

INTERIM
REPORT
2021

中期報告



中油燃氣集團有限公司

CHINA OIL AND GAS GROUP LIMITED

(Incorporated in Bermuda with Limited Liability)

(於百慕達註冊成立之有限公司)

Stock Code: 603

股份代號：603





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Enterprise Culture

企業文化



Natural Gas Distribution Business in China

中國天然氣分銷業務

Main trunk pipelines 主要幹線管網

- West-to-East line 1
西氣東輸一線
- West-to-East line 2
西氣東輸二線
- West-to-East line 3
西氣東輸三線
- Se-Ning-Lan line
澀寧蘭線
- Shaan-Jing line 3
陝京三線
- Shaan-Jing line 4
陝京四線
- Cang-Zi Line
滄淄線
- Zhong-Wu Line
忠武線
- Myanmar-China Line
中緬線

Company operating assets / data 公司運營資產及數據

- Branch pipeline
公司自有支線管道
- City gas project with concession right
公司城市天然氣項目
- ▲ LNG processing plant
公司液化天然氣工廠
- CNG/LNG/L-CNG station
公司天然氣加氣站
- Province with natural gas sales volume > 500mn m³ in 1H2021
公司二零二一年上半年銷氣量5.0億立方米以上省份
- Province with natural gas sales volume between 100mn m³ and 500mn m³ in 1H2021
公司二零二一年上半年銷氣量1.0-5.0億立方米省份
- Province with natural gas sales volume < 100mn m³ in 1H2021
公司二零二一年上半年銷氣量1.0億立方米以下省份
- Province to enter in near term
公司於近期內準備開展業務的省份



Note: For illustrative purpose only, actual scale and location might differ slightly
 註：此圖僅為示意圖，比例與位置可能和實際情況略有出入

Oil and Gas Production Business in Canada

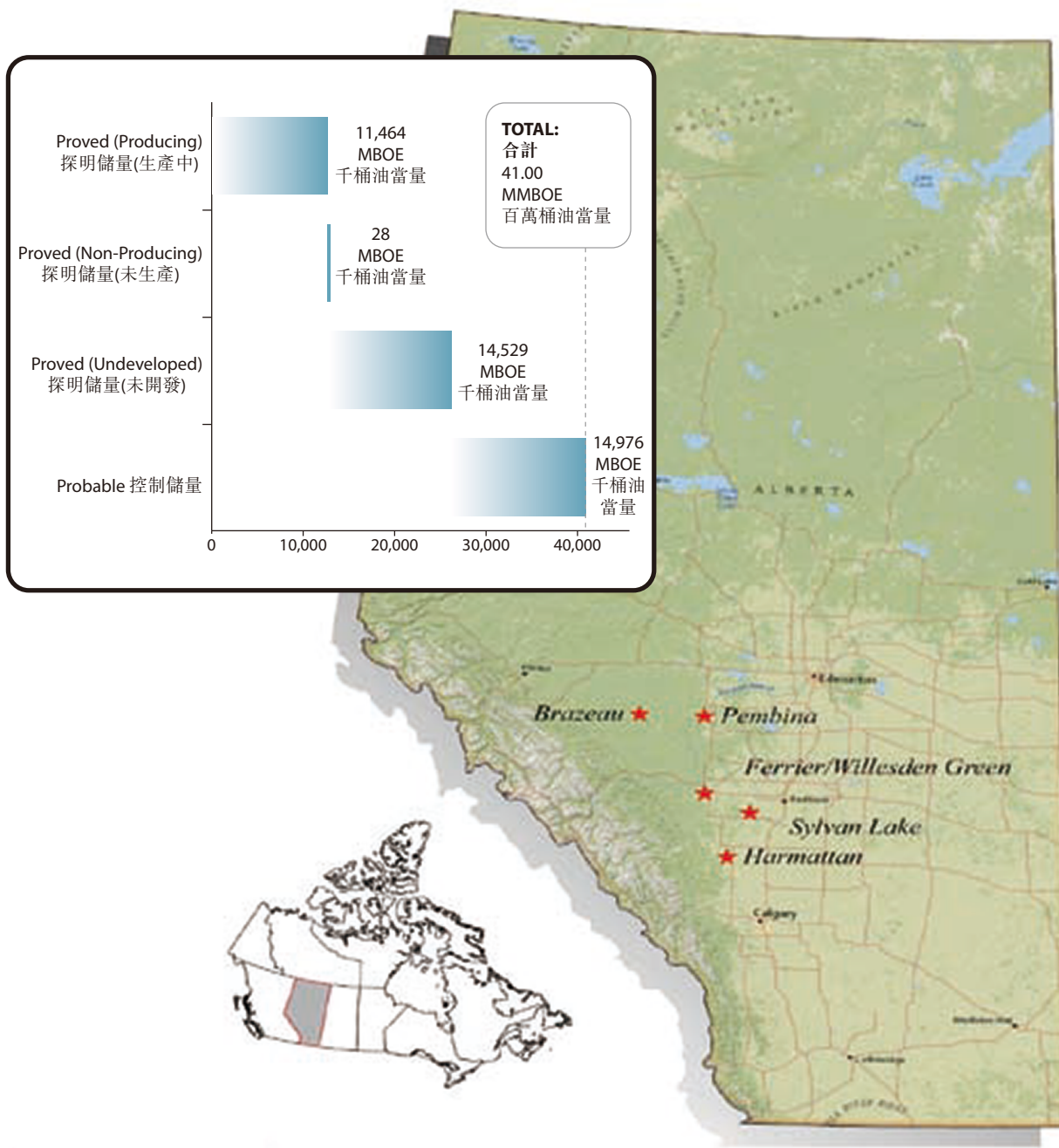
加拿大油氣生產業務

RESERVES

As at 31 December 2020

儲量

於二零二零年十二月三十一日



Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

XU Tie-liang (*Chairman & Chief Executive Officer*)
GUAN Yijun
GAO Falian

Independent Non-executive Directors

WANG Wenhua
WANG Guangtian
YANG Jie

COMPANY SECRETARY

CHAN Yuen Ying Stella

AUTHORISED REPRESENTATIVES

XU Tie-liang
CHAN Yuen Ying Stella

AUDIT COMMITTEE

WANG Wenhua (*Chairman*)
WANG Guangtian
YANG Jie

REMUNERATION COMMITTEE

WANG Wenhua (*Chairman*)
WANG Guangtian
GUAN Yijun

NOMINATION COMMITTEE

WANG Guangtian (*Chairman*)
WANG Wenhua
GAO Falian

CORPORATE GOVERNANCE COMMITTEE

XU Tie-liang (*Chairman*)
GUAN Yijun
GAO Falian
LAW Yin Shan Jenny
CHAN Yuen Ying Stella

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered PIE Auditor

董事局

執行董事

許鈺良(*主席兼行政總裁*)
關懿君
高發連

獨立非執行董事

王文華
王廣田
楊杰

公司秘書

陳婉縈

授權代表

許鈺良
陳婉縈

審核委員會

王文華(*主席*)
王廣田
楊杰

薪酬委員會

王文華(*主席*)
王廣田
關懿君

提名委員會

王廣田(*主席*)
王文華
高發連

企業管治委員會

許鈺良(*主席*)
關懿君
高發連
羅盈珊
陳婉縈

核數師

羅兵咸永道會計師事務所
執業會計師及註冊公眾利益實體核數師

Corporate Information

公司資料

(continued) (續)

LEGAL ADVISERS

(As to Hong Kong Law)
LI & Partners

(As to PRC Law)
Beijing Huaao Law & Partners

PRINCIPAL REGISTRARS

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2805, 28th Floor
Sino Plaza
255–257 Gloucester Road
Causeway Bay
Hong Kong

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

STOCK CODE

603

WEBSITE AND E-MAIL ADDRESS

Website: <http://www.hk603.com>
E-mail: info@hk603.com

法律顧問

(香港法律)
李偉斌律師行

(中國法律)
北京市華澳律師事務所

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號舖

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
銅鑼灣
告士打道255-257號
信和廣場
28樓2805室

主要往來銀行

香港上海滙豐銀行有限公司

股份代號

603

網址及電郵地址

網址: <http://www.hk603.com>
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Interim Results 中期業績

The board (the "Board") of directors (the "Directors") of China Oil And Gas Group Limited (the "Company") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2021 (the "Period").

The unaudited condensed consolidated financial information for the Period has not been audited but has been reviewed by the Company's audit committee (the "Audit Committee").

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2021

中油燃氣集團有限公司(「公司」)董事(「董事」)局(「董事局」)宣佈公司及其附屬公司(統稱「集團」)截至二零二一年六月三十日止六個月(「期內」)之未經審核簡明綜合中期業績。

期內之未經審核簡明綜合財務資料未經審核，但經由公司審核委員會(「審核委員會」)審閱。

簡明綜合全面收益表

截至二零二一年六月三十日止六個月

		Notes 附註	2021 二零二一年 HK\$'000 千港元 (unaudited) (未經審核)	2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)
Revenue	營業額	4	6,951,713	4,653,901
Cost of sales	銷售成本		(5,767,482)	(3,905,127)
Gross profit	毛利		1,184,231	748,774
Other income	其他收入	5	17,108	16,155
Other losses, net	其他虧損·淨額	6	(5,437)	(11,999)
Selling and distribution costs	銷售及分銷費用		(49,288)	(38,254)
Administrative expenses	行政開支		(255,893)	(159,283)
Operating profit	經營溢利		890,721	555,393
Finance income	財務收入	7	80,388	97,626
Finance costs	財務費用	7	(122,515)	(119,396)
Share of losses of investments accounted for using the equity method	分佔使用權益法入賬之投資虧損		(12,694)	(3,043)
Profit before taxation	除稅前溢利		835,900	530,580
Taxation	稅項	8	(168,438)	(104,807)
Profit for the period	期內溢利		667,462	425,773

Interim Results

中期業績

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

For the six months ended 30 June 2021

簡明綜合全面收益表(續)

截至二零二一年六月三十日止六個月

		2021 二零二一年 HK\$'000 千港元 (unaudited) (未經審核)	2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)
Other comprehensive income/(loss):	其他全面收益/(虧損):		
<i>Items that may be reclassified to profit or loss:</i>	<i>可重新分類至損益之項目:</i>		
Currency translation differences	貨幣換算差額	114,245	(284,799)
Changes in value of debt investments at fair value through other comprehensive income	按公平值計入其他全面收益之債務投資價值變動	(7,488)	(31,194)
<i>Item that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益之項目:</i>		
Change in value of equity investments at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資價值變動	(4,162)	(15,714)
Total comprehensive income for the period	期內全面收益總額	770,057	94,066
Profit for the period attributable to:	以下人士應佔期內溢利:		
Owners of the Company	公司擁有人	309,650	189,741
Non-controlling interests	非控股權益	357,812	236,032
		667,462	425,773
Total comprehensive income/(loss) attributable to:	以下人士應佔全面收益/(虧損)總額:		
Owners of the Company	公司擁有人	369,158	(62,962)
Non-controlling interests	非控股權益	400,899	157,028
		770,057	94,066
		HK cents 港仙	HK cents 港仙
Earnings per share	每股盈利		
— Basic	— 基本	6.025	3.847
— Diluted	— 攤薄	6.025	3.847

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Interim Results

中期業績

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

簡明綜合財務狀況表

於二零二一年六月三十日

		Notes	30.6.2021 二零二一年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2020 二零二零年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
		附註		
Assets	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	9,482,166	9,008,993
Right-of-use assets	使用權資產		625,034	589,057
Exploration and evaluation assets	勘探及評估資產		131,858	128,444
Intangible assets	無形資產		1,036,606	1,024,062
Investments accounted for using the equity method	使用權益法入賬之投資		550,290	429,356
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之財務資產		400,588	633,995
Other non-current assets	其他非流動資產		1,233,459	1,201,201
Deferred tax assets	遞延稅項資產		4,772	5,810
			13,464,773	13,020,918
Current assets	流動資產			
Inventories	存貨		436,649	328,386
Contract assets, deposits, trade and other receivables	合約資產、按金、貿易及其他應收款項	12	2,451,009	2,151,734
Current tax recoverable	當期可收回稅項		6,479	6,293
Time deposits with maturity over three months	存款期超過三個月之定期存款		543,600	836,570
Cash and cash equivalents	現金及現金等值項目		5,953,085	2,926,434
			9,390,822	6,249,417
Total assets	總資產		22,855,595	19,270,335

Interim Results

中期業績

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 June 2021

簡明綜合財務狀況表(續)

於二零二一年六月三十日

		Notes 附註	30.6.2021 二零二一年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2020 二零二零年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Liabilities	負債			
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	13	1,319,986	1,286,205
Contract liabilities	合約負債		2,176,665	2,306,032
Senior notes	優先票據		2,701,383	—
Short-term borrowings	短期借貸		1,160,555	1,341,941
Current tax payable	當期應付稅項		191,779	196,968
Lease liabilities	租賃負債		15,743	18,116
			7,566,111	5,149,262
Non-current liabilities	非流動負債			
Senior notes	優先票據		5,802,457	5,410,227
Long-term borrowings	長期借貸		978,456	996,470
Lease liabilities	租賃負債		63,160	58,444
Deferred tax liabilities	遞延稅項負債		155,972	123,615
Assets retirement obligation	資產報廢承擔		197,801	186,103
			7,197,846	6,774,859
Total liabilities	負債總額		14,763,957	11,924,121
Equity	權益			
Equity attributable to owners of the Company	公司擁有人應佔權益			
Share capital	股本	14	57,670	57,670
Reserves	儲備		4,130,090	3,720,464
			4,187,760	3,778,134
Non-controlling interests	非控股權益		3,903,878	3,568,080
Total equity	權益總額		8,091,638	7,346,214
Total equity and liabilities	權益及負債總額		22,855,595	19,270,335

Interim Results

中期業績

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2021

簡明綜合權益變動表

截至二零二一年六月三十日止六個月

		Attributable to owners of the Company 公司擁有人應佔									
		Share capital	Share premium	Shares held for share award scheme 為股份獎勵計劃所持股份	Other reserves	Exchange fluctuation reserve	Share-based compensation reserve 以股份為基礎之酬金儲備	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	計劃所持股份	其他儲備	匯兌波動儲備	之酬金儲備	保留溢利	總額	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元
At 1 January 2021	於二零二一年一月一日	57,670	13,208	(420,202)	1,401,017	(221,160)	11,241	2,936,360	3,778,134	3,568,080	7,346,214
Profit for the period	期內溢利	—	—	—	—	—	—	309,650	309,650	357,812	667,462
Other comprehensive income:	其他全面收益：										
Exchange differences on translating foreign operations	換算海外業務之匯兌差額	—	—	—	—	71,158	—	—	71,158	43,087	114,245
Changes in value of equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益之權益工具價值變動	—	—	—	(4,162)	—	—	—	(4,162)	—	(4,162)
Changes in value of debt instruments at fair value through other comprehensive income	按公平值計入其他全面收益之債務工具價值變動	—	—	—	(7,488)	—	—	—	(7,488)	—	(7,488)
Total comprehensive income/(loss) for the period	期內全面收益/(虧損)總額	—	—	—	(11,650)	71,158	—	309,650	369,158	400,899	770,057
Transfer of fair value loss on equity investment at fair value through other comprehensive income to retained profit upon disposal	於出售時轉撥按公平值計入其他全面收益之股本投資公平值虧損至保留溢利	—	—	—	257	—	—	(257)	—	—	—
Transfer of fair value gain on debt investment at fair value through other comprehensive income to profits or loss upon disposal	於出售時轉撥按公平值計入其他全面收益之債務投資公平值收益至損益	—	—	—	(1,787)	—	—	—	(1,787)	—	(1,787)
Dividend paid to non-controlling interests	支付股息予非控股權益	—	—	—	—	—	—	—	—	(65,101)	(65,101)
Vesting of shares under share award scheme	根據股份獎勵計劃歸屬股份	—	—	42,255	—	—	—	—	42,255	—	42,255
At 30 June 2021	於二零二一年六月三十日	57,670	13,208	(377,947)	1,387,837	(150,002)	11,241	3,245,753	4,187,760	3,903,878	8,091,638

Interim Results

中期業績

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

For the six months ended 30 June 2021

簡明綜合權益變動表(續)

截至二零二一年六月三十日止六個月

		Attributable to owners of the Company 公司擁有人應佔									
		Shares held for share award scheme 為股份獎勵計劃所持股份			Other reserves 其他儲備	Exchange fluctuation reserve 匯兌波動儲備	Share-based compensation reserve 以股份為基礎之酬金儲備	Retained profits 保留溢利	Total	Non-controlling interests 非控股權益	Total equity 權益總額
		Share capital 股本	Share premium 股份溢價	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	57,670	13,208	(420,202)	1,460,743	(572,108)	11,241	2,907,732	3,458,284	2,984,731	6,443,015
Profit for the period	期內溢利	—	—	—	—	—	—	189,741	189,741	236,032	425,773
Other comprehensive income:	其他全面收益:										
Exchange differences on translating foreign operations	換算海外業務之匯兌差額	—	—	—	—	(205,795)	—	—	(205,795)	(79,004)	(284,799)
Changes in value of equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益之權益工具價值變動	—	—	—	(15,714)	—	—	—	(15,714)	—	(15,714)
Changes in value of debt instruments at fair value through other comprehensive income	按公平值計入其他全面收益之債務工具價值變動	—	—	—	(31,194)	—	—	—	(31,194)	—	(31,194)
Total comprehensive income/(loss) for the period	期內全面收益/(虧損)總額	—	—	—	(46,908)	(205,795)	—	189,741	(62,962)	157,028	94,066
Transfer of fair value loss on equity investment at fair value through other comprehensive income to retained profit upon disposal	於出售時轉撥按公平值計入其他全面收益之股本投資公平值虧損至保留溢利	—	—	—	419	—	—	(419)	—	—	—
Vesting of shares under share award scheme	根據股份獎勵計劃歸屬股份	—	—	197	—	—	—	—	197	—	197
Shares purchased for share award scheme	為股份獎勵計劃購買股份	—	—	118	—	—	—	—	118	—	118
Dividend paid to non-controlling interests	支付股息予非控股權益	—	—	—	—	—	—	—	—	(34,461)	(34,461)
At 30 June 2020	於二零二零年六月三十日	57,670	13,208	(419,887)	1,414,254	(777,903)	11,241	3,097,054	3,395,637	3,107,298	6,502,935

Interim Results 中期業績

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2021

簡明綜合現金流量表

截至二零二一年六月三十日止六個月

	Unaudited 未經審核 (6 months) 1.1-30.6.2021 (六個月) 二零二一年 一月一日至 六月三十日 HK\$'000 千港元	Unaudited 未經審核 (6 months) 1.1-30.6.2020 (六個月) 二零二零年 一月一日至 六月三十日 HK\$'000 千港元
Net cash generated from operating activities	經營活動產生之現金淨額 639,624	548,232
Net cash used in investing activities	投資活動所用之現金淨額 (358,143)	(627,185)
Net cash generated from financing activities	融資活動所得之現金淨額 2,720,889	293,211
Net increase in cash and cash equivalents	現金及現金等值項目增加淨額 3,002,370	214,258
Cash and cash equivalents at beginning of the period	期初現金及現金等值項目 2,926,434	2,521,199
Effect of foreign exchange rate changes	匯率變動影響 24,281	(77,664)
Cash and cash equivalents at end of the period	期終現金及現金等值項目 5,953,085	2,657,793

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

(1) GENERAL INFORMATION

China Oil And Gas Group Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of its principal place of business in Hong Kong is Suite 2805, 28th Floor, Sino Plaza, 255–257 Gloucester Road, Causeway Bay, Hong Kong. The Company is an investment holding company. Its subsidiaries are principally engaging in investment in energy related business in various regions in the People’s Republic of China (“PRC”) and West Central Alberta, Canada, including but not limited to 1) piped city gas business, pipeline design and construction; 2) transportation, distribution and sales of compressed natural gas (“CNG”) and liquefied natural gas (“LNG”); and 3) development, production and sale of oil, gas, coal gasification and other upstream energy resources. The Company and its subsidiaries are collectively referred to as the “Group”.

(2) BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange. These interim financial statements should be read in conjunction with the Group’s audited financial statements for the year ended 31 December 2020.

簡明綜合財務報表附註

截至二零二一年六月三十日止六個月

(1) 一般資料

中油燃氣集團有限公司(「公司」)為於百慕達註冊成立之獲豁免有限公司，而其股份在香港聯合交易所有限公司(「聯交所」)上市。公司註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。香港之主要營業地點之地址為香港銅鑼灣告士打道 255–257 號信和廣場 28 樓 2805 室。公司為一間投資控股公司，其附屬公司主要於中華人民共和國(「中國」)及加拿大阿爾伯塔省中西部多個地區從事能源相關業務之投資，包括但不限於：1) 城市管道燃氣營運、管道設計及建造；2) 壓縮天然氣(「CNG」)及液化天然氣(「LNG」)之運輸、分銷及銷售；及 3) 石油、天然氣及煤製氣等上游能源資源勘探開發、生產及銷售。公司及其附屬公司統稱為「集團」。

(2) 編製基準

集團之未經審核簡明綜合中期財務報表乃依據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第 34 號「中期財務報告」及聯交所證券上市規則附錄十六而編製。此等中期財務報表應與集團截至二零二零年十二月三十一日止年度之經審核財務報表一併閱讀。

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中期業績

(continued) (續)

(3) SIGNIFICANT ACCOUNTING POLICIES

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

Other than the changes of accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and application of hedge accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2020.

In the current period, the Group has applied the Amendments to Reference to the Conceptual Framework in HKFRSs that are mandatorily effective for the current period and the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2021 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 9, HKAS 39, Interest Rate Benchmark
HKFRS 7, HKFRS 4 and HKFRS 16 Reform — Phase 2

Amendment to HKFRS 16 Covid-19-Related Rent
Concessions

The application of the Amendments to References to the Conceptual Framework in HKFRSs and the amendments to HKFRSs in the current period has 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) 重大會計政策

除金融工具根據公平值(倘適用)計量外，簡明綜合財務報表乃根據歷史成本基準編製而成。

除應用香港財務報告準則(「香港財務報告準則」)修訂所產生的會計政策變動及應用適用於集團的對沖會計政策外，簡明綜合財務報表採用之會計政策及計算方法與編製集團截至二零二零年十二月三十一日止年度之年度財務報表所採用者相同。

於本期間，集團已應用本期間強制生效的對香港財務報告準則中概念框架的提述之修訂，並首次應用以下由香港會計師公會頒佈的經修訂香港財務報告準則，有關準則於二零二一年一月一日或之後年度開始強制生效以編製集團之簡明綜合財務報表：

香港財務報告準則 利率基準改
第9號、香港會計準 革—第二階段
則第39號、香港財
務報告準則第7號、
香港財務報告準則
第4號和香港財務報
告準則第16號
(修訂本)

香港財務報告準則 Covid-19 相關租
第16號(修訂本) 金優惠

於本期內採用對香港財務報告準則中概念框架的提述之修訂以及經修訂的香港財務報告準則對集團本期或前期業績及財務狀況及／或簡明綜合財務報表所披露者並無重大影響。

Interim Results

中期業績

(continued) (續)

(4) REVENUE AND SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for the purposes of resource allocation and assessment of performance focuses more specifically on sales of natural gas, gas pipeline construction and connection, exploitation and production of crude oil and natural gas; and production and sales of coal gasification and other related products.

The Group has presented the following four reportable segments for the six months ended 30 June 2021:

- sales and distribution of natural gas and other related products
- gas pipeline construction and connection
- exploitation and production of crude oil and natural gas
- production and sales of coal gasification and other related products

Information regarding the Group's reportable segments as provided to the executive directors for the purpose of resources allocation and assessment of segment performance for the six months ended 30 June 2021 and 2020 is set out below:

(4) 營業額及分部資料

集團根據定期向執行董事匯報供資源分配及表現評估之內部財務資料識別其經營分部及編製分部資料，並更多側重於銷售天然氣、燃氣管道建造及接駁、開採及生產原油及天然氣；以及生產及銷售煤製氣及其他相關產品。

於截至二零二一年六月三十日止六個月，集團已呈列以下四個可報告經營分部：

- 銷售及輸送天然氣及其他相關產品
- 燃氣管道建造及接駁
- 開採及生產原油及天然氣
- 生產及銷售煤製氣及其他相關產品

截至二零二一年及二零二零年六月三十日止六個月，向執行董事提供以用作資源分配及分部表現評估之集團可報告分部相關資料載列如下：

Interim Results

中期業績

(continued) (續)

(4) REVENUE AND SEGMENT INFORMATION (Continued)

Business Segments

For the six months ended 30 June 2021:

(4) 營業額及分部資料(續)

業務分部

截至二零二一年六月三十日止六個月：

		Sales and distribution of natural gas and other related products 銷售及輸送天然氣及其他相關產品 HK\$'000 千港元	Gas pipeline construction and connection 燃氣管道建造及接駁 HK\$'000 千港元	Exploitation and production of crude oil and natural gas 開採及生產原油及天然氣 HK\$'000 千港元	Production and sales of coal gasification and other related products 生產及銷售煤製氣及其他相關產品 HK\$'000 千港元	Group 集團 HK\$'000 千港元
Segment revenue and results	分部營業額及業績					
Segment revenue	分部營業額					
Recognised at a point in time	於某一時間點確認	5,994,503	—	222,681	303,393	6,520,577
Recognised over time	於一段時間內確認	—	431,136	—	—	431,136
Sales to external customers	外部客戶銷售額	5,994,503	431,136	222,681	303,393	6,951,713
Segment results	分部業績	<u>672,607</u>	<u>177,240</u>	<u>111,964</u>	<u>33,988</u>	995,799
Finance income	財務收入					80,388
Other losses, net	其他虧損·淨額					(5,437)
Finance costs	財務費用					(122,515)
Share of losses of investments accounted for using the equity method	分佔使用權益法入賬之投資虧損					(12,694)
Unallocated corporate expenses	未分配企業開支					(99,641)
Profit before taxation	除稅前溢利					835,900
Taxation	稅項					(168,438)
Profit for the period	期內溢利					<u>667,462</u>

Interim Results

中期業績

(continued) (續)

(4) REVENUE AND SEGMENT INFORMATION (Continued)

Business Segments (Continued)

For the six months ended 30 June 2020:

(4) 營業額及分部資料(續)

業務分部(續)

截至二零二零年六月三十日止六個月:

		Sales and distribution of natural gas and other related products 銷售及輸送 天然氣及其他 相關產品 HK\$'000 千港元	Gas pipeline construction and connection 燃氣管道建造 及接駁 HK\$'000 千港元	Exploitation and production of crude oil and natural gas 開採及 生產原油及 天然氣 HK\$'000 千港元	Group 集團 HK\$'000 千港元
Segment revenue and results	分部營業額及業績				
Segment revenue	分部營業額				
Recognised at a point in time	於某一時間點確認	4,184,693	-	134,156	4,318,849
Recognised over time	於一段時間內確認	-	335,052	-	335,052
Sales to external customers	外部客戶銷售額	4,184,693	335,052	134,156	4,653,901
Segment results	分部業績	<u>443,848</u>	<u>168,765</u>	<u>9,449</u>	622,062
Finance income	財務收入				97,626
Other losses, net	其他虧損，淨額				(11,999)
Finance costs	財務費用				(119,396)
Share of losses of investments accounted for using the equity method	分佔使用權益法入賬之 投資虧損				(3,043)
Unallocated corporate expenses	未分配企業開支				(54,670)
Profit before taxation	除稅前溢利				530,580
Taxation	稅項				(104,807)
Profit for the period	期內溢利				<u>425,773</u>

Interim Results 中期業績

(continued) (續)

(4) REVENUE AND SEGMENT INFORMATION (Continued)

Business Segments (Continued)

Analysis of the Group's assets by geographical market is set out below:

Assets

		At 30.6.2021 於二零二一年 六月三十日 Total assets 總資產 HK\$'000 千港元	At 31.12.2020 於二零二零年 十二月三十一日 Total assets 總資產 HK\$'000 千港元
Hong Kong	香港	3,221,554	103,866
Mainland China	中國內地	16,732,860	16,258,012
Canada	加拿大	1,945,531	1,839,296
Total	合計	21,899,945	18,201,174
Unallocated	未分配		
Investments accounted for using the equity method	使用權益法入賬之投資	550,290	429,356
Deferred tax assets	遞延稅項資產	4,772	5,810
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之財務資產	400,588	633,995
Total assets	總資產	22,855,595	19,270,335

(4) 營業額及分部資料(續)

業務分部(續)

集團按地區市場劃分之資產之分析載列如下：

資產

Interim Results

中期業績

(continued) (續)

(5) OTHER INCOME

		Unaudited 未經審核 (6 months) 1.1–30.6.2021 (六個月) 二零二一年 一月一日至 六月三十日 HK\$'000 千港元	Unaudited 未經審核 (6 months) 1.1–30.6.2020 (六個月) 二零二零年 一月一日至 六月三十日 HK\$'000 千港元
Dividend income from listed securities	上市證券股息收入	491	690
Government subsidies	政府補貼	2,889	627
Rental income	租金收入	3,709	5,044
Service income	服務收入	9,001	5,922
Others	其他	1,018	3,872
		17,108	16,155

(5) 其他收入

(6) OTHER LOSSES, NET

		Unaudited 未經審核 (6 months) 1.1–30.6.2021 (六個月) 二零二一年 一月一日至 六月三十日 HK\$'000 千港元	Unaudited 未經審核 (6 months) 1.1–30.6.2020 (六個月) 二零二零年 一月一日至 六月三十日 HK\$'000 千港元
Loss on disposal of fixed assets	出售固定資產虧損	(5,728)	(2,318)
Gain/(loss) on disposal of financial assets at fair value through other comprehensive income	出售按公平值計入其他全面收益的財務資產之收益/(虧損)	291	(9,681)
		(5,437)	(11,999)

(6) 其他虧損，淨額

Interim Results 中期業績

(continued) (續)

(7) FINANCE INCOME AND COSTS

(7) 財務收入及費用

		Unaudited 未經審核 (6 months) 1.1–30.6.2021 (六個月) 二零二一年 一月一日至 六月三十日 HK\$'000 千港元	Unaudited 未經審核 (6 months) 1.1–30.6.2020 (六個月) 二零二零年 一月一日至 六月三十日 HK\$'000 千港元
Finance income from:	財務收入來自：		
Interest income on bank deposits	銀行存款之利息收入	51,180	45,204
Loan to an associate	貸款予聯營公司	28,243	52,422
Loan to third parties	貸款予第三方	965	–
		80,388	97,626
Finance costs from:	財務費用來自：		
Bank borrowings	銀行借款	(30,703)	(29,279)
Other borrowings	其他借款	(89,840)	(88,630)
Lease liabilities	租賃負債	(1,972)	(1,487)
		(122,515)	(119,396)
Finance costs, net	財務費用，淨額	(42,127)	(21,770)

Interim Results

中期業績

(continued) (續)

(8) TAXATION

No provision for Hong Kong profits tax has been made as the Group did not have any assessable profits subject to Hong Kong profits tax for the Period (2020: Nil).

Pursuant to the relevant PRC corporate income tax rules and regulations, withholding tax is imposed on dividends declared in respect of profits earned by the Company's PRC subsidiaries from 1 January 2008 onwards at 10% (2020: 10%). Certain entities of the Group with Hong Kong business and directly owns at least 25% of the capital of the PRC subsidiaries are entitled to the lower withholding tax rate at 5% (2020: 5%).

In accordance with the relevant PRC corporate income tax laws, regulations and implementation guidance note, subsidiaries in Mainland China are subject to the PRC corporate income tax rate at 25% (2020: 25%). Certain subsidiaries are entitled to tax concessions and tax relief whereby the profits of those subsidiaries are taxed at a preferential income tax rate of 15% (2020: 15%).

Canada income tax has been provided for at the rate of 27% on the estimated assessable profits for the year (2020: 27%), which represented the tax rate in Alberta, Canada and the Canada's federal tax rate of 12% (2020: 12%) and 15% (2020: 15%) respectively.

Taxation on overseas (other than Hong Kong and PRC) profits has been calculated on the estimated assessable profit for the year at the applicable rates of taxation prevailing in the jurisdictions in which the Group operates.

(8) 稅項

由於集團並無任何須在期內繳納香港利得稅之應課稅溢利，故並無就香港利得稅作出撥備(二零二零年：無)。

根據相關中國企業所得稅法及條例，自二零零八年一月一日起，就公司中國附屬公司所賺取之溢利宣派股息按10% (二零二零年：10%)之稅率繳納預扣稅。若干擁有香港業務且直接擁有中國附屬公司至少25%股本之集團實體享有5% (二零二零年：5%)之較低預扣稅率。

根據相關中國企業所得稅法律、規例及實施細則，中國內地附屬公司須按稅率25% (二零二零年：25%)繳納中國企業所得稅。若干附屬公司享有稅務優惠及寬免，據此，該等附屬公司之溢利以優惠所得稅稅率15% (二零二零年：15%)納稅。

年內加拿大所得稅乃按27%對估計應課稅溢利計提(二零二零：27%)，即阿爾伯塔省及加拿大聯邦稅率分別為12% (二零二零年：12%)及15% (二零二零年：15%)。

海外(除香港及中國外)溢利乃以集團經營所在司法權區適用現行稅率按年內估計應課稅溢利計算稅項。

Interim Results 中期業績

(continued) (續)

(8) TAXATION (Continued)

Current tax:	本期稅項：
PRC corporate income tax	中國企業所得稅
Overseas taxation	海外稅項
Deferred tax	遞延稅項
Taxation	稅項

(8) 稅項(續)

Unaudited 未經審核 (6 months) (六個月) 1.1-30.6.2021 二零二一年 一月一日至 六月三十日 HK\$'000 千港元	Unaudited 未經審核 (6 months) (六個月) 1.1-30.6.2020 二零二零年 一月一日至 六月三十日 HK\$'000 千港元
156,042	104,928
9,242	-
165,284	104,928
3,154	(121)
168,438	104,807

(9) EARNINGS PER SHARE

- (a) The calculation of basic earnings per share is based on the Group's profit attributable to owners of the Company of approximately HK\$309,650,000 (six months ended 30 June 2020: HK\$189,741,000) and weighted average number of ordinary shares in issue less shares held under share award scheme during the Period of approximately 5,139,280,000 shares (six months ended 30 June 2020: 4,932,171,000 shares).
- (b) Diluted earnings per share is calculated based on the profit attributable to owners of the Company of approximately HK\$309,650,000 (six months ended 30 June 2020: HK\$189,741,000), and the weighted average number of ordinary shares of approximately 5,139,280,000 shares (six months ended 30 June 2020: 4,932,171,000 shares) which is the weighted average number of ordinary shares in issue less shares held under share award scheme during the Period plus the weighted average number of dilutive potential ordinary shares in respect of share options of approximately Nil shares (six months ended 30 June 2020: Nil shares) deemed to be issued at no consideration if all outstanding share options granted had been exercised and the effect of awarded shares of approximately Nil shares (six months ended 30 June 2020: Nil shares).

(9) 每股盈利

- (a) 每股基本盈利乃根據公司擁有人應佔集團溢利約309,650,000港元(截至二零二零年六月三十日止六個月: 189,741,000港元)及期內已發行普通股減股份獎勵計劃項下所持股份後之加權平均數約5,139,280,000股(截至二零二零年六月三十日止六個月: 4,932,171,000股)而計算。
- (b) 每股攤薄盈利乃根據公司擁有人應佔溢利約309,650,000港元(截至二零二零年六月三十日止六個月: 189,741,000港元)及普通股加權平均數約5,139,280,000股(截至二零二零年六月三十日止六個月: 4,932,171,000股)計算。該普通股加權平均數為期內已發行普通股減股份獎勵計劃項下所持股份後之加權平均數再加上倘行使所有已授出但尚未行使之購股權而被視為將以零代價發行之購股權涉及的潛在攤薄普通股加權平均數約零股(截至二零二零年六月三十日止六個月: 零股)及獎勵股份約零股(截至二零二零年六月三十日止六個月: 零股)。

Interim Results

中期業績

(continued) (續)

(10) DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended 30 June 2021 (2020: Nil).

(11) PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2021, the Group acquired property, plant and equipment amounting to HK\$734,674,000 (six months ended 30 June 2020: HK\$444,155,000) and disposed of property, plant and equipment with net book value of HK\$39,232,000 (six months ended 30 June 2020: HK\$3,850,000).

(12) CONTRACT ASSETS, DEPOSITS, TRADE AND OTHER RECEIVABLES

(10) 股息

董事局決議不宣派截至二零二一年六月三十日止六個月之任何中期股息(二零二零年：無)。

(11) 物業、廠房及設備

截至二零二一年六月三十日止六個月，集團收購物業、廠房及設備734,674,000港元(截至二零二零年六月三十日止六個月：444,155,000港元)及出售物業、廠房及設備賬面淨值為39,232,000港元(截至二零二零年六月三十日止六個月：3,850,000港元)。

(12) 合約資產、按金、貿易及其他應收款項

		Unaudited 未經審核 At 30.6.2021 於二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31.12.2020 於二零二零年 十二月三十一日 HK\$'000 千港元
Trade receivables	貿易應收賬款	1,038,327	775,666
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	1,412,682	1,376,068
		2,451,009	2,151,734
The ageing analysis of trade receivables based on invoice date is as follows:	根據發票日期的貿易應收賬款之賬齡分析如下：		
Up to 3 months	三個月以內	957,302	695,133
3 to 6 months	三個月至六個月	22,098	27,799
Over 6 months	六個月以上	58,927	52,734
Total	合計	1,038,327	775,666

Interim Results 中期業績

(continued) (續)

(13) TRADE AND OTHER PAYABLES

(13) 貿易及其他應付款項

		Unaudited 未經審核 At 30.6.2021 於二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31.12.2020 於二零二零年 十二月三十一日 HK\$'000 千港元
Trade payables	貿易應付賬款	435,427	448,525
Other payables and accruals	其他應付款項及應計費用	884,559	837,680
		1,319,986	1,286,205
The ageing analysis of trade payables based on invoice date is as follows:		根據發票日期的貿易應付賬款之賬齡分析如下：	
Up to 3 months	三個月以內	324,376	357,221
3 to 6 months	三個月至六個月	43,760	37,632
Over 6 months	六個月以上	67,291	53,672
Total	合計	435,427	448,525

(14) SHARE CAPITAL

(14) 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 each at 30 June 2020, 31 December 2020 and 30 June 2021	於二零二零年六月三十日、二零二零年十二月三十一日及二零二一年六月三十日 每股面值0.01港元之普通股	125,000,000	1,250,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.01 each at 30 June 2020, 31 December 2020 and 30 June 2021	於二零二零年六月三十日、二零二零年十二月三十一日及二零二一年六月三十日 每股面值0.01港元之普通股	5,767,044	57,670

Interim Results

中期業績

(continued) (續)

(15) PLEDGE OF ASSETS

No material assets of the Group have been pledged as at 30 June 2021 (2020: Nil).

(16) CONTINGENT LIABILITY

As at 30 June 2021, the Group has no material contingent liability (2020: Nil).

(17) APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements were approved and authorised for issue by the Board on 25 August 2021.

(15) 資產抵押

集團於二零二一年六月三十日概無以任何重大資產作抵押(二零二零年：無)。

(16) 或然負債

集團於二零二一年六月三十日並無任何重大或然負債(二零二零年：無)。

(17) 中期財務報表之批准

簡明綜合中期財務報表已於二零二一年八月二十五日獲董事局批准及授權刊發。

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2021, with the availability of vaccines for COVID-19 in many countries and the continuous increase in the amount of vaccinations, the global economy is recovering. With the resumption of work and production in the PRC, the economy has greatly improved at the same time. The Group is actively facing market changes and opportunities, while analysing the situation and moving forward steadily.

During the first six months of 2021, the Group's natural gas sales volume and upstream oil prices both increased, with a total revenue of HK\$6.952 billion (2020: HK\$4.654 billion), a year-on-year increase of 49%. The Group recorded profit for the Period attributable to owners of the Company of HK\$310 million, a year-on-year increase of 63%.

CITY PIPELINE NATURAL GAS BUSINESS

Sales and distribution of natural gas

The Group's natural gas sales volume recorded to be 2,425 million cubic meters for the first six months of 2021 (2020: 2,019 million cubic meters), increased by 20% compared with the same period last year. Transmission volume was 503 million cubic meters, recorded a 19% rise as compared to the last period.

Consumption of residential users increased by 1% from last period's 617 million cubic meters to 625 million cubic meters; industrial and commercial users recorded 1,597 million cubic meters (2020: 1,242 million cubic meters), increased by 29% compared with the same period last year; gas consumption of gas stations recorded an increase from last period's 160 million cubic meters to current period's 203 million cubic meters. Each of the above category representing 26%, 66% and 8% of the total gas sales volume (2020: 30%, 62% and 8%), respectively.

管理層討論及分析

業務回顧

二零二一年上半年，隨著世界多國新冠疫苗的面世和疫苗接種量的不斷攀升，全球經濟出現緩慢復蘇。中國內地復工復產，經濟得到頗大改善的同時，集團積極面對市場變化及機遇，審時度勢，穩步前行。

二零二一年前六個月，集團天然氣銷氣量及上游石油價格均上漲，總營業額69.52億港元（二零二零年：46.54億港元），同比上漲49%。集團錄得公司擁有人應佔期內溢利3.10億港元，同比增長63%。

城市管道天然氣業務

銷售及輸送天然氣

集團截至二零二一年前六個月的天然氣銷量錄得24.25億立方米（二零二零年：20.19億立方米），同比增長20%。管輸量錄得5.03億立方米，較去年同期錄得升幅19%。

居民用戶銷氣量較上期的6.17億立方米增加1%至6.25億立方米；工商業用戶錄得15.97億立方米（二零二零年：12.42億立方米）用量，同比增長29%；加氣站用量從上期的1.6億立方米增加至本期的2.03億立方米。上述各類用量分別佔總銷氣量的26%、66%及8%（二零二零年：30%、62%及8%）。

Report of the Board

董事局報告

(continued) (續)

Development of new users

For the first six months of 2021, the Group connected 84,409 (2020: 65,475) new residential users, representing a period-on-period increase of 29% and the accumulated development of residential users were 1,687,505. Total connections for new industrial and commercial users were 528 (2020: 874), representing a period-on-period decrease of 40% and the accumulated development of industrial and commercial users were 14,847.

New project expansion

While promoting organic growth from existing projects, the Group also conducted thorough inspections on the areas surrounding the natural gas pipelines and the coastal areas in the first half of 2021. During the Period, the Group successfully obtained the exclusive concession right for Jixian Industrial Cluster in Linfen, Shanxi Province, and secured the “Shaopu — Zhuzang” Branch Pipeline Project in Guizhou Province. The Group started the merger and acquisition of Shandong Shengli Co., Ltd. (“Shandong Shengli”) (000407.SZ) in July 2021. It has established 139 natural gas project companies in 16 provinces, municipalities and autonomous regions in the PRC, with 73 concession rights.

EXPLOITATION AND PRODUCTION OF CRUDE OIL AND NATURAL GAS BUSINESS

The Group continued the business of exploitation and production of light oil and natural gas in Canada. The Group's production in the first half of 2021 was 4,966 barrels of oil equivalent per day (“boe/d”), a decrease of 6.4% from 5,305 boe/d in the comparable period of 2020.

Reference crude oil prices were 67.6% higher in the first half of 2021, with West Texas Intermediate averaging US\$61.95 per barrel compared with US\$36.96 per barrel in the first half of 2020. The Group realized a crude oil price of CAD72.28 per barrel in 2021 compared to CAD41.27 per barrel in 2020 with a year-on-year increase of 75.1%. The Group achieved the average operating netback of CAD29.54 per barrel of oil equivalent, representing an increase of 144.9% as compared with CAD12.06 per barrel of oil equivalent for the same period last year.

新用戶開發

二零二一年前六個月，集團新增居民用戶84,409戶(二零二零年：65,475戶)，較同期增加29%，累計開發居民用戶達到1,687,505戶。新增工商業用戶合計528戶(二零二零年：874戶)，較去年同期減少40%，累計開發的工商業用戶為14,847戶。

新項目拓展

於二零二一年上半年，集團於推動現有項目內部增長的同時，亦對天然氣管道周邊區域及沿海地區進行全面考察。期內，集團成功獲取山西省臨汾市吉縣產業集聚區燃氣特許經營權，以及成功獲取貴州省「少普—珠藏」支線項目。於二零二一年七月，集團啟動了山東勝利股份有限公司(「山東勝利」)(000407.SZ)收併購工作。集團於中國16個省、直轄市及自治區成立天然氣項目公司共139家，擁有73項特許經營權。

開採及生產原油及天然氣業務

集團在加拿大持續進行輕質原油和天然氣的開採及生產業務。集團於二零二一年上半年的產量為4,966桶油當量/天(「桶油當量/天」)，較二零二零年同期的5,305桶油當量/天減少6.4%。

於二零二一年上半年，參考原油價格回升67.6%，西德州中級原油平均價格為每桶61.95美元，而二零二零年上半年為每桶36.96美元。於二零二一年，集團實現原油價格每桶72.28加元，而於二零二零年為每桶41.27加元，同比上升75.1%。集團實現平均運營淨回值29.54加元/桶油當量，較去年同期的12.06加元/桶油當量增加144.9%。

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(continued) (續)

BUSINESS PROSPECT

In the first half of 2021, China's economy sustained a steady recovery, the GDP grew 12.7% year-on-year to RMB53.2167 trillion and energy consumption saw rapid growth. China's natural gas output increased steadily to 104.5 billion cubic meters in the first half of 2021, a year-on-year rise of 10.9%. The domestic apparent consumption of natural gas rose 17.4% year-on-year to 182.7 billion cubic meters. China imported 59.82 million tons of natural gas during the Period, up 22.9% year-on-year.

China continuously deepened reform on the natural gas system and enhanced regulation over prices in natural monopoly sectors to promote the high-quality development of the natural gas industry. The National Development and Reform Commission issued the "Measures for the Administration of Prices for Natural Gas Pipeline Transportation (Interim)" and the "Measures for the Supervision and Examination of the Pricing Cost of Natural Gas Pipeline Transportation (Interim)" to improve natural gas pricing mechanism and reap reform dividend. Further efforts will be made to optimise natural gas pricing mechanism to vitalise market and promote the competition between the upstream and downstream sectors.

China Oil & Gas Pipeline Network Corporation ("PipeChina") has received pipeline infrastructure assets from the three state-owned oil conglomerates since its establishment. It plans to connect the provincial pipeline networks of some provinces. PipeChina operated 49,200 km of natural gas pipelines as of the end of 2020, accounting for more than 60% of the country's total natural gas pipeline mileage. It will accelerate the construction of a nationwide oil and gas pipeline network. PipeChina plans to integrate all major domestic natural gas resources to achieve the interconnection of trunk gas transmission lines by 2025.

業務展望

二零二一年上半年，中國經濟持續穩定恢復，國內生產總值人民幣532,167億元，同比增長12.7%，能源消費快速增長。二零二一年上半年，國內天然氣產量穩步增長，累計產量達到1,045億立方米，同比增長10.9%；國內天然氣表觀消費量1,827億立方米，同比增長17.4%；累計進口天然氣5,982萬噸，同比增長22.9%。

國家繼續深化天然氣體制改革，加強對自然壟斷環節的價格監管，推動天然氣行業高質量發展。國家發展和改革委員會出台了《天然氣管道運輸價格管理辦法(暫行)》和《天然氣管道運輸定價成本監審辦法(暫行)》，完善天然氣價格調控機制，釋放改革紅利。未來國家將進一步優化天然氣調價機制，激發市場活力，促進上下游充分競爭。

國家石油天然氣管網集團有限公司(「國家管網集團」)成立以來，已成功接收三大國有石油公司的管道基礎設施資產，並計劃接通多省的省內管網。截至二零二零年底，國家管網集團運營的天然氣管道達到4.92萬公里，在全國天然氣管道總里程中佔比超過六成。國家管網集團將加速構造全國油氣管道一張網，計劃到二零二五年將國內天然氣主要資源全部納入旗下，實現輸氣幹線全互聯。

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China pledges to achieve its carbon emissions peak before 2030 and carbon neutrality before 2060. The transformation of energy structure is the must-go path to meet the targets. Natural gas is a realistic choice to ensure energy security, transform energy structure and realise clean energy supply. It will act as a bridge in the transformation of energy structure. In China, the proportion of urban population grew from 37.66% in 2001 to 63.89% in 2021. The 14th Five-Year Plan set a target to raise urbanisation rate to 65% within the 2021–2025 period. China will continuously see rapid urbanisation in the next five years. With the development of urbanisation, natural gas coverage in urban areas will continue to grow and the gas consumption of urban households will increase in a steady manner in the future. Clean energy was used for heating in 65% of the households in northern China at the end of 2020. The figure is set to hit 70% in 2021. Clean energy will be used for heating by all urban households of key cities, by more than 80% of the households in counties and urban-rural fringes, and by 60% of the households in rural areas. Heating with natural gas has larger development space.

In the next step, the Group will consolidate its existing advantages to explore markets and gas sources, and strengthen the capacity building of gas storage and peak shaving. The Group established Chongqing Natural Gas Storage and Transportation Company Limited* (重慶天然氣儲運有限公司) jointly with PetroChina Company Limited (中國石油天然氣股份有限公司), Chongqing Gas Group Corporation Ltd. (重慶燃氣集團股份有限公司), Chongqing Shale Gas Industry Investment Fund Co., Ltd. (重慶頁岩氣產業投資基金有限責任公司) and Chongqing Kaiyuan Petroleum and Natural Gas Co., Ltd. (重慶凱源石油天然氣有限責任公司). The joint venture will build two gas storage facilities with a capacity of 3.1 billion cubic meters. After completion, the facilities will play to their strengths in resources, location and so forth of underground gas storage in Chongqing to address the problems including insufficient gas storage facilities and weak supply in winter in the city, which will make a positive contribution to ensure the national gas supply in China. The Group announced to acquire a total of 17.19% stake in Shandong Shengli (000407.SZ) in July and August 2021, which will further broaden its market coverage, generate synergies and promote its high-quality development.

中國承諾在二零三零年實現碳達峰、二零六零年實現碳中和，能源結構轉型是實現「雙碳」目標的必經之路。天然氣是保障能源安全、實現能源結構轉型和能源供應清潔化的現實選擇，天然氣將在能源結構轉型中發揮橋樑作用。中國的城鎮人口佔比從二零零一年的37.66%升至二零二一年的63.89%，「十四五」規劃指出目標在該時期使城鎮化率提高到65%，未來五年中國的城鎮化將繼續快速發展。隨著城鎮化的發展，城市氣化率會不斷提升，未來城市燃氣消費仍將穩定增長。二零二零年年底北方地區清潔取暖率達到65%，按照規劃，二零二一年北方地區清潔取暖率要達到70%，重點城市城區全部實現清潔取暖，縣城和城鄉結合部清潔取暖率達到80%以上，農村地區清潔取暖率60%以上，天然氣取暖有較大發展空間。

下一步，集團將鞏固現有優勢，繼續開拓市場和氣源，加強儲氣調峰能力建設。集團與中國石油天然氣股份有限公司、重慶燃氣集團股份有限公司、重慶頁岩氣產業投資基金有限責任公司及重慶凱源石油天然氣有限責任公司合資成立了重慶天然氣儲運有限公司，合資公司將建設兩座儲氣庫，儲氣規模達31億立方米。建成後項目將發揮重慶市天然氣地下儲氣氣藏資源、區位等優勢，改善重慶市儲氣設施不足、冬季供應保障較弱等難題，為全國天然氣保供做出積極貢獻。二零二一年七月及八月，集團公告擬收購山東勝利(000407.SZ)共17.19%股份，這將進一步拓寬集團的市場覆蓋面，產生協同效應，促進集團高質量發展。

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FINANCIAL REVIEW

For the six months ended 30 June 2021, the Group recorded revenue of HK\$6,952 million, representing an increase of 49.4% from HK\$4,654 million for the six months ended 30 June 2020.

The total revenue combined by four segments, namely (1) sales and distribution of natural gas and other related product, (2) gas pipeline construction and connection, (3) exploitation and production of crude oil and natural gas and (4) production and sales of coal gasification and other related products, amounted to HK\$5,995 million, HK\$431 million, HK\$223 million and HK\$303 million respectively (2020: HK\$4,185 million, HK\$335 million, HK\$134 million and Nil respectively).

The Group's overall gross profit amounted to HK\$1,184 million (2020: HK\$749 million), the overall gross margin rose by 5.6% to 17.0% (2020: 16.1%) due to the Group's effective optimization of cost structure; Profit for the Period attributable to the owners of the Company was HK\$310 million, represented an increase of 63%.

Administrative expenses were HK\$256 million (2020: HK\$159 million), an increase of 61% as compared to the same period last year, the proportion of administrative expenses to revenue was slightly increased to 3.7% (2020: 3.4%) with selling and distribution costs recorded an increase of 29%.

Finance costs (net of capitalization) increase slightly from the last corresponding period's HK\$119 million to HK\$123 million. The Group's weighted average cost of all indebtedness (including bank borrowings, other borrowings and senior notes) as at 30 June 2021 was 4.44% (2020: 5.26%).

財務回顧

於截至二零二一年六月三十日止六個月，集團錄得營業額69.52億港元，對比截至二零二零年六月三十日止六個月的46.54億港元，錄得49.4%升幅。

總營業額分為四個分部，(1)銷售及輸送天然氣及其他相關產品、(2)燃氣管道建造及接駁、(3)開採及生產原油及天然氣及(4)生產及銷售煤製氣及其他相關產品，分別為59.95億港元、4.31億港元、2.23億港元及3.03億港元(二零二零年：分別為41.85億港元、3.35億港元、1.34億港元及零)。

集團整體毛利為11.84億港元(二零二零年：7.49億港元)，整體毛利率上升5.6%至17.0%(二零二零年：16.1%)，乃由於集團有效優化成本結構；公司擁有人應佔期內溢利為3.10億港元，增加63%。

行政開支為2.56億港元(二零二零年：1.59億港元)比去年同期增加61%，行政開支佔營業額比例輕微增加至3.7%(二零二零年：3.4%)，銷售及分銷費用錄得29%增加。

財務費用(扣除資本化)由去年同期的1.19億港元輕微增加至1.23億港元。集團於二零二一年六月三十日之所有債務(包括銀行借貸、其他借貸及優先票據)的加權平均成本為4.44%(二零二零年：5.26%)。

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LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

It is the Group's policy to use the cash flow generated from operations and appropriate level of borrowings as the principal source of fund to expand business and acquire projects. As at 30 June 2021, the Group's total indebtedness (including bank borrowings, other borrowings and senior notes) amounted to HK\$10,643 million (31 December 2020: HK\$7,749 million).

As at 30 June 2021, the Group had cash and cash equivalents of HK\$6,497 million (31 December 2020: HK\$3,763 million). Total assets were HK\$22,856 million (31 December 2020: HK\$19,270 million), in which current assets were HK\$9,391 million (31 December 2020: HK\$6,249 million). Total liabilities of the Group were HK\$14,764 million (31 December 2020: HK\$11,924 million), in which current liabilities were HK\$7,566 million (31 December 2020: HK\$5,149 million). The Group's net debt-to-assets ratio, measured on the basis of total indebtedness net of cash and term deposits, divided by total assets was 18.1% (31 December 2020: 20.7%). The Group's financial and liquidity remain stable, and well prepared for the development in the second half of 2021.

For the six months ended 30 June 2021, the Group's net cash generated from operating activities amounted to HK\$640 million (six months ended 30 June 2020: HK\$548 million), a period-on-period increase of 16.8%.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2021, the Group employed a total of 4,700 (31 December 2020: 4,443) full-time employees, most of whom were stationed in the PRC. Total staff cost for the Period amounted to HK\$255 million (2020: HK\$152 million). The Group remunerates its employees based on their performance, working experience and the prevailing market wage level. The total remuneration of the employees consists of basic salary, cash bonus and share-based incentives.

流動資金、財務及資本資源

集團的政策為使用經營業務所得現金流量及適當水平的借貸作為主要資金來源，以用於擴展業務及收購項目。於二零二一年六月三十日，集團的債務總額(包括銀行借貸、其他借貸及優先票據)為106.43億港元(二零二零年十二月三十一日：77.49億港元)。

於二零二一年六月三十日，集團的現金及現金等值項目為64.97億港元(二零二零年十二月三十一日：37.63億港元)。總資產為228.56億港元(二零二零年十二月三十一日：192.70億港元)，其中流動資產為93.91億港元(二零二零年十二月三十一日：62.49億港元)。集團之總負債為147.64億港元(二零二零年十二月三十一日：119.24億港元)，其中流動負債為75.66億港元(二零二零年十二月三十一日：51.49億港元)。集團的淨債務對資產比率(總債務(扣除現金及定期存款)除以總資產)為18.1%(二零二零年十二月三十一日：20.7%)。集團的財務及流動資金保持平穩，為集團二零二一年下半年的發展作好充分準備。

於截至二零二一年六月三十日止六個月，集團經營業務產生之現金淨額為6.40億港元(截至二零二零年六月三十日止六個月：5.48億港元)，同比增加16.8%。

僱員及酬金政策

於二零二一年六月三十日，集團共僱用4,700名(二零二零年十二月三十一日：4,443名)全職僱員，其中大部分僱員駐於中國。期內員工總成本為2.55億港元(二零二零年：1.52億港元)。集團根據員工的工作表現、工作經驗及現行市場工資水平釐定其酬金。僱員之總酬金包括基本薪金、現金花紅及股份獎勵。

Report of the Board

董事局報告

(continued) (續)

PLEDGE OF ASSETS

As at 30 June 2021, senior notes were guaranteed by certain subsidiaries of the Company.

CONTINGENT LIABILITIES

The Group has no material contingent liability as at 30 June 2021.

FINANCIAL MANAGEMENT AND TREASURY POLICY

The financial risk management of the Group is the responsibility of the Group's treasury function at the head office in Hong Kong. One of the major objectives of the Group's treasury policies is to manage its exposure to fluctuation in interest rates and foreign currency exchange rates. It is the Group's policy not to engage in speculative activities.

The Group conducts its business primarily in Renminbi. The Group's certain bank deposits are denominated in Hong Kong dollars, Renminbi and United States dollars, and the Group's offshore bank loans and senior notes are denominated in Renminbi, Canadian dollars and United States dollars.

Other than those disclosed, the Group does not have any material exposures to foreign exchange fluctuations. The Group does not have a foreign currency hedging policy. However, the Group monitors its foreign currency exposure closely and may, depending on the circumstances and trend of foreign currencies, consider adopting a significant foreign currency hedging policy in the future.

LITIGATION

As at 30 June 2021, the Group has no material litigation.

CAPITAL STRUCTURE

As at 30 June 2021, the issued share capital of the Company was HK\$57,670,438 divided into 5,767,043,834 shares with a nominal value of HK\$0.01 each.

資產抵押

於二零二一年六月三十日，優先票據由公司若干附屬公司擔保。

或然負債

集團於二零二一年六月三十日並無任何重大或然負債。

財務管理及庫務政策

集團之財務風險管理為集團於香港總辦事處之庫務職能。集團庫務政策之主要目標之一為管理其利率及匯率波動風險。集團的政策為不從事投機行為。

集團主要以人民幣經營業務。集團若干銀行存款以港元、人民幣及美元計值，而集團的境外銀行貸款及優先票據則以人民幣、加拿大元及美元計值。

除上述所披露者外，集團並無承受任何重大外匯匯率波動風險。集團並無訂立外匯對沖政策。然而，集團會緊密監察外匯風險及日後可能(視情況及外幣走勢而定)考慮採用重大外匯對沖政策。

訴訟

於二零二一年六月三十日，集團並無牽涉任何重大訴訟。

資本架構

於二零二一年六月三十日，公司已發行股本為57,670,438港元，分為每股面值0.01港元的5,767,043,834股股份。

Report of the Board

董事局報告

(continued) (續)

MATERIAL EVENTS DURING AND AFTER REPORTING PERIOD

In June 2021, the Group successfully issued senior notes due 2026 (“2026 Notes”) with a par value of US\$400 million at a low cost of 4.7%, which is the lowest interest rate for the issuance of 5-year bonds among the same-rated utilities.

On 2 July 2021, the Company announced that it has informed the trustee and holders of the 4.625% senior notes due 2022 (“2022 Notes”) that all of the outstanding 2022 Notes would be redeemed in full on 2 August 2021 (the “Redemption Date”) at a redemption price equal to 101.156% of the principal amount thereof, plus accrued and unpaid interest, if any, to (but not including) the Redemption Date. The redemption was satisfied by using a portion of the net proceeds from the 2026 Notes. The outstanding principal amount of the 2022 Notes was US\$350,000,000.

On 15 July 2021, China Oil and Gas Investment Group Co., Ltd. (“China Oil and Gas Investment”), a wholly-owned subsidiary of the Group, acquired an aggregate of 47,675,503 shares of Shandong Shengli, representing approximately 5.42% of the then issued shares of Shandong Shengli, at a total consideration of RMB246,504,504.87. The acquisition was completed on 17 August 2021. For further details, please refer to the announcement of the Company dated 15 July 2021.

On 10 August 2021, China Oil and Gas Investment has entered into agreements to acquire a further aggregate of 103,624,719 shares of Shandong Shengli, representing approximately 11.77% of the existing issued shares of Shandong Shengli, at a total consideration of RMB541,957,280.37. Inclusive of the shares of Shandong Shengli acquired as announced on 15 July 2021, China Oil and Gas Investment has totally acquired an aggregate of 151,300,222 shares, representing an approximate 17.19% of the existing issued shares of Shandong Shengli, at a total consideration of RMB788,461,785.24.

As the applicable percentage ratios in respect of the acquisition and the further acquisition of Shandong Shengli exceed 25% but less than 100%, the further acquisition constitutes a major transaction of the Company, and is therefore subject to the reporting, announcement, circular and shareholders’ approval requirements under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

For further details, please refer to the announcement of the Company dated 10 August 2021.

As at the date of this report, the further acquisition was yet to complete.

報告期間及期後重大事項

於二零二一年六月，集團以4.7厘的低成本成功發行面值為4億美元的於二零二六年到期的優先票據(「二零二六年票據」)，為相同評級的公共事業公司5年期債券發行的最低利率。

於二零二一年七月二日，公司宣佈已知會受託人及於二零二二年到期之4.625厘優先票據(「二零二二年票據」)持有人所有未償還的二零二二年票據將於二零二一年八月二日(「購回日期」)悉數贖回，贖回價相等於該等票據本金額的101.156%另加截至贖回日期(不包括當日)累計未付利息。購回通過動用部分二零二六年票據所得款項淨額來實現。二零二二年票據的未償還本金額為350,000,000美元。

二零二一年七月十五日，集團全資附屬公司中油燃氣投資集團有限公司(「中油燃氣投資」)收購山東勝利共47,675,503股股份，佔山東勝利當時已發行股份約5.42%。總代價為人民幣246,504,504.87元。該收購事項於二零二一年八月十七日完成。有關進一步詳情，請參閱公司日期為二零二一年七月十五日的公告。

二零二一年八月十日，中油燃氣投資已訂立協議以進一步收購山東勝利共103,624,719股股份，相當於山東勝利現有已發行股份約11.77%，總代價為人民幣541,957,280.37元。連同二零二一年七月十五日公佈所收購山東勝利之股份，中油燃氣投資合共收購151,300,222股股份，相當於山東勝利現有已發行股份約17.19%，總代價為人民幣788,461,785.24元。

由於山東勝利的收購事項及進一步收購事項的適用百分比率超過25%但低於100%，因此進一步收購事項構成本公司的一項主要交易，故此須遵守聯交所證券上市規則(「上市規則」)第十四章之申報、公告、通函及股東批准之規定。

有關進一步詳情，請參閱公司日期為二零二一年八月十日的公告。

於本報告日期，進一步收購事項尚未完成。

Report of the Board

董事局報告

(continued) (續)

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended 30 June 2021 (30 June 2020: Nil).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 30 June 2021, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) ("SFO")), which were 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 are taken or deemed to have under such provision of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to notify to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), are set out below:

中期股息

董事局決議不宣派截至二零二一年六月三十日止六個月之任何中期股息(二零二零年六月三十日：無)。

董事及主要行政人員於股份、相關股份及債券之權益

於二零二一年六月三十日，董事及公司之主要行政人員於公司或任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及第8分部而須知會公司及聯交所之權益或淡倉(包括根據證券及期貨條例之有關條文彼等被當作或視作擁有之權益或淡倉)；或根據證券及期貨條例第352條須記錄於該條例所述之登記冊之權益或淡倉；或根據上市發行人董事進行證券交易的標準守則(「標準守則」)而須知會公司及聯交所之權益或淡倉載列如下：

Report of the Board

董事局報告

(continued) (續)

Interests in shares, underlying shares and debentures of the Company

於公司之股份、相關股份及債券之權益

Name of Director	Capacity	Long position/ short position	Notes	Number of ordinary shares held	Approximate percentage of the Company's issued share capital	Amount of debentures held
董事姓名	身份	好倉／淡倉	附註	持有 普通股數目	佔公司已發行 股本概約百分比	所持債券金額
Xu Tie-liang 許鉄良	Beneficiary of a trust 信託受益人	Long position 好倉	1,2	1,592,634,130	27.62%	US\$3,540,000 3,540,000美元
	Interest in controlled corporations 受控制法團之權益	Long position 好倉	2	—	—	US\$3,500,000 3,500,000美元
Guan Yijun 關懿君	Interest of spouse 配偶權益	Long position 好倉	1,2	1,592,634,130	27.62%	US\$3,540,000 3,540,000美元
	Interest of spouse 配偶權益	Long position 好倉	2	—	—	US\$1,500,000 1,500,000美元
	Interest of controlled corporation 受控制法團之權益	Long position 好倉	2	—	—	US\$2,000,000 2,000,000美元

Notes:

- Mr. Xu Tie-liang ("Mr. Xu") is the beneficiary of The Great Xu Fund Trust, a trust managed by TMF (Cayman) Ltd.. TMF (Cayman) Ltd. as trustee holds the entire issued share capital of Great Xu Holdings Limited ("Great Xu") which acquired the entire issued share capital of Sino Vantage Management Limited ("Sino Vantage") on 22 January 2021, which in turn holds 1,592,634,130 shares of the Company (the "Shares"). Therefore, Mr. Xu is deemed to be interested in 1,592,634,130 Shares pursuant to the SFO. Ms. Guan Yijun ("Ms. Guan") is the spouse of Mr. Xu, therefore, Ms. Guan is also deemed to be interested in the said 1,592,634,130 Shares pursuant to the SFO.
- (i) An amount of US\$2,000,000 of the 2022 Notes is held through Moral High Limited which is owned by Mr. Xu and Ms. Guan 50% each; (ii) an amount of US\$1,500,000 of the 2022 Notes is held through Sino Advance Holdings Limited; and (iii) an amount of US\$3,540,000 of the US\$320,000,000 5.5% senior notes of the Company due 2023 is held through Sino Vantage.

Save as disclosed above, none of the Directors or chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company which were recorded on the register required to be kept under section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 June 2021.

附註：

- 許鉄良先生(「許先生」)為Great Xu Fund Trust (由TMF (Cayman) Ltd.管理的信託)的受益人。TMF (Cayman) Ltd. (作為受託人)持有Great Xu Holdings Limited (「Great Xu」)的全部已發行股本，Great Xu於二零二一年一月二十二日收購Sino Vantage Management Limited (「Sino Vantage」)的全部已發行股本，而Sino Vantage持有公司1,592,634,130股股份(「股份」)。因此，根據證券及期貨條例，許先生被視為於1,592,634,130股股份中持有權益。關懿君女士(「關女士」)為許先生之配偶，因此，根據證券及期貨條例，關女士亦被視為於上述1,592,634,130股股份中持有權益。
- (i)二零二二年票據中2,000,000美元乃透過德高有限公司(由許先生及關女士分別擁有50%)持有；(ii)1,500,000美元之二零二二年票據透過Sino Advance Holdings Limited持有；及(iii)公司320,000,000美元於二零二三年到期之5.5厘優先票據中3,540,000美元透過Sino Vantage持有。

除上文所披露者外，於二零二一年六月三十日，董事或公司之主要行政人員概無於公司股份、相關股份或債券中擁有記錄於根據證券及期貨條例第352條規定須予存置之登記冊，或根據標準守則知會公司及聯交所之任何權益或淡倉。

Report of the Board

董事局報告

(continued) (續)

SUBSTANTIAL SHAREHOLDERS

At 30 June 2021, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO showed that other than the interests disclosed above in respect of certain Directors and chief executives, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

Interest in the shares and underlying shares of the Company

Name of shareholder	Capacity	Long position/ short position	Number of Shares held	Approximate percentage of the Company's issued share capital 佔公司 已發行股本 概約百分比
股東名稱	身份	好倉／淡倉	持有股份數目	
Sino Vantage	Beneficial owner	Long position	1,592,634,130	27.62%
Sino Vantage	實益擁有人	好倉		
Great Xu	Interest in controlled corporations	Long position	1,592,634,130	27.62%
Great Xu	受控制法團之權益	好倉		
TMF (Cayman) Ltd.	Trustee	Long position	1,592,634,130	27.62%
TMF (Cayman) Ltd.	受託人	好倉		

Note: These 1,592,634,130 Shares are held by Sino Vantage, which is wholly-owned by Great Xu, which in turn wholly-owned by TMF (Cayman) Ltd.. TMF (Cayman) Ltd. managed The Great Xu Fund Trust in which Mr. Xu is the beneficiary. Therefore, each of Great Xu and TMF (Cayman) Ltd. is taken to be interested in the same number of Shares in which Sino Vantage interested.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 30 June 2021.

主要股東

於二零二一年六月三十日，根據證券及期貨條例第336條由公司存置之主要股東登記名冊顯示，除上文所披露若干董事及主要行政人員之權益外，以下股東已通知公司其於公司已發行股本中之相關權益：

於公司股份及相關股份之權益

附註： 該等1,592,634,130股股份由Sino Vantage持有，Sino Vantage由Great Xu全資擁有，而Great Xu由TMF(Cayman) Ltd.全資擁有。TMF (Cayman) Ltd.管理The Great Xu Fund Trust，而許先生為The Great Xu Fund Trust的受益人。因此，Great Xu及TMF (Cayman) Ltd.均被視為於Sino Vantage擁有權益的相同數目股份中擁有權益。

除上文所披露者外，於二零二一年六月三十日，概無其他人士於根據證券及期貨條例第336條規定須存置之公司登記冊中記錄為於公司之股份或相關股份中擁有權益或淡倉。

Report of the Board

董事局報告

(continued) (續)

SHARE OPTION SCHEME

The Company adopted a new share option scheme (the "New Share Option Scheme") at the special general meeting of the Company held on 23 November 2011. Pursuant to the New Share Option Scheme, the Board may at its discretion offer options to any eligible participant including, but not limited to any person being an employee, executive directors or non-executive directors of the Group or any invested entity (including independent non-executive directors of the Group or any invested entity) and any suppliers, consultants or advisers who will provide or have provided services to the Group or any invested entity.

Details of movements in the share options granted under the New Share Option Scheme are as follows:

Name or category of participants	Exercise price	Date of grant	Exercisable period	Outstanding as at 1 January 2021 於二零二一年一月一日 尚未行使	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	Outstanding as at 30 June 2021 於二零二一年六月三十日 尚未行使
參與者姓名 或類別	行使價 (HK\$) (港元)	授出日期	行使期					
Employees	0.46	22/01/2016	22/01/2019 to 21/01/2026	85,020,000	—	—	—	85,020,000
僱員		二零一六年一月二十二日	二零一九年一月二十二日至二零二六年一月三十一日	85,020,000				
Others	0.46	22/01/2016	22/01/2019 to 21/01/2026	1,540,000	—	—	—	1,540,000
其他		二零一六年一月二十二日	二零一九年一月二十二日至二零二六年一月三十一日	1,540,000 (Note 1) (附註1)				
Total				86,560,000	—	—	—	86,560,000
總計								

Notes:

- These include 1,540,000 share options granted by the Company to Mr. Liu Chunsun ("Mr. Liu"), the former executive director of the Company who retired on 17 May 2021, which has been reallocated from the category of Director to Others. Pursuant to the terms of the New Share Option Scheme, Mr. Liu shall have the right to exercise his remaining share options granted within 1 year following the date of his retirement and will lapse automatically thereafter.
- These share options are exercisable in the following manner:
 - 30% of the share options are exercisable on 22 January 2018;
 - 30% of the share options are exercisable on 22 January 2019; and
 - 40% of the share options are exercisable on 22 January 2020.

購股權計劃

公司於二零一一年十一月二十三日舉行的股東特別大會上採納新購股權計劃(「新購股權計劃」)。根據新購股權計劃，董事局可酌情提呈購股權予任何合資格參與者，包括但不限於集團或任何投資實體之僱員、執行董事或非執行董事(包括集團或任何投資實體之獨立非執行董事)，以及任何將會或曾經為集團或任何投資實體提供服務之供應商、諮詢人或顧問。

根據新購股權計劃授出之購股權變動詳情載列如下：

附註：

- 該等購股權包括公司向劉春筓先生(「劉先生」，於二零二一年五月十七日退任的公司前執行董事)授出的1,540,000份購股權，已從董事類別重新分配至其他。根據新購股權計劃的條款，劉先生將有權於其退任日期後一年內行使餘下已授出的購股權，其後將自動失效。
- 該等購股權可按下列方式行使：
 - 30%的購股權於二零一八年一月二十二日可行使；
 - 30%之購股權於二零一九年一月二十二日可行使；及
 - 40%的購股權於二零二零年一月二十二日可行使。

Report of the Board 董事局報告

(continued) (續)

These share options were granted on 22 January 2016, the closing price of the shares on 21 January 2016, being the date immediately before the date of grant, was HK\$0.43. During the six months ended 30 June 2021, no share options were granted, cancelled, exercised or lapsed.

該等購股權於二零一六年一月二十二日授出，股份於二零一六年一月二十一日（即緊接授出日期前之日）之收市價為0.43港元。於截至二零二一年六月三十日止六個月，並無購股權獲授出、註銷、行使或失效。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2021, other than those purchased by its trustee for the restricted share award scheme adopted by the Board on 4 November 2011.

購買、贖回或出售公司上市證券

公司及其任何附屬公司於截至二零二一年六月三十日止六個月概無購買、贖回或出售任何公司上市證券，惟董事局於二零一一年十一月四日採納之限制性股份獎勵計劃之受託人所購買者除外。

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 the code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, the Company confirmed that all Directors have complied with the required standards set out in the Model Code throughout the Period.

董事進行證券交易之標準守則

公司已採納上市規則附錄十所載標準守則作為董事進行證券交易之操守守則。經向所有董事作出特定查詢後，公司確認於期內全體董事已遵守標準守則所規定之必守標準。

CORPORATE GOVERNANCE PRACTICES

The Company has all along committed to fulfilling its responsibilities to its shareholders by ensuring that the proper processes for supervision and management of the Group's businesses are duly operated and reviewed and that good corporate governance practices and procedures are established throughout the six months ended 30 June 2021. The Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance.

企業管治常規

截至二零二一年六月三十日止六個月，公司已透過確保妥善運作及檢討集團業務之適當監督及管理程序以及建立良好之企業管治常規及程序，一直致力於向其股東履行其責任。公司已採納上市規則附錄十四企業管治守則（「企業管治守則」）所載之守則條文作為公司本身之企業管治守則。

During the six months ended 30 June 2021, the Company was in compliance with the relevant code provisions set out in the CG Code except for the deviations as explained below.

於截至二零二一年六月三十日止六個月，公司已遵照企業管治守則所載之相關守則條文，惟下文所述之偏離情況除外。

Report of the Board

董事局報告

(continued) (續)

Code provision A.2.1 of the CG Code provides that the responsibilities between chairman and chief executive officer should be divided. Mr. Xu Tie-liang is the Chairman and the Chief Executive Officer of the Company. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by current Board which comprises experienced and high caliber individuals with sufficient number thereof being independent non-executive Directors.

Save as the aforesaid and in the opinion of the Directors, the Company has met all relevant code provisions as set out in the CG Code during the six months ended 30 June 2021.

AUDIT COMMITTEE

The Company established the Audit Committee in 1998 with written terms of reference in compliance with the CG Code, which is currently made available on the Stock Exchange's website and the Company's website.

The terms of reference of the Audit Committee comply with the code provisions set out in the CG Code. The Audit Committee is mainly responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor; to approve the remuneration and terms of engagement of the external auditor, to provide recommendations for any questions regarding the resignation or dismissal of such auditor; to review the interim and annual reports, and financial statements of the Group; to oversee the Company's financial reporting system including the adequacy of resources, qualifications and experience of staff in charge of the Company's financial reporting function and their training arrangement and budget, and to review the risk management and internal control system.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Wang Wenhua (as chairman), Mr. Wang Guangtian and Mr. Yang Jie. The Audit Committee has reviewed the unaudited interim financial statements of the Group for the six months ended 30 June 2021.

By Order of the Board
China Oil And Gas Group Limited
Xu Tie-liang
Chairman

Hong Kong, 25 August 2021

企業管治守則之守則條文第A.2.1條訂明主席及行政總裁之職責須有所區分。許銜良先生為公司主席兼行政總裁。董事局相信，集團由同一名人士同時擔任主席及行政總裁兩個職位，可確保集團貫徹重大決策之領導，更有效能及效率實現集團之整體策略。董事局相信現時之安排不會損害職權及授權兩者間之平衡，而現時由經驗豐富之人才(其中有充足人數擔任獨立非執行董事)組成之董事局亦能確保此平衡。

除上述者外，董事認為公司於截至二零二一年六月三十日止六個月內已符合企業管治守則所載之所有相關守則條文。

審核委員會

公司於一九九八年成立審核委員會，並遵照企業管治守則訂明書面職權範圍，書面職權範圍現已上傳至聯交所網站及公司網站。

審核委員會的職權範圍符合企業管治守則內所載的守則條文。審核委員會主要負責就委任、重新委任及罷免外聘核數師向董事局提供推薦建議，批准外聘核數師之酬金及委聘條款，有關核數師罷免或被辭退之任何問題提供推薦建議；審閱集團中期及年度報告與財務報表；監察公司之財務報告制度(包括資源充裕度、負責公司財務報告職能的員工之資格及經驗以及其培訓安排及預算)，及檢討風險管理及內部監控系統。

審核委員會現由三名獨立非執行董事王文華先生(擔任主席)、王廣田先生及楊杰先生組成。審核委員會已審閱集團截至二零二一年六月三十日止六個月之未經審核中期財務報表。

承董事局命
中油燃氣集團有限公司
主席
許銜良

香港，二零二一年八月二十五日



中油燃氣集團有限公司

CHINA OIL AND GAS GROUP LIMITED