



# The Leading Independent Coalbed Methane Producer in China

Delivering sustainable shareholder returns

# 2018 ANNUAL REPORT 年報

亞美能源控股有限公司  
AAG Energy Holdings Limited

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

Stock Code 股份代號: 2686



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## Company at a Glance

### 公司簡介

# AAG Energy, the Leading Independent CBM Producer in China

## 亞美能源，中國煤層氣行業的領先者

### Our Vision 願景

To be the world's leading, most enduring clean energy company for today and tomorrow.

勵志成為國際領先的永續發展的清潔能源偉大企業

### Mission 使命

To create best value for society, optimized platform for employees and highest return for shareholders.

為社會創造最佳價值，為員工創造最好平台，為股東創造最大效益

### About AAG Energy Holdings Limited (“AAG Energy”)

AAG Energy Holdings Limited is a leading international energy company in the field of Coal Bed Methane (CBM) exploration and production in China. It is committed to developing and optimizing the value of unconventional gas resources to supply clean energy to the economy in China. AAG Energy's key operating assets, Panzhuang and Mabi concessions, are located in the southwestern part of Qinshui Basin in Shanxi Province, which boasting the largest proved CBM geological reserves among basins in China. AAG Energy's Panzhuang concession, which is in partnership with China United Coalbed Methane Corporation Ltd. (“CUCBM”), is the most commercially advanced Sino-foreign CBM asset in China and the first Sino-foreign CBM cooperative project with full-scale commercial development and production. The project has a designed annual production capacity of 500 million cubic meters. The Overall Development Plan for the southern area in Mabi Concession, in cooperation with China National Petroleum Corporation (“CNPC”), was approved by the National Development and Reform Commission (NDRC) of the People's Republic of China (the “PRC”) in September 2018. The designed annual production capacity for commercial development is 1 billion cubic meters. With its successful experience in the commercialization of CBM and excellent management team, AAG Energy will contribute more clean energy to society and create higher return for investors.

### 關於亞美能源控股有限公司 （「亞美能源」）

亞美能源控股有限公司是一家在中國煤層氣勘探開發領域處於領先地位的國際能源公司，致力於非常規天然氣資源的開發及價值優化，為中國經濟供應清潔能源。亞美能源的主要運營資產潘莊及馬必區塊位於山西省的沁水盆地西南部，其煤層氣探明地質儲量居中國各盆地之首。亞美能源與中聯煤層氣有限責任公司合作的潘莊區塊為中國商業化程度最高的中外合作煤層氣資產，是中國首個進入全面商業開發和生產的中外合作煤層氣區塊，年設計產能為5億立方米。亞美能源與中國石油天然氣集團有限公司合作的山西沁水盆地馬必區塊南區煤層氣對外合作項目總體開發方案已於2018年9月獲得中華人民共和國國家發展和改革委員會的批復，商業開發年設計產能為10億立方米。憑藉其在煤層氣商業化進程中成功的經驗以及優秀的管理團隊，亞美能源將為社會奉獻更多的清潔能源，為投資者帶來更優的回報。



# Company at a Glance

## 公司簡介

### 2018 Performance Highlights of AAG Energy

### 亞美能源2018年業績亮點

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

**Zero** injury and No Lost Time Injury for **4** years and **117** days  
**0** 傷害記錄，累計**4**年零**117**天無損失工時事故

We delivered strong financial results  
我們取得了卓越的財務成績

Profit for the Year  
年度利潤

**125.40%\*** ↑



Unit: Million RMB  
單位: 百萬人民幣

EBITDA

**86.64%** ↑



Unit: Million RMB  
單位: 百萬人民幣

Revenue (government subsidy and VAT refund are included)  
收入 (包括政府補貼和增值稅退稅)

**71.02%** ↑



Unit: Million RMB  
單位: 百萬人民幣

EPS  
每股收益

**123.64%** ↑



Unit: RMB  
單位: 人民幣元

We always focus on increasing productivity and market sales  
我們一直致力於提高產能和市場銷售

#### ◀ Panzhuang Concession 潘莊區塊

Gross Production  
總產量

**23.44%** ↑



Unit: MMCM  
單位: 百萬立方米

Gross Sales  
總銷量

**23.90%** ↑



Unit: MMCM  
單位: 百萬立方米

Realized Average Selling Price\*\*  
平均實現銷售價格\*\*

**27.48%** ↑



Unit: RMB/cubic meter  
單位: 人民幣元/立方米

#### ◀ Mabi Concession 馬必區塊

Gross Production  
總產量

**65.89%** ↑



Unit: MMCM  
單位: 百萬立方米

Gross Sales  
總銷量

**62.97%** ↑



Unit: MMCM  
單位: 百萬立方米

Realized Average Selling Price\*\*  
平均實現銷售價格\*\*

**21.93%** ↑



Unit: RMB/cubic meter  
單位: 人民幣元/立方米

\* Due to the different units of expression and decimal places reserved of data, there may be slight deviation in the percentage of increase or decrease; the percentage of increase or decrease is based on the calculation of the minimum units of expression and decimal places reserved available in the report.  
由於數據的表達單位及保留位數不同，可能會使增減的百分比比例略有偏差；增減的百分比比例以報告內能獲取的最小表達單位及保留位數的計算結果為準。

\*\* Realized ASP excludes the directly attributable pass through cost, these reflecting the realized wellhead price.  
平均實現銷售價格不包括直接歸屬的過渡成本，反映的是我們實現的井口價格。



# Chairman's Statement

## 主席報告

To create best value for society,  
optimized platform for employees  
and highest return for shareholders.

為社會創造最佳價值，  
為員工創造最好平台，  
為股東創造最大效益。

**Mr. Ming Zaiyuan**  
Chairman  
**明再遠先生**  
主席



Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of AAG Energy Holdings Limited (“**AAG Energy**” or the “**Company**”, together with its subsidiaries, collectively the “**Group**”), I am pleased to present the annual report of the Group for the year ended 31 December 2018.

### Overview

In 2018, world economy has maintained a moderate growth and energy transformation has become a consensus in both international community and energy industry in response to global climate change. China's macro economy ran steadily with its environmental policies continuously conducive to the flourishing of domestic natural gas market. The government has introduced various environmental policies to sustainably take forward the prevention of air pollution and strengthen “Coal to Gas” policy for civil use, heating and industrial use in core regions, resulting a rapid growth in national consumption of natural gas. According to the market report of SIA Energy Co., Ltd. (“**SIA**”), an independent consulting firm, in 2018, China's natural gas consumption was approximately 279 billion cubic meters, representing an increase of 16% compared to last year; annual import of natural gas amounted to 124.8 billion cubic meters, representing a year-on-year increase of 32%. China's import of natural gas exceeded Japan for the first time and China has become the largest importer in the world which resulted in a sharp rise in average import price of natural gas.

各位股東：

本人謹代表亞美能源控股有限公司（「**亞美能源**」或「**本公司**」，連同其附屬公司統稱「**本集團**」）董事（「**董事**」）會（「**董事會**」）欣然提呈本集團截至2018年12月31日止之年度報告書。

### 概覽

2018年世界經濟延續溫和增長，應對全球氣候變化、推進能源轉型已成為國際社會和能源行業的共識。中國宏觀經濟平穩運行，環保政策助力國內天然氣市場蓬勃發展。國家出臺多項環保政策，持續推進大氣污染防治工作，強化重點地區的民用、採暖、工業等行業煤改氣，全國天然氣消費量快速增長。根據獨立諮詢公司，SIA Energy Co., Ltd.（「**SIA**」）的市場報告，2018年中國天然氣消費量約2,790億立方米，與上年相比增長16%；全年天然氣進口量1,248億立方米，同比增長32%。天然氣進口量首次超過日本，成為全球第一大天然氣進口國，天然氣進口均價大幅上漲。

## Chairman's Statement

### 主席報告

In 2018, AAG Energy completed an internal major reform. On 24 August 2018, Liming Holding Ltd. ("**Liming**"), a wholly-owned second-tier subsidiary of Xinjiang Xintai Natural Gas Co., Ltd. ("**XTRQ**"), a company listed on the Shanghai Stock Exchange (Stock Code: 603393), has duly registered as the shareholder of AAG Energy holding 50.5% of total issued shares of AAG Energy held. During this period, with its consistent excellent operating ability and adequate technical reserve, as well as professional teams with superior execution capability, AAG Energy achieved a smooth personnel change and transition within its board and management team, and maintained the production operation under control and operating results improved remarkably in 2018: the gross production grew by 27.37% from 2017 to 802 million cubic meters (28.3 billion cubic feet). The income (including government subsidies and VAT refund) increased by 71.02% to RMB1,258 million and the profit for the year of the Company increased by 125.40% to RMB413 million. The EBITDA for the year rose 86.64% from 2017 to RMB807 million and our earnings per share increased by 123.64% to RMB0.123.

As the prevention of air pollution is a key point of national environmental policy, "Coal to Gas" policy has been further progressed with the implementation of the "Gasification of Shanxi Province" strategy. AAG Energy reached a higher realized average selling price ("**realized ASP**") from RMB1.30 per cubic meter in 2017 to RMB1.64 per cubic meter in 2018.

在2018年，亞美能源完成內部重大變革，於2018年8月24日，新疆鑫泰天然氣股份有限公司（「**新天然氣**」）（一間於上海交易所上市之公司，股份代號：603393）之全資孫公司香港利明控股有限公司（「**利明**」）正式登記成為亞美能源股東，持有亞美能源已發行股份總數50.5%。在此期間亞美能源以一貫優秀的運營能力及充分的技術儲備，及超強執行力的團隊，得以實現董事會變動及管理層調整的平穩過渡，保持2018年度生產運營平穩受控，經營業績大幅提升：2018年總產量相比2017年增長了27.37%達到8.02億立方米（即283億立方英尺），2018年收入（包括政府補貼和增值稅退稅）相比2017年增加了71.02%至人民幣12.58億元，2018年年度利潤相比2017年增加了125.40%至人民幣4.13億元，2018年EBITDA相比2017年增加了86.64%至人民幣8.07億元，2018年每股收益相比2017年增長了123.64%至人民幣0.123元。

因大氣污染防治作為國內環保政策的重點，「煤改氣」政策進一步深入推進，加之山西省實施的「氣化山西」戰略，2018年亞美能源取得了更高的平均實現銷售價格（「**平均實現銷售價格**」），從2017年的每立方米人民幣1.30元，增至每立方米人民幣1.64元。

# Chairman's Statement

## 主席報告

### Major Results Review in 2018:

#### — Health, Safety and Environment (“HSE”): Target zero on HSE performance indicators

Outstanding HSE indicators are of the most essential edges for AAG Energy in maintaining its leading position as an independent CBM producer in China. In building a solid foundation for steady development, AAG Energy has insisted on ensuring health, safety and environment (HSE) from its start through the endeavours of improving HSE management system. The Company sets its goal at zero injury of staff and zero pollution of environment, and is willing to be the role model in coal-bed methane industry in this regard. In 2018, the Company continued to achieve excellency in HSE performance indicators recorded zero on total recordable injury rate (“TRIR”), lost time injury rate (“LTIR”) and preventable motor vehicle accident rate (“PMVA”).

Meanwhile, the Company actively responded to the government’s “Green Mountains, Clean Waters” ecological protection strategy by strictly complying with both national and local laws and regulations associated to CBM and committed to reducing the environmental impact from its activities related to exploration, development, production and operations. We recorded zero in both environmental pollution and ecological destruction in 2018.

#### — Panzhuang concession: New record high on gross production

Panzhuang concession maintains its performance as the best CBM asset in China with its gross production reached 705 million cubic meters (24.9 billion cubic feet) in 2018, outperformed the original target of 626 million cubic meters, representing a year-on-year increase of 23.44% from 2017. Sales utilization rate remained at 98%. Through enhanced operating efficiency, we have finished drilling a total of 63 wells in 2018 that recorded a new high in annual well drilling.

Pursuant to the agreement entered into between us and China United Coalbed Methane Corporation Ltd. (“CUCBM”), our concession Chinese partner, 34 wells located in the cooperation area of Panzhuang concession which operated by CUCBM due to historical reasons were duly transferred to Sino American Energy Inc. (“SAEI”), a subsidiary of the Company on 1 November 2018, which resulted in a production rise of approximately 60,000 cubic meters per day for Panzhuang concession.

### 2018年主要業績回顧：

#### — 健康、安全及環境(「HSE」)：關鍵績效指標記錄為零

突出的HSE指標是亞美能源作為獨立的煤層氣生產商在中國保持領先地位的最重要優勢之一。亞美能源自始至終堅持將確保健康、安全和環境(HSE)作為公司穩步發展的根基，致力於不斷完善健康、安全與環境管理體系，公司追求人員零傷害、環境零污染的目標，並願意在此方面充分發揮煤層氣行業模範帶頭作用。2018年本公司在HSE績效指標方面繼續保持卓越成效，員工總可記錄事故率(「TRIR」)，損失工時事故率(「LTIR」)和可預防性交通事故率(「PMVA」)均為零。

同時，本公司積極響應中國政府「青山綠水」環境生態保護戰略，嚴格遵守國家及地方煤層氣相關環保法律法規，致力於降低在勘探、開發、生產和運營過程中對環境產生的影響。在2018年，我們未發生任何環境污染或生態破壞事故。

#### — 潘莊區塊：總產量再創歷史新高

潘莊區塊仍舊保持其國內最優質煤層氣資產的表現，2018年總產量達到了7.05億立方米(即249億立方英尺)，超出了原定6.26億立方米的目標，同比2017年增長了23.44%。產銷比穩定保持在98%。通過提高運營效率，2018年共完成鑽井63口，鑽井總數創歷史新高。

根據與潘莊區塊中方合作夥伴中聯煤層氣有限責任公司的協議約定，於2018年11月1日，潘莊區塊合作區域內因歷史問題原由中聯煤層氣有限責任公司(「中聯煤」)運營的34口井正式劃轉至本公司附屬公司美中能源有限公司(「SAEI」)，每天為潘莊項目增加約6萬立方米的產量。

# Chairman's Statement

## 主席報告

### — Mabi concession: Overall Development Plan approved and ready for commercial development

The Overall Development Plan (“ODP”) of Foreign Cooperation CBM Project in Southern area of Mabi concession was duly approved by the National Development and Reform Commission of the People's Republic of China (“NDRC”) in September 2018. It implied that the southern area in Mabi concession had entered into commercial development phase with compliance conditions ready for large scale development. According to the approval, the project has a constructed production capacity of 1 billion cubic meters per year for a construction term of four years with gross investment amounted to RMB4.64 billion.

In 2018, the production of Mabi concession outperformed its production in 2017. Gross pilot production increased from 58.28 million cubic meters (2.1 billion cubic feet) in 2017 to 96.68 million cubic meters (3.4 billion cubic feet) in 2018. Annual sales volume reached 87.35 million cubic meters (3.1 billion cubic feet) in 2018, increased by 62.97% from 53.60 million cubic meters (1.9 billion cubic feet) in 2017. Annual sales utilization rate for 2018 was 90%.

### — Corporate Management: Management system optimization and implementation of development plan

The aim of corporate management is not simply managing but the delivery of a harmonious development of corporate, individual and society via a scientific, reasonable and efficient management system.

In 2018, AAG Energy completed the formulation of the 2019–2021 three-year development plan to further clarify the vision and mission of the Company, as well as the development objective, management objective, operating objective and financial objective for the coming three years. The Company will also formulate practicable measures in detail based on the development plan to guide the Company's future development.

To ensure the smooth implementation of the Company's development plan, we streamlined our structures by optimizing management hierarchy and workflow to increase work efficiency. We followed the principle of “simple and efficient, professional value, outstanding effects” in establishing and defining the responsibilities of each department and position in the headquarters of the Company in 2018, to realize an integration between power and responsibility of employees, and maximize the value of management.

### — 馬必區塊：總體開發方案獲得批復，進入商業開發階段

馬必區塊南區煤層氣對外合作項目總體開發方案(「ODP」)經中華人民共和國國家發展和改革委員會(「國家發改委」)，於2018年9月正式批復，意味著馬必南區煤層氣開發項目正式進入商業性開發階段，大規模開發的合規條件已具備。根據批復，項目產能建設規模為10億立方米／年，建設期4年，項目總投資為46.4億元人民幣。

馬必區塊在2018年產量表現突出。總產量從2017年的5,828萬立方米(即21億立方英尺)增加到9,668萬立方米(即34億立方英尺)。全年銷售氣量達到8,735萬立方米(即31億立方英尺)，比2017年的5,360萬立方米(即19億立方英尺)增長了62.97%，2018年全年產銷比90%。

### — 企業管理：優化管理體系，保障企業發展規劃之順利實施

企業管理的目標不是管理本身，而是通過科學、合理、高效的管理體系實現企業、個人、社會和諧發展之目標。

2018年亞美能源完成2019–2021三年發展規劃編制，進一步明確本公司的願景和使命，明確未來三年的發展性目標、管理性目標、經營性目標以及財務性目標，並據此制定詳實的可操作性措施，形成對公司未來發展方向的引領。

為保障公司發展規劃順利實施，我們對組織結構進行了扁平優化，優化管理層級及工作流程，致力持續提高工作效率，並按照「精簡高效、專業價值、突出實效」的原則，於2018年內完成了公司總部各部門組織架構與崗位職責的建設與界定工作，實現員工責權統一，發揮管理的最大價值。



# Chairman's Statement

## 主席報告

Through the optimization of our structures, the total number of AAG Energy's employees reduced by 74 to 569 as of 31 December 2018. On the basis of personnel optimization, we continued to progress the reform of the performance appraisal system by proposing the "value appraisal system" to raise the performance standards and create a challenging but exciting working environment. Thus, staff value can be truly embodied by the appraisal and provides strong support to team management.

### Business Outlook

In 2019, the demand of domestic natural gas will continue to grow at a relatively slower pace compared with last two years. Unconventional oil and gas include CBM, shale gas and coal-based synthetic gas are expected to become important supporting factors for steady facilitation of the Action Plan for Defending the Blue Sky and "Coal to Gas" strategy in China. To achieve efficient development of oil and gas exploration, the effort for domestic oil and gas system reform will be further strengthened with relevant policies following. The "Opinions on Promoting the Coordinated and Stable Development of Natural Gas" released by the State Council in 2018 issued signals such as enhancement in domestic oil and gas exploration development, encouragement in construction of storage and transportation infrastructure, acceleration in overseas cooperation of natural gas resources, etc. In 2019, new policies in facilitating steady development on the establishment of natural gas coordination system will be successively formulated and issued. Driven by the system reform and policies implementation, the oil and gas exploration costs by enterprises will be lowered.

As such, in 2019, the Company will primarily maintain the leading edges of the existing concessions, through the completion of planned drilling program in a timely manner, focusing on efficient exploration with low-cost development and upgrading production and efficiency in full force to increase concession production volume. At the same time, the Company will keep insisting on production-based sales to maximize sales utilization rate, adhere to resources-based and market-oriented principles in reasonable allocation of CBM resources for sales to generate higher operating income.

Meanwhile, AAG Energy will also actively respond to external environmental changes, make full use of favourable policies to seek new business development opportunities including both domestic and overseas CBM or other unconventional oil and gas assets, and also other assets with high potential for development in the entire natural gas industrial chain.

通過組織結構優化，截至2018年12月31日止，亞美能源員工總人數較2017年減少74人，至569人。在人員優化的基礎上，我們持續推進公司績效考核體系的改革，提出「價值加減分考核體系」，持續提高績效的標準，創造充滿挑戰又令人嚮往的工作環境，使考核真正體現員工價值，為團隊管理提供有力支撐。

### 業務前景展望

2019年國內天然氣需求將持續增長，但增速較過去兩年或將回落。非常規油氣包括煤層氣、頁岩氣、煤制氣，預計將成為國內穩步推進藍天保衛戰行動計劃、推進煤改氣的重要支撐因素。為實現油氣勘探開發高效發展，國內油氣體制改革的力度進一步加大，相應的政策保持跟進，2018年國務院出臺《關於促進天然氣協調穩定發展的若干意見》，釋放政策信號包括提升國內油氣勘探開發力度，鼓勵儲運基礎設施建設，加快海外天然氣資源合作等。2019年，促進天然氣協調穩定發展的新政策將陸續制定和出臺，通過體制改革和政策驅動，幫助企業降低油氣勘探開發成本。

因此，2019年，本公司首先將繼續致力保持現有區塊的強勁優勢，按時完成計劃的鑽井數量，突出高效勘探和低成本開發，全力增產提效，提升區塊產量。堅持以產定銷，最大限度地提高產銷比，堅持以資源為基礎，以市場為導向，合理調配煤層氣資源銷售，實現更高營收。

同時，亞美能源亦將積極應对外部環境變化，充分利用政策利好，尋求新的業務拓展機會，包括國內外的煤層氣或其它非常規油氣資產，以及天然氣全產業鏈上的其他具備高潛力發展的資產。

## Chairman's Statement

### 主席報告

Optimization and reform will be continually intensified for corporate management. Remuneration and welfare system will be refined to improve welfare package of our employees in order to motivate their working passion and attract high-caliber candidates to join the team. The Company will enhance high-tech innovation and management innovative capacity and accelerate the research and development of competitive coal seam permeability improvement techniques to promote its sustainable development.

Finally, on behalf of the Company, I would like to express my heartfelt thanks to the shareholders and investors for their years of trust and support. I would also like to express my sincere gratitude to all the employees. The Company will continue to make unremitting efforts to bring positive returns to the shareholders.

**Ming Zaiyuan**  
*Chairman of the Board*

在公司管理方面，繼續深化各個方面的優化與改革，著手完善新的薪酬福利體系，提高員工的福利待遇，激發員工的工作熱情，吸引高素質人才加入團隊。不斷提高技術創新和管理創新的能力，加快研發極具競爭性的煤儲層增滲改造技術，為可持續發展注入強勁動力。

最後，本人謹代表公司，向多年來信任和支持本公司的各位股東、業務夥伴及投資者致以衷心的謝意，亦向全體員工表達誠摯的感激。本公司將繼續不懈努力，爭取為股東帶來豐厚的回報。

**明再遠**  
*董事會主席*



# Management Discussion and Analysis

管理層討論及分析



# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

We are pleased to announce that the Group continues to deliver strong growth in gross production of coalbed methane (“**CBM**”) compared with 2017. The Group’s 2018 gross production increased by 27.37% to 802 million cubic meters (“**MMCM**”) (28.3 billion cubic feet (“**bcf**”)) (comprising Panzhuang concession’s production of 705 MMCM (24.9 bcf) and Mabi concession’s production of 97 MMCM (3.4 bcf)) compared with 2017.

Compared with the budgeted capital expenditure of RMB490 million for the full year, the actual capital expenditure this year was RMB323 million. The average drilling cost of each single lateral horizontal well (“**SLH**”) in Panzhuang is basically the same as that of 2017, of which the average drilling cost of SLHs in 3# coal seam and 15# coal seam are RMB2.85 million and RMB2.98 million respectively. We are committed to lowering the cost to increase our profit margin.

In 2018, the Group achieved a higher realized average selling price (“**realized ASP**”) of RMB1.64/cubic meter, comprising realized ASPs of RMB1.67/cubic meter and RMB1.39/cubic meter for Panzhuang and Mabi, representing an increase of 27.48% and 21.93% compared to RMB1.31/cubic meter for Panzhuang and RMB1.14/cubic meter for Mabi for 2017 respectively. The increase in the realized ASPs for Panzhuang and Mabi were driven by the government policy of unifying the city-gate prices of natural gas for residential and non-residential use and the increased prices of natural gas and growth of natural gas consumption brought about by the ongoing implementation of prevention measures towards air pollution.

The revenue for 2018 (including government subsidy and VAT refund) increased to RMB1.258 billion, representing an increase of 71.02% over 2017. Operating profit increased to RMB604 million, representing an increase of 87.38%. Profit for the year increased by 125.40% to RMB413 million. EBITDA increased by 86.64% to RMB807 million. Earnings per share increased by 123.64% to RMB0.123.

### 業務回顧

我們很高興的宣佈，本集團的煤層氣總產量相較2017年持續大幅度增長。本集團的2018年總產量相比2017年增長了27.37%達到8.02億立方米(即283億立方英尺)，其中包括潘莊區塊的產量7.05億立方米(即249億立方英尺)和馬必區塊的產量0.97億立方米(即34億立方英尺)。

相比全年預算人民幣4.90億元的資本性支出，今年實際的資本支出為人民幣3.23億元。潘莊每口單支水平井(「**SLH**」)的平均鑽井成本與2017年基本持平，其中3#煤層SLH井的平均單井鑽井成本為人民幣285萬元，15#煤層SLH井的平均單井鑽井成本為人民幣298萬元。我們持續致力於降低成本，提升利潤空間。

2018年，本集團實現了更高的平均實現銷售價格即每立方米人民幣1.64元，其中潘莊的平均實現銷售價格為每立方米人民幣1.67元(相比2017年的每立方米人民幣1.31元增長27.48%)，馬必的平均實現銷售價格為每立方米人民幣1.39元(相比2017年的每立方米人民幣1.14元增長21.93%)。潘莊和馬必平均實現銷售價格的增長主要來源於中國政府實施的民用與非民用天然氣門站價格並軌政策以及持續推進的大氣污染防治工作帶來的天然氣消費的價升量漲。

2018年的收入(包括政府補貼和增值稅退稅)相比2017年增加了71.02%至人民幣12.58億元，經營利潤增加了87.38%至人民幣6.04億元，年度利潤增加了125.40%至人民幣4.13億元，EBITDA增加了86.64%至人民幣8.07億元，每股收益增加了123.64%至人民幣0.123元。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

Key financial indicators for the last 5 years are as follows:

### 業務回顧(續)

最近五年財務關鍵指標列示如下：

Items		As at or for the year ended 31 December				
		2018	2017	2016	2015	2014
項目		2018年	2017年	2016年	2015年	2014年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Current assets	流動資產	<b>2,260,490</b>	2,537,341	2,699,512	2,820,279	1,347,769
Non-current assets	非流動資產	<b>3,746,617</b>	3,595,348	3,238,962	2,667,486	2,147,103
Total assets	總資產	<b>6,007,107</b>	6,132,689	5,938,474	5,487,765	3,494,872
Current liabilities	流動負債	<b>306,191</b>	422,062	443,775	392,893	316,439
Non-current liabilities	非流動負債	<b>324,063</b>	760,282	657,765	503,426	375,432
Total liabilities	總負債	<b>630,254</b>	1,182,344	1,101,540	896,319	691,871
Revenue	收入	<b>978,671</b>	541,598	411,278	536,655	425,895
Other income	其他收入	<b>279,169</b>	193,913	149,276	127,672	151,197
Profit before income tax	除所得稅前利潤	<b>596,260</b>	310,941	178,980	51,717	275,048
Profit/(loss) for the year	年度利潤/(虧損)	<b>412,937</b>	183,198	106,635	(56,939)	194,988
Net cash generated from operating activities	經營活動所得現金淨額	<b>404,933</b>	438,301	257,418	317,382	297,587
Net cash used in investing activities	投資活動所用現金淨額	<b>(419,593)</b>	(455,556)	(337,742)	(743,937)	(420,954)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	<b>(635,140)</b>	26,392	12,874	1,517,712	1,014,039

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

We have achieved significant progress towards certain principle operational objectives for the two key assets operated by the Company's two subsidiaries: Panzhuang concession operated by SAEI and Mabi concession operated by Asian American Gas Inc. ("AAGI").

#### 1. Panzhuang Concession

Our Panzhuang concession, which is in partnership with CUCBM, continues to be the CBM project with the highest output in China, and was listed as China's key CBM project in production under the 13th Five-Year Plan for the development and utilization of CBM (coal mine gas) prepared by the NEA and issued by the NDRC of the People's Republic of China.

##### — Production Update

In 2018, the gross production from Panzhuang concession reached 705 MMCM (24.9 bcf), 12.70% higher than the original target of 626 MMCM (22.1 bcf), with a 23.44% year on year ("YoY") increase compared with 572 MMCM (20.2 bcf) in 2017. The average daily gas production was 1.93 MMCM. By the end of 2018, 243 wells were in production, including 67 pad drilling wells ("PDW"), 49 multi-lateral drilling wells ("MLD") and 127 SLHs. According to the agreement between SAEI and CUCBM, 34 wells originally operated by CUCBM due to historical reasons in Panzhuang concession were officially transferred to SAEI on 1 November 2018, thus increased the production of Panzhuang project by about 60,000 cubic meters per day. Further details on production and well count are set out below in Table 1.

### 業務回顧(續)

本公司兩間附屬公司經營的兩項重大資產 (SAEI經營的潘莊區塊及亞美大陸煤層氣有限公司(「AAGI」)經營的馬必區塊)的若干重大經營目標取得顯著進展。

#### 1. 潘莊區塊

我們與中聯煤合作的潘莊區塊仍然是中國最高產的煤層氣項目，在由國家能源局制定、國家發改委發佈的煤層氣(煤礦瓦斯)開發利用「十三五」規劃中，被列為國家在產煤層氣重點項目。

##### — 生產進展

2018年潘莊區塊的總產量達到了7.05億立方米(即249億立方英尺)，較原定6.26億立方米(即221億立方英尺)的目標超產12.70%，同比2017年5.72億立方米(即202億立方英尺)增長了23.44%。平均日產氣量達193萬立方米。截至2018年底，在產生產井243口，其中包括67口叢式井(「PDW」)，49口多分支水平井(「MLD」)和127口單支水平井(「SLH」)。根據SAEI與中聯煤的協議約定，潘莊項目合作區塊內因歷史原因原本由中聯煤運營的34口井，於2018年11月1日正式劃轉至SAEI，每天為潘莊項目增加約6萬立方米的產量。更多的產量資料以及井數統計請詳見下列表1。



# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

#### 1. Panzhuang Concession (Continued)

##### — Drilling and Surface Facilities Update

In 2018, we have drilled a total of 63 wells (of which 50 were SLHs and 13 were PDWs) in Panzhuang concession, 8 more wells had been drilled compared to that of 2017. Average drilling time for each SLH was just 16.53 days, representing an improvement of 2.19% in our drilling efficiency compared to that of 2017. With more input of new wells and the improvements of operational efficiency, a solid foundation has been laid for the increase of 2019 annual production.

The 34 SLHs drilled in 15# coal seam completed in 2018 successfully explored and applied a series of drilling, completion, extraction and surface facilities engineering technologies suitable for 15# coal seam development. The drilling fluid system for the drilling of this coal seam section has been applied and verified in practice, showing a good stability effect on coal seam protection and wellbore protection. We have accumulated rich technical and operational experience in building up, landing, and geo-steering in horizontal section. A mature system for lateral drilling in the thin coal seam has been formed, which exemplified the successful development of SLHs in thin 15# coal seam in the Qinshui Basin.

Currently, the surface facilities of our Panzhuang concession include 6 gas gathering stations, 24 wellhead compressors, 61 km of trunk lines and 94 km of single well pipelines. The central gas gathering station has a secondary processing capacity of 800,000 cubic meters per day, and compressors at remaining stations and wellheads have a processing capacity of 3.65 MMCM per day. The construction progress of a double circuited 35 kilovolt power line lags behind (the company reserves its right to hold the relevant parties accountable). This power line will be able to satisfy the electricity demand of the Panzhuang project and further improve the gas distributing capacity after becoming operational, thus increasing our production and sales.

### 業務回顧(續)

#### 1. 潘莊區塊(續)

##### — 鑽井及地面設施進展

2018年潘莊區塊共完成鑽井63口(其中包括50口SLH和13口PDW), 鑽井完成數較2017年增加了8口。SLH井平均鑽井時間僅為16.53天, 鑽井效率較2017年提升2.19%。新井的投入和運營效率的提高, 為2019年度產量的提升奠定了堅實的基礎。

2018年完成的34口15#煤層SLH, 成功的探索並應用了一系列適合15#煤層開發的鑽井、完井、抽採及地面配套工程技術。煤層段鑽進的鑽井液體系在實踐中得以應用、驗證, 對煤層的保護和鑽進中井筒的穩定效果良好; 對於造斜、著陸、水平段定向及導向積累了豐富的技術和作業經驗, 形成了一套較為成熟的薄煤層水平井鑽井體系, 對沁水盆地15#煤薄煤層開發具有示範作用。

目前, 潘莊區塊地面設施包括6座集氣站, 24臺井口壓縮機, 61千米集輸管線和94千米單井管線。中央集氣站二次加壓處理能力為80萬立方米/天, 其餘各站及井口壓縮機處理能力為365萬立方米/天。一條雙迴路的35千伏電力線路工程建設進度滯後, 公司保留追究相關方責任的權利。該線路投運後將基本滿足潘莊項目的電量需求, 並將進一步提高潘莊區塊的煤層氣輸配能力, 從而提升產量和銷量。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

#### 2. Mabi Concession

Our Mabi concession, which is in partnership with CNPC, was listed as China's key CBM project under construction under the 13th Five-Year Plan for the development and utilization of CBM (coal mine gas) prepared by NEA and issued by NDRC, and became one of the key CBM construction projects in Shanxi Province in 2018.

##### — Pilot Program Update

Mabi concession showed promising success in 2018 with its gross production increased to 96.68 MMCM (3.4 bcf) compared with 58.28 MMCM (2.1 bcf) in 2017. The 2018 average daily production for Mabi was 260,000 cubic meters, compared to 160,000 cubic meters in 2017. By the end of 2018, Mabi had a total of 175 pilot wells in production. Further details on production and well count are set out below in Table 1.

##### — ODP Approval

On 8 October 2018, NDRC formally announced the Approval Regarding the Overall Development Plan (“**ODP**”) in respect of the Foreign Cooperation CBM Project within the Southern Area in Mabi Concession, Qinshui Basin, Shanxi Province. According to the Announcement, the approval was officially issued in September 2018. With this approval, Mabi is eligible for its commercial development. Pursuant to the approval, the project has a constructed production capacity of 1 billion cubic meters (“**bcm**”) per year, and the construction period is 4 years. It has been planned to use a gas-bearing area of 131.7 square kilometers and a CBM reserve of 19.623 bcm. The total investment is RMB4.64 billion, and Chinese and foreign partners hold 30% and 70% equity, respectively. At present, preliminary design of surface facilities has been approved by CNPC, and we are now preparing to kick off the development activities according to the approved ODP.

### 業務回顧(續)

#### 2. 馬必區塊

我們與中石油合作的馬必區塊，在由國家能源局制定、國家發改委發佈的煤層氣(煤礦瓦斯)開發利用「十三五」規劃中被列為國家在建煤層氣重點項目，並成為山西省2018年煤層氣重點建設項目之一。

##### — 先導項目進展

馬必區塊在2018年產量表現突出。總產氣量從2017年的5,828萬立方米(即21億立方英尺)增加到9,668萬立方米(即34億立方英尺)。平均日產量同比2017年的16萬立方米增長至26萬立方米。截止2018年底，馬必共有175口先導性試驗井在產。更多的產量資料以及井數統計請詳見下列表1。

##### — ODP的批准

國家發改委於2018年10月8日正式公告了關於山西沁水盆地馬必區塊南區煤層氣對外合作項目總體開發方案(「**ODP**」)的批復。根據其公告，該批復於2018年9月正式批出。自此，馬必項目具備了商業開發的條件。根據批復，項目產能建設規模為10億立方米/年，建設期為4年。計劃動用煤層氣含氣面積131.7平方千米，動用煤層氣儲量196.23億立方米。總投資為人民幣46.4億元，中外合作雙方按30%和70%的比例參與權益。目前，該項目地面工程的初步設計已通過中石油的審批，並且按照ODP批復內容開始進行開發準備。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

Table 1 — Operation Update\* of Panzhuang ("PZ") and Mabi ("MB") Concessions

### 業務回顧(續)

表 1 — 潘莊區塊(「潘莊」)和馬必區塊(「馬必」)的運營進展\*

		2018 2018年	2017 2017年	% Change 變動百分比
Gross production (MMCM)	總產量(百萬立方米)	<b>802.21</b>	629.84	27.37%
Total average daily production (MMCMD)	總平均日產量(百萬立方米每天)	<b>2.20</b>	1.72	27.91%
Gross production of PZ (MMCM)	潘莊總產量(百萬立方米)	<b>705.53</b>	571.56	23.44%
PZ MLD	潘莊MLD	<b>254.82</b>	340.87	-25.24%
PZ SLH	潘莊SLH	<b>404.29</b>	205.67	96.57%
PZ PDW	潘莊PDW	<b>46.41</b>	25.02	85.49%
Total producing wells of PZ**	潘莊總生產井數**	<b>243</b>	147	65.31%
PZ MLD	潘莊MLD	<b>49</b>	49	0.00%
PZ SLH	潘莊SLH	<b>127</b>	79	60.76%
PZ PDW	潘莊PDW	<b>67</b>	19	252.63%
PZ wells drilled	潘莊鑽井完成	<b>63</b>	55	14.55%
PZ wells fracked	潘莊壓裂增產措施井數	<b>14</b>	6	133.33%
Gross production of MB (MMCM)	馬必總產量(百萬立方米)	<b>96.68</b>	58.28	65.89%
MB MLD	馬必MLD	<b>0.01</b>	0.11	-90.91%
MB SLH	馬必SLH	<b>26.64</b>	23.76	12.12%
MB PDW	馬必PDW	<b>70.03</b>	34.42	103.46%
Total producing wells of Mabi**	馬必總生產井數**	<b>175</b>	127	37.80%
MB MLD	馬必MLD	<b>1</b>	1	0.00%
MB SLH	馬必SLH	<b>10</b>	10	0.00%
MB PDW	馬必PDW	<b>164</b>	116	41.38%
MB wells drilled	馬必鑽井完成	<b>0</b>	67	-100.00%
MB wells fracked	馬必壓裂增產措施井數	<b>31</b>	56	-44.64%

\* Operation update as of 31 December 2018, 08:00 CST.

\* 運營進展情況截至2018年12月31日止，08:00中央標準時區。

\*\* Well count is calculated from pumping start date.

\*\* 井數統計自排採之日起計算。



# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

#### 2. Mabi Concession (Continued)

##### — Mabi Acreage Decrease Under New Exploration License and Potential Impact on Reserves

According to the “Notice With Regard to the Strengthening of Joint Verification on the Overlap of Land for Exploration Rights and Mining Rights Construction Projects and Various Protected Areas” jointly issued by the Shanxi Provincial Department of Land and Resources (currently the Natural Resources Department) and the Shanxi Provincial Department of Environmental Protection (currently the Ecology & Environment Department), the overlapped area of the national forest parks and protected areas was excluded from the 2018 renewed exploration license of Mabi concession accordingly. The excluded area accounted for only 7.68% of the original exploration right area in Mabi concession, and the estimated proved reserves was reduced by 11.28%. Accordingly, we filed an application with the Natural Resources Department of Shanxi Province to retain the excluded exploration right area until the issue of new regulation related to overlapping areas.

#### 3. Exploration and Reserve Upgrade

Based on reports issued by Netherland Sewell & Associates Inc. (“NSAI”), an independent reserve certification company, the Group’s 1P and 2P natural gas reserves as at the end of 2018 (“2018YE”) were 205.4 bcf and 656.9 bcf respectively, representing a 34% increase over the 1P reserve of 153.0 bcf as at the end of 2017 (“2017YE”) and a 6% increase from the 2P reserve of 617.6 bcf as at 2017YE.

Panzhuang concession contributed a 1P reserve of 162.2 bcf and a 2P reserve of 209.5 bcf as at 2018YE, representing an increase of 46% and 10% respectively over the 1P reserve of 111.4 bcf and the 2P reserve of 190.9 bcf as at 2017 YE. Both the 1P and 2P reserves increased significantly from 2017YE due to the good performance of existing wells and the improved efficiency of drilling program in 2018. We have been able to fulfill our commitment to upgrading Panzhuang concession’s original designed capacity of 22.1 bcf for 2018. The increased 1P and 2P reserves will further contribute to the production of Panzhuang in the future.

### 業務回顧(續)

#### 2. 馬必區塊(續)

##### — 新辦理的探礦證核減馬必區塊面積以及對儲量的潛在影響

根據山西省國土資源廳(現自然資源廳)、山西省環境保護廳(現生態環境廳)等部門聯合下發的《關於加強對探礦權採礦權建設項目用地與各類保護區重疊區重疊情況進行聯合核查的通知》，馬必區塊於2018年更新的探礦權證已將區塊內與國家級森林公園和保護區重疊之部分進行相關核減，核減面積僅佔馬必區塊原探礦權面積的7.68%，估算探明儲量減少11.28%。據此，向山西省自然資源廳提出了核減區域礦權保留申請，直到新的重疊資源管理辦法出台。

#### 3. 勘探及儲量升級

根據獨立儲量認證公司Netherland Sewell & Associates Inc. (「NSAI」) 發布的報告，截至2018年底，本集團的1P和2P天然氣儲量分別約為2,054億立方英尺和6,569億立方英尺，較2017年底的1P儲量1,530億立方英尺增長了34%，較2017年底的2P儲量6,176億立方英尺增長了6%。

潘莊區塊2018年底的1P和2P儲量分別為1,622億立方英尺和2,095億立方英尺。較2017年底的1P儲量1,114億立方英尺增長了46%，較2017年底的2P儲量1,909億立方英尺增長了10%。由於2018年現有井的良好表現和鑽井效率的提高，1P和2P儲量較2017年都有大幅增加，踐行了我們超越潘莊2018年221億立方英尺的計劃產能的承諾，增加的1P、2P儲量也將繼續為潘莊產量做貢獻。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

#### 3. EXPLORATION AND RESERVE UPGRADE (Continued)

Mabi concession contributed a 1P reserve of 43.2 bcf and a 2P reserve of 447.4 bcf as at 2018YE, representing an increase of 4% and 5% respectively over the 1P reserve of 41.6 bcf and the 2P reserve of 426.8 bcf as at 2017YE, which benefited from the performance of existing wells. In order to achieve better economic benefits, we developed a new Long Range Plan (the "LRP") based on the prioritized development strategy of the advantageous region in 2018. According to the LRP, the 1P, 2P and 3P reserves of Mabi concession have increased.

Table 2

Reserve Data**		2018 Gross	2018 Net <sup>(*)(**)</sup>	2017 Net <sup>(*)(**)</sup>
儲量數據**		2018年總量	2018年淨量 <sup>(*)(**)</sup>	2017年淨量 <sup>(*)(**)</sup>
		(bcf)	(bcf)	(bcf)
		(十億	(十億	(十億
		立方英尺)	立方英尺)	立方英尺)
<b>Total</b>	<b>合計</b>			
Proved (1P)	證實儲量 (1P)	258.2	205.4	153.0
Proved + probable (2P)	證實 + 概算儲量 (2P)	913.8	656.9	617.6
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	1,241.9	876.3	822.2
<b>Panzhuang concession</b>	<b>潘莊區塊</b>			
Proved (1P)	證實儲量 (1P)	208.8	162.2	111.4
Proved + probable (2P)	證實 + 概算儲量 (2P)	270.8	209.5	190.9
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	320.4	247.1	236.5
<b>Mabi concession</b>	<b>馬必區塊</b>			
Proved (1P)	證實儲量 (1P)	49.4	43.2	41.6
Proved + probable (2P)	證實 + 概算儲量 (2P)	643.0	447.4	426.8
Proved + probable + possible (3P)	證實 + 概算 + 可能儲量 (3P)	921.5	629.2	585.6

### 業務回顧(續)

#### 3. 勘探及儲量升級(續)

馬必區塊2018年底的1P和2P儲量分別為432億立方英尺和4,474億立方英尺，較2017年底的1P儲量416億立方英尺增長了4%，較2017年底的2P儲量4,268億立方英尺增長了5%。這得益於現有井的良好表現。為達到更好的經濟效益，2018年我們基於優勢區域先行的開發策略制定了新的長期規劃(「LRP」)。根據長期規劃，馬必區塊的1P、2P和3P儲量都有所增加。

表2

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW (Continued)

#### 3. EXPLORATION AND RESERVE UPGRADE (Continued)

Notes:

- \* Net gas reserves are the Company's share of the gas reserves according to the terms of each production sharing contract and after adjustment for fuel and shrinkage.
- \*\* Our reserve estimates and the future net revenue have been prepared by NSAI in accordance with generally accepted petroleum engineering and evaluation principles set forth in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers. NSAI used standard engineering and geosciences methods or a combination of methods, including performance analysis, volumetric analysis, and analogy, that it considered to be appropriate and necessary to classify, categorize, and estimate reserves according to the definitions and guidelines of the 2018 PRMS (the Petroleum Resources Management System published by the Society of Petroleum Engineers (the "SPE"), the World Petroleum Council (the "WPC"), the American Association of Petroleum Geologists (the "AAPG"), the Society of Petroleum Evaluation Engineers (the "SPEE"), the Society of Exploration Geophysicists (the "SEG"), the Society of Petrophysicists and Well Log Analysts (the "SPWLA") and the European Association of Geoscientists and Engineers (the "EAGE") in June 2018). Our reserve is an estimate only and should not be construed as exact quantities.

#### 4. NEW BUSINESS OPPORTUNITIES

The Group has been actively pursuing new business opportunities for future growth, mainly covering oil and gas assets inside and outside China. In 2018, the Group's management team identified certain deals and approached several target companies for preliminary negotiations. We believe that the Group is well positioned for further expansion in the near future.

### 業務回顧(續)

#### 3. 勘探及儲量升級(續)

附註

- \* 淨儲量為根據產品分成合同條款以及氣損調整後的本公司的天然氣儲量。
- \*\* 我們的儲量估計及未來淨收益乃由NSAI根據石油工程協會頒布的石油和天然氣儲量估算及審計所普遍認可的石油工程及估值原則編制。根據2018年石油資源管理系統(石油資源管理系統由石油工程師協會(「SPE」)、世界石油理事會(「WPC」)、美國石油地質學家協會(「AAPG」)、石油評估工程師協會(「SPEE」)、地球物理勘探協會(「SEG」)、石油物理學家和測井分析師協會(「SPWLA」)及歐洲地質學家和工程師協會(「EAGE」)於2018年6月發布)的定義及指引，NSAI採用了標準工程和地球科學或兩者相結合的方法，其中(生產)動態法、容積法和類比法等分析方法被視為分類、歸類及估算儲量所試用而必要的方法。我們的儲量僅屬估算，不作為精準計算。

#### 4. 新的商業機會

本集團仍然在積極尋找著新的業務機會，主要涉及國內外的油氣資產。在2018年，本集團管理團隊篩選了若干項目，並與其中一些目標公司進行了初步接洽。我們相信本集團已為將來的業務擴展做好了準備。

# Management Discussion and Analysis

## 管理層討論及分析

### MANAGEMENT REVIEW

AAG Energy attached great importance to Health, Safety and Environment (HSE) and the fulfillment of social responsibilities. Focusing on building a health, safety, environmental and social responsibility management system and continuous improvement, through the multi-dimensional work of compliance assurance, employee training, inspection and audit, accident management, social welfare activities, etc., it does its best to strengthen the concept of HSE and to improve the performance. In 2018, the Group recorded zero on LTIR, TRIR and PMVA in respect of its safety and environmental protection performance. In April 2018, Asian American Gas, Inc., a subsidiary of the Group, was awarded the "Outstanding Enterprise in Environment Protection 2017 (2017年度落實環境保護工作優秀企業)" by the People's Government of Jincheng and also the "Advanced Unit of Safe Production 2017 (2017年度安全生產先進單位)" by the Coal and CBM Industry Bureau of Qinshui County. As of December 31, 2018, AAG Energy has achieved extraordinary results of a total of 4 years and 117 days without lost time injury.

AAG Energy has been committed to the research and development of CBM exploration technologies and the improvement in the application of foreign technologies in the commercial development of CBM in China. In response to particular coal reservoir features, we adopted development technologies adapted to local geological conditions. The production of CBM in Panzhuang and Mabi concessions increased by 23.44% and 65.89% respectively in 2018. These include the approach optimization of geologic assessment, fine gas reservoir characterization, optimization of SLH layout and liner size, precise geo-steering, geo-steering by using mud pulse MWD with azimuthal gamma, gas rate enhancement by foaming agent, modification of surface workflow, optimization of sucker rod centralizer, assembly optimization of guider and sucker rod, improvement of liner hanger, hydraulic fracturing technique of roof rock layer of tectonically deformed coals as well as hydraulic fracturing technique of tip screen out.

### 管理回顧

亞美能源高度重視健康安全環境工作及履行社會責任的義務。以構建健康安全環境及社會責任管理體系並持續改進為重點，通過合規性管理、員工培訓、檢查審核、事故管理、社會公益活動等多維度的扎實工作，實現健康安全環境理念的強化，提升了健康安全環境績效。2018年公司取得了損失工時事故為零、總可記錄事故為零、可預防性交通事故為零的安全環保業績。附屬公司亞美大陸煤層氣有限公司2018年4月被晉城市人民政府授予「2017年度落實環境保護工作優秀企業」，被沁水縣煤炭煤層氣工業局授予「2017年度安全生產先進單位」。截至2018年12月31日，亞美能源取得了累計4年零117天無損失工時事故的優秀安全業績。

亞美能源一直致力於研發煤層氣開發技術並改進國際技術在中國煤層氣開發實踐中的應用。我們針對特定的煤層地質情況，根據當地的地質條件選擇適應的開採技術，潘莊和馬必區塊煤層氣產量在2018年分別實現了23.44%和65.89%的增長。這些技術包括地質評價方法的改進、氣藏精細描述、單支水平井佈置和篩管尺寸優化、精準地質導向、泥漿脈衝儀器導向、泡沫降壓增產、地面流程改造、抽油桿扶正器優化、導向器及抽油桿組合優化、篩管懸掛器改進、構造煤頂板壓裂、端部脫砂壓裂等。



# Management Discussion and Analysis

## 管理層討論及分析

### MANAGEMENT REVIEW (Continued)

In 2018, with the help of the environment policy of the government, the natural gas market of China was prosperous. The government implemented a series of policies on environmental protection to proceed with the control on air pollution and unify the city-gate prices of natural gas for residential and non-residential use, thus bringing about a rapid increase in the consumption of natural gas. By seizing the market opportunities, the Company takes a leading role in optimizing the structure of sales, upgrading service quality, identifying high-end clients, thus resulted in uplifting the selling price continuously. The realized ASP of Panzhuang concession increased by 27.48% from RMB1.31 per cubic meter in 2017 to RMB1.67 per cubic meter, and the realized ASP of Mabi concession increased by 21.93% from RMB1.14 per cubic meter in 2017 to RMB1.39 per cubic meter.

In 2018, through strict investment and cost control measures, we fulfilled the various cost reduction and efficiency targets set at the beginning of the year, realized a higher investment income and a lower operating cost by following the refined project management concept, strengthening the whole process management of the operation, improving the production efficiency and paying attention to the weighted factors affecting the cost.

2018 is a new milestone in the history of AAG Energy. The new management team re-planned the Group's medium and long-term development strategy. While optimizing its management structure and establishing a sound internal control system, we focus on improving the internal management efficiency and strengthening our external relationship with the government and partners.

With the experience accumulated from the progression of its own and the knowledge of the development pattern of the CBM industry, we prepared the 2019–2021 three-year development plan and the 2019 work plan, and also stipulated specific, detailed and feasible implementation plan for achieving the targets, thereby giving the direction for the development in the next three years and laying a solid foundation for the bright future of the Group.

With the adjustment introduced to flatten the organizational hierarchy and the implementation of the new job setting optimization plan, the construction and process of the Group's new internal control system was refined and integrated accordingly to improve the operating efficiency of the Company.

### 管理回顧(續)

2018年，國家環保政策助力中國天然氣市場蓬勃發展。國家出台多項環保政策，持續推進大氣污染防治工作，以及民用與非民用天然氣門站價格並軌政策的實施，刺激全國天然氣消費量快速增長。亞美能源抓住市場機遇積極優化銷售結構，提升服務質量，選擇優質客戶，使公司的銷售價格不斷提升。潘莊的平均實現銷售價格為每立方米1.67元(相比2017年的每立方米人民幣1.31元增長27.48%)，馬必的平均實現銷售價格為每立方米人民幣1.39元(相比2017年的每立方米人民幣1.14元增長21.93%)。

通過嚴格的投資和成本控制措施，2018年我們基於精細化的項目管理理念，加強生產作業的全過程管理，提高生產效率，關注影響成本的權重因素，超額完成了年初制定的各項降本增效目標，實現了投資收益的提高和運營成本的下降。

2018年是亞美能源發展史上一個新的里程碑。新的管理團隊重新規劃了公司中長期發展戰略。在優化公司管理結構，建立完善內控體系的同時，對內著力提升管理效益，對外強化合作夥伴及政府關係。

基於對亞美能源自身發展歷程以及煤層氣行業發展規律的深刻認識，我們編製完成了2019–2021三年發展規劃及2019年度工作計劃，並為目標的實現制定具體、詳實、可操作的執行方案，指導公司未來三年發展方向，為公司未來美好願景的實現奠定了堅實的基礎。

隨著組織架構的扁平化調整以及崗位設置優化方案的落地，公司的內控體系建設及流程也在進行相應的梳理與整合，以更好地匹配組織架構，提高公司運營效率。

# Management Discussion and Analysis

## 管理層討論及分析

### MANAGEMENT REVIEW (Continued)

Focusing on the theme of “value dedication”, we actively promoted the reform of the performance appraisal system of AAG Energy with a “value based plus/minus matrix” to make sure various departments of the Company would take proactive actions in accordance with our vision, mission and strategy and realize value growth for the Company.

In October 2018, the headquarters of the Company moved from Beijing to Jincheng City, Shanxi Province, in a bid to allow the management to stay closer to the exploration and development sites of our projects, so that the work efficiency could be significantly improved and the Group’s decision-making could be faster and more efficient. The combination of offices has greatly reduced the expenses related to the round-trip between the headquarters and project sites.

The new management of AAG Energy has conducted in-depth and constructive communication with CUCBM and CNPC. A series of reform measures have won the full support from our partners. Through professional consultations at different levels, we obtained three major achievements in 2018: (1) According to the agreement with CUCBM, the 34 wells that was originally operated by CUCBM in the cooperation area in Panzhuang project due to historical reasons were officially transferred to SAEI on 1 November 2018, which increased the output of Panzhuang project by about 60,000 cubic meters per day. (2) Mabi ODP was officially approved by the NDRC. (3) A new consensus was reached with CUCBM and CNPC on the proposed technical cooperation, thus laying a solid foundation for the further development of cooperation concessions.

### MARKET OPERATION REVIEW

The annual total sales volume of Panzhuang reached 694 million cubic meters (or 24.5 bcf), representing a year-on-year increase of 23.90%, including 253 million cubic meters (8.9 bcf) from LNG customers, 429 million cubic meters (15.2 bcf) of pipeline gas customers and 12 million cubic meters (400 million cubic feet) from CNG customers. The annual realized average selling price of Panzhuang was RMB1.67 per cubic meter, representing a year-on-year increase of 27.48%. The annual production-to-sale ratio of Panzhuang project was 98%, still maintaining a very high production and sales rate.

### 管理回顧(續)

緊密圍繞「價值奉獻」的主題，我們積極推進對亞美能源的績效考核體系改革，提出「價值加減分考核體系」，以保證公司各部門基於願景、使命與戰略的積極行動，並實現公司的價值成長。

2018年10月，公司總部由北京搬遷至山西省晉城市。總部的搬遷使公司管理層更加貼近項目勘探開發現場，以便提升工作效率，使公司決策更加快捷有效。合署辦公後，大幅降低了公司總部與現場人員往返的相關行政費用。

亞美能源新的管理層與中聯煤、中石油進行了深入的、富有建設性的溝通，我們的一系列改革取得了合作夥伴全力的支持。通過各層級的專業磋商，我們於2018年內取得三項重大成果：(1)根據與中聯煤的協議約定，潘莊項目在合作區域內因歷史問題原本由中聯煤運營的34口井於2018年11月1日正式劃轉至SAEI，每天為潘莊項目增加約6萬立方米的產量；(2)馬必項目ODP已獲得國家發改委的正式批復；(3)與中聯煤、中石油就技術合作方案達成了新的共識，為合作區塊進一步開發奠定了良好的基礎。

### 市場經營回顧

潘莊全年總銷售氣量達到6.94億立方米(即245億立方英尺)，同比增長23.90%，其中LNG客戶2.53億立方米(89億立方英尺)、管道氣客戶4.29億立方米(152億立方英尺)、CNG客戶0.12億立方米(4億立方英尺)，潘莊項目全年平均實現銷售價格為人民幣1.67元每立方米，同比增長27.48%，潘莊全年產銷比為98%，仍然保持了較高的產銷率。

# Management Discussion and Analysis

## 管理層討論及分析

### MARKET OPERATION REVIEW (Continued)

The annual total sales volume of Mabi reached 87 million cubic meters (or 3.1 bcf), representing a year-on-year increase of 62.97%, including 79 million cubic meters (2.8 bcf) of pipeline gas customers and 8 million cubic meters (300 million cubic feet) from CNG customers. The annual realized average selling price of Mabi was RMB1.39 per cubic meter, representing a year-on-year increase of 21.93%. The annual production-to-sale ratio of Mabi project was 90%.

Six new down stream customers were added within the year, representing an increase of 46.15% over the previous year.

### UPDATES OF PARTIAL OFFER BY LIMING

On August 16, 2018 (i.e. the final closing date), Liming announced that it had received (i) valid acceptances of the partial offer in respect of 2,758,498,386 Shares, representing approximately 82.3% of the issued share capital of the Company as at the date of the announcement (or approximately 82.3% of the issued share capital of the Company as at 16 August 2018), (ii) 194,462,080 valid acceptances in respect of the option offer, and (iii) 36,116,793 valid acceptances in respect of the restricted share unit offer. According to the terms of the partial cash offer, Liming will acquire 1,692,871,886 shares at HK\$1.75 per share. Pursuant to the terms of the option offer and the restricted share unit offer, Liming will acquire and cancel 100,323,140 share options and 20,154,383 restricted share units for each share option of HK\$0.5647 and each restricted share unit of HK\$1.75.

According to the Shareholders' Register issued by Computershare (the Company's share registration and transfer office) on 28 August 2018, Liming was officially registered as a shareholder of the Company on 24 August 2018, holding 1,692,871,886 shares of the Company, accounting for 50.5% of the total number of issued shares of the Company at the closing date of the offer. As a result, the shares accepted and taken up by the offeror under the partial offer have been registered under the name of the offeror in accordance with the relevant requirements of the Hong Kong Securities and Futures Commission and the Stock Exchange of Hong Kong.

According to the Company's latest registers of option holders and restricted share unit holders, 100,323,140 share options and 20,154,383 restricted share units of the Company have been canceled.

According to the written confirmation of the Tricor Investor Services Limited and the "Remittance Notice", Liming has paid the corresponding consideration and taxes according to the terms of the offer and the final acceptance result.

For details, please refer to the announcement of XTRQ dated 30 August 2018.

### 市場經營回顧(續)

馬必全年總銷售氣量達到0.87億立方米(即31億立方英尺)，同比增長62.97%，其中管道氣客戶0.79億立方米(28億立方英尺)、CNG客戶0.08億立方米(3億立方英尺)，馬必全年平均實現銷售價格為人民幣1.39元每立方米，同比增長21.93%，馬必項目全年產銷比為90%。

全年新增下游用戶6家，較上年增長46.15%。

### 利明部分要約收購更新

於2018年8月16日(即最後截止日期)，利明公佈其已收到(i)涉及股份的現金部分要約的2,758,498,386股有效接納，約佔本公司於該公佈日期已發行股本的82.3%(或佔本公司於2018年8月16日已發行股本的82.3%)；(ii)有關購股權要約的194,462,080份有效接納；及(iii)有關受限制股份單位要約的36,116,793份有效接納。根據現金部分要約的條款，利明將按每股1.75港元承購1,692,871,886股股份。根據購股權要約及受限制股份單位要約的條款，利明將按每份購股權0.5647港元及每份受限制股份單位1.75港元承購及註銷100,323,140份購股權及20,154,383份受限制股份單位。

根據Computershare(本公司股權過戶登記服務機構)於2018年8月28日發來的《股東名冊》，利明已於2018年8月24日正式登記為本公司的股東，持有本公司1,692,871,886股股份，佔本公司於要約截止日已發行股份總數的50.5%。據此，要約人根據部分要約所提成接納及承購的股份已根據香港證監會及香港聯交所的相關規定登記至要約人名下。

根據本公司的最新購股權持有人和限制股份單位持有人名冊，本公司100,323,140份購股權及20,154,383份受限制股份單位已登出完畢。

根據卓佳證券登記有限公司書面確認、《匯出匯款通知單》，利明已根據要約條款和最終接納結果支付完畢相應對價和稅款。

詳情可參考新天然氣在2018年8月30日發佈的公告。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

### 財務回顧

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Revenue</b>	<b>收入</b>	<b>978,671</b>	541,598
— Panzhuang	— 潘莊	<b>853,728</b>	512,886
— Mabi	— 馬必	<b>124,943</b>	28,712
<b>Subsidy income</b>	<b>補貼收入</b>	<b>186,902</b>	143,850
— Panzhuang	— 潘莊	<b>162,340</b>	134,320
— Mabi	— 馬必	<b>24,562</b>	9,530
<b>VAT refund</b>	<b>增值稅退稅</b>	<b>92,267</b>	50,063
— Panzhuang	— 潘莊	<b>79,388</b>	45,850
— Mabi	— 馬必	<b>12,879</b>	4,213
<b>Other gains/(losses) — net</b>	<b>其他利得/(損失) — 淨額</b>	<b>371</b>	(83)
<b>Operating expenses</b>	<b>經營開支</b>	<b>(654,616)</b>	(413,306)
Depreciation and amortization	折舊及攤銷	<b>(203,686)</b>	(110,419)
Employee benefit expenses	員工福利開支	<b>(209,949)</b>	(142,130)
Materials, services and logistics	材料、服務及物流	<b>(214,128)</b>	(134,686)
Others	其他	<b>(26,853)</b>	(26,071)
<b>Panzhuang</b>	<b>潘莊</b>	<b>(355,347)</b>	(231,281)
Depreciation and amortization	折舊及攤銷	<b>(156,261)</b>	(90,993)
Employee benefit expenses	員工福利開支	<b>(59,877)</b>	(49,389)
Materials, services and logistics	材料、服務及物流	<b>(127,983)</b>	(79,959)
Others	其他	<b>(11,226)</b>	(10,940)
<b>Mabi</b>	<b>馬必</b>	<b>(167,003)</b>	(84,760)
Depreciation and amortization	折舊及攤銷	<b>(44,255)</b>	(15,375)
Employee benefit expenses	員工福利開支	<b>(54,306)</b>	(35,110)
Materials, services and logistics	材料、服務及物流	<b>(59,054)</b>	(25,787)
Others	其他	<b>(9,388)</b>	(8,488)
<b>Headquarters</b>	<b>總部</b>	<b>(132,266)</b>	(97,265)
Depreciation and amortization	折舊及攤銷	<b>(3,170)</b>	(4,051)
Employee benefit expenses	員工福利開支	<b>(95,766)</b>	(57,631)
Materials, services and logistics	材料、服務及物流	<b>(27,091)</b>	(28,940)
Others	其他	<b>(6,239)</b>	(6,643)



# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

### 財務回顧(續)

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>EBITDA</b>	<b>EBITDA</b>	<b>807,281</b>	432,541
— Panzhuang	— 潘莊	<b>896,259</b>	552,844
— Mabi	— 馬必	<b>40,134</b>	(26,889)
<b>Profit from operations</b>	<b>經營利潤</b>	<b>603,595</b>	322,122
Interest income	利息收入	<b>25,701</b>	6,306
Finance costs	財務費用	<b>(25,556)</b>	(12,977)
Exchange losses	匯兌損失	<b>(7,480)</b>	(4,510)
<b>Finance costs — net</b>	<b>財務費用 — 淨額</b>	<b>(7,335)</b>	(11,181)
<b>Profit before income tax</b>	<b>除所得稅前利潤</b>	<b>596,260</b>	310,941
Income tax expense	所得稅費用	<b>(183,323)</b>	(127,743)
<b>Profit for the year</b>	<b>年度利潤</b>	<b>412,937</b>	183,198

*Revenue.* Our revenue increased by RMB437 million or 80.70% from RMB542 million in 2017 to RMB979 million in 2018. This increase was mainly generated from the increases in both net sales volume and the realized ASP as a result of the increased production in Panzhuang. Panzhuang's gross production increased by 23.44% from 572 MMCM in 2017 to 705 MMCM in 2018, with a constant production-to-sale ratio of 98% for both 2017 and 2018. Panzhuang's realized ASP for 2018 increased to RMB1.67/cubic meter compared to RMB1.31/cubic meter for 2017. The gross production of Mabi increased by 65.89% from 58.28 MMCM in 2017 to 96.68 MMCM in 2018. The production-to-sale ratio remained at 90% in 2018, and the realized ASP increased to RMB1.39/cubic meter in 2018 from RMB1.14/cubic meter in 2017. The increase of selling price was due to the rapid increase in the consumption of natural gas brought about by the implementation of a series of environment policies and the impact of the unification of city-gate prices of natural gas for residential and non-residential use.

收入。我們的收入由2017年的人民幣5.42億元增加了人民幣4.37億元或80.70%至2018年的人民幣9.79億元。該增加主要是來自於潘莊的產量增加導致的淨銷量增加及平均實現銷售價格增加。潘莊的總產量由2017年的5.72億立方米增長了23.44%至2018年的7.05億立方米，並且產銷比在2017和2018年都保持在98%，平均實現銷售價格從2017年的每立方米人民幣1.31元增加至2018年的人民幣1.67元。馬必的總產量由2017年的58.28百萬立方米增長了65.89%至2018年的96.68百萬立方米，產銷比在2018年保持在90%，平均實現銷售價格從2017年的每立方米人民幣1.14元增加至2018年的人民幣1.39元。銷售價格的上漲是受2018年多項環保政策的出台導致天然氣消費量快速增長，以及政府實施的民用與非民用天然氣門站價格並軌之影響。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

Production, sales, realized ASP and revenue are set out below:

### 財務回顧(續)

產量、銷量、平均實現銷售價格及收入排列如下：

		Year ended 31 December 截至12月31日止年度	
		2018 2018年	2017 2017年
Gross production volume (bcf) <sup>1</sup>	總產量(十億立方英尺) <sup>1</sup>	<b>28.33</b>	22.30
Panzhuang	潘莊	<b>24.92</b>	20.20
Mabi	馬必	<b>3.41</b>	2.10
Gross production volume (mmcm) <sup>1</sup>	總產量(百萬立方米) <sup>1</sup>	<b>802.21</b>	629.84
Panzhuang	潘莊	<b>705.53</b>	571.56
Mabi	馬必	<b>96.68</b>	58.28
Gross sales volume (bcf) <sup>2</sup>	總銷量(十億立方英尺) <sup>2</sup>	<b>27.57</b>	21.70
Panzhuang	潘莊	<b>24.49</b>	19.80
Mabi	馬必	<b>3.08</b>	1.90
Gross sales volume (mmcm) <sup>2</sup>	總銷量(百萬立方米) <sup>2</sup>	<b>780.82</b>	613.30
Panzhuang	潘莊	<b>693.47</b>	559.70
Mabi	馬必	<b>87.35</b>	53.60
Net sales volume (bcf) <sup>3</sup>	淨銷量(十億立方英尺) <sup>3</sup>	<b>19.85</b>	15.30
Panzhuang	潘莊	<b>17.33</b>	13.80
Mabi	馬必	<b>2.52</b>	1.50
Net sales volume (mmcm) <sup>3</sup>	淨銷量(百萬立方米) <sup>3</sup>	<b>562.12</b>	433.00
Panzhuang	潘莊	<b>490.65</b>	390.50
Mabi	馬必	<b>71.47</b>	42.50
Realized average selling price <sup>4</sup>	平均實現銷售價格 <sup>4</sup>		
RMB per cubic meter	人民幣元/立方米	<b>1.64</b>	1.30
Panzhuang	潘莊	<b>1.67</b>	1.31
Mabi	馬必	<b>1.39</b>	1.14
Revenue (RMB'000) <sup>5</sup>	收入(人民幣千元) <sup>5</sup>	<b>978,671</b>	541,598
Panzhuang	潘莊	<b>853,728</b>	512,886
Mabi	馬必	<b>124,943</b>	28,712

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

Notes:

1. Gross production volume is the total amount of CBM produced.
2. Gross sales volume is gross production volume less utilization loss.
3. Net sales volume is the portion of gross sales volume allocated to us under the production sharing contract, after the deduction of amount sold to pay applicable VAT and local taxes.
4. Realized ASP excludes the directly attributable pass through cost, thus reflecting the realized wellhead price.
5. Revenue includes the directly attributable pass through costs rising from the adoption of new accounting standards from 1 January, 2018. Pass through costs include fees for transportation, processing, and other expenses included in materials, services, and logistics, but are charged to our customers.

*Subsidy income.* Our subsidy income is RMB144 million and RMB187 million in 2017 and 2018, respectively. Our subsidy income increased by RMB43 million or 29.93%, mainly due to the increased sales volume of Panzhuang and Mabi. The sales agreement for the exploration phase of Mabi started to implement in the second half of 2017, subsidy income related to sales for twelve months was recognized in 2018 when compared with only six months in 2017.

*VAT refund.* Our VAT refund is RMB50.06 million and RMB92.27 million in 2017 and 2018, respectively. Our VAT refund increased by RMB42.21 million or 84.30% in 2018, mainly due to the increase in annual production volume and the ASP for Panzhuang and Mabi in 2018 when compared with those of 2017. In addition, 12 months VAT refund from production was recognized in Mabi with the execution of exploration phase sales agreement in 2018 while this recognition was only 6 months in 2017 in comparison.

*Other gains/(losses), net.* Our other gains/(losses) switched from the losses of RMB83,000 in 2017 to an income of RMB371,000 in 2018, representing a decrease in losses of RMB454,000, mainly due to the transfer of individual income tax refund to other gains.

*Operating expenses.* Our operating expenses increased by RMB241 million or 58.39% from RMB413 million in 2017 to RMB654 million in 2018, mainly due to the increase in depreciation and amortization arising from the increase in production wells, the increase in employee welfare expenses resulting from the Change of Control, and the increase in electricity, materials, services and logistics expenses due to more wells being put into production. In addition, the sales agreement for the exploration phase of Mabi started to implement since the second half of 2017, the operating expenses for twelve months was recognized in 2018 when compared with only six months in 2017.

### 財務回顧(續)

附註：

1. 總產量為已生產煤層氣總量。
2. 總銷量為總產量減去使用損失。
3. 淨銷量為我們根據產品分成合同獲得的總銷量減去為支付適用增值稅及當地稅項的所售數量的我們的部分。
4. 平均實現銷售價格不包括直接歸屬的過渡成本，反映的是我們實現的井口價格。
5. 收入從2018年1月1日起把由於採用新會計準則而導致的直接歸屬的過渡成本包含在內。過渡成本包括管輸費、處理費和其他費用這類包含在材料、服務和物流的開支中但是又向我們的客戶收取的費用。

*補貼收入。* 2017年和2018年，我們的補貼收入分別為人民幣1.44億元及人民幣1.87億元。2018年，我們的補貼收入增加了人民幣0.43億元或29.93%，主要是由於潘莊和馬必銷量的增加。馬必勘探期銷售協議從2017年下半年開始生效，2018年較2017年多確認半年銷量的補貼收入。

*增值稅退稅。* 2017年及2018年，我們的增值稅退稅分別為人民幣5,006萬元及人民幣9,227萬元。2018年，我們的增值稅退稅增加了人民幣4,221萬元或84.30%，主要由於潘莊和馬必2018年年產銷量及平均銷售價格相較2017年的增加，以及馬必勘探期銷售協議從2017年下半年開始生效，2018年較2017年多確認半年銷售相關的增值稅退稅。

*其他利得/(損失)淨額。* 我們的其他利得/(損失)由2017年的損失人民幣8.30萬元減少了人民幣45.40萬元至2018年的收益人民幣37.10萬元，主要是由於個稅返還調賬至其他利得所致。

*經營開支。* 我們的經營開支由2017年的人民幣4.13億元增加了人民幣2.41億元或58.39%至2018年的人民幣6.54億元，主要是由於生產井增加導致的折舊及攤銷增加，控制權變更帶來的員工福利開支增加，及由於更多的井投入生產導致的電費、材料、服務及物流開支增加所致。另外，馬必勘探期銷售協議從2017年下半年開始生效，2018年較2017年多確認半年相關的經營開支。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

- *Depreciation and amortization.* Our depreciation and amortization increased by RMB94 million or 84.47% from RMB110 million in 2017 to RMB204 million in 2018, mainly due to the increase in production wells and gas production in Panzhuang. In addition, the sales agreement for the exploration phase of Mabi started to implement since the second half of 2017, the depreciation and amortization expenses for twelve months were recognized in 2018 when compared with only six months in 2017.
- *Employee benefit expenses.* Our employee benefit expenses increased by RMB68 million or 47.72% from RMB142 million in 2017 to RMB210 million in 2018, mainly due to the increase in share-based compensation expenses arising from the Change of Control and the increase in expenses for relocation of Beijing headquarters and termination benefits of employees. In addition, the sales agreement for the exploration phase of Mabi started to implement since the second half of 2017, the employee benefit expenses for twelve months were recognized in 2018 when compared with only six months in 2017.
- *Materials, services and logistics.* Our materials, services and logistics expenses increased by RMB79 million or 58.98% from RMB135 million in 2017 to RMB214 million in 2018, mainly due to the increase in electricity, sewage treatment and other operating costs arising from the production of more wells in Panzhuang. In addition, the sales agreement for the exploration phase of Mabi started to implement since the second half of 2017, the materials, services and logistics expenses for twelve months were recognized in 2018 when compared with only six months in 2017.
- *Others.* Our other expenses are RMB26.07 million and RMB26.85 million in 2017 and 2018, respectively, and there were no material change.

### 財務回顧(續)

- *折舊及攤銷。*我們的折舊及攤銷由2017年的人民幣1.10億元增加了人民幣0.94億元或84.47%至2018年的人民幣2.04億元，主要由於潘莊的生產井增加和產量增加所致。另外，馬必勘探期銷售協議從2017年下半年開始生效，2018年較2017年多確認半年的折舊及攤銷費。
- *員工福利開支。*我們的員工福利開支由2017年的人民幣1.42億元增加了人民幣0.68億元或47.72%至2018年的2.10億元，主要由於控制權變更帶來的以股份為基礎的薪酬開支增加以及北京總部辦公地點搬遷帶來的搬遷費用及員工離職補償增加所致。另外，馬必勘探期銷售協議從2017年下半年開始生效，2018年較2017年多確認半年的員工福利開支。
- *材料、服務及物流。*我們的材料、服務及物流開支由2017年的人民幣1.35億元增加了人民幣0.79億元或58.98%至2018年的人民幣2.14億元，主要由於潘莊更多井投入生產致使電力、污水處理及其他經營成本增加，以及馬必簽訂的勘探期銷售協議從2017年下半年開始生效，2018年較2017年多確認半年的材料、服務及物流所致。
- *其他。*我們2017年和2018年的其他開支分別為人民幣2,607萬元和人民幣2,685萬元，並無重大變動。



# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

**EBITDA.** Our EBITDA increased by RMB374 million or 86.64% from RMB433 million in 2017 to RMB807 million in 2018. The increase was mainly attributable to the increase in net sales resulted from a 27.37% increase of Panzhuang and Mabi's gross production, the increase of realized ASP from RMB1.30/cubic meter in 2017 to RMB1.64/cubic meter in 2018, the increase in subsidy income and VAT refund, the increase in share-based compensation at headquarters, the increase in termination benefits arising from the relocation of Beijing headquarters, the increase in materials, services and logistics expenses due to more wells in Panzhuang being put into production in 2018. In addition, the sales agreement for the exploration phase of Mabi started to implement since the second half of 2017. The income and expenses for twelve months were recognized in 2018 when compared with only six months in 2017. In conclusion, higher production volume and ASP, as well as strict cost control measures, have led to an increase in EBITDA, which could even be greater than the increase in income. The EBITDA of 2017, RMB433 million, includes share-based compensation expenses of RMB20.5 million and non-operation related business development and legal advisory service expenses of RMB10.4 million and the one-off consultation fee of RMB1.7 million paid to our former co-CEO. The EBITDA of 2018 amounted to RMB807 million, includes share-based compensation expenses of RMB36.08 million and non-operation related business development and legal consulting service fee of RMB10.29 million and termination benefits of RMB51.70 million arising from the relocation of the Beijing headquarters. Panzhuang's EBITDA increased by RMB343 million or 62.12% from RMB553 million in 2017 to RMB896 million in 2018. The increase in EBITDA of Panzhuang in 2018 was mainly due to the increase in production, ASP and the increase in subsidy income and VAT refund, but was partially offset by higher materials and electricity expenses as a result of more wells being put into production. Mabi's EBITDA increased by RMB67.02 million or 249.26% from a negative position of RMB26.89 million in 2017 to RMB40.13 million in 2018 because the subsidy income and VAT refund increased and the sales agreement for the exploration phase of Mabi started to implement since the second half of 2017. Accordingly, the income and expenses, production and ASP of Mabi for twelve months was recognized in 2018 when compared with only six months in 2017.

**Profit from operations.** As a result of the foregoing, our operating profit increased by RMB282 million or 87.38% from RMB322 million in 2017 to RMB604 million in 2018.

### 財務回顧(續)

**EBITDA。**我們的EBITDA由2017年的人民幣4.33億元增加了人民幣3.74億元或86.64%至2018年的人民幣8.07億元。該增加主要是由於潘莊和馬必的總產量增加27.37%導致的淨銷量增加，平均實現銷售價格由2017年的每立方米人民幣1.30元增加至2018年的每立方米人民幣1.64元，補貼收入和增值稅退稅增加，總部以股份為基礎的薪酬增加和因北京總部搬遷支付的離職補償增加，2018年潘莊由於更多的井投入生產導致的物料、服務及物流開支的增加，以及馬必簽訂的勘探期銷售協議從2017年下半年開始生效，馬必2018年較2017年多確認半年的收入及費用。概括而言，更高的產量和平均銷售價格，以及嚴格的成本控制措施導致EBITDA的增加，且幅度大於收入的增加幅度。2017年的EBITDA人民幣4.33億元包括以股份為基礎的非現金薪酬開支人民幣2,050萬元及非營運相關的業務發展和法律諮詢服務費開支人民幣1,040萬元和付給我們前聯席首席執行官的一次性諮詢費人民幣170萬元。2018年的EBITDA人民幣8.07億元包括以股份為基礎的薪酬開支人民幣3,608萬元及非營運相關的業務發展和法律諮詢服務費開支人民幣1,029萬元和付給北京總部搬遷的員工離職補償人民幣5,170萬元。潘莊的EBITDA由2017年的人民幣5.53億元增加了人民幣3.43億元或62.12%至2018年的人民幣8.96億元。潘莊2018年的EBITDA增加主要是由於產量和平均銷售單價增加及補貼收入和增值稅退稅的增加，但是部分被由於更多的井投入生產而導致的更高的材料及電費所抵銷。馬必的EBITDA從2017年的負人民幣2,689萬元增加了人民幣6,702萬元或249.26%至2018年的人民幣4,013萬元，原因是馬必簽訂的勘探期銷售協議從2017年下半年開始生效，2018年較2017年多確認半年的收入與費用，產量和平均銷售單價，以及補貼收入和增值稅退稅的增加。

**經營利潤。**基於上文所述，我們的經營利潤由2017年人民幣3.22億元增加了人民幣2.82億元或87.38%至2018年人民幣6.04億元。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

*Interest income.* Our interest income increased by RMB19.39 million or 307.56% from RMB6.31 million in 2017 to RMB25.70 million in 2018, primarily due to the increase in cash at bank and fixed deposit rates.

*Finance costs.* Our finance costs increased by RMB12.58 million or 96.93% from RMB12.98 million in 2017 to RMB25.56 million in 2018, mainly due to the one-off provision for financial cost to be amortized in the future arising from the early repayment of the new US\$250 million reserve-based facility (“**New US\$250 million RBL**”).

*Exchange losses.* Our exchange losses increased by RMB2.97 million or 65.85% from RMB4.51 million in 2017 to RMB7.48 million in 2018, mainly due to the elimination of impact of exchange gains and losses because of the repayment of the New US\$250 million RBL in 2018 and the exchange losses of cash deposit in HK dollar arising from the exchange rate between HK dollar and US dollar.

*Profit before income tax.* Our profit before income tax increased by RMB285 million or 91.76% from RMB311 million in 2017 to RMB596 million in 2018, mainly due to the factors affecting EBITDA stated above and the increase in interest income, but partially offset by the increase in depreciation and amortization expenses, exchange losses and financial losses.

*Income tax expense.* Our income tax expense increased by RMB55 million or 43.51%, from RMB128 million in 2017 to RMB183 million in 2018, mainly due to the increase in profit before income tax of Panzhuang in 2018. Income tax expense was related to the operation of Panzhuang. Mabi had no income tax expense given it had no taxable profit.

*Profit for the year.* Our profit for the year increased by RMB230 million or 125.40% from RMB183 million in 2017 to RMB413 million in 2018, mainly due to the factors affecting profit before income tax stated above but partially offset by the increase in income tax expense.

### 財務回顧(續)

*利息收入。*我們的利息收入由2017年的人民幣631萬元增加了人民幣1,939萬元或307.56%至2018年的人民幣2,570萬元，主要是由於現金及定期存款利率增加所致。

*財務費用。*我們的財務費用由2017年的人民幣1,298萬元增加了人民幣1,258萬元或96.93%至2018年的人民幣2,556萬元，主要是由於提前償還新2.5億美元儲量融資(「**新2.5億美元儲量融資**」)而導致一次性計提未來需要攤銷的財務費用所致。

*匯兌損失。*我們的外匯折算匯兌損失由2017年的人民幣451萬元增加了人民幣297萬元或65.85%至2018年的人民幣748萬元，主要是由於2018年償還了新2.5億美元儲量融資的提款額，使得該項外匯事項的匯兌損益影響消除，港幣現金存款由於港幣對美元匯率變動而形成了外幣折算損失所致。

*除所得稅前利潤。*我們的除所得稅前利潤由2017年的人民幣3.11億元增加了人民幣2.85億元或91.76%至2018年的人民幣5.96億元，主要是因為上述影響EBITDA的因素及利息收入增加，但部分由折舊及攤銷開支、外匯折算損失、財務損失的增加所抵銷所致。

*所得稅費用。*我們的所得稅費用由2017年的人民幣1.28億元增加了人民幣0.55億元或43.51%至2018年的人民幣1.83億元，主要是由於2018年潘莊的除所得稅前利潤增加所致。所得稅費用乃產生於潘莊的運營。馬必因為沒有應課稅利潤所以沒有所得稅費用。

*年度利潤。*我們的年度利潤由2017年人民幣1.83億元增加了人民幣2.30億元或125.40%至2018年人民幣4.13億元，主要是由於上述影響除所得稅前利潤的因素所致，惟部分被所得稅費用增加所抵銷。

# Management Discussion and Analysis

## 管理層討論及分析

### EBITDA AND ADJUSTED EBITDA

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

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

### EBITDA及經調整EBITDA

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

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

# Management Discussion and Analysis

## 管理層討論及分析

### EBITDA AND ADJUSTED EBITDA (Continued)

The following table sets forth a reconciliation of EBITDA and adjusted EBITDA to profit for the year.

### EBITDA及經調整EBITDA(續)

下表載列年度EBITDA及經調整EBITDA與利潤的對賬。

		Year ended 31 December 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Reconciliation of profit for the year to EBITDA:</b>	<b>年度利潤與EBITDA的對賬：</b>		
<b>Profit for the year</b>	<b>年度利潤</b>	<b>412,937</b>	183,198
Income tax expense	所得稅費用	183,323	127,743
Interest income	利息收入	(25,701)	(6,306)
Finance costs	財務費用	25,556	12,977
Exchange losses	匯兌損失	7,480	4,510
Depreciation and amortization	折舊及攤銷	203,686	110,419
<b>EBITDA</b>	<b>EBITDA</b>	<b>807,281</b>	432,541
Share-based compensation expenses	以股份為基礎的薪酬開支	36,076	20,515
Non-operation-related business development and legal consulting service expenses	非營運相關的業務發展和法律諮詢服務費開支	10,290	10,437
Severance payment and consulting fees paid to our ex-Co-CEO	付給我們的前聯席首席執行官的離職費和諮詢費	–	1,709
Termination benefits for staff arising from the relocation of Beijing headquarters	北京總部搬遷的員工離職補償	51,701	–
<b>Adjusted EBITDA</b>	<b>經調整EBITDA</b>	<b>905,348</b>	465,202

Our EBITDA increased by RMB374 million or 86.64% from RMB433 million in 2017 to RMB807 million in 2018. This increase was mainly due to the increase in net sales volume of Panzhuang and Mabi as a result of a 27.37% increase in gross production, the increase in realized ASP from RMB1.3/cubic meter in 2017 to RMB1.64/cubic meter in 2018, the increase in subsidy income and VAT refund, the increase in share-based compensation at headquarters, the increase in termination benefits arising from the relocation of Beijing headquarters, the increase in materials, services and logistics expenses due to more wells being put into production in 2018. In addition, the sales agreement for the exploration phase of Mabi started to implement since the second half of 2017. The expenses for twelve months were recognized in 2018 when compared with only six months in 2017. In conclusion, higher production volume and ASP, as well as strict cost-control measures, have led to an increase in EBITDA, which could even be greater than the increase in income.

我們的EBITDA由2017年的人民幣4.33億元增加了人民幣3.74億元或86.64%至2018年的人民幣8.07億元。該增加主要是由於潘莊和馬必的總產量增加27.37%導致的淨銷量增加，平均實現銷售價格由2017年的每立方米人民幣1.30元增加至2018年的每立方米人民幣1.64元，補貼收入和增值稅退稅增加，總部以股份為基礎的薪酬增加和因北京總部搬遷支付的離職補償增加，2018年潘莊由於更多的井投入生產導致的物料、服務及物流開支的增加，以及馬必簽訂的勘探期銷售協議從2017年下半年開始生效，馬必2018年較2017年多確認半年的收入及費用。概括而言，更高的產量和平均銷售價格，以及嚴格的成本控制措施導致EBITDA的增加，且幅度大於收入的增加幅度。



# Management Discussion and Analysis

## 管理層討論及分析

### EBITDA AND ADJUSTED EBITDA (Continued)

Our adjusted EBITDA increased by RMB440 million or 94.61% from RMB465 million in 2017 to RMB905 million in 2018. In addition to the factors described above, this increase was also due to the share-based compensation expense in 2018, the termination benefits arising from the relocation of Beijing headquarters, as well as the increase in non-operation related business development and legal consulting service fees.

### LIQUIDITY AND CAPITAL RESOURCES

The Group's financial management department is responsible for the financing and fund management policies related to the overall operations of the Group. Our primary sources of funding include cash generated from operating activities, bank balances and bank loans.

As at 31 December 2018, we had cash and bank balances of RMB1,700 million (RMB2,275 million as at 31 December 2017).

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

As at 31 December 2017, our long-term borrowing was RMB514 million. On 6 September 2018, we prepaid all outstanding loans and the total facilities of the borrowing was cancelled.

As at 31 December 2018, the gearing ratio (ratio of total borrowings to total equity) of the Group was 0% (31 December 2017: 10.4%). Save as the information disclosed above or otherwise in this report, we had no outstanding mortgage, pledge, debentures or other loan capital issued or agreed to be issued, bank overdrafts, borrowings, liabilities under acceptance or other similar liabilities, hire purchase and finance lease commitments, or any guarantee or other material contingent liabilities as at 31 December 2018.

### EBITDA 及經調整 EBITDA (續)

我們的經調整 EBITDA 由 2017 年的人民幣 4.65 億元增加了人民幣 4.40 億元或 94.61% 至 2018 年的人民幣 9.05 億元。該增加是由於上文說明的 EBITDA 增加的原因加上 2018 年的以股份為基礎的薪酬開支，付給因北京總部搬遷產生的員工離職補償，以及非營運相關業務發展和法律諮詢服務費開支增加所致。

### 流動資金及資本資源

本集團的財務管理部負責與本集團總體運營相關的融資及資金管理政策。我們的投資資金主要來源於經營活動所產生的現金、銀行結餘及銀行貸款。

於 2018 年 12 月 31 日，我們的現金及銀行結餘為人民幣 17.00 億元 (2017 年 12 月 31 日：人民幣 22.75 億元)。

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

於 2017 年 12 月 31 日，我們的長期借款為人民幣 5.14 億元。於 2018 年 9 月 6 日，我們提前償還了所有未償還貸款，且融資總額已被取消。

於 2018 年 12 月 31 日，本集團借款與權益比率 (借款總額與總權益的比率) 為 0% (2017 年 12 月 31 日：10.4%)。除上文或本報告其他部分所披露之資料外，於 2018 年 12 月 31 日，我們並無任何未償還按揭、抵押、債券或其他已發行或同意發行貸款資本、銀行透支、借款、承兌負債或其他同類負債、租購及財務租賃承擔或任何擔保或其他重大或然負債。

# Management Discussion and Analysis

## 管理層討論及分析

### LIQUIDITY AND CAPITAL RESOURCES (Continued)

#### Cash Flow

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

### 流動資金及資本資源(續)

#### 現金流量

下表載列於各所示年度我們的現金流量。

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net cash generated from operating activities	經營活動所得現金淨額	404,933	438,301
Net cash used in investing activities	投資活動所用現金淨額	(419,593)	(455,556)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(635,140)	26,392
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(649,800)	9,137
Cash and cash equivalents at beginning of the year	年初的現金及現金等價物	2,236,970	2,343,764
Exchange gains/(losses) on cash and cash equivalents	現金及現金等價物匯兌收益/(損失)	69,353	(115,931)
Cash and cash equivalents at end of the year	年末的現金及現金等價物	1,656,523	2,236,970

#### Operating Activities

Net cash generated from operating activities was RMB405 million in 2018, mainly due to profit before income tax of RMB596 million, depreciation and amortization of RMB204 million, the increase of accounts receivable and other receivables by RMB295 million, the share-based compensation of RMB36.07 million, the financial costs of RMB25.56 million for the New US\$250 million RBL, the decrease of accounts payable and other payables by RMB23.32 million and exchange losses of RMB7.48 million. These were offset by RMB28.12 million of interest paid and RMB83.31 million income tax paid.

Net cash generated from operating activities was RMB438 million in 2017, mainly due to profit before income tax of RMB311 million, depreciation and amortization of RMB110 million, the decrease of accounts receivable and other receivables of RMB22.3 million, the share-based compensation of RMB20.5 million, the financial costs mainly for the commitment fee of RMB13 million, the increase of accounts payable and other payables of RMB12.7 million and the unrealized exchange loss of RMB4.5 million. These were offset by RMB32.90 million of interest paid and RMB16.20 million of income tax paid.

#### 經營活動

於2018年，經營活動所得現金淨額為人民幣4.05億元，主要由於除所得稅前利潤人民幣5.96億元、折舊及攤銷人民幣2.04億元、應收賬款及其他應收款增加人民幣2.95億元、以股份為基礎的薪酬人民幣3,607萬元、主要為新2.5億美元儲量貸款的財務費用人民幣2,556萬元，應付賬款及其他應付賬款減少人民幣2,332萬元及匯兌損失人民幣748萬元。該等項目被已付利息人民幣2,812萬元和已付所得稅人民幣8,331萬元所抵銷。

於2017年，經營活動所得現金淨額為人民幣4.38億元，主要由於除所得稅前利潤人民幣3.11億元、折舊及攤銷人民幣1.10億元、應收賬款及其他應收款減少人民幣2,230萬元、以股份為基礎的薪酬人民幣2,050萬元、主要為承諾費的財務費用人民幣1,300萬元，應付賬款及其他應付賬款增加人民幣1,270萬元及未實現匯兌損失人民幣450萬元。該等項目被已付利息人民幣3,290萬元和已付所得稅人民幣1,620萬元所抵銷。

# Management Discussion and Analysis

## 管理層討論及分析

### LIQUIDITY AND CAPITAL RESOURCES (Continued)

#### Investing Activities

Net cash used in investing activities was RMB420 million in 2018, mainly comprised of purchases of property, plant and equipment of RMB439 million, increase in restricted bank deposits of RMB6.1 million, offset by interest received of RMB25.84 million. The purchase of property, plant and equipment mainly comprised of payment for more wells drilled, additional well head compressors and construction of gas gathering stations and power facilities.

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

#### Financing Activities

In 2018, the net cash used in financing activities was RMB635 million, mainly due to the repayment of principal, interests and commitment expenses of the New US\$250 million RBL of RMB614 million and the payment of final dividend of RMB67.94 million of 2017. It was offset by a sum of RMB 44.49 million drawn from the New US\$250 million RBL.

In 2017, the net cash generated from financing activities was RMB26.4 million, mainly due to the equivalent of RMB39.7 million from the New US\$250 million RBL, offset by finance costs of RMB13.4 million arising from the commitment fees paid for unutilized portion of the New US\$250 million RBL.

#### Cash and Bank Balances

We had cash and bank balances of RMB2,275 million and RMB1,700 million as of 31 December 2017 and 2018, respectively. Our cash and bank balances consist of cash on hand, cash at banks, and restricted bank deposits. The decrease in our cash is mainly due to the purchase of property, plant and equipment and the early repayment of the New US\$250 million RBL. As at 31 December 2017 and 2018, approximately 75.11% and 55.46% of our cash and bank balances were held in Hong Kong dollar or US dollar.

### 流動資金及資本資源(續)

#### 投資活動

於2018年，投資活動所用現金淨額為人民幣4.20億元，主要包括購買人民幣4.39億元的不動產、工廠及設備，受限制的銀行存款增加人民幣610萬元，惟被已收利息人民幣2,584萬元所抵銷。購買不動產、工廠及設備主要包括支付更多已鑽探的更多井、添置井口增壓機及興建集氣站和電力設施。

於2017年，投資活動所用現金淨額為人民幣4.56億元，主要包括購買人民幣4.56億元的不動產、工廠及設備，受限制的銀行存款增加人民幣610萬元，惟被已收利息人民幣650萬元所抵銷。購買不動產、工廠及設備主要包括支付更多已鑽探的更多井、添置井口增壓機及興建集氣站和電力設施。

#### 融資活動

於2018年，融資活動所用的現金淨額為人民幣6.35億元，主要由於償還新2.5億美元儲量融資借款本金利息及承諾費用等人民幣6.14億元，支付2017年末股息人民幣6,794萬元，惟部分被依據新2.5億美元儲量融資而提取的款項人民幣4,449萬元抵銷。

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

#### 現金及銀行結餘

於2017年及2018年12月31日，我們的現金及銀行結餘分別為人民幣22.75億元及人民幣17.00億元。我們的現金及銀行結餘包括結存現金、銀行存款及受限制銀行存款。現金減少主要是由於購買不動產、工廠及設備及提前歸還新2.5億美元儲量融資所致。於2017年及2018年12月31日，我們有約75.11%及55.46%的現金及銀行結餘分別以港元或美元持有。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL RISK FACTORS

Our activities expose us to a variety of financial risks: credit risk, foreign exchange risk, liquidity risk and concentration risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance.

#### Credit Risk

As the majority of the cash at bank are placed with state-owned and international banks and financial institutions in the PRC and Hong Kong, and there has been no recent history of default in relation to these banks and financial institutions, the corresponding credit risk is relatively low. Therefore, our credit risk arises mainly from trade and other receivables.

#### Foreign Exchange Risk

The Group is exposed to foreign exchange risk arising from various currency exposures, particularly with respect to US dollar. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency other than the entity's functional currency.

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

As at 31 December 2018, if RMB had weakened/strengthened by 1% against US dollar, with all other variables held constant, profit before income tax for the year would have been RMB2,250,000 (31 December 2017: RMB902,000 lower) lower/higher, respectively, mainly as a result of foreign exchange gains/losses on translation of US\$ denominated receivables and payables held by our entities with their functional currency as RMB.

### 財務風險因素

我們的經營活動面臨各種財務風險：信用風險、外匯風險、流動性風險及集中風險。我們的整體風險管理計劃專注於金融市場的不可預測性，並致力減低對本集團財務表現的潛在不利影響。

#### 信用風險

由於大部分銀行存款存放於中國及香港的國有及國際銀行及金融機構，且該類銀行及金融機構近期並無違約記錄，相應信用風險相對較低。因此，本集團信用風險主要來自應收賬款及其他應收款。

#### 外匯風險

本集團須承受各種貨幣所產生外匯風險，尤以美元為甚。當未來商業交易或已確認資產或負債以實體功能貨幣以外的貨幣計值，則會產生外匯風險。

2016年4月30日之前，本集團承受的非現金外匯風險來自重新折算的以美元計價的公司間貸款。為了管理外匯風險，管理層決定於2016年4月30日執行債務重組，通過將公司間貸款轉為永久性貸款。所屬的集團公司各自簽訂永久貸款協定，永續貸款不承計利息並且貸款方不得要求償還。在此次債務重組完成時，由這些美元永續貸款轉換產生的任何匯兌差異在合併財務報表確認為權益。

於2018年12月31日，如人民幣兌美元貶值／升值1%，而所有其他可變因素保持不變，則除所得稅前年度利潤將分別減少／增加人民幣2,250,000元(2017年12月31日：負人民幣902,000元)，主要原因是將本集團實體所持以美元計值的往來款項換算為其功能貨幣人民幣所產生的匯兌收益／損失。



# Management Discussion and Analysis

## 管理層討論及分析

### SIGNIFICANT INVESTMENT HELD

The Group did not hold any significant investment for the year ended 31 December 2018.

### ACQUISITION AND DISPOSAL OF SUBSIDIARIES

The Group had no material acquisition or disposal of subsidiaries or associated companies for the year ended 31 December 2018.

### OUTLOOK AND GUIDANCE FOR 2019

According to the report of SIA a consultant focused on studying the total industry chain of the oil and gas industry in China, given the “Coal to Gas” policy continued by the government of China and the promising macro economic environment, the demand for natural gas grew rapidly to 279 bcm in 2018, representing a 16% increase when compared with that of 2017. It is estimated that the demand for natural gas in 2019 will increase to 306.6 bcm, representing a 9.9% increase when compared with that of 2018. On the other hand, the natural gas market in China is characterized by a slow growth in local production as well as a rapid import growth. The growth rate of natural gas production is far lower than the rate stipulated in the 13th Five-Year Plan and the growth of actual demand. In 2018, the State Council of China issued “Some Opinions on Facilitating the Stable and Coordinated Development of the Natural Gas Industry”, stating that it is necessary to speed up the establishment of a system for the production, supply, storage and sale of natural gas so as to facilitate the stable and coordinated development of the natural gas industry. The rapid growth of demand for natural gas and the policy encouraging increase in proved reserve and output may drive expeditious development of the Group.

Meanwhile, due to the Chinese government tends to attach higher importance to the protection of ecological environment and the diversity of energy supplies, newer and higher requirements are imposed on the Group and its development. We will take the lead to explore new technologies and techniques for systematic and relentless innovation. By achieving these goals, the Group will be able to build up its core strength, thereby laying a solid foundation to develop from a leading CBM producer in China to a world’s leading most enduring clean energy company for today and tomorrow.

### 所持重大投資

截至2018年12月31日止年度，本集團並未有任何重大投資。

### 收購及出售附屬公司

截至2018年12月31日止年度，本集團並未收購或出售附屬公司或聯營公司之重大事項。

### 2019年展望及指引

根據專注研究中國石油天然氣全產業鏈的諮詢機構SIA的報告，由於中國政府延續「煤改氣」政策推動和良好的宏觀經濟環境，2018年天然氣需求量呈現快速增長，較2017年上漲16%達2,790億立方米，預測2019年天然氣需求量較2018年上漲9.9%達3,066億立方米。而另一方面，中國天然氣供給呈現本土生產增長緩慢，進口增長迅速的特徵，產量增長速度遠低於十三五規劃的增長速度和實際需求的增長速度。2018年，中國國務院發佈的《促進天然氣協調穩定發展的若干意見》指出，要加快天然氣產供儲銷體系建設，促進天然氣協調穩定發展。天然氣需求的快速增長及增儲上產的鼓勵政策，將是本集團快速發展的驅動力。

同時，隨著中國政府生態環境保護治理以及能源多元化發展趨勢，對本集團發展提出更新更高的要求，我們將積極探索新技術和新工藝，堅持系統而持續的創新，構建本集團的核心競爭力，為從中國領先的煤層氣生產商到成為國際領先的永續發展的清潔能源偉大企業奠定堅實基礎。

# Management Discussion and Analysis

## 管理層討論及分析

### OUTLOOK AND GUIDANCE FOR 2019 (Continued)

#### Panzhuang Concession

The Group will continue investing in Panzhuang concession in 2019. Details are as follows:

The Group will implement the full year plan upon receiving the government approval on Panzhuang concession, including the planned completion of pre-drilling works of 17 well sites, 75 SLHs and 23 PDWs, the purchase of pumping equipment and production of new wells and the execution of related ancillary surface facilities engineering.

With the scheduled project implementation and government approval associated, the anticipated gross production of Panzhuang concession is 810 MMCM (28.6 bcf).

#### Mabi Concession

In Mabi, the Group will focus on the ODP approved area, which locates in the southern part of Mabi, and will select applicable types of wells and technologies with reference to the underground geological features and optimize the project implementation plan to secure a guaranteed investment return rate.

The full year plan includes drilling and completion of 36 pilot development wells and related surface facilities construction to ensure that the output of new wells will contribute to the pipe sales on schedule. Based on the performance of the 36 wells above, we will continue to prioritize the allocation of 100 development wells in the Sweet Zone and invest in the construction of related ancillary facilities.

With the scheduled project implementation and government approval, the anticipated gross production of Mabi concession is 71 MMCM (2.5 bcf).

The application of certain new technologies and techniques identified by the Group is also the focus of Mabi concession, which will be implemented as scheduled.

### 2019年展望及指引(續)

#### 潘莊區塊

2019年，本集團將在潘莊區塊繼續投資如下：

在完成潘莊區塊政府相關審批基礎上，開始實施全年計劃，計劃完成17座井場的鑽前工程、75口SLH和23口PDW的鑽井作業、排採設備採購及新投產作業，以及實施相應的地面配套設施工程。

基於預期的項目執行和相關的政府審批，本集團對潘莊區塊總產量的預期為8.1億立方米(即286億立方英尺)。

#### 馬必區塊

在馬必，本集團將重點放在馬必南區ODP範圍內，並結合地下地質特點，選擇適用的井型和工藝，優化開發實施方案，保證投資收益率。

全年計劃實施36口開發先導井以及配套的地面工程建設，保證新井的產量貢獻按期進入管網銷售。根據36口井的效果，繼續優先在甜點區域佈置100口開發井及投資相應配套設施的建設工作。

基於預期的項目執行和相關的政府審批，本集團對馬必區塊總產量的預期為0.71億立方米(即25億立方英尺)。

本集團前期識別出的若干新技術實驗和新工藝應用也是馬必區塊的重點工作，將按計劃進行。

# Management Discussion and Analysis

## 管理層討論及分析

### OUTLOOK AND GUIDANCE FOR 2019 (Continued)

According to the development plan of Panzhuang and Mabi mentioned above, the Group is expected to incur capital expenditures of approximately RMB622 million in 2019, which will be financed by its own cash flow and part of the proceeds from its listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 23 June 2015 (the “**Listing**”). The Group will assess the capital investment plan for 2019 from time to time, and will make necessary disclosure in the interim results for 2019 for any movements.

The Group is highly confident in increasing the output while lowering the production costs on an ongoing basis to deliver promising operating results. Meanwhile, we will continue to enhance the innovation in respect of technologies and management, thereby laying a solid foundation for the stable production and development of existing wells in Panzhuang and the advancement of development technologies for Mabi. Besides, AAG Energy will identify new development opportunities in China and other regions as planned to expand our business, so as to provide more clients and relevant communities with clean energy and create higher return for our shareholders.

### 2019年展望及指引(續)

根據上述潘莊和馬必的開發計劃，本集團預計將在2019年投入資本性支出約人民幣6.22億元，這些資金將由自身的現金流以及在2015年6月23日於香港聯合交易所有限公司(「**聯交所**」)主板上市(「**上市**」)募集的部分資金來解決。本集團將不時評估2019年的資本性投資計劃，並且一旦有必要將在2019年中期業績中披露任何變化。

本集團非常有信心繼續提升產量和降低成本，以獲取更好的經營業績。同時我們將持續加大技術和管理的創新，為潘莊現有井的穩產與發展，馬必開發技術的提升突破奠定良好基礎。亞美能源還將依據規劃，在中國以及其他區域市場尋求新的發展機遇，拓展我們的業務，為更多的客戶和相關社區提供潔淨能源，為股東帶來更好的回報。

# Directors and Senior Management

## 董事及高級管理層

### DIRECTORS

#### Executive Directors

**Mr. Ming Zaiyuan (明再遠)**, aged 55, is an executive Director of the Company, chairman of the Board and chairman of the Nomination Committee of the Company. Mr. Ming is primarily responsible for the Group's overall development and growth strategies, investor and public relations, board governance and supervision of key management issues. Mr. Ming was appointed as an executive Director of the Company, chairman of the Board and chairman of the Nomination Committee of the Company on 24 August 2018.

Mr. Ming has since January 2013 been chairman of the board of Xinjiang Xintai Natural Gas Co., Ltd. (新疆鑫泰天然氣股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 603393). From June 2010 to December 2012, Mr. Ming was a director of Xinjiang Xintai Natural Gas Co., Ltd. (formerly known as Xinjiang Xintai Investment (Group) Co., Ltd. (新疆鑫泰投資(集團)有限公司)). From March 1985 to May 1998, Mr. Ming served as the head of the supervision and audit department, the head of the personnel department, the chief audit officer and the vice president of the Agricultural Bank of China Limited (Deyang Central District Branch) (中國農業銀行(德陽市中區支行)), and as the director and the secretary of the Party committee of the credit cooperative union, respectively.

Mr. Ming graduated from the correspondence college of Party College of Sichuan Province Committee of the Communist Party of China (中央四川省委黨校函授學院) in 1987, majoring in law.

**Mr. Yan Danhua (嚴丹華)**, aged 51, is an executive Director and the president of the Company. Mr. Yan is primarily responsible for the Group's overall operation management. Mr. Yan was appointed as an executive Director of the Company on 24 August 2018 and was appointed as the president of the Company on 7 September 2018.

### 董事

#### 執行董事

**明再遠先生**，55歲，本公司執行董事、董事會主席及提名委員會主席。明先生主要負責就本集團業務發展提供策略意見和指導以及本集團整體發展及增長策略、投資者及公共關係、董事會監管及主要管理層監督等方面事宜。明先生於2018年8月24日獲委任為本公司執行董事，董事會主席及本公司提名委員會主席。

明先生自2013年1月起擔任於上海證券交易所上市的新疆鑫泰天然氣股份有限公司(股份代號：603393)的董事長。於2010年6月至2012年12月，明先生曾擔任新疆鑫泰天然氣股份有限公司(前稱新疆鑫泰投資(集團)有限公司)董事。於1985年3月至1998年5月，明先生先後任職於中國農業銀行(德陽市中區支行)，歷任監察科長、審計科長、人事科長、總稽核及副行長，以及於信用聯社擔任聯社主任兼黨委書記。

明先生於1987年畢業於中央四川省委黨校函授學院，主修法律。

**嚴丹華先生**，51歲，本公司執行董事及總裁。嚴先生主要負責本集團的全面經營管理。嚴先生於2018年8月24日獲委任為本公司執行董事，並於2018年9月7日獲委任為本公司總裁。



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

Mr. Yan has more than 10 years of strategic investment and operation management experience in the energy industry. He was responsible for managing the energy investment project in China AVIC Trust Co., Ltd. (中航信託股份有限公司) from 2016 to 2018. In 2015, Mr. Yan was the vice general manager of Guangzheng Group Co., Ltd. (光正集團股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 002524), and was responsible for the business of natural gas and new energy development. From 2007 to 2013, he worked as the office director of balanced scorecard department for Xinjiang Guanghui Industry Investment Group Co., Ltd. (新疆廣匯實業投資(集團)有限責任公司) and as the vice general manager for Guanghui Energy Co., Ltd. (廣匯能源股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 600256), respectively. In Guanghui Energy Co., Ltd., he was responsible for strategic planning, operations management, natural gas project management and the development of conventional gas and oil. From 1999 to 2006, Mr. Yan worked as the general manager at the department of fruit business of Xinjiang Tunhe Co., Ltd. (新疆屯河股份有限公司) (currently known as Cofco Tunhe Sugar Co., Ltd. (中糧屯河糖業股份有限公司), a company listed on the Shanghai Stock Exchange (Stock code: 600737)).

Mr. Yan has obtained the bachelor's degree in economics in Shaanxi Institute of Finance and Economics (陝西財經學院) in 1990.

**Mr. Zhang Jianbing (張艦兵)**, aged 55, is an executive Director, the authorized representative and the vice president of the Company and a member of the Remuneration Committee of the Company. Mr. Zhang is primarily responsible for the Company's Board office and the Group's market operations and human resources issues. Mr. Zhang was appointed as an executive Director of the Company on 24 August 2018 and the authorized representative on 25 August 2018, and was appointed as the vice president of the Company on 7 September 2018 and a member of the Remuneration Committee of the Company on 21 March 2019.

嚴先生於能源業累積超過10年戰略投資及經營管理經驗。彼於2016年至2018年負責管理中航信託股份有限公司能源投資項目。於2015年，嚴先生擔任深圳證券交易所上市公司光正集團股份有限公司(股份代號：002524)副總經理，負責天然氣及新能源開發業務。於2007年至2013年，彼分別出任新疆廣匯實業投資(集團)有限責任公司平衡計分卡部的辦公室主任，以及上海證券交易所上市公司廣匯能源股份有限公司(股份代號：600256)的副總經理。於廣匯能源股份有限公司，彼負責策略規劃、營運管理、天然氣項目管理以及傳統燃氣及石油的開發。於1999年至2006年，嚴先生擔任上海證券交易所上市公司新疆屯河股份有限公司(現稱中糧屯河糖業股份有限公司)(股份代號：600737)果業事業部總經理。

嚴先生於1990年取得陝西財經學院經濟學學士學位。

**張艦兵先生**，55歲，本公司執行董事、授權代表、副總裁及薪酬委員會成員。張先生主要負責本公司董事會辦公室及本集團市場經營及人力資源事務。張先生於2018年8月24日獲委任為本公司執行董事，於2018年8月25日獲委任為授權代表，於2018年9月7日獲委任為本公司副總裁，並於2019年3月21日獲委任為本公司薪酬委員會成員。

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

Mr. Zhang has worked in government departments and enterprises for over 35 years. Mr. Zhang has management experience in industrial economy, finance, safety production management and other perspectives. Since April 2015, Mr. Zhang has worked as the director of the general manager's office of XTRQ, the general manager of Fukang Xintai Gas Co., Ltd. (阜康市鑫泰燃氣有限責任公司), the head of investment management department and the general manager's assistant of XTRQ, respectively. From 2010 to 2015, Mr. Zhang served as the deputy director of Deyang Municipal Committee of Economic and Information Technology (德陽市經信委). From 2006 to 2010, he was the director of Deyang Information & Technology Office (德陽市信息化辦公室). From 1999 to 2006, Mr. Zhang worked in Deyang Municipal Government Office (德陽市政府辦) as the deputy chief of the administrative department and the deputy director of the supervision and inspection office. From 1990 to 1999, Mr. Zhang served as a deputy chief of the industrial transport department in Deyang Economic Restructuring Committee (德陽市經濟體制改革委員會).

Mr. Zhang graduated from the correspondence college of Party College of Sichuan Province Committee of the Communist Party of China (中央四川省委黨校函授學院) in 2000, majoring in law. Mr. Zhang has obtained the Certificate of Secretary from the Shanghai Stock Exchange in 2018.

### Non-executive Directors

**Dr. Cui Guiyong (崔桂勇)**, aged 56, is a non-executive Director and a member of the New Business Committee (now renamed as strategic development committee) of the Company. Dr. Cui is primarily responsible for advising on strategic development and investor relations. Dr. Cui was appointed to the board of Directors of the Company in May 2014. He was one of the directors of Asian American Gas, Inc., a wholly-owned subsidiary of the Company from July 2004 to June 2006 and has resumed such role since July 2014. He has also been one of the directors of Sino-American Energy, Inc., an indirect wholly owned subsidiary of the Company since July 2014. He was appointed as a non-executive Director of the Company on 28 January 2015 and was appointed as a member of the New Business Committee (now renamed as strategic development committee) of the Company on 7 September 2018.

張先生曾於政府部門及企業工作逾35年，在工業經濟、金融、安全生產管理及其他方面具備管理經驗。自2015年4月起，張先生分別擔任新疆鑫泰天然氣股份有限公司總經理辦公室主任、阜康市鑫泰燃氣有限責任公司總經理、新天然氣投資管理部部長及總經理助理。於2010年至2015年，張先生擔任德陽市經信委副主任。於2006年至2010年，彼擔任德陽市信息化辦公室主任。於1999年至2006年，張先生在德陽市政府辦工作，後任行政處副處長及督查辦副主任。於1990年至1999年，張先生擔任德陽市經濟體制改革委員會工交處副處長。

張先生於2000年畢業於中央四川省委黨校函授學院，主修法律。張先生於2018年自上海證券交易所取得秘書證書。

### 非執行董事

**崔桂勇博士**，56歲，本公司非執行董事、新業務委員會(現更名為戰略發展委員會)成員。崔博士主要負責就戰略發展和投資者關係提供建議。崔博士於2014年5月獲委任為本公司董事會成員。於2004年7月至2006年6月期間擔任本公司全資附屬公司亞美大陸煤層氣其中一名董事，並自2014年7月起重新擔任該職位。自2014年7月起也擔任本公司間接全資附屬公司美中能源公司其中一名董事。於2015年1月28日獲委任為本公司非執行董事，並於2018年9月7日獲委任為本公司新業務委員會(現更名為戰略發展委員會)成員。

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

Dr. Cui has over 22 years of experience in investment in the energy and resources sectors. He is a managing director of Baring Private Equity Asia Limited and is primarily responsible for the firm's investments in greater China. Prior to joining Baring, he worked as a managing director at HOPU Investment Management Co. Ltd. from May 2008 to September 2009 and became a partner since October 2009. He worked at Morgan Stanley Asia Limited from April 2007 to April 2008 and acted as a managing director of investment banking. From March 2004 to April 2007, he was employed by HSBC Group and held the position of managing director of Global Investment Banking Asia Pacific — Resources and Energy at HSBC Markets (Asia) Limited. From June 2002 to August 2003, he served as head of the investment banking division at ICEA Capital Limited. Dr. Cui was employed by N M Rothschild & Sons and assumed various positions from September 1994 to June 2002 including the position of managing Director, investment banking and the chief representative China in N M Rothschild & Sons' Beijing Office. Dr. Cui is currently a non-executive Director of COFCO Meat Holdings Limited (stock code: 1610). He also served as a non-executive Director of China Shengmu Organic Milk Limited (stock code: 1432) from March 2014 to June 2018. Both are companies listed on the Main Board of the Stock Exchange.

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

**Ms. Gu Ren (顧韜)**, aged 36, is a non-executive Director and a member of the Audit Committee of the Company. Ms. Gu is primarily responsible for advising on accounting, internal control and financial matters. Ms. Gu joined the Company on 21 March 2019.

Ms. Gu has over 10 years of investment experience with special focus on the energy, industrial estate, environment and manufacturing and consumer goods sectors. She joined Warburg Pincus in October 2011 and currently serves as a principal with primary focus on investments in energy, industrials and industrial estate sectors. Prior to her employment with Warburg Pincus, she worked at J.P. Morgan as an associate of investment banking division from July 2008 to September 2011, focusing on corporate finance, merger and acquisition transactions in Asia.

崔博士在能源及資源投資領域擁有超過22年的從業經驗，任Baring Private Equity Asia Limited董事總經理，主要負責該公司在大中華地區的投資。在加入Baring之前，他於2008年5月至2009年9月期間擔任HOPU Investment Management Co. Ltd.董事總經理，並自2009年10月起成為合夥人。於2007年4月至2008年4月期間就職於Morgan Stanley Asia Limited，擔任投資銀行部董事總經理。2004年3月至2007年4月期間，其受聘於滙豐集團，擔任HSBC Markets (Asia) Limited全球投資銀行亞太區資源及能源部的董事總經理。2002年6月至2003年8月，擔任工商東亞融資有限公司投資銀行部負責人。崔博士受僱於N M Rothschild & Sons，於1994年9月至2002年6月期間擔任多個職位，包括董事總經理、投資銀行及N M Rothschild & Sons北京辦事處中國區首席代表。崔博士目前擔任中糧肉食控股有限公司(股份代號：1610)非執行董事，並於2014年3月至2018年6月期間擔任中國聖牧有機奶業有限公司(股份代號：1432)非執行董事。兩間均為聯交所主板上市公司。

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

**顧韜女士**，36歲，本公司非執行董事及審核委員會成員。顧女士主要負責就會計、內部監控及財務事宜提供建議。顧女士於2019年3月21日加入本公司。

顧女士擁有逾10年投資經驗，重點專注於能源、工業地產、環境及製造以及消費品等領域。彼於2011年10月加入華平投資現為一名總監，主要專注於投資能源、工業及工業地產領域。於受僱於華平投資前，彼曾自2008年7月至2011年9月任職於J.P. Morgan，擔任投資銀行部經理，專注於亞洲的公司財務及併購交易。

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

Ms. Gu obtained a bachelor of business administration degree from the Fudan University in Shanghai in the Peoples' Republic of China in 2005 and a master degree in accounting from the Fudan University in Shanghai in 2008.

### Independent Non-executive Directors

**Mr. Tai Kwok Leung Alexander (戴國良)**, aged 61, is an independent non-executive Director and a member of Nomination Committee, Remuneration Committee and New Business Committee (now renamed as strategic development committee) of the Company and the chairman of the Audit Committee of the Company. Mr. Tai is primarily responsible for independently overseeing the management. Mr. Tai joined the Company on 24 August 2018, was appointed as an independent non-executive Director and a member of the Audit Committee and Remuneration Committee and was appointed as the chairman of Audit Committee and a member of the Nomination Committee and New Business Committee (now renamed as strategic development committee) of the Company on 7 September 2018.

Mr. Tai is currently a partner and officer in charge of corporate finance department of VMS Securities Limited. Mr. Tai currently also serves as an independent non-executive Director of Luk Fook Holdings (International) Limited (Stock Code: 590), Anhui Conch Cement Company Limited (Stock Code: 914), Jiayuan International Group Limited (Stock Code: 2768) and G&M Holdings Limited (Stock Code: 6038) and Shengjing Bank Co., Ltd. (Stock Code: 2066), all of which are companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Mr. Tai was elected as a member of the 12th session of Shandong Committee of Chinese People's Political Consultative Conference in January 2018.

Mr. Tai is a member of the Hong Kong Institute of Certified Public Accountants, CPA Australia and New Zealand Institute of Chartered Accountants. He has extensive experience in accounting, corporate finance and investment in Hong Kong and overseas.

Mr. Tai received a bachelor degree in commerce and administration from Victoria University of Wellington, New Zealand in 1982.

顧女士於2005年獲得中華人民共和國上海復旦大學管理學學士學位及於2008年獲得上海復旦大學會計學碩士學位。

### 獨立非執行董事

**戴國良先生**，61歲，本公司獨立非執行董事、提名委員會、薪酬委員會、新業務委員會(現更名為戰略發展委員會)成員及審核委員會主席。戴先生主要負責獨立監督管理。戴先生於2018年8月24日加入本公司獲委任為獨立非執行董事與本公司審核委員會及薪酬委員會成員，於2018年9月7日獲委任為本公司審核委員會主席及獲委任為提名委員會及新業務委員會(現更名為戰略發展委員會)成員。

戴先生現為鼎珮證券有限公司合夥人兼企業融資部主管。戴先生目前亦於香港聯合交易所有限公司(「**聯交所**」)主板上市公司六福集團(國際)有限公司(股份代號：590)、安徽海螺水泥股份有限公司(股份代號：914)、佳源國際控股有限公司(股份代號：2768)、信越控股有限公司(股份代號：6038)及盛京銀行股份有限公司(股份代號：2066)擔任獨立非執行董事。戴先生於2018年1月當選中國人民政治協商會議第十二屆山東省委員會委員。

戴先生為香港會計師公會會員、澳洲會計師公會會員及紐西蘭會計師公會會員，在香港及海外擁有豐富的會計、企業融資及投資經驗。

戴先生於1982年取得紐西蘭威靈頓維多利亞大學(Victoria University of Wellington)商業及行政學士學位。



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

**Dr. Liu Xiaofeng (劉曉峰博士)**, aged 56, is an independent non-executive Director and a member of Audit Committee, Nomination Committee of the Company and the chairman of the Remuneration Committee of the Company. Dr. Liu is primarily responsible for independently overseeing the management. Dr. Liu joined the Company on 24 August 2018, was appointed as independent non-executive Director and a member of the Audit Committee, Nomination Committee and Remuneration Committee and the chairman of the Remuneration Committee and was the chairman of the New Business Committee (now renamed as Strategic Development Committee on 7 September 2018). He ceased to be the chairman of the New Business Committee of the Company on 9 November 2018.

Dr. Liu has served as an independent non-executive Director of Kunlun Energy Company Limited (Stock Code: 135) since 2004, Honghua Group Limited (Stock Code: 196) since 2008, Cinda International Holdings Limited (Stock Code: 111) since 2016, and Sunfonda Group Holdings Limited (Stock Code: 1771) since 2017, all of which are companies listed on the Main Board of the Stock Exchange. He was also an independent non-executive Director of Hisense Kelon Electrical Holdings Company Limited (now known as Hisense Home Appliances Group Co., Ltd), a company listed on the Main Board of the Stock Exchange (Stock Code: 00921). Dr. Liu is also the independent director of the board of a non-listed company which is UBS Securities Company Limited.

Dr. Liu has more than 20 years of experience in corporate finance. He has served in a number of international financial institutions since 1993, including N.M. Rothschild & Sons Limited, J.P. Morgan Securities (Asia Pacific) Limited, N.M. Rothschild & Sons (HK) Limited, DBS Asia Capital Limited and China Resources Capital Holdings Company Limited.

Dr. Liu obtained a master's degree and a Ph. D from the Faculty of Economics, University of Cambridge in 1988 and 1994, respectively. He obtained his master's degree in development studies from the University of Bath in 1987, and he obtained his bachelor's degree in political economics from the Southwestern University of Finance and Economics (西南財經大學) (formerly known as Sichuan Economic College (四川財經學院) in 1983.

**劉曉峰博士**，56歲，本公司獨立非執行董事、審核委員會、提名委員會成員及薪酬委員會主席。劉博士主要負責獨立監督管理。劉博士於2018年8月24日加入本公司獲委任為獨立非執行董事與本公司審核委員會、薪酬委員會及提名委員會成員，於2018年9月7日獲委任為本公司薪酬委員會主席及新業務委員會(現更名為戰略發展委員會)主席、於2018年11月9日不再為本公司新業務委員會主席。

劉博士自2004年起於聯交所主板上市公司昆侖能源有限公司(股份代號：135)、自2008年起於聯交所主板上市公司宏華集團有限公司(股份代號：196)、自2016年起於聯交所主板上市公司信達國際控股有限公司(股份代號：111)及自2017年起於聯交所主板上市公司新豐泰集團控股有限公司(股份代號：1771)擔任獨立非執行董事。彼亦曾任聯交所主板上市公司海信科龍電器股份有限公司(現稱海信家電集團有限公司)(股份代號：00921)的獨立非執行董事。劉博士亦為非上市公司瑞銀證券有限責任公司董事會的獨立董事。

劉博士具備逾20年企業融資經驗，自1993年以來效力多家國際金融機構，包括洛希爾父子有限公司、摩根大通(證券)(亞太)有限公司、洛希爾父子(香港)有限公司、星展亞洲融資有限公司及華潤金融控股有限公司。

劉博士分別於1988年及1994年於英國劍橋大學經濟系取得碩士及博士學位，並先後於1987年及1983年取得英國巴斯大學發展研究學碩士學位及西南財經大學(前稱四川財經學院)政治經濟學學士學位。

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

**Dr. Yang Ruizhao (楊瑞召博士)**, aged 53, is an independent non-executive Director and the chairman of the New Business Committee (now renamed as Strategic Development Committee) of the Company. Dr. Yang is primarily responsible for independently overseeing the management. Dr. Yang joined the Company on 9 November 2018.

Dr. Yang worked as a geologist in the Institute of Petroleum at the Department of Geology and Minerals\* (地礦部石油地質研究所) from July 1986 to April 1995. Dr. Yang then served as a senior geologist in the Institute of Petroleum at China New Star Petroleum Co.\* (新星石油公司研究院) from April 1995 to July 1996. From May 2000 to July 2002, Dr. Yang joined the post-doctoral program and conducted research work in areas of geological resources and geological engineering at the China University of Mining and Technology (Beijing branch). In December 2002, Dr. Yang started working as a senior geologist and associate professor at the China University of Mining and Technology (Beijing branch) and was later promoted as a professor in July 2017. He has been working as a senior geologist and a professor at the China University of Mining and Technology (Beijing branch) since then. Dr. Yang has received several awards including a special award from the China Coal Industry Association\* (中國煤炭工業協會) and a second prize award from the State Council of the PRC. Dr. Yang was also appointed as a member of the Mine Geophysical Committee of the Chinese Geophysical Society\* (中國地球物理學會礦山地球物理專業委員會) for a term of 4 years from 2013 to 2017.

Dr. Yang obtained a bachelor's degree of petroleum geology from the Chengdu College of Geology\* (成都地質學院) in PRC in July 1986 and a doctoral degree in earth exploration and information technology from the China University of Geosciences\* (中國地質大學) in the PRC in December 1999.

### SENIOR MANAGEMENT

**Mr. Wei Jiangtao**, aged 51, is the vice president and financial controller of the Company.

Mr. Wei has served as the vice president and financial controller of the Company since 7 September 2018 and is responsible for the Group's financial compliance management and corporate financing activities. He has over 20 years of experience in auditing, corporate finance, corporate governance and financial management.

**楊瑞召博士**，53歲，本公司獨立非執行董事及新業務委員會(現更名為戰略發展委員會)主席。楊博士主要負責獨立監督管理。楊博士於2018年11月9日加入本公司。

於1986年7月至1995年4月，楊博士在地礦部石油地質研究所擔任地質學家。之後於1995年4月至1996年7月，楊博士在新星石油公司研究院擔任高級地質學家。於2000年5月至2002年7月，楊博士在中國礦業大學(北京分校)參加博士後研究，並進行了地質資源及地質工程領域的研究工作。於2002年12月，楊博士開始在中國礦業大學(北京分校)擔任高級地質學家及副教授，之後於2017年7月晉升為教授。彼自此一直在中國礦業大學(北京分校)擔任高級地質學家及教授。楊博士獲有多份獎項，包括中國煤炭工業協會頒發的特等獎以及中國國務院頒發的二等獎。楊博士亦被委任為中國地球物理學會礦山地球物理專業委員會成員，任期自2013年起至2017年止為期四年。

楊博士於1986年7月自中國成都地質學院獲得石油地質學學士學位，並於1999年12月自中國的中國地質大學獲得地球探測與信息技術學博士學位。

### 高級管理層

**衛江濤先生**，51歲，本公司副總裁及財務總監。

衛先生自2018年9月擔任公司副總裁及財務總監，主要負責本集團財務合規管理及企業融資活動。彼於審計、企業融資、企業管治及財務管理方面擁有逾20年經驗。

\* For identification only

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

From 2016 to 2018, Mr. Wei served as a post-investment manager for energy project in China AVIC Trust Co., Ltd. (中航信託股份有限公司). From 2008 to 2015, he was a financial controller of each of Jiangsu Yangkou Port Development and Investment Co., Ltd. and Jiangsu Yangtong Investment and Development Co., Ltd., both are the subsidiaries of PYI Corporation Limited (HK.0498). From 2006 to 2007, he was a founding partner and general manager of Xi'an Junchung Finance Consulting Limited (西安君創財務諮詢有限公司). From 1999 to 2005, he served as a business director in Shaanxi Yiyou Accounting Firm Limited Liability Company (陝西益友會計師事務所有限公司).

Mr. Wei obtained a bachelor degree in industrial economics from the Xi'an Jiaotong University of China in 1990 and was admitted as a member of The Chinese Institute of Certified Public Accountants in 1999.

**Mr. Zeng Pingxuan**, aged 56, is the vice president of the Company.

Mr. Zeng has served as the vice president of the Company since September 2018 and is primarily responsible for the Company's production operations, procurement and supply as well as HSE matters. He has over 18 years extensive skills and management experience in gas industry.

Before joining the Company, Mr. Zeng served respectively as deputy general manager of Miqian Xintai Gas Co., Ltd. (米泉市鑫泰燃氣有限責任公司) and Urumqi Xintai Gas Co., Ltd. (烏魯木齊市鑫泰燃氣有限責任公司) and general manager of Wujiacqu Xintai Gas Co., Ltd. and assistant to general manager of XTRQ from 2001 to August 2018.

**Mr. Wang Bing**, aged 49, is the vice president of the Company.

Mr. Wang has been the vice president of the Company from November 2013 and is primarily responsible for the Group's government relations, executive management and information management matters. Mr. Wang has over 14 years of experience in project management, public relations, sales and marketing in the CBM business.

Mr. Wang served numerous positions in the Group after he joined the Group in June 2005. Mr. Wang served as a director of operation from February 2012 to November 2013 and as a general manager of Panzhuang Project from September 2008 to February 2012. He was a business development and sales manager of Mabi Project from 2005 to 2007.

2016年至2018年，衛先生擔任中航信託股份有限公司能源項目投後經理。於2008年至2015年，任保華集團(HK.0498)有限公司附屬公司江蘇洋口港投資開發有限公司及江蘇洋通開發投資有限公司財務總監。於2006年至2007年，為西安君創財務諮詢有限公司創始合夥人并擔任公司總經理。1999年至2005年，在陝西益友會計師事務所有限公司擔任業務總監職務。

衛先生於1990年獲得中國西安交通大學工業經濟學學士學位。於1999年成為中國註冊會計師協會會員。

**曾平宣先生**，56歲，本公司副總裁。

曾先生於2018年9月擔任本公司副總裁，其主要負責本公司生產營運、採購供應及HSE事務。彼於燃氣行業擁有逾18年豐富的技術和管理經驗。

曾先生在加入本公司之前，於2001年至2018年8月，分別擔任米泉市鑫泰燃氣有限責任公司、烏魯木齊市鑫泰燃氣有限責任公司副總經理、五家渠市鑫泰燃氣有限責任公司總經理、新天然氣總經理助理職務。

**王冰先生**，49歲，本公司副總裁。

王先生於2013年11月起擔任本公司副總裁，其主要負責本集團政府關係及行政管理、信息化管理等事務。王先生在煤層氣業務領域積累了超過14年的項目管理、公共關係、銷售及市場推廣經驗。

彼於2005年6月加入本集團以來擔任過多個職位。於2012年2月至2013年11月期間擔任運營總監，並在2008年9月至2012年2月期間擔任潘莊項目總經理。於2005年至2007年任馬必項目業務、銷售經理。

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

Before joining the Company, he was a vice general manager in Shanxi Kotel Micro Technique Co., Ltd. (山西科泰微技術有限公司) from September 2001 to May 2005 and the marketing manager in the Beijing branch of American ATMEL Company from July 1997 to September 2001.

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

**Mr. Wei Jinmin**, aged 51, is the vice president of the Company.

Mr. Wei has served as the vice president of the Company since September 2018 and is primarily responsible for the Group's legal and audit monitoring issues. Mr. Wei has over 20 years of experience in legal advising.

Before joining the Company, Mr. Wei served as an assistant to general manager and a director of legal department in XTRQ from May 2014 to August 2018. From 2006 to 2014, Mr. Wei was a partner of Sichuan Huanfeng Law Firm (四川環峰律師事務所) and Sichuan Liankun Law Firm (四川聯坤律師事務所) respectively.

**Mr. Fan Mingzhu**, aged 60, is the general engineer of the Company.

Mr. Fan was a chief geologist of the Company from June 2008 to June 2017. He has served as the general engineer of the Company since September 2018. He is primarily responsible for the finalization of the Group's technical projects, research and development of new technology and technical assessment of new project. Mr. Fan has over 36 years of experience in CBM well drilling, exploration and development.

Mr. Fan was a chief geologist of the Company from June 2008 to June 2017. From May 2002 to May 2008, Mr. Fan was a senior engineer in Petroleum Exploration and Development Research Institute of Sinopec and engaged in geological evaluation and exploration deployment of CBM concessions. From December 1989 to April 2002, Mr. Fan was a senior engineer in Planning and Design Institute of North China Petroleum Bureau of Sinopec. From February 1982 to November 1989, Mr. Fan worked as an engineer in the Ninth and Fifth Brigade of Petroleum Prospecting and Exploration of North China Petroleum Bureau and participated in geological logging work at various CBM well sites.

Mr. Fan obtained his bachelor degree in petroleum and natural gas geology from Northwest University (西北大學) in January 1982.

加入本公司之前，彼於2001年9月至2005年5月期間任山西科泰微技術有限公司副總經理。於1997年7月至2001年9月，任American ATMEL Company北京分公司市場推廣經理。

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

**魏進民先生**，51歲，本公司副總裁。

魏先生自2018年9月起擔任本公司副總裁。其主要負責本集團法務與審計監察事務。魏先生在提供法律意見方面擁有超過20年的經驗。

在加入本公司之前，彼於2014年5月至2018年8月在新天然氣擔任總經理助理兼法務部部長；於2006年至2014年，魏先生分別在四川環峰律師事務所、四川聯坤律師事務所任合夥人律師。

**樊明珠先生**，60歲，本公司總工程師。

樊先生自2008年6月起至2017年6月期間擔任本公司的首席地質專家。於2018年9月起擔任本公司總工程師。彼主要負責本集團技術方案審定、新技術研發及新項目技術評估。樊先生於煤層氣井鑽探、勘探及開發方面擁有逾36年經驗。

樊先生於2008年6月起至2017年6月為本公司的首席地質專家。於2002年5月至2008年5月，樊先生為中石油石油勘探及開發研究院高級工程師，從事地質評估及煤層氣區塊的勘探部署。於1989年12月至2002年4月，樊先生為中石油華北石油局規劃設計研究院高級工程師。於1982年2月至1989年11月，樊先生曾任中石油華北石油局第九及第五普查勘探大隊工程師，並參與各種煤層氣井現場的地質錄井工作。

樊先生於1982年1月取得西北大學石油與天然氣地質學學士學位。



# Report of the Directors

## 董事會報告

The Board is pleased to present its report and the audited consolidated financial statements of the Group for the year ended 31 December 2018.

### PRINCIPAL ACTIVITIES AND SUBSIDIARIES

The Company is a leading independent CBM producer in China. It focuses on developing and optimizing value of unconventional gas resources to supply clean energy to the Chinese economy. Details of the principal activities of the principal subsidiaries of the Group are set out in note 1 and note 31 to the section headed “Notes to the Consolidated Financial Statements” of this annual report. There were no significant changes in the nature of the Group’s principal activities during the year ended 31 December 2018.

### BUSINESS REVIEW

A review of the business of the Group during the year ended 31 December 2018 and a discussion on the Group’s future business development are provided in the sections headed “Chairman’s Statement” and “Management Discussion and Analysis” of this annual report. Description of possible risks and uncertainties that the Group may be facing can be found in the section headed “Management Discussion and Analysis” of this annual report. In addition, the financial risk management objectives and policies of the Group can be found in note 3 to the section headed “Notes to the Consolidated Financial Statements” of this annual report. An analysis of the Group’s performance during the year ended 31 December 2018 using financial key performance indicators is provided in the section headed “Management Discussion and Analysis” of this annual report. Further, discussions on the Group’s environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are contained in the sections headed “Chairman’s Statement”, “Report of the Directors”, and “Corporate Governance Report” of this annual report, respectively. Discussions and information therein form part of this Report of the Directors.

### RESULTS

The results of the Group for the year ended 31 December 2018 are set out in the section headed “Consolidated Financial Statements” of this annual report.

董事會欣然提呈本報告以及本集團截至2018年12月31日止本年度經審核合併財務報表。

### 主要業務及附屬公司

本公司是中國領先的獨立煤層氣生產商，專注於非常規天然氣資源的開發及價值優化，為中國經濟供應清潔能源。本集團主要附屬公司的主要業務詳情載於本年報「合併財務報表附註」一節附註1和附註31。截至2018年12月31日止年度，本集團主要業務性質並無重大變化。

### 業務回顧

本集團截至2018年12月31日止年度的業務回顧及有關本集團未來業務發展的探討，載於本年報「主席報告」一節及「管理層討論與分析」一節。本集團可能面臨的風險和不確定因素詳述於本年報「管理層討論與分析」一節。此外，本集團財務風險管理目標及政策載於本年報「合併財務報表附註」一節附註3。本集團截至2018年12月31日運用關鍵財務業績指標的業績分析，載於本年報「管理層討論及分析」一節。此外，有關本集團環境政策、與主要權益持有人之關係以及對本集團有重大影響的相關法律及法規合規情況探討，請分別參見本年報「主席報告」、「董事會報告」及「企業管治報告」各節。該類章節的討論和資料屬於董事會報告一部分。

### 業績

本集團截至2018年12月31日止年度的業績載於本年報「合併財務報表」一節。

# Report of the Directors

## 董事會報告

### DIVIDEND

The Board has recommended the payment of a dividend of RMB0.0737 per share (equivalent to approximately HKD0.0862 per share) for the year ended 31 December 2018, subject to the approval of the shareholders of the Company (the “Shareholders”) at the forthcoming AGM to be held on 10 May 2019. The proposed dividends are expected to be paid on 12 June 2019 to the Shareholders whose names appear on the register of members on 22 May 2019. The dividends payable to the Shareholders will be distributed in HK Dollar at an average exchange rate of the central parity of RMB against HK Dollar as announced by The People’s Bank of China for the five business days prior to the dividend declaration date.

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

The total net proceeds from the Listing which involved the issue of 761,400,000 shares of the Company (the “Shares”) amounted to approximately RMB1,506.9 million received by the Company after deduction of the underwriting commissions and other estimated expenses. As of 31 December 2018, RMB813 million of the proceeds had been utilized. The net proceeds were and will continue to be used in accordance with the proposed applications set out in the section headed “Future Plans and Use of Proceeds” in the prospectus of the Company dated 11 June 2015 (the “Prospectus”) which includes the funding of capital expenditure set out in the section headed “Management Discussion and Analysis — Outlook and Guidance for 2019” of this annual report.

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

Details of movements in the property, plant and equipment, and revenue generating assets of the Group during the year ended 31 December 2018 are set out in note 6 to the section headed “Notes to the Consolidated Financial Statements” of this annual report, respectively.

### BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings during the year ended 31 December 2018 are set out in note 15 to the section headed “Notes to the Consolidated Financial Statements” of this annual report.

### SHARE CAPITAL AND SHARE INCENTIVE SCHEMES

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

### 股息

董事會已建議派付截至2018年12月31日止年度之股息每股人民幣0.0737元，相當於每股約港幣0.0862元，惟須待本公司股東（「股東」）於2019年5月10日股東周年大會上批准。建議股息預計將於2019年6月12日向截至於2019年5月22日股東名冊所列股東派付。應付予股東的股息將以港元派發。本公司派息所採用的匯率為宣佈派息日前五個營業日中國人民銀行公告的港元兌換人民幣匯率之中間價的平均值。

### 本公司上市所得款項用途

經扣除承銷佣金及其他估計開支後，本公司獲得涉及發行761,400,000股本公司股份（「股份」）之上市所得款項淨額合共約為人民幣15.069億元。於2018年12月31日，人民幣8.13億元的上市所得款項已被使用。所得款項淨額已用作及將繼續用作本公司於2015年6月11日發佈的招股章程（「招股章程」）「未來計劃及所得款項用途 — 所得款項用途」一節所載的相同用途，包括撥付本年報「管理層討論及分析 — 2019年展望及指引」一節所述資本開支。

### 物業、廠房及設備與創收資產

本集團截至2018年12月31日止年度物業、廠房及設備與創收資產的變動詳情分別載於本年報「合併財務報表附註」一節附註6。

### 銀行貸款及其他借款

本集團截至2018年12月31日止年度銀行貸款及其他借款的詳情載於本年報「合併財務報表附註」一節附註15。

### 股本及股權激勵計劃

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

# Report of the Directors

## 董事會報告

### PRE-EMPTIVE RIGHTS

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

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the year ended 31 December 2018.

### CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (the "AGM") is tentatively scheduled to be held on Friday, 10 May 2019. The notice of the AGM will be published and issued to the Shareholders in due course. For the purposes of determining the Shareholders' eligibility to attend and vote at the AGM, the register of members of the Company will be closed from 7 May 2019 to 10 May 2019, both days inclusive, during which period no transfers of shares of the Company will be registered. To be eligible to attend and vote at the AGM, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 6 May 2019.

The record date for determining the entitlements to the proposed final dividend is 22 May 2019. In order to determine the Shareholders' right to receive the proposed final dividend, which is subject to the approval by the Shareholders at the AGM to be convened, the register of members of the Company will be closed from 20 May 2019 to 22 May 2019, both days inclusive, during which period the registration of transfer of shares will be suspended for registration. All properly completed transfer forms accompanied by the relevant share certificates, must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 17 May 2019.

### RESERVES

Details of reserve movement of the Company during the year ended 31 December 2018 are set out in note 30 to the section headed "Notes to the Consolidated Financial Statements" of this annual report.

### 優先購買權

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

### 購買、出售或贖回上市證券

截至2018年12月31日止年度，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

### 暫停辦理股東登記

股東週年大會(「股東週年大會」)暫計劃於2019年5月10日星期五召開。股東週年大會通知將適時刊載並寄發予股東。為決定出席股東週年大會並在會上投票的權利，本公司將於2019年5月7日至2019年5月10日(包括首尾兩日)暫停辦理股東登記(「股東登記」)手續，在此期間，本公司將不會受理任何股份過戶登記。為符合資格參加股東週年大會並在會上投票，股東須不晚於2019年5月6日下午四時三十分，將本公司所有股份過戶表格連同有關股票送達本公司香港股份過戶登記分處香港中央證券登記有限公司(地址：香港灣仔皇后大道東183號合和中心17樓1712-1716室)，以辦理登記。

釐定是否符合資格獲派擬派發的末期股息之登記日為2019年5月22日。為決定股東獲取建議股息的權利，本公司之股東名冊將於2019年5月20日至2019年5月22日期間(包含首尾兩日)暫停辦理股份過戶登記手續，該等末期股息派發建議需經即將召開的股東週年大會審批。所有股份過戶表格連同相關股票須不遲於2019年5月17日下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司(地址：香港灣仔皇后大道東183號合和中心17樓1712-1716室)，辦理股份過戶登記手續。

### 儲備

有關本公司截至2018年12月31日止年度儲備的變動詳情載於本年報「合併財務報表附註」附註30。

# Report of the Directors

## 董事會報告

### DISTRIBUTABLE RESERVES

As at 31 December 2018, the distributable reserves of the Company was approximately RMB3,995 million.

### CHARITABLE CONTRIBUTIONS

During the year ended 31 December 2018, the Group made RMB180,000 charitable contributions.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2018, the sales to the Group's five largest customers accounted for 67.49% of the total sales in which the sales to the largest customer represented 20.12%.

For the year ended 31 December 2018, the purchases from the Group's five largest suppliers accounted for 23.69% of the total purchases for the year ended 31 December 2018 and purchases from the largest supplier included therein amounted to 8.91%.

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

For the year ended 31 December 2018, there was no material and significant dispute between the Group and its suppliers and/or customers.

### 可分派儲備

截至2018年12月31日，本公司可分配儲備約為人民幣39.95億元。

### 慈善捐款

截至2018年12月31日止年度，本集團做出人民幣180,000元的慈善捐款。

### 主要客戶及供應商

本年度截至2018年12月31日，面向本集團五大客戶的銷售額佔該年度銷售總額的67.49%，其中對最大客戶銷售額佔20.12%。

截至2018年12月31日止年度，來自本集團五大供應商的採購額佔該年度採購總額的23.69%，其中來自最大供應商的採購額佔8.91%。

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

截至2018年12月31日止年度，本集團與供應商和/或客戶之間均無嚴重或重大糾紛。



# Report of the Directors

## 董事會報告

### DIRECTORS

The Directors of the Company during the year ended 31 December 2018 and up to the date of this annual report were:

Executive Directors	Date of Appointment
Mr. Ming Zaiyuan (Chairman)	(appointed on 24 August 2018)
Mr. Yan Danhua (President)	(appointed on 24 August 2018)
Mr. Zhang Jianbing (Vice President)	(appointed on 24 August 2018)
Dr. Stephen Xiangdong Zou	(resigned on 22 November 2018)
<b>Non-executive Directors</b>	
Dr. Cui Guiyong	(appointed on 28 January 2015)
Mr. Jin Lei	(resigned on 21 March 2019)
Ms. Gu Ren	(appointed on 21 March 2019)
Mr. Saurabh Narayan Agarwal	(resigned on 21 March 2019)
Mr. Peter Randall Kagan	(resigned on 25 August 2018)
Mr. Gordon Sun Kan Shaw	(resigned on 25 August 2018)
Mr. Wei Zhen	(resigned on 25 August 2018)
Mr. Nie Fei	(resigned on 8 May 2018)
<b>Independent non-executive Directors</b>	
Mr. Tai Kwok Leung Alexander	(appointed on 24 August 2018)
Dr. Liu Xiaofeng	(appointed on 24 August 2018)
Dr. Yang Ruizhao	(appointed on 9 November 2018)
Mr. Wu Yaowen	(resigned on 24 August 2018)
Mr. Robert Ralph Parks	(resigned on 7 September 2018)
Mr. Stephen Cheuk Kin Law	(resigned on 7 September 2018)
Mr. Fredrick J. Barrett	(resigned on 7 September 2018)

Mr. Ming was appointed as an executive Director, chairman of the Board and chairman of the Nomination Committee with effect on 24 August 2018. Mr. Yan was appointed as an executive Director with effect on 24 August 2018. Mr. Zhang was appointed as an executive Director with effect on 24 August 2018; and later appointed as a member of the Remuneration Committee on 21 March 2019. Dr. Zou ceased to be the chairman of the Board and chairman of the Nomination Committee with effect on 24 August 2018; and resigned as an executive Director with effect on 22 November 2018 due to his other work commitments.

### 董事

截至2018年12月31日止年度及至本年報日期，本公司董事名單如下：

執行董事	委任日期
明再遠先生 (主席)	(於2018年8月24日獲委任)
嚴丹華先生 (總裁)	(於2018年8月24日獲委任)
張艦兵先生 (副總裁)	(於2018年8月24日獲委任)
鄒向東博士	(於2018年11月22日辭任)
<b>非執行董事</b>	
崔桂勇博士	(於2015年1月28日獲委任)
金磊先生	(於2019年3月21日辭任)
顧韜女士	(於2019年3月21日獲委任)
Saurabh Narayan Agarwal 先生	(於2019年3月21日辭任)
Peter Randall Kagan 先生	(於2018年8月25日辭任)
蕭宇成先生	(於2018年8月25日辭任)
魏臻先生	(於2018年8月25日辭任)
聶飛先生	(於2018年5月8日辭任)
<b>獨立非執行董事</b>	
戴國良先生	(於2018年8月24日獲委任)
劉曉峰博士	(於2018年8月24日獲委任)
楊瑞召博士	(於2018年11月9日獲委任)
吳耀文先生	(於2018年8月24日辭任)
Robert Ralph Parks 先生	(於2018年9月7日辭任)
羅卓堅先生	(於2018年9月7日辭任)
Fredrick J. Barrett 先生	(於2018年9月7日辭任)

明先生於2018年8月24日獲委任為執行董事、董事會主席及提名委員會主席。嚴先生於2018年8月24日獲委任為執行董事。張先生於2018年8月24日獲委任為執行董事；及其後於2019年3月21日獲委任為薪酬委員會成員。鄒博士於2018年8月24日起不再為董事會主席及提名委員會主席；及因其他工作承擔於2018年11月22日辭任執行董事。

# Report of the Directors

## 董事會報告

Mr. Nie ceased to be a non-executive Director with effect on 8 May 2018. Mr. Kagan resigned as a non-executive Director with effect on 25 August 2018 due to his other work commitments. Mr. Wei resigned as a non-executive Director with effect on 25 August 2018 due to his other work commitments. Mr. Shaw resigned as a non-executive Director and a member of the Audit Committee with effect on 25 August 2018 due to his other work commitments. Mr. Agarwal ceased to be a member of the Strategic Development Committee with effect on 7 September 2018; and resigned as a non-executive Director and ceased to be a member of the Remuneration Committee with effect on 21 March 2019 due to his other personal and work commitments. Mr. Jin was appointed as a member of the Audit Committee with effect on 7 September 2018; and resigned as a non-executive Director and ceased to be a member of the Audit Committee with effect on 21 March 2019 due to his other work commitments. Dr. Cui was appointed as a member of the Strategic Development Committee with effect on 7 September 2018. Ms. Gu was appointed as a non-executive Director and a member of the Audit Committee with effect on 21 March 2019.

Mr. Wu Yaowen resigned as an independent non-executive Director and a member of each of the Nomination Committee and the Strategic Development Committee (previously known as the New Business Committee) with effect from 24 August 2018 due to health reasons. Mr. Robert Ralph Parks resigned as an independent non-executive Director due to the close of the Offer (as defined in the offer document issued by Liming Holding Limited dated 5 July 2018) on 16 August 2018 and ceased to be a member of each of the Audit Committee and the Strategic Development Committee and the chairman of the Remuneration Committee with effect from 7 September 2018. Mr. Stephen Cheuk Kin Law resigned as an independent non-executive Director due to the close of the Offer and ceased to be a member of the Nomination Committee and the chairman of the Audit Committee with effect from 7 September 2018. Mr. Fredrick J. Barrett resigned as an independent non-executive Director due to the close of the Offer and ceased to be a member of the Remuneration Committee and the chairman of the Strategic Development Committee with effect from 7 September 2018.

Mr. Tai Kwok Leung Alexander was appointed as an independent non-executive Director and a member of each of the Audit Committee and the Remuneration Committee with effect from 24 August 2018; and was appointed as a member of each of the Nomination Committee and the Strategic Development Committee and redesignated as the chairman of the Audit Committee with effect from 7 September 2018. Dr. Liu Xiaofeng was appointed as an independent non-executive Director and a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee with effect from 24 August 2018; and was appointed as the chairman of the Strategic Development Committee and redesignated as the chairman of the Remuneration Committee with effect from 7 September 2018; and later resigned as the chairman of the Strategic Development Committee with effect from 9 November 2018. Dr. Yang Ruizhao was appointed as an independent non-executive Director and the chairman of the Strategic Development Committee with effect from 9 November 2018.

聶先生於2018年5月8日起不再為非執行董事。Kagan先生於2018年8月25日因其他工作安排而辭任非執行董事。魏先生於2018年8月25日因其他工作安排而辭任非執行董事。蕭先生於2018年8月25日因其他工作安排而辭任非執行董事及審核委員會成員。Agarwal先生於2018年9月7日起不再為戰略發展委員會成員；及因其他個人及工作承擔，於2019年3月21日辭任非執行董事及不再為薪酬委員會成員。金先生於2018年9月7日獲委任為審核委員會成員；及因其他工作承擔，於2019年3月21日辭任非執行董事及不再為審核委員會成員。崔博士於2018年9月7日獲委任為戰略發展委員會成員。顧女士於2019年3月21日獲委任為非執行董事及審核委員會成員。

吳耀文先生基於健康理由而辭任獨立非執行董事、提名委員會成員及戰略發展委員會(前稱新業務委員會)成員，於2018年8月24日生效。Robert Ralph Parks先生因2018年8月16日的要約(定義見利明控股有限公司所發行日期為2018年7月5日的要約文件)完成而辭任獨立非執行董事，且不再擔任本公司審核委員會、戰略發展委員會成員以及本公司薪酬委員會主席，於2018年9月7日生效。羅卓堅先生因要約完成而辭任獨立非執行董事，且不再擔任本公司提名委員會成員及審核委員會主席，自2018年9月7日起生效。Fredrick J. Barrett先生因要約完成而辭任獨立非執行董事，且不再擔任薪酬委員會成員及戰略發展委員會主席，自2018年9月7日起生效。

戴國良先生獲委任為獨立非執行董事、審核委員會成員以及薪酬委員會成員，於2018年8月24日生效；及獲委任為提名委員會成員、戰略發展委員會成員以及調任為審核委員會主席，於2018年9月7日生效。劉曉峰博士獲委任為獨立非執行董事、審核委員會成員、薪酬委員會成員以及提名委員會成員，於2018年8月24日生效，獲委任為戰略發展委員會主席，調任為薪酬委員會主席，於2018年9月7日生效；其後辭任戰略發展委員會主席，於2018年11月9日生效。楊瑞召博士獲委任為獨立非執行董事、戰略發展委員會主席，於2018年11月9日生效。

# Report of the Directors

## 董事會報告

### DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

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

### DIRECTORS' SERVICE CONTRACTS

Each executive Director has entered into a service agreement with the Company for a term of three years commencing from the date of appointment subject to the relevant provisions of retirement by rotation and re-election at the annual general meeting(s) of the Company (the "AGM(s)") in accordance with the Articles. Each of the non-executive Directors, Dr. Cui Guiyong, Ms. Gu Ren, Mr. Tai Kwok Leung Alexander and Dr. Liu Xiaofeng, have signed a letter of appointment with the Company for a term of three years commencing from the date of appointment while Dr. Yang Ruizhao serves for a term of one year commencing from the date of his appointment subject to the relevant provisions of retirement by rotation and re-election at the AGMs of the Company in accordance with the Articles.

In accordance with the Articles, Mr. Ming Zaiyuan, Mr. Yan Danhua, Mr. Zhang Jianbing, Dr. Cui Guiyong, Ms. Gu Ren, Mr. Tai Kwok Leung Alexander, Dr. Liu Xiaofeng and Dr. Yang Ruizhao will, retire and being eligible, offer themselves for re-election at the forthcoming AGM.

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

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

Save as disclosed in this annual report, no contracts, transactions and arrangements of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2018 or at any time during the year ended 31 December 2018.

### 董事及高級管理層履歷

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

### 董事服務合約

每位執行董事已與本公司訂立服務協定，自獲委任日期起為期三年，須遵守根據細則於本公司股東週年大會輪值退任及膺選連任的相關條款。各非執行董事已與本公司簽署委任函件，崔桂勇博士、顧韜女士、戴國良先生及劉曉峰博士自獲委任日期起為期三年，楊瑞召博士自獲委任日期起為期一年，須遵守根據細則於本公司股東週年大會輪值退任及膺選連任的相關條款。

根據細則，在即將到來的股東週年大會上，明再遠先生、嚴丹華先生、張艦兵先生、崔桂勇博士、顧韜女士、戴國良先生、劉曉峰博士及楊瑞召博士將退任並符合資格申請膺選連任。

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

### 董事在重大合約、交易及安排方面的權益

除本年報所披露者外，董事均未在本公司或其任何附屬公司訂立與本集團業務有重大關係、並且在本年度截至2018年12月31日或在此期間任何時間仍然有效的合約、交易及安排中，直接或間接擁有重大權益。

# Report of the Directors

## 董事會報告

### DIRECTORS' EMOLUMENTS

Details of the remuneration of the Directors and those of the five highest paid individuals are set out in note 32 and note 20 to the section headed "Notes to the Consolidated Financial Statements" of this annual report. The remunerations of the Directors are determined based on the market price and contribution made by such Directors to the Company. There has been no arrangement under which any Director has waived or agreed to waive any emoluments.

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

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

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year ended 31 December 2018.

### PERMITTED INDEMNITY

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

### 董事酬金

董事及五位享受最高薪酬人士的酬金詳情載於本年報「合併財務報表附註」一節附註32和附註20。董事薪酬根據市價及相關董事對本公司的貢獻而決定。無任何董事放棄或同意放棄任何酬金的安排。

### 確認獨立非執行董事的獨立性

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

### 管理合約

截至2018年12月31日止年度均未訂立或存在任何有關本集團全部或任何重大部分業務的管理和行政合約。

### 准許補償

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



# Report of the Directors

## 董事會報告

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

As at 31 December 2018, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken, or are deemed to have taken, under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept by the Company; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”), to be notified to the Company and the Stock Exchange were as follows:

### 董事及主要行政人員在本公司股份、相關股份及債券中擁有的權益和淡倉

於2018年12月31日，本公司董事及主要行政人員在本公司或其關聯公司(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及8分部，須知會本公司及聯交所的權益和淡倉(包括根據證券及期貨條例有關條款被當作或視作擁有的權益和淡倉)；或(b)根據證券及期貨條例第352條須記錄於本公司備置登記冊內的權益和淡倉；或(c)根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益和淡倉如下：

Name	Position	Capacity	Number of shares held (Note 3)	Approximate percentage of shareholding (Note 4)
姓名	職位	身份	所持股份數目 (附註3)	持股概約百分比 (附註4)
Ming Zaiyuan (Note 1) 明再遠(附註1)	Chairman and Executive Director 主席兼執行董事	Interest in a controlled corporation 受控法團權益	1,692,871,886 (L)	49.93% (L)
Jin Lei (Note 2) 金磊(附註2)	Non-executive Director 非執行董事	Beneficial owner 實益擁有人	521,000 (L)	0.02% (L)
Cui Guiyong 崔桂勇	Non-executive Director 非執行董事	Beneficial owner 實益擁有人	106,360 (L)	0.003% (L)

Notes:

- (1) Liming Holding Limited beneficially owned interests in 1,692,871,886 Shares of the Company. Liming Holding Limited was entirely controlled by Sichuan Liming Energy Development Co., Ltd., which in turn was entirely controlled by XTRQ. Mr. Ming beneficially owned interests in 1,692,871,886 Shares of the Company through his holding of 57,249,553 shares in XTRQ, representing 35.78% of the total issued share capital of XTRQ.
- (2) Mr. Jin has resigned as non-executive Director with effect from 21 March 2019.
- (3) The letter “L” denotes long position in such securities.
- (4) Approximate percentage of shareholding as at the date of 31 December 2018.

附註：

- (1) 香港利明控股有限公司實益擁有本公司1,692,871,886股股份。香港利明控股有限公司由四川利明能源開發有限責任公司全權控制；四川利明能源開發有限責任公司由新天然氣全權控制。明先生通過其持有的新天然氣57,249,553股股份，佔新天然氣總發行股本的35.78%，實益擁有本公司1,692,871,886股股份。
- (2) 金先生自2019年3月21日起，已辭任非執行董事。
- (3) 字母「L」指該人士在這些股份中的好倉。
- (4) 截至2018年12月31日止的持股百分比。

# Report of the Directors

## 董事會報告

Save as disclosed above, as at 31 December 2018, none of the Directors and chief executives of the Company and their respective associates had or is deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company are taken or deemed to have under such provisions of the SFO), or were required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

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

As at 31 December 2018, the following persons (other than the Directors or the chief executives of the Company) have interests or short positions in the Shares or underlying shares or debentures as recorded in the register required to be kept by the Company under section 336 of the SFO:

除上文所披露者外，於2018年12月31日，本公司董事及主要行政人員和他們各自的連絡人均未在本公司或其關聯公司(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有或視為擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條款被當作或視作本公司董事及主要行政人員擁有的權益和淡倉)，或根據證券及期貨條例第352條須記錄於本公司備置登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

### 主要股東在本公司股份、相關股份及債券中擁有的權益和淡倉

於2018年12月31日，下列人士(本公司董事或主要行政人員除外)在本公司根據證券及期貨條例第336條存置登記冊所載的股份，相關股份及債券中擁有權益或淡倉如下：

Name of shareholder 股東名稱	Capacity 身份	Number of shares held (Note 1) 所持股份數目 (附註1)	Approximate percentage of shareholding (Note 6) 持股概約百分比 (附註6)
Liming Holding Ltd. (Note 2) 香港利明控股有限公司(附註2)	Beneficial owner 實益擁有人	1,692,871,886 (L)	49.93% (L)
Sichuan Liming Energy Development Co., Ltd. (Note 2) 四川利明能源開發有限責任公司(附註2)	Interest in a controlled corporation 受控法團權益	1,692,871,886 (L)	49.93% (L)
Xinjiang Xintai Natural Gas Co., Ltd. (Note 2) 新疆鑫泰天然氣股份有限公司(附註2)	Interest in a controlled corporation 受控法團權益	1,692,871,886 (L)	49.93% (L)
Warburg Pincus & Co. (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	326,318,660 (L)	9.62% (L)
Warburg Pincus Partners GP LLC (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	326,318,660 (L)	9.62% (L)
Warburg Pincus Partners, L.P. (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	326,318,660 (L)	9.62% (L)
WPP GP LLC (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	326,318,660 (L)	9.62% (L)

# Report of the Directors

## 董事會報告

Name of shareholder 股東名稱	Capacity 身份	Number of shares held (Note 1) 所持股份數目 (附註1)	Approximate percentage of shareholding (Note 6) 持股概約百分比 (附註6)
Warburg Pincus X GP L.P. (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	326,318,660 (L)	9.62% (L)
Warburg Pincus X, L.P. (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	326,318,660 (L)	9.62% (L)
Warburg Pincus Private Equity X, L.P. (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	326,318,660 (L)	9.62% (L)
Asia X Investment I LLC (Note 3) (附註3)	Interest in a controlled corporation 受控法團權益	326,318,660 (L)	9.62% (L)
WP China CBM Investment Holdings Limited (Note 3) (附註3)	Beneficial owner 實益擁有人	326,318,660 (L)	9.62% (L)
Salata Jean Eric (Note 4) (附註4)	Interest in a controlled corporation 受控法團權益	266,139,719 (L)	7.85% (L)
Barings Private Equity Asia GP IV Limited (Note 4) (附註4)	Interest in a controlled corporation 受控法團權益	266,139,719 (L)	7.85% (L)
Barings Private Equity Asia GP IV L.P. (Note 4) (附註4)	Interest in a controlled corporation 受控法團權益	266,139,719 (L)	7.85% (L)
The Baring Asia Private Equity Fund IV L.P. (Note 4) (附註4)	Interest in a controlled corporation 受控法團權益	266,139,719 (L)	7.85% (L)
Baring Private Equity Asia IV Holding (4) Limited (Note 4) (附註4)	Beneficial owner 實益擁有人	266,139,719 (L)	7.85% (L)
Chongqing Three Gorges Gas (Group) Company Limited (Note 5) 重慶三峽燃氣(集團)有限公司(附註5)	Interest in a controlled corporation 受控法團權益	180,833,000 (L)	5.33% (L)
Chongqing Three Gorges Energy Co., Ltd. (Note 5) 重慶三峽能源有限公司(附註5)	Interest in a controlled corporation 受控法團權益	180,833,000 (L)	5.33% (L)
Shenzhen Tong Yu Energy Investment Co., Ltd. (Note 5) 深圳通豫能源投資有限公司(附註5)	Beneficial owner 實益擁有人	180,833,000 (L)	5.33% (L)

# Report of the Directors

## 董事會報告

### Notes:

- (1) The letter "L" denotes long position in such securities.
- (2) Liming Holding Limited beneficially owned interests in 1,692,871,886 Shares (long position) of the Company. Liming Holding Limited was entirely controlled by Sichuan Liming Energy Development Co., Ltd., which in turn was entirely controlled by XTRQ. Mr. Ming was a controlling shareholder and actual controller of XTRQ who directly owned interests in 57,249,553 shares of XTRQ, representing 35.78% of the total issued share capital of XTRQ.
- (3) WP China CBM Investment Holdings Limited beneficially owned 326,318,660 Shares (long position) of the Company. Asia X Investment I LLC held 100% equity interest in WP China CBM Investment Holdings Limited. Warburg Pincus Private Equity X, L.P. controlled 96.90% equity interest in Asia X Investment I LLC. Warburg Pincus Private Equity X, L.P. was 100% controlled by Warburg Pincus X, L.P., which in turn was 100% controlled by Warburg Pincus X GP L.P., which in turn was 100% controlled by WPP GP LLC, which in turn was 100% controlled by Warburg Pincus Partners, L.P., which in turn was 100% controlled by Warburg Pincus Partners GP LLC, which in turn was 100% controlled by Warburg Pincus & Co..
- (4) Baring Private Equity Asia IV Holding (4) Limited beneficially owned 266,139,719 Shares (long position) of the Company. The Baring Asia Private Equity Fund IV L.P. held 99.26% equity interest in Baring Private Equity Asia IV Holding (4) Limited. The Baring Asia Private Equity Fund IV L.P. was 100% controlled by Baring Private Equity Asia GP IV L.P., which in turn was 100% controlled by Baring Private Equity Asia GP IV Limited, which in turn was wholly-owned by Jean Eric Salata.
- (5) Shenzhen Tong Yu Energy Investment Co., Ltd. beneficially owned 180,833,000 Shares (long position) of the Company and was 100% controlled by Chongqing Three Gorges Energy Co., Ltd., which in turn was 37.68% controlled by Chongqing Three Gorges Gas (Group) Company Limited.
- (6) Approximate percentage of shareholding as at the date of 31 December 2018.

Save as disclosed above, as at 31 December 2018, none of the Directors and chief executives of the Company are aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

### 附註：

- (1) 字母「L」指在這些證券中的好倉。
- (2) 香港利明控股有限公司實益擁有本公司1,692,871,886股股份(好倉)。香港利明控股有限公司由四川利明能源開發有限責任公司全權控制；四川利明能源開發有限責任公司由新天然氣全權控制。明先生為新天然氣控股股東、實際控制人，其直接擁有新天然氣57,249,553股股份，佔新天然氣總發行股本的35.78%股份權益。
- (3) WP China CBM Investment Holdings Limited實益擁有本公司326,318,660股股份(好倉)。Asia X Investment I LLC持有WP China CBM Investment Holdings Limited全部股權。Warburg Pincus Private Equity X, L.P.控制Asia X Investment I LLC. 96.90%股權。Warburg Pincus Private Equity X, L.P.由Warburg Pincus X, L.P.全權控制；Warburg Pincus X, L.P.由Warburg Pincus X GP L.P.全權控制；Warburg Pincus X GP L.P.由WPP GP LLC全權控制；WPP GP LLC由Warburg Pincus Partners, L.P.全權控制；Warburg Pincus Partners, L.P.由Warburg Pincus Partners GP LLC全權控制；Warburg Pincus Partners GP LLC由Warburg Pincus & Co.全權控制。
- (4) Baring Private Equity Asia IV Holding (4) Limited實益擁有本公司266,139,719股股份(好倉)。Baring Asia Private Equity Fund IV, L.P.持有Baring Private Equity Asia IV Holding (4) Limited 99.26%的股權。Baring Asia Private Equity Fund IV, L.P.由Baring Private Equity Asia GP IV L.P.全權控制；Baring Private Equity Asia GP IV L.P.由Baring Private Equity Asia GP IV Limited全權控制；Baring Private Equity Asia GP IV Limited由Jean Eric Salata全資擁有。
- (5) 深圳通豫能源投資有限公司實益擁有本公司180,833,000股股份(好倉)，並由重慶三峽能源有限公司全資擁有，而重慶三峽能源有限公司由重慶三峽燃氣(集團)有限公司擁有37.68%權益。
- (6) 截至2018年12月31日止的持股百分比。

除上文所披露者外，於2018年12月31日，本公司董事及主要行政人員均不知悉任何其他人士(本公司董事及主要行政人員除外)在根據證券及期貨條例第336條本公司備存登記冊所載的股份或相關股份中擁有權益或淡倉。



# Report of the Directors

## 董事會報告

### SHARE INCENTIVE SCHEMES

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

### PRE-IPO SHARE OPTION SCHEME

The Company adopted a pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) on 31 March 2015, the principal terms (such as the purpose, participants and consideration for accepting any options,) of which are set out in the section headed “Statutory and General Information — Pre-IPO Share Option Scheme” in Appendix V to the prospectus of the Company dated 11 June 2015 (the “**Prospectus**”).

### Outstanding Options

For the year ended 31 December 2018, 162,606,661 options have been cancelled, 24,620,606 options have lapsed, and 30,718,269 options have been exercised. As at 31 December 2018, there were a total of 5,068,744 options outstanding. If all the outstanding options are to be exercised, there would be a dilution effect on the share capital of the Company as at 31 December 2018 of approximately 0.15%. Save as disclosed above, no further options have been or would be granted by the Company after the date of Listing pursuant to the Pre-IPO Share Option Scheme.

### 股權激勵計劃

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

### 首次公開發售前購股權計劃

本公司於2015年3月31日採用首次公開發售前購股權計劃(「**首次公開發售前購股權計劃**」)其主要條款(包括目的、參與者、接受任何購股權的代價)載於本公司於2015年6月11日發佈的招股章程(「**招股章程**」)附錄五「法定及一般資訊 — 首次公開發售前購股權計劃」一節。

### 未行使購股權

截至2018年12月31日止年度，有162,606,661份購股權已註銷，有24,620,606份購股權失效，有30,718,269份購股權已獲行使。於2018年12月31日，共有5,068,744份購股權尚未行使。若所有未行使購股權獲行使，本公司於2018年12月31日的股本將存在攤薄效應，股權攤薄約0.15%。除上文所披露者外，本公司於上市日期後並無根據首次公開發售前購股權計畫授出或將授出其他購股權。

# Report of the Directors

## 董事會報告

Movements of the Options under the Pre-IPO Share Option Scheme for the year ended 31 December 2018:

截至2018年12月31日止年度，首次公開發售前購股權計劃項下的購股權變動：

Name of Share Option Grantees <sup>(1)</sup>	Date of Grant	Exercise price (US\$)	Number of Shares represented by options at 1 January 2018 購股權於2018年1月1日所代表的股份數目	Exercised during the period <sup>(5)</sup>	Lapsed during the period	Cancelled during the period <sup>(5)</sup>	Total number of Shares represented by options at 31 December 2018 購股權於2018年12月31日所代表的股份數目	Approximate percentage of issued shares of the Company <sup>(4)</sup>	Vesting Period <sup>(2)(5)</sup>	Exercise period <sup>(3)</sup>
購股權承授人名稱 <sup>(1)</sup>	授出日期	行使價(美元)	期內已行使 <sup>(5)</sup>	期內已失效	期內已註銷 <sup>(5)</sup>	期內已註銷 <sup>(5)</sup>	期內已註銷 <sup>(5)</sup>	佔本公司已發行股份的概約百分比 <sup>(4)</sup>	歸屬期 <sup>(2)(5)</sup>	行使期 <sup>(3)</sup>
<b>Directors of the Company</b>										
<b>本公司董事</b>										
Dr. Stephen Xiangdong Zou (resigned on 22 November 2018) 鄒向東博士(於2018年11月22日辭任)	31 March 2015	US\$0.151	11,942,710	1,914,488	-	10,028,222	-	-	please see note 2 and note 5 below 請參閱下文附註2及附註5	please see note 3 below 請參閱下文附註3
Wu Yaowen (resigned on 24 August 2018) 吳耀文(於2018年8月24日辭任)	5 June 2015	US\$0.151	477,708	76,579	-	401,129	-	-	-	-
Robert Ralph PARKS (resigned on 7 September 2018) (於2018年9月7日辭任)	5 June 2015	US\$0.151	477,708	76,579	-	401,129	-	-	-	-
Fredrick J. BARRETT (resigned on 7 September 2018) (於2018年9月7日辭任)	5 June 2015	US\$0.151	477,708	76,579	-	401,129	-	-	-	-
<b>Other employees of the Company</b>										
<b>本公司其他僱員</b>										
	31 March 2015 and 5 June 2015	US\$0.151	209,638,446	28,574,044	24,620,606	151,375,052	5,068,744	0.15%	please see note 2 and note 5 below 請參閱下文附註2及附註5	please see note 3 below 請參閱下文附註3
	2015年3月31日及2015年6月5日	0.151美元								
<b>Total</b>			<b>223,014,280</b>	<b>30,718,269</b>	<b>24,620,606</b>	<b>162,606,661</b>	<b>5,068,744</b>	<b>0.15%</b>		
<b>總計</b>										

# Report of the Directors

## 董事會報告

### Notes:

- (1) Prior to the Listing, certain of the grantees have transferred their options to companies wholly-owned by them, in accordance with the Pre-IPO Share Option Scheme.
- (2) Unvested options granted to the grantees pursuant to the Pre-IPO Share Option Scheme vested as follows (refer to note (5) for vesting manner during Liming's takeover):
  - (a) 50% of the Options shall be time-based and shall vest at the rate of (i) one half (1/2) for each 12-month period commencing from 1 January 2015 if the relevant date on which the employment relationship between the Company (the "Employment Date") is on or prior to 1 January 2014; or (ii) one third (1/3) for each 12-month period commencing from the relevant Employment Date if such date is after 1 January 2014; and
  - (b) 50% of the Options shall be KPI-linked (the "KPI-linked Options") and shall be divided into three equal instalments, with each instalment being linked with one of the three KPIs (as defined below) and vested at the rate of one (i) half (1/2) for each 12-month period commencing from 1 January 2015 if the relevant Employment Date is on or prior to 1 January 2014; or (ii) one third (1/3) for each 12-month period commencing from the relevant Employment Date if such date is after 1 January 2014 pursuant to the following payout schedule:
    - (1) 100% of the KPI-linked Options shall vest if 100% of the relevant KPI Target is met; or
    - (2) if the relevant KPI Target is not met at 100%, 50% of the KPI-linked Options shall vest if 80% of the Relevant KPI Target is met and an additional 2.5% of the KPI-linked Options shall vest for each 1% further improvement in such KPI Target; provided that if the performance rate of any KPI Target exceeds 100%, then up to 10% of the improvement of that KPI Target can be added to the performance rate of other KPI Target(s) that is not 100% accomplished.

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

- (3) Subject to any accelerated termination as set forth in the Pre-IPO Share Option Scheme, each option shall expire on the date specified under the Pre-IPO Share Option, provided that in no event, shall the Exercise Period of an Option exceed five years from the date upon which the relevant option has vested.

### 附註：

- (1) 於上市前，一些購股權承授人已根據首次公開發售前購股權計劃向他們全資擁有的公司轉讓其購股權。
- (2) 根據首次公開發售前購股權計劃，授予購股權承授人的未歸屬購股權按以下方式歸屬(利明收購期間歸屬方式參見附註(5))：
  - (a) 50%的購股權(i)自2015年1月1日(如果與本公司確定僱傭關係的相關日期(「僱傭日期」)為2014年1月1日或之前)起計每12個月期間根據時間按二分之一(1/2)的比例歸屬；或(ii)自相關僱傭日期(如果該日期在2014年1月1日之後)起計每12個月期間根據時間按三分之一(1/3)的比例歸屬；以及
  - (b) 50%的購股權須與關鍵業績指標掛鉤(「關鍵業績指標掛鉤購股權」)並且須分為三等份，每份與三個關鍵業績指標(定義見下文)之一掛鉤，並根據以下支付進度自(i)2015年1月1日(如相關僱傭日期在2014年1月1日或之前)起每12個月期間按二分之一(1/2)的比例歸屬；或(ii)相關僱傭日期(如相關僱傭日期在2014年1月1日之後)起計每12個月期間按三分之一(1/3)比例歸屬：
    - (1) 如完全達成相關關鍵業績指標目標，則關鍵業績指標掛鉤購股權全部獲歸屬；或者
    - (2) 如未完全達成相關關鍵業績指標目標但達成80%，則關鍵業績指標掛鉤購股權的一半獲歸屬，而該關鍵業績指標目標每改善1%，則每次增加歸屬2.5%的關鍵業績指標掛鉤購股權；但如果任何關鍵業績指標目標的任何表現速度超過100%，則最多有10%的該項關鍵業績指標目標改善可計入未完全達成的其他關鍵業績指標目標的表現速度。

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

- (3) 根據首次公開發售前購股權計劃所述的任何提前終止，各份購股權將於首次公開發售前購股權計劃項下指定的日期屆滿，但無論如何購股權的行使期均不得超過相關購股權歸屬當日起五年以內。

# Report of the Directors

## 董事會報告

- (4) Approximate percentage of issued Shares of the Company is calculated by dividing the options held by the relevant grantees by the issued and outstanding Shares of the Company as at 31 December 2018.
- (5) Pursuant to the Pre-IPO Share Option Scheme, Liming's takeover resulted changes in control of the Company and triggered accelerated vesting and exercise. Reference is made to the announcements published by the Company on 14 May 2018, 24 July 2018, 2 August 2018 and 16 August 2018, and the offer document published by the offeror on 5 July 2018. During Liming's partial offer, 50.5% of outstanding share options, being 100,323,140 share options, were cancelled. Further, the consideration for 28,107,797 issued shares upon exercise of the option was satisfied by the cancellation of 62,283,521 options. Hence, a total of 162,606,661 options were cancelled as of 31 August 2018. For more information, please refer to note 1 of the monthly return of equity issuer on movements in securities for the month ended 31 August 2018 published by the Company.

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

### POST-IPO RSU SCHEME

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

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

On 24 March 2017, the Board granted an aggregate of 26,333,182 RSUs to certain connected grantees and non-connected grantees of the Group pursuant to the Post-IPO RSU Scheme. On 31 May 2017, an aggregate of 26,333,182 RSUs were accepted by the relevant grantees.

- (4) 估本公司已發行股份的大約百分比，按相關購股權承授人持有的購股權除以本公司2018年12月31日已發行和未發行的股份計算。

- (5) 根據首次公開發售前購股權計劃，利明收購造成本公司的控制權變動，觸發加速歸屬及行使。參考公司在2018年5月14日、2018年7月24日、2018年8月2日和2018年8月16日發佈的公告，以及要約人在2018年7月5日發佈的要約文件。在利明部分要約收購期間，佔50.5%的尚未行使購股權，即100,323,140份購股權已經被註銷。另外，28,107,797份購股權通過註銷62,283,521份購股權作為行權價得以行權。因此，截止到2018年8月31日，共有162,606,661份購股權被註銷。具體可參見公司發佈的截止至2018年8月31日之股份發行人的證券變動月報表附註1。

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

### 首次公開發售後受限制股份單位計劃

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

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

於2017年3月24日，董事會根據首次公開發售後受限制股份單位計劃向本集團若干關連承授人及非關連承授人授出合共26,333,182份受限制股份單位。於2017年5月31日，相關承授人接納合共26,333,182份受限制股份單位。



# Report of the Directors

## 董事會報告

### OUTSTANDING RSUs

For the year ended 31 December 2018, 30,031,994 RSUs have been cancelled, 833,643 RSUs were lapsed, and 23,118,862 RSUs have been vested. As at 31 December 2018, there were no outstanding RSUs.

The takeover of Liming resulted in change of control of the Company and triggered accelerated vesting. For details, please refer to the section headed “Management Discussion and Analysis — LIMING PARTIAL OFFER UPDATE”.

### 未行使受限制股份單位

截至2018年12月31日止年度，有30,031,994份受限制股份已註銷，有833,643份受限制股份單位失效，有23,118,862份受限制股份單位獲歸屬。於2018年12月31日，無尚未行使之受限制股份單位。

根據首次公開發售後受限制股份單位計劃，利明收購造成本公司的控制權變動，觸發加速歸屬。具體可參見公司發佈的本年報「管理層討論及分析 — 利明部分要約收購更新」一節所述。

Name of RSU Grantees	Date of Grant	Consideration	Number of Shares represented by RSUs at 1 January 2018 受限制股份單位於2018年1月1日所代表的股份數目	Granted during the period <sup>(3)</sup> 期內已授出 <sup>(3)</sup>	Vested during the period <sup>(3)</sup> 期內已歸屬 <sup>(3)</sup>	Lapsed during the period	Cancelled during the period <sup>(2)</sup> 期內已註銷 <sup>(2)</sup>	Total number of shares represented by RSUs at 31 December 2018 受限制股份單位於2018年12月31日所代表的股份數目	Vesting Period <sup>(1)(2)</sup> 歸屬期 <sup>(1)(2)</sup>
<b>Directors of the Company</b> 本公司董事									
Dr. Stephen Xiangdong Zou (resigned on 22 November 2018) 鄧向東博士(於2018年11月22日辭任)	22 January 2016 2016年1月22日		5,062,314	-	2,262,124	-	2,800,190	-	please see note 1 and note 2 below 請參閱下文附註1及附註2
	31 May 2017 2017年5月31日		4,028,976	-	1,475,387	-	2,553,589	-	
Wu Yaowen (resigned on 24 August 2018) 吳耀文(於2018年8月24日辭任)	31 May 2017 2017年5月31日		337,500	-	147,612	-	189,888	-	
Robert Ralph PARKS (resigned on 7 September 2018) (於2018年9月7日辭任)	31 May 2017 2017年5月31日		337,500	-	147,612	-	189,888	-	
Fredrick J. BARRETT (resigned on 7 September 2018) (於2018年9月7日辭任)	31 May 2017 2017年5月31日		337,500	-	147,612	-	189,888	-	
Stephen Cheuk Kin Law (resigned on 7 September 2018) 羅卓堅(於2018年9月7日辭任)	31 May 2017 2017年5月31日		337,500	-	147,612	-	189,888	-	
<b>Other employees of the Company</b> 本公司其他僱員									
	18 December 2015 and 31 May 2017 2015年12月18日及2017年5月31日		43,543,185	24	18,790,903	833,643	23,918,663	-	
<b>Total</b> 總計			<b>53,984,475</b>	<b>24</b>	<b>23,118,862</b>	<b>833,643</b>	<b>30,031,994</b>	<b>-</b>	

# Report of the Directors

## 董事會報告

### Notes:

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

### 附註：

- (1) (i) 根據首次公開發售後受限制股份單位計劃於2015年和2016年授予受限制股份單位承授人的受限制股份單位將按以下方式歸屬：
- (a) 50%的受限制股份單位將自2016年3月31日起計每12個月期間根據時間按四分之一(1/4)的比例歸屬；以及
- (b) 50%的受限制股份單位須與關鍵業績指標掛鉤(「**關鍵業績指標掛鉤受限制股份單位**」)並且須分為三等份，每份與三個關鍵業績指標(定義見下文)之一掛鉤，並根據以下支付進度自2016年3月31日起計每12個月期間按四分之一(1/4)的比例歸屬：
- (ii) 根據首次公開發售後受限制股份單位計劃於2017年授予鄒向東博士和本公司其他僱員的受限制股份單位將按以下方式歸屬：
- (a) 50%的受限制股份單位將自2017年3月31日起計12個月期間根據時間按四分之一(1/4)的比例歸屬；以及
- (b) 50%的受限制股份單位須與關鍵業績指標掛鉤(「**關鍵業績指標掛鉤受限制股份單位**」)並且須分為三等份，每份與三個關鍵業績指標掛鉤受限制股份單位支付進度自2017年3月31日起計每12個月期間按四分之一(1/4)的比例歸屬。
- (iii) 根據首次公開發售後受限制股份單位計劃於2017年授予本公司獨立非執行董事的受限制股份單位元將按以下方式歸屬：
- (a) 25%的受限制股份單位將自相關獨立非執行董事接受受限制股份單位授出後歸屬；
- (b) 37.5%的受限制股份單位將自2017年3月31日起計每12個月期間根據時間按三分之一(1/3)的比例歸屬；以及
- (c) 37.5%的受限制股份單位須與關鍵業績指標掛鉤(「**關鍵業績指標掛鉤受限制股份單位**」)並且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並根據關鍵業績指標掛鉤受限制股份單位支付進度自2017年3月31日起計每12個月期間按三分之一(1/3)的比例歸屬。

# Report of the Directors

## 董事會報告

- (2) Pursuant to the Post-IPO RSU Scheme, Liming's partial offer resulted in change of control of the Company and triggered accelerated vesting and exercise. Reference is made to the announcements published by the Company on 14 May 2018, 24 July 2018, 2 August 2018 and 16 August 2018, and the offer document published by the offeror on 5 July 2018. A total of 30,031,994 RSUs were cancelled as of 31 August 2018, among which 20,154,383 RSUs were cancelled by Liming's takeover, 9,877,611 RSUs were awarded by payment in cash according to the board resolution of the Company passed on 2 August 2018. For more information, please refer to note 2 of the monthly return of equity issuer on movements in securities for the month ended 31 August 2018 published by the Company.
- (3) As the issue of shares to the trustee for the RSUs was based on estimation, the Company issued additional 24 shares after all the shares for the RSUs were vested and issued. For more information, please refer to note 3 of the revised monthly return of equity issuer on movements in securities for the month ended 31 August 2018 published by the Company.

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

### Equity-linked Agreements

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

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above under the paragraph "Share Incentive Schemes", no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any Directors or their respective associates (as defined in the Listing Rules), or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective associates (as defined in the Listing Rules), to acquire such rights in any other body corporate for the year ended 31 December 2018.

- (2) 根據首次公開發售後受限制股份單位計劃，利明部分要約收購造成本公司的控制權變動，觸發加速歸屬及行使。參考公司在2018年5月14日、2018年7月24日、2018年8月2日和2018年8月16日發佈的公告，以及要約人在2018年7月5日發佈的要約文件。截止至2018年8月31日，共有30,031,994份受限制股份單位被註銷。其中20,154,383份受限制股份單位通過利明收購被註銷，9,877,611份受限制股份單位依據公司在2018年8月2日做出的董事會決議通過支付現金形式被授予持有人。具體可參見公司發佈的截止至2018年8月31日之股份發行人的證券變動月報表附註2。
- (3) 由於發行於受託人的受限制股票是基於估算，因此在受限制股份單位的所有股票歸屬及發行時，公司較實際多發行了24股股票。具體可參見公司發佈的經更正截止至2018年8月31日之股份發行人的證券變動月報表附註3。

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

### 與股權掛鈎的協議

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

### 董事收購股份或債券的權利

除上文「股權激勵計劃」一段所披露者外，截至2018年12月31日止年度，任何董事及其各自連繫人（定義見上市規則）均未被授予任何權利從認購本公司股份、債券或行使任何有關權利中獲取利益；本公司或其任何附屬公司均未作為訂約方訂立任何安排，從而使得董事及其各自連繫人（定義見上市規則）從收購任何其他公司的有關權利中獲取利益。

# Report of the Directors

## 董事會報告

### CONNECTED TRANSACTIONS

The Group had not entered into any connected transactions or continuing connected transactions which are required to be disclosed in this annual report in compliance with the requirements of Chapter 14A of the Listing Rules during the year ended 31 December 2018. The Directors confirm that they have complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

### RELATED PARTY TRANSACTIONS

Details of related party transactions during the year ended 31 December 2018 are set out in note 27 to the section headed “Notes to the Consolidated Financial Statements” of this annual report.

The related party transactions as set out in note 27 to the section head “Notes to the Consolidated Financial Statements” of this annual report do not fall under the definition of “connected transactions” or “continuing connected transactions” under Chapter 14A of the Listing Rules during the year ended 31 December 2018.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its Directors, the Board confirms that the Company has maintained the sufficiency of public float as required under the Listing Rules at all times for the year ended 31 December 2018 and as at the date of this annual report.

### DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year ended 31 December 2018, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or likely to compete with the business of the Group.

### 關連交易

截至2018年12月31日止年度，本集團並未訂立任何根據上市規則第14A章規定須予以披露的關連交易或持續關連交易。董事確認已遵守上市規則第14A章中的披露要求。

### 關聯方交易

截至2018年12月31日止年度的關聯方交易詳情載於本年報「合併財務報表附註」一節附註27。

截至2018年12月31日止年度，本年報「合併財務報表附註」一節附註27所載關聯方交易並非上市規則第14A章中所指的「關連交易」或「持續性關連交易」。

### 充足的公眾持股量

基於本公司公開可獲取資料以及根據董事所知，董事會確認，截至2018年12月31日止年度，以及截至本年報日期，本公司的公眾持股量一直維持在上市規則規定的水平。

### 董事對於競爭業務的權益

截至2018年12月31日，董事及其各自連絡人沒有從事與本集團業務競爭或可能競爭的任何業務或在當中擁有權益。



# Report of the Directors

## 董事會報告

### SIGNIFICANT LEGAL PROCEEDINGS AND COMPLIANCE MATTERS

For the year ended 31 December 2018, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

For the year ended 31 December 2018, the Company obtained all the material licenses, permits and approvals necessary for the respective development stages of projects in Panzhuang and Mabi.

For the year ended 31 December 2018 and up to the date of this report, to the best knowledge of the Directors, the Group complied with applicable laws, rules and regulations in all material respects.

### SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDERS

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

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

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

### 重大法律訴訟及合規事宜

截至2018年12月31日止年度，本公司並未涉及任何重大重要性訴訟或仲裁，且根據董事所知，本公司也無任何尚未了結或面臨的重大重要性訴訟或索賠。

截至2018年12月31日止年度，本公司獲得了潘莊和馬必兩個項目各發展階段所需的主要牌照、許可證和批文。

截至2018年12月31日止年度，以及截至本報告日期，根據董事所知，本集團在所有重大方面均遵守相關法律法規。

### 控股股東的特定履約責任

2015年7月8日，美中能源有限公司（「SAEI」）（作為借款人）和亞美大陸煤層氣有限公司（「AAGI」）（作為擔保人）與若干銀行就2.5億美元為期69個月的定期貸款融資訂立了優先有抵押迴圈信貸融資協議（「2015融資協定」）。

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

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

# Report of the Directors

## 董事會報告

As at 31 December 2018, the operating profit of the Group marked substantial increase with sufficient cash and bank deposits. In September 2018, the Group repaid in advance the principal of the utilized US\$89 million reserve-based facility under the 2015 Facility Agreement together with the interest thereon and commitment fees, the aggregate facility was then cancelled. For details, please refer to note 15 to the section headed "Notes to the Consolidated Financial Statements" of this annual report.

### HUMAN RESOURCES MANAGEMENT

The management believes that talent is the basis for long-term development and growth of enterprises. Through regular trainings and education of our corporate culture, the Group provides its staff with potentials for personal growth and increase our employees' sense of belonging to the Group. In addition, the Group provides its employees with competitive remuneration packages and various benefits in line with industry practice. At the same time, the Group creates a good working environment, and establishes teamwork spirit among employees. The Group regularly reviews human resources policies to ensure that the policies align with market practice and comply with regulatory requirements. As at 31 December 2018, the Group employed 569 employees (31 December 2017: 643 employees). The total employee benefit expenses (excluding termination benefits) for 2018 was approximately RMB158 million (2017: RMB142 million). Details are set out in note 20 to the section headed "Notes to the Consolidated Financial Statements" of this annual report.

### EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2018

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

### CORPORATE GOVERNANCE

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

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Information on the environmental, social and governance aspects of the Company will be prepared based on the Environmental, Social, and Governance Reporting Guide contained in Appendix 27 to the Listing Rules. The environmental, social and governance report of the Group will be published no later than 3 months after the publication of this annual report.

截止2018年12月31日，本集團營運利潤有大幅增長且現金及銀行存款充足，於2018年9月提前歸還了動用2015融資協定的8,900萬美元儲量融資貸款本金及相關利息、承諾費等費用，並撤銷了融資總額。詳情參見本年報「合併財務報表附註」一節附註15。

### 人力資源管理

管理層相信人才是長期發展及企業增長的基礎。通過有關公司文化的常規訓練及教育，本集團開發其員工個人增長潛力及提升僱員對本集團的歸屬感。此外，本集團向其僱員提供具競爭力的薪酬組合及符合行業慣例的各種福利。同時，本集團創造良好的工作環境及建立僱員間的團隊精神。本集團定期檢討人力資源政策以確保政策與市場慣例一致及符合監管規定。於2018年12月31日，本集團聘用569名僱員(2017年12月31日：643名僱員)。2018年的僱員福利開支總額(不包括離職補償)約人民幣1.58億元(2017年：人民幣1.42億元)。有關詳情載於本年報「合併財務報表附註」一節附註20。

### 截至2018年12月31日後之事項

報告期末至本報告日期內，無任何後續事件會對本集團造成重大影響。

### 企業管治

有關本公司採用企業管治常規的資料載於本年報「企業管治報告」一節。

### 環境、社會及管治

本公司有關環境、社會及管治方面的資料將根據上市規則附錄27所載的《環境、社會及管治報告指引》編製。本集團的環境、社會及管治報告將於本年報刊發後三個月內刊發。

# Report of the Directors

## 董事會報告

### REVIEW BY THE AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and policies adopted by the Group and discussed the Group's risk management, internal controls and financial reporting matters with the management. The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2018.

### PROFESSIONAL TAX ADVICE RECOMMENDED

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

### DIVIDEND POLICY

The dividend policy of the Company (the "Policy") aims to set out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the shareholders of the Company.

#### Principles and Guidelines

The Board adopts the policy that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value.

The Company intends to distribute no less than 25% of its annual net profits as dividends to its shareholders, subject to the conditions and factors as set out below.

The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the articles of association of the Company and all applicable laws and regulations and the factors set out below.

### 審核委員會的審閱

審核委員會已審閱本集團所採用的會計原則及政策，並與管理層討論了本集團的風險管理、內部監控及財務報告事宜。審核委員會也已審閱本集團截至2018年12月31日止年度的經審核合併財務報表。

### 專業稅務意見建議

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

### 股息政策

本公司之股息政策（「政策」）旨在載列本公司擬向本公司股東宣派、派付或分派純利作為股息時所應用的原則及指引。

#### 原則及指引

在建議或宣派股息時，董事會採納之政策為本公司應維持充裕現金儲備以符合其營運資金要求及未來增長和其股東價值。

本公司擬分派不少於其年度淨利潤的25%作為派發予股東的股息，惟須視乎下文所載的條件及因素。

董事會可根據本公司之組織章程細則及所有適用法律及法規以及下列因素酌情向本公司股東宣派及分派股息。

# Report of the Directors

## 董事會報告

The Board shall also take into account the following factors of the the Group when considering the declaration and payment of dividends:

- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans;
- interests of Shareholders;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

Depending on the financial conditions of the Group and the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period:

- interim dividend;
- final dividend;
- special dividend; and
- any distribution of net profits that the Board may deem appropriate.

Any final dividend for a financial year will be subject to Shareholders' approval.

The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate.

Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Articles.

### Review of the Policy

The Board will review the Policy as appropriate from time to time.

在考慮宣派及派發股息時，董事會亦須考慮下列有關本集團的因素：

- 財務業績；
- 現金流量情況；
- 業務狀況及策略；
- 日後營運及盈利；
- 資本規定及開支計劃；
- 股東權益；
- 支付股息的任何限制；及
- 董事會可能認為相關的任何其他因素。

因應本集團的財務狀況及上文所載條件及因素，董事會可就一個財政年度或期間建議及／或宣派股息：

- 中期股息；
- 末期股息；
- 特別股息；及
- 董事會可能視作合適的任何純利分派。

就任何財政年度派付的末期股息將須待股東批准。

本公司可以董事會認為合適的方式宣派及派付股息，如現金或以股代息或其他方式。

任何未領取的股息應被沒收及應根據本公司細則復歸本公司。

### 檢討政策

董事會將在適當情況下不時檢討股息政策。



# Report of the Directors

## 董事會報告

### AUDITORS

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

### APPRECIATION

The Group would like to express its appreciation to all the staff for their outstanding contribution towards the Group's development. The Board wishes to sincerely thank the management for their dedication and diligence, and they are the key factors for the Group to continue its success in future. Also, the Group wishes to extend its gratitude for the continued support from its Shareholders, customers, and business partners. The Group will continue to deliver sustainable business development, so as to meet its business objectives for 2019 and realize higher values for its Shareholders and other stakeholders.

ON BEHALF OF THE BOARD

#### Ming Zaiyuan

*Chairman and Executive Director*

Hong Kong  
21 March 2019

### 核數師

在過去三年中，核數師無變動。

### 致謝

本集團衷心感謝所有員工對本集團發展所作出的傑出貢獻。董事會對管理層的盡職勤勉表示誠摯的謝意，管理層是本集團日後繼續走向成功的關鍵因素。本集團也非常感謝股東、客戶及業務夥伴一如既往的支持。本集團將繼續進行可持續業務發展，旨在實現2019年的業務目標，為股東及其他權益持有人創造更高價值。

代表董事會

主席及執行董事

明再遠

香港  
2019年3月21日

# Corporate Governance Report

## 企業管治報告

The Board is pleased to present this corporate governance report for the year ended 31 December 2018 (the “Review Period”)

### CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance our corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules as its own code of corporate governance. Save as disclosed below, the Company has complied with all applicable code provisions under the CG Code during the year ended 31 December 2018.

During the period from 8 September 2018 to 8 November 2018, the Company had only two independent non-executive Directors, the composition of which fell below the minimum number requirement under Rule 3.10A of the Listing Rules and the qualification requirement under Rule 3.10(2) of the Listing Rules. For details, please refer to this chapter (the section headed “THE BOARD — Board Composition”). The Company will continue to do its best to fulfill the requirement set out in Rule 3.10A of the Listing Rules.

The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

### THE BOARD Responsibilities

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

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

董事會欣然提呈截至2018年12月31日止年度(「回顧期」)的企業管治報告。

### 企業管治

本集團致力於維持高標準的企業管治以保障股東利益並提升企業價值及問責文化。本公司已採納上市規則附錄14所載的企業管治守則(「企業管治守則」)作為自身的企業管治守則。除以下披露外，截止2018年12月31日止年度，本公司已遵守企業管治守則的所有適用守則條文。

於2018年9月8日至2018年11月8日期間，由於本公司僅有二人獨立非執行董事，獨立非執行董事的組成未達到上市規則第3.10A條的最低人數規定及第3.10(2)條的資格要求。詳情參見本章節(「董事會 — 董事會組成」一節)。本公司將繼續盡力達到上市規則第3.10A條所載的規定。

本公司將繼續檢討並監察企業管治常規以確保遵守企業管治守則。

### 董事會 職責

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

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

# Corporate Governance Report

## 企業管治報告

### Board Composition

As at the date of this report, the Board comprised three executive Directors, two non-executive Directors and three independent non-executive Directors as follows:

#### Executive Directors

Mr. Ming Zaiyuan (*Chairman of the Board*)  
(appointed on 24 August 2018)  
Mr. Yan Danhua (*President*) (appointed on 24 August 2018)  
Mr. Zhang Jianbing (*Vice President*)  
(appointed on 24 August 2018)  
Dr. Stephen Xiangdong Zou (resigned on 22 November 2018)

#### Non-executive Directors

Dr. Cui Guiyong  
Ms. Gu Ren (appointed on 21 March 2019)  
Mr. Jin Lei (resigned on 21 March 2019)  
Mr. Saurabh Narayan Agarwal  
(resigned on 21 March 2019)  
Mr. Peter Randall Kagan  
(resigned on 25 August 2018)  
Mr. Gordon Sun Kan Shaw (resigned on 25 August 2018)  
Mr. Wei Zhen (resigned on 25 August 2018)  
Mr. Nie Fei (resigned on 8 May 2018)

#### Independent Non-executive Directors

Mr. Tai Kwok Leung Alexander (appointed on 24 August 2018)  
Dr. Liu Xiaofeng (appointed on 24 August 2018)  
Dr. Yang Ruizhao (appointed on 9 November 2018)  
Mr. Wu Yaowen (resigned on 24 August 2018)  
Mr. Robert Ralph Parks (resigned on 7 September 2018)  
Mr. Stephen Cheuk Kin Law (resigned on 7 September 2018)  
Mr. Fredrick J. Barrett (resigned on 7 September 2018)

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

### 董事會組成

於本報告日期，董事會共有三名執行董事、兩名非執行董事和三名獨立非執行董事如下：

#### 執行董事

明再遠先生(*董事會主席*)  
(於2018年8月24日獲委任)  
嚴丹華先生(*總裁*)(於2018年8月24日獲委任)  
張艦兵先生(*副總裁*)  
(於2018年8月24日獲委任)  
鄒向東博士(於2018年11月22日辭任)

#### 非執行董事

崔桂勇博士  
顧韜女士(於2019年3月21日獲委任)  
金磊先生(於2019年3月21日辭任)  
Saurabh Narayan Agarwal 先生  
(於2019年3月21日辭任)  
Peter Randall Kagan 先生  
(於2018年8月25日辭任)  
蕭宇成先生(於2018年8月25日辭任)  
魏臻先生(於2018年8月25日辭任)  
聶飛先生(於2018年5月8日辭任)

#### 獨立非執行董事

戴國良先生(於2018年8月24日獲委任)  
劉曉峰博士(於2018年8月24日獲委任)  
楊瑞召博士(於2018年11月9日獲委任)  
吳耀文先生(於2018年8月24日辭任)  
Robert Ralph Parks先生(於2018年9月7日辭任)  
羅卓堅先生(於2018年9月7日辭任)  
Fredrick J. Barrett先生(於2018年9月7日辭任)

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

## Corporate Governance Report

### 企業管治報告

As disclosed in the announcement of the Company dated 9 September 2018, following the resignations of three independent non-executive Directors, namely Mr. Parks, Mr. Law and Mr. Barrett, the number of independent non-executive Directors fell below the minimum number of three as required under Rule 3.10(1) of the Listing Rules and fell below one-third of the Board, as required under Rule 3.10A of the Listing Rules. On 9 November 2018, Dr. Yang was appointed as an independent non-executive Director. Following Dr. Yang's appointment, the Company has fulfilled the requirement of minimum number of independent non-executive Directors under Rule 3.10 of the Listing Rules. On 22 November 2018, Dr. Zou resigned as an executive Director. Following the resignation of Dr. Zou, the Board consisted of nine members, three of whom were independent non-executive Directors, representing one-third of the Board. The number of independent non-executive Directors has satisfied the requirements under Rule 3.10A of the Listing Rules. Therefore, the Company has re-complied with Rules 3.10(1) and 3.10A of the Listing Rules within three months after failing to meet these requirements in accordance with Rule 3.11 of the Listing Rules. For further details of the appointment of Dr. Yang and the resignation of Dr. Zou, please refer to the announcements of the Company dated 9 November 2018 and 22 November 2018, respectively.

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

誠如本公司日期為2018年9月9日的公告所披露，於三名獨立非執行董事Parks先生、羅先生及Barrett先生辭任後，獨立非執行董事人數降至低於上市規則第3.10(1)條所載至少三名的最低要求，亦未能符合上市規則第3.10A條所載佔董事會人數三分之一的規定。於2018年11月9日，楊博士已獲委任為獨立非執行董事。繼楊博士獲委任後，本公司已達到上市規則第3.10條所載關於獨立非執行董事最低數目的規定。於2018年11月22日，鄒博士已辭任執行董事。鄒博士辭任後，董事會由九名成員組成，其中三名為獨立非執行董事，佔本公司董事會人數三分之一。獨立非執行董事的人數已符合上市規則第3.10A條所訂明的要求。因此，本公司已於未能符合根據上市規則第3.11條訂明的該等規定後三個月內重新遵守上市規則第3.10(1)條及第3.10A條。有關楊博士委任及鄒博士辭任之進一步詳情，請參閱本公司日期分別為2018年11月9日及2018年11月22日的公告。

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



# Corporate Governance Report

## 企業管治報告

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

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

### Induction and Continuous Professional Development for Directors

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

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

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

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

### 董事的就職和持續專業發展

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

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

# Corporate Governance Report

## 企業管治報告

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

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

Name of Director	Reading regulatory update	Attending expert briefings/seminars/conferences/on-line courses relevant to the business of the Group or directors' duties
董事姓名	閱讀最新監管資料	參加有關本集團業務或董事職責之專家簡報會／研討會／會議／線上課程
<b>Executive Directors</b>	<b>執行董事</b>	
Mr. Ming Zaiyuan ( <i>Chairman</i> )	明再遠先生 ( <i>主席</i> )	✓
Mr. Yan Danhua	嚴丹華先生	✓
Mr. Zhang Jianbing	張艦兵先生	✓
Dr. Stephen Xiangdong Zou (resigned on 22 November 2018)	鄒向東博士 (於2018年11月22日辭任)	—
<b>Non-executive Directors</b>	<b>非執行董事</b>	
Dr. Cui Guiyong	崔桂勇博士	✓
Ms. Gu Ren	顧韜女士	—
Mr. Jin Lei (resigned on 21 March 2019)	金磊先生 (於2019年3月21日辭任)	✓
Mr. Saurabh Narayan Agarwal (resigned on 21 March 2019)	Saurabh Narayan Agarwal 先生 (於2019年3月21日辭任)	✓
Mr. Peter Randall Kagan (resigned on 25 August 2018)	Peter Randall Kagan 先生 (於2018年8月25日辭任)	—
Mr. Gordon Sun Kan Shaw (resigned on 25 August 2018)	蕭宇成先生 (於2018年8月25日辭任)	—
Mr. Wei Zhen (resigned on 25 August 2018)	魏臻先生 (於2018年8月25日辭任)	—
Mr. Nie Fei (resigned on 8 May 2018)	聶飛先生 (於2018年5月8日辭任)	—
Mr. Wu Yaowen (resigned on 24 August 2018)	吳耀文先生 (於2018年8月24日辭任)	—
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>	
Mr. Tai Kwok Leung Alexander	戴國良先生	✓
Dr. Liu Xiaofeng	劉曉峰博士	✓
Dr. Yang Ruizhao	楊瑞召博士	✓
Mr. Robert Ralph Parks (resigned on 7 September 2018)	Robert Ralph Parks 先生 (於2018年9月7日辭任)	—
Mr. Stephen Cheuk Kin Law (resigned on 7 September 2018)	羅卓堅先生 (於2018年9月7日辭任)	—
Mr. Fredrick J. Barrett (resigned on 7 September 2018)	Fredrick J. Barrett 先生 (於2018年9月7日辭任)	—

# Corporate Governance Report

## 企業管治報告

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

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

Each of the executive Directors, non-executive Directors and independent non-executive Directors has entered into a service agreement or a letter of appointment with the Company, in which the terms of service for Mr. Ming Zaiyuan (chairman of the Board and executive Director), Mr. Yan Danhua (executive Director and president), Mr. Zhang Jianbing (executive Director and vice president) and Dr. Cui Guiyong, Ms. Gu Ren (both are non-executive Directors) and Mr. Tai Kwok Leung Alexander and Dr. Liu Xiaofeng (both are independent non-executive Directors) are respectively three years from the date of appointment or re-appointment; while Dr. Yang Ruizhao, the independent non-executive Director, his term of service is one year from the date of appointment. Such term is subject to his re-election by the Company at an annual general meeting upon retirement. The Articles provide that any Director appointed by the Board to fill a casual vacancy in the Board shall hold office until the first general meeting of the Company after his appointment and shall then be eligible for re-election at such meeting. Besides, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. In accordance with the Articles, at every annual general meeting of the Company, one third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years and being eligible offer themselves for re-election.

In accordance with the Articles, Mr. Ming Zaiyuan, Mr. Yan Danhua, Mr. Zhang Jianbing, Dr. Cui Guiyong, Ms. Gu Ren, Mr. Tai Kwok Leung Alexander, Dr. Liu Xiaofeng and Dr. Yang Ruizhao shall retire and being eligible, have offered themselves for re-election at the forthcoming AGM.

### 委任、重選及罷免董事

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

執行董事、非執行董事及獨立非執行董事各自與本公司訂立服務協定或委任書，年限自聘任或續聘日期起計算，董事會主席及執行董事明再遠先生、執行董事及總裁嚴丹華先生、執行董事及副總裁張艦兵先生為期三年，非執行董事崔桂勇博士及顧韜女士為期三年、獨立非執行董事之戴國良先生、劉曉峰博士為期三年，獨立非執行董事楊瑞召博士為期一年，但該年限可在其任滿退任時由本公司在股東週年大會重選而延長。細則規定，董事會為填補董事會臨時空缺而委任的董事，其任期須在其獲委任後的本公司首屆股東大會屆滿，屆時將符合資格並在該屆大會上膺選連任。此外，董事會為增加現有董事會人數而委任的董事，其任期須在本公司下一屆股東週年大會屆滿，屆時將符合資格並在該大會上膺選連任。根據細則，在本公司每屆股東週年大會上，當時三分之一的董事（若其人數並非三的倍數，則最接近但不少於三分之一的人數）將輪值退任，但每位董事（包括獲指定特定任期的董事）應至少每三年在股東週年大會上退任一次並膺選連任。

根據細則，在即將到來的股東週年大會上，明再遠先生、嚴丹華先生、張艦兵先生、崔桂勇博士、顧韜女士、戴國良先生、劉曉峰博士及楊瑞召博士將退任並符合資格申請膺選連任。

# Corporate Governance Report

## 企業管治報告

### General Meetings

During the Review Period, an annual general meeting was held and the attendance of the individual Directors at the meeting is set out in the table below:

### 股東大會會議

在回顧期內，舉行了一次股東週年大會會議，各董事出席這些會議的情況見下表：

Name of Director 董事姓名	Attended/ Eligible to attend 實際出席／可出席次數
Mr. Ming Zaiyuan (Chairman) (appointed on 24 August 2018)	明再遠先生(主席) (於2018年8月24日獲委任) 0/0
Mr. Yan Danhua (appointed on 24 August 2018)	嚴丹華先生(於2018年8月24日獲委任) 0/0
Mr. Zhang Jianbing (appointed on 24 August 2018)	張艦兵先生 (於2018年8月24日獲委任) 0/0
Dr. Stephen Xiangdong Zou (resigned on 22 November 2018)	鄒向東博士 (於2018年11月22日辭任) 1/1
Mr. Jin Lei (resigned on 21 March 2019)	金磊先生(於2019年3月21日辭任) 0/1
Dr. Cui Guiyong	崔桂勇博士 0/1
Mr. Saurabh Narayan Agarwal (resigned on 21 March 2019)	Saurabh Narayan Agarwal 先生 (於2019年3月21日辭任) 0/1
Mr. Peter Randall Kagan (resigned on 25 August 2018)	Peter Randall Kagan 先生 (於2018年8月25日辭任) 0/1
Mr. Gordon Sun Kan Shaw (resigned on 25 August 2018)	蕭宇成先生 (於2018年8月25日辭任) 0/1
Mr. Wei Zhen (resigned on 25 August 2018)	魏臻先生(於2018年8月25日辭任) 0/1
Mr. Nie Fei (resigned on 8 May 2018)	聶飛先生(於2018年5月8日辭任) 1/1
Mr. Tai Kwok Leung Alexander (appointed on 24 August 2018)	戴國良先生 (於2018年8月24日獲委任) 0/0
Dr. Liu Xiaofeng (appointed on 24 August 2018)	劉曉峰博士(於2018年8月24日獲委任) 0/0
Dr. Yang Ruizhao (appointed on 9 November 2018)	楊瑞召博士(於2018年11月9日獲委任) 0/0
Mr. Wu Yaowen (resigned on 24 August 2018)	吳耀文先生(於2018年8月24日辭任) 0/1
Mr. Robert Ralph Parks (resigned on 7 September 2018)	Robert Ralph Parks 先生 (於2018年9月7日辭任) 0/1
Mr. Stephen Cheuk Kin Law (resigned on 7 September 2018)	羅卓堅先生 (於2018年9月7日辭任) 1/1
Mr. Fredrick J. Barrett (resigned on 7 September 2018)	Fredrick J. Barrett 先生 (於2018年9月7日辭任) 1/1



# Corporate Governance Report

## 企業管治報告

### Board Meetings

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

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

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

### 董事會會議

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

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

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

# Corporate Governance Report

## 企業管治報告

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

在回顧期內，董事會舉行了四次會議，各董事出席這些會議的情況見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Mr. Ming Zaiyuan (Chairman) (appointed on 24 August 2018)	明再遠先生(主席) (於2018年8月24日獲委任)	3/3
Mr. Yan Danhua (appointed on 24 August 2018)	嚴丹華先生(於2018年8月24日獲委任)	3/3
Mr. Zhang Jianbing (appointed on 24 August 2018)	張艦兵先生 (於2018年8月24日獲委任)	3/3
Dr. Stephen Xiangdong Zou (resigned on 22 November 2018)	鄒向東博士 (於2018年11月22日辭任)	4/4
Mr. Jin Lei (resigned on 21 March 2019)	金磊先生(於2019年3月21日辭任)	4/4
Dr. Cui Guiyong	崔桂勇博士	4/4
Mr. Saurabh Narayan Agarwal (resigned on 21 March 2019)	Saurabh Narayan Agarwal 先生 (於2019年3月21日辭任)	4/4
Mr. Peter Randall Kagan (resigned on 25 August 2018)	Peter Randall Kagan 先生 (於2018年8月25日辭任)	2/2
Mr. Gordon Sun Kan Shaw (resigned on 25 August 2018)	蕭宇成先生 (於2018年8月25日辭任)	2/2
Mr. Wei Zhen (resigned on 25 August 2018)	魏臻先生(於2018年8月25日辭任)	2/2
Mr. Nie Fei (resigned on 8 May 2018)	聶飛先生(於2018年5月8日辭任)	1/1
Mr. Tai Kwok Leung Alexander (appointed on 24 August 2018)	戴國良先生 (於2018年8月24日獲委任)	2/3
Dr. Liu Xiaofeng (appointed on 24 August 2018)	劉曉峰博士(於2018年8月24日獲委任)	2/3
Dr. Yang Ruizhao (appointed on 9 November 2018)	楊瑞召博士 (於2018年11月9日獲委任)	0/0
Mr. Wu Yaowen (resigned on 24 August 2018)	吳耀文先生(於2018年8月24日辭任)	2/2
Mr. Robert Ralph Parks (resigned on 7 September 2018)	Robert Ralph Parks 先生 (於2018年9月7日辭任)	2/2
Mr. Stephen Cheuk Kin Law (resigned on 7 September 2018)	羅卓堅先生 (於2018年9月7日辭任)	2/2
Mr. Fredrick J. Barrett (resigned on 7 September 2018)	Fredrick J. Barrett 先生 (於2018年9月7日辭任)	2/2

# Corporate Governance Report

## 企業管治報告

### Chairman and Chief Executive

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

The chairman of the Board and the president of the Company are currently two separate positions held by Mr. Ming Zaiyuan as the chairman of the Board and Mr. Yan Danhua as president, with clear distinction in responsibilities. The chairman of the Board is responsible for providing strategic advice and guidance on the business development of the Group, while the president is responsible for the day-to-day operations of the Group.

### Model Code for Securities Transactions

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that they have complied with the required standards as set out in the Model Code for the year ended 31 December 2018.

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

### Delegation by the Board

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

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

### 主席及行政總裁

根據企業管治守則條款第A.2.1條規定，主席與行政總裁的職務必須分開，並由不同人士擔任。

本公司董事會主席及公司總裁現為兩個獨立職位，分別由明再遠先生擔任董事會主席，由嚴丹華先生擔任公司總裁，分工清晰明確。董事會主席負責就本集團業務發展提供策略意見和指導，而公司總裁則負責集團日常營運。

### 證券交易的標準守則

本公司已採用了上市規則附錄10所載之「上市發行人董事進行證券交易標準守則」（「標準守則」）作為其董事進行證券交易操守守則。經向全體董事做出特定查詢後，所有董事確認彼等於截至2018年12月31日止年度已遵守標準守則所載的規定標準。

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

### 董事會授權

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

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

# Corporate Governance Report

## 企業管治報告

### Corporate Governance Function

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

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management of the Company;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Company and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

### 企業管治功能

董事會認同企業管治為董事共同承擔的責任，而企業管治職責包括：

- (a) 制訂並審核本公司的企業管治政策及常規情況；
- (b) 審核並監察本公司董事和高級管理人員的培訓及持續專業發展；
- (c) 審核並監察本公司遵守法律法規規定的政策及常規情況；
- (d) 制訂、審核並監察適用於本公司僱員及董事的操守守則及合規手冊(如有)；以及
- (e) 審核本公司遵守企業管治守則及企業管治報告披露事宜的情況。

### Remuneration of Directors and Senior Management

The Company has established a formal and transparent procedure for formulating policies on remuneration of Directors and senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 December 2018 are set out in note 32 to the section headed "Notes to the Consolidated Financial Statements" of this annual report.

The remuneration of the senior management who were senior management of the Group as at 31 December 2018 is within the following bands:

### 董事及高級管理人員薪酬

本公司為制定本集團董事及高級管理人員薪酬的政策建立了一套正規而具有透明度的程式。各董事本年度截至2018年12月31日的薪酬詳情載於本年報「合併財務報表附註」一節附註32。

於2018年12月31日作為本集團高級管理層的高級管理人員的薪酬範圍如下：

		2018 2018年 Number of Individuals 人數
Emolument bands	薪酬範圍	
HKD1,000,001–HKD1,500,000	1,000,001 港元至 1,500,000 港元	6
HKD1,500,001–HKD2,000,000	1,500,001 港元至 2,000,000 港元	1
HKD2,000,001–HKD2,500,000	2,000,001 港元至 2,500,000 港元	0
HKD2,500,001–HKD3,000,000	2,500,001 港元至 3,000,000 港元	1
		8



# Corporate Governance Report

## 企業管治報告

### Directors' Liability Insurance

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

## BOARD COMMITTEES

### Audit Committee

As at the date of this annual report, the Audit Committee comprises three members, namely Mr. Tai Kwok Leung Alexander, Dr. Liu Xiaofeng and Ms. Gu Ren, the majority of who are independent non-executive Directors. The chairman is Mr. Tai Kwok Leung Alexander, who confirmed that he possesses appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The main duties of the Audit Committee include the following:

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

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

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

### 董事責任險

本公司已就董事可能面對的法律訴訟購買了合適的保險。

### 董事委員會

#### 審核委員會

於本年報日期，審核委員會共有三名成員，即戴國良先生、劉曉峰博士及顧韜女士，其中大多為獨立非執行董事。戴國良先生擔任主席，並確認自身具備上市規則第3.10(2)及3.21條規定的合適專業資格。審核委員會的主要職責如下：

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

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

審核委員會的書面職權範圍在聯交所及本公司網站可供查閱。

# Corporate Governance Report

## 企業管治報告

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

- reviewed annual results of the Company and its subsidiaries for the period ended 31 December 2017;
- reviewed interim results of the Company and its subsidiaries for the period ended 30 June 2018; and
- reviewed the unaudited financial information and the third quarter operations update of the Company and its subsidiaries for the nine months ended 30 September 2018.

在回顧期內，審核委員會舉行了三次會議，討論並審議了以下事項：

- 審閱本公司及其附屬公司截至2017年12月31日期間的年度業績；
- 審閱本公司及其附屬公司截至2018年6月30日期間的中期業績；以及
- 審閱本公司及其附屬公司截至2018年9月30日止九個月的未審計財務資訊及第三季度運營進展。

The attendance record of the Audit Committee members is set out in the table below:

各審核委員會成員的出席紀錄見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Mr. Tai Kwok Leung Alexander (Chairman of the Audit Committee) (appointed on 24 August 2018, appointed on 7 September 2018 as Chairman)	戴國良先生 (審核委員會主席) (於2018年8月24日 獲委任，於2018年9月7日獲委任 為主席)	1/1
Dr. Liu Xiaofeng (appointed on 24 August 2018)	劉曉峰博士(於2018年8月24日獲委任)	1/1
Mr. Jin Lei (appointed on 7 September 2018 and resigned on 21 March 2019)	金磊先生(於2018年9月7日獲委任及 於2019年3月21日辭任)	1/1
Mr. Stephen Cheuk Kin Law (resigned on 7 September 2018)	羅卓堅先生 (於2018年9月7日辭任)	2/2
Mr. Gordon Sun Kan Shaw (resigned on 25 August 2018)	蕭宇成先生 (於2018年8月25日辭任)	2/2
Mr. Robert Ralph Parks (resigned on 7 September 2018)	Robert Ralph Parks 先生 (於2018年9月7日辭任)	2/2

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

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

# Corporate Governance Report

## 企業管治報告

### Remuneration Committee

As at the date of this annual report, the Remuneration Committee comprises three members, namely Dr. Liu Xiaofeng, Mr. Tai Kwok Leung Alexander and Mr. Zhang Jianbing, the majority of whom are independent non-executive Directors.

The principal duties of the Remuneration Committee include the following:

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

### 薪酬委員會

於本年報日期，薪酬委員會共有三名成員，即劉曉峰博士、戴國良先生和張艦兵先生，其中大多為獨立非執行董事。

薪酬委員會的主要職責如下：

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

# Corporate Governance Report

## 企業管治報告

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

薪酬委員會的書面職權範圍在聯交所及本公司網站可供查閱。

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

在回顧期內，薪酬委員會舉行了兩次會議，以討論並審議以下事項：

- reviewed and discussed the performance evaluation results and bonus distribution principles for the year 2017;
  - reviewed the effectiveness of terms of reference for the Remuneration Committee;
  - reviewed proposed remuneration for candidates of Directors and independent non-executive Directors; and
  - reviewed emolument bands and salary adjustment rules of senior management.
- 審核及討論2017年度表現評估結果，花紅分配原則；
  - 審核薪酬委員會書面職權範圍的有效性；
  - 審核董事及獨立非執行董事候選人的擬議薪酬；以及
  - 審核高級管理人員的薪酬範圍及薪酬調整規則。

The attendance record of the Remuneration Committee members is set out in the table below:

各薪酬委員會成員的出席紀錄見下表：

Name of Director 董事姓名	Attended/ Eligible to attend 實際出席／可出席次數
Dr. Liu Xiaofeng (Chairman of the Remuneration Committee) (appointed on 24 August 2018, redesignated as Chairman on 7 September 2018)	劉曉峰博士 (薪酬委員會主席) (於2018年8月24日 獲委任，於2018年9月7日獲調任 為主席) 0/0
Mr. Saurabh Narayan Agarwal (resigned on 21 March 2019)	Saurabh Narayan Agarwal先生 (於2019年3月21日辭任) 2/2
Mr. Tai Kwok Leung Alexander (appointed on 24 August 2018)	戴國良先生 (於2018年8月24日獲委任) 0/0
Mr. Robert Ralph Parks (resigned on 7 September 2018)	Robert Ralph Parks先生 (於2018年9月7日辭任) 2/2
Mr. Fredrick J. Barrett (resigned on 7 September 2018)	Fredrick J. Barrett先生 (於2018年9月7日辭任) 2/2



# Corporate Governance Report

## 企業管治報告

### Nomination Committee

As at the date of this annual report, the Nomination Committee consists of two independent non-executive Directors, being Mr. Tai Kwok Leung Alexander and Dr. Liu Xiaofeng, and an executive Director, Mr. Ming Zaiyuan, who is the chairman of the Nomination Committee.

The principal duties of the Nomination Committee include the following:

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

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

### 提名委員會

於本年報日期，提名委員會成員包括兩名獨立非執行董事戴國良先生和劉曉峰博士，以及一名執行董事明再遠先生，而明再遠先生也是提名委員會主席。

提名委員會的主要職責如下：

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

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

# Corporate Governance Report

## 企業管治報告

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

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

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

The attendance record of the Nomination Committee members is set out in the table below:

在回顧期內，提名委員會舉行了兩次會議，以討論及審議以下事項：

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

提名委員會的書面職權範圍在聯交所及本公司網站可供查閱。

各提名委員會成員的出席紀錄見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Mr. Ming Zaiyuan (Chairman of the Nomination Committee) (appointed on 24 August 2018)	明再遠先生 (提名委員會主席) (於2018年8月24日獲委任)	0/0
Dr. Liu Xiaofeng (appointed on 24 August 2018)	劉曉峰博士(於2018年8月24日獲委任)	0/0
Mr. Tai Kwok Leung Alexander (appointed on 7 September 2018)	戴國良先生 (於2018年9月7日獲委任)	0/0
Dr. Stephen Xiangdong Zou (resigned on 24 August 2018)	鄒向東博士 (於2018年8月24日辭任)	2/2
Mr. Wu Yaowen (resigned on 24 August 2018)	吳耀文先生(於2018年8月24日辭任)	2/2
Mr. Stephen Cheuk Kin Law (resigned on 7 September 2018)	羅卓堅先生 (於2018年9月7日辭任)	2/2

# Corporate Governance Report

## 企業管治報告

### Strategic Development Committee (formerly known as the New Business Committee)

As at the date of this annual report, the Strategic Development Committee consists of two independent non-executive Directors, being Dr. Yang Ruizhao and Mr. Tai Kwok Leung Alexander, and a non-executive Director, Dr. Cui Guiyong. Dr. Yang Ruizhao is the chairman of the Strategic Development Committee.

The principal duties of the Strategic Development Committee include the following:

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

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

### 戰略發展委員會(前稱新業務委員會)

於本年報日期，戰略發展委員會共有兩名獨立非執行董事，即楊瑞召博士、戴國良先生，和一位非執行董事，崔桂勇博士。楊瑞召博士為戰略發展委員會主席。

戰略發展委員會的主要職責包括以下方面：

1. 審閱、評估公司的投資策略、年度投資計劃(由高級管理層及董事會主席提議)及公司的相關風險管理政策並給予意見，向董事會提出建議；
2. 審閱、評估公司的投資機會並給予意見，對高級管理層及董事會主席提議的長期發展計劃(包括併購、合資及股權投資)給予意見，向董事會提出建議；
3. 審閱、評估根據公司的投資策略及年度投資計劃推行的重大投資專案並給予意見，審批發出非約束性的指示性要約或意向書，就重大投資專案的最終方案向董事會提出建議；
4. 審閱、評估除新機會以外的持續投資策略、現有開發勘探專案的技術優勢和風險，包括公司編寫的年度儲量和資源量評估，向董事會提出建議；
5. 監督董事會正式批准的上述事務的落實情況，定期評估公司開展技術工作的能力以及公司管理上述事務相關技術風險的方法；
6. 在重大收購或剝離事務的外部財務顧問和技術顧問聘請方面，不時給予管理層建議，包括審核相關報酬條款；以及
7. 董事會指定的其他事務。

戰略發展委員會的書面職權範圍在聯交所及本公司網站可供查閱。

# Corporate Governance Report

## 企業管治報告

During the Review Period, only one meeting of the Strategic Development Committee was held due to the Liming partial offer and the change of management, failing to comply with its terms of reference which required meeting at least twice a year. The Company will review and ensure the compliance with terms of reference of Strategic Development Committee. The following matters were discussed and considered during that meeting:

- reviewed annual reserve and resources assessments;
  - assessed progress made in respect of development technologies for Mabi concession;
  - reviewed and discussed the new business development strategy and opportunities; and
  - reviewed the effectiveness of the terms of reference for the Strategic Development Committee.
- 審核年度儲量和資源評估；
  - 評估馬必區塊開發技術進展；
  - 審核和討論新業務發展戰略和機會；以及
  - 審核戰略發展委員會的書面職權範圍的有效性。

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

戰略發展委員會的書面職權範圍在聯交所及本公司網站可供查閱。

The attendance record of the Strategic Development Committee members is set out in the table below:

各戰略發展委員會成員的出席紀錄見下表：

Name of Director 董事姓名		Attended/ Eligible to attend 實際出席／可出席次數
Dr. Yang Ruizhao (Chairman of the Strategic Development Committee) (appointed on 9 November 2018)	楊瑞召博士 (戰略發展委員會主席) (於2018年11月9日獲委任)	0/0
Dr. Cui Guiyong (appointed on 7 September 2018)	崔桂勇博士(於2018年9月7日獲委任)	0/0
Mr. Tai Kwok Leung Alexander (appointed on 7 September 2018)	戴國良先生 (於2018年9月7日獲委任)	0/0
Dr. Liu Xiaofeng (appointed on 7 September 2018 as Chairman, resigned on 9 November 2018)	劉曉峰博士(於2018年9月7日獲委任 為主席，於2018年11月9日辭任)	0/0
Mr. Saurabh Narayan Agarwal (resigned on 7 September 2018)	Saurabh Narayan Agarwal 先生 (於2018年9月7日辭任)	1/1
Mr. Fredrick J. Barrett (resigned on 7 September 2018)	Fredrick J. Barrett 先生 (於2018年9月7日辭任)	1/1
Mr. Robert Ralph Parks (resigned on 7 September 2018)	Robert Ralph Parks 先生 (於2018年9月7日辭任)	1/1
Mr. Wu Yaowen (resigned on 24 August 2018)	吳耀文先生(於2018年8月24日辭任)	1/1

# Corporate Governance Report

## 企業管治報告

### Board Diversity Policy

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

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

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

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

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

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

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2018 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

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

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

### 董事會成員多元化政策

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

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

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

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

截至本報告日期，董事會共有8名董事，其中三名為獨立非執行董事，嚴格審核並監控管理過程。從文化及教育背景、專業背景以及技能方面考慮，董事會屬於多元化狀態。

### 董事有關財務報表的財務申報責任

董事知曉自身須準備本年度截至2018年12月31日財務報表的責任，而該財務報表真實而公平地反映本公司及本集團的狀況，以及本集團的業績和現金流量。

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

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



# Corporate Governance Report

## 企業管治報告

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

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

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

### The Risk Management and Internal Control Systems

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

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

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

### 風險管理及內部監控 董事會責任

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

### 風險管理及內部監控系統

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

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

# Corporate Governance Report

## 企業管治報告

During the Review Period, five risk areas had been selected by senior management and confirmed by the Board to form the top of the Company's 2018 risk management agenda, aiming to reduce the risk exposures to an acceptable level. In order to better mitigate the five risk areas, the management had formulated some action plans which were approved, and carried out after rounds of discussions and evaluations. The five risk areas were addressed through the design and implementation of new policies and procedures, and in particular the establishment and refinement of internal controls.

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

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

In 2019, the Company will use its best endeavour to continuously refine our risk management and internal control systems whenever necessary, which would include the establishment of a more systematical risk response process, improvements to be made in control design and execution in high risk areas identified through our annual risk assessment, and a mechanism to monitor the resolution of control deficiencies, to mention but a few.

在回顧期內，五個風險區域已由高級管理層選定並由董事會確認形成公司的2018風險管理的首要議題，旨在降低風險到可接受的水準。為了更好地降低該五個風險區域，管理層制定了行動方案，該行動方案經過多番討論和評估，最終制定、批准並予以實施。五個風險區域通過新政策和程式的設計和實施予以解決，特別是內部控制的建立和完善。

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

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

2019年，本公司將於有需要時盡全力不斷優化內部監控系統，包括通過我們的年度風險評估，建立一套更系統化的風險應變程式，改善控制系統設計和高風險領域中的執行，以及建立監控控制缺陷解決方案的機制。

# Corporate Governance Report

## 企業管治報告

### Internal Audit Function

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

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

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

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

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

### EXTERNAL AUDITORS AND AUDITOR'S REMUNERATION

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

For the year ended 31 December 2018, the total remuneration paid or payable to the Company's external auditors, PricewaterhouseCoopers ("PwC"), for audit and other services totaled RMB5,641,000.

### 內部審計職能

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

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

### 審核系統是否有效及充足

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

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

### 外聘核數師及其酬金

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

本年度截至2018年12月31日，本公司就審核及相關服務已付或應付給外聘核數師羅兵咸永道會計師事務所（「羅兵咸永道」）的酬金總額為人民幣5,641,000元。

# Corporate Governance Report

## 企業管治報告

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

已付或應付給羅兵咸永道的酬金分析如下：

		Year ended 31 December 截至 12 月 31 日止年度 2018 2018 年 RMB'000 人民幣千元
Auditors' remunerations	核數師費用	5,641
— Audit Service	— 審計服務	
— The Company	— 本公司	3,800
— Subsidiaries	— 附屬公司	600
— Non-audit services	— 非審計服務	1,241

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

\* 非審計服務主要指稅務及顧問服務

### COMPANY SECRETARY

Mr. Chiu Ming King from Vistra Hong Kong, an external service provider, has been engaged by the Company as its company secretary. The primary corporate contact person at the Company is Mr Zhang Jianbing, an executive Director.

### 公司秘書

本公司聘用了瑞致達香港(外聘服務機構)的趙明環先生擔任公司秘書。公司內部的主要聯絡人為執行董事張艦兵先生。

During the Review Period, Mr. Chiu undertook at least 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

回顧期內，根據上市規則第3.29條，趙先生接受了不少於15小時的相關專業訓練。

### COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

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

### 與股東的溝通及投資者關係

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

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

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



# Corporate Governance Report

## 企業管治報告

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

### SHAREHOLDERS' RIGHTS

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

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

#### Putting Forward Proposals at General Meetings

The Board is not aware of any provisions allowing the shareholders of the Company to put forward proposals at general meetings of the Company under the Articles and the Cayman Islands Law (2016 Revision). Shareholders who wish to put forward proposals at general meeting may refer to the preceding paragraph to make a written requisition to require the convening of an extraordinary general meeting of the Company.

Detailed procedures for shareholders to propose a person for election as a Director are published on the website of the Company.

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

### 股東權利

#### 股東召開股東特別大會（「股東特別大會」）

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

#### 於股東大會上提呈議案

董事會並不知悉細則及開曼群島法例(2016年修訂本)有任何條文允許本公司股東於本公司之股東大會上提呈議案。股東擬於股東大會上提呈議案，可參照前段所述遞呈請求書以要求召開本公司股東特別大會。

有關股東提名候選董事的程序詳情已刊載於本公司網站。



# Corporate Governance Report

## 企業管治報告

### Enquiries to the Board and contact details

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

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

Email: xiaohang.su@aagenergy.com

### CHANGE IN CONSTITUTIONAL DOCUMENTS

An amended and restated memorandum and articles of association of the Company was adopted by the Company on 5 June 2015 and was effective on the Listing Date. The Company has not made any other significant changes to its constitutional documents during the year ended 31 December 2018 except for the revision of the “Terms of Reference for the Audit Committee” made on 28 December 2018.

The memorandum and articles of association and the terms of reference for the Audit Committee of the Company are available on the websites of the Stock Exchange and the Company.

### 向董事會提出查詢及聯絡資訊

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

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

郵箱：xiaohang.su@aagenergy.com

### 章程文件的變更

本公司於2015年6月5日採用經修訂和重列的本公司組織章程大綱及細則，自上市日期起生效。除本公司於2018年12月28日修訂了「審核委員會職權範圍」，截至2018年12月31日止年度，本公司章程文件並無任何其他重大變更。

本公司組織章程大綱及細則與審核委員會職權範圍在聯交所及本公司網站可供查閱。

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

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

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

### OPINION

#### What we have audited

The consolidated financial statements of AAG Energy Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 108 to 189, which comprise:

- the consolidated balance sheet as at 31 December 2018;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

### 意見

#### 我們已審計的內容

亞美能源控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第108至189頁的合併財務報表，包括：

- 於2018年12月31日的合併資產負債表；
- 截至該日止年度的合併綜合收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策概要。

### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 我們的意見

我們認為，該等合併財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2018年12月31日的合併財務狀況以及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

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# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

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

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

### BASIS FOR OPINION

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

### 意見的基礎

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

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### Independence

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

### 獨立性

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

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

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

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

### KEY AUDIT MATTERS

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

Key audit matter identified in our audit is related to:

- Share-based compensation

### 關鍵審計事項

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

我們在審計中識別的關鍵審計事項是關於：

- 以股份為基礎的報酬

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<b>Share-based compensation</b> 以股份為基礎的報酬	
Refer to note 20 to the consolidated financial statements. 請參閱合併財務報表附註20。	In addressing this matter, we have performed the following procedures: 在處理關鍵審計事項中，我們執行了以下程序：
The Company has adopted and operated Pre-IPO Share Option Scheme and Post-IPO Restricted Share Unit Scheme (collectively the "Schemes") to reward its employees, which are accounted for in accordance with HKFRS 2 "Share-Based Payments". Share-based compensation expenses totalling RMB36.1 million (2017: RMB20.5 million) for the year ended 31 December 2018 comprise net expenses from the Pre-IPO Share Option Scheme of RMB3.8 million (2017: RMB0.3 million) and expenses from the Post-IPO Restricted Share Unit Scheme amounting to RMB32.3 million (2017: RMB20.2 million) which were recognised in the consolidated statement of comprehensive income. Included in the expenses of the Post-IPO Restricted Share Unit Scheme was RMB15.4 million related to the change of control of the Company during the year (note 1 to the consolidated financial statements). 貴公司已採納並執行首次公開發售前購股權計劃和首次公開發售後受限制股份單位計劃(合併統稱為「計劃」)以激勵員工，並遵循香港財務報告準則第2號「以股份為基礎的支付」。截至2018年12月31日止年度，以股份為基礎的報酬費用總額為人民幣36.1百萬元(2017年：人民幣20.5百萬元)，其中包括首次公開發售前購股權計劃之淨費用人民幣3.8百萬元(2017年：人民幣0.3百萬元)和首次公開發售後受限制股份單位計劃之費用約人民幣32.3百萬元(2017年：人民幣20.2百萬元)，並於合併綜合收益表中確認。在截至2018年12月31日止年度首次公開發售後受限制股份單位計劃之費用中包含人民幣15.4百萬元與公司控制權變更相關(參閱合併財務報表附註1)。	<ul style="list-style-type: none"><li>• We obtained and examined the terms and conditions of the Schemes and documentation and the schedule of share-based compensation (the "Schedule") prepared by management.</li><li>• 我們獲取並檢查了計劃的條款和條件以及管理層準備的以股份為基礎的報酬的文件和變動表(「變動表」)。</li><li>• In respect of the share-based compensation expense during the year, we checked the number of awards expected to be vested as shown in the Schedule against the criteria of vesting and the terms of acceleration as set out in the Schemes and underlying supporting documents, including minutes and resolutions of Board of Directors, human resources records, scheme, the fulfilment of performance conditions and other relating documents.</li><li>• 對於本年度確認的以股份為基礎的報酬，我們對在變動表中出現的及根據計劃中加速歸屬的條款預期將被歸屬的獎勵數量和相關支持文件，包括董事會議紀要及決議、人力資源記錄、計劃與證明業績條件滿足之文件及其他相關文件進行核對。</li></ul>

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

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

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

### Key Audit Matter 關鍵審計事項

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

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

The estimation of share-based compensation expense is based on certain key basis and assumptions, including determination of the fair value of relevant awards granted, the incremental fair value arising from cash settlement of awards under the Post-IPO Restricted Share Unit scheme, and the number of awards which are expected to be vested, including the number of awards vested on accelerated basis pursuant to the change of control.

以股份為基礎的報酬費用的估計基於多項關鍵基礎與假設，包括相關被授予獎勵的公允價值的釐定，基於首次公開發售後受限制股份單位計劃以現金結算的獎勵引起的公允價值的增加，以及預期將被給予的獎勵數量，包含因控制權變更而導致的加速被授予的獎勵數量。

Because of the significance of share-based compensation during the year ended 31 December 2018, together with the use of judgements and assumptions, we had identified this matter as a key audit matter.

由於以股份為基礎的報酬於截至2018年12月31日止年度的重大影響，以及對判斷與假設的使用，我們識別該事項為關鍵審計事項。

- We tested the mathematical calculations of share-based compensation expenses during the year.
- 我們測試了本年度以股份為基礎的報酬費用的計算。

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

基於我們的工作，未發現重大異常。



# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
AAG ENERGY HOLDINGS LIMITED (Continued)**  
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**獨立核數師報告**  
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*(於開曼群島註冊成立的有限公司)*

### OTHER INFORMATION

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

### 其他資訊

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

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

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

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

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

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

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

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

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

### 董事及審核委員會就合併財務報表須承擔的責任

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

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

審核委員會須負責監督貴集團的財務報告過程。

# Independent Auditor's Report

## 獨立核數師報告



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

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

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

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

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

羅兵咸永道

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

### 核數師就審計合併財務報表承擔的責任

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

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

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

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

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

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

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

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

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

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

出具本獨立核數師報告的審計項目合夥人是：

LEONG Kin Bong

梁建邦

**PricewaterhouseCoopers**  
*Certified Public Accountants*

**羅兵咸永道會計師事務所**  
*執業會計師*

Hong Kong, 21 March 2019

香港，2019年3月21日

(If there is any inconsistency between the English and Chinese version of this independent auditor's report, the English version shall prevail.)

(本獨立核數師報告的中英文版本如有任何歧義，概以英文版為準。)

## Consolidated Balance Sheet

### 合併資產負債表

		As at 31 December		
		於 12 月 31 日		
		2018	2017	
		2018 年	2017 年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note			
	附註			
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	不動產、工廠及設備	6	3,651,419	3,504,437
Land use rights	土地使用權	7	11,700	11,982
Intangible assets	無形資產	8	39,589	39,832
Restricted bank deposits	受限制銀行存款	11	43,767	37,663
Other non-current assets	其他非流動資產		142	1,434
			<b>3,746,617</b>	3,595,348
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		11,506	2,444
Other current assets	其他流動資產		17,002	14,330
Trade and other receivables	應收賬款及其他應收款	9	575,459	283,597
Cash and cash equivalents	現金及現金等價物	11	1,656,523	2,236,970
			<b>2,260,490</b>	2,537,341
<b>Total assets</b>	<b>總資產</b>		<b>6,007,107</b>	6,132,689
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司所有者的權益</b>			
Share capital	股本	12	2,077	2,041
Share premium	股本溢價		4,475,667	4,385,637
Other reserves	其他儲備	13	307,208	383,703
Retained earnings	留存收益		591,901	178,964
<b>Total equity</b>	<b>總權益</b>		<b>5,376,853</b>	4,950,345



# Consolidated Balance Sheet

## 合併資產負債表

		As at 31 December	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note		
	附註		
<b>LIABILITIES</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Asset retirement obligations	資產棄置義務	14	16,741
Borrowings	借款	15	–
Deferred income tax liabilities	遞延所得稅負債	16	307,322
			<b>324,063</b>
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and other payables	應付賬款及其他應付款	17	256,284
Current income tax liabilities	當期所得稅負債		49,907
			<b>306,191</b>
<b>Total liabilities</b>	<b>總負債</b>		<b>630,254</b>
<b>Total equity and liabilities</b>	<b>總權益及負債</b>		<b>6,007,107</b>

The notes on pages 113 to 189 are an integral part of these consolidated financial statements.

第 113 頁至 189 頁的附註是本合併財務報表的整體部分。

The financial statements on pages 108 to 189 were approved by the Board of Directors on 21 March 2019 and were signed on its behalf.

第 108 頁至 189 頁的財務報表由董事會於 2019 年 3 月 21 日批准，並由其代表簽署。

Director  
董事  
Yan Danhua  
嚴丹華

Director  
董事  
Zhang Jianbing  
張艦兵

# Consolidated Statement of Comprehensive Income

## 合併綜合收益表

		Year ended 31 December 截至12月31日止年度		
		2018	2017	
		2018年	2017年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note 附註			
Revenue	收入	18	978,671	541,598
Other income	其他收入	19	279,169	193,913
Other gains/(losses), net	其他利得/(損失) — 淨額		371	(83)
<b>Operating expenses</b>	<b>經營開支</b>			
Depreciation and amortisation	折舊及攤銷		(203,686)	(110,419)
Employee benefit expenses	僱員福利開支	20	(209,949)	(142,130)
Materials, services and logistics	材料、服務及物流		(214,128)	(134,686)
Others	其他		(26,853)	(26,071)
<b>Total operating expenses</b>	<b>經營開支總額</b>		<b>(654,616)</b>	<b>(413,306)</b>
<b>Profit from operations</b>	<b>經營利潤</b>		<b>603,595</b>	<b>322,122</b>
Interest income	利息收入	21	25,701	6,306
Finance costs	財務費用	21	(25,556)	(12,977)
Exchange losses	匯兌損失	21	(7,480)	(4,510)
<b>Finance costs, net</b>	<b>財務費用 — 淨額</b>		<b>(7,335)</b>	<b>(11,181)</b>
<b>Profit before income tax</b>	<b>除所得稅前利潤</b>	22	<b>596,260</b>	<b>310,941</b>
Income tax expense	所得稅費用	23	(183,323)	(127,743)
<b>Profit attributable to owners of the Company for the year</b>	<b>歸屬於本公司所有者的年度利潤</b>		<b>412,937</b>	<b>183,198</b>
<b>Other comprehensive income:</b>	<b>其他綜合收益：</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>其後可能重分類至損益的項目</i>			
Currency translation differences	外幣折算差額		60,826	(90,363)
<b>Total comprehensive income attributable to owners of the Company for the year</b>	<b>歸屬於本公司所有者的年度綜合收益總額</b>		<b>473,763</b>	<b>92,835</b>
<b>Earnings per share (RMB)</b>	<b>每股收益(人民幣元)</b>			
— Basic	— 基本	24	0.123	0.055
— Diluted	— 稀釋	24	0.123	0.055

The notes on pages 113 to 189 are an integral part of these consolidated financial statements.

第113頁至189頁的附註是本合併財務報表的整體部分。

# Consolidated Statement of Changes in Equity

## 合併權益變動表

		Attributable to owners of the Company 歸屬於本公司的所有者					Total equity
		Share capital	Share premium	Other reserves	(Accumulated deficits)/ Retained earnings		
		股本	股本溢價	其他儲備	留存收益	總權益	
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
<b>As at 1 January 2017</b>	<b>於2017年1月1日</b>	2,034	4,375,343	463,791	(4,234)	4,836,934	
<b>Comprehensive income</b>	<b>綜合收益</b>						
Profit for the year	年度利潤	-	-	-	183,198	183,198	
Currency translation differences	外幣折算差額	-	-	(90,363)	-	(90,363)	
		-	-	(90,363)	183,198	92,835	
<b>Transactions with owners</b>	<b>與所有者的交易</b>						
Share-based compensation	以股份為基礎的報酬	20(b)	-	-	20,515	-	
Vesting of RSUs	歸屬受限制股份單位	12	7	10,201	(10,208)	-	
Exercise of options	行使購股權	12	-	93	(32)	-	
			7	10,294	10,275	-	
						20,576	
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>	2,041	4,385,637	383,703	178,964	4,950,345	
<b>As at 1 January 2018</b>	<b>於2018年1月1日</b>		<b>2,041</b>	<b>4,385,637</b>	<b>383,703</b>	<b>178,964</b>	
<b>Comprehensive income</b>	<b>綜合收益</b>						
Profit for the year	年度利潤	-	-	-	412,937	412,937	
Currency translation differences	外幣折算差額	-	-	60,826	-	60,826	
		-	-	60,826	412,937	473,763	
<b>Transactions with owners</b>	<b>與所有者的交易</b>						
Share-based compensation	以股份為基礎的報酬	20(b)	-	-	31,531	-	
Vesting of RSUs	歸屬受限制股份單位	12	15	44,813	(44,828)	-	
Cash settlement of RSUs	以現金結算的受限制股份單位		-	-	(10,231)	-	
Exercise of options	行使購股權	12	21	113,160	(113,793)	-	
Dividends	股利分配	25	-	(67,943)	-	-	
			36	90,030	(137,321)	-	
						(47,255)	
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>	2,077	4,475,667	307,208	591,901	5,376,853	

The notes on pages 113 to 189 are an integral part of these consolidated financial statements.

第113頁至189頁的附註是本合併財務報表的整體部分。

# Consolidated Statement of Cash Flows

## 合併現金流量表

		Year ended 31 December 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note 附註		
<b>Cash flows from operating activities</b>	<b>經營活動現金流量</b>		
Cash generated from operations	經營所得現金	26	516,370
Interest paid	已付利息		(28,123)
Income tax paid	已付所得稅		(83,314)
Net cash generated from operating activities	經營活動所得現金淨額		404,933
<b>Cash flows from investing activities</b>	<b>投資活動現金流量</b>		
Purchases of property, plant and equipment and intangible assets	購買不動產、工廠及設備以及無形資產		(439,371)
Increase in restricted bank deposits	受限制銀行存款增加		(6,104)
Proceeds from disposal of property, plant and equipment	出售不動產、工廠及設備所得款項		45
Interest received	已收利息		25,837
Net cash used in investing activities	投資活動所用現金淨額		(419,593)
<b>Cash flows from financing activities</b>	<b>融資活動現金流量</b>		
Proceeds from exercise of options	行使購股權所得款項		2,227
Proceeds from bank borrowings	銀行借款所得款項		44,489
Repayments of borrowings	償還借款		(607,389)
Finance costs paid	已付財務費用		(6,524)
Dividends paid to company's shareholders	已付股利		(67,943)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額		(635,140)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物(減少)/增加淨額</b>		(649,800)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	11	2,236,970
Exchange gains/(losses) on cash and cash equivalents	現金及現金等價物匯兌收益/(損失)		69,353
<b>Cash and cash equivalents at end of the year</b>	<b>年末現金及現金等價物</b>	11	1,656,523

The notes on pages 113 to 189 are an integral part of these consolidated financial statements.

第113頁至189頁的附註是本合併財務報表的整體部分。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 1. GENERAL INFORMATION

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

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

The Overall Development Plan (“**ODP**”) of the Panzhuang concession was approved by the National Development and Reform Commission (“**NDRC**”) of the PRC on 28 November 2011, which allowed the Panzhuang concession to enter into the commercial development phase. On 8 October 2018, NDRC formally announced the Approval Regarding the Overall Development Plan (“**ODP**”) in respect of the Foreign Cooperation Project within the Southern Area in Mabi concession, Qinshui Basin, Shanxi Province. According to the announcement, the approval was officially issued in September 2018. With this approval, Mabi is eligible for commercial development. As at 31 December 2018, the Northern Area of Mabi concession was still in exploration phase.

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

### 1. 一般資料

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

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

潘莊區塊的總體開發方案(「ODP」)於2011年11月28日獲中國國家發展和改革委員會(「國家發改委」)批准，允許潘莊區塊進入商業開發階段。國家發改委於2018年10月8日正式公告了關於山西沁水盆地馬必區塊南區煤層氣對外合作項目總體開發方案(「ODP」)的批復。根據其公告，該批復於2018年9月正式批出。自此，馬必區塊具備了商業開發的條件。於2018年12月31日，馬必區塊北區仍處於勘探階段。

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



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 1. GENERAL INFORMATION (Continued)

On 14 May 2018, Liming Holding Limited (“**Liming**”), an indirect wholly owned subsidiary, controlled through Sichuan Liming Energy Development Co., Ltd. (“**Sichuan Liming**”), of Xinjiang Xintai Natural Gas Co., Ltd. (“**XTRQ**”), a company incorporated in the PRC and listed on the Shanghai Stock Exchange (stock code: 603393), announced that it would make a voluntary conditional partial cash offer to acquire a maximum of 1,692,295,936 shares (representing approximately 50.5% of the shares in issue as at that date) or such higher number of shares representing 50.5% of the shares in issue as at the final closing date (including any shares for which a valid notice of exercise has been delivered in respect of an option on or after that date and on or before the final closing date) at the offer price of HK\$1.75 per share and, pursuant to Rule 13.1 of the Takeovers Code, extend an appropriate offer to cancel or acquire (as applicable) a maximum of 100,956,224 options and 20,444,228 RSU shares (representing approximately 50.5% of the outstanding options and RSU shares, respectively, as at that date).

On 16 August 2018, being the final closing date, Liming announced that it had received (i) valid acceptances of the partial offer in respect of 2,758,498,386 shares, representing approximately 82.3% of the issued share capital of the Company as at the date of the Announcement (or approximately 82.3% of the issued share capital of the Company as at 16 August 2018), (ii) 194,462,080 valid acceptances in respect of the option offer, and (iii) 36,116,793 valid acceptances in respect of the RSU offer. Pursuant to the terms of the partial offer, Liming took up 1,692,871,886 shares at HK\$1.75 per share. Pursuant to the terms of the option offer and RSU offer, Liming took up and cancelled 100,323,140 options and 20,154,383 RSUs at HK\$0.5647 per option and HK\$1.75 per RSU, respectively.

The Directors regard Liming, Sichuan Liming and XTRQ as the immediate parent entity, intermediate parent entity and the ultimate parent entity of the Company respectively after the completion of the takeover (“**Change of Control**”).

### 1. 一般資料(續)

於2018年5月14日，新疆鑫泰天然氣股份有限公司(「**新天然氣**」，於中國註冊成立的公司，於上海證券交易所上市(股份代號：603393))通過四川利明能源開發有限責任公司(「**四川利明**」)持有的間接全資附屬公司香港利明控股有限公司(「**利明**」)公佈，其將作出一項自願有條件部分現金要約，以按要約價每股1.75港元收購最多1,692,295,936股股份(約佔當日已發行股份的50.5%)或佔最後截止日期已發行股份(包括於當日或之後及於最後截止日期或之前已交付有效的購股權行使通知的任何股份)50.5%的較高數目股份，並根據收購守則第13.1條延長一項適當的要約，以註銷或收購(如適用)最多100,956,224份購股權及20,444,228股受限制股份單位股份(分別約佔當日未行使購股權及受限制股份單位股份的50.5%)。

於2018年8月16日(即最後截止日期)，利明公佈其已收到(i)涉及股份的現金部分要約的2,758,498,386股有效接納，約佔本公司於該公佈日期已發行股本的82.3%(或約佔本公司於2018年8月16日已發行股本的82.3%)；(ii)有關購股權要約的194,462,080份有效接納；及(iii)有關受限制股份單位要約的36,116,793份有效接納。根據現金部分要約的條款，利明將按每股1.75港元承購1,692,871,886股股份。根據購股權要約及受限制股份單位要約的條款，利明將按每份購股權0.5647港元及每份受限制股份單位1.75港元承購及註銷100,323,140份購股權及20,154,383份受限制股份單位。

收購完成後，董事將利明、四川利明及新天然氣分別視為本公司的直接控股公司、中間控股公司及最終控股公司(「**控制權變更**」)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### 2.1 Basis of preparation

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

The consolidated financial statements are presented in Renminbi (“RMB”) unless otherwise stated.

The preparation of the financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

#### (a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:

- *HKFRS 9 Financial Instruments*
- *HKFRS 15 Revenue from Contracts with Customers*
- *Classification and Measurement of Share-based Payment Transactions — Amendments to HKFRS 2*

The impact of the adoption of HKFRS 9 and HKFRS 15 are disclosed in note 2.2 below. The other standard did not have any impact on the Group’s accounting policies and did not require retrospective adjustments.

### 2. 重要會計政策摘要

編製本合併財務報表採用的主要會計政策載於下文，除另有說明外，此等政策在所列報的所有年度內貫徹使用。

#### 2.1 編製基準

本集團的合併財務報表已根據所有適用香港財務報告準則（「香港財務報告準則」）及《香港公司條例》第622章的規定編製。合併財務報表根據歷史成本法編製。

除另有說明外，合併財務報表以人民幣（「人民幣」）列報。

編製符合香港財務報告準則的財務報表需要使用若干關鍵會計估計。亦需要管理層在應用本集團的會計政策過程中行使其判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對合併財務報表作出重大假設和估計的範疇，在附註4中披露。

#### (a) 本集團已採納新訂及已修訂準則

本集團於2018年1月1日開始的年度報告期間首次採用以下準則及修訂：

- 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號與客戶之間的合同產生的收入
- 股份支付交易的分類及計量 — 香港財務報告準則第2號的修訂

採納上述香港財務報告準則第9號和第15號而造成的影響在附註2.2中披露。其他準則並未對本集團的會計政策造成任何影響，亦不需進行追溯調整。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### (b) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

##### *HKFRS 16 Leases*

##### Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基準(續)

##### (b) 尚未採納的新準則及解釋

多項新會計準則及解釋已頒佈，惟毋須於2018年12月31日的報告期間強制應用，而本集團亦無提早採納。本集團對此等新準則及解釋所構成影響的評估如下。

##### *香港財務報告準則第16號租賃*

##### 變更的性質

香港財務報告準則第16號於2016年1月發佈。對於承租人而言，由於對經營租賃和融資租賃的區分已經刪除，香港財務報告準則第16號將會導致幾乎所有租賃均須在資產負債表內確認。根據新準則，主體須確認資產(租賃資產的使用權)和支付租金的負債。豁免僅適用於短期和低價值的租賃。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### (b) New standards and interpretations not yet adopted (Continued)

*HKFRS 16 Leases (Continued)*

Impact

The Group has set up a project team which has reviewed all of the Group's leasing arrangements in light of the new lease accounting rules in HKFRS 16. The standard will affect primarily the accounting for the Group's operating leases.

As at the reporting date, the Group has non-cancellable operating lease commitments of RMB10,336,000, see note 28. Of these commitments, approximately RMB3,053,000 relate to short-term leases which will be recognised on a straight-line basis as expense in profit or loss.

For the remaining lease commitments the Group expects to recognise right-of-use assets of approximately RMB57,021,000 on 1 January 2019, lease liabilities of RMB52,313,000 (after adjustments for prepayments and accrued lease payments recognised as at 31 December 2018). Overall net current assets will be RMB13,216,000 lower due to the presentation of a portion of the liability as a current liability.

The Group expects that net profit after tax will decrease by approximately RMB1,402,000 for 2019 as a result of adopting the new rules. Adjusted EBITDA used to measure segment results is expected to increase by approximately RMB8,489,000, as the operating lease payments were included in EBITDA, but the amortisation of the right-of-use assets and interest on the lease liability are excluded from this measure.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基準(續)

##### (b) 尚未採納的新準則及解釋(續)

*香港財務報告準則第16號租賃(續)*

影響

本集團設立了項目團隊，根據香港財務報告準則第16號中租賃會計的新規定對本集團所有租賃安排進行了審閱。此準則將主要影響本集團經營租賃的會計處理。

截至報告日，本集團擁有的不可撤銷的經營租賃承諾為10,336,000元，參見附註28。其中，與短期租賃相關的經營租賃承諾約為3,053,000元將按照直線法確認為費用並計入損益。

對於剩餘租賃承諾，本集團預計將於2019年1月1日確認的使用權資產約為57,021,000元，租賃負債(根據於2018年12月31日確認的預付款項和預提租賃付款額進行調整後的金額)為52,313,000元。由於部分負債將列示為流動負債，所以淨流動資產將降低約13,216,000元。

由於採用了新規定，本集團預計二零一九年的稅後淨利潤將減少人民幣約1,402,000元。由於經營租賃付款額被納入息稅折舊及攤銷前利潤(EBITDA)，而使用權資產攤銷和租賃負債利息未被納入EBITDA的計量，所以用於計量分部業績的經調整EBITDA預計將增加人民幣約8,489,000元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### (b) New standards and interpretations not yet adopted (Continued)

*HKFRS 16 Leases (Continued)*

Date of adoption by Group

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. All right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

#### 2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 9 Financial Instruments and HKFRS 15 Revenue from Contracts with Customers on the Group's financial statements.

##### (a) HKFRS 9 Financial Instruments

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

### 2. 重要會計政策摘要(續)

#### 2.1 編製基準(續)

##### (b) 尚未採納的新準則及解釋(續)

*香港財務報告準則第16號租賃(續)*

本集團採納日

本集團將在香港財務報告準則第16號的強制採納日2019年1月1日採用該準則。本集團打算採用簡易過渡方法，不對首次採納上一年度的比較金額進行重述。所有使用權資產將按照採納日的租賃負債金額(根據預付或預提租賃費用進行調整後的金額)進行計量。

概無其他尚未生效但預期將於當前或未來報告期間對實體以及可見將來交易造成重大影響的準則。

#### 2.2 會計政策變更

本附註解釋採納香港財務報告準則第9號金融工具及香港財務報告準則第15號與客戶之間的合同產生的收入對本集團財務報表的影響。

##### (a) 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號取代了香港會計準則第39號關於金融資產和金融負債的確認、分類與計量、金融工具終止確認、金融資產減值與套期會計處理的相關規定。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 Changes in accounting policies (Continued)

##### (a) HKFRS 9 Financial Instruments (Continued)

The new impairment model under HKFRS 9 requires the recognition of impairment provisions based on expected credit losses (“ECLs”) rather than only incurred credit losses. The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and notes receivables. To measure the expected credit losses, the Group makes periodic assessments on the recoverability of the receivables based on the background and reputation of the customers, historical settlement records and past experience. Management considers that the expected credit loss is close to zero and the adoption of HKFRS 9 has no significant impact on the recognition of impairment.

The Group has financial assets subject to HKFRS 9’s new expected credit loss model:

- trade receivables,
- notes receivables, and
- other receivables

For trade and notes receivables, the Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which requires the use of the lifetime expected loss provision for all trade and notes receivables.

### 2. 重要會計政策摘要(續)

#### 2.2 會計政策變更(續)

##### (a) 香港財務報告準則第9號金融工具(續)

香港財務報告準則第9號項下的新減值模型規定按預期信用損失，而非僅按已發生信用損失確認減值撥備。本集團採用香港財務報告準則第9號簡化法計量預期信用損失，即就所有應收賬款及應收票據計提存續期內預期信用損失撥備。為計量預期信用損失，本集團根據客戶的背景及聲譽、過往結算記錄及過往經驗，定期評估應收款的可收回程度。管理層認為預期信用損失接近零，採納香港財務報告準則第9號對確認減值並無重大影響。

本集團的以下幾類金融資產適用於香港財務報告準則第9號的新預期信用損失模型：

- 應收賬款；
- 應收票據；及
- 其他應收款

就應收賬款及應收票據而言，本集團採用香港財務報告準則第9號規定的簡化法就預期信用損失作出撥備，其規定就所有應收賬款及應收票據計提存續期內預期信用損失撥備。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 Changes in accounting policies (Continued)

##### (a) HKFRS 9 Financial Instruments (Continued)

For other receivables, the Group recognizes a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the other receivables since initial recognition or the other receivables is not determined to have low credit risk at the reporting date, in which cases the loss allowance is measured at an amount equal to lifetime ECLs.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

##### (b) HKFRS 15 Revenue from Contracts with Customers

The Group has adopted HKFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in HKFRS 15, the Group has adopted this standard using the modified retrospective approach which means that the cumulative impact of the adoption shall be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated. The Group has assessed the effects of applying the new standard and found no cumulative impact of the adoption on retained earnings.

### 2. 重要會計政策摘要(續)

#### 2.2 會計政策變更(續)

##### (a) 香港財務報告準則第9號金融工具(續)

就其他應收款而言，本集團按照相當於未來12個月內預期信用損失的金額計量其損失準備，除非該其他應收款的信用風險自初次確認以來顯著增加或在報告日不被認為具有較低的信用風險，此種情況下，損失準備按等同於整個存續期預期信用損失的金額計量。

現金及現金等價物亦須遵循香港財務報告準則第9號的減值要求，但已確認的減值損失並不重大。

##### (b) 香港財務報告準則第15號與客戶之間的合同產生的收入

本集團自2018年1月1日起採納香港財務報告準則第15號與客戶之間的合同產生的收入，導致會計政策變動及已於財務報表確認金額的調整。根據香港財務報告準則第15號的過渡條文，本集團已採用經修訂的追溯法採納該準則，即採用的累計影響將於2018年1月1日的留存收益中確認，而比較數字將不會重列。本集團已評估應用新訂準則的影響，並未發現對留存收益的累計影響。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Subsidiaries

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

#### 2.4 Production Sharing Contract

The Group's exploration, development and production activities are primarily conducted through PSCs which establish joint control over the exploration, development and production activities. Each participant is entitled to a predetermined share of the related output and bears an agreed share of the costs.

The consolidated financial statements reflects:

- (i) The Group's assets used in joint operations;
- (ii) Any liabilities that the Group has incurred;
- (iii) Any income from the sale or use the Group's share of the output of the production, together with its share of any expenses incurred in the production; and
- (iv) Any expenses that the Group has incurred in respect of its interest in the production.

### 2. 重要會計政策摘要(續)

#### 2.3 附屬公司

附屬公司是指本集團對其有控制權的實體(包括結構性實體)。當本集團因參與該實體而接受或享有可變回報的權益，並有能力通過其權力指揮實體活動而影響該回報時，則本集團對該實體具有控制權。附屬公司自控制權轉移至本集團之日起合併入賬。子公司在控制權終止之日起停止合併入賬。

集團內部交易，集團公司間交易產生的結餘及未變現收益會相互抵銷。未變現虧損也會抵銷，除非此交易提供了轉移資產減值的證據。於必要時會對附屬公司所呈報金額做出調整以符合本集團的會計政策。

#### 2.4 產品分成合同

本集團的勘探，開發及生產活動主要通過產品分成合同進行，而產品分成合同確立了對勘探，開發及生產活動的共同控制權。各參與者均享有產量的預定份額及承擔協定的成本。

合併財務報表反映了：

- (i) 本集團用於共同業務的資產；
- (ii) 本集團產生的任何負債；
- (iii) 銷售或使用本集團應佔產量產生的任何收入，連同其生產過程中的產生的任何費用；及
- (iv) 本集團就其產品權益產生的任何費用。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.4 Production Sharing Contract (Continued)

The Group's PSCs comprise of three phases: the exploration phase, development phase and production phase. Costs incurred with respect to exploration activities within the PSC contract areas are solely borne by the Group. All costs incurred subsequent to the date of the approval of ODP are treated as development costs and provided by the Group and the PSC partners in the proportion of their respective participating interests. Operating costs incurred for the production operation shall be borne by the Group and the PSC partners in proportion to their share of the output of the CBM productions in each concession.

Pursuant to the Panzhuang and Mabi PSCs, the annual gross production of CBM, after payment of value-added tax ("VAT") and royalties, is allocated into Cost Recovery CBM and Remainder CBM.

#### (a) Cost Recovery CBM

Cost Recovery CBM is the CBM allocated to the Group and the PSC partners for recovery of the operating costs, as well as the exploration costs and development costs. 70% and 80% of annual gross production of CBM is deemed as Cost Recovery CBM under the Panzhuang and Mabi PSC, respectively. Cost Recovery CBM is allocated until all costs incurred by each party have been fully recovered. Cost Recovery CBM is allocated as follows:

- (i) Prior to the production phase, Cost Recovery CBM is firstly applied to recover costs incurred during the exploration phase of the PSC and once such costs have been fully recovered, Cost Recovery CBM is allocated to recover costs incurred during the development phase.
- (ii) After the PSC enters the production phase, Cost Recovery CBM is allocated according to the following mechanism:

Operating cost recovery: payment in kind for the operating costs actually incurred but not yet recovered by each party.

### 2. 重要會計政策摘要(續)

#### 2.4 產品分成合同(續)

本集團的產品分成合同包含三個階段：勘探階段、開發階段及生產階段。就產品分成合同區域的勘探活動所產生成本全部由本集團承擔。總體開發方案獲批日之後所產生全部成本視作開發成本並由本集團及產品分成合同合作夥伴按其各自參與權益比例分擔。生產運營所產生的營運成本應由本集團及產品分成合同合作夥伴按其應佔各區塊煤層氣產量的比例承擔。

根據潘莊和馬必的產品分成合同，煤層氣的年度總產量經扣減增值稅（「增值稅」）及礦區土地使用費後分配至費用回收氣及餘額氣。

#### (a) 費用回收氣

費用回收氣為分配於本集團和產品分成合同合作方以回收經營成本、勘探成本以及開發成本的煤層氣。潘莊及馬必產品分成合同下分別有70%和80%的煤層氣年度總產量被視為費用回收氣。費用回收氣獲分配直至各方產生的全部成本已收回為止。費用回收氣分配如下：

- (i) 生產階段前，費用回收氣首先用於收回產品分成合同勘探階段所產生成本，一旦有關成本全部回收，費用回收氣將分配至開發階段產生的成本。
- (ii) 產品分成合同進入生產階段之後，費用回收氣根據以下機制分配：

經營成本回收：對實際發生但各方尚未收回的各類經營成本的支付。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.4 Production Sharing Contract (Continued)

##### (a) Cost Recovery CBM (Continued)

###### (ii) (Continued)

Exploration and development cost recovery: after operating costs have been fully recovered, the Cost Recovery CBM is allocated to the Group and the PSC partners for the recovery of exploration and development costs. Exploration costs, 100% of which are borne by the Group, are fully recovered before development costs can be recovered. Upon the full recovery of exploration costs, any remaining Cost Recovery CBM is allocated between the Group and the PSC partners for the recovery of development costs according to the respective participating interests in the CBM concessions.

For the purpose of recovery, exploration costs do not include any interest, while development costs include a deemed interest calculated at a fixed compound interest rate of 9% per annum.

##### (b) Remainder CBM

Remainder CBM represents the remainder annual gross CBM production after payment of VAT, royalties and allocation to Cost Recovery CBM.

The Remainder CBM is further divided into allocable remainder CBM and share CBM. The allocable remainder CBM equals to the total remainder CBM multiplied by a factor (X) and the share CBM equals the Remainder CBM minus the allocable remainder CBM. The factor (X) is determined in accordance with a set of successive incremental tiers on the basis of the annual gross CBM production as set out in the PSCs. The allocable remainder CBM is allocated between the Group and the PSC partner according to the respective participating interest in the PSC. Share CBM is allocated 100% to the PSC partner.

### 2. 重要會計政策摘要(續)

#### 2.4 產品分成合同(續)

##### (a) 費用回收氣(續)

###### (ii) (續)

勘探及開發成本回收：經營成本全部回收之後，費用回收氣將分配至本集團和產品分成合同合作方，以回收勘探和開發成本。勘探成本（100%由本集團承擔）於開發成本回收之前全部回收。回收全部勘探成本後，任何剩餘的費用回收氣根據本集團和產品分成合同合作夥伴按其應佔各區塊參與權益在兩者之間分配以收回開發成本。

就回收目的而言，勘探成本不包括任何利息，而開發成本包括按9%的固定複合年利率計算的認定利息。

##### (b) 餘額氣

餘額氣為煤層氣總年產量扣除增值稅，礦區土地使用費及費用回收氣分配後的餘額。

餘額氣進一步分為分成氣和留成氣。分成氣等於總剩餘氣乘以一個係數(X)，而留成氣等於餘額氣減分成氣。係數(X)根據產品分成合同所載以煤層氣總年產量為基礎的一系列滑動階梯決定。分成氣根據本集團與產品分成合同合作夥伴各自於產品分成合同的參與權益之間分配。留成氣100%分配於產品分成合同的合作方。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the directors and chief executive of the Company.

#### 2.6 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company is US\$, whereas the functional currency of the production sharing projects in the PRC is RMB. The consolidated financial statements are presented in RMB.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statements of comprehensive income.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the consolidated statements of comprehensive income within "exchange gains/losses".

### 2. 重要會計政策摘要(續)

#### 2.5 分部報告

經營分部的報告方式與向主要營運決策者提供的內部報告方式一致。董事和本公司首席執行官被認定為主要營運決策者，負責分配資源並評估經營分部的業績。

#### 2.6 外幣折算

##### (a) 功能及列報貨幣

本集團各主體的財務報表所列項目均以該主體營運所在主要經濟環境的貨幣(「功能貨幣」)計量。本公司的功能貨幣是美元，而在中國的產品分成合同項目的功能貨幣是人民幣。合併財務報表以人民幣列報。

##### (b) 交易及結餘

外幣交易採用交易日或項目重新計量的估值日的適用匯率換算為功能貨幣。結算此類交易產生的匯兌利得和損失以及按年終匯率換算以外幣計價的貨幣資產及負債產生的匯兌利得和損失在合併綜合收益表確認。

有關現金及現金等價物的匯兌盈虧於合併綜合收益表以「匯兌收益／損失」列報。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.6 Foreign currency translation (Continued)

##### (c) Group companies

The results and financial positions of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in OCI.

#### 2.7 Property, plant and equipment

Property, plant and equipment, other than exploration and evaluation assets and construction in progress, are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the consolidated statements of comprehensive income during the financial period in which they are incurred.

### 2. 重要會計政策摘要(續)

#### 2.6 外幣折算(續)

##### (c) 集團公司

功能貨幣與列報貨幣不同的所有集團實體(當中無惡性通貨膨脹經濟下的貨幣)的業績及財務狀況按以下方式換算為列報貨幣:

- (i) 每份資產負債表中的資產和負債按資產負債表日的收市匯率換算;
- (ii) 每份綜合收益表的收入及費用按平均匯率換算(除非此匯率並非交易日匯率累計影響的合理近似值,在此情況下,收入和費用按交易日期的匯率折算);及
- (iii) 所有由此產生的貨幣折算差額在其他綜合收益中確認。

#### 2.7 不動產、工廠及設備

不動產、工廠及設備(勘探和評估資產及在建工程除外)均以歷史成本減去累計折舊和減值列示。歷史成本包括直接歸屬於收購項目的所有開支。

後續成本僅會在與項目有關的未來經濟利益很可能流入本集團,而該項目的成本可以被可靠計量時,方會計入資產的賬面價值或確認為一項單獨資產(如適用)。已替換部分的賬面價值予以終止確認。所有其他維修和維護費在產生之財務期間計入合併綜合收益表。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.7 Property, plant and equipment (Continued)

Other than gas properties, depreciation of each asset is calculated using the straight-line method to allocate its cost less its residual value over its estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

	Estimated useful lives 估計可使用年期
Gas gathering station and relating facilities 集氣站及相關設施	Shorter of remaining PSC period or 20 years 產品分成合同剩餘年限或20年(以較短者為準)
Vehicles 車輛	4-5 years 4-5年
Furniture, fittings and others 傢俱、裝置及其他	3-5 years 3-5年

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

資產的剩餘價值及使用年限於各資產負債表日進行覆核及調整(如適用)。

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.12).

如果資產的賬面價值大於其估計可回收金額，其賬面價值須立即調減至資產的可回收金額(附註2.12)。

Construction in progress represents development costs occurred after the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and the buildings, machinery and equipment for which the construction work has not been completed. It is carried at cost which includes construction expenditures and other direct costs less any impairment losses. Upon completion, the development costs recorded in construction in progress are transferred to gas properties. No depreciation is provided for construction in progress until they are completed and available for use.

在建工程指就開採礦產資源的進行技術可行性及商業可行性之後所產生的開發成本以及建造工程尚未完工的樓宇、機器及設備。在建工程以成本列示，成本包括建造開支及其他直接成本扣除任何減值損失。於完工後，計入在建工程的開發成本轉入天然氣資產。在建工程在完工並投入使用之前不計提折舊。

Spare parts are accounted for as property, plant and equipment when (a) they can be used only in connection with an item of property, plant and equipment; or (b) the Group expects to use them during more than one year. Other spare parts are classified as inventory.

當備件(a)僅用於一項不動產、工廠及設備；或(b)本集團預期該設備的使用年限超過一年時，作為不動產、工廠及設備列示。其他備件分類為存貨。

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised within "other gains/losses" in the consolidated statements of comprehensive income.

處置的收益和損失按所得款項與賬面價值的差額確定，並於合併綜合收益表中的「其他利得／損失」中確認。

### 2. 重要會計政策摘要(續)

#### 2.7 不動產、工廠及設備(續)

除了天然氣資產，各資產的折舊按其成本減剩餘價值在其估計使用年期中以直線法計算。不動產、工廠及設備的估計使用年期如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.8 Exploration and evaluation assets

Exploration and evaluation expenditures mainly include acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, sampling and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

During initial stage of a project, exploration and evaluation expenditures are expensed as incurred. Expenditure on a project after it has reached a stage at which there is a high degree of confidence in its viability is capitalised as exploration and evaluation assets. If a project does not prove viable, all irrecoverable expenditures associated with the project are expensed in the consolidated statements of comprehensive income.

Costs of exploratory wells are capitalised and evaluated for economic viability within one year after completion of drilling. The related well costs are expensed as dry holes if it is determined that such economic viability is not attained.

Exploration and evaluation assets are measured at cost less impairment provisions. Exploration and evaluation assets are reclassified to gas properties when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, and also tested for impairment immediately prior to reclassification to gas properties.

### 2. 重要會計政策摘要(續)

#### 2.8 勘探及評估資產

勘探及評估開支主要包括勘探權的購買，地形、地質、地球化學和地球物理研究，勘探鑽井、取樣以及有關評估技術可行性和商業開採礦產資源的可行性的活動的支出。

在項目的最初階段，勘探和評估開支於產生時支銷。項目達到確信可行階段後，其開支作為勘探及評估資產撥充資本。若項目經證實不可行，與該項目有關的所有不可回收開支於合併綜合收益表中列示。

勘探井成本於估採完成後一年內予以資本化並評價其經濟可行性。如果被證實此經濟可行性無法達成，相關井成本作為乾井支銷。

勘探及評估資產以成本減減值撥備計量。當證實技術上可行和商業開採礦產資源可行後，勘探及評估資產會重分類至天然氣資產。

當事實及實際情況顯示勘探及評估資產的賬面價值可能超過其可回收金額時，將對勘探及評估資產進行減值評估，亦會於重分類至天然氣資產前進行減值測試。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.9 Gas properties

Gas properties include drilling costs, exploration and evaluation costs, development costs and other direct costs attributable to the gas production properties. Gas properties are depreciated based on the unit of production method. Unit of production rates are based on proved and probable gas reserves estimated to be recoverable from whole concessions based on the current terms of the respective PSC and taking into account estimated future development costs necessary to bring those reserves into production.

#### 2.10 Land use rights

Land use rights represent upfront prepayments made for the land use rights and leasehold land and are expensed in the consolidated statements of comprehensive income on a straight-line basis over the lease period or when there is impairment, the impairment is expensed in the consolidated statements of comprehensive income.

#### 2.11 Intangible assets

Intangible assets represent computer software. Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives ranging from 3 to 10 years.

#### 2.12 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independently of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

### 2. 重要會計政策摘要(續)

#### 2.9 天然氣資產

天然氣資產包括鑽井成本，勘探及評估成本，開發成本和其他歸屬於天然氣生產資產的直接成本。天然氣資產基於單位生產法計提折舊。單位生產法下的折舊率根據各產品分成合同現行條款，按證實及概算天然氣儲量的估計可採量計算並考慮生產該等儲量所需的估計未來開發成本。

#### 2.10 土地使用權

土地使用權指就土地使用權及租賃土地支付的預付款，按直線法於租賃期內在合併綜合收益表內攤銷。如發生減值，則在合併綜合收益表中記錄減值。

#### 2.11 無形資產

無形資產是指電腦軟件。購入的電腦軟件按購入該指定軟體並將其投入使用所產生的成本予以資本化。該成本按三至十年的估計可使用年限攤銷。

#### 2.12 非金融資產減值

對於須做折舊或攤銷的資產，當有事件出現或情況改變預示賬面價值不能收回時要進行減值測試。減值虧損按照該資產的賬面價值超出其可回收金額的差額確認。可回收金額按照該資產的公允價值扣除出售成本或使用價值中較高者確認。就評估減值而言，資產將按可單獨識別並大致上獨立於其他資產或資產組別的現金流量(現金產生單位)的最低層級進行分組。除商譽外，已出現減值的非金融資產在各資產負債表日就是否可能轉回減值進行檢查。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.13 Inventories

Inventories are mainly spare parts and consumables with low value and stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### 2.14 Trade and other receivables

Trade receivables are amounts due from customers for gas sold in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Other receivables are mainly government grants due from government and Chinese partners and cash call due from Chinese partners, which are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

See note 9 for further information about the group's accounting for trade and other receivables and note 3.1(a) for a description of the group's impairment policies.

#### 2.15 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and term deposits with original maturities of three months or less.

#### 2.16 Share capital

Ordinary shares are classified as equity (Note 12).

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2. 重要會計政策摘要(續)

#### 2.13 存貨

存貨主要為備件及低值易耗品，按成本及可變現淨值的較低者列示。成本按照加權平均法確認。可變現淨值是日常業務中的估計售價減適用的可變銷售開支所得。

#### 2.14 應收賬款及其他應收款

應收賬款為在日常經營活動中就煤層氣銷售而應收客戶的款項。應收賬款按可無條件獲得的對價金額進行初始確認，但當其包含重大融資成分時，按公允價值進行初始確認。本集團持有應收賬款的目的是收取合同現金流量，因此後續使用實際利率法按攤余成本計量應收賬款。

其他應收款主要是應從政府及中方合作夥伴收取的政府補助，以及應從中方合作夥伴收取的現金籌款。其他應收款初始按公允價值計量，隨後採用實際利率法按照攤餘成本扣除減值準備計量。

關於本集團應收賬款及其他應收款會計處理的更多信息，請參見附註9。關於本集團的減值政策，請參見附註3.1(a)。

#### 2.15 現金及現金等價物

現金及現金等價物包括現金，可隨時支取的銀行存款及原到期期限為三個月或以下的定期存款。

#### 2.16 股本

普通股分類為權益(附註12)。

直接歸屬於發行新股或購股權的新增成本從所得款項中扣減(已扣除稅款)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statements of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has a contractual or an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

#### 2.18 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the consolidated statements of comprehensive income in the period in which they are incurred.

#### 2.19 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### 2. 重要會計政策摘要(續)

#### 2.17 借款

借款期初按照公允價值扣除已產生的交易成本確認價值。借款其後按照攤銷成本計量；所得款項(扣除交易成本)與贖回價值的差額在借款期內按照實際利率法在合併綜合收益表內確認。

除非本集團已定約或有無條件權利將負債結算日期延至報告期末至少十二個月，否則借款分類為流動負債。

#### 2.18 借款成本

直接歸屬於符合收購、建造或生產條件的資產(指必須在一段長時間方可作特定用途或可供銷售的資產)的一般或特定借款成本均可加至該資產的成本內，直至該資產達到可以使用或銷售狀態為止。

就特定借款，因有符合資格的資產的支出而臨時投資賺取的投資收入，應符合資本化的借款成本中扣除。

所有其他借款成本均於其產生期間在合併綜合收益表內確認。

#### 2.19 應付賬款

應付賬款是在日常經營活動中，因接受供應商提供的商品或服務而承擔的債務。如付款期限在一年以內(如為較長期間，應在正常運營週期中)，應付賬款列示為流動負債。否則應付賬款會列示為非流動負債。

應付賬款按照公允價值進行初始確認，其後使用實際利率法按攤銷成本計量。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.20 Current and deferred income tax

The income tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statements of comprehensive income, except to the extent that it relates to items recognised in OCI or directly in equity. In this case the tax is also recognised in OCI or directly in equity, respectively.

##### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group companies operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### (b) Deferred income tax

###### *Inside basis differences*

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### 2. 重要會計政策摘要(續)

#### 2.20 當期及遞延所得稅

所得稅開支包含當期所得稅和遞延所得稅。稅項在合併綜合收益表內確認，但與其他綜合收益或直接在權益確認的項目有關的稅項除外。在此情況下，稅項分別在其他綜合收益或者直接權益內確認。

##### (a) 當期所得稅

當期所得稅支出根據集團公司營運所在及產生應課稅收入的國家與結算日已頒佈或實質已頒佈的稅務法規計算。管理層就使用稅務法規所規定的情況定期評估稅務狀況，並在適用情況下根據需向稅務機關支付的稅款設定撥備。

##### (b) 遞延所得稅

###### *內在差異*

遞延所得稅利用負債法就資產和負債的稅基與資產和負債在合併財務報表中的賬面價值的差額所產生的暫時性差異而確認。然而倘遞延稅項負債因初始確認商譽而產生，則不會確認有關遞延稅項負債，若遞延所得稅來自交易(不包含業務合併)中對資產和負債的初始確認，而在交易中不影響會計損益或應課稅利潤或虧損，亦不進行確認。遞延所得稅採用在結算日前已頒佈或實質上已頒佈，並根據有關遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用的稅率(及法例)予以確定。

遞延所得稅資產僅在可能有未來應課稅利潤並可就此使用暫時性差異的情況下予以確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.20 Current and deferred income tax (Continued)

##### (b) Deferred income tax (Continued)

###### *Outside basis differences*

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

##### (c) Offsetting

Deferred tax assets and tax liabilities are offset when there is a legally enforceable right to offset current tax assets and tax liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2. 重要會計政策摘要(續)

#### 2.20 當期及遞延所得稅(續)

##### (b) 遞延所得稅(續)

###### *外在差異*

遞延所得稅負債按於附屬公司及合營安排的投資所產生應課稅暫時差異作依據，除非轉回的遞延所得稅負債暫時差異的時間由本集團控制，並在可見將來不大可能轉回暫時差異者除外。

遞延所得稅資產就與附屬公司及合營安排的投資所產生的可扣減暫時差異予以確認，僅在暫時差異很可能將於日後轉回，並有充足的應課稅利潤抵銷可用的暫時差異時方可確認。

##### (c) 抵銷

當有法定可執行權力將當期稅項資產與稅項負債抵銷，且遞延稅項餘額涉及同一稅務機關時，則可將遞延稅項資產與稅項負債互相抵銷。當本集團有法定可執行的抵銷權且有意向以淨額基準結算，或實現資產並同時結算負債，則可將當期稅項資產與稅項負債互相抵銷。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.21 Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The Group operates various pension schemes. The schemes are generally funded through payments to insurance companies or various government-sponsored pension plans under which the employees are entitled to a monthly pension based on certain formulas. The Group has defined contribution plans. A defined contribution plan is a pension plan which the Group pays contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised and allocated to related cost of assets and expenses based on different beneficiaries.

All Chinese employees of the Group participate in other employee social security plans, including medical, housing and other welfare benefits, organised and administered by the governmental authorities. According to the relevant regulations, the premiums and welfare benefit contributions that should be borne by the Group are calculated based on percentages of the total salary of employees, subject to a certain ceiling, and are paid to the labor and social welfare authorities.

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

### 2. 重要會計政策摘要(續)

#### 2.21 僱員福利

預期將在僱員提供相關服務的期間結束後12個月內完全結算的工資及薪金負債(包括非貨幣性福利)在僱員提供相關服務的期間確認，並按負債結算時預期支付的金額計量。

本集團運作多項退休金計劃。該計劃一般通過向保險公司或各項政府資助的退休金計劃供款取得資金，僱員有權享有根據若干公式計算的每月退休金。本集團設有定額供款計劃。定額供款計劃為本集團向獨立實體支付供款的退休金計劃。如果該基金沒有足夠資產向所有僱員就其在當期及以往期間的僱員服務支付福利，本集團亦無法定或推定責任支付進一步供款。供款根據不同受益者確認並分配至資產的相關成本及費用。

本集團的所有中國員工均參與政府機關組織及管理的其他員工社會保障計劃，包括醫療、住房及其他福利。根據有關規定，本集團須承擔的保險及福利計劃供款根據僱員薪金總額的比例且在不過規定上限的基礎計算，並向勞動及社會福利機構繳納。

辭退福利在本集團於正常退休日期前終止僱用職工，或當職工接受自願遣散以換取此等福利時支付。本集團在以下較早日期發生時確認辭退福利：(a)當本集團不再能夠撤回此等福利要約時；及(b)當主體確認的重組成本屬於香港會計準則第37號的範圍並涉及支付辭退福利時。在鼓勵職工自動遣散的要約情況下，辭退福利按預期接受要約的職工數目計算。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.22 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts and VAT.

##### Sales of gas

The Group produces and sells gas. Sales of gas are recognised when control of the gas has transferred, being when the gas is delivered to the customers. The amount of revenue is allocated based on the terms of the PSCs and gas sales agreements.

#### 2.23 Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants that are receivable as compensation for expenses or losses already incurred with no future related costs, such as refund of VAT paid and subsidies granted according to CBM production, are recognised in profit or loss in the period in which they become receivable. Note 19 provides further information on how the Group accounts for government grants.

#### 2.24 Lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (Note 28). Payments made under operating leases (net of any incentives received from the lessor), are charged to the consolidated statements of comprehensive income on a straight-line basis over the period of the lease.

### 2. 重要會計政策摘要(續)

#### 2.22 收入確認

收入按已收或者應收對價的公允價值計量並相當於供應商品的應收款項，扣除折扣和增值稅後列帳。

##### 煤層氣銷售

本集團生產及銷售煤層氣。當煤層氣控制權已轉移，即煤層氣已交付予客戶時，本集團確認煤層氣銷售收入。收入金額根據產品分成合同及煤層氣銷售協議的條款予以分配。

#### 2.23 政府補助

政府補助按公允價值合理確認將可收到補助，並且本集團符合所有附帶條件時方可確認。

政府補助為已產生的開支或虧損並且無日後相關成本的補償，如退回已付增值稅及按煤層氣生產授予的補貼，並於其成為應收款期間確認為損益。附註19提供有關本集團如何入賬政府補助的進一步資料。

#### 2.24 租賃

如租賃所有權的大部分風險及回報仍由出租人保留，則分類為經營租賃(附註28)。根據經營租賃支付的款項(扣除出租人給予的任何優惠)於租期內以直線法在合併綜合收益表中攤銷。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.25 Share-based compensation

##### (a) Equity-settled share-based payment transactions

The Group operates two equity-settled share-based compensation plans, under which the Group receives services from employees as consideration for equity instruments (options and restricted share unit) of the Company. The fair value of the employee services received in exchange for the grant of the options and restricted share unit is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options and restricted share unit granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining as an employee of the Group over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or to hold shares for a specified period of time).

Non-market performance and service conditions are included in assumptions about the number of options and restricted share unit that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options and restricted share unit that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statements of comprehensive income, with a corresponding adjustment to equity.

### 2. 重要會計政策摘要(續)

#### 2.25 以股份為基礎的報酬

##### (a) 以權益結算以股份為基礎的交易

本集團經營兩種權益結算下以股份為基礎的報酬計劃，根據該計劃，將實際收取僱員的服務作為本集團權益工具(購股權和受限制股份單位)的代價。職工為換取授予購股權和受限制股份單位而提供服務的公允價值確認為費用。將作為費用的總金額參考授予購股權和受限制股份單位的公允價值釐定：

- 包括任何市場業績條件(例如主體的股價)；
- 不包括任何服務和非市場業績條件(例如盈利能力、銷售增長目標和在特定時期內僱員的留任率)的影響；及
- 包括任何非可行權條件的影響(例如僱員於特定期間存有或持有股份的規定)。

非市場業績和服務條件納入有關預期授予的購股權和受限制股份單位數目的假設。費用總額在授予期內確認，授予期指達成所有指定授予條件的期間。在各報告期末，本集團依據非市場業績和服務條件修訂其對預期授予的購股權和受限制股份單位數目的估計。在合併綜合收益表確認對原估算的修訂(如有)的影響，並對權益做出相應調整。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.25 Share-based compensation (Continued)

##### (a) Equity-settled share-based payment transactions (Continued)

When the options are exercised, the Company issues new shares. The proceeds received from the exercise of options net of any directly attributable transaction costs are credited to share capital (and share premium).

If the terms of an equity-settled award are modified, at a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the options and restricted share unit, or is otherwise beneficial to the employee, as measured at the date of modification.

##### (b) Share-based payment transactions among group entities

The grant by the Company of options and restricted share unit over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent company entity accounts.

#### 2.26 Interest income

Interest income is recognised using the effective interest method.

### 2. 重要會計政策摘要(續)

#### 2.25 以股份為基礎的報酬(續)

##### (a) 以權益結算以股份為基礎的交易(續)

在行使購股權時，本公司發行新股。行使購股權收取的所得款項扣除任何直接交易成本計入股本(和股本溢價)。

在修訂以權益結算的獎勵條件時，如果有關條款並無作出修訂，將會至少確認開支。亦會就增加購股權及受限制股份單位的總公允價值的任何修訂，或於修訂當日計算時對僱員有利的任何修訂確認額外開支。

##### (b) 集團間以股份為基礎的支付交易

母公司向為本集團工作的附屬公司僱員所授出其權益工具的購股權及受限制股份單位視為注資。所獲得的僱員服務的公允價值參考授予日的公允價值計量，於授予期內確認為增加附屬公司的投資，並相應計入母公司實際賬目之權益。

#### 2.26 利息收入

利息收入使用實際利率法確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.27 Provision — Asset retirement obligation

Asset retirement obligation for environmental restoration is recognised when: the Group has a present constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Asset retirement obligation is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Asset retirement obligation are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

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

##### (a) Credit risk

As the majority of the cash at bank balances are placed with state-owned and international banks and financial institutions in the PRC and Hong Kong, and there has been no recent history of default in relation to these banks and financial institutions, the corresponding credit risk is relatively low. Therefore, the Group's credit risk arises primarily from trade and other receivables. The Group has controls in place to assess the credit quality of its customers. The Group's sales were only made to the customers with good credit history. The utilisation of credit limits is regularly monitored.

### 2. 重要會計政策摘要(續)

#### 2.27 撥備 — 資產棄置義務

當本集團因過往事件而產生現有推定債務，並可能需要有資源流出以結清債務，且金額已經可靠估計，則須確認有關環境恢復的資產棄置義務。

如有多項類似責任，其需在結算中有資源流出的可能性，則可根據債務類別整體考慮。即使在同一債務類別所包含的任何一個項目相關的資源流出的可能性較低，仍需確認資產棄置義務。

資產棄置義務按照與其需用作結清債務稅前利率計算的開支現值計量，該利率反映當時市場對時間價值及該債務的特定風險評估。因時間的流逝而增加的撥備確認為利息開支。

### 3. 財務風險管理

#### 3.1 財務風險因素

本集團的經營活動面臨各種財務風險：信用風險、市場風險(包括外匯風險及現金流量利率風險)、流動性風險及集中風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並致力減低對本集團財務表現的潛在不利影響。

##### (a) 信用風險

由於大部分銀行存款存放於中國及香港的國有及國際銀行及金融機構，且該類銀行及金融機構近期並無違約記錄，相應信用風險相對較低。因此，本集團信用風險主要來自應收賬款及其他應收款。本集團實施控制措施以評估客戶的信用資質。本集團只向具有良好信貸記錄的客戶進行銷售。信用限額的使用會受定期監控。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Credit risk (Continued)

The Group has financial assets subject to HKFRS 9's new expected credit loss model:

- trade receivables,
- notes receivables, and
- other receivables

For trade and notes receivables, the Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which requires the use of the lifetime expected loss provision for all trade and notes receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2018 or 1 January 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Based on the Group's historical experience and forward-looking information, the expected credit loss rate of accounts receivable for sales of gas is extremely small throughout the life.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 信用風險(續)

本集團的以下幾類金融資產適用於香港財務報告準則第9號的新預期信用損失模型：

- 應收賬款；
- 應收票據；及
- 其他應收款

就應收賬款及應收票據而言，本集團採用香港財務報告準則第9號規定的簡化法就預期信用損失作出撥備，其規定就所有應收賬款及應收票據計提存續期內預期信用損失撥備。

為計量預期信用損失，本集團按照相同的信用風險特徵和逾期天數對應收賬款分組。

預期信用損失率基於2018年12月31日或2018年1月1日前36個月內銷售的支付情況以及期間發生的相應歷史信用損失確定。本集團調整了歷史信用損失率，以反映影響客戶應收款結算能力的當前和前瞻性宏觀經濟因素資訊。基於本集團的歷史經驗及前瞻性資訊，對於煤層氣銷售形成的應收賬款在整個存續期內的預期信用損失率極小。

應收賬款的減值損失在經營利潤中列報為減值損失淨額。後續收回的之前沖銷金額貸記入相同的項目中。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Credit risk (Continued)

To measure the expected credit losses of notes receivables, the Group calculates the expected credit loss based on the default risk exposure and the lifetime expected credit loss rate, with the consideration of the historical credit loss experience, the current situation and the forecast of future economic conditions. Considering all of the notes receivables are bank acceptance bills and there is no default experience in the past, the Group does not recognise any impairment.

For other receivables, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the other receivables since initial recognition or the other receivables is not determined to have low credit risk at the reporting date, in which cases the loss allowance is measured at an amount equal to lifetime ECLs.

The other receivables of the Group are considered to have low credit risks since the majority are due from government and Chinese partners. Based on management assessment, no impairment provision is recognised.

##### (b) Market risk

###### (i) Foreign exchange risk

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

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 信用風險(續)

為計量應收票據的預期信用損失，本集團參考歷史信用損失經驗，結合當前狀況，以及對未來經濟狀況的預測，通過違約風險敞口和整個存續期間的預期信用損失率，計算其信用損失。由於所有應收票據均為銀行承兌匯票，且歷史期間並無違約記錄，本集團未確認減值撥備。

就其他應收款而言，本集團按照相當於未來12個月內預期信用損失的金額計量其損失準備，除非該其他應收款的信用風險自初次確認以來顯著增加或在報告日不被認為具有較低的信用風險，此種情況下，損失準備按等同於整個存續期預期信用損失的金額計量。

本集團其他應收款的信用風險較低，原因是大部分為應收政府及中方合作者款項。根據管理層的評估，未確認減值撥備。

##### (b) 市場風險

###### (i) 外匯風險

本集團須承受各種貨幣所產生外匯風險，尤以美元為甚。當未來商業交易或已確認資產或負債以實體功能貨幣以外的貨幣計值，則會產生外匯風險。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Market risk (Continued)

###### (i) Foreign exchange risk (Continued)

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

The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates, and by monitoring the amount of the US\$ loan utilised from the US\$250 million revolving credit facility (Note 15), which is the Group's only US\$ borrowings from third parties.

As at 31 December 2018, if RMB had weakened/strengthened by 1% against the US\$ with all other variables held constant, profit before income tax for the year would have been RMB2,250,000 (31 December 2017: negative RMB902,000) lower/higher, respectively, mainly as a result of foreign exchange gains/losses on translation of US\$ denominated receivables and payables held by the Group entities with their functional currency as RMB.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 市場風險(續)

###### (i) 外匯風險(續)

2016年4月30日之前，本集團承受的非現金外匯風險來自重新折算的以美元計價的公司間貸款。為了管理外匯風險，管理層決定於2016年4月30日執行債務重組，通過將公司間貸款轉為永久性貸款。所屬的集團公司各自簽訂永久貸款協定，永續貸款不承計利息並且貸款方不得要求償還。在此次債務重組完成時，由這些美元永續貸款轉換產生的任何匯兌差異在合併財務報表確認為權益。

本集團密切監控匯率變動及循環信貸融資(附註15)2.5億美元中動用的美元貸款金額(即本集團自第三方借入的唯一美元借款)，以管理外匯風險。

於2018年12月31日，如人民幣兌美元貶值/升值1%，而所有其他可變因素保持不變，則除所得稅前年度利潤將分別減少/增加人民幣2,250,000元(2017年12月31日：負人民幣902,000元)，主要原因是將本集團實體所持以美元計值的往來款換算為其功能貨幣人民幣所產生的匯兌收益/損失。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Market risk (Continued)

###### (ii) Cash flow interest rate risk

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

##### (c) Liquidity risk

The liquidity risk of the Group is mainly controlled by maintaining sufficient cash and cash equivalents through operations and funds from shareholders. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 市場風險(續)

###### (ii) 現金流量利率風險

本集團的收入及經營現金流量實質上不受市場利率變動的影響。本集團的浮動利率銀行借款使本集團面臨現金流利率風險。本集團銀行借款的詳細分析，連同其各自的利率及到期日載於附註15。

##### (c) 流動性風險

本集團的流動性風險主要是通過經營及股東注資維持充裕的現金及現金等價物進行控制。下表顯示本集團的金融負債，按照相關的到期類別，根據由結算日至合同到期日的剩餘時間進行分析。下表所披露金額為未貼現的合同現金流量。

		Less than 1 year 少於一年 RMB'000 人民幣千元	1-2 years 一至兩年 RMB'000 人民幣千元	2-5 years 兩至五年 RMB'000 人民幣千元	Over 5 years 五年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at 31 December 2017</b>	<b>2017年12月31日</b>					
Borrowings	借款	31,314	32,542	578,296	-	642,152
Trade and other payables	應付賬款及其他應付款	372,804	-	-	-	372,804
		404,118	32,542	578,296	-	1,014,956
<b>As at 31 December 2018</b>	<b>2018年12月31日</b>					
Trade and other payables	應付賬款及其他應付款	240,571	-	-	-	240,571
		240,571	-	-	-	240,571

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (d) Concentration risk

Revenue of the Group is mainly derived from Panzhuang concession. Any disruption to the operation of the concession may have a material adverse impact to the result of operation and the financial position of the Group.

During the year, 67.5% of the Group's revenue was derived from sales made to the top five customers (2017: 77.9%). In the event that these customers terminate their business relationship with the Group and the Group fails to find new customers, it may have a material adverse impact on the Group's financial position and result of operations.

#### 3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital by using debt-to-cash ratio analysis. This ratio is calculated as amount of borrowings divided by total cash and bank balances as shown in the consolidated balance sheet, and monitoring when the borrowings are due for repayment. The debt-to-cash ratio at 31 December 2018 is zero because of the repayment of the borrowing (31 December 2017: 22.6%).

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (d) 集中風險

本集團的收益主要來自潘莊區塊。該區塊營運的任何中斷，均可能對本集團的經營業績及財務狀況造成重大不利影響。

年內，本集團67.5%的收益來自向前五名客戶作出的銷售(2017年：77.9%)。若該等客戶終止與本集團的業務關係，而本集團未能尋得新客戶，則本集團的財務狀況及經營業績會受到重大不利影響。

#### 3.2 資本管理

本集團的資本管理目標旨在保障本集團能夠持續經營，為股東提供回報及為其他利益相關者提供利益，同時維持最佳的資本結構以減少資本成本。

本集團利用負債現金比率分析監控資本。該比率按借款金額除以合併資產負債表列示的現金及銀行結餘總額計算，監控借款到期償還時間。由於償還借款，本集團在2018年12月31日的負債現金比率為零(2017年12月31日：22.6%)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation

The measurement of fair value uses different level of inputs to valuation technique. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### 3. 財務風險管理(續)

#### 3.3 公允價值估計

公允價值的計量使用不同等級輸入數據的估值技術。該等輸入數據在公允價值等級內分為三個層次，如下所示：

- 相同資產或負債在活躍市場上的報價(未調整)(第1層)。
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)。

### 4. 關鍵會計估計及判斷

估計及判斷是根據過往經驗及其他因素(包括在某些情況下對未來事件的合理預測)進行持續評估。本集團對未來作出評估及假設。顧名思義，會計估計極少與相關的實際結果相同。對下個財政年度的資產與負債的賬面價值造成重大調整的估計與假設討論如下。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Estimation of proved and probable gas reserves

Proved gas reserves are those quantities of CBM that by analysis of geoscience and engineering data can be estimated with reasonable certainty to be commercially recoverable, from a given date forward and under defined economic conditions, operating methods, and government regulations. Probable gas reserves are those additional reserves of CBM that analysis of geoscience and engineering data indicate are less likely to be recovered than proved reserves but more certain to be recovered than possible reserves.

The Group's reserve estimates were prepared for each concession area and include only CBM that the Group believes can be reasonably produced within current economic and operating conditions. Reserves cannot be measured exactly. Reserve estimates are based on many factors that require evaluation by the engineers interpreting the available data, as well as price and other economic factors. The reliability of these estimates at any point in time depends on both the quality and quantity of the technical and economic data, and the production performance as well as engineering judgement. Consequently, reserve estimates are subject to revision as additional data become available. Well tests and engineering studies will likely improve the reliability of the reserve estimate. The evolution of technology may also result in the application of improved recovery techniques such as supplemental or enhanced recovery projects, or both, which have the potential to increase reserves beyond those envisioned during the early years of a reservoir's producing life.

Proved and probable reserves are key elements in the Group's investment decision-making process. They are also an important element in testing for impairment. A reduction in proved and probable reserves will increase depreciation and amortisation charges (assuming constant production) and reduce net profit. Proved and probable reserve estimates are subject to revision, either upward or downward based on new information, such as from development drilling and production activities or from changes in economic factors, including gas prices, contract terms or development plans.

In general, changes in the technical maturity of gas reserves resulting from new information becoming available from exploration, development and production activities and change in gas price have tended to be the most significant cause of annual revisions.

### 4. 關鍵會計估計及判斷(續)

#### 4.1 證實及概算煤層氣儲量的估計

證實煤層氣儲量是通過分析地質科學及工程資料，自某特定日期起在限定經濟條件、經營條件及政府監管下，可合理確定作為商業性開採的估計煤層氣數量。概算煤層氣儲量是地質科學及工程資料分析顯示其與證實儲量相比回收的可能性更低，但與可能儲量相比回收可能性更加確切的煤層氣儲量。

本集團的儲量估計按各區塊編製，僅包括本集團認為在現行經濟及經營條件下可合理生產的煤層氣。儲量無法精確計算。儲量估計基於工程師對可用數據的解釋以評估的諸多因素，同時考慮價格及其他經濟因素。任何時間點的估計可靠性取決於技術及經濟資料的品質、數量、生產表現以及工程判斷。因此，儲量估計在可獲得額外資料時進行修訂。井的測試及工程研究可能提高儲量估計的可靠性。技術發展也可能導致應用經改良的採氣技術，例如補充或經提升開採項目（或一併採用），該技術具有使儲量增至超過氣藏生產週期初期儲量的潛力。

證實及概算儲量是本集團投資決策過程中的關鍵元素，也是減值測試的重要元素。證實及概算儲量減少將增加折舊及攤銷費用（假設產量不變），並減少淨利潤。證實及概算儲量估計可根據新資料（例如來自開發鑽探和生產活動或者天然氣價格、合同條款以及開發方案等經濟因素變動）而向上或向下調整。

一般而言，因勘探、開發及生產活動取得最新資料而令煤層氣儲量的技術成熟度變動以及天然氣價格變動是導致每年作出修訂的最重要原因。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.2 Impairment of exploration and evaluation assets

Exploration and evaluation assets are capitalised on a field-by-field basis and are assessed for impairment when circumstances suggest that the carrying amount may exceed its recoverable amount. This assessment involves judgment as to (i) the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; and (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; and (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; and (iv) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. While conducting an impairment review of its assets, the Group makes certain judgments in making assumptions about the future gas prices, reserves and future development and production costs. Changes in these estimates could require a material change on the carrying amount of exploration and evaluation assets.

#### 4.3 Impairment of gas properties

Gas properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. In estimating the recoverable amounts of assets, various assumptions, including future cash flow to be associated with the assets and discounted rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will be revised and this may have impacts on the Group's result of operation or financial position.

### 4. 關鍵會計估計及判斷(續)

#### 4.2 勘探及評估資產減值

勘探及評估資產按氣田基準撥充資本，當發生賬面價值超過可收回金額的情況評估減值。相關評估涉及有關以下各項的判斷：(i) 在特定區域的探礦權期內已經或將於近期屆滿，並預期不會續期；及(ii) 對進一步勘探及評估特定區域礦產資源的大量開支既無預算亦無規劃；及(iii) 在特定區域勘探及評估礦產資源未發現商業上有利的礦產資源數量，而本集團決定終止在該區域的活動；及(iv) 有充分資料顯示，儘管可能在特定區域進行開發，但勘探及評估資產的賬面價值不可能在成功開發或銷售中全數收回。在進行資產減值討論時，本集團就有關煤層氣未來價格、儲量及未來開發和生產成本的假設進行若干判斷。該估計變動可能導致勘探及評估資產的賬面價值產生重大變動。

#### 4.3 天然氣資產減值

天然氣資產會在事項發生或情況出現變化而導致賬面價值可能不能收回時，評估是否減值。減值虧損按有關資產的賬面價值超過其可收回金額的數額確認。可收回金額為資產的公允價值減去銷售成本或使用價值中的較高值。評估資產的可回收金額時，會作出多項假設(包括與資產相關的未來現金流量及貼現率)。若將來情況與該假設不相符，將修訂可收回金額，而此舉可能會對本集團的經營業績或財務狀況造成影響。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.4 Income taxes and deferred tax

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be reflected in the income tax expense and deferred tax provisions in the period in which such determination is made.

In addition, the realisation of future income tax assets is dependent on the Group's ability to generate sufficient taxable income in future years to utilise income tax benefits and tax loss carry-forwards. Deviations of future profitability from estimates or in the income tax rate would result in adjustments to the value of future income tax assets and liabilities that could have a significant effect on the income tax expenses.

### 5. SEGMENT INFORMATION

The chief operating decision-maker ("CODM") has been identified as the directors and chief executive of the Company who review the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The Group's operating segments are defined by PSCs, which is the basis by which the CODM makes decisions about resources to be allocated and assesses their performance. The financial information of the two PSCs has been separated to present segment information to be reviewed by the CODM.

The measurement of results and assets of the operating segments are the same as those described in the summary of significant accounting policies. The CODM evaluates the performance of the operating segments of the PSCs based on profit before income tax, depreciation and amortisation, interest income, finance costs and exchange gains/losses ("EBITDA").

### 4. 關鍵會計估計及判斷(續)

#### 4.4 所得稅及遞延稅項

本集團須在多個司法權區繳納所得稅。對於所得稅的全球撥備須作出重大判斷。在正常業務過程中，若干交易及計算的最終稅務結果並不確定。本集團根據是否須繳納額外稅項的估計對預期稅項審核事宜確認負債。若該事宜的最終稅務結果與最初記錄的金額不符，該差額將在相關期間的所得稅開支和遞延稅項撥備中反映。

此外，未來所得稅資產的變現，取決於本集團未來年度是否產生足夠的應課稅收入，以使用所得稅收益及稅項虧損結轉的能力而定。若將來盈利能力偏離估計或所得稅率，則須對未來所得稅資產及負債的價值作出調整，此舉可能對所得稅開支構成重大影響。

### 5. 分部資料

主要營運決策者(「主要營運決策者」)為本公司的董事及總裁，負責審閱本集團的內部報告以評估表現和分配資源。主要營運決策者已根據該等報告確定經營分部。

本集團的經營分部按產品分成合同界定，這是主要經營決策者做出資源分配決定及評估其表現的基準。兩份產品分成合同的財務資料已分為不同的分部資料列示，以供主要經營決策者審閱。

經營分部的業績及資產的計量方法與重要會計政策摘要中所述相同。主要經營決策者根據除所得稅、折舊及攤銷、利息收入、財務費用及匯兌收益／損失前的利潤(「EBITDA」)評估產品分成合同經營分部的表現。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the reportable segments for the year ended 31 December 2018 is as follows:

### 5. 分部資料(續)

截至2018年12月31日止年度，就可呈報分部提供給主要營運決策者的分部資料如下：

		Panzhuang concession 潘莊區塊 RMB'000 人民幣千元	Mabi concession 馬必區塊 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Year ended 31 December 2018</b>	<b>截至2018年12月31日止年度</b>			
Revenue from external customers	來自外部客戶的收入	853,728	124,943	978,671
EBITDA	EBITDA	896,259	40,134	936,393
Other income	其他收入	241,728	37,441	279,169
Operating expenses	經營開支	(355,347)	(167,003)	(522,350)
Depreciation and amortisation	折舊及攤銷	(156,261)	(44,255)	(200,516)
Interest income	利息收入	7,515	305	7,820
Finance costs	財務費用	(7,145)	(457)	(7,602)
Exchange gains/(losses)	匯兌收益/(損失)	11,867	(15,062)	(3,195)
Income tax expense	所得稅費用	(183,323)	-	(183,323)
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>			
Revenue from external customers	來自外部客戶的收入	512,886	28,712	541,598
EBITDA	EBITDA	552,844	(26,889)	525,955
Other income	其他收入	180,170	13,743	193,913
Operating expenses	經營開支	(231,281)	(84,760)	(316,041)
Depreciation and amortisation	折舊及攤銷	(90,993)	(15,375)	(106,368)
Interest income	利息收入	4,613	211	4,824
Finance costs	財務費用	(2,065)	(123)	(2,188)
Exchange (losses)/gains	匯兌(損失)/收益	(9,726)	17,074	7,348
Income tax expense	所得稅費用	(127,736)	-	(127,736)

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

### 5. 分部資料(續)

		Panzhuang concession 潘莊區塊 RMB'000 人民幣千元	Mabi concession 馬必區塊 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>			
Total assets	總資產	2,747,283	2,316,141	5,063,424
Total liabilities	總負債	564,631	58,707	623,338
Additions to non-current assets (other than deferred income tax assets)	非流動資產增加 (遞延稅項資產除外)	123,438	72,833	196,271
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>			
Total assets	總資產	2,141,264	2,282,764	4,424,028
Total liabilities	總負債	507,976	145,908	653,884
Additions to non-current assets (other than deferred income tax assets)	非流動資產增加 (遞延稅項資產除外)	163,208	157,108	320,316

A reconciliation of EBITDA to total profit before income tax is provided as follows:

EBITDA與除所得稅前利潤總額的調節如下：

		Year ended 31 December 截至12月31日止年度	
		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>Total EBITDA for reportable segments</b>	<b>可呈報分部的EBITDA總額</b>	<b>936,393</b>	525,955
Headquarter overheads	總部日常開支	(129,112)	(93,414)
Depreciation and amortisation	折舊及攤銷	(203,686)	(110,419)
Interest income	利息收入	25,701	6,306
Finance costs	財務費用	(25,556)	(12,977)
Exchange losses	匯兌損失	(7,480)	(4,510)
Profit before income tax	除所得稅前利潤	<b>596,260</b>	310,941



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

Reportable segments' assets are reconciled to total assets as follows:

		As at 31 December 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total segment assets	分部資產總額	5,063,424	4,424,028
<b>Unallocated</b>	<b>未分配</b>		
Unallocated cash and cash equivalents	未分配現金及現金等價物	940,877	1,703,240
Others	其他	2,806	5,421
Total assets per balance sheet	資產負債表所示資產總額	6,007,107	6,132,689

Reportable segments' liabilities are reconciled to total liabilities as follows:

### 5. 分部資料(續)

可呈報分部資產與總資產的調節如下：

可呈報分部負債與總負債的調節如下：

		As at 31 December 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total segment liabilities	分部負債總額	623,338	653,884
<b>Unallocated</b>	<b>未分配</b>		
Unallocated long term borrowings	未分配長期借款	–	513,593
Others	其他	6,916	14,867
Total liabilities per balance sheet	資產負債表所示負債總額	630,254	1,182,344

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 6. PROPERTY, PLANT AND EQUIPMENT

### 6. 不動產、工廠及設備

		Gas properties	Exploration and evaluation assets	Gas gathering station and relating facilities	Construction in progress	Vehicles	Furniture, fittings and others	Total
		天然氣資產	勘探及評估資產	集氣站及相關設施	在建工程	車輛	傢俱、裝置及其他	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>As at 1 January 2017</b>	<b>於2017年1月1日</b>							
Cost	成本	1,075,627	1,704,962	356,560	508,118	14,900	51,373	3,711,540
Accumulated depreciation	累計折舊	(411,315)	–	(69,265)	–	(10,772)	(31,514)	(522,866)
Net book value	賬面淨值	664,312	1,704,962	287,295	508,118	4,128	19,859	3,188,674
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>							
Opening net book value	年初賬面淨值	664,312	1,704,962	287,295	508,118	4,128	19,859	3,188,674
Additions	增加	266	142,146	264	283,574	723	3,660	430,633
Transferred in/(out)	轉入/(出)	1,199,908	(1,146,713)	178,662	(231,857)	–	–	–
Disposal — cost	處置 — 成本	–	–	–	–	–	(2,503)	(2,503)
— depreciation	— 折舊	–	–	–	–	–	2,047	2,047
Depreciation charge	折舊費用	(62,751)	–	(30,664)	–	(2,133)	(10,175)	(105,723)
Currency translation differences	外幣折算差額	(4,339)	(3,649)	–	(599)	–	(104)	(8,691)
Closing net book value	年末賬面淨值	1,797,396	696,746	435,557	559,236	2,718	12,784	3,504,437
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>							
Cost	成本	2,269,530	696,746	535,486	559,236	15,623	52,387	4,129,008
Accumulated depreciation	累計折舊	(472,134)	–	(99,929)	–	(12,905)	(39,603)	(624,571)
Net book value	賬面淨值	1,797,396	696,746	435,557	559,236	2,718	12,784	3,504,437
<b>Year ended 31 December 2018</b>	<b>截至2018年12月31日止年度</b>							
Opening net book value	年初賬面淨值	1,797,396	696,746	435,557	559,236	2,718	12,784	3,504,437
Additions	增加	285	1,957	282	330,830	408	1,680	335,442
Transferred in/(out)	轉入/(出)	532,559	(69,263)	113,680	(576,976)	–	–	–
Disposal — cost	處置 — 成本	–	–	–	–	(560)	(1,051)	(1,611)
— depreciation	— 折舊	–	–	–	–	560	1,037	1,597
Depreciation charge	折舊費用	(149,457)	–	(39,709)	–	(1,389)	(7,224)	(197,779)
Currency translation differences	外幣折算差額	5,964	1,420	–	1,939	–	10	9,333
Closing net book value	年末賬面淨值	2,186,747	630,860	509,810	315,029	1,737	7,236	3,651,419
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>							
Cost	成本	2,810,334	630,860	649,448	315,029	15,471	53,041	4,474,183
Accumulated depreciation	累計折舊	(623,587)	–	(139,638)	–	(13,734)	(45,805)	(822,764)
Net book value	賬面淨值	2,186,747	630,860	509,810	315,029	1,737	7,236	3,651,419

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 6. PROPERTY, PLANT AND EQUIPMENT

(Continued)

During the year, borrowing costs capitalised in property, plant and equipment amounted to RMB33,069,000 (2017: RMB39,176,000) (Note 21) at the weighted average rate of 8.37% (2017: 7.15%) per annum.

During the year, the additions of property, plant and equipment include RMB1,220,000 (2017: RMB785,000) relating to the asset retirement obligations recognised during the year.

During the year ended 31 December 2017, the exploration and evaluation assets of Southern Area in Mabi concession were reclassified to gas properties upon the technical feasibility and commercial viability were demonstrable.

### 7. LAND USE RIGHTS

### 6. 不動產、工廠及設備(續)

截至2018年12月31日止年度，不動產、工廠及設備資本化的借款成本為人民幣33,069,000元(2017年：人民幣39,176,000元)(附註21)，按加權年均利率8.37%(2017年：7.15%)計息。

截至2018年12月31日止年度，不動產、工廠及設備增加人民幣1,220,000元(2017年：人民幣785,000元)，與年內確認的資產棄置義務有關。

截至2017年12月31日止年度，達成技術可行性及商業可行性後，馬必區塊南區的勘探及評估資產重分類至天然氣資產。

### 7. 土地使用權

		RMB'000 人民幣千元
<b>At 1 January 2017</b>	<b>於2017年1月1日</b>	
Cost	成本	14,099
Accumulated amortisation	累計攤銷	(1,834)
Net book value	賬面淨值	12,265
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>	
Opening net book value	年初賬面淨值	12,265
Amortisation charge	攤銷費用	(283)
Closing net book value	年末賬面淨值	11,982
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>	
Cost	成本	14,099
Accumulated amortisation	累計攤銷	(2,117)
Net book value	賬面淨值	11,982
<b>Year ended 31 December 2018</b>	<b>截至2018年12月31日止年度</b>	
Opening net book value	年初賬面淨值	11,982
Amortisation charge	攤銷費用	(282)
Closing net book value	年末賬面淨值	11,700
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>	
Cost	成本	14,099
Accumulated amortisation	累計攤銷	(2,399)
Net book value	賬面淨值	11,700

The Group's interests in land use rights represent prepaid operating lease payments. All of the Group's land use rights are located in the PRC.

本集團土地使用權中的權益指預付經營租賃款。本集團的土地使用權全部於中國境內。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 8. INTANGIBLE ASSETS

### 8. 無形資產

		Computer software 電腦軟件 RMB'000 人民幣千元
<b>At 1 January 2017</b>		
Cost	於 2017 年 1 月 1 日 成本	41,117
Accumulated amortisation	累計攤銷	(7,210)
Net book value	賬面淨值	33,907
<b>Year ended 31 December 2017</b>		
Opening net book value	截至 2017 年 12 月 31 日止年度 年初賬面淨值	33,907
Additions	增加	10,338
Amortisation charge	攤銷費用	(4,413)
Closing net book value	年末賬面淨值	39,832
<b>As at 31 December 2017</b>		
Cost	於 2017 年 12 月 31 日 成本	51,455
Accumulated amortisation	累計攤銷	(11,623)
Net book value	賬面淨值	39,832
<b>Year ended 31 December 2018</b>		
Opening net book value	截至 2018 年 12 月 31 日止年度 年初賬面淨值	39,832
Additions	增加	5,382
Amortisation charge	攤銷費用	(5,625)
Closing net book value	年末賬面淨值	39,589
<b>As at 31 December 2018</b>		
Cost	於 2018 年 12 月 31 日 成本	56,837
Accumulated amortisation	累計攤銷	(17,248)
Net book value	賬面淨值	39,589

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 9. TRADE AND OTHER RECEIVABLES

### 9. 應收賬款及其他應收款

		As at 31 December	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables (a)	應收賬款 (a)		
— CUCBM	— CUCBM	205,155	10,769
— PetroChina	— 中石油	49,548	10,503
— External customers	— 外部客戶	24,539	80,008
		<b>279,242</b>	101,280
Notes receivable (b)	應收票據 (b)	40,000	32,600
Government grants receivables (c)	應收政府補貼 (c)		
— Government	— 政府	172,747	70,084
— CUCBM	— CUCBM	12,551	20,938
— PetroChina	— 中石油	12,866	4,432
Due from related parties for cash calls and accrued expenses (d)	應收關聯方現金籌款及預提費用 (d)		
— CUCBM	— CUCBM	40,598	54,642
— PetroChina	— 中石油	9,882	—
Deposits and others	押金和其他費用	7,573	6,818
		<b>575,459</b>	290,794
Less: provision for impairment	減：減值撥備	—	(7,197)
		<b>575,459</b>	283,597



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 9. TRADE AND OTHER RECEIVABLES (Continued)

#### (a) Trade receivables

- (i) The ageing analysis of trade receivables is as follows:

		As at 31 December	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 3 months	三個月內	253,043	67,514
3 months to 6 months	三個月至六個月	7,064	20,510
6 months to 1 year	六個月至一年	15,350	6,059
1 year to 2 years	一至兩年	3,785	–
Over 3 years	三年以上	–	7,197
		<b>279,242</b>	101,280
Provision	撥備	–	(7,197)
		<b>279,242</b>	94,083

Trade receivables due from CUCBM represent the cash collected from external customers attributable to Sino-American Energy, Inc. ("SAEI") and deposited into CUCBM's bank account on behalf of the Group, which is jointly managed by CUCBM and SAEI.

Trade receivables due from PetroChina represent the amount to be collected from PetroChina relating to the sale of the Group's share of CBM from the Mabi concession.

Trade receivables due from external customers represent the amount to be collected from the independent customers relating to the sale of the Group's share of CBM from the Panzhuang concession.

### 9. 應收賬款及其他應收款 (續)

#### (a) 應收賬款

- (i) 應收賬款的賬齡分析如下：

應收CUCBM的應收款項指收取自外部客戶並存入由CUCBM與美中能源公司(「美中能源公司」)共同管理，並由CUCBM代表本集團開立的銀行賬戶的現金。

應收中石油的應收賬款指將收取自中石油有關本集團自馬必區塊所佔煤層氣的銷售。

應收外部客戶的應收賬款指將收取自獨立客戶有關本集團自潘莊區塊所佔煤層氣的銷售。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 9. TRADE AND OTHER RECEIVABLES (Continued)

#### (a) Trade receivables (Continued)

##### (ii) Trade receivables past due but not impaired

As at 31 December 2018, trade receivables of approximately RMB62,189,000 (31 December 2017: RMB72,811,000) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

		As at 31 December	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Past due but not impaired	已逾期但未減值		
Over credit term but within 3 months	已逾期但處於三個月內	35,990	46,242
3 months to 6 months	三個月至六個月	7,064	20,510
6 months to 1 year	六個月至一年	15,350	6,059
1 year to 2 years	一年至兩年	3,785	-
		<b>62,189</b>	<b>72,811</b>

These relate to PetroChina and a number of independent customers for whom there is no significant financial difficulty and based on past experience, the overdue amounts can be recovered.

該等賬款與中石油及數名並無重大財務困難的獨立客戶有關，根據過往經驗，逾期金額可收回。

##### (iii) Movement of bad debt provision:

		Year ended 31 December	
		截至 12 月 31 日止年度	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Beginning of the year	於年初	7,197	7,197
Write-off	核銷	(7,197)	-
End of the year	於年末	-	7,197

##### (iii) 壞賬撥備變動：

## Notes to the Consolidated Financial Statements

### 合併財務報表附註

#### 9. TRADE AND OTHER RECEIVABLES (Continued)

- (b) Notes receivable are bank acceptance with maturity dates within one year.
- (c) This represents the VAT refund and government subsidies for CBM receivable from the government through CUCBM and PetroChina.
- (d) This represents CUCBM's and PetoChina's share of the cash calls and accrued expenses for the development and production costs of Panzhuang and Mabi concession yet to be received from CUCBM and PetroChina, respectively.
- (e) As at 31 December 2018, the carrying amounts of trade and other receivables approximated their fair values.
- (f) The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

#### 9. 應收賬款及其他應收款(續)

- (b) 應收票據為到期日在一年以內的銀行承兌票據。
- (c) 此為通過CUCBM及中石油應收政府的煤層氣增值稅退稅及政府補貼。
- (d) 此為CUCBM及中石油分佔潘莊區塊及馬必區塊開發及生產成本的現金籌款及預提費用，尚未向CUCBM及中石油收取。
- (e) 於2018年12月31日，應收賬款及其他應收款的賬面值與其公允價值相若。
- (f) 本集團的應收賬款及其他應收款的賬面值以下列貨幣計價：

		As at 31 December	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	574,928	282,967
HK\$	港元	531	630
		<b>575,459</b>	<b>283,597</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 10. FINANCIAL INSTRUMENTS BY CATEGORY

### 10. 金融工具(按類別)

		As at 31 December 於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
Financial assets as per balance sheet	按資產負債表的金融資產	人民幣千元	人民幣千元
<b>Loans and receivables</b>	<b>貸款和應收款</b>		
Trade and other receivables (Note 9)	應收賬款及其他應收款(附註9)	<b>575,459</b>	283,597
Cash and cash equivalents (Note 11)	現金和現金等價物(附註11)	<b>1,656,523</b>	2,236,970
Restricted bank deposits (Note 11)	受限制銀行存款(附註11)	<b>43,767</b>	37,663
		<b>2,275,749</b>	2,558,230

		As at 31 December 於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
Financial liabilities as per balance sheet	按資產負債表的金融負債	人民幣千元	人民幣千元
<b>Financial liabilities</b>	<b>金融負債</b>		
Borrowings (excluding finance lease liabilities) (Note 15)	借款(不包括融資租賃負債)(附註15)	–	513,593
Trade and other payables excluding non-financial liabilities (Note 17)	應付賬款及其他應付款, 不包括非金融負債(附註17)	<b>240,571</b>	373,410
		<b>240,571</b>	887,003

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 11. CASH AND BANK BALANCES

### 11. 現金及銀行結餘

		As at 31 December 於 12 月 31 日	
		2018 2018 年 RMB'000 人民幣千元	2017 2017 年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物		
— Cash at banks	— 銀行存款	<b>1,656,523</b>	2,236,970
Restricted bank deposits (a)	受限制銀行存款 (a)	<b>43,767</b>	37,663
		<b>1,700,290</b>	2,274,633

(a) As at 31 December 2018, restricted bank deposits represented land restoration deposits for Panzhuang and Mabi concessions.

(a) 於 2018 年 12 月 31 日，受限制銀行存款為潘莊區塊和馬必區塊的土地修復存款。

Cash and bank balances were denominated in the following currencies:

現金及銀行結餘按以下貨幣計量：

		As at 31 December 於 12 月 31 日	
		2018 2018 年 RMB'000 人民幣千元	2017 2017 年 RMB'000 人民幣千元
RMB	人民幣	<b>757,285</b>	566,169
HK\$	港元	<b>925,605</b>	1,368,162
US\$	美元	<b>17,400</b>	340,302
		<b>1,700,290</b>	2,274,633



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 12. SHARE CAPITAL

### 12. 股本

		Number of ordinary shares 普通股數目 Thousands 千股	Nominal value of ordinary shares 普通股面值 US\$'000 千美元	Equivalent nominal value of ordinary shares 普通股等額面值 RMB'000 人民幣千元
<i>Issued and fully paid:</i>	<i>已發行及繳足：</i>			
Ordinary shares of US\$0.0001 each	每股面值0.0001美元的 普通股			
<b>At 1 January 2017</b>	<b>於2017年1月1日</b>	3,326,780	333	2,034
— Exercise of share options (a)	— 行使購股權 (a)	60	—	—
— Vesting of RSUs (b)	— 歸屬受限制股份 單位 (b)	9,881	1	7
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	3,336,721	334	2,041
— Exercise of share options (a)	— 行使購股權 (a)	30,718	3	21
— Vesting of RSUs (b)	— 歸屬受限制股份 單位 (b)	23,119	2	15
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	3,390,558	339	2,077

(a) During the year ended 31 December 2018, 30,718,269 share options were exercised (2017: 60,000 share options were exercised) (Note 20(b)(i)).

(b) During the year ended 31 December 2018, 23,118,838 RSUs were vested (2017: 9,880,788 RSUs were vested) (Note 20(b)(ii)).

(a) 截至2018年12月31日止年度，30,718,269份購股權已獲行使(2017年：60,000份)(附註20(b)(i))。

(b) 截至2018年12月31日止年度，23,118,838份受限制股份單位已歸屬(2017年：9,880,788份)(附註20(b)(ii))。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 13. OTHER RESERVES

Other reserves consist of share-based compensation and foreign currency translation difference.

### 13. 其他儲備

其他儲備包括以股份為基礎的報酬及外幣折算差額。

### 14. ASSET RETIREMENT OBLIGATIONS

### 14. 資產棄置義務

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Beginning of the year	於年初	14,609	13,176
Provision	撥備	1,385	917
Accretion expenses	增加開支	747	516
End of the year	於年末	16,741	14,609

The asset retirement obligations represent the present value of estimated future expenditures on decommissioning of gas properties and restoration of land.

資產棄置義務主要指棄用天然氣資產及復原土地的估計未來開支的現值。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15. BORROWINGS

### 15. 借款

		As at 31 December 於 12 月 31 日	
		2018 2018 年 RMB'000 人民幣千元	2017 2017 年 RMB'000 人民幣千元
Bank loans, secured Between 2 and 5 years	銀行貸款，擔保 兩至五年	–	513,593
		–	513,593
Annual interest rate	年利率	<b>LIBOR+4.15%</b>	LIBOR+4.15%
Annual effective interest rate	實際年利率	<b>8.37%</b>	7.15%

As at 31 December 2017, the Group's borrowings were denominated in US\$, which were drawn down by SAEI. On 8 July 2015, SAEI as borrower entered into an up to US\$250 million senior secured revolving credit facility with AAGI as guarantor, and with AAGI's shares in SAEI mortgaged as security, for a term of 69 months with a final maturity date of 31 March 2021 bearing interest at LIBOR plus a margin of 4.15% for the first 4 years and 4.65% for the remainder of the facility.

The Group prepaid all outstanding loans on 6 September 2018 and the total facility of the borrowings was cancelled.

於 2017 年 12 月 31 日，本集團的借款以美元計價，由美中能源公司提取。於 2015 年 7 月 8 日，美中能源公司作為借款人訂立最高 2.5 億美元的優先有抵押循環信貸融資，由亞美大陸煤層氣作為擔保人以其所持美中能源公司股份作抵押，融資為期 69 個月，最終到期日為 2021 年 3 月 31 日，首四年的利息按倫敦銀行同業拆借利率加 4.15% 計算，剩餘年度的利息按倫敦銀行同業拆借利率加 4.65% 計算。

於 2018 年 9 月 6 日，本集團提前償還了所有未償還貸款，並撤銷了融資總額。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15. BORROWINGS (Continued)

Movements in borrowings are analysed as follows:

### 15. 借款(續)

借款變動分析如下：

		RMB'000 人民幣千元
<b>Year ended 31 December 2018</b>		
Opening balance as at 1 January 2018	截至2018年12月31日止年度 於2018年1月1日年初餘額	<b>513,593</b>
Addition	增加	<b>44,489</b>
Repayments	還款	<b>(607,389)</b>
Amortisation of financing costs	融資成本攤銷	<b>22,943</b>
Currency translation differences	外幣折算差額	<b>26,364</b>
<b>Closing balance as at 31 December 2018</b>	<b>於2018年12月31日年末餘額</b>	<b>–</b>
<b>Year ended 31 December 2017</b>		
Opening balance as at 1 January 2017	截至2017年12月31日止年度 於2017年1月1日年初餘額	496,376
Addition	增加	39,687
Amortisation of financing costs	融資成本攤銷	7,087
Currency translation differences	外幣折算差額	(29,557)
<b>Closing balance as at 31 December 2017</b>	<b>於2017年12月31日年末餘額</b>	<b>513,593</b>

As at 31 December 2017, the fair value of borrowings approximated to RMB514 million. The fair value was within level 2 hierarchy (Note 3.3).

於2017年12月31日，借款的公允價值約為人民幣5.14億元。該公允價值屬第二層級(附註3.3)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16. DEFERRED INCOME TAX LIABILITIES

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

### 16. 遞延所得稅負債

遞延稅項資產與遞延稅項負債分析如下：

		As at 31 December 於12月31日	
		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>Deferred income tax assets:</b>	<b>遞延所得稅資產：</b>		
— Deferred income tax assets to be recovered within 12 months	— 將於12個月內收回的遞延所得稅資產	735	981
— Deferred income tax assets to be recovered after more than 12 months	— 將於超過12個月後收回的遞延所得稅資產	494	2,168
		<b>1,229</b>	<b>3,149</b>
<b>Deferred income tax liabilities:</b>	<b>遞延所得稅負債：</b>		
— Deferred income tax liabilities to be recovered within 12 months	— 將於12個月內收回的遞延所得稅負債	(16,175)	(16,065)
— Deferred income tax liabilities to be recovered after more than 12 months	— 將於超過12個月後收回的遞延所得稅負債	(292,376)	(219,164)
		<b>(308,551)</b>	<b>(235,229)</b>
<b>Net balance</b>	<b>結餘淨額</b>	<b>(307,322)</b>	<b>(232,080)</b>

All deferred income tax assets and liabilities are related to Panzhuang concession, where the Group has legally enforceable right to offset each other. Accordingly, it is presented on net basis.

所有遞延所得稅資產與負債均與潘莊區塊有關，本集團可依法強制行使權利使兩者相互抵銷，因此以淨額基準呈列。

The gross movement on the deferred income tax account is as follows:

遞延所得稅賬目的總變動如下：

		Year ended 31 December 截至12月31日止年度	
		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>Beginning of the year</b>	<b>於年初</b>	<b>(232,080)</b>	<b>(148,213)</b>
Charged to the consolidated statement of comprehensive income (Note 23)	於合併綜合收益表扣除(附註23)	(75,242)	(83,867)
<b>End of the year</b>	<b>於年末</b>	<b>(307,322)</b>	<b>(232,080)</b>



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16. DEFERRED INCOME TAX LIABILITIES (Continued)

The movement in deferred income tax account is as follows:

### 16. 遞延所得稅負債(續)

遞延所得稅賬目的變動如下：

		Depreciation and amortisation	Income not yet subject to tax and others	Total
		折舊及攤銷 RMB'000 人民幣千元	不須納稅的 收益及其他 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>At 1 January 2017</b>	<b>於 2017 年 1 月 1 日</b>	(33,144)	(115,069)	(148,213)
Charged to the consolidated statement of comprehensive income (Note 23)	於合併綜合收益表扣除 (附註 23)	(33,941)	(49,926)	(83,867)
<b>At 31 December 2017</b>	<b>於 2017 年 12 月 31 日</b>	(67,085)	(164,995)	(232,080)
Charged to the consolidated statement of comprehensive income (Note 23)	於合併綜合收益表扣除 (附註 23)	<b>(23,599)</b>	<b>(51,643)</b>	<b>(75,242)</b>
<b>At 31 December 2018</b>	<b>於 2018 年 12 月 31 日</b>	<b>(90,684)</b>	<b>(216,638)</b>	<b>(307,322)</b>

For the purpose of filing of PRC corporate income tax, development expenditures incurred prior to commercial production from tax perspective are tax deductible over a 8-year period starting from the commencement date of commercial production; exploration expenditures incurred prior to commercial production from tax perspective except for those qualified as production wells are tax deductible over a 3-year period starting from the commencement date of commercial production.

Deferred income tax expense mainly relates to government grants which comprise of government subsidies and VAT refunds received by the Group, which will be taxable in specified future periods according to relevant tax regulations and local authority in the PRC.

As at 31 December 2018, the Group did not recognise deferred income tax in respect of the exploration and development expenditures of Mabi concession. Such expenditures are tax deductible over certain periods starting from the commencement date of commercial production. As at 31 December 2018, the Northern Area and Southern Area of Mabi concession are still under exploration stage and development stage respectively.

就中國企業所得稅申報而言，於商業生產(從稅務角度判定)前產生的開發支出可自商業生產開始之日起在八年期間內進行稅項抵扣；於商業生產(從稅務角度判定)前所發生的勘探支出(符合資格作為生產井的勘探支出除外)可自商業生產開始之日起在三年期間內進行稅項抵扣。

遞延所得稅費用主要與政府補助相關，包括本集團收到的政府補貼和增值稅退稅，根據中國相關稅務法規和地方當局將在指定的未來期間納稅。

於 2018 年 12 月 31 日，本集團並未就與馬必區塊有關的勘探及開發開支確認遞延所得稅。該項開支可自商業生產開始之日起在若干期間內進行稅項抵扣。於 2018 年 12 月 31 日，馬必區塊北區和南區分別處於勘探階段和開發階段。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17. TRADE AND OTHER PAYABLES

### 17. 應付賬款及其他應付款

		As at 31 December 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables	應付賬款	228,043	350,956
Amounts due to related parties	應付關聯方款項		
— CUCBM	— CUCBM	—	1,000
— PetroChina	— 中石油	4,078	9,243
Tax payables	應付稅款	810	1,795
Payroll liabilities	應付工資	14,903	21,748
Other payables	其他應付款	8,450	12,211
		<b>256,284</b>	<b>396,953</b>

(a) The ageing analysis of trade payables is as follows:

At 31 December 2018, the ageing analysis of the trade payables based on invoice date is as follows:

(a) 應付賬款的賬齡分析如下：

於 2018 年 12 月 31 日，基於發票日期的應付賬款的賬齡分析如下：

		As at 31 December 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 6 months	六個月內	166,785	205,987
6 months to 1 year	六個月至一年	13,100	59,960
1 to 2 years	一至兩年	26,066	56,339
2 to 3 years	兩至三年	8,801	12,205
Over 3 years	三年以上	13,291	16,465
		<b>228,043</b>	<b>350,956</b>

(b) As at 31 December 2018, the carrying amounts of trade and other payables approximated their fair values.

(b) 於 2018 年 12 月 31 日，應付賬款及其他應付款的賬面值與其公允價值相若。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17. TRADE AND OTHER PAYABLES (Continued)

(c) The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

		As at 31 December	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	249,720	383,438
HK\$	港元	739	3,182
US\$	美元	5,825	10,333
		<b>256,284</b>	<b>396,953</b>

### 18. REVENUE

All the Group's revenue is derived through the sale of the Group's share of CBM sold to customers in the PRC. The amount of revenue is allocated based on the terms of the PSCs and gas sales agreements.

### 19. OTHER INCOME

		Year ended 31 December	
		截至 12 月 31 日止年度	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
VAT refund (a)	增值稅退稅 (a)	92,267	50,063
Government subsidy (b)	政府補貼 (b)	186,902	143,850
		<b>279,169</b>	<b>193,913</b>

(a) VAT refund is granted by the PRC government according to "The Notice on Tax Policy Issued by The Ministry of Finance and The State Administration of Taxation on Speeding Up The Drainage of Coalbed Methane" (《財政部國家稅務總局關於加快煤層氣抽採有關稅收政策問題的通知》). CUCBM and PetroChina applies for the VAT refund for Panzhuang and Mabi concession, respectively. The Group recognises its entitlement based on the Group's share of CBM sold and when there is reasonable assurance that the amount will be received.

### 17. 應付賬款及其他應付款(續)

(c) 本集團的應付賬款及其他應付款的賬面值以下列貨幣計價：

### 18. 收入

本集團所有收入均來自本集團所佔 CBM 對中國客戶的銷售所得。收入金額根據產品分成合同及煤層氣銷售協議的條款予以分配。

### 19. 其他收入

(a) 增值稅退稅是中國政府根據《財政部國家稅務總局關於加快煤層氣抽採有關稅收政策問題的通知》授出。CUCBM 及中石油分別為潘莊區塊及馬必區塊申請增值稅退稅。本集團已根據本集團攤佔所售 CBM 於有合理保證該金額可收回時確認其所享有的金額。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 19. OTHER INCOME (Continued)

- (b) Government subsidy is granted by the PRC government according to "The Implementation Opinions of Subsidies Granted by The Ministry of Finance on The Development and Utilisation of Coalbed Methane" (《財政部關於煤層氣(瓦斯)開發利用補貼的實施意見》) at RMB0.3 per cubic meter of the CBM sold. CUCBM and PetroChina applies for the subsidy for Panzhuang and Mabi concession, respectively. The Group recognises its entitlement based on the Group's share of CBM sold and when there is reasonable assurance that the amount will be received.

### 19. 其他收入(續)

- (b) 政府補貼是中國政府根據《財政部關於煤層氣(瓦斯)開發利用補貼的實施意見》授出，金額按所售CBM每立方米人民幣0.3元計算。CUCBM及中石油分別為潘莊區塊及馬必區塊申請補貼。本集團已根據本集團攤佔所售CBM於有合理保證該金額可收回時確認其所享有的金額。

### 20. EMPLOYEE BENEFIT EXPENSES

### 20. 僱員福利開支

		Year ended 31 December 截至12月31日止年度	
		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	96,967	98,533
Welfare and other benefits (a)	福利及其他利益(a)	25,205	23,082
Share-based compensation (b)	以股份為基礎的報酬(b)	36,076	20,515
Termination benefits	辭退福利	51,701	–
		<b>209,949</b>	142,130

#### (a) Welfare and other benefits

In the PRC, the pension plans are organized by the municipal and provincial governments at a rate of 19% of the employees' salaries, subject to certain ceilings. In Hong Kong, the Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme in Hong Kong. Contributions are made based on 5% of the employees' relevant income, subject to a cap of HK\$1,500 per month based on a monthly relevant income of HK\$30,000. Contributions to the plans vest immediately.

In the PRC, the Group also contributes to government-sponsored housing funds at a rate of 12% of the employees' salaries, subject to certain ceilings.

#### (a) 福利及其他利益

於中國，按僱員薪金的19%(受若干上限規限)向由市及省政府管理的退休金計劃作出供款。於香港，本集團根據強制性公積金計劃條例設有定額供款強制性公積金退休福利計劃(「強積金計劃」)，對象為合資格參與強積金計劃的香港僱員，按僱員有關收入的5%作出供款，上限為按每月有關收入30,000港元計算的每月1,500港元。向該等計劃作出的供款即時歸屬。

於中國，本集團亦按僱員薪金的12%(受若干上限規限)向由政府資助的住房基金作出供款。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的報酬

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Share-based compensation	以股份為基礎的報酬		
— Pre-IPO Share Option Scheme (i)	— 首次公開發售前購股權計劃(i)	3,809	(1,119)
— Post-IPO Restricted Share Unit Scheme (ii)	— 首次公開發售後受限制股份單位計劃(ii)	32,267	20,242
— Incremental fair value related to change of terms	— 與變化條件有關的增加的公允價值	—	1,392
Amount charged to employee benefits expenses	計入僱員福利開支	36,076	20,515
— Incremental fair value on settlement in cash	— 以現金結算增加的公允價值	(4,545)	—
Net amount credited to other reserves	計入其他儲備淨額	31,531	20,515

#### (i) Pre-IPO Share Option Scheme

The Company adopted the Pre-IPO Share Option Scheme on 31 March 2015. The vesting conditions of the unvested options under the Pre-IPO Share Option Scheme are (a) 50% of the options shall be time-based and shall vest at the rate of one half for each 12-month period commencing from 1 January 2015 if the relevant employment date is on or prior to 1 January 2014; or one third for each 12-month period commencing from the relevant employment date if such date is after 1 January 2014; (b) 50% of the options shall be KPI-linked and shall be divided into three equal instalments, with each instalment being linked with one of three KPIs and vested at the rate of one half for each 12-month period commencing from 1 January 2015 if the relevant employment date is on or prior to 1 January 2014; or one third for each 12-month period commencing from the relevant employment date if such date is after 1 January 2014.

#### (i) 首次公開發售前購股權計劃

公司於2015年3月31日採納首次公開發售前購股權計劃。首次公開發售前購股權計劃項下未行使購股權的可行權條件為：(a) 50%購股權將以時間為基準，倘相關僱傭日期為2014年1月1日或之前，則自2015年1月1日起計每12個月期間按二分之一比例歸屬，或倘相關僱傭日期為2014年1月1日之後，則自相關僱傭日期起計每12個月期間按三分之一比例歸屬；(b) 50%購股權須與關鍵業績指標掛鉤，且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並根據以下情況歸屬：倘相關僱傭日期為於2014年1月1日或之前，則自2015年1月1日起計每12個月期間按二分之一比例歸屬；或倘相關僱傭日期為於2014年1月1日之後，則自相關僱傭日期起計每12個月期間按三分之一比例歸屬。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation (Continued)

##### (i) Pre-IPO Share Option Scheme (Continued)

- (1) Movements in the number of share options outstanding and their related weight average exercise prices are as follows:

		Exercise price per share 每股行使價 US\$ 美元	Number of share options 購股權數目 thousands 千份
<b>As at 1 January 2017</b>	<b>於2017年1月1日</b>	0.151	230,615
Exercised	已行權	0.151	(60)
Forfeited	已作廢	0.151	(6,441)
Expired	已屆滿	0.151	(1,100)
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>	0.151	223,014
Exercised	已行權	0.151	(30,718)
Forfeited	已作廢	0.151	(164)
Expired	已屆滿	0.151	(21,747)
Cancelled	已取消	0.151	(64,993)
Cancelled pursuant to Change of Control (Note1)	根據控制權變更取消 (附註1)	0.151	(100,323)
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>	0.151	5,069

- (2) As at 31 December 2018, the share options outstanding have expiry dates between 2019 and 2023, all of options (31 December 2017: 214,858,731) were exercisable.

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的報酬(續)

##### (i) 首次公開發售前購股權計劃(續)

- (1) 尚未行使的購股權數目及其加權平均行使價的變動如下：

- (2) 於2018年12月31日，尚未行使購股權的到期日為2019年至2023年，全部購股權(2017年12月31日：214,858,731)可予行使。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation (Continued)

##### (ii) Post-IPO Restricted Share Unit Scheme

On 18 December 2015, the Company announced the granting of restricted share units ("RSUs") to certain grantees of the Group in accordance with the Post-IPO Restricted Share Unit Scheme conditionally approved and adopted by the Company on 5 June 2015. The acceptance letters of the RSUs to the grantees were signed on 31 January 2016. The vesting conditions of the RSUs under the scheme are (a) 50% of the RSUs shall be time-based and shall vest at the rate of one fourth (1/4) for each 12-month period commencing from 31 March 2016; and (b) 50% of the RSUs shall be KPI-linked and shall be divided into three equal instalments, with each instalment being linked with one of the three KPIs and vested at the rate of one fourth (1/4) for each 12-month period commencing from 31 March 2016.

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的報酬(續)

##### (ii) 首次公開發售後受限制股份單位計劃

於2015年12月18日，本公司宣佈根據本公司於2015年6月5日有條件批准及採納的首次公開發售後受限制股份單位計劃向本集團若干承授人授出受限制股份單位(「受限制股份單位」)。致承授人的受限制股份單位接納函已於2016年1月31日簽署。該計劃項下受限制股份單位的給予條件為：(a) 50%受限制股份單位須按時間基準歸屬，自2016年3月31日起計每12個月期間按四分之一(1/4)比例歸屬；及(b) 50%受限制股份單位須與關鍵業績指標掛鉤，且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並自2016年3月31日起計每12個月期間按四分之一(1/4)比例歸屬。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation (Continued)

##### (ii) Post-IPO Restricted Share Unit Scheme (Continued)

On 24 March 2017, the Company announced the granting of RSUs to certain grantees of the Group in accordance with the Post-IPO Restricted Share Unit Scheme conditionally approved and adopted by the Company on 5 June 2015. The acceptance letters of the RSUs to the grantees were signed on 31 May 2017. The vesting conditions of the RSUs for grantees except for independent non-executive directors are (a) 50% of the RSUs will be time-based and shall vest at the rate of one fourth (1/4) for each 12-month period commencing from 31 March 2017; and (b) 50% of the RSUs shall be KPI-linked and shall be divided into three equal instalments, with each instalment being linked with one of three KPIs and vested at the rate of one fourth (1/4) for each 12-month period commencing from 31 March 2017. The vesting conditions of the RSUs for those independent non-executive directors are (a) 25% of the RSUs will be vested immediately after the acceptance; and (b) 37.5% of the RSUs will be time-based and shall vest at the rate of one-third (1/3) for each 12-month period commencing from 31 March 2017; and (c) 37.5% of the RSUs shall be KPI-linked and shall be divided into three equal instalments, with each instalment being linked with one of three KPIs and vested at the rate of one-third (1/3) for each 12-month period commencing from 31 March 2017.

### 20. 僱員福利開支(續)

#### (b) 以股份為基礎的報酬(續)

##### (ii) 首次公開發售後受限制股份單位計劃(續)

於2017年3月24日，本公司宣佈根據本公司於2015年6月5日有條件批准及採納的首次公開發售後受限制股份單位計劃向本集團若干承授人授出受限制股份單位。致承授人的受限制股份單位接納函已於2017年5月31日簽署。就承授人(獨立非執行董事除外)的受限制股份單位給予條件為：(a) 50%受限制股份單位將按時間基準歸屬，自2017年3月31日起計每12個月期間按四分之一(1/4)比例歸屬；及(b) 50%受限制股份單位須與關鍵業績指標掛鉤，且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並自2017年3月31日起計每12個月期間按四分之一(1/4)比例歸屬。就該等獨立非執行董事的受限制股份單位給予條件為：(a) 25%受限制股份單位將於接納後即時歸屬；及(b) 37.5%受限制股份單位將按時間基準歸屬，自2017年3月31日起計每12個月期間按三分之一(1/3)比例歸屬；及(c) 37.5%受限制股份單位須與關鍵業績指標掛鉤，且須分為三等份，每份與三個關鍵業績指標之一掛鉤，並自2017年3月31日起計每12個月期間按三分之一(1/3)比例歸屬。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (b) Share-based compensation (Continued)

##### (ii) Post-IPO Restricted Share Unit Scheme (Continued)

Movements in the number of RSUs outstanding are as follows:

		Closing price on grant date 於授出日期 收市價 HK\$ per share 每股港元	Number of RSUs 受限制股份 單位數目 thousands 千份
<b>As at 1 January 2017</b>	<b>於 2017 年 1 月 1 日</b>		40,154
Granted (18 May 2017)	已授予 (2017 年 5 月 18 日)	1.27	10,907
Granted (31 May 2017)	已授予 (2017 年 5 月 31 日)	1.29	15,426
Forfeited	已作廢		(2,622)
Vested	已歸屬		(9,881)
<b>As at 1 January 2018</b>	<b>於 2018 年 1 月 1 日</b>		53,984
Forfeited	已作廢		(833)
Vested	已歸屬		(23,119)
Cancelled	已取消		(9,878)
Cancelled pursuant to Change of Control (Note1)	根據控制權變更取消 (附註 1)		(20,154)
<b>As at 31 December 2018</b>	<b>於 2018 年 12 月 31 日</b>		–

The fair values of RSUs granted were determined by the closing price quoted on The Stock Exchange of Hong Kong Limited on the grant date.

已授予受限制股份單位的公允價值按於授出日期在香港聯合交易所有限公司所報收市價釐定。

### 20. 僱員福利開支 (續)

#### (b) 以股份為基礎的報酬 (續)

##### (ii) 首次公開發售後受限制股份單位計劃 (續)

尚未行使受限制股份單位數目變動如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. EMPLOYEE BENEFIT EXPENSES (Continued)

#### (c) Five highest paid individuals

Details of five highest paid individuals are set out below:

		Number of Individuals 人數	
		2018 2018年	2017 2017年
Director (Note 32)	董事(附註32)	1	1
Non-director individuals (i)	非董事成員(i)	4	4
		5	5

(i) The emoluments payable to the non-director individuals during the year are as follows:

		Year ended 31 December 截至12月31日止年度	
		2018 2018年	2017 2017年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	10,448	13,207
Discretionary bonuses	酌情獎金	–	3,241
Share-based compensation	以股份為基礎的報酬	12,194	9,251
Other benefits including pension	其他福利(包括退休金)	2,042	2,070
Termination benefits	辭退福利	18,915	–
		43,599	27,769

The emoluments fell within the following bands:

薪酬範圍如下：

		Number of Individuals 人數	
		2018 2018年	2017 2017年
Emolument bands	薪酬範圍		
HK\$4,500,001–HK\$5,000,000	4,500,001港元至5,000,000港元	–	1
HK\$6,000,001–HK\$6,500,000	6,000,001港元至6,500,000港元	–	1
HK\$7,000,001–HK\$7,500,000	7,000,001港元至7,500,000港元	1	–
HK\$9,500,001–HK\$10,000,000	9,500,001港元至10,000,000港元	–	1
HK\$10,500,001–HK\$11,000,000	10,500,001港元至11,000,000港元	1	–
HK\$11,500,001–HK\$12,000,000	11,500,001港元至12,000,000港元	1	1
HK\$21,500,001–HK\$22,000,000	21,500,001港元至22,000,000港元	1	–
		4	4

### 20. 僱員福利開支(續)

#### (c) 五位最高薪酬人士

五位最高薪酬人士的詳情如下：



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 21. FINANCE COSTS, NET

### 21. 財務費用 — 淨額

		Year ended 31 December 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest expense of bank borrowings	銀行借款的利息費用	(33,069)	(39,176)
Bank loan commitment fee	銀行貸款承諾費	(24,960)	(12,577)
Accretion expenses of asset retirement obligations	資產棄置義務的遞增費用	(596)	(400)
Subtotal	小計	(58,625)	(52,153)
Less: amounts capitalised on qualifying assets (Note 6)	減：合資格資產資本化金額 (附註6)	33,069	39,176
Finance costs	財務費用	(25,556)	(12,977)
Interest income	利息收入	25,701	6,306
Exchange losses	匯兌損失	(7,480)	(4,510)
Finance costs, net	財務費用 — 淨額	(7,335)	(11,181)

### 22. PROFIT BEFORE INCOME TAX

Profit before income tax was determined after charging the following:

### 22. 除所得稅前利潤

決定除所得稅前利潤的費用如下：

		Year ended 31 December 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Operating lease expenses	經營租賃費	15,270	13,947
Auditors' remunerations	審計師薪酬		
— Audit services	— 審計服務		
— The Company	— 本公司	3,800	3,600
— Subsidiaries	— 附屬公司	600	600
— Non-audit services	— 非審計服務	1,241	583

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 23. INCOME TAX EXPENSE

### 23. 所得稅費用

		Year ended 31 December 截至 12 月 31 日止年度	
		2018 2018 年 RMB'000 人民幣千元	2017 2017 年 RMB'000 人民幣千元
Current income tax	當期所得稅	(108,081)	(43,876)
Deferred income tax (Note 16)	遞延所得稅 (附註 16)	(75,242)	(83,867)
		<b>(183,323)</b>	<b>(127,743)</b>

The Company was incorporated in the Cayman Islands as an exempt company with limited liability and, accordingly, is exempted from payment of local income tax.

No provision for Hong Kong profits tax has been provided as the Group did not derive any assessable profits in Hong Kong during the year.

AAGI and AAG Energy (China) Limited, which were incorporated in the British Virgin Islands under the International Business Companies Acts of the British Virgin Islands, are exempted from payment of local income tax.

SAEI, which was incorporated in Samoa under the International Business Companies Acts of the Samoa, is exempted from payment of local income tax.

Corporate income tax in the PRC is calculated based on the taxable profit of branches established in the PRC. According to the PRC Corporate Income Tax Law promulgated by the PRC government, the tax rate applicable for the PRC branches of the Group's subsidiaries is 25%.

本公司在開曼群島註冊成立為豁免有限公司，因此豁免繳當地所得稅。

由於本集團於本年度並沒有在香港取得任何應課稅利潤，故並無計提香港利得稅。

根據英屬維爾京群島國際商業公司法於英屬維爾京群島註冊成立的亞美大陸煤層氣及AAG Energy (China) Limited豁免繳當地所得稅。

根據薩摩亞國際商業公司法於薩摩亞註冊成立的美中能源公司豁免繳當地所得稅。

中國企業所得稅乃根據於中國成立的分公司的應課稅利潤計算。根據中國政府頒佈的中國企業所得稅法，本集團附屬公司的中國分公司的適用稅率為25%。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 23. INCOME TAX EXPENSE (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

		Year ended 31 December 截至12月31日止年度	
		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	596,260	310,941
Tax expense calculated at applicable statutory tax rates	按適用法定稅率計算的稅項費用	(145,264)	(146,350)
(Current year)/utilization of previously deductible temporary differences for which no deferred tax asset was recognised	(本年度)/使用以前年度未確認遞延稅資產的可抵扣暫時性差異	(33,396)	22,848
Expenses not deductible for taxation purposes	不可扣除的費用	(811)	(1,812)
Others	其他	(3,852)	(2,429)
Income tax expense	所得稅費用	(183,323)	(127,743)

### 24. EARNINGS PER SHARE

#### (a) Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 December 2018 and 2017.

### 24. 每股收益

#### (a) 基本

基本每股收益乃按歸屬於本公司所有者的利潤除以截至2018年及2017年12月31日止年度內已發行普通股的加權平均數計算得出。

		Year ended 31 December 截至12月31日止年度	
		2018 2018年	2017 2017年
Profit attributable to owners of the Company (RMB'000)	歸屬於本公司所有者的利潤(人民幣千元)	412,937	183,198
Weighted average number of ordinary basic shares in issue (Thousands)	已發行普通基本股的加權平均數(千股)	3,358,654	3,333,675
Basic earnings per share (RMB)	基本每股收益(人民幣元)	0.123	0.055

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 24. EARNINGS PER SHARE (Continued)

#### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options and RSUs outstanding which are potentially dilutive. The assumed proceeds from conversion of these options and RSUs shall be regarded as having been received from the issue of ordinary shares at average market price of ordinary shares during the period. The difference between the number of shares that would have been issued assuming the exercise of the share options and RSUs and the number of shares that could have been issued at the average market price of the ordinary shares during the period with the same total assumed proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share.

### 24. 每股收益(續)

#### (b) 稀釋

稀釋每股收益假設所有可稀釋的潛在普通股被兌換後，根據已發行普通股的加權平均數計算。本公司有兩類可稀釋的潛在普通股：購股權及受限制股份單位。假設這些購股權和受限制股份單位兌換所獲取的價款應被視為按照期內普通股平均市場價格發行而獲得。零代價發行的股份數目是基於假設行使了購股權和受限制股份單位應該發行的股份數目，與假設按照期內普通股平均市場價格發行並獲得相同合計價款的情況下可能需要發行的股份數目的差額。這一零代價發行的股份數目將構成普通股的加權平均數一部分，並作為計算稀釋每股收益時所用的分母。

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
Profit attributable to owners of the Company (RMB'000)	歸屬於本公司所有者的利潤(人民幣千元)	412,937	183,198
Weighted average number of ordinary shares in issue (Thousands)	已發行普通股的加權平均數(千股)	3,358,654	3,333,675
Adjustments for assumed conversion of share options and RSUs(Thousands)	假設兌換購股權及受限制股份單位的調整(千股)	752	8,570
Weighted average number of ordinary shares for diluted earnings per share (Thousands)	計算稀釋每股收益的普通股加權平均數(千股)	3,359,406	3,342,245
Diluted earnings per share (RMB)	稀釋每股收益(人民幣元)	0.123	0.055

### 25. DIVIDENDS

A dividend in respect of the year ended 31 December 2018 of RMB0.0737 per share will be proposed at the annual general meeting on 10 May 2019. These financial statements do not reflect this dividend payable.

A dividend in respect of the year ended 31 December 2017 of HK\$83,106,810 (RMB67,943,000) was proposed at the AGM on 8 May 2018 and was paid on 21 June 2018.

### 25. 股息

2018年度末期股息每股人民幣0.0737元將於2019年5月10日之股東週年大會上提呈。此等財務報表並無反映該等應付股息。

截至2017年12月31日止年度的股息83,106,810港元(人民幣67,943,000元)已於2018年5月8日的股東週年大會上提呈，並於2018年6月21日派付。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 26. CASH GENERATED FROM OPERATIONS

- (a) Reconciliation of profit before income tax to net cash flow generated from operations:

		Year ended 31 December 截至12月31日止年度	
		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	596,260	310,941
Adjustments for:	就下列各項作出調整：		
Depreciation (Note 6)	折舊(附註6)	197,779	105,723
Amortisation (Notes 7 and 8)	攤銷(附註7及8)	5,907	4,696
(Gains)/losses on disposals of property, plant and equipment	出售不動產、工廠及設備的(利得)/虧損	(38)	16
Interest income (Note 21)	利息收入(附註21)	(25,701)	(6,306)
Finance costs (Note 21)	財務費用(附註21)	25,556	12,977
Exchange losses	匯兌損失	7,480	4,510
Share-based compensation (Note 20(b))	以股份為基礎的報酬(附註20(b))	36,076	20,515
Changes in working capital:	經營資金的變動：		
Increase in inventories	存貨增加	(9,062)	(684)
(Increase)/decrease in trade and other receivables	應收賬款及其他應收款(增加)/減少	(294,565)	22,269
(Decrease)/increase in trade and other payables	應付賬款及其他應付款(減少)/增加	(23,322)	12,741
Cash generated from operations	經營活動產生的現金	516,370	487,398

- (b) Changes in bank borrowings arising from financing activities

### 26. 經營活動所得現金

- (a) 除所得稅前利潤與經營活動所得現金流量淨額的調節：

- (b) 融資活動所產生銀行借款變動

		Non-cash changes 非現金變動				
		As at 1 January 2018 2018年 1月1日 RMB'000 人民幣千元	Cash flows 現金流量 RMB'000 人民幣千元	Foreign exchange movement 匯兌變動 RMB'000 人民幣千元	Amortisation 攤銷 RMB'000 人民幣千元	As at 31 December 2018 2018年 12月31日 RMB'000 人民幣千元
Long-term borrowings	長期借款	513,593	(562,900)	26,364	22,943	-



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 27. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family member of the Group are also considered as related parties.

**(a) The following companies are related parties of the Group during the year ended 31 December 2018**

Names of the related parties 關聯方名稱	Nature of relationship 關係性質	Ownership interest 所有者權益
Xinjiang Xintai Natural Gas Co., Ltd. <sup>(i)</sup> 新疆鑫泰天然氣股份有限公司 <sup>(i)</sup>	Ultimate parent entity 最終控股公司	49.93%
Sichuan Liming Energy Development Co., Ltd. <sup>(i)</sup> 四川利明能源開發有限責任公司 <sup>(i)</sup>	Intermediate parent entity 中間控股公司	49.93%
Liming Holding Limited <sup>(i)</sup> 香港利明控股有限公司 <sup>(i)</sup>	Immediate parent entity 直接控股公司	49.93%
CUCBM 中聯煤層氣	PSC partner of Panzhuang concession 潘莊區塊產品分成合同合夥人	N/A 不適用
CNPC/PetroChina <sup>(ii)</sup> CNPC/中石油 <sup>(ii)</sup>	PSC partner of Mabi concession 馬必區塊產品分成合同合夥人	N/A 不適用

(i) As at 31 December 2018, Xinjiang Xintai Natural Gas Co., Ltd., through its 100% controlled subsidiary Sichuan Liming Energy Development Co., Ltd., holds 100% of the issued ordinary shares of Liming Holding Limited.

(ii) The exploration phase sales agreement was entered into between AAGI and PetroChina (representing CNPC).

### 27. 關聯方交易

若一方有能力直接或間接控制另一方或對另一方的財務及運營決策實施有重大影響力，則視為關聯方。受共同控制的各方亦視為關聯方。本集團主要管理人員及其家族成員亦視為關聯方。

**(a) 截至2018年12月31日止年度，下列公司為本集團的關聯方：**

(i) 於2018年12月31日，新疆鑫泰天然氣股份有限公司通過其全資控股公司四川利明能源開發有限責任公司持有香港利明控股有限公司100%已發行普通股。

(ii) 馬必區塊勘探期銷售協議由亞美大陸煤層氣與中石油(代表CNPC)訂立。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 27. RELATED PARTY TRANSACTIONS (Continued)

#### (b) Significant transactions with related parties

### 27. 關聯方交易(續)

#### (b) 與關聯方的重大交易

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Services received	已獲得的服務		
— CUCBM	— CUCBM	4,565	4,493
— PetroChina	— 中石油	3,134	7,481
		<b>7,699</b>	11,974
Sales of gas	銷售煤層氣		
— PetroChina	— 中石油	124,943	28,712

#### (c) Key management compensation

#### (c) 主要管理人員薪酬

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Basic salaries and allowances	基本薪金及津貼	27,719	28,996
Discretionary bonuses	酌情獎金	2,077	6,960
Share-based compensation	以股份為基礎的報酬	21,187	15,745
Other benefits including pension	其他福利(包括退休金)	4,026	3,742
Termination benefits	辭退福利	32,624	—
		<b>87,633</b>	55,443

Included in above, RMB78,285,000 are related to former management who resigned after the Change of Control in 2018.

上表中人民幣78,285,000元為2018年控制權變更後辭職的前任管理人員薪酬。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 28. COMMITMENTS

#### (a) Capital commitments

Capital expenditure contracted at the end of the year but not yet incurred is as follows:

		As at 31 December 於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property, plant and equipment	不動產、工廠及設備	27,306	123,230

#### (b) Operating lease commitments

The Group leases office premises from non-related parties under non-cancellable operating lease agreements. The future minimum lease payable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

		As at 31 December 於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
No later than 1 year	一年以內	7,975	7,125
Later than 1 year but no later than 5 years	一年至五年	2,361	427
		10,336	7,552

### 29. RECLASSIFICATION

Certain comparative information has been reclassified to conform with the presentation of the financial information for the current year.

### 28. 承諾事項

#### (a) 資本承諾

於本年度末已訂約但並沒有產生的資本開支如下：

#### (b) 經營租賃承諾

本集團從非關聯方不可撤銷的經營租賃協議下租賃辦公用房。在不可撤銷經營租賃下，於資產負債表日已訂約但尚未確認為負債的未來最低應付租賃款項如下：

### 29. 重新分類

若干比較資料已重新分類，以符合本年度財務資訊的呈列。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 30. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY 30. 本公司資產負債表及儲備變動

#### (a) Balance sheet of the Company

#### (a) 本公司資產負債表

		As at 31 December	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Long-term investment	長期投資	3,594,481	3,058,729
Property, plant and equipment	不動產、工廠及設備	297	679
Intangible assets	無形資產	41	53
		<b>3,594,819</b>	<b>3,059,461</b>
<b>Current assets</b>	<b>流動資產</b>		
Other receivables	其他應收款	839	1,488
Cash and cash equivalents	現金及現金等價物	930,154	1,368,258
		<b>930,993</b>	<b>1,369,746</b>
<b>Total assets</b>	<b>總資產</b>	<b>4,525,812</b>	<b>4,429,207</b>
<b>EQUITY</b>	<b>權益</b>		
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司所有者的權益</b>		
Share capital	股本	2,077	2,041
Share premium	股本溢價	4,269,501	4,179,471
Other reserves	其他儲備	510,891	431,379
Accumulated deficits	累計虧損	(274,912)	(196,572)
		<b>4,507,557</b>	<b>4,416,319</b>
<b>LIABILITIES</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款	18,255	12,888
<b>Total liabilities</b>	<b>總負債</b>	<b>18,255</b>	<b>12,888</b>
<b>Total equity and liabilities</b>	<b>總權益及負債</b>	<b>4,525,812</b>	<b>4,429,207</b>

The balance sheet of the Company was approved by the Board of Directors on 21 March 2019 and was signed on its behalf.

本公司資產負債表由董事會於2019年3月21日批准，並由其代表簽署。

Director  
董事  
Yan Danhua  
嚴丹華

Director  
董事  
Zhang Jianbing  
張艦兵

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 30. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

#### (b) Reserve movement of the Company

### 30. 本公司資產負債表及儲備變動 (續)

#### (b) 本公司儲備變動

		Share premium 股本溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Accumulated deficits 累計虧損 RMB'000 人民幣千元
<b>As at 1 January 2017</b>	<b>於2017年1月1日</b>	4,169,177	694,535	(125,423)
Loss for the year	年度虧損	–	–	(71,149)
Currency translation differences	外幣折算差額	–	(273,431)	–
Share-based compensation	以股份為基礎的報酬	–	20,515	–
Vesting of RSUs	歸屬受限制股份單位	10,201	(10,208)	–
Exercise of options	行使購股權	93	(32)	–
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>	4,179,471	431,379	(196,572)
Loss for the year	年度虧損	–	–	<b>(78,340)</b>
Currency translation differences	外幣折算差額	–	<b>216,833</b>	–
Share-based compensation	以股份為基礎的報酬	–	<b>31,531</b>	–
Vesting of RSUs	歸屬受限制股份單位	<b>44,813</b>	<b>(44,828)</b>	–
Cash settlement of RSUs	以現金結算的受限制股份單位	–	<b>(10,231)</b>	–
Exercise of options	行使購股權	<b>113,160</b>	<b>(113,793)</b>	–
Dividend distributed	股利分配	<b>(67,943)</b>	–	–
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>	<b>4,269,501</b>	<b>510,891</b>	<b>(274,912)</b>



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 31. SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2018:

### 31. 附屬公司

以下列示於2018年12月31日的主要附屬公司：

Name	Place of incorporation and type of legal entity	Issued/ paid-up capital	Principal activities and place of operation	Proportion of ordinary shares held by the Group (%)
名稱	註冊成立地及法人實體類型	已發行/ 實繳股本	主要業務及運營地點	本集團持有普通股比例(%)
AAGI	British Virgin Islands ("BVI"), Limited liability company	US\$50,000/ US\$50,000	CBM project development, BVI	100%
亞美大陸煤層氣	英屬維京群島(「英屬維京群島」), 有限公司	50,000美元/ 50,000美元	煤層氣項目開發, 英屬維京群島	100%
AAG Energy (China) Limited	BVI, Limited liability company	US\$5,000/ US\$5,000	CBM project development, BVI	100%
	英屬維京群島, 有限公司	5,000美元/ 5,000美元	煤層氣項目開發, 英屬維京群島	100%
SAEI	Samoa, Limited liability company	US\$7,000,000/ US\$7,000,000	CBM project development, Samoa	100%
美中能源公司	薩摩亞, 有限公司	7,000,000美元/ 7,000,000美元	煤層氣項目開發, 薩摩亞	100%
Alpha Eagle Limited	Cayman Islands, Limited liability company	US\$1/US\$1	CBM project development, Cayman Islands	100%
佳鷹有限公司	開曼群島, 有限公司	1美元/ 1美元	煤層氣項目開發, 開曼群島	100%

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32. BENEFITS AND INTERESTS OF DIRECTORS

#### (a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2018:

### 32. 董事福利及利益

#### (a) 董事及首席執行官的酬金

各董事及首席執行官的薪酬如下：

截至2018年12月31日止年度：

Name	Fees	Salary	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Termination benefits	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
姓名	費用	薪金	酌情獎金	福利津貼	退休福利計劃 僱主供款	辭退福利	董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的其他薪酬	合計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive Directors</b>	<b>執行董事</b>							
Mr. Ming Zaiyuan (a)	明再遠先生(a)	-	878	467	-	-	-	1,345
Mr. Yan Danhua (b)	嚴丹華先生(b)	-	441	233	8	18	-	700
Mr. Zhang Jianbing (b)	張艦兵先生(b)	-	316	167	1	-	-	484
Dr. Stephen Xiangdong Zou (c)	鄒向東博士(c)	-	5,749	-	6,088	-	12,188	24,025
<b>Non-executive Directors</b>	<b>非執行董事</b>							
Mr. Gordon Sun Kan Shaw (d)	蕭宇成先生(d)	-	-	-	-	-	-	-
Mr. Zhen Wei (d)	魏臻先生(d)	-	-	-	-	-	-	-
Mr. Peter Randall Kagan (d)	Peter Randall Kagan 先生(d)	-	-	-	-	-	-	-
Mr. Lei Jin	金磊先生	-	-	-	-	-	-	-
Dr. Guiyong Cui	崔桂勇博士	-	-	-	-	-	-	-
Mr. Saurabh Narayan Agarwal	Saurabh Narayan Agarwal先生	-	-	-	-	-	-	-
Mr. Fei Nie (e)	聶飛先生(e)	-	-	-	-	-	-	-
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>							
Mr. Tai Kwok Leung Alexander (f)	戴國良先生(f)	108	-	-	-	-	-	108
Dr. Liu Xiaofeng (g)	劉曉峰博士(g)	108	-	-	-	-	-	108
Dr. Yang Ruizhao (h)	楊瑞召博士(h)	44	-	-	-	-	-	44
Mr. Yaowen Wu (i)	吳耀文先生(i)	231	-	-	307	-	-	538
Mr. Robert Ralph Parks (j)	Robert Ralph Parks 先生(j)	873	-	-	326	-	-	1,199
Mr. Fredrick J. Barrett (j)	Fredrick J. Barrett 先生(j)	548	-	-	338	-	-	886
Mr. Stephen Cheuk Kin Law (j)	羅卓堅先生(j)	1,183	-	-	308	-	-	1,491
<b>Chief Executive</b>	<b>首席執行官</b>							
Mr. Jing Li (k)	李京先生(k)	-	3,705	-	6,595	107	7,978	18,385
<b>Total</b>	<b>合計</b>	<b>3,095</b>	<b>11,089</b>	<b>867</b>	<b>13,971</b>	<b>125</b>	<b>20,166</b>	<b>49,313</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

#### (a) Directors' and chief executive's emoluments

(Continued)

For the year ended 31 December 2017:

### 32. 董事福利及利益 (續)

#### (a) 董事及首席執行官的酬金 (續)

截至2017年12月31日止年度：

Name	Fees	Salary	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Termination benefits	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
姓名	費用	薪金	酌情獎金	福利津貼	退休福利計劃	辭退福利	董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的其他薪酬	合計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive Director</b>	<b>執行董事</b>							
Dr. Stephen Xiangdong Zou (c)	鄒向東博士 (c)	-	7,151	1,787	4,098	83	-	13,119
<b>Non-executive Directors</b>	<b>非執行董事</b>							
Mr. Gordon Sun Kan Shaw (d)	蕭宇成先生 (d)	-	-	-	-	-	-	-
Mr. Zhen Wei (d)	魏臻先生 (d)	-	-	-	-	-	-	-
Mr. Peter Randall Kagan (d)	Peter Randall Kagan 先生 (d)	-	-	-	-	-	-	-
Mr. Lei Jin	金磊先生	-	-	-	-	-	-	-
Dr. Guiyong Cui	崔桂勇博士	-	-	-	-	-	-	-
Mr. Bo Bai	白波先生	-	-	-	-	-	-	-
Mr. Saurabh Narayan Agarwal	Saurabh Narayan Agarwal 先生	-	-	-	-	-	-	-
Mr. Fei Nie (e)	聶飛先生 (e)	-	-	-	-	-	-	-
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>							
Mr. Yaowen Wu (i)	吳耀文先生 (i)	280	-	-	448	-	-	728
Mr. Robert Ralph Parks (j)	Robert Ralph Parks 先生 (j)	756	-	-	418	-	-	1,174
Mr. Fredrick J. Barrett (j)	Fredrick J. Barrett 先生 (j)	1,133	-	-	452	-	-	1,585
Mr. Stephen Cheuk Kin Law (j)	羅卓堅先生 (j)	994	-	-	370	-	-	1,364
<b>Chief Executive</b>	<b>首席執行官</b>							
Mr. Jing Li (k)	李京先生 (k)	-	4,397	1,152	4,388	87	-	10,024
<b>Total</b>	<b>合計</b>	<b>3,163</b>	<b>11,548</b>	<b>2,939</b>	<b>10,174</b>	<b>170</b>	<b>-</b>	<b>27,994</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

#### (a) Directors' and chief executive's emoluments

(Continued)

Notes:

- (a) Mr. Ming Zaiyuan was appointed as an executive Director and the chairman of the Board of the Company on 24 August 2018.
- (b) Mr. Yan Danhua and Mr. Zhang Jianbing were appointed as executive Directors of the Company on 24 August 2018. Mr. Yan Danhua was appointed as the president of the Company on 7 September 2018.
- (c) Dr. Stephen Xiangdong Zou resigned as chairman of the Board on 24 August 2018 and resigned as an executive Director of the Company on 22 November 2018.
- (d) Mr. Gordon Sun Kan Shaw, Mr. Zhen Wei and Mr. Peter Randall Kagan resigned as non-executive Directors of the Company on 25 August 2018.
- (e) Mr. Fei Nie resigned as a non-executive Director of the Company on 8 May 2018.
- (f) Mr. Tai Kwok Leung Alexander was appointed as an independent non-executive Director of the Company on 24 August 2018.
- (g) Dr. Liu Xiaofeng was appointed as an independent non-executive Director of the Company on 24 August 2018.
- (h) Dr. Yang Ruizhao was appointed as an independent non-executive Director of the Company on 9 November 2018.
- (i) Mr. Yaowen Wu resigned as an independent non-executive Director of the Company on 24 August 2018.
- (j) Mr. Robert Ralph Parks, Mr. Fredrick J. Barrett and Mr. Stephen Cheuk Kin Law resigned as independent non-executive Directors of the Company on 7 September 2018.
- (k) Mr. Jing Li ceased to be the chief executive officer and the president of the Company on 7 September 2018.

### 32. 董事福利及利益 (續)

#### (a) 董事及首席執行官的酬金 (續)

附註：

- (a) 於2018年8月24日，明再遠先生獲委任為本公司執行董事及董事會主席。
- (b) 於2018年8月24日，嚴丹華先生和張艦兵先生獲委任為本公司執行董事。於2018年9月7日，嚴丹華先生獲委任為本公司的總裁。
- (c) 於2018年8月24日，鄒向東博士辭任董事會主席。於2018年11月22日，鄒向東博士辭任本公司執行董事。
- (d) 於2018年8月25日，蕭宇成先生，魏臻先生和Peter Randall Kagan先生辭任本公司非執行董事。
- (e) 於2018年5月8日，聶飛先生辭任本公司非執行董事。
- (f) 於2018年8月24日，戴國良先生獲委任為本公司獨立非執行董事。
- (g) 於2018年8月24日，劉曉峰博士獲委任為本公司獨立非執行董事。
- (h) 於2018年11月9日，楊瑞召博士獲委任為本公司獨立非執行董事。
- (i) 於2018年8月24日，吳耀文先生辭任本公司獨立非執行董事。
- (j) 於2018年9月7日，Robert Ralph Parks先生，Fredrick J. Barrett先生和羅卓堅先生辭任本公司獨立非執行董事。
- (k) 於2018年9月7日，李京先生不再擔任本公司的首席執行官和總裁。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

#### (a) Directors' and chief executive's emoluments

(Continued)

##### Directors' emoluments

Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertaking		Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking		Total	Total
董事就其作為董事 (不論是本公司或其附屬公司) 的服務支付或應收的薪酬總額		董事就其與本公司或其附屬公司的事務管理有關的其他服務而支付或應收的薪酬總額		合計	合計
2018	2017	2018	2017	2018	2017
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
4,374	4,851	26,554	13,119	30,928	17,970

Notes: Emoluments above include estimated money value of non-cash benefits: share options, RSUs and insurance premium.

附註：上述薪酬包括非現金福利的估計金額：購股權，受限制股份單位和保險費。

### 32. 董事福利及利益 (續)

#### (a) 董事及首席執行官的酬金 (續)

##### 董事薪酬



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

#### (b) Directors' retirement benefits

During the year ended 31 December 2018, no retirement benefits operated by the Group was paid or made, directly or indirectly, to or receivable by a director in respect of his services as a director or other services in connection with the management of the affairs of the Company or its subsidiaries (2017: nil).

#### (c) Directors' termination benefits

During the year ended 31 December 2018, the payments or benefits in respect of termination of director's services was paid or made, directly or indirectly, to or receivable by the director was RMB12,188,000 without any payable (2017: nil).

#### (d) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2018, no consideration was provided to or receivable by third parties for making available director's services (2017: nil).

#### (e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There is no loans, quasi-loans or other dealings in favour of directors, controlled bodies corporate by and connected entities (2017: nil).

#### (f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2017: nil).

### 32. 董事福利及利益(續)

#### (b) 董事退休福利

截至2018年12月31日止年度，本集團沒有就董事職務或與本公司或其附屬公司的事務管理有關的其他服務，直接或間接向董事支付或作出退休福利，董事亦沒有應收退休福利(2017年：無)。

#### (c) 董事辭退福利

截至2018年12月31日止年度，就董事服務終止直接或間接向董事支付的款項或福利為人民幣12,188,000元，沒有任何應付款(2017年：無)。

#### (d) 因董事服務向第三方提供的報酬

截至2018年12月31日止年度，沒有因董事服務向第三方提供報酬，第三方亦沒有應收報酬(2017年：無)。

#### (e) 關於向董事、受控制法人及與該董事相關聯的實體提供的貸款、準貸款及其他交易資料

沒有向董事、受控制法人及相關聯的實體提供的貸款、準貸款或其他交易(2017年：無)。

#### (f) 董事在交易、安排或合約方面的重大權益

於本年度末及全年任何時間，本公司沒有訂立任何與本集團業務有關且本公司董事擁有重大權益(無論是直接或間接)的重大交易、安排及合約(2017年：無)。

# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Ming Zaiyuan (Chairman)  
Mr. Yan Danhua (President)  
Mr. Zhang Jianbing (Vice President)

#### Non-Executive Directors

Dr. Cui Guiyong  
Ms. Gu Ren (appointed on 21 March 2019)  
Mr. Jin Lei (resigned on 21 March 2019)  
Mr. Saurabh Narayan Agarwal (resigned on 21 March 2019)

#### Independent Non-Executive Directors

Mr. Tai Kwok Leung Alexander  
Dr. Liu Xiaofeng  
Dr. Yang Ruizhao

### COMPANY SECRETARY

Mr. Chiu Ming King

### AUTHORIZED REPRESENTATIVES

Mr. Zhang Jianbing  
Mr. Chiu Ming King

### AUDIT COMMITTEE

Mr. Tai Kwok Leung Alexander (Chairman)  
Ms. Gu Ren (appointed on 21 March 2019)  
Dr. Liu Xiaofeng  
Mr. Jin Lei (resigned on 21 March 2019)

### REMUNERATION COMMITTEE

Dr. Liu Xiaofeng (Chairman)  
Mr. Tai Kwok Leung Alexander  
Mr. Zhang Jianbing (appointed on 21 March 2019)  
Mr. Saurabh Narayan Agarwal (resigned on 21 March 2019)

### NOMINATION COMMITTEE

Mr. Ming Zaiyuan (Chairman)  
Dr. Liu Xiaofeng  
Mr. Tai Kwok Leung Alexander

### 董事會

#### 執行董事

明再遠先生(主席)  
嚴丹華先生(總裁)  
張艦兵先生(副總裁)

#### 非執行董事

崔桂勇博士  
顧韜女士(於2019年3月21日獲委任)  
金磊先生(於2019年3月21日辭任)  
Saurabh Narayan Agarwal先生  
(於2019年3月21日辭任)

#### 獨立非執行董事

戴國良先生  
劉曉峰博士  
楊瑞召博士

### 公司秘書

趙明璟先生

### 授權代表

張艦兵先生  
趙明璟先生

### 審核委員會

戴國良先生(主席)  
顧韜女士(於2019年3月21日獲委任)  
劉曉峰博士  
金磊先生(於2019年3月21日辭任)

### 薪酬委員會

劉曉峰博士(主席)  
戴國良先生  
張艦兵先生(於2019年3月21日獲委任)  
Saurabh Narayan Agarwal先生  
(於2019年3月21日辭任)

### 提名委員會

明再遠先生(主席)  
劉曉峰博士  
戴國良先生

# Corporate Information

## 公司資料

### STRATEGIC DEVELOPMENT COMMITTEE (FORMERLY KNOWN AS NEW BUSINESS COMMITTEE)

Dr. Yang Ruizhao (Chairman)  
Dr. Cui Guiyong  
Mr. Tai Kwok Leung Alexander

### REGISTERED OFFICE

P. O. Box 31119  
Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman KY1-1205  
Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2109–10, 21st Floor  
China Merchants Tower, Shun Tak Centre  
No. 168–200 Connaught Road Central  
Hong Kong

### PRINCIPAL PLACE OF BUSINESS IN CHINA

Guobei Village  
Jiafeng Town, Qinshui County  
Jincheng City  
Shanxi Province, 048204  
People's Republic of China  
Panzhuang Management Center

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Campbells Corporate Services Limited  
Willow House, Cricket Square  
P. O. Box 268  
Grand Cayman, KY1-1104  
Cayman Islands

### HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### 戰略發展委員會(前稱新業務 委員會)

楊瑞召博士(主席)  
崔桂勇博士  
戴國良先生

### 註冊辦事處

P. O. Box 31119  
Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman KY1-1205  
Cayman Islands

### 香港總部及主要營業地點

香港  
干諾道中 168–200 號  
信德中心  
招商局大廈  
21樓 2109–10室

### 中國主要營業地點

中華人民共和國  
山西省晉城市沁水縣嘉峰鎮  
郭北村  
潘庄管理中心  
郵編：048204

### 開曼群島股份過戶登記總處

Campbells Corporate Services Limited  
Willow House, Cricket Square  
P. O. Box 268  
Grand Cayman, KY1-1104  
Cayman Islands

### 香港證券登記處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東 183 號  
合和中心  
17樓 1712–1716 室

# Corporate Information

## 公司資料

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Bank of Communication Limited, Offshore Banking Unit

### AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants  
22/F, Prince's Building, Central  
Hong Kong

### LEGAL ADVISERS

As to Hong Kong law and United States law:  
DLA Piper Hong Kong  
17th Floor, Edinburgh Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

As to PRC law:  
Shanxi Benhe Law Office 山西本和律師事務所  
14th Floor, Yicui Commercial Centre 頤翠商務中心  
Jincheng City,  
Shanxi Province 048000  
People's Republic of China

### STOCK CODE

2686

### COMPANY'S WEBSITE

[www.aagenergy.com](http://www.aagenergy.com)

### 主要往來銀行

香港上海滙豐銀行有限公司  
交通銀行股份有限公司離岸金融業務中心

### 核數師

羅兵咸永道會計師事務所  
執業會計師  
香港  
中環  
太子大廈22樓

### 法律顧問

香港法律及美國法律：  
歐華律師事務所  
香港  
中環  
皇后大道中15號  
置地廣場  
公爵大廈17樓

中國法律：  
山西本和律師事務所  
中華人民共和國  
山西  
晉城市頤翠商務中心14樓  
郵編：048000

### 股份代號

2686

### 公司網址

[www.aagenergy.com](http://www.aagenergy.com)



亞美能源控股有限公司  
AAG Energy Holdings Limited

