



# MIE HOLDINGS CORPORATION

## MI 能源控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

*(於開曼群島註冊成立之有限公司)*

(Stock code 股份代號: 1555)

# 2018 年報

## ANNUAL REPORT





# Contents 目錄

2	Company Information	公司資料
5	Financial Summary	財務摘要
6	Operating Summary	營運摘要
11	Chairman's Statement	主席報告書
14	Directors and Senior Management	董事及高級管理層
20	Corporate Governance Report	企業管治報告
50	Report of the Directors	董事會報告
82	Environmental, Social and Governance Report	環境、社會及管治報告
101	Management Discussion and Analysis	管理層討論及分析
126	Independent Auditor's Report	獨立核數師報告
131	Consolidated Statement of Financial Position	合併財務狀況表
134	Consolidated Statement of Comprehensive Income	合併綜合收益表
138	Consolidated Statement of Changes in Equity	合併權益變動表
140	Consolidated Statement of Cash Flows	合併現金流量表
142	Notes to the Consolidated Financial Statements	合併財務報表附註



# Company Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Zhang Ruilin (*Chairman*)

Mr. Zhao Jiangwei

#### Non-executive Directors

Ms. Xie Na

Mr. Jiao Qisen

(*resigned with effect from January 16, 2019*)

#### Independent Non-executive Directors

Mr. Mei Jianping

Mr. Jeffrey Willard Miller

Mr. Guo Yanjun

### REGISTERED ADDRESS

Maples Corporate Services Limited

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 54, Hopewell Centre

183 Queen' s Road East

Hong Kong

### BEIJING OFFICE

Suite 1501, Block C

Grand Place

5 Hui Zhong Road

Chaoyang District

Beijing 100101

China

### 董事會

#### 執行董事

張瑞霖先生(主席)

趙江巍先生

#### 非執行董事

謝娜女士

焦祺森先生

(於二零一九年一月十六日辭任)

#### 獨立非執行董事

梅建平先生

Jeffrey Willard Miller 先生

郭燕軍先生

### 註冊地址

Maples Corporate Services Limited

P. O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands

### 香港主要營業地點

香港

皇后大道東183號

合和中心54樓

### 北京辦公室

中國

北京朝陽區

慧忠路5號

遠大中心C座1501室

郵編100101

# Company Information (Continued)

## 公司資料(續)

### LISTING INFORMATION

#### Stock Listing

The Stock Exchange of Hong Kong Limited  
Stock Code: 01555

#### Senior Notes Listing

The Company's 7.5%, 5 years senior notes due 2019  
The Singapore Exchange Securities Trading Limited (repaid in full on April 25, 2019)

### WEBSITE ADDRESS

www.mienergy.com.cn

### COMPANY SECRETARY

Ms. Wong Sau Mei (ACS, ACIS)  
*(resigned with effect from April 23, 2019)*  
Ms. Chan Wing Sze (ACS, ACIS)  
*(appointed with effect from April 23, 2019)*

### AUTHORIZED REPRESENTATIVES

Mr. Zhang Ruilin  
Ms. Wong Sau Mei (ACS, ACIS)  
*(resigned with effect from April 23, 2019)*  
Ms. Chan Wing Sze (ACS, ACIS)  
*(appointed with effect from April 23, 2019)*

### MEMBERS OF AUDIT COMMITTEE

Mr. Jeffrey Willard Miller (*Chairman*)  
Mr. Mei Jianping  
Mr. Guo Yanjun

### MEMBERS OF REMUNERATION COMMITTEE

Mr. Mei Jianping (*Chairman*)  
Mr. Jeffrey Willard Miller  
Mr. Guo Yanjun

### 上市資料

#### 股份上市

香港聯合交易所有限公司  
股份代號：01555

#### 優先票據上市

本公司年息7.5%，於二零一九年到期  
為期5年的優先票據於新加坡證券交易所有限公司上市(已於二零一九年四月二十五日全部償還)

### 公司網址

www.mienergy.com.cn

### 公司秘書

黃秀美女士(ACS, ACIS)  
*(於二零一九年四月二十三日辭任)*  
陳穎詩女士(ACS, ACIS)  
*(於二零一九年四月二十三日獲委任)*

### 授權代表

張瑞霖先生  
黃秀美女士(ACS, ACIS)  
*(於二零一九年四月二十三日辭任)*  
陳穎詩女士(ACS, ACIS)  
*(於二零一九年四月二十三日獲委任)*

### 審核委員會成員

Jeffrey Willard Miller 先生(主席)  
梅建平先生  
郭燕軍先生

### 薪酬委員會成員

梅建平先生(主席)  
Jeffrey Willard Miller 先生  
郭燕軍先生



# Company Information (Continued)

## 公司資料(續)

### MEMBERS OF NOMINATION COMMITTEE

Mr. Mei Jianping (*Chairman*)  
Mr. Jeffrey Willard Miller  
Mr. Guo Yanjun

### 提名委員會成員

梅建平先生(主席)  
Jeffrey Willard Miller 先生  
郭燕軍先生

### INDEPENDENT TECHNICAL CONSULTANT

Ryder Scott Company, L.P.  
Sproule Associates Limited  
Gaffney, Cline & Associates Limited  
GLJ Petroleum Consultants Limited

### 獨立技術顧問

Ryder Scott Company, L.P.  
Sproule Associates Limited  
Gaffney, Cline & Associates Limited  
GLJ Petroleum Consultants Limited

### INDEPENDENT AUDITOR

PricewaterhouseCoopers

### 獨立核數師

羅兵咸永道會計師事務所

### LEGAL ADVISERS TO THE COMPANY

Dechert (As to Hong Kong law)  
Jingtian & Gongcheng Law Firm (As to PRC law)  
Maples and Calder (As to Cayman Islands law)

### 本公司法律顧問

德杰律師事務所(香港法律)  
競天公誠律師事務所(中國法律)  
Maples and Calder (開曼群島法律)

### PRINCIPAL BANKERS

Citibank, N.A.  
China Construction Bank Corporation Limited  
Canadian Imperial Bank of Commerce

### 主要往來銀行

花旗銀行  
中國建設銀行股份有限公司  
加拿大帝國商業銀行

### VALUER

Jones Lang LaSalle Sallmanns Limited  
Asia-Pacific Consulting and Appraisal Limited  
KPMG LLP

### 估值師

仲量聯行西門有限公司  
亞太評估諮詢有限公司  
畢馬威會計師事務所

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples FS Limited  
P.O. Box 1093, Queensgate House  
Grand Cayman  
KY1-1102  
Cayman Islands

### 開曼群島主要股份過戶登記處

Maples FS Limited  
P. O. Box 1093, Queensgate House  
Grand Cayman  
KY1-1102  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22 Hopewell Centre  
183 Queen's Road East  
Hong Kong

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓

# Financial Summary

## 財務摘要

(Amounts expressed in thousands of RMB)

(所有金額均以人民幣千元為單位)

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (AUDITED)

### 合併綜合收益表(經審核)

Year ended December 31

截至十二月三十一日止年度

		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	2018 二零一八年
Total revenue	總收益	2,982,909	722,185	534,974	657,365	<b>789,704</b>
Finance costs, net	財務費用·淨值	(481,327)	(421,774)	(386,461)	9,695	<b>(591,749)</b>
Profit/(loss) before tax	除所得稅前利潤/(虧損)	236,712	(1,467,259)	(457,981)	(842,566)	<b>(784,960)</b>
Income tax (expense)/credit	所得稅(費用)/收益	(214,163)	121,118	(147,166)	(105,485)	<b>(47,412)</b>
Loss for the year from discontinued operations	本年終止經營所得虧損	-	(179,147)	(717,086)	(151,425)	<b>(363,463)</b>
Profit/(loss) for the year	本年利潤/(虧損)	22,549	(1,525,288)	(1,322,233)	(1,099,476)	<b>(1,195,835)</b>

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION (AUDITED)

### 合併財務狀況表(經審核)

As at December 31

於十二月三十一日

		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	2018 二零一八年
Current assets	流動資產	1,650,635	1,033,667	2,260,010	1,833,381	<b>753,086</b>
Assets of disposal group classified as held for sale	持有待售的處置組的資產	-	-	-	-	<b>5,105,887</b>
Property, plant and equipment	不動產·工廠及設備	6,629,673	5,633,576	2,407,958	7,719,859	<b>1,798,839</b>
Intangible assets	無形資產	494,552	359,595	8,849	708,193	<b>137,351</b>
Investments in associates	聯營企業投資	-	-	246,667	182,541	-
Available-for-sale financial assets	可供出售金融資產	75,541	27,105	63,330	67,132	-
Financial assets at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的金融資產	-	-	-	-	<b>46,458</b>
Prepayments, deposits and other receivables	預付款·保證金及其他應收款	210,389	497,878	820,224	727,966	<b>357,212</b>
Restricted cash	受限制現金	12,955	8,495	-	43,285	<b>45,465</b>
Total assets	資產總值	9,593,567	8,090,105	5,847,628	11,308,343	<b>8,244,899</b>
Current liabilities	流動負債	1,345,118	1,191,754	479,915	2,747,026	<b>3,359,474</b>
Liabilities of disposal group classified as held for sale	持有待售的處置組的負債	-	-	-	-	<b>4,533,584</b>
Non-current liabilities	非流動負債	4,683,938	4,687,355	4,727,926	8,829,778	<b>2,043,858</b>
Total liabilities	負債總額	6,029,056	5,879,109	5,207,841	11,576,804	<b>9,936,916</b>
Equity	權益	3,564,511	2,210,996	639,787	(268,461)	<b>(1,692,017)</b>

# Operating Summary

## 營運摘要

		Year ended December 31 截至十二月三十一日止年度				2018
		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	二零一八年
<b>Properties Held by Subsidiaries</b>	<b>附屬公司所持資產</b>					
<b>Sales volume</b>	<b>銷量</b>					
<b>Crude oil (millions of barrels)</b>	<b>原油 (百萬桶)</b>	5.58	3.55	3.24	2.38	<b>3.12</b>
China oilfields	中國油田	3.67	2.44	2.12	1.98	<b>1.83</b>
Kazakhstan oilfields	哈薩克斯坦	1.88	1.09	1.10	-	-
Export sales	出口銷售	1.44	0.96	0.95	-	-
Domestic sales	國內銷售	0.44	0.13	0.15	-	-
USA oilfields	美國 (Condor)	0.03	0.02	0.02	0.01	<b>0.00</b>
Canada oilfields	加拿大 (Canlin)	-	-	-	0.39	<b>1.29</b>
<b>NGL (Note) (millions of barrels)</b>	<b>天然氣凝析液 (附註) (百萬桶)</b>	-	-	-	0.16	<b>0.51</b>
Canada oilfields	加拿大 (Canlin)	-	-	-	0.16	<b>0.51</b>
<b>Gas (MMscf)</b>	<b>天然氣 (百萬標準立方英尺)</b>	2,014.34	2,021.27	1,717.70	25,315.39	<b>88,788.3</b>
Kazakhstan oilfields	哈薩克斯坦	1,954.38	2,001.15	1,703.72	-	-
USA oilfields	美國 (Condor)	59.96	20.12	13.98	1.43	-
Canada oilfields	加拿大 (Canlin)	-	-	-	25,313.96	<b>88,786.97</b>
<b>Net annual production volume</b>	<b>淨年產量</b>					
<b>Crude oil (millions of barrels)</b>	<b>原油 (百萬桶)</b>	5.59	3.71	3.27	2.38	<b>3.14</b>
China oilfields	中國油田	3.66	2.44	2.15	1.98	<b>1.85</b>
Kazakhstan oilfields	哈薩克斯坦	1.90	1.25	1.11	-	-
USA oilfields	美國 (Condor)	0.03	0.02	0.01	0.01	<b>0.00</b>
Canada oilfields	加拿大 (Canlin)	-	-	-	0.39	<b>1.29</b>
<b>NGL (millions of barrels)</b>	<b>天然氣凝析液 (百萬桶)</b>	-	-	-	0.16	<b>0.51</b>
Canada oilfields	加拿大 (Canlin)	-	-	-	0.16	<b>0.51</b>
<b>Gas (MMscf)</b>	<b>天然氣 (百萬標準立方英尺)</b>	2,222.90	2,190.61	1,899.18	25,320.56	<b>88,789.03</b>
Kazakhstan oilfields	哈薩克斯坦	2,146.48	2,150.78	1,875.30	-	-
USA oilfields	美國 (Condor)	76.42	39.83	23.88	6.6	<b>2.06</b>
Canada oilfields	加拿大 (Canlin)	-	-	-	25,313.96	<b>88,786.97</b>
<b>Average daily net crude oil production</b>	<b>日平均淨原油產量</b>					
<b>Crude oil (barrels)</b>	<b>原油 (桶)</b>	15,326	10,153	9,241	9,745	<b>8,777</b>
China oilfields	中國油田	10,033	6,687	5,872	5,454	<b>5,230</b>
Kazakhstan oilfields	哈薩克斯坦	5,201	3,412	3,328	-	-
USA oilfields	美國 (Condor)	92	54	41	29	<b>23</b>
Canada oilfields	加拿大 (Canlin)	-	-	-	4,262	<b>3,524</b>
<b>NGL (barrels)</b>	<b>天然氣凝析液 (桶)</b>	-	-	-	1,690	<b>1,399</b>
Canada oilfields	加拿大 (Canlin)	-	-	-	1,690	<b>1,399</b>
<b>Gas (MMscf)</b>	<b>天然氣 (百萬標準立方英尺)</b>	6.09	6.00	5.67	275.17	<b>243.26</b>
Kazakhstan oilfields	哈薩克斯坦	5.88	5.89	5.60	-	-
USA oilfields	美國 (Condor)	0.21	0.11	0.07	0.02	<b>0.01</b>
Canada oilfields	加拿大 (Canlin)	-	-	-	275.15	<b>243.25</b>

Note: NGL — Natural Gas Liquid

附註：NGL — 天然氣凝析液



# Operating Summary (Continued)

## 營運摘要(續)

		Year ended December 31 截至十二月三十一日止年度				2018
		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	二零一八年
<b>Average realized price</b>	<b>平均實現價格</b>					
<b>Crude oil (US\$ per barrel of crude oil)</b>	<b>原油(美元/每桶原油)</b>	86.15	45.79	36.74	48.96	<b>59.07</b>
China oilfields	中國油田	97.89	46.65	36.73	48.89	<b>64.56</b>
Kazakhstan oilfields	哈薩克斯坦	63.34	43.95	34.85	-	-
Export sales	出口銷售	70.63	48.41	38.39	-	-
Domestic sales	國內銷售	39.68	12.02	13.25	-	-
USA oilfields	美國(Condor)	83.11	40.68	37.77	47.44	<b>62.43</b>
Canada oilfields	加拿大(Canlin)	-	-	-	49.32	<b>51.24</b>
<b>NGL (US\$ per barrel)</b>	<b>天然氣凝析液(美元/每桶)</b>	-	-	-	26.64	<b>23.71</b>
Canada oilfields	加拿大(Canlin)	-	-	-	26.64	<b>23.71</b>
<b>Gas (US\$ per MMscf)</b>	<b>天然氣(美元/千標準 立方英尺)</b>	1.27	1.03	0.83	1.50	<b>1.28</b>
Kazakhstan oilfields	哈薩克斯坦	1.14	0.95	0.78	-	-
USA oilfields	美國(Condor)	6.44	2.61	2.30	4.47	-
Canada oilfields	加拿大(Canlin)	-	-	-	1.50	<b>1.28</b>
<b>Lifting costs (US\$ per barrel of oil equivalent)</b>	<b>直接採油成本 (美元/每桶當量)</b>	9.46	7.52	8.31	7.95	<b>9.39</b>
China oilfields (Note)	中國油田(附註)	11.83	9.49	8.31	8.48	<b>12.37</b>
Kazakhstan oilfields	哈薩克斯坦	4.85	3.66	2.25	-	-
Canada oilfields	加拿大(Canlin)	-	-	-	7.73	<b>9.09</b>
<b>Cash net-back (US\$ per barrel of oil equivalent)</b>	<b>現金淨回值 (美元/每桶當量)</b>	69.62	35.56	26.94	38.87	<b>50.01</b>
China oilfields	中國油田	69.62	35.56	26.94	38.87	<b>50.01</b>
Kazakhstan oilfields	哈薩克斯坦	29.14	10.94	14.26	-	-
Export sales	出口銷售	28.52	12.40	14.80	-	-
Domestic sales	國內銷售	31.81	5.11	9.25	-	-
Canada oilfields	加拿大(Canlin)	-	-	-	5.55	<b>3.98</b>
<b>Wells drilled during the year (Gross)</b>	<b>年內鑽井數(總數)</b>	157	3	-	15	<b>28</b>
<b>China oilfields</b>	<b>中國油田</b>	151	-	-	15	<b>28</b>
Successful	成功鑽探	151	-	-	15	<b>28</b>
Dry	乾井	-	-	-	-	-
<b>Kazakhstan oilfields</b>	<b>哈薩克斯坦</b>	6	3	2	-	-
Successful	成功鑽探	6	3	2	-	-
Dry	乾井	-	-	-	-	-
<b>USA oilfields</b>	<b>美國(Condor)</b>	-	-	-	-	-
Successful	成功鑽探	-	-	-	-	-
Dry	乾井	-	-	-	-	-
<b>Canada oilfields</b>	<b>加拿大(Canlin)</b>	-	-	-	-	-
Successful	成功鑽探	-	-	-	-	-
Dry	乾井	-	-	-	-	-

Note: Lifting costs include directly controllable costs to produce a barrel of oil. Other production costs such as safety fee, environment expenses, technical & research expenses and overhead have not been included since they are not directly attributable to the production of a barrel of oil.

附註：直接採油成本包括生產一桶石油之直接可控制成本。其他生產成本如安全費、環境費用、技術及研究開支以及經常性費用等並不包括在內，原因是該等成本並非一桶石油的直接成本。



# Operating Summary (Continued)

## 營運摘要(續)

		Year ended December 31 截至十二月三十一日止年度				2018
		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	二零一八年
<b>Crude Oil Reserves (thousands of barrels) 原油儲量(千桶)</b>						
<b>Subsidiaries 附屬公司所持資產</b>						
<b>Total proved</b>	探明儲量總額	48,742	45,163	10,668	19,366	<b>16,438</b>
China oilfields	中國油田	14,495	12,440	10,552	8,475	<b>9,058</b>
Canada oilfields	加拿大(Canlin)	-	-	-	10,844	<b>7,380</b>
Kazakhstan oilfields	哈薩克斯坦	33,799	32,525	-	-	-
USA oilfields	美國(Condor)	448	198	116	47	-
<b>Total proved+probable</b>	探明與概算儲量總額	124,725	120,975	19,557	27,453	<b>22,506</b>
China oilfields	中國油田	25,832	24,416	18,893	12,489	<b>12,928</b>
Canada oilfields	加拿大(Canlin)	-	-	-	14,893	<b>9,578</b>
Kazakhstan oilfields	哈薩克斯坦	97,864	96,150	-	-	-
USA oilfields	美國(Condor)	1,029	409	664	71	-
<b>Total proved+probable+possible</b>	探明、概算及可能儲量總額	171,189	160,404	28,319	32,274	<b>27,341</b>
China oilfields	中國油田	36,248	34,088	26,487	17,281	<b>17,763</b>
Canada oilfields	加拿大(Canlin)	-	-	-	14,893	<b>9,578</b>
Kazakhstan oilfields	哈薩克斯坦	130,203	124,952	-	-	-
USA oilfields	美國(Condor)	4,738	1,364	1,832	100	-
<b>Equity-accounted entities (MIE share) 按權益入帳的實體所持資產 (本集團應佔部分)</b>						
<b>Total proved</b>	探明儲量總額	-	-	17,749	11,618	<b>8,530</b>
China oilfields (Area 28/03)	中國油田(28/03區域)	-	-	-	-	-
Kazakhstan oilfields	哈薩克斯坦	-	-	12,611	7,540	<b>8,530</b>
Journey Energy Inc	Journey項目	-	-	5,138	4,078	-
Sino Gas & Energy	中國西北(三交北及臨興)	-	-	-	-	-
<b>Total proved+probable</b>	探明、概算儲量總額	-	-	41,549	32,568	<b>30,790</b>
China oilfields (Area 28/03)	中國油田(28/03區域)	-	-	-	-	<b>3,780</b>
Kazakhstan oilfields	哈薩克斯坦	-	-	32,457	24,984	<b>27,010</b>
Journey Energy Inc	Journey項目	-	-	9,092	7,584	-
Sino Gas & Energy	中國西北(三交北及臨興)	-	-	-	-	-
<b>Total proved+probable+possible</b>	探明、概算及可能儲量總額	-	-	49,546	53,836	<b>46,919</b>
China oilfields (Area 28/03)	中國油田(28/03區域)	-	-	-	-	<b>4,449</b>
Kazakhstan oilfields	哈薩克斯坦	-	-	40,454	46,252	<b>42,470</b>
Journey Energy Inc	Journey項目	-	-	9,092	7,584	-
Sino Gas & Energy	中國西北(三交北及臨興)	-	-	-	-	-
<b>Total proved</b>	探明儲量總額	48,742	45,163	28,417	30,983	<b>24,968</b>
<b>Total proved+probable</b>	探明與概算儲量總額	124,725	120,975	61,106	60,021	<b>53,296</b>
<b>Total proved+probable+possible</b>	探明、概算及可能儲量總額	171,189	160,404	77,865	86,110	<b>74,260</b>

# Operating Summary (Continued)

## 營運摘要(續)

		Year ended December 31 截至十二月三十一日止年度				2018
		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	二零一八年
<b>Gas Reserves (millions of SCF)</b>	天然氣儲量 (百萬標準立方英尺)					
<b>Subsidiaries</b>	附屬公司所持資產					
<b>Total proved</b>	探明儲量總額	44,147	36,262	155	1,210,712	<b>1,036,569</b>
China oilfields	中國油田	65	43	62	-	-
Canada oilfields	加拿大(Canlin)	-	-	-	1,210,705	<b>1,036,569</b>
Kazakhstan oilfields	哈薩克斯坦	43,232	36,006	-	-	-
USA oilfields	美國(Condor)	850	213	93	7	-
<b>Total proved+probable</b>	探明與概算儲量總額	97,249	93,050	1,356	1,801,464	<b>1,549,556</b>
China oilfields	中國油田	125	129	187	-	-
Canada oilfields	加拿大(Canlin)	-	-	-	1,801,455	<b>1,549,556</b>
Kazakhstan oilfields	哈薩克斯坦	95,111	92,380	-	-	-
USA oilfields	美國(Condor)	2,013	541	1,169	9	-
<b>Total proved+probable+possible</b>	探明、概算及可能儲量總額	131,880	122,081	3,829	1,801,471	<b>1,549,556</b>
China oilfields	中國油田	226	237	352	-	-
Canada oilfields	加拿大(Canlin)	-	-	-	1,801,455	<b>1,549,556</b>
Kazakhstan oilfields	哈薩克斯坦	122,219	120,438	-	-	-
USA oilfields	美國(Condor)	9,435	1,406	3,477	16	-
<b>Equity-accounted entities (MIE share)</b>	按權益入帳的實體所持資產 (本集團應佔部分)					
<b>Total proved</b>	探明儲量總額	364,140	375,870	46,696	47,989	<b>11,630</b>
China oilfields (Area 28/03)	中國油田(28/03區域)	-	-	-	-	-
Kazakhstan oilfields	哈薩克斯坦	-	-	14,373	8,708	<b>11,630</b>
Journey Energy Inc	Journey項目	-	-	32,323	39,281	-
Sino Gas & Energy	中國西北(三交北及臨興)	364,140	375,870	-	-	-
<b>Total proved+probable</b>	探明、概算儲量總額	466,650	574,260	76,408	87,431	<b>31,530</b>
China oilfields (Area 28/03)	中國油田(28/03區域)	-	-	-	-	-
Kazakhstan oilfields	哈薩克斯坦	-	-	29,773	28,880	<b>31,530</b>
Journey Energy Inc	Journey項目	-	-	46,635	58,551	-
Sino Gas & Energy	中國西北(三交北及臨興)	466,650	574,260	-	-	-
<b>Total proved+probable+possible</b>	探明、概算及可能儲量總額	579,870	781,830	84,016	113,099	<b>55,030</b>
China oilfields (Area 28/03)	中國油田(28/03區域)	-	-	-	-	-
Kazakhstan oilfields	哈薩克斯坦	-	-	37,381	54,548	<b>55,030</b>
Journey Energy Inc	Journey項目	-	-	46,635	58,551	-
Sino Gas & Energy	中國西北(三交北及臨興)	579,870	781,830	-	-	-
<b>Total proved</b>	探明儲量總額	408,287	412,132	46,851	1,258,701	<b>1,048,199</b>
<b>Total proved+probable</b>	探明與概算儲量總額	563,899	667,310	77,764	1,888,895	<b>1,581,086</b>
<b>Total proved+probable+possible</b>	探明、概算及可能儲量總額	711,750	903,911	87,845	1,914,571	<b>1,604,586</b>

# Operating Summary (Continued)

## 營運摘要(續)

		Year ended December 31 截至十二月三十一日止年度				2018
		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	二零一八年
<b>NGL Reserves (thousands of barrels)</b>	<b>NGL 儲量(千桶)</b>					
<b>Subsidiaries</b>	<b>附屬公司所持資產</b>					
<b>Total proved</b>	<b>探明儲量總額</b>	-	-	-	13,069	<b>12,379</b>
China oilfields	中國油田	-	-	-	-	-
Canada oilfields	加拿大(Canlin)	-	-	-	13,069	<b>12,379</b>
Kazakhstan oilfields	哈薩克斯坦	-	-	-	-	-
USA oilfields	美國(Condor)	-	-	-	-	-
<b>Total proved+probable</b>	<b>探明與概算儲量總額</b>	-	-	-	19,408	<b>18,783</b>
China oilfields	中國油田	-	-	-	-	-
Canada oilfields	加拿大(Canlin)	-	-	-	19,408	<b>18,783</b>
Kazakhstan oilfields	哈薩克斯坦	-	-	-	-	-
USA oilfields	美國(Condor)	-	-	-	-	-
<b>Total proved+probable+possible</b>	<b>探明、概算及可能儲量總額</b>	-	-	-	19,408	<b>18,783</b>
China oilfields	中國油田	-	-	-	-	-
Canada oilfields	加拿大(Canlin)	-	-	-	19,408	<b>18,783</b>
Kazakhstan oilfields	哈薩克斯坦	-	-	-	-	-
USA oilfields	美國(Condor)	-	-	-	-	-
<b>Equity-accounted entities (MIE share)</b>	<b>按權益入帳的實體所持資產 (本集團應佔部分)</b>					
<b>Total proved</b>	<b>探明儲量總額</b>	-	-	730	2,143	<b>1,330</b>
China oilfields (Area 28/03)	中國油田(28/03 區域)	-	-	-	-	-
Kazakhstan oilfields	哈薩克斯坦	-	-	-	856	<b>1,330</b>
Journey Energy Inc	Journey 項目	-	-	730	1,287	-
Sino Gas & Energy	中國西北(三交北及臨興)	-	-	-	-	-
<b>Total proved+probable</b>	<b>探明、概算儲量總額</b>	-	-	994	4,462	<b>3,110</b>
China oilfields (Area 28/03)	中國油田(28/03 區域)	-	-	-	-	-
Kazakhstan oilfields	哈薩克斯坦	-	-	-	2,588	<b>3,110</b>
Journey Energy Inc	Journey 項目	-	-	994	1,874	-
Sino Gas & Energy	中國西北(三交北及臨興)	-	-	-	-	-
<b>Total proved+probable+possible</b>	<b>探明、概算及可能儲量總額</b>	-	-	994	6,534	<b>5,070</b>
China oilfields (Area 28/03)	中國油田(28/03 區域)	-	-	-	-	-
Kazakhstan oilfields	哈薩克斯坦	-	-	-	4,660	<b>5,070</b>
Journey Energy Inc	Journey 項目	-	-	994	1,874	-
Sino Gas & Energy	中國西北(三交北及臨興)	-	-	-	-	-
<b>Total proved</b>	<b>探明儲量總額</b>	-	-	730	15,211	<b>13,709</b>
<b>Total proved+probable</b>	<b>探明與概算儲量總額</b>	-	-	994	23,870	<b>21,893</b>
<b>Total proved+probable+possible</b>	<b>探明、概算及可能儲量總額</b>	-	-	994	25,942	<b>23,853</b>



# Chairman's Statement

## 主席報告書

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of MIE Holdings Corporation ("MIE" or the "Company", together with its subsidiaries, the "Group"), I hereby present the annual results of the Company for the year ended December 31, 2018.

As the prices of oil and gas market gradually recovered during 2018, the Group's average realized crude oil price was US\$59.07/barrel, which was 20.6% higher than US\$48.96/barrel in 2017. In consideration of the Group's development strategy, the capital market environment and financial pressure, the Group disposed of Condor Energy Technology LLP ("Condor") in the United States and divested all the shares of Journey Energy Inc. ("Journey") held by the Group in 2018, and had agreed to conditionally dispose of Canlin Energy Corporation ("Canlin" or "Canlin Energy"), which the closing of which had not yet completed as at the end of 2018. Due to the disposal of non-core assets such as Condor and Journey and the disposal of oil and gas reserves and assets in Carrot Creek, Cyn Pem and Spirit River Area in Canada, the Group's estimated oil and gas reserves as at the end of 2018 had decreased slightly as compared with 2017. Based on oil and gas reserves estimate prepared by independent consultants as at December 31, 2018, the Group's Proved ("1P") oil and gas reserves were 213 million barrels oil equivalent ("BOE", where 1 BOE = 6,000 standard cubic feet natural gas), representing 17% decrease from year-ended 2017. The Group's Proved + Probable ("2P") oil and gas reserves were 339 million BOE ("MMBOE"), representing 15% decrease from year-ended 2017. The Group's Proved + Probable + Possible ("3P") oil and gas reserves were 366 MMBOE, representing 15% decrease from year-ended 2017. Based on the discount rate of 10%, the net present value ("NPV10") of the Group's 2P oil and gas reserves as at the end of 2018 was approximately US\$1.7 billion, a decrease of 13% as compared with the US\$1.965 billion as at the end of 2017.

致各位尊敬的股東，

本人謹代表MI能源控股有限公司(以下簡稱「MI能源控股」或者「公司」，與其子公司並稱「集團」)董事會(「董事會」)提呈本集團截至二零一八年十二月三十一日止的年度業績。

二零一八年，隨著油氣市場價格的逐步回升，本集團平均實現原油價格為59.07美元／桶，較二零一七年48.96美元／桶上升了20.6%。基於集團發展戰略及資本市場環境與資金壓力的考慮，本集團二零一八年出售了美國Condor Energy Technology LLP(以下簡稱「Condor」)及集團持有的加拿大Journey Energy Inc.(以下簡稱「Journey」)全部股份，並已達成協議有條件的出售加拿大Canlin Energy Corporation(以下簡稱「麒麟」或「麒麟能源」)(二零一八年底尚未完成交割)。由於本集團處置Condor公司和Journey公司等非核心資產以及對加拿大Carrot Creek、Cyn Pem和Spirit River Area油田油藏及油氣資產的處置，本集團於二零一八年末之油氣儲量的評估結果相比去年有了小幅下降。基於獨立技術顧問對二零一八年十二月三十一日油氣儲量及資源量所做的評估，二零一八年油氣的證實儲量(「1P」)較二零一七年減少17%至2.13億桶當量；油氣的證實儲量與概算儲量之和(「2P」)較二零一七年減少15%至3.39億桶當量；油氣的證實儲量、概算儲量與可能儲量之和(「3P」)較二零一七年減少15%至3.66億桶當量。按照10%貼現率計算，本集團於二零一八年末2P油氣儲量稅前淨現值(NPV10)約為17億美元，較之二零一七年末的19.65億美元下降了13%。

# Chairman's Statement (Continued)

## 主席報告書(續)

During 2018, liquidity management remained the Group's priority. We optimized our asset portfolio and improved the productivity of existing assets while maintaining sufficient cash flow to support the Group's operations. On one hand, in late March 2018, the Group acquired the 10% foreign participating interest of Daan oil field and Moliqing oil field held by Global Oil Corporation ("GOC") under the product sharing contract ("PSC"). 100% foreign participating interest of the Daan oilfield and 10% foreign participating interest in the Moliqing had been consolidated to the Group from April 2018. The successful acquisition expanded the original oil asset portfolio of the Group and strengthened the Group's domestic operation scale, enhanced the cash flow of the domestic oil and gas projects. On the other hand, the Group seized the opportunity of the capital market. In February 2018, the Group fully repaid the US\$200 million senior notes and made favorable returns. At the same time, in consideration of the current market environment, we disposed of some non-core assets and used our best endeavors to raise the capital resources required by the Group. The disposal of non-core assets had eased some of finance burdens of the Group and further optimized the asset portfolio of the Group. The Group is still focusing on adjusting and optimizing the capital structure, especially the debt structure to ensure the long-term and healthy development of the Group.

In 2018, the Group continued to implement a low-cost strategy to the Daan project, one of the high-quality and mature oilfields of the Group, strive to reduce the costs and improve the efficiency, stabilize old well production, slow down the production decline and create more operating cash flow. In 2018, the lifting cost of the Daan project was US\$12.37 per barrel, and the comprehensive production decline rate was controlled at 6.42%. The production decline rate was significantly improved as compared with 2017, reflecting the Group's excellent operation management of oilfield projects and top-level management of onshore oilfield in China.

二零一八年本集團的主要工作仍以現金管理為重點，在保持資金能夠穩定支持公司運營的情況下，努力優化資產配置及注重現有資產的效益管理。一方面，本集團於二零一八年三月底收購了環球石油公司持有的大安油田和莫里青油田基於產品分成合同的外國合同者10%參與權益。自二零一八年四月起大安項目外國合同者100%參與權益完全納入本集團，同時本集團享有莫里青項目外國合同者10%參與權益。此項收購使得本集團原有優良資產進一步得到擴充，增強了本集團在國內項目的運營規模以及增加了國內項目的現金能力。另一方面，本集團把握好了資本市場契機。於二零一八年二月份成功還清了兩億美元優先票據並取得了較好的收益。同時在當前市場環境下，我們處置部分非核心資產，盡最大努力籌集本集團所需要的現金資源。本集團對非核心資產的處置減輕了部分財務負擔，也使集團內資產組合進一步得到了優化。接下來我們的主要精力仍將放在調整和優化本集團的資本結構，尤其是本集團的債務結構，以保障集團長遠及健康的發展。

二零一八年本集團優質成熟的大安項目繼續實施低成本戰略，努力降本增效並穩定老井產量及延緩產量遞減，為本集團創造更多的營運現金流。二零一八年，大安項目作業成本為12.37美元/桶，綜合遞減率控制在6.42%，產量遞減水平較二零一七年有明顯改善，體現了本集團對油田項目優秀的運作管理的能力，尤其是陸上油田管理能力處於國內領先水平。

# Chairman's Statement (Continued)

## 主席報告書(續)

Judging from the operating performance of the Group, in 2018, the gross oil and gas production of the Group increased by 121.8% to 20.91 million barrels equivalent (based on 6,000 barrels of equivalent standard cubic feet of natural gas = 1 barrel of crude oil conversion ratio calculated for reference purposes) as compared with 2017, the net production increased by 173.0% to 184.5 thousand barrels equivalents ("MBOE"). The business of the Group from a geographic perspective includes the PRC, North America and others. Since the Group announced the disposal of its oil and gas asset in Canada, the performance results from North America segment was presented as discontinued operations in the consolidated financial statements of the Group in 2018. The revenue from PRC segment increased by 20.1% to RMB789.7 million in 2018 as compared with 2017. The EBITDA of the Group from segments other than the North America segment in 2018 increased by RMB638.3 million to RMB136.1 million from negative RMB502.2 million in 2017 and the respective adjusted EBITDA increased by RMB137.2 million to RMB409.1 million.

Recently, international crude oil prices and Canadian natural gas prices have increased, but the challenges faced by the Group had not been completely eliminated. In the past year, all our staff had made a lot of efforts and completed various tasks, and we will also strive to work hard to balance between the Group's business development and its capital structure improvement. We have full confidence in the future development of the Group.

Finally, I would like to take this opportunity to express my heartfelt gratitude to our Board and all staff for their endeavor and contribution and also our shareholders, bondholders and business partners for their continuous trust and support.

**Mr. Zhang Ruilin**  
Chairman

從公司運營績效上看，二零一八年本集團的油氣作業總產量較之二零一七年增加121.8%至2,091萬桶當量(桶當量基於6千標準立方英尺天然氣=1桶原油的換算比例進行計算，僅供參考為目的)，淨產量增加173.0%至1,845萬桶當量。從地域的角度考慮，本集團包括中國業務分部、北美業務分部、總部及其他。由於本集團已宣告出售加拿大油氣資產，二零一八年北美業務分部的業績在本集團的合併財務報表中被列示為終止經營。二零一八年，來源於中國業務分部的收入較二零一七年增長20.1%至人民幣7.897億元。二零一八年，本集團除北美分部外的其他業務分部的EBITDA由二零一七年的人民幣負5.022億元增長人民幣6.383億元至人民幣1.361億元，經調整的EBITDA增長人民幣1.372億元至人民幣4.091億元。

近期國際原油價格和加拿大天然氣價格有所提升，但本集團所面臨的挑戰並未徹底消除。在過去的一年裡，本集團全體同仁付出了很多努力並較好的完成了各項工作任務，我們仍將努力平衡好集團業務發展和改善資本結構兩者之間的關係，我們對集團未來的發展充滿信心。

最後，本人藉此機會衷心感謝公司董事會及全體員工的辛苦努力和付出，亦感謝公司股東、債券持有人及合作夥伴對我們的信任和支持。

**張瑞霖**  
董事長



# Directors and Senior Management

## 董事及高級管理層

### EXECUTIVE DIRECTORS

**Zhang Ruilin**, aged 48, has been the Executive Director, Chairman and Chief Executive Officer of the Company since March 20, 2008. Mr. Zhang is one of the controlling shareholders of the Company. Mr. Zhang has over 28 years of experience in the oil and gas business. Following the takeover of the Company by Far East Energy Limited ("FEEL") in August 2003, Mr. Zhang joined us in September 2003 and has been a Director of the Company. He is primarily responsible for overseeing our overall strategies, planning and day-to-day management and operations. Mr. Zhang is also a director for the various subsidiaries of the Group.

**Zhao Jiangwei**, aged 47, has been the Executive Director and senior vice president of the Company since December 19, 2008. He is one of the controlling shareholders of the Company. Mr. Zhao has over 26 years of experience in the oil and gas industry. Following the takeover of the Company by FEEL in August 2003, Mr. Zhao joined the Company in September 2003 and has since been a director of the Company. He is and will continue to be primarily responsible for assisting the Chairman in overseeing the operations at oilfields in the PRC. Mr. Zhao obtained a bachelor of arts degree from Daqing Petroleum College in 1999.

### 執行董事

**張瑞霖**，48歲，自二零零八年三月二十日起出任本公司執行董事、主席兼首席執行官。彼為本公司的控股股東之一。張先生在油氣行業擁有逾28年經驗。Far East Energy Limited (「FEEL」)於二零零三年八月併購本公司後，張先生於二零零三年九月加入本公司，自此一直擔任本公司董事。彼主要負責監管本公司整體戰略、規劃及日常管理與經營。張先生亦為本集團多家附屬公司的董事。

**趙江巍**，47歲，自二零零八年十二月十九日起出任本公司執行董事兼高級副總裁。彼為本公司的控股股東之一。趙先生在油氣行業擁有逾26年經驗。FEEL於二零零三年八月併購本公司後，趙先生於二零零三年九月加入本公司，自此一直擔任本公司董事。彼主要負責協助主席監管中國油田的營運。於一九九九年，趙先生取得大慶石油學院文學學士學位。

# Directors and Senior Management (Continued)

## 董事及高級管理層(續)

### NON-EXECUTIVE DIRECTORS

**Xie Na**, aged 43, has been the Non-executive Director of the Company since November 13, 2015. She has previously held various positions at Shanghai Life Insurance Company Ltd., Sequoia Capital China and Monitor Group. Ms. Xie has very extensive experiences in equity investment, portfolio investment focusing on consumables and TMT as well as marketing, operations and post-investment management. She had led investment projects such as Peak Sport Products Co. Limited and Sky- mobi Limited (symbol: MOBI. NASDAQ). Ms. Xie has been serving as an independent director of Thinkingdom Media Group Ltd., a company listed on the Shanghai Stock Exchange (Stock Code: 603096) since November 2017 and she is also an executive council member of the China Women's Chamber of Commerce and the vice president of China Energy Storage Alliance. She was also a visiting professor of the Graduate University of Chinese Academy of Sciences. Ms. Xie obtained a bachelor's degree in computer engineering from the University of Toronto in 2002 and a master's degree in business administration from Stanford University in 2004.

**Jiao Qisen**, aged 38, was appointed as a Non-executive Director of the Company on January 29, 2018 and resigned with effect from January 16, 2019. Mr. Jiao is Ph.D. in Philosophical Psychology and Postdoc in Applied Economy. Mr. Jiao is an expert in enterprises strategy management and industrial economic investment. He has led and participated in many international mergers and acquisitions ("M&A"). He is also good at discerning the development trend of the industry from a macro perspective as well as draw decisions on enterprises practical operation. He has outstanding ideas and profound views over investment, M&A, energy and chemical industry, asset management, media industry and integration of industrial finance. Mr. Jiao is the chairman of Chemchina New Material Co. Ltd., the chairman of China Sam Enterprise Group Co., Ltd. and the chairman of China Jing An Ltd. Mr. Jiao has also published various essays and other publications in the field of management and psychology over the years.

### 非執行董事

**謝娜**，43歲，自二零一五年十一月十三日起出任本公司非執行董事。謝女士曾任職於上海人壽保險股份有限公司、紅杉資本中國基金及摩立特集團。謝女士在股權投資，專注消費品與現代服務、科技與傳媒等行業的投資組合以及市場行銷、運營、投融資及投後管理方面都有非常豐富的經驗。她曾主導的投資項目有匹克運動及斯凱網路(股份代號：NASDAQ:MOBI)等。謝女士自二零一七年十一月起出任上海證券交易所上市公司新經典文化股份有限公司(股份代碼：603096)的獨立董事，同時擔任全國工商聯女企業家商會常務理事、中關村儲能產業聯盟副理事長並曾任中國科學院研究生院客座教授。謝女士於二零零二年獲多倫多大學電腦工程學士學位，且於二零零四年獲斯坦福大學工商管理碩士學位。

**焦祺森**，38歲，於二零一八年一月二十九日獲委任為本公司非執行董事並於二零一九年一月十六日辭任。焦先生是心理學和管理學博士，應用經濟學博士後。是企業戰略管理、產業金融投資行業專家，主導並參與過多起國際併購項目，擅長從宏觀角度多行業、跨領域洞悉產業發展趨勢，又擅長於企業戰略決策與運籌管理實務運作。其卓越思想與深邃觀點對投資併購、能源化工、資產管理、傳媒等行業的發展與產業金融整合等具有豐富的實戰經驗。焦先生現為中國化工新材料有限公司董事長、中國森田企業集團有限公司董事長及中國京安有限公司董事長。此外，焦先生多年來發表過多篇管理學及心理學方面的論文及多本著作。



# Directors and Senior Management (Continued)

## 董事及高級管理層(續)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mei Jianping**, aged 58, has been our Independent Non-executive Director since his appointment on November 27, 2010. Mr. Mei has been a professor of finance at Cheung Kong Graduate School of Business in Beijing, China since 2006 and a fellow at Financial Institutions Center, the Wharton School of University of Pennsylvania since 2004. He was a tenured associate professor of finance from 1996 to 2005 and an assistant professor of finance from 1990 to 1995 at New York University. From 2003 to 2008, he also taught at Tsinghua University as a special term professor of finance. Mr. Mei has been a director of Cratings.com Inc., USA since 1999. Since 2009, Mr. Mei has served on the board of Powerlong Real Estate Holdings Limited (stock code: 1238.HK), a company listed on the Stock Exchange. Mr. Mei was a board member of Zhong De Securities Company Limited from 2009 to May 2016. Mr. Mei also served as the chairman of board of Shanghai Zhangjiang JRtan.com Inc. from 2000 to 2012. From November 29, 2013 to December 27, 2017, Mr. Mei served as an independent non-executive director of Ground International Development Limited (stock code: 989.HK), and since August 11, 2014, Mr. Mei has served as an independent non-executive director of China Rundong Auto Group Limited (stock code: 1365.HK) (both companies of which listed on the Stock Exchange). Mr. Mei has served as an independent director of Cultural Investment Holdings Co., Ltd, a company listed on the Shanghai Stock Exchange (stock code: 600715) since December 2015. Mr. Mei worked as a consultant for various financial institutions, such as Deutsche Bank, UBS, Prudential Insurance of America and Asia Development Bank. Mr. Mei has published a number of books and articles on topics related to finance. Mr. Mei received a bachelor's degree in Mathematics from Fudan University in 1982, a master's degree in Economics and a Ph.D. in Economics (Finance) from Princeton University in 1988 and 1990, respectively.

### 獨立非執行董事

**梅建平**，58歲，自二零一零年十一月二十七日起出任本公司獨立非執行董事。自二零零六年起，梅先生一直擔任中國北京長江商學院金融學教授，並自二零零四年起任賓夕法尼亞大學沃頓商學院金融機構研究中心學者。彼自一九九六年至二零零五年任紐約大學金融學副教授，並自一九九零年至一九九五年任紐約大學金融學助理教授。自二零零三年至二零零八年，彼亦曾在清華大學執教，任特聘金融學教授。自一九九九年，梅先生任美國Cratings.com Inc.的董事。自二零零九年以來，梅先生任寶龍地產控股有限公司(一家於聯交所上市的公司，股份代號：1238.HK)董事。自二零零九年至二零一六年五月，梅先生擔任中德證券有限責任公司董事會成員。自二零零零年至二零一二年，梅先生亦擔任上海張江金融灘網絡有限公司董事會主席。二零一三年十一月二十九日至二零一七年十二月二十七日期間，梅先生任廣澤國際發展有限公司(股票代碼：989.HK)獨立非執行董事；自二零一四年八月十一日以來，任中國潤東汽車集團有限公司(股票代碼：1365.HK)獨立非執行董事(兩家均為於聯交所上市的公司)。自二零一五年十二月起至今，梅先生出任上海證券交易所上市公司文投控股股份有限公司(股票代碼：600715)獨立董事。梅先生曾出任德意志銀行、瑞士銀行、美國保誠保險和亞洲開發銀行等多家金融機構的顧問。他曾出版多本關於金融的書籍和發表多篇文章。梅先生於一九八二年獲復旦大學數學學士學位，並分別於一九八八年及一九九零年獲普林斯頓大學經濟學碩士學位和經濟學(金融)博士學位。



## Directors and Senior Management (Continued)

### 董事及高級管理層(續)

**Jeffrey Willard Miller**, aged 56, has been our Independent Non-executive Director since his appointment on November 27, 2010. Mr. Miller has over 32 years of experience in the oil and gas industry. Since 2012, Mr. Miller has been Managing Partner and Co-Founder of Vortus Investments, an energy private equity firm founded in later 2012. From 2008 to 2012, as the director of upstream and investments for Mercuria Energy Trading Inc. (“Mercuria”), one of the world’s largest independent physical energy trading firms, he was responsible for Mercuria and certain of its affiliates’ global portfolio of oil and natural gas assets, the majority of which are located in North and South America. Prior to joining Mercuria, Mr. Miller spent four years, from 2004 to 2008, as president of Moncrief Oil International (“Moncrief”), a private oil and natural gas company with assets in the former Soviet Union as well as North America. Prior to his career at Moncrief, Mr. Miller was a managing director in global energy investment banking for UBS AG, the successor of Dillon, Read & Co, which he joined in 1993. Mr. Miller was an investment banker with a focus on the energy industry and has extensive experience in the fields of corporate finance. Throughout his career as set out above, Mr. Miller has been involved in a substantial number of transactions including initial public offerings, debt offerings and M&A, which require expertise in financial analysis. As an investment banker, Mr. Miller also had extensive experience in valuation analysis, which involved reviewing and analyzing audited financial statements of public and private companies. Mr. Miller’s professional career began in a technical capacity as a petroleum engineer with Exxon. Mr. Miller received a bachelor’s degree, magna cum laude, in Petroleum Engineering from Texas A&M University and a master’s degree in Business Administration from the Columbia Business School.

**Guo Yanjun**, aged 66, has been the Independent Non-executive Director of the Company since November 13, 2015. He has extensive entrepreneurship experience and experience in corporate operation and management. Mr. Guo graduated from China People’s University with a Diploma in Law in 1984. Mr. Guo is currently an Independent Non-executive Director of Mei Ah Entertainment Group Limited (stock code: 391.HK, a company listed on the Stock Exchange). He is also the chairman of CNHK Tech Co. Ltd, CNHK Media Limited, CNHK Media (H.K.) Advertising Limited and CNHK Publications Limited.

**Jeffrey Willard Miller**, 56歲，自二零一零年十一月二十七日起出任本公司獨立非執行董事。Miller先生在油氣行業擁有逾32年經驗。二零一二年起，Miller先生擔任於該年成立的能源私募股權公司Vortus Investments的董事合夥人兼共同創辦人。Miller先生於二零零八年至二零一二年擔任Mercuria Energy Trading Inc. (「Mercuria」)(全球最大的獨立物理能源貿易公司之一)上游投資董事，負責Mercuria及其若干聯屬公司的石油及天然氣資產(大部分位於北美洲和南美洲)的全球投資組合。加入Mercuria之前，自二零零四年至二零零八年四年期間，Miller先生擔任Moncrief Oil International (「Moncrief」)總裁，該公司為一家石油及天然氣私營公司，在前蘇聯及北美洲擁有資產。在Moncrief開展其職業生涯前，Miller先生於一九九三年加入UBS AG(其前身為Dillon, Read & Co)，擔任全球能源投資銀行董事總經理。Miller先生為能源行業投資銀行家，擁有企業金融領域豐富經驗，曾憑藉金融分析專長，參與多起交易，包括首次公開發售、債券發售、併購。身為投資銀行家，Miller先生亦擁有豐富估值經驗，包括審閱分析上市及非上市公司經審核財務報表。彼職業之初是在艾克森美孚任石油工程師技術職位。Miller先生以優異成績取得德克薩斯州農工大學石油工程學學士學位，並取得哥倫比亞商學院工商管理碩士學位。

**郭燕軍**，66歲，自二零一五年十一月十三日起出任本公司獨立非執行董事。彼擁有豐富的創業經歷及企業運營管理經驗。郭先生於一九八四年畢業於中國人民大學，取得法律文憑。郭先生現時是美亞娛樂資訊集團有限公司(一家於聯交所上市的公司，股份代號：391.HK)之獨立非執行董事。郭先生亦是北京君雲科技有限公司、中港傳媒有限公司、中港傳媒(香港)廣告有限公司及中港傳媒出版社有限公司之董事長。

# Directors and Senior Management (Continued)

## 董事及高級管理層(續)

### SENIOR MANAGEMENT

**Mei Liming**, aged 38, is the vice president of finance and merger and acquisition. Mr. Mei joined the Group in January 2005 and has since worked across various functions including as an accountant, finance manager and vice financial controller. During his career in the Group, Mr. Mei gained extensive knowledge and experience in the oil & gas industry, financial management and capital markets. Since joining the Group, apart from daily financial management, Mr. Mei has also been closely involved in many transactions including various financings and acquisitions. He also participated in the process of the Group's initial public offering on the Main Board of the Stock Exchange. Mr. Mei graduated from Beijing Institute of Petrochemical Technology with a Bachelor of Accounting in 2003. Prior to joining the Company, Mr. Mei worked as an accountant at Sony Corporation in 2004.

**Song Wu**, aged 52, is our Chief Financial Officer. Mr. Song has over 29 years of experience in planning, finance, auditing and operational management in the oil and gas industry. Mr. Song joined the Group in January 2004 and has held different managerial positions within the finance department. Mr. Song had ever led MIE to be granted with the honor of "Pioneers of China National Petroleum Corporation ("CNPC") Foreign Cooperation Projects". Mr. Song gained extensive knowledge and experience in the oil & gas industry, corporate operation and financial management while working in the Group. Mr. Song graduated from Northeast Petroleum University with a double degree in accounting and computer science in 1996. Prior to joining us, Mr. Song worked for CNPC from 1989 to 2003. He obtained his accountant qualification in the PRC in 1998.

### 高級管理層

**梅黎明**，38歲，本集團副總裁，負責融資、併購及收購。梅先生於二零零五年加入本集團，歷任會計師，財務經理及財務副總監等職位。在其於本集團任職期間，梅先生於油氣行業，財務管理及資本市場方面積累了豐富之實際知識及經驗。加入本集團後，除參與公司日常管理工作，梅先生亦緊密參與了本公司諸多的交易事項，包括多項融資及並購等，其亦完整參與了本公司於聯交所主板上市的相關工作。梅先生於二零零三年畢業於北京石油化工學院，獲得會計學學士學位。在加入本集團之前，梅先生於二零零四年曾出任索尼有限公司會計師。

**宋武**，52歲，本公司首席財務官。在油氣行業擁有29年計劃、財務、審計及企業運營管理的工作經驗。宋先生於二零零四年一月加入本集團，歷任財務部門多個經理職位，曾打造了中石油授予的「中國石油對外合作先進集體」。在其於本集團任職期間，宋先生於油氣行業及企業運營、財務管理方面積累了豐富之實際知識及經驗。宋先生於一九九六年畢業於大慶石油學院財務會計專業，擁有財務與計算機雙學歷。加入本集團之前，自一九八九年至二零零三年宋先生任職於中石油從事計劃及財務管理工作，彼於一九九八年取得中國會計師資格。

## Directors and Senior Management (Continued)

### 董事及高級管理層(續)

**Lian Yunfei**, aged 43, is a vice president and general counsel of the Group. Ms. Lian has over 15 years of experience in the legal field. Prior to joining us, Ms. Lian worked as an associate at Baker & McKenzie Hong Kong office between 2007 and 2009 focusing on mergers and acquisitions and general corporate advice and as North Asia general counsel of a US multi-national corporation between 2015 and 2017. In her early career, starting in 2001, she worked at a law firm in Canada, focusing on general practice for over three years. Ms. Lian obtained a juris doctor degree from the Faculty of Law at the University of British Columbia in 2007. She received a Master's degree in Engineering from the University of Florida in 2001 and a Bachelor's degree in Science from Shanghai University of Science and Technology in 1996. She is admitted to practice law in New York.

#### RELATIONSHIP AMONG DIRECTORS AND SENIOR MANAGEMENT

Save for Mr. Zhao Jiangwei, senior vice president and Executive Director, who is the brother-in-law of Mr. Zhang Ruilin, our Chairman, Chief Executive Officer and Executive Director, there are no other familial relationships between any of our Directors and senior management.

**連雲飛**，43歲，本集團副總裁兼總法律顧問。連女士在法律領域擁有逾十五年經驗。在加入本公司前，連女士於二零零七年至二零零九年三月間擔任Baker & McKenzie香港辦事處律師，專注於合併與收購及一般公司交易；於二零一五年至二零一七年間擔任一家美國跨國公司亞州北部總法律顧問。在其早期職業生涯中，彼自二零零一年開始任職於加拿大一家律師事務所，在加拿大逾三年。連女士於二零零七年取得英屬哥倫比亞大學法學院的法學博士學位，於二零零一年獲佛羅裏達大學材料科學與工程學碩士學位，並於一九九六年獲上海大學頒授材料科學與工程學士學位。彼獲准在紐約執業。

#### 董事與高級管理層之間的關係

除本公司高級副總裁兼執行董事趙江巍先生為本公司主席、首席執行官兼執行董事張瑞霖先生的內弟外，本公司董事與高級管理層之間概無親屬關係。



# Corporate Governance Report

## 企業管治報告

The Board of Directors (the “Board”) is pleased to present this corporate governance report in the Group’s Annual Report for the year ended December 31, 2018.

### COMMITMENT TO CORPORATE GOVERNANCE

The Board of the Company has responsibilities towards the shareholders and related stakeholders to ensure the Company’s successful operation. Sound corporate governance is not only vital for the Company to cope with the evolving regulatory environment and reinforce the relationship with its shareholders and stakeholders, but also important for the Company’s success and sustainable development. We are committed to achieving a high standard of corporate governance and have promoted corporate governance practices appropriate for our business operations and development.

### CORPORATE GOVERNANCE PRACTICES

The Board considers that good corporate governance standards are essential in providing a framework for the Company to safeguard shareholders’ interests, enhance corporate value and accountability, formulate its business strategies and policies and enhance transparency.

The Company’s corporate governance practices are established based on the provisions of the Corporate Governance Code (the “CG Code”), as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

During the year ended December 31, 2018, the Company has applied and complied with the applicable provisions of the CG Code as set out in Appendix 14 to the Listing Rules, except the deviations with respect to Code Provision A.2.1 as further explained below.

The Company shall review and improve its corporate governance practices on a regular basis to ensure a continuous compliance of such practices with the requirements of the CG Code.

本公司董事會欣然提呈本集團截至二零一八年十二月三十一日止年度年報之企業管治報告。

### 企業管治承諾

本公司董事會有責任向股東及利益相關人士確保本公司運營成功。良好的企業管治對本公司應對不斷變化的監管環境及增強與本公司股東及利益相關人士的關係而言至關重要，對本公司之成功及持續發展亦重要。我們致力提升至高標準的企業管治，亦已推行適合我們業務運營及發展之企業管治常規。

### 企業管治常規

董事會認為良好的企業管治標準乃本公司保障股東利益、提升企業價值與問責性、制定公司的商業策略及政策大綱及提升其透明度之關鍵。

公司管治常規建立在企業管治守則(「企業管治守則」)中的規定之上，為香港聯合交易所有限公司(「聯交所」)發佈的上市規則(「上市規則」)附錄十四所載企業管治常規。

本公司截至二零一八年十二月三十一日止年度會計期間，已應用及遵守上市規則附錄十四的企業管治守則適用之守則條文，惟下文闡明原因的偏離行為除外。

本公司將定期檢討及改善其企業管治常規，以確保該等企業管治常規繼續遵守企業管治守則之要求。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### MODEL CODE FOR SECURITIES TRANSACTIONS

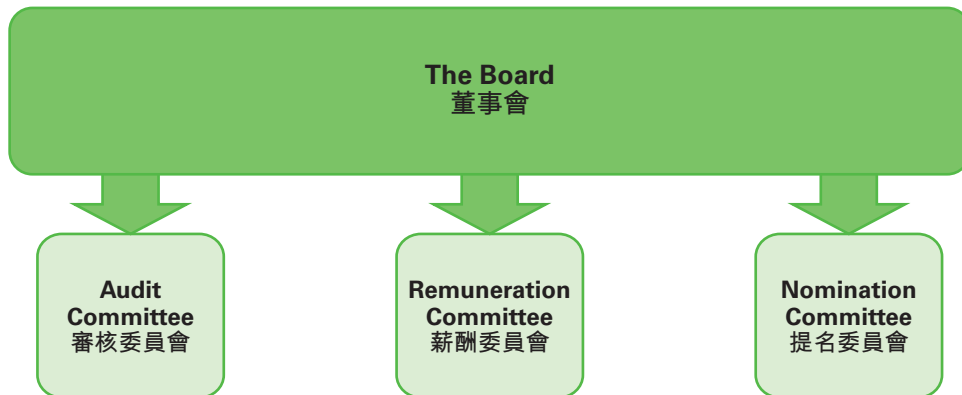
The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as code of conduct for securities transactions. Having made specific enquiry of all the Directors, all the Directors confirmed that they have complied with the required standard set out in the Model Code and its code of conduct regarding securities transactions by directors throughout the year ended December 31, 2018.

### 證券交易的標準守則

本公司採用上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》「標準守則」作為證券買賣之行為守則。經向全體董事作出具體查詢後，全體董事確認彼等於截至二零一八年十二月三十一日止年度一直遵守標準守則及其行為守則訂明有關董事進行證券交易所要求的標準。

### STRUCTURE OF CORPORATE GOVERNANCE

### 企業管治架構



# Corporate Governance Report (Continued)

## 企業管治報告(續)

### THE BOARD

As at December 31, 2018, the Board comprised seven members, including two Executive Directors, two Non-executive Directors and three Independent Non-executive Directors.

During the year, members of the Board are listed as follows:

#### Executive Directors:

Mr. Zhang Ruilin (*Chairman*)  
Mr. Zhao Jiangwei

#### Non-executive Directors:

Ms. Xie Na  
Mr. Jiao Qisen  
(Resigned with effect from January 16, 2019)

#### Independent Non-executive Directors:

Mr. Mei Jianping  
Mr. Jeffrey Willard Miller  
Mr. Guo Yanjun

The biographical information of the Directors is set out under "Directors and Senior Management" on page 14 to page 17 of this annual report.

The relationships among members of the Board are disclosed under "Relationships among Directors and Senior Management" on page 19.

The Board is responsible for performing the functions set out under the Code Provision D.3.1 of the CG Code.

### 董事會

董事會截至二零一八年十二月三十一日，由7名成員組成，包括2名執行董事、2名非執行董事及3名獨立非執行董事。

於年度內，董事會成員載列如下：

#### 執行董事：

張瑞霖先生(主席)  
趙江巍先生

#### 非執行董事：

謝娜女士  
焦祺森先生  
(已於二零一九年一月十六日辭任)

#### 獨立非執行董事：

梅建平先生  
Jeffrey Willard Miller 先生  
郭燕軍先生

董事的履歷資料載於本年報第14頁至第17頁「董事及高級管理層」一節。

董事會成員之間的關係於第19頁「董事與高級管理層之間的關係」披露。

董事會負責履行企業管治守則之守則條文第D.3.1條所載職能。



# Corporate Governance Report (Continued)

## 企業管治報告(續)

The Board has reviewed the Company's corporate governance policies and practices and made recommendations to the Company regarding the training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the Company's compliance with the Model Code, the code of conduct and compliance manual for employees and Directors, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to Code Provision A.2.1 of the CG Code, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Mr. Zhang Ruilin ("Mr. Zhang") is the Chairman of the Board. Apart from serving as Chairman, Mr. Zhang has also been appointed as Chief Executive Officer. Such appointment constitutes a deviation from the Code Provision A.2.1. The reasons for deviation are explained as below.

Different from integrated oil companies engaged in upstream and downstream business, the Company is engaged in the business of oil & gas exploration and production. Therefore, the Board considers that, the making and implementation of strategic planning decision by the same individual is in the best interest of the Company's oil & gas exploration and production business. The Nomination Committee of the Company also agrees that it is in the best interest of the Company that the roles of Chairman and Chief Executive Officer be performed by the same individual. Therefore, the Company does not currently proposed appoint another person to act as its Chief Executive Officer. However, the Company will continue to review the effectiveness of its corporate governance structure and consider if any changes are necessary (including separating the roles of Chairman and Chief Executive Officer).

董事會已檢討並向本公司提出有關企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司在遵守法律及監管規定、標準守則、行為守則及員工與董事的合規指引及企業管治守則方面之政策及常規，以及於本企業管治報告作出的披露的建議。

### 主席和首席執行官

根據企業管治守則守則條文第A.2.1條，主席和首席執行官的角色應有區分，並不應由一人同時兼任。張瑞霖先生(「張先生」)為本公司的主席。除擔任主席一職外，張先生亦獲委任為首席執行官。該委任與守則條文第A.2.1條相偏離。該偏離的原因載於下文。

有別於從事上下游業務的綜合石油公司，本公司從事油氣勘探和生產業務。有鑒於此，董事會認為，由同一人制定戰略性計劃決策並付諸實施將最大程度地符合本公司油氣勘探和生產業務的利益。本公司提名委員會亦同意主席和首席執行官由同一人兼任符合本公司的最佳利益。故本公司目前並無計劃委任其他人士擔任本公司的首席執行官。然而，本公司將繼續檢討本公司企業管治架構的有效性，並考慮是否有必要作出任何變動(包括將主席及首席執行官的角色分開)。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### EXECUTIVE DIRECTORS

Mr. Zhang Ruilin and Mr. Zhao Jiangwei, being the Executive Directors, act as the Company's Chief Executive Officer and vice president respectively, and are collectively responsible for the operation of the whole group. Executive Directors should actively communicate with Non-executive Directors, and maintain an open and responsible attitude in respect of any reasonable administrative suggestions and enquiries raised by the Non-executive Directors.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

The three Independent Non-executive Directors of the Company review the management's performance in fulfilling established corporate targets and principles. They should also ensure that financial information is reported clearly and accurately, and the risk management and internal control systems are implemented effectively.

During the year ended December 31, 2018, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors (representing one-third of the Board) with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Independent Non-executive Directors assume no management responsibilities in the Company, and hold no more than (either legally, beneficially or deemed) 1% of the total issued share capital of the Company; nor have they acquired any interest in securities of the Company either by gift or other methods; hence their independence is strongly guaranteed. In accordance with independence guidelines set out in Rule 3.13 of the Listing Rules, the Independent Non-executive Directors have provided an annual confirmation of independence to the Company. The Company considers all Independent Non-executive Directors to be independent.

### 執行董事

執行董事張瑞霖先生及趙江巍先生分別擔任本公司首席執行官及副總裁一職，所承擔之職責拓展至整個集團的運營。執行董事主動與非執行董事溝通，並對非執行董事提出的任何合理的行政建議及質詢持開放及負責的態度。

### 獨立非執行董事

本公司3名獨立非執行董事評估管理層在實現既定的企業目標和宗旨方面的表現。他們亦須確保財務資料得到清晰及準確的彙報，以及確保風險管理及內部監控系統的有效實施。

截至二零一八年十二月三十一日止年度，董事會一直符合上市規則有關委任至少三名獨立非執行董事(佔董事會三分之一)，其中一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識的規定。

獨立非執行董事在本公司不擔任任何管理職務，且在法律上或實益持有，或被視為持有本公司已發行股本總額不超過1%，亦未以饋贈形式或其他資助方式，取得本公司任何證券權益；其獨立性得到了有力的保證。根據上市規則第3.13條的獨立性指引，各獨立非執行董事已簽署獨立性確認函。本公司確認全體獨立非執行董事的獨立性。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

Independent Non-executive Directors of the Company are involved in communications with the auditors, which fully exhibits the role of independent supervision. During the reporting period, no objections regarding the proposals of the Board or Board Committees have been raised by Independent Non-executive Directors.

### NON-EXECUTIVE DIRECTORS AND DIRECTORS' RE-ELECTION

Non-executive Directors serving the Board and Board Committees are equipped with different skills, specialties, backgrounds and qualifications, benefiting the Board a lot. Independent Non-executive Directors not only act as Non-executive Directors, but also equip the Board with expertise and business specialty supplementary to management, thus providing unique opinion and independent judgment for the possible situations during the implementation of the Company's business. Independent Non-executive Directors are acting as chairmen and members of Audit Committee, Remuneration Committee and Nomination Committee under the Board of the Company.

The appointment and re-election of all Directors of the Company for the year ended December 31, 2018 was in compliance with the CG Code. In accordance with the Code Provision A.4.2, all Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. The specific term of appointment for Directors of the Company is three years, which is subject to retirement by rotation at least once every three years. The appointment of Non-executive Directors of the Company shall comply with the Code Provision A.4.1 under the CG Code, namely, all Non-executive Directors should be appointed for a specific term and subject to re-election.

### RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board is responsible for leading and supervising the businesses, strategic policies and performance of the Company, as well as being collectively responsible for facilitating the successful development of the Company by detecting and supervising the Company's affairs. The Board makes objective decisions in the interest.

本公司獨立非執行董事參與與核數師的溝通，充分發揮了獨立監督作用。報告期內未出現獨立非執行董事對本公司董事會或董事委員會議案提出異議的情況。

### 非執行董事及董事重選

在董事會和董事委員會任職的非執行董事各自具備不同的技能、專長、背景及資格，讓該等董事會獲益良多。獨立非執行董事不單擔當非執行董事的角色，且為董事會帶來與管理互補互促的專業知識及業務專長，從而為本公司業務可能遇到的狀況提供獨到見解及獨立判斷。董事會轄下的審核委員會、薪酬委員會及提名委員會的主席及成員均由獨立非執行董事擔任。

截至二零一八年十二月三十一日止年度本公司全體董事的委任及重選均符合企業管治守則。根據守則條文第A.4.2條規定，所有獲委任填補臨時空缺之董事應在獲委任後的首次股東大會由股東選任。每位董事(包括按指定任期委任之董事)須至少每三年輪席退任一次。本公司各董事之指定任期為三年，須至少每三年輪席退任一次。本公司非執行董事委任遵行企業管治守則之守則條文第A.4.1條規定，即全體非執行董事的委任均有指定任期並須重選。

### 董事會及管理層之職責、問責及貢獻

董事會負責領導及監察本公司、監督本公司之業務、策略方針及表現以及集體負責透過指導及監管本公司事務推動本公司成功發展。董事會以本公司利益作出客觀決定。



# Corporate Governance Report (Continued)

## 企業管治報告(續)

The Board has delegated to the Chief Executive Officer and through him to senior management the authority and responsibility for carrying out the Company's day-to-day management and operation. The delegated duties and responsibilities will be reviewed on a regular basis. The aforementioned senior executives shall obtain the approval from the Board prior to entering into any significant transactions.

In addition, the Board has established the Board Committees and delegated responsibilities as set out in their respective written terms of reference.

All Directors (including Non-executive Directors and Independent Non-executive Directors) have brought a wide spectrum of valuable business experience, knowledge and expertise to the Board, facilitating an efficient and effective operation thereof. All Directors shall ensure that they will perform their duties in good faith, comply with applicable laws and regulations and act in the interests of the Company and shareholders at all times.

All Directors have full and timely access to all relevant information of the Company and the services and advice of the company secretary, to ensure that procedures of the Board and all applicable laws and regulations are complied with. Upon request, Directors, may seek independent professional advice when appropriate for discharging their duties to the Company, at the Company's expense.

Directors shall disclose to the Company details regarding other offices held by them, and the Board shall review the contribution required from each Director in performing his duties to the Company on a regular basis.

The Board reserves the decision-making power over all important issues, including the Company's policy matters, strategies and budget, internal controls and risk management, significant transactions (especially those that may involve conflict of interest), financial information, appointment of Directors and other significant operational issues. The responsibilities of the management are implementing decisions made by the Board, directing and coordinating the Company's daily business.

In respect of legal actions against Directors and senior management arising out of corporate activities, the Company has made arrangements for appropriate insurance cover Directors and executives regarding their duties.

董事會已授權首席執行官，並通過首席執行官向高級管理層轉授權力及責任進行本公司之日常管理及經營。所指派的職責及責任定期予以檢討。上述高級行政人員訂立任何重大交易前須取得董事會批准。

此外，董事會已成立董事委員會，並向該等董事委員會授出各自職權範圍所載的各項責任。

全體董事(包括非執行董事及獨立非執行董事)均為董事會注入多領域的寶貴業務經驗、知識及專長，促進董事會高效及有效運作。全體董事須確保真誠履行職責，遵守適用法例及法規，並時刻為本公司及其股東之利益行事。

全體董事均可全面及時查詢本公司所有相關資料及獲取公司秘書的服務與意見，確保遵守董事會程序和所有適用法例及規例。董事提出要求後可在適當情況下尋求獨立專業意見，以向本公司履行職責，費用由本公司支付。

董事須向本公司披露彼等所擔任其他職務之詳情，而董事會定期審閱各董事向本公司履行職責時須作出的貢獻。

董事會保留對所有重要事項的決策權，包括本公司政策事宜、策略及預算、內部監控及風險管理、重大交易(特別是可能涉及利益衝突之交易)、財務數據、委任董事及其他重要營運事宜。有關執行董事會決策、指導及協調本公司日常營運之職責授予管理層。

本公司已就董事及高級管理層可能面對因企業活動產生之法律行動，為董事及行政人員之職責作出適當投保安排。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Every newly appointed Director will obtain on-board induction upon first occasion of his/her appointment, in order to ensure appropriate understanding of the Company's business and operation and full awareness of the Directors' duties in accordance with the Listing Rules and related laws. The Director shall keep abreast of the duties as a Director of the Company, and the conduct, business activities and development of the Company.

All Directors are continually updated on the legal and regulatory regime as well as the business environment, so as to assist in their performance of duties. The Company will make arrangements when necessary and provide briefing and professional development training to Directors.

All Directors should participate in appropriate continuing professional development for developing and updating their own knowledge and skills, so as to ensure that they can remain informed and continue to make contribution to the Board as appropriate. The Company will arrange internal briefing sessions for Directors and distribute reading material on relevant topics where appropriate. The Company encourages all Directors to attend related training courses at the Company's expenses.

On May 9, 2018, the Company introduced new chapters of the Listing Rules to the Directors, including permitted listings of biotech companies that do not meet any of the financial eligibility tests under the Listing Rules; permitted listings of innovative and high growth companies with a weighted voting right structure; and establishment of a concessionary secondary listing route for emerging and innovative Greater China and international companies that are primarily listed on a Qualified Exchange.

On July 3, 2018, the Company introduced Listing Rule amendments to the Directors. Such Listing Rule amendments are aimed at restricting abusive practices relating to capital raisings by listed issuers and protecting minority shareholders' interests.

On September 21, 2018, the Company introduced the amendments to the CG Code and other related Listing Rules to the Directors.

All directors attended the above mentioned trainings.

### 董事的持續專業發展

每名新任董事於首次獲委任時均會獲得入職介紹，確保適當掌握本公司的業務及經營，並完全瞭解根據上市規則及相關法規的董事職責。董事須持續瞭解作為本公司董事的職責及操守，以及本公司的業務活動及發展。

全體董事亦會持續獲得有關法律和監管機制及業務環境的最新消息，以協助彼等履行職責。本公司會於必要時作出安排，向董事提供簡介及專業發展培訓。

全體董事應參與適當的持續專業發展，發展並更新自身知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會做出貢獻。本公司將適時在公司內部為董事安排簡介會並向董事發放相關主題之閱讀材料。本公司鼓勵全體董事出席相關培訓課程，費用由本公司支付。

在二零一八年五月九日，本公司對全體董事進行上市規則新增章節的介紹，包括允許未能通過主板上市規則下的任何財務資格測試的生物科技公司上市；允許擁有不同投票權架構的創新產業及高增長公司上市；及為於合資格交易所作主要上市的大中華及國際新興及創新產業公司設立優待第二上市渠道。

在二零一八年七月三日，本公司對全體董事進行《上市規則》修訂的介紹，有關規則修訂旨在限制上市發行人濫用集資活動及保障少數股東利益。

在二零一八年九月二十一日，本公司對全體董事進行企業管治守則及相關上市規則修訂的介紹。

全部董事均參與了上述培訓。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### BOARD COMMITTEES

Three Committees have been established under the Board, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, to supervise particular aspects of the Company. All Board Committees of the Company are established based on functions and powers set out in the written terms of reference which are available on the websites of the Company and the Stock Exchange for shareholders' reference.

A list of the chairman and members of each Board Committee is set out under "Company Information" on page 2. All members of the Board Committees are Independent Non-executive Directors.

Board Committees are also equipped with sufficient resources to perform their duties, and can seek independent professional advices when appropriate (upon reasonable request) at the Company's expense.

### 董事委員會

董事會已設立3個委員會，即審核委員會、薪酬委員會及提名委員會，以監督本公司特定方面之事務。本公司所有董事會委員會均按書面界定之職權範圍成立，有關職權範圍刊登於本公司及聯交所網站供股東閱覽。

所有董事委員會成員均為獨立非執行董事，各董事委員會的主席及成員名單載於第2頁之「公司資料」。

董事委員會亦有足夠資源履行職務，在作出合理請求後，可於適當情況下尋求獨立專業意見，費用由本公司支付。

Committees 委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
<b>Chairman</b>  主席	Independent Non-executive Director: Mr. Jeffrey Willard Miller 獨立非執行董事： Jeffrey Willard Miller 先生	Independent Non-executive Director: Mr. Mei Jianping 獨立非執行董事： 梅建平先生	Independent Non-executive Director: Mr. Mei Jianping 獨立非執行董事： 梅建平先生
<b>Composition</b>  組成	All other members are Independent Non-executive Directors: Mr. Mei Jianping and Mr. Guo Yanjun 成員均為獨立非執行董事： 梅建平先生、郭燕軍先生	All other members are Independent Non-executive Directors: Mr. Jeffrey Willard Miller and Mr. Guo Yanjun 成員均為獨立非執行董事： Jeffrey Willard Miller 先生、 郭燕軍先生	All other members are Independent Non-executive Directors: Mr. Jeffrey Willard Miller and Mr. Guo Yanjun 成員均為獨立非執行董事： Jeffrey Willard Miller 先生、 郭燕軍先生



# Corporate Governance Report (Continued)

## 企業管治報告(續)

Committees 委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
<b>Main responsibilities</b>	<ul style="list-style-type: none"> <li>Review financial statements and reports before they are submitted to the Board, and consider any significant or unusual issues raised by external auditors</li> <li>Review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of recommendations on the appointment, re-appointment and removal of external auditors to the Board</li> <li>Review the adequacy and efficiency of the Company's financial reporting system, internal control system, risk management system and related procedures</li> </ul>	<ul style="list-style-type: none"> <li>Review and make suggestions on the remuneration of Executive Directors and senior management to the Board</li> <li>Review and make suggestions on the remuneration of Non-executive Directors to the Board</li> <li>Review and make suggestions on the Company's remuneration policies and structure of remuneration of all Directors and senior management to the Board</li> <li>Review and make suggestions on the appointment letter of Executive Directors newly appointed during the year to the Board</li> <li>Review and approve the compensation arrangements of Executive Directors and senior management</li> <li>Assessing performance of Executive Directors</li> </ul>	<ul style="list-style-type: none"> <li>Review the structure, size and composition of the Board, and make suggestions on any changes</li> <li>Formulate, develop and review the Board Diversity Policy and the measurable objectives for implementing the policy</li> <li>Formulate, develop and review the policy and relevant procedures for nomination and appointment of Directors</li> <li>Identify suitable candidates for appointment as Directors</li> <li>Make suggestions on the appointment or re-appointment of and succession planning for Directors to the Board</li> <li>Assess the independence of Independent Non-executive Directors</li> </ul>
<b>主要職責</b>	<ul style="list-style-type: none"> <li>向董事會提交財務報表及報告前審閱財務報表及報告，並考慮外聘核數師提出的任何重大或不尋常事項</li> <li>參考核數師的工作、其費用及聘用條款，檢討與外聘核數師的關係，並就外聘核數師的委任、重新委任及罷免向董事會提供建議</li> <li>檢討本公司財務報告制度、內部監控制度及風險管理制度及相關程序是否充足有效</li> </ul>	<ul style="list-style-type: none"> <li>就各執行董事及高級管理層的薪酬待遇向董事會提出建議</li> <li>審議並就非執行董事的薪酬向董事會提出建議</li> <li>審議並就本公司對全體董事及高級管理層的薪酬政策及架構向董事會提出建議</li> <li>審議就年內新任執行董事的任命函向董事會提出建議</li> <li>審議及批准執行董事及高級管理層的賠償安排</li> <li>評價執行董事表現</li> </ul>	<ul style="list-style-type: none"> <li>檢討董事會之架構、規模及組成，並就任何建議變動提出建議</li> <li>建立、制訂及檢討董事會成員多元化政策及落實政策的可計量目標</li> <li>建立、制訂及檢討提名及委任董事之政策及相關程序</li> <li>物色合適之董事人選</li> <li>就董事之委任或連任及繼任計劃向董事會提出建議</li> <li>評估獨立非執行董事之獨立性</li> </ul>

# Corporate Governance Report (Continued)

## 企業管治報告(續)

Committees 委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
<b>Number of meetings held in 2018 and summary of work done</b>	Two meetings were held for reviewing of the Group's financial performance and reports, financial reporting and compliance procedures, reviewing and reporting on the Company's internal controls and risk management system and procedures, work scope and further engagement of external auditor, related party transactions and arrangements focusing the staff on possible inappropriate acts.	One meeting was held for granting share award and director appointment.	One meeting was held for director appointment.
二零一八年度舉行會議次數	舉行2次會議，檢討財務業績及報告、財務申報及合規程序、本公司內部監控及風險管理制度和程序之報告、外聘核數師的工作範圍及續聘事宜、關連交易以及使僱員關注可能不當行為之安排。	舉行1次會議，討論股份獎勵計劃及董事任命事宜。	舉行1次會議，旨在公司董事任命。

### BOARD DIVERSITY POLICY

When evaluating the composition of the Board, the Nomination Committee will consider different aspects required by the Board diversity policy, including but not limited to gender, age, cultural and educational background, professional qualification, skills, knowledge, industry and regional experience. The Nomination Committee will discuss and reach consensus on measurable objectives of diversification of members of the Board and make recommendations to the Board.

### DIRECTOR NOMINATION POLICY

The Nomination Committee has adopted a set of nomination procedures for selection of candidates for directors by making a reference to the skills, experience, expertise, personal conduct and time commitments of individuals, the Company's needs and relevant laws and regulations. When necessary, external recruitment professionals may be engaged to carry out the selection process.

### 董事會成員多元化政策

在評估董事會組成時，提名委員會將考量董事會成員多元化政策要求的不同層面包括但不限於性別、年齡、文化和教育背景、專業資質、技能、知識以及行業和地區經驗，將討論並就建成董事會成員多樣化的可量計的目標達成共識，並向董事會提出建議。

### 董事提名政策

提名委員會已參考候選人的技能、經驗、專業知識、個人操守及時間投入、本公司需要及其他相關法律法規，採納本公司董事候選人的提名程序。必要時可委聘招聘專家執行篩選程序。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

The details regarding Directors' attendance of meetings held by the Board and the Board Committees as well as the general meetings during their tenure during the year ended December 31, 2018 are set out in the table below:

### 董事及委員會成員出席會議的記錄

各董事在其任期內出席截至二零一八年十二月三十一日止年度舉行的董事會與董事委員會會議及本公司股東大會的記錄載於下表：

		Attendance/Number of Meetings 出席/會議次數				Annual General Meeting	Extraordinary General Meeting (note 1) 股東特別大會 (註1)
		Board	Audit Committee	Nomination Committee	Remuneration Committee		
		董事會	審核委員會	提名委員會	薪酬委員會	股東週年大會	
<b>Executive Director</b>	<b>執行董事</b>						
Mr. Zhang Ruilin	張瑞霖先生	5/5	N/A 不適用	N/A 不適用	N/A 不適用	1/1	2/2
Mr. Zhao Jiangwei	趙江巍先生	5/5	N/A 不適用	N/A 不適用	N/A 不適用	1/1	0/2
<b>Non-executive Director</b>	<b>非執行董事</b>						
Ms. Xie Na	謝娜女士	2/5	N/A 不適用	N/A 不適用	N/A 不適用	0/1	0/2
Mr. Jiao Qisen (Resigned with effect from January 16, 2019)	焦祺森先生(已於二零一九年一月十六日辭任)	2/5	N/A 不適用	N/A 不適用	N/A 不適用	0/1	0/2
<b>Independent Non-executive Director</b>	<b>獨立非執行董事</b>						
Mr. Mei Jianping	梅建平先生	2/5	2/2	1/1	1/1	0/1	0/2
Mr. Jeffrey Willard Miller	Jeffrey Willard Miller先生	2/5	2/2	1/1	1/1	0/1	0/2
Mr. Guo Yanjun	郭燕軍先生	2/5	2/2	1/1	1/1	0/1	2/2

Note 1 The Company held an Extraordinary General Meeting on May 7, 2018 for approving the agreement of purchase and sale dated March 23, 2018.

註1 本公司於二零一八年五月七日舉行股東特別大會以批准日期為二零一八年三月二十三日之買賣協議。

The Company held an Extraordinary General Meeting on November 20, 2018 for approving the share purchase agreement dated September 24, 2018.

本公司於二零一八年十一月二十日舉行股東特別大會以批准日期為二零一八年九月二十四日之股份買賣協議。

During the year ended December 31, 2018, apart from regular Board meetings, the Chairman also held meetings with Non-executive Directors (including Independent Non-executive Directors) without the presence of other Executive Directors.

截至二零一八年十二月三十一日止年度內，除定期董事會會議外，主席亦與非執行董事(包括獨立非執行董事)舉行會議，而無執行董事出席。



# Corporate Governance Report (Continued)

## 企業管治報告(續)

### DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge that they are responsible for the preparation of the financial statements of the Company for the year ended December 31, 2018.

The Board is responsible for presenting balanced, clear and concise annual reports and interim reports, announcements on inside information and other disclosures as stipulated by the Listing Rules as well as other statutory and regulatory provisions.

During the year ended December 31, 2018, the Group incurred a net loss of RMB1,195.8 million, which comprised losses of RMB832.3 million from continuing operations and RMB363.5 million from discontinued operations. As at December 31, 2018, the Group had a shareholders' deficit of RMB1,692.0 million and the Group's current liabilities and liabilities of disposal group classified as held for sale exceeded its current assets and assets of disposal group classified as held for sale by RMB2,034.1 million. As at the same date, the Group had total borrowings of RMB4,336.0 million, of which approximately RMB 2,549.9 million represented current liabilities, while the Group only had cash and cash equivalents of RMB28.1 million. These conditions, together with others described in Note 2.1.1 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt over the Group's ability to continue as a going concern.

The directors of the Company have been undertaking a number of measures to improve the Group's liquidity and financial position, to meet its liabilities as and when they fall due which are set out in Note 2.1.1 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these measures, which are subject to multiple uncertainties, including: (a) successful completion of the disposal (the "Maple Marathon Disposal") of Maple Marathon Investments Limited ("Maple Marathon"), the Group's subsidiary, in the near future so that the net cash proceeds will be made available to the Group for fulfilment of its obligations; and that the term loan owed by Maple Marathon will be retained by the buyer for repayment in accordance with the disposal agreement such that the Group does not need to obtain additional sources of financing to repay such loan upon the due date; (b) the holder of certain public notes not exercising the

### 董事就財務報表承擔的責任

董事確認彼等有責任編製本公司截至二零一八年十二月三十一日止年度之財務報表。

董事會負責編製上市規則及其他法定及監管條文規定的均衡、清晰及簡明年度報告及中期報告、內幕消息公告及其他披露。

截至二零一八年十二月三十一日止年度，本集團產生淨虧損約為人民幣1,195.8百萬元，其中包括因持續經營產生的虧損人民幣832.3百萬元及終止經營產生的虧損人民幣363.5百萬元。截至二零一八年十二月三十一日，本集團股東虧損為人民幣1,692.0百萬元，貴集團的流動負債加上持有待售的處置組的負債之和已超出其流動資產加持有待售的處置組的資產之和的金額為人民幣2,034.1百萬元。於同日，本集團借款總額為人民幣4,336.0百萬元，其中流動負債金額為人民幣2,549.9百萬元，而本集團僅有人民幣28.1百萬元的現金及現金等價物。以上事項，連同合併財務報表附註2.1.1所述的其他事項，表明可能導致本集團的持續經營能力產生重大疑慮的事項或情況存在重大不確定性。

本公司董事已經採取多項措施改善本集團的流動性及財務狀況，以應對其於到期時的負債，詳情載於合併財務報表附註2.1.1。合併財務報表是在持續經營的基礎上編制，該編制基礎是基於上述改善措施實施的結果，而該等措施的實施結果取決於多個不確定事項，包括：(a) 於近期成功完成集團子公司Maple Marathon Investments Limited (「Maple Marathon」) 的處置 (「Maple Marathon處置」)，以便將現金所得款項淨額提供予本集團以履行其責任；根據出售協議，Maple Marathon所欠借款將由買方所留存的款項償還，本集團於到期日無需獲得額外融資來償還該貸款；(b) 公開債券持有人在完成Maple Marathon出售事項前不行使認沽期權，為了不觸發載於附註2.1.1所述的公開債券和私人票據提前贖回；(c) 二零二

# Corporate Governance Report (Continued)

## 企業管治報告(續)

put option prior to the completion of the Maple Marathon Disposal, in order not to trigger earlier redemption of the public notes and certain other private notes as detailed in Note 2.1.1; (c) the lender of a borrowing of US\$60 million due to be repaid on February 1, 2020 not exercising its right to demand immediate payment; (d) the Group's ability to continuously comply with the terms and conditions of all the outstanding borrowings and financing agreements and to successfully negotiate with the lenders to obtain waivers or to revise the existing terms and conditions as and when needed such that the existing borrowings and financing will continue to be available to the Group; and (e) the Group's ability to generate operating cash flows and obtain additional sources of financing, other than those mentioned above, to finance the Group's oil exploration and production businesses and other funding needs. Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in the consolidated financial statements.

The management has provided necessary explanations and information to the Board, such that the Board can make an informed assessment of on the Company's financial statements submitted for its approval.

### AUDITORS' REMUNERATION

The Company's external auditor is PricewaterhouseCoopers, whose responsibilities in respect of the Company's consolidated financial statements are set out in the Independent Auditor's Report on pages 126 to 130.

For the year ended December 31, 2018, remuneration paid or payable to the Company's auditors (i.e., PricewaterhouseCoopers

零年二月一日到期的金額為60百萬美元的借款出借人，不會採取任何行動要求立即付款；(d)本集團有能力持續遵守所有未償還借款及融資協議的條款及條件，並成功與貸方協商以獲取豁免或在需要時修訂現有條款及條件，以確保現有借款及融資將繼續向本集團提供；(e)本集團有能力產生經營現金流及獲得額外融資來源，除上述所述，以為本集團的石油勘探及生產業務及其他融資需求提供資金。倘本集團未能達成上述計劃及措施，其可能無法在持續經營的基礎上繼續經營，並須作出調整將本集團的資產賬面價值調整至其可收回金額，計提可能進一步產生的負債撥備，同時將非流動資產及非流動負債重新分類為流動資產和流動負債。該等調整的影響尚未反映於合併財務報表中。

管理層已向董事會提供必要的解釋及資料，以便董事會對提呈予董事會批准的本公司財務報表作出知情評估。

### 核數師酬金

本公司之外聘核數師為羅兵咸永道會計師事務所(以下簡稱「羅兵咸永道」)，其對本公司合併財務報表責任載於第126至130頁之獨立核數師報告。

截至二零一八年十二月三十一日止年度，已付或應付予本公司核數師羅兵咸永道及其網絡成

# Corporate Governance Report (Continued)

## 企業管治報告(續)

and its member firms within the same network) is set out below: 員所的酬金列示如下：

		2018 二零一八年 RMB'000 人民幣千元
<b>Audit and audit related services</b>	<b>審計及審計相關服務</b>	
— Included in continuing operations	— 包含在持續經營	5,421
— Included in discontinued operations	— 包含在終止經營	1,853
<b>Service in connection with capital market transactions</b>	<b>與資本市場交易相關服務</b>	
— Included in continuing operations	— 包含在持續經營	8,221
<b>Non-audit service</b>	<b>非審計服務</b>	
— Included in continuing operations	— 包含在持續經營	614
		<b>16,109</b>

### RISK MANAGEMENT AND INTERNAL CONTROLS

### 風險管理及內部監控

Risk management and internal controls are part of the core operational management activities and business activities of the Group. The Board aims to establish a comprehensive risk management system which complies with the Group's strategies and business features, perfect the organizational structure of risk management, standardize risk management processes, adopt qualitative and quantitative risk management methods, carry forward risk identification, evaluation and mitigation, and facilitate the sustainable and healthy development of different businesses of the Company. The Board is responsible for maintaining an adequate internal control system so as to safeguard shareholders' investments and the Company's assets, and reviewing the effectiveness of internal controls on a yearly basis, with the assistance of the Audit Committee.

風險管理及內部監控是核心經營管理活動和業務活動的一部份。董事會力求建立合符集團戰略和業務特點的全面風險管理體系，完善風險管理組織架構，規範風險管理流程，採取定性和定量相結合的風險管理方法，推進風險的識別、評估和緩釋風險，並促進本公司各項業務持續健康發展。董事會負責維持充足的內部監控系統以保障股東的投資及本公司資產，並在審核委員會的協助下按年檢討內部監控是否有效。

The Company's risk management system and internal control system are established for an efficient and effective operation, so as to ensure reliable financial reporting and compliance with applicable laws and regulations, identification and management of potential risks and safeguarding of the Group's assets. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. Senior management of the Group reviews and evaluates internal control procedures, monitors any risk factors on a regular basis, and reports to the Audit Committee on the results and measures for handling differences and risks identified.

本公司之風險管理及內部監控系統乃為配合有效及高效的營運而設，確保財務申報可靠及符合適用法例及法規，辨識及管理潛在風險及保障本集團資產。該等系統旨在管理而非消除未能達成業務目標的風險而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。高級管理層定期檢討及評估監控程序、監察任何風險因素，並向審核委員會彙報結果及處理差異和已識別風險的措施。

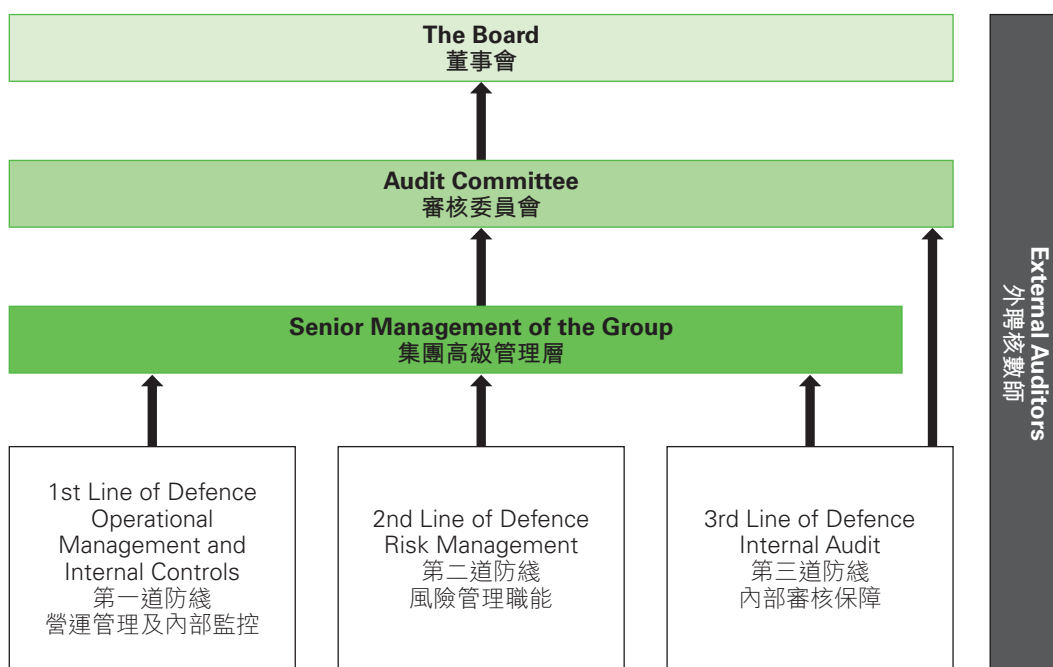


# Corporate Governance Report (Continued)

## 企業管治報告(續)

### 1. Risk management structure and other details

The risk management system and internal controls of the Group are guided by the “three lines of defence” as listed below:



As the highest level decision-making body for the Company’s risk management and internal controls, the Board is responsible for reviewing the effectiveness of overall risk management and internal control systems. The Audit Committee, on behalf of the Board, performs the duties regarding risk management and internal controls, supervises management design, implements and monitors work regarding risk management and internal control system, fully understands various significant risks and corresponding management faced by the Company, and supervises the effectiveness of the risk management and internal control system.

### 1. 風險管理架構及說明

集團的風險管理及內部監控以下文所示的「三道防線」模式為指引：

董事會是公司風險管理及內部監控最高決策機構，對全面風險管理工作的有效性負責。董事會下設審核委員會，代表董事會履行風險管理及內部監控職責，監督管理設計、實施及監控風險管理及內部監控制度的工作，全面瞭解公司面臨的各項重大風險及其管理狀況，監督風險管理及內部監控體系運行的有效性。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### 2. Three lines of defence

#### 1st line of defence: operational management and internal controls

The 1st line of defence comprises the Company's internal control system, including (i) corporate policies shared with staff via the internal network; (ii) operational policies, procedures and practices covering authorization and transaction approval, etc.; (iii) application of financial reporting standards and (iv) review of financial performance and significant judgments.

##### (1) Company policies:

- **The Corporate Management Manual** is categorized into three parts: the Organization Chart, Segregation of Duties and Authority Guide, and Management System Compilation. The Organization Chart depicts the internal organizational structure of the Company. The Segregation of Duties and Authority Guide covers the key components of all functions of the Company's project companies, the Board Committees and management. It establishes clear management responsibilities, authorization and accountability. The Management System Compilation covers the processes and approval procedures related to internal controls within the Company, clarifying the responsibilities and rights of various departments. Since 2016, we have initiated a plan to reorganize and amend the Corporate Management Manual in a bid to update related systems and enhance operation efficiency based on the latest organizational structure.
- **The Staff Manual** regulates the behaviors of the staff of the Company, aiming at facilitating the penetration of integrity and moral values into the Company.
- **The Whistleblowing Policy** encourages the staff and other business-related personnel to report events involving misconducts or fraud in the Company, without being persecuted.

### 2. 三道防線

#### 第一道防線：營運管理及內部監控

第一道防線由公司內部監控系統組成，其中包括：(i)透過內部網絡與僱員共享的公司政策；(ii)涵蓋授權及批准交易等各個方面的營運政策、程序及實務；(iii)應用財務報告準則；及(iv)審閱財務表現及重大判斷。

##### (1) 公司政策：

- **公司管理手冊**分為三大部分：組織機構圖、職責分工與權限指引、管理制度彙編。組織機構圖描述了公司內部的組織架構。職責分工與權限指引涵蓋了本公司所有項目公司、董事委員會及管理層的職能主要原素。其中建立了明確的管理守職責、授權及問責。管理制度彙編涵蓋了公司內部監控相關流程及審批程序，詳細說明了各部門的職責與權利。自二零一六年起，我們已開始一項計劃重整及修改企業管理手冊，旨在根據最新的組織架構，更新相關系統，提高營運效率。
- **員工手冊**規管公司員工行為，旨在促進本公司誠信及道德價值觀的滲透。
- **舉報政策**鼓勵僱員及其他業務相關人士匿名舉報本公司內涉嫌行為失當或舞弊的事件，以免遭受迫害。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

- **The Information Disclosure Policy** regulates the handling and publishing of inside information of the Company. We ensure that inside information is saved and accessed in an absolutely confidential manner until the Company makes timely disclosure.

The Information Disclosure Policy includes:

- Applicable scope of policy
- Form of information disclosure
- Periodic reports
- Management of matters relating to information disclosure

### (2) **Operational policy:**

**The Accident Management Regulations** help the Company to systematically and timely report and handle accidents in a detailed, unified and coordinated manner, with corresponding follow-up and monitoring conducted by the Internal Audit Department.

### **2nd line of defence: risk management function**

The 2nd line of defence comprises several risk monitoring practices of the Company, and is subject to the supervision of the Audit Committee. The Company has adopted a risk management event library, and developed an exhaustive plan in respect of various risks, so as to support the Company's risk management program and assist the operating departments to identify and report significant risks affecting the Company in a timely manner. The Company's risk management event library adopts a top-down risk assessment approach at the corporate level, and within each operating unit, a bottom-up approach is adopted for re-examination by using the individual risk register (based on the impact from risks). The risk management event library identifies the main challenges faced by the Company, thereby assisting the Board and the management to make informed decisions.

- **信息披露政策**規管本公司內幕消息的處理及發佈。我們確保在絕對保密的情況下存取潛在內幕資料，直至公司做出貫徹和及時的披露為止。

信息披露政策包括：

- 政策的適用範圍
- 信息披露的形式
- 定期報告
- 相關信息披露事務的管理

### (2) **營運政策：**

**事故管理規定**有助本公司以統一協調的形式有系統地、及時地、詳盡地彙報及處理本公司的各類事故，並由內部審計部門作出相關跟進及監察。

### **第二道防線：風險管理職能**

第二道防線包括本公司多項風險監控實務，並由審核委員會監督。本公司會採用公司風險管理事件庫，就各項風險制定詳盡的計劃，藉以支持本公司的風險管理程序並協助營運部門識別及彙報對本公司有影響的重大風險。公司風險管理事件庫在企業層面以由上至下的方式作風險評估，同時以由下至上方式在每個營運單位運用基於風險影響力編制的單獨風險登記冊作複檢。風險管理事件庫識別本公司面對的主要挑戰，協助董事會及管理層作出明智決定。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

The Company's risk management event library and register classify risks into five different categories for assessment: strategic, market, legal, financial and operational risks. The Company has noted the major risks posing significant impact on the above categories, and will periodically assess each major risk for its potential impact on finance and opportunity of occurrence. The existing controls are able to identify and address all the major risks and help improving the skills, benefits and costs required for the risks.

Project companies submit their respective updates on the risk register to the Internal Audit Department semi-annually, so as to assist in preparation of the Company's risk management report. Since 2016, after a review of the risk management procedures, in order to comply with the Company's financial reporting regulations, the Internal Audit Department of the Company carried out risk review semi-annually and approved the Company's risk management report, to submit to the president office meeting, Audit Committee meeting and the Board, and finally for the approval by the Board, to facilitate the Audit Committee's effective monitoring of the Company's major business risks and how the management copes with and mitigates the risks.

Details of the Company's major risks and potential risks are set out on pages 41 to 44.

### 3rd defence: internal audit

The internal audit department of the Company is responsible for internal audit, which plays an important role in assessing the efficiency of the Company's risk management and internal controls system, and is responsible for reporting to Audit Committee periodically. The audit function of the department covers the whole Group, with evaluations handled by the head of the internal audit department of the Company. The head of the internal audit department of the Company is required to report to the Chief Executive Officer and may also contact with the Chairman of Audit Committee directly, and periodically submit the internal audit report on the efficiency of the controls system in accordance with the established audit plan to Audit Committee. During the year under review, Audit Committee is responsible for approving the annual audit plan and reviewing reports in relation to audit results and risk management.

公司風險管理事件庫及登記冊將風險分成五個不同的類別來作出評估：戰略、市場、法務、財務及運營風險。本公司已知悉上述類別中可能對其構成重大影響的主要風險，並會定期評估每項主要風險對財務的潛在影響及發生的機會。現時的監控措施能夠識別及處理所有主要風險和有助改善該等風險所需的技能、利益及成本。

公司每半年向內部審計部門提交各項目各自的風險登記冊的更新，以編撰公司風險管理報告。自二零一六年，檢討風險管理程序後，為符合本公司的財務彙報規定，由公司內部審計部門每半年開展風險檢討並審批公司的風險管理報告，以提交公司總裁辦會議、審核委員會及董事會，最後由董事會批准該報告。以此讓審核委員會更有效地監察本公司的主要業務風險及管理層如何應對及降低該等風險。

有關本公司的主要風險及潛在風險的詳情載於第41頁至第44頁。

### 第三道防線：內部審核

內部審計部門專責進行公司的內部審核，在評審公司風險管理和內部監控系統的成效擔當重要角色，並負責定期向審核委員會報告。此部門的審核職務覆蓋全集團，由公司負責內部審計的領導處理評審事宜。公司負責內部審計的領導須向首席執行官彙報及可以直接與審核委員會主席接觸。並定期遞交根據既定審核計劃所制訂之有關監控成效的內部審核報告予審核委員會。年內，審核委員會負責批閱年度審核計劃及檢閱審核及風險管理相關的報告。



# Corporate Governance Report (Continued)

## 企業管治報告(續)

The head of the internal audit department reviews the Group's internal audit function based on risks of each project company at the operating and corporate level, and agrees on correction and improvement measures. The head of the internal audit department will follow up on the recommended implementation and report relevant results to the Audit Committee.

### External auditors

External auditors of the Company raise independent queries regarding various businesses, operations and the performance of internal auditors (especially any significant internal monitoring involving financial reporting confirmed during audit), so as to further improve the 3rd line of defence. External auditors will report any defects in the controls to the Audit Committee.

### Audit Committee and the Board

The Audit Committee reviews and examines the audit report and statements submitted by management of the Company, each financial department, internal auditors and external auditors according to the requirements on reporting, and discuss any significant issues. Regular risk management reports can be divided into two reports, internal audit and controls report, and company risk management report, for further discussion. The internal audit report is submitted in accordance with the audit plan annually, and the Audit Committee reviews company risk management report in order to keep in line with the timing of financial reporting of the Company. The Audit Committee examines the impact of any defects in respect of content of reports, evaluation of efficiency of risk management and internal controls system, and whether responses are valid, and determines whether to conduct more extensive regulation. Besides, the Audit Committee will review the performance of internal auditors and external auditors, and the advice of external auditors on the internal finance department.

The Board holds meetings, proposes recommendations in respect of the final results submitted by the Audit Committee, and discusses to find out the final resolutions.

內部審計部門的領導基於各項目公司在營運及企業層面上面對的風險檢討集團的內部審核功能，並商定糾正和改善方案。內部審計部門的領導會跟進建議的落實情況，並向審核委員會彙報相關結果。

### 外聘核數師

本公司的外聘核數師就不同業務、營運及內部審計師的核證水平(尤其是在核數過程中確認的任何涉及財務彙報事項的重大內部監控)提出獨立質詢，進一步完善第三道防線。外聘核數師會向審核委員會彙報任何監控的不完善之處。

### 審核委員會及董事會

審核委員會根據彙報要求，檢視及審查由本公司管理層、各財務部門、內部審計師及外聘核數師所提交的審核報告及陳述，在遇上重大事宜時更會加以探討。常規風險管理報告分拆為內部審計及監控、公司風險管理兩份獨立的報告，以作更深入探討。內部審計報告每年按審計計劃提交，審核委員會為配合本公司的財務彙報時間，檢討公司風險管理報告。審核委員會就報告內容，評審風險管理及內部監控系統的成效，研究任何不完善之處帶來的影響，及應變措施是否有效，並決定是否採取更廣泛的監察。此外，審核委員會將評核內部審計師與外聘核數師的表現，審視外聘核數師對內部財務部門的意見。

董事會開展會議，向審核委員會最終呈交的最終結果提出建議，並進行商討以得出最終解決方案。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### 3. Main scope of work conducted in 2018 in relation to risk management

Based on compliance control management, the Company will establish a sound all-around risk management system consistent with the highest international standards and continuously improve risk controls and technology based on risk governance, guided by risk preference, with risk quantitative tools and risk performance appraisal as primary measures, so as to achieve the balance between risk control and business development.

The specific work conducted by the Company in 2018 is as follows:

- Established the Company's risk management register, record the Company's risk trend and specific ratings;
- Developed and improved the guide for project risk evaluation, provide practical and comprehensive project tools, and helped improve management of major risks during project cycles;
- Periodically prepared company risk management reports for submission to senior management of the Company, subsequently submitted to the Audit Committee and the Board for approval;
- Discussed existing and potential major risks, and measures and other activities adopted for addressing such risks.

### 3. 二零一八年風險管理主要工作範圍

本公司將在合規監控管理的基礎上建立符合國際最高標準堅實而全面風險管理體系，並以風險治理為基礎，以風險偏好為導向，以風險量化工具及風險績效考核為主要手段持續提升風險管控與技術水平，達至風險管控與業務發展的平衡。

本公司在二零一八年的具體工作內容如下：

- 建立本公司的風險管理登記冊，記錄本公司的風險動向及具體評級；
- 制定及改進項目風險評估指引，提供實用及全面的項目工具，協助在項目周期更好的管理主要風險；
- 定期準備公司風險管理報告，以提交公司高級管理層，並隨後交於審核委員會及董事會以供審批；
- 討論現有及潛在的主要風險，以及處理風險所採取的措施及其他行動。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### 4. List of significant risks

In 2018, the top 10 major risks in relation to the Company's business and operations are as below. The Company arranges, selects and prioritizes the risks encountered by existing business, to compile the list of major risks. During the compilation of the Company's major risks, we held a special meeting with management to discuss and review responses to individual risks. Review of risk procedures is helpful to emphasize potential risks and identify new risks.

### 4. 重要風險列示

於二零一八年，以下各項為與本公司業務及運營相關的十大主要風險。本公司將現有業務中所面對的風險加以整理、篩選及排定優先次序，編製主要風險。在編製本公司主要風險的過程中，我們與公司管理層舉行了一次特殊會議並討論及檢討有關個別風險的應對措施，以及管理層者多次面談及證實。檢討風險程序有助於突出潛在風險，並發現新的風險。

#### Major risks

#### 主要風險

#### Risk description and risk response

#### 風險描述及應對

Risk of oil and gas price fluctuation

油氣價格波動風險

International oil price is subject to the impact of various factors: changes in global and local political and economic conditions, supply and demand of oil and gas, and contingencies and controversies with international impact. Domestic oil price is determined and adjusted with reference to the price of international crude oil. The Company's businesses involve both domestic and overseas markets and are therefore subject in particular to the impact of risks of price fluctuation. However, the Company avoided the risk through hedging instruments, meanwhile, set up relevant personnel to continuously focus on the fluctuations of crude oil price and report, thereby reducing the risk from the fluctuation of oil and gas prices.

國際油價受全球及地區政治經濟的變化、油氣的供需狀況及具有國際影響的突發事件和爭端等多方面因素的影響。國內油價參照國際原油價格確定，國內油價隨國際市場原油價格變化而調整。本公司從事業務涉及國內與國外市場，因此，受到尤其價格波動風險的影響。但是，本公司通過套期保值工具對該風險進行規避，同時，設立相關人員持續關注原油價格的波動情況，並做彙報，降低了油氣價格波動帶來的風險。

Risk of oil and gas resources

油氣資源風險

The implementation of the Company's business activities may be impacted, due to the uncertainties in the exploration and development of oil and gas resources, or the uncertainties during the purchase of oil and gas resources with substantial funds. Although detailed assessment and feasibility study and analysis on investment projects in the prior period have been conducted, the Company cannot avoid the risk arising from the uncertainties of oil and gas resources.

由於公司在獲取石油與天然氣資源時的勘探和開發存在不確定性，或投入大量資金購買油氣資源過程中存在不確定性，導致公司經營項目的開展與實施受到影響。雖然本公司在項目前期對項目進行了詳細的評估與可行性研究分析，但不可避免由於油氣資源的不確定性帶來的風險。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

Major risks 主要風險	Risk description and risk response 風險描述及應對
Investment risk  投資風險	<p>Since the oil industry is a capital-intensive industry, the Company has adopted a prudent investment strategy to carry out strict and detailed feasibility study and analysis on investment projects. However, during the implementation of the projects, the projects may fail to achieve the expected benefits due to large variations in market environment, price of equipment materials, construction cycle, etc., therefore, some investment risks are presented.</p> <p>石油行業屬於資金密集型行業，本公司已採取了謹慎的投資策略，對投資項目均進行嚴格詳細的可行性研究與分析，但在項目實施過程中，仍有可能因為市場環境、設備材料的價格、施工周期等發生較大變化，使項目達不到原先預期的利益，因此存在一定的投資風險。</p>
Exchange rate risk  匯利率風險	<p>Although the Company has avoided exchanges rate risk by adopting tools such as forward exchanges, however, the fluctuation in exchange rates will inevitably have an impact on the profit of the Company. Besides, the adjustments in the national interest rate policies will also impact the Company's financing cost, thereby impacting the profit of the Company.</p> <p>雖然本公司已通過遠期外匯等工具，對匯率風險進行規避，但匯率的波動仍不可避免將對本公司的利潤產生影響。此外，國家利率政策的調整，也將影響本公司融資成本，從而影響本公司的利潤。</p>
Risk in international operations  國際化經營風險	<p>The Company engages in oil and gas businesses in some overseas territories. Overseas businesses and assets are governed by the laws and regulations of the country where the business, so the complexity of internal political and economy, including international sanction, instability of tax and fiscal policies and culture difference, may increase the risk of overseas business expansion and operation of the Company. Although the Company explores overseas businesses in the countries other than those with economically or politically unstable situations, and conducts detailed surveys prior to the commencement of projects, it is unable to completely avoid the impact from contingencies in the countries where its businesses are located.</p> <p>本公司在境外部分地區從事油氣業務。境外業務和資產受到所在國法律法規的管轄，由於國際政治、經濟的複雜性，包括國際制裁、財稅政策不穩定以及文化差異等，都可能加大本公司海外業務拓展及經營的風險。雖然本公司避免選擇政治經濟不穩定的國家進行海外業務的開拓，同時在項目前期進行詳細的調研，但不能避免所在國的突發情況給本公司帶來影響。</p>



# Corporate Governance Report (Continued)

## 企業管治報告(續)

Major risks 主要風險	Risk description and risk response 風險描述及應對
Risk of national policies 國家政策風險	<p>The Chinese government oversees the domestic oil and gas industry, therefore, its regulatory policies may impact the Company's business activities. The changes in government regulatory policies, such as tax and fiscal policies, energy-saving and emission-reducing policies, may impact the business performance of the Company.</p> <p>中國政府對國內石油和天然氣行業進行監管，其監管政策會影響本公司經營活動。財稅政策、節能減排與環保政策等政府監管政策的變化，都將影響本公司的經營業績。</p>
Production safety and environmental risk 安全生產環保風險	<p>As a high-risk and environmentally-unfriendly industry, oil exploration is vulnerable to natural disaster threats, and the production environment is flammable and prone to explosion. Emergencies such as well blowout and drill sticking may result in heavy economic losses and social impact as well as pose major harm to personal safety. Although the Company always stresses the importance of and implements safe production, and endeavours to avoid various accidents and makes insurance arrangements for major assets and inventories and against losses it may cause to any third-party, it still cannot make provisions for the full extent of the economic losses and adverse impacts which could be brought by such emergencies.</p> <p>石油開採是一個易燃、易爆、易污染環境且容易遭受自然災害威脅的高風險行業，突發事件可能會帶來重大經濟損失，社會影響以及對人身安全造成重大傷害，如：井噴、卡鑽等。本公司一直強調並執行安全生產，盡最大的努力的避免各類事故發生，並為主要資產、存貨及可能對第三方造成的損失購買保險，但仍不能完全避免此類突發事件給本公司帶來的經濟損失及不利影響。</p>
Market competition risk 市場競爭風險	<p>With the gradual opening of certain domestic petroleum and petrochemical markets, the Company faces more fierce competition from other domestic oil producers and foreign oil producers in relation to, for example, obtaining rights to enter resource countries, seizing oil and gas resources and expanding the market when it is making efforts to strengthen its own business. With a price advantage in a competitive environment, the Company keeps developing more advanced technology and reducing its cost. However, its earnings will inevitably be impacted by market competition.</p> <p>隨著國內部分石油石化市場的逐步開放，本公司在不斷加大業務進程中，與國內其他石油生產公司，以及國外石油公司在某些地區和領域獲得進入資源國的權利、搶佔油氣資源、開拓市場方面，面臨較為激烈的競爭。本公司不斷開發更具優勢的技術，並且不斷降低成本，在競爭環境中具備價格優勢，但不可避免由於市場競爭，影響本公司的收益。</p>

# Corporate Governance Report (Continued)

## 企業管治報告(續)

Major risks 主要風險	Risk description and risk response 風險描述及應對
Confidentiality 保密風險	Information on the Company's oil reserve and unsigned investment projects is strictly confidential. It is a policy of the Company that any staff in a key position should sign a confidentiality agreement and be obligated to keep information confidential. But even so, risk of information leakage brought by job hopping, change of employment or other events is still unavoidable. 本公司的儲量信息及未簽訂投資項目信息均為機密信息，本公司規定關鍵崗位員工需簽訂保密協議，對機密信息負有保密義務。但仍不可避免發生人員跳槽離職或其他情況，造成信息外洩帶來的風險。
Property safety risk 財產安全風險	With oil and gas exploitation as its principal business, the Company establishes comprehensive rules and regulations and strict monitoring process on aspects such as use of assets, production and transportation. But since oil and gas exploitation is an outdoor activity, there is still a risk that assets may be lost or stolen. 本公司主要從事油氣開採業務，雖然本公司對資產使用、生產、運輸等管理有完善的規章制度且進行嚴格監控，但由於油氣開採業務在室外進行，仍不可避免出現丟失被盜，造成資產流失或損失的風險。

### 5. Potential risks

In addition to addressing various major risks faced by the Company, the Audit Committee also reviews specific potential risks. Such potential risks often stem from changes in economic, political, legal or technical environments, and may but not necessarily fall into the scope of current major risk categories. In the opinion of the Company's Audit Committee, such potential risks may have a significant impact on the Company; therefore, it will aim to minimize such impact and develop risk mitigation plans.

### 5. 潛在風險

除應對本公司面對的各種主要風險外，審核委員會也檢查了特定的潛在風險。此等潛在風險通常源自經濟、政治、法律或技術環境的變動，這些變動可能但不一定屬於現有的主要風險類別。公司審核委員會認為，該等潛在風險可能造成重大的潛在影響，因此會減少其對本公司的潛在影響並制定降低風險的計劃。

Potential risks 潛在風險	Risk description and risk response 風險描述及應對
Network security risk 網絡安全風險	Due to increase in network viruses, hacker attacks and failure in network maintenance, leakage of data information becomes more and more frequent. Although the Company has installed software such as firewall to protect data and reduce network security risks, it is unable to eliminate the impact of such risks as it has both domestic and overseas businesses. 網絡病毒、黑客攻擊、系統故障維修導致的數據信息外洩事件增加，雖然公司安裝了防火牆等軟件保護數據，降低了網絡安全風險，但公司在境內外均有業務範疇，仍不可避免該類風險帶來的影響。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### 6. Work focus in 2019

In 2019, the Company will focus on improving its risk management framework and procedures, strengthening internal risk communication, raising risk awareness and defining risk bearers in accordance with the CG Code and best practices in the industry. We will arrange risk awareness related trainings for our main operating departments, and continue to assist the various business departments to enhance their risk management procedures in accordance with the Company's risk management framework and guidance. In addition, we will identify major risks and make arrangements in relation to the report and improvement of risk countermeasures, potential risk framework and close monitoring initiatives.

### 7. Statement of the Board on internal control responsibilities

The Company's internal controls are aimed at reasonably ensuring operation legality and compliance, asset safety and authenticity and completeness of financial report and related information, improving operating efficiency and effectiveness, and facilitating the implementation of development strategy. The Company has comprehensively assessed the effectiveness of its own internal controls and reported such assessment to the Audit Committee and the Board in 2018. No material weakness was identified during the assessment. In the opinion of the Board, for the year ended December 31, 2018, no events that may have significant impact on the Company's operation, financial reporting and compliance have been identified, and the existing risk management and internal control system remains effective and adequate to guarantee the interests of the Company and its shareholders.

### 6. 二零一九年主要工作

於二零一九年，本公司的工作重點是根據企業管治守則及行業最佳實務，完善公司的風險管理框架及程序，加強公司內部的風險溝通、提高風險意識、明確風險歸屬。我們將為所有主要營運部門安排風險意識培訓。根據公司風險管理框架及指引，繼續協助各業務部門強化其風險管理程序。另外，我們將會識別主要風險，並作出有關彙報、潛在風險框架及密切監察行動計劃的安排。

### 7. 董事會關於內部控制責任的聲明

本公司內部控制的目標是合理保證經營合法合規、資產安全、財務報告及相關信息真實完整，提高經營效率和效果，促進實現發展戰略。於二零一八年，本公司已開展全面內部監控自我評估並向審核委員會及董事會彙報，該評估並未發現重大缺陷。董事會認為，截至二零一八年十二月三十一日止年度，本公司並無發現任何可能嚴重影響本公司營運、財務申報及規章遵守之事宜，現有的風險管理及內部監控系統仍為有效充足，可保證本公司及股東權益。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### INFORMATION DISCLOSURE AND MANAGEMENT OF INSIDE INFORMATION

The Company discloses information in accordance with the rules and regulations of the Securities and Futures Commission in Hong Kong and the Stock Exchange, releases its periodic reports and interim announcements to the public in accordance with law, and discloses important information such as the Company's financial results, material information changes and information on significant projects to the market on a timely basis, bearing in mind the timeliness, fairness, accuracy, authenticity and completeness of information disclosure, therefore protecting the legal interests of investors and stakeholders.

### COMPANY SECRETARY

Ms. Wong Sau Mei of Tricor Services Limited, an external service provider, was engaged by the Company, as its company secretary for the year ended 2018. Ms. Wong Sau Mei had complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of the relevant professional training during the year. The company secretary reports to the Chairman of the Board and Chief Executive Officer regarding corporate governance issues, and all Directors can seek her advice and support. The company secretary is also responsible for providing advice to Directors and the Board Committees on the latest laws and regulations, such that procedures of the Board as well as all applicable laws, regulations and rules are complied with. The company secretary's primary contact person at the Company is Ms. Lian Yunfei, the general counsel of the Group. Ms. Wong resigned as company secretary of the Company with effect from April 23, 2019. Ms. Chan Wing Sze was appointed as the Company Secretary with the same effective date.

### SHAREHOLDERS' RIGHTS

To safeguard the rights and interests of shareholders, the Company will propose a separate resolution in respect of each significant matter (including the election of individual Directors) at general meetings. All resolutions put forward at the general meeting will be voted on by poll in accordance with the Listing Rules, and the poll results will be announced on the websites of the Company and the Stock Exchange after each general meeting.

### 信息披露和內幕信息管理

本公司按照香港證券及期貨事務監察委員會、港交所的各項證券監管規定進行信息披露，依法公開對外發佈各類定期報告及臨時公告，及時向市場披露了本公司財務業績、公司重大信息變更、重大項目情況等重要信息，做到了信息披露的及時性、公平性、準確性、真實性和完整性，以保護投資者及利益相關人士的合法權益。

### 公司秘書

外聘服務供應商卓佳專業商務有限公司黃秀美女士受本公司委聘為公司秘書。在二零一八年期間，黃秀美女士已遵守上市規則第3.29條，於本年度期間接受不少於十五個小時的相關專業培訓。公司秘書就管治事宜向董事會主席及行政總裁彙報，所有董事均可取得公司秘書的意見及支援。公司秘書亦負責向董事及委員會就最新的法律、監管提供意見以確保董事會程序及所有適用法律、規則及規例均獲得遵守。其於本公司之主要聯絡人為本公司總法律顧問連雲飛女士。於二零一九年四月二十三日黃秀美女士辭任本公司秘書同時委任陳穎詩女士為本公司秘書。

### 股東權利

為保障股東權益及權利，本公司將就各重大事宜(包括選舉個別董事)於股東大會提呈獨立決議案。股東大會上提呈之所有決議案將根據上市規則進行投票表決，且投票表決之結果將於各屆股東大會結束後於本公司及聯交所網站上刊載。



# Corporate Governance Report (Continued)

## 企業管治報告(續)

### Convening an Extraordinary General Meeting by Shareholders

Extraordinary general meetings shall also be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognized clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

### Putting Forward Proposals at General Meetings

There is no provision allowing shareholders to move new resolutions at general meetings under the Cayman Islands Companies Law or the Articles of Association of the Company. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

### 應股東要求召開股東特別大會

股東特別大會亦可應本公司任何兩名或多名股東的書面要求召開，但彼等須將列明大會議題及經請求人簽署的書面要求送交本公司於香港的主要辦事處或(倘本公司不再設有該主要辦事處)註冊辦事處，惟該等請求人於送交要求之日須持有本公司不少於十分之一附帶本公司股東大會投票權之繳足股本。股東大會亦可應本公司任何一名股東(倘為認可結算所(或其代名人))的書面要求召開，但其須將列明大會議題及經該請求人簽署之書面要求送交本公司於香港之主要辦事處或(倘本公司不再設有該主要辦事處)註冊辦事處，但該請求人於送交要求之日須持有本公司不少於十分之一附帶本公司股東大會投票權之繳足股本。倘董事會並未於正式送交要求之日起計二十一內召開將予在其後的二十一日內舉行的大會，則請求人本人或擁有所有請求人全部投票權二分之一以上的任何請求人可按盡量接近董事會召開大會的相同方式召開股東大會，惟按上述方式召開的任何大會不得於送交要求當日起計三個月屆滿後召開，而所有因董事會未有召開大會致使請求人產生的合理開支，須由本公司向彼等償付。

### 於股東大會提呈決議案

開曼群島公司法或本公司的組織章程細則並無列明股東可在股東大會上提呈任何新決議案。有意提呈決議案的股東可按上段所載程序要求本公司召開股東大會。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, shareholders may send relevant written enquiries to the Company by post or email as per the below contact information.

### CONTACT DETAILS

Shareholders may send their enquiries or requests by post or email:

Address: Room 1901-07, 19/F, Sun Hung Kai Centre,  
30 Harbour Road, Wanchai, Hong Kong  
(with the Board of Directors as designated recipient)  
Tel: 852-2511-0028  
Fax: 852-2511-1983  
Email: investors@mienergy.com.cn

Shareholders must deposit or send (as the case may be) the original of the duly signed written requisitions, notices or statements or enquires to the above address, and provide their full names, contact details and identification such that the Company could reply to them. It is likely that the shareholder information will be disclosed as required by law.

### COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for strengthening relationships with investors and increasing investors' understanding of the Company's business performance and strategy. Also, the Company understands that maintaining transparency and disclosing the Company's information on a timely basis are very important for shareholders and investors to make the best investment decisions.

For this purpose, the Company has set up a website (<http://www.mienergy.com.cn>), where relevant latest information, the up-to-date state of the Company's business operation and development, the Company's financial information and corporate governance practices and other data are available to the public.

### 向董事會作出查詢

有關向本公司董事會作出任何查詢，股東可按照下列聯絡方式將書面查詢寄送或電郵至本公司。

### 聯絡詳情

股東可透過郵寄或電郵方式發送上述查詢或要求：

地址：香港灣仔港灣道30號  
新鴻基中心19樓1901-1907室  
(註明收件人為董事會)  
電話：852-2511-0028  
傳真：852-2511-1983  
電子郵件：investors@mienergy.com.cn

股東須將妥善簽署的書面要求、通知或聲明或查詢(視情況而定)的正本存放於及寄發至上述地址，並須提供彼等全名、聯絡詳情及身份，以便本公司可回覆。股東資料可能根據法律規定而予以披露。

### 與股東及投資者之溝通／投資者關係

本公司認為，與股東有效溝通對加強投資者關係及投資者對本公司業務表現及策略之瞭解相當重要。本公司亦知悉保持透明度及適時披露公司資料之重要性，此舉將令股東及投資者作出最佳投資決策。

為此，本公司設有網站，網址為<http://www.mienergy.com.cn>，有關最新的信息以及本公司業務營運及發展的最新情況、財務資料、企業管治常規及其他資料將刊登於該網站內，並可供公眾查閱。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

The Company endeavors to maintain an ongoing dialogue with shareholders, especially through annual general meetings and other general meetings. The Chairman of the Board, all Non-executive Directors, Independent Non-executive Directors and the Chairmen of all Board Committees (or their representatives) will attend annual general meetings to meet shareholders and respond to their enquires. The Company's general meeting is a platform for the Board and shareholders to communicate with each other.

The Company has adopted a policy on payment of dividends pursuant to code provision E.1.5 of the CG Code that has become effective from January 1, 2019 which sets out the factors in consideration of the payment of dividend. The Board endeavors to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy and will continually review the same and make modifications when appropriate.

### ARTICLES OF ASSOCIATION

During the year under review, no changes have been made to Articles of Association of the Company. An up-to-date version of the Company's Articles of Association is available on the websites of the Company and the Stock Exchange.

本公司盡力保持與股東之間的對話，尤其是透過股東週年大會及其他股東大會。董事會主席、全體非執行董事、獨立非執行董事、所有董事委員會之主席(或彼等的代表)將出席股東週年大會與股東會面並回答彼等的問詢。本公司股東大會提供董事會與股東溝通之平台。

本公司已根據二零一九年一月一日生效的企業管治守則的新守則條文第E.1.5條採納了股息政策，該政策闡述了派發股息的考慮因素。董事會以可持續的股息政策盡力維持達至股東期望與保持資金管理的平衡，並會持續檢討該政策並適時作出修正。

### 組織章程細則

於回顧年度內，本公司並無對組織章程細則作出任何更改。本公司最新組織章程細則登載於本公司網站及聯交所網站。

# Report of the Directors

## 董事會報告

The Directors submit their report together with the audited financial statements for the year ended December 31, 2018.

### PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The principal business of the Company, its subsidiaries and jointly controlled entities is to engage in the exploration, development, production and sale of crude oil and other petroleum products under production sharing contracts and other similar arrangements. The Group currently has the following oil and gas properties: (1) two producing production oil sharing contracts in northeast China; (2) a diverse producing, resource and infrastructure oil and gas asset throughout Western Canada; (3) participating interests in an exploration contract and four production contracts in Kazakhstan held by Emir- Oil; and (4) participating interests in one producing production oil sharing contract in South China Sea.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended December 31, 2018 are set out in the consolidated statement of comprehensive income on pages 134 to 137.

The Board did not recommend the payment of final dividend for the year ended December 31, 2018 (2017: Nil).

### BUSINESS REVIEW

The business review of the Group for the year has been set out in pages 11 to 13 of the Chairman's Statement, pages 101 to 125 of the Management Discussion and Analysis, and this Report of the Directors.

### RESERVES

Please refer to the consolidated statement of changes in equity on pages 138 to 139 and note 23 to the consolidated financial statements on pages 278 to 280 for movements in the reserves of the Group and the Company, respectively, for the year ended December 31, 2018.

董事會謹此提呈截至二零一八年十二月三十一日止年度之報告書及經審核財務報表。

### 主要業務及營運地區分析

本公司之主要業務為投資控股。本公司及其附屬公司和共同控制實體的主要業務為通過產品分成合同和類似協定，從事勘探、開發、生產及銷售原油和其他石油產品。本集團目前擁有如下油氣資產：(1)位於中國東北之兩個生產原油產品分成合同；(2)貫穿整個加拿大西部的油氣資產，資源和基礎設施；(3)參股位於哈薩克斯坦之一個勘探合同和四個生產合同；及(4)參股一項位於中國南海原油產品分成合同。

### 業績及派息

本集團截至二零一八年十二月三十一日止年度的業績載於第134頁至第137頁之合併綜合收益表。

董事會並無建議就截至二零一八年十二月三十一日止年度派付末期股息(二零一七年：無)。

### 業務審視

本集團本年度業務審視已載於第11至第13頁的主席報告書，第101至第125頁的管理層討論及分析，及本董事會報告內。

### 儲備

有關本集團及本公司截至二零一八年十二月三十一日止年度之儲備變動，請分別參閱第138頁至第139頁的合併權益變動表及第278頁至第280頁的合併財務報表附註23。



# Report of the Directors (Continued)

## 董事會報告(續)

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 6 to the consolidated financial statements.

### SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 21 to the consolidated financial statements.

### SENIOR NOTES

Details of the senior notes are set out in note 27 to the consolidated financial statements.

### DISTRIBUTABLE RESERVES

Distributable reserves of the Company at December 31, 2018 are disclosed in the consolidated statements of changes in equity.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the group is set out on page 5 of the annual report.

### BUY-BACK, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended December 31, 2018, the Company has repaid its US\$200,000,000 6.875% senior notes due 2018 ("2018 Notes") in full, which were listed on the Singapore Stock Exchange ("SGX") with effect from February 6, 2013. The outstanding principal plus accrued interest were in the amount of US\$187,966,625. The 2018 Notes were subsequently cancelled and delisted from the SGX.

### 不動產、工廠及設備

本集團不動產、工廠及設備之變動詳情載於財務報表附註6。

### 股本

本公司之股本變動詳情載於合併財務報表附註21。

### 優先票據

優先票據之詳情載於合併財務報表附註27。

### 可供分派儲備

本公司於二零一八年十二月三十一日的可供分派儲備已於合併權益變動表披露。

### 優先購股權

本公司之組織章程細則或開曼群島之法例中並無優先購股權之條文而規定本公司需按比例向現有股東發售新股。

### 財務概要

本集團之業績、資產及負債概要載於本年報第5頁。

### 回購、出售或贖回本公司上市證券

截至二零一八年十二月三十一日止年度，本公司全部償還二零一三年二月六日發行於新加坡證券交易所有限公司(「新交所」)的金額為200,000,000美元的6.875%於二零一八年到期的優先票據(「2018票據」)，利息及剩餘本金金額共計187,966,625美元。二零一八年票據隨之註銷並從新交所正式上市公司名單上除牌。

# Report of the Directors (Continued)

## 董事會報告(續)

As of December 31, 2018, US\$315,916,000 in aggregate of the principal amount of 2019 Notes remained outstanding. On April 25, 2019, the Company repaid 2019 Notes that remain in full upon its maturity. 2019 Notes was subsequently cancelled and delisted from SGX.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, disposed of or redeemed any of the Company's listed securities for the year ended December 31, 2018.

Save as disclosed above, during the year ended December 31, 2018, neither the Company nor its subsidiaries had bought-back, sold or redeemed any other listed securities of the Company.

A summary of the buy-back, sale or redemption of the Company's listed securities is set out in note 21 to the consolidated financial statements.

### SHARE OPTIONS

#### (i) Stock Incentive Compensation Plan ("Plan")

The Board adopted the Plan prior to the listing of the Company on the Stock Exchange designed to attract and retain the best available personnel for positions of substantial responsibility, provide additional incentive to employees and directors and promote the success of our business. Under the Plan, a total of 29,902,758 share options were granted to Directors, executives and employees, of which 14,199,876 share options lapsed. The share options were granted at nil consideration.

The exercise price of the granted share options is equal to or higher than the market price of the shares on the date of the grant. Each share option gives the holder the right to subscribe for one share of the Company. The share options granted under the Plan typically vest over a two or three year period at each anniversary of the grant date, subject to the participant continuing to be an employee on each vesting date.

截至二零一八年十二月三十一日，本公司仍有本金額共計315,916,000美元的2019票據流通在外。於二零一九年四月二十五日，本公司在到期日已全部償還與2019票據相關的未償還金額，2019票據隨之註銷並從新交所正式上市公司名單上除牌。

除上述披露外，於截至二零一八年十二月三十一日止年度，本公司及其任何子公司均無回購，出售或贖回本公司任何其他上市證券。

除上述所披露外，於截至二零一八年十二月三十一日止年度，本公司及其任何子公司均無回購，出售或贖回本公司任何其他上市證券。

本公司回購、出售或贖回本公司上市證券之概要載於合併財務報表附註21。

### 購股權

#### (i) 股份獎勵酬金計劃(「該計劃」)

董事會已於本公司於聯交所上市之前採納該計劃，旨在為具重大責任的職位招攬及聘留優秀適用人才，為僱員及董事提供額外獎勵並促進本公司的業務發展。根據該計劃，合共29,902,758份購股權已向董事、行政人員及僱員授出，其中14,199,876份購股權已失效。購股權乃以零代價授出。

所授出的購股權的行權價等於或高於授出日期的股份市場價格。各份購股權賦予持有人權利可認購本公司一股股份。根據該計劃授出的購股權一般於授出日期各個周年的兩或三年期間歸屬，惟參與者須在各個歸屬日期須仍為僱員。

# Report of the Directors (Continued)

## 董事會報告(續)

The Company has undertaken that no further share options will be granted under the Plan upon the listing of the Company, but the provisions of the Plan shall in all other respects remain in full force and effect and share options granted under the Plan prior to the listing of the Company continue to be exercisable in accordance with the Plan and agreements entered into pursuant to the Plan.

本公司已承諾於本公司上市後將不會根據該計劃授出其他購股權，惟該計劃的條文在所有其他方面須保持全面生效及有效，而本公司上市前根據該計劃授出的購股權可繼續根據該計劃及根據該計劃所訂立的協議行使。

Details of the share options outstanding as at December 31, 2018 which have been granted under the Plan are as follows:

於二零一八年十二月三十一日，根據該計劃已授出但尚未行使之購股權詳情如下：

Name	Held at January 1, 2018	Number of options granted during the year	Number of options exercised during the year	Number of options lapsed during the year	Held at December 31, 2018	Exercise price (per Share)	Date of grant	Exercisable period
姓名	於二零一八年一月一日持有	本年度授出之購股權數目	本年度已行使之購股權數目	本年度已失效之購股權數目	於二零一八年十二月三十一日持有	行權價(每股)	授出日期	可予行使期間
<b>Independent non-executive Directors</b>								
<b>獨立非執行董事</b>								
Mr. Mei Jianping 梅建平先生	1,267,933	-	-	-	1,267,933	US\$0.25 0.25美元	November 23, 2010 二零一零年十一月二十三日	from November 23, 2011 to November 22, 2020 自二零一一年十一月二十三日 至二零二零年十一月二十二日
Mr. Jeffrey Willard Miller Jeffrey Willard Miller 先生	1,811,333	-	-	-	1,811,333	US\$0.25 0.25美元	November 23, 2010 二零一零年十一月二十三日	from November 23, 2011 to November 22, 2020 自二零一一年十一月二十三日 至二零二零年十一月二十二日
<b>Other employees</b> 其他員工	10,986,312	-	-	6,319,489	4,666,823	US\$0.13 0.13美元	November 20, 2009 二零零九年十一月二十日	from November 20, 2011 to November 19, 2019 自二零一一年十一月二十日 至二零一九年十一月十九日
<b>Total</b> 總計	14,065,578	-	-	6,319,489	7,746,089			

# Report of the Directors (Continued)

## 董事會報告(續)

### (ii) Share Option Scheme (“Scheme”)

On November 27, 2010, the Board adopted the Scheme to enable the Company to grant options to selected participants as incentives or rewards for their contributions to our Group. Participants of the Scheme include any executive Director, non-executive Director or full time employee of the Group as invited by the Board. The Scheme shall be valid and effective for a period of 10 years commencing from the approval of the Scheme.

The exercise period of any option granted under the Scheme must not be more than 10 years commencing on the date of grant. The acceptance of an offer of the grant of the option must be made within 28 days from the date of grant with a non-refundable payment of HK\$1.00 from the grantee. The exercise price determined by the Board will be at the higher of (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant; (ii) the average closing price of the shares as stated in the Stock Exchange’s daily quotations sheet for the five trading days immediately preceding the date of grant and (iii) the nominal value of the shares.

The share options granted under the Scheme typically vest over three years on the last day of each year starting from the subsequent year of the grant, subject to the participant continuing to be an employee on each vesting date and other performance evaluation results.

#### Cancellation of Vested Options

On September 20, 2011, the Company granted, pursuant to the Scheme adopted by the Company on November 27, 2010, share options to certain employees of the Company, entitling the option holders to subscribe for an aggregate of 112,048,000 ordinary shares of the Company of USD0.001 each at the exercise price of HK\$2.254 per Share (“2011 Grant”).

### (ii) 購股權計劃(「購股權計劃」)

於二零一零年十一月二十七日，董事會採用購股權計劃，本公司可向選定參與者授出購股權，作為彼等對本集團所作貢獻的獎勵或回報。購股權計劃參與者包括董事會邀請的本集團任何執行董事、非執行董事或全職僱員。購股權計劃將於獲批准起計10年期間有效及生效。

根據購股權計劃授出的任何購股權之行使期間不得超過授出日期起計十年。倘接納授出之購股權，承授人必須於授出日期後28天內支付1.00港元之不可退還付款。由董事會釐定之行權價將為下列三者中之較高者：(i)於授出日期在聯交所每日報價表所示的股份收市價；(ii)緊接授出日期前五個交易日在聯交所每日報價表所示的股份平均收市價及(iii)股份面值。

根據購股權計劃授出的購股權一般於授出翌年起每年最後一天的三年內歸屬，惟參與者須於各歸屬日期仍為僱員及須受限於其他表現評估結果。

#### 取消已得權購股權

根據公司二零一零年十一月二十七日採納的購股權計劃，公司於二零一一年九月二十日向公司部分員工授予購股權，允許持有人按照每股2.254港元的價格認購本公司共計112,048,000股每股面值0.001美元普通股股票。



# Report of the Directors (Continued)

## 董事會報告(續)

Since February 2013, the exercise price of the vested options has been higher than the prevailing market price of the Shares. As a result, the options could no longer serve as an effective incentive. In view of this, the Company offered these option holders a cash consideration of HK\$0.20 per Share to cancel vested options under the 2011 Grant, subject to the option holders consenting to such cancellation. As a result, options in respect of 65,358,066 Shares were cancelled on March 21, 2014.

### Grant of Options

On March 21, 2014, the Company granted share options pursuant to the Scheme to 151 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 97,280,000 Shares. These options have an exercise price of HK\$1.40 per share and a term of 10 years from the grant date, and will vest over the next three or four years.

The closing price per share as at March 20, 2014, being the date immediately before the date the share options were granted was HK\$1.34.

On December 9, 2016, the Company granted share options pursuant to the Scheme to 93 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 95,920,000 Shares. These options have an exercise price of HK\$0.816 per share and a term of 10 years from the grant date, and will vest over the next three years.

The closing price per share as at December 8, 2016, being the date immediately before the date the share options were granted was HK\$0.78.

自二零一三年二月以來，已得權購股權的行權價格始終高於公司股票的普遍市場價格，導致已得權購股權不再為有效激勵。因此，公司決定在現購股權持有人同意取消已得權購股權的前提下，向現購股權持有人提出以每股0.20港元的現金對價取消已得權購股權。自二零一四年三月二十一日起，已得權購股權中共計65,358,066股已得權購股權已經被取消。

### 授予購股權

二零一四年三月二十一日，公司根據購股權計劃向151名合資格人士，包括公司的部分董事，主要股東和員工授予新的認股期權，認購共計97,280,000的股份。購股權行權價為每股1.40港元，購股權有效期為自授予日起十年，且將於授權日後三或四年間得權。

於二零一四年三月二十日，即購股權授出前當日，每股股份收市價格為1.34港元。

二零一六年十二月九日，公司根據購股權計劃向93名合資格人士，包括公司的部分董事，主要股東和員工授予新的認股期權，認購共計95,920,000的股份。購股權行權價為每股0.816港元，購股權有效期為自授予日起十年，且將於授權日後三年間得權。

於二零一六年十二月八日，即購股權授出前當日，每股股份收市價格為0.78港元。

# Report of the Directors (Continued)

## 董事會報告(續)

Under the Scheme, a total of 305,248,000 share options were granted to Directors, executives and employees, of which 105,692,797 share options were lapsed during the year ended December 31, 2018. Details of the share options outstanding as at December 31, 2018 which have been granted under the Scheme are as follows:

根據購股權計劃，合共305,248,000份購股權已授予董事、行政人員及僱員。截至二零一八年十二月三十一日止年度，其中105,692,797份購股權失效。根據購股權計劃已授出但於二零一八年十二月三十一日尚未行使的購股權詳情如下：

Name	Held at January 1, 2018	Number of options granted during the period	Number of options exercised during the period	Number of options lapsed during the period	Number of options cancelled during the period	Held at December 31, 2018	Exercise price (per Share)	Date of grant	Exercisable period
姓名	於二零一八年一月一日持有	於期內授出之購股權數目	於期內行使之購股權數目	於期內已失效之購股權數目	於期內已取消之購股權數目	於二零一八年十二月三十一日持有	行使價(每股)	授權日	可予行使期間
<b>Executive Directors</b>									
<b>執行董事</b>									
Mr. Zhang Ruilin 張瑞霖先生	2,347,000	-	-	-	-	2,347,000	HK\$2.254 2.254港元	September 20, 2011 二零一一年九月二十日	from December 31, 2012 to September 19, 2021 自二零一二年十二月三十一日起 至二零二一年九月十九日止
	2,640,000	-	-	-	-	2,640,000	HK\$1.40 1.40港元	March 21, 2014 二零一四年三月二十一日	from March 21, 2016 to March 20, 2024 自二零一六年三月二十一日起 至二零二四年三月二十日止
	2,900,000	-	-	-	-	2,900,000	HK\$0.816 0.816港元	December 9, 2016 二零一六年十二月九日	from December 9, 2016 to December 8, 2026 自二零一六年十二月九日起 至二零二六年十二月八日止
Mr. Zhao Jiangwei 趙江巍先生	2,347,000	-	-	-	-	2,347,000	HK\$2.254 2.254港元	September 20, 2011 二零一一年九月二十日	from December 31, 2012 to September 19, 2021 自二零一二年十二月三十一日起 至二零二一年九月十九日止
	2,640,000	-	-	-	-	2,640,000	HK\$1.40 1.40港元	March 21, 2014 二零一四年三月二十一日	from March 21, 2016 to March 20, 2024 自二零一六年三月二十一日起 至二零二四年三月二十日止
	2,900,000	-	-	-	-	2,900,000	HK\$0.816 0.816港元	December 9, 2016 二零一六年十二月九日	from December 9, 2016 to December 8, 2026 自二零一六年十二月九日起 至二零二六年十二月八日止

# Report of the Directors (Continued)

## 董事會報告(續)

Name	Held at January 1, 2018 於二零一八年 一月一日 持有	Number of options granted during the period 於期內授出之 購股權數目	Number of options exercised during the period 於期內行使之 購股權數目	Number of options lapsed during the period 於期內已失效 購股權數目	Number of options cancelled during the period 於期內已取消 購股權數目	Held at December 31, 2018 於二零一八年 十二月三十一日 持有	Exercise price (per Share)	Date of grant	Exercisable period
姓名							行使價(每股)	授權日	可予行使期間
<b>Other employees</b> 其他員工	14,430,000	-	-	3,229,000	-	11,201,000	HK\$2.254 2.254港元	September 20, 2011 二零一一年九月二十日	from December 31, 2012 to September 19, 2021 自二零一二年十二月三十一日起 至二零二一年九月十九日止
	46,266,352	-	-	6,404,178	-	39,862,174	HK\$1.40 1.40港元	March 21, 2014 二零一四年三月二十一日	from March 21, 2015 to March 20, 2024/ from March 21, 2016 to March 20, 2024 自二零一五年三月二十一日起 至二零二四年三月二十日止/ 自二零一六年三月二十一日起 至二零二四年三月二十日止
	73,070,000	-	-	10,360,000	-	62,710,000	HK\$0.816 0.816港元	December 9, 2016 二零一六年十二月九日	from December 9, 2016 to December 8, 2026 自二零一六年十二月九日起 至二零二六年十二月八日止
<b>Total 總計</b>	149,540,352	-	-	19,993,178	-	129,547,174			

# Report of the Directors (Continued)

## 董事會報告(續)

### (iii) 2012 Share Award Scheme (“2012 Share Award Scheme”)

To supplement the Plan in respect the operation of the share appreciation rights (“SARs”), the Board resolved to adopt a 2012 Share Award Scheme on May 30, 2012, pursuant to which the Company granted to selected grantees who are persons holding SARs under the Plan, such number of awarded shares as is equal to the number of outstanding notional shares to which the SARs of the selected grantees relates. The 2012 Share Award Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company.

The Board resolved to adopt on November 20, 2015 the amended Plan, pursuant to which, restrictions on grant price of SARs granted after the adoption of amended Plan are removed. Lapsed SARs will be re-used and re-granted upon terms and conditions determined by the remuneration committee of the Company in its sole discretion, in accordance with the amended Plan.

According to the 2012 Share Award Scheme, shares of up to 44,415,800 of the Company will be purchased by a trustee from the market out of cash contributed by the Company and be held in trust for the benefit of the selected grantees pending the exercise of the SARs. Upon exercise of the SAR by the selected grantees, the trustee will sell the awarded shares to which the SAR so exercised relates and pay the selected grantees in satisfaction of the Company’s payment obligations in relation to the SAR under the Plan. Unless early terminated by the board of the Company, the 2012 Share Award Scheme shall continue in full force and effect until the date when all the SARs are exercised, terminated or expired.

### (iii) 2012 股份獎勵計劃(「2012 股份獎勵計劃」)

為對該計劃作出股份增值權(「股份增值權」)方面的補充，董事會於二零一二年五月三十日議決採納一項2012股份獎勵計劃，本公司將向經挑選的承授人授出獎勵股份，該等承授人須為根據該計劃持有股份增值權之人士，而所授出之獎勵股份數目相等於與經挑選承授人相關之股份增值權之尚未發行名義股份數目。2012股份獎勵計劃並不構成上市規則第17章所定議的購股權計劃，是公司自行酌情決定的計劃。

董事會已於二零一五年十一月二十日議決採納修訂的該計劃，根據修訂的該計劃，對於該計劃實施後新授予的股份增值權，原該計劃中對股份增值權授予價格的限制條款被取消，並且原該計劃下已失效的股份增值權將在經由本公司薪酬委員會酌情決定的條件下恢復有效並被重新授予。

根據2012股份獎勵計劃，股票經紀或受託人將以本公司提供之現金於市場購買最多44,415,800股本公司股份，並以經挑選承授人為受益人以信托形式持有，以待行使股份增值權。於經挑選承授人行使股份增值權時，受託人將就所行使之股份增值權出售獎勵股份，並且向經挑選承授人付款已履行本公司在該計劃項下股份增值權之付款責任。除非由董事會提早終止，2012股份獎勵計劃將一直全面生效及有效，直至所有股份增值權獲行使、終止或到期當日為止。



# Report of the Directors (Continued)

## 董事會報告(續)

### Cancellation of Vested SARs

Since the exercise price of the SAR has been higher than the prevailing market price of shares the 2012 Share Award Scheme could no longer serve as an effective incentive. In view of this, the Company offered certain SAR grantees each one common share of the Company in consideration of cancellation of two previously granted SARs subject to the SAR grantees consenting to such cancellation. On January 25, 2018, 17,847,663 SARs were cancelled.

As at December 31, 2018, the trustee held 8,128,208 shares acquired through purchases from the market at an aggregate consideration of approximately HK\$15,259,513 (including transaction costs). As at December 31, 2018, the trustee sold 4,014,627 shares upon exercise of SARs so exercised by certain grantees.

### (iv) 2015 Share Award Scheme (“2015 Share Award Scheme”)

To recognize the contributions by certain grantees and to give incentives thereto in order to retain them for the continuing operation and development of the Group, and to attract suitable personnel for further development of the Group, the Board resolved to adopt on January 6, 2015 and amend on November 20, 2015 the 2015 Share Award Scheme, pursuant to which the Board may at their absolute discretion select any grantee, who is an employee or consultant of the Group or of any affiliate, for participation in the 2015 Share Award Scheme and determine the number of awarded shares to be granted to such grantee. The 2015 Share Award Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company, and will be in effect in parallel with the Plan, the Scheme and the 2012 Share Award Scheme.

### 取消已得股份增值權

因股票增值權的價格始終高於公司股票普遍市場價格，導致股份增值權不再為有效激勵。因此，公司決定在股份增值權持有人同意取消股份增值權的前提下，向特定股份增值權持有人提出以本公司一股普通股股份置換兩股股份增值權的方式來取代之前授予的股份增值權。二零一八年一月二十五日當日，共計17,847,663股股份增值權已經被取消。

截至二零一八年十二月三十一日，受托人持有8,128,208股股份，在市場以總代價約港幣15,259,513元(包括交易成本)購買。截至二零一八年十二月三十一日，受托人已於若干承授人行使股份增值權時累計出售4,014,627股獎勵股份。

### (iv) 2015 股份獎勵計劃(「2015 股份獎勵計劃」)

本公司董事會已分別於二零一五年一月六日議決採納，並於二零一五年十一月二十日議決修訂2015股份獎勵計劃，目的是認可特定承授人所做的貢獻並給予激勵，為本集團的持續運營和發展聘留特定承授人，並為本集團進一步發展吸引適用人才。董事會將根據該計劃，不時自行酌情決定挑選任何承授人作為被挑選承授人參與該計劃，並決定授予該等被挑選承授人的獎勵股份數量，該等承授人為集團任何成員或其任何關聯公司的員工或顧問。2015股份獎勵計劃並不構成上市規則第17章所定議的購股權計劃，是公司自行酌情決定的計劃，其將與該計劃，購股權計劃及2012股份獎勵計劃並行生效。

# Report of the Directors (Continued)

## 董事會報告(續)

Pursuant to the 2015 Share Award Scheme rules, existing shares will be purchased by a trustee from open market out of cash which will be paid by the Company as trust shares and be held on trust for the grantees until the relevant award(s) is vested in accordance with the relevant award agreement and the 2015 Share Award Scheme rules. Upon vesting, the trustee shall transfer the relevant trust shares as awarded shares to the relevant grantee, or upon receipt of the instructions from the grantees, dispose of the relevant awarded shares in open market and transfer the proceeds of the sale of the relevant awarded shares (after deduction of the relevant charges, expenses, stamp duty and levy) to the relevant grantee.

Subject to any early termination as may be determined by the Board pursuant to the 2015 Share Award Scheme rules, the 2015 Share Award Scheme shall be valid and effective from January 6, 2015 to the date of the last of the awarded shares has been vested and transferred to the relevant grantee or has lapsed, whichever is later, in accordance with the 2015 Share Award Scheme rules, provided that no award shall be made on or after the 10th anniversary date of the adoption date.

On November 20, 2015, the Board of Directors has resolved to offer to certain directors and employees 14,200,000 shares under the 2015 Share Award Scheme.

On December 9, 2016, the Board has resolved to offer to certain director 12,000,000 shares under the 2015 Share Award Scheme.

On January 25, 2018, the Board resolved to offer to employees and directors 104,000,000 shares under the 2015 Share Award Scheme.

As at December 31, 2018, the trustee held 11,975,165 shares acquired through purchases from the market at an aggregate consideration of approximately HK\$13,095,325 (including transaction costs).

根據2015股份獎勵計劃規則，受托人將以公司安排的現金從市場上購買現有股份作為信托股份，並由受托人為經挑選承授人持有信托，直到相關獎勵根據相關獎勵協議及2015股份獎勵計劃規則歸屬。歸屬後，受托人應將相關信托股份作為獎勵股份轉讓給相關承授人，或在收到承授人的指示後，在市場上處置相關獎勵股份，並將出售相關獎勵股份的收益(扣除相關費用，開支，印花稅及稅款後)轉讓給相關承授人。

倘董事會並未根據2015股份獎勵計劃條款決定提前終止，2015股份獎勵計劃將於二零一五年一月六日起，直至最終獎勵股份歸屬並轉移到相關經挑選承授人或其根據該計劃條款失效之日止，以較遲者為準，且採納日後的十周年日之後不得授出任何獎勵。

於二零一五年十一月二十日，本公司董事會決議根據2015股份獎勵計劃授予本公司特定董事及僱員合計14,200,000股股份。

於二零一六年十二月九日，本公司董事會決議根據2015股份獎勵計劃授予本公司特定董事合計12,000,000股股份。

於二零一八年一月二十五日，本公司董事會決議根據2015股份獎勵計劃授予本公司董事及員工合計104,000,000股股份。

截至二零一八年十二月三十一日，受託人持有11,975,165股股份，在市場以總代價約港幣13,095,325元(包括交易成本)購買。

# Report of the Directors (Continued)

## 董事會報告(續)

### (v) Others

The total number of shares issued and which may fall to be issued upon exercise of the options granted under each of the Scheme, the Plan and any other share option scheme of the Company to each participant in any 12 month period shall not exceed 1% of the issued share capital of the Company from time to time. The total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of the Company must not in aggregate exceed 10% of the shares in issue at the date of the 2012 annual general meeting.

As at the date of this report, the maximum number of shares available for issue under the Scheme and the Plan is 264,784,079 shares and 7,746,089 shares respectively, representing approximately 8.7% and 0.25% of the issued share capital respectively.

## DIRECTORS

The directors during the year were:

### Executive Directors

Mr. Zhang Ruilin (*Chairman*)  
Mr. Zhao Jiangwei

### Non-executive Directors

Ms. Xie Na  
Mr. Jiao Qisen  
(*resigned with effect from January 16, 2019*)

### Independent Non-executive Directors

Mr. Mei Jianping  
Mr. Jeffrey Willard Miller  
Mr. Guo Yanjun

### (v) 其他

在任何12個月期間因行使根據購股權計劃、該計劃及本公司任何其他購股權計劃授出之購股權而已發行及可發行予各參與者的股份總數不得超過本公司不時已發行股本的1%。因行使根據購股權計劃、該計劃及本公司任何其他購股權計劃授出之全部購股權而可發行的股份總數合共不得超過二零一二年股東週年大會當天已發行股份的10%。

截至本報告日期，根據購股權計劃及該計劃最多可供發行的股份數目分別為264,784,079股及7,746,089股，分別佔已發行股本約8.7%及0.25%。

## 董事

於本年度，列任董事如下：

### 執行董事

張瑞霖先生(主席)  
趙江巍先生

### 非執行董事

謝娜女士  
焦祺森先生  
(於二零一九年一月十六日辭任)

### 獨立非執行董事

梅建平先生  
Jeffrey Willard Miller先生  
郭燕軍先生

# Report of the Directors (Continued)

## 董事會報告(續)

In accordance with Article 16.18 of the Company's Articles of Association, Mr. Zhang Ruilin and Mr. Mei Jianping shall retire by rotation at the forthcoming Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election.

### DIRECTORS' SERVICE CONTRACTS

We have entered into letters of appointment with each of our Directors, pursuant to which each of the Executive Directors, non-executive Directors and Independent Non-executive Directors is appointed for terms of three years, subject to re-election in accordance with our Articles of Association at our general meeting.

On November 20, 2009, Mr. Zhang Ruilin and Mr. Zhao Jiangwei, each an Executive Director, has entered into a service contract with the Company, which is renewable yearly unless terminated (i) with 12 months' notice by either party, or (ii) by the Company upon certain events such as the Director having committed serious or persistent breaches of the service contract. Should the Company terminate the service contract, Mr. Zhang Ruilin and Mr. Zhao Jiangwei will be entitled to receive severance payment equivalent to one year's basic pay under the service contract, save for circumstances described in item (ii) above.

Save as disclosed above, none of our Directors have entered into a service contract with us which does not expire or which is not terminable by us within one year without the payment of compensation (other than statutory compensation).

根據本公司章程細則第16.18條，張瑞霖先生及梅建平先生須於應屆股東週年大會上輪值退任，惟符合資格膺選連任。所有上述退任董事都符合資格膺選連任。

### 董事服務合同

本公司已和各董事訂立委任書，據此，各執行董事、各非執行董事及各獨立非執行董事獲委任的任期為三年，惟須根據本公司組織章程細則於本公司股東大會上重選連任。

於二零零九年十一月二十日，張瑞霖先生及趙江巍先生(各為執行董事)分別與本公司訂立服務合同，有關服務合同可每年續約，除非(i)由任何一方發出十二個月的通知予以終止，或(ii)於出現若干情況時(如董事嚴重違背或反覆違背服務合同)，由本公司予以終止。倘本公司終止服務合同，則張瑞霖先生及趙江巍先生將可收取一筆相等於彼等於各自服務合同項下全年基本薪資的遣散費，惟出現上文(ii)項所述情況者例外。

除以上所披露者外，本公司董事並無與本公司訂立並非於一年內屆滿或本公司不可於一年內不付賠償(法定賠償除外)而終止的服務合同。



# Report of the Directors (Continued)

## 董事會報告(續)

### DIRECTORS' INTERESTS IN CONTRACTS AND CONTINUED CONNECTED TRANSACTIONS

During the year ended December 31, 2018, the Company had followed policies and guidelines to determine the price and terms of the CCTs conducted. The Group had the following transactions with Ms. Zhao Jiangbo ("Mrs. Zhang") and Jilin Guotai Petroleum Development Company, Songyuan Guotai Petroleum Technology Service Company and their subsidiaries ("Jilin Guotai"), which are connected persons of the Company under the Listing Rules:

(A) Lease of vehicles by Mrs. Zhang to the Company

(B) Provision of oilfield services by Jilin Guotai to us

#### Category I – Fully Exempted Continuing Connected Transactions

##### (A) Lease of vehicles by Mrs. Zhang to us

Mrs. Zhang is the spouse of Mr. Zhang Ruilin, and is therefore a connected person of our Company. Since 2008, Mrs. Zhang has been regularly leasing a substantial number of vehicles to us.

On December 31, 2012, we entered into a renewed framework vehicle rental agreement with Mrs. Zhang, pursuant to which Mrs. Zhang agreed to rent to us a number of vehicles for the purpose of the day-to-day business operations of our Group, subject to the entering into of individual contracts as agreed between Mrs. Zhang and us pursuant to the Vehicle Rental Agreement.

As at the latest practical date, the vehicle rental agreement has been terminated.

No individual vehicle rental contract has been entered into with Mrs. Zhang under above vehicle rental agreement during the year ended December 31, 2018.

### 董事於合同及持續關連交易的權益

於截至二零一八年十二月三十一日止年度，本公司遵守持續關聯交易定價條款制度及指引。本集團與趙江波女士（「張夫人」）及吉林省國泰石油開發有限公司，松原市國泰石油科技服務有限公司及其等附屬有限公司（「吉林國泰」）（根據上市規則為本公司之關連人士）進行了以下交易：

(A) 張夫人向本公司出租汽車

(B) 吉林國泰向本公司提供油田服務

#### 第一類 – 全面豁免之持續關連交易

##### (A) 張夫人向本公司出租汽車

張夫人為張瑞霖先生之配偶，因此為本公司之關連人士。自二零零八年以來，張夫人一直向我們定期出租大量汽車。

於二零一二年十二月三十一日，本公司與張夫人訂立經修訂框架汽車租賃協議，據此，張夫人同意向本公司出租多輛汽車，以用於本集團的日常業務經營，惟根據汽車租賃協議，有待張夫人與本公司訂立個別合同。

於本報告最後截止日期，該汽車租賃協議已終止。

二零一八年，在以上汽車租賃協議下，本集團沒有與張夫人訂立個別汽車租賃合同。

# Report of the Directors (Continued)

## 董事會報告(續)

### Category II – Non-exempt Continuing Connected Transactions

#### (B) Provision of oilfield services by Jilin Guotai to us

Jilin Guotai is owned by Mrs. Zhang and Mr. Zhao Jiangwei, and is therefore a connected person of the Company.

On November 23, 2010, we entered into a framework oilfield service agreement with Jilin Guotai (the "Oilfield Service Agreement"), pursuant to which Jilin Guotai agreed to provide to us various oilfield services including well maintenance services, well logging services, oil tanker transportation services, oilfield construction related works and other oil operations related services, subject to the entering into of individual contracts as agreed between Jilin Guotai and us pursuant to the Oilfield Service Agreement. The service fees will be based on normal commercial terms and negotiated on arm's length basis between the parties, and shall be no less favourable than those offered by independent third parties to our Group.

On December 31, 2012, we entered into the Renewed Oilfield Services Agreement with Jilin Guotai for a term of three years ending December 31, 2015.

On December 31, 2015, we entered into the Renewed Oilfield Services Agreement with Jilin Guotai for a term of three years ending December 31, 2018. The proposed annual caps for the transactions under the Renewed Oilfield Services Agreement are RMB99.0 million, RMB96.0 million and RMB82.0 million for the three years ending December 31, 2018, respectively.

As set out below, the aggregate annual transaction amount of each continuing connected transaction for the year ended December 31, 2018 exceeded the respective proposed annual cap in the Renewed Oilfield Services Agreement as set out in the announcement published by the Company on December 31, 2015.

### 第二類 — 非豁免持續關連交易

#### (B) 吉林國泰向本公司提供油田服務

吉林國泰由張夫人及趙江巍先生擁有，因此為本公司的關連人士。

本公司於二零一零年十一月二十三日與吉林國泰訂立框架油田服務協議(「油田服務協議」)，據此，吉林國泰同意向本公司提供各類油田服務，包括修井服務、測井服務、油罐運輸服務、油田建設相關工程及其他石油作業相關服務，惟根據油田服務協議，有待吉林國泰與本公司訂立協定的個別合同。服務費將根據正常商業條款由雙方按公平基準磋商釐定，且其條款不得遜於獨立第三方向本集團所提供者。

於二零一二年十二月三十一日，我們與吉林國泰訂立經續訂油田服務協議，年期為截至二零一五年十二月三十一日止三年。

於二零一五年十二月三十一日，我們與吉林國泰訂立經續訂油田服務協議，年期為截至二零一八年十二月三十一日止三年。經續訂油田服務協議項下交易於截至二零一八年十二月三十一日止三個年度的建議年度上限分別為人民幣9,900萬元、人民幣9,600萬元及人民幣8,200萬元。

誠如下文所列，各持續關連交易於截至二零一八年十二月三十一日止之年度交易總額超過二零一三年五月二十四日股東週年大會批准的相關建議年度上限，同時受限於本公司於二零一五年十二月三十一日發佈的公告。

# Report of the Directors (Continued)

## 董事會報告(續)

For further details, please refer to the Company's announcements dated December 6, 2018, December 31, 2018 and January 18, 2019 respectively in relation to among others the renewal of the oilfield services agreement and exceeding of the 2018 annual cap. The proposed annual caps for the transactions contemplated under the renewed oilfield services agreement are RMB167 million, RMB189 million and RMB208 million for the three years ending December 31, 2021, respectively.

更多信息，請參見公司分別於二零一八年十二月六日，二零一八年十二月三十一日及二零一九年一月十八日發佈的公告關於(其中包括)更新油田服務協議及超出二零一八年額度事宜並獲得了股東大會的通過。截至二零二一年十二月三十一日，更新的油田服務協議年度限額分別為167百萬元，189百萬元及208百萬元。

<b>Connected Person</b>	<b>Nature of transaction</b>	<b>Proposed annual cap for the year ended December 31, 2018</b> 截至二零一八年十二月三十一日 建議年度上限	<b>Transaction amount for the year ended December 31, 2018</b> 截至二零一八年十二月三十一日交易額
關聯人士	交易性質		
Mrs. Zhang 張夫人	Lease of vehicles by Mrs. Zhang to the Company 張夫人向本公司出租汽車	RMB0.18 million 人民幣18萬元	None 無
Jilin Guotai 吉林國泰	Provision of oilfield services by Jilin Guotai to the Company 吉林國泰向本公司提供油田服務	RMB82.0 million 人民幣8,200萬元	RMB117.93 million 人民幣11,793萬元

In the opinion of the independent non-executive Directors, the above transactions were entered into: (i) in the Group's ordinary and usual course of business; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole. Details of such connected transactions are set out in note 39 to the consolidated financial statements.

獨立非執行董事認為，以上交易乃(i)於一般及日常業務過程中；(ii)按正常商業條款或更優條款；並(iii)根據有關規管協議按屬公平合理及符合本公司及其股東整體利益的條款而進行。該等關連交易載於合併財務報表的附註39內。

# Report of the Directors (Continued)

## 董事會報告(續)

Pursuant to Rule 14A.56 of the Listing Rules, the Board engaged the auditor of the Company to conduct a limited assurance engagement on the above non-exempt continuing connected transactions in accordance with the Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported their conclusion to the Board, stating that:

### Basis for qualified conclusion

With respect to the disclosed continuing connected transactions with Jilin Guotai for the year ended December 31, 2018 as set out by the Company, the aggregate amounts of the service fees charged by Jilin Guotai for the provision of oilfield services to the Group were RMB117.9 million, which has exceeded the annual cap of RMB82 million.

### Qualified conclusion

Based on the foregoing, in respect of the disclosed continuing connected transactions:

- a. nothing has come to the auditor’s attention that causes the auditor to believe that the disclosed continuing connected transactions have not been approved by the Company’s board of directors.
- b. nothing has come to the auditor’s attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions.
- c. with respect to the aggregate amount of the continuing connected transactions, as described in the basis for qualified conclusion paragraph, the auditor noted that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

Save as disclosed above, there is no contract of significance between the Group and a controlling shareholder of the Company (as defined in the Listing Rules) or any of its subsidiaries, including the provision of services by the controlling shareholder or its subsidiaries to the Group.

根據上市規則第14A.56條，董事會已委聘本公司核數師按照香港會計師公會所頒佈的香港鑒證業務準則第3000號「歷史財務資料審計或審閱以外之鑒證工作」及參考實務說明第740號「香港上市規則規定的持續關連交易的核數師函件」對非豁免持續關連交易執行若干事實查明程序。核數師已將結果向董事會報告。當中指出：

### 保留結論的依據

就本公司披露的截至二零一八年十二月三十一日止年度與吉林國泰的持續關連交易而言，吉林國泰就向本集團提供油田服務收取的服務費總額為人民幣117.9百萬元，已超過年度上限人民幣82百萬元。

### 保留結論

基於上述內容，就所披露的持續關連交易而言：

- a. 核數師並無注意到任何事項令他們相信所披露的持續關連交易未獲本公司董事會批准。
- b. 核數師並無注意到任何事項令他們相信該等交易在各重大方面沒有根據有關該等交易的協定進行。
- c. 就非豁免持續關連交易的總金額而言，如保留結論段的基礎所述，核數師注意到披露的持續關連交易已超過本公司所設定的年度上限。

除上文披露者外，本集團與本公司控股股東(定義見上市規則)或其任何附屬公司並無訂立任何重大合同(包括控股股東或其附屬公司向本集團提供服務)。



# Report of the Directors (Continued)

## 董事會報告(續)

### RELATED PARTY TRANSACTIONS

During 2018, the Group entered into certain transactions with “related parties” as defined under the applicable accounting standards, details of which are disclosed in note 39 to the consolidated financial statements. In particular, as disclosed in note 39(a) to the consolidated financial statements: (i) the transactions in connection with the purchase for oilfield services fall under the definition of continuing connected transactions under the Listing Rules, and are subject to reporting, announcement, annual review and independent shareholders’ approval requirements; (ii) the transactions in relation to purchase of spare parts and rental of vehicles and office premises fall under the definition of continuing connected transactions under the Listing Rules and are fully exempt from the connected transaction requirements under the Listing Rules; and (iii) the transactions in relation to sales of vehicles and loans fall under the definition of connected transactions under the Listing Rules and are fully exempt from the connected transaction requirements under the Listing Rules.

During 2018, the Group did not carry out any transactions in connection with the lease of vehicles by Mrs. Zhang to us as mentioned on page 63 of this annual report, which fall under the definition of fully exempted continuing connected transactions under the Listing Rules.

The relevant requirements under Chapter 14A of the Listing Rules (as applicable) with respect to all the above connected transactions and continuing connected transactions have been complied with.

Save as disclosed above, no other related party transactions of the Group constituted connected transactions under Chapter 14A of the Listing Rules.

### BIOGRAPHICAL DETAILS OF THE DIRECTORS

Brief biographical details of the Directors are set out on pages 14 to 17.

### 關聯方交易

於二零一八年，本集團與根據適用會計準則定義的「關聯方」的某些交易於合併財務報表附註39中披露。尤其是，合併財務報表附註39(a)中披露：(i)有關購買油田服務的交易構成上市規則定義下的持續關聯交易，需遵守報告、公告、年度審閱和獨立股東批准之要求；(ii)有關購買備品備件和租賃汽車及辦公場所的交易構成上市規則定義下的持續關聯交易，且完全豁免於上市規則規定的關聯交易要求；以及(iii)有關出售汽車及借款之交易構成上市規則定義下的關聯交易，且完全豁免於上市規則規定的關聯交易要求。

於二零一八年，本集團未就本報告第63頁所載之張夫人向本公司出租汽車進行任何交易，該等交易構成上市規則定義下的全面豁免持續關聯交易。

上市規則第14A項下有關於上述關聯交易和持續關聯交易的相關要求(如適用)已被滿足。

除上述所披露外，上市規則第14A項下再無持續關連交易。

### 董事履歷

董事履歷載於第14頁至第17頁。

# Report of the Directors (Continued)

## 董事會報告(續)

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債權證中擁有的權益及／或淡倉

As at December 31, 2018, the interests or short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were detailed as follows:

於二零一八年十二月三十一日，本公司董事及主要行政人員於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的條文而當作或被視為擁有的權益及淡倉)，或根據證券及期貨條例第352條的規定須登記於該條所指的登記冊內的權益或淡倉，或根據載於上市規則內上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益或淡倉詳述如下：

Name of Director	Name of Corporation	Capacity/ Nature of interest	Number of ordinary shares (including options to be exercised) 股份數目 (包括可行使購股權)	Approximate total percentage of interest in the corporation 佔法團權益的概約總百分比
董事姓名	法團名稱	身份／權益性質		
Mr. Zhang Ruilin 張瑞霖先生	Our Company 本公司	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L)	53.67%
		Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	88,521,234 (S)	3.01%
		Beneficial owner (Note 4) 實益擁有人(附註4)	7,987,000 (L)	0.27%
Mr. Zhao Jiangwei 趙江巍先生	Our Company 本公司	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L)	53.67%
		Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	88,521,234 (S)	3.01%
		Beneficial owner (Note 4) 實益擁有人(附註4)	10,987,000 (L)	0.37%

# Report of the Directors (Continued)

## 董事會報告(續)

Name of Director	Name of Corporation	Capacity/ Nature of interest	Number of ordinary shares (including options to be exercised) 股份數目 (包括可行使購股權)	Approximate total percentage of interest in the corporation 估法團權益的概約總百分比
董事姓名	法團名稱	身份／權益性質		
Mr. Zhang Ruilin 張瑞霖先生	Far East Energy Limited ("FEEL")	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	8,999	9.99%
Mr. Zhao Jiangwei 趙江巍先生	FEEL	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	9,000	10%
Mr. Mei Jianping 梅建平先生	Our Company 本公司	Beneficial owner 實益擁有人	2,067,933 (L)	0.07%
Mr. Jeffrey Willard Miller Jeffrey Willard Miller 先生	Our Company 本公司	Beneficial owner 實益擁有人	2,611,333 (L)	0.09%
Ms. Xie Na 謝娜女士	Our Company 本公司	Beneficial owner 實益擁有人	800,000 (L)	0.03%
Mr. Guo Yanjun 郭燕軍先生	Our Company 本公司	Beneficial owner 實益擁有人	800,000 (L)	0.03%

Notes:

- (1) The letter "L" denotes the person's long position in the shares of the Company. The letter "S" denotes the person's short position in the shares of the Company.
- (2) FEEL is held by Ms. Zhao Jiangbo ("Mrs. Zhang"), Mr. Zhang Ruilin ("Mr. Zhang") and Mr. Zhao Jiangwei ("Mr. Zhao") as to 80%, 9.99% and 10%, respectively. On May 24, 2013, 72,000 shares in FEEL were issued to Mrs. Zhang, 399,070,000 shares in the Company were transferred from FEEL to Champion International Energy Limited ("Champion"), 399,070,000 shares in the Company were transferred from FEEL to Orient International Energy Limited ("Orient"), 475,000,000 shares in the Company were transferred from FEEL to New Sun International Energy Limited ("New Sun") and 141,460,000 shares in the Company were transferred from FEEL to Power International Energy Limited ("Power"). Each of Champion, Orient, New Sun and Power is a wholly-owned subsidiary of Sunrise Glory Holdings Limited, which is itself a wholly-owned subsidiary of FEEL. Mrs. Zhang, Mr. Zhang and Mr. Zhao have entered into an Acting-in-Concert Agreement under which they agreed to act in concert in relation to all matters that require the decisions of the shareholders of FEEL. Pursuant to the Acting-in-Concert Agreement, if a unanimous opinion in relation to the matters that require action in concert is unable to be reached, Mr. Zhang shall be allowed to vote on his, Mrs. Zhang's and Mr. Zhao's shares.

附註：

- (1) 字母「L」指某位人士於本公司股份中的好倉。字母「S」指某位人士於本公司股份中的淡倉。
- (2) FEEL由趙江波(「張夫人」)、張瑞霖先生(「張先生」)及趙江巍先生(「趙先生」)分別擁有80%、9.99%及10%權益。於二零一三年五月二十四日，FEEL的72,000股股份發行予張夫人，FEEL分別將本公司399,070,000股、399,070,000股、475,000,000股及141,460,000股股份轉讓予Champion International Energy Limited(「Champion」)、Orient International Energy Limited(「Orient」)、New Sun International Energy Limited(「New Sun」)及Power International Energy Limited(「Power」)。Champion、Orient、New Sun及Power均為Sunrise Glory Holdings Limited的全資附屬公司。而Sunrise Glory Holdings Limited則為FEEL的全資附屬公司。張夫人、張先生及趙先生已訂立一致行動協議，據此，彼等同意就需由FEEL股東決定的一切事項一致行動。根據一致行動協議，倘未能達成有關需一致行動事項的一致意見，張先生獲准就其、張夫人及趙先生的股份進行投票表決。

# Report of the Directors (Continued)

## 董事會報告(續)

The long interests which FEEL, Mr. Zhang and Mr. Zhao have in the 1,577,095,234 shares in the Company include (i) the beneficial interests which FEEL has (and in the case of Mr. Zhang and Mr. Zhao, the indirect beneficial interests which they have (through their shareholdings in FEEL)) in the 1,469,600,000 shares in the Company held by FEEL through its subsidiaries, (ii) the 7,887,000 share options granted to Mr. Zhang, (iii) the 7,887,000 share options granted to Mr. Zhao, (iv) the put option granted by FEEL, Mr. Zhang and Mr. Zhao, pursuant to a put and call option agreement, over the 88,521,234 shares in the Company held by Mr. Ho Chi Sing through Celestial Energy Limited ("Celestial"), as further described in note (3) below, (v) the 100,000 shares owned by Mr. Zhang himself and (vi) 3,100,000 shares owned by Mr. Zhao himself.

- (3) The Company was informed on November 8, 2014 that TPG Star Energy Ltd. and Celestial had entered into a sale and purchase agreement pursuant to which Celestial had acquired and TPG Star Energy Ltd. has sold 211,855,234 ordinary shares in the Company.

On November 8, 2014, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang and Celestial entered into a put and call option agreement in relation to certain of shares (the "PCA"), pursuant to which the parties to the put and call option agreement have agreed to grant each other certain rights in relation to their shares, and section 317(1)(a) of the SFO applies. Mr. Ho Chi Sing is the sole shareholder of Celestial.

In particular, Mr. Ho Chi Sing, through his holdings in Celestial, is beneficially interested in 211,855,234 shares in the Company. Pursuant to the abovementioned put and call option agreement, Mr. Ho Chi Sing and Celestial have been granted a put option to resell/put 211,855,234 shares to FEEL, Mr. Zhang and Mr. Zhao.

On January 6, 2017, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang and Celestial entered into a letter agreement in relation to the put and call option. The Board was also informed that Great Harmony International Ltd ("Great Harmony") and Celestial have entered into a sale and purchase agreement pursuant to which Great Harmony has agreed to acquire (or procure its affiliate or other person or company designated by it to acquire) and Celestial has agreed to sell 211,855,234 ordinary shares in the Company.

On January 18, 2017, February 23, 2017 and March 7, 2017, Celestial had ceased to have 53,334,000 shares, 40,000,000 shares and 30,000,000 shares in long and short positions, respectively.

On May 17, 2017, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang (collectively, the "Controlling Shareholders") and Celestial entered into a second letter agreement in relation to the put and call option agreement. For further details, please refer to the Company's announcement dated May 17, 2017.

FEEL、張先生及趙先生於本公司1,577,095,234股股份擁有的好倉包括(i) FEEL於其透過其附屬公司所持本公司1,469,600,000股股份中擁有的實益權益(及如為張先生及趙先生,則為彼等透過各自所持FEEL的股權而擁有的間接實益權益), (ii)張先生獲授的7,887,000份購股權, (iii)趙先生獲授的7,887,000份購股權, (iv) FEEL、張先生及趙先生根據認沽及認購期權協議獲授對何志成先生透過Celestial Energy Limited(「Celestial」)所持本公司88,521,234股股份的認沽期權,進一步描述見下文附註(3), (v)張先生本身所擁有的100,000股股份,及(vi)趙先生本身所擁有的3,100,000股股份。

- (3) 本公司於二零一四年十一月八日獲悉, TPG Star Energy Ltd.與Celestial訂立買賣協議, 據此, Celestial同意收購及TPG Star同意出售211,855,234股本公司普通股。

於二零一四年十一月八日, FEEL、張先生、趙先生、張夫人及Celestial就若干股份訂立認沽及認購期權協議, 據此, 該協議之訂約方同意互相之間授出彼等股份之若干權利並應用證券及期貨條例第317(1)(a)條規定。何志成先生為Celestial的唯一股東。

尤其值得一提的是, 何志成先生通過其在Celestial的持股, 持有本公司211,855,234股權益。根據上述認沽及認購期權協議, 何志成先生和Celestial持有認沽期權, 得向FEEL、張先生和趙先生轉售/出211,855,234股權。

於二零一七年一月六日, FEEL、張先生、趙先生、張夫人及Celestial簽訂一份與認沽及認購期權協議相關的協議且董事會獲悉, Great Harmony International Ltd(「Great Harmony」)與Celestial簽訂了購銷協議, 據此, Great Harmony同意購買(或確保其附屬公司或指定的其他人或公司購買), 且Celestial同意出售本公司211,855,234股普通股。

Celestial分別於二零一七年一月十八日, 二零一七年二月二十三日及二零一七年三月七日, 再無擁有53,334,000股、40,000,000股及30,000,000股的好倉及淡倉。

於二零一七年五月十七日, FEEL、張瑞霖先生、趙江巍先生、趙江波女士(統稱「控股股東」)及Celestial簽訂認沽及認購期權協議的第二份相關協議。詳細信息請參照本公司於二零一七年五月十七日發佈之公告。

# Report of the Directors (Continued)

## 董事會報告(續)

On November 30, 2017, the Controlling Shareholders and Celestial entered into the supplemental agreement to the second letter agreement in relation to the put and call option agreement. For further details, please refer to the Company's announcement dated November 30, 2017.

On April 14, 2018, the Controlling Shareholders and Celestial entered into the second supplemental agreement to the second letter agreement in relation to the put and call option agreement. For further details, please refer to the Company's announcement dated April 15, 2018.

On November 26, 2018, the Controlling Shareholders and Celestial entered into the third supplemental agreement to the second letter agreement in relation to the put and call option agreement. For further details, please refer to the Company's announcement dated November 26, 2018.

- (4) These interests represent interests in outstanding stock options under the Plan and the Scheme. For further details, please refer to the section headed "Share Options". Mr. Zhang's interests includes the 100,000 shares held by himself. Mr. Zhao's interests includes the 3,100,000 shares held by himself.

Save as disclosed above and in the section headed "Share Options", as at December 31, 2018, none of the Directors or the chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she had taken or was deemed to have under such provisions of the SFO) or which were required to be entered into the register kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code; nor had there been any grant or exercise of rights of such interests during the year ended December 31, 2018.

於二零一七年十一月三十日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的補充協議。詳細信息請參照本公司於二零一七年十一月三十日發佈之公告。

於二零一八年四月十四日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的第二份補充協議。詳細信息請參照本公司於二零一八年四月十五日發佈之公告。

於二零一八年十一月二十六日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的第三份補充協議。詳細信息請參照本公司於二零一八年十一月二十六日發佈之公告。

- (4) 該等權益指該計劃及購股權計劃所涉未行使購股權的權益。其他詳情請參閱「購股權」一節。張先生的權益包括張先生本人持有的100,000股實益權益。趙先生的權益包括趙先生本人持有的3,100,000股實益權益。

除上文及「購股權」一節所披露者外，於二零一八年十二月三十一日，本公司董事或主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中概無擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的條文而當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條的規定須登記於本公司存置的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉；於截至二零一八年十二月三十一日年度，亦無授予或行使該等權益之權利。



# Report of the Directors (Continued)

## 董事會報告(續)

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

### 主要股東於本公司的股份、相關股份中擁有的權益及／或淡倉

So far as the Directors are aware of, as at December 31, 2018, the following persons (other than the Directors, chief executive(s) or members of the Group) who had interests and/or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions two and three of Part XV of the SFO, or, which would be required, pursuant to section 336 of the SFO, to be entered into the register referred to therein, were as follows:

就董事所知，於二零一八年十二月三十一日，下列人士(除董事、主要行政人員或本集團成員公司外)於本公司之股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露的權益及／或淡倉，或根據證券及期貨條例第336條須登記於該條所指之登記冊內的權益及／或淡倉如下：

Name of Interested Party	Party Capacity/ Nature of interest	Total number of Shares (including options to be exercised) 股份總數 (包括可行使購股權)	Approximate percentage of interest in company 佔本公司權益的 概約百分比
Ms. Zhao Jiangbo 趙江波女士	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L) 88,521,234 (S)	53.67% 3.01%
FEEL	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L) 88,521,234 (S)	53.67% 3.01%
Mr. Ho Chi Sing 何志成先生	Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	1,577,095,234 (L) 88,521,234 (S)	53.67% 3.01%
Celestial Energy Limited ("Celestial")	Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	1,577,095,234 (L) 88,521,234 (S)	53.67% 3.01%
Billion Capital Shine Inc.	Person having a security interest in Shares 持有股份抵押權益的人士	1,472,300,000 (L)	50.10%
China Orient Asset Management (International) Holding Limited 中國東方資產管理(國際)控股 有限公司	Interest of controlled corporation 受控制法團權益	1,472,300,000 (L)	50.10%
China Orient Asset Management Co., Limited 中國東方資產管理股份有限公司	Interest of controlled corporation 受控制法團權益	1,472,300,000 (L)	50.10%

# Report of the Directors (Continued)

## 董事會報告(續)

Name of Interested Party Capacity/ Nature of interest	Total number of Shares (including options to be exercised)	Approximate percentage of interest in company
權益方名稱 身份／權益性質	股份總數 (包括可行使購股權)	佔本公司權益的 概約百分比
Dong Yin Development (Holdings) Limited 東銀發展(控股)有限公司	1,472,300,000 (L)	50.10%
Wise Leader Assets Ltd.	1,472,300,000 (L)	50.10%
Prudence Investment Management (Hong Kong) Limited	586,216,896(L)	19.95%
Flying Investments Limited	199,160,000 (L)	6.78%
Fung Wing Nam Florence 馮穎楠	199,160,000 (L)	6.78%

*Notes:*

- (1) The letter "L" denotes the person's long position in the shares of the Company. The letter "S" denotes the person's short position in the shares of the Company.
- (2) FEEL is held by Mrs. Zhang, Mr. Zhang and Mr. Zhao as to 80%, 9.99% and 10%, respectively. On May 24, 2013, 72,000 shares in FEEL were issued to Mrs. Zhang, 399,070,000 shares in the Company were transferred from FEEL to Champion, 399,070,000 shares in the Company were transferred from FEEL to Orient, 475,000,000 shares in the Company were transferred from FEEL to New Sun and 141,460,000 shares in the Company were transferred from FEEL to Power International Energy Limited ("Power"). Each of Champion, Orient, New Sun and Power is a wholly-owned subsidiary of Sunrise Glory Holdings Limited, which is itself a wholly-owned subsidiary of FEEL. Mrs. Zhang, Mr. Zhang and Mr. Zhao have entered into an Acting-in-Concert Agreement under which they agreed to act in concert in relation to all matters that require the decisions of the shareholders of FEEL. Pursuant to the Acting- in-Concert Agreement, if a unanimous opinion in relation to the matters that require action in concert is unable to be reached, Mr. Zhang shall be allowed to vote on his, Mrs. Zhang's and Mr. Zhao's shares.

*附註：*

- (1) 字母「L」指某位人士於本公司股份中的好倉。字母「S」指某位人士於本公司股份中的淡倉。
- (2) FEEL由張夫人、張先生及趙先生分別擁有80%、9.99%及10%權益。於二零一三年五月二十四日，FEEL的72,000股股份發行予張夫人，FEEL分別將本公司399,070,000股、399,070,000股、475,000,000股及141,460,000股股份轉讓予Champion、Orient、New Sun及Power。Champion、Orient、New Sun及Power均為Sunrise Glory Holdings Limited的全資附屬公司，而Sunrise Glory Holdings Limited則為FEEL的全資附屬公司。張夫人、張先生及趙先生已訂立一致行動協議，據此，彼等同意就需由FEEL股東決定的一切事項一致行動。根據一致行動協議，倘未能達成有關需一致行動事項的一致意見，張先生獲准就其、張夫人及趙先生的股份進行投票表決。

# Report of the Directors (Continued)

## 董事會報告(續)

The long interests which FEEL, Mr. Zhang and Mr. Zhao have in the 1,577,095,234 shares in the Company include (i) the beneficial interests which FEEL has (and in the case of Mr. Zhang and Mr. Zhao, the indirect beneficial interests which they have (through their shareholdings in FEEL)) in the 1,469,600,000 shares in the Company held by FEEL through its subsidiaries, (ii) the 7,887,000 share options granted to Mr. Zhang, (iii) the 7,887,000 share options granted to Mr. Zhao, (iv) the put option granted by FEEL, Mr. Zhang, Mr. Zhao and Mrs. Zhang, pursuant to a put and call option agreement, over the 88,521,234 shares in the Company held by Mr. Ho Chi Sing through Celestial, as further described in note (3) below, (v) the 100,000 shares owned by Mr. Zhang himself and (vi) 3,100,000 shares owned by Mr. Zhao himself.

- (3) The Company was informed on November 8, 2014 that TPG Star Energy Ltd. and Celestial had entered into a sale and purchase agreement pursuant to which Celestial had acquired and TPG Star Energy Ltd. has sold 211,855,234 ordinary shares in the Company.

On November 8, 2014, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang and Celestial entered into the PCA in relation to certain of the shares, pursuant to which the parties to the put and call option agreement have agreed to grant each other certain rights in relation to their shares, and section 317 (1)(a) of the SFO applies. Mr. Ho Chi Sing is the sole shareholder of the Celestial.

In particular, Mr. Ho Chi Sing, through his holdings in Celestial, is beneficially interested in 211,855,234 shares in the Company. Pursuant to the abovementioned put and call option agreement, Mr. Ho Chi Sing and Celestial have been granted a put option to resell/put 211,855,234 shares to FEEL, Mr. Zhang and Mr. Zhao.

On January 6, 2017, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang (collectively, the "Controlling Shareholders") and Celestial entered into the letter agreement in relation to the put and call option. The Board was also informed that Great Harmony International Ltd ("Great Harmony") and Celestial have entered into a sale and purchase agreement pursuant to which Great Harmony has agreed to acquire (or procure its affiliate or other person or company designated by it to acquire) and Celestial has agreed to sell 211,855,234 ordinary shares in the Company.

On January 18, 2017, February 23, 2017 and March 7, 2017, Celestial had ceased to have 53,334,000 shares, 40,000,000 shares and 30,000,000 shares in long and short positions, respectively.

FEEL、張先生及趙先生於本公司1,577,095,234股股份擁有的好倉包括(i) FEEL於其透過其附屬公司所持本公司1,469,600,000股股份中擁有的實益權益(及如為張先生及趙先生,則為彼等透過各自所持FEEL的股權而擁有的間接實益權益), (ii)張先生獲授的7,887,000份購股權, (iii)趙先生獲授的7,887,000份購股權, (iv) FEEL、張先生及趙先生以及張夫人根據認沽及認購期權協議授出對何志成先生透過Celestial所持本公司88,521,234股股份的認沽期權, 進一步說明見下文附註(3), (v)張先生本身所擁有的100,000股股份, 及(vi)趙先生本身所擁有的3,100,000股股份。

- (3) 本公司於二零一四年十一月八日獲悉, TPG Star Energy Ltd.與Celestial訂立買賣協議, 據此, Celestial同意收購及TPG Star同意出售211,855,234股本公司普通股。

於二零一四年十一月八日, FEEL、張先生、趙先生、張夫人及Celestial就若干股份訂立認沽及認購期權協議, 據此, 該協議之訂約方同意互相之間授出彼等股份之若干權利並應用證券及期貨條例第317(1)(a)條規定。何志成先生為Celestial的唯一股東。

尤其值得一提的是, 何志成先生通過其在Celestial的持股, 持有本公司211,855,234股權益。根據上述認沽及認購期權協議, 何志成先生和Celestial持有認沽期權, 得向FEEL、張先生和趙先生轉售/出211,855,234股權。

於二零一七年一月六日, FEEL、張先生、趙先生、張夫人(統稱「控股股東」)及Celestial簽訂一份與認沽及認購期權協議相關的協議且董事會獲悉, Great Harmony International Ltd (「Great Harmony」)與Celestial簽訂了購銷協議, 據此, Great Harmony同意購買(或確保其附屬公司或指定的其他人或公司購買), 且Celestial同意出售本公司211,855,234股普通股。

Celestial分別於二零一七年一月十八日, 二零一七年二月二十三日及二零一七年三月七日, 再無擁有53,334,000股、40,000,000股及30,000,000股的好倉及淡倉。

# Report of the Directors (Continued)

## 董事會報告(續)

On May 17, 2017, the Controlling Shareholders and Celestial entered into a second letter agreement in relation to the put and call option agreement. For further details, please refer to the Company's announcement dated May 17, 2017.

On November 30 2017, the Controlling Shareholders and Celestial entered into the supplement agreement to the second letter agreement in relation to the put and call option agreement. For further details, please refer to the Company's announcement dated November 30, 2017.

On April 14, 2018, the Controlling Shareholders and Celestial entered into the second supplement agreement to the second letter agreement in relation to the put and call option agreement. For further details, please refer to the Company's announcement dated April 15, 2018.

On November 26, 2018, the Controlling Shareholders and Celestial entered into the third supplement agreement to the second letter agreement in relation to the put and call option agreement. For further details, please refer to the Company's announcement dated November 26, 2018.

Save as disclosed above, as at December 31, 2018, no person (other than the Directors or the chief executive of our Company, whose interests have been disclosed in the above section headed "Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or Any Associated Corporation") had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO.

於二零一七年五月十七日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議。詳細信息請參照本公司於二零一七年五月十七日發佈之公告。

於二零一七年十一月三十日，控股股東及Celestial簽訂認沽及認購期權協議第二份相關協議的補充協議。詳細信息請參照本公司於二零一七年十一月三十日發佈之公告。

於二零一八年四月十四日，控股股東及Celestial簽訂認沽及認購期權協議第二份相關協議的第二份補充協議。詳細信息請參照本公司於二零一八年四月十五日發佈之公告。

於二零一八年十一月二十六日，控股股東及Celestial簽訂認沽及認購期權協議第二份相關協議的第三份補充協議。詳細信息請參照本公司於二零一八年十一月二十六日發佈之公告。

除上文所述者外，於二零一八年十二月三十一日，概無任何人士（除於上文「董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債權證中擁有的權益及／或淡倉」一節已披露權益的本公司董事或主要行政人員外）於本公司之股份或相關股份中擁有根據證券及期貨條例第336條登記於本公司存置之登記冊內的權益或淡倉。

# Report of the Directors (Continued)

## 董事會報告(續)

### MAJOR SUPPLIERS AND CUSTOMERS

During the year, the Group purchased around 19.23% of its goods and services from its five largest suppliers as well as 6.28% of its goods and services from the largest supplier; and 30.77% and 64.61% respectively of the Group's revenue are from PetroChina, its largest customer, and its five largest customers combined.

Save as otherwise disclosed in this report (if any), none of the Directors, their close associates or any shareholder (which to the knowledge of Directors owns more than 5% of the Company's issued share capital) has any interest in the Group's five largest suppliers and customers.

### RELATIONSHIP WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The employees, suppliers and customers of the Company play an important role in the Company's development and on which the Company's success depends. The Company provides competitive remuneration packages to attract and motivate the employees. The Company maintains good relationship with customers, suppliers and other business partners to achieve its long-term goals. In 2018, there was no material and significant dispute between our Group and its customers, suppliers and other business partners.

### ENVIRONMENTAL POLICIES AND PERFORMANCE

During the process of hydrocarbon production, the Company highly values the protection of natural and ecological environment and its comprehensive environmental protection measures to ensure that the Company complies with the applicable laws and regulations in relation to environmental protection. During the process of construction and production of oilfields, we place environment impact assessment, compliance with set standards or targets on pollutant emissions, control on total discharge amount and reduction on emissions as our priorities.

The Company views energy saving and reduction in emission as an important aspect of our cost reduction and maintaining high management standards. We also continue to strengthen efforts on technical reformation during daily management, which is the key to improve energy efficiency and reduce carbon emissions.

### 主要供應商及客戶

年內，本集團向五大供應商共採購約19.23%的商品及服務，其中最大供應商採購約6.28%，而本集團收益30.77%及64.61%分別來自最大客戶中石油及五大客戶(合計)。

除上文所披露者外，概無董事、彼等的聯繫人或就董事所知擁有本公司已發行股本5%或以上的任何股東擁有本集團五大供應商及客戶的任何權益。

### 與僱員、供應商及客戶的關係

本公司的僱員、供應商及客戶對本公司的發展非常重要，亦是本公司成功的關鍵。本公司提供具競爭力的薪酬待遇，以吸引及激勵僱員。本公司與客戶、供應商、及其他商業合作夥伴等保持良好關係，以達到長期目標。於二零一八年，本集團與客戶、供應商、及其他商業合作夥伴等並無發生重大糾紛。

### 環境政策及表現

公司在從事油氣開採的過程中，高度重視對自然環境和生態環境的保護，以全面的環境保護管理措施確保公司實現遵法達標及合規運營。在項目建設和生產過程中，以環評管理、污染物達標排放、總量控制和統籌減排為重點，實施環境保護的全過程管理。

公司把節能減排作為降低成本、提高管理水平的重要工作，並且在日常管理中加大節能減排的技術改造力度，通過技術改造促進能效提升和降低碳排放。



# Report of the Directors (Continued)

## 董事會報告(續)

For the year ended December 31, 2018, the Company has constructed oilfields of green environmental protection in accordance with regulatory requirements and there were no matters arising from environmental-related regulatory non-compliances.

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board and senior management are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operations of the Group. During the year ended December 31, 2018, there was no material breach of or non-compliance with applicable laws and regulations by the Group.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued shares as required under the Listing Rules during the period from January 1, 2018 to May 7, 2019 (being the latest practicable date for ascertaining information prior to the issue of this annual report).

### PERMITTED INDEMNITY

The Company's Articles of Association provides that every Director, auditor or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director, auditor or other officer of the Company in defending any proceedings, in which judgment is given in his favour, or in which he is acquitted.

The Company has arranged appropriate directors and officers liabilities insurance coverage for Directors and officers of the Company.

截至二零一八年十二月三十一日止年度，公司按照建設綠色環保油田要求，未發生一起環保污染問題。

### 遵守有關法律法規

如董事會及管理層所知，本集團在所有重大方面全面遵守與本集團業務及運營有關的法律法規。截至二零一八年十二月三十一日止年度，本集團並無重大違反適用法律法規的情形。

### 充足公眾持股量

根據本公司公開可得之資料及據董事所知，其確認於二零一八年一月一日至二零一九年五月七日(年報刊發前最後可行日)，本公司根據上市規則要求至少25%已發行股份由公眾持有。

### 獲准許彌償

公司章程細則規定各董事、公司核數師或其他高級管理人員有權就彼作為董事、公司核數師或其他高級管理人員於維護任何法律程序(彼獲勝訴或被判無罪)中產生或承擔的所有損失或責任於公司資產中獲得彌償。

公司已為董事及公司高級管理人員安排適當之董事及高級管理人員責任保險。

# Report of the Directors (Continued)

## 董事會報告(續)

### COMPETING BUSINESS

A non-competition deed in favor of the Company was entered into by FEEL, Mr. Zhang and Mr. Zhao on November 23, 2010. Our independent non-executive Directors have reviewed the compliance and enforcement of the non-competition deed and were of the view that FEEL, Mr. Zhang and Mr. Zhao were in compliance with the non-Competition deed during the reporting period.

None of the Directors of the Company had an interest in a business which competes with the Company or is likely to compete with the business of the Group.

### SUBSEQUENT EVENTS

#### Proposed Dividend

The Board did not recommend the payment of final dividend for the year ended December 31, 2018 (2017: Nil).

#### Convertible Bonds Amendment

On January 26, 2018, the Company completed the placing of convertible bonds to independent placee(s) (the "Convertible Bonds"). The Convertible Bonds are in the principal amount of HK\$340.0 million (equivalent to approximately RMB280.3 million) with an interest rate of 5.0% per annum payable semi-annually. On January 22, 2019, the Company entered into a supplemental trust deed with the trustee of the bondholder (the "Trustee"). On February 27, 2019, the Company entered into an amended and restated trust deed. After the amendments, the Convertible Bonds became straight bonds and the maturity date remained unchanged. Such amendments were subsequently approved by the Stock Exchange.

Please refer to the announcements of the Company dated January 23, 2018, January 26, 2018, January 22, 2019, February 27, 2019 and March 4, 2019 for further details.

Save as disclosed above, there have been no further material changes to the Convertible Bonds during and subsequent to the reporting period.

### 競爭業務

FEEL、張先生及趙先生於二零一零年十一月二十三日為本公司訂立不競爭契約。本公司獨立非執行董事已檢討不競爭契約的遵守及執行情況，認為FEEL、張先生及趙先生於報告期內已遵守不競爭契約。

本公司概無任何董事於與本公司業務競爭或可能與本集團業務構成競爭之業務中擁有任何權益。

### 期後事項

#### 建議股息

董事會並無建議就截至二零一八年十二月三十一日年度派付末期股息(二零一七年：無)。

#### 可轉股債券修訂

於二零一八年一月二十六日，本公司完成向承配人配售可換股債券。(「可換股債券」)可換股債券本金為港幣340.0百萬元(折合人民幣297.9百萬元)。該可換股債券的年利率為5%且利息每半年支付。二零一九年一月二十二日，本公司與債券持有人之受託人(「受託人」)簽訂補充信託契約，以修訂信託契約條文。隨後於二零一九年二月二十七日，本公司與受託人簽訂經修訂及重列信託契約，修訂後，可換股債券成為普通債券，到期日維持不變。並隨後獲得聯交所批准。

詳情請參考本公司分別於二零一八年一月二十三日、二零一八年一月二十六日、二零一九年一月二十二日、二零一九年二月二十七日及二零一九年三月四日發佈的公告。

除上述披露外，於本報告日期內可換股債券再無實質性修改。

# Report of the Directors (Continued)

## 董事會報告(續)

### Refinancing of the 2019 Notes

On March 1, 2019, the Company announced the exchange offer to the holders of the 2019 Notes to exchange the existing notes, together with the interests payable on maturity of US\$11.2 million, for a new package of senior notes and cash payment with a later maturity date. The Exchange Offer expired on April 10, 2019 and noteholders representing approximately 84% of the total principal amount outstanding at December 31, 2018 accepted the Exchange Offer. In accordance with the related terms and conditions, the Company issued new senior notes in the principal amount of US\$248.4 million bearing annual interest at 13.750% due on April 12, 2022 and made cash payment of approximately US\$26.1 million (equivalent to approximately RMB183.1 million) to these holders on April 15, 2019 and the corresponding 2019 Notes were cancelled accordingly. The Company settled the remaining 2019 Notes with principal plus accrued interest totalling US\$52.6 million (equivalent to approximately RMB369.0 million) upon maturity.

To fund the Early Exchange Consideration and the Final Repayment, on April 12, the Company issued private notes to three independent parties in an aggregate principal amount of US\$68.0 million (the "Private Notes"). According to the relevant agreement, the Private Notes carry an interest rate of 15.0% per annum and the aggregate principal amount will be due on April 12, 2020.

### 2019 票據的再融資安排

於二零一九年三月一日，本公司宣布向2019票據持有人發出要約，將現有票據連同到期日應付利息11.2百萬美元換取新的優先票據，並在日後使用現金付款方式(「交換要約」)。交換要約於二零一九年四月十日到期，其中二零一八年十二月三十一日未償還本金總額約84%的票據持有人接受了交換要約。根據相關條款及條件，本公司發行本金約為248.4百萬美元並於二零二二年四月十二日到期的新優先票據，年利率為13.750%。於二零一九年四月十五日公司現金支付接受交換要約的票據持有人約26.1百萬美元(等價於人民幣183.1百萬元)，至此相應部分的2019優先票據也相應取消。由於交換要約，本公司已於到期日二零一九年四月十五日結清剩餘的2019優先票據，本金加應計利息共計52.6百萬美元(等價於人民幣369.0百萬元)。

為了支付早期交換對價及最終還款，本公司於四月十二日向三個獨立方發行私人票據，本金總額為68.0百萬美元(「私人票據」)。根據相關協議，私人票據的年利率為15.0%，本金總額將於二零二零年四月十二日到期。

# Report of the Directors (Continued)

## 董事會報告(續)

### Disposal of Maple Marathon

On September 24, 2018, the Company and Far East Energy International Limited ("Far East Energy") entered into a share purchase agreement ("SPA"), pursuant to which the Company conditionally agreed to sell and Far East Energy conditionally agreed to purchase the entire issued share capital of Maple Marathon Investments Limited ("Maple Marathon"), at a consideration of US\$250,000,000 (equivalent to approximately HK\$1,961,950,000). On January 30, 2019, the parties to the SPA entered into a supplemental agreement to extend the long stop date to September 30, 2019 (or such later date as the parties may agree in writing). Save as aforesaid, all other terms and conditions of the SPA shall remain unchanged.

Please refer to the Company's announcements dated September 24, 2018, October 18, 2018, October 26, 2018, November 20, 2018, January 30, 2019 and February 27, 2019 respectively and the Company's circular dated November 5, 2018 for further details.

Save as disclosed above, there have been no further material changes to the SPA.

### GROUP'S EMOLUMENTS POLICY

The emoluments policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

### Maple Marathon 之出售

於二零一八年九月二十四日，本公司與Far East Energy International Limited(「Far East Energy」)簽訂了一份股權購買協議，據此，本公司有條件地同意出售而Far East Energy有條件地同意購買Maple Marathon Investments Limited(「Maple Marathon」)的全部已發行股本，代價為250,000,000美元(相等於約1,961,950,000港元)。之後於二零一九年一月三十日，本公司與Far East Energy訂立補充協議，以延長最後截止日期至二零一九年九月三十日(或各方可書面協定的較後日期)。除上述披露外，股權購買協議所有其他條款及條件將維持不變。

詳情請參考本公司二零一八年九月二十四日、二零一八年十月十八日、二零一八年十月二十六日、二零一八年十一月二十日、二零一九年一月三十日及二零一九年二月二十七日的公告以及日期為二零一八年十一月五日的通函。

除上述披露外，股權購買協議再無實質性修改。

### 本集團之薪酬政策

本集團僱員之薪酬政策由薪酬委員會根據彼等的優點、資歷及能力而定。

本公司董事之薪酬由薪酬委員會根據本公司之經營業績、個人表現及可資比較市場數據釐定。

# Report of the Directors (Continued)

## 董事會報告(續)

### CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company is scheduled to be held on Friday, June 21, 2019 (“AGM”). For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, June 18, 2019 to Friday, June 21, 2019, both days inclusive, during which no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all completed transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, June 17, 2019 (Hong Kong time), being the last registration date.

### AUDITOR

The financial statements have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offered themselves for re-appointment as the Company’s auditor.

On behalf of the Board

**Mr. Zhang Ruilin**  
*Chairman*

Hong Kong, April 23, 2019

### 暫停辦理股東登記手續

本公司預定於二零一九年六月二十一日(星期五)舉行股東週年大會。為釐定符合出席並於大會上投票的資格，本公司將於二零一九年六月十八日(星期二)至二零一九年六月二十一日(星期五)(包含首尾日)暫停辦理股東登記手續，期間亦不會辦理股份過戶登記手續。為符合出席股東週年大會及於會上投票的資格，所有過戶文件連同有關股票需不遲於二零一九年六月十七日(星期一)香港時間下午四時三十分(最後股份登記日)遞交至本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址香港皇后大道東183號合和中心22樓。

### 核數師

財務報表已由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所任滿退任並符合資格且願意獲續聘為本公司核數師。

承董事會命

主席  
張瑞霖先生

香港，二零一九年四月二十三日



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### I. QUALITY OF WORKING ENVIRONMENT

#### (1) Employment

The Group implements and/or complies with the following employment policies and regulations for recruitment and dismissal, remuneration and promotion, working hours, holidays, diversification and other bonus and benefits:

1. The remuneration of employees is in accordance with the relevant provisions of the Group's internal policy titled "*MIE Holdings Corporation's Remuneration Management System*". The Company provides employees with comprehensive and competitive packages taking into account market competition and equality within the Group. An employee's remuneration package is based on an overall evaluation of work performance, the employee's relevant rank and position and capability.
2. The recruitment, promotion and dismissal of employees of the Group in China are governed by the "*Labor Law of the People's Republic of China*", the "*Labor Contract Law of the People's Republic of China*", the "*Policies Governing Employee Relations of MIE Holdings Corporation*", other national and regional laws and regulations, and the Company's administrative policies. Recruitment, promotion and dismissal of employees in Hong Kong are conducted in accordance with the "*Employment Ordinance*" and other relevant Hong Kong laws and regulations. The recruitment, promotion and dismissal of employees of Canlin in Canada are governed by the "*Provincial Employment Standards*", "*Provincial Human Rights Laws*", "*Privacy Laws*", "*Provincial Case Law*", other national and regional laws and regulations in Canada, and the Company's administrative policies. Recruitment, promotion, and termination of employees in the United States are carried out in conformity with applicable U.S. national and regional laws and regulations.

#### 一、工作環境質素

##### (一) 僱傭

本集團在有關員工招聘及解僱、薪酬及晉升、工作時數、假期、多元化以及其他待遇及福利等方面主要執行以下政策、法規：

1. 本集團員工的薪酬按照《MI能源控股有限公司薪酬管理制度》的相關規定執行，公司在兼顧市場競爭和內部公平的基礎上，為員工提供完善的、具有競爭力的薪酬福利體系。公司結合公司經營業績、員工職位等級、績效及能力評估為員工確定薪酬。
2. 本集團在中國境內的員工招聘、晉升及解僱按照《中華人民共和國勞動法》、《中華人民共和國勞動合同法》以及《MI能源控股有限公司員工關係管理辦法》等國家、地區法律法規及公司管理規定執行。在香港境內的員工招聘、晉升及解僱按照香港《僱傭條例》及地區法律法規執行。在加拿大境內的員工招聘、晉升及解僱按照加拿大《省級就業準則》、《省級人權法》、《隱私法》、《省級判例法》等國家、地區法律法規及公司管理規定執行。在美國境內的員工招聘、晉升及解僱按照美國及地區相關法律規定執行。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

3. The working hours for employees in China are strictly in accordance with the "Labor Contract Law of the People's Republic of China", namely eight hours per day, 40 hours per week and rest days include statutory holidays, Saturdays and Sundays. The working hours for employees in Canada are strictly in accordance with the "Provincial Employment Standards", namely eight hours per day, 40 hours per week and rest days include statutory holidays, Saturdays and Sundays.

3. 本集團中國境內員工的工作時數嚴格按照《中華人民共和國勞動合同法》的相關規定，執行每天工作8小時，每週工作40個小時工作制，國家規定的法定節假日、週六、週日休息。本集團加拿大境內員工的工作時數嚴格按照加拿大《省級就業準則》的相關規定執行，每天工作8小時，每週工作40個小時工作制，國家規定的法定節假日、週六、週日休息。
4. The Group provides its employees in China with paid holidays in strict accordance with the "Order of the State Council of the People's Republic of China (No.514) in relation to the Regulation on Paid Annual Leave for Employees". For Hong Kong employees, paid holidays are provided in strict accordance with the provisions of the "General Holidays Ordinance" and the "Employment Ordinance". Canlin provides its employees in Canada with paid holidays in strict accordance with the Company's administrative policies in addition to "Provincial Employment Standards."

4. 本集團中國境內員工嚴格按照《中華人民共和國國務院令 第514號關於職工帶薪年休假條例》的規定為員工提供帶薪假期。對於香港員工，嚴格按照《公眾假期條例》和《僱傭條例》的規定為員工提供帶薪假期。對於加拿大境內的員工執行加拿大《省級就業準則》及公司管理規定執行。
5. Based on the principle of equality and anti-discrimination, the Group complies with the "Administrative Policies for Employee Recruitment of MIE Holdings Corporation" for recruitment matters.

5. 本集團本著平等的原則，遵照《MI能源控股有限公司員工招聘管理規定》執行招聘事宜，該規定中包含反對歧視的條款。
6. The Group has established a scientific and reasonable performance appraisal system and an effective incentive and restraint mechanism to ensure the joint development of the Company and its employees. During the year ended December 31, 2018, the Group continued to optimize its KPI assessment system, improved the quantification of its evaluation standards and enhanced the feasibility of its evaluation mechanism.

6. 本集團根據集團的經營目標，構建了科學合理的績效考核體系和有效的激勵約束機制，全面保證企業與員工的共同發展。二零一八年度，本集團繼續優化KPI考核體系，提高考評標準的量化程度，增強考評辦法的可操作性。

During the year ended December 31, 2018, the Group was not involved in any arbitration and did not have any judgment against it on labor disputes.

截至二零一八年十二月三十一日止年度，本集團無勞動糾紛仲裁及判決。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

The Group had 1,385 employees, comprising 1,133 males (81.81%) and 252 females (18.19%) as of December 31, 2018. Due to the nature of the Group's business, there are more male employees than female employees.

截至二零一八年十二月三十一日，本集團共有員工1,385名，其中男員工1,133人，佔81.81%，女員工252人，佔18.19%。由於本集團業務範圍、工作環境等原因，男員工數量多於女員工數量。

Table 1: Staff Numbers by Work Function as of December 31, 2018

表1：截至二零一八年十二月三十一日根據崗位類別分類的員工情況

Work Function 崗位類別		Technical 技術類	Production 生產類	Support 支持類	Total Management 管理合計	Core production 主體生產類	Support services 支持服務類	Total Operation services 操服合計	Total 合計

Table 2: Staff Numbers by Education Background as of December 31, 2018

表2：截至二零一八年十二月三十一日根據受教育程度分類的員工情況

Education Category 教育程度		Masters and above 碩士以上	Bachelor 大學本科	Junior College 大學專科	Technical Secondary High School 中專、高中	Junior High School and below 初中及以下	Total 合計

Table 3: Staff Numbers by Age Group as of December 31, 2018

表3：截至二零一八年十二月三十一日根據年齡分類的員工情況

Age Group 年齡		20-24yrs 20至24歲	25-34yrs 25至34歲	35-44yrs 35至44歲	45-54yrs 45至54歲	55yrs and above 55歲及以上	Total 合計

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

Table 4: Staff Numbers by Geographical Region as of December 31, 2018

Geographical Region 地域		PRC 中國內地	Hong Kong 中國香港	US 美國	Canada 加拿大	Total 合計
Total	合計	1,033	12	2	338	1,385

表4：截至二零一八年十二月三十一日根據地域分類的員工情況

### (2) Development and Training

Throughout the year ended December 31, 2018, the Group organized tailored training programs based on the Group's development strategy, employee job requirements and employees' personal development needs to accelerate the growth of employees' working ability and professional quality. Through the various tailored training programs, the Group comprehensively developed the management ability and skill levels of all employees across various positions.

Aimed at improving the business standards, and management ability and also overall ability among management staff, the Group also offered targeted professional knowledge training to strengthen their common general skills. With the purpose of improving the professional and technical ability of technical personnel, the Group also placed emphasis on the cultivation of their business knowledge and ability, including the learning of basic knowledge, application software tools, and new technology and cutting-edge knowledge. As regards operational staff, the Group aimed to strengthen their operating skills, standardize the operation process and improve operation ability by providing various trainings.

Table 5: Staff Training Statistics by Gender as of December 31, 2018

Gender 性別	Male 男	Female 女
Percentage	82%	18%

### (二) 發展及培訓

截至二零一八年十二月三十一日止年度本集團為加快培養各類員工隊伍，提升員工工作技能和職業素質，根據集團發展戰略、崗位要求及個人發展需求編製全年培訓計劃，並按計劃組織各類員工培訓，通過組織各類培訓項目，全面提升各類員工的管理能力和技能水平。

對於管理人員，本集團對其進行針對性的專業知識的培訓，同時加強共有的通用技能的培訓。其目的是提高管理人員的業務水平和管理能力，達到整體素質的提升。對於技術人員，本集團注重其業務知識和業務能力的培養，包括基礎理論知識的補充、應用軟件工具的學習、新技術及前沿理論知識的瞭解。其目的是提高專業技術人員的相關的業務能力，提高理論與實踐水平。對於操作服務人員，本集團主要對其進行操作技能培訓，規範其操作流程、提高其操作能力。

表5：截至二零一八年十二月三十一日受訓人員的男女百分比

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

Table 6: Staff Training Statistics by Gender and Hours as of December 31, 2018

表6：截至二零一八年十二月三十一日男女員工每人平均受訓時長

Gender 性別		Male 男	Female 女
Average Training Hours	平均時長	44	19

As there are more male than female employees in the Group, the number of male employees who have received training is also higher as compared to the female employees. Also, due to the business scope and working environment of the Group, project staff who work outdoors receive more training opportunities than the staff based in the office. Given that there are more male employees working on projects outdoors, the difference between the number of average training hours for male and female appear marked.

由於本集團男員工數量多於女員工數量，本集團培訓工作中，男女比例差異較大，且由於本集團業務範圍、工作環境等原因，野外工作的員工培訓時間應多於其他崗位員工，且野外工作的員工多為男性員工，因此，在本集團培訓工作中，男女員工的培訓時長有較大差異。

### (3) Labor Standards

The Group primarily implements and complies with the relevant laws and regulations including the "Labor Law of the People's Republic of China" and the "Labor Contract Law of the People's Republic of China" for the prevention of child labor and forced labor.

The Group strictly abides by relevant laws and regulations and conducts a rigorous inspection of the identity of employees during recruitment and employment to ensure that they are above 18 years old, in an effort to eliminate the employment of child labor or forced labor with in the Group. During recruitment, we enter into employment contracts with employees on the principle of equality and voluntarism and keep track of work performance to avoid any forced labor situations.

During the year ended December 31, 2018, the Group did not have any material violations of the relevant standards or rules.

### (三) 勞工準則

本集團在有關防止童工或強制勞工方面，主要執行《中華人民共和國勞動法》、《中華人民共和國勞動合同法》等相關法律法規。

本集團嚴格遵守相關法律、法規，在員工招聘、僱傭期間嚴格審核員工身份證、戶口等信息，遵循僱傭員工的年齡不低於18周歲的原則，杜絕僱傭童工的情況在本集團發生；於此同時，本集團堅決反對強制勞工，在招聘過程中，本著平等自願的原則與員工簽訂勞動合同，時時關注員工的工作狀況，避免強制勞工的情況在本集團發生。

截至二零一八年十二月三十一日止年度，本集團沒有發生嚴重違反相關準則、規則的情況。



# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

### II. ENVIRONMENT AND OCCUPATIONAL HEALTH 二、環境與安全保護

#### (1) Occupational Health and Safety

Since its establishment, the Group has placed great emphasis on health, safety and environmental protection management. It has adhered to the following core management principles: scientific management, health upmost, safety first, environmental protection prioritization and sustainable development. The Group is dedicated to the creation of a culture rigorous corporate safety culture and the establishment of a sound management system. Concurrently, the Group focuses on increasing employees' and contractors' attention towards safety and environmental protection during the production process, raising awareness and skills of employees and contractors on safety risks identification and awareness, accelerating clean production management and reducing the business's environmental impact.

During the year ended December 31, 2018, the Group's Daan oilfield's health, safety and environmental management system was endorsed by the auditors of the Beijing CNPC Certification Center, and has also passed its renewal audit.

The Group has consistently implemented and complied with the "Law of the People's Republic of China on Work Safety", "Law of the People's Republic of China on Prevention and Control of Occupational Diseases", "Provisions on the Supervision and Administration of Occupational Health at Work Sites", "Regulations Governing the Declaration of Projects with Occupational Hazards", "Regulations Governing the Supervision and Administration of Occupational Health Surveillance of Employers", "Interim Regulations Governing the Supervision and Administration of "Three Simultaneities" for Construction Projects", and national standards including "Technical Specifications for Occupational Health Surveillance", "Regulations on Labor Protection in Workplaces Where Toxic Substances Are Used", "Regulations on the Control over Safety of Dangerous Chemicals" and other relevant laws, regulations, rules, normative documents, national standards, industry standards and technical specifications in its provision of a safe working environment.

#### (一) 環境與安全

本集團自成立以來非常重視健康、安全、環保管理工作，堅持科學管理、健康至上、安全第一、環保優先、持續發展的核心管理方針；致力於創建良好的企業安全文化，建立較為完善的管理體系。同時，本集團注重提高員工與承包商在生產作業過程中對安全和環境保護的關注，提升員工與承包商對安全風險的防範意識與識別技能，並加速推進清潔生產管理工作，降低集團業務對環境構成的影響。

截至二零一八年十二月三十一日，本集團大安油田健康、安全、環境管理體系得到北京中油認證中心審核專家的一致認可，一次性通過北京中油認證中心體系換證審核。

本集團在有關提供安全生產工作環境和保障員工避免職業性危害方面，一貫執行並遵守《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》、《工作場所職業衛生監督管理規定》、《職業病危害項目申報辦法》、《用人單位職業健康監護監督管理辦法》、《建設項目〈三同時〉監督管理暫行辦法》及國家標準《職業健康監護技術規範》、《使用有毒物品作業場所勞動保護條例》、《危險化學品安全管理條例》等相關法律、法規、規章、規範性文件、國家標準、行業標準及技術規範。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

The Group strictly enforces the above laws, regulations, rules, regulatory documents, standards and technical specifications, strives to provide a safe work environment for all employees and also protects employees against occupational hazards. During the year ended December 31, 2018, the Group did not violate any relevant laws, regulations, rules, normative documents, standards and technical specifications. During the year ended December 31, 2018, the Group did not have any fatalities from work-related matters.

本集團嚴格執行上述法律、法規、規章、規範性文件、標準及技術規範，努力為全體員工提供安全工作環境及保障員工避免職業性危害。截至二零一八年十二月三十一日止年度本集團沒有發生嚴重違反相關法律、法規、規章、規範性文件、標準及技術規範的情況。截至二零一八年十二月三十一日止年度，本集團無員工因工作關係死亡。

Table 7: Safety Statistics of the Group

表7：本集團安全統計表

**(1) Projects in China:**

**(1) 中國項目**

Scope		Total work hours	Recordable incidents	Recordable incident rate	Lost time incidents	Lost time incident rate	Deaths
範圍		總工時	可記錄事件數	可記錄事件率	誤工事件數	誤工事件率	致死人數
Company staff	公司員工	2,354,628	0	0	0	0	0
External contractors	外部承包商	224,964	0	0	0	0	0

**(2) Project in Canada:**

**(2) 加拿大項目**

Scope		Total workhours	Recordable incidents	Recordable incident rate	Lost time incidents	Lost time incident rate	Deaths
範圍		總工時	可記錄事件數	可記錄事件率	誤工事件數	誤工事件率	致死人數
Company staff	公司員工	730,000	2	0.55	1	0.27	0
External contractors	外部承包商	728,000	4	1.10	0	0	0

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

The occupational health and safety measures, related implementation and monitoring methods adopted by the Group mainly include:

1. Establish an occupational health and safety management administration team which is staffed with full-time employees. The Group currently has 13 registered national safety engineers. Improve the safety production responsibility system, improve the occupational health management archive and management system, strengthen the basic management of occupational health and safety measures, strictly implement management policies, refine the management scope, and effectively avoid health and safety risks. During the year ended December 31, 2018, the Group organized multiple special inspections to continuously track and rectify any discovered problems.
2. Establish occupational health monitoring archives for employees of the Group, implement the occupational health notification system, regularly arrange occupational health examinations for staff and make corresponding work adjustments for employees that do not suit their particular position.
3. Provide employees with requisite occupational hazards precaution facilities and labor protection supplies based on the findings of occupational health assessment reports. Authorize a third party occupational disease prevention and control institution to regularly monitor and assess potential occupational health hazards of the Group, and evaluate the Group's occupational hazards protection measures and the efficacy of protection provided.
4. Provide work injury insurance, basic medical insurance, serious illness insurance for employees of the Group to fully protect their interests.

本集團所實施的職業健康與安全措施、相關執行與監察方法主要有：

1. 建立健全職業健康與安全措施管理機構，配備專職管理人員，目前本集團配有國家註冊安全工程師13人。完善安全生產責任制，完善職業健康管理檔案與管理制度，加強對職業健康與安全措施的基礎管理工作，嚴格執行各項管理制度，細化管理內容，有效規避健康與安全風險。截至二零一八年十二月三十一日止年度本集團多次組織專項檢查，對發現的問題持續進行跟蹤整改。
2. 建立集團員工職業健康監護檔案，落實職業健康告知制度，定期組織員工進行職業健康體檢，對不適合崗位的員工進行崗位調整。
3. 依據職業健康場所評價報告，為員工提供良好的職業病危害防護設施與勞動防護用品，並委託第三方職業病預防控制機構定期對集團的職業健康危害因素進行監測，對集團職業危害防護設施與防護效果進行評價。
4. 為集團員工提供工傷保險、基本醫療保險、大病保險，充分保障員工的利益。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

5. Since the Group is engaged in oil exploration and oil has certain dangerous and hazardous characteristics, such as combustion, explosion and secondary environmental pollution, the Group has paid special attention to emergency management and engaged experts to assess the sources of hazards and pollution of the Company; it has also developed contingency plans for major sources of hazards and key sources of pollution, and also regularly conducts emergency drills.

During the year ended December 31, 2018, the Group organized a number of practice emergency drills, to practice the implementation of plans such as “Emergency Plan for Fire and Explosion Accidents”, “Emergency Plan for Sudden Environmental Incidents”, “Comprehensive Plan for Flood and Drought Prevention”. Results of the practice emergency drills were evaluated for feasibility and any plans that were not applicable to the actual scenarios were revised.

### (2) Emissions

The emissions discharged during the development and production process of the Group’s projects mainly include: furnace heating exhaust gas and hazardous wastes (such as oil sludge, oil residuals and drilling muds generated during oil exploration). Such hazardous wastes are disposed of by service providers certified by environmental protection authorities.

Table 8: Waste Emission Data of Each Project of the Group

#### (1) Projects in China

		Natural Gas Consumption (WM <sup>3</sup> ) 實際用天然氣 (萬立方米)	Hazardous Waste Transferred (tonnes) 危廢轉移數量 (噸)	Water Consumption (WM <sup>3</sup> ) 用水量 (萬立方米)	Drilling Mud (M <sup>3</sup> ) 泥漿量 (立方米)	Power Consumption (WkW.h) 耗電量 (萬千瓦時)
Daan	大安	1,701.01	579.66	40.00	9,800	8,411.41
Total	合計	1,701.01	579.66	40.00	9,800	8,411.41

5. 因本集團為石油開採行業，石油具有一定的燃燒、爆炸及次生環境污染等危險特性，集團對應急管理工作特別重視，聘請專家對公司危險源與污染源進行評估，對重大危險源、重要污染源編製應急預案，定期組織員工對應急預案進行演練。

截至二零一八年十二月三十一日止年度，本集團組織《突發火災爆炸事故應急預案》演練、《突發環境事件應急預案》演練、《防洪、防汛綜合預案》演練等多項預案演練工作，通過演練結果，評價應急預案的可操作性，對不符合實際的環節進行修訂評估。

### (二) 排放物

本集團項目開發生產過程中排放廢棄物主要有：加熱爐廢氣及危險廢物（如石油開採過程中產生的油泥、油腳，鑽井廢棄泥漿），危險廢物均由環保部門認證的服務商環保處理。

表8：本集團各項目廢物排放數據

#### (1) 中國項目

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

### (2) Project in Canada

### (2) 加拿大項目

		Natural Gas Consumption (MM <sup>3</sup> ) 實際用天然氣 (萬立方米)	Hazardous Waste Transferred (M <sup>3</sup> ) 危廢轉移數量 (方)	Water Consumption (MM <sup>3</sup> ) 用水量 (萬立方米)	Drilling Mud (M <sup>3</sup> ) 泥漿量 (立方米)	Power Consumption (KkWh) 耗電量 (萬千瓦時)
Canlin	麒麟	28,775.43	1,263.62	49.25	0	14,594.42
Total	合計	28,775.43	1,263.62	49.25	0	14,594.42

Environmental protection measures and related implementation and monitoring methods adopted by the Group at present mainly include:

Underground environmental protection measures, cyclic utilization of drilling muds and other measures can reduce the amount of hazardous waste produced. Any hazardous waste generated will be disposed of and recycled by qualified units under the supervision of the local government environmental protection department.

Production wastewater passes through the sewage treatment plant for filtering and purification. Part of the purified water will be heated and enters into the pipeline for production while the rest will be injected underground to supplement the formation pressure, so as to achieve zero emission targets for waste water.

The Company chooses energy efficient furnaces that can use clean energy as the combustion material and the fuel used is natural gas, which mainly releases carbon dioxide and water vapor after combustion.

The Group entrusts third party organizations to regularly monitor the surface water, ground water, sewage, noise, soil within the operation boundary and monitor the environmental changes brought about by the production and development processes to the surrounding area.

目前本集團所採取的環境保護措施、相關執行與監測方法主要有：

井下環保作業措施、鑽井泥漿循環利用等可消減危險廢物產生量的措施。所產生的危險廢物經地方政府環保部門監督，全部交由有處置資質的單位進行回收再利用。

生產廢水經過污水處理裝置過濾淨化後，部分污水經加溫進入管道用於生產。另一部分經化驗合格後回注地下，補充地層壓力，污水達到零排放目標。

公司在加熱爐選用上，選用高效節能可利用清潔能源為燃燒原料的加熱爐，使用燃料為天然氣，天然氣燃燒後產生的廢氣主要成份為二氧化碳與水蒸汽。

集團委託第三方機構定期對運營邊界內的地表水、地下水、生活污水、噪聲、土壤等周邊環境進行監測，監測生產開發對周邊區域帶來的環境變化。



# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

The total amount of hazardous wastes of our projects in China generated during the year ended December 31, 2018 was 579.66 tons, approximately 90.84 tons less than that of 2017. The drilling mud wastes of projects in China produced in 2018 were 9,800M<sup>3</sup>; in 2018 about 17.0101 million M<sup>3</sup> of natural gas was used by Chinese projects of MIE group; and greenhouse gas emissions were about 3,875.64 tons.

The total amount of hazardous wastes of our projects in Canada generated in 2018 was about 1,263.62 m<sup>3</sup>, approximately 4,280.00 m<sup>3</sup> less than that in 2017. The drilling mud wastes produced in 2018 were zero cubic meters; the amount of sewage efflux is unknown; about 288 million cubic meters of natural gas was used; and greenhouse gas emissions were about 1,091,029.70 tonnes (CO<sub>2</sub>e).

In terms of emissions, projects in China mainly implemented and complied with the "Environmental Protection Law of the People's Republic of China", the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste", the "Law of the People's Republic of China on the Prevention and Control of Water Pollution", the "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution", the "Law of the People's Republic of China on Promotion of Cleaner Production", the "Law of the People's Republic of China on Environmental Impact Assessment", the "Catalog of State Hazardous Wastes", the "People's Republic of China's Emergency Response Law", the "Interim Regulations Governing the Sudden Environmental Emergency Contingencies", "China's Oil and Gas Production Enterprises Greenhouse Gas Emissions Accounting Methods and Reporting Guidelines (Trial)"; Canadian Projects mainly implemented and complied with the "Alberta Environment Protection and Enhancement Act", "AB Specified Gas Emitters Regulation", "AB Specified Gas Reporting Regulations", "Alberta Carbon Competitiveness Incentive Regulation", "BC Greenhouse Gas Industrial Reporting and Control Act", "BC Greenhouse Emission Gas Reporting Regulation", "Canadian Environmental Protection Act", "National Pollutant Release Inventory" and "ECCC Greenhouse Gas Reporting Program".

中國項目截至二零一八年十二月三十一日止年度產生危險廢物總量約579.66噸，同比二零一七年減少約90.84噸，年度產生鑽井廢棄泥漿約9,800方，使用天然氣約1,701.01萬立方米；溫室氣體排放約3,875.64噸。

加拿大項目二零一八年產生危險廢物總量約為1,263.62立方米，同比二零一七年減少約4,280立方米，年度產生鑽井廢棄泥漿量為零，年度廢水外排量未知，年度消耗天然氣量約為2.88億立方米，年度溫室氣體排放量約為1,091,029.70噸(CO<sub>2</sub>e)。

在排放物方面，中國境內項目主要執行並遵守《中華人民共和國環境保護法》、《中華人民共和國固體廢物污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國清潔生產促進法》、《中華人民共和國環境影響評價法》、《國家危險廢物名錄》、《中華人民共和國突發事件應對法》、《突發環境事件應急預案管理暫行辦法》、《中國石油天然氣生產企業溫室氣體排放核算方法與報告指南(試行)》，加拿大項目主要執行並遵守《阿爾伯塔環境保護與改善法案》、《AB Specified Gas emitters regulation》、《AB Specified Gas Reporting Regulations》、《阿爾伯塔競爭力獎勵條理》、《BC省溫室氣體工業報告和控制法》、《BC省溫室氣體排放報告條例》、《加拿大環境保護法》、《國家污染物排放清單》、《ECCC溫室氣體報告計劃》。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

### (3) Use of resources

The Group has strictly adhered to the "Energy Law of the People's Republic of China", the "Water Law of the People's Republic of China", the "Electricity Law of the People's Republic of China", the "Law on Energy Conservation of People's Republic of China"; whereas our Canadian project strictly implemented and complied with "Alberta Oil and Gas Conservation Act"; "Sakatchewan Oil and Gas Conservation Act"; "British Columbia Oil and Gas Activities Act" and "Canada Water Act".

Resource conservation is a fundamental requirement for the Group to implement scientific management, improve the economic efficiency of the Group and enhance the Group's core competitiveness. To this end, the Group has done a lot of work in 2018 surrounding business management, technological innovations and energy saving goals and has achieved satisfying results. Details are as follows:

During the year ended December 31, 2018, annual water consumption by our projects in the PRC was approximately 0.4 million tons; electricity consumption was approximately 84.1141 million kWh, whereas our projects in the PRC consumed 1.6660 million kWh less as compared to the year ended 31 December 2017.

The consumption of gasoline by our projects in the PRC was 167.35 tons in 2018; the consumption of diesel was 145.03 tons, 5.78 tons less than that of 2017.

Annual water consumption of Canlin project in Canada in 2018 was about 492,472.59 m<sup>3</sup>, consumption of gasoline was 905,181 liters in 2018; the consumption of diesel was nil tons.

### (三) 資源使用

本集團在有效使用資源(包括能源、水、及其他原材料)方面,中國項目嚴格遵守《中華人民共和國能源法》、《中華人民共和國水法》、《中華人民共和國電力法》、《中華人民共和國能源節約法》;加拿大項目嚴格執行《阿爾伯塔油氣保護法》、《薩省油氣保護法》、《BC省油氣保護法》、《加拿大水保護法》。

節約資源是本集團落實科學管理,提高集團經濟效益、增強集團核心競爭力的根本要求。為此,今年本集團圍繞企業經營管理、技術革新和節能降耗目標做了大量的工作,取得了較好的成效。具體情況如下:

截至二零一八年十二月三十一日止年度,大安年度耗水量約為40萬噸;耗電約為8,411.41萬千瓦時,大安項目同比二零一七年十二月三十一日止年度減少約166.60萬千瓦時。

大安項目二零一八年消耗汽油167.35噸,消耗柴油145.03噸,同比二零一七年減少5.78噸。

加拿大麒麟項目二零一八年消耗水492,472.59立方米,消耗汽油905,181升,消耗柴油量為零。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

Major measures and relevant implementation methods adopted by the Group in the use and conservation of resources include:

1. Establish a three-tier energy management network comprising a supervising manager, relevant department heads and entry-level personnel, formulate scientific and strict management of quantitative energy consumption, and have a good grasp on the basic assessment work.
2. Achieve high efficiency using technology and reduce energy consumption through technological advances.
  - (1) Usage of automatic control frequency systems, automatically analyze motor operation parameters, real-time adjustment of operation parameters, and achieve the aim of energy saving.
  - (2) Strengthen equipment management, e.g. adoption of high-performance motors; elimination of high-energy transformers; timely adjustment of balance rates and other measures to reduce power consumption.
  - (3) As for production wells with poor liquid supply capacity, optimize the production parameters, carry out intermittent production, suspend wells, shut down wells and implement other measures to reduce inefficient production rate.

目前本集團在資源使用及保護方面的主要措施、相關執行的方法有：

1. 建立由主管經理、相關部門負責人和基層人員的三級能源管理網絡，制定科學嚴謹的管理量化能耗定額，抓好基礎考核工作。
2. 向科技要效益，靠技術進步降能耗。
  - (1) 採用自動控制變頻系統，通過自動分析電機運行參數，實時調整運行參數，達到節能的目的。
  - (2) 加強設備管理，如：通過採用高效能電機；淘汰高耗能變壓器；及時調整平衡率等辦法，降低耗電量。
  - (3) 針對供液能力差的生產井，優化生產參數，採取間歇生產、停井、關井等模式，降低無效生產時率。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

Table 9: Energy Saving Statistics of Each Project of the Group

Statistics on Energy Conserving Compared to the Year Ended 31 December 2018

表9：本集團各項目節能數據統計

節能數據同比截至二零一八年十二月三十一日止年度

		Natural Gas (MM <sup>3</sup> ) 天然氣 (萬立方米)	Energy Conservation on Electricity (MkWh) 節電 (萬千瓦時)	Energy Conservation on Oil (tonnes) 節油 (噸)
Daan	大安	(10.86)	(166.60)	(5.78)
		(10.86)	(166.60)	(5.78)

Note: Canlin does not track or report any data related to energy conservation

The Group strictly observes relevant laws, regulations, rules and regulatory documents of the above mentioned countries and it did not and violate any abovementioned laws, regulations, rules regulatory documents in 2018.

附註：加拿大麒麟項目不報告節能數據。

本集團嚴格執行上述相關國家的法律、法規、規章、規範性文件，二零一八年度，集團沒有發生違反上述法律、法規、規章、規範性文件的情況。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

### (4) Environment and natural resources

The Group is an enterprise engaged in the oil exploration business which consumes mineral resources, land and other natural resources during the process of oil production. The Group abides strictly by the "Mineral Resources Law of the People's Republic of China", the "Land Administration Law of the People's Republic of China", the "Environmental Protection Law of the People's Republic of China", the "Canadian Environmental Protection Act, 1999 (CEPA)", the "National Energy Board Act" and other related laws, regulations and requirements. The Group aims to reduce its impact on the environment and natural resources via the following: make good use of natural resources, improve comprehensive recycling ability of natural resources, reduce the consumption of natural resources and all kinds of waste emissions.

The Group aims to establish the concepts of conserving resources, reducing waste emissions, protecting the ecological environment, increasing investment in new technology, formulating policies on improving the level of enterprise technology for comprehensive utilization of resources, technology innovation, energy conservation and emissions reduction, constantly promoting enterprise to improve resource utilization efficiency, environmental protection compliance in accordance with the laws and regulations, continual improving of the regional environment as well as improving sustainable health development.

### (四) 環境及天然資源

本集團為石油開採企業，在石油開採過程中會消耗礦產資源，佔用土地等天然資源。本集團嚴格按照《中華人民共和國礦產資源法》、《中華人民共和國土地管理法》、《中華人民共和國環境保護法》、《加拿大國家環境保護法》、《國家能源委員會法案》等相關法律法規要求，依法獲得、使用天然資源，不斷提高天然資源綜合回收循環利用能力，減少對天然資源的消耗和各類廢棄物排放，降低集團營運對環境和天然資源的重大影響。

集團致力於建立全員重視資源節約、減少廢棄物排放、保護生態環境的企業理念，加大對新技術、新工藝的投資力度提高企業工藝技術水平，制定綜合利用資源、技術迎新、節能減排的激勵政策和具體措施，不斷推動企業實現資源利用高效節約、環境保護依法合規，區域環境不斷得到改善的可持續健康發展之路。



# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

### III. OPERATIONAL PRACTICES

#### (1) Supply chain management

The Group continuously optimized its supply chain management and established a comprehensive management mechanism for supplier access, selection, review and withdrawal. As of December 31, 2018, the Group has established relationships with 399 suppliers comprising 173 Chinese suppliers and 226 overseas suppliers. The Group adopts a prudent attitude and strict standards on supplier selection. Not only do we value product quality, service level, business ethics, corporate reputation, but we also place importance on their social responsibility performance. At present, the Group's supply chain management is carried out in accordance with the "Contract Law of the People's Republic of China" and other laws of the countries where resources are located. The Group has updated and improved its "Policies Governing Tenders of MIE Holdings Corporation" which provides a unified basis and procedures for the selection and management of suppliers and contractors. The Group has developed four supply chain management modules centered on tender management, contract management, material management and supplier management. During the process, suppliers and contractors are provided with an opportunity for participation based on openness, fairness and transparency. The Group puts forward the requirements of honesty, trustworthiness, legal operation, due attention to health, safety and environmental protection for our suppliers and contractors during pre qualification, bidding, provision of products and services, and performance evaluation. At the same time, the Group also includes anti-bribery and anti corruption clauses into contract terms, creating a clean environment for supply chain management.

The Group implements a unified order system and makes purchases in accordance with the "Purchase Plan Order" issued by the material services department. The relevant order would cover the budget amount, material model, service contents and specific time requirements, which subsequently makes the completion of remaining steps in the supply chain more smooth and efficient.

### 三、營運慣例

#### (一) 供應鏈管理

本集團不斷優化供應鏈管理，建立了完整的供應商准入、使用、評審及退出的管理機制，截至二零一八年十二月三十一日建立合作關係的供應商達399家，其中中國企業173家，國外企業226家。對供應商的選擇採取審慎的態度和嚴格的標準，不僅看重其產品質量、服務水平、商業道德、企業信譽，更重視其履行社會責任的表現。目前集團供應鏈管理依照《中華人民共和國合同法》等資源所屬國法律開展。集團內部在管理上根據上述法律更新完善了《MI能源控股有限公司招標管理辦法》，為供應商、承包商選擇及管理提供了統一的依據和程序標準。形成了以招標管理、合同管理、物資管理、供應商管理為中心的四大供應鏈管理模塊。操作過程中為供應商、承包商提供了「公開、公平、透明」的參與機會。在供應商、承包商投標資格預審、參與投標、提供產品和服務、績效評價等環節，集團提出誠實守信、依法經營，關注健康、安全、環保的要求；同時，集團還將行賄、反貪污條款納入合同條款內，為供應鏈管理創建一個綠色環境。

本集團統一執行訂單制，即採購依據為物資服務發生部門申報的《採購計劃訂單》，訂單內容涵蓋採購預算金額、物資型號、服務內容及具體時間要求等，使後續供應鏈的完成更加順暢、高效。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

The Group selects vendors through tendering or price negotiations. During the procurement process, priority will be given to those suppliers that offer a more favorable price for a product of the same quality and also regular suppliers that have passed the Group's yearly examination.

Input from multiple departments is tapped during the acceptance inspection and quality control process to more effectively control the quality of goods and services. To confirm the quality of purchased goods, joint acceptance inspection is conducted by the procurement department and also the relevant department that will use the goods. This is supplemented by quality feedbacks during use. For service projects, the safety, environmental protection, production, supervision and other relevant departments will submit their feedback onsite. A timely feedback system is implemented to receive information feedback during the process. Feedback and processing results are filed for review and integrated into yearly business evaluations.

To guarantee the overall quality of its suppliers, the Group organizes an annual assessment of suppliers, based on their performance of contracts, standards and quality system certification, health, safety, environmental protection and other qualifications. The Group will issue warnings to or remove suppliers who have failed the assessment from its internal list. The Group implements a dynamic management system of registered suppliers and any supplier who demonstrates serious non-compliance during the business collaboration or fails the assessment will be dismissed.

### (2) Product responsibility

No information is disclosed in this report as the indicators are not applicable to the industry to which the Group belongs.

本集團通過招標或議價的方式選擇商家，在採購過程中「同質、同價」優先考慮與往年合作過且通過年度考核合格的商家。

為更有效的把控物資、服務的質量關，在驗收及質量控制環節採取多部門介入方式開展工作。物資類採用聯合驗收的方式確認物資質量，即入庫前採購部門及使用部門的聯合驗收及使用過程中的質量反饋。服務類工程各部門現場簽署本部門驗收意見，即安全、環保、生產、監理及相關專業部門意見。對於使用過程的信息反饋，實行適時反饋制度，且反饋及處理結果存檔備查，納入年度商家考評。

為保障供應商整體質量，集團每年組織供應商年度評審，主要關注其履約情況、標準和質量體系認證情況，健康、安全、環保資質的持證情況等。對評審不合格的供應商，本集團給予警示或清退。集團對庫內供應商實施動態管理，對合作過程中違規情節嚴重的或評審不合格的實施清退。

### (二) 產品責任

因本集團所屬行業不適用該類指標，因此不進行披露。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

### (3) Anti-corruption

In accordance with the “*Law of the PRC against Unfair Competition*” and “*The Basic Norms of Internal Control*”, the Group has formulated and implemented policies such as the “*Internal Audit System of MIE Holdings Corporation*”, the “*Audit System for Management Departures of MIE Holdings Corporation*”, and “*Special Audit (Interim) Policies of MIE Holdings Corporation*” and such policies have been in place since 2015 in order to standardize the operation and management of the Group, strengthen internal control and audit supervision, ensure the safety and integrity of the Group’s property and materials, and ensure the smooth achievement of the Group’s objectives, provide reasonable guarantees for use of objective, truthful and effective management information by all levels of management, ensure that the business activities of various departments and units are carried out in accordance with the operating principles and policies of the Group and reduce operational risks and improve performance.

Whistle blowing, as one of the sources of information in the audit plan, is set out as part of the “*Internal Audit System of MIE Holdings Corporation*”. Whistleblowing methods includes correspondences, visits, telephone calls and internet submissions and the abovementioned policy specifies the reporting hotline and email, and is distributed as a management policy among all employees for study and comprehension. During the year ended December 31, 2018, the Group did not receive any reports of crimes such as duty-related crimes, bribery, extortion, blackmail, fraud and money laundering. In accordance with the audit plan, the business operation department conducted a management investigation of correspondences and records, the expense management audit of Gobi Energy Company and other audits. It was found in the audit that the archive deadlines, archive directories, archive persons in charge and relevant ledgers needed to be improved upon, and the control exercised over expenses incurred or approved by the general manager of the project was insufficient. Relevant responsible persons and departments have been reorganized in line with the internal audit process for rectifications.

### (三) 反貪污

為了規範本集團的經營管理，加強內部控制與審計監督，保障集團財產物資的安全、完整，保證經營目標的順利實現，為集團各級管理部門使用客觀、真實、有效的經營管理信息提供合理保障，保證各部門、各單位的經營活動按照本集團的經營方針、政策進行，降低經營管理風險，提高績效，本集團根據《中華人民共和國反不正當競爭法》及《企業內部控制基本規範》規定，結合本公司實際，特制定了《MI能源控股有限公司內部審計制度》、《MI能源控股有限公司管理人員離任審計制度》、《MI能源控股有限公司專項審計(暫行)管理辦法》等制度，並於二零一五年以制度手冊彙編的形式下發。

其中舉報問責作為審計計劃的信息來源之一包含於《MI能源控股有限公司內部審計制度》中，舉報方式包含來信舉報、來訪舉報、電話舉報和網絡舉報四種方式，並於制度中明確了舉報電話和郵箱，以制度形式下發要求全體員工學習瞭解。截至二零一八年十二月三十一日止年度，本集團未收到職務犯罪、賄賂、勒索、欺詐及洗黑錢等違法犯罪行為的任何舉報，按照審計計劃，企業運營部進行了往來信函檔案管理調研、戈壁能源公司費用管理審計等審計工作，審計發現制度流程中關於歸檔期限、歸檔資料目錄、歸檔環節責任人及相關台賬還有待完善，集團對項目總經理費用管控存在漏洞，根據內部審計流程已組織相關責任人、責任部門進行了整改工作。

# Environmental, Social and Governance Report (Continued)

## 環境、社會及管治報告(續)

### IV. COMMUNITY PARTICIPATION

The Group takes an interest in the spiritual and cultural life of its employees and has organized a series of cultural and recreational activities from time to time including hiking, badminton, autumn outings and sports games which have been well received by employees. The Chinese New Year condolence activities were carried out and efforts were made to improve the working environment for staff through the provision of staff dormitories, a canteen, and an activity room and tea parties were held together with local villagers in villages where the Group has operations.

The Group has organized a series of cultural and recreational activities including corporate donations and volunteering at local food banks, homeless shelters and other local charities. The Group also has an active employee-led Social Committee that organizes events including Christmas Parties, Calgary Stampede events and other seasonal activities.

### 四、社區參與

本集團關心員工的精神文化生活，不定期組織了一系列文化娛樂活動，如爬山、羽毛球比賽、秋遊、趣味運動會等，得到了員工的廣泛響應。並開展春節慰問活動，著力改善員工工作環境、為員工提供員工宿舍、員工食堂、員工活動室，並與公司所在村莊居民舉行茶話會。

本集團在加拿大進行一系列文化娛樂活動，包括企業捐款和在當地的食物銀行、無家可歸者的收容所和其他當地的慈善機構做義工。本集團有一個積極的員工為主導的社會委員會，活動包括聖誕晚會組織、卡爾加里牛仔節和其他季節性活動。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

#### Overview

Notwithstanding concerns over the China-US trade war and uncertainties around international political and economic risks in 2018, the global economy recovered moderately and Chinese economy remained generally stable with good momentum for growth. The OECD crude inventories returned to their normal levels, oil prices rebounded rapidly in 2018. Although oil prices fluctuated significantly in the second half of the year, the annual average price of oil remained at a higher level in recent years. However, Canadian natural gas prices in 2018 experienced the lowest level which was not seen in the past decade. The gas prices plummeted in the first half of 2018 before rebounding in the second half. The annual average price remained at the lowest level that can be seen in recent years. In response to the complicated economic environment of bullish global crude oil prices and suppressed Canadian natural gas prices, the Group increased capital expenditure in Daan for new drillings and enhanced production on vintage well bores. In the meantime, the Group reduced capital expenditure on natural gas assets in Canada, implemented economic production cuts to reduce operational risk and improve financial performance. In consideration of the development strategy and working capital needs of the Group, the Group disposed of certain non-core assets in 2018. The disposals provided funding for the Group's working capital and partial repayment of outstanding debts.

During 2018, the gas and oil operational production and net production of the Group increased sharply compared with that of 2017. The Group's oil and gas production increased by 1.22 times to about 20.91 MMBOE compared with the amount of 2017. Net oil gas production increased by 1.73 times to about 18.45 MMBOE compared with the 2017. During the 2018, crude oil sales increased by 31.1% to approximately 3.12 million barrels from the 2017, while natural gas sales increased to 88,788 MMscf. Following the acquisition of Canlin in September 2017, the Group's oil and natural gas reserves, production capacity and sales were boosted substantially.

### 業務回顧

#### 概覽

二零一八年儘管對中美貿易戰爭端的擔憂以及國際政治經濟風險不確定因素增加，全球經濟溫和復甦，中國經濟保持總體平穩、穩中有進的發展態勢。經合組織國家的石油庫存水平已恢復到正常的水平，油價於年內不斷走高，雖然下半年油價波動較大，全年平均油價仍維持近年來的較好水平。然而二零一八年加拿大天然氣價格遇到多年未見的寒流，在上半年持續下行，雖然下半年氣價有所反彈，但全年平均氣價仍為近年來的最低水平。基於國際原油價格持續上升而加拿大天然氣價格低位徘徊的複雜經濟環境，本集團策略性地增加原油生產資本開支，適時地支持新鑽油井和老油井壓裂增產，同時降低加拿大天然氣項目資本開支，實施天然氣的經濟性減產，以降低集團經營風險，提高集團財務效益。基於集團發展戰略與集團資金需求的考量，二零一八年本集團處置了部分非核心資產。資產處置為集團的運營以及償還到期債務提供了資金支持。

二零一八年本集團的油氣作業產量、淨產量較之二零一七年均有較大幅度上升。二零一八年集團的油氣作業產量較之二零一七年增加1.22倍至約20.91百萬桶當量，油氣淨產量較之前期上升1.73倍至約18.45百萬桶當量。本集團的原油淨銷量較之前期上升31.1%至約3.12百萬桶，天然氣淨銷量達88,788百萬標準立方英尺。自二零一七年九月本集團收購麒麟能源，本集團的油氣儲量、產量、淨銷量均大幅提升。



# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

In 2018, the average realized crude oil price increased by 20.7% to US\$59.07 per barrel as compared with that of 2017, and the average realized natural gas price dropped to US\$1.28 per Mscf. In 2018, the revenue from China increased by 20.1% to RMB789.7 million as compared with 2017. In 2018, Loss for the year from the segments other than North America decreased by 12.2% to RMB832.3 million as compared with RMB948.1 million in 2017 and the respective loss per share was RMB0.29 in 2018. Loss for the year from North America segment increased by 140.0% to RMB363.5 million as compared with 2017 and the respective loss per share was RMB0.12 in 2018.

In 2018, the EBITDA of the Group from segments other than North America segment increased by RMB638.3 million to RMB136.1 million from negative RMB502.2 million in 2017 and the respective adjusted EBITDA increased by RMB137.2 million to RMB409.1 million.

In March 2018, the Group acquired the 10% foreign contractor's participating interest held by Global Oil Corporation ("**GOC**") under the PSC for each of the Daan oilfield and Moliqing oilfield ("**Daan PSC**" and "**Moliqing PSC**").

In August 2018, the Group disposed of the entire issued share capital of Condor.

In the first half of 2018, the Group disposed of certain oil and gas reserves and infrastructures, including gathering pipelines and an operated gas plant, in the Carrot Creek and Cyn Pem fields located in central Alberta, Canada.

二零一八年平均實現原油價格比二零一七年上升20.7%至59.07美元／桶，平均實現天然氣價格下降至1.28美元／千標準立方英尺。二零一八年本集團來自中國的收入較二零一七年增長20.1%至人民幣7.897億元。二零一八年，除北美業務分部外，本集團其他業務分部共錄得淨虧損較二零一七年9.481億元減少12.2%至人民幣8.323億元，相關的每股虧損為人民幣0.29元；北美業務分部錄得淨虧損較二零一七年擴大140.0%至人民幣3.635億元，相關的每股虧損為人民幣0.12元。

本集團來自除北美分部外的其他業務分部的EBITDA由二零一七年的人民幣負5.022億元增長人民幣6.383億元至人民幣1.361億元，經調整的EBITDA增長人民幣1.372億元至人民幣4.091億元。

本集團於二零一八年三月收購了澳大利亞環球石油公司(以下簡稱「環球石油」)持有的基於產品分成合同的大安油田及莫里青油田的外國合同者的10%分成權益。

二零一八年八月本集團售出所持有的Condor公司全部股權。

二零一八年上半年，麒麟能源處置了位於加拿大阿爾伯塔省中部Carrot Creek及Cyn Pem油田之油氣儲量及相關基礎設施，包括集輸管道及一個天然氣處理廠。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

In the second half of 2018, the Group disposed of certain oil and gas reserves and infrastructure, including collection facilities and pipelines, in the Spirit River in the northwestern part of Alberta, Canada.

On September 24, 2018, the Group announced that it would dispose of Canlin Energy and its oil and gas assets in Canada through the disposal of all the issued shares in Maple Marathon the parent company of Canlin Energy, at a consideration of US\$250,000,000 (equivalent to approximately HK\$1,961,950,000). As the transaction had not yet been completed, all assets under this item were classified as discontinued operations.

Following the acquisition and divestment exercises of the Group during 2018, based on the year-end 2018 oil and gas reserves and resources estimate prepared by independent consultants, the Group's Proved +Probable oil and gas reserves were 338.70 MMBOE, a 15% decrease from year-end 2017. The decrease in the Group's Proved +Probable oil and gas reserves was due to the disposal of oil and gas assets by the Group.

As of December 31, 2018, except for the thousands of production wells belonging to Canlin Energy, the Group operated a total of 2,392 wells, all of which are located in China. Due to the disposal of oil and gas assets and the optimization of personnel, the total headcount of the Group decreased from 1,495 as of December 31, 2017 to 1,385 as of December 31, 2018.

二零一八年下半年，本集團處置了位於加拿大阿爾伯塔省西北部 Spirit River 地區的若干油氣儲備及基礎設施，包括收集設施及管道。

於二零一八年九月二十四日，本集團發佈公告擬通過出售麒麟能源母公司 Maple Marathon 全部已發行股份，處置麒麟能源及所屬加拿大的油氣資產，代價為 250,000,000 美元（相當於約 1,961,950,000 港元）。由於此交易尚未正式交割，相關資產被歸類為集團終止經營項目。

本集團收購及出售項目後，基於獨立技術顧問對於二零一八年底油氣儲量及資源量所做的評估，本集團淨探明+概算油氣儲量為 338.7 百萬桶當量，相比二零一七年底下降 15%。淨探明+概算油氣儲量總量的下降主要是由於本集團處置部分油氣資產所致。

截至二零一八年十二月三十一日，除麒麟能源生產井外，本集團的作業井數為 2,392 口，均位於中國境內。由於油氣資產的出售以及人員優化調整，集團總人數從二零一七年底的 1,495 人下降至二零一八年底的 1,385 人。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

The following table provides a recap of the Group's key operational metrics and product prices for 2018:

以下是本集團二零一八年全年的關鍵運營數據：

		2018 二零一八年	2017 二零一七年	% Change 變化比例	2018 Guidance 二零一八年指引
Average Daily Gross Production (BOE/day)	日均油氣總產量(桶當量/天)	57,770	64,664	-10.7%	
Average Daily Net Production (BOE/day)	日均油氣淨產量(桶當量/天)	50,720	57,297	-11.5%	52,327-56,397
Average Daily Net Oil Production (barrels/day)	日均原油淨產量(桶/天)	8,777	9,745	-9.9%	
Average Daily Net NGL Production (barrels/day)	日均天然氣凝析液淨產量(桶/天)	1,399	1,690	-17.2%	
Average Daily Net Gas Production (Mscf/day)	日均天然氣淨產量(千立方英尺/天)	243,260	275,170	-11.6%	

Notes:

說明：

- (1) For reference purpose only, barrels of oil equivalent ("BOE") is calculated using the conversion factor of six Mscf of natural gas being equivalent to one barrel of oil
- (2) Gross Production means total production from all assets of the Group
- (3) Net Production means entitled production from all assets of the Group

- (1) 此處桶當量基於6千標準立方英尺天然氣=1桶原油的換算比例進行計算，僅供參考為目的
- (2) 總產量 = 本集團在各項目中的總產量
- (3) 淨產量 = 本集團在各項目中的淨收益產量

The following table is the summary of the expenditures incurred in our exploration, development and production activities for 2018:

以下是本集團二零一八年度發生的勘探、開發及生產支出的匯總數據：

(millions of RMB) 人民幣百萬元		Exploration expenditures 勘探支出	Development expenditures 開發支出	Production/ operating expenditures 生產成本
China Onshore Projects (Daan, Moliqing)	中國陸地項目(大安、莫里青)	-	103	160
Canada (Canlin Energy)	加拿大	-	168	1,001
Total	合計	-	271	1,161

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Review of Operations by Segment

#### China Operations (Daan, Moliqing, South China Sea)

By increasing capital expenditures, drilling new wells and fracturing old wells, our projects in northeastern China maintained a relatively high level of production. In March 2018, the Group completed the acquisition of 10% participating interest in the foreign contractors' entitlement and obligations under the Daan PSC and Moliqing PSC from GOC, and currently holds a 100% and 10% participating interest in Daan PSC and Moliqing PSC, respectively. During 2018, the total gross operated production for Daan and Moliqing decreased by 7.3% from 4.65 million barrels in 2017 to 4.31 million barrels in 2018. Total net production allocated to the Group decreased by 6.5% from 1.98 million barrels in 2017 to 1.85 million barrels in 2018. During 2018, the gross operated production per day decreased by 4.4% to 12,248 barrels/day ("BOPD") as compared to 2017, and net production per day allocated to the Group decreased by 4.1% to 5,230 BOPD. With the recovery of international crude oil prices, the average oil price of Daan and Moliqing increased by 32.1% from US\$48.89 per barrel in 2017 to US\$64.56 per barrel in 2018. Based on rising oil prices, there were 28 vertical wells drilled in Daan in 2018. The total length of wells was 56,400 meters, and the average length per well was about 2,014 meters. Fracturing is one of the effective ways to enhance production of oil wells, the rapid increasing oil prices in the first half of 2018 prompted the Company to accelerate the acid fracturing of existing low-yield old oil wells to increase production of old wells. Direct lifting costs for Daan and Moliqing increased by US\$3.89/barrel, or 45.9%, from US\$8.48/barrel for 2017 to US\$12.37/barrel for 2018. EBITDA per barrel for Daan and Moliqing increased by US\$11.57/barrel, or 33.7%, from US\$34.38/barrel for 2017 to US\$45.95/barrel for 2018. The increase in EBITDA per barrel was primarily due to the rise in average realized oil price.

### 分區域業務運營回顧

#### 中國業務(大安、莫里青、南海項目)

通過增加油田項目資本開支，推進新鑽油井和老油井壓裂，大安項目依然保持著較高的產量水平。本集團於二零一八年三月向環球石油收購了大安油田及莫里青油田的外國合同者10%權益。目前本集團分別持有大安油田100%和莫里青油田10%的外國合同者權益，並履行在大安油田和莫里青油田產品分成合同下的權利和義務。二零一八年，本集團位於中國的大安、莫里青兩個原油項目總的作業產量較之二零一七年同期4.65百萬桶減少7.3%至4.31百萬桶。歸屬於本集團的份額原油產量較之二零一七年同期1.98百萬桶減少6.5%至1.85百萬桶。與二零一七年相比，二零一八年日均作業產量僅下降4.4%至12,248桶，日均淨產量下降4.1%至5,230桶。隨著國際原油價格的回升，大安和莫里青項目二零一八年平均實現油價較二零一七年的48.89美元/桶上升32.1%至64.56美元/桶。基於油價回升的考慮，大安項目在二零一八年鑽井28口，全部為直井，總鑽井進尺為56,400米，單井平均鑽井進尺約為2,014米。壓裂是提高油井產量的有效途徑之一，二零一八年上半年油價快速上漲，促使公司加快進行壓裂以提高老井產量，大安項目的直接採油成本從二零一七年的8.48美元/桶上升3.89美元/桶，或者45.9%至二零一八年12.37美元/桶。大安和莫里青項目調整後的桶油EBITDA從二零一七年的34.38美元上升11.57美元，或者33.7%至二零一八年的45.95美元。桶油EBITDA上升的主要原因在於平均實現油價的大幅上升。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

By the end of 2018, the Group held a 34% interest in South China Sea Project. The oilfield development feasibility study report was reviewed by China National Offshore Oil Corp. (“CNOOC”) in July 2018 and the Overall Development Plan (“ODP”) was completed in December 2018. The successful development of the block would help the Group in gaining experiences in offshore petroleum operation.

### North America Operations

#### • **Canada (Canlin Energy, Journey)**

As at the end of 2018, the Group held 100% of the total issued common shares of Canlin Energy. In the first half of 2018, natural gas prices in Canada plummeted, the price of Canadian AECO natural gas reached its lowest level in recent years in June. Although the gas price rebounded after entering the winter season, it was still at a low level as compared to recent years. Canlin Energy implemented natural gas economic production cuts, reduced capital expenditures, shut down some uneconomic natural gas production facilities and reduced uneconomic gas production to cope with the depressed gas prices.

As of the end of 2018, Canlin Energy’s Proved + Probable reserves were 286.62 MMBOE, accounting for 84.6% of the Group’s total reserves. During 2018, the net oil and gas production of Canlin Energy was 16.59 MMBOE, accounting for 89.9% of the Group’s total net production for the year. Canlin Energy produced 45,465 BOPD, of which natural gas and NGL accounted for about 92.2%, and crude oil accounted for about 7.8%. Of the daily production of 45,465 barrels, crude oil was 3,524 barrels, NGL was 1,399 barrels, and natural gas was 243.3 MMscf.

截至二零一八年底本集團在南海項目擁有34%的權益。油田開發可研報告已於二零一八年七月通過中海油總公司審查，總體開發方案也於二零一八年十二月完成了專家審查。該區塊的成功開發，將為本集團在海上油田的操作積累很好的經驗。

### 北美業務

#### • **加拿大(麒麟能源, Journey)**

截止二零一八年末，本集團持有麒麟100%普通股股權。二零一八年上半年加拿大天然氣價格持續走低，加拿大AECO天然氣價格在六月達到近年來最低值，儘管氣價在入冬後有所反彈，但仍處於近年來的低位。麒麟能源實施天然氣經濟性減產，縮減資本開支，關閉部分不經濟的天然氣生產設施或主動減少不經濟的天然氣產量，以應對低迷的氣價。

截至二零一八年底麒麟能源淨探明+概算儲量為286.62百萬桶當量，佔本集團總儲量84.6%。二零一八年麒麟能源油氣淨產量為16.59百萬桶當量，佔本集團全年淨產量89.9%。麒麟能源日產油氣45,465桶當量，其中天然氣及天然氣凝析液佔比約92.2%，原油佔比約7.8%。日產原油3,524桶，日產天然氣凝析液1,399桶，日產天然氣243.3百萬立方英尺。



# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

On September 24, 2018, in consideration of the Group's development strategy and funding needs, the Group and Far East Energy entered into the Disposal Agreement, the Group disposed of the oil and gas assets in Canada by selling all of the shares in Maple Marathon. The free cash flow contributed by the disposal will be critical to support the development and operation of the Group.

Due to the development strategy of the Group, the Company fully divested its equity stake in Journey Energy Inc. in August 2018.

- **USA (Condor)**

In the United States, the Group operated Niobrara shale oil field asset through the subsidiary, Condor. The Group disposed of all the equity interest in Condor in August 2018.

### **Kazakhstan Operations (Emir-Oil)**

In Kazakhstan, we hold a 40% interest in Emir-Oil, which holds four production contracts and one exploration contract covering the Aksaz, Dolinnoe, Emir and Kariman producing oilfields. With the recovery in oil prices, as at the end of 2018, Emir-Oil had a total of 27 production wells. The daily production of crude oil in 2018 increased by 18.5% from 2,396 barrels per day in 2017 to 2,840 barrels per day.

基於集團發展戰略及資金需求的考量，於二零一八年九月二十四日，本集團與 Far East Energy 訂立股份購買協議，通過出售全部 Maple Marathon 股份完成對加拿大油氣資產的處置。此項非常重大出售事項為集團所貢獻的自由現金流對於支持其他項目的開發和運行至關重要。

出於集團發展戰略考量，二零一八年八月本集團已處置所持有的加拿大 Journey 能源公司全部股權。

- **美國 (Condor)**

本集團通過美國的子公司 Condor 經營 Niobrara 頁岩油資產。二零一八年八月本集團已處置所持有的 Condor 全部股權。

### **哈薩克斯坦業務 (Emir-Oil)**

本集團持有哈薩克斯坦境內的 Emir-Oil 項目 40% 權益，該項目持有四個生產合同和一個勘探合同，涵蓋 Aksaz, Dolinnoe, Emir 和 Kariman 油田。隨著油價的回升，截至二零一八年末，Emir-Oil 項目生產井共計 27 口，二零一八年原油日產量比二零一七年的每天 2,396 桶上升 18.5% 至每天 2,840 桶。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Review of Reserves

The Group's net reserves for 2018 year-end were lower compared to 2017 year-end primarily driven by the divestment of certain of our non-core assets. Highlights of the Group's 2018 year-end reserves are as follows:

1. Overall, the Group's total net Proved ("1P") oil and gas reserves decreased by 17% to 213 million ("BOE", where 1 BOE = 6,000 cubic feet gas), total net Proved + Probable ("2P") oil and gas reserves decreased by 15% to 339 million BOE, and total net Proved + Probable + Possible ("3P") oil and gas reserves decreased by 15% to 366 million BOE<sup>(Note)</sup>.
2. The Group's net 1P oil reserves for 2018 decreased by 19% to 24.97 million barrels, while 2P net oil reserves decreased by 11% to 53.3 million barrels and 3P net oil reserves decreased by 14% to 74.26 million barrels respectively, reflecting the combined impact of the production related decrease of Canlin and Daan oilfield, the divestment of certain non-core assets, and partially offset by positive revisions of Emir-Oil reserves and the acquisition of 10% participating interest in the Daan oilfield.
3. Canlin's 1P and 2P reserves were 193 million BOE and 287 million BOE respectively at the year end of 2018 and these reserves represented 90% and 85% of the Group's net 1P and 2P reserves on BOE basis, of which approximately 90% was natural gas and the balance crude oil and NGL.
4. Based on the 2018 year-end reserves estimates reviewed by independent consultants, the Group's 2P net present value, before tax and discounted at 10% ("NPV10") was approximately US\$1.7 billion, which represented 13% decrease from the reported 2017 year-end 2P NPV10 value of US\$1.965 billion.

*Note:*

As per industry practice, exploration & production companies in Canada do not prepare or disclose possible reserves and Canlin have followed the same approach. Accordingly, the Group's total 3P reserves only include the 2P reserves of Canlin.

### 儲量回顧

由於出售部分非核心資產，本集團於二零一八年末之油氣儲量的評估結果相比二零一七年末有所下降，以下是此次評估的要點：

1. 與二零一七年末相比，本集團於二零一八年末折合成桶當量的淨探明(1P)油氣儲量減少17%至2.13億桶當量(1桶當量=6,000立方英尺氣)，淨探明+概算(2P)油氣儲量減少15%至3.39億桶當量，淨探明+概算+可能(3P)油氣儲量減少15%至3.66億桶當量<sup>(附註)</sup>。
2. 由於Emir-Oil儲量的正向調整和大安油田10%的參與權益的收購等綜合因素，部分抵銷了由於麒麟和大安油田的當年原油產出和出售部分非核心資產導致的儲量下降的影響。二零一八年末本集團淨1P原油儲量較二零一七年末下降19%至2,497萬桶，2P原油儲量較二零一七年末下降11%至5,330萬桶，3P原油儲量較二零一七年末下降14%至7,426萬桶。
3. 於二零一八年末，本集團於麒麟擁有的淨1P和2P油氣儲量分別為1.93億桶當量和2.87億桶當量，在集團1P和2P油氣淨儲量中所佔比例分別為90%和85%，其中約90%為天然氣，其餘為原油和NGL。
4. 根據獨立顧問評估的結果，若按照10%貼現率進行計算，本集團於二零一八年末2P油氣儲量的稅前淨現值(「NPV10」)約為17億美元，較之二零一七年末的19.65億美元下降了13%。

*附註：*

加拿大的石油公司通常不計算或披露可能級別的儲量，麒麟也遵循同樣的做法。因此本集團的3P儲量僅包括麒麟的2P儲量。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

The following were the prices used to determine the reserves at the year-end of 2017 and 2018:

以下是確定二零一七年末及二零一八年末儲量所用的價格：

Segment 區域	Basin 盆地	2018 二零一八年末	2017 二零一七年末
China — Gobi Energy	Songliao	Escalated price profile based on price projections published by Sproule for WTI Crude. An average differential for January to December of 2018 between WTI Cushing Spot and Daqing of –US\$1.00 was used. The differential is assumed to remain constant in the future.	Escalated price profile based on price projections published by Sproule for WTI Crude. An average differential for 2017 January to November between WTI Cushing Spot and Daqing of –US\$2.16 was used. The differential is assumed to remain constant in the future.
中國 — 戈壁	松遼	按照 Sproule 公佈的 WTI 原油價格預測。採用二零一八年一至十二月 WTI 庫欣交貨點和大慶原油價格平均差 –1.00 美元。該差別假定在未來保持不變。	按照 Sproule 公佈的 WTI 原油價格預測。採用二零一七年一至十一月 WTI 庫欣交貨點和大慶原油價格平均差 –2.16 美元。該差別假定在未來保持不變。
China — Petrobroad Copower	Pearl River Estuary	Escalated price profile based on price projections published by Sproule for Brent oil. The discount between Brent oil and Area 28/03 oil sales price is US\$6.2 per barrel in the year of 2019 with 2% increase annually.	
中國 — 博道長和	珠江口	按照 Sproule 公佈的 Brent 原油價格預測。假設二零一九年 Brent 原油和 28/03 區域原油差價 6.2 美元／桶並且該差別二零一九年後每年增長 2%。	

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

Segment 區域	Basin 盆地	2018 二零一八年末	2017 二零一七年末
Kazakhstan — Emir-Oil	Mangistau	Export oil at escalated price profile based on price projections published by GCA for Brent Crude which has been estimated to be US\$41.58/ Stock Tank Barrel in 2019. Domestic oil price is estimated to be US\$23.89/Stock Tank Barrel in 2019. Domestic gas price US\$0.59/Mscf has been utilized for solution gas sales and assumed to be constant throughout the report.	Export oil at escalated price profile based on price projections published by GCA for Brent Crude which has been estimated to be US\$51.31/ Stock Tank Barrel in 2018. Domestic oil price is estimated to be US\$13.67/Stock Tank Barrel in 2018. Domestic gas price US\$0.62/Mscf has been utilized for solution gas sales and assumed to be constant throughout the report.
哈薩克斯坦 — Emir-Oil	Mangistau	外銷原油價格按GCA公佈的布倫特原油逐步增長的價格預期，二零一九年外銷油價為41.58美元/桶。二零一九年內銷油價為23.89美元/桶。內銷氣價按0.59美元/千立方英尺，在報告中保持恒定。	外銷原油價格按GCA公佈的布倫特原油逐步增長的價格預期，二零一八年為外銷油價51.31美元/桶。二零一八年內銷油價為13.67美元/桶。內銷氣價按0.62美元/千立方英尺，在報告中保持恒定。
Canada — Canlin	Western Canadian	Escalated price profile based on price projections published by Sproule. Canadian Light Sweet Crude 40° API oil price is estimated to be C\$75.27/ barrel in 2019. Alberta AECO-C Spot gas price is estimated to be C\$1.95/ MMBtu in 2019.	Escalated price profile based on price projections published by Sproule. Canadian Light Sweet Crude 40° API oil price is estimated to be C\$65.44/ barrel in 2018. Alberta AECO-C Spot gas price is estimated to be C\$2.85/ MMBtu in 2018.
加拿大 — 麒麟	加拿大西部	按Sproule公佈的逐步增長價格預測。二零一九年加拿大40°API輕質原油價格為75.27加元/桶，二零一九年 Alberta AECO-C Spot的氣價為1.95加元/百萬英熱單位。	按Sproule公佈的逐步增長價格預測。二零一八年加拿大40°API輕質原油價格為65.44加元/桶，二零一八年 Alberta AECO-C Spot的氣價為2.85加元/百萬英熱單位。
Note: (i) WTI — West Texas Intermediate (ii) GCA — Gaffney, Cline & Associates (iii) API — American Petroleum Institute (iv) MMBtu — Million British Thermal Units			附註：(i) WTI — 美國德克薩斯輕質原油 (ii) GCA — Gaffney, Cline & Associates 公司 (iii) API — 美國石油協會 (iv) MMBtu — 百萬英熱單位

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### 2019 Guidance

The following is our preliminary guidance for 2019. The Group will closely monitor the situation and may revise work program as warranted in a timely manner, based on changes in oil prices. We believe it is very important to maintain a high degree of flexibility in order to ensure the stability and profitability of our business in this current volatile oil price environment.

### 二零一九年指引

以下是本集團二零一九年度的初步指引，我們會適時地根據國際油價的變化調整我們的工作計劃。我們相信保持這樣的靈活度對於保障本集團安全平穩運營及盈利能力非常重要。

	Interest (%)	Numbers of Wells (net)	Group Net Capex Investment (millions of US\$)	Net production
	權益 (%)	鑽井數量(口)	集團資本開支投資淨額 (百萬美元)	淨產量
China Onshore Projects (Daan, Moliqing)	Daan foreign contractor 100%	29	29 (Note 1)	5,400–5,700 BOPD
— Crude oil	Moliqing foreign contractor 10%		(附註1)	5,400–5,700桶/天
中國陸上項目 (大安、莫里青)	大安外國合同者 100%			5,400–5,700 BOPD
— 原油	莫里青外國合同者 10%			5,400–5,700桶/天
Canada (Canlin)	100%		18	39,433–43,283 BOE/day
— Crude oil & NGL	(Note 2)		(Note 3)	2,900–3,500 BOPD
— NGL	(附註2)		(附註3)	700–950 BOPD
— Natural gas				215,000–233,000 Mscf/day
加拿大(麒麟能源)				39,433–43,283桶當量/天
— 原油				2,900–3,500桶/天
— 天然氣凝析液				700–950桶/天
— 天然氣				215,000–233,000千立方英尺/天
Group Total 集團總計		29	47	44,833–48,983 BOE/day 44,833–48,983桶當量/天

#### Notes:

- (1) The capital expenditures of China Onshore Projects contemplates drilling (mainly network fracturing), transforming oil wells to water injection wells, hole filling fracturing, ground engineering and equipment procurement.
- (2) The Group holds 100% common shares of Canlin Energy.
- (3) The net capital expenditure budget of Canlin Energy for the year of 2019 (twelve months basis) is US\$18 million.

#### 附註：

- (1) 中國陸上項目資本性支出包括新井投資(主要為縫網壓裂井)、油井轉注、補孔壓裂、地面工程、設備購置等。
- (2) 本集團持有麒麟能源普通股的比例為100%。
- (3) 麒麟能源二零一九年全年(按十二個月計算)資本開支投資淨額為1,800萬美元。



# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### FINANCIAL RESULTS

The assets and liabilities relating to Maple Marathon group have been presented as held for sale following the approval of the Group's management team as at December 31, 2018. The completion date for the transaction is expected to be within 2019. The financial results from Maple Marathon group were recorded as a loss from discontinued operations.

#### Continuing operations

##### Revenue

The Group's revenue generated from sales of oil and gas products and provision of services.

The Group's revenue generated from sales of oil and gas was entirely contributed by our China oil field, which increased by RMB133.8 million, or 20.5%, from RMB653.0 million in 2017 to RMB786.8 million in 2018. This increase was mainly due to the increase of oil price, and the average realized oil price was US\$64.56 per barrel in 2018, as compared to US\$48.89 per barrel in 2017.

The Group's revenue from rendering of services was RMB2.9 million for 2018.

##### Depreciation, depletion and amortization

The Group's depreciation, depletion and amortization decreased by RMB20.7 million, or 5.9%, from RMB350.0 million in 2017 to RMB329.3 million in 2018. The decrease in depreciation, depletion and amortization was mainly due to (i) the reduction of net asset value, assets depreciation, depletion and amortization of Gobi Energy Limited decreased by 10.6 million, from RMB292.8 million in 2017 to RMB282.2 million in 2018; (ii) sale of Riyadh Energy Limited in October 2017 incurred depreciation, depletion and amortization of RMB55.9 million in 2017; and (3) offset by the purchase of 10% foreign participating interest under the PSC for Daan and Moliqing oilfields, which incurred depreciation, depletion and amortization of RMB45.8 million in 2018.

### 經營業績

經本集團管理層批准，截至二零一八年十二月三十一日，與Maple Marathon集團有關的資產和負債已列報為持有待售。該項交易預計在二零一九年以內完成。與Maple Marathon集團相關的經營業績於二零一八年十二月三十一日作為終止經營處理。

#### 持續經營

##### 收益

本集團收益主要來自於銷售石油和天然氣產品及提供服務。

本集團的油氣銷售收益均來自中國油田，由二零一七財務年度人民幣6.530億元增加人民幣1.338億元或20.5%至二零一八財務年度人民幣7.868億元。增長主要是由於油價上漲，二零一八財務年度平均實現油價為每桶64.56美元，而二零一七財務年度為每桶48.89美元。

二零一八財務年度本集團來自於提供服務的收入為人民幣290萬元。

##### 折舊、耗損及攤銷

本集團的折舊、耗損及攤銷由二零一七財務年度人民幣3.500億元減少人民幣2,070萬元或5.9%至二零一八財務年度人民幣3.293億元。折舊、耗損及攤銷減少主要由於：(i) 資產淨值減少，戈壁的折舊、耗損及攤銷由二零一七財務年度人民幣2.928億元減少1,060萬元至二零一八財務年度人民幣2.822億元；(ii) 二零一七年利雅得能源公司的處置，其於二零一七財務年度產生折舊、耗損及攤銷人民幣5,590萬元。被購買莫里青油田和大安油田10%的外國承包商參股權益所抵銷，該參股權益於二零一八財務年度發生折舊、耗損及攤銷人民幣4,580萬元。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Taxes other than income taxes

The Group's taxes other than income taxes increased by RMB4.7 million, or 33.1%, from RMB14.2 million for 2017 to RMB18.9 million for 2018. For taxes other than income taxes for 2018 and 2017, see Note 4.

### PRC

The Ministry of Finance of the PRC announced that the threshold of the special oil income levy was revised from US\$55 per barrel to US\$65 per barrel with effect from January 1, 2015. Since the realized oil price exceeded US\$65 per barrel in some months of 2018, which had exceeded the threshold, a special oil levy of RMB5.32 million was incurred.

### Corporate and other segments

#### Withholding Tax and others

Withholding tax represents accrual of withholding tax on interest charged on intercompany loans.

#### Employee compensation costs

The Group's employee compensation costs increased by RMB34.5 million, or 28.5%, from RMB121.2 million for 2017 to RMB155.7 million for 2018. The increase in employee compensation costs was primarily due to the grant of new share award incurring expense of RMB50.3 million which was partially offset by the reduction of total number of employees in 2018.

#### Purchases, services and other expenses

Our purchases, services and other expenses increased by RMB39.6 million, or 40.2%, from RMB98.4 million for 2017 to RMB138.0 million for 2018. The increase was primarily due to re-fracturing. In view of rising oil price in 2018, the Company decided to increase oil production by re-fracturing which rendered downhole operating cost increasing from RMB16.7 million in 2017 to RMB48.5 million in 2018. A total of 101 wells were re-fractured in 2018, while only seven wells were refractured in 2017.

### 稅項(所得稅除外)

本集團的稅項(所得稅除外)由二零一七財務年度人民幣1,420萬元增加人民幣470萬元或33.1%至二零一八財務年度為人民幣1,890萬元。截至二零一八年十二月三十一日及二零一七年十二月三十一日的稅項(所得稅除外)見附註4。

### 中國

中華人民共和國財政部發佈通知修訂石油特別收益金徵稅的稅基從55美元/桶提高到65美元/桶，自二零一五年一月一日生效。由於二零一八財務年度某些月份的實現油價超過每桶65美元，超過了起徵點，因此二零一八財務年度產生了石油特別收益金費用532萬元。

### 總部及其他分部

#### 代扣代繳稅及其他

代扣代繳稅指就公司間貸款利息應計提的代扣代繳稅。

#### 員工薪酬成本

本集團的員工薪酬成本由二零一七財務年度的人民幣1.212億元增加人民幣3,450萬元或28.5%至二零一八財務年度的人民幣1.557億元。員工薪酬成本增加主要由於授予新股份獎勵支出人民幣5,030萬元；另外二零一八財務年度人員總數的減少抵銷了部分增長。

#### 採購，服務及其他費用

本集團的採購，服務及其他費用由二零一七財務年度的人民幣9,840萬元增加人民幣3,960萬元或40.2%至二零一八財務年度的人民幣1.380億元。增加的主要原因是重複壓裂。鑒於二零一八財務年度油價上漲，集團決定通過重複壓裂來增加石油產量，這使得井下作業成本從二零一七財務年度的人民幣1,670萬元增加到二零一八財務年度的人民幣4,850萬元。二零一八財務年度有101口井實施了重複壓裂，而二零一七財務年度只有7口井。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Distribution costs

The Group's distribution expenses decreased by RMB1.3 million, or 7.6%, from RMB17.1 million in 2017 to RMB15.8 million in 2018. The decrease in distribution expenses was primarily due to the decrease in sales volume.

### General and administrative expenses

The Group's general and administrative expenses increased by RMB16.4 million, or 15.7%, from RMB104.2 million in 2017 to RMB120.6 million in 2018. The increase in administrative expenses was primarily due to the increase of amortization relating to financing.

### Net impairment losses on financial assets

The Group incurred net impairment losses on financial assets of RMB116.0 million in 2018, which arose primarily from the provision for bad debts of third party accounts receivable.

### Impairment charges

The Group recognized: (i) impairment charge amounting to RMB3.3 million on the investment in PetroBroad Copower Limited and (ii) impairment loss for the goodwill and mining rights arose from acquisition of 10% interest of the foreign participating interest of Daan PSC and Moliqing PSC amounting to RMB32.1 million and RMB2.0 million.

### Other (losses)/gains, net

The Group incurred other losses of RMB41.9 million for 2018, compared to other gains of RMB22.1 million for 2017. Other losses for 2018 arose primarily from (i) loss arising from the disposal of an associate of RMB19.9 million; and (ii) loss on financial instruments of RMB35.6 million, which was offset by others income of RMB13.6 million. Other income for 2017 includes mainly: (i) gains on disposal of a subsidiary of RMB46.3 million; (ii) losses on financial instruments of RMB9.3 million and (iii) losses from on others of RMB14.5 million.

### 銷售成本

本集團的銷售費用由二零一七財務年度的人民幣1,710萬元減少人民幣130萬元或7.6%至二零一八財務年度的人民幣1,580萬元。銷售費用的減少主要由於銷量減少。

### 管理費用

本集團的管理費用由二零一七財務年度的人民幣1.042億元增加人民幣1,640萬元或15.7%至二零一八財務年度的人民幣1.206億元。管理費用的增加主要由於與融資有關的待攤費用的攤銷增加。

### 金融資產減值淨損失

本集團二零一八財務年度的金融資產淨減值損失為人民幣1.160億元，主要來自第三方應收賬款壞賬準備。

### 減值損失

本集團確認：(i) PetroBroad Copower Limited 投資減值虧損人民幣330萬元；(ii) 購買莫里青油田和大安油田10%的外國承包商參股權益產生的商譽減值損失人民幣3,210萬元以及探礦權減值200萬元。

### 其他(虧損)/收益 - 淨值

二零一八財務年度，本集團錄得其他虧損人民幣4,190萬元，二零一七年度之其他收益為人民幣2,210萬元。二零一八財務年度的其他損失主要來自於(i) 處置聯營公司的損失人民幣1,990萬元；(ii) 金融工具的損失人民幣3,560萬元，同時發生其他收益人民幣1,360萬元抵銷了部分損失。二零一七財務年度其他收益主要包括：(i) 處置子公司的收益人民幣4,630萬元；(ii) 金融工具的虧損930萬元及(iii) 其他虧損人民幣1,450萬元。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Finance income/(costs), net

The Group's finance income decreased by RMB25.4 million, or 52.9%, from RMB48.0 million for 2017 to RMB22.6 million for 2018.

Finance cost increased by RMB576.1 million, or 1,504.2%, from RMB38.3 million for 2017 to RMB614.4 million for 2018. The increase was mainly due to higher interest rate and longer usage for the new loan obtained in 2018; and there was gain on repurchase of 2018 Notes in the amount of RMB388.2 million which partially offset the financial cost for 2017.

### Share of loss of associates

As at December 31, 2018, the Group held a 34.0% interest in PetroBroad Copower Limited, and 40.0% interest in Palaeontol B.V., respectively. The interest in Journey Energy Inc. had been fully disposed in 2018. These investments were accounted for as associates by the Group and our share of loss of amounted to RMB9.3 million in 2018.

### Loss before income tax

The Group's loss before income tax was RMB785.0 million for 2018, compared to the loss before income tax of RMB842.6 million for 2017. This was primarily due to the cumulative effects of the above factors.

### Income tax expense

The Group recorded an income tax expense of RMB47.4 million in 2018, compared to an income tax expense of RMB105.5 million for 2017. The effective tax rate for 2018 is negative 6% compared to an effective tax rate in 2017 of negative 13%.

### 淨財務收入／(成本)

本集團的財務收入由二零一七財務年度的人民幣4,800萬元減少人民幣2,540萬元或52.9%至二零一八財務年度的人民幣2,260萬元。

本集團的財務成本由二零一七財務年度的人民幣3,830萬元增加人民幣5.761億元或1,504.2%至二零一八財務年度的人民幣6.144億元。增加的主要原因是：(i)二零一八財務年度新貸款利率更高、使用時間更長；(ii)回購2018票據收益人民幣3.882億元，部分抵銷了二零一七財務年度的財務成本。

### 享有聯營企業損失份額

截至二零一八年十二月三十一日，本集團持有 PetroBroad Copower Limited 34% 的股權，以及 40% Palaeontol B.V. 的股權。持有的 Journey 能源公司的股權在二零一八年已全部處置。這些股權投資在本集團按照聯營公司核算，二零一八財務年度佔有聯營公司虧損份額為人民幣 930 萬元。

### 除所得稅前損失

二零一八財務年度本集團的除所得稅前損失為人民幣 7.850 億元，相比較二零一七財務年度的除所得稅前損失為人民幣 8.426 億元。主要由於上述綜合因素的累計影響。

### 所得稅費用

二零一八財務年度本集團的所得稅費用為人民幣 4,740 萬元，相比較二零一七財務年度的所得稅費用為人民幣 1.055 億元。二零一八財務年度的實際稅率為負 6%，而二零一七財務年度為負 13%。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Loss for the year from continuing operations

As a result of the foregoing, our net loss from continuing operations in 2018 was RMB832.3 million, compared to a net loss from continuing operations of RMB948.1 million in 2017.

### Loss for the year from discontinued operations

Our net loss from discontinued operations in 2018 was RMB363.5 million, compared to a net loss from continuing operations of RMB151.4 million in 2017.

### Loss for the year

The Group's net loss in 2018 was RMB1,195.8 million, compared to the net loss of RMB1,099.5 million in 2017.

## EBITDA AND ADJUSTED EBITDA

We provide a reconciliation of EBITDA and adjusted EBITDA to profit in 2018, our most direct comparable financial performance calculated and presented in accordance with IFRS. EBITDA refers to earnings before finance income, finance costs, income tax and depreciation, depletion and amortization. Adjusted EBITDA refers to EBITDA adjusted to exclude non-cash and non-recurring items such as share-based payment to employees, net impairment losses on financial assets, impairment loss, losses from changes in fair value of derivative financial instrument, withholding tax, losses/(gains) on disposal of subsidiaries, gains arising from disposal of an associate and any other non-cash or non-recurring income/expenses.

### 年度持續經營損失

由於上述原因，二零一八財務年度我們持續經營的淨損失是人民幣8.323億元，相比較二零一七財務年度持續經營淨損失為人民幣9.481億元。

### 年度終止經營損失

二零一八財務年度終止經營的淨損失是人民幣3.635億元，相比較二零一七財務年度終止經營淨損失為人民幣1.514億元。

### 淨損失

二零一八財務年度集團淨損失為人民幣11.958億元，相比較二零一七財務年度的淨損失為人民幣10.995億元。

## EBITDA及經調整EBITDA

我們已提供EBITDA及經調整EBITDA與年內本期利潤的調節，本期利潤為根據國際財務報告準則計算及呈列的最直接的可資比較財務表現。EBITDA指扣除財務收入、財務成本、所得稅及折舊、耗損及攤銷前盈利。經調整EBITDA指經調整以扣除非現金及非經常性項目，如購股權計劃下僱員服務成本、金融資產的淨減值損失、資產減值損失，衍生金融工具公允價值變動產生的損失，代扣代繳稅，出售子公司之損失/(利得)，出售聯營公司所產生之收益以及其他非現金或非經常性收入/支出。



# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

The Group's adjusted EBITDA reflects the Group's recurring cash flow earnings from its core operations.

We have included EBITDA and adjusted EBITDA as we believe that EBITDA is a financial measure commonly used in the oil and gas industry. We believe that EBITDA and adjusted EBITDA are used as supplemental financial measures by our management and by investors, research analysts, bankers and others, to assess our operating performance, cash flow and return on capital as compared to those of other companies in our industry, and our ability to take on financing. However, EBITDA and adjusted EBITDA should not be considered in isolation or construed as alternatives to profit from operations or any other measure of performance or as an indicator of our operating performance or profitability. EBITDA and adjusted EBITDA fail to account for corporate tax, finance income, finance costs and other non-operating cash expenses. EBITDA and adjusted EBITDA do not consider any functional or legal requirements of the business that may require us to conserve and allocate funds for any purposes.

本集團經調整EBITDA反映本集團核心業務的經常性現金流盈利。

我們加載EBITDA及經調整EBITDA乃由於我們相信EBITDA為油氣行業常用的財務計量。我們相信EBITDA及經調整EBITDA乃由我們管理層、投資者、研究分析師、銀行及其他人士用作補充財務計量，以評估我們相較於業內其他公司的經營表現、現金流量及資本回報，以及我們進行融資的能力。然而，EBITDA及經調整EBITDA不可獨立於經營溢利或任何其他表現計量予以考慮，亦不可詮釋為經營溢利或任何其他表現計量的替代項目，或詮釋為我們經營表現或盈利能力的指標。EBITDA及經調整EBITDA並不計及稅項、財務收入、財務費用及其他非經營性現金開支。EBITDA及經調整EBITDA並無考慮可能導致我們須就任何目的而保留及分配資金的任何業務的功能或法定要求。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

The following table presents a reconciliation of EBITDA and adjusted EBITDA from continuing operations to loss before income tax from continuing operations for the years ended December 31, 2018 and December 31, 2017:

下表載列為持續經營EBITDA及經調整持續經營EBITDA於截至二零一八年十二月三十一日及二零一七年十二月三十一日止年度之持續經營稅前淨虧損的對比：

		<b>Year ended December 31,</b> <b>截至十二月三十一日止</b>	
		<b>2018</b>	2017
		<b>二零一八年</b>	二零一七年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
Net loss for the year from continuing operations	本期虧損	<b>(784,960)</b>	(842,566)
Finance income	財務收入	<b>(22,603)</b>	(47,985)
Finance costs	財務費用	<b>614,352</b>	38,290
Depreciation, depletion and amortization	折舊、折耗及攤銷	<b>329,318</b>	350,034
<b>EBITDA from continuing operations</b>	<b>持續經營EBITDA</b>	<b>136,107</b>	(502,227)
Share-based payment to employees	購股權計劃下僱員服務成本	<b>54,743</b>	20,158
Net impairment losses on financial assets	金融資產減值損失	<b>115,978</b>	728,154
Impairment loss	資產減值損失	<b>37,471</b>	35,524
Losses on derivative financial instruments	衍生金融工具損失	<b>35,560</b>	9,287
Withholding tax	代扣代繳稅	<b>9,301</b>	10,635
Losses/gains on disposal of subsidiaries	處置子公司損失/(利得)	-	(46,318)
Loss on disposal of Journey Interests	處置Journey公司損失	<b>19,927</b>	
Others	其他	-	16,687
<b>Adjusted EBITDA from continuing operations</b>	<b>經調整持續經營EBITDA</b>	<b>409,087</b>	271,900

The Group generated EBITDA of RMB136.1 million in 2018, compared to the negative EBITDA of RMB502.2 million in 2017. The increase in EBITDA in 2018 was primarily due to net impairment losses on financial assets decrease by RMB612.2 million, from RMB728.2 million in 2017 to RMB116.0 million in 2018.

The Group's adjusted EBITDA increased by approximately RMB137.2 million, or 50.5%, from approximately RMB271.9 million in 2017 to approximately RMB409.1 million in 2018. The increase in adjusted EBITDA was primarily due to the increase in oil price.

本集團二零一八財務年度的EBITDA約人民幣1.361億元，相比二零一七財務年度約人民幣負5.022億元。二零一八財務年度的EBITDA的增加主要由於金融資產減值損失減少人民幣6.122億元，由二零一七財務年度的人民幣7.282億元降至二零一八財務年度的人民幣1.160億元。

本集團的經調整EBITDA由二零一七財務年度約人民幣2.719億元增加約人民幣1.372億元或50.5%至二零一八財務年度的約人民幣4.091億元。經調整EBITDA增加亦主要由於油價的上漲。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

The Group's EBITDA and Adjusted EBITDA from continuing operations by operating segment are set out below:

本集團按經營分部劃分的持續經營EBITDA及經調整持續經營EBITDA如下所示：

		Year ended December 31, 2018 截至二零一八年十二月三十一日止年度		
		PRC 中國 RMB'000 人民幣千元	Corporate and others 總部及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Profit/(loss) before income tax from continuing operations	持續經營除所得稅前利潤/(虧損)	110,516	(895,476)	(784,960)
Finance income	財務收入	(90)	(22,513)	(22,603)
Finance costs	財務費用	96,139	518,213	614,352
Depreciation, depletion and amortization	折舊、折耗及攤銷	329,101	217	329,318
<b>EBITDA from continuing operations</b>	<b>持續經營 EBITDA</b>	<b>535,666</b>	<b>(399,559)</b>	<b>136,107</b>
Share-based payment to employees	購股權計劃下僱員服務成本	1,132	53,611	54,743
Net impairment losses on financial assets	金融資產減值損失	(14,740)	130,718	115,978
Impairment loss	資產減值損失	34,154	3,317	37,471
Losses from changes in fair value of derivative financial instrument	衍生金融工具損失	–	35,560	35,560
Withholding tax	代扣代繳稅	–	9,301	9,301
Losses from disposal of Journey Interests	處置 Journey 權益損失	–	19,927	19,927
<b>Adjusted EBITDA from continuing operations</b>	<b>經調整持續經營 EBITDA</b>	<b>556,212</b>	<b>(147,125)</b>	<b>409,087</b>

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

		Year ended December 31, 2017 截至二零一七年十二月三十一日止年度			
		North			
		PRC	Re-presented	Corporate	Total
		中國	北美重新呈列	總部及其他	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Profit/(Loss) before income tax from continuing operations	持續經營除所得稅前虧損	(35,209)	(68,026)	(739,331)	(842,566)
Finance income	財務收入	(366)	(21)	(47,598)	(47,985)
Finance costs	財務費用	57,618	64	(19,392)	38,290
Depreciation, depletion and amortization	折舊、折耗及攤銷	349,853	–	181	350,034
EBITDA from continuing operations	持續經營 EBITDA	371,896	(67,983)	(806,140)	(502,227)
Share-based payment to employees	購股權計劃下僱員服務成本	5,788	–	14,370	20,158
Net impairment losses on financial assets	金融資產減值損失	82,339	–	645,815	728,154
Impairment loss	資產減值損失	2,000	–	33,524	35,524
Losses from changes in fair value of derivative financial instrument	衍生金融工具損失	–	–	9,287	9,287
Withholding tax	代扣代繳稅	–	–	10,635	10,635
Gains on disposal of subsidiaries	處置子公司利得	–	–	(46,318)	(46,318)
Others	其他	(3,534)	–	20,221	16,687
Adjusted EBITDA from continuing operations	經調整持續經營 EBITDA	458,489	(67,983)	(118,606)	271,900

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### LIQUIDITY AND CAPITAL RESOURCES

#### Overview

The Group's primary sources of cash during 2018 were cash generated from investing activities.

In 2018, the Group had net cash generated from operating activities of RMB94.1 million, net cash generated from investing activities of RMB771.5 million, net cash used in financing activities of RMB960.3 million, an exchange loss on cash and cash equivalent of RMB7.2 million, transferred to disposal group classified as held for sale of RMB2.1 million and a net decrease in cash and cash equivalent of RMB94.8 million.

#### Cash generated from operating activities

Net cash generated from operating activities was RMB94.1 million in the year ended December 31, 2018. In the year ended December 31, 2018, our net cash generated from operating activities included loss before income tax of RMB785.0 million adjusted for, depreciation, depletion and amortization of RMB329.3 million, net interest expenses of RMB596.5 million, net impairment losses on financial assets of RMB116.0 million, net impairment losses on prepayments of RMB1.1 million, impairment charges of RMB37.5 million, share of losses from investments in associates of RMB9.3 million, losses arising from disposal of an associate of RMB19.9 million, share-based payment to employees of RMB54.7 million, exchange gains of RMB4.8 million, losses on changes in fair value of financial instruments of RMB35.6 million. The cash movements from changes in working capital which included an increase in trade and other receivables of RMB23.4 million and an increase in trade and other payable of RMB108.1 million, an increase of inventories of RMB1.4 million, interest paid of RMB479.1 million and income tax paid of RMB52.5 million and cash generated from discontinued operations of RMB132.1 million.

### 流動資金及資本資源

#### 概覽

本集團二零一八年的主要現金來源為融資活動產生的現金流量。

於二零一八年，公司經營活動所得現金淨額為人民幣9,410萬元，投資活動所得現金淨額為人民幣7.715億元，融資活動所用現金淨額為人民幣9.603億元，現金及現金等價物的外匯損失為人民幣720萬元，轉撥至持有待售的處置組為人民幣210萬元，現金及現金等價物淨減少為人民幣9,480萬元。

#### 經營活動所得現金

截至二零一八年十二月三十一日止年度，經營活動所得現金淨額為人民幣9,410萬元人民幣。截至二零一八年十二月三十一日止年度，本公司經營活動所得現金淨額包括調整後的所得稅前虧損人民幣7.850億元、經調整折舊、耗損及攤銷人民幣3.293億元、淨利息支出人民幣5.965億元、金融資產減值損失人民幣1.160億元、預付款項減值損失人民幣110萬元，減值損失人民幣3,750萬元，享有聯營企業投資的虧損人民幣930萬元，處置聯營企業產生的損失人民幣1,990萬元，購股權計劃下僱員服務成本人民幣5,470萬元，匯兌收益人民幣480萬元，金融工具的公允價值變動損失人民幣3,560萬元。營運資金變動包括應收及其他應收款項增加人民幣2,340萬元，應付及其他應付款項增加人民幣1.081億元，存貨增加人民幣140萬元，已付利息人民幣4.791億元，已付所得稅人民幣5,250萬元，終止經營產生的現金人民幣1.321億元。



# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

Net cash generated from operating activities was RMB40.9 million in the year ended December 31, 2017. In the year ended December 31, 2017, our net cash generated from operating activities included loss before income tax of RMB842.6 million adjusted for, depreciation, depletion and amortization of RMB350.0 million, net impairment losses on financial assets of RMB728.2 million, net impairment losses on prepayments of RMB0.5 million, impairment charges of RMB35.5 million, share of losses from investments in associates of RMB63.0 million, share-based payment to employees of RMB20.2 million, losses on changes in fair value of financial instruments of RMB9.3 million, others of RMB16.7 million, which was partially offset by net interest income of RMB4.0 million, gains on disposal of subsidiaries of RMB46.3 million, exchange gains of RMB5.7 million. The cash movements from changes in working capital which included a decrease in trade and other receivables of RMB84.0 million and an increase in trade and other payable of RMB31.9 million and a decrease of inventories of RMB6.2 million, interest paid of RMB398.2 million and income tax paid of RMB2.4 million and cash used in discontinued operations of RMB5.3 million.

### Cash generated from/used in investing activities

Net cash generated from investing activities in the year ended December 31, 2018 amounted to RMB771.5 million, as a result of proceeds from disposals of subsidiaries of RMB186.8 million, proceeds from disposal of investment in associate of RMB138.7 million, decrease in financial assets of RMB318.8 million, received of loans and deposits from third parties of RMB47.8 million, and cash generated from discontinued operations of RMB355.1 million, which was offset by purchases of property, plant and equipment of RMB65.2 million, payment for acquisition of foreign contractor's participating interests in PRC of RMB187.9 million, payments for acquisition of subsidiary, net of cash acquired of RMB18.6 million, contribution and loans to/acquisition of investments accounted for using equity method of RMB3.2 million, and others of RMB0.8 million.

Net cash used in investing activities in the year ended December 31, 2017 amounted to RMB3,959.3 million, mainly due to payment for purchases of property, plant and equipment of RMB24.3 million, loans and deposits to third parties of RMB24.7 million, contribution and loans to/acquisition of investments accounted for using equity method of RMB33.5 million, increase in financial assets of RMB336.7 million, others of RMB38.7 million and cash used in discontinued operations of RMB3,592.1 million, which was partially offset by proceeds from disposals of subsidiaries of RMB90.7 million.

截至二零一七年十二月三十一日止年度，經營活動所得現金淨額為人民幣4,090萬元。截至二零一七年十二月三十一日止年度，本公司經營活動所用現金淨額包括所得稅前虧損人民幣8.426億元，經調整折舊、耗損及攤銷人民幣3.5億元、金融資產減值損失人民幣7.282億元，預付款項減值損失人民幣50萬元，減值損失3,550萬元，享有聯營企業投資的虧損人民幣6,300萬元，購股權計劃下僱員服務成本人民幣2,020萬元，金融工具的公允價值變動損失人民幣930萬元，其他人民幣1,670萬元，則被淨利息收入人民幣350萬元、處置子公司利得人民幣4,630萬元，及匯兌收益人民幣570萬元部分抵銷。營運資金變動包括應收及其他應收款項增加人民幣8,400萬元，應付及其他應付款項增加人民幣3,190萬元，存貨減少人民幣620萬元，已付利息人民幣3.982億元，已付所得稅人民幣240萬元及終止經營所用現金人民幣530萬元。

### 投資活動所用／所得現金

截至二零一八年十二月三十一日止年度，投資活動所得現金淨額為人民幣7.715億元。是由於收到子公司處置款項人民幣1.868億元，處置聯營投資取得的款項1.387億元，處置金融資產導致減少人民幣3.188億元，收到第三方借款和保證金人民幣4,780萬元，終止經營所得現金人民幣3.551億元，被購買不動產、工廠及設備人民幣6,520萬元，支付位於中國的外方合同者產品分成合同的參與權的款項人民幣1.879億元，支付收購子公司的款項(扣除取得現金)人民幣1,860萬元，投入／收購以權益法入帳的投資及貸款人民幣320萬元，以及其他80萬元。

截至二零一七年十二月三十一日止年度，投資活動所用現金淨額為人民幣39.593億元，是由於購買不動產、工廠及設備人民幣2,430萬元，支付第三方借款和保證金人民幣2,470萬元，投入／收購以權益法入帳的投資及貸款人民幣3,350萬元，金融資產增加人民幣3.367億元，其他人民幣3,870萬元及終止經營所用現金人民幣35.921億元，抵減收到子公司處置款項人民幣9,070萬元。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Cash used in/generated from financing activities

Net cash used in financing activities in the year ended December 31, 2018 amounted to RMB960.3 million primarily due to: (i) repayments of borrowings of RMB300.7 million; (ii) repayments of 2018 Notes of RMB1,150.2 million; (iii) payment of loan arrangement and other fees of RMB214.9 million, (iv) others of RMB4.4 million and (v) cash used in discontinued operations of RMB477.8 million, offset by: (i) proceeds from borrowings of RMB912.3 million, and (ii) proceeds from issue of convertible bond of RMB275.4 million.

Net cash generated from financing activities in the year ended December 31, 2017 amounted to RMB3,160.8 million primarily due to: (i) proceeds from borrowings of RMB1,584.4 million; (ii) others of RMB47.3 million; and (iii) cash generated from discontinued operations of RMB2,686.9 million; offset by: (i) repayments of borrowings of RMB366.6 million; and (ii) payment for repurchase and cancellation of 2018 Notes and 2019 Notes of RMB791.2 million.

As at December 31, 2018, for the continuing operations, the borrowings from banks and third parties amounted to approximately RMB4,336.0 million, representing a decrease of approximately RMB1,713.5 million as compared to December 31, 2017. Among the above, borrowings repayable within one year amounted to approximately RMB2,549.9 million, representing an increase of RMB1,020.9 million as compared to December 31, 2017. All of the borrowings are denominated US dollars and Hong Kong dollars. The borrowings are all at fixed interest rates. No hedging instruments are used for bank borrowings.

For the continuing operations, our gearing ratio, which is defined as total borrowings less cash and cash equivalents (“**Net Borrowings**”) divided by the sum of Net Borrowings and total equity, increased from 104.8% as at December 31, 2017 to 164.7% as at December 31, 2018, primarily due to increase in financing cost.

For the continuing operations, our total borrowings to adjusted EBITDA ratio, which is defined as total borrowings divided by adjusted EBITDA decreased from 22.3 as at December 31, 2017 to 10.6 as at December 31, 2018.

### 融資活動所得／所用現金

截至二零一八年十二月三十一日，融資活動所用的淨現金為人民幣9.603億元，主要是由於：(i)償還借款人民幣3.007億元，(ii)償還2018票據人民幣11.502億元，(iii)支付貸款安排及其他費用人民幣2.149億元，(iv)其他人民幣440萬元，以及(v)用於終止經營的現金人民幣4.778億元，抵減(i)借款所得人民幣9.123億元，以及(ii)發行可轉換債券所得人民幣2.754億元。

截至二零一七年十二月三十一日，融資活動所得的淨現金為人民幣31.608億元，主要是由於(i)借款人民幣15.844億元(ii)其他人民幣4,730萬元(iii)終止經營所得的現金人民幣26.869億元，抵減(i)償還借款人民幣3.666億元(ii)支付回購並註銷二零一八和二零一九票據人民幣7.912億元。

截至二零一八年十二月三十一日，持續經營部分，向銀行及第三方借款約人民幣43.360億元，較二零一七年十二月三十一日減少了人民幣17.135億元。其中，一年內償還的借款約為人民幣25.499億元，比二零一七年十二月三十一日增加人民幣10.209億元，所有借款均以美元和港元計價。借款都是固定利率。沒有為借款做套期保值。

持續經營部分，我們的負債率(借款總額減去現金及現金等價物，即「**借款淨額**」)除以借款淨額和總權益之和，從二零一七年十二月三十一日的104.8%升至二零一八年十二月三十一日的164.7%，主要是由於融資成本增加。

持續經營部分，我們的借款總額與調整後的EBITDA之比，即借款總額除以調整後的EBITDA，從二零一七年十二月三十一日的22.3減少到二零一八年十二月三十一日的10.6。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Market Risks

Our market risk exposures primarily consist of fluctuations in oil and gas prices and exchange rates.

#### Oil and gas price risk

Our realized oil and gas prices are determined by reference to oil and gas prices in the international market, changes in international oil and gas prices will have a significant impact on us. Unstable and highly volatile international oil and gas prices may have a significant impact on our revenue and profit.

#### Currency risk

The majority of the Group's China operation sales are in US dollars, while production and other expenses in China are incurred in RMB. The RMB is not a freely convertible currency and is regulated by the PRC government. Limitations on foreign exchange transactions imposed by the PRC government could cause future exchange rates to vary significantly from current or historical exchange rates.

The functional currency of the Canada subsidiary is in Canadian dollars and all sales are in Canadian dollars. Management is not in a position to anticipate changes in the fluctuations between the Canadian dollars and RMB exchange rates, and as such is unable to reasonably anticipate the impacts on the Group's results of operations or financial position arising from future changes in exchange rates.

The Group currently does not engage in hedging activities designed or intended to manage foreign exchange rate risk. The Group will continue to monitor foreign exchange changes to best preserve the Group's cash value.

### CHARGES ON GROUP ASSETS

As at December 31, 2018, certain assets, comprising principally oil assets and properties in Alberta in Canada, were pledged to banks as collateral security for banking facilities with outstanding amount of RMB433.0 million. In addition, as at December 31, 2018, certain financial assets at fair value through profit or loss, bank accounts and shares of subsidiaries of the Group were pledged to secure borrowings in the aggregate amount of RMB2,175.5 million.

### 市場風險

我們面臨的市場風險主要包括石油和天然氣價格及匯率的波動。

#### 原油和天然氣價格風險

本集團的實現石油和天然氣價格乃參照國際市場油價確定，國際原油和天然氣價的變動將對我們帶來重大影響。國際原油和天然氣價的不穩定及高波動性對本集團的收益及溢利造成顯著影響。

#### 貨幣風險

集團的大部分銷售以美元計值，而於中國的生產及其他支出則以人民幣入賬。人民幣並非為自由轉換貨幣，須受中國政府規管。中國政府對外匯交易所設定的限制可能導致未來匯率與當前或歷史匯率相比出現大幅變動。

加拿大子公司的功能貨幣為加元，而所有銷售亦以加元計算。管理層無法預測加元和人民幣匯率波動之影響，故無法合理估計未來匯率變動對本集團經營業績或財務狀況的影響。

本集團現時並未從事旨在或意在管理外匯匯率風險的對沖活動。本集團將繼續監察外匯變動，以儘量保障本集團的現金價值。

### 集團資產抵押

截至二零一八年十二月三十一日，本集團以位於加拿大阿爾伯塔省的油氣資產向銀行提供抵押擔保，獲取銀行貸款，餘額為人民幣4.330億元。此外，截至二零一八年十二月三十一日，本集團以公允價值計量且其變動計入損益的金融資產、銀行賬戶和子公司股份作為抵押擔保，獲取借款，餘額為人民幣21.755億元。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### EMPLOYEES

As at December 31, 2018, the Company had 1,385 employees, with 1,045 based in China (Mainland and Hong Kong), 2 based in the United States and 338 based in Canada. There are no material changes to the information disclosed in the Annual Report 2017 in respect of the remuneration of employees, remuneration policies and staff development.

### CONTINGENCIES

There were no contingent liabilities of the Group as at December 31, 2018.

### DIVIDEND

The Board did not recommend the payment of final dividend for the year ended December 31, 2018 (2017: NIL).

### CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (“AGM”) is scheduled to be held on Friday, June 21, 2019. For determining the entitlement to attend and vote at the AGM, the Register of Members of the Company will be closed from Tuesday, June 18, 2019 to Friday, June 21, 2019, both days inclusive, during which no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all completed transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. (Hong Kong time) on Monday, June 17, 2019, being the last registration date.

### AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the Group’s consolidated financial statements for the year ended December 31, 2018 including the accounting policies adopted by the Group and has discussed the internal controls and financial reporting matters of the Group.

### 僱員

於二零一八年十二月三十一日，本公司擁有1,385名僱員，其中1,045名在中國（大陸及香港）工作、2名在美國工作以及338名在加拿大工作。而就僱員薪酬、薪酬政策及員工發展方面的資料與在二零一七年年報內所披露的並無重大變動。

### 或有事項

截至二零一八年十二月三十一日，本集團無或有事項。

### 股息

董事會並無建議就截至二零一八年十二月三十一日年度派付末期股息（二零一七年：無）。

### 暫停辦理股東登記手續

本公司預定於二零一九年六月二十一日（星期五）舉行股東週年大會（「股東大會」）。為釐定符合出席並於股東大會上投票的資格，本公司將於二零一九年六月十八日（星期二）至二零一九年六月二十一日（星期五）（包含首尾日）暫停辦理股東登記手續，期間亦不會辦理股份過戶登記手續。為符合出席股東大會及於會上投票的資格，所有過戶文件連同有關股票需不遲於二零一九年六月十七日（星期一）下午四時三十分遞交至本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址香港皇后大道東183號合和中心22樓。

### 審核委員會

本公司審核委員會已審閱本集團截至二零一八年十二月三十一日年度的合併財務報表（包括本集團所採用的會計政策），並就本集團的內部控制及財務申報等事宜進行討論。

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MIE HOLDINGS CORPORATION

(incorporated in the Cayman Islands with limited liability)

### DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of MIE Holdings Corporation (the "Company") and its subsidiaries (the "Group") set out on pages 131 to 328, which comprise:

- the consolidated statement of financial position as at December 31, 2018;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the potential interaction of the multiple uncertainties and their possible cumulative effect on the consolidated financial statements as described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 獨立核數師報告

致MI能源控股有限公司股東

(於開曼群島註冊成立的有限公司)

### 無法表示意見

我們受聘審計MI能源控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第131至328頁的合併財務報表，包括：

- 於二零一八年十二月三十一日的合併財務狀況表；
- 截至該日止年度的合併綜合收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表及
- 合併財務報表附註，包括主要會計政策概要。

我們沒有就 貴集團的合併財務報表發表意見。基於在本報告中「無法表示意見的基礎」部分所述的由於多重不確定性的潛在相互影響及其對合併財務報表的可能累計影響，我們無法為該等合併財務報表形成審計意見。在所有其他方面，我們認為合併財務報表已根據香港《公司條例》的披露規定適當地擬備。

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong  
Tel: +852 2289 8888 Fax: +852 2810 9888, www.pwchk.com

羅兵咸永道會計師事務所，香港中環太子大廈廿二樓  
電話: +852 2289 8888 傳真: +852 2810 9888 · www.pwchk.com



# Independent Auditor's Report (Continued)

## 獨立核數師報告(續)



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

### BASIS FOR DISCLAIMER OF OPINION

#### Multiple Uncertainties Relating to Going Concern

As detailed in Note 2.1.1 to the consolidated financial statements, during the year ended December 31, 2018, the Group incurred a net loss of RMB1,195.8 million, which comprised losses of RMB832.3 million from continuing operations and RMB363.5 million from discontinued operations. As at December 31, 2018, the Group had a shareholders' deficit of RMB1,692.0 million and the Group's current liabilities and liabilities of disposal group classified as held for sale exceeded its current assets and assets of disposal group classified as held for sale by RMB2,034.1 million. As at the same date, the Group had total borrowings of RMB4,336.0 million, of which approximately RMB 2,549.9 million represented current liabilities, while the Group only had cash and cash equivalents of RMB28.1 million.

These conditions, together with others described in Note 2.1.1 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt over the Group's ability to continue as a going concern.

羅兵咸永道

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

### 無法表示意見的基礎

#### 與持續經營相關的多個不確定事項

如合併財務報表附註2.1.1所述，截至二零一八年十二月三十一日止年度，貴集團產生淨虧損約為人民幣1,195.8百萬元，其中包括因持續經營產生的虧損人民幣832.3百萬元及終止經營產生的虧損人民幣363.5百萬元。於二零一八年十二月三十一日，貴集團股東虧損為人民幣1,692.0百萬元，貴集團的流動負債加上持有待售的處置組的負債，已超出其流動資產加上持有待售的處置組的資產人民幣2,034.1百萬元。於同日，貴集團借款總額為人民幣4,336.0百萬元，其中流動負債金額為人民幣2,549.9百萬元，而貴集團僅有人民幣28.1百萬元的現金及現金等價物。

以上事項，連同合併財務報表附註2.1.1所述的其他事項，表明可能導致貴集團的持續經營能力產生重大疑慮的事項或情況存在重大不確定性。

# Independent Auditor's Report (Continued)

## 獨立核數師報告(續)



羅兵咸永道

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

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

### BASIS FOR DISCLAIMER OF OPINION (Continued)

### 無法表示意見的基礎(續)

#### Multiple Uncertainties Relating to Going Concern (Continued)

#### 與持續經營相關的多個不確定事項(續)

The directors of the Company have been undertaking a number of measures to improve the Group's liquidity and financial position, to meet its liabilities as and when they fall due which are set out in Note 2.1.1 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these measures, which are subject to multiple uncertainties, including: (a) successful completion of the disposal (the "Maple Marathon Disposal") of Maple Marathon Investments Limited ("Maple Marathon"), the Group's subsidiary, in the near future so that the net cash proceeds will be made available to the Group for fulfilment of its obligations; and that the term loan owed by Maple Marathon will be retained by the buyer for repayment in accordance with the disposal agreement such that the Group does not need to obtain additional sources of financing to repay such loan upon the due date; (b) the holder of certain public notes not exercising the put option prior to the completion of the Maple Marathon Disposal, in order not to trigger earlier redemption of the public notes and certain other private notes as detailed in Note 2.1.1; (c) the lender of a borrowing of US\$60 million due to be repaid on February 1, 2020 not exercising its right to demand immediate payment; (d) the Group's ability to continuously comply with the terms and conditions of all the outstanding borrowings and financing agreements and to successfully negotiate with the lenders to obtain waivers or to revise the existing terms and conditions as and when needed such that the existing borrowings and financing will continue to be available to the Group; and (e) the Group's ability to generate operating cash flows and obtain additional sources of financing, other than those mentioned above, to finance the Group's oil exploration and production businesses and other funding needs.

貴公司董事已經採取多項措施改善 貴集團的流動性及財務狀況，以應對其到期的負債，詳情載於合併財務報表附註2.1.1。合併財務報表是在持續經營的基礎上編制，該編制基礎是基於上述改善措施實施的結果，而該等措施的實施結果取決於多個不確定事項，包括：(a) 於近期成功完成集團附屬公司Maple Marathon Investments Limited(「Maple Marathon」)的處置(「Maple Marathon處置」)，以便將現金所得款項淨額提供予 貴集團以履行其責任；同時，根據出售協議，Maple Marathon所欠定期貸款將由買方所留存的款項償還， 貴集團於到期日無需獲得額外融資來償還該貸款；(b) 公開債券持有人在完成Maple Marathon出售事項前不行使認沽期權，為了不會觸發載於附註2.1.1所述的公開債券和私人票據提前贖回；(c) 二零二零年二月一日到期的金額為60百萬美元的借款出借人，不會行使要求立即還款權利；(d) 貴集團有能力持續遵守所有未償還借款及融資協議的條款及條件，並在需要時成功與貸方協商以獲取豁免或修訂現有條款及條件，以確保現有借款及融資將繼續提供給 貴集團；(e) 除上文所述， 貴集團有能力產生經營現金流及獲得額外融資來源，為 貴集團的石油勘探及生產業務及其他融資需求提供資金。

# Independent Auditor's Report (Continued)

## 獨立核數師報告(續)



### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MIE HOLDINGS CORPORATION (Continued)

(incorporated in the Cayman Islands with limited liability)

### BASIS FOR DISCLAIMER OF OPINION (Continued)

#### Multiple Uncertainties Relating to Going Concern (Continued)

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in the consolidated financial statements.

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

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

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

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

羅兵咸永道

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

### 無法表示意見的基礎(續)

#### 與持續經營相關的多個不確定事項(續)

倘 貴集團未能達成上述計畫及措施，其可能無法在持續經營的基礎上繼續營運，並須作出調整將 貴集團的資產賬面價值調整至其可收回金額，計提可能進一步產生的負債撥備，同時將非流動資產及非流動負債重新分類為流動資產和流動負債。該等調整的影響尚未反映於合併財務報表中。

### 董事和審核委員會就合併財務報表須 承擔的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。

# Independent Auditor's Report (Continued)

## 獨立核數師報告(續)



羅兵咸永道

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

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

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

### 核數師就審計合併財務報表承擔的責任

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with International Standards on Auditing and to issue an auditor's report. We report solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements due to the potential interaction of the multiple uncertainties and their possible cumulative effect on the consolidated financial statements.

我們的責任，是根據《國際審計準則》進行審計貴集團合併財務報表，並出具核數師報告。我們僅向閣下(作為整體)報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。然而，基於在本報告中「無法表示意見的基礎」部分所述的由於多重不確定性的潛在相互影響及其對合併財務報表的可能累計影響，我們無法為該等合併財務報表形成審計意見。

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

根據國際會計師專業操守理事會頒佈的《專業會計師道德守則》(以下簡稱「道德守則」)，我們獨立於貴集團，並已履行道德守則中的其他專業道德責任。

The engagement partner on the audit resulting in this independent auditor's report is LEONG Kin Bong.

出具本獨立核數師報告的審計項目合夥人是梁建邦。

**PricewaterhouseCoopers**  
*Certified Public Accountants*

羅兵咸永道會計師事務所  
執業會計師

Hong Kong, April 23, 2019

香港，二零一九年四月二十三日

(If there is any inconsistency between the English and Chinese version of the independent auditor's report, the English version shall prevail.)

(本獨立核數師報告的中英文文本如有任何歧義，概以英文文本為準。)

# Consolidated Statement of Financial Position

## 合併財務狀況表

		<b>As at December 31,</b> 於十二月三十一日	
		<b>2018</b>	2017
		<b>二零一八年</b>	二零一七年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
	Note 附註		
<b>Assets</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	不動產、工廠及設備	6	1,798,839
Intangible assets	無形資產	7	137,351
Investments in associates	聯營企業投資	8	–
Deferred income tax assets	遞延所得稅資產	24	601
Available-for-sale financial assets	可供出售金融資產		–
Derivative financial instruments	衍生金融工具		–
Financial assets at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的金融資產	12	46,458
Prepayments, deposits and other receivables	預付款、保證金及其他應收款	14	357,212
Restricted cash	受限制現金	18	45,465
			2,385,926
			9,474,962
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	16	22,390
Prepayments, deposits and other receivables	預付款、保證金及其他應收款	14	615,035
Trade and note receivables	應收賬款及應收票據	15	69,791
Derivative financial instruments	衍生金融工具		–
Available-for-sale financial assets	可供出售金融資產		–
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產	17	17,755
Restricted cash	受限制現金	18	–
Cash and cash equivalents	現金及現金等價物	19	28,115
			753,086
			1,833,381
<b>Assets of disposal group classified as held for sale</b>	<b>持有待售的處置組的資產</b>	20	5,105,887
			5,858,973
			1,833,381
<b>Total assets</b>	<b>資產總額</b>		8,244,899
			11,308,343



# Consolidated Statement of Financial Position (Continued)

## 合併財務狀況表(續)

		<b>As at December 31,</b> 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
	Note 附註		
<b>Equity</b>	<b>權益</b>		
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司所有者的權益</b>		
Share capital	股本	21	1,068,796
Other reserves	其他儲備	23	47,265
Accumulated losses	累計虧損		(1,384,495)
		<b>(1,705,282)</b>	(268,434)
Non-controlling interests	非控制性權益	<b>13,265</b>	(27)
<b>Total shareholders' deficit</b>	<b>股東虧損總額</b>	<b>(1,692,017)</b>	(268,461)
<b>Liabilities</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Borrowings	借款	27	4,520,457
Deferred income tax liabilities	遞延所得稅負債	24	589,281
Trade and note payables	應付賬款及應付票據	25	26,529
Provisions, accruals and other liabilities	準備、預提及其他負債	26	2,620,311
Derivative financial instruments	衍生金融工具		5,574
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債	13	1,067,626
			<b>2,043,858</b>
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and note payables	應付賬款及應付票據	25	392,984
Provisions, accruals and other liabilities	準備、預提及其他負債	26	718,598
Current income tax liabilities	當期所得稅負債		97,233
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債	13	-
Derivative financial instruments	衍生金融工具		9,200
Borrowings	借款	27	1,529,011
			<b>3,359,474</b>

# Consolidated Statement of Financial Position (Continued)

## 合併財務狀況表(續)

		<b>As at December 31,</b> 於十二月三十一日	
		<b>2018</b> 二零一八年 <b>RMB'000</b> 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
		Note 附註	
<b>Liabilities of disposal group classified as held for sale</b>	持有待售的處置組的負債	20	-
			7,893,058
			2,747,026
<b>Total liabilities</b>	負債總額		11,576,804
<b>Total shareholders' deficit and liabilities</b>	股東虧損及負債總額		11,308,343

The accompanying notes on pages 142 to 328 are an integral part of these consolidated financial statements.

後附第142頁至第328頁之附註為本合併財務報表的整體部分。

The consolidated financial statements on pages 131 to 328 were approved by the Board of Directors on April 23, 2019 and were signed on its behalf.

第131頁至第328頁之合併財務報表已於二零一九年四月二十三日獲董事會批准刊發，並代表董事會簽署：

**Zhang Ruilin**  
張瑞霖  
Director  
董事

**Zhao Jiangwei**  
趙江巍  
Director  
董事

# Consolidated Statement of Comprehensive Income

## 合併綜合收益表

		<b>Year ended December 31,</b> 截至十二月三十一日止年度	
		<b>2018</b> 二零一八年 <b>RMB'000</b> 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列 Note 2.1.2 附註 2.1.2
Note	附註		
<b>Continuing operations</b>		<b>持續經營</b>	
	<b>Revenue from contracts with customers</b>		<b>客戶合同收入</b>
		5	<b>789,704</b>
	Depreciation, depletion and amortisation		(329,318)
	Taxes other than income taxes	29	(18,875)
	Employee benefit expense	32	(155,747)
	Purchases, services and other direct costs		(138,013)
	Distribution costs		(15,792)
	General and administrative expense		(120,551)
	Net impairment losses on financial assets	3	(115,978)
	Impairment charges	6, 7, 8	(37,471)
	Other (losses)/gains — net	28	(41,852)
	Finance income	30	22,603
	Finance costs	30	(614,352)
	Share of losses of investments in associates	8	(9,318)
	<b>Loss before income tax</b>		<b>(784,960)</b>
	<b>Income tax expense</b>	33	<b>(47,412)</b>
	<b>Loss for the year from continuing operations</b>		<b>(832,372)</b>
	<b>Discontinued operations</b>		<b>終止經營</b>
	Loss for the year from discontinued operations	20	(363,463)
	<b>Loss for the year</b>		<b>(1,195,835)</b>

# Consolidated Statement of Comprehensive Income (Continued)

## 合併綜合收益表(續)

		Year ended December 31, 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列 Note 2.1.2 附註 2.1.2
Other comprehensive income	其他綜合收益	Note 附註	
<b>Continuing operations</b>	<b>持續經營部分</b>		
<b>Items that may be reclassified to profit or loss</b>	<b>其後可能會重分類至損益的項目</b>		
Change in value of available-for-sale financial assets	可供出售金融資產的價值變動		8,168
Share of other comprehensive income of investments in associates	享有聯營企業投資的其他綜合收益的份額		(3,758)
Transfer to profit or loss upon disposal of investments in associate	處置聯營企業投資後轉至損益		-
Currency translation differences	外幣折算差額		133,665
			(2,602)
			(143,667)
<b>Items that will not be reclassified to profit or loss</b>	<b>其後不會重分類至損益的項目</b>		
Change in the fair value of equity instruments at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的權益工具的公允價值變動		-
			(19,900)
<b>Discontinued operations</b>	<b>終止經營部分</b>		
<b>Items that may be reclassified to profit or loss</b>	<b>其後可能會重分類至損益的項目</b>		
Currency translation differences	外幣折算差額		32,995
			(129,629)
<b>Other comprehensive (loss)/income for the year, net of tax</b>	<b>稅後本年其他綜合(損失)/收益</b>		171,070
			(295,798)
<b>Total comprehensive losses for the year</b>	<b>本年綜合虧損總額</b>		(928,406)
			(1,491,633)

# Consolidated Statement of Comprehensive Income (Continued)

## 合併綜合收益表(續)

		<b>Year ended December 31,</b> 截至十二月三十一日止年度	
		<b>2018</b> 二零一八年 <b>RMB'000</b> 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列 Note 2.1.2 附註 2.1.2
		Note 附註	
<b>Loss for the year attributable to:</b>	<b>本年虧損歸屬於：</b>		
Owners of the Company	本公司所有者	<b>(1,195,793)</b>	(1,099,476)
Non-controlling interests	非控制性權益	<b>(42)</b>	-
		<b>(1,195,835)</b>	(1,099,476)
<b>Loss for the year attributable to owners of the Company arising from:</b>	<b>歸屬於本公司所有者的本年損失來源於：</b>		
Continuing operations	持續經營	<b>(832,330)</b>	(948,051)
Discontinued operations	終止經營	<b>(363,463)</b>	(151,425)
		<b>(1,195,793)</b>	(1,099,476)
<b>Total comprehensive loss for the year attributable to:</b>	<b>本年綜合虧損總額歸屬於：</b>		
Owners of the Company	本公司所有者	<b>(1,491,591)</b>	(928,406)
Non-controlling interests	非控制性權益	<b>(42)</b>	-
		<b>(1,491,633)</b>	(928,406)
<b>Total comprehensive loss for the year attributable to owners of the Company arising from:</b>	<b>歸屬於本公司所有者的本年綜合損失總額來源於：</b>		
Continuing operations	持續經營	<b>(998,499)</b>	(809,976)
Discontinued operations	終止經營	<b>(493,092)</b>	(118,430)
		<b>(1,491,591)</b>	(928,406)



# Consolidated Statement of Comprehensive Income (Continued)

## 合併綜合收益表(續)

		Year ended December 31, 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列 Note 2.1.2 附註 2.1.2
		Note 附註	
<b>Loss per share for loss attributable to ordinary equity holders of the Company for the year</b> (expressed in RMB per share)			
<b>Loss per share for loss attributable to ordinary equity holders of the Company for the year</b>		本年本公司普通股股東應佔虧損的每股虧損 (每股人民幣)	
<b>Basic loss per share</b>		基本每股虧損	
Continuing operations	持續經營	35	(0.29)
Discontinued operations	終止經營		(0.12)
			(0.41)
<b>Diluted loss per share</b>		稀釋每股虧損	
Continuing operations	持續經營	35	(0.29)
Discontinued operations	終止經營		(0.12)
			(0.41)

The accompanying notes on pages 142 to 328 are an integral part of these consolidated financial statements.

後附第 142 頁至第 328 頁之附註為本財務報表的整體部分。

# Consolidated Statement of Changes in Equity

## 合併權益變動表

		Attributable to owners of the Company 歸屬於本公司所有者				Non-controlling interests		Total Equity
		Ordinary shares	Share premium	Other reserves	Accumulated losses	Total	Non-controlling interests	Total Equity
		普通股	股本溢價	其他儲備	累計虧損	總計	非控制性權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>As at January 1, 2017</b>	於二零一七年一月一日	19,489	1,049,307	(143,963)	(285,019)	639,814	(27)	639,787
<b>Comprehensive income for the year</b>	本年綜合收益							
Loss for the year	本年虧損	-	-	-	(1,099,476)	(1,099,476)	-	(1,099,476)
Available-for-sale financial assets	可供出售金融資產	-	-	8,168	-	8,168	-	8,168
Share of other comprehensive income of investment accounted for using the equity method	享有按權益法入賬的投資的其他綜合收益的份額	-	-	(3,758)	-	(3,758)	-	(3,758)
Currency translation differences	外幣折算差額	-	-	166,660	-	166,660	-	166,660
		19,489	1,049,307	27,107	(1,384,495)	(288,592)	(27)	(288,619)
<b>Transactions with owners in their capacity as owners</b>	與所有者以其所有者的身份進行的交易							
Employees stock option schemes — value of employee services	僱員購股權計劃 — 僱員服務價值	-	-	20,158	-	20,158	-	20,158
		-	-	20,158	-	20,158	-	20,158
<b>As at December 31, 2017</b>	於二零一七年十二月三十一日	19,489	1,049,307	47,265	(1,384,495)	(268,434)	(27)	(268,461)

# Consolidated Statement of Changes in Equity (Continued)

## 合併權益變動表(續)

		Attributable to owners of the Company 歸屬於本公司所有者					Non- controlling interests 非控制性權益 RMB'000 人民幣千元	Total Equity 權益總額 RMB'000 人民幣千元
		Ordinary shares 普通股 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元		
<b>Balance at December 31, 2017 as originally presented</b>	二零一七年十二月三十一日 原始呈列金額	19,489	1,049,307	47,265	(1,384,495)	(268,434)	(27)	(268,461)
Change in accounting policy (Note 41)	會計政策變更(附註41)	-	-	4,848	(4,848)	-	-	-
<b>Restated total equity as at January 1, 2018</b>	二零一八年一月一日重述後 的權益總額	19,489	1,049,307	52,113	(1,389,343)	(268,434)	(27)	(268,461)
<b>Comprehensive income for the year</b>	本年綜合收益							
Loss for the year	本年虧損	-	-	-	(1,195,793)	(1,195,793)	(42)	(1,195,835)
Change in the fair value of equity instruments at the fair value through other comprehensive income	以公允價值計量且其變動 計入其他綜合收益的 權益工具的公允價值 變動	-	-	(19,900)	-	(19,900)	-	(19,900)
Transfer to profit or loss upon disposal of investments in associate	處置聯營企業投資後轉至 損益	-	-	(2,602)	-	(2,602)	-	(2,602)
Currency translation differences	外幣折算差額	-	-	(273,296)	-	(273,296)	-	(273,296)
		19,489	1,049,307	(243,685)	(2,585,136)	(1,760,025)	(69)	(1,760,094)
<b>Transactions with owners in their capacity as owners</b>	與所有者以其所有者的 身份進行的交易							
Employees stock option schemes — value of employee services	僱員購股權計劃 — 僱員服務價值	-	-	54,743	-	54,743	-	54,743
Non-controlling interests arising from business combinations (Note 38)	業務合併產生的非控制性 權益(附註38)	-	-	-	-	-	13,334	13,334
Disposal of subsidiaries	處置附屬公司	-	-	45,160	(45,160)	-	-	-
		-	-	99,903	(45,160)	54,743	13,334	68,077
<b>As at December 31, 2018</b>	於二零一八年 十二月三十一日	19,489	1,049,307	(143,782)	(2,630,296)	(1,705,282)	13,265	(1,692,017)

The accompanying notes on pages 142 to 328 are an integral part of these consolidated financial statements.

後附第142頁至第328頁之附註為本財務報表的整體部分。

# Consolidated Statement of Cash Flows

## 合併現金流量表

		Year ended December 31, 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列 Note 2.1.2 附註 2.1.2
		Note 附註	
<b>Cash flows from operating activities</b>	<b>經營活動的現金流量</b>		
<b>Continuing operations</b>	<b>持續經營</b>		
Cash generated from operations	經營活動產生的現金	493,495	446,840
Interest paid	已付利息	(479,093)	(398,226)
Income taxes paid	已付所得稅	(52,450)	(2,401)
<b>Discontinued operations</b>	<b>終止經營</b>	132,127	(5,272)
<b>Net cash inflow from operating activities</b>	<b>經營活動產生的現金淨額</b>	36	94,079
			40,941
<b>Cash flows from investing activities</b>	<b>投資活動的現金流量</b>		
<b>Continuing operations</b>	<b>持續經營</b>		
Payments for property, plant and equipment	購買不動產、工廠及設備	(65,242)	(24,344)
Decrease/(increase) in financial assets	金融資產的減少/(增加)	318,834	(336,686)
Proceeds from disposal of subsidiaries	收到處置子公司所得款項	186,835	90,660
Net proceeds from disposal of investment in associate	處置聯營投資取得的款項 (扣除交易費用後淨值)	138,655	-
Payment for acquisition of foreign contractor's participating interests in PRC	支付收購位於中國的外方合同者參與權益的款項	(187,881)	-
Receipt of/(payments for) loans and deposits from third parties	收到/(支付)第三方借款和保證金	47,814	(24,656)
Payments for acquisition of subsidiary, net of cash acquired	支付收購子公司的款項 (扣除取得現金)	(18,589)	-
Contribution and loans to/acquisition of investments accounted for using equity method	投入/收購以權益法入賬的投資及貸款	(3,199)	(33,490)
Others	其他	(845)	(38,692)
<b>Discontinued operations</b>	<b>終止經營</b>	355,114	(3,592,090)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>投資活動產生/(使用)的現金淨額</b>	771,496	(3,959,298)

# Consolidated Statement of Cash Flows (Continued)

## 合併現金流量表(續)

		Year ended December 31, 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列 Note 2.1.2 附註 2.1.2
		Note 附註	
<b>Cash flows from financing activities</b>	<b>融資活動的現金流量</b>		
<b>Continuing operations</b>	<b>持續經營</b>		
Repayments of borrowings	償還借款	(300,747)	(366,606)
Proceeds from borrowings	借款所得款項	912,252	1,584,381
Repayments of 2018 Notes upon maturity	到期償還 2018 票據	(1,150,179)	-
Proceeds from issue of convertible bonds	發行可轉債所得款項	275,436	-
Payments for loan arrangement and other fees	支付借款安排費及相關費用	(214,903)	-
Payments for repurchase and cancellation part of 2018 Notes and 2019 Notes	回購並註銷部分 2018 和 2019 票據	-	(791,173)
Others	其他	(4,431)	47,284
<b>Discontinued operations</b>	<b>終止經營</b>	(477,763)	2,686,882
<b>Net cash (outflow)/inflow from financing activities</b>	<b>融資活動(使用)/產生的現金淨額</b>	(960,335)	3,160,768
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等價物的減少淨額</b>	(94,760)	(757,589)
Cash and cash equivalents at beginning of the financial year	年初現金及現金等價物	132,172	904,961
Effects of exchange rate on cash and cash equivalents	現金及現金等價物的匯兌損益的影響	(7,183)	(15,200)
Transferred to disposal group classified as held for sale	轉撥至持有待售的處置組	(2,114)	-
<b>Cash and cash equivalents at end of the year</b>	<b>年末現金及現金等價物</b>	28,115	132,172

The accompanying notes on pages 142 to 328 are an integral part of these consolidated financial statements.

後附第 142 頁至第 328 頁之附註為本合併財務報表的整體部分。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 1. GENERAL INFORMATION

MIE Holdings Corporation (the “Company”) and its subsidiaries (together, the “Group”) are principally engaged in the exploration, development, production and sale of oil, gas and other petroleum products in the People’s Republic of China (the “PRC”) under production sharing contract (the “PSC”) and in the exploration, development and holding interests in petroleum and natural gas properties directly and through investments in other partnership holdings in the oil and natural gas properties or related production infrastructure in Canada. The Group also participates as associates in the exploration, development and production of petroleum assets located in the Republic of Kazakhstan (the “Kazakhstan”) and the northern part of the South China Sea in the PRC.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Maples Corporate Services Limited, P.O. Box 309 Ugland House, Grand Cayman KY1-1104, Cayman Islands.

The Company’s shares were listed on the Stock Exchange of Hong Kong Limited (“SEHK”) on December 14, 2010.

The financial statements are presented in Chinese Renminbi (“RMB”) unless otherwise stated. These financial statements have been approved for issue by the board of Directors of the Company (the “Board of Directors”) on April 23, 2019.

### 1. 一般資料

MI能源控股有限公司(以下簡稱「本公司」)及其子公司(統稱「本集團」)主要在中華人民共和國(以下簡稱「中國」)按照產品分成合同及類似協議，從事勘探、開發、生產及銷售石油、天然氣和其他石油產品和在加拿大從事勘探、開發、直接持有石油和天然氣資產的權益以及通過投資其他合夥企業持有的石油、天然氣資產或相關的生產基礎設施。本集團通過聯營企業形式參與位於哈薩克斯坦共和國(「哈薩克斯坦」)和中國南海北部地區的勘探、開發、生產及銷售石油和其他石油產品活動。

本公司是一家於開曼群島註冊成立的有限公司。註冊地址為Maples Corporate Services Limited, P.O. Box 309 Ugland House, Grand Cayman KY1-1104, Cayman Islands。

本公司的股份於二零一零年十二月十四日在香港聯合交易所有限公司上市(以下簡稱「香港聯交所」)。

本財務報表以人民幣列報(除非另有說明)。本財務報表已經由本公司董事會於二零一九年四月二十三日批准刊發。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). The consolidated financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

### 2. 重要會計政策摘要

編製本合併財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所列報的所有年度內貫徹應用。

#### 2.1 編製基礎

合併財務報表是根據所有適用的國際會計準則委員會發佈的國際財務報告準則編製。合併財務報表按照歷史成本法編製。

編製符合國際財務報告準則的財務報表需要使用特定關鍵會計估計。這亦需要管理層在應用本集團的會計政策過程中行使其判斷。涉及高度判斷或高度複雜性的範疇，或涉及對合併財務報表作出重大假設和估計的範疇，在附註4中披露。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### 2.1.1 Going Concern

In the recent years, the Group's performance was significantly affected by the relatively low commodity prices of oil and gas and the high borrowing costs for general funding and re-financing purposes. During the year ended December 31, 2018, the Group incurred a net loss of RMB1,195.8 million, which comprised of losses of RMB832.3 million from continuing operations and RMB363.5 million from discontinued operations.

As at December 31, 2018, the Group had a shareholders' deficit of RMB1,692.0 million and the Group's current liabilities and liabilities of disposal group classified as held for sale exceeded its current assets and assets of disposal group classified as held for sale by RMB2,034.1 million. Included in the current liabilities and liabilities of disposal group classified as held for sale as at December 31, 2019 were (i) senior notes of US\$315.9 million (the "2019 Notes") (see (a) below); (ii) convertible bonds of HK\$340 million ("Convertible Bonds") (see (b) below); (iii) a borrowing of US\$60 million, repayable on demand ("On-Demand Borrowing") (see (c) below); and (iv) a term loan facility of US\$100 million (approximately RMB686.3 million) (the "Maple Marathon Loan") advanced to the disposal group, Maple Marathon Investments Limited ("Maple Marathon") (see (d) below). In addition, as at December 31, 2018, the Group had non-current borrowings of RMB1,786.1 million, the principals of which were all repayable more than twelve months from the year end in accordance with the respective borrowing agreements. The Group only had cash and cash equivalents of RMB28.1 million as at December 31, 2018.

## 2. 重要會計政策摘要(續)

### 2.1 編製基礎(續)

#### 2.1.1 持續經營

近年來，本集團的業績受到石油和天然氣偏低的商品價格，以及為一般和再融資目的偏高借貸成本的顯著影響。截至二零一八年十二月三十一日止年度，本集團淨虧損人民幣1,195.8百萬元，其中包括因持續經營及終止經營業務而產生的虧損人民幣832.3百萬元及人民幣363.5百萬元。

截至二零一八年十二月三十一日，本集團股東虧損為人民幣1,692.0百萬元。本集團的流動負債和分類為持有待售處置組的負債超出其流動資產和分類為持有待售處置組的資產人民幣2,034.1百萬元。流動負債和分類為持有待售處置組的負債包括(i)315.9百萬美元優先票據(「2019票據」)(詳見以下附註(a)); (ii)可換股債券340百萬港幣，(詳見以下附註(b)); (iii)即時償還借款60百萬美元(「即時償還借款」)(詳見以下附註(c)); 和(iv)向持有待售處置組Maple Marathon Investments Limited提供100百萬美元(等價於人民幣686.3百萬元)的定期貸款融資(「Maple Marathon Loan」)(詳見以下附註(d))。另外，截至二零一八年十二月三十一日，本集團的非流動借款金額為人民幣1,786.1百萬元。根據各自的借款協議，其本金均超過十二個月償還。截至二零一八年十二月三十一日，集團現金及現金等價物金額為人民幣28.1百萬元。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### 2.1.1 Going Concern (Continued)

As at December 31, 2018 and up to the date of approval of these financial statements, no borrowings, notes or bonds were overdue and the Group did not commit any events of default, cross-default or breach of covenants and restrictive terms and conditions stipulated in the borrowing and financing agreements entered into by the Group.

The above conditions indicate the existence of material uncertainties which may cast significant doubt regarding the Group's ability to continue as a going concern.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern, and have taken the following measures to mitigate the liquidity pressure and to improve its cash flows:

## 2. 重要會計政策摘要(續)

### 2.1 編製基礎(續)

#### 2.1.1 持續經營(續)

截至二零一八年十二月三十一日及截至批准本財務報表日為止，借款、票據或債券均未逾期。在本集團訂立的借款和融資協議中，並未發生任何違約，交叉違約或違反契約、限制性條款和條件的事項。

上述狀況顯示存有重大不確定因素，可能對本集團持續經營的能力產生重大疑慮。

鑒於該等情況，董事在評核本集團是否有充足的財務資源以持續經營時，已審慎考慮本集團未來流動資金、業績以及其可獲得的融資來源。本集團已採取若干措施以減輕流動資金的壓力並改善其現金流量：

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### 2.1.1 Going Concern (Continued)

- (a) As detailed in Note 44, the Company had issued 2019 Notes which totaled US\$315.9 million with a maturity date on April 25, 2019. On March 1, 2019 the Company announced an offer to the holders of the 2019 Notes to exchange the existing notes, together with the interest payable on maturity of US\$11.2 million, for a new package of senior notes and cash payment with a later maturity date (the “Exchange Offer”). The Exchange Offer expired on April 10, 2019 and noteholders representing approximately 84% of the total principal amount outstanding at December 31, 2018 accepted the Exchange Offer. In accordance with the related terms and conditions, the Company issued new senior notes in the principal amount of US\$248.4 million bearing annual interest at 13.750% due on April 12, 2022, made a cash payment of approximately US\$26.1 million (equivalent to approximately RMB183.1 million) to these holders on April 15, 2019, and the corresponding 2019 Notes were cancelled accordingly. The Company will settle the remaining 2019 Notes with principal plus accrued interest totaling US\$52.6 million (equivalent to approximately RMB369.0 million) upon maturity on April 25, 2019.

## 2. 重要會計政策摘要(續)

### 2.1 編製基礎(續)

#### 2.1.1 持續經營(續)

- (a) 如附註44所述，本公司已發行2019票據，總額為315.9百萬美元，到期日為二零一九年四月二十五日。於二零一九年三月一日，本公司宣布向2019票據持有人發出要約，將現有票據連同到期日應付利息11.2百萬美元換取較後到期的新的優先票據和現金付款(「交換要約」)。交換要約於二零一九年四月十日到期，其中二零一八年十二月三十一日未償還本金佔總額約84%的票據持有人接受了交換要約。根據相關條款及條件，本公司發行了本金約為248.4百萬美元並於二零二二年四月十二日到期的新優先票據，年利率為13.750%。並於二零一九年四月十五日向接受交換要約的票據持有人支付現金約26.1百萬美元(等價於人民幣183.1百萬元)，至此相應部分的2019票據也相應取消。本公司將於到期日二零一九年四月二十五日結清剩餘的2019票據，本金加應計利息共計52.6百萬美元(等價於人民幣369.0百萬元)。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### 2.1.1 Going Concern (Continued)

(a) (Continued)

To fund the Exchange Offer and repayment of the remaining 2019 Notes upon maturity, the Company issued private notes (the "Private Notes") totaling US\$68 million (equivalent to approximately RMB477.4 million) on April 12, 2019. The Private Notes are redeemable on April 12, 2020, but are subject to mandatory early redemption upon the repayment of all or part of the Public Notes by the Group as defined in (b) below.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基礎(續)

##### 2.1.1 持續經營(續)

(a) (續)

為了交換要約和償還剩餘即將到期的2019票據的還款提供資金，本公司於二零一九年四月十二日發行了總額為68.0百萬美元(等價於人民幣477.4百萬元)的私人票據(「私人票據」)。私人票據於二零二零年四月十二日贖回，但須於下文附註(b)所界定的當本集團償還全部或部分公開債券時必須提早贖回。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### 2.1.1 Going Concern (Continued)

- (b) As detailed in Note 13, the Convertible Bonds issued by the Company of HK\$340 million (equivalent to approximately RMB297.9 million) were redeemable on January 26, 2021, and secured against the shares of Maple Marathon (see (d) below). The terms of the Convertible Bonds were amended on January 22, 2019 and February 27, 2019 (and are referred to as the “Public Notes” after the amendment) whereby the conversion rights to the Company’s shares were cancelled; and the related exercise date of the put option for redemption (“Put Option”) was changed from January 26, 2019 to any date on or after March 15, 2019 until maturity. While management of the Company will continue its efforts in persuading the holder not to exercise the Put Option until the Group has the financial resources to repay the Public Notes, based on the latest communications with the holder of the Public Notes, there is no indication that the holder has any current intention to exercise the Put Option until the charges over the shares of Maple Marathon are required to be released for the completion of the Maple Marathon Disposal as defined under (d) below.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基礎(續)

##### 2.1.1 持續經營(續)

- (b) 如附註13所詳述，本公司發行之可換股債券340百萬港幣(等價於人民幣297.9百萬元)於二零二一年一月二十六日贖回，並以Maple Marathon股份作抵押(見下述附註(d))。可轉換債券的條款分別於二零一九年一月二十二日和二月二十七日進行修訂(修改後稱為「公開債券」)，取消了對公司股份的轉換權；認沽期權的贖回期「認沽期權」已從二零一九年一月二十六日延長至二零一九年三月十五日之後的任何日期。本公司管理層將繼續努力說服公開債券持有人在公司擁有可以償還公開債券的融資資源前不行使認沽期權。根據與持有人的最近期溝通，管理層認為債券持有人並無跡象顯示目前有意行使認沽期權直至要求解除Maple Marathon股份抵押以完成Maple Marathon出售事項(下文附註(d))。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### 2.1.1 Going Concern (Continued)

- (c) The Company will continue its ongoing efforts in convincing the lender of the On-Demand Borrowing of US\$60 million (equivalent to approximately RMB411.8 million) which is scheduled to be repaid in full on February 1, 2020, not to exercise its contractual right to request the Company for early immediate repayment of the principal amount and any accrued interest prior to the scheduled repayment date. Based on latest communications, there is no indication that the lender has any current intention to exercise its right to demand immediate repayment.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基礎(續)

##### 2.1.1 持續經營(續)

- (c) 本公司將繼續努力說服即時償還借款的出借人，對計劃於二零二零年二月一日全額償還借款本金為60百萬美元（等價於人民幣411.8百萬元）的借款，在計劃還款日前不行使合約權利要求公司立即償還本金及所有應計利息。根據最近期溝通，管理層認為並無迹象表明出借人目前有意行使其要求立即還款的權利。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### 2.1.1 Going Concern (Continued)

- (d) As detailed in Note 20, the Company entered into an agreement on September 24, 2018 with Far East Energy International Limited (“Far East Energy” or the “Purchaser”), a company wholly owned by Mr. Zhang Ruilin, the Chairman and controlling shareholder of the Company, to sell its entire 100% equity interest in Maple Marathon (the “Maple Marathon Disposal”) to mitigate the liquidity pressure of the Group. According to the disposal agreement, the completion of the Maple Marathon Disposal requires, amongst other procedures, payment to the Company by Far East Energy of net cash proceeds of US\$ 150 million; and that the Maple Marathon Loan of US\$100 million (approximately RMB686.3 million) due on September 6, 2019 should be retained by Far East Energy for repayment. The completion date of the Maple Marathon Disposal was originally January 31, 2019 and has now been extended to September 30, 2019, through a supplemental agreement dated January 30, 2019.

## 2. 重要會計政策摘要(續)

### 2.1 編製基礎(續)

#### 2.1.1 持續經營(續)

- (d) 如附註20所詳述，於二零一八年九月二十四日，本公司與Far East Energy International Limited(「Far East Energy」或「買方」)訂立協議，Far East Energy為本公司主席及控股股東張瑞霖先生全資擁有的公司，出售其於Maple Marathon的全部100%股權(「Maple Marathon出售事項」)以減輕本集團的流動資金壓力。根據出售協議，在完成Maple Marathon出售事項時，其中Far East Energy須向本公司支付150百萬美元的現金所得款淨額；在二零一九年九月六日到期的Maple Marathon 100百萬美元借款(等價於人民幣686.3百萬元)應由Far East Energy進行償還。Maple Marathon出售事項的交割日最初為二零一九年一月三十一日，通過二零一九年一月三十日的補充協議，現將交割日日期延長至二零一九年九月三十日。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### 2.1.1 Going Concern (Continued)

(d) (Continued)

Management of the Company will continue its efforts in communicating with the buyer and monitoring the completion of the Maple Marathon Disposal in accordance with the agreements. To the best knowledge of the Directors, the Maple Marathon Disposal is expected to be completed in the near future whereby the cash consideration will be made available to the Group to enable it to meet its liabilities and obligations.

(e) The Group will also continue to generate operating cash flows and actively seek other alternative financing, including borrowings and proceeds from disposal of assets or business, to finance the settlement of its existing financial obligations and future operating and capital expenditures.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from December 31, 2018. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations when they fall due within the next twelve months from the end of the reporting period. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基礎(續)

##### 2.1.1 持續經營(續)

(d) (續)

本公司管理層將繼續努力與買方溝通，並根據協議關注Maple Marathon出售事項的完成情況。據董事所知，Maple Marathon出售事項預期將於不久之後完成，其現金所得款項將給予本集團以履行其責任與義務。

(e) 本集團亦會繼續產生經營現金流並積極尋求其他替代融資，包括借貸及出售資產或業務所得款項，以支付其現有財務責任及未來營運及資本開支的結算。

董事已審閱管理層編製的本集團現金流量預測，其涵蓋自二零一八年十二月三十一日起不少於十二個月的期間。董事認為，考慮到上述計劃措施，本集團將擁有充足的營運資金為其業務提供資金，並能履行自報告日起計未來十二個月到期的財務義務。因此，董事相信，以持續經營的基礎編製合併財務報表屬恰當。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### 2.1.1 Going Concern (Continued)

Notwithstanding the above, significant uncertainties exist as to whether the management of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- (i) successful completion of the Maple Marathon Disposal in the near future so that the net cash proceeds will be made available to the Group for fulfilment of its debt and other obligations; and that the Maple Marathon Loan will be retained by Far East Energy for repayment in accordance with the disposal agreement such that the Group does not need to obtain additional sources of financing to repay such loan upon the due date;
- (ii) the holder of the Public Notes not exercising the Put Option prior to the completion of the Maple Marathon Disposal; in order not to trigger earlier redemption of the Public Notes and the Private Notes;
- (iii) the lender of the On Demand Borrowing due to be repaid on February 1, 2020 not exercising its right to demand immediate payment;

### 2. 重要會計政策摘要(續)

#### 2.1 編製基礎(續)

##### 2.1.1 持續經營(續)

儘管如此，本公司管理層能否如上文所述達成其計劃及措施存有重大的不確定性。本集團日後是否能夠持續經營將取決於以下計劃：

- (i) 於不久將來成功完成 Maple Marathon 出售事項，以便將現金所得款項提供予本集團以履行其債務和其他責任；而 Far East Energy 將根據出售協議償還 Maple Marathon 借款，而本集團無需於到期日獲得額外融資來償還該貸款；
- (ii) 公開債券持有人在完成 Maple Marathon 出售事項前不行使認沽期權；為了不觸發提前贖回公開債券和私人票據；
- (iii) 即時償還借款出借人不會行使權利要求立即歸還二零二零年二月一日到期的款項；



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### 2.1.1 Going Concern (Continued)

- (iv) the Group's ability to continuously comply with the terms and conditions of all the outstanding borrowings and financing agreements and to successfully negotiate with the lenders to obtain waivers or to revise the existing terms and conditions as and when needed such that the existing borrowings and financing will continue to be available to the Group ; and
- (v) the Group's ability to generate operating cash flows and obtain additional sources of financing, other than those mentioned above, to finance the Group's oil exploration and production businesses and other funding needs.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in the consolidated financial statements.

##### 2.1.2 Re-presentation of comparative figures

In preparing the Company's consolidated financial statements for the year ended December 31, 2018, the Directors of the Company have identified the matter disclosed in Note 20 requiring re-presentation of comparative figures. As a result of the impact on comparatives as disclosed in Note 43, prior year financial statements had to be re-presented.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基礎(續)

##### 2.1.1 持續經營(續)

- (iv) 本集團有能力持續遵守所有未償還借款及融資協議的條款及條件，並在有需要時成功與出借方協商以獲取豁免或修訂現有條款及條件，以確保現有借貸及融資將繼續可供本集團使用；及
- (v) 除上述以外，本集團有能力產生經營現金流量及獲得額外融資來源，以資助本集團的石油勘探及生產業務及其他融資需求。

倘本集團未能達成上述計劃及措施，其未必能在持續經營的基礎上繼續營運，本集團的資產賬面價值需要被調整至其可收回金額，就可能進一步產生的負債撥備，同時將非流動資產及非流動負債重新分類為流動資產和流動負債。該等調整的影響尚未反映於合併財務報表中。

##### 2.1.2 比較數字的重新呈列

在編製本公司截至二零一八年十二月三十一日止年度的合併財務報表時，本公司董事已識別附註20所披露的事項，要求重新列報比較數字。由於附註43所述的比較數字的影響，上年度財務報表格式將重新呈列。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### 2.1.3 Changes in accounting policy and disclosures

**(a) New and amended standards adopted by the Group**

The following standards have been adopted by the Group for the first time for the financial year beginning on or after January 1, 2018:

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2018:

- IFRS 9 Financial Instruments (“IFRS 9”)
- IFRS 15 Revenue from Contracts with Customers (“IFRS 15”)
- Annual Improvements 2014–2016 cycle
- Annual Improvements to IFRS Standards 2015–2017 cycle, and

The Group had to change its accounting policies and make adjustments following the adoption of IFRS 9 and IFRS 15. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基礎(續)

##### 2.1.3 會計政策和披露的變動

**(a) 本集團已採納的新訂和已修改的準則**

本集團自二零一八年一月一日或之後開始的財政年度首次採納的新準則和已修訂的準則列示如下：

該集團在二零一八年一月一日開始的年度報告期內首次應用以下標準和修訂：

- IFRS 9 金融工具(「國際財務報告準則第9號」)
- IFRS15 客戶合同收入(「國際財務報告準則第15號」)
- 二零一四至二零一六周期年度改進
- 二零一五年至二零一七年國際財務報告準則標準周期的年度改進，以及

採用國際財務報告準則第9號和國際財務報告準則第15號後，集團需改變其會計政策並作出若干調整。上述大多數其他修訂對以前期間確認的金額沒有任何影響，預計不會對當前或未來期間的金額產生重大影響。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2. 重要會計政策摘要(續)

#### 2.1 Basis of preparation (Continued)

#### 2.1 編製基礎(續)

##### 2.1.4 New standards and interpretations not yet adopted

##### 2.1.4 尚未採納的新準則和解釋

		<b>Effective for annual periods beginning on or after</b>
		於下列日期或之後開始的年度期間生效
IFRS 16 國際財務報告準則第16號	Leases 租賃	January 1, 2019 二零一九年一月一日
IFRIC 23 國際財務報告詮釋委員會—詮釋第23號	Uncertainty over income tax treatments 所得稅處理的不確定性	January 1, 2019 二零一九年一月一日
IAS 19 國際會計準則第19號	Employee benefits on plan amendment, curtailment or settlement 有關計劃修訂、縮減或結付的僱員福利	January 1, 2019 二零一九年一月一日
Amendments to IFRS 10 and IAS 28 國際財務報告準則第10號及國際會計準則第28號(修訂版)	Sale or contribution of assets between an investor and its associate or joint venture 投資者與其聯營公司或合營公司之間的資產出售或注資	To be determined 待定
Amendments to IFRS 9 國際財務報告準則第9號(修訂版)	Prepayment features with negative compensation 具有負補償的預付款項特點	January 1, 2019 二零一九年一月一日
Amendments to IAS 28 國際會計準則第28號(修訂版)	Long-term interests in associates and joint ventures 於聯營公司及合營公司的長期權益	January 1, 2019 二零一九年一月一日
Annual improvements to IFRS Standards 2015–2017 cycle 國際財務報告準則二零一五年至二零一七年年度的改進	Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 國際財務報告準則第3號、國際財務報告準則第11號、國際會計準則第12號及國際會計準則第23號的修訂	January 1, 2019 二零一九年一月一日

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### 2.1.4 New standards and interpretations not yet adopted (Continued)

Certain new accounting standards and interpretations have been published that are not mandatory for December 31, 2018 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below:

IFRS 16 is mandatory for financial years commencing on or after January 1, 2019. The Group does not intend to adopt the standard before its effective date. The Group does not expect this new standard to have a material impact to the financial statements.

#### **IFRS 3 (amendment)**

IFRS 3 (amendment) clarifies the definition of business. Under the new amendment, to be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs. The new amendment is mandatory for which the acquisition date is on or after January 1, 2020. The Group does not intend to adopt this standard before its effective date.

Apart from the above, other new standards and amendments to standards are not expected to have a significant effect on the consolidated financial statements of the Group.

## 2. 重要會計政策摘要(續)

### 2.1 編製基礎(續)

#### 2.1.4 尚未採納的新準則和解釋(續)

部分已頒佈的新會計準則和解釋無須於截至二零一八年十二月三十一日止的報告期間強制採納，因此本集團未提早採納此等準則和解釋。本集團對此等新準則和解釋的影響評估如下：

國際財務報告準則第16號必須在二零一九年一月一日或之後開始的財政年度採納。本集團不準備在生效日期前採納此準則。本集團預計此新準則不會對財務報表產生重大影響。

#### **國際財務報告準則第3號(修訂本)**

國際財務報告準則第3號(修訂本)釐清業務的定義。根據新修訂本，為被視為一項業務，收購必須包括一項輸入及一個共同對創造輸出的能力作出重大貢獻的實質過程。新修訂本對於收購日期為二零二零年一月一日或之後的收購強制生效。本集團不擬於此準則的生效日期前採納此準則。

除上述者外，預期其他新準則及準則的修訂本將不會對本集團合併財務報表造成重大影響。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 Consolidation and subsidiaries

##### 2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

### 2. 重要會計政策摘要(續)

#### 2.2 合併及子公司

##### 2.2.1 合併

子公司指本集團對其具有控制權的所有主體(包括結構性主體)。當本集團因為參與該主體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其對該主體的權力影響此等回報時，本集團即控制該主體。子公司在控制權轉移至本集團之日起合併入賬。子公司在控制權終止之日起停止合併入賬。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation and subsidiaries (Continued)

#### 2.2.1 Consolidation (Continued)

##### (a) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by IFRS. Acquisition-related costs are expensed as incurred.

## 2. 重要會計政策摘要(續)

### 2.2 合併及子公司(續)

#### 2.2.1 合併(續)

##### (a) 業務合併

本集團利用購買法將業務合併入賬。購買一子公司所轉讓的對價，為所轉讓資產、對被收購方的前所有人產生的負債，及本集團發行的股本權益的公允價值。所轉讓的對價包括或有對價安排所產生的任何資產和負債的公允價值。在業務合併中所購買可辨認的資產以及所承擔的負債及或有負債，首先以彼等於購買日期的公允價值計量。本集團按個別收購基準，確認在被購買方的任何非控制性權益。被購買方的非控制性權益為現時的擁有權權益，並賦予持有人一旦清盤是按比例應佔主體的淨資產，可按公允價值或按現時擁有權權益應佔被收購方可識別淨資產的確認金額比例而計量。非控制性權益的所有其他組成部分按收購日期的公允價值計量，除非國際財務報告準則規定必須以其他計量基準計算，購買相關成本在產生時支銷。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 Consolidation and subsidiaries (Continued)

##### 2.2.1 Consolidation (Continued)

###### (a) Business combinations (Continued)

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39") either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income.

### 2. 重要會計政策摘要(續)

#### 2.2 合併及子公司(續)

##### 2.2.1 合併(續)

###### (a) 業務合併(續)

如業務合併分階段進行，收購方之前在被收購方持有權益於收購日期的賬面值，按收購日期的公允價值重新計量，重新計量產生的任何盈虧在損益中確認。

本集團將轉讓的任何或有對價按收購日期的公允價值計量。被視為資產或負債的或有對價公允價值的其後變動，根據國際會計準則第39號金融工具：確認和計量(「IAS 39」)的規定，在損益中或作為其他綜合收益的變動確認。分類為權益的或有對價不重新計量，其之後的結算在權益中入賬。

所轉讓對價、被收購方的任何非控制性權益數額，及在被收購方之前任何權益在收購日期的公允價值，超過購入可辨識淨資產公允價值的數額記錄為商譽。如所轉讓對價、確認的任何非控制性權益及之前持有的權益計量，低於購入子公司淨資產的公允價值，則將該數額直接在合併綜合收益表中確認。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation and subsidiaries (Continued)

#### 2.2.1 Consolidation (Continued)

##### (a) Business combinations (Continued)

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

##### (b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions — that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

## 2. 重要會計政策摘要(續)

### 2.2 合併及子公司(續)

#### 2.2.1 合併(續)

##### (a) 業務合併(續)

集團內公司之間的交易、結餘及交易的未變現利得予以對銷。未變現損失亦予以對銷，除非交易提供所轉撥資產的減值證據。子公司報告的數額已按需要作出改變，以確保與本集團採用的政策符合一致。

##### (b) 子公司所有者權益變動但控制權不變

本集團將其與非控制性權益進行、不導致失去控制權的交易入賬為權益交易 — 即與子公司所有者以其作為所有者身份進行的交易。所支付任何對價的公允價值與相關應佔所收購子公司淨資產賬面價值的差額記錄為權益，向非控制性權益的處置的盈虧亦記錄在權益中。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation and subsidiaries (Continued)

#### 2.2.1 Consolidation (Continued)

##### (c) Disposals of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

#### 2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

## 2. 重要會計政策摘要(續)

### 2.2 合併及子公司(續)

#### 2.2.1 合併(續)

##### (c) 出售子公司

當集團不再持有控制權，在主體的任何保留權益與失去控制權當日重新計量值公允價值，賬面值的變動在損益中確認。公允價值為就保留權益的後續入賬而言的初始賬面值，作為聯營、合營或金融資產。此外，之前在其他綜合收益中確認的任何數額猶如本集團已直接處置相關資產和負債。這意味著之前在其他綜合收益中確認的數額重新分類至損益。

#### 2.2.2 獨立財務報表

子公司投資按成本扣除減值列帳。成本包括投資的直接歸屬成本。子公司的業績由本公司按已收及應收股利入賬。

如股利超過宣派股利期內子公司的綜合收益，或如在獨立財務報表的投資賬面值超過合併財務報表中被投資公司淨資產(包括商譽)的賬面值，則必須對子公司投資作減值測試。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

### 2. 重要會計政策摘要(續)

#### 2.3 聯營公司

聯營指所有本集團對其有重大影響力而無控制權的主體，通常附帶有20% – 50%投票權的股權。聯營投資以權益法入賬。根據權益法，投資初始以成本確認，而賬面值被增加或減少以確認投資者享有被投資者在收購日期後的損益份額。本集團於聯營的投資包括購買時已辨認的商譽。在購買聯營企業的投資時，購買成本與本集團享有的對聯營企業可辨認資產和負債的公允價值淨額的差額確認為商譽。

如聯營的權益持有被削減但仍保留重大影響力，只有按比例將之前在其他綜合收益中確認的數額重新分類至損益(如適當)。

本集團應佔聯營購買後利潤或虧損於合併綜合收益表內確認，而應佔其購買後的其他綜合收益變動則於其他綜合收益內確認，並相應調整投資賬面值。如本集團應佔一家聯營的虧損等於或超過其在該聯營的權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團對聯營已產生法律或推定債務或已代聯營作出付款。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Associates (Continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of investments accounted for using equity method' in the consolidated statement of comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the consolidated statement of comprehensive income

#### 2.4 Joint arrangements

The Group applies IFRS 11 Joint Arrangements ("IFRS 11") to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Company has assessed the nature of its joint arrangements and determined them to be joint ventures and joint operations.

### 2. 重要會計政策摘要(續)

#### 2.3 聯營公司(續)

本集團在每個報告日期釐定是否有客觀證據證明聯營投資已減值。如投資已減值，本集團計算減值，數額為聯營可收回數額與其賬面值的差額，並在合併綜合收益表中確認於「享有按權益法入賬的投資的利潤／(虧損)份額」。

本集團與其聯營之間的上流和下流交易的利潤和虧損，在集團的財務報表中確認，但僅限於無關連投資者在聯營權益的數額。除非交易提供證據顯示所轉讓資產已減值，否則未實現虧損亦予以對銷。聯營的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

在聯營股權稀釋所產生的利得或損失於合併綜合收益表確認。

#### 2.4 合營安排

本集團已對所有合營安排應用國際財務報告準則第11號(「國際財務報告準則第11號」)共同經營。根據國際財務報告準則第11號，在合營安排的投資必須分類為共同經營或合營企業，視乎每個投資者的合同權益和義務而定。本公司已評估其合營安排的性質並釐定為共同經營和合營企業。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.4 Joint arrangements (Continued)

#### 2.4.1 Joint ventures

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

## 2. 重要會計政策摘要(續)

### 2.4 合營安排(續)

#### 2.4.1 合營企業

根據權益法，合營企業權益初步以成本確認，其後經調整以確認本集團享有的收購後利潤或虧損以及其他綜合收益變動的份額。本集團對合營企業的投資包括在購買時已辨認的商譽。在購買合營企業的投資時，購買成本與本集團享有的對合營企業可辨認資產和負債的公允價值淨額的差額確認為商譽。當集團享有某一合營企業的虧損超過或相等於在該合營企業的權益(包括任何實質上構成集團在該合營淨投資的長期權益)，則集團不確認進一步虧損，除非集團已產生義務或已代合營企業付款。

集團與其合營企業之間的未變現交易利得按集團在該等合營企業的權益予以對銷。未變現虧損也予以對銷，除非交易提供證據證明所轉讓的資產出現減值。合營企業的會計政策如有需要已改變以符合集團採納的政策。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.4 Joint arrangements (Continued)

##### 2.4.2 Joint operations

The Group's development and production activities in the PRC are conducted, through its subsidiaries, jointly with others through PSCs. These PSCs establish joint control over the development and production activities. The assets are not owned by a separate legal entity but are controlled by individual participants in the PSCs. Each participant is entitled to a predetermined share of the related output and bears an agreed share of the costs.

The consolidated financial statements reflect:

- the Group's share of any assets used in the joint operations;
- any liabilities that the Group incurred;
- the Group's share of any liabilities incurred jointly with the other PSC partners in relation to the joint production;
- any income from the sale or use of the Group's share of the output of the production, together with its share of any expenses incurred in the production; and
- any expense that the Group has incurred in respect of its interests in the production.

### 2. 重要會計政策摘要(續)

#### 2.4 合營安排(續)

##### 2.4.2 共同經營

本集團在中國通過子公司在產品分成合同下與其他方共同進行開發及生產活動。該等合同形成開發及生產活動的共同控制。該等資產並非由獨立法人實體擁有，而由產品分成合同的個人參與者控制。各參與者有權享有相關產品預先釐定的份額，並承擔協議份額的成本。

本合併財務報表反映：

- 本集團用於共同經營的資產份額；
- 本集團已產生的任何負債；
- 就共同生產而與其他產品分成合同參與者產生的任何負債內本集團的份額；
- 來自銷售或使用產品內本集團份額的收入，及其攤佔生產所產生的任何支出；及
- 本集團就產品權益所產生的任何支出。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.5 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company is United States dollar ("US\$"). The presentation currency of the consolidated financial statements is RMB.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income' or 'finance costs'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

### 2. 重要會計政策摘要(續)

#### 2.5 外幣折算

##### (a) 功能及列報貨幣

本集團每個主體的財務報表所列項目乃採用該實體經營所在地主要經濟環境的貨幣(「功能貨幣」)進行計量。本公司的功能貨幣為美元。合併財務報表的列報貨幣為人民幣。

##### (b) 交易及結餘

外幣交易採用交易日期的匯率折算為功能貨幣。結算此等交易及按年末匯率折算以外幣計值的貨幣資產及負債所導致的外匯收益及虧損計入損益。與借款和現金及現金等價物有關的匯兌利得和損失在合併綜合收益表內的「財務收入」或「財務費用」中列報。

以外幣為單位及被分類為可供出售的債務證券的公允價值變動，按照證券的攤餘成本變動與該證券賬面值的其他變動所產生的折算差額進行分析。與攤餘成本變動有關的折算差額計入損益，賬面值的其他變動則於其他綜合收益中確認。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.5 Foreign currency translation (Continued)

##### (b) Transactions and balances (Continued)

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

##### (c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

### 2. 重要會計政策摘要(續)

#### 2.5 外幣折算(續)

##### (b) 交易及結餘(續)

非貨幣性金融資產及負債(例如以公允價值計量且其變動計入損益的權益)的折算差額作為公允價值利得和損失的一部分計入損益。非貨幣性金融資產(例如分類為可供出售的權益)的折算差額包括在其他綜合收益中。

##### (c) 集團公司

其功能貨幣與本集團的列報貨幣不同的所有集團內的主體(當中沒有惡性通貨膨脹經濟的貨幣)的業績和財務狀況按如下方法折算為列報貨幣：

- (i) 每份列報的財務狀況表內的資產和負債按該財務狀況表日期的收市匯率折算；
- (ii) 每份綜合收益表內的收益和費用按平均匯率折算(除非此匯率並不代表交易日期匯率的累計影響的合理約數；在此情況下，收支項目按交易日期的匯率折算)；及
- (iii) 所有由此產生的匯兌差額在其他綜合收益中確認。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.5 Foreign currency translation (Continued)

##### (c) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

##### (d) Disposals of foreign operation and partial disposal

On the disposals of a foreign operation (that is, a disposals of the Group's entire interest in a foreign operation, or a disposals involving loss of control over a subsidiary that includes a foreign operation, a disposals involving loss of joint control over a joint venture that includes a foreign operation, or a disposals involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposals that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

### 2. 重要會計政策摘要(續)

#### 2.5 外幣折算(續)

##### (c) 集團公司(續)

購買境外主體產生的商譽及公允價值調整視為該境外主體的資產和負債，並按期末匯率折算。產生的外幣折算差異在其他綜合收益中入賬。

##### (d) 境外經營的處置和部分處置

對於境外經營的處置(即處置本集團在境外經營中的全部權益，或者處置涉及喪失對擁有境外經營的子公司的控制權，或涉及喪失對擁有境外經營的合營企業的共同控制權，或涉及喪失對擁有境外經營的聯營企業的重大影響)，就該項經營累計計入權益的歸屬於本公司所有者的所有匯兌差額均重分類至損益。

對於並不導致本集團喪失對擁有境外經營的子公司的控制權的部分處置，本集團在累計匯兌差額中的比例份額重新歸屬於非控制性權益並且不在損益中確認。對於所有其他部分處置(即本集團在聯營企業或合營企業中的所有權益的減少並不導致本集團喪失重大影響或共同控制權)，本集團在累計匯兌差額中的比例份額重分類至損益。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.6 Property, plant and equipment

Property, plant and equipment, including oil and gas properties, are stated at historical cost less accumulated depreciation, depletion, amortisation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

The cost of oil and gas properties is amortised at the field level based on the unit of production method. Unit of production rates are based on oil and gas proved and probable developed producing reserves estimated to be recoverable from existing facilities based on the current terms of the respective production agreements. The Group's reserves estimates represent crude oil and gas which management believes can be reasonably produced within the current terms of their production agreements.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings and improvements	7–10 years
Office equipment	3 years
Motor vehicles and production equipment	10 years
Facility turnarounds	4–6 years

### 2. 重要會計政策摘要(續)

#### 2.6 不動產、工廠及設備

包括油氣資產在內的不動產、廠房及設備按歷史成本減累計折舊、折耗及攤銷和累計減值損失後的價值列示。歷史成本包括直接歸屬於購買該等物品的支出。

後續發生的成本只有當與其相關的未來經濟利益很可能流入本集團並且此類支出能夠可靠計量時，才計入資產的賬面價值或確認為獨立資產。被替換部分的賬面價值將終止確認。此外的所有其他維修及保養支出，均在費用發生時計入該財務期間的損益。

油氣資產的成本乃以油田為單位按單位產量法予以攤銷。單位產量乃根據各自生產協議的現有期限，按照在現有設施下預計可回收石油及天然氣的已探明及概算已開發產油儲量計算。本集團的儲量估計為管理層認為可於此等生產協議現有期限內合理開採的原油及天然氣。

其他資產的折舊採用直線法計算，在其預計可使用年限內攤銷其成本或重估金額(扣除其淨值)，具體如下：

樓宇及裝修	七至十年
辦公室設備	三年
汽車及生產設備	十年
周轉設備	四至六年

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.6 Property, plant and equipment (Continued)

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains, net' in profit or loss.

#### 2.7 Exploration and evaluation expenditure

The successful efforts method of accounting is used for oil and gas exploration and production activities. Under this method, all costs for development wells, supporting equipment and facilities, and proved mineral interests in oil and gas properties are capitalised. Geological and geophysical costs are expensed when incurred. Costs of exploratory wells (including certain geophysical costs which are directly attributable to the drilling of these wells) are capitalised as exploration and evaluation assets pending determination of whether the wells find proved oil and gas reserves. Proved oil and gas reserves are the estimated quantities of crude oil and natural gas which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Prices include consideration of changes in existing prices provided only by contractual arrangements, but not on escalations based upon future conditions.

### 2. 重要會計政策摘要(續)

#### 2.6 不動產、工廠及設備(續)

本集團至少於報告期末對相關資產的殘值及可使用年限進行評估，並在必要時進行調整。當資產的賬面價值大於其預計的可回收金額時，相關資產賬面價值應立即撇減至其可回收金額。

處置的利得或損失按所得款與賬面值的差額確定，並計入損益中的「其他(損失)/利得，淨額」。

#### 2.7 勘探、評價資產和油氣資產

油氣勘探與生產活動採用成果法記賬。根據此方法，開發井、配套設施以及油氣資產中的已探明礦區權益的所有成本均予以資本化。地質及地球物理成本於產生時費用化。勘探井的成本(包括直接歸屬於鑽井服務的特定地質成本)乃根據該等井是否發現探明油氣儲量而決定是否作為在建工程予以資本化。探明油氣儲量為在現有經濟及作業條件(即於估算日的價格及成本)下，地質及工程數據表明於未來年度可合理肯定從已知油藏開採出原油及天然氣的估算量。價格包括僅按合同安排規定的現有價格變化的考慮，而並非根據未來條件調高價格。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.7 Exploration and evaluation expenditure (Continued)

Exploratory wells in areas not requiring major capital expenditures are evaluated for economic viability within one year of completion of drilling. The related well costs are expensed as dry holes if it is determined that such economic viability is not attained. Otherwise, the related well costs are reclassified to oil and gas properties and subject to impairment review. For exploratory wells that are found to have economically viable reserves in areas where major capital expenditure will be required before production can commence, the related well costs remain capitalised only if additional drilling is under way or firmly planned. Otherwise the related well costs are expensed as dry holes. The Group does not have any costs of unproved properties capitalised in oil and gas properties. Expired lease costs are expensed as part of exploration and evaluation expense as they occur.

Identifiable exploration assets acquired are recognised as assets at their fair value, as determined by the requirements of business combinations. Exploration and evaluation expenditure incurred subsequent to the acquisition of an exploration asset in a business combination is accounted for in accordance with the policy outlined above.

#### 2.8 Intangible assets

Intangible assets represent computer software, mining rights, technology and goodwill.

##### (a) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three years.

### 2. 重要會計政策摘要(續)

#### 2.7 勘探、評價資產和油氣資產(續)

於無需投入大量資本支出的地域的勘探井乃於完成鑽探的一年期內按經濟可行性予以評估。倘若釐定該等油氣井並不存在經濟可行性，則相關井乃作為乾井支出。否則，相關油氣井成本乃重新分類至油氣資產，並進行減值審閱。至於在可開始投產前將需投入大量資本支出的地域發現具有經濟可行儲量的勘探井，相關油氣井成本僅當正在進行或已正式計劃額外鑽探時仍維持資本化。否則，相關油氣井成本乃作為乾井支出。本集團並未將任何未探明資產的成本資本化於油氣資產中。到期租約計入勘探及評價資產相關費用。

業務合併產生的可辨認勘探資產根據公允價值予以確認。收購後發生的勘探、評價支出按照上述會計政策予以賬務處理。

#### 2.8 無形資產

無形資產指電腦軟件、採礦權、技術和商譽。

##### (a) 電腦軟件

所獲得的電腦軟件許可證已按獲得及使用有關軟件所產生的成本為基準撥充資本。該等成本乃按其估計可使用年期三年攤銷。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.8 Intangible assets (Continued)

##### (b) Mineral extraction and mining rights

Mineral extraction rights and mining rights are amortised based on the unit of production method.

Unit of production rates are based on oil and gas proved and probable reserves estimated to be recoverable from existing facilities based on the current terms of the respective production agreements.

##### (c) Technology

Technology arises on the acquisition of subsidiaries, which includes Global Positioning System ("GPS") and Location Based Services ("LBS") application, wireless, communication and access industry related technology and patents.

##### (d) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Company's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

### 2. 重要會計政策摘要(續)

#### 2.8 無形資產(續)

##### (b) 礦產開採權和採礦權

礦產開採權和採礦權利用單位產量法予以攤銷。

單位產量乃根據各自生產協議的現有期限，按照在現有設施下預計可回收石油及天然氣的已探明及概算儲量計算。

##### (c) 技術

技術來自於對子公司的收購，包括全球定位系統(「GPS」)和定位服務(「LBS」)，無線網絡，通信和接入行業相關技術和專利。

##### (d) 商譽

商譽為收購子公司所得，並相當於所轉讓對價超過本公司在被收購方的可辨認資產、負債和或有負債淨公允價值權益的數額。

就減值測試而言，在業務合併中購入的商譽會分配至每個現金產出單元或現金產出單元組(預期可從合併中獲取協同利益)。商譽被分配的每個單元或單元組指在主體內商譽被監控作內部管理用途的最底層次。商譽在經營分部層次進行監控。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.8 Intangible assets (Continued)

##### (d) Goodwill (Continued)

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

#### 2.9 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal at each reporting date.

### 2. 重要會計政策摘要(續)

#### 2.8 無形資產(續)

##### (d) 商譽(續)

對商譽的減值檢討每年進行，或如事件或情況轉變顯示可能存在減值，則更頻密地檢討。商譽賬面值與可收回數額(使用價值與公允價值減出售成本較高者)比較。任何減值須實時確認及不得在之後期間轉回。

#### 2.9 非金融資產減值

使用壽命不限定的無形資產或尚未可供使用的無形資產無需攤銷，但每年須就減值進行測試。須予攤銷的資產會於發生事項或情況出現變化而顯示面值未必能夠收回時，評估有否減值。減值損失按有關資產的面值超逾其可收回金額的數額確認。可收回金額為資產的公允價值減銷售成本與使用價值兩者的較高者。於進行減值評估時，資產按可獨立識別現金流量的最小單位(現金產生單位)分類。出現減值的非金融資產(商譽除外)於各呈報日期檢討是否可能進行減值轉回。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.10 Disposal groups classified as held for sale and discontinued operation

Disposal groups are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The disposal group, are stated at the lower of carrying amount and fair value less costs to sell. Deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries and associates), which are classified as held for sale, would continue to be measured in accordance with the policies set out elsewhere in Note 2.

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographic area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as discontinued, a single amount is presented in the consolidated statement of comprehensive income, which comprises the post-tax profit or loss of the discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposals of the assets or disposal group(s) constituting the discontinued operations.

### 2. 重要會計政策摘要(續)

#### 2.10 持有待售的處置組和終止經營

當處置組的賬面值將主要透過一項出售交易收回而該項出售被視為極可能時，分類為持有待售。處置組按賬面值與公允價值減去處置費用兩者的較低者列賬。遞延稅項資產、職工福利產生之資產、金融資產(於子公司和聯營的投資除外)，乃分類為持有待售，將繼續根據附註2所載的政策計量。

終止經營業務為本集團業務一個重要組成部分，其營運和現金流量可清晰地與本集團其餘業務分開，並代表業務或經營地域的一項獨立主要項目，或是出售業務或經營地域的一項獨立主要項目的單一協調計劃的一部分，或是一家全為了轉售而購入的子公司。

當一項業務被分類為終止經營時，合併綜合收益表中只列示單一合計金額，該合計金額為終止經營的稅後利潤或虧損加上按公允價值減去處置費用確認的稅後利得或損失，或者加上處置包含該終止經營業務的資產或處置組時確認的利得或損失。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Investments and other financial assets

#### 2.11.1 Classification

From January 1, 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### 2.11.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

## 2. 重要會計政策摘要(續)

### 2.11 投資和其他金融資產

#### 2.11.1 分類

自二零一八年一月一日起，本集團將其金融資產分類為以下計量類別：

- 其後按公允價值計入損益計量(「按公允價值計入其他綜合收益或當期損益計量」)；及
- 按攤餘成本計量。

分類取決於本集團管理金融資產的業務模式及現金流量的合約條款。

對於以公允價值計量的金融資產，其利得和損失計入損益或其他綜合收益。對於非交易性的權益工具投資，其利得和損失的計量將取決於本集團在初始確認時是否作出不可撤銷的選擇而將其指定為以公允價值計量且其變動計入其他綜合收益。

僅當管理該等資產的業務模式發生變化時，本集團才對債權投資進行重分類。

#### 2.11.2 確認和終止確認

常規方式購買及出售的金融資產於交易日確認。交易日是指本集團承諾購買或出售資產的日期。當收取金融資產現金流量的權利已到期或已轉讓，且本集團已經轉移了金融資產所有權上幾乎所有的風險和報酬，金融資產即終止確認。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Investments and other financial assets (Continued)

#### 2.11.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss "FVPL", transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### **Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other (losses)/gains together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

## 2. 重要會計政策摘要(續)

### 2.11 投資和其他金融資產(續)

#### 2.11.3 計量

對於不被分類為以公允價值計量且其變動計入損益的金融資產，本集團以其公允價值加上可直接歸屬於獲得該項金融資產的交易費用進行初始確認。與以公允價值計量且其變動計入損益的金融資產相關的交易費用計入損益。

對於包含嵌入式衍生工具的金融資產，本集團對整個合同考慮其現金流量是否僅代表對本金和利息的支付。

#### **債務工具**

債務工具的後續計量取決於本集團管理該資產的業務模式以及該資產的現金流量特徵。本集團將債務工具分為以下三種計量類別：

- 以攤餘成本計量：對於持有以收取合同現金流量的資產，如果合同現金流量僅代表對本金和利息的支付，則該資產以攤餘成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收入。終止確認時產生的利得或損失直接計入損益，並與匯兌利得和損失一同列示在其他(損失)/利得中。減值損失作為單獨的科目在合併綜合收益表中列報。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Investments and other financial assets (Continued)

##### 2.11.3 Measurement (Continued)

###### *Debt instruments (Continued)*

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other (losses)/gains. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other (losses)/gains and impairment expenses are presented as separate line item in the consolidated statement of comprehensive income.

### 2. 重要會計政策摘要(續)

#### 2.11 投資和其他金融資產(續)

##### 2.11.3 計量(續)

###### *債務工具(續)*

- 以公允價值計量且其變動計入其他綜合收益：對於業務模式為持有以收取現金流量及出售的金融資產，如果該資產的現金流量僅代表對本金和利息的支付，則該資產被分類為以公允價值計量且其變動計入其他綜合收益。除減值利得或損失、利息收入以及匯兌利得和損失計入損益外，帳面價值的變動計入其他綜合收益。

該等金融資產終止確認時，之前計入其他綜合收益的累計利得或損失從權益重分類至損益中，並計入其他(損失)/利得。該等金融資產的利息收入用實際利率法計算，計入財務收入。匯兌利得和損失在其他(損失)/利得中列示，減值損失作為單獨的科目在合併綜合收益表中列報。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Investments and other financial assets (Continued)

#### 2.11.3 Measurement (Continued)

##### *Debt instruments (Continued)*

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other (losses)/gains in the period in which it arises.

##### *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other (losses)/gains in the consolidated statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

## 2. 重要會計政策摘要(續)

### 2.11 投資和其他金融資產(續)

#### 2.11.3 計量(續)

##### *債務工具(續)*

- 以公允價值計量且其變動計入損益：不符合以攤餘成本計量或以公允價值計量且其變動計入其他綜合收益標準的金融資產，被分類為以公允價值計量且其變動計入損益。對於後續以公允價值計量且其變動計入損益的債務工具，其利得或損失計入損益，並於產生期間以淨值在其他(損失)/利得中列示。

##### *權益工具*

本集團以公允價值對所有權益投資進行後續計量。如果本集團管理層選擇將權益投資的公允價值利得和損失計入其他綜合收益，則當終止確認該項投資時，不會將公允價值利得和損失重分類至損益。對於股利，當本集團已確立收取股利的權利時，該等投資的股利才作為其他收益而計入損益。

對於以公允價值計量且其變動計入損益的金融資產，其公允價值變動列示於合併綜合收益表的其他利得/(損失)(如適用)。對於以公允價值計量且其變動計入其他綜合收益的權益投資，其減值損失(以及減值損失轉回)不與其他公允價值變動單獨列示。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Investments and other financial assets (Continued)

##### 2.11.4 Impairment

From January 1, 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 15 for further details.

#### 2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

#### 2.13 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The Group has not designated any derivative financial instruments as hedging instruments. Changes in the fair value of these derivative instruments are recognised immediately in profit or loss with 'Other (losses)/gains, net'.

### 2. 重要會計政策摘要(續)

#### 2.11 投資和其他金融資產(續)

##### 2.11.4 減值

自二零一八年一月一日起，對於以攤餘成本計量和以公允價值計量且其變動計入其他綜合收益的債務工具，本集團就其預期信用損失做出前瞻性評估。減值方法取決於其信用風險是否顯著增加。

對於應收賬款，本集團採用香港財務報告準則第9號允許的簡化方法，在初始確認時計量應收賬款整個存續期的預期信用損失，詳見附註15。

#### 2.12 金融工具的抵銷

當有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在財務狀況表報告其淨額。法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時，這也必須具有約束力。

#### 2.13 衍生金融工具

衍生金融工具初始按衍生工具合同訂立日的公允價值確認，其後按其公允價值重新計量。本集團未指定任何衍生工具為套期工具。該等衍生工具公允價值的變動隨即在損益中確認為「其他(損失)/利得，淨值」。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.14 Inventories

Inventories are crude oil and materials and supplies which are stated at the lower of cost and net realizable value. Materials and supplies costs are determined using the first-in first-out method. Crude oil costs are determined using the weighted average cost method. The cost of crude oil comprises direct labour, depreciation, other direct costs and related production overhead, but excludes borrowing costs.

### 2.15 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 15 for further information about the Group's accounting for trade receivables and Note 3.1 for a description of the Group's impairment policies.

### 2.16 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks or other short-term highly liquid investments with original maturities of three months or less.

## 2. 重要會計政策摘要(續)

### 2.14 存貨

存貨為按成本及可變現淨值間較低者列賬的原油、物料及供應品。物料及供應品成本乃按先進先出法釐定。原油成本乃按加權平均成本法釐定。原油成本包括直接勞工、折舊、其他直接成本及有關生產費用，惟不包括借款成本。

### 2.15 應收賬款

應收賬款為在日常經營活動中就商品銷售或服務執行而應收客戶的款項。應收賬款通常於一年內結算，因此所有應收賬款均分類為流動資產。

應收賬款按可無條件獲得的對價金額進行初始確認，但當其包含重大融資成分時，按公允價值進行初始確認。本集團持有應收賬款的目的為收取合同現金流量，因此後續使用實際利率法按攤餘成本計量應收賬款。關於本集團應收賬款會計處理的更多信息，請參見附註15。關於本集團的減值政策，請參見附註3.1。

### 2.16 現金及現金等價物

在合併現金流量表中，現金及現金等價物包括庫存現金、銀行通知存款、原到期為三個月或以內的其他短期高流動性投資。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.17 Share capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (shares held in trust), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to owners of the Company until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Where the Company's shares are acquired from the market by trust under the employee share scheme, the total consideration of shares acquired from the market (including any directly attributable incremental costs) is presented as shares held for employee share scheme and deducted from total equity. Upon vesting, the related costs of the vested shares for employee share scheme purchased from the market are credited to shares held for employee share scheme, with a corresponding decrease in employee share-based compensation reserve for employee share scheme.

#### 2.18 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 2. 重要會計政策摘要(續)

#### 2.17 股本

普通股被分類為權益。強制性可贖回優先股分類為負債。

直接歸屬於發行新股或期權的新增成本在權益中列為所得款的減少(扣除稅項)。

如任何集團公司購入本公司的權益股本(信托持有股份)，所支付的對價，包括任何直接所佔的新增成本(扣除所得稅)，自歸屬於本公司所有者的權益中扣除，直至股份被註銷或重新發行為止。如股份其後被重新發行，任何已收取的對價(扣除任何直接所佔的新增交易費用及相關受影響的所得稅)包括在歸屬於本公司所有者的權益內。

在員工股份計劃下，通過信托機構從公開市場獲取的公司股票，從公開市場上獲取的股票的對價(包含任何直接的可分配的增量成本)列為僱員股份計劃所持股份並從總的權益中扣除。一旦行權，為僱員股份計劃從公開市場上購買的已行權股票的相關成本計入僱員股份計劃所持的股份，同時在僱員股份計劃下的員工股份支付的儲備相應的減少。

#### 2.18 當期及遞延所得稅

本年度稅項支出包括當期及遞延稅項。稅項在損益中確認，惟其與其他綜合收益或直接於權益內確認的項目有關則除外。於此情況下，稅項亦分別於其他綜合收益或直接於權益內確認。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.18 Current and deferred income tax (Continued)

##### (i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### (ii) Deferred income tax

###### *Inside basis differences*

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated statement of financial position. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, and deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### 2. 重要會計政策摘要(續)

#### 2.18 當期及遞延所得稅(續)

##### (i) 當期所得稅

當期所得稅支出按本公司及其子公司經營及產生應課稅收入的國家於報告期末已頒佈或實質上已頒佈的稅法計算。管理層就須對適用稅務法規作出詮釋的情況，定期評估報稅的狀況，並在適用時按預期須向稅務機關繳納的款項作出準備。

##### (ii) 遞延所得稅

###### *內在差異*

遞延所得稅利用負債法確認資產和負債的稅基與資產和負債在合併財務報表的賬面值的差額而產生的暫時性差異。然而，若遞延所得稅負債來自對商譽的初始確認，以及若遞延所得稅來自在交易(不包括業務合併)中對資產或負債的初始確認，而在交易時不影響會計損益或應課稅利潤或損失，則不作記賬。遞延所得稅採用在資產負債表日已頒佈或實質上已頒佈，並在有關的遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用的稅率(及法例)而釐定。

遞延所得稅資產是就很可能有未來應課稅利潤而就此可使用暫時性差異而確認。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.18 Current and deferred income tax (Continued)

##### (ii) Deferred income tax (Continued)

###### *Outside basis differences*

Deferred income tax is provided on temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable that the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

##### (iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 2. 重要會計政策摘要(續)

#### 2.18 當期及遞延所得稅(續)

##### (ii) 遞延所得稅(續)

###### *外在差異*

遞延稅項就子公司、聯營以及合營安排產生的暫時性差異確認遞延所得稅負債，但不包括本集團可以控制暫時性差異的轉回時間以及暫時性差異在可預見將來很可能不會轉回的遞延所得稅負債。

就子公司、聯營和合營安排產生的可扣減暫時性差異確認遞延所得稅資產，但只限於暫時性差異很可能在將來轉回，並有充足的應課稅利潤抵銷可用的暫時性差異。

##### (iii) 抵銷

當有法定可執行權力將當期稅項資產與當期稅務負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅主體或不同應課稅主體但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.19 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2. 重要會計政策摘要(續)

#### 2.19 借款

一般及特定借款按公允價值並扣除產生的交易費用為初始確認。借款其後按攤餘成本列帳；所得款(扣除交易成本)與贖回價值的任何差額利用實際利率法於借款期間內於損益中確認。

設立貸款融資時支付的費用倘部分或全部融資將會很可能提取，該費用確認為貸款的交易費用。在此情況下，費用遞延至貸款提取為止。如沒有證據證明部分或全部融資將會很可能被提取，則該費用資本化作為流動資金服務的預付款，並按有關的融資期間攤銷。

除非本集團可無條件將負債的結算遞延至結算日後最少12個月，否則借款分類為流動負債。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.20 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### 2.21 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### 2. 重要會計政策摘要(續)

#### 2.20 借款成本

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間處理以作其預定用途或銷售的資產)的借款成本，加入該等資產的成本內，直至資產大致上備妥供其預定用途或銷售為止。

就特定借款，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的借款成本中扣除。

所有其他借款成本皆在產生期內的損益中確認。

#### 2.21 應付賬款

應付賬款為在日常經營活動中購買商品或服務而應支付的債務。如應付款的支付日期在一年或以內(如仍在正常經營周期中，則可較長時間)，其被分類為流動負債，否則分類為非流動負債。

應付賬款以公允價值為初始確認，其後利用實際利率法按攤餘成本計量。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.22 Provisions

Provisions are recognised, when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Asset retirement obligations (including future decommissioning and restoration) which meet the criteria of provisions are recognised as provisions and the amount recognised is the present value of the estimated future expenditure determined in accordance with local conditions and requirements, while a corresponding addition to the related oil and gas properties of an amount equivalent to the provision is also created. This is subsequently depleted as part of the costs of the oil and gas properties. Interest expenses from the assets retirement obligations for each period are recognised with the effective interest method during the useful life of the related oil and gas properties.

### 2. 重要會計政策摘要(續)

#### 2.22 準備

當本集團因已發生的事件而產生現有的法律或推定債務；很可能發生金額能夠可靠估計的資源流出以結算債務。

如有多項類似債務，其需要在結算中有資源流出的可能性，則可根據債務的類別整體考慮。即使在同一債務類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認準備。

準備採用稅前利率按照預期需結算有關債務的支出現值計量，該利率反映當時市場對金錢時間值和有關債務固有風險的評估。隨著時間過去而增加的準備確認為利息費用。

符合準備標準的資產棄置義務(包括有關未來停止運作及復原的準備)將確認為準備。確認金額為根據當地條件及要求確定的預計未來支出的現值。同時產生與準備數額相等的有關油氣資產的相應增加部分。該增加部分隨後作為油氣資產成本的一部分進行折舊。於每個期間的資產棄置義務產生的利息費用將按照實際利率法在相關油氣資產的使用壽命內予以確認。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.23 Employee benefits

##### (a) Defined contribution plan

The Group has various defined contribution plans for state pensions, housing fund and other social obligations in accordance with the local conditions in the PRC and practices in the municipalities and province in which they operate. A defined contribution plan is a pension and/or other social benefits plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

##### (b) Other post-employment obligations

Some group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

### 2. 重要會計政策摘要(續)

#### 2.23 僱員福利

##### (a) 定額供款計劃

本集團根據中國在省、市的地方條件及慣例實行若干的定額供款計劃，包括國家養老金、住房公積金及其他社會義務。定額供款計劃是本集團為其僱員向一個獨立實體(一項基金)支付固定金額的養老金及/或其他社會福利計劃，如該基金不能擁有足夠資產以支付與當期及過往期間僱員服務相關的所有僱員福利，本集團不再負有進一步支付供款的法定義務或推定義務。供款支付時確認為僱員福利支出。

##### (b) 其他退休後義務

若干集團公司向退休僱員提供退休後醫療福利。享有此等福利一般視乎僱員在達到退休年齡前仍然維持服務，以及已完成最低服務期。此等福利的預期成本利用與設定受益退休計劃類似的會計方法，按僱用期累計。根據經驗調整產生的精算利得和損失以及精算假設的變動，在產生期間內於其他綜合收益的權益中扣除或貸記。此等債務每年由獨立合資格精算師估值。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.23 Employee benefits(Continued)

##### (c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

##### (d) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

### 2. 重要會計政策摘要(續)

#### 2.23 僱員福利(續)

##### (c) 辭退福利

辭退福利在本集團於正常退休日期前終止僱用僱員，或當僱員接受自願遣散以換取此等福利時支付。本集團在以下較早日期發生時確認辭退福利：(a)當本集團不再能夠撤回此等福利要約時；及(b)當主體確認的重組成本屬於國際會計準則第37號的範圍並涉及支付辭退福利時。在鼓勵僱員自動遣散的要約情況下，辭退福利按預期接受要約的僱員數目計算。在報告期末後超過12個月支付的福利應貼現為現值。

##### (d) 僱員假期權益

僱員的年假權益在假期累計至僱員時確認。因僱員提供服務而產生的年假估計負債，就截至結算日止作出準備。

僱員的病假權益和產假在休假前不作確認。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.24 Share-based payments

##### (a) Equity-settled share-based payment transactions

###### (i) *Employee stock option*

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specific period of time).

### 2. 重要會計政策摘要(續)

#### 2.24 以股份為基礎的支付

##### (a) 以權益結算的股份酬金

###### (i) *僱員股票期權*

本集團設有多項以權益結算、以股份為基礎的報酬計劃，根據該等計劃，主體收取僱員的服務以作為本集團權益工具(期權)的對價。僱員為換取獲授期權而提供服務的公允價值確認為費用。將作為費用的總金額參考授予期權的公允價值釐定：

- 包括任何市場業績條件(例如主體的股價)；
- 不包括任何服務和非市場業績可行權條件(例如盈利能力、銷售增長目標和僱員在某特定時期內留任實體)的影響；及
- 包括任何非可行權條件(例如規定僱員儲蓄或在一段指定期間內持有股份)的影響。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.24 Share-based payments (Continued)

##### (a) Equity-settled share-based payment transactions (Continued)

###### (i) *Employee stock option (Continued)*

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the shares under exercise are transferred from trust under employee share scheme to employees. The proceeds received net of any directly attributable transaction costs are credited to share premium.

### 2. 重要會計政策摘要(續)

#### 2.24 以股份為基礎的支付(續)

##### (a) 以權益結算的股份酬金(續)

###### (i) *僱員股票期權(續)*

此外，在某些情況下，僱員可能在授出日期之前提供服務，因此授出日期的公允價值就確認服務開始期與授出日期之期間內的支出作出估計。

在每個報告期末，本集團依據非市場表現和服務條件修訂其對預期可行權的期權數目的估計。於損益中確認對原估算修訂(如有)的影響，並對權益作出相應調整。

在期權行使時，根據僱員的股權計劃，已行權股份通過信托機構轉給僱員。本公司發行新股。收取的所得款扣除任何直接歸屬交易成本撥入股本溢價。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.24 Share-based payments (Continued)

##### (a) Equity-settled share-based payment transactions (Continued)

###### (ii) Share award scheme

The fair value of shares granted to employees for nil consideration under stock incentive compensation plan is recognised as an expense over the relevant service period, being the year to which the bonus relates and the vesting period of the shares. The fair value is measured at the grant date of the shares and is recognised in equity in the share-based payment reserve. The number of shares expected to vest is estimated based on the non-market vesting conditions. The estimates are revised at the end of each reporting period and adjustments are recognised in profit or loss and the share-based payment reserve.

##### (b) Cash-settled share-based compensation

Compensation under the stock appreciation rights is measured based on the fair value of the liability incurred and is expensed over the vesting period. The liability is remeasured at each reporting period to its fair value until settlement with all the changes in liability related to the vested portion recorded as employee benefit expense in profit or loss, the related liability is included in the salaries and welfare payable.

### 2. 重要會計政策摘要(續)

#### 2.24 以股份為基礎的支付(續)

##### (a) 以權益結算的股份酬金(續)

###### (ii) 股份獎勵計劃

在股份獎勵酬金計劃下，以零對價授予僱員的股票公允價值在相關的服務期內被確認為費用，費用確認在與獎金相關的年度和股份行權的期間。在股份授予日，股份以公允價值計量，其在權益中確認以股份為基礎的支付的儲備中。預期行權的股份的數量根據非公開市場的行權條件進行估計。在每個報告期的期末對估計進行修正，調整被確認為當期損益和以股份為基礎的支付。

##### (b) 以現金結算的股份酬金

股份增值權的酬金以歸屬期所產生負債的公允價值及其支出計量。負債在清償之前，於各報告期重新計量至公允價值，而其變動則記錄於損益表內僱員薪酬成本項下，有關負債計入應付薪金及福利。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.24 Share-based payments (Continued)

##### (c) Share-based payment transactions among group entities

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

#### 2.25 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

Considering the changes in accounting policies as a result of the initial application of IFRS 15, the Directors considered that the initial application of IFRS 15 has no material impact on the consolidated financial statements of the Group. In the discontinued operations, the gross natural gas liquid consideration is recognized as revenue and the cost of sales and any associated transportation expense are separately recognized. The net impact on profit derived from the transaction is nil.

### 2. 重要會計政策摘要(續)

#### 2.24 以股份為基礎的支付(續)

##### (c) 集團內以股份為基礎的支付交易

本公司向集團子公司的僱員授予其權益工具的期權，被視為資本投入。收取僱員服務的公允價值，參考授出日的公允價值計量，並在等待期內確認，作為對子公司投資的增加，並相對應對母公司賬目的權益貸記。

#### 2.25 收入確認

收入按已收或應收對價的公允價值計量，並相當於供應貨品的應收賬款，扣除折扣、退貨和增值稅後列賬。當收入的金額能夠可靠計量；當未來經濟利益很可能流入有關主體；及當本集團每項活動均符合具體條件時(如下文所述)，本集團便會將收入確認。

考慮到首次採用國際財務報告準則第15號導致會計政策變動，董事認為國際財務報告準則第15號的首次採用對本集團的合併財務報表並無重大影響。在終止經營部分，液態天然氣銷售按總額確認為收入，銷售成本和相關運輸費用也被單獨確認。由此對交易產生的利潤淨影響為零。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.25 Revenue recognition (Continued)

Accounting policy on the recognition of sales income:

Revenue is recognised upon the satisfaction of performance obligations, which occurs when control of the good or service transfers to the customer.

Control can transfer at a point in time or over time. A performance obligation is satisfied over time if one of the following criteria is met:

The customer simultaneously receives and consumes the benefits of the entity's performance as the entity performs (e.g., certain services).

The entity's performance creates or enhances an asset that the customer controls.

The entity's performance does not create an asset with alternative use to the entity and the entity has an enforceable right to payment (cost plus a reasonable profit margin) for performance completed to date.

A performance obligation is satisfied at a point in time if it does not meet one of the criteria above.

All revenues of the Group are recognised at a point in time.

### 2. 重要會計政策摘要(續)

#### 2.25 收入確認(續)

關於確認銷售收入的會計政策：

收入在履行履約義務時確認，履約義務在貨物或服務的控制權轉移給客戶時發生。

控制可以在某個時間點或隨時間傳遞。如果符合以下標準之一，則履行義務隨著時間的推移而得到滿足：

客戶在企業履約的同時獲取和享有了履約收益，例如獲得某一服務。

企業的履約行為創建或增強了客戶控制的資產。

該企業的履約行為並未創建對該企業具有替代用途的資產，且該企業對於至今已完成履約享有可執行的支付權(成本加上合理的利潤率)。

如果履約義務不符合任一上述標準，則在某個時間點被履行。

本集團的所有收入均於某個時間點確認。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.26 Interest income

Interest income on financial assets at amortised cost and financial assets at FVOCI (2017: available-for-sale assets and loans and receivables) is calculated using the effective interest method is recognised in the consolidated statement of comprehensive income as part of other gains/(losses).

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, (see Note 30 below). Any other interest income is included in other gains/(losses).

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### 2. 重要會計政策摘要(續)

#### 2.26 利息收入

以攤餘成本計量的金融資產和以公允價值計量且其變動計入其他綜合收益的金融資產(二零一七年度：可供出售金融資產、持有至到期投資以及貸款和應收款)的利息收入採用實際利率法計算，並作為其他利得／(損失)計入合併綜合收益表。

出於現金管理目的而持有的金融資產的利息收入列示為財務收入，(參見下文附註30)。所有其他利息收入計入其他利得／(損失)。

金融資產利息收入按實際利率乘以金融資產賬面總額計算，後續會發生信用減值的金融資產除外。發生信用減值的金融資產的利息收入按實際利率乘以金融資產賬面價值減去損失撥備後的淨額計算。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.27 Dividend income

Dividends are received from financial assets measured at fair value through profit or loss (FVPL) and at fair value through other comprehensive income (FVOCI) (2017: from financial assets at FVPL and available-for-sale financial assets). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

#### 2.28 Repairs and maintenance

Repairs and maintenance are recognised as expenses in the year in which they are incurred.

### 2. 重要會計政策摘要(續)

#### 2.27 股利收益

股利源自以公允價值計量且其變動計入損益的金融資產以及以公允價值計量且其變動計入其他綜合收益的金融資產(二零一七年：股利源自以公允價值計量且其變動計入損益的金融資產以及可供出售金融資產)。當本集團已確立收取股利的權利時，股利才作為其他收益而計入損益。即使股利是從收購前利潤中支付的，這一規定仍然適用，除非股利明顯代表對部分投資成本的收回。在這種情況下，若股利與以公允價值計量且其變動計入其他綜合收益的投資相關，則本集團將其計入其他綜合收益。但是，本集團可能需要對該投資進行減值測試。

#### 2.28 維修及維護

維修及維護於發生年度作為支出確認。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.29 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other long term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

#### 2.30 Dividend distributions

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

### 2. 重要會計政策摘要(續)

#### 2.29 租賃

如租賃所有權的重大部分風險和報酬由出租人保留，分類為經營租賃。根據經營租賃支付的款項(扣除自出租人收取的任何激勵措施後)於租賃期內以直線法在合併綜合收益支銷。

本集團出租若干不動產、工廠及設備。本集團持有實質上所有所有權的風險和報酬的不動產、工廠及設備的租賃，分類為融資租賃。融資租賃於租賃開始時按租賃物業的公允價值與最低租賃付款現值兩者的較低者資本化。

每項租賃付款在負債和融資費用之間分攤。相應的租金債務在扣除融資費用後，包括在其他長期應付款中。融資成本的利息部分按租賃期在損益中扣除，以對每個期間餘下負債結餘產生常數定期比率。根據融資租賃購買的不動產、工廠及設備按資產的可使用年期與租期兩者的較短者折舊。

#### 2.30 股利分配

向本公司股東分配的股利在股利獲本公司股東批准的期間內於本集團及本公司的財務報表內列為負債。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.31 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company (Note 5).

### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures, but hedge accounting had not been applied.

Risk management is carried out by the Company headquarter financial department ("Group Finance Team") on a regular basis under policies approved by the Board of Directors. Group Finance Team identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### 2. 重要會計政策摘要(續)

#### 2.31 分部報告

經營分部按照向首席經營決策者提供的內部報告貫徹一致的方式報告。首席經營決策者為本公司董事會，負責分配資源和評估經營分部的表現(附註5)。

### 3. 財務風險管理

#### 3.1 財務風險因素

本集團的活動承受著多種的財務風險：市場風險(包括匯率風險、公允價值利率風險及價格風險)、信用風險及流動性風險。本集團的整體風險管理計劃專注於財務市場的不可預測性，並尋求盡量減低對本集團財務表現的潛在不利影響。本集團利用衍生金融工具套期若干承受的風險，但並沒有應用套期會計。

風險管理由本公司總部財務部(以下簡稱「集團財務團隊」)按照董事會批准的政策定期執行。集團財務團隊透過與本集團經營單位的緊密合作，負責確定、評估和套期財務風險。董事會為整體風險管理訂定書面原則，亦為若干特定範疇提供書面政策，例如外匯風險、利率風險、信用風險、使用衍生和非衍生金融工具，以及投資剩餘的流動資金。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk

##### (i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar (US\$), Canadian Dollar (“C\$”) and Hong Kong Dollar (HK\$). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

RMB is not a freely convertible currency and is regulated by the PRC government. Limitation in foreign exchange transactions imposed by the PRC government could cause future exchange rates to vary significantly from current or historical exchange rates. Management is not in a position to anticipate changes in the PRC foreign exchange regulations and as such is unable to reasonably anticipate the impacts on the Group’s results of operations or financial position arising from future changes in exchange rates.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group’s foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險

##### (i) 外匯風險

本集團在全球經營，故此承受多種因不同貨幣而產生的外匯風險，主要涉及美元(「美元」)和加拿大元(「加幣」)以及港元(「港幣」)。外匯風險來自未來商業交易、已確認資產和負債以及境外經營淨投資。

人民幣並非為自由轉換貨幣，須受中國政府監管。中國政府對外匯交易所設定的限制可能導致遠期匯率與當期匯率或歷史匯率相比產生重大波動。管理層無法預測中國外匯監管變化，故無法合理估計遠期匯率變動對本集團經營業績或財務狀況的影響。

本集團持有若干境外經營投資，其淨資產承受外幣折算風險。來自本集團境外經營淨資產所產生的匯率風險，主要透過以相關外幣計值的借款來管理。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### (i) Foreign exchange risk (Continued)

At December 31, 2018, if US\$ had weakened/strengthened by 1% against the HK\$ with all other variables held constant, the Group's pre-tax loss for the year ended December 31, 2018 would have been RMB11.0 million higher/lower respectively, mainly as a result of foreign exchange gains/losses on translation of HK\$ denominated borrowings.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for the years presented.

##### (ii) Fair value interest rate risk

The Group's interest rate risk arises from borrowings, including bank loans and senior notes payable. The Company's 6.875%, 5 years senior notes, which was due and fully repaid in 2018, and the Company's 7.5%, 5 years senior notes due 2019 are collectively referred to as "Senior Notes". Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During 2018, the borrowings carrying fixed rates, were denominated in US\$ and HK\$, while the borrowings carrying floated rates, were denominated in C\$.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

##### (i) 外匯風險(續)

於二零一八年十二月三十一日，倘美元兌港幣貶值／升值1%，而所有其他因素維持不變，則本集團於此等年度的除所得稅前利潤將增加／減少人民幣11.0百萬元，主要由於折算以港幣計值的借款產生外匯收益／虧損所致。

上述變化代表了管理層對截至下一個資產負債表日年度外匯合理變化可能性的評估。該分析的基礎與以前報告年度一致。

##### (ii) 公允價值利率風險

本集團的利率風險來自借款，包括銀行借款和應付優先票據。本公司發行的已於二零一八年年內到期並全額償還的年息6.875%，為期5年的優先票據，以及本公司年息7.5%並於二零一九年到期的為期5年的優先票據，合稱為「優先票據」。以浮動利率獲得的借款令本集團承受現金流利率風險，該風險部分由持有的浮動利率現金存款所抵銷。以固定利率獲得的借款令本集團承受公允價值利率風險。於二零一八年內，固定利率的借款以美元、加幣以及港幣為單位，浮動利率的借款以加幣為單位。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### (ii) Fair value interest rate risk (Continued)

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The Group has no material interest bearing cash assets. The Group's income and operating cash flows are substantially independent of the changes in market rates. The Group's interest rates risk arises from borrowings. A detailed analysis of the Group's borrowings, together with their respective effective interest rates and maturity dates, are included in Note 27.

##### (iii) Oil and natural gas price risk

The Group is engaged in crude oil and natural gas development, production and selling activities. Prices of crude oil and natural gas are affected by both domestic and global factors which are beyond the control of the Group. The fluctuations in such prices may have favourable or unfavourable impacts to the Group. Therefore the Group was exposed to general price fluctuations of crude oil and natural gas.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

##### (ii) 公允價值利率風險(續)

本集團以動態基礎分析其利率風險。本集團利用多個模擬方案，以計入再融資、現有持倉的續訂、其他可採用的融資和套期。根據此等方案，本集團計算界定利率轉移對利潤和虧損的影響。就每個模擬方案，所有貨幣均採用同一利率轉移。此等模擬方案只運用於主要計息持倉的負債上。

本集團並無重大計息資產。本集團的收入及經營現金流量大致上獨立於市場利率的變動。本集團的利率風險來自於借款。有關本集團借款的詳細分析連同其各自實際利率及到期日，列載於附註27。

##### (iii) 石油和天然氣價格風險

本集團從事原油和天然氣開發、生產及銷售。原油和天然氣價格受本集團無法控制的諸多國內國際因素影響。上述價格波動可能對本集團構成有利或不利影響。因此，本集團面臨原油和天然氣總體價格波動風險。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk

###### (i) Risk management

As the majority of the cash at bank balance is placed with major PRC state-owned banks and financial institutions, the Directors are of their opinion that the corresponding credit risk is relatively low. Therefore, credit risk arises primarily from trade and other receivables and risk management contracts. The Group has controls in place to assess the credit quality of its customers and closely monitor significant counterparties and dealing with a broad section of partner's that diversify risk within the sector. The carrying amounts of cash and cash equivalents, pledged deposits, amounts due from related parties and trade and other receivables and risk management contracts included in the consolidated statements of financial position represent the Group's maximum exposure to credit risk. At December 31, 2018 and 2017, the Group has no significant concentration of credit risk for its cash and cash equivalents.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險

###### (i) 風險管理

因大部分銀行現金結餘存放於主要的中國國有銀行及金融機構，故董事認為信貸風險相對較低。因此應收及其他應收賬款和風險管理合約成為信貸風險的主要來源。本集團對客戶信用質量的評價進行控制並密切監察重要的交易對方及與多個合作者進行合作以分散業內風險。計入合併財務狀況表的現金及現金等價物、受限制現金、應收關聯方款項及應收及其他應收賬款以及風險管理合約的賬面價值反映了本集團所面臨的最大信貸風險。於二零一八年及二零一七年十二月三十一日，就其現金及現金等價物而言，本集團並無重大信貸集中風險。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (i) Risk management (Continued)

During the year ended December 31, 2018, the Group has one customer in China and customers and joint operation partners concentrated within western Canada which in aggregate accounts for 64.6% (2017: 79.1%) of the Group's revenue and as such, has concentration of credit risk for its trade and other receivables. However, the Group regards it as low risk as the customer in China is PetroChina Company Limited ("PetroChina"), a PRC state-owned enterprise with high credit rating in China, and the customers in Canada are mainly from major marketing companies who have credit ratings which are deemed acceptable.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

###### (i) 風險管理(續)

截至二零一八年十二月三十一日止年度，本集團有一個中國客戶和集中於加拿大西部的客戶和共同經營合作者，總計收益約佔本集團收益的64.6%(二零一七年：79.1%)，因此本集團的應收及其他應收賬款存在信用集中風險。然而，由於本集團在中國的單一客戶為具有高信用評級的國有企業中國石油天然氣股份有限公司(「中石油」)，而加拿大的客戶主要來源於信用評級可接受的主要貿易公司，因此本集團認為信貸集中風險較低。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (ii) Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables
- other receivables
- debt investments carried at FVOCI.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

###### *Trade receivables*

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

###### (ii) 金融資產減值

本集團持有的如下三種金融資產在預期信用損失模型的適用範圍內：

- 應收賬款
- 其他應收款
- 以公允價值計量且其變動計入其他綜合收益的債權投資。

現金及現金等價物亦需遵循國際財務報告準則第9號的減值要求，但已確認的減值損失並不重大。

###### *應收賬款*

本集團採用國際財務報告準則第9號的簡化方法計量預期信用損失，即對所有應收賬款確認整個存續期的預期損失撥備。

為計量預期信用損失，本集團按照相同的信用風險特徵和逾期天數對應收賬款分組。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets (Continued)

On that basis, the loss allowance as at December 31, 2018 and January 1, 2018 (on adoption of IFRS 9) was determined as follows for trade receivables:

		0-30 days 賬齡 0-30天 RMB'000 人民幣千元	31-180 days 賬齡 31-180天 RMB'000 人民幣千元	Over 180 days 賬齡 超過 180 天 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>At December 31, 2018</b>	於二零一八年 十二月三十一日				
Expected loss rate	預期信用損失率	-	-	23%	
Gross carrying amount	賬面總額				
— trade receivables	— 應收賬款	66,862	1,000	2,514	70,376
Loss allowance	損失撥備	-	-	585	585
<b>At January 1, 2018</b>	於二零一八年一月一日				
Expected loss rate	預期信用損失率	-	1%	48%	
Gross carrying amount	賬面總額				
— trade receivables	— 應收賬款	195,149	190,529	43,887	429,565
Loss allowance	損失撥備	-	1,665	20,865	22,530

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

##### (ii) 金融資產減值(續)

據此，本集團確認了二零一八年十二月三十一日和二零一八年一月一日(國際財務報告準則第9號採納日)應收賬款的損失撥備，具體如下：

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

### 3. 財務風險管理(續)

#### 3.1 Financial risk factors (Continued)

#### 3.1 財務風險因素(續)

##### (b) Credit risk (Continued)

##### (b) 信用風險(續)

##### (ii) Impairment of financial assets (Continued)

##### (ii) 金融資產減值(續)

The loss allowances for trade receivables as at December 31, 2017 reconcile to the closing loss allowances as at December 31, 2018 as follows:

本集團將應收賬款於二零一七年十二月三十一日的期末損失撥備調整至二零一八年十二月三十一日損失撥備，具體如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>December 31, — calculated under IAS 39</b>	十二月三十一日 — 根據 IAS 39 計算	<b>22,530</b>	—
Increase in the loss allowance recognised in profit or loss during the year	本年度計入損益的損失撥備的增加		
— Continuing operations	— 持續經營	<b>585</b>	—
— Discontinued operations	— 終止經營	<b>11,769</b>	1,503
Acquisition of business combination	通過併購的增加	—	22,207
Receivables written off during the year as uncollectible	本年度核銷的無法收回的應收款	<b>(1,109)</b>	(592)
Exchange difference	匯兌差額	<b>(706)</b>	(588)
Transfer to held for sale	轉至持有待售	<b>(32,484)</b>	—
<b>At December 31,</b>	十二月三十一日	<b>585</b>	22,530

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets (Continued)

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

##### *Debt investments*

All of the entity's debt investments at FVOCI are considered to have low credit risk. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

##### (ii) 金融資產減值(續)

當本集團不能合理預期可收回的款項時，則將相應的應收賬款核銷。表明無法合理預期能夠收回款項的跡象包括債務人無法按計劃償付本集團款項。

應收賬款的減值損失在經營利潤中列報為減值損失淨額。後續收回的之前沖銷金額貸記入相同的項目中。

##### *債權投資*

主體將所有以公允價值計量且其變動計入其他綜合收益的債權投資視為具有較低信用風險的金融資產。如果其他工具違約風險較低並且發行人具備可在短期內履行合同現金流量義務的較強能力，則被認為具有較低信用風險。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

### 3. 財務風險管理(續)

#### 3.1 Financial risk factors (Continued)

#### 3.1 財務風險因素(續)

##### (b) Credit risk (Continued)

##### (b) 信用風險(續)

##### (ii) Impairment of financial assets (Continued)

##### (ii) 金融資產減值(續)

Other financial assets at amortised cost

以攤餘成本計量的其他金融資產

Other financial assets at amortised cost include loans to related parties and other receivables.

以攤餘成本計量的其他金融資產包括向關聯方的貸款及其他應收賬款。

The loss allowance for other financial assets at amortised cost as at December 31, 2017 reconciles to the closing loss allowance as at December 31, 2018 as follows:

本集團將二零一七年十二月三十一日以攤餘成本計量的其他金融資產的損失撥備調整至二零一八年十二月三十一日期末損失撥備，具體如下：

		Related parties 關聯方 RMB'000 人民幣千元	Other receivables 其他應收款 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Closing loss allowance as at December 31, 2017 (calculated under IAS 39)</b>	二零一七年十二月三十一日 年末損失撥備 (根據 IAS 39 計算)	297,357	594,616	891,973
Increase in the loss allowance recognised in profit or loss during the year	本年度計入損益的 損失撥備的增加			
— Continuing operations	— 持續經營	12,797	196,875	209,672
Reclassification of related party	關聯方重分類	(176,219)	176,219	—
Receivables written off during the year as uncollectible	本年度核銷的無法收回的 應收款	(107,711)	(33,276)	(140,987)
Unused amount reversed	轉回的未用金額	—	(94,279)	(94,279)
Exchange difference	匯兌差額	2,818	37,161	39,979
<b>Closing loss allowance as at December 31, 2018</b>	二零一八年十二月三十一日 年末損失撥備	29,042	877,316	906,358

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (ii) Impairment of financial assets (Continued)

*Debt investments at fair value through other comprehensive income*

Debt investments at FVOCI include unlisted debt securities. The loss allowance for debt investments at FVOCI is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI. There is no loss allowance recognised in profit or loss during the year.

##### (c) Liquidity risk

Management aims to maintain sufficient cash to meet funding requirement for operations and monitors rolling forecasts of the Group's cash on the basis of expected cash flow.

As described in Note 2.1.1, the Directors closely monitors the Group's cash flow projections, which cover a period of not less than twelve months from December 31, 2018, to enable it to meet its liabilities and obligations through:

- (a) successful completion of the Maple Marathon Disposal in the near future so that the net cash proceeds will be made available to the Group for fulfilment of its obligations; and that the term loan owed by Maple Marathon will be retained by the buyer for

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

###### (ii) 金融資產減值(續)

以公允價值計量且其變動計入其他綜合收益的債權投資

以公允價值計量且其變動計入其他綜合收益的債權投資包括非上市證券。以公允價值計量且其變動計入其他綜合收益的債權投資損失撥備計入損益並減少因其他原因計入其他綜合收益的公允價值損失。本年無計入損益的損失撥備。

##### (c) 流動性風險

管理層致力維持充裕現金以應付營運需要的資金並根據預期現金流量，監控本集團的現金滾動預測。

如附註2.1.1所述，本公司董事密切監控對本集團的現金流預測，其涵蓋自二零一八年十二月三十一日起不少於十二個月的期間，並通過如下渠道確保有足夠資金滿足本集團履行其債務與責任的需要：

- (a) 於近期成功完成Maple Marathon處置，以便將現金所得款項淨額提供予本集團以履行其責任；根據出售協議，Maple Marathon所欠借

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

repayment in accordance with the disposal agreement such that the Group does not need to obtain additional sources of financing to repay such loan upon the due date;

- (b) the holder of certain Public Notes not exercising the Put Option prior to the completion of the Maple Marathon Disposal, in order not to trigger earlier redemption of the Public Notes and certain other Private Notes as detailed in Note 2.1.1;
- (c) the lender of a borrowing of US\$60 million due to be repaid on February 1, 2020 not exercising its right to demand immediate payment;
- (d) the Group's ability to continuously comply with the terms and conditions of all the outstanding borrowings and financing agreements and to successfully negotiate with the lenders to obtain waivers or to revise the existing terms and conditions as and when needed such that the existing borrowings and financing will continue to be available to the Group; and
- (e) the Group's ability to generate operating cash flows and obtain additional sources of financing, other than those mentioned above, to finance the Group's oil exploration and production businesses and other funding needs.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. As the amounts disclosed in the table are the contractual undiscounted cash flows, these amounts will not reconcile to the amounts disclosed on the consolidated balance sheets for borrowings.

款將由買方所留存的款項償還，本集團於到期日無需獲得額外融資來償還該貸款；

- (b) 公開債券持有人在完成 Maple Marathon 出售事項前不行使認沽期權，為了不觸發載於附註2.1.1所述的公開債券和私人票據提前贖回；
- (c) 二零二零年二月一日到期的金額為60百萬美元的借款出借人，不會採取任何行動要求立即付款；
- (d) 本集團有能力持續遵守所有未償還借款及融資協議的條款及條件，並成功與貸方協商以獲取豁免或在需要時修訂現有條款及條件，以確保現有借款及融資將繼續向本集團提供；
- (e) 本集團有能力產生經營現金流及獲得額外融資來源，除上述所述，以為本集團的石油勘探及生產業務及其他融資需求提供資金。

下表顯示本集團及本公司的非衍生金融負債按照相關的到期組別，根據報告期末起至合同到期日的剩餘期間的分析。表中披露的金額為合同列示本金和利息的未折現現金流量。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

		Less than 1 year 少於一年 RMB'000 人民幣千元	Between 1 and 2 years 一至兩年 RMB'000 人民幣千元	Between 2 and 5 years 二至五年 RMB'000 人民幣千元	Over 5 years 五年以上 RMB'000 人民幣千元
<b>At December 31, 2018</b>	<b>於二零一八年十二月三十一日</b>				
Borrowings	借款	2,591,377	1,761,074	-	-
Interest payables on borrowings	借款利息	292,548	126,550	-	-
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動 計入當期損益的金融負債				
— Principal	— 本金	297,908	-	-	-
— Interest payables	— 應付利息	37,239	-	-	-
Trade and notes payable	應付賬款及應付票據	220,283	70,732	-	-
Provisions, accruals and other liabilities	準備、預提及其他負債	177,167	-	-	12,414
<b>At December 31, 2017</b>	<b>於二零一七年十二月三十一日</b>				
Borrowings	借款	1,531,078	3,112,223	1,572,189	-
Interest payables on borrowings	借款利息	443,575	218,839	51,850	-
Trade and notes payable	應付賬款及應付票據	392,984	29,331	-	-
Provisions, accruals and other liabilities	準備、預提及其他負債	558,628	-	-	2,567,526

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動性風險(續)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of Debt over EBITDA. Debt is calculated as total borrowings including 'current and non-current borrowings' as shown in the consolidated statement of financial position. EBITDA is determined as loss before income tax from continuing operations before finance income, finance cost and depreciation, depletion and amortisation.

The Debt over EBITDA ratios as at December 31, 2018 and 2017 were as follows:

### 3. 財務風險管理(續)

#### 3.2 資本管理

本集團的資本管理政策，是保障本集團能持續經營，以為股東提供回報和為其他利益關係者提供利益，同時維持最佳的資本結構以減低資本成本。

本集團以債務對息稅前營運盈利(以下簡稱「EBITDA」)比率為基準監控其資本。債務等於借款總額(包括合併財務狀況表所列示的「流動及非流動借款」)。EBITDA等於除財務收入、財務費用、折舊、折耗及攤銷前的源於持續經營的除所得稅前虧損。

於二零一八年及二零一七年十二月三十一日的債務總額與EBITDA的比率列載如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
Total borrowings (Note 27)	借款總額(附註27)	4,335,954	6,049,468
Loss before income tax from continuing operations	源於持續經營的除所得稅前虧損	(784,960)	(842,566)
Finance income (Note 30)	財務收入(附註30)	(22,603)	(47,985)
Finance cost (Note 30)	財務費用(附註30)	614,352	38,290
Depreciation, depletion and amortisation	折舊、折耗及攤銷	329,318	350,034
EBITDA	EBITDA	136,107	(502,227)
Debt over EBITDA ratio	債務總額與EBITDA的比率	31.9	(12.0)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 Capital management (Continued)

The Debt over EBITDA ratio changes from negative 12.0 to positive 31.9 was mainly due to the significant decrease in the loss before income tax from continuing operations and increase in finance cost by Group for the year ended December 31, 2018 as compared to December 31, 2017.

#### 3.3 Fair value estimation

##### Financial assets and liabilities

##### (i) Fair value hierarchy

The table below analyses the Group's financial instruments carried at fair value as at December 31, 2018 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 3. 財務風險管理(續)

#### 3.2 資本管理(續)

債務總額與EBITDA的比率由二零一七年十二月三十一日的負12.0增加至二零一八年十二月三十一日的31.9，主要由於截至二零一八年十二月三十一日止年度本集團持續經營部分的稅前虧損較二零一七年十二月三十一日止年度有大幅減少，財務費用較二零一七年度有大幅度增加導致。

#### 3.3 公允價值估計

##### 金融資產和金融負債

##### (i) 公允價值層級

下表根據在評估公允價值的估值技術中所運用到的輸入的層級，分析本集團於二零一八年十二月三十一日按公允價值入賬的金融工具。這些輸入按照公允價值層級歸類為如下三層：

- 相同資產或負債在活躍市場1的報價(未經調整)(第一層)。
- 除了第一層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第二層)。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第三層)。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

### 3. 財務風險管理(續)

#### 3.3 Fair value estimation (Continued)

#### 3.3 公允價值估計(續)

##### Financial assets and liabilities (Continued)

##### 金融資產和金融負債(續)

##### (i) Fair value hierarchy (Continued)

##### (i) 公允價值層級(續)

The following table presents the Group's financial assets and liabilities that are measured at fair value at December 31, 2018.

下表呈列本集團於二零一八年十二月三十一日以公允價值計量的金融資產和金融負債。

		Level 1 第一層 RMB'000 人民幣千元	Level 2 第二層 RMB'000 人民幣千元	Level 3 第三層 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>				
<b>As at December 31, 2018</b>	<b>於二零一八年十二月三十一日</b>				
Financial assets at FVPL	以公允價值計量且其變動計入當期損益的金融資產				
— Equity investments (Note 17)	— 權益投資(附註17)	17,755	-	-	17,755
Financial assets at fair value through other comprehensive income (FVOCI)	以公允價值計量且其變動計入其他綜合收益的金融資產				
— Equity investments (Note 12)	— 權益投資(附註12)	-	-	44,231	44,231
— Debt investments (Note 12)	— 債權投資(附註12)	-	-	2,227	2,227
		17,755	-	46,458	64,213
<b>Financial liabilities</b>	<b>金融負債</b>				
<b>As at December 31, 2018</b>	<b>於二零一八年十二月三十一日</b>				
Financial liabilities at fair value through profit or loss (Note 13)	以公允價值計量且其變動計入當期損益的金融負債(附註13)				
— The Public Notes	— 公開債券	-	-	313,969	313,969
		-	-	313,969	313,969

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

### 3. 財務風險管理(續)

#### 3.3 Fair value estimation (Continued)

#### 3.3 公允價值估計(續)

##### Financial assets and liabilities (Continued)

##### 金融資產和金融負債(續)

##### (i) Fair value hierarchy (Continued)

##### (i) 公允價值層級(續)

The following table presents the Group's financial assets and liabilities that are measured at fair value at December 31, 2017.

下表呈列本集團於二零一七年十二月三十一日以公允價值計量的金融資產和金融負債。

	Level 1 第一層 RMB'000 人民幣千元	Level 2 第二層 RMB'000 人民幣千元	Level 3 第三層 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Financial assets</b>				
<b>As at December 31, 2017</b>				
Available-for-sale financial assets:				
— Equity investments	111,507	—	61,768	173,275
— Debt investments	—	—	5,085	5,085
Derivative financial instruments				
— MAST index Linked investment	—	293,798	—	293,798
— Commodity swaps contracts	—	74,617	—	74,617
	111,507	368,415	66,853	546,775
<b>Financial liabilities</b>				
<b>As at December 31, 2017</b>				
Financial liabilities at fair value through profit or loss (Note 13)				
— Commodity swaps contracts	—	—	1,067,626	1,067,626
Derivative financial instruments				
— Commodity swaps contracts	—	14,774	—	14,774
	—	14,774	1,067,626	1,082,400

There were no transfers between level 1, level 2 and level 3 during the year.

本年度無第一層級，第二層級以及第三層間的轉換。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation (Continued)

##### Financial assets and liabilities (Continued)

##### (i) Fair value hierarchy (Continued)

##### (a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price as at December 31, 2018. These instruments are included in level 1, and represent equity investments listed on Australian Securities Exchange, which are classified as financial assets at FVPL.

### 3. 財務風險管理(續)

#### 3.3 公允價值估計(續)

##### 金融資產和金融負債(續)

##### (i) 公允價值層級(續)

##### (a) 在第一層內的金融工具

在活躍市場中交易的金融工具的報告期末的公允價值皆源於市場報價。倘市場報價易於定期從交易所、經銷商、經紀人、行業協會、定價服務機構或監管機構獲得，則該價格代表按市場規律實際發生的市場交易，則該市場視為活躍市場。本集團持有的金融資產所使用的市場報價乃二零一八年十二月三十一日的收盤價。這些金融工具為於澳大利亞證券交易所上市的權益投資，分類為以公允價值計量且其變動計入當期損益的金融資產，歸屬於第一層級。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation (Continued)

##### Financial assets and liabilities (Continued)

##### (i) Fair value hierarchy (Continued)

##### (b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

##### (c) Financial instruments in level 3

With respect to the level 3 fair value measurement for the Group's financial assets at fair value that are unlisted equity investments and debt investments with no active market exists, the Group's finance department benchmark to the market price of certain comparable listed companies within the same or similar operation/industry and apply certain adjustments/discount for non-marketability. At December 31, 2018, the Directors are of their opinion that there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

### 3. 財務風險管理(續)

#### 3.3 公允價值估計(續)

##### 金融資產和金融負債(續)

##### (i) 公允價值層級(續)

##### (b) 在第二層內的金融工具

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值利用估值技術釐定。估值技術盡量利用可觀察市場數據(如有)，盡量少依賴主體的特定估計。如計算一金融工具的公允價值所需的所有重大輸入為可觀察數據，則該金融工具歸屬於第二層。如一項或多項重大輸入並非根據可觀察市場數據，則該金融工具歸屬於第三層。

##### (c) 在第三層內的金融工具

對於本集團以公允價值計量的金融資產中以第三層公允價值確認其公允價值的部分，因其為非上市的權益投資和債務投資，無活躍市場存在，本集團財務部門會對標若干相同或相似的行業／運營模式的可比上市公司的市價，並因其無市場可交易性作出特定調整／折讓。於二零一八年十二月三十一日，董事認為，可確認的公允價值存在一個較大區間，在此區間內成本可代表其公允價值的最佳估計。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation (Continued)

##### Financial assets and liabilities (Continued)

##### (ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### 3. 財務風險管理(續)

#### 3.3 公允價值估計(續)

##### 金融資產和金融負債(續)

##### (ii) 用以評估公允價值的估值技術

用以估值金融工具的特定估值技術包括：

- 同類型工具的市場報價或交易商報價
- 其他技術，例如折算現金使用分析，用以釐定其餘金融工具的公允價值

### 4. 關鍵會計估計及判斷

估計和判斷乃按持續基準進行評估，並基於過往經驗及其他因素，包括在若干情況下對未來事項作出相信是合理的預期。

本集團對未來作出會計估計和假設。所得出的會計估計如其定義，很少會與其實際結果相同。有重大風險可能會導致對下一個財政年度的資產和負債的賬面價值作出重大調整的估計和假設討論如下。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (i) Going concern consideration

In the process of applying the Group's accounting policies, apart from those involving estimates, management has prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the coming year, which is a critical judgement that has the most significant effect on the amounts recognised in the financial statements. The assessment of the going concern assumption involves making a judgement by the Directors, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The Directors consider that the Group has the capability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption are set out in Note 2.1.1 to the consolidated financial statements.

#### (ii) Estimation of proved and probable reserves

Proved reserves are those quantities of petroleum that by analysis of geoscience and engineering data can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. Economic conditions include consideration of changes in existing prices provided only by contractual arrangements, but not on escalations based upon future conditions. Proved developed producing reserves are expected to be recovered from completion intervals that are open and producing at the time of the estimate. Proved undeveloped reserves are quantities expected to be recovered through future investments: from new wells on undrilled acreage in known accumulations, from extending existing wells to a different (but known) reservoir, or from infill wells that will increase recovery. Probable reserves are additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely to be recovered.

### 4. 關鍵會計估計及判斷(續)

#### (i) 持續經營基礎考慮

於採用本集團之會計政策過程中，除涉及估計之項目外，管理層在編製合併財務報表時認為本集團於來年將仍可按照持續經營的基準繼續營運，此對財務報表內已確認金額構成最重大影響之主要判斷。評估持續經營假設時，董事需於特定時間就本質上不確定之事件及情況的未來結果作出判斷。董事認為，本集團有能力持續經營，而可能個別或共同對持續經營假設構成重大疑問且或會引致業務風險的重大事件或情況載於合併財務報表附註2.1.1。

#### (ii) 已探明儲量和概算儲量的估計

已探明儲量為透過分析地球科學及工程數據，於明確的經濟條件、操作方法及政府法規下，從特定未來日期起自己知油藏以合理確信估計可商業開採回收的石油數量。經濟條件包括考慮僅由合同安排規定的現有價格變動，惟日後條件引致的增長除外。探明已開發儲量為預期從處於開放及產油狀態的完井層段中開採的儲量。探明未開發儲量為通過未來投資預期採出的油氣數量，包括開採已知油藏的未鑽的新井，延伸現有井至不同(但為已知)的油藏，或通過加密井提高采收率。概算儲量為相比探明儲量存在較大開採不確定性的額外儲量，但其與探明儲量一樣均存在獲取的可能性。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (ii) Estimation of proved and probable reserves (Continued)

The Group's reserve estimates were prepared for each oilfield and include only reserves that the Group believes can be reasonably produced within current economic and operating conditions.

Proved and probable reserves cannot be measured exactly. Reserve estimates are based on many factors related to reservoir performance that require evaluation by the engineers interpreting the available data, as well as price and other economic factors. The reliability of these estimates at any point in time depends on both the quality and quantity of the technical and economic data, and the production performance of the reservoirs as well as engineering judgement. Consequently, reserve estimates are subject to revision as additional data become available during the producing life of a reservoir. When a commercial reservoir is discovered, proved reserves are initially determined based on limited data from the first well or wells. Subsequent data may better define the extent of the reservoir and additional production performance. Well tests and engineering studies will likely improve the reliability of the reserve estimate. The evolution of technology may also result in the application of improved recovery techniques such as supplemental or enhanced recovery projects, or both, which have the potential to increase reserves beyond those envisioned during the early years of a reservoir's producing life.

In general, changes in the technical maturity of reserves resulting from new information becoming available from development and production activities and change in oil and gas price have tended to be the most significant cause of annual revisions.

### 4. 關鍵會計估計及判斷(續)

#### (ii) 已探明儲量和概算儲量的估計(續)

本集團的儲量估計乃就各油田而編製，僅包括本集團認為可於現時經濟及操作條件下合理生產的原油。

已探明儲量和概算儲量無法予以精確計量。儲量估計乃基於有關油藏動態的眾多因素(需要工程師詮釋所獲得數據的評估)以及價格等其他經濟因素。在任何方面該等估計的可靠性視乎技術及經濟數據的質量及數量、油藏的產量動態及工程判斷而定。因此，於油藏的生產周期內，如有額外數據時，儲量估計可予以修訂。於發現商業油藏時，已探明儲量首先乃根據首個或首批油井的有限數據而釐定。其後數據或可更好地確定油藏的範圍及額外產量動態，而油井試驗及工程研究將可能提升儲量估計的可靠性。技術的發展亦可導致應用經改善的採油技術，例如補充或經提升採油項目，或兩者，該等項目有潛力使儲量增至超逾於油藏生產周期初期數年內所預想者。

一般而言，自開發及生產活動取得新數據而導致石油儲量技術成熟度變動以及油氣價格變動已趨向成為年度修訂的最重要因素。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (iii) Depletion, depreciation and amortisation of property, plant and equipment and intangible assets

In addition to the depletion, depreciation and amortisation of oil and gas properties, mining extraction and mining rights using the unit of production method (Notes 2.6 and 2.7) based on the estimated reserves as disclosed in Note 4, management of the Group determines the estimated useful lives and related depreciation and amortisation charges for other property, plant and equipment and intangible assets. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions, or based on value-in-use calculations or market valuations according to the estimated periods that the Group intends to derive future economic benefits from the use of intangible assets.

Management will adjust the estimated useful lives where useful lives vary with previously estimated useful lives. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require material adjustments to the carrying amount of property, plant and equipment and intangible assets.

### 4. 關鍵會計估計及判斷(續)

#### (iii) 不動產、工廠及設備以及無形資產的折舊、折耗及攤銷

關於油氣資產和基於估計儲量採用單位產量法(附註2.6和2.7)核算的礦產開採權及採礦權的折舊、耗損及攤銷已在附註4中披露。除此之外，本集團管理層還需對其他不動產、工廠及設備和無形資產的預計使用年限及相關折舊和攤銷進行估計。此類估計依賴於類似性質和功能的不動產、工廠及設備的實際使用年限的歷史經驗，或者基於使用價值法或本集團預計使用該無形資產在未來期間產生經濟價值的市場價值法。

管理層通過比較已估計使用年限與目前可使用年限對不動產、工廠及設備和無形資產預計可使用年限進行調整。基於對現有情況的了解，可以合理的認為不動產、工廠及設備和無形資產的賬面價值於未來財政年度中不同的假設條件下可能出現重大調整。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (iv) Estimation of impairment of property, plant and equipment and intangible assets

Property, plant and equipment, including oil and gas properties, and intangible assets are reviewed for possible impairments when events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) was determined based on value-in-use calculations which require the use of assumptions. Determination as to whether and how much an asset is impaired involve management estimates and judgements such as forecast crude oil prices, forecast production volumes, forecast operating costs and capital expenditures and discount rates. However, the impairment reviews and calculations are based on assumptions that are consistent with the Group's business plans. Favourable changes to some assumptions may allow the Group to avoid the need to impair any assets, whereas unfavourable changes may cause the assets to become impaired.

#### (v) Provision for remediation and restoration

Provision for remediation and restoration included environmental remediation costs, assets retirements obligation and similar obligation in relation to the Group's operations. Provision is made when the related environmental disturbance and present obligations occur, based on the net present value of estimated future costs. The ultimate cost of environmental disturbances, asset retirement and similar obligation are uncertain and management uses its judgment and experience to provide for these costs over the life of operations. Cost estimates can vary in response to many factors including changes to the relevant legal requirements, the Group's related policies, the emergence of new restoration techniques and the effects of inflation.

### 4. 關鍵會計估計及判斷(續)

#### (iv) 不動產、工廠、設備及無形資產減值估計

在有相關事件或情況變化表明賬面價值無法收回的情況下，為應對可能存在的減值會對包括石油和天然氣資產在內的不動產、工廠及設備和無形資產進行評估。本集團每年測試商譽是否出現減值，現金產出單元的可收回金額按照使用價值計算而釐定，此等計算需要利用估計。確定一項資產是否以及減值多少涉及管理預測和判斷，如預測原油價格，預測產量，預測經營成本和資本支出以及貼現率。但是，減值評估和計算基於與本集團業務計劃一致的假設。對某些假設的有利變化可能會使本集團避免對任何資產進行減值，而不利的變化可能導致資產發生減值。

#### (v) 補償及復用準備

補償及修復準備包括環境治理成本，資產棄置義務以及與本集團經營活動有關的其他類似義務。當發生相關環境破壞和現實義務時，依據估計未來成本的淨現值來確定準備金額。環境破壞，資產報廢和其他義務的最終成本是不確定的。管理層將依據經驗和判斷在經營期限內確定準備費用。費用的估計需要考慮和比較眾多因素，包括相關法律需求、集團相關政策、新修復技術的更新以及通貨膨脹等因素。費用估計將在經營期限內進行更新。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (v) Provision for remediation and restoration (Continued)

Cost estimates are updated throughout the life of the operation. The expected timing of expenditure included in cost estimates can also change, for example in response to changes in reserves, or production volumes or economic conditions. Expenditure may occur before and after closure and can continue for an extended period of time depending on the specific site requirements. Cash flows must be discounted if this has a material effect. The selection of appropriate sources on which to base calculation of the risk free discount rate used for this purpose also requires judgment. As a result of all of the above factors there could be significant adjustments to the provision for close down, restoration and clean-up costs which would affect future financial results.

The Group currently operates mainly in PRC and Canada. The outcome of environmental and other similar obligations under proposed or future environmental legislation cannot reasonably be estimated at present, and could be material. Under existing legislation, however, the Directors of the Company are in their opinion that there are no probable liabilities that are in addition to amounts which have already been reflected in the financial statements that will have a materially adverse effect on the financial position of the Group.

### 4. 關鍵會計估計及判斷(續)

#### (v) 補償及復用準備(續)

估計費用的預期支出發生時間也會隨儲量、產量和經濟形勢的變化而發生變化。該項費用的支出會根據特定現實需求發生在期前或期後，並影響其後的一個期間。若上述事項產生重大影響，則現金流需進行折現。為此所選擇的無風險折現率也需進行重新評估和判斷。所以，上述因素的影響可能導致對恢復和清理費用的準備的重大調整，也會影響到未來期間的財務業績。

本集團當下主要於中國和加拿大作業。在當前已有或未來的環境法律框架下，對環境及其他類似義務的影響目前暫時無法合理估計，且該影響可能是重大的。然而，在現有法律框架下，本公司董事認為，除已於本財務報表反映的負債之外，不存在可能的負債對本集團財務狀況產生潛在重大不利影響。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (v) Provision for remediation and restoration (Continued)

##### Change in accounting estimate in discontinued operations

From January 1, 2018, the updated cost estimates in the asset retirement obligations has been provided for the Canadian operations of the Group which is included in disposal group classified as held for sale (Note 20). The updates in cost estimates were mainly resulted by emergence of new restoration techniques in Canada that lead to cost saving during closures. The net effect of this change in accounting estimate resulted a decrease in both assets of disposal group classified as held for sale and liabilities classified as held for sale by RMB886.5 million for the year ended December 31, 2018. It is impracticable to estimate the amount of impact for future years.

#### (vi) Purchase price allocation for business combination

Accounting for business acquisitions requires the Group to allocate the cost of the acquisition to the specific assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. In connection with the acquisition of the Group, management undertakes a process to identify all assets and liabilities acquired, including any identified intangible assets where appropriate. The judgments made in identifying all acquired assets, determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as assets useful lives, may materially impact the Group's financial position and results of operation. In determining the fair values of the identifiable assets acquired and liabilities assumed, a valuation was conducted by an independent valuer and estimated fair values are based on information available near the acquisition date and on expectations and assumptions that have been deemed reasonable by management.

### 4. 關鍵會計估計及判斷(續)

#### (v) 補償及復用準備(續)

##### 終止經營部分會計估計變更產生的影響

自二零一八年一月一日，本集團加拿大業務(包括在持有待售的處置組，附註20)更新了資產棄置義務的成本估算。成本估算的更新主要是由於出現了新修復技術，從而在修復期間節省了成本。截至二零一八年十二月三十一日止年度變動的淨影響是分類為持有待售的處置組資產和負債同時減少了人民幣886.5百萬元。對未來影響金額的估計存在實際困難。

#### (vi) 業務合併收購對價分攤

按照業務收購的會計處理要求，本集團需將收購成本根據所收購特定資產及所承擔負債於收購日期的估計公允價值進行分配。就本集團的收購而言，管理層實施一項流程以識別所收購的全部資產及負債，包括任何可識別的無形資產(如適用)。在識別所收購的全部資產、確定分配至各類所收購資產及所承擔負債的估計公允價值以及釐定資產可使用年期的過程中作出的判斷可能對本集團的財務狀況及營運業績造成重大影響。為釐定所收購可識別資產及所承擔負債的公允價值，獨立估值師進行有關評估，所評估的公允價值乃基於收購日期前後可用的數據以及管理層認為合理的預期及假設釐定。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (vii) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### 5. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors of the Company that are used to make strategic decisions.

The Board of Directors considers the business performance of the Group from a geographic perspective being the PRC and North America. The PRC segment derives its revenue substantially from the sale of oil. Revenue is realised from the sale of the Group's share of crude oil to PetroChina pursuant to respective PSCs (Note 9). The North America segment derives its revenue from the sale of oil and natural gas in Canada.

The Board of Directors assesses the performance of the operating segments based on each segment's operating result.

### 4. 關鍵會計估計及判斷(續)

#### (vii) 金融資產減值

金融資產的損失準備基於對違約風險和預期損失率的假設。本集團根據歷史情況，現有市場狀況以及報告期末的前瞻性估計，作出假設並進行減值計算。

### 5. 分部信息

管理層已根據經本公司董事會審議用於分配資源和評估表現的報告釐定經營分部。

董事會從地域的角度考慮了中國和北美分部的業績表現。中國分部主要收入來源於原油銷售。中國分部的收入主要來自於中國各區塊根據產品分成合同(附註9)取得的對中石油的銷售款。北美分部的收入主要來源於加拿大的原油和天然氣的銷售收入。

董事會基於每個經營分部的經營業績對其進行業績評價。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 5. SEGMENT INFORMATION (Continued)

The segment information provided to the Board of Directors for the reportable segments is set out follows:

### 5. 分部信息(續)

向董事會提供的經營分部信息如下：

		PRC 中國 RMB'000 人民幣千元	North America 北美 RMB'000 人民幣千元	Corporate and others 總部及他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Year ended December 31, 2018</b>	<b>截至二零一八年 十二月三十一日止年度</b>				
<b>From continuing operations</b>	<b>源於持續經營</b>				
<b>Segment revenue</b>	<b>分部收益</b>	<b>789,704</b>	<b>-</b>	<b>-</b>	<b>789,704</b>
Depreciation, depletion and amortisation	折舊、折耗及攤銷	(329,101)	-	(217)	(329,318)
Taxes other than income taxes (Note 29)	稅項(所得稅除外) (附註29)	(9,574)	-	(9,301)	(18,875)
Employee benefit expense	員工薪酬成本	(52,024)	-	(103,723)	(155,747)
Purchases, services and other direct costs	採購、服務及其他直接成本	(138,013)	-	-	(138,013)
Distribution costs	銷售支出	(15,792)	-	-	(15,792)
General and administrative expense	管理費用	(19,768)	-	(100,783)	(120,551)
Net impairment losses on financial assets	金融資產減值損失	14,740	-	(130,718)	(115,978)
Impairment charges	資產減值損失	(34,154)	-	(3,317)	(37,471)
Other gains/(losses), net	其他收益/(損失), 淨值	547	-	(42,399)	(41,852)
Finance income	財務收入	90	-	22,513	22,603
Finance costs	財務費用	(96,139)	-	(518,213)	(614,352)
Share of losses of investments in associates	享有聯營企業投資的虧損份額	-	-	(9,318)	(9,318)
<b>Profit/(loss) before income tax</b>	<b>除所得稅前利潤/(虧損)</b>	<b>110,516</b>	<b>-</b>	<b>(895,476)</b>	<b>(784,960)</b>
Income tax (expense)/credit	所得稅(費用)/收益	(50,404)	-	2,992	(47,412)
Profit/(loss) for the year from continuing operations	本年持續經營所得 收益/(虧損)	60,112	-	(892,484)	(832,372)
<b>From discontinued operations</b>	<b>源於終止經營</b>				
Loss for the year from discontinued operations	本年終止經營所得虧損	-	(363,463)	-	(363,463)
<b>Profit/(loss) for the year</b>	<b>本年利潤/(虧損)</b>	<b>60,112</b>	<b>(363,463)</b>	<b>(892,484)</b>	<b>(1,195,835)</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 5. SEGMENT INFORMATION (Continued)

### 5. 分部信息(續)

		PRC 中國 RMB'000 人民幣千元	Corporate and others 總部及其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at December 31, 2018</b>	於二零一八年 十二月三十一日			
<b>Total assets</b>	<b>資產總額</b>	<b>2,129,227</b>	<b>1,009,785</b>	<b>3,139,012</b>
Total assets includes:	資產總額包括：			
Property, plant and equipment	不動產、工廠及設備	<b>1,797,877</b>	<b>962</b>	<b>1,798,839</b>
Intangible assets	無形資產	<b>137,351</b>	-	<b>137,351</b>
Additions to non-current assets	非流動資產增加	<b>143,534</b>	<b>(148)</b>	<b>143,386</b>
<b>Total liabilities</b>	<b>負債總額</b>	<b>1,459,940</b>	<b>3,943,392</b>	<b>5,403,332</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 5. SEGMENT INFORMATION (Continued)

### 5. 分部信息(續)

		PRC 中國	North America 北美	Corporate and others 總部及其他	Total 總計
		RMB'000 人民幣千元	Re-presented 重新呈列 RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
			Note 附註		
<b>Year ended December 31, 2017</b>	<b>截至二零一七年 十二月三十一日止年度</b>				
<b>From continuing operations</b>	<b>源於持續經營</b>				
<b>Segment revenue</b>	<b>分部收益</b>	657,365	–	–	657,365
Depreciation, depletion and amortisation	折舊、折耗及攤銷	(349,853)	–	(181)	(350,034)
Taxes other than income taxes (Note 29)	稅項(所得稅除外)(附註29)	(3,579)	–	(10,635)	(14,214)
Employee benefit expense	員工薪酬成本	(65,721)	(2,566)	(52,903)	(121,190)
Purchases, services and other direct costs	採購、服務及其他直接成本	(98,398)	–	–	(98,398)
Distribution costs	銷售支出	(17,055)	–	–	(17,055)
General and administrative expenses	管理費用	(20,426)	(2,394)	(81,330)	(104,150)
Net impairment losses on financial assets	金融資產減值損失	(82,339)	–	(645,815)	(728,154)
Impairment charges	資產減值損失	(2,000)	–	(33,524)	(35,524)
Other gains, net	其他收益, 淨值	4,049	–	18,067	22,116
Finance income	財務收入	366	21	47,598	47,985
Finance costs	財務費用	(57,618)	(64)	19,392	(38,290)
Share of losses of investments in associates	享有聯營企業投資的虧損份額	–	(63,023)	–	(63,023)
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>	(35,209)	(68,026)	(739,331)	(842,566)
Income tax expense	所得稅費用	(105,267)	(2)	(216)	(105,485)
<b>Loss for the year from continuing operations</b>	<b>本年持續經營所得虧損</b>	(140,476)	(68,028)	(739,547)	(948,051)
<b>From discontinued operations</b>	<b>源於終止經營</b>				
Loss for the year from discontinued operations	本年終止經營所得虧損	–	(151,425)	–	(151,425)
<b>Loss for the year</b>	<b>本年虧損</b>	(140,476)	(219,453)	(739,547)	(1,099,476)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 5. SEGMENT INFORMATION (Continued)

Note:

During the year ended December 31, 2018, the Group disposed of its entire equity interests in investment in an associate (Note 8). As at December 31, 2018, as the assets and liabilities relating to Maple Marathon Disposal (Note 20) represents the majority of the North American operation at the year end, the Board of the Directors classified this as held for sale and discontinued operations in accordance with the requirements of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" ("IFRS 5"). Accordingly, the Group re-presented its corresponding information for the year ended December 31, 2017 on a consistent basis.

### 5. 分部信息(續)

附註：

截至二零一八年十二月三十一日，集團處置了對聯營公司的全部投資權益(附註8)。於二零一八年十二月三十一日，因為Maple Marathon出售事項(附註20)相關的資產和負債代表本集團年末北美分部的主要業務，董事會根據國際財務報告準則第5號(「持有待售的非流動資產和終止經營」)，將此分類為持有待售及終止經營。因此，本集團重新呈列截至二零一七年十二月三十一日止年度的相應信息。

		PRC 中國 RMB'000 人民幣千元	North America 北美 RMB'000 人民幣千元	Corporate and others 總部及其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at December 31, 2017</b>	於二零一七年 十二月三十一日				
<b>Total assets</b>	<b>資產總額</b>	1,991,778	7,375,871	1,940,694	11,308,343
Total assets includes:	資產總額包括：				
Property, plant and equipment	不動產、工廠及設備	1,788,647	5,930,102	1,110	7,719,859
Intangible assets	無形資產	3,047	705,146	-	708,193
Investments in associates	聯營企業投資	-	182,541	-	182,541
Additions to non-current assets	非流動資產增加	(617,851)	6,629,195	(99)	6,011,245
<b>Total liabilities</b>	<b>負債總額</b>	1,160,834	6,354,276	4,061,694	11,576,804

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 5. SEGMENT INFORMATION (Continued)

All segment information above represented segment results after elimination of inter-segment transactions, which primarily include interest income or expense from intra-group accounts and loans.

The revenue reported to the Board of Directors is measured consistently with that in the consolidated statement of comprehensive income. The amounts provided to the Board of Directors with respect to total assets and total liabilities are measured in a manner consistent with that of the consolidated financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the asset.

#### Entity-wide information

##### Analysis of revenue by category

Timing of revenue recognition	收入確認時間
At a point in time	在某一時點
— Sales of oil and gas	銷售原油及天然氣
— Provision of services	提供服務

For the year ended December 31, 2018, total revenue from crude oil sales in the PRC amounting to RMB786.8 million (2017: RMB652.2 million) are derived solely from PetroChina. Crude oil sales revenues from PetroChina accounted for 99.6% (2017: 99.2%) of the Group's total revenue from continuing operations for the year ended December 31, 2018.

### 5. 分部信息(續)

上述分部信息為各分部之間交易抵銷之後進行列示。分部之間交易主要包括集團內公司賬目往來和借款產生的利息收入或支出。

向董事會報告的收益的計量方法與合併綜合收益表的計量方法一致。向董事會提供有關資產及負債總額的計量方法與合併財務報表的計量方法一致。此等資產及負債根據分部的經營和資產的實際位置分配。

#### 企業層面信息

##### 收入按類別分析

2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
786,768	652,977
2,936	4,388
789,704	657,365

截至二零一八年十二月三十一日止年度，本集團在中國的原油銷售收入金額為人民幣786.8百萬元(二零一七年：人民幣652.2百萬元)，均為銷售給中石油取得的收入。截至二零一八年十二月三十一日止年度從中石油取得的原油收入佔本集團持續經營總收入的99.6%(二零一七年：99.2%)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 6. PROPERTY, PLANT AND EQUIPMENT

### 6. 不動產、工廠及設備

		Exploration and evaluation assets	Oil and gas properties	Buildings and improvements	Vehicles, office and other production equipment	Construction in progress	Total
		勘探及 評價資產	油氣資產	建築物及設施	辦公室設備 及生產設備	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Year ended December 31, 2017</b>	<b>截至二零一七年 十二月三十一日止年度</b>						
Opening net book amount	年初賬面淨值	-	2,358,475	8,559	24,790	16,134	2,407,958
Exchange differences	匯兌差額	(23,684)	(137,110)	-	(3,096)	-	(163,890)
Additions	增加	8,275	12,047	-	18,822	45,654	84,798
Acquisition through business combination	企業合併導致的增加	897,439	5,190,977	-	113,646	-	6,202,062
Disposals	處置	-	(1,237)	-	-	-	(1,237)
Disposals of subsidiaries	處置子公司	-	(308,784)	-	(3,414)	(3,988)	(316,186)
Transfers	轉撥	-	53,507	-	-	(53,507)	-
Depreciation charge (Note (a))	折舊費用(附註(a))						
— Continuing operations	— 持續經營	-	(336,481)	(1,038)	(5,561)	-	(343,080)
— Discontinued operations	— 終止經營	-	(130,600)	-	(9,229)	-	(139,829)
Lease expiries	租約到期	(10,737)	-	-	-	-	(10,737)
Closing net book amount	年末賬面淨值	871,293	6,700,794	7,521	135,958	4,293	7,719,859
<b>As at December 31, 2017</b>	<b>於二零一七年 十二月三十一日</b>						
Cost	成本	871,293	11,848,183	10,375	188,716	4,293	12,922,860
Accumulated depreciation and impairment	累計折舊及減值	-	(5,147,389)	(2,854)	(52,758)	-	(5,203,001)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>871,293</b>	<b>6,700,794</b>	<b>7,521</b>	<b>135,958</b>	<b>4,293</b>	<b>7,719,859</b>



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 6. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 6. 不動產、工廠及設備(續)

		Exploration and evaluation assets	Oil and gas properties	Buildings and improvements	Vehicles, office, production equipment and turnarounds 汽車、辦公室 設備、生產設備 及周轉設施	Construction in progress	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Year ended December 31, 2018</b>	<b>截至二零一八年 十二月三十一日止年度</b>						
Opening net book amount	年初賬面淨值	871,293	6,700,794	7,521	135,958	4,293	7,719,859
Exchange differences	匯兌差額	(27,082)	(133,415)	-	(3,968)	-	(164,465)
Additions	增加	34,871	61,667	-	72,797	99,362	268,697
Acquisition through business combination (Note 38)	企業合併導致的增加 (附註38)	-	219,188	-	2,650	699	222,537
Disposals	處置	(24,150)	(481,707)	-	-	-	(505,857)
Disposals of subsidiaries	處置子公司	-	(1,599)	-	-	-	(1,599)
Transfers	轉撥	-	88,978	-	-	(88,978)	-
Depreciation charge (Note (a))	折舊費用(附註(a))						
— Continuing operations	— 持續經營	-	(308,545)	(1,038)	(4,543)	-	(314,126)
— Discontinued operations	— 終止經營	-	(422,528)	-	(47,542)	-	(470,070)
Lease expiries	租約到期	(26,447)	-	-	-	-	(26,447)
Change in accounting estimate (Note 4(v))	會計估計變更(附註4(v))						
— Discontinued operations	— 終止經營	-	(886,504)	-	-	-	(886,504)
Transferred to disposal group classified as held for sale (Note 20)	轉撥至持有待售的處置組 (附註20)	(828,485)	(3,075,681)	-	(139,020)	-	(4,043,186)
Closing net book amount	年末賬面淨值	-	1,760,648	6,483	16,332	15,376	1,798,839
<b>As at December 31, 2018</b>	<b>於二零一八年 十二月三十一日</b>						
Cost	成本	-	6,892,368	10,375	66,264	15,376	6,984,383
Accumulated depreciation and impairment	累計折舊及減值	-	(5,131,720)	(3,892)	(49,932)	-	(5,185,544)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>-</b>	<b>1,760,648</b>	<b>6,483</b>	<b>16,332</b>	<b>15,376</b>	<b>1,798,839</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(a)

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Depreciation charge:</b>	<b>折舊費用：</b>		
Charged to loss for the year	計入本年虧損		
— Continuing operations	— 持續經營	299,087	327,610
— Discontinued operations	— 終止經營	470,070	139,829
Capitalised in oil in tank	資本化入庫存油	15,039	15,470
		<b>784,196</b>	482,909

### 6. 不動產、工廠及設備(續)

(a)

(b)

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Asset retirement obligations:</b>	<b>資產棄置義務：</b>		
— Additions of oil and gas properties (Note 26)	— 增加的油氣資產(附註26)	154	206
— Acquisition through business combination	— 企業合併導致的增加	345	1,136,864
		<b>499</b>	1,137,070

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 6. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 6. 不動產、工廠及設備(續)

(c)

(c)

		<b>2018</b> 二零一八年 <b>RMB'000</b> 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Assets directly used in and operated under the Group's PSCs with PetroChina in the PRC	本集團與中石油訂立的產品分成合同直接予以使用及操作的資產		
— Cost	— 成本	<b>6,968,470</b>	6,646,007
— Accumulated depreciation and impairment	— 累計折舊及減值	<b>(5,177,757)</b>	(4,864,902)
		<b>1,790,713</b>	1,781,105

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 7. INTANGIBLE ASSETS

### 7. 無形資產

		Goodwill 商譽 RMB'000 人民幣千元	Mineral extraction rights 礦產開採權 RMB'000 人民幣千元	Software 軟件 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Year ended December 31, 2017</b>	<b>截至二零一七年 十二月三十一日止年度</b>				
Opening net book amount	年初賬面淨值	–	–	8,849	8,849
Acquisition through business combination	企業合併導致的增加	724,262	–	–	724,262
Disposals of subsidiaries	處置子公司	–	–	(335)	(335)
Amortisation charge (Note 31)	攤銷費用(附註31)				
— Continuing operations	— 持續經營	–	–	(5,467)	(5,467)
Exchange differences	匯兌差額	(19,116)	–	–	(19,116)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	<b>705,146</b>	<b>–</b>	<b>3,047</b>	<b>708,193</b>
<b>As at December 31, 2017</b>	<b>於二零一七年 十二月三十一日</b>				
Cost	成本	705,146	19,362	28,960	753,468
Accumulated amortisation and impairment	累計攤銷及減值	–	(19,362)	(25,913)	(45,275)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>705,146</b>	<b>–</b>	<b>3,047</b>	<b>708,193</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 7. INTANGIBLE ASSETS (Continued)

### 7. 無形資產(續)

		Goodwill 商譽 RMB'000 人民幣千元	Mining rights 礦產開採權 RMB'000 人民幣千元	Software 軟件 RMB'000 人民幣千元	Technology 技術 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Year ended December 31, 2018</b>	<b>截至二零一八年十二月三十一日止年度</b>					
Opening net book amount	年初賬面淨值	705,146	-	3,047	-	708,193
Transferred to disposal group classified as held for sale (Note 20)	轉撥至持有待售的處置組(附註20)	(614,635)	-	-	-	(614,635)
Acquisition through business combination (Note 38)	企業合併導致的增加(附註38)	39,584	123,783	11,517	9,200	184,084
Disposals	處置	(69,284)	-	-	-	(69,284)
Amortisation charge (Note 31) — Continuing operations	攤銷費用(附註31) — 持續經營	-	(12,295)	(3,328)	-	(15,623)
Impairment charges (Note(b))	減值損失(附註(b))	(32,122)	(2,035)	-	-	(34,157)
Exchange differences	匯兌差額	(21,227)	-	-	-	(21,227)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	<b>7,462</b>	<b>109,453</b>	<b>11,236</b>	<b>9,200</b>	<b>137,351</b>
<b>As at December 31, 2018</b>	<b>於二零一八年十二月三十一日</b>					
Cost	成本	39,584	123,783	40,477	9,200	213,044
Accumulated amortisation and impairment	累計攤銷及減值	(32,122)	(14,330)	(29,241)	-	(75,693)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>7,462</b>	<b>109,453</b>	<b>11,236</b>	<b>9,200</b>	<b>137,351</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 7. INTANGIBLE ASSETS (Continued)

#### Note (a)

Amortisations of the Group's intangible assets for the years ended December 31, 2018 and 2017 have been charged to the consolidated statement of comprehensive income as general and administrative expenses.

#### Note (b)

##### Impairment test for goodwill

As at December 31, 2018, the carrying amount of goodwill before any impairment is related to the acquisitions in the PRC segment. Management monitored the goodwill at the level of relevant cash generating units (the "CGUs") as at the year end date. As at December 31, 2018, RMB32.1 million of the goodwill is related to the Daan block within the Daan oilfields located in the PRC ("Daan block").

The carrying value of the CGU is compared against respective recoverable amount, which is estimated based on value-in-use. Value-in-use is calculated based on pre-tax cash flow projections which is consistent with the financial budgets as approved by the Board of Directors.

In performing the impairment test for goodwill, key assumptions adopted by the management include forecast crude oil or gas prices, forecast production volumes, forecast operating costs and capital expenditures and discount rates. Management determined the forecast crude oil prices based on the approved financial budgets and also bench-marked against a range of price forecasts published by various reputable banks and industry organisations. The forecast production volumes were based on management's production plan and forecast production volume for the remaining concession periods as set out in the reserve reports. Management determined the forecast operating costs and capital expenditures based on its financial budget and business plan. The pre-tax discount rate used is 12.8% and reflect specific risks relating to the relevant business.

For the year ended December 31, 2018, impairment charges of RMB32.1 million and RMB2.0 million were provided for goodwill and mining rights in relation to the Daan block, respectively. Following the decision on the provision for goodwill impairment, the Group reassessed the depreciation policies of its property, plant and equipment and estimated that their useful lives would not be affected. No other class of long-term asset other than goodwill and mining rights were impaired as at December 31, 2018.

### 7. 無形資產(續)

#### 附註(a)

本集團於截至二零一八年和二零一七年十二月三十一日年度的無形資產攤銷金額已作為管理費用計入合併綜合收益表。

#### 附註(b)

##### 商譽減值測試

於二零一八年十二月三十一日，減值之前的商譽賬面價值與中國分部的收購交易有關。截至年底，管理層關注相關現金產生單位(「現金產出單位」)層面的商譽。於二零一八年十二月三十一日，商譽人民幣32.1百萬元與位於中國大安油田(「大安區塊」)內的大安區塊有關。

現金產出單位的賬面值與各自的可收回金額進行比較，該可收回金額乃根據使用價值估計。使用價值根據稅前現金流量預測計算，該預測與董事會批准的財務預算一致。

在進行商譽減值測試時，管理層採用的主要假設包括預測原油或天然氣價格，預測產量，預測經營成本和資本支出以及貼現率。管理層根據批准的財務預算確定了原油預測價格，並根據各信譽良好的銀行和行業組織公佈的一系列價格預測進行了基準測試。預測產量基於管理層的生產計劃，並根據儲量報告中的剩餘特許期預測產量。管理層根據財務預算和業務計劃確定預測運營成本和資本支出。使用的稅前折現率為12.8%，反映了與相關業務相關的特定風險。

截至二零一八年十二月三十一日止，分別就大安區塊的商譽及採礦權計提減值費用人民幣32.1百萬元及人民幣2.0百萬元。根據商譽減值撥備的決定，本集團重新評估其不動產、廠房及設備的折舊政策，並估計其使用年期不會受到影響。截至二零一八年十二月三十一日，除商譽和礦產開採權外，其他類別的長期資產均未減值。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 8. INVESTMENTS IN ASSOCIATES

### 8. 聯營企業投資

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>As at January 1,</b>	於一月一日	<b>182,541</b>	246,667
Additions	增加	<b>3,199</b>	33,490
Disposal (Note (a))	處置(附註(a))	<b>(141,652)</b>	-
Share of losses for the year	年內應佔的虧損	<b>(9,318)</b>	(63,023)
Impairment	減值	<b>(3,314)</b>	(33,524)
Exchange differences	匯兌差額	<b>(1,229)</b>	(3,722)
Reclassification	重分類	<b>(34,259)</b>	-
Others	其他	<b>4,032</b>	2,653
<b>As at December 31,</b>	於十二月三十一日	<b>-</b>	182,541

#### (a) Disposal of Journey Energy Inc.

Journey Energy Inc. ("Journey") is a company incorporated in Canada and its principal business is exploration and production of conventional oil weighted assets in western Canada. As at January 1, 2018, the Group held 31.9% of equity interest in Journey and Journey is an associate of the Group. During the year ended December 31, 2018, the Group disposed of all its equity interest in Journey to independent purchasers in separate stages and the total loss incurred on the disposal of its investment of RMB20.0 million was charged to the profit or loss during the year (Note 28).

#### (a) 處置 Journey Energy Inc.

Journey Energy Inc. (「Journey」) 是一家在加拿大註冊成立的公司，其主要業務是在加拿大西部進行以原油為主的常規資產的勘探和開發。於二零一八年一月一日，本集團持有 Journey 31.9% 的股權，Journey 為本集團的聯營公司。於二零一八年，本集團將其持有的 Journey 全部股權分階段出售給獨立買家，處置此投資產生的損失人民幣 20.0 百萬元計入本年損益(附註 28)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 8. INVESTMENTS IN ASSOCIATES (Continued)

### 8. 聯營企業投資(續)

#### (b) Details of investments in associates

#### (b) 聯營企業投資詳情

Name of entity	Place of business/ country of incorporation	Principal activities	% of interest held indirectly	Measurement method
公司名稱	經營地點/ 企業註冊地址	主要業務	間接持有 權益比例	核算方法
Palaeontol B.V. ("PBV")	Netherlands 荷蘭	Exploration and production of oil in Kazakhstan through associate 通過聯營企業形式在哈薩克斯坦 勘探及生產石油	40.0%	Equity 權益法
PetroBroad Copower Limited ("PetroBroad")	PRC/Hong Kong 中國/香港	Exploration of petroleum products in the northern part of the South China Sea pursuant to the PSC with China National Offshore Oil Corporation ("CNOOC") 按照其與中國海洋石油集團 有限公司(「中海油」)簽訂的 產品分成合同約定在中國南海 的北部對海上石油項目 進行勘探	34.0%	Equity 權益法

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 8. INVESTMENTS IN ASSOCIATES (Continued)

#### (c) Fair value

PBV and PetroBroad are private companies and there are no quoted market price available for its shares.

#### (d) Contingent liabilities

As December 31, 2018 and 2017, there are no contingent liabilities relating to the Group's interest in its associates.

#### (e) Summarised financial information

##### Summarised consolidated statement of comprehensive income

### 8. 聯營企業投資(續)

#### (c) 公允價值

PBV及PetroBroad為非上市公司，因此其股份沒有可供使用的市場價格。

#### (d) 或有負債

於二零一八年和二零一七年十二月三十一日，並無與本集團在聯營企業的利益相關的或有負債。

#### (e) 摘要財務資料如下

##### 摘要合併綜合收益表

		Year ended December 31, 2018 截至二零一八年十二月三十一日年度		
		Palaeontol B.V PBV RMB' 000 人民幣千元	Others 其他 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Revenue	收入	362,057	216,040	578,097
Depreciation and amortisation expense	折舊及攤銷費用	(42,461)	(98,058)	(140,519)
General and administration expenses	管理費用	(16,773)	(23,439)	(40,212)
Taxes other than income taxes	除所得稅外其他稅費	(120,632)	(2)	(120,634)
Impairments charges	資產減值損失	(9,379)	-	(9,379)
Others	其他	(181,041)	(199,183)	(380,224)
<b>Loss before income tax</b>	<b>除所得稅前損失</b>	<b>(8,229)</b>	<b>(104,642)</b>	<b>(112,871)</b>
Income tax expense	所得稅費用	(34,370)	8,184	(26,186)
<b>Loss for the year</b>	<b>本年損失</b>	<b>(42,599)</b>	<b>(96,458)</b>	<b>(139,057)</b>
<b>Total comprehensive loss for the year</b>	<b>本年綜合損失總額</b>	<b>(42,599)</b>	<b>(96,458)</b>	<b>(139,057)</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 8. INVESTMENTS IN ASSOCIATES (Continued)

### 8. 聯營企業投資(續)

#### (e) Summarised financial information (Continued)

#### (e) 摘要財務資料如下(續)

##### Summarised statement of financial position

##### 摘要財務狀況表

		As at December 31, 2018 於二零一八年十二月三十一日		
		Palaeontol B.V. PBV RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Current</b>	<b>流動</b>			
Cash and cash equivalents	現金及現金等價物	50,783	4,476	55,259
Other current assets	其他流動資產	52,356	27,258	79,614
<b>Total current assets</b>	<b>流動資產總額</b>	<b>103,139</b>	<b>31,734</b>	<b>134,873</b>
Trade payables	應付賬款	(54,770)	(41,210)	(95,980)
Other current liabilities	其他流動負債	(1,352,060)	(227,974)	(1,580,034)
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>(1,406,830)</b>	<b>(269,184)</b>	<b>(1,676,014)</b>
<b>Non-current</b>	<b>非流動</b>			
Property, plant and equipment	不動產、工廠及設備	2,097,314	231,413	2,328,727
Other non-current assets	其他非流動資產	155,778	-	155,778
<b>Total non-current assets</b>	<b>非流動資產總額</b>	<b>2,253,092</b>	<b>231,413</b>	<b>2,484,505</b>
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>(1,029,512)</b>	<b>-</b>	<b>(1,029,512)</b>
<b>Net liabilities</b>	<b>淨負債</b>	<b>(80,111)</b>	<b>(6,037)</b>	<b>(86,148)</b>

The information above reflects the amounts presented in the financial statements of the associates adjusted for differences in accounting policies between the Group and the associates (if any), and not the Group's share of those amounts.

以上數據反映在聯營企業的財務報表內呈列的數額(並非本集團享有此等數額的份額),並經就本集團與聯營企業之間會計政策的差異作出調整(如有)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 8. INVESTMENTS IN ASSOCIATES (Continued)

#### (f) Reconciliation of summarised financial information

		2018 二零一八年 Total 總計 RMB'000 人民幣千元	2017 二零一七年 Total 總計 RMB'000 人民幣千元
<b>At January 1,</b>	於一月一日,	<b>182,541</b>	685,892
Loss for the year	本年虧損	<b>(139,057)</b>	(371,954)
Currency translation differences	外幣折算差額	<b>46,279</b>	114,464
Disposals	處置	<b>(141,652)</b>	-
Reclassification	重分類	<b>(34,259)</b>	-
<b>Closing net (liabilities)/assets</b>	年末(淨負債)/淨資產	<b>(86,148)</b>	428,402
Interest in associates	聯營權益	-	182,541
<b>Carrying value</b>	賬面價值	-	182,541

### 8. 聯營企業投資(續)

#### (f) 摘要財務資料的調節

### 9. JOINT ARRANGEMENTS

#### (a) Joint operations

During the year ended December 31, 2018, through its subsidiaries, the Group has the following joint arrangements which are accounted for as joint operation in accordance with IFRS 11 "Joint Arrangements".

##### Daan and Moliqing PSCs

During the year ended December 31, 2018, the Group acquired 10% foreign contractor's participating interest in each of Daan and Moliqing blocks within the Daan and Moliqing oilfields located in Northeast region in the PRC from Global Oil Corporation ("GOC"), a limited liability company incorporated in Bahamas, with an aggregate consideration of US\$55.0 million in cash (equivalent to RMB346.8 million). Upon completion and as at December 31, 2018, the Group holds the entire 100% and 10% shares of the Foreign Contractor's interests in the Daan PSC and Moliqing PSC, respectively.

### 9. 合營安排

#### (a) 共同經營

截至二零一八年十二月三十一日止年度，本集團通過子公司擁有以下共同經營業務，其根據國際財務報告準則第11號「合營安排」釐定為共同經營。

##### 大安和莫里青產品分成合同

截至二零一八年十二月三十一日止年度，本集團從一家巴拿馬註冊成立的有限責任公司環球石油公司（「環球石油」）收購了其持有的位於中國東北地區大安和莫里青產品分成合同項下的10%外方合同者參與權益。收購對價為美元55.0百萬元（等價於人民幣346.8百萬元）。本次收購完成後及於二零一八年十二月三十一日，本集團分別持有外方合同者在大安產品分成合同及莫里青產品分成合同的全部100%及10%份額。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 9. JOINT ARRANGEMENTS (Continued)

#### (a) Joint operations (Continued)

The Daan and Moliqing oilfields had been in the commercial production phase since 2005 and 2008, respectively, the Daan PSC would expire after about six years in 2024, whereas the Moliqing PSC would expire after about ten years in 2028. The Group conducts the development and production activities under the Daan PSC and Moliqing PSC jointly with PetroChina Company Limited ("PetroChina") as a 100% Foreign Contractor and a 10% Foreign Contractor respectively. The remainder 90% Foreign Contractor of Moliqing PSC is Riyadh Energy Limited ("Riyadh Energy"). These PSCs establish joint control over the development and production activities. The assets are not owned by a separate legal entity but are controlled by individual participants in the PSCs. Each participant is entitled to a predetermined share of the related output and bears an agreed share of the costs.

Pursuant to the respective PSCs with PetroChina the annual gross production of the crude oil shall, after payment for value added tax and royalty, be firstly deemed as the cost recovery oil and shall be used for cost recovery in the following sequence:

- (i) Payment in kind for the operating costs actually incurred by Foreign Contractors and PetroChina.
- (ii) The remainder of the cost recovery oil shall, after payment for the operating costs, be deemed as investment recovery oil. Such investment recovery oil shall be used for the simultaneous recovery of the pilot test costs and the development costs incurred by Foreign Contractors and predevelopment costs spent by PetroChina in proportion of 20% by PetroChina and 80% by Foreign Contractors. The unrecovered costs of the parties shall be carried forward to and recovered from the investment recovery oil in succeeding calendar years until being fully recovered.

### 9. 合營安排(續)

#### (a) 共同經營(續)

大安和莫里青油田兩個區塊分別在二零零五年和二零零八年進入商業生產期。大安產品分成合同將於二零二四年到期，合同剩餘有效時間約為六年；莫里青產品分成合同將於二零二八年到期，合同剩餘有效時間約為十年。本集團分別作為100%和10%的外方合同者，與中國石油天然氣股份有限公司(以下簡稱「中石油」)共同進行大安產品分成合同和莫里青產品分成合同的生產和開發。莫里青產品分成合同的剩餘的90%份額的外方合同者為利雅得能源公司(「利雅得能源」)。對於上述產品分成合同的開發和生產活動實行共同控制。這些資產不屬於單獨的法律實體，而分屬於產品分成合同的個人參與者控制。每個合同參與者按約定份額獲取相關產出收入，並承擔約定的成本份額。

根據與中石油的相關產品分成合同，原油的年度總產量在支付增值稅及礦區使用費後，將首先被視為費用回收油，並將按如下步驟用於費用回收：

- (i) 就外方合同者及中石油實際產生的操作費作出實物付款。
- (ii) 費用回收油的剩餘部分在支付操作費後，將被視為投資回收油。該投資回收油將被用於按中石油分佔20%及外方合同者分佔80%的比例，同步回收外方合同者所產生的先導試驗期成本、開發費用及中石油所支付的前期開發費用。訂約方未回收的成本則被結轉至隨後日曆年的投資回收油，並於其中回收，直至全數回收為止。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 9. JOINT ARRANGEMENTS (Continued)

#### (a) Joint operations (Continued)

- (iii) After all pilot test costs and development costs incurred up to that time have been recovered, the remainder of the gross production of crude oil for that period is referred to as profit oil and shall be allocated in proportion of PetroChina 52% and Foreign Contractors 48%.
- (iv) The operating costs so incurred after the date of commencement of commercial production shall be paid respectively by PetroChina and Foreign Contractors in accordance with the proportion of oil allocated to each party.

### 9. 合營安排(續)

#### (a) 共同經營(續)

- (iii) 在當期先導試驗期成本及開發費用回收後，該期間原油總產量的剩餘部分將作為利潤分成油並且按中石油分佔52%及外方合同者分佔48%的比例進行分配。
- (iv) 開始商業生產後所產生的操作費將分別由中石油及外方合同者按石油分配的比例予以支付。

### 10. SUBSIDIARIES

#### Details of principal subsidiaries

Name 名稱	Country of incorporation 註冊成立地點	Kind of legal entity 法律實體類型	Principal activities and Place of operation 主要業務及經營地點	Particulars of issued share 註冊及全部注入資本	Proportion (%) of ordinary shares held by 所持普通股比例 (%)	
					The Company 公司	The Group 集團
Directly held: 直接持有：						
Gobi Energy Limited ("Gobi")	Cayman Islands 開曼群島	Limited liability company 有限責任公司	Production and sale of oil in the PRC 在中國生產及出售石油	100 ordinary shares of 1 US\$ each 100 普通股，每股一美元	100%	100%
Indirectly held: 間接持有：						
Maple Marathon Investments Limited ("Maple Marathon")	Hong Kong 香港	Limited liability company 有限責任公司	Investment 投資	100 ordinary shares of HK\$100 each 100 普通股，每股100港幣	100%	100%
Canlin Energy Corporation ("Canlin") (Note)	Canada 加拿大	Limited liability company 有限責任公司	Production and sale of Gas and oil in the Canada 在加拿大生產及出售 天然氣及石油	Registered capital of C\$296 million 註冊資本296百萬加幣	100%	100%
Note				附註		
Maple Marathon and Canlin are included in the Disposal Group which was classified as held for sale as at December 31, 2018.				Maple Marathon 及麒麟於二零一八年十二月三十一日其被分類為持有待售的處置組。		

### 10. 子公司

#### 主要子公司詳情

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 11. FINANCIAL INSTRUMENTS BY CATEGORY

### 11. 金融工具(按類別)

		Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Other financial assets at amortised cost	Total
		以公允價值計量且其變動計入當期損益的金融資產 RMB'000 人民幣千元	以公允價值計量且其變動計入其他綜合收益的金融資產 RMB'000 人民幣千元	其他金融資產，按攤餘成本計量 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>As at December 31, 2018</b>	<b>於二零一八年十二月三十一日</b>				
<b>Assets as per statement of financial position</b>	<b>根據財務狀況表的資產</b>				
Financial assets at fair value through profit or loss (Note 17)	以公允價值計量且其變動計入當期損益的金融資產(附註17)	17,755	-	-	17,755
Financial assets at fair value through other comprehensive income (Note 12)	以公允價值計量且其變動計入其他綜合收益的金融資產(附註12)	-	46,458	-	46,458
Trade and other receivables excluding prepayments (Note 14, 15)	應收賬款及其他應收款，不包括預付款(附註14,15)	-	-	988,736	988,736
Cash and cash equivalents (Note 19)	現金及現金等價物(附註19)	-	-	28,115	28,115
Restricted cash (Note 18)	受限制現金(附註18)	-	-	45,465	45,465
		<b>17,755</b>	<b>46,458</b>	<b>1,062,316</b>	<b>1,126,529</b>
<b>Liabilities as per statement of financial position</b>	<b>根據財務狀況表的負債</b>				
Borrowings (Note 27)	借款(附註27)	-	-	4,335,954	4,335,954
Trade and other payables excluding non-financial liabilities (Note 25,26)	應付賬款及其他應付款，不包括非金融負債(附註25,26)	-	-	539,883	539,883
Financial liabilities at fair value through profit or loss (Note 13)	以公允價值計量且其變動計入當期損益的金融負債(附註13)	313,969	-	-	313,969
		<b>313,969</b>	<b>4,875,837</b>	<b>5,189,806</b>	<b>5,189,806</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 11. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

### 11. 金融工具(按類別)(續)

	Loans and receivables 貸款及應收款 RMB'000 人民幣千元	Available-for-sale financial assets 可供出售金融資產 RMB'000 人民幣千元	Derivative financial instruments 衍生金融工具 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at December 31, 2017</b>	<b>於二零一七年十二月三十一日</b>			
<b>Assets as per statement of financial position</b>	<b>根據財務狀況表的資產</b>			
Available-for-sale financial assets	–	178,360	–	178,360
Trade and other receivables excluding prepayments (Note 14,15)	應收賬款及其他應收款， 不包括預付款 (附註14,15) 1,821,106	–	–	1,821,106
Derivative financial instruments	–	–	368,415	368,415
Cash and cash equivalents (Note 19)	現金及現金等價物 (附註19) 132,172	–	–	132,172
Restricted cash (Note 18)	受限制現金(附註18) 115,297	–	–	115,297
	2,068,575	178,360	368,415	2,615,350
	<b>Liabilities at fair value through profit or loss 以公允價值計量且其變動計入當期損益的金融負債 RMB'000 人民幣千元</b>	<b>Other financial liabilities at amortised cost 其他金融負債， 按攤餘成本 RMB'000 人民幣千元</b>	<b>Derivative financial instruments 衍生金融工具 RMB'000 人民幣千元</b>	<b>Total 總計 RMB'000 人民幣千元</b>
<b>Liabilities as per statement of financial position</b>	<b>根據財務狀況表的負債</b>			
Borrowings (Note 27)	借款(附註27) –	6,049,468	–	6,049,468
Trade and other payables excluding non-financial liabilities (Note 25, 26)	應付賬款及其他應款， 不包括非金融負債 (附註25, 26) –	3,647,193	–	3,647,193
Derivative financial instruments	衍生金融工具 –	–	14,774	14,774
Financial liabilities at fair value through profit or loss (Note 13)	以公允價值計量且其變動 計入當期損益的金融負債 (附註13) 1,067,626	–	–	1,067,626
	1,067,626	9,696,661	14,774	10,779,061

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

#### (a) Classification of financial assets at FVOCI

Financial assets at FVOCI comprise:

Equity investments which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

Debt investments where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

#### (b) Equity investments FVOCI

Equity investments at FVOCI comprise the following individual investments:

#### Non-current assets

Unlisted company

#### 非流動資產

非上市證券

44,231

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

In the prior financial year, the Group had designated equity investments as available-for-sale where management intended to hold them for the medium to long-term.

Note 41 explains the change of accounting policy and the reclassification of certain equity investments from available-for-sale to at fair value through profit or loss. Note 2.11 sets out the remaining accounting policies.

### 12. 以公允價值計量且其變動計入其他綜合收益的金融資產

#### (a) 以公允價值計量且其變動計入其他綜合收益的金融資產分類

以公允價值計量且其變動計入其他綜合收益的金融資產包括：

本集團在初始確認時已不可撤銷地選擇在此分類中予以確認的非交易性權益證券。這些金融資產屬於戰略性投資，並且本集團認為這一分類更恰當。

合同現金流量僅為本金和利息且本集團業務模式為持有以收取合同現金流量及出售的債權投資。

#### (b) 以公允價值計量且其變動計入其他綜合收益的權益投資

以公允價值計量且其變動計入其他綜合收益的權益投資如下：

2018  
二零一八年  
RMB'000  
人民幣千元

處置這些權益投資時，以公允價值計量且其變動計入其他綜合收益儲備內的所有相關餘額均被重分類至留存收益。

於上一年度，對於管理層打算中期或長期持有的權益投資，本集團將其指定為可供出售權益投資。

關於會計政策變動以及部分可供出售權益投資重分類至以公允價值計量且其變動計入損益的權益投資的相關解釋，請參見附註41。其他會計政策參見附註2.11。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

#### (c) Debt investments at FVOCI

Debt investments at FVOCI comprise the following investments in unlisted bonds:

		2018 二零一八年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>	
Debt investment	債務投資	<b>2,227</b>

On disposal of these debt investments, any related balance within the FVOCI reserve is reclassified to profit or loss.

Please see Note 41 for reclassifications of debt investments from available-for-sale to FVOCI during the comparative period.

### 12. 以公允價值計量且其變動計入其他綜合收益的金融資產(續)

#### (c) 以公允價值計量且其變動計入其他綜合收益的債權投資

以公允價值計量且其變動計入其他綜合收益的債權投資包括以下非上市債券投資：

處置這些債權投資時，以公允價值計量且其變動計入其他綜合收益儲備內的所有相關餘額均被重分類至損益。

關於在比較期內將可供出售債權投資重分類至以公允價值計量且其變動計入其他綜合收益的相關信息，請參見附註41。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

### 12. 以公允價值計量且其變動計入其他綜合收益的金融資產(續)

#### (d) Amounts recognised in profit or loss and other comprehensive income

#### (d) 計入損益和其他綜合收益的金額

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
(Losses)/gains recognised in other comprehensive income (Note 23)	計入其他綜合收益的(損失)/利得(附註23)	(19,900)	8,168
Losses reclassified from other comprehensive income to profit or loss on the sale of available-for-sale financial assets	從其他綜合收益重分類至可供出售金融資產出售損益的(損失)	-	200

#### (e) Fair value, impairment and risk exposure

#### (e) 公允價值、減值及風險敞口

Information about the methods and assumptions used in determining fair value is provided in Note 3.3.

有關確定公允價值所運用的方法及假設等相關信息，請參見附註3.3。

The restatement of the loss allowance for debt investments at FVOCI on transition to IFRS 9 as a result of applying the expected credit risk model was immaterial, no loss allowance was recognised as at December 31, 2018.

在過渡至國際財務報告準則第9號時，由於採用預期信用風險模型，本集團對以公允價值計量且其變動計入其他綜合收益的債權投資重述的金額並不重大，於二零一八年十二月三十一日未確認損失撥備。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 13. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

### 13. 以公允價值計量且其變動計入當期損益的金融負債

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Non-current liabilities</b>			
	<b>非流動負債</b>		
Convertible preferred shares (Note 20)	可轉換優先股(附註20)	-	1,067,626
<b>Current liabilities</b>			
	<b>流動負債</b>		
Convertible Bonds (Note 2.1.1(b) and below)	可換股債券(附註2.1.1(b)及以下)	<b>313,969</b>	-
		<b>313,969</b>	1,067,626

#### Note

Pursuant to a placing agreement ("Placing Agreement") dated January 26, 2018 ("Issue Date"), the Company issued the Convertible Bonds (Note 2.1.1 (b)) to an independent holder with principal totalling HK\$340.0 million (equivalent to approximately RMB297.9 million), which bear a coupon rate of 5.0% per annum, redeemable on January 26, 2021 and are secured against the shares of Maple Marathon (Note 10, 20). According to the Placing Agreement, the Convertible Bonds are convertible into ordinary shares at an initial conversion price of HK\$0.58 per share at the right of the holder during a specified conversion period (the "Conversion Right"). The holder has a put option to request the Company to redeem all or some of the Convertible Bonds on January 26, 2019 at specific redemption price as prescribed in the Placing Agreement together with accrued and unpaid interest (if any). As at December 31, 2018, the holders did not exercise any Conversion Right as stipulated in the Placing Agreement.

On January 22, 2019 and February 27, 2019, the terms of the Convertible Bonds were amended whereby the conversion rights to the Company's shares were cancelled; and the related exercise date of the Put Option for redemption was changed from January 26, 2019 to any date on or after March 15, 2019 until maturity (referred to as the "Public Notes" after the amendment) (Note 44(a)).

#### 附註

於二零一八年一月二十六日(「發行日期」),本公司向獨立持有人發行可換股債券(附註2.1.1(b)),本金總額為340.0百萬港元(折合人民幣約297.9百萬元)。根據發行日期的協議(「配售協議」),可換股債券的年利率為5.0%,於二零二一年一月二十六日到期並以Maple Marathon(附註10,20)的股票作為抵押。根據配售協議之條款及條件,可換股債券可在特定轉換期內根據持有人的權利按每股0.58港元的初始轉換價格轉換為普通股(「轉換權」)。持有人有一項認沽期權,要求本公司於二零一九年一月二十六日按照配售協議所規定之贖回價連同應計及未付利息贖回全部或部分可換股債券(如有)。截至二零一八年十二月三十一日,持有人並未行使配售協議所規定的任何轉換權。

可換股債券的條款分別於二零一九年一月二十二日和二月二十七日進行修訂取消了對公司股份的轉換權;認沽期權的贖回期已從二零一九年一月二十六日延長至二零一九年三月十五日之後的任何日期。(修改後稱為「公開債券」)(附註44(a))

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 13. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Note (Continued)

As at December 31, 2018, the Convertible Bonds are recognised and measured as financial liabilities measured at fair value through profit or loss and the changes in its fair value since the Issue Date are reflected in the consolidated statement of comprehensive income.

As of December 31, 2018, the fair value of the Convertible Bonds were RMB330.8 million. The difference between the issue price and the fair value calculated by valuation techniques as at the Issue Date of RMB12.6 million were amortised at a straight-line basis over the 3-year life of the Public Notes. The amortisation expense and the changes in fair value since the Issue Date of RMB4.1 million and RMB18.6 million respectively were charged to other losses during the year.

The fair value of the Convertible Bonds as of the Issue Date and December 31, 2018 are estimated based on the valuation reports as of respective dates issued by an independent professional valuer using a binomial model, which is a common and generally acceptable approach in estimating the fair values of a bond with early redemption option as it can model the redemption option held by the issuer and holders.

### 13. 以公允價值計量且其變動計入當期損益的金融負債(續)

附註(續)

截至二零一八年十二月三十一日，可換股債券確認並計量為以公允價值計量且其變動計入當期損益的金融負債，且自發行日起其公允價值的變動反映於合併綜合收益表。

於二零一八年十二月三十一日，可換股債券的公允價值為人民幣330.8百萬元。發行價格與估值技術在發行日計算的公允價值之間的差額人民幣12.6百萬元，將按直線法在公開債券存續的三年期內攤銷。自發行日起的攤銷費用和公允價值變動分別為人民幣4.1百萬元和人民幣18.6百萬元，計入當年其他損失。

於發行日和二零一八年十二月三十一日，可換股債券的公允價值基於獨立專業評估師在每個評估報告日期使用二叉樹模型，這是一種估計具有提前贖回選擇權的債券公允價值的常用且一般可接受方法，因為它可以模擬發行人和持有人持有的贖回權。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 13. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Note (Continued)

#### Valuation process

The Group has involved independent professional valuer to perform the valuations as of the issuance date and December 31, 2018 for financial reporting purposes, including level 3 fair values. The external experts report directly to the chief financial officer ("CFO").

The main level 3 inputs used by the Group are derived and evaluated as follows:

- Adopted bond yield is estimated by making reference to the yield of comparable bonds .
- Risk-free rate with reference to the yield of HK sovereign bonds with similar maturity as of the Issue Date and December 31, 2018.
- Dividend yield for common share is assumed zero as the Company is not expected to pay dividends for common share in the foreseeable future as of the Issue Date and December 31, 2018.
- Volatility is with reference to the historical data of the stock price volatility of the company as of the Issue Date and December 31, 2018.

Changes in level 3 fair values are analysed at the end of each reporting period during the valuation discussion between the CFO and external experts. As part of this discussion the external experts presents a report that explains the reason for the fair value movements.

### 13. 以公允價值計量且其變動計入當期損益的金融負債(續)

附註(續)

#### 估值過程

本集團由獨立專業評估師對發行日及二零一八年十二月三十一日的價值進行評估，以作財務報告用途，包括第三級公允價值。外部專家直接向首席財務官匯報。

本集團使用的主要三級輸入數據來源和評估如下所示：

- 採用的債券收益率是通過參考可比債券的信用利差來估算的。
- 無風險利率參考發行日和二零一八年十二月三十一日的具有相同到期日的香港主權債券的收益率。
- 普通股的股息收益率假設為零，截至發行日及二零一八年十二月三十一日止，本公司預計不會在可預見的未來支付普通股股利。
- 波動率參考截至發行日和二零一八年十二月三十一日公司股價波動率的歷史數據。

於每個報告日，首席財務官和外部專家在估值討論中對第三層的公允價值變動討論和分析。作為討論的一部分，外部專家出具了報告解釋了公允價值變動的原因。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 13. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Note (Continued)

Description	Fair value at	Issuance date	Significant unobservable inputs *	Range of inputs		Relationship of significant unobservable inputs to fair value
	December 31, 2018			December 31, 2018	Issue Date	
描述	於下列日期公允價值 RMB'000 二零一八年十二月三十一日 人民幣千元	發行日 人民幣千元	主要非可觀察參數*	二零一八年十二月三十一日	發行日	非可觀察參數與公允價值的關係
Convertible Bonds 可換股債券	330,766	287,387	Bond yield 債券收益率	23%	32%	Issue Date: Increased bond yield (5%), would decrease the fair value by RMB2.2 million.
			Volatility 波動率	64%	43%	Increased volatility (5%), would increase the fair value by RMB4.5 million.
			Risk free rate 無風險利率	1.82%	1.46%	Increased risk free rate (1%), would increase the fair value by RMB0.9 million.
						發行日: 債券收益率升高5%, 導致公允價值減少人民幣2.2百萬元。 波動率升高5%, 導致公允價值增加人民幣4.5百萬元。 無風險利率升高1%, 導致公允價值增加人民幣0.9百萬元。
						December 31, 2018: Increased bond yield (5%), would decrease the fair value by RMB1.1 million. Increased volatility (5%), would not change the fair value. Increased risk free rate (1%), would not change the fair value.
						二零一八年十二月三十一日: 債券收益率升高5% 導致公允價值減少人民幣1.1百萬元。 波動率升高5%, 不會導致公允價值變化。 無風險利率升高1%, 不會導致公允價值變化。

\* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

### 13. 以公允價值計量且其變動計入當期損益的金融負債(續)

附註(續)

\* 非可觀察參數之間並無重大的關聯關係而足以對公允價值產生重大影響。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 14. 預付款項、保證金及其他應收款

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Amounts due from related parties	應收關聯方款項		
— Palaeontol B.V. (Note (d))	— Palaeontol B.V. (附註(d))	886,901	926,495
— Others	— 其他	32,558	210,269
Loans granted to third parties (Note (e))	授予第三方的貸款(附註(e))	135,075	243,527
Other receivables	其他應收款項	352,020	341,872
Consideration receivables from disposals of subsidiaries	應收處置子公司股權轉讓款	332,535	506,177
Deposits	保證金	77,205	55,541
Interest receivable	應收利息	549	14,996
Advances to employees	員工備用金	8,460	7,167
		<b>1,825,303</b>	2,306,044
Less: loss allowance (Note 3.1(b))	減：損失準備(附註3.1(b))	<b>(906,358)</b>	(891,973)
		<b>918,945</b>	1,414,071
Prepaid expenses	待攤費用	46,955	63,471
Advances to suppliers	預付賬款	159,764	154,180
Less: loss allowance (Note(b))	減：損失準備(附註(b))	<b>(153,417)</b>	(152,330)
		<b>972,247</b>	1,479,392
Current	流動	<b>615,035</b>	751,426
Non-current	非流動	<b>357,212</b>	727,966
		<b>972,247</b>	1,479,392

(a) The fair value of loans and receivables approximates to their carrying amounts.

(a) 貸款和應收賬款的公允價值與其賬面金額相近。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

(b) Movements on loss allowance of prepayment

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>As at January 1,</b>	<b>於一月一日,</b>	<b>152,330</b>	151,871
Loss allowance	損失準備	<b>1,087</b>	459
<b>As at December 31,</b>	<b>於十二月三十一日,</b>	<b>153,417</b>	152,330

Provision and reversal of loss allowance of prepayment have been included in 'other (losses)/gains, net' in the consolidated statement of comprehensive income.

The other classes within prepayments and other receivables do not contain assets made loss allowances. The maximum exposure to credit risk at the reporting date is the carrying value of each class of prepayments and other receivables mentioned above.

(c) The carrying amounts of other receivables are denominated in the following currencies:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
US\$	美元	<b>885,743</b>	1,357,492
C\$	加幣	-	21,662
RMB	人民幣	<b>33,202</b>	34,917
		<b>918,945</b>	1,414,071

### 14. 預付款項、保證金及其他應收款(續)

(b) 預付賬款損失準備變動

預付賬款損失準備的計提和轉回已包括在合併綜合收益表中「其他(損失)/收益,淨值」內。

預付及其他應收款中的其他類別不包含已計提損失準備資產。於報告日,最大的信用風險敞口為以上提及的各類預付及其他應收款的賬面價值。

(c) 其他應收款賬面金額以下列貨幣為單位:



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

- (d) The amounts due from Palaeontol B.V. consists of shareholder loans and other receivables. The shareholder loans are unsecured, bear interest ranging from 4.9% to 5.0% per annum (Note 39) and maturing in 2019, 2023 and 2036 respectively.
- (e) Loans granted to third parties bear interests ranging from 8.0% to 15.0% per annum and repayable within one year. Included in the balance was an amount of RMB96.4 million, which is secured against 50% shareholding of an indirectly wholly-owned subsidiary of the borrower. The remaining balances are unsecured. As of December 31, 2018, except for the RMB4.8 million which have not fell due, the remaining are fully impaired.

### 14. 預付款項、保證金及其他應收款(續)

- (d) 應收Palaeontol B.V.的款項包含股東貸款和其他應收款兩部分。其中股東貸款是無擔保的，年利率為4.9%到5.0%（附註39），分別於二零一九年，二零二三年和二零三六年到期。
- (e) 授予第三方的貸款年利率為8.0%至15.0%，且需在一年內償還。其中金額為人民幣96.4百萬元的貸款通過借入間接全資子公司50%的股權質押擔保。剩餘的貸款是無擔保的。截至二零一八年十二月三十一日，除尚未到期的人民幣4.8百萬元，剩餘貸款已全額計提損失準備。

### 15. TRADE AND NOTE RECEIVABLES

### 15. 應收賬款及應收票據

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade receivables from:	應收貿易款		
— PSC partners (Note 39(b))	— 產品分成合同合作夥伴 (附註39(b))	65,801	79,874
— Third parties	— 第三方	4,575	349,691
		<b>70,376</b>	429,565
Less: loss allowance (Note 3.1(b))	減：損失準備(附註3.1(b))	(585)	(22,530)
		<b>69,791</b>	407,035

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 15. TRADE AND NOTE RECEIVABLES (Continued)

- (a) The fair value of trade receivables approximates their carrying amount.
- (b) Aging analysis

### 15. 應收賬款及應收票據(續)

- (a) 應收賬款的公允價值與其賬面金額相近。
- (b) 賬齡分析

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Up to 30 days	未超過30日	66,862	195,149
31-180 days	31至180日	1,000	190,529
Over 180 days	超過180日	2,514	43,887
		<b>70,376</b>	429,565

The Group grants credit terms of between 30 days to 180 days.

本集團應收賬款的信用期為三十至一百八十日。

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables.

於報告日，最大的信用風險敞口為各類應收賬款的賬面價值。

The Group does not hold any collateral as security.

本集團並未持有任何擔保品作為抵押。

- (c) The carrying amounts are denominated in the following currencies:

- (c) 賬面金額以下列貨幣為單位：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
RMB	人民幣	69,791	86,273
US\$	美元	-	258
C\$	加幣	-	320,504
		<b>69,791</b>	407,035

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 16. INVENTORIES

### 16. 存貨

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Oil in tank	庫存油	7,655	6,344
Materials and supplies	物料及供應品	14,735	10,401
		<b>22,390</b>	16,745

### 17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### 17. 以公允價值計量且其變動計入損益的金融資產

#### (a) Classification of financial assets at FVPL

#### (a) 以公允價值計量且其變動計入損益的金融資產分類

Financial assets mandatorily measured at FVPL include the following:

必須以公允價值計量且其變動計入損益的金融資產如下：

		2018 二零一八年 RMB'000 人民幣千元
<b>Current assets</b>	<b>流動資產</b>	
Equity securities, listed	權益證券，上市	<b>17,755</b>

Details regarding the change in accounting policy and the reclassification of certain investments from available-for-sale to financial assets at FVPL following the adoption of IFRS 9, and the remaining relevant accounting policies are set out in Note 41 and Note 2.11 respectively.

關於採納國際財務報告準則第9號後的會計政策變動及部分投資從可供出售金融資產重分類至以公允價值計量且其變動計入損益的金融資產及其他相關會計政策的詳情，請分別參見附註41及附註2.11。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

#### (b) Amounts recognised in profit or loss

During the year, the following gains were recognised in profit or loss:

		2018 二零一八年 RMB'000 人民幣千元
Fair value gains on equity investments at FVPL recognised in other gains	計入其他利得的以公允價值計量且其變動計入損益的權益投資公允價值利得	617

#### (c) Risk exposure and fair value measurements

Information relating to the Group's exposure to price risk and the methods and assumptions used in determining fair value is set out in Note 3.1 and Note 3.3 respectively.

#### (d) Previous accounting policy: Classification of financial assets at FVPL

In 2017, the Group classified financial assets at FVPL if they were acquired principally for the purpose of selling in the short term, ie are held for trading. They were presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they were presented as non-current assets. The Group did not elect to designate any financial assets at fair value through profit or loss.

### 17. 以公允價值計量且其變動計入損益的金融資產(續)

#### (b) 計入損益的金額

本年度，本集團將以下利得計入損益：

#### (c) 風險敞口及公允價值計量

有關本集團面臨的價格風險的信息及確定公允價值的方法及假設等相關信息，請分別參見附註3.1及附註3.3。

#### (d) 之前的會計政策：以公允價值計量且其變動計入損益的金融資產分類

二零一七年度，本集團對主要出於短期出售目的所購買的金融資產(即，交易性金融資產)分類為以公允價值計量且其變動計入損益的金融資產。如果這類金融資產預計將在報告期末後十二個月內出售，則被列示為流動資產，否則為非流動資產。本集團未選擇指定任何金融資產以公允價值計量且其變動計入損益。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 18. RESTRICTED CASH

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Current	流動	-	72,012
Non-current (Note)	非流動(附註)	45,465	43,285
		<b>45,465</b>	115,297

Note:

Under the term loan facility agreement entered between the Group and a third party on June 8, 2017, amounts deposited in certain bank account are US\$6.6 million (equivalent to RMB45.5 million) as at December 31, 2018.

### 18. 受限制現金

附註：

根據本集團與第三方於二零一七年六月八日訂立的定期貸款融資協議，該貸款由託管賬戶的保證金作為擔保。於二零一八年十二月三十一日，保證金餘額為美元6.6百萬元(等價於人民幣45.5百萬元)。

### 19. CASH AND CASH EQUIVALENTS

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cash on hand	現金	8	-
Cash at bank	銀行存款	28,107	132,172
		<b>28,115</b>	132,172

(a) Carrying amounts are denominated in the following currencies:

### 19. 現金及現金等價物

(a) 賬面金額以下列貨幣為單位：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
RMB	人民幣	6,083	8,617
US\$	美元	21,459	119,015
C\$	加幣	203	4,504
HK\$	港幣	139	26
Others	其他	231	10
		<b>28,115</b>	132,172

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

On September 24, 2018, the Group has entered into an agreement (the “Disposal Agreement”) with Far East Energy for the sale of its entire 100% equity investment in Maple Marathon and its subsidiaries (collectively as the “Disposal Group”), at a consideration of US\$250.0 million (equivalent to approximately RMB1,715.8 million). Far East Energy is indirectly wholly owned by Mr. Zhang Ruilin, the controlling shareholder of and a related party to the Company (Note 39(e)).

According to the Disposal Agreement, the consideration shall be settled through: (i) US\$150.0 million (equivalent to approximately RMB1,029.5 million) in cash by the Purchaser to the Group upon completion; and (ii) US\$100.0 million (equivalent to RMB686.3 million) retained by the Purchaser for the repayment of the Maple Marathon Loan borrowed by Maple Marathon with maturity on September 6, 2019.

According to the Disposal Agreement, completion of the Maple Marathon Disposal shall be completed by January 31, 2019. Because of delay in the process of the Purchaser to timely obtain sufficient financial resources, the Company entered into a supplementary agreement with the Purchaser on January 30, 2019, extending the completion date to September 30, 2019.

### 20. 持有待售的處置組及終止經營

於二零一八年九月二十四日，本集團已與Far East Energy就出售Maple Marathon及其附屬子公司(統稱為「處置組」)全部100%股權投資訂立協議(「出售協議」)，對價為250百萬美元(等價於約人民幣1,715.8百萬元)。Far East Energy由本公司控股股東及關聯方張瑞霖先生間接全資控股(附註39(e))。

根據出售協議，對價將以下列方式結算：(1)買方於完成時向本集團支付美元150.0百萬元(等價於人民幣1,029.5百萬元)；(2)買方須保留美元100.0百萬元(等價於人民幣686.3百萬元)，用於償還Maple Marathon於二零一九年九月六日到期的Maple Marathon Loan。

根據出售協議，Maple Marathon出售事項預計將於二零一九年一月三十一日完成。於二零一九年一月三十日，本公司與買方訂立補充協議。由於買方為完成Maple Marathon出售事項而獲取足夠財務資源的進度延遲，本公司及買方同意將最後截止日期延長至二零一九年九月三十日。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

Despite the delay in the expected completion date, the Directors still regard the completion of the Maple Marathon Disposal within 12 months remains highly probable as at December 31, 2018 and therefore classify the assets and liabilities relating to the Disposal Group as held for sale in accordance with IFRS 5. As the Board of the Directors expects the completion of the Maple Marathon Disposal to take place before the maturity of the Maple Marathon Loan. The Maple Marathon Loan with a principal amount of US\$100.0 million is also included in the liabilities of disposal group classified as held for sale as at December 31, 2018.

The Disposal Group represents the majority of the Group's North American operation. Therefore the Disposal Group is classified as discontinued operations in accordance with IFRS 5. As required under IFRS 5, the comparative information relating to the discontinued operation has been re-presented on a consistent basis accordingly (Note 43).

At the date of initial classification as held for sale, the carrying amount of the assets and liabilities relating to the Disposal Group were lower than the fair value less cost to sell as at that date. Accordingly, no loss was recognised due to re-measurement at the initial classification.

### 20. 持有待售的處置組及終止經營(續)

儘管預計交割日期延遲，但截至二零一八年十二月三十一日，董事會仍認為Maple Marathon出售事項在12個月內完成是極有能的。因此，截至二零一八年十二月三十一日，董事會決定根據國際財務報告準則第5號，對與處置組有關的資產和負債進行分類。截至二零一八年十二月三十一日，由於董事會預計Maple Marathon出售事項將於Maple Marathon Loan到期前完成，本金100.0百萬美元的Maple Marathon Loan亦包括在持有待售的處置組的負債中。

由於處置組代表本集團的主要的北美業務，處置組按照國際財務報告準則第5號分類為終止經營。根據國際財務報告準則第5號的規定，與終止經營相關的比較數字已相應地重新列示(附註43)。

於初始分類為持有待售日期，與處置組有關的資產及負債的賬面值低於公允價值減出售成本，因此初始分類的重新計量不會產生損失。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

### 20. 持有待售的處置組及終止經營(續)

#### (a) Disposal groups classified as held for sale

#### (a) 持有待售的處置組

##### Assets of Disposal Group

##### 處置組的資產

		As at 於 December 31, 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Property, plant and equipment	不動產、工廠及設備	4,043,186
Intangible assets	無形資產	614,635
Derivative financial instrument (Note (a)(i))	衍生金融工具(附註(a)(i))	148,563
Trade receivables	應收賬款	234,042
Prepayments, deposits and other receivables	預付款項、保證金及其他應收款	63,347
Cash and cash equivalents	現金及現金等價物	2,114
		<b>5,105,887</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

### 20. 持有待售的處置組及終止經營(續)

#### (a) Disposal groups classified as held for sale (Continued)

#### (a) 持有待售的處置組(續)

#### Liabilities of Disposal Group

#### 處置組的負債

		As at 於 December 31, 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Trade and other payables	應付及其他應付款	278,057
Provisions, accruals and other liabilities	準備、預提及其他負債	1,652,952
Borrowings (Note (a)(iii))	借款(附註(a)(iii))	1,063,363
Deferred income tax liabilities (Note (a)(ii))	遞延所得稅負債(附註(a)(ii))	513,435
Financial liabilities at fair value through profit or loss (Note (a)(iv))	以公允價值計量且其變動計入當期損益的金融負債(附註(a)(iv))	992,551
Current income tax liabilities	當期所得稅負債	33,226
		<b>4,533,584</b>
<b>Total net assets of the disposal group</b>	<b>處置組淨資產總額</b>	<b>572,303</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

### 20. 持有待售的處置組及終止經營(續)

#### (a) Disposal groups classified as held for sale (Continued)

#### (a) 持有待售的處置組(續)

Note		附註	
(i)	Derivative financial instrument	(i)	衍生金融工具
	The operational results and financial condition of Canlin are largely dependent on the commodity prices received for its gas, oil and natural gas liquids production. Commodity prices are volatile due to global and regional factors including supply and demand fundamentals, inventory levels, weather, economic and geopolitical factors. During the year ended December 31, 2018, in order to mitigate commodity price risk, Canlin has entered into a number of financial derivative contracts, including WTI Oil Contracts and AECO Gas Contracts, which are accounted for at fair value through profit or loss and not held for trading or speculative purposes.		麒麟的經營成果和財務狀況很大程度上取決於其銷售天然氣、原油及液化天然氣產品的商品價格。商品價格易受到包括供需基本面、庫存水平、氣候、經濟及地緣政治等眾多國際及地區因素的影響。截至二零一八年十二月三十一日止年度，為了降低商品價格風險，麒麟簽訂了一系列金融衍生工具合同，包括西德克薩斯輕質原油合同以及AECO天然氣合同。該衍生金融工具以公允價值計量且其變動計入當期損益，不作為交易性或投機目的持有。
	The fair value of commodity swaps contracts are within level 2 of the fair value hierarchy (Note 3.3).		該商品互換合同的公允價值歸屬於公允價值第二層級(附註3.3)。
(ii)	Deferred income tax liabilities	(ii)	遞延所得稅負債
	The movement on the deferred income tax account of the Disposal Group has been charged to "Income tax credit/(expense)" (Note 24).		處置組的遞延所得稅科目的變動於「所得稅收益/(費用)」中進行確認(附註24)。
(iii)	Borrowings	(iii)	借款
(1)	Secured Revolving Facility	(1)	有擔保循環貸款
	On September 29, 2017, Canlin entered into a senior secured revolving facility (the "Secured Revolving Facility") agreement with a syndicate of banks in an aggregate amount of C\$210.0 million (equivalent to RMB1,121.8 million) to finance the acquisition. The credit facility consists of a C\$185.0 million revolving syndicated facility and a C\$25.0 million revolving operating facility.		於二零一七年九月二十九日，麒麟與一家銀行財團簽訂了總金額為加幣210.0百萬元的高級有擔保循環貸款(「有擔保循環貸款」)(等價於人民幣1,121.8百萬元)，為此次收購提供資金。此信用貸款包含加幣185.0百萬元的循環銀團貸款和加幣25.0百萬元的循環經營貸款。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

#### (a) Disposal groups classified as held for sale (Continued)

Note (Continued)

(iii) Borrowings (Continued)

(1) Secured Revolving Facility (Continued)

On December 31, 2018, the amended syndicated credit facility consists of a C\$120.0 million revolving syndicated facility and a \$25.0 million revolving operating facility.

The revolving period of the Secured Revolving Facility can be extended by an additional one year at the request of Canlin subject to the approval of the majority of the syndicate lenders. If the Secured Revolving Facility is not extended, the aggregate principal amount will convert into a one year non-revolving term loan and any remaining undrawn portion will be cancelled.

The Secured Revolving Facility provides advances by way of Canadian prime rate loans, US base rate loans, LIBOR based loans and bankers' acceptances. Canlin drew loans bearing interest from 4.17% to 4.95% being a combination of bankers' acceptance rates and the Canadian prime rate plus applicable margins determined by Canlin's certain financial ratios during applicable drawn down periods.

The Secured Revolving Facility is secured by a demand debenture of C\$375.0 million providing for a first ranking security interest and floating charge over all the assets and properties of Canlin.

The Secured Revolving Facility contains standard commercial covenants for credit facilities of this nature and does not have any financial covenants. Breach of any covenant will result in default which, if not remedied within specified time, all principal and interest obligations on the Secured Revolving Facility will become due and payable immediately.

### 20. 持有待售的處置組及終止經營(續)

#### (a) 持有待售的處置組(續)

附註(續)

(iii) 借款(續)

(1) 有擔保循環貸款(續)

於二零一八年十二月三十一日，經修訂的信用貸款將包含加幣120.0百萬元的循環銀團貸款和加幣25.0百萬元的循環經營貸款。

在麒麟的要求下，經銀團批准，貸款可延長一年。如果循環信貸額度未被延期，有擔保循環貸款的本金總額將變為一年內到期的非循環的定期貸款，且該貸款的未提款部分將全部被取消。

有擔保循環貸款通過加拿大優惠利率，美國基準利率貸款，倫敦銀行間拆放款利率貸款和銀行承兌匯票等方式提供預付款。截至二零一八年十二月三十一日止年度，麒麟提取了貸款，其利率為4.17%至4.95%，即加拿大最優惠利率加上麒麟特定的財務比率確定的適用的利率。

該有擔保循環貸款擁有總額為加幣375.0百萬元第一等級擔保承諾並通過麒麟的所有資產和財產提供浮動抵押擔保。

有擔保循環信貸額度包含這種性質信貸額度的標準商業條款並且沒有任何財務條款。違反任何條款將導致貸款違約，如果違約事項未在特定時間內補救，有擔保循環信貸貸款的所有本金和利息將到期並需立即償還。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

#### (a) Disposal groups classified as held for sale (Continued)

Note (Continued)

##### (iii) Borrowings (Continued)

##### (1) Secured Revolving Facility (Continued)

The total interest and fees on the Secured Revolving Facility of C\$6.2 million (equivalent to RMB31.8 million) was charged to the consolidated income statement for the year ended December 31, 2018.

##### (2) Maple Marathon Loan

On September 1, 2017, Maple Marathon entered into a loan agreement (the "Loan Agreement") with a third party lender for a facility of US\$100 million, with maturity on September 6, 2019, which may be extended for another 2 years subject to the consent from the lender. Maple Marathon Loan bears an effective interest rate of 23.0% per annum. As at December 31, 2018, the carrying amount of the Maple Marathon Loan was RMB630.4 million.

As described in Note 2.1.1(d), the Maple Marathon Loan borrowed by the Maple Marathon forms part of settlement arrangement of the consideration for the Maple Marathon Disposal. As a result, Maple Marathon Loan is included in the liabilities of the Disposal Group classified as held for sale and repayment of which is assumed by the Purchaser.

As of December 31, 2018, the Maple Marathon Loan was secured as below:

- share charge over all issued share capital of certain subsidiary of Maple Marathon;
- Personal guarantees provided by Mr. Zhang Ruilin, Ms. Zhao Jiangbo and Mr. Zhao Jiangwei for Maple Marathon Loan;
- Account charge over certain bank accounts of Maple Marathon to ensure the payment of interest and principal when due.

### 20. 持有待售的處置組及終止經營(續)

#### (a) 持有待售的處置組(續)

附註(續)

##### (iii) 借款(續)

##### (1) 有擔保循環貸款(續)

截至二零一八年十二月三十一日止年度，有擔保循環貸款的利息和費用金額為加幣6.2百萬元(等價於人民幣31.8百萬元)，並在綜合收益表中扣除。

##### (2) Maple Marathon Loan

二零一七年九月一日，作為借款人的Maple Marathon與第三方貸款人簽訂了金額為美元100百萬元的貸款協議(「貸款協議」)，其將於二零一九年九月六日到期，並須經貸款方同意其可以延期兩年。Maple Marathon Loan的實際利率為23.0%。截至二零一八年十二月三十一日，Maple Marathon Loan的賬面金額為人民幣630.4百萬元。

如附註2.1.1(d)所述，Maple Marathon借入的Maple Marathon Loan，構成Maple Marathon出售對價的一部分。因此，Maple Marathon Loan構成分類為持有待售處置組負債的一部分，並將由買方在到期時支付。

截至二零一八年十二月三十一日，Maple Marathon Loan主要有以下事項作為擔保：

- Maple Marathon控股子公司的已發行全部股本作抵押；
- 張瑞霖先生、趙江波女士及趙江巍先生為Maple Marathon Loan進行個人擔保；
- Maple Marathon的部分銀行賬戶作為擔保，用以確保償還到期的本金及利息。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

#### (a) Disposal groups classified as held for sale (Continued)

Note (Continued)

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

On May 31, 2017, Canlin issued an aggregate 204.0 million convertible preferred shares (the "CPS") at an issuance price of C\$1.00 per share for aggregate proceeds of C\$204.0 million (equivalent to approximately RMB1,089.7 million) to the two independent subscribers.

During the year, a fixed preferential dividend of \$0.08 per convertible preferred share was declared by the board of Canlin and subsequently paid by Canlin in October 2018.

Each issued CPS may at any time convert into 0.83 common shares within the four years from the issuance date at the option of the CPS holder and the Group may redeem at any time the whole or from time to time any part of the then outstanding CPS on payment at a redemption price as stipulated in the subscription agreement.

The CPS is recognised and measured as financial liabilities measured at fair value through profit or loss and the changes in fair value should be reflected in the consolidated statement of comprehensive income.

As of the issuance date, the fair value of the CPS is C\$224.0 million (equivalent to approximately RMB1,196.3 million). The difference between the issuance price and the fair value calculated by valuation techniques as at the issuance date of C\$20.0 million (equivalent to approximately RMB106.6 million) would be amortised on a straight-line basis over the 4-year life of the CPS as estimated by the management. During the year, the amortisation expense of C\$5.0 million (equivalent to approximately RMB25.4 million) is charged to discontinued losses.

### 20. 持有待售的處置組及終止經營(續)

#### (a) 持有待售的處置組(續)

附註(續)

- (iv) 以公允價值計量且其變動計入當期損益的金融負債(續)

於二零一七年五月三十一日，麒麟按發行價每股加幣1.00元發行合計204.0百萬股可轉換優先股(「可轉換優先股」)給兩名認購人，所得款項金額為加幣204.0百萬元(等價於人民幣1,089.7百萬元)。

本年麒麟董事會宣派固定優惠股息為0.08美元的可轉換優先股，隨後由麒麟於二零一八年十月支付。

於發行日期四年內，根據可轉換優先股持有人的選擇，每股已發行的可轉換優先股可於任何時間轉換為0.83普通股，且本集團可以按照規定的贖回價格在任何時間贖回全部或隨時贖回當時尚未償還的可轉換優先股。

可轉換優先股被確認和計量為以公允價值計量且其變動計入當期損益的金融負債，公允價值變動應反映在合併綜合收益表中。

截至發行日，可轉換優先股的公允價值為加幣224.0百萬元(等價於約人民幣1,196.3百萬元)。發行價格與估值技術在發行日計算的公允價值之間的差額為加幣20.0百萬元(折算成人民幣106.6百萬元)，根據管理層的估計將按直線法在四年期內攤銷。本年起加幣5.0百萬元(折算成人民幣25.4百萬元)的攤銷費用計入終止經營損失。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

#### (a) Disposal groups classified as held for sale (Continued)

Note (Continued)

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

As at December 31, 2018, the fair value of the CPS is C\$210.7 million (equivalent to approximately RMB1,061.7 million). The change in fair value of RMB67.6 million during the year is charged to discontinued losses.

The fair value of the CPS as of December 31, 2018 are estimated based on the valuation reports as of respective dates issued by an independent professional valuer using the Partial Differential Equation method, which is the most appropriate method given the features of the CPS.

In determining the fair value of the CPS, significant estimates and judgements are involved in the process, including, volatility, risk-free rate and credit spread.

### 20. 持有待售的處置組及終止經營(續)

#### (a) 持有待售的處置組(續)

附註(續)

- (iv) 以公允價值計量且其變動計入當期損益的金融負債(續)

於二零一八年十二月三十一日，可轉換優先股的公允價值為加幣210.7百萬元(折算成人民幣1,061.7百萬元)。本年公允價值變動人民幣67.6百萬元，計入終止經營損失。

截至二零一八年十二月三十一日，可轉換優先股的公允價值是根據獨立專業評估師採用偏微分方程法估算的估值報告估算的。考慮到可轉換優先股的特點，偏微分方程法是最合適的估值方法。

釐定可換股優先股的公允價值的過程涉及重大的估計和判斷，包括波動率，無風險利率和信用價差。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

#### (a) Disposal groups classified as held for sale (Continued)

Note (Continued)

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

##### Valuation process

The Group has involved independent professional valuer to perform the valuations as of December 31, 2018 for financial reporting purposes, including level 3 fair values. The external experts report directly to the CFO. Discussions of valuation processes and results are held between the CFO and external experts once every six months in line with the Group's reporting requirements.

The main level 3 inputs used by the Group are derived and evaluated as follows:

- Probability of each scenario: conversion, liquidation and redemption, estimated by management as of December 31, 2018
- Risk-free rate with reference to the yield of Bank of Canada government bonds for a term commensurate to the hold period of the CPS
- Dividend yield for common share is assumed zero as Canlin is not expected to pay dividends for common share in the foreseeable future as of December 31, 2018
- Volatility is with reference with the historical data of comparable companies as of December 31, 2018

Changes in level 3 fair values are analysed at the end of each reporting period during the valuation discussion between the CFO and external experts. As part of this discussion the external experts presents a report that explains the reason for the fair value movements.

### 20. 持有待售的處置組及終止經營(續)

#### (a) 持有待售的處置組(續)

附註(續)

(iv) 以公允價值計量且其變動計入當期損益的金融負債(續)

##### 估值過程

本集團由獨立專業評估師對二零一八年十二月三十一日的價值進行評估，以作財務報告用途，包括第三級公允價值。外部專家直接向首席財務官匯報。首席財務官和外部專家每六個月進行一次評估流程和結果的討論，以符合集團的報告的需求。

本集團使用的主要三級輸入數據來源和評估如下所示：

- 每種情況的可能性：轉換、清算和贖回，其由管理層在二零一八年十二月三十一日進行估計
- 無風險利率參考與可轉換優先股持有期間相同的加拿大政府債券的收益率
- 普通股的股息收益率假設為零，截至二零一八年十二月三十一日止，麒麟預計在未來的可預計時間不會支付普通股股利
- 波動率參考發行日和二零一八年十二月三十一日止可比公司的歷史數據

於每個報告日，首席財務官和外部專家在估值討論中對第三層的公允價值變動討論和分析。作為討論的一部分，外部專家出具了報告解釋了公允價值變動的原因。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

### 20. 持有待售的處置組及終止經營(續)

#### (a) Disposal groups classified as held for sale (Continued)

#### (a) 持有待售的處置組(續)

Note (Continued)

附註(續)

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

(iv) 以公允價值計量且其變動計入當期損益的金融負債(續)

Description	Fair value at 於下列日期公允價值			Range of inputs 參數區間		Relationship of unobservable inputs to fair value
	December 31, 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	December 31, 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元	Unobservable inputs*	December 31, 2018 二零一八年 十二月三十一日	December 31, 2017 二零一七年 十二月三十一日	
			非可觀察參數*			
Convertible preferred shares 可換股優先股	1,061,669	1,164,924	Probability of each scenario: conversion, liquidation and redemption 下列各種情況的發生概率: 轉換、清算和贖回  Risk-free rate 無風險利率  Dividend yield (common share) 普通股股息收益率  Volatility 波動率	Conversion:90% 轉換:90% Liquidation:5% 清算:5% Redemption:5% 贖回:5%  1.86%  -  51.61%	Conversion:90% 轉換:90% Liquidation:5% 清算:5% Redemption:5% 贖回:5%  1.81%  -  50.01%	December 31, 2017: Increased conversion probability (5%), decreased liquidation and redemption (2.5%) would decrease the fair value by RMB9.7 million. Increased risk-free rate (1%) would decrease the fair value by RMB8.3 million. Increased volatility (10%) would decrease the fair value by equivalent to RMB8.0 million.  二零一七年十二月三十一日: 轉換的概率升高5%, 清算和贖回概率降低2.5%導致公允價值減少人民幣9.7百萬元。 無風險利率升高1%導致公允價值減少人民幣8.3百萬元。 波動率升高10%導致公允價值減少人民幣8.0百萬元。  December 31, 2018: Increased conversion probability (5%), decreased liquidation and redemption (2.5%) would decrease the fair value by RMB9.7 million. Increased risk-free rate (1%) would decrease the fair value by equivalent to RMB12.1 million. Increased volatility (10%) would decrease the fair value by RMB10.6 million.  二零一八年十二月三十一日: 轉換的概率升高5%, 清算和贖回概率降低2.5%導致公允價值減少人民幣9.7百萬元。 無風險利率升高1%導致公允價值減少人民幣12.1百萬元。 波動率升高10%導致公允價值減少人民幣10.6百萬元。

\* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

\* 非可觀察參數之間並無重大的關聯關係而足以對公允價值產生重大影響。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 20. DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

### 20. 持有待售的處置組及終止經營(續)

#### (b) Discontinued operations

#### (b) 終止經營

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Discontinued operations</b>	<b>終止經營</b>		
Revenue	收益	1,766,647	468,617
Other gains, net	其他收益, 淨額	260,387	53,521
Expenses	費用	(2,422,991)	(691,868)
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>	<b>(395,957)</b>	(169,730)
Income tax expense	當期所得稅費用	32,494	18,305
<b>Losses from discontinued operations</b>	<b>終止經營所得虧損</b>	<b>(363,463)</b>	(151,425)
Exchange differences on translation of discontinued operations	終止經營外幣報表折算差	(129,629)	32,995
<b>Other comprehensive income from discontinued operations</b>	<b>終止經營其他綜合收益</b>	<b>(493,092)</b>	(118,430)
The cash flow information for the years ended December 31, 2018 and 2017 are presented below:	截至二零一八年及二零一七年十二月三十一日止年度呈列的現金流如下列示：		
Net cash inflow/(outflow) from operating activities	經營活動產生/(使用)的現金淨額	132,127	(5,272)
Net cash inflow/(outflow) from investing activities	投資活動產生/(使用)的現金淨額	355,114	(3,592,090)
Net cash (outflow)/inflow from financing activities	融資活動(使用)/產生的現金淨額	(477,763)	2,686,882
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物的增加/(減少)淨額</b>	<b>9,478</b>	(910,480)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 21. SHARE CAPITAL

Ordinary shares, issued and fully paid:

		Number of shares 股數 Thousand 千股	Ordinary shares 股本 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At January 1, 2017 and December 31, 2017	於二零一七年一月一日 及十二月三十一日	2,938,597	19,489	1,049,307	1,068,796
At January 1, 2018 and December 31, 2018	於二零一八年一月一日 及十二月三十一日	2,938,597	19,489	1,049,307	1,068,796

### 22. SHARE – BASED PAYMENTS

Details of the equity-settled share option schemes, share award scheme and cash-settled stock appreciation rights plan adopted by the Company are as follows:

The share options, stock appreciation rights and share awards granted generally vest over a two or three-year period following a specified vesting commencement date. Typically, the share options, stock appreciation rights and share awards granted vest at each anniversary of the grant date within the vesting period, subject to the participant continuing to be an employee on each vesting date. The terms of share options, stock appreciation rights and share awards granted will not exceed ten years from the grant date.

#### (a) Stock incentive compensation plan (the “Plan”)

The Plan was adopted on November 20, 2009 with the purpose of providing additional incentive to employees, Directors and consultants to attract and retain the best available personnel for positions of substantial responsibility. The Company originally reserved 6,072,870 ordinary shares for issuance under the Plan.

### 21. 股本

已發行並已繳足普通股：

		Number of shares 股數 Thousand 千股	Ordinary shares 股本 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At January 1, 2017 and December 31, 2017	於二零一七年一月一日 及十二月三十一日	2,938,597	19,489	1,049,307	1,068,796
At January 1, 2018 and December 31, 2018	於二零一八年一月一日 及十二月三十一日	2,938,597	19,489	1,049,307	1,068,796

### 22. 股份支付

本公司採用的以股權結算的購股權、獎勵股份和現金結算的股份增值權計劃詳情載列如下：

授出的購股權、股份增值權和獎勵股份一般可以在期權授予日之後的兩年或三年期間行權。一般來講，所授出的股權、股份增值權、股份獎勵在等待期內的授予日的每個周年紀念日可以行權，且被授予者必須在每個行權日為公司僱員。授出的購股權、股份增值權和獎勵股份的期限自授出日期起計不會超過十年。

#### (a) 股份獎勵酬金計劃(以下簡稱「計劃」)

本公司董事會於二零零九年十一月二十日所採納的股份獎勵酬金計劃，旨在為擔負重要職責的職位招攬及挽留最優秀的可用人員，並為僱員、董事及顧問提供額外獎勵。本公司原先預留6,072,870股普通股以預備股份獎勵酬金計劃。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 22. SHARE – BASED PAYMENTS (Continued)

#### (a) Stock incentive compensation plan (the “Plan”) (Continued)

##### (i) Stock options under the Plan

Movements in the number of share options and their expiring date and exercise prices under the Plan are as follows:

		2018 二零一八年		2017 二零一七年	
		Average exercise price per share 平均 行使價每股	Options 期權	Average exercise price per share 平均 行使價每股	Options 期權
<b>At January 1</b>	於一月一日	HK\$0.15	14,065,578	HK\$0.15	20,127,386
<b>Lapsed</b>	已失效	HK\$0.13	(6,319,489)	HK\$0.13	(6,061,808)
<b>At December 31</b>	於十二月三十一日		7,746,089		14,065,578
<b>Expiry date</b>	到期日				
November 20, 2019	二零一九年十一月二十日	US\$0.13	4,666,823	US\$0.13	10,986,312
November 23, 2020	二零二零年十一月二十三日	US\$0.25	3,079,266	US\$0.25	3,079,266
			7,746,089		14,065,578
<b>Exercisable</b>	可行使		7,746,089		14,065,578

At December 31, 2018 and 2017, all the Share options were exercisable.

### 22. 股份支付(續)

#### (a) 股份獎勵酬金計劃(以下簡稱「計劃」)(續)

##### (i) 該計劃中包含的購股權

該計劃中包含未行使購股權數目，其到期日及行權價的變動如下：

於二零一八年及二零一七年十二月三十一日，所有尚未行使的購股權均為可行使購股權。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 22. SHARE – BASED PAYMENTS (Continued)

#### (a) Stock incentive compensation plan (the “Plan”) (Continued)

#### (ii) Stock appreciation rights granted under the Plan

Movements in the number of stock appreciation rights and their expiring date and exercise prices under the Plan are as follows:

		2018 二零一八年		2017 二零一七年	
		Average exercise price per share 平均 行使價每股	Stock appreciation rights 股份增值權	Average exercise price per share 平均 行使價每股	Stock appreciation rights 股份增值權
<b>At January 1</b>	於一月一日	US\$0.13	31,823,216	US\$0.13	35,217,896
<b>Lapsed</b>	已失效	US\$0.13	(219,745)	US\$0.13	(3,394,680)
<b>Transferred</b>	已轉股	US\$0.13	(17,847,663)	-	-
<b>At December 31</b>	於十二月三十一日	US\$0.13	13,755,808	US\$0.13	31,823,216
<b>Expiry date</b>	到期日				
November 20, 2019	二零一九年十一月二十日	US\$0.13	12,901,164	US\$0.13	30,968,572
February 26, 2020	二零二零年二月二十六日	US\$0.26	454,644	US\$0.26	454,644
November 20, 2025	二零二五年十一月二十日	HK\$0.01	400,000	HK\$0.01	400,000
			13,755,808		31,823,216

At December 31, 2018 and 2017, all outstanding stock appreciation rights were exercisable.

### 22. 股份支付(續)

#### (a) 股份獎勵酬金計劃(以下簡稱「計劃」)(續)

#### (ii) 該計劃中包含的股份增值權

該計劃中包含的未行使股份增值權數目、其到期日及行權價的變動如下：

於二零一八年及二零一七年十二月三十一日，全部尚未行使的股份增值權均為可行使股份增值權。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 22. SHARE – BASED PAYMENTS (Continued)

#### (b) Share option scheme under Chapter 17 of the Listing Rules (the “Scheme”)

The Scheme adopted by the Company was approved by shareholders on November 27, 2010 in accordance with Chapter 17 of the Listing Rules. The purpose of the Scheme is to enable the Company to grant options to selected participants as incentives or rewards for their contributions to the Group.

The following table discloses details of the Company’s options under the Scheme held by employees (including Directors) and movement in such holdings during each of the two years ended December 31, 2018 and 2017:

		2018 二零一八年		2017 二零一七年	
		Average exercise price per share 平均 行使價每股	Options 期權	Average exercise price per share 平均 行使價每股	Options 期權
<b>At January 1</b>	於一月一日	<b>HK\$1.20</b>	<b>149,540,352</b>	HK\$1.23	194,392,839
Lapsed	已失效	<b>HK\$1.24</b>	<b>(19,993,178)</b>	HK\$1.33	(44,852,487)
At December 31	於十二月三十一日	<b>HK\$1.20</b>	<b>129,547,174</b>	HK\$1.20	149,540,352
<b>Expiry date</b>	<b>到期日</b>				
September 20, 2021	二零二一年九月二十日	<b>HK\$2.254</b>	<b>15,895,000</b>	HK\$2.254	19,124,000
March 20, 2024	二零二四年三月二十日	<b>HK\$1.40</b>	<b>45,142,174</b>	HK\$1.40	51,546,352
December 8, 2026	二零二六年十二月八日	<b>HK\$0.816</b>	<b>68,510,000</b>	HK\$0.816	78,870,000
			<b>129,547,174</b>		149,540,352

At December 31, 2018, all the Share options were exercisable (December 31, 2017: out of the 149,540,352 options, 97,919,036 shares were exercisable.).

### 22. 股份支付(續)

#### (b) 購股權計劃(基於上市規則第十七章)(「計劃」)

根據上市規則第十七章，購股權計劃於二零一零年十一月二十七日被公司股東所採納，購股權計劃的目的是為了給為集團作出貢獻的特定員工授予股權作為激勵。

在上述計劃下本公司員工(包括董事)持有的未行使的期權於截至二零一八年及二零一七年十二月三十一日止年度的數目及變動明細列示如下：

於二零一八年十二月三十一日，所有尚未行使的購股權均為可行使購股權，(二零一七年十二月三十一日：在149,540,352份未行使的購股權中，97,919,036份為可行使購股權)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 22. SHARE – BASED PAYMENTS (Continued)

#### (c) 2015 Share Award Scheme

Apart from above Plan and Scheme, to recognise the contributions by certain grantees and to give incentives thereto in order to retain them for the continuing operation and development of the Group, and to attract suitable personnel for further development of the Group, the Board of Directors resolved to adopt the 2015 Share Award Scheme on January 6, 2015.

### 22. 股份支付(續)

#### (c) 二零一五年股份獎勵計劃

除上述股份獎勵酬金計劃及購股權計劃以外，本公司董事會已於二零一五年一月六日決議採納二零一五年股份獎勵計劃，目的是認可特定承授人所做的貢獻並給予激勵，為本集團的持續運營和發展聘留特定承授人，並為本集團進一步發展吸引適用人才。

		<b>2018</b> 二零一八年 <b>Awarded</b> <b>Shares</b> 獎勵股份	2017 二零一七年 Awarded Shares 獎勵股份
<b>At January 1</b>	於一月一日	<b>2,300,000</b>	16,700,000
Granted	本年授予	<b>104,000,000</b>	–
Exercise	本年已行使	<b>(100,000,000)</b>	(14,400,000)
<b>At December 31</b>	於十二月三十一日	<b>6,300,000</b>	2,300,000
<b>Expiry date</b>	到期日		
November 20, 2025	二零二五年十一月二十日	<b>2,300,000</b>	2,300,000
January 25, 2028	二零二八年一月二十五日	<b>4,000,000</b>	–
		<b>6,300,000</b>	2,300,000

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 22. SHARE – BASED PAYMENTS (Continued)

#### (d) Fair values

##### Share options and stock appreciation rights

At December 31, 2018, the fair value of stock appreciation rights outstanding is determined using the Binomial Model. Their fair values and significant inputs into the model are as follows:

### 22. 股份支付(續)

#### (d) 公允價值

##### 購股權及股份增值權

於二零一八年十二月三十一日，股份增值權的公允價值採用二項期權定價模型釐定；其公允價值及重要輸入參數列示如下：

		2009 Grants 二零零九年 授予	2010 Grants 二零一零年 授予	2015 Grants 二零一五年 授予
		Stock appreciation rights 股份增值權		
		2018 二零一八年 US\$ 美元	2018 二零一八年 US\$ 美元	2018 二零一八年 HK\$ 港幣
Fair value per unit	每單元公允價值	-	-	0.06
Share price at grant date	授予日股價	-	-	0.95
Fair value per share at period end	期末每股公允價值	-	-	0.07
Exercise price	行權價	0.13	0.26	0.01
Volatility (%)	波幅(百分比)	82.25%	82.25%	63.87%
Dividend yield (%)	股息率(百分比)	-	-	-
Annual risk-free rate (%)	年度無風險利率(百分比)	2.61%	2.65%	2.03%
Remaining term (year)	剩餘期限(年)	0.88	1.15	6.89

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 23. OTHER RESERVES

### 23. 其他儲備

		Repurchased shares held by trust (Note(a)) 信托持有 回購股份 (附註(a)) RMB'000 人民幣千元	Currency translation reserve 外幣 折算儲備 RMB'000 人民幣千元	Share based payment reserve 股份 支付儲備 RMB'000 人民幣千元	Safety fund reserve 安全 基金儲備 RMB'000 人民幣千元	Available- for-sale financial assets 可供出售 金融資產 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at January 1, 2017</b>	於二零一七年一月一日	(127,287)	(244,762)	153,627	187,356	(6,452)	(106,445)	(143,963)
Currency translation differences	外幣折算差額	-	166,660	-	-	-	-	166,660
Share of other comprehensive income of investment accounted for using the equity method	享有按權益法入賬的投資的 其他綜合收益的份額	-	(3,758)	-	-	-	-	(3,758)
Change in fair value of available- for-sale financial assets at FVOCI	可供出售金融資產公允價值 變動	-	-	-	-	8,168	-	8,168
Employees stock option scheme	僱員購股權計劃							
— value of employee services	— 僱員服務價值	-	-	20,158	-	-	-	20,158
— shares transferred to the Awarded Shares Grantees (Note (a))	— 轉移給獎勵股份被授予者 (附註(a))	9,470	-	(9,470)	-	-	-	-
<b>As at December 31, 2017</b>	於二零一七年十二月三十一日	(117,817)	(81,860)	164,315	187,356	1,716	(106,445)	47,265



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 23. OTHER RESERVES (Continued)

### 23. 其他儲備(續)

		Repurchased shares held by trust (Note(a))	Currency translation reserve	Share based payment reserve	Safety fund reserve	Available- for-sale financial assets	Financial assets at FVOCI 以公允價值 計量且其變動 計入其他綜合 收益的金融資產	Others	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>As at January 1, 2018</b>	於二零一八年一月一日	(117,817)	(81,860)	164,315	187,356	1,716	-	(106,445)	47,265
Change in accounting policy (Note 41)	會計政策變更(附註41)	-	-	-	-	(1,716)	6,564	-	4,848
<b>Restated total equity as at January 1, 2018</b>	於二零一八年一月一日 重述後的權益總額	(117,817)	(81,860)	164,315	187,356	-	6,564	(106,445)	52,113
Currency translation differences	外幣折算差額	-	(273,296)	-	-	-	-	-	(273,296)
Transfer to profit or loss upon investments in associate	處置聯營企業投資後 轉至損益	-	-	-	-	-	-	(2,602)	(2,602)
Financial assets at FVOCI (Note (b))	以公允價值計量且其變動 計入計入其他綜合收益 的金融資產(附註(b))	-	-	-	-	-	(19,900)	-	(19,900)
Employees stock option scheme	僱員購股權計劃								
— value of employee services	— 僱員服務價值	-	-	54,743	-	-	-	-	54,743
— shares transferred to the Awarded Shares Grantees (Note (a))	— 轉移給獎勵股份 被授予者(附註(a))	27,841	-	(27,841)	-	-	-	-	-
Disposal of subsidiaries	處置附屬公司	-	-	-	-	-	-	45,160	45,160
<b>As at December 31, 2018</b>	於二零一八年 十二月三十一日	(89,976)	(355,156)	191,217	187,356	-	(13,336)	(63,887)	(143,782)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 23. OTHER RESERVES (Continued)

Note

- (a) Shares repurchased under Share Award Scheme

During the year ended December 31, 2018, 27,900,000 shares held in trust under the 2015 Share Award Scheme has been transferred to the Share Award Grantees, including 6,300,000 shares held by trust on behalf of holder (2017: 2,300,000). As at December 31, 2018, the shares held in trust under 2015 Share Award Scheme is 6,300,000 shares (December 31, 2017: 2,300,000).

- (b) Financial assets at FVOCI

The Group has elected to recognise changes in the fair value of certain investments in equity investments in other comprehensive income, as explained in Note 12. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity investments are derecognised.

The Group also has certain debt investments measured at FVOCI, as explained in Note 12. For these investments, changes in fair value are accumulated within the FVOCI reserve within equity. The accumulated changes in fair value are transferred to profit or loss when the investment is derecognised or impaired.

### 23. 其他儲備(續)

附註

- (a) 為股份獎勵計劃回購股份

截至二零一八年十二月三十一日止年度期間內，2015股份獎勵計劃項下由受托人持有的總股數為27,900,000股已經轉移給股份獎勵被授予者，其中6,300,000股由受托人代為持有(二零一七年：2,300,000)。截止二零一八年十二月三十一日，2015股份獎勵計劃項下由受托人持有的總股數為6,300,000股(二零一七年十二月三十一日：2,300,000股)。

- (b) 以公允價值計量且其變動計入其他綜合收益的金融資產

如附註12所述，本集團選擇將權益投資的公允價值變動確認在其他綜合收益中。以公允價值計量且其變動計入其他綜合收益的金融資產的公允價值的變動在權益中的儲備中累積。當相關權益投資終止確認時，本集團將該儲備金的金額轉入留存收益。

本集團同時持有部分債務投資作為以公允價值計量且其變動計入其他綜合收益的金融資產，如附註12所述。對於這些投資，以公允價值計量且其變動計入其他綜合收益的金融資產的公允價值的變動在儲備中累計。當該投資終止確認或減值時，累計的公允價值的變動轉入損益。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 24. DEFERRED INCOME TAX

### 24. 遞延所得稅

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Deferred tax assets:</b>	<b>遞延稅項資產：</b>		
Deferred tax assets to be recovered after more than 12 months	將於12個月後收回的遞延稅項資產	601	334
<b>Deferred tax liabilities:</b>	<b>遞延稅項負債：</b>		
Deferred tax liabilities to be settled after more than 12 months	將於12個月後清還的遞延稅項負債	(114,669)	(589,281)
<b>Deferred tax liabilities — net</b>	<b>遞延稅負債 — 淨額</b>	<b>(114,068)</b>	<b>(588,947)</b>

#### (a) Movements of deferred tax account

#### (a) 遞延所得稅總體變動

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>As at January 1,</b>	<b>於一月一日</b>	<b>(588,947)</b>	(25,811)
Exchange differences	匯兌差額	17,044	15,338
Acquisition through business Combination (Note 38)	企業合併導致的增加(附註38)	(30,946)	(581,796)
Tax charged to continuing loss	費用於持續經營損益確認	(47,733)	(102,948)
Tax credited to discontinued profit	收益於終止經營損益確認	23,079	12,901
Disposals of subsidiaries	處置子公司	-	93,369
Transferred to disposal group classified as held for sale (Note 20)	轉撥至持有待售的處置組(附註20)	513,435	-
<b>As at December 31,</b>	<b>於十二月三十一日</b>	<b>(114,068)</b>	<b>(588,947)</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 24. DEFERRED INCOME TAX (Continued)

(b) The movement in deferred income tax assets and liabilities, (without taking into consideration the offsetting of balances within the same tax jurisdiction)

#### Deferred income tax assets

		Base difference in property, plant and equipment 不動產、 工廠及設備 基礎確認差異 RMB'000 人民幣千元	Accelerated tax depreciation 稅項 加速折舊 RMB'000 人民幣千元	Asset retirement obligations 資產 棄置義務 RMB'000 人民幣千元	Tax losses 稅損 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at January 1, 2017</b>	於二零一七年一月一日	-	277	3,852	211,533	1,353	217,015
Credited/(charged) to continuing profit or loss	收益/(費用)於持續經營損益確認	-	56	213	(29,240)	(112)	(29,083)
Charged to discontinued profit or loss	費用於終止經營損益確認	1,463	-	7,989	-	(58)	9,394
Acquisition through business combination	企業合併導致的增加	27,374	-	730,116	-	3,421	760,911
Disposals of subsidiaries	處置子公司	-	-	(1,516)	-	(220)	(1,736)
Exchange differences	匯兌差額	(724)	-	(19,283)	-	(90)	(20,097)
<b>As at December 31, 2017</b>	於二零一七年十二月三十一日	28,113	333	721,371	182,293	4,294	936,404
Credited/(charged) to continuing profit or loss	收益/(費用)於持續經營損益確認	-	267	120	(15,746)	(1,018)	(16,377)
Charged to discontinued profit or loss	費用於終止經營損益確認	(27,567)	-	(278,267)	-	(1,153)	(306,987)
Transferred to disposal group classified as held for sale (Note 20)	轉撥至持有待售的處置組(附註20)	-	-	(421,447)	-	(2,030)	(423,477)
Exchange differences	匯兌差額	(546)	-	(19,108)	-	(93)	(19,747)
<b>As at December 31, 2018</b>	於二零一八年十二月三十一日	-	600	2,669	166,547	-	169,816

### 24. 遞延所得稅(續)

(b) 遞延稅項資產與負債的變動(沒有考慮結餘可在同一徵稅區內抵銷)

#### 遞延所得稅資產

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 24. DEFERRED INCOME TAX (Continued)

### 24. 遞延所得稅(續)

**(b) The movement in deferred income tax assets and liabilities, (without taking into consideration the offsetting of balances within the same tax jurisdiction) (Continued)**

**(b) 遞延稅項資產與負債的變動(沒有考慮結餘可在同一徵稅區內抵銷)(續)**

**Deferred income tax liabilities**

**遞延所得稅負債**

		Accelerated tax depreciations 稅項 加速折舊 RMB'000 人民幣千元	Fair value gains of mining rights 採礦權 公允價值利得 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at January 1, 2017</b>	於二零一七年一月一日	(242,826)	-	-	(242,826)
Charged to continuing profit or loss	費用於持續經營損益確認	(73,865)	-	-	(73,865)
Credited/(charged) to discontinued profit or loss	收益/(費用)於終止經營損益確認	19,689	-	(16,182)	3,507
Acquisition through business combination	企業合併導致的增加	(1,342,707)	-	-	(1,342,707)
Disposals of subsidiaries	處置子公司	95,105	-	-	95,105
Exchange differences	匯兌差額	35,411	-	24	35,435
<b>As at December 31, 2017</b>	於二零一七年十二月三十一日	(1,509,193)	-	(16,158)	(1,525,351)
(Charged)/credited to continuing profit or loss	(費用)/收益於持續經營損益確認	(34,938)	3,582	-	(31,356)
Credited/(charged) to discontinued profit or loss	收益/(費用)於終止經營損益確認	354,828	-	(24,762)	330,066
Acquisition through business combination (Note 38)	企業合併導致的增加 (附註38)	-	(30,946)	-	(30,946)
Transferred to disposal group classified as held for sale (Note 20)	轉撥至持有待售的處置組 (附註20)	896,799	-	40,113	936,912
Exchange differences	匯兌差額	35,984	-	807	36,791
<b>As at December 31, 2018</b>	於二零一八年十二月三十一日	(256,520)	(27,364)	-	(283,884)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 24. DEFERRED INCOME TAX (Continued)

#### (c) Deferred income tax assets not recognised

	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Tax losses and temporary difference 未來應納稅所得結轉的虧損和暫時性差異	452,879	530,055
Deferred income tax assets not recognised 未確認的遞延所得稅資產	113,220	132,514

Deferred income tax assets are recognised for tax loss carry-forwards and deductible temporary differences to the extent that the realisation of the related tax benefit through future taxable profits is probable.

Tax losses without recognition of deferred income tax assets can be carried forward against future taxable income. These losses amounting to RMB93.0 million (2017: RMB170.1 million) will expire in 2021.

### 24. 遞延所得稅(續)

#### (c) 未確認遞延所得稅資產

對可抵扣虧損及可抵扣暫時性差異確認為遞延所得稅資產的數額，是根據很可能產生的未來應課稅利潤而實現的相關稅務利益確認。

未確認遞延所得稅資產的稅務損失可以抵扣未來應納稅所得額，其中虧損金額人民幣93.0百萬元(二零一七年：人民幣170.1百萬元)將於二零二一年到期。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 25. TRADE AND NOTE PAYABLES

### 25. 應付賬款及應付票據

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade and note payables	應付賬款及應付票據	286,154	419,513
Less: non-current portion of trade and note payables	減： 非流動應付賬款及應付票據	(65,871)	(26,529)
Current	流動	220,283	392,984

(a) Aging analysis

(a) 賬齡分析

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Up to 6 months	不超過6個月	194,904	382,575
6 months – 1 year	6個月至1年	37,089	13,589
1 – 2 years	1至2年	37,479	6,202
2 – 3 years	2至3年	4,141	3,300
Over 3 years	多於3年	12,541	13,847
		286,154	419,513

(b) The carrying amounts are denominated in the following currencies:

(b) 賬面金額以下列貨幣為單位：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
RMB	人民幣	286,154	129,303
US\$	美元	-	1,305
C\$	加幣	-	288,905
		286,154	419,513

(c) The fair values of trade and notes payables approximate their carrying amounts.

(c) 應付賬款及應付票據的公允價值與其賬面金額相近。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 26. PROVISIONS, ACCRUALS AND OTHER LIABILITIES

### 26. 準備、預提及其他負債

		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Asset retirement obligations (Note (a))	資產棄置義務(附註(a))	<b>12,414</b>	2,672,886
Interest payable	應付利息	<b>64,148</b>	101,526
Salary and welfare payable	應付薪金及福利	<b>28,553</b>	53,149
Withholding and other tax payable	代扣代繳稅及其他應付稅	<b>67,633</b>	57,532
Advance from customers	預收賬款	<b>22</b>	548
Other payables	其他應付款項	<b>177,167</b>	453,268
		<b>349,937</b>	3,338,909
Less: non-current portion of	減：非流動部分之		
— Asset retirement obligations	— 資產棄置義務	<b>(12,414)</b>	(2,567,526)
— Withholding tax payable	— 代扣代繳稅	<b>(64,838)</b>	(52,741)
— Interest payable	— 應付利息	-	(44)
		<b>(77,252)</b>	(2,620,311)
Current	流動	<b>272,685</b>	718,598

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 26. PROVISIONS, ACCRUALS AND OTHER LIABILITIES (Continued)

### 26. 準備、預提及其他負債

(a) Movements of asset retirement obligations:

(a) 資產棄置義務變動列示如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>As at January 1,</b>	於一月一日	<b>2,672,886</b>	15,757
Additional provision	額外準備	<b>154</b>	206
Acquisitions through business Combination (Note 38)	企業合併導致的增加(附註38)	<b>1,739</b>	2,704,135
Change in accounting estimate — Discontinued operations	會計估計的變更 — 終止經營	<b>(886,504)</b>	—
Disposals	處置	<b>(243,053)</b>	(6,065)
Accretion expenses — Continuing operations — Discontinued operations	增值費用 — 持續經營 — 終止經營	<b>326</b> <b>138,920</b>	642 41,733
Settlement of obligations	資產棄置義務清償	<b>(40,427)</b>	(12,080)
Transfer to disposal group classified as held for sale	轉撥至持有待售的處置組	<b>(1,520,608)</b>	—
Exchange differences	匯兌差額	<b>(111,019)</b>	(71,442)
<b>As at December 31,</b>	於十二月三十一日	<b>12,414</b>	2,672,886

(b) The carrying amounts are denominated in the following currencies:

(b) 賬面金額以下列貨幣為單位：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
RMB	人民幣	<b>41,066</b>	32,488
US\$	美元	<b>300,214</b>	520,687
C\$	加幣	<b>479</b>	2,781,253
HK\$	港幣	<b>8,178</b>	4,481
		<b>349,937</b>	3,338,909

(c) The fair values of provisions, accruals and other liabilities approximate their carrying amounts.

(c) 準備、預提及其他負債的公允價值與其賬面金額相近。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 27. BORROWINGS

### 27. 借款

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Current</b>	<b>流動</b>		
— Senior Notes (Note (a))	— 優先票據(附註(a))	2,160,423	1,185,328
— Secured bank loans (Note 20)	— 抵押銀行貸款(附註20)	—	260,045
— On-Demand Borrowing (Note (b))	— 即時償還借款(附註(b))	378,279	—
— Other loans (Note (c))	— 其他借款(附註(c))	11,186	83,638
		<b>2,549,888</b>	1,529,011
<b>Non-current</b>	<b>非流動</b>		
— Senior Notes (Note (a))	— 優先票據(附註(a))	—	2,034,974
— Secured bank loans (Note 20)	— 抵押銀行貸款(附註(20))	—	610,289
— Other loans (Note (c))	— 其他借款(附註(c))	1,786,066	1,875,194
		<b>1,786,066</b>	4,520,457
		<b>4,335,954</b>	6,049,468

Note:

(a) Senior Notes

附註：

(a) 優先票據

		Coupon rate 票面利率	Due date 到期日			2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
2018 Notes	2018 票據	6.875%	February 6, 2018	二零一八年二月六日		—	1,185,328
2019 Notes	2019 票據	7.5%	April 25, 2019	二零一九年四月二十五日		2,160,423	2,034,974
						<b>2,160,423</b>	3,220,302

On April 25, 2014, the Company issued US\$500 million Senior Notes due on April 25, 2019. The 2019 Notes bear a coupon rate of 7.50% per annum, payable semi-annually in arrears on April 25 and October 25 respectively. The 2019 Notes are listed on the Singapore Exchange Securities Trading Limited.

In the prior years, the Company repurchased and cancelled certain of the 2019 Notes. As at December 31, 2018, the outstanding principal of the 2019 Notes were approximately US\$315.9 million.

On April 15, 2019, the Group completed an offer for exchange of the 2019 Notes, details of which have been set out in Note 44(b).

於二零一四年四月二十五日，本公司發行二零一九年四月二十五日到期的5億美元優先票據。2019票據的票面利率為年利率7.50%，每半年付息，分別為每年四月二十五日和十月二十五日支付。2019票據在新加坡證券交易所有限公司上市。

在以前年度中，公司回購並取消了部分2019票據。截至二零一八年十二月三十一日，2019票據的未償還的本金約為3.159億美元。

於二零一九年四月十五日，本集團完成交換2019票據之要約，有關詳情載於附註44(b)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 27. BORROWINGS (Continued)

Note (Continued)

#### (b) On-Demand Borrowing

The Group entered into an agreement with a third party to borrow a principal amount of US\$60 million, which bears an interest of 8% per annum and is repayable on February 1, 2020. Pursuant to the agreement, the lender has the right to demand the Group for immediate repayment of the principal amount and any accrued interest (Note 2.1.1(c)).

As of December 31, 2018, the On-Demand Borrowing was secured as set below:

- Personal guarantees provided by Mr. Zhang Ruilin, Ms. Zhao Jiangbo and Mr. Zhao Jiangwei
- Share charge over certain issued share capital of certain subsidiaries of the Group used for investment holding purpose
- Account charge over certain bank accounts of the Group to ensure the payment of interest and principal when due
- Other assets security and share charge

#### (c) Other loans

As at December 31, 2018, the other loans were secured as set below:

- Share charge over the entire issued share capital of Gobi held by the Group
- Pledge over the Group's interest under the Daan PSC held by Gobi
- Pledge over the Group's account receivable amounting to RMB65.8 million under the Daan PSC held by Gobi
- Share charge over certain issued share capital in associates held by the Group
- Account charge over certain accounts of the Group to ensure the payment of interest and principal when due
- Share charge over certain issued share capital of certain subsidiaries of the Group used for investment holding purpose

### 27. 借款(續)

附註(續)

#### (b) 即時償還借款

本集團與第三方訂立協議，借入本金金額為60百萬美元，年利率為8%，並須於二零二零年二月一日償還。根據協議，貸款人有權要求本集團立即償還本金及應計利息(附註2.1.1(c))。

截至二零一八年十二月三十一日，即時償還借款存在下列抵押：

- 張瑞霖先生，趙江波女士及趙江巍先生提供個人擔保
- 用於投資持有目的而持有的部分子公司的全部股本
- 本集團的部分擔保銀行賬戶，用以確保償還到期的本金及利息
- 其他資產擔保和股本

#### (c) 其他借款

截至二零一八年十二月三十一日，其他借款存在下列抵押：

- 本集團持有的戈壁全部股本
- 本集團通過戈壁持有的大安產品分成合同下的權益作為擔保
- 本集團通過戈壁持有的大安產品分成合同下的人民幣金額為65.8百萬元的應收賬款作為擔保
- 本集團持有的聯營企業的全部股本
- 本集團的部分擔保賬戶，用以確保償還到期的本金及利息
- 用於投資持有目的而持有的部分子公司的全部股本

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 27. BORROWINGS (Continued)

Note (Continued)

(d) Effective interest rate and estimated fair value

		Secured bank loans	Senior Notes	On-Demand Borrowing and other loans	Total
		抵押銀行貸款	優先票據	即時償還借款 及其他借款	總計
Effective interest rate:	實際利率：				
At December 31, 2018	於二零一八年十二月三十一日	–	8.99%	12.06% to 26.35%	8.99% to 26.35%
At December 31, 2017	於二零一七年十二月三十一日	4.45%	8.86% to 8.99%	7.70% to 30.00%	4.45% to 30.0%
Estimated fair value	估計公允價值：				
At December 31, 2018	於二零一八年十二月三十一日	–	1,163,236	2,175,531	3,338,767
At December 31, 2017	於二零一七年十二月三十一日	870,334	2,616,849	1,958,832	5,446,015

The fair values of 2019 Notes are based on its closing prices quoted on Singapore Exchange Securities Trading Limited and are within level 1 of the fair value hierarchy; On-Demand Borrowings and other loans from other parties are based on the effective interest rate from 12.06% to 26.35% and within level 3 of the fair value hierarchy.

The 2019 Notes which bear fixed interest rates are not subject to interest rate changes.

### 27. 借款(續)

附註(續)

(d) 實際利率以及估計的公允價值

2019票據的公允價值是基於其在新加坡證券交易所的收盤報價而定，並歸屬於公允價值第一層級；即時償還借款及其他借款是基於實際利率12.06%至26.35%，並歸屬於公允價值第三層級。

2019票據的票面利率固定，且不隨利率波動而變動。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 27. BORROWINGS (Continued)

Note (Continued)

(e) The Group's borrowings were repayable as follows:

		Secured bank loans		Senior Notes		On-Demand Borrowing and other loans	
		抵押銀行借款		優先債券		即時償還借款 及其他借款	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Within 1 year	1年內	-	260,045	2,160,423	1,185,328	389,465	83,638
Between 1 and 2 years	1至2年	-	-	-	2,034,974	1,786,066	932,185
Between 2 and 5 years	2至5年	-	610,289	-	-	-	943,009
		-	870,334	2,160,423	3,220,302	2,175,531	1,958,832

(f) Carrying amounts are denominated in the following currencies:

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
US\$	美元	3,553,368	4,780,283
C\$	加幣	-	870,334
HK\$	港幣	782,586	398,851
		4,335,954	6,049,468

### 27. 借款(續)

附註(續)

(e) 本集團的借款需要償還的金額如下所示

(f) 賬面金額以如下貨幣為單位：

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 28. OTHER (LOSSES)/GAINS, NET

### 28. 其他(損失)/利得 — 淨額

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
Losses arising from disposal of an associate	處置聯營企業產生的損失	(19,927)	-
Losses on financial instruments	金融工具損失	(35,560)	(9,287)
Gains on disposal of a subsidiary	處置子公司產生的利得	-	46,318
Provisions for prepayment	計提預付款項壞賬準備	(1,087)	(459)
Others	其他	14,722	(14,456)
		<b>(41,852)</b>	22,116

### 29. TAXES OTHER THAN INCOME TAXES

### 29. 稅項(所得稅除外)

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
<i>PRC:</i>	<i>中國:</i>		
Petroleum special Profit charge	石油特別收益金	5,319	-
Urban construction tax and education surcharge	城建稅及教育附加費	4,168	3,488
Others	其他	87	91
		<b>9,574</b>	3,579
<i>Corporate and other segments:</i>	<i>總部及其他分部:</i>		
Withholding tax and others (Note)	代扣代繳稅及其他(附註)	9,301	10,635
		<b>18,875</b>	14,214

Note:

During the year, all (2017: all) withholding tax is related to interest expenses arising from the intra-group loans.

附註:

於本年度,所有(二零一七年:所有)代扣代繳稅皆與集團內部貸款所產生的利息相關。



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 30. FINANCE COSTS — NET

### 30. 財務費用 — 淨值

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
<b>Finance income</b>	<b>財務收入</b>		
Interest income	利息收入	22,603	47,985
<b>Finance costs</b>	<b>財務費用</b>		
Interest expenses at coupon rates/bank rates	利息費用(按照票面利率和銀行利率核算)	(307,701)	(362,367)
Amortisation of discounts	貼現攤銷	(222,538)	(85,772)
Gains on repurchase of Senior Notes	回購優先票據的收益	—	388,229
Others	其他	(88,903)	15,936
		<b>(619,142)</b>	(43,974)
Exchange gains — net	匯兌收益 — 淨額	4,790	5,684
		<b>(614,352)</b>	(38,290)
<b>Finance (costs)/income — net</b>	<b>財務(費用)/收入 — 淨值</b>	<b>(591,749)</b>	9,695

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 31. EXPENSES BY NATURE

### 31. 按性質分類的費用

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
Employee benefit expense (Note 32)	員工薪酬成本(附註32)	<b>155,747</b>	121,190
Depreciation and depletion of property, plant and equipment	不動產、工廠及設備的折舊及折耗	<b>313,695</b>	344,567
Amortisation of intangible assets	無形資產攤銷	<b>15,623</b>	5,467
Impairment charges on investments in associates (Note 8)	聯營企業投資減值(附註8)	<b>3,314</b>	33,524
Net impairment losses on financial assets	金融資產減值損失	<b>115,978</b>	728,154
Auditor's remuneration	核數師報酬		
Included in continuing operations:	包含在持續經營：		
— audit and audit related services	— 審計及審計相關服務	<b>5,421</b>	5,154
— services in connection with capital market transactions	— 與資本市場交易相關服務	<b>8,221</b>	8,318
— non-audit services	— 非審計服務	<b>614</b>	665
Included in discontinued operations:	包含在終止經營：		
— audit and audit related services	— 審計及審計相關服務	<b>1,853</b>	2,029
Operating lease expenses	經營租賃費用	<b>16,586</b>	13,931

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 32. EMPLOYEE BENEFIT EXPENSES

### 32. 員工薪酬成本

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
Wages, salaries and allowances	工資、薪金及津貼	81,348	85,436
Housing subsidiaries	住房補貼	1,908	2,137
Share options — value of employee services (Note 22)	購股權 — 僱員服務價值 (附註22)	4,446	16,491
Awarded shares — value of employee services	獎勵股份 — 僱員服務價值	50,297	3,667
Stock appreciation rights expenses	股份增值權費用	3,683	(4,238)
Pension costs — defined contribution plans (Note)	退休金成本 — 設定提存計劃 (附註)	9,194	10,939
Welfare and other expenses	福利及其他費用	4,871	6,758
		<b>155,747</b>	121,190

Note:

The Group is required to make specific contributions to the state-sponsored retirement plan at a rate of 20% (2017: 20%) of the specified salaries of the qualified employees in the PRC. The PRC government is responsible for the pension liability to the retired employees.

附註：

本集團需按合資格中國員工特定工資的20% (二零一七年：20%) 的款項支付予國家規定的職工退休金計劃。中國政府負責該等退休員工的養老金責任。

#### (a) Five highest paid individuals

#### (a) 五名最高薪人士

		2018 二零一八年	2017 二零一七年
Directors	董事	2	2
Non-director individual	非董事人士	3	3
		<b>5</b>	5

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 32. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (a) Five highest paid individuals (Continued)

The details of emoluments paid to the five highest individuals who were Directors of the Company have been included in Note 40. Details of emoluments paid to the remaining non-director individual are as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Non-director individual</b>	<b>非董事人士</b>		
Salaries and allowances	薪金及津貼	7,721	4,397
Discretionary bonuses	酌情獎金	2,405	1,244
Stock appreciation rights expenses	股份增值權費用	447	-
Pension costs — defined contribution plans	退休金成本 — 設定提存計劃	149	145
House allowance and other welfare	住房補貼及其他福利	183	183
Awarded shares expenses	獎勵股份費用	16,927	3,667
Share options expenses	購股權費用	1,273	9,839
		<b>29,105</b>	<b>19,475</b>

The emoluments fell within the following bands:

此等薪酬在下列組合範圍內：

		Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
Emolument bands (in HK\$)	薪酬範圍(港元)		
HK\$4,500,001 — HK\$5,000,000	4,500,001 港元 — 5,000,000 港元	-	2
HK\$5,000,001 — HK\$5,500,000	5,000,001 港元 — 5,500,000 港元	1	-
HK\$5,500,001 — HK\$6,000,000	5,500,001 港元 — 6,000,000 港元	-	1
HK\$6,000,001 — HK\$6,500,000	6,000,001 港元 — 6,500,000 港元	1	-
HK\$9,500,001 — HK\$10,000,000	9,500,001 港元 — 10,000,000 港元	-	1
HK\$10,000,001 — HK\$15,000,000	10,000,001 港元 — 15,000,000 港元	1	1
HK\$15,000,001 — HK\$20,000,000	15,000,001 港元 — 20,000,000 港元	1	-
HK\$25,000,001 — HK\$30,000,000	25,000,001 港元 — 30,000,000 港元	1	-
		<b>5</b>	<b>5</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 32. EMPLOYEE BENEFIT EXPENSES (Continued)

(b) During the financial year ended December 31, 2018, none of the Directors of the Company and the five highest paid individuals:

- (i) received any emolument from the Group as an inducement upon joining the Group;
- (ii) waived or has agreed to waive any emoluments.

#### (c) Senior management remuneration band

Details of the remuneration of each of the Directors for the year ended December 31, 2018 are set out in Note 40. The senior management's remuneration for the year ended December 31, 2018 is within the following bands:

### 32. 員工薪酬成本(續)

(b) 於截至二零一八年十二月三十一日止的財政年度期間，無任何本公司董事或五名最高薪人士涉及下列之事項：

- (i) 收取任何酬金作為加入本集團時的獎勵；
- (ii) 放棄或同意放棄任何報酬。

#### (c) 高級管理層薪酬按組合範圍呈列

各董事截至二零一八年十二月三十一日止年度的薪酬詳情載於附註40。截至二零一八年十二月三十一日止年度高級管理人員的薪酬範圍如下：

		Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
Emolument bands (HK\$)	薪酬範圍(港元)		
HK\$1,000,001 — HK\$1,500,000	1,000,001 港元 — 1,500,000 港元	—	1
HK\$1,500,001 — HK\$2,000,000	1,500,001 港元 — 2,000,000 港元	—	1
HK\$2,500,001 — HK\$3,000,000	2,500,001 港元 — 3,000,000 港元	2	1
HK\$3,500,001 — HK\$4,000,000	3,500,001 港元 — 4,000,000 港元	1	—
HK\$4,500,001 — HK\$5,000,000	4,500,001 港元 — 5,000,000 港元	1	2
HK\$5,000,001 — HK\$6,500,000	5,000,001 港元 — 6,500,000 港元	1	—
HK\$10,000,001 — HK\$15,000,000	10,000,001 港元 — 15,000,000 港元	1	—
HK\$15,000,001 — HK\$20,000,000	15,000,001 港元 — 20,000,000 港元	1	—
		<b>7</b>	<b>5</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 33. INCOME TAX EXPENSE

### 33. 所得稅費用

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元 Re-presented 重新呈列
Current income tax	當期所得稅	(321)	2,537
Deferred income tax (Note 24)	遞延所得稅(附註24)	47,733	102,948
		<b>47,412</b>	105,485

(a) Taxation has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

(a) 課稅按照本年度估計應課稅利潤計算，計算基礎乃本集團經營業務所在國家的現行稅率。

(b) The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

(b) 本集團就除稅前利潤的稅項，與採用合併主體利潤適用的加權平均稅率而應產生的理論稅額的差額如下：

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元 Re-presented 重新呈列
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>	<b>(784,960)</b>	(842,566)
Tax calculated at domestic tax rates applicable to profits in the respective countries	在各有關國家的利潤按適用的當地稅率計算的稅項	22,216	70,329
Tax effects of:	稅項影響		
— Income not subject to tax	— 無需繳稅收入	—	(205)
— Expenses not deductible for tax purposes	— 不可扣稅支出	5,767	2,358
— Tax losses and temporary differences for which no deferred income tax asset was recognised	— 未確認遞延所得稅資產的稅務虧損及暫時性差異	19,406	30,796
— Adjustments in respect of prior years	— 以前年度調整	23	2,207
<b>Tax charge</b>	<b>稅項支出</b>	<b>47,412</b>	105,485

The weighted average effective tax rate was negative 6% (2017: negative 13%) for the year ended December 31, 2018.

截至二零一八年十二月三十一日止年度之加權平均有效稅率為負6%(二零一七年：負13%)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 34. DIVIDENDS

The Directors do not propose dividend for the year (2017: Nil).

### 35. LOSS PER SHARE

#### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

### 34. 權益分派

本公司董事決定本年度不派發股利(二零一七年：無)。

### 35. 每股虧損

#### (a) 基本

基本每股收益是根據本公司所有者的應佔利潤，除以本年度內已發行普通股的加權平均數目計算。

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
Loss for the year attribute to owners of the company arising from:	本年本公司所有者應佔虧損的每股虧損：		
— Continuing operations	— 持續經營	(832,330)	(948,051)
— Discontinued operations	— 終止經營	(363,463)	(151,425)
Weighted average number of ordinary shares (thousands)	加權平均普通股數目(千股)	2,908,985	2,813,638
Basic loss per share	基本每股虧損		
— Continuing operations	— 持續經營	(0.29)	(0.34)
— Discontinued operations	— 終止經營	(0.12)	(0.05)
		(0.41)	(0.39)



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 35. LOSS PER SHARE (Continued)

#### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options outstanding which are potentially dilutive. A calculation is performed to determine the number of ordinary shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the weighted average number of outstanding share options. The number of ordinary shares calculated above for basic earnings per share is increased by the number of ordinary shares that would have been issued assuming the exercise of the share options at the date later of beginning of the relevant period or the date of issue.

### 35. 每股虧損(續)

#### (b) 稀釋

每股稀釋收益乃假設所有稀釋潛在普通股獲兌換後，經調整已發行普通股的加權平均數計算。本公司尚未行使之購股權具有潛在稀釋效應。至於購股權，根據未行使購股權的加權平均數所附認購權的貨幣價值，釐定可能已按公允價值(即本公司股份的平均年度市價)購入的普通股數目。按以上基本每股收益方式計算的普通股數目，需加上假設購股權於相關期間期初或實際發行日兩者之中較晚日期獲行使或轉換而發行的普通股數量。

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
Loss attributable to owners of the Company used to determine diluted earnings per share	用於釐定每股稀釋收益的本公司所有者的損失		
— Continuing operations	— 持續經營	(832,330)	(948,051)
— Discontinued operations	— 終止經營	(363,463)	(151,425)
Weighted average number of ordinary shares (thousands)	加權平均普通股數目(千股)	2,908,985	2,813,638
Weighted average number of diluted potential ordinary shares for diluted earnings per share (thousands)	為計算每股稀釋收益的稀釋潛在普通股加權平均數(千股)	2,908,985	2,813,638
Diluted loss per share	稀釋每股虧損		
— Continuing operations	— 持續經營	(0.29)	(0.34)
— Discontinued operations	— 終止經營	(0.12)	(0.05)
		(0.41)	(0.39)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 36. NET CASH INFLOW FROM OPERATING ACTIVITIES

### 36. 經營活動產生的現金淨額

		Year ended December 31, 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 Re-presented 重新呈列
<b>Continuing operations</b>	<b>持續經營</b>		
Loss before income tax	除所得稅前虧損	<b>(784,960)</b>	(842,566)
Adjustments for:	調整：		
Depreciation, depletion and amortisation	折舊、折耗及攤銷	<b>329,318</b>	350,034
Interest expenses — net (Note 30)	淨利息支出(附註30)	<b>596,539</b>	(4,011)
Net impairment losses on financial assets	金融資產減值損失	<b>115,978</b>	728,154
Net impairment losses on prepayments	預付款項減值損失	<b>1,087</b>	459
Impairment charges	資產減值損失	<b>37,471</b>	35,524
Share of losses from investments in associates	享有聯營企業投資的虧損份額	<b>9,318</b>	63,023
Losses arising from disposal of an associate	處置聯營企業產生的損失	<b>19,927</b>	—
Share-based payment to employees	購股權計劃下僱員服務成本	<b>54,743</b>	20,158
Exchange gains	匯兌收益	<b>(4,790)</b>	(5,684)
Losses on changes in fair value of financial instruments	金融工具的公允價值變動損失	<b>35,560</b>	9,287
Gains on disposal of subsidiaries	處置子公司利得	—	(46,318)
Others	其他	—	16,687
Changes in working capital:	營運資金變動：		
Trade and other receivable	應收及其他應收款	<b>(23,383)</b>	83,985
Trade and other payable	應付及其他應付款	<b>108,115</b>	31,923
Inventories	存貨	<b>(1,428)</b>	6,185
<b>Cash generated from operations</b>	<b>經營活動產生的現金</b>	<b>493,495</b>	446,840
<b>Cash flows from operating activities</b>	<b>經營活動的現金流量</b>		
Continuing operations	持續經營	<b>493,495</b>	446,840
Interest paid	已付利息	<b>(479,093)</b>	(398,226)
Income taxes paid	已付所得稅	<b>(52,450)</b>	(2,401)
Discontinued operations	終止經營	<b>132,127</b>	(5,272)
<b>Net cash inflow from operating activities</b>	<b>經營活動現金淨額</b>	<b>94,079</b>	40,941

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 36. NET CASH INFLOW FROM OPERATING ACTIVITIES (Continued)

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

### 36. 經營活動產生的現金淨額(續)

此部分進行了淨負債的分析以及在每個期間淨負債的變動。

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Net debt</b>	<b>淨負債</b>		
Cash and cash equivalents	現金及現金等價物	28,115	132,172
Liquid investments	流動投資	17,755	111,228
Borrowings — repayable within one year (including overdraft)	借款 — 一年以內償還 (包含透支金額)	(2,549,888)	(1,529,011)
Borrowings — repayable after one year	借款 — 一年以上償還	(1,786,066)	(4,520,457)
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債	(313,969)	(1,067,626)
<b>Net debt</b>	<b>淨負債</b>	<b>(4,604,053)</b>	(6,873,694)
Cash and liquid investments	現金及流動投資	45,870	243,400
Gross debt — fixed interest rates	總負債 — 固定利率	(4,649,923)	(7,117,094)
<b>Net debt</b>	<b>淨負債</b>	<b>(4,604,053)</b>	(6,873,694)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 36. NET CASH INFLOW FROM OPERATING ACTIVITIES (Continued)

### 36. 經營活動產生的現金淨額(續)

		Cash and cash equivalent	Liquid investments	Borrowing due within 1 year	Borrowing due after 1 year	Financial liabilities at fair value through profit or loss	Total
		現金及現金等價物	流動投資	一年以內借款	一年以上借款	以公允價值計量且其變動計入當期損益的金融負債	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Net debt at January 1, 2018</b>	於二零一八年一月一日淨負債	132,172	111,228	(1,529,011)	(4,520,457)	(1,067,626)	(6,873,694)
Cash flows	現金流						
— Continued operations	— 持續經營	(104,238)	(34,245)	851,935	(313,261)	(275,436)	124,755
— Discontinued operations	— 終止經營	9,478	-	255,015	150,642	-	415,135
Foreign exchange adjustments	外幣折算差異調整	(7,183)	(6,345)	2,303	(231,211)	15,211	(227,225)
Other non-cash movements	其他非現金變動	-	(52,883)	(2,760,510)	2,695,238	21,331	(96,824)
Transfer to Disposal Group (Note 20)	轉撥至處置組(附註20)	(2,114)	-	630,380	432,983	992,551	2,053,800
<b>Net debt at December 31, 2018</b>	於二零一八年十二月三十一日淨負債	28,115	17,755	(2,549,888)	(1,786,066)	(313,969)	(4,604,053)

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 37. COMMITMENTS AND CONTINGENCIES

#### (a) Commitments

##### (i) Capital commitments for the purchase of property, plant and equipment

		As at December 31, 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Authorised by the Board of Directors but not contracted for	董事會已批准但未簽約	126,429	89,856
Contracted but not provided for	已簽約但未撥備	–	121,692
		<b>126,429</b>	211,548

##### (ii) Operating lease commitments

The Group has operating lease commitments related to its non-cancellable operating leases for offices and vehicles. The future aggregate minimum lease payments under these operating leases are as follows:

		As at December 31, 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Less than 1 year	少於一年	9,948	25,791
Within 1–2 years	一至兩年	4,459	9,826
Within 2–5 years	二至五年	3,903	3,177
Over 5 years	五年以上	–	811
		<b>18,310</b>	39,605

### 37. 承諾事項及或有負債

#### (a) 承諾

##### (i) 購買不動產、工廠及設備之資本性承諾事項

As at December 31,  
於十二月三十一日

2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
126,429	89,856
–	121,692
<b>126,429</b>	211,548

##### (ii) 經營租賃承諾

本集團因經營租賃辦公室和車輛而擁有不可撤銷的經營租約承諾。經營租賃項下的未來最低租賃付款額列示如下：

As at December 31,  
於十二月三十一日

2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
9,948	25,791
4,459	9,826
3,903	3,177
–	811
<b>18,310</b>	39,605

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 37. COMMITMENTS AND CONTINGENCIES (Continued)

#### (b) Contingencies

The Group has contingent liabilities in respect of claims or other legal procedures arising in its ordinary course of business from time to time. As at December 31, 2018, the Directors did not anticipate that any material liabilities will arise from the contingent liabilities other than those provided for in the financial statements.

### 38. BUSINESS COMBINATION

#### (i) Acquisition of Joint Operations in PRC

##### (a) Summary of the acquisitions

On December 21, 2017, the Group acquired 10% foreign contractor's participating interest in each of Daan and Moliqing blocks within the Daan and Moliqing oilfields located in Northeast region in the PRC from GOC with an aggregate consideration of US\$55.0 million in cash (equivalent to RMB346.8 million) (the "Acquisition of Joint Operations"). Among the consideration, an amount of RMB187.9 million was paid in cash during the year ended December 31, 2018 and the remaining part was accounted for as payable as at the year end.

Upon the completion of the Acquisition of Joint Operations, the Group hold the entire 100% share of Foreign Contractor's interest in Daan PSC and hold a 10% share of the foreign contractor's participating interest in Moliqing PSC. The acquired businesses are joint operations under IFRS 11. As the acquired joint operations constitute businesses, the Group applied business combination accounting to the extent of its acquired shares in accordance with the requirements of IFRS 11 and IFRS 3 Business Combination ("IFRS 3").

### 37. 承諾事項及或有負債(續)

#### (b) 或有負債

本集團在日常業務中時而會發生與索償或其他法律程序相關的或有負債。於二零一八年十二月三十一日，董事預期除已於財務報表中撥備外，不存在任何或有負債將構成重大負債的事項。

### 38. 企業合併

#### (i) 收購中國的共同經營業務

##### (a) 收購信息匯總

於二零一七年十二月二十一日，集團收購位於中國東北地區莫里青及大安區塊外國合同方10%的油氣開發權利，收購總對價為現金55百萬美元(相當於等值人民幣346.8百萬元)(「收購共同經營」)。截至二零一八年十二月三十一日，集團已現金支付人民幣187.9百萬元，餘下未支付部分計入應付款項。

本次收購完成後，本集團持有大安區塊100%外方合同者權益以及持有莫里青區塊10%外方參與權益。收購業務為國際財務報告準則第11號共同經營。由於收購共同經營構成業務，本集團根據國際財務報告準則第11號及國際財務報告準則第3號業務合併(「國際財務報告準則第3號」)的要求，採用企業合併會計處理所收購的股權。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 38. BUSINESS COMBINATION (Continued)

#### (i) Acquisition of Joint Operations in PRC (Continued)

##### (a) Summary of the acquisitions (Continued)

The assets and liabilities recognised as a results of the Acquisition of Joint Operations are as follows:

		Fair value 公允價值 RMB'000 人民幣千元
Property, plant and equipment (Note 6)	不動產、工廠及設備(附註6)	221,870
Intangible assets (Note 7)	無形資產(附註7)	124,065
Other assets	其他資產	1,381
Deferred tax liability	遞延所得稅負債	(30,946)
Asset retirement obligation	資產棄置義務負債	(1,739)
<b>Net identifiable assets acquired</b>	<b>取得的可辨認資產總額</b>	<b>314,631</b>
Add: goodwill (Note 7)	加：商譽(附註7)	32,122
<b>Net assets acquired</b>	<b>取得的淨資產</b>	<b>346,753</b>

### 38. 企業合併(續)

#### (i) 收購中國的共同經營業務(續)

##### (a) 收購信息匯總(續)

以下表格總結了收購共同經營所購入的資產和承擔的負債：



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 38. BUSINESS COMBINATION (Continued)

#### (i) Acquisition of Joint Operations in PRC (Continued)

##### (a) Summary of the acquisitions (Continued)

The goodwill of RMB32.1 million is attributable to the synergy expected from the integration of the Group's production and commercial resources in the joint operations under the PSCs.

Acquisition-related costs of RMB0.7 million were charged to general and administrative expense in the consolidated statement of comprehensive income for the year ended December 31, 2018.

The acquired businesses under the Acquisition of Joint Operations contributed revenue from contracts with customers of RMB78.8 million and loss from continuing operations of RMB26.7 million to the Group during the period from the acquisition date to December 31, 2018.

If the Acquisition of Joint Operations has occurred on January 1, 2018, consolidated pro-forma revenue from contracts with customers and loss from continuing operations for the year ended December 31, 2018 would have been RMB100.1 million and RMB21.8 million respectively. These amounts have been calculated using the joint operations' results and adjusting them for the additional amortisation that would have been charged assuming the fair value adjustments to intangible assets had applied from January 1, 2018, together with the consequential tax effects.

### 38. 企業合併(續)

#### (i) 收購中國的共同經營業務(續)

##### (a) 收購信息匯總(續)

商譽為人民幣32.1百萬元，乃由本集團的生產及商業資源整合於產品分成合同下的共同經營所預期的協同效應。

收購相關成本人民幣0.7百萬元已包含在截至二零一八年十二月三十一日止年度的合併綜合收益表的管理費用中。

自收購日起至二零一八年十二月三十一日止，由共同經營業務收購貢獻的收入為人民幣78.8百萬元，其亦在同期產生人民幣26.7百萬元的持續經營虧損。

假設於二零一八年一月一日發生收購共同經營業務，截至二零一八年十二月三十一日止年度的與客戶合同產生的合併備考收入及持續經營虧損金額分別為人民幣100.1百萬元及人民幣21.8百萬元。這些金額是使用共同經營業績計算的，並根據二零一八年一月一日對無形資產的公允價值調整以及相應的稅收影響對本應計入的額外攤銷進行調整。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 38. BUSINESS COMBINATION (Continued)

#### (i) Acquisition of Joint Operations in PRC (Continued)

##### (b) Purchase consideration – cash outflow

Outflow of cash paid for acquisition, net of cash acquired paid, net of cash acquired	收購支付款項的現金流出, 所取得的現金淨額所取得的現金淨額	
Cash consideration	現金對價	187,881
Less: cash balances acquired	減: 所併購的現金餘額	-

187,881

-

187,881

As at  
December 31,  
於  
十二月三十一日  
2018  
二零一八年  
RMB'000  
人民幣千元

#### (ii) Acquire 51% interests of China Aerospace Telecommunications (Shenzhen) Limited ("China Aerospace")

##### (a) Summary of the acquisition

On December 29, 2018, the Group acquired 51% interests of China Aerospace for a purchase consideration of approximately RMB21.3 million from an independent vendor.

Upon completion, a goodwill of RMB7.5 million arose from the acquisition, attributable to acquired customer base and the synergy expected from the integration. None of the goodwill recognised is expected to be deductible for income tax purposes.

The following table summarises the fair value of assets acquired, liabilities assumed at the acquisition date.

### 38. 企業合併(續)

#### (i) 收購中國的共同經營業務(續)

##### (b) 收購對價 – 現金流出

#### (ii) 收購航天科技通信電子技術(深圳)(「航天科技」)51%權益

##### (a) 收購信息匯總

於二零一八年十二月二十九日, 本集團從獨立的賣方收購了航天科技51%權益, 收購對價約為人民幣21.3百萬元。

收購完成後, 由於收購產生的商譽為人民幣7.5百萬元, 歸因於收購的客戶群整合預期所帶來的協同效應。確認的商譽預期不可抵扣所得稅。

以下表格總結了在收購日所購入的資產、承擔的負債的公允價值。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 38. BUSINESS COMBINATION (Continued)

#### (ii) Acquire 51% interests of China Aerospace Telecommunications (Shenzhen) Limited (“China Aerospace”) (Continued)

##### (a) Summary of the acquisition (Continued)

		Fair value 公允價值 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	2,751
Property, plant and equipment (Note 6)	不動產、工廠及設備(附註6)	667
Intangible assets (Note 7)	無形資產(附註7)	20,435
Inventories	存貨	3,788
Trade and other receivables	應收賬款及其他應收款	3,318
Trade and other payables	應付賬款及其他應付款	(3,747)
<b>Net identifiable assets acquired</b>	<b>取得的可辨認資產總額</b>	<b>27,212</b>
Less: non-controlling interests	減：少數股東權益	(13,334)
Add: goodwill (Note 7)	加：商譽(附註7)	7,462
<b>Net assets acquired</b>	<b>取得的淨資產</b>	<b>21,340</b>

No revenue and loss were recognised during the year from the acquisition date to December 31, 2018.

If the acquisition has occurred on January 1, 2018, consolidated pro-forma revenue from contracts with customers and loss from continuing operations for the year ended December 31, 2018 would have been RMB10.2 million and RMB14.5 million respectively. These amounts have been calculated using the subsidiary's results and adjusting them for the additional amortisation that would have been charged assuming the fair value adjustments to intangible assets had applied from January 1, 2018, together with the consequential tax effects.

### 38. 企業合併(續)

#### (ii) 收購航天科技通信電子技術(深圳)(「航天科技」)51% 權益(續)

##### (a) 收購信息匯總(續)

	Fair value 公允價值 RMB'000 人民幣千元
Cash and cash equivalents	2,751
Property, plant and equipment (Note 6)	667
Intangible assets (Note 7)	20,435
Inventories	3,788
Trade and other receivables	3,318
Trade and other payables	(3,747)
<b>Net identifiable assets acquired</b>	<b>27,212</b>
Less: non-controlling interests	(13,334)
Add: goodwill (Note 7)	7,462
<b>Net assets acquired</b>	<b>21,340</b>

自收購日期至二零一八年十二月三十一日，本年未確認收入和虧損。

假設收購發生在二零一八年一月一日，則截至二零一八年十二月三十一日止年度的與客戶合同產生的合併備考收入及持續經營虧損的金額分別為人民幣10.2百萬元及人民幣14.5百萬元。這些金額是使用子公司的業績計算的，並根據二零一八年一月一日對無形資產的公允價值調整以及相應的稅收影響對本應計入的額外攤銷進行調整。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 38. BUSINESS COMBINATION (Continued)

#### (ii) Acquire 51% interests of China Aerospace Telecommunications (Shenzhen) Limited (“China Aerospace”) (Continued)

##### (b) Purchase consideration — cash outflow

		As at December 31, 於 十二月三十一日 2018 二零一八年 RMB'000 人民幣千元
Outflow of cash to acquire subsidiary, net of cash acquired	收購子公司的現金流出，所取得的 現金淨額	
Cash consideration	現金對價	21,340
Less: cash balances acquired	減：所併購的現金餘額	(2,751)
		<b>18,589</b>

### 39. RELATED PARTY TRANSACTIONS

The Group is indirectly controlled by Far East Energy Limited (“FEEL”), which owns 50.01% of the Company’s shares and is also the ultimate parent company of the Group. FEEL is a limited liability company incorporated in Hong Kong and its ultimate benefit owners are Mr. Zhang Ruilin, Mr. Zhao Jiangwei and Ms. Zhao Jiangbo (“Mrs. Zhang”, Mr. Zhang’s spouse).

### 38. 企業合併(續)

#### (ii) 收購航天科技通信電子技術(深圳)(「航天科技」)51%權益(續)

##### (b) 收購對價 — 現金流出

### 39. 關聯方交易

本集團受Far East Energy Limited(以下簡稱「FEEL」)間接控制，FEEL擁有本公司股本的50.01%，並且是本集團的最終母公司。FEEL為一家在香港註冊的有限責任公司，其最終受益方為張瑞霖先生、趙江巍先生及趙江波女士(張先生之配偶，以下簡稱「張夫人」)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 39. RELATED PARTY TRANSACTIONS (Continued)

### 39. 關聯方交易(續)

In addition to those disclosed elsewhere in the financial statements, the Group incurred significant transactions and balances with related parties in the ordinary course of its business.

除了財務報表其他地方所披露外，在正常的業務範圍內，本集團與關聯方有發生重大交易及年末餘額。

#### (a) Significant transactions with related parties are set out below:

#### (a) 與關聯方的重大交易列示如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Transactions with PSC partners</b>	<b>與產品分成合同夥伴的交易</b>		
Global Oil Corporation ("GOC")	環球石油		
— Cash receipts from the PSCs received by the Group on GOC's behalf	— 根據產品分成合同代表環球石油收取的款項	18,188	74,903
— Advances to GOC	— 預付環球石油款項	—	(41,319)
— Expenditures for PSCs incurred on GOC's behalf	— 根據產品分成合同代表環球石油所付生產費用	(3,764)	(25,699)
— Deposit paid on GOC's behalf	— 代環球石油支付勞動用工風險保證金	—	(20)
Riyadh Energy Limited("Riyadh")	利雅得能源公司(利雅得)		
— Net receivables under PSC received by Riyadh on the Group's behalf	— 應收利雅得根據產品分成合同代表本集團收取的款項淨額	15,269	—
— Expenditures for PSCs incurred on Group's behalf by Riyadh	— 利雅得根據產品分成合同代表本集團所付生產費用	(14,023)	—
PetroChina	中石油		
— Sales to PetroChina	— 對中石油的銷售額	771,499	652,977
— Expenditures for PSCs incurred on PetroChina's behalf	— 根據產品分成合同代表中石油所支付的生產費用	(179,526)	(179,909)
<b>Transactions with associates</b>	<b>與聯營企業的交易</b>		
— Accrued interest income from shareholder's loan to PBV	— 提供予PBV的股東貸款所產生的利息收入	27,109	39,536
— Shareholder's loan to PetroBroad	— 提供予PetroBroad的股東貸款	—	(20,227)
— Payment received from PetroBroad	— 收到PetroBroad還款	—	20,227
— Investment in PetroBroad	— 對PetroBroad的投資	(3,314)	(33,524)
<b>Other transactions</b>	<b>其他交易</b>		
— Issuance of convertible preferred shares to CCGRF Gastown Limited	— 向CCGRF Gastown Limited發行可轉換優先股	—	889,688
— Standby fee to CCGRF Gastown Limited	— 應付CCGRF Gastown Limited安排費	—	35,366
— Dividend for convertible preferred shares to CCGRF Gastown Limited	— 支付CCGRF Gastown Limited付可轉換優先股股息	69,364	—

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 39. RELATED PARTY TRANSACTIONS (Continued)

### 39. 關聯方交易(續)

(a) Significant transactions with related parties are set out below: (Continued)

(a) 與關聯方的重大交易列示如下：  
(續)

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Transactions with Mrs. Zhang or entities controlled by Mrs. Zhang</b>	<b>與張夫人或被張夫人控制的實體的交易</b>		
— Purchases of oilfield services*	— 購買鑽井服務*	(117,929)	(60,809)
— Rental of vehicles and office premises*	— 汽車和辦公室的租賃*	(715)	(948)
— Loan from Mrs. Zhang	— 張夫人借款	7,478	16,714
— Repayment of loan and interest of Mrs. Zhang	— 償還張夫人借款及利息	(24,369)	—

\* The purchase of oilfield services and rental of vehicles and office premises represented gross amount transacted between the Group and Mrs. Zhang or entities controlled by Mrs. Zhang.

\* 購買鑽油服務及汽車和辦公室租賃代表與張夫人或被張夫人控制的實體進行交易的總額。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 39. RELATED PARTY TRANSACTIONS (Continued) 39. 關聯方交易(續)

(b) Significant balances with related parties are set out below:

(b) 關聯方交易重大餘額列示如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Included in 'trade and other receivables':</b>			
	「應收及其他應收款」包括：		
Trade receivables from PSC partner	應收產品分成合同夥伴貿易款項	65,801	79,874
Other receivables from PSC partners	其他應收產品分成合同夥伴款項	30,594	205,757
Other receivables from Palaeontol B.V	其他應收 Palaeontol B.V 款項	7,006	112,764
Shareholder loans granted to Palaeontol B.V	授予 Palaeontol B.V 股東借款	879,895	813,731
Other receivables from China Aerospace Telecommunications Limited	其他應收中國航天科技通信有限公司款項	590	-
Other receivables from companies controlled by the controlling shareholder of the Company's ultimate holding company	其他應收受本公司最終控股方控股股東控制的公司的款項	1,471	1,393
		<b>985,357</b>	1,213,519
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Included in 'trade and other payables':</b>			
	「應付及其他應付款」包括：		
Trade payables to companies controlled by the controlling shareholder of the Company's ultimate holding company	應付受本公司最終控股方控股股東控制的公司的貿易款項	67,504	33,753
Other payables from Palaeontol B.V	其他應付 Palaeontol B.V 款項	182	-
Standby fee to CCGRF Gastown Limited	應付 CCGRF Gastown Limited 安排費	-	35,366
Others	其他	699	44
		<b>68,385</b>	69,163



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 39. RELATED PARTY TRANSACTIONS (Continued)

#### (b) Significant balances with related parties are set out below: (Continued)

Other receivables from PSC partners represent advances to GOC and PetroChina mainly from cash receipts received by the Group on the behalf of GOC and expenditures incurred from and for the respective PSCs by the Group on the behalf of GOC and PetroChina, respectively.

Trade payables to companies controlled by the controlling shareholder of the Company's ultimate holding company represent payables for oilfield related services from Jilin Guotai Petroleum Development Company and its subsidiaries, Songyuan Guotai Petroleum Technology Service Company and Jilin Guotai Drilling Engineering Technology Service Company.

At December 31, 2018, all (2017: all) cash call balances are interest-free and unsecured, and the balances of shareholders' loans are unsecured, carrying nominal interest rate of ranging from 4.9% to 5.0% per annum (2017: 4.9% to 5.0%).

### 39. 關聯方交易(續)

#### (b) 關聯方交易重大餘額列示如下： (續)

其他應收產品分成合同合作夥伴款項為預付給環球石油和中石油的款項，主要來自於本集團按照環球石油應享有的份額代環球石油收取的款項及根據產品分成合同代環球石油和中石油代墊的費用。

應付受本公司最終控股方控股股東控制的公司的貿易款項為向吉林省國泰石油開發有限公司及其子公司松原市國泰石油科技服務有限公司及吉林省國泰鑽探工程技術服務有限公司支付油田相關服務的應付款項。

於二零一八年十二月三十一日，所有(二零一七年：所有)現金供款款項無抵押性質且不計利息，所有(二零一七年：所有)股東借款為無抵押性質，名義年利率範圍為4.9%至5.0%(二零一七年：4.9%至5.0%)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 39. RELATED PARTY TRANSACTIONS (Continued) 39. 關聯方交易(續)

#### (c) Loan to related parties

#### (c) 予關聯方貸款

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Loan to associates:</b>	予聯營企業貸款：		
<b>At January 1/recognition date,</b>	於一月一日 / 在初始確認日期，	<b>813,731</b>	823,217
— Addition	— 增加	—	20,227
— Repayment	— 還款	<b>(2,680)</b>	(20,227)
— Interest charged	— 利息收入	<b>27,109</b>	39,536
— Repayment of interest	— 收到利息	<b>(80)</b>	—
— Exchange gains/(losses)	— 匯兌損益	<b>41,815</b>	(49,022)
<b>At December 31,</b>	於十二月三十一日	<b>879,895</b>	813,731

The shareholders loans to associate as at December 31, 2018 is unsecured, carries interest ranging from 4.9% to 5.0% per annum (2017: 4.9% to 5.0%).

於二零一八年十二月三十一日，本集團授予聯營企業的股東貸款是無抵押貸款，名義年利率範圍為4.9%至5.0%（二零一七年：4.9%至5.0%）。

#### (d) Loan from related parties

#### (d) 從關聯方取得借款

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Loan from related parties</b>	予關聯方借款		
<b>At January 1,</b>	於一月一日，	<b>16,758</b>	—
— Addition	— 增加	<b>6,634</b>	16,714
— Repayment	— 償還	<b>(24,369)</b>	—
— Interest charged	— 利息費用	<b>845</b>	44
— Exchange gains	— 匯兌損益	<b>302</b>	—
<b>At December 31,</b>	於十二月三十一日	<b>170</b>	16,758

The loan from related parties as at December 31, 2018 is unsecured, carries interest 8% per annum.

於二零一八年十二月三十一日，本集團從關聯方取得借款是無抵押貸款，名義年利率為8%。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 39. RELATED PARTY TRANSACTIONS (Continued)

#### (e) The Maple Marathon Disposal

On September 24, 2018, the Group has entered into the Disposal Agreement with Far East Energy for the sale of its entire 100% equity investment in the Disposal Group at a consideration of US\$250.0 million (equivalent to approximately RMB1,715.8 million). Far East Energy is indirectly wholly owned by the controlling shareholder of the Company, Mr. Zhang Ruilin and it is a related party of the Group. This transaction is therefore a related party transaction. The consideration of the Maple Marathon Disposal was arrived at after arm's length negotiations between the Company and Far East Energy and is on normal commercial terms with reference to the consideration paid to the independent vendors when the Group acquired the Canadian business in September 2017 (Note 20).

#### (f) Key management compensation:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Salaries	薪金	24,701	14,424
Bonuses	獎金	7,462	7,965
Value of share based payment — employee services	股份支付金額 — 僱員服務價值	36,089	4,510
Benefits in-kind	其他福利	2,361	1,953
		<b>70,613</b>	28,852

Bonuses fall due wholly within twelve months after the end of the reporting period in which management rendered the related services.

### 39. 關聯方交易(續)

#### (e) Maple Marathon 出售事項

於二零一八年九月二十四日，本集團已與 Far East Energy 訂立出售協議，以對價為美元250百萬元，(等價於約人民幣1,715.8百萬元)。Far East Energy 由本公司控股股東張瑞霖先生間接全資擁有，並為本集團的關聯方。因此，此交易為關聯方交易。Maple Marathon 出售事項的對價乃由本公司與 Far East Energy 經公平磋商後釐定，並參考了本集團於二零一七年九月按一般商業條款訂立收購加拿大業務時向獨立賣方支付的對價(附註20)。

#### (f) 主要管理人員酬金列示如下：

獎金將會在管理層完成相應服務後十二個月內發放。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 40. BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

### 40. 董事的利益和權益(由香港《公司條例》(第622章)第383條及公司(披露董事利益資料)規例)(第622G章)規定的披露)

#### (a) Directors' and chief executive's emoluments

#### (a) 董事及首席執行官酬金

Name of Director	董事姓名	Fees	Salaries and allowances	Discretionary bonuses	Housing allowance	Share options expenses	Employer's contribution to pension scheme	Other benefits	Stock appreciation rights granted	Awarded Shares expenses	Total
		袍金 RMB'000 人民幣千元	薪金及津貼 RMB'000 人民幣千元	酌情獎金 RMB'000 人民幣千元	房屋津貼 RMB'000 人民幣千元	購股權費用 RMB'000 人民幣千元	退休計劃 的僱主供款 RMB'000 人民幣千元	其他福利 RMB'000 人民幣千元	股權增值權 RMB'000 人民幣千元	股份獎勵 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>For the year ended December 31, 2018</b>		<b>截至二零一八年十二月三十一日止年度</b>									
Zhang Ruilin*	張瑞霖*	-	3,500	3,980	366	522	24	457	-	14,509	23,358
ZhaoJiang wei	趙江巍	-	3,000	663	274	522	72	404	-	387	5,322
Mei Jianping	梅建平	265	-	-	-	-	-	-	(36)	-	229
Jeffrey Willard Miller	Jeffrey Willard Miller	332	-	-	-	-	-	-	(36)	-	296
Guo Yanjun	郭燕軍	265	-	-	-	-	-	-	-	-	265
Xie Na	謝娜	-	-	-	-	-	-	-	-	-	-
Jiao Qisen**	焦祺森**	245	-	-	-	-	-	-	-	-	245
		1,107	6,500	4,643	640	1,044	96	861	(72)	14,896	29,715

Name of Director	董事姓名	Fees	Salaries and allowances	Discretionary bonuses	Housing allowance	Share options expenses	Employer's contribution to pension scheme	Other benefits	Stock appreciation rights granted	Total
		袍金 RMB'000 人民幣千元	薪金及津貼 RMB'000 人民幣千元	酌情獎金 RMB'000 人民幣千元	房屋津貼 RMB'000 人民幣千元	購股權費用 RMB'000 人民幣千元	退休計劃 的僱主供款 RMB'000 人民幣千元	其他福利 RMB'000 人民幣千元	股權增值權 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>For the year ended December 31, 2017</b>		<b>截至二零一七年十二月三十一日止年度</b>								
Zhang Ruilin*	張瑞霖*	-	3,500	4,045	365	651	24	469	-	9,054
ZhaoJiang wei	趙江巍	-	3,000	1,348	271	651	64	374	-	5,708
Mei Jianping	梅建平	270	-	-	-	-	-	-	(32)	238
Jeffrey Willard Miller	Jeffrey Willard Miller	337	-	-	-	-	-	-	(32)	305
Guo Yanjun	郭燕軍	270	-	-	-	-	-	-	-	270
Xie Na	謝娜	-	-	-	-	-	-	-	-	-
Andrew Sherwood Harper***	Andrew Sherwood Harper***	-	1,705	-	-	128	-	-	-	1,833
Tian Hongtao***	田洪濤***	-	589	-	13	7,054	20	13	-	7,689
		877	8,794	5,393	649	8,484	108	856	(64)	25,097

\* Mr. Zhang Ruilin is also the chief executive officer.

\* 張瑞霖先生亦為首席執行官。

\*\* Mr. Jiao Qisen was appointed as a non-executive director with effect from January 29, 2018 and resigned with effect from January 16, 2019.

\*\* 焦祺森先生於二零一八年一月二十九日獲委任為執行董事，於二零一九年一月十六日辭任。

\*\*\* Resigned with effect from June 30, 2017.

\*\*\* 於二零一七年六月三十日辭任。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 40. BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

#### (b) Directors' retirement benefits

The retirement benefits paid to Mr. Zhang Ruilin, during the year ended December 31, 2018 by a defined benefit pension plan operated by the group in respect of Mr. Zhang Ruilin's services as a director of the company and its subsidiaries is RMB24,355 (2017: RMB23,550).

The retirement benefits paid to Mr. Zhao Jiangwei, during the year ended December 31, 2018 by a defined benefit pension plan operated by the group in respect of Mr. Zhao Jiangwei's services as a director of the company and its subsidiaries is RMB71,880 (2017: RMB64,038).

### 40. 董事的利益和權益(由香港《公司條例》(第622章)第383條及公司(披露董事利益資料)規例》(第622G章)規定的披露)(續)

#### (b) 董事的退休福利

截至二零一八年十二月三十一日止年度，由本集團營運的設定收益退休計劃向張瑞霖先生就其作為本公司及其子公司董事提供服務而向其支付的退休福利為人民幣24,355元(二零一七年：人民幣23,550元)。

截至二零一八年十二月三十一日止年度，由本集團營運的設定收益退休計劃向趙江巍先生就其作為本公司及其子公司董事提供服務而向其支付的退休福利為人民幣71,880元(二零一七年：人民幣64,038元)。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 41. CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers on the Group's financial statements and also discloses the new accounting policies that have been applied from January 1, 2018, where they are different to those applied in prior periods.

As explained in Note 2, the Group has adopted IFRS 9 and IFRS 15 since January 1, 2018, which led to changes in accounting policies and impact on the financial statements.

#### IFRS 15

The Group has adopted IFRS 15 since January 1, 2018 and elected to apply the modified retrospective approach which means the cumulative impact of the adoption shall be recognized in retained earnings as of January 1, 2018 and that comparatives shall not be restated. The main impact of IFRS 15 is immaterial to the Group, therefore, the adoption of IFRS 15 did not have any material impact on the consolidated financial statements of the Group.

#### IFRS 9

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

### 41. 會計政策變更

本附註解釋了採納國際財務報告準則第9號「金融工具」及國際財務報告準則第15號「客戶合同收入」對本集團財務報表的影響，並披露了自二零一八年一月一日起實施的新會計政策與往期會計政策的差異。

如附註2所述，本集團於二零一八年一月一日起採納國際財務報告準則第9號和15號，這將導致會計政策的變動並對財務報表產生影響。

#### 國際財務報告準則第15號

本集團於二零一八年一月一日起採用國際財務報告準則第15號，並選擇應用經修訂追溯法，即將於二零一八年一月一日的保留盈利中確認採納準則的累計影響，而比較數字則不會重列。國際財務報告準則第15號的主要影響對本集團而言並不重大，因此採用國際財務報告準則第15號不會對本集團的合併財務報表產生任何重大影響。

#### 國際財務報告準則第9號

下表呈列了就每個報表項目的調整。不受影響的報表項目不包括在內。因此，所披露的小計和總計無法根據以下所呈列的數字重新計算得出。相關調整在後文中按準則進行了更詳盡的說明。

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 41. CHANGE IN ACCOUNTING POLICIES (Continued)

### 41. 會計政策變更(續)

Consolidated statement of financial position (extract) 合併財務狀況表(摘錄)	December 31, 2017 as originally presented 二零一七年 十二月三十一日 原始金額列式 RMB'000 人民幣千元	IFRS 9 國際財務報告 準則第9號 RMB'000 人民幣千元	January 1, 2018 Restated 二零一八年 一月一日重述 RMB'000 人民幣千元	
<b>Non-current assets</b>	<b>非流動資產</b>			
Financial assets at fair value through other comprehensive income (FVOCI)	以公允價值計量且其變動計入 其他綜合收益的金融資產	-	66,853	<b>66,853</b>
Financial assets at fair value through profit and loss (FVPL)	以公允價值計量且其變動計入 當期損益的金融資產	-	279	<b>279</b>
Available-for-sale financial assets	可供出售金融資產	67,132	(67,132)	-
<b>Current assets</b>	<b>流動資產</b>			
Available-for-sale financial assets	可供出售金融資產	111,228	(111,228)	-
Financial assets at fair value through profit and loss (FVPL)	以公允價值計量且其變動計入 當期損益的金融資產	-	111,228	<b>111,228</b>
<b>Total assets</b>	<b>總資產</b>	11,308,343	-	<b>11,308,343</b>
<b>Equity</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司所有者的權益</b>			
Other reserves	其他儲備	47,265	4,848	<b>52,113</b>
Accumulated losses	累計虧損	(1,384,495)	(4,848)	<b>(1,389,343)</b>
<b>Total equity</b>	<b>權益總額</b>	(268,461)	-	<b>(268,461)</b>



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 41. CHANGE IN ACCOUNTING POLICIES (Continued)

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

Management has assessed the business model and the terms relating to the collection of contractual cash flows applicable to the financial assets held by the Group at the date of initial application of IFRS 9 (January 1, 2018) and has classified its financial instruments into the appropriate IFRS 9 categories, which are those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and those to be measured at amortised cost. The main effects resulting from this reclassification are as follows:

### 41. 會計政策變更(續)

國際財務報告準則第9號取代了國際會計準則第39號關於金融資產和金融負債的確認、分類與計量、金融工具終止確認、金融資產減值與套期會計處理的相關規定。

管理層已於首次採用國際財務報告準則第9號的日期(二零一八年一月一日)評估了與當日所持有的金融資產的合同現金流量有關的業務模式及有關條款，並已將其金融工具分類至國際財務報告準則第9號下的恰當類別，即其後以公允價值計量(且其變動計入其他綜合收益或損益)的金融資產，及以攤餘成本計量的金融資產。這種重新分類產生的主要影響如下：

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 41. CHANGE IN ACCOUNTING POLICIES (Continued)

### 41. 會計政策變更(續)

#### Classification and measurement

#### 分類和計量

Financial assets – January 1, 2018  
金融資產 – 二零一八年一月一日

Available-for-sale	FVPL	FVOCI
可供出售 金融資產	以公允價值 計量且其變動 計入損益	以公允價值 計量且其變動 計入其他綜合 收益
RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元

<b>Closing balance at December 31, 2017 – IAS 39</b>	於二零一七年十二月三十一日期 末餘額 – 根據 IAS 39 計算	178,360	–	–
Reclassify investments from available-for-sale to FVPL	從可供出售金融資產重分類至以公允價值計量且其變動計入損益	(111,507)	111,507	–
Reclassify non-trading equities from available-for-sale to FVOCI	將非交易性權益投資從可供出售重分類至以公允價值計量且其變動計入其他綜合收益	(61,768)	–	61,768
Reclassify unlisted debt securities from available-for-sale to FVOCI	將上市及非上市債券從可供出售金融資產重分類至以公允價值計量且其變動計入其他綜合收益	(5,085)	–	5,085
<b>Opening balance at January 1, 2018 – IFRS 9</b>	於二零一八年一月一日期初餘額 – 根據 IFRS 9 計算	–	111,507	66,853

The impact of these changes on the Group's equity is as follow:

該等變動對本集團的權益影響如下：

		Effect on AFS reserves	Effect on FVOCI reserve	Effect on retained earnings
		對可供出售 金融資產的影響	對以公允價值計 且其變動計入其他 綜合收益的影響	對累計 虧損的影響
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Opening balance – IAS 39	期初餘額 – 根據 IAS 39 計算	1,716	–	(1,384,495)
Reclassify investments from available-for-sale to FVPL	從可供出售金融資產重分類至以公允價值計量且其變動計入損益	4,848	–	(4,848)
Reclassify non-trading equities from available-for-sale to FVOCI	將非交易性權益投資從可供出售金融資產重分類至以公允價值計量且其變動計入其他綜合收益	(6,564)	6,564	–
<b>Total impact</b>	<b>總影響</b>	<b>(1,716)</b>	<b>6,564</b>	<b>(4,848)</b>
<b>Opening balance – IFRS 9</b>	<b>期初餘額 – 根據 IFRS 9 計算</b>	<b>–</b>	<b>6,564</b>	<b>(1,389,343)</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 42. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

### 42. 本公司的財務狀況表及儲備變動

#### Statement of financial position of the Company

#### 本公司的財務狀況表

		As at December 31, 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Assets</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	不動產、工廠及設備	950	1,110
Interests in subsidiaries	子公司權益	2,852,154	3,032,188
Loans to subsidiaries	予子公司貸款	354,921	719,172
Available-for-sale financial assets	可供出售金融資產	–	5,364
Financial assets at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的金融資產	2,227	–
		<b>3,210,252</b>	3,757,834
<b>Current assets</b>	<b>流動資產</b>		
Amounts due from associate	應收聯營公司款項	168,160	86,184
Prepayments, deposits and other receivables	預付款、保證金及其他應收款	574,390	553,664
Available-for-sale financial assets	可供出售金融資產	–	107,956
Financial assets at fair value through profit or loss	以公允價值且其變動計入當期損益的金融資產	17,755	–
Cash and cash equivalents	現金及現金等價物	14,381	115,380
		<b>774,686</b>	863,184
<b>Total assets</b>	<b>資產總額</b>	<b>3,984,938</b>	4,621,018
<b>Equity</b>	<b>權益</b>		
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司所有者的權益</b>		
Share capital	股本	1,068,796	1,068,796
Other reserves	其他儲備	1,456,152	1,378,911
Accumulated losses	累計虧損	(2,480,551)	(1,738,410)
<b>Total equity</b>	<b>權益總額</b>	<b>44,397</b>	709,297

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 42. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

### 42. 本公司的財務狀況表及儲備變動(續)

#### Statement of financial position of the Company (Continued)

#### 本公司的財務狀況表(續)

		As at December 31, 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Liabilities</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Borrowings	借款	771,401	2,433,826
Provisions, accruals and other liabilities	準備、預提及其他負債	64,838	52,785
		<b>836,239</b>	2,486,611
<b>Current liabilities</b>	<b>流動負債</b>		
Provisions, accruals and other liabilities	準備、預提及其他負債	240,445	186,592
Current income tax liabilities	當期所得稅負債	–	53,190
Borrowings	借款	2,549,888	1,185,328
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動進入損益的金融負債	313,969	–
		<b>3,104,302</b>	1,425,110
<b>Total liabilities</b>	<b>負債總額</b>	<b>3,940,541</b>	3,911,721
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>3,984,938</b>	4,621,018

The statement of financial position of the Company was approved by the Board of Directors on April 23, 2019 and was signed on its behalf.

本公司財務狀況表已於二零一九年四月二十三日獲董事會批准，並代表董事會簽署。

**Zhang Ruilin**  
張瑞霖  
Director  
董事

**Zhao Jiangwei**  
趙江巍  
Director  
董事

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 42. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

### 42. 本公司的財務狀況表及儲備變動(續)

#### Statement of financial position of the Company (Continued)

#### 本公司的財務狀況表(續)

#### (a) Other reserve movement of the Company

#### (a) 本公司的其他儲備變動

		Repurchased shares held by trust (Note 23) 信托持有 回購股份 (附註23)	Capital reserve	Currency translation reserve	Share based payment reserves	Available- for-sale financial assets	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At January 1, 2017</b>	於二零一七年一月一日	(127,287)	1,366,956	47,995	140,444	290	1,428,398
Currency translation differences	外幣折算差額	-	-	(64,313)	-	-	(64,313)
Available-for-sale financial assets	可供出售金融資產	-	-	-	-	(5,332)	(5,332)
Employees stock option scheme	僱員購股權計劃	-	-	-	-	-	-
— value of employee services	— 僱員服務價值	-	-	-	20,158	-	20,158
— shares transferred to the Awarded Shares Grantees	— 轉移給獎勵股份被授予者	9,470	-	-	(9,470)	-	-
<b>At December 31, 2017</b>	於二零一七年十二月三十一日	(117,817)	1,366,956	(16,318)	151,132	(5,042)	1,378,911

		Repurchased shares held by trust (Note 23(a)) 信托持有 回購股份 (附註23(a))	Capital reserve	Currency translation reserve	Share based payment Reserves	Available- for- sale financial assets	Financial assets at fair value through other comprehensive income 以公允價值計量 且其變動計入 其他綜合收益 的金融資產	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At January 1, 2018</b>	於二零一八年一月一日	(117,817)	1,366,956	(16,318)	151,132	(5,042)	-	1,378,911
Change in accounting policy	會計政策的變更	-	-	-	-	5,042	206	5,248
<b>At January 1, 2018</b>	於二零一八年一月一日	(117,817)	1,366,956	(16,318)	151,132	-	206	1,384,159
Currency translation differences	外幣折算差額	-	-	17,250	-	-	-	17,250
— Employees stock option scheme	— 僱員購股權計劃	-	-	-	-	-	-	-
— Value of employee services	— 僱員服務價值	-	-	-	54,743	-	-	54,743
— Shares transferred to the Awarded Shares Grantees	— 轉移給獎勵股份被 授予者	27,841	-	-	(27,841)	-	-	-
<b>At December 31, 2018</b>	於二零一八年十二月三十一日	(89,976)	1,366,956	932	178,034	-	206	1,456,152

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 43. RE-PRESENTATION OF COMPARATIVE FIGURES

As a result of the impact of the matters as disclosed in Note 2.1.2 and Note 2.1.3, prior year financial statements had to be re-presented. The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the change have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The impact on the current period is not disclosed.

#### Consolidated statement of comprehensive income

### 43. 比較數字的重新呈列

如附註2.1.2和2.1.3所披露事項的影響，以前年度財務報表需進行重新呈列。下述表格列示了對相關報表科目的調整，沒有包含未受影響的報表科目。因此，所披露的小計以及總計數不能用所列表的數據重新計算得到。重新呈列對本期的影響未予披露。

#### 合併綜合收益表

For the year ended December 31, 2017

截至二零一七年十二月三十一日止年度

		As previously presented 前期呈列	Re-representation adjustments 重新呈列調整		Re-represented 重新呈列
		RMB'000 人民幣千元	Note 2.1.2 附註2.1.2 RMB'000 人民幣千元	Note 2.1.3 附註2.1.3 RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Continuing operations</b>	<b>持續經營</b>				
<b>Revenue</b>	<b>收益</b>	1,125,982	(468,617)	–	657,365
Depreciation, depletion and amortization	折舊、折耗及攤銷	(489,863)	139,829	–	(350,034)
Exploration and evaluation expense	勘探及評價資產相關費用	(10,737)	10,737	–	–
Taxes other than income taxes	稅項(所得稅除外)	(14,214)	–	–	(14,214)
Employee benefit expense	員工薪酬成本	(206,510)	85,320	–	(121,190)
Purchases, services and other direct costs	採購、服務及其他直接成本	(300,435)	202,037	–	(98,398)
Distribution expense	銷售支出	(55,689)	38,634	–	(17,055)
General and administrative expense	管理費用	(171,017)	66,867	–	(104,150)
Net impairment losses on financial assets	金融資產減值損失	–	–	(728,154)	(728,154)
Impairment charges	資產減值損失	(35,524)	–	–	(35,524)
Other (losses)/gains, net	其他(損失)/利得,淨值	(652,517)	(53,521)	728,154	22,116
Finance income	財務收入	49,248	(1,263)	–	47,985
Finance costs	財務費用	(187,997)	149,707	–	(38,290)
Share of losses of investments in associates	享有聯營企業投資的虧損份額	(63,023)	–	–	(63,023)
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>	<b>(1,012,296)</b>	<b>169,730</b>	<b>–</b>	<b>(842,566)</b>
<b>Income tax expense</b>	<b>所得稅費用</b>	<b>(87,180)</b>	<b>(18,305)</b>	<b>–</b>	<b>(105,485)</b>

# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 43. RE-PRESENTATION OF COMPARATIVE FIGURES (Continued)

### 43. 比較數字的重新呈列(續)

		For the year ended December 31, 2017 截至二零一七年十二月三十一日止年度			
		As previously presented 前期呈列	Re-presentation adjustments 重新呈列調整		Re-presented 重新呈列
			Note 2.1.2 附註2.1.2	Note 2.1.3 附註2.1.3	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Loss for the year from continuing operations</b>	<b>本年持續經營所得虧損</b>	(1,099,476)	151,425	-	(948,051)
<b>Discontinued operations</b>	<b>終止經營</b>				
Loss for the period from discontinued operations	本年終止經營所得虧損	-	(151,425)	-	(151,425)
<b>Loss for the year</b>	<b>本年虧損</b>	(1,099,476)	-	-	(1,099,476)
<b>Basic loss per share</b>	<b>基本每股虧損</b>				
— Continuing operations	— 持續經營	(0.39)	0.05	-	(0.34)
— Discontinued operations	— 終止經營	-	(0.05)	-	(0.05)
		(0.39)	-	-	(0.39)
<b>Diluted loss per share</b>	<b>稀釋每股虧損</b>				
— Continuing operations	— 持續經營	(0.39)	0.05	-	(0.34)
— Discontinued operations	— 終止經營	-	(0.05)	-	(0.05)
		(0.39)	-	-	(0.39)



# Notes to the Consolidated Financial Statements (Continued)

## 合併財務報表附註(續)

### 44. SUBSEQUENT EVENT

Other than those disclosed elsewhere in the consolidated financial statements, the Group had the following events occurred since the end of the reporting period:

- (a) The terms of the Convertible Bonds were amended on January 22, 2019 and February 27, 2019 as the Public Notes whereby the conversion rights to the Company's shares were cancelled; and the related exercise date of the Put Option for redemption was changed from January 26, 2019 to any date on or after March 15, 2019 until maturity (Note 2.1.1(b), 13).
- (b) On March 1, 2019 the Company announced the exchange offer to the holders of the 2019 Notes to exchange the existing notes, together with the interests payable on maturity of US\$11.2 million, for a new package of Senior Notes and cash payment with a later maturity date. The Exchange Offer expired on April 10, 2019 and noteholders representing approximately 84% of the total principal amount outstanding at December 31, 2018 accepted the Exchange Offer. In accordance with the related terms and conditions, the Company issued new Senior Notes in the principal amount of US\$248.4 million bearing annual interest at 13.750% due on April 12, 2022 and made cash payment of approximately US\$26.1 million (equivalent to approximately RMB183.1 million) to these holders on April 15, 2019 and the corresponding 2019 Notes were cancelled accordingly. The Company will settle the remaining 2019 Notes with principal plus accrued interest totalling US\$52.6 million (equivalent to approximately RMB369.0 million) upon maturity on April 25, 2019 (Note 2.1.1(a), 27(a)).
- (c) To fund the Exchange Offer and repayment of the remaining 2019 Notes upon maturity as mentioned in (b) above, the Company issued Private Notes (Note 2.1.1(a)) totaling US\$68 million (equivalent to approximately RMB477.4 million) on April 12, 2019. The Private Notes are redeemable on April 12, 2020, but are subject to mandatory early redemption upon the repayment of all or part of the Public Notes by the Group (Note 2.1.1(a), 13).

### 44. 期後事項

除合併財務報表內披露之外，本集團自報告期末起發生以下事項：

- (a) 可換股債券之條款於二零一九年一月二十二日及二零一九年二月二十七日修訂為公開債券，其中本公司股份之換股權已被取消；贖回認沽期權的相關行權日期（「認沽期權」）由二零一九年一月二十六日變更為二零一九年三月十五日或之後任何日期至到期日（附註2.1.1(b)，13）。
- (b) 於二零一九年三月一日，本公司宣布向2019票據持有人發出要約，將現有票據連同到期日應付利息11.2百萬美元換取新的優先票據，並在日後使用現金付款方式（「交換要約」）。交換要約於二零一九年四月十日到期，其中二零一八年十二月三十一日未償還本金總額約84%的票據持有人接受了交換要約。根據相關條款及條件，本公司發行本金約為248.4百萬美元並於二零二零年四月十二日到期的新優先票據，年利率為13.750%。於二零一九年四月十五日公司現金支付接受交換要約的票據持有人約26.1百萬美元（等價於人民幣183.1百萬元），至此相應部分的2019票據也相應取消。由於交換要約，本公司將於到期日二零一九年四月二十五日結清剩餘的2019票據，本金加應計利息共計52.6百萬美元（等價於人民幣369.0百萬元）（附註2.1.1(a)，27(a)）。
- (c) 如上文(b)所述，為了在到期時為交換要約和未償還的2019票據的還款提供資金，公司於二零一九年四月十二日發行了總額為68.0百萬美元（等價於人民幣477.4百萬元）的私人票據。（附註2.1.1(a)）私人票據可於二零二零年四月十二日贖回，但當本集團償還全部或部分公開債券後必須提早贖回（附註2.1.1(a)，13）。



**MIE HOLDINGS CORPORATION**  
**MI 能源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

*(於開曼群島註冊成立之有限公司)*

(Stock code 股份代號: 1555)

**[www.mienergy.com.cn](http://www.mienergy.com.cn)**