



MIE HOLDINGS CORPORATION

MI 能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock code 股份代號 : 1555)

2021

Interim Report 中期報告



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Company Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Ruilin (Chairman)

Mr. Zhao Jiangwei

Mr. Wong Ka Wai

(appointed with effect from August 31, 2021)

Non-executive Director

Ms. Xie Na

Mr. Cheng Ko Pang

(appointed with effect from August 31, 2021)

Independent Non-executive Directors

Mr. Mei Jianping

Mr. Jeffrey Willard Miller

(resigned with effect from August 31, 2021)

Mr. Liu Ying Shun

(appointed with effect from August 31, 2021)

Ms. So Tsz Kwan

(appointed with effect from August 31, 2021)

Mr. Guo Yanjun

Mr. Ai Min

(appointed with effect from August 31, 2021)

REGISTERED ADDRESS

Maples Corporate Services Limited

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

董事會

執行董事

張瑞霖先生(主席)

趙江巍先生

黃嘉偉先生

(於二零二一年八月三十一日獲委任)

非執行董事

謝娜女士

鄭高鵬先生

(於二零二一年八月三十一日獲委任)

獨立非執行董事

梅建平先生

Jeffrey Willard Miller 先生

(於二零二一年八月三十一日辭任)

廖英順先生

(於二零二一年八月三十一日獲委任)

蘇芷君女士

(於二零二一年八月三十一日獲委任)

郭燕軍先生

艾民先生

(於二零二一年八月三十一日獲委任)

註冊地址

Maples Corporate Services Limited

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands

香港主要營業地點

香港

皇后大道東 183 號

合和中心 54 樓

Company Information

公司資料

BEIJING OFFICE

Room 1301-1303
North Star Times Tower
No. 8 North Star East Road
Chaoyang District
Beijing 100101
China

LISTING INFORMATION

Stock Listing

The Stock Exchange of Hong Kong Limited
Stock Code: 01555

Senior Notes Listing

The Company's 13.75%, 3 years senior notes due
2022 listed on The Singapore Exchange
Securities Trading Limited

WEBSITE ADDRESS

www.mienergy.com.cn

COMPANY SECRETARY

Ms. Yuen Wing Yan, Winnie (FCG, FCS)

AUTHORIZED REPRESENTATIVES

Mr. Zhang Ruilin

Ms. Yuen Wing Yan, Winnie (FCG, FCS)

MEMBERS OF THE AUDIT COMMITTEE

Mr. Jeffrey Willard Miller (*Chairman*)

(resigned with effect from August 31, 2021)

Mr. Liu Ying Shun (*Chairman*)

(appointed with effect from August 31, 2021)

Ms. So Tsz Kwan

(appointed with effect from August 31, 2021)

Mr. Ai Min

(appointed with effect from August 31, 2021)

Mr. Mei Jianping

Mr. Guo Yanjun

北京辦公室

中國

北京朝陽區
北辰東路8號
北辰時代大廈
1301-1303室
郵編 100101

上市資料

股份上市

香港聯合交易所有限公司
股份代號：01555

優先票據上市

本公司年息13.75%，於二零二二年到期為期
三年的優先票據於新加坡證券交易所有限
公司上市

公司網址

www.mienergy.com.cn

公司秘書

袁穎欣女士 (FCG, FCS)

授權代表

張瑞霖先生

袁穎欣女士 (FCG, FCS)

審核委員會成員

Jeffrey Willard Miller 先生 (主席)

(於二零二一年八月三十一日辭任)

廖英順先生 (主席)

(於二零二一年八月三十一日獲委任)

蘇芷君女士

(於二零二一年八月三十一日獲委任)

艾民先生

(於二零二一年八月三十一日獲委任)

梅建平先生

郭燕軍先生

Company Information

公司資料

MEMBERS OF THE REMUNERATION COMMITTEE

Mr. Mei Jianping (*Chairman*)
Mr. Jeffrey Willard Miller
(*resigned with effect from August 31, 2021*)
Mr. Ai Min
(*appointed with effect from August 31, 2021*)
Mr. Guo Yanjun

MEMBERS OF THE NOMINATION COMMITTEE

Mr. Mei Jianping (*Chairman*)
Mr. Jeffrey Willard Miller
(*resigned with effect from August 31, 2021*)
Mr. Ai Min
(*appointed with effect from August 31, 2021*)
Mr. Guo Yanjun

INDEPENDENT TECHNICAL CONSULTANT

Ryder Scott Company, L.P.
Gaffney, Cline & Associates Limited

INDEPENDENT AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22nd Floor, Prince's Building
Central
Hong Kong

LEGAL ADVISERS TO THE COMPANY

Ashurst (As to New York law)
Dechert (As to Hong Kong law)
Jingtian & Gongcheng Law Firm (As to PRC law)
Maples and Calder (As to Cayman Islands law)

PRINCIPAL BANKERS

Citibank, N.A.
China Construction Bank Corporation Limited

薪酬委員會成員

梅建平先生 (主席)
Jeffrey Willard Miller 先生
(於二零二一年八月三十一日辭任)
艾民先生
(於二零二一年八月三十一日獲委任)
郭燕軍先生

提名委員會成員

梅建平先生 (主席)
Jeffrey Willard Miller 先生
(於二零二一年八月三十一日辭任)
艾民先生
(於二零二一年八月三十一日獲委任)
郭燕軍先生

獨立技術顧問

Ryder Scott Company, L.P.
Gaffney, Cline & Associates Limited

獨立核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體審計師
香港
中環
太子大廈 22 樓

本公司法律顧問

亞司特律師事務所 (紐約州法律)
德杰律師事務所 (香港法律)
競天公誠律師事務所 (中國法律)
Maples and Calder (開曼群島法律)

主要往來銀行

花旗銀行
中國建設銀行股份有限公司

Company Information 公司資料

VALUER

Asia-Pacific Consulting and Appraisal Limited

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples FS Limited
P.O. Box 1093, Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

估值師

亞太評估諮詢有限公司

開曼群島主要股份過戶登記處

Maples FS Limited
P.O. Box 1093, Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

香港股份 過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東 183 號
合和中心 54 樓

Financial Summary

財務摘要

		Unaudited 未經審核	
		Six months ended June 30, 截至六月三十日止六個月	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Revenue	總收益	417,643	289,495
EBITDA	EBITDA	248,648	(353,418)
Adjusted EBITDA	經調整 EBITDA	270,031	159,275
Loss for the period	本期虧損	(304,670)	(834,471)
Basic losses per share (RMB per share)	基本每股虧損 (每股人民幣)	(0.09)	(0.26)
Diluted losses per share (RMB per share)	稀釋每股虧損 (每股人民幣)	(0.09)	(0.26)

		As at 於	
		June 30, 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	December 31, 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Property, plant and equipment	不動產、工廠及設備	1,110,152	1,079,358
Cash and cash equivalents	現金及現金等價物	51,427	20,353
Total assets	資產總額	1,759,382	1,691,332
Total equity	權益總額	(4,016,106)	(3,772,131)

Operating Summary

營運摘要

Six months ended June 30,			
截至六月三十日止六個月			
2021 2020			
二零二一年 二零二零年			
Properties Held by Subsidiaries 附屬公司所持資產			
Sales volume	銷量		
Crude oil (barrels)	原油 (桶)	1,128,632	1,009,115
China oilfields	中國油田	1,128,632	1,009,115
Gas (Mscf)	天然氣 (千標準立方英尺)	975	848
China oilfields	中國油田	975	848
Total (BOE) (Note 1)	合計 (桶當量) (附註1)	1,128,795	1,009,256
Net production volume	淨產量		
Crude oil (barrels)	原油 (桶)	1,138,979	1,030,745
China oilfields	中國油田	1,138,979	1,030,745
Gas (Mscf)	天然氣 (千標準立方英尺)	975	848
China oilfields	中國油田	975	848
Total (BOE)	合計 (桶當量)	1,139,142	1,030,886
Average daily net production volume	日平均淨產量		
Crude oil (barrels)	原油 (桶)	6,293	5,663
China oilfields	中國油田	6,293	5,663
Gas (Mscf)	天然氣 (千標準立方英尺)	5	5
China oilfields	中國油田	5	5
Total (BOE)	合計 (桶當量)	6,294	5,664

Note (1): Based on the conversion ratio of 1 barrel of oil to 6 Mscf.

附註(1): 基於6千標準立方英尺天然氣 = 1桶原油的換算比例計算。

Operating Summary

營運摘要

		Six months ended June 30,	
		截至六月三十日止六個月	
		2021	2020
		二零二一年	二零二零年
Properties Held by Subsidiaries 附屬公司所持資產			
Average realized price	平均實現價格		
Crude oil (US\$ per barrel of crude oil)	原油 (美元／每桶原油)	57.20	40.97
China oilfields	中國油田	57.20	40.97
Gas (US\$ per Mscf)	天然氣 (美元／千標準立方英尺)	6.60	6.20
China oilfields	中國油田	6.60	6.20
Lifting costs (US\$ per barrel of oil equivalent)	採油成本 (美元／每桶當量)	12.74	8.37
China oilfields (Note 2)	中國油田 (附註 2)	12.74	8.37
Wells drilled during the period (Gross)	期內鑽井數 (總數)	62	—
China oilfields	中國油田	62	—
Successful	成功井	62	—
Dry	乾井	—	—

Note (2): Lifting cost includes directly controllable costs to produce a barrel of oil. Other production costs such as safety fees, environment expenses, technical & research expenses and overhead have not been included above since they are not directly attributable to the production of a barrel of oil.

附註(2)：採油成本包括生產一桶石油直接可控制成本。其他生產成本如安全費、環境費用、技術及研究開支以及經常性費用並不包括在內，原因是該等成本並非生產一桶石油的直接成本。

Operating Summary

營運摘要

Six months ended June 30,			
截至六月三十日止六個月			
2021 2020			
二零二一年 二零二零年			
Properties Held by Equity-accounted entities (Group share)	按權益入賬的實體所持資產 (本集團應佔部分)		
Sales volume	銷量		
Crude oil (barrels)	原油 (桶)	103,519	117,455
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	103,519	117,455
Export sales	出口銷售	71,648	94,210
Domestic sales	國內銷售	31,871	23,245
Gas (Mscf)	天然氣 (千標準立方英尺)	212,306	217,438
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	212,306	217,438
Net production volume	淨產量		
Crude oil (barrels)	原油 (桶)	110,805	119,996
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	110,805	119,996
Gas (Mscf)	天然氣 (千標準立方英尺)	217,829	227,755
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	217,829	227,755
Average daily net production volume	日平均淨產量		
Crude oil (barrels)	原油 (桶)	612	659
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	612	659
Gas (Mscf)	天然氣 (千標準立方英尺)	1,203	1,251
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	1,203	1,251
Properties Held by Equity-accounted entities (Group share)	按權益入賬的實體所持資產 (本集團應佔部分)		
Average realized price	平均實現價格		
Crude oil (US\$ per barrel of crude oil)	原油 (美元/每桶原油)		
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	49.94	30.77
Export sales	出口銷售	63.56	34.20
Domestic sales	國內銷售	19.31	16.87
Gas (US\$ per Mscf)	天然氣 (美元/千標準立方英尺)	0.48	0.50
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	0.48	0.50
Lifting costs (US\$ per barrel of crude oil)	採油成本 (美元/每桶原油)	5.61	7.03
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	5.61	7.03
Wells drilled during the period (Gross)	期內鑽井數 (總數)	—	1
Kazakhstan (Emir-Oil)	哈薩克斯坦 (Emir-Oil)	—	1
Successful	成功井	—	1
Dry	乾井	—	—

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND PROSPECTS

During the six months ended June 30, 2021 (“1H2021”), with the gradual control of the COVID-19 outbreak in the world’s major economies and the strong economic recovery represented by China, Europe and America, downstream demand was further released. Coupled with the steady implementation of OPEC+’s record cuts in production, the oil market has rapidly recovered from the historical collapse and crude oil prices continue to rise. The Group assessed the overall market and decided to seize the opportunity of rising crude oil prices. The Group expanded the drilling program in a timely manner, endeavored to increase new production capacity and to further improve operating performance. During the 1H2021, the Group’s oil and gas production decreased by 1.7% to about 2.29 million barrels oil equivalent (“BOE”, where 1 BOE = 6,000 standard cubic feet natural gas) compared with the amount for the six months ended June 30, 2020 (“1H2020”) and net oil and gas production increased by 10.7% to about 1.14 million BOE compared with the amount of 1H2020. During 1H2021, net sales of crude oil increased by 11.9% to approximately 1.13 million barrels from that of 1H2020, while natural gas sales increased by 15.0% to 975 thousand standard cubic feet (“Mscf”).

In 1H2021, the average realized crude oil price of the Group increased by 39.6% to US\$57.20 per barrel as compared with that of 1H2020, and the average realized natural gas price increased to US\$6.60 per Mscf. In 1H2021, revenue of the Group, which was derived entirely from China, increased by 44.3% to RMB417.6 million as compared with 1H2020. In 1H2021, loss for the period decreased by 63.5% to RMB304.7 million as compared with RMB834.5 million in 1H2020 and the respective loss per share was RMB0.09 in 1H2021.

業務回顧及前景

本期間內，隨著全球主要經濟體的疫情逐步受控，以中國和歐美為代表的經濟強勁復蘇，下游需求得以進一步釋放。加上OPEC+創紀錄減產的穩步實施，石油市場已經從歷史性的崩潰中迅速恢復，原油價格逐步回暖。本集團對市場進行評估之後決定把握油價上漲契機，適時增加新鑽井的資本性開支，努力提高新建產能，進一步提升經營業績。二零二一年上半年集團的油氣作業產量較之二零二零年上半年下降1.7%至約2.29百萬桶當量（1桶當量等於6,000標準立方英尺氣），油氣淨產量較之二零二零年上半年增長10.7%至約1.14百萬桶當量。二零二一年上半年本集團的原油淨銷量較之增長11.9%至約1.13百萬桶，天然氣淨銷量增長15.0%，至975千標準立方英尺。

二零二一年上半年，本集團平均實現原油價格比二零二零年上半年增長39.6%至57.20美元／桶，平均實現天然氣價格增長至6.60美元／千標準立方英尺。二零二一年上半年本集團的收入較二零二零年上半年增長44.3%至人民幣4.176億元，全部來自於中國。二零二一年上半年，本集團共錄得淨虧損較二零二零年上半年人民幣8.345億元減少63.5%至人民幣3.047億元，相關的每股虧損為人民幣0.09元。

Management Discussion and Analysis

管理層討論及分析

The EBITDA of the Group in 1H2021 increased by RMB602.0 million to RMB248.6 million from negative RMB353.4 million in 1H2020 and the respective adjusted EBITDA increased by RMB110.7 million to RMB270.0 million.

本集團的EBITDA由二零二零年上半年負的人民幣3.534億元增加人民幣6.020億元至人民幣2.486億元，經調整的EBITDA增長人民幣1.107億元至人民幣2.700億元。

The following table sets out a summary of expenditures incurred in our exploration, development, and production activities for the six months ended June 30, 2021:

以下是本集團截至於二零二一年六月三十日止六個月發生的勘探、開發及生產支出的匯總數據：

(RMB millions) (人民幣百萬元)		Exploration expenditures 勘探支出	Development expenditures 開發支出	Production/ operating expenditures 生產成本
China Onshore Projects (Daan, Moliquing)	中國陸地項目(大安、莫里青)	–	167	98
Total	合計	–	167	98

The Group incurred development expenses of RMB167 million and production expenses of RMB98 million in the PRC during the six months ended June 30, 2021.

截至於二零二一年六月三十日止的六個月內，本集團中國境內發生開發支出人民幣167百萬元，生產支出人民幣98百萬元。

Management Discussion and Analysis

管理層討論及分析

China Operations (Daan, Moliqing)

Our projects in northeastern China maintained a relatively stable production in 1H2021. As at June 30, 2021, the Group held a participating interest of 100% and 10% in the Daan production sharing contract (“PSC”) and the Moliqing PSC respectively. The total gross operated production for Daan and Moliqing for 1H2021 decreased by 1.7% from 2.33 million barrels in 1H2020 to 2.29 million barrels. Total net production allocated to the Group increased by 10.7% from 1.03 million barrels in 1H2020 to 1.14 million barrels. The gross operated production in 1H2021 decreased by 1.5% to 12,629 barrels per day (“BOPD”) as compared to 1H2020, and net production allocated to the Group increased by 11.1% to 6,293 BOPD. The average oil price of Daan and Moliqing increased by 39.6% from US\$40.97 per barrel in 1H2020 to US\$57.20 per barrel in 1H2021. At the same time, Daan increased the well stimulation of old wells in a timely manner, and the lifting costs for Daan increased by US\$4.37/barrel, or 52.2%, from US\$8.37/barrel for 1H2020 to US\$12.74/barrel for 1H2021. Due to the continuously rising international crude oil prices in the 1H2021, Daan endeavoured to increase new production capacity, 62 directional wells were drilled with total depth of 125.1 kilometers, 46 wells were fractured and put into production and 80 wells were implemented stimulation measures.

In accordance with the supplemental agreement for the PSC regarding the Daan oilfield (the “Supplemental PSC”) signed between the Group and China National Petroleum Corporation (the “CNPC”) on June 4, 2020, the Group shall invest in and drill a minimum of 268 wells within three years after the effective date of the Supplemental PSC. During 1H2021, the Group drilled 62 new wells, and totally 91 wells have been drilled after the effective date of the Supplemental PSC. The Group will continue to focus on drilling and increase investment in the project, which will provide support for the Group to fulfill the requirement of the Supplemental PSC and generate steady operating cash flow.

中國業務(大安、莫里青)

二零二一年上半年，我們位於中國東北的項目依然保持著相對穩定的產量水平。截止二零二一年六月三十日本集團分別持有大安油田100%和莫里青油田10%的外國合同者權益。於二零二一年上半年期間，本集團位於中國的大安和莫里青兩個原油項目總的作業產量較之二零二零年上半年同期2.33百萬桶減少1.7%至2.29百萬桶。歸屬於本集團的份額原油產量較之二零二零年上半年同期1.03百萬桶增加10.7%至1.14百萬桶。與二零二零年上半年相比，二零二一年上半年日均作業產量下降1.5%至12,629桶，日均淨產量增長11.1%至6,293桶。大安和莫里青項目二零二一年上半年平均油價較二零二零年上半年的40.97美元／桶增長39.6%至57.20美元／桶。同時適時增加老井增油措施，大安項目的直接採油成本從二零二零年上半年的8.37美元／桶增長4.37美元／桶，或者52.2%至二零二一年上半年12.74美元／桶。由於上半年國際油價持續回暖，大安項目努力提高新建產能，在二零二一年上半年實施鑽井工作62口，全部為定向井，鑽井總進尺為12.51萬米，完成壓裂投產井46口，實施增產措施井80口。

根據二零二零年六月四日，本集團與中國石油天然氣集團有限公司（以下簡稱「中石油」）簽訂的大安石油合同補充協議（以下簡稱「補充協議」），本集團需要在補充協議生效後三年內投資並鑽探至少268口新井。二零二一年上半年，本集團新鑽井62口，自補充協議生效後已累計鑽井91口，此後本集團將繼續致力於鑽井並加大投資力度，為本集團充分履約補充協議並產生穩定的運營現金流提供保障。

Management Discussion and Analysis

管理層討論及分析

Kazakhstan Operations (Emir-Oil)

We hold an indirect 40% interest in Emir-Oil in Kazakhstan. Currently, Emir-Oil holds one exploration contract and six production contracts covering the Aksaz, Dolinnoe, Emir, Kariman, North kariman and Yessen producing oilfields. As at the end of 1H2021, Emir-Oil had a total of 20 producing wells. The daily production of crude oil attributable to the Group decreased by 7.1% from 659 BOPD in 1H2020 to 612 BOPD in 1H2021.

OUTLOOK FOR 2021

At present, a number of COVID-19 vaccines have been approved globally, and the effectiveness of the vaccines has been verified, bringing hope to the world to defeat COVID-19 eventually. Signs of global economic recovery are strengthening, but there are still risk factors such as variant of COVID-19 and unstable vaccine supply. With the rise in crude oil prices, the OPEC and other major oil-producing countries have gradually eased their production restrictions. The U.S.-Iran nuclear talks are at a deadlock, the U.S. plans to impose stricter sanctions on Iranian oil exports, and there are still many uncertainties in the overall world economic outlook.

Facing the challenging market environment, the Group will continue to focus on the refined management of Daan and the execution of the expanded drilling program required by the Supplemental PSC. In addition to the extensive application of technical measures such as stimulation of old wells and network fracturing, the Group continues to explore and test advanced new technologies, new equipment and new process, such as hydraulic pumping unit lifting system, biomass-burned boiler and nitrogen stimulation. On the other hand, the Group continues to implement budget control procedures, cut costs and improve margins. With the experience gained from the implementation of an effective cost control system in 2020, the Group will further develop continuous process to reduce cost, increase efficiency and improve the Group's overall risk resistance and profitability.

哈薩克斯坦業務 (Emir-Oil)

本集團間接持有哈薩克斯坦境內的Emir-Oil項目40%權益。該項目目前持有一個勘探合同和六個開發合同，涵蓋Aksaz, Dolinnoe, Emir, Kariman, North kariman和Yessen油田。截至二零二一年上半年末，Emir-Oil項目生產井共計20口，歸屬於本集團的原油日產量比二零二零年上半年的每天659桶下降7.1%至每天612桶。

二零二一年展望

目前全球已批准多款新冠疫苗上市，疫苗的有效性得到驗證，給世界最終戰勝新冠疫情帶來了希望。全球經濟復蘇跡象加強，但仍存在新冠病毒出現變異、疫苗供應不穩定等風險因素。隨著油價上漲，石油輸出國組織與其他主要產油國的限產措施逐步放寬。美國伊朗核談的陷入僵局，美國計劃對伊朗石油出口實施更嚴格的制裁，世界總體經濟前景仍具有很多不確定性。

面對具有挑戰性的市場環境，本集團將一方面繼續致力於對大安油田的精細化管理並執行石油合同補充協議所要求的鑽井計劃。在大規模應用的老井增產以及縫網壓裂等技術措施外，本集團將繼續開展液壓抽油機舉升系統、生物質鍋爐、氮氣吞吐等新技術、新設備、新工藝的探索和試驗。另一方面，持續抓實預算管控和降本增效舉措，在總結二零二零年降本增效經驗的基礎上，進一步固化降本增效长效机制，提高公司整體抗風險能力和盈利水準。

Management Discussion and Analysis

管理層討論及分析

DEBT RESTRUCTURING OF THE COMPANY

The Company has been continuously discussing with various creditors in relation to the debt restructuring, including but not limited to extension of maturity, deferral of interest payment and reduction of interest rate, which are expected to be conducive to improve the Group's financial position and address the Company's liquidity concerns. On May 28, 2021, the Company's application for appointment of joint provisional liquidators ("JPLs") for the purpose of presenting a compromise or arrangement to creditors was granted by the Grand Court of the Cayman Islands. We believe that the appointment of Cayman JPLs is essential and desirable for the Company's debt restructuring efforts. As at the date of this report, no agreement in relation to the debt restructuring has been entered into or agreed between the Company and its creditors.

REVIEW OF FINANCIAL RESULTS

Revenue

The Group's revenue is generated from sales of oil and gas products.

The Group's revenue generated from sales of oil and gas was contributed entirely by our China oil fields, which increased by RMB128.1 million, or 44.3%, from RMB289.5 million for the six months ended June 30, 2020 to RMB417.6 million for the six months ended June 30, 2021. Revenue increase was primarily due to the higher realized oil price, from US\$40.97 per barrel for the six months ended June 30, 2020 to US\$57.20 per barrel for the six months ended June 30, 2021, and the higher sales volume. Crude oil sales volume increased by 0.12 million barrels, or 11.9%, from 1.01 million barrels for the six months ended June 30, 2020 to 1.13 million barrels for the six months ended June 30, 2021.

債務重組

本公司始終積極與債權人就債務重組事宜進行討論，包括但不限於延長債務到期日，延期支付利息、降低利率等各種有利於改善本公司財務狀況並能夠解決本公司流動性問題的各種舉措。二零二一年五月二十八日，開曼群島大法院批准了本公司就向債權人提出償債妥協或安排目的而任命共同臨時清盤人的申請。我們認為，開曼共同臨時清盤人的任命對公司的債務重組工作是必要和可取的。於本報告日期，本公司與其債權人尚未就債務重組達成任何協議。

經營業績回顧

收益

本集團的收益來自石油及天然氣產品銷售。

本集團石油及天然氣銷售產生的收益全部來自中國油田，由截至二零二零年六月三十日止六個月期間的人民幣2.895億元增加人民幣1.281億元或44.3%，截至二零二一年六月三十日止六個月期間的人民幣4.176億元。收入增加主要是由於原油實現價格的增漲且銷量增長，由截至二零二零年六月三十日止六個月期間內的平均實現油價為每桶40.97美元上漲至截至二零二一年六月三十日止六個月期間內的平均實現油價為每桶57.20美元，原油銷量由截至二零二零年六月三十日止六個月的101萬桶增加至二零二一年六月三十日止六個月的113萬桶，增加了12萬桶，或11.9%。

Management Discussion and Analysis

管理層討論及分析

Operating expenses

Depreciation, depletion and amortisation

The Group's depreciation, depletion and amortisation decreased by RMB55.1 million, or 30.3%, from RMB181.7 million for the six months ended June 30, 2020 to RMB126.6 million for the six months ended June 30, 2021. The decrease in depreciation, depletion and amortisation was mainly due to the impairment provision amounting to RMB506.7 million in total during the year of 2020, which decreased the net book value and depreciable amount of the Group's property, plant and equipment and intangible assets, partially offset by an increase of depreciation, depletion and amortisation caused by higher sales volume.

Taxes other than income taxes

The Group's taxes other than income taxes increased by RMB0.5 million, or 14.3%, from RMB3.5 million for the six months ended June 30, 2020 to RMB4.0 million for the six months ended June 30, 2021. The following table summarizes the Group's taxes other than income taxes for the six months ended June 30, 2021 and 2020, respectively:

經營支出

折舊，折耗及攤銷

本集團的折舊，折耗及攤銷較截至二零二零年六月三十日止六個月期間的人民幣1.817億元減少人民幣5,510萬元或30.3%，至截至二零二一年六月三十日止六個月期間的人民幣1.266億元。折舊，折耗及攤銷的減少主要是由二零二零年全年共計提資產減值準備5.067億元，使得本集團油氣資產及無形資產的賬面淨值和應計折舊額減少，且被銷量增加引起的折舊，折耗及攤銷增加部分抵銷。

稅項(所得稅除外)

本集團的稅項(所得稅除外)由截至二零二零年六月三十日止六個月期間的人民幣350萬元增加人民幣50萬元或14.3%至截至二零二一年六月三十日止六個月期間的人民幣400萬元。下表列示了截至二零二一年六月三十日及二零二零年六月三十日止六個月期間的稅項(所得稅除外)：

Management Discussion and Analysis

管理層討論及分析

		Six months ended June 30,	
		截至六月三十日止六個月	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
PRC	中國		
Urban construction tax and education surcharge	城建稅及教育費附加	2,203	1,524
Others	其他	47	43
		2,250	1,567
Headquarter and others	總部及其他		
Withholding tax and others	代扣代繳稅及其他	1,724	1,886
		3,974	3,453

PRC

With effect from January 1, 2015, the threshold price for special oil income levy was revised from US\$55 per barrel to US\$65 per barrel. During the first sixth months of 2021, the realized oil price never reached US\$65 per barrel and special oil income levy was not applicable.

Headquarter and others

Withholding Tax

Withholding tax represents accrual of withholding tax on interest income on the shareholder's loan to an associate.

Employee benefit expenses

The Group's employee benefit expenses increased by RMB1.3 million, or 2.6%, from RMB50.0 million for the six months ended June 30, 2020 to RMB51.3 million for the six months ended June 30, 2021. There has generally been no change for the employee compensation costs for the same period during the two years.

中國

自二零一五年一月一日起，石油特別收益金起征點由55美元／桶調整為65美元／桶。在二零二一年前六個月，本集團的實現油價從未達到每桶65美元，故不適用石油特別收益金。

總部及其他

代扣代繳稅

代扣代繳稅指就集團提供予聯營企業的股票貸款利息收入應計提的代扣代繳稅。

員工薪酬成本

本集團的員工薪酬成本由截至二零二零年六月三十日止六個月期間的人民幣5,000萬元增加人民幣130萬元或2.6%至截至二零二一年六月三十日止六個月期間的人民幣5,130萬元。兩年同期員工薪酬成本基本持平。

Management Discussion and Analysis

管理層討論及分析

Purchases, services and other direct costs

The Group's purchases, services and other direct costs increased by RMB29.4 million, or 58.8%, from RMB50.0 million for the six months ended June 30, 2020 to RMB79.4 million for the six months ended June 30, 2021. The increase was primarily due to: (i) more measures implemented on the old oil wells in consideration of the oil price recovery and the control of COVID-19 epidemic in the PRC; (ii) a higher expense allocation percentage to the Group in accordance with the PSCs as a result of the increased capital expenditures for the six months ended June 30, 2021.

Distribution and administrative expenses

The Group's distribution and administrative expenses decreased by RMB14.2 million, or 39.9%, from RMB35.6 million for the six months ended June 30, 2020 to RMB21.4 million for the six months ended June 30, 2021. The decrease in distribution and administrative expenses was primarily due to the continuous implementation of strict budget management and cost control by the Group.

(Provision)/reversal of impairment losses on financial assets, net

The Group had a loss provision of RMB15.7 million for the six months ended June 30, 2021, compared to a reversal of RMB21.3 million for the six months ended June 30, 2020.

Other gains, net

The Group had net other gain of RMB2.8 million for the six months ended June 30, 2021, compared to a net other gain of RMB3.8 million for the six months ended June 30, 2020. There has generally been no change for the other gains for the same period during the two years.

採購、服務及其他直接成本

本集團的採購、服務及其他直接成本增加人民幣2,940萬元或58.8%，由截至二零二零年六月三十日止六個月期間的人民幣5,000萬元增加至截至二零二一年六月三十日止六個月期間的人民幣7,940萬元。增加的主要原因為：(i)考慮到油價恢復及中國境內疫情被控制住情況下，集團對老井實施了更多的增油措施；(ii)在截至二零二一年六月三十日止六個月期間，由於資本支出增加，根據產品分成合同本集團的費用承擔比例更高。

銷售及管理費用

本集團的銷售及管理費用由截至二零二零年六月三十日止六個月期間的人民幣3,560萬元減少人民幣1,420萬元或39.9%至截至二零二一年六月三十日止六個月期間的人民幣2,140萬元。銷售及管理費用的減少主要是由於本集團持續實行嚴格的預算管理及成本控制。

金融資產減值損失(計提)/轉回，淨額

截至二零二一年六月三十日止六個月期間，本集團計提金融資產減值損失人民幣1,570萬元，而截至二零二零年六月三十日止六個月期間轉回金融資產減值損失總額為人民幣2,130萬元。

其他收益，淨值

截至二零二一年六月三十日止六個月期間，本集團的其他收益為人民幣280萬元，截至二零二零年六月三十日止六個月期間則為人民幣380萬元。兩年同期其他收益基本持平。

Management Discussion and Analysis

管理層討論及分析

Finance costs, net

The Group's net finance costs increased by RMB84.5 million, or 28.4%, from RMB297.5 million for the six months ended June 30, 2020 to RMB382.0 million for the six months ended June 30, 2021. The increase was mainly due to the higher default interest rate of the loans.

Loss before income tax

The Group's loss before income tax was RMB260.0 million for the six months ended June 30, 2021, compared to the loss before income tax of RMB832.6 million for the six months ended June 30, 2020, representing a decrease of RMB572.6 million, or 68.8%. The decrease was primarily due to the impairment charge amounting to RMB529.0 million on the long-lived assets relating to assets in the PRC, as a result of the significantly lower global oil prices during the six months ended June 30, 2020.

Income tax expense

The Group recorded income tax expense of RMB44.6 million for the six months ended June 30, 2021, compared to income tax expense of RMB1.9 million for the six months ended June 30, 2020, representing an increase of RMB42.7 million, or 2,247.4%. The effective tax rate for the six months ended June 30, 2021 was negative 17.2%, compared to the effective tax rate for the six months period ended June 30, 2020 of negative 0.2%.

Loss for the period

The Group's loss for the six months ended June 30, 2021 was RMB304.7 million, compared to the loss of RMB834.5 million for the six months ended June 30, 2020, decreased by RMB529.8 million, or 63.5%. This decrease was primarily due to the cumulative effects of the above factors.

財務費用，淨額

本集團的淨財務費用由截至二零二零年六月三十日止六個月期間的人民幣2.975億元增加人民幣8,450萬元或28.4%至截至二零二一年六月三十日止六個月期間的人民幣3.820億元。財務費用增長主要是由於貸款相關的罰息利率較高。

除所得稅前的虧損

本集團除所得稅前虧損截至二零二一年六月三十日止六個月期間為人民幣2.600億元，相比截至二零二零年六月三十日止六個月期間除所得稅前虧損人民幣8.326億元，減少人民幣5.726億元，減幅為68.8%。該減少主要由於二零二零年六月三十日止六個月期間的油價大幅下跌所引起的本集團對位於中國區塊的長期資產確認減值損失人民幣5.290億元。

所得稅費用

截至二零二一年六月三十日止六個月期間，本集團的所得稅費用為人民幣4,460萬元，而截至二零二零年六月三十日止六個月期間的所得稅費用為人民幣190萬元，增加人民幣4,270萬元，或2,247.4%。截至二零二一年六月三十日止六個月期間的實際稅率為負17.2%，而截至二零二零年六月三十日止六個月期間的實際稅率為負0.2%。

本期虧損

本集團截至二零二一年六月三十日止六個月期間虧損人民幣3.047億元，而截至二零二零年六月三十日止六個月期間虧損人民幣8.345億元，虧損減少人民幣5.298億元或63.5%。虧損減少主要是由於上述因素的累積影響。

Management Discussion and Analysis

管理層討論及分析

EBITDA AND ADJUSTED EBITDA

We provide a reconciliation of EBITDA and adjusted EBITDA to loss for the six months ended June 30, 2021, with our most directly comparable financial performance calculated and presented in accordance with IFRS. EBITDA refers to earnings before income tax, finance income, finance costs and depreciation, depletion and amortisation. Adjusted EBITDA refers to EBITDA adjusted to exclude non-cash and non-recurring items such as value of employee services under share-based payments plan, provision/(reversal) of impairment losses on financial assets, net, impairment charges, withholding tax related to interest income on the shareholder's loan to an associate, net and any other non-cash or non-recurring income/expenses.

We have included EBITDA and adjusted EBITDA as we believe that EBITDA is a financial measure commonly used in the oil and gas industry. We believe that EBITDA and adjusted EBITDA are used as supplemental financial measures by our management and by investors, research analysts, bankers and others, to assess our operating performance, cash flow and return on capital as compared to those of other companies in our industry, and our ability to take on financing. However, EBITDA and adjusted EBITDA should not be considered in isolation or construed as alternatives to profit from operations or any other measure of performance or as an indicator of our operating performance or profitability. EBITDA and adjusted EBITDA fail to account for tax, finance income, finance costs and other non-operating cash expenses. EBITDA and adjusted EBITDA do not consider any functional or legal requirements of the business that may require us to conserve and allocate funds for any purposes.

EBITDA 和經調整 EBITDA

我們已提供 EBITDA 及經調整 EBITDA 與年內本期虧損的調節，本期虧損為根據國際財務報告準則計算及呈列的最直接的可資比較財務表現。EBITDA 指扣除所得稅、財務收入、財務成本及折舊、折耗及攤銷前盈利。經調整 EBITDA 指 EBITDA 經調整以扣除非現金及非經常性項目，如購股權計劃下僱員服務成本、金融資產減值計提／（轉回），淨值，資產減值損失、集團提供予聯營企業的股東貸款應計利息收入的代扣代繳稅，及其他非現金或非經常性收入／支出。

我們已將 EBITDA 和經調整 EBITDA 納入考慮範圍，因為我們認為 EBITDA 是石油和天然氣行業常用的財務指標。我們相信 EBITDA 及經調整 EBITDA 乃由我們管理層、投資者、研究分析師、銀行及其他人士用作補充財務計量，以評估我們相較於業內其他公司的經營表現、現金流量及資本回報，以及我們進行融資的能力。然而，EBITDA 及經調整 EBITDA 不可獨立於經營溢利或任何其他表現計量予以考慮，亦不可詮釋為經營溢利或任何其他表現計量的替代項目，或詮釋為我們經營表現或盈利能力的指標。EBITDA 及經調整 EBITDA 並不計及稅項、財務收入、財務費用及其他非經營性現金開支。EBITDA 及經調整 EBITDA 並無考慮可能導致我們須就任何目的而保留及分配資金的任何業務的功能或法定要求。

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The following table presents a reconciliation of EBITDA and adjusted EBITDA to loss before income tax for each period indicated.

下表載列為持續經營EBITDA及經調整EBITDA於相應期間之所得稅前淨虧損的對比：

		Six months ended June 30,	
		截至六月三十日止六個月	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Loss before income tax	除所得稅前虧損	(260,028)	(832,585)
Finance income	財務收入	(15,682)	(26,412)
Finance costs	財務費用	397,714	323,873
Depreciation, depletion and amortisation	折舊、折耗及攤銷	126,644	181,706
EBITDA	EBITDA	248,648	(353,418)
Share-based payments to employees	購股權計劃下僱員服務成本	3,993	3,174
Provision/(reversal) of impairment losses on financial assets, net	金融資產減值損失計提／(轉回)，淨值	15,666	(21,335)
Impairment charges	資產減值損失	—	528,968
Withholding tax	代扣代繳稅	1,724	1,886
Adjusted EBITDA	經調整 EBITDA	270,031	159,275

The Group's EBITDA increased by approximately RMB602.0 million, from approximately negative RMB353.4 million for the six months ended June 30, 2020 to approximately RMB248.6 million for the six months ended June 30, 2021. The increase was mainly due to the impairment charge amounting to RMB529.0 million on the long-lived assets relating to assets in the PRC, as a result of the significantly lower global oil prices during the six months ended June 30, 2020.

本集團的EBITDA增加約人民幣6.020億元，由截至二零二零年六月三十日止六個月期間約負人民幣3.534億元增加至截至二零二一年六月三十日止六個月期間約人民幣2.486億元。該增加主要由於二零二零年六月三十日止六個月期間的全球油價大幅下跌所引起的本集團對位於中國區塊的長期資產確認減值損失人民幣5.290億元。

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The Group's adjusted EBITDA increased by approximately RMB110.7 million, or 69.5%, from approximately RMB159.3 million for the six months ended June 30, 2020 to approximately RMB270.0 million for the six months ended June 30, 2021. The increase was mainly due to the significant increase in realized oil price.

The Group's EBITDA and Adjusted EBITDA by operating segment for the six months ended June 30, 2021 and 2020 are set out below:

本集團的經調整EBITDA由截至二零二零年六月三十日止六個月期間約人民幣1.593億元增加約人民幣1.107億元或69.5%至截至二零二一年六月三十日止六個月期間約人民幣2.700億元。主要原因是由於實現油價的大幅上漲。

截至二零二一年六月三十日及二零二零年六月三十日止六個月期間，本集團按經營分部劃分的EBITDA及經調整EBITDA載列如下：

		Six months Ended June 30, 2021 截至二零二一年六月三十日六個月		
		Headquarter		
		PRC 中國	and others 總部及其他	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)
Profit/(loss) before income tax	除所得稅前利潤／(虧損)	68,027	(328,055)	(260,028)
Finance income	財務收入	(16)	(15,666)	(15,682)
Finance costs	財務費用	96,462	301,252	397,714
Depreciation, depletion and amortisation	折舊、折耗及攤銷	124,613	2,031	126,644
EBITDA	EBITDA	289,086	(40,438)	248,648
Share-based payments to employees	購股權計劃下僱員服務成本	2,067	1,926	3,993
Provision of impairment losses on financial assets	金融資產減值損失計提	–	15,666	15,666
Withholding tax	代扣代繳稅	–	1,724	1,724
Adjusted EBITDA	經調整EBITDA	291,153	(21,122)	270,031

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		Six months Ended June 30, 2020 截至二零二零年六月三十日六個月		
		PRC 中國	Headquarter and others 總部及其他	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)
Loss before income tax	除所得稅前虧損	(562,395)	(270,190)	(832,585)
Finance income	財務收入	(325)	(26,087)	(26,412)
Finance costs	財務費用	57,392	266,481	323,873
Depreciation, depletion and amortisation	折舊、折耗及攤銷	177,652	4,054	181,706
EBITDA	EBITDA	(327,676)	(25,742)	(353,418)
Share-based payments to employees	購股權計劃下僱員服務 成本	761	2,413	3,174
Reversal of impairment losses on financial assets	金融資產減值損失轉回	–	(21,335)	(21,335)
Impairment charges	資產減值損失	528,968	–	528,968
Withholding tax	代扣代繳稅	–	1,886	1,886
Adjusted EBITDA	經調整 EBITDA	202,053	(42,778)	159,275

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LIQUIDITY AND CAPITAL RESOURCES Overview

Our primary source of cash during the six months ended June 30, 2021 was cash generated from operating activities.

In 1H2021, we had net cash generated from operating activities of RMB165.3 million, net cash used in investing activities of RMB129.8 million and net cash used in financing activities of RMB4.3 million, a translation loss for foreign currency exchange of RMB0.2 million, resulting in a net increase in cash and cash equivalents of RMB31.0 million compared to the cash balance of RMB20.4 million as at December 31, 2020.

Cash generated from operating activities

Net cash generated from operating activities was RMB165.3 million for the six months ended June 30, 2021. In 1H2021, our net cash generated from operating activities included a loss before income tax of RMB260.0 million adjusted for, among other things, depreciation, depletion and amortization of RMB126.6 million, net interest expenses of RMB374.5 million, foreign exchange losses of RMB7.5 million, net provision of impairment losses on financial assets of RMB15.7 million, value of employee services under share-based payments plan of RMB4.0 million. The cash movements from changes in working capital in the six months ended June 30, 2021 included an increase in trade and other receivables of RMB20.7 million; a decrease in trade and other payables of RMB5.9 million; an increase in inventories of RMB2.6 million, interest paid of RMB71.1 million and income tax paid of RMB2.6 million.

流動資金及資本資源 概覽

截至二零二一年六月三十日止六個月期間的主要現金來源為經營活動產生的現金流量。

於二零二一年上半年，我們的經營活動產生的現金淨額為人民幣1.653億元，投資活動所用現金淨額為人民幣1.298億元，融資活動所用現金淨額為人民幣430萬元，外幣兌換的換算損失為人民幣20萬元，現金及現金等價物較二零二零年十二月三十一日的現金餘額人民幣2,040萬元淨增加人民幣3,100萬元。

經營活動產生的現金

截至二零二一年六月三十日止六個月期間，經營活動所得現金淨額為人民幣1.653億元。於二零二一年上半年，經營活動產生的現金淨額包括除所得稅前虧損人民幣2.600億元，經調整折舊、折耗及攤銷人民幣1.266億元，淨利息支出人民幣3.745億元，匯兌損失人民幣750萬元，計提金融資產減值準備人民幣1,570萬元，股份支付計劃下員工服務成本人民幣400萬元。截至二零二一年六月三十日止六個月期間的營運資金變動，包括應收及其他應收款項增加人民幣2,070萬元，應付及其他應付款項減少人民幣590萬元，存貨增加人民幣260萬元；支付利息人民幣7,110萬元以及所得稅人民幣260萬元。

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Net cash generated from operating activities was RMB55.1 million for the six months ended June 30, 2020. In 1H2020, our net cash generated from operating activities included a loss before income tax of RMB832.6 million adjusted for, among other things, depreciation, depletion and amortization of RMB181.7 million, net interest expenses of RMB307.0 million, foreign exchange gain of RMB9.5 million, a net reversal of impairment losses on financial assets of RMB21.3 million, impairment charges of RMB529.0 million, value of employee services under share-based payments plan of RMB3.2 million. The cash movements from changes in working capital in the six months ended June 30, 2020 included a decrease in trade and other receivables of RMB17.6 million; a decrease in trade and other payables of RMB79.5 million; an increase in inventories of RMB1.3 million, interest paid of RMB30.8 million and income tax paid of RMB8.3 million.

Cash used in investing activities

Net cash used in investing activities for the six months ended June 30, 2021 amounted to RMB129.8 million, mainly as a result of: (i) purchase of property, plant and equipment of RMB125.9 million, (ii) payment for acquisition of interests under Daan and Moliqing PSCs of RMB3.9 million.

Net cash used in investing activities for the six months ended June 30, 2020 amounted to RMB31.9 million, mainly as a result of: (i) purchase of property, plant and equipment of RMB42.2 million, (ii) payment for acquisition of interests under Daan and Moliqing PSCs of RMB10.5 million, (iii) received from disposal of subsidiaries of RMB20.7 million, and (iv) net proceeds upon disposal of investment in associate of RMB91 thousand.

Cash used in financing activities

Net cash used in financing activities for the six months ended June 30, 2021 amounted to RMB4.3 million due to payment of lease liability of RMB4.3 million.

截至二零二零年六月三十日止六個月期間，經營活動所得現金淨額為人民幣5,510萬元。於二零二零年上半年，經營活動產生的現金淨額包括除所得稅前虧損人民幣8,326億元，經調整折舊、折耗及攤銷人民幣1.817億元，淨利息支出人民幣3,070億元，匯兌收益人民幣950萬元，轉回金融資產減值準備人民幣2,130萬元，資產減值損失人民幣5.290億元，股份支付計劃下員工服務成本人民幣320萬元。截至二零二零年六月三十日止六個月期間的營運資金變動，包括應收及其他應收款項減少人民幣1,760萬元，應付及其他應付款項減少人民幣7,950萬元，存貨增加人民幣130萬元；支付利息人民幣3,080萬元以及支付所得稅人民幣830萬元。

投資活動使用的現金

截至二零二一年六月三十日止六個月期間，投資活動所用現金淨額為人民幣1.298億元，主要是由於：(i)購買不動產、工廠及設備人民幣1.259億元，(ii)支付收購大安及莫里青油田產品分成合同的參與權的款項390萬元。

截至二零二零年六月三十日止六個月期間，投資活動所用現金淨額為人民幣3,190萬元，主要是由於：(i)購買不動產、工廠及設備人民幣4,220萬元，(ii)支付收購大安及莫里青油田產品分成合同的參與權的款項1,050萬元，(iii)收到處置子公司款項人民幣2,070萬元，及(iv)處置聯營投資取得的款項人民幣9.1萬元。

融資活動使用的現金

截至二零二一年六月三十日止六個月期間的融資活動所用現金淨額為人民幣430萬元，原因是支付租賃費人民幣430萬元。

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Net cash used in financing activities for the six months ended June 30, 2020 amounted to RMB28.6 million due to (i) repayments of borrowings of RMB10.4 million, (ii) payment of loan arrangement and other fees of RMB12.8 million, and (iii) payment of lease liability of RMB5.3 million.

Borrowings

As at June 30, 2021, the Group's borrowings amounting to approximately RMB3,648.4 million, representing a decrease of approximately RMB37.7 million as compared to December 31, 2020. All of the balance of borrowings repayable are within one year, representing a decrease of RMB37.7 million as compared to that of December 31, 2020. All of the Group's borrowings are denominated in United States Dollars and Hong Kong Dollars. The Group's borrowings are all at fixed interest rates. No hedging instruments are used for bank borrowings.

Our gearing ratio, which is defined as total borrowings less cash and cash equivalents ("Net Borrowings") divided by the sum of Net Borrowings and total equity, is negative 3,445.2% as at December 31, 2020 and negative 858.3% as at June 30, 2021, respectively.

Our total borrowings to Adjusted EBITDA ratio, which is defined as total borrowings divided by Adjusted EBITDA decreased from 13.6 as at December 31, 2020 to 6.8 as at June 30, 2021.

Market Risks

Our market risk exposures primarily consist of fluctuations in oil and gas prices and exchange rates.

Oil and natural gas price risk

Our realized oil and gas prices are determined by reference to oil and gas prices in the international market, as changes in international oil and gas prices will have a significant impact on us. Unstable and highly volatile international oil and gas prices may have a significant impact on our revenue and profit.

截至二零二零年六月三十日止六個月期間的融資活動所用現金淨額為人民幣2,860萬元，原因是(i)償還借款人民幣1,040萬元，(ii)支付借款安排費及相關費用人民幣1,280萬元，及(iii)支付租賃費人民幣530萬元。

借款

於二零二一年六月三十日，本集團的借款約為人民幣36.484億元，較二零二零年十二月三十一日減少約人民幣3,770萬元。全部借款均為一年內須償還，較二零二零年十二月三十一日減少人民幣3,770萬元。本集團的所有借款均以美元或港幣計值。本集團的所有借款均為固定利率借款。本集團沒有為借款做套期保值。

我們的負債率(借款總額減去現金及現金等價物(「淨借款額」)除以淨借款額和總權益之和)於二零二零年十二月三十一日為負3,445.2%，二零二一年六月三十日為負858.3%。

我們的經調整EBITDA比率(借貸總額除以經調整EBITDA)由二零二零年十二月三十一日的13.6減少至二零二一年六月三十日的6.8。

市場風險

我們面臨的市場風險主要包括石油和天然氣價格及匯率的波動。

原油和天然氣價格風險

我們的實現石油和天然氣價格乃參照國際市場油價釐定，國際原油和天然氣價格的變動將對我們帶來重大影響。國際原油和天然氣價的不穩定及高波動性對本公司的收益及溢利造成顯著影響。

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Currency risk

The majority of the Group's China operation sales revenue are in US dollars, while production and other expenses in China are incurred in RMB. The RMB is not a freely convertible currency and is regulated by the PRC Government. Limitations on foreign exchange transactions imposed by the PRC Government could cause future exchange rates to vary significantly from current or historical exchange rates.

The Group currently does not engage in hedging activities designed or intended to manage foreign exchange rate risk. The Group will continue to monitor foreign exchange changes to best preserve the Group's cash value.

CHARGES ON GROUP ASSETS

As at June 30, 2021, the Group's interest under the PSCs in China, bank accounts and shares of subsidiaries and associates of the Group had been pledged to secure borrowings in the aggregate amount of RMB2,043.8 million.

EMPLOYEES

As at June 30, 2021, the Company had 1,010 employees, all of which were based in China (the PRC and Hong Kong). There have been no material changes to the information disclosed in the Company's annual report for the year ended December 31, 2020 ("2020 Annual Report") in respect of the remuneration of employees, remuneration policies and staff development.

貨幣風險

集團的大部份中國銷售收入以美元計值，而於中國的生產及其他支出則以人民幣入賬。人民幣並非為自由轉換貨幣，須受中國政府規管。中國政府對外匯交易所設定的限制可能導致未來匯率與當前或歷史匯率相比出現大幅變動。

本集團現時並未從事旨在或意在管理外匯匯率風險的對沖活動。本集團將繼續監察外匯變動，以盡量保障本集團的現金價值。

集團資產抵押

於二零二一年六月三十日，本集團以位於中國的產品分成合同權益，銀行賬戶和子公司及聯營公司股份作為抵押擔保，獲得借款，餘額為人民幣20.438億元。

僱員

於二零二一年六月三十日，本公司擁有1,010名僱員，全部位於中國（大陸及香港）。而就僱員薪酬、薪酬政策及員工發展方面的資料與在二零二零年年度報告（「二零二零年年報」）內所披露的並無重大變動。

Other Information 其他資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at June 30, 2021, the interests or short positions of the directors of the Company ("Directors") and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which will have to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were detailed as follows:

董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債權證中擁有的權益及／或淡倉

於二零二一年六月三十日，本公司董事（「董事」）及主要行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）的權益或淡倉（包括根據證券及期貨條例的條文而當作或被視為擁有的權益及淡倉），或根據證券及期貨條例第352條的規定須登記於該條所指的登記冊內的權益或淡倉，或根據載於上市規則內上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益或淡倉詳述如下：

Name of Director/ Chief Executive	Name of Corporation	Capacity/ Nature of interest	Number of ordinary shares (including options to be exercised) 股份數目（包括 可行使購股權）	Approximate total percentage of interest in the corporation 佔法團權益的 概約總百分比
董事／主要行政人員姓名	法團名稱	身份／權益性質		
Mr. Zhang Ruilin 張瑞霖先生	Our Company 本公司	Interest of controlled corporation (Note 2) 受控制法團權益（附註2）	1,577,095,234 (L)	48.23%
		Interest of controlled corporation (Note 3) 受控制法團權益（附註3）	88,521,234 (S)	2.70%
		Beneficial owner (Note 4) 實益擁有人（附註4）	7,987,000 (L)	0.24%

Other Information

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Name of Director/ Chief Executive	Name of Corporation	Capacity/ Nature of interest	Number of ordinary shares (including options to be exercised) 股份數目(包括 可行使購股權)	Approximate total percentage of interest in the corporation 佔法團權益的 概約總百分比
董事／主要行政人員姓名	法團名稱	身份／權益性質		
Mr. Zhao Jiangwei 趙江巍先生	Our Company 本公司	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L)	48.23%
		Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	88,521,234 (S)	2.70%
		Beneficial owner (Note 4) 實益擁有人(附註4)	10,987,000 (L)	0.33%
Mr. Zhang Ruilin 張瑞霖先生	Far East Energy Limited ("FEEL")	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	8,999	9.99%
Mr. Zhao Jiangwei 趙江巍先生	FEEL	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	9,000	10.00%
Mr. Mei Jianping 梅建平先生	Our Company 本公司	Beneficial owner 實益擁有人	2,067,933 (L)	0.06%
Mr. Jeffrey Willard Miller (resigned with effect from August 31, 2021) Jeffrey Willard Miller 先生 (於二零二一年八月 三十一日辭任)	Our Company 本公司	Beneficial owner 實益擁有人	2,611,333 (L)	0.07%
Ms. Xie Na 謝娜女士	Our Company 本公司	Beneficial owner 實益擁有人	800,000 (L)	0.02%
Mr. Guo Yanjun 郭燕軍先生	Our Company 本公司	Beneficial owner 實益擁有人	800,000 (L)	0.02%
Mr. Mei Liming 梅黎明先生	Our Company 本公司	Beneficial owner 實益擁有人	15,909,290 (L)	0.48%

Other Information

其他資料

Note:

- (1) The letter “L” denotes the person’s long position in the shares of the Company. The letter “S” denotes the person’s short position in the shares of the Company.
- (2) FEEL is held by Ms. Zhao Jiangbo (“Mrs. Zhang”), Mr. Zhang Ruilin (“Mr. Zhang”) and Mr. Zhao Jiangwei (“Mr. Zhao”) as to 80%, 9.99% and 10%, respectively. On May 24, 2013, 72,000 shares in FEEL were issued to Mrs. Zhang, 399,070,000 shares in the Company were transferred from FEEL to Champion International Energy Limited (“Champion”), 399,070,000 shares in the Company were transferred from FEEL to Orient International Energy Limited (“Orient”), 475,000,000 shares in the Company were transferred from FEEL to New Sun International Energy Limited (“New Sun”) and 141,460,000 shares in the Company were transferred from FEEL to Power International Energy Limited (“Power”). Each of Champion, Orient, New Sun and Power is a wholly-owned subsidiary of Sunrise Glory Holdings Limited, which is itself a wholly-owned subsidiary of FEEL. Mrs. Zhang, Mr. Zhang and Mr. Zhao had entered into an Acting-in-Concert Agreement under which they agreed to act in concert in relation to all matters that require the decisions of the shareholders of FEEL. Pursuant to the Acting-in-Concert Agreement, if an unanimous opinion in relation to the matters that require action in concert is unable to be reached, Mr. Zhang shall be allowed to vote on his, Mrs. Zhang’s and Mr. Zhao’s shares.

The long interests which FEEL, Mr. Zhang and Mr. Zhao have in the 1,577,095,234 shares in the Company include (i) the beneficial interests which FEEL has (and in the case of Mr. Zhang and Mr. Zhao, the indirect beneficial interests which they have (through their shareholdings in FEEL)) in the 1,469,600,000 shares in the Company held by FEEL through its subsidiaries, (ii) the 7,887,000 share options granted to Mr. Zhang, (iii) the 7,887,000 share options granted to Mr. Zhao, (iv) the put option granted by FEEL, Mr. Zhang and Mr. Zhao, pursuant to a put and call option agreement, over the 88,521,234 shares in the Company held by Mr. Ho Chi Sing through Celestial Energy Limited (“Celestial”), as further described in note (3) below, (v) the 100,000 shares owned by Mr. Zhang himself, and (vi) the 3,100,000 shares owned by Mr. Zhao himself.

附註：

- (1) 字母「L」指某位人士於本公司股份中的好倉。字母「S」指某位人士於本公司股份中的淡倉。
- (2) FEEL由趙江波女士（「張夫人」）、張瑞霖先生（「張先生」）及趙江巍先生（「趙先生」）分別擁有80%、9.99%及10%權益。於二零一三年五月二十四日，FEEL的72,000股股份發行予張夫人，FEEL分別將本公司399,070,000股、399,070,000股、475,000,000股及141,460,000股股份轉讓予Champion International Energy Limited（「Champion」）、Orient International Energy Limited（「Orient」）、New Sun International Energy Limited（「New Sun」）及Power International Energy Limited（「Power」）。Champion、Orient、New Sun及Power均為Sunrise Glory Holdings Limited的全資附屬公司。而Sunrise Glory Holdings Limited則為FEEL的全資附屬公司。張夫人、張先生及趙先生已訂立一致行動協議，據此，彼等同意就需由FEEL股東決定的一切事項一致行動。根據一致行動協議，倘未能達成有關需一致行動事項的一致意見，張先生獲准就其、張夫人及趙先生的股份進行投票表決。

FEEL、張先生及趙先生於本公司1,577,095,234股股份擁有的好倉包括(i) FEEL於其透過其附屬公司所持本公司1,469,600,000股股份中擁有的實益權益（及如為張先生及趙先生，則為彼等透過各自所持FEEL的股權而擁有的間接實益權益），(ii) 張先生獲授的7,887,000份購股權，(iii) 趙先生獲授的7,887,000份購股權，(iv) FEEL、張先生及趙先生根據認沽及認購期權協議獲授對何志成先生透過Celestial Energy Limited（「Celestial」）所持本公司88,521,234股股份的認沽期權，進一步描述見下文附註(3)，(v) 張先生本身所擁有的100,000股股份，及(vi) 趙先生本身所擁有的3,100,000股股份。

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- (3) The Company was informed on November 8, 2014 that TPG Star Energy Ltd. and Celestial had entered into a sale and purchase agreement pursuant to which Celestial had acquired and TPG Star Energy Ltd. has sold 211,855,234 ordinary shares in the Company.

On November 8, 2014, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang and Celestial entered into a put and call option agreement in relation to certain of shares (the "PCA"), pursuant to which the parties to the put and call option agreement have agreed to grant each other certain rights in relation to their shares, and Section 317(1)(a) of the SFO applies. Mr. Ho Chi Sing is the sole shareholder of Celestial.

In particular, Mr. Ho Chi Sing, through his holdings in Celestial, is beneficially interested in 211,855,234 shares in the Company. Pursuant to the abovementioned PCA, Mr. Ho Chi Sing and Celestial have been granted a put option to resell/put 211,855,234 shares to FEEL, Mr. Zhang and Mr. Zhao.

On January 6, 2017, FEEL, Mr. Zhang, Mr. Zhao, Mrs. Zhang (collectively, the "Controlling Shareholders") and Celestial entered into a letter agreement in relation to the PCA. The Board was also informed that Great Harmony International Ltd ("Great Harmony") and Celestial have entered into a sale and purchase agreement pursuant to which Great Harmony has agreed to acquire (or procure its affiliate or other person or company designated by it to acquire) and Celestial has agreed to sell 211,855,234 ordinary shares in the Company.

On January 18, 2017, February 23, 2017 and March 7, 2017, Celestial had ceased to have 53,334,000 shares, 40,000,000 shares and 30,000,000 shares in long and short positions, respectively.

On May 17, 2017, the Controlling Shareholders and Celestial entered into a second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated May 17, 2017.

On November 30, 2017, the Controlling Shareholders and Celestial entered into the supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated November 30, 2017.

- (3) 本公司於二零一四年十一月八日獲悉，TPG Star Energy Ltd.與Celestial 訂立買賣協議，據此，Celestial 同意收購及TPG Star同意出售211,855,234 股本公司普通股。

於二零一四年十一月八日，FEEL、張先生、趙先生、張夫人及Celestial 就若干股份訂立認沽及認購期權協議，據此，該協議之訂約方同意互相之間授出彼等股份之若干權利並應用證券及期貨條例第317(1)(a)條規定。何志成先生為Celestial 的唯一股東。

尤其值得一提的是，何志成先生通過其在Celestial 的持股，持有本公司211,855,234 股權益。根據上述認沽及認購期權協議，何志成先生和Celestial 持有認沽期權，得向FEEL、張先生和趙先生轉／售出211,855,234 股權。

於二零一七年一月六日，FEEL、張先生、趙先生、張夫人（統稱「控股股東」）及Celestial 簽訂一份與認沽及認購期權協議相關的協議且董事會獲悉，Great Harmony International Ltd（「Great Harmony」）與Celestial 簽訂了購銷協議，據此，Great Harmony 同意購買（或確保其附屬公司或指定的其他人或公司購買），且Celestial 同意出售本公司211,855,234 股普通股。

Celestial 分別於二零一七年一月十八日，二零一七年二月二十三日及二零一七年三月七日，再無擁有53,334,000 股、40,000,000 股及30,000,000 股的好倉及淡倉。

於二零一七年五月十七日，控股股東及Celestial 簽訂認沽及認購期權協議的第二份相關協議。詳細信息請參照本公司於二零一七年五月十七日發佈之公告。

於二零一七年十一月三十日，控股股東及Celestial 簽訂認沽及認購期權協議的第二份相關協議的補充協議。詳細信息請參照本公司於二零一七年十一月三十日發佈之公告。

Other Information

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On April 14, 2018, the Controlling Shareholders and Celestial entered into the second supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated April 15, 2018.

On November 26, 2018, the Controlling Shareholders and Celestial entered into the third supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated November 26, 2018.

On May 30, 2019, the Controlling Shareholders and Celestial entered into the fourth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated May 30, 2019.

On January 15, 2020, the Controlling Shareholders and Celestial entered into the fifth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated January 15, 2020.

On January 4, 2021, the Controlling Shareholders and Celestial entered into the sixth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated January 4, 2021.

於二零一八年四月十四日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議的第二次補充協議。詳細信息請參照本公司於二零一八年四月十五日發佈之公告。

於二零一八年十一月二十六日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議的第三次補充協議。詳細信息請參照本公司於二零一八年十一月二十六日發佈之公告。

於二零一九年五月三十日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議的第四次補充協議。詳細信息請參照本公司於二零一九年五月三十日發佈之公告。

於二零二零年一月十五日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議的第五次補充協議。詳細信息請參照本公司於二零二零年一月十五日發佈之公告。

於二零二一年一月四日，控股股東及 Celestial 簽訂認沽及認購期權協議的第二份相關協議的第六次補充協議。詳細信息請參照本公司於二零二一年一月四日發佈之公告。

- (4) These interests represent interests in outstanding stock options under the Company's stock incentive compensation plan and the share option scheme. For further details, please refer to the section headed "Share Options". Mr. Zhang's interests include the 100,000 shares held by himself. Mr. Zhao's interests include the 3,100,000 shares held by himself.

- (4) 該等權益指本公司股份獎勵酬金計劃及購股權計劃所涉未行使購股權的權益。其他詳情請參閱「購股權」一節。張先生的權益包括張先生本人持有的100,000股實益權益。趙先生的權益包括趙先生本人持有的3,100,000股實益權益。

Other Information

其他資料

Save as disclosed above and in the section headed "Share Options", as at June 30, 2021, none of the Directors or the chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she had taken or was deemed to have under such provisions of the SFO) or which were required to be entered into the register kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code; nor had there been any grant or exercise of rights of such interests during the six months ended June 30, 2021.

除上文及「購股權」一節所披露者外，於二零二一年六月三十日，本公司董事或主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中概無擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的條文而當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條的規定須登記於本公司存置的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉；於截至二零二一年六月三十日六個月期間，亦無授予或行使該等權益之權利。

Other Information 其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware of, as at June 30, 2021, the following persons (other than the Directors, chief executive(s) or members of the Group) who had interests and/or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, which would be required, pursuant to Section 336 of the SFO, to be entered into the register referred to therein, were as follows:

主要股東於本公司的股份、相關股份中擁有的權益及／或淡倉

就董事所知，於二零二一年六月三十日，下列人士（除董事、主要行政人員或本集團成員公司外）於本公司之股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露的權益及／或淡倉，或根據證券及期貨條例第336條須登記於該條所指之登記冊內的權益及／或淡倉如下：

Name of interested 權益方名稱	Party Capacity/ Nature of interest 身份／權益性質	Total number of shares (including options to be exercised) 股份總數 (包括可行使購股權)	Approximate percentage of interest in our company 佔本公司權益的 概約百分比
Ms. Zhao Jiangbo 趙江波女士	Interest of controlled corporations (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L) 88,521,234 (S)	48.23% 2.70%
FEEL	Interest of controlled corporations (Note 2) 受控制法團權益(附註2)	1,577,095,234 (L) 88,521,234 (S)	48.23% 2.70%
Mr. Ho Chi Sing 何志成先生	Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	1,577,095,234 (L) 88,521,234 (S)	48.23% 2.70%
Celestial Energy Limited ("Celestial")	Interest of controlled corporation (Note 3) 受控制法團權益(附註3)	1,577,095,234 (L) 88,521,234 (S)	48.23% 2.70%
Billion Capital Shine Inc.	Person having a security interest in shares (Note 4) 持有股份的保證權益的人(附註4)	1,472,300,000 (L)	45.03%
China Orient Asset Management (International) Holding Limited 中國東方資產管理(國際)控股有限公司	Interest of controlled corporation (Note 4) 受控制法團權益(附註4)	1,472,300,000 (L)	45.03%
China Orient Asset Management Co., Limited 中國東方資產管理股份有限公司	Interest of controlled corporation (Note 4) 受控制法團權益(附註4)	1,472,300,000 (L)	45.03%
Dong Yin Development (Holdings) Limited 東銀發展(控股)有限公司	Interest of controlled corporation (Note 4) 受控制法團權益(附註4)	1,472,300,000 (L)	45.03%
Wise Leader Assets Ltd.	Interest of controlled corporation (Note 4) 受控制法團權益(附註4)	1,472,300,000 (L)	45.03%
Flying Investments Limited	Beneficial owner 實益擁有人	199,160,000 (L)	6.09%
Fung Wing Nam Florence 馮穎楠	Interest of controlled corporation (Note 5) 受控制法團權益(附註5)	199,160,000 (L)	6.09%

Other Information

其他資料

Notes:

- (1) The letter “L” denotes the person’s long position in the shares of the Company. The letter “S” denotes the person’s short position in the shares of the Company.
- (2) FEEL is held by Mrs. Zhang, Mr. Zhang and Mr. Zhao as to 80%, 9.99% and 10%, respectively. On May 24, 2013, 72,000 shares in FEEL were issued to Mrs. Zhang, 399,070,000 shares in the Company were transferred from FEEL to Champion, 399,070,000 shares in the Company were transferred from FEEL to Orient, 475,000,000 shares in the Company were transferred from FEEL to Power. Each of Champion, Orient, New Sun and Power is a wholly-owned subsidiary of Sunrise Glory Holdings Limited, which is itself a wholly-owned subsidiary of FEEL. Mrs. Zhang, Mr. Zhang and Mr. Zhao had entered into an Acting-in-Concert Agreement under which they agreed to act in concert in relation to all matters that require the decisions of the shareholders of FEEL. Pursuant to the Acting-in-Concert Agreement, if an unanimous opinion in relation to the matters that require action in concert is unable to be reached, Mr. Zhang shall be allowed to vote on his, Mrs. Zhang’s and Mr. Zhao’s shares.

The long interests which FEEL, Mr. Zhang and Mr. Zhao have in the 1,577,095,234 shares in the Company include (i) the beneficial interests which FEEL has (and in the case of Mr. Zhang and Mr. Zhao, the indirect beneficial interests which they have (through their shareholdings in FEEL)) in the 1,469,600,000 shares in the Company held by FEEL through its subsidiaries, (ii) the 7,887,000 share options granted to Mr. Zhang, (iii) the 7,887,000 share options granted to Mr. Zhao, (iv) the put option granted by Controlling Shareholders pursuant to a put and call option agreement, over the 88,521,234 shares in the Company held by Mr. Ho Chi Sing through Celestial, as further described in note (3) below, (v) the 100,000 shares owned by Mr. Zhang himself, and (vi) the 3,100,000 shares owned by Mr. Zhao himself.

附註：

- (1) 字母「L」指某位人士於本公司股份中的好倉。字母「S」指某位人士於本公司股份中的淡倉。
- (2) FEEL由張夫人、張先生及趙先生分別擁有80%、9.99%及10%權益。於二零一三年五月二十四日，FEEL的72,000股股份發行予張夫人，FEEL分別將本公司399,070,000股、399,070,000股、475,000,000股及141,460,000股股份轉讓予Champion、Orient、New Sun及Power。Champion、Orient、New Sun及Power均為Sunrise Glory Holdings Limited的全資附屬公司，而Sunrise Glory Holdings Limited則為FEEL的全資附屬公司。張夫人、張先生及趙先生已訂立一致行動協議，據此，彼等同意就需由FEEL股東決定的一切事項一致行動。根據一致行動協議，倘未能達成有關需一致行動事項的一致意見，張先生獲准就其、張夫人及趙先生的股份進行投票表決。

FEEL、張先生及趙先生於本公司1,577,095,234股股份擁有的好倉包括(i) FEEL於其透過其附屬公司所持本公司1,469,600,000股股份中擁有的實益權益（及如為張先生及趙先生，則為彼等透過各自所持FEEL的股權而擁有的間接實益權益），(ii)張先生獲授的7,887,000份購股權，(iii)趙先生獲授的7,887,000份購股權，(iv) FEEL、張先生及趙先生以及張夫人根據認沽及認購期權協議授出對何志成先生透過Celestial所持本公司88,521,234股股份的認沽期權，進一步說明見下文附註(3)，(v)張先生本身所擁有的100,000股股份，及(vi)趙先生本身所擁有的3,100,000股股份。

Other Information 其他資料

- (3) The Company was informed on November 8, 2014 that TPG Star Energy Ltd. and Celestial had entered into the PCA pursuant to which Celestial had acquired and TPG Star Energy Ltd. has sold 211,855,234 ordinary shares in the Company.

On November 8, 2014, the Controlling Shareholders and Celestial entered into the PCA, pursuant to which the parties to the PCA have agreed to grant each other certain rights in relation to their shares, and Section 317(1)(a) of the SFO applies. Mr. Ho Chi Sing is the sole shareholder of the Celestial.

Mr. Ho Chi Sing, through his holdings in Celestial, has been granted 211,855,234 shares in the Company. Pursuant to the abovementioned PCA, Mr. Ho Chi Sing and Celestial have been granted a put option to resell/put 211,855,234 shares to FEEL, Mr. Zhang and Mr. Zhao.

On January 6, 2017, the Controlling Shareholders and Celestial entered into the letter agreement in relation to the PCA. The Board was also informed that Great Harmony and Celestial have entered into a sale and purchase agreement pursuant to which Great Harmony has agreed to acquire (or procure its affiliate or other person or company designated by it to acquire) and Celestial has agreed to sell 211,855,234 ordinary shares in the Company.

On January 18, 2017, February 23, 2017 and March 7, 2017, Celestial had ceased to have 53,334,000 shares, 40,000,000 shares and 30,000,000 shares in long and short positions, respectively.

On May 17, 2017, the Controlling Shareholders and Celestial entered into a second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated May 17, 2017.

On November 30, 2017, the Controlling Shareholders and Celestial entered into the supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated November 30, 2017.

On April 14, 2018, the Controlling Shareholders and Celestial entered into the second supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated April 15, 2018.

- (3) 本公司於二零一四年十一月八日獲悉，TPG Star Energy Ltd.與Celestial 訂立買賣協議，據此，Celestial同意收購及TPG Star同意出售211,855,234 股本公司普通股。

於二零一四年十一月八日，控股股東及Celestial就若干股份訂立認沽及認購期權協議。據此，該協議之訂約方同意互相之間授出彼等股份之若干權利並應用證券及期貨條例第317(1)(a)條規定。何志成先生為Celestial的唯一股東。

何志成先生通過其在Celestial的持股，持有本公司211,855,234股權益。根據上述認沽及認購期權協議，何志成先生和Celestial持有認沽期權，得向FEEL，張先生和趙先生轉／售出211,855,234股權。

於二零一七年一月六日，控股股東及Celestial簽訂一份與認沽及認購期權協議相關的協議且董事會獲悉，Great Harmony 與Celestial簽訂了購銷協議，據此，Great Harmony同意購買（或確保其附屬公司或指定的其他人或公司購買），且Celestial同意出售本公司211,855,234股普通股。

Celestial分別於二零一七年一月十八日，二零一七年二月二十三日及二零一七年三月七日，再無擁有53,334,000股、40,000,000股及30,000,000股的好倉及淡倉。

於二零一七年五月十七日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議。詳細信息請參照本公司於二零一七年五月十七日發佈之公告。

於二零一七年十一月三十日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的補充協議。詳細信息請參照本公司於二零一七年十一月三十日發佈之公告。

於二零一八年四月十四日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的第二次補充協議。詳細信息請參照本公司於二零一八年四月十五日發佈之公告。

Other Information

其他資料

On November 26, 2018, the Controlling Shareholders and Celestial entered into the third supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated November 26, 2018.

On May 30, 2019, the Controlling Shareholders and Celestial entered into the fourth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated May 30, 2019.

On January 15, 2020, the Controlling Shareholders and Celestial entered into the fifth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated January 15, 2020.

On January 4, 2021, the Controlling Shareholders and Celestial entered into the sixth supplemental agreement to the second letter agreement in relation to the PCA. For further details, please refer to the Company's announcement dated January 4, 2021.

- (4) Billion Capital Shine Inc. has a security interest in the 1,472,300,000 shares of the Company in which China Orient Asset Management (International) Holding Limited, Wise Leader Assets Ltd., Dong Yin Development (Holdings) Limited and China Orient Asset Management Co., Ltd., were deemed to be interested in by virtue of SFO because:

- Billion Capital Shine Inc. is 100% owned by China Orient Asset Management (International) Holding Limited;
- China Orient Asset Management (International) Holding Limited is 50% owned by Dong Yin Development (Holdings) Limited and 50% owned by Wise Leader Assets Ltd.;
- Wise Leader Assets Ltd. is 100% owned by Dong Yin Development (Holdings) Limited; and
- Dong Yin Development (Holdings) Limited is 100% owned by China Orient Asset Management Co., Ltd.

- (5) The interest is held directly by Flying Investments Limited, which is 100% controlled by Fung Wing Nam Florence.

於二零一八年十一月二十六日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的第三次補充協議。詳細信息請參照本公司於二零一八年十一月二十六日發佈之公告。

於二零一九年五月三十日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的第四次補充協議。詳細信息請參照本公司於二零一九年五月三十日發佈之公告。

於二零二零年一月十五日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的第五次補充協議。詳細信息請參照本公司於二零二零年一月十五日發佈之公告。

於二零二一年一月四日，控股股東及Celestial簽訂認沽及認購期權協議的第二份相關協議的第六次補充協議。詳細信息請參照本公司於二零二一年一月四日發佈之公告。

- (4) Billion Capital Shine Inc. 取得本公司 1,472,300,000 股份的保證權益，根據證券及期貨條例，中國東方資產管理(國際)控股有限公司、Wise Leader Assets Ltd.、東銀發展(控股)有限公司及中國東方資產管理股份有限公司也同樣擁有該等權益，原因為：

- 中國東方資產管理(國際)控股有限公司擁有 Billion Capital Shine Inc. 100% 股份；
- 東銀發展(控股)有限公司及 Wise Leader Assets Ltd. 分別擁有中國東方資產管理(國際)控股有限公司 50% 股份；
- 東銀發展(控股)有限公司擁有 Wise Leader Assets Ltd. 100% 股份；及
- 中國東方資產管理股份有限公司擁有東銀發展(控股)有限公司 100% 股份。

- (5) 該權益由馮穎楠全權控制的 Flying Investments Limited 直接持有。

Other Information

其他資料

Save as disclosed above, as at June 30, 2021, no person (other than the Directors or the chief executive of our Company, whose interests have been disclosed in the above section headed “Directors’ and Chief Executives’ Interests and/or Short Positions in Shares, Underlying Shares and Debentures of the Company or Any Associated Corporation”) had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO.

SHARE OPTIONS

(i) Share Option Scheme (“2010 Scheme”)

On November 27, 2010, the Board adopted the 2010 Scheme to enable the Company to grant options to selected participants as incentives or rewards for their contributions to our Group. Participants of the 2010 Scheme include any executive Director, non-executive Director or full time employee of the Group as invited by the Board. The 2010 Scheme shall be valid and effective for a period of 10 years commencing from the approval of the 2010 Scheme.

The exercise period of any option granted under the 2010 Scheme must not be more than ten years commencing on the date of grant. The acceptance of an offer of the grant of the option must be made within 28 days from the date of grant with a non-refundable payment of HK\$1.00 from the grantee. The exercise price determined by the Board will be at the higher of (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant; (ii) the average closing price of the shares as stated in the Stock Exchange’s daily quotations sheet for the five trading days immediately preceding the date of grant and (iii) the nominal value of the shares.

除上文所述者外，於二零二一年六月三十日，概無任何人士（除於上文「董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債權證中擁有的權益及／或淡倉」一節已披露權益的本公司董事或主要行政人員外）於本公司之股份或相關股份中擁有根據證券及期貨條例第336條登記於本公司存置之登記冊內的權益或淡倉。

購股權

(i) 購股權計劃（「2010計劃」）

於二零一零年十一月二十七日，董事會採用2010計劃，本公司可向選定參與者授出購股權，作為彼等對本集團所作貢獻的獎勵或回報。2010計劃參與者包括董事會邀請的本集團任何執行董事、非執行董事或全職僱員。2010計劃將於獲批准起計10年期間有效及生效。

根據2010計劃授出的任何購股權之行使期間不得超過授出日期起計十年。倘接納授出之購股權，承授人必須於授出日期後28天內支付1.00港元之不可退還付款。由董事會釐定之行權價將為下列三者中之較高者：(i) 於授出日期在聯交所每日報價表所示的股份收市價；(ii) 緊接授出日期前五個交易日在聯交所每日報價表所示的股份平均收市價及(iii) 股份面值。

Other Information

其他資料

The share options granted under the 2010 Scheme typically vest over three years on the last day of each year starting from the subsequent year of the grant, subject to the participant continuing to be an employee on each vesting date and other performance evaluation results.

The 2010 Scheme expired on November 27, 2020.

Cancellation of Vested Options

On September 20, 2011, the Company granted, pursuant to the 2010 Scheme adopted by the Company on November 27, 2010, share options to certain employees of the Company, entitling the option holders to subscribe for an aggregate of 112,048,000 Shares of the Company of US\$0.001 each at the exercise price of HK\$2.254 per Share ("2011 Grant").

On March 21, 2014, the Company granted, pursuant to the 2010 Scheme, share options to 151 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 97,280,000 Shares of the Company of US\$0.001 each at the exercise price of HK\$1.40 per Share ("2014 Grant").

On December 9, 2016, the Company granted, pursuant to the 2010 Scheme, share options to 93 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 95,920,000 Shares of the Company of US\$0.001 each at the exercise price of HK\$0.816 per share ("2016 Grant").

根據2010計劃授出的購股權一般於授出翌年起每年最後一天的三年內歸屬，惟參與者須於各歸屬日期仍為僱員及須受限於其他表現評估結果。

2010計劃已於二零二零年十一月二十七日屆滿。

取消已得權購股權

根據公司二零一零年十一月二十七日採納的2010計劃，公司於二零一一年九月二十日向公司部分員工授予購股權，允許持有人按照每股2.254港元的價格認購本公司共計112,048,000股每股面值0.001美元普通股股票（「2011授予」）。

二零一四年三月二十一日，公司根據2010計劃向151名合資格人士，包括公司的部分董事、主要股東和員工授予新的認股期權，允許持有人按照每股1.4港元的價格認購共計97,280,000股每股面值0.001美元的股份（「2014授予」）。

二零一六年十二月九日，公司根據2010計劃向93名合資格人士，包括公司的部分董事、主要股東和員工授予新的認股期權，允許持有人按照每股0.816港元的價格認購本公司共計95,920,000股每股面值0.001美元的股份（「2016授予」）。

Other Information

其他資料

On May 16, 2019, the Company granted, pursuant to the 2010 Scheme, share options to 90 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 155,089,171 Shares of the Company of US\$0.001 each at the exercise price of HK\$0.269 per share ("2019 Grant").

As the exercise prices of vested options under the 2010 Scheme have been consistently higher when compared with the prevailing market price of the Shares. As a result, the options could no longer serve as an effective incentive. In view of this, the Company offered to grant new share options pursuant to the new share option scheme in 2021 to cancel vested options under the 2011 Grant, 2014 Grant, 2016 Grant and 2019 Grant, subject to the option holders consenting to such cancellation. As a result, 122,333,243 and 142,516,803 vested options under the 2010 Scheme were cancelled on May 16, 2019 and June 30, 2021, respectively. No compensation was paid to the holders for cancellation of the vested options.

二零一九年五月十六日，公司根據2010計劃向90名合資格人士，包括公司的部分董事、主要股東和員工授予新的認股期權，允許持有人按照每股0.269港元的價格認購本公司共計155,089,171股每股面值0.001美元的股份（「2019授予」）。

由於2010計劃下已得權購股權的行權價格始終高於公司股票의 普遍市場價格，導致已得權購股權不再為有效激勵。因此本公司願意根據2021年新購股權計劃授予新的購股權，以註銷2011授予，2014授予，2016授予和2019授予下的已得權購股權，但須經購股權持有人同意取消。因此，2010計劃下的122,333,243股和142,516,803已得權購股分別於二零一九年五月十六日和二零二一年六月三十日被取消並未向持有人支付任何取消已得權購股的補償。

Other Information

其他資料

(ii) 2021 Share Option Scheme (“2021 Scheme”)

On June 25, 2021, the Board adopted the 2021 Scheme to enable the Company to grant options to selected participants as incentives or rewards for their contributions to our Group. Participants of the 2021 Scheme include any executive director, non-executive director, full time employee or advisers and consultants of the Group as invited by the Board. The 2021 Scheme shall be valid and effective for a period of 10 years commencing from the approval of the 2021 Scheme.

The exercise period of any option granted under the 2021 Scheme must not be more than ten years commencing from the date of grant. The acceptance of an offer of the grant of the option must be made within 28 days from the date of grant with a non-refundable payment of RMB1.00 from the grantee. The exercise price determined by the Board will be at the higher of (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant; (ii) the average closing price of the shares as stated in the Stock Exchange’s daily quotations sheet for the five trading days immediately preceding the date of grant and (iii) the nominal value of the shares.

The share options granted under the 2021 Scheme typically vest over three years on the last day of each year starting from the subsequent year of the grant, subject to the participant continuing to be an employee on each vesting date and other performance evaluation results.

(ii) 2021 購股權計劃(「2021計劃」)

於二零二一年六月二十五日，董事會採用2021計劃，本公司可向選定參與者授出購股權，作為彼等對本集團所作貢獻的獎勵或回報。2021計劃參與者包括董事會邀請的本集團任何執行董事、非執行董事，全職僱員，或顧問及諮詢者。2021計劃將於獲批准起計10年期間有效及生效。

根據2021計劃授出的任何購股權之行使期間不得超過授出日期起計十年。倘接納授出之購股權，承授人必須於授出日期後28天內支付人民幣1.00元之不可退還付款。由董事會釐定之行權價將為下列三者中之較高者：(i)於授出日期在聯交所每日報價表所示的股份收市價；(ii)緊接授出日期前五個交易日在聯交所每日報價表所示的股份平均收市價及(iii)股份面值。

根據2021計劃授出的購股權一般於授出翌年起每年最後一天的三年內歸屬，惟參與者須於各歸屬日期仍為僱員及須受限於其他表現評估結果。

Other Information 其他資料

Grant of Options

On June 30, 2021, the Company granted share options pursuant to the 2021 Scheme to 77 eligible participants comprising certain directors, substantial shareholders and employees of the Company to subscribe for an aggregate of 142,516,803 Shares subject to the option holders consenting to cancellation of vested options under the 2011 Grant, 2014 Grant, 2016 Grant and 2019 Grant. These options have an exercise price of HK\$0.044 per share and a term of 10 years from the grant date, and will vest on the grant date.

The closing price per share as at June 30, 2021, being the date immediately before the date the share options were granted was HK\$0.044.

Under the 2021 Scheme, a total of 142,516,803 share options were granted to directors, executives and employees. Details of the share options outstanding as at June 30, 2021 which have been granted under the 2021 Scheme are as follows:

Name	Held at January 1, 2021	Number of options granted during the period	Number of options exercised during the period	Number of options lapsed during the period	Number of options cancelled during the period	Held at June 30, 2021	Exercise price (per Share)	Date of grant	Exercisable period
姓名	於二零二一年 一月一日持有	於期內授出之 購股權數目	於期內行使之 購股權數目	於期內已失效 購股權數目	於期內已取消 購股權數目	於二零二一年 六月三十日 持有	行使價 (每股)	授權日	可予行使期間
Executive Directors									
執行董事									
Mr. Zhang Rulin 張瑞霖先生	-	7,887,000	-	-	-	7,887,000	HK\$0.044 0.044港元	June 30, 2021 二零二一年六月三十日	from June 30, 2021 to June 29, 2031 自二零二一年六月三十日至 二零三一年六月二十九日
Mr. Zhao Jiangwei 趙江巍先生	-	7,887,000	-	-	-	7,887,000	HK\$0.044 0.044港元	June 30, 2021 二零二一年六月三十日	from June 30, 2021 to June 29, 2031 自二零二一年六月三十日至 二零三一年六月二十九日
Chief Executive									
首席執行官									
Mr. Mei Liming 梅黎明先生	-	15,000,000	-	-	-	15,000,000	HK\$0.044 0.044港元	June 30, 2021 二零二一年六月三十日	from June 30, 2021 to June 29, 2031 自二零二一年六月三十日至 二零三一年六月二十九日

授予購股權

於二零二一年六月三十日，本公司根據2021計劃向77名合資格人士，包括公司的部分董事，主要股東和員工授予購股權，認購共計142,516,803股股份。惟需購股權持有人同意取消2011授予、2014授予、2016授予和2019授予下的已得權購股權。購股權行權價為每股0.044港元，購股權有效期為自授予日起十年，且將於授權日得權。

於二零二一年六月三十日，即購股權授出前當日，每股股份收市價格為0.044港元。

根據2021計劃，合共142,516,803份購股權已授予董事、行政人員及僱員。根據2021計劃已授出但於二零二一年六月三十日尚未行使的購股權詳情如下：

Other Information

其他資料

Name	Held at January 1, 2021	Number of options granted during the period	Number of options exercised during the period	Number of options lapsed during the period	Number of options cancelled during the period	Held at June 30, 2021	Exercise price (per Share)	Date of grant	Exercisable period
姓名	於二零二一年 一月一日持有	於期內授出之 購股權數目	於期內行使之 購股權數目	於期內已失效 購股權數目	於期內已取消 購股權數目	於二零二一年 六月三十日 持有	行使價 (每股)	授權日	可予行使期間
Independent non-executive Directors									
獨立非執行董事									
Mr. Mei Jianping	-	1,267,933	-	-	-	1,267,933	HK\$0.044 0.044港元	June 30, 2021 二零二一年六月三十日	from June 30, 2021 to June 29, 2031 自二零二一年六月三十日至 二零三一年六月二十九日
Mr. Jeffrey Willard Miller (resigned with effect from August 31, 2021)	-	1,811,333	-	-	-	1,811,333	HK\$0.044 0.044港元	June 30, 2021 二零二一年六月三十日	from June 30, 2021 to June 29, 2031 自二零二一年六月三十日至 二零三一年六月二十九日
Jeffrey Willard Miller先生 (於二零二一年八月 三十一日辭任)									
Other employees	-	108,663,537	-	-	-	108,663,537	HK\$0.044 0.044港元	June 30, 2021 二零二一年六月三十日	from June 30, 2021 to June 29, 2031 自二零二一年六月三十日至 二零三一年六月二十九日
其他員工									
Total 總計	-	142,516,803	-	-	-	142,516,803			

(iii) 2015 Share Award Scheme (“2015 Share Award Scheme”)

To recognize the contributions by certain grantees and to give incentives thereto in order to retain them for the continuing operation and development of the Group, and to attract suitable personnel for further development of the Group, the Board resolved to adopt on January 6, 2015 and amend on November 20, 2015 the 2015 Share Award Scheme, pursuant to which the Board may at their absolute discretion select any grantee, who is an employee or consultant of the Group or of any affiliate, for participation in the 2015 Share Award Scheme and determine the number of awarded shares to be granted to such grantee. The 2015 Share Award Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company, and will be in effect in parallel with the 2021 Scheme.

Pursuant to the 2015 Share Award Scheme rules, existing shares will be purchased by a trustee from open market out of cash which will be paid by the Company as trust shares and be held on trust for the grantees until the relevant award(s) is vested in accordance with the relevant award agreement and the 2015 Share Award Scheme rules. Upon vesting, the trustee shall transfer the relevant trust shares as awarded shares to the relevant grantee, or upon receipt of the instructions from the grantees, dispose of the relevant awarded shares in open market and transfer the proceeds of the sale of the relevant awarded shares (after deduction of the relevant charges, expenses, stamp duty and levy) to the relevant grantee.

(iii) 2015 股份獎勵計劃(「2015 股份獎勵計劃」)

本公司董事會已分別於二零一五年一月六日議決採納，並於二零一五年十一月二十日議決修訂2015股份獎勵計劃，目的是認可特定承授人所做的貢獻並給予激勵，為本集團的持續運營和發展聘留特定承授人，並為本集團進一步發展吸引適用人才。董事會將根據該計劃，不時自行酌情決定挑選任何承授人作為被挑選承授人參與該計劃，並決定授予該等被挑選承授人的獎勵股份數量，該等承授人為集團任何成員或其任何關聯公司的員工或顧問。2015股份獎勵計劃並不構成上市規則第17章規定的股票期權計劃，而是本公司自行決定的計劃，並將與2021計劃同時生效。

根據2015股份獎勵計劃規則，受託人將以公司安排的現金從市場上購買現有股份作為信託股份，並由受託人為經挑選承授人持有信託，直到相關獎勵根據相關獎勵協議及2015股份獎勵計劃規則歸屬。歸屬後，受託人應將相關信託股份作為獎勵股份轉讓給相關承授人，或在收到承授人的指示後，在市場上處置相關獎勵股份，並將出售相關獎勵股份的收益（扣除相關費用、開支、印花稅及稅款後）轉讓給相關承授人。

Other Information

其他資料

Subject to any early termination as may be determined by the Board pursuant to the 2015 Share Award Scheme rules, the 2015 Share Award Scheme shall be valid and effective from January 6, 2015 to the date of the last of the awarded shares has been vested and transferred to the relevant grantee or has lapsed, whichever is later in accordance with the 2015 Share Award Scheme rules, provided that no award shall be made on or after the 10th anniversary date of the adoption date.

On November 20, 2015, the Board resolved to offer to certain directors and employees 14,200,000 shares under the 2015 Share Award Scheme.

On December 9, 2016, the Board resolved to offer to certain director 12,000,000 shares under the 2015 Share Award Scheme.

On January 25, 2018, the Board resolved to offer to employees and directors 104,000,000 shares under the 2015 Share Award Scheme.

On February 5, 2021, the Board resolved to offer to employees and directors 5,675,165 shares under the 2015 Share Award Scheme.

As at June 30, 2021, the trustee held 11,975,165 shares acquired through purchases from the market at an aggregate consideration of approximately HK\$13,095,325 (including transaction costs).

倘董事會並未根據2015股份獎勵計劃條款決定提前終止，2015股份獎勵計劃將於二零一五年一月六日起，直至最終獎勵股份歸屬並轉移到相關經挑選承授人或其根據該計劃條款失效之日止，以較遲者為準，且採納日後的十周年日之後不得授出任何獎勵。

於二零一五年十一月二十日，本公司董事會決議根據2015股份獎勵計劃授予本公司特定董事及僱員合計14,200,000股股份。

於二零一六年十二月九日，本公司董事會決議根據2015股份獎勵計劃授予本公司特定董事合計12,000,000股股份。

於二零一八年一月二十五日，本公司董事會決議根據2015股份獎勵計劃授予本公司董事及員工合計104,000,000股股份。

於二零二一年二月五日，本公司董事會決議根據2015股份獎勵計劃授予本公司董事及員工合計5,675,165股股份。

截至二零二一年六月三十日，受託人持有11,975,165股股份，在市場以總代價約港幣13,095,325元（包括交易成本）購買。

Other Information 其他資料

DIVIDEND

The Board has resolved that no interim dividend will be paid for the six months ended June 30, 2021.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters, including reviewing the unaudited interim results and interim report of the Company.

The Audit Committee has adopted the terms of reference which are in line with the Corporate Governance Code as contained in Appendix 14 to the Listing Rules. The terms of reference were revised on August 24, 2016 and have been made available on the websites of the Stock Exchange and the Company.

BUY-BACK, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has bought back, sold or redeemed any of the Company's listed securities during the six months ended June 30, 2021.

CORPORATE GOVERNANCE CODE

The Company has complied with the principles and code provisions as set out in the Corporate Governance Code as contained in Appendix 14 to the Listing Rules throughout the period from January 1, 2021 to June 30, 2021.

股息

董事會議決不就截至二零二一年六月三十日止六個月期間派發中期股息。

審計委員會

審計委員會已經與管理層共同審閱本集團採用之會計準則及常規，並討論內部監控及財務報告事宜，包括審閱本公司未經審核中期業績和中期報告。

審計委員會已採納符合上市規則附錄十四所載的企業管治守則的職權範圍。職權範圍已於二零一六年八月二十四日修訂，並已載於聯交所及本公司網站。

回購、出售或贖回本公司上市證券

截止二零二一年六月三十日，本公司及子公司均無回購，出售或贖回本公司上市證券。

企業管治守則

本公司已採納企業管治守則的原則及守則條文。本公司已於二零二一年一月一日至二零二一年六月三十日期間遵守上市規則附錄十四所載的企業管治守則的原則及守則條文。

Other Information 其他資料

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules and applied the same to the Directors and the employees who are likely to be in possession of unpublished inside information of the Company.

Specific enquiry has been made of all the Directors and all the Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended June 30, 2021. In addition, no incident of non-compliance of the Model Code by the employees was noted by the Company.

On February 5, 2021, the Company granted share options pursuant to 2010 Scheme to eligible participants comprising certain directors, substantial shareholders and employees of the company to subscribe for an aggregate of 142,516,803 shares, subject to the participants consenting to cancellation of vested options under the 2011 Grant, 2014 Grant, 2016 Grant and 2019 Grant. Such grant to Directors were made by the Company in error. The grant of options to Directors within 60 days immediately preceding the expected publication date of its annual results for the year ended 31 December 2020 (being 31 March 2021) was prohibited under provision A.3(a)(i) of Appendix 10 to the Listing Rules.

Accordingly, the Company terminated such grant on February 16, 2021.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board of Directors has been, at all times, in compliance with (i) Rule 3.10(1) of the Listing Rules, which requires a company to maintain at least three independent non-executive Directors on the Board; (ii) Rule 3.10(2) of the Listing Rules, which requires one of those independent non-executive Directors to have appropriate professional qualifications or accounting or relevant financial management expertise; and (iii) Rule 3.10A of the Listing Rules, which requires the company to appoint independent non-executive Directors representing at least one-third of the Board.

證券交易的標準守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)，並將其應用於可能擁有未刊發之本公司內幕消息之董事及僱員。

經向全體董事作出具體查詢後，董事已確認彼等於截至二零二一年六月三十日止六個月期間一直遵守標準守則。此外，本公司概無知悉任何僱員不遵守標準守則。

二零二一年二月五日，公司根據2010計劃向合資格人士，包括公司的部分董事，主要股東和員工授予購股權，允許持有人認購共計142,516,803股股票，惟參與者須同意取消2011授予、2014授予、2016授予和2019授予下的已得權購股權。公司錯誤地向董事授予此類購股權。根據上市規則附錄十第A.3(a)(i)條，截至二零二零年十二月三十一日年度業績預期公佈日期之前60天內(即二零二一年三月三十一日)向董事授予購股權是被禁止的。

因此，公司已於二零二一年二月十六日終止此類授予。

獨立非執行董事

董事會在任何時間均已遵守：(i)上市規則第3.10(1)條，其規定公司的董事會須至少有三名獨立非執行董事；(ii)上市規則3.10(2)條，其規定其中一名獨立非執行董事須具備會計或相關財務管理的專門知識；(iii)上市規則第3.10A條，其規定獨立非執行董事須最少佔董事會三分之一人數。

Condensed Interim Consolidated Statement of Financial Position

簡明中期合併財務狀況表

			As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
	Note 附註			
Assets		資產		
Non-current assets		非流動資產		
Property, plant and equipment	7	不動產、工廠及設備	1,110,152	1,079,358
Intangible assets	7	無形資產	54,492	58,582
Right-of-use assets		使用權資產	10,441	12,504
Deferred income tax assets		遞延所得稅資產	816	816
Financial assets at fair value through other comprehensive income		以公允價值計量且其變動計入 其他綜合收益的金融資產	12,465	7,841
Prepayments, deposits and other receivables	8	預付款、保證金及其他應收款	357,348	361,030
Restricted cash		受限制現金	9,812	4,002
			1,555,526	1,524,133
Current assets		流動資產		
Inventories		存貨	23,558	20,666
Prepayments, deposits and other receivables	8	預付款、保證金及其他應收款	34,158	31,239
Trade and notes receivables	9	應收賬款及應收票據	94,713	51,717
Restricted cash		受限制現金	–	43,224
Cash and cash equivalents		現金及現金等價物	51,427	20,353
			203,856	167,199
Total assets		資產總額	1,759,382	1,691,332
Equity		權益		
Equity attributable to owners of the Company		歸屬於本公司所有者的權益		
Share capital	11	股本	1,101,249	1,101,249
Other reserves	12	其他儲備	293,961	233,266
Accumulated losses		累計虧損	(5,411,316)	(5,106,646)
Total shareholders' deficit		股東虧損總額	(4,016,106)	(3,772,131)

Condensed Interim Consolidated Statement of Financial Position (Continued)

簡明中期合併財務狀況表 (續)

			As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
	Note 附註			
Liabilities		負債		
Non-current liabilities		非流動負債		
Lease liabilities		租賃負債	3,903	4,990
Deferred income tax liabilities		遞延所得稅負債	251,811	213,320
Trade and notes payables	13	應付賬款及應付票據	115,109	32,840
Provisions, accruals and other liabilities	14	準備、預提及其他負債	161,389	153,723
			532,212	404,873
Current liabilities		流動負債		
Trade and notes payables	13	應付賬款及應付票據	269,694	325,561
Provisions, accruals and other liabilities	14	準備、預提及其他負債	1,313,548	1,037,923
Lease liabilities		租賃負債	7,292	8,163
Current income tax liabilities		當期所得稅負債	4,324	810
Borrowings	15	借款	3,648,418	3,686,133
			5,243,276	5,058,590
Total liabilities		負債總額	5,775,488	5,463,463
Total shareholders' deficit and liabilities		股東虧損及負債總額	1,759,382	1,691,332

The accompanying notes on page 55 to 104 are an integral part of this condensed interim consolidated financial information.

後附第 55 頁至 104 頁之附註為本簡明中期合併財務資料的整體部分。

Condensed Interim Consolidated Statement of Comprehensive Income

簡明中期合併綜合收益表

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Revenue from contracts with customers	客戶合同收入		
		6	
		417,643	289,495
Depreciation, depletion and amortisation	折舊、折耗及攤銷		
		(126,644)	(181,706)
Taxes other than income taxes	稅項(所得稅除外)	16	
		(3,974)	(3,453)
Employee benefit expenses	員工薪酬成本		
		(51,324)	(50,039)
Purchases, services and other direct costs	採購、服務及其他直接成本		
		(79,401)	(49,957)
Distribution costs	銷售成本		
		(9,656)	(8,709)
General and administrative expenses	管理費用		
		(11,725)	(26,912)
(Provision)/reversal of impairment losses on financial assets, net	金融資產減值(計提)/轉回，淨值		
		(15,666)	21,335
Impairment charges	資產減值損失		
		-	(528,968)
Other gains, net	其他收益，淨值	17	
		2,751	3,790
Finance income	財務收入	18	
		15,682	26,412
Finance costs	財務費用	18	
		(397,714)	(323,873)
Loss before income tax	除所得稅前虧損		
		(260,028)	(832,585)
Income tax expense	所得稅費用		
		19	
		(44,642)	(1,886)
Loss attributable to owners of the Company for the period	歸屬於本公司所有者的本期虧損		
		(304,670)	(834,471)

Condensed Interim Consolidated Statement of Comprehensive Income (Continued)

簡明中期合併綜合收益表（續）

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Other comprehensive income/(losses):	其他綜合收益／（虧損）：		
Items that may be reclassified to profit or loss	其後可能會重分類至損益的項目		
Currency translation differences	外幣折算差額	30,949	(50,111)
Items that will not be reclassified to profit or loss	其後不會重分類至損益的項目		
Change in the fair value of equity instruments at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的權益工具的公允價值變動	4,707	(1,808)
Currency translation differences	外幣折算差額	21,046	(23,117)
Other comprehensive income/(losses) for the period, net of tax	稅後本期其他綜合收益／（虧損）	56,702	(75,036)
Total comprehensive losses attributable to the owners of the Company for the period	歸屬於本公司所有者的本期綜合虧損總額	(247,968)	(909,507)
Loss per share for loss attributable to ordinary equity holders of the Company for the period (expressed in RMB per share)	本期本公司普通股股東應佔虧損的每股虧損（每股人民幣）		
— Basic	— 基本	21	(0.09)
— Diluted	— 稀釋	21	(0.09)

The accompanying notes on page 55 to 104 are an integral part of this condensed interim consolidated financial information.

後附第55頁至104頁之附註為本簡明中期合併財務資料的整體部分。

Condensed Interim Consolidated Statement of Changes in Equity

簡明中期合併權益變動表

		Attributable to owners of the Company 歸屬於本公司所有者				
		Ordinary shares 普通股 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
As at January 1, 2021	於2021年1月1日	21,752	1,079,497	233,266	(5,106,646)	(3,772,131)
Comprehensive losses for the period	本期綜合虧損					
Loss for the period	本期虧損	-	-	-	(304,670)	(304,670)
Change in the fair value of equity instruments at the fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合 收益的權益工具的公允價值變動	-	-	4,707	-	4,707
Currency translation differences	外幣折算差額	-	-	51,995	-	51,995
		-	-	56,702	(304,670)	(247,968)
Transactions with owners in their capacity as owners	與所有者以其所有者的身份進行的交易					
Employees stock option schemes	僱員購股權計劃					
— value of employee services (Note 10)	— 僱員服務價值(附註10)	-	-	3,993	-	3,993
		-	-	3,993	-	3,993
As at June 30, 2021 (Unaudited)	於2021年6月30日(未經審核)	21,752	1,079,497	293,961	(5,411,316)	(4,016,106)

Condensed Interim Consolidated Statement of Changes in Equity (Continued)

簡明中期合併權益變動表（續）

		Attributable to owners of the Company 歸屬於本公司所有者				
		Ordinary shares 普通股 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
As at January 1, 2020	於2020年1月1日	21,752	1,079,497	(90,048)	(3,755,333)	(2,744,132)
Comprehensive losses for the period	本期綜合虧損					
Loss for the period	本期虧損	-	-	-	(834,471)	(834,471)
Change in the fair value of equity instruments at the fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的權益工具的公允價值變動	-	-	(1,808)	-	(1,808)
Currency translation differences	外幣折算差額	-	-	(73,228)	-	(73,228)
		-	-	(75,036)	(834,471)	(909,507)
Transactions with owners in their capacity as owners	與所有者以其所有者的身份進行的交易					
Employees stock option schemes	僱員購股權計劃					
— value of employee services (Note 10)	— 僱員服務價值(附註10)	-	-	3,174	-	3,174
		-	-	3,174	-	3,174
As at June 30, 2020 (Unaudited)	於2020年6月30日(未經審核)	21,752	1,079,497	(161,910)	(4,589,804)	(3,650,465)

The accompanying notes on page 55 to 104 are an integral part of this condensed interim consolidated financial information.

後附第55頁至104頁之附註為本簡明中期合併財務資料的整體部分。

Condensed Interim Consolidated Statement of Cash Flows

簡明中期合併現金流量表

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
	Note	2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 RMB'000 人民幣千元 (Unaudited) (未經審核)
	附註		
Cash flows from operating activities	經營活動的現金流量		
Cash generated from operations	經營活動產生的現金	239,017	94,229
Interest paid	已付利息	(71,061)	(30,806)
Income tax paid	已付所得稅	(2,637)	(8,292)
Net cash inflow from operating activities	經營活動產生的現金淨額	165,319	55,131
	22		
Cash flows from investing activities	投資活動的現金流量		
Payments for property, plant and equipment	購買不動產、工廠及設備	(125,918)	(42,159)
Payment for acquisition of interests under Daan and Moliquing PSCs	支付收購大安及莫里青油田產品分成合同的參與權的款項	(3,861)	(10,503)
Proceeds from disposal of subsidiaries	收到處置子公司所得款項	–	20,663
Net proceeds upon disposal of investment in associate	處置聯營投資取得的款項	–	91
Net cash outflow from investing activities	投資活動使用的現金淨額	(129,779)	(31,908)
Cash flows from financing activities	融資活動的現金流量		
Repayments of borrowings	償還借款	–	(10,446)
Payments for loan arrangement and other fees	支付借款安排費及相關費用	–	(12,848)
Payment of lease liability	支付租賃費	(4,285)	(5,339)
Net cash outflow from financing activities	融資活動使用的現金淨額	(4,285)	(28,633)

Condensed Interim Consolidated Statement of Cash Flows (Continued)

簡明中期合併現金流量表 (續)

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
	Note	2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 RMB'000 人民幣千元 (Unaudited) (未經審核)
	附註		
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物的 增加/(減少)淨額	31,255	(5,410)
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	20,353	13,711
Effects of exchange rate on cash and cash equivalents	現金及現金等價物的匯兌 損益的影響	(181)	1,223
Cash and cash equivalents at end of the period	期末現金及現金等價物	51,427	9,524

The accompanying notes on page 55 to 104 are an integral part of this condensed interim consolidated financial information.

後附第55頁至104頁之附註為本簡明中期合併財務資料的整體部分。

Notes to the Condensed Interim Consolidated Financial Information

簡明中期合併財務資料附註

1. GENERAL INFORMATION

MIE Holdings Corporation (the “Company”) and its subsidiaries (together, the “Group”) are principally engaged in the exploration, development, production and sale of oil in the People’s Republic of China (the “PRC”) under production sharing contracts (the “PSCs”). The Group also participates as associates in the exploration, development, production and sale of petroleum and other petroleum products located in the Republic of Kazakhstan (the “Kazakhstan”).

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Maples Corporate Services Limited, P.O. Box 309 Ugland House, Grand Cayman KY1-1104, Cayman Islands.

The Group is indirectly controlled by Far East Energy Limited (the “FEEL”), which owns 44.95% of the Company’s shares and is also the ultimate parent company of the Group. FEEL is a limited liability company incorporated in Hong Kong and its ultimate benefit owners are Mr. Zhang Ruilin, Mr. Zhao Jiangwei and Ms. Zhao Jiangbo (“Mrs. Zhang”, Mr. Zhang Ruilin’s spouse).

The Company’s shares have been listed on the Stock Exchange of Hong Kong Limited since December 14, 2010.

The condensed interim consolidated financial information is presented in Chinese Renminbi (“RMB”) unless otherwise stated. The condensed interim consolidated financial information has been approved for issue by the board of directors of the Company (the “Board of Directors”) on August 24, 2021.

1. 一般資料

MI能源控股有限公司(以下簡稱「本公司」)及其子公司(統稱「本集團」)主要在中華人民共和國(以下簡稱「中國」)按照產品分成合同及類似協議，從事勘探、開發、生產及銷售石油。本集團通過聯營企業形式參與位於哈薩克斯坦共和國(「哈薩克斯坦」)的勘探、開發、生產及銷售石油和其他石油產品活動。

本公司是一家於開曼群島註冊成立的有限公司。註冊地址為Maples Corporate Services Limited, P.O. Box 309 Ugland House, Grand Cayman KY1-1104, Cayman Islands。

本集團受Far East Energy Limited(以下簡稱「FEEL」)間接控制，FEEL擁有本公司股本的44.95%，並且是本集團的最終母公司。FEEL為一家在香港註冊的有限責任公司，其最終受益方為張瑞霖先生、趙江巍先生及趙江波女士(張瑞霖先生之配偶，以下簡稱「張夫人」)。

本公司的股份自2010年12月14日起在香港聯合交易所有限公司上市。

除另有註明外，本簡明中期合併財務資料以人民幣列報。本簡明中期合併財務資料已由本公司董事會於2021年8月24日批准刊發。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

1. GENERAL INFORMATION (Continued)

This condensed interim consolidated financial information has been reviewed by the Audit Committee of the Company but has not been reviewed or audited by the Company's auditor.

2. BASIS OF PREPARATION

This condensed interim consolidated financial information for the six months ended June 30, 2021 has been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting". The condensed interim consolidated financial information should be read in conjunction with the annual financial statements for the year ended December 31, 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standard Board ("IASB").

1. 一般資料(續)

本簡明中期合併財務資料由本公司審核委員會審閱但尚未經本公司的審計師審閱或審核。

2. 編製基準

截至2021年6月30日止6個月期間的簡明中期合併財務資料已根據國際會計準則第34號「中期財務報告」編製。本簡明中期合併財務資料應與截至2020年12月31日止年度的年度財務報表一併閱讀，該財務報表是根據國際會計準則委員會頒布的國際財務報告準則編製的。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

2. BASIS OF PREPARATION (Continued)

2.1 Going concern

In the recent years, the Group's performance was significantly affected by the relatively low commodity prices of oil and the high borrowing costs for general funding and re-financing purposes. During the period, the Group incurred a net loss of RMB304.7 million, mainly due to the recovery of commodity prices of oil.

As at June 30, 2021, the Group had a shareholders' deficit of RMB4,016.1 million and its current liabilities exceeded its current assets by RMB5,039.4 million. As at the same date, the Group had total borrowings of RMB3,648.4 million. Included in the current liabilities as at June 30, 2021 were (1) the senior notes listed on the Singapore Exchange Securities Trading Limited in the principal amount of US\$248.4 million (equivalent to approximately RMB1,604.7 million) with a contractual due date on April 12, 2022 (the "2022 Senior Notes") (Note 15(a)); (2) a secured borrowing of US\$58.8 million (equivalent to approximately RMB379.9 million) (the "On-Demand Borrowing") (Note 15(b)); and (3) all of the Group's remaining secured borrowings totalling RMB1,663.9 million (Note 15(c)). As at June 30, 2021, the Group had bank balances totalling RMB61.2 million, of which RMB51.4 million was unrestricted.

2. 編製基準(續)

2.1 持續經營

近年來，本集團的業績受到偏低的石油商品價格，以及為一般性融資及再融資目的所發生的借款成本較高的顯著影響。本期間，本集團淨虧損為人民幣304.7百萬元，主要是由於石油商品價格的恢復。

截至2021年6月30日，本集團股東累積虧損為人民幣4,016.1百萬元。本集團的流動負債超出其流動資產人民幣5,039.4百萬元。於同日，本集團借款總額為人民幣3,648.4百萬元。於2021年6月30日，流動負債中包括(1)在新加坡證券交易有限公司上市的本金為248.4百萬美元(約合人民幣1,604.7百萬元)、合同到期日為2022年4月12日的優先票據(「2022優先票據」)(附註15(a));(2)抵押借款58.8百萬美元(約合人民幣379.9百萬元)，按需償還(「即時償還借款」)(附註15(b));(3)本集團持有的所有其他借款1,663.9百萬元(附註15(c))。截至2021年6月30日，本集團銀行餘額為人民幣61.2百萬元，其中人民幣51.4百萬元非受限。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

On May 11, 2020, the Group did not pay the interest accrued on the 2022 Senior Notes of RMB120.5 million (US\$17.1 million) due on April 12, 2020, which resulted in an event of default by the Group after the expiry of the 30-day grace period. As a result, the entire balance of the principal and related outstanding interest due on the 2022 Senior Notes became immediately repayable if requested by the holders of such notes (the "Noteholders") and was classified as a current liability since then. This event of default also triggered the cross-default of the borrowings under (2) and (3) (collectively the "Cross-Defaulted Borrowings") and immediate repayment of all such borrowings if requested by the respective lenders of these borrowings (the "Lenders"). In addition, all the Cross-Defaulted Borrowings were also subsequently defaulted because of non-payment at their respective due dates. Up to the date of approval of these condensed interim consolidated financial statements, the Noteholders and the Lenders have not requested immediate repayments of any of the funding provided to the Group, nor any written waiver has been obtained from them. No additional borrowings were undertaken by the Group subsequent to June 30, 2021.

2. 編製基準(續)

2.1 持續經營(續)

2020年5月11日，本集團未能支付2022優先票據於2020年4月12日到期應付的利息人民幣120.5百萬元(合17.1百萬美元)，導致本集團在30天寬限期到期後發生違約事件。因此，若2022優先票據的持有人(「票據持有人」)提出要求，則2022優先票據的本金和相關的未償利息的全部餘額需立即償還，並且2022優先票據的本金和相關的未償利息的全部餘額自當時起分類列示為流動負債。此違約事件同時觸發了上述第(2)和(3)項下借款的交叉違約(合併簡稱為「交叉違約借款」)，如果這些借款的相應貸款人(「貸款人」)提出要求，該等借款均需立即償還。此外，所有交叉違約借款後續也由於未在各自到期日按時償還而發生違約。截至本簡明中期合併財務報表批准之日，票據持有人和貸款人尚未要求立即償還任何向本集團提供的資金，本集團也未從其獲得任何書面豁免。於2021年6月30日後，本集團並無新增借款。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

The above conditions indicate the existence of material uncertainties which may cast significant doubt regarding the Group's ability to continue as a going concern. In view of such circumstances, management has given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern, and has taken the following measures to mitigate the liquidity pressure and to improve its cash flows:

- (a) The Group will continue its ongoing efforts in convincing the Lenders and the Noteholders not to take any actions against the Group for immediate payment of the principals and interest of the Cross-Defaulted Borrowings and the 2022 Senior Notes. Based on latest communications with the Lenders and certain key Noteholders, there is no indication that these parties have any current intention to take action against the Group to demand immediate payment;

2. 編製基準 (續)

2.1 持續經營 (續)

上述狀況顯示存有重大不確定因素，可能對本集團持續經營的能力產生重大疑慮。鑒於該等情況，管理層在評核本集團是否有充足的財務資源以持續經營時，已審慎考慮本集團未來流動資金、業績以及其可獲得的融資來源。本集團已採取若干措施以減輕流動資金的壓力並改善其現金流量：

- (a) 本集團將繼續保持盡力說服貸款人和票據持有人不會對本集團採取任何行動以要求立即償還交叉違約借款和2022優先票據的本金和利息。根據本集團與貸款人和部分主要票據持有人的最新溝通，沒有跡象表明對方目前有任何意圖要對本集團採取行動以要求立即還款；

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

- (b) The Group has been in active negotiations with the Lenders and certain key Noteholders for a debt restructuring of the Cross-Defaulted Borrowings and the 2022 Senior Notes (the “Debt Restructuring Plans”) to revise certain key terms and conditions of the original borrowing agreements and indenture, including but not limited to extension of principal and interest payment schedules and reduction in applicable interest rates. The Debt Restructuring Plans will involve entering into restructuring agreements (the “Restructuring Agreements”) among the Group, the Lenders and the key Noteholders participating in the negotiations; and the execution of such Restructuring Agreements is subject to, among others, the necessary legal proceedings and ultimate approval by Noteholders representing over 50% by number and 75% by value of the holders of the 2022 Senior Notes participating in the voting;

2. 編製基準(續)

2.1 持續經營(續)

- (b) 本集團持續與貸款人和部分主要票據持有人就交叉違約借款和2022優先票據的債務重組(「債務重組計劃」)進行積極協商溝通，以修改原借款協議及契約項下的部分關鍵條款和條件，包括但不限於延長本金和利息支付時間以及降低適用的利率。債務重組計劃中將包括本集團、貸款人和參與談判的主要票據持有人之間簽訂重組協議(「重組協議」)；在滿足其他相關要求以外，該等重組協議的執行還須完成必要的法律程序，以及獲得參加投票表決程序的2022優先票據持有人中，同時滿足人數超過50%並且所持有票據價值超過75%的票據持有人的最終批准；

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

- (c) On June 4, 2020, the Group successfully obtained approval from its production sharing counterparty, China National Petroleum Corporation, to extend the expiry date of the production period from December 31, 2024 to February 29, 2028 (the "Supplemental Production Sharing Contract") on the condition that the Group shall drill a minimum number of new wells in the Daan oilfield as agreed within a period of three years from June 2020. As a result, the Group will be able to improve its operating cash flows through increased production; and
- (d) The Group will also continue to seek other alternative financing, including proceeds from the disposal of assets, to finance the settlement of its existing financial obligations and future operating and capital expenditures.

2. 編製基準 (續)

2.1 持續經營 (續)

- (c) 於2020年6月4日，本集團成功獲得其產品分成合同的合作者中國石油天然氣集團有限公司的批准，將產品分成合同的生產期到期日從2024年12月31日延長至2028年2月29日（「補充產品分成合同」），前提條件包括本集團應自2020年6月起的3年內，在大安油田完成協議約定的新鑽井最低工作量。通過取得此項延期，本集團將能夠通過增加產量來改善其經營現金流量；以及
- (d) 本集團還將繼續尋求其他替代融資方式，包括通過出售資產取得資金，以履行其現有的負債義務以及滿足未來的運營和資本支出。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from June 30, 2021. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations when they fall due within the next twelve months from the end of the reporting period. Accordingly, the Directors are satisfied that it is appropriate to prepare the condensed interim consolidated financial information on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether management of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- (i) the Lenders and the Noteholders not taking any actions against the Group to exercise their rights to demand immediate payment of the principals and interests of the Cross-Defaulted Borrowings and the 2022 Senior Notes before the finalisation of the Debt Restructuring Plans and execution of the Restructuring Agreements;

2. 編製基準(續)

2.1 持續經營(續)

董事已審閱管理層編製的本集團現金流量預測，其涵蓋自2021年6月30日起不少於12個月的期間。董事認為，考慮到上述計劃措施，本集團將擁有充足的營運資金以滿足經營所需，並能履行自本報告期末起12個月內到期的財務義務。因此，董事相信，以持續經營為基礎編製本簡明中期合併財務資料屬恰當。

儘管如此，本公司管理層能否如上文所述實現其計劃及措施存有重大的不確定性。本集團是否能夠保持持續經營將取決於以下條件：

- (i) 貸款人和票據持有人不會在債務重組計劃最終確定和執行重組協議之前對本集團採取任何行動以行使其權利、要求立即償還交叉違約借款和2022優先票據的本金和利息；

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

2. BASIS OF PREPARATION (Continued)

2.1 Going concern (Continued)

- (ii) successfully securing the required agreement of the Lenders and the Noteholders and completion of all necessary procedures by the Group for the Restructuring Agreements to be executed; and the Group's ability to continuously comply with the terms and conditions stipulated therein upon execution;
- (iii) actual oil prices throughout the forecast period being in line with the projected levels included in the cashflow projections; and
- (iv) the Group's ability to generate operating cash flows and to obtain additional sources of financing, other than those mentioned above, to finance the Group's oil exploration and production business, including capital expenditures needed to drill new wells, as well as other funding needs.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in the condensed interim consolidated financial information.

2. 編製基準 (續)

2.1 持續經營 (續)

- (ii) 成功獲取貸款人與票據持有人就重組計劃所要求事項的一致同意，且本集團成功完成債務重組計劃項下執行重組協議所必需的所有程序；並且，於重組協議執行後，本集團有能力繼續遵守其中規定的條款和條件；
- (iii) 於整個預測期內，實際油價與現金流量預測中的預測油價水平相一致；以及
- (iv) 除上述事項以外，本集團有能力產生經營現金流量及獲得額外融資來源，以滿足本集團包括完成新井所需投資在內的石油勘探及生產業務的資金需求以及其他融資需求。

倘本集團未能實現上述計劃及措施，則可能無法在持續經營的基礎上繼續運營，並須作出調整以將本集團的資產賬面價值調整至其可收回金額，計提可能進一步產生的負債撥備，同時將非流動資產及非流動負債重新分類為流動資產和流動負債。該等調整的影響尚未反映於簡明中期合併財務資料中。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied in the preparation of this unaudited condensed interim consolidated financial information are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2020.

Amended standards adopted by the Group

The following amended standards became applicable for the current reporting period:

- Covid-19-related Rent Concessions — Amendments to IFRS 16
- Interest Rate Benchmark Reform — Phase 2 — Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

These amended standards did not have any significant impact on the Group's accounting policies and did not require retrospective adjustments.

3. 主要會計政策

編製本簡明中期合併財務資料(未經審核)所採用之會計政策與截至2020年12月31日止年度之年度財務報表所採用的會計政策一致,惟以下所述者除外。

本集團採用的修訂準則

本報告期內,一些新增及修訂準則已開始適用:

- 新冠疫情相關的租金減讓 — 對《國際財務報告準則第16號》的修訂
- 基準利率改革 — 第二階段 — 對《國際財務報告準則第9號》《國際會計準則第39號》《國際財務報告準則第7號》《國際財務報告準則第4號》和《國際財務報告準則第16號》的修訂

修訂後的準則對本集團的會計政策沒有重大影響,不需要追溯調整。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

4. ESTIMATE

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2020.

4. 估計

編製中期財務資料要求管理層對影響會計政策的應用和所報告資產和負債以及收支的數額作出判斷、估計和假設。實際結果或會與此等估計不同。

在編製此等簡明中期合併財務資料時，管理層應用本集團會計政策時作出的重大判斷和估計不確定性的關鍵來源，與截至2020年12月31日止年度合併財務報表所應用的相同。

5. FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and oil price risk), credit risk and liquidity risk.

The condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2020.

There have been no changes in the risk management department or in any risk management policies since the year-end.

5. 財務風險管理

(a) 財務風險因素

本集團的活動承受著多種的財務風險：市場風險（包括外匯風險、公允價值利率風險及石油價格風險）、信用風險及流動性風險。

簡明中期合併財務資料並未包括年度財務報表規定的所有財務風險管理信息和披露，此中期財務資料應與本集團截至2020年12月31日止年度的年度財務報表一併閱讀。

自年底以來，風險管理部門及風險管理政策並無任何變動。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

5. FINANCIAL RISK MANAGEMENT (Continued)

(b) Liquidity risk factors

Compared to December 31, 2020, there was no material change in the contractual undiscounted cash outflows for financial liabilities except for payments of borrowing interests in total amounting to RMB71.1 million.

(c) Fair value estimation

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

5. 財務風險管理(續)

(b) 流動風險因素

與2020年12月31日相比，除了本期償還的合計為人民幣71.1百萬元的借款利息以外，本集團無重大的因金融負債產生的合約性未貼現現金流流出。

(c) 公允價值估計

(i) 公允價值層級

下表利用估值法分析按公允價值入賬的金融工具。不同層級的定義如下：

相同資產或負債在活躍市場的報價(未經調整)(第一層級)。

除了第一層級所包括的報價該資產和負債的可觀察的其他輸入值，可為直接(即例如價格)或間接(即源自價格)(第二層級)。

資產和負債並非依據可觀察市場數據的輸入值，(即非可觀察輸入)(第三層級)。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

The following table presents the Group's financial assets that are measured at fair value.

	Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets				
As at June 30, 2021 (Unaudited)				
Financial assets at fair value through other comprehensive income (the "FVOCI"):				
— Equity investments	-	-	12,465	12,465
As at December 31, 2020 (Audited)				
Financial assets at FVOCI				
— Equity investments	-	-	7,841	7,841

There were no transfers between level 1, 2 and 3 during the period.

本期無第一、二、三層級間轉換。

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(a) 在第一層級的金融工具
在活躍市場中交易的金融工具的報告期末的公允價值皆源於市場報價。倘市場報價易於定期從交易所、經銷商、經紀人、行業協會、定價服務機構或監管機構獲得，則該價格代表按市場規律實際發生的市場交易，則該市場視為活躍市場。

5. 財務風險管理(續)

(c) 公允價值估計(續)

(i) 公允價值層級(續)

下表呈列本集團以公允價值計量的金融資產。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

5. 財務風險管理(續)

(c) 公允價值估計(續)

(i) 公允價值層級(續)

(b) 在第二層級的金融工具

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值利用估值技術釐定。估值技術盡量利用可觀察市場數據(如有)，盡量少依賴主體的特定估計。如計算金融工具的公允價值所需的所有重大輸入為可觀察數據，則該金融工具歸屬於第二層級。如一項或多項重大輸入並非根據可觀察市場數據，則該金融工具歸屬於第三層級。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

(c) Financial instruments in level 3

With respect to the level 3 fair value measurement for the Group's financial assets at fair value that are unlisted equity investments and debt investments with no active market exists, the Group's finance department benchmark to the market price of certain comparable listed companies within the same or similar operation/industry and apply certain adjustments/discount for non-marketability.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- other valuation techniques, such as binomial model is used to determine the fair value of the share-based payments.

5. 財務風險管理(續)

(c) 公允價值估計(續)

(i) 公允價值層級(續)

(c) 在第三層級的金 工具

對於本集團以公允價值計量的金融資產中以第三層級公允價值確認其公允價值的部分，因其為非上市的權益投資和債務投資，無活躍市場存在，本集團財務部門會對標若干相同或相似的行業／運營模式的可比上市公司的市價，並因其無市場可交易性作出特定調整／折讓。

(ii) 用以評估公允價值的估值技術

用以估值金融工具的特定估值技術包括：

- 同類型工具的市場報價或交易商報價。
- 其他技術，例如二叉樹模型用來決定股份支付的公允價值。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

6. SEGMENT INFORMATION

(a) Description of segment

The chief operating decision-maker (the "CODM") has been identified as the Board of Directors and chief executive of the Company who review the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The CODM considers the business performance of the Group from a geographic perspective. There is only one operating segment which is principally engaged in exploration, development, production and sale of oil under PSCs in the PRC. Management reviews the operating results of the segment to make strategic decisions.

The measurement of results and assets of the operating segment are the same as those described in the summary of significant accounting policies. The CODM evaluates the performance of the operating segment based on profit/(loss) before income tax, depreciation and amortisation, interest income, finance costs and exchange gains/(losses) (the "EBITDA") and the adjusted EBITDA.

6. 分部信息

(a) 分部描述

主要營運決策者(「主要營運決策者」)為本公司的董事會及總裁，負責審閱本集團的內部報告以評估表現和分配資源。主要營運決策者已根據該等報告確定經營分部。

董事會從地域的角度考慮了本集團的業績表現。本集團僅有一個經營分部，其主要在中國按照產品分成合同從事勘探、開發、生產及銷售石油。管理層通過審閱分部的經營成果以制定戰略決策。

經營分部的業績及資產的計量方法與重要會計政策摘要中所述相同。主要營運決策者根據除所得稅、折舊及攤銷、利息收入、財務費用及匯兌收益/(損失)前的利潤/(虧損)(「EBITDA」)和經調整的EBITDA評估經營分部的表現。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

6. SEGMENT INFORMATION (Continued)

(b) Segment information to CODM

The segment information provided to the CODM for the reportable segment is as follows:

EBITDA and adjusted EBITDA

6. 分部信息(續)

(b) 提交給主要營運決策者的分部信息

就可呈報分部提供給主要營運決策者的分部信息列示如下：

EBITDA 和經調整的 EBITDA

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Operating segment:	經營分部：		
Profit/(loss) before income tax	除所得稅前利潤／(虧損)	68,027	(562,395)
Finance income	財務收入	(16)	(325)
Finance costs	財務費用	96,462	57,392
Depreciation, depletion and amortisation	折舊、折耗及攤銷	124,613	177,652
EBITDA	EBITDA	289,086	(327,676)
Share-based payments to employees	購股權計劃下僱員服務成本	2,067	761
Impairment charges	資產減值損失	—	528,968
Adjusted EBITDA	經調整 EBITDA	291,153	202,053

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

6. SEGMENT INFORMATION (Continued)

(b) Segment information to CODM (Continued)

Segment revenue and segment results

6. 分部信息(續)

(b) 提交給主要營運決策者的分部信息(續)

分部收入和分部表現

		Six months ended June 30, 截至6月30日止6個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Segment revenue	分部收益	417,643	289,495
Purchases, services and other direct costs	採購、服務及其他直接成本	(79,401)	(49,957)
Impairment charges	資產減值損失	—	(528,968)
Income tax expense	所得稅費用	(44,642)	(1,725)
Profit/(loss) for the period	本期利潤/(虧損)	23,385	(564,120)

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

6. SEGMENT INFORMATION (Continued)

(b) Segment information to CODM (Continued)

Segment assets and segment liabilities

6. 分部信息 (續)

(b) 提交給主要營運決策者的分部信息 (續)

分部資產和分部負債

		As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Total segment assets	分部資產總額	1,347,708	1,300,181
Total segment assets include: 分部資產包括：			
Property, plant and equipment	不動產、工廠及設備	1,109,395	1,078,702
Intangible assets	無形資產	54,492	58,582
Additions to non-current assets (other than deferred income tax assets)	非流動資產增加 (遞延稅項資產除外)	155,923	48,941
Total segment liabilities	分部負債總額	1,969,614	1,869,743

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

6. SEGMENT INFORMATION (Continued)

(c) Reconciliation of segment information

A reconciliation of EBITDA to loss before income tax is provided as follows:

6. 分部信息(續)

(c) 分部信息核對

EBITDA與除所得稅前虧損的調節如下：

		Six months ended June 30, 截至6月30日止6個月	
		2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 RMB'000 人民幣千元 (Unaudited) (未經審核)
Total EBITDA for reportable segments	可呈報分部的EBITDA 合計	289,086	(327,676)
Headquarter and others overheads	總部及其他日常開支	(40,438)	(25,742)
Finance income	財務收入	15,682	26,412
Finance costs	財務費用	(397,714)	(323,873)
Depreciation and amortisation expense	折舊及攤銷費用	(126,644)	(181,706)
Loss before income tax	除所得稅前虧損	(260,028)	(832,585)

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

6. SEGMENT INFORMATION (Continued)

(c) Reconciliation of segment information (Continued)

Reportable segments' assets are reconciled to total assets as follows:

6. 分部信息 (續)

(c) 分部信息核對 (續)

可呈報分部資產與總資產的調節如下：

		As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Total segment assets	分部資產總額	1,347,708	1,300,181
Unallocated	未分配		
Unallocated cash and cash equivalents	未分配現金及現金等價物	23,869	3,747
Other receivables	其他應收款	365,579	368,180
Others	其他	22,226	19,224
Total assets per consolidated statement of financial position	合併財務狀況表所示資產總額	1,759,382	1,691,332

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

6. SEGMENT INFORMATION (Continued)

(c) Reconciliation of segment information (Continued)

Reportable segments' liabilities are reconciled to total liabilities as follows:

6. 分部信息(續)

(c) 分部信息核對(續)

可呈報分部負債與總負債的調節如下：

		As at June 30, 於6月30日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於12月31日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Total segment liabilities	分部負債總額	1,969,614	1,869,743
Unallocated	未分配		
Unallocated borrowings	未分配借款	2,697,427	2,725,602
Provisions, accruals and other liabilities	準備、預提及 其他負債	1,100,407	858,779
Others	其他	8,040	9,339
Total liabilities per consolidated statement of financial position	合併財務狀況表所示 負債總額	5,775,488	5,463,463

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

6. SEGMENT INFORMATION (Continued)

6. 分部信息(續)

(d) Revenue from contracts with customers

(d) 客戶合同收入

		Six months ended June 30, 截至6月30日止6個月	
		2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 RMB'000 人民幣千元 (Unaudited) (未經審核)

Entity-wide information Analysis of revenue by category

企業層面信息 收入按類別分析

Timing of revenue recognition	收入確認時間
At a point in time	在某一時點
— Sales of crude oil	— 銷售原油

417,643	289,495
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All of the Group's revenue is derived in the PRC during the period.

本集團本期間所有收入均來自中國。

For the six months ended June 30, 2021, total revenue from crude oil sales in the PRC are derived solely from PetroChina Company Limited (the "PetroChina"). Crude oil sales revenues from PetroChina accounted for 100% of the Group's total revenue for the period (Six months ended June 30, 2020: 100%).

截至2021年6月30日止6個月期間，本集團在中國的原油銷售收入均為銷售給中國石油天然氣股份有限公司(「中石油股份」)取得的收入。本期從中石油股份取得的原油收入佔本集團總收入的100%(截至2020年6月30日止6個月期間：100%)。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

7. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

7. 不動產、工廠及設備以及無形資產

		Property, plant and equipment 不動產、 工廠及設備 RMB'000 人民幣千元	Intangible assets 無形資產 RMB'000 人民幣千元
Six months ended June 30, 2021 (Unaudited)	截至2021年6月30日止6個月 期間(未經審核)		
Opening net book amount as at January 1, 2021	2021年1月1日期初賬面淨值	1,079,358	58,582
Additions	增加	150,603	-
Disposals	處置	(143)	-
Depreciation and amortisation charges	折舊及攤銷費用	(119,660)	(4,090)
Exchange loss	匯兌損益	(6)	-
Closing net book amount as at June 30, 2021	2021年6月30日期末賬面淨值	1,110,152	54,492
Six months ended June 30, 2020 (Unaudited)	截至2020年6月30日止 6個月期間(未經審核)		
Opening net book amount as at January 1, 2020	2020年1月1日期初賬面淨值	1,678,414	94,025
Additions	增加	17,459	-
Depreciation and amortisation charges	折舊及攤銷費用	(169,863)	(7,668)
Impairment	減值	(501,459)	(27,509)
Exchange gain	匯兌損益	12	-
Closing net book amount as at June 30, 2020	2020年6月30日期末賬面淨值	1,024,563	58,848

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

8. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

8. 預付款、保證金及其他應收款

		As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Shareholder's loan to an associate (Note (b))	予聯營企業的股東貸款 (附註(b))	896,724	891,481
Consideration receivables from disposal of partial interest in a former subsidiary (Note (c))	應收處置前子公司部分權益的對價款 (附註(c))	250,312	252,823
Other receivables	其他應收款		
— Related parties	— 關聯方	188	190
— Others	— 其他	27,294	26,229
Advances to employees	員工備用金	4,178	928
		1,178,696	1,171,651
Less: loss allowance	減：損失準備	(792,042)	(784,183)
Prepayments	預付款項	386,654	387,468
Prepaid expenses	待攤費用	2,353	2,862
Advances to suppliers	預付賬款	4,880	4,320
Less: loss allowance	減：損失準備	(2,381)	(2,381)
		391,506	392,269
Current	流動	34,158	31,239
Non-current	非流動	357,348	361,030
		391,506	392,269

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

8. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

Note:

- (a) The maximum exposure to credit risk at the reporting date is the carrying value of each class of prepayments and other receivables mentioned above. The Group does not hold any collateral as security.
- (b) The shareholder's loan to an associate is pledged as a security for other loans (Note 15(c)).
- (c) The consideration receivables from disposal of partial interest in a former subsidiary (now becomes an associate) are pledged as securities for other loans (Note 15(c)).

8. 預付款、保證金及其他應收款(續)

附註：

- (a) 於報告日，最大的信用風險敞口為以上提及的各類預付及其他應收款的賬面價值。本集團不持有任何抵押品作為擔保。
- (b) 聯營企業的股東借款作為其他借款的擔保(附註15(c))。
- (c) 應收處置前子公司(現為一聯營企業)部分權益的對價款作為其他借款的擔保(附註15(c))。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

9. TRADE RECEIVABLES

The aging analysis of trade receivables is as follows:

		As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Up to 30 days	少於 30 日	93,248	50,987
Over 180 days	多於 180 日	1,465	730
		94,713	51,717

Note:

- (a) The Group's trade receivables have credit terms of between 30 days to 180 days.
- (b) The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables.
- (c) The Group does not hold any collateral as security.
- (d) The fair value of trade receivables approximates their carrying amounts.
- (e) Trade receivables under the Daan PSC held by Gobi Energy Limited (the "Gobi") are pledged as a security for other loans (Note 15(c)).

9. 應收賬款

應收賬款的賬齡分析列示如下：

附註：

- (a) 本集團的應收賬款的信用期為30日至180日。
- (b) 於報告日，最大的信用風險敞口為各類應收賬款的賬面價值。
- (c) 本集團並未持有任何擔保品作為抵押。
- (d) 應收賬款的公允價值與其賬面金額相近。
- (e) 通過戈壁能源公司(以下簡稱「戈壁」)持有的大安產品分成合同下的應收賬款作為其他借款的擔保(附註15(c))。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

10. SHARE-BASED PAYMENTS

During the six months ended June 30, 2021, total expenses recognized in the condensed interim consolidated statement of comprehensive income for share options and stock appreciation rights (the "SARs") granted to directors and employees amounted to RMB4.0 million (Six months ended June 30, 2020: RMB3.2 million).

The share options, stock appreciation rights and share awards granted generally vest over a two or three-year period following a specified vesting commencement date. Typically, the share options, stock appreciation rights and share awards granted vest at each anniversary of the grant date within the vesting period, subject to the participant continuing to be an employee on each vesting date. The terms of share options, stock appreciation rights and share awards granted will not exceed ten years from the grant date.

(a) Share options

The 2021 Share Option Scheme (the "2021 Scheme") adopted by the Company was approved by shareholders on June 25, 2021 in accordance with Chapter 17 of the Listing Rules. On June 30, 2021 (the "Date of Grant"), the Company cancelled 142,516,803 shares of existing options under the 2010 Share Option Scheme, and granted new share options (the "New Options") of 142,516,803 shares pursuant to the 2021 Scheme.

New Options granted will vest on the Date of Grant. Exercise price of the New Options is HK\$0.044 per share. Validity period of the New Options is 10 years from the Date of Grant, subject to earlier termination as set forth in the 2021 Scheme.

10. 股份支付

截至2021年6月30日止6個月期間內，確認到簡明中期合併綜合收益表的授予董事及員工的購股權及股份增值權的費用為人民幣4.0百萬元(截至2020年6月30日止6個月：人民幣3.2百萬元)。

授出的購股權、股份增值權和獎勵股份一般可以在期權授予日之後的兩年或三年期間行權。一般來講，所授出的股權、股份增值權、股份獎勵在等待期內的授予日的每個周年紀念日可以行權，且被授予者必須在每個行權日為公司僱員。授出的購股權、股份增值權和獎勵股份的期限自授出日期起計不會超過十年。

(a) 購股權

根據上市規則第十七章，2021購股權計劃(「2021計劃」)於2021年6月25日被公司股東所採納。於2021年6月30日(「授予日」)，公司取消了2010購股權計劃下142,516,803股現有購股權，並根據2021計劃新授予142,516,803股購股權(「新購股權」)。

授出的新購股權將於授出日期歸屬。新購股權行權價格為每份0.044港元。新購股權的有效期為授予日期開始的10年，但如2021計劃所述，可提早終止。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

10. SHARE-BASED PAYMENTS (Continued)

(a) Share options (Continued)

As at June 30, 2021, option to acquire of 142,516,803 (December 31, 2020: 142,516,803 shares) ordinary shares under the 2021 Scheme are outstanding, of which all shares (December 31, 2020: 95,011,201 shares) are exercisable.

The fair value of share options outstanding at the Date of Grant is determined using the Binomial Model. Their fair values and significant inputs into the model are as follows:

10. 股份支付(續)

(a) 購股權(續)

截至2021年6月30日，根據2021計劃中待行使購股權可認購142,516,803股(2020年12月31日：142,516,803股)普通股，其中全部(2020年12月31日：95,011,201股)為可行使購股權。

購股權於授予日的公允價值採用二叉樹模型釐定；其公允價值及重要輸入參數列示如下：

		2021 Grants 授予 Share options 購股權 HKD 港幣
Fair value per unit	每單元公允價值	0.02
Share price at grant date	授予日股價	0.04
Fair value per share at period end	期末每股公允價值	0.02
Exercise price	行權價	0.04
Volatility (%)	波動率(百分比)	79%
Dividend yield (%)	股息率(百分比)	—
Annual risk-free rate (%)	年度無風險利率(百分比)	1.34%
Remaining term (year)	剩餘期限(年)	10

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

10. SHARE-BASED PAYMENTS (Continued)

(b) Share appreciation rights

On February 5, 2021, the Company cancelled 400,000 share appreciation rights and offered new share awards in consideration of the cancellation of the vested SARs.

As at June 30, 2021, there are no outstanding stock appreciation rights (December 31, 2020: 400,000 shares stock appreciation rights).

(c) Share awards

On February 5, 2021, the Company granted new share award of 5,675,165 shares pursuant to the 2015 Share Award Scheme.

As at June 30, 2021, 135,875,165 shares (December 31, 2020: 130,200,000 shares) under the 2015 Share Award Scheme are granted to certain directors and employees of the Group, of which 123,900,000 shares (December 31, 2020: 123,900,000 shares) have been offered and 11,975,165 shares (December 31, 2020: 6,300,000 shares) held by trust on behalf of holders.

10. 股份支付(續)

(b) 股票增值權

於2021年2月5日，公司取消了400,000股股票增值權，並發行了新的股份獎勵作為取消既得股票增值權的對價。

截至2021年6月30日，沒有尚未行使的股份增值權(2020年12月31日：400,000)。

(c) 股份獎勵

於2021年2月5日，公司根據2015年股份獎勵計劃授予了5,675,165股新股份獎勵。

截至2021年6月30日，根據上述2015年股份獎勵計劃已授予本集團特定董事及僱員合計135,875,165股股份(2020年12月31日：130,200,000股)，其中123,900,000股(2020年12月31日：123,900,000股)已過戶給員工，11,975,165股(2020年12月31日：6,300,000股)由受託人代為持有。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

11. SHARE CAPITAL

11. 股本

	Number of shares 股數 (Thousand) (千股) (Unaudited) (未經審核)	Ordinary shares 股本 RMB'000 人民幣千元 (Unaudited) (未經審核)
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Authorised:
Ordinary shares of US\$0.001 each

法定：
每股面值0.001美元的普通股

As at January 1, 2020 and June 30, 2020	於 2020 年 1 月 1 日及 2020 年 6 月 30 日	100,000,000	100,000
As at January 1, 2021 and June 30, 2021	於 2021 年 1 月 1 日及 2021 年 6 月 30 日	100,000,000	100,000

	Number of shares 股數 (Thousand) (千股) (Unaudited) (未經審核)	Ordinary shares 股本 RMB'000 人民幣千元 (Unaudited) (未經審核)	Share premium 股本溢價 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 總計 RMB'000 人民幣千元 (Unaudited) (未經審核)
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Issued and fully paid:
Ordinary shares of US\$0.001 each

已發行及繳足：
每股面值0.001美元的
普通股

As at January 1, 2020 and June 30, 2020	於 2020 年 1 月 1 日及 2020 年 6 月 30 日	3,269,421	21,752	1,079,497	1,101,249
As at January 1, 2021 and June 30, 2021	於 2021 年 1 月 1 日及 2021 年 6 月 30 日	3,269,421	21,752	1,079,497	1,101,249

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

12. OTHER RESERVES

12. 其他儲備

		Repurchased shares held by trust	Currency translation reserve	Share-based payments reserve	Safety fund reserve	Financial assets at FVOCI 以公允價值 計量且其變動 計入其他綜合 收益的金融資產	Others	Total
		信託持有 回購股份 RMB' 000 人民幣千元	外幣折算儲備 RMB' 000 人民幣千元	股份支付儲備 RMB' 000 人民幣千元	安全基金儲備 RMB' 000 人民幣千元	收益的金融資產 RMB' 000 人民幣千元	其他 RMB' 000 人民幣千元	總計 RMB' 000 人民幣千元
As at January 1, 2021	於2021年1月1日	(89,976)	43,500	206,805	187,356	(49,482)	(64,937)	233,266
Currency translation differences	外幣折算差額	-	51,995	-	-	-	-	51,995
Change in the fair value of equity instruments at FVOCI	以公允價值計量且其變動 計入其他綜合收益的權益 工具的公允價值變動	-	-	-	-	4,707	-	4,707
Employees stock option scheme — value of employee services (Note 10)	僱員購股權計劃 — 僱員服務價值 (附註10)	-	-	3,993	-	-	-	3,993
At June 30, 2021 (Unaudited)	於2021年6月30日(未經審核)	(89,976)	95,495	210,798	187,356	(44,775)	(64,937)	293,961
As at January 1, 2020	於2020年1月1日	(89,976)	(307,785)	202,058	187,356	(16,764)	(64,937)	(90,048)
Currency translation differences	外幣折算差額	-	(73,228)	-	-	-	-	(73,228)
Change in the fair value of equity instruments at FVOCI	以公允價值計量且其變動 計入其他綜合收益的權益 工具的公允價值變動	-	-	-	-	(1,808)	-	(1,808)
Employees stock option scheme — value of employee services (Note 10)	僱員購股權計劃 — 僱員服務價值 (附註10)	-	-	3,174	-	-	-	3,174
At June 30, 2020 (Unaudited)	於2020年6月30日(未經審核)	(89,976)	(381,013)	205,232	187,356	(18,572)	(64,937)	(161,910)

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

13. TRADE AND NOTES PAYABLES

The aging analysis of the trade and notes payables is as follows:

13. 應付賬款及應付票據

應付賬款及應付票據賬齡分析列示如下：

		As at June 30, 於6月30日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於12月31日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Up to 6 months	不超過6個月	186,972	162,972
6 months – 1 year	6個月至1年	73,172	34,213
1 – 2 years	1至2年	70,210	100,180
2 – 3 years	2至3年	31,806	39,236
Over 3 years	多於3年	22,643	21,800
		384,803	358,401

The fair values of trade and notes payables approximate their carrying amounts.

應付賬款及應付票據的公允價值與其賬面金額相近。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

14. PROVISIONS, ACCRUALS AND OTHER LIABILITIES

14. 準備、預提及其他負債

		As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Asset retirement obligations (Note)	資產棄置義務 (附註)	103,440	96,932
Interest payable	應付利息	1,126,391	824,060
Salary and welfare payable	應付薪金及福利	65,840	77,059
Withholding and other tax payable	代扣代繳稅及其他應付稅	58,018	57,195
Other payables	其他應付款項	121,248	136,400
		1,474,937	1,191,646
Less:	減：		
Non-current portion of	非流動部分之		
— Asset retirement obligations	— 資產棄置義務	(103,440)	(96,932)
— Withholding tax payable	— 代扣代繳稅	(57,949)	(56,791)
		(161,389)	(153,723)
Current	流動	1,313,548	1,037,923

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

14. PROVISIONS, ACCRUALS AND OTHER LIABILITIES (Continued)

Note:

Movements of asset retirement obligations are as follows:

14. 準備、預提及其他負債(續)

附註：

資產棄置義務變動列示如下：

		Six months ended June 30, 截至6月30日止6個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
As at January 1	於1月1日	96,932	86,264
Additional provision	額外準備	663	—
Accretion expenses	增值費用	5,845	10,404
As at June 30	於6月30日	103,440	96,668

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

15. BORROWINGS

15. 借款

		As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Current	流動		
— 2022 Senior Notes (Note (a))	— 2022 優先票據 (附註(a))	1,604,650	1,620,746
— On-Demand Borrowing (Note (b))	— 即時償還借款 (附註(b))	379,854	383,664
— Other loans (Note (c))	— 其他借款 (附註(c))	1,663,914	1,681,723
		3,648,418	3,686,133

Note:

(a) 2022 Senior Notes

附註：

(a) 2022 優先票據

					As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
	Coupon rate	Due date				
	票面利率	到期日				
2022 Senior Notes	2022 優先票據	13.75%	April 12, 2022	2022 年 4 月 12 日	1,604,650	1,620,746

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

15. BORROWINGS (Continued)

Note: (Continued)

(a) 2022 Senior Notes (Continued)

The 2022 Senior Notes was issued in April 2019 in the principal amount of US\$248.4 million bearing annual interest at 13.75% due on April 12, 2022. The 2022 Senior Notes are listed on the Singapore Exchange Securities Trading Limited.

As detailed in Note 2.1, the Group did not pay the interest accrued on the 2022 Senior Notes of RMB120.5 million (US\$17.1 million) due on April 12, 2020, which resulted in an event of default by the Group after the expiry of the grace period to May 11, 2020. As a result, the entire balance of the principal and related outstanding interest due on the 2022 Senior Notes became immediately repayable if requested by Noteholders. This event of default also triggered the cross-default of the On-Demand Borrowing (Note (b) below) and other loans (Note (c) below) and immediate repayment of all such borrowings if requested by the respective lenders (Note 2.1). Accordingly, the outstanding principal of the 2022 Senior Notes has been classified to current liabilities since the occurrence of the event of default.

The Group is in discussion with certain Noteholders and the relevant lenders for the Debt Restructuring Plans (Note 2.1). As at the date of approving these condensed interim consolidated financial statements, the Debt Restructuring Plans have not been completed.

15. 借款(續)

附註：(續)

(a) 2022 優先票據(續)

2022 優先票據於2019年4月發行，本金為2.484億美元，年利率為13.75%，到期日為2022年4月12日。2022 優先票據已在新加坡交易所證券交易有限公司上市。

如附註2.1所述，本集團未支付2020年4月12日到期的2022優先票據的應計利息120.5百萬元人民幣(17.1百萬美元)，導致本集團在至2020年5月11日的寬限期到期後發生違約事件。因此，如果票據持有人要求，2022優先票據到期的本金和相關未償利息的全部餘額將立即償還。這一違約事件還引發了即時償還借款(以下附註(b))和其他貸款(以下附註(c))的交叉違約，如果各貸款人提出要求，本集團將立即償還所有此類借款(附註2.1)。因此，自發生違約事件後，2022優先票據的未償本金已分類列示為流動負債。

本集團正與某些債券持有人及有關貸款人討論債務重組計劃(附註2.1)。截至本簡明中期合併財務報表批准之日，債務重組計劃尚未完成。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

15. BORROWINGS (Continued)

Note: (Continued)

(b) On-Demand Borrowing

The On-Demand Borrowing bears an interest of 8% per annum and is wholly repayable by January 31, 2021. Pursuant to the loan agreement, the lender has the right to demand immediate repayment of the principal amount and any accrued interest during the terms of the On-Demand Borrowing.

The On-Demand Borrowing was secured as set below:

- Pledge over the Group's interest under the Daan PSC held by MIE International Resources Limited (the "MIEI")
- Share charge over the entire issued share capital of MIEI held by the Group
- Other assets security and share charge
- Personal guarantees provided by Mr. Zhang Ruilin, Ms. Zhao Jiangbo and Mr. Zhao Jiangwei

The event of default of the 2022 Senior Notes on May 11, 2020 (Note (a)) triggered cross-default of the On-Demand Borrowing and immediate repayment of all outstanding balances if requested by the lender. As detailed in Note 2.1, the On-Demand Borrowing was also subsequently defaulted because of non-payment at the contractual maturity date.

The Group is in discussion with certain Noteholders and the relevant lenders for the Debt Restructuring Plans (Note 2.1). As at the date of approving these condensed interim consolidated financial statements, the Debt Restructuring Plans have not been completed.

15. 借款(續)

附註：(續)

(b) 即時償還借款

即時償還借款年利率為8%，須於2021年1月31日償還。根據借款協議，貸款人在此即時償還借款存續期間內有權要求本集團立即償還本金及應計利息。

即時償還借款存在下列抵押：

- 本集團通過MIE國際資源公司（以下簡稱「MIEI」）持有的大安產品分成合同下的權益作為擔保
- 本集團持有的MIEI全部股本
- 其他資產擔保和股本
- 張瑞霖先生、趙江波女士及趙江巍先生提供個人擔保

如上面附註(a)所述，於2020年5月11日發生的2022優先票據違約事件觸發了及時償還借款的交叉違約，若貸款人提出要求，則即時償還借款的全部未付金額需立即償還。如附註2.1所述，及時償還借款由於未在合同到期日償還，亦發生後續違約事項。

本集團正就債務重組計劃與部分票據持有人及相關貸款人進行商討(附註2.1)。截止到本簡明中期合併財務報表獲批准之日，債務重組計劃尚未完成。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

15. BORROWINGS (Continued)

Note: (Continued)

(c) Other loans

The other loans were secured as set below:

- Pledge over the Group's account receivable under the Daan PSC held by Gobi (Note 9(e))
- Pledge over the Group's shareholder's loan to an associate (Note 8(b))
- Pledge over the Group's other receivable from a third party (Note 8(c))
- Pledge over the Group's interest under the Daan PSC held by Gobi
- Share charge over the entire issued share capital of Gobi and certain other subsidiaries of the Group
- Share charge over all issued share capital in an associate held by the Group

The event of default of the 2022 Senior Notes on May 11, 2020 (Note (a)) triggered cross-default of the other loans and immediate repayment of all outstanding balances if requested by respective lenders. As detailed in Note 2.1, other loans were also subsequently defaulted because of non-payment at respective contractual maturity dates within 2020.

The Group is in discussion with certain Noteholders and the relevant lenders for the Debt Restructuring Plans (Note 2.1). As at the date of approving these condensed interim consolidated financial statements, the Debt Restructuring Plans have not been completed.

15. 借款 (續)

附註：(續)

(c) 其他借款

其他借款存在下列抵押：

- 本集團通過戈壁持有的大安產品分成合同下的應收賬款作為擔保(附註9(e))
- 本集團持有的聯營企業的股東借款作為擔保(附註8(b))
- 本集團持有的其他應收款第三方款項作為擔保(附註8(c))
- 本集團通過戈壁持有的大安產品分成合同下的權益作為擔保
- 本集團持有的戈壁及部分其他子公司的全部股本
- 本集團持有的一家聯營企業的全部股本

如上面附註(a)所述，於2020年5月11日發生的2022優先票據違約事件觸發了其他借款交叉違約，如果這些借款的相應貸款人提出要求，該等借款的全部未付金額均需立即償還。如附註2.1所述，其他借款由於未在2020年內相應的合同到期日償還，亦發生後續違約事項。

本集團正就債務重組計劃與部分票據持有人及相關貸款人進行商討(附註2.1)。截止到本簡明中期合併財務報表獲批准之日，債務重組計劃尚未完成。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

15. BORROWINGS (Continued)

Note: (Continued)

(d) Movements in borrowings are analysed as follows:

15. 借款(續)

附註：(續)

(d) 借款變動分析列示如下：

		Senior Notes	On-Demand Borrowing and other loans 即時償還 借款及 其他借款	Total 合計
		優先票據 RMB'000 人民幣千元	其他借款 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
Carrying amounts as at January 1, 2021	於 2021 年 1 月 1 日 賬面價值	1,620,746	2,065,387	3,686,133
Exchange differences	匯兌差額	(16,096)	(21,619)	(37,715)
Carrying amounts as at June 30, 2021 (Unaudited)	於 2021 年 6 月 30 日 賬面價值 (未經審核)	1,604,650	2,043,768	3,648,418
Carrying amounts as at January 1, 2020	於 2020 年 1 月 1 日 賬面價值	1,720,505	2,278,762	3,999,267
Repayments of borrowing	償還借款	—	(10,446)	(10,446)
Amortisation of discounts	貼現攤銷	12,456	79,103	91,559
Exchange differences	匯兌差額	25,544	34,040	59,584
Carrying amounts as at June 30, 2020 (Unaudited)	於 2020 年 6 月 30 日 賬面價值 (未經審核)	1,758,505	2,381,459	4,139,964

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

16. TAXES OTHER THAN INCOME TAXES

16. 稅項(所得稅除外)

		Six months ended June 30, 截至6月30日止6個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
PRC	中國		
Urban construction tax and education surcharge	城建稅及教育費附加	2,203	1,524
Others	其他	47	43
		2,250	1,567
Headquarter and others	總部及其他		
Withholding tax and others (Note)	代扣代繳稅及其他(附註)	1,724	1,886
		3,974	3,453

Note:

During the period, all (Six months ended June 30, 2020: all) withholding tax is related to interest income on the shareholder's loan to an associate.

附註：

於本期間，所有(截至2020年6月30日止6個月期間：所有)代扣代繳稅皆與集團提供予聯營企業的股東貸款的利息收入相關。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

17. OTHER GAINS, NET

17. 其他收益，淨值

		Six months ended June 30,	
		截至 6 月 30 日止 6 個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Management fee income as the	作為產品分成合同		
PSC operator	作業者的管理費收入	2,154	2,143
Others	其他	597	1,647
		2,751	3,790

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註 (續)

18. FINANCIAL COSTS — NET

18. 財務費用 — 淨額

		Six months ended June 30, 截至 6 月 30 日止 6 個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Finance income	財務收入		
Interest income	利息收入	15,682	26,412
Finance costs	財務費用		
Interest expense at coupon rates	利息費用 (按照票面利率核算)	(383,237)	(229,967)
Amortisation of discounts	貼現攤銷		
— Asset retirement obligations	— 資產棄置義務	(5,845)	(10,404)
— Others	— 其他	—	(91,559)
Finance charges for lease liabilities	租賃負債相關財務費用	(921)	(1,099)
Other fees	其他費用	(201)	(358)
		(390,204)	(333,387)
Exchange (losses)/gains, net	匯兌(損失)/利得, 淨額	(7,510)	9,514
		(397,714)	(323,873)
Finance costs — net	財務費用 — 淨額	(382,032)	(297,461)

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

19. INCOME TAX EXPENSE

		Six months ended June 30,	
		截至 6 月 30 日止 6 個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Current income tax	當期所得稅	6,151	1,501
Deferred income tax	遞延所得稅	38,491	385
		44,642	1,886

Note:

The Company and its subsidiaries incorporated under respective jurisdiction of the Cayman Islands and the British Virgin Islands are exempted from payment of local income tax.

No provision for Hong Kong profits tax has been provided as the Group did not derive any assessable profits in Hong Kong during the period.

According to the PRC Corporate Income Tax Law promulgated by the PRC government, the tax rate applicable to the Group's subsidiary established in the PRC and the PRC branches of the Group's subsidiaries is 25%. Corporate income tax in the PRC is calculated based on the estimated taxable profit of the Company or branches established in the PRC.

Taxation has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

19. 所得稅費用

附註：

本公司及其在開曼群島及英屬維爾京群島管轄下註冊成立的附屬公司豁免繳當地所得稅。

由於本集團於本期間並沒有在香港取得任何應課稅利潤，故並無計提香港利得稅。

根據中國政府頒佈的中國企業所得稅法，本集團在中國成立的附屬公司及本集團附屬公司的中國分公司的適用稅率為25%。中國企業所得稅乃根據於中國成立的公司和分公司的估計應課稅利潤計算。

課稅按照本期間估計應課稅利潤計算，計算基礎乃本集團經營業務所在國家的現行稅率。

20. DIVIDENDS

The Board of Directors did not recommend payment of a dividend for the six months ended June 30, 2021 (Six months ended June 30, 2020: nil).

20. 股息

本公司董事會不擬就截至2021年6月30日止6個月期間內派發股息(截至2020年6月30日止6個月期間：無)。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

21. LOSS PER SHARE

(a) Basic

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

21. 每股虧損

(a) 基本

基本每股虧損是根據本公司所有者的應佔虧損，除以本期內已發行普通股的加權平均數目計算。

		Six months ended June 30, 截至6月30日止6個月	
		2021 (Unaudited) (未經審核)	2020 (Unaudited) (未經審核)
Loss for the period attribute to owners of the Company used to determine basic loss per share (RMB'000)	用於釐定基本每股虧損的歸屬於本公司所有者的虧損(人民幣千元)	(304,670)	(834,471)
Weighted average number of ordinary shares (Thousands)	加權平均普通股數目(千股)	3,257,445	3,257,416
Basic loss per share (RMB)	基本每股虧損(人民幣元)	(0.09)	(0.26)

(b) Diluted

For the six months ended June 30, 2021, the Group made a loss therefore the effect of share options was anti-dilutive and is excluded from the calculation of diluted loss per share. The diluted loss per share is calculated in the same way with basic loss per share.

(b) 稀釋

截至2021年6月30日止6個月期間內，本集團錄得虧損而引致反攤薄性購股權之影響，本集團無須計算每股攤薄虧損。每股攤薄虧損以每股基本虧損所用同樣方式計算。

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

22. NET CASH INFLOW FROM OPERATING ACTIVITIES

22. 經營活動產生的現金淨額

		Six months ended June 30,	
		截至 6 月 30 日止 6 個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Loss before income tax	除所得稅前虧損	(260,028)	(832,585)
Adjustments for:	調整：		
Depreciation, depletion and amortisation	折舊、折耗及攤銷	126,644	181,706
Interest expense — net	淨利息支出	374,522	306,975
Exchange losses/(gains), net (Note 18)	匯兌損失／(收益)，淨額(附註 18)	7,510	(9,514)
Provision/(reversal) of impairment losses on financial assets, net	金融資產減值計提／(轉回)，淨值	15,666	(21,335)
Impairment charges	資產減值損失	—	528,968
Value of employee services under share-based payments plan (Note 10)	購股權計劃下僱員服務成本(附註 10)	3,993	3,174
Changes in working capital:	營運資金變動：		
Trade and other receivables	應收賬款及其他應收款	(20,719)	17,622
Trade and other payables	應付賬款及其他應付款	(5,933)	(79,514)
Inventories	存貨	(2,638)	(1,268)
Cash generated from operations	經營活動產生的現金	239,017	94,229
Interest paid	已付利息	(71,061)	(30,806)
Income tax paid	已付所得稅	(2,637)	(8,292)
Net cash inflow from operating activities	經營活動現金淨額	165,319	55,131

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

23. COMMITMENTS AND CONTINGENCIES

(a) Commitments

- (i) Capital commitments for the purchase of property, plant and equipment

23. 承諾事項及或有負債

(a) 承諾

- (i) 購買不動產、工廠及設備之資本性承諾事項

	As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)

Authorized by the
Board of Directors
but not contracted for

董事會已批准
但未簽約

369,281

530,232

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

23. COMMITMENTS AND CONTINGENCIES (Continued)

(a) Commitments (Continued)

(ii) Operating lease commitments

The Group has operating lease commitments related to its non-cancellable operating leases for offices and vehicles. The future aggregate minimum lease payments under these operating leases not recognised in lease liabilities are as follows:

	As at June 30, 於 6 月 30 日 2021 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at December 31, 於 12 月 31 日 2020 RMB'000 人民幣千元 (Audited) (經審核)
Less than 1 year 少於一年	1,076	2,410

23. 承諾事項及或有負債(續)

(a) 承諾(續)

(ii) 經營租賃承諾

本集團因經營租賃辦公室和車輛而擁有不可撤銷的經營租約承諾。經營租賃項下未包含在租賃負債的未來最低租賃付款額列示如下：

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

24. RELATED PARTY TRANSACTIONS

24. 關聯方交易

(a) The following transactions were carried out with related parties:

(a) 與關聯方的交易列示如下：

		Six months ended June 30, 截至6月30日止6個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Transactions with associates	與聯營企業的交易		
— Interest income from shareholder's loan to an associate	— 提供予聯營企業的股東貸款所產生的利息收入	15,666	17,848
Transactions with controlling shareholder of the Company's ultimate holding company and/or a company/person related to the controlling shareholder of the Company's ultimate holding company	與本公司最終控股公司、控股股東或本公司最終控股公司控股股東的關聯公司／人士的交易		
— Purchase for oilfield services	— 購買鑽井服務	(66,656)	(38,769)
— Rental of vehicles and office premises	— 汽車和房屋的租賃	(90)	(98)
— Repayment of individual loan and interest of Mrs. Zhang	— 償還張夫人個人借款及利息	—	(2,675)

Notes to the Condensed Interim Consolidated Financial Information (Continued)

簡明中期合併財務資料附註(續)

24. RELATED PARTY TRANSACTIONS (Continued)

24. 關聯方交易(續)

(b) Key management compensation:

(b) 主要管理人員酬金列示如下：

		Six months ended June 30, 截至6月30日止6個月	
		2021	2020
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Basic salaries and allowances	基本薪金及津貼	5,070	6,777
Discretionary bonuses	酌情獎金	3,184	6,689
Value of share base payment	股份支付金額		
— employee services	— 僱員服務價值	1,201	2,081
Other benefits including pension	其他福利(包括退休金)	2,723	1,280
		12,178	16,827

Key management includes directors and members of senior management. Bonuses fall due wholly within twelve months after the end of the reporting period in which management rendered the related services.

主要管理人員包括董事和高級管理層人員。獎金將會在管理層完成相應服務後12個月內發放。



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