤層氣或煤層氣產品。奧瑞安與中方夥伴已根據三交產品分成合同要求成立聯合管理委員會（「聯管會」）及委任代表出任該委員會之成員。聯管會負責監督合同地區之營運。

於2009年4月，中聯煤層氣把其於若干油氣田（包括有關三交產品分成合同所覆蓋之區域）之權益及相關責任轉移予中石油。該項轉移已獲國務院國有資產監督管理委員會批准。中石油已加入三交產品分成合同之聯管會。

根據三交產品分成合同，合同地區之開發分為勘探期，開發及生產期。奧瑞安須進行主要測試及試產以確定在規劃勘探區內之煤層氣田之潛在商業價值。

40. PRODUCTION SHARING CONTRACTS AND DEVELOPMENT CONTRACTS (Continued)

(i) (Continued)

The exploration phase has an initial term of four years and expired on 1 July 2010. The PRC partner has extended the exploration period to 30 June 2012 in order to develop a larger production scale. Based on the supplementary agreement of the Sanjiao PSC dated 28 October 2010, the exploration period was extended to 6 years to 30 June 2012. The exploration period has been further extended to 30 June 2014 by way of a further supplementary agreement of the Sanjiao PSC dated on 6 July 2012. In December 2014, a further supplementary agreement of the Sanjiao PSC was signed, the exploration period has been further extended to 30 June 2016.

All costs incurred in the exploration phase shall be borne by OEI. The project will enter the development and production phase once OEI has obtained the approval of the ODP from NEA.

On commencement of the development and production phase, all the development and operating costs shall be borne as to 70% by OEI and 30% by the PRC partner, except if the PRC partner chooses not to participate in a particular site. If the PRC partner chooses not to participate in a particular site, all the development and operating cost will be fully borne by OEI. Also, the PRC partner's participation can be less than 30% for certain wells in respect of which the PRC partner will not need to bear the development costs or will bear at a specifically agreed percentage. As a result, the profit sharing ratio will be adjusted according to their actual participating interest in the coalbed methane field.

The Sanjiao PSC has a term of thirty years, with production period not more than twenty consecutive years beginning from the date of commencement of commercial production to the expiry date of the production period as specified in the ODP, unless production is suspended or abandoned in accordance with the Sanjiao PSC or under special circumstances, the production period can be extended with the approval of the relevant PRC authority.

40. 產品分成合同及開發合同(續)

(i) (續)

勘探期初步為期四年，於2010年7月1日屆滿。中方夥伴已將勘探期延期至2012年6月30日，以擴大生產規模。根據日期為2010年10月28日之三交產品分成合同補充協議，勘探期已延期為六年至2012年6月30日。根據日期為2012年7月6日之三交產品分成合同之進一步補充協議，勘探期已進一步延期至2014年6月30日。於2014年12月，簽訂三交產品分成合同之進一步補充協議，勘探期已進一步延期至2016年6月30日。

勘探期產生之所有成本應由奧瑞安承擔。奧瑞安獲得國家能源局批准整體開發計劃後，項目將進入開發及生產階段。

當開發及生產期展開後，所有開發及經營成本將會由奧瑞安及中方夥伴各自按70%及30%之比例承擔，惟倘中方夥伴選擇不參與開採某一特定地點，則作別論。倘中方夥伴選擇不參與開採某一特定地點，則奧瑞安將會承擔所有與此有關之開發及經營成本。此外，中方夥伴在若干油氣井之參與亦可以少於30%，而中方夥伴就此毋須承擔上述既定之開採成本，又或將承擔一個特別協定之百分比。因此，溢利分成比率將會根據彼等各自於煤層氣田之實際參與權益而作出調整。

三交產品分成合同為期三十年，生產期由商業生產開始日期起至生產期到期日（根據整體開發計劃所指定）為止不可多於連續二十年，除非根據三交產品分成合同暫停生產或放棄生產或因特別情況生產期在有關中國政府機關批准下續期。

40. PRODUCTION SHARING CONTRACTS AND DEVELOPMENT CONTRACTS (Continued)

(i) (Continued)

The Sanjiao PSC is currently in the exploration stage. In May 2012, the ODP was submitted to the NEA by the PRC partner of the project, PetroChina. The Group received a reply from NEA, which gave consent on the preliminary work on the development of the Sanjiao PSC in August 2012. The Group anticipates to obtain full approval of ODP from NEA in 2015.

- (ii) In May 2010, the Group entered into an operation agreement with an independent PRC third party (the "PRC Party") for the exploration, development and production of crude oil and natural gas that existed in an exploration area located in Shaanxi Province in the PRC (the "Jinzhuan Oil Field") for the period from 1 May 2010 to 31 July 2011. The PRC Party is a party to a production sharing contract with a State-owned enterprise for the exploration, development and production of crude oil and natural gas in the Jinzhuan Oil Field (the "Jinzhuan PSC") for a period up to 2025. Pursuant to the operation agreement, the Group was engaged as the operator to explore, develop and produce crude oil and natural gas from the oil field. The Group bore all development and operation costs and shared 95% of the income from sale of crude oil and the entire income from the sale of natural gas extracted from the Jinzhuan Oil Field. The operation of the Jinzhuan Oil Field was jointly controlled by the Group and the PRC Party. At the same time, Kenwin Group based in Hong Kong, acquired the rights and obligations of the Jinzhuan PSC from the PRC Party. The Group signed a memorandum of understanding ("MOU") with the owner of Kenwin Group and paid an interest free and refundable deposit of HK\$60,000,000 to the owner such that the Group had the option to acquire the entire equity interest of Kenwin Group.

40. 產品分成合同及開發合同 (續)

(i) (續)

現時三交產品分成合同正處於勘探期。於2012年5月，本集團通過該項目之中方夥伴中石油向國家能源局提交了整體開發計劃。於2012年8月，本集團收到國家能源局覆函，當中表示同意三交產品分成合同之初步開發工作。本集團預計將於2015年取得國家能源局對整體開發計劃之全面批准。

- (ii) 於2010年5月，本集團與中國一名獨立第三方（「中方夥伴」）訂立營運協議以從2010年5月1日至2011年7月31日在位於中國陝西省之勘探區（「金庄油田」）進行原油及天然氣勘探、開發及生產。中方夥伴已與一家國營企業訂立金庄油田勘探、開發及生產原油及天然氣為期直至2025年之產品分成合同（「金庄產品分成合同」）。根據營運協議，本集團獲聘為營運商，以勘探、開發及生產金庄油田之原油及天然氣。本集團承擔所有開發及營運成本及享有金庄油田之95%原油銷售收入及該油田全部天然氣銷售收入。金庄油田之營運乃由本集團及中方夥伴共同控制。與此同時，總部位於香港之Kenwin Group向中方夥伴收購金庄產品分成合同之權利及責任。本集團與Kenwin Group擁有人簽訂一項諒解備忘錄（「諒解備忘錄」），支付一筆免息及可退回之按金60,000,000港元予該擁有人，因此，本集團可選擇是否收購Kenwin Group之全數權益。

40. PRODUCTION SHARING CONTRACTS AND DEVELOPMENT CONTRACTS (Continued)

(ii) (Continued)

In June 2011, the Group and the PRC party agreed to extend the operation period to 31 October 2011. In November 2011, the Group acquired the Jinzhuang Oil Field by acquiring 100% equity interest in Kenwin Group.

The Group's interests in the Sanjiao PSC and the Jinzhuang PSC constitute jointly control operations and are accounted for in accordance with the accounting policy as set out in note 4(e).

- (iii) During 2009, the Group acquired through a transfer agreement and an assignment agreement the rights and obligations to participate in two oil exploitation projects for the exploitation, development and production of a number of oil wells, each for a period up to 2023. The oil wells of these projects are separately located in Liuluoyu, Shannxi Province, the PRC (the "Liuluoyu Oil Field") and in Yanjiawan, Shannxi Province, the PRC (the "Yanjiawan Oil Field"). The Group also acquired, under the transfer agreement and assignment agreement, the business assets including oil and gas properties, the rights to use the on-site plant, machinery and facilities for the exploration, evaluation and development, and assumed the liabilities associated these oil fields.

As advised by the Company's PRC legal advisers, the Group is entitled to the rights and obligations of the development contract and participate in the exploitation and production of crude oil in the Liuluoyu Oil Field and Yanjiawan Oil Field. Since the Group has, in practice and substance, the power to govern the financial and operational policies over the operation of the oil fields, the Group incorporated the results of the oil production and the related assets and liabilities of these oil fields into its financial statements.

40. 產品分成合同及開發合同(續)

(ii) (續)

2011年6月，本集團及中方夥伴同意將經營期限延期至2011年10月31日。2011年11月，本集團透過收購Kenwin Group 100%股權而收購金庄油田。

本集團於三交產品分成合同及金庄產品分成合同之權益構成共同控制之業務，並根據附註4(e)所載之會計政策入賬。

- (iii) 2009年內，本集團透過讓渡協議及轉讓協議，收購參與兩項石油開採項目之權利及責任，以開採、開發及生產多個油井，均為期至2023年。該等項目之油井分別位於中國陝西省柳洛峪（「柳洛峪油田」）及中國陝西省閻家灣（「閻家灣油田」）。本集團亦根據讓渡協議及轉讓協議收購業務資產（包括油氣資產）及就勘探、評估及開發使用廠房、器械及設施之權利，並承擔與該等油田有關之負債。

根據本公司之中國法律顧問之意見，本集團擁有開發合同下之權利及責任，並可參與柳洛峪油田及閻家灣油田之原油開採及生產。由於本集團擁有實際權力監管該等油田營運之財務及營運政策，因此本集團已將該等油田之石油生產業績以及相關資產及負債合併列入其財務報表。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

41. SIGNIFICANT NON-CASH TRANSACTIONS

- (a) During 2014, interest on borrowings of HK\$76,195,000 (2013: HK\$126,682,000) was capitalised as gas exploration and evaluation assets (note 9(a)).
- (b) During 2014, provision for environmental restoration and decommissioning costs was increased by HK\$551,000 (2013: decreased by HK\$253,000) and included in the gas exploration and evaluation assets (note 18).
- (c) During 2013, the Company issue of 721,350,000 shares to extinguish financial liabilities of HK\$144,270,000 as disclosed in the Company's announcement dated 28 November 2013 (note 38(a)(iv)).
- (d) During 2013, certain convertible notes were converted to subscribe for a total of 748,503,000 ordinary shares in the Company at a total consideration of HK\$125,000,000 (note 38(a)(iii)).

42. CAPITAL MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between higher owners' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the capital structure of the Group consists of net debts, which include other payables and accruals, provisions and borrowings, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

41. 重大非現金交易

- (a) 2014年內，借貸利息76,195,000港元（2013年：126,682,000港元）已資本化為天然氣勘探及評估資產（附註9(a)）。
- (b) 2014年內，環境修復和停止使用費撥備增加551,000港元（2013年：減少253,000港元），並已計入天然氣勘探及評估資產內（附註18）。
- (c) 2013年內，如本公司日期為2013年11月28日之公佈所披露，本公司發行721,350,000股股份抵銷金融負債144,270,000港元（附註38(a)(iv)）。
- (d) 2013年內，若干可換股票據獲轉換，以認購合共748,503,000股本公司普通股，總代價為125,000,000港元（附註38(a)(iii)）。

42. 資本管理

本集團管理資本之首要目標乃保障本集團能夠繼續以持續經營基準經營，從而透過與風險水平相對應之產品及服務定價以及獲得合理成本之融資，繼續為擁有人創造回報及向其他利益相關者帶來利益。

本集團積極及定期對資本架構開展檢討及管理，從而使較高借貸水平情況下可能產生之較高擁有人回報與良好資本狀況帶來之好處及保障之間取得平衡，並因應經濟環境之變化對資本架構作出調整。

在遵從行業慣例之情況下，本集團之資本架構包括淨債務（其中包括扣除現金及現金等價物之其他應付款項及預提費用、撥備及借貸）及本公司擁有人應佔權益（包括已發行股本及儲備）。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

42. CAPITAL MANAGEMENT (Continued)

The directors review the capital structure regularly. As part of this review, the directors consider the cost of capital and the risks associated with class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through payment of dividends, new share issue as well as the issue of new debts or repayment of existing debts. The net debts-to-equity ratios at 31 December 2014 and 2013 were as follows:

42. 資本管理(續)

董事定期對資本架構進行檢討。檢討之工作之一，為董事對資本成本及各類資本之相關風險進行審議。根據董事之建議，本集團將透過支付股息、新股發行、發行新增債務或償還現有債務，使整體資本架構保持平衡。於2014年及2013年12月31日之債務淨值對權益比率如下：

		The Group 本集團	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Total debts:	債務總額：		
Other payables and accruals	其他應付款項及預提費用	160,030	199,568
Warrant liability	認股權證負債	1,955	–
Borrowings	借貸	312,325	482,142
Provisions	撥備	1,280	747
Convertible notes	可換股票據	160,750	134,920
		636,340	817,377
Less: Cash and cash equivalents	減：現金及現金等價物	(19,455)	(17,536)
Pledged bank deposits	已抵押銀行存款	–	(7,832)
		616,885	792,009
Net debts	債務淨值		
		616,885	792,009
Equity	權益	4,053,989	3,447,237
Net debts-to-equity ratio	債務淨值對權益比率	15%	23%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

本公司及其任何附屬公司並不受外部實施之資本規定所規限。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

43. FINANCIAL RISK MANAGEMENT

Exposure to credit, liquidity, interest rate, currency risks and commodity price risk arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises primarily from the Group's trade and other receivables and cash at banks.

(i) Trade and other receivables

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. The Group had a significant concentration of credit risk. The entire trade receivables was from one customer and entire other receivables was from the Sanjiao PSC as at 31 December 2014 and 2013.

(ii) Cash with banks

The Group limits its exposure to credit risk by placing cash and deposits with financial institutions that meet the established credit rating or other criteria. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

43. 財務風險管理

信貸、流動資金、利率、貨幣及商品價格風險會於本集團之日常業務過程中產生。該等風險乃透過本集團之財務管理政策及常規(見下文)得以限制。

(a) 信貸風險

信貸風險指倘客戶或財務工具交易方不能履行合約責任而導致本集團財務虧損之風險，有關風險主要來自本集團之應收賬款及其他應收賬款及銀行現金。

(i) 應收賬款及其他應收賬款

本集團之信貸風險主要來自應收賬款及其他應收賬款。管理層有既定之信貸政策，並會持續監控所承受之該等信貸風險。本集團面對重大信貸集中風險。於2014年及2013年12月31日，全部應收賬款來自一名客戶，全部其他應收賬款來自三交產品分成合同。

(ii) 銀行現金

本集團存放現金及存款於財務機構以減低信貸風險，該等財務機構均達到受認可信貸評級或其他標準。鑒於該等財務機構獲得信貸評級較高，管理層預期並無任何交易方不能履行其責任。

(b) 流動資金風險

流動資金風險乃本集團未能於財務責任到期時履行有關責任之風險。本集團管理流動資金之方法是盡量確保具備足夠流動資金應付到期負債，令本集團無須承擔不能接受之虧損或聲譽受損風險。

43. FINANCIAL RISK MANAGEMENT (Continued)

(b) Liquidity risk (Continued)

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the Company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The contractual maturities of financial liabilities are shown as below:

43. 財務風險管理(續)

(b) 流動資金風險(續)

本集團旗下個別經營實體自行負責現金管理，包括現金盈餘之短期投資及借貸以彌補預期現金需求，惟倘借貸金額超過預先釐定之授權限額時須經本公司董事會批准。本集團之政策為定期監察其流動資金需求及其有否遵守借貸契約，以確保其維持足夠之現金儲備及隨時可變現之有價證券，以及在主要財務機構之信貸額度足夠應付其短期及長期流動資金需要。

財務負債之合約到期情況如下：

The Group		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
			合約未折現	1年內	1年以上 但2年以下	2年以上 但5年以下
本集團		賬面值	現金流量總額	或按要 求	但2年 以下	但5年 以下
		HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元
2014						
Non-derivatives:	非衍生：					
Other payables and accruals	其他應付款項及預提費用	160,030	160,030	160,030	-	-
Warrant liability	認股權證負債	1,955	1,955	1,955	-	-
Convertible notes	可換股票據	160,750	203,612	3,000	200,612	-
Borrowings	借貸	312,325	351,792	148,790	137,172	65,830
Total	總計	635,060	717,389	313,775	337,784	65,830
2013						
Non-derivatives:	非衍生：					
Other payables and accruals	其他應付款項及預提費用	199,568	200,887	200,887	-	-
Convertible notes	可換股票據	134,920	206,612	3,000	3,000	200,612
Borrowings	借貸	482,142	567,396	185,518	154,509	227,369
Total	總計	816,630	974,895	389,405	157,509	427,981

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

43. FINANCIAL RISK MANAGEMENT (Continued)

(c) Interest rate risk

The Group's interest rate risk arises primarily from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The interest rates and terms of repayment of the Group's borrowings are disclosed in note 33 to the financial statements.

At 31 December 2014, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit (increase/decrease the Group's loss) for the year by approximately HK\$3,123,000 (2013: HK\$(4,821,000)) before the consideration of capitalisation of interest. The sensitivity analysis has been determined assuming that the change in interest rates had occurred at the end of reporting period and had been applied to the exposure to interest rate risk for the borrowings in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date.

(d) Currency risk

The Group is exposed to currency risk primarily through recognised assets and liabilities that are denominated in a currency other than the functional currency of the operations to which they relate. At 31 December 2014 and 2013, no related hedges were made by the Group.

43. 財務風險管理(續)

(c) 利率風險

本集團之利率風險主要來自借貸。本集團因按可變動利率發放借貸而承受現金流量利率風險。本集團借貸之利率及償還期於財務報表附註33內披露。

於2014年12月31日，估計在所有其他變數維持不變之情況下，利率總體增加／降低100個基點將令本集團本年度溢利減少／增加（本集團虧損增加／減少）約3,123,000港元（2013年：（4,821,000）港元）（不計及資本化利息）。敏感度分析乃假設利率變動於報告期間結束時已發生，且已計入於該日存在之借貸利率風險後釐定。增加或減少100個基點為管理層對下一年度報告日期之前期間利率之可能合理變動之估計。

(d) 貨幣風險

本集團承受之貨幣風險主要源自以有關業務之功能貨幣以外之貨幣計值之已確認資產及負債。於2014年及2013年12月31日，本集團並無作出相關對沖。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

43. FINANCIAL RISK MANAGEMENT (Continued)

(d) Currency risk (Continued)

(i) Exposure to currency risk

The following table details the Group's exposure at the end of reporting period date to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. The sensitivity analysis includes balances between group companies where the denomination of the balances is in a currency other than the functional currencies of the lender or the borrower.

The Group

		2014				2013			
		Australian dollars 澳元 '000 千元	USD 美元 '000 千元	RMB 人民幣 '000 千元	CAD 加元 '000 千元	Australian dollars 澳元 '000 千元	USD 美元 '000 千元	RMB 人民幣 '000 千元	CAD 加元 '000 千元
Trade and other receivables	應收賬款及其他應收賬款	-	120	-	40,272	-	320	8	-
Notes receivable*	應收票據*	2,000	-	-	-	1,949	-	-	-
Deposits paid	已付按金	-	-	-	-	-	-	17	-
Cash and cash equivalents	現金及現金等價物	-	292	3	54	1	1,022	469	-
Amounts due from group companies	應收集團公司款項	-	44,656	520,550	-	-	-	104,779	-
Trade and other payables	應付賬款及其他應付款項	-	(49)	-	-	-	(560)	(40)	-
Amounts due to group companies	應付集團公司款項	-	(23,582)	(190,782)	-	-	(185,361)	(1,000)	-
Overall net exposure	整體風險淨值	2,000	21,437	329,771	40,326	1,950	(184,579)	104,233	-

* Included in interest in a joint venture

* 納入於一家合營企業之權益

43. 財務風險管理 (續)

(d) 貨幣風險 (續)

(i) 所承受之貨幣風險

下表載列本集團於報告期間結束時因確認以有關實體之功能貨幣以外之貨幣計值之資產或負債而承受之貨幣風險詳情。敏感度分析包括集團內公司間之結餘，而該等結餘乃以貸方或借方之功能貨幣以外之貨幣計值。

本集團

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

43. FINANCIAL RISK MANAGEMENT (Continued)

(d) Currency risk (Continued)

(ii) Sensitivity analysis

The following table indicates the approximate change in the Group's profit/(loss) after income tax expenses and accumulated losses and other components of consolidated equity in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of reporting period. The sensitivity analysis includes balances between Group companies where the denomination of the balances is in a currency other than the functional currencies of the lender or the borrower. A positive number below indicates an increase in profit/decrease in loss and decrease in accumulated losses where the HKD weakens against the relevant currency. For a strengthening of the HKD against the relevant currency, there would be an equal and opposite impact on loss and accumulated losses, and the balances below would be negative.

43. 財務風險管理 (續)

(d) 貨幣風險 (續)

(ii) 敏感度分析

下表顯示於報告期間結束時對本集團構成重大風險之外匯匯率之可能合理變動造成本集團除所得稅支出後溢利／(虧損)及累計虧損以及綜合權益其他組成部分之概約變動。敏感度分析包括集團內公司間之結餘，而該等結餘乃以貸方或借方之功能貨幣以外之貨幣計值。倘港元兌相關貨幣疲弱，以下正數表示溢利增加／虧損減少及累計虧損減少。當港元兌有關貨幣強勁，則可能對虧損及累計虧損造成金額等同但相反之影響，故以下結餘可能會為負數。

		The Group 本集團			
		2014		2013	
		Increase in profit after taxation and decrease in accumulated losses in HKD		Decrease in loss after taxation and decrease in accumulated losses in HKD	
		Weakening in HKD		Weakening in HKD	
		除稅後溢利 增加及累計 虧損減少		除稅後虧損 減少及累計 虧損減少	
		港元貶值 %		港元貶值 %	
		HK\$'000 千港元		HK\$'000 千港元	
RMB	人民幣	2%	8,240	2%	2,670
CAD	加元	2%	5,395	2%	-
Australian dollars	澳元	3%	381	3%	405

43. FINANCIAL RISK MANAGEMENT (Continued)

(d) Currency risk (Continued)

(ii) Sensitivity analysis (Continued)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of reporting period and had been applied to each of the Group entities' exposure to currency risk for the financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of the next reporting period. In this respect, it is assumed that the pegged rate between the HKD and the USD would be materially unaffected by any changes in movement in value of the USD against other currencies. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the Group entities' profit or loss after income tax expenses and equity measured in the respective functional currencies, translated into HKD at the exchange rate ruling at the end of reporting period for presentation purposes. The analysis is performed on the same basis for 2013.

(e) Commodity price risk

The Group engages in petroleum-related activities. The oil market is affected by global and regional demands and supplies. Prices of onshore crude oil are determined with reference to the prices of crude oil on the international markets. A decline in the prices of crude oil and refined products could adversely affect the Group's financial position. The Group historically has not used derivative financial instruments to hedge against potential price fluctuations of crude oil.

43. 財務風險管理 (續)

(d) 貨幣風險 (續)

(ii) 敏感度分析 (續)

敏感度分析乃假設外匯匯率之變動於報告期間結束時已發生及已對本集團旗下各實體應用該日存續之財務工具所涉及之貨幣風險，而所有其他變數（尤其是利率）保持不變釐定。

所述之變動指管理層對直至下一個報告期間結束止期間之外匯匯率之可能合理變動之評估。就此而言，假定港元及美元之聯繫匯率不會受到美元兌其他貨幣之任何價值變動之重大影響。上表列示之分析結果指對本集團旗下各實體按各功能貨幣計算並按報告期間結束時之現行匯率換算為港元以供呈列之用之除所得稅支出後損益及權益之影響總額。該分析乃按與2013年相同之基準進行。

(e) 商品價格風險

本集團從事與石油相關之業務。石油市場受全球及地區供求關係之影響。陸上原油價格乃參照國際市場之原油價格確定。原油及精煉產品價格下降可能對本集團財務狀況造成不利影響。本集團過往並未採用衍生財務工具對沖原油潛在價格波動。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

44. PERFORMANCE BONDS – THE GROUP

Pursuant to the terms of the supplementary agreement in respect of the Sanjiao PSC, the Group has procured a bank to provide performance bonds in favour of PetroChina for guarantee of OEI's performance of its obligations in the extended phase of the exploration period of the Sanjiao PSC. As at 31 December 2014, the aggregate amount of outstanding performance bonds totalled approximately HK\$Nil (2013: HK\$7,754,000). The aforesaid performance bond facilities were secured by the pledge of the Group's bank deposits (note 28).

Subsequent to the year end, PetroChina requested the Group to procure a bank to provide a new performance bonds of USD2 million in favour of PetroChina for guarantee of OEI's performance of its obligations in the extended phase of the exploration period of the Sanjiao PSC.

In the opinion of the Directors, the financial impact arising from providing the above performance bonds is immaterial and accordingly, they are not accounted for in these financial statements.

45. COMMITMENTS

(a) Operating lease commitments – Lessee The Group

As at 31 December 2014 and 2013, the total future minimum lease payments under non-cancellable operating leases were payable as follows:

		The Group 本集團	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Within 1 year	1年內	4,463	2,354
After 1 year but within 5 years	1年後但5年內	239	537
		4,702	2,891

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

44. 履約保證金－本集團

根據有關三交產品分成合同補充協議之條款，本集團已促使一家銀行就擔保奧瑞安在三交產品分成合同勘探期延長階段履行其責任以中石油為受益人提供履約保證金。於2014年12月31日，未支付的履約保證金總額約為零港元（2013年：7,754,000港元）。上述履約保證金融資乃以本集團已抵押銀行存款作擔保（附註28）。

於年結日後，中石油要求本集團促使一家銀行就擔保奧瑞安在三交產品分成合同勘探期延長階段履行其責任以中石油為受益人提供新履約保證金2,000,000美元。

董事認為，提供上述履約保證金產生之財務影響並不重大，因此，並無將其計入此等財務報表。

45. 承擔

(a) 經營租賃承擔－承租人 本集團

於2014年及2013年12月31日，應付不可撤銷經營租賃之未來最低租賃款項總額如下：

	The Group 本集團	
	2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Within 1 year	4,463	2,354
After 1 year but within 5 years	239	537
	4,702	2,891

本集團為根據經營租賃持有多項物業之承租人。一般而言，該等租賃之初步期間介乎1至5年，並無續期選擇權。所有租賃概無包括或有租金。

45. COMMITMENTS (Continued)**(a) Operating lease commitments – Lessee
(Continued)****The Company**

The Company did not have any significant operating lease commitments as at 31 December 2014 and 2013.

(b) Operating lease commitments – Lessor

Within 1 year	1年內
After 1 year but within 5 years	1年後但5年內

The Group sub-leases of property in PRC under operating leases. The sub-leases of property in PRC usually run for one to five years. Lease payment is negotiated and concluded in a contract. None of the lease includes contingent rentals. The Company did not have any significant sub-leasing commitments as at 31 December 2014 and 2013.

(c) Capital commitments**The Group***(i) Authorised but no contracted for*

As at 31 December 2014 and 2013, the Group was committed to develop in total 9 (2013: 9) new oil wells under the development contracts of the Liuluoyu Oil Field and Yanjiawan Oil Field. The estimated total capital expenditure for developing these new oil wells is HK\$10.1 million (2013: HK\$10.6 million).

45. 承擔(續)**(a) 經營租賃承擔 – 承租人(續)****本公司**

於2014年及2013年12月31日，本公司並無任何重大經營租賃承擔。

(b) 經營租賃承擔 – 出租人**The Group****本集團**

	2014 HK\$'000 千港元	2013 HK\$'000 千港元
Within 1 year	–	2,092
After 1 year but within 5 years	–	1,333
	–	3,425

本集團於中國根據經營租賃分租若干物業。於中國分租物業一般為期1至5年。租金乃協商而定，並於合同內訂明。所有租賃概無包括或有租金。於2014年及2013年12月31日，本公司並無任何重大分租承擔。

(c) 資本承擔**本集團***(i) 已授權但未訂約*

於2014年及2013年12月31日，本集團致力根據柳洛峪油田及閩家灣油田開發合同開發合共9個(2013年：9個)新油井。估計開發該等新油井之資本支出總額為10,100,000港元(2013年：10,600,000港元)。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

45. COMMITMENTS (Continued)

(c) Capital commitments (Continued)

(ii) Contracted but not provided for

Commitments in respect of the Sanjiao PSC 就三交產品分成合同之承擔

The Company

The Company did not have any significant operating lease commitments as at 31 December 2014 and 2013.

46. CONTINGENT LIABILITIES

Environmental liabilities

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

The Group also engages in the exploration, development and production of coalbed methane resources. The consequence of coalbed mining includes dismantlement and demolition of infrastructure in the mining sites. The Group may have obligations to make payments for restoration and rehabilitation of the land after the sites have been extracted. As at 31 December 2014, a provision of HK\$1,280,000 (2013: HK\$747,000) was made in the consolidated statement of financial position (note 32).

45. 承擔(續)

(c) 資本承擔(續)

(ii) 已訂約但未撥備

The Group
本集團

2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
96,231	15,078

本公司

於2014年及2013年12月31日，本公司概無任何重大經營租賃承擔。

46. 或有負債

有關環保之負債

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

本集團亦經營煤層氣資源之勘探、開發和生產，而進行煤層開採之後果包括拆遷及拆除礦場之基本設施。本集團或須負責在礦場完成開採後，支付礦區土地復原及復墾之費用。於2014年12月31日，綜合財務狀況表內作出了1,280,000港元(2013年：747,000港元)之撥備(附註32)。

47. MATERIAL RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the financial statements, no related party transactions have been entered into during the year which might reasonably affect any decisions made by the users of these consolidated financial statements.

Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 11, all the highest paid employees as disclosed in note 12, and other six (2013: six) senior management personnel are as follows:

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職後福利

Total remuneration is included in "staff costs" (see note 9(b)).

47. 重大關連人士交易

除財務報表內另行披露者外，年內概無訂立可能對該等綜合財務報表使用者任何已作出之決定產生合理影響之關連人士交易。

主要管理人員酬金

本集團主要管理人員酬金(包括附註11所披露之已向本公司董事支付之款項、附註12所披露之已向全體最高薪僱員支付之款項及向六名(2013年:六名)其他高級管理人員支付之款項)如下:

		The Group 本集團	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
		13,866	13,687
		-	-
		<u>13,866</u>	<u>13,687</u>

酬金總額乃計入「員工成本」中(附註9(b))。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

48. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The carrying amounts of the Group's financial assets and financial liabilities recognised as at 31 December 2014 and 2013 may be categorised as follows:

48. 財務資產及財務負債之分類概要

於2014年及2013年12月31日確認之本集團財務資產及財務負債之賬面值分類如下：

		The Group 本集團	
		2014 HK\$' 000 千港元	2013 HK\$' 000 千港元
Financial assets	財務資產		
Loans and receivables (including cash and bank balances)	貸款及應收款項(包括現金及銀行結餘)	404,197	102,031
Financial liabilities	財務負債		
Financial liabilities at fair value through profit or loss	按公平值於損益入賬之財務負債	1,955	—
Financial liabilities measured at amortised cost	按攤銷成本計量之財務負債	633,105	816,630
		635,060	816,630

(a) Financial instruments not measured at fair value

Financial instruments not measured at fair value include trade, notes and other receivables, loan receivables, short-term investment, pledged bank deposits, cash and cash equivalents, other payables, borrowings and convertible notes. The fair value of all these financial assets and financial liabilities are not materially different from their carrying amounts.

(b) Financial instruments measured at fair value

The fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of level 2 and level 3 financial instruments, as well as the relationship between key observable inputs and fair value are set out below.

(a) 並非按公平值計量之財務工具

並非按公平值計量之財務工具包括應收賬款、應收票據及其他應收款項、應收貸款、短期投資、已抵押銀行存款、現金及現金等價物、其他應付款項、借貸及可換股票據。所有該等財務資產及財務負債均與其賬面值相若。

(b) 按公平值計量之財務工具

具有標準條款及條件並於流動性活躍市場買賣的財務資產及財務負債的公平值乃參考市場報價釐定。

文載列於釐定第2層及第3層財務工具之公平值計量時所運用的估值技術及重大不可觀察輸入數據，以及主要可觀察輸入數據與公平值之間的關係。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

48. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

(b) Financial instruments measured at fair value (Continued)

Information about level 3 fair value measurements

The fair value of the warrant liability in note 31 is estimated using a binomial option pricing model.

Significant unobservable inputs

Dividend yield	0%
Volatility	40.351%

Increase in the volatility and dividend yield would increase the fair value of the warrant liability.

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

48. 財務資產及財務負債之分類概要(續)

(b) 按公平值計量之財務工具(續)

有關第3層公平值計量的資料

附註31認股權證負債的公平值乃使用二項式期權模型估計。

重大不可觀察輸入數據

股息收益率	0%
波動性	40.351%

波動性及股息收益率增加將導致認股權證負債公平值增加。

下表提供按公平值列賬的財務工具按公平值層級劃分之分析：

第1層：相同資產或負債於活躍市場之報價(未經調整)；

第2層：使用可直接(即價格)或間接(即由價格衍生)觀察但不包括第1層內報價之資產或負債之輸入數據；及

第3層：並非根據可觀察市場數據之資產或負債之輸入數據(不可觀察輸入數據)。

Group and Company

本集團及本公司

2014

Level 1	Level 2	Level 3	Total
第1層	第2層	第3層	總計
HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
千港元	千港元	千港元	千港元

Financial liabilities at fair value through profit or loss	按公平值於損益入賬之財務負債				
– Warrant liability	– 認股權證負債	–	–	1,955	1,955

There were no transfers between levels during the year.

年內各公平值層級之間並無發生任何轉讓。

Notes to the Financial Statements

財務報表附註

31 December 2014 於2014年12月31日

48. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

(b) Financial instruments measured at fair value (Continued)

Reconciliation for financial instruments carried at fair value based on significant unobservable inputs (Level 3) are as follows:

		2014 HK\$'000 千港元
Warrant liability	認股權證負債	
At 1 January 2014	於2014年1月1日	-
At issue date	於發行日期	3,482
Gains in profit or loss: included in other losses, net (note 8)	於損益賬之收益：計入其他虧損淨額(附註8)	(1,527)
At 31 December 2014	於2014年12月31日	1,955

49. EVENTS AFTER THE REPORTING PERIOD

On 19 January 2015, the Company has appointed a placing agent for arranging subscribers for the issue of bonds up to an aggregate amount of HK\$300,000,000 (the "Bonds"). The Bonds bear interest of 7% per annum, are unsecured and transferrable and with maturity dates of 84 months immediately following the respective dates of issue of the Bond.

50. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 20 March 2015.

48. 財務資產及財務負債之分類概要(續)

(b) 按公平值計量之財務工具(續)

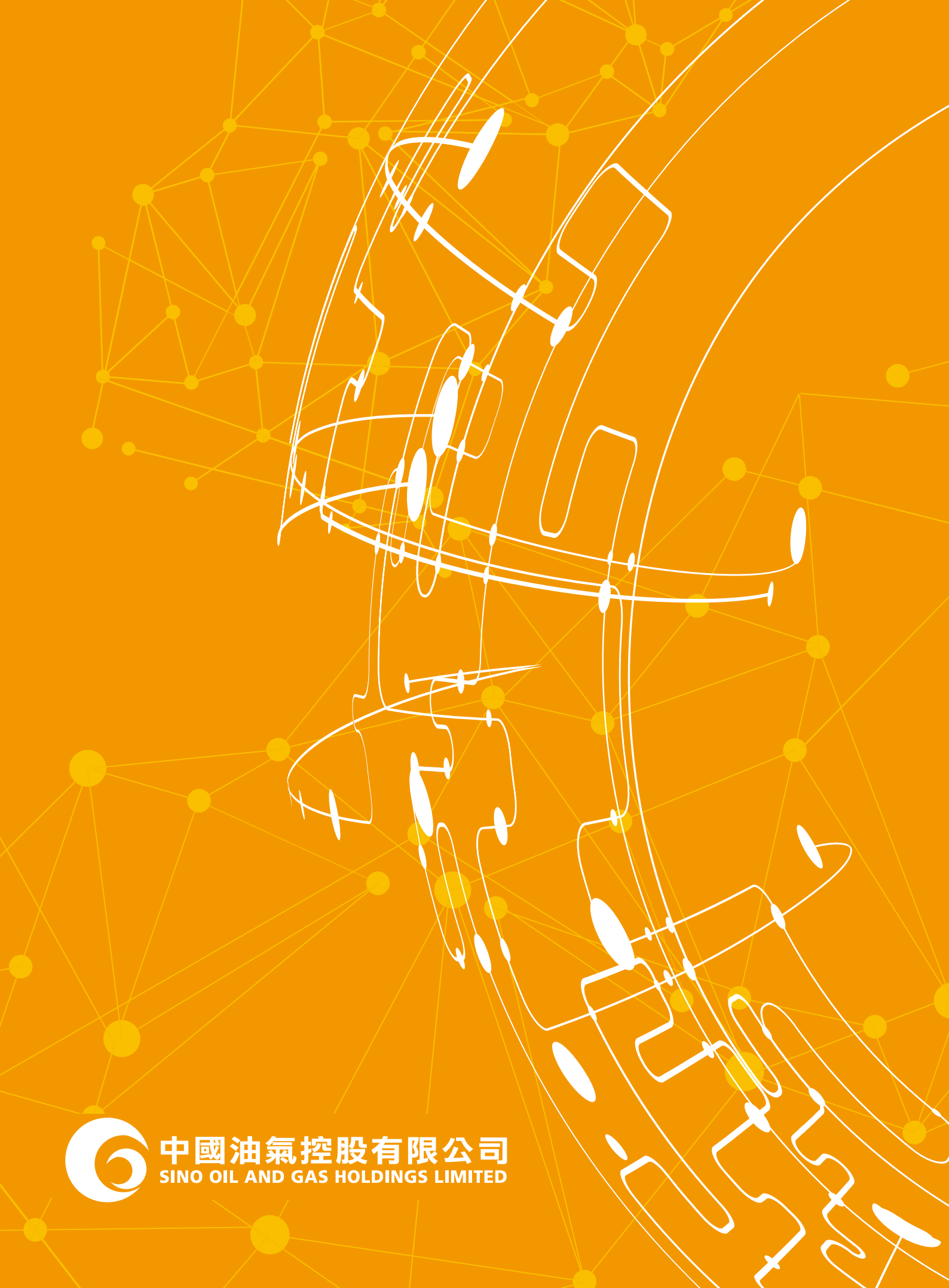
根據重大不可觀察輸入數據(第3層)按公平值入賬的財務工具之對賬如下：

49. 報告期後事項

於2015年1月19日，本公司委聘一間配售代理，為發行總額最多300,000,000港元之債券(「債券」)安排認購人。債券按每年7%計息，無抵押，可轉讓，以及於緊接相關債券發行日期後84個月到期。

50. 財務報表之審批

財務報表已由董事會於2015年3月20日審批及授權刊發。



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