

The Leading  
Independent  
Coalbed Methane  
Producer in China

Delivering sustainable  
shareholder returns

# 2017

## ANNUAL REPORT 年報

亞美能源控股有限公司  
AAG Energy Holdings Limited  
(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 2686

# CONTENTS

## 目錄

Company at a Glance 公司簡介	2
Chairman's Statement 主席報告	4
Management Discussion and Analysis 管理層討論及分析	8
Directors and Senior Management 董事及高級管理層	33
Report of the Directors 董事會報告	49
Corporate Governance Report 企業管治報告	70
Independent Auditor's Report 獨立核數師報告	93
Consolidated Balance Sheet 合併資產負債表	101
Consolidated Statement of Comprehensive Income 合併綜合收益表	103
Consolidated Statement of Change in Equity 合併權益變動表	104
Consolidated Statement of Cash Flows 合併現金流量表	105
Notes to the Consolidated Financial Statements 合併財務報表附註	106
Corporate Information 公司資料	178



## Company at a Glance

### 公司簡介

# AAG Energy, the Leading Independent CBM Producer in China

## 亞美能源，中國煤層氣行業的領先者

### Our Vision 願景

To be the leading independent E&P platform in Asia.

勵志成為亞洲領先的上游能源企業

### Mission 使命

We are committed to providing a superior rate of return on our shareholders' investments in a socially responsible and environmentally sustainable way.

我們承諾以對社會和環境負責任的方式為我們的股東帶來最大的回報

### About AAG Energy Holdings Limited

AAG Energy Holdings Limited is an international energy company and a leader in China's coalbed methane ("CBM") exploration and development sector. It focuses on developing and optimizing the value of unconventional gas resources to supply clean energy to the Chinese economy. AAG Energy's key operating assets, Panzhuang and Mabi concessions, are located in the southwestern part of Shanxi province in the Qinshui Basin, which boasts the largest proved CBM geological reserves of any basin in China. AAG Energy's Panzhuang concession in partnership with China United Coalbed Methane Corporation Ltd., is the most commercially advanced Sino-foreign CBM asset in China and the first Sino-foreign CBM cooperative project to have entered full-scale commercial development and production. The Project has a designed annual production capacity of 500 million m<sup>3</sup>. AAG Energy's Mabi CBM Project Phase 1 in partnership with PetroChina received the preliminary Overall Development Plan ("ODP") approval from NDRC in November 2013. The designed commercial scale capacity of Mabi Phase I is 1 billion m<sup>3</sup> per year. With proven ability to commercialize CBM and a highly-respected management team, the Group has attracted support from leading international and Chinese investors including Warburg Pincus, Baring Private Equity Asia, Chinastone and Ping An.

### 關於亞美能源控股有限公司

亞美能源控股有限公司是一家在中國煤層氣勘探開發領域處於領先地位的國際能源公司，專注於非常規天然氣資源的開發及價值優化，為中國經濟供應清潔能源。亞美能源的主要運營資產潘莊及馬必區塊位於山西南部的沁水盆地，其煤層氣探明地質儲量居中國各盆地之首。亞美能源與中聯煤層氣公司合作的潘莊區塊為中國商業化程度最高的中外合作煤層氣資產，是中國首個進入全面商業開發和生產的中外合作煤層氣區塊，年設計產能為5億立方米。亞美能源與中石油合作的馬必煤層氣項目總體開發方案一期已於2013年11月獲得國家能源局的前期批復，一期商業開發年設計產能為10億立方米。憑藉其在煤層氣商業化進程中成功的經驗以及其優秀的管理團隊，亞美能源贏得了來自國際及國內一流投資機構的青睞和大力支持，包括美國華平投資集團，霸菱亞洲私募基金，濤石和平安信託等。



### AAG 2017 Performance Highlights

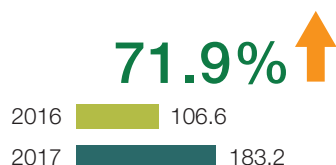
#### 公司2017年業績亮點

Safety is always our top priority  
安全永遠是我們的第一要務

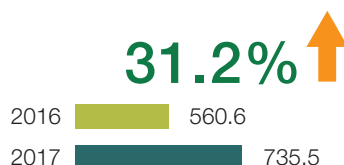
**0** injury and **5 million** man hours without Lost Time Injury  
**0** 傷害記錄，累計**500萬**工作小時無損失工時事故

We have achieved strong financial performance  
我們取得了卓越的財務成績

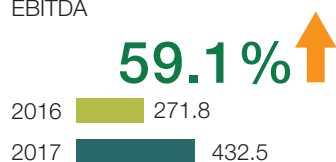
Profit for the year  
年度利潤



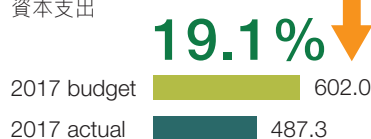
Revenue (including subsidy and VAT refund)  
收入 (包括政府補貼和增值稅增值稅退稅)



EBITDA



Capex  
資本支出

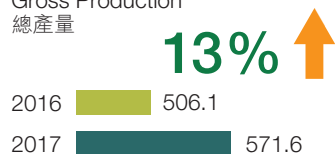


Unit: Million RMB  
單位: 百萬人民幣

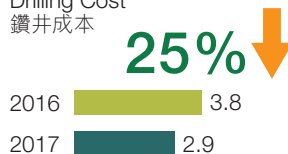
We always focus on increasing productivity and cost saving  
我們一直致力於提高產能和節約成本

#### Panzhuang 潘莊區塊

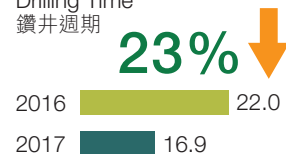
Gross Production  
總產量



Drilling Cost  
鑽井成本

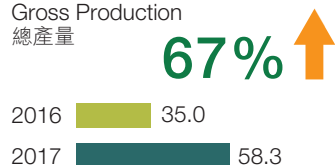


Drilling Time  
鑽井週期

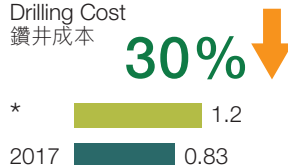


#### Mabi 馬必區塊

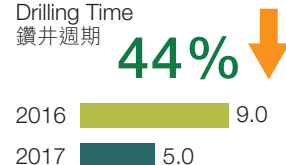
Gross Production  
總產量



Drilling Cost  
鑽井成本



Drilling Time  
鑽井週期



\* similar type well's historical average cost  
歷史同類井型成本

Unit: MMCM  
單位: MMCM

Unit: Million RMB  
單位: 百萬人民幣

Unit: Days  
單位: 天

# Chairman's Statement

## 主席報告

We are committed to providing a superior rate of return on our shareholders' investments in a socially responsible and environmentally sustainable way

我們承諾以對社會和環境負責任的方式為我們的股東帶來最大的回報

**Dr. Stephen Xiangdong ZOU**

Chairman  
鄒向東博士  
主席



Dear Shareholders,

On behalf of the board (the "**Board**") of directors (the "**Directors**") of AAG Energy Holdings Limited ("**AAG**" or the "**Company**", together with its subsidiaries, collectively the "**Group**"), I hereby present the annual results of the Company for the year ended 31 December 2017.

2017 was an extraordinary come-back year for AAG due to the Company's strong business fundamentals, including operation excellence, technical competency, stringent costs control, and a stronger, more effective management and workforce. With well-fulfilled safety and environmental commitments, our Panzhuang and Mabi assets outperformed with double digit growth in gas production and sales, and significant cost savings. This strengthens our position as the leading independent producer of coalbed methane ("**CBM**") in China. On top of these achievements, we also benefited from the booming gas market across China in 2017. This was a direct result of the Chinese government's policy of "Coal to Gas", which had driven up both the demand and the price of natural gas in China, especially during the winter season.

各位股東：

本人謹代表亞美能源控股有限公司（「亞美」或「本公司」，連同其附屬公司統稱「本集團」）董事會提呈本公司截至2017年12月31日止的年度業績。

2017年對於亞美來說是業績卓越回升的一年，這主要來自於公司強勁的業務基本面，包括傑出的運營表現、富有競爭力的技術能力、嚴格的成本控制，以及具備更強執行力的管理層和員工。在全面履行安全和環境承諾下，潘莊和馬必的業績超出了預期，在煤層氣生產和銷售方面呈兩位數增長，並且成本顯著下降。由此鞏固了我們繼續作為中國領先的獨立煤層氣生產商的地位。除了公司強勁的業務基本面之外，公司業績的卓越回升也直接受益於2017年中國天然氣市場的全面增長。中國政府實施的「煤改氣」政策，直接促進了天然氣在需求和價格兩個方面的增長，這在冬季尤為顯著。

# Chairman's Statement

## 主席報告

In summary, the Group reported a substantial increase in net income of RMB183.2 million in 2017, a 71.9% increase from RMB106.6 million in 2016. The Group's 2017 total gross production increased year on year ("YoY") by almost 17% to 630 million cubic meters ("MMCM") (22.3 billion cubic feet ("bcf")), and the sales revenue (including subsidy and VAT refund) increased YoY by 31.2% to RMB735.5 million. The average sales price ("ASP") for Panzhuang increased from RMB1.20 per cubic meter in 2016 to RMB1.31 per cubic meter in 2017. Panzhuang's sales revenue accounts for the majority of our revenues and earnings. Mabi, with a sales contract signed with PetroChina effective from 1 July 2017, began to record revenues and expenses in 2H2017. The Group's EBITDA increased by 59.1% from RMB271.8 million in 2016 to RMB432.5 million in 2017.

As an appreciation to our shareholders' support, the Board would like to share our extraordinary achievement with you, and recommended the payment of a dividend as further detailed in Proposed Dividend below.

Below are some highlights of the Group in 2017.

**Outstanding HSE Record:** AAG's overall HSE record continued to outperform targets by maintaining a zero incident for total recordable injury rate and lost time injury rate ("LTIR"). By 25 December 2017, AAG had achieved 5 million man-hours (3 years and 111 days) without a single LTIR, which showed our relentless efforts in pursuing HSE excellence.

**Panzhuang — A Steadily Growing Cashflow Stream:** We are very proud that Panzhuang continued to deliver robust production growth in 2017 and remains as the best CBM asset in China. Total annual production from Panzhuang reached 571.6 MMCM in 2017, beating the target of 557.2 MMCM with a 13% YoY increase, with a stable utilization rate of 98%.

With improvements in operational management and efficiency, the originally planned 29 wells were completed by 3Q2017. This allowed us to expand the drilling program in 4Q2017 using the cost savings we made from drilling and other operations in the first three quarters of 2017. By end of 2017, we finished drilling 55 wells.

總體而言，本集團的淨利潤取得大幅增長，從2016年的人民幣1.066億元增長了71.9%至2017年的人民幣1.832億元。2017年的總產量同比2016年增長了約17%達到6.30億立方米(即223億立方英尺)，銷售收入(包括政府補貼以及增值稅退稅)同比2016年增長了31.2%至人民幣7.355億元。潘莊區塊的平均銷售價格(「ASP」)從2016年的每立方米人民幣1.20元增至2017年的每立方米人民幣1.31元。潘莊的銷售收入是我們收入和盈利的主要來源。我們與中石油簽訂的銷售合同從2017年7月1日起開始生效，馬必區塊因此在2017年下半年開始確認收入及相關費用。本集團的EBITDA由2016年的人民幣2.718億元增長了59.1%至2017年的人民幣4.325億元。

作為對股東支持的感謝，董事會希望和所有股東分享我們的卓越成就，提議派付股息，具體建議如以下「建議股息」所列。

2017年本集團若干業績摘要如下：

**傑出的健康、安全及環境(「HSE」)記錄：**亞美能源的HSE記錄持續超過預期目標，可記錄事故率及無損耗工時事故率均為零。截至2017年12月25日，亞美實現了累計五百萬工作小時(3年零111天)無損失工時事故，展示出我們在追求HSE傑出表現上所做的不懈努力。

**潘莊 — 穩健增長的現金流：**潘莊區塊2017年繼續實現了產量的強勁增長，持續成為中國最好的煤層氣資產，我們為此感到非常自豪。潘莊區塊2017年的總產量同比2016年增長了13%達到5.716億立方米，超過了5.572億立方米的原定目標，銷售利用率穩定保持在98%。

隨著運營管理和效率的提升，原年度計劃的29口井於2017年第三季度即告完成。這使我們能夠使用前三個季度在鑽井和其他運營活動中節省的預算，在第四季度增加鑽井數量。截至2017年末，我們共完成鑽井55口。

# Chairman's Statement

## 主席報告

**Mabi — Readiness for Commercialization:** In 2017, Mabi focused on improving pilot production, controlling costs and preparing for commercial development once Overall Development Plan 1 (“ODP I”) is filed. Total production from Mabi's pilot program reached 58.3 MMCM in 2017, surpassing our target of 56.9 MMCM, and a YoY increase of 67%. With the latest success in pilot production improvements and development optimization, Mabi concession is now ready for a scaled commercial development.

Mabi's ODP I report was further revised based on the improved well performance and market condition, and passed the final review by China National Petroleum Corporation, our Chinese partner for Mabi project. We are now waiting for the National People's Congress' endorsement of a regulatory change from the approval process to a filing process by NDRC for all CBM ODP reports. We expect this filing process to be in place in 1H2018, which will allow us to start the scaled commercial development of Mabi phase I in the middle of 2018.

**Stringent Costs Control and Significant Cost Savings:** We are very proud of our stringent cost control measures which resulted in significant cost savings in 2017 across every project and function in our Group. The total annual incurred Capex was RMB487.3MM, compared to the budgeted RMB602.0MM. Costs per well continued to fall for both projects. In Panzhuang, the average drilling cost for one SLH well was down from RMB3.8MM in 2016 to RMB3.3MM in 1Q2017 and further down to RMB2.9MM in 4Q2017. In Mabi, the average drilling cost for one PDW was down to RMB0.83MM in 4Q2017, 30% below the similar type of wells historical average cost. We plan to continue to drive costs down and improve the margin as we approach commercial development for Mabi.

**A Booming Gas Market with Higher Realized Gas Price:** 2017 witnessed a rapidly booming natural gas market in China with total gas demand up 16% YoY to 241 billion cubic meters (“bcm”), based on a SIA report, due to the government's determination to clean up the air by encouraging more gas consumptions for all sectors. As a direct result, our realized ASP in Panzhuang increased by 9.6% YoY, from 1.20 RMB per cubic meter (“cm”) (“RMB/cm”) in 2016 to 1.31 RMB/cm in 2017, and increased by 22% from 1.26 RMB/cm in the first half of the year to 1.54 RMB/cm in the last quarter. Furthermore, the NDRC began regulating pipeline transmission tariff from 4Q2017 and as a result, our gas transmission tariff was reduced by 22%, which helped to increase our margins.

**馬必 — 商業化開發準備就緒：**在2017年，馬必區塊致力於提高先導性開發井的產量，控制成本和為一期總體開發方案（「ODP I」）成功備案後而進入商業化開發做好準備。馬必2017年先導性開發的總產量同比2016年增長了67%至5,830萬立方米，超過了5,690萬立方米的原定目標。在最近取得先導性開發產量的提高和開發方案優化的進展之後，馬必區塊已經為大規模商業性開發做好了準備。

基於生產井表現的提升和市場條件的變化，馬必ODP I的報告進行了進一步修改，並通過了我們中方合作夥伴中國石油天然氣集團公司的最後審閱。我們正在等待全國人民代表大會就所有煤層氣ODP報告的審批政策由國家發展和改革委員會（發改委）核準制變更為備案制的法規變更確認。我們希望2018年上半年備案制的具體規定能夠出台，從而使我們能夠在2018年年中開始馬必項目一期的大規模商業性開發。

**嚴格的成本控制和顯著的成本節約：**通過嚴格的成本控制措施及各個項目和集團職能部門的共同努力，2017年我們實現了顯著的成本節約，為此我們感到非常自豪。相比全年預算人民幣6.020億元的資本性支出，今年實際的資本性支出為人民幣4.873億元。兩個區塊單井成本都實現了持續的下降。在潘莊，每口單分支水準井的平均鑽井成本從2016年的人民幣380萬元降至2017年第一季度的330萬元，並進一步降低至第四季度的290萬元。在馬必，每口叢式井的平均鑽井成本在2017年第四季度降至人民幣83萬元，相比歷史同類井的平均成本降低了30%。在馬必即將進入商業性開發之際，我們將持續降低成本並提升利潤率。

**繁榮的天然氣市場量價齊升：**根據SIA的市場報告，2017年是中國天然氣市場蓬勃發展的一年，由於政府下定決心為了重獲藍天而鼓勵各個領域更多地使用天然氣，天然氣總需求量同比2016年增長了16%至2,410億立方米。由於整體市場情況的改善，潘莊的平均銷售價格同比2016年上漲了9.6%，從2016年的每立方米人民幣1.20元增長至2017年的每立方米人民幣1.31元，而從上半年的每立方米人民幣1.26元增加了22%至第四季度的每立方米人民幣1.54元。除此之外，國家發改委在2017年第四季度開始對管道運輸費用實施政府定價，因此，我們所支付的管道運輸費下調了22%，這進一步提升了利潤空間。

# Chairman's Statement

## 主席報告

**Maturation of Group's Reserve Base:** Based on the report issued by Netherland, Sewell & Associates, Inc., the Group's net Proved ("1P") and net Proved + Probable ("2P") gas reserves at year-end 2017 were approximately 153.0 bcf and 617.6 bcf respectively, which represented a 43% increase over the net 1P of 107.2 bcf and a 12% decrease over the net 2P of 697.8 bcf at year-end 2016. This represented a natural migration of reserves up the value chain along with the scaled development and production, as well as the maturation of assets.

**Strong Balance Sheet:** In 2017 our balance sheet continued to remain strong. As of 31 December 2017, AAG had a cash balance equivalent to RMB2,274.6 million (approximately 75% held in US and Hong Kong dollars), borrowings of RMB513.6 million and an unutilized Reserve Based Lending facility of US\$118.0 million.

**Proposed Dividend:** The Board recommends a full year dividend of HK\$0.0248/share for the year ended 31 December 2017 in view of the strong operational and financial performance combined with stringent cost control. The Company's continuing strong cash position, increased cash flow from operations and unused borrowing facilities enable the payment of the Company's first dividends.

The outlook for the Company's business remains strong and supports its ability to sustain this dividend in the future.

Fellow shareholders, the management has been encouraged by our achievements in 2017, and looking forward, we are very excited for 2018 as both the global commodity markets and Chinese economy continue to be on a healthy recovery track. In this Year of the Dog, we will continue to stay focused on continuous improvements of our fundamentals; Panzhuang gas production, Mabi commercialization, and operation efficiencies for both projects, while at the same time actively looking for new opportunities.

In closing, I thank you, our Board, staff, shareholders, and business partners for your continued trust and support.

Sincerely,



**Stephen Xiangdong Zou**  
Chairman

**儲量升級：**根據獨立儲量認證公司Netherland, Sewell & Associates, Inc. (「NSAI」)發佈的報告，截至2017年底，本集團的證實儲量(1P)和證實+概算儲量(2P)分別約為1,530億立方英尺和6,176億立方英尺，較2016年底的1P儲量1,072億立方英尺增長了43%，2P儲量6,978億立方英尺減少了12%。這表示隨著進一步的商業開發和不斷擴大的生產，儲量級別不斷遷移，儲量資產的成熟度逐步提升。

**雄厚的資金實力：**2017年我們仍然擁有非常雄厚的資金實力。在2017年12月31日，亞美的現金餘額相當於人民幣約22.746億元(約75%為美元或港元)，借款約合人民幣5.136億元以及儲量融資的未使用部分美元約1.180億元。

**建議股息：**鑒於強勁的運營和財務表現以及嚴格的成本控制，董事會建議派付截至2017年12月31日止年度股息每股港幣0.0248元。本公司持續強勁的資金實力，來自於運營的增長的現金流，和未使用的貸款使得本公司能夠首次派付股息。

本公司業務前景的持續強勁，可支持本公司在未來繼續派付股息。

各位股東，管理層為我們在2017年所取得的成就感到非常的自豪，展望未來，隨著全球商品市場以及中國經濟的健康復蘇，我們對2018年充滿期待。在新的一年裡，我們將進一步聚焦於基本面的持續提升，包括：增加潘莊的產量，準備好馬必的商業性開發以及提高兩個項目的運營效率，與此同時，積極尋找新的業務機會。

最後，本人謹此衷心感謝各位董事會成員、我們的員工、股東及商業夥伴一直以來的信任及支持。

致禮！

**鄒向東博士**  
主席



# Management Discussion and Analysis

管理層討論及分析



# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

We are pleased to announce the Group continues to deliver strong production growth compared with 2016. The Group's 2017 gross gas production increased by 16.4% to 629.9 million cubic meters ("MMCM") (22.3 billion cubic feet ("bcf")) (comprising Panzhuang's gross production of 571.6 MMCM (20.2 bcf) and Mabi's gross production of 58.3 MMCM (2.1 bcf)) compared with 2016.

During 2017, AAG realized a higher average selling price ("ASP") of RMB1.30/cubic meter ("cm") comprising an ASP of RMB1.31/cm and RMB1.14/cm for Panzhuang and Mabi, respectively (compared to RMB1.20/cm for Panzhuang for 2016). This increase in ASP for Panzhuang was driven by government policy of "coal-to-gas conversion" and increased demand for gas in the winter months.

In July 2017, we entered into the exploration phase sales contract with PetroChina Company Limited ("PetroChina") and Mabi began to recognize revenues and expenses in the second half of 2017 ("2H2017").

The combination of rapid drilling and completion with continuous optimization of well design and implementation, and more new wells ramped up production in Panzhuang and Mabi which led to increased production output in 2017.

Revenue (including subsidy and VAT refund) in 2017 increased by 31.2% to RMB735.5 million compared with 2016. Profit from operations in 2017 increased by 63.4% to RMB322.1 million. Profit for the year in 2017 increased by 71.9% to RMB183.2 million. EBITDA in 2017 increased by 59.1% to RMB432.5 million.

The total annual incurred Capex was RMB487.3 million, compared to the budget of RMB602.0 million. The average drilling cost for 1 single lateral horizontal ("SLH") well in Panzhuang was reduced by approximately RMB0.9 million per well from 2016. For Mabi, the average drilling cost for 1 pad drill well ("PDW") was about RMB0.8 million by the end of 2017, representing only 75% of similar type well's historical average cost. Looking forward, AAG remains committed to driving costs down and keeping a healthy margin.

### 業務回顧

我們很高興的宣佈，本集團的總產量相較2016年持續大幅度增長。2017年總產量相比2016年增長了16.4%達到6.3億立方米(即223億立方英尺)，其中包括潘莊區塊的天然氣產量5.7億立方米(即202億立方英尺)和馬必區塊的天然氣產量5,830萬立方米(即21億立方英尺)。

2017年，亞美實現了更高的平均銷售價格(「ASP」)即每立方米人民幣1.3元，其中潘莊的平均售價為每立方米人民幣1.31元(相比2016年的每立方米人民幣1.2元)，馬必的平均售價為每立方米人民幣1.14元。潘莊平均銷售價格主要來源於中國政府實施的「煤改氣」政策以及冬季燃氣需求量的增加。

2017年7月，我們與中國石油天然氣股份有限公司(中石油)簽訂了勘探期銷售協議，馬必區塊因此在2017年下半年開始確認收入及相關費用。

高效的鑽井和完井，以及持續的氣井設計和實施優化，2017年潘莊和馬必的新井得以更快提高產量，為全年產量做出了重大的貢獻。

2017年的銷售收入(包括政府補貼和增值稅退稅)相比2016年增加了31.2%至人民幣7.355億元。經營利潤增加了63.4%至人民幣3.221億元。年度利潤增加了71.9%至人民幣1.832億元。2017年的EBITDA增加了59.1%至人民幣4.325億元。

相比全年預算人民幣6.02億元的資本性支出，今年實際的資本性支出為4.873億元。潘莊每口單支水平井(SLH)的平均鑽井成本較2016年下降了約人民幣90萬元。馬必每口叢式井(PDW)的平均鑽井成本僅為歷史同類型井平均成本的75%，約為人民幣80萬元。我們持續致力於降低成本、提升利潤率空間。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

Please refer to section headed Review of Financial Results below.

### 財務回顧

請參見本公告後述之「財務業績回顧」一節部分：

Items		As at or for the year ended 31 December				
		2017	2016	2015	2014	2013
項目		2017年	2016年	2015年	2014年	2013年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Current Assets	流動資產	<b>2,575,004</b>	2,699,512	2,820,279	1,347,769	348,623
Non-current assets	非流動資產	<b>3,557,685</b>	3,238,962	2,667,486	2,147,103	1,846,924
Total assets	總資產	<b>6,132,689</b>	5,938,474	5,487,765	3,494,872	2,195,547
Current liabilities	流動負債	<b>422,062</b>	443,775	392,893	316,439	1,887,800
Non-current liabilities	非流動負債	<b>760,282</b>	657,765	503,426	375,432	363,505
Total liabilities	總負債	<b>1,182,344</b>	1,101,540	896,319	691,871	2,251,305
Revenue	收入	<b>541,598</b>	411,278	536,655	425,895	138,382
Other income	其他收入	<b>193,913</b>	149,276	127,672	151,197	64,262
Profit before income tax	除所得稅前利潤	<b>310,941</b>	178,980	51,717	275,048	68,651
Profit/(loss) for the year	年度利潤/(虧損)	<b>183,198</b>	106,635	(56,939)	194,988	39,568
Net cash generated from operating activities	經營活動所得現金淨額	<b>438,301</b>	257,418	317,382	297,587	611
Net cash used in investing activities	投資活動所用現金淨額	<b>(455,556)</b>	(337,742)	(743,937)	(420,954)	(607,575)
Net cash generated from financing activities	融資活動所得現金淨額	<b>26,392</b>	12,874	1,517,712	1,014,039	787,666

### OPERATIONS REVIEW

We continued focusing on the Health, Safety and Environment (“HSE”) performance with expanding operation activities. AAG has achieved 5 million man-hours (3 years and 111 days) without Lost Time Injury on 25 December 2017.

We have achieved significant progress towards certain key operational objectives for its two key assets operated by the Group’s two subsidiaries: Panzhuang concession operated by Sino-American Energy, Inc. (“SAEI”) and Mabi concession operated by Asian American Gas, Inc. (“AAGI”).

### 經營回顧

儘管經營活動不斷增加，我們持續重點關注HSE的表現。截至2017年12月25日，亞美實現了五百萬工作小時(3年零111天)無損耗工時事故。

本集團兩間附屬公司經營的兩項重大資產(美中能源有限公司「SAEI」經營的潘莊區塊及亞美大陸煤層氣有限公司「AAGI」經營的馬必區塊)的若干重大經營目標取得顯著進展。

# Management Discussion and Analysis

## 管理層討論及分析

### OPERATIONS REVIEW (Continued)

#### • Panzhuang Concession

AAG's Panzhuang concession in partnership with China United Coalbed Methane Corporation Ltd. ("**CUCBM**") continues to be the highest producing coalbed methane ("**CBM**") natural gas project in China, and was designated as the leading CBM production sharing contract in China under the Thirteenth Five-Year Development and Utilization Plan for Coalbed Methane ("**Energy Plan**") released by the National Energy Administration (國家能源局, "**NEA**") and the National Development and Reform Commission (國家發展和改革委員會, "**NDRC**").

#### • Panzhuang production update

Total annual production from Panzhuang reached 571.6 MMCM (20.2 bcf), surpassing our 2017 production target of 557.2 MMCM (19.7 bcf) with an 13% increase year on year ("**YoY**"). Panzhuang's average daily production in 2017 was 1.57 MMCM per day ("**MMCMD**"), an 13.4% increase YoY. The sales utilization rate in Panzhuang has remained very high at 98% during 2017. Panzhuang's gross sales volume in 2017 increased by 13% to 559.7 MMCM (19.8 bcf), compared with the full year 2016 gross sales volume of 495.5 MMCM (17.5 bcf). Further details on production and well count of Panzhuang are set out below in Table 1.

#### • Panzhuang drilling and surface facilities

In 2017, AAG drilled and completed 55 wells (comprising 45 SLHs and 10 PDWs). For the full year 2017, the 45 SLH wells were completed in just 16.9 days on average with an average drilling cost of RMB2.9 million per SLH well compared with a 2016 average of RMB3.8 million per SLH well, with wells drilled in 22 days. Our original 2017 drilling plan of 29 wells for Panzhuang was completed by the third quarter of 2017. Savings from drilling operation and improved operation efficiency allowed us to increase the number of wells drilled in 2017.

We added 2 additional surface compressors at the central station which will allow us to expand gas sales market at a higher pressure, thereby giving us a higher price for gas in the future. The 2017 average daily production was 1.57 MMCMD. With such a high daily production average, Panzhuang will remain the most productive CBM concession in China for years to come. At the end of 2017, there were a total of 147 wells contributing to production. Of these 147 wells, there are 19 PDWs, 49 multi-lateral wells ("**MLD**"), and 79 SLH wells.

### 經營回顧(續)

#### • 潘莊區塊

亞美與中聯煤層氣有限責任公司合作的潘莊區塊仍然是中國最高產的煤層氣項目，在國家發展和改革委員會(發改委)發布，由國家能源局(NEA)制定的煤層氣(煤礦瓦斯)開發利用「十三五」規劃中，被列為中國煤層氣重點項目。

#### • 潘莊區塊生產進展

2017年潘莊區塊的總產量超過了5.57億立方米(即197億立方英尺)的原定目標，同比2016增長了13%達5.7億立方米(即202億立方英尺)。日產氣量較去年增長了13.4%達157萬立方米每天。潘莊區塊的銷售利用率穩定保持在98%。2017年潘莊總的銷售氣量相比2016年的4.955億立方米(即175億立方英尺)增長了13%至5.597億立方米(即198億立方英尺)。更多的產量資料以及井數統計請詳見下列表1。

#### • 潘莊鑽井及地面設施進展

2017年潘莊區塊共完成鑽井55口(其中包括45口SLH和10口PDW)。單支水平井平均鑽井成本為人民幣290萬元，平均鑽井時間僅為16.9天，而2016年SLH的平均鑽井時間為22天，單井鑽井成本為人民幣380萬元。年度計劃的29口井於2017年第三季度即告完成，通過鑽井成本的節約和運營效率的提高，我們得以增加2017年總的鑽井數量。

我們在中央集氣站增加的兩臺地面壓縮機，我們能夠以更高壓力外輸天然氣，擴大了銷售市場，從而在未來實現更高的天然氣價格。2017年潘莊的平均日產量為157萬立方米，潘莊區塊持續成為中國最好的煤層氣資產。截至2017年底，累計有147口生產井投產，其中包括19口PDW，49口多分支水平井(MLD)和79口SLH。

# Management Discussion and Analysis

## 管理層討論及分析

### OPERATIONS REVIEW (Continued)

- **Panzhuang drilling and surface facilities (Continued)**

The current processing capacity of our Panzhuang surface facilities is about 2.45 MMCMD, with 5 gas gathering stations, 18 wellhead compressors, 55.4 km of trunk links and 90 km of single well pipelines completed. We are in the process of upgrading our central gathering station and adding a new 35KV transformer station, which will further improve surface compression capacity to increase gas production and sales.

- **Mabi Concession**

AAG's Mabi concession in partnership with PetroChina is the leading development stage CBM gas project in China designated under the Energy Plan. In 2017, Mabi focused on improving pilot performance, initiating cost control and preparing for the commercial development after Overall Development Plan approval is received.

- **Mabi gas sales contract signed — revenue recognition started**

As stated in the 2017 Interim Report published on 24 August 2017 ("**2017 Interim Report**"), on 1 July 2017, AAG entered into an exploration phase gas sales agreement with PetroChina, which sets out the terms of exploration phase gas sales of Mabi concession during the exploration period. In summary, this pilot sales agreement allows Mabi to sell up to 500 thousand cubic meters per day ("**MCMD**") of gas to the PetroChina West East pipeline 1. Similar to our Panzhuang concession, Mabi pilot sales also qualifies for the RMB0.30/cm subsidy and the Value Added Tax ("**VAT**") refund. We are very excited with this development since we have commenced revenue recognition for Mabi with effect from 2H2017, and we have commenced recovering our cost and delivering value to our shareholders.

The sales utilization rate in Mabi increased to 92% after the additional power grid project finished in the first half of 2017 ("**1H2017**"). Mabi's gross pilot sales volume in 2017 increased by 151% to 53.6 MMCM (1.9 bcf). Further details on production and well count of Mabi are set out below in Table 1.

### 經營回顧(續)

- **潘莊鑽井及地面設施進展(續)**

目前潘莊區塊的地面設施包括5個集氣站，18臺井口壓縮機，55.4千米集輸管綫和90千米的單井管綫，處理能力約為245萬立方米每天。我們正在升級中央集氣站和增加一個新的35千伏變電站，這將進一步地面提高壓縮機的處理能力從而增加產量和銷量。

- **馬必區塊**

我們與中國石油天然氣股份有限公司(中石油)合作的馬必區塊，在煤層氣(煤礦瓦斯)開發利用「十三五」規劃中被列為中國煤層氣實現產量快速增長重點項目。2017年，馬必致力於提升先導性產量，加強成本控制，同時為總體開發方案批准後的商業化開發做好準備。

- **馬必天然氣銷售合同的簽訂 — 開始收入確認**

根據2017年8月24日發布的中期報告(2017年中期報告)，我們與中石油於2017年7月1日簽訂了勘探期銷售協議，對馬必區塊在勘探階段的天然氣銷售做出了詳細的規定。馬必區塊向中石油西氣東輸1號管綫出售的天然氣可高達50萬立方米每天。正如潘莊區塊，馬必區塊的先導性銷售也有每立方米人民幣0.3元的政府補貼以及增值稅退稅。隨着2017年下半年馬必開始確認收入，我們開始回收勘探成本，並為股東帶來回報，為此我們感到非常自豪。

在2017年上半年新增電網工程完成後，馬必區塊的銷售利用率增加到了92%。先導性銷量在2017年增加了151%至5,360萬立方米(即19億立方英尺)。更多的產量資料以及井數統計請詳見下列表1。

# Management Discussion and Analysis

## 管理層討論及分析

### OPERATIONS REVIEW (Continued)

- **Mabi pilot program update**

AAG's Mabi concession showed promising success in 2017. Mabi's 2017 gross pilot production increased to 58.3 MMCM (2.1 bcf) compared with 35.0 MMCM (1.2 bcf) in 2016. The 2017 average daily production for Mabi was 160.0 MCMD, a 68% increase compared to 95.5 MCMD in 2016.

We have drilled 67 wells and hydraulic fractured 56 wells in 2017. The average cost of these 67 wells for drilling and completion are approximately 30% and 25% lower respectively compared to similar type well's historical average cost. By the end of 2017, there are 127 wells at various stages of pilot production in Mabi. A combination of low cost PDW with well casing and hydraulic fracture completion will allow for one well to access multiple coal seams with the lowest investment. Based on the recent success of Mabi pilot production improvement and development optimization, the Mabi concession is ready for scaled commercial development.

- **Mabi ODP progress**

All Overall Development Plan Phase I ("**ODP I**") associated sub-approvals have been secured. The ODP I report had been further revised based on the improved well performance and market condition, and passed final review by our project partner China National Petroleum Corporation ("**CNPC**"). According to the announcement published by the State Council in early 2017, to simplify the regulatory approval procedures and facilitate the CBM commercialization process, Sino-foreign CBM ODPs will no longer require approval from NDRC, but instead will be replaced by a project filing process. We expect this filing process to be in place in 1H2018 which will allow Mabi to start the scaled development of ODP I in the middle of 2018.

### 經營回顧(續)

- **馬必先導項目進展**

馬必區塊在2017年成績斐然。總氣量同比2016年的3,500萬立方米(即12億立方英尺)增加到5,830萬立方米(即21億立方英尺)。平均日產量同比2016年的9.55萬立方米每天增長了68%達16萬立方米每天。

2017年馬必共完成鑽井67口，水力壓裂56口。這67口井的鑽井及完井平均成本較歷史同類井的平均成本分別下降了大約30%和25%。截止2017年底，馬必共有127口處於不同階段的先導性生產井。結合低成本PDW套管完井以及水力壓裂方式，可以最大化降低單井同時開採多個煤層的投入。在最近取得先導性開發產量的提高和開發優化的進展之後，馬必區塊已經為大規模商業性開發做好了準備。

- **馬必ODP的進程**

馬必ODP一期相關的預審批已經完成。基於生產井表現的提升和市場條件的變化，馬必ODP I報告進行了進一步修改，並通過了我們中方合作夥伴中國石油天然氣集團公司的最後審閱。國務院在2017年初宣布，所有煤層氣ODP報告的審批政策由國家發展和改革委員會(發改委)核準制變更為備案制。我們希望2018年上半年備案制的具體規定能夠出台，從而使我們能夠在2018年年中開始馬必項目一期的大規模商業性開發。

# Management Discussion and Analysis

## 管理層討論及分析

### OPERATIONS REVIEW (Continued)

#### • Mabi ODP progress (Continued)

Table 1 — Operation matrix of Panzhuang (“PZ”) and Mabi (“MB”) concessions

### 經營回顧(續)

#### • 馬必ODP的進程(續)

表1 — 潘莊區塊(「潘莊」)和馬必區塊(「馬必」)的運營進展

		2017 Total 2017年	2016 Total 2016年	% Change 變動百分比
Total gross production (MMCM)	總產量(百萬立方米)	629.84	541.08	16.40%
Total average daily production (MMCMD)	總平均日產量(百萬立方米 每天)	1.72	1.48	16.88%
Panzhuang (PZ) gross production (MMCM)	潘莊總產量(百萬立方米)	571.56	506.13	12.93%
PZ MLD	潘莊MLD	340.87	447.95	-23.91%
PZ SLH	潘莊SLH	205.67	45.67	350.34%
PZ PDW	潘莊PDW	25.02	12.50	100.18%
Total PZ producing wells**	潘莊總生產井數**	147	97	51.55%
PZ MLD	潘莊MLD	49	49	0.00%
PZ SLH	潘莊SLH	79	34	132.35%
PZ PDW	潘莊PDW	19	14	35.71%
PZ wells drilled	潘莊鑽井完成	55	30	83.33%
PZ wells fracked	潘莊壓裂增產措施井數	6	6	28.57%
Mabi (MB) gross production (MMCM)	馬必總產量(百萬立方米)	58.28	34.95	66.77%
MB MLD	馬必MLD	0.11	0.19	-40.78%
MB SLH	馬必SLH	23.76	3.08	671.29%
MB PDW	馬必PDW	34.42	31.69	8.61%
Total Mabi producing wells*	馬必總生產井數*	127	121	79.34%
MB MLD	馬必MLD	1	2	-50.00%
MB SLH	馬必SLH	10	12	-16.67%
MB PDW	馬必PDW	116	107	8.41%
MB wells drilled	馬必鑽井完成	67	8	737.50%
MB wells fracked	馬必壓裂增產措施井數	56	31	80.65%

\* Operations update as of 31 December 2017, 08:00 CST

\*\* well count is calculated from pumping start date

\* 營運進展情況截至2017年12月31日止，08:00中央標準時區

\*\* 井數統計自排採之日起計算

# Management Discussion and Analysis

## 管理層討論及分析

### EXPLORATION AND RESERVE UPDATE

As stated in 2017 Interim Report, the exploration focus has been gradually moving towards field development preparation. The Group is pleased that both the Panzhuang and the Mabi concession have both gone through major exploration and appraisal programs and achieved reasonable resources assessment.

Based on reports issued by Netherland Sewell & Associates Inc. (“NSAI”), an independent reserve certification company, the Group’s net 1P and 2P natural gas reserves as at 2017 year end (“2017YE”) are 153.0 bcf and 617.6 bcf respectively, which represents an 43% increase over the net 1P of 107.2 bcf at 2016YE, and a 12% decrease from the net 2P of 697.8 bcf at 2016 year end (“2016YE”).

The Panzhuang concession contributed a net 1P of 111.4 bcf and a net 2P of 190.9 bcf. Both net 1P and 2P increased from 2016YE (when taking into account gas production volume in 2017) due to good performance of existing wells and the accelerated drilling program in 2017. This shows our commitment to developing Panzhuang above its original designed capacity of 17.5 bcf per year. The increased 2P reserves will further contribute to future production in Panzhuang.

The Mabi concession contributed a net 1P of 41.6 bcf, or an 329% increase over the net 1P of 9.7 bcf at 2016YE which benefited from existing wells’ performance, new wells coming online and implementation of exploration phase gas sales contract in Mabi in 2017. An optimized Long Range Plan (“LRP”) with high-graded development strategy was developed in 2017 for delivering stronger economics based on an assessment of the Mabi gas field. This resulted in a small reduction in Mabi’s net 2P reserves (15%). The original plan of developing possible reserve will not be developed based on the revised LRP. This results in decreased possible reserves. The portion of reduced net possible reserves are reclassified as contingent resources pending on economics and technology viability.

### 勘探及儲量升級

正如我們在2017年中期報告中所述，工作的重點已經由勘探逐漸轉變為為開發做準備。我們非常欣喜於潘莊和馬必區塊已經完成了主要的勘探和評估工作，並取得了對資源評價的可喜成果。

根據獨立儲量認證公司NSAI發布的報告，截至2017年底，本集團的1P和2P天然氣儲量分別約為1,530億立方英尺和6,176億立方英尺，較2016年底的1P儲量1,072億立方英尺增長了43%，2P儲量6,978億立方英尺減少了12%。

潘莊區塊的1P和2P儲量分別為1,114億立方英尺和1,909億立方英尺。由於2017年現有井的良好表現和鑽井效率的提高，1P和2P儲量較2016年都有所增加（在扣除2017年淨產量的情況下）。踐行了我們超越潘莊每年175億立方英尺的計劃產能的承諾。增加的2P儲量也將繼續為潘莊產量做貢獻。

馬必區塊的1P儲量為416億立方英尺，相比2016年底評估的97億立方英尺增加了329%。這得益於現有井的良好表現，新井的上線以及2017年馬必勘探期天然氣銷售協議的簽訂。為達到更好的經濟效益，2017年我們對馬必區塊資產重新進行了評估，基於優勢區域的開發策略優化制定了新的長期規劃(LRP)，根據優化的長期規劃，馬必區塊2P儲量略有所下降（約為15%）。根據馬必優化的長期規劃，原P3的儲量不在近期開發，因此P3儲量調減。部分減少的P3儲量將視經濟性和技術可行性劃歸為潛在資源量。



# Management Discussion and Analysis

## 管理層討論及分析

### EXPLORATION AND RESERVE UPDATE (Continued)

The following table sets forth our reserve data as of 31 December 2017 compared with 2016:

Table 2

Reserve Data**	儲量數據**	2017 Gross 2017總量 (bcf) (十億立方英尺)	Net <sup>(*)</sup> (**) 淨量 <sup>(*)</sup> (**) (bcf) (十億立方英尺)	2016 Net <sup>(*)</sup> (**) 2016年淨量 <sup>(*)</sup> (**) (bcf) (十億立方英尺)
<b>Total</b>	<b>合計</b>			
Proved (1P)	證實儲量 (1P)	190.6	153.0	107.2
Proved + probable (2P)	證實 + 概算儲量 (2P)	858.8	617.6	697.8
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	1,159.9	822.2	1,525
<b>Panzhuang</b>	<b>潘莊區塊</b>			
Proved (1P)	證實儲量 (1P)	142.5	111.4	97.5
Proved + probable (2P)	證實 + 概算儲量 (2P)	245.6	190.9	197.3
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	305.5	236.5	264.8
<b>Mabi</b>	<b>馬必區塊</b>			
Proved (1P)	證實儲量 (1P)	48.1	41.6	9.7
Proved + probable (2P)	證實 + 概算儲量 (2P)	613.2	426.8	500.5
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	854.4	585.6	1,260.2

Notes:

\* Net gas reserves are our share of the gas reserves according to the terms of each production sharing contract and after adjustment for fuel and shrinkage.

\*\* Our reserve estimates and the future net revenue have been prepared by NSAI in accordance with generally accepted petroleum engineering and evaluation principles set forth in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers. NSAI used standard engineering and geosciences methods or a combination of methods, including performance analysis, volumetric analysis, and analogy, that it considered to be appropriate and necessary to classify, categorize, and estimate volumes in accordance with the 2007 PRMS (the Petroleum Resources Management System published by the Society of Petroleum Engineers, American Association of Petroleum Geologists, World Petroleum Council, and Society of Petroleum Evaluation Engineers in March 2007) definitions and guidelines. These reserve amounts are estimates only and should not be construed as exact quantities.

### 勘探及儲量升級(續)

下列表2列出了2016年及截至2017年12月31日的儲量資料：

表2

附註

\* 淨儲量為根據產品分成合同條款以及氣損調整後的我們的天然氣儲量。

\*\* 我們的儲量估計及未來淨收益乃由NSAI根據石油工程協會頒布的石油和天然氣儲量估算及審計所普遍認可的石油工程及估值原則編制。根據2007年石油資源管理制度(石油資源管理制度由石油工程師協會、美國石油地質家協會、世界石油理事會及石油評估工程師協會於2007年3月發布)的定義及指引，NSAI採用了標準工程和地球科學或者相結合的方法，其中(生產)動態法、容積法和類比法等分析方法被視為分類、歸類及估算儲量所試用而必要的方法。我們的儲量僅屬估算，不作為精準計算。

The following table is the summary of the expenditures incurred in our exploration, development and production activities for FY2017.

下表概述我們二零一七年財政年度發生的勘探、開發及生產活動的支出。

(Thousands of RMB) (人民幣千元)	Exploration expenditures 勘探支出	Development expenditures 開發支出	Production/ operating expenditures 生產運營支出
Panzhuang	3,712	255,887	157,804
Mabi	78,799	117,607	69,547
<b>Total</b>	<b>82,511</b>	<b>373,493</b>	<b>227,351</b>

# Management Discussion and Analysis

## 管理層討論及分析

### NEW OPPORTUNITIES

The Group has been actively pursuing new oil & gas opportunities for future growth, mainly covering attractive oil & gas assets inside and outside China. In 2017, AAG's M&A team screened numerous deals and progressed several deals to advanced stage of negotiations. We believe AAG is well positioned for further expansion in the near term, and are very excited about prospects in 2018.

### OUTLOOK AND GUIDANCE FOR 2018

China's total gas demand was up 16% YoY to 241 billion cubic meters ("bcm") for the full year 2017, according to SIA Energy, an independent China-focused oil and gas consulting firm, owing to the coal-to-gas conversion program which substantially increased gas demand in 2017 as the PRC Government encourages coal users to switch to gas. Domestic gas supply, on the other hand, only increased 10% to 150 bcm, which shows the strong supply and demand imbalance. It is the Company's belief that gas use promotion policy and environmental protection will become resilient growth drivers in the medium and long term.

As published in the 13th Five Year Plan, the PRC government is committed to establishing the right incentives and market drivers for increasing gas demand by 2020, and CBM is an important part of this plan. The NEA and the NDRC took great strides from 2015 — 2017 in gas reform initiatives, including: pushing third party access to pipelines, rolling out programmes incentivizing coal to gas switching, enhancing infrastructure interconnectivity, and streamlining the hierarchy of gas transmission and distribution businesses. The NEA will take further steps in 2018 to incentivize gas production and market reform. These measures will support AAG's growth aspirations beyond the leading independent producer of CBM in China.

For 2018, the Group will continue making investments in Panzhuang and Mabi as follows:

- **Panzhuang:**

The full year plan includes drilling 49 SLH and 12 PDW production wells, work overs on existing wells, and minor hydraulic refracture works. Surface facilities investments will include the continuation of the central station upgrade, further power station construction, and related trunk line construction for future development.

The Group's full year gross production expectation for Panzhuang is 626.0 MMCM (22.1 bcf) subject to anticipated project execution and related government approvals.

### 新的商業機會

本集團仍然在積極尋找著新的業務機會，主要涉及國內外的油氣資產。在2017年，AAG兼並與收購團隊篩選了若干項目，並將其中的一些項目推進到了深入談判的階段。我們相信AAG已為不久將來的業務擴展做好了充足的準備，迎接新到來的2018年。

### 2018年展望及指引

根據一家專注研究中國石油天然氣全產業鏈的諮詢機構SIA Energy報告，由於中國政府實施的煤改氣政策，2017年中國天然氣的總需求量大幅度增長，較2016年上漲了16%達2,410億立方米。而另一方面，總需求和供給嚴重失衡，國內天然氣的供給僅增加了10%至1,500億立方米。亞美相信天然氣利用率的提高及環境保護都將是中長期天然氣需求持續增長的驅動力。

根據公布的「十三五」計劃，中國政府承諾致力於建立適當的激勵機制和市場驅動力從而增加2020年之前的天然氣需求，而煤層氣是這一計劃中的重要組成部分。從2015年到2017年，國家能源局和發改委在天然氣改革舉措方面取得了長足進步，其中包括推動第三方準入，推進煤改氣項目的實施，加強基礎設施的互通互聯，以及精簡天然氣運輸和銷售業務流程。NEA將在2018年採取進一步措施，以鼓勵天然氣生產和市場改革。這些措施將支持亞美做為中國領先的煤層氣生產商繼續成長。

2018年，本集團將在潘莊區塊和馬必區塊繼續投資如下：

- **潘莊區塊：**

全年計劃包括完成49口SLH和12口PDW的鑽井，少量現有井的修井和重復壓裂作業。地面設施方面的投資包括繼續對中央處理站進行升級，新的變電站以及相關集輸管綫的建設。

由於預期的項目執行和相關的政府審批，本集團對潘莊區塊總產量的預期為6.26億立方米(即221億立方英尺)。

# Management Discussion and Analysis

## 管理層討論及分析

### OUTLOOK AND GUIDANCE FOR 2018 (Continued)

#### • **Mabi:**

In Mabi, the Group will focus on execution of the ODP I implementation plan once ODP I plan receives approval. This will include both drilling new wells in core areas, infill drilling in existing development areas, and starting new gas gathering station construction. The drilling and completion technology will build off the success in recent years of low cost PDWs.

The full year plan includes drilling approximately 198 new PDWs and hydraulic fracturing approximately 72 wells. Much work will go into surface facilities such as trunk lines, gas gathering stations, well pad preparation, and forestry and land approval.

The Group's full year gross production expectation for Mabi is 97.3 MMCM (3.4 bcf) subject to anticipated project execution and related government approvals.

Based on the above development plan for Panzhuang and Mabi, the total capital expenditure will be approximately RMB890 million (comprising RMB320 million for Panzhuang and RMB570 million for Mabi) which will be funded by internal cashflows, a portion of proceeds from the IPO and/or the unutilized portion of the reserve-based lending facility. Mabi's capital expenditure of RMB570 million is based on the assumption that the Group will be responsible to fund 100% of Mabi's capital expenditure for 2018. However, the Group expects that PetroChina will fund 30% of Mabi's capital expenditure for 2018 and onwards once Mabi's ODP I filing is completed (which is expected to be completed in 2018), and the Group's share of Mabi's capital expenditure for 2018 will drop from RMB570 million to RMB410 million. The Group will re-assess the capital expenditure plan for 2018 and disclose any changes in the 2018 interim results if any adjustments are necessary.

The Group is confident that we will continue to control costs and maximize profits. As a high productivity and low-cost upstream gas producer with a strong balance sheet, we are well positioned to further expand our production in Panzhuang and commercial development in Mabi to satisfy China's growing energy demand. At the same time, the Group will continue to pursue new oil & gas business opportunities within China and in other regional markets to expand our business, serve adjacent communities with clean energy, and realize further return to our shareholders.

### 2018年展望及指引(續)

#### • **馬必區塊:**

在馬必，集團將重點放在ODP一期審批完成後的實施上。這包括在核心區域開發新的井，在已經開發的區域鑽加密井，以及開始新的集氣站建設工程。優異的鑽完井技術和低成本的PDW井將會給馬必的未來帶來成功。

全年計劃包括完成約198口新的PDW的鑽井，水力壓裂約72口。更多的工作將投入到地面建設上，例如集輸管綫，集氣站，井場準備以及林地和土地的審批。

集團對馬必區塊總產量的預期為9,730萬立方米(即34億立方英尺)，取決於預期的項目執行和相關政府審批。

依據上述潘莊和馬必的開發計劃，總資本性支出將為約8.90億元人民幣(包括潘莊的3.20億元人民幣和馬必的5.70億元人民幣)，這些資金將由自身的現金流，IPO的部分資金和/或未使用的儲量融資貸款來解決。馬必5.70億元人民幣的資本性支出是假設2018年的資本性投資將100%由本集團來承擔。本集團預計馬必30%的資本性投資將由中石油來承擔，並且馬必一旦完成ODP一期的備案(預計在2018年完成)，本集團將承擔的馬必資本性投資將由5.70億元人民幣降至4.10億元人民幣。本集團將不時評估2018年的資本性投資計劃，並且一旦有必要將在2018年中期業績中披露任何變化。

本集團非常有信心繼續控制成本和提升利潤率。作為擁有著優異資金狀況的高產量、低成本的上游煤層氣生產商，隨著中國日益增長的能源需求，我們為將來進一步擴大潘莊區塊的生產和馬必的商業化開發做好了充分的準備。與此同時，亞美也將在中國及其他區域市場繼續尋求新的石油與天然氣機遇，以拓展我們的業務，為相鄰的社區提供潔淨的能源以及給股東帶來更多的回報。

# Management Discussion and Analysis

## 管理層討論及分析

### REVIEW OF FINANCIAL RESULTS

### 財務業績回顧

		Year Ended 31 December	
		截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Revenue</b>	<b>收入</b>	<b>541,598</b>	<b>411,278</b>
— Panzhuang	— 潘莊	512,886	411,278
— Mabi	— 馬必	28,712	—
<b>Subsidy income</b>	<b>補貼收入</b>	<b>143,850</b>	<b>119,820</b>
— Panzhuang	— 潘莊	134,320	119,820
— Mabi	— 馬必	9,530	—
<b>VAT refund</b>	<b>增值稅退稅</b>	<b>50,063</b>	<b>29,456</b>
— Panzhuang	— 潘莊	45,850	29,456
— Mabi	— 馬必	4,213	—
<b>Other losses, net</b>	<b>其他虧損淨額</b>	<b>(83)</b>	<b>(913)</b>
<b>Operating expenses</b>	<b>經營開支</b>	<b>(413,306)</b>	<b>(362,501)</b>
Depreciation and amortization	折舊及攤銷	(110,419)	(74,613)
Employee benefit expenses	員工福利開支	(142,130)	(164,142)
Materials, services and logistics	材料、服務及物流	(134,686)	(100,203)
Others	其他	(26,071)	(23,543)
<b>Panzhuang</b>	<b>潘莊</b>	<b>(231,281)</b>	<b>(184,449)</b>
Depreciation and amortization	折舊及攤銷	(90,993)	(65,906)
Employee benefit expenses	員工福利開支	(49,389)	(46,316)
Materials, services and logistics	材料、服務及物流	(79,959)	(60,978)
Others	其他	(10,940)	(11,249)
<b>Mabi</b>	<b>馬必</b>	<b>(84,760)</b>	<b>(50,135)</b>
Depreciation and amortization	折舊及攤銷	(15,375)	(5,589)
Employee benefit expenses	員工福利開支	(35,110)	(24,896)
Materials, services and logistics	材料、服務及物流	(25,787)	(13,249)
Others	其他	(8,488)	(6,401)
<b>Headquarters</b>	<b>總部</b>	<b>(97,265)</b>	<b>(127,917)</b>
Depreciation and amortization	折舊及攤銷	(4,051)	(3,118)
Employee benefit expenses	員工福利開支	(57,631)	(92,930)
Materials, services and logistics	材料、服務及物流	(28,940)	(25,976)
Others	其他	(6,643)	(5,893)

# Management Discussion and Analysis

## 管理層討論及分析

### REVIEW OF FINANCIAL RESULTS (Continued)

### 財務業績回顧(續)

		Year Ended 31 December 截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>EBITDA</b>	<b>EBITDA</b>	<b>432,541</b>	<b>271,753</b>
— Panzhuang	— 潘莊	552,844	441,628
— Mabi	— 馬必	(26,889)	(45,075)
<b>Profit from operations</b>	<b>經營利潤</b>	<b>322,122</b>	<b>197,140</b>
Interest income	利息收入	6,306	10,699
Finance costs	財務費用	(12,977)	(18,578)
Exchange losses	匯兌損失	(4,510)	(10,281)
<b>Finance costs — net</b>	<b>財務費用淨額</b>	<b>(11,181)</b>	<b>(18,160)</b>
<b>Profit before income tax</b>	<b>除所得稅前利潤</b>	<b>310,941</b>	<b>178,980</b>
<b>Income tax expense</b>	<b>所得稅費用</b>	<b>(127,743)</b>	<b>(72,345)</b>
<b>Profit for the year</b>	<b>年度利潤</b>	<b>183,198</b>	<b>106,635</b>

*Revenue.* Our revenue increased by RMB130.3 million, or 31.7%, from RMB411.3 million in 2016 to RMB541.6 million in 2017. This increase was mainly generated by Panzhuang due to an increase in net sales volume as a result of increased production and an increase in the ASP to RMB1.31/cm for 2017. Panzhuang's gross production increased by 13% from 506.1 cubic meters (17.9 bcf) in 2016 to 571.6 cubic meters (20.2 bcf) in 2017, with a constant utilization rate of 98% for both 2016 and 2017. Panzhuang's ASP for 2017 increased to RMB1.31/cm compared to RMB1.20/cm for 2016 due to increased demand from the government's policy to switch from coal to gas and market conditions during the winter months. In addition, with the signing of the Mabi exploration phase sales contract with effect from 1 July 2017, Mabi began to recognize revenue and related operating expenses starting from 1 July 2017.

收入。我們的收入由2016年的人民幣4.113億元增加了人民幣1.303億元或31.7%至2017年的人民幣5.416億元。該增加主要是來自於潘莊的產量增加導致的淨銷量增加及平均銷售價格增加至2017年的每立方米人民幣1.31元。潘莊的總產量由2016年的5.061億立方米(179億立方英尺)增長了13%至2017年的5.716億立方米(202億立方英尺)，而銷售利用率在2016和2017年都保持在98%。潘莊的平均銷售價格從2016年的每立方米人民幣1.20元增加至2017年的人民幣1.31元是由於政府的煤改氣政策導致需求增加及冬季市場情況而造成的。另外，馬必簽訂的勘探期銷售協議從2017年7月1日起開始生效，因此馬必從2017年7月1日起開始確認相關的收入及成本。

# Management Discussion and Analysis

## 管理層討論及分析

### REVIEW OF FINANCIAL RESULTS (Continued)

Set out below are the production, sales, ASP and revenue of the Group.

### 財務業績回顧(續)

產量、銷量、平均銷售價格及收入排列如下：

		Year ended 31 December 截至12月31日止年度	
		2017 2017年	2016 2016年
Gross production volume (bcf) <sup>1</sup>	總產量(十億立方英尺) <sup>1</sup>	<b>22.3</b>	<b>19.1</b>
Panzhuang	潘莊	20.2	17.9
Mabi	馬必	2.1	1.2
Gross production volume (mmcm) <sup>1</sup>	總產量(百萬立方米) <sup>1</sup>	<b>629.9</b>	<b>541.1</b>
Panzhuang	潘莊	571.6	506.1
Mabi	馬必	58.3	35.0
Gross sales volume (bcf) <sup>2</sup>	總銷量(十億立方英尺) <sup>2</sup>	<b>21.7</b>	<b>18.3</b>
Panzhuang	潘莊	19.8	17.5
Mabi	馬必	1.9	0.8
Gross sales volume (mmcm) <sup>2</sup>	總銷量(百萬立方米) <sup>2</sup>	<b>613.3</b>	<b>516.9</b>
Panzhuang	潘莊	559.7	495.5
Mabi	馬必	53.6	21.4
Net sales volume (bcf) <sup>3</sup>	淨銷量(十億立方英尺) <sup>3</sup>	<b>15.3</b>	<b>12.7</b>
Panzhuang	潘莊	13.8	12.1
Mabi	馬必	1.5	0.6
Net sales volume (mmcm) <sup>3</sup>	淨銷量(百萬立方米) <sup>3</sup>	<b>433.0</b>	<b>359.8</b>
Panzhuang	潘莊	390.5	343.2
Mabi	馬必	42.5	16.6
ASP	平均銷售價格		
RMB per cubic meter	人民幣元/立方米	<b>1.30</b>	<b>1.20</b>
Panzhuang	潘莊	1.31	1.20
Mabi	馬必	1.14	1.20
US\$ per mcf	美元元/立方英尺	<b>5.44</b>	<b>5.13</b>
Panzhuang	潘莊	5.52	5.13
Mabi	馬必	4.78	5.09
Revenue (in RMB in thousands) <sup>4</sup>	收入(人民幣千元) <sup>4</sup>	<b>541,598</b>	<b>411,278</b>
Panzhuang	潘莊	512,886	411,278
Mabi	馬必	28,712	N/A

# Management Discussion and Analysis

## 管理層討論及分析

### REVIEW OF FINANCIAL RESULTS (Continued)

Note:

1. Gross production volume is the total amount of CBM produced.
2. Gross sales volume is gross production volume less utilization loss.
3. Net sales volume is the portion of gross sales volume allocated to us under the production sharing contract and after deduction of amount sold to pay applicable VAT and local taxes.
4. After Mabi signed the exploration phase sales contract with effect from 1 July 2017, Mabi commenced revenue recognition in the Profit and Loss Statement in 2H2017. In 2016 and 1H2017, Mabi's sales was recognized by offsetting Capex/Property, Plant and Equipment per IFRS requirements.

*Subsidy income.* Our subsidy income is RMB119.8 million and RMB143.8 million in 2016 and 2017, respectively. Our subsidy income increased by RMB24.0 million or 20.0%, mainly due to the increased sales volume for Panzhuang. In addition, Mabi's sales volume began contributing to subsidy income.

*VAT refund.* Our VAT refund is RMB29.5 million and RMB50.1 million in 2016 and 2017, respectively. Our VAT refund increased by RMB20.6 million or 69.8% in 2017 mainly due to increase in ASP for Panzhuang in 2017 and an one-off adjustment in 2016 for local government's share of VAT refund with effect from 2014. In addition, Mabi began to recognize VAT refund after the signing of the exploration phase sales contract with effect from 1 July 2017.

*Other losses, net.* Our other losses decreased by RMB829,960 from RMB913,431 in 2016 to RMB83,471 in 2017 due to less disposition of scrap materials at a loss.

*Operating expenses.* Our operating expenses increased by RMB50.8 million or 14.0%, from RMB362.5 million in 2016 to RMB413.3 million in 2017 primarily due to increases in depreciation and amortization as a result of increased production wells and increases in materials, services and logistics expenses mainly due to more wells put into production and legal consulting service expenses, offset by less employee benefit expenses due to decreased share-based compensation expenses in 2017. In addition, Mabi began recognizing operating expenses in the 2H2017 as a result of entering into the exploration phase sales contract.

### 財務業績回顧(續)

附註：

1. 總產量為已生產煤層氣總量。
2. 總銷量為總產量減去使用損失。
3. 淨銷量為我們根據產品分成合同獲得的總銷量減去為支付適用增值稅及當地稅項的所售數量的我們的部分。
4. 馬必簽訂的勘探期銷售協議從2017年7月1日去開始生效，因此馬必從2017年下半年開始在收益表上確認相關的收入。在2016年和2017年的上半年，馬必的銷售收入依據國際會計準則沖減資本性支出/不動產、工廠及設備。

*補貼收入。*2016年和2017年，我們的補貼收入分別為人民幣1.198億萬元及人民幣1.438億元。補貼收入增加了人民幣2,400萬元或20%，主要是由於潘莊銷量的增加。另外，馬必的銷量也開始收到補貼。

*增值稅退稅。*2016年及2017年，我們的增值稅退稅分別為人民幣2,950萬元及人民幣5,010萬元。2017年，我們的增值稅退稅增加了人民幣2,060萬元或69.8%，主要由於潘莊2017年平均銷售價格的增加以及由於對地方政府從2014年開始生效的增值稅退稅的地方政府留成部分調整而在2016年進行一次性會計調整所致。另外，馬必簽訂的勘探期銷售協議從2017年7月1日起開始生效，因此馬必開始確認相關的增值稅退稅。

*其他損失淨額。*我們的其他損失由2016年的損失人民幣913,431元減少了人民幣829,960元至2017年的損失人民幣83,471元，是由於處理廢料的損失減少所致。

*經營開支。*我們的經營開支由2016年的人民幣3.625億元增加了人民幣5,080萬元或14.0%至2017年的人民幣4.133億元，主要是由於生產井增加導致的折舊及攤銷增加及主要由於更多的井投入生產和更多的法律服務費導致的材料、服務及物流開支增加所致，但是部分被以股份為基礎的薪酬開支在2017年減少而導致的僱員福利費用的減少所抵銷。另外，馬必簽訂的勘探期銷售協議從2017年下半年開始生效，因此馬必開始確認相關的運營開支。

# Management Discussion and Analysis

## 管理層討論及分析

### REVIEW OF FINANCIAL RESULTS (Continued)

- *Depreciation and amortization.* Our depreciation and amortization increased by RMB35.8 million or 48.0%, from RMB74.6 million in 2016 to RMB110.4 million in 2017 due to more wells and wellhead compressors put into production as production increased in Panzhuang. In addition, Mabi began recognizing more depreciation and amortization expenses with effect from 1 July 2017 as a result of entering into the exploration phase sales contract.
- *Employee benefit expenses.* Our employee benefit expenses decreased by RMB22.0 million or 13.4%, from RMB164.1 million in 2016 to RMB142.1 million in 2017, largely due to decrease in non-cash share-based compensation expenses by RMB27.8 million and a reduction of severance and consulting fees paid to our ex-Co-CEO, but partially offset by increased employees' benefit expenses for Mabi with effect from 1 July 2017 as a result of entering into the exploration phase sales contract.
- *Materials, services and logistics.* Our materials, services and logistics expenses increased by RMB34.5 million or 34.4%, from RMB100.2 million in 2016 to RMB134.7 million in 2017, primarily due to increased electricity and other operating costs at Panzhuang associated with more wells put into production, and non-operation-related expenses for business development and legal consulting service. In addition, Mabi began recognizing more of these expenses with effect from 1 July 2017 as a result of entering into the exploration phase sales contract.

*Others.* Our other expenses are RMB23.5 million and RMB26.1 million in 2016 and 2017, respectively.

### 財務業績回顧(續)

- *折舊及攤銷。*我們的折舊及攤銷由2016年的人民幣7,460萬元增加了人民幣3,580萬元或48.0%至2017年的人民幣1.104億元，主要由於潘莊的產量增加而導致的更多的井及井口增壓設備投入生產所致。另外，馬必簽訂的勘探期銷售協議從2017年7月1日起開始生效，因此馬必開始確認相關的更多的折舊及攤銷費用。
- *僱員福利開支。*我們的僱員福利開支由2016年的人民幣1.641億元減少了人民幣2,200萬元，或13.4%，至2017年的1.421億元，主要由於以股份為基礎的非現金薪酬開支減少2,780萬元及付給我們的前聯席首席執行官的離職費和諮詢費的減少所致，但是部分被因為馬必簽訂的勘探期銷售協議從2017年7月1日起開始生效而導致馬必員工福利開支的增加所抵銷。
- *材料、服務及物流。*我們的材料、服務及物流開支由2016年的人民幣1.002億元增加了人民幣3,450萬元或34.4%至2017年的人民幣1.347億元，主要由於潘莊更多井投入生產致使電力及其他經營成本增加，和非營運相關的業務發展及法律諮詢服務費開支所致。另外，馬必簽訂的勘探期銷售協議從2017年7月1日起開始生效，因此馬必開始確認相關的更多費用。

*其他。*我們2016年和2017年的其他開支分別為人民幣2,350萬元和人民幣2,610萬元。



# Management Discussion and Analysis

## 管理層討論及分析

### REVIEW OF FINANCIAL RESULTS (Continued)

**EBITDA.** Our EBITDA increased by RMB160.7 million or 59.1%, from RMB271.8 million in 2016 to RMB432.5 million in 2017. This increase was primarily due to Panzhuang's increase in net sales volume as a result of a 13% increase in gross production, increase in ASP from RMB1.20/cm in 2016 to RMB1.31/cm in 2017, increase in subsidy income and VAT refund, decrease in headquarter's employee benefit expenses as a result of decreased non-cash share-based compensation expenses and a reduction of severance and consulting fees paid to our ex-Co-CEO, offset by increase in Panzhuang's material, services and logistic costs due to more wells put into production and non-operation-related expenses related to business development and legal consulting service in 2017. In addition, Mabi began recognizing revenue and related expenses with effect from 1 July 2017 as a result of entering into the exploration phase sales contract. In summary, higher production volume and realized ASP, combined with stringent cost controls resulted in an increase in EBITDA outperforming increase in revenues. Included in EBITDA of RMB271.8 million in 2016 are non-cash share-based compensation expenses of RMB48.3 million, non-operation-related business development/feasibility studies expenses of RMB8.3 million and severance payment of RMB4.6 million for departure of one of our Co-CEOs. Included in the EBITDA of RMB432.5 million in 2017 are non-cash share-based compensation expenses of RMB20.5 million, non-operations-related expenses for business development and legal consulting service of RMB10.4 million and one-off consulting fee of RMB1.7 million paid to our ex-Co-CEO. Panzhuang's EBITDA increased by RMB111.2 million or 25.2%, from RMB441.6 million in 2016 to RMB552.8 million in 2017. Panzhuang's EBITDA in 2017 increased primarily due to increases in production volume and ASP combined with an increase in subsidy income and VAT refund, which was partially offset by higher materials and electricity expenses as a result of additional wells. Mabi's negative EBITDA decreased by RMB18.2 million or 40.4%, from negative RMB45.1 million in 2016 to negative RMB26.9 million in 2017 because Mabi began to recognize revenue and related expenses with effect from 1 July 2017 as a result of entering into the exploration phase sales contract.

**Profit from operations.** As a result of the foregoing, our profit from operations increased by RMB125.0 million or 63.4%, from RMB197.1 million in 2016 to RMB322.1 million in 2017.

**Interest income.** Our interest income decreased by RMB4.4 million or 41.1%, from RMB10.7 million in 2016 to RMB6.3 million in 2017 primarily due to decreased cash and fixed deposit balances.

### 財務業績回顧(續)

**EBITDA。** 我們的EBITDA由2016年的人人民幣2.718億元增加了人民幣1.607億元或59.1%至2017年的人人民幣4.325億元。該增加主要是由於潘莊的總產量增加13%導致的淨銷量增加，平均實際售價由2016年的每立方米人民幣1.20元增加至2017年的每立方米人民幣1.31元，補貼收入和增值稅退稅增加，總部以股份為基礎的非現金薪酬減少和付給我們的前聯席首席執行官的離職費和諮詢費的減少所致，惟部分被2017年潘莊由於更多的井投入生產導致的物料、服務及物流開支的增加，以及非營運相關的業務發展和法律諮詢服務費的增加所抵銷。另外，馬必簽訂的勘探期銷售協議從2017年7月1日起開始生效，因此馬必開始確認相關的更多收入及費用。概括而言，更高的產量和平均銷售價格，以及嚴格的成本節約措施導致EBITDA的增加，且幅度大於收入的增加幅度。2016年的EBITDA人民幣2.718億元包括以股份為基礎的非現金報酬開支人民幣4,830萬元，業務發展／可行性研究開支人民幣830萬元，及我們的其中一位聯席首席執行官離職而支付的一次性離職費用460萬元。2017年的EBITDA人民幣4.325億元包括以股份為基礎的非現金薪酬開支人民幣2,050萬元及非營運相關的業務發展和法律諮詢服務費開支人民幣1,040萬元和付給我們前聯席首席執行官的一次性諮詢費人民幣170萬元。潘莊的EBITDA由2016年的人人民幣4.416億元增加了人民幣1.112億元或25.2%至2017年的人人民幣5.528億元。潘莊2017年的EBITDA增加主要是由於產量和平均實際售價增加及補貼收入和增值稅退稅的增加，但是部分被由於更多的井投入生產而導致的更高的材料及電費所抵銷。馬必的負EBITDA從2016年的負人民幣4,510萬元減少了人民幣1,820萬元或40.4%至2017年的負人民幣2,690萬元，原因是馬必簽訂的勘探期銷售協議從2017年7月1日起開始生效，因此馬必開始確認相關的收入和費用。

**經營利潤。** 基於上文所述，我們的經營利潤由2016年人民幣1.971億元增加了人民幣1.250億元或63.4%至2017年人民幣3.221億元。

**利息收入。** 我們的利息收入由2016年的人人民幣1,070萬元減少了人民幣440萬元或41.1%至2017年的人人民幣630萬元，主要是由於現金及定期存款結餘減少所致。

# Management Discussion and Analysis

## 管理層討論及分析

### REVIEW OF FINANCIAL RESULTS (Continued)

*Finance costs.* Our finance costs decreased by RMB5.6 million or 30.1%, from RMB18.6 million in 2016 to RMB13.0 million in 2017 largely due to decreased commitment fees resulting from reduction in the maximum loan amount of the new US\$250 million reserve-based facility (“**New US\$250 million RBL**”).

*Exchange losses.* Our foreign exchange translation losses decreased by RMB5.8 million or 56.3%, from RMB10.3 million in 2016 to RMB4.5 million in 2017 primarily due to exchange gain resulting from the impact of the appreciation of the Renminbi on the drawn portion of the new US\$250 million RBL, which reduced the foreign exchange translation losses between HK\$ and US\$ for our cash balance in HK\$.

*Profit before income tax.* Our profit before income tax increased by RMB131.9 million or 73.7% from RMB179.0 million in 2016 to RMB310.9 million in 2017 mainly due to the factors affecting EBITDA and decrease in foreign exchange translation losses and finance costs, but partially offset by increase in depreciation and amortization expense and reduction in interest income.

*Income tax expense.* Our income tax expense increased by RMB55.4 million, or 76.6%, from RMB72.3 million in 2016 to RMB127.7 million in 2017, mainly due to increase in taxable profit for Panzhuang in 2017. Income tax expense arises from Panzhuang’s operations. Mabi had no income tax expense given it had no taxable profit.

*Profit for the year.* Our profit for the year increased by RMB76.6 million, or 71.9%, from RMB106.6 million in 2016 to RMB183.2 million in 2017, primarily due to the factors affecting profit before income tax stated above but partially offset by the increase in income tax expense.

### EBITDA AND ADJUSTED EBITDA

We provide a reconciliation of EBITDA and adjusted EBITDA to profit for the year, our most directly comparable financial performance calculated and presented in accordance with HKFRS. EBITDA refers to earnings before interest income, finance costs, exchange gains/losses, income tax and depreciation and amortization. Adjusted EBITDA refers to EBITDA adjusted to exclude non-cash expenses, non-recurring items or non-operations-related expenses to show EBITDA from the Group’s core operations.

### 財務業績回顧(續)

*財務費用。*我們的財務費用由2016年的人民幣1,860萬元減少了人民幣560萬元或30.1%至2017年的人民幣1,300萬元，主要是由於新2.5億美元儲量融資(「**新2.5億美元儲量融資**」)的最大使用餘額減少導致承諾費用減少所致。

*匯兌損失。*我們的外匯折算匯兌損失由2016年的人民幣1,030萬元減少了人民幣580萬元或56.3%至2017年的人民幣450萬元，主要是由於人民幣對美元升值導致的新2.5億美元儲量融資的已提取部分的匯兌收益造成的，此收益減少了港幣現金存款由於港幣對美元匯率而形成的外幣折算損失。

*除所得稅前利潤。*我們的除所得稅前利潤由2016年的利潤人民幣1.790億元增加了人民幣1.319億元或73.7%至2017年的利潤人民幣3.109億元，主要是因為上述影響EBITDA的因素及外匯折算損失和財務損失的減少所致，但是部分由折舊及攤銷開支增加和利息收入的減少所抵銷。

*所得稅費用。*我們的所得稅費用由2016年的人民幣7,230萬元增加了人民幣5,540萬元或76.6%至2017年的人民幣1.277億元，主要是由於2017年潘莊的除所得稅前利潤增加所致。所得稅費用乃產生於潘莊的運營。馬必因為沒有應課稅利潤所以沒有所得稅費用。

*年度利潤。*我們的年度利潤由2016年人民幣1.066億元增加了人民幣7,660萬元或71.9%至2017年人民幣1.832億元，主要是由於上述影響除所得稅前利潤的因素所致，惟部分被所得稅費用增加所抵銷。

### EBITDA 及經調整 EBITDA

我們提供年內EBITDA及經調整EBITDA與利潤的對賬，該利潤為根據香港財務報告準則計算及呈列的最直接的可比較財務表現。EBITDA指除利息收入、財務費用、匯兌收益或損失、所得稅、折舊及攤銷前的收益。經調整EBITDA指EBITDA調整至不包括非現金開支、非經常性項目或非營運相關開支，以說明本集團核心業務的EBITDA。

# Management Discussion and Analysis

## 管理層討論及分析

### EBITDA AND ADJUSTED EBITDA (Continued)

We have included EBITDA and adjusted EBITDA as we believe they are financial measures commonly used in the oil and gas industry. We believe that EBITDA and adjusted EBITDA are used as supplemental financial measures by our management and by investors, research analysts, bankers and others to assess our operating performance, cash flow and return on capital as compared to those of other companies in our industry, and our ability to take on financing. However, EBITDA and adjusted EBITDA should not be considered in isolation or construed as alternatives to profit from operations or any other measure of performance or as an indicator of our operating performance or profitability. EBITDA and adjusted EBITDA fail to account for income tax, exchange gains/losses, interest income, finance costs and depreciation and amortization.

The following table presents a reconciliation of EBITDA and adjusted EBITDA to profit for the year:

### EBITDA 及經調整 EBITDA (續)

我們已計入 EBITDA 及經調整 EBITDA，是由於我們認為它們是油氣行業常用的財務計量。我們認為 EBITDA 及經調整 EBITDA 由我們的管理層、投資者、研究分析師、銀行家及其他人士用作補充財務計量，以評估我們相較於業內其他公司的經營表現、現金流量及資本回報率以及我們承擔融資的能力。然而，EBITDA 及經調整 EBITDA 不可被認定獨立於經營利潤或任何其他表現計量，亦不可詮釋為經營利潤或任何其他表現計量的替代項目，或視為我們經營表現或收益能力的指標。EBITDA 及經調整 EBITDA 未能對所得稅、匯兌收益或損失、利息收入、財務費用及折舊及攤銷做出記帳。

下表載列年度 EBITDA 及經調整 EBITDA 與利潤的對賬。

		Year ended 31 December	
		截至 12 月 31 日止年度	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Reconciliation of profit for the year to EBITDA:</b>	<b>年度利潤與 EBITDA 的對賬：</b>		
<b>Profit for the year</b>	<b>年度利潤</b>	<b>183,198</b>	<b>106,635</b>
Income tax expense	所得稅費用	127,743	72,345
Interest income	利息收入	(6,306)	(10,699)
Finance costs	財務費用	12,977	18,578
Exchange losses	匯兌損失	4,510	10,281
Depreciation and amortization	折舊及攤銷	110,419	74,613
<b>EBITDA</b>	<b>EBITDA</b>	<b>432,541</b>	<b>271,753</b>
Non-cash share-based compensation expenses	以股份為基礎的非現金薪酬開支	20,515	48,270
Non-operations-related business development and legal service expenses	非營運相關的業務發展和法律諮詢服務費開支	10,437	8,272
Severance payment and consulting fees paid to our ex-Co-CEO	付給我們的前聯席首席執行官的離職費和諮詢費	1,709	4,613
<b>Adjusted EBITDA</b>	<b>經調整 EBITDA</b>	<b>465,202</b>	<b>332,908</b>

# Management Discussion and Analysis

## 管理層討論及分析

### EBITDA AND ADJUSTED EBITDA (Continued)

Our EBITDA increased by RMB160.7 million or 59.1%, from RMB271.8 million in 2016 to RMB432.5 million in 2017. This increase was primarily due to Panzhuang's increase in net sales volume as a result of a 13% increase in gross production, increase in ASP from RMB1.20/cm in 2016 to RMB1.31/cm in 2017, increase in subsidy income and VAT refund, decrease in headquarter's employee benefit expenses as a result of decreased non-cash share-based compensation expenses and a reduction of severance payment and consulting fees paid to our ex-Co-CEO, offset by increase in Panzhuang's material, services and logistic costs due to more wells put into production and non-operation-related expenses related to business development and legal consulting service in 2017. In addition, Mabi began recognizing revenue and related expenses with effect from 1 July 2017 as a result of entering into the exploration phase sales contract. In summary, higher production volume and realized ASP, combined with stringent cost controls resulted in increase in EBITDA outperforming increase in revenues.

Our adjusted EBITDA increased by RMB132.3 million, or 39.7%, from RMB332.9 million in 2016 to RMB465.2 million in 2017. This increase was due to the reasons explained above for the increase in EBITDA adjusted for decreased non-cash share-based compensation expenses and severance payment/consulting fees paid to our ex-Co-CEO in 2017 and increased non-operations-related expenses for business development and legal consulting service included in 2017.

### LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of funding include cash generated from operating activities and bank borrowings.

We had cash and bank balances of RMB2,274.6 million as at 31 December 2017 (RMB2,375.3 million as at 31 December 2016).

On 8 July 2015, SAEI entered into a New US\$250 million RBL with The Hongkong and Shanghai Banking Corporation Limited, Standard Chartered Bank (Hong Kong) Limited, Bank of Communication Ltd, Offshore Banking Unit and Societe Generale, Singapore Branch and on 16 July 2015, SAEI successfully drew down US\$70 million from the New US\$250 million RBL to prepay and replace the original US\$100 million reserve-based facility.

### EBITDA 及經調整 EBITDA (續)

我們的 EBITDA 由 2016 年的人民幣 2.718 億元增加了人民幣 1.607 億元或 59.1% 至 2017 年的人民幣 4.325 億元。該增加主要是由於潘莊的總產量增加 13% 導致的淨銷量增加，平均實際售價由 2016 年的每立方米人民幣 1.20 元增加至 2017 年的每立方米人民幣 1.31 元，補貼收入及增值稅退稅增加，總部以股份為基礎的非現金薪酬減少和付給我們的前聯席首席執行官的離職費和諮詢費的減少所致，惟部分被 2017 年潘莊由於更多的井投入生產導致的物料、服務及物流開支的增加，以及非營運相關的業務發展和法律諮詢服務費的增加所抵銷。另外，馬必簽訂的勘探期銷售協議從 2017 年 7 月 1 日起開始生效，因此馬必開始確認相關的更多收入及費用。概括而言，更高的產量和平均銷售價格，以及嚴格的成本節約措施導致 EBITDA 的增加，且幅度大於收入的增加幅度。

我們的經調整 EBITDA 由 2016 年的人民幣 3.329 億元增加了人民幣 1.323 億元或 39.7% 至 2017 年的人民幣 4.652 億元。該增加是由於上文說明的 EBITDA 增加的原因加上 2017 年的以股份為基礎的非現金薪酬開支和付給我們的前聯席首席執行官的離職費和諮詢費減少，以及非營運相關業務發展和法律諮詢服務費開支增加所致。

### 流動資金及資本資源

我們的投資資金主要來源於經營活動所產生的現金及銀行貸款。

於 2017 年 12 月 31 日，我們的現金及銀行結餘為人民幣 22.746 億元 (2016 年 12 月 31 日：人民幣 23.753 億元)。

於 2015 年 7 月 8 日，美中能源有限公司與香港上海滙豐銀行有限公司、渣打銀行(香港)有限公司、交通銀行股份有限公司離岸銀行中心及法國興業銀行新加坡分行訂立新 2.5 億美元儲量融資，美中能源公司於 2015 年 7 月 16 日自新 2.5 億美元儲量融資成功提取 7,000 萬美元，用以償還及替代舊 1 億美元儲量融資。

# Management Discussion and Analysis

## 管理層討論及分析

### LIQUIDITY AND CAPITAL RESOURCES (Continued)

The New US\$250 million RBL commenced reduction of the maximum borrowing facility amount on 1 July 2017 and will continue reducing every six months until the maximum borrowing facility reduces to zero. As of 31 December 2017, the maximum borrowing facility amount was reduced to US\$200 million. As at 31 December 2017, the unutilised portion of the New US\$250 million RBL is US\$118 million. On 1 January 2018, the maximum borrowing facility amount was further reduced to US\$175 million, and accordingly the undrawn borrowing facility amount as at that date was further reduced to US\$93 million.

As of 31 December 2016 and 2017, we had long-term borrowings of RMB496.4 million and RMB513.6 million, respectively, all of which were non-current secured U.S. dollar bank borrowings representing the drawn portion of the New US\$250 million RBL as of 31 December 2016 and 2017, respectively.

As at 31 December 2017, the gearing ratio (ratio of total borrowings to total equity) of the Group was 10.4% (31 December 2016: 10.3%). Save as the information disclosed above or otherwise in this annual report, we had no outstanding mortgage, pledge, debentures or other loan capital issued or agreed to be issued, bank overdrafts, borrowings, liabilities under acceptance or other similar liabilities, hire purchase and finance lease commitments, or any guarantees or other material contingent liabilities as at 31 December 2017.

### Cash Flows

The table below sets forth our cash flows for each of the years indicated.

### 流動資金及資本資源(續)

新2.5億美元借款融資於2017年7月1日開始扣減借款融資上限金額，並將持續每六個月扣減一次，直至借款融資上限減至零為止。於2017年12月31日，借款融資上限金額減至2億美元。於2017年12月31日，未提取借款融資金額為1.18億美元。於2018年1月1日，借款融資上限金額進一步減至1.75億美元，相應的，該日未提取借款融資金額為9,300萬美元。

於2016年及2017年12月31日，我們的長期借款分別為人民幣4.964億元及人民幣5.136億元，所有負債均為非即期有抵押美元銀行借款，即2016年及2017年12月31日新2.5億美元儲量融資分別已提取部分。

於2017年12月31日，本集團借款與權益比率（借款總額與總權益的比率）為10.4%（2016年12月31日：10.3%）。除上文或本年報其他部分所披露之資料外，於2017年12月31日，我們並無任何未償還按揭、抵押、債券或其他已發行或同意發行貸款資本、銀行透支、借款、承兌負債或其他同類負債、租購及財務租賃承擔或任何擔保或其他重大或然負債。

### 現金流量

下表載列於各所示年度我們的現金流量。

		Year ended 31 December	
		截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net cash generated from operating activities	經營活動所得現金淨額	438,301	257,418
Net cash used in investing activities	投資活動所用現金淨額	(455,556)	(337,742)
Net cash generated from financing activities	融資活動所得現金淨額	26,392	12,874
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	9,137	(67,450)
Cash and cash equivalents at beginning of the year	年初的現金及現金等價物	2,343,764	2,309,810
Exchange (losses)/gains on cash and cash equivalents	現金及現金等價物匯兌(損失)/收益	(115,931)	101,404
Cash and cash equivalents at end of the year	年末的現金及現金等價物	2,236,970	2,343,764

# Management Discussion and Analysis

## 管理層討論及分析

### LIQUIDITY AND CAPITAL RESOURCES (Continued)

#### Cash Flows (Continued)

##### Operating Activities

Net cash generated from operating activities was RMB438.3 million in 2017 largely due to profit before income tax of RMB310.9 million, depreciation and amortization of RMB110.4 million, a decrease in trade and other receivables of RMB22.3 million, non-cash share-based compensation of RMB20.5 million, finance costs of RMB13.0 million mainly for commitment fee, an increase in trade and other payables of RMB12.7 million, and unrealized exchange losses of RMB4.5 million. These were offset by RMB32.9 million of interest paid and RMB16.2 million income tax paid.

Net cash generated from operating activities was RMB257.4 million in 2016 largely due to profit before income tax of RMB179.0 million, depreciation and amortization of RMB74.6 million, non-cash share-based compensation of RMB48.3 million, finance costs of RMB18.6 million and unrealized exchange losses of RMB12.6 million, and increase in trade and other payables of RMB7.8 million. These were offset by an increase in trade and other receivables of RMB40.9 million, RMB26.3 million of interest paid, interest income of RMB10.7 million and RMB5.3 million income tax paid.

##### Investing Activities

Net cash used in investing activities was RMB455.6 million in 2017 and comprised mainly of purchases of property, plant and equipment of RMB456.3 million, increase in restricted bank deposits of RMB6.1 million, offset by interest received of RMB6.5 million. The purchase of property, plant and equipment primarily comprised of payment for more wells drilled, additional well head compressors and construction of gas gathering stations and power facilities.

Net cash used in investing activities was RMB337.7 million in 2016 is mainly for the purchase of property, plant and equipment of RMB570.1 million, increase in restricted bank deposits of RMB23.6 million, offset by decrease in term deposits with an initial term of over three months of RMB246.0 million and interest received of RMB9.5 million. The purchase of property, plant and equipment primarily comprised of payment for more wells drilled, additional boosters and compressors, and construction of gas gathering stations and power facilities.

### 流動資金及資本資源(續)

#### 現金流量(續)

##### 經營活動

於2017年，經營活動所得現金淨額為人民幣4.383億元，主要由於除所得稅前利潤人民幣3.109億元、折舊及攤銷人民幣1.104億元、應收賬款及其他應收款減少人民幣2,230萬元、以股份為基礎的非現金薪酬人民幣2,050萬元、主要為承諾費的財務費用人民幣1,300萬元、應付賬款及其他應付賬款增加人民幣1,270萬元及未實現匯兌損失人民幣450萬元。該等項目被已付利息人民幣3,290萬元和已付所得稅人民幣1,620萬元所抵銷。

於2016年，經營活動所得現金淨額為人民幣2.574億元，主要由於除所得稅前利潤人民幣1.790億元、折舊及攤銷人民幣7,460萬元、以股份為基礎的非現金報酬人民幣4,830萬元、財務費用人民幣1,860萬元及未實現匯兌損失1,260萬元，和應付賬款及其他應付賬款增加780萬元。該等項目被應收賬款及其他應收款增加人民幣4,090萬元、利息支出人民幣2,630萬元、利息收入人民幣1,070萬元及已付所得稅人民幣530萬元所抵銷。

##### 投資活動

於2017年，投資活動所用現金淨額為人民幣4.556億元，主要包括購買人民幣4.563億元的不動產、工廠及設備，受限制的銀行存款增加人民幣610萬元，惟被已收利息人民幣650萬元所抵銷。購買不動產、工廠及設備主要包括支付更多已鑽探的更多井、添置井口增壓機及興建集氣站和電力設施。

於2016年，投資活動所用現金淨額為人民幣3.377億元，主要包括購買人民幣5.701億元的物業、廠房及設備及受限制銀行存款增加人民幣2,360萬元，惟被初始期限超過三個月的定期存款減少人民幣2.460億元及已收利息人民幣950萬元所抵銷。購買物業、廠房及設備主要包括支付更多已鑽探的井、添置增壓泵和壓縮機和興建集氣站及電力設施。

# Management Discussion and Analysis

## 管理層討論及分析

### LIQUIDITY AND CAPITAL RESOURCES (Continued)

#### Cash Flows (Continued)

##### Financing Activities

Net cash generated from financing activities was RMB26.4 million in 2017 largely due to RMB39.7 million of cash received from drawing down a portion of the New US\$250 million RBL, offset by finance costs of RMB13.4 million largely due to payment for commitment fees paid for unutilized portion of the New US\$250 million RBL.

Net cash generated from financing activities was RMB12.9 million in 2016 largely due to RMB40.4 million of cash received from drawing down a portion of the New US\$250 million RBL, offset by finance costs of RMB19.9 million largely due to payment for commitment fees paid for unutilized portion of the New US\$250 million RBL and payment of RMB7.7 million of IPO-related expenses.

##### Cash and Bank Balances

We had cash and bank balances of RMB2,375.3 million and RMB2,274.6 million as of 31 December 2016 and 2017, respectively. Our cash and bank balances consist of cash on hand, cash at banks, and restricted bank deposits. The decrease in our cash position is largely due to purchases of property, plant and equipment. As at 31 December 2016 and 2017, we had approximately 67.2% and 75.1% of our cash and bank balances held in HK\$ or US\$.

### FINANCIAL RISK FACTORS

Our activities expose us to a variety of financial risks: credit risk, market risk (including foreign exchange risk and cash flow interest rate risk), liquidity risk and concentration risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on our financial performance.

#### Credit Risk

As the majority of the cash at bank balances are placed with state-owned and international banks and financial institutions in the PRC and Hong Kong, and there has been no recent history of default in relation to these banks and financial institutions, the corresponding credit risk is relatively low. Therefore, our credit risk arises primarily from trade and other receivables. We have controls in place to assess the credit quality of our customers. We have concentration risk on trade receivables. Only limited allowance for uncollectible receivables was made in the past as our sales were only made to the customers with good credit history. The utilisation of credit limits is regularly monitored.

### 流動資金及資本資源(續)

#### 現金流量(續)

##### 融資活動

於2017年，融資活動產生的現金淨額為人民幣2,640萬元，主要由於從新2.5億美元儲量融資提款等值人民幣3,970萬元，但是被用於支付新2.5億美元儲量融資未動用部分的承諾費用之財務費用人民幣1,340萬元所抵銷。

於2016年，融資活動所產生現金淨額為人民幣1,290萬元，主要由於從新2.5億美元儲量融資提款等值人民幣4,040萬元，但是由用於支付新2.5億美元儲量融資未動用部分的承諾費用之財務費用人民幣1,990萬元及首次公開發售相關開支人民幣770萬元所抵銷。

##### 現金及銀行結餘

於2016年及2017年12月31日，我們的現金及銀行結餘分別為人民幣23.753億元及人民幣22.746億元。我們的現金及銀行結餘包括結存現金、銀行存款及受限制銀行存款。現金減少主要是由於購買不動產、工廠及設備所致。於2016年及2017年12月31日，我們有約67.2%及75.1%的現金及銀行結餘分別以港元或美元持有。

#### 財務風險因素

我們的活動使我們面臨多種財務風險：信貸風險、市場風險(包括外匯風險及現金流量利率風險)、流動資金風險及集中風險。我們的整體風險管理計劃專注於金融市場不可預測性及爭取盡量減少對我們財務表現的潛在不利影響。

#### 信用風險

由於大部分銀行存款存放於中國及香港的國有及國際銀行及金融機構，且並無有關該等銀行及金融機構違約的近期記錄，故相應信用風險相對較低。因此，我們的信用風險主要來自應收賬款及其他應收款。我們已設定控制措施以評估我們客戶的信貸質量。我們有應收賬款的集中風險。由於我們僅向具有良好信貸記錄的客戶進行銷售，故我們過往僅就不可收回應收款項作出有限撥備。我們定期監控信用限額的動用。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL RISK FACTORS (Continued)

#### Foreign exchange risk

We are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US\$. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency other than the entity's functional currency.

Prior to 30 April 2016, we were exposed to non-cash foreign exchange risk arising from retranslation of US\$ denominated inter-company loans. To manage the foreign exchange risk, management decided to execute a debt restructuring on 30 April 2016 by converting the inter-company loans into perpetual loans through entering into perpetual loan agreements between respective group companies such that the perpetual loans do not bear interest and the lenders can not request repayment. Upon completion of this debt restructuring, any foreign exchange differences arising from retranslation of these US\$ denominated perpetual loans are recognised in equity in the consolidated financial statements.

We manage our foreign exchange risk by closely monitoring the movement of the foreign currency rates, and by monitoring the amount of the US\$ loan utilised from the US\$250 million revolving credit facility, which is our only US\$ borrowings from third parties.

As at 31 December 2017, if RMB had weakened/strengthened by 1% against the US\$ with all other variables held constant, profit before income tax for the year would have been RMB902,000 (31 December 2016: RMB3,909,000) lower/higher, respectively, mainly as a result of foreign exchange gains/losses on translation of US\$ denominated payables held by our entities with their functional currency as RMB.

#### Cash flow interest rate risk

Our income and operating cash flows are substantially independent of the changes in market rates. Our floating-rate bank borrowings expose us to cash flow interest rate risk. A detailed analysis of our bank borrowings, together with their respective interest rates and maturity dates are included in Note 15.

### SIGNIFICANT INVESTMENT HELD

The Group did not hold any significant investments for the year ended 31 December 2017.

### 財務風險因素(續)

#### 外匯風險

我們面臨由多種貨幣，主要與美元有關，產生的外匯風險。當未來商業交易或確認資產或負債以我們功能貨幣以外的貨幣計值時，則產生外匯風險。

2016年4月30日前，我們面臨重新換算以美元計值的公司間貸款產生的非現金外匯風險。為了管理外匯風險，管理層於2016年4月30日進行了債務重組，相關各集團公司訂立了永久貸款協議將公司間借款轉換為永久性貸款，而永久貸款免息且放貸人不可要求償還。該債務重組完成後，重新換算該等以美元計值的永久貸款產生的任何匯兌差額確認在合併財務報表的權益中。

我們密切注視外幣匯率變化，亦會監察我們自2.5億美元循環信貸融資(為我們唯一向第三方借入的美元貸款)動用的美元貸款金額，以控制外匯風險。

於2017年12月31日，假設人民幣兌美元的匯率下跌/上升1%，而其他因素保持不變，則本年度除稅前利潤會分別下跌/上升人民幣902,000元(於2016年12月31日：人民幣3,909,000元)，主要是由於本集團旗下功能貨幣為人民幣的公司持有以美元計值的應付款項產生的匯兌收益/損失所致。

#### 利率風險

我們絕大部份收入及經營現金流量不受市場利率波動的影響。我們的浮息銀行借款導致我們有現金流量利率風險。有關我們借款的詳細分析以及相關的利率和到期日等信息在合併財務報表附註15中做了描述。

### 所持重大投資

截至2017年12月31日止年度，本集團並未有任何重大投資。



# Management Discussion and Analysis

## 管理層討論及分析

### ACQUISITION AND DISPOSAL OF SUBSIDIARIES

The Group had no material acquisition or disposal of subsidiaries or associated companies for the year ended 31 December 2017.

### EMPLOYEES

As at 31 December 2017, the Company had 643 employees, with 68 based in Beijing, 570 based in Shanxi and 5 based in Hong Kong, respectively. There have been no material changes to the information disclosed in the Company's prospectus dated 11 June 2015 (the "Prospectus") in respect the remuneration of employees, remuneration policies and staff development.

### 收購及出售附屬公司

截至2017年12月31日止年度，本集團並未收購或出售附屬公司或聯營公司之重大事項。

### 員工

於2017年12月31日，本公司有643名員工，其中68名位於北京，570名位於山西及5名位於香港。本公司日期為2015年6月11日的招股章程（「招股章程」）所披露有關員工薪酬、薪酬政策及員工發展的資料並無重大變動。

# Directors and Senior Management

## 董事及高級管理層

### DIRECTORS

#### Executive Director

**Dr. Stephen Xiangdong Zou (“Dr. ZOU”)** (鄒向東博士), aged 60, is the primary founder of the Group, an executive director of the Company (“**Director**”) and the chairman of the Board. Dr. ZOU is primarily responsible for the Group’s overall development and growth strategies, investor and public relations, board governance and supervision of key management issues. Dr. ZOU has been the chairman and chief executive officer of AAG Energy Limited (our then parent Company, the “**Parent Company**”) since February 2008 and October 2013, respectively. He has been a director, the chief executive officer and chairman of the board of directors of AAGI since July 2004, August 2006 and October 2013, respectively. He was the president of AAGI from July 2005 to October 2013. He has been a director and the president of SAEI since June 2007.

Dr. ZOU has over 32 years of experience in energy resources fields in the U.S. and the PRC, mainly in coal, CBM and petroleum exploration and development. He is considered one of the pioneers of China’s CBM industry. From 1999 to 2006, he was a director, executive vice president, president and chief China representative of Asian American Coal, Inc. (“**AACI**”) and was responsible for development and implementation of AACI’s short-term and long-term work plans, management of its daily operations and business development, including project acquisition, assessment and approvals, contract negotiation and approvals, and partner relations. During this period, he identified and developed two coal mining projects, the Daning coal mine and the Gaohe coal mine, and two CBM projects.

### 董事

#### 執行董事

**鄒向東博士** (「鄒博士」), 60歲, 本集團主要創始人、本公司執行董事 (「**董事**」) 及董事會主席。鄒博士主要負責本集團整體發展及增長策略、投資者及公共關係、董事會監管及主要管理層監督事宜。鄒博士自2008年2月及2013年10月起分別擔任AAG Energy Limited (我們當時的母公司 (「**母公司**」)) 董事會主席及首席執行官。自2004年7月、2006年8月及2013年10月起分別任亞美大陸煤層氣董事、首席執行官及董事會主席, 2005年7月至2013年10月期間擔任亞美大陸煤層氣總裁, 自2007年6月起任美中能源公司董事兼總裁。

鄒博士在美國及中國能源領域 (主要為煤炭、煤層氣及石油勘探及開發) 方面擁有超過32年經驗, 被視為中國煤層氣行業的先驅之一。1999年至2006年, 曾任亞美大陸煤炭有限公司 (「**亞美煤炭**」) 董事、執行副總裁、總裁及中國首席代表, 負責亞美煤炭短期及長期工作計劃的制定及實施、其日常營運及業務發展管理, 包括項目收購、評估及審批、合同磋商及審批以及合作關係。在此期間, 曾識別及開發兩個煤炭開採項目大寧煤礦及高河煤礦, 以及兩個煤層氣項目。

## Directors and Senior Management 董事及高級管理層

Dr. ZOU was the general manager of CBM projects of Phillips China Inc. (菲力浦斯中國有限公司) from 1996 to 1997. He was responsible for the project coordination between Phillips China Inc. and its partners, overall management of the projects, negotiation of the production sharing contract and coordination of the support processes from Phillips China Inc. From 1994 to 1996, Dr. ZOU was the vice president of CBM Energy Associates, L.C. and was responsible for its in-country management, partner relations and business development, including identification, contract negotiation and development of two CBM concessions, which led to the establishment of Shanxi Hedong CBM Company, Ltd., a joint venture established by CBM Energy Associates, L.C., Shanxi Energy Enterprise (Group) Corporation and four other local companies in Shanxi Province, and Fuxin Sino-American CBM Co. Ltd., a joint venture established by CBM Energy Associates, Inc. and Fuxin Energy Development Corporation, as the operators of the CBM concessions. From 1994 to 1997, Dr. ZOU was the vice chairman and general manager for both Shanxi Hedong CBM Company, Ltd. and Fuxin Sino-American CBM Co., Ltd. and managed their daily operations, CBM explorations (drillings and reservoir evaluation), CBM sales contracts' negotiations and partner relations. From 1989 to 1993, while pursuing his doctorate degree at the department of geology and geography of West Virginia University, Dr. ZOU was a teaching assistant as well as a research assistant on a project sponsored by the U.S. Department of Energy entitled "Measuring and Predicting Reservoir Heterogeneity in Complex Deposystems". Prior to that, he worked as an engineer at the branch of geology & exploration, China Central Coal Research Institute (中國煤炭科學研究院地質勘探分院) from 1985 to 1989 and worked at Shanxi No. 2 Coal Geological Exploration Co. (山西煤田地質勘探二隊) from 1975 to 1978. Dr. ZOU obtained a bachelor of engineering degree in coal geology and exploration from Shanxi Mining College (山西礦業學院) in May 1982 and obtained a master degree from China Central Coal Research Institute (中國煤炭科學研究院) in December 1985. Dr. ZOU earned his doctor of philosophy degree in geology from West Virginia University in December 1993.

鄒博士曾於1996年至1997年期間任菲力浦斯中國有限公司煤層氣項目總經理，負責菲力浦斯中國有限公司與其合作夥伴之間的項目協調、項目整體管理、磋商產品分成合同及協調菲力浦斯中國有限公司的支援過程。1994年至1996年，鄒博士曾任CBM Energy Associates, L.C.副總裁，負責其國內管理、夥伴關係及業務發展，包括兩個煤層氣區塊的識別、合同磋商及開發，促使成立了山西河東煤層氣有限公司(一家由CBM Energy Associates, L.C.、Shanxi Energy Enterprise (Group) Corporation及山西省其他四家本地公司成立的合營企業)及阜新中美煤層氣能源有限公司(一家由CBM Energy Associates, Inc.及阜新能源開發公司成立的合營企業)，作為煤層氣區塊的作業者。1994年至1997年，鄒博士曾任山西河東煤層氣有限公司及阜新中美煤層氣能源有限公司董事會副主席及總經理，負責管理該兩家公司的日常營運、煤層氣勘探(鑽探及儲量評估)、磋商煤層氣銷售合同及合作夥伴關係。1989年至1993年，在西維吉尼亞大學地質和地理系攻讀博士學位時，鄒博士也曾擔任助教，以及在美國能源署發起名為「Measuring and Predicting Reservoir Heterogeneity in Complex Deposystems」的項目中擔任研究助理。在此之前，1985年至1989年曾於中國煤炭科學研究院地質勘探分院擔任工程師，1975年至1978年曾於山西煤田地質勘探二隊任職。鄒博士於1982年5月畢業於山西礦業學院，取得煤炭地質與勘探工程學士學位，並於1985年12月畢業於中國煤炭科學研究院，取得碩士學位。鄒博士於1993年12月獲西維吉尼亞大學頒發地質學博士學位。

# Directors and Senior Management

## 董事及高級管理層

### Non-executive Directors

**Mr. Peter Randall Kagan**, aged 49, is a non-executive Director. Mr. Kagan is primarily responsible for advising on industrial, geological and financial matters. Mr. Kagan was appointed to the Parent Company's board of directors in April 2011. He has also been one of the directors of AAGI and SAEI since April 2011.

Mr. Kagan has over 20 years of experience with energy companies and investments and broad knowledge of the oil and gas industry. He is a partner of Warburg Pincus & Co., and a member and managing director of Warburg Pincus LLC, where he has been employed since 1997 and became a managing director in 2002. Mr. Kagan is also a member of Warburg Pincus LLC's executive management group. Prior to joining Warburg Pincus LLC, he worked in investment banking at Salomon Brothers in both New York and Hong Kong from 1990 to 1993. Currently, Mr. Kagan acts as a director for a number of listed companies. He is an independent non-executive director of MEG Energy Corp. (TSX: MEG), Antero Resources Midstream Management LLC, Targa Resources Corp. (NYSE: TRGP) and Laredo Petroleum Holdings, Inc. (NYSE: LPI), respectively.

Mr. Kagan served as a director of Targa Resources GP LLC, the general partner of Targa Resources Partners LP (NYSE: NGLS), from February 2007 to February 2013 and of Targa Resources, Inc. (Nasdaq: TRGP) from February 2004 to December 2010, respectively. In addition, he was a director of Broad Oak Energy, Inc. from May 2006 to July 2011.

Mr. Kagan received his bachelor of arts degree cum laude from Harvard College in June 1990. He also obtained both juris doctor and master of business administration degrees with honors from the University of Chicago in June 1997.

### 非執行董事

**Peter Randall Kagan**先生，49歲，非執行董事。Kagan先生主要負責就行業、地質及財務事宜提供建議。Kagan先生於2011年4月獲委任加入母公司董事會，自2011年4月起也是亞美大陸煤層氣及美中能源公司董事。

Kagan先生積累了超過20年的能源公司及投資從業經驗，且油氣行業知識淵博。他是Warburg Pincus & Co.的合夥人及Warburg Pincus LLC的成員兼董事總經理，自1997年起受僱於Warburg Pincus LLC並於2002年成為其董事總經理。Kagan先生也是Warburg Pincus LLC執行管理小組成員。在加入Warburg Pincus LLC之前，於1990年至1993年期間曾就職於紐約及香港的所羅門兄弟的投資銀行。目前，Kagan先生擔任多家上市公司的董事，分別為MEG Energy Corp. (多倫多證券交易所：MEG)、Antero Resources Corporation (紐約證券交易所：AR)、Antero Resources Midstream Management LLC、Targa Resources Corp. (紐約證券交易所：TRGP)及Laredo Petroleum Holdings, Inc. (紐約證券交易所：LPI)的獨立非執行董事。

Kagan先生分別於2007年2月至2013年2月期間擔任Targa Resources GP LLC董事以及Targa Resources Partners LP (紐約證券交易所：NGLS)的普通合夥人，並於2004年2月至2010年12月期間擔任Targa Resources, Inc. (納斯達克：TRGP)董事。此外，2006年5月至2011年7月曾為Broad Oak Energy, Inc.董事。

Kagan先生於1990年6月以優等成績畢業於哈佛學院，取得文學學士學位；並且以優等成績於1997年6月獲芝加哥大學法學博士及工商管理碩士學位。

## Directors and Senior Management 董事及高級管理層

**Mr. Gordon Sun Kan Shaw (蕭宇成)**, aged 53, is a non-executive Director. Mr. Shaw is primarily responsible for advising on accounting, internal control and financial matters. Mr. Shaw was appointed to the Parent Company's board of directors in February 2008. He is also one of the authorized representatives of the Company and has been one of the directors of AAGI and SAEI since February 2008 and March 2010, respectively.

Mr. Shaw has over 22 years of private equity experience with a broad variety of experience in the finance industry across Asia. Mr. Shaw is a managing director of Baring Private Equity Asia Limited. Prior to joining Baring Private Equity Asia Limited in January 1999, Mr. Shaw was a director at Hong Kong-based AIG Investment Corporation (Asia) Ltd., which he joined in September 1993.

Mr. Shaw received his bachelor of science degree in electrical engineering from Massachusetts Institute of Technology in June 1986 and his master of business administration degree from Columbia University in October 1992. Mr. Shaw is a Fellow, Life Management Institute (FLMI).

**Mr. Zhen Wei (魏臻)**, aged 46, is a non-executive Director. Mr. Wei is primarily responsible for advising on financial related matters. Mr. Wei was appointed to the Parent Company's board of directors in March 2010. He has been one of the directors of AAGI and SAEI since March 2010.

Mr. Wei joined Warburg Pincus Asia LLC, a wholly owned subsidiary of Warburg Pincus LLC, in 2002 and is currently a managing director leading investments in the consumer and retail, energy and natural resources and industrial sectors. Before that, he worked as a financial analyst at the investment banking division of Morgan Stanley Asia from 1997 to 1999 and a business analyst at McKinsey & Company from 1995 to 1997.

Mr. Wei obtained his bachelor of science degree from University of Texas at Austin in May 1995. He received his Master of Business Administration degree from Harvard Business School in June 2002.

蕭宇成先生，53歲，非執行董事。蕭先生主要負責就會計、內部監控及財務事宜提供建議。蕭先生於2008年2月獲委任加入母公司董事會。自2008年2月及2010年3月起也分別擔任本公司授權代表之一，和亞美大陸煤層氣及美中能源公司董事。

蕭先生從事私募基金工作超過22年，在亞洲各地金融業積累了廣泛經驗。蕭先生現為Baring Private Equity Asia Limited董事總經理。在1999年1月加入Baring Private Equity Asia Limited前，蕭先生曾自1993年9月起加入並擔任香港AIG Investment Corporation (Asia) Ltd.的董事。

蕭先生於1986年6月取得麻省理工學院電氣工程學學士學位；於1992年10月獲哥倫比亞大學工商管理碩士學位。蕭先生持有FLMI壽險管理師證書。

魏臻先生，46歲，非執行董事。魏先生主要負責就財務相關的事宜提供建議。魏先生於2010年3月獲委任加入母公司董事會，自2010年3月起擔任亞美大陸煤層氣及美中能源公司董事。

魏先生於2002年加入Warburg Pincus Asia LLC (Warburg Pincus LLC的全資附屬公司)，目前任董事總經理，主管消費者與零售、能源與自然資源及產業部門的投資。在此之前，於1997年至1999年期間任摩根士丹利亞洲投資銀行分部的財務分析師，並在1995年至1997年間任McKinsey & Company的商業分析師。

魏先生於1995年5月取得德克薩斯大學奧斯丁分校理學學士學位；於2002年6月取得哈佛商學院工商管理碩士學位。

## Directors and Senior Management 董事及高級管理層

**Mr. Lei Jin (金磊)**, aged 40, is a non-executive Director. Mr. Jin is primarily responsible for advising on business development matters. Mr. Jin was appointed to the Parent Company's board of directors in June 2013. He has also been a director of AAGI and a director of SAEI both since June 2013.

Mr. Jin has more than 13 years of experience in private equity funds, principal investment, investment banking and corporate finance. Mr. Jin has been a managing director and a member of investment review committee of Chinastone Capital Management Limited since January 2011. Mr. Jin was an assistant to the chairman of a Hong Kong based investment company from June 2008 to December 2010 and served as board secretary to Shantou Dongfeng Printing Co., Ltd. (SHA:601515) from June 2008 to December 2010. He was a vice president of ABN AMRO from February 2007 to May 2008, an executive director of Cathay Fortune Corp. from September 2006 to January 2007, an international business director of a PRC conglomerate from February 2002 to August 2006 and a vice president of a securities company from February 2002 to August 2006.

Mr. Jin obtained his bachelor degree in economics from Shanghai Jiao Tong University in July 1999 and his master of philosophy degree in economics with merits from University of Cambridge in May 2002.

**Dr. Guiyong Cui (崔桂勇博士)**, aged 55, is a non-executive Director. Dr. Cui is primarily responsible for advising on investor relations. Dr. Cui was appointed to the Parent Company's board of directors in May 2014. He was one of the directors of AAGI from July 2004 to June 2006 and has resumed such role since July 2014. He has also been one of the directors of SAEI since July 2014.

**金磊先生**，40歲，非執行董事。金先生主要負責就業務發展事宜提供建議。金先生於2013年6月獲委任為母公司董事會成員，自2013年6月起一直擔任亞美大陸煤層氣及美中能源公司董事。

金先生在私募股權基金、直接投資、投資銀行及企業融資領域擁有超過13年的從業經驗。金先生自2011年1月起一直擔任濤石股權投資管理公司的董事總經理及投資審查委員會成員。金先生於2008年6月至2010年12月期間任香港投資公司主席助理，並於2008年6月至2010年12月期間擔任汕頭東風印刷股份有限公司(上交所：601515)董事會秘書。他於2007年2月至2008年5月期間擔任ABN AMRO副總裁，於2006年9月至2007年1月期間擔任鴻商集團執行董事，於2002年2月至2006年8月期間擔任一家中國大型企業的國際業務總監，並於2002年2月至2006年8月期間擔任證券公司副總裁。

金先生於1999年7月獲得上海交通大學經濟學學士學位，於2002年5月以優異成績取得劍橋大學經濟學哲學碩士學位。

**崔桂勇博士**，55歲，非執行董事。崔博士主要負責就投資者關係提供建議。崔博士於2014年5月獲委任成為母公司董事會成員。於2004年7月至2006年6月期間擔任亞美大陸煤層氣董事，並自2014年7月起重新擔任該職位。自2014年7月起也擔任美中能源公司董事。

## Directors and Senior Management 董事及高級管理層

Dr. Cui has over 22 years of experience in investment in the energy and resources sectors. He is a managing director of Baring Private Equity Asia Limited and is primarily responsible for the firm's investments in greater China. Prior to joining Baring, he worked as a managing director at HOPU Investment Management Co. Ltd. from May 2008 to September 2009 and became a partner since October 2009. He worked at Morgan Stanley Asia Limited from April 2007 to April 2008 and acted as a managing director of investment banking. From March 2004 to April 2007, he was employed by HSBC Group and held the position of managing director of Global Investment Banking Asia Pacific — Resources and Energy at HSBC Markets (Asia) Limited. From June 2002 to August 2003, he served as head of the investment banking division at ICEA Capital Limited. Dr. Cui was employed by N M Rothschild & Sons and assumed various positions from September 1994 to June 2002 including the position of managing director, investment banking and the chief representative China in N M Rothschild & Sons' Beijing Office. Dr. Cui is currently a non-executive director of China Shengmu Organic Milk Limited (HKSE:1432) since March 2014. He also served as a non-executive director of Winsway Enterprises Holdings Limited (HKSE: 1733) from June 2010 to January 2012.

Dr. Cui obtained his bachelor of engineering degree and master of engineering degree from the University of Science and Technology of Beijing (北京科技大學, previously known as Beijing Steel College (北京鋼鐵學院) in April 1982 and June 1987, respectively, and his doctor of philosophy degree from the University of Oxford in the United Kingdom in May 1995.

**Mr. Saurabh Narayan Agarwal**, aged 37, is a non-executive Director. Mr Agarwal is responsible for advising on human resources and business development matters. Mr. Agarwal is a Managing Director at Warburg Pincus. He joined Warburg Pincus in 2009 and has over 9 years of investment experience in the energy sector. He is currently based in Singapore, where he relocated from New York in 2017 to focuses on firm's investments activities in Southeast Asia.

Prior to joining Warburg Pincus, Mr. Agarwal worked at McKinsey & Company in New Jersey and New Delhi, and Temasek Holdings in Mumbai.

崔博士在能源及資源投資領域擁有超過22年的從業經驗，任Baring Private Equity Asia Limited董事總經理，主要負責該公司在大中華地區的投資。在加入Baring之前，他於2008年5月至2009年9月期間擔任HOPU Investment Management Co. Ltd.董事總經理，並自2009年10月起成為合夥人。於2007年4月至2008年4月期間就職於Morgan Stanley Asia Limited，擔任投資銀行部董事總經理。2004年3月至2007年4月期間，其受聘於滙豐集團，擔任HSBC Markets (Asia) Limited全球投資銀行亞太區資源及能源部的董事總經理。2002年6月至2003年8月，擔任工商東亞融資有限公司投資銀行部負責人。崔博士受僱於N M Rothschild & Sons，於1994年9月至2002年6月期間擔任多個職位，包括董事總經理、投資銀行及N M Rothschild & Sons北京辦事處中國區首席代表。崔博士自2014年3月起擔任中國聖牧有機奶業有限公司（香港聯交所：1432）非執行董事，並於2010年6月至2012年1月期間擔任永暉實業控股股份有限公司（香港聯交所：1733）非執行董事。

崔博士分別於1982年4月和1987年6月獲得北京科技大學（原北京鋼鐵學院）工程學學士及碩士學位，並於1995年5月獲得英國牛津大學哲學博士學位。

**Saurabh Narayan Agarwal** 先生，37歲，非執行董事。Agarwal先生主要負責為人力資源及業務發展提供建議。Agarwal先生就任華平的董事總經理。他於2009年加入華平，在能源領域有超過九年的投資經驗。他目前在新加坡工作，2017年之前他的工作地點在紐約，專注於在東南亞的投資。

加入華平之前，Agarwal先生曾在新澤西和新德里的麥肯錫公司和孟買的淡馬錫控股公司工作。

## Directors and Senior Management 董事及高級管理層

Mr. Agarwal is currently a director of Mosaic, Inc., and CleanMax Enviro Solutions and previously served on the boards of several companies, including CPV Inc., Delonex Energy, RimRock, RSEG Inc., Trident Energy Velvet Energy and Venari Resources.

Mr. Agarwal received a degree of bachelor of technology in electrical engineering and a degree of master of technology in microelectronics from the Indian Institute of Technology Bombay in August 2004. He also received a master of business administration degree from the Harvard Business School in June 2009.

**Mr. Fei Nie (聶飛)**, aged 37, is a non-executive Director. Mr Nie is responsible for strategic development and investor relations. Mr Nie is a Senior Executive at China Mingsheng Investment Group (“**CMIG**”). He joined CMIG as a key member of founding team in 2014 and has over 9 years of investment experience in the energy sector. He is currently based in Beijing and holds several senior management positions within CMIG Group including Executive Director of CMH Investment (中民華恒投資有限公司), Director and Executive Vice-President of China Minsheng (Guangxi) Investment (中民投(廣西)投資有限公司), and Chairman of the Board at CM&U (Guangxi) (中民優能(廣西)投資有限公司). Mr. Nie also served as a board member of Shaanxi Sijichun Clean Energy Co., Ltd (陝西四季春清潔熱源有限公司) since 2015. Besides, his former positions with CMIG Group also include Vice-President of CMIG New Energy (中民新能投資集團有限公司), and Chairman of the Board of CMIG Gas (中民融和燃氣投資有限公司). Prior to joining CMIG, Mr. Nie worked for Mingsheng Financial Leasing Co., Ltd (民生金融租賃有限公司) where he looked after the energy equipment leasing business. Earlier to that, he worked for Citi Bank China (花旗銀行(中國)有限公司), where he was a Senior Manager in the Global Corporate Banking Division.

Mr. Nie received a Bachelor of Science degree in International Economics and Trade from Beijing Technology and Business University in 2004 and a Master of Science degree in Economics Finance and Management from Bristol University in 2006.

Agarwal先生目前為Solar Mosaic公司及Clean Max Enviro Solutions公司的董事。他曾先後服務於幾家公司，包括Competitive Power Ventures、Delonex Energy、RimRock、RSEG Inc.、Trident Energy、Velvet Energy以及Venari Resources。

Agarwal先生於2004年8月獲得了印度理工學院電氣工程技術學士學位和微電子科學碩士學位的雙學位。他還於2009年6月獲得了哈佛商學院的工商管理碩士學位。

**聶飛先生**，37歲，非執行董事。聶先生主要負責戰略發展和投資者關係。聶先生就任中國民生投資集團(「中民投」)的高級主管。他作為創始團隊關鍵成員於2014年加入中民投，在能源領域有超過九年的投資經驗。他目前在北京工作，並擔任中民投集團的多個高級管理職務，包括中民華恒投資有限公司執行董事，中民投(廣西)投資有限公司董事兼常務副總裁，以及中民優能(廣西)投資有限公司董事長。聶先生還自2015年擔任陝西四季春清潔熱源有限公司董事會成員。此外，他曾經在中民投集團的職務還包括中民新能投資集團有限公司副總裁，以及中民融和燃氣投資有限公司董事長。加入中民投之前，聶先生曾在民生金融租賃有限公司負責能源設備租賃業務。此前，他曾擔任花旗銀行(中國)有限公司跨國企業金融部高級經理。

聶先生於2004年獲得了北京工商大學國際經濟與貿易學學士學位，他亦於2006年獲得了布里斯托大學經濟金融與管理碩士學位。



# Directors and Senior Management

## 董事及高級管理層

### Independent Non-executive Directors

**Mr. Yaowen Wu (吳耀文)**, aged 74, is an independent non-executive Director. Mr. Wu is primarily responsible for independently overseeing the management. Mr. Wu joined the Group in June 2015.

Mr. Wu has served as chairman of the board of China Coal Energy Group Ltd (中國中煤能源集團有限公司) since October 2008. Mr. Wu served as an external director of Baosteel Group Co. Ltd (寶鋼集團有限公司) from October 2005 to March 2013. Mr. Wu served as deputy general manager in charge of the overseas business of China National Petroleum Corporation (中國石油天然氣集團公司) from December 1996 to December 2003. Mr. Wu served as one of the board members and vice chairman in Petro China Company Limited (中國石油天然氣股份有限公司) from May 1999 to July 2004. Mr. Wu also served as chief petroleum engineer of the National Energy Ministry of the PRC (國家能源局) from July 1988 to May 1993. Prior to that, Mr. Wu was a general manager of Qinghai Petroleum Administration Bureau (青海石油管理局) from September 1986 to July 1988. He was a deputy general manager of China Offshore Oil Donghai Corporation from July 1983 to October 1986.

Mr. Wu obtained a bachelor of science degree in drilling engineering from the China University of Petroleum (中國石油大學, formerly known as 北京石油學院) in August 1968. Mr. Wu is a senior engineer in professor grade.

**Mr. Robert Ralph Parks**, aged 74, is an independent non-executive Director. Mr. Parks is primarily responsible for independently overseeing the management. Mr. Parks joined the Group in June 2015.

Mr. Parks was appointed as the chairman of Oaktree Capital (Hong Kong) Limited (“**Oaktree**”), covering the Asia Pacific region from February 2007 until March 2012. He is a member of the board of trustees of Rice University in Houston, Texas in the United States and serves as chairman of the board of Rice Management Company, which oversees the university’s endowment. He was appointed as an adviser to the investment committee of the Carnegie Corporate, a charitable foundation, in New York City. He is also an independent non-executive director of Ambow Education in Beijing, PRC. He recently completed his last term as an independent non-executive director of The Siam Commercial Bank Public Company Limited (SET: SCB) in Bangkok, Thailand.

### 獨立非執行董事

**吳耀文先生**，74歲，獨立非執行董事。吳先生主要負責獨立監督管理。吳先生於2015年6月加入本集團。

吳先生自2008年10月起擔任中國中煤能源集團有限公司董事會主席；自2005年10月至2013年3月擔任寶鋼集團有限公司外部董事；自1996年12月至2003年12月擔任中國石油天然氣集團公司副總經理，主管海外業務；自1999年5月至2004年7月擔任中國石油天然氣股份有限公司董事會成員及副主席；自1988年7月至1993年5月亦擔任國家能源局首席石油工程師。在此之前，吳先生自1986年9月至1988年7月擔任青海石油管理局總經理，並於1983年7月至1986年10月期間擔任中國海洋石油東海公司副總經理。

吳先生於1968年8月獲得中國石油大學(原北京石油學院)鑽探工程理學學士學位。吳先生現為教授級高級工程師。

**Robert Ralph Parks先生**，74歲，獨立非執行董事。Parks先生主要負責獨立監督管理。Parks先生於2015年6月加入本集團。

Parks先生於2007年2月至2012年3月擔任橡樹資本(香港)有限公司(「**橡樹資本**」)(業務覆蓋亞太地區)主席。作為美國德克薩斯州休斯頓萊斯大學受託人理事會成員，並擔任Rice Management Company董事會主席，負責監督大學捐款。曾獲委任為紐約市一家慈善基金Carnegie Corporate的投資委員會顧問，並曾擔任中國北京安博教育獨立非執行董事。他最近完成了在泰國曼谷的泰國匯商銀行大眾有限公司(泰國證券交易所：SCB)獨立非執行董事的任期。

## Directors and Senior Management 董事及高級管理層

Mr. Parks has over 41 years of experience in investment banking and has held senior management positions in Asia Pacific, Europe and the United States. Prior to joining Oaktree, he was chairman and chief executive officer in JP Morgan Asia Pacific from early 2001 to November 2006. Prior to that, Mr. Parks joined the Beacon Group in 1997 and was a partner from 1998 to 2000. Mr. Parks joined Goldman Sachs & Co. in the beginning of 1981 and became a partner in 1986 and was a limited partner for two years until 1996. Mr. Parks started his investment banking career with Merrill Lynch in 1970. In 1995, Mr. Parks founded Pear Tree Point School in Darien, Connecticut, USA, an independent elementary day school, of which he remains the sole proprietor to the present time.

Mr. Parks obtained his bachelor of arts degree from Rice University in June 1966 and his master of business administration degree from Columbia University in June 1970.

**Mr. Stephen Cheuk Kin Law (羅卓堅)**, aged 55, is an independent non-executive Director. Mr. Law is primarily responsible for independently overseeing the management. Mr. Law joined the Group in July 2016. Through his past and current experience, Mr. Law's professional qualifications and related financial management experience (as mentioned below) have met the requirements under Rule 3.10(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Prior to joining the Group, Mr. Law was serving as the finance director and a member of the executive directorate of MTR Corporation Limited (HKSE:66) ("**MTR**"). Prior to MTR, Mr. Law was the chief financial officer at Guoco Group Limited (HKSE:53) ("**Guoco**"). Prior to Guoco, Mr. Law was a managing director at TPG, one of the largest global private equity funds. Prior to TPG, Mr. Law also worked in direct investment at Morningside. Mr. Law is a member of the Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). Mr. Law is also a council member of HKICPA, and a vice-president of the Hong Kong Business Accountants Association, and an adjunct professor of the Hong Kong Polytechnic University. In addition, Mr. Law was appointed by Ministry of Finance of the PRC (the "**MOF**") as an expert consultant to advise the MOF on finance and management accounting.

Mr. Law holds a bachelor degree in science (civil engineering) from the University of Birmingham, the United Kingdom and also received a master degree in business administration from the University of Hull, the United Kingdom.

Parks先生在投資銀行方面積累了超過41年的從業經驗，曾在亞太、歐洲及美國出任高級管理職務。加入橡樹資本前，他於2001年初至2006年11月期間擔任摩根大通亞太區主席兼首席執行官。在此之前，Parks先生於1997年加入Beacon Group，於1998年至2000年期間擔任合夥人。Parks先生於1981年初加入Goldman Sachs & Co.，並於1986年成為合夥人，截至1996年其中有兩個年度作為有限合夥人。Parks先生於1970年在Merrill Lynch開始其投資銀行事業。1995年，Parks先生在美國康涅狄格州達裡恩創立了一所獨立走讀小學Pear Tree Point School，截至目前他仍是該小學的唯一擁有人。

Parks先生於1966年6月獲萊斯大學文學學士學位，於1970年6月獲哥倫比亞大學工商管理碩士學位。

**羅卓堅先生**，55歲，獨立非執行董事。羅先生主要負責獨立監督管理。羅先生於2016年7月加入本集團。憑藉其以往和當前的經驗，羅先生具備了香港聯合交易所有限公司證券上市規則（「**上市規則**」）第3.10(2)條規定的專業資格及相關財務管理經驗（如下文所述）。

加入本集團之前，羅先生就職於香港鐵路有限公司（香港聯交所：66）（「**港鐵公司**」）並擔任財務總監及執行總監會成員。加入港鐵公司之前，羅先生擔任國浩集團有限公司（香港聯交所：53）（「**國浩**」）的財務總監。加入國浩之前，羅先生擔任TPG（全球最大的私募股權基金之一）的董事總經理。加入TPG之前，羅先生亦曾任職於晨興的直接投資部門。羅先生為英格蘭及威爾斯特許會計師公會理事會成員，及香港商界會計師協會副會長，以及香港理工大學的副教授。此外，羅先生被中國財政部（「**財政部**」）委任為專家顧問，以就財務及管理會計事宜向財政部提供意見。

羅先生自英國伯明罕大學取得工科（土木工程）學士學位並自英國赫爾大學取得工商管理碩士學位。

## Directors and Senior Management 董事及高級管理層

**Mr. Fredrick J. Barrett**, aged 57, is an independent non-executive Director. Mr. Barrett is primarily responsible for independently overseeing the management. Mr. Barrett joined the Group in June 2015.

Mr. Barrett has over 32 years of experience in the energy and resources industry. Mr. Barrett currently serves as a non-executive director for Tamboran Resources, a private independent exploration and production oil and gas company headquartered in Sydney, Australia since September 2014. Mr. Barrett also currently serves as chairman of the Compensation Committee for Tamboran. From 2014 to 2015, Mr. Barrett served on an advisory panel and steering committee for Santos Ltd. (ASX: STO), a leading oil and gas producer headquartered in Adelaide, Australia, providing technical and strategic advice on their unconventional programs in Australia. Mr. Barrett served various positions in the Bill Barrett Corporation from 2002 to 2013, which was co-founded by him in January 2002, and he retired in January 2013. He served as president and executive director from January 2002 to July 2006, chief executive officer and chairman of the board from March 2006 to January 2013 and also served as chief operating officer from June 2005 to February 2006 and also served as president from July 2010 to January 2013, respectively. Prior to that, Mr. Barrett was a senior geologist for Barrett Resources in the U.S. Rocky Mountain Region from 1997 to 2001, and a geologist from 1989 to 1996. Mr. Barrett was a partner in the Terred Oil Company from 1987 to 1989, a private oil and gas partnership providing geologic services for the U.S. Rocky Mountain Region. Mr. Barrett worked as a project and wellsite geologist intern-in-training for various periods for Barrett Resources from 1983 to 1986, and held similar training internship roles for various periods for Barrett Energy and Aeon Energy from 1981 to 1983.

Mr. Barrett obtained his bachelor of science and master of science degrees in geology from Ft. Lewis College, Durango, Colorado, USA and Kansas State University, Manhattan Kansas, USA in April 1984 and March 1989, respectively. Mr. Barrett graduated from the Harvard Business School Advanced Management Program in May 2005.

**Fredrick J. Barrett** 先生，57歲，獨立非執行董事。Barrett先生主要負責獨立監督管理。Barrett先生於2015年6月加入本集團。

Barrett先生在能源及資源行業擁有超過32年的從業經驗。Barrett先生自2014年9月起至今擔任Tamboran Resources非執行董事，該公司是一家總部設於澳大利亞悉尼的私人獨立石油及天然氣勘探及生產公司。Barrett先生目前也在擔任Tamboran的薪酬委員會主席。自2014年至2015年，Barrett先生就職於Santos Ltd. (澳大利亞證券交易所：STO)的顧問團及指導委員會，該公司是總部設於澳大利亞阿德萊德的主要石油及天然氣生產商，在澳大利亞就非常規方案提供技術及策略意見。Barrett先生自2002年至2013年擔任Bill Barrett Corporation多個職位，該公司由其本人於2002年1月聯合創辦並於2013年1月退任。他分別自2002年1月至2006年7月擔任總裁兼執行董事，自2006年3月至2013年1月擔任行政總裁兼董事會主席，自2005年6月至2006年2月擔任首席運營官以及自2010年7月至2013年1月擔任總裁。在此之前，Barrett先生分別自1997年至2001年擔任美國石質山區Barrett Resources的高級地質工程師，並自1989年至1996年擔任地質工程師。Barrett先生自1987年至1989年任Terred Oil Company合夥人，該公司為私人石油及天然氣普通合夥企業，為美國石質山區提供地質服務。Barrett先生在1983年至1986年期間多次就任Barrett Resources一個鈣交沸石項目的實習地質工程師，並在1981年至1983年期間在Barrett Energy及Aeon Energy多次擔任類似實習培訓角色。

Barrett先生分別於1984年4月和1989年3月取得美國科羅拉多州杜蘭戈Ft. Lewis College地質學理學學士學位，以及美國堪薩斯州曼哈頓的堪薩斯州立大學碩士學位。Barrett先生於2005年5月完成哈佛商學院進階管理課程。

# Directors and Senior Management

## 董事及高級管理層

### SENIOR MANAGEMENT

**Mr. Jing Li (李京)**, aged 48, is the chief executive officer and the president of the Company. Mr. Li was the co-chief executive officer and the president of the Company from October 2013 to October 2016. He has been the president of the Parent Company since October 2013. He was the senior vice president and the vice president of business development of the Parent Company from March 2011 to October 2013 and from February 2008 to March 2011, respectively. He was the vice president of business development of AAGI from February 2008 to October 2013 and has been the president of AAGI since October 2013. He is primarily responsible for the Group's overall development and growth strategies, operations, the technical group, health and safety matters, as well as government and partner relations, sales and marketing, human resource managements and public relationships.

Mr. Li has over 18 years of experience in business development, project management and marketing and sales management in CBM and coal exploration and development business. Before joining the Group, from December 1999 to June 2008, he held various positions with AACI including deputy president of business development, business development director, project manager and marketing manager.

Mr. Li worked as a sales manager in Beijing Micromatic Machinery Co., Ltd. (北京邁克羅邁帝克機械有限公司) from June 1995 to May 1997 and a mechanical engineer in Capital Steel Corporation (首都鋼鐵集團) from July 1992 to May 1995.

Mr. Li obtained his bachelor degree in engineering from Shanghai Jiao Tong University (上海交通大學) in July 1992 and his bachelor degree in economics from Peking University (北京大學) in August 1998. He received his master of business administration degree from China Europe International Business School (中歐國際工商學院) in April 2000.

### 高級管理層

李京先生，48歲，本公司首席執行官及總裁。李先生自2013年10月至2016年10月擔任本公司聯合首席執行官及總裁。李先生自2013年10月起擔任母公司總裁。他分別於2011年3月至2013年10月期間及2008年2月至2011年3月期間擔任母公司高級副總裁及業務開發副總裁，於2008年2月至2013年10月期間任亞美大陸煤層氣業務開發副總裁，並自2013年10月起擔任亞美大陸煤層氣總裁。其主要負責本集團的整體業務開發及增長策略、經營、技術團隊、環境健康及安全事宜，還有政府及合作對方關係、銷售及市場推廣、人力資源管理及公共關係。

李先生積累了超過18年的煤層氣業務開發、項目管理和市場推廣與銷售管理經驗，以及煤炭勘探開發業務經驗。在加入本集團之前，從1999年12月至2008年6月，他在亞美煤炭歷任多個職務，包括業務開發副總裁、業務開發總監、項目經理及市場推廣經理。

1995年6月至1997年5月，李先生在北京邁克羅邁帝克機械有限公司擔任銷售經理；1992年7月至1995年5月，李先生於首都鋼鐵集團擔任機械工程師。

李先生於1992年7月取得上海交通大學工程學學士學位，於1998年8月取得北京大學經濟學學士學位，於2000年4月取得中歐國際工商學院工商管理碩士學位。

## Directors and Senior Management 董事及高級管理層

**Mr. Allen Mak (麥雅倫)**, aged 56, is the Company's chief financial officer. Mr. Mak has been the chief financial officer of the Parent Company since August 2014. He is primarily responsible for financing, financial reporting, budget planning, internal control, project evaluation and financial management operations of the Group.

Mr. Mak has over 33 years of experience in finance and accounting. He was previously an executive director, joint company secretary and chief financial officer of MIE Holdings Corporation (HKSE: 1555), a company listed on the Stock Exchange. Mr. Mak worked at MIE Holdings Corporation from 2008 until he joined the Group. He was also previously the chief financial officer of CITIC 21CN Company Limited (HKSE: 0241), a company listed on the Stock Exchange, for over three years.

Prior to his career as a chief financial officer, Mr. Mak was an investment banker and had over eleven years of experience in investment banking. He was an assistant director at Peregrine, executive director at Citicorp and the managing director and head of the investment banking group of a securities firm based in Hong Kong. Mr. Mak also worked in the private equity business for over three years as an investment director at CVC Asia Capital and Citicorp. Prior to Mr. Mak's career in investment banking and private equity, he worked for seven years in the accounting profession at Price Waterhouse (subsequently renamed as PricewaterhouseCoopers) in Hong Kong, and KPMG and Deloitte in Canada.

Mr. Mak obtained his bachelor degree in commerce and business administration from the University of British Columbia in Canada in May 1984. He is a chartered accountant certified by the Canadian Institute of Chartered Accountants.

**Mr. ShuXing Dong (董樹星)**, aged 48, is the chief operating officer of the Company. Mr. Dong was the vice president of technology from June 2016 to August 2017. He is primarily responsible for company operations, technology and HSE matters.

Mr. Dong has over 25 years of diversified experiences in the oil and gas industry, including conventional oil/gas reservoir, heavy oil and unconventional gas (CBM). From 2002 to May 2016, he held various positions with ConocoPhillips, an independent E&P company, including reservoir engineer, senior reservoir engineer, reservoir engineering supervisor and chief reservoir engineer. From 1997 to 2002, he was a reserve/completion engineer in Phillips China Inc.. From 1992 to 1997, he held positions of assistant engineer and engineer in China Coal Research Institute Xi'an Branch.

麥雅倫先生，56歲，本公司首席財務官。麥先生自2014年8月起擔任母公司財務總監。他主要負責本集團的融資、財務申報、預算計劃、內部監控、項目估值及營運的財務管理。

麥先生擁有超過33年的財務及會計經驗。他曾擔任聯交所上市公司MI能源控股有限公司（香港聯交所：1555）執行董事，聯席公司秘書及首席財務官。麥先生自2008年起任職於MI能源控股有限公司，直至加入本集團。他也曾在聯交所上市公司中信21世紀有限公司（香港聯交所：0241）擔任首席財務官超過三年。

在擔任首席財務官之前，麥先生是一名投資銀行家，擁有超過11年的投資銀行經驗。他曾擔任百富勤董事助理、花旗公司執行董事以及一家香港證券公司的投資銀行部董事總經理及負責人。麥先生也曾於CVC Asia Capital及花旗銀行私募股權投資業務部擔任投資總監超過三年。在麥先生從事投資銀行及私募股權投資之前，他曾在香港普華永道會計師事務所（後更名為羅兵咸永道會計師事務所）以及加拿大畢馬威會計師事務所及德勤擔任會計師七年。

麥先生於1984年5月獲得英屬哥倫比亞大學工商管理學士學位。他是加拿大特許會計師協會認證的特許會計師。

**董樹星**，48歲，本公司首席運營官。董先生自2016年6月至2017年8月擔任本公司技術副總裁。他主要負責公司運營、技術及HSE事項。

董先生在油氣行業有25年豐富的技術和管理經驗，包括常規油氣藏，重油和非常規天然氣（煤層氣）等。2002年至2016年五月，董先生在康菲石油公司（一家獨立的勘探開採公司）任職多個崗位，包括油藏工程師，高級油藏工程師、油藏工程主管和首席油藏工程師。1997至2002年，他在康菲中國公司擔任油藏／完井工程師。1992至1997年，他在中國煤炭研究總院西安分院任助理工程師和工程師職位。

## Directors and Senior Management 董事及高級管理層

Mr. Dong received his bachelor degree in Production Engineering from Xi'an Petroleum University in China in 1992 and his MBA degree from Vlerick Leuven Gent Management School in 2012.

**Ms. Yang Lin (林揚)**, aged 44, is the Company's chief legal officer. She has been the chief legal officer since October 2013 and the chief legal officer of AAGI since October 2013, respectively. She is also the corporate secretary of AAGI. Ms. Lin was appointed as the Company's joint company secretary in March 2015. She is primarily responsible for the Group's general legal matters and corporate compliance.

Ms. Lin has over 21 years of experience in providing legal advice, in particular 10 years of experience in providing legal advice on CBM-specific matters. Ms. Lin served numerous positions in the Group since she joined the Group in February 2006. She was the vice president and general counsel of the Parent Company from February 2008 to October 2013. She was the vice president and general counsel and corporate secretary of AAGI from February 2008 to October 2013 and was the general counsel of AAGI from August 2006 to February 2008. She was the vice president of legal and general counsel of AACI from February 2006 to June 2008.

Before joining the Group, Ms. Lin worked as an associate with Baker & Daniels LLP from February 2004 to February 2006 and as the legal counsel of China Minmetals Corporation (中國五礦集團公司) from August 1995 to August 2002.

Ms. Lin obtained her bachelor of law degree from University of International Business and Economics (對外經濟貿易大學) in June 1995 and her master of laws degree from New York University School of Law in May 2003. She was admitted to the New York State and the PRC bars in November 2004 and October 1996, respectively.

**Mr. Jeffrey Lobao**, aged 59, has been the Company's vice president of business development — Southeast Asia since March 2016. He is primarily responsible for seeking, coordinating and executing potential merger, acquisition or other new business opportunity of the Company.

董先生於1992年在西安石油大學取得採油工程學士學位，並於2012年獲得Vlerick Leuven Gent Management School工商管理碩士學位。

**林揚女士**，44歲，本公司首席法務官。她自2013年10月起分別擔任母公司首席法務官和亞美大陸煤層氣首席法務官，並且是亞美大陸煤層氣公司秘書。林女士於2015年3月獲委任成為本公司的聯席公司秘書。她主要負責本集團的一般法律事務和公司合規事務。

林女士在提供法律意見方面擁有超過21年的經驗，特別是為煤層氣特定事項提供法律意見方面擁有10年從業經驗。林女士自2006年2月加入本集團以來擔任過多個職位：2008年2月至2013年10月期間擔任母公司副總裁及法務總監；2008年2月至2013年10月期間任亞美大陸煤層氣副總裁、法務總監及公司秘書；2006年8月至2008年2月期間任亞美大陸煤層氣法務總監；2006年2月至2008年6月期間擔任亞美煤炭法律副總裁及法務總監。

加入本集團之前，林女士於2004年2月至2006年2月期間擔任Baker & Daniels LLP律師職務，並於1995年8月至2002年8月期間擔任中國五礦集團公司法律顧問。

林女士於1995年6月取得對外經濟貿易大學法學學士學位，2003年5月取得紐約大學法學院法學碩士學位。她分別於2004年11月和1996年10月獲紐約州和中國律師執照。

**Jeffrey Lobao**先生，59歲，本公司業務發展東南亞地區副總裁。Lobao先生於2016年3月擔任本公司業務發展東南亞地區副總裁。他主要負責尋找、協調和執行公司潛在的兼併、收購或其他新的商業機會。

## Directors and Senior Management 董事及高級管理層

Before joining the Group, he was the chief executive officer and the managing partner of Matrix Capacity Petroleum from 2013 to 2015, responsible for E&P area. In 2012, he served as an independent energy advisor for several oil and gas companies in Southeast Asia, providing E&P consulting services. He served as new ventures manager from 2006 to 2008 and managing director from 2008 to 2012 in Lundin Petroleum, a Swedish independent oil and gas exploration and production company. From 1985 to 2006, he held various positions in Royal Dutch Shell Petroleum, an energy and petrochemical company, including senior seismic interpreter/geologist, principal seismic interpreter/geologist, and business opportunity coordinator in Asia Pacific, exploration manager and manager of exploration and new business in Asia Pacific region.

Mr. Lobao received his bachelor degree in Geology from Northeastern University in Boston and his Master degree in Geology from Louisiana State University in the United States.

**Mr. Lijun Pan (潘利軍)**, aged 45, has been the vice president of commercial since November 2016. He is in charge of exploration, business development (China), marketing & sales, procurement, project support, mineral rights management, and contract management. Mr. Pan has over 9 years of experience in new project development, project management, exploration operation and reserve certification and pilot development before commercial production in the CBM business. Mr. Pan served several positions since he joined our Group in August 2008. Mr. Pan was exploration director and general manager for Inner Mongolia projects from February 2012 to September 2016. He was project manager of Mabi project during November 2011 to February 2012 and then promoted for general manager of Mabi project during January 2010 to February 2012. He was a new business development manager from August 2008 to January 2010.

Before joining our Group, Mr. Pan was a senior manager in Beijing Mainstream Technology Co., Ltd. from March 2008 to August 2008 and the senior project development manager in LK Group of HK Company from March 2005 to March 2008. Mr. Pan worked as an engineer and department head in Yanshan Petro-chemical Company of Sinopec from June 1996 to September 2003.

Mr. Pan obtained his bachelor's degree in Polymer Manufacturing and Machinery from Sichuan University (formerly known as "Chengdu Science & Technology University") in June 1996 and his international MBA degree from a joint MBA program supported by Tsinghua University, School of Economics & Management and MIT Sloan School of Management in June 2005.

在加入本集團之前，他在2013至2015年期間擔任Matrix Capacity Petroleum公司首席執行官和執行合夥人，負責勘探和開採領域。2012年，他擔任東南亞多家石油和天然氣公司的獨立能源顧問，提供勘探和開採諮詢服務。他自2006到2008年擔任Lundin Petroleum公司（一家瑞典的獨立石油和天然氣勘探和生產公司）的新項目經理，並於2008至2012年擔任常務理事。從1985到2006年，他在Royal Dutch Shell Petroleum（一家能源和石油化工公司）擔任多個職務，包括高級地震解釋/地質學家，首席高級地震解釋/地質學家，和亞太地區商業機會協調員，勘探經理和亞太地區勘探和新業務經理。

Lobao先生獲得波士頓東北大學地質學學士學位和美國路易斯安那州立大學地質學碩士學位。

**潘利軍先生**，45歲，本公司商務副總裁。潘先生於2016年11月擔任本公司商務副總裁。他負責管理勘探、中國區新項目開發、市場和銷售、採購、項目支援和礦權管理以及合同管理。潘先生於煤層氣業務有超過9年的新項目發展、項目管理、勘探運營和商業性開發前的儲藏認證和先導性開發等工作經驗。潘先生自2008年8月加入本集團以來，於本集團擔任多個職位。潘先生於2012年2月至2016年9月期間擔任勘探總監兼內蒙項目總經理，並於2011年11月至2012年2月期間擔任馬必項目副總經理，2010年1月至2011年11月期間作為馬必項目經理。自2008年8月至2010年1月為公司新項目發展經理。

加入本集團之前，潘先生於2008年3月至2008年8月任北京主流世紀科技公司高級經理；2005年3月至2008年3月任香港力勁集團高級項目發展經理；1996年7月至2003年9月任中國石化燕化集團下屬分公司技術員及部門負責人。

潘先生於1996年6月取得四川大學（原成都科技大學）高分子加工及機械專業工學學士學位，及於2005年6月取得清華大學經管學院與麻省理工斯隆學院聯合舉辦的國際工商管理碩士學位。

## Directors and Senior Management 董事及高級管理層

**Mr. Bing Wang (王冰)**, aged 48, is the Company's vice president of government liaison. Mr. Wang has been the vice president of government liaison of the Parent Company since November 2013. Mr. Wang served numerous positions in the Group since he joined the Group in June 2005. He is primarily responsible for government relations and project approvals and support.

Mr. Wang has over 13 years of experience in project management, sales and marketing in the CBM business. Mr. Wang served as a director of operation from February 2012 to November 2013 and as a general manager of Panzhuang Project from October 2008 to February 2012. He was one of the Company's core team members to conduct exploration and pilot operation tests for the Panzhuang Project. He was a business development manager of AAGI from January 2007 to September 2008 and a sales manager of AAGI from June 2005 to December 2006.

Before joining the Group, he was a vice general manager in Shanxi Kotel Micro Technique Co., Ltd. (山西科泰微技術有限公司) from September 2001 to May 2005 and the marketing manager in the Beijing branch of American ATMEL Company from July 1997 to September 2001. Mr. Wang worked as a regional manager in Shanghai Jiahua United Company Limited (上海家化公司) from December 1995 to July 1997 and a branch manager in the Beijing branch of American NCH Company from December 1993 to December 1995.

Mr. Wang obtained his bachelor's degree in metallic material engineering from Northeast Heavy Machinery Institute (東北重型機械學院) in September 1992 and his master's degree in business administration from the Open University of Hong Kong in December 2000.

王冰先生，48歲，本公司政府聯絡副總裁。王先生自2013年11月起擔任母公司政府聯絡部副總裁。他自2005年6月加入本集團以來擔任過多個職位。他主要負責政府公開及項目審批支持。

王先生在煤層氣業務領域積累了超過13年的項目管理、銷售及市場推廣經驗。他在2012年2月至2013年11月期間擔任營運總監，並在2008年11月至2012年2月期間任潘莊項目總經理，成為該項目勘探及試營運測試核心團隊成員之一。他在2007年1月至2008年9月任亞美大陸煤層氣業務發展經理，並於2005年6月至2006年12月任亞美大陸煤層氣銷售經理。

加入本集團之前，他在2001年9月至2005年5月期間任山西科泰微技術有限公司副總經理；1997年7月至2001年9月，任American ATMEL Company北京分公司市場推廣經理；1995年12月至1997年7月，任上海家化公司區域經理；1993年12月至1995年12月，任American NCH Company北京分公司經理。

王先生於1992年9月取得東北重型機械學院金屬材料工程學學士學位，並於2000年12月取得香港公開大學工商管理碩士學位。



## Directors and Senior Management 董事及高級管理層

**Mr. Huibing Ma (馬懷兵)**, aged 54, is the Company's vice president of project support and local Liaison. Mr. Ma joined company since March 2017. He is primarily responsible for managing preparing drilling pad and temporary engineering road for CBM drilling operation and managing relationship with local communities and township to county level government.

Mr. Ma has over 20 years of experience in company management, especially in purchasing, sales, engineering and project management. He has worked in Jincheng area which is AAG's main operation area for over 13 years.

Mr. Ma served as sales general manager for mining product in Westrac China, (CAT's dealer in North East China), from January 2015–March 2017; He served as deputy general manager in Industrea Wadam Machinery Equipment & Technology Service Company from March 2012 to December 2014. (Industrea Group was acquired and merged into GE Mining from November 2012); He joined Asian American Coal Inc. from December 2000, and served in one of AACI's subsidiary company, Shanxi Asian American Daning Energy Company Ltd., as purchasing manager (from 2011 to December 2006) and as assistant to general manager managing purchasing, sales, internal control, surface construction department, as well as managing Yangcheng Asian American Daning Railway Spur Operation Company Ltd., (from January 2007 to January 2012).

Before joining the AACI, Mr. Ma served in Zhuhai Huafeng Food Industry (Group) Company from November 1993 to January 1999, and took serial position from Purchasing supervisor, SAP implementation team leader, to deputy manager of a branch company; Mr. Ma also served as project managing engineer in Luoyang Research Institute from August 1984 to November 1993.

Mr. Ma had studied in China Europe International Business School from May 1999 to October 2000, and obtained his MBA degree from CEIBS in October 2000; He had his college education in Hunan University from 1980–1984, he obtained his bachelor degree in Electric Motor Engineering in 1984.

馬懷兵先生，54歲，本公司專案保障和地方關係副總裁。馬先生自2017年3月起加入本公司，主要負責管理為煤層氣開發準備井場和工程道路的工程活動，以及管理和地方社區以及鎮到縣一級的政府關係。

馬先生有20年以上的公司管理經驗，特別是採購、銷售、工程和專案管理經驗。他在本公司的主要經營地區晉城地區有13年工作經驗。

從2015年1月到2017年3月，馬先生在威斯特公司(卡特彼勒公司在中國東北的代理)擔任礦山產品的銷售總經理；2012年3月到2014年12月，在工創萬德機械設備技術服務有限公司擔任副總經理。(工創集團於2012年11月被美國通用電氣公司礦業集團公司收購)；馬先生2000年12月加入亞美大陸煤炭有限公司，從2001年到2012年1月，在公司下屬合資公司山西亞美大寧能源有限公司工作，先後擔任採購經理和總經理助理工作(負責經營、工程、內控以及鐵路公司)。

從1993年11月到1999年1月，馬先生在珠海華豐食品工業(集團)公司工作，先後擔任採購主管、SAP項目實施組長、分公司副經理；從1984年8月到1993年11月，在洛陽一研究所工作，擔任專案管理工程師。

馬先生於1999年5月到2000年10月在中歐國際工商管理學院學習並於2000年10月取得MBA學位；在1980年9月到1984年7月在湖南大學學習，於1984年7月取得電機工程學士學位。

# Report of the Directors

## 董事會報告

The Board is pleased to present its report and the audited consolidated financial statements of the Group for the year ended 31 December 2017.

### PRINCIPAL ACTIVITIES AND SUBSIDIARIES

The Company is the leading independent CBM producer in China. The Company focuses on the development and value optimization of unconventional gas resources to supply clean energy to the Chinese economy. Details of the principal activities of the principal subsidiaries of the Group are set out in note 1 and note 30 to the section headed "Consolidated Financial Statements" of this annual report. There were no significant changes in the nature of the Group's principal activities during the year ended 31 December 2017.

### BUSINESS REVIEW

A review of the business of the Group during the year ended 31 December 2017 and a discussion on the Group's future business development are provided in the section headed "Chairman's Statement" of this annual report. Description of possible risks and uncertainties that the Group may be facing can be found in the section headed "Chairman's Statement" of this annual report. In addition, the financial risk management objectives and policies of the Group can be found in note 3 to the section headed "Consolidated Financial Statements" of this annual report. An analysis of the Group's performance during the year ended 31 December 2017 using financial key performance indicators is provided in the section headed "Management Discussion and Analysis" of this annual report. Further, discussions on the Group's environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are contained in the sections headed "Chairman's Statement", "Report of the Directors", and "Corporate Governance Report" of this annual report, respectively. Discussions and information therein form part of this report of the Directors.

### RESULTS

The results of the Group for the year ended 31 December 2017 are set out in the section headed "Consolidated Financial Statements" of this annual report.

### DIVIDEND

The Board has recommended the payment of a dividend of HK\$0.0248 per share for the year ended 31 December 2017, subject to the approval of the shareholders at the annual general meeting to be held on 8 May 2018. The proposed dividends are expected to be payable on 20 June 2018 to the Shareholders whose names appear on the register of members of the Company as of 16 May 2018.

董事會欣然提呈本報告以及本集團截至2017年12月31日止本年度經審核合併財務報表。

### 主要業務及附屬公司

本公司是中國領先的獨立煤層氣生產商，專注於非常規天然氣資源的開發及價值優化，為中國經濟供應清潔能源。本集團主要附屬公司的主要業務詳情載於本年報「合併財務報表」一節附註1和附註30。截至2017年12月31日止年度，本集團主要業務性質並無重大變化。

### 業務回顧

本集團截至2017年12月31日止年度的業務回顧及有關本集團未來業務發展的探討，載於本年報「主席報告」一節。本集團可能面臨的風險和不確定因素詳述於本年報「主席報告」一節。此外，本集團財務風險管理目標及政策載於本年報「合併財務報表」一節附註3。本集團截至2017年12月31日運用關鍵財務業績指標的業績分析，載於本年報「管理層討論及分析」一節。此外，有關本集團環境政策、與主要權益持有人之關係以及對本集團有重大影響的相關法律及法規合規情況探討，請分別參見本年報「主席報告」、「董事會報告」及「企業管治報告」各節。該類章節的討論和資料屬於董事會報告一部分。

### 業績

本集團截至2017年12月31日止年度的業績載於本年報「合併財務報表」一節。

### 股息

董事會已建議派付截至2017年12月31日止年度之股息每股港幣0.0248元，惟須待股東於2018年5月8日股東週年大會上批准。建議股息預計將於2018年6月20日向截至於2018年5月16日股東名冊所列股東派付。

# Report of the Directors

## 董事會報告

### USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The total net proceeds from the Listing which involved the issue of 761,400,000 shares of the Company (the "Shares") amounted to approximately RMB1,506.9 million received by the Company after deduction of the underwriting commissions and other estimated expenses. As of 31 December 2017, RMB273.1 million of the proceeds had been utilized. The net proceeds were and will continue to be used in accordance with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus which includes the funding of capital expenditure set out in the section headed "Management Discussion and Analysis — Outlook and Guidance for 2018" of this annual report.

### PROPERTY, PLANT AND EQUIPMENT AND REVENUE GENERATING ASSETS

Details of movements in the property, plant and equipment, and revenue generating assets of the Group during the year ended 31 December 2017 are set out in note 6 to the section headed "Consolidated Financial Statements" of this annual report, respectively.

### BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings during the year ended 31 December 2017 are set out in note 15 to the section headed "Consolidated Financial Statements" of this annual report.

### SHARE CAPITAL AND SHARE INCENTIVE SCHEMES

Details of movements in the Company's share capital and share incentive schemes are set out in notes 12 to the section headed "Consolidated Financial Statements" and of this annual report and the paragraph headed "Share Incentive Schemes" below, respectively.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association (the "Articles") the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro rata basis to existing shareholders.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the year ended 31 December 2017.

### 本公司上市所得款項用途

經扣除承銷佣金及其他估計開支後，本公司獲得涉及發行761,400,000股本公司股份（「股份」）之上市所得款項淨額合共約為人民幣15.069億元。於2017年12月31日，人民幣2.731億元的上市所得款項已被使用。所得款項淨額已用作及將繼續用作招股章程「未來計劃及所得款項用途 — 所得款項用途」一節所載的相同用途，包括撥付本年報「管理層討論及分析 — 2018年展望及指引」一節所述資本開支。

### 物業、廠房及設備與創收資產

本集團截至2017年12月31日止年度物業、廠房及設備與創收資產的變動詳情分別載於本年報「合併財務報表」一節附註6。

### 銀行貸款及其他借款

本集團截至2017年12月31日止年度銀行貸款及其他借款的詳情載於本年報「合併財務報表」一節附註15。

### 股本及股權激勵計劃

本公司股本及股權激勵計劃的變動詳情分別載於本年報「合併財務報表」一節附註12，以及下文「股權激勵計劃」一段。

### 優先購買權

本公司組織章程細則（「細則」）或開曼群島法例並無優先購買權的相關條款規定本公司須向現有股東按比例發售新股。

### 購買、出售或贖回上市證券

截至2017年12月31日止年度，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

# Report of the Directors

## 董事會報告

### CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting (“AGM”), the register of members of the Company (the “Register of Members”) will be closed from 3 May 2018 to 8 May 2018, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer form of shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on 2 May 2018, being the first business day before the first day of closure of the Register of Members.

The record date for qualifying to receive the proposed dividend is 16 May 2018. In order to determine the right of shareholders entitled to receive the proposed dividend, which is subject to the approval by shareholders in the forthcoming AGM, the register of members of the Company will also be closed from 14 May 2018 to 16 May 2018, both days inclusive, during which period the registration of transfer of shares will be suspended. All transfer of shares, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 11 May 2018.

### RESERVES

Details of reserve movement of the Company during the year ended 31 December 2017 are set out in note 29 to the section headed “Consolidated Financial Statements” of this annual report, respectively.

### DISTRIBUTABLE RESERVES

As at 31 December 2017, the distributable reserves of the Company was approximately RMB3,982.9 million.

### CHARITABLE CONTRIBUTIONS

During the year ended 31 December 2017, the Group made RMB543,500 charitable contributions.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2017, the sales to the Group’s five largest customers accounted for 77.9% of the total sales for the year ended 31 December 2017 and sales to the largest customer included therein amounted to 25.2%.

### 暫停辦理股東登記

為決定出席股東週年大會(「股東週年大會」)並在會上投票的權利，本公司將於2018年5月3日至2018年5月8日(包括首尾兩日)暫停辦理股東登記(「股東登記」)手續，在此期間，本公司將不會受理任何股份過戶登記。為符合資格參加股東週年大會並在會上投票，股東須不晚於2018年5月2日(即暫停辦理股東登記首日前的營業日)下午四時三十分，將本公司所有股份過戶表格連同有關股票送達本公司香港證券登記處香港中央證券登記有限公司(地址：香港灣仔皇后大道東183號合和中心17樓1712–1716室)，以辦理登記。

釐定是否符合資格獲派派發的股息之登記日為2018年5月16日。為決定股東獲取建議股息的權利，本公司之股東名冊將於2018年5月14日至2018年5月16日期間(包含首尾兩日)暫停辦理股份過戶登記手續，該等末期股息派發建議需經即將召開的股東週年大會審批。所有股份過戶文件連同相關股票須不遲於2018年5月11日下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司(地址：香港灣仔皇后大道東183號合和中心17樓1712–1716室)，辦理股份過戶登記手續。

### 儲備

有關本公司截至2017年12月31日止年度儲備的變動詳情載於本年報「合併財務報表」附註29。

### 可分派儲備

截至2017年12月31日，本公司可分配儲備約為人民幣39.829億元。

### 慈善捐款

截至2017年12月31日止年度，本集團做出人民幣543,500元的慈善捐款。

### 主要客戶及供應商

本年度截至2017年12月31日，面向本集團五大客戶的銷售額佔該年度銷售總額的77.9%，其中對最大客戶銷售額佔25.2%。

# Report of the Directors

## 董事會報告

For the year ended 31 December 2017, the purchases from the Group's five largest suppliers accounted for 26.1% of the total purchases for the year ended 31 December 2017 and purchases from the largest supplier included therein amounted to 9.4%.

None of the directors of the Company or any of their close associates or any substantial shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's share capital) had any beneficial interest in the Group's five largest customers and suppliers.

For the year ended 31 December 2017, there was no material and significant dispute between the Group and its suppliers and/or customers.

### DIRECTORS

The directors of the Company during the year ended 31 December 2017 and up to the date of this annual report were:

Executive Director	Date of Appointment
Dr. Stephen Xiangdong ZOU (Chairman)	(appointed on 28 January 2015)
<b>Non-executive Directors</b>	
Mr. Peter Randall KAGAN	(appointed on 28 January 2015)
Mr. Gordon Sun Kan SHAW	(appointed on 28 January 2015)
Mr. Zhen WEI	(appointed on 28 January 2015)
Mr. Lei JIN	(appointed on 28 January 2015)
Dr. Guiyong CUI	(appointed on 28 January 2015)
Dr. Bo BAI	(resigned on 28 February 2017)
Mr. Saurabh Narayan AGARWAL	(appointed on 24 March 2017)
Mr. Fei NIE	(appointed on 8 December 2017)
<b>Independent non-executive Directors</b>	
Mr. Yaowen WU	(appointed on 5 June 2015)
Mr. Robert Ralph PARKS	(appointed on 5 June 2015)
Mr. Stephen Cheuk Kin LAW	(appointed on 2 July 2016)
Mr. Fredrick J. BARRETT	(appointed on 5 June 2015)

截至2017年12月31日止年度，來自本集團五大供應商的採購額佔該年度採購總額的26.1%，其中來自最大供應商的採購額佔9.4%。

本公司董事或其他任何緊密聯繫人或任何主要股東(含其他根據董事所知範圍持有本公司股本5%以上股東)均未在本集團五大客戶及供應商處擁有任何實益權益。

截至2017年12月31日止年度，本集團與供應商和/或客戶之間均無嚴重或重大糾紛。

### 董事

截至2017年12月31日止年度及至本年報日期，本公司董事名單如下：

執行董事	委任日期
鄒向東博士 (主席)	(於2015年1月28日獲委任)
<b>非執行董事</b>	
Peter Randall KAGAN 先生	(於2015年1月28日獲委任)
蕭宇成先生	(於2015年1月28日獲委任)
魏臻先生	(於2015年1月28日獲委任)
金磊先生	(於2015年1月28日獲委任)
崔桂勇博士	(於2015年1月28日獲委任)
白波博士	(於2017年2月28日辭任)
Saurabh Narayan AGARWAL 先生	(於2017年3月24日獲委任)
聶飛先生	(於2017年12月8日獲委任)
<b>獨立非執行董事</b>	
吳耀文先生	(於2015年6月5日獲委任)
Robert Ralph PARKS 先生	(於2015年6月5日獲委任)
羅卓堅先生	(於2016年7月2日獲委任)
Fredrick J. BARRETT 先生	(於2015年6月5日獲委任)

# Report of the Directors

## 董事會報告

### DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the current Directors and the senior management of the Group are set out in the section headed "Directors and Senior Management" of this annual report. Save as disclosed therein, there was no other matter with respect to the appointment of the Directors that need to be brought to the attention of the Shareholders and there was no information relating to the Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as of the date of this annual report.

### DIRECTORS' SERVICE CONTRACTS

The executive Director has entered into a services agreement with the Company for a term of three years commencing from the Listing Date subject to the relevant provisions of retirement by rotation and re-election at the annual general meeting(s) of the Company (the "AGM(s)") in accordance with the Articles. Each of the non-executive Directors has signed a letter of appointment with the Company for a term of three years subject to the relevant provisions of retirement by rotation and re-election at the AGMs of the Company in accordance with the Articles.

In accordance with the Articles, Mr. Peter Randall KAGAN, Mr. Zhen WEI, Mr. Lei JIN, Mr. Yaowen WU and Mr. Fei NIE, will retire at the forthcoming AGM and being eligible, have offered themselves for re-election.

None of the Directors has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### DIRECTORS' INTERESTS IN CONTRACTS, TRANSACTIONS AND ARRANGEMENTS OF SIGNIFICANCE

Save as disclosed in this annual report, no contracts, transactions and arrangements of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2017 or at any time during the year ended 31 December 2017.

### 董事及高級管理層履歷

本集團現有董事及高級管理層履歷詳情載於本年報「董事及高級管理層」一節。截至本年報日期，除本年報所披露者外，均無涉及委任董事之其他事項須提請股東注意，也無涉及董事的任何資料須根據上市規則第13.51(2)(h)至(v)條進行披露。

### 董事服務合約

執行董事已與本公司訂立服務協定，自上市日期起為期三年，須遵守根據細則於本公司股東週年大會輪值退任及膺選連任的相關條款。各非執行董事已與本公司簽署委任函件，自上市日期起為期三年，須遵守根據細則於本公司股東週年大會輪值退任及膺選連任的相關條款。

根據細則，Peter Randall KAGAN先生、魏臻先生、金磊先生、吳耀文先生及聶飛先生將在即將到來的股東週年大會退任並符合資格申請膺選連任。

概無董事訂立於一年內不可由本集團終止而毋須支付賠償(法定賠償除外)的服務合同。

### 董事在重大合約、交易及安排方面的權益

除本年報所披露者外，董事均未在本公司或其任何附屬公司訂立與本集團業務有重大關係、並且在本年度截至2017年12月31日或在此期間任何時間仍然有效的合約、交易及安排中，直接或間接擁有重大權益。

# Report of the Directors

## 董事會報告

### DIRECTORS' EMOLUMENTS

Details of the remuneration of the Directors and those of the five highest paid individuals are set out in note 20 and note 31 to the section headed "Consolidated Financial Statements" of this annual report. The remunerations of the Directors are determined based on the market price and contribution made by such Directors to the Company. There has been no arrangement under which any Director has waived or agreed to waive any emoluments.

### CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received annual confirmations of independence from each of the independent non-executive Directors and as at the date of this annual report still considers them to be independent.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year ended 31 December 2017.

### PERMITTED INDEMNITY

The Articles provides that each Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her officer or otherwise in relation thereto. Provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of such directors or officers. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors.

### 董事酬金

董事及五位享受最高薪酬人士的酬金詳情載於本年報「合併財務報表」一節附註20和附註31。董事薪酬根據市價及相關董事對本公司的貢獻而決定。無任何董事放棄或同意放棄任何酬金的安排。

### 確認獨立非執行董事的獨立性

本公司已收到各獨立非執行董事就獨立性發出的年度確認函，截至本年報日期，本公司仍認為他們均為獨立人士。

### 管理合約

截至2017年12月31日止年度均未訂立或存在任何有關本集團全部或任何重大部分業務的管理和行政合約。

### 准許補償

細則規定，本公司各董事或其他高級職員可從本公司的資產中獲取補償，以補償他們履行職責時或就此在其他方面蒙受或產生的所有損失或責任。惟此項彌償保證並不包括與該董事或高級員欺詐或不誠實有關的任何事宜。此外，本公司就董事可能面對的法律訴訟適當購買董事及高級職員責任險。

# Report of the Directors

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2017, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken, or are deemed to have taken, under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept by the Company; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”), to be notified to the Company and the Stock Exchange were as follows:

### 董事及主要行政人員在本公司股份、相關股份及債券中擁有的權益和淡倉

於2017年12月31日，本公司董事及主要行政人員在本公司或其關聯公司(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及8分部，須知會本公司及聯交所的權益和淡倉(包括根據證券及期貨條例有關條款被當作或視作擁有的權益和淡倉)；或(b)根據證券及期貨條例第352條須記錄於本公司備置登記冊內的權益和淡倉；或(c)根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益和淡倉如下：

Name	Position	Capacity	Number of shares held (Note 7) 所持股份數目 (附註7)	Approximate percentage of shareholding 持股概約百分比
姓名	職位	身份		
Stephen Xiangdong ZOU ("Dr ZOU") (Note 1) 鄒向東(「鄒博士」)(附註1)	Chairman and Executive Director 主席兼執行董事	Beneficial owner 實益擁有人	138,092,761 (L)	4.14% (L)
		Founder of a discretionary trust 全權信託創始人	72,687,829 (L)	2.18% (L)
		Interest of your spouse 配偶權益	4,449,606 (L)	0.13% (L)
Guiyong CUI 崔桂勇	Non-executive Director 非執行董事	Beneficial owner 實益擁有人	275,326 (L)	0.01% (L)
Fredrick J. BARRETT (Note 2) (附註2)	Independent Non-executive Director 獨立非執行董事	Beneficial owner 實益擁有人	927,708 (L)	0.03% (L)
Robert Ralph PARKS (Note 3) (附註3)	Independent Non-executive Director 獨立非執行董事	Beneficial owner 實益擁有人	1,165,708 (L)	0.03% (L)
Yaowen WU (Note 4) 吳耀文(附註4)	Independent Non-executive Director 獨立非執行董事	Beneficial owner 實益擁有人	927,708 (L)	0.03% (L)
Stephen Cheuk Kin LAW (Note 5) 羅卓堅(附註5)	Independent Non-executive Director 獨立非執行董事	Beneficial owner 實益擁有人	450,000 (L)	0.01% (L)
Jing Li (Note 6) 李京(附註6)	Chief Executive Officer and President 首席執行官兼總裁	Interest in a controlled corporation 受控法團權益	68,664,552 (L)	2.06% (L)



# Report of the Directors

## 董事會報告

### Notes:

- (1) Dr. ZOU beneficially owns interests in 138,092,761 Shares. Dr. ZOU is deemed to be interested in 63,075,458 Shares and 9,612,371 Shares for the purposes of the SFO, which is beneficially owned by Dr. ZOU's descendants as beneficiaries of The Zou 2011 Family Trust and The Zou 2012 Family Trust, respectively. Each of The Zou 2011 Family Trust and The Zou 2012 Family Trust is a discretionary trust established by Dr. ZOU as a settlor and its beneficiaries are Dr. ZOU and his family members. Dr. ZOU is also deemed to be interested in 4,449,606 Shares by his spouse for the purpose of SFO. 11,942,710 Shares among these interests represent interests in the outstanding options he held under the Pre-IPO Share Option Scheme (as defined below). Dr. ZOU is also interested in 9,091,290 Shares which represent interests in the outstanding restricted share units ("RSUs") he held under the Post-IPO RSU Scheme (as defined below).
- (2) Mr. Barrett beneficially owns interests in 927,708 Shares of the Company. 477,708 Shares among these interests represent interests in the outstanding options he held under the Pre-IPO Share Option Scheme as of 31 December 2017. 337,500 Shares among these interests represent interests in the outstanding RSUs he held under the Post-IPO RSU Scheme as of 31 December 2017.
- (3) Mr. Parks beneficially owns interests in 1,165,708 Shares of the Company. 477,708 Shares among these interests represent the interests in the outstanding options he held under the Pre-IPO Share Option Scheme as of 31 December 2017. 337,500 Shares among these interests represent the interests in the outstanding RSUs he held under the Post-IPO RSU Scheme as of 31 December 2017.
- (4) Mr. Wu beneficially owns interests in 927,708 Shares of the Company. 477,708 Shares among these interests represent interests in the outstanding options he held under the Pre-IPO Share Option Scheme as of 31 December 2017. 337,500 Shares among these interests represent interests in the outstanding RSUs he held under the Post-IPO RSU Scheme as of 31 December 2017.
- (5) Mr. Law beneficially owns interests in 450,000 Shares of the Company. 337,500 Shares among these interests represent interests in outstanding RSUs under the Post-IPO RSU Scheme as of 31 December 2017.
- (6) Mr. Li beneficially owns interests in 68,664,552 Shares through China Energy Holdings Limited, a company wholly-owned by Mr. Li, 42,915,168 Shares among these interests represent the interests in outstanding options he held under the Pre-IPO Share Option Scheme as of 31 December 2017, 10,140,271 Shares among these interests represent the interests in the outstanding RSUs he held under the Post-IPO RSU Scheme as of 31 December 2017.
- (7) The letter "L" denotes long position in such securities.

### 附註：

- (1) 鄧博士實益擁有138,092,761股股份。就證券及期貨條例而言，鄧博士被視為在63,075,458股和9,612,371股股份中擁有權益，這些權益由鄧博士的子女分別作為2011年鄧氏家族信託和2012年鄧氏家族信託的受益人實益擁有。2011年鄧氏家族信託及2012年鄧氏家族信託各自為鄧博士（作為財產授予人）成立的全權信託，其受益人為鄧博士及其家族成員。鄧博士亦被視為在由其配偶持有的4,449,606股中擁有權益。這些權益中的11,942,710股股份是首次公開發售前購股權計劃（定義見下文）項下未行使購股權的權益。鄧博士還擁有9,091,290股股份，這些股份是根據首次公開發售後受限制股份單位計劃（定義見下文）未行使受限制股份單位（「受限制股份單位」）的權益。
- (2) Barrett先生實益擁有本公司927,708股股份。截至2017年12月31日，該等權益中的477,708股股份為首次公開發售前購股權計劃項下未行使購股權的權益。該等權益中的337,500股股份為首次公開發售後受限制股份單位計劃項下未行使受限制股份單位的權益。
- (3) Parks先生實益擁有本公司1,165,708股股份。截至2017年12月31日，該等權益中的477,708股股份為首次公開發售前購股權計劃項下未行使購股權的權益。該等權益中的337,500股股份為首次公開發售後受限制股份單位計劃項下未行使受限制股份單位的權益。
- (4) 吳先生實益擁有本公司927,708股股份。截至2017年12月31日，該等權益中的477,708股股份為首次公開發售前購股權計劃項下未行使購股權的權益。該等權益中的337,500股股份為首次公開發售後受限制股份單位計劃項下未行使受限制股份單位的權益。
- (5) 羅先生實益擁有本公司450,000股股份。截至2017年12月31日，該等權益中的337,500股股份為首次公開發售後受限制股份單位計劃項下未行使受限制股份單位的權益。
- (6) 李先生通過其全資擁有公司China Energy Holdings Limited實益擁有68,664,552股股份。截至2017年12月31日，該等權益中的42,915,168股股份為首次公開發售前購股權計劃項下未行使購股權的權益。截至2017年12月31日，該等權益中的10,140,271股股份為首次公開發售後受限制股份單位計劃項下未行使受限制股份單位的權益。
- (7) 字母「L」指該人士在這些股份中的好倉。

# Report of the Directors

## 董事會報告

Save as disclosed above, as at 31 December 2017, none of the Directors and chief executive of the Company and their respective associates had or is deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company are taken or deemed to have under such provisions of the SFO), or were required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2017, the following persons (other than the Directors or the chief executive of the Company) have interests or short positions in the Shares or underlying shares or debentures as recorded in the register required to be kept by the Company under section 336 of the SFO:

除上文所披露者外，於2017年12月31日，本公司董事及主要行政人員和他們各自的連絡人均未在本公司或其關聯公司(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有或視為擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條款被當作或視作本公司董事及主要行政人員擁有的權益和淡倉)，或根據證券及期貨條例第352條須記錄於本公司備置登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

### 主要股東在本公司股份、相關股份及債券中擁有的權益和淡倉

於2017年12月31日，下列人士(本公司董事或主要行政人員除外)在本公司根據證券及期貨條例第336條存置登記冊所載的股份、相關股份及債券中擁有權益或淡倉如下：

Name of shareholder 股東名稱	Capacity 身份	Number of shares held (Note 1) 所持股份數目 (附註1)	Approximate percentage of shareholding 持股概約百分比
Warburg Pincus & Co. (Note 2) (附註2)	Interest in a controlled corporation 受控法團權益	844,713,882 (L)	25.32% (L)
Warburg Pincus Partners GP LLC (Note 2) (附註2)	Interest in a controlled corporation 受控法團權益	844,713,882 (L)	25.32% (L)
Warburg Pincus Partners, L.P. (Note 2) (附註2)	Interest in a controlled corporation 受控法團權益	844,713,882 (L)	25.32% (L)
WPP GP LLC (Note 2) (附註2)	Interest in a controlled corporation 受控法團權益	844,713,882 (L)	25.32% (L)
Warburg Pincus X GP L.P. (Note 2) (附註2)	Interest in a controlled corporation 受控法團權益	844,713,882 (L)	25.32% (L)
Warburg Pincus X, L.P. (Note 2) (附註2)	Interest in a controlled corporation 受控法團權益	844,713,882 (L)	25.32% (L)
Warburg Pincus Private Equity X, L.P. (Note 2) (附註2)	Interest in a controlled corporation 受控法團權益	844,713,882 (L)	25.32% (L)

# Report of the Directors

## 董事會報告

Name of shareholder 股東名稱	Capacity 身份	Number of shares held (Note 1) 所持股份數目 (附註1)	Approximate percentage of shareholding 持股概約百分比
Asia X Investment I LLC (Note 2) (附註2)	Interest in a controlled corporation 受控法團權益	844,713,882 (L)	25.32% (L)
WP China CBM Investment Holdings Limited (Note 2) (附註2)	Beneficial owner 實益擁有人	844,713,882 (L)	25.32% (L)
Salata Jean Eric (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	688,933,679 (L)	20.65% (L)
Barings Private Equity Asia GP IV Limited (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	688,933,679 (L)	20.65% (L)
Barings Private Equity Asia GP IV L.P. (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	688,933,679 (L)	20.65% (L)
The Baring Asia Private Equity Fund IV L.P. (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	688,933,679 (L)	20.65% (L)
Baring Private Equity Asia IV Holding (4) Limited (Note 3) (附註3)	Beneficial owner 實益擁有人	688,933,679 (L)	20.65% (L)
Ping An Group (Note 4) 平安集團(附註4)	Interest in a controlled corporation 受控法團權益	345,906,690 (L)	10.37% (L)
重慶三峽燃氣(集團)有限公司(Note 5) (附註5)	Interest in a controlled corporation 受控法團權益	180,833,000 (L)	5.42% (L)
重慶三峽能源有限公司(Note 5) (附註5)	Interest in a controlled corporation 受控法團權益	180,833,000 (L)	5.42% (L)
深圳通豫能源投資有限公司(Note 5) (附註5)	Beneficial owner 實益擁有人	180,833,000 (L)	5.42% (L)

Notes:

- (1) The letter "L" denotes long position in such securities.
- (2) WP China CBM Investment Holdings Limited beneficially owns 844,713,882 Shares (long position) of the Company. Asia X Investment I LLC holds 100% equity interest in WP China CBM Investment Holdings Limited. Warburg Pincus Private Equity X, L.P. controls 96.90% equity interest in Asia X Investment I LLC. Warburg Pincus Private Equity X, L.P. is 100% controlled by Warburg Pincus X, L.P., which in turn is 100% controlled by Warburg Pincus X GP L.P., which in turn is 100% controlled by WPP GP LLC, which in turn is 100% controlled by Warburg Pincus Partners, L.P., which in turn is 100% controlled by Warburg Pincus Partners GP LLC, which in turn is 100% controlled by Warburg Pincus & Co..

附註：

- (1) 字母「L」指在這些證券中的好倉。
- (2) WP China CBM Investment Holdings Limited 實益擁有本公司 844,713,882 股股份(好倉)。Asia X Investment I LLC 持有 WP China CBM Investment Holdings Limited 全部股權。Warburg Pincus Private Equity X, L.P. 控制 Asia X Investment I LLC。96.90% 股權。Warburg Pincus Private Equity X, L.P. 由 Warburg Pincus X, L.P. 全權控制；Warburg Pincus X, L.P. 由 Warburg Pincus X GP L.P. 全權控制；Warburg Pincus X GP L.P. 由 WPP GP LLC 全權控制；WPP GP LLC 由 Warburg Pincus Partners, L.P. 全權控制；Warburg Pincus Partners, L.P. 由 Warburg Pincus Partners GP LLC 全權控制；Warburg Pincus Partners GP LLC 由 Warburg Pincus & Co. 全權控制。

# Report of the Directors

## 董事會報告

- (3) Baring Private Equity Asia IV Holding (4) Limited beneficially owns 688,933,679 Shares (long position) of the Company. The Baring Asia Private Equity Fund IV L.P. holds 99.26% equity interest in Baring Private Equity Asia IV Holding (4) Limited. The Baring Asia Private Equity Fund IV L.P. is 100% controlled by Baring Private Equity Asia GP IV L.P., which in turn is 100% controlled by Baring Private Equity Asia GP IV Limited, which in turn is wholly-owned by Jean Eric Salata.
- (4) Ping An Insurance (Group) Company of China (“**Ping An Group**”) ultimately owns 100% of Chinastone Hong Kong Holdings Limited, which is directly interested in 248,046,164 Shares of the Company. Ping An Group also ultimately owns 100% of the shares in PA Investment Funds SPC, which is directly interested in 97,860,526 Shares of the Company. Therefore, Ping An Group is deemed to be interested in 345,906,690 Shares of the Company.
- (5) 深圳通豫能源投資有限公司 beneficially owns 180,833,000 Shares (long position) of the Company and is 100% controlled by 重慶三峽能源有限公司, which in turn is 51% controlled by 重慶三峽燃氣(集團)有限公司.
- (3) Baring Private Equity Asia IV Holding (4) Limited 實益擁有本公司 688,933,679 股股份(好倉)。Baring Asia Private Equity Fund IV L.P. 持有 Baring Private Equity Asia IV Holding (4) Limited 99.26% 的股權。Baring Asia Private Equity Fund IV L.P. 由 Baring Private Equity Asia GP IV L.P. 全權控制；Baring Private Equity Asia GP IV L.P. 由 Baring Private Equity Asia GP IV Limited 全權控制；Baring Private Equity Asia GP IV Limited 由 Jean Eric Salata 全資擁有。
- (4) 中國平安保險(集團)股份有限公司(「**平安集團**」)最終擁有滙石香港控股有限公司的全部權益，而後者直接擁有本公司 248,046,164 股股份權益；平安集團也最終擁有 PA Investment Funds SPC 的全部股份，而後者直接擁有本公司 97,860,526 股股份權益。因此，平安集團被視為在本公司 345,906,690 股股份中擁有權益。
- (5) 深圳通豫能源投資有限公司實益擁有本公司 180,833,000 股股份(好倉)，並由重慶三峽能源有限公司全資擁有，而重慶三峽能源有限公司由重慶三峽燃氣(集團)有限公司擁有 51% 權益。

Save as disclosed above, as at 31 December 2017, the Directors and the chief executive of the Company are not aware of any other person (other than the Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

## SHARE INCENTIVE SCHEMES

In order to incentivize the Directors, senior management and other employees of the Group for their contribution to the Group and to attract and retain suitable personnel of our Group, the Company adopted the Pre-IPO Share Option Scheme and the Post-IPO RSU Scheme (as defined below).

### Pre-IPO Share Option Scheme

The Company adopted the pre-IPO share option scheme of the Company (the “**Pre-IPO Share Option Scheme**”) on 31 March 2015, which became valid and effective perpetually from the same day and subject to certain termination events. The exercise price of US\$0.151 per Share in respect of options granted under the Pre-IPO Share Option Scheme was determined at the sole discretion of the Board. The maximum number of Shares issued and to be issued upon exercise of the options granted under the Pre-IPO Share Option Scheme to any one person (including exercised and outstanding options) pursuant to the Pre-IPO Share Option Scheme and any other share compensation arrangements adopted by the Company shall not exceed 3.0% of the Shares in issue from time to time.

除上文所披露者外，於 2017 年 12 月 31 日，本公司董事及主要行政人員均不知悉任何其他人士(本公司董事及主要行政人員除外)在根據證券及期貨條例第 336 條本公司備存登記冊所載的股份或相關股份中擁有權益或淡倉。

### 股權激勵計劃

本公司採納首次公開發售前購股權計劃和首次公開發售後受限制股份單位計劃(定義見下文)，旨在鼓勵本集團董事、高級管理人員及其他僱員對本集團作出貢獻，並吸引和挽留本集團的適用人才。

### 首次公開發售前購股權計劃

本公司於 2015 年 3 月 31 日採用首次公開發售前購股權計劃(「**首次公開發售前購股權計劃**」)，自同日起始終有效，若發生若干終止事件則計劃終止。與根據首次公開發售前購股權計劃授出的購股權相關的每股 0.151 美元行使價，由董事會全權酌情決定。根據首次公開發售前購股權計劃及本公司採納的任何其他股份薪酬安排授予任何人士的首次公開發售前購股權計劃的購股權(包括已行使和未行使的購股權)加以行使時，已發行或將發行的最高股份數目不得超過不時已發行股份的 3.0%。

# Report of the Directors

## 董事會報告

Other principal terms (including the purpose, the participants, the consideration for accepting any options among others) of the Pre-IPO Share Option Scheme are set out in the section headed "Statutory and General Information — Pre-IPO Share Option Scheme" in Appendix V to the Prospectus.

### Outstanding Options

For the year ended 31 December 2017, 7,540,993 options have lapsed. 60,000 options have been exercised. As at 31 December 2017, there were a total of 223,014,280 options outstanding. If all the outstanding options are exercised, there would be a dilution effect on the share capital of the Company as at 31 December 2017 of approximately 6.68%. Save as disclosed above, no further options have been or would be granted by the Company after the date on which the Shares were listed on the Stock Exchange and from which dealing therein commenced (the "Listing Date") pursuant to the Pre-IPO Share Option Scheme.

Movements of the Options under the Pre-IPO Share Option Scheme for the year ended 31 December 2017:

有關首次公開發售前購股權計劃的其他主要條款(包括目的、參與者、接受任何購股權的代價)載於招股章程附錄五「法定及一般資訊——首次公開發售前購股權計劃」一節。

### 未行使購股權

截至2017年12月31日止年度，有7,540,993份購股權失效。有60,000股已獲行使。於2017年12月31日，共有223,014,280份購股權尚未行使。若所有未行使購股權獲行使，本公司於2017年12月31日的股本將存在攤薄效應，股權攤薄約6.68%。除上文所披露者外，本公司於上市日期後並無根據首次公開發售前購股權計劃授出或將授出其他購股權。

截至2017年12月31日止年度，首次公開發售前購股權計劃項下的購股權變動

Name of Share Option Grantees <sup>(1)</sup>	Date of Grant	Exercise price (US\$)	Number of Shares represented by options at 1 January 2017 購股權於2017年1月1日所代表的股份數目	Exercised during the period <sup>(5)</sup>	Lapsed during the period	Cancelled during the period	Total number of Shares represented by options at 31 December 2017 購股權於2017年12月31日所代表的股份數目	Approximate percentage of issued shares of the Company <sup>(4)</sup>	Vesting Period <sup>(2)</sup>	Exercise period <sup>(3)</sup>
購股權承授人名稱 <sup>(1)</sup>	授出日期	行使價(美元)		期內已行使 <sup>(5)</sup>	期內已失效	期內已註銷		佔本公司已發行股份的概約百分比 <sup>(4)</sup>	歸屬期 <sup>(2)</sup>	行使期 <sup>(3)</sup>
<b>Directors of the Company</b> 本公司董事										
Dr. ZOU	31 March 2015	\$0.151	11,942,710	-	-	-	11,942,710	0.36%	Please see note 2 below 請參閱下文附註2	Please see note 3 below 請參閱下文附註3
鄧博士	2015年3月31日	0.151美元								
Yaowen WU	5 June 2015	\$0.151	477,708	-	-	-	477,708	0.01%	-	-
吳耀文	2015年6月5日	0.151美元								
Robert Ralph PARKS	5 June 2015	\$0.151	477,708	-	-	-	477,708	0.01%	-	-
	2015年6月5日	0.151美元								
Fredrick J. BARRETT	5 June 2015	\$0.151	477,708	-	-	-	477,708	0.01%	-	-
	2015年6月5日	0.151美元								
<b>Other employees of the Company</b> 本公司其他僱員										
	31 March 2015 and 5 June 2015	\$0.151	217,239,439	60,000	7,540,993	-	209,638,446	6.28%	Please see note 2 below 請參閱下文附註2	Please see note 3 below 請參閱下文附註3
	2015年3月31日及2015年6月5日	0.151美元								
<b>Total</b>			<b>230,615,273</b>	<b>60,000</b>	<b>7,540,993</b>	<b>-</b>	<b>223,014,280</b>	<b>6.68%</b>		
<b>總計</b>										

# Report of the Directors

## 董事會報告

### Notes:

- (1) Prior to the Listing, certain of the grantees have transferred their options to companies wholly-owned by them, in accordance with the Pre-IPO Share Option Scheme.
- (2) Unvested options granted to the grantees pursuant to the Pre-IPO Share Option Scheme shall vest as follows:
  - (a) 50% of the Options shall be time-based and shall vest at the rate of (i) one half (1/2) for each 12-month period commencing from 1 January 2015 if the relevant date on which the employment relationship between the Company (the “**Employment Date**”) is on or prior to 1 January 2014; or (ii) one third (1/3) for each 12-month period commencing from the relevant Employment Date if such date is after 1 January 2014; and
  - (b) 50% of the Options shall be KPI-linked (the “**KPI-linked Options**”) and shall be divided into three equal instalments, with each instalment being linked with one of the three KPIs (as defined below) and vested at the rate of one (i) half (1/2) for each 12-month period commencing from 1 January 2015 if the relevant Employment Date is on or prior to 1 January 2014; or (ii) one third (1/3) for each 12-month period commencing from the relevant Employment Date if such date is after 1 January 2014 pursuant to the following payout schedule:
    - (1) 100% of the KPI-linked Options shall vest if 100% of the relevant KPI Target is met; or
    - (2) if the relevant KPI Target is not met at 100%, 50% of the KPI-linked Options shall vest if 80% of the Relevant KPI Target is met and an additional 2.5% of the KPI-linked Options shall vest for each 1% further improvement in such KPI Target; provided that if the performance rate of any KPI Target exceeds 100%, then up to 10% of the improvement of that KPI Target can be added to the performance rate of other KPI Target(s) that is not 100% accomplished.

For the purposes of above, “**KPIs**” refer to (i) EBITDA; (ii) Reserves; and (iii) All-in-unit Cost. “**KPI Target**” shall mean 95% (in the case of EBITDA and Reserves) or 105% (in the case of All-in-unit Cost) of the estimated number of that relevant KPI presented in (i) the annual work plan and budget of the relevant year approved by the Board; or (ii) the revised annual work plan and budget for the relevant year, which is subsequently presented to and approved by the Board. The treatment for any unvested KPI-linked Options shall be determined by the Board or the Committee as delegated by the Board.

- (3) Subject to any accelerated termination as set forth in the Pre-IPO Share Option Scheme, each option shall expire on the date specified under the Pre-IPO Share Option, provided that in no event, shall the Exercise Period of an Option exceed five years from the date upon which the relevant option has vested.
- (4) Approximate percentage of issued Shares of the Company is calculated by dividing the options held by the relevant grantees by the issued and outstanding Shares of the Company as at 31 December 2017.
- (5) The weighted average closing price of the shares immediately before the date on which the options were exercised during the Reporting Period was HK\$1.22.

### 附註：

- (1) 於上市前，一些購股權承授人已根據首次公開發售前購股權計劃向他們全資擁有的公司轉讓其購股權。
- (2) 根據首次公開發售前購股權計劃授予購股權承授人的未歸屬購股權將按以下方式歸屬：
  - (a) 50%的購股權(i)自2015年1月1日(如果與本公司確定僱傭關係的相關日期(「**僱傭日期**」)為2014年1月1日或之前)起計每12個月期間根據時間按二分之一(1/2)的比例歸屬；或(ii)自相關僱傭日期(如果該日期在2014年1月1日之後)起計每12個月期間根據時間按三分之一(1/3)的比例歸屬；以及
  - (b) 50%的購股權須與關鍵業績指標掛鈎(「**關鍵業績指標掛鈎購股權**」)並且須分為三等份，每份與三個關鍵業績指標(定義見下文)之一掛鈎，並根據以下支付進度自(i)2015年1月1日(如相關僱傭日期在2014年1月1日或之前)起每12個月期間按二分之一(1/2)的比例歸屬；或(ii)相關僱傭日期(如相關僱傭日期在2014年1月1日之後)起計每12個月期間按三分之一(1/3)比例歸屬：
    - (1) 如完全達成相關關鍵業績指標目標，則關鍵業績指標掛鈎購股權全部獲歸屬；或者，
    - (2) 如未完全達成相關關鍵業績指標目標但達成80%，則關鍵業績指標掛鈎購股權的一半獲歸屬，而該關鍵業績指標目標每改善1%，則每次增加歸屬2.5%的關鍵業績指標掛鈎購股權；但如果任何關鍵業績指標目標的任何表現速度超過100%，則最多有10%的該項關鍵業績指標目標改善可計入未完全達成的其他關鍵業績指標目標的表現速度。

就上文而言，關鍵業績指標指(i)EBITDA；(ii)儲量；以及(iii)整個單位成本。「**關鍵業績指標目標**」指(i)經董事會批准相關年度的年度工作計劃及預算；或(ii)相關年度經修訂年度工作計劃及預算中所示相關關鍵業績指標估計數目的95%(如為EBITDA及儲量)或105%(如為整個單位成本)，並隨後呈遞董事會批准。任何未獲歸屬關鍵業績指標掛鈎購股權的處理，須由董事會或董事會指定的委員會決定。

- (3) 根據首次公開發售前購股權計劃所述的任何提前終止，各份購股權將於首次公開發售前購股權計劃項下指定的日期屆滿，但無論如何購股權的行使期均不得超過相關購股權歸屬當日起五年以內。
- (4) 估本公司已發行股份的大約百分比，按相關購股權承授人持有的購股權除以本公司2017年12月31日已發行和未發行的股份計算。
- (5) 股份於緊接著購股權報告期內獲行使日前的加平均收市價為1.22港元。

# Report of the Directors

## 董事會報告

Further details of the Pre-IPO Share Option Scheme are set out in note 20 to the section headed “Consolidated Financial Statements” of this annual report and the Prospectus.

### Post-IPO RSU Scheme

The Company adopted the post-IPO restricted share unit scheme of the Company (the “**Post-IPO RSU Scheme**”) on 5 June 2015, which took effect on the Listing Date, a summary of principal terms (such as the purpose, the participants, among others) of which is set out in the section headed “Statutory and General Information — Post-IPO RSU Scheme” in Appendix V to the Prospectus.

On 18 December 2015, the Company offered to grant an aggregate of 41,234,696 restricted share units (“**RSUs**”) to certain connected grantees and non-connected grantees of the Group in accordance with the Post-IPO RSU Scheme. On 31 January 2016, an aggregate of 19,865,199 RSUs were accepted by the connected grantees and an aggregate of 21,199,297 RSUs were accepted by the non-connected grantees, respectively.

On 24 March 2017, the Board of the Company approved the conditional grant of an aggregate of 26,333,182 RSUs to certain connected grantees and non-connected grantees of the Group in accordance with the Post-IPO RSU Scheme, subject to the approval by the independent shareholders of the Company and the acceptance by the grantees where applicable. On 9 May 2017, the grant of RSUs to the connected grantees was approved by the independent shareholders at the extraordinary general meeting. On 31 May 2017, an aggregate of 26,333,182 RSUs were accepted by the relevant grantees.

首次公開發售前購股權計劃的其他詳情載於本年報及招股章程「合併財務報表」一節附註20。

### 首次公開發售後受限制股份單位計劃

本公司於2015年6月5日採納首次公開發售後受限制股份單位計劃(「**首次公開發售後受限制股份單位計劃**」)，已於上市日期生效，其主要條款(其中包括目的、參與人)概要載於招股章程附錄五「法定及一般資料 — 首次公開發售後受限制股份單位計劃」一節。

於2015年12月18日，本公司根據首次公開發售後受限制股份單位計劃授予本集團部份關連承授人及非關連承授人合共41,234,696份受限制股份單位。於2016年1月31日，共計19,865,199份受限制股份單位由關連承授人接納，共計21,199,297份受限制股份單位由非關連承授人接納。

於2017年3月24日，董事會根據首次公開發售後受限制股份單位計劃向本集團若干關連承授人及非關連承授人授出合共26,333,182份受限制股份單位，惟經本公司獨立股東批准及接納(倘適用)方可作實。獨立股東於2017年5月9日召開的股東特別大會上批准向關連承授人授出受限制股份單位。於2017年5月31日，相關承授人接納合共26,333,182份受限制股份單位。

# Report of the Directors

## 董事會報告

### OUTSTANDING RSUs

For the year ended 31 December 2017, 2,622,115 RSUs have lapsed. 9,880,788 RSUs have vested. As at 31 December 2017, there were a total of 53,984,475 RSUs outstanding. If all outstanding RSUs are vested, there would be a dilution effect on the share capital of the Company as at 31 December 2017 of approximately 1.62%.

### 未行使受限制股份單位

截至2017年12月31日止年度，有2,622,115份受限制股份單位失效，9,880,788份受限制股份單位獲歸屬。於2017年12月31日，共有53,984,475份受限制股份單位尚未行使。若所有未行使受限制股份單位被行使，本公司於2017年12月31日的股本將存在攤薄效應，股權攤薄約1.62%。

Name of RSU Grantees	Date of Grant	Consideration	Number of Shares represented by RSUs at 1 January 2017 受限制股份單位於2017年1月1日所代表的股份數目	Granted during the period 期內已授出	Vested during the period 期內已歸屬	Lapsed during the period 期內已失效	Cancelled during the period 期內已註銷	Total number of shares represented by RSUs at 31 December 2017 受限制股份單位於2017年12月31日所代表的股份總數	Approximate percentage of issued shares of the Company 佔本公司已發行股份的概約百分比	Vesting Period 歸屬期
<b>Directors of the Company</b> 本公司董事										
Dr. ZOU 鄒博士	22 January 2016 2016年1月22日	-	6,621,733	-	1,559,419	-	-	5,062,614	0.15%	31 March 2016 – 1 April 2020 <sup>(1)</sup> 2016年3月31日至2020年4月1日 <sup>(1)</sup>
	31 May 2017 2017年5月31日	-	-	4,028,976	-	-	-	4,028,976	0.12%	31 March 2017 – 1 April 2021 <sup>(2)</sup> 2017年3月31日至2021年4月1日 <sup>(2)</sup>
Yaowen WU 吳耀文	31 May 2017 2017年5月31日	-	-	450,000	112,500	-	-	337,500	0.01%	31 May 2017 – 1 April 2020 <sup>(3)</sup> 2017年5月31日至2020年4月1日 <sup>(3)</sup>
Robert Ralph PARKS	31 May 2017 2017年5月31日	-	-	450,000	112,500	-	-	337,500	0.01%	31 May 2017 – 1 April 2020 <sup>(3)</sup> 2017年5月31日至2020年4月1日 <sup>(3)</sup>
Fredrick J. BARRETT	31 May 2017 2017年5月31日	-	-	450,000	112,500	-	-	337,500	0.01%	31 May 2017 – 1 April 2020 <sup>(3)</sup> 2017年5月31日至2020年4月1日 <sup>(3)</sup>
Stephen Cheuk Kin LAW 羅卓堅	31 May 2017 2017年5月31日	-	-	450,000	112,500	-	-	337,500	0.01%	31 May 2017 – 1 April 2020 <sup>(3)</sup> 2017年5月31日至2020年4月1日 <sup>(3)</sup>
<b>Other employees of the Company</b> 本公司其他僱員										
	18 December 2015 2015年12月18日	-	33,532,463	-	7,871,369	2,283,656	-	23,377,438	0.70%	31 March 2016 – 1 April 2020 <sup>(1)</sup> 2016年3月31日至2020年4月1日 <sup>(1)</sup>
	31 May 2017 2017年5月31日	-	-	20,504,206	-	338,459	-	20,165,747	0.60%	31 March 2017 – 1 April 2021 <sup>(2)</sup> 2017年3月31日至2021年4月1日 <sup>(2)</sup>
<b>Total</b> 總計			<b>40,154,196</b>	<b>26,333,182</b>	<b>9,880,788</b>	<b>2,622,115</b>	<b>-</b>	<b>53,984,475</b>	<b>1.62%</b>	



# Report of the Directors

## 董事會報告

Note:

- (1) The RSUs granted to the subjected RSU grantee under the Post-IPO RSU Scheme in 2015 and 2016 shall be vested in accordance with the vesting schedule as follow:
  - (a) 50% of the RSUs will be time-based and shall vest at the rate of one-fourth (1/4) for each 12-month period commencing from 31 March 2016; and
  - (b) 50% of the RSUs shall be KPI-linked RSUs and shall be divided into three equal instalments, with each instalment being linked with one of the three KPIs (as defined below) and vested at the rate of one-fourth (1/4) for each 12-month period commencing from one-fourth (1/4) pursuant to the KPI-linked RSUs payout schedule.
- (2) The RSUs granted to Dr. ZOU and other employees of the Company under the Post-IPO RSU Scheme in 2017 shall be vested in accordance with the vesting schedule as follows:
  - (a) 50% of the RSUs will be time-based and shall vest at the rate of one-fourth (1/4) for each 12-month period commencing from 31 March 2017; and
  - (b) 50% of the RSUs shall be KPI-linked RSUs and shall be divided into three equal instalments, with each instalment being linked with one of the three KPIs and vested at the rate of one-fourth (1/4) for each 12-month period commencing from 31 March 2017 pursuant to the KPI-linked RSUs payout schedule.
- (3) The RSUs granted to the independent executive directors of the Company under the Post-IPO RSU Scheme in 2017 shall be vested in accordance with the vesting schedule as follows:
  - (a) 25% of the RSUs will be vested immediately after the acceptance of the RSU Grants by the relevant independent executive directors;
  - (b) 37.5% of the RSUs will be time-based and shall vest at the rate of one-third (1/3) for each 12-month period commencing from 31 March 2017; and
  - (c) 37.5% of the RSUs shall be KPI-linked RSUs and shall be divided into three equal instalments, with each instalment being linked with one of the three KPIs and vested at the rate of one-third (1/3) for each 12-month period commencing from 31 March 2017 pursuant to the KPI-linked RSUs payout schedule.

附註：

- (1) 根據首次公開發售後受限制股份單位計劃於2015年和2016年授予受限制股份單位承授人的受限制股份單位元將按以下方式歸屬：
  - (a) 50%的受限制股份單位將自二零一六年三月三十一日起計每十二個月期間根據時間按四分之一(1/4)的比率歸屬；以及
  - (b) 50%的受限制股份單位須與關鍵業績指標掛鉤(「**關鍵業績指標掛鉤受限制股份單位**」)並且須分為三等份，每份與三個關鍵業績指標(定義見下文)之一掛鉤，並根據以下支付進度自二零一六年三月三十一日起計每十二個月期間按四分之一(1/4)的比率歸屬：
- (2) 根據首次公開發售後受限制股份單位計劃於2017年授予鄒博士和本公司其他僱員的受限制股份單位元將按以下方式歸屬：
  - (a) 50%的受限制股份單位將自二零一七年三月三十一日起計每十二個月期間根據時間按四分之一(1/4)的比率歸屬；以及
  - (b) 50%的受限制股份單位須與關鍵業績指標掛鉤(「**關鍵業績指標掛鉤受限制股份單位**」)並且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並根據關鍵業績指標掛鉤受限制股份單位支付進度自二零一七年三月三十一日起計每十二個月期間按四分之一(1/4)的比率歸屬。
- (3) 根據首次公開發售後受限制股份單位計劃於2017年授予本公司獨立非執行董事的受限制股份單位元將按以下方式歸屬：
  - (a) 25%的受限制股份單位將自相關獨立非執行董事接受受限制股份單位授出後歸屬；
  - (b) 37.5%的受限制股份單位將自二零一七年三月三十一日起計每十二個月期間根據時間按三分之一(1/3)的比率歸屬；以及
  - (c) 37.5%的受限制股份單位須與關鍵業績指標掛鉤(「**關鍵業績指標掛鉤受限制股份單位**」)並且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並根據關鍵業績指標掛鉤受限制股份單位支付進度自二零一七年三月三十一日起計每十二個月期間按三分之一(1/3)的比率歸屬。

# Report of the Directors

## 董事會報告

- (4) The KPI-linked RSUs payout schedule:
- (a) 100% of the KPI-linked RSUs shall vest if 100% of the relevant KPI Target (as defined below) is met; or
  - (b) if the relevant KPI Target is not met at 100%, 50% of the KPI-linked RSUs shall vest if 80% of the relevant KPI Target is met and an additional 2.5% of the KPI-linked RSUs shall vest for each 1% further improvement in such KPI Target; provided that if the performance rate of any KPI Target exceeds 100%, then up to 10% of the improvement of that KPI Target can be added to the performance rate of other KPI Target(s) that is not 100% accomplished.

For the purposes of the above, KPIs refer to (i) EBITDA; (ii) reserves; and (iii) all-in-unit cost. "KPI Target" shall mean 95% (in the case of EBITDA and reserves) or 105% (in the case of all-in-unit cost) of the estimated number of that relevant KPI presented in (i) the annual work plan and budget of the relevant year approved by the Board; or (ii) the revised annual work plan and budget for the relevant year, which is subsequently presented to and approved by the Board. The treatment for any unvested KPI-linked RSUs shall be determined by the Board or the Remuneration Committee as delegated by the Board.

- (5) The closing price of the shares immediately before the date on which the RSUs were granted on 31 May 2017 was HK\$1.29.

Further details of the Pre-IPO RSU Scheme and the Post-IPO RSU Scheme are set out in note 20 to the section headed "Notes to the Consolidated Financial Statements" of this annual report and the Prospectus.

### Equity-linked Agreements

Other than the Pre-IPO Share Option Scheme and the Post-IPO RSU Scheme disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above under the paragraph "Share Incentive Schemes", no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any Directors or their respective associates (as defined in the Listing Rules), or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective associates (as defined in the Listing Rules), to acquire such rights in any other body corporate for the year ended 31 December 2017.

- (4) 關鍵業績指標掛鈎受限制股份單位支付進度：

- (a) 如完全達成相關關鍵業績指標目標，則關鍵業績指標掛鈎受限制股份單位元全部獲歸屬；或者
- (b) 如未完全達成相關關鍵業績指標目標但達成80%，則關鍵業績指標掛鈎受限制股份單位之50%獲歸屬，而該關鍵業績指標目標每改善1%，則每次增加歸屬2.5%的關鍵業績指標掛鈎受限制股份單位；但如果任何關鍵業績指標目標的任何表現速度超過100%，則最多有10%的該項關鍵業績指標目標改善可計入未完全達成的其他關鍵業績指標目標的表現速度。

就上文而言，關鍵業績指標指(i)EBITDA；(ii)儲量；以及(iii)整個單位成本。「關鍵業績指標目標」指(i)經董事會批准相關年度的年度工作計劃及預算；或(ii)相關年度經修訂年度工作計劃及預算中所示相關關鍵業績指標估計數目的95%（如為EBITDA及儲量）或105%（如為整個單位成本），並隨後呈遞董事會批准。任何未獲歸屬關鍵業績指標掛鈎受限制股份單位的處理，須由董事會或董事會指定的委員會決定。

- (5) 股份於緊接二零一七年五月三十一日授出受限制股份單位前的收市價為1.29港元。

首次公開發售後受限制股份單位計劃的其他詳情載於招股章程及本年報「合併財務報表附註」附註20。

### 與股權掛鈎的協議

除上文披露的首次公開發售前購股權計劃和首次公開發售後受限制股份單位計劃外，本公司在年內並未訂立且截至年底也不存在與股權掛鈎的協議將會或可能導致本公司發行股份，或規定本公司須訂立任何協議以導致本公司將會或可能發行股份。

### 董事收購股份或債券的權利

除上文「股權激勵計劃」一段所披露者外，截至2017年12月31日止年度，任何董事及其各自連繫人（定義見上市規則）均未被授予任何權利從認購本公司股份、債券或行使任何有關權利中獲取利益；本公司或其任何附屬公司均未作為訂約方訂立任何安排，從而使得董事及其各自連繫人（定義見上市規則）從收購任何其他公司的有關權利中獲取利益。

# Report of the Directors

## 董事會報告

### CONNECTED TRANSACTIONS

Save as disclosed below, the Group had not entered into any connected transactions or continuing connected transactions which are required to be disclosed in this annual report in compliance with the requirements of Chapter 14A of the Listing Rules during the year ended 31 December 2017. The Directors confirm that they have complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

#### Grant of RSUs to Connected Persons

To recognize the contribution to the success and development of the Group by each of the connected grantees and to attract and motivate the connected grantees to participate in the continuing operation and long-term development of the Company, on 24 March 2017, the Board of the Company approved the conditional grant of an aggregate of 10,906,933 RSUs to independent non-executive directors (Mr. Yaowen WU, Mr. Robert Ralph PARKS, Mr. Fredrick J. BARRETT and Mr. Stephen Cheuk Kin LAW), Dr. Stephen Xiangdong ZOU and Mr. Jing Li in accordance with the Post-IPO RSU Scheme, subject to the approval by the independent shareholders of the Company and the acceptance by the grantees where applicable. On 9 May 2017, the grant of RSUs to the above connected grantees was approved by the independent shareholders at the extraordinary general meeting. On 31 May 2017, an aggregate of 10,906,933 RSUs were accepted by the connected grantees.

The above grant of RSUs and the related transactions constitute non-exempt connected transactions of the Company in accordance with the Listing Rules. For details, please see the announcement of the Company dated 24 March 2017, the circular of the Company, 19 April 2017 and note 20 to the section headed "Consolidated Financial Statements" of this annual report.

### RELATED PARTY TRANSACTIONS

Details of related party transactions during the year ended 31 December 2017 are set out in note 27 to the section headed "Consolidated Financial Statements" of this annual report.

Save as disclosed above under the paragraph "Connected Transactions", the related party transactions as set out in note 27 to the section head "Consolidated Financial Statements" of this annual report do not fall under the definition of "connected transactions" or "continuing connected transactions" under Chapter 14A of the Listing Rules during the year ended 31 December 2017.

### 關連交易

除下文所披露者外，截至2017年12月31日止年度，本集團並未訂立任何根據上市規則第14A章規定須予以披露的關連交易或持續關連交易。董事確認已遵守上市規則第14A章中的披露要求。

#### 向關連人士授予受限制股份單位

為表彰關連承授人各自為本集團成功及發展做出貢獻，以及吸引及激勵關連承授人參與本公司之持續營運及長期發展。根據首次公開發售後受限制股份單位計劃，本公司董事會於2017年3月24日批准向獨立非執行董事（吳耀文先生、Robert Ralph PARKS先生、Fredrick J. BARRETT先生及羅卓堅先生）、鄒向東博士及李京先生有條件授出10,906,933份受限制股份單位，惟經獨立股東批准及接納（倘適用）方可作實。獨立股東於2017年5月9日召開的股東特別大會上批准向關連承授人授出受限制股份單位。2017年5月31日，關連承授人接納合共10,906,933份受限制股份單位。

根據上市規則的規定，上述受限制股份授出及相關交易構成不豁免關連交易。相關詳情請查看本公司2017年3月24日公告、2017年4月19日的通函及本年報「合併財務報表」一節附註20。

### 關聯方交易

截至2017年12月31日止年度的關聯方交易詳情載於本年報「合併財務報表」一節附註27。

除上文「關連交易」一段所披露者外，截至2017年12月31日止年度，本年報「合併財務報表」一節附註27所載關聯方交易並非上市規則第14A章中所指的「關連交易」或「持續性關連交易」。

# Report of the Directors

## 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its Directors, the Board confirms that the Company has maintained the sufficiency of public float as required under the Listing Rules at all times for the year ended 31 December 2017 and as at the date of this annual report.

### DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year ended 31 December 2017, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the business of the Group.

### SIGNIFICANT LEGAL PROCEEDINGS AND COMPLIANCE MATTERS

For the year ended 31 December 2017, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

For the year ended 31 December 2017, the Company obtained all the material licenses, permits and approvals necessary for the respective development stages of projects in Panzhuang and Mabi.

For the year ended 31 December 2017 and up to the date of this report, to the best knowledge of the Directors, the Group complied with applicable laws, rules and regulations in all material respects.

### 充足的公眾持股量

基於本公司公開可獲取資料以及根據董事所知，董事會確認，截至2017年12月31日止年度，以及截至本年報日期，本公司的公眾持股量一直維持在上市規則規定的水平。

### 董事對於競爭業務的權益

截至2017年12月31日，董事及其各自連絡人沒有從事與本集團業務競爭或可能競爭的任何業務或在當中擁有權益。

### 重大法律訴訟及合規事宜

截至2017年12月31日止年度，本公司並未涉及任何重大重要性訴訟或仲裁，且根據董事所知，本公司也無任何尚未了結或面臨的重大重要性訴訟或索賠。

截至2017年12月31日止年度，本公司獲得了潘莊和馬必兩個項目各發展階段所需的主要牌照、許可證和批文。

截至2017年12月31日止年度，以及截至本報告日期，根據董事所知，本集團在所有重大方面均遵守相關法律法規。

# Report of the Directors

## 董事會報告

### SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDERS

On 8 July 2015, SAEI (as borrower) and AAGI (as guarantor) entered into a senior secured revolving credit facility agreement (the “**2015 Facility Agreement**”) with certain banks in relation to a US\$250,000,000 69 months term loan facility.

Under the 2015 Facility Agreement, it will constitute an event of default, among others, if (i) Dr. ZOU holds (whether directly or indirectly or by way of a trust) less than 25% of the Shares that Dr. ZOU holds (whether directly or indirectly or by way of a trust) as at 8 July 2015, representing approximately 1.45% of the issued share capital of the Company; (ii) at any time, Dr. ZOU ceases to be the chairman of the Board; or (iii) during the period from 23 June 2015 to 23 June 2016, any of the Controlling Shareholders disposes of, or enters into any agreement to dispose of, any shares he/it holds (directly or indirectly) in the Company in breach of his/its undertakings to the Stock Exchange in relation to Rule 10.07(1) of the Listing Rules as set out in the Prospectus. Upon and at any time after the occurrence of an event of default, the majority of the lenders may, among other actions, immediately cancel all commitments and declare any or all outstanding amounts under the 2015 Facility Agreement and the relevant financing documents together with interest accrued thereon to be immediately due and payable.

For details of the 2015 Facility Agreement, please refer to the announcement of the Company dated 9 July 2015.

### EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2017

There was no subsequent events between the end of reporting period and the printing date of this annual report that would cause material impact on the Group.

### CORPORATE GOVERNANCE

Information on the corporate governance practices adopted by the Company is set out in the section headed “Corporate Governance Report” of this annual report.

### 控股股東的特定履約責任

2015年7月8日，美中能源公司(作為借款人)和亞美大陸煤層氣(作為擔保人)與若干銀行就250,000,000美元為期69個月的定期貸款融資訂立了優先有抵押迴圈信貸融資協議(「**2015 融資協定**」)。

根據2015融資協定，如果(其中包括)(i)鄒博士持有(不論直接、間接或通過信託形式)低於其在2015年7月8日所持(不論直接或間接或通過信託形式)股份的25%(相當於本公司已發行股本的約1.45%)；(ii)鄒博士在任何時間不再擔任董事會主席；或(iii)2015年6月23日至2016年6月23日期間，任何控股股東違反招股章程所載根據上市規則第10.07(1)條對聯交所做出的承諾，出售或訂立任何協議出售其直接或間接所持有的本公司任何股份，將屬於違約事件。發生違約事件當時及其前後任何時間，大部分貸款人可立即撤銷所有承諾，並宣佈2015融資協議項下及相關融資檔的任何或全部未償還款項連同其應計利息即時到期並須立即即時還款。

有關2015融資協定的詳情，請參閱本公司發佈日期為2015年7月9日的公告。

### 截至2017年12月31日後之事項

報告期末至本年報打印日期內，無任何後續事件會對本集團造成重大影響。

### 企業管治

有關本公司採用企業管治常規的資料載於本年報「企業管治報告」一節。

# Report of the Directors

## 董事會報告

### REVIEW BY THE AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and policies adopted by the Group and discussed the Group's risk management, internal controls and financial reporting matters with the management. The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2017.

### PROFESSIONAL TAX ADVICE RECOMMENDED

If the shareholders are unsure about the taxation implications of purchasing, holdings, disposing of, dealing in, or the exercise of any rights in relation to, the Shares, they are advised to consult an expert.

### APPRECIATION

The Group would like to express its appreciation to all the staff for their outstanding contribution towards the Group's development. The Board wishes to sincerely thank the management for their dedication and diligence, and they are the key factors for the Group to continue its success in future. Also, the Group wishes to extend its gratitude for the continued support from its Shareholders, customers, and business partners. The Group will continue to deliver sustainable business development, so as to meet its business objectives for 2018 and realize higher values for its Shareholders and other stakeholders.

### AUDITORS

There have been no changes of auditors in the past three years.

ON BEHALF OF THE BOARD

**Stephen Xiangdong ZOU**

*Chairman and Executive Director*

Hong Kong  
4 April 2018

### 審核委員會的審閱

審核委員會已審閱本集團所採用的會計原則及政策，並與管理層討論了本集團的風險管理、內部監控及財務報告事宜。審核委員會也已審閱本集團截至2017年12月31日止年度的經審核合併財務報表。

### 專業稅務意見建議

如果股東對購買、持有、處置及買賣股份或行使其任何有關權利的稅務影響有任何疑問，建議諮詢專家。

### 致謝

本集團衷心感謝所有員工對本集團發展所作出的傑出貢獻。董事會對管理層的盡職勤勉表示誠摯的謝意，管理層是本集團日後繼續走向成功的關鍵因素。本集團也非常感謝股東、客戶及業務夥伴一如既往的支持。本集團將繼續進行可持續業務發展，旨在實現2018年的業務目標，為股東及其他權益持有人創造更高價值。

### 核數師

在過去三年中，核數師無變動。

代表董事會

**董事長兼執行董事**

*鄒向東*

香港  
2018年4月4日

# Corporate Governance Report

## 企業管治報告

The Board is pleased to present this corporate governance report for the year ended 31 December 2017 (the “Review Period”)

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules as its own code of corporate governance. The Company has complied with all applicable code provisions under the CG Code during the year ended 31 December 2017. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

### THE BOARD Responsibilities

The Board is responsible for the overall leadership of the Group, oversees the Group’s strategic decisions and monitors business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company’s affairs, the Board has established four Board committees including the Audit Committee, the remuneration committee (the “Remuneration Committee”), the nomination committee (the “Nomination Committee”) and the new business committee (the “New Business Committee”) (together, the “Board Committees”). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its shareholders at all times.

董事會欣然提呈截至2017年12月31日止年度(「回顧期」)的企業管治報告。

### 企業管治常規

本集團致力於維持高標準的企業管治以保障股東利益並提升企業價值及問責文化。本公司已採納上市規則附錄14所載的企業管治守則(「企業管治守則」)作為自身的企業管治守則。截至2017年12月31日止年度，本公司已遵守企業管治守則的所有適用守則條文。本公司將繼續檢討並監察企業管治常規以確保遵守企業管治守則。

### 董事會 職責

董事會負責本集團的整體領導工作，監督本集團的策略決定、業務與表現。董事會授權本集團高級管理層負責本集團日常管理及營運。為監督本公司特定範疇的情況，董事會成立了四個董事委員會，包括審核委員會、薪酬委員會(「薪酬委員會」)、提名委員會(「提名委員會」)和新業務委員會(「新業務委員會」)(合稱「董事委員會」)。董事會已向董事委員會授予了各自職權範圍內所列的職責。

所有董事須確保其在任何時候均真誠履行職責，遵守相關法律及法規，並符合本公司及股東的利益。

# Corporate Governance Report

## 企業管治報告

### Board Composition

As at the date of this report, the Board comprised one executive Director, seven non-executive Directors and four independent non-executive Directors as follows:

#### Executive Director

Dr. Stephen Xiangdong Zou (*Chairman*)

#### Non-executive Directors

Mr. Peter Randall Kagan

Mr. Gordon Sun Kan Shaw

Mr. Zhen Wei

Mr. Lei Jin

Dr. Guiyong Cui

Dr. Bo Bai (resigned on 28 February 2017)

Mr. Saurabh Narayan Agarwal

(appointed on 24 March 2017)

Mr. Fei Nie

(appointed on 8 December 2017)

#### Independent non-executive Directors

Mr. Yaowen Wu

Mr. Robert Ralph Parks

Mr. Stephen Cheuk Kin Law

Mr. Fredrick J. Barrett

The biographies of the current Directors are set out under the section headed "Directors and Senior Management" of this annual report. Saved as disclosed in the Prospectus and this annual report (if any), to the knowledge of the Directors, the Board members have no financial, business, family or other material relationship with each other.

Each of the independent non-executive Directors has confirmed his independence pursuant to Rule 3.13 of the Listing Rules and the Company considers each of them to be independent.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee, the Nomination Committee and the New Business Committee.

As regards the CG Code provision requiring directors to disclose the number and nature of offices held in public companies or organizations and other significant commitments as well as their identity and the time involved to the issuer, Directors have agreed to disclose their commitments to the Company in a timely manner.

### 董事會組成

於本報告日期，董事會共有一名執行董事、七名非執行董事和四名獨立非執行董事如下：

#### 執行董事

鄒向東博士(董事會主席)

#### 非執行董事

Peter Randall Kagan 先生

蕭宇成先生

魏臻先生

金磊先生

崔桂勇博士

白波博士(於2017年2月28日辭職)

Saurabh Narayan Agarwal 先生

(於2017年3月24日獲委任)

聶飛先生

(於2017年12月8日獲委任)

#### 獨立非執行董事

吳耀文先生

Robert Ralph Parks 先生

羅卓堅先生

Fredrick J. Barrett 先生

本公司現有董事的履歷簡介載於本年報「董事及高級管理層」一節。除招股章程及本年報所披露的情形(如有)外，根據董事所知，董事會成員相互之間無任何財務、業務、家庭或其他重要關係。

各獨立非執行董事已根據上市規則第3.13條確認其獨立性，而本公司認為他們均為獨立人士。

所有董事(包括獨立非執行董事)為董事會帶來了寶貴而廣泛的商業經驗、知識及專業技能，協助董事會有效地運作。獨立非執行董事更獲邀加入審核委員會、薪酬委員會、提名委員會及新業務委員會。

對於企業管治守則規定董事須向發行人披露自身在上市公司或組織中擔任的職務數量與性質、其他重大承擔、自身身份以及投入時間，董事同意及時向本公司披露各自的承擔情況。



# Corporate Governance Report

## 企業管治報告

### Induction and Continuous Professional Development for Directors

Each newly appointed Director is provided with necessary induction and information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under relevant status, laws, rules and regulations. The Company also provides Directors with regular updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The company secretary of the Company has from time to time updated and provided written training materials relating to the roles, functions and duties of a Director.

During the Review Period, all Directors have participated in continuous professional development by attending training courses and/or referring materials on the topics related to the Group's business, corporate governance and regulations on the roles, functions and duties of a director of a listed company:

### 董事的就職和持續專業發展

每名新委任的董事均會被提供相關就職講解及資訊，以確保其充分瞭解本公司的運作及業務，以及自身在相關法律地位、法律法規下的責任。本公司也會不時向董事提供關於上市規則及其他相關法律法規規定最新發展及變更的定期更新資料。董事還會被提供關於本公司營運表現、狀況及前景的定期更新資料，以便董事會全體及每名董事履行職責。

本公司鼓勵董事繼續致力發展自身專業以拓展並鞏固知識及技能。本公司的公司秘書會不時更新並提供有關董事職務、職能及職責的書面培訓材料。

在回顧期內，全體董事均通過參加和／或學習有關本集團業務、上市公司董事角色、功能及職責相關的企業管治和監管的培訓課程和／或材料，以參與持續專業發展：

# Corporate Governance Report

## 企業管治報告

Name of Director		Reading regulatory update	Attending expert briefings/ seminars/ conferences/ on-line courses relevant to the business of the Group or directors' duties
董事姓名		閱讀最新監管資料	參加有關本集團業務或董事職責之專家簡報會/研討會/會議/線上課程
<b>Executive Director</b>	<b>執行董事</b>		
Dr. Stephen Xiangdong Zou	鄒向東博士	✓	✓
<b>Non-executive Directors</b>	<b>非執行董事</b>		
Mr. Peter Randall Kagan	Peter Randall Kagan 先生	✓	✓
Mr. Gordon Sun Kan Shaw	Gordon Sun Kan Shaw 先生	✓	✓
Mr. Zhen Wei	魏臻先生	✓	✓
Mr. Lei Jin	金磊先生	✓	–
Dr. Guiyong Cui	崔桂勇博士	✓	–
Mr. Saurabh Narayan Agarwal	Saurabh Narayan Agarwal 先生	✓	✓
Mr. Fei Nie	聶飛先生	✓	–
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>		
Mr. Yaowen Wu	吳耀文先生	✓	✓
Mr. Robert Ralph Parks	Robert Ralph Parks 先生	✓	✓
Mr. Stephen Cheuk Kin Law	羅卓堅先生	✓	✓
Mr. Fredrick J. Barrett	Fredrick J. Barrett 先生	✓	✓

### Appointment, Re-election and Removal of Directors

The procedures and process of appointment, re-election and removal of directors are set out in the Articles. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election and succession planning of Directors.

### 委任、重選及罷免董事

關於委任、重選及罷免董事的程序及過程載於細則。提名委員會負責審核董事會的組成，並監察董事的委任、重選及更替計劃。

## Corporate Governance Report

### 企業管治報告

Each of the executive Director, non-executive Directors and independent non-executive Directors has entered into a service agreements or a letter of appointment with the Company for a term of three years. Such term is subject to his re-election by the Company at an annual general meeting upon retirement. The Articles provide that any Director appointed by the Board to fill a casual vacancy in the Board shall hold office until the first general meeting of the Company after his appointment and shall then be eligible for re-election at such meeting. Besides, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. In accordance with the Articles, at every annual general meeting of the Company, one third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years and being eligible offer themselves for re-election.

In accordance with the Articles, Mr. Fei Nie and one-third of the Directors, being Mr. Peter Randall Kagan, Mr. Zhen Wei, Mr. Lei Jin and Mr. Yaowen Wu shall retire and being eligible, have offered themselves for re-election at the Company's forthcoming annual general meeting.

執行董事、非執行董事及獨立非執行董事各自與本公司訂立服務協定或委任書，年限自上市日期起計算，為期三年，但該年限可在其任滿退任時由本公司在股東週年大會重選而延長。細則規定，董事會為填補董事會臨時空缺而委任的董事，其任期須在其獲委任後的本公司首屆股東大會屆滿，屆時將符合資格並在該屆大會上膺選連任。此外，董事會為增加現有董事會人數而委任的董事，其任期須在本公司下一屆股東週年大會屆滿，屆時將符合資格並在該大會上膺選連任。根據細則，在本公司每屆股東週年大會上，當時三分之一的董事（若其人數並非三的倍數，則最接近但不少於三分之一的人數）將輪值退任，但每位董事（包括獲指定特定任期的董事）應至少每三年在股東週年大會上退任一次並膺選連任。

根據細則，聶飛先生及三分之一的董事（即 Peter Randall Kagan 先生、魏臻先生、金磊先生及吳耀文先生）將在本公司應屆股東週年大會退任，並符合資格申請膺選連任。

# Corporate Governance Report

## 企業管治報告

### General Meetings

During the Review Period, two general meetings were held and the attendance of the individual Directors at these meetings is set out in the table below:

### 股東大會會議

在回顧期內，股東大會舉行了兩次會議，各董事出席這些會議的情況見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Dr. Stephen Xiangdong Zou (Chairman)	鄒向東博士(主席)	2/2
Mr. Peter Randall Kagan	Peter Randall Kagan 先生	0/2
Mr. Gordon Sun Kan Shaw	蕭宇成先生	2/2
Mr. Zhen Wei	魏臻先生	0/2
Mr. Lei Jin	金磊先生	2/2
Dr. Guiyong Cui	崔桂勇先生	0/2
Dr. Bo Bai (resigned on 28 February 2017)	白波先生(於2017年2月28日辭任)	0/0
Mr. Saurabh Narayan Agarwal (appointed on 24 March 2017)	Saurabh Narayan Agarwal 先生 (於2017年3月24日獲委任)	0/2
Mr. Fei Nie (appointed on 8 December 2017)	聶飛先生(於2017年12月8日獲委任)	0/0
Mr. Yaowen Wu	吳耀文先生	0/2
Mr. Robert Ralph Parks	Robert Ralph Parks 先生	2/2
Mr. Fredrick J. Barrett	Fredrick J. Barrett 先生	2/2
Mr. Stephen Cheuk Kin Law	羅卓堅先生	2/2

### Board Meetings

The Company adopts the practice of holding board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than 14 days will be given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting.

### 董事會會議

本公司採取定期舉行董事會會議(每年最少四次，約每季舉行一次)的規定。所有定期董事會會議須至少提前14日發出通知，以便所有董事均可參與並在議程中提出討論事項。

For other Board and committee meetings, reasonable notice will generally be given. The agenda and accompanying board papers are dispatched to the Directors or committee members at least three days before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When directors or committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairman of the Board prior to the meeting.

其他董事會及委員會會議一般也會提供合理的通知期。議程及相關董事會文件會在會議舉行前至少三天派發董事或委員會成員，以確保他們有足夠時間審閱有關文件並為會議做出妥善準備。如果董事或委員會成員未能出席會議，則會在會議前獲得事先通知討論事項並可就這些事項向董事會主席發表意見。

Minutes of the Board meetings and Board Committee meetings will be recorded in sufficient detail the matters considered by the Board and the Board Committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and Board Committee meeting are/will be sent to the Directors for comments within a reasonable time after the date on which the meeting is held.

董事會會議及董事委員會會議的會議紀錄將詳細記載董事會及董事委員會審議的事宜及決定，包括所有董事關注事項。各董事會會議及董事委員會會議的會議紀錄草案將在會議日期後的合理時間內發送給各位董事以供發表意見。

# Corporate Governance Report

## 企業管治報告

During the Review Period, five board meetings were held and the attendance of the individual Directors at these meetings is set out in the table below:

在回顧期內，董事會舉行了五次會議，各董事出席這些會議的情況見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Dr. Stephen Xiangdong Zou (Chairman)	鄒向東博士(主席)	5/5
Mr. Peter Randall Kagan	Peter Randall Kagan 先生	4/5
Mr. Gordon Sun Kan Shaw	蕭宇成先生	4/5
Mr. Zhen Wei	魏臻先生	3/5
Mr. Lei Jin	金磊先生	4/5
Dr. Guiyong Cui	崔桂勇先生	4/5
Dr. Bo Bai (resigned on 28 February 2017)	白波先生(於2017年2月28日辭任)	0/0
Mr. Saurabh Narayan Agarwal (appointed on 24 March 2017)	Saurabh Narayan Agarwal 先生 (於2017年3月24日獲委任)	5/5
Mr. Fei Nie (appointed on 8 December 2017)	聶飛先生(於2017年12月8日獲委任)	1/1
Mr. Yaowen Wu	吳耀文先生	5/5
Mr. Robert Ralph Parks	Robert Ralph Parks 先生	5/5
Mr. Fredrick J. Barrett	Fredrick J. Barrett 先生	5/5
Mr. Stephen Cheuk Kin Law	羅卓堅先生	5/5

### Chairman and Chief Executive Officer

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals.

The chairman of the Board and the chief executive officer of the Company (the "Chief Executive Officer") are currently two separate positions held by Dr. Stephen Xiangdong Zou as the chairman of the Board and Mr. Jing Li as Chief Executive Officer, with clear distinction in responsibilities. The chairman of the Board is responsible for providing strategic advice and guidance on the business development of the Group, while the Chief Executive Officer is responsible for the day-to-day operations of the Group.

### 主席及首席執行官

根據企業管治守則條款第A.2.1條規定，主席與首席執行官的職務必須分開，並由不同人士擔任。

本公司董事會主席及首席執行官(「首席執行官」)現為兩個獨立職位，分別由鄒向東博士擔任董事會主席，由李京先生擔任首席執行官，分工清晰明確。董事會主席負責就本集團業務發展提供策略意見和指導，而首席執行官則負責集團日常營運。

# Corporate Governance Report

## 企業管治報告

### Model Code for 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 of the Listing Rules as its own code of conduct regarding directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that they have complied with the required standards as set out in the Model Code for the year ended 31 December 2017.

The Company also established written guidelines on terms no less exacting than the Model Code (the “**Employees Written Guidelines**”) for securities transactions by relevant employees who are likely to possess inside information of the Company in respect of their dealings in the Company’s securities. No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company during the Review Period.

### Delegation by the Board

The Board reserves for its decision all major matters of the Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at the Company’s expense and are encouraged to access and to consult with the Company’s senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

### Corporate Governance Function

The Board recognizes that corporate governance should be the collective responsibility of Directors and the corporate governance duties include:

- (a) to develop and review the Company’s policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management of the Company;

### 證券交易的標準守則

本公司已採取了上市規則附錄10所載之「上市發行人董事進行證券交易標準守則」（「**標準守則**」）作為其董事進行證券交易操守守則。經向全體董事做出特定查詢後，所有董事確認彼等於截至2017年12月31日止年度已遵守標準守則所載的規定標準。

本公司還就買賣本公司證券且可能持有本公司內幕消息的相關員工進行的證券交易，制定了一套不低於標準守則的書面指引（「**員工書面指引**」）。在回顧期內，本公司未發現相關僱員違反員工書面指引的事件發生。

### 董事會授權

董事會保留對本公司所有重要事項的決定權，包括批准和監督所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易（尤其是涉及利益衝突）、財務資料、委任董事及其他重大財務和營運事宜。董事可在履行職責時徵求獨立專業意見，相關費用由本公司承擔。本公司也鼓勵董事單獨約見本公司高級管理人員並向其進行徵詢。

高級管理人員獲授權處理本集團的日常管理、行政及營運，而所獲職能及職責均由董事會定期審核。管理層的任何重大交易必須事先獲得董事會批准。

### 企業管治功能

董事會認同企業管治為董事共同承擔的責任，而企業管治職責包括：

- (a) 制訂並審核本公司的企業管治政策及常規情況；
- (b) 審核並監察本公司董事和高級管理人員的培訓及持續專業發展；

# Corporate Governance Report

## 企業管治報告

- |   |  |
|---|--|
| (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;                            | (c) 審核並監察本公司遵守法律法規規定的政策及常規情況；            |
| (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Company and Directors; and | (d) 制訂、審核並監察適用於本公司僱員及董事的操守守則及合規手冊(如有)；以及 |
| (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.                                      | (e) 審核本公司遵守企業管治守則及企業管治報告披露事宜的情況。         |

### Remuneration of Directors and Senior Management

The Company has established a formal and transparent procedure for formulating policies on remuneration of Directors and senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 December 2017 are set out in note 31 to the section headed "Consolidated Financial Statements" of this annual report.

The senior management's remuneration for the year ended 31 December 2017 is within the following bands:

### 董事及高級管理人員薪酬

本公司為制定本集團董事及高級管理人員薪酬的政策建立了一套正規而具有透明度的程式。各董事本年度截至2017年12月31日的薪酬詳情載於本年報「合併財務報表」一節附註31。

截至2017年12月31日止年度高級管理人員的薪酬範圍如下：

		Number of Individuals 人數 2017 2017年
Emolument bands	薪酬範圍	
HKD1,500,001–HKD2,000,000	1,500,001 港元至 2,000,000 港元	1
HKD2,000,001–HKD2,500,000	2,000,001 港元至 2,500,000 港元	1
HKD2,500,001–HKD3,000,000	2,500,001 港元至 3,000,000 港元	1
HKD4,000,001–HKD4,500,000	4,000,001 港元至 4,500,000 港元	1
HKD4,500,001–HKD5,000,000	4,500,001 港元至 5,000,000 港元	1
HKD6,000,001–HKD6,500,000	6,000,001 港元至 6,500,000 港元	1
HKD9,500,001–HKD10,000,000	9,500,001 港元至 10,000,000 港元	1
HKD11,500,001–HKD12,000,000	11,500,001 港元至 12,000,000 港元	1
		8

Note: The above emoluments included share-based compensation expense.

附註：上述薪酬包括以股份為基礎的薪酬開支。

# Corporate Governance Report

## 企業管治報告

### Directors' Liability Insurance

The Company has arranged appropriate insurance cover in respect of legal action against its Directors.

## BOARD COMMITTEES

### Audit Committee

The Audit Committee comprises three members, namely Mr. Stephen Cheuk Kin Law, Mr. Robert Ralph Parks, and Mr. Gordon Sun Kan Shaw, the majority of who are independent non-executive Directors. The chairman is Mr. Stephen Cheuk Kin Law, who confirmed that he possesses appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The main duties of the Audit Committee include the following:

- (a) to review the financial statements and reports and consider any significant or unusual items raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or the auditor before submission to the Board;
- (b) to review and monitor the external auditor's independence and objectivity and effectiveness of the audit process in accordance with applicable standard and discuss with external auditor the nature and scope of the audit and reporting obligations before the audit commences; and
- (c) to review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures, including the adequacy of the resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function.

The Audit Committee oversees the risk management and internal control systems of the Group, reports to the Board on any material issue, and makes recommendations to the Board.

The written terms of reference of Audit Committee are available on the websites of the Stock Exchange and the Company.

### 董事責任險

本公司已就董事可能面對的法律訴訟購買了合適的保險。

## 董事委員會

### 審核委員會

審核委員會共有三名成員，即羅卓堅先生、Robert Ralph Parks 先生及蕭宇成先生，其中大多為獨立非執行董事。羅卓堅先生擔任主席，並確認自身具備上市規則第3.10(2)及3.21條規定的合適專業資格。審核委員會的主要職責如下：

- (a) 審閱財務報表和報告，並在遞交董事會前考量任何由本公司會計及財務申報員工、合規主任或核數師提出的重大或不尋常事項；
- (b) 按相關準則審核並監督外聘核數師的獨立性、客觀性以及審核流程的有效性，並在審核工作開始前與外聘核數師討論審核性質、範圍相關申報責任；及
- (c) 評估本公司的財務申報機制、內部監控系統、風險管理系統及相關程式的適當性和有效性，包括資源的充足率、員工資格及經驗、培訓計劃，以及本公司會計及財務申報功能的預算。

審核委員會監督本集團的風險管理和內部監控系統，向董事會彙報所有重大事件並提出建議。

審核委員會的書面職權範圍在聯交所及本公司網站可供查閱。



# Corporate Governance Report

## 企業管治報告

During the Review Period, three meetings of the Audit Committee were held to discuss and consider the following matters:

- reviewed annual results of the Company and its subsidiaries for the period ended 31 December 2016;
- reviewed interim results of the Company and its subsidiaries for the period ended 30 June 2017;
- reviewed the internal audit report of the Company for the period ended 31 December 2016; and
- reviewed the internal audit report of the Company for the period ended 30 June 2017.

在回顧期內，審核委員會舉行了三次會議，討論並審議了以下事項：

- 審閱本公司及其附屬公司截至2016年12月31日期間的年度業績；
- 審閱本公司及其附屬公司截至2017年6月30日期間的中期業績；
- 審閱本公司截至2016年12月31日期間的內部審核報告；以及
- 審閱本公司截至2017年6月30日期間的內部審核報告。

During the Review Period, three meetings of the Audit Committee were held and the attendance record of the Audit Committee members is set out in the table below:

在回顧期內，審核委員會舉行了三次會議，各審核委員會成員的出席紀錄見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Mr. Stephen Cheuk Kin Law (Chairman of the Audit Committee)	羅卓堅先生(審核委員會主席)	3/3
Mr. Gordon Sun Kan Shaw	蕭宇成先生	3/3
Mr. Robert Ralph Rarks	Robert Ralph Rarks 先生	3/3

Pursuant to the code provision C.3.3 of the CG Code, the Audit Committee should meet with the Company's auditors at least twice a year. During the Review Period, the Company had met the auditor twice.

根據企業管治守則條款第C.3.3條規定，審核委員會應每年至少與本公司核數師會面兩次。在回顧期內，本公司已與核數師會面兩次。

# Corporate Governance Report

## 企業管治報告

### Remuneration Committee

The Remuneration Committee currently comprises three members, namely Mr. Robert Ralph Parks, Mr. Fredrick J. Barrett and Mr. Saurabh Narayan Agarwal, the majority of whom are independent non-executive Directors.

The principal duties of the Remuneration Committee include the following:

1. to make recommendations to the Board on the Company's policy and structure for the remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policies;
2. to review and approve the management's remuneration proposals with reference to the corporate goals and objectives determined by the Board;
3. either to determine, with delegated responsibility or to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. These include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
4. to make recommendations to the Board on the remuneration of non-executive Directors;
5. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions of the Group;
6. to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
7. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
8. to ensure that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration.

### 薪酬委員會

薪酬委員會目前共有三名成員，即Robert Ralph Parks先生、Fredrick J. Barrett先生和Saurabh Narayan Agarwal先生，其中大多為獨立非執行董事。

薪酬委員會的主要職責如下：

1. 就本公司全體董事及高級管理人員的薪酬政策、架構，以及制訂此等薪酬政策而設立正規而具透明度的程序，向董事會提出建議；
2. 參考董事會的企業目標及目的，審核並批准管理層的薪酬建議；
3. 就個別執行董事及高級管理人員的薪酬待遇，根據董事會轉授權做出決定或向董事會提出推薦建議，包括實物福利、退休金、賠償金(包括任何喪失或終止職務或委任而應支付的賠償)；
4. 就非執行董事的薪酬向董事會提出推薦建議；
5. 考量同類公司支付的薪酬、須付出的時間及職責，以及本集團職位的僱傭條件；
6. 審核並批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保這些賠償與合約條款一致；若未能與合約條款一致，賠償也應公平合理，不應過多；
7. 審核並批准因行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保這些安排與合約條款一致；若未能與合約條款一致，有關賠償也應合理適當；以及
8. 確保任何董事或其任何連繫人(定義見上市規則)均不得參與決定其自身薪酬。

# Corporate Governance Report

## 企業管治報告

The written terms of reference of Remuneration Committee are available on the websites of the Stock Exchange and the Company.

薪酬委員會的書面職權範圍在聯交所及本公司網站可供查閱。

During the Review Period, three meetings of the Remuneration Committee were held to discuss and consider the following matters:

在回顧期內，薪酬委員會舉行了三次會議，以討論並審議以下事項：

- reviewed the vesting of KPI-linked Pre-IPO options & Post-IPO RSUs;
  - reviewed and discussed year-end performance evaluation results, bonus distribution principles and salary adjustment rules;
  - reviewed the detailed 2017 Post-IPO RSUs allocation principles;
  - reviewed the long term incentive plan; and
  - reviewed adequacy of terms of reference for the Remuneration Committee.
- 審核關鍵業績指標掛鈎首次公開發售前購股權及首次公開發售後受限制股份單位的歸屬；
  - 審核及討論年底表現評估結果，花紅分配原則及薪酬調整規則；
  - 審核2017年首次公開發售後受限制股份單位具體的分配原則；
  - 審核長期激勵計劃；及
  - 審核薪酬委員會書面職權範圍的有效性。

During the Review Period, three meetings of the Remuneration Committee were held and the attendance record of the Remuneration Committee members is set out in the table below:

在回顧期內，薪酬委員會舉行了三次會議，各薪酬委員會成員的出席紀錄見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Mr. Robert Ralph Parks ( <i>Chairman of the Remuneration Committee</i> )	Robert Ralph Parks 先生 (薪酬委員會主席)	3/3
Mr. Fredrick J. Barrett	Fredrick J. Barrett 先生	3/3
Mr. Saurabh Narayan Agarwal (appointed on 24 March 2017)	Saurabh Narayan Agarwal 先生 (於2017年3月24日獲委任)	2/2

# Corporate Governance Report

## 企業管治報告

### Nomination Committee

The Nomination Committee currently consists of two independent non-executive Directors, being Mr. Stephen Cheuk Kin Law and Mr. Yaowen Wu, and an executive Director, Dr. Stephen Xiangdong Zou, who is the chairman of the Nomination Committee.

The principal duties of the Nomination Committee include the following:

1. to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
2. to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
3. to assess the independence of independent non-executive Directors;
4. to make recommendations to the Board on the appointment or re-appointment of Directors and the succession planning for Directors, in particular the chairman and the chief executive officer; and
5. to review the Board diversity policy.

The Nomination Committee assesses the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision. The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

### 提名委員會

提名委員會成員目前包括兩名獨立非執行董事羅卓堅先生和吳耀文先生，以及一名執行董事鄒博士，而鄒向東博士也是提名委員會主席。

提名委員會的主要職責如下：

1. 至少每年審核董事會的結構、規模及組成(包括技能、知識及經驗)，並就董事會的任何變動提供建議，以補充本公司企業策略；
2. 物色符合適當資格成為董事會成員的人士，甄選或向董事會建議甄選獲提名的董事候選人；
3. 評估獨立非執行董事的獨立性；
4. 就董事的委任或重新委任以及董事(尤其是主席及行政總裁)的繼任計劃向董事會提出建議；及
5. 審核董事會成員多元化政策。

提名委員會根據誠信、經驗、技能及是否能夠付出時間及精力履行職務及職責等範疇，評估候選人或現任成員。提名委員會的建議會交由董事會決定。提名委員會的書面職權範圍在聯交所及本公司網站可供查閱。

# Corporate Governance Report

## 企業管治報告

During the Review Period, two meetings of the Nomination Committee were held to discuss and consider the following matters:

- reviewed the structure, size, composition and diversity of the Board;
- reviewed and considered election of directors, retirement and re-election of directors;
- reviewed adequacy of the terms of reference for the Nomination Committee; and
- reviewed the independence of independent non-executive directors.

The written terms of reference of Nomination Committee are available on the websites of the Stock Exchange and the Company.

During the Review Period, two meetings of the Nomination Committee were held and the attendance record of the Nomination Committee members is set out in the table below:

在回顧期內，提名委員會舉行了兩次會議，以討論及審議以下事項：

- 審核董事會的結構、規模、組成和多元化；
- 審核並考慮董事的選舉、退任和重選；
- 審核提名委員會的書面職權範圍的有效性；及
- 審核獨立非執行董事的獨立性。

提名委員會的書面職權範圍在聯交所及本公司網站可供查閱。

在回顧期內，提名委員會舉行了兩次會議，各提名委員會成員的出席紀錄見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Dr. Stephen Xiangdong Zou (Chairman of the Nomination Committee)	鄒向東先生(提名委員會主席)	2/2
Mr. Yaowen Wu	吳耀文先生	2/2
Mr. Stephen Cheuk Kin Law	羅卓堅先生	2/2

### New Business Committee

The New Business Committee currently consists of three independent non-executive Directors, being Mr. Fredrick J. Barrett, Mr. Robert Ralph Parks and Mr. Yaowen Wu, and a non-executive Director, Mr. Saurabh Narayan Agarwal. Mr. Fredrick J. Barrett is the Chairman of the New Business Committee.

### 新業務委員會

新業務委員會目前共有三名獨立非執行董事，即Fredrick J. Barrett先生、Robert Ralph Parks先生及吳耀文先生，和一位非執行董事，Saurabh Narayan Agarwal先生。Fredrick J. Barrett先生為新業務委員會主席。

# Corporate Governance Report

## 企業管治報告

The principal duties of the New Business Committee include the following:

1. to review, evaluate and provide feedback on the investment strategies, annual investment plan(s) and the relevant risk management policy of the Company and make recommendations to the Board;
2. to review, evaluate and provide feedback on the investment opportunities of the Company and issue opinion for long-term development plan (including mergers and acquisition, joint venture and equity investments) and make recommendations to the Board;
3. to review, evaluate and provide feedback on significant investment projects pursued under the Company's investment strategy and annual investment plan, review and approve the issue of non-binding indicative offers or letter of intent, and make recommendations to the Board;
4. to review and assess, in addition to new opportunities, the ongoing investment strategy, technical merits and risks associated with existing development and exploration programs, including the annual reserve and resource assessments and make recommendations to the Board;
5. to advise management from time to time on the engagement of appropriate external financial and technical advisors in connection with material acquisitions or divestitures, including a review of the terms of their proposed compensation; and
6. other matters as delegated by the Board.

The written terms of reference of New Business Committee are available on the websites of the Stock Exchange and the Company.

During the Review Period, four meetings of the New Business Committee were held to discuss and consider the following matters:

- reviewed the latest progress made in respect of Mabi concession technical development.
- reviewed and discussed the new business development strategy and opportunities; and
- reviewed and discussed annual reserve and resources assessment.

新業務委員會的主要職責包括以下方面：

1. 審閱、評估、回饋本公司的投資策略、年度投資計劃(由高級管理層及董事會主席提議)及公司的相關風險管理政策並給予意見，向董事會提出建議；
2. 審閱、評估、回饋本公司的投資機會並給予意見，對高級管理層及董事會主席提議的長期發展計劃(包括並購、合資及股權投資)給予意見，並向董事會提出建議；
3. 審閱、評價、回饋本根據公司的投資策略及年度投資計劃推行的重大投資項目並給予意見，審批發出非約束性的指示性要約或意向書，並向董事會提出建議；
4. 審閱、評價除新機會以外的持續投資策略、現有開發勘探項目的技術優勢和風險，包括公司編寫的年度儲量和資源量評價，並向董事會提出建議；
5. 在重大收購或剝離事務的外部財務顧問和技術顧問聘請方面，不時給予管理層建議，包括審核相關報酬條款；及
6. 董事會指定的其他事務。

新業務委員會的書面職權範圍在聯交所及本公司網站可供查閱。

於回顧期內，新業務委員會舉行四次會議，以討論並審議以下事項：

- 審核馬必區塊技術發展的最新進展；
- 審核和討論新業務發展戰略和機會；及
- 審核和討論年度儲量和資源評估。

# Corporate Governance Report

## 企業管治報告

During the Review Period, four meetings of the New Business Committee were held and the attendance record of the New Business Committee members is set out in the table below:

於回顧期內，新業務委員會舉行四次會議，而各新業務委員會成員的出席紀錄載於下表：

Name of Director 董事姓名	Fredrick J. Barrett 先生 (新業務委員會主席)	Attended/ Eligible to attend 實際出席／可出席次數
Mr. Fredrick J. Barrett ( <i>Chairman of the New Business Committee</i> )	Fredrick J. Barrett 先生 (新業務委員會主席)	4/4
Mr. Robert Ralph Parks	Robert Ralph Parks 先生	1/4
Mr. Yaowen Wu	吳耀文先生	4/4
Dr. Bo Bai (resigned on 28 February 2017)	白波先生(於2017年2月28日辭任)	0/0
Mr. Saurabh Narayan Agarwal (appointed on 24 March 2017)	Saurabh Narayan Agarwal 先生 (於2017年3月24日獲委任)	2/2

### Board Diversity Policy

The Board has adopted a board diversity policy which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company.

### 董事會成員多元化政策

董事會已採用了成員多元化政策，該政策列出了本公司取得持續平衡發展以及提升表現素質的方針。

The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

本公司考慮多項因素以保證董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識和服務期限。

All board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

董事會所有委任均堅持用人唯才原則，並兼顧董事會成員多元化的益處根據客觀條件考慮人選。

Selection of candidates will be based on a range of diversity perspectives as stated in the above. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

董事會根據上述各種多元化因素選定候選人。最終決定取決於所選候選人的長處以及可能為董事會帶來的貢獻。

As at the date of this report, the Board comprises 12 Directors. Four of the Directors are independent non-executive Directors and independent management, thereby promoting critical review and control of the management process. The Board is also characterized by significant diversity, whether considered in terms of culture and education background, professional background and skills.

截至本報告日期，董事會共有12名董事，其中四名為獨立非執行董事和獨立管理人員，嚴格審核並監控管理過程。從文化及教育背景、專業背景以及技能方面考慮，董事會屬於多元化狀態。

# Corporate Governance Report

## 企業管治報告

### Directors' Responsibilities for Financial Reporting in respect of Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2017 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

Pursuant to the code provision C.1.1 of the CG Code, the management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. The Company provides all members of the Board with monthly updates on Company's performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The statement by the Auditor regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the section headed "Independent Auditor's Report" of this annual report.

### RISK MANAGEMENT AND INTERNAL CONTROL Responsibility of the Board

The Board acknowledges that it is the responsibility of the Board for ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems and reviewing the effectiveness of such systems on an annual basis. The Board is also aware of the fact that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable assurance and not absolute assurance against material misstatement or loss.

#### The Risk Management and Internal Control Systems

The Company adopted the three lines of defence model in the management of risk. Operational management form the core of the first line of defence as they contact with the risk sources in the first place. They are responsible for identifying, reporting and preliminarily managing risks in their daily operations. Our second line of defence is the risk management function, comprised of HSE, Legal departments etc., aiming to facilitate and monitor the implementation of effective risk management practices by operational management throughout the Company. Our internal audit function is the core of the third line of defence and mainly responsible for checking, auditing and monitoring the work performed by the first and second lines of defence.

### 董事有關財務報表的財務申報責任

董事知曉自身須準備本年度截至2017年12月31日財務報表的責任，而該財務報表真實而公平地反映本公司及本集團的狀況，以及本集團的業績和現金流量。

根據企業管治守則條款第C.1.1條，管理層已向董事會提供了所需的解釋和資料，以使董事會能夠有根據地評估並審批本公司的財務報表。本公司每月向董事會全體成員提供本公司營運表現、狀況及前景的最新資料。

根據董事所知，並無可能導致本集團持續經營能力受到嚴重質疑的重大不確定事件或情況。

核數師關於本公司合併財務報表申報責任的聲明載於本年報「獨立核數師報告」章節。

### 風險管理及內部監控 董事會責任

董事會明白本身有責任確保本公司建立及維持恰當且有效的風險管理及內部監控系統，並每年檢討該系統的有效性。董事會亦明白該等系統旨在管理而非消除未能達成業務目標的風險，且僅可作出合理而非絕對保證不會有重大失實陳述或損失。

#### 風險管理及內部監控系統

風險管理及內部監控系統本公司採取三道防線模式管理風險。營運管理人員是第一道防線的核心，因為一旦出現風險，彼等首當其衝。營運管理人員負責識別、報告及初步管理日常營運中存在的風險。第二道防線是由法務、HSE等部門承擔的風險管理職能，旨在推動及監察營運管理人員在本公司高效實施風險管理措施。內部審核功能是第三道防線，主要負責檢查、審核及監察第一及第二道防線的工作。



# Corporate Governance Report

## 企業管治報告

The Company's risks are identified from business processes in our established enterprise-wide risk assessment methodologies. Key responsible personnel for the management of risk in each of the business process are selected as interviewees to identify the risks to form our risk universe. Each risk within the risk universe is assessed in terms of likelihood of occurrence and the significance of impact, taken into account the current internal controls in place to mitigate these risks. The risk assessment results are reported to senior management and the Board for them to evaluate whether risks have been appropriately managed and decide on our priorities in risk management, based on the Company's risk appetite, and in particular how much risks the Company is willing to take for the achievement of its strategy and business objectives, the availability of resources for risk mitigation, and the effectiveness of current internal control system.

In this reporting period, five risk areas had been selected by senior management and confirmed by the Board to form the top of the Company's 2017 risk management agenda, aiming to reduce the risk exposures to an acceptably low level. In order to better facilitate the managing these risks as well as risks in future periods with good organisation, coordination and collaborations across all departments involved, the Company established a risk management working group with five members, chaired by the Chief Executive Officer. Action plans for the mitigation of the five risk areas had then been formulated, approved, and carried out after rounds of discussions and evaluations. The five risk areas were addressed through the design and implementation of new policies and procedures, and in particular the establishment and refinement of internal controls.

The Company's internal control system is based on Internal Control — Integrated Framework of the Committee of Sponsoring Organisations of the Treadway Commission, and has five components, namely Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. The system intends to facilitate the design and functioning of good control practices and reduce the likelihood and impact of risks to an acceptably low level, in order for us to achieve our objectives in operations, reporting, and compliance.

根據我們建立的全面風險評估方法，本公司從業務流程出發，進行風險識別。各個業務流程中的主要負責人被選作受訪者，識別流程中的風險，並匯總形成最終風險清單。風險清單中的各風險按發生的可能性及影響的程度評價，並列入目前降低該等風險所採用的內部監控。風險評估結果向高級管理層及董事會彙報，以根據公司的風險偏好，尤其公司願意為其戰略和經營目標的實現承擔多少風險，降低風險的資源利用和現行內部控制系統的有效性等因素來評估風險是否被適當管理和決定風險管理的優先次序。

在本報告期內，五個風險區域已由高級管理層選定並由董事會確認形成公司的2017風險管理的首要議題，旨在降低風險到可接受的較低水準。為了更好地促進這些風險的管理及未來一個時期應對風險時各部門具有良好的組織、協調和合作，本公司建立了五名成員的風險管理工作組，由首席執行官主持。降低該五個風險區域的行動方案經過多番討論和評估，最終制定、批准並予以實施。五個風險區域通過新政策和程序的設計和實施予以解決，特別是內部控制的建立和完善。

本公司的內部監控系統是基於特雷德韋委員會贊助組織委員會的內部監控整合框架，包括監控環境、風險評估、監控活動、資訊及溝通和監督活動五個部分。該系統旨在推動良好監控實踐的設計及實施，降低風險發生的可能性，並將風險影響降低到可接受水準，以便實現我們的營運、申報及合規目標。

# Corporate Governance Report

## 企業管治報告

Any material internal control defects identified are timely communicated and carefully evaluated for their potential impacts. The departments or functions who are owners of these controls, are required to propose corrective measures and obtain approval from management before implementation. The implementation statuses are monitored by both management and the internal audit function to ensure these control defects are properly resolved in a timely manner. The Company has also established policies and procedures for the handling and dissemination of inside information. The information to be disclosed should be properly reviewed and approved by our compliance functions and management to ensure its appropriateness and accuracy, and is closely monitored after disclosure.

In 2018, the Company plans to use its best endeavour to continuously refine our risk management and internal control systems whenever necessary, which would include the establishment of a more systematical risk response process, improvements to be made in control design and execution in high risk areas identified through our annual risk assessment, and a mechanism to monitor the resolution of control deficiencies, to mention but a few.

### Internal Audit Function

The Company's internal audit department plays a major role in the monitoring of the Company's internal governance processes, i.e., to provide independent assurance that the Company's risk management, governance and internal control processes are operating effectively. The major tasks of the department include providing assurance on the effectiveness of the Company's governance, risk management and internal controls in areas of operations, safeguarding of assets, reporting, and compliance, and conducting risk-based audits of all branches and subsidiaries of the Company on a regular basis with recommended action plans to audit findings. The department also provides consulting services in risk management and internal control related issues within the Company.

The Company's internal audit department conducted annual independent full scope risk assessment update and internal audit for selected areas, and reported to the management and the Board.

我們及時就所識別的重大內部監控瑕疵進行溝通，並審慎評價潛在影響。身為監控責任人的部門須提出糾正措施，並於實施前獲得管理層批准。管理層及內部審核部門監察實施情況，確保及時妥善解決監控瑕疵。本公司亦制定處理及傳播內幕消息的政策及程序。將予披露的資料由合規部及管理層妥為審閱及批准，確保合適準確，並於披露後密切監察。

2018年，本公司打算於有需要時盡全力不斷優化內部監控系統，包括通過我們的年度風險評估，建立一套更系統化的風險應變程序，改善控制系統設計和高風險領域中的執行，以及建立監控控制缺陷解決方案的機制。

### 內部審計職能

本公司內部審計部在監察本公司內部管治流程方面舉足輕重，為本公司的風險管理、治理和內部監控流程有效運行提供獨立性保證。該部門的主要任務包括對本公司在營運、資產保護、申報及合規領域的管治、風險管理及內部監控有效提供保證，並定期對本公司分公司及附屬公司開展風險導向的審計，並就審計結果建議應採取的措施。該部門亦就本公司風險管理及內部監控事宜提供諮詢服務。

本公司內部審核部開展年度獨立性全面風險評估更新，針對選定的領域進行內部審計，並向管理層和董事會彙報。

# Corporate Governance Report

## 企業管治報告

### Review of the Effectiveness and Adequacy of Our Systems

The Company prepare and submit reports to the Board in related to risk and control at least annually, detailing how risks have been managed and internal controls been designed and implemented in accordance with the established risk and control frameworks, to keep our overall risk exposures within risk appetite and achieve our business objectives. The Board reviews the reasonableness of these reports and representations from management and makes sufficient enquiries whenever they feel necessary, before reaching their conclusions.

During the Review Period, the Board has conducted a review of the effectiveness of the Company's risk management and internal control systems with the application of the above review process, and considered our risk management and internal control systems effective and adequate in both design and operations.

### EXTERNAL AUDITORS AND AUDITOR'S REMUNERATION

The statement by the external auditor of the Company regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the section headed "Independent Auditor's Report" of this annual report.

For the year ended 31 December 2017, the total remuneration paid or payable to the Company's external auditors, PricewaterhouseCoopers ("PwC"), for audit and other services totaled RMB4,783,000.

An analysis of the remuneration paid or payable to PwC is set out below:

### 審核系統是否有效及充足

本公司至少每年就風險控制事宜編制報告並遞交予董事會，詳述如何按照已建立的風險和控制框架管理風險和設計實施內部控制，以保持我們的全部風險敞口在風險偏好中，並實現我們的業務目標。董事會審閱這些管理層報告及聲明是否合理，並於得出結論前在必要時進行充分詢問。

回顧期內，董事會應用上述審核流程審核本公司風險管理及內部監控系統是否有效後認為我們風險管理及內部監控系統的設計及實施方面有效且充分。

### 外聘核數師及其酬金

本公司外部核數師關於本公司合併財務報表申報責任的聲明載於本年報「獨立核數師報告」一節。

本年度截至2017年12月31日，本公司就審核及相關服務已付或應付給外聘核數師羅兵咸永道會計師事務所（「羅兵咸永道」）的酬金總額為人民幣4,783,000元。

已付或應付給羅兵咸永道的酬金分析如下：

		Year ended 31 December 截至12月31日止年度 2017 2017年 RMB'000 人民幣千元
Auditors' remunerations	核數師費用	
— Audit Service	— 審計服務	
— The Company	— 本公司	3,600
— Subsidiaries	— 附屬公司	600
— Non-audit services	— 非審計服務	583

\* Non-audit services primarily represent tax and advisory services

\* 非審計服務主要指稅務及顧問服務

# Corporate Governance Report

## 企業管治報告

### JOINT COMPANY SECRETARIES

Ms. Yang Lin (“**Ms. Lin**”), one of the joint company secretaries of the Company, is responsible for advising the Board on corporate governance matters and ensuring that the Board policy and procedures, and the applicable laws, rules and regulations are followed.

In order to uphold good corporate governance and ensure compliance with the Listing Rules and applicable Hong Kong laws, the Company also engages Ms. Lai Siu Kuen (“**Ms. Lai**”), associate director of TMF Hong Kong Limited (a company secretarial service provider), as another joint company secretary to assist Ms. Lin to discharge her duties as company secretary of the Company. The primary corporate contact person at the Company is Ms. Lin, one of the joint company secretaries of the Company.

During the Review Period, Ms. Lin and Ms. Lai have undertaken not less than 15 hours of relevant professional training respectively in compliance with Rule 3.29 of the Listing Rules.

### COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group’s business, performance and strategies. The Company also recognizes the importance of timely and non-selective disclosure of information, which will enable shareholders and investors to make the informed investment decisions.

The AGM provides opportunity for Shareholders to communicate directly with the Directors. The chairman of the Board and the chairmen of the Board Committees of the Company will attend the AGMs to answer Shareholders’ questions. The external auditor of the Company will also attend the AGMs to answer questions about the conduct of the audit, the preparation and contents of the auditor’s report, the accounting policies and auditor independence.

To promote effective communication, the Company adopts a shareholders’ communication policy which aims at establishing a two-way relationship and communication between the Company and its Shareholders and maintains a website at <http://www.aagenergy.com/>, where up-to-date information on the Company’s business operations and developments, financial information, corporate governance practices and other information are available for public access.

### 聯席公司秘書

林揚女士(「**林女士**」)為本公司的聯席公司秘書之一，負責就企業管治事宜向董事會提出建議，並確保遵從董事會政策與程序以及相關法律、規則及法規。

為維持良好的企業管治並確保遵守上市規則及相關香港法例，本公司還聘用了達盟香港有限公司(公司秘書服務提供者)副董事黎少娟女士(「**黎女士**」)為另一名聯席公司秘書，協助林女士履行作為本公司秘書的職責。本公司主要聯絡人為本公司其中一名聯席公司秘書林女士。

在回顧期內，根據上市規則第3.29條，林女士及黎女士分別接受了不少於15小時的相關專業培訓。

### 與股東的溝通及投資者關係

本公司認為，與股東的有效溝通對加強投資者關係和讓投資者瞭解本集團業務、表現及策略至關重要。本公司也深知，及時且非選擇性的資訊披露對於股東和投資者能夠作出知情投資決定的重要性。

本公司股東週年大會為股東提供了與董事直接溝通的機會。本公司董事會主席及董事委員會主席會出席股東週年大會，並回答股東的提問。本公司的外聘核數師也會出席股東週年大會以解答有關審計工作、核數師報告及其內容、會計政策及核數師獨立性等方面的提問。

為加強有效溝通，本公司採用了旨在建立本公司與股東之間雙向關係及溝通的股東通訊政策，並開設了網站<http://www.aagenergy.com/>用於刊載本公司業務營運和發展、財務資料、企業管治常規情況及其他資料等最新資訊以供公眾人士查閱。

# Corporate Governance Report

## 企業管治報告

### SHAREHOLDERS' RIGHTS

#### Convening of Extraordinary General Meetings ("EGM") by Shareholders

Pursuant to the Articles, the Board may, whenever it thinks fit, convene an EGM. An EGM shall also be convened on the requisition of one or more shareholders of the Company holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the joint company secretaries of the Company for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition. The Directors shall within two (2) months after the deposit of such requisition proceed duly to convene such meeting. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

#### Enquiries to the Board and contact details

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Unit 2109-10, 21st Floor  
China Merchants Tower  
Shun Tak Centre  
No. 168-200 Connaught Road Central  
Hong Kong  
(For the attention of the Board of Directors)

Email: [george.massey@aagenergy.com](mailto:george.massey@aagenergy.com)

### CHANGE IN CONSTITUTIONAL DOCUMENTS

An amended and restated memorandum and articles of association of the Company was adopted by the Company on 5 June 2015 and was effective on the Listing Date. The Company has not made any significant changes to its constitutional documents during the year ended 31 December 2017.

### 股東權利

#### 股東召開股東特別大會(「股東特別大會」)

根據細則，董事會可在其認為適當時召開股東特別大會。在遞呈申請當日持有不少於可在股東大會投票的本公司已繳股本十分之一的一名或以上本公司股東，也有權向董事會或本公司的聯席公司秘書提出書面申請，要求董事會召開股東特別大會，以處理上述要求中列明的任何事項。董事須在提交有關要求後兩(2)個月內召開有關大會。如果董事會未能在提交有關要求後的21日內召開有關大會，則申請人可自行以相同形式召開會議，而因董事會未能召開會議導致申請人產生的一切合理開支，須由本公司償付給申請人。

#### 向董事會提出查詢及聯絡資訊

股東可將其向董事會提出的任何查詢以書面形式發送至本公司。口頭或匿名查詢本公司一般不予處理。股東可發送上述查詢或要求至以下地址：

地址：香港  
干諾道中168-200號  
信德中心  
招商局大廈  
21樓2109-10室  
(送交董事會)

郵箱：[george.massey@aagenergy.com](mailto:george.massey@aagenergy.com)

### 章程文件的變更

本公司於2015年6月5日採用經修訂和重列的本公司組織章程大綱及細則，自上市日期起生效。截至2017年12月31日止年度，本公司章程文件並無任何重大變更。

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
**AAG ENERGY HOLDINGS LIMITED**  
(incorporated in the Cayman Islands with limited liability)

獨立核數師報告  
致亞美能源控股有限公司股東  
(於開曼群島註冊成立的有限公司)

### OPINION

#### What we have audited

The consolidated financial statements of AAG Energy Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**") set out on pages 101 to 177, which comprise:

- the consolidated balance sheet as at 31 December 2017;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

### 意見

#### 我們已審計的內容

亞美能源控股有限公司(以下簡稱「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)列載於第101至177頁的合併財務報表,包括:

- 於2017年12月31日的合併資產負債表;
- 截至該日止年度的合併綜合收益表;
- 截至該日止年度的合併權益變動表;
- 截至該日止年度的合併現金流量表;及
- 合併財務報表附註,包括主要會計政策概要。

### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 我們的意見

我們認為,該等合併財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2017年12月31日的合併財務狀況以及其截至該日止年度的合併財務表現及合併現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

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Tel: +852 2289 8888 Fax: +852 2810 9888, www.pwchk.com

羅兵咸永道會計師事務所, 香港中環太子大廈廿二樓  
電話: +852 2289 8888 傳真: +852 2810 9888 · www.pwchk.com

# Independent Auditor's Report

## 獨立核數師報告



INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
**AAG ENERGY HOLDINGS LIMITED** (Continued)  
*(incorporated in the Cayman Islands with limited liability)*

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

### Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

羅兵咸永道

獨立核數師報告  
致亞美能源控股有限公司股東(續)  
*(於開曼群島註冊成立的有限公司)*

### 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### 獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
**AAG ENERGY HOLDINGS LIMITED** (Continued)  
(incorporated in the Cayman Islands with limited liability)

獨立核數師報告  
致亞美能源控股有限公司股東(續)  
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### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter identified in our audit is related to:

- Share-based compensation

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項關於：

- 以股份為基礎的報酬

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p><b>Share-based compensation</b> 以股份為基礎的報酬</p> <p>Refer to note 20 to the consolidated financial statements. 請參閱合併財務報表附註20。</p> <p>The Company has adopted and operated Pre-IPO Share Option Scheme and Post-IPO Restricted Share Unit Scheme (collectively the “Schemes”) to reward its employees, which are accounted for in accordance with HKFRS 2 “Share-Based Payments”. Share-based compensation expenses totalling RMB20.5 million (2016: RMB48.3 million) for the year ended 31 December 2017 comprise net expenses from the Pre-IPO Share Option Scheme of RMB0.3 million (2016: RMB31.0 million) and expenses from the Post-IPO Restricted Share Unit Scheme amounting to RMB20.2 million (2016: RMB17.3 million) which were recognised in the consolidated statement of comprehensive income. 貴公司已採納並執行首次公開發售前購股權計劃和首次公開發售後受限制股份單位計劃(合併統稱為「計劃」)以激勵員工，並遵循香港財務報告準則第2號「以股份為基礎的支付」。截至2017年12月31日止年度，以股份為基礎的報酬費用總額為人民幣20.5百萬元(2016年：人民幣48.3百萬元)，其中包括首次公開發售前購股權計劃之淨費用人民幣0.3百萬元(2016年：人民幣31.0百萬元)和首次公開發售後受限制股份單位計劃之費用約人民幣20.2百萬元(2016年：人民幣17.3百萬元)，並於合併綜合收益表中確認。</p>	<p>In addressing this matter, we have performed the following procedures: 在處理關鍵審計事項中，我們執行了以下程序：</p> <ul style="list-style-type: none"><li>• We obtained and examined the terms and conditions of the Schemes and documentation and the schedule of share-based compensation (the “Schedule”) prepared by management.</li><li>• 我們獲取並檢查了計劃的條款和條件以及管理層準備的以股份為基礎的報酬的文件和變動表(「變動表」)。</li><li>• In relation to the awards granted during the year under the Post-IPO Restricted Share Unit Scheme, we assessed the fair value of those awards granted on the grant date to the market price of the Company's shares.</li><li>• 對於本年度授予的在首次公開發售後受限制股份單位計劃下的獎勵，我們以貴公司股票的市场價值對被授予獎勵在授予日的公允價值進行評估。</li></ul>



# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
**AAG ENERGY HOLDINGS LIMITED** (Continued)  
(incorporated in the Cayman Islands with limited liability)

獨立核數師報告  
致亞美能源控股有限公司股東(續)  
(於開曼群島註冊成立的有限公司)

### Key Audit Matter 關鍵審計事項

### How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

#### Share-based compensation 以股份為基礎的報酬

The estimation of share-based compensation expense is based on certain key bases and assumptions, including determination of the fair value of relevant awards granted, the incremental fair value arising from change of terms and the number of awards which are expected to be vested.

以股份為基礎的報酬費用的估計基於多項關鍵基礎與假設，包括相關被授予獎勵的公允價值的釐定，由條款變更引起的公允價值的增加，以及預期將被給予的獎勵數量。

Because of the significance of share-based compensation during the year ended 31 December 2017, together with the use of judgements and assumptions, we had identified this matter as a key audit matter.

由於以股份為基礎的報酬於截至2017年12月31日止年度的重大影響，以及對判斷與假設的使用，我們識別該事項為關鍵審計事項。

- In respect of the share-based compensation charged during the year, we checked the number of awards granted and expected to be vested as shown in the Schedule against the criteria of vesting as set out in the Schemes and underlying supporting documents, including minutes of Board of Directors, human resources records, scheme and the fulfilment of performance conditions.
- 對於本年度確認的以股份為基礎的報酬，我們對在變動表中出現的已被授予及預期將被授予的獎勵數量和相關支持文件，包括董事會議紀要、人力資源記錄、計劃與證明業績條件滿足之文件進行核對。
- We tested the mathematical calculations of share-based compensation expenses during the year.
- 我們測試了本年度以股份為基礎的報酬費用的計算。

Based on our work, no significant exception has been noticed.

基於我們的工作，未發現重大異常。

# Independent Auditor's Report

## 獨立核數師報告



INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
**AAG ENERGY HOLDINGS LIMITED** (Continued)  
(incorporated in the Cayman Islands with limited liability)

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

羅兵咸永道

獨立核數師報告  
致亞美能源控股有限公司股東(續)  
(於開曼群島註冊成立的有限公司)

### 其他資訊

貴公司董事須對其他資訊負責。其他資訊包括年報內的所有資訊，但不包括合併財務報表及我們的核數師報告。

我們對合併財務報表的意見並不涵蓋其他資訊，我們亦不對該等其他資訊發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與合併財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事及審核委員會就合併財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備合併財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務報告過程。

# Independent Auditor's Report

## 獨立核數師報告



INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
**AAG ENERGY HOLDINGS LIMITED** (Continued)  
(incorporated in the Cayman Islands with limited liability)

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

羅兵咸永道

獨立核數師報告  
致亞美能源控股有限公司股東(續)  
(於開曼群島註冊成立的有限公司)

### 核數師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程式，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

# Independent Auditor's Report

## 獨立核數師報告



INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
**AAG ENERGY HOLDINGS LIMITED** (Continued)  
(incorporated in the Cayman Islands with limited liability)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

羅兵咸永道

獨立核數師報告  
致亞美能源控股有限公司股東(續)  
(於開曼群島註冊成立的有限公司)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
**AAG ENERGY HOLDINGS LIMITED** (Continued)  
*(incorporated in the Cayman Islands with limited liability)*

獨立核數師報告  
致亞美能源控股有限公司股東(續)  
*(於開曼群島註冊成立的有限公司)*

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

從與審核委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

The engagement partner on the audit resulting in this independent auditor's report is:

出具本獨立核數師報告的審計項目合夥人是：

LEONG Kin Bong

梁建邦

**PricewaterhouseCoopers**  
*Certified Public Accountants*

羅兵咸永道會計師事務所  
執業會計師

Hong Kong, 23 March 2018

香港，2018年3月23日

# Consolidated Balance Sheet

## 合併資產負債表

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
	Note 附註		
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	不動產、工廠及設備	6	3,504,437
Land use rights	土地使用權	7	11,982
Intangible assets	無形資產	8	39,832
Other non-current assets	其他非流動資產		1,434
			<b>3,557,685</b>
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨		2,444
Trade and other receivables	應收賬款及其他應收款	9	297,927
Current income tax prepaid	預付當期所得稅		-
Restricted bank deposits	受限制銀行存款	11	37,663
Cash and cash equivalents	現金及現金等價物	11	2,236,970
			<b>2,575,004</b>
<b>Total assets</b>	<b>總資產</b>		<b>6,132,689</b>
<b>EQUITY</b>	<b>權益</b>		
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司所有者的權益</b>		
Share capital	股本	12	2,041
Capital surplus	資本盈餘	13	4,769,340
Retained earnings/(Accumulated deficits)	留存收益/(累計虧損)		178,964
<b>Total equity</b>	<b>總權益</b>		<b>4,950,345</b>

# Consolidated Balance Sheet

## 合併資產負債表

		As at 31 December	
		於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note		
	附註		
<b>LIABILITIES</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Asset retirement obligations	資產棄置義務	14	13,176
Borrowings	借款	15	496,376
Deferred income tax liabilities	遞延所得稅負債	16	148,213
		<b>760,282</b>	657,765
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and other payables	應付賬款及其他應付款	17	443,775
Current income tax liabilities	當期所得稅負債		–
		<b>422,062</b>	443,775
<b>Total liabilities</b>	<b>總負債</b>	<b>1,182,344</b>	1,101,540
<b>Total equity and liabilities</b>	<b>總權益及負債</b>	<b>6,132,689</b>	5,938,474

The notes on pages 106 to 177 are an integral part of these consolidated financial statements.

第106頁至177頁的附註是本合併財務報表的整體部分。

The financial statements on pages 101 to 177 were approved by the Board of Directors on March 23 2018 and were signed on its behalf.

第101頁至177頁的財務報表由董事會於2018年3月23日批准，並由其代表簽署。

Executive Director  
Stephen Xiangdong Zou

執行董事  
鄒向東

# Consolidated Statement of Comprehensive Income

## 合併綜合收益表

		Year ended 31 December		
		截至12月31日止年度		
		2017	2016	
		2017年	2016年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note			
	附註			
Revenue	收入	18	541,598	411,278
Other income	其他收入	19	193,913	149,276
Other losses, net	其他損失 — 淨額		(83)	(913)
<b>Operating expenses</b>	<b>經營開支</b>			
Depreciation and amortisation	折舊及攤銷		(110,419)	(74,613)
Employee benefit expenses	僱員福利開支	20	(142,130)	(164,142)
Materials, services and logistics	材料、服務及物流		(134,686)	(100,203)
Others	其他		(26,071)	(23,543)
<b>Total operating expenses</b>	<b>經營開支總額</b>		<b>(413,306)</b>	<b>(362,501)</b>
<b>Profit from operations</b>	<b>經營利潤</b>		<b>322,122</b>	<b>197,140</b>
Interest income	利息收入	21	6,306	10,699
Finance costs	財務費用	21	(12,977)	(18,578)
Exchange losses	匯兌損失	21	(4,510)	(10,281)
<b>Finance costs, net</b>	<b>財務費用 — 淨額</b>		<b>(11,181)</b>	<b>(18,160)</b>
<b>Profit before income tax</b>	<b>除所得稅前利潤</b>	22	<b>310,941</b>	<b>178,980</b>
Income tax expense	所得稅費用	23	(127,743)	(72,345)
<b>Profit attributable to owners of the Company for the year</b>	<b>歸屬於本公司所有者的年度利潤</b>		<b>183,198</b>	<b>106,635</b>
<b>Other comprehensive income:</b>	<b>其他綜合收益：</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>其後可能重新分類至損益的項目</i>			
Currency translation differences	外幣折算差額		(90,363)	90,613
<b>Total comprehensive income attributable to owners of the Company for the year</b>	<b>歸屬於本公司所有者的年度綜合收益總額</b>		<b>92,835</b>	<b>197,248</b>
<b>Earnings per share (RMB)</b>	<b>每股收益(人民幣元)</b>			
— Basic	— 基本	24	0.055	0.032
— Diluted	— 稀釋	24	0.055	0.032

The notes on pages 106 to 177 are an integral part of these consolidated financial statements.

第106頁至177頁的附註是本合併財務報表的整體部分。



# Consolidated Statement of Change in Equity

## 合併權益變動表

		Attributable to owners of the Company 歸屬於本公司的所有者 (Accumulated deficits)/ Retained earnings (累計虧損)/ 留存收益				Total equity 總權益
	Note 附註	Share capital 股本 RMB'000 人民幣千元	Capital surplus 資本盈餘 RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
<b>As at 1 January 2016</b>	於 2016 年 1 月 1 日	2,034	4,700,281	(110,869)	4,591,446	
<b>Comprehensive income</b>	綜合收益					
Profit for the year	年度利潤	–	–	106,635	106,635	
Currency translation differences	外幣折算差額	–	90,613	–	90,613	
<b>Total comprehensive income</b>	綜合收益總額	–	90,613	106,635	197,248	
<b>Transactions with owners</b>	與所有者的交易					
Share-based compensation	以股份為基礎的報酬	20(b)	48,240	–	48,240	
<b>Total transactions with owners</b>	與所有者的交易總額	–	48,240	–	48,240	
<b>As at 31 December 2016</b>	於 2016 年 12 月 31 日	2,034	4,839,134	(4,234)	4,836,934	
<b>As at 1 January 2017</b>	於 2017 年 1 月 1 日	2,034	4,839,134	(4,234)	4,836,934	
<b>Comprehensive income</b>	綜合收益					
Profit for the year	年度利潤	–	–	183,198	183,198	
Currency translation differences	外幣折算差額	–	(90,363)	–	(90,363)	
<b>Total comprehensive income</b>	綜合收益總額	–	(90,363)	183,198	92,835	
<b>Transactions with owners</b>	與所有者的交易					
Share-based compensation	以股份為基礎的報酬	20(b)	20,515	–	20,515	
Vesting of RSUs	歸屬受限制股份單位	12	(7)	–	–	
Exercise of options	行使購股權	12	61	–	61	
<b>Total transactions with owners</b>	與所有者的交易總額	7	20,569	–	20,576	
<b>As at 31 December 2017</b>	於 2017 年 12 月 31 日	2,041	4,769,340	178,964	4,950,345	

The notes on pages 106 to 177 are an integral part of these consolidated financial statements.

第 106 頁至 177 頁的附註是本合併財務報表的整體部分。

# Consolidated Statement of Cash Flows

## 合併現金流量表

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
	Note 附註		
<b>Cash flows from operating activities</b>	<b>經營活動現金流量</b>		
Cash generated from operations	26	487,398	289,040
Interest paid		(32,883)	(26,338)
Income tax paid		(16,214)	(5,284)
Net cash generated from operating activities		438,301	257,418
<b>Cash flows from investing activities</b>	<b>投資活動現金流量</b>		
Purchase of property, plant and equipment and intangible assets		(456,318)	(570,062)
Decrease in term deposits with initial terms of over three months		–	246,000
Increase in restricted bank deposits		(6,080)	(23,550)
Proceeds from disposal of property, plant and equipment		391	343
Interest received		6,451	9,527
Net cash used in investing activities		(455,556)	(337,742)
<b>Cash flows from financing activities</b>	<b>融資活動現金流量</b>		
Proceeds from exercise of options		61	–
Proceeds from bank borrowings		39,687	40,438
Cash paid for listing expenses		–	(7,700)
Finance costs paid		(13,356)	(19,864)
Net cash generated from financing activities		26,392	12,874
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>	<b>9,137</b>	<b>(67,450)</b>
Cash and cash equivalents at beginning of the year	11	2,343,764	2,309,810
Exchange (losses)/gains on cash and cash equivalents		(115,931)	101,404
<b>Cash and cash equivalents at end of the year</b>	<b>年末現金及現金等價物</b>	<b>2,236,970</b>	<b>2,343,764</b>

The notes on pages 106 to 177 are an integral part of these consolidated financial statements.

第106頁至177頁的附註是本合併財務報表的整體部分。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 1. GENERAL INFORMATION

AAG Energy Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) are principally engaged in exploration, development and production of coalbed methane (“**CBM**”) in the People’s Republic of China (the “**PRC**”). The Company is an exempted company incorporated in the Cayman Islands with limited liability on 23 December 2014. The address of the Company’s registered office is P.O.Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Group conducts its business through two production sharing contracts (“**PSC**”) entered into with China United Coalbed Methane Corporation Ltd. (“**CUCBM**”) and PetroChina Company Limited (“**PetroChina**”) for the Panzhuang and Mabi concessions respectively in Shanxi Province of the PRC.

The Overall Development Plan (“**ODP**”) of the Panzhuang concession was approved by the National Development and Reform Commission of the PRC on 28 November 2011, which allowed the Panzhuang concession to enter into the commercial development phase. On 1 November 2016, Panzhuang concession entered into production phase after the Joint Management Committee (“**JMC**”) approved and announced based on the terms of Panzhuang PSC. Asian American Gas Inc. (“**AAGI**”) and PetroChina entered into exploration phase sales contract with effect from 1 July 2017. As at 31 December 2017, Mabi concession was still in exploration phase.

The Company’s initial public offering (“**IPO**”) of its shares on the Main Board of the Stock Exchange of Hong Kong Limited was completed on 23 June 2015.

### 1. 一般資料

亞美能源控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要在中華人民共和國(「中國」)從事煤層氣(「CBM」)的勘探、開發及生產。本公司於2014年12月23日在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands。

本集團通過與中聯煤層氣有限責任公司(「CUCBM」)及中國石油天然氣股份有限公司(「中石油」)分別就中國山西省潘莊和馬必區塊訂立的兩份產品分成合同(「產品分成合同」)開展業務。

潘莊區塊的總體開發方案(「ODP」)於2011年11月28日獲中國國家發展和改革委員會批准，允許潘莊區塊進入商業開發階段。於2016年11月1日，潘莊區塊在獲聯合管理委員會(「聯合管理委員會」)基於潘莊產品分成合同條款的批准和宣告之後，進入生產階段。亞美大陸煤層氣有限公司(「亞美大陸煤層氣」)與中石油訂立勘探階段銷售合同，自2017年7月1日起生效。於2017年12月31日，馬必區塊仍處於勘探階段。

本公司於2015年6月23日在香港聯合交易所有限公司主板完成首次公開發售(「首次公開發售」)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRS**”) and requirements of the Hong Kong Companies ordinance Cap.622. The consolidated financial statements have been prepared under the historical cost convention.

The consolidated financial statements are presented in Renminbi (“**RMB**”) unless otherwise stated.

The preparation of the financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

### 2. 重要會計政策摘要

編製本合併財務報表採用的主要會計政策載於下文，除另有說明外，此等政策在所列報的所有年度內貫徹使用。

#### 2.1 編製基準

本集團的合併財務報表已根據所有適用香港財務報告準則（「香港財務報告準則」）及《香港公司條例》第622章的規定編製。合併財務報表根據歷史成本法編製。

除另有說明外，合併財務報表以人民幣（「人民幣」）列報。

編製符合香港財務報告準則的財務報表需要使用若干關鍵會計估計。亦需要管理層在應用本集團的會計政策過程中行使其判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對合併財務報表作出重大假設和估計的範疇，在附註4中披露。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### Changes in accounting policy and disclosures

###### (a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2017:

- *Recognition of Deferred Tax Assets for Unrealised Losses — Amendments to HKAS 12;* and
- *Disclosure initiative — amendments to HKAS 7.*

The amendments to HKAS 7 require disclosure of changes in liabilities arising from financing activities (Note 26).

###### (b) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2017 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

###### (i) HKFRS 9 Financial instruments

##### Nature of change

HKFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基準(續)

##### 會計政策及披露變動

###### (a) 本集團已採納新訂及已修訂準則

本集團於2017年1月1日開始的年度報告期間首次採用以下準則及修訂：

- 就未實現虧損確認遞延稅項資產 — 香港會計準則第12號(修訂)；及
- 披露計劃 — 香港會計準則第7號(修訂)。

香港會計準則第7號(修訂)須披露融資活動所產生負債的變動(附註26)。

###### (b) 尚未採納的新準則及解釋

多項新會計準則及解釋已頒佈，惟毋須於2017年12月31日的報告期間強制應用，而本集團亦無提早採納。本集團對此等新準則及解釋所構成影響的評估如下。

###### (i) 香港財務報告準則第9號金融工具

##### 變動的概述

香港財務報告準則第9號針對金融資產和金融負債的分類、計量和終止確認，並引入有關套期會計處理的新規則及金融資產的新減值模式。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### Changes in accounting policy and disclosures (Continued)

(b) *New standards and interpretations not yet adopted*  
(Continued)

(i) HKFRS 9 Financial instruments (Continued)

##### Impact

HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial assets. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. The Group does not expect the new guidance to have an impact on the classification and measurement of its financial assets since the Group does not have any debt instruments and equity investments.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from HKAS 39 Financial Instruments: Recognition and Measurement and have not been changed.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基準(續)

##### 會計政策及披露變動(續)

(b) *尚未採納的新準則及解釋*  
(續)

(i) 香港財務報告準則第9號金融工具(續)

##### 影響

香港財務報告準則第9號保留但簡化了金融資產的混合計量模型，並確定三個主要的計量類別：按攤銷成本、按公允價值計量且其變動計入其他綜合收益(「FVOCI」)及按公允價值計量且其變動計入損益計量。此分類基準視乎實體的經營模式及金融資產的合同現金流量特點而定。權益工具中的投資需要按公允價值計量且其變動計入損益，而由初始不可撤銷選項在其他綜合收益計量的公允價值變動不循環入賬。由於本集團並無任何債務工具及權益投資，本集團預期新指引不會對其金融資產的分類及計量構成影響。

由於新規定僅影響指定按公允價值計量且其變動計入損益的金融負債的會計處理，而本集團並無任何該等負債，故本集團金融負債的會計處理將不受影響。終止確認規則引自香港會計準則第39號金融工具：確認及計量，並無任何更改。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### Changes in accounting policy and disclosures (Continued)

(b) *New standards and interpretations not yet adopted*  
(Continued)

(i) HKFRS 9 Financial instruments (Continued)

##### Impact (Continued)

The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under HKFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts. The Group has assessed the new impairment model and is expecting no significant impact.

##### Date of adoption by Group

The Group will adopt the new standard on 1 January 2018.

(ii) HKFRS 15 Revenue from contracts with customers

##### Nature of change

The HKICPA has issued a new standard for the recognition of revenue. This will replace HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts and the related literature.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

The standard permits either a full retrospective or a modified retrospective approach for the adoption.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基準(續)

##### 會計政策及披露變動(續)

(b) *尚未採納的新準則及解釋*  
(續)

(i) 香港財務報告準則第9號金融工具(續)

##### 影響(續)

新減值模型規定按預期信用損失(而非香港會計準則第39號項下僅按已發生信用損失)確認減值撥備,適用於按攤銷成本計量的金融資產、按FVOCI計量的債務工具、香港財務報告準則第15號「與客戶之間的合同產生的收入」項下合同資產、應收租賃款項、貸款承擔及若干財務擔保合同。本集團已評估新減值模型,預期不會帶來重大影響。

##### 本集團採納日期

本集團將於2018年1月1日採納新準則。

(ii) 香港財務報告準則第15號與客戶之間的合同產生的收入

##### 變動的概述

香港會計師公會已頒佈收入確認的新準則。該準則將取代香港會計準則第18號(涵蓋商品及服務合同)及香港會計準則第11號(涵蓋建造合同及相關文獻)。

新準則的原則為於商品或服務的控制權轉移至客戶時確認收入。

該準則容許以全面追溯方式或經修改追溯方式採納。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### Changes in accounting policy and disclosures (Continued)

(b) *New standards and interpretations not yet adopted*  
(Continued)

(ii) HKFRS 15 Revenue from contracts with customers (Continued)

##### Impact

Management has assessed the effects of applying the new standard on the Group's financial statements and has identified no significant impact.

##### Date of adoption by group

The Group will adopt the new standard on 1 January 2018.

(iii) HKFRS 16 Leases

##### Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not change significantly.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基準(續)

##### 會計政策及披露變動(續)

(b) *尚未採納的新準則及解釋*  
(續)

(ii) 香港財務報告準則第15號與客戶之間的合同產生的收入(續)

##### 影響

管理層已評估應用新準則對本集團財務報表的影響，概無發現任何重大影響。

##### 本集團採納日期

本集團將於2018年1月1日採納新準則。

(iii) 香港財務報告準則第16號租賃

##### 變動的概述

於2016年1月頒佈的香港財務報告準則第16號將導致幾乎所有租賃於資產負債表內確認，原因為已刪除經營租賃與融資租賃的區分。根據新準則，資產(即租賃資產的使用權)與支付租金的金融負債予以確認。豁免僅適用於短期及低價值租賃。

有關出租人的會計處理並無重大改變。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### Changes in accounting policy and disclosures (Continued)

(b) *New standards and interpretations not yet adopted*  
(Continued)

(iii) HKFRS 16 Leases (Continued)

##### Impact

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of RMB7,552,000. The Group estimates that approximately 0.32% of these relate to payments for short-term and low value leases which will be recognised on a straight-line basis as an expense in profit or loss.

However, the Group has not yet assessed what other adjustments, if any, are necessary for example because of the change in the definition of the lease term and the different treatment of variable lease payments and of extension and termination options. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the Group's profit or loss and classification of cash flows going forward.

Mandatory application date/Date of adoption by Group

Mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基準(續)

##### 會計政策及披露變動(續)

(b) *尚未採納的新準則及解釋*  
(續)

(iii) 香港財務報告準則第16號租賃(續)

##### 影響

該準則將主要影響本集團經營租賃的會計處理。於報告日期，本集團有不可撤銷經營租賃承諾人民幣7,552,000元。本集團估計其中約0.32%與短期及低價值租賃款項有關，有關款項將按直線法在損益中確認為費用。

然而，本集團尚未評估是否需要基於租賃期定義的變動以及對可變租賃付款，展期權及終止權的不同處理方法等理由作出調整(如有)。因此，尚未能估計採納新準則時須予確認的使用權資產及租賃負債金額，以及其將如何影響本集團未來的損益及現金流量分類。

強制應用日期/本集團採納日期

於2019年1月1日或之後開始的財政年度強制生效。本集團現階段不擬於生效日期之前採納該準則。本集團擬採用簡化的過度方式，且不會在首次採納時重述比較數字。

概無其他尚未生效但預期將於當前或未來報告期間對實體以及可見將來交易造成重大影響的準則。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 Subsidiaries

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

#### 2.3 Production Sharing Contract

The Group's exploration, development and production activities are primarily conducted through PSCs which establish joint control over the exploration, development and production activities. Each participant is entitled to a predetermined share of the related output and bears an agreed share of the costs.

The consolidated financial statements reflects:

- (i) The Group's assets used in joint operations;
- (ii) Any liabilities that the Group has incurred;
- (iii) Any income from the sale or use the Group's share of the output of the production, together with its share of any expenses incurred in the production; and
- (iv) Any expenses that the Group has incurred in respect of its interest in the production.

### 2. 重要會計政策摘要(續)

#### 2.2 附屬公司

附屬公司是指本集團對其有控制權的實體(包括結構性實體)。當本集團因參與該實體而接受或享有可變回報的權益，並有能力通過其權力指揮實體活動而影響該回報時，則本集團對該實體具有控制權。附屬公司自控制權轉移至本集團之日起合併入賬。子公司在控制權終止之日起停止合併入賬。

集團內部交易，集團公司間交易產生的結餘及未變現收益會相互抵銷。未變現虧損也會抵銷，除非此交易提供了轉移資產減值的證據。於必要時會對附屬公司所呈報金額做出調整以符合本集團的會計政策。

#### 2.3 產品分成合同

本集團的勘探，開發及生產活動主要通過產品分成合同進行，而產品分成合同確立了對勘探，開發及生產活動的共同控制權。各參與者均享有產量的預定份額及承擔協定的成本。

合併財務報表反映了：

- (i) 本集團用於共同業務的資產；
- (ii) 本集團產生的任何負債；
- (iii) 銷售或使用本集團應佔產量產生的任何收入，連同其生產過程中的產生的任何費用；及
- (iv) 本集團就其產品權益產生的任何費用。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Production Sharing Contract (Continued)

The Group's PSCs comprise of three phases: the exploration phase, development phase and production phase. Costs incurred with respect to exploration activities within the PSC contract areas are solely borne by the Group. All costs incurred subsequent to the date of the approval of ODP are treated as development costs and provided by the Group and the PSC partners in the proportion of their respective participating interests. Operating costs incurred for the production operation shall be borne by the Group and the PSC partners in proportion to their share of the output of the CBM productions in each concession.

Pursuant to the Panzhuang and Mabi PSCs, the annual gross production of CBM, after payment of value-added tax ("VAT") and royalties, is allocated into Cost Recovery CBM and Remainder CBM.

#### (a) Cost Recovery CBM

Cost Recovery CBM is the CBM allocated to the Group and the PSC partners for recovery of the operating costs, as well as the exploration costs and development costs. 80% and 70% of annual gross production of CBM is deemed as Cost Recovery CBM under the Panzhuang and Mabi PSC, respectively. Cost Recovery CBM is allocated until all costs incurred by each party have been fully recovered. Cost Recovery CBM is allocated as follows:

- (i) Prior to the production phase, Cost Recovery CBM is firstly applied to recover costs incurred during the exploration phase of the PSC and once such costs have been fully recovered, Cost Recovery CBM is allocated to recover costs incurred during the development phase.

### 2. 重要會計政策摘要(續)

#### 2.3 產品分成合同(續)

本集團的產品分成合同包含三個階段：勘探階段、開發階段及生產階段。就產品分成合同區域的勘探活動所產生成本全部由本集團承擔。總體開發方案獲批日之後所產生全部成本視作開發成本並由本集團及產品分成合同合作夥伴按其各自參與權益比例分擔。生產運營所產生的營運成本應由本集團及產品分成合同合作夥伴按其應佔各區塊煤層氣產量的比例承擔。

根據潘莊和馬必的產品分成合同，煤層氣的年度總產量經扣減增值稅（「增值稅」）及礦區土地使用費後分配至費用回收氣及餘額氣。

#### (a) 費用回收氣

費用回收氣為分配於本集團和產品分成合同合作方以回收經營成本、勘探成本以及開發成本的煤層氣。潘莊及馬必產品分成合同下分別有80%和70%的煤層氣年度總產量被視為費用回收氣。費用回收氣獲分配直至各方產生的全部成本已收回為止。費用回收氣分配如下：

- (i) 生產階段前，費用回收氣首先用於收回產品分成合同勘探階段所產生成本，一旦有關成本全部回收，費用回收氣將分配至開發階段產生的成本。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Production Sharing Contract (Continued)

##### (a) Cost Recovery CBM (Continued)

- (ii) After the PSC enters the production phase, Cost Recovery CBM is allocated according to the following mechanism:

Operating cost recovery: payment in kind for the operating costs actually incurred but not yet recovered by each party.

Exploration and development cost recovery: after operating costs have been fully recovered, the Cost Recovery CBM is allocated to the Group and the PSC partners for the recovery of exploration and development costs. Exploration costs, 100% of which are borne by the Group, are fully recovered before development costs can be recovered. Upon the full recovery of exploration costs, any remaining Cost Recovery CBM is allocated between the Group and the PSC partners for the recovery of development costs according to the respective participating interests in the CBM concessions.

For the purpose of recovery, exploration costs do not include any interest, while development costs include a deemed interest calculated at a fixed compound interest rate of 9% per annum.

##### (b) Remainder CBM

Remainder CBM represents the remainder annual gross CBM production after payment of VAT, royalties and allocation to Cost Recovery CBM.

The Remainder CBM is further divided into allocable remainder CBM and share CBM. The allocable remainder CBM equals to the total remainder CBM multiplied by a factor (X) and the share CBM equals the Remainder CBM minus the allocable remainder CBM. The factor (X) is determined in accordance with a set of successive incremental tiers on the basis of the annual gross CBM production as set out in the PSCs. The allocable remainder CBM is allocated between the Group and the PSC partner according to the respective participating interest in the PSC. Share CBM is allocated 100% to the PSC partner.

### 2. 重要會計政策摘要(續)

#### 2.3 產品分成合同(續)

##### (a) 費用回收氣(續)

- (ii) 產品分成合同進入生產階段之後，費用回收氣根據以下機制分配：

經營成本回收：對實際發生但各方尚未收回的各類經營成本的支付。

勘探及開發成本回收：經營成本全部回收之後，費用回收氣將分配至本集團和產品分成合同合作方，以回收勘探和開發成本。勘探成本（100%由本集團承擔）於開發成本回收之前全部回收。回收全部勘探成本後，任何剩餘的費用回收氣根據本集團和產品分成合同合作夥伴按其應佔各區塊參與權益在兩者之間分配以收回開發成本。

就回收目的而言，勘探成本不包括任何利息，而開發成本包括按9%的固定複合年利率計算的認定利息。

##### (b) 餘額氣

餘額氣為煤層氣總年產量扣除增值稅，礦區土地使用費及費用回收氣分配後的餘額。

餘額氣進一步分為分成氣和留成氣。分成氣等於總剩餘氣乘以一個係數(X)，而留成氣等於餘額氣減分成氣。係數(X)根據產品分成合同所載以煤層氣總年產量為基礎的一系列滑動階梯決定。分成氣根據本集團與產品分成合同合作夥伴各自於產品分成合同的參與權益之間分配。留成氣100%分配於產品分成合同的合作方。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the directors and chief executive of the Company.

#### 2.5 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company is US\$, whereas the functional currency of the production sharing projects in the PRC is RMB. The consolidated financial statements are presented in RMB.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statements of comprehensive income.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the consolidated statements of comprehensive income within "exchange gains/losses".

### 2. 重要會計政策摘要(續)

#### 2.4 分部報告

經營分部的報告方式與向主要營運決策者提供的內部報告方式一致。董事和本公司首席執行官被認定為主要營運決策者，負責分配資源並評估經營分部的業績。

#### 2.5 外幣折算

##### (a) 功能及列報貨幣

本集團各主體的財務報表所列項目均以該主體營運所在主要經濟環境的貨幣(「功能貨幣」)計量。本公司的功能貨幣是美元，而在中國的產品分成合同項目的功能貨幣是人民幣。合併財務報表以人民幣列報。

##### (b) 交易及結餘

外幣交易採用交易日或項目重新計量的估值日的適用匯率換算為功能貨幣。結算此類交易產生的匯兌利得和損失以及按年終匯率換算以外幣計價的貨幣資產及負債產生的匯兌利得和損失在合併綜合收益表確認。

有關現金及現金等價物的匯兌盈虧於合併綜合收益表以「匯兌收益／損失」列報。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.5 Foreign currency translation (Continued)

##### (c) Group companies

The results and financial positions of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in OCI.

#### 2.6 Property, plant and equipment

Property, plant and equipment, other than exploration and evaluation assets and construction in progress, are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the consolidated statements of comprehensive income during the financial period in which they are incurred.

### 2. 重要會計政策摘要(續)

#### 2.5 外幣折算(續)

##### (c) 集團公司

功能貨幣與列報貨幣不同的所有集團實體(當中無惡性通貨膨脹經濟下的貨幣)的業績及財務狀況按以下方式換算為列報貨幣：

- (i) 每份資產負債表中的資產和負債按資產負債表日的收市匯率換算；
- (ii) 每份綜合收益表的收入及費用按平均匯率換算(除非此匯率並非交易日匯率累計影響的合理近似值，在此情況下，收入和費用按交易日期的匯率折算)；及
- (iii) 所有由此產生的貨幣折算差額在其他綜合收益中確認。

#### 2.6 不動產、工廠及設備

不動產、工廠及設備(勘探和評估資產及在建工程除外)均以歷史成本減去累計折舊和減值列示。歷史成本包括直接歸屬於收購項目的所有開支。

後續成本僅會在與項目有關的未來經濟利益很可能流入本集團，而該項目的成本可以被可靠計量時，方會計入資產的賬面價值或確認為一項單獨資產(如適用)。已替換部分的賬面價值予以終止確認。所有其他維修和維護費在產生之財務期間計入合併綜合收益表。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.6 Property, plant and equipment (Continued)

Other than gas properties, depreciation of each asset is calculated using the straight-line method to allocate its cost less its residual value over its estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

	Estimated useful lives 估計可使用年期
Gas gathering station 集氣站	Shorter of remaining PSC period or 20 years 產品分成合同剩餘年限或20年(以較短者為準)
Vehicles 車輛	4-5 years 4-5年
Furniture, fittings and others 傢俱、裝置及其他	3-5 years 3-5年

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

資產的剩餘價值及使用年限於各資產負債表日進行覆核及調整(如適用)。

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.11).

如果資產的賬面價值大於其估計可回收金額，其賬面價值須立即調減至資產的可回收金額(附註2.11)。

Construction in progress represents development costs occurred after the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and the buildings, machinery and equipment for which the construction work has not been completed. It is carried at cost which includes construction expenditures and other direct costs less any impairment losses. Upon completion, the development costs recorded in construction in progress are transferred to gas properties. No depreciation is provided for construction in progress until they are completed and available for use.

在建工程指就開採礦產資源的進行技術可行性及商業可行性之後所產生的開發成本以及建造工程尚未完工的樓宇、機器及設備。在建工程以成本列示，成本包括建造開支及其他直接成本扣除任何減值損失。於完工後，計入在建工程的開發成本轉入天然氣資產。在建工程在完工並投入使用之前不計提折舊。

Spare parts are accounted for as property, plant and equipment when (a) they can be used only in connection with an item of property, plant and equipment; or (b) the Group expects to use them during more than one year. Other spare parts are classified as inventory.

當備件(a)僅用於一項不動產、工廠及設備；或(b)本集團預期該設備的使用年限超過一年時，作為不動產、工廠及設備列示。其他備件分類為存貨。

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised within "other gains" in the consolidated statements of comprehensive income.

處置的收益和損失按所得款項與賬面價值的差額確定，並於合併綜合收益表中的「其他利得」中確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.7 Exploration and evaluation assets

Exploration and evaluation expenditures mainly include acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, sampling and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

During initial stage of a project, exploration and evaluation expenditures are expensed as incurred. Expenditure on a project after it has reached a stage at which there is a high degree of confidence in its viability is capitalised as exploration and evaluation assets. If a project does not prove viable, all irrecoverable expenditures associated with the project are expensed in the consolidated statements of comprehensive income.

Costs of exploratory wells are capitalised and evaluated for economic viability within one year after completion of drilling. The related well costs are expensed as dry holes if it is determined that such economic viability is not attained.

Exploration and evaluation assets are measured at cost less impairment provisions. Exploration and evaluation assets are reclassified to gas properties when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, and also tested for impairment immediately prior to reclassification to gas properties.

### 2. 重要會計政策摘要(續)

#### 2.7 勘探及評估資產

勘探及評估開支主要包括勘探權的購買，地形、地質、地球化學和地球物理研究，勘探鑽井、取樣以及有關評估技術可行性和商業開採礦產資源的可行性的活動的支出。

在項目的最初階段，勘探和評估開支於產生時支銷。項目達到確信可行階段後，其開支作為勘探及評估資產撥充資本。若項目經證實不可行，與該項目有關的所有不可回收開支於合併綜合收益表中列示。

勘探井成本於佔採完成後一年內予以資本化並評價其經濟可行性。如果被證實此經濟可行性無法達成，相關井成本作為乾井支銷。

勘探及評估資產以成本減減值撥備計量。當證實技術上可行和商業開採礦產資源可行後，勘探及評估資產會重分類至天然氣資產。

當事實及實際情況顯示勘探及評估資產的賬面價值可能超過其可回收金額時，將對勘探及評估資產進行減值評估，亦會於重分類至天然氣資產前進行減值測試。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.8 Gas properties

Gas properties include drilling costs, exploration and evaluation costs, development costs and other direct costs attributable to the gas production properties. Gas properties are depreciated based on the unit of production method. Unit of production rates are based on proved and probable gas reserves estimated to be recoverable from whole concessions based on the current terms of the respective PSC.

#### 2.9 Land use rights

Land use rights represent upfront prepayments made for the land use rights and leasehold land and are expensed in the consolidated statements of comprehensive income on a straight-line basis over the periods of the leases or when there is impairment, the impairment is expensed in the consolidated statements of comprehensive income.

#### 2.10 Intangible assets

Intangible assets represent computer software. Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives ranging from 3 to 10 years.

#### 2.11 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independently of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

### 2. 重要會計政策摘要(續)

#### 2.8 天然氣資產

天然氣資產包括鑽井成本，勘探及評估成本，開發成本和其他歸屬於天然氣生產資產的直接成本。天然氣資產基於單位生產法計提折舊。單位生產法下的折舊率根據各產品分成合同現行條款，按證實或可能開發生產天然氣儲量在現有設施中的估計可採量計算。

#### 2.9 土地使用權

土地使用權指就土地使用權及租賃土地支付的預付款，按直線法於租賃期內在合併綜合收益表內攤銷。如發生減值，則在合併綜合收益表中記錄減值。

#### 2.10 無形資產

無形資產是指電腦軟件。購入的電腦軟件按購入該指定軟體並將其投入使用所產生的成本予以資本化。該成本按三至十年的估計可使用年限攤銷。

#### 2.11 非金融資產減值

對於須做折舊或攤銷的資產，當有事件出現或情況改變預示賬面價值不能收回時要進行減值測試。減值虧損按照該資產的賬面價值超出其可回收金額的差額確認。可回收金額按照該資產的公允價值扣除出售成本或使用價值中較高者確認。就評估減值而言，資產將按可單獨識別並大致上獨立於其他資產或資產組別的現金流量(現金產生單位)的最低層級進行分組。除商譽外，已出現減值的非金融資產在各資產負債表日就是否可能轉回減值進行檢查。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.12 Inventories

Inventories are mainly spare parts and consumables with low value and stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### 2.13 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated statements of comprehensive income. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against expenses in the consolidated statements of comprehensive income.

#### 2.14 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and term deposits with original maturities of three months or less.

### 2. 重要會計政策摘要(續)

#### 2.12 存貨

存貨主要為備件及低值易耗品，按成本及可變現淨值的較低者列示。成本按照加權平均法確認。可變現淨值是日常業務中的估計售價減適用的可變銷售開支所得。

#### 2.13 應收賬款及其他應收款

應收賬款及其他應收款初始按公允價值計量，隨後採用實際利率法按照攤餘成本扣除減值準備計量。如有客觀事實證明本集團將無法按應收賬款的原訂條款收回全部到期金額，則對應收賬款及其他應收款計提減值準備。債務人面臨重大財務困難，可能破產或進行財務重組，以及拖欠或無法如期付款均視為應收款項減值跡象。減值準備的金額為資產的賬面價值和與預估未來現金流的現值(按原先實際利率貼現)間的差額。資產的賬面價值通過備抵賬戶予以抵減，而虧損金額在合併綜合收益表中確認。若應收款項無法收回，則與應收賬款的備抵賬戶抵銷。如隨後收回先前抵銷的金額，則與在合併綜合收益表中的開支互相抵銷。

#### 2.14 現金及現金等價物

現金及現金等價物包括現金，可隨時支取的銀行存款及原到期期限為三個月或以下的定期存款。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.15 Share capital

Ordinary shares are classified as equity (Note 12).

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### 2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statements of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has a contractual or an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

#### 2.17 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the consolidated statements of comprehensive income in the period in which they are incurred.

### 2. 重要會計政策摘要(續)

#### 2.15 股本

普通股分類為權益(附註12)。

直接歸屬於發行新股或購股權的新增成本從所得款項中扣減(已扣除稅款)。

#### 2.16 借款

借款期初按照公允價值扣除已產生的交易成本確認價值。借款其後按照攤銷成本計量；所得款項(扣除交易成本)與贖回價值的差額在借款期內按照實際利率法在合併綜合收益表內確認。

除非本集團已定約或有無條件權利將負債結算日期延至報告期末至少十二個月，否則借款分類為流動負債。

#### 2.17 借款成本

直接歸屬於符合收購、建造或生產條件的資產(指必須在一段長時間方可作特定用途或可供銷售的資產)的一般或特定借款成本均可加至該資產的成本內，直至該資產達到可以使用或銷售狀態為止。

就特定借款，因有符合資格的資產的支出而臨時投資賺取的投資收入，應符合資本化的借款成本中扣除。

所有其他借款成本均於其產生期間在合併綜合收益表內確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.18 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### 2.19 Current and deferred income tax

The income tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statements of comprehensive income, except to the extent that it relates to items recognised in OCI or directly in equity. In this case the tax is also recognised in OCI or directly in equity, respectively.

##### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group companies operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### 2. 重要會計政策摘要(續)

#### 2.18 應付賬款

應付賬款是在日常經營活動中，因接受供應商提供的商品或服務而承擔的債務。如付款期限在一年以內（如為較長期間，應在正常運營週期中），應付賬款列示為流動負債。否則應付賬款會列示為非流動負債。

應付賬款按照公允價值進行初始確認，其後使用實際利率法按攤銷成本計量。

#### 2.19 當期及遞延所得稅

所得稅開支包含當期所得稅和遞延所得稅。稅項在合併綜合收益表內確認，但與其他綜合收益或直接在權益確認的項目有關的稅項除外。在此情況下，稅項分別在其他綜合收益或者直接權益內確認。

##### (a) 當期所得稅

當期所得稅支出根據集團公司營運所在及產生應課稅收入的國家與結算日已頒佈或實質已頒佈的稅務法規計算。管理層就使用稅務法規所規定的情況定期評估稅務狀況，並在適用情況下根據需向稅務機關支付的稅款設定撥備。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.19 Current and deferred income tax (Continued)

##### (b) Deferred income tax

###### *Inside basis differences*

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

###### *Outside basis differences*

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

### 2. 重要會計政策摘要(續)

#### 2.19 當期及遞延所得稅(續)

##### (b) 遞延所得稅

###### *內在差異*

遞延所得稅利用負債法就資產和負債的稅基與資產和負債在合併財務報表中的賬面價值的差額所產生的暫時性差異而確認。然而倘遞延稅項負債因初始確認商譽而產生，則不會確認有關遞延稅項負債，若遞延所得稅來自交易(不包含業務合併)中對資產和負債的初始確認，而在交易中不影響會計損益或應課稅利潤或虧損，亦不進行確認。遞延所得稅採用在結算日前已頒佈或實質上已頒佈，並根據有關遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用的稅率(及法例)予以確定。

遞延所得稅資產僅在可能有未來應課稅利潤並可就此使用暫時性差異的情況下予以確認。

###### *外在差異*

遞延所得稅負債按於附屬公司及合營安排的投資所產生應課稅暫時差額作依據，除非轉回的遞延所得稅負債暫時差異的時間由本集團控制，並在可見將來不大可能轉回暫時差異者除外。

遞延所得稅資產就與附屬公司及合營安排的投資所產生的可扣減暫時差異予以確認，僅在暫時差異很可能將於日後轉回，並有充足的應課稅利潤抵銷可用的暫時差異時方可確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.19 Current and deferred income tax (Continued)

##### (c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### 2.20 Employee benefits

The Group operates various pension schemes. The schemes are generally funded through payments to insurance companies or various government-sponsored pension plans under which the employees are entitled to a monthly pension based on certain formulas. The Group has defined contribution plans. A defined contribution plan is a pension plan which the Group pays contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised and allocated to related cost of assets and expenses based on different beneficiaries.

All Chinese employees of the Group participate in other employee social security plans, including medical, housing and other welfare benefits, organised and administered by the governmental authorities. According to the relevant regulations, the premiums and welfare benefit contributions that should be borne by the Group are calculated based on percentages of the total salary of employees, subject to a certain ceiling, and are paid to the labor and social welfare authorities.

### 2. 重要會計政策摘要(續)

#### 2.19 當期及遞延所得稅(續)

##### (c) 抵銷

當在法律上有可強制執行的權力使當期稅項資產與當期稅項負債相互抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅主體或不同應課稅主體但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

#### 2.20 僱員福利

本集團運作多項退休金計劃。該計劃一般通過向保險公司或各項政府資助的退休金計劃供款取得資金，僱員有權享有根據若干公式計算的每月退休金。本集團設有定額供款計劃。定額供款計劃為本集團向獨立實體支付供款的退休金計劃。如果該基金沒有足夠資產向所有僱員就其在當期及以往期間的僱員服務支付福利，本集團亦無法定或推定責任支付進一步供款。供款根據不同受益者確認並分配至資產的相關成本及費用。

本集團的所有中國員工均參與政府機關組織及管理的其他員工社會保障計劃，包括醫療、住房及其他福利。根據有關規定，本集團須承擔的保險及福利計劃供款根據僱員薪金總額的比例且在不過規定上限的基礎計算，並向勞動及社會福利機構繳納。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.21 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts and VAT.

The Group recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### Sales of gas

The Group produces and sells gas. Sales of gas are recognised when the gas is delivered to the customers. The amount of revenue to be received by the Group is allocated based on the terms of the PSCs (Note 2.3).

#### 2.22 Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants that are receivable as compensation for expenses or losses already incurred with no future related costs, such as refund of VAT paid and subsidies granted according to CBM production, are recognised in profit or loss in the period in which they become receivable. Note 19 provides further information on how the Group accounts for government grants.

### 2. 重要會計政策摘要(續)

#### 2.21 收益確認

收益按已收或者應收對價的公允價值計量並相當於供應商品的應收款項，扣除折扣和增值稅後列帳。

當收益的金額能夠可靠的計量、未來經濟利益很有可能流入本集團，而本集團的活動均符合下文所述特定標準時，本集團即確認收入。除非與銷售有關的所有或然事項均已解決，否則收益金額不視為能夠可靠計量。本集團會根據歷史業績並考慮客戶類別、交易種類和每項安排的特點作出估計。

#### 煤層氣銷售

本集團生產及銷售煤層氣。在向客戶交付煤層氣時，煤層氣銷售予以確認。本集團將收取的收入金額根據產品分成合同之條款予以分配(附註2.3)。

#### 2.22 政府補助

政府補助按公允價值合理確認將可收到補助，並且本集團符合所有附帶條件時方可確認。

政府補助為已產生的開支或虧損並且無日後相關成本的補償，如退回已付增值稅及按煤層氣生產授予的補貼，並於其成為應收款期間確認為損益。附註19提供有關本集團如何入賬政府補助的進一步資料。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.23 Lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (Note 28). Payments made under operating leases (net of any incentives received from the lessor), are charged to the consolidated statements of comprehensive income on a straight-line basis over the period of the lease.

#### 2.24 Share-based compensation

##### (a) Equity-settled share-based payment transactions

The Group operates two equity-settled share-based compensation plans, under which the Group receives services from employees as consideration for equity instruments (options and restricted share unit) of the Company. The fair value of the employee services received in exchange for the grant of the options and restricted share unit is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options and restricted share unit granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining as an employee of the Group over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or to hold shares for a specified period of time).

### 2. 重要會計政策摘要(續)

#### 2.23 租賃

如租賃所有權的大部分風險及回報仍由出租人保留，則分類為經營租賃(附註28)。根據經營租賃支付的款項(扣除出租人給予的任何優惠)於租期內以直線法在合併綜合收益表中攤銷。

#### 2.24 以股份為基礎的報酬

##### (a) 以權益結算以股份為基礎的交易

本集團經營兩種權益結算下以股份為基礎的報酬計劃，根據該計劃，將實際收取僱員的服務作為本集團權益工具(購股權和受限制股份單位)的代價。職工為換取授予購股權和受限制股份單位而提供服務的公允價值確認為費用。將作為費用的總金額參考授予購股權和受限制股份單位的公允價值釐定：

- 包括任何市場業績條件(例如主體的股價)；
- 不包括任何服務和非市場業績條件(例如盈利能力、銷售增長目標和在特定時期內僱員的留任率)的影響；及
- 包括任何非可行權條件的影響(例如僱員於特定期間存有或持有股份的規定)。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.24 Share-based compensation (Continued)

##### (a) Equity-settled share-based payment transactions (Continued)

Non-market performance and service conditions are included in assumptions about the number of options and restricted share unit that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options and restricted share unit that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statements of comprehensive income, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received from the exercise of options net of any directly attributable transaction costs are credited to share capital (and share premium).

If the terms of an equity-settled award are modified, at a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the options and restricted share unit, or is otherwise beneficial to the employee, as measured at the date of modification.

### 2. 重要會計政策摘要(續)

#### 2.24 以股份為基礎的報酬(續)

##### (a) 以權益結算以股份為基礎的交易(續)

非市場業績和服務條件納入有關預期授予的購股權和受限制股份單位數目的假設。費用總額在授予期內確認，授予期指達成所有指定授予條件的期間。在各報告期末，本集團依據非市場業績和服務條件修訂其對預期授予的購股權和受限制股份單位數目的估計。在合併綜合收益表確認對原估算的修訂(如有)的影響，並對權益作出相應調整。

在行使購股權時，本公司發行新股。行使購股權收取的所得款項扣除任何直接交易成本計入股本(和股本溢價)。

在修訂以權益結算的獎勵條件時，如果有關條款並無作出修訂，將會至少確認開支。亦會就增加購股權及受限制股份單位的總公允價值的任何修訂，或於修訂當日計算時對僱員有利的任何修訂確認額外開支。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.24 Share-based compensation (Continued)

##### (b) Share-based payment transactions among group entities

The grant by the Company of options and restricted share unit over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent company entity accounts.

#### 2.25 Interest income

Interest income is recognised using the effective interest method.

#### 2.26 Provision-Asset retirement obligation

Asset retirement obligation for environmental restoration is recognised when: the Group has a present constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Asset retirement obligation is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Asset retirement obligation are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### 2. 重要會計政策摘要(續)

#### 2.24 以股份為基礎的報酬(續)

##### (b) 集團間以股份為基礎的支付交易

母公司向為本集團工作的附屬公司僱員所授出其權益工具的購股權及受限制股份單位視為注資。所獲得的僱員服務的公允價值參考授予日的公允價值計量，於授予期內確認為增加附屬公司的投資，並相應計入母公司實際賬目之權益。

#### 2.25 利息收入

利息收入使用實際利率法確認。

#### 2.26 撥備 — 資產棄置義務

當本集團因過往事件而產生現有推定債務，並可能需要有資源流出以結清債務，且金額已經可靠估計，則須確認有關環境恢復的資產棄置義務。

如有多項類似責任，其需在結算中有資源流出的可能性，則可根據債務類別整體考慮。即使在同一債務類別所包含的任何一個項目相關的資源流出的可能性較低，仍需確認資產棄置義務。

資產棄置義務按照與其需用作結清債務稅前利率計算的開支現值計量，該利率反映當時市場對時間價值及該債務的特定風險評估。因時間的流逝而增加的撥備確認為利息開支。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, market risk (including foreign exchange risk and cash flow interest rate risk), liquidity risk and concentration risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

##### (a) Credit risk

As the majority of the cash at bank balances are placed with state-owned and international banks and financial institutions in the PRC and Hong Kong, and there has been no recent history of default in relation to these banks and financial institutions, the corresponding credit risk is relatively low. Therefore, the Group's credit risk arises primarily from trade and other receivables. The Group has controls in place to assess the credit quality of its customers. The Group has concentration risk on trade receivables. Only limited allowance for uncollectible receivables were made in the past as the Group's sales were only made to the customers with good credit history. The utilisation of credit limits is regularly monitored.

##### (b) Market risk

###### (i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US\$. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency other than the entity's functional currency.

### 3. 財務風險管理

#### 3.1 財務風險因素

本集團的經營活動面臨各種財務風險：信用風險、市場風險(包括外匯風險及現金流利率風險)、流動性風險及集中風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並致力減低對本集團財務表現的潛在不利影響。

##### (a) 信用風險

由於大部分銀行存款存放於中國及香港的國有及國際銀行及金融機構，且該類銀行及金融機構近期並無違約記錄，相應信用風險相對較低。因此，本集團信用風險主要來自應收賬款及其他應收款。本集團實施控制措施以評估客戶的信用資質。本集團面臨應收賬款的集中風險。由於本集團只向具有良好信貸記錄的客戶進行銷售，因此在過往本集團僅就不可收回的應收賬款作出有限撥備。信用限額的使用會受定期監控。

##### (b) 市場風險

###### (i) 外匯風險

本集團須承受各種貨幣所產生外匯風險，尤以美元為甚。當未來商業交易或已確認資產或負債以實體功能貨幣以外的貨幣計值，則會產生外匯風險。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Market risk (Continued)

###### (i) Foreign exchange risk (Continued)

Prior to 30 April 2016, the Group was exposed to non-cash foreign exchange risk arising from retranslation of US\$ denominated inter-company loans. To manage the foreign exchange risk, management decided to execute a debt restructuring on 30 April 2016 by converting the inter-company loans into perpetual loans through entering into perpetual loan agreements between respective group companies such that the perpetual loans do not bear interest and the lenders can not request repayment. Upon completion of this debt restructuring, any foreign exchange differences arising from retranslation of these US\$ denominated perpetual loans are recognised in equity in the consolidated financial statements.

The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates, and by monitoring the amount of the US\$ loan utilised from the US\$250 million revolving credit facility (Note 15), which is the Group's only US\$ borrowings from third parties.

As at 31 December 2017, if RMB had weakened/strengthened by 1% against the US\$ with all other variables held constant, profit before income tax for the year would have been RMB902,000 (31 December 2016: RMB3,909,000) lower/higher, respectively, mainly as a result of foreign exchange gains/losses on translation of US\$ denominated payables held by the Group entities with their functional currency as RMB.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 市場風險(續)

###### (i) 外匯風險(續)

2016年4月30日之前，本集團承受的非現金外匯風險來自重新折算的以美元計價的公司間貸款。為了管理外匯風險，管理層決定於2016年4月30日執行債務重組，通過將公司間貸款轉為永久性貸款。所屬的集團公司各自簽訂永久貸款協定，永續貸款不承計利息並且貸款方不得要求償還。在此次債務重組完成時，由這些美元永續貸款轉換產生的任何匯兌差異在合併財務報表確認為權益。

本集團密切監控匯率變動及循環信貸融資(附註15)2.5億美元中動用的美元貸款金額(即本集團自第三方借入的唯一美元借款)，以管理外匯風險。

於2017年12月31日，如人民幣兌美元貶值/升值1%，而所有其他可變因素保持不變，則除所得稅前年度利潤將分別減少/增加人民幣902,000元(2016年12月31日：人民幣3,909,000元)，主要原因是將本集團實體所持以美元計值的應付款換算為其功能貨幣人民幣所產生的匯兌收益/損失。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Market risk (Continued)

###### (ii) Cash flow interest rate risk

The Group's income and operating cash flows are substantially independent of the changes in market rates. The Group's floating-rate bank borrowings expose the Group to cash flow interest rate risk. A detailed analysis of the Group's bank borrowings, together with their respective interest rates and maturity dates are included in Note 15.

##### (c) Liquidity risk

The liquidity risk of the Group is mainly controlled by maintaining sufficient cash and cash equivalents through operations and funds from shareholders. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 year 少於一年 RMB'000 人民幣千元	1-2 years 一至兩年 RMB'000 人民幣千元	2-5 years 兩至五年 RMB'000 人民幣千元	Over 5 years 五年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at 31 December 2016</b>	<b>於 2016 年 12 月 31 日</b>					
Borrowings	借款	25,469	25,469	589,020	-	639,958
Trade and other payables	應付賬款及其他應付款	416,641	-	-	-	416,641
		442,110	25,469	589,020	-	1,056,599
<b>As at 31 December 2017</b>	<b>於 2017 年 12 月 31 日</b>					
Borrowings	借款	31,314	32,542	578,296	-	642,152
Trade and other payables	應付賬款及其他應付款	372,804	-	-	-	372,804
		404,118	32,542	578,296	-	1,014,956

The Group's liquidity management policy also involves maintaining debt financing plans. The Group has access to the undrawn borrowing facilities which disclosed in Note 15.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 市場風險(續)

###### (ii) 現金流利率風險

本集團的收入及經營現金流量實質上不受市場利率變動的影響。本集團的浮動利率銀行借款使本集團面臨現金流利率風險。本集團銀行借款的詳細分析，連同其各自的利率及到期日載於附註15。

##### (c) 流動性風險

本集團的流動性風險主要是通過經營及股東注資維持充裕的現金及現金等價物進行控制。下表顯示本集團的金融負債，按照相關的到期類別，根據由結算日至合同到期日的剩餘時間進行分析。下表所披露金額為未貼現的合同現金流量。

本集團的流動性管理政策亦涉及維持債務融資計劃。本集團可取得的未提取借款融資已在附註15披露。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (d) Concentration risk

Revenue of the Group is mainly derived from Panzhuang concession. Any disruption to the operation of the concession may have a material adverse impact to the result of operation and the financial position of the Group.

During the year, all the Group's revenue was derived from sales made to fourteen customers. In the event that these customers terminate their business relationship with the Group and the Group fails to find new customers, it may have a material adverse impact on the Group's financial position and result of operations.

#### 3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital by using debt-to-cash ratio analysis. This ratio is calculated as amount of borrowings divided by total cash and bank balances as shown in the consolidated balance sheet, and monitoring when the borrowings are due for repayment. The debt-to-cash ratio at 31 December 2017 and 2016 was 22.6% and 20.9%, respectively.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (d) 集中風險

本集團的收益主要來自潘莊區塊。該區塊營運的任何中斷，均可能對本集團的經營業績及財務狀況造成重大不利影響。

年內，本集團的全部收益均來自向十四名客戶作出的銷售。若該等客戶終止與本集團的業務關係，而本集團未能尋得新客戶，則本集團的財務狀況及經營業績會受到重大不利影響。

#### 3.2 資本管理

本集團的資本管理目標旨在保障本集團能夠持續經營，為股東提供回報及為其他利益相關者提供利益，同時維持最佳的資本結構以減少資本成本。

本集團利用負債現金比率分析監控資本。該比率按借款金額除以合併資產負債表列示的現金及銀行結餘總額計算，監控借款到期償還時間。本集團在2017年及2016年12月31日的負債現金比率分別為22.6%及20.9%。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation

The measurement of fair value uses different level of inputs to valuation technique. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 3. 財務風險管理(續)

#### 3.3 公允價值估計

公允價值的計量使用不同等級輸入數據的估值技術。該等輸入數據在公允價值等級內分為三個層次，如下所示：

- 相同資產或負債在活躍市場上的報價(未調整)(第1層)。
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### 4.1 Estimation of proved and probable gas reserves

Proved gas reserves are those quantities of CBM that by analysis of geoscience and engineering data can be estimated with reasonable certainty to be commercially recoverable, from a given date forward and under defined economic conditions, operating methods, and government regulations. Probable gas reserves are those additional reserves of CBM that analysis of geoscience and engineering data indicate are less likely to be recovered than proved reserves but more certain to be recovered than possible reserves.

The Group's reserve estimates were prepared for each concession area and include only CBM that the Group believes can be reasonably produced within current economic and operating conditions. Reserves cannot be measured exactly. Reserve estimates are based on many factors that require evaluation by the engineers interpreting the available data, as well as price and other economic factors. The reliability of these estimates at any point in time depends on both the quality and quantity of the technical and economic data, and the production performance as well as engineering judgement. Consequently, reserve estimates are subject to revision as additional data become available. Well tests and engineering studies will likely improve the reliability of the reserve estimate. The evolution of technology may also result in the application of improved recovery techniques such as supplemental or enhanced recovery projects, or both, which have the potential to increase reserves beyond those envisioned during the early years of a reservoir's producing life.

### 4. 關鍵會計估計及判斷

估計及判斷是根據過往經驗及其他因素（包括在某些情況下對未來事件的合理預測）進行持續評估。本集團對未來作出評估及假設。顧名思義，會計估計極少與相關的實際結果相同。對下個財政年度的資產與負債的賬面價值造成重大調整的估計與假設討論如下。

#### 4.1 證實及概算煤層氣儲量的估計

證實煤層氣儲量是通過分析地質科學及工程資料，自某特定日期起在限定經濟條件、經營條件及政府監管下，可合理確定作為商業性開採的估計煤層氣數量。概算煤層氣儲量是地質科學及工程資料分析顯示其與證實儲量相比回收的可能性更低，但與可能儲量相比回收可能性更加確切的煤層氣儲量。

本集團的儲量估計按各區塊編製，僅包括本集團認為在現行經濟及經營條件下可合理生產的煤層氣。儲量無法精確計算。儲量估計是由負責解釋可用資料的工程師、價格及其他經濟因素等諸多因素而作出。任何時間點的估計可靠性取決於技術及經濟資料的品質、數量、生產表現以及工程判斷。因此，儲量估計在可獲得額外資料時進行修訂。井的測試及工程研究可能提高儲量估計的可靠性。技術發展也可能導致應用經改良的採氣技術，例如補充或經提升開採項目（或一併採用），該技術具有使儲量增至超過氣藏生產週期初期儲量的潛力。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Estimation of proved and probable gas reserves (Continued)

Proved and probable reserves are key elements in the Group's investment decision-making process. They are also an important element in testing for impairment. A reduction in proved and probable reserves will increase depreciation and amortisation charges (assuming constant production) and reduce net profit. Proved and probable reserve estimates are subject to revision, either upward or downward based on new information, such as from development drilling and production activities or from changes in economic factors, including gas prices, contract terms or development plans.

In general, changes in the technical maturity of gas reserves resulting from new information becoming available from exploration, development and production activities and change in gas price have tended to be the most significant cause of annual revisions.

#### 4.2 Impairment of exploration and evaluation assets

Exploration and evaluation assets are capitalised on a field-by-field basis and are assessed for impairment when circumstances suggest that the carrying amount may exceed its recoverable amount. This assessment involves judgment as to (i) the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; and (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; and (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; and (iv) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. While conducting an impairment review of its assets, the Group makes certain judgments in making assumptions about the future gas prices, reserves and future development and production costs. Changes in these estimates could require a material change on the carrying amount of exploration and evaluation assets.

### 4. 關鍵會計估計及判斷(續)

#### 4.1 證實及概算煤層氣儲量的估計(續)

證實及概算儲量是本集團投資決策過程中的關鍵元素，也是減值測試的重要元素。證實及概算儲量減少將增加折舊及攤銷費用(假設產量不變)，並減少淨利潤。證實及概算儲量估計可根據新資料(例如來自開發鑽探和生產活動或者天然氣價格、合同條款以及開發方案等經濟因素變動)而向上或向下調整。

一般而言，因勘探、開發及生產活動取得最新資料而令煤層氣儲量的技術成熟度變動以及天然氣價格變動是導致每年作出修訂的最重要原因。

#### 4.2 勘探及評估資產減值

勘探及評估資產按氣田基準撥充資本，當發生賬面價值超過可收回金額的情況評估減值。相關評估涉及有關以下各項的判斷：(i)在特定區域的探礦權期內已經或將於近期屆滿，並預期不會續期；及(ii)對進一步勘探及評估特定區域礦產資源的大量開支既無預算亦無規劃；及(iii)在特定區域勘探及評估礦產資源未發現商業上有利的礦產資源數量，而本集團決定終止在該區域的活動；及(iv)有充分資料顯示，儘管可能在特定區域進行開發，但勘探及評估資產的賬面價值不可能在成功開發或銷售中全數收回。在進行資產減值討論時，本集團就有關煤層氣未來價格、儲量及未來開發和生產成本的假設進行若干判斷。該估計變動可能導致勘探及評估資產的賬面價值產生重大變動。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.3 Impairment of gas properties

Gas properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. In estimating the recoverable amounts of assets, various assumptions, including future cash flow to be associated with the assets and discounted rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will be revised and this may have impacts on the Group's result of operation or financial position.

#### 4.4 Income taxes and deferred tax

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be reflected in the income tax expense and deferred tax provisions in the period in which such determination is made.

In addition, the realisation of future income tax assets is dependent on the Group's ability to generate sufficient taxable income in future years to utilise income tax benefits and tax loss carry-forwards. Deviations of future profitability from estimates or in the income tax rate would result in adjustments to the value of future income tax assets and liabilities that could have a significant effect on the income tax expenses.

### 4. 關鍵會計估計及判斷(續)

#### 4.3 天然氣資產減值

天然氣資產會在事項發生或情況出現變化而導致賬面價值可能不能收回時，評估是否減值。減值虧損按有關資產的賬面價值超過其可收回金額的數額確認。可收回金額為資產的公允價值減去銷售成本或使用價值中的較高值。評估資產的可回收金額時，會作出多項假設(包括與資產相關的未來現金流量及貼現率)。若將來情況與該假設不相符，將修訂可收回金額，而此舉可能會對本集團的經營業績或財務狀況造成影響。

#### 4.4 所得稅及遞延稅項

本集團須在多個司法權區繳納所得稅。對於所得稅的全球撥備須作出重大判斷。在正常業務過程中，若干交易及計算的最終稅務結果並不確定。本集團根據是否須繳納額外稅項的估計對預期稅項審核事宜確認負債。若該事宜的最終稅務結果與最初記錄的金額不符，該差額將在相關期間的所得稅開支和遞延稅項撥備中反映。

此外，未來所得稅資產的變現，取決於本集團未來年度是否產生足夠的應課稅收入，以使用所得稅收益及稅項虧損結轉的能力而定。若將來盈利能力偏離估計或所得稅率，則須對未來所得稅資產及負責的價值作出調整，此舉可能對所得稅開支構成重大影響。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION

The chief operating decision-maker (“CODM”) has been identified as the directors and chief executive of the Company who review the Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The Group’s operating segments are defined by PSCs, which is the basis by which the CODM makes decisions about resources to be allocated and assesses their performance. The financial information of the two PSCs have been separated to present segment information to be reviewed by the CODM.

The measurement of results and assets of the operating segments are the same as those described in the summary of significant accounting policies. The CODM evaluates the performance of the operating segments of the PSCs based on profit before income tax, depreciation and amortisation, interest income, finance costs and exchange gains/losses (“EBITDA”).

### 5. 分部資料

主要營運決策者(「主要營運決策者」)為本公司的董事及首席執行官，負責審閱本集團的內部報告以評估表現和分配資源。主要營運決策者已根據該等報告確定經營分部。

本集團的經營分部按產品分成合同界定，這是主要經營決策者做出資源分配決定及評估其表現的基準。兩份產品分成合同的財務資料已分為不同的分部資料列示，以供主要經營決策者審閱。

經營分部的業績及資產的計量方法與重要會計政策摘要中所述相同。主要經營決策者根據除所得稅、折舊及攤銷、利息收入、財務費用及匯兌收益／損失前的利潤(「EBITDA」)評估產品分成合同經營分部的表現。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the reportable segments for the year ended 31 December 2017 is as follows:

### 5. 分部資料(續)

截至2017年12月31日止年度，就可呈報分部提供給主要營運決策者的分部資料如下：

		Panzhuang concession 潘莊區塊 RMB'000 人民幣千元	Mabi concession 馬必區塊 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>For the year ended 31 December 2017</b>	<b>截至2017年12月31日 止年度</b>			
Revenue from external customers	來自外部客戶的收入	512,886	28,712	541,598
EBITDA	EBITDA	552,844	(26,889)	525,955
Other income	其他收入	180,170	13,743	193,913
Operating expenses	經營開支	(231,281)	(84,760)	(316,041)
Depreciation and amortisation	折舊及攤銷	(90,993)	(15,375)	(106,368)
Interest income	利息收入	4,613	211	4,824
Finance costs	財務費用	(2,065)	(123)	(2,188)
Exchange (losses)/gains	匯兌(損失)/收益	(9,726)	17,074	7,348
Income tax expense	所得稅費用	(127,736)	–	(127,736)
<b>For the year ended 31 December 2016</b>	<b>截至2016年12月31日 止年度</b>			
Revenue from external customers	來自外部客戶的收入	411,278	–	411,278
EBITDA	EBITDA	441,628	(45,075)	396,553
Other income	其他收入	149,276	–	149,276
Operating expenses	經營開支	(184,449)	(50,135)	(234,584)
Depreciation and amortisation	折舊及攤銷	(65,906)	(5,589)	(71,495)
Interest income	利息收入	8,933	113	9,046
Finance costs	財務費用	(2,654)	(61)	(2,715)
Exchange (losses)/gains	匯兌(損失)/收益	(13,262)	3,782	(9,480)
Income tax expense	所得稅費用	(72,345)	–	(72,345)

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

### 5. 分部資料(續)

		Panzhuang concession 潘莊區塊 RMB'000 人民幣千元	Mabi concession 馬必區塊 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at 31 December 2017</b>	<b>於 2017 年 12 月 31 日</b>			
Total assets	總資產	2,141,264	2,282,764	4,424,028
Total liabilities	總負債	507,976	145,908	653,884
Additions to non-current assets (other than deferred tax assets)	非流動資產增加 (遞延稅項資產除外)	163,208	157,108	320,316
<b>As at 31 December 2016</b>	<b>於 2016 年 12 月 31 日</b>			
Total assets	總資產	2,344,636	1,991,940	4,336,576
Total liabilities	總負債	400,879	189,622	590,501
Additions to non-current assets (other than deferred tax assets)	非流動資產增加 (遞延稅項資產除外)	234,448	336,837	571,285

A reconciliation of EBITDA to total profit before income tax is provided as follows:

EBITDA 與除所得稅前利潤總額的調節如下：

		Year ended 31 December 截至 12 月 31 日止年度	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
<b>Total EBITDA for reportable segments</b>	<b>可呈報分部的 EBITDA 總額</b>	<b>525,955</b>	396,553
Headquarter overheads	總部日常開支	(93,414)	(124,800)
Depreciation and amortisation	折舊及攤銷	(110,419)	(74,613)
Interest income	利息收入	6,306	10,699
Finance costs	財務費用	(12,977)	(18,578)
Exchange losses	匯兌損失	(4,510)	(10,281)
Profit before income tax	除所得稅前利潤	310,941	178,980

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

Reportable segments' assets are reconciled to total assets as follows:

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total segment assets	分部資產總額	4,424,028	4,336,576
<b>Unallocated</b>	<b>未分配</b>		
Unallocated cash and cash equivalents	未分配現金及現金等價物	1,703,240	1,594,604
Others	其他	5,421	7,294
Total assets per balance sheet	資產負債表所示資產總額	6,132,689	5,938,474

Reportable segments' liabilities are reconciled to total liabilities as follows:

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total segment liabilities	分部負債總額	653,884	590,501
<b>Unallocated</b>	<b>未分配</b>		
Unallocated long term borrowings	未分配長期借款	513,593	496,376
Others	其他	14,867	14,663
Total liabilities per balance sheet	資產負債表所示負債總額	1,182,344	1,101,540

### 5. 分部資料(續)

可呈報分部資產與總資產的調節如下：

可呈報分部負債與總負債的調節如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 6. PROPERTY, PLANT AND EQUIPMENT

### 6. 不動產、工廠及設備

		Gas properties	Exploration and evaluation assets 勘探及評估資產	Gas gathering station 集氣站	Construction in progress 在建工程	Vehicles 車輛	Furniture, fittings and others 傢俱、裝置及其他	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>As at 1 January 2016</b>	<b>於2016年1月1日</b>							
Cost	成本	910,378	1,443,270	307,227	374,456	15,063	40,761	3,091,155
Accumulated depreciation	累計折舊	(369,374)	-	(47,135)	-	(9,442)	(25,290)	(451,241)
Net book value	賬面淨值	541,004	1,443,270	260,092	374,456	5,621	15,471	2,639,914
<b>Year ended 31 December 2016</b>	<b>截至2016年12月31日止年度</b>							
Opening net book value	年初賬面淨值	541,004	1,443,270	260,092	374,456	5,621	15,471	2,639,914
Additions	增加	3,044	261,692	440	336,171	809	11,410	613,566
Transferred in/(out)	轉入/(出)	155,534	-	48,893	(204,427)	-	-	-
Disposal — cost	處置 — 成本	-	-	-	(830)	(972)	(979)	(2,781)
— depreciation	— 折舊	-	-	-	-	972	966	1,938
Depreciation charge	折舊費用	(40,127)	-	(22,130)	-	(2,302)	(7,188)	(71,747)
Currency translation differences	貨幣折算差額	4,857	-	-	2,748	-	179	7,784
Closing net book value	年末賬面淨值	664,312	1,704,962	287,295	508,118	4,128	19,859	3,188,674
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>							
Cost	成本	1,075,627	1,704,962	356,560	508,118	14,900	51,373	3,711,540
Accumulated depreciation	累計折舊	(411,315)	-	(69,265)	-	(10,772)	(31,514)	(522,866)
Net book value	賬面淨值	664,312	1,704,962	287,295	508,118	4,128	19,859	3,188,674
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>							
Opening net book value	年初賬面淨值	664,312	1,704,962	287,295	508,118	4,128	19,859	3,188,674
Additions	增加	266	142,146	264	283,574	723	3,660	430,633
Transferred in/(out)	轉入/(出)	1,199,908	(1,146,713)	178,662	(231,857)	-	-	-
Disposal — cost	處置 — 成本	-	-	-	-	-	(2,503)	(2,503)
— depreciation	— 折舊	-	-	-	-	-	2,047	2,047
Depreciation charge	折舊費用	(62,751)	-	(30,664)	-	(2,133)	(10,175)	(105,723)
Currency translation differences	貨幣折算差額	(4,339)	(3,649)	-	(599)	-	(104)	(8,691)
Closing net book value	年末賬面淨值	1,797,396	696,746	435,557	559,236	2,718	12,784	3,504,437
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>							
Cost	成本	2,269,530	696,746	535,486	559,236	15,623	52,387	4,129,008
Accumulated depreciation	累計折舊	(472,134)	-	(99,929)	-	(12,905)	(39,603)	(624,571)
Net book value	賬面淨值	1,797,396	696,746	435,557	559,236	2,718	12,784	3,504,437

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 6. PROPERTY, PLANT AND EQUIPMENT

(Continued)

During the year ended 31 December 2017, borrowing costs capitalised in property, plant and equipment amounted to RMB39,176,000 (2016: RMB33,369,000) (Note 21) at the weighted average rate of 7.15% (2016: 6.79%) per annum.

During the year ended 31 December 2017, the additions of property, plant and equipment include RMB785,000 (2016: RMB3,484,000) relating to the asset retirement obligations recognised during the year.

During the year ended 31 December 2017, the exploration and evaluation assets of ODP phase 1 of Mabi concession were reclassified to gas properties upon satisfactory technical feasibility and commercial viability.

### 6. 不動產、工廠及設備(續)

截至2017年12月31日止年度，不動產、工廠及設備資本化的借款成本為人民幣39,176,000元(2016年：人民幣33,369,000元)(附註21)，按加權平均利率7.15%(2016年：6.79%)計息。

截至2017年12月31日止年度，不動產、工廠及設備增加人民幣785,000元(2016年：人民幣3,484,000元)，與年內確認的資產棄置義務有關。

截至2017年12月31日止年度，達成技術可行性及商業可行性後，馬必區塊ODP一期的勘探及評估資產重分類至天然氣資產。

### 7. LAND USE RIGHTS

### 7. 土地使用權

		RMB'000 人民幣千元
<b>At 1 January 2016</b>	<b>於2016年1月1日</b>	
Cost	成本	14,099
Accumulated amortisation	累計攤銷	(1,552)
Net book value	賬面淨值	12,547
<b>Year ended 31 December 2016</b>	<b>截至2016年12月31日止年度</b>	
Opening net book value	年初賬面淨值	12,547
Amortisation charge	攤銷費用	(282)
Closing net book value	年末賬面淨值	12,265
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>	
Cost	成本	14,099
Accumulated amortisation	累計攤銷	(1,834)
Net book value	賬面淨值	12,265
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>	
Opening net book value	年初賬面淨值	<b>12,265</b>
Amortisation charge	攤銷費用	<b>(283)</b>
Closing net book value	年末賬面淨值	<b>11,982</b>
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>	
Cost	成本	<b>14,099</b>
Accumulated amortisation	累計攤銷	<b>(2,117)</b>
Net book value	賬面淨值	<b>11,982</b>

The Group's interests in land use rights represent prepaid operating lease payments. All of the Group's land use rights are located in the PRC.

本集團土地使用權中的權益指預付經營租賃款。本集團的土地使用權全部於中國境內。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 8. INTANGIBLE ASSETS

### 8. 無形資產

		Computer software 電腦軟件 RMB'000 人民幣千元
<b>At 1 January 2016</b>		
Cost	於 2016 年 1 月 1 日 成本	19,651
Accumulated amortisation	累計攤銷	(4,626)
Net book value	賬面淨值	15,025
<b>Year ended 31 December 2016</b>		
Opening net book value	截至 2016 年 12 月 31 日止年度 年初賬面淨值	15,025
Additions	增加	21,466
Amortisation charge	攤銷費用	(2,584)
Closing net book value	年末賬面淨值	33,907
<b>As at 31 December 2016</b>		
Cost	於 2016 年 12 月 31 日 成本	41,117
Accumulated amortisation	累計攤銷	(7,210)
Net book value	賬面淨值	33,907
<b>Year ended 31 December 2017</b>		
Opening net book value	截至 2017 年 12 月 31 日止年度 年初賬面淨值	33,907
Additions	增加	10,338
Amortisation charge	攤銷費用	(4,413)
Closing net book value	年末賬面淨值	39,832
<b>As at 31 December 2017</b>		
Cost	於 2017 年 12 月 31 日 成本	51,455
Accumulated amortisation	累計攤銷	(11,623)
Net book value	賬面淨值	39,832

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 9. TRADE AND OTHER RECEIVABLES

### 9. 應收賬款及其他應收款

		As at 31 December	
		於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables (a)	應收賬款 (a)		
— CUCBM (i)	— CUCBM (i)	10,769	32,948
— PetroChina (ii)	— 中石油 (ii)	10,503	—
— External customers (iii)	— 外部客戶 (iii)	80,008	20,061
Notes receivable (b)	應收票據 (b)	32,600	119,567
Government grants receivables (c)	應收政府補貼 (c)		
— Government	— 政府	70,084	43,102
— CUCBM	— CUCBM	20,938	42,620
— PetroChina	— 中石油	4,432	—
Due from CUCBM for cash calls and accrued expenses (d)	應收 CUCBM 現金籌款及預提費用 (d)	54,642	40,631
Prepaid expenses, deposits and others	預付賬款、押金及其他	21,148	28,118
		<b>305,124</b>	<b>327,047</b>
Less: provision for impairment	減：減值撥備	(7,197)	(7,197)
		<b>297,927</b>	<b>319,850</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 9. TRADE AND OTHER RECEIVABLES (Continued)

#### (a) Trade receivables

- (i) The ageing analysis of trade receivables — due from CUCBM:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Within 3 months	三個月內	10,769	32,948

Note: Trade receivables due from CUCBM represent the cash collected from external customers attributable to Sino-American Energy, Inc. ("SAEI") and deposited into CUCBM's bank account on behalf of the Group, which is jointly managed by CUCBM and the SAEI.

- (ii) The ageing analysis of trade receivables — due from PetroChina:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Within 3 months	三個月內	10,503	—

### 9. 應收賬款及其他應收款 (續)

#### (a) 應收賬款

- (i) 應收賬款的賬齡分析 — 應收 CUCBM :

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Within 3 months	三個月內	10,769	32,948

附註：應收 CUCBM 的應收款項指收取自外部客戶並存入由 CUCBM 與美中能源公司 (「美中能源公司」) 共同管理，並由 CUCBM 代表本集團開立的銀行賬戶的現金。

- (ii) 應收賬款的賬齡分析 — 應收中石油：

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Within 3 months	三個月內	10,503	—

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 9. TRADE AND OTHER RECEIVABLES (Continued)

#### (a) Trade receivables (Continued)

##### (iii) The ageing analysis of trade receivables — due from external customers

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 3 months	三個月內	46,242	12,864
3 months to 6 months	三個月至六個月	20,510	—
6 months to 1 year	六個月至一年	6,059	—
Over 3 years	三年以上	7,197	7,197
		80,008	20,061
Provision	撥備	(7,197)	(7,197)
		72,811	12,864

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Past due but not impaired</b>	<b>已逾期但未減值</b>		
Within 3 months	三個月內	46,242	12,864
3 months to 6 months	三個月至六個月	20,510	—
6 months to 1 year	六個月至一年	6,059	—
		72,811	12,864

These relate to a number of independent customers for whom there is no significant financial difficulty and based on past experience, the overdue amounts can be recovered.

The trade receivables are due upon billing.

### 9. 應收賬款及其他應收款 (續)

#### (a) 應收賬款 (續)

##### (iii) 應收賬款的賬齡分析 — 應收外部客戶：

與上表有關的多名獨立客戶並無重大財務困難，基於過往記錄，逾期金額可予收回。

應收賬款為見單付款。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 9. TRADE AND OTHER RECEIVABLES (Continued)

#### (a) Trade receivables (Continued)

##### (iv) Movement of bad debt provision:

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Beginning and end of the year	於年初及年末	7,197	7,197

(b) Notes receivable are bank acceptance with maturity dates within six months.

(c) This represents the VAT refund and government subsidies for CBM receivable from the government through CUCBM and PetroChina.

(d) This represents CUCBM's share of the cash calls and accrued expenses for the development costs of Panzhuang concession yet to be received from CUCBM.

(e) As at 31 December 2017, the carrying amounts of trade and other receivables approximated their fair values.

(f) The carrying amounts of the Group's trade and other receivables (excluding prepayments) are denominated in the following currencies:

### 9. 應收賬款及其他應收款(續)

#### (a) 應收賬款(續)

##### (iv) 減值撥備變動:

(b) 應收票據為到期日在六個月以內的銀行承兌票據。

(c) 此為通過CUCBM及中石油應收的CBM增值稅退稅及政府補貼。

(d) 此為CUCBM分攤潘莊區塊開發成本的現金籌款及預提費用，尚未向CUCBM收取。

(e) 於2017年12月31日，應收賬款及其他應收款的賬面值與其公允價值相若。

(f) 本集團的應收賬款及其他應收款(預付款項除外)的賬面值以下列貨幣計價：

		As at 31 December 於12月31日	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
RMB	人民幣	282,967	298,378
HK\$	港元	630	723
US\$	美元	-	17
		283,597	299,118

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 10. FINANCIAL INSTRUMENTS BY CATEGORY

### 10. 金融工具(按類別)

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
Financial assets as per balance sheet	按資產負債表的金融資產	人民幣千元	人民幣千元
<b>Loans and receivables</b>	<b>貸款和應收款</b>		
Trade and other receivables excluding prepayments (Note 9)	應收賬款及其他應收款， 不包括預付款(附註9)	283,597	299,118
Cash and cash equivalents (Note 11)	現金和現金等價物(附註11)	2,236,970	2,343,764
Restricted cash (Note 11)	受限制銀行存款(附註11)	37,663	31,583
		<b>2,558,230</b>	<b>2,674,465</b>

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
Financial liabilities as per balance sheet	按資產負債表的金融負債	人民幣千元	人民幣千元
<b>Financial liabilities</b>	<b>金融負債</b>		
Borrowings (excluding finance lease liabilities) (Note 15)	借款(不包括融資租賃負債) (附註15)	513,593	496,376
Trade and other payables excluding non-financial liabilities	應付賬款及其他應付款， 不包括非金融負債	373,410	443,775
		<b>887,003</b>	<b>940,151</b>

### 11. CASH AND BANK BALANCES

### 11. 現金及銀行結餘

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物		
— Cash on hand	— 庫存現金	—	270
— Cash at banks	— 銀行存款	2,236,970	2,343,494
		<b>2,236,970</b>	<b>2,343,764</b>
Restricted bank deposits (a)	受限制銀行存款(a)	37,663	31,583
		<b>2,274,633</b>	<b>2,375,347</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 11. CASH AND BANK BALANCES (Continued)

- (a) As at 31 December 2017, restricted bank deposits represented land restoration deposits for Panzhuang and Mabi concessions.

Cash and bank balances were denominated in the following currencies:

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	566,169	779,458
HK\$	港元	1,368,162	1,518,355
US\$	美元	340,302	77,534
		<b>2,274,633</b>	<b>2,375,347</b>

### 11. 現金及銀行結餘 (續)

- (a) 於 2017 年 12 月 31 日，受限制銀行存款為潘莊區塊和馬必區塊的土地修復存款。

現金及銀行結餘按以下貨幣計量：

### 12. SHARE CAPITAL

### 12. 股本

		Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares
		普通股數目	普通股面值	普通股等額面值
		Thousands	US\$'000	RMB'000
		千股	千美元	人民幣千元
<i>Issued and fully paid:</i>		<i>已發行及繳足：</i>		
Ordinary shares of US\$0.0001 each		每股面值 0.0001 美元的 普通股		
<b>At 1 January 2016 and 31 December 2016</b>	<b>於 2016 年 1 月 1 日及 2016 年 12 月 31 日</b>			
— Exercise of share options (a)	— 行使購股權 (a)	3,326,780	333	2,034
— Vesting of RSUs (b)	— 歸屬受限制股份 單位 (b)	60	—	—
		9,881	1	7
<b>At 31 December 2017</b>	<b>於 2017 年 12 月 31 日</b>	<b>3,336,721</b>	<b>334</b>	<b>2,041</b>

- (a) During the year ended 31 December 2017, 60,000 share options were exercised (2016: Nil) (Note 20(b)(i)).

- (b) During the year ended 31 December 2017, 9,880,788 RSUs were vested (2016: Nil) (Note 20(b)(ii)).

- (a) 截至 2017 年 12 月 31 日止年度，60,000 份購股權已獲行使 (2016 年：無) (附註 20(b)(i))。

- (b) 截至 2017 年 12 月 31 日止年度，9,880,788 份受限制股份單位已歸屬 (2016 年：無) (附註 20(b)(ii))。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 13. CAPITAL SURPLUS

The capital surplus consist of share premium, share-based compensation and currency translation differences.

### 13. 資本盈餘

資本盈餘包括股份溢價、以股份為基礎的報酬及外幣折算差額。

### 14. ASSET RETIREMENT OBLIGATIONS

### 14. 資產棄置義務

		Year ended 31 December 截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Beginning of the year	於年初	13,176	8,409
Provision	撥備	917	4,355
Accretion expenses	增加開支	516	412
End of the year	於年末	14,609	13,176

The asset retirement obligations represent the present value of estimated future expenditures on decommissioning of gas properties and restoration of land.

資產棄置義務主要指棄用天然氣資產及復原土地的估計未來開支的現值。

### 15. BORROWINGS

### 15. 借款

		As at 31 December 於12月31日	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank loans, secured	銀行貸款，擔保		
Between 2 and 5 years	兩至五年	513,593	496,376
		513,593	496,376
Annual interest rate	年利率	LIBOR+4.15%	LIBOR+4.15%
Annual effective interest rate	實際年利率	7.15%	6.79%

As at 31 December 2017 and 2016, the Group's borrowings were all denominated in US\$, which were drawn down by SAEI. On 8 July 2015, SAEI as borrower entered into an up to US\$250 million senior secured revolving credit facility with AAGI as guarantor, and with AAGI's shares in SAEI mortgaged as security, for a term of 69 months with a final maturity date of 31 March 2021 bearing interest at LIBOR plus a margin of 4.15% for the first 4 years and 4.65% for the remainder of the facility.

於2017年及2016年12月31日，本集團的借款均以美元計價，由美中能源公司提取。於2015年7月8日，美中能源公司作為借款人訂立最高2.5億美元的優先有抵押循環信貸融資，由亞美大陸煤層氣作為擔保人以其所持美中能源公司股份作抵押，融資為期69個月，最終到期日為2021年3月31日，首四年的利息按倫敦銀行同業拆借利率加4.15%計算，剩餘年度的利息按倫敦銀行同業拆借利率加4.65%計算。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15. BORROWINGS (Continued)

Movements in borrowings are analysed as follows:

		RMB'000 人民幣千元
<b>Year ended 31 December 2017</b>		
Opening balance as at 1 January 2017	截至2017年12月31日止年度 於2017年1月1日年初餘額	496,376
Addition	增加	39,687
Amortisation of financing costs	融資成本攤銷	7,087
Currency translation differences	外幣折算差額	(29,557)
<b>Closing balance as at 31 December 2017</b>	<b>於2017年12月31日年末餘額</b>	<b>513,593</b>
<b>Year ended 31 December 2016</b>		
Opening balance as at 1 January 2016	截至2016年12月31日止年度 於2016年1月1日年初餘額	418,859
Addition	增加	40,438
Amortisation of financing costs	融資成本攤銷	6,956
Currency translation differences	外幣折算差額	30,123
<b>Closing balance as at 31 December 2016</b>	<b>於2016年12月31日年末餘額</b>	<b>496,376</b>

The Group has the following undrawn borrowing facilities:

本集團有以下未提取借款融資：

		As at 31 December 於12月31日	
		2017	2016
		2017年	2016年
		USD'000	USD'000
		千美元	千美元
Expiring beyond 1 year	一年以上到期	118,000	174,000

The US\$250 million borrowing facility commenced reduction of the maximum borrowing facility amount on 1 July 2017 and will continue reducing every six months until the maximum borrowing facility reduces to zero. As of 1 January 2018, the maximum borrowing facility amount was reduced to US\$175 million, and accordingly, the undrawn borrowing facility amount as at that date was reduced to US\$93 million.

2.5億美元借款融資於2017年7月1日開始扣減借款融資上限，並將持續每六個月扣減一次，直至借款融資上限減至零為止。截至2018年1月1日，借款融資上限金額減至1.75億美元，故截至該日止的未動用借款融資金額減至0.93億美元。

Under the terms of the borrowing facilities, the Group is required to comply with the following financial covenant: the ratio of net debt to net assets must be not more than 67%. The Group has complied with this covenant throughout the reporting period. As at 31 December 2017, the balance of cash and cash equivalents exceeds the balance of bank borrowings.

根據借款融資條款，本集團須遵守以下財務契諾：淨負債與淨資產的比率不得超過67%。本集團於報告期間一直遵守此契諾。於2017年12月31日，現金及現金等價物餘額超出銀行借款餘額。

As at 31 December 2017, the fair value of borrowings approximated to RMB514 million (31 December 2016: RMB496 million). The fair value is within level 2 hierarchy (Note 3.3).

於2017年12月31日，借款的公允價值約為人民幣5.14億元(2016年12月31日：人民幣4.96億元)。該公允價值屬第二層級(附註3.3)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16. DEFERRED INCOME TAX LIABILITIES

The analysis of deferred tax assets and deferred tax liabilities is as follows:

### 16. 遞延所得稅負債

遞延稅項資產與遞延稅項負債分析如下：

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Deferred tax assets:</b>	<b>遞延所得稅資產：</b>		
— Deferred income tax assets to be recovered within 12 months	— 將於 12 個月內收回的遞延所得稅資產	981	845
— Deferred income tax assets to be recovered after more than 12 months	— 將於超過 12 個月後收回的遞延所得稅資產	2,168	7,188
		<b>3,149</b>	<b>8,033</b>
<b>Deferred tax liabilities:</b>	<b>遞延所得稅負債：</b>		
— Deferred income tax liabilities to be recovered within 12 months	— 將於 12 個月內收回的遞延所得稅負債	(16,065)	—
— Deferred income tax liabilities to be recovered after more than 12 months	— 將於超過 12 個月後收回的遞延所得稅負債	(219,164)	(156,246)
		<b>(235,229)</b>	<b>(156,246)</b>
<b>Net balance</b>	<b>結餘淨額</b>	<b>(232,080)</b>	<b>(148,213)</b>

All deferred income tax assets and liabilities are related to Panzhuang concession, where the Group has legally enforceable right to offset each other. Accordingly, it is presented on net basis.

所有遞延所得稅資產與負債均與潘莊區塊有關，本集團可依法強制行使權利使兩者相互抵銷，因此以淨額基準呈列。

The gross movement on the deferred income tax account is as follows:

遞延所得稅賬目的總變動如下：

		Year ended 31 December 截至 12 月 31 日止年度	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Beginning of the year</b>	<b>於年初</b>	<b>(148,213)</b>	<b>(76,158)</b>
Charged to the consolidated statement of comprehensive income (Note 23)	於合併綜合收益表扣除(附註 23)	(83,867)	(72,055)
<b>End of the year</b>	<b>於年末</b>	<b>(232,080)</b>	<b>(148,213)</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16. DEFERRED INCOME TAX LIABILITIES (Continued)

The movement in deferred income tax account is as follows:

### 16. 遞延所得稅負債(續)

遞延所得稅賬目的變動如下：

		Depreciation and amortisation  折舊及攤銷 RMB'000 人民幣千元	Income not yet subject to tax and others  不須納稅的 收益及其他 RMB'000 人民幣千元	Total  總計 RMB'000 人民幣千元
<b>At 1 January 2016</b>	<b>於2016年1月1日</b>	3,298	(79,456)	(76,158)
Charged to the consolidated statement of comprehensive income (Note 23)	於合併綜合收益表扣除 (附註23)	(36,442)	(35,613)	(72,055)
<b>At 31 December 2016</b>	<b>於2016年12月31日</b>	(33,144)	(115,069)	(148,213)
Charged to the consolidated statement of comprehensive income (Note 23)	於合併綜合收益表扣除 (附註23)	<b>(33,941)</b>	<b>(49,926)</b>	<b>(83,867)</b>
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>(67,085)</b>	<b>(164,995)</b>	<b>(232,080)</b>

For the purpose of filing of PRC corporate income tax, development expenditures incurred prior to commercial production from tax perspective are tax deductible over a 8-year period starting from the commencement date of commercial production; exploration expenditures incurred prior to commercial production from tax perspective except for those qualified as production wells are tax deductible over a 3-year period starting from the commencement date of commercial production.

Deferred income tax expense mainly relates to government grants which comprise of government subsidies and VAT refunds received by the Group, which will be taxable in specified future periods according to relevant tax regulations and local authority.

As at 31 December 2017, the Group did not recognise deferred income tax assets of RMB113,528,000 (2016: RMB136,376,000) in respect of the accumulated losses which are related to Mabi concession amounting to RMB454,110,000 (2016: RMB545,502,000). Such losses are tax deductible over certain periods starting from the commencement date of commercial production. Due to the Mabi concession is still under exploration stage, no deferred tax assets were recognised on these losses.

就中國企業所得稅申報而言，於商業生產(從稅務角度判定)前產生的開發支出可自商業生產開始之日起在八年期間內進行稅項抵扣；於商業生產(從稅務角度判定)前所發生的勘探支出(符合資格作為生產井的勘探支出除外)可自商業生產開始之日起在三年期間內進行稅項抵扣。

遞延所得稅費用主要與政府補助相關，包括本集團收到的政府補貼和增值稅退稅，根據相關稅務法規和地方當局將在指定的未來期間納稅。

於2017年12月31日，本集團並未就與馬必區塊有關的累計虧損人民幣454,110,000元(2016年：人民幣545,502,000元)，確認遞延所得稅資產人民幣113,528,000元(2016年：人民幣136,376,000元)。該項虧損可自商業生產開始之日起在若干期間內進行稅項抵扣。由於馬必區塊仍處於勘探階段，故不能就該項虧損確認遞延所得稅資產。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17. TRADE AND OTHER PAYABLES

### 17. 應付賬款及其他應付款

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables	應付賬款	<b>350,956</b>	393,198
Amounts due to related parties	應付關聯方款項		
— CUCBM	— CUCBM	<b>1,000</b>	1,000
— PetroChina	— 中石油	<b>9,243</b>	8,852
Social securities and other payables	社保及其他應付款	<b>35,754</b>	40,725
		<b>396,953</b>	443,775

(a) The ageing analysis of trade payables were as follows:

At 31 December 2017, the ageing analysis of the trade payables based on invoice date were as follows:

(a) 應付賬款的賬齡分析如下：

於 2017 年 12 月 31 日，基於發票日期的應付賬款的賬齡分析如下：

		As at 31 December 於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 6 months	六個月內	<b>205,987</b>	322,202
6 months to 1 year	六個月至一年	<b>59,960</b>	18,700
1 to 2 years	一至兩年	<b>56,339</b>	29,895
2 to 3 years	兩至三年	<b>12,205</b>	16,480
Over 3 years	三年以上	<b>16,465</b>	5,921
		<b>350,956</b>	393,198

(b) As at 31 December 2017, the carrying amounts of trade and other payables approximated their fair values.

(b) 於 2017 年 12 月 31 日，應付賬款及其他應付款的賬面值與其公允價值相若。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17. TRADE AND OTHER PAYABLES (Continued)

(c) The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

		As at 31 December 於12月31日	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	383,438	430,811
HK\$	港元	3,182	286
US\$	美元	10,333	12,678
		<b>396,953</b>	<b>443,775</b>

### 18. REVENUE

For the years ended 31 December 2017 and 2016, all the Group's revenue is derived from the sale of the Group's share of CBM sold to customers in the PRC.

### 19. OTHER INCOME

		Year ended 31 December 截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
VAT refund (a)	增值稅退稅(a)	50,063	29,456
Government subsidy (b)	政府補貼(b)	143,850	119,820
		<b>193,913</b>	<b>149,276</b>

(a) VAT refund is granted by the PRC government according to "The Notice on Tax Policy Issued by The Ministry of Finance and The State Administration of Taxation on Speeding Up The Drainage of Coalbed Methane" (《財政部國家稅務總局關於加快煤層氣抽採有關稅收政策問題的通知》). CUCBM and PetroChina applies for the VAT refund for Panzhuang and Mabi concession, respectively. The Group recognises its entitlement based on the Group's share of CBM sold and when there is reasonable assurance that the amount will be received.

### 17. 應付賬款及其他應付款(續)

(c) 本集團的應付賬款及其他應付款的賬面值以下列貨幣計價：

### 18. 收入

截至2017年及2016年12月31日止年度，本集團所有收入均來自本集團所佔CBM對中國客戶的銷售所得。

### 19. 其他收入

(a) 增值稅退稅是中國政府根據《財政部國家稅務總局關於加快煤層氣抽採有關稅收政策問題的通知》授出。CUCBM及中石油分別為潘莊區塊及馬必區塊申請增值稅退稅。本集團已根據本集團攤佔所售CBM於有合理保證該金額可收回時確認其所享有的金額。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 19. OTHER INCOME (Continued)

- (b) Government subsidy is granted by the PRC government according to "The Implementation Opinions of Subsidies Granted by The Ministry of Finance on The Development and Utilisation of Coalbed Methane" (《財政部關於煤層氣(瓦斯)開發利用補貼的實施意見》) at RMB0.3/cm of the CBM sold. CUCBM and PetroChina applies for the subsidy for Panzhuang and Mabi concession, respectively. The Group recognises its entitlement based on the Group's share of CBM sold and when there is reasonable assurance that the amount will be received.

### 20. EMPLOYEE BENEFIT EXPENSES

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	98,533	91,757
Welfare and other benefits (a)	福利及其他利益(a)	23,082	24,115
Share-based compensation (b)	以股份為基礎的報酬(b)	20,515	48,270
		142,130	164,142

#### (a) Welfare and other benefits

The Group operates a defined contribution plans for its employees. In the PRC, the pension plans are organized by the municipal and provincial governments at a rate of 19% of the employees' salaries, subject to certain ceilings. In Hong Kong, the Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme in Hong Kong. Contributions are made based on 5% of the employees' relevant income, subject to a cap of HK\$1,500 per month based on a monthly relevant income of HK\$30,000. Contributions to the plans vest immediately.

In the PRC, the Group also contributes to government-sponsored housing funds at a rate of 12% of the employees' salaries, subject to certain ceilings.

### 19. 其他收入(續)

- (b) 補貼是中國政府根據《財政部關於煤層氣(瓦斯)開發利用補貼的實施意見》授出，金額按所售CBM每立方米人民幣0.3元計算。CUCBM及中石油分別為潘莊區塊及馬必區塊申請補貼。本集團已根據本集團攤佔所售CBM於有合理保證該金額可收回時確認其所享有的金額。

### 20. 僱員福利開支

#### (a) 福利及其他利益

本集團為僱員設有定額供款計劃。於中國，按僱員薪金的19%(受若干上限規限)向由市及省政府管理的退休金計劃作出供款。於香港，本集團根據強制性公積金計劃條例設有定額供款強制性公積金退休福利計劃(「強積金計劃」)，對象為合資格參與強積金計劃的香港僱員，按僱員有關收入的5%作出供款，上限為按每月有關收入30,000港元計算的每月1,500港元。向該等計劃作出的供款即時歸屬。

於中國，本集團亦按僱員薪金的12%(受若干上限規限)向由政府資助的住房基金作出供款。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的報酬

		Year ended 31 December	
		截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Share-based compensation	以股份為基礎的報酬		
— Pre-IPO Share Option Scheme (i)	— 首次公開發售前購股權計劃(i)	(1,119)	22,319
— Incremental fair value related to change of terms	— 與變化條件有關的增加的公允價值	1,392	8,648
— Post-IPO Restricted Share Unit Scheme (ii)	— 首次公開發售後受限制股份單位計劃(ii)	20,242	17,303
Amount charged to employee benefits expenses	員工福利費	20,515	48,270
— Cash settlement in lieu of issuing shares	— 以現金結算的發行股份	—	(30)
Net amount credited to capital surplus	計入資本盈餘淨額	20,515	48,240

#### (i) Pre-IPO Share Option Scheme

The "2012 Pre-IPO Share Option Scheme" refers to the pre-IPO share option scheme adopted by the board of directors of AAG Energy Limited on 15 June 2012 which was modified in October 2014 and replaced on 31 March 2015, namely the "2015 Pre-IPO Share Option Scheme". The vesting conditions of the unvested options under the 2015 Pre-IPO Share Option Scheme are (a) 50% of the options shall be time-based and shall vest at the rate of one half for each 12-month period commencing from 1 January 2015 if the relevant employment date is on or prior to 1 January 2014; or one third for each 12-month period commencing from the relevant employment date if such date is after 1 January 2014; (b) 50% of the options shall be KPI-linked and shall be divided into three equal instalments, with each instalment being linked with one of three KPIs and vested at the rate of one half for each 12-month period commencing from 1 January 2015 if the relevant employment date is on or prior to 1 January 2014; or one third for each 12-month period commencing from the relevant employment date if such date is after 1 January 2014.

#### (i) 首次公開發售前購股權計劃

「2012年首次公開發售前購股權計劃」指AAG Energy Limited的董事會於2012年6月15日採納的首次公開發售前購股權計劃，並於2014年10月作出修訂，後於2015年3月31日由「2015年首次公開發售前購股權計劃」取代。2015年首次公開發售前購股權計劃項下未行使購股權的可行權條件為：(a)50%購股權將以時間為基準，倘相關僱傭日期為2014年1月1日或之前，則自2015年1月1日起計每12個月期間按二分之一比例歸屬，或倘相關僱傭日期為2014年1月1日之後，則自相關僱傭日期起計每12個月期間按三分之一比例歸屬；(b)50%購股權須與關鍵業績指標掛鉤，且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並根據以下情況歸屬：倘相關僱傭日期為於2014年1月1日或之前，則自2015年1月1日起計每12個月期間按二分之一比例歸屬；或倘相關僱傭日期為於2014年1月1日之後，則自相關僱傭日期起計每12個月期間按三分之一比例歸屬。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation (Continued)

##### (i) Pre-IPO Share Option Scheme (Continued)

- (1) Movements in the number of share options outstanding and their related weight average exercise prices are as follows:

		Exercise price in per share US\$ 每股行使價 美元	Number of share options thousands 購股權數目 千份
<b>As at 1 January 2016</b>	<b>於 2016 年 1 月 1 日</b>	0.151	238,657
Cancelled	已註銷	0.151	(398)
Forfeited	已作廢	0.151	(5,255)
Expired	已屆滿	0.151	(2,389)
<b>As at 31 December 2016</b>	<b>於 2016 年 12 月 31 日</b>	0.151	230,615
Exercise of options	行使購股權	0.151	(60)
Forfeited	已作廢	0.151	(6,441)
Expired	已屆滿	0.151	(1,100)
<b>As at 31 December 2017</b>	<b>於 2017 年 12 月 31 日</b>	0.151	223,014

- (2) As at 31 December 2017, the share options outstanding have expiry dates between 2020 and 2023, of which 214,858,731 (31 December 2016: 141,405,688) options were exercisable.

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的薪酬(續)

##### (i) 首次公開發售前購股權計劃(續)

- (1) 尚未行使的購股權數目及其加權平均行使價的變動如下：

- (2) 於 2017 年 12 月 31 日，尚未行使購股權的到期日為 2020 年至 2023 年，其中 214,858,731 份（2016 年 12 月 31 日：141,405,688 份）購股權可予行使。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation (Continued)

##### (ii) Post-IPO Restricted Share Unit Scheme

On 18 December 2015, the Company announced the granting of restricted share units ("RSUs") to certain grantees of the Group in accordance with the Post-IPO Restricted Share Unit Scheme conditionally approved and adopted by the Company on 5 June 2015. The acceptance letters of the RSUs to the grantees were signed on 31 January 2016. The vesting conditions of the RSUs under the scheme are (a) 50% of the RSUs shall be time-based and shall vest at the rate of one fourth (1/4) for each 12-month period commencing from 31 March 2016; and (b) 50% of the RSUs shall be KPI-linked and shall be divided into three equal instalments, with each instalment being linked with one of the three KPIs and vested at the rate of one fourth (1/4) for each 12-month period commencing from 31 March 2016.

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的薪酬(續)

##### (ii) 首次公開發售後受限制股份單位計劃

於2015年12月18日，本公司宣佈根據本公司於2015年6月5日有條件批准及採納的首次公開發售後受限制股份單位計劃向本集團若干承授人授出受限制股份單位(「受限制股份單位」)。致承授人的受限制股份單位接納函已於2016年1月31日簽署。該計劃項下受限制股份單位的給予條件為：(a)50%受限制股份單位須按時間基準歸屬，自2016年3月31日起計每12個月期間按四分之一(1/4)比例歸屬；及(b)50%受限制股份單位須與關鍵業績指標掛鈎，且須分為三等份，每份與三個關鍵業績指標之一掛鈎，並自2016年3月31日起計每12個月期間按四分之一(1/4)比例歸屬。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation (Continued)

##### (ii) Post-IPO Restricted Share Unit Scheme (Continued)

On 24 March 2017, the Company announced the granting of RSUs to certain grantees of the Group in accordance with the Post-IPO Restricted Share Unit Scheme conditionally approved and adopted by the Company on 5 June 2015. The acceptance letters of the RSUs to the grantees were signed on 31 May 2017. The vesting conditions of the RSUs for grantees except for independent non-executive directors are (a) 50% of the RSUs will be time-based and shall vest at the rate of one fourth (1/4) for each 12-month period commencing from 31 March 2017; and (b) 50% of the RSUs shall be KPI-linked and shall be divided into three equal instalments, with each instalment being linked with one of three KPIs and vested at the rate of one fourth (1/4) for each 12-month period commencing from 31 March 2017. The vesting conditions of the RSUs for those independent non-executive directors are (a) 25% of the RSUs will be vested immediately after the acceptance; and (b) 37.5% of the RSUs will be time-based and shall vest at the rate of one-third (1/3) for each 12-month period commencing from 31 March 2017; and (c) 37.5% of the RSUs shall be KPI-linked and shall be divided into three equal instalments, with each instalment being linked with one of three KPIs and vested at the rate of one-third (1/3) for each 12-month period commencing from 31 March 2017.

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的薪酬(續)

##### (ii) 首次公開發售後受限制股份單位計劃(續)

於2017年3月24日，本公司宣佈根據本公司於2015年6月5日有條件批准及採納的首次公開發售後受限制股份單位計劃向本集團若干承授人授出受限制股份單位。致承授人的受限制股份單位接納函已於2017年5月31日簽署。就承授人(獨立非執行董事除外)的受限制股份單位給予條件為：(a)50%受限制股份單位將按時間基準歸屬，自2017年3月31日起計每12個月期間按四分之一(1/4)比例歸屬；及(b)50%受限制股份單位須與關鍵業績指標掛鉤，且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並自2017年3月31日起計每12個月期間按四分之一(1/4)比例歸屬。就該等獨立非執行董事的受限制股份單位給予條件為：(a)25%受限制股份單位將於接納後即時歸屬；及(b)37.5%受限制股份單位將按時間基準歸屬，自2017年3月31日起計每12個月期間按三分之一(1/3)比例歸屬；及(c)37.5%受限制股份單位須與關鍵業績指標掛鉤，且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並自2017年3月31日起計每12個月期間按三分之一(1/3)比例歸屬。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation (Continued)

##### (ii) Post-IPO Restricted Share Unit Scheme (Continued)

Movements in the number of RSUs outstanding are as follows:

		Closing price on grant date (HK\$ per share) 於授出日期的 收市價 (每股港元)	Number of RSUs thousands 受限制股份 單位數目 (千份)
Granted (31 January 2016)	已授予(2016年1月31日)	1.16	41,064
Forfeited	已作廢		(910)
<b>As at 1 January 2017</b>	<b>於2017年1月1日</b>		<b>40,154</b>
Granted (18 May 2017)	已授予(2017年5月18日)	1.27	10,907
Granted (31 May 2017)	已授予(2017年5月31日)	1.29	15,426
Forfeited	已作廢		(2,622)
Vesting of RSUs	歸屬受限制股份單位		(9,881)
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>		<b>53,984</b>

The fair value of RSUs is determined by the closing price of HK\$1.27 and HK\$1.29 per share as quoted on the Stock Exchange of Hong Kong Limited on 18 May 2017 and 31 May 2017, respectively. During the year ended 31 December 2017, 9,880,788 of the RSUs were vested (Note 12).

受限制股份單位的公允價值按於2017年5月18日及2017年5月31日在香港聯合交易所有限公司所報收市價分別1.27港元及1.29港元釐定。截至2017年12月31日止年度，已歸屬9,880,788份受限制股份單位(附註12)。

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的薪酬(續)

##### (ii) 首次公開發售後受限制股份單位計劃(續)

尚未行使受限制股份單位數目變動如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (c) Five highest paid individuals

Details of five highest paid individuals are set out below:

		Number of Individuals 人數	
		2017 2017年	2016 2016年
Director (Note 31)	董事(附註31)	1	1
Non-director individuals (i)	非董事成員(i)	4	4
		5	5

(i) For the year ended 31 December 2017, the five individuals whose emoluments were the highest in the Group include one (2016: one) director whose emoluments are reflected in the analysis shown in Note 31. The emoluments payable to the remaining four (2016: four) individuals during the year are as follows:

### 20. 僱員福利開支(續)

#### (c) 五位最高薪酬人士

五位最高薪酬人士的詳情如下：

(i) 截至2017年12月31日止年度，本集團五位最高薪酬人士包括一名(2016年：一名)董事，其薪金於附註31的分析中列示。於本年度應付餘下四名(2016年：四名)人士的薪金如下：

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	13,207	12,936
Discretionary bonuses	酌情獎金	3,241	3,394
Share-based compensation	以股份為基礎的報酬	9,251	26,340
Other benefits including pension	其他福利(包括退休金)	2,070	7,654
		27,769	50,324

The emoluments fell within the following bands:

薪酬範圍如下：

		Number of Individuals 人數	
		2017 2017年	2016 2016年
Emolument bands	薪酬範圍		
HK\$4,500,001–HK\$5,000,000	4,500,001港元至5,000,000港元	1	–
HK\$6,000,001–HK\$6,500,000	6,000,001港元至6,500,000港元	1	–
HK\$7,500,001–HK\$8,000,000	7,500,001港元至8,000,000港元	–	1
HK\$9,500,001–HK\$10,000,000	9,500,001港元至10,000,000港元	1	–
HK\$10,000,001–HK\$10,500,000	10,000,001港元至10,500,000港元	–	1
HK\$11,500,001–HK\$12,000,000	11,500,001港元至12,000,000港元	1	–
HK\$15,000,001–HK\$15,500,000	15,000,001港元至15,500,000港元	–	1
HK\$25,000,001–HK\$25,500,000	25,000,001港元至25,500,000港元	–	1
		4	4

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 21. FINANCE COSTS, NET

### 21. 財務費用 — 淨額

		Year ended 31 December 截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest expense of bank borrowings	銀行借款的利息費用	(39,176)	(33,369)
Bank loan commitment fee	銀行貸款承諾費	(12,577)	(18,236)
Accretion expenses of asset retirement obligations	資產棄置義務的遞增費用	(400)	(342)
Subtotal	小計	(52,153)	(51,947)
Less: amounts capitalised on qualifying assets (Note 6)	減：合資格資產資本化金額 (附註6)	39,176	33,369
Finance costs	財務費用	(12,977)	(18,578)
Interest income	利息收入	6,306	10,699
Exchange losses	匯兌損失	(4,510)	(10,281)
Finance costs, net	財務費用 — 淨額	(11,181)	(18,160)

### 22. PROFIT BEFORE INCOME TAX

Profit before income tax was determined after charging the following:

### 22. 除所得稅前利潤

決定除所得稅前利潤的費用如下：

		Year ended 31 December 截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Operating lease expense	經營租賃費	13,947	12,794
Auditors' remunerations	審計師薪酬		
— Audit services	— 審計服務		
— The Company	— 本公司	3,600	3,800
— Subsidiaries	— 附屬公司	600	400
— Non-audit services	— 非審計服務	583	596

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 23. INCOME TAX EXPENSE

### 23. 所得稅費用

		Year ended 31 December	
		截至 12 月 31 日止年度	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current income tax	當期所得稅	(43,876)	(290)
Deferred income tax (Note 16)	遞延所得稅 (附註 16)	(83,867)	(72,055)
		<b>(127,743)</b>	<b>(72,345)</b>

The Company was incorporated in the Cayman Islands as an exempt company with limited liability and, accordingly, is exempted from payment of local income tax.

No provision for Hong Kong profits tax has been provided as the Group did not derive any assessable profits in Hong Kong during the year.

AAGI and AAG Energy (China) Limited, which were incorporated in the British Virgin Islands under the International Business Companies Acts of the British Virgin Islands, are exempted from payment of local income tax.

SAEI, which was incorporated in Samoa under the International Business Companies Acts of the Samoa, is exempted from payment of local income tax.

Corporate income tax in the PRC is calculated based on the taxable profit of branches established in the PRC. According to the PRC Corporate Income Tax Law promulgated by the PRC government, the tax rate applicable for the PRC branches of the Group's subsidiaries is 25%.

本公司在開曼群島註冊成立為豁免有限公司，因此豁免繳當地所得稅。

由於本集團於本年度並沒有在香港取得任何應課稅利潤，故並無計提香港利得稅。

根據英屬維爾京群島國際商業公司法於英屬維爾京群島註冊成立的亞美大陸煤層氣及 AAG Energy (China) Limited 豁免繳當地所得稅。

根據薩摩亞國際商業公司法於薩摩亞註冊成立的美中能源公司豁免繳當地所得稅。

中國企業所得稅乃根據於中國成立的分公司的應課稅利潤計算。根據中國政府頒佈的中國企業所得稅法，本集團附屬公司的中國分公司的適用稅率為 25%。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 23. INCOME TAX EXPENSE (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	310,941	178,980
Tax expense calculated at applicable statutory tax rates	按適用法定稅率計算的稅項費用	(146,350)	(22,859)
Utilization of previously/(current period) deductible temporary differences for which no deferred tax asset was recognised	使用以前年度/(本年度)未確認遞延稅資產的可抵扣暫時性差異	22,848	(47,229)
Expenses not deductible for taxation purposes	不可扣除的費用	(1,812)	(1,967)
Others	其他	(2,429)	(290)
Income tax expense	所得稅費用	(127,743)	(72,345)

### 24. EARNINGS PER SHARE

#### (a) Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 December 2017 and 2016.

### 24. 每股收益

#### (a) 基本

基本每股收益乃按歸屬於本公司所有者的利潤除以截至2017年及2016年12月31日止年度內已發行普通股的加權平均數計算得出。

		Year ended 31 December 截至12月31日止年度	
		2017 2017年	2016 2016年
Profit attributable to owners of the Company (RMB'000)	歸屬於本公司所有者的利潤(人民幣千元)	183,198	106,635
Weighted average number of ordinary basic shares in issue (Thousands)	已發行普通基本股的加權平均數(千股)	3,333,675	3,326,780
Basic earnings per share (RMB)	基本每股收益(人民幣元)	0.055	0.032

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 24. EARNINGS PER SHARE (Continued)

#### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options and RSUs outstanding which are potentially dilutive. The assumed proceeds from conversion of these options and RSUs shall be regarded as having been received from the issue of ordinary shares at the average market price of ordinary shares during the period. The difference between the number of shares that would have been issued assuming the exercise of the share options and RSUs and the number of shares that could have been issued at the average market price of the ordinary shares during the period with the same total assumed proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share.

### 24. 每股收益(續)

#### (b) 稀釋

稀釋每股收益假設所有可稀釋的潛在普通股被兌換後，根據已發行普通股的加權平均數計算。本公司有兩類可稀釋的潛在普通股：購股權及受限制股份單位。假設這些購股權和受限制股份單位兌換所獲取的價款應被視為按照期內普通股平均市場價格發行而獲得。零代價發行的股份數目是基於假設行使了購股權和受限制股份單位應該發行的股份數目，與假設按照期內普通股平均市場價格發行並獲得相同合計價款的情況下可能需要發行的股份數目的差額。這一零代價發行的股份數目將構成普通股的加權平均數一部分，並作為計算稀釋每股收益時所用的分母。

		Year ended 31 December	
		截至12月31日止年度	
		2017	2016
		2017年	2016年
Profit attributable to owners of the Company (RMB'000)	歸屬於本公司所有者的利潤(人民幣千元)	183,198	106,635
Weighted average number of ordinary shares in issue (Thousands)	已發行普通股的加權平均數(千股)	3,333,675	3,326,780
Adjustments for assumed conversion of share options and RSUs (Thousands)	假設兌換購股權及受限制股份單位的調整(千股)	8,570	13,538
Weighted average number of ordinary shares for diluted earnings per share (Thousands)	計算稀釋每股收益的普通股加權平均數(千股)	3,342,245	3,340,318
Diluted earnings per share (RMB)	稀釋每股收益(人民幣元)	0.055	0.032

### 25. DIVIDENDS

A dividend in respect of the year ended 31 December 2017 of HK\$0.0248 per share will be proposed at the annual general meeting on 8 May 2018. These financial statements do not reflect this dividend payable.

### 25. 股息

2017年度股息每股0.0248港元將於2018年5月8日之股東週年大會上提呈。此等財務報表並無反映該等應付股息。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 26. CASH GENERATED FROM OPERATIONS

- (a) Reconciliation of profit before income tax to net cash flow generated from operations:

		Year ended 31 December	
		截至12月31日止年度	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit before income tax	除所得稅前利潤	310,941	178,980
Adjustments for:	就下列各項作出調整：		
Depreciation (Note 6)	折舊(附註6)	105,723	71,747
Amortisation (Notes 7 and 8)	攤銷(附註7及8)	4,696	2,866
Losses on disposals of property, plant and equipment	出售不動產、工廠及設備的虧損	16	462
Interest income (Note 21)	利息收入(附註21)	(6,306)	(10,699)
Finance costs (Note 21)	財務費用(附註21)	12,977	18,578
Unrealised exchange losses	未實現的匯兌損失	4,510	12,586
Share-based compensation (Note 20(b))	以股份為基礎的報酬(附註20(b))	20,515	48,240
Changes in working capital:	經營資金的變動：		
Increase in inventories	存貨增加	(684)	(663)
Decrease/(Increase) in trade and other receivables	應收賬款及其他應收款減少/(增加)	22,269	(40,905)
Increase in trade and other payables	應付賬款及其他應付款增加	12,741	7,848
Cash generated from operations	經營活動產生的現金	487,398	289,040

### 26. 經營活動所得現金

- (a) 除所得稅前利潤與經營活動所得現金流量淨額的調節：

- (b) Changes in bank borrowings arising from financing activities

- (b) 融資活動所產生銀行借款變動

		As at			As at	
		1 January			31 December	
		2017	Cash flows	Non-cash changes	2017	
		於2017年			於2017年	
		1月1日	現金流量	非現金變動	12月31日	
				Foreign exchange movement		
				匯兌變動	攤銷	
		RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Long-term borrowings	長期借款	496,376	39,687	(29,557)	7,087	513,593

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 27. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family member of the Group are also considered as related parties.

(a) The following companies are related parties of the Group during the year ended 31 December 2017

Names of the related parties 關聯方名稱	Nature of relationship 關係性質
CUCBM	PSC partner of Panzhuang concession 潘莊區塊產品分成合同合夥人
PetroChina 中石油	PSC partner of Mabi concession 馬必區塊產品分成合同合夥人

(b) Significant transactions with related parties

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Services received	已獲得的服務		
— CUCBM	— CUCBM	4,493	4,213
— PetroChina	— 中石油	7,481	6,396
		11,974	10,609
Sales of gas	銷售煤層氣		
— PetroChina	— 中石油	28,712	—

(c) Key management compensation

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	28,996	26,263
Discretionary bonuses	酌情獎金	6,960	6,852
Share-based compensation	以股份為基礎的報酬	15,745	31,365
Other benefits including pension	其他福利(包括退休金)	3,742	8,904
		55,443	73,384

### 27. 關聯方交易

若一方有能力直接或間接控制另一方或對另一方的財務及運營決策實施有重大影響力，則視為關聯方。受共同控制的各方亦視為關聯方。本集團主要管理人員及其家族成員亦視為關聯方。

(a) 截至2017年12月31日止年度，下列公司為本集團的關聯方：

(b) 與關聯方的重大交易

(c) 主要管理人員薪酬

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 28. COMMITMENTS

#### (a) Capital commitments

Capital expenditure contracted at the end of the year but not yet incurred is as follows:

		As at 31 December	
		於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property, plant and equipment	不動產、工廠及設備	123,230	302,898

#### (b) Operating lease commitments

The Group leases office premises from non-related parties under non-cancellable operating lease agreements. The future minimum lease payable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

		As at 31 December	
		於 12 月 31 日	
		2017	2016
		2017 年	2016 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
No later than 1 year	一年以內	7,125	9,621
Later than 1 year but no later than 5 years	一年至五年	427	6,428
		7,552	16,049

### 28. 承諾事項

#### (a) 資本承諾

於本年度末已訂約但並沒有產生的資本開支如下：

#### (b) 經營租賃承諾

本集團從非關聯方不可撤銷的經營租賃協議下租賃辦公用房。在不可撤銷經營租賃下，於資產負債表日已訂約但尚未確認為負債的未來最低應付租賃款項如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

### 29. 本公司資產負債表及儲備變動

#### (a) Balance sheet of the Company

#### (a) 本公司資產負債表

		As at 31 December	
		於12月31日	
		2017	2016
		2017年	2016年
	Note	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Long-term investment	長期投資	3,058,729	3,230,389
Property, plant and equipment	不動產、工廠及設備	679	2,672
Intangible assets	無形資產	53	14
		<b>3,059,461</b>	<b>3,233,075</b>
<b>Current assets</b>	<b>流動資產</b>		
Other receivables	其他應收款	1,488	1,524
Cash and cash equivalents	現金及現金等價物	1,368,258	1,517,753
		<b>1,369,746</b>	<b>1,519,277</b>
<b>Total assets</b>	<b>總資產</b>	<b>4,429,207</b>	<b>4,752,352</b>
<b>EQUITY</b>	<b>權益</b>		
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司所有者的權益</b>		
Share capital	股本	2,041	2,034
Capital surplus	資本盈餘	4,610,850	4,863,712
Accumulated deficits	累計虧損	(196,572)	(125,423)
		<b>4,416,319</b>	<b>4,740,323</b>
<b>LIABILITIES</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款	12,888	12,029
<b>Total liabilities</b>	<b>總負債</b>	<b>12,888</b>	<b>12,029</b>
<b>Total equity and liabilities</b>	<b>總權益及負債</b>	<b>4,429,207</b>	<b>4,752,352</b>

The balance sheet of the Company was approved by the Board of Directors on 23 March 2018 and was signed on its behalf.

本公司資產負債表由董事會於2018年3月23日批准，並由其代表簽署。

Executive Director  
Stephen Xiangdong Zou

執行董事  
鄒向東

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

#### (b) Reserve movement of the Company

### 29. 本公司資產負債表及儲備變動 (續)

#### (b) 本公司儲備變動

		Capital surplus 資本盈餘 RMB'000 人民幣千元	Accumulated deficits 累計虧損 RMB'000 人民幣千元
<b>Balance as at 1 January 2016</b>	<b>於2016年1月1日結餘</b>	4,511,808	(58,162)
Loss for the year	年度虧損	–	(67,261)
Currency translation differences	外幣折算差額	303,664	–
Share-based compensation	以股份為基礎的報酬	48,240	–
<b>Balance as at 31 December 2016</b>	<b>於2016年12月31日結餘</b>	4,863,712	(125,423)
<b>Balance as at 1 January 2017</b>	<b>於2017年1月1日結餘</b>	<b>4,863,712</b>	<b>(125,423)</b>
Loss for the year	年度虧損	–	(71,149)
Currency translation differences	外幣折算差額	(273,431)	–
Share-based compensation	以股份為基礎的報酬	20,515	–
Vesting of RSUs	歸屬受限制股份單位	(7)	–
Exercise of options	行使購股權	61	–
<b>Balance as at 31 December 2017</b>	<b>於2017年12月31日結餘</b>	<b>4,610,850</b>	<b>(196,572)</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 30. SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2017:

### 30. 附屬公司

以下列示於2017年12月31日的主要附屬公司：

Name	Place of incorporation and type of legal entity	Issued/ paid-up capital	Principal activities and place of operation	Proportion of ordinary shares held by the Group (%)
名稱	註冊成立地及法人實體類型	已發行/ 實繳股本	主要業務及運營地點	本集團持有 普通股比例(%)
AAGI	British Virgin Islands ("BVI"), Limited liability company	US\$50,000 美元/ US\$50,000 美元	CBM project development, BVI	100%
亞美大陸煤層氣	英屬維京群島(「英屬維京群島」), 有限公司		煤層氣項目開發, 英屬維京群島	100%
AAG Energy (China) Limited	BVI, Limited liability company	US\$5,000 美元/ US\$5,000 美元	CBM project development, BVI	100%
	英屬維京群島, 有限公司		煤層氣項目開發, 英屬維京群島	100%
SAEI	Samoa, Limited liability company	US\$7,000,000 美元/ US\$7,000,000 美元	CBM project development, Samoa	100%
美中能源公司	薩摩亞, 有限公司		煤層氣項目開發, 薩摩亞	100%
Alpha Eagle Limited	Cayman Islands, Limited liability company	US\$1 美元 / US\$1 美元	CBM project development, Cayman Islands	100%
佳鷹有限公司	開曼群島, 有限公司		煤層氣項目開發, 開曼群島	100%

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 31. BENEFITS AND INTERESTS OF DIRECTORS

#### (a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2017:

### 31. 董事福利及利益

#### (a) 董事及首席執行官的酬金

各董事及首席執行官的薪酬如下：

截至2017年12月31日止年度：

Name	Fees	Salary	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
姓名	費用 RMB'000 人民幣千元	薪金 RMB'000 人民幣千元	酌情獎金 RMB'000 人民幣千元	福利津貼 RMB'000 人民幣千元	退休福利計劃 僱主供款 RMB'000 人民幣千元	董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的其他薪酬 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
<b>Executive Directors</b>							
Dr. Stephen Xiangdong Zou (i)	-	7,151	1,787	4,098	83	-	13,119
<b>Non-executive Directors</b>							
Mr. Gordon Sun Kan Shaw	-	-	-	-	-	-	-
Mr. Zhen Wei	-	-	-	-	-	-	-
Mr. Peter Randall Kagan	-	-	-	-	-	-	-
Mr. Lei Jin	-	-	-	-	-	-	-
Dr. Guiyong Cui	-	-	-	-	-	-	-
Mr. Bo Bai (ii)	-	-	-	-	-	-	-
Mr. Saurabh Narayan	-	-	-	-	-	-	-
Agarwal (iii)	-	-	-	-	-	-	-
Mr. Fei Nie (iv)	-	-	-	-	-	-	-
<b>Independent Non-executive Directors</b>							
Mr. Yaowen Wu	280	-	-	448	-	-	728
Mr. Robert Ralph Parks	756	-	-	418	-	-	1,174
Mr. Fredrick J. Barrett	1,133	-	-	452	-	-	1,585
Mr. Stephen Cheuk Kin Law	994	-	-	370	-	-	1,364
<b>Chief Executive</b>							
Mr. Jing Li	-	4,397	1,152	4,388	87	-	10,024

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 31. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

#### (a) Directors' and chief executive's emoluments

(Continued)

For the year ended 31 December 2016:

### 31. 董事福利及利益 (續)

#### (a) 董事及首席執行官的酬金 (續)

截至2016年12月31日止年度：

Name	Fees	Salary	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total	
姓名	費用	薪金	酌情獎金	福利津貼	退休福利計劃 僱主供款	董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的其他薪酬	合計	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
<b>Executive Directors</b>	<b>執行董事</b>							
Dr. Stephen Xiangdong Zou	鄧向東博士	-	7,124	1,781	3,337	76	-	12,318
<b>Non-executive Directors</b>	<b>非執行董事</b>							
Mr. Gordon Sun Kan Shaw	蕭宇成先生	-	-	-	-	-	-	-
Mr. Zhen Wei	魏臻先生	-	-	-	-	-	-	-
Mr. Peter Randall Kagan	Peter Randall Kagan 先生	-	-	-	-	-	-	-
Mr. Zhijie Zeng	曾之傑先生	-	-	-	-	-	-	-
Mr. Lei Jin	金磊先生	-	-	-	-	-	-	-
Dr. Guiyong Cui	崔桂勇博士	-	-	-	-	-	-	-
Mr. Bo Bai	白波先生	-	-	-	-	-	-	-
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>							
Mr. Yaowen Wu	吳耀文先生	330	-	-	259	-	-	589
Mr. Robert Ralph Parks	Robert Ralph Parks 先生	405	-	-	313	-	-	718
Dr. Tin Yau Kelvin Wong	黃天祐博士	88	-	-	33	-	-	121
Mr. Fredrick J. Barrett	Fredrick J. Barrett 先生	381	-	-	313	-	-	694
Mr. Stephen Cheuk Kin Law	羅卓堅先生	237	-	-	54	-	-	291
<b>Chief Executives</b>	<b>首席執行官</b>							
Mr. Carl Lakey	Carl Lakey 先生	-	3,104	936	17,589	-	-	21,629
Mr. Jing Li	李京先生	-	3,745	936	8,243	80	-	13,004



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 31. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

#### (a) Directors' and chief executive's emoluments

(Continued)

Notes:

- (i) Dr. Stephen Xiangdong Zou is also the chairman of the Company during the years ended 31 December 2016 and 2017.
- (ii) On 28 February 2017, Mr. Bo Bai resigned as a non-executive Director from the Board.
- (iii) On 23 March 2017, Mr. Saurabh Narayan Agarwal was appointed as a non-executive Director and the member of the Remuneration Committee and the New Business Committee.
- (iv) On 8 December 2017, Mr. Fei Nie was appointed as a non-executive Director.

#### Directors' emoluments

Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertaking		Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking		Total	Total
董事就其作為董事 (不論是本公司或其附屬公司) 的服務支付或應收的薪酬總額		董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的薪酬總額		合計	合計
2017	2016	2017	2016	2017	2016
2017年	2016年	2017年	2016年	2017年	2016年
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
4,851	2,413	13,119	12,318	17,970	14,731

Notes: Emoluments above include estimated money value of non-cash benefits: share options, RSUs and insurance premium.

### 31. 董事福利及利益 (續)

#### (a) 董事及首席執行官的酬金 (續)

附註：

- (i) 截至2016年及2017年12月31日止年度，鄒向東博士亦為本公司主席。
- (ii) 於2017年2月28日，白波先生辭任董事會中非執行董事職務。
- (iii) 於2017年3月23日，Saurabh Narayan Agarwal先生獲委任為非執行董事兼薪酬委員會及新業務委員會成員。
- (iv) 於2017年12月8日，聶飛先生獲委任為非執行董事。

#### 董事薪酬

附註：上述薪酬包括非現金福利的估計金額：購股權，受限制股份單位和保險費。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 31. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

#### (b) Directors' retirement benefits

During the year ended 31 December 2017, no retirement benefits operated by the Group was paid or made, directly or indirectly, to or receivable by a director in respect of his services as a director or other services in connection with the management of the affairs of the Company or its subsidiaries (2016: nil).

#### (c) Directors' termination benefits

During the year ended 31 December 2017, no payments or benefits in respect of termination of director's services was paid or made, directly or indirectly, to or receivable by a director; nor is any payable (2016: nil).

#### (d) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2017, no consideration was provided to or receivable by third parties for making available director's services (2016: nil).

#### (e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There is no loans, quasi-loans or other dealings in favour of directors, controlled bodies corporate by and connected entities (2016: nil).

#### (f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2016: nil).

### 31. 董事福利及利益(續)

#### (b) 董事退休福利

截至2017年12月31日止年度，本集團沒有就董事職務或與本公司或其附屬公司的事務管理有關的其他服務，直接或間接向董事支付或作出退休福利，董事亦沒有應收退休福利(2016年：無)。

#### (c) 董事終止福利

截至2017年12月31日止年度，沒有就董事服務終止直接或間接向董事支付或作出任何款項或福利，董事亦沒有應收款項或福利，也沒有任何應付款(2016年：無)。

#### (d) 因董事服務向第三方提供的報酬

截至2017年12月31日止年度，沒有因董事服務向第三方提供報酬，第三方亦沒有應收報酬(2016年：無)。

#### (e) 關於以董事、受控制法人及與該董事相關聯的實體的貸款、準貸款及其他交易資料

沒有以董事、受控制法人及相關聯的實體的貸款、準貸款或其他交易(2016年：無)。

#### (f) 董事在交易、安排或合約方面的重大權益

於本年度末及全年任何時間，本公司沒有訂立任何與本集團業務有關且本公司董事擁有重大權益(無論是直接或間接)的重大交易、安排及合約(2016年：無)。

# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Director

Dr. Stephen Xiangdong Zou (*Chairman*)

#### Non-executive Directors

Mr. Peter Randall Kagan

Mr. Gordon Sun Kan Shaw

Mr. Zhen Wei

Mr. Lei Jin

Dr. Guiyong Cui

Dr. Bo Bai (resigned on 28 February 2017)

Mr. Saurabh Narayan Agarwal

(appointed on 24 March 2017)

Mr. Fei Nie (appointed on 8 December 2017)

#### Independent Non-executive Directors

Mr. Yaowen Wu

Mr. Robert Ralph Parks

Mr. Stephen Cheuk Kin Law

Mr. Fredrick J. Barrett

### JOINT COMPANY SECRETARIES

Ms. Yang Lin

Ms. Siu Kuen Lai

### AUTHORIZED REPRESENTATIVES

Mr. Gordon Sun Kan Shaw

Ms. Siu Kuen Lai

### AUDIT COMMITTEE

Mr. Stephen Cheuk Kin Law (*Chairman*)

Mr. Robert Ralph Parks

Mr. Gordon Sun Kan Shaw

### REMUNERATION COMMITTEE

Mr. Robert Ralph Parks (*Chairman*)

Mr. Fredrick J. Barrett

Dr. Bo Bai (resigned on 28 February 2017)

Mr. Saurabh Narayan Agarwal

(appointed on 24 March 2017)

### NOMINATION COMMITTEE

Dr. Stephen Xiangdong Zou (*Chairman*)

Mr. Stephen Cheuk Kin Law

Mr. Yaowen Wu

### 董事會

#### 執行董事

鄒向東博士 (*主席*)

#### 非執行董事

Peter Randall Kagan 先生

蕭宇成先生

魏臻先生

金磊先生

崔桂勇博士

白波博士 (於2017年2月28日辭職)

Saurabh Narayan Agarwal 先生

(於2017年3月24日獲委任)

聶飛先生 (於2017年12月8日獲委任)

#### 獨立非執行董事

吳耀文先生

Robert Ralph Parks 先生

羅卓堅先生

Fredrick J. Barrett 先生

#### 聯席公司秘書

林揚女士

黎少娟女士

#### 授權代表

蕭宇成先生

黎少娟女士

#### 審核委員會

羅卓堅先生 (*主席*)

Robert Ralph Parks 先生

蕭宇成先生

#### 薪酬委員會

Robert Ralph Parks 先生 (*主席*)

Fredrick J. Barrett 先生

白波博士 (於2017年2月28日辭職)

Saurabh Narayan Agarwal 先生

(於2017年3月24日獲委任)

#### 提名委員會

鄒向東博士 (*主席*)

羅卓堅先生

吳耀文先生

# Corporate Information

## 公司資料

### NEW BUSINESS COMMITTEE

Mr. Fredrick J. Barrett (*Chairman*)  
Mr. Robert Ralph Parks  
Mr. Yaowen Wu  
Mr. Saurabh Narayan Agarwal  
(appointed on 24 March 2017)

### REGISTERED OFFICE

P.O. Box 31119  
Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman KY1-1205  
Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2109-10, 21st Floor  
China Merchants Tower  
Shun Tak Centre  
No. 168-200 Connaught Road Central  
Hong Kong

### PRINCIPAL PLACE OF BUSINESS IN CHINA

1701, 17/F  
Tower A, Landmark Office Towers  
8 North Dongsanhuan Road  
Chaoyang District  
Beijing 100004  
People's Republic of China

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Campbells Corporate Services Limited  
Willow House, Cricket Square  
P.O. Box 268  
Grand Cayman, KY1-1104  
Cayman Islands

### HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### 新業務委員會

Fredrick J. Barrett 先生 (主席)  
Robert Ralph Parks 先生  
吳耀文 先生  
Saurabh Narayan Agarwal 先生  
(於 2017 年 3 月 24 日獲委任)

### 註冊辦事處

P.O. Box 31119  
Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman KY1-1205  
Cayman Islands

### 香港總部及主要營業地點

香港  
干諾道中 168-200 號  
信德中心  
招商局大廈  
21 樓 2109-10 室

### 中國主要營業地點

中華人民共和國  
北京朝陽區  
東三環北路 8 號  
亮馬河大廈 A 座  
17 樓 1701 室  
郵編：100004

### 開曼群島股份過戶登記總處

Campbells Corporate Services Limited  
Willow House, Cricket Square  
P.O. Box 268  
Grand Cayman, KY1-1104  
Cayman Islands

### 香港證券登記處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東 183 號  
合和中心  
17 樓 1712-1716 室

# Corporate Information

## 公司資料

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Bank of Communication Limited, Offshore Banking Unit

### AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants  
22/F, Prince's Building  
Central  
Hong Kong

### LEGAL ADVISERS

As to Hong Kong law and United States law:  
Kirkland & Ellis  
26th Floor, Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

As to PRC law:  
King & Wood Mallesons  
40th Floor, Tower A Beijing Fortune Plaza  
7 Dongsuanhuan Zhonglu  
Beijing 10020  
People's Republic of China

As to Cayman Islands law:  
Conyers Dill & Pearman  
Cricket Square  
Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### STOCK CODE

2686

### COMPANY'S WEBSITE

[www.aagenergy.com](http://www.aagenergy.com)

### 主要往來銀行

香港上海滙豐銀行有限公司  
交通銀行股份有限公司離岸金融業務中心

### 核數師

羅兵咸永道會計師事務所  
執業會計師  
香港  
中環  
太子大廈22樓

### 法律顧問

香港法律及美國法律：  
凱易律師事務所  
香港  
皇后大道中15號  
置地廣場  
告羅士打大廈26樓

中國法律：  
金杜律師事務所  
中華人民共和國  
北京  
東三環中路7號  
北京財富中心A座40層  
郵編：10020

開曼群島法律：  
Conyers Dill & Pearman  
Cricket Square  
Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### 股份代號

2686

### 公司網址

[www.aagenergy.com](http://www.aagenergy.com)



AAG

AAG Energy Holdings Limited  
亞美能源控股有限公司

