



CHINA ENERGY DEVELOPMENT HOLDINGS LIMITED
中國能源開發控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 00228

INTERIM REPORT

2020

中期報告

* For identification purposes only 僅供識別

Board of Directors

Executive Directors

Mr. Zhao Guoqiang (*Chief Executive Officer and alternate director to Dr. Gu Quan Rong*)

Non-executive Directors

Dr. Gu Quan Rong

Independent Non-executive Directors

Mr. Zong Ketao
Mr. Cheng Chun Ying
Mr. Lee Man Tai

Audit Committee

Mr. Lee Man Tai (*Chairman*)
Dr. Gu Quan Rong
Mr. Zong Ketao
Mr. Cheng Chun Ying

Nomination Committee

Mr. Cheng Chun Ying (*Chairman*)
Dr. Gu Quan Rong
Mr. Zong Ketao
Mr. Lee Man Tai

Remuneration Committee

Mr. Cheng Chun Ying (*Chairman*)
Dr. Gu Quan Rong
Mr. Zong Ketao
Mr. Lee Man Tai

Company Secretary

Mr. Chan Chun Kau

Company's Website

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

董事會

執行董事

趙國強先生 (*行政總裁及
顧全榮博士之替任董事*)

非執行董事

顧全榮博士

獨立非執行董事

宗科濤先生
鄭振鷹先生
李文泰先生

審核委員會

李文泰先生 (*主席*)
顧全榮博士
宗科濤先生
鄭振鷹先生

提名委員會

鄭振鷹先生 (*主席*)
顧全榮博士
宗科濤先生
李文泰先生

薪酬委員會

鄭振鷹先生 (*主席*)
顧全榮博士
宗科濤先生
李文泰先生

公司秘書

陳振球先生

公司網址

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

Corporate Information

公司資料

Registered Office

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head Office and Principal Place of Business

Units 5611-12, 56th Floor
The Center
99 Queen's Road Central
Central
Hong Kong

Principal Share Registrar and Transfer Office

SMP Partners (Cayman) Limited
Royal Bank House — 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Tricor Tengis Limited
Level 54
Hopewell Centre
183 Queen's Road East
Hong Kong

Legal Advisers to the Company

As to Hong Kong law

C.L. Chow & Macksion Chan, Solicitors
Cheung & Choy
Lawrence Chan & Co.

As to Cayman Islands law

Conyers Dill & Pearman, Cayman
Priestleys

Auditor

ZHONGHUI ANDA CPA Limited

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (HK) Limited

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處及主要營業地點

香港
中環
皇后大道中99號
中環中心
56樓5611-12室

股份過戶登記總處

SMP Partners (Cayman) Limited
Royal Bank House — 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心
54樓

本公司之法律顧問

有關香港法律

周卓立陳啓球陳一理律師事務所
張世文蔡敏律師事務所
陳振球律師事務所

有關開曼群島法律

Conyers Dill & Pearman, Cayman
Priestleys

核數師

中匯安達會計師事務所有限公司

主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

Interim Results

The board (the “Board”) of directors (the “Directors”) of China Energy Development Holdings Limited (the “Company”) hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2020 together with comparative figures as follows. These interim financial statements have not been audited, but have been reviewed by the Company’s Audit Committee.

中期業績

中國能源開發控股有限公司(「本公司」)之董事(「董事」)會(「董事會」)謹此宣佈本公司及其附屬公司(「本集團」)截至二零二零年六月三十日止六個月之未經審核簡明綜合中期業績以及以下比較數字。本中期財務報表未經審核，但已由本公司審核委員會審閱。

		Unaudited	
		six months ended 30 June	
		未經審核	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
	Notes 附註		
Revenue	3	72,174	82,834
Direct cost		(25,089)	(27,718)
Other income	4	1,310	1,372
Selling and distributing expenses		(18,699)	(17,043)
Staff costs		(8,736)	(5,987)
Expenses related to short-term leases		(308)	(3,779)
Depreciation of right-of-use assets		(4,018)	(3,177)
Depreciation of property, plant and equipment		(5,127)	(1,896)
Amortisation of intangible assets	11	(10,878)	(8,585)
Fair value loss of financial assets at fair value through profit or loss		(6,329)	(14,159)
Fair value loss of investment properties		(380)	-
Expense charged under Petroleum Contract		(5,014)	(7,725)
Other operating expenses		(9,618)	(6,690)
Finance costs		(7,049)	(16,515)
Loss before income tax		(27,761)	(29,068)
Income tax charge	6	(2,775)	(344)
Loss for the period		(30,536)	(29,412)

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Unaudited	
		six months ended 30 June	
		未經審核	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Notes			
附註			
Other comprehensive loss after tax:	稅後其他全面虧損：		
Items that may be reclassified to profit or loss:	可能重新分類至損益之項目：		
Exchange differences arising on translation of foreign operations attributable to:	下列應佔換算境外業務產生之匯兌差額：		
Owners of the Company	本公司擁有人	(28,305)	(13,459)
Non-controlling interests	非控股權益	(224)	(114)
		<u>(28,529)</u>	<u>(13,573)</u>
Total comprehensive loss for the period	期內全面虧損總額	<u>(59,065)</u>	<u>(42,985)</u>
Loss for the period attributable to:	下列應佔期內虧損：		
Owners of the Company	本公司擁有人	(29,297)	(28,782)
Non-controlling interests	非控股權益	(1,239)	(630)
		<u>(30,536)</u>	<u>(29,412)</u>
Total comprehensive loss attributable to:	下列應佔全面虧損總額：		
Owners of the Company	本公司擁有人	(57,602)	(42,241)
Non-controlling interests	非控股權益	(1,463)	(744)
		<u>(59,065)</u>	<u>(42,985)</u>
Loss per share	每股虧損		
— Basic (HK cents)	— 基本 (港仙)	(0.31)	(0.30)
— Diluted (HK cents)	— 攤薄 (港仙)	(0.31)	(0.30)

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Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2020 於二零二零年六月三十日

			Unaudited 未經審核 30 June 2020 二零二零年 六月三十日	Audited 經審核 31 December 2019 二零一九年 十二月三十一日
	Notes 附註		HK\$'000 千港元	HK\$'000 千港元
Non-current assets		非流動資產		
Property, plant and equipment		物業、廠房及設備	720,747	639,110
Investment properties	10	投資物業	56,300	56,680
Right-of-use assets		使用權資產	6,656	10,773
Exploration and evaluation assets	11	勘探及評估資產	68,105	20,120
Intangible assets	12	無形資產	1,109,376	1,140,898
Deferred tax assets		遞延稅項資產	93,805	100,026
			2,054,989	1,967,607
Current assets		流動資產		
Account and note receivables	13	應收賬款及票據	82,914	148,344
Financial assets at fair value through profit or loss		按公平價值計入損益之金融資產	24,735	31,064
Other receivables, deposits and prepayments		其他應收款項、按金及預付款項	26,374	43,391
Cash and bank balances		現金及銀行結餘	194,198	226,798
			328,221	449,597
Total assets		資產總值	2,383,210	2,417,204

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2020 於二零二零年六月三十日

			Unaudited 未經審核 30 June 2020 二零二零年 六月三十日	Audited 經審核 31 December 2019 二零一九年 十二月三十一日
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計款項	14	738,142	712,367
Lease liabilities	租賃負債		7,307	10,604
Amount due to a shareholder	應付一名股東款項		30,007	29,551
			<u>775,456</u>	<u>752,522</u>
Net current liabilities	流動負債淨值		<u>(447,235)</u>	<u>(302,925)</u>
Total assets less current liabilities	資產總值減流動負債		<u>1,607,754</u>	<u>1,664,682</u>
Non-current liabilities	非流動負債			
Other payable and accruals	其他應付款項及應計款項	14	62,649	61,692
Lease liabilities	租賃負債		177	3,283
Convertible notes	可換股票據	15	83,484	79,199
			<u>146,310</u>	<u>144,174</u>
Net Assets	資產淨值		<u>1,461,444</u>	<u>1,520,508</u>
Equity	權益			
Share capital	股本	16	475,267	475,267
Reserves	儲備		976,836	1,034,437
Attributable to owners of the Company	本公司擁有人應佔		<u>1,452,103</u>	1,509,704
Non-controlling interests	非控股權益		9,341	10,804
Total equity	總權益		<u>1,461,444</u>	<u>1,520,508</u>

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Unaudited 未經審核								
		Attributable to owners of the Company 本公司擁有人應佔								
		Issued capital 已發行 股本	Contributed surplus 實繳 股本盈餘	Share premium 股份溢價	Convertible notes reserve 可換股票據 儲備	Translation reserve 換算儲備	Accumulated losses 累計虧損	Sub-total 小計	Non- controlling interests 非控股 權益	Total equity 權益總額
		HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元
Balance at 1 January 2019	於二零一九年一月一日之結餘	475,267	30,004	1,679,187	695,828	(176,996)	(1,080,937)	1,622,353	12,306	1,634,659
Loss for the period	本期間虧損	-	-	-	-	-	(28,782)	(28,782)	(630)	(29,412)
Other comprehensive loss:	其他全面虧損:									
Exchange differences on translation of foreign operations	換算海外業務的匯兌差異	-	-	-	-	(13,459)	-	(13,459)	(114)	(13,573)
Total comprehensive loss for the period	本期間全面虧損總額	-	-	-	-	(13,459)	(28,782)	(42,241)	(744)	(42,985)
Balance at 30 June 2019	於二零一九年六月三十日之結餘	<u>475,267</u>	<u>30,004</u>	<u>1,679,187</u>	<u>695,828</u>	<u>(190,455)</u>	<u>(1,109,719)</u>	<u>1,580,112</u>	<u>11,562</u>	<u>1,591,674</u>
Balance at 1 January 2020	於二零二零年一月一日之結餘	475,267	30,004	1,679,187	695,828	(217,293)	(1,153,289)	1,509,704	10,804	1,502,508
Loss for the period	本期間虧損	-	-	-	-	-	(29,297)	(29,297)	(1,239)	(30,536)
Other comprehensive loss:	其他全面虧損:									
Exchange differences on transaction of foreign operations	換算海外業務的匯兌差異	-	-	-	-	(28,304)	-	(28,304)	(224)	(28,528)
Total comprehensive loss for the period	本期間全面虧損總額	-	-	-	-	(28,304)	(29,297)	(57,601)	(1,463)	(59,064)
Balance at 30 June 2020	於二零二零年六月三十日之結餘	<u>475,267</u>	<u>30,004</u>	<u>1,679,187</u>	<u>695,828</u>	<u>(245,597)</u>	<u>(1,182,586)</u>	<u>1,452,103</u>	<u>9,341</u>	<u>1,461,444</u>

Note: The convertible notes reserve represents the equity component of the convertible notes issued (i.e. option to convert the note into share capital).

附註：可換股票據儲備指發行可換股票據之權益部份（即可兌換票據至股本之選擇權）。

Condensed Consolidated Cash Flow Statement

簡明綜合現金流量表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Net cash generated from operating activities	經營業務所得現金淨額	111,830	84,902
CASH FLOWS FROM INVESTING ACTIVITIES	投資業務現金流量		
Acquisition of exploration and evaluation assets	收購勘探及評估資產	(48,798)	(80,853)
Acquisition of property, plant and equipment	收購物業、廠房及設備	(99,199)	–
Other investing cash flows	其他投資現金流量	1,146	4,451
Net cash used in investing activities	投資業務動用現金淨額	(146,851)	(76,402)
CASH FLOWS FROM FINANCING ACTIVITIES	來自融資活動的現金流量		
Advance from/(repayment to) a shareholder	向一名股東借款/(還款)	456	(10,187)
Proceeds from bank borrowings	銀行借貸所得款項	–	45,075
Repayment of bank borrowings	償還銀行借貸	–	(1,121)
Other financing cash flows	其他融資現金流量	(6,682)	(3,266)
Net cash (used in)/ generated from financing activities	融資活動所(動用)/產生的現金淨額	(6,226)	30,501
NET IN (DECREASE)/INCREASE CASH AND CASH EQUIVALENTS	現金及等同現金(減少)/增加淨額	(41,247)	39,001
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初之現金及等同現金	226,798	68,084
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	8,647	3,075
CASH AND CASH EQUIVALENTS AT END OF PERIOD, COMPRISING CASH AND BANK BALANCES	期終之現金及等同現金，包括現金及銀行結餘	194,198	110,160

1. BASIS OF PREPARATION

a. Statement of compliance

The unaudited condensed consolidated interim financial statements (the “**Interim Financial Statements**”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Interim Financial Statements do not include all the information and disclosures required in a full set of financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2019 (“**2019 Annual Report**”).

The accounting policies and methods of computation used in the preparation of the Interim Financial Statements are consistent with those used in the annual financial statements for the year ended 31 December 2019.

b. Basis of measurement and going concern assumption

(i) *Basis of measurement*

The condensed consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments, which are measured at fair values.

1. 編製基準

a. 合規聲明

本未經審核簡明綜合中期財務報表（「**中期財務報表**」）已根據香港會計師公會（「**香港會計師公會**」）頒佈之香港會計準則第34號「**中期財務報告**」及香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」）附錄十六之適用披露規定編製。

中期財務報表並不包括完整財務報表所需之所有資料及披露，並應與本集團截至二零一九年十二月三十一日止年度之年度綜合財務報表（「**二零一九年年報**」）一併閱讀。

編製中期財務報表所採用之會計政策及計算方法，與截至二零一九年十二月三十一日止年度之年度財務報表所用者一致。

b. 計量基準及持續經營假設

(i) *計量基準*

簡明綜合財務報表乃根據歷史成本基準編製，惟若干金融工具除外，該等金融工具乃按公平價值計量。

1. BASIS OF PREPARATION (Continued)

b. Basis of measurement and going concern assumption (Continued)

(ii) Going concern basis

During the six months ended 30 June 2020, the Group suffered a loss of HK\$30,536,000 and at the end of reporting period, its current liabilities exceeded its current assets by HK\$447,235,000. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

The Group's current liabilities as at 30 June 2020 are mainly attributable to property, plant and equipment/exploration and evaluation cost payables amounting to HK\$446,744,000. The Directors of the Company are of the view that the Group will be able to successfully persuade these contractors not to insist on demanding repayment before the fully operation of exploration, production and distribution business in Kashi. However, there is no certainty that these contractors will not demand repayment before the fully operation of exploration, production and distribution business in Kashi.

1. 編製基準 (續)

b. 計量基準及持續經營假設 (續)

(ii) 持續經營基準

截至二零二零年六月三十日止六個月，本集團產生虧損30,536,000港元，而於報告期末，本集團流動負債較其流動資產多出447,235,000港元。該等狀況反映存在重大不明朗因素，可能對本集團能否持續營運構成重大疑問。因此，本集團或不能於日常業務過程中變現其資產及解除其負債。

本集團於二零二零年六月三十日之流動負債主要源於物業、廠房及設備／勘探及評估應付成本，金額為446,744,000港元。本公司董事認為本集團將能成功說服該等承建商，在喀什的勘探、生產及分銷業務全面運作前，不堅持要求償付有關款項，惟其無法保證該等承建商將不會於喀什的勘探、生產及分銷業務全面運作前要求還款。

1. BASIS OF PREPARATION (Continued)

b. Basis of measurement and going concern assumption (Continued)

(ii) Going concern basis (Continued)

In view of the net current liabilities position, the Directors have carried out a detailed review of the cash flow forecast of the Group covering a period of not less than twelve months from the end of the reporting period based on certain underlying assumptions including (i) financial support from a shareholder not to demand repayment within 12 months; (ii) the Group being able to successfully persuade contractors not to insist on repayment of the construction cost payables before the fully operation of exploration, production and distribution business in Kashi; and (iii) the Group being able to raise adequate funding through bank borrowings or otherwise. Taking into account the above assumptions, the Directors of the Company consider that the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the twelve months from 30 June 2020.

Subsequent to the reporting period, in July 2020, the Group (as borrower) entered into a loan agreement with a financial institution (as lender) for the obtaining of a loan facility (the "Loan") of up to RMB500,000,000, of which RMB100,000,000 has already been drawn down. The Group pledged its receivables from the Petroleum Contract to secure its repayment obligations regarding the Loan.

c. Functional and presentation currency

The condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company.

1. 編製基準 (續)

b. 計量基準及持續經營假設 (續)

(ii) 持續經營基準 (續)

鑒於流動負債淨額狀況之情況，董事根據下列若干相關假設，對本集團由報告期末起計不少於十二個月期間的現金流量預測進行詳細審閱：(i) 來自一名股東之無需12個月內償還之財務資助；(ii) 本集團能成功說服承建商在喀什的勘探、生產及分銷業務全面運作前，不堅持償付建築應付費用；及(iii) 本集團能透過銀行借貸或其他方式籌集足夠資金。經考慮上述假設，本公司董事認為本集團從二零二零年六月三十日起十二個月內將有足夠營運資金，履行其到期財務責任。

於報告期後，在二零二零年七月，本集團（作為借款人）與一間金融機構（作為貸款人）簽訂了貸款協議，以獲取最多人民幣500,000,000元的貸款融資（「貸款」），其中已經提取人民幣100,000,000元。本集團質押其石油合約中的應收款，以擔保其有關貸款的還款義務。

c. 功能及呈報貨幣

該等簡明綜合財務報表以港元（「港元」）呈列，港元亦為本公司的功能貨幣。

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current interim period, the Group has applied the Amendments to References to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKFRS 16	Covid-19-Related Rent Concessions

The application of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years. The Group has not early applied the new and revised HKFRSs that have been issued but are not yet effective. The Directors anticipate that the application of these new standard(s), amendments and interpretation(s) will have no material impact on the unaudited condensed consolidated financial statements.

2. 採納新訂及經修訂香港財務報告準則

於本中期期間，本集團已就編製本集團簡明綜合財務報表首次採用香港財務報告準則標準中有關概念框架之提述的修訂及以下由香港會計師公會頒佈並於二零二零年一月一日或之後開始之年度期間強制生效之新訂立香港財務申報準則及修訂：

香港會計準則第1號及香港會計準則第8號的修訂	重大之定義
香港財務報告準則第3號的修訂	業務之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號的修訂	利率基準改革
香港財務報告準則第16號修訂本	Covid-19相關租金寬免

應用該等新訂及經修訂香港財務報告準則並未導致本集團的會計政策、本集團財務報表的呈列及本期間及過往年度的呈報金額出現重大變動。本集團尚未提早應用已頒佈但尚未生效的新訂及經修訂香港財務報告準則。董事預期應用該等新準則、修訂及詮釋將不會對未經審核簡明綜合財務報表構成重大影響。

3. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segments based on the internal reports that are regularly reviewed by the chief operating decision-maker in order to allocate reserves to the segment and to assess its performance. In accordance with the Group's internal organization and reporting structure the operating segments are based on nature of business.

The Group has the following three reportable segments:

The Exploration, Production and Distribution of Natural Gas segment is engaged in the exploration, development, production and sales of natural gas.

The Sales of Food and Beverages Business segment is engaged in the sales of food and beverages.

The Money Lending Business segment is engaged in provision of loans to third parties.

3. 收益及分部資料

本集團乃按照主要營運決策者定期審閱的內部報告，釐定其經營分部，以向分部調配資源並評估其表現。根據本集團之內部組織及匯報架構，經營分部乃根據業務性質釐定。

本集團有以下三個可報告分部：

天然氣勘探、生產及分銷分部，從事天然氣勘探、開發、生產及銷售業務。

銷售食品及飲料業務分部，從事銷售食品及飲料之業務。

放債業務分部，從事提供貸款予第三方之業務。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

3. REVENUE AND SEGMENT INFORMATION

(Continued)

The segment information provided to the Board for the reportable segments for the six months ended 30 June 2020 and 2019 are as follows:

(a) Information about reportable segment revenue, profit or loss and other information

		Exploration, Production and Distribution of Natural Gas 勘探、生產 及分銷天然氣 HK\$'000 千港元	Sales of Food and Beverages Business 銷售食品 及飲料業務 HK\$'000 千港元	Money Lending Business 放債業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
For the six months ended 30 June 2020 (unaudited)	截至二零二零年六月三十日 止六個月(未經審核)				
Revenue from external customers	外部客戶收益	72,174	-	-	72,174
Reportable segment loss before income tax	除所得稅前可呈報分部 虧損	(11,537)	(610)	(48)	(12,195)
Segment results included:	分部業績包括:				
Interest income	利息收入	810	-	-	810
Interest expense	利息開支	(2,764)	-	-	(2,764)
Amortisation of intangible assets	無形資產攤銷	(10,878)	-	-	(10,878)
Depreciation of property, plant and equipment	物業、廠房及設備之 折舊	(4,978)	(123)	-	(5,101)
As at 30 June 2020 (unaudited)	於二零二零年六月 三十日(未經審核)				
Reportable segment assets	可呈報分部資產	2,249,905	1,193	19	2,251,117
Reportable segment liabilities	可呈報分部負債	(807,863)	(257)	-	(808,120)

3. 收益及分部資料(續)

截至二零二零年及二零一九年六月三十日止六個月，就可呈報分部而提供予董事會的分部資料如下：

(a) 有關可呈報分部收益、溢利或虧損的資料及其他資料

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

3. REVENUE AND SEGMENT INFORMATION

(Continued)

(a) Information about reportable segment revenue, profit or loss and other information

(Continued)

3. 收益及分部資料 (續)

(a) 有關可呈報分部收益、溢利或虧損的資料及其他資料 (續)

		Exploration, Production and Distribution of Natural Gas 勘探、生產 及分銷天然氣	Sales of Food and Beverages Business 銷售食品 及飲料業務	Money Lending Business 放債業務	Total
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
For the six months ended	截至二零一九年六月三十日				
30 June 2019 (unaudited)	止六個月 (未經審核)				
Revenue from external customers	外部客戶收益	82,834	-	-	82,834
Reportable segment loss before income tax	除所得稅前可呈報分部虧損	(4,999)	(933)	(88)	(6,020)
Segment results included:	分部業績包括:				
Interest income	利息收入	263	-	-	263
Interest expense	利息開支	(11,694)	-	-	(11,694)
Amortisation of intangible assets	無形資產攤銷	(8,585)	-	-	(8,585)
Depreciation of right-of-use assets	使用權資產折舊	(3,177)	-	-	(3,177)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	(1,736)	(123)	-	(1,859)
As at 31 December 2019 (audited)	於二零一九年十二月三十一日 (經審核)				
Reportable segment assets	可呈報分部資產	2,269,952	1,422	19	2,271,393
Reportable segment liabilities	可呈報分部負債	(786,527)	(205)	-	(786,732)

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

3. REVENUE AND SEGMENT INFORMATION

(Continued)

(b) Reconciliation of reportable segment profit or loss, assets and liabilities

3. 收益及分部資料 (續)

(b) 可呈報分部溢利或虧損、資產及負債之對賬

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損		
Reportable segment loss before income tax	可呈報分部除所得稅前虧損	(12,195)	(6,020)
Other income	其他收入	467	951
Fair value loss of financial assets at fair value through profit or loss	按公平價值計入損益之金融資產之公平價值虧損	(6,329)	(14,159)
Fair value loss of investment properties	投資物業公平價值虧損	(380)	-
Finance costs	融資成本	(4,285)	(4,821)
Unallocated head office and corporate expenses	未分配之總辦事處及公司開支	(5,039)	(5,019)
Loss before income tax	除所得稅前虧損	<u>(27,761)</u>	<u>(29,068)</u>

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

3. REVENUE AND SEGMENT INFORMATION

(Continued)

(b) Reconciliation of reportable segment profit or loss, assets and liabilities (Continued)

3. 收益及分部資料 (續)

(b) 可呈報分部溢利或虧損、資產及負債之對賬 (續)

		Unaudited 未經審核 30 June 2020 二零二零年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元
Assets	資產		
Reportable segment assets	可呈報分部資產	2,251,117	2,271,393
Property, plant and equipment	物業、廠房及設備	897	534
Investment properties	投資物業	56,300	56,680
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	16,703	18,459
Financial assets at fair value through profit or loss	按公平價值計入損益之金融資產	24,735	31,064
Cash and bank balances	現金及銀行結餘	33,458	39,074
Total assets	總資產	<u>2,383,210</u>	<u>2,417,204</u>
		Unaudited 未經審核 30 June 2020 二零二零年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元
Liabilities	負債		
Reportable segment liabilities	可呈報分部負債	808,120	786,732
Convertible notes	可換股票據	83,484	79,199
Amount due to a shareholder	應付一名股東款項	30,007	29,551
Other payables and accruals	其他應付款項及應計款項	155	1,214
Total liabilities	總負債	<u>921,766</u>	<u>896,696</u>

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

3. REVENUE AND SEGMENT INFORMATION

(Continued)

(c) Disaggregation of revenue from contracts with customers:

3. 收益及分部資料(續)

(c) 客戶合約收益分解

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Geographical markets	地區市場		
The PRC	中國	<u>72,174</u>	<u>82,834</u>
Total	總計	<u><u>72,174</u></u>	<u><u>82,834</u></u>
Major product/service	主要產品／服務		
Natural gas	天然氣	<u>72,174</u>	<u>82,834</u>
Total	總計	<u><u>72,174</u></u>	<u><u>82,834</u></u>
Timing of revenue recognition	收益確認時間		
At a point of time	於時間點	<u>72,174</u>	<u>82,834</u>
Total	總計	<u><u>72,174</u></u>	<u><u>82,834</u></u>

4. OTHER INCOME

4. 其他收入

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Dividend income from financial assets at fair value through profit or loss	來自按公平價值計入損益之 金融資產之股息收入	–	890
Interest income	利息收入	1,146	275
Others	其他	164	207
		<u>1,310</u>	<u>1,372</u>

5. LOSS BEFORE INCOME TAX

5. 除所得稅前虧損

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
The Group's loss before income tax is stated after charging:	本集團除所得稅前虧損乃經 扣除以下各項後列賬：		
Staff costs (including directors remuneration)	員工成本（包括董事酬金）		
— Wages and salaries and other benefits	— 工資及薪金以及其他福利	8,693	5,936
— Pension fund contributions	— 退休金供款	43	51
		<u>8,736</u>	<u>5,987</u>

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

6. INCOME TAX CHARGE

The amount of taxation in the condensed consolidated statement of comprehensive income represents:

Current tax — the People's Republic of China (the "PRC")	即期稅項 — 中華人民共和國 (「中國」)
Charge for the period	本期間費用
Deferred tax charge	遞延稅項開支

No provision for Hong Kong profits tax has been made as the Group had unused tax losses brought forward for both periods. Provision for enterprise income tax in the PRC are calculated at the tax rate of 25%.

7. DIVIDEND

No dividend was paid or proposed for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil), nor has any dividend been proposed since the end of reporting period.

6. 所得稅開支

簡明綜合全面收益表內的稅額代表：

Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
—	29
<u>2,775</u>	<u>315</u>
<u>2,775</u>	<u>344</u>

由於本集團於兩段期間均錄得承前未動用稅項虧損，故並無就香港利得稅作出撥備。中國企業所得稅作出的撥備乃按25%的稅率計量。

7. 股息

截至二零二零年六月三十日止六個月並無派付或擬派付中期股息（截至二零一九年六月三十日止六個月：無），自報告期末起亦無擬派任何股息。

8. LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

8. 每股虧損

(a) 每股基本虧損

每股基本虧損是將本公司擁有人應佔虧損除以期內已發行普通股的加權平均數計算。

		Unaudited	
		six months ended 30 June	
		未經審核	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Loss attributable to owners of the Company	本公司擁有人應佔虧損	<u>(29,297)</u>	<u>(28,782)</u>
		Number of Shares	
		股份數目	
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	<u>9,505,344,000</u>	<u>9,505,344,000</u>
		HK Cents	
		港仙	
Basic loss per share	每股基本虧損	<u>(0.31)</u>	<u>(0.30)</u>

8. LOSS PER SHARE (Continued)

(b) Diluted loss per share

For the six months ended 30 June 2020 and 30 June 2019, diluted loss per share is the same as basic loss per share as the potential ordinary shares on convertible notes are anti-dilutive.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2020, the Group purchased property, plant and equipment of approximately HK\$99,199,000 (six months ended 30 June 2019: HK\$317,000).

10. INVESTMENT PROPERTIES

During the six months ended 30 June 2020, the Group did not acquire any investment properties (six months ended 30 June 2019: Nil).

11. EXPLORATION AND EVALUATION ASSETS

During the six months ended 30 June 2020, the Group purchased exploration and evaluation assets of approximately HK\$48,798,000 (six months ended 30 June 2019: HK\$80,853,000).

8. 每股虧損（續）

(b) 每股攤薄虧損

截至二零二零年六月三十日及二零一九年六月三十日止六個月，由於可換股票據之潛在普通股具反攤薄效果，故每股攤薄虧損與每股基本虧損相同。

9. 物業、廠房及設備

截至二零二零年六月三十日止六個月內，本集團添置物業、廠房及設備約99,199,000港元（截至二零一九年六月三十日止六個月：317,000港元）。

10. 投資物業

截至二零二零年六月三十日止六個月內，本集團概無收購任何投資物業（截至二零一九年六月三十日止六個月：無）。

11. 勘探及評估資產

截至二零二零年六月三十日止六個月內，本集團收購勘探及評估資產約48,798,000港元（截至二零一九年六月三十日止六個月：80,853,000港元）。

12. INTANGIBLE ASSETS

As at 30 June 2020, the interest in the petroleum production sharing contract acquired in previous years in relation to the acquisition of subsidiaries was recognised as intangible assets at costs. For the six months ended 30 June 2020, amortisation of HK\$10,878,000 (six months ended 30 June 2019: HK\$8,585,000) was provided and is amortised under unit of production method.

No impairment loss of intangible assets was recognised during the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

The pre-tax discount rates used for value in use calculation is 15.3% and 15.8% for the six months ended 30 June 2020 and year ended 31 December 2019 respectively.

12. 無形資產

於二零二零年六月三十日，關於收購附屬公司在過往年度所獲得之石油產量分成合約之權益按成本確認為無形資產。截至二零二零年六月三十日止六個月，計提攤銷撥備10,878,000港元（截至二零一九年六月三十日止六個月：8,585,000港元），並已按產量單位法攤銷。

於截至二零二零年六月三十日止六個月概無確認無形資產減值虧損（截至二零一九年六月三十日止六個月：無）。

於截至二零二零年六月三十日止六個月及截至二零一九年十二月三十一日止年度，用於計算使用價值的稅前貼現率分別為15.3%及15.8%。

13. ACCOUNT RECEIVABLES

13. 應收賬款

		Unaudited 未經審核 30 June 2020 二零二零年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元
Account receivables	應收賬款	82,914	48,816
Note receivable	應收票據	-	99,528
		82,914	148,344

Account receivables represent the receivables recognised under the production sharing contract with CNPC for the Group's operation in Kashi, the PRC. The Group recognised the revenue in relation to this operation during the current period. Sales to customer is normally made with credit terms of 30 to 60 days. Account receivables of HK\$40,801,000 as at 30 June 2020 (31 December 2019: Nil) is past due but not impaired, since the Directors regarded the counter-party risk as small. The Group did not hold any collateral over the balance.

Note receivables represent the repayments from CNPC through the issue of bank's acceptance bill with six months maturity period.

The balance of sales of natural gas are non-interest bearing. None of the account receivables and note receivables are pledged to secure the Group's banking facility as at 30 June 2020 (31 December 2019: Nil). The pledge of receivables in support of the Loan occurred after the end of the reporting period.

應收賬款指根據與中國石油集團訂立的產量分成合約就中國喀什業務確認的應收賬款。本集團於本期間就該營運確認收益。向客戶作出的銷售一般按30至60日的信貸期進行。於二零二零年六月三十日，應收賬款之金額40,801,000港元已逾期但未作減值（二零一九年十二月三十一日：無），由於董事認為交易對手風險小。本集團並無就該結餘持有任何抵押物。

應收票據指中國石油集團透過發行銀行承兌匯票（期限為六個月）作出之還款。

天然氣銷售之結餘為不計息。於二零二零年六月三十日，概無應收賬款及應收票據已抵押為本集團銀行融資之擔保（二零一九年十二月三十一日：無）。在報告期後，應收賬款已質押用於支持貸款。

13. ACCOUNT RECEIVABLES (Continued)

The aging analysis of account receivables at the end of the reporting period, presented based on the revenue recognition dates, and net of allowance, is as follows:

Within 3 months
 More than 3 months but within 6 months

三個月內
 三個月至六個月

13. 應收賬款 (續)

應收賬款於報告期末基於收益確認日期呈列的賬齡分析 (扣除撥備) 如下:

As at 30 June 2020	As at 31 December 2019
於二零二零年 六月三十日 (Unaudited) (未經審核)	於二零一九年 十二月三十一日 (Audited) (經審核)
HK\$'000 千港元	HK\$'000 千港元
42,113	48,820
40,801	-
82,914	48,820

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

14. OTHER PAYABLES AND ACCRUALS

14. 其他應付款項及應計款項

		As at 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Non-current:	非流動:		
Property, plant and equipment/exploration and evaluation cost payables (note (a))	物業、廠房及設備／勘探及評估應付成本(附註(a))	62,649	61,692
Current:	流動:		
Property, plant and equipment/exploration and evaluation cost payables (note (a))	物業、廠房及設備／勘探及評估應付成本(附註(a))	446,744	499,968
Receipts in advance	預收款項	208,471	160,371
Tax payables	應交稅款	3,218	5,452
Other payables	其他應付款項	8,159	9,034
Accrued expenses	應計費用	71,550	37,542
		738,142	712,367
		800,791	774,059

note (a): Property, plant and equipment/exploration and evaluation cost payables represents balances payable in 2021 to sub-contractors engaged by the Group to perform exploration, evaluation and development works on the area designated in the Petroleum Contract. The effective interest rate of non-current property, plant and equipment/exploration and evaluation cost payables was 6.98%.

附註(a): 物業、廠房及設備／勘探及評估應付成本指於二零二一年應付予本集團委聘、按石油合約指定之區域進行勘探、評估及開發工作之分包商的結餘。非流動物業、廠房及設備／勘探及評估應付成本之實際利率為6.98%。

15. CONVERTIBLE NOTES

The movement of the principal amount, liability component and equity component of the convertible notes are as follows:

As at 31 December 2019 and
1 January 2020 (audited)

Interest expenses (unaudited)

As at 30 June 2020 (unaudited)

Up to 30 June 2020, convertible notes with principal amount of HK\$599,330,000 have been converted into ordinary shares of the Company. No convertible notes have been converted during the six months ended 30 June 2020 and the year ended 31 December 2019.

The convertible notes with outstanding principal amount of HK\$679,670,000 as at 30 June 2020 and 31 December 2019 have maturity date falling 30 years from the date of issue on 3 January 2011.

15. 可換股票據

可換股票據本金額、負債部份及權益部份之變動如下：

		Carrying amount 賬面值	
		Liability component 負債部份	Equity component 權益部份
		HK\$'000 千港元	HK\$'000 千港元
	於二零一九年十二月三十一日 及二零二零年一月一日 (經審核)	79,199	695,828
	利息開支(未經審核)	<u>4,285</u>	<u>-</u>
	於二零二零年六月三十日 (未經審核)	<u><u>83,484</u></u>	<u><u>695,828</u></u>

直至二零二零年六月三十日，本金額為599,330,000港元之可換股票據已兌換為本公司普通股。截至二零二零年六月三十日止六個月及截至二零一九年十二月三十一日止年度，並無可換股票據獲兌換。

於二零二零年六月三十日及二零一九年十二月三十一日，可換股票據之未償還本金額為679,670,000港元，而到期日為發行日(即二零一一年一月三日)起計滿三十年。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

16. SHARE CAPITAL

16. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.05 each	每股面值0.05港元之普通股		
At 30 June 2020 (unaudited) and	於二零二零年六月三十日		
31 December 2019 (audited)	(未經審核)及二零一九年 十二月三十一日(經審核)	<u>25,000,000,000</u>	<u>1,250,000</u>
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.05 each	每股面值0.05港元之普通股		
At 30 June 2020 (unaudited) and	於二零二零年六月三十日		
31 December 2019 (audited)	(未經審核)及二零一九年 十二月三十一日(經審核)	<u>9,505,344,000</u>	<u>475,267</u>

17. RELATED PARTY TRANSACTIONS

17. 關聯人士交易

During the period, the Group had the following significant transactions with related parties:

期內，本集團與關聯人士有以下重大交易：

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Shareholder loan interest expenses	股東貸款利息開支	-	955
Key management personnel remuneration:	主要管理人員酬金：		
Directors — short-term employee benefits	董事 — 短期僱員福利	<u>924</u>	<u>948</u>

18. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, in July 2020, the Group's investment properties amounted to HK\$56,300,000 were transferred to property, plant and equipment due to change of use of properties to owner-occupation.

19. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current period's presentation.

18. 報告期後事項

在報告期結束後，在二零二零年七月，由於投資物業已改變物業的使用用途為自用，本集團之投資物業，金額為56,300,000港元，已轉為物業、廠房及設備。

19. 比較數字

若干比較數字已重新分類，以符合當期的列報方式。

Operating Results

During the six months ended 30 June 2020 under review, the Group recorded a turnover of approximately HK\$72,174,000 (six months ended 30 June 2019: HK\$82,834,000). The Group's turnover was principally derived from the exploration, production and distribution of natural gas segment of HK\$72,174,000 (six months ended 30 June 2019: HK\$82,834,000).

The Group recorded a loss for the period of approximately HK\$30,536,000 for the six months ended 30 June 2020, as compared to a loss of approximately HK\$29,412,000 during the corresponding period in 2019, which is similar to last year. Loss per share attributable to the owners of the Company was 0.31 HK cents (2019: 0.3 HK cents).

The other operating expenses of the Group for the six months ended 30 June 2020 amounted to approximately HK\$9.62 million (six months ended 30 June 2019: HK\$6.69 million), which comprise: (i) legal, audit and professional fees of approximately HK\$1.77 million; (ii) local taxes of approximately HK\$0.64 million; (iii) repair and maintenance expenses of approximately HK\$1.99 million; (iv) reimbursement of staff traveling expenses of approximately HK\$0.86 million; (v) listing fee of approximately HK\$0.63 million; and (vi) miscellaneous operating costs (such as insurance, motor vehicles, property management and technical support) in the amount of approximately HK\$3.73 million.

經營業績

於所回顧的截至二零二零年六月三十日止六個月內，本集團錄得營業額約72,174,000港元（截至二零一九年六月三十日止六個月：82,834,000港元）。本集團營業額主要來自勘探、生產及分銷天然氣分部，金額為72,174,000港元（截至二零一九年六月三十日止六個月：82,834,000港元）。

於截至二零二零年六月三十日止六個月，本集團錄得期內虧損約30,536,000港元，而二零一九年同期錄得虧損約29,412,000港元，跟往年相約。本公司擁有人應佔每股虧損為0.31港仙（二零一九年：0.3港仙）。

於截至二零二零年六月三十日止六個月，本集團的其他經營開支約9.62百萬港元（截至二零一九年六月三十日止六個月：6.69百萬港元），其包括(i)法律、審計及專業費用約為1.77百萬港元；(ii)地方稅項約為0.64百萬港元；(iii)維修和保養費用約為1.99百萬港元；(iv)員工差旅費用報銷約為0.86百萬港元；(v)上市費用約為0.63百萬港元；及(vi)雜項經營開支（例如保險開支、車輛開支、物業管理費用和技術支援費用等）約為3.73百萬港元。

Business Review

Exploration, Production and Distribution of Natural Gas Segment

The Group's indirectly wholly-owned subsidiary, China Era Energy Power Investment (Hong Kong) Limited ("**China Era**") entered into a petroleum contract (the "**Petroleum Contract**") with China National Petroleum Corporation ("**CNPC**") for the drilling, exploration, exploitation and production of oil and/or natural gas in a site located at North Kashi Block, Tarim Basin, Xinjiang (the "**Kashi Project**"). The Petroleum Contract is for a term of 30 years commencing on 1 June 2009.

Under the Petroleum Contract, the Group shall apply its appropriate and advanced technology and management expertise and assign its competent experts to perform exploration, development, and production of natural gas and/or oil within the site. Under the Petroleum Contract, in the event that any oil field and/or gas field is discovered within the site, the development costs shall be borne by CNPC and the Group in the proportion of 51% and 49%, respectively.

業務回顧

勘探、生產及分銷天然氣分部

本集團的間接全資附屬公司中國年代能源投資(香港)有限公司(「**中國年代**」)已與中國石油天然氣集團公司(「**中國石油集團**」)訂立了石油合約(「**石油合約**」)，以於中國新疆塔里木盆地喀什北區塊鑽探、勘探、開發及生產石油及／或天然氣(「**喀什項目**」)。石油合約自二零零九年六月一日起，為期30年。

根據石油合約，本集團將採用其適當和先進的技術以及管理專才，指派稱職的專家在該地盤進行勘探、開發及生產天然氣及／或石油。根據石油合約，倘在該地盤內發現任何油田及／或氣田，中國石油集團及本集團將分別按51%及49%的比例承擔開發成本。

Management Discussion and Analysis 管理層討論及分析

According to the Petroleum Contract, the exploration period covers 6 years. The managements have devoted much of its resources during the period in exploration and research studies. On 6 December 2017, China Era and CNPC entered into a supplemental and amendment agreement to the Petroleum Contract (the “**Supplemental Agreement**”) extending the First Phase exploration period to 5 December 2017. On 20 June 2019, China Era and CNPC entered into a second supplemental agreement to the Petroleum Contract (the “**Supplemental Agreement**”) to set out the amount of profit sharing between 2009 and 2017. The filing of the Overall Development Program (“**ODP**”) was completed on 8 July 2019, and the development period of the Kashi Project commenced with effect from 9 July 2019. As disclosed in the Company’s announcement dated 28 April 2020, the Gas Sales Agreements (“**GSA**”) was signed on 27 April 2020.

The Group’s exploration, production and distribution of natural gas segment comprises the natural gas exploration, production and distribution under Kashi Project and the Group’s natural gas distribution operation in Karamay, Xinjiang. During the period, this segment contributed revenue of HK\$72,174,000 (six months ended 30 June 2019: HK\$82,834,000) and recorded segment loss before income tax of approximately HK\$11,537,000 (six months ended 30 June 2019: HK\$4,999,000). Regarding the Kashi Project, the Group’s sharing of natural gas under the Petroleum Contract was approximately 61 million cubic meters (“**MMm³**”) the six months ended 30 June 2020 (six months ended 30 June 2019: 69 MMm³).

The results of operations in exploration, production and distribution of natural gas segment and costs incurred for exploration and evaluation assets acquisition and exploration activities are shown as below:

根據石油合約，勘探期為6年。管理層於期內在勘探和研究方面投入大量資源。於二零一七年十二月六日，中國年代與中國石油集團訂立一份石油合約的補充及修訂協議（「**補充協議**」），將勘探期第一階段延長至二零一七年十二月五日。於二零一九年六月二十日，中國年代與中國石油集團訂立第二份石油合約補充協議（「**第二份補充協議**」），協議內載列二零零九年至二零一七年的溢利分成金額。總體開發方案（「**總體開發方案**」）已於二零一九年七月八日完成備案，而喀什項目的開發期自二零一九年七月九日起開始生效。誠如本公司日期為二零二零年四月二十八日的公告所披露，售氣協議（「**售氣協議**」）於二零二零年四月二十七日已簽署。

本集團天然氣勘探、生產及分銷分部包括喀什項目項下的天然氣勘探、生產及分銷和本集團於新疆克拉瑪依的天然氣分銷業務。期內，本分部貢獻收益72,174,000港元（截至二零一九年六月三十日止六個月：82,834,000港元），而分部除所得稅前虧損約為11,537,000港元（截至二零一九年六月三十日止六個月：4,999,000港元）。截至二零二零年六月三十日止六個月，關於喀什項目，本集團於石油合約項下的天然氣已分配大約61百萬立方米（「**百萬立方米**」）（於截至二零一九年六月三十日止六個月：69百萬立方米）。

勘探、生產及分銷天然氣分部的經營業績，以及勘探及評估資產收購及勘探活動產生的成本載列如下：

Management Discussion and Analysis

管理層討論及分析

(a) Results of operations in exploration, production and distribution of natural gas segment

(a) 勘探、生產及分銷天然氣分部之經營業績

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收益	72,174	82,834
Direct cost	直接成本	(25,089)	(27,718)
Other income	其他收入	828	421
Selling and distribution expenses	銷售及分銷開支	(18,699)	(17,043)
Operating expenses	經營開支	(18,114)	(18,301)
Amortisation	攤銷	(10,878)	(8,585)
Depreciation	折舊	(8,995)	(4,913)
Finance cost	融資成本	(2,764)	(11,694)
Loss from operations before income tax expenses	除所得稅開支前經營虧損	<u>(11,537)</u>	<u>(4,999)</u>

(b) Costs incurred for exploration and evaluation assets acquisitions and exploration activities

(b) 勘探及評估資產收購及勘探活動產生之成本

		Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Exploration cost	勘探成本	<u>48,798</u>	<u>80,853</u>

Sales of Food and Beverages Business

For the six month ended 30 June 2020, the Group did not record any revenue from the sales of food and beverages business segment (six months ended 30 June 2019: Nil). The segment loss before tax expenses was approximately HK\$610,000 (six months ended 30 June 2019: HK\$933,000). The Group intends to reduce reliance on the sales of food and beverage. We will continue to keep track of the economic environment and review the future allocation of resources as and when required.

Money Lending Business

For the six months ended 30 June 2020, no revenue is generated from the money lending business operated by its indirect wholly-owned subsidiary, Zhong Neng Finance Ltd., a licensed money lender under the Money Lenders Ordinance (Cap.163, Laws of Hong Kong) (six months ended 30 June 2019: Nil). The segment loss before tax expenses was approximately HK\$48,000 (six months ended 30 June 2019: HK\$88,000). The Group continued to adopt a stringent credit policy to mitigate the credit risk arising from the money lending business.

銷售食品及飲料業務

截至二零二零年六月三十日止六個月，本集團並沒有從銷售食品及飲料業務分部錄得任何收益（截至二零一九年六月三十日止六個月：無）。除稅項開支前分部虧損約為610,000港元（截至二零一九年六月三十日止六個月：933,000港元）。本集團擬減少對銷售食品及飲料的依賴。本集團將繼續觀察經濟環境，並於必要時審核未來的資源分配。

放債業務

截至二零二零年六月三十日止六個月，本集團一間間接全資附屬公司中能財務有限公司（根據香港法例第163章《放債人條例》的持牌放債人）經營的放債業務並無帶來收益（截至二零一九年六月三十日止六個月：無）。除稅項開支前分部虧損為約48,000港元（截至二零一九年六月三十日止六個月：88,000港元）。本集團繼續採取嚴謹的信貸政策。

Financial Review

Liquidity, Financial Resources and Capital Structure

As at 30 June 2020, the Group had no outstanding bank borrowings (31 December 2019: Nil). The cash and cash equivalents of the Group were approximately HK\$194,198,000 (31 December 2019: HK\$226,798,000). The Group's current ratio (current assets to current liabilities) was approximately 42.3% (31 December 2019: 59.7%). The ratio of total liabilities to total assets of the Group was approximately 38.6% (31 December 2019: 36.9%).

As at 30 June 2020, the Company has outstanding convertible notes in the principal amount of HK\$679,670,000 due in 2041 not carrying any interest with right to convert the convertible notes into ordinary shares of the Company. The conversion price is HK\$0.168 per share (subject to adjustments) and a maximum number of 4,045,654,761 shares may be allotted and issued upon exercise of the conversion rights attached to the convertible notes in full. During the period, no convertible note was converted to ordinary shares of the Company.

Charge of Assets

None of the assets of the Group were pledged as security for any banking facilities and borrowings as at 30 June 2020 (31 December 2019: Nil).

財務回顧

流動資金、財務資源及資本架構

於二零二零年六月三十日，本集團並無未償還銀行借款（二零一九年十二月三十一日：無）。本集團的現金及等同現金約為194,198,000港元（二零一九年十二月三十一日：226,798,000港元）。本集團的流動比率（流動資產比流動負債）約為42.3%（二零一九年十二月三十一日：59.7%）。本集團總負債與總資產的比率約為38.6%（二零一九年十二月三十一日：36.9%）。

於二零二零年六月三十日，本公司未償還可換股票據的本金額為679,670,000港元，於二零四一年到期和不計利息，並且附有權利可將可換股票據兌換為本公司普通股。兌換價為每股0.168港元（可予調整），而倘可換股票據附帶的兌換權獲悉數行使，可配發及發行最多4,045,654,761股股份。期內並無可換股票據兌換為本公司普通股。

資產抵押

本集團於二零二零年六月三十日並無任何資產已抵押為銀行信貸及借款之擔保（二零一九年十二月三十一日：無）。

Exchange Exposure

The Group mainly operates in Hong Kong and PRC and the exposure in exchange rate risks mainly arises from fluctuations in the HK dollar and Renminbi exchange rates. Exchange rate fluctuations and market trends have always been the concern of the Group. The policy of the Group for its operating entities operates in their corresponding local currencies to minimize currency risks. The Group, after reviewing its exposure for the time being, did not enter into any derivative contracts aimed at minimizing exchange rate risks during the year. However, management will monitor foreign currency exposure and will consider hedging significant foreign currency exposure if necessary.

Capital Commitments

As at 30 June 2020, the Group had capital commitments relating to Kashi Project of approximately HK\$417,000,000 (31 December 2019: HK\$522,640,000) (including approximately HK\$177,700,000 which would be borne by CNPC), and approximately HK\$118,800,000 (31 December 2019: HK\$121,000,000) relating to capital contributions in a subsidiary of the Group, respectively.

Contingent Liabilities

The Group had no material contingent liabilities as at 30 June 2020 and 31 December 2019.

Employee Information

As at 30 June 2020, the Group had a total workforce of 48 (31 December 2019: 50). The Group remunerates its employees based on their work performance, working experiences, professional qualifications and the prevailing market practice.

外匯風險

本集團的主要營運地區為香港和中國，其面對的匯兌風險主要來自港元兌人民幣匯率的波動。匯率波幅及市場動向一向深受本集團關注。本集團的政策旨在令經營實體按當地相應貨幣經營業務，盡量降低貨幣風險。在檢討當前承受的風險水平後，本集團年內並無為降低匯兌風險而訂立任何衍生工具合約。然而，管理層將密切留意外幣風險，必要時會考慮對沖重大外幣風險。

資本承擔

於二零二零年六月三十日，本集團分別就喀什項目的資本承擔約417,000,000港元（二零一九年十二月三十一日：522,640,000港元）（其中包含約177,700,000港元由中國石油集團承擔）及對本集團之一間附屬公司之注資有資本承擔約118,800,000港元（二零一九年十二月三十一日：121,000,000港元）。

或然負債

本集團於二零二零年六月三十日及二零一九年十二月三十一日並無重大或然負債。

僱員資料

於二零二零年六月三十日，本集團共有48名（二零一九年十二月三十一日：50名）員工。本集團僱員之薪酬與彼等之工作表現、工作經驗、專業資格及現行市場慣例掛鉤。

Prospects

Exploration, Production and Distribution of Natural Gas

The project details and key milestones for the Kashi Project were disclosed in the Company's circular dated 3 December 2010. In essence, the Petroleum Contract covers an exploration period of up to six years (which was already extended by CNPC pursuant to the Supplemental Contract), a development period and a production period. The development period commence on the date after the date of filing completion of the ODP and end on the date of the completion of the development operations required by the ODP to be completed during the development period. The end of the development period also signifies the commencement of the commercial production of the project and hence the production period, which runs for fifteen years for an oil field and twenty years for a gas field (subject to extension with the approval of the government).

As disclosed in the Company's announcement dated 25 July 2019, the filing of the ODP of Kashi Project was completed on 8 July 2019 and the development period commenced with effect from 9 July 2019. As disclosed in the Company's announcement dated 28 April 2020, the GSA was signed on 27 April 2020. As disclosed in the Company's announcement dated 3 July 2020, the gas production capacity construction of Kashi Project has commenced operation on 1 July 2020.

展望

勘探、生產及分銷天然氣

喀什項目的詳情和主要里程碑已於本公司日期為二零一零年十二月三日的通函中披露。概括來說，石油合約涵蓋最多六年的勘探期（已根據補充協議經中國石油集團延長），以及開發期和生產期。開發期由總體開發方案完成備案當日後日期開始，直至總體開發方案中所規定須於開發期內完成的開發工程的完工當日結束。開發期結束亦標誌著該項目商業生產和生產期的開始，油田的生產期為十五年，氣田則為二十年，兩者皆可由政府批准延長。

誠如本公司日期為二零一九年七月二十五的公告所披露，喀什項目的總體開發方案已於二零一九年七月八日完成備案，而開發期自二零一九年七月九日起開始生效。誠如本公司日期為二零二零年四月二十八日的公告所披露，售氣協議於二零二零年四月二十七日已簽署。誠如本公司日期為二零二零年七月三日的公告所披露，喀什項目的天然氣產能建設工程已於二零二零年七月一日投產。

Management Discussion and Analysis

管理層討論及分析

The Group's operation center of Kashi Project is situated at Xinjiang Uygur Autonomous Region. Since around mid-July 2020, public health and travel restriction measures were again tightened in Xinjiang to combat the resurgence of infected cases of COVID-19. While the impact on the Group's operations of pipeline supply of natural gas is small, it is possible that the ongoing construction works of the Kashi Project may experience certain delay. Any development of the COVID-19 epidemic may affect the economic environment and have an impact on the financial position and performance of the Group, the extent of which could not be estimated at this stage. The Group will continue to monitor the development of the epidemic and react actively to its impact to the Group, if any. Further announcement(s) will be made by the Company as and when there is any update on the operations of the Group, including any significant progress of the Kashi Project.

Subsequent to the reporting period, in July 2020, the Group (as borrower) entered into a loan agreement with a financial institution (as lender) for the obtaining of a loan facility (the "Loan") of up to RMB500,000,000, of which RMB100,000,000 has already been drawn down. The Group pledged its receivables from the Petroleum Contract to secure its repayment obligations regarding the Loan. The Company's management will continue to follow up with potential lenders and investors with the view to secure additional debt and/or equity funding to finance the further development of the project.

Sales of Food and Beverages Business

The management has taken a cautious approach to manage the operations of the food and beverages segment. The Group will assess the value and performance of this segment from time to time, and continue to keep track of the economic environment and review the future allocation of resources as and when required.

Money Lending Business

The management has taken a cautious approach in money lending business in view of the Group's current financial position. The management will continue to look for high quality borrowers in order to minimise the risk of default.

本集團的喀什項目之運營中心位於新疆維吾爾自治區。自二零二零年七月中旬以來，新疆再次加強了公共衛生和出行限制措施，以遏制COVID-19感染病例死灰復燃。儘管對本集團的天然氣管道供應業務的影響很小，但喀什項目正在進行的建築工程可能會遇到一定的延誤。COVID-19流行病的任何發展都可能影響經濟環境，並影響本集團的財務狀況和業績，目前尚無法估計其程度。本集團將繼續監測該流行病的發展，並積極應對其對本集團的影響（如有）。當本集團的營運有任何更新時，包括喀什項目的任何重大進展，本公司將另行發表公告。

於報告期後，在二零二零年七月，本集團（作為借款人）與一間金融機構（作為貸款人）簽訂了貸款協議，以獲取最多人民幣500,000,000元的貸款融資（「貸款」），其中已經提取人民幣100,000,000元。本集團質押其石油合約中的應收款，以擔保其有關貸款的還款義務。本公司管理層將繼續與潛在貸款方及投資者跟進，為該項目的進一步發展尋求額外債務及／或股本融資。

銷售食品及飲料業務

管理層已採取審慎態度管理食品及飲料分部的營運。本集團會不時評估該分部的價值及業績，繼續觀察經濟環境並於必要時審核未來的資源分配。

放債業務

鑒於本集團目前的財務狀況，管理層已就放債業務採取審慎態度。管理層將繼續尋覓高質素的借方，以減少拖欠還款的風險。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 June 2020, none of the directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, the "SFO") which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from the share option scheme disclosures in the section "Share Option Schemes" below, at no time during the six months ended 30 June 2020 was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SHARE OPTION SCHEMES

Old Share Option Scheme

The share option scheme which was adopted on 28 January 2002 (i.e. before the Company's listing on the Stock Exchange in February 2002) (the "Old Share Option Scheme") has already expired on 28 January 2012. After its expiry, no further share option can be granted under the Old Share Option Scheme. As at the beginning and the end of the reporting period up to the date of this report, no option remained outstanding under the Old Share Option Scheme. No option was granted, exercised, cancelled or lapsed the Old Share Option Scheme during both the reporting period and the comparative period.

董事於股份的權益及淡倉

於二零二零年六月三十日，本公司董事或高級行政人員並無於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中持有證券及期貨條例第XV部第7及8分部規定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的有關條文彼等所當作或視為的權益或淡倉），或根據證券及期貨條例第352條規定本公司須載入記錄冊的權益或淡倉，或標準守則規定須知會本公司及聯交所的權益或淡倉。

董事購入股份或債券的權利

除下列「購股權計劃」一節披露之購股權計劃外，本公司或其任何附屬公司於截至二零二零年六月三十日止六個月內並無訂立任何安排致使本公司之董事可透過購入股份或債券獲得本公司或其任何其他公司實體之利益。

購股權計劃

舊購股權計劃

二零二零年一月二十八日（即本公司於二零二零年二月在聯交所上市之前）採納之購股權計劃（「舊購股權計劃」）已於二零一二年一月二十八日屆滿。屆滿後，舊購股權計劃不得再授出任何購股權。於本報告期間的起始、終結及截至本報告日期，舊購股權計劃下並無購股權尚未行使。於報告期內及其比較期間，概無任何購股權於舊購股權計劃下獲授出、行使、註銷或失效。

New Share Option Scheme

Following the expiry of the Old Share Option Scheme, the Company adopted a new share option scheme at the extraordinary general meeting of the Company held on 25 June 2013 (the “**New Share Option Scheme**”). The New Share Option Scheme had a life span of ten years running from 25 June 2013 to 25 June 2023. A summary of the principal terms of the New Share Option Scheme can be founded on pages 7 to 17 of the Company’s circular dated 27 May 2013.

No share option was granted and exercised during the period under review and there was no outstanding share option as at 30 June 2020 and 2019. No share option has ever been granted under the New Share Option Scheme since its adoption on 25 June 2013, nor has the Scheme Mandate Limit originally obtained at the time of adoption of the New Share Option Scheme ever been refreshed. As at the date of this report, 792,112,000 options (representing 8.33% of the existing issued share capital of the Company) are available for grant under the New Share Option Scheme (i.e. the Scheme Mandate Limit as originally obtained on the date of approval of the New Share Option Scheme on 25 June 2013). As at the beginning and the end of the reporting period up to the date of this report, no option remained outstanding under the New Share Option Scheme. No option was granted, exercised, cancelled or lapsed the New Share Option Scheme during both the reporting period and the comparative period.

新購股權計劃

舊購股權計劃屆滿後，本公司於二零一三年六月二十五日舉行之本公司股東特別大會上通過一項新購股權計劃（「**新購股權計劃**」）。新購股權計劃有效期為十年，期間為由二零一三年六月二十五日至二零二三年六月二十五日。有關新購股權計劃主要條款之摘要，請參見本公司日期為二零一三年五月二十七日的通函第7至17頁。

於回顧期間內，概無購股權獲授出及行使，於二零二零年及二零一九年六月三十日，概無尚未行使之購股權。自新購股權計劃於二零一三年六月二十五日獲採納以來，從未於其項下授予任何購股權，亦無更新於新購股權計劃獲採納時取得之計劃授權限額。於本報告日期，根據新購股權計劃可授予792,112,000份購股權（佔本公司現有已發行股本之8.33%），即新購股權計劃於二零一三年六月二十五日獲批准當日原訂之計劃授權限額。於本報告期間的起始、終結及截至本報告日期，新購股權計劃下並無購股權尚未行使。於報告期內及其比較期間，概無任何購股權於新購股權計劃下獲授出、行使、註銷或失效。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITION

主要股東的權益及淡倉

As at 30 June 2020, the interests or short positions of the persons, other than a director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

於二零二零年六月三十日，董事或本公司高級行政人員以外之人士於本公司的股份及相關股份中持有證券及期貨條例第336條規定本公司須載入記錄冊的權益或淡倉如下：

Long Positions in the Shares and Underlying Shares of the Company

於本公司股份及相關股份之好倉

Name of Shareholders	Nature of interests	Number of shares	Number of underlying shares	Total number of shares and underlying shares	Approximate percentage of issued share capital
股東姓名／名稱	權益性質	股份數目	相關股份數目	相關股份總數	佔已發行股本概約百分比
U.K. Prolific Petroleum Group Company Ltd. (Note 1) (附註1)	Beneficial Owner 實益擁有人	1,860,000,000	4,045,654,762	5,905,654,762	62.13%
Cypress Dragons Limited (Note 2) (附註2)	Beneficial Owner 實益擁有人	970,000,000	—	970,000,000	10.20%
Wang Guoju (Notes 1 & 2) 王國巨 (附註1及2)	Interest of controlled corporation 受控制法團的權益	2,830,000,000	4,045,654,762	6,875,654,762	72.33%

Notes:

附註：

- Based on the disclosure of interest (“DI”) filings, U.K. Prolific Petroleum Group Company Limited (“UK Prolific”) is interested in 1,860,000,000 shares of the Company (“Shares”) and convertible notes (the “Convertible Notes”) in the principal amount of HK\$679,670,000 due in 2041 not carrying any interest with right to convert the Convertible Notes into 4,045,654,762 Shares at a conversion price of HK\$0.168 per Share. Based on the DI filings, UK Prolific is wholly owned by Mr. Wang Guoju.
- Based on the DI filings, Cypress Dragons Limited (“Cypress Dragons”), a controlled corporation wholly owned by Mr. Wang Guoju, is interested in 970,000,000 Shares.

- 根據權益披露(「權益披露」)表格，U.K. Prolific Petroleum Group Company Limited (「UK Prolific」)於1,860,000,000股本公司股份(「股份」)及本金額為679,670,000港元二零四一年到期的可換股票據(「可換股票據」)中擁有權益，該等可換股票據不計息及附有權利可轉換為最多4,045,654,762股股份，轉換價每股股份0.168港元。根據權益披露表格，UK Prolific由王國巨先生全資擁有。

- 根據權益披露表格，Cypress Dragons Limited (「Cypress Dragons」)(一家由王國巨先生全資持有的控制公司)於970,000,000股股份中擁有權益。於本中期報告日期，Cypress Dragons由王國巨先生全資持有。

PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities, during the six months ended 30 June 2020.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain good corporate governance standard and procedures. The Stock Exchange has promulgated the code provisions on Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules (the "CG Code"). During the six months ended 30 June 2020, the Group has complied with the CG Code except for the following:

- a. Pursuant to A.2.1 of the CG Code, the roles of chairman and Chief Executive Officer (the "CEO") should be separate and should not be performed by the same individual and the division of responsibilities between the chairman and CEO should be clearly established and set out in writing. At all times during the period under review, Mr. Zhao Guoqiang is the CEO of the Company. The position of chairman is vacated and the Board intends to identify suitable candidate to fill the vacancy.
- b. According to E.1.2 of the CG Code, the chairman of the Board should attend the AGM. The position of chairman is vacated and the Board intends to identify suitable candidate to fill the vacancy.

購買、出售或贖回本公司證券

於截至二零二零年六月三十日止六個月內，本公司及其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

企業管治常規

本公司致力維持良好之企業管治標準及程序。聯交所已公佈上市規則附錄十四所載《企業管治守則及企業管治報告》（「企業管治守則」）的守則條文。於二零二零年六月三十日止六個月期間，本集團一直遵守全部企業管治守則，惟下列各項除外：

- a. 根據企業管治守則第A.2.1條，主席及行政總裁（「行政總裁」）之角色應予以區分並不應由同一人擔任，以及主席及行政總裁的職責應以書面清楚界定。於整個回顧期間，趙國強先生擔任本公司行政總裁。主席一職懸空，董事會有意物色合適的人選以填補空缺。
- b. 根據企業管治守則第E.1.2條，董事會主席應出席股東週年大會。主席一職懸空，董事會有意物色合適的人選以填補空缺。

- c. Pursuant to A.4.1 and A.4.2 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election while all directors should be subject to retirement by rotation at least once every three years. For the period under review, all independent non-executive directors of the Company have not been appointed for a specific term but they are subject to retirement by rotation in accordance with the Company's articles of association. The management experience, expertise and commitment of the re-electing Directors will be considered by the nomination committee of the Company before their re-election proposals are put forward to Shareholders. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices regarding Directors' appointment are no less exacting than those in the CG Code.
- d. According to A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should attend the Company's AGM. Certain Directors were unable to attend the Company's AGM held on 23 June 2020 due to other business commitments. However, views expressed by shareholders at general meetings are recorded and circulated for discussion by all directors regardless of attendance. The Company will plan its dates of meetings in advance to facilitate Directors' attendance.
- c. 根據企業管治守則第A.4.1及A.4.2條，非執行董事須按指定任期委任，並且受全體董事須至少每三年輪值告退一次的規定重選。於回顧期間，本公司所有獨立非執行董事均非按指定任期委任，但仍有按照本公司組織章程細則的規定輪值告退。本公司提名委員會向股東提出重選建議前將考慮重選董事的管理經驗、專長及承擔。因此，本公司認為已採取足夠的措施，以確保有關委任董事之本公司企業管治常規不較企業管治守則所載者寬鬆。
- d. 根據企業管治守則規則第A.6.7條，獨立非執行董事及其他非執行董事須出席本公司股東週年大會。若干非執行董事因其他業務而未能出席本公司於二零二零年六月二十三日舉行之股東週年大會。儘管如此，我們將記錄股東於股東大會上發表之意見並予以傳閱以供全體董事（不論出席與否）進行討論。本公司將提前計劃其會議日期以便於董事出席。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own Code of conduct regarding securities transactions by the directors of the Company. All existing directors have confirmed following specific enquiry by the Company that they have complied with the required standard set out in the Model Code through the period under review.

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載的標準守則，作為其本身對於本公司董事進行證券交易的行為守則。全體在任董事經本公司作出特定查詢後確認，彼等已於整個回顧期間內一直遵守標準守則所載的規定標準。

AUDIT COMMITTEE

The audit committee comprises one non-executive director and three independent non-executive directors of the Company. The audit committee has adopted terms of reference which are in line with the CG Code. The Group's unaudited financial statements for the six months ended 30 June 2020 have been reviewed by the audit committee, who is of the opinion that such statements comply with applicable accounting standards, the Listing Rules and other legal requirements, and that adequate disclosures have been made.

By order of the Board
China Energy Development Holdings Limited
Zhao Guoqiang
Chief Executive Officer and Executive Director

Hong Kong, 25 August 2020

審核委員會

審核委員會包括本公司一名非執行董事及三名獨立非執行董事。審核委員會已採納與企業管治守則一致的職權範圍。本集團截至二零二零年六月三十日止六個月之未經審核財務報表已由審核委員會審閱，該委員會認為該等報表已遵守適用會計準則、上市規則及其他法定要求，並已作出充分披露。

承董事會命
中國能源開發控股有限公司
行政總裁兼執行董事
趙國強

香港，二零二零年八月二十五日



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