

中國煤層氣
China CBM



2015
Annual Report
年度報告

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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由於創業板上市公司新興之性質所然，在創業板買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券將會有高流通量之市場。

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本報告將自其刊發日期起最少一連七日載於創業板網站 www.hkgem.com 的「最新公司公告」網頁。

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Zhong Sheng (*Chairman*)
Mr. Shi Liang (retired on 26 May 2015)
Mr. Fu Shou Gang

Independent Non-Executive Directors

Mr. Luo Wei Kun
Ms. Pang Yuk Fong
Mr. Wang Zhi He

AUDIT COMMITTEE

Ms. Pang Yuk Fong (*Chairman of audit committee*)
Mr. Luo Wei Kun
Mr. Wang Zhi He

NOMINATION COMMITTEE

Mr. Wang Zhi He (*Chairman of nomination committee*)
Mr. Luo Wei Kun
Ms. Pang Yuk Fong

REMUNERATION COMMITTEE

Ms. Pang Yuk Fong (*Chairman of remuneration committee*)
Mr. Luo Wei Kun
Mr. Wang Zhi He

COMPANY SECRETARY

Mr. Lui Chi Keung

COMPLIANCE OFFICER

Mr. Wang Zhong Sheng

董事會

執行董事

王忠勝先生 (*主席*)
施亮先生 (於二零一五年五月二十六日退休)
付壽剛先生

獨立非執行董事

羅維崑先生
彭玉芳女士
王之和先生

審核委員會

彭玉芳女士 (*審核委員會主席*)
羅維崑先生
王之和先生

提名委員會

王之和先生 (*提名委員會主席*)
羅維崑先生
彭玉芳女士

薪酬委員會

彭玉芳女士 (*薪酬委員會主席*)
羅維崑先生
王之和先生

公司秘書

呂志強先生

監察主任

王忠勝先生

CORPORATE INFORMATION

公司資料

AUTHORISED REPRESENTATIVES

Mr. Wang Zhong Sheng
Mr. Lui Chi Keung

授權代表

王忠勝先生
呂志強先生

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Bermuda

註冊辦事處

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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主要股份過戶登記處

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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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香港股份過戶登記分處

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香港
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CORPORATE INFORMATION

公司資料

AUDITORS

HLB Hodgson Impey Cheng Limited

LEGAL ADVISERS AS TO HONG KONG LAW

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PRINCIPAL BANKERS

Hong Kong and Shanghai Banking Corporation Limited

STOCK CODE

08270

核數師

國衛會計師事務所有限公司

香港法律之法律顧問

李智聰律師事務所
香港中環
皇后大道中三十九號
豐盛創建大廈
十九樓

主要往來銀行

香港上海滙豐銀行有限公司

股份代號

08270

CORPORATE PROFILE

公司簡介

China CBM Group Company Limited and its subsidiaries (collectively referred to as the “Group”) currently conduct the business of manufacture and sales of liquefied coalbed gas whose operations are located in the PRC. The Company was incorporated in Cayman Islands as an exempted company with limited liability in July 2002 and continued in Bermuda as an exempted company with limited liabilities in accordance with the Company Act 1981 (as amended) of Bermuda. It was initially listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited on 12 August 2003.

The Group is principally engaged in the business of exploitation, liquefaction production and sales of natural gas in the PRC. Headquartered in Tianjin. The Group’s production of liquefied coalbed gas is in Shanxi Qinshui Basin which boasts the richest liquefied coalbed gas, while its distribution network extends to Shanxi, Guangxi and Guangdong Provinces, etc.

In order to stabilise our natural gas supply and hence raise the utilisation of our liquefied natural gas (“LNG”) plant, the Group has made significant investment in resources exploration and exploitation at the coalbed methane blocks located in Yangcheng, Shanxi, since July 2011. The Group had successfully supplied gas to the LNG plant. The commercial production of coalbed gas has transformed our Group into a vertically integrated natural gas company and continued to enhance our leading position in China’s unconventional gas market.

The Group will adhere to the principle of “social responsibility is of overriding importance” while exploring and developing in the new energy sector with an aim to provide the world with high-quality clean energy and keep improving and promoting the harmonious coexistence of man and nature.

中國煤層氣集團有限公司及其附屬公司（統稱「本集團」）目前在中國經營液化煤層氣生產及銷售業務。本公司於二零零二年七月在開曼群島註冊成立為獲豁免有限公司，並根據百慕達一九八一年公司法（經修訂）於百慕達存續為獲豁免有限公司。本公司股份於二零零三年八月十二日初次在香港聯合交易所有限公司創業板（「創業板」）上市。

本集團目前主要於中國從事天然氣開採、液化生產及銷售業務。本集團之總部設於天津。本集團的液化煤層氣生產則設於液化煤層氣氣源最豐富的山西沁水盆地，銷售業務覆蓋山西、廣西、廣東等地。

為獲得更為穩定的天然氣供應以提高我們液化天然氣（「液化天然氣」）工廠的利用率，自二零一一年七月起，本集團於山西陽城的煤層氣田的資源勘探及開採方面作出大量投資，已實現向液化天然氣工廠供氣。煤層氣的商業生產已令本集團成為垂直一體化的天然氣公司，並繼續增強我們在中國非常規天然氣市場的領先地位。

本集團將本著「社會責任高於一切」的工作態度，努力在新能源領域不斷探索和發展，為人類提供優質的清潔能源，持續改善和促進人與自然的和諧共存。

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

I am pleased to present the audited financial results of the Group for the year ended 31 December 2015.

OVERALL BUSINESS REVIEW

After years of development, we have achieved the goal of turning ourselves into a vertically integrated natural gas producer with complete value chain businesses. We have established a complete business process covering CBM extraction, liquefaction, pipelines and highway transportation, distribution network and technical services. As at 31 December 2015, we have completed the ground work and drilling of 274 wells in the Yangcheng gas block which resulted in stable increase of the number of production wells and gas output. The gas supply pipeline connecting Yangcheng gas block Huiyang Company ("Huiyang Company") and Qinshui Shuntai LNG Plant was constructed and put into operation. As Huiyang Company started supply of CBM extracted by it to Qinshui Shuntai LNG Plant, the plant is able to secure more stable gas supply and ready to further improve its utilisation and production cost structure. The supply constraints are gradually unleashing, and we will continue to focus on improving output of production wells and constructing new wells in 2016.

EXPLORATION AND PRODUCTION BUSINESS REVIEW

During 2015, the construction of new wells was somewhat impacted by our focus on improving capabilities of production wells. However, the unremitting efforts of the management resulted in encouraging progress in the construction of new wells. As at 31 December 2015, we have completed the ground work and drilling of a total of 274 wells, of which 223 wells were producing gas. The gas output volume of the existing production wells amounts to 800 cubic metre per day per well on average. In addition, the gas supply pipeline connecting the gas block and the LNG plant was constructed and put into operation. The Group has started to generate revenue, profit and cash flow from the business of exploitation of natural gas, and its profitability and cash flow position will be further improved as the number and capabilities of production wells further increase.

各位股東：

本人欣然呈報本集團截至二零一五年十二月三十一日止年度之經審核財務業績。

整體業務回顧

經過多年的努力，我們已經實現了將自身打造為垂直一體化的具有完整產業鏈的天然氣生產商的目標，建立了包括煤層氣開採、液化、管道和公路運輸、終端分銷、技術服務等在內的一整套產業流程，截至二零一五年十二月三十一日，我們完成了陽城天然氣區塊274口井的地面施工及打井，生產井數量和出氣井產量穩步提升，由陽城天然氣區塊惠陽公司（「惠陽公司」）連接至沁水順泰液化天然氣工廠供氣管道建成並投入運行，惠陽公司開採之煤層氣已經能夠供應沁水順泰液化天然氣工廠，沁水液化天然氣工廠將能夠獲得更加穩定的氣源供應，產能利用率和生產成本將進一步得到改善。困擾我們的氣源緊缺局面將逐步緩解，而我們也將繼續把提高生產井產量和建設新井作為二零一六年的重點工作。

開採及生產業務回顧

雖然二零一五年很大部分精力都放在了提高生產井的產能上，新井的建設受到一定程度的影響，但在管理層的不懈努力下，新井建設依然取得了可喜的進展，截至二零一五年十二月三十一日止，本集團已累計完成了274口煤層氣井的地面施工及打井，其中，投產井數目為223口。現有的可出氣井之平均單井出氣量可達每天800立方米。此外，由天然氣區塊至液化天然氣工廠的供氣管道也已建設完畢並投入運行，本集團現已開始從天然氣開採業務獲得收益、溢利及現金流量，隨著生產井數量的增加和產能的進一步提升，本集團的盈利能力和現金流情況將進一步改善。

CHAIRMAN'S STATEMENT

主席報告

LNG BUSINESS REVIEW

The shortage of gas supply in the whole LNG industry in Shanxi, including ourselves, has not yet improved significantly, which resulted in a lower utilisation rate of our Qinshui Shuntai LNG plant. However, we made efforts to stabilise the supply of gas from China United Coalbed Methane Co. Ltd. (中聯煤層氣有限責任公司) ("China United") during 2015. In addition, Qinshui Shuntai LNG plant has been receiving gas supply from Yangcheng gas block and its utilisation rate has improved gradually as the gas supply pipeline was constructed and put into operation.

MARKETING BUSINESS REVIEW

After years of development, the Group has developed a diversified customer base comprising industrial, commercial and resident customers and established complete distribution channel and network. In addition, we have also taken different measures to maximise the profitability of our gas sale. During 2015, we used different sales mix and flexibly selected various equipment such as pipeline, cylinder group, gas station and skid-mounted equipment to sell gas to our customers. With commencement of the related work, we will be able to reduce the uncertainty in future natural gas sales and optimise our sales mix, i.e. shifting towards a balanced mix from a residential user dominated mix. We will strive to ramp up the business progressively in 2016, and contribute more earnings to the Group.

EMPHASIS ON TECHNOLOGIES ADVANCEMENT

In order to ensure the smooth development of our exploration and production business, the continuous improvement of technologies and to maintain our leading position in technological advancement, we actively worked with research institutes to build and expand our professional technical team, so as to provide professional and advanced technical services to our exploration and liquefaction production business. In the future, we will be investing heavily in developing and advancing our CBM extraction technology and techniques.

液化天然氣業務回顧

山西的整體液化天然氣行業（包括我們自己）氣源供應緊缺的狀態仍未明顯改善，導致我們的沁水順泰液化天然氣工廠利用率偏低。但我們在二零一五年已致力穩定來自中聯煤層氣有限責任公司（「中聯」）之天然氣供應。此外，隨著氣源供應管道建設的完工並投入使用，陽城天然氣區塊已經能夠為沁水順泰液化天然氣工廠供氣，產能利用率亦逐步提升。

市場營銷業務回顧

經過多年的經營，本集團已經積累了包括工業、商業和居民使用者在內的多種客戶群，形成了完善的銷售渠道和終端，此外，我們亦已採取多項不同的措施來盡可能地改善我們天然氣銷售的利潤率。在二零一五年，我們通過不同的銷售組合，靈活選擇管道、瓶組、加氣站、撬裝等設備向客戶銷售天然氣。隨著相關工作進一步推進，我們將能夠降低未來天然氣銷售中的不確定性，並優化我們的銷售組合（即由居民用戶主導的組合轉變為一個更為均衡的組合）。二零一六年我們將繼續致力於實現業務的逐步提升，並為本集團作出更大的盈利貢獻。

注重技術升級

為確保我們的開採及生產業務得以順利發展，專業技術能夠不斷提升及保持技術領先的地位，我們積極開展和相關科研院所的合作，建立和擴充我們專業的技術團隊，為開採和液化生產業務提供專業、先進的技術服務。未來我們仍將投入大量資金來開發及提升我們的煤層氣開採技術及方法。

CHAIRMAN'S STATEMENT

主席報告

ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY

As a responsible corporation, the Group is committed to observe its environmental and social responsibility, in order to ensure sustainable development of its business. To the knowledge of the Directors, the Group has complied with all material relevant applicable laws and regulations in relation to its business including employment and the environment. The Group encourages employees, customers, suppliers and other stakeholders to participate in environmental and social activities.

The Company as a leading CBM company will seize opportunity to grow our CBM business on a long term sustainable basis.

PERMITTED INDEMNITY PROVISION

The bye-laws provides that the directors shall be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices.

The Company has taken out and maintained directors' liability insurance which provides appropriate cover for the directors and directors of the subsidiaries of the Group.

環境、社會及企業責任

作為一間負責任之企業，本集團致力履行其環境及社會責任，以確保其業務可持續發展。就董事所知，本集團已遵守所有與其業務有關且屬重大之相關適用法例及法規（包括就業及環境）。本集團亦鼓勵僱員、客戶、供應商及其他權益人參與環境及社會活動。

本公司作為一間領先的煤層氣公司將把握機會推動其煤層氣業務長期持續增長。

獲准許之彌償條文

公司細則規定，如董事在執行其各自職務之職責或假定職責或與此相關之事務時因所作出、發生之任何行為或不作為而應會或可能招致或蒙受訴訟、成本、費用、損失、損害及開支，則彼等或彼等任何一方均應自本公司之資產及溢利中獲彌償一切有關之款項。

本公司已購買並維持董事責任保險，為董事及本集團附屬公司之董事提供適當保障。

CHAIRMAN'S STATEMENT

主席報告

OUTLOOK

At present, demand for natural gas is increasing in China with huge growth potential. As pollution is worsening in China, governments at all levels are placing more emphasis on development of clean energy, which shows great potential in further development, recognising the rising advocacy of safer — especially under the recent nuclear power crisis — and cleaner energy. However, the existing conventional natural gas production is unlikely to satisfy China's strong demand of natural gas in the coming years; and we believe that it is inevitable that the PRC government would need to encourage the unconventional gas production. With all the favourable policies and measures in place, there is no doubt that the Company, as a leading CBM company, will gain major benefits. We will seize this opportunity to grow our CBM business on a long term sustainable basis and would try our very best to maximise our shareholders' investment return.

Lastly, I would like to take this opportunity to thank our team for all their hard work in the past years for turning the Group a better enterprise than I have ever seen. Going forward, I believe that our team will pay more efforts in making the Group a leading enterprise in China's CBM industry.

Wang Zhong Sheng

Chairman

29 March 2016

展望

目前中國的天然氣需求不斷增長，市場潛力巨大。隨著國內污染情況的加劇，各級政府對發展清潔能源的重視程度也與日俱增，顯示其進一步發展的潛力巨大，反映出市場對更安全（特別是經歷最近的核能源危機後）及潔淨能源的需求逐漸增加。然而，現有的常規天然氣產量不大可能滿足未來數年中中國對天然氣的強勁需求；我們相信中國政府勢必會鼓勵非常規天然氣的生產。隨著各種優惠政策及措施的出台，本公司作為領先的煤層氣公司無疑將會獲得重大利好。我們將緊抓這個機會推動煤層氣業務的長期持續增長，並將竭盡所能，力求最大程度地提升我們股東的投資回報。

最後，本人藉此機會，感謝我們的團隊在過去數年中為推動本集團不斷進步而付出的辛勤努力。展望未來，我相信我們的團隊必會加倍努力，將本集團打造為中國煤層氣行業的領先企業。

王忠勝

主席

二零一六年三月二十九日

MANAGEMENT DISCUSSION AND ANALYSIS

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FINANCIAL REVIEW

The Group recorded a consolidated turnover of approximately RMB329,120,000 for the year ended 31 December 2015, representing an increase of approximately 9.3% compared with that of the corresponding period in 2014. The increase was mainly attributable to the increase in production compared to 2014 as a result of the increase in number of coalbed methane (“CBM”) wells in production, and China United Coalbed Methane Co., Ltd. (“China United”) provided a stable supply of gas in 2015, therefore, the operating income generated from sales of liquefied coalbed gas has increased by approximately RMB49,693,000.

The sales quantity was increased in 2015 and was mainly attributable to the increase in the production of liquefied coalbed gas. However, the sales unit price was decreased in 2015, and it leads to the gross profit of the Group was decreased by approximately RMB8,789,000 to RMB17,539,000 for the year ended 31 December 2015.

The Group recorded a loss attributable to equity shareholders of the Company for the year ended 31 December 2015 of approximately RMB235,943,000 compared with that of approximately RMB333,348,000 for the year ended 31 December 2014. The reasons for the loss are as follows:

- (i) the loss of approximately RMB3,551,000, RMB134,385,000 and RMB92,086,000 are arising from the impairment loss on goodwill, intangible assets and property, plant and equipment were recognised with respect to our operation of coalbed methane exploration and development, natural gas liquefaction and LNG distribution. It was contributed to the selling price of the natural gas was dropped and the decrease of forecasted number of gas wells of each of the financial years over the forecast period due to a change in the business plan of Huiyang New Energy project was designated in 2015. With reduced number of operating gas wells, the gas output from the CBM field are expected to tumble over the forecast period;

財務回顧

本集團於截至二零一五年十二月三十一日止年度錄得綜合營業額約人民幣329,120,000元，較二零一四年同期增加約9.3%。增幅主要因為投產煤層氣（「煤層氣」）井數目增加，導致產量較二零一四年增加，以及中聯煤層氣有限責任公司（「中聯」）於二零一五年供氣穩定所致，因此，銷售液化煤層氣之營業收入已上升約人民幣49,693,000元。

二零一五年的銷量增加乃主要由於液化煤層氣的產量增加所致。然而，二零一五年的銷售單價下降，導致本集團於截至二零一五年十二月三十一日止年度的毛利減少約人民幣8,789,000元至人民幣17,539,000元。

本集團於截至二零一五年十二月三十一日止年度錄得本公司權益股東應佔虧損約為人民幣235,943,000元，截至二零一四年十二月三十一日止年度則約為人民幣333,348,000元。有關虧損的原因如下：

- (i) 就我們經營煤層氣勘探及開發、天然氣液化及液化天然氣分銷業務確認之商譽、無形資產以及物業、機器及設備減值虧損分別產生虧損約人民幣3,551,000元、人民幣134,385,000元及人民幣92,086,000元。此乃由於天然氣售價下跌，以及二零一五年本集團對惠陽新能源項目的業務計劃作出變動，導致於預測期間內的財政年度各年的氣井預測數目減少所致。由於投產氣井數目減少，故此煤層氣氣田出氣量預期在預測期間內下跌；

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- (ii) No such loss recorded in 2015, therefore, it leads a loss attributable to equity shareholders of the Company for the year ended 31 December 2015 decreased. As a result of debt-equity swap, a loss on extinguishment of liability of RMB57,024,000 arising from the difference between the share subscription price and the market price of the shares as at the share allotment date was recognised in 2014;
- (iii) other operating expenses of the Group decreased from RMB38,652,000 to RMB4,343,000 in 2015, it mainly due to a compensation fee on exploration RMB30,000,000 was occurred in 2014; and
- (ii) 於二零一五年並無錄得有關虧損，因此導致截至二零一五年十二月三十一日止年度之本公司權益股東應佔虧損有所下降。鑑於債務權益掉期，已於二零一四年確認一項註銷負債之虧損人民幣57,024,000元，有關虧損乃來自股份認購價與股份配發當日之股份市價間之差額；
- (iii) 本集團於二零一五年之其他經營開支由人民幣38,652,000元減至人民幣4,343,000元，主要由於在二零一四年產生勘探賠償費用人民幣30,000,000元所致；及

The carrying amount of property, plant and equipment decreased from approximately RMB872,877,000 as at 31 December 2014 to approximately RMB800,681,000 as at 31 December 2015. It was mainly attributable to the completion of construction work of gas pipeline placement works, CBM wells and relevant machineries and impairment of property, plant and equipment of approximately RMB92,086,000 during the year.

於二零一五年十二月三十一日之物業、機器及設備賬面值由二零一四年十二月三十一日之約人民幣872,877,000元減少至約人民幣800,681,000元。此乃主要由於本年度之供氣管道鋪設、煤層氣井及相關機械的建設工程經已完工以及物業、機器及設備減值約人民幣92,086,000元所致。

In 2015, the Group entered a finance lease agreement with CIMC with a total lease consideration of RMB114,836,400. Therefore, the obligation under finance leases under non-current liabilities was increased from RMB1,255,000 to RMB41,415,000.

於二零一五年，本集團與中集訂立融資租賃協議，總租賃代價為人民幣114,836,400元。因此，非流動負債項下之融資租賃承擔由人民幣1,255,000元增至人民幣41,415,000元。

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BUSINESS REVIEW AND DEVELOPMENT PROSPECTS

Resources and reserves

Yangcheng Huiyang New Energy Development Company Limited (hereinafter referred to as “Huiyang New Energy”) has interest in certain coalbed methane (CBM) properties located at Shanxi Province, the PRC. The Yangcheng area is approximately 96 km² in the Shanxi Province, the PRC. Development within the Yangcheng gas block is focused on the #3 and #15 coal seams. These CBM properties are located at various coal mine areas owned by Shanxi Yangcheng Yangtai Group Industrial Company Limited. Huiyang New Energy is a joint venture company and 60% of its equity interests is held by one of the wholly-owned subsidiaries of the Group.

The movements in the reserves of certain CBM properties as of 31 December 2015 are set out below:

業務回顧及發展前景

資源及儲量

陽城縣惠陽新能源發展有限公司（下稱「惠陽新能源」）於位於中國山西省的若干煤層氣資產擁有權益。陽城地區位於中國山西省，面積約96平方公里。陽城天然氣區塊主要開發3號和15號煤層。該等煤層氣資產位於山西陽城陽泰集團實業有限公司擁有的多個煤礦區域內。惠陽新能源為一間合營企業，其60%股本權益由本集團其中一間全資附屬公司持有。

若干煤層氣資產截至二零一五年十二月三十一日的儲量變化於下文載列：

		Reserve evaluation of the CBM properties as at 31 December 2015 BCF 於二零一五年 十二月三十一日 的煤層氣資產 儲量評估 十億立方英尺	Reserve evaluation of the CBM properties as at 31 March 2012 BCF 於二零一二年 三月三十一日 的煤層氣資產 儲量評估 十億立方英尺
Total original gas in place on all blocks	所有區塊的原始天然氣地質總含量	2,724	2,724
Net 1P (Proved) reserves	已證實(1P)淨儲量	1,419	35
Net 2P (Proved + Probable) reserves	已證實加概略(2P)淨儲量	1,869	277
Net 3P (Proved + Probable + Possible) reserves	已證實加概略加可能(3P)淨儲量	2,282	2,050

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The reserve evaluation of the CBM properties as at 31 March 2012 is the results of evaluation conducted by an independent, US-licensed natural gas reserve engineer, Netherland, Sewell & Associates, Inc. (“NSAI”) engaged by the Company in 2011 to evaluate the CBM properties reserves.

Due to continued development of the gas field blocks by the Company, the number and scope of the gas production wells are relatively increased as compared with that of 2012, enabling the Company to collect more data about the CBM properties to evaluate the CBM properties more accurately. Accordingly, the Company engaged an independent professional valuer in the PRC in July 2014 to evaluate certain CBM properties of “Huiyang New Energy” in terms of net 3P (Proved + Probable + Possible) reserves, net 2P (Proved + Probable) reserves and net 1P (Proved) reserves based on substantially the same definitions and guidelines as that of NSAI in 2012. According to the results of the evaluation, the total original gas in place on all blocks was generally unchanged as compared with that of NSAI in 2012. Based on the current costs for developing wells, the technical department of the Group estimates the capital expenditure for each well to be approximately RMB2.15 million, mainly comprising of road maintenance fees of approximately RMB0.18 million, drilling expenses of approximately RMB1.16 million, well testing fees of approximately RMB0.04 million and costs of equipment and materials of approximately RMB0.77 million.

Gas volumes are expressed in billion of cubic feet (BCF) at standard temperature and pressure bases. The reserves shown in the above table are estimates only and should not be construed as exact quantities. Proved reserves are those quantities of oil and gas which, by analysis of engineering and geoscience data, can be estimated with reasonable certainty to be commercially recoverable; probable and possible reserves are those additional reserves which are sequentially less certain to be recovered than proved reserves. Estimates of reserves may increase or decrease as a result of market conditions, future operations, changes in regulations, or actual reservoir performance.

二零一二年三月三十一日的煤層氣資產儲量評估是本公司於二零一一年委聘獨立美國持牌天然氣儲量工程師Netherland, Sewell & Associates, Inc. (「NSAI」) 對煤層氣資產儲量的評估結果。

由於氣田區塊得到本公司的持續發展，產氣井口數量及範圍比二零一二年相對地提高，這促使本公司能夠搜集更多煤層氣資產的數據，藉此對煤層氣資產作出更準確的評估。所以本公司於二零一四年七月已聘請中國境內之獨立專業評估機構對「惠陽新能源」的若干煤層氣資產作出以上對於已證實加概略加可能(3P)淨儲量、已證實加概略(2P)淨儲量和已證實(1P)淨儲量的評估，而評估的定義及指引與二零一二年NSAI之定義及指引大致相同。根據評估的結果，所有區塊的原始天然氣地質總含量與二零一二年NSAI之評估大致沒有變動。根據本集團技術部門以目前開發井口成本計算，預計每一口井的資本支出約人民幣215萬元，主要包括道路維修費用約人民幣18萬元、鑽井費用約人民幣116萬元、測試井口費用約人民幣4萬元及設備材料費用約人民幣77萬元。

天然氣儲量乃按標準溫度及壓力以十億立方英尺(BCF)表示。上表所載的儲量僅為估計之數，不應當作實際數量。已證實儲量為透過分析工程及地質數據可合理肯定可作商業性採收而加以估計的石油及天然氣數量；概略及可能儲量為可採收機會依次低於已證實儲量的額外儲量。儲量估計可能因市況、未來營運、監管變動或實際儲層情況而增加或減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Natural gas exploration and extraction

As at 31 December, 2015, the Group has completed the ground work and drilling of 274 CBM wells, among which 223 wells were in production, representing an increase in 26 wells in production compared to the end of year 2014. As of the end of 2015, we have completed the ground work and drilling of an aggregate of 274 CBM wells, or 37 less than previously expected. It was mainly attributed to the fact that the Company spent part of funds and put certain efforts in stabilising and increasing the output of producing wells, which, to some extent, has led to slowdown of construction of new wells. The existing gas-output wells produce approximately 800 cubic meters of gas on average per day. The Group expected that by the end of 2016, the total drills and wells in production will reach 280 and 248 respectively and the total gas output will exceed 200,000 cubic meters per day.

Liquefaction operation

As at 31 December 2015, the production capacity of the Group's LNG remained unchanged at the level of approximately 500,000 cubic meters per day. Compared with the prior year, the raw gas supply has significantly improved with an increasingly growing trend. In 2015, the average daily production output was over 300,000 cubic meters but the supply constraints in natural gas in the PRC have not unleashed generally. The Group has not yet purchased adequate natural gas to conduct downstream liquefaction accordingly. The utilisation rate of our LNG plants increased substantially but the production capacity had not achieve its full potential and there is still room for growth. However, with the increase in production output of Huiyang Natural Gas Region and the expected increase of the supply from other gas suppliers, the production capacity of the utilisation rate of Qinshui Shuntai LNG plant will gradually increase, which will continue to increase the income, profit and cash flow contribution to the Group.

天然氣勘探及開採

於二零一五年十二月三十一日，本集團已完成了274口煤層氣井的地面施工及打井，其中，投產井數目為223口，比二零一四年底多26口。於二零一五年年底，本集團已完成了合共274口煤層氣井的地面施工及打井，比之前預期少37口。主要由於本公司使用了部份資金及致力於穩定及提高生產井產量，以致某程度上減慢了新井的建設。現有的可出氣井之平均單井出氣量約為每天800立方米。本集團預期於二零一六年底打井及生產井總數將分別達280口及248口，而總出氣量將超過每天200,000立方米。

液化業務

於二零一五年十二月三十一日，本集團的液化天然氣產能維持不變，約為每天500,000立方米。未加工天然氣供應比較去年出現重大改進並呈現增長趨勢。於二零一五年，平均每天產量多於300,000立方米，但中國天然氣供應限制普遍並未緩解。因此本集團未有採購足夠天然氣進行下游的液化業務。本集團液化天然氣工廠的利用率大幅增加，但產能未達全面水平，尚有增長空間。然而，隨著惠陽天然氣地區的產量增加及其他氣體供應商的預期供應增加，沁水順泰液化天然氣工廠的產能利用率將逐漸增加，為本集團帶來增加收益、溢利及現金流量的貢獻。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Marketing and sales

During 2015, the marketing and sales systems did not change significantly and the personnel structure and sales strategies basically remained the same. Affected by overall environment, the sales price during traditional peak periods did not represent a substantial increase as the previous year and remained stable, which, to some extent, has affected the sales performance. However, thanks to the increased production output and improved internal management, the overall sales revenue and profit grew substantially rather than decreased. As such, the sales system, which has been well established over years, was resilient enough to cope with the increased production output of the Company and we have successfully completed our sales target despite the unfavorable overall sales environment. In 2016, we will continue to be committed to gradually boosting our business volume to secure smooth sales channels and to make more contribution to the Group's profitability.

Liquidity, Financial Resources and Capital Structure

As at 31 December 2015, the Group had net assets of approximately RMB520,404,000, including cash and bank balances of approximately RMB45,437,000. To minimise financial risks, the Group implements stringent financial and risk management strategies and avoids the use of highly-g geared financing arrangements. The Group's gearing ratio, calculated by the Group's total external borrowings divided by its shareholders' fund, was approximately 23.03% as at 31 December 2015 (2014: 16.18%).

The Group is opportunistic in obtaining financing to further improve the cash position given that the natural gas drilling program is capital intensive. If the Group has adequate financing in the future (whether it is from internal cash flow due to increased gas sales, or from fund raising), the Group will accelerate the drilling program. Apart from the intended investment in upstream CBM exploration and extraction, the Group does not have any other plan for acquisition or investment, disposal or scale-down of any current business.

市場營銷及銷售業務

於二零一五年，市場營銷及銷售業務系統並無重大變動及員工結構及銷售策略基本維持一致。受整體經濟環境影響，銷售價格於傳統高峰期並未如往年般大幅上升，惟維持穩定，某程度上影響銷售表現。然而，有賴產量增加及內部管理改善，整體銷售收益及溢利大幅增長，並無減少。因此，多年來已發展成熟之銷售業務系統仍相當穩健，能配合本公司之產量增加。儘管整體銷售環境不利，本集團仍成功完成銷售目標。於二零一六年，本集團將繼續致力逐漸增加營業額以確保銷售渠道順暢及為本集團的利潤率帶來更多貢獻。

流動資金、財務資源及資本結構

於二零一五年十二月三十一日，本集團的資產淨值約為人民幣520,404,000元，其中包括現金及銀行結存約人民幣45,437,000元。本集團為減低其財務風險，採取謹慎的財務及風險管理策略，盡量避免使用高槓桿比率之融資安排。故此，本集團於二零一五年十二月三十一日之資本與負債比率（按本集團對外借貸總額除以其股東資金計算）約為23.03%（二零一四年：16.18%）。

由於天然氣打井項目需要大量資金，本集團有可能為進一步改善現金狀況獲得融資。倘本集團於日後擁有充足融資（無論是來自內部現金流量（因天然氣銷量增長）或者來自集資），本集團將加快打井項目進程。除擬於上游煤層氣勘探及開採進行投資外，本集團並無任何其他計劃進行收購事項或投資、出售或縮減目前的業務規模。

MANAGEMENT DISCUSSION AND ANALYSIS

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The employees

As at 31 December, 2015, the employees of the Group totaled 517, among which 88 were R&D staff and 208 were project and customer service staff; 193 were administration staff and 28 were marketing and sales staff. During the year, the total cost of staff (including the remuneration of the Board Directors) recognised in profit or loss account was approximately RMB28,431,000 (2014: approximately RMB26,312,000). The remuneration and salary packages and dividend policy of the Group were determined based on the individual performance of staff. The Group will continue to offer professional further studies and training to staff.

Impairment of intangible assets, goodwill and property, plant and equipment

In 2010, 2011 and 2015, the Group acquired 100% equity interest in Million Ideas Group, 100% equity interest of Wealthy Talent Global Group and 100% equity interest of Nuoxin Engineering respectively. The consideration for acquisition of Million Ideas Group was RMB178,000,000. Million Ideas Group is principally engaged in the provision of liquefied coalbed gas logistics services in the PRC. The consideration for acquisition of Wealthy Talent Global Group was HK\$499,000,000. Wealthy Talent Global Group is principally engaged in the supply of natural gas and sales of liquefied natural gas (“LNG”) in Henan Province. The consideration for acquisition of Nuoxin Engineering was RMB50,300,000. Nuoxin Engineering is principally engaged in the manufacture and sale of PE gas pipeline, metal model in construction use, mining machine, road compacting machine, crane and exhaust fan for natural gas.

Although the natural gas business continued to make steady growth and progress when compared to previous years, it is still under development and far behind the expected development schedule. It has not yet contributed satisfactory return to the Group since the acquisition of the abovementioned two groups.

The recoverable amount of Cash Generating Unit (“CGU”) of Coalbed methane exploration and development, natural gas liquefaction and LNG distribution was determined with reference to a valuation conducted by an independent valuer, based on income approach. In July 2014, the Company engaged an independent professional valuer to evaluate certain CBM properties of Huiyang New Energy. As

僱員

於二零一五年十二月三十一日，本集團共僱用517名僱員，其中研發人員88名及工程和客服人員208名；行政管理人員193名及市場營銷及銷售人員28名。於年內，員工總成本（包括董事酬金）於損益賬確認約人民幣28,431,000元（二零一四年：約人民幣26,312,000元）。酬金及薪酬組合及本集團股息政策乃根據僱員個人表現釐定。本集團將繼續為僱員提供專業進修及培訓。

無形資產、商譽以及物業、機器及設備減值

於二零一零年度、二零一一年度及二零一五年度，本集團分別收購萬志集團100%股本權益、Wealthy Talent Global Group 100%股本權益及諾信100%股本權益。萬志集團收購代價為人民幣178,000,000元。萬志集團主要於中國從事提供液化煤層氣物流服務。Wealthy Talent Global Group收購代價為499,000,000港元。Wealthy Talent Global Group主要於河南省從事供應天然氣及銷售液化天然氣（「液化天然氣」）。諾信收購代價為人民幣50,300,000元。諾信主要從事製造及銷售聚乙烯燃氣管道、作建築用途之金屬模型、採礦機器、壓路機、起重機及天然氣抽風機。

儘管天然氣業務與過往年度相比，持續錄得穩健增長及提升，但其仍然處於發展中且遠落後於預期發展計劃。雖然收購上述兩個集團，但其尚未為本集團帶來理想回報。

煤層氣勘探及開發、天然氣液化及液化天然氣分銷之現金產生單位（「現金產生單位」）之可收回金額乃參考獨立估值師根據收入法進行之估值釐定。於二零一四年七月，本公司已聘請獨立專業評估機構對惠陽新能源的

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a result of an evaluation, the Group changed its business plan, and has emphasised to develop certain area of Huiyang New Energy. As a result of the change in the business plan, the forecasted number of gas wells of each of the financial years over the forecast period will be reduced. With reduced number of operating gas wells, the gas output from the CBM field are expected to tumble over the forecast period.

The Discounted Cash Flow Method has been employed for the valuation of the CGU and there is no change in the valuation method for the valuation as at 31 December 2015 compared to that as at 31 December 2014. The discount rate used in the valuation of the CGU are 21% for both years ended 2014 and 2015 to reflect specific risks relating to the overall market as well as the relevant businesses and consistent with external sources of information.

As such, an impairment loss of intangible assets, goodwill and property, plant and equipment of approximately RMB97,864,000, RMB3,551,000 and RMB92,086,000 in respect of the exclusive right for piped natural gas operation in Ruyang County and operating licence for liquefied coalbed gas logistics were recognised for the year ended 31 December 2015.

In 2009, the Group acquired 100% equity interest in Allied Rich Group. The consideration for acquisition of Allied Rich Group was RMB203,163,000. Allied Rich Group is principally engaged in the sales of piped natural gas in Beiliu City, Guangxi Zhuang Autonomous Region, the PRC.

The recoverable amount of CGU of piped natural gas located in Guangxi was determined with reference to a valuation conducted by an independent valuer, based on income approach.

The Discounted Cash Flow Method has been employed for the valuation of the CGU and there is no change in the valuation method for the valuation as at 31 December 2015 compared to that as at 31 December 2014. The discount rate used in the valuation of the CGU changed from 22% as at 31 December 2014 to 29% as at 31 December 2015 to reflect specific risks relating to the overall market as well as the relevant businesses and consistent with external sources of information.

若干煤層氣資產作出評估。由於進行評估，本集團對其業務計劃作出更改，專注發展惠陽新能源之若干領域。由於更改業務計劃，預測期間內各財政年度氣井之預測數量將會減少。隨著營運氣井之數量減少，預期煤層氣田之出氣量於預測期間將會下跌。

現金產生單位之估值採用折現現金流量法，和二零一四年十二月三十一日相比，二零一五年十二月三十一日估值所用之估值方法並無變動。現金產生單位之估值所用之貼現率於截至二零一四年及二零一五年止年度均為21%，以反映與整體市場及相關業務有關之特定風險及與外部資料來源一致。

因此，已於截至二零一五年十二月三十一日止年度確認一項有關汝陽縣管道天然氣業務之獨家權利及液化煤層氣物流之營業執照之無形資產減值虧損約人民幣97,864,000元、商譽約人民幣3,551,000元以及物業、機器及設備約人民幣92,086,000元。

於二零零九年，本集團收購聯富集團100%股本權益。聯富集團收購代價為人民幣203,163,000元。聯富集團主要於中國廣西壯族自治區北流市從事銷售管道天然氣。

位於廣西之管道天然氣現金產生單位之可收回金額乃參考獨立估值師根據收入法進行之估值釐定。

現金產生單位之估值已採用折現現金流量法，和二零一四年十二月三十一日相比，二零一五年十二月三十一日估值所用之估值方法並無變動。現金產生單位之估值所用之貼現率由二零一四年十二月三十一日的22%改為二零一五年十二月三十一日的29%，以反映與整體市場及相關業務有關之特定風險及與外部資料來源保持一致。

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As such, an impairment loss of intangible assets of approximately RMB36,521,000 in respect of the exclusive right for piped natural gas operation in Beiliu City were recognised for the year ended 31 December 2015.

Risk in Foreign Exchange

The group entities collect most of the revenue and incur most of expenditures in their respective functional currencies. The Directors consider that the Group's exposure to foreign currency exchange is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity.

Significant Investment, Material Acquisitions and Disposal of Subsidiaries and Associated Companies

During the year ended 31 December 2015, there was no significant investment, material acquisition and disposal of subsidiaries and associated companies by the Company.

OUTLOOK

The upstream business of the Company is improving steadily and the well construction and gas output are both increasing constantly. During 2015, apart from constructing new wells, the Company made technological upgrade to some old wells to improve production capacity and output, laying a solid foundation for the Company's long-term performance. With the steady increase in the number of upstream wells and gas output, the foundation of the Company's upstream business is increasingly consolidated and the advantage of vertical integration business will emerge. In recent years, the unfavorable bottleneck of raw gas shortage will gradually be tackled and the production capacity of liquefaction plants will be fully unleashed. Together with the increase in the proportion of self-produced gas, the Company will be gradually less affected by external factors and the uncontrollable risks involved in the operation of the Company will become less. It is projected that by the end of 2016, the daily output of gas exploration business will break through beyond 200,000 cubic meters. The current gas supply of China United has exceeded 200,000 cubic meters while the daily production output of Qinshui Company is expected to reach 450,000 cubic meters in 2016.

因此，已於截至二零一五年十二月三十一日止年度確認一項有關北流市管道天然氣業務之獨家權利之無形資產減值虧損約人民幣36,521,000元。

外匯風險

集團實體各自收取的大部份收益及產生的大部份開支均以其各自的功能貨幣計值。董事認為，由於本集團大部份交易以個別集團實體各自的功能貨幣計值，故本集團所面臨的外匯風險並不重大。

重大投資、重大收購及出售附屬公司及聯營公司

截至二零一五年十二月三十一日止年度，本集團並無作出任何重大投資、重大收購及出售附屬公司及聯營公司。

前景

本公司之上游業務正穩定提升及井口建設及出氣量亦不斷提升。於二零一五年，除新井的建設外，本公司對若干舊井作出技術升級以改善產能及產量，為本公司長期表現打下穩固基礎。隨著上游井口及出氣量的數目穩定增加，本公司之上游業務基礎進一步鞏固及本集團垂直一體化業務的協同優勢將展現。近年，未加工天然氣短缺的不利缺口將逐漸解決，而液化工廠的產能將完全釋放。加上自有液化天然氣的比例提高，本公司將逐漸減少受外來因素影響及本公司營運中不能控制的風險將會減少。預期於二零一六年底，天然氣勘探業務的每日產量將超越200,000立方米。目前中聯的天然氣供應超越200,000立方米，預期於二零一六年沁水公司的每日生產量將達450,000立方米。

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As there are growing concerns over the environmental issues, it is foreseen that the highly-polluted energy will be eliminated from the market more rapidly and the use of replaceable clean energy will be more popular, resulting in a keener market demand for natural gas. Although the production capacity of natural gas has been increasing significantly in recent years, the projected demand will not be satisfied still. The demand growth of natural gas market will continue to retain its strong momentum. The situation of operating loss resulting from insufficient natural gas supply has improved significantly and is expected to further improve. The management of the Company will fully seize the opportunities and diligently strive to contribute to the Company's profitability and long-term development.

隨著大眾日益關注環境問題，預期高污染能源將更快被市場淘汰，使用可替代潔淨能源將更普及，使天然氣市場需求更殷切。儘管近年天然氣產能大幅增長，但仍未能滿足預期的需求。天然氣市場的需求將維持強勁的增長勢頭。天然氣供應不足所致的營運虧損的情況已獲大幅改善，預期未來會進一步改善。本公司管理層將完全緊抓機遇，致力為本公司利潤率及長期發展作出貢獻。

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CORPORATE GOVERNANCE PRACTICES

(a) Application of Corporate Governance Principles

The Group is committed to promoting good corporate governance, with the objectives of (i) the maintenance of responsible decision making, (ii) the improvement in transparency and disclosure of information to shareholders, (iii) the continuance of respect for the rights of shareholders and the recognition of the legitimate interests of shareholders, and (iv) the improvement in crisis management and the enhancement of performance by the Group. The Group has applied the principles set out in the Corporate Governance Code (the “Code”) contained in Appendix 15 to the GEM Listing Rules with these objectives in mind.

(b) Promulgation of Company’s Corporate Governance Code

To this end, the Group has promulgated a set of code on corporate governance (the “Company Code”) which sets out the corporate standards and practices used by the Group to direct and manage its business affairs. It is prepared by reference to the principles, code provisions and recommended best practices set out in the Code, which came into effect on 1 January 2005. In addition to formalising existing corporate governance principles and practices, the Company Code also serves the purpose of assimilating existing practices with benchmarks prescribed by the Code and ultimately ensuring high transparency and accountability to the Group’s shareholders.

企業管治常規

(a) 應用企業管治原則

本集團致力提高企業管治水平，宗旨在於(i)維持負責任的決策、(ii)改善對股東的透明度及向股東披露的資料、(iii)貫徹一向對股東權益的尊重及股東的合法權益的認同，及(iv)改善危機管理，提升本集團表現。在此等宗旨下，本集團已應用創業板上市規則附錄十五所載《企業管治守則》(「守則」)中的原則。

(b) 頒佈本公司的企業管治守則

本集團為此頒佈一套企業管治守則(「公司守則」)，載列集團在指導及管理其商業事務時所採用的企業準則及常規。公司守則在編製時已參考由二零零五年一月一日起生效的守則內所載的原則、守則條文及建議最佳常規。除訂定現有企業管治原則及常規外，公司守則亦將現有常規及守則所規定的基準兼收並蓄，最終確保高透明度及向集團股東負責。

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(c) Compliance of Company Code and the code provisions under the Code (the “Code Provisions”)

The Group has complied with all provisions in the Company Code and the Code Provisions under the Code during the year ended 31 December 2015 save for code provisions A.2.1 and A.4.1 of the Code, details of the derivation and reason for derivation are set out in the paragraphs headed “Chairman and Chief Executive” and “Appointment term of Non-executive Directors” of this corporate governance report.

The Company Code contains all the Code Provisions of the Code and other provisions.

(c) 公司守則及守則之守則條文 (「守則條文」) 的遵行

本集團已於截至二零一五年十二月三十一日止年度遵守公司守則之所有條文及守則之守則條文，惟守則之守則條文第A.2.1條及A.4.1條除外。偏離之詳情及理由載於本企業管治報告「主席及行政總裁」及「非執行董事之任期」各段。

公司守則包括守則內之所有守則條文以及其他條文。

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than those as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors have complied with the required standard of dealings and code of conduct regarding securities transactions by Directors as set out in the Company's code of conduct for the year 2015.

BOARD COMPOSITION, ROLE AND FUNCTION

The Board is entrusted with the overall responsibility for promoting the success of the Company through direction and supervision of the Company's business and affairs.

The Board comprises a total of five Directors, comprising two executive Directors, namely, Mr. Wang Zhong Sheng (Chairman), and Mr. Fu Shou Gang and three independent non-executive Directors, namely, Mr. Luo Wei Kun, Mr. Wang Zhi He and Ms. Pang Yuk Fong. Ms. Pang Yuk Fong has appropriate professional qualifications, accounting and financial management expertise as required under the GEM Listing Rules.

董事進行證券交易

本公司已採納一項董事進行證券交易之操守守則，其條款標準不低於創業板上市規則第5.48條至5.67條所載之董事進行證券交易之操守守則。經向全體董事提出具體徵詢，所有董事於截至二零一五年度內均有遵守本公司操守守則所列示有關董事進行證券交易之規定買賣準則及操守守則。

董事會組成、角色及職能

董事會負責本公司業務及事務的整體領導與監管，促成本公司的成功。

董事會由五名董事組成，其中兩名屬執行董事，包括王忠勝先生（主席）及付壽剛先生及另外三名屬獨立非執行董事，包括羅維崑先生、王之和先生及彭玉芳女士。彭玉芳女士擁有創業板上市規則所要求之適當專業資格及具備會計及財務管理專業知識。

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Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and are independent in accordance with the terms of the guidelines.

The Company has complied with Rules 5.05(1), 5.05(2) and 5.05A of the GEM Listing Rules. During the year ended 31 December 2015, there were three independent non-executive Directors in the Board and the number of independent non-executive Directors represents at least one-third of the Board. The Company has also complied with Rule 5.05(2) of the GEM Listing Rules, which stipulates that one of the independent non-executive Directors must possess appropriate professional qualifications or accounting or related financial management expertise. The Board considers that the independent non-executive Directors are all independent persons with appropriate qualifications or expertise and the Company has complied with the relevant requirements of the GEM Listing Rules.

Corporate Governance Functions

The Board is responsible for performing the corporate governance functions set out in code provision D.3.1 of the Code. In 2015, the Board has reviewed and monitored: (a) the Company's corporate governance policies and practices, (b) training and continuous professional development of directors and senior management, (c) the Company's policies and practices on compliance with legal and regulatory requirements, (d) the Company's code of conduct and (e) the Company's compliance with the Code disclosure requirements.

Appointment Term of Non-executive Directors

Under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term, subject to re-election. Currently, the independent non-executive Directors have no fixed term of office but are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company's Articles of Association. As such, the Company considers that sufficient measures have been taken to serve the purpose of this code provision.

各獨立非執行董事已按創業板上市規則第5.09條作出年度獨立性確認。本公司認為，全部獨立非執行董事均已符合創業板上市規則第5.09條所載的獨立性指引，並根據該指引的條款屬獨立人士。

本公司已遵守創業板上市規則第5.05(1)條、第5.05(2)條及第5.05A條。截至二零一五年十二月三十一日止年度，董事會有三名獨立非執行董事，獨立非執行董事人數佔董事會至少三分之一。本公司亦已遵守創業板上市規則第5.05(2)條，該條規定，其中一名獨立非執行董事必須具備適當的專業資格或者會計或相關財務管理專長。董事會認為，獨立非執行董事均屬具備適當資格或專長的獨立人士且本公司已遵守創業板上市規則的相關規定。

企業管治職能

董事會負責履行守則的守則條文第D.3.1條所載的企業管治職能。於二零一五年，董事會已檢討及監察：(a)本公司的企業管治政策及常規；(b)董事及高級管理層的培訓及持續專業發展；(c)本公司遵守法律及法規規定的政策及常規；(d)本公司的操守守則；及(e)本公司遵守守則披露規定的情況。

非執行董事之任期

根據守則之守則條文第A.4.1條，非執行董事應有固定任期，並須接受重選。目前，獨立非執行董事並無固定任期，惟須根據本公司之公司組織章程細則於本公司股東週年大會上輪值告退。因此，本公司認為已就達致本守則條文之目的採取足夠措施。

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Roles of Directors

The Board assumes responsibility for leadership and control of the management of the Company and is collectively responsible for appointing and supervising senior management to ensure that the operations of the Group are conducted in accordance with the objectives of the Group. The principal roles of the Board are:

- to lay down the Group's objectives, strategies, policies and business plans;
- to monitor and control operating and financial performance through the determination of the annual budget; and
- to formulate internal control policies and set appropriate policies to manage risks in pursuit of the Group's strategic objectives.

The Board is directly accountable to the shareholders and is responsible for preparing the accounts.

Delegation by the Board

The Board has delegated the day-to-day management responsibility to the management staff under the instruction/supervision of the Board.

The management staff of the Company are principally responsible for:

1. exercising all such other powers and perform all such other acts as may be exercised and performed by the Directors, save and except for those that may specifically be reserved by the Board and/or the committees set up by the Board for decision and implementation; or those that may only be exercised by the Board pursuant to the Articles of Association, the GEM Listing Rules and other applicable laws and regulations.
2. formulating and/or implementing policies for business activities, internal controls and administration of the Company;

董事角色

董事會肩負領導及監控本公司管理層的責任，同時集體負責委任及監督高級管理層，以確保本集團之營運符合本集團之目標。董事會的主要角色為：

- 制定本集團的目標、策略、政策及業務計劃；
- 通過釐定每年財政預算，監察及控制營運及財務表現；及
- 制定內部管制政策及制定適當的風險管理政策，以達致本集團的策略目標。

董事會直接向股東負責，並負責編製賬目。

董事會授權

董事會授權管理層在董事會的指示／監察下，履行日常管理職責。

本公司之管理人員主要負責：

1. 行使董事可行使的其他所有權力及進行董事可進行的其他所有行動（指定由董事會及／或董事會成立的委員會負責決定及執行的事務，或根據公司組織章程細則、創業板上市規則及其他適用法律及法規之規定，僅可由董事會負責處理的事務則除外）。
2. 制定及／或執行有關本公司業務活動、內部監控及行政的政策；

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3. planning and deciding the Company's strategies on its business activities; and
4. keeping proper written records of its decisions taken which may be inspected by any members of the Board or the Board committees upon request.

The Board will review the above arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

Chairman and Chief Executive

Under the code provision A.2.1 of the Code, the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Prior to the retirement of Mr. Feng San Li on 26 November 2012, Mr. Feng San Li was holding the title of CEO. Mr. Wang Zhong Sheng is the chairman of the Board. After Mr. Feng's retirement, Mr. Wang Zhong Sheng continues to act as the chairman and the duties of the chief executive have been undertaken by the other executive Director. The Board meets regularly to consider major matters affecting the business and operations of the Group. The Board considers that this structure will balance the power and authority between the Board and management and believes that this structure enables the Group to make and implement decision promptly and efficiently.

BOARD OPERATION

Regular Board meetings are held normally every three months, with additional meetings arranged, if and when required. In 2015, the Board held 14 meetings.

3. 計劃及決定本公司業務策略；及

4. 保留各項決定的適當書面紀錄，以便董事會或各董事委員會的任何成員按要求查閱。

董事會定期對上述安排作出檢討以確保其一直符合本集團所需。

主席及行政總裁

根據守則之守則條文第A.2.1條，主席與行政總裁的職能應予區分，不應由同一人士兼任。於馮三利先生於二零一二年十一月二十六日退任前，本公司行政總裁為馮三利先生。王忠勝先生為董事會主席。於馮先生退任後，王忠勝先生繼續擔任主席，而行政總裁的職責已由其他執行董事承擔。董事會定期開會審議影響本集團業務及運作的主要事項。董事會認為現時該結構可維持董事會與管理層的權力與職權的平衡，並相信該結構能使本集團迅速有效地作出與執行決定。

董事會運作

董事會一般會每三個月定期會面一次，並在有需要時另外安排會面。董事會於二零一五年曾舉行14次會議。

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The attendance record of each member of the Board at board meetings and general meetings of the Company are set out below:

各董事會成員出席本公司董事會會議及股東大會的紀錄如下：

	Attendance of Board Meetings 董事會會議 出席率	Attendance of General Meetings 股東大會 出席率
Executive Directors		
執行董事		
Mr. Wang Zhong Sheng (<i>Chairman</i>) 王忠勝先生 (主席)	13/14	4/4
Mr. Shi Liang (retired with effect from 26 May 2015) 施亮先生 (自二零一五年五月二十六日起退任)	5/5 (Note) (附註)	2/2 (Note) (附註)
Mr. Fu Shou Gang 付壽剛先生	12/14	4/4
Independent Non-executive Directors		
獨立非執行董事		
Mr. Luo Wei Kun 羅維崑先生	13/14	4/4
Ms. Pang Yuk Fong 彭玉芳女士	9/14	4/4
Mr. Wang Zhi He 王之和先生	14/14	4/4

Note: Number of board meeting and general meeting held during the tenure of the Director

附註：董事任期內舉行董事會會議及股東大會的次數

Directors are free to contribute alternative views at meetings and major decisions would only be taken after deliberation at Board meetings. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolution.

董事於會上可自由發表不同的意見，重要決定只會在董事會會議上進行討論後始作出。如董事在建議的交易或即將討論的事宜上被視為存在利益衝突或擁有重大權益，有關董事將不計入會議法定人數，並須就有關決議案放棄表決權。

All Directors have access to the company secretary who is responsible for ensuring that the Board procedures are complied with, and advising the Board on compliance matters.

全體董事均可接觸公司秘書；公司秘書負責確保董事會程序得以遵守，並就守規事宜向董事會提供意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors' Duties

Every Director is required to keep abreast of his responsibilities as a director of the Company and of the conduct, business activities and development of the Company:

- A comprehensive director's handbook is issued to every Director, which sets out guidelines on conduct by making reference to the relevant sections of the statutes or the GEM Listing Rules, and reminds Directors of their responsibilities in making disclosure of their interests and potential conflict of interests.
- Orientation programmes are organised for providing induction to new Directors to help them familiarise with the Company's management, business and governance practices.
- Management provides appropriate and sufficient information to Directors and the committee members in a timely manner to keep them apprised of the latest development of the Group and enable them to discharge their responsibilities. Directors also have independent and unrestricted access to senior executives of the Company.

董事職責

每名董事須不時瞭解其作為本公司董事的職責，以及本公司的經營方式、業務活動及發展：

- 每名董事均獲發給資料完備的《董事手冊》。《董事手冊》透過引述成文法或創業板上市規則的有關章節提供操守指引，及提醒董事必須履行的責任，包括披露權益及潛在的利益衝突。
- 為新任董事舉辦介紹公司的活動，提供就任須知，協助董事熟悉本公司的管理、業務及管治常規。
- 管理層向董事及委員會成員適時提供恰當及充足資料，讓他們知悉本集團的最新發展，以便他們履行職責。董事亦可有獨立及不受限制的途徑接觸本公司高級行政人員。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT PROGRAMME

Each newly appointed director is provided with necessary induction and information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under the relevant statutes, laws, rules and regulations. Directors' training is an ongoing process. During the year ended 31 December 2015, Directors are provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties. In addition, all Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates Directors on the latest development regarding the GEM Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

董事的持續專業發展計劃

向各新任董事提供必要的就任須知及資料以確保彼適當了解本公司的運營及業務以及其根據相關成文法、法律、規則及法規須承擔的責任。董事持續進行培訓。截至二零一五年十二月三十一日止年度，每月向董事提供有關本公司表現、狀況及前景的最新情況以使董事會整體及各董事能夠履行其職責。此外，鼓勵所有董事參與持續專業發展以增進及更新其知識及技能。本公司不時向董事提供有關創業板上市規則及其他適用監管規定的最新進展情況，以確保遵守及增強關注良好企業管治常規。

**Attending seminar(s)
or programme(s)/
reading relevant
materials in relation
to the business,
GEM Listing Rules
or directors' duties
(Yes/No)**

**參與研討會或計劃/
閱覽與業務、
創業板上市規則或
董事職責有關
的相關資料
(是/否)**

Mr. Wang Zhong Sheng	Yes	王忠勝先生	是
Mr. Shi Liang (retired on 26 May 2015)	Yes	施亮先生 (於二零一五年五月二十六日退任)	是
Mr. Fu Shou Gang	Yes	付壽剛先生	是
Mr. Luo Wei Kun	Yes	羅維崑先生	是
Ms. Pang Yuk Fong	Yes	彭玉芳女士	是
Mr. Wang Zhi He	Yes	王之和先生	是

The briefing sessions covered topics including the Code, listed company regulations and disclosure obligations in Hong Kong, disclosable transactions and connected transactions etc.

簡介會涵蓋的主題包括守則、香港上市公司法規及披露責任、須予披露交易及關連交易等。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION PAID TO MEMBERS OF KEY MANAGEMENT

Details of remuneration paid to member of key management (exclude Director) fell within the following band:

		2015 二零一五年 Number of individuals 人數	2014 二零一四年 Number of individuals 人數
HKD Nil ~ HKD 1,000,000	零港元至 1,000,000 港元	3	3

支付予主要管理人員的薪酬

支付予主要管理人員（不包括董事）的薪酬具體介乎以下範圍：

REMUNERATION COMMITTEE

A remuneration committee of the Company (the “Remuneration Committee”) was established on 12 August 2005 for, inter alia, the following purposes:—

- (a) to make recommendations to the Board on policies and structure for remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing such policy on remuneration;
- (b) to make recommendations to the Board the remuneration packages for executive Directors and senior management and to make recommendations to the Board on the remuneration of non-executive Directors.

The Remuneration Committee is made up of all of the Company’s independent non-executive Directors, namely, Ms. Pang Yuk Fong (Chairman), Mr. Luo Wei Kun and Mr. Wang Zhi He. The duties of Remuneration Committee is to review and make recommendations to the remuneration policy and packages of the executive Directors and executives.

薪酬委員會

本公司的薪酬委員會（「薪酬委員會」）已於二零零五年八月十二日成立，當中目的包括：—

- (a) 就董事及高級管理層的薪酬政策及架構，及就設立正規而具透明度的程序以制定此等薪酬政策，向董事會提出建議；
- (b) 就執行董事及高級管理層的酬金待遇向董事會提出建議，並就非執行董事的酬金向董事會提出建議。

薪酬委員會由本公司全部獨立非執行董事組成，包括彭玉芳女士（主席）、羅維崑先生及王之和先生。薪酬委員會之職責為檢討及就執行董事及行政人員之薪酬政策及待遇提出建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

In 2015, the Remuneration Committee held one meeting. The attendance record of each member of the Remuneration Committee is set out below:

薪酬委員會於二零一五年曾舉行一次會議。薪酬委員會各成員的出席紀錄如下：

	Attendance 出席率
Ms. Pang Yuk Fong (<i>Chairman</i>) 彭玉芳女士 (主席)	1/1
Mr. Luo Wei Kun 羅維崑先生	1/1
Mr. Wang Zhi He 王之和先生	1/1

During the meeting, members of the Remuneration Committee reviewed the remuneration packages and overall benefits of the Directors by taking into account factors such as remuneration packages and benefits offered by comparable companies, the respective contribution of each of the Directors to the Group and the business objectives of the Group.

會上，薪酬委員會成員已根據若干因素（如可資比較公司所提供的薪酬待遇及福利、各董事對本集團的貢獻及本集團業務目標）檢討董事的薪酬待遇及整體福利。

The executive Directors are responsible for reviewing all relevant remuneration data and market conditions as well as the performance of individuals and the profitability of the Group, and proposing to the remuneration committee for consideration and approval. The Remuneration Committee performed the major work as below:

執行董事負責檢討所有有關薪酬數據及市況以及個別員工表現與本集團盈利能力，並向薪酬委員會提呈考慮及批准。薪酬委員會執行主要工作如下：

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| <ol style="list-style-type: none"> 1. reviewed and discussed the remuneration policy and structure of the Company and the remuneration and performance of duties of the executive Directors and senior management in the year under review; 2. made recommendation to the Board on the remuneration packages of individual executive directors and senior management. | <ol style="list-style-type: none"> 1. 檢討及討論於回顧年度內本公司的薪酬政策及架構以及執行董事及高級管理層之薪酬及職責履行情況； 2. 就各執行董事及高級管理層的酬金組合向董事會提出建議。 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE

A nomination committee of the Company (the “Nomination Committee”) was established on 12 August 2005 for, inter alia, the following purposes:—

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board;
- (b) to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship; and
- (c) to make recommendations to the Board on relevant matters relating to the appointment or reappointment of directors and succession planning for directors.

In August 2013, the Board has adopted its board diversity policy (the “Board Diversity Policy”). All Board appointments will be based on meritocracy, and candidates will be considered against selection criteria based on a range of diversity perspectives, which would include but not be limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Nomination Committee is made up of all of the Company's independent non-executive Directors, namely Mr. Wang Zhi He (Chairman), Mr. Luo Wei Kun and Ms. Pang Yuk Fong.

In 2015, the Nomination Committee held one meeting. The attendance record of each member of the Nomination Committee is set out below:

	Attendance 出席率
Mr. Wang Zhi He (<i>Chairman</i>) 王之和先生 (主席)	1/1
Mr. Luo Wei Kun 羅維崑先生	1/1
Ms. Pang Yuk Fong 彭玉芳女士	1/1

提名委員會

本公司的提名委員會（「提名委員會」）已於二零零五年八月十二日成立，當中目的包括：—

- (a) 檢討董事會的架構、規模及組成（包括技能、知識及經驗）；
- (b) 物色具備適合資格成為董事會成員的人士，並就挑選被提名人士出任董事向董事會提出建議；及
- (c) 就與委任或重新委任董事及董事之接任計劃有關的事宜向董事會提出建議。

於二零一三年八月，董事會採納其董事會成員多元化政策（「董事會成員多元化政策」）。董事會所有委任均以用人唯才為原則，考慮人選之甄選標準以一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年期。最終將按人選之長處及可為董事會作出之貢獻而作決定。

提名委員會由本公司全部獨立非執行董事組成，包括王之和先生（主席）、羅維崑先生及彭玉芳女士。

提名委員會於二零一五年曾舉行一次會議。提名委員會各成員的出席紀錄如下：

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At the meeting, the Nomination Committee reviewed the structure, size and composition of the Company's Board of Directors, made reference to criteria including, inter alia, reputation for integrity, accomplishment and experience in the relevant industry, professional and educational background, and commitment in respect of available time and relevant interest. The Nomination Committee was satisfied with the existing composition of the Board and recommended no change in the near future, and performed the major work as below:

1. examined the structure, size and composition of the Board, to ensure the Directors have the expertise, skills and experience required to meet the Company's business;
2. assessed the independency of all independent non-executive Directors; and
3. made recommendations to the Board in this regard.

會上，提名委員會檢討了本公司董事會的架構、規模及組成，製訂參考準則其中包括有關人士的誠信、其在相關行業的成就及經驗、其專業及教育背景以及其投入的程度，包括能夠付出的時間及對相關範疇的關注等。提名委員會滿意董事會的現有組合，建議於近期內毋須變動並執行主要工作如下：

1. 檢查董事會的架構、規模及組成，以確保董事具備符合本公司業務所需的專長、技能及經驗；
2. 評估所有獨立非執行董事的獨立性；及
3. 就此向董事會提出建議。

AMENDMENT TO THE TERMS OF REFERENCE OF NOMINATION COMMITTEE

The terms of reference of the nomination committee of the Company was amended on 14 August 2013 to include the review of the Company's board diversity policy and the progress on achieving the objectives set for implementing the said policy as one of its duty.

修訂提名委員會之職權範圍

本公司於二零一三年八月十四日修訂提名委員會之職權範圍，以將檢討本公司之董事會成員多元化政策及達成就實施上述政策設定之目標之進度納入作為其職責之一。

AUDIT COMMITTEE

The Company's audit committee (the "Audit Committee") was established on 28 July 2003 and currently comprises all three independent non-executive Directors, namely, Ms. Pang Yuk Fong (Chairman), Mr. Luo Wei Kun and Mr. Wang Zhi He. The primary duties of the Audit Committee are (a) to review the Group's annual reports, financial statements, half year reports and quarterly reports; (b) to serve as a focal point for communication between Directors, the external auditors and internal auditors; (c) to assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, and the effectiveness of the Group's internal control system; and (d) to review the appointment of external auditors on an annual basis as well as to ensure independence of the continuing auditors.

審核委員會

本公司的審核委員會（「審核委員會」）於二零零三年七月二十八日成立，現任成員包括全部三名獨立非執行董事彭玉芳女士（主席）、羅維崑先生及王之和先生。審核委員會之主要職責是(a)審閱本集團的年報、財務報表、半年度報告及季度報告；(b)作為董事、外聘核數師及內部核數師之間的一個溝通渠道；(c)透過對財務報告及集團內部監控程序的有效性提供獨立檢討及監督，協助董事會履行職責；及(d)每年檢討外聘核數師之委任以及確保續任核數師之獨立性。

CORPORATE GOVERNANCE REPORT

企業管治報告

In 2015, the Audit Committee held five meetings. The attendance record of each member of the Audit Committee is set out below:

審核委員會於二零一五年曾舉行五次會議。審核委員會各成員的出席紀錄如下：

	Attendance 出席率
Ms. Pang Yuk Fong (<i>Chairman</i>) 彭玉芳女士 (主席)	5/5
Mr. Luo Wei Kun 羅維崑先生	5/5
Mr. Wang Zhi He 王之和先生	5/5

At the meetings, the Audit Committee has carefully reviewed the Company's quarterly, half-yearly and annual results and its system of internal control and has made suggestions to improve them. The Audit Committee also carried out and discharged its other duties set out in Code. In the course of doing so, the Audit Committee has met the company's management several times during year 2015. Each member of the Audit Committee has unrestricted access to the Group's external auditors and the management.

會上，審核委員會已詳細審閱本公司的季度、半年度及年度業績，以及內部管制制度，並已提出改善建議。審核委員會亦已按守則進行及履行其他職責。過程中，審核委員會於二零一五年度曾與本公司的管理層舉行多次會議。本公司並無限制審核委員會各成員與本集團外聘核數師及管理層聯絡。

During the financial year 2015, the Audit Committee has held four meetings. The Group's results for the year 2015 have been reviewed and commented by the Audit Committee members, and performed the major works as below:

於二零一五年財政年度內，審核委員會曾舉行四次會議，而本集團之二零一五年度之業績已由審核委員會成員審閱及提供意見並執行主要工作如下：

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <p>1. reviewed the annual financial results and report for the year ended 31 December 2014, interim financial results and report for the six months ended 30 June 2015 and quarterly financial results and reports for each of the three months ended 31 March 2015 and 30 September 2015;</p> | <p>1. 審閱截至二零一四年十二月三十一日止年度之年度財務業績及報告、截至二零一五年六月三十日止六個月之中期財務業績及報告以及截至二零一五年三月三十一日及二零一五年九月三十日止三個月各自之季度財務業績及報告；</p> |
| <p>2. reviewed the internal audit department's report regarding the reviewing and procedures of the internal control and risk management of the Company; and</p> | <p>2. 審閱內部審核部門有關本公司內部監控及風險管理檢討與程序的報告；及</p> |
| <p>3. provided opinions to the Board in respect of the terms of appointment of external auditors.</p> | <p>3. 就外聘核數師委任條款向董事會提供意見。</p> |

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group's result for the year ended 31 December 2015 have been reviewed and commented by the audit committee members, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the GEM Listing Rules and that adequate disclosures have been made.

Procedures for directing Shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through mails whose contact details are as follows: —

Room 910B, 9th Floor
East Wing, Tsim Sha Tsui Centre
66 Mody Road
Tsim Sha Tsui East, Kowloon
Hong Kong
Tel No.: 2366 1613
Fax No.: 2366 1665

Procedures for putting forward proposals at general meetings by Shareholders

Pursuant to Article 58 of the Articles of Association, The Board may whenever it thinks fit call extraordinary general meetings. Any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

本集團於截至二零一五年十二月三十一日止年度之業績已由審核委員會成員審閱及提供意見，彼等認為編製該等業績已遵守適用之會計準則及要求以及創業板上市規則，且已作出充分披露。

股東向董事會提出查詢之程序

股東可隨時以書面透過郵遞向董事會提出查詢及關注，郵遞之聯絡詳情如下：—

香港
九龍尖沙咀東
麼地道66號
尖沙咀中心東翼
9樓910B室
電話：2366 1613
傳真：2366 1665

股東於股東大會上提出建議之程序

根據公司組織章程細則第58條，董事會如認為適當可隨時召開股東特別大會。任何一位或以上於提請要求當日持有不少於本公司繳足股本（賦有權利在本公司股東大會投票）十分之一的股東，可隨時向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的事項，且須於提請該要求後兩(2)個月內舉行。倘提請後二十一(21)日內董事會未有召開大會，則提請要求的人士可自行以相同方式召開大會，而本公司須向提請要求的人士補償因董事會未有召開大會而自行召開大會的所有合理開支。

CORPORATE GOVERNANCE REPORT

企業管治報告

Pursuant to Article 88 of the Articles of Association, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that the period for lodgment of such notice(s) shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

ACCOUNTABILITY AND AUDIT

Financial reporting

The Directors are responsible for overseeing the preparation of the annual accounts which give a true and fair view of the Group's state of affairs of the results and cash flow for the year. In preparing the accounts for the year ended 31 December 2015, the Directors have:

- adopted suitable accounting policies and applied them consistently; and
- made judgements and estimates that are prudent and reasonable; and ensured the accounts are prepared on a going concern basis.

The Company recognises that high quality corporate reporting is important in reinforcing the trust relationship between the Company and its stakeholders and aims at presenting a balanced, clear and comprehensible assessment of the Company's performance, position and prospects in all corporate communications.

根據公司組織章程細則第88條，除非獲董事推薦參選，或由正式合資格出席大會並可於會上投票的股東（並非擬參選者）簽署通知，表明建議提名相關人士參選的意向，且獲提名人士簽署該通知表明願意參選，否則除會上退任董事外，概無任何人士有資格於任何股東大會上參選董事。上述通知須呈交總辦事處或過戶登記處，通知期不得少於七(7)日，呈交該等通知之期間為寄發有關推選董事之股東大會通告翌日起計至不遲於該股東大會舉行日期前七(7)日。

問責及審核

財務報告

董事負責監督年度賬目之編製，以真實公平地反映出本集團於年內之相關業績及現金流量狀況。於編製截至二零一五年十二月三十一日止年度賬目時，董事已：

- 採用適合之會計政策並貫徹應用；及
- 作出審慎合理之判斷及估計，以及確保賬目乃按持續經營基準編製。

本公司認為高質素的公司報告對加強本公司與其權益人之間的信任非常重要，因此所有的企業傳訊均力求以平衡、清晰及全面的方式評估本公司的表現、狀況及前景。

CORPORATE GOVERNANCE REPORT

企業管治報告

Internal Control

The Board, through the Audit Committee, has reviewed the effectiveness of the Company's system of internal control over financial, operational and compliance issues for the year 2015. The Audit Committee concluded that, in general, the Group has set up a sound control environment and installed necessary control mechanisms to monitor and correct non-compliance. The Board, through the review of the Audit Committee, is satisfied that the Group in 2015, fully complied with the code provisions on internal controls as set forth in the Code. The Audit Committee also concluded that the Group has employed sufficient staff for the propose of accounting, financial and internal control.

External Auditors

The Group's external auditors are HLB Hodgson Impey Cheng Limited. The Audit Committee is mandated to ensure continuing auditors' objectivity and safeguard independence of the auditors, and it has:

- determined the framework for the type and authorisation of non-audit services for which the external auditors may provide. In general, the engagement of the external auditors to perform non-audit services is prohibited except for tax related services; and
- agreed with the Board on the policy relating to the hiring of employees or former employees of the external auditors and monitored the applications of such policy.

During 2015, the remuneration payable to the Company's external auditors for audit and non-audit services were approximately RMB1,609,000 and RMB nil respectively.

內部管制

董事會已通過審核委員會於二零一五年內檢討本集團內部管制系統之有效性，其中涵蓋財務、營運與合規等職能。審核委員會認為，整體而言，本集團已建立妥善之管制環境，並已採用必需之管制機制監督及改正不合規問題。通過審核委員會之檢討，董事會滿意本集團於二零一五年內完全遵守守則所列載之內部管制守則條文。審核委員會亦認為，本集團已聘用足夠的員工處理會計、財務及內部管制之工作。

外聘核數師

本集團之外聘核數師為國衛會計師事務所有限公司。審核委員會有責任確保續任核數師的客觀性及保持核數師的獨立性，委員會已：

- 釐定外聘核數師可提供之非核數服務的類別及授權的框架。一般而言，除稅項有關服務外，委員會禁止委任外聘核數師提供非核數服務；及
- 與董事會協定有關聘請外聘核數師現職或前僱員的政策以及如何監察此等政策的應用。

於二零一五年，本公司支付予外聘核數師之核數及非核數服務酬金分別約為人民幣1,609,000元及人民幣零元。

CORPORATE GOVERNANCE REPORT

企業管治報告

The accounts for the year ended 31 December 2015 were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the forthcoming annual general meeting of the Company. The Audit Committee has recommended to the Board that HLB Hodgson Impey Cheng Limited be re-appointed as the auditors of the Company at the forthcoming annual general meeting of the Company.

The Group has not employed any staff who was formerly involved in the Group's statutory audit.

Corporate Communication

The Group recognises the importance of shareholder feedback and the need for ongoing communication with its stakeholders, including the general public, investors, and the institutional and individual shareholders. The Company published annual, interim and quarterly reports which contained detailed information about the Group. Inquiries by shareholders are directed and dealt with by senior management of the Group.

Company secretary

Mr. Lui Chi Keung has been appointed as the company secretary since September 2007. For the details, please refer to page 40 to this report.

The company secretary has complied with Rule 5.15 of the GEM Listing Rules in relation to the professional training requirements.

INVESTORS RELATIONSHIP

The Company has established a range of communication channels between itself and its Shareholders, investors and other stakeholders. These include the annual general meeting, the annual, interim and quarterly reports, notices, announcements and circulars and the Company's website at http://www.ilinkfin.net/china_leason/.

During the year ended 31 December 2015, there had been no significant change in the Company's constitutional documents.

本公司於截至二零一五年十二月三十一日止年度之賬目已經由國衛會計師事務所有限公司審核，其任期將於本公司應屆股東週年大會後屆滿。審核委員會已建議董事會於本公司應屆股東週年大會上提名國衛會計師事務所有限公司獲續聘為本公司之核數師。

本集團從未僱用任何曾參與本集團法定核數工作的人士。

企業傳訊

本集團明白到股東反饋的重要性以及與權益人（包括公眾、投資者以及機構及個人股東）保持溝通的必要性。本公司發佈包含有關本集團之詳細資訊之年度、中期及季度報告。股東的一切查詢均有本集團高級管理層直接處理。

公司秘書

呂志強先生已自二零零七年九月起獲委任為公司秘書。詳情請參閱本報告第40頁。

公司秘書已遵守創業板上市規則第5.15條有關專業培訓的規定。

投資者關係

本公司與其股東、投資者及其他利益相關者之間設有一系列溝通渠道，包括股東週年大會、年度、中期及季度報告、通知、公佈及通函以及本公司網站http://www.ilinkfin.net/china_leason/。

截至二零一五年十二月三十一日止年度，本公司組織章程文件並無任何重大變動。

BIOGRAPHICAL INFORMATION OF DIRECTORS AND KEY MANAGEMENT

董事及主要管理層履歷資料

DIRECTORS

EXECUTIVE DIRECTORS

Mr. Wang Zhong Sheng, aged 52, has been appointed as chairman of the Board, an executive Director and the compliance officer of the Company since May 2006. From 9 January 2004 to 26 May 2006, Mr. Wang was an executive director of Tianjin Jinran Public Utilities Company Limited ("Tianjin Jinran") (formerly known as Tianjin Tianlian Public Utilities Company Limited), a company listed on the Main Board of the Stock Exchange (Stock Code: 01265, former stock code: 08290), and was responsible for its business strategies. He graduated from the University of Tianjin with a bachelor degree in engineering in 1984. Mr. Wang is also a director of Tianjin Leason Investment Group Company Limited (天津市聯盛投資集團有限公司). Mr. Wang is a substantial shareholder of the company which holds 394,239,983 Shares in person or through controlled corporation, representing approximately 29.88% of the issued share capital of the Company as at the date of this report. In addition, as at the date of this report, Mr. Wang is interested as a grantee of options to subscribe for 324,750 shares under the share option scheme adopted by the Company on 18 May 2011 and as a holder of convertible bonds convertible to 94,142,021 conversion shares.

Mr. Shi Liang, aged 47, has been appointed as an executive Director since May 2006 and resigned as an executive Director with effect from 26 May 2015. Mr. Shi graduated with a bachelor degree in Material Science in the Shanghai University of Science and Technology of the PRC and a master degree in management from the Business School of the People's University in the PRC. He was a vice general manager of Tianjin Jinran. He had worked for Jiangsu Nan Tong Electric Melter Company and Electronic Industrial Division Basic Products Department. He had also worked for Jiangsu Hua Yong Electronic Group Company as deputy manager of international cooperation department and secretary to the board of directors. He had also held various positions as a project manager, senior manager and an assistant to executive director in the investment banking of United Securities Limited, a securities company in the PRC.

董事

執行董事

王忠勝先生，52歲，自二零零六年五月起獲委任為本公司之董事會主席、執行董事及監察主任。王先生曾於二零零四年一月九日至二零零六年五月二十六日期間為天津津燃公用事業股份有限公司（「天津津燃」，一家於聯交所主板上市之公司，股份代號：01265）（前稱天津天聯公用事業股份有限公司，股份代號：08290）之執行董事，並負責其業務策略。王先生一九八四年於天津大學畢業，持有工程學學士學位。王先生亦為天津市聯盛投資集團有限公司之董事。王先生為本公司主要股東，以個人及透過受控法團方式持有394,239,983股股份，相當於本公司在本報告刊發日期之已發行股本約29.88%。此外，於本報告日期，王先生作為購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購324,750股股份的購股權，並為可轉換為94,142,021股換股股份之可換股債券之持有人。

施亮先生，47歲，自二零零六年五月起獲委任為執行董事，並自二零一五年五月二十六日起辭任執行董事一職。施先生畢業時獲得中國上海科學技術大學材料科學學士學位及中國人民大學商學院管理學碩士學位。彼曾為天津津燃之副總經理。彼曾任職於江蘇南通電容器公司及電子工業部基礎產品公司。彼亦曾於江蘇華容電子集團公司任職國際合作部之副經理及董事會秘書。彼亦曾於一間中國證券公司聯合證券有限責任公司投資銀行部任多個職位，如項目經理、高級經理及執行董事助理。

BIOGRAPHICAL INFORMATION OF DIRECTORS AND KEY MANAGEMENT

董事及主要管理層履歷資料

Mr. Fu Shou Gang, aged 49, has years of experiences in the natural gas sector. Prior to joining the Group, he worked in Tianjin Jinran, where was pointed as an executive Director. Mr. Fu is interested as a grantee of options to subscribe for 324,750 shares under the share options scheme adopted by the Company on 18 May 2011.

付壽剛先生，49歲，有多年天然氣行業工作經驗，於加入本集團前，在天津津燃工作，期間獲委任為執行董事。付先生為購股權之承授人，擁有可根據本公司於二零一一年五月十八日採納的購股權計劃認購324,750股股份的購股權。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Luo Wei Kun, aged 77, has been an independent non-executive director of the Company since August 2006. He graduated from the Tsinghua University with a bachelor's degree in civil engineering in 1964 and started postgraduate studies in the same year. He was awarded a postgraduate diploma in civil engineering in 1967. He acted as a technician in Wuhan Branch of the Chinese Medicine Industrial Limited during 1968 to 1969 and as a technician, deputy section chief, section chief, engineer and vice chief engineer in the State Ministry of Medicine — Hubei Medical Manufactory Branch during 1969 to 1985. He then worked as a senior engineer, section chief and assistant factory manager in Tianjin Second Coal Gas Factory during 1986 to 1992. From 1992 to 2000, he acted as a vice chief engineer in Tianjin Utility Department and at the same time, worked as a chief engineer in Tianjin City Gas Administrative Office. After his retirement in March 2000, Mr. Luo acted as a consultant of Tianjin City Gas Administrative Office and Tianjin City Gas Planning Office. Currently, he is an independent non-executive director of Tianjin Jinran.

獨立非執行董事

羅維崑先生，77歲，自二零零六年八月起為本公司獨立非執行董事。羅先生一九六四年畢業於清華大學，獲土木工程學士學位，同年繼續攻讀研究生，於一九六七年獲土木工程研究生畢業文憑。其後於一九六八年至一九六九年擔任中國醫藥工業公司武漢分公司技術員，一九六九年至一九八五年先後擔任國家醫藥總局湖北製藥製劑分廠的技術員、副科長、科長、工程師和副總工程師。一九八六年至一九九二年任職天津市第二煤氣廠，期間曾任高級工程師、科長和副廠長，一九九二年至二零零零年擔任天津市公用局副總工程師，兼任天津市燃氣管理處總工程師。羅先生於二零零零年三月退休後，還曾任天津市燃氣管理處和天津市燃氣規劃辦公室顧問。羅先生目前擔任天津津燃獨立非執行董事。

Ms. Pang Yuk Fong, Yvonne, aged 49, is an experienced practising certified public accountant in Hong Kong with over 25 years of professional experience in accounting and auditing. Ms. Pang is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Company Secretaries and the Institute of Chartered Secretaries and Administrators and an associate of the Institute of Chartered Accountants in England and Wales. Ms. Pang holds a Master of Professional Accounting Degree from the Hong Kong Polytechnic University.

彭玉芳女士，49歲，是一名擁有豐富經驗的香港執業會計師，在會計及核數方面擁有逾25年的專業經驗。彭女士是特許公認會計師公會及香港會計師公會、香港公司秘書公會及英國特許秘書及行政人員公會的資深會員以及英格蘭及威爾斯特許會計師公會的會員，持有香港理工大學專業會計碩士學位。

BIOGRAPHICAL INFORMATION OF DIRECTORS AND KEY MANAGEMENT

董事及主要管理層履歷資料

Ms. Pang's professional career started in Deloitte (one of the Big-4 International Accountancy Firms) and subsequently held the accounting positions in the listed companies in Hong Kong. Ms. Pang has been running her own practice of Certified Public Accountant (practicing) in Hong Kong since 1990's and has currently been the Managing Director of Focus Asia CPA Limited. She has also been the Managing Director of Focus Secretarial Services Limited which is engaged in providing multilateral company secretarial services and the Managing Director of Focus Asia Market Consultants Limited and Focus Corporate Consultancy Limited which are engaged in providing business advisory services to her clients in various aspects.

Ms. Pang has been appointed as an independent non-executive Director since 2006.

Mr. Wang Zhi He, aged 68, has been an independent non-executive director of the Company since August 2006. Mr. Wang is a senior accountant. Mr. Wang graduated from Anhui University of Finance and Economics in February 1972, and was assigned to finance department of Anhui Huaibei Mining Bureau and worked as a commissioner, deputy section chief, section chief, deputy director and director. Mr. Wang was transferred to the Ministry of Coal Industry in May 1995, and worked as a director of Asset Capital Management Division and State-owned Assets Management department. In October 1997, Mr. Wang was re-designated as a chief accountant of China Coal Construction Group Corporation, and worked as a deputy general manager and chief accountant in May 1999. Mr. Wang was transferred to Zhonglian Gas Company Limited and worked as a chief accountant in March 2004. Mr. Wang has years of relevant experience.

SENIOR MANAGEMENT

Mr. Lui Chi Keung, aged 58, has been appointed as the company secretary and authorised representative of the Company since September 2007. Mr. Lui presently is appointed as the Company's secretary and authorised representative. Mr. Lui is a fellow member of the Hong Kong Institute of Certified Public Accountants. He is also a fellow member of the Association of Chartered Certified Accountants. Mr. Lui has over 30 years of experience in auditing, accounting, financial and business management.

彭女士於德勤會計師事務所（國際四大會計師行之一）開始她的職業生涯，繼而擔任香港上市公司的會計職位。自九零年代開始，彭女士已在其於香港的會計師事務所（執業會計師）執業，現於匯亞會計師事務所有限公司擔任董事總經理。她亦在匯點企業代理人有限公司（該公司提供多邊公司秘書服務）及匯亞策略有限公司和匯點企業諮詢有限公司（該兩間公司在各範疇向其客戶提供商業顧問服務）擔任董事總經理。

彭女士自二零零六年起獲委任為獨立非執行董事。

王之和先生，68歲，自二零零六年八月起為本公司獨立非執行董事。王先生是一位高級會計師。王先生一九七二年二月畢業於安徽省財經學校，被分配到安徽淮北礦務局財務處工作，先後擔任專員、副科長、科長、副處長、處長。於一九九五年五月調到煤炭工業部工作，先後任資產資金管理處及國有資產管理處處長。於一九九七年十月調到中煤建設集團公司任總會計師。於一九九九年五月任副總經理兼總會計師。於二零零四年三月調到中聯煤氣有限責任公司任總會計師。王先生累積多年相關工作經驗。

高級管理人員

呂志強先生，58歲，自二零零七年九月起獲委任為本公司之公司秘書兼授權代表。呂先生現被委任為公司秘書兼授權代表。呂先生為香港會計師公會資深會員，亦為特許公認會計師公會資深會員。呂先生於核數、會計、財務及商業管理方面積逾30年經驗。

DIRECTORS' REPORT

董事會報告

The Directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 21 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2015 are set out in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income on page 63 to 64.

The state of affairs of the Group and the Company as at 31 December 2015 are set out in the consolidated and company statements of financial position on pages 65 to 66 and note 41 respectively. The cash flows of the Group are set out in the consolidated statement of cash flows on pages 69 to 70.

The Directors of the Company do not recommend the payment of a dividend for the year ended 31 December 2015.

SHARE CAPITAL AND RESERVES

Details of the movements in share capital of the Company during the year are set out in note 32(a) to the consolidated financial statements.

Movements in the reserves of the Group and the Company during the year are set out in page 68 and note 41 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 17 to the consolidated financial statements.

董事謹此提呈本集團截至二零一五年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為投資控股公司。其附屬公司之主要業務載於綜合財務報表附註21。

業績及分派

本集團截至二零一五年十二月三十一日止年度之業績載於第63至64頁之綜合損益表以及綜合損益及其他全面收益表。

本集團及本公司於二零一五年十二月三十一日之營運狀況分別載於第65至66頁及附註41之綜合及本公司之財務狀況表。本集團之現金流量載於第69至70頁之綜合現金流量表。

本公司董事不建議就截至二零一五年十二月三十一日止年度派付股息。

股本及儲備

本公司於年內之股本變動詳情載於綜合財務報表附註32(a)。

本集團及本公司於年內之儲備變動載於第68頁及綜合財務報表附註41。

物業、機器及設備

有關本集團之物業、機器及設備變動詳情載於綜合財務報表附註17。

DIRECTORS' REPORT

董事會報告

DISTRIBUTABLE RESERVES

In accordance with the Companies Act 1981 of Bermuda and the Company's articles of association, the Company's reserves available for distribution to its shareholders comprise share premium, contributed surplus and accumulated losses which in aggregate amounted to approximately RMB478,004,000 as at 31 December 2015 (2014: RMB681,106,000). The distributable reserves are available for distribution provided that immediately following the date on which the dividend is proposed, the Company will be able to pay off its debt as they fall due in the ordinary course of business.

DIRECTORS

The Directors who held office during the year ended 31 December 2015 were:

Executive Directors

Mr. Wang Zhong Sheng (*Chairman*)
Mr. Shi Liang (retired with effect from 26 May 2015)
Mr. Fu Shou Gang

Independent Non-Executive Directors

Mr. Luo Wei Kun
Ms. Pang Yuk Fong
Mr. Wang Zhi He

In accordance with article 87 of the Company's articles of association, Mr. Wang Zhong Sheng, Mr. Shi Liang and Mr. Fu Shou Gang retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The term of office for each of independent non-executive Directors is the period up to his retirement by rotation and re-election at annual general meeting of the Company in accordance with the provisions of the articles of association of the Company.

可分派儲備

根據百慕達公司法（一九八一）及本公司組織章程細則，本公司可供向其股東分派的儲備包括股份溢價、實繳盈餘及累計虧損，於二零一五年十二月三十一日總計約為人民幣478,004,000元（二零一四年：人民幣681,106,000元）。可分派儲備可作分派的前提是於緊接建議宣派股息日期之後，本公司將有能力支付其於日常業務過程中的到期債務。

董事

於截至二零一五年十二月三十一日止年度之在任董事如下：

執行董事

王忠勝先生（主席）
施亮先生（自二零一五年五月二十六日起退任）
付壽剛先生

獨立非執行董事

羅維崑先生
彭玉芳女士
王之和先生

根據本公司組織章程細則第87條，王忠勝先生、施亮先生及付壽剛先生須要在即將舉行的股東週年大會退任，並符合規定及願意膺選連任。

各獨立非執行董事的任期為直至彼根據本公司組織章程細則的條款於本公司股東週年大會輪值退任及重選為止。

DIRECTORS' REPORT

董事會報告

Biographical information of the Directors is set out on page 38 to page 40 of this report.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers the independent non-executive Directors have remained independent.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with the Company or any of its subsidiaries which is not terminable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' AND KEY MANAGEMENT'S REMUNERATION

Details of Directors' and key management's remuneration for the year are set out in notes 9 and 10 to the consolidated financial statements.

The Directors' remuneration are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No other contract of significance in relation to the Group's business subsisted at the year-end or any time during the year to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly.

有關該等董事之履歷資料載於本報告第38至40頁。

本公司已接獲各獨立非執行董事根據創業板上市規則第5.09條就其獨立性而作出之年度確認函。本公司認為有關獨立非執行董事仍為獨立人士。

董事服務合約

董事均無與本公司或其任何附屬公司訂立本集團不可於一年內免付補償（法定補償除外）而終止之服務合約。

董事及主要管理人員之酬金

董事及主要管理人員於年內之酬金詳情載於綜合財務報表附註9及10。

董事酬金須由股東於股東大會批准。其他酬金由董事會參考董事之職務、責任及表現以及本集團業績後釐定。

董事於重大合約之權益

本公司或其任何附屬公司於年終或年內任何時間概無訂有任何董事於其中佔有重大權益（不論直接或間接）且與本集團業務有關之其他重大合約。

DIRECTORS' REPORT

董事會報告

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had an interest in a business which causes or may cause any significant competition with the business of the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on Information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2015, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

競爭權益

本公司董事或管理層股東或任何彼等各自之聯繫人士（定義見創業板上市規則）概無於對本集團業務構成或可能構成任何重大競爭之業務中擁有權益。

足夠公眾持股量

根據本公司可公開取得的資料，並就董事所知，於本報告日期，本公司已發行股本總額中有最少25%由公眾人士持有。

董事及最高行政人員於股份、相關股份及債券之權益或淡倉

於二零一五年十二月三十一日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條規定而存置之登記冊所記錄，或根據創業板上市規則第5.46條所述上市發行人董事進行交易的規定標準已知會本公司及聯交所，董事及本公司最高行政人員在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、相關股份及債券中之權益及淡倉如下：

DIRECTORS' REPORT

董事會報告

Long positions in shares, underlying shares and debentures of the Company

於本公司股份、相關股份及債券之好倉

Name	Capacity	Nature of interest	Number of shares/ underlying shares	Approximate % of shareholdings
姓名	身份	權益性質	股份／相關 股份數目	持股概約 百分比
Mr. Wang Zhong Sheng 王忠勝先生	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	18,118,500 (Note 1) (附註1)	1.38%
	Beneficial owner 實益擁有人	Personal 個人	470,588,254 (Note 2) (附註2)	35.66%
Mr. Fu Shou Gang 付壽剛先生	Beneficial owner 實益擁有人	Personal 個人	324,750 (Note 3) (附註3)	0.02%

Notes:

附註：

1. Such shares are owned by Jumbo Lane Investments Limited.

1. 該等股份由寶連投資有限公司擁有。

Mr. Wang Zhong Sheng owns 100% interest in the issued share capital of Jumbo Lane Investments Limited and he is taken to be interested in the shares owned by Jumbo Lane Investments Limited pursuant to Part XV of the SFO (Chapter 571 of the Laws of Hong Kong).

王忠勝先生擁有寶連投資有限公司已發行股本之100%權益，根據香港法例第571章證券及期貨條例第XV部，彼被視為於寶連投資有限公司擁有之股份中擁有權益。

2. Out of the 470,588,254 long positions, Mr. Wang Zhong Sheng is interested as (i) a grantee of options to subscribe for 324,750 shares under the new share option scheme adopted by the Company on 18 May 2011; (ii) a beneficial owner of 376,121,483 issued shares of the Company; and (iii) a holder of convertible bonds convertible to 94,142,021 conversion shares.

2. 於該470,588,254股股份之好倉中，王忠勝先生以下列形式擁有權益：(i)購股權之承授人，可根據本公司於二零一一年五月十八日採納的新購股權計劃認購324,750股股份；(ii)實益擁有人，擁有376,121,483股本公司已發行股份；及(iii)可換股債券之持有人，可轉換為94,142,021股換股股份。

3. Mr. Fu Shou Gang is interested as a grantee of options to subscribe for 324,750 shares under the new share option scheme adopted by the Company on 18 May 2011.

3. 付壽剛先生作為購股權之承授人擁有權益，可根據本公司於二零一一年五月十八日採納的新購股權計劃認購324,750股股份。

DIRECTORS' REPORT

董事會報告

Save as disclosed above, as at 31 December 2015, none of the Directors or chief executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were otherwise required, pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange. The Group had not issued any debentures during the Year.

SUBSTANTIAL SHAREHOLDERS AND PERSONS WITH DISCLOSEABLE INTEREST AND SHORT POSITION IN SHARES AND UNDERLYING SHARES UNDER THE SFO

As at 31 December 2015, the following persons (other than the Directors or chief executive of the Company as disclosed above) had an interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Long positions in shares of the Company

Name 姓名	Number of shares 股份數目	Nature of Interest 權益性質	Percentage of shareholding 持股百分比
Ms. Zhao Xin (Note) 趙馨女士 (附註)	488,706,754	Interest of spouse 配偶之權益	37.04%
RHB OSK Finance Hong Kong Limited 興業僑豐財務有限公司	197,366,867	Person having a security interest 擁有證券權益之人士	14.96%

Note:

Ms. Zhao Xin (the spouse of Mr. Wang Zhong Sheng) is deemed to be interested in her spouse's interest in the Company pursuant to the SFO.

Save as disclosed above, as at 31 December 2015, no other person (other than the Directors or chief executive of the Company) had an interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under to section 336 of the SFO.

除上文所披露者外，於二零一五年十二月三十一日，董事或本公司最高行政人員概無在本公司或其任何相聯法團（定義見證券及期貨條例第 XV 部）之任何股份、相關股份或債券中擁有根據證券及期貨條例第 352 條規定而須載入該條例所述登記冊內，或根據創業板上市規則第 5.46 條所述上市發行人董事進行交易的規定標準而須知會本公司及聯交所之任何其他權益或淡倉。本集團於本年度內並無發行任何債券。

主要股東及於股份及相關股份擁有根據證券及期貨條例須予披露之權益及淡倉之人士

於二零一五年十二月三十一日，按根據證券及期貨條例第 336 條規定本公司須予存置之登記冊所記錄，下列人士（已於上文披露之董事或本公司最高行政人員除外）於本公司股份及相關股份中擁有權益或淡倉：

於本公司股份之好倉

附註：

根據證券及期貨條例，趙馨女士（王忠勝先生之配偶）被視為於本公司擁有其配偶權益之權益。

除上文披露者外，按根據證券及期貨條例第 336 條規定本公司須予存置之登記冊所記錄，於二零一五年十二月三十一日，並無其他人士（董事或本公司最高行政人員除外）於本公司股份及相關股份中擁有權益或淡倉。

DIRECTORS' REPORT

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the heading "Directors' and Chief Executive's Interests or Short Positions in Shares, Underlying Shares and Debentures" above and in the section "Share Option Scheme" below, at no time during the Year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children or chief executive or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed on 18 May 2011, the Company's share option scheme adopted on 28 July 2003 (the "Old Share Option Scheme") was terminated and a new share option scheme (the "New Share Option Scheme") was adopted which will remain in force for a period of 10 years from adoption of the New Share Option Scheme and will expire on 17 May 2021. On 30 May 2011, the Board approved to grant options in respect of 258,300,000 ordinary shares to the Company's Directors, employees and consultants under the New Share Option Scheme.

There were no share options that had been granted remained outstanding under the Old Share Option Scheme prior to its termination.

For details of the New Share Option Scheme, please refer to the circular of the Company dated 20 April 2011.

董事及最高行政人員購買股份或債券之權利

除上文「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」及下文「購股權計劃」章節所披露者外，於本年度內任何時間，概無授予任何董事或彼等各自之配偶或未成年子女或最高行政人員透過購買本公司股份或債券之方法而獲得利益之權利，或彼等亦無行使任何該等權利；或本公司或其任何附屬公司概無訂立任何安排，致使董事可購買任何其他法人團體之該等權利。

購股權計劃

根據於二零一一年五月十八日通過的普通決議案，本公司於二零零三年七月二十八日採納的購股權計劃（「舊購股權計劃」）已告終止，及新的購股權計劃（「新購股權計劃」）已被採納，其將自採納新購股權計劃起十年期間內持續有效，並將於二零二一年五月十七日屆滿。於二零一一年五月三十日，董事會批准根據新購股權計劃授予本公司董事、僱員及顧問購股權以認購258,300,000股普通股。

於舊購股權計劃終止前，已無根據其授出但尚未行使的購股權。

有關新購股權計劃之詳情，請參閱本公司日期為二零一一年四月二十日之通函。

DIRECTORS' REPORT

董事會報告

Information in relation to share options disclosed in accordance with the GEM Listing Rules was as follows:

根據創業板上市規則所披露有關購股權的資料如下：

Name and category of participants	As at 5 February 2014	Adjusted on 6 February 2014 as a result of the Open Offer (note iii)	Adjusted on 12 May 2014 as a result of the capital reorganisation (note iv)	As at 1 January 2015	Granted during the year	Exercised during the year	Cancelled/lapsed during the year	As at 31 December 2015	Date of grant of share options	Exercise period of share options	Exercise price of per share as at the date of grant of share options	Exercise price per share option as at 1 January 2014	Adjusted exercise price per share as a result of the Open Offer (note iii)	Adjusted exercise price per share as a result of the capital reorganisation
參與者姓名及類別	於二零一四年二月五日	於二零一四年二月六日作出調整(附註iii)	於二零一四年五月十二日作出調整(附註iv)	於二零一五年一月一日	年內已授出	年內已行使	年內已註銷/已失效	於二零一五年十二月三十一日	購股權授出日期	購股權行使期	於購股權授出日期之每股行使價	於二零一四年一月一日之每份購股權行使價	因公開發售之經調整每股行使價(附註iii)	因股本重組之經調整每股行使價
<i>Executive Directors</i>														
<i>執行董事</i>														
Mr. Wang Zhong Sheng 王忠勝先生	2,500,000	3,247,500	324,750	324,750	—	—	—	324,750	30/5/2011	30/5/2011-29/5/2021	0.495	0.495	0.381	3.81
Mr. Fu Shou Gang 付壽剛先生	2,500,000	3,247,500	324,750	324,750	—	—	—	324,750	30/5/2011	30/5/2011-29/5/2021	0.495	0.495	0.381	3.81
	5,000,000	6,495,000	649,500	649,500	—	—	—	649,500						
Employees 僱員	42,240,000	54,869,760	5,486,976	5,486,976	—	—	—	5,486,976	30/5/2011	30/5/2011-29/5/2021	0.495	0.495	0.381	3.81
Consultants 顧問	200,020,000	259,825,980	25,982,598	25,982,598	—	—	—	25,982,598	30/5/2011	30/5/2011-29/5/2021	0.495	0.495	0.381	3.81
	247,260,000	321,190,740	32,119,074	32,119,074	—	—	—	32,119,074						

DIRECTORS' REPORT

董事會報告

Notes:

- (i) The terms and conditions of the grants that existed during the review period are as follows:

附註：

- (i) 於回顧期間存續之授出條款及條件如下：

	Number of options 購股權數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約年期
Options granted: 已授出購股權：			
30 May 2011 二零一一年五月三十日	215,220,000	Vest immediately 即時歸屬	10 years 10年
30 May 2011 二零一一年五月三十日	43,080,000	Half on each of the first and second anniversaries of grant date 授出日期之首個及第二個週年日每次一半	10 years 10年

- (ii) The number and weighted average exercise prices of options are as follows:

- (ii) 購股權之數目及加權平均行使價如下：

		Weighted average exercise price 加權平均行使價 HK\$ 港元	Number of options 購股權數目
Outstanding as at 1 January 2015 (note iii and note iv)	於二零一五年一月一日未行使 (附註iii及附註iv)	3.81	32,119,074
Granted during the year	年內已授出	—	—
Outstanding as at 31 December 2015	於二零一五年十二月三十一日未行使	3.81	32,119,074
Exercisable as at 31 December 2015	於二零一五年十二月三十一日可行使	3.81	32,119,074

The options outstanding as at 31 December 2015 had an exercise price of HK\$3.81 and a weighted average remaining contractual life of 5.4 years.

於二零一五年十二月三十一日之未行使購股權之行使價為3.81港元，加權平均合約剩餘年期為5.4年。

DIRECTORS' REPORT

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- (iii) As a result of the Open Offer, adjustment has been made, among others, to the number of the share options to subscribe for shares granted and the exercise price of the outstanding share options pursuant to the New Share Option Scheme with effect from 6 February 2014.

After the aforesaid adjustment upon the completion of the Open Offer, the total number of the outstanding share options has been adjusted from 247,260,000 to 321,190,740 on 6 February 2014 and the exercise price of the outstanding share options had been adjusted from HK\$0.495 to HK\$0.381.

- (iv) As a result of the Capital Reorganisation, adjustment has been made, among others, to the number of the share options to subscribe for shares granted and the exercise price of the outstanding share options pursuant to the New Share Option Scheme with effect from 12 May 2014.

After the aforesaid adjustment upon the completion of the Capital Reorganisation, the total number of the outstanding share options has been adjusted from 321,190,740 to 32,119,074 on 12 May 2014 and the exercise price of the outstanding options has been adjusted from HK\$0.381 to HK\$3.81.

- (iii) 因公开发售对(其中包括)根据新购股权计划授出之可认购股份之购股权数目及未行使购股权之行使价作出调整,自二零一四年二月六日起生效。

於公开发售完成后经上述调整后,未行使购股权总数已由247,260,000份调整至於二零一四年二月六日之321,190,740份,而未行使购股权之行使价已由0.495港元调整至0.381港元。

- (iv) 因股本重组对(其中包括)根据新购股权计划授出之可认购股份之购股权数目及未行使购股权之行使价作出调整,自二零一四年五月十二日生效。

於股本重组完成后经上述调整后,未行使购股权总数已由321,190,740份调整至於二零一四年五月十二日之32,119,074份,而未行使购股权之行使价已由0.381港元调整至3.81港元。

MAJOR TRANSACTIONS AND EVENTS

Finance lease arrangement

On 28 January 2015, Shanxi Qinshui Shuntai Energy Development Company Limited ("Qinshui Energy"), a direct wholly-owned subsidiary of the Company entered into, among other things, the Finance Lease Agreement with CIMC Capital Limited ("CIMC"), pursuant to which (i) Qinshui Energy conditionally agreed to sell and CIMC conditionally agreed to purchase the certain liquefied natural gas equipments ("Equipments") for a total consideration of RMB98,000,000 (approximately HK\$124,051,000); and (ii) Qinshui Energy conditionally agreed to lease from CIMC, and CIMC conditionally agreed to lease to Qinshui Energy, the Equipments for a total lease consideration of RMB114,836,400 (approximately HK\$145,363,000) for a term of 36 months by monthly installments inclusive of interest with a lump sum handling fee in the sum of RMB980,000 (approximately HK\$1,241,000). The lease consideration may be adjusted according to the floating lending interest rate to be promulgated by People's Bank of China from time to time.

As the applicable percentage ratios of the Finance Lease Agreement exceed 25% but less than 100%, the Finance Lease Agreement constitutes a major transaction on the part of the Company under Chapter 19 of the GEM Listing Rules. Therefore, the Finance Lease Agreement is subject to the requirements of announcement and the approval of the shareholders by way of poll at the special general meeting of the Company. An special general meeting of the Company has been convened on 30 March 2015 and the finance lease arrangement was passed by ordinary resolution.

For details of the Finance Lease Arrangement, please refer to the announcement of the Company dated 28 January 2015 and 30 March 2015 and the circular of the Company dated 12 March 2015.

主要交易及事項

融資租賃安排

於二零一五年一月二十八日，本公司的直接全資附屬公司山西沁水順泰能源發展有限公司（「沁水能源」）與中集融資租賃有限公司（「中集」）簽訂（其中包括）融資租賃協議，據此，(i) 沁水能源有條件同意出售及中集有條件同意購買若干液化天然氣設備（「設備」），總代價為人民幣98,000,000元（約124,051,000港元）；及(ii) 沁水能源有條件同意向中集承租，而中集有條件同意向沁水能源出租設備，總租賃代價為人民幣114,836,400元（約145,363,000港元），為期36個月（按月分期付款，包括利息），及一筆過手續費合共人民幣980,000元（約1,241,000港元）。租賃代價可根據中國人民銀行不時頒佈的浮動借貸利率作出調整。

根據創業板上市規則第十九章，由於融資租賃協議的適用百分比率高於25%但低於100%，故融資租賃協議構成本公司的一項主要交易。因此，融資租賃協議須遵守公佈規定，且須待股東於本公司股東特別大會上以投票表決方式批准後，方可作實。本公司已於二零一五年三月三十日召開股東特別大會，並以普通決議案通過融資租賃安排。

有關融資租賃安排的詳情，請參閱本公司日期為二零一五年一月二十八日及二零一五年三月三十日之公佈以及本公司日期為二零一五年三月十二日之通函。

DIRECTORS' REPORT

董事會報告

Retirement of Directorship

Mr. Shi Liang ("Mr. Shi") retired by rotation at the Annual General Meeting 2014 ("AGM 2014") in accordance with the Bye-laws. As the resolution was not passed at AGM 2014, Mr. Shi retired as an executive Director at the conclusion of the AGM 2014. For details of the retirement of directorship, please refer to the announcement of the Company dated 26 May 2015.

Discloseable and connected transaction

On 12 October 2015 (after trading hours), Shanxi Yangcheng (a wholly owned subsidiary of the Company) as purchaser and Mr. Wang as vendor entered into an agreement, pursuant to which Shanxi Yangcheng has conditionally agreed to purchase and Mr. Wang has conditionally agreed to dispose of 100% equity interest of Nuoxin (Xian County) Engineering Materials Company Limited, a company established in the PRC with limited liability and is wholly owned by Mr. Wang at a total consideration of RMB50,300,000 (equivalent to approximately HK\$61,396,180).

The total consideration of the acquisition shall be satisfied by Shanxi Yangcheng in the following manners:

- (i) as to RMB32,899,999.88 (equivalent to approximately HK\$40,157,739.85) by way of allotment and issue of 178,004,166 Consideration Shares, credited as fully paid, at an issue price of approximately HK\$0.2256 per Consideration Share to Mr. Wang at Completion; and
- (ii) as to RMB17,400,000.12 (equivalent to approximately HK\$21,238,440) by way of issue of the Convertible Bond in the principal amount of HK\$21,238,440 convertible up to 94,142,021 Conversion Shares upon the exercise of the Conversion Rights attached to the Convertible Bond at a conversion price of HK\$0.2256 per Conversion Share to Mr. Wang at Completion.

The Consideration Shares and the Conversion Shares will be allotted and issued under the Specific Mandate.

董事退任

施亮先生（「施先生」）已根據公司細則於二零一四年股東週年大會（「二零一四年股東週年大會」）上輪值退任。由於決議案於二零一四年股東週年大會上未獲通過，故施先生已於二零一四年股東週年大會結束時退任執行董事一職。有關董事退任之詳情，請參閱本公司日期為二零一五年五月二十六日之公佈。

須予披露及關連交易

於二零一五年十月十二日（交易時段後），山西陽城（本公司之全資附屬公司，作為買方）與王先生（作為賣方）訂立一份協議，據此，山西陽城已有條件地同意購買，而王先生已有條件地同意出售諾信（獻縣）機械工程材料有限公司（一間於中國成立之有限公司，並由王先生全資擁有）之100%股本權益，總代價為人民幣50,300,000元（相當於約61,396,180港元）。

收購事項之總代價須以下列方式由山西陽城償付：

- (i) 於完成時以配發及發行178,004,166股入賬列作繳足代價股份之方式按發行價每股代價股份約0.2256港元向王先生支付人民幣32,899,999.88元（相當於約40,157,739.85港元）；及
- (ii) 於完成時以發行本金額為21,238,440港元之可換股債券（於行使可換股債券所附之換股權時可按換股價每股換股股份0.2256港元轉換為最多94,142,021股換股股份）之方式向王先生支付人民幣17,400,000.12元（相當於約21,238,440港元）。

代價股份及換股股份將根據特別授權配發及發行。

DIRECTORS' REPORT

董事會報告

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the Company's consolidated financial statements.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares and the Conversion Shares.

Since the relevant applicable percentage ratio calculated in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

As at the signing date of the agreement, Mr. Wang is the executive Director and he directly and indirectly holds approximately 18.97% of the entire issued share capital of the Company and therefore is a substantial Shareholder within the meaning of the GEM Listing Rules. As such, Mr. Wang is a connected person of the Company and the Acquisition constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

Therefore, the Acquisition is subject to the requirements of announcement and the approval of the shareholders by way of poll at the special general meeting of the Company. An special general meeting of the Company has been convened on 3 December 2015 and the discloseable and connected transaction was passed by ordinary resolution. The acquisition was completed on 11 December 2015.

For details of the discloseable and connected transaction, please refer to the announcements of the Company dated 12 October 2015, 2 November 2015, 6 November 2015, 17 November 2015, 3 December 2015 and 11 December 2015 and the circular of the Company dated 17 November 2015.

完成後，目標公司將成為本公司之間接全資附屬公司，而目標公司之財務業績將於本公司之綜合財務報表中綜合入賬。

本公司將向聯交所申請批准代價股份及換股股份上市及買賣。

由於就收購事項計算之相關適用百分比率高於5%但低於25%，故根據創業板上市規則第十九章，收購事項構成本公司之須予披露交易，因而須遵守申報及公佈之規定。

於該協議簽訂日期，王先生為執行董事，而彼直接及間接持有本公司全部已發行股本約18.97%，因此為主要股東（定義見創業板上市規則）。故此，根據創業板上市規則第二十章，王先生為本公司之關連人士，而收購事項構成本公司之關連交易。

因此，收購事項須遵守公佈之規定，且須待股東於本公司股東特別大會上以投票表決方式批准後，方可作實。本公司已於二零一五年十二月三日召開股東特別大會，並以普通決議案通過須予披露及關連交易。收購事項已於二零一五年十二月十一日完成。

有關須予披露及關連交易之詳情，請參閱本公司日期為二零一五年十月十二日、二零一五年十一月二日、二零一五年十一月六日、二零一五年十一月十七日、二零一五年十二月三日及二零一五年十二月十一日之公佈以及本公司日期為二零一五年十一月十七日之通函。

DIRECTORS' REPORT

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

For the year under review, the top five customers of the Group together accounted for approximately 58.84% of the Group's total sales for the year while the single largest customers accounted for approximately 19.85% of the Group's total sales during the year.

The top five suppliers of the Group for the year under review together accounted for approximately 77.93% of the Group's total purchases for the year and the single largest supplier accounted for approximately 40.63% of the Group's total purchases.

None of the Directors, their respective associates or any shareholders of the Company who owns more than 5% of the issued share capital of the Company has any interests in the Group's five largest customers and suppliers above mentioned.

AMOUNT OF CAPITALISED INTEREST

Save as disclosed in this report, no interest has been capitalised by the Group during the year.

RETIREMENT BENEFITS SCHEMES

Particular of the retirement benefits schemes of the Group are set out in note 34 to the consolidated financial statements.

CONVERTIBLE SECURITIES, WARRANTS OR SIMILAR RIGHTS

As at the date of this report, the Company had outstanding options to subscribe for 32,119,074 shares under the share option scheme adopted on 18 May 2011 and outstanding convertible bonds convertible to 94,142,021 conversion shares.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the bye-laws of the Company or the laws of Bermuda, which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

主要客戶及供應商

於回顧年內，本集團五大客戶合共佔本集團年內總銷售額約58.84%，而最大單一客戶則佔本集團年內總銷售額約19.85%。

本集團五大供應商於回顧年內合共佔本集團年內總採購額約77.93%，而最大單一供應商則佔本集團總採購額約40.63%。

董事、彼等各自之聯繫人士或任何擁有本公司已發行股本5%以上之本公司股東概無於上述本集團五大客戶及供應商中擁有任何權益。

已撥充資本之利息金額

除本報告所披露者外，本集團於年內並無將任何利息撥充資本。

退休福利計劃

本集團退休福利計劃詳情載於綜合財務報表附註34。

可換股證券、認股權證或類似權利

於本報告日期，本公司尚存於二零一一年五月十八日採納的購股權計劃項下可認購32,119,074股股份的仍未行使購股權以及可轉換為94,142,021股換股股份的未轉換可換股債券。

優先購買權

本公司之公司細則或百慕達法例並無訂有有關優先購買權之條文，規定本公司須向現有股東按比例提呈發售新股份。

DIRECTORS' REPORT

董事會報告

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company nor any of its subsidiaries.

MATERIAL RELATED PARTY TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Details of the related party transactions of the Company are set out in note 40 to the consolidated financial statements.

During the year ended 31 December 2015, Shanxi Qinshui Prefecture Chengrong Investment Limited ("Chengrong Investment") has provided financing to the Group in the sum of RMB30,000,000. As Chengrong Investment owns 17% equity interest in Shanxi Wanzhi Logistics Limited (a non-wholly owned subsidiary of the Company), Chengrong Investment is a connected person of the Company under the GEM Listing Rules. As the financing is financial assistance provided by a connected person for the benefit of the Group on normal commercial terms (or better to the Company) where no security over the assets of the Group is granted in respect of the financial assistance, the transaction are exempt from the reporting, announcement and independent shareholders' approval under Rule 20.65 of the GEM Listing Rules.

During the year ended 31 December 2015, Yangcheng Yangtai Group Industrial Company Limited ("Yangcheng Yangtai") has provided financing to the Group in the sum of RMB13,080,000. As Yangcheng Yangtai owns 20% equity interest in Huiyang New Energy, (a non-wholly owned subsidiary of the Company), Yangcheng Yangtai is a connected person of the Company under the GEM Listing Rules. As the financing is financial assistance provided by a connected person for the benefit of the Group on normal commercial terms (or better to the Company) where no security over the assets of the Group is granted in respect of the financial assistance, the transaction are exempt from the reporting, announcement and independent shareholders' approval under Rule 20.65 of the GEM Listing Rules.

購買、出售或贖回本公司上市證券

於截至二零一五年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司或其任何附屬公司的任何上市證券。

重大關連人士交易及持續關連交易

本公司關連人士交易之詳情載於綜合財務報表附註40。

截至二零一五年十二月三十一日止年度，沁水縣盛融投資有限責任公司（「盛融投資」）向本集團提供資金人民幣30,000,000元。由於盛融投資擁有山西萬志物流有限公司（本公司之非全資附屬公司）之17%股本權益，根據創業板上市規則，盛融投資為本公司之關連人士。由於有關資金為關連人士按一般商業條款（或對本公司而言更優）提供予本集團之財務資助，且並無就該財務資助抵押本集團之資產，故根據創業板上市規則第20.65條，該交易獲豁免遵守申報、公佈及獨立股東批准之規定。

截至二零一五年十二月三十一日止年度，陽城縣陽泰集團實業有限公司（「陽城陽泰」）向本集團提供資金人民幣13,080,000元。由於陽城陽泰擁有惠陽新能源（本公司之非全資附屬公司）之20%股本權益，根據創業板上市規則，陽城陽泰為本公司之關連人士。由於有關資金為關連人士按一般商業條款（或對本公司而言更優）提供予本集團之財務資助，且並無就該財務資助抵押本集團之資產，故根據創業板上市規則第20.65條，該交易獲豁免遵守申報、公佈及獨立股東批准之規定。

DIRECTORS' REPORT

董事會報告

The Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules. Save as disclosed above, The Directors consider that those material related party transactions disclosed in note 40 to the financial statements did not fall under the definition of “connected transactions” or “continuing connected transactions” in accordance with the GEM Listing Rules during the year under review.

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had an interest in a business which causes or may cause any significant competition with the business as of the Group.

POST BALANCE SHEET EVENTS

Open offer, proposed change in board lot size and connected transaction: set-off of the convertible bonds

On 7 January 2016, the Company proposes to raise approximately not less than HK\$119.41 million and not more than HK\$122.74 million (before expenses and after taking into account of the Set-off Arrangement), by way of Open Offer of not less than 3,958,453,602 Offer Shares and not more than 4,053,836,574 Offer Shares at the Subscription Price of HK\$0.035 per Offer Share on the basis of three (3) Offer Shares for every one (1) existing Share held on the Record Date and payable in full on application.

The Board also proposes that the board lot for trading on the Stock Exchange will be changed from 10,000 Shares to 40,000 Shares with effect from 9:00 a.m. on Thursday, 28 January 2016.

As at 7 January 2016, Mr. Wang is the holder of the Convertible Bonds. Pursuant to the Wang's Undertaking, Mr. Wang and the Company have agreed that the Subscription Price required to be paid by Mr. Wang for his subscription in respect of the 1,182,719,949 Offer Shares under the Wang's Undertaking would be settled by way of: (i) HK\$19.14 million by the Set-off Arrangement against the Convertible Bonds; and (ii) the remaining balance of approximately HK\$22.26 million in cash.

本公司已遵守創業板上市規則第20章之披露規定。除上文所披露者外，董事認為於回顧年度內財務報表附註40所披露的重大關連人士交易根據創業板上市規則並不隸屬於「關連交易」或「持續關連交易」。

競爭權益

本公司董事或管理層股東或任何彼等各自之聯繫人士（定義見創業板上市規則）概無於對本集團業務構成或可能構成任何重大競爭之業務中擁有權益。

結算日後事項

公开发售、建議更改每手買賣單位及關連交易：抵銷可換股債券

於二零一六年一月七日，本公司擬根據於記錄日期每持有一(1)股現有股份獲發三(3)股發售股份之基準，以每股發售股份0.035港元之認購價公开发售不少於3,958,453,602股發售股份及不多於4,053,836,574股發售股份之方式，籌集約不少於119,410,000港元及不多於122,740,000港元（未扣除開支，惟經計及抵銷安排），並須於申請時繳足股款。

董事會亦建議自二零一六年一月二十八日（星期四）上午九時正起，將於聯交所買賣之每手買賣單位由10,000股更改為40,000股。

於二零一六年一月七日，王先生為可換股債券之持有人。根據王先生之承諾，王先生及本公司已同意王先生就其根據王先生之承諾認購1,182,719,949股發售股份須支付之認購價將以下列方式支付：(i) 19,140,000港元以對可換股債券之抵銷安排支付；及(ii) 餘下結餘約22,260,000港元以現金支付。

DIRECTORS' REPORT

董事會報告

Pursuant to Rule 10.39 of the GEM Listing Rules, any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates will abstain from voting in favour of the resolutions relating to the Open Offer. As at the date of this report, as there are no controlling Shareholders, only the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates will be required to abstain from voting in favour of the resolutions relating to the Open Offer at the SGM.

As at the date of this report, Mr. Wang, the Chairman and an executive Director, together with his associates are holding an aggregate of 394,239,983 Shares, representing approximately 29.88% of the issued share capital of the Company. Save as disclosed above, no other Directors (excluding the independent non-executive Directors), the chief executive of the Company and their associates hold any Shares as at the date of this report. Accordingly, Mr. Wang is a connected person of the Company. The Set-off Arrangement as contemplated under the Underwriting Agreement therefore constitutes connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. The Set-off Arrangement is subject to the reporting and announcement requirements and the approval of the Independent Shareholders at the SGM under the GEM Listing Rules.

As Mr. Wang is deemed to have a material interest in the Set-off Arrangement, Mr. Wang and his associates shall abstain from voting at the SGM on the resolutions in relation to the Set-off Arrangement. The voting at the SGM will be taken by way of poll. The SGM of the Company will be convened on 18 April 2016.

For details of open offer, proposed change in board lot size and connected transaction: set-off of the convertible bonds, please refer to the announcement of the Company dated 7 January 2016, 28 January 2016 and 22 February 2016.

根據創業板上市規則第10.39條，任何控股股東及其聯繫人士或（倘沒有控股股東）董事（不包括獨立非執行董事）、本公司最高行政人員及彼等各自之聯繫人士將放棄投票贊成有關公开发售之決議案。於本報告日期，由於沒有控股股東，故此只有董事（不包括獨立非執行董事）、本公司最高行政人員及彼等各自之聯繫人士將須於股東特別大會上放棄投票贊成有關公开发售之決議案。

於本報告日期，王先生（主席兼執行董事）連同其聯繫人士合共持有394,239,983股股份，佔本公司已發行股本約29.88%。除上文所披露者外，於本報告日期，概無其他董事（不包括獨立非執行董事）、本公司最高行政人員及彼等之聯繫人士持有任何股份。因此，王先生為本公司之關連人士。因此，根據創業板上市規則第20章，包銷協議項下擬進行之抵銷安排構成本公司之關連交易。抵銷安排須遵守創業板上市規則項下之申報及公佈規定以及須於股東特別大會上取得獨立股東之批准。

由於王先生被視為於抵銷安排中擁有重大權益，故王先生及其聯繫人士須於股東特別大會上就有關抵銷安排之決議案放棄投票。於股東特別大會上之表決將以投票方式進行。本公司之股東特別大會將於二零一六年四月十八日召開。

有關公开发售、建議更改每手買賣單位及關連交易：抵銷可換股債券的詳情，請參閱本公司日期為二零一六年一月七日、二零一六年一月二十八日及二零一六年二月二十二日之公佈。

DIRECTORS' REPORT

董事會報告

Proposed share consolidation, change in board lot size, revised expected timetable of the open offer and entering into the supplemental underwriting agreement

On 15 March 2016, the Board proposes to implement the Share Consolidation on the basis that every ten (10) Shares of HK\$0.01 each in the issued and unissued share capital of the Company be consolidated into one (1) New Share of HK\$0.10 each in the issued and unissued share capital of the Company.

As at the date of this report, there are 1,319,484,534 Shares of HK\$0.01 each in issue and fully paid or credited as fully paid. Assuming no Shares will be issued or repurchased from the date of this report up to the date of the SGM, there will be approximately 131,948,453 New Shares of HK\$0.10 each in issue and fully paid or credited as fully paid following the Share Consolidation becoming effective.

The Share Consolidation is conditional upon, among other things, the approval of Shareholders at the SGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder are required to abstain from voting in approving the Share Consolidation at the SGM.

As at 15 March 2016, the Shares are currently trade in board lot size of 40,000 Shares. The Board also proposed that, upon the Share Consolidation becoming effective, the board lot size of the New Shares for trading on the Stock Exchange will be changed to 8,000 New Shares.

Based on the closing price of HK\$0.07 per Share (equivalent to HK\$0.70 per New Share) as quoted on the Stock Exchange as at the last trading day immediately before 15 March 2016, the board lot value is HK\$2,800 in the current board lot size of 40,000 Shares, and HK\$5,600 in the proposed new board lot size of 8,000 New Shares.

As the expected date of despatch of the Circular is postponed, the expected timetable for the Open Offer and the transactions contemplated thereunder will be revised as disclosed therein.

建議股份合併、更改每手買賣單位、公開發售之經修訂預期時間表及訂立補充包銷協議

於二零一六年三月十五日，董事會建議按本公司已發行及未發行股本中每十(10)股每股面值0.01港元之股份合併為本公司已發行及未發行股本之一(1)股每股面值0.10港元之新股份之基準實施股份合併。

於本報告日期，本公司有1,319,484,534股每股面值0.01港元之已發行及繳足或入賬列為繳足股份。假設由本報告日期起至股東特別大會日期止期間將不會發行或購回股份，於股份合併生效後，本公司將有約131,948,453股每股面值0.10港元之已發行及繳足或入賬列作繳足之新股份。

股份合併須待（其中包括）股東於股東特別大會上批准後，方可作實。據董事經作出一切合理查詢後所深知、盡悉及確信，概無股東須於股東特別大會上就批准股份合併放棄投票。

於二零一六年三月十五日，股份現時以每手買賣單位40,000股股份進行買賣。董事會亦建議，於股份合併生效後，新股份於聯交所買賣之每手買賣單位將更改為8,000股新股份。

根據股份於緊接二零一六年三月十五日前之最後交易日於聯交所所報之收市價每股股份0.07港元（相當於每股新股份0.70港元）計算，現時每手買賣單位40,000股股份之每手價值為2,800港元，而建議新每手買賣單位8,000股新股份之每手價值則為5,600港元。

誠如該公佈所披露，由於寄發通函的預計日期延遲，公開發售及其項下擬進行之交易之預期時間表將進行修訂。

DIRECTORS' REPORT

董事會報告

In light of the revised expected timetable for the Open Offer and the Share Consolidation, after arm's length negotiations between the Company and the Underwriter, the Company and the Underwriter have on 15 March 2016 (after trading hours) entered into the Supplemental Underwriting Agreement to reflect the change in the revised expected timetable for the Open Offer and to take into consideration of the Share Consolidation. The voting at the SGM will taken by way of poll. The SGM of the Company will be convened on 18 April 2016.

For details of proposed share consolidation, change in board lot size, revised expected timetable of the open offer and entering into the supplemental underwriting agreement, please refer to the announcement of the Company dated 15 March 2016, 22 March 2016 and 24 March 2016, and the circular of the Company dated 29 March 2016.

RE-DESIGNATION AND RESIGNATION OF DIRECTOR

Mr. Shi retired as the executive Director with effect from 26 May 2015 due to the resolution was not passed at AGM 2014.

AUDITORS

The accounts for the year ended 31 December 2015 was audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the annual general meeting. A resolution for the re-appointment of HLB Hodgson Impey Cheng Limited as the auditors of the Company for the subsequent year is to be proposed at the forthcoming annual general meeting.

By order of the Board

Wang Zhong Sheng

Chairman

29 March 2016

根據公開發售之經修訂預期時間表及股份合併，經本公司與包銷商公平磋商後，本公司與包銷商於二零一六年三月十五日（交易時段後）訂立補充包銷協議，以反映公開發售之經修訂預期時間表之變動並計入股份合併。於股東特別大會上之表決將以投票方式進行。本公司之股東特別大會將於二零一六年四月十八日召開。

有關建議股份合併、更改每手買賣單位、公開發售之經修訂預期時間表及訂立補充包銷協議的詳情，請參閱本公司日期為二零一六年三月十五日、二零一六年三月二十二日及二零一六年三月二十四日之公佈以及本公司日期為二零一六年三月二十九日之通函。

董事的調任及辭任

由於決議案於二零一四年股東週年大會上未獲通過，故施先生自二零一五年五月二十六日起退任執行董事一職。

核數師

截至二零一五年十二月三十一日止年度的賬目乃由國衛會計師事務所有限公司審核，其任期將於股東週年大會屆滿。有關重新委任國衛會計師事務所有限公司為本公司核數師的決議案將於即將舉行的股東週年大會上提呈。

承董事會命

王忠勝

主席

二零一六年三月二十九日

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F, Gloucester Tower 香港
The Landmark 中環
11 Pedder Street 畢打街11號
Central 置地廣場
Hong Kong 告羅士打大廈31樓

To the shareholders of China CBM Group Company Limited
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

致中國煤層氣集團有限公司全體股東
(於開曼群島註冊成立並於百慕達存續之有限公司)

We have audited the consolidated financial statements of China CBM Group Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 63 to 210, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

吾等已審核載於第63至210頁之中國煤層氣集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一五年十二月三十一日之綜合財務狀況表，以及截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製及真實而公平地列報綜合財務報表，並落實其認為編製綜合財務報表所必要的內部控制，以確保綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 90 of the Companies Act of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

核數師的責任

吾等的責任乃根據審核工作對該等綜合財務報表表達意見並按照百慕達公司法第90條的規定，僅向全體股東報告，除此以外本報告概不可用作其他用途。吾等概不就本報告的內容向任何其他人士承擔或負上任何責任。吾等已根據香港會計師公會頒佈之《香港核數準則》進行審核。該等準則規定吾等須遵守道德規定，並計劃及進行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

審核包括進程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與實體編製及真實而公平地列報綜合財務報表相關的內部監控，以設計適當的審核程序，但並非為對實體的內部監控的有效性發表意見。審核亦包括評價董事所採用的會計政策是否恰當及所作出的會計估算是否合理，以及評價綜合財務報表的整體列報方式。

吾等相信，吾等所獲得的審核憑證屬充足和適當，能為吾等的審核意見提供基礎。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2015, and of the Group's financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention to note 2(b) to the consolidated financial statements which indicates that the Group incurred a net loss of approximately RMB255,026,000 during the year ended 31 December 2015 and, as of that date, the Group's current liabilities exceeded its current assets by approximately RMB281,569,000. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Jonathan T. S. Lai
Practising Certificate Number: P04165
Hong Kong, 29 March 2016

意見

吾等認為，綜合財務報表根據香港財務報告準則真實而公平地反映 貴集團於二零一五年十二月三十一日之財務狀況以及 貴集團截至該日止年度之財務表現及現金流量，並已遵照香港公司條例之披露規定妥為編製。

強調事項

儘管吾等並無保留意見，惟吾等謹請股東垂注，綜合財務報表附註2(b)顯示 貴集團於截至二零一五年十二月三十一日止年度錄得淨虧損約人民幣255,026,000元，而於該日期， 貴集團的流動負債較其流動資產多出約人民幣281,569,000元。該等狀況顯示存在重大不確定性，其可能令 貴集團持續經營的能力出現重大疑問。

國衛會計師事務所有限公司
香港執業會計師

黎德誠
執業證書編號：P04165
香港，二零一六年三月二十九日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		Notes 附註	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Revenue	收益	5	329,120	301,119
Cost of sales	銷售成本		(311,581)	(274,791)
Gross profit	毛利		17,539	26,328
Other income and gains	其他收入及收益	6	464	503
Selling and distribution costs	銷售及分銷成本		(8,006)	(5,540)
Administrative expenses	行政開支		(50,625)	(47,198)
Other operating expenses	其他經營開支		(4,343)	(38,652)
Loss on extinguishment of financial liability	註銷金融負債之虧損	32(a)	—	(57,024)
Finance costs	財務費用	7(c)	(14,324)	(16,057)
Impairment loss on goodwill	商譽減值虧損	15	(3,551)	(104,298)
Impairment loss on intangible assets	無形資產減值虧損	19	(134,385)	(138,702)
Impairment loss on property, plant and equipment	物業、機器及 設備減值虧損		(92,086)	—
Loss before taxation	除稅前虧損	7	(289,317)	(380,640)
Income tax credit	所得稅抵免	8(a)	34,291	38,324
Loss for the year	本年度虧損		(255,026)	(342,316)
Attributable to:	下列應佔：			
Equity shareholders of the Company	本公司權益股東		(235,943)	(333,348)
Non-controlling interests	非控股權益		(19,083)	(8,968)
			(255,026)	(342,316)
			RMB	RMB
			人民幣	人民幣
Loss per share	每股虧損	13		
— Basic	— 基本		(20.49) cents 分	(27.35) cents 分
— Diluted	— 攤薄		(20.49) cents 分	(27.35) cents 分

The notes on pages 71 to 210 form part of these consolidated financial statements.

第71頁至210頁之附註組成此等綜合財務報表其中部份。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Loss for the year	本年度虧損	(255,026)	(342,316)
Other comprehensive expense for the year	本年度其他全面開支		
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至 損益的項目：		
Exchange differences on translation of financial statements of foreign operations	換算境外業務財務 報表之匯兌差額	1,993	(7,391)
Total comprehensive expense for the year	本年度全面開支總額	(253,033)	(349,707)
Total comprehensive expense attributable to:	下列應佔全面開支總額：		
Equity shareholders of the Company	本公司權益股東	(233,950)	(340,739)
Non-controlling interests	非控股權益	(19,083)	(8,968)
		(253,033)	(349,707)

The notes on pages 71 to 210 form part of these consolidated financial statements.

第70頁至210頁之附註組成此等綜合財務報表其中部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2015 於二零一五年十二月三十一日

		Notes 附註	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Goodwill	商譽	15	—	—
Property, plant and equipment	物業、機器及設備	17	800,681	872,877
Prepaid lease payments for land under operating leases	經營租約下預付土地租金	18	35,937	32,689
Intangible assets	無形資產	19	—	141,661
Deposits and prepayments	訂金及預付款項	20	26,530	66,365
Deferred tax assets	遞延稅項資產	31(b)	58	88
			863,206	1,113,680
Current assets	流動資產			
Prepaid lease payments for land under operating leases	經營租約下預付土地租金	18	863	810
Financial assets at fair value through profit or loss	按公平值計入損益之 金融資產	22	200	200
Inventories	存貨	23(a)	8,052	9,833
Trade and other receivables	應收賬款及其他應收款項	24	111,772	112,770
Tax recoverable	可收回稅項	31(a)	2,000	2,000
Cash and cash equivalents	現金及現金等值物	25	45,437	43,930
			168,324	169,543
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	26	364,754	380,063
Bank and other borrowings due within one year	一年內到期之銀行及 其他借款	27	43,080	87,500
Obligations under finance leases	融資租賃承擔	28	31,985	29,145
Provision	撥備	30	6,612	4,546
Tax payable	應付稅項	31(a)	3,462	2,901
			449,893	504,155
Net current liabilities	流動負債淨值		(281,569)	(334,612)
Total assets less current liabilities	總資產減流動負債		581,637	779,068

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2015 於二零一五年十二月三十一日

		Notes 附註	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Obligations under finance leases	融資租賃承擔	28	41,415	1,255
Convertible bonds	可換股債券	29	6,304	—
Deferred tax liabilities	遞延稅項負債	31(b)	13,514	42,737
			61,233	43,992
Net assets	資產淨值		520,404	735,076
Capital and reserves	資本及儲備			
Share capital	股本	32(a)	10,910	9,432
Reserves	儲備		522,223	719,290
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益		533,133	728,722
Non-controlling interests	非控股權益		(12,729)	6,354
Total equity	總權益		520,404	735,076

Approved and authorised for issue by the board of directors on 29 March 2016.

董事會於二零一六年三月二十九日批准及授權刊發。

Wang Zhong Sheng

王忠勝

Director

董事

Fu Shou Gang

付壽剛

Director

董事

The notes on pages 71 to 210 form part of these consolidated financial statements.

第71頁至210頁之附註組成此等綜合財務報表其中部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司權益股東應佔									
		Share capital	Share premium	General reserve	Translation reserve	Contributed surplus	Share option reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	一般儲備	換算儲備	實繳盈餘	購股權儲備	累計虧損	總計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2014	於二零一四年一月一日結餘	47,333	1,184,921	5,094	(130)	—	30,849	(462,640)	805,427	15,322	820,749
Loss for the year	本年度虧損	—	—	—	—	—	—	(333,348)	(333,348)	(8,968)	(342,316)
Other comprehensive expense for the year	本年度其他全面開支	—	—	—	(7,391)	—	—	—	(7,391)	—	(7,391)
Total comprehensive expense for the year	本年度全面開支總額	—	—	—	(7,391)	—	—	(333,348)	(340,739)	(8,968)	(349,707)
Issue of new shares	發行新股份										
— Placing and subscription	— 配售及認購事項	8,438	159,624	—	—	—	—	—	168,062	—	168,062
— Open Offer	— 公開發售	24,923	74,769	—	—	—	—	—	99,692	—	99,692
Transaction costs attributable to issue of new shares	發行新股份應佔交易成本	—	(3,720)	—	—	—	—	—	(3,720)	—	(3,720)
Capital Reorganisation	股本重組	(71,262)	(1,312,743)	—	—	1,384,005	—	—	—	—	—
Transfer	轉撥	—	—	—	—	(799,167)	—	799,167	—	—	—
Transfer to general reserve	轉撥至一般儲備	—	—	3,179	—	—	—	(3,179)	—	—	—
Balance at 31 December 2014	於二零一四年十二月三十一日結餘	9,432	102,851	8,273	(7,521)	584,838	30,849	—	728,722	6,354	735,076

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司權益股東應佔										
		Share capital	Share premium	General reserve	Translation reserve	Contributed surplus	Share option reserve	Convertible bonds reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	一般儲備	換算儲備	實繳盈餘	購股權儲備	可換股債券儲備	累計虧損	總計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2015	於二零一五年一月一日結餘	9,432	102,851	8,273	(7,521)	584,838	30,849	-	-	728,722	6,354	735,076
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(235,943)	(235,943)	(19,083)	(255,026)
Other comprehensive expense for the year	本年度其他全面開支	-	-	-	1,993	-	-	-	-	1,993	-	1,993
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	1,993	-	-	-	(235,943)	(233,950)	(19,083)	(253,033)
Issue of consideration shares	發行代價股份	1,478	28,231	-	-	-	-	-	-	29,709	-	29,709
Recognition of equity component of convertible bonds	確認可換股債券之權益部份	-	-	-	-	-	-	10,544	-	10,544	-	10,544
Deferred tax relating to convertible bonds	有關可換股債券之遞延稅項	-	-	-	-	-	-	(1,892)	-	(1,892)	-	(1,892)
Balance at 31 December 2015	於二零一五年十二月三十一日結餘	10,910	131,082	8,273	(5,528)	584,838	30,849	8,652	(235,943)	533,133	(12,729)	520,404

The notes on pages 71 to 210 form part of these consolidated financial statements.

第71頁至210頁之附註組成此等綜合財務報表其中部份。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

	Notes 附註	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Operating activities	經營業務		
Loss before taxation	除稅前虧損	(289,317)	(380,640)
Adjustments for:	就下列各項調整：		
Depreciation of property, plant and equipment	物業、機器及設備折舊	74,582	55,482
Amortisation of prepaid lease payments for land under operating leases	經營租約下預付土地租金攤銷	591	810
Amortisation of intangible assets	無形資產攤銷	7,276	29,625
Impairment loss on goodwill	商譽減值虧損	3,551	104,298
Impairment loss on intangible assets	無形資產減值虧損	134,385	138,702
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	92,086	—
Interest income	利息收入	(137)	(56)
Loss on disposal of property, plant and equipment and land use right	出售物業、機器及設備及土地使用權之虧損	266	864
Impairment loss on trade and other receivables	應收賬款及其他應收款項之減值虧損	2,391	340
Loss on extinguishment of financial liability	註銷金融負債之虧損	—	57,024
Reversal of impairment loss on trade and other receivables	應收賬款及其他應收款項之減值虧損撥回	—	(209)
Finance costs	財務費用	14,324	16,057
		39,998	22,297
Changes in working capital	營運資金變動		
Decrease/(increase) in inventories	存貨減少／(增加)	2,300	(1,958)
(Increase)/decrease in trade and other receivables	應收賬款及其他應收款項(增加)／減少	(201)	67,307
Decrease in trade and other payables	應付賬款及其他應付款項減少	(19,913)	(56,150)
Increase in provision for production safety	生產安全撥備增加	2,066	1,116
Cash generated from operations	經營業務產生之現金	24,250	32,612
PRC Enterprise Income Tax paid	已繳中國企業所得稅	(1,749)	(12,057)
Net cash generated from operating activities	經營業務產生之現金淨額	22,501	20,555
Cash flows from investing activities	投資活動產生之現金流量		
Payment for purchase of property, plant and equipment	購買物業、機器及設備之付款	(32,018)	(67,650)
Proceeds from disposal of property, plant and equipment and land use right	出售物業、機器及設備及土地使用權之所得款項	20,480	417
Decrease in deposits and prepayments	訂金及預付款項減少	3,744	690
Interest received	已收利息	137	56
Net cash inflow on acquisition of subsidiaries	收購附屬公司之現金流入淨額	313	—
		35	
Net cash used in investing activities	投資活動所用之現金淨額	(7,344)	(66,487)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

	Notes 附註	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Cash flows from financing activities	融資活動產生之現金流量		
Proceeds from issue of new shares	發行新股份之所得款項	—	169,883
Transaction costs for issue of new shares	發行新股份之交易成本	—	(3,720)
Proceeds from new bank and other borrowings	新增銀行及其他借款之所得款項	10,000	60,847
Repayment of bank and other borrowings	償還銀行及其他借款	(54,420)	(98,251)
Interest paid on bank and other borrowings	銀行及其他借款之已付利息	(5,842)	(10,143)
Other borrowing costs paid	已付其他借款成本	(980)	(152)
Proceed from sale and lease back transaction	銷售及售後回租交易之所得款項	98,000	—
Capital element of finance leases	融資租約之資本部份	(55,000)	(33,106)
Interest element of finance leases	融資租約之利息部份	(7,425)	(5,762)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生之現金淨額	(15,667)	79,596
Net (decrease)/increase in cash and cash equivalents	現金及現金等值物(減少)/增加淨額	(510)	33,664
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值物	43,930	17,656
Effect of foreign exchange rate changes	匯率變動之影響	2,017	(7,390)
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值物	45,437	43,930

The notes on pages 71 to 210 form part of these consolidated financial statements.

第71頁至210頁之附註組成此等綜合財務報表其中部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

1. GENERAL INFORMATION

China CBM Group Company Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 15 July 2002 under the Companies Laws of the Cayman Islands.

During the year ended 2014, the Company has been deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda and the change of domicile became effective on 23 April 2014.

The shares of the Company are listed on the Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section in the annual report.

The principal activity of the Company is investment holding. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the business of exploitation, liquefaction production and sale of natural gas in the People’s Republic of China (the “PRC”).

1. 一般資料

中國煤層氣集團有限公司（「本公司」）於二零零二年七月十五日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。

截至二零一四年止年度，本公司已撤銷在開曼群島之註冊及正式根據百慕達法例以獲豁免公司形式於百慕達存續，而遷冊於二零一四年四月二十三日生效。

本公司之股份於香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市。本公司註冊辦事處及主要營業地點之地址，均披露於年報「公司資料」一節。

本公司業務活動主要為投資控股。本公司及其附屬公司（統稱「本集團」）主要在中華人民共和國（「中國」）境內從事天然氣開採、液化生產及銷售業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the group and the company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

2. 主要會計政策

(a) 守章聲明

此等綜合財務報表乃按所有適用之香港財務報告準則（香港財務報告準則，該統稱包括香港會計師公會（香港會計師公會）頒佈之所有適用之個別香港財務報告準則、香港會計準則（香港會計準則）及詮釋、香港普遍採納之會計原則以及香港公司條例之規定）編製。此等綜合財務報表亦符合香港聯合交易所有限公司創業板證券上市規則之適用披露條文。本集團採納之主要會計政策概述如下。

香港會計師公會已頒佈若干於本集團及本公司本會計期間首次生效或可供提前採納之新訂及經修訂香港財務報告準則。附註3提供有關於當前及之前會計期間因初步應用其中與本集團相關之內容而產生之任何會計政策變動之資料，有關變動已反映於此等綜合財務報表內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Basis of preparation of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2015 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis, except those disclosed otherwise in the accounting policies below.

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have a significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 4.

2. 主要會計政策 (續)

(b) 綜合財務報表編製基準

截至二零一五年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司之綜合財務報表。

除下文之會計政策另有披露者外，編製綜合財務報表時所用之計量基準為歷史成本基準。

編製符合香港財務報告準則之綜合財務報表時，需要管理層作出影響政策之應用及有關資產、負債、收入及開支之呈報款額之判斷、估計及假設。該等估計及相關假設乃根據歷史經驗及多項其他因素（相信於該等情況下為合理）而作出。所得結果構成管理層就目前未能從其他來源明顯得出資產及負債的賬面值作出判斷之基準。實際結果或會有別於估計情況。

本集團持續就所作估計及相關假設作出檢討。會計估計之變動如只影響當期，則有關影響於估計變動當期確認。如該項會計估計之變動影響當期及以後期間，則有關影響於當期及以後期間確認。

於應用香港財務報告準則時管理層所作之判斷（對綜合財務報表構成重大影響）及估計不確定性之主要來源均於附註4中討論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Basis of preparation of the consolidated financial statements (Continued)

Going concern

The Group incurred a net loss of approximately RMB255,026,000 during the year ended 31 December 2015 and, as of that date, the Group's current liabilities exceeded its current assets by approximately RMB281,569,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless, the directors of the Company had adopted the going concern basis in the preparation of the consolidated financial statements of the Group based on the following factors:

- (1) Other borrowing of RMB13,080,000 disclosed in note 27 to the consolidated financial statements were due for repayment within 12 months in accordance with the loan agreement entered into between the Group and a non-controlling shareholder of a subsidiary of the Company (Note 40). However, prior to the date of approval of these consolidated financial statements the borrowing had been rolled over for a further 12 months and will be due for repayment after 31 December 2016. Up to the date of approval of these consolidated financial statements, the non-controlling shareholder of the subsidiary of the Company has not indicated its intention to withdraw the credit facilities granted to the Group;

2. 主要會計政策 (續)

(b) 綜合財務報表編製基準 (續)

持續經營

截至二零一五年十二月三十一日止年度，本集團產生淨虧損約人民幣255,026,000元，而於該日期，本集團之流動負債較其流動資產多出約人民幣281,569,000元。該等狀況顯示存在重大不確定性，其可能令本集團持續經營之能力出現重大疑問，以及本集團可能無法在日常業務過程中變現其資產及償付其負債。

儘管如此，基於以下因素，本公司董事在編製本集團綜合財務報表時仍採納持續經營基準：

- (1) 根據本集團與本公司附屬公司之非控股股東（附註40）訂立之貸款協議，綜合財務報表附註27所披露之人民幣13,080,000元之其他借款已於十二個月內到期應付。然而，在批准此等綜合財務報表日期之前，該借款已經向後延展十二個月，將於二零一六年十二月三十一日後到期償還。截至批准此等綜合財務報表日期止，本公司附屬公司之非控股股東並未表示其有意收回向本集團授出之信貸額度；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Basis of preparation of the consolidated financial statements (Continued)

Going concern (Continued)

- (2) Mr. Wang Zhong Sheng (“Mr. Wang”), a substantial shareholder, the chairman and executive director of the Company, has confirmed to provide continuing financial support to the Group to enable it to continue as a going concern and to settle its liabilities as and when they fall due in the foreseeable future;
- (3) Management is formulating, and will implement, cost saving measures to improve the Group’s financial performance and cash flows;
- (4) As detailed in note 42, subsequent to the end of the reporting period, the Company announced its proposal to raise fund of not less than HK\$119.41 million and not more than HK\$122.74 million (before expenses and after taking into account of the set-off arrangement) by way of open offer of not less than 3,958,453,602 offer shares and not more than 4,053,836,574 offer shares of HK\$0.01 each on the basis of three offer shares for every one existing share held on the record date at the subscription price of HK\$0.035 per offer share.

2. 主要會計政策 (續)

(b) 綜合財務報表編製基準 (續)

持續經營 (續)

- (2) 本公司之主要股東、主席兼執行董事王忠勝先生(「王先生」)確認將為本集團提供持續財務支援，以令本集團能夠持續經營，及能夠償付在可見未來到期應付之債務；
- (3) 管理層正在制定並將實施成本節約措施，以改善本集團之財務表現及現金流量；
- (4) 誠如附註42所載，報告期結束後，本公司公佈其建議，根據於記錄日期每持有一股現有股份獲發三股發售股份之基準，透過按每股發售股份0.035港元之認購價公開發售不少於3,958,453,602股發售股份及不多於4,053,836,574股發售股份(每股面值0.01港元)籌集不少於119,410,000港元及不多於122,740,000港元(未扣除開支，惟經計及抵銷安排)之資金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Basis of preparation of the consolidated financial statements (Continued)

Going concern (Continued)

Provided that these measures can successfully improve the liquidity of the Group, the directors of the Company are satisfied that the Group will be able to meet its financial obligations as and when they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis. Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

2. 主要會計政策 (續)

(b) 綜合財務報表編製基準 (續)

持續經營 (續)

倘上述措施能成功改善本集團之流動資金狀況，本公司董事信納本集團將能夠於可見未來履行其到期應付之財務承擔。因此，綜合財務報表乃根據持續經營基準編製。倘本集團未能以持續經營基準經營，將須作出調整以撇減資產價值至其可收回金額、為可能產生之進一步負債作出撥備，以及將非流動資產及負債分別重新分類為流動資產及負債。該等調整的影響並未反映在綜合財務報表中。

(c) 附屬公司及非控股權益

附屬公司為本集團控制之實體。倘本集團具有承擔或享有參與實體所得之可變回報之風險或權利，並能透過其對該實體擁有之權力影響該等回報，則本集團對該實體擁有控制權。當評估本集團是否擁有該權力時，僅考慮（由本集團及其他人士擁有之）實質權利。

於附屬公司之投資由控制開始當日至控制終止當日在綜合財務報表中綜合入賬。集團內公司間之結餘、交易及現金流量以及集團內公司間交易所產生之任何未變現溢利均於編製綜合財務報表時全部撇銷。集團內公司間交易所產生之未變現虧損亦按照未變現收益之方法同樣予以撇銷，惟僅限於並未出現減值證據之情況。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Subsidiaries and non-controlling interests

(Continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with the accounting policies in note 2 depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

2. 主要會計政策 (續)

(c) 附屬公司及非控股權益 (續)

非控股權益是指並非由本公司直接或間接擁有之附屬公司權益，及本集團並未與該等權益之持有人達成任何額外條款，從而將導致本集團總體上對該等權益產生合約性責任，使其符合金融負債之定義。就各項業務合併而言，本集團可選擇按公平值或非控股權益所佔附屬公司可識別淨資產之比例來計量任何非控股權益。

非控股權益納入綜合財務狀況表之權益項目，與本公司權益股東應佔之權益分開呈列。非控股權益所佔本集團之業績，會按照年度損益總額及全面收益總額在非控股權益與本公司權益股東之間進行分配，並在綜合損益表及綜合損益及其他全面收益表呈列。來自非控股權益持有人之貸款及該等持有人之其他合約責任視乎負債之性質，根據附註2之會計政策於綜合財務狀況表中呈列為金融負債。

本集團於附屬公司之權益變動，如不構成失去控制權，這些變動會作為權益交易入賬，並對綜合權益之控股及非控股權益金額作出調整，以反映相對權益變動，但不會調整商譽及確認盈虧。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Subsidiaries and non-controlling interests

(Continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

Investments in subsidiaries presented in the statement of financial position included in note 41 are stated at cost less impairment losses (see note 2(j)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(d) Business combinations and goodwill

(i) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

2. 主要會計政策 (續)

(c) 附屬公司及非控股權益 (續)

如本集團失去附屬公司控制權，該權益變動會被視為出售該附屬公司之全部權益入賬，其盈虧將會於損益確認。於失去附屬公司控制權當日，如仍然持有該前附屬公司部份權益，該部份權益將會以公平值確認，而該金額將被視為金融資產初始確認之公平值，或於聯營公司或合營企業之投資之初始確認成本（如適用）。

於附屬公司之投資（於附註41所載之財務狀況表內呈列）按成本減減值虧損（見附註2(j)）列賬，惟分類為持作出售（或計入分類為持作出售之出售組別）之投資則除外。

(d) 業務合併及商譽

(i) 業務合併

收購業務採用收購法進行會計處理。業務合併中轉讓之代價會按公平值計量，而該公平值包括本集團為換取被收購方控制權而向被收購方之前擁有人轉讓之資產、產生之負債及發行之股本權益於收購日之公平值總和。與收購有關之成本一般會於產生時在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Business combinations and goodwill

(Continued)

(i) Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

2. 主要會計政策 (續)

(d) 業務合併及商譽 (續)

(i) 業務合併 (續)

於收購日，所獲得之可識別資產及所承擔之負債按其公平值確認，但以下各項除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債，乃分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認和計量；
- 與被收購方以股份為基礎支付之安排有關，或與本集團所訂立以取代被收購方以股份為基礎支付之安排有關之負債或權益工具，乃於收購日期按香港財務報告準則第2號*以股份為基礎之支付*計量（見下述會計政策）；及
- 按照香港財務報告準則第5號*持作出售之非流動資產及終止經營業務*劃歸為持作出售之資產（或出售組別）乃根據該準則計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Business combinations and goodwill

(Continued)

(i) Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

2. 主要會計政策 (續)

(d) 業務合併及商譽 (續)

(i) 業務合併 (續)

商譽是以所轉讓之代價、於被收購方中任何非控股權益所佔金額及收購方以往持有之被收購方股權之公平值(如有)之總和,減所收購之可識別資產及所承擔之負債於收購日期之淨額後,所超出之差額計值。倘經過重新評估後,所收購可識別資產與所承擔負債於收購日期之淨額高於轉讓之代價、於被收購方中任何非控股權益所佔金額及收購方以往持有之被收購方權益之公平值(如有)之總和,所超出之差額即時於損益內確認為議價收購收益。

屬現時擁有權權益且於清盤時讓其持有人有權按比例分佔實體資產淨值之非控股權益,可初步按公平值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類別之非控股權益乃按其公平值或(如適用)按其他香港財務報告準則規定之基準計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Business combinations and goodwill

(Continued)

(i) Business combinations (Continued)

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

2. 主要會計政策 (續)

(d) 業務合併及商譽 (續)

(i) 業務合併 (續)

倘若本集團在業務合併中轉讓之代價包括或有代價安排所產生之資產或負債，則或有代價按其在收購日期之公平值計量，並計入作為業務合併中轉讓之部份代價。符合計量期間調整之條件之或有代價公平值變動會追溯調整，並相應調整商譽。計量期間調整是指在「計量期間」（從收購日期起計不超過一年）所獲取關於收購日期存在之事實和環境之新資訊而引致之調整。

倘若或有代價公平值之變動不符合計量期間調整之條件，則其後續會計處理須視乎或有代價如何分類而定。歸類為權益之或有代價在後續報告日期不會重新計量，而其後續結算會在權益中入賬。歸類為資產或負債之或有代價在後續報告日期均按照香港會計準則第39號或香港會計準則第37號撥備、或然負債及或然資產（視何者適用而定）重新計量，相關盈虧在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Business combinations and goodwill

(Continued)

(i) Business combinations (Continued)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(ii) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

2. 主要會計政策 (續)

(d) 業務合併及商譽 (續)

(i) 業務合併 (續)

如果業務合併分階段進行，則按收購日期（即本集團獲得控制權之日）之公平值重新計量本集團先前在被收購方中持有之權益，且相關盈虧（如有）於損益確認。於收購日期前，以往在其他全面收益中確認之於被收購方之權益而產生之金額，獲重新分類至損益，而倘出售權益，重新分類至損益為合適計量方法。

倘於出現業務合併之報告期結束時業務合併之初步入賬尚未完成，則本集團須報告尚未入賬之項目之暫定款額。該等暫定款額須於計量期間（見上文）內調整，或須確認額外資產或負債，以反映所取得有關於收購日期存在之事實及狀況之新資料（如有）對該日已確認金額之影響。

(ii) 商譽

收購業務所產生之商譽乃按於收購業務（見上述會計政策）日期確定之成本減累計減值虧損（如有）列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Business combinations and goodwill

(Continued)

(ii) Goodwill (Continued)

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2. 主要會計政策 (續)

(d) 業務合併及商譽 (續)

(ii) 商譽 (續)

就減值測試而言，商譽乃分配至預期可受益於合併之協同效益之本集團各現金產生單位或現金產生單位之組別。

獲分配商譽之現金產生單位會每年或於有跡象顯示有關單位可能出現減值時更頻密進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先分配以調減該單位任何商譽之賬面值，其後則按該單位內各項資產之賬面值之比例分配至該單位之其他資產。任何商譽之減值虧損會直接於損益確認。就商譽確認之減值虧損不會於其後期間撥回。

於出售相關現金產生單位時，釐定出售損益時會包含商譽之應佔金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are as follows:

Investments in debt and equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification.

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in note 2(t).

Dated debt securities that the Group have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated at amortised cost less impairment losses (see note 2(j)).

2. 主要會計政策 (續)

(e) 於債務及股本證券之其他投資

本集團有關於債務及股本證券之投資（不包括於附屬公司、聯營公司及合營企業之投資）之政策載述如下：

於債務及股本證券之投資最初乃按公平值（即其交易價）列賬，除非可確定初步確認時之公平值與交易價不同，並且可按相同資產或負債於活躍市場所報之價格或按僅使用可觀測市場數據進行之估值方法證明該公平值。除下文所述例外情況外，成本包括應佔交易成本。該等投資其後按下文所述視乎其分類入賬。

於持作交易用途證券之投資均歸類為流動資產。任何應佔交易成本於產生時在損益內確認。公平值於每個報告期末重新計量，而得出之任何盈虧則於損益內確認。於損益內確認之盈虧淨額不包括該等投資所賺取之任何股息或利息，因該等股息或利息乃根據附註2(t)所載之政策確認。

本集團有能力及有意持至到期之有期債務證券歸類為持至到期證券。持至到期證券按攤銷成本減減值虧損列賬（見附註2(j)）。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Other investments in debt and equity securities (Continued)

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (note 2(j)). Dividend income from equity securities and interest income from debt securities calculated using the effective interest method are recognised in profit or loss in accordance with the policies set out in note 2(t). Foreign exchange gains and losses resulting from changes in the amortised cost of debt securities are also recognised in profit or loss.

When the investments are derecognised or impaired (see note 2(j)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

(f) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedge the net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

2. 主要會計政策 (續)

(e) 於債務及股本證券之其他投資 (續)

不屬於上述任何類別之證券投資歸類為可供出售證券。公平值於每個報告期末重新計量，由此產生之收益或虧損於其他全面收益確認並在公平值儲備中之權益單獨累計。作為例外情況，股本證券投資並無就相關工具在活躍市場取得報價且其公平值無法可靠計量時，以成本扣除減值虧損(附註2(j))於財務狀況表確認。股本證券之股息收入及按實際利率法計算之債務證券之利息收入乃根據附註2(t)所載之政策於損益確認。債務證券攤銷成本變動所產生之外匯收益及虧損亦於損益確認。

該等投資取消確認或出現減值(見附註2(j))時，於權益確認之累計收益或虧損重新分類至損益。投資於本集團承諾購入／出售投資或投資屆滿當日確認／取消確認。

(f) 衍生金融工具

衍生金融工具初始按公平值確認。公平值於每個報告期末重新計量，而得出之任何盈虧則即時於損益內確認，惟符合現金流量對沖會計處理或對沖海外業務淨投資之衍生工具於重新計量時所得任何盈虧之確認則須視乎所對沖項目之性質而定。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Property, plant and equipment

Property, plant and equipment (other than construction in progress) are stated at cost less accumulated depreciation and impairment losses (see note 2(j)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(v)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits/accumulated losses and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

— Buildings held for own use	Over the shorter of unexpired term of the leases or 20 to 30 years
— Leasehold improvements	2-5 years
— Pipelines	5-20 years
— Plant and machinery	3-15 years
— Computer equipment	3-5 years
— Furniture and equipment	3-10 years
— Transportation and motor vehicles	4-10 years

2. 主要會計政策 (續)

(g) 物業、機器及設備

物業、機器及設備（在建工程除外）按成本減累計折舊及減值虧損列賬（見附註2(j)）。

自建物業、機器及設備項目之成本包括物料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地原貌之成本之初步估計（倘有關）和適當比例之生產經常費用及借貸成本（見附註2(v)）。

報廢或出售物業、機器及設備項目所產生之損益以該項目之出售所得款項淨額與其賬面值之間之差額釐定，並於報廢或出售當日在損益內確認。任何相關重估盈餘乃由重估儲備轉撥至保留溢利／累計虧損，且不會重新分類至損益。

物業、機器及設備項目之折舊乃按下列估計可用年期，在扣除估計餘值（如有）後，以直線法撇銷其成本計算：

— 持作自用之樓宇	按租約之未屆滿年期或20-30年之較短者
— 租賃裝修工程	2-5年
— 管道	5-20年
— 機器及機械	3-15年
— 電腦設備	3-5年
— 傢俱及設備	3-10年
— 運輸及機動車輛	4-10年

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Property, plant and equipment (Continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Construction in progress represents property, plant and equipment under construction and pending installation and is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction of the buildings, the costs of plant and machinery and interest charges arising from borrowings used to finance these assets during the period of construction or installation and testing. No provision for depreciation is made on construction in progress until such time the relevant assets are completed and are available for their intended use. When the assets concerned are brought into use, the costs are transferred to other property, plant and equipment and depreciated in accordance with the policy as stated above.

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of commercially proven development wells but do not include geological and geophysical costs which are expensed directly to profit or loss as they are incurred, is capitalised as coalbed methane development costs within construction in progress. Coalbed methane development costs are stated at cost less any identified impairment loss. Coalbed methane development costs are classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

2. 主要會計政策 (續)

(g) 物業、機器及設備 (續)

倘若物業、機器及設備項目有部份之可使用年期不同，則該項目之成本乃按合理基準分配至各部份，而各部份則獨立予以折舊。資產之可使用年期及餘值（如有）乃每年予以審核。

在建工程指正在建設及有待安裝之物業、機器及設備，並按成本減累計減值虧損（如有）列賬。成本包括興建樓宇成本、機器及機械之成本，以及在建設或安裝及測試期間用以為該等資產融資所貸款之利息開支。在建工程於有關資產落成及可供擬定用途前，暫不計提折舊。當有關資產投入運作，成本會轉撥至其他物業、機器及設備，並根據上述政策計提折舊。

建設、安裝或完成如平台、管道等基建設施，以及鑽探證實可作商業開發之礦井之費用（但不包括地質及地理成本，其將於產生時直接於損益支銷），將資本化為在建工程內之煤層氣開發成本。煤層氣開發成本列為成本減任何已識別減值虧損。煤層氣開發成本將於完成並可用作擬定用途時歸類至合適之物業、機器及設備類別。於資產可用作擬定用途時，該等資產將按與其他物業資產相同之基準開始計提折舊。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Property, plant and equipment (Continued)

Tangible assets acquired for use in well drilling works of ground drainage activities are classified as property, plant and equipment.

(h) Intangible assets (other than goodwill)

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(j)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. Intangible assets with finite useful lives are amortised from the date they are available for use over their estimated useful lives.

Both the period and method of amortisation are reviewed annually.

2. 主要會計政策 (續)

(g) 物業、機器及設備 (續)

所收購用於地面抽採打井作業之有形資產乃分類為物業、機器及設備。

(h) 無形資產 (商譽除外)

業務合併中收購及與商譽分開確認之無形資產初步按收購日期之公平值 (視為彼等的成本) 確認。

於初步確認後，業務合併中收購的無形資產按照與單獨收購的無形資產相同的基準，按成本減累計攤銷及累計減值虧損列賬。

本集團收購的其他無形資產乃以成本減累計攤銷 (倘估計可使用年期有限) 及減值虧損入賬 (見附註 2(j))。

可使用年期有限之無形資產攤銷以直線法按資產之估計可使用年期自損益扣除。可使用年期有限之無形資產乃由彼等之可供使用當日起於彼等之估計可使用年期內予以攤銷。

攤銷的期間及方法均按年檢討。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Intangible assets (other than goodwill)

(Continued)

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

(i) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

2. 主要會計政策 (續)

(h) 無形資產 (商譽除外) (續)

倘無形資產被評定為可無限期使用，則不會作攤銷。無形資產可無限期使用之任何結論每年均會作檢討，以釐定有關事件及情況是否繼續支持有關資產可無限期使用之評估。如情況有變，則會自轉變日期起就使用年期從無限轉為有限之評定作前瞻性會計處理，並根據上文所述有限可使用年期之無形資產之攤銷政策入賬。

(i) 租賃資產

倘本集團決定安排在協定期限內出讓一項特定資產或多項資產之使用權，以換取一筆付款或一連串付款，則有關安排（包括一項交易或一連串交易）即屬於或包括租賃。有關決定根據對安排本質之評估（不論安排是否以法定租賃形式）作出。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Leased assets (Continued)

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except that land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

2. 主要會計政策 (續)

(i) 租賃資產 (續)

(i) 出租予本集團之資產分類

倘本集團根據租賃持有資產，而其中擁有權涉及之絕大部份風險及回報均轉移至本集團，乃列作根據融資租賃持有之資產。並無將擁有權涉及之絕大部份風險及回報轉移至本集團之租賃則列作經營租賃，惟以經營租賃持作自用的土地除外，其無法在租賃開始時將其公平價值與建於其上的建築物的公平價值分開計量，故按融資租賃持有方式入賬；但清楚地以經營租賃持有的建築物除外。就此而言，租賃的開始時間是指本集團首次訂立租賃時，或自前承租人接收建築物時。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Leased assets (Continued)

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the group will obtain ownership of the asset, the life of the asset, as set out in note 2(g). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(j). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2. 主要會計政策 (續)

(i) 租賃資產 (續)

(ii) 根據融資租賃獲得的資產

倘若本集團根據融資租賃購入資產使用權，乃按租賃資產之公平值或該資產之最少應付租金之現值兩者之較低者計入物業、機器及設備內，而相應之負債在扣除融資費用後，則列作融資租約承擔入賬。折舊是在相關之租賃期或資產之可使用年期（如本集團可能取得資產之所有權）內，以撇銷資產成本或估值的比率計提；有關的資產可使用年期載於附註2(g)。減值虧損按照附註2(j)所載的會計政策入賬。包含在租金內之融資費用於租賃期自損益賬扣除，使各會計期間之融資費用佔責任餘額之比率大致相同。或然租金乃於其產生之會計期間自損益扣除。

(iii) 經營租賃費用

倘本集團根據經營租約使用資產，租約項下之付款將按租期所涵蓋之會計期間按均等分期金額自損益扣除，惟倘有其他基準更能清晰反映自租賃資產所得利益之情況，則另當別論。已收取之租賃優惠乃於損益確認為應付累計租賃款項淨額之組成部份。或然租金於其產生之會計期間自損益扣除。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Leased assets (Continued)

(iii) Operating lease charges (Continued)

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property or is held for development for sale.

(j) Impairment of assets

(i) Impairment of investments in debt and equity securities and other receivables

Investments in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and

2. 主要會計政策 (續)

(i) 租賃資產 (續)

(iii) 經營租賃費用 (續)

收購根據經營租約持有之土地之成本，乃於租賃期內按直線法予以攤銷，除非有關物業列為投資物業或持作發展供銷售則作別論。

(j) 資產減值

(i) 於債務及股本證券之投資及其他應收款項之減值

於債務及股本證券之投資及其他現時及非現時應收款項（按成本或攤銷成本列賬或歸類為可供出售證券）均於各報告期末予以審核，以釐定是否有減值之客觀證據。減值之客觀證據包括本集團得悉的有關下列一項或多項虧損事項的可觀察資料：

- 債務人遭遇重大財務困難；
- 違約，譬如拖欠或欠付利息或本金付款；
- 債務人可能會進行破產程序或進行其他財務重組；
- 科技、市場、經濟或法律環境出現對債務人造成負面影響的重大變動；及

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Impairment of assets (Continued)

(i) Impairment of investments in debt and equity securities and other receivables (Continued)

- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

2. 主要會計政策 (續)

(j) 資產減值 (續)

(i) 於債務及股本證券之投資及其他應收款項之減值 (續)

- 股本工具投資的公平價值大幅或長期下降至低於其成本。

倘若任何該等證據出現，則任何減值虧損均按以下方式釐定及確認：

- 就按成本列賬之非上市股本證券而言，減值虧損乃按金融資產之賬面值與類似金融資產當時市場回報率折現計算（倘折現產生重大影響）的預計未來現金流量之間的差額計量。以成本列賬的股本證券之減值虧損將不會撥回。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Impairment of assets (Continued)

(i) Impairment of investments in debt and equity securities and other receivables (Continued)

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. 主要會計政策 (續)

(j) 資產減值 (續)

(i) 於債務及股本證券之投資及其他應收款項之減值 (續)

- 就按攤銷成本列賬之應收賬款及其他流動應收款項以及其他金融資產而言，倘貼現之影響重大，減值虧損按資產之賬面值與估計未來現金流量（按金融資產之原本實際利率（即於初步確認該等資產時計算之實際利率）貼現）之現值之差額計量。倘若按攤銷成本列賬之金融資產具備類似之風險特徵，例如類似之逾期情況及並未個別被評估為減值，則有關評估會一同進行。金融資產之未來現金流量根據與該類資產具有類似信貸風險特徵之資產之過往虧損經驗一同評估減值。

倘若於其後減值虧損之數額減少，且有關減少可客觀地與於確認減值虧損後發生之事件連帶起來，則於損益內撥回減值虧損。撥回減值虧損不會導致資產之賬面值超過於過去年度並無確認減值虧損時所釐定之數額。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Impairment of assets (Continued)

(i) Impairment of investments in debt and equity securities and other receivables (Continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivable included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- goodwill;
- property, plant and equipment;
- prepaid lease payments for land under operating leases;
- intangible assets;
- deposits and prepayments; and
- investments in subsidiaries.

2. 主要會計政策 (續)

(j) 資產減值 (續)

(i) 於債務及股本證券之投資及其他應收款項之減值 (續)

減值虧損應從相應的資產中直接撇銷，除非包含在應收賬款及其他應收款項中的應收貿易賬款及應收票據的已確認減值虧損被視為呆賬但並非不能收回。在此情況下，應以撥備賬記錄呆壞賬的減值虧損。倘本集團信納收回應收賬款的機會微乎其微，則該金額被視為不可收回並從應收賬款及應收票據中直接撇銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撇銷而其後收回的款項，均在損益中確認。

(ii) 其他資產減值

於每個報告期末審核內部及外部資料來源，以確認下列資產是否出現減值，或（倘為商譽則除外）先前確認之減值虧損是否不再存在或已經減少：

- 商譽；
- 物業、機器及設備；
- 經營租約下預付土地租金；
- 無形資產；
- 訂金及預付款項；及
- 於附屬公司之投資。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2. 主要會計政策 (續)

(j) 資產減值 (續)

(ii) 其他資產減值 (續)

倘存在任何該等跡象，則估計資產之可收回金額。此外，就商譽、尚未可供使用之無形資產及無固定可使用年期之無形資產而言，不論有否減值跡象，均會每年估計可收回金額。

— 計算可收回金額

資產之可收回金額指其公平值減去出售成本與使用價值之較高者。在估計使用價值時，估計日後現金流量按反映現時市場對貨幣之時間價值及資產之特定風險所評估之除稅前貼現率貼現至其現值。倘一項資產所生之現金流入在很大程度上並非獨立於其他資產所產生之現金流入，則就獨立產生現金流入之最小資產類別（即現金產生單位）釐定可收回金額。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

— Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

— Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2. 主要會計政策 (續)

(j) 資產減值 (續)

(ii) 其他資產減值 (續)

— 確認減值虧損

當資產或其所屬現金產生單位之賬面值超過其可收回金額，則於損益中確認減值虧損。就現金產生單位確認之減值虧損，均首先被分配以減少分配至現金產生單位（或單位組別）之任何商譽之賬面值，然後分配以按比例減少該單位（或單位組別）之其他資產之賬面值，惟資產之賬面值將不會被減至低於其個別公平值減出售成本（如可予計量）或使用價值（如可予釐定）。

— 撥回減值虧損

就商譽以外之資產而言，倘用以釐定可收回金額之估計出現有利變動，則撥回減值虧損。商譽之減值虧損則不會撥回。

減值虧損之撥回以於過往年度並無確認減值虧損而原應釐定之資產賬面值為限。減值虧損之撥回計入確認該等撥回之年度之損益。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Impairment of assets (Continued)

(iii) Interim financial reporting and impairment

Under the GEM Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim Financial Reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 2(j)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

(k) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2. 主要會計政策 (續)

(j) 資產減值 (續)

(iii) 中期財務報告及減值

根據創業板證券上市規則，本集團須按照香港會計準則第34號《中期財務報告》就財政年度首六個月編製中期財務報告。於中期期末，本集團應用其於財政年度末時將會採用之相同減值測試、確認及撥回標準（見附註2(j)(i)及(ii)）。

於中期期間就按成本列賬之商譽、可供出售股本證券及非上市股本證券而確認之減值虧損不得於往後期間撥回。假設與中期期間有關之減值評估於財政年度末才進行，即使沒有確認虧損，或虧損屬輕微，均採用以上相同處理方法。因此，倘可供出售股本證券之公平值於全年期間剩餘時候（或其後任何其他期間）有所增加，有關增幅於其他全面收益（而非損益）內確認。

(k) 存貨

存貨以成本及可變現淨值兩者之較低者入賬。

成本乃根據加權平均成本法計算，包括所有購買成本、加工成本及將存貨送抵目前地點及達致目前狀況所產生之其他成本。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(k) Inventories (Continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(l) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 2(j)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

2. 主要會計政策 (續)

(k) 存貨 (續)

可變現淨值指於日常業務中之估計售價減估計完工成本及作出銷售所需估計成本。

售出存貨後，有關存貨之賬面值將於有關收益獲確認之期間確認為開支。所有將存貨撇減至可變現淨值之數額及有關存貨之所有虧損於撇減或出現虧損期間確認為開支。任何撇減存貨所撥回之有關數額將於出現撥回期間確認為已確認為開支之存貨數額的減少。

(l) 應收賬款及其他應收款項

應收賬款及其他應收款項先按公平值確認，其後使用實際利率法按攤銷成本減去呆賬減值撥備後所得數額入賬（見附註2(j)）；但如應收款為向關聯方作出的無任何固定還款期的免息貸款或其折現影響並不重大則除外。在此情況下，應收款會按成本減去呆賬減值撥備後所得數額入賬。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Convertible bonds

(i) Convertible bonds that contain an equity component

Convertible bonds that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition the liability component of the convertible bonds is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. Any excess of proceeds over the amount initially recognised as the liability component is recognised as the equity component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the convertible bonds reserve until either the bond is converted or redeemed.

If the bond is converted, the convertible bonds reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, the convertible bonds reserve is released directly to retained profits/accumulated losses.

2. 主要會計政策 (續)

(m) 可換股債券

(i) 包含權益部份之可換股債券

倘於轉換時將予發行之股份數目及當時將收取之代價價值並無發生變動，可按持有人選擇轉換為權益股本之可換股債券入賬列作複合式金融工具（包含負債部份及權益部份）。

於初始確認時，可換股債券之負債部份乃按日後利息及本金付款現值計量，而日後利息及本金付款現值乃以並無轉換權之相近負債於初始確認時適用之市場利率進行貼現。倘所得款項高於初始確認為負債部份之金額，則差額確認為權益部份。與發行複合式金融工具有關之交易成本按所得款項之分配比例分配至負債及權益部份。

負債部份其後按攤銷成本列賬。於損益中確認之債務部份的利息開支使用實際利率法計算。權益部份於可換股債券儲備中確認，直至債券獲轉換或贖回。

倘債券獲轉換，則可換股債券儲備連同負債部份於轉換時之賬面值會一併轉撥至股本及股份溢價，作為已發行股份之代價。倘債券獲贖回，則有關可換股債券儲備直接撥入保留溢利／累計虧損。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Convertible bonds (Continued)

(ii) Other convertible bonds

Convertible bonds which do not contain an equity component are accounted for as follows:

At initial recognition the derivative component of the convertible bonds is measured at fair value and presented as part of derivative financial instruments (see note 2(f)). Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs that relate to the issue of the convertible note are allocated to the liability and derivative components in proportion to the allocation of proceeds. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in profit or loss.

The derivative component is subsequently remeasured in accordance with note 2(f). The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. If the bond is converted, the carrying amounts of the derivative and liability components are transferred to share capital and share premium as consideration for the shares issued. If the bond is redeemed, any difference between the amount paid and the carrying amounts of both components is recognised in profit or loss.

2. 主要會計政策 (續)

(m) 可換股債券 (續)

(ii) 其他可換股債券

並無包含權益部份之可換股債券按以下方式入賬：

於初始確認時，可換股債券之衍生工具部份乃按公平值計量，並呈報為部份衍生金融工具（見附註2(f)）。倘所得款項高於初始確認為衍生工具部份之金額，則差額確認為負債部份。與發行可換股債券有關之交易成本按所得款項之分配比例分配至負債及衍生工具部份。與負債部份相關之交易成本於初始確認時確認為負債之一部份。與衍生工具部份有關之部份即時於損益中確認。

衍生工具部份其後按附註2(f)重新計量。負債部份其後按攤銷成本列賬。於損益中確認之負債部份的利息開支使用實際利率法計算。倘債券獲轉換，則衍生工具及負債部份之賬面值會一併轉撥至股本及股份溢價，作為已發行股份之代價。倘債券獲贖回，則已付金額與兩個部份之賬面值間之任何差額於損益中確認。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(o) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 2(x), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

2. 主要會計政策 (續)

(n) 計息借款

計息借款初步按公平值減應佔交易成本確認。於初步確認後，計息借款按攤銷成本列賬，初步確認金額與贖回價值間的任何差額（連同任何應付利息及費用）會在借款期內以實際利率法於損益內確認。

(o) 應付賬款及其他應付款項

應付賬款及其他應付款項均初步按公平值確認。除根據附註(x)計量之財務擔保負債外，應付賬款及其他應付款項其後按攤銷成本列賬，惟倘若貼現之影響並不重大，則按成本列賬。

(p) 現金及現金等值物

現金及現金等值物包括銀行及手頭現金，銀行及其他金融機構之活期存款，以及可隨時轉換為已知數額現金，並於購入時起計三個月內到期且幾乎不受價值變動風險所影響之短期高度流通投資項目。就綜合現金流量表而言，須應要求償還且構成本集團現金管理中組成部份之銀行透支亦已作為現金及現金等值物計算在內。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave and contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Contributions to Mandatory Provident Funds required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and mandatory central pension schemes organised by the local government of the PRC government are recognised as an expense in the consolidated statement of profit or loss as incurred.

(ii) Share-based payments

Share options granted by the Company to employees of the Group in an equity-settled share-based payment arrangement

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a share option reserve within equity. The fair value is measured at grant date using the Binomial option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

2. 主要會計政策 (續)

(q) 僱員福利

(i) 短期僱員福利及向定額供款退休計劃的供款

薪金、年度花紅、有薪年假、界定供款退休計劃供款及非貨幣福利成本，乃於僱員提供有關服務之年度內計算。倘付款或結算獲遞延處理且其影響屬重大，則該等金額按其現值列賬。

根據香港強制性公積金計劃條例須向強制性公積金作出之供款，以及向中國地方政府所籌辦之強制性中央退休金計劃作出之供款，於產生時在綜合損益表內確認為開支。

(ii) 以股份為基礎之付款

於一項以股權結算以股份為基礎之付款安排中本公司向本集團僱員授出的購股權

授予僱員之購股權之公平值，乃確認為僱員成本，並相應增加權益中之購股權儲備。公平值乃於授出日期利用二項式期權定價模式計量，當中考慮到授出購股權所依據之條款及條件。倘若僱員於有權無條件享有購股權前須符合歸屬條件，則估計購股權之總體公平值乃於歸屬期間內分攤，當中考慮到購股權將會歸屬之可能性。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Employee benefits (Continued)

- (ii) **Share-based payments (Continued)**
Share options granted by the Company to employees of the Group in an equity-settled share-based payment arrangement (Continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to the retained profits/accumulated losses).

2. 主要會計政策 (續)

(q) 僱員福利 (續)

- (ii) 以股份為基礎之付款 (續)
於一項以股權結算以股份為基礎之付款安排中本公司向本集團僱員授出的購股權 (續)
於歸屬期內，會審核預期歸屬之購股權數目。於過去年度確認之累計公平值之任何調整，乃於審核年度於損益內扣除／計入，惟合資格確認為資產之原本僱員開支則除外，並對購股權儲備作相應調整。於歸屬日，確認為開支之款額會予以調整，以反映歸屬購股權之實際數目（並對購股權儲備作相應調整），惟因並無達致與本公司股份市值相關之歸屬條件才沒收之購股權除外。權益款額乃於購股權儲備內確認，直至購股權獲行使（當其轉撥至股份溢價賬）或購股權到期（直接撥入保留溢利／累計虧損時）為止。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Employee benefits (Continued)

(ii) Share-based payments (Continued)

Share options granted to consultant in an equity-settled share-based payment transactions

Share options issued in exchange for goods or services are measured at fair values of the goods or services rendered, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of goods or services received are recognised as expenses immediately, unless the goods or services qualify for recognition as assets. Corresponding adjustment has been made to equity (share option reserve).

(r) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

2. 主要會計政策 (續)

(q) 僱員福利 (續)

(ii) 以股份為基礎之付款 (續)

於一項以股權結算以股份為基礎之付款交易中向顧問授出的購股權

為換取貨品或服務而發行的購股權按收到的貨品或服務的公平值計量，除非有關公平值無法可靠計量，在此情況下收到的貨品或服務參考授出的購股權的公平值計量。本集團取得的貨品或服務的公平值乃即時確認為開支，除非貨品或服務符合資格確認為資產。已在權益（購股權儲備）作出相應調整。

(r) 所得稅

本年度所得稅包括即期稅項以及遞延稅項資產及負債變動。即期稅項以及遞延稅項資產及負債變動於損益確認，惟倘與於其他全面收益或直接於權益確認之項目有關者，則相關稅項金額分別於其他全面收益或直接於權益中確認。

即期稅項指年內就應課稅收入，按於報告期末已實施或實際已實施之稅率，並經就過往年度應付稅項之任何調整而計算之估計應付稅項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(r) Income tax (Continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2. 主要會計政策 (續)

(r) 所得稅 (續)

分別由可扣減及應課稅暫時差額產生之遞延稅項資產及負債，指就財務申報之資產及負債賬面值與其稅基之差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項抵免產生。

除若干例外情況外，所有遞延稅項負債均予以確認，而倘日後應課稅溢利有可能對銷可予以使用的資產，則所有遞延稅項資產均予以確認。支持確認由可扣減臨時差額所產生遞延稅項資產的日後應課稅溢利包括因撥回現有應課稅臨時差額而產生的數額，惟該等差額須與同一稅務機構及同一應課稅實體有關，並預期會在可扣減臨時差額預期撥回之相同期間或轉回或結轉遞延稅項資產產生稅項虧損之期間撥回。於釐訂現有應課稅臨時差額是否可用以確認尚未動用的稅項虧損及抵免之遞延稅項資產時，可採納相同的準則，即該等差額若與同一稅務機構及同一應課稅實體有關，並預期在能使用稅項虧損或抵免的相同期間內撥回，則會被考慮。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(r) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2. 主要會計政策 (續)

(r) 所得稅 (續)

確認遞延稅項資產及負債之例外情況包括不能為課稅而扣減商譽所產生之臨時差額，初步確認既不影響會計亦不影響應課稅溢利（惟須非業務組成部份）之資產或負債，及有關於附屬公司投資所出現臨時差額時，惟倘就應課稅差額而言，本集團可控制撥回之時間，且差額很可能不會於可見將來撥回或出現可扣減差額則除外，除非日後很可能會撥回。

所確認之遞延稅項金額乃按預期資產及負債賬面值之變現或結算方式，使用於報告期末已實施或實際已實施之稅率計算。遞延稅項資產及負債不會折現。

遞延稅項資產賬面值於各報告期末審核，倘可能不再有足夠應課稅溢利以容許使用有關稅項利益，則會進行扣減。倘可能會有足夠應課稅溢利，該等扣減將會撥回。

源自股息分派之額外所得稅於確認支付有關股息責任時予以確認。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(r) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2. 主要會計政策 (續)

(r) 所得稅 (續)

即期稅項結餘及遞延稅項結餘和其變動，均獨立呈列及不會予以抵銷。當本集團有法定強制執行權，可以即期稅項資產抵銷即期稅項負債及達成以下額外條件時，則即期稅項資產將抵銷即期稅項負債，及遞延稅項資產將抵銷遞延稅項負債：

- 倘為即期稅項資產及負債，本集團擬按淨額結算或同時變現資產及清償負債；或
- 倘為遞延稅項資產及負債，由同一稅務機構按以下情況徵收所得稅：
 - 同一個課稅實體；或
 - 不同的課稅實體。這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每個未來期間，按淨額變現即期稅項資產和清償即期稅項負債或在變現資產的同時清償負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(s) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Sales of liquefied coalbed gas and piped natural gas

Revenue from sales of liquefied coalbed gas and piped natural gas are recognised when the gas is delivered and title has passed. Revenue excludes value-added and business taxes and trade discounts.

2. 主要會計政策 (續)

(s) 撥備及或然負債

倘本集團因過往事件而負有可能導致經濟利益流出方可了結之法定或推定責任，且能作出可靠估計，則就不確定時限或金額之其他負債確認撥備。倘貨幣時間值為重大者，則撥備按預期清償債務所需開支之現值入賬。

倘可能毋須導致經濟利益流出或不能可靠估計金額，則將責任列作或然負債披露，除非經濟利益流出之可能性極微。僅可由發生或不發生一件或數件未來事件予以確定之可能責任，亦列作或然負債披露，除非經濟利益流出之可能性極微。

(t) 收益確認

收益按已收或應收代價之公平值計量。倘經濟利益極有可能流入本集團，且收益及成本（倘適用）能可靠計算，收益將按以下方式於損益確認：

(i) 銷售液化煤層氣及管道天然

銷售液化煤層氣及管道天然氣之收益乃於氣體已發送及所有權已轉讓時確認。收益不包括增值稅及營業稅及商業折扣。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(t) Revenue recognition (Continued)

(ii) Income from provision of gas supply connection services

Revenue from provision of gas supply connection services is recognised when the relevant construction work is completed and connection services are rendered.

(iii) Income from provision of liquefied coalbed gas logistics services

Revenue from provision of logistics services is recognised when services are rendered.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

(v) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

A government grant that becomes receivables as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

2. 主要會計政策 (續)

(t) 收益確認 (續)

(ii) 提供供氣接駁服務之收入

提供供氣接駁服務之收益於相關工程完工及提供接駁服務時確認。

(iii) 提供液化煤層氣物流服務之收入

提供物流服務之收益於提供服務時確認。

(iv) 利息收入

利息收入乃於其利用實際利率法計提時確認。

(v) 政府津貼

倘可合理確定能夠收取政府津貼，而本集團將符合政府津貼所附帶的條件，則政府津貼在綜合財務狀況表中初步確認。補償本集團所產生開支的津貼於產生開支的同一期間有系統地於損益中確認為收入。補償本集團資產成本的津貼在相關資產賬面值中扣除，其後於該項資產的可用年期內以減少折舊開支方式於損益內實際確認。

作為產生之開支或虧損的補償或為實體提供即時財務援助之應收政府津貼如無未來相關成本，應於應收期內於損益確認。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(u) Translation of foreign currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"). The functional currency of the Company is Hong Kong dollars ("HK\$") and the presentation currency is RMB. The reason for using RMB as a presentation currency is that the functional currency of the principal entities within the Group is RMB.

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

2. 主要會計政策 (續)

(u) 外幣換算

本集團各實體之財務報表中所包括之項目，均使用有關實體業務所在之主要經濟環境之貨幣（「功能貨幣」）進行計量。綜合財務報表乃以人民幣（「人民幣」）呈列。本公司之功能貨幣為港元（「港元」）及呈報貨幣為人民幣。使用人民幣作為呈報貨幣之原因為本集團內主要實體之功能貨幣均為人民幣。

年內以外幣結算之交易乃按交易當日之匯率換算。以外幣計值之貨幣資產及負債，則按報告期末之匯率換算。匯兌收益及虧損乃於損益內確認。

按歷史成本計量及以外幣列值之非貨幣資產及負債，乃按於交易日期之匯率換算。以外幣列值並按公平值列賬之非貨幣資產及負債，均按於計量公平值當日之匯率換算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(u) Translation of foreign currencies (Continued)

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the translation reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

2. 主要會計政策 (續)

(u) 外幣換算 (續)

海外業務之業績均按與於交易當日之匯率相若之匯率換算為人民幣。財務狀況表項目（包括因綜合於二零零五年一月一日或之後收購之海外業務而產生之商譽）均按於報告期末之收市匯率換算為人民幣。所產生之匯兌差額，均於其他全面收益確認及於換算儲備的權益中分開累計。因綜合於二零零五年一月一日之前收購之海外業務而產生之商譽，乃按收購海外業務當日之匯率換算。

當出售海外業務時，與該海外業務有關的累計匯兌差額於出售盈虧確認時，由權益重新分類至損益。

(v) 借貸成本

為購入、建設或生產資產而直接應佔並須經一段頗長時間始能投入擬定用途或出售之借貸成本，作為該項資產之部份成本撥充資本。其他借款成本於產生期間內支銷。

屬於合資格資產成本一部份的借貸成本在資產產生開支、產生借貸成本和使資產投入擬定用途或出售所必須的準備工作進行期間開始撥充資本。在使合資格資產投入擬定用途或出售所必須的絕大部份準備工作中止或完成時，借貸成本便會暫停或停止撥充資本。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(x) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss the holder incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

2. 主要會計政策 (續)

(w) 分部呈報

財務報表所呈報之經營分部及各分部項目之款項乃於為分配資源予本集團不同業務及地區以及評估該等業務及地區之表現而定期向本集團首席執行管理人員提供之財務資料中確認。

就財務報告而言，個別重大經營分部不會合併，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務之方法以及監管環境性質方面相類似則除外。倘並非個別重大之經營分部符合大部份此等準則，則該等經營分部可能合併處理。

(x) 財務擔保合約

財務擔保合約指發行人須於持有人因指定債務人未能根據債務工具之條款支付到期款項而蒙受損失時，向持有人補償支付指定款項之合約。

本集團所發行之財務擔保合約初步按其公平值計量，且倘並非指定為按公平值於損益列賬，則隨後按以下之較高者計量：

- 根據香港會計準則第37號撥備、或然負債及或然資產釐定之合約責任金額；及
- 初步確認之金額減（倘適用）根據收益確認政策確認之累計攤銷。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(y) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

2. 主要會計政策 (續)

(y) 關連人士

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(y) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. 主要會計政策 (續)

(y) 關連人士 (續)

- (b) 倘符合下列任何條件，即實體與本集團有關連：(續)
- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職後福利計劃。倘本集團本身為一項離職後福利計劃，則供款的僱主亦與本集團有關連。
- (vi) 實體受(a)所識別人士控制或受共同控制。
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員。
- (viii) 實體、或一間集團之任何成員公司（為集團之一部分）向申報實體或申報實體之母公司提供主要管理人員服務。

個人的近親家庭成員指在與該實體進行交易時預期可影響，或受該個人影響的家庭成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group:

- Amendments to HKAS 19, *Employee benefits: Defined benefits plans: Employee contributions*
- *Annual Improvements to HKFRSs 2010 – 2012 Cycle*
- *Annual Improvements to HKFRSs 2011 – 2013 Cycle*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amendments to HKFRSs are discussed below:

Amendments to HKAS 19, *Employee benefits: Defined benefit plans: Employee contributions*

The amendments introduce a relief to reduce the complexity of accounting for certain contributions from employees or third parties under defined benefit plans. When the contributions are eligible for the practical expedient provided by the amendments, a company is allowed to recognise the contributions as a reduction of the service cost in the period in which the related service is rendered, instead of including them in calculating the defined benefit obligation. The amendments do not have an impact on these consolidated financial statements as the Group does not have any defined benefits plans.

3. 會計政策的變動

香港會計師公會已頒佈下列香港財務報告準則之修訂本，這些香港財務報告準則之修訂本在本集團當前的會計期間首次生效：

- 香港會計準則第19號之修訂本，*僱員福利：界定福利計劃：僱員供款*
- *二零一零年至二零一二年週期之香港財務報告準則年度改進*
- *二零一一年至二零一三年週期之香港財務報告準則年度改進*

本集團並未應用任何於本會計期間尚未生效之新準則或詮釋。採納香港財務報告準則之修訂本的影響討論如下：

香港會計準則第19號之修訂本，*僱員福利：界定福利計劃：僱員供款*

該等修訂引入一項豁免，旨在簡化對僱員或第三方根據界定福利計劃繳納的若干供款的會計處理。當供款符合該等修訂在實際操作上所規定的權宜方法時，公司可以將供款確認為在相關服務提供期間對服務成本的扣減，而不將其包含於界定福利責任的計算中。由於本集團並無任何界定福利計劃，故該等修訂對該等綜合財務報表並無影響。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES

(Continued)

Annual Improvements to HKFRSs 2010-2012 Cycle and 2011-2013 Cycle

These two cycles of annual improvements contain amendments to standards with consequential amendments to other standards. Among them, HKAS 24, *Related party disclosures* has been amended to expand the definition of a “related party” to include a management entity that provides key management personnel services to the reporting entity, and to require the disclosure of the amounts incurred for obtaining the key management personnel services provided by the management entity. These amendments do not have an impact on the Group’s related party disclosures as the Group does not obtain key management personnel services from management entities.

The directors consider that the adoption of the amendments to HKFRSs has no material effect on the Group’s consolidated financial statements.

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a few amendments to standards which are not yet effective for the year ended 31 December 2015 and which have not been adopted in these consolidated financial statements.

HKFRS 9	<i>Financial Instruments</i> ³
HKFRS 14	<i>Regulatory Deferral Accounts</i> ²
HKFRS 15	<i>Revenue from Contracts with Customers</i> ³
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i> ¹
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> ¹

3. 會計政策的變動 (續)

二零一零年至二零一二年週期及二零一一年至二零一三年週期之香港財務報告準則年度改進

此兩個週期之年度改進包括多項準則之修訂及其他準則之相應修訂。其中，香港會計準則第24號*關連人士披露*已予以修訂，藉以將「關連人士」之釋義擴展為包括提供主要管理人員服務予申報實體之管理實體，並要求披露為獲得管理實體提供之主要管理人員服務而產生之金額。由於本集團並無自管理實體獲得主要管理人員服務，故該等修訂對本集團之關連人士披露並無影響。

董事認為，採納香港財務報告準則之修訂本對本集團的綜合財務報表並無重大影響。

截至此等綜合財務報表發出日期，香港會計師公會已頒佈多項於截至二零一五年十二月三十一日止年度尚未生效之準則之修訂，而此等綜合財務報表尚未採納該等準則之修訂。

香港財務報告準則第9號	金融工具 ³
香港財務報告準則第14號	監管遞延賬目 ²
香港財務報告準則第15號	來自客戶合約之收益 ³
香港財務報告準則第11號之修訂本	收購合營企業權益之會計處理 ¹
香港會計準則第16號及香港會計準則第38號之修訂本	澄清折舊及攤銷之可接受方法 ¹

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3. CHANGES IN ACCOUNTING POLICIES

(Continued)

Amendments to HKAS 16 and HKAS 41	<i>Agricultural: Bearer Plants</i> ¹
Amendments to HKAS 1	<i>Disclosure Initiative</i> ¹
Amendments to HKAS 27	<i>Equity Method in Separate Financial Statements</i> ¹
Amendments to HKFRS 10 and HKAS 28	<i>Sale and Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	<i>Investment Entities: Applying the Consolidation Exception</i> ¹
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2012 – 2014 Cycle</i> ¹

¹ Effective for accounting periods beginning on or after 1 January 2016.

² Effective for first annual HKFRS financial statements beginning on or after 1 January 2016.

³ Effective for accounting periods beginning on or after 1 January 2018.

⁴ Effective for accounting periods beginning on or after a date to be determined.

The Group is in the process of making an assessment of what the impact of these amendments to standards is expected to be in the period of initial application but is not yet in a position to state whether those amendments to standards would have a significant impact on the Group's results of operations and financial position.

3. 會計政策的變動 (續)

香港會計準則第16號及香港會計準則第41號之修訂本	農業：生產性植物 ¹
香港會計準則第1號之修訂本	披露措施 ¹
香港會計準則第27號之修訂本	獨立財務報表之權益法 ¹
香港財務報告準則第10號及香港會計準則第28號之修訂本	投資者及其聯營公司或合資企業間之資產出售及注入 ⁴
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂本	投資實體：應用綜合入賬之例外情況 ¹
香港財務報告準則之修訂本	二零一二年至二零一四年週期之香港財務報告準則年度改進 ¹

¹ 於二零一六年一月一日或之後開始之會計期間生效。

² 對於二零一六年一月一日或之後開始之首份年度香港財務報告準則財務報表生效。

³ 於二零一八年一月一日或之後開始之會計期間生效。

⁴ 於將予釐定之日期或之後開始之會計期間生效。

本集團正評估該等準則之修訂預期將於首次應用期間產生的影響，惟尚未能說明該等準則之修訂會否對本集團的經營業績及財務狀況造成重大影響。

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Sources of estimation uncertainty

Key sources of estimation uncertainty are as follows:

(i) Estimation of impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units (“CGU(s)”) to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

During the year ended 31 December 2015, an impairment loss of approximately RMB3,551,000 (2014: RMB104,298,000) was recognised in the consolidated statement of profit or loss resulting in the carrying amount of the coalbed methane exploration and development, natural gas liquefaction and liquefied natural gas (“LNG”) distribution CGU being written down to its recoverable amount. As at 31 December 2015 and 2014, the carrying amount of the Group’s goodwill was fully impaired. Details of the recoverable amount calculation are disclosed in note 16.

4. 會計判斷及估計

判斷及估計將按過往經驗及其他因素（包括相信在某情況下合理發生之預期未來事項）作出持續評估。

(a) 估計不確定性之來源

估計不確定性之主要來源如下：

(i) 商譽減值之估計

釐定商譽是否出現減值須估計獲分配商譽之現金產生單位（「現金產生單位」）之使用價值。計算使用價值時，本集團需估計現金產生單位預期產生之未來現金流量，以及一個合適之貼現率以計算現值。倘未來現金流量之實際金額少於預期，則會產生重大減值虧損。

截至二零一五年十二月三十一日止年度，於綜合損益表確認約人民幣3,551,000元（二零一四年：人民幣104,298,000元）的減值虧損，導致煤層氣勘探及開發、天然氣液化及液化天然氣（「液化天然氣」）分銷現金產生單位的賬面值撇減至其可收回金額。於二零一五年及二零一四年十二月三十一日，本集團商譽之賬面值悉數減值。可收回金額之計算詳情於附註16披露。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(a) Sources of estimation uncertainty (Continued)

(ii) Estimation of impairment of intangible assets

The Group performs annual tests on whether there has been impairment of intangible assets in accordance with the accounting policy stated in note 2(j). The recoverable amounts of CGUs are determined based on value in use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value in use calculations. As at 31 December 2015, the carrying amount of the Group's intangible assets was fully impaired (2014: RMB141,661,000).

An impairment loss on intangible assets of approximately RMB134,385,000 (2014: RMB138,702,000) was recognised in the consolidated statement of profit or loss for the year ended 31 December 2015 resulting in the carrying amounts of the coalbed methane exploration and development, natural gas liquefaction and LNG distribution CGU and the piped natural gas located in Guangxi CGU (2014: coalbed methane exploration and development, natural gas liquefaction and LNG distribution CGU) being written down to its recoverable amounts.

4. 會計判斷及估計 (續)

(a) 估計不確定性之來源 (續)

(ii) 估計無形資產減值

本集團根據附註2(j)所載之會計政策就無形資產是否出現減值進行年度測試。現金產生單位之可收回金額按使用價值之計算而釐定。該等計算採用管理層就日後業務營運及除稅前貼現率所作之估計及假設，以及其他計算使用價值時所作之假設。於二零一五年十二月三十一日，本集團無形資產之賬面值獲悉數減值（二零一四年：人民幣141,661,000元）。

截至二零一五年十二月三十一日止年度，於綜合損益表確認約人民幣134,385,000元（二零一四年：人民幣138,702,000元）的無形資產減值虧損，導致煤層氣勘探及開發、天然氣液化及液化天然氣分銷現金產生單位及位於廣西現金產生單位之管道天然氣（二零一四年：煤層氣勘探及開發、天然氣液化及液化天然氣分銷現金產生單位）的賬面值撇減至其可收回金額。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(a) Sources of estimation uncertainty (Continued)

(iii) Useful lives and residual values of property, plant and equipment

Management determines the estimated useful lives and residual values for the Group's property, plant and equipment in accordance with the accounting policy stated in note 2(g). The Group will revise the depreciation charge where useful lives and residual values are different from previous estimates, or will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. As at 31 December 2015, the carrying amount of the Group's property, plant and equipment was approximately RMB800,681,000 (2014: RMB872,877,000).

(iv) Amortisation of intangible assets

Intangible assets are amortised on a straight-line basis over their estimated useful lives in accordance with the accounting policy stated in note 2(h). The determination of the useful lives involves management's estimation. The Group re-assesses the useful life of the intangible assets and, if the expectation differs from the original estimate, such a difference may impact the amortisation in the year and the estimate will be changed in the future period.

4. 會計判斷及估計 (續)

(a) 估計不確定性之來源 (續)

(iii) 物業、機器及設備之可使用年期及剩餘價值

管理層按照附註2(g)所述之會計政策釐定本集團物業、機器及設備之估計可使用年期及剩餘價值。倘可使用年期及剩餘價值有別於先前所估計者，本集團將修正折舊支出，或將撇銷或撇減技術上已屬過時或已經棄用或出售之非策略性資產。於二零一五年十二月三十一日，本集團物業、機器及設備之賬面值約為人民幣800,681,000元（二零一四年：人民幣872,877,000元）。

(iv) 無形資產攤銷

無形資產根據附註2(h)所述之會計政策，按估計可使用年期以直線法攤銷。可使用年期之釐定涉及管理層之估計。本集團重新評估無形資產之可使用年期，如預期與原先估計不同，該差異或會影響年內攤銷，而估計亦會在未來期間出現變動。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(a) Sources of estimation uncertainty (Continued)

(v) Estimation of impairment of trade and other receivables

The policy for recognising impairment on receivables of the Group is based on an evaluation of the collectibility and ageing analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of the Group's debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment may be required.

(vi) Impairment of property, plant and equipment

In considering the impairment losses that may be required for the Group's property, plant and equipment and construction in progress, the recoverable amount of the asset needs to be determined. The recoverable amount is the greater of the net selling price and the value in use. In determining the value in use, expected cash flows generated by the asset are discounted to their present values, which require significant judgement relating to items such as the level of sales volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as sales volume, selling prices and amount of operating costs.

During the year ended 31 December 2015, an impairment loss on property, plant and equipment of approximately RMB92,086,000 (2014: nil) was recognised in the consolidated statement of profit or loss.

4. 會計判斷及估計 (續)

(a) 估計不確定性之來源 (續)

(v) 估計應收賬款及其他應收款項之減值

本集團確認應收款項減值之政策，乃根據評估賬目之可收回程度及賬齡分析，以及根據管理層層之判斷而制訂。於評估該等應收款項之最終變現數額時，需作出大量判斷，包括各名債務人之目前信譽及過去收款歷史。倘若本集團債務人之財務狀況惡化，減低彼等付款之能力，則可能須作額外減值。

(vi) 物業、機器及設備減值

考慮本集團物業、機器及設備可能需要計提的減值虧損時，需要釐定該等資產的可收回金額。可收回金額是淨售價與使用價值兩者中之較高者。在釐定使用價值時，預計從有關資產所得的現金流貼現至其現值，當中需要對如營業額水平、售價及營運成本等項目作出重大判斷。本集團會運用一切可得資料，釐定可收回金額之合理概約數字，包括根據對營業額、售價及營運成本等項目之合理和具支持之假設和預測所作出之估計。

截至二零一五年十二月三十一日止年度，物業、機器及設備之減值虧損約人民幣92,086,000元（二零一四年：無）已於綜合損益表內確認。

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4. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(a) Sources of estimation uncertainty (Continued)

(vii) Net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is determined on the basis of the estimated selling price less the estimated cost of completion and the estimated costs necessary to make the sale. Management estimates the net realisable value for inventories based primarily on the latest invoice prices and current market conditions. As at 31 December 2015, the carrying amount of the Group's inventories was approximately RMB8,052,000 (2014: RMB9,833,000).

(viii) Valuation of share options granted

The fair value of share options granted to employees were calculated using the Binomial option pricing model involving estimates including estimated life of share options granted, future dividends and volatility of share price.

4. 會計判斷及估計 (續)

(a) 估計不確定性之來源 (續)

(vii) 存貨之可變現淨值

存貨按成本及可變現淨值之較低者列賬。可變現淨值按估計售價減去估計完工成本及出售估計所須成本釐定。管理層主要根據最近發票價格及目前市況而估計存貨之可變現淨值。於二零一五年十二月三十一日，本集團存貨之賬面值約為人民幣8,052,000元（二零一四年：人民幣9,833,000元）。

(viii) 已授出購股權的估值

向僱員授出之購股權的公平值乃使用二項式期權定價模型（涉及已授出購股權的估計年期、未來股息及股價波動等估計）計算。

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4. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(b) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following critical accounting judgements:

(i) Renewal of gas business operating permits

The Group holds certain gas business operating permits with licence period of 3 to 6 years at date of issue which will be expired in year 2016 to 2018 and the renewal of which is subject to the approval by the relevant PRC authorities. In the opinion of the directors, taking into account legal opinion from the Company's PRC legal counsel, there are no legal impediments for the Group to renew its gas business operating permits upon expiry.

If the Group were unable to renew these permits upon expiry, the carrying amounts of the Group's property, plant and equipment of approximately RMB800,681,000 (2014: RMB872,877,000) might be significantly reduced, and the Group might increase depreciation charges of those assets where their useful lives are less than previously estimated, or it might write off or write down the carrying amount of those assets.

4. 會計判斷及估計 (續)

(b) 在應用本集團會計政策時所作之重大會計判斷

於應用本集團的會計政策過程中，管理層已作出以下重大會計判斷：

(i) 天然氣業務經營許可證的續期

本集團持有若干天然氣業務經營許可證，於發出日期的有效期間為三至六年，並將於二零一六年至二零一八年期滿，而該等許可證的續期將須獲得相關中國部門的批准。董事認為，考慮到本公司中國法律顧問的法律意見，本集團於其天然氣業務經營許可證到期時進行續期不存在任何法律障礙。

倘若本集團無法於該等許可證到期時續期，則本集團物業、機器及設備的賬面值約人民幣800,681,000元（二零一四年：人民幣872,877,000元）可能會大幅降低，而本集團可能會增加使用年期少於之前估計的該等資產的折舊費用，或可能撇銷或撇減該等資產的賬面值。

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4. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(b) Critical accounting judgements in applying the Group's accounting policies (Continued)

(ii) Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set-up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account changes in tax legislations. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

4. 會計判斷及估計 (續)

(b) 在應用本集團會計政策時所作之重大會計判斷 (續)

(ii) 所得稅

釐定所得稅撥備涉及對未來若干交易之稅項待遇之判斷。本集團謹慎評估交易的稅務影響，並相應作出稅項撥備。有關交易之稅務待遇會定期重新檢討，以計及稅法變動。就所有未被動用稅項虧損確認遞延稅項資產，惟以應課稅溢利可能可用作抵扣可動用之虧損為限。為釐定可予確認之遞延稅項資產金額，須根據未來應課稅溢利之可能時間及數額連同未來稅務規劃策略作出重大管理層判斷。

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5. REVENUE

Revenue represents the sales value of goods supplied and services provided to customers, net of value-added and business taxes and trade discounts. The amount of each significant category of revenue recognised in revenue during the year is as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Sales of liquefied coalbed gas	液化煤層氣銷售	268,601	218,908
Provision of liquefied coalbed gas logistics services	提供液化煤層氣物流服務	3,206	54
Sales of piped natural gas (including provision of gas supply connection services)	管道天然氣銷售 (包括提供供氣接駁服務)	57,313	82,157
		329,120	301,119

5. 收益

收益指向客戶提供貨品及服務之銷售價值，惟不包括增值及營業稅以及商業折扣。年內於收益確認之各項重大收益類別金額如下：

6. OTHER INCOME AND GAINS

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Interest income from bank deposits	銀行存款之利息收入	137	56
Net foreign exchange gain	外匯收益淨額	131	—
Reversal of impairment loss on trade and other receivables	應收賬款及其他應收款項之減值虧損撥回	—	209
Other income	其他收入	196	238
		464	503

6. 其他收入及收益

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7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

7. 除稅前虧損

除稅前虧損已扣除以下各項：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
(a) Staff costs (including directors' and chief executive's emoluments in note 9)	(a) 員工成本 (包括附註9中的董事及最高行政人員酬金)		
Salaries and other benefits	薪金及其他福利	24,635	23,091
Retirement benefit schemes contributions	退休福利計劃供款	3,796	3,221
Total staff costs *	總員工成本 *	28,431	26,312

* Amount excluded staff costs capitalised in construction in progress of approximately RMB255,000 (2014: RMB217,000).

* 金額不包括於在建工程資本化之員工成本約人民幣255,000元(二零一四年：人民幣217,000元)。

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7. LOSS BEFORE TAXATION (Continued)

7. 除稅前虧損 (續)

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
(b) Other items	(b) 其他項目		
Cost of inventories (Note 23(b))	存貨之成本 (附註23(b))	205,950	158,312
Auditors' remuneration	核數師薪酬		
— audit services	— 核數服務	1,609	1,431
— non-audit services	— 非核數服務	—	230
Depreciation of property, plant and equipment	物業、機器及設備 折舊	74,582	55,482
Amortisation of prepaid lease payments for land under operating leases	經營租約下預付土地 租金攤銷	591	810
Amortisation of intangible assets (included in cost of sales)	無形資產攤銷 (計入銷售成本)	7,276	29,625
Impairment of trade and other receivables (included in other operating expenses)	應收賬款及其他應收 款項之減值 (計入其他經營 開支)	2,391	340
Net foreign exchange loss	外匯虧損淨額	—	534
Compensation fee on preliminary exploration (included in other operating expenses)	初步勘探的賠償費用 (計入其他經營 開支)	—	30,000
Loss on disposal of property, plant and equipment (included in other operating expenses)	出售物業、機器及 設備之虧損 (計入其他經營 開支)	266	864
Operating lease charges in respect of land and buildings	土地及樓宇之 經營租約費用	685	551

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7. LOSS BEFORE TAXATION (Continued)

7. 除稅前虧損 (續)

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
(c) Finance costs	(c) 融資成本		
Interest expenses on bank and other borrowings wholly repayable within five years	須於五年內全數償還之銀行及其他借款之利息開支	5,842	10,143
Other finance costs	其他融資成本	980	152
Effective interest on convertible bonds	可換股債券之實際利息	77	—
Finance charges on obligations under finance leases	融資租約承擔之融資費用	7,425	5,762
Total interest expense on financial liabilities not at fair value through profit or loss	並非按公平值計入損益之金融負債之利息開支總額	14,324	16,057

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8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Current tax – PRC Enterprise Income Tax (“EIT”)	即期稅項 — 中國企業所得稅 (「企業所得稅」)		
Provision for the year	本年度撥備	2,310	747
Under-provision in respect of prior years	過往年度撥備不足	—	540
		2,310	1,287
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差額產生及撥回	(36,601)	(39,611)
Income tax credit	所得稅抵免	(34,291)	(38,324)

The Company was incorporated in the Cayman Islands and continued in Bermuda as an exempted company under the laws of Bermuda and, accordingly, is exempted from payment of the Bermuda income tax.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year ended 31 December 2015 (2014: 16.5%). No provision for Hong Kong Profits Tax has been made as the Group has no estimated assessable profits arising in or derived from Hong Kong for the years ended 31 December 2015 and 2014.

8. 綜合損益表內之所得稅

(a) 綜合損益表內之稅項指：

本公司在開曼群島註冊成立並根據百慕達法例於百慕達存續為獲豁免公司，因此獲豁免繳納百慕達所得稅。

截至二零一五年十二月三十一日止年度之香港利得稅按估計應課稅溢利之16.5% (二零一四年：16.5%) 計算。由於本集團於截至二零一五年及二零一四年十二月三十一日止年度並無於香港產生或源自香港的估計應課稅溢利，故並無為香港利得稅作出任何撥備。

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8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

- (a) Taxation in the consolidated statement of profit or loss represents: (Continued)

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

- (b) Reconciliation between income tax credit and accounting loss at applicable tax rates:

8. 綜合損益表內之所得稅 (續)

- (a) 綜合損益表內之稅項指：(續)

海外附屬公司的稅項乃按相關國家現行適當稅率徵收。

根據有關企業所得稅的中國法律(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司自二零零八年一月一日起之稅率為25%。

- (b) 按適用稅率計算之所得稅抵免與會計虧損之對賬如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Loss before taxation	除稅前虧損	(289,317)	(380,640)
Notional tax on loss before taxation, calculated at the rates applicable to the tax jurisdictions concerned	按相關稅務司法權區適用稅率計算之除稅前虧損名義稅項	(70,007)	(89,197)
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	28,154	38,545
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(12)	(1)
Tax effect of tax losses not allowed for tax deduction	不可減稅的稅項虧損之稅務影響	7,092	14,367
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	2,772	649
PRC withholding tax	中國預扣稅	(994)	2,651
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(1,296)	(5,878)
Under-provision in respect of prior years	過往年度撥備不足	—	540
Income tax credit	所得稅抵免	(34,291)	(38,324)

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8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

- (c) Pursuant to the EIT Law in the PRC, from 1 January 2008, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax at the rate of 10% (unless reduced by tax treaty) on various types of passive income such as dividends derived from sources within the PRC.

Pursuant to the Sino-Hong Kong Double Tax Arrangement and the related regulations, a qualified Hong Kong tax resident will be liable for a reduced withholding tax rate of 5% on dividends from a PRC enterprise if the Hong Kong tax resident is the “beneficial owner” and holds 25% or more of the equity interest of the PRC enterprise. A withholding tax rate of 5% is applicable to entities held by a qualified Hong Kong incorporated subsidiary.

- (d) Income tax recognised directly in equity

8. 綜合損益表內之所得稅 (續)

- (c) 根據中國企業所得稅法，由二零零八年一月一日起，在中國境內未設立機構或營業地點，或者雖在中國境內設立機構或營業地點但取得之收入與其在中國境內所設機構或營業地點沒有實際聯繫之非居民企業，將須就多種被動收入（如源於中國境內之股息）按10%稅率（除非按稅收協定減免）繳納預扣稅。

根據中港雙重徵稅安排及有關規定，倘香港繳稅居民為中國企業的「實益擁有人」，並持有該中國企業25%或以上股本權益，合資格香港繳稅居民獲中國企業派付的股息則可享有經調低預扣稅稅率5%。由在香港註冊成立之附屬公司持有之實體之預扣稅率為5%。

- (d) 直接於權益確認之所得稅

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Deferred tax	遞延稅項		
Initial recognition on issue of convertible bonds	於發行可換股債券時初始確認	1,892	—
Total income tax recognised directly in equity	直接於權益確認之所得稅總額	1,892	—

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the six (2014: seven) directors and the chief executive were as follows:

9. 董事及最高行政人員酬金

已付或應付六名(二零一四年:七名)董事及最高行政人員之酬金如下:

		Salaries, allowances and benefits	Discretionary bonuses	Retirement benefit scheme contributions	Sub-total	Equity-settled share-based payment expenses	2015 Total
		Fees	in kind			以股權結算	二零一五年
		袍金	實物福利	酌情花紅	小計	以股份為基礎	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
Wang Zhong Sheng	王忠勝	—	1,048	—	1,065	—	1,065
Shi Liang (Note (i))	施亮(附註(i))	—	15	—	20	—	20
Fu Shou Gang	付壽剛	—	276	—	276	—	276
Independent non-executive directors	獨立非執行董事						
Wang Zhi He	王之和	87	—	—	87	—	87
Luo Wei Kun	羅維崑	40	—	—	40	—	40
Pang Yuk Fong	彭玉芳	40	—	—	40	—	40
		167	1,339	—	1,528	—	1,528

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

9. 董事及最高行政人員酬金 (續)

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement benefit scheme contributions	Sub-total	Equity-settled share-based payment expenses	2014 Total
		袍金	薪金、津貼及實物福利	酌情花紅	退休福利計劃供款	小計	以股權結算以股份為基礎之付款開支	二零一四年總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事							
Wang Zhong Sheng	王忠勝	—	1,036	—	17	1,053	—	1,053
Shi Liang	施亮	—	115	—	12	127	—	127
Fu Shou Gang	付壽剛	—	275	—	—	275	—	275
Non-executive director	非執行董事							
Kwok Shun Tim (Note (ii))	郭純恬 (附註(ii))	—	—	—	—	—	—	—
Independent non-executive directors	獨立非執行董事							
Wang Zhi He	王之和	86	—	—	—	86	—	86
Luo Wei Kun	羅維崑	40	—	—	—	40	—	40
Pang Yuk Fong	彭玉芳	40	—	—	—	40	—	40
		166	1,426	—	29	1,621	—	1,621

Notes:

- (i) Retired on 26 May 2015.
- (ii) Mr. Kwok Shun Tim was appointed as executive director of the Company on 2 January 2013. During the year ended 31 December 2014, Mr. Kwok Shun Tim has been re-designated from an executive director to a non-executive director of the Company with effect from 15 April 2014 and was subsequently resigned on 22 July 2014.

During the years ended 31 December 2015 and 2014, since the appointment of the chief executive officer of the Company remains outstanding, no emoluments were paid to the chief executive officer of the Company.

Neither the chief executive officer nor any of the directors waived any emoluments in the year ended 31 December 2015 and 2014. No inducement payments to join or upon joining the Group or as compensation for loss of office were paid or payable to any director or the chief executive officer for the years ended 31 December 2015 and 2014.

附註：

- (i) 於二零一五年五月二十六日退休。
- (ii) 郭純恬先生於二零一三年一月二日獲委任為本公司執行董事。於截至二零一四年十二月三十一日止年度，郭純恬先生已自執行董事調任為本公司非執行董事，自二零一四年四月十五日起生效，其後於二零一四年七月二十二日辭任。

於截至二零一五年及二零一四年十二月三十一日止年度，由於本公司尚未委任行政總裁，故並無向本公司行政總裁支付酬金。

於截至二零一五年及二零一四年十二月三十一日止年度，概無行政總裁及任何董事放棄任何酬金。於截至二零一五年及二零一四年十二月三十一日止年度，並無向任何董事或行政總裁支付或應付任何加入本集團或加入本集團時之獎賞或離職補償。

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10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2014: two) are directors whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the other three (2014: three) individuals are as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他福利	741	722
Retirement benefit schemes contributions	退休福利計劃供款	29	37
Equity-settled share-based payment expenses	以股權結算以股份為基礎之付款開支	—	—
		770	759

The emoluments of the three (2014: three) individuals with the highest emoluments are within the following bands:

		2015 二零一五年 Number of individuals 人數	2014 二零一四年 Number of individuals 人數
HK\$Nil to HK\$1,000,000	零港元至 1,000,000 港元	3	3

11. LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated loss attributable to equity shareholders of the Company for the year ended 31 December 2015 includes a loss of approximately RMB10,333,000 (2014: RMB68,655,000) which has been dealt with in the financial statements of the Company.

10. 最高薪人士

本集團五名最高薪人士中，兩名（二零一四年：兩名）為董事，彼等之酬金於附註9披露。其他三名（二零一四年：三名）人士之酬金總額如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他福利	741	722
Retirement benefit schemes contributions	退休福利計劃供款	29	37
Equity-settled share-based payment expenses	以股權結算以股份為基礎之付款開支	—	—
		770	759

三名（二零一四年：三名）最高薪人士之酬金介乎以下範圍：

		2015 二零一五年 Number of individuals 人數	2014 二零一四年 Number of individuals 人數
HK\$Nil to HK\$1,000,000	零港元至 1,000,000 港元	3	3

11. 本公司權益股東應佔虧損

截至二零一五年十二月三十一日止年度，本公司權益股東應佔綜合虧損包括已於本公司財務報表處理之虧損約人民幣10,333,000元（二零一四年：人民幣68,655,000元）。

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12. DIVIDENDS

No dividend has been proposed or declared by the directors for the year ended 31 December 2015 (2014: Nil).

13. LOSS PER SHARE

The basic and diluted loss per share is RMB20.49 cents per share (2014: RMB27.35 cents per share). The calculation of the basis loss per share for the year ended 31 December 2015 is based on the loss attributable to equity shareholders of the Company of approximately RMB235,943,000 and the weighted average number of shares of approximately 1,151,722,000 in issued during the year ended 31 December 2015. The calculation for diluted loss per share for the year ended 31 December 2015 is based on the loss attributable to equity shareholders of the Company of approximately RMB235,943,000 and the denominator used are the same as for the basic loss per share. Diluted loss per share attributable to equity shareholders of the Company for the years ended 31 December 2015 and 2014 is the same as the basic loss per share as the effect of potential ordinary shares from the exercise and conversion of share options and convertible bonds are anti-dilutive.

12. 股息

截至二零一五年十二月三十一日止年度，董事並無建議派付或宣派股息（二零一四年：無）。

13. 每股虧損

每股基本及攤薄虧損為每股人民幣20.49分（二零一四年：每股人民幣27.35分）。截至二零一五年十二月三十一日止年度之每股基本虧損乃根據於截至二零一五年十二月三十一日止年度本公司權益股東應佔虧損約人民幣235,943,000元及已發行股份加權平均數約1,151,722,000股計算得出。截至二零一五年十二月三十一日止年度之每股攤薄虧損乃根據本公司權益股東應佔虧損約人民幣235,943,000元計算得出，而用於計算之分母與每股基本虧損相同。截至二零一五年及二零一四年十二月三十一日止年度本公司權益股東應佔每股攤薄虧損與每股基本虧損相同，原因是來自行使及轉換購股權及可換股債券之潛在普通股具有反攤薄效應。

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14. SEGMENT REPORTING

The Group's operating segments are determined based on information reported to the chief operating decision maker (the "CODM"), being the Company's board of directors, for the purpose of resources allocation and performance assessment. The CODM reviews the Group's internal reporting, assesses the performance and allocates the resources of the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the performance of exploitation, liquefaction production and sale of natural gas in the PRC. Therefore, the CODM considers there is only one operating segment under the requirements of HKFRS 8 Operating Segments. In this regard, no segment information is presented.

Additional disclosure in relation to segment information is not presented as the CODM assess the performance of the sole operating segment identified based on the consistent information as disclosed in the consolidated financial statements.

The total segment result is equivalent to total comprehensive expense for the year as shown in the consolidated statement of profit or loss and other comprehensive income and the total segment assets and total segment liabilities are equivalent to total assets and total liabilities as shown in the consolidated statement of financial position.

(a) Geographical information

The Group principally operates in Hong Kong and the PRC.

14. 分部呈報

本集團的經營分部乃根據向首席營運決策人（「首席營運決策人」，即本公司董事會）就資源分配及表現評估而呈報的資料而釐定。鑑於本集團的所有活動均視為主要依賴於在中國開採、液化生產及銷售天然氣的表現，首席營運決策人從整體上來檢討本集團的內部呈報、評估本集團的表現及分配本集團資源。因此，首席營運決策人認為根據香港財務報告準則第8號經營分部的規定，本集團僅有一個經營分部。就此而言，並無呈列分部資料。

由於首席營運決策人根據綜合財務報表中披露的統一資料而評核已識別的唯一經營分部之表現，因此並無呈列有關分部資料的額外披露。

分部業績總額相等於綜合損益及其他全面收益表所示的本年度全面開支總額，而分部資產總值及分部負債總額則相等於綜合財務狀況表所示的總資產及總負債。

(a) 地理資料

本集團主要在香港及中國經營業務。

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14. SEGMENT REPORTING (Continued)

(a) Geographical information (Continued)

The Group's turnover from external customers and information about its non-current assets by geographical locations are detailed below:

		Turnover from external customers 來自外部客戶的營業額		Non-current assets* 非流動資產*	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Hong Kong	香港	—	—	1,175	1,485
PRC	中國	329,120	301,119	861,973	1,112,107
		329,120	301,119	863,148	1,113,592

* Non-current assets excluding deferred tax assets.

本集團按地理位置劃分的來自外部客戶的營業額及非流動資產的資料詳列如下：

14. 分部呈報 (續)

(a) 地理資料 (續)

本集團按地理位置劃分的來自外部客戶的營業額及非流動資產的資料詳列如下：

(b) Information about major customers

Turnover from customers of corresponding years contributing over 10% of total revenue of the Group is as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Customer A	客戶 A	N/A 不適用 ¹	54,019
Customer B	客戶 B	52,005	30,166
Customer C	客戶 C	65,322	39,619
Customer D	客戶 D	35,825	N/A 不適用 ¹
		153,152	123,804

1 The corresponding revenue did not contribute over 10% of the total turnover of the Group.

(b) 主要客戶的資料

相應年度貢獻之營業額超過本集團總收益 10% 的客戶如下：

1 貢獻之相應收益並未超過本集團總營業額的 10%。

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15. GOODWILL

15. 商譽

		RMB'000 人民幣千元
Cost:	成本：	
At 1 January 2014	於二零一四年一月一日及	
and 31 December 2014	二零一四年十二月三十一日	344,100
Acquisition of subsidiaries (Note 35)	收購附屬公司(附註35)	3,551
At 31 December 2015	於二零一五年十二月三十一日	347,651
Accumulated impairment losses:	累計減值虧損：	
At 1 January 2014	於二零一四年一月一日	239,802
Impairment loss	減值虧損	104,298
At 31 December 2014	於二零一四年十二月三十一日及	
and 1 January 2015	二零一五年一月一日	344,100
Impairment loss	減值虧損	3,551
At 31 December 2015	於二零一五年十二月三十一日	347,651
Carrying amount:	賬面值：	
At 31 December 2015	於二零一五年十二月三十一日	—
At 31 December 2014	於二零一四年十二月三十一日	—

16. IMPAIRMENT TESTING OF GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

The Group's coalbed methane exploration and development, natural gas liquefaction and LNG distribution operation is still under development and far behind the development schedule, the forecasted number of gas wells over the forecast period was reduced and selling price of the natural gas was dropped during the year. During the year ended 31 December 2015, the directors have reviewed goodwill, intangible assets and property, plant and equipment for impairment testing purpose.

16. 商譽、無形資產以及物業、機器及設備之減值測試

本集團之煤層氣勘探及開發、天然氣液化及液化天然氣分銷業務仍在發展中並遠落後於發展計劃，預測氣井數目於預測期間減少及年內之天然氣售價下跌。截至二零一五年十二月三十一日止年度，董事已就減值測試對商譽、無形資產以及物業、機器及設備進行檢討。

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16. IMPAIRMENT TESTING OF GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT (Continued)

Goodwill has been allocated for impairment testing purposes to the following CGU:

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Coalbed methane exploration and development, natural gas liquefaction and LNG distribution 煤層氣勘探及開發、天然氣液化及液化天然氣分銷	3,551	—

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below:

Coalbed methane exploration and development, natural gas liquefaction and LNG distribution

The recoverable amount of this CGU is determined based on value in use calculations with reference to an independent professional valuation. The key assumptions for the value in use calculations are those regarding the discount rate and growth in revenue and direct costs during the year. Management estimates the discount rate of 21% (2014: 21%) using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Changes in selling prices and direct costs are based on past experience and expectations of changes in the market.

The value in use calculations are derived from cash flow projections based on the most recent financial budgets for the next 5 years approved by management. Cash flows beyond the 5-year period have been extrapolated using a steady growth rate of 3% (2014: 3%) per annum which is based on industry growth forecasts.

16. 商譽、無形資產以及物業、機器及設備之減值測試 (續)

商譽分配予以下現金產生單位以進行減值測試：

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
煤層氣勘探及開發、天然氣液化及液化天然氣分銷	3,551	—

上述現金產生單位之可收回金額基準及其相關主要假設概述如下：

煤層氣勘探及開發、天然氣液化及液化天然氣分銷

本現金產生單位之可收回金額乃參考獨立專業估值根據使用價值計算。使用價值計算之主要假設乃指對本年度之貼現率、收益增長及直接成本之假設。管理層估計，貼現率為21% (二零一四年：21%)，乃使用反映目前貨幣時間價值之市場估計及現金產生單位之特定風險之除稅前利率計算。售價及直接成本之變動乃以過往經驗及市場預期變動為基準。

使用價值計算乃來自根據管理層批准之最新未來5年財務預算所獲得之現金流量預測。超逾5年期間之現金流量使用穩健之年增長率3% (二零一四年：3%) 推算，該年增長率乃以行業增長預測為基準。

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16. IMPAIRMENT TESTING OF GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT (Continued)

Coalbed methane exploration and development, natural gas liquefaction and LNG distribution (Continued)

Based on value in use calculation at 31 December 2015, the recoverable amount of this CGU was found to be less than its carrying amount. Accordingly, impairment losses on goodwill, intangible assets and property, plant and equipment allocated to this CGU of approximately RMB3,551,000, RMB97,864,000, RMB92,086,000 (2014: RMB104,298,000, RMB138,702,000 and RMB nil) respectively have been recognised in the consolidated statement of profit or loss for the year ended 31 December 2015.

Piped natural gas located in Guangxi

The recoverable amount of this CGU is determined based on value in use calculations with reference to an independent professional valuation. The key assumptions for the value in use calculations are those regarding the discount rate and growth in revenue and direct costs during the year. Management estimates the discount rate of 29% (2014: 22%) using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Change in selling prices and direct costs are based on past experience and expectations of changes in the market.

The value in use calculations are derived from cash flow projections based on the most recent financial budgets for the next 5 years approved by management. Cash flows beyond the 5-year period have been extrapolated using zero growth rate.

During the year ended 31 December 2015, based on value in use calculations at 31 December 2015, the recoverable amount of this CGU was found to be less than its carrying amount. Accordingly, the impairment loss on intangible assets of approximately RMB36,521,000 (2014: nil) has been recognised in the consolidated statement of profit or loss for the year ended 31 December 2015 (Note 19).

16. 商譽、無形資產以及物業、機器及設備之減值測試 (續)

煤層氣勘探及開發、天然氣液化及液化天然氣分銷 (續)

基於在二零一五年十二月三十一日進行之使用價值計算，發現本現金產生單位之可收回金額低於其賬面值。因此，分配至本現金產生單位之商譽、無形資產以及物業、機器及設備減值虧損分別約人民幣3,551,000元、人民幣97,864,000元及人民幣92,086,000元（二零一四年：人民幣104,298,000元、人民幣138,702,000元及人民幣零元）已於截至二零一五年十二月三十一日止年度之綜合損益表內確認。

位於廣西的管道天然氣

本現金產生單位之可收回金額乃參考獨立專業估值根據使用價值計算釐定。使用價值計算之主要假設乃指對本年度之貼現率、收益增長及直接成本之假設。管理層估計，貼現率為29%（二零一四年：22%），乃使用反映目前貨幣時間價值之市場估計及現金產生單位之特定風險之除稅前利率計算。售價及直接成本之變動乃以過往經驗及市場預期變動為基準。

使用價值計算乃來自根據管理層批准之最新未來5年財務預算所獲得之現金流量預測。超逾5年期間之現金流量使用零增長率為基準推算。

於截至二零一五年十二月三十一日止年度，根據二零一五年十二月三十一日之使用價值計算，此現金產生單位之可收回金額低於其賬面值。因此，無形資產之減值虧損約人民幣36,521,000元（二零一四年：無）已於截至二零一五年十二月三十一日止年度之綜合損益表內確認（附註19）。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、機器及設備

		Buildings		Pipelines	Plant and machinery	Computer equipment	Transportation		Construction in progress	Total
		held for own use	Leasehold improvements				Furniture and equipment	and motor vehicles		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost	原值									
At 1 January 2014	於二零一四年一月一日	131,640	636	162,724	476,769	293	2,727	36,640	85,824	897,253
Additions	添置	749	—	—	10,460	6	88	2,132	133,265	146,700
Transfer from construction in progress	從在建工程轉出	—	—	—	101,371	—	—	—	(101,371)	—
Disposals	出售	—	—	—	(724)	—	(374)	(3,643)	—	(4,741)
Exchange adjustments	匯兌調整	—	2	—	—	—	—	(1)	—	1
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及二零一五年一月一日	132,389	638	162,724	587,876	299	2,441	35,128	117,718	1,039,213
Acquisition of subsidiaries (Note 35)	收購附屬公司(附註35)	33,910	—	—	4,817	—	56	117	666	39,566
Additions	添置	—	—	—	2,569	17	151	2,618	62,754	68,109
Transfer from construction in progress	從在建工程轉出	5,547	—	6,604	24,218	—	—	—	(36,369)	—
Disposals	出售	(15,104)	—	—	—	—	—	(1,551)	—	(16,655)
Exchange adjustments	匯兌調整	—	37	—	—	2	6	88	—	133
At 31 December 2015	於二零一五年十二月三十一日	156,742	675	169,328	619,480	318	2,654	36,400	144,769	1,130,366
Accumulated depreciation and impairment	累計折舊及減值									
At 1 January 2014	於二零一四年一月一日	18,571	492	9,849	66,071	181	1,789	17,359	—	114,312
Charge for the year	本年度支出	6,446	144	6,033	37,186	49	352	5,272	—	55,482
Written back on disposals	出售撥回	—	—	—	(403)	—	(256)	(2,801)	—	(3,460)
Exchange adjustments	匯兌調整	—	2	—	—	—	—	—	—	2
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及二零一五年一月一日	25,017	638	15,882	102,854	230	1,885	19,830	—	166,336
Charge for the year	本年度支出	5,956	24	8,293	55,568	39	252	4,450	—	74,582
Impairment loss	減值虧損	54,772	—	5,779	23,554	—	—	687	7,294	92,086
Written back on disposals	出售撥回	(2,034)	—	—	—	—	—	(1,373)	—	(3,407)
Exchange adjustments	匯兌調整	—	13	—	—	2	6	67	—	88
At 31 December 2015	於二零一五年十二月三十一日	83,711	675	29,954	181,976	271	2,143	23,661	7,294	329,685
Carrying amount	賬面值									
At 31 December 2015	於二零一五年十二月三十一日	73,031	—	139,374	437,504	47	511	12,739	137,475	800,681
At 31 December 2014	於二零一四年十二月三十一日	107,372	—	146,842	485,022	69	556	15,298	117,718	872,877

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17. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Notes:

- (i) The buildings held for own use are situated on land held under medium-term leases in the PRC.
- (ii) The pipelines of the Group are located in the PRC.
- (iii) At 31 December 2015, the carrying amounts of the Group's pipelines pledged for the Group's bank borrowings were RMB nil (2014: approximately RMB24,813,000).
- (iv) At 31 December 2015, the Group's building held for own use and plant and machinery with carrying amount of approximately RMB60,447,000 (before impairment) (2014: RMB64,500,000) and RMB87,222,000 (before impairment) (2014: RMB97,700,000) respectively were pledged.
- (v) The carrying amount of the Group's assets held under finance leases at 31 December 2015 of approximately RMB87,222,000 (before impairment) was included in plant and machinery (2014: approximately RMB97,700,000).

17. 物業、機器及設備 (續)

附註：

- (i) 持作自用之樓宇位處中國按中期租約持有之土地上。
- (ii) 本集團之管道位於中國。
- (iii) 於二零一五年十二月三十一日，為本集團銀行借款而抵押之本集團管道之賬面值為人民幣零元（二零一四年：約人民幣24,813,000元）。
- (iv) 於二零一五年十二月三十一日，本集團持作自用之樓宇以及機器及機械之賬面值分別約人民幣60,447,000元（減值前）（二零一四年：人民幣64,500,000元）及人民幣87,222,000元（減值前）（二零一四年：97,700,000元）獲抵押。
- (v) 於二零一五年十二月三十一日，本集團根據融資租賃持有之資產之賬面值約人民幣87,222,000元（減值前）（二零一四年：約人民幣97,700,000元）計入機器及機械。

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18. PREPAID LEASE PAYMENTS FOR LAND UNDER OPERATING LEASES

The carrying amount of the Group's prepaid lease payments for land under operating leases is analysed as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日之賬面值	33,499	34,309
Acquisition of subsidiaries (Note 35)	收購附屬公司(附註35)	11,390	—
Amortisation for the year	本年度攤銷	(591)	(810)
Disposals	出售	(7,498)	—
Carrying amount at 31 December	於十二月三十一日之賬面值	36,800	33,499
Less: Current portion	減：即期部份	(863)	(810)
Non-current portion	非即期部份	35,937	32,689

The prepaid lease payments in respect of land under operating leases are held under medium-term leases and situated in the PRC.

At 31 December 2015, the Group's prepaid lease payments for land under operating leases with a carrying amount of approximately RMB17,609,000 (2014: RMB19,774,000) were pledged.

The amortisation charges for the year ended 31 December 2015 of approximately RMB154,000 (2014: RMB154,000) and RMB437,000 (2014: RMB656,000) are included in cost of sales and administrative expenses respectively in the consolidated statement of profit or loss.

18. 經營租約下預付土地租金

本集團經營租約下預付土地租金之賬面值分析如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日之賬面值	33,499	34,309
Acquisition of subsidiaries (Note 35)	收購附屬公司(附註35)	11,390	—
Amortisation for the year	本年度攤銷	(591)	(810)
Disposals	出售	(7,498)	—
Carrying amount at 31 December	於十二月三十一日之賬面值	36,800	33,499
Less: Current portion	減：即期部份	(863)	(810)
Non-current portion	非即期部份	35,937	32,689

經營租約下之預付土地租金乃按中期租約持有，其位於中國。

於二零一五年十二月三十一日，本集團經營租約下預付土地租金之賬面值約人民幣17,609,000元(二零一四年：人民幣19,774,000元)已獲抵押。

截至二零一五年十二月三十一日止年度攤銷支出約人民幣154,000元(二零一四年：人民幣154,000元)及人民幣437,000元(二零一四年：人民幣656,000元)分別於綜合損益表之銷售成本及行政開支列賬。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

19. INTANGIBLE ASSETS

19. 無形資產

		Exclusive right for piped natural gas operation 管道天然氣業務 之獨家權利 RMB'000 人民幣千元	Operating license for liquefied coalbed gas logistics 液化煤層氣 物流營運執照 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本			
At 1 January 2014, 31 December 2014 and 2015	於二零一四年一月一日、 二零一四年及二零一五年 十二月三十一日	334,811	97,300	432,111
Accumulated amortisation and impairment	累計攤銷及減值			
At 1 January 2014	於二零一四年一月一日	54,824	67,299	122,123
Impairment loss (Note 16)	減值虧損(附註16)	132,683	6,019	138,702
Amortisation for the year	本年度攤銷	10,165	19,460	29,625
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日 及二零一五年一月一日	197,672	92,778	290,450
Impairment loss (Note 16)	減值虧損(附註16)	132,238	2,147	134,385
Amortisation for the year	本年度攤銷	4,901	2,375	7,276
At 31 December 2015	於二零一五年十二月三十一日	334,811	97,300	432,111
Carrying amount At 31 December 2015	賬面值 於二零一五年十二月三十一日	—	—	—
At 31 December 2014	於二零一四年十二月三十一日	137,139	4,522	141,661

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19. INTANGIBLE ASSETS (Continued)

(a) Exclusive right for piped natural gas operation in Beiliu City

It represented the exclusive right to operate in gas pipeline infrastructure and provision of piped natural gas in Beiliu City, Guangxi Zhuang Autonomous Region, the PRC and is amortised as cost of sales on a straight-line basis over the estimated useful lives of 45 years.

(b) Exclusive right for piped natural gas operation in Ruyang County

It represented the exclusive right to operate in gas pipeline infrastructure and provision of piped natural gas in Ruyang County, Luoyang City, Henan Province, the PRC and is amortised as cost of sales on a straight-line basis over the estimated useful lives of approximately 28.5 years.

(c) Operating license for liquefied coalbed gas logistics

It represented the operating license for liquefied coalbed gas logistics in the PRC and is amortised as cost of sales on a straight-line basis over the estimated useful lives of 5 years.

19. 無形資產 (續)

(a) 在北流市經營管道天然氣業務之獨家權利

該權利指在中國廣西壯族自治區北流市經營燃氣管道基礎設施和提供管道天然氣之獨家權利，並按直線基準於估計可使用年期45年內作為銷售成本攤銷。

(b) 在汝陽縣經營管道天然氣業務之獨家權利

該權利指在中國河南省洛陽市汝陽縣經營燃氣管道基礎設施和提供管道天然氣之獨家權利，並按直線基準於估計可使用年期約28.5年內作為銷售成本攤銷。

(c) 液化煤層氣物流營運執照

該執照指在中國經營液化煤層氣物流之營運執照，並按直線基準於估計可使用年期5年內作為銷售成本攤銷。

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20. DEPOSITS AND PREPAYMENTS

20. 訂金及預付款項

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Warranty money paid for the acquisition of equipment under finance lease arrangements (note (i))	就融資租賃安排項下 收購設備支付之 保證金 (附註(i))	14,700	18,263
Other deposits for acquisition of interests in land (note (ii))	收購土地權益之 其他訂金 (附註(ii))	10,462	10,462
Prepayments (note (iii))	預付款項 (附註(iii))	1,368	37,640
		26,530	66,365

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20. DEPOSITS AND PREPAYMENTS (Continued)

Notes:

- (i) On 21 May 2012, 山西沁水順泰能源發展有限公司 (transliterated as Shanxi Qinshui Shuntai Energy Development Company Limited) (“Shanxi Qinshui”), a subsidiary of the Company, as lessee, entered into a conditional finance lease agreement in relation to the sale and lease of equipments with 中集融資租賃有限公司 (transliterated as CIMC Capital Ltd. (“CIMC”)), pursuant to which, (i) Shanxi Qinshui conditionally agreed to sell, and CIMC conditionally agreed to purchase certain liquefied natural gas equipments for a total consideration of RMB95,000,000; and (ii) Shanxi Qinshui conditionally agreed to lease from CIMC, and CIMC conditionally agreed to lease to Shanxi Qinshui, the said equipments for a total lease consideration of RMB114,570,000 for a term of 36 months by monthly installments inclusive of interest with a lump sum handling fee in the sum of RMB950,000. The lease consideration may be adjusted according to the floating lending interest rate to be promulgated by PBOC from time to time. Shanxi Qinshui agreed to provide a total sum of approximately RMB14,250,000 to CIMC as warranty money, which is repayable at the end of the lease period. This finance lease arrangement constituted a major transaction on the part of the Company under the GEM Listing Rules. The finance lease arrangement was approved by the shareholders by way of ordinary resolution at the extraordinary general meeting of the Company held on 27 May 2013.

20. 訂金及預付款項 (續)

附註：

- (i) 於二零一二年五月二十一日，本公司之附屬公司山西沁水順泰能源發展有限公司（「山西沁水」）（作為承租人）與中集融資租賃有限公司（「中集」）簽訂一份有關設備出售及租賃的有條件融資租賃協議，據此，(i)山西沁水有條件同意出售及中集有條件同意購買若干液化天然氣設備，總代價為人民幣95,000,000元；及(ii)山西沁水有條件同意向中集承租，而中集有條件同意向山西沁水出租上述設備，總租賃代價為人民幣114,570,000元，為期36個月（按月分期付款，包括利息），及一筆過手續費合共人民幣950,000元。租賃代價可根據中國人民銀行不時公佈的浮動借貸利率作出調整。山西沁水同意向中集提供總額約人民幣14,250,000元之保證金，該保證金須於租賃期結束時退還。根據創業板上市規則，該融資租賃安排構成本公司之主要交易。股東已於二零一三年五月二十七日舉行之本公司股東特別大會上以普通決議案批准該融資租賃安排。

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20. DEPOSITS AND PREPAYMENTS (Continued)

Notes: (Continued)

(i) (Continued)

On 28 January 2015, Shanxi Qinshui entered into a conditional finance lease agreement in relation to the sale and lease of equipments with CIMC (“2015 Finance Lease Arrangement”), pursuant to which, (i) Shanxi Qinshui conditionally agreed to sell and CIMC conditionally agreed to purchase the certain liquefied natural gas equipment (“Equipments”) for a total consideration of RMB98,000,000; and (ii) Shanxi Qinshui conditionally agreed to lease from CIMC, and CIMC conditionally agreed to lease to Shanxi Qinshui, the Equipments for a total lease consideration of approximately RMB114,836,000 for a term of 36 months by monthly installments inclusive of interest, with a lump sum handling fee in the sum of RMB980,000. The lease consideration may be adjusted according to the floating lending interest rate to be promulgated by PBC from time to time. Shanxi Qinshui shall pay an amount of RMB14,700,000 as warranty money to CIMC. The 2015 Finance Lease Arrangement constituted a major transaction on the part of the Company under the GEM Listing Rules. The 2015 Finance Lease Arrangement was approved by the shareholders by way of ordinary resolution at the special general meeting of the Company held on 30 March 2015.

- (ii) The balance represents deposits paid by the Group for the acquisition of interests in land located in the PRC which will be held for own use under operating leases.
- (iii) Included in prepayments as at 31 December 2014 was an amount of approximately RMB36,091,000 representing prepayment for acquisition of equipment under a finance lease arrangement.

20. 訂金及預付款項 (續)

附註：(續)

(i) (續)

於二零一五年一月二十八日，山西沁水就銷售及租賃設備與中集簽訂有條件融資租賃協議（「二零一五年融資租賃協議」），據此，(i)山西沁水有條件同意出售而中集有條件同意購買若干液化天然氣設備（「設備」），總代價為人民幣98,000,000元；及(ii)山西沁水有條件同意向中集承租，而中集有條件同意向山西沁水出租設備，總租賃代價約為人民幣114,836,000元，為期36個月（按月分期付款，包括利息），另加一筆過手續費合共人民幣980,000元。租賃代價可根據中國人民銀行不時頒佈的浮動借貸利率作出調整。山西沁水須向中集支付人民幣14,700,000元作為保證金。根據創業板上市規則，二零一五年融資租賃協議構成本公司的一項主要交易。股東已於二零一五年三月三十日舉行之本公司股東特別大會上以普通決議案批准二零一五年融資租賃協議。

- (ii) 該結餘指本集團就收購位於中國的土地之權益支付之訂金，該土地將根據經營租約持作自用。
- (iii) 二零一四年十二月三十一日之預付款項包括約人民幣36,091,000元就融資租賃安排項下收購設備之預付款項。

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21. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the Company's principal subsidiaries at 31 December 2015 are as follows:

21. 本公司主要附屬公司之詳情

於二零一五年十二月三十一日，本公司主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立地點/ 經營地點	Particulars of issued and paid-up share /registered capital 已發行及 繳付股本/ 註冊資本詳情	Proportion of ownership interest 股權比例		Principal activities 主要業務	
			Group's effective interest 本集團 實際權益	Direct Indirect 直接 間接		
山西陽城順泰能源發展有限公司 (transliterated as Shanxi Yangcheng Shuntai Energy Development Company Limited) ("Shanxi Yangcheng Shuntai") (notes (a) and (e)) (「山西陽城順泰」) (附註(a)及(e))	PRC 中國	Registered capital of HK\$85,000,000 註冊資本 85,000,000港元	100%	100%	—	Investment holding 投資控股
Shanxi Qinshui (notes (a) and (d)) 山西沁水(附註(a)及(d))	PRC 中國	Registered capital of HK\$240,000,000 註冊資本240,000,000港元	100%	100%	—	Manufacture and sales of liquefied coalbed gas 生產及銷售液化煤層氣
Sino Treasure Global Group Limited	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	1 ordinary share of 1 United States dollar ("US\$") 1股面值1美元(「美元」) 之普通股	100%	100%	—	Investment holding 投資控股
Allied Rich Management Limited 聯富管理有限公司	BVI 英屬處女群島	3,000 ordinary shares of US\$1 each 3,000股每股面值1美元 之普通股	100%	—	100%	Investment holding 投資控股
山西聯富商務服務有限公司 (transliterated as Shanxi Allied Rich Services Limited) (note (a)) (附註(a))	PRC 中國	Registered capital of RMB5,000,000 註冊資本 人民幣5,000,000元	100%	—	100%	Investment holding 投資控股

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21. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(Continued)

21. 本公司主要附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立地點/ 經營地點	Particulars of issued and paid-up share /registered capital 已發行及 繳付股本/ 註冊資本詳情	Group's effective interest 本集團 實際權益	Proportion of ownership interest 股權比例		Principal activities 主要業務
				Direct 直接	Indirect 間接	
廣西北流燃氣有限公司 (transliterated as Guangxi Beiliu Gas Company Limited) (note (b)) (附註(b))	PRC 中國	Registered capital of RMB20,000,000 註冊資本 人民幣20,000,000元	97.5%	—	97.5%	Sales of piped natural gas and provision of gas supply connection services 銷售管道天然氣及提供 供氣接駁服務
Hebei Shuntai (note (a)) 河北順泰 (附註(a))	PRC 中國	Registered capital of RMB87,280,000 註冊資本 人民幣87,280,000元	100%	100%	—	Sales of liquefied coalbed gas 銷售液化煤層氣
萬志投資有限公司 (transliterated as Million Ideas Investments Limited)	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元 之普通股	100%	100%	—	Investment holding 投資控股
山西萬志商務服務有限公司 (transliterated as Shanxi Wanzhi Business Services Limited) (note (a)) (附註(a))	PRC 中國	Registered capital of RMB500,000 註冊資本 人民幣500,000元	100%	—	100%	Investment holding 投資控股
山西萬志物流有限公司 (transliterated as Shanxi Wanzhi Logistics Limited) ("Wanzhi Logistics") (note (c)) (「萬志物流」)(附註(c))	PRC 中國	Registered capital of RMB60,000,000 註冊資本 人民幣60,000,000元	83%	—	83%	Provision of liquefied coalbed gas logistics services 提供液化煤層氣物流服務
Wealthy Talent Global Investments Limited	BVI 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	100%	100%	—	Investment holding 投資控股
Hong Kong Chung Wo Energy Investments Limited 香港中和能源產業投資有限公司	Hong Kong 香港	HK\$1 1港元	100%	—	100%	Investment holding 投資控股

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21. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(Continued)

21. 本公司主要附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立地點/ 經營地點	Particulars of issued and paid-up share /registered capital 已發行及 繳付股本/ 註冊資本詳情	Group's effective interest 本集團 實際權益	Proportion of ownership interest 股權比例		Principal activities 主要業務
				Direct 直接	Indirect 間接	
洛陽順和能源有限公司 (transliterated as Luoyang Shunhe Energy Company Limited) ("Luoyang Shunhe") note (b)) (「洛陽順和」)(附註(b))	PRC 中國	Registered capital of HK\$60,000,000 註冊資本 60,000,000港元	100%	—	100%	Sales of natural gas 天然氣銷售
陽城縣惠陽新能源有限公司 (transliterated as Yangcheng Huiyang New Energy Development Company Limited) ("Yangcheng Huiyang") note (b)) (「陽城惠陽」)(附註(b))	PRC 中國	Registered capital of RMB30,000,000 註冊資本 人民幣30,000,000元	60%	—	60%	Exploration, development and production of coalbed methane 勘探、開發及生產煤層氣
陽城縣順安集輸管道有限公司 (transliterated as Yangcheng Shun An Gathering Pipeline Company Limited) note (a)) (附註(a))	PRC 中國	Registered capital of RMB10,000,000 註冊資本 人民幣10,000,000元	100%	—	100%	Gas distribution 天然氣分銷
獻縣聯順能源有限公司 (transliterated as Xian County Lian Shun Energy Development Company Limited) note (a)) (附註(a))	PRC 中國	Registered capital of RMB1,000,000 註冊資本 人民幣1,000,000元	100%	—	100%	Sales of liquefied coalbed gas 液化煤層氣銷售
諾信(獻縣)機械工程材料有限公司 (transliterated as Nuoxin (Xian County) Engineering Materials Company Limited) ("Nuoxin Engineering") (「諾信」)	PRC 中國	Registered capital of RMB47,564,900 註冊資本 人民幣47,564,900元	100%	—	100%	Manufacturing and sales of PE gas pipelines 生產及銷售聚乙烯供氣管道

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21. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes:

- (a) Registered under the laws of the PRC as a wholly-owned foreign enterprise.
- (b) Registered under the laws of the PRC as a limited liability enterprise.
- (c) Registered under the laws of the PRC as a Sino-foreign equity joint venture.
- (d) The registered capital of Shanxi Qinshui was HK\$300,000,000, of which HK\$240,000,000 (2014: HK\$240,000,000) has been paid up as at 31 December 2015.
- (e) The registered capital of Shanxi Yangcheng Shuntai was HK\$300,000,000, of which HK\$85,000,000 (2014: HK\$85,000,000) has been paid up as at 31 December 2015.

The Group had no subsidiaries which have material non-controlling interests for the years ended 31 December 2015 and 2014.

21. 本公司主要附屬公司之詳情 (續)

董事認為上述本公司附屬公司為主要影響本集團業績或資產者。董事認為，提供其他附屬公司之詳情會導致篇幅過於冗長。

附註：

- (a) 根據中國法律註冊為外商獨資企業。
- (b) 根據中國法律註冊為有限責任企業。
- (c) 根據中國法律註冊為中外合資企業。
- (d) 山西沁水之註冊資本為300,000,000港元，其中240,000,000港元（二零一四年：240,000,000港元）已於二零一五年十二月三十一日繳付。
- (e) 山西陽城順泰之註冊資本為300,000,000港元，其中85,000,000港元（二零一四年：85,000,000港元）已於二零一五年十二月三十一日繳付。

本集團於截至二零一五年及二零一四年十二月三十一日止年度並無擁有重大非控股權益之附屬公司。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

22. 按公平值計入損益之金融資產

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Financial assets at fair value through profit or loss:	按公平值計入損益之金融資產：		
— Unlisted investment fund outside Hong Kong	— 香港境外非上市投資基金	200	200

23. INVENTORIES

23. 存貨

(a) Inventories in the consolidated statement of financial position comprise:

(a) 於綜合財務狀況表內之存貨包括：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Raw materials	原材料	5,477	5,192
Finished goods	製成品	2,575	4,641
		8,052	9,833

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

(b) 已確認為開支並計入損益之存貨金額之分析如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Cost of inventories sold	已售存貨之成本	205,950	158,312

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24. TRADE AND OTHER RECEIVABLES

24. 應收賬款及其他應收款項

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Trade receivables	應收賬款	16,950	17,795
Less: Allowance for doubtful debts	減：呆賬撥備	(7,744)	(5,353)
		9,206	12,442
Amount due from a director (Note 40(b)(ii))	應收董事款項 (附註40(b)(ii))	—	3,536
Bills receivables	應收票據	745	—
Deposits and other receivables	訂金及其他應收款項	17,784	14,781
Amounts due from related companies (Note 40(b)(i))	應收關連公司款項 (附註40(b)(i))	7,261	11,095
Loans and receivables	貸款及應收款項	34,996	41,854
Advances to suppliers	向供應商墊款	4,081	2,848
Prepayment relating to construction expenses	與建設開支有關之 預付款項	42,828	44,978
Other prepayments	其他預付款項	25,715	18,616
Other taxes recoverable	其他可收回稅項	4,152	4,474
		111,772	112,770

All of the trade and other receivables are expected to be recovered or recognised as expenses within one year.

預期所有應收賬款及其他應收款項將於一年內收回或確認為開支。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

24. TRADE AND OTHER RECEIVABLES

(Continued)

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of the trade receivables, based on invoice date and net of allowance for doubtful debts, is as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Within 1 month	1 個月內	5,500	11,133
More than 1 month but less than 3 months	1 個月後但 3 個月內	1,602	179
More than 3 months but less than 6 months	3 個月後但 6 個月內	995	—
More than 6 months but less than 12 months	6 個月後但 12 個月內	587	—
More than 12 months	12 個月後	522	1,130
		9,206	12,442

The Group generally allows credit period of 30 to 180 days to its customers. The Group may, on a case by case basis and after evaluation of the business relationship and creditworthiness, extend the credit period upon the customers' requests.

24. 應收賬款及其他應收款項 (續)

(a) 賬齡分析

應收賬款（按發票日期及扣除呆賬撥備）於報告期末之賬齡分析如下：

本集團一般給予客戶 30 至 180 日信貸期。本集團可按每個個案及於評估業務關係及信譽後，應客戶要求延長信貸期。

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24. TRADE AND OTHER RECEIVABLES

(Continued)

(b) Impairment of trade and other receivables

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly (see note 2 (j)).

The movement in the allowance for doubtful debts for trade receivables during the year is as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
At 1 January	於一月一日	5,353	5,562
Reversal of impairment loss recognised	撥回已確認減值虧損	—	(209)
Impairment loss recognised	已確認減值虧損	2,391	—
At 31 December	於十二月三十一日	7,744	5,353

At 31 December 2015, the Group's trade receivables of approximately RMB7,744,000 (2014: RMB5,353,000) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that the receivables were not recoverable. Consequently, specific allowance for doubtful debts were recognised.

24. 應收賬款及其他應收款項 (續)

(b) 應收賬款及其他應收款項之減值

應收賬款之減值虧損乃採用撥備賬記錄，惟本集團信納收回款項的可能性極微除外，在此情況下，減值虧損直接與應收賬款撇銷（見附註2(j)）。

年內應收賬款之呆賬撥備之變動如下：

於二零一五年十二月三十一日，本集團之應收賬款約為人民幣7,744,000元（二零一四年：人民幣5,353,000元）乃個別釐定為減值。個別減值之應收款項與陷入財務困難之客戶有關，且管理層估計有關應收款項不可收回。因此，已就呆賬確認特別撥備。

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24. TRADE AND OTHER RECEIVABLES

(Continued)

(b) Impairment of trade and other receivables

(Continued)

During the year ended 31 December 2014, impairment loss on other receivables of the Group of approximately RMB340,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2014. The individually impaired other receivables of the Group relate to other debtors that were in financial difficulties and is not expected to be recoverable.

The Group do not hold any collateral or other credit enhancement over their other receivable balances.

(c) Trade receivables that are not impaired

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

24. 應收賬款及其他應收款項 (續)

(b) 應收賬款及其他應收款項之減值 (續)

截至二零一四年十二月三十一日止年度，本集團其他應收款項之減值虧損約人民幣340,000元已於截至二零一四年十二月三十一日止年度之綜合損益表內確認。本集團個別減值之其他應收款項與陷入財務困難之其他債務人有關，預期有關款項不可收回。

本集團並無就該等其他應收款項結餘持有任何抵押品或其他信貸增級工具。

(c) 未減值應收賬款

被認為未個別及共同減值的應收賬款之賬齡分析如下：

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Neither past due nor impaired 未逾期及未減值	8,097	11,312
Less than 1 month past due 逾期少於1個月	476	—
1 to 3 months past due 逾期1至3個月	—	—
Over 3 months past due 逾期超過3個月	633	1,130
	1,109	1,130
	9,206	12,442

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24. TRADE AND OTHER RECEIVABLES

(Continued)

(c) Trade receivables that are not impaired

(Continued)

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to independent customers that have a good track record with the Group. Based on past experience, management believed that no impairment allowance was necessary in respect of this balance as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group did not hold any collateral over these balances.

24. 應收賬款及其他應收款項 (續)

(c) 未減值應收賬款 (續)

未逾期及未減值的應收款項涉及眾多客戶，該等客戶最近均無拖欠記錄。

已逾期但尚未減值之應收款項與於本集團擁有良好往績記錄之獨立客戶有關。根據過往經驗，管理層相信由於信貸質素並無重大變動，且有關結餘仍被視為可全數收回，故毋須就有關結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

25. CASH AND CASH EQUIVALENTS

25. 現金及現金等值物

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等值物		
— Cash at bank and in hand	— 銀行及手頭現金	45,437	43,930

Cash at bank earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB amounted to approximately RMB33,565,000 (2014: RMB22,172,000). RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於銀行之現金根據銀行每日存款利率按浮動利率賺取利息。銀行結餘存放於信譽良好及最近並無拖欠記錄的銀行。

於報告期末，本集團以人民幣計值的現金及現金等值物約為人民幣33,565,000元（二零一四年：人民幣22,172,000元）。人民幣不可自由兌換成其他貨幣，但根據中國之外匯管理條例和結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行把人民幣兌換成其他貨幣。

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26. TRADE AND OTHER PAYABLES

26. 應付賬款及其他應付款項

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Trade payables	應付賬款	130,059	82,616
Amounts due to directors (Note 40(b)(iii))	應付董事款項 (附註40(b)(iii))	14,628	974
Amounts due to non-controlling shareholders of subsidiaries (Note 40(b)(iii))	應付附屬公司之 非控股股東款項 (附註40(b)(iii))	7,497	8,987
Accrued expenses and other payables	應計開支及 其他應付款項	33,838	47,718
Payables for acquisition of property, plant and equipment	收購物業、機器及 設備應付款項	157,642	221,210
Financial liabilities measured at amortised cost	按攤銷成本計量之 金融負債	343,664	361,505
Deposits received from customers	向客戶收取訂金	16,937	14,980
Other taxes payables	其他應繳稅項	4,153	3,578
		364,754	380,063

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26. TRADE AND OTHER PAYABLES (Continued)

As of the end of the reporting period, the ageing analysis of the trade payables, based on invoice date, is as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Within 1 month	1個月內	4,002	13,362
More than 1 month but less than 3 months	1個月後但3個月內	244	17,260
More than 3 months but less than 6 months	3個月後但6個月內	59,291	9,578
More than 6 months but less than 12 months	6個月後但12個月內	65,985	21,380
More than 12 months	12個月後	537	21,036
		130,059	82,616

The trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

27. BANK AND OTHER BORROWINGS

As at 31 December 2015, the bank and other loans were repayable as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Secured bank loans	有抵押銀行貸款	—	33,000
Unsecured other loans	無抵押其他貸款	43,080	54,500
		43,080	87,500
Analysed as:	分析如下：		
Amount due within 1 year shown under current liabilities	流動負債下一年內到期 之款項	43,080	87,500

26. 應付賬款及其他應付款項 (續)

於報告期末，應付賬款（按發票日期）之賬齡分析如下：

應付賬款及其他應付款項預期將於一年內清償或確認為收入或須按的要求償還。

27. 銀行及其他借款

於二零一五年十二月三十一日，應償還的銀行及其他貸款如下：

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

27. BANK AND OTHER BORROWINGS

(Continued)

Notes:

- (a) At 31 December 2014, secured bank loans bore interest at fixed interest rates ranging from 7.20% to 9.98% per annum.

As at 31 December 2014, bank borrowing of RMB3,000,000 was secured by the Group's property, plant and equipment with carrying amount of approximately RMB24,813,000. The remaining bank borrowings RMB30,000,000 were secured by the Group's land use right with carrying amount of approximately RMB1,747,000; personal guarantee provided by Mr. Wang; and the pledge of certain plant and equipment of Nuoxin Engineering. Nuoxin Engineering was a company owned by Mr. Wang. During the year ended 31 December 2015, the Group completed the acquisition of Nuoxin Engineering from Mr. Wang (Note 35), and accordingly Nuoxin Engineering became a wholly-owned subsidiary of the Group.

- (b) Unsecured other loans represent loans due to non-controlling shareholders of PRC subsidiaries of the Group and bear interest at fixed rates ranging from 7.12% to 11.50% (2014: 7.12% to 11.50%) per annum. Interest expenses on unsecured other loans to non-controlling shareholders of the subsidiaries amounted to approximately RMB2,506,000 (2014: RMB3,118,000) to Chengrong Investment (Note 40 (a)) and amounted to approximately RMB1,588,000 (2014: RMB2,535,000) to Yangcheng Yangtai (Note 40 (a)) were charged to profit or loss within "finance costs" during the year ended 31 December 2015.

27. 銀行及其他借款 (續)

附註：

- (a) 於二零一四年十二月三十一日，有抵押銀行貸款按介乎每年7.20%至9.98%之固定利率計息。

於二零一四年十二月三十一日，銀行借款人民幣3,000,000元以本集團賬面值約為人民幣24,813,000元之物業、機器及設備作抵押。其餘銀行借款人民幣30,000,000元乃由本集團賬面值約為人民幣1,747,000元的土地使用權；王先生提供的個人擔保；及以諾信之若干機器及設備作為抵押。諾信為王先生擁有之公司。截至二零一五年十二月三十一日止年度，本集團已完成向王先生收購諾信（附註35），因此諾信已成為本集團之全資附屬公司。

- (b) 無抵押其他貸款指應付本集團中國附屬公司非控股股東之貸款，按介乎每年7.12%至11.50%（二零一四年：7.12%至11.50%）之固定利率計息。向附屬公司非控股股東盛融投資（附註40(a)）及陽城陽泰（附註40(a)）作出之無抵押其他貸款之利息開支分別為約人民幣2,506,000元（二零一四年：人民幣3,118,000元）及約人民幣1,588,000元（二零一四年：人民幣2,535,000元），已自截至二零一五年十二月三十一日止年度損益內之「財務費用」扣除。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

28. OBLIGATIONS UNDER FINANCE LEASES

At 31 December 2015, the Group had obligations under finance leases repayable as follows:

28. 融資租約承擔

於二零一五年十二月三十一日，本集團擁有以下應償付的融資租約承擔：

		2015 二零一五年		2014 二零一四年	
		Present value of the minimum lease payments 最低租賃 付款的現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元	Present value of the minimum lease payments 最低租賃 付款的現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元
Within 1 year	1年內	31,985	37,675	29,145	30,935
After 1 year but within 2 years	1年後但2年內	35,210	37,675	1,255	1,267
After 2 years but within 5 years	2年後但5年內	6,205	6,280	—	—
		73,400	81,630	30,400	32,202
Less: Total future interest expenses	減：未來利息 開支總額		(8,230)		(1,802)
Present value of lease obligations	租約承擔的現值		73,400		30,400

The Group leases certain equipment for its operations under the finance lease arrangements as detailed in note 20. These leases are classified as finance leases and have remaining lease term of 26 (2014: 1 to 13) months.

本集團根據融資租約安排租賃若干設備用於業務營運，詳情載於附註20。該等租約乃分類為融資租約，剩餘租期為26個月（二零一四年：1至13個月）。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

29. CONVERTIBLE BONDS

During the year, the Company issued HK\$ denominated zero-coupon convertible bonds with principal amount of approximately HK\$21,238,400 as part of the consideration for acquisition of the Nuoxin Engineering Group (Note 35). The convertible bonds have a maturity period of 5 years from the issue date and are convertible at the option of the bondholder into 94,142,021 ordinary shares of HK\$0.01 each in the capital of the Company at a conversion price of HK\$0.2256 per share.

The convertible bonds contain two components: liability and equity elements. The equity element on initial recognition amounted to approximately RMB10,544,000 was presented in equity as part of the “convertible bonds reserve”. The effective interest rate of the liability component of the convertible bonds on initial recognition was 23.4% per annum.

No convertible bonds were converted during the year ended 31 December 2015.

29. 可換股債券

年內，本公司發行以港元計值、本金額約為21,238,440港元之零息可換股債券，以作為收購諾信集團之部份代價（附註35）。可換股債券自發行日期起計五年屆滿，且債券持有人可選擇按換股價每股0.2256港元轉換為本公司股本中每股面值0.01港元之94,142,021股普通股。

可換股債券包含兩個部份：負債及權益部份。初步確認時權益部份約為人民幣10,544,000元，於權益內列作「可換股債券儲備」之一部份。初步確認時可換股債券負債部分之實際年利率為23.4%。

於截至二零一五年十二月三十一日止年度，概無可換股債券獲轉換。

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29. CONVERTIBLE BONDS (Continued)

The movement of the liability component of the convertible bonds for the year is set out below:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
At 1 January	於一月一日	—	—
Issued during the year	於年內已發行	6,173	—
Effective interest expense charged	已扣除之實際利息開支	77	—
Exchange difference	匯兌差額	54	—
At 31 December	於十二月三十一日	6,304	—

29. 可換股債券 (續)

可換股債券負債部份於年內之變動載列如下：

30. PROVISION

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
At 1 January	於一月一日	4,546	3,430
Provision for the year	年內撥備	2,959	2,619
Amount utilised for the year	年內動用之款項	(893)	(1,503)
At 31 December	於十二月三十一日	6,612	4,546

The provision for production safety has been determined by the directors to meet the production safety standards.

30. 撥備

生產安全撥備乃由董事釐定，以符合生產安全標準。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

31. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

- (a) Current income tax recognised in the consolidated statement of financial position and the movements during the year is as follows:

31. 綜合財務狀況表內之所得稅

- (a) 綜合財務狀況表內確認之即期所得稅及其年內變動如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
PRC EIT			
	中國企業所得稅		
At 1 January	於一月一日	(901)	(11,671)
Provision for the year	本年度撥備	(2,310)	(747)
Under-provision in respect of prior years	過往年度撥備不足	—	(540)
EIT paid for the year	本年度已繳付企業所得稅	1,749	12,057
At 31 December	於十二月三十一日	(1,462)	(901)
Income tax recoverable recognised in the consolidated statement of financial position	於綜合財務狀況表內確認之可收回所得稅	2,000	2,000
Income tax payable recognised in the consolidated statement of financial position	於綜合財務狀況表內確認之應付所得稅	(3,462)	(2,901)
Net tax payable	應付稅項淨額	(1,462)	(901)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

31. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

(b) Deferred tax assets and liabilities recognised

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

31. 綜合財務狀況表內之所得稅

(續)

(b) 已確認遞延稅項資產及負債

綜合財務狀況表中確認的遞延稅項資產 / (負債) 之部份及其於年內的變動載列如下：

		Fair value adjustment on prepaid lease	Fair value adjustment on property, plant and equipment	Fair value adjustment on operating leases	Fair value adjustment on intangible assets	Convertible bonds	Withholding tax	Others	Total
		經營租約下 物業、機器及設備之 公平值調整	預付土地 租金之 公平值調整	無形資產之 公平值調整	可換股債券	預扣稅	其他	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
At 1 January 2014	於二零一四年一月一日	118	(640)	(77,497)	—	(3,445)	(796)	(82,260)	
Credited/(charged) to profit or loss	計入 / (扣除自) 損益	(108)	11	42,082	—	(2,651)	277	39,611	
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及二零一五年一月一日	10	(629)	(35,415)	—	(6,096)	(519)	(42,649)	
Credited/(charged) to profit or loss	計入 / (扣除自) 損益	(118)	61	35,415	13	994	236	36,601	
Credited/(charged) to equity	計入 / (扣除自) 權益	—	—	—	(1,892)	—	—	(1,892)	
Acquisition of subsidiaries (Note 35)	收購附屬公司 (附註 35)	(3,577)	(1,924)	—	—	—	—	(5,501)	
Exchange differences	匯兌差額	—	—	—	(15)	—	—	(15)	
At 31 December 2015	於二零一五年十二月三十一日	(3,685)	(2,492)	—	(1,894)	(5,102)	(283)	(13,456)	

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31. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

(b) Deferred tax assets and liabilities recognised

(Continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表內 確認之遞延稅項資產	58	88
Deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表內確 認之遞延稅項負債	(13,514)	(42,737)
		(13,456)	(42,649)

(c) Deferred tax assets not recognised

At 31 December 2015, the Group has not recognised deferred tax assets in respect of estimated cumulative tax losses carried forward of approximately RMB50 million (2014: RMB56 million) is due to expire within 1 to 5 years under the current tax legislation for offsetting against future taxable profits of the Group in which the losses arise. The cumulative tax losses have not been recognised as a deferred tax asset as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

31. 綜合財務狀況表內之所得稅

(續)

(b) 已確認遞延稅項資產及負債

(續)

下列為就財務報告而言的遞延稅項結餘分析：

(c) 尚未確認之遞延稅項資產

於二零一五年十二月三十一日，本集團並未確認與結轉估計累計稅項虧損（其根據當前稅法將於產生虧損之一至五年內到期，以抵銷本集團日後之應課稅溢利）約人民幣50,000,000元（二零一四年：人民幣56,000,000元）有關的遞延稅項資產。累計稅項虧損並未被確認為遞延稅項資產，乃由於在相關稅務司法權區及實體不大可能有可抵銷虧損之未來應課稅溢利。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

32. CAPITAL AND RESERVES

(a) Authorised and issued share capital

		2015 二零一五年		2014 二零一四年	
		Number of shares 股份數目 '000 千股	Amount 金額 RMB'000 人民幣千元	Number of shares 股份數目 '000 千股	Amount 金額 RMB'000 人民幣千元
Authorised ordinary shares of HK\$0.01 each:	每股面值0.01港元之法定普通股：				
At 1 January and 31 December	於一月一日及十二月三十一日	20,000,000	174,064	20,000,000	174,064
Issued and fully paid – Ordinary shares of HK\$0.01 each:	已發行及繳足—每股面值0.01港元之普通股：				
At 1 January	於一月一日	1,141,480	9,432	5,461,736	47,333
Issue of consideration shares (note (i))	發行代價股份(附註(i))	178,004	1,478	—	—
Issue of shares by share placement (note (i))	透過股份配售發行股份(附註(i))	—	—	880,000	6,924
Open Offer (note (i))	公开发售(附註(i))	—	—	3,170,868	24,923
Capital Reorganisation (note (ii))	股本重組(附註(ii))	—	—	(8,561,344)	(71,262)
Issue of shares by share subscription (note (i))	透過股份認購發行股份(附註(i))	—	—	190,220	1,514
At 31 December	於十二月三十一日	1,319,484	10,910	1,141,480	9,432

The holders of ordinary shares are entitled to receive dividends as declared from time to time and entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息及於本公司會議上享有每股一票之投票權。所有普通股對本公司之剩餘資產均享有相等權益。

32. 資本及儲備

(a) 法定及已發行股本

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

32. CAPITAL AND RESERVES (Continued)

(a) Authorised and issued share capital

(Continued)

(i) Issue of ordinary shares

Year ended 31 December 2015

- On 12 December 2015, the Company issued 178,004,166 ordinary shares of HK0.01 each to Mr. Wang as part of the consideration for the Nuoxin Engineering Acquisition during the year (Note 35).

Year ended 31 December 2014 and prior to the Share Consolidation set out in note (ii) below

- On 20 December 2013, Mr. Wang and the placing agent entered into a placing agreement, and the Company and Mr. Wang entered into the subscription agreement, pursuant to which (i) the placing agent has agreed to place, on behalf of Mr. Wang and on a best effort basis, an aggregate of up to 880,000,000 existing shares (beneficially owned by Mr. Wang) to not less than six placees at the placing price of HK\$0.092 per placing share; and (ii) Mr. Wang has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue and allot, the subscription shares at the subscription price of HK\$0.092 per subscription share.

32. 資本及儲備 (續)

(a) 法定及已發行股本 (續)

(i) 發行普通股

截至二零一五年十二月三十一日止年度

- 於二零一五年十二月十二日，本公司已向王先生發行178,004,166股每股面值0.01港元之普通股，以作為於年內進行的諾信收購事項之部份代價（附註35）。

截至二零一四年十二月三十一日止年度及股份合併前（載於下文附註(iii)）

- 於二零一三年十二月二十日，王先生與配售代理訂立配售協議，而本公司與王先生則訂立認購協議，據此(i)配售代理已同意代表王先生，按盡力基準向不少於六名承配人配售合共最多880,000,000股現有股份（由王先生實益擁有），配售價為每股配售股份0.092港元；及(ii)王先生已有條件同意認購，而本公司已有條件同意發行及配發認購股份，認購價為每股認購股份0.092港元。

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32. CAPITAL AND RESERVES (Continued)

(a) Authorised and issued share capital

(Continued)

(i) Issue of ordinary shares (Continued)

Year ended 31 December 2014 and prior to the Share Consolidation set out in note (ii) below

(Continued)

The placing was completed on 30 December 2013 in accordance with the placing agreement. An aggregate of 880,000,000 placing shares have been successfully placed to not less than six placees who are independent third parties, at the placing price of HK\$0.092 per placing share.

On 3 January 2014, 880,000,000 subscription shares were allotted and issued to Mr. Wang at the subscription price of HK\$0.092 per subscription share pursuant to the subscription agreement dated 20 December 2013. The net proceeds from the subscription are approximately HK\$79,658,000 (equivalent to approximately RMB62,700,000).

32. 資本及儲備 (續)

(a) 法定及已發行股本 (續)

(i) 發行普通股 (續)

截至二零一四年十二月三十一日止年度及股份合併前(載於下文附註(ii))(續)

配售已按照配售協議於二零一三年十二月三十日完成。合共880,000,000股配售股份已按照配售價每股配售股份0.092港元成功配售予不少於六名屬獨立第三方之承配人。

於二零一四年一月三日，已根據日期為二零一三年十二月二十日之認購協議，按認購價每股認購股份0.092港元配發及發行880,000,000股認購股份予王先生。認購事項之所得款項淨額約為79,658,000港元(相當於約人民幣62,700,000元)。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

32. CAPITAL AND RESERVES (Continued)

(a) Authorised and issued share capital

(Continued)

(i) Issue of ordinary shares (Continued)

Year ended 31 December 2014 and after the Share Consolidation set out in note (ii) below

- An aggregate of 3,170,867,896 shares of the Company were allotted on 6 February 2014 pursuant to an open offer of 3,170,867,896 new shares of HK\$0.01 each on the basis of one offer share for every two existing shares held on the record date at the open offer price of HK\$0.04 per offer share ("Open Offer"). The net proceeds from the Open Offer are approximately HK\$123,405,000 (equivalent to approximately RMB97,000,000).

32. 資本及儲備 (續)

(a) 法定及已發行股本 (續)

(i) 發行普通股 (續)

截至二零一四年十二月三十一日止年度及股份合併後 (載於下文附註(ii))

- 本公司已於二零一四年二月六日根據於記錄日期每持有兩股現有股份獲發一股發售股份之基準按公開發售價每股發售股份0.04港元公開發售3,170,867,896股每股面值0.01港元之新股份 (「公開發售」)，配發合共3,170,867,896股本公司股份。公開發售之所得款項淨額約為123,405,000港元 (相當於約人民幣97,000,000元)。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

32. CAPITAL AND RESERVES (Continued)

(a) Authorised and issued share capital

(Continued)

(i) Issue of ordinary shares (Continued)

Year ended 31 December 2014 and after the Share Consolidation set out in note (ii) below (Continued)

- On 15 April 2014, the Company and Kingsway Financial Services Group Limited (the “Arranger”) entered into an arranger agreement (the “Arranger Agreement”) pursuant to which the Company conditionally agrees to appoint the Arranger as the sole arranger during the period from the date of Arranger Agreement up to the date of completion or 14 May 2014 (whichever is earlier) to procure, on a best effort basis, investors to subscribe for the 10% unsecured and unlisted fixed rate notes (the “Notes”) for an aggregate principal amount of up to HK\$51 million at the issue price of 100% of the principal amount of the Notes (the “Notes Issue”). Upon successful procurement of the investors by the Arranger, a subscription agreement will be entered into between the Company as issuer and each investor as subscriber in respect of the Notes Issue. The Company proceeded with the Notes Issue and on 16 April 2014, entered into the subscription agreement with each of the subscribers of the Notes in respect of the Notes Issue.

32. 資本及儲備 (續)

(a) 法定及已發行股本 (續)

(i) 發行普通股 (續)

截至二零一四年十二月三十一日止年度及股份合併後 (載於下文附註(ii))(續)

- 於二零一四年四月十五日，本公司與滙富金融服務有限公司 (「安排人」) 訂立一項安排人協議 (「安排人協議」)，據此，本公司有條件地同意，於安排人協議日期起至完成日期或二零一四年五月十四日 (以較早者為準) 止期間委任安排人為唯一安排人，按竭盡所能基準促使投資人以票據本金額100%之發行價認購本金總額最多為51,000,000港元及按固定息率10%計息之無抵押及非上市票據 (「票據」) (「票據發行」)。安排人成功促使投資人認購後，本公司 (作為發行人) 將與每名投資人 (作為認購人) 就票據發行訂立認購協議。本公司已進行票據發行並於二零一四年四月十六日就票據發行與票據之各認購人訂立認購協議。

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32. CAPITAL AND RESERVES (Continued)

(a) Authorised and issued share capital

(Continued)

(i) Issue of ordinary shares (Continued)

Year ended 31 December 2014 and after the Share Consolidation set out in note (ii) below (Continued)

On 15 May 2014, the Company and the subscribers (being also the subscribers of the Notes in the aforesaid Arranger Agreement, the “Subscribers”) entered into separate and independent subscription agreements (the “Subscription Agreements”), pursuant to which, the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue and aggregate of 190,220,000 subscription shares at a price of HK\$0.305 per subscription share under the general mandate.

On 22 May 2014, due to an inadvertent mistake relating to the calculation of subscription price, the Company and the Subscribers entered into separate and independent supplemental deeds to the Subscription Agreements (the “Supplemental Deeds”) pursuant to which, the previous subscription price was amended to HK\$0.311.

32. 資本及儲備 (續)

(a) 法定及已發行股本 (續)

(i) 發行普通股 (續)

截至二零一四年十二月三十一日止年度及股份合併後 (載於下文附註(ii))(續)

於二零一四年五月十五日，本公司與認購人（「認購人」，亦為上述安排人協議內票據之認購人）訂立個別及獨立認購協議（「認購協議」），據此，認購人有條件同意認購，而本公司則有條件同意根據一般授權配發及發行合共190,220,000股認購股份，價格為每股認購股份0.305港元。

於二零一四年五月二十二日，由於計算認購價時出現之無心之失，本公司與認購人訂立認購協議之個別及獨立補充契據（「補充契據」），據此，先前認購價修訂為0.311港元。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

32. CAPITAL AND RESERVES (Continued)

(a) Authorised and issued share capital

(Continued)

(i) Issue of ordinary shares (Continued)

Year ended 31 December 2014 and after the Share Consolidation set out in note (ii) below (Continued)

Net proceed from the subscription of 190,220,000 subscription shares at a price of HK\$0.311 each amounted to approximately HK\$58,858,000. The consideration from issuing the 190,220,000 subscription shares to the Subscribers was settled by (i) received cash settlement of approximately RMB6,492,000 (equivalent to approximately HK\$8,158,000) from the Subscribers; and (ii) the Company extinguished the Notes with an aggregate principal amount of HK\$51 million. During the year ended 31 December 2014, the Company recognised a loss on extinguishment of financial liability of approximately RMB57,024,000 in the consolidated statement of profit or loss for the year ended 31 December 2014 as a result of the above debt equity swap.

32. 資本及儲備 (續)

(a) 法定及已發行股本 (續)

(i) 發行普通股 (續)

截至二零一四年十二月三十一日止年度及股份合併後(載於下文附註(ii))(續)

以每股0.311港元之價格認購190,220,000股認購股份之所得款項淨額約為58,858,000港元。向認購人發行190,220,000股認購股份所得代價按下列方式清償(i)從認購人收到現金清償金額約人民幣6,492,000元(相等於約8,158,000港元);及(ii)本公司註銷本金總額51,000,000港元的票據。截至二零一四年十二月三十一日止年度,本公司由於上述債務權益掉期於截至二零一四年十二月三十一日止年度綜合損益表確認註銷金融負債虧損約人民幣57,024,000元。

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32. CAPITAL AND RESERVES (Continued)

(a) Authorised and issued share capital

(Continued)

(ii) Capital Reorganisation

On 3 March 2014, the board of directors proposed a capital reorganisation to reorganise the share capital of the Company by (i) consolidation of every 10 issued existing shares into one issued consolidated share ("Share Consolidation"); and (ii) capital reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.09 on each of the issued consolidated shares such that the nominal value of each issued consolidated share will be reduced from HK\$0.10 to HK\$0.01 ("Capital Reduction") (together referred to as the "Capital Reorganisation"). The credit arising in the books of the Company from the cancellation of any fraction in the issued share capital of the Company arising from the Share Consolidation; and the reduction of the paid-up capital of the Company will be credited to the contributed surplus account of the Company.

The Capital Reorganisation was approved by shareholders at a special general meeting of the Company held on 9 April 2014 and became effective on 12 May 2014. Every 10 existing issued shares of HK\$0.01 each are consolidated into 1 issued consolidated share of HK\$0.10 and paid-up capital of the Company is reduced to the extent of HK\$0.09 on each of the issued consolidated shares such that the nominal value of each issued consolidated share is reduced from HK\$0.10 to HK\$0.01. Immediately following the Capital Reorganisation, the authorised share capital of the Company is HK\$200,000,000 divided into 20,000,000,000 shares of HK\$0.01 each, of which 951,260,368 shares of HK\$0.01 each are in issue.

32. 資本及儲備 (續)

(a) 法定及已發行股本 (續)

(ii) 股本重組

於二零一四年三月三日，董事會建議作出股本重組，透過以下方式重組本公司股本：(i) 每10股已發行現有股份合併為1股已發行合併股份（「股份合併」）；及(ii) 透過註銷本公司之繳足股本（每股已發行合併股份削減0.09港元），把每股已發行合併股份之面值由0.10港元削減至0.01港元，從而削減本公司之已發行股本（「削減股本」）（統稱「股本重組」）。因股份合併註銷本公司已發行股本之任何零碎股份而導致本公司賬面之進賬額，及削減本公司繳足股本將會計入本公司實繳盈餘賬。

股本重組已於二零一四年四月九日舉行之本公司股東特別大會上獲股東批准，並於二零一四年五月十二日生效。每10股每股面值0.01港元之已發行現有股份已合併為1股每股面值0.10港元之已發行合併股份；本公司之繳足股本（每股已發行合併股份削減0.09港元）中，每股已發行合併股份之面值已由0.10港元削減至0.01港元。緊隨股本重組後，本公司之法定股本為200,000,000港元並分為20,000,000,000股每股面值0.01港元之股份，其中951,260,368股每股面值0.01港元之股份為已發行。

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32. CAPITAL AND RESERVES (Continued)

(b) Nature and purpose of reserves

(i) Share premium

The application of share premium account is governed by the Companies Act 1981 of Bermuda.

(ii) General reserve

According to the relevant laws and regulations in the PRC, each of the PRC subsidiaries is required to appropriate at least 10% of its after-tax profit (after offsetting prior years' losses), based on the PRC statutory financial statements prepared in accordance with the generally accepted accounting principles ("GAAP") and financial regulations applicable to PRC enterprises, to the general reserve until the balance of the fund reaches 50% of the PRC subsidiary's registered capital. Thereafter, any further appropriation can be made at the directors' discretion.

The general reserve fund can be utilised to offset the prior years' losses, or be utilised to increase the capital on the condition that the general reserve shall be maintained at a minimum of 25% of the registered capital after such increase.

(iii) Share options reserve

The share options reserve comprises the portion of the grant date fair value of unexercised share options granted to executive directors, employees and consultants of the Group that has been recognised in accordance with the accounting policy adopted for share-based payments in note 2 (q)(ii).

(iv) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2(u).

32. 資本及儲備 (續)

(b) 儲備之性質及目的

(i) 股份溢價

股份溢價賬之應用受百慕達公司法（一九八一年）所規管。

(ii) 一般儲備

根據中國有關法律及法規，各中國附屬公司於抵銷過往年度虧損後，須根據按公認會計原則（「公認會計原則」）及中國企業適用之財務規例編製之中國法定財務報表，將其除稅後溢利撥出最少10%作為一般儲備，直至基金之結餘達到中國附屬公司註冊資本之50%為止。其後，董事可酌情決定作出任何額外撥款。

一般儲備金可用作抵銷過往年度虧損，或用作增加資本，惟增加資本後，一般儲備須維持不少於註冊資本之25%。

(iii) 購股權儲備

購股權儲備包括授予本集團執行董事、僱員及顧問的未行使購股權的授出日期公平價值部份，該部份已根據附註2(q)(ii)所述就以股份為基礎的付款所採納的會計政策而予以確認。

(iv) 換算儲備

換算儲備包括所有換算國外業務財務報表產生之匯兌差額。換算儲備按照附註2(u)所載之會計政策處理。

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32. CAPITAL AND RESERVES (Continued)

(b) Nature and purpose of reserves (Continued)

(v) Convertible bonds reserve

The convertible bonds reserve represent the value of unexercised equity component of convertible bonds issued by the Company. The reserve is dealt with in accordance with the accounting policy set out in note 2(m).

(c) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors its capital structure on the basis of total debt to equity. Total debt comprises the Group's bank and other borrowings and obligations under finance leases as shown in the consolidated statement of financial position. Equity comprises equity attributable to equity shareholders of the Company as shown in the consolidated statement of financial position.

32. 資本及儲備 (續)

(b) 儲備之性質及目的 (續)

(v) 可換股債券儲備

可換股債券儲備指本公司發行的可換股債券的未行使權益部份之價值。該儲備根據附註2(m)所載的會計政策處理。

(c) 資本管理

本集團管理資本之主要目標為確保本集團持續經營之能力，以向股東提供回報，並維持最佳資本結構藉以減低資金成本。

本集團積極並定期檢討及管理其資本結構，以在盡可能提高股東回報與穩健資本狀況可承受之較高借貸水平之間取得平衡，並因應經濟情況之變動對資本結構作出調整。為維持或調整資本結構，本集團可能調整派付予股東之股息金額、發行新股或出售資產以減低債務。

本集團以總負債對權益基準監察其資本結構。總負債包括本集團之銀行及其他借款以及融資租約承擔（如綜合財務狀況表所示）。權益包括本公司權益股東應佔權益（如綜合財務狀況表所示）。

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32. CAPITAL AND RESERVES (Continued)

(c) Capital managements (Continued)

The total debt to equity ratio as at 31 December 2015 and 2014 are as follows:

		Notes 附註	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Bank and other borrowings	銀行及其他借款	27	43,080	87,500
Obligations under finance leases	融資租約承擔	28	73,400	30,400
Convertible bonds	可換股債券	29	6,304	—
Total debt	總負債		122,784	117,900
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益		533,133	728,722
Total debt to equity ratio	總負債對權益比率		23.03%	16.18%

32. 資本及儲備 (續)

(c) 資本管理 (續)

於二零一五年及二零一四年十二月三十一日之總負債對權益比率如下：

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33. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company's share option scheme (the "Scheme") was adopted pursuant to an ordinary resolution passed by the shareholders of the Company at the extraordinary general meeting held on 18 May 2011 and will remain in force for a period of 10 years. The purpose of the Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants and advisers of the Group and to promote the success of the business of the Group.

(a) The terms and conditions of the grants are as follows:

33. 以股權結算以股份為基礎之交易

本公司的購股權計劃（「該計劃」）乃根據本公司股東於二零一一年五月十八日舉行的股東特別大會上通過普通決議案採納，並將於十年期間內持續有效。該計劃的目的是吸引及挽留優秀人員，向本集團的僱員（全職及兼職）、董事、顧問及諮詢人提供額外獎勵，並促進本集團業務成功。

(a) 授出條款及條件如下：

	Number of options 購股權數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約年期
Options granted:			
已授出購股權：			
30 May 2011 二零一一年五月三十日	27,957,078	Vest immediately 即時歸屬	10 years 十年
30 May 2011 二零一一年五月三十日	5,596,092	50% are exercisable at any time after the expiry of 1 year from the date of grant up to 2 years from the date of grant; and 100% are exercisable at any time after the expiry of 2 years from the date of grant up to 10 years from the date of offer. 50% 可於授出日期起計滿 1 年至 授出日期起計滿 2 年期間隨時行使； 及 100% 可於授出日期起計滿 2 年至 要約日期起計滿 10 年期間隨時行使。	10 years 十年
Total share options granted 已授出購股權總數	33,553,170		

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33. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

- (b) The number and weighted average exercise prices of share options are as follows:

The following table discloses movements in the Company's share options under the Scheme during the year ended 31 December 2015:

Date of grant	Period during which share options are exercisable	Exercise price per share	Outstanding at 1 January 2015	Number of share options granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31 December 2015
授出日期	購股權可行使期	每股行使價 HK\$ 港元	於二零一五年一月一日未行使	年內授出之購股權數目	年內已行使	年內已失效	於二零一五年十二月三十一日未行使
30/5/2011	30/5/2011-29/5/2021	3.81	27,632,328	—	—	—	27,632,328
30/5/2011	30/5/2012-29/5/2021	3.81	2,243,373	—	—	—	2,243,373
30/5/2011	30/5/2013-29/5/2021	3.81	2,243,373	—	—	—	2,243,373
			32,119,074	—	—	—	32,119,074
Exercisable at the end of year							32,119,074
於年末可行使							32,119,074
Weighted average exercise price (HK\$)							
加權平均行使價 (港元)							3.81

33. 以股權結算以股份為基礎之交易 (續)

- (b) 購股權之數目及加權平均行使價如下：

下表披露截至二零一五年十二月三十一日止年度該計劃項下之本公司購股權變動：

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33. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

- (b) The number and weighted average exercise prices of share options are as follows: (Continued)

The following table discloses movements in the Company's share options under the Scheme during the year ended 31 December 2014:

Date of grant	Period during which share options are exercisable	Exercise price per share	Outstanding at 1 January 2014	Number of share options granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31 December 2014
授出日期	購股權可行使期	每股行使價 HK\$ 港元	於二零一四年一月一日未行使	年內授出之購股權數目	年內已行使	年內已失效	於二零一四年十二月三十一日未行使
30/5/2011	30/5/2011-29/5/2021	3.81	27,632,328	—	—	—	27,632,328
30/5/2011	30/5/2012-29/5/2021	3.81	2,243,373	—	—	—	2,243,373
30/5/2011	30/5/2013-29/5/2021	3.81	2,243,373	—	—	—	2,243,373
			32,119,074	—	—	—	32,119,074
Exercisable at the end of year							32,119,074
於年末可行使							32,119,074
Weighted average exercise price (HK\$)							
加權平均行使價 (港元)			3.81	—	—	—	3.81

33. 以股權結算以股份為基礎之交易 (續)

- (b) 購股權之數目及加權平均行使價如下：(續)

下表披露截至二零一四年十二月三十一日止年度該計劃項下之本公司購股權變動：

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33. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

- (b) The number and weighted average exercise prices of share options are as follows: (Continued)

No new share options were granted to eligible participants under the Scheme during the years ended 31 December 2015 and 2014.

No share options were exercised during the years ended 31 December 2015 and 2014.

The options outstanding at 31 December 2015 had an exercise price of HK\$3.810 (2014: HK\$3.810) and a weighted average remaining contractual life of 5.4 (2014: 6.4) years.

- (c) Fair value of share options granted to consultants

The Company measures the fair value of share options granted to consultants by reference to the fair values of services rendered. During the years ended 31 December 2015 and 2014, no share option expenses was recognised in the consolidated statement of profit or loss.

33. 以股權結算以股份為基礎之交易 (續)

- (b) 購股權之數目及加權平均行使價如下：(續)

截至二零一五年及二零一四年十二月三十一日止年度，概無根據該計劃向合資格參與者授出新購股權。

截至二零一五年及二零一四年十二月三十一日止年度概無購股權獲行使。

於二零一五年十二月三十一日之未行使購股權之行使價為3.810港元（二零一四年：3.810港元），餘下之加權平均合約年期為5.4年（二零一四年：6.4年）。

- (c) 授予顧問之購股權公平值

本公司參考所提供服務之公平值計量授予顧問之購股權之公平值。截至二零一五年及二零一四年十二月三十一日止年度，並無購股權開支於綜合損益表內確認。

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34. DEFINED CONTRIBUTION RETIREMENT PLAN

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$30,000 (starting from June 2014). Contributions to the MPF Scheme vest immediately.

The Company's subsidiaries established in the PRC participate in a mandatory central pension scheme organised by the PRC Government for certain of its employees, the assets of which are held separately from those of the Group. Contributions made are based on a percentage of the eligible employees' salaries and are charged to profit or loss as they become payable in accordance with the rules of the scheme. The employer's contributions vest fully once they are made.

Under the above schemes, retirement benefits of existing and retired employees are payable by the relevant scheme administrators and the Group has no further obligations beyond the annual contributions.

34. 定額供款退休計劃

本集團就僱用於香港僱傭條例管轄範圍之僱員，根據香港強制性公積金計劃條例設立強制性公積金計劃（「強積金計劃」）。強積金計劃指由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員須各自按僱員相關收入之5%向強積金計劃作出供款，每月之相關收入上限為30,000港元（由二零一四年六月開始）。強積金計劃供款將即時撥歸僱員所有。

本公司於中國成立之附屬公司為其若干僱員參與由中國政府籌辦之強制性中央退休金計劃，該計劃之資產與本集團之資產分開持有。根據該計劃之規則，本集團按合資格僱員之薪金比率作出供款，並於應付時於損益扣除。僱主供款於作出後立即全數撥歸僱員所有。

根據上述計劃，現有及退休僱員之退休福利由有關計劃管理人負責支付，本集團除每年供款外並無其他責任。

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34. DEFINED CONTRIBUTION RETIREMENT PLAN (Continued)

The aggregate amounts of employer's contributions by the Group in respect of retirement benefits scheme dealt with in profit or loss for the year are disclosed in note 7(a) to these consolidated financial statements.

The Group does not have any other pension schemes for its employees in respect of the subsidiaries outside Hong Kong and the PRC. In the opinion of the directors of the Company, the Group did not have any significant contingent liabilities as at 31 December 2015 and 2014 in respect of the retirement of its employees.

35. ACQUISITION OF SUBSIDIARIES

Pursuant to an acquisition agreement dated 12 October 2015 entered into between Shanxi Yangcheng (as purchaser) and Mr. Wang (as vendor) (the "Acquisition Agreements"), the Group acquired from Mr. Wang the entire equity interest in Nuoxin Engineering for a consideration of RMB50,300,000 (the "Nuoxin Engineering Acquisition") which was settled (i) as to approximately RMB32,900,000 by way of allotment and issue of 178,004,166 consideration shares, credited as fully paid, at an issue price of approximately HK\$0.2256 per consideration share; and (ii) as to approximately RMB17,400,000 by way of issue of convertible bonds in the principal of approximately HK\$21,348,000 convertible up to 94,142,021 conversion shares at a conversion price of HK\$0.2256 per conversion share.

Nuoxin Engineering and its subsidiary (collectively referred to as the "Nuoxin Engineering Group") is mainly engaged in the manufacture and sale of PE gas pipeline, metal model in construction use, mining machine, road compacting machine, crane and exhaust fan for natural gas.

34. 定額供款退休計劃 (續)

本集團就退休福利計劃作出之僱主供款總額於年內之損益中處理，並已於此等綜合財務報表附註7(a)中披露。

本集團並無就香港及中國以外附屬公司之僱員設立任何其他退休金計劃。本公司董事認為，於二零一五年及二零一四年十二月三十一日，本集團並無任何有關其僱員退休之重大或然負債。

35. 收購附屬公司

根據山西陽城（作為買方）與王先生（作為賣方）所訂立日期為二零一五年十月十二日之收購協議（「收購協議」），本集團向王先生收購諾信之全部股本權益（「諾信收購事項」），代價為人民幣50,300,000元，以下列方式償付：(i)以按發行價每股代價股份約0.2256港元配發及發行178,004,166股入賬列作繳足代價股份之方式支付約人民幣32,900,000元；及(ii)以發行本金額約為21,348,000港元之可換股債券（可按換股價每股換股股份0.2256港元轉換為最多94,142,021股換股股份）之方式支付約人民幣17,400,000元。

諾信及其附屬公司（統稱「諾信集團」）主要從事製造及銷售聚乙烯燃氣管道、作建築用途之金屬模型、採礦機器、壓路機、起重機及天然氣抽風機。

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35. ACQUISITION OF SUBSIDIARIES (Continued)

The Nuoxin Engineering Acquisition constituted a discloseable and connected transaction on the part of the Company under the GEM Listing Rules and the ordinary resolution relating thereto was passed by the shareholders of the Company at a special general meeting held on 3 December 2015. The Nuoxin Engineering Acquisition was completed on 11 December 2015.

Assets acquired and liabilities recognised at the date of acquisition:

35. 收購附屬公司 (續)

根據創業板上市規則，諾信收購事項構成本公司一項須予披露及關連交易，且其相關普通決議案已於二零一五年十二月三日舉行的股東特別大會上獲本公司股東通過。諾信收購事項已於二零一五年十二月十一日完成。

於收購日期之所收購資產及已確認負債：

		RMB'000 人民幣千元
Property, plant and equipment (Note 17)	物業、機器及設備 (附註 17)	39,566
Prepaid lease payments for land under operating leases (Note 18)	經營租約下預付土地租金 (附註 18)	11,390
Inventories	存貨	519
Trade and other receivables	應收賬款及其他應收款項	1,192
Cash and cash equivalents	現金及現金等值物	313
Trade and other payables	應付賬款及其他應付款項	(4,604)
Deferred tax liabilities (Note 31)	遞延稅項負債 (附註 31)	(5,501)
Net identifiable assets and liabilities	可識別淨資產及負債	42,875
Goodwill on acquisition (Note 15)	有關收購之商譽 (附註 15)	3,551
Consideration	代價	46,426
Total consideration satisfied by:	總代價以下列各項償付：	
Consideration shares	代價股份	29,709
Convertible bonds (Note 29)	可換股債券 (附註 29)	16,717
		46,426
Net cash inflow arising on acquisition:	收購引致之現金流入淨額：	
Cash and cash equivalents acquired	所收購之現金及現金等值物	313

Acquisition-related costs amounting to approximately RMB454,000 had been excluded from the consideration transferred and had been recognised as an expense in the current year, within administrative expenses.

約人民幣454,000元與收購相關的成本已從已轉讓之代價中扣除，並已於本年度於行政開支中確認為一項開支。

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35. ACQUISITION OF SUBSIDIARIES (Continued)

The fair value of receivables acquired, which principally comprised trade and other receivables approximated their gross contractual amounts. There were no contractual cash flows not expected to be collected.

The goodwill arising from the acquisition amounted to approximately RMB\$3,551,000 which was mainly attributable to (i) the difference between the agreed issue price of the consideration shares and convertible bonds and their acquisition-date fair value; and (ii) deferred tax liabilities arising from the fair value exercise of the land and property, plant and equipment as at the completion date.

The Nuoxin Engineering Group contributed revenue of RMB nil and loss of approximately RMB63,000 to the Group's revenue and results for the period from date of acquisition to 31 December 2015. If the acquisition had been completed on 1 January 2015, the Group's total revenue for the year ended 31 December 2015 would have been approximately RMB329,120,000 and loss for the year ended 31 December 2015 would have been approximately RMB257,149,000. This pro forma information was for illustrative purposes only and was not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor was it intended to be a projection of future results.

35. 收購附屬公司 (續)

所收購之應收款項 (主要包括應收賬款及其他應收款項) 的公平值與其合同總金額相若。並無預期無法收回的合同現金流。

收購事項產生之商譽約為人民幣3,551,000元，主要由於(i)代價股份及可換股債券之協定發行價以及其於收購日期公平值間之差額；及(ii)於完成日期行使土地以及物業、機器及設備之公平值而產生之遞延稅項負債所致。

自收購日期起至二零一五年十二月三十一日止期間，諾信集團分別為本集團之收益及業績貢獻收益人民幣零元及虧損約人民幣63,000元。倘收購事項於二零一五年一月一日完成，則本集團截至二零一五年十二月三十一日止年度之總收益將約為人民幣329,120,000元，而截至二零一五年十二月三十一日止年度之虧損則約為人民幣257,149,000元。該備考資料僅供說明用途，未必能作為倘收購事項於二零一五年一月一日完成本集團確實可取得之收益及經營業績之指標，亦不擬用作推測未來之業績。

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36. FINANCIAL INSTRUMENTS BY CATEGORY 36. 金融工具分類

The carrying amounts of each of the categories of financial instruments of the Group as at the end of the reporting period are as follows:

本集團於報告期末的各類金融工具之賬面值如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Financial assets	金融資產		
Financial assets at fair value through profit or loss:	按公平值計入損益之金融資產：		
Held for trading	持作買賣	200	200
Loans and receivables:	貸款及應收款項：		
Trade and other receivables	應收賬款及其他應收款項	34,996	41,854
Cash and cash equivalents	現金及現金等值物	45,437	43,930
Financial liabilities	金融負債		
At amortised cost:	以攤銷成本列賬：		
Trade and other payables	應付賬款及其他應付款項	343,664	361,505
Bank and other borrowings	銀行及其他借款	43,080	87,500
Obligations under finance leases	融資租賃承擔	73,400	30,400
Convertible bonds	可換股債券	6,304	—

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group's major financial instruments include financial assets at fair value through profit or loss, trade and other receivables, cash and cash equivalents, trade and other payables, bank and other borrowings, obligations under finance leases and convertible bonds. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include credit risk, liquidity risk, interest rate risk, currency risk and other price risk arises in the normal course of the Group's business. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

(a) Credit risk

- (i) As at 31 December 2015, the Group's maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance.

37. 金融工具之財務風險管理及公平值

本集團之主要金融工具包括按公平值計入損益之金融資產、應收賬款及其他應收款項、現金及現金等值物、應付賬款及其他應付款項、銀行及其他借款、融資租賃承擔以及可換股債券。金融工具之詳情於其各自附註披露。該等金融工具之相關風險包括本集團在日常業務過程中產生之信貸風險、流動資金風險、利率風險、貨幣風險及其他價格風險。管理層管理及監測該等風險，以確保能及時有效落實妥善的措施。本集團有關金融工具之風險類型或其管理及計量風險之方式並無變動。

(a) 信貸風險

- (i) 於二零一五年十二月三十一日，本集團之最大信貸風險為綜合財務狀況表內各項金融資產經扣除任何減值撥備後之賬面值。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

- (ii) In respect of trade and other receivables, in order to minimise risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each major customer periodically. These evaluations focus on the customers' past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. The Group does not require collateral in respect of its financial assets. Trade debts are usually due within 30 to 180 days from the date of billing.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group has no significant concentration of credit risk as only 5.67% of the total trade receivables was due from the Group's five largest customers.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 24.

- (iii) The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

37. 金融工具之財務風險管理及公平值 (續)

(a) 信貸風險 (續)

- (ii) 為盡量減低應收賬款及其他應收款項之風險，管理層已訂立一項信貸政策，並對有關信貸風險進行持續監察。本集團會定期對各主要客戶之財務狀況及條件進行信貸評估。該等評估針對客戶過往支付到期款項之歷史及目前之支付能力，並考慮客戶特定資料及客戶經營所處經濟環境之資料。本集團並無就其金融資產要求抵押品。貿易債務一般自開單日期起30至180日內到期。

本集團面對之信貸風險主要受各客戶之個別特點影響。客戶營運之行業及業務所在之國家之違約風險亦對信貸風險有影響，但程度較輕。於報告期末，本集團並無重大集中信貸風險，原因是應收本集團五大客戶之應收賬款僅佔總額之5.67%。

有關本集團來自應收賬款及其他應收款項之信貸風險之進一步量化披露載於附註24。

- (iii) 由於對手方均為獲國際信貸評級機構授予高信貸評級之銀行，故此流動資金之信貸風險有限。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to board to directors' approval. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient amount of cash and adequate committed lines of funding from financial institutions to meet its liquidity requirements in the short and longer term. The Group relies on bank and other borrowings as a source of liquidity.

The following tables set out the weighted average effective interest rate and the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

37. 金融工具之財務風險管理及公平值 (續)

(b) 流動資金風險

本集團旗下之獨立營運實體須負責其各自之現金管理，包括現金盈餘之短期投資及籌措貸款以滿足預期現金需求，惟須獲董事會批准方可作實。本集團之政策為定期監察當前及預計之流動資金需求，及遵守借貸契諾之情況，以確保本集團能維持充裕的現金金額及從金融機構取得足夠的承諾信貸融資，以滿足其短期及長期流動資金之要求。本集團依賴銀行及其他借款作為流動資金來源。

下表載列本集團之非衍生金融負債於報告期末之加權平均實際利率及餘下合約期，乃基於合約未貼現現金流（包括使用合約利率或（如按浮息）按報告期末之現行利率計息之利息付款）及本集團須予償還之最早日期而釐定：

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk (Continued)

		2015 二零一五年					2014 二零一四年						
		Weighted average effective interest rate	Within 1 year or less than 2 years	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flows	Carrying amount	Weighted average effective interest rate	Within 1 year or less than 2 years	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flows	Carrying amount
		%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		加權平均實際利率	1年內或須按	1年以上	2年以上	合約未貼現現金流量總額	賬面值	加權平均實際利率	1年內或須按	1年以上	2年以上	合約未貼現現金流量總額	賬面值
		%	要求償還	2年以內	5年以內	現金流量總額	賬面值	%	要求償還	2年以內	5年以內	現金流量總額	賬面值
			人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade payables	應付票款	N/A 不適用	130,059	-	-	130,059	130,059	N/A 不適用	82,616	-	-	82,616	82,616
Amounts due to directors	應付董事款項	N/A 不適用	14,628	-	-	14,628	14,628	N/A 不適用	974	-	-	974	974
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司之非控股股東款項	N/A 不適用	7,497	-	-	7,497	7,497	N/A 不適用	8,987	-	-	8,987	8,987
Accrued expenses and other payables	應計開支及其他應付款項	N/A 不適用	33,828	-	-	33,828	33,828	N/A 不適用	47,718	-	-	47,718	47,718
Payables for acquisition of property, plant and equipment	收購物業、機器及設備之應付款項	N/A 不適用	157,642	-	-	157,642	157,642	N/A 不適用	221,210	-	-	221,210	221,210
Bank and other borrowings (Note 27)	銀行及其他借款(附註27)	7.12 to 11.5%	51,075	-	-	51,075	43,080	7.12 to 11.5%	93,924	-	-	93,924	87,500
Obligations under finance leases (Note 28)	融資租賃承擔(附註28)	10.08%	37,675	37,675	6,280	81,630	73,400	12.41%	30,935	1,267	-	32,202	30,400
Convertible bonds (Note 29)	可換股債券(附註29)	23.4%	-	-	17,400	17,400	6,304	N/A 不適用	-	-	-	-	-
			432,404	37,675	23,680	493,759	466,438		486,364	1,267	-	487,631	479,405

37. 金融工具之財務風險管理及公平值 (續)

(b) 流動資金風險 (續)

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk

The Group's fair value interest rate risk relates to primarily to its fixed-rate borrowings. The cash flow interest rate risk of the Group relates primarily to their variable-rate bank deposits and obligations under finance leases. The management considers that the exposure to interest rate risk on bank deposits is insignificant. For borrowings which are fixed-rate instruments is insensitive to any change in interest rates. A change in interest rates at the end of the reporting period would not affect profit or loss. The cash flow interest rate risk is mainly concentrated on the fluctuation of the interest rate to be promulgated by the PBOC arising from the Group's RMB denominated obligations under finance leases. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Sensitivity analysis

At 31 December 2015, it is estimated that a general increase/decrease of 50 basis points in the interest rate, with all other variables held constant, would have increased/decreased the Group's loss for the year by approximately RMB346,000 (2014: RMB233,000). The sensitivity analysis above indicates the instantaneous change in the Group's loss for the year that would arise in respect of the exposure to cash flow interest risk arising from floating rate obligations under finance lease held by the Group.

37. 金融工具之財務風險管理及公平值 (續)

(c) 利率風險

本集團之公平值利率風險主要與其定息借款有關。本集團之現金流量利率風險主要與其浮息銀行存款及融資租賃承擔有關。管理層認為，銀行存款之利率風險承擔並不重大。屬於定息工具之借款對任何利率變動反應不大。報告期末之利率變動不會影響損益。現金流量利率風險主要集中於本集團以人民幣計值之融資租約承擔所產生之將由中國人民銀行公佈之利率波動。本集團現時並無任何利率對沖政策。然而，管理層會監察利率風險，並將在有需要時考慮對沖重大利率風險。

敏感度分析

於二零一五年十二月三十一日，在所有其他變數維持不變的情況下，估計利率整體增加／減少50個基點將導致本集團年內虧損增加／減少約人民幣346,000元（二零一四年：人民幣233,000）。上述之敏感度分析顯示，本集團持有之浮息融資租賃承擔所產生之現金流量利率風險將會令本集團年內虧損出現即時變動。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Currency risk

(i) Exposure to currency risk

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through PBOC or other institutions authorised to buy and sell foreign exchange. The exchange rate adopted for foreign exchange transactions are the rates of exchange quoted by the PBOC that would be subject to a managed float against an unspecified basket of currencies.

Foreign currency payments, including the remittance of earnings outside the PRC, are subject to the availability of foreign currency (which depends on the foreign currency denominated earnings of the Group) or must be arranged through the PBOC with government approval.

The group entities collect most of the revenue and incur most of expenditures in their respective functional currencies. The directors consider that the Group's exposure to foreign currency exchange is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign exposure should the need arise.

At the end of the reporting period, the carrying amounts of the Group's major monetary assets denominated in a currency other than the functional currencies of the relevant group entities are as follows:

37. 金融工具之財務風險管理及公平值 (續)

(d) 貨幣風險

(i) 貨幣風險承擔

人民幣不可自由兌換為外幣。所有涉及人民幣之外匯交易必須透過中國人民銀行或其他獲准買賣外匯之機構進行。就外匯交易採納之匯率為中國人民銀行所報之匯率，有關匯率將根據一籃子沒有列明之貨幣於受監管範圍內浮動。

外幣付款，包括將盈利匯出中國，須視乎外幣供應情況（外幣供應則視乎本集團以外幣列值之盈利金額）而定或必須在政府批准下透過中國人民銀行安排。

集團實體收取的大部份收益及產生的大部份開支均以其各自的功能貨幣計值。董事認為，由於本集團大部份交易以個別集團實體各自的功能貨幣計值，故本集團所面臨的外匯風險並不重大。本集團現時並無外幣對沖政策。然而，管理層會監察外匯風險，並於有需要時，考慮對重大外幣風險作出對沖。

於報告期末，本集團以相關集團實體功能貨幣以外幣列值之主要貨幣資產的賬面值如下：

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Currency risk (Continued)

(i) Exposure to currency risk (Continued)

Cash and cash equivalents	現金及現金等值物
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2015	2014
二零一五年	二零一四年
RMB'000	RMB'000
人民幣千元	人民幣千元

2,322	2,200
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(ii) Sensitivity analysis

The following table indicates the approximate change in the Group's loss for the year and accumulated losses in response to reasonably possible changes in the foreign exchange rates to the Group's major monetary assets denominated in foreign currency at the end of the reporting period.

Hong Kong dollars	港元
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37. 金融工具之財務風險管理及公平值 (續)

(d) 貨幣風險 (續)

(i) 貨幣風險承擔 (續)

Exposure to foreign currency 貨幣風險承擔

2015	2014
二零一五年	二零一四年
RMB'000	RMB'000
人民幣千元	人民幣千元

2,322	2,200
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(ii) 敏感度分析

下表說明，於報告期末，本集團年內虧損及累計虧損因應本集團以外幣計值之重大貨幣資產之匯率之合理潛在變動而產生之概約變動。

	2015 二零一五年		2014 二零一四年	
	Increase/ (decrease) in foreign exchange rates	Effect on loss and accumulated losses	Increase/ (decrease) in foreign exchange rates	Effect on loss and accumulated losses
	匯率上升/ (下跌)	對虧損及累計 虧損之影響	匯率上升/ (下跌)	對虧損及累計 虧損之影響
		RMB'000 人民幣千元		RMB'000 人民幣千元
Hong Kong dollars 港元	5% (5)%	(116) 116	5% (5)%	(110) 110

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Currency risk (Continued)

(ii) Sensitivity analysis (Continued)

The sensitivity analysis above has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to the Group's exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the group entities' profit/loss for the year. The stated changes are used when reporting currency risk internally to key management and represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of the next reporting period. The analysis is performed on the same basis for 2014.

(e) Other price risk

Oil and gas price risk

Apart from the financial instruments disclosed above, the Group's activities expose it to market risk relating to oil and gas price risks.

The Group is engaged in a wide range of gas related activities. The global oil and gas market is affected by international political, economic and global demand for and supply of oil and gas. A decrease in the world prices of crude oil and gas could adversely affect the Group's financial position. The Group has not used any derivative instruments to hedge against potential price fluctuations of crude oil and refined and gas products. The management will consider hedging oil and gas price exposure should the need arise.

37. 金融工具之財務風險管理及公平值 (續)

(d) 貨幣風險 (續)

(ii) 敏感度分析 (續)

上述敏感度分析乃假設外匯匯率變動於報告期末已發生，並已應用於本集團就該日存在之金融工具承擔之貨幣風險，且假設所有其他變數（尤其是利率）維持不變而釐定。上表呈列之分析結果代表對各集團實體年內溢利／虧損之整體影響。上述變動於向主要管理層內部匯報貨幣風險時應用，代表管理層對外匯匯率於截至下一個報告期末止期間之合理潛在變動之評估。有關分析按與二零一四年相同之基準進行。

(e) 其他價格風險

石油及天然氣價格風險

除上文所披露之金融工具外，本集團之業務活動令本集團承受與石油及天然氣價格風險相關之市場風險。

本集團從事多項天然氣相關業務。全球石油及天然氣市場受國際政治、經濟及全球石油及天然氣供求所影響。原油及天然氣之全球價格下跌可對本集團之財務狀況造成不利影響。本集團並未使用任何衍生工具，對沖原油、經提煉產品及天然氣產品之潛在價格波動。倘有需要時，管理層將會考慮對沖石油及天然氣價格風險。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair value measurement

(i) Financial assets and financial liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

37. 金融工具之財務風險管理及公平值 (續)

(f) 公平值計量

(i) 按公平值計量之金融資產及金融負債 公平值等級

下表呈列於報告期末按經常性基準計量之本集團金融工具之公平值，該等公平值按香港財務報告準則第13號公平值計量界定之三個公平值等級分類。公平值計量之分類經參考估值技術中使用之輸入數據之可觀察性及重要性釐定如下：

- 第1級估值：僅以第1級輸入數據計量之公平值，即以相同資產或負債於計量日在活躍市場中之未調整報價計量。
- 第2級估值：以第2級輸入數據（即不符合第1級之可觀察輸入數據）計量，且不使用重大之不可觀察輸入數據之公平值。不可觀察輸入數據為無法獲得相關市場數據之輸入數據。
- 第3級估值：使用重大之不可觀察輸入數據計量之公平值。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair value measurement (Continued)

- (i) Financial assets and financial liabilities measured at fair value (Continued)
Recurring fair value measurements

37. 金融工具之財務風險管理及公平值 (續)

(f) 公平值計量 (續)

- (i) 按公平值計量之金融資產及金融負債 (續)
經常性公平值計量

	2015 二零一五年		2014 二零一四年	
	Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元
Assets Financial assets at fair value through profit or loss				
資產 按公平值計入損益之金融資產				
	200	200	200	200

The Group's financial assets at fair value through profit or loss is classified as Level 1.

本集團按公平值計入損益之金融資產乃分類為第1級。

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period.

於活躍市場買賣之金融工具之公平值根據報告期末之市場報價計算。

During the year ended 31 December 2015, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至二零一五年十二月三十一日止年度，第1級及第2級之間概無調動，亦無調入或調出第3級之情況。本集團之政策是於各報告期末確認公平值等級水平之間之調動。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair value measurement (Continued)

(ii) Fair value of financial assets and financial liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2014 and 2015 except for the following financial instruments, for which their carrying amounts and fair value and the level of fair value hierarchy are disclosed below:

37. 金融工具之財務風險管理及公平值 (續)

(f) 公平值計量 (續)

(ii) 並非按公平值列賬之金融資產及金融負債之公平值

於二零一四年及二零一五年十二月三十一日，本集團按成本或攤銷成本列賬之金融工具之賬面值與其公平值概無重大差異，惟以下金融工具除外，其賬面值及公平值以及公平值等級之層級披露如下：

		2015 二零一五年		2014 二零一四年	
		Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元
Financial liabilities	金融負債				
Convertible bonds	可換股債券	6,304	8,243	—	—

The fair values of the liability component in convertible bonds are estimated as being the present values of future cash flows, discounted at interest rates based on the government yield curve as at the end of the reporting period plus an adequate constant credit spread, adjusted for the Group's own credit risk.

可換股債券負債部份之公平值乃估計作為未來現金流量之現值，而未來現金流量乃根據於報告期末之政府收益曲線以及充足而平穩之信貸息差按利率折現計算，並已就本集團之自身信貸風險作出調整。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair value measurement (Continued)

(ii) Fair value of financial assets and financial liabilities carried at other than fair value

(Continued)

Liabilities for which fair values are disclosed

		Fair value measurements as at 31 December 2015 categorised into 於二零一五年十二月三十一日分為 以下類別之公平值計量				Fair value measurements as at 31 December 2014 categorised into 於二零一四年十二月三十一日分為 以下類別之公平值計量			
		Fair value	Level 1	Level 2	Level 3	Fair value	Level 1	Level 2	Level 3
		公平值	第1級	第2級	第3級	公平值	第1級	第2級	第3級
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Liabilities	負債								
Convertible	可換股債券	8,243	—	—	8,243	—	—	—	—
bonds									

38. COMMITMENTS

- (a) In addition to the finance lease arrangements as detailed in note 20, the Group had the following significant capital commitments contracted but not provided for in the consolidated financial statements:

37. 金融工具之財務風險管理及公平值 (續)

(f) 公平值計量 (續)

(ii) 並非按公平值列賬之金融資產及金融負債之公平值

(續)

已披露公平值之負債

38. 承擔

- (a) 除附註20所詳述之融資租賃安排外，本集團於綜合財務報表已訂約惟未撥備之重大資本承擔如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Acquisition of property, plant and equipment (including construction in progress)	收購物業、機器及設備 (包括在建工程)	143,000	146,899

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

38. COMMITMENTS (Continued)

- (b) At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases in respect of office premises are payable as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Within 1 year	1年內	540	76
After 1 year but within 5 years	1年後但5年內	85	—
		625	76

The Group leases a property held under operating lease with lease terms of one to two years. None of the leases includes contingent rentals.

38. 承擔 (續)

- (b) 於報告期末，根據辦公室物業之不可撤銷經營租約應付之日後最低租賃款項總額如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Within 1 year	1年內	540	76
After 1 year but within 5 years	1年後但5年內	85	—
		625	76

本集團按經營租約租賃物業，租期為一至兩年。有關租約並不附有任何或然租金。

39. PLEDGE OF ASSETS

As at 31 December 2015, the Group's shareholding in Shanxi Qinshui were pledged. Details of the Group's pledge of other assets are included in notes 17 and 18 respectively.

39. 資產抵押

於二零一五年十二月三十一日，本集團於山西沁水的股權已作抵押。本集團之其他資產抵押詳情分別載於附註17及18。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

40. MATERIAL RELATED PARTY TRANSACTIONS

For the years ended 31 December 2015 and 2014, the directors are of the view that the followings are related parties of the Group:

Name of party	Relationship
沁水縣盛融投資有限責任公司 (transliterated as Shanxi Qinshui Prefecture Chengrong Investment Limited) ("Chengrong Investment")	Effectively owned 17% equity interest in Wanzhi Logistics as a non-controlling shareholder of a subsidiary and provided financing to the Group of RMB30,000,000 as disclosed in note 27.
陽城縣陽泰集團實業有限公司 (transliterated as Yangcheng Yangtai Group Industrial Company Limited) ("Yangcheng Yangtai")	Effectively owned 20% equity interest in Yangcheng Huiyang as a non-controlling shareholder of a subsidiary and provided financing to the Group of RMB13,080,000 as disclosed in note 27.
鄭州貞成能源技術服務有限公司 (transliterated as Zhengzhou Zhengcheng Energy Technology Service Company Limited) ("Zhengzhou Zhengcheng")	Effectively owned 20% equity interest in Yangcheng Huiyang as a non-controlling shareholder of a subsidiary.

40. 重大關連人士交易

截至二零一五年及二零一四年十二月三十一日止年度，董事認為下列各方為本集團之關連人士：

有關各方名稱	關係
沁水縣盛融投資有限責任公司 ("盛融投資")	作為一間附屬公司之非控股股東實際擁有萬志物流的17%股本權益，及向本集團提供資金人民幣30,000,000元(如附註27所披露)。
陽城縣陽泰集團實業有限公司 ("陽城陽泰")	作為一間附屬公司之非控股股東實際擁有陽城惠陽的20%股本權益，及向本集團提供資金人民幣13,080,000元(如附註27所披露)。
鄭州貞成能源技術服務有限公司 ("鄭州貞成")	作為一間附屬公司之非控股股東實際擁有陽城惠陽的20%股本權益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

40. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

- (a) In addition to the transactions and balances disclosed in elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions.

Name of related party 關連人士名稱	Nature of transaction 交易性質	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Yangcheng Yangtai 陽城陽泰	Sales of LNG (Note (i)) 銷售液化天然氣 (附註(i))	2,533	10,937
Nuoxin Engineering (Note (ii)) 諾信 (附註(ii))	Purchase of materials (Notes (i) and (ii)) 購買材料 (附註(i)及(ii))	2,248	4,873

Notes:

- (i) The transaction were based on terms between the parties involved.
- (ii) Nuoxin Engineering was a company owned by Mr. Wang. During the year, the Group completed the acquisition of Nuoxin Engineering from Mr. Wang on 11 December 2015 (Note 35), and accordingly Nuoxin Engineering became a wholly-owned subsidiary of the Group.

40. 重大關連人士交易 (續)

- (a) 除綜合財務報表其他部份所披露的交易及結餘外，本集團已訂立下列重大關連人士交易。

附註：

- (i) 該交易乃根據參與各方之間的條款進行。
- (ii) 諾信為王先生擁有之公司。年內，本集團於二零一五年十二月十一日完成向王先生收購諾信(附註35)，因此，諾信成為本集團之全資附屬公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

40. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Balances with related parties

As at 31 December 2015 and 2014, the Group and the Company had the following balances with related parties:

(i) Amounts due from related companies

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	Maximum amount outstanding during the year 年內最高 未償還金額 RMB'000 人民幣千元
Yangcheng Yangtai 陽城陽泰	7,261	8,510	8,510
Nuoxin Engineering 鄭州貞成	—	2,585	2,585
	7,261	11,095	

The amounts due are unsecured, interest-free and repayable on demand.

40. 重大關連人士交易 (續)

(b) 與關連人士之結餘

於二零一五年及二零一四年十二月三十一日，本集團及本公司與關連人士有下列結餘：

(i) 應收關連公司款項

該等結欠款項為無抵押、免息及須按要求償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

40. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Balances with related parties (Continued)

(ii) Amount due from a director

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	Maximum amount outstanding during the year 年內最高 未償還金額 RMB'000 人民幣千元
Wang Zhong Sheng 王忠勝	—	3,536	3,536

The amount due from a director was unsecured, interest-free and repayable on demand.

該應收董事款項為無抵押、免息及須按要求償還。

(iii) Amounts due to directors/non-controlling shareholders of subsidiaries

The amounts due are unsecured, interest-free and repayable on demand.

(iii) 應付董事／附屬公司之非控股股東款項

該等結欠款項為無抵押、免息及須按要求償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

40. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and the chief executive as disclosed in note 9 and certain of the highest paid employees as disclosed in note 10, is as follows:

40. 重大關連人士交易 (續)

(c) 主要管理人員之薪酬

本集團主要管理人員之薪酬(包括分別於附註9及附註10披露之已付本公司董事、最高行政人員及若干最高薪酬僱員之款項)如下:

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Short-term employee benefits 短期僱員福利	2,247	2,314
Post-employment benefits 離職後福利	51	66
Total remuneration is included 薪酬總額計入 in "staff costs" (Note 7(a)) 「員工成本」(附註7(a))	2,298	2,380

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綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

41. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

41. 本公司之財務狀況表及儲備變動

Statement of financial position of the Company

本公司之財務狀況表

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	2,909	1,990
Investments in subsidiaries	於附屬公司之投資	232,963	407,537
		235,872	409,527
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	292,514	302,263
Amount due from a director	應收董事款項	2,951	1,253
Prepayment and other receivables	預付款項及其他應收款項	11,608	10,837
Cash and cash equivalents	現金及現金等值物	9,531	19,600
		316,604	333,953
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	6,969	19,261
Amounts due to directors	應付董事款項	1,051	993
Accruals and other payables	應計費用及其他應付款項	3,580	3,467
		11,600	23,721
Net current assets	流動資產淨值	305,004	310,232
Total assets less current liabilities	總資產減流動負債	540,876	719,759
Non-current liabilities	非流動負債		
Convertible bonds	可換股債券	6,304	—
Deferred tax liabilities	遞延稅項負債	2,555	933
		8,859	993
Net assets	資產淨值	532,017	718,826
Capital and reserves	資本及儲備		
Share capital	股本	10,910	9,432
Reserves	儲備	521,107	709,394
Total equity	總權益	532,017	718,826

Approved and authorised for issue by the board of directors on 29 March 2016.

董事會於二零一六年三月二十九日批准及授權刊發。

Wang Zhong Sheng

王忠勝
Director
董事

Fu Shou Gang

付壽剛
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

41. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Reserve movement of the Company

Details of the changes in the Company's individual components of reserve between the beginning and the end of the year are set out below:

		Share premium	Translation reserve	Contributed surplus	Share option reserve	Convertible bonds reserve	Accumulated losses	Total
		股份溢價	換算儲備	實繳盈餘	購股權儲備	債券儲備	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2014	於二零一四年一月一日之結餘	1,184,921	(938)	—	30,849	—	(457,095)	757,737
Loss for the year	年內虧損	—	—	—	—	—	(348,655)	(348,655)
Other comprehensive expense for the year	年內其他全面開支	—	(1,623)	—	—	—	—	(1,623)
Total comprehensive expense for the year	年內全面開支總額	—	(1,623)	—	—	—	(348,655)	(350,278)
Issue of new shares	發行新股份							
— Share placement and subscription	— 股份配售及認購	159,624	—	—	—	—	—	159,624
— Open Offer	— 公開發售	74,769	—	—	—	—	—	74,769
Transaction costs attributable to issue of new shares	發行新股份應佔交易成本	(3,720)	—	—	—	—	—	(3,720)
Capital Reorganisation Transfer	股本重組轉撥	(1,312,743)	—	1,384,005	—	—	—	71,262
		—	—	(799,167)	—	—	799,167	—
Balance at 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及二零一五年一月一日之結餘	102,851	(2,561)	584,838	30,849	—	(6,583)	709,394
Loss for the year	年內虧損	—	—	—	—	—	(231,333)	(231,333)
Other comprehensive expense for the year	年內其他全面開支	—	6,163	—	—	—	—	6,163
Total comprehensive expense for the year	年內全面開支總額	—	6,163	—	—	—	(231,333)	(225,170)
Issue of consideration shares	發行代價股份	28,231	—	—	—	—	—	28,231
Recognition of equity component of convertible bonds	確認可換股債券之權益部份	—	—	—	—	10,544	—	10,544
Deferred tax relating to convertible bonds	有關可換股債券之遞延稅項	—	—	—	—	(1,892)	—	(1,892)
Balance at 31 December 2015	於二零一五年十二月三十一日之結餘	131,082	3,602	584,838	30,849	8,652	(237,916)	521,107

41. 本公司之財務狀況表及儲備變動 (續)

本公司之儲備變動

本公司個別儲備組成部份於年初及年終之變動詳情載列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

41. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Reserve movement of the Company (Continued)

Note:

During the year ended 31 December 2014, pursuant to the special resolution passed by the shareholders at the extraordinary general meeting of the Company held on 9 April 2014, the Company approved to cancel the share premium account and transfer credits arising from such cancellation to the contributed surplus account of the Company.

42. EVENT AFTER THE REPORTING PERIOD

On 7 January 2016, the Company announced its proposal to raise not less than approximately HK\$119.41 million and not more than approximately HK\$122.74 million (before expenses and after taking into account of the set-off arrangement in which part of the subscription price payable by Mr. Wang and his associates under the open offer will be set-off against the convertible bonds issued to Mr. Wang relating to the Nuoxin Engineering Acquisition (Note 35)), by way of open offer of not less than 3,958,453,602 and not more than 4,053,836,574 offer shares of HK\$0.01 each at the subscription price of HK\$0.035 per offer share on the basis of three offer shares for every one existing share held on the record date and payable in full on application. Up to the date of approval of these consolidated financial statements, the open offer has not yet completed.

On 15 March 2016, the Company announced its proposal to implement the share consolidation on the basis that every ten existing Shares of HK\$0.01 each in the issued and unissued share capital of the Company be consolidated into one new Share of HK\$0.10 each in the issued and unissued share capital of the Company. Up to the date of approval of these consolidated financial statements, the share consolidation has not yet completed.

41. 本公司之財務狀況表及儲備變動 (續)

本公司之儲備變動 (續)

附註：

截至二零一四年十二月三十一日止年度，根據股東於二零一四年四月九日舉行之本公司股東特別大會上通過之特別決議案，本公司已批准註銷股份溢價賬，並將有關註銷所產生之進賬額轉撥至本公司之實繳盈餘賬。

42. 報告期後事項

於二零一六年一月七日，本公司宣佈，其建議根據於記錄日期每持有一股現有股份獲發三股發售股份之基準，以每股發售股份0.035港元之認購價公開發售不少於3,958,453,602股每股面值0.01港元之發售股份及不多於4,053,836,574股每股面值0.01港元之發售股份之方式，籌集不少於約119,410,000港元及不多於約122,740,000港元（未扣除開支，惟經計及抵銷安排），並須於申請時繳足股款，而王先生及其聯繫人士須根據公開發售支付之部份認購價將以就諾信收購事項向王先生發行之可換股債券抵銷（附註35）。截至批准此等綜合財務報表之日期，公開發售尚未完成。

於二零一六年三月十五日，本公司宣佈，其建議按本公司已發行及未發行股本中每十股每股面值0.01港元之現有股份合併為本公司已發行及未發行股本之一股每股面值0.10港元之新股份之基準實施股份合併。截至批准此等綜合財務報表之日期，股份合併尚未完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. IMMEDIATE PARENT AND ULTIMATE CONTROLLING PARTY

At 31 December 2015, the directors consider the immediate parent and ultimate controlling party of the Group to be Jumbo Lane Investments Limited, which is incorporated in the BVI. Jumbo Lane Investments Limited does not produce financial statements available for public use.

43. 直接母公司及最終控股方

於二零一五年十二月三十一日，董事認為本集團直接母公司及最終控股方為寶連投資有限公司，其於英屬處女群島註冊成立。寶連投資有限公司並無編製供公眾使用之財務報表。

FIVE YEAR FINANCIAL SUMMARY

五年財務摘要

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

RESULTS

業績

For the year ended 31 December

截至十二月三十一日止年度

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Turnover	營業額	329,120	301,119	187,184	183,834	253,849
Loss from operations	經營業務產生之虧損	(44,971)	(64,559)	(76,196)	(26,913)	(15,036)
Finance costs	財務費用	(14,324)	(16,057)	(27,657)	(7,214)	(8,762)
Fair value (loss)/gain on other financial assets	其他金融資產之公平值(虧損)/收益	—	—	—	(17,051)	17,051
Fair value (loss)/gain on the derivative component of convertible bonds	可換股債券衍生工具部份之公平值(虧損)/收益	—	—	—	—	(6,487)
Loss on extinguishment of financial liability	註銷金融負債之虧損	—	(57,024)	—	—	—
Impairment loss on goodwill	商譽減值虧損	(3,551)	(104,298)	(163,000)	(2,339)	(21,492)
Impairment loss on intangible assets	無形資產減值虧損	(134,385)	(138,702)	(25,000)	—	—
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	(92,086)	—	—	—	—
Loss before taxation	除稅前虧損	(289,317)	(380,640)	(291,853)	(53,517)	(34,726)
Income tax credit/(charge)	所得稅抵免/(開支)	34,291	38,324	13,092	(7,945)	(14,609)
Loss for the year	本年度虧損	(255,026)	(342,316)	(278,761)	(61,462)	(49,335)
Attributable to:	下列應佔：					
Equity shareholders of the Company	本公司權益股東	(235,943)	(333,348)	(271,440)	(55,130)	(45,016)
Non-controlling interests	非控股權益	(19,083)	(8,968)	(7,321)	(6,332)	(4,319)
Loss for the year	本年度虧損	(255,026)	(342,316)	(278,761)	(61,462)	(49,335)

FIVE YEAR FINANCIAL SUMMARY

五年財務摘要

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

ASSETS AND LIABILITIES

資產及負債

At 31 December

於十二月三十一日

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Total assets	總資產	1,031,530	1,283,223	1,506,671	1,545,761	1,396,942
Total liabilities	總負債	(511,126)	(548,147)	(685,922)	(523,058)	(315,545)
Non-controlling interests	非控股權益	12,729	(6,354)	(15,322)	(22,643)	(28,975)
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益	533,133	728,722	805,427	1,000,060	1,052,422



中國煤層氣集團有限公司
China CBM Group Company Limited

(於開曼群島註冊成立並在百慕達繼續營業之有限公司)
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

股份代號 Stock Code: 8270