



中國聯盛煤層氣頁岩氣產業集團有限公司
China Leason CBM & Shale Gas Group Company Limited

(前稱中國聯盛投資集團有限公司)
(formerly known as China Leason Investment Group Co., Limited)

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

(股份代號 Stock Code: 8270)

2011

3RD QUARTERLY REPORT

第三季度報告

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, for which the directors of China Leason CBM & Shale Gas Group Company Limited (the “Company”) (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and that there are no other matters the omission of which would make any statement herein or this report misleading.

This report will remain on the “Latest Company announcement” page of the GEM website at www.hkgem.com for at least seven days from the date of its publication.

香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）之特色

創業板的定位，乃為相比起其他在聯交所上市的公司帶有較高投資風險之公司提供一個上市之市場。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他老練投資者。

由於創業板上市公司新興之性質，在創業板買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

本報告的資料乃遵照聯交所創業板證券上市規則（「創業板上市規則」）而刊載，旨在提供有關中國聯盛煤層氣頁岩氣產業集團有限公司（「本公司」）的資料；本公司的董事（「董事」）願就本報告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成份，且並無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

本報告將自其刊發日期起最少一連七日載於創業板網站www.hkgem.com的「最新公司公告」網頁。

FINANCIAL HIGHLIGHTS

財務摘要

- Turnover of the Company together with its subsidiaries (collectively the “Group”) for the nine months ended 30th September 2011 was approximately RMB160,989,000, representing an decrease of 8.4% as compared with corresponding period in the previous financial year.
- The Group realised a loss of approximately RMB39,783,000 for the nine months ended 30th September 2011.
- Loss per share of the Group was approximately RMB1.39 cent for the nine months ended 30th September 2011.
- The board of Directors (the “Board”) does not recommend the payment of any dividend for the nine months ended 30th September 2011.
- 本公司及其附屬公司(統稱「本集團」)截至二零一一年九月三十日止九個月期間之營業額約為人民幣160,989,000元，較上一個財政年度同期減少8.4%。
- 截至二零一一年九月三十日止九個月期間，本集團錄得虧損約為人民幣39,783,000元。
- 本集團截至二零一一年九月三十日止九個月期間之每股虧損約為人民幣1.39分。
- 董事會(「董事會」)並不建議派發截至二零一一年九月三十日止九個月期間的任何股息。

CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合收益表

The unaudited consolidated results of the Group for the Quarter and the nine months ended 30 September 2011 “Review Period”, together with the unaudited comparative figures for the corresponding periods in 2010, respectively were as follows:—

本集團於本季及截至二零一一年九月三十日止九個月期間（「本期間」）之未經審核綜合業績，連同二零一零年同期之未經審核比較數字詳列如下：—

(Unless otherwise stated, all financial figures in this quarterly report are denominated in Renminbi (“RMB”) thousand dollars)

（除另作註明外，本季度報告內之所有財務數字以人民幣千元列值）

CONDENSED CONSOLIDATED INCOME STATEMENT (Continued)

簡明綜合收益表(續)

		Quarter ended 30th September 截至九月三十日止 季度		Nine months ended 30th September 截至九月三十日止 九個月期間		
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	
		Note 附註				
Turnover	營業額	2	32,077	66,223	160,989	175,820
Cost of sales	銷售成本		(42,247)	(61,065)	(134,692)	(138,151)
Gross (loss)/profit	(毛虧)/毛利		(10,170)	5,158	26,297	37,669
Other revenue and net income	其他收益及淨收入	2	10	45	972	1,171
Distribution costs	分銷成本		(337)	(3,029)	(7,219)	(12,747)
Administrative and other operating expenses	行政及其他經營開支		(13,344)	(8,778)	(44,019)	(30,180)
Finance costs	財務費用		(10,681)	(1,290)	(15,454)	(11,239)
Loss before income tax	除所得稅前虧損		(34,522)	(7,894)	(39,423)	(15,326)
Gain on disposal of subsidiaries	出售附屬公司之收益		—	—	—	31,338
Income tax	所得稅	3	4,708	(2,484)	(360)	(6,104)
(Loss)/profit for the period	期間(虧損)/溢利		(29,814)	(10,378)	(39,783)	9,908
Other comprehensive income	其他全面收入		—	—	(3,145)	—
Total comprehensive (loss)/profit for the period	期間全面(虧損)/溢利總額		(29,814)	(10,378)	(42,928)	9,908
Attributable to:	下列應佔:					
Owners of the Company	本公司擁有人		(27,633)	(10,298)	(40,027)	10,064
Non-controlling interests	非控股權益		(2,181)	(80)	(2,901)	(156)
			(29,814)	(10,378)	(42,928)	9,908

CONDENSED CONSOLIDATED INCOME STATEMENT (Continued)

簡明綜合收益表 (續)

		Quarter ended 30th September 截至九月三十日止 季度		Nine months ended 30th September 截至九月三十日止 九個月期間	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Note 附註					
	Dividends attributable to the period 期內股息	4	—	—	—
	(Loss)/earnings per share — basic (RMB — cents) 每股(虧損)/盈利 — 基本 (人民幣一分)	5	(0.91)	(0.62)	0.61

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

(Unaudited)		Share capital	Share premium	Merger reserve	Contributed surplus
(未經審核)		股本 RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	合併儲備 RMB'000 人民幣千元	繳入盈餘 RMB'000 人民幣千元
As at 1st January	於一月一日	20,681	484,532	—	25,160
Total comprehensive income for the period	期間全面收入總額	—	—	—	—
Issue of new shares	發行新股份	13,102	364,598	—	—
Recognition of equity-settled share based payments	確認以股權結算以股份為基礎之付款	—	—	—	—
Recognition of equity component of convertible bonds	確認可換股債券之權益部份	—	—	—	—
Appropriation to general reserve	撥往一般儲備	—	—	—	—
Non-controlling interest arising from the establishment of a subsidiary	成立一間附屬公司產生之非控股權益	—	—	—	—
As at 30th September	於九月三十日	33,783	849,130	—	25,160

(Unaudited)		Share capital	Share premium	Merger reserve	Contributed surplus
(未經審核)		股本 RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	合併儲備 RMB'000 人民幣千元	繳入盈餘 RMB'000 人民幣千元
As at 1st January	於一月一日	12,921	347,368	(2,351)	—
Total comprehensive income for the period	期間全面收入總額	—	—	—	—
Issue of new shares	發行新股份	4,891	81,420	—	—
As at 30th September	於九月三十日	17,812	428,788	(2,351)	—

2011
二零一一年

General reserve 一般儲備 基金 RMB'000 人民幣千元	Share option reserve 購股權 儲備 RMB'000 人民幣千元	Translation reserve 換算儲備 RMB'000 人民幣千元	Convertible bonds reserve 可換股 債券儲備 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	Non-controlling interests 非控股 權益 RMB'000 人民幣千元	Total equity 總權益 RMB'000 人民幣千元
—	—	(703)	15,810	(112,446)	433,034	21,294	454,328
—	—	(3,145)	—	(36,882)	(40,027)	(2,901)	(42,928)
—	—	—	(48,210)	—	329,490	—	329,490
—	15,166	—	—	—	15,166	—	15,166
—	—	—	88,831	—	88,831	—	88,831
587	—	—	—	(587)	—	—	—
—	—	—	—	—	—	12,000	12,000
587	15,166	(3,848)	56,431	(149,915)	826,494	30,393	856,887

2010
二零一零年

General reserve 一般儲備 基金 RMB'000 人民幣千元	Share option reserve 購股權 儲備 RMB'000 人民幣千元	Translation reserve 換算儲備 RMB'000 人民幣千元	Convertible bonds reserve 可換股 債券儲備 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	Non-controlling interests 非控股 權益 RMB'000 人民幣千元	Total equity 總權益 RMB'000 人民幣千元
5,351	—	(1,014)	—	(94,953)	267,322	2,527	269,849
—	—	—	—	10,064	10,064	(156)	9,908
—	—	—	—	—	86,311	—	86,311
5,351	—	(1,014)	—	(84,889)	363,697	2,371	366,068

NOTES:

1. Basis of presentation of financial statements

The unaudited financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). They are prepared under the historical cost convention.

The unaudited consolidated results for the Review Period have not been audited by the Company's auditor, but have been reviewed by the Company's audit committee.

The accounting policies and basis of preparation used in the preparation of the unaudited consolidated results for the Review Period are consistent with those used in the Company's annual financial statements for the year ended 31st December 2010.

The Group principally operates in the People's Republic of China (the “PRC”) with its business activities principally transacted in RMB, the results of the Group are therefore prepared in RMB.

2. Turnover, other revenue and net income

The Company is an investment holding company. The principal activities of its subsidiaries are manufacture and sales of liquefied coalbed gas (including provision of liquefied coalbed gas logistic services), sales of piped natural gas and provision of gas supply connection services. In 2010, the Group discontinued the development and sales of computer software, resale of computer hardware and provision of system integration and maintenance services.

Turnover represents the sales value of goods supplied and services provided to customers, which excludes value-added and business taxes, and is after deduction of any goods returns and trade discounts.

附註：

1. 財務報表呈報基準

未經審核財務報表乃根據香港公認會計原則及遵照香港會計師公會（「香港會計師公會」）頒佈之會計準則而編製。財務報表乃按過往成本慣例編製。

本期間之未經審核綜合業績並未經本公司核數師審核，但已由本公司之審核委員會審閱。

編製本期間之未經審核綜合業績時所採納之會計政策及編製基準與本公司截至二零一零年十二月三十一日止年度之全年財務報表中所採納者一致。

本集團主要在中華人民共和國（「中國」）經營業務，其業務活動主要以人民幣進行，因此本集團之業績乃以人民幣編製。

2. 營業額、其他收益及淨收入

本公司為投資控股公司，其附屬公司之主要業務為液化煤層氣生產及銷售（包括提供液化煤層氣物流服務），管道天然氣銷售及提供供氣接駁服務。於二零一零年，本集團終止經營電腦軟件開發及銷售、電腦硬件轉售以及提供系統集成及維修服務。

營業額指向客戶提供貨品及服務之銷售值，惟不包括增值稅及營業稅，並於扣除任何退貨及商業折扣後列賬。

2. Turnover, other revenue and net income (Continued)

The amount of each significant category of revenue recognised in turnover during the year is as follows:

2. 營業額、其他收益及淨收入 (續)

年內於營業額確認之各項重大收益類別金額如下：

	Quarter ended 30th September 截至九月三十日止 季度		Nine months ended 30th September 截至九月三十日止 九個月期間	
	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Turnover				
Continuing operations				
Sales of liquefied coalbed gas (including provision of liquefied coalbed gas logistic services)	27,006	55,650	144,524	149,656
Sales of piped natural gas and provision of gas supply connection services	5,071	10,573	16,465	20,138
Discontinued operations				
Sales of computer software	—	—	—	1,815
Resale of computer hardware	—	—	—	1,747
Maintenance and other services fees	—	—	—	2,464
	32,077	66,223	160,989	175,820
Other revenue and net income				
Gain on security trading	—	—	—	475
Value added tax refunds	—	—	—	401
Interest income from bank deposits	28	4	54	77
Other (net loss)/net income	(18)	41	918	218
	10	45	972	1,171

3. Income tax

(a) Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Group did not derive any income subject to Hong Kong profits tax during the Review Period.

3. 所得稅

(a) 香港利得稅

由於本集團於本期間內並無賺取任何須繳納香港利得稅之收入，故並無為香港利得稅作出任何撥備。

3. Income tax (Continued)

(b) Overseas income tax

Taxes on incomes assessable elsewhere were provided for in accordance with the applicable tax legislations, rules and regulations prevailing in the territories in which the Group operates.

There was no significant unprovided deferred taxation for the Quarter and the Review Period.

4. Dividends

The Board does not recommend the payment of any dividend for the Review Period (corresponding period in 2010: nil).

5. (Loss)/earnings per share

The calculation of basic and diluted (loss)/earnings per share for the Quarter and the Review Period were based on the unaudited loss attributable to shareholders for the Quarter and the Review Period of approximately RMB27,633,000 and RMB36,882,000 respectively (corresponding period in 2010: loss of approximately RMB10,298,000 and profit of RMB10,064,000 respectively), and the weighted average number of 3,037,200,675 and 2,646,610,334 respectively (2010: 1,649,909,837) shares in issue of the Company. The weighted average number of shares in issue was calculated based on the number of shares in issue or deemed to be in issue before placing but after corresponding adjustments by the Company upon capitalisation of share premium.

Diluted earnings per share

No dilutive earnings per share was presented because there were no dilutive potential ordinary shares in existence during the quarter and nine months ended 30th September 2011. There were also no dilutive potential ordinary shares in existing during the same period in 2010.

3. 所得稅(續)

(b) 海外所得稅

本集團已根據其經營業務所在地區其時之適用稅務法律、規則及規例，就其他地區之應課稅收入作出稅項撥備。

本集團於本季度及本期間內並無重大之未撥備遞延稅項。

4. 股息

董事會並不建議於本期間派付任何股息(二零一零年同期：無)。

5. 每股(虧損)/盈利

本季度及本期間之每股基本及攤薄(虧損)/盈利乃按本季度及本期間之未經審核股東應佔虧損分別約人民幣27,633,000元及人民幣36,882,000元(二零一零年同期：分別虧損約人民幣10,298,000元及溢利約人民幣10,064,000元)，以及本公司的已發行股份加權平均股數分別為3,037,200,675及2,646,610,334股(二零一零年：1,649,909,837股)計算；而該等已發行股份加權平均數乃是根據本公司於配售事項前但於股份溢價資本化而作出相對調整後之已發行或被視作已發行股份數目計算。

每股攤薄盈利

由於本季度及截至二零一一年九月三十日止九個月期間內並不存在任何具攤薄效益之潛在普通股，故此並無呈列每股攤薄盈利。於二零一零年同期亦不存在任何具攤薄效益之潛在普通股。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

The Group recorded a consolidated turnover of approximately RMB160,989,000 for the Review Period, representing an decrease of approximately 8.4% compared with the corresponding period last year. The decrease was mainly attributable to:

- approximately RMB5,132,000 and RMB3,673,000 decrease in turnover for the sales of liquefied coalbed gas (including provision of liquefied coalbed gas logistic services) and the sales of piped natural gas and provision of gas supply connection services respectively
- turnover contributed by discontinued operations in corresponding period last year was approximately RMB6,026,000, there was no such turnover in current Review Period.

Loss attributable to shareholders for the Review Period was approximately RMB36,882,000. It was a profit of RMB10,064,000 in the corresponding period last year. Reasons for such change are three folds:

- gain on disposal of subsidiaries for the corresponding period last year was approximately RMB31,338,000, there was no such gain in current Review Period;
- non-cash share-based payment in respect to share option granted was recognised in current period, amounted to approximately RMB15,166,000;

財務回顧

本集團於本期間錄得綜合營業額約人民幣160,989,000元，較去年同期減少約8.4%。該減少主要來自：

- 液化煤層氣銷售(包括提供液化煤層氣物流服務)與管道天然氣銷售及提供供氣接駁服務之營業額分別減少約人民幣5,132,000元與人民幣3,673,000元
- 已終止經營業務去年同期貢獻營業額約人民幣6,026,000元，本期間並沒有相關營業額。

股東應佔本期間的虧損約為人民幣36,882,000元，去年同期則為溢利人民幣10,064,000元。導致有關變動的原因有以下三方面：

- 去年同期出售附屬公司之收益約為人民幣31,338,000元，而本期間並無有關收益；
- 本期間就授出購股權確認以股份為基礎之非現金支出約人民幣15,166,000元；

FINANCIAL REVIEW (CONTINUED)

- (iii) increase of finance costs by approximately RMB4,215,000; partly offset by
- (iv) decrease in distribution costs for approximately RMB5,528,000.

BUSINESS REVIEW AND DEVELOPMENT PROSPECTS

Liquefied Coalbed Gas Business

The Group has resolutely taken the initiative to transform itself into a coalbed methane (“CBM”) corporation. It targeted to invest heavily to expand its CBM reserve basin, acquiring additional liquefied natural gas units and storage facilities, as well as diversifying its distribution channels. We are confident to move our coming and existing operation into full capacity, and achieve business performance breakthroughs in the coming years.

The demand for natural gas in China is strong. In the Review Period, the Group has recorded turnover of RMB144,524,000 for its sales of liquefied coalbed gas (including provision of liquefied coalbed gas logistic services) segment.

OUTLOOK

Natural gas business is in a period of rapid development. The current consumption level for natural gas shows great potential in further development, recognizing the rising advocacy of safer and cleaner energy, especially under the nuclear power crisis earlier this year.

財務回顧 (續)

- (iii) 財務費用增加約人民幣4,215,000元；部份被
- (iv) 分銷開支減少約人民幣5,528,000元所抵銷。

業務回顧及發展前景

液化煤層氣體業務

本集團堅定採取措施將其打造為煤層氣企業。本集團計劃加大投資以擴大其煤層氣儲量盆地、收購其他液化天然氣廠房以及儲存設施，以及多元化分銷渠道。本公司有信心全面推動未來以及現有的業務，並在未來數年實現業務表現的突破。

中國的天然氣需求強勁。本期間，本集團錄得液化煤層氣銷售(包括提供液化煤層氣物流服務)分部之營業額人民幣144,524,000元。

前景

天然氣正處於快速發展時期。目前的天然氣消耗水平顯示其進一步發展的潛力巨大，反映出市場對更安全(特別是經歷今年年初的核危機後)及潔淨能源的需求逐漸增加。

OUTLOOK (CONTINUED)

Conventional gas is a limited resource. To cope with the current usage volume, it is deemed inevitable to choose either imported gas or unconventional gas. It is encouraging news that the Central Government has taken out active and feasible policies to support using unconventional gas. In view of our country's abundant natural resources reservoir, the Central Government takes proactive policies in securing the energy supply for the local market's current and future demands. Under the policies, there is no doubt that the Company as a CBM company will gain major benefits.

Being a responsible company to the community and our shareholders, we will exert our every effort to balance the benefits to both parties. We will provide users safe and clean energy in a competitive price, whilst we are optimizing our operation according to the industry development for sustainable growth and progressive investment returns.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 September 2011, the Group had net assets of approximately RMB856,887,000, including cash, bank and deposit balances of approximately RMB85,706,000. To minimise financial risks, the Group implements stringent financial and risk management strategies and avoids the use of highly-g geared financing arrangements. The Group's gearing ratio, calculated by the Group's total external borrowings divided by its shareholders' fund, was approximately 7.83%.

前景 (續)

常規天然氣為有限資源。為支持目前的使用量，選擇進口天然氣或非常規天然氣乃不可避免。中央政府出臺積極可行的政策支持使用非常規天然氣的消息令人鼓舞。鑒於我國自然資源儲量豐富，中央政府出臺了積極的政策保障當地市場目前以及未來能源供應。在該等政策下，本公司作為領先的煤層氣公司無疑將成為主要受益者。

作為一間對社區以及股東負責的公司，本公司將盡一切努力平衡雙方利益。本公司將以具競爭力的價格向用戶提供安全潔淨的能源，同時根據行業發展趨勢優化本公司的營運，以取得持續增長以及提高投資回報。

流動資金、財務資源及資本結構

於二零一一年九月三十日，本集團的資產淨值約為人民幣856,887,000元，其中包括現金、銀行及存款結存約人民幣85,706,000元。為減低財務風險，本集團採取謹慎的財務及風險管理策略，盡量避免使用高槓桿比率之融資安排。故此，本集團之資本與負債比率（按本集團對外借貸總額除以其股東資金計算）約為7.83%。

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE (CONTINUED)

Taking into consideration of the existing financial resources available to the Group, it is anticipated that the Group will have adequate financial resources.

EMPLOYEES

As at 30 September 2011, the Group has an aggregate of 466 employees, of which 19 are research and development staff, 255 are engineering and customer service staff, 172 administrative staff and 20 marketing staff. During the Review Period, the staff costs (including Directors' remuneration) was approximately RMB26,730,000 (corresponding period in 2010: approximately RMB12,357,000).

The salary and bonus policy of the Group is principally determined in accordance with the performance of the individual employee. The Group will on an ongoing basis, provide opportunity for professional development and training to its employees.

RISK IN FOREIGN EXCHANGE

The revenue and expenses of the Group were denominated in Renminbi. The Directors consider that the Group's risk in foreign exchange is insignificant.

流動資金、財務資源及資本結構 (續)

經計及本集團現有財務資源，預計本集團將具備充裕的財務資源。

僱員

於二零一一年九月三十日，本集團共僱用466名僱員，其中研發人員19名，工程和客服人員255名，行政管理人員172名及市場銷售人員20名。於本期間，員工成本(包括董事酬金)約為人民幣26,730,000元(二零一零年同期：約人民幣12,357,000元)。

本集團之薪酬及花紅政策基本上按個別僱員工作表現釐定。本集團將按持續方式為僱員提供專業進修與培訓機會。

外匯風險

本集團的收支均以人民幣結算。董事認為，本集團的外匯風險並不重大。

MATERIAL ACQUISITION AND TRANSACTIONS

Very Substantial Acquisition — Finance Lease Arrangement

On 2 December 2010, (1) Shanxi Qinshui Shuntai Energy Development Company Limited (“Qinshui Energy”), a direct wholly-owned subsidiary of the Company; and (2) Shanxi Wanzhi Logistics Limited (“Shanxi Logistics”), an indirect non-wholly owned subsidiary of the Company, entered into, among other things, the five finance lease agreements respectively with CIMC Vehicle Financial Leasing Company Limited (“CIMC Vehicle”), pursuant to which Qinshui Energy and Shanxi Logistics conditionally agreed to lease from CIMC Vehicle, and CIMC Vehicle conditionally agreed to lease to Qinshui Energy and Shanxi Logistics, certain assets including liquefied natural gas tanks, gasified system and equipment, liquefied natural gas trailer, towing vehicles and liquefied natural gas refill stations respectively for a total lease consideration of RMB95,460,930 for a term of 36 months by monthly installments inclusive of interest determined based on the prevailing lending interest rate promulgated by People’s Bank of China (the “Finance Lease Arrangement”). However, the total lease consideration would be adjusted due to the floating lending interest rate to be promulgated by The People’s Bank of China from time to time.

重大收購事項及交易

非常重大收購事項 — 融資租賃安排

於二零一零年十二月二日，(1)山西沁水順泰能源發展有限公司(「沁水能源」，本公司的直接全資附屬公司)；及(2)山西萬志物流有限公司(「山西物流」，本公司的間接非全資附屬公司)分別與中集車輛融資租賃有限公司(「中集車輛」)簽訂(其中包括)五項融資租賃協議，據此，沁水能源及山西物流有條件地同意向中集車輛承租，而中集車輛有條件地同意分別向沁水能源及山西物流出租若干資產(包括液化天然氣儲罐、氣化系統及設備、液化天然氣槽車、牽引車及液化天然氣加氣站)，總租賃代價為人民幣95,460,930元，為期36個月(按月分期付款，包括根據中國人民銀行公佈的現行借貸利率釐定的利息)(「融資租賃安排」)。然而，總租賃代價將根據中國人民銀行不時公佈的浮動借貸利率作出調整。

MATERIAL ACQUISITION AND TRANSACTIONS (CONTINUED)

Very Substantial Acquisition — Finance Lease Arrangement (Continued)

The Finance Lease Arrangement constituted a very substantial acquisition for the Company under Chapter 19 of the GEM Listing Rules and therefore was subject to reporting, announcement and shareholders' approval requirements. The Finance Lease Arrangement was approved by the Company's shareholders at the extraordinary general meeting held on 14 February 2011. For details, please refer to the announcements of the Company dated 7 December 2010 and 12 January 2011 respectively, and the circular of the Company dated 24 January 2011.

Discloseable Transaction — Acquisition of Coalbed Liquefying Facilities

On 16 February 2011, Qinshui Energy entered into a contract with Liaoning Harbin Shenleng Gas Liquefying Equipment Company Limited (遼寧哈深冷氣體液化設備有限公司), in relation to the acquisition of the coalbed liquefying facilities with a production capacity of $25 \times 10^4 \text{ Sm}^3/\text{day}$ to be located at the construction site of coalbed liquefying project, Qinshui County, Jincheng City, Shanxi Province, PRC (中國山西省晉城市沁水縣煤層氣液化項目工地) at an anticipated total consideration of RMB56,600,000. The acquisition constituted a discloseable transaction of the Company. For details, please refer to the announcement of the Company dated 16 February 2011.

重大收購事項及交易 (續)

非常重大收購事項 — 融資租賃安排 (續)

根據創業板上市規則第19章，融資租賃安排構成本公司之非常重大收購事項，因此須遵守申報、公佈及股東批准的規定。本公司股東已於二零一一年二月十四日舉行之股東特別大會上批准融資租賃安排。有關詳情，請參閱本公司日期分別為二零一零年十二月七日及二零一一年一月十二日的公佈，以及本公司日期為二零一一年一月二十四日的通函。

須予披露交易 — 收購煤層氣液化設施

於二零一一年二月十六日，沁水能源與遼寧哈深冷氣體液化設備有限公司簽訂合約，以估計總代價人民幣56,600,000元收購位於中國山西省晉城市沁水縣煤層氣液化項目工地的煤層氣液化設施，產能為每日 25×10^4 標準立方米。是項收購構成本公司一項須予披露交易。詳情請參閱本公司日期為二零一一年二月十六日的公佈。

MATERIAL ACQUISITION AND TRANSACTIONS (CONTINUED)

Major and Connected Transaction Involving Issue of Convertible Bonds

On 6 April 2011, the Company (as purchaser) entered into an acquisition agreement with Mr. Wang Zhong Sheng (“Mr. Wang”), an executive Director and substantial shareholder of the Company, (as vendor) (“the Acquisition Agreement”) pursuant to which the Company conditionally agreed to acquire and Mr. Wang conditionally agreed to sell the 100% issued share capital of Wealthy Talent Global Investments Limited for a consideration of RMB420,000,000 (equivalent to HK\$499,000,000) (the “Acquisition”). The consideration was satisfied upon completion by the Company by the issue of the convertible bonds to Mr. Wang or its nominee(s) which shall be a company controlled by him. Based on the conversion price at HK\$0.26 and assuming full conversion, 1,919,230,769 conversion shares will be allotted and issued. The Acquisition Agreement constituted a major and connected transaction of the Company. For details, please refer to the announcement and the circular of the Company dated 6 April 2011 and 30 May 2011 respectively.

The Acquisition Agreement was approved by the independent shareholders of the Company on 20 June 2011. The Acquisition was completed on 12 July 2011. As at the date of this report, 700,000,000 conversion share has been issued and allotted to Mr. Wang.

重大收購事項及交易 (續)

涉及發行可換股債券之主要及關連交易

於二零一一年四月六日，本公司（作為買方）與本公司執行董事兼主要股東王忠勝先生（「王先生」，作為賣方）訂立一份收購協議（「收購協議」），據此，本公司同意有條件地購買而王先生同意有條件地出售 Wealthy Talent Global Investments Limited 的全部已發行股本，代價為人民幣420,000,000元（相當於499,000,000港元）（「收購」）。代價乃通過本公司於完成後向王先生或其代名人（須為受其控制的公司）發行可換股債券的方式支付。基於轉換價0.26港元及假設全數轉換，將會配發及發行1,919,230,769股轉換股份。收購協議構成本公司一項主要及關連交易。詳情請參閱本公司日期分別為二零一一年四月六日及二零一一年五月三十日的公佈及通函。

收購協議已於二零一一年六月二十日獲本公司獨立股東批准。收購已於二零一一年七月十二日完成。截至本報告日期，本公司已向王先生發行及配發700,000,000股轉換股份。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

董事及最高行政人員於股份、相關股份及債券之權益或淡倉

As at 30th September 2011, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

於二零一一年九月三十日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條規定而存置之登記冊所記錄，或根據創業板上市規則第5.46條所述上市發行人董事進行交易的規定標準已知會本公司及聯交所，董事及本公司最高行政人員在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、相關股份及債券中之權益及淡倉如下：

(a) Long positions in shares, underlying shares and debentures of the Company

(a) 於本公司股份、相關股份及債券之好倉

Name	Capacity	Nature of Interest	Number of ordinary shares/ underlying shares 普通股份／相關 股份數目	Approximate % of shareholdings 持股概約 百分比
姓名	身份	權益性質		
Mr. Wang Zhong Sheng 王忠勝先生	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	120,790,000 (Note 1) (附註1)	3.14%
Mr. Wang Zhong Sheng 王忠勝先生	Beneficial owner 實益擁有人	Personal 個人	2,202,512,887 (Note 2) (附註2)	57.32%
Mr. Zhang Qing Lin 張慶林先生	Beneficial Owner 實益擁有人	Personal 個人	2,500,000 (Note 3) (附註3)	0.07%
Mr. Feng San Li 馮三利先生	Beneficial Owner 實益擁有人	Personal 個人	2,500,000 (Note 4) (附註4)	0.07%
Mr. Fu Shou Gang 付壽剛先生	Beneficial Owner 實益擁有人	Personal 個人	2,500,000 (Note 5) (附註5)	0.07%

(a) Long positions in shares, underlying shares and debentures of the Company (Continued)

Notes:

1. Such shares are owned by Jumbo Lane Investments Limited.

Mr. Wang Zhong Sheng owns 100% interest in the issued share capital of Jumbo Lane Investments Limited and he is taken to be interested in the shares owned by Jumbo Lane Investments Limited pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

2. Out of the 2,202,512,887 long positions, Mr. Wang Zhong Sheng is interested as (i) a grantee of options to subscribe for 2,500,000 shares under the share option scheme adopted by the Company on 18 May 2011; (ii) a holder of convertible bonds convertible to 1,219,230,769 conversion shares; and (iii) a beneficial owner of 980,782,118 issued shares of the Company.

3. Mr. Zhang Qing Lin is interested as a grantee of options to subscribe for 2,500,000 shares under the share option scheme adopted by the Company on 18 May 2011.

4. Mr. Feng San Li is interested as a grantee of options to subscribe for 2,500,000 shares under the share option scheme adopted by the Company on 18 May 2011.

5. Mr. Fu Shou Gang is interested as a grantee of options to subscribe for 2,500,000 shares under the share option scheme adopted by the Company on 18 May 2011.

(a) 於本公司股份、相關股份及債券之好倉(續)

附註：

1. 該等股份由寶連投資有限公司擁有。

王忠勝先生擁有寶連投資有限公司已發行股本之100%權益，根據香港法例第571章證券及期貨條例第XV部，王忠勝先生被視為於寶連投資有限公司擁有之股份中擁有權益。

2. 王先生分別以下列形式擁有該2,202,512,887股股份之好倉：(i)購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購2,500,000股股份的購股權；(ii)可換股債券之持有人，擁有可轉換為1,219,230,769股轉換股份的可換股債券；及(iii)股份之實益擁有人，擁有980,782,118股本公司已發行股份。

3. 張慶林先生為購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購2,500,000股股份的購股權。

4. 馮三利先生為購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購2,500,000股股份的購股權。

5. 付壽剛先生為購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購2,500,000股股份的購股權。

(b) Associated corporations — interests in shares

(b) 相聯法團—股份權益

Director	Name of associated corporation	Nature of Interest	Percentage of interests in the registered capital of the associated corporation 佔該相聯法團註冊資本之權益百分比
董事	相聯法團名稱	權益性質	權益百分比
Mr. Wang Zhong Sheng 王忠勝先生	Jumbo Lane Investments Limited (Note 1) 寶連投資有限公司(附註 1)	Personal 個人	100%

Note:

- Jumbo Lane Investments Limited is a holding Company of the Group, owns 3.14% of the shareholding of the Group. Mr. Wang Zhong Sheng owns 100% interest in the issued share capital of Jumbo Lane Investments Limited.

附註：

- 寶連投資有限公司為本集團的控股公司，擁有本集團3.14%的股權。王忠勝先生持有寶連投資有限公司已發行股本之100%權益。

Save as disclosed above, as at 30 September 2011, none of the Directors or chief executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were otherwise required, pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange. The Group had not issued any debentures during the period.

除上文披露者外，於二零一一年九月三十日，董事或本公司最高行政人員概無在本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有根據證券及期貨條例第352條規定而須載入該條例所述登記冊內，或根據創業板上市規則第5.46條所述上市發行人董事進行交易的規定標準而須知會本公司及聯交所之任何其他權益或淡倉。本集團並無於本期間發行任何債券。

SUBSTANTIAL SHAREHOLDERS AND PERSONS WITH DISCLOSEABLE INTEREST AND SHORT POSITION IN SHARES AND OPTIONS UNDER SFO

As at 30 September 2011, the following persons (other than the Directors or chief executive of the Company as disclosed above) had an interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Long positions in shares

主要股東及於股份及購股權擁有根據證券及期貨條例須予披露之權益及淡倉之人士

於二零一一年九月三十日，根據證券及期貨條例第336條規定本公司須予存置之登記冊所記錄，下列人士（已於上文披露之董事或本公司最高行政人員除外）於本公司股份及相關股份擁有權益或淡倉：

股份之好倉

Name 姓名	Number of Shares 股份數目	Nature of Interest 權益性質	Percentage of shareholding 持股百分比
Mr. Wang Zhong Sheng (Note 1) 王忠勝先生 (附註1)	120,790,000	Interest of controlled corporation 受控法團權益	3.14%
Mr. Wang Zhong Sheng (Note 2) 王忠勝先生 (附註2)	2,202,512,887	Personal 個人	57.32%
Ms. Zhao Xin (Note 3) 趙馨女士 (附註3)	120,790,000	Interest of spouse 配偶之權益	3.14%
Ms. Zhao Xin (Note 4) 趙馨女士 (附註4)	2,202,512,887	Interest of spouse 配偶之權益	57.32%

SUBSTANTIAL SHAREHOLDERS AND PERSONS WITH DISCLOSEABLE INTEREST AND SHORT POSITION IN SHARES AND OPTIONS UNDER SFO (CONTINUED)

Long positions in shares (Continued)

Notes:

- Such shares represent the same parcel of shares owned by Jumbo Lane Investments Limited. Mr. Wang Zhong Sheng is the beneficial owner of the 100% of the total issued share capital of Jumbo Lane Investments Limited. Mr. Wang is taken to be interested in the shares owned by Jumbo Lane Investments Limited pursuant to the SFO.
- Out of the 2,202,512,887 long positions, Mr. Wang Zhong Sheng is interested as (i) a grantee of options to subscribe for 2,500,000 shares under the share option scheme adopted by the Company on 18 May 2011; (ii) a holder of convertible bonds convertible to 1,219,230,769 conversion shares; and (iii) a beneficial owner of 980,782,118 issued shares of the Company.
- Ms. Zhao Xin (the spouse of Mr. Wang Zhong Sheng) is deemed to be interested in her spouse's interest in the Company which represent the same parcel of shares held by Jumbo Lane Investments Limited pursuant to the SFO.
- Ms. Zhao Xin (the spouse of Mr. Wang Zhong Sheng) is deemed to be interested in her spouse's interest in the Company pursuant to the SFO.

Save as disclosed above, as at 30 September 2011 no other person (other than the Directors or chief executive of the Company) had an interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

主要股東及於股份及購股權擁有根據證券及期貨條例須予披露之權益及淡倉之人士(續)

股份之好倉(續)

附註：

- 此等股份即由寶連投資有限公司持有之同一批股份。王忠勝先生實益擁有寶連投資有限公司已發行股本總額之100%。根據證券及期貨條例，王先生被視作擁有寶連投資有限公司所持股份之權益。
- 王忠勝先生分別以下列形式擁有該2,202,512,887股股份之好倉：(i)購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購2,500,000股股份的購股權；(ii)可換股債券之持有人，擁有可轉換為1,219,230,769股轉換股份的可換股債券；及(iii)股份之實益擁有人，擁有980,782,118股本公司已發行股份。
- 根據證券及期貨條例，趙馨女士(王忠勝先生之配偶)被視作於本公司擁有其配偶權益之權益，即由寶連投資有限公司持有之同一批股份。
- 根據證券及期貨條例，趙馨女士(王忠勝先生之配偶)被視為於本公司擁有其配偶權益之權益。

除上文披露者外，按根據證券及期貨條例第336條規定本公司須予存置之登記冊所記錄，於二零一一年九月三十日，並無其他人士(董事或本公司最高行政人員除外)於本公司股份及相關股份中擁有權益或淡倉。

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed on 18 May 2011, the Company's share option scheme adopted on 28 July 2003 (the "Old Share Option Scheme") was terminated and a new share option scheme (the "New Share Option Scheme") was adopted which will remain in force for a period of 10 years from adoption of the New Share Option Scheme and will expire on 17 May 2021. On 30 May 2011, the Board approved to grant options in respect of 258,300,000 ordinary shares to the Company's directors, employees and consultants under the scheme.

There were no share options that had been granted remained outstanding under the Old Share Option Scheme prior to its termination.

For details of the New Share Option Scheme, please refer to the circular of the company dated 20 April 2011.

購股權計劃

根據於二零一一年五月十八日通過的普通決議案，本公司於二零零三年七月二十八日採納的購股權計劃（「舊購股權計劃」）已告終止，及新的購股權計劃（「新購股權計劃」）已被採納，並將自採納新購股權計劃起十年期間內持續有效，將於二零一一年五月十七日屆滿。於二零一一年五月三十日，董事會批准根據計劃授予本公司董事、僱員及諮詢顧問購股權以認購258,300,000股普通股。

於舊購股權計劃終止前，已無根據其授出但尚未行使的購股權。

有關新購股權計劃之詳情，請參閱本公司日期為二零一一年四月二十日之通函。

SHARE OPTION SCHEME (CONTINUED)

購股權計劃(續)

Information in relation to share options disclosed in accordance with the GEM Listing Rules was as follows:

根據創業板上市規則所披露有關購股權的資料如下：

Eligible person	Date of grant	Period during which share options are exercisable	Exercise price per share	Number of share options granted during the period and outstanding at 30/9/2011
合資格人士	授出日期 (D/M/YYYY) (日/月/年)	購股權行使期 (D/M/YYYY) (日/月/年)	每股行 使價 HK\$ 港元	期內授出及 於二零一一年 九月三十日 尚未行使之 購股權之數目
<i>Executive Directors</i>				
<i>執行董事</i>				
Mr. Wang Zhong Sheng 王忠勝先生	30/5/2011	30/5/2011 – 29/5/2021	0.495	2,500,000
Mr. Zhang Qing Lin 張慶林先生	30/5/2011	30/5/2011 – 29/5/2021	0.495	2,500,000
Mr. Fu Shou Gang 付壽剛先生	30/5/2011	30/5/2011 – 29/5/2021	0.495	2,500,000
Mr. Feng San Li 馮三利先生	30/5/2011	30/5/2011 – 29/5/2021	0.495	2,500,000
				10,000,000
Employees & consultants 僱員及諮詢顧問	30/5/2011	30/5/2011 – 29/5/2021	0.495	248,300,000
				258,300,000

SHARE OPTION SCHEME (CONTINUED)

購股權計劃(續)

Notes:

附註：

(i) The terms and conditions of the grants that existed during the period are as follows:

(i) 期內存續之授出條款及條件如下：

	Number of options 購股權數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約年期
Options granted:			
30 May 2011	215,220,000	Vest immediately	10 years
30 May 2011	43,080,000	Half on each of the first and second anniversaries of grant date	10 years
已授出購股權：			
二零一一年五月三十日	215,220,000	即時歸屬	十年
二零一一年五月三十日	43,080,000	授出日期之首個及第二個週年日每次一半	十年

(ii) The number and weighted average exercise prices of options are as follows:

(ii) 購股權之數目及加權平均行使價如下：

		Weighted average exercise price HK\$ 加權平均行使價 港元	Number of options 購股權數目
Outstanding as at 1 January 2011	於二零一一年一月一日未行使	—	—
Granted during the period	期內已授出	0.495	258,300,000
Outstanding as at 30 September 2011	於二零一一年九月三十日未行使	0.495	258,300,000
Exercisable as at 30 September 2011	於二零一一年九月三十日可行使	0.495	215,220,000

The options outstanding as at 30 September 2011 had an exercise price of HK\$0.495 and a weighted average remaining contractual life of 9.7 years.

於二零一一年九月三十日之未行使購股權之行使價為0.495港元，餘下之加權平均合約年期為9.7年。

SHARE OPTION SCHEME (CONTINUED)

購股權計劃(續)

Notes: (Continued)

附註：(續)

- (iii) Fair value of options granted during the period and assumptions:

The fair value of services received in return for options granted are measured by reference to the fair value of options granted. The estimate of the fair value of the services received is measured based on the Binomial model. The contractual life of the option is used as an input into this model.

- (iii) 期內授出購股權之公平值及假設：

授出購股權以換取所獲服務之公平值，乃參考所授出購股權之公平值計量。所獲服務之估計公平值乃根據二項式模型計量。購股權之合約年期用作此模式之計算資料。

2011

二零一一年

HK\$

港元

Fair value at measurement date	於計量日期之公平值	0.0921
Share price at measurement date	於計量日期之股價	0.495
Exercise price	行使價	0.495
Expected volatility	預期波幅	
(expressed as a weighted average volatility used in the modelling under the Black-Scholes model)	(根據柏力克 — 舒爾斯期權定價模式所用之加權平均波幅列示)	57.95%
Option life	購股權年期	
(expressed as a weighted average life used in the modelling under the Black-Scholes model)	(根據柏力克 — 舒爾斯期權定價模式所用之加權平均年期列示)	0.67 year 年
Expected dividends	預期股息	0%
Risk free interest rate	無風險利率	0.19%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

預期波幅乃按歷史波幅(按購股權之加權平均餘下年期計算)為基準得出，並經就因公開資料而導致未來波動之任何預期變動予以調整。預期股息乃按過往之股息為基準得出。主觀性資料假設之變動可重大影響公平值估計。

CONTINUING CONNECTED TRANSACTION — SUPPLY OF LIQUEFIED NATURAL GAS

During the period from 1 January 2011 to 31 March 2011 (the “Period”), Qinshui Energy, a wholly-owned subsidiary of the Company, supplied liquefied natural gas to Luoyang Shunhe Energy Company Limited (“Luoyang Shunhe”), a connected person of the Company, in the aggregate amount of not more than RMB12 million (the “Transaction”).

During the Period, Luoyang Shunhe was wholly-owned by Mr. Wang Zhong Sheng, an executive Director and a substantial shareholder. Therefore, Luoyang Shunhe was a connected person of the Company pursuant to Rule 20.11 of the GEM Listing Rules. According to Rule 20.14 of the GEM Listing Rules, the supply of liquefied natural gas to Luoyang Shunhe during the Period constituted a continuing connected transaction of the Company.

As each of the percentage ratios (other than the profits ratio) for the Transaction is more than 0.1% but less than 5%, the Transaction shall be subject to the reporting and announcement requirements but exempt from the independent shareholders’ approval requirement under Chapter 20 of the GEM Listing Rules. On 28 March 2011, the Directors had noted the omission to comply with the reporting and announcement requirement of the GEM Listing Rules in respect of the Transaction, however, the non-compliance had been rectified accordingly. For details, please refer to the announcement of the Company dated 31 March 2011.

持續關連交易 — 供應液化 天然氣

於二零一一年一月一日至二零一一年三月三十一日期間（「期間」）內，本公司全資附屬公司沁水能源向本公司關連人士洛陽順和能源有限公司（「洛陽順和」）供應總金額不超過人民幣12,000,000元的液化天然氣（「交易事項」）。

於期間內，洛陽順和由執行董事兼主要股東王忠勝先生全資擁有。因此，根據創業板上市規則第20.11條，洛陽順和為本公司之關連人士。根據創業板上市規則第20.14條，於期間內向洛陽順和供應液化天然氣構成本公司一項持續關連交易。

由於交易事項的各個百分比率（利潤率除外）均超過0.1%但低於5%，因此根據創業板上市規則第20章，交易事項須遵守申報及公佈的規定，但獲豁免遵守獨立股東批准的規定。於二零一一年三月二十八日，董事注意到，未曾就交易事項遵守創業板上市規則之申報及公佈的規定，然而，違規事宜已予以相應的糾正。有關詳情，請參閱本公司日期為二零一一年三月三十一日之公佈。

THE PLACING

The Company and the placing agent, Vision Finance International Company Limited (the “Placing Agent”) entered into the placing agreement on 26 February 2011, whereby the Company conditionally agreed to place, through the Placing Agent, on a best efforts basis, a maximum of 326,830,000 shares (“Placing Shares”) to independent investors at a price of HK\$0.225 per share (the “Placing”).

The Placing Shares represent (i) approximately 14.48% of the then issued share capital of the Company of 2,256,675,023 shares; and (ii) approximately 12.65% of the Company’s issued share capital of 2,583,505,023 shares as enlarged by completion of the Placing.

The Placing was completed on 17 March 2011. The maximum net proceeds from the Placing of approximately HK\$71.21 million has been and will be used for the existing joint venture investment and general working capital of the Group. For details of the Placing, please refer to the announcements of the Company dated 26 February 2011 and 17 March 2011 respectively.

配售

本公司與配售代理睿智金融國際有限公司（「配售代理」）於二零一一年二月二十六日訂立配售協議，據此，本公司有條件地同意透過配售代理按竭誠基準配售最多326,830,000股股份（「配售股份」）予獨立投資者，每股股份作價0.225港元（「配售」）。

該等配售股份相當於(i)本公司當時之已發行股本2,256,675,023股股份的約14.48%；及(ii)本公司經配售完成後所擴大之已發行股本2,583,505,023股股份約12.65%。

配售已於二零一一年三月十七日完成。配售之最高所得款項淨額約為71,210,000港元，已經且擬用作本集團之現有合營企業投資及一般營運資金。有關配售詳情，請參閱本公司日期分別為二零一一年二月二十六日及二零一一年三月十七日之公佈。

THE PLACING AND TOP-UP SUBSCRIPTION

On 4 August 2011, Mr. Wang Zhong Sheng (“Mr. Wang”) and Jumbo Lane Investments Limited (“Jumbo Lane”) entered into a placing agreement which was subsequently supplemented by a supplemental agreement dated 5 August 2011 (“the Placing Agreement”) with Kingsway Financial Services Group Limited and Vision Finance International Company Limited (collectively the “Placing Agents”), both as placing agents. On the same date, the Company, Mr. Wang and Jumbo Lane entered into a top-up subscription agreement which was subsequently supplemented by a supplemental agreement dated 5 August 2011. Mr. Wang is an executive Director, and both Mr. Wang and Jumbo Lane are substantial shareholders of the Company.

配售及先舊後新認購

於二零一一年八月四日，王忠勝先生（「王先生」）與寶連投資有限公司（「寶連」）訂立配售協議，隨後經二零一一年八月五日與滙富金融服務有限公司及睿智金融國際有限公司（統稱「配售代理」，各自為配售代理）訂立之補充協議補充（「配售協議」）。同日，本公司、王先生及寶連訂立先舊後新認購協議，隨後經日期為二零一一年八月五日之補充協議補充。王先生為本公司執行董事，及王先生與寶連均為本公司主要股東。

THE PLACING AND TOP-UP SUBSCRIPTION (CONTINUED)

Pursuant to the Placing Agreement and the Subscription Agreement, the Placing Agents agreed to place, on behalf of Mr. Wang and Jumbo Lane and on a best effort basis, an aggregate of up to 400,000,000 existing Shares (of which 200,000,000 Shares were from Jumbo Lane and 200,000,000 Shares were from Mr. Wang) at the placing price of HK\$0.60 per placing share; and Mr. Wang and Jumbo Lane respectively and conditionally agreed to subscribe for, and the Company conditionally agreed to issue and allot, an aggregate of up to 400,000,000 new shares at the subscription price of HK\$0.60 per subscription share (altogether the “Placing and the Subscription”). The Placing and the Subscription were completed on 10 August 2011 and 17 August 2011 respectively. An aggregate of 244,000,000 Placing Shares were successfully placed by Mr. Wang and Jumbo Lane at the Placing Price of HK\$0.60 per Placing Share and an aggregate of 244,000,000 Subscription Shares were issued and allotted by the Company to Mr. Wang and Jumbo Lane at the Subscription Price of HK\$0.6 per Subscription Share. For details of the Placing and Subscription, please refer to the announcements of the Company dated 5 August 2011 and 17 August 2011 respectively.

配售及先舊後新認購(續)

根據配售協議及認購協議，配售代理已同意代表王先生及寶連，按竭盡所能基準配售合共最多400,000,000股現有股份（其中200,000,000股股份來自寶連，200,000,000股股份來自王先生），配售價為每股配售股份0.60港元；及王先生及寶連已分別及有條件地同意認購及本公司已有條件地同意發行和配發合共最多400,000,000股新股份，認購價為每股認購股份0.60港元（統稱「配售及認購」）。配售及認購已分別於二零一一年八月十日及二零一一年八月十七日完成。合共244,000,000股配售股份已順利由王先生及寶連按配售價每股配售股份0.60港元配售，以及本公司已按認購價每股認購股份0.6港元向王先生及寶連發行及配發合共244,000,000股認購股份。有關配售及認購之詳情，請參閱本公司日期為二零一一年八月五日及二零一一年八月十七日之公佈。

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

On 17 March 2011, the Company allotted and issued 326,830,000 ordinary shares of HK\$0.01 each by way of a placement at HK\$0.225 per share for cash. For details, please refer to the announcements of the Company dated 26 February 2011 and 17 March 2011 respectively.

On 17 August 2011, the Company allotted and issued 244,000,000 ordinary shares of HK\$0.01 each under a top-up subscription at HK\$0.60 per share for cash. For details, please refer to the announcements of the Company dated 5 August 2011 and 17 August 2011.

Save as disclosed above, during the nine months ended 30 September 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had an interest in a business which causes or may cause any significant competition with the business as of the Group.

購入、出售或贖回本公司上市股份

於二零一一年三月十七日，本公司以每股0.225港元進行配售之方式，配發及發行326,830,000股每股面值0.01港元之普通股以換取現金。有關詳情，請參閱本公司日期分別為二零一一年二月二十六日及二零一一年三月十七日之公佈。

於二零一一年八月十七日，本公司以每股0.60港元進行先舊後新認購之方式，配發及發行244,000,000股每股面值0.01港元之普通股以換取現金。有關詳情，請參閱本公司日期分別為二零一一年八月五日及二零一一年八月十七日之公佈。

除上文所披露者外，於截至二零一一年九月三十日止九個月內，本公司及其任何附屬公司概無購入、出售或贖回本公司任何上市股份。

競爭權益

本公司董事或管理層股東或任何彼等各自之聯繫人士(定義見創業板上市規則)概無對於或可能對本集團業務構成重大競爭之業務中擁有任何權益。

APPOINTMENT OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

Mr. Feng San Li was appointed as the executive Director and the chief executive officer of the Company with effect from 17 June 2011.

CHANGE OF THE COMPANY'S NAME

The Board announced on 26 July 2011 that it proposed to change the English name of the Company from “China Leason Investment Group Co., Limited” to “China Leason CBM & Shale Gas Group Company Limited” and the Chinese name of the Company from “中國聯盛投資集團有限公司” to “中國聯盛煤層氣頁岩氣產業集團有限公司”.

The special resolution for the change of Company name was passed by the shareholders of the Company at the EGM held on 17 October 2011. The Certificate of Incorporation on Change of Name was issued by the Registrar of Companies in Cayman Island on 20 October 2011 and the change of the English and Chinese names of the Company has become effective from 20 October 2011.

執行董事及最高行政人員的委任

馮三利先生獲委任為本公司之執行董事兼行政總裁，自二零一一年六月十七日起生效。

更改本公司名稱

於二零一一年七月二十六日，董事會宣佈建議將本公司的英文名稱由「China Leason Investment Group Co., Limited」更改為「China Leason CBM & Shale Gas Group Company Limited」以及將本公司的中文名稱由「中國聯盛投資集團有限公司」更改為「中國聯盛煤層氣頁岩氣產業集團有限公司」。

關於更改本公司名稱的特別決議案已於二零一一年十月十七日舉行的股東特別大會上獲股東通過。開曼群島公司註冊處於二零一一年十月二十日發出更改名稱註冊證書，本公司之更新英文及中文名稱隨之自二零一一年十月二十日起生效。

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with the GEM Listing Rules on 28 July 2003. The primary duties of the audit committee are, among others, to review and oversee the financial reporting principles and practices adopted as well as internal control procedures and issues of the Group. It also reviews quarterly, interim and the final results of the Group prior to recommending the same to the Board for consideration.

The audit committee comprises of the three independent non-executive Directors, namely Mr. Wang Zhi He, Mr. Luo Wei Kun and Ms. Pang Yuk Fong (Chairman).

During the Review Period, the audit committee has held one meetings. The Group's unaudited consolidated results for the Review Period have been reviewed and commented by the audit committee members.

In order to maintain a high quality of Corporate Governance, the Group employed a Qualified Accountant in current quarter and will still employ a Qualified Accountant in the coming years. The Audit Committee also concluded that the Group has employed sufficient staff for the propose of accounting, financial and internal control.

審核委員會

本公司已於二零零三年七月二十八日遵照創業板上市規則，成立審核委員會並書面列明其職權範圍。審核委員會之主要職責為(其中包括)審閱及監察本集團之財務申報原則及所採納之慣例，以及內部監控程序及事宜，並負責於向董事會提呈考慮前，先行審閱本集團的季度、中期及全年業績。

審核委員會由三名獨立非執行董事王之和先生、羅維崑先生及彭玉芳女士(主席)所組成。

於本期間，審核委員會曾舉行一次會議，而本集團本期間之未經審核綜合業績已由審核委員會成員審閱及提供意見。

為了維持高質素的企業管治，本集團在本季度曾聘用合資格會計師和在未來年度仍會聘用合資格會計師。審核委員會亦認為，本集團已聘用足夠的員工處理會計、財務及內部監控之工作。

CORPORATE GOVERNANCE

During the Review Period, the Group has complied with the code provisions in the Code of Corporate Governance Practices set out in Appendix 15 of the GEM Listing Rules (“HKSE Code”).

Under the Code Provision A.2.1 of the HKSE Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. Feng San Li is holding the title of chief executive officer. Mr. Wang Zhong Sheng is the Chairman of the Board. The Board meets regularly to consider major matters affecting the business and operations of the Group. The Board considers that this structure will balance the power and authority between the Board and management and believes that this structure enables the Group to make and implement decision promptly and efficiently.

Under Code Provision A.4.1 of the HKSE Code, non-executive directors should be appointed for specific terms, subject to re-election, Currently, the Non-executive Directors and the Independent Non-executive Directors have no set term of office but are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company’s Articles of Association. The Board considers the current arrangement will allow flexibility to the Board in terms of appointment of Directors.

企業管治

於本期間，本集團已遵守創業板上規規則附錄十五所載《企業管治常規守則》（「香港聯交所守則」）的守則條文。

根據香港聯交所守則條文第A.2.1條，主席與行政總裁應予區分，不應由同一人士兼任。現時，馮三利先生出任行政總裁一職，王忠勝先生為董事會主席。董事會定期開會討論影響本集團業務及運作的主要事項。董事會認為這個架構令董事會與管理層的權力與職權得以平衡，並相信這個架構能使本集團迅速有效地作出與執行決定。

根據香港聯交所守則條文第A.4.1條，非執行董事應有固定任期，並須接受重選。目前，非執行董事及獨立非執行董事並無固定任期，惟須根據本公司之公司組織章程細則於本公司股東週年大會輪值告退。董事會認為，現行安排對董事會委任董事提供靈活性。

CORPORATE GOVERNANCE (CONTINUED)

The Company has adopted a code of conduct regarding securities dealings by Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specified enquiry of all Directors, the Company was not aware of any non-compliance with such code of conduct during the Review Period.

The Company has received from each of the independent non-executive Directors a confirmation of their independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of its independent non-executive Directors are independent.

By order of the Board

**China Leason CBM & Shale Gas
Group Company Limited**
**(formerly known as China Leason
Investment Group Co., Limited)**
Wang Zhong Sheng
Chairman

China, 11 November 2011

As at the date hereof, the executive Directors are Mr. Wang Zhong Sheng, Mr. Shi Liang, Mr. Zhang Qing Lin, Mr. Fu Shou Gang and Mr. Feng San Li and the independent non-executive Directors are Mr. Luo Wei Kun and Ms. Pang Yuk Fong and Mr. Wang Zhi He.

企業管治 (續)

本公司已採納創業板上市規則第5.48至5.67條有關董事進行證券交易的操守守則。本公司經向所有董事作出特定查詢後，並不知悉有任何董事於本期間內未有遵守該操守守則。

本公司已接獲各獨立非執行董事根據創業板上市規則第5.09條作出確認彼等獨立身份之確認。本公司認為其全體獨立非執行董事均為獨立人士。

承董事會命

**中國聯盛煤層氣頁岩氣產業
集團有限公司**
**(前稱中國聯盛投資集團
有限公司)**
主席
王忠勝

中國，二零一一年十一月十一日

截至本報告日期，執行董事為王忠勝先生、施亮先生、張慶林先生、付壽剛先生及馮三利先生；以及獨立非執行董事為羅維崑先生、彭玉芳女士及王之和先生。

