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

(Incorporated in Bermuda with limited liability)
(Stock Code: 00166)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2016	2015	**Change**
	HK$'000	*HK$'000*	*%*
Revenue	**31,555**	33,589	–6.1
Gross profit/(loss)	**14,745**	(1,204)	N/A
Loss before taxation from continuing operations	**(23,593)**	(50,492)	–53.3
Loss attributable to owners of the Company	**(21,356)**	(46,192)	–53.8
Basic loss per share (HK cent)	**(0.85)**	(2.33)	–63.5

	At 30 June 2016	At 31 December 2015	**Change**
	HK$'000	*HK$'000*	*%*
Total assets	**2,735,630**	2,740,697	–0.2
Total equity	**2,199,513**	2,242,355	–1.9
Debt ratio[1]	**19.60%**	18.18%	+1.4
Gearing ratio[2]	**22.15%**	18.73%	+3.4
Net asset value per share[3] (HK$)	**0.88**	0.90	–2.2

Remarks:

(1) Debt ratio: Total liabilities divided by total assets

(2) Gearing ratio: Interest bearing borrowings divided by total equity

(3) Net asset value per share: Net assets divided by number of issued shares

* *For identification purpose only*

The board of directors (the "**Board**") of New Times Energy Corporation Limited (the "**Company**") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2016, together with the comparative figures for the corresponding period in 2015. These condensed consolidated interim financial statements for the six months ended 30 June 2016 have not been audited, but have been reviewed by the Audit Committee of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2016

		(Unaudited)	
		Six months ended 30 June	
		2016	2015
	Note	***HK$'000***	*HK$'000*
Continuing operations:			
Revenue	*3*	**31,555**	33,589
Cost of sales		**(16,810)**	(34,793)
Gross profit/(loss)		**14,745**	(1,204)
Other income		**16,837**	32,605
Administrative expenses		**(36,379)**	(44,431)
Other net operating expenses		**(1,699)**	(20,205)
Loss from operations		**(6,496)**	(33,235)
Finance costs	*4(a)*	**(13,993)**	(16,482)
Share of losses of joint ventures		**(3,104)**	(775)
Loss before taxation from continuing operations	*4*	**(23,593)**	(50,492)
Income tax	*5*	**1,058**	4,276
Loss from continuing operations		**(22,535)**	(46,216)
Discontinued operation:			
Loss from discontinued operation, net of tax		**–**	(1,837)
Loss for the period		**(22,535)**	(48,053)

	Note	(Unaudited) Six months ended 30 June 2016 HK$'000	2015 HK$'000
Attributable to:			
Owners of the Company:			
Loss for the period from continuing operations		**(21,356)**	(44,382)
Loss for the period from discontinued operation		**–**	(1,810)
Loss for the period attributable to owners of the Company		**(21,356)**	(46,192)
Non-controlling interests:			
Loss for the period from continuing operations		**(1,179)**	(1,834)
Loss for the period from discontinued operation		**–**	(27)
Loss for the period attributable to non-controlling interests		**(1,179)**	(1,861)
Loss for the period		**(22,535)**	(48,053)
Loss per share	*7*		
Basic (HK cent)		**(0.85)**	(2.33)
Diluted (HK cent)		**(0.85)**	(2.33)
Loss per share – continuing operations	*7*		
Basic (HK cent)		**(0.85)**	(2.24)
Diluted (HK cent)		**(0.85)**	(2.24)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2016

	(Unaudited) Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Loss for the period	**(22,535)**	(48,053)
Other comprehensive income for the period (after tax and reclassification adjustments):		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas and PRC subsidiaries	**(21,543)**	(17,532)
Available-for-sale investments: net movement in the fair value reserve	**–**	(1,376)
Other comprehensive income for the period	**(21,543)**	(18,908)
Total comprehensive income for the period	**(44,078)**	(66,961)
Attributable to:		
Owners of the Company	**(42,893)**	(67,880)
Non-controlling interests	**(1,185)**	919
Total comprehensive income for the period	**(44,078)**	(66,961)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	(Unaudited) At 30 June 2016 HK$'000	(Audited) At 31 December 2015 HK$'000
Non-current assets			
Exploration and evaluation assets	*8*	**2,166,253**	2,159,006
Property, plant and equipment	*9*	**24,742**	27,508
Intangible assets	*10*	**61,577**	67,656
Goodwill		**290**	335
Interest in joint ventures		**33,334**	37,253
Available-for-sale investments		**25,234**	26,933
Prepayments, deposits and other receivables	*11*	**102,989**	81,830
Deferred tax assets		**4,132**	3,626
Total non-current assets		**2,418,551**	2,404,147
Current assets			
Trading securities		**106,752**	96,538
Inventories		**6,492**	7,392
Trade and other receivables	*11*	**55,865**	69,909
Current tax recoverable		**1,423**	2,176
Cash and cash equivalents	*12*	**15,594**	29,582
Assets held for sale		**130,953**	130,953
Total current assets		**317,079**	336,550
Current liabilities			
Trade and other payables	*13*	**29,264**	58,748
Other borrowings	*14*	**162,543**	95,583
Promissory note payable		**32,832**	32,084
Total current liabilities		**224,639**	186,415
Net current assets		**92,440**	150,135
Total assets less current liabilities		**2,510,991**	2,554,282

	Note	(Unaudited) At 30 June 2016 HK$'000	(Audited) At 31 December 2015 HK$'000
Non-current liabilities			
Other borrowings	*14*	**291,809**	292,362
Deferred tax liabilities		**8,665**	8,665
Provisions		**11,004**	10,900
Total non-current liabilities		**311,478**	311,927
NET ASSETS		**2,199,513**	2,242,355
CAPITAL AND RESERVES			
Share capital	*15*	**25,003**	24,970
Reserves		**2,224,833**	2,266,523
Total equity attributable to owners of the Company		**2,249,836**	2,291,493
Non-controlling interests		**(50,323)**	(49,138)
TOTAL EQUITY		**2,199,513**	2,242,355

Notes:

1. GENERAL INFORMATION AND BASIS OF PREPARATION

New Times Energy Corporation Limited (the "Company") is a limited liability company incorporated in Bermuda and its registered office and principal place of business are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Room 1402, 14/F., New World Tower I, 16-18 Queen's Road Central, Hong Kong respectively. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue in accordance with a resolution of the board of directors on 26 August 2016.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2015 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2016 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated interim financial statements and selected explanatory notes. The notes include an explanation of the events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2015 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The interim financial report is unaudited. The financial information relating to the financial year ended 31 December 2015 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory financial statements for the financial year but is derived from those financial statements. The statutory financial statements for the year ended 31 December 2015 are available from the Company's registered office. The auditor has expressed an unqualified opinion on those financial statements in their report dated 30 March 2016.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following amendments are relevant to the Group:

Annual Improvements to HKFRSs 2012–2014 Cycle

Amendments to HKAS 1, *Presentation of financial statements: Disclosure initiative*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Annual Improvements to HKFRSs 2012–2014 Cycle

This cycle of annual improvements contains amendments to four standards. Among them, HKAS 34, *Interim financial reporting*, has been amended to clarify that if an entity discloses the information required by the standard outside the interim financial statements by a cross-reference to the information in another statement of the interim financial report, then users of the interim financial statements should have access to the information incorporated by the cross-reference on the same terms and at the same time. The amendments do not have an impact on the Group's interim financial report as the Group does not present the relevant required disclosures outside the interim financial statements.

Amendments to HKAS 1, Presentation of financial statements: Disclosure initiative

The amendments to HKAS 1 introduce narrow-scope changes to various presentation requirements. The amendments do not have a material impact on the presentation and disclosure of the Group's interim financial report.

3. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of both business lines and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

Details of the Group's reportable segments as follows:

Upstream: This segment is engaged in the exploration, development, production and sale of natural resources. It is further evaluated on a geographic basis. Currently, the Group's activities in this regard are carried out in Argentina and the United States ("US").

Distribution of natural gas (classified as a discontinued operation): This segment is engaged in the sales and the transmission of natural gas in PRC.

(a) Information about profit or loss, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below:

	Upstream									
	Argentina		US		Sub-total		Distribution of natural gas (discontinued operation)		Total	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
For the six months ended 30 June										
Reportable segment revenue *(note)*	**31,502**	33,167	**53**	422	**31,555**	33,589	**–**	1,704	**31,555**	35,293
Reportable segment loss	**(101)**	(15,067)	**(5,601)**	(25,525)	**(5,702)**	(40,592)	**–**	(1,837)	**(5,702)**	(42,429)
Depreciation and amortisation	**4,301**	4,993	**33**	150	**4,334**	5,143	**–**	–	**4,334**	5,143
Interest income	**1**	30	**–**	1,866	**1**	1,896	**–**	–	**1**	1,896
Interest expense	**50**	–	**–**	–	**50**	–	**–**	3	**50**	3
Impairment loss on property, plant and equipment	**–**	–	**–**	18,803	**–**	18,803	**–**	–	**–**	18,803
At 30 June 2016 and 31 December 2015										
Reportable segment assets	**2,278,547**	2,309,823	**67,790**	70,749	**2,346,337**	2,380,572	**–**	–	**2,346,337**	2,380,572
Reportable segment liabilities	**(25,921)**	(54,024)	**(20,698)**	(19,568)	**(46,619)**	(73,592)	**–**	–	**(46,619)**	(73,592)

Note: Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during both the current and prior periods.

(b) Reconciliations of reportable segment revenues and profit or loss

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Revenue		
Reportable segment revenue	**31,555**	35,293
Less: discontinued operation	**–**	(1,704)
Consolidated revenue	**31,555**	33,589
Loss		
Reportable segment loss	**(5,702)**	(42,429)
Unallocated interest expense	**(13,943)**	(16,482)
Other net (expense)/income in corporate head office	**(844)**	7,357
Share of post-tax losses of joint ventures	**(3,104)**	(775)
Less: reportable segment loss from discontinued operation	**–**	1,837
Consolidated loss before taxation from continuing operations	**(23,593)**	(50,492)

4. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

(a) Finance costs

Continuing operations

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Interest on other borrowings	**13,195**	11,062
Interest on promissory note payable	**748**	744
Interest on convertible notes payables	**–**	4,676
Other interest	**50**	–
Total interest expenses on financial liabilities not at fair value through profit or loss	**13,993**	16,482

(b) Staff costs (including directors' remuneration)

Continuing operations

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Salaries, wages and other benefits	**7,632**	11,940
Contributions to defined contribution retirement plan	**1,802**	2,114
	9,434	14,054

(c) **Other items**

Continuing operations

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Amortisation of intangible assets	**2,061**	1,920
Depreciation of property, plant and equipment	**2,379**	3,363
Operating lease charges:		
minimum lease payments		
– leasehold land and buildings	**1,247**	1,791
Interest income	**(2)**	(4,521)
Net foreign exchange loss	**2,668**	1,779
Net gain on disposal of property, plant and equipment	**–**	(134)
Net realised and unrealised gains on trading securities	**(18,979)**	(23)
Impairment loss on property, plant and equipment	**–**	18,803
Impairment loss on available-for-sale investments	**1,699**	–
Cost of inventories	**16,810**	34,793

5. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Continuing operations

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Current tax – Overseas		
– Under-provision in respect of prior years	**12**	1,427
Deferred tax		
Origination and reversal of temporary differences	**(1,070)**	(5,703)
	(1,058)	(4,276)

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands ("BVI"), the Company and its subsidiaries incorporated in Bermuda and BVI are not subject to any income tax in these respective jurisdictions during both the current and prior periods.

No Hong Kong profits tax has been provided for in the condensed consolidated interim financial statements as the Company and its subsidiaries incorporated or operated in Hong Kong did not have any assessable profits arising in Hong Kong during both the current and prior periods.

Subsidiaries of the Group in PRC are subject to PRC enterprise income tax at 25% (2015: 25%).

Subsidiaries of the Group in Argentina are subject to Argentina corporate income tax ("CIT") at 35% (2015: 35%) and minimum presumed income tax ("MPIT"). MPIT is supplementary to CIT and is chargeable at the applicable tax rate of 1% on the tax basis of certain assets. The tax liabilities of subsidiaries of the Group in Argentina is the higher of either CIT or MPIT.

Subsidiaries of the Group operating in Louisiana, US are subject to federal and Louisiana income taxes. As the subsidiaries have adequate accumulated losses brought forward from previous years to offset the taxable income for the period, no provision has been provided in the condensed consolidated interim financial statements.

Subsidiaries of the Group operating in Utah, US are subject to federal and Utah income taxes. As the subsidiaries have no taxable income during both the current and prior periods, the income taxes paid will be limited to US$100 which is the minimum fee to be charged regardless of income.

6. DIVIDENDS

The directors do not recommend the payment of any interim dividends for the six months ended 30 June 2016 (2015: Nil).

7. LOSS PER SHARE

(a) Basic loss per share

(i) Loss attributable to owners of the Company (basic)

	Six months ended 30 June					
	2016			2015		
	Continuing operations	**Discontinued operation**	**Total**	Continuing operations	Discontinued operation	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Loss attributable to owners of the Company	**(21,356)**	**–**	**(21,356)**	(44,382)	(1,810)	(46,192)

(ii) Weighted average number of ordinary shares (basic)

	2016	2015
	'000	*'000*
Issued ordinary shares at 1 January	**2,497,026**	1,385,024
Effect of shares issued under open offer	**–**	581,557
Effect of bonus element on shares issued under open offer	**–**	15,045
Effect of shares issued under share option scheme *(note 15(a))*	**3,242**	117
Weighted average number of ordinary shares (basic) at 30 June	**2,500,268**	1,981,743

(b) Diluted loss per share

For the six months ended 30 June 2016 and 2015, diluted loss per share was the same as the basic loss per share as the potential ordinary shares outstanding during the period had an anti-dilutive effect on the basic loss per share.

8. EXPLORATION AND EVALUATION ASSETS

	Exploration rights	Exploratory drilling	Geological studies	Others	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost					
At 1 January 2015	3,231,431	49,272	173,124	37,883	3,491,710
Additions	2,018	83,752	238	–	86,008
Disposal	–	(212)	–	–	(212)
Exchange adjustments	(4,011)	(26,934)	(49,720)	(2,485)	(83,150)
At 31 December 2015	3,229,438	105,878	123,642	35,398	3,494,356
At 1 January 2016	**3,229,438**	**105,878**	**123,642**	**35,398**	**3,494,356**
Additions	**1,930**	**16,434**	**375**	**–**	**18,739**
Exchange adjustments	**(1,670)**	**(11,811)**	**(12,865)**	**(629)**	**(26,975)**
At 30 June 2016	**3,229,698**	**110,501**	**111,152**	**34,769**	**3,486,120**
Accumulated impairment					
At 1 January 2015	–	16,906	–	–	16,906
Impairment loss	1,159,623	7,131	123,642	35,398	1,325,794
Exchange adjustments	–	(7,350)	–	–	(7,350)
At 31 December 2015	1,159,623	16,687	123,642	35,398	1,335,350
At 1 January 2016	**1,159,623**	**16,687**	**123,642**	**35,398**	**1,335,350**
Exchange adjustments	**–**	**(2,242)**	**(12,612)**	**(629)**	**(15,483)**
At 30 June 2016	**1,159,623**	**14,445**	**111,030**	**34,769**	**1,319,867**
Net book value					
At 30 June 2016	**2,070,075**	**96,056**	**122**	**–**	**2,166,253**
At 31 December 2015	2,069,815	89,191	–	–	2,159,006

At the end of the reporting period, the management of the Group has determined that there are no events or change in circumstances to indicate the carrying amount of the exploration and evaluation assets may not be recoverable. As a result, no impairment loss on exploration and evaluation assets was recognised during the current period.

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	Machinery	Furniture, fixtures and office equipment	Motor vehicles	Oil production assets	Construction in progress	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost							
At 1 January 2015	639	337	2,678	2,198	101,382	942	108,176
Additions	–	73	404	807	35	286	1,605
Disposals	–	–	(105)	(1,747)	(4,461)	–	(6,313)
Transfer	–	87	65	–	–	(152)	–
Exchange adjustments	–	(120)	(810)	(347)	(7,761)	(46)	(9,084)
At 31 December 2015	639	377	2,232	911	89,195	1,030	94,384
At 1 January 2016	**639**	**377**	**2,232**	**911**	**89,195**	**1,030**	**94,384**
Additions	**–**	**–**	**216**	**18**	**–**	**177**	**411**
Disposals	**–**	**–**	**(4)**	**–**	**–**	**–**	**(4)**
Exchange adjustments	**–**	**(48)**	**(240)**	**(124)**	**(1,132)**	**(31)**	**(1,575)**
At 30 June 2016	**639**	**329**	**2,204**	**805**	**88,063**	**1,176**	**93,216**
Accumulated depreciation and impairment							
At 1 January 2015	87	104	1,124	2,011	7,868	–	11,194
Charge for the year	173	56	719	253	5,690	–	6,891
Impairment loss	–	–	–	–	56,989	–	56,989
Written back on disposals	–	–	(42)	(1,747)	(2,507)	–	(4,296)
Exchange adjustments	–	(40)	(407)	(168)	(3,287)	–	(3,902)
At 31 December 2015	260	120	1,394	349	64,753	–	66,876
At 1 January 2016	**260**	**120**	**1,394**	**349**	**64,753**	**–**	**66,876**
Charge for the period	**79**	**24**	**267**	**90**	**1,919**	**–**	**2,379**
Written back on disposals	**–**	**–**	**(4)**	**–**	**–**	**–**	**(4)**
Exchange adjustments	**–**	**(15)**	**(154)**	**(53)**	**(555)**	**–**	**(777)**
At 30 June 2016	**339**	**129**	**1,503**	**386**	**66,117**	**–**	**68,474**
Net book value							
At 30 June 2016	**300**	**200**	**701**	**419**	**21,946**	**1,176**	**24,742**
At 31 December 2015	379	257	838	562	24,442	1,030	27,508

10. INTANGIBLE ASSETS

	Rights on oil sharing *HK$'000* *(note)*	Oil exploration rights *HK$'000*	Total *HK$'000*
Cost			
At 1 January 2015	60,664	156,725	217,389
Exchange adjustments	(21,015)	(8)	(21,023)
At 31 December 2015	39,649	156,717	196,366
At 1 January 2016	**39,649**	**156,717**	**196,366**
Exchange adjustments	**(5,325)**	**13**	**(5,312)**
At 30 June 2016	**34,324**	**156,730**	**191,054**
Accumulated amortisation and impairment			
At 1 January 2015	6,341	33	6,374
Charge for the year	5,552	16	5,568
Impairment loss	–	120,128	120,128
Exchange adjustments	(3,360)	–	(3,360)
At 31 December 2015	8,533	120,177	128,710
At 1 January 2016	**8,533**	**120,177**	**128,710**
Charge for the period	**2,058**	**3**	**2,061**
Exchange adjustments	**(1,294)**	**–**	**(1,294)**
At 30 June 2016	**9,297**	**120,180**	**129,477**
Net book value			
At 30 June 2016	**25,027**	**36,550**	**61,577**
At 31 December 2015	31,116	36,540	67,656

Note: Rights on oil sharing relate to the Palmar Largo concessions. Amortisation is calculated using the unit of production method based upon the estimated proved and probable oil reserves.

11. TRADE AND OTHER RECEIVABLES

	At 30 June 2016 *HK$'000*	At 31 December 2015 *HK$'000*
Trade receivables *(note (b))*	**9,113**	8,790
Other receivables	**34,728**	33,477
Amounts due from joint ventures	**7,524**	11,021
Amounts due from non-controlling shareholders	**–**	1,881
Value-added-tax recoverable	**37,161**	34,891
Other taxes recoverable	**6,398**	7,020
Other prepayments and deposits	**63,930**	54,659
	158,854	151,739
Reconciliation to the consolidated statement of financial position:		
Non-current	**102,989**	81,830
Current	**55,865**	69,909
	158,854	151,739

Notes:

(a) All of the current trade and other receivables are expected to be recovered or recognised as expense within one year.

(b) The following is an ageing analysis of trade receivables, presented based on the invoice date, which approximates the respective revenue recognition dates.

	At 30 June 2016 *HK$'000*	At 31 December 2015 *HK$'000*
0-30 days	**7,678**	7,678
31-60 days	**840**	736
61-90 days	**527**	–
Over 90 days	**68**	376
	9,113	8,790

Trade receivables are due within 90 days (2015: 30 days) from the date of billing.

12. CASH AND CASH EQUIVALENTS

	At 30 June 2016 *HK$'000*	At 31 December 2015 *HK$'000*
Deposits with banks	**–**	16
Cash at bank and in hand	**15,594**	29,566
Cash and cash equivalents in the consolidated statement of financial position	**15,594**	29,582

13. TRADE AND OTHER PAYABLES

	At 30 June 2016 *HK$'000*	At 31 December 2015 *HK$'000*
Trade payables *(note (b))*	**9,826**	10,010
Accrued expenses	**17,087**	42,341
Others	**2,351**	6,397
Financial liabilities measured at amortised cost	**29,264**	58,748

Notes:

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

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

	At 30 June 2016 *HK$'000*	At 31 December 2015 *HK$'000*
0-30 days	**5,466**	3,179
31-60 days	**695**	4,300
61-90 days	**45**	64
Over 90 days	**3,620**	2,467
	9,826	10,010

14. OTHER BORROWINGS

	At 30 June 2016 HK$'000	At 31 December 2015 HK$'000
Term loans due for repayment within 1 year	**162,543**	95,583
Term loans due for repayment after 1 year:		
After 1 year but within 2 years	**80,409**	80,962
After 2 years but within 5 years	**206,400**	64,400
After 5 years	**5,000**	147,000
	291,809	292,362
	454,352	387,945
Reconciliation to the consolidated statement of financial position:		
Current liabilities	**162,543**	95,583
Non-current liabilities	**291,809**	292,362
	454,352	387,945

Notes:

(a) Other borrowings included a fixed rate loan from a related party, China Venturetechno International Co., Ltd., of HK$16,770,000 (31 December 2015: HK$16,322,000). The loan is interest bearing at 6% per annum and repayable on 31 July 2016. The loan with interest accrued has been fully repaid at maturity.

(b) Certain of the Group's other borrowings are subject to the fulfilment of covenants relating to the Group's assets/liabilities ratio and consolidated adjusted tangible net assets, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the other borrowings would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 30 June 2016, none of the covenants relating to other borrowings had been breached.

15. SHARE CAPITAL

Authorised and issued share capital

	At 30 June 2016		At 31 December 2015	
	No. of shares		No. of shares	
	'000	***HK$'000***	*'000*	*HK$'000*
Authorised:				
Ordinary shares of HK$0.01 each	**200,000,000**	**2,000,000**	200,000,000	2,000,000
Ordinary shares, issued and fully paid:				
At 1 January	**2,497,026**	**24,970**	1,385,024	13,850
Shares issued under open offer	**–**	**–**	692,512	6,925
Shares issued under placements	**–**	**–**	415,000	4,150
Shares issued under share option scheme *(note (a))*	**3,296**	**33**	4,490	45
At 30 June 2016/31 December 2015	**2,500,322**	**25,003**	2,497,026	24,970

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

(a) Shares issued under share option scheme

During the period under review, options under the Share Option Scheme were exercised for the subscription of 3,296,000 ordinary shares (2015: 4,490,000 ordinary shares) in the Company at a consideration of HK$1,236,000 (2015: HK$1,684,000), of which HK$33,000 (2015: HK$45,000) was credited to the share capital and the balance of HK$1,203,000 (2015: HK$1,639,000) was credited to the share premium account. An amount of HK$640,000 (2015: HK$872,000) was transferred from share-based compensation reserve to the share premium account in accordance with the Group's accounting policies.

16. CAPITAL COMMITMENTS

Capital commitments outstanding at 30 June 2016 not provided for in the condensed consolidated interim financial statements were as follows:

	At 30 June 2016	At 31 December 2015
	HK$'000	*HK$'000*
Authorised but not contracted for	**10,126**	10,115

17. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Group has the following non-adjusting events:

(a) On 4 July 2016, the Group completed the sale of its remaining 49% of 10,000,000 enlarged shares in Shine Great Investments Limited ("Shine Great") to Goldlink Capital Limited ("Transaction II"). Since the actual consolidated revenue and the actual consolidated profit of Shine Great and its subsidiaries ("Shine Great Group") for the financial year ended 31 December 2015 did not satisfy the revenue guarantee and profit guarantee as defined in the sale and purchase agreement respectively, the consideration for Transaction II has been reduced by 2% to HK$132,535,348. Upon the completion of Transaction II, the Group ceases to hold any interest in Shine Great Group.

(b) On 20 July 2016, the Company completed a share subscription and issued 2,910,000,000 new ordinary shares of HK$0.01 each (aggregate nominal value of HK$29.10 million) to Max Sun Enterprises Limited, who became the controlling shareholder of the Company thereafter, at the subscription price of HK$0.154 per share pursuant to the subscription agreement dated 17 May 2016. Net proceeds of approximately HK$447.23 million (equivalent to approximately HK$0.154 per share) was raised.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL REVIEW

During the period under review, the exploration permits of the Tartagal Oriental and Morillo Concessions (the "T&M Concessions") was successfully extended for an additional 18 months to 13 September 2017. The Group is required to fulfill certain work commitments with respect to the T&M Concessions prior to the expiry of the exploration permits.

In light of the financial needs of the Group, after consideration of various means of fund raising, the Company entered into a subscription agreement with Max Sun Enterprises Limited, the substantial shareholder of the Company, in May 2016 in relation to a subscription of 2,910,000,000 new shares in the Company. The subscription was completed in July 2016, and net proceeds of HK$447.23 million was raised.

In July 2016, the Group concluded its full exit from the downstream oil and gas sector by completing the second part of its two stage disposal of its shareholding in Shine Great Investments Limited.

REVIEW OF BUSINESS OPERATION

Northwest Basin, Argentina

Exploration, Development and Production Activities

Tartagal Oriental and Morillo Concessions (the "T&M Concessions")

During the period under review, the Group successfully extended its exploration permits in the T&M Concessions for a further 18 months until 13 September 2017. It is the Group's intention to fulfill all its working commitments as previously agreed with the Secretary of Energy, before the expiry of the extension period.

Based on studies of 3D seismic data by our in-house geological and geophysical team, a number of prospects have been identified for our exploratory drilling campaign in the T&M Concessions. Planning and preparations are underway for the spudding of the first prospect, targeted for Q4 of 2016, in the Tonono region of Tartagal Oriental area. The Group also plans to drill another two prospects in 2017, in addition to commissioning for further 3D seismic survey work in the T&M Concessions.

The T&M Concessions are presently at an exploration stage with no existing development or production activities currently being performed.

Palmar Largo Concessions (the "PL Concessions")

The PL Concessions comprise of three blocks, namely the Palmar Largo block located in the Province of Formosa, together with the Balbuena Este block and the El Chorro block located in the Province of Salta. The concessions have a 25 year term which is due to expire on 23 December 2017. Being the operator of the PL Concessions, the Group is consulting with the existing UTE members in preparation for the formal application, scheduled to begin in Q3 of 2016, to extend the concessions for another 10 years. The Group is presently conducting a technical and economic reassessment of the Balbuena Este and EI Chorro blocks in order to decide, whether to continue oil & gas exploration activities on those blocks.

During the period under review, the average daily production rate of the Group's 38.15% participating interest in the PL Concessions was approximately 371 barrels of oil per day ("BOPD") (2015: 338 BOPD), peaking at 479 BOPD, immediately after the workover of certain production wells in early June. The Group's share of production for the period under review equated to 68 thousand barrels of oil ("MBBL") (2015: 61 MBBL).

Sales of crude oils from the Group's 38.15% participating interest in the PL Concessions contributed revenues of HK$31.50 million (2015: HK$33.17 million). The average selling price the Group received during the period under review was US$58.34 (2015: US$72.21) per barrel.

There were no exploration and development activities in the PL Concessions during the period under review.

Chirete Concession

During the period under review, the Group was in dispute with Petrobras Argentina S.A. ("PESA") as to whether it fully met the exploratory drilling requirements for the LB x-1002 well drilled last year, to qualify for a 50% participating interest to the Chirete Concession, as stipulated in the farm-in agreement announced on 15 April 2015. To date, the Group has obtained written resolution granted by the Secretary of Energy in the Province of Salta which officially recognised that the Group has categorically met all those conditions and requirements as per the farm-in agreement. The Group is presently formalising with PESA its 50% participating interest and its continuation of the role as the operating partner of the Chirete Concession.

Currently, the Group is finalising the extended test program for the LB x-1002 well. The purpose is to more accurately characterise the reservoir and determine its potential economic viability, before decisions on future field development strategies can be made. Going forward, all exploratory and development costs incurred will be borne equally with PESA.

Expenditures incurred

Expenditures incurred in relation to the Group's exploration and production activities in the Northwest Basin in Argentina during the period under review were as follows:

Nature of expenditure	T&M Concessions	PL Concessions	Chirete Concession	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Exploration rights	1,491	–	439	1,930
Geological and geochemical studies	375	–	–	375
Exploratory drillings	–	–	16,434	16,434
Capital expenditures	–	396	–	396
Production cost	–	6,735	–	6,735
Total	1,866	7,131	16,873	25,870

Uinta Basin, United States

Natural Buttes

During the period under review, the Natural Buttes field recorded gross loss of HK$0.20 million (2015: HK$0.48 million) as a result of decline in production together with the continuing low oil price in US. The Natural Buttes field produced an average of approximately 0 BOPD (2015: 9 BOPD) and generated revenue of HK$0.05 million (2015: HK$0.42 million) from the sale of 0.3 MBBL (2015: 1.3 MBBL) oil at an average price of US$25.31 (2015: US$40.74) per barrel.

No exploration and development activities were performed in the Natural Buttes field during the period under review.

Altamont-Bluebell

During the period under review, no exploration, development and production activities was performed in the Altamont-Bluebell field during the period under review.

Expenditures incurred

Expenditures incurred for development and production activities by the Group in the Uinta Basin during the period under review, were as follows:

Nature of expenditure	**Natural Buttes**	**Altamont-Bluebell**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Development cost	–	4,042	4,042
Production cost	208	–	208
	208	4,042	4,250

FINANCIAL REVIEW

Consolidated revenue from continuing operations of the Group for the six months ended 30 June 2016 was HK$31.56 million (2015: HK$33.59 million). The decrease of 6.1% was mainly due to the decline in the local oil price in Argentina from an average of US$72.21 per barrel in last comparable period to US$58.34 per barrel for the period under review. Despite the lower oil prices, this was offset by higher oil production and lower workover expenditure during the period under review. As a consequence, the Group improved from a gross loss of HK$1.20 million to a gross profit of HK$14.75 million as compared to the previous corresponding period.

Administrative expenses of the Group for the period under review amounted to HK$36.38 million (2015: HK$44.43 million), representing a decrease of HK$8.05 million as compared with the previous corresponding period. The decrease in administrative expenses showed the continuous efforts of the Group's tighter cost control measures. Similar as previous corresponding period, staff costs, legal and professional expenses, and consultancy fees were the main components of administrative expenses of the Group.

Finance costs of the Group for the period under review was reduced by HK$2.49 million to HK$13.99 million (2015: HK$16.48 million). The decrease in finance costs was mainly resulted from no interest on convertible notes payable incurred for the current period.

For the period under review, the Group recorded a loss attributable to owners of the Company of HK$21.36 million (2015: HK$46.19 million). Loss per share for the period under review was HK0.85 cents (2015: HK2.33 cents).

The Board does not recommend the payment of any interim dividends for this interim financial period (2015: Nil).

FUTURE PROSPECTS AND DEVELOPMENT

With the success of a major subscription completed and the full exit from the downstream oil and gas sector in July 2016, the Company is now funded to enhance its upstream business and execute its exploration and production strategy. The Company will seek to increase its production capacity through the acquisition of suitable oil properties in Argentina or nearby regions. The objective is to maximize the Group's profitability and to increase its cash flows for the purpose of funding its future exploration and development activities beyond the current commitments at T&M Concessions and Chirete Concession.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

During the period under review, the Group financed its operations from a combination of working capital and short-term borrowings. On 20 July 2016, the Company completed a share subscription and issued 2,910,000,000 new ordinary shares of HK$0.01 each (aggregate nominal value of HK$29.10 million) to Max Sun Enterprises Limited, who became the controlling shareholder of the Company thereafter, at the subscription price of HK$0.154 per share pursuant to the subscription agreement dated 17 May 2016. The closing market price on the date of issue was HK$0.175 per share. Net proceeds of approximately HK$447.23 million (equivalent to approximately HK$0.154 per share) was raised. Subsequent to the completion of the subscription, net proceeds of HK$112.61 million was used as intended for the repayment of three short-term loans and a promissory note.

At 30 June 2016, the Group's total cash and bank balances were approximately HK$15.59 million (31 December 2015: HK$29.58 million), representing a decrease of HK$13.99 million as compared with 31 December 2015.

At 30 June 2016, the total equity of the Group was HK$2,199.51 million (31 December 2015: HK$2,242.36 million) and the net asset value per share was HK$0.88 (31 December 2015: HK$0.90). The debt ratio, calculated by total liabilities divided by total assets, was 19.60% as at 30 June 2016 (31 December 2015: 18.18%).

At 30 June 2016, the total asset value and net current asset value of the Group were HK$2,735.63 million (31 December 2015: HK$2,740.70 million) and HK$92.44 million (31 December 2015: HK$150.14 million), respectively.

Borrowings

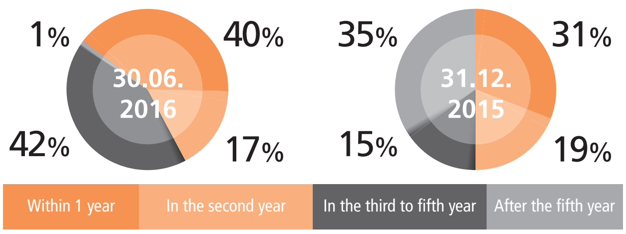
Total borrowings outstanding as at 30 June 2016 was HK$487.18 million (31 December 2015: HK$420.03 million), comprised of other borrowings and debt securities in issue.

Financial covenants

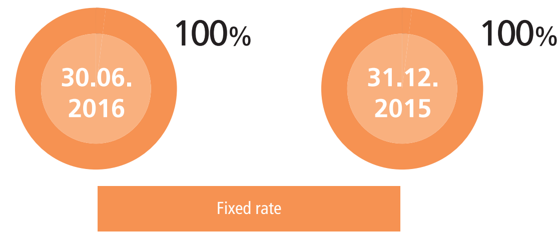
HK$54.40 million of the Group's other borrowings are subject to fulfillment of covenants relating to the Company's assets/liabilities ratio and consolidated adjusted tangible assets, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the other borrowings would become payable on demand. As at 30 June 2016 and 31 December 2015, none of the financial covenants relating to the other borrowings were breached.

The debt profile of the Group as at 30 June 2016 is detailed below:

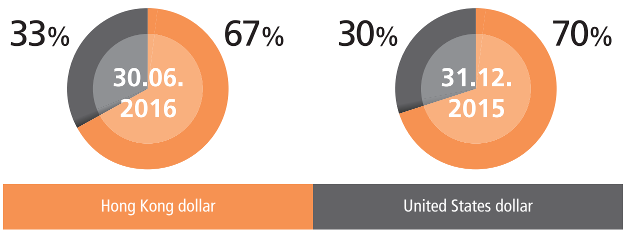
Debt Profile by Maturity



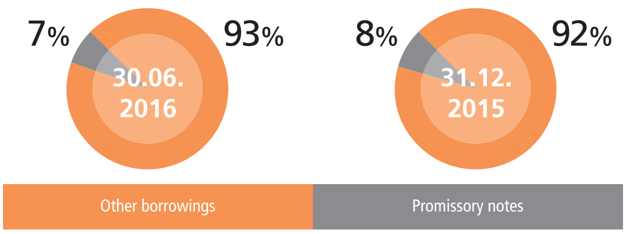
Debt Profile by Interest Rate Structure



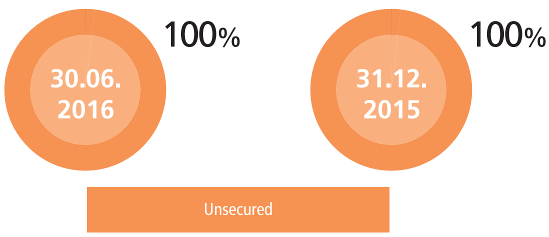
Debt Profile by Currencies



Debt Profile by Types of Borrowings



Debt Profile by Security Nature



Gearing ratio

At 30 June 2016, the gearing ratio, calculated on the basis of interest bearing borrowings divided by total equity, was 22.15% (31 December 2015: 18.73%).

Charge on Assets

At 30 June 2016, the Group did not have any charge on its assets (31 December 2015: Nil).

Contingent Liabilities

At 30 June 2016, the Group did not have any material contingent liabilities (31 December 2015: Nil).

Capital Commitments

Details of the capital commitments of the Group as at 30 June 2016 are set out in note 16 to the unaudited condensed consolidated interim financial statements.

Foreign Exchange Exposure

Assets and liabilities of the Group are mainly denominated in Hong Kong dollar, United States dollar and Argentine peso. Most of these assets and liabilities are in the functional currency of the operations to which the transactions relate. The currencies giving rise to the foreign exchange risk is primarily arising from our exploration activities in Argentina and investments in foreign companies. The Group currently does not have a foreign currency hedging policy. However, the management will monitor the Group's foreign exchange exposure on an ongoing basis and will consider hedging instruments should the need arise.

Employees

At 30 June 2016, the Group employed a total of 50 (31 December 2015: 53) permanent employees in Hong Kong, United States and Argentina. Total employee remuneration from continuing operations (including directors' remuneration and benefits) for the six months ended 30 June 2016 amounted to HK$9.43 million (2015: HK$14.05 million). The Group provides its employees with competitive remuneration packages which were commensurate to their personal performance, qualifications, experience, and relevant market conditions in the respective geographical locations and businesses in which the Group operates.

Material Acquisition and Disposals

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the period under review.

Significant Investments

Nordaq Energy, Inc. ("Nordaq")

During the period under review, Nordaq drilled two exploratory wells in the Tulimaniq Prospect, Alaska. Presently, the company is awaiting certain key data, before an assessment to determine the economic viability of the prospect can be made.

Nordaq which was encountering financial difficulties, raised additional funding of US$4.06 million through a common shares issue in January and February 2016. The company has operationally rationalised its overheads and is seeking to farm-out a percentage of its wholly-owned working interest, whilst retaining a majority holding, as wells its operator rights. The restructuring will enable Nordaq to play a less capital intensive, but supportive role in its future drilling and development activities.

Apart from those matters as set out above, the management discussion and analysis has not materially changed from those information previously disclosed in the 2015 annual report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Code on Corporate Governance Practices

The Company has complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules for the six months ended 30 June 2016, save and except for the following deviations:

Code Provision A.2.1

Pursuant to code provision A.2.1 of the CG Code, the roles of Chairman and Chief Executive Officers ("CEO") should be separate and should not be performed by the same individual. Given the current corporate structure, Mr. Cheng Kam Chiu, Stewart, being the Chairman and an Executive Director of the Company, was assuming the role of CEO of the Company, responsible for the strategic planning and day-to-day management of the Group during the period under review. Although the responsibilities of the Chairman and the CEO are vested in one person, all major decisions are made in consultation with the members of the board (the "Board") of Directors and/or the senior management of the Company. The Board considers that there is sufficient balance of power and authority. The Board shall nevertheless review the structure from time to time to ensure appropriate composition should suitable opportunities arise.

Code Provision A.4.1

Under Code Provision A.4.1, non-executive directors should be appointed for a specific term and subject to re-election. During the period under review, all Non-executive Director and Independent Non-executive Directors were not appointed for a specific term. They were, however, subject to the requirement of retirement and re-election at least once every three years at the annual general meetings of the Company in accordance with the relevant provisions of the Company's bye-laws (the "Bye-laws"). As such, the Company considers that sufficient measures were taken to ensure that the Company's corporate governance practices were no less exacting than those in the code provisions of the CG Code.

Code Provision A.6.7

Under Code Provision A.6.7, independent non-executive directors and other non-executive directors, as equal board members, should attend general meetings. During the period under review, an Independent Non-executive Director was unable to attend the general meetings of the Company as he was out of town or had other engagements.

Code Provision C.1.2

Under Code Provision C.1.2, management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the board as a whole and each director to discharge their duties under Rule 3.08 and Chapter 13. During the period under review, the management of the Company did not provide monthly updates to all members of the Board as required by the code provision C.1.2, as all the executive Directors were involved in the daily operation of the Group and were fully aware of the performance, position and prospects of the Company, and the management has provided to all Directors (including Independent Non-executive Directors) of the Board quarterly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail prior to the regular board meetings of the Company. In addition, the management has provided all members of the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Company and sufficient background or explanatory information for matters brought before the Board.

Model Code for Director's Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made to all the Directors who have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2016.

Purchase, Sale and Redemption of Listed Securities

During the six months ended 30 June 2016, neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange.

Review of Interim Results

The Audit Committee of the Company has reviewed the unaudited interim financial report of the Company for the six months ended 30 June 2016.

Publication of Interim Results and Interim Report

This announcement of interim results of the Group for the six months ended 30 June 2016 is published on the websites of the Company (www.nt-energy.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2016 containing all the information required by the Listing Rules shall be despatched to the shareholders of the Company and made available on the abovementioned websites in due course.

By order of the Board
New Times Energy Corporation Limited
Cheng Kam Chiu, Stewart
Chairman

Hong Kong, 26 August 2016

As at the date of this announcement, the Board comprises six directors, of whom two are executive directors, namely Mr. Cheng Kam Chiu, Stewart and Mr. Cheng Ming Kit; and four are independent non-executive directors, namely Mr. Wong Man Kong, Peter, Mr. Chan Chi Yuen, Mr. Yung Chun Fai, Dickie and Mr. Chiu Wai On.