



中國油氣控股有限公司 SINO OIL AND GAS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock Code 股份代號: 702

Interim Report
中 期 報 告

2020

DIRECTORS

Executive Directors

Dr. Dai Xiaobing (*Chairman*)

Mr. King Hap Lee (*Chief Executive Officer*)

Mr. Wan Tze Fan Terence

Non-executive Directors

Mr. Huang Shaowu

Ms. Cai Yanling (appointed on 26 June 2020)

Mr. Tsang Hing Bun (appointed on 28 August 2020)

Mr. Chen Hua (resigned on 28 August 2020)

Ms. Chai Lin (resigned on 26 June 2020)

Independent Non-executive Directors

Professor Wong Lung Tak Patrick

Dr. Wang Yanbin

Dr. Dang Weihua

COMPANY SECRETARY

Ms. Yim Siu Hung

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

44/F, Office Tower

Convention Plaza

1 Harbour Road, Wanchai

Hong Kong

REGISTERED OFFICE

Clarendon House, 2 Church Street

Hamilton HM11

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17/F., Hopewell Centre

183 Queen's Road East, Wanchai

Hong Kong

董事

執行董事

戴小兵博士 (主席)

景哈利先生 (行政總裁)

溫子勳先生

非執行董事

黃紹武先生

蔡燕苓女士 (於2020年6月26日委任)

曾慶賢先生 (於2020年8月28日委任)

陳華先生 (於2020年8月28日辭任)

柴琳女士 (於2020年6月26日辭任)

獨立非執行董事

黃龍德教授

王延斌博士

黨偉華博士

董事會秘書

嚴筱虹女士

總辦事處及主要營業地點

香港

灣仔港灣道1號

會展廣場辦公大樓

44樓

註冊辦事處

Clarendon House, 2 Church Street

Hamilton HM11

Bermuda

香港股份過戶登記分處

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th Floor North Cedar House
41 Cedar Avenue
Hamilton HM12
Bermuda

HONG KONG LEGAL ADVISOR

Michael Li & Co.
19/F, Prosperity Tower
39 Queen's Road Central, Central, Hong Kong

BERMUDA LEGAL ADVISOR

Conyers Dill & Pearman
2901 One Exchange Square
8 Connaught Place, Central
Hong Kong

AUDITOR

BDO Limited
Certified Public Accountants
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

STOCK CODE

702

WEBSITE

www.sino-oilgas.hk

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor North Cedar House
41 Cedar Avenue
Hamilton HM12
Bermuda

香港法律顧問

李智聰律師事務所
香港中環皇后大道中39號
豐盛創建大廈19樓

百慕達法律顧問

Conyers Dill & Pearman
香港
中環康樂廣場8號
交易廣場第1座2901室

核數師

香港立信德豪會計師事務所有限公司
執業會計師
香港
干諾道中111號
永安中心25樓

股份代號

702

網址

www.sino-oilgas.hk

The board of directors (the “Board”) of Sino Oil and Gas Holdings Limited (the “Company”) announces the unaudited interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2020 as follows:

中國油氣控股有限公司(「本公司」)董事會(「董事會」)宣佈，本公司及其附屬公司(統稱「本集團」)截至2020年6月30日止六個月之未經審核中期業績如下：

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2020

簡明綜合全面收益表

截至2020年6月30日止六個月

		Notes 附註	2020 (Unaudited) (未經審核) HK\$'000 千港元	2019 (Unaudited) (未經審核) HK\$'000 千港元
Revenue	營業額	5	118,884	157,807
Direct costs	直接成本		(96,979)	(133,752)
Gross profit	毛利		21,905	24,055
Other income	其他收入	6	39,513	39,821
Other losses, net	其他虧損淨額	7	(4)	(55)
Selling and distribution expenses	銷售及分銷費用		(4,509)	(4,025)
Administrative expenses	行政費用		(23,654)	(32,642)
Profit from operations	經營溢利		33,251	27,154
Finance costs	融資成本	8(a)	(100,982)	(92,146)
Share of profit/(loss) of an associate	應佔一家聯營公司溢利／(虧損)		10	(101)
Loss before income tax expense	除所得稅支出前虧損	8	(67,721)	(65,093)
Income tax expense	所得稅支出	9	649	(1,964)
Loss for the period	本期虧損		(67,072)	(67,057)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2020

簡明綜合全面收益表

截至2020年6月30日止六個月

		Notes 附註	2020 (Unaudited) (未經審核) HK\$'000 千港元	2019 (Unaudited) (未經審核) HK\$'000 千港元
Other comprehensive income, after tax	其他全面收益，除稅後			
Item that may be reclassified to profit or loss:	可能重新分類至損益之項目：			
Exchange differences on translating foreign operations	換算海外業務之匯兌差異		(61,240)	(65,917)
Item that will not be reclassified to profit or loss:	不得重新分類至損益之項目：			
Change in fair value of equity investments designated at fair value through other comprehensive income	指定按公平值透過其他全面收益列賬的權益投資之公平值變動		(50)	—
Other comprehensive income for the period, after tax	本期其他全面收益，除稅後		(61,290)	(65,917)
Total comprehensive income for the period	本期全面收益總額		(128,362)	(132,974)
Loss attributable to:	以下人士應佔虧損：			
Owners of the Company	本公司擁有人		(67,577)	(69,462)
Non-controlling interests	非控股權益		505	2,405
			(67,072)	(67,057)
Total comprehensive income attributable to:	以下人士應佔全面收益總額：			
Owners of the Company	本公司擁有人		(128,693)	(135,115)
Non-controlling interests	非控股權益		331	2,141
			(128,362)	(132,974)
			HK\$ cents 港元(仙)	HK\$ cents 港元(仙)
Loss per share	每股虧損			
— Basic and diluted	— 基本及攤薄	11	(2.02)	(2.08)

Condensed Consolidated Statement of Financial Position

At 30 June 2020

簡明綜合財務狀況表

於2020年6月30日

		30.6.2020 (Unaudited) (未經審核)		31.12.2019 (Audited) (經審核)	
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元	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	12	1,968,893		2,020,056
Oil and gas exploration and evaluation assets	油氣勘探及評估資產		68,587		70,870
Right-of-use assets	使用權資產		9,076		11,171
Intangible assets	無形資產	13	2,058,979		2,107,856
Goodwill	商譽		11,128		11,347
Interest in a joint venture	於一家合營企業之權益		-		-
Interest in an associate	於一家聯營公司之權益		57,358		57,549
Financial assets at fair value through profit or loss	按公平值透過損益列賬的財務資產		16,539		16,237
Equity investments designated at fair value through other comprehensive income	指定按公平值透過其他全面收益列賬之權益投資		453		503
Deposits and prepayments	按金及預付款項	14	29,477		44,152
Loans receivable	應收貸款		49,465		64,415
Total non-current assets	非流動資產總額		4,269,955		4,404,156
Current assets	流動資產				
Inventories	存貨		50,103	9,906	
Financial assets at fair value through profit or loss	按公平值透過損益列賬的財務資產		14,331	15,956	
Trade, notes and other receivables, deposits and prepayments	應收賬款、應收票據及其他應收賬款、按金及預付款項	14	446,004	456,571	
Short-term investment	短期投資		65,714	67,104	
Loans receivable	應收貸款		26,541	8,725	
Amount due from a joint venture	應收一家合營企業款項		323	320	
Restricted cash at banks	受限制銀行現金		927	10,096	
Cash and cash equivalents	現金及現金等價物		119,207	3,728	
Total current assets	流動資產總額		723,150	572,406	
Total assets	總資產		4,993,105		4,976,562

Condensed Consolidated Statement of Financial Position

At 30 June 2020

簡明綜合財務狀況表

於2020年6月30日

			30.6.2020 (Unaudited) (未經審核)		31.12.2019 (Audited) (經審核)	
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Current liabilities	流動負債					
Trade and other payables and accruals	應付賬款、其他應付款項及預提費用	15	(303,583)		(445,918)	
Borrowings	借貸	16	(110,236)		(94,474)	
Convertible note	可換股票據	17	(1,270,773)		(1,198,804)	
Financial liabilities at fair value through profit or loss	按公平值透過損益列賬的 財務負債	17	(9)		(46)	
Deferred income	遞延收入		(1,856)		(1,921)	
Lease liabilities	租賃負債		(3,900)		(4,778)	
Taxation	稅項		(8,391)		(8,931)	
Total current liabilities	流動負債總額		(1,698,748)		(1,754,872)	
Net current liabilities	流動負債淨值			(975,598)		(1,182,466)
Total assets less current liabilities	總資產減流動負債			3,294,357		3,221,690
Non-current liabilities	非流動負債					
Provisions	撥備		(11,911)		(12,146)	
Borrowings	借貸	16	(605,013)		(417,136)	
Deferred income	遞延收入		(147,840)		(132,691)	
Lease liabilities	租賃負債		(1,591)		(2,340)	
Deferred tax liabilities	遞延稅項負債		(9,347)		(10,360)	
Total non-current liabilities	非流動負債總額			(775,702)		(574,673)
NET ASSETS	資產淨值			2,518,655		2,647,017
Capital and reserves attributable to owners of the Company	本公司擁有人應佔 資本及儲備					
Share capital	股本			334,544		334,544
Reserves	儲備			2,174,948		2,303,641
Equity attributable to owners of the Company	本公司擁有人應佔權益			2,509,492		2,638,185
Non-controlling interests	非控股權益			9,163		8,832
TOTAL EQUITY	總權益			2,518,655		2,647,017

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2020 – unaudited

簡明綜合權益變動表

截至2020年6月30日止六個月－未經審核

		Equity attributable to owners of the Company 本公司擁有人應佔權益									
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳納盈餘 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Fair value reserve 公平值儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
At 1 January 2020	於2020年1月1日	334,544	4,486,438	81,043	35,128	(7,094)	(417,933)	(1,873,941)	2,638,185	8,832	2,647,017
(Loss)/profit for the period	本期(虧損)/溢利	-	-	-	-	-	-	(67,577)	(67,577)	505	(67,072)
Other comprehensive income	其他全面收益	-	-	-	-	(50)	(61,066)	-	(61,116)	(174)	(61,290)
Total comprehensive income for the period	本期全面收益總額	-	-	-	-	(50)	(61,066)	(67,577)	(128,693)	331	(128,362)
At 30 June 2020	於2020年6月30日	334,544	4,486,438	81,043	35,128	(7,144)	(478,999)	(1,941,518)	2,509,492	9,163	2,518,655
At 1 January 2019	於2019年1月1日	334,544	4,486,438	81,043	35,128	(6,641)	(284,626)	(1,642,989)	3,002,897	5,709	3,008,606
(Loss)/profit for the period	本期(虧損)/溢利	-	-	-	-	-	-	(69,462)	(69,462)	2,405	(67,057)
Other comprehensive income	其他全面收益	-	-	-	-	-	(65,653)	-	(65,653)	(264)	(65,917)
Total comprehensive income for the period	本期全面收益總額	-	-	-	-	-	(65,653)	(69,462)	(135,115)	2,141	(132,974)
At 30 June 2019	於2019年6月30日	334,544	4,486,438	81,043	35,128	(6,641)	(350,279)	(1,712,451)	2,867,782	7,850	2,875,632

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2020

簡明綜合現金流量表

截至2020年6月30日止六個月

		2020 (Unaudited) (未經審核) HK\$'000 千港元	2019 (Unaudited) (未經審核) HK\$'000 千港元
Net cash generated from operating activities	經營業務所產生之現金淨額	56,963	37,913
Net cash (used in)/generated from investing activities	投資活動(所用)/產生之現金淨額	(119,323)	9,470
Net cash (used)/generated before financing activities	融資活動前(所用)/產生之現金淨額	(62,360)	47,383
Net cash generated from/(used in) financing activities	融資活動產生/(所用)之現金淨額	178,191	(62,955)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	115,831	(15,572)
Cash and cash equivalents at 1 January	於1月1日之現金及現金等價物	3,728	36,949
Effect of foreign exchange rate changes on cash and cash equivalents	現金及現金等價物匯率變動之影響	(352)	(5,090)
Cash and cash equivalents at 30 June, representing cash and bank balances	於6月30日之現金及現金等價物 —即現金及銀行結餘	119,207	16,287

1. GENERAL

The Company was incorporated as an exempted company with limited liability in Bermuda on 2 November 1999 under the Companies Act 1981 of Bermuda (as amended) and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 9 February 2000. The registered office and principal place of business of the Company are located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and 44/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong, respectively.

2. BASIS OF PREPARATION AND GOING CONCERN ASSUMPTION

(a) Basis of preparation

The interim financial report of the Group has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Hong Kong Accounting Standard (“HKAS”) 34, “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The preparation of an interim report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2019 annual financial statements. The interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

This interim financial report is unaudited, but has been reviewed by the Company’s Audit Committee.

1. 一般資料

本公司根據百慕達一九八一年公司法（經修訂）於1999年11月2日在百慕達註冊成立為受豁免有限公司，其股份於2000年2月9日於香港聯合交易所有限公司主板上市。本公司之註冊辦事處及主要營業地點分別位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda及香港灣仔港灣道1號會展廣場辦公大樓44樓。

2. 編製基準及持續經營假設

(a) 編製基準

本集團之中期財務報告乃按照香港聯合交易所有限公司證券上市規則（「上市規則」）適用之披露條文編製及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」之規定。管理層在編製符合香港會計準則第34號規定之中期財務報告時所作之判斷、估計及假設，會影響會計政策之應用及按目前情況為基準計算之經匯報資產與負債、收入及支出之金額。實際業績可能有別於該等估計。本中期財務報告包括簡明綜合財務報表及部分附註。附註闡述了自2019年年度財務報表刊發以來，在瞭解本集團之財務狀況變動及表現方面確屬重要之事件及交易。此中期財務報表及附註沒有包括按照《香港財務報告準則》規定編製完整財務報表所需之全部資料。

本中期財務報告雖未經審核，但已由本公司審核委員會審閱。

Notes to the Condensed Consolidated Financial Statements

2. BASIS OF PREPARATION AND GOING CONCERN ASSUMPTION (Continued)

(a) Basis of preparation (Continued)

The financial information relating to the financial year ended 31 December 2019 that is included in this interim financial report as being previously reported information does not constitute the Group's statutory financial statements for that financial year but is derived from those financial statements. The auditor has expressed disclaimer of opinion on those financial statements in his report dated 31 March 2020. Statutory financial statements for the year ended 31 December 2019 are available from the Company's head office or at the Company's website (www.sino-oilgas.hk).

(b) Going concern assumption

As at 30 June 2020, the Group had net current liabilities of HK\$975,598,000. It indicates the existence of uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

In respect of the issue of the Group's net current liabilities position as at 30 June 2020, the convertible note with a principal amount of HK\$1,014 million due in late September 2020, posing a great financial pressure to the Group. The Group has explored various plans during the period in order to reduce the financial burden of the Group. The management has actively engaged in the discussion of the above issue with the note holder. Although no binding proposals or terms have been reached, both parties have conducted in-depth discussion on several feasible options. The options include but are not limited to, (i) assisting the negotiation of certain potential investors with the note holder who are interested in acquiring the convertible note; and (ii) exploring the possibilities with the note holder to further extend the maturity of the convertible note.

In addition, three major shareholders and directors of the Company have confirmed that they will provide continuing and sufficient financial support to the Group when the Group faces financial difficulties. The Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due. Accordingly, the directors are of the opinion that it is appropriate to prepare the financial statement for the period ended 30 June 2020 on a going concern basis.

2. 編製基準及持續經營假設 (續)

(a) 編製基準 (續)

本中期財務報告所載截至2019年12月31日止財政年度之財務資料為已匯報之資料，雖並不構成本集團該財政年度之法定財務報表，但資料則源自有關財務報表。本公司核數師在2020年3月31日之核數師報告書中對該等財務報表不發表意見。截至2019年12月31日止年度之法定財務報表可於本公司之總辦事處索取，或瀏覽本公司網址 (www.sino-oilgas.hk)。

(b) 持續經營假設

於2020年6月30日，本集團的流動負債淨額為975,598,000港元。這表明存在著不確定因素，可能會對本集團持續經營能力產生重大疑問。

就截至2020年6月30日出現流動負債淨值的問題，當中以於2020年9月底到期的本金為1,014,000,000港元之可換股票據構成相當的財務壓力。本集團亦已於期內繼續就多個計劃進行研究探討，旨在減輕本集團的財務負擔。管理層現積極與票據持有人就債務問題進行磋商，雖然尚未達成任何具約束力的方案或條款，但已就若干個可行方案與票據持有人進行深入討論，包括但不限於，(i)協助潛在投資者與票據持有人協商收購可換股票據；並(ii)與票據持有人探討進一步延長可換股票據到期日之可能性。

此外，本公司三名主要股東及董事已確認，本集團面臨財務困難時將為本集團提供持續及充足的財務支持，本集團將有足夠營運資金為其營運提供資金。因此，董事認為，按持續經營基準編制2020年6月30日止期間的財務報表屬適當。

3. SIGNIFICANT ACCOUNTING POLICIES

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2019 annual financial statements, which have been prepared in accordance with all applicable HKFRSs, except for the new standards, amendments and interpretations of HKFRSs issued by HKICPA which have become effective in this period.

Details of the changes in accounting policies due to the adoption of new and revised HKFRSs are set out in note 4.

4. ADOPTION OF NEW AND REVISED HKFRSs

In the current period, the Group has applied, for the first time, the following new standards and amendments to HKFRSs issued by the HKICPA 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 HKFRS 3 Definition of a Business
- Amendments to HKFRS 7, Interest Rate Benchmark
HKFRS 9 and HKAS 39 Reform
- Amendments to HKAS 1 Definition of Material
and HKAS 8
- Revised Conceptual Revised Conceptual
Framework Framework for Financial
Reporting

The application of the new and amendments to HKFRSs in the current period had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策

本中期財務報告按照2019年年度財務報表所採用之會計政策及所有適用之香港財務報告準則編製，包括香港會計師公會頒佈之所有適用之個別香港財務報告準則，除香港會計師公會頒佈於本期間生效之新訂及經修訂之香港財務報告準則及詮釋。

由於採納新訂及經修訂香港財務報告準則而導致會計政策變動的詳情載於附註4。

4. 採納新訂及經修訂香港財務報告準則

於本期間，本集團已首次採納以下由香港會計師公會頒佈的新訂及經修訂香港財務報告準則，其就編製本集團簡明綜合財務報表而言，於2020年1月1日或其後開始的年度期間強制生效：

- 香港財務報告準則 業務的定義
第3號之修訂
- 香港財務報告準則第7 利率基準改革
號、香港財務報告
準則第9號及香港會
計準則第39號之修訂
- 香港會計準則第1號及 重大的定義
香港會計準則第8號
之修訂
- 經修訂概念框架 經修訂財務報告
概念框架

於本期間應用新訂及經修訂香港財務報告準則對本集團於本期間及過往期間的財務表現及狀況及／或本綜合財務報表所載的披露並無重大影響。

Notes to the Condensed Consolidated Financial Statements

5. REVENUE AND SEGMENT REPORTING

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

During the period, the Group has four (2019: four) reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

i) Coalbed methane:	Exploration, development and production of coalbed methane
ii) Raw and cleaned coal:	Raw coal washing and sale of raw and cleaned coal
iii) Oil and gas exploitation:	Exploitation and sale of crude oil and natural gas
iv) Financial services:	Provision of financial services

There are no sales or trading transactions between the business segments. Corporate revenue and expenses are not allocated to the operating segments as they are not included in the measurement of the segments' results used by the chief operating decision-maker in the assessment of segment performance.

5. 營業額及分部報告

本集團按主要經營決策者審閱並用以作出策略性決策之報告釐定其經營分部。

期內，本集團擁有四個（2019年：四個）可報告分部。由於各自業務提供不同產品及服務需要不同業務策略，故分部須獨立管理。以下為本集團可報告分部營運之概要：

i) 煤層氣：	勘探、開發和生產煤層氣
ii) 原煤及精煤：	原煤洗選和銷售原煤及精煤
iii) 石油和天然氣開採：	開採及銷售原油和天然氣
iv) 財務服務：	提供財務服務

業務分部間並無出售或買賣交易。企業收入及開支不分配至各經營分部，原因是主要經營決策者評估分部表現的分部業績計算並無包括有關收益及開支在內。

簡明綜合財務報表附註

5. REVENUE AND SEGMENT REPORTING (Continued)

For the six months ended 30 June 2020, the segment information about these businesses is set out as follows:

5. 營業額及分部報告 (續)

有關該等業務之分部資料載列如下：
截至2020年6月30日止六個月

		Coalbed methane	Raw and cleaned coal	Oil and gas exploitation	Financial services	Unallocated	Total
		煤層氣	原煤及 精煤	石油和 天然氣開採	財務服務	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Results	業績						
Revenue from external customers	營業額－來自外界客戶之收入						
– Within the scope of HKFRS 15 ^(iv)	－香港財務報告準則第15號範圍內 ^(iv)	52,500	61,930	–	–	–	114,430
– Interest income from financial services	－財務服務利息收入	–	–	–	4,454	–	4,454
		52,500	61,930	–	4,454	–	118,884
Segment results ^{(i) & (ii)}	分部業績 ^{(i) & (ii)}	28,469	1,841	9,681	2,127	(8,904)	33,214
Change in fair value of financial liabilities at fair value through profit or loss	按公平值透過損益列帳之財務負債之公平值變動	–	–	–	–	37	37
Finance costs	融資成本	(4,902)	(501)	–	(84)	(95,495)	(100,982)
Share of profit of an associate	應佔一家聯營公司溢利	10	–	–	–	–	10
Profit/(loss) before income tax expense	除所得稅支出前溢利／(虧損)	23,577	1,340	9,681	2,043	(104,362)	(67,721)
Income tax expense	所得稅支出	–	677	–	(28)	–	649
Profit/(loss) for the period	本期溢利／(虧損)	23,577	2,017	9,681	2,015	(104,362)	(67,072)
Assets and liabilities	資產及負債						
At 30 June 2020	於2020年6月30日						
Reportable segment assets ⁽ⁱⁱⁱ⁾	可報告分部資產 ⁽ⁱⁱⁱ⁾	4,228,060	149,800	354,000	99,959	161,286	4,993,105
Reportable segment liabilities ⁽ⁱⁱⁱ⁾	可報告分部負債 ⁽ⁱⁱⁱ⁾	299,938	74,215	15	237,776	1,862,506	2,474,450

Notes to the Condensed Consolidated Financial Statements

5. REVENUE AND SEGMENT REPORTING (Continued)

For the six months ended 30 June 2019, the segment information about these businesses is set out as follows:

5. 營業額及分部報告 (續)

有關該等業務之分部資料載列如下：
截至2019年6月30日止六個月

		Coalbed methane	Raw and cleaned coal	Oil and gas exploitation	Financial services	Unallocated	Total
		煤層氣	原煤及 精煤	石油和 天然氣開採	財務服務	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Results	業績						
Revenue from external customers	營業額－來自外界客戶之收入						
– Within the scope of HKFRS 15 ^(iv)	－香港財務報告準則第15號範圍內 ^(iv)	58,185	73,980	–	–	–	132,165
– Interest income from financial services	－財務服務利息收入	–	–	–	25,642	–	25,642
		58,185	73,980	–	25,642	–	157,807
Segment results ^{(i) & (ii)}	分部業績 ^{(i) & (ii)}	18,858	12,326	9,816	590	(14,682)	26,908
Change in fair value of financial liabilities at fair value through profit or loss	按公平值透過損益列帳之財務負債之公平值變動	–	–	–	–	246	246
Finance costs	融資成本	(3,272)	(742)	–	(164)	(87,968)	(92,146)
Share of loss of an associate	應佔一家聯營公司虧損	(101)	–	–	–	–	(101)
Profit/(loss) before income tax expense	除所得稅支出前溢利／(虧損)	15,485	11,584	9,816	426	(102,404)	(65,093)
Income tax expense	所得稅支出	–	(1,964)	–	–	–	(1,964)
Profit/(loss) for the period	本期溢利／(虧損)	15,485	9,620	9,816	426	(102,404)	(67,057)
Assets and liabilities	資產及負債						
At 30 June 2019	於2019年6月30日						
Reportable segment assets ⁽ⁱⁱⁱ⁾	可報告分部資產 ⁽ⁱⁱⁱ⁾	4,366,686	142,223	350,704	38,258	76,261	4,974,132
Reportable segment liabilities ⁽ⁱⁱⁱ⁾	可報告分部負債 ⁽ⁱⁱⁱ⁾	407,084	30,795	16	6,566	1,654,039	2,098,500

5. REVENUE AND SEGMENT REPORTING (Continued)

Notes:

- (i) Unallocated results mainly include salaries, expenses relating to short-term leases and professional fees for Hong Kong head office.
- (ii) The segment result of coalbed methane includes government subsidies and grants of HK\$24,193,000 (six months ended 30 June 2019: HK\$24,454,000).
- (iii) Unallocated assets mainly include cash and cash equivalents, short-term investment, financial assets at fair value through profit or loss and equity investments designated at fair value through other comprehensive income. Unallocated liabilities mainly include loans from a director and a shareholder, financial liabilities at fair value through profit or loss, corporate bonds and convertible note.
- (iv) The timing of revenue recognition is a point in time within the scope of HKFRS 15.

6. OTHER INCOME

Interest income	利息收入
– bank deposits	– 銀行存款
– short-term investment	– 短期投資
– others (note (i))	– 其他(附註(i))
Total interest income on financial assets measured at amortised cost	按攤銷成本列賬之財務資產之利息收入總額
Government subsidies and grants (note (ii))	政府補貼及補助(附註(ii))
Others	其他

Notes:

- (i) It mainly represents the interest income from the refundable deposits paid for possible acquisitions of Canada oil fields. Please refer to note 14(iv) for details.
- (ii) It represents the regular subsidies received during the period from relevant government authority on the sales of coalbed methane and VAT refund on the sales of coalbed methane from local tax bureau. Both of them were generated from the coalbed methane segment as disclosed in note 5.

5. 營業額及分部報告(續)

附註：

- (i) 未分配業績主要包員工成本、與短期租賃相關之費用及專業費用等香港總辦事處開支。
- (ii) 煤層氣分部業績包括政府補貼及補助24,193,000港元(2019年6月30日止六個月：24,454,000港元)。
- (iii) 未分配資產主要包括現金和現金等價物、短期投資、按公平值透過損益列賬之財務資產及按公平值透過其他全面收益列賬之權益投資。而未分配負債主要包括來自股東及董事的借貸、按公平值透過損益列賬之財務負債、企業債券及可換股票據。
- (iv) 確認收入之時間為香港財務報告準則第15號範圍內之某個時間點。

6. 其他收入

Six months ended 30 June
截至6月30日止六個月

2020 HK\$'000 千港元	2019 HK\$'000 千港元
10	8
4,589	4,792
9,688	10,287
14,287	15,087
24,193	24,454
1,033	280
39,513	39,821

附註：

- (i) 其他利息收入主要為收購加拿大油田項目之按金的利息收入(附註14(iv))。
- (ii) 此乃相關政府部門對於煤層氣銷售的恆常補貼及當地稅務部門就煤層氣銷售退還之增值稅。兩者都是源自煤層氣分部(附註5)。

Notes to the Condensed Consolidated Financial Statements

7. OTHER LOSSES, NET

7. 其他虧損淨額

		Six months ended 30 June 截至6月30日止六個月	
		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Change in fair value of financial liabilities at fair value through profit or loss	按公平值透過損益列賬之 財務負債公平值變動	37	246
Exchange loss, net	匯兌虧損淨額	(41)	(301)
		(4)	(55)

8. LOSS BEFORE INCOME TAX EXPENSE

8. 除所得稅支出前虧損

Loss before income tax expense is arrived at after charging:

除所得稅支出前虧損已扣除：

		Six months ended 30 June 截至6月30日止六個月	
		2020 HK\$'000 千港元	2019 HK\$'000 千港元
a) Finance costs	(a) 融資成本		
Interest expense for financial liabilities not at fair value through profit or loss:	非按公平值透過損益列賬的 財務負債之利息支出：		
Interest on corporate bonds	企業債券之利息	16,317	17,058
Interest on borrowings	借貸利息	8,648	3,538
Imputed interest on convertible note	可換股票據之應歸利息	71,969	62,319
Interest on lease liabilities	租賃負債利息	400	954
Others	其他	462	13
		97,796	83,882
Less: interest capitalised in qualifying assets	減：轉入合格資產之資本化利息	(2,500)	(2,250)
		95,296	81,632
Other finance costs:	其他融資成本：		
Amortisation of convertible note transaction cost	可換股票據交易成本之攤銷	—	4,417
Amortisation of corporate bonds transaction cost	企業債券交易成本之攤銷	5,686	6,097
		5,686	10,514
		100,982	92,146

8. LOSS BEFORE INCOME TAX EXPENSE (Continued)

8. 除所得稅支出前虧損(續)

Six months ended 30 June

截至6月30日止六個月

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
b) Employee costs (including directors' remuneration)	b) 員工成本 (包括董事酬金)		
Salaries, wages and other benefits	薪金、工資及其他福利	11,955	15,001
Contributions to defined contribution retirement plan	定額供款退休計劃之供款	355	371
		12,310	15,372
c) Other items	c) 其他項目		
Cost of inventories sold recognised as expenses	已確認為費用的已售存貨成本	56,254	57,489
Depreciation on property, plant and equipment	物業、廠房及設備之折舊	16,627	17,409
Depreciation on right-of-use assets	使用權資產之折舊	2,919	3,045
Amortisation on intangible assets	無形資產之攤銷	8,255	9,279

Notes to the Condensed Consolidated Financial Statements

9. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the group companies which have estimated assessable profits subject to Hong Kong profits tax had estimated tax losses available to offset against the estimated assessable profits for the six months ended 30 June 2020 and 2019. During the six months ended 30 June 2020 and 2019, the subsidiaries in the People's Republic of China ("PRC") were subject to statutory tax rate of 25%.

The amount of income tax expense, charged to the condensed consolidated statement of comprehensive income represents:

9. 所得稅支出

截至2020年6月30日及2019年6月30日止六個月，由於集團公司（擁有須繳納香港利得稅之估計應課稅溢利）有估計稅項虧損可抵銷於截至2020年及2019年6月30日止期間之估計應課稅溢利，故並無計提香港利得稅撥備。截至2020年6月30日及2019年6月30日止六個月，位於中華人民共和國（「中國」）之附屬公司按法定稅率25%繳納稅項。

於簡明綜合全面收益表扣除的所得稅包括：

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		HK\$'000	HK\$'000
		千港元	千港元
Current income tax	即期所得稅		
– PRC enterprises income tax	– 中國企業所得稅	169	1,964
Deferred tax for the period	期內之遞延稅項	(818)	–
Income tax expense	所得稅支出	(649)	1,964

10. DIVIDEND

The directors have neither declared nor proposed any dividends in respect of the six months ended 30 June 2020 (six months ended 30 June 2019: nil).

10. 股息

董事並無宣派或擬派截至2020年6月30日止六個月之股息（截至2019年6月30日止六個月：無）。

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK\$67,577,000 (six months ended 30 June 2019: loss of HK\$69,462,000) and the weighted average number of 3,345,439,000 (six months ended 30 June 2019: 3,345,439,000) ordinary shares in issue during the period.

(b) Diluted loss per share

Diluted loss per share for the six months ended 30 June 2020 and 30 June 2019 is the same as the basic loss per share as the Company's outstanding share options and convertible note, where applicable, had an anti-dilutive effect on the basic loss per share for the period ended 30 June 2020 and 30 June 2019.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2020, the Group incurred the expenditure on property, plant and equipment with a cost of HK\$2,897,000 (six months ended 30 June 2019: HK\$11,786,000) and interest capitalised is HK\$2,046,000 (six months ended 30 June 2019: HK\$1,726,000).

13. INTANGIBLE ASSETS

The intangible assets represent mainly an operation rights in respect of coalbed methane project in the PRC and a favourable supplier agreement in respect of raw and cleaned coal project in the PRC. Full impairment has been made on the value of the favourable supplier agreement in 2018.

11. 每股虧損

(a) 每股基本虧損

每股基本虧損乃根據本公司擁有人之應佔虧損 67,577,000 港元 (2019 年 6 月 30 日止六個月: 虧損 69,462,000 港元), 以及期內已發行普通股之加權平均數 3,345,439,000 股 (2019 年 6 月 30 日止六個月: 3,345,439,000 股) 普通股計算。

(b) 每股攤薄虧損

截至 2020 年 6 月 30 日及 2019 年 6 月 30 日止六個月, 每股攤薄虧損與每股基本虧損相同, 因本公司尚未行使之購股權及可換股票據 (如適用), 對截至 2020 年 6 月 30 日及 2019 年 6 月 30 日止期內, 具有反攤薄影響。

12. 物業、廠房及設備

截至 2020 年 6 月 30 日止六個月, 本集團關於物業、廠房及設備之資本開支成本為 2,897,000 港元 (截至 2019 年 6 月 30 日止六個月: 11,786,000 港元) 及資本化利息成本為 2,046,000 港元 (截至 2019 年 6 月 30 日止六個月: 1,726,000 港元)。

13. 無形資產

無形資產主要為位於中國煤層氣項目之營運權及原煤和精煤項目之優惠供應商協議。優惠供應商協議已於 2018 年全數減值虧損撥備。

Notes to the Condensed Consolidated Financial Statements

14. TRADE, NOTES AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

14. 應收賬款、應收票據、其他應收賬款、按金及預付款項

		30.6.2020 HK\$'000 千港元	31.12.2019 HK\$'000 千港元
Non-current assets	非流動資產		
Deposits and prepayments (note (ii))	按金及預付款項(附註(ii))	29,477	44,152
Current assets	流動資產		
Trade receivables (note (i))	應收賬款(附註(i))	22,343	29,306
Less: impairment loss (note (v))	減：減值虧損(附註(v))	(304)	(310)
		22,039	28,996
Notes receivable	應收票據	13,213	5,761
Other receivables (note (iii))	其他應收賬款(附註(iii))	88,718	86,916
Less: impairment loss (note (v))	減：減值虧損(附註(v))	(25,903)	(25,940)
		62,815	60,976
Other deposits (note (iv))	其他按金(附註(iv))	315,144	322,609
Less: impairment loss (note (v))	減：減值虧損(附註(v))	(12,873)	(13,591)
		302,271	309,018
Utility deposits	水電按金	172	172
Prepayments	預付款項	45,494	51,648
		446,004	456,571

14. TRADE, NOTES AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Notes:

- (i) The ageing analysis of trade receivables, net of loss allowance, based on invoice date at the end of reporting period is as follows:

Current or within 30 days 現時或少於30天

- (ii) As at 30 June 2020, the balance included prepayments and deposits paid for exploration costs of HK\$29,477,000 (31 December 2019: HK\$44,152,000) on the Group's construction in progress.
- (iii) As at 30 June 2020, the balance mainly included interest receivables of short-term investment of HK\$27,327,000 (31 December 2019: HK\$23,215,000), and consideration receivables of HK\$24,000,000 (31 December 2019: HK\$24,000,000) on the disposal of a subsidiary.
- (iv) As at 30 June 2020, the balance mainly included deposits of HK\$227,668,000 (31 December 2019: HK\$240,363,000) paid for possible acquisitions of Canada oil fields and interest receivables of HK\$86,614,000 (31 December 2019: HK\$81,228,000) in relation to these deposits. The deposits were interest bearing at 8.5% per annum.
- (v) There was no movement in the impairment loss account for the Expected Credit Loss in respect of trade receivable, other receivable and other deposits for the six months ended 30 June 2020 (for the six months ended 30 June 2019: nil).

14. 應收賬款、應收票據、其他應收賬款、按金及預付款項 (續)

附註：

- (i) 於報告期末按發票日呈報之應收賬款（扣除虧損撥備）之賬齡分析如下：

30.6.2020 HK\$'000 千港元	31.12.2019 HK\$'000 千港元
22,039	28,996

- (ii) 於2020年6月30日，餘款包括對本集團在建工程之預付勘探成本29,477,000港元（2019年12月31日：44,152,000港元）。
- (iii) 於2020年6月30日，餘款包括應收短期投資利息27,327,000港元（2019年12月31日：23,215,000港元）及出售子公司之應收代價24,000,000港元（2019年12月31日：24,000,000港元）。
- (iv) 於2020年6月30日，餘款包括按金227,668,000港元（2019年12月31日：240,363,000港元）及與按金相關之應收利息86,614,000港元（2019年12月31日：81,228,000港元）。此按金為本公司可能收購加拿大油田之按金，按金以每年8.5%計算利息。
- (v) 截至2020年6月30日止六個月，應收賬款、其他應收賬款及其他按金之預期信貸減值虧損沒有變動（2019年6月30日止六個月：無）。

Notes to the Condensed Consolidated Financial Statements

15. TRADE AND OTHER PAYABLES AND ACCRUALS

15. 應付賬款、其他應付款項及預提費用

		30.6.2020 HK\$'000 千港元	31.12.2019 HK\$'000 千港元
Current liabilities	流動負債		
Trade payables	應付賬款	17,937	11,385
Other payables and accruals (note (i))	其他應付款項及預提費用(附註(i))	235,193	403,515
Receipt in advance	預收款項	36,083	16,648
Amounts due to shareholders (note (ii))	應付股東款項(附註(ii))	14,370	14,370
		303,583	445,918

Notes:

- (i) It mainly includes exploration costs and related interest payable of approximately HK\$109,506,000 (31 December 2019: HK\$232,425,000) in respect of oil and gas properties.
- (ii) The loans are unsecured, interest free and repayable on demand.

附註：

- (i) 其他應付款項包括有關油氣資產之應付勘探成本及相關利息約109,506,000港元(2019年12月31日：232,425,000港元)。
- (ii) 該貸款為無抵押，免息及須按要求即時償還。

16. BORROWINGS

16. 借貸

		30.6.2020 HK\$'000 千港元	31.12.2019 HK\$'000 千港元
Bank borrowings - secured (note (i))	銀行有抵押借貸(附註(i))	229,756	2,797
Other borrowings - unsecured (note (ii))	其他無抵押借貸(附註(ii))	20,970	44,677
Corporate bonds - unsecured	無抵押企業債券	464,523	464,136
		715,249	511,610
On demand or within one year	按要求或一年內償還	110,236	94,474
More than one year, but not exceeding two years	超過一年，但不超過兩年	146,566	16,000
More than two years, but not exceeding five years	超過兩年，但不超過五年	426,445	331,700
More than five years	超過五年	32,002	69,436
		715,249	511,610
Amount due within one year included in current liabilities	列入流動負債一年內到期之金額	(110,236)	(94,474)
Non-current portion	非流動部分	605,013	417,136

Notes:

附註：

- (i) Secured borrowings were secured by certain oil and gas properties with a carrying amount of HK\$496,977,000 and account receivable from sales generated from coalbed methane segment as disclosed in note 5.
- (ii) Included in the balance is the loans of HK\$10,000,000 advanced from a director and a shareholder of the Company. The loans are unsecured, interest bearing at 12% per annum and repayable on demand.
- (iii) The range of effective interest rates on the Group's borrowings for the six months ended 30 June 2020 are as follows:-
- (i) 有抵押借貸以集團之油氣資產賬面金額為HK\$496,977,000及煤層氣分部(附註5)所產生之應收款抵押。
- (ii) 款項包括來自本公司董事及股東之墊款共10,000,000港元。該貸款為無抵押、按年利率12%計息及須按要求償還。
- (iii) 截至2020年6月30日止六個月內，本集團借貸的實際利率為下列範圍：

		30.6.2020 HK\$'000 千港元	31.12.2019 HK\$'000 千港元
Bank borrowings – secured	銀行有抵押借貸	6.53% – 11%	6.53%
Other borrowings – unsecured	其他無抵押借貸	12% – 30%	12% – 30%
Corporate bonds – unsecured	無抵押企業債券	5% – 8%	5% – 8%

Notes to the Condensed Consolidated Financial Statements

17. CONVERTIBLE NOTE

At 1 January 2019	於2019年1月1日
Amortisation of transaction costs	交易成本之攤銷
Imputed interest expense	應歸利息支出
Interest paid	已付利息
Change in fair value	公平值變動

At 31 December 2019 and at 1 January 2020	於2019年12月31日及於2020年1月1日
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Imputed interest expense	應歸利息支出
Change in fair value	公平值變動

At 30 June 2020	於2020年6月30日
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Notes:

- (i) In March 2020, the Company and convertible note holder entered into a deed of amendment and conditionally agree to extend the maturity date of the convertible note to 29 September 2020. The deed of amendment was approved by the shareholders of the Company on 11 June 2020.
- (ii) The convertible note was secured by the issued shares of certain subsidiaries of the Company, which are the holding companies of the coalbed methane operation and financial services businesses as disclosed in note 5, by way of first fixed legal charge to the note holder as continuing security.

18. COMMITMENTS

Capital commitments

Commitments in respect of the Sanjiao CBM Project	就三交煤層氣項目之承擔
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17. 可換股票據

Liability component 負債部分 HK\$'000 千港元	Derivative component 衍生部分 HK\$'000 千港元	Total 總額 HK\$'000 千港元
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1,118,267	257	1,118,524
6,625	–	6,625
114,732	–	114,732
(40,820)	–	(40,820)
–	(211)	(211)

1,198,804	46	1,198,850
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71,969	–	71,969
–	(37)	(37)

1,270,773	9	1,270,782
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附註：

- (i) 於2020年3月，本公司及可換股票據持有人訂立修訂契據及有條件同意將該可換股票據之到期日延長至2020年9月29日。修訂契據已於2020年6月11日獲本公司股東批准。
- (ii) 可換股票據以本公司之若干附屬公司之已發行股份，透過第一固定法定押記之方式向債券持有人作持續抵押。該等附屬公司為於附註5內持有煤層氣營運與財務服務分部的控股公司。

18. 承擔

資本承擔

30.6.2020 HK\$'000 千港元	31.12.2019 HK\$'000 千港元
18,056	18,412

19. CONTINGENT LIABILITIES

The Group carries out oil exploitation operations in the PRC. The PRC has adopted environmental laws and regulations that affect the operations of the oil industry. The outcome of environmental liabilities under proposed or future environmental legislation cannot reasonably be estimated at present, and could be material. Under the existing legislations, however, management believes that there are no probable liabilities that will have a material adverse effect on the financial position of the Group.

The Group also engages in the exploration, development and production of coalbed methane resources. The consequence of coalbed mining includes dismantlement and demolition of infrastructure in the mining sites. The Group may have obligations to make payments for restoration and rehabilitation of the land after the sites have been extracted. At 30 June 2020, a provision of HK\$11,911,000 (31 December 2019: HK\$12,146,000) was made in the condensed consolidated statement of financial position.

20. MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Details of compensation paid to key management personnel including the directors of the Company are as follows:

Short-term employee benefits

短期僱員福利

(b) During the six months ended 30 June 2020, the Group paid rental and related utilities expenses of HK\$842,000 (six months ended 30 June 2019: nil) to a related company, which has the same substantial shareholder of the Group. Amount due to the related company as at 30 June 2020 is approximately HK\$1,313,000 (31 December 2019: HK\$470,000) which is included in "other payables and accruals" as disclosed in note 15. The balance is unsecured, interest-free and repayable on demand.

The above transactions did not fall under the definition of connected transaction or continuing connected transaction or were exempted from connected transaction requirements in Chapter 14A of the Listing Rules.

19. 或有負債

本集團於中國經營石油開採業務。中國已實行環保法律及法規，該等法律及法規影響到石油工業之經營。建議中或未來之環保立法所引致之有關環保之負債目前尚無法合理地估計，負債可能重大。然而，根據現有立法，管理層認為，並不存在任何可能對本集團財務狀況產生重大負面影響之負債。

本集團亦經營煤層氣資源之勘探、開發和生產，而進行煤層開採之後果包括拆遷及拆除礦場之基本設施。本集團或須負責在礦場完成開採後，支付礦區土地復原及復墾之費用。於2020年6月30日，簡明綜合財務狀況表內作出了11,911,000港元（2019年12月31日：12,146,000港元）之撥備。

20. 重大關聯人士交易

(a) 主要管理人員酬金

已付主要管理人員（包括本公司董事）酬金詳情如下：

Six months ended 30 June 截至6月30日止六個月

2020 HK\$'000 千港元	2019 HK\$'000 千港元
7,579	7,417

(b) 截至2020年6月30日止六個月內，本集團支付租金及相關水電費用共842,000港元給一間關聯公司，其主要股東亦為本集團的主要股東（2019年6月30日止六個月內：無）。於2020年6月30日，應付關聯公司為約1,313,000港元（2019年12月31日：470,000港元），並於其他應付賬款及預提費用內入賬（附註15）。該款項為無抵押、無息及須按要求時償還。

以上交易不構成上市規則第14A章所定義的關連交易或持續關連交易或獲豁免遵守上市規則第14A章的關連交易規定。

Management Discussion and Analysis

BUSINESS REVIEW

During the period ended 30 June 2020, Sino Oil and Gas Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) recorded a total revenue of approximately HK\$118,884,000 (2019 interim: HK\$157,807,000), which decreased by approximately 24.7% compared with the same period of last year. The turnover included the sales of coalbed methane (“CBM”) in Sanjiao CBM Project of approximately HK\$52,500,000 (2019 interim: HK\$58,185,000), the sales derived from raw coal washing project located in Qinshui Basin, Shanxi Province of approximately HK\$61,930,000 (2019 interim: HK\$73,980,000), and the revenue from the financial services business in Shaanxi Province of approximately HK\$4,454,000 (2019 interim: HK\$1,908,000).

Although the Group’s turnover dropped due to the outbreak of new coronavirus (“COVID-19”) for the six months ended 30 June 2020, the overall operation of the Group remained stable attributable to proper cost control. During the period, the Group administrative expenses decreased significantly by approximately 27.5%. The Group recorded earnings before interest, taxes, depreciation and amortization (“EBITDA”) of approximately HK\$58,143,000 (2019 interim: HK\$56,786,000) which increased by approximately 2% compared with the same period of last year. During the period, the Group recorded a net loss of approximately HK\$67,072,000 (2019 interim: net loss HK\$67,057,000), which was approximately the same as the period of last year.

During the period, the Sanjiao CBM Project continued to have steady development, and strict cost management has been implemented to cope with market uncertainties. Sanjiao CBM Project recorded EBITDA of approximately HK\$53,234,000 (2019 interim: HK\$46,185,000) which increased by approximately 15.3% as compared with the same period of last year. The project recorded a gas sale-to-production rate of approximately 97% for the period (2019 interim: 97%). The Sanjiao CBM Project has entered into the development stage, and we believe that it will bring long-term and substantial profit to the Group.

業務回顧

截至2020年6月30日止六個月內，中國油氣控股有限公司（「本公司」）及其附屬公司（「本集團」）錄得營業額為約 118,884,000港元（2019年中期：157,807,000港元），較去年同期下跌約 24.7%。營業額分別來自於三交煤層氣銷售約 52,500,000港元（2019年中期：58,185,000港元）、山西沁水盆地之原煤洗選業務收入約 61,930,000港元（2019年中期：73,980,000港元），以及陝西金融服務業務收入約 4,454,000港元（2019年中期：1,908,000港元）。

受爆發2019冠狀病毒病（「新冠肺炎」）所影響，期內集團營業額雖有所下降，但由於成本控制得宜，集團總體業務營運情況保持平穩。期內，集團行政費用大幅減少約27.5%。本集團錄得稅息折舊及攤銷前利潤（「EBITDA」）約為 58,143,000港元（2019年中期：56,786,000港元），較去年同期上升約2%。期內，本集團錄得淨虧損約 67,072,000港元（2019年中期：淨虧損 67,057,000港元），與去年同期相若。

期內，三交煤層氣項目繼續穩定發展，同時項目執行嚴格成本管理以應對不明朗市場因素。三交煤層氣項目錄得EBITDA約 53,234,000港元（2019年中期：46,185,000港元），較去年同期上升約 15.3%。期內，項目產銷比率達約 97%（2019年中期：97%）。三交煤層氣項目之營運日趨成熟穩健，集團相信項目將繼續提供長遠的盈利貢獻。

The interest income amounted to approximately HK\$9,688,000 (2019 Interim: HK\$10,287,000) disclosed in “other income”, mainly derived from the refundable deposits of CAD40 million of the Group’s possible acquisitions located in Alberta, Canada.

Natural Gas and Oil Exploitation

Coalbed Methane Exploitation— Sanjiao Block in the Ordos Basin

Project Overview

Through its wholly-owned subsidiary Orion Energy International Inc. (“Orion”), the Group entered into a production sharing contract (“PSC”) with China National Petroleum Corporation (“PetroChina”), its partner in the PRC, for exploration, utilization and production of the CBM field in the Sanjiao block, located in the Ordos Basin in Shanxi and Shaanxi provinces. The Group has a 70% interest in the PSC. According to a competent person’s updated report provided to the Company by the end of 2015, the proved and probable CBM reserves of Sanjiao CBM Project amounted to approximately 8.301 billion cubic meters and the net present value at 10% discount of the future revenue of the reserve was approximately HK\$11.498 billion.

Following the approval of its overall development plan by the National Development and Reform Commission (“NDRC”) in 2015, Sanjiao CBM Project was granted a mining permit by the Ministry of Land and Resources of the PRC with an approved CBM production capacity of 500 million cubic meters per annum in July 2017, which shall be valid for 25 years. Accordingly, all necessary administrative approvals under the current PRC laws and regulations have been granted for exploration, development, exploitation and production of Sanjiao CBM Project.

另披露於其他收入的利息收入金額約9,688,000港元（2019年中期：10,287,000港元），該利息收入主要來自本集團位於加拿大阿爾伯特省的擬收購項目的可退還按金40,000,000加元。

天然氣及石油開採

煤層氣開採 —— 鄂爾多斯盆地三交區塊

項目總覽

本集團透過旗下全資附屬公司奧瑞安能源國際有限公司（「奧瑞安」），與中國夥伴中國石油天然氣集團公司（「中石油」）訂立生產分成合約（「PSC」），在中國山西及陝西省鄂爾多斯盆地三交區塊進行煤層氣田勘探、開採及生產，並享有當中70%權益。根據一份由合資格人士於2015年底向本公司提供之儲量報告更新，三交煤層氣項目之淨儲量（已證實+概略）約為83.01億立方米，而該儲量未來收入淨現值（10%折現）約為 114.98 億港元。

三交煤層氣項目繼2015年總體開發方案獲國家發展和改革委員會（「國家發改委」）批覆後，於2017年7月份獲國家國土資源部授予《採礦許可證》，獲准開採的生產規模為每年5億立方米煤層氣，開採有效期為25年。至此，三交煤層氣項目由勘探階段進入開發、開採、生產階段，依據中國現行法律法規所需要的行政許可均已齊備。

Management Discussion and Analysis

Infrastructure

As at 30 June 2020, the Sanjiao CBM Project has completed a total of 123 wells, comprising 71 multilateral horizontal wells and 52 vertical wells. Out of the total 123 wells, 95 wells were in the normal dewatering and gas producing stage, of which 101 wells had accessed to a gas collection pipeline network. A ground pipeline network of approximately 18 kilometers, inter-well pipelines of approximately 69.6 kilometers, and outbound pipelines of approximately 17 kilometers were completed. Approximately total 74.5 kilometers of 10KV power grid and branch power line were also completed.

To cope with the increasing production volume of Sanjiao CBM Project, the Group has undertaken the expansion of the CBM processing station. Its daily processing capacity will reach 750,000 cubic meters upon completion. The total CBM daily processing capacity of the CBM processing station is 500,000 cubic meters now.

Sales

In the first half of 2020, the production and sales volume of Sanjiao CBM Project decreased slightly due to the impact of the COVID-19 pandemic. However, attributable to the improvement in cost control, there was increment in the overall profit. During the period, Sanjiao CBM Project recorded EBITDA of approximately HK\$53,234,000 (2019 interim: HK\$46,185,000), which increased by approximately 15.3% compared with the same period of last year. During the period, the income from government subsidies and VAT tax refund were approximately HK\$24,193,000 (2019 interim: HK\$24,454,000). CBM sales amounted to HK\$52,500,000 (2019 interim: HK\$58,185,000), which decreased by approximately 9.8% as compared with the same period of last year. During the period, the production and sales of CBM were approximately 47.78 million cubic meters (2019 interim: 51.29 million cubic meters) and 46.34 million cubic meters (2019 interim: 49.76 million cubic meters) respectively, resulting in a gas sale-to-production rate of approximately 97% (2019 interim: 97%). For the period, industrial and residential piped CBM sales accounted for approximately 79.9% (2019 interim: 82.6%) and 20.1% (2019 interim: 17.4%) of the total sales respectively.

基礎建設

截至2020年6月30日止，三交煤層氣項目合計完成鑽井共123口，其中71口為多分支水平井，餘下的52口為直井。在上述123口井中，正常排採井為95口，接入集氣管網的井位有101口。三交地面系統工程方面，已建成區內集氣幹線約18公里，集氣支線約69.6公里，外輸管線約17公里；並架設總長度約74.5公里的10KV輸電幹線及電力支線。

為配合三交煤層氣項目不斷提升的煤層氣產量，集團已開展擴建煤層氣增壓脫水站日處理能力達至75萬立方米的計劃。現時，其總煤層氣日處理能力已達50萬立方米。

銷售

2020年上半年，三交煤層氣項目產量及銷量受新冠肺炎疫情影響略有下降，但由於成本控制力度加強，整體利潤率依然有所提升。期內，三交煤層氣項目錄得EBITDA約53,234,000港元（2019年中期：46,185,000港元），較去年同期上升約15.3%。期內，政府補貼收入及增值稅退稅約24,193,000港元（2019年中期：24,454,000港元）。煤層氣銷售額約52,500,000港元（2019年中期：58,185,000港元），較去年同期下跌約9.8%。期內項目分別生產及銷售煤層氣約4,778萬立方米（2019年中期：5,129萬立方米）及4,634萬立方米（2019年中期：4,976萬立方米），平均產銷比率達約97%（2019年中期：97%）。期內，工業用和民用管道煤層氣銷售分別佔約79.9%（2019年中期：82.6%）和20.1%（2019年中期：17.4%）。

Raw Coal Washing Project Located in Shanxi Province

The Group owned a 75% equity interest of a raw coal washing project located in Qinshui Basin, Shanxi Province. During the period, due to the COVID-19, the revenue from the raw coal washing business decreased, which was approximately HK\$61,930,000 (2019 interim: HK\$73,980,000). At present, the business has gradually returned to normal, and the turnover is expected to rebound in the second half of the year.

During the period ended 30 June 2020, the Group has received part of the shortfall of the guaranteed profit of approximately RMB1,200,000 for the year 2019. The Group anticipates that the remaining balance will be received before the end of 2020. The remaining balance of the shortfall of the guaranteed profit for the year 2018 has been fully settled during the period.

Others

At the end of 2016, the Group set up a wholly-owned subsidiary, Shaanxi Zhao Yin Finance Leasing Company Limited ("Zhao Yin Finance Leasing") in Shaanxi Province. The major purpose of the establishment of this finance leasing company is to strengthen the Group's bank-enterprise relations so as to create cooperation channels; as well as to seek for appropriate financing channels and sources for the Group's upcoming possible development. Further it also provides short-term investment opportunities for the Group's capital. During the period, the business recorded revenue of approximately HK\$4,454,000 (2019 interim: HK\$1,908,000).

Capital Expenditure

During the period ended 30 June 2020, there is no significant capital expenditure incurred for exploitation work performed in respect of the Group's oil and gas projects.

Financial Review

Liquidity and Financial Resources

As at 30 June 2020, the net assets of the Group were approximately HK\$2,519,000,000 (31 December 2019: HK\$2,647,000,000) while its total assets were approximately HK\$4,993,000,000 (31 December 2019: HK\$4,977,000,000). As at 30 June 2020, the Group had external borrowings including the liability component of convertible note of approximately HK\$1,986,000,000 (31 December 2019: HK\$1,710,000,000), and the gearing ratio based on total assets was approximately 39.78% (31 December 2019: 34.36%). By the end of June 2020, the current ratio was approximately 0.43 (31 December 2019: 0.33). Details of the Group's pledge of assets and the maturity profile of the Group's borrowings are set out in notes 16 and 17 to the financial statements.

位於山西省的原煤洗選項目

本集團擁有一間位於山西省沁水盆地之原煤洗選項目之75%權益。期內，原煤洗選業務收入受新冠肺炎疫情影響略有下降，該業務錄得收入約61,930,000港元（2019年中期：73,980,000港元）。現時，業務已逐步回復正常，預期下半年營業額有望回升。

於2020年6月30日期內，本集團已收取2019年之利潤保證之差額約人民幣120萬元。本集團預期餘額將於下半年陸續收到。2018年度利潤保證之差額餘額已於期內全數償付。

其他

2016年底本集團於陝西成立了一家全資附屬公司陝西兆銀融資租賃有限公司（「兆銀融資」）。成立此融資租賃公司之主要目的為加強集團與銀企關係，創建合作渠道，尋求合適的融資途徑及來源以及配合集團未來可能項目發展，同時亦為集團部份資金作短期的投資。期內，該業務錄得收入約4,454,000港元（2019中期：1,908,000港元）。

資本支出

於2020年6月30日期內，本集團的油氣項目並沒有重大開發工程的資本支出。

財務回顧

流動資金及財政資源

於2020年6月30日，本集團的資產淨值約為2,519,000,000港元（2019年12月31日：2,647,000,000港元），總資產值則約為4,993,000,000港元（2019年12月31日：4,977,000,000港元）。於2020年6月30日，本集團的總借貸包括可換股票據之負債部分約為1,986,000,000港元（2019年12月31日：1,710,000,000港元），負債比例按資產總值計算約為39.78%（2019年12月31日：34.36%）。而於2020年6月底的流動比率約為0.43（2019年12月31日：0.33）。有關本集團已抵押資產及借貸償還期限的詳情載於財務報表附註16及17。

Management Discussion and Analysis

In April 2020, the Group was granted a five-year term loan of RMB300,000,000 by Kunlun Trust Co., Ltd. As of June 30 2020, the Group has made a drawdown of RMB200,000,000 with an annual interest rate of 11%. The funds are solely used for the development of the Sanjiao CBM Project.

In respect of the issue of the Group's net current liabilities position as at 30 June 2020, the convertible note with a principal amount of HK\$1,014 million due in late September 2020, posing a great financial pressure to the Group. The Group has explored various plans during the period in order to reduce the financial burden of the Group. The management has actively engaged in the discussion of the above issue with the note holder. Although no binding proposals or terms have been reached, both parties have conducted in-depth discussion on several feasible options. The options include but are not limited to, (i) assisting the negotiation of certain potential investors with the note holder who are interested in acquiring the convertible notes; and (ii) exploring the possibilities with the note holder to further extend the maturity of the convertible note.

Riding on the growth of the business of the Group and the support of the above measures, it is expected that the Group's financial pressure will gradually be eased and the overall financial situation will improve.

Foreign Exchange Fluctuations

The Group is exposed to currency risk primarily through sales and purchase transactions and recognized liabilities and assets that are denominated in a currency other than the functional currency of the operations to which they relate. As at 30 June 2020, no related hedges were made by the Group. In respect to trade and other receivables and payables held in currencies other than the functional currency of the operations to which they relate, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

Employees and Remuneration Policies

As at 30 June 2020, the Group employed approximately 300 employees. The remuneration policy of the Group is based on the prevailing remuneration level in the market and the performance of respective companies and individual employees.

於2020年4月，本集團獲昆侖信託有限責任公司授予五年期 300,000,000元人民幣的貸款額度。截至2020年6月30日，本集團已提取 200,000,000元人民幣的額度，年利率為11%，資金主要用於三交煤層氣項目之開發。

就截至2020年6月30日出現流動負債淨值的問題，當中以於2020年9月底到期的本金為1,014,000,000港元之可換股票據構成相當的財務壓力。本集團亦已於期內繼續就多個計劃進行研究探討，旨在減輕本集團的財務負擔。管理層積極與票據持有人就債務問題進行磋商，雖然尚未達成任何具約束力的方案或條款，但已就若干個可行方案與票據持有人進行深入討論，包括但不限於，(i)協助潛在投資者與票據持有人協商收購可換股票據；並(ii)與票據持有人探討進一步延長可換股票據到期日之可能性。

憑藉集團業務日趨增長，以及上述措施的支持下，本公司將同時會考慮其他可行融資選項及債務重組方案，預期可加強本集團的流動資金，而整體財政狀況會得以逐步改善。

外匯波動

本集團承受之貨幣風險主要源自以有關業務之功能貨幣以外之貨幣計值之買賣交易及已確認資產和負債。於2020年6月30日，本集團並無作出相關對沖。就以有關業務之功能貨幣以外之貨幣持有之應收款項及應付款項，本集團在必要時按即期匯率買賣外匯以解決短期不均衡，以此確保風險處於可接受水準。

僱員薪酬政策

於2020年6月30日，本集團的僱員約有300人。本集團之薪酬政策主要按現行市場薪酬水準及各有關公司及個別僱員之表現釐訂。

PROSPECTS

In the first half of 2020, the global economy was affected by the COVID-19 pandemic. However, due to the effective control of the coronavirus outbreak in China, its economy has taken the lead to recover. In the second quarter of this year, China was the only large economy with positive growth globally. The China economy is expected to recover in the second half of the year. According to data from the National Bureau of Statistics, China's apparent natural gas consumption in the first half of 2020 was about 160.7 billion cubic meters, an increase of 5.74% compared to the same period of last year. The market expects that during the "14th Five-Year Plan" period, China's energy transformation and supply-side reforms will continue to move forward. Thereby, the demand for clean energy, with natural gas as the one of the key roles, is going strong and the prospect of natural gas industry will be very promising.

In the current increasingly complex economic and political environment, the Group will endeavor to have a steady growth of revenue while implementing strict cost control to maintain stable profits and further strengthen its business foundation. In the first half of 2020, although the Group's CBM project was affected by the pandemic, the volume of sales has remained stable and the profitability has been improved mainly attributable to the effective cost control. In the long run, the Group believes that the Sanjiao CBM Project will continue to have steady growth with increasing competitiveness. Its earnings will hence be further enhanced with good prospects.

Looking ahead, the Group will maintain a prudent financial management strategy and conduct debt management with a proactive attitude. At the same time, the Group will further improve operating effectiveness and efficiency, monitor costs, and strengthen risk management so as to have prompt response to the unforeseeable market changes. The Group will always prepare for the future development and to ensure reasonable returns for shareholders.

前景

2020年上半年環球經濟受新冠肺炎疫情所影響大幅放緩，但由於中國新冠肺炎疫情得到有效控制，經濟已率先復甦，第二季是全球經濟唯一正增長的主要經濟體，預料下半年中國經濟持續復甦。據國家統計局數據顯示，2020年上半年中國天然氣表觀消費量為約1607億立方米，與去年同期相比增長5.74%。市場預期「十四五」期間，中國能源轉型、供給側改革將持續推進，以天然氣為主體的清潔能源需求旺盛，天然氣行業前景廣闊。

於當前越趨複雜的經濟及政治環境下，集團將專注於平穩收入增長，同時執行嚴格成本控制，以保持利潤穩定，穩固業務根基。本集團的煤層氣項目，於2020年上半年雖然受疫情影響但銷售量依然維持平穩，主要由於成本控制見效，盈利能力更有所提升。長遠而言，集團相信三交煤層氣項目將繼續穩定發展，核心競爭力逐步提高，盈利能力進一步增強，前景良好。

展望未來，集團將維持審慎理財策略，並以積極的態度進行債務管理；同時，集團將進一步提升營運效益及效率，監控成本，並加強風險管理以迅速回應不可預見之市場變化，繼續為推動未來發展做好準備工作，以保障股東的合理回報。

Other Information

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, the interests and short positions of the directors (the “Directors”) or chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) were as follows:

董事於股份及相關股份中權益

於2020年6月30日，本公司董事（「董事」）或行政總裁於本公司或其任何相聯法團（具有證券及期貨條例（「證券及期貨條例」）第XV部所賦予之涵義）之股份及相關股份中擁有誠如本公司根據證券及期貨條例第352條存置之登記冊所載或根據聯交所證券上市規則（「上市規則」）附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）而須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

Name of Director	Long/short position	Interests in shares/ underlying shares	Nature of interest	Number of shares/ underlying shares of the Company held	Percentage of issued shares
董事姓名	好倉／淡倉	於股份及 相關股份中權益	權益性質	所持本公司股份／ 相關股份數目	佔已發行 股份百分比
Dai Xiaobing	Long position	Shares	Beneficial owner/Interest of controlled corporation	158,504,000	4.74%
戴小兵	好倉	股份	實益擁有人／受控制公司權益		
	Short position	Shares	Beneficial owner/Interest of controlled corporation	137,524,500	4.11%
	淡倉	股份	實益擁有人／受控制公司權益		
	Long position	Underlying shares	Interest of controlled corporation	6,012,500,000	179.72%
	好倉	相關股份	受控制公司權益		
	Long position	Share options	Beneficial owner (Note 2)	3,600,000	0.11%
	好倉	購股權	實益擁有人(附註 2)		
King Hap Lee	Long position	Shares	Beneficial owner	1,400,000	0.04%
景哈利	好倉	股份	實益擁有人		
	Long position	Share options	Beneficial owner	3,600,000	0.11%
	好倉	購股權	實益擁有人		
Wan Tze Fan Terence	Long position	Shares	Beneficial owner	3,366,000	0.10%
溫子勳	好倉	股份	實益擁有人		
	Long position	Share options	Beneficial owner	3,600,000	0.11%
	好倉	購股權	實益擁有人		

其他資料

Name of Director	Long/short position	Interests in shares/ underlying shares 於股份及 相關股份中權益	Nature of interest	Number of shares/ underlying shares of the Company held 所持本公司股份／ 相關股份數目	Percentage of issued shares 佔已發行 股份百分比
董事姓名	好倉／淡倉		權益性質		
Chen Hua 陳華	Long position 好倉	Underlying shares 相關股份	Interest of controlled corporation (Note 3) 受控制公司權益(附註 3)	76,897,179	2.30%
Wong Lung Tak Patrick 黃龍德	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	300,000	0.01%
Wang Yanbin 王延斌	Long position 好倉	Share options 購股權	Beneficial owner 實益擁有人	300,000	0.01%

Notes:

附註：

- (1) Particulars of directors' interests in the share options of the Company are set out in the section "Share Option Scheme".
- (2) Sino Oil and Gas Resources Investments Limited ("SOGRI") owns 85,119,500 shares and has short position of 70,800,000 shares. SOGRI is wholly owned by Dr. Dai Xiaobing. Pursuant to the SFO, Dr. Dai is taken to have interests and short position in such shares. In addition, Dr. Dai beneficially owns 73,384,500 shares and has short position of 66,724,500 shares.

- (1) 董事於本公司購股權的權益詳情載於「購股權計劃」一節。
- (2) 中國油氣資源投資有限公司(「SOGRI」)持有85,119,500股股份的權益及70,800,000股股份的淡倉。SOGRI 由戴小兵博士全資擁有。根據證券及期貨條例，戴博士被視為於該等股份中擁有權益及淡倉。此外，戴博士實益擁有73,384,500股股份及持有66,724,500股股份的淡倉。

Other Information

Unless the context requires otherwise, capitalized terms used in this paragraph shall have the same meanings as defined in the announcement issued by the Company on 31 May 2016. On 31 May 2016, the Company entered into the Subscription Agreement with Crescent Spring Investment Holdings Limited (the “Bondholder”) pursuant to which the Company issued to the Bondholder the Convertible Bonds in the aggregate principal amount of US\$130,000,000 on 29 September 2016, and Sino Oil and Gas Resources Limited (“SOGR”), a company wholly owned by Dr. Dai Xiaobing, entered into a Put and Call Option Deed with the Bondholder pursuant to which the Bondholder grants to SOGR an irrevocable and unconditional right (but without obligation) to purchase some or all of the Convertible Bonds at the Call Option Purchase Price during the Call Option Period, and SOGR grants to the Bondholder an irrevocable and unconditional right (but without obligation) to require SOGR to purchase some or all of the Convertible Bonds at the Put Option Purchase Price during the Put Option Period. Based on the conversion price of HK\$0.168 per share, a maximum of 6,012,500,000 shares may be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds in full. Further details are set out in the announcements and circular issued by the Company on 31 May 2016, 30 September 2016 and 12 July 2016 respectively. Pursuant to the SFO, the Convertible Bonds give rise to an interest in 6,012,500,000 underlying shares of the Bondholder and the Put and Call Option Deed gives rise to an interest in 6,012,500,000 underlying shares of the Company of SOGR and Dr. Dai Xiaobing and short position of 6,012,500,000 underlying shares of the Bondholder.

- (3) 76,897,179 underlying shares are owned by 天津京基酒店有限公司, a wholly owned subsidiary of 京基集團有限公司 which is owned as to 90% by Mr. Chen Hua. Pursuant to the SFO, Mr. Chen is taken to be interested in such underlying shares.

Save as disclosed above, as at 30 June 2020, none of the Directors and chief executive 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 SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除文義另有所指外，本段中所採用之詞彙與本公司於2016年5月31日刊發之公佈所界定者具有相同涵義。於2016年5月31日，本公司與Crescent Spring Investment Holdings Limited (「債券持有人」) 訂立認購協議，據此，本公司於2016年9月29日發行本金總額 130,000,000 美元之可換股債券予債券持有人；以及由戴小兵博士全資擁有的中國油氣資源有限公司 (「SOGR」)，與債券持有人訂立認沽及認購期權契據，據此，債券持有人授予SOGR一項不可撤回及無條件權利 (但並無責任)，可於認購期權期間內按認購期權購買價購入部份或全部可換股債券，而SOGR授予債券持有人一項不可撤回及無條件權利 (但並無責任)，可要求SOGR於認沽期權期間內按認沽期權購買價購入部份或全部可換股債券。根據換股價每股0.168港元，於悉數行使可換股債券所附之換股權後將予配發及發行最多6,012,500,000股股份，有關詳情載於本公司於2016年5月31日及2016年9月30日發出之公佈及2016年7月12日發出之通函。根據證券及期貨條例，債券持有人按照可換股債券持有本公司6,012,500,000股相關股份權益，而SOGR及戴小兵博士按照認沽及認購期權契據持有6,012,500,000股相關股份權益及債券持有人按照認沽及認購期權契據持有6,012,500,000股相關股份之淡倉。

- (3) 76,897,179相關股份由天津京基酒店有限公司持有，其為京基集團有限公司的全資附屬公司，後者由陳華先生擁有90%權益，根據證券及期貨條例，陳先生被視為於該等相關股份中擁有權益。

除上文所披露者外，於2020年6月30日，概無本公司董事及行政總裁於本公司或其相聯法團 (具有證券及期貨條例第XV部所賦予之涵義) 之股份、相關股份及債券中擁有根據證券及期貨條例第352條須載錄於登記冊之任何權益或淡倉，或擁有根據標準守則須知會本公司及聯交所之任何權益或淡倉。

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted by the shareholders of the Company at the Annual General Meeting held in 2010. The Scheme is in full compliance with the relevant requirements of Chapter 17 of the Listing Rules. The Scheme was valid for a period of 10 years commencing on 28 May 2010 after which no further options would be granted but the provisions of the Scheme would in all other respects remain in full force and effect and options which were granted during the life of the Scheme may continue to be exercisable in accordance with their terms of issue.

As at 30 June 2020, the Directors and employees of the Group had the following personal interests in options to subscribe for shares of the Company granted at nominal consideration under the Scheme. Each option gives the holder the right to subscribe for one share. Details of share options held by the Directors and employees of the Group and movements (if any) in such holdings during the period are as follows:

	Number of options 購股權數目		Date of grant (D.M.Y)	Exercise period (D.M.Y)	Exercise price per share HK\$ 每股股份之 行使價 港元
	Outstanding at 1 January 2020 於2020年1月1日 尚未行使	Outstanding at 30 June 2020 於2020年6月30日 尚未行使			
Directors 董事					
Dai Xiaobing 戴小兵	3,600,000	3,600,000	06.12.2011	06.12.2011-05.12.2021	2.76
King Hap Lee 景哈利	3,600,000	3,600,000	06.12.2011	06.12.2011-05.12.2021	2.76
Wan Tze Fan Terence 溫子勳	3,600,000	3,600,000	06.12.2011	06.12.2011-05.12.2021	2.76
Wong Lung Tak Patrick 黃龍德	300,000	300,000	06.12.2011	06.12.2011-05.12.2021	2.76
Wang Yanbin 王延斌	300,000	300,000	06.12.2011	06.12.2011-05.12.2021	2.76
Employees 僱員	29,800,000	29,800,000	06.12.2011	06.12.2011-05.12.2021	2.76
Total 合計	41,200,000	41,200,000			

Note: No option lapsed or was granted or exercised during the period.

購股權計劃

本公司的購股權計劃(「計劃」)乃於2010年舉行的股東週年大會上經股東採納，計劃完全符合上市規則第十七章之有關規定，計劃自2010年5月28日生效起計十年內有效，屆滿後不再授出購股權，惟計劃所有其他方面之條文仍有效，而於計劃期間內授出之購股權可根據其發行條款繼續行使。

於2020年6月30日，董事及本集團僱員於根據計劃以名義代價授出可認購本公司股份之購股權中擁有以下之個人權益。每份購股權賦予持有人認購一股股份之權利。董事及本集團僱員於期內所持購股權及其變動詳情(如有)載於下表：

附註： 於期內並無購股權失效或獲授出或行使。

Other Information

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

As at 30 June 2020, the following persons, not being a Director or chief executive of the Company, had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, the details of which are set out below:

主要股東及其他人士之權益

於2020年6月30日，根據證券及期貨條例第336條存置之登記冊所載錄，以下人士（並非本公司董事或行政總裁）於本公司之股份及相關股份中擁有權益及淡倉如下：

Name	Long/short position	Interests in shares/ underlying shares	Nature of interest	Number of shares/underlying shares held	Percentage of issued shares
名稱	好倉／淡倉	於股份及相關 股份權益	權益性質	所持股份／ 相關股份數目	佔已發行 股份百分比
Substantial Shareholders					
主要股東					
Bright Achieve Investments Limited (Note 1)	Long position	Shares	Beneficial owner	719,763,500	21.51%
亮達投資有限公司(附註1)	好倉	股份	實益擁有人		
	Short position	Shares	Beneficial owner	702,000,000	20.98%
	淡倉	股份	實益擁有人		
Lai Chun Lam	Long position	Shares	Beneficial owner	398,000,000	11.90%
賴俊霖	好倉	股份	實益擁有人		
Zhang Victor Ri Chun	Long position	Shares	Beneficial owner	398,000,000	11.90%
張日春	好倉	股份	實益擁有人		

其他資料

Name	Long/short position	Interests in shares/ underlying shares	Nature of interest	Number of shares/underlying shares held	Percentage of issued shares
名稱	好倉／淡倉	於股份及相關 股份權益	權益性質	所持股份／ 相關股份數目	佔已發行 股份百分比
Other persons					
其他人士					
Zhuo Kun 卓坤	Long position 好倉	Shares 股份	Beneficial owner 實益擁有人	259,280,000	7.75%
Crescent Spring Investment Holdings Limited (Note 2) (附註2)	Long position 好倉	Underlying shares 相關股份	Beneficial owner 實益擁有人	6,012,500,000	179.72%
	Long position 好倉	Shares 股份	Security interest 保證權益	137,932,000	4.12%
	Short position 淡倉	Underlying shares 相關股份	Beneficial owner 實益擁有人	6,012,500,000	179.72%
	Long position 好倉	Underlying shares 相關股份	Beneficial owner 實益擁有人	6,012,500,000	179.72%
Sino Oil and Gas Resources Limited (Note 2) 中國油氣資源有限公司(附註2)	Long position 好倉	Underlying shares 相關股份	Beneficial owner 實益擁有人	6,012,500,000	179.72%
Cathay Rong IV Limited (Note 3) (附註 3)	Long position 好倉	Shares 股份	Security interest 保證權益	702,000,000	20.98%

Other Information

Notes:

1. Bright Achieve Investments Limited is wholly and beneficially owned by Mr. Chen Jiajun, being the son of Mr. Chen Hua, a non-executive Director of the Company.
2. Crescent Spring Investment Holdings Limited ("Crescent") owns convertible bonds in the principal amount of US\$130,000,000 carrying the right to convert into shares of the Company at a conversion price of HK\$0.168 per share. Based on the conversion price of HK\$0.168 per share, a maximum of 6,012,500,000 shares may be allotted and issued upon exercise of the conversion rights attaching to the convertible bonds in full. The convertible bonds give rise to an interest in 6,012,500,000 underlying shares of Crescent.

Unless the context requires otherwise, capitalized terms used in this paragraph shall have the same meanings as defined in the Company's announcement dated 31 May 2016. Pursuant to the Put and Call Option Deed entered into between Crescent and Sino Oil and Gas Resources Limited ("SOG"), a company wholly owned by Dr. Dai Xiaobing, Crescent grants to SOGR an irrevocable and unconditional right (but without obligation) to purchase some or all of the Convertible Bonds at the Call Option Purchase Price during the Call Option Period, and SOGR grants to Crescent an irrevocable and unconditional right (without obligation) to require SOGR to purchase some or all of the Convertible Bonds at the Put Option Purchase Price during the Put Option Period. The Put and Call Option Deed gives rise to an interest in 6,012,500,000 underlying shares of each of SOGR and Dr. Dai Xiaobing, and short position of 6,012,500,000 underlying shares of Crescent.

附註：

1. 亮達投資有限公司由陳家俊先生（為非執行董事陳華先生的兒子）全資及實益擁有。
2. Crescent Spring Investment Holdings Limited (「Crescent」) 持有本公司本金總額為130,000,000美元之可換股債券，有權以換股價每股0.168港元兌換為本公司的股份。根據換股價每股0.168港元，於悉數行使可換股債券所附之換股權後將予配發及發行最多6,012,500,000股股份。根據可換股債券，Crescent持有本公司6,012,500,000股相關股份權益。

除文義另有所指外，本段落所採用之詞彙與本公司於2016年5月31日刊發之公佈所界定者具有相同涵義。根據Crescent與由戴小兵博士全資擁有的中國油氣資源有限公司（「SOG」）訂立的認沽及認購期權契據，Crescent授予SOG一項不可撤回及無條件權利（但並無責任），可於認購期權期間內按認購期權購買價購入部份或全部可換股債券，而SOG 授予Crescent一項不可撤回及無條件權利（但並無責任），可要求 SOGR 於認沽期權期間內按認沽期權購買價購入部份或全部可換股債券。按照認沽及認購期權契據，SOG及戴小兵博士持有本公司6,012,500,000股相關股份權益及Crescent持有6,012,500,000股相關股份之淡倉。

Crescent also holds security interest in 137,932,000 shares of the Company.

Crescent is a wholly-owned subsidiary of Pure Virtue Enterprises Limited which in turn is wholly-owned by China Huarong Overseas Investment Holdings Co., Ltd., being a wholly-owned subsidiary of Huarong Overseas Chinese Asset Management Co., Ltd. ("HR Overseas Chinese"). HR Overseas Chinese is owned as to 91% by Huarong Zhiyuan Investment Management Co., Ltd. which in turn is wholly-owned by China Huarong Asset Management Co., Ltd. Pursuant to the SFO, Pure Virtue Enterprises Limited, China Huarong Overseas Investment Holdings Co., Ltd., HR Overseas Chinese, Huarong Zhiyuan Investment Management Co., Ltd. and China Huarong Asset Management Co., Ltd. are deemed to have the aforesaid interests and short position held by Crescent.

3. Cathay Rong IV Limited is a wholly-owned subsidiary of China Huarong Macau (HK) Investment Holdings Limited which in turn is wholly-owned by 中國華融(澳門)國際股份有限公司, of which 51% is owned by China Huarong International Holdings Limited, being a wholly owned subsidiary of China Huarong Asset Management Co., Ltd. Pursuant to the SFO, China Huarong Macau (HK) Investment Holdings Limited, 中國華融(澳門)國際股份有限公司, China Huarong International Holdings Limited and China Huarong Asset Management Co., Ltd are deemed to have the interest being held by Cathay Rong IV Limited.

Saved as disclosed above in this section, as at 30 June 2020, the Company has not been notified of any other persons (other than the Directors or chief executive of the Company) who had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

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

Crescent亦持有本公司137,932,000股股份保證權益。

Crescent是Pure Virtue Enterprises Limited的全資附屬公司，後者由中國華融海外投資控股有限公司（其為華融華僑資產管理股份有限公司（「華融華僑」）的全資附屬公司）全資持有，華融致遠投資管理有限責任公司（其為中國華融資產管理股份有限公司的全資附屬公司）持有華融華僑的91%權益。根據證券及期貨條例，Pure Virtue Enterprises Limited、中國華融海外投資控股有限公司、華融華僑、華融致遠投資管理有限責任公司及中國華融資產管理股份有限公司也被視為持有上述Crescent的權益及淡倉。

3. Cathay Rong IV Limited是中國華融澳門（香港）投資控股有限公司的全資附屬公司，後者由中國華融（澳門）國際股份有限公司全資持有，而中国华融国际控股有限公司（其為中国華融資產管理股份有限公司的全資附屬公司）持有中國華融（澳門）國際股份有限公司的 51%權益。根據證券及期貨條例，中國華融澳門（香港）投資控股有限公司、中國華融（澳門）國際股份有限公司、中国华融国际控股有限公司及中国華融資產管理股份有限公司也被視為持有上述Cathay Rong IV Limited的權益。

除上文所披露者外，於2020年6月30日，本公司並無接獲任何其他人士（不包括本公司之董事或行政總裁）通知指彼等擁有根據證券及期貨條例第336條須記錄於登記冊的本公司股份或相關股份的任何權益或淡倉。

購買、贖回或出售上市證券

於截至2020年6月30日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Other Information

AUDIT COMMITTEE

The Audit Committee, which comprises Professor Wong Lung Tak Patrick, Dr. Wang Yanbin and Dr. Dang Weihua, has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the unaudited interim report of the Company for the six months ended 30 June 2020.

CORPORATE GOVERNANCE

The Company complied with all the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2020.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the Company's code of conduct and rules to govern transactions by all directors in the securities of the Company. All directors have complied with the required standard regarding directors' securities dealings set out in the Model Code during the six months ended 30 June 2020.

By Order of the Board

Dai Xiaobing

Chairman

Hong Kong, 28 August 2020

審核委員會

由黃龍德教授、王延斌博士及黨偉華博士組成的審核委員會與管理層已檢討本集團採納的會計原則及常規，並已商討有關審核、內部監控及財務申報的事宜，包括審閱本公司截至2020年6月30日止六個月之未經審核中期報告。

企業管治

本公司於截至2020年6月30日止六個月期間已遵守上市規則附錄十四所載的《企業管治守則》的全部守則條文。

董事進行證券交易的標準守則

本公司採納上市規則附錄十所載的標準守則，作為本公司的操守準則及所有董事買賣本公司證券規則。截至2020年6月30日止六個月，全體董事均已遵守標準守則所載有關董事買賣證券所規定的準則。

承董事會命

主席

戴小兵

香港，2020年8月28日



中國油氣控股有限公司
SINO OIL AND GAS HOLDINGS LIMITED