AMBER

AMBER ENERGY LIMITED
琥珀能源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 90)

2015 ANNUAL RESULTS ANNOUNCEMENT

The board (the "Board") of directors (the "Directors") of Amber Energy Limited (the "Company") announce the audited results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2015 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Note	**2015** *RMB'000*	2014 *RMB'000*
Revenue	4	**389,631**	894,339
Operating expenses			
Fuel consumption		**(189,658)**	(734,767)
Depreciation and amortisation		**(26,059)**	(57,520)
Impairment losses	5(iii)	**—**	(139,943)
Repairs and maintenance		**(1,978)**	(2,174)
Personnel costs	5(ii)	**(28,336)**	(20,106)
Administrative expenses		**(24,911)**	(26,044)
Sales related taxes		**(2,340)**	(5,147)
Other operating expenses		**(6,185)**	(3,250)
Profit/(loss) from operations		**110,164**	(94,612)
Finance income		**2,173**	3,350
Finance expenses		**(57,911)**	(58,619)
Net finance costs	5(i)	**(55,738)**	(55,269)
Other net income		**7,394**	2,245
Profit/(loss) before taxation	5	**61,820**	(147,636)
Income tax	6	**(18,441)**	(1,389)
Profit/(loss) for the year		**43,379**	(149,025)
Attributable to:			
Equity shareholders of the Company		**43,691**	(148,897)
Non-controlling interests		**(312)**	(128)
Profit/(loss) for the year		**43,379**	(149,025)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
For the year ended 31 December 2015

	Note	**2015** **RMB'000**	2014 RMB'000
Earnings/(loss) per share			
Basic *(RMB)*	8	**0.103**	(0.36)
Diluted *(RMB)*	8	**0.103**	(0.36)
Profit/(loss) for the year		**43,379**	(149,025)
Other comprehensive income for the year (after tax and reclassification adjustments):			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		**(13,176)**	549
Total comprehensive income for the year		**30,203**	(148,476)
Attributable to:			
Equity shareholders of the Company		**30,515**	(148,348)
Non-controlling interests		**(312)**	(128)
Total comprehensive income for the year		**30,203**	(148,476)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2015

	Note	**2015** *RMB'000*	2014 *RMB'000*
Non-current assets			
Property, plant and equipment		**1,170,829**	1,176,030
Lease prepayments		**48,826**	50,163
Deferred tax assets	6(iii)	**5,725**	4,532
Other non-current assets	9	**18,083**	—
		1,243,463	1,230,725
Current assets			
Inventories		**13,912**	12,400
Trade and other receivables	9	**50,838**	140,677
Pledged deposits		**5,000**	45,000
Term deposits		**—**	20,000
Cash and cash equivalents		**150,012**	148,499
		219,762	366,576
Current liabilities			
Interest-bearing borrowings	10	**127,000**	305,445
Convertible bonds		**97,923**	—
Trade and other payables	12	**96,157**	252,505
Current taxation		**2,577**	755
		323,657	558,705
Net current liabilities		**(103,895)**	(192,129)
Total assets less current liabilities		**1,139,568**	1,038,596
Non-current liabilities			
Interest-bearing borrowings	10	**653,405**	527,500
Convertible bonds	11	**—**	85,857
Deferred revenue		**10,692**	10,920
Long-term payables	13	**—**	4,908
Deferred tax liabilities	6(iii)	**5,708**	3,224
		669,805	632,409

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2015

	Note	**2015**	2014
		RMB'000	*RMB'000*
NET ASSETS		**469,763**	406,187
CAPITAL AND RESERVES			
Share capital	14	**40,149**	36,582
Reserves		**428,774**	368,453
Total equity attributable to equity shareholders of the Company		**468,923**	405,035
Non-controlling interests		**840**	1,152
TOTAL EQUITY		**469,763**	406,187

NOTES TO THE FINANCIAL STATEMENTS

1 REPORTING ENTITY AND BACKGROUND INFORMATION

Amber Energy Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability on 8 September 2008 under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 10 July 2009 (the "Listing").

The consolidated financial statements for the year ended 31 December 2015 of the Company comprise the Company and its subsidiaries (together referred to as the "Group"). The principal activities of the Group are the development, operation and management of power plants.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (IFRSs), which collective term includes all applicable individual International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs) and related Interpretations, issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The IASB has issued certain new and revised IFRSs 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 financial statements.

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued the following amendments to IFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- Annual Improvement to IFRSs 2010–2012 Cycle
- Annual Improvement to IFRSs 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 amended IFRSs are discussed below:

Annual Improvements to IFRSs 2010–2012 Cycle and 2011–2013 Cycle

These two cycles of annual improvements contain amendments to nine standards with consequential amendments to other standards. Among them, IAS 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.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the development, operation and management of power plants.

Revenue comprises volume tariff revenue and capacity tariff revenue, and revenue from sales of electricity quotas.

Volume tariff revenue represents the sale of electricity to power grid companies.

Capacity tariff revenue represents a subsidy income from power grid companies, following a reduction in the annual planned power generation volume of the Group's power plants and changes in the electricity tariff policies applicable to the Group from 2015, pursuant to a notice issued by the Economic and Information Commission of Zhejiang Province in December 2014.

The amount of each significant category of revenue recognised during the year is as follows:

	2015	2014
	RMB'000	*RMB'000*
Volume tariff revenue	**177,691**	874,109
Capacity tariff revenue	**211,940**	—
Alternative generation*	**—**	20,230
	389,631	894,339

* The alternative generation arrangement allows a coal-fired power plant to purchase the power generation quotas of the Group's power plants and sell such generation to power grid companies based on the buyer's approved on-grid tariff.

(b) Segment reporting

The most senior executive management have identified four operating segments, which are the four power plants, namely:

- Amber (Anji) Gas Turbine Thermal Power Co., Ltd. ("Anji Power Plant");
- Zhejiang Amber De-Neng Natural Gas Power Generation Co., Ltd. ("De-Neng Power Plant");
- Zhejiang Amber Jing-Xing Natural Gas Power Generation Co., Ltd. ("Jing-Xing Power Plant"); and
- Hangzhou Amber Blue Sky Natural Gas Power Generation Co., Ltd. ("Blue Sky Power Plant").

The most senior executive management are of the view that these four operating segments contribute to the entire revenue of the Group and should be aggregated to a single reportable segment of the Group, power segment, for financial reporting purpose as they have similar economic characteristics and are similar in respect of nature of products, production processes, the type of class of customers and the regulatory environment.

Segment assets include all tangible, intangible assets and current assets with the exception of other corporate assets. Segment liabilities include trade creditors, accruals and bills payable attributable to sales activities of the power segment, convertible bonds, and bank borrowings managed directly by the power segment, with the exception of corporate liabilities.

(i) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

Revenue

	2015	2014
	RMB'000	*RMB'000*
Reportable segment revenue	**389,631**	894,339
Consolidated revenue	**389,631**	894,339

Profit/(loss)

	2015	2014
	RMB'000	*RMB'000*
Reportable segment profit/(loss)	**74,431**	(140,369)
Unallocated corporate expenses	**(12,611)**	(7,267)
Consolidated profit/(loss) before taxation	**61,820**	(147,636)

Assets

	2015	2014
	RMB'000	*RMB'000*
Reportable segment assets	**1,426,626**	1,596,518
Other corporate assets	**36,599**	783
Consolidated total assets	**1,463,225**	1,597,301

Liabilities

	2015	2014
	RMB'000	*RMB'000*
Reportable segment liabilities	**969,450**	1,173,414
Corporate liabilities	**24,012**	17,700
Consolidated total liabilities	**993,462**	1,191,114

5 PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging/(crediting):

(i) Net finance costs

	2015	2014
	RMB'000	*RMB'000*
Interest income	**(1,737)**	(3,097)
Net foreign exchange gain	**(436)**	(253)
Financial income	**(2,173)**	(3,350)
Interest on interest-bearing borrowings and other bank advances	**48,975**	68,804
Interest on convertible bonds	**8,837**	7,758
Total interest expense on financial liabilities	**57,812**	76,562
Less: interest expense capitalised into assets under construction*	**—**	18,184
Total interest expense recognised in profit or loss	**57,812**	58,378
Bank charges	**99**	241
Financial expenses	**57,911**	58,619
Net finance costs	**55,738**	55,269

* The borrowing costs have been capitalised at a rate of 6% to 9.72% per annum in 2014.

(ii) Personnel costs

	2015	2014
	RMB'000	*RMB'000*
Wages, salaries and other benefits	**26,591**	18,831
Contribution to defined contribution plan	**1,745**	1,275
	28,336	20,106

The Group participates in pension funds organised by the PRC government. According to the respective pension fund regulations, the Group is required to pay annual contributions. The Group remits all the pension fund contributions to the respective social security offices, which are responsible for the payments and liabilities relating to the pension funds. The Group has no obligation for payment of retirement and other post-retirement benefits of employees other than the contributions described above.

The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees employed by the Company in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

(iii) Other items

	2015 *RMB'000*	2014 *RMB'000*
Operating lease charges	**981**	1,324
Net loss/(gain) on disposal of property, plant and equipment	**4,561**	(86)
Amortisation	**1,337**	1,337
Depreciation	**24,722**	56,183
Impairment losses	**—**	139,943
Auditor's remuneration		
— audit services	**1,287**	1,280

According to a notice issued by the Economic & Information Commission of Zhejiang Province in December 2014, there are certain changes in respect of (i) the electricity tariff policies applicable to the Group; and (ii) the annual planned power generation volume of the Group's power plants from 2015. As a result, the Group identified an indicator of impairment for the related property, plant and equipment and performed an impairment assessment of the related assets based on their estimated recoverable amounts. The recoverable amounts are estimated using the present value of future cash flows based on the financial forecasts approved by management and a post-tax discount rate of 10%. The future cash flows are forecasted with reference to the estimated production capacity, annual planned power generation volume, expected tariff rate and gross margin and estimated years of operation. The forecasted revenue and gross margin are determined by past business performance and management's expectation for market development. Based on the results of this impairment assessment, the Group made an impairment loss for power plants amounting to RMB139,943,000 for the year ended 31 December 2014.

As at 31 December 2015, based on the impairment assessment performed in 2014, the Group reassessed the major factors that may affect the assessment, including the applicable tariff polices and rates, the annual planned power generation volume according to the latest notices issued by the relevant regulatory authorities, expected gross margin, estimated years of operation and the relevant discount rate. Based on the Group's current assessment, no additional or reversal of impairment loss was considered necessary.

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(i) Taxation in the consolidated statement of profit or loss represents:

	2015 *RMB'000*	2014 *RMB'000*
Current tax		
PRC Corporate Income Tax	**16,101**	3,252
Under-provision in respect of prior years	**1,049**	47
Deferred tax		
Origination and reversal of temporary differences	**1,291**	(1,910)
Total income tax expense in the consolidated statement of profit or loss	**18,441**	1,389

(a) Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

(b) No provision for Hong Kong Profits Tax has been made for the subsidiaries located in Hong Kong as these subsidiaries did not have assessable profits subject to Hong Kong Profits Tax for the year ended 31 December 2015 (2014: Nil).

(c) The provision for PRC income tax is based on the respective Corporate Income Tax rates applicable to the subsidiaries located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC.

According to the Corporate Income Tax Law of the People's Republic of China ("New Tax Law") which took effect on 1 January 2008, the Group's subsidiaries in the PRC are subject to the unified tax rate of 25%.

Pursuant to the Corporate Income Tax Law of the PRC, a 5% withholding tax is levied on foreign investors in respect of dividend distributions arising from profits of a foreign investment enterprise in the PRC earned after 1 January 2008, provided that the Company is the "beneficial owner" and holds 25% or more of the equity interest of a foreign investment enterprise in the PRC under the tax arrangement between the PRC and Hong Kong Special Administration Region. Deferred tax liabilities of RMB5,708,000 have been recognised for the retained profits of the Group's PRC subsidiaries as at 31 December 2015 to the extent that these earnings would be distributed in the foreseeable future (2014: RMB3,224,000).

(d) The Group has not recognised deferred tax assets in respect of cumulated tax losses of RMB1,375,000 (2014: RMB10,692,000) as it is not probable that future taxable profits will be available against which the Group can utilise the benefit therefrom.

(ii) Reconciliation between tax expense and accounting profit/(loss) at applicable tax rate:

	2015	2014
	RMB'000	*RMB'000*
Profit/(loss) before taxation	**61,820**	(147,636)
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	**17,155**	(34,570)
Tax effect of non-deductible expenses	**79**	425
Tax effect of unused tax losses and impairment losses not recognised as deferred tax assets	**244**	35,487
Tax effect of accumulated tax losses of Blue Sky Power Plant recognised as deferred tax assets	**(1,284)**	—
Tax effect of utilised tax losses of Blue Sky Power Plant not recognised as deferred tax assets in prior years	**(1,286)**	—
Under provision in prior years	**1,049**	47
Withholding tax on profits retained by PRC subsidiaries	**2,484**	—
Actual tax expense	**18,441**	1,389

(iii) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		**Liability**	
	2015	2014	**2015**	2014
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Property, plant and equipment	**1,768**	1,802	**—**	—
Withholding tax on profits retained by the Group's PRC subsidiaries	**—**	—	**(5,708)**	(3,224)
Accumulated tax losses for Blue Sky Power Plant	**1,284**	—	**—**	—
Government grants	**2,673**	2,730	**—**	—
Deferred tax assets/(liabilities)	**5,725**	4,532	**(5,708)**	(3,224)

(iv) Movement in deferred tax balance during the year

	Accumulated tax losses for Bluesky Power Plant *RMB'000*	Property, plant and equipment *RMB'000*	Withholding tax on profits retained by the Group's PRC subsidiaries *RMB'000*	Government grants *RMB'000*	Total *RMB'000*
At 1 January 2015	—	1,802	(3,224)	2,730	1,308
Recognised in consolidated income statement	1,284	(34)	(2,484)	(57)	(1,291)
At 31 December 2015	1,284	1,768	(5,708)	2,673	17

7 DIVIDENDS

(i) Dividends payable to equity shareholders of the Company attributable to the year

	2015 ***RMB'000***	2014 *RMB'000*
Final dividend proposed after the reporting date of HKD0.03 per share (2014: nil)	**11,465**	—

The final dividend proposed after the reporting date has not been recognised as a liability at the reporting date.

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year approved during the year

	2015 ***RMB'000***	2014 *RMB'000*
No final dividend in respect of the previous financial year, approved during the year (2014: HKD0.002 per share)	**—**	657

8 BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit/(loss) attributable to ordinary equity shareholders of the Company of RMB43,691,000 (2014: loss of RMB148,897,000) and the weighted average of 424,436,712 ordinary shares (2014: 415,000,000) in issue during the year, calculated as follows:

(i) Weighted average number of ordinary shares

		2015	2014
		Number of shares	*Number of shares*
Issued ordinary shares at 1 January		**415,000,000**	415,000,000
Weighted average number of new shares issued	14(iv)	**9,436,712**	—
Weighted average number of ordinary shares at 31 December		**424,436,712**	415,000,000

(b) Diluted earnings/(loss) per share

The calculation of diluted earnings/(loss) per share for the year ended 31 December 2015 and 31 December 2014 does not assume the conversion of convertible bonds because the conversion of convertible bonds would be anti-dilutive. Diluted earnings/(loss) per share was the same as basic earnings/(loss) per share for the year ended 31 December 2015 and 31 December 2014 as no dilutive potential shares were outstanding during the year.

9 TRADE AND OTHER RECEIVABLES

	2015	2014
	RMB'000	*RMB'000*
Trade receivables	**20,801**	70,126
Prepayments	**5,004**	8,345
VAT recoverable within one year	**22,927**	56,821
Other receivables	**2,106**	5,385
	50,838	140,677

All of the trade and other receivables are expected to be recovered within one year. Credit term granted to power grid companies is 30 days. VAT recoverable over one year of RMB18,083,000 is presented as "other non-current assets" as at 31 December 2015.

At 31 December 2015, ageing analysis of trade receivables of the Group based on the invoice date is as follows:

	2015	2014
	RMB'000	*RMB'000*
Within 1 month	**20,801**	70,126

10 INTEREST-BEARING BORROWINGS

	2015	2014
	RMB'000	*RMB'000*
Current		
Secured bank loans	—	15,000
Unsecured bank loans	—	90,000
Unsecured loans from a related party	—	120,445
Current portion of non-current secured bank loans	**40,000**	5,000
Current portion of non-current unsecured bank loans	**22,500**	22,500
Current portion of non-current unsecured bank loans guaranteed by a related party	**64,500**	52,500
	127,000	305,445
Non-current		
Secured bank loans	**25,000**	65,000
Unsecured bank loans	**32,500**	55,000
Unsecured bank loans guaranteed by a related party	**343,000**	407,500
Unsecured loans from a related party	**252,905**	—
	653,405	527,500
	780,405	832,945

(i) The secured bank loans as at 31 December 2015 carried interest at rates ranging from 5.25% to 6.55% (2014: 6.15% to 6.55% per annum) and were secured by the following assets:

	2015	2014
	RMB'000	*RMB'000*
Carrying amounts of assets:		
Property, plant and equipment	**176,505**	181,180
Lease prepayments	**10,337**	10,792

(ii) Unsecured bank and other loans as at 31 December 2015 carried interest at rates ranging from 3.92% to 6.55% (2014: 4.95% to 7.2% per annum).

(iii) The Group's non-current bank loans were repayable as follows:

	2015	2014
	RMB'000	*RMB'000*
Within 1 year	**127,000**	80,000
Over 1 year but less than 2 years	**346,905**	127,000
Over 2 years but less than 5 years	**266,000**	281,000
Over 5 years	**40,500**	119,500
	653,405	527,500
	780,405	607,500

11 CONVERTIBLE BONDS

On 29 November 2011, the Company issued convertible bonds (the "Convertible Bonds") in the aggregate principal amount of HKD124,800,000. The subscriber of the Convertible Bonds is Amber International Investment Co., Ltd. ("Amber International"), the immediate holding company of the Company. The principal terms of the Convertible Bonds are as follows:

(a) Optional conversion

The holder of the Convertible Bonds ("Bondholder") may convert the Convertible Bonds in integral multiples of HKD3,900,000 into fully paid ordinary shares of the Company with a par value of HKD0.10 each at an initial conversion price ("Conversion Price") of HKD1.30 per share at any time from 29 November 2011 (the "Issue Date") up to (and including) 28 November 2016 (the "Maturity Date"). The Conversion Price is subject to adjustments in the manner set out in the Convertible Bonds agreement as a result of dilutive events. The maximum number of ordinary shares that may be converted is limited to the extent that following such conversion, the shares held by public should not be less than 25% of the then issued share capital of the Company.

(b) Redemption

Unless previously converted, purchased or cancelled, the Company shall redeem the Convertible Bonds at the principal amount and pay all the outstanding interest on Maturity Date.

As the functional currency of the Company is HKD, the conversion of the Convertible Bonds will be settled by exchange of a fixed amount of cash in HKD with a fixed number of the Company's equity instruments. In accordance with the requirements of IAS 39 Financial Instruments–Recognition and Measurement, the Convertible Bonds agreement needs to be separated into a liability component consisting of the straight debt element and redemption elements of the bonds, and an equity component representing the options of the Bondholder to convert the bonds into equity. The proceeds received from the issue of the Convertible Bonds have been split as follows:

(i) Liability component represents the fair value of the contractually determined stream of cash flows discounted at the prevailing market interest rate applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the conversion features.

The liability component was subsequently measured at amortised cost using an effective interest rate of 9.72%.

(ii) Equity component represents the conversion options, which is determined by deducting the fair value of the liability component from the proceeds of issue of the Convertible Bonds as a whole.

The movement of the liability component and the equity component of the Convertible Bonds for the year is set out below:

	Liability component *RMB'000*	Equity component *RMB'000*	Total *RMB'000*
As at 1 January 2014	79,794	26,065	105,859
Interest capitalised during the year	3,253	—	3,253
Interest expensed during the year	4,505	—	4,505
Interest payable during the year	(1,969)	—	(1,969)
Foreign currency translation difference	274	—	274
As at 31 December 2014	85,857	26,065	111,922
Interest expensed during the year	8,837	—	8,837
Interest payable during the year	(2,091)	—	(2,091)
Foreign currency translation difference	5,320	—	5,320
As at 31 December 2015	**97,923**	**26,065**	**123,988**

No conversion, redemption or purchase or cancellation of the Convertible Bonds has taken place up to 31 December 2015.

The Convertible Bonds was recognised as current liabilities as at 31 December 2015, with the maturity date due on 28 November 2016.

12 TRADE AND OTHER PAYABLES

	2015 ***RMB'000***	2014 *RMB'000*
Trade and bill payables	**29,475**	179,693
Other payables and accrued expenses *(see note 13)*	**66,682**	72,812
	96,157	252,505

An ageing analysis of trade and bill payables of the Group is as follows:

	2015 ***RMB'000***	2014 *RMB'000*
Within 3 months	**28,394**	11,154
Over 3 months but less than 6 months	**607**	168,539
Over 6 months but less than 1 year	**474**	—
	29,475	179,693

13 LONG-TERM PAYABLES

	2015	2014
	RMB'000	*RMB'000*
Payable for purchase of property, plant and equipment	**—**	4,908

The balance represents payable for the purchase of an imported generator equipment by Jing-Xing Power Plant. The nominal value of the purchase consideration of RMB60,448,000 is payable over a period of 10 years. The amount has been measured at fair value being future cash outflows discounted at the prevailing interest rates as at the respective reporting dates.

Current portion of long-term payables of RMB4,908,000 (2014: RMB6,222,000) has been included in other payables and accrued expenses (see note 12).

14 SHARE CAPITAL

		2015		2014	
	Note	***No. of shares***	***Amount RMB'000***	*No. of shares*	*Amount RMB'000*
Authorised:					
Ordinary shares of HKD0.10 each	(i)	**1,000,000,000**	**88,050**	1,000,000,000	88,050
Ordinary shares, issued and fully paid					
At 1 January		**415,000,000**	**36,582**	415,000,000	36,582
Shares issued	(iv)	**43,600,000**	**3,567**	—	—
At 31 December		**458,600,000**	**40,149**	415,000,000	36,582

(i) The Company was incorporated in the Cayman Islands on 8 September 2008 with an authorised share capital of HKD380,000 divided into 3,800,000 ordinary shares of par value HKD0.10 each. On 8 September 2008, one share was allotted and issued to the initial subscriber and was subsequently transferred to Amber International on the same date. On 20 March 2009, two shares were allotted and issued to Amber International to settle the consideration for the transfer of Blue Sky Power Plant and Jing-Xing Power Plant to Amber Bluesky and Amber Jingxing respectively. On 11 June 2009, one share was allotted and issued to Amber International to settle the consideration for the transfer of De-Neng Power Plant to Amber Deneng.

Pursuant to a resolution passed by the then sole shareholder of the Company on 18 June 2009, the authorised share capital of the Company was increased from HKD380,000 divided into 3,800,000 ordinary shares to HKD100,000,000 divided into 1,000,000,000 ordinary shares.

(ii) Pursuant to a written resolution of the then sole shareholder of the Company passed on 18 June 2009, 299,999,996 shares of HKD0.10 each in the Company were issued at par value on 9 July 2009 to the Company's existing shareholder as at 18 June 2009 by way of capitalisation of HKD30,000,000 (equivalent to RMB26,446,000) from the share premium account.

(iii) On 10 July 2009, 100,000,000 ordinary shares of HKD0.10 each were issued at a price of HKD1.66 per share under the share offer. The proceeds of HKD10,000,000 (equivalent to RMB8,814,000) representing the par value, were credited to the Company's share capital. The remaining proceeds of HKD156,000,000 (equivalent to RMB137,500,000), before the share issue expenses, were credited to the share premium account.

On 31 July 2009, the sole underwriter of the share offer exercised the over-allocation option for the issuance of 15,000,000 ordinary shares of HKD0.10 each at HKD1.66 per share. The proceeds of HKD1,500,000 (equivalent to RMB1,322,000) representing the par value, were credited to the Company's share capital. The remaining proceeds of HKD23,400,000 (equivalent to RMB20,629,000), before the share issue expenses, were credited to the share premium account.

(iv) On 14 October 2015, 40,000,000 ordinary shares and 3,600,000 ordinary shares of HKD0.10 each were issued at a price of HKD0.97 per share to the third parties pursuant to the subscription agreement and the placing agreement signed with the Company. The proceeds of HKD4,360,000 (equivalent to RMB3,567,000) representing the par value, were credited to the Company's share capital.

15 COMMITMENTS

(i) Capital commitments outstanding at the year end but not provided for in the consolidated financial statements were as follows:

	2015	2014
	RMB'000	*RMB'000*
Authorised but not contracted for	**7,100**	32,230
Contracted for	**26,002**	11,887
	33,102	44,117

(ii) Non-cancellable operating lease rentals were payable as follows:

	2015	2014
	RMB'000	*RMB'000*
Less than 1 year	**916**	756
Over 1 year but less than 5 years	**1,070**	1,120
	1,986	1,876

16 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2015

Up to the date of issue of these financial statements, the IASB has issued a few amendments and new standards which are not yet effective for the year ended 31 December 2015 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group:

	Effective for accounting periods beginning on or after
Annual improvements to IFRSs 2012–2014 cycle	1 January 2016
Amendments to IAS 16 and IAS 38, Clarification of acceptable methods of depreciation and amortisation	1 January 2016
Amendments to IFRS 10 and IAS 28, Sale or contribution of assets between an investor and its associate or joint venture	1 January 2016
Amendments to IFRS 10, IFRS 12 and IAS 28, Investment entities: Applying the consolidation exception	1 January 2016
Amendments to IAS 1, Disclosure initiative	1 January 2016
IFRS 15, Revenue from contracts with customers	1 January 2018
IFRS 9, Financial instruments (2014)	1 January 2018
IFRS 16, Leases	1 January 2019

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Installed Capacity

The Group is mainly engaged in the construction, operation and management of natural gas-fired power plants, and has four wholly-owned gas-fired power plants in Zhejiang province, namely Zhejiang Amber De-Neng Natural Gas Power Generation Co., Ltd. (浙江琥珀德能天然氣發電有限公司) ("De-Neng Power Plant"), Hangzhou Amber Blue Sky Natural Gas Power Generation Co., Ltd. (杭州琥珀藍天天然氣發電有限公司) ("Blue Sky Power Plant"), Amber (Anji) Gas Turbine Thermal Power Co., Ltd. (琥珀（安吉）燃機熱電有限公司) ("Anji Power Plant") and Zhejiang Amber Jing-Xing Natural Gas Power Generation Co., Ltd. (浙江琥珀京興天然氣發電有限公司) ("Jing-Xing Power Plant"). As at 31 December 2015, the aggregate installed capacity and the attributable installed capacity of the above power plants was approximately 457MW.

Production Volume

The production volume for the year ended 31 December 2015 was 303,020Mwh (2014: 1,101,421Mwh), representing a decrease of 72.49% as compared with last year. The production volume has decreased due to the trial implementation of the Dual Tariff Policy for natural gas-fired power plants since 1 January 2015, resulting in the change in the Group's revenue model with the operating revenue now comprises of two components, namely revenue based on volume of power generation (volume tariff) and revenue based on capacity (capacity tariff).

The adjustments of annual production plan led to a year-on-year decrease in the Group's annual production volume. In order to facilitate the trial implementation of the Dual Tariff Policy, the relevant government authorities have organised the 2015 production plan for natural gas power generating units based on the maximum demand within the power grid. The planned generation hours in 2015 for Blue Sky Power Plant and De-Neng Power Plant under the Group were 1,800 hours, while the planned generation hours for the new Anji Power Plant in 2015 were 560 hours and the planned generation hours for Jing-Xing Power Plant were 3,500 hours. Under the guidance of the new policy, the Group's production volume in 2015 substantially decreased as compared to that in 2014. (For details, please refer to the announcement of the Company dated 23 June 2015)

Natural Gas Supply

The total natural gas supply for the year ended 31 December 2015 was 69.96 million m^3 (2014: 257.38 million m^3), representing a decrease of 72.82% as compared with last year. As the production volume decreased, natural gas supply decreased accordingly.

Fuel Cost

Natural gas is the only source of fuel for the Group's power plants. The natural gas price is determined by the Price Bureau of Zhejiang Province.

Effective from 1 April 2015, natural gas price (inclusive of VAT) offered by Zhejiang Province Natural Gas Development Company (the sole natural gas supplier of the Group) to the Company's gas-fired power plants was adjusted from RMB3.36/m^3 to RMB3.08/m^3. Effective from 20 November 2015, natural gas price (inclusive of VAT) offered to the Company's gas-fired power plants was adjusted from RMB3.08/m^3 to RMB2.41/m^3.

For the year ended 31 December 2015, the fuel cost accounted for 48.68% of the revenue, representing a decrease of 33.48 percentage points as compared to last year.

On-grid Tariff

On-grid tariff is determined by the Price Bureau of Zhejiang Province after taking into account the types of fuel, cost structure and operating profit of similar power plants within the provincial grid.

According to the Notice Regarding the Trial Implementation of Dual Tariff for Natural Gas Power Generating Units in Zhejiang Province (《關於我省天然氣發電機組試行兩部制電價的通知》) issued by the Price Bureau of Zhejiang Province, the trial dual tariff has been implemented starting from 1 January 2015. The volume tariff of Blue Sky Power Plant, De-Neng Power Plant and Jing-Xing Power Plant under the Group from January to March 2015 was RMB0.79/Kwh (inclusive of VAT), while starting from 1 April 2015, the volume tariff and capacity tariff have been changed to RMB0.73/Kwh (inclusive of VAT) and RMB470/Kw per annum (inclusive of VAT), respectively. The volume tariff of Anji Power Plant under the Group from January to March 2015 was RMB0.73/Kwh (inclusive of VAT), while starting from 1 April 2015, the volume tariff and capacity tariff have been changed to RMB0.67/Kwh (inclusive of VAT) and RMB680/Kw per annum (inclusive of VAT), respectively.

According to the Notice Regarding the Adjustment on the On-grid Tariff of Natural Gas Power Generating Units (《關於調整天然氣發電機組上網電價的通知》) issued by the Price Bureau of Zhejiang Province, starting from 20 November 2015, the volume tariff of Blue Sky Power Plant, De-Neng Power Plant and Jing-Xing Power Plant under the Group has been adjusted to RMB0.60/Kwh (inclusive of VAT); the volume tariff of Anji Power Plant under the Group has been adjusted to RMB0.54/Kwh (inclusive of VAT), among which the capacity tariff remains unchanged at its original level.

FINANCIAL REVIEW

Highlight

For the year ended 31 December 2015, the revenue of the Group was approximately RMB389,631,000 (2014: RMB894,339,000), representing a decrease of 56.43% as compared to last year.

For the year ended 31 December 2015, profit attributable to equity shareholders of the Company was approximately RMB43,691,000 (2014: loss of RMB148,897,000), representing an increase of 129.34% as compared to 2014. Basic earnings per share amounted to RMB0.103 for the year ended 31 December 2015 (2014: loss of RMB0.36).

The increase in profit attributable to equity shareholders of the Company was primarily attributable to the trial implementation of the Dual Tariff Policy for natural gas power generating units in Zhejiang province since 1 January 2015, as well as the corresponding adjustments on both on-grid tariff and natural gas price.

Revenue

Revenue of the Group for the year ended 31 December 2015 amounted to approximately RMB389,631,000, representing a decrease of 56.43% as compared with RMB894,339,000 last year. A decrease in revenue was primarily due to the implementation of the Dual Tariff Policy for natural gas-fired power plants in Zhejiang province and the corresponding decrease in production volume.

Operating Costs

Operating costs of the Group for 2015 was RMB279,467,000, representing a decrease of 71.74% as compared with RMB988,951,000 in 2014. A decrease in operating costs was primarily due to the implementation of the Dual Tariff Policy for natural gas-fired power plants in Zhejiang province and the corresponding decrease in both production volume and natural gas price.

Income Tax

Since preferential enterprise income tax enjoyed by the power plants of the Group expired on 31 December 2012, those power plants had to provide for and pay the PRC enterprise income tax at a rate of 25% during 2013. The PRC enterprise income tax provided for the year ended 31 December 2015 amounted to RMB18,441,000.

Pursuant to the provisions of tax law of the PRC, 10% withholding tax is levied on foreign investors in respect of dividend distributions arising from profits of foreign invested enterprises earned after 1 January 2008, while the applicable tax rate for foreign investors registered in Hong Kong is 5% provided they meet certain criteria. Therefore, deferred tax liabilities of the Group of RMB5,708,000 have been recognised at a rate of 5% as at 31 December 2015.

No provision of income tax was made for the members of the Group outside of the PRC as the Group had no taxable profits generated outside the PRC.

Profit Attributable to Equity Shareholders of the Company

For the year ended 31 December 2015, profit attributable to equity shareholders of the Company was RMB43,691,000 (2014: loss of RMB148,897,000), representing an increase of RMB192,588,000, or approximately 129.34%, as compared with last year.

The increase in net profit in 2015 was primarily attributable to the implementation of the Dual Tariff Policy for natural gas-fired power plants in Zhejiang province. Under the new policy, the operating revenue of the power plants under the Group in 2015 comprised two components, namely capacity tariff revenue and volume tariff revenue. The production volume, on-grid tariff and natural gas price of the power plants under the Company were adjusted accordingly.

Liquidity and Financial Resources

Net cash used in operating activities was RMB12,307,000 (net cash generated from 2014: RMB39,756,000). The decrease in the net cash generated from operating activities as compared with last year was mainly due to the repayment of most of the bills payable. The aging of the Group's receivables is one month and in general, the revenue generated in the previous month is received in the current month and used for the settlement of fuel purchases of the current month. Credit record of our customers was satisfactory and there has been no risk of default. Net cash used in investing activities was RMB7,013,000 (2014: RMB131,036,000), representing a decrease of 94.65% as compared with last year. The amount was primarily used towards the remaining project payment for the construction of and equipment procurement for the Anji Project. During the period under review, there was no other significant investing activity. Net cash generated from financing activities was RMB20,833,000 (2014: RMB179,544,000), which was primarily due to the fund raised by way of share issue of RMB33,373,000; borrowings of RMB184,555,000; the repayment of short-term and long-term loans of RMB237,095,000; and the decrease in pledged deposits of RMB40,000,000.

As at 31 December 2015, the Group had a cash balance of RMB150,012,000 (31 December 2014: RMB148,499,000), all of which were used for working capital purpose. Cash was generally placed with banks as short-term deposits.

As at 31 December 2015, the Group had net current liabilities of approximately RMB103,895,000 (31 December 2014: RMB192,129,000). The decrease in net current liabilities was mainly attributable to the significant decrease in trade payables of the Company under the Dual Tariff Policy in Zhejiang province in 2015. Meanwhile, the Company has repaid part of the liquidity loans and replaced part of short-term loans with long-term loans.

The Group regularly monitors its liquidity positions and projected liquidity requirements and its compliance with lending covenants to ensure that it meets its short-term and long-term liquidity requirements. The Group maintains long-term satisfactory relationships with the major banks, and the Directors are confident that the Group will be able to satisfy all conditions required by its bank creditors and will have sufficient cash to meet its working capital requirements for future operations.

The Group monitors its capital structure on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total debt (including all loans and borrowings as well as long-term payables and the Convertible Bonds, as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as equity attributable to equity shareholders of the Company, as shown in the consolidated statement of financial position, plus net debt. As at 31 December 2015, the gearing ratio was 60.83% (31 December 2014: 65.68%), representing a decrease of 4.85 percentage points as compared with 2014.

Foreign Exchange

The Group has placed short-term deposits with licensed banks in Hong Kong Dollars, which will affect the Group's financial conditions as the exchange rate of Hong Kong Dollars to Renminbi fluctuates. As the Group's operating expenses are mainly denominated in Renminbi and our revenue is also settled in Renminbi, the Group has not hedged the risks of exchange rate fluctuations through any forward contracts or borrowings.

Contingent Liabilities and Capital Commitments

As at 31 December 2015, the Group had RMB26,002,000 (31 December 2014: RMB11,887,000) of capital commitments relating to the purchase and construction of property, plant and equipment contracted but not provided for in the annual financial report. The Group had authorized but not contracted for capital commitments of RMB7,100,000 (31 December 2014: RMB32,230,000). During the year, the Group had no major contingent liabilities or off balance sheet commitments.

PROSPECTS

The socio-economic development in China is now entering into a "New Normal" stage, which enables it to maintain medium to high speed growth in the turbulence of global economic downturn. The PRC government has continued to push forward the progress of different reforms and accelerate the shift from old to new growth drivers. While releasing the benefits from the reforms and moderately expanding the overall demand, it will also step up its efforts in structural reform, especially on the supply side. Among which, priority will be given to the supply-side structural reform of the energy sector. As pointed out by Premier Li Keqiang in the standing committee meeting of the State Council, the energy sector should enhance its competitiveness to facilitate the adjustment and upgrade of industrial structure as well as steady economic growth, which will in turn promote energy saving, emission reduction and sustainable development.

With the start of the meetings of the National People's Congress and Chinese People's Political Consultative Conference for year 2016, the preparation of energy planning under the "13th Five-Year Plan" is now entering the final stage. This plan will be focusing on the new features of energy development emerged in the last two years, which are mainly reflected in three aspects, namely deceleration and shift of consumption growth, acceleration of structural optimization and the change of growth drivers. In view of the development of the Group, the followings are a few highlights of the plan:

I. Steadily push forward the reform of oil and natural gas system. Currently, the central government is considering the introduction of Certain Opinions on Deepening Reform of Oil and Natural Gas System (《關於深化石油天然氣體制改革的若干意見》). As a clean energy supplier with natural gas as its major raw material, the Company will certainly benefit from the natural gas system reform;

II. Enhance the overall operational efficiencies of the energy sector and optimize the layout of high energy consumption industries and energy development while lowering the dependence on long-distance energy transmission. As a province known for enormous energy consumption, Zhejiang Province is highly dependent on external sources of energy. The Group will actively explore the feasibility of developing centralized energy supply in a distributed form of its power plants through natural gas power generation, as natural gas, given it is a clean energy, will be an excellent carrier for energy in a distributed form;

III. Accelerate the implementation of electric power system reform. The government will, with its best endeavours, motivate all regions across the nation to accelerate the establishment of an electric power market for direct transactions. It will also release its control over on-grid tariff and the selling price of electricity, while maintaining stringent control over the price of power transmission and distribution by grid enterprises. Some of the regions are gradually promoting the trial implementation of direct transactions between electricity users, so as to lower the electricity price of the users and reduce the production cost of the companies, which will in turn encourage power consumption.

In 2016, the central government will continue to roll out series of policies and measures targeting "steady growth", as such, the benefit of the reforms will be gradually released and the economy will maintain stable development under the "New Normal" state, which will be beneficial for the growth of electricity consumption. Looking forward, there will be increasing pressure on energy saving, reduction of emission and environment protection in China. The implementation of replacement of other energy with electricity, with an aim to achieve airborne pollution control, energy saving and reduction of emission, will be favourable for the optimization of energy supply structure, and will thus help promoting the steady development of the natural gas power generation industry. As a major clean energy supplier focusing on the provision of natural gas, the Group will certainly be benefitted from the above trend.

In 2015, the apparent consumption of natural gas in the PRC was approximately 191.0 billion m^3. The domestic supply of natural gas in 2016 will amount to 139.0 billion m^3 (including coal bed methane), representing a year-on-year increase of 5.5% and a higher production volume growth as compared to that of approximately 3.5% in 2015. In 2016, the apparent consumption of natural gas in the PRC is expected to increase by 7.3% to 205.0 billion m^3. The proportion of natural gas in China's one-off energy consumption structure is also expected to increase from 5.9% in 2015 to 6.45%. Among which the gas consumption of the city gas industry, power generation industry, industrial fuel industry and chemical industry will increase by 9.1%, 8.7%, 6.1% and 3.7% while the volume of consumption will increase to 82.7 billion m^3, 31.9 billion m^3, 61.1 billion m^3 and 29.3 billion m^3, respectively.

In response to the above situation, the management will continue to support and dedicate to the development of clean energy and is confident in the future development of the existing power plants and new or acquisition projects of the Group.

Meanwhile, the shareholders and potential investors of the Company should note that as mentioned in the announcement issued by the Company on 23 June 2015, the Group has received the Notice Regarding the Trial Implementation of Dual Tariff for Natural Gas Power Generating Units in Zhejiang Province (《關於我省天然氣發電機組試行兩部制電價的通知》) from the Price Bureau of Zhejiang Province. Effective from 1 January 2015, the trial dual tariff has been implemented for the power plants under the Group. The dual tariff consists of volume tariff and capacity tariff. The power generation policy has changed the single profit model of the power plants under the Company in the past and the revenue of the Company will then comprises of two components, namely capacity revenue (capacity tariff) and volume revenue (volume tariff). The Company will continue to implement the power generation policy in 2016. If there is any change in the power generation policy, the Company will make announcement in due course.

Moreover, according to the 2016 Unified Production Plan for Natural Gas Power Generating Units (2016年天然氣統調機組發電計劃) issued by Zhejiang Province Economic and Information Commission, the planned generation hours for Blue Sky Power Plant, De-Neng Power Plant and Anji Power Plant under the Group in 2016 will be 300 hours while the planned generation hour for Jing-Xing Power Plant (being a power plant for geographical survey) in 2016 will be approximately 400 hours.

In addition, the Group is well prepared for the research, development and investment in the projects in relation to gas-fired power generation, as well as investigation and research on clean energy projects other than natural gas. The Group will further increase its reserves in projects for current and long term development, and will expand its market share in the clean energy supply in the PRC.

The Group will continue to strengthen its human resources and focus on the training of talents to build a team with outstanding members. In addition, the Group will continue to implement its comprehensive budget management, upgrade its ability in plan execution and budget control in order to further enhance its management standard and secure stable and sustainable development of the Group. The Group, having full confidence in the industry, will constantly show perseverance in its development of clean energy business. It is believed that the Group will achieve satisfactory results and become one of the top clean energy suppliers in the PRC.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HKD0.03 per share to the shareholders whose names appear on the register of members of the Company on Friday, 10 June 2016. Subject to the approval of the upcoming annual general meeting, the proposed final dividend will be paid on or about Tuesday, 21 June 2016.

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

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

ANNUAL GENERAL MEETING

The annual general meeting will be held on Thursday, 2 June 2016. A notice convening the annual general meeting will be published and despatched to the shareholders of the Company in the manner as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods:

(i) from Tuesday, 31 May 2016 to Thursday, 2 June 2016 (both dates inclusive) for the purpose of ascertaining shareholders' entitlement to attend and vote at the meeting of the Company. In order to be eligible to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 30 May 2016.

(ii) from Wednesday, 8 June 2016 to Friday, 10 June 2016 (both dates inclusive) for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfers accompanied by the relevant share certificates shall be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 7 June 2016.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2015, the Group had a total of 286 employees, excluding 6 temporary staff (31 December 2014: 282, excluding 4 temporary staff). The Group determines employees' remuneration according to industry practices, financial performance and employees' performance. The Group also provides other fringe benefits such as insurance, medical benefits and mandatory provident fund contributions with an aim to retain talents on all levels for further contributions to the Group.

HEALTH AND SAFETY COMPLIANCE

The Group's power plants have adopted various internal policies and implemented protective measures to prevent health and safety hazards. The policies adopted by the Company are in line with government regulations. There were no material accidents or suspensions during the year.

ENVIRONMENT PROTECTION

Each of the Group's power plants has installed a monitoring system to monitor the emission volume of sulphur dioxide and nitrogen oxides on a real-time basis. The emission is inspected regularly by the Group to determine whether the relevant standard has been satisfied before discharging.

During the power generation process, conventional coal-fired power plant discharges waste water and emits air pollutants, such as sulphur dioxide, nitrogen oxides and fine particles. The Group's power plants are fuelled with natural gas which is a cleaner fossil fuel. Unlike conventional coal-fired power plants, the Group's power plants emit significantly lesser amount of nitrogen oxides and barely emit any sulphur dioxide and fine particles. For the same amount of heat generated, combusting natural gas releases 50% less carbon dioxide as compared to combusting coal.

The Group believes that the environmental protection system and facilities of our power plants are in full compliance with the relevant national and local regulations on environment protection.

CORPORATE GOVERNANCE

The Board has been adamant in upholding high standards of corporate governance to maximize the operational efficiency, corporate values and shareholder returns. The Company has adopted sound governance and disclosure practices and continued to upgrade internal control system, strengthen risk control management and reinforce the corporate governance structure.

The Company has complied with all the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules for the year ended 31 December 2015, save as disclosed below:

Since 10 January 2013, Mr. Chai Wei, the President of the Company, has also assumed the role of the Chairman of the Board as a result of the resignation of the former Chairman of the Board which deviates from the code provision A.2.1. Mr. Chai has over 20 years of experience in corporate development and management in a variety of sectors, including energy and public media, and is the most suitable candidate to serve in the positions of both the Chairman of the Board and President of the Company. For the time being, the Company is unable to identify another suitable person who possesses abilities and talent better than or equivalent to Mr. Chai to serve in either of the positions. Given that there is a balanced Board with five experienced non-executive Directors (including three independent non-executive Directors) representing more than half of the Board, the Board is of the view that there is a strong independent element on the Board to exercise independent judgement and provide sufficient check and balance.

The Board will evaluate from time to time the appropriateness of the dual roles of Chairman and the President performed by the same individual and ensures that the arrangement will continue to be in the interests of the Company and its shareholders as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

All Directors have confirmed, following specific enquiry by the Company that they complied with the required standard as set out in the Model Code throughout the year ended 31 December 2015.

AUDIT COMMITTEE

The Company established the audit committee ("Audit Committee") in June 2009 and has formulated its written terms of reference, which may from time to time be modified, in accordance with the provisions set out in the CG Code. The Audit Committee comprises all the independent non-executive Directors, namely Mr. Tse Chi Man, Mr. Yao Xian Guo and Mr. Yu Wayne W.

The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting system and internal control procedures, and review of the Group's financial data and relationship with the external auditor of the Company.

The Audit Committee has reviewed the Group's annual results for the year ended 31 December 2015.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.amberenergy.com.hk). The Company will despatch the annual report to the shareholders at the end of April 2016, and publish it on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Amber Energy Limited
Chai Wei
President and Chairman

Hong Kong, 18 March 2016

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Chai Wei and Mr. Lai Chun Yu; two non-executive directors, namely Mr. Wei Jun Yong and Mr. Liu Xuan Hua; and three independent non-executive directors, namely Mr. Tse Chi Man, Mr. Yao Xian Guo and Mr. Yu Wayne W.