



INTERIM
REPORT
2018
中期報告



KunLun Energy Company Limited

(incorporated in Bermuda with limited liability 於百慕達註冊之有限公司)

昆 侖 能 源 有 限 公 司

(Stock Code 股份代號 : 00135.HK)



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr Ling Xiao (*Chairman*)⁽¹⁾
Mr Zhao Yongqi (*Chief Executive Officer*)
Mr Zhao Zhongxun
Mr Zhou Yuanhong⁽¹⁾
Mr Miao Yong⁽¹⁾

Independent Non-Executive Directors

Mr Li Kwok Sing Aubrey
Dr Liu Xiao Feng
Mr Sun Patrick

COMPANY SECRETARY

Mr Cheng Cheng

BERMUDA RESIDENT REPRESENTATIVE

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11, Bermuda

AUDITOR

KPMG

BANKERS

Industrial and Commercial Bank of China Limited
China Construction Bank Corporation
Bank of China Limited
Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited

STOCK CODE

The Stock Exchange of Hong Kong Limited
00135.HK

WEBSITE

<http://www.kunlun.com.hk>

董事會

執行董事

凌霄先生 (*主席*)⁽¹⁾
趙永起先生 (*行政總裁*)
趙忠勳先生
周遠鴻先生⁽¹⁾
繆勇先生⁽¹⁾

獨立非執行董事

李國星先生
劉曉峰博士
辛定華先生

公司秘書

成城先生

駐百慕達代表

Conyers Corporate Services (Bermuda) Limited
Clarendon House
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Hamilton HM11, Bermuda

核數師

畢馬威會計師事務所

往來銀行

中國工商銀行股份有限公司
中國建設銀行股份有限公司
中國銀行股份有限公司
中國農業銀行股份有限公司
中國銀行(香港)有限公司

股份代號

香港聯合交易所有限公司
00135.HK

網站

<http://www.kunlun.com.hk>

Note (1): Appointed on 12 January 2018

附註(1)：於二零一八年一月十二日獲委任



PRINCIPAL BOARD COMMITTEES

Audit Committee

Mr Sun Patrick (*Chairman*)
Mr Li Kwok Sing Aubrey
Dr Liu Xiao Feng

Remuneration Committee

Mr Li Kwok Sing Aubrey (*Chairman*)
Dr Liu Xiao Feng
Mr Sun Patrick

Nomination Committee

Mr Ling Xiao (*Chairman*)⁽¹⁾
Mr Li Kwok Sing Aubrey
Dr Liu Xiao Feng
Mr Sun Patrick

SOLICITORS

Clifford Chance

REGISTERED OFFICE

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PRINCIPAL REGISTRARS

Conyers Corporate Services (Bermuda) Limited
Clarendon House
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REGISTRARS IN HONG KONG

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Hong Kong

Note (1): Appointed on 12 January 2018

主要董事委員會

審核委員會

辛定華先生 (*主席*)
李國星先生
劉曉峰博士

薪酬委員會

李國星先生 (*主席*)
劉曉峰博士
辛定華先生

提名委員會

凌霄先生 (*主席*)⁽¹⁾
李國星先生
劉曉峰博士
辛定華先生

律師

高偉紳律師行

註冊辦事處

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Hamilton HM11, Bermuda

主要辦事處

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主要股份過戶登記處

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11, Bermuda

香港股份過戶登記處

卓佳秘書商務有限公司
香港
皇后大道東 183 號
合和中心
22 樓

附註(1)：於二零一八年一月十二日獲委任

**Profit attributable to owners of the Company
was RMB3,092 million, representing an increase of 21.35%.**
本公司股東應佔溢利人民幣 30.92 億元，增加 21.35%。

REVENUE

收入

The revenue for the Period
was approximately

**RMB49,593
million,**

representing an increase of 21.77% . The
increase was mainly due to the expansion of
natural gas business.

本期內之收入約為人民幣 495.93 億元，
增加 21.77%。增加主要是
由於天然氣業務擴張所致。

Exploration and Production 勘探與生產

The sales volume of crude oil
in the Exploration and Production
business was

6.61 million barrels

勘探與生產業務銷售原油 661 萬桶



Natural Gas Pipeline 天然氣管道

The transmission volume of Natural
Gas Pipeline business was

**26,268 million
cubic metres,**

representing an increase of
6,108 million cubic metres

天然氣管道業務輸氣量為 262.68 億立方米，
增加 61.08 億立方米

LNG Processing and Terminal LNG 加工與儲運

The sales volume of LNG Processing
and Terminal was

**10,057 million
cubic metres,**

representing an increase of
3,829 million cubic metres

LNG 加工與儲運銷售量 100.57 億立方米，
增加 38.29 億立方米

Natural Gas Sales 天然氣銷售

the Group's natural gas and LPG sales volume were

**10,467 million cubic metres
and 3.48 million tonnes,**

representing an increase of 1,643 million cubic metres and 0.26 million tonne
天然氣及 LPG 銷售量 104.67 億立方米及 348 萬噸，增加 16.43 億立方米及 26 萬噸



BUSINESS REVIEW

I am pleased to report the results of Kunlun Energy Company Limited (the “Company”) and its subsidiaries (together, the “Group”) for the six months ended 30 June 2018 (the “Period”) to the shareholders on behalf of the Board of Directors (the “Board”).

During the Period, the PRC’s GDP has recorded a growth rate of 6.8% compared with same period for last year, and the macro economy has registered a stable performance with good momentum for growth. With the further implementation of national environmental protection policy and measure, the national production volume and the net imported volume of natural gas during the Period increased by 17.5% compared with the same period of last year, maintaining double-digit growth. The Company seeks to integrate various beneficial elements and resources to give full play to the advantages of assets and business structure, which has resulted in synergistic effect and better operation results than expected. During the Period, Exploration and Production, LNG Processing and Terminal and Natural Gas Sales recorded growth on varying extents, which offset the negative impact of Natural Gas Pipeline business due to the decrease of transmission price.

During the Period, the Group recorded revenue of RMB49,593 million, representing an increase of RMB8,867 million or 21.77% compared with the restated revenue for the same period of last year; profit before income tax expense was RMB7,231 million, representing an increase of RMB843 million or 13.20% compared with the restated profit before income tax expense for the same period of last year; profit attributable to owners of the Company was RMB3,092 million, representing an increase of RMB544 million or 21.35% compared with the restated profit attributable to owners of the Company for the same period of last year.

EXPLORATION AND PRODUCTION

During the Period, the sales volume of crude oil in the Exploration and Production business was 6.61 million barrels, representing an increase of 0.26 million barrels or 4.09% compared with 6.35 million barrels for the same period of last year. Revenue from sales of crude oil was RMB942 million, representing an increase of RMB208 million or 28.34% compared with the same period of last year. During the Period, as international crude oil price recovered from the same period of last year, the average realised crude oil selling price of the Group increased to US\$57.88/barrel or 27.07% from US\$45.55/barrel during the same period of last year. Profit before income tax was RMB674 million, representing an increase of RMB258 million or 62.02% from RMB416 million for the same period of last year.

業務回顧

本人謹代表昆侖能源有限公司(「本公司」)董事會(「董事會」)向各位股東報告本公司及其附屬公司(統稱「本集團」)截至二零一八年六月三十日止六個月(「本期內」)業績。

本期內，中國國內生產總值同比增長6.8%，宏觀經濟穩中向好。隨著國家環境保護政策和措施的推進實施，本期內天然氣表觀消費量較去年同期增長17.5%，保持雙位數增長態勢。本公司整合各種有利要素資源，充分發揮資產和業務結構優勢，協同效應顯現，經營業績好於預期。本期內，勘探與生產、LNG加工與儲運以及天然氣銷售實現不同程度增長，抵銷了天然氣管道業務因管輸費下調帶來的負面影響。

本期內，本集團實現收入人民幣495.93億元，較去年同期重列收入增加人民幣88.67億元或21.77%；除所得稅前溢利人民幣72.31億元，較去年同期重列除所得稅前溢利增加人民幣8.43億元或13.20%；本公司股東應佔溢利人民幣30.92億元，較去年同期重列本公司股東應佔溢利增加人民幣5.44億元或21.35%。

勘探與生產

本期內，勘探與生產業務銷售原油661萬桶，較去年同期635萬桶增加26萬桶或4.09%；原油銷售收入為人民幣9.42億元，較去年同期增加人民幣2.08億元或28.34%。本期內，國際油價較去年同期有所回升，本集團平均實現原油銷售價格從去年同期的45.55美元／桶增加至57.88美元／桶或27.07%。除所得稅前溢利人民幣6.74億元，較去年同期4.16億元增加人民幣2.58億元或62.02%。



NATURAL GAS SALES

During the Period, Natural Gas Sales volume recorded 10,467 million cubic metres, representing an increase of 1,643 million cubic metres or 18.62% compared with 8,824 million cubic metres for the same period of last year. Revenue was RMB40,865 million, representing an increase of RMB8,540 million or 26.42% compared with RMB32,325 million for the same period of last year. Profit before income tax for the Period was RMB2,333 million, representing an increase of RMB1,304 million or 126.72% compared with RMB1,029 million for the same period of last year.

In terms of city gas, sales volume recorded 7,186 million cubic metres after the active promotion of the quality of the products, an increase of 29.86% compared with the same period of last year which reflected the improvement in the quality and quantity of the sales. The Group has committed to the construction of branch pipelines to drive the sales to end user, and promoted the key projects in an orderly manner. The construction of 4 branch pipelines including Tengchong have been completed, 4 branch pipelines such as Miluo – Quyuan are under finishing stage, and 6 branch pipelines like Chuxiong-Panzhuhua have been under further construction as planned. The Group has signed 11 project cooperation agreements with the markets along the Sino-Russian Eastern Natural Gas Pipeline.

The Group speeded up the development of the natural gas generator and distributed energy business. Zhoukou Power Plant Unit 1 entered the commissioning stage for production, and Zengcheng Power Plant was constructed as planned. It has signed cooperation framework agreements for 16 projects including Nantong Power Plant, and completed the feasibility review for 5 projects including Zhenjiang Power Plant.

Since the Group seized the market opportunity from the stable macroeconomy and recovery of international oil price with the expansion of the scope of imported resources and optimised sales structure, the LPG business recorded sales volume of 3.48 million tonnes for the Period, representing an increase of 8.19% compared with the same period of last year, including an increase of 33.2% in the sales to end user.

天然氣銷售

本期內，實現天然氣銷售量104.67億立方米，較去年同期88.24億立方米增加16.43億立方米或18.62%。收入為人民幣408.65億元，較去年同期人民幣323.25億元增加人民幣85.40億元或26.42%。本期內除所得稅前溢利為人民幣23.33億元，較去年同期人民幣10.29億元增加人民幣13.04億元或126.72%。

大力提升銷售質量，城市燃氣實現銷量71.86億立方米，同比增長29.86%，實現量效齊增。堅持支線管道建設帶動終端銷售，重點項目有序推進。騰冲等4條支線完工，汨羅—屈原等4條支線工程收尾，楚雄—攀枝花等6條支線按計劃推進建設。中俄東線天然氣管道沿線市場簽訂11個項目合作協議。

加快氣電和分佈式能源業務發展，周口電廠1號機組進入投產調試階段，增城電廠按計劃施工建設。南通電廠等16個項目簽訂合作框架協議，鎮江電廠等5個項目完成可研評審。

LPG業務抓住宏觀經濟企穩和國際油價回升的市場機遇，積極擴大進口資源規模，優化銷售結構，本期內銷售LPG 348萬噸，同比增長8.19%，其中：終端銷量同比增長33.2%。



LNG PROCESSING AND TERMINAL

The LNG terminal loading and unloading capacity of the Group accounted for more than one-third of the domestic capacity and its LNG processing capacity accounted for more than one-quarter of the domestic capacity, forming a complete LNG industrial chain from loading and unloading, gasification and entrucking, processing and storage, vehicle and ship refilling. During the Period, the Group recorded sales volume of LNG Processing and Terminal of 10,057 million cubic metres, representing an increase of 3,829 million cubic metres or 61.48% as compared with 6,228 million cubic metres (restated) for the same period of last year. Revenue for the Period was RMB4,044 million, representing an increase of RMB1,267 million or 45.62% as compared with RMB2,777 million (restated) for the same period of last year. Profit before income tax for the Period was RMB1,726 million, representing an increase of RMB1,111 million or 180.65% as compared with RMB615 million (restated) for the same period of last year.

During the Period, LNG gasification volume of Jiangsu LNG Terminal, Jingtang LNG Terminal and Dalian LNG Terminal under the Group amounted to 8,313 million cubic metres, representing an increase of 3,598 million cubic metres or 76.31% as compared with 4,715 million cubic metres (restated) for the same period of last year. LNG entrucking volume amounted to 1,126 million cubic metres, representing an increase of 118 million cubic metres or 11.71% as compared with 1,008 million cubic metres (restated) for the same period of last year, and the utilisation rate of the LNG Terminal increased by 29.7% to 70.4%. The emergency buffer storage project of Jingtang LNG Terminal, which was officially started and the expansion project of Jiangsu LNG Terminal, which entered the construction project tendering stage and were expected to commence operation in 2020 and 2021 respectively.

The processing volume of LNG processing plant was 618 million cubic metres, representing an increase of 112 million cubic metres or 22.13% as compared with 506 million cubic metres for the same period of last year. During the Period, 12 LNG processing plants were put into operation. Leverage on the construction of LNG processing plants network, the construction plan for LNG storage facilities for buffer storage will be completed. At the same time, the Group will actively prepare for the launch of natural gas engine fuel vehicles and related forums to promote the application of LNG in the transportation field through China-Kazakhstan-Russia highway.

LNG 加工與儲運

本集團的LNG接收站接卸能力佔國內三分之一以上，LNG加工能力佔國內四分之一以上，已佈局形成從接卸、氣化裝車、加工儲運、車船加注完整的LNG產業鏈。本期內，本集團實現LNG加工與儲運銷售量100.57億立方米，較去年同期62.28億立方米(重列)增加38.29億立方米或61.48%。本期內，收入為人民幣40.44億元，較去年同期人民幣27.77億元(重列)增加人民幣12.67億元或45.62%。本期除所得稅前溢利為人民幣17.26億元，較去年同期人民幣6.15億元(重列)增加人民幣11.11億元或180.65%。

本期內，本集團所屬江蘇LNG接收站、京唐LNG接收站、大連LNG接收站LNG氣化量83.13億立方米，較去年同期47.15億立方米(重列)增加35.98億立方米或76.31%；裝車量11.26億立方米，較去年同期10.08億立方米(重列)增加1.18億立方米或11.71%，LNG接收站利用率同比提高29.7%至70.4%。京唐LNG接收站應急調峰工程正式開工建設，江蘇LNG接收站擴建工程進入項目招標階段。預計分別於2020年及2021年投產。

LNG工廠加工量6.18億立方米，較去年同期5.06億立方米增加1.12億立方米或22.13%；本期內，實現12座工廠運行。依託LNG工廠佈局各地區儲氣調峰能力建設，完成LNG儲氣調峰設施建設規劃。同時，積極籌備開展中國—哈薩克斯坦—俄羅斯國際交通走廊天然氣發動機燃料汽車拉力活動及相關論壇，以期促進LNG在交通領域的應用。

NATURAL GAS PIPELINE

During the Period, benefiting from official operation of the No.4 Shaanxi-Beijing Pipeline at the end of 2017, Natural Gas Pipeline transmission volume was 26,268 million cubic metres, representing an increase of 6,108 million cubic metres or 30.30% as compared with 20,160 million cubic metres for the same period of last year. Revenue reached RMB5,051 million, representing a decrease of RMB1,145 million or 18.48% as compared with RMB6,196 million for the same period of last year. Profit before income tax was RMB2,783 million, representing a decrease of RMB1,669 million or 37.49% as compared with RMB4,452 million for the same period of last year. During the Period, PetroChina Beijing Gas Pipeline Co., Limited continued to improve its safety management level and accelerated the construction of interconnection projects with safety and stability operation.

BUSINESS PROSPECTS

According to the national energy development plan, in PRC, proportion of natural gas in the primary energy consumption structure will strive to reach 10% in 2020. The International Energy Agency predicts that PRC will become one of the main drivers of the natural gas market in the next five years and will account for 37% of natural gas consumption growth in the world. Domestically, the natural gas industry will continue to develop rapidly. In the first half of the year, the departments of the state published relevant documents, including a Circular on Straightening the Gas Station Price of Natural Gas Used for Residential Purpose (《關於理順居民用氣門站價格的通知》) and Opinions on Accelerating the Construction of Gas Storage Facilities and Improving the Market Mechanism of Gas Storage and Peaking Auxiliary Services (《關於加快儲氣設施建設和完善儲氣調峰輔助服務市場機制的意見》) to further promote the marketization reform of natural gas. At the same time, the “Three-Year Action Plan for Defending the Blue Sky” was implemented, and the growth space for natural gas was further expanded. The Ministry of Transport issued the “Administrative Regulations on the Safety Supervision of Hazardous Goods Shipment” and published the “Opinions on Further Advancing the Application of LNG in the Waterborne Transportation Industry (Draft for Comment)”, which specified the policy for application of natural gas in the waterborne traffic, thus greatly promoting the “Gasification of Yangtze River” of the Group and offshore LNG utilisation. The above macro environment is significantly beneficial to the development of the Group.

天然氣管道

本期內，受惠於陝京四線輸氣管道正式於二零一七年底投產，天然氣管道業務輸氣量為262.68億立方米，較去年同期201.60億立方米增加61.08億立方米或30.30%；收入為人民幣50.51億元，較去年同期人民幣61.96億元減少人民幣11.45億元或18.48%；除所得稅前溢利為人民幣27.83億元，較去年同期人民幣44.52億元減少人民幣16.69億元或37.49%。本期內，中石油北京天然氣管道有限公司持續提升安全管理水平，加快推進互聯互通工程建設，管道運行安全平穩。

業務展望

按照國家能源發展規劃，我國天然氣在一次能源消費結構中佔比力爭在二零二零年達到10%，國際能源署預測，未來五年中國將成為天然氣市場增長的主要驅動力之一，將佔世界天然氣消費增量的37%，國內天然氣產業將會持續快速發展。上半年，國家有關部門出台了《關於理順居民用氣門站價格的通知》、《關於加快儲氣設施建設和完善儲氣調峰輔助服務市場機制的意見》等文件，進一步推進天然氣市場化改革。同時實施《打贏藍天保衛戰三年行動計劃》，天然氣市場增長空間進一步擴大。交通運輸部出台《船舶載運危險貨物安全監督管理規定》，印發《關於深入推進水運行業應用液化天然氣的意見(徵求意見稿)》，明確了水上交通流域天然氣應用政策，將會極大促進本集團「氣化長江」和近海船舶LNG替代。這些宏觀環境對本集團的發展十分有利。



At the same time, with the strong support of PetroChina Company Limited (“PetroChina”), the terminal utilization business scale has been continuously expanded after 10 year’s development. In the context of the nation’s deepening of the oil and gas system reform, the utilization link has become the key to improve the quality and efficiency of PetroChina gas sales business and accelerating the creation of “golden terminal”. The Group has the confidence and ability to grasp development opportunities to transform the favorable internal and external environment into a development advantage of becoming larger, stronger and better, optimise the development structure, focus on the main business and comprehensively develop and expand the natural gas utilisation business.

Promote increase in both sales volume and efficiency of city gas. The Group will strengthen communication with its parent company, realise the synergy effect in all aspects. It will accelerate the operation of new projects and the orderly development of stock market, expand the development of high-quality users in residential, industrial and public service sectors, increase effort to rationalise the price. The Group will also vigorously increase the sale income, reduce the expenditures and increase efficiency, in order to increase the profitability of the natural gas sales.

Promote efficient development of LNG business. The Group will aggressively contract LNG emergency buffer storage project in the Jingtang LNG Terminal and the Jiangsu LNG Terminal expansion project. It will actively promote the integrated implementation of LNG business, and further improve the loading and unloading capacity of LNG terminal. It will improve the capacity of the LNG processing plants, strive to put the Taian plant into operation during the year; endeavour to incorporate the existing qualified LNG processing plant into national and regional emergency buffer storage system, actively implement the LNG buffer storage plan.

Advance the construction of key strategic branch pipelines in an orderly manner. It will advance the construction of 3 branch pipelines, including Honghe, Duyun-Kaili, Changsha-Yiyang (Phase II), complete 11 branch pipelines of Chupan, Wachang, Lianxin, Yuelin, Taihe and Tengchong by the end of the year and start construction of Chaozhou, Jieyang Pipeline and branch pipeline project of Zengcheng Power Plant. In terms of the new branch pipeline, the Group will insist on market development and strive to synchronise production with downstream users.

同時，得益於中國石油天然氣股份有限公司（「中國石油」）的大力支持，歷經十年的發展，終端利用業務規模實力不斷擴大。在國家深化油氣體制改革背景下，終端利用環節已成為中國石油天然氣銷售業務提質增效的關鍵所在，正在加快打造天然氣銷售「黃金終端」。本集團有信心、有能力把握發展機遇，把有利的內外部環境轉化為做大、做強、做優的發展優勢，開啟發展壯大天然氣終端利用業務新征程。

推動城市燃氣量效齊增。加強與母公司的溝通銜接，全面協同發展，加快新項目投產和存量市場滾動開發，加大居民、工業、公服等優質用戶開發力度，加大推價順價力度，大力實施開源節流降本增效工程，着力提升天然氣銷售盈利能力，實現增量增效。

推進LNG業務高效發展。做好京唐LNG接收站應急調峰工程、江蘇LNG接收站擴建工程。積極推進LNG業務一體化實施，進一步提高LNG接收站接卸負荷。提升LNG工廠負荷，力爭泰安工廠年內投產；爭取將現有具備條件的LNG工廠納入國家和地方政府應急調峰體系，積極推進LNG儲氣調峰規劃實施。

有序推進重點戰略支線建設。大力推進紅河、都勻—凱裡、長沙—益陽（二期）等3條支線建設，年底前建成投產楚攀、瓦長、漣新、嶽臨、太和、騰沖等11條支線，開工建設潮州、揭陽管道及增城電廠支線項目。新建支線堅持市場開發先行，爭取與下游用戶同步投產。



Chairman Statement

主席報告

Accelerate development planning for natural gas generator and distributed energy projects. It will give full play to the overall synergy of PetroChina, attach importance to the scale benefits, accelerate the preliminary work of the projects, promote cooperation with major power energy companies and focus on the implementation of 8 projects including Zhenjiang Jiangsu, Langfang Hebei and Xiegang Guangdong.

Continue to promote the transformation and upgrading of LPG sales. The Group will expand resource channels, consolidate business scale, make innovations in mechanism to promote terminal project development and strengthen marketing management to continuously improve economic efficiency. It will intensify cooperation with refining and chemical enterprises, speed up the transformation from single purchase and sales to multi-variety procurement and sales.

The Group is confident to grasp the opportunities and challenges of development, and will give full play to the advantages of industrial structure, adhere to the concept of green development, achieve its coordinated development with PetroChina's natural gas business, and play an active role in the construction of ecological civilization and the promotion of clean and low-carbon development in the economy and society. In addition, the Group will continue to integrate its business in order to enhance its asset efficiency-creating capabilities and continuously enhance its corporate value to bring more returns to its shareholders.

INTERIM DIVIDEND

The Board does not recommend the declaration of interim dividend for the Period.

By order of the Board

Ling Xiao
Chairman

Hong Kong, 28 August 2018

加快氣電與分佈式能源項目開發佈局。發揮中國石油整體協同優勢，突出規模效益，加快項目前期工作，推進與各大電力能源企業的合作，重點推進實施江蘇鎮江、河北廊坊、廣東謝崗等8個項目。

繼續推進LPG銷售轉型升級。拓展資源渠道，以鞏固業務規模，創新機制促進終端項目開發。強化營銷管理，持續提升經濟效益。加大與煉化企業深度合作，加快由單一採銷向多品種採購轉變。

本集團有信心把握發展的機遇和挑戰，充分發揮產業結構優勢，堅持綠色發展理念，與中國石油天然氣業務實現協同發展，在生態文明建設和促進經濟社會清潔低碳發展中發揮積極作用，同時，集團將繼續整合業務，務求提升資產創效能力，持續提升企業價值，為股東帶來更多回報。

中期股息

董事會已議決不宣派本期內之中期股息。

承董事會命

主席
凌霄

香港，二零一八年八月二十八日



Kunlun Energy Company Limited business in (the “Company”) and its subsidiaries (together, the “Group”) continued to develop its business in LNG Processing and Terminal and Natural Gas Sales segment which recorded growth on varying extents during the period ended 30 June 2018 (the “Period”). Profit before income tax expense of the Group for the Period was approximately RMB7,231 million, representing an increase of 13.20% as compared with RMB6,388 million (restated) for the last period. Profit attributable to owners of the Company for the Period was approximately RMB3,092 million, representing an increase of 21.35% as compared with RMB2,548 million (restated) for the last period.

Revenue

Revenue for the Period was approximately RMB49,593 million, representing an increase of 21.77% as compared with amount of RMB40,726 million (restated) for the last period. The increase was mainly due to the expansion of natural gas business.

Revenue mostly from the Natural Gas Sales, LNG Processing and Terminal and Natural Gas Pipeline accounted for 98.10% (same period of 2017 restated: 98.20%) of the Group’s total revenue amounting to approximately RMB48,651 million (same period of 2017 restated: RMB39,992 million).

Other gains, net

Other gains, net for the Period was approximately RMB106 million, representing a decrease of 81.44% as compared with amount of RMB571 million (restated) for the last period. The decrease was mainly due to depreciation of RMB against US\$ during the Period.

Interest income

Interest income for the Period was approximately RMB107 million, representing a decrease of 18.32% as compared with amount of RMB131 million (restated) for the last period. The decrease was mainly due to the decrease in average balance of amounts due from related parties which were interest-bearing.

Purchases, services and others

Purchases, services and others were approximately RMB36,223 million for the Period, representing an increase of 27.77% as compared with amount of RMB28,351 million (restated) for the last period. The increase was mainly due to the increase in purchase volume of natural gas which was generally in line with the increase in sales of natural gas business.

昆侖能源有限公司(「本公司」)及其附屬公司(統稱「本集團」)於截至二零一八年六月三十日止期間(「本期內」)繼續擴大LNG加工與儲運及天然氣銷售板塊業務，並實現了不同程度增長。本集團於本期內之除所得稅費用前溢利約為人民幣7,231百萬元，比去年同期金額人民幣6,388百萬元(重列)增加13.20%。於本期內本公司股東應佔溢利約為人民幣3,092百萬元，比去年同期金額人民幣2,548百萬元(重列)增加21.35%。

收入

本期內之收入約為人民幣49,593百萬元，比去年同期金額人民幣40,726百萬元(重列)增加21.77%。此增加主要是由於天然氣業務擴張所致。

天然氣銷售、LNG加工與儲運及天然氣管道之收入佔本集團總收入98.10%(二零一七年同期重列：98.20%)，約人民幣48,651百萬元(二零一七年同期重列：人民幣39,992百萬元)。

其他收益，淨額

本期內之其他收益，淨額約為人民幣106百萬元，比去年同期金額人民幣571百萬元(重列)減少81.44%。此減少主要由於本期內人民幣兌美金貶值。

利息收入

本期內之利息收入約為人民幣107百萬元，比去年同期金額人民幣131百萬元(重列)減少18.32%。此減少主要由於存放於關聯方款項可計息的本金平均結餘減少所致。

採購、服務及其他

本期內之採購、服務及其他約為人民幣36,223百萬元，比去年同期金額人民幣28,351百萬元(重列)增加27.77%。此增加主要由於天然氣的採購數量增加所致，大致上與天然氣業務銷售額增加一致。

Management Discussion and Analysis

管理層討論與分析

Employee compensation costs

Employee compensation costs of the Group was approximately RMB1,957 million for the Period, representing an increase of 5.56% as compared with amount of RMB1,854 million (restated) for the last period. This increase was mainly due to the increase in the number of headcount.

Depreciation, depletion and amortisation

Depreciation, depletion and amortisation for the Period was approximately RMB3,061 million, representing an increase of 8.82% as compared with amount of RMB2,813 million (restated) for the last period. This was mainly due to the increase in property, plant and equipment transferred from construction in progress during the Period.

Impairment loss on property, plant and equipment

No impairment loss on property, plant and equipment was recognised for the Period, representing a decrease of 100% as compared with amount of RMB100 million (restated) for the last period. This decrease was mainly due to the recoverable amount of property, plant and equipment was higher than the carrying amount.

Selling, general and administrative expenses

Selling, general and administrative expenses for the Period were approximately RMB1,188 million, representing a decrease of 29.70% as compared with amount of RMB1,690 million (restated) for the last period. The decrease in selling, general and administrative expenses was mainly due to the decrease in impairment loss on accounts receivable.

Taxes other than income taxes

Taxes other than income taxes for the Period was approximately RMB204 million, representing a decrease of 5.56% as compared with amount of RMB216 million (restated) for the last period. The decrease was mainly due to the decrease in VAT paid in the PRC.

僱員酬金成本

本期內，本集團之僱員酬金成本約為人民幣1,957百萬元，比去年同期金額人民幣1,854百萬元(重列)增加5.56%。此增加主要由於本期內僱員人數增加所致。

折舊、損耗及攤銷

本期內之折舊、損耗及攤銷約為人民幣3,061百萬元，比去年同期金額人民幣2,813百萬元(重列)增加8.82%。這主要由於本期內從在建工程轉入的物業、廠房及設備增加所致。

物業、廠房及設備減值虧損

本期內無物業、廠房及設備減值虧損，比去年同期金額人民幣100百萬元(重列)減少100%。此減少主要由於物業、廠房及設備的可收回金額均高於其賬面價值。

銷售、一般性和管理費用

本期內之銷售、一般性和管理費用約為人民幣1,188百萬元，比去年同期金額人民幣1,690百萬元(重列)減少29.70%。銷售、一般性和管理費用減少主要由於應收賬款減值虧損減少所致。

除所得稅以外之稅項

本期內，除所得稅以外之稅項約為人民幣204百萬元，比去年同期金額人民幣216百萬元(重列)減少5.56%。此減少主要由於繳納的中國增值稅減少所致。



Interest expenses

Interest expenses for the Period was approximately RMB575 million, representing an increase of 8.49% as compared with amount of RMB530 million (restated) for the last period. The increase was mainly due to the increase in borrowings during the Period.

Total interest expenses for the Period was approximately RMB807 million of which RMB232 million was capitalised under construction-in-progress.

Share of profits less losses of associates

Share of profits less losses of associates for the Period was approximately RMB564 million, representing an increase of 40.30%, as compared with amount of RMB402 million (restated) for the last period. The increase was mainly due to the increase in realised crude oil selling price during the Period that in turn led to the increase in the shared operating result from CNPC-Aktobemunaigas Joint Stock Company ("Aktobe").

Share of profits less losses of joint ventures

Share of profits less losses of joint ventures for the Period decreased by 38.39% to approximately RMB69 million (same period of 2017 restated: RMB112 million). The decrease was mainly due to the decrease in sale volume of crude oil in Oman project during the Period.

Profit before income tax expense

Profit before income tax expense for the Period was approximately RMB7,231 million, representing an increase of 13.20% as compared with amount of RMB6,388 million (restated) for the last period.

Income tax expense

Income tax expense for the Period was approximately RMB2,191 million, representing an increase of 11.39% as compared with amount of RMB1,967 million (restated) for the last period. The effective tax rate (excluding joint ventures and associates) for the Period decreased slightly to 33.21% (same period of 2017 restated: 33.49%).

利息支出

本期內利息支出約為人民幣575百萬元，比去年同期金額人民幣530百萬元(重列)增加8.49%。此增加主要由於本期內借貸增加。

本期內利息支出總額約為人民幣807百萬元，其中人民幣232百萬元已於在建工程被資本化。

應佔聯營公司溢利減虧損

本期內應佔聯營公司溢利減虧損約為人民幣564百萬元，比去年同期金額人民幣402百萬元(重列)增加40.30%。此增加主要由於本期內實現原油銷售價格上漲，從而造成CNPC-Aktobemunaigas Joint Stock Company (「Aktobe」)之應佔經營業績增加。

應佔合資企業溢利減虧損

本期內應佔合資企業溢利減虧損減少38.39%至約人民幣69百萬元(二零一七年同期重列：人民幣112百萬元)。該減少主要乃由於本期內阿曼項目之原油銷售量減少所致。

除所得稅費用前溢利

本期內除所得稅費用前溢利約為人民幣7,231百萬元，比去年同期金額人民幣6,388百萬元(重列)增加13.20%。

所得稅費用

本期內所得稅費用約為人民幣2,191百萬元，比去年同期金額人民幣1,967百萬元(重列)增加11.39%。本期內實際稅率(不包括合資企業及聯營公司)輕微減少至33.21%(二零一七年同期重列：33.49%)。

Management Discussion and Analysis

管理層討論與分析

Profit for the Period and profit attributable to owners of the Company

The profit for the Period of the Group was approximately RMB5,040 million, representing an increase of 14.00% as compared with amount of RMB4,421 million (restated) for the last period. The profit attributable to owners of the Company for the Period was approximately RMB3,092 million, representing an increase of 21.35% as compared with amount of RMB2,548 million (restated) for the last period.

Liquidity and capital resources

As at 30 June 2018, the carrying value of total assets of the Group was approximately RMB134,768 million, representing a decrease of RMB5,790 million or 4.12% as compared with RMB140,558 million as at 31 December 2017.

As at 30 June 2018, the Group has total borrowings of RMB35,357 million which will be repayable as follows:

本期內溢利及本公司股東應佔溢利

本集團之本期內溢利約為人民幣5,040百萬元，比去年同期金額人民幣4,421百萬元(重列)增加14.00%。本公司股東應佔本期內溢利約為人民幣3,092百萬元，比去年同期金額人民幣2,548百萬元(重列)增加21.35%。

資產流動性及資本資源

於二零一八年六月三十日，本集團總資產之賬面值約為人民幣134,768百萬元，比二零一七年十二月三十一日金額人民幣140,558百萬元減少人民幣5,790百萬元或4.12%。

於二零一八年六月三十日，本集團之總借貸人民幣35,357百萬元須按如下償還：

| | | 31 December 2017 | |
|---------------------------|------|------------------|-------------|
| | | 2018 | 十二月三十一日 |
| | | 二零一八年 | 二零一七年 |
| | | RMB'million | RMB'million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| | | | Note 19 |
| | | | 附註 19 |
| Within one year | 一年內 | 8,369 | 11,805 |
| Between one to two years | 一至兩年 | 13,393 | 4,431 |
| Between two to five years | 兩至五年 | 8,922 | 20,410 |
| After five years | 五年以上 | 4,673 | 4,455 |
| | | 35,357 | 41,101 |

The carrying amounts of the borrowings are denominated in RMB, US\$, Hong Kong dollars, Japanese yen and Euro.

The functional currency of the Company and most of its subsidiaries is RMB and the Company and most of its subsidiaries are exposed to the exchange gain/(loss) when the RMB is appreciated/depreciated against other currencies.

During the Period, no share option (same period of 2017: none) has been exercised by the senior executives of the Company as all share options were lapsed.

借貸之賬面值以人民幣、美元、港元、日元及歐元計值。

本公司及多數附屬公司功能貨幣為人民幣，當人民幣兌其他貨幣增值／貶值時，本公司及多數附屬公司面臨匯兌收益／(虧損)。

本期內，由於全部購股權已失效，本公司高級行政人員概無行使購股權(二零一七年同期：無)。



As at 30 June 2018, the Group had net current liabilities of RMB5,309 million. Notwithstanding the net current liabilities of the Group at 30 June 2018, the Group's consolidated interim financial statements have been prepared on a going concern basis because the directors of the Company (the "Directors") are of the opinion that the Group would have adequate funds to meet its obligation, as and when they fall due, having regard to the following:

- (i) the Group has committed credit from China Petroleum Finance Company Limited amounting to RMB15 billion, of which RMB3.6 billion is undrawn as at 30 June 2018;
- (ii) the Group expects to generate operating cash inflows in the future; and
- (iii) the Directors consider that the Group could obtain financing from various sources of funding.

Consequently, the consolidated interim financial statements have been prepared on a going concern basis.

Use of Proceeds

Use of Net Proceeds from Issuance of Convertible Bonds

Reference is made to the Company's announcements dated 14 July 2016 and 25 July 2016 in relation to, among other things, the issuance of RMB3,350 million in aggregate principal amount of 1.625% US\$ settled convertible bonds due 2019 (stock code: 5690) (the "Convertible Bonds") (the "CB Announcements"). Consistent with the intended use as disclosed in the CB Announcements, the Company has utilised all of the net proceeds from the issuance of the Convertible Bonds of approximately US\$497 million for the payment for the acquisition of PetroChina Kunlun Gas Company Limited ("Kunlun Gas"). As of 30 June 2017, the net proceeds from the issuance of Convertible Bonds have been fully utilised.

Interest Paid

The Group paid interest of RMB1,001 million (same period of 2017 restated: RMB717 million) during the Period.

於二零一八年六月三十日，本集團流動負債淨額為人民幣5,309百萬元。儘管本集團於二零一八年六月三十日錄得流動負債淨額，本集團綜合中期財務報表已根據持續經營基準編製，乃由於本公司董事（「董事」）經考慮以下情況後認為本集團將具備充足資金應付其到期債務：

- (i) 本集團獲得來自中油財務有限責任公司的承諾信貸達人民幣150億元，於二零一八年六月三十日其中人民幣36億元未提取；
- (ii) 本集團預期未來產生正經營現金流量；及
- (iii) 董事認為，本集團可透過不同資金來源獲得融資。

因此，綜合中期財務報表乃按持續經營基準編製。

所得款項用途

發行可轉換債券之所得款項淨額用途

茲提述本公司發佈於二零一六年七月十四日及二零一六年七月二十五日之公告，內容有關（其中包括）發行於二零一九年到期本金總額為人民幣3,350百萬元的1.625%美元結算可轉換債券（證券代號：5690）（「可轉換債券」）（「可轉換債券公告」）。與可轉換債券公告所披露的擬定用途一致，本公司已動用發行可轉換債券的所有所得款項淨額約497百萬美元支付收購中石油昆侖燃氣有限公司（「昆侖燃氣」）的款項。於二零一七年六月三十日，發行可轉換債券的所得款項淨額已悉數動用。

利息支付

本集團於本期內支付利息人民幣1,001百萬元（二零一七年同期重列：人民幣717百萬元）。

Dividend Paid

2017 final dividend of RMB21.0 cents per share amounting to RMB1,742 million (2017: 2016 final dividend of RMB6.5 cents per share amounting to RMB522 million) was distributed to owners of the Company during the Period.

PLEDGE OF ASSETS

As at 30 June 2018 and 31 December 2017, no short-term or long-term borrowings were secured by property, plant and equipment or advance operating lease payment.

NEW INVESTMENT IN MAJOR PROJECTS

Kunlun Gas, a wholly-owned subsidiary of the Company, entered into acquisition agreement dated 28 September 2017 with PetroChina Company Limited (“PetroChina”), pursuant to which PetroChina has conditionally agreed to sell and Kunlun Gas has conditionally agreed to purchase 51% equity interest in PetroChina Jingtang LNG Co., Ltd (“Jingtang Co.”) at a consideration of approximately RMB1,547 million subject to adjustment on gain or loss of Jingtang Co. during the transition period, as defined in the acquisition agreement. This acquisition will help the Group avoid the horizontal competition between the Group and PetroChina, which will generate synergies among the Group’s businesses, enhance operational efficiency and increase market competitiveness. In the fourth quarter of 2017, Kunlun Gas obtained all the necessary approvals of the government authorities of the acquisition and Jingtang Co. has become a non-wholly-owned subsidiary of the Company upon the completion of acquisition. The final consideration was RMB1,906 million, including the gains during the transition period amounting to approximately RMB359 million.

MATERIAL INVESTMENTS

Material investments of the Group are its investments in associates and in joint ventures.

The Group’s major investment in associates are mainly in its Exploration and Production segment. The Group has invested in an associate, Aktobe, located in the Republic of Kazakhstan with an effective equity interest of 15.072%.

股息支付

本期內，分派予本公司股東之二零一七年末期股息為每股21.0人民幣分，金額為人民幣1,742百萬元（二零一七年：二零一六年末期股息為每股6.5人民幣分，金額為人民幣522百萬元）。

資產抵押

於二零一八年六月三十日及二零一七年十二月三十一日，概無短期或長期借貸以物業、廠房及設備或預付經營租賃款作為抵押。

於主要項目之新投資

本公司全資附屬公司昆侖燃氣於二零一七年九月二十八日與中國石油天然氣股份有限公司（「中國石油」）訂立收購協議，據此，中國石油已有條件同意出售及昆侖燃氣已有條件同意購買中石油京唐液化天然氣有限公司（「京唐公司」）51%的股權，代價為約人民幣1,547百萬元，須根據京唐公司於過渡期之損益（定義見該收購協議）而作出調整。收購有利於本集團避免與中國石油的同業競爭，將有利於發揮本集團業務之間的協同效應、提高運營效率、增強市場競爭力。於二零一七年第四季度，昆侖燃氣就收購事項取得全部所需政府機關之批准，京唐公司於收購事項完成後已成為本公司之非全資附屬公司。最終代價為人民幣1,906百萬元，包括過渡期收益約人民幣359百萬元。

重大投資

本集團重大投資為其於聯營公司及合資企業之投資。

本集團於聯營公司之主要投資主要為其勘探與生產板塊。本集團已對位於哈薩克斯坦共和國之聯營公司Aktobe進行投資並擁有15.072%實際股權。



There is no single material joint venture which significantly affects the results and/or net assets of the Group.

概無單一重大合資企業重大影響本集團業績及／或資產淨值。

EMPLOYEE

As at 30 June 2018, the Group had approximately 38,608 employees globally (excluding the employees under entrustment contracts) (same period of 2017 restated: 35,136 employees). Remuneration package and benefits were determined in accordance with market terms, industry practice as well as the duties, performance, qualifications and experience of the employees.

僱員

於二零一八年六月三十日，本集團在全球僱用約38,608名僱員（通過委託合同聘任除外）（二零一七年同期重列：35,136名僱員）。薪酬及有關福利一般根據市場情況、行業慣例及個別僱員之職責、表現、資歷及經驗而釐定。

INTERIM DIVIDEND

The Board of Directors has resolved not to recommend the payment of any interim dividend for the Period ended 30 June 2018.

中期股息

董事會決議不派發截至二零一八年六月三十日止期間的任何中期股息。

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the Period.

購入、出售或贖回股份

本公司或其任何附屬公司於本期內概無購入、出售或贖回本公司任何股份。

CORPORATE GOVERNANCE

The Company is committed to the maintenance of stringent corporate governance practices and procedures with a view to enhancing investor confidence and the Company's accountability and transparency. The Company strives to maintain high corporate governance standard. The Board of Directors is of the view that the Company has complied with all the code provisions in the Code on Corporate Governance Practices during the Period.

企業管治

本公司致力於維持嚴謹的企業管治常規及程序，旨在提升投資者信心及本公司的問責性及透明度。本公司竭力維持高企業管治標準。董事會認為，本公司於本期內已遵守企業管治常規守則的所有守則條文。

REVIEW OF INTERIM FINANCIAL INFORMATION

Pursuant to paragraph 46(6) of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), the Board of Directors of the Company wishes to confirm that the Audit Committee of the Company has reviewed with the management the accounting policies and standards adopted by the Company and its subsidiaries and discussed the internal control and financial reporting matters related to the preparation of the unaudited interim financial report for the Period.

審閱中期財務資料

根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十六第46(6)段規定，本公司之董事會確認就編製本期內之未經審核中期財務報告一事，本公司之審核委員會與管理層已審閱本公司及其附屬公司所採納之會計政策及準則，以及討論內部監控及財務申報等事宜。



Management Discussion and Analysis

管理層討論與分析

The unaudited consolidated interim financial information of the Group for the Period has been reviewed by the Audit Committee of the Company and has also been reviewed by the Company's auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* issued by the Hong Kong Institute of Certified Public Accountants, whose unmodified review report is included in the interim report to be sent to shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted written guidelines on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transaction.

Specific enquiry has been made of all the directors and the directors have confirmed that they have complied with the Model Code throughout the period ended 30 June 2018.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, any of its subsidiaries, its fellow subsidiaries or its holding companies 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 Period or at any time during the Period.

本公司審核委員會及本公司核數師畢馬威會計師事務所已根據香港會計師公會頒佈之《香港審閱工作準則》第2410號「實體的獨立核數師對中期財務資料的審閱」審閱本集團本期內之未經審核綜合中期財務資料。畢馬威會計師事務所之未經修訂審閱報告將收錄於致股東的中期報告內。

董事進行證券交易的標準守則

本公司已採納條款不比上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」）寬鬆之書面指引，作為有關董事證券交易之行為守則。

經向全體董事作出具體查詢，董事已確認截至二零一八年六月三十日止期間內一直遵守標準守則。

董事於合同之權益

於本期內終結日或本期內任何時間，本公司、其任何附屬公司、同集團附屬公司或其控股公司概無訂立對本集團業務而言為重大，而本公司董事直接或間接於其中佔有重大權益之合同。



DIRECTORS' INTERESTS IN SHARES

As at 30 June 2018, the interests or short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities Future Ordinance (the "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 or short positions which any such director and chief executive of the Company is taken or deemed to have under such provisions of the SFO); or which (b) were required to be entered into the register maintained by the Company, pursuant to Section 352 of the SFO; or which (c) were required to be notified to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules are set out below.

Ordinary shares of HK\$0.01 each of the Company.

董事於股份之權益

於二零一八年六月三十日，本公司各董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、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之權益或淡倉（包括根據證券及期貨條例之條文被當作或視為本公司任何董事及主要行政人員擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條須列入本公司所存置之登記冊內之權益或淡倉；或(c)根據上市規則所載《上市發行人董事進行證券交易之標準守則》須知會本公司及聯交所之權益或淡倉載列如下。

本公司每股面值0.01 港元之普通股。

| Name | 姓名 | Number of shares 股份數目 | Capacity and nature of interests 身份及權益性質 | Percentage of issued shares 佔已發行股份之百分比 |
|----------------------------|---------|--------------------------|---|---|
| Li Kwok Sing Aubrey (Note) | 李國星(附註) | 1,000,000 | Beneficial owner 實益擁有人 | 0.012% |

Note: The interests held by Mr Li Kwok Sing Aubrey represent long position in the shares of the Company.

附註：李國星先生持有之權益為於本公司股份之好倉。

Share options are granted to directors and chief executive under the executive share option scheme approved by the Board of Directors on 3 June 2002 ("2002 Share Option Scheme") and it expired on 2 June 2012. Details of the outstanding shares options granted under the 2002 Share Option Scheme not yet exercised are set out in the section headed "Share Options" of this report.

購股權乃根據董事會於二零零二年六月三日批准之行政人員購股權計劃（「二零零二年購股權計劃」）授予董事及主要行政人員，且該計劃已於二零一二年六月二日到期。根據二零零二年購股權計劃已授出但尚未行使之購股權詳情載於本報告「購股權」一節。

Save as disclosed above, at no time during the Period was the Company or any of its subsidiaries, its fellow subsidiaries and its holding companies a party to any arrangement to enable the directors and chief executive of the Company (including their spouses and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations.

除上文所披露者外，本公司或其任何附屬公司、同集團附屬公司或控股公司於本期內任何時間概無參與任何安排，以致本公司董事及主要行政人員（包括彼等之配偶或十八歲以下之子女）持有本公司或其相聯法團之股份或相關股份或債券之任何權益或淡倉。

Management Discussion and Analysis

管理層討論與分析

SHARE OPTIONS

During the Period, the Company does not have any outstanding share options granted to the directors and employees of the Company.

SUBSTANTIAL SHAREHOLDERS' INTEREST IN SHARES

As at 30 June 2018, the register of substantial shareholders maintained under section 336 of the SFO, showed that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the directors and the chief executive of the Company.

購股權

本期內，本公司並沒有授予本公司董事及僱員之任何未行使購股權。

主要股東於股份之權益

於二零一八年六月三十日，根據證券及期貨條例第336條規定由本公司存置之主要股東登記冊所示，本公司已獲通知下列主要股東擁有本公司已發行股本5%或以上之權益。該等權益為在上文就本公司董事及主要行政人員所披露者以外之權益。

| Name | 名稱 | Number of shares 股份數目 | | Percentage of issued shares 佔已發行股份 總數百分比 |
|---|---|----------------------------|------------------------------|---|
| | | Direct interest 直接權益 | Indirect interest 間接權益 | |
| Sun World Limited ("Sun World") ⁽¹⁾ | Sun World Limited (「Sun World」) ⁽¹⁾ | 4,708,302,133 (L) | – | 58.33% |
| PetroChina Hong Kong Ltd. ("PetroChina Hong Kong") ⁽¹⁾ | 中石油香港有限公司 (「中石油香港」) ⁽¹⁾ | – | 4,708,302,133 (L) | 58.33% |
| PetroChina Company Limited ("PetroChina") ⁽¹⁾ | 中國石油天然氣股份 有限公司 (「中國石油」) ⁽¹⁾ | – | 4,708,302,133 (L) | 58.33% |
| Fairy King Investments Ltd. | Fairy King Investments Ltd. | 277,432,000 (L) | – | 3.43% |
| CNPC International Ltd. ("CNPCI") ⁽²⁾ | CNPC International Ltd. (「CNPCI」) ⁽²⁾ | – | 277,432,000 (L) | 3.43% |
| China National Oil and Gas Exploration and Development Corporation ("CNODC") ⁽²⁾ | 中國石油天然氣勘探 開發公司(「CNODC」) ⁽²⁾ | – | 277,432,000 (L) | 3.43% |
| China National Petroleum Corporation ("CNPC") ⁽¹⁾⁽²⁾ | 中國石油天然氣集團公司 (「CNPC」) ⁽¹⁾⁽²⁾ | – | 4,985,734,133 (L) | 61.76% |



Notes:

- (1) Sun World is a wholly-owned subsidiary of PetroChina Hong Kong. PetroChina Hong Kong is wholly-owned by PetroChina, which is in turn owned as to 86.47% by CNPC. Accordingly, CNPC is deemed to have interest in the 4,708,302,133 (L) shares held by Sun World. Mr. Zhao Yongqi, Executive Director of the Company, is also director of Sun World, which is a substantial shareholder of the Company (within the meaning of Part XV of the SFO).
- (2) Fairy King Investments Ltd. is a wholly-owned subsidiary of CNPCI, which in turn is wholly-owned by CNODC, which is in turn owned as to 100.00% by CNPC. Accordingly, CNPC is deemed to have interest in the 277,432,000 (L) shares held by Fairy King Investments Ltd..

Save as disclosed above, as at 30 June 2018, the directors and the chief executive of the Company were not aware of any person (other than a director or chief executive of the Company) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

As at 30 June 2018, the directors and the chief executive of the Company were not aware of any person (other than a director or chief executive of the Company) who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, or any options in respect of such capital.

By the Order of the Board

Zhao Yongqi
Executive Director

Hong Kong, 28 August 2018

附註：

- (1) Sun World 乃中石油香港之全資附屬公司。中石油香港乃中國石油之全資附屬公司，而中國石油則由 CNPC 擁有 86.47% 權益。因此，CNPC 被視為於 Sun World 所持之 4,708,302,133 股(好)股份中擁有權益。趙永起先生為本公司執行董事，亦為本公司主要股東(定義見證券及期貨條例第 XV 部) Sun World 之董事。
- (2) Fairy King Investments Ltd. 乃 CNPCI 之全資附屬公司，而 CNPCI 由 CNODC 全資擁有，且 CNPC 擁有 CNODC 之 100.00% 權益。因此，CNPC 被視為於 Fairy King Investments Ltd. 所持之 277,432,000 股(好)股份中擁有權益。

除上文所披露者外，於二零一八年六月三十日，本公司董事及主要行政人員並不知悉任何人士(本公司董事或主要行政人員除外)於本公司之股份或相關股份中擁有本公司根據證券及期貨條例第 XV 部第 2 及 3 分部之規定而須向本公司披露之任何權益或淡倉。

於二零一八年六月三十日，本公司董事及主要行政人員並不知悉任何人士(本公司董事或主要行政人員除外)直接或間接擁有附帶在一切情況下可在本集團內任何其他成員公司的股東大會上投票的權利的任何類別股本面值 10% 或以上或擁有該等股本之任何購股權。

承董事會命

執行董事
趙永起

香港，二零一八年八月二十八日

Unaudited Consolidated Interim Statement of Comprehensive Income

未經審核綜合中期全面收益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|---|---|---|
| | | 2018 二零一八年 | 2017 二零一七年 |
| | | RMB million 人民幣百萬元 | RMB million 人民幣百萬元 (restated) (重列) |
| | | Note 附註 | Note 23 附註 23 |
| Revenue | 收入 | 4 | 40,726 |
| Other gains, net | 其他收益，淨額 | 5 | 571 |
| Interest income | 利息收入 | | 131 |
| Purchases, services and others | 採購、服務及其他 | | (28,351) |
| Employee compensation costs | 僱員酬金成本 | | (1,854) |
| Depreciation, depletion and amortisation | 折舊、損耗及攤銷 | | (2,813) |
| Impairment loss on property, plant and equipment | 物業、廠房及設備減值虧損 | | (100) |
| Selling, general and administrative expenses | 銷售、一般性和管理費用 | | (1,690) |
| Taxes other than income taxes | 除所得稅以外之稅項 | | (216) |
| Interest expenses | 利息支出 | 6 | (530) |
| Share of profits less losses of: | 應佔溢利減虧損： | | |
| – Associates | – 聯營公司 | | 402 |
| – Joint ventures | – 合資企業 | | 112 |
| Profit before income tax expense | 除所得稅費用前溢利 | 7 | 6,388 |
| Income tax expense | 所得稅費用 | 8 | (1,967) |
| Profit for the period | 本期內溢利 | | 4,421 |
| Other comprehensive income: | 其他全面收益： | | |
| Item that will not be reclassified to profit or loss: | 不可重新分類至損益 之項目： | | |
| – Fair value loss on other financial assets (non-recycling), net of tax | – 其他金融資產之公平值 虧損(不可轉回至損益)， 扣除稅項後 | | – |
| Items that may be reclassified subsequently to profit or loss: | 其後可重新分類至 損益之項目： | | |
| – Exchange differences on translation of financial statements, net of nil tax, of: | – 財務報表換算之 匯兌差額，扣除零稅項後： | | |
| – Subsidiaries | – 附屬公司 | | 21 |
| – Associates | – 聯營公司 | | 5 |
| – Joint ventures | – 合資企業 | | (17) |
| – Fair value loss on available-for-sale financial assets (recycling), net of nil tax | – 可供出售金融資產之 公平值虧損(可轉回至 損益)，扣除零稅項後 | | (44) |

Unaudited Consolidated Interim Statement of Comprehensive Income

未經審核綜合中期全面收益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|------------|--|---|---|
| | | 2018 二零一八年 | 2017 二零一七年 |
| | | RMB million 人民幣百萬元 | RMB million 人民幣百萬元 (restated) (重列) |
| Note 附註 | | | Note 23 附註23 |
| | Other comprehensive income for the period | (38) | (35) |
| | Total comprehensive income for the period | 5,002 | 4,386 |
| | Profit for the period attributable to: | | |
| | – Owners of the Company | 3,092 | 2,548 |
| | – Non-controlling interests | 1,948 | 1,873 |
| | | 5,040 | 4,421 |
| | Total comprehensive income for the period attributable to: | | |
| | – Owners of the Company | 3,076 | 2,526 |
| | – Non-controlling interests | 1,926 | 1,860 |
| | | 5,002 | 4,386 |
| | Earnings per share for profit attributable to owners of the Company | | |
| | – Basic (RMB cent) | 38.31 | 31.57 |
| | – Diluted (RMB cent) | 36.39 | 30.01 |

The notes on pages 29 to 82 form part of this interim financial report. 第29至82頁之附註構成本中期財務報告的一部分。



Unaudited Consolidated Interim Statement of Financial Position

未經審核綜合中期財務狀況表

As at 30 June 2018 於二零一八年六月三十日

| | | | 30 June 2018 二零一八年 六月三十日 | 31 December 2017 二零一七年 十二月三十一日 |
|---|------------|-----------------------|-----------------------------------|---|
| | Note 附註 | RMB million 人民幣百萬元 | RMB million 人民幣百萬元 | RMB million 人民幣百萬元 |
| Assets | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 11 | 93,452 | 95,735 | 95,735 |
| Advanced operating lease payments | | 3,689 | 3,782 | 3,782 |
| Investments in associates | 12 | 3,727 | 3,515 | 3,515 |
| Investments in joint ventures | 13 | 2,759 | 1,918 | 1,918 |
| Other financial assets | | 160 | – | – |
| Available-for-sale financial assets | | – | 352 | 352 |
| Intangible and other non-current assets | 14 | 1,744 | 1,173 | 1,173 |
| Deferred tax assets | | 1,173 | 1,188 | 1,188 |
| | | 106,704 | 107,663 | 107,663 |
| Current assets | | | | |
| Inventories | | 1,563 | 1,559 | 1,559 |
| Accounts receivable | 15 | 2,770 | 2,846 | 2,846 |
| Prepaid expenses and other current assets | | 6,283 | 6,640 | 6,640 |
| Cash and cash equivalents | | 17,448 | 21,850 | 21,850 |
| | | 28,064 | 32,895 | 32,895 |
| Total assets | | 134,768 | 140,558 | 140,558 |
| Equity | | | | |
| Capital and reserves attributable to owners of the Company | | | | |
| Share capital | 16(a) | 65 | 65 | 65 |
| Retained earnings | | 26,399 | 25,280 | 25,280 |
| Other reserves | | 14,661 | 14,680 | 14,680 |
| | | 41,125 | 40,025 | 40,025 |
| Non-controlling interests | | 26,721 | 25,600 | 25,600 |
| Total equity | | 67,846 | 65,625 | 65,625 |

Unaudited Consolidated Interim Statement of Financial Position

未經審核綜合中期財務狀況表

As at 30 June 2018 於二零一八年六月三十日



| | | | 30 June 2018 二零一八年 六月三十日 | 31 December 2017 二零一七年 十二月三十一日 |
|--|-----------------|------------|---|---|
| | | Note 附註 | RMB million 人民幣百萬元 | RMB million 人民幣百萬元 |
| Liabilities | 負債 | | | |
| Current liabilities | 流動負債 | | | |
| Accounts payable and accrued liabilities | 應付賬款及應計負債 | 18 | 24,267 | 26,569 |
| Income tax payable | 應付所得稅 | | 442 | 495 |
| Other tax payable | 其他應付稅項 | | 142 | 424 |
| Short-term borrowings | 短期借貸 | 19 | 8,369 | 11,805 |
| Obligations under finance leases | 融資租賃承擔 | | 153 | 158 |
| | | | 33,373 | 39,451 |
| Non-current liabilities | 非流動負債 | | | |
| Long-term borrowings | 長期借貸 | 19 | 26,988 | 29,296 |
| Convertible bonds | 可轉換債券 | | 3,268 | 3,230 |
| Deferred tax liabilities | 遞延稅項負債 | | 1,394 | 1,075 |
| Obligations under finance leases | 融資租賃承擔 | | 123 | 193 |
| Other liabilities | 其他負債 | | 1,776 | 1,688 |
| | | | 33,549 | 35,482 |
| Total liabilities | 總負債 | | 66,922 | 74,933 |
| Total equity and liabilities | 權益及負債總額 | | 134,768 | 140,558 |
| Net current liabilities | 流動負債淨值 | | (5,309) | (6,556) |
| Total assets less current liabilities | 總資產減流動負債 | | 101,395 | 101,107 |

The notes on pages 29 to 82 form part of this interim financial report.

第29至82頁之附註構成本中期財務報告的一部分。

Unaudited Consolidated Interim Statement of Changes in Equity

未經審核綜合中期權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Attributable to owners of the Company | | | | Non-controlling interests | Total equity |
|--|---------------------|---------------------------------------|-------------------|----------------|-------------|---------------------------|--------------|
| | | 本公司股東應佔 | | | | | |
| | | Share capital | Retained earnings | Other reserves | Sub-total | | |
| 股本 | 滾存盈利 | 其他儲備 | 小計 | 非控制性權益 | 權益總額 | | |
| Note | RMB million | RMB million | RMB million | RMB million | RMB million | RMB million | |
| 附註 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | |
| Balances at 1 January 2017 | 於二零一七年一月一日結餘 | 65 | 21,836 | 15,951 | 37,852 | 24,043 | 61,895 |
| Profit for the period | 本期內溢利 | – | 2,548 | – | 2,548 | 1,873 | 4,421 |
| Other comprehensive income | 其他全面收益 | – | – | (22) | (22) | (13) | (35) |
| Total comprehensive income for the period | 本期內之全面收益總額 | – | 2,548 | (22) | 2,526 | 1,860 | 4,386 |
| Transfer between reserves | 儲備間轉撥 | – | (271) | 271 | – | – | – |
| Final dividend for 2016 | 二零一六年末期股息 | 10(a) | (522) | – | (522) | – | (522) |
| Lapsed share options | 已失效購股權 | – | 39 | (39) | – | – | – |
| Disposal of subsidiary | 處置附屬公司 | – | – | – | – | (2) | (2) |
| Dividend to non-controlling interests | 屬於非控制性權益之股息 | – | – | – | – | (333) | (333) |
| Capital contributions from non-controlling interests | 非控制性權益之注資 | – | – | – | – | 258 | 258 |
| Acquisition from non-controlling interests | 收購非控股性權益 | – | – | – | – | (2) | (2) |
| | | – | (754) | 232 | (522) | (79) | (601) |
| Balances at 30 June 2017, as restated | 於二零一七年六月三十日結餘 (如重列) | 65 | 23,630 | 16,161 | 39,856 | 25,824 | 65,680 |

Unaudited Consolidated Interim Statement of Changes in Equity

未經審核綜合中期權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Note 附註 | Attributable to owners of the Company 本公司股東應佔 | | | | Non- | Total equity 權益總額 RMB million 人民幣百萬元 |
|--|---------------------|------------|--|---|--|--|---|--|
| | | | Share capital 股本 RMB million 人民幣百萬元 | Retained earnings 滾存盈利 RMB million 人民幣百萬元 | Other reserves 其他儲備 RMB million 人民幣百萬元 | Sub-total 小計 RMB million 人民幣百萬元 | controlling interests 非控制性權益 RMB million 人民幣百萬元 | |
| | | | | | | | | |
| Balances at 1 January 2018 | 於二零一八年一月一日結餘 | | 65 | 25,280 | 14,680 | 40,025 | 25,600 | 65,625 |
| Impact on initial application of HKFRS 9 | 香港財務報告準則第九號在首次應用之影響 | 3(b) | – | (234) | – | (234) | – | (234) |
| Adjusted balances at 1 January 2018 | 於二零一八年一月一日結餘(調整後) | | 65 | 25,046 | 14,680 | 39,791 | 25,600 | 65,391 |
| Profit for the period | 本期內溢利 | | – | 3,092 | – | 3,092 | 1,948 | 5,040 |
| Other comprehensive income | 其他全面收益 | | – | – | (16) | (16) | (22) | (38) |
| Total comprehensive income for the period | 本期內之全面收益總額 | | – | 3,092 | (16) | 3,076 | 1,926 | 5,002 |
| Transfer between reserves | 儲備間轉撥 | | – | 3 | (3) | – | – | – |
| Final dividend for 2017 | 二零一七年末期股息 | 10(b) | – | (1,742) | – | (1,742) | – | (1,742) |
| Disposal of subsidiaries | 處置附屬公司 | | – | – | – | – | (576) | (576) |
| Dividend to non-controlling interests | 屬於非控制性權益之股息 | | – | – | – | – | (223) | (223) |
| Acquisition from non-controlling interests | 收購非控股性權益 | | – | – | – | – | (6) | (6) |
| | | | – | (1,739) | (3) | (1,742) | (805) | (2,547) |
| Balances at 30 June 2018 | 於二零一八年六月三十日結餘 | | 65 | 26,399 | 14,661 | 41,125 | 26,721 | 67,846 |

The notes on pages 29 to 82 form part of this interim financial report. 第29至82頁之附註構成本中期財務報告的一部分。

Unaudited Consolidated Interim Condensed Statement of Cash Flows

未經審核綜合中期簡明現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|-------------------------|---|---|
| | | 2018 二零一八年 RMB million 人民幣百萬元 | 2017 二零一七年 RMB million 人民幣百萬元 (restated) (重列) Note 23 附註23 |
| Operating activities | 經營活動 | | |
| Cash generated from operations | 經營業務所得之現金 | 9,422 | 8,100 |
| Tax paid | 已付稅項 | (1,891) | (2,322) |
| Net cash generated from operating activities | 經營活動所得之現金淨額 | 7,531 | 5,778 |
| Investing activities | 投資活動 | | |
| Capital expenditure | 資本開支 | (4,065) | (6,127) |
| Decrease in amount due from an intermediate holding company | 應收中間控股公司款項減少 | 570 | 78 |
| Other cash flows arising from investing activities | 投資活動所得之其他現金流量 | 301 | 718 |
| Net cash used in investing activities | 投資活動所用之現金淨額 | (3,194) | (5,331) |
| Financing activities | 融資活動 | | |
| Dividend paid to equity shareholders of the Company | 已付本公司權益股東股息 | (1,742) | (522) |
| Dividends paid to non-controlling interests | 已付非控制性權益股息 | (104) | (2,441) |
| Capital contribution from non-controlling interests | 非控制性權益之注資 | — | 72 |
| Increase in borrowings | 借貸增加 | 5,739 | 13,592 |
| Repayments in borrowings | 償還借貸 | (11,649) | (12,490) |
| Other cash flows used in financing activities | 融資活動所用之其他現金流量 | (1,090) | (805) |
| Net cash used in financing activities | 融資活動所用之現金淨額 | (8,846) | (2,594) |
| Net decrease in cash and cash equivalents | 現金及現金等值項目之減少淨額 | (4,509) | (2,147) |
| Cash and cash equivalents at 1 January | 於一月一日之現金及現金等值項目 | 21,850 | 19,165 |
| Effect of foreign exchange rate changes | 匯率變動之影響 | 107 | (239) |
| Cash and cash equivalents at 30 June | 於六月三十日之現金及現金等值項目 | 17,448 | 16,779 |

The notes on pages 29 to 82 form part of this interim financial report. 第29至82頁之附註構成本中期財務報告的一部分。



1 GENERAL INFORMATION

Kunlun Energy Company Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its ultimate holding company is China National Petroleum Corporation (“CNPC”) which is a company established in the People’s Republic of China (the “PRC”). The immediate holding company of the Company is Sun World Limited (“Sun World”), which is a company incorporated in the British Virgin Islands. On 18 December 2008, PetroChina Company Limited (“PetroChina”), a subsidiary of CNPC, acquired 100% equity interest in Sun World. Since then, PetroChina became an intermediate holding company of the Company. As at 30 June 2018, PetroChina indirectly owned 58.33% (31 December 2017: 58.33%) equity interest in the Company.

The address of the Company’s principal office and registered office are 39/F, 118 Connaught Road West, Hong Kong and Clarendon House, 2 Church Street Hamilton HM11, Bermuda, respectively.

The Company acts as an investment holding company. The Company and its subsidiaries are collectively referred to as the “Group”. The principal activities of its subsidiaries, associates and joint ventures are the exploration and production of crude oil and natural gas in the PRC, the Republic of Kazakhstan, the Sultanate of Oman, the Republic of Peru, the Kingdom of Thailand and the Republic of Azerbaijan, the sales of natural gas, liquefied natural gas (“LNG”) processing and terminal business and transmission of natural gas in the PRC.

1 一般資料

昆侖能源有限公司(「本公司」)為於百慕達註冊成立為獲豁免有限公司，而其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司的最終控股公司為中國石油天然氣集團有限公司(「中國石油集團」)，一間於中華人民共和國(「中國」)成立之公司。本公司之直接控股公司為Sun World Limited(「Sun World」)，該公司為一間於英屬處女群島註冊成立之公司。於二零零八年十二月十八日，中國石油集團之附屬公司中國石油天然氣股份有限公司(「中國石油」)收購Sun World之100%股權。此後，中國石油成為本公司之中間控股公司。於二零一八年六月三十日，中國石油間接擁有本公司之58.33%股權(二零一七年十二月三十一日：58.33%)。

本公司之主要辦事處及註冊辦事處地址分別為香港干諾道西118號39樓及Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司為投資控股公司。本公司及其附屬公司統稱「本集團」。本公司之附屬公司、聯營公司及合資企業之主要業務為於中國、哈薩克斯坦共和國、阿曼蘇丹國、秘魯共和國、泰國及阿塞拜疆共和國勘探及生產原油及天然氣，以及於中國銷售天然氣、從事液化天然氣(「LNG」)加工與儲運業務及輸送天然氣。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 28 August 2018.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2017 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2018 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2017 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on pages 83 to 84.

2 編製基準

本中期財務報告已根據香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露規定及香港會計師公會(「香港會計師公會」)頒佈之《香港會計準則》(「香港會計準則」)第34號「*中期財務報告*」的規定而編製，並於二零一八年八月二十八日獲授權刊發。

編製本中期財務報告所採納之會計政策與編製二零一七年年終財務報表所採納相同，惟預期於二零一八年年終財務報表內反映的會計政策變動除外。該等會計政策變動的詳情載於附註3。

按照香港會計準則第34號編製之中期財務報告需要管理層作出判斷、估計及假設，從而影響會計政策之應用，以及按本年截至報告日為止呈報之資產及負債、收入及支出之金額。實際結果有可能與估計有差異。

本中期財務報告載有簡明綜合財務報表及部分說明性附註。附註所載的解釋，有助於了解自編製二零一七年年終財務報表以來，對本集團財務狀況和業績表現方面的變動構成重要影響的事件和交易。簡明綜合中期財務報表及有關附註並不包括根據香港財務報告準則(「香港財務報告準則」)的規定編製之全份財務報表之所有資料。

本中期財務報告未經審核，但已由畢馬威會計師事務所根據香港會計師公會頒佈之《香港審閱工作準則》第2410號「*實體的獨立核數師對中期財務資料的審閱*」進行審閱。畢馬威會計師事務所致董事會之獨立審閱報告收錄於第83至84頁。



2 BASIS OF PREPARATION (CONTINUED)

As at 30 June 2018, the Group had net current liabilities of RMB5,309 million. Notwithstanding the net current liabilities of the Group at 30 June 2018, the Group's consolidated interim financial statements have been prepared on a going concern basis because the directors of the Company (the "Directors") are of the opinion that the Group would have adequate funds to meet its obligation, as and when they fall due, having regard to the following:

- (i) the Group has committed credit from China Petroleum Finance Company Limited ("CP Finance") amounting to RMB15 billion, of which RMB3.6 billion is undrawn as at 30 June 2018;
- (ii) the Group expects to generate operating cash inflows in the future; and
- (iii) the Directors consider that the Group could obtain financing from various sources of funding.

Consequently, the consolidated interim financial statements have been prepared on a going concern basis.

On 28 September 2017, PetroChina Kunlun Gas Co., Ltd. ("Kunlun Gas"), a wholly-owned subsidiary of the Company, entered into the acquisition agreement with PetroChina. Pursuant to the acquisition agreement, Kunlun Gas agreed to purchase and PetroChina agreed to sell 51% equity interest in PetroChina Jingtang LNG Co., Ltd. ("Jingtang Co.") at a consideration of approximately RMB1,547 million. The consideration would be settled in RMB and subject to adjustment by the gains or losses during the transition period, as defined in the acquisition agreement.

The acquisition was completed on 14 December 2017 and Jingtang Co. has become a non-wholly-owned subsidiary of the Group since then. As PetroChina and the Group are ultimately controlled by CNPC, the acquisition of Jingtang Co. was regarded as business combination under common control. To consistently apply the Group's accounting policy for common control combination, the acquisition has been accounted for based on the principles of merger accounting as set out in Accounting Guideline 5, *Merger Accounting for Common Control Combinations* ("AG 5") issued by the HKICPA. The financial statements of the Group have been prepared using the merger basis of accounting as if the current group structure had been in existence throughout the periods presented. The final consideration was RMB1,906 million, including the gains during the transition period amounting to approximately RMB359 million. During the year ended 31 December 2017, the Group paid RMB1,547 million to PetroChina and as at 30 June 2018, the gains during the transition period has not been settled.

2 編製基準(續)

於二零一八年六月三十日，本集團的流動負債淨額為人民幣5,309百萬元。儘管本集團於二零一八年六月三十日錄得流動負債淨額，本集團綜合中期財務報表已根據持續經營基準編製，乃由於本公司董事（「董事」）經考慮以下情況後認為本集團將具備充足資金支付其到期債務：

- (i) 本集團獲得來自中油財務有限責任公司（「中油財務」）的承諾信貸達人民幣150億元，於二零一八年六月三十日其中人民幣36億元未提取；
- (ii) 本集團預期未來產生正經營現金流量；及
- (iii) 董事認為，本集團可透過不同資金來源獲得融資。

因此，綜合中期財務報表乃按持續經營基準編製。

於二零一七年九月二十八日，本公司的全資附屬公司中石油昆侖燃氣有限公司（「昆侖燃氣」）與中國石油訂立收購協議。根據該收購協議，昆侖燃氣同意收購及中國石油同意出售中石油京唐液化天然氣有限公司（「京唐公司」）51%的股權，代價約人民幣1,547百萬元。代價將以人民幣支付，並須根據過渡期損益（定義見收購協議）作出調整。

收購於二零一七年十二月十四日完成，而京唐公司自此成為本集團的非全資附屬公司。由於中國石油及本集團最終由中國石油集團控制，因此，收購京唐公司被視為共同控制下業務合併。為了一致地採納本集團有關共同控制合併的會計政策，收購已根據香港會計師公會頒佈的香港會計指引第5號「共同控制合併的合併會計法」（「會計指引第5號」）所載的合併會計原則入賬。本集團的財務報表已採用會計合併基準編製，猶如現時集團架構已於所示期間一直存在。最終代價為人民幣1,906百萬元，包括過渡期的收益約人民幣359百萬元。截至二零一七年十二月三十一日止年度，本集團向中國石油支付人民幣1,547百萬元及於二零一八年六月三十日，過渡期間之收益尚未結清。

3 CHANGES IN ACCOUNTING POLICIES

(a) Overview

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 9, *Financial instruments*
- HKFRS 15, *Revenue from contracts with customers*
- HK(IFRIC) 22, *Foreign currency transactions and advance consideration*

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

The Group has been impacted by HKFRS 9 in relation to classification of financial assets and measurement of credit losses. The adoption of HKFRS 15 does not have any material impact on the Group's results and financial position. Details of the changes in accounting policies are discussed in Note 3(b) for HKFRS 9 and Note 3(c) for HKFRS 15.

3 會計政策變動

(a) 概覽

香港會計師公會已頒佈於本集團本會計期間首次生效的數項新訂香港財務報告準則及香港財務報告準則的修訂本。其中，下列發展與本集團的財務報表相關：

- 香港財務報告準則第9號
「金融工具」
- 香港財務報告準則第15號
「來自客戶合約的收入」
- 香港（國際財務報告詮釋委員會）
詮釋第22號「外幣交易
及預付代價」

本集團並無採用任何於本會計期間尚未生效的新準則或詮釋。

本集團受香港財務報告準則第9號有關金融資產分類及信貸虧損計量的影響。採納香港財務報告準則第15號不會對本集團的業績及財務狀況造成任何重大影響。關於香港財務報告準則第9號及香港財務報告準則第15號的會計政策變動的詳情分別於附註3(b)及附註3(c)討論。

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3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) Overview (Continued)

Under the transition methods chosen, the Group recognises cumulative effect of the initial application of HKFRS 9 as an adjustment to the opening balance of equity at 1 January 2018. Comparative information is not restated. The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been impacted by HKFRS 9:

| | | As at 31 December 2017 二零一七年 十二月三十一日 RMB million 人民幣百萬元 | Impact on initial application of HKFRS 9 (Note 3(b)) 香港財務報告 準則第9號 在首次應用之 影響(附註3(b)) RMB million 人民幣百萬元 | As at 1 January 2018 二零一八年 一月一日 RMB million 人民幣百萬元 |
|---|--------------------------|--|---|---|
| Deferred tax assets | 遞延稅項資產 | 1,188 | 76 | 1,264 |
| Total non-current assets | 非流動資產總額 | 107,663 | 76 | 107,739 |
| Accounts receivable | 應收賬款 | 2,846 | (310) | 2,536 |
| Total current assets | 流動資產總額 | 32,895 | (310) | 32,585 |
| Total assets | 總資產 | 140,558 | (234) | 140,324 |
| Retained earnings | 滾存盈利 | (25,280) | 234 | (25,046) |
| Capital and reserves attributable to owners of the Company | 本公司股東 應佔資本及儲備 | (40,025) | 234 | (39,791) |
| Total equity | 總權益 | (65,625) | 234 | (65,391) |
| Total equity and liabilities | 權益及負債總額 | (140,558) | 234 | (140,324) |
| Net current liabilities | 流動負債淨值 | (6,556) | (310) | (6,866) |
| Total assets less current liabilities | 總資產減流動負債 | 101,107 | (234) | 100,873 |

Further details of these changes are set out in sub-section (b) of this note.

該等變動之進一步詳情載於本附註分節(b)。

(b) HKFRS 9, *Financial instruments*

HKFRS 9 replaces HKAS 39, *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

3 會計政策變動(續)

(a) 概覽(續)

根據所選擇的過渡方法，本集團確認首次應用香港財務報告準則第9號的累計影響作為於二零一八年一月一日權益之期初結餘，並無重列比較資料。下表列示受香港財務報告準則第9號影響就綜合財務狀況表內各項確認的期初結餘調整的概要：

(b) 香港財務報告準則第9號「金融工具」

香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」。此準則載列金融資產、金融負債及部分非金融項目合約買賣的確認及計量要求。

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3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

The Group has applied HKFRS 9 retrospectively to items that existed at 1 January 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 January 2018. Therefore, comparative information continues to be reported under HKAS 39.

The following table summarises the impact of transition to HKFRS 9 on retained earnings and reserves and the related tax impact as at 1 January 2018.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

本集團根據過渡規定追溯應用香港財務報告準則第9號於二零一八年一月一日時已存在的項目。本集團已確認首次應用的累計影響作為於二零一八年一月一日期初權益之調整。因此，根據香港會計準則第39號繼續呈報比較資料。

下表概述過渡至香港財務報告準則第9號對於二零一八年一月一日之滾存盈利及儲備之影響以及相關稅務影響。

RMB million
人民幣百萬元

| | | |
|---|---|-------|
| Retained earnings | 滾存盈利 | |
| Recognition of additional expected credit losses on accounts receivable | 就應收賬款確認額外預期信貸虧損 | (310) |
| Related tax | 相關稅項 | 76 |
| Net decrease in retained earnings as at 1 January 2018 | 於二零一八年一月一日之滾存盈利減少淨額 | (234) |
| Fair value reserve (recycling) | 公平值儲備(可轉回至損益) | |
| Transferred to fair value reserve (non-recycling) relating to other financial assets now measured at FVOCI as at 1 January 2018 | 於二零一八年一月一日轉撥至當前按公平值計入其他全面收益計量之其他金融資產相關之公平值儲備(不可轉回至損益) | (167) |
| Fair value reserve (non-recycling) | 公平值儲備(不可轉回至損益) | |
| Transferred from fair value reserve (recycling) relating to other financial assets now measured at FVOCI as at 1 January 2018 | 於二零一八年一月一日轉自當前按公平值計入其他全面收益計量之其他金融資產相關之公平值儲備(可轉回至損益) | 167 |



3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

(i) *Classification of financial assets and financial liabilities*

HKFRS 9 categories financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (“FVOCI”) and at fair value through profit or loss (“FVPL”). These supersede HKAS 39’s categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method;

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

過往會計政策變動的性質及影響以及過渡方式的進一步詳情載列如下：

(i) 金融資產及金融負債的分類

香港財務報告準則第9號將金融資產分類為三個主要類別：按攤銷成本計量、按公平值計入其他全面收益（「按公平值計入其他全面收益」）及按公平值計入損益（「按公平值計入損益」）。這取代了香港會計準則第39號的持有至到期投資、貸款及應收款項、可供出售金融資產及按公平值計入損益計量的金融資產類別。根據香港財務報告準則第9號，金融資產的分類按管理金融資產的業務模式及其合約現金流的特性釐定。

本集團持有的非股本投資分類為下列計量類別之一：

- 攤銷成本，倘若所持投資用作收取合約現金流（僅為支付本金及利息）。投資之利息收益按實際利率法計算；



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3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(i) *Classification of financial assets and financial liabilities* (Continued)

- FVOCI — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss; or
- FVPL, if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(i) 金融資產及金融負債的分類(續)

- 按公平值計入其他全面收益 — 可轉回至損益，倘若投資之合約現金流僅包含支付本金及利息，並且持有投資的業務模式是以收取合約現金流及銷售為達成目標。除預計信貸虧損、利息收入(按實際利率法計算)及匯兌收益及虧損於損益內確認外，公平值之變動於其他全面收益內確認。當終止確認該投資時，於其他全面收益內累計之金額由權益轉入損益；或
- 按公平值計入損益，倘若該投資不符合按攤銷成本或按公平值計入其他全面收益(可轉回至損益)計量之標準。該投資(包括利息)之公平值變動於損益內確認。



3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(i) *Classification of financial assets and financial liabilities* (Continued)

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI (non-recycling), are recognised in profit or loss as other income.

Under HKFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated from the host. Instead, the hybrid instrument as a whole is assessed for classification.

The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those impacted by and determined in accordance with HKFRS 9.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(i) 金融資產及金融負債的分類(續)

除非股本證券投資並非持作買賣用途，且在初始確認有關投資時，集團選擇指定將投資按公平值計入其他全面收益(不可轉回至損益)，因而使其後的公平值變動於其他全面收益中確認，否則股本證券投資分類為按公平值計入損益。此等選擇按個別工具作出，且僅在投資符合發行人對股本所下的定義時方可作出。倘若作出此項選擇，於其他全面收益內累計之金額仍將保留在公平值儲備(不可轉回至損益)內直至出售有關投資為止。於出售時，於公平值儲備(不可轉回至損益)內累計之金額轉入滾存盈利，而不是重新計入損益。來自股本證券投資產生之股息(不論分類為按公平值計入損益或按公平值計入其他全面收益(不可轉回至損益))均作為其他收益於損益內確認。

根據香港財務報告準則第9號，倘若主合約為該準則範圍內之金融資產，則嵌入合約中的衍生工具不再從主合約中分割。取而代之，混合式金融工具須整體評估分類。

下表列示本集團各類金融資產根據香港會計準則第39號劃分之原有計量類別以及該等金融資產根據香港會計準則第39號釐定之賬面值與受香港財務報告準則第9號影響並按其所釐定之賬面值之對賬。

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3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(i) *Classification of financial assets and financial liabilities* (Continued)

| | | HKAS 39 carrying amount as at 31 December 2017 於二零一七年 十二月三十一日之 香港會計準則 第39號賬面值 RMB million 人民幣百萬元 | Reclassification 重新分類 RMB million 人民幣百萬元 | Remeasurement 重新計量 RMB million 人民幣百萬元 | HKFRS 9 carrying amount as at 1 January 2018 於二零一八年 一月一日之香港 財務報告準則 第9號賬面值 RMB million 人民幣百萬元 |
|---|---|--|---|--|--|
| Financial assets carried at amortised cost | 按攤銷成本列賬 之金融資產 | | | | |
| Accounts receivable | 應收賬款 | 2,846 | — | (310) | 2,536 |
| Financial assets measured at FVOCI (non-recyclable) | 按公平值計入其他全面收益 計量之金融資產(不可轉回至損益) | | | | |
| Other financial assets (note (i)) | 其他金融資產(附註(i)) | — | 352 | — | 352 |
| Financial assets classified as available-for-sale under HKAS 39 (note (i)) | 根據香港會計準則 第39號分類為 可供出售金融資產(附註(i)) | 352 | (352) | — | — |

Note:

(i) Under HKAS 39, equity securities not held for trading were classified as available-for-sale financial assets. These equity securities are classified as at FVPL under HKFRS 9, unless they are eligible for and designated at FVOCI by the Group. As at 1 January 2018, the Group designated other financial assets at FVOCI (non-recycling), as the investment is held for strategic purposes.

The measurement categories for all financial liabilities remain the same and the carrying amounts for all financial liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

The Group did not designate or de-designate any financial asset or financial liability at FVPL at 1 January 2018.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(i) 金融資產及金融負債的分類(續)

附註：

(i) 根據香港會計準則第39號，並非持作買賣用途之股本證券分類為可供出售金融資產。根據香港財務報告準則第9號，該等股本證券分類為按公平值計入損益，除非該等股本證券符合資格且由本集團指定其按公平值計入其他全面收益。於二零一八年一月一日，由於投資乃根據策略用途而持有，故本集團指定其他金融資產為按公平值計入其他全面收益(不可轉回至損益)。

所有金融負債之計量類別保持不變，以及於二零一八年一月一日之所有金融負債之賬面值並未受到首次應用香港財務報告準則第9號影響。

本集團於二零一八年一月一日並無指定或取消指定任何金融資產或金融負債為按公平值計入損益入賬。



3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(ii) *Credit losses*

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the expected credit loss (“ECL”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the new ECL model to financial assets measured at amortised cost (including cash and cash equivalents, accounts and other receivables and loans to an associate and joint ventures).

Financial assets measured at fair value, including equity securities designated at FVOCI (non-recycling), are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the Group expects to receive if the loan is drawn down.

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and accounts and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損

香港財務報告準則第9號以預計信貸虧損(「預計信貸虧損」)模式取代香港會計準則第39號的「已產生虧損」模式。預計信貸虧損模式要求對金融資產的相關信貸風險持續計量，所以確認預計信貸虧損會較香港會計準則第39號的「已產生虧損」會計模式為早。

本集團將新的預計信貸虧損模式應用於按攤銷成本計量之金融資產(包括現金及現金等值項目、應收賬款及其他應收款項以及向一間聯營公司與合資企業貸款)。

按公平值計量之金融資產，包括按公平值計入其他全面收益指定之股本證券(不可轉回至損益)，毋須進行預計信貸虧損評估。

計量預計信貸虧損

預計信貸虧損是信貸虧損的概率加權估計。信貸虧損以所有預期現金不足額(即本集團根據合約應得的現金流以及本集團預期收到的現金流之間的差額)的現值估算。

對於未支取的貸款承擔，預期現金不足額按(i)倘若貸款承擔之持有人提取貸款，則應付本集團之合約現金流，與(ii)倘若貸款已提取，本集團預期將收取之現金流兩者之間之差額計量。

倘若貼現的影響重大，預期現金不足額將使用以下貼現率貼現：

- 固定利率金融資產以及應收賬款及其他應收款項：初始確認時釐定的實際利率或其近似值；
- 浮動利率金融資產：當前的實際利率。

3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(ii) *Credit losses (Continued)*

Measurement of ECLs (Continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for accounts and other receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損(續)

計量預計信貸虧損(續)

於估計預計信貸虧損時考慮的最長期間為本集團承受信貸風險的最長合約期間。

於計量預計信貸虧損時，本集團考慮合理及有理據而無需花費過多的成本或勞力所獲得的資料。這包括過去事件、當前狀況和未來經濟狀況預測等資料。

預計信貸虧損基於下列其中一個基準計量：

- 12個月的預計信貸虧損：預計在報告日後12個月內可能發生的違約事件而導致的虧損；及
- 整個存續期的預計信貸虧損：預計該等採用預計信貸虧損模式的項目在整個存續期內所有可能發生的違約事件而導致的虧損。

應收賬款及其他應收款項的虧損撥備一般是以整個存續期的預計信貸虧損的金額計量。該等金融資產的預計信貸虧損是利用基於本集團過往信貸虧損經驗的撥備矩陣進行估算，並在報告當日按債務人的個別因素及對當前和預測整體經濟狀況的評估進行調整。

至於所有其他金融工具，本集團會以相等於12個月的預計信貸虧損金額確認虧損撥備，除非自初始確認後該金融工具的信貸風險顯著增加，在此情況下，虧損撥備會以整個存續期的預計信貸虧損金額計量。



3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(ii) *Credit losses* (Continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損(續)

信貸風險顯著增加

在評估金融工具的信貸風險自初始確認後是否顯著增加時，本集團將於報告當日評估金融工具的違約風險並與初始確認時評估的違約風險作比較。在進行此項重新評估時，本集團認為當下列情況發生時為違約事件：(i) 借款人不可能在本集團無追索權(例如：實現擔保)(如持有)的情況下向本集團悉數支付其信貸義務；或(ii) 該金融資產逾期超過90日。本集團會考慮合理及有理據的定量及定性資料，包括過往經驗及無需花費過多的成本或勞力所獲得的前瞻性資料。

特別是，在評估自初始確認後信貸風險是否顯著增加時，會考慮以下資料：

- 未能在合約到期日支付本金或利息；
- 金融工具外部或內部的信貸評級(如有)存在實際或預期的顯著惡化；
- 債務人經營業績存在實際或預期的顯著惡化；及
- 技術、市場、經濟或法律環境的現有或預測的改變對債務人履行其對本集團責任的能力構成重大不利影響。

3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(ii) *Credit losses* (Continued)

Significant increases in credit risk (Continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Basis of calculation of interest income on credit-impaired financial assets

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損(續)

信貸風險顯著增加(續)

根據金融工具的性質，信貸風險顯著增加的評估按個別項目或集體基準進行。當評估以集體基準進行時，會按照金融工具的共同信貸風險特徵(例如過期狀態及信貸風險評級)歸類。

預計信貸虧損在每個報告日重新計量，以反映自初始確認後金融工具信貸風險的變化。預計信貸虧損金額的任何變化均在損益中確認為減值收益或虧損。本集團在確認所有金融工具的減值收益或虧損時，會透過虧損撥備科目對其賬面值進行相應調整，惟按公平值計入其他全面收益(可轉回至損益)計量之債務證券投資除外，其虧損撥備將於其他全面收益內確認並於公平值儲備(可轉回至損益)內累計。

信貸減值金融資產之利息收入的計算基礎

利息收入按金融資產的賬面總值計算，除非金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本(即賬面總值減虧損撥備)計算。

於每個報告日，本集團評估金融資產是否出現信貸減值。當一項或多項對金融資產未來現金流的估計有負面影響的事件發生時，金融資產會被視為出現信貸減值。



3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(ii) *Credit losses (Continued)*

Basis of calculation of interest income on credit-impaired financial assets (Continued)

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損(續)

信貸減值金融資產之利息收入的計算基礎(續)

金融資產出現信貸減值的證據包括以下可觀察事件：

- 債務人面對重大財務困難；
- 違反合約，如拖欠或逾期償還利息或本金；
- 借款人有可能申請破產或需要進行其他財務重組；
- 技術、市場、經濟或法律環境的重大變動對債務人構成不利影響；或
- 因發行人的財務困難使證券的活躍市場消失。

3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(ii) *Credit losses* (Continued)

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Opening balance adjustment

As a result of this change in accounting policy, the Group has recognised additional ECLs amounting to RMB310 million, which decreased retained earnings by RMB234 million and increased gross deferred tax assets by RMB76 million as at 1 January 2018.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損(續)

撇銷政策

倘若沒有實際可回收的前景，金融資產的賬面總額(部分或全部)會被撇銷。一般情況下，撇銷金額是本集團認為債務人沒有可產生足夠的現金流的資產或收入來源以償還該撇銷款項。

先前撇銷資產的後續撥回於撥回期間於損益內確認為減值撥回。

期初結餘調整

由於會計政策之是項變動，本集團已確認額外預期信貸虧損金額人民幣310百萬元，導致二零一八年一月一日之滾存盈利減少人民幣234百萬元及遞延稅項資產總額增加人民幣76百萬元。



3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

3 會計政策變動(續)

(b) HKFRS 9, *Financial instruments* (Continued)

(b) 香港財務報告準則第9號「金融工具」(續)

(ii) *Credit losses* (Continued)

(ii) 信貸虧損(續)

Opening balance adjustment (Continued)

期初結餘調整(續)

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 31 December 2017 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 January 2018.

下表列示於二零一七年十二月三十一日根據香港會計準則第39號釐定的期末虧損撥備與於二零一八年一月一日根據香港財務報告準則第9號釐定的期初虧損撥備之對賬。

RMB million
人民幣百萬元

| | | |
|---|--|-----|
| Loss allowance as at 31 December 2017 under HKAS 39 | 於二零一七年十二月三十一日 根據香港會計準則第39號 釐定的虧損撥備 | 181 |
| Additional credit loss recognised as at 1 January 2018 on accounts receivable | 於二零一八年一月一日 就應收賬款確認的 額外信貸虧損 | 310 |
| Loss allowance as at 1 January 2018 under HKFRS 9 | 於二零一八年一月一日 根據香港財務報告準則 第9號釐定的虧損撥備 | 491 |

(iii) *Transition*

(iii) 過渡

Changes in accounting policies resulting from the adoption of HKFRS 9 have been applied retrospectively, except as described below:

採納香港財務報告準則第9號導致之會計政策變動已追溯應用，惟下文所述者除外：

- Information relating to comparative periods has not been restated. Differences in the carrying amounts of financial assets resulting from the adoption of HKFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 continues to be reported under HKAS 39 and thus may not be comparable with the current period.

- 有關比較期間的資料未經重列。採納香港財務報告準則第9號所產生的金融資產賬面值差異於二零一八年一月一日於滾存盈利及儲備內確認。因此，二零一七年呈列的資料繼續根據香港會計準則第39號報告，故未必能夠與當前期間作比較。

3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9, *Financial instruments* (Continued)

(iii) *Transition (Continued)*

- The following assessments have been made on the basis of the facts and circumstances that existed as at 1 January 2018 (the date of initial application of HKFRS 9 by the Group):
 - the determination of the business model within which a financial asset is held; and
 - the designation of investments in equity instruments not held for trading to be classified as at FVOCI (non-recycling).
- If, at the date of initial application, the assessment of whether there has been a significant increase in credit risk since initial recognition would have involved undue cost or effort, a lifetime ECL has been recognised for that financial instrument.

(c) HKFRS 15, *Revenue from contracts with customers*

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue*, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specified the accounting for construction contracts.

(i) Timing of revenue recognition

Previously, revenue arising from construction contracts and provision of services was recognised over time, whereas revenue from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers.

3 會計政策變動(續)

(b) 香港財務報告準則第9號「金融工具」(續)

(iii) 過渡(續)

- 以下評估乃根據二零一八年一月一日(本集團首次應用香港財務報告準則第9號當日)的事實及情況作出：
 - 釐定持有金融資產的業務模式；及
 - 於並非持作買賣用途之股本證券之投資指定為公平值計入其他全面收益(不可轉回至損益)。
- 倘若於首次應用之日，評估信貸風險在初始確認後是否顯著增加將要花費過多的成本或勞力，則就該金融工具確認整個存續期預期信貸虧損。

(c) 香港財務報告準則第15號「來自客戶合約的收入」

香港財務報告準則第15號確立一個全面框架，以確認來自客戶合約的收入及若干成本。香港財務報告準則第15號取代香港會計準則第18號「收入」(涵蓋銷售貨品及提供服務所產生的收入)及香港會計準則第11號「工程合同」(訂明工程合同的會計處理方法)。

(i) 收入確認的時間

過往，工程合同及提供服務所產生的收入隨時間確認，而貨品銷售所產生的收入則通常於貨品所有權的風險及回報已轉移予客戶時方可確認。



3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(c) HKFRS 15, *Revenue from contracts with customers* (Continued)

(i) Timing of revenue recognition (Continued)

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

- A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on how the Group recognises revenue.

3 會計政策變動(續)

(c) 香港財務報告準則第15號「來自客戶合約的收入」(續)

(i) 收入確認的時間(續)

根據香港財務報告準則第15號，當客戶取得合約中已承諾貨品或服務的控制權時，即可確認收入。收入可於某一時間點或隨時間確認。香港財務報告準則第15號確定以下三種情況為已承諾貨品或服務的控制權被視為隨時間轉移：

- A. 當客戶於實體履約時同時接收及耗用實體履約所提供的利益時；
- B. 當實體履約創建或改良一項於資產被創建或改良時由客戶控制的資產(如在建工程)時；
- C. 當實體履約並無創建可供實體替代使用的一項資產，且該實體對於迄今已完成的履約付款具有可強制執行權時。

倘若合約條款及實體活動並不屬於該三種情況中的任何一種，則根據香港財務報告準則第15號，實體於某一時間點(即控制權已轉移時)就銷售貨品或服務確認收入。擁有權風險及回報的轉移僅為釐定控制權何時發生轉移時予以考慮的指標之一。

採納香港財務報告準則第15號不會對本集團確認收入的方式產生重大影響。

3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(c) HKFRS 15, Revenue from contracts with customers (Continued)

(ii) Significant financing component

HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance of revenue recognition or significantly deferred.

Previously, the Group only applied such a policy when payments were significantly deferred, which was not common in the Group's arrangements with its customers. The Group did not apply such a policy when payments were received in advance.

It is not common for the Group to receive payments significantly in advance of revenue recognition in the Group's arrangements with its customers. The financing component would not be significant to the contract.

(iii) Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

3 會計政策變動(續)

(c) 香港財務報告準則第15號「來自客戶合約的收入」(續)

(ii) 重大融資組成部分

香港財務報告準則第15號規定，當合約包括重大融資組成部分時，實體須就貨幣時間價值調整交易價格，而無論收取客戶付款是否較收入確認明顯提前或嚴重延期。

此前，本集團僅於付款大幅延期時（此在本集團與其客戶間的安排並不常見）採納此政策。本集團並無於提前收取付款時採納此政策。

在本集團與其客戶的安排中，本集團收取付款較收入確認大幅提前並不常見。融資部分對合約並不重大。

(iii) 呈列合約資產及負債

根據財務報告準則第15號，應收款項僅於本集團擁有無條件收取代價的權利時確認。倘若本集團在擁有就合約內承諾提供的貨品及服務無條件收取代價的權利前確認相關收入，則收取代價的權利被分類為合約資產。同樣地，在本集團確認相關收入前，合約負債（而非應付款項）於客戶支付代價或按合約規定須支付代價且款項已到期時確認。就與客戶的單一合約而言，呈列淨合約資產或淨合約負債。就多個合約而言，不相關合約的合約資產及合約負債概不以淨額基準呈列。



3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(c) HKFRS 15, *Revenue from contracts with customers* (Continued)

- (iii) Presentation of contract assets and liabilities (Continued)

Previously, contract balances were presented in the consolidated statement of financial position under “non-current other liabilities” or “accounts payable and accrued liabilities”.

To reflect these changes in presentation, the Group has made the following adjustments as at 1 January 2018, as a result of the adoption of HKFRS 15:

- A. “Advances from customers” and “deferred income” amounting to RMB8,481 million and RMB400 million respectively, which were previously included in accounts payable and accrued liabilities are now included under “contract liabilities” in accounts payable and accrued liabilities; and
- B. “Deferred income” amounting to RMB763 million, which was previously included in non-current other liabilities is now included under “non-current contract liabilities” in non-current other liabilities.

(d) HK(IFRIC) 22, *Foreign currency transactions and advance consideration*

This interpretation provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

The interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way. The adoption of HK(IFRIC) 22 does not have any material impact on the financial position and the financial result of the Group.

3 會計政策變動(續)

(c) 香港財務報告準則第15號「來自客戶合約的收入」(續)

- (iii) 呈列合約資產及負債(續)

過往，合約結餘於綜合財務狀況表內之「非流動其他負債」或「應付賬款及應計負債」呈列。

為在呈列中反映該等變動，本集團已於二零一八年一月一日因採納香港財務報告準則第15號而作出下列調整：

- A. 過往計入應付賬款及應計負債之金額分別為人民幣8,481百萬元及人民幣400百萬元之「客戶墊款」及「遞延收入」當前計入應付賬款及應計負債內的「合約負債」；及
- B. 過往計入非流動其他負債之金額為人民幣763百萬元之「遞延收入」當前計入非流動其他負債內的「非流動合約負債」。

(d) 香港(國際財務報告詮釋委員會)詮釋第22號「外幣交易及預付代價」

此詮釋為確定「交易日期」提供了指引，確定「交易日期」之目的是為了在實體以外幣收取或支付預付代價之交易中確定初始確認相關資產、支出或收入(或其一部分)時使用的匯率。

此詮釋釐清「交易日期」是指因支付或收取預付代價而產生的非貨幣性資產或負債的初始確認日期。倘若在確認相關項目前有多筆支付或收取的款項，則應以此種方式確定每筆款項支付或收取之交易日期。採納香港(國際財務報告詮釋委員會)詮釋第22號對本集團的財務狀況及財務業績並無任何重大影響。

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4 REVENUE

Revenue mainly represents revenue from sales of crude oil, sales of natural gas, LNG processing and terminal business and transmission of natural gas.

Disaggregation of revenue from contracts with customers is disclosed in Note 20.

4 收入

收入主要指來自銷售原油、銷售天然氣、LNG加工與儲運業務及輸送天然氣之收入。

來自客戶合約之收入細分於附註20內披露。

5 OTHER GAINS, NET

5 其他收益，淨額

| | | Six months ended 30 June | |
|-----------------------------|-------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| | | | (restated) |
| | | | (重列) |
| | | | Note 23 |
| | | | 附註23 |
| Net exchange (losses)/gains | 匯兌(虧損)/收益淨額 | (168) | 171 |
| Rental income | 租金收入 | 28 | 46 |
| Government grants | 政府補貼 | 23 | 274 |
| Others | 其他 | 223 | 80 |
| | | 106 | 571 |

Government grants for the six months ended 30 June 2017 primarily represented compensation of reduction in income due to the implementation of Value-Added-Tax Reform from the government. There were no unfulfilled conditions and other contingencies attached to the receipts of these grants. There is no assurance that the Group will continue to receive such grant in the future. During the six months ended 30 June 2018, the Group did not recognise any government grants related to the implementation of Value-Added-Tax Reform (six months ended 30 June 2017: RMB216 million).

截至二零一七年六月三十日止六個月之政府補貼主要指中國政府對實施增值稅改革導致收入減少的補償。接受該等補貼並無附帶未達成條件和其他或有事項。無法保證本集團將來會繼續獲得此等補貼。截至二零一八年六月三十日止六個月，本集團並未確認實施增值稅改革有關之任何政府補貼(截至二零一七年六月三十日止六個月：人民幣216百萬元)。

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6 INTEREST EXPENSES

6 利息支出

Six months ended 30 June
截至六月三十日止六個月

| 2018 | 2017 |
|-------------|-------------|
| 二零一八年 | 二零一七年 |
| RMB million | RMB million |
| 人民幣百萬元 | 人民幣百萬元 |

(restated)
(重列)

Note 23
附註23

| | | | |
|---------------------------|---------|-------|-------|
| Interest expenses | 利息支出 | 807 | 822 |
| Less: Amounts capitalised | 減：資本化金額 | (232) | (292) |
| Total interest expenses | 總利息支出 | 575 | 530 |

Amounts capitalised are borrowing costs that are attributable to the construction of qualifying assets. The average interest rate used to capitalise such borrowing costs was 3.74% (six months ended 30 June 2017: 4.08%) per annum for the six months ended 30 June 2018.

資本化金額即為建造符合條件之資產而借入資金相關的借貸成本。截至二零一八年六月三十日止六個月，資本化此等借貸成本所用之平均年利率為3.74%（截至二零一七年六月三十日止六個月：4.08%）。

7 PROFIT BEFORE INCOME TAX EXPENSE

7 除所得稅費用前溢利

Items charged/(credited) in arriving at the profit before income tax expense include:

除所得稅費用前溢利已扣除／（計入）以下項目：

Six months ended 30 June
截至六月三十日止六個月

| 2018 | 2017 |
|-------------|-------------|
| 二零一八年 | 二零一七年 |
| RMB million | RMB million |
| 人民幣百萬元 | 人民幣百萬元 |

(restated)
(重列)

Note 23
附註23

| | | | |
|---|-----------------|--------|--------|
| Amortisation of advanced operating lease payments and intangible assets | 預付經營租賃款及無形資產之攤銷 | 81 | 79 |
| Cost of inventories recognised as expense | 已確認為開支之存貨成本 | 36,466 | 28,590 |
| Operating lease expenses | 經營租賃開支 | 217 | 210 |
| (Reversal of)/impairment loss on accounts receivable | 應收賬款減值（撥回）／虧損 | (43) | 329 |

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未經審核中期財務報告附註

8 INCOME TAX EXPENSE

8 所得稅費用

| | | Six months ended 30 June | |
|---------------------|-------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| | | | (restated) |
| | | | (重列) |
| | | | Note 23 |
| | | | 附註 23 |
| Current tax | 即期稅項 | | |
| – PRC | – 中國 | 1,750 | 1,749 |
| – Overseas | – 海外 | 65 | 47 |
| | | 1,815 | 1,796 |
| Deferred tax | 遞延稅項 | 376 | 171 |
| | | 2,191 | 1,967 |

Hong Kong Profits Tax has not been provided for as the Group has no assessable profit for the six months ended 30 June 2018 (six months ended 30 June 2017: Nil).

In accordance with the relevant PRC income tax rules and regulations, the PRC corporate income tax rate applicable to the Group's subsidiaries in the PRC is principally 25% (six months ended 30 June 2017: 25%). The operations of the Group's certain regions in the PRC have qualified for certain tax incentives in the form of a preferential income tax rates ranging from 15% to 20% (six months ended 30 June 2017: 15% to 20%).

Income tax on overseas profits has been calculated on the estimated assessable profit for the six months ended 30 June 2018 at the applicable rates of taxation prevailing in the jurisdictions in which the Group operates.

由於本集團於截至二零一八年六月三十日止六個月內並無應課稅溢利，故並無就香港利得稅計提撥備(截至二零一七年六月三十日止六個月：無)。

根據中國所得稅法規之相關規定，適用於本集團於中國之附屬公司之中國企業所得稅稅率主要為25%(截至二零一七年六月三十日止六個月：25%)。本集團在中國若干地區之經營符合若干稅務優惠條件，該等優惠以所得稅稅率形式體現，而稅率介乎15%至20%(截至二零一七年六月三十日止六個月：15%至20%)。

海外溢利之所得稅已按截至二零一八年六月三十日止六個月內之估計應課稅溢利及適用於本集團經營所在之司法管轄區之現行稅率計算。

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9 BASIC AND DILUTED EARNINGS PER SHARE

- (a) The calculation of basic earnings per share is based on the Group's profit attributable to owners of the Company of approximately RMB3,092 million (six months ended 30 June 2017 restated: RMB2,548 million) and weighted average number of ordinary shares in issue during the six months ended 30 June 2018 of approximately 8,072 million shares (six months ended 30 June 2017: 8,072 million shares).
- (b) Diluted earnings per share is calculated based on the Group's profit attributable to owners of the Company of approximately RMB3,138 million (six months ended 30 June 2017 restated: RMB2,588 million) and the weighted average number of ordinary shares of approximately 8,623 million shares (six months ended 30 June 2017: 8,623 million shares) after adjusting for the effect of convertible bonds, calculated as follows:

(i) Profit attributable to owners of the Company (diluted)

9 每股基本及攤薄盈利

- (a) 每股基本盈利乃根據本公司股東應佔本集團之溢利約人民幣3,092百萬元(截至二零一七年六月三十日止六個月重列: 人民幣2,548百萬元)及截至二零一八年六月三十日止六個月內已發行普通股加權平均數約8,072百萬股(截至二零一七年六月三十日止六個月: 8,072百萬股)計算。
- (b) 就可轉換債券的影響作出調整後, 每股攤薄盈利乃根據本公司股東應佔本集團之溢利約人民幣3,138百萬元(截至二零一七年六月三十日止六個月重列: 人民幣2,588百萬元)及普通股加權平均數約8,623百萬股(截至二零一七年六月三十日止六個月: 8,623百萬股)計算, 計算如下:

(i) 本公司股東應佔溢利(攤薄)

| | | Six months ended 30 June | |
|--|-----------------------|--------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| | | | (restated) |
| | | | (重列) |
| | | | Note 23 |
| | | | 附註23 |
| Profit attributable to owners of the Company | 本公司股東應佔溢利 | 3,092 | 2,548 |
| After tax effect of effective interest on the liability component of convertible bonds | 實際利率對可轉換債券的負債部分的除稅後影響 | 46 | 40 |
| Profit attributable to owners of the Company (diluted) | 本公司股東應佔溢利(攤薄) | 3,138 | 2,588 |

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未經審核中期財務報告附註

9 BASIC AND DILUTED EARNINGS PER SHARE (CONTINUED) 9 每股基本及攤薄盈利(續)

(b) (Continued)

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

(b) (續)

(ii) 普通股加權平均數(攤薄)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|---------------------|---|--|
| | | 2018 二零一八年 million shares 百萬股 | 2017 二零一七年 million shares 百萬股 |
| Weighted average number of ordinary shares at 30 June | 於六月三十日的普通股加權平均數 | 8,072 | 8,072 |
| Effect of conversion of convertible bonds | 可轉換債券之轉換影響 | 551 | 551 |
| Weighted average number of ordinary shares (diluted) at 30 June | 於六月三十日的普通股加權平均數(攤薄) | 8,623 | 8,623 |

The effect of the Company's share options was anti-dilutive for the six months ended 30 June 2017.

截至二零一七年六月三十日止六個月本公司購股權的影響為反攤薄。

10 DIVIDENDS

- (a) Final dividend attributable to owners of the Company in respect of 2016 of HK7.4 cents per share (equivalent to RMB6.5 cents) amounting to a total of approximately HK\$597 million (approximately RMB522 million) was approved by the shareholders in the Annual General Meeting on 2 June 2017. The amount is based on approximately 8,072 million shares in issue as at 28 March 2017 which was paid on 30 June 2017.
- (b) Final dividend attributable to owners of the Company in respect of 2017 of RMB21.0 cents per share amounting to a total of approximately RMB1,742 million was approved by the shareholders in the Annual General Meeting on 24 May 2018. The amount is based on approximately 8,072 million shares in issue as at 20 March 2018 which was paid on 26 June 2018.
- (c) The Directors do not recommend a payment of an interim dividend for the six months ended 30 June 2018 (six months ended 30 June 2017: Nil).

10 股息

- (a) 本公司股東應佔二零一六年末期股息為每股7.4港仙(相當於人民幣6.5分)，合共約597百萬港元(約人民幣522百萬元)，股東已於二零一七年六月二日舉行之股東週年大會上批准。該金額乃基於二零一七年三月二十八日已發行之約8,072百萬股股份而計算，並已於二零一七年六月三十日支付。
- (b) 本公司股東應佔二零一七年末期股息為每股21.0人民幣分，合共約人民幣1,742百萬元，股東已於二零一八年五月二十四日舉行之股東週年大會上批准。該金額乃基於二零一八年三月二十日已發行之約8,072百萬股股份而計算，並已於二零一八年六月二十六日支付。
- (c) 董事不建議派發截至二零一八年六月三十日止六個月之中期股息(截至二零一七年六月三十日止六個月：無)。

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未經審核中期財務報告附註



11 PROPERTY, PLANT AND EQUIPMENT

11 物業、廠房及設備

Six months
ended 30 June
截至六月三十日
止六個月
RMB million
人民幣百萬元

| | | |
|--|--------------------|---------|
| Cost: | 成本： | |
| Balances at 1 January 2017 | 於二零一七年一月一日結餘 | 138,194 |
| Currency translation differences | 貨幣匯兌差額 | (8) |
| Additions | 添置 | 6,064 |
| Disposals | 出售 | (158) |
| | | |
| Balances at 30 June 2017, as restated | 於二零一七年六月三十日結餘(如重列) | 144,092 |
| | | |
| Accumulated depreciation and depletion: | 累計折舊及損耗： | |
| Balances at 1 January 2017 | 於二零一七年一月一日結餘 | 50,335 |
| Currency translation differences | 貨幣匯兌差額 | (17) |
| Charge for the period | 本期內支出 | 2,734 |
| Disposals | 出售 | (56) |
| Impairment loss | 減值虧損 | 100 |
| | | |
| Balances at 30 June 2017, as restated | 於二零一七年六月三十日結餘(如重列) | 53,096 |
| | | |
| Net book value: | 賬面淨值： | |
| Balances at 31 December 2016 | 於二零一六年十二月三十一日結餘 | 87,859 |
| Balances at 30 June 2017, as restated | 於二零一七年六月三十日結餘(如重列) | 90,996 |

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未經審核中期財務報告附註

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED) 11 物業、廠房及設備(續)

Six months
ended 30 June
截至六月三十日
止六個月
RMB million
人民幣百萬元

| | | |
|--|-----------------|---------|
| Cost: | 成本： | |
| Balances at 1 January 2018 | 於二零一八年一月一日結餘 | 151,844 |
| Currency translation differences | 貨幣匯兌差額 | 30 |
| Additions | 添置 | 2,260 |
| Disposals | 出售 | (2,735) |
| Balances at 30 June 2018 | 於二零一八年六月三十日結餘 | 151,399 |
| Accumulated depreciation and depletion: | 累計折舊及損耗： | |
| Balances at 1 January 2018 | 於二零一八年一月一日結餘 | 56,109 |
| Currency translation differences | 貨幣匯兌差額 | 22 |
| Charge for the period | 本期內支出 | 2,980 |
| Disposals | 出售 | (1,164) |
| Balances at 30 June 2018 | 於二零一八年六月三十日結餘 | 57,947 |
| Net book value: | 賬面淨值： | |
| Balances at 31 December 2017 | 於二零一七年十二月三十一日結餘 | 95,735 |
| Balances at 30 June 2018 | 於二零一八年六月三十日結餘 | 93,452 |

During the six months ended 30 June 2017, certain LNG factories were operating at losses. In view of the increased competition from imported LNG during the period, the Group assessed the recoverable amounts of those LNG factories. As a result, the carrying amount of a factory was written down to its recoverable amount. An impairment loss of RMB100 million was recognised under "Impairment loss on property, plant and equipment" in the Group's consolidated interim statement of comprehensive income. The recoverable amount was determined by using the value in use calculation.

截至二零一七年六月三十日止六個月，若干LNG工廠經營虧損。鑒於本期間內進口LNG競爭加劇，本集團已評估LNG工廠的可收回金額。因此該LNG工廠的賬面值已撇減至其可收回金額。減值虧損人民幣100百萬元於本集團綜合中期全面收益表「物業、廠房及設備減值虧損」確認。可收回金額乃採用使用價值計算釐定。

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未經審核中期財務報告附註



12 INVESTMENTS IN ASSOCIATES

12 於聯營公司之投資

| | | 30 June | 31 December |
|---------------------|--------|--------------------|-------------|
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | 六月三十日 | 十二月三十一日 |
| | | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| Share of net assets | 應佔資產淨值 | 3,377 | 3,165 |
| Goodwill | 商譽 | 350 | 350 |
| | | 3,727 | 3,515 |

13 INVESTMENTS IN JOINT VENTURES

13 於合資企業之投資

| | | 30 June | 31 December |
|-------------------------|---------|--------------------|-------------|
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | 六月三十日 | 十二月三十一日 |
| | | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| Share of net assets | 應佔資產淨值 | 2,721 | 1,879 |
| Loans to joint ventures | 向合資企業貸款 | 38 | 39 |
| | | 2,759 | 1,918 |

As at 30 June 2018, included in loans to joint ventures is an amount of RMB38 million (31 December 2017: RMB39 million) which is unsecured, interest-free and recoverable on demand.

於二零一八年六月三十日向合資企業貸款包括人民幣38百萬元(二零一七年十二月三十一日：人民幣39百萬元)，該金額為無抵押、免息及應要求償還。

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未經審核中期財務報告附註

14 INTANGIBLE AND OTHER NON-CURRENT ASSETS

14 無形及其他非流動資產

| | | 30 June | 31 December |
|-------------------------------------|------------------|--------------------|-------------|
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | 六月三十日 | 十二月三十一日 |
| | | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| Intangible assets | 無形資產 | 431 | 458 |
| Prepaid construction costs | 預付建造成本 | 509 | 509 |
| Loans to an associate (note (i)) | 向一間聯營公司貸款(附註(i)) | 213 | 173 |
| Loans to joint ventures (note (ii)) | 向合資企業貸款(附註(ii)) | 490 | — |
| Others | 其他 | 101 | 33 |
| | | 1,744 | 1,173 |

Notes:

- (i) Loans to an associate are unsecured and interest-bearing ranging from 4.28% to 4.35% per annum.
- (ii) Loans to joint ventures are unsecured and interest-bearing at 4.99% per annum.

附註：

- (i) 向一間聯營公司貸款為無抵押及按每年利率介乎4.28%至4.35%計息。
- (ii) 向合資企業貸款為無抵押及按每年利率4.99%計息。

15 ACCOUNTS RECEIVABLE

15 應收賬款

As of the end of the reporting period, the ageing analysis of accounts receivable, based on the invoice date and net of allowance for doubtful debts, is as follows:

截至報告期末，根據發票日期的應收賬款(扣除呆壞賬撥備)之賬齡分析如下：

| | | 30 June | 31 December |
|-----------------------|----------|--------------------|-------------|
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | 六月三十日 | 十二月三十一日 |
| | | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| Within 3 months | 三個月以內 | 1,704 | 1,957 |
| Between 3 to 6 months | 三個月至六個月內 | 591 | 116 |
| Over 6 months | 六個月以上 | 475 | 773 |
| | | 2,770 | 2,846 |

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15 ACCOUNTS RECEIVABLE (CONTINUED)

The Group's revenue from sales of crude oil and rendering of terminal and pipeline services are generally collectable within a period ranging from 30 to 90 days from the invoice date while the sales of natural gas are made in cash or on credit terms no more than 90 days. As at 30 June 2018, accounts receivable aged over three months of approximately RMB1,066 million (31 December 2017: RMB889 million) were past due but for which the Group has not provided for impairment loss. These accounts receivable relate to a number of independent customers that have a good track record with the Group.

15 應收賬款(續)

本集團銷售原油以及提供接收站及管道服務產生的收入一般於發票日期起計30日至90日期間收回，而銷售天然氣以現金支付或信貸期不超過90日。於二零一八年六月三十日，賬齡三個月或以上的應收賬款約人民幣1,066百萬元(二零一七年十二月三十一日：人民幣889百萬元)已逾期，而本集團並無就此作出減值撥備。該等應收賬款來自數家與本集團擁有良好往績記錄的獨立客戶。

16 SHARE CAPITAL AND SHARE OPTION SCHEMES

16 股本及購股權計劃

(a) Share capital

(a) 股本

| | | Number of ordinary shares 普通股數目 million 百萬股 | Nominal value of ordinary shares 普通股面值 HK\$ million 百萬港元 |
|---|-----------------------|--|--|
| Authorised: | 法定： | | |
| <i>Ordinary shares of HK\$0.01 each</i> | <i>每股面值0.01港元之普通股</i> | | |
| At 1 January 2017, | 於二零一七年一月一日、 | | |
| 30 June 2017, | 二零一七年六月三十日、 | | |
| 31 December 2017, | 二零一七年十二月三十一日、 | | |
| 1 January 2018 and | 二零一八年一月一日及 | | |
| 30 June 2018 | 二零一八年六月三十日 | 16,000 | 160 |
| | | | |
| | | Number of ordinary shares 普通股數目 million 百萬股 | Nominal value of ordinary shares 普通股面值 RMB million 人民幣百萬元 |
| Issued and fully paid: | 已發行及悉數繳付： | | |
| <i>Ordinary shares of HK\$0.01 each</i> | <i>每股面值0.01港元之普通股</i> | | |
| At 1 January 2017, | 於二零一七年一月一日、 | | |
| 30 June 2017, | 二零一七年六月三十日、 | | |
| 31 December 2017, | 二零一七年十二月三十一日、 | | |
| 1 January 2018 and | 二零一八年一月一日及 | | |
| 30 June 2018 | 二零一八年六月三十日 | 8,072 | 65 |

16 SHARE CAPITAL AND SHARE OPTION SCHEMES (CONTINUED)

(b) Share option schemes

Pursuant to executive share option scheme (the “2002 Share Option Scheme”) of the Company dated 3 June 2002, the directors of the Company are authorised, at any time within ten years after the adoption of the 2002 Share Option Scheme, to grant options to any directors or employees of the Company or any of its subsidiaries to subscribe for the Company’s shares.

Options granted under the 2002 Share Option Scheme must be taken up within the period as specified in the offer of the options and no amount shall be payable by the grantee to the exercising of the right to accept an offer of an option. All of the options are vested to the option holders after 3 months from the date on which the options are granted. The exercise period of the option is 5 years from the grant date.

The 2002 Share Option Scheme expired on 2 June 2012.

No new shares option scheme was adopted after the expiration of 2002 Share Option Scheme.

During the six months ended 30 June 2017, no share options have been exercised by the directors and employees of the Company respectively as the exercised price of the lapsed share options were above the market price of the Company’s shares, and the share options were lapsed. There were no outstanding share options as at 31 December 2017 and 30 June 2018.

16 股本及購股權計劃(續)

(b) 購股權計劃

根據本公司日期為二零零二年六月三日之行政人員購股權計劃(「二零零二年購股權計劃」)，本公司董事獲授權於採納二零零二年購股權計劃後十年內任何時間，授予本公司或其任何附屬公司之任何董事或僱員購股權，認購本公司股份。

根據二零零二年購股權計劃授出之購股權須於購股權指定授出期內接納，而承授人毋須就行使接納授出購股權之權利而支付款項。所有購股權於授出購股權之日起三個月歸屬予購股權持有人。購股權之行使期自授出之日起計五年。

二零零二年購股權計劃於二零一二年六月二日到期。

二零零二年股份購股權計劃屆滿後並無採納新購股權計劃。

截至二零一七年六月三十日止六個月，由於已失效購股權乃高於本公司市價，同時該等購股權已失效，本公司董事及僱員概無行使購股權。於二零一七年十二月三十一日及二零一八年六月三十日並無尚未行使之購股權。



16 SHARE CAPITAL AND SHARE OPTION SCHEMES (CONTINUED)

16 股本及購股權計劃 (續)

(b) Share option schemes (Continued)

Details of share options lapsed and exercised during the six months ended 30 June 2017 are as follows:

(b) 購股權計劃 (續)

以下為截至二零一七年六月三十日止六個月已失效及行使的購股權詳情：

Six months ended 30 June 2017
截至二零一七年六月三十日止六個月

| | | Lapsed | Exercised | Exercise price |
|-----------|----|--------|-----------|----------------|
| | | 已失效 | 已行使 | 每股行使價 |
| | | '000 | '000 | HK\$ |
| | | 千份 | 千份 | 港元 |
| Directors | 董事 | — | — | 11.730 |
| | | — | — | 12.632 |
| Employees | 僱員 | — | — | 11.730 |
| | | 14,200 | — | 12.632 |
| | | 14,200 | — | |

17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

17 金融工具公平值計量

(a) Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

(a) 按公平值計量之金融資產

公平值層級

下表呈列本集團金融工具之公平值，該等金融工具於報告期末按經常性基準計量，並按照香港財務報告準則第13號「公平值計量」所界定分類為三級公平值層級。將公平值計量分類之層級乃經參考如下估值方法所用數據之可觀察性及重要性後釐定：

- 第一級估值：僅使用第一級輸入數據（即於計量日可獲得之活躍市場上同等資產或負債之未經調整報價）計量之公平值。
- 第二級估值：使用第二級輸入數據（即未能達到第一級之可觀察輸入數據）且並未使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據並無可採用市場數據。
- 第三級估值：使用重大不可觀察輸入數據計量之公平值。

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17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

17 金融工具公平值計量(續)

(a) Financial assets measured at fair value (Continued)

(a) 按公平值計量之金融資產(續)

Fair value hierarchy (Continued)

公平值層級(續)

| | | Fair value at | Fair value measurements as at | | | Fair value at | Fair value measurements as at | | |
|-----------------------------------|----------|-----------------|-------------------------------|-------------|-------------|-------------------|-----------------------------------|-------------|-------------|
| | | 30 June | 30 June 2018 categorised into | | | 31 December | 31 December 2017 categorised into | | |
| | | 2018 | Level 1 | Level 2 | Level 3 | 2017 | Level 1 | Level 2 | Level 3 |
| | | 於二零一八年六月三十日之公平值 | 於二零一八年六月三十日的公平值計量分類為 | | | 於二零一七年十二月三十一日之公平值 | 於二零一七年十二月三十一日的公平值計量分類為 | | |
| | | RMB million | 第一級 | 第二級 | 第三級 | 之公平值 | 第一級 | 第二級 | 第三級 |
| | | 人民幣百萬元 | RMB million | RMB million | RMB million | RMB million | RMB million | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 |
| Recurring fair value measurements | 經常性公平值計量 | | | | | | | | |
| Other financial assets | 其他金融資產 | | | | | | | | |
| - Listed | - 上市 | 160 | 160 | - | - | 278 | 278 | - | - |
| - Unlisted | - 非上市 | - | - | - | - | 74 | - | - | 74 |

During the six months ended 30 June 2018 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至二零一八年及二零一七年六月三十日止六個月，第一級及第二級之間並無轉撥，或轉入或轉出第三級。本集團之政策為於發生之報告期末確認各公平值層級類別之間轉撥。

Information about fair value measurements

As at the date of the statement of financial position, all the listed equity securities are stated at fair values, which have been determined by reference to bid prices quoted in the respective stock exchanges. As at 30 June 2018, no equity securities in the PRC (31 December 2017: RMB74 million) are stated at cost. These securities do not have quoted market price in an active market and their fair values cannot be reliably measured.

有關公平值計量之資料

於本財務狀況表日期，所有上市股本證券均按公平值列賬，乃經參考分別於相關聯交所之買入價而釐定。於二零一八年六月三十日，並無於中國之股本證券(二零一七年十二月三十一日：人民幣74百萬元)按成本列賬。該等證券並無擁有交投活躍市場之市場報價，其公平值無法可靠計量。

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17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED) 17 金融工具公平值計量(續)

(a) Financial assets measured at fair value (Continued)

Information about fair value measurements (Continued)

The movements during the period in the balance of the Level 3 fair value measurements are as follows:

(a) 按公平值計量之金融資產(續)

有關公平值計量之資料(續)

本期內第三級公平值計量結餘之變動如下：

| | At 30 June 於六月三十日 RMB million 人民幣百萬元 |
|--|--|
| Unlisted equity securities: At 1 January 2017, 30 June 2017, 31 December 2017 and 1 January 2018 | 非上市股本證券： 於二零一七年一月一日、 二零一七年六月三十日、 二零一七年十二月三十一日 及二零一八年一月一日 74 |
| Disposals | 出售 (74) |
| At 30 June 2018 | 於二零一八年六月三十日 — |

There were no gains or losses from Level 3 fair value measurements recognised in profit or loss and other comprehensive income for the six months ended 30 June 2018 and 2017.

於二零一八年及二零一七年六月三十日止六個月，概無於損益及其他全面收益表確認第三級公平值計量之收益或虧損。

(b) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost as of 30 June 2018 and 31 December 2017 are short-term in nature and are not materially different from their fair values.

(b) 除公平值以外列賬之金融資產及負債的公平值

於二零一八年六月三十日及二零一七年十二月三十一日，本集團按成本或攤銷成本計量之金融工具之賬面值屬短期性質，與其公平值並無重大差異。



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18 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

18 應付賬款及應計負債

| | | 30 June | 31 December |
|---|------------|--------------------|-------------|
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | 六月三十日 | 十二月三十一日 |
| | | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 |
| Accounts payable | 應付賬款 | 2,538 | 2,858 |
| Contract liabilities | 合約負債 | 8,743 | — |
| Advances from customers | 客戶墊款 | — | 8,481 |
| Salaries and welfare payable | 應付薪金及福利 | 369 | 284 |
| Accrued expenses | 應計開支 | 346 | 26 |
| Dividends payable | 應付股息 | 1,086 | 1,069 |
| Interest payable | 應付利息 | 121 | 376 |
| Construction fee and equipment cost payables | 應付建設費及設備成本 | 8,149 | 10,279 |
| Amounts due to related parties | 應付關連人士款項 | | |
| – Non-controlling interests | – 非控制性權益 | — | 1 |
| – Others | – 其他 | 230 | 14 |
| Deferred income | 遞延收入 | — | 400 |
| Other payables | 其他應付款項 | 2,685 | 2,781 |
| | | 24,267 | 26,569 |

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18 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (CONTINUED) 18 應付賬款及應計負債(續)

As of the end of the reporting period, the ageing analysis of accounts payable, based on the invoice date, is as follows:

截至報告期末，應付賬款按發票日期之賬齡分析如下：

| | | 30 June 2018 二零一八年 六月三十日 RMB million 人民幣百萬元 | 31 December 2017 二零一七年 十二月三十一日 RMB million 人民幣百萬元 |
|-----------------------|----------|--|--|
| Within 3 months | 三個月以內 | 1,629 | 2,290 |
| Between 3 to 6 months | 三個月至六個月內 | 207 | 109 |
| Over 6 months | 六個月以上 | 702 | 459 |
| | | 2,538 | 2,858 |

19 BORROWINGS 19 借貸

| | | 30 June 2018 二零一八年 六月三十日 RMB million 人民幣百萬元 | 31 December 2017 二零一七年 十二月三十一日 RMB million 人民幣百萬元 |
|---|-------------|--|--|
| Short-term borrowings – unsecured | 短期借貸 – 無抵押 | 7,200 | 10,487 |
| Current portion of long-term borrowings | 長期借貸之即期部分 | 1,169 | 1,318 |
| | | 8,369 | 11,805 |
| Long-term borrowings – secured | 長期借貸 – 有抵押 | 15 | 22 |
| Long-term borrowings – unsecured | 長期借貸 – 無抵押 | 28,142 | 30,592 |
| Less: Current portion of long-term borrowings | 減：長期借貸之即期部分 | (1,169) | (1,318) |
| | | 26,988 | 29,296 |
| | | 35,357 | 41,101 |

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19 BORROWINGS (CONTINUED)

As at 30 June 2018 and 31 December 2017, the borrowings of the Group were repayable as follows:

19 借貸(續)

於二零一八年六月三十日及二零一七年十二月三十一日，本集團的借貸須按如下償還：

| | | Bank loans | | Loans other than bank loans | |
|---------------------------|------|-------------|-------------|-----------------------------|-------------|
| | | 銀行貸款 | | 除銀行貸款以外的貸款 | |
| | | 30 June | 31 December | 30 June | 31 December |
| | | 2018 | 2017 | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 |
| | | 六月三十日 | 十二月三十一日 | 六月三十日 | 十二月三十一日 |
| | | RMB million | RMB million | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 |
| Within one year | 一年內 | 5,254 | 3,386 | 3,115 | 8,419 |
| Between one to two years | 一至二年 | 2,165 | 1,543 | 11,228 | 2,888 |
| Between two to five years | 二至五年 | 619 | 1,232 | 8,303 | 19,178 |
| After five years | 五年以後 | 1,388 | 1,223 | 3,285 | 3,232 |
| | | 9,426 | 7,384 | 25,931 | 33,717 |

As at 30 June 2018, included in the loans other than bank loans were unsecured borrowings from an immediate holding company, an intermediate holding company, a fellow subsidiary and CP Finance, which bore interest ranging from 2.00% to 4.95% per annum (31 December 2017: 2.00% to 6.50% per annum). As at 30 June 2018, loans other than bank loans also included senior notes issued by the Company of RMB6,590 million (31 December 2017: RMB6,490 million), which bore interest ranging from 2.875% to 3.750% per annum.

於二零一八年六月三十日，除銀行貸款以外的貸款乃來自一間直接控股公司、一間中間控股公司、一間同系附屬公司及中油財務之借貸，為無抵押及按每年利率介乎2.00%至4.95%計息（二零一七年十二月三十一日：每年利率介乎2.00%至6.50%）。於二零一八年六月三十日，除銀行貸款以外的貸款包括由本公司發行之優先票據為人民幣6,590百萬元（二零一七年十二月三十一日：人民幣6,490百萬元），為按每年利率介乎2.875%至3.750%計息。



20 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker which is determined as the Executive Directors of the Company.

The Group organises its business around products and services. From the products and services perspective, the Group is engaged in a broad range of petroleum related activities and derives its revenue from its four operating segments: Exploration and Production, Natural Gas Sales, LNG Processing and Terminal and Natural Gas Pipeline.

The Exploration and Production segment is engaged in the exploration, development, production and sales of crude oil and natural gas. The Natural Gas Sales segment is engaged in wholesales and retail sales of various natural gas and LPG products. LNG Processing and Terminal segment is engaged in the processing, unloading, storing, gasification and transportation of LNG. Natural Gas Pipeline segment is engaged in the transmission of natural gas through pipeline.

The Executive Directors assess the performance of the operating segments based on each segment's profit/(loss) before income tax expense, share of profits less losses of associates and joint ventures ("segment results").

Total assets exclude deferred and current taxes, other financial assets, investments in associates and joint ventures ("segment assets"), as all of which are managed on a central basis.

Corporate income and expenses, net, mainly refers to interest income earned from cash and cash equivalents, net exchange gains/losses, general and administrative expenses and interest expenses incurred at corporate level.

Corporate assets mainly comprise cash and cash equivalents held at corporate level.

20 板塊資料

營運板塊之呈報方式與向主要營運決策者提供之內部報告貫徹一致，乃由本公司執行董事決定。

本集團按產品及服務組織其業務。就產品及服務而言，本集團廣泛從事一系列石油相關業務，其收入來自其四個營運板塊：勘探與生產、天然氣銷售、LNG加工與儲運及天然氣管道。

勘探與生產板塊從事原油及天然氣之勘探、開發、生產和銷售。天然氣銷售板塊從事天然氣不同產品及LPG的批發與零售。LNG加工與儲運板塊從事LNG加工、卸載、儲存、氣化及運輸。天然氣管道板塊從事通過管道輸送天然氣業務。

執行董事根據各板塊之除所得稅費用前溢利／（虧損）、應佔聯營公司及合資企業之溢利減虧損評估經營板塊之表現（「板塊業績」）。

總資產不包括遞延及即期稅項、其他金融資產、於聯營公司及合資企業之投資（即「板塊資產」），因以上各項均集中管理。

公司收支淨額主要指現金及現金等值項目所賺取的利息收入、匯兌收益／虧損淨額、公司產生之一般性和管理費用及利息支出。

公司資產主要包括公司所持有之現金及現金等值項目。



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20 SEGMENT INFORMATION (CONTINUED)

20 板塊資料(續)

The segment information provided to the Executive Directors for the reportable segments for the six months ended 30 June 2018 and 2017 are as follows:

截至二零一八年及二零一七年六月三十日止六個月，向執行董事提供的可報告板塊的板塊資料如下：

| | Exploration and Production | Natural Gas Sales | Processing and Terminal | LNG | Natural Gas Pipeline | Corporate | Inter-company | Total |
|---|----------------------------|-------------------|-------------------------|-------------|----------------------|-------------|---------------|-------------|
| | 勘探與生產 | 天然氣銷售 | 加工與終端 | 液化天然氣 | 天然氣管道 | 公司 | 公司調整 | 總計 |
| | RMB million | RMB million | RMB million | RMB million | RMB million | RMB million | RMB million | RMB million |
| | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 |
| For the six months ended 30 June 2018 | | | | | | | | |
| Gross revenue | 942 | 40,865 | 4,044 | 5,051 | - | - | - | 50,902 |
| Less: inter-company adjustment | - | (464) | (816) | (9) | - | - | - | (1,309) |
| Revenue from external customers | 942 | 40,381 | 3,228 | 5,042 | - | - | - | 49,593 |
| Segment results | 237 | 2,140 | 1,725 | 2,783 | (287) | - | - | 6,598 |
| Share of profits less losses of: | | | | | | | | |
| - Associates | 426 | 137 | 1 | - | - | - | - | 564 |
| - Joint ventures | 11 | 56 | - | - | - | 2 | - | 69 |
| Profit/(loss) before income tax expense | 674 | 2,333 | 1,726 | 2,783 | (285) | - | - | 7,231 |
| Income tax expense | - | - | - | - | - | - | - | (2,191) |
| Profit for the period | 674 | 2,333 | 1,726 | 2,783 | (285) | - | - | 5,040 |
| Segment results included: | | | | | | | | |
| - Interest income | 3 | 104 | 12 | 10 | 184 | (206) | - | 107 |
| - Depreciation, depletion and amortisation | (134) | (1,167) | (635) | (1,117) | (8) | - | - | (3,061) |
| - Interest expenses | - | (100) | (268) | (123) | (290) | 206 | - | (575) |
| As at 30 June 2018 | | | | | | | | |
| Non-current assets | 964 | 36,679 | 20,130 | 40,597 | 515 | - | - | 98,885 |
| Current assets | 1,750 | 18,156 | 4,555 | 1,151 | 2,467 | - | - | 28,059 |
| Segment assets | 2,714 | 54,815 | 24,685 | 41,748 | 2,982 | - | - | 126,944 |
| Investments in associates | 792 | 2,929 | 6 | - | - | - | - | 3,727 |
| Investments in joint ventures | 1,104 | 1,600 | - | - | 55 | - | - | 2,759 |
| Sub-total | 4,610 | 59,344 | 24,691 | 41,748 | 3,037 | - | - | 133,430 |
| Other financial assets | - | - | - | - | - | - | - | 160 |
| Deferred tax assets | - | - | - | - | - | - | - | 1,173 |
| Others | - | - | - | - | - | - | - | 5 |
| Total assets | 4,610 | 59,344 | 24,691 | 41,748 | 3,037 | - | - | 134,768 |
| Additions to non-current segment assets during the period | 164 | 1,420 | 206 | 612 | - | - | - | 2,402 |



20 SEGMENT INFORMATION (CONTINUED)

20 板塊資料(續)

| | 截至二零一七年 六月三十日止六個月(如重列) | | | | | 附註23 |
|---|---|---------------------------------|-----------------|----------------------------------|---------------------------------------|---------|
| | For the six months ended 30 June 2017, as restated | Revenue from external customers | Segment results | Share of profits less losses of: | Profit/loss before income tax expense | |
| Gross revenue | 734 | 32,325 | 734 | 31,844 | 615 | 6,888 |
| Less: Inter-company adjustment | — | (481) | — | (481) | (820) | (1,967) |
| Revenue from external customers | 734 | 31,844 | 734 | 31,844 | 1,957 | 4,421 |
| Segment results | 25 | 906 | 25 | 906 | 615 | 131 |
| Share of profits less losses of: | | | | | | |
| – Associates | 267 | 135 | 267 | 135 | — | — |
| – Joint ventures | 124 | (12) | 124 | (12) | — | — |
| Profit/loss before income tax expense | 416 | 1,029 | 416 | 1,029 | 615 | 6,888 |
| Income tax expense | — | — | — | — | — | (1,967) |
| Profit for the period | 416 | 1,029 | 416 | 1,029 | 615 | 4,421 |
| Segment results include: | | | | | | |
| – Interest income | 3 | 131 | 3 | 131 | 8 | 131 |
| – Depreciation, depletion and amortisation | (155) | (1,094) | (155) | (1,094) | (669) | (2,813) |
| – Impairment loss on property, plant and equipment | — | — | — | — | (100) | (100) |
| – Interest expenses | — | (76) | — | (76) | (172) | (630) |
| As at 31 December 2017 | | | | | | |
| Non-current assets | 999 | 37,023 | 999 | 37,023 | 21,473 | 100,690 |
| Current assets | 1,422 | 18,551 | 1,422 | 18,551 | 3,661 | 32,892 |
| Segment assets | 2,421 | 55,574 | 2,421 | 55,574 | 25,134 | 133,582 |
| Investments in associates | 533 | 2,976 | 533 | 2,976 | 6 | 3,515 |
| Investments in joint ventures | 1,109 | 756 | 1,109 | 756 | — | 1,918 |
| Sub-total | 4,063 | 59,306 | 4,063 | 59,306 | 25,140 | 139,015 |
| Available for sale financial assets | — | — | — | — | 44,648 | 352 |
| Deferred tax assets | — | — | — | — | — | 1,188 |
| Others | — | — | — | — | — | 3 |
| Total assets | — | — | — | — | — | 140,558 |
| Additions to non-current segment assets during the year | 223 | 3,483 | 223 | 3,483 | 918 | 14,602 |

Exploration and Production
勘探與生產
RMB million
人民幣百萬元

Natural Gas Sales
天然氣銷售
RMB million
人民幣百萬元

LNG Processing and Terminal
LNG加工與碼頭
RMB million
人民幣百萬元

Natural Gas Pipeline
天然氣管道
RMB million
人民幣百萬元

Corporate
公司
RMB million
人民幣百萬元

Inter-company adjustment
公司間調整
RMB million
人民幣百萬元

Total
總計
RMB million
人民幣百萬元

For the six months ended
30 June 2017, as restated

Revenue from external customers

Segment results

Share of profits less losses of:

– Associates

– Joint ventures

Profit/loss before income tax expense

Income tax expense

Profit for the period

Segment results include:

– Interest income

– Depreciation, depletion and amortisation

– Impairment loss on property, plant and equipment

– Interest expenses

As at 31 December 2017

Non-current assets

Current assets

Segment assets

Investments in associates

Investments in joint ventures

Sub-total

Available for sale financial assets

Deferred tax assets

Others

Total assets

Additions to non-current segment assets during the year

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20 SEGMENT INFORMATION (CONTINUED)

Neither the Group's revenue is derived from nor the Group's non-current assets are located in the place of domicile of the Company.

For the six months ended 30 June 2018, revenue of approximately RMB9,840 million (six months ended 30 June 2017 restated: RMB6,721 million) is derived from one (six months ended 30 June 2017: one) customer with whom transactions have exceeded 10% of the Group's revenues. The revenue is attributable to the Exploration and Production, Natural Gas Sales, LNG Processing and Terminal and Natural Gas Pipeline segments.

21 COMMITMENTS

(a) Operating lease commitments

Operating lease commitments of the Group are mainly for leasing of land and buildings and equipment. Leases range from one to thirty years and usually do not contain renewal options. Future minimum lease payments as of 30 June 2018 and 31 December 2017 under non-cancellable operating leases are as follows:

| | | 30 June 2018 二零一八年 六月三十日 RMB million 人民幣百萬元 | 31 December 2017 二零一七年 十二月三十一日 RMB million 人民幣百萬元 |
|---|---------|--|--|
| Not later than one year | 一年內 | 264 | 279 |
| Later than one year and not later than five years | 第二至第五年內 | 460 | 581 |
| More than five years | 五年以上 | 482 | 627 |
| | | 1,206 | 1,487 |

20 板塊資料(續)

本集團之收入並非源自本公司所在地，而本集團之非流動資產亦並非位於本公司所在地。

截至二零一八年六月三十日止六個月，收入約人民幣9,840百萬元(截至二零一七年六月三十日止六個月重列：人民幣6,721百萬元)來自一名(截至二零一七年六月三十日止六個月：一名)客戶，該等客戶之交易佔本集團收入之10%以上。收入來自勘探與生產、天然氣銷售、LNG加工與儲運以及天然氣管道板塊。

21 承擔

(a) 經營租賃承擔

本集團之經營租賃承擔主要為租賃土地及樓宇以及設備。租賃介乎一至三十年之間，一般不包括續約權利。於二零一八年六月三十日及二零一七年十二月三十一日，根據不可撤銷之經營租賃有下列未來最低租金付款：

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21 COMMITMENTS (CONTINUED)

(b) Capital commitments

21 承擔(續)

(b) 資本承擔

| | 30 June 2018 二零一八年 六月三十日 RMB million 人民幣百萬元 | 31 December 2017 二零一七年 十二月三十一日 RMB million 人民幣百萬元 |
|--|--|--|
| Contracted but not provided for: 已訂約但未作出撥備： | | |
| – Other property, plant and equipment – 其他物業、廠房及設備 | 176 | 395 |
| Authorised but not contracted for: 已批准但未訂約： | | |
| – Oil field development costs – 油田開發費用 | 238 | 285 |
| – Other property, plant and equipment – 其他物業、廠房及設備 | 5,496 | 5,490 |
| | 5,734 | 5,775 |

22 RELATED PARTY TRANSACTIONS

CNPC, the controlling shareholder of the Company, is a state-controlled enterprise directly controlled by the PRC government. The PRC government is the ultimate controlling party of the Company. Related parties include CNPC and its subsidiaries (together, the “CNPC Group”), other state-owned enterprises and their subsidiaries which the PRC government has control, joint control or significant influence over the enterprises which the Group is able to control, joint control or exercise significant influence over, key management personnel of the Company and CNPC Group and their close family members and any entity, of any member of a group of which it is a part, provides key management personnel services to the Group’s parent.

22 關連人士交易

中國石油集團(本公司控股股東)為由中國政府直接控制之國有企業。中國政府為本公司之最終控股方。關連人士包括中國石油集團及其附屬公司(統稱「中油集團」)，由中國政府控制、共同控制或有重大影響之其他國有企業及彼等之附屬公司，同時本集團能夠控制、共同控制或行使重大影響之企業，本公司及中油集團之主要管理人員及彼等之近親家族成員、或一間集團之任何成員公司(為集團之一部分)向本集團之母公司提供主要管理人員服務。

22 RELATED PARTY TRANSACTIONS (CONTINUED)

In addition to the related party information shown elsewhere in the interim financial report, the following is a summary of significant related party transactions entered into in the ordinary course of business between the Group and its related parties during the period and balances arising from related party transactions at the end of the period indicated below:

(a) Transactions with CNPC Group, associates and joint ventures

The Group has extensive transactions with other companies in the CNPC Group. Due to these relationships, it is possible that the terms of the transactions between the Group and other members of the CNPC Group are not the same as those that would result from transactions with other related parties or wholly unrelated parties.

The principal related party transactions with the CNPC Group and associates and joint ventures of the Group which were carried out in the ordinary course of business, are as follows:

- (i) The Group entered into (i) an oil production sharing contract (the “Leng Jiapu Contract”) with the CNPC Group in 1997 and (ii) certain supplemental agreements, including a sixth supplemental agreement on 29 November 2017 for connected transactions for the three years ending 31 December 2020, for the purpose of renewing the terms of the previously signed master agreement and supplemental agreements.

22 關連人士交易(續)

除於中期財務報告其他部分提供之關連人士資料之外，本集團與其關連人士於本期內於一般業務範圍內訂立之重大關連人士交易及期末關連人士交易產生之結餘概述如下：

(a) 與中油集團、聯營公司及合資企業之交易

本集團與中油集團其他成員公司有廣泛的交易。由於此等關係，本集團與中油集團其他成員公司之間的交易條款可能與其他關連人士或毫無相關人士之間的交易條款有所不同。

與中油集團及本集團之聯營公司及合資企業的主要關連人士交易乃於日常業務過程中進行，並載列如下：

- (i) 本集團(i)於一九九七年與中油集團訂立油田產品分成合同(「冷家堡合同」)及(ii)若干補充協議(包括於二零一七年十一月二十九日有關截至二零二零年十二月三十一日止三個年度關連交易的第六份補充協議)，以續訂早前簽署的總協議及補充協議的期限。



22 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with CNPC Group, associates and joint ventures (Continued)

(i) (Continued)

Under the Leng Jiapu Contract and the master agreement, a framework for a range of products and services to be procured from the CNPC Group to the Group and vice versa including oil and gas products, general products and services, financial services and rental services is provided.

- Provision of products by the CNPC Group to the Group amounted to approximately RMB16,628 million (six months ended 30 June 2017: RMB16,429 million) for the six months ended 30 June 2018.
- Provision of services by the CNPC Group to the Group amounted to approximately RMB1,401 million (six months ended 30 June 2017 restated: RMB2,951 million) for the six months ended 30 June 2018 which includes interest charged on the loans and advances obtained from CNPC, PetroChina, Sun World and fellow subsidiaries of approximately RMB481 million (six months ended 30 June 2017 restated: RMB446 million).
- Provision of products by the Group to the CNPC Group amounted to approximately RMB1,999 million (six months ended 30 June 2017 restated: RMB1,619 million) for the six months ended 30 June 2018.
- Provision of services by the Group to the CNPC Group amounted to approximately RMB7,841 million (six months ended 30 June 2017 restated: RMB7,714 million), which mainly includes natural gas pipeline transmission services provided by the Group, for the six months ended 30 June 2018.

22 關連人士交易(續)

(a) 與中油集團、聯營公司及合資企業之交易(續)

(i) (續)

根據冷家堡合同及總協議，已規定本集團將向中油集團採購以及中油集團將向本集團採購的產品及服務範圍，包括油氣產品、一般產品及服務、金融服務及租賃服務。

- 截至二零一八年六月三十日止六個月，中油集團向本集團提供產品約人民幣16,628百萬元(截至二零一七年六月三十日止六個月：人民幣16,429百萬元)。
- 截至二零一八年六月三十日止六個月，中油集團向本集團提供服務約人民幣1,401百萬元(截至二零一七年六月三十日止六個月重列：人民幣2,951百萬元)，其中包括就來自中國石油集團、中國石油、Sun World及同系附屬公司之貸款及墊款收取之利息約人民幣481百萬元(截至二零一七年六月三十日止六個月重列：人民幣446百萬元)。
- 截至二零一八年六月三十日止六個月，本集團向中油集團提供產品約人民幣1,999百萬元(截至二零一七年六月三十日止六個月重列：人民幣1,619百萬元)。
- 截至二零一八年六月三十日止六個月，本集團向中油集團提供服務約人民幣7,841百萬元(截至二零一七年六月三十日止六個月重列：人民幣7,714百萬元)，主要包括本集團提供的天然氣管道輸氣服務。

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22 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with CNPC Group, associates and joint ventures (Continued)

- (ii) The Group has entered into agreement for the sales of natural gas with certain associates of the Group amounting to approximately RMB50 million (six months ended 30 June 2017: RMB31 million) for the six months ended 30 June 2018.

The above transactions in (i) and (ii) constituted connected transactions in accordance with Chapter 14A of the Listing Rules.

- (iii) As at 30 June 2018 and 31 December 2017, amounts due from and to CNPC Group, associates and joint ventures of the Group, which are unsecured and interest free except borrowings, loans to an associate, loans to joint ventures and obligations under finance leases, are included in the following accounts captions and summarised as follows:

| | | 30 June 2018 二零一八年 六月三十日 RMB million 人民幣百萬元 | 31 December 2017 二零一七年 十二月三十一日 RMB million 人民幣百萬元 |
|---|------------|--|--|
| Intangible and other non-current assets | 無形及其他非流動資產 | 842 | 387 |
| Accounts receivable | 應收賬款 | 550 | 462 |
| Prepaid expenses and other current assets | 預付款及其他流動資產 | 28 | 588 |
| Accounts payable and accrued liabilities | 應付賬款及應計負債 | 3,993 | 4,226 |
| Borrowings | 借貸 | 19,236 | 27,212 |
| Obligations under finance leases | 融資租賃承擔 | 165 | 217 |

22 關連人士交易(續)

(a) 與中油集團、聯營公司及合資企業之交易(續)

- (ii) 本集團訂立協議，向本集團若干聯營公司銷售天然氣，截至二零一八年六月三十日止六個月約人民幣50百萬元(截至二零一七年六月三十日止六個月：人民幣31百萬元)。

上述交易(i)和(ii)根據上市規則第14A章構成關連交易。

- (iii) 於二零一八年六月三十日及二零一七年十二月三十一日，應收及應付予中油集團、本集團之聯營公司及合資企業之款項(除借貸、向一間聯營公司貸款、向合資企業貸款及融資租賃承擔外)為無抵押及免息，已計入下列會計科目內並概述如下：

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22 RELATED PARTY TRANSACTIONS (CONTINUED)

22 關連人士交易(續)

(b) Key management compensation

(b) 主要管理層之酬金

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|--------------|---|--|
| | | 2018 RMB million 二零一八年 人民幣百萬元 | 2017 RMB million 二零一七年 人民幣百萬元 (restated) (重列) |
| Salaries and allowances | 薪金及酬金 | 2 | 2 |
| Retirement benefits – defined contribution scheme | 退休金 – 界定供款計劃 | - | - |
| | | 2 | 2 |

(c) Transactions with other state-controlled entities in the PRC

(c) 與中國其他國有實體之交易

Apart from the aforementioned transactions with the CNPC Group, associates and joint ventures, the Group has transactions with other state-controlled entities include but not limited to (i) sales and purchases of goods and services; (ii) purchases of assets; (iii) lease of assets; and (iv) bank deposits and borrowings.

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not state-controlled.

除以上提及與中油集團、聯營公司及合資企業之交易外，本集團與其他國有實體之交易包括(但不限於)(i)銷售及購買貨品及服務；(ii)購買資產；(iii)租賃資產；及(iv)銀行存款及借貸。

該等交易於本集團之日常業務過程中進行，並且按與其他非國有實體相若之條款進行。



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23 ACQUISITION

2017 business combination under common control

As mentioned in Note 2 to this interim financial report, the acquisition of Jingtang Co. has been accounted for in accordance with AG 5. Accordingly, the assets and liabilities of Jingtang Co. acquired by the Group have been accounted for at historical cost and the financial statements of the Group for periods prior to the combination have been restated to include the financial position and results of operation of Jingtang Co. on a combined basis. The final consideration of RMB1,906 million payable by the Group has been treated as an equity transaction. The details of the restated balances are as follows:

23 收購

二零一七年共同控制下之業務合併

如本中期財務報告附註2所述，收購京唐公司已根據會計指引第5號列賬。因此，本集團所收購的京唐公司的資產及負債已按歷史成本列賬，及本集團於合併前的財務報表已經重列，以包括京唐公司的財務狀況及經營業績（按照綜合基準）。本集團最終支付的代價人民幣1,906百萬元已被視為股權交易。重列餘額的詳情如下：

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未經審核中期財務報告附註



23 ACQUISITION (CONTINUED)

23 收購(續)

2017 business combination under common control (Continued)

二零一七年共同控制下之業務合併(續)

The summarised results of operations for the six months ended 30 June 2017 are set out below:

截至二零一七年六月三十日止六個月之經營業績之概要載列如下：

| | | The Group 本集團 RMB million 人民幣百萬元 (as previously reported) (如以往呈列) | Jingtang Co. 京唐公司 RMB million 人民幣百萬元 | Inter-company eliminations 公司間抵消 RMB million 人民幣百萬元 | The Group 本集團 RMB million 人民幣百萬元 (restated) (重列) |
|---|-----------------------|---|---|---|---|
| Results of operations for the six months ended 30 June 2017 | 截至二零一七年六月三十日止六個月之經營業績 | | | | |
| Revenue | 收入 | 40,078 | 648 | - | 40,726 |
| Other gains, net | 其他收益，淨額 | 563 | 8 | - | 571 |
| Interest income | 利息收入 | 125 | 6 | - | 131 |
| Purchases, services and others | 採購、服務及其他 | (28,271) | (80) | - | (28,351) |
| Employee compensation costs | 僱員酬金成本 | (1,839) | (15) | - | (1,854) |
| Depreciation, depletion and amortisation | 折舊、損耗及攤銷 | (2,665) | (148) | - | (2,813) |
| Impairment loss on property, plant and equipment | 物業、廠房及設備減值虧損 | (100) | - | - | (100) |
| Selling, general and administrative expenses | 銷售、一般性和管理費用 | (1,664) | (26) | - | (1,690) |
| Taxes other than income taxes | 除所得稅以外之稅項 | (215) | (1) | - | (216) |
| Interest expenses | 利息支出 | (481) | (49) | - | (530) |
| Share of profits less losses of: | 應佔溢利減虧損： | | | | |
| - Associates | - 聯營公司 | 402 | - | - | 402 |
| - Joint ventures | - 合資企業 | 112 | - | - | 112 |
| Profit before income tax expense | 除所得稅費用前溢利 | 6,045 | 343 | - | 6,388 |
| Income tax expense | 所得稅費用 | (1,878) | (89) | - | (1,967) |
| Profit for the period | 本期內溢利 | 4,167 | 254 | - | 4,421 |

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

23 ACQUISITION (CONTINUED)

2017 business combination under common control (Continued)

23 收購(續)

二零一七年共同控制下之業務合併(續)

| | | The Group | Jingtang Co. | Inter-company eliminations | The Group |
|--|---|-----------------------------|--------------|-------------------------------|-------------|
| | | 本集團 | 京唐公司 | 公司間抵消 | 本集團 |
| | | RMB million | RMB million | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 |
| | | (as previously reported) | | | (restated) |
| | | (如以往呈列) | | | (重列) |
| Results of operations for the six months ended 30 June 2017 (Continued) | 截至二零一七年 六月三十日止六個月 之經營業績(續) | | | | |
| Other comprehensive income: | 其他全面收益： | | | | |
| Items that may be reclassified subsequently to profit or loss: | 其後可重新分類至 損益之項目： | | | | |
| – Exchange differences on translation of financial statements, net of nil tax, of: | – 財務報表換算之 匯兌差額， 扣除零稅項後： | | | | |
| – Subsidiaries | – 附屬公司 | 21 | – | – | 21 |
| – Associates | – 聯營公司 | 5 | – | – | 5 |
| – Joint ventures | – 合資企業 | (17) | – | – | (17) |
| – Fair value loss on available-for-sale financial assets (recycling), net of nil tax | – 可供出售金融資產之 公平值虧損(可轉回至損益)， 扣除零稅項後 | (44) | – | – | (44) |
| Other comprehensive income for the period | 本期內其他全面收益 | (35) | – | – | (35) |
| Total comprehensive income for the period | 本期內全面收益總額 | 4,132 | 254 | – | 4,386 |

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註



23 ACQUISITION (CONTINUED)

23 收購(續)

2017 business combination under common control (Continued)

二零一七年共同控制下之業務合併(續)

| | | The Group 本集團 RMB million 人民幣百萬元 (as previously reported) (如以往呈列) | Jingtang Co. 京唐公司 RMB million 人民幣百萬元 | Inter-company eliminations 公司間抵消 RMB million 人民幣百萬元 | The Group 本集團 RMB million 人民幣百萬元 (restated) (重列) |
|--|----------------------------------|---|---|---|---|
| Results of operations for the six months ended 30 June 2017 (Continued) | 截至二零一七年 六月三十日止六個月 之經營業績(續) | | | | |
| Profit for the period attributable to: | 本期內應佔溢利： | | | | |
| - Owners of the Company | - 本公司股東 | 2,419 | 129 | - | 2,548 |
| - Non-controlling interests | - 非控制性權益 | 1,748 | 125 | - | 1,873 |
| | | 4,167 | 254 | - | 4,421 |
| Total comprehensive income for the period attributable to: | 本期內應佔全面收益總額： | | | | |
| - Owners of the Company | - 本公司股東 | 2,397 | 129 | - | 2,526 |
| - Non-controlling interests | - 非控制性權益 | 1,735 | 125 | - | 1,860 |
| | | 4,132 | 254 | - | 4,386 |
| Earnings per share for profit attributable to owners of the Company | 本公司股東應佔溢利之 每股盈利 | | | | |
| - Basic (RMB cent) | - 基本(人民幣分) | 29.97 | 1.60 | - | 31.57 |
| - Diluted (RMB cent) | - 攤薄(人民幣分) | 28.52 | 1.49 | - | 30.01 |

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

23 ACQUISITION (CONTINUED)

2017 business combination under common control (Continued)

| | | The Group | Jingtang Co. | Inter-company | The Group |
|---|------------------------------|--------------------------|--------------|---------------|----------------|
| | | 本集團 | 京唐公司 | 公司間抵消 | 本集團 |
| | | RMB million | RMB million | RMB million | RMB million |
| | | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 | 人民幣百萬元 |
| | | (as previously reported) | | | (restated) |
| | | (如以往呈列) | | | (重列) |
| Cash flows for the six months ended 30 June 2017 | 截至二零一七年六月三十日止六個月之現金流量 | | | | |
| Net cash generated from operating activities | 經營活動所得之現金淨額 | 5,486 | 292 | - | 5,778 |
| Net cash (used in)/generated from investing activities | 投資活動所(用)/得之現金淨額 | (5,340) | 9 | - | (5,331) |
| Net cash used in financing activities | 融資活動所用之現金淨額 | (2,298) | (296) | - | (2,594) |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等值項目之(減少)/增加淨額 | (2,152) | 5 | - | (2,147) |
| Cash and cash equivalents at 1 January 2017 | 於二零一七年一月一日之現金及現金等值項目 | 19,163 | 2 | - | 19,165 |
| Effect of foreign exchange rate changes | 匯率變動之影響 | (239) | - | - | (239) |
| Cash and cash equivalents at 30 June 2017 | 於二零一七年六月三十日之現金及現金等值項目 | 16,772 | 7 | - | 16,779 |

23 收購(續)

二零一七年共同控制下之業務合併(續)

24 COMPARATIVE FIGURES

The Group has initially applied HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. On the other hand, as a result of the application of AG 5, certain comparative figures have been restated. Further details are disclosed in Notes 3 and 23.

24 比較數據

本集團已於二零一八年一月一日首次應用香港財務報告準則第9號。根據所選擇的過渡法，並未重列比較資料。然而，由於採納會計指引第5號，故若干比較數據已經重列。進一步詳情於附註3及附註23披露。



25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2018

A number of amendments and new standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted. The Group has not early adopted any new or amended standards in preparing this interim financial report.

The Group has the following update to the information provided in the last annual financial statements in respect of HKFRS 16, *Leases*, which may have a significant impact on the Group's consolidated financial statements.

HKFRS 16, *Leases*

As discussed in the 2017 annual financial statements, currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. Upon the adoption of HKFRS 16, where the Group is the lessee under the lease the Group will be required to account for all leases in a similar way to current finance lease accounting, i.e. recognise and measure a lease liability at the present value of the minimum future lease payments and recognise a corresponding "right-of-use" asset at the commencement date of the lease, subject to practical expedients. HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for items of property, plant and equipment which are currently classified as operating leases.

25 截至二零一八年六月三十日止六個月已頒佈但尚未生效之修訂本、新訂準則及詮釋的可能影響

多項修訂本及新訂準則於二零一八年一月一日之後開始的年度期間生效並允許提早應用。本集團於編製本中期財務報告時並無提早採納任何新訂或經修訂準則。

本集團對上一份年度財務報表所提供有關香港財務報告準則第16號「租賃」的資料作出以下可能對本集團綜合財務報表產生重大影響的更新。

香港財務報告準則第16號「租賃」

如二零一七年年末財務報表所述，目前本集團將租賃分為融資租賃及經營租賃，並根據租賃分類以不同方式對租賃安排進行會計處理。一旦採納香港財務報告準則第16號，受實際權宜方法的規限，本集團作為承租人將以類似於現有融資租賃入賬的方式入賬，即按最低未來租賃款項的現值確認及計量租賃負債，並且於租約開始日期確認相應的「使用權」資產。香港財務報告準則第16號將主要影響本集團作為物業、廠房及設備項目租賃承租人的會計處理，而該等項目目前歸類為經營租賃。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2018 (CONTINUED)

HKFRS 16, Leases (Continued)

The following is an updated information about the Group's future minimum lease payments, based on the non-cancellable operating leases that have been entered into by 30 June 2018:

| | |
|----------------------------------|---------|
| Amounts payable: | 應付款項： |
| Within 6 months | 六個月內 |
| After 6 months but within 1 year | 六個月至一年內 |
| After 1 year but within 5 years | 一年至五年內 |
| After 5 years | 五年以後 |

Upon the initial adoption of HKFRS 16 at 1 January 2019, the present value of most of the future minimum lease payments that are payable after 6 months will be recognised as lease liabilities, with corresponding right-of-use assets recognised as non-current assets. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16.

25 截至二零一八年六月三十日止六個月已頒佈但尚未生效之修訂本、新訂準則及詮釋的可能影響(續)

香港財務報告準則第16號「租賃」(續)

以下為根據本集團於二零一八年六月三十日已訂立之不可撤銷經營租賃的有關未來最低租賃付款之更新資料：

| | Properties 物業 | Others 其他 |
|----------------------------------|-----------------------|-----------------------|
| | RMB million 人民幣百萬元 | RMB million 人民幣百萬元 |
| Amounts payable: | | |
| Within 6 months | 101 | 52 |
| After 6 months but within 1 year | 72 | 39 |
| After 1 year but within 5 years | 292 | 168 |
| After 5 years | 253 | 229 |
| | 718 | 488 |

在首次應用香港財務報告準則第16號即二零一九年一月一日後，於六個月後應付之大部分未來最低租賃付款之現值將確認為租賃負債，相應使用權資產將確認為非流動資產。經考慮實際權宜方法之適用性以及就現時與採納香港財務報告準則第16號之期間對已訂立或終止之任何租賃作出調整後，本集團將進行更為詳盡的分析，以釐定採納香港財務報告準則第16號後由經營租賃承擔產生之新資產及負債之金額。



**TO THE BOARD OF DIRECTORS OF KUNLUN ENERGY
COMPANY LIMITED**

(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 22 to 82 which comprises the consolidated interim statement of financial position of Kunlun Energy Company Limited (the “Company”) as at 30 June 2018 and the consolidated interim statement of comprehensive income, the consolidated interim statement of changes in equity and the consolidated interim condensed statement of cash flows for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

致昆侖能源有限公司董事會

(於百慕達註冊成立的有限公司)

引言

我們已審閱列載於第22至82頁昆侖能源有限公司(「貴公司」)的綜合中期財務報告，此中期財務報告包括於二零一八年六月三十日的綜合中期財務狀況表與截至該日止六個月期間的綜合中期全面收益表、綜合中期權益變動表和綜合中期簡明現金流量表，以及其他附註解釋。《香港聯合交易所有限公司證券上市規則》規定，就中期財務報告編製必須符合有關規則的有關條文以及香港會計師公會頒佈的《香港會計準則》第34號「*中期財務報告*」。貴公司董事須負責根據《香港會計準則》第34號編製及列報中期財務報告。

我們的責任是根據我們的審閱對中期財務報告作出結論，並按照委聘之條款僅向全體董事報告，除此之外本報告不可用作其他用途。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

審閱範圍

我們已根據香港會計師公會頒佈之《香港審閱工作準則》第2410號「*實體的獨立核數師對中期財務資料的審閱*」進行審閱。審閱中期財務報告包括向負責財務和會計事務的主要人員作出查詢，及應用分析性和其他審閱程序。審閱的範圍遠較根據《香港審計準則》進行審核的範圍為小，故不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此，我們不會發表審核意見。



Review Report

審閱報告

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2018 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

28 August 2018

結論

根據我們的審閱工作，我們並無注意到任何事項使我們相信於二零一八年六月三十日的中期財務報告在各重大方面未按照《香港會計準則》第34號「中期財務報告」編製。

畢馬威會計師事務所

執業會計師

香港中環
遮打道十號
太子大廈八樓

二零一八年八月二十八日

KunLun Energy Company Limited
昆侖能源有限公司

<http://www.kunlun.com.hk>

