



中國鎳資源控股有限公司  
CHINA NICKEL RESOURCES  
HOLDINGS COMPANY LIMITED

*(incorporated in the Cayman Islands with limited liability)*  
(於開曼群島註冊成立之有限公司)

Stock code 股份代號：2889

INTERIM REPORT  
**2012** 中期報告





- |   |  |                 |
|---|--|-----------------|
| 1 | Zhengzhou Office                                   | 鄭州辦事處           |
| 2 | Gongyi Plant                                       | 鞏義廠房            |
| 3 | Gongyi Pilot Plant                                 | 鞏義試驗廠房          |
| 4 | New Plant in Lianyungang                           | 連雲港新建廠房         |
| 5 | Hong Kong Office                                   | 香港辦事處           |
| 6 | Singapore Office                                   | 新加坡辦事處          |
| 7 | Jakarta Office                                     | 雅加達辦事處          |
| 8 | Mine in South Kalimantan (exclusive offtake right) | 南加里曼丹省礦場（獨家採購權） |
| 9 | Plant in South Kalimantan (to be built)            | 南加里曼丹省廠房（即將興建）  |

# Contents 目錄

Corporate Information 公司資料	2
Financial Highlights 財務摘要	5
Business Review 業務回顧	6
Management Discussion and Analysis 管理層討論與分析	8
Interim Consolidated Income Statement 中期綜合損益表	20
Interim Consolidated Statement of Comprehensive Income 中期綜合全面損益表	21
Interim Consolidated Statement of Financial Position 中期綜合財務狀況表	22
Interim Consolidated Statement of Changes in Equity 中期綜合權益變動表	24
Interim Consolidated Statement of Cash Flows 中期綜合現金流量表	26
Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註	27
Other Information 其他資料	69

## Corporate Information

### 公司資料

#### BOARD OF DIRECTORS

##### Executive directors

Mr. Dong Shutong (*Chairman*)  
Ms. Ng See Wai Rowena  
Mr. Chiang Shyh-yi \*  
Mr. Song Wenzhou  
Mr. Dong Chengzhe  
Mr. Yang Fei  
Mr. Mao Yehong

\* Appointed on 1 April 2012

##### Non-executive director

Mr. Yang Tianjun

##### Independent non-executive directors

Mr. Bai Baohua  
Mr. Huang Changhuai  
Mr. Wong Chi Keung  
Mr. Fahmi Idris

#### AUDIT COMMITTEE

Mr. Wong Chi Keung (*Committee Chairman*)  
Mr. Bai Baohua  
Mr. Huang Changhuai

#### REMUNERATION COMMITTEE

Mr. Huang Changhuai (*Committee Chairman*)  
Mr. Bai Baohua  
Mr. Dong Shutong  
Mr. Wong Chi Keung

#### NOMINATION COMMITTEE

Mr. Dong Shutong (*Committee Chairman*)  
Mr. Bai Baohua  
Mr. Huang Changhuai  
Mr. Wong Chi Keung

#### COMPANY SECRETARY

Mr. Chan Yee Lok

#### 董事會

##### 執行董事

董書通先生(*主席*)  
吳思煒女士  
蔣士宜先生\*  
宋文州先生  
董鍼喆先生  
楊飛先生  
毛葉紅先生

\* 於二零一二年四月一日獲委任

##### 非執行董事

楊天鈞先生

##### 獨立非執行董事

白葆華先生  
黃昌淮先生  
黃之強先生  
法米先生

##### 審核委員會

黃之強先生(*委員會主席*)  
白葆華先生  
黃昌淮先生

##### 薪酬委員會

黃昌淮先生(*委員會主席*)  
白葆華先生  
董書通先生  
黃之強先生

##### 提名委員會

董書通先生(*委員會主席*)  
白葆華先生  
黃昌淮先生  
黃之強先生

##### 公司秘書

陳貽烙先生

## Corporate Information

### 公司資料

#### AUTHORISED REPRESENTATIVES

Mr. Dong Shutong  
Mr. Yang Fei

#### 授權代表

董書通先生  
楊飛先生

#### REGISTERED OFFICE

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

#### 註冊辦事處

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

#### HEAD OFFICE IN PRC

No. 7, Block F  
Runhua Business Garden  
No. 24 Jinshui Road, Jinshui District  
Zhengzhou City, Henan Province  
PRC 450012

#### 中國總辦事處

中國  
河南省鄭州市  
金水區金水路24號  
潤華商務花園F座7號  
郵編450012

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 3501, 35th Floor  
China Merchants Tower  
Shun Tak Centre  
168-200 Connaught Road Central  
Sheung Wan  
Hong Kong

#### 香港主要營業地點

香港  
上環  
干諾道中168-200號  
信德中心  
招商局大廈  
35樓3501室

#### AUDITORS

Ernst & Young

#### 核數師

安永會計師事務所

#### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman)  
Limited  
Butterfield House  
68 Fort Street  
P.O. Box 609  
Grand Cayman, KY1-1107  
Cayman Islands

#### 股份過戶登記總處

Butterfield Fulcrum Group (Cayman)  
Limited  
Butterfield House  
68 Fort Street  
P.O. Box 609  
Grand Cayman, KY1-1107  
Cayman Islands

## Corporate Information

### 公司資料

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
17M Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

#### 股份過戶登記處香港分處

香港中央證券登記有限公司  
香港  
灣仔  
皇后大道東 183 號  
合和中心 17M 樓

#### PRINCIPAL BANKERS

##### Hong Kong

CITIC Bank International Limited  
The Hongkong and Shanghai Banking Corporation Limited

##### 主要往來銀行

香港  
中信銀行國際有限公司  
香港上海滙豐銀行有限公司

##### PRC

China CITIC Bank Corporation Limited  
Pudong Development Bank Co., Ltd.  
China Construction Bank Corporation  
Bank of China Limited

##### 中國

中信銀行股份有限公司  
上海浦東發展銀行股份有限公司  
中國建設銀行股份有限公司  
中國銀行股份有限公司

##### Singapore

Citibank Singapore Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Malayan Banking Berhad

##### 新加坡

花旗銀行新加坡有限公司  
香港上海滙豐銀行有限公司  
馬來亞銀行

#### WEBSITE

[ir.cnrholdings.com](http://ir.cnrholdings.com)

#### 網站

[ir.cnrholdings.com](http://ir.cnrholdings.com)

#### STOCK CODE

02889

#### 股份代號

02889

## Financial Highlights

### 財務摘要

		Six months ended 30 June	
		截至六月三十日止六個月	
		2012	2011
		二零一二年	二零一一年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Revenue/Turnover	收益／營業額	<b>875,581</b>	1,414,343
Gross Profit	毛利	<b>139,777</b>	217,738
Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") <sup>#</sup>	除利息、稅項、折舊及攤銷前之盈利 (「EBITDA」) <sup>#</sup>	<b>560,329</b>	321,843
Profit before Tax	除稅前溢利	<b>337,832</b>	122,486
Profit Attributable to Owners of the Parent	母公司股權持有人應佔溢利	<b>176,582</b>	105,821
Gross Profit Margin	毛利率	<b>16%</b>	15%
EBITDA Margin	EBITDA 率	<b>64%</b>	23%
Net Profit Margin	淨溢利率	<b>20%</b>	7%

<sup>#</sup> EBITDA for the six months ended 30 June 2012 included a gain on disposal of Luoyang Yongan Special Steel Co., Ltd. ("Yongan Special Steel"), a subsidiary of the Group in the PRC, of RMB464,246,000 (2011: Nil).

<sup>#</sup> 截至二零一二年六月三十日止六個月的 EBITDA 包括出售本集團中國附屬公司洛陽永安特鋼有限公司 (「永安特鋼」) 的盈利人民幣 464,246,000 元 (二零一一年：零)。

## Business Review

### 業務回顧

The Group has implemented the vertically integrated business model by utilising the mineral resources platform in Indonesia for its production in the PRC and Indonesia. This enables the Group to increase its product types and optimise the product mix according to the market conditions. At the same time, the Group has been actively developing its ore trading business through the exclusive offtake agreement entered into with PT. Yiwang Mining (“Yiwang Mining”) in 2007. During the six months ended 30 June 2012, ore trading business continues to contribute steady revenue and cash flows to the Group.

### PROJECT PROGRESS PRC

The first production line of Lianyungang project has completed trial production and is expected to be in commercial production in the second half year of 2012. It will then produce nickel fine powder to process into stainless steel. The Lianyungang project applies low carbon metallurgical technology developed by the Group. Ordinary coal, rather than coke used in traditional process, is used in the reduction purification process, under which the consumption of carbon may decrease by up to 40%. In addition, the plant can utilise low grade nickel ore for production, the cost of which is much lower than that used in traditional production process.

集團深入貫徹上下游垂直一體化的發展方針，利用位於印尼的礦產資源平台，以供中國及印尼生產之用。本集團藉此因應市況擴大貿易品種、優化產品組合。同時，通過二零零七年與PT. Yiwang Mining (「Yiwang Mining」)訂立的獨家採購協議，本集團積極擴大礦石貿易業務。截至二零一二年六月三十日止六個月，礦石貿易業務持續為本集團貢獻穩定收益及現金流。

### 項目進展

#### 中國

連雲港項目首條生產線已完成試產，預期於二零一二年下半年投產。屆時將生產鎳精粉以加工成不銹鋼。連雲港項目應用了本集團研發的低碳冶金技術。傳統提純還原工藝採用焦煤，但新技術下則採用普通煤而可減少碳消耗量達40%。此外，該廠可利用低品位鎳礦進行生產，成本遠低於傳統生產工藝所用之原料。



## Business Review

### 業務回顧

#### Overseas

The Group's iron and steel mill project in Kalimantan Island, Indonesia is in progressive development. The project is selected as a key project of Indonesia. The project is 61% owned by the Group and the remaining 39% interest is owned by a local partner. Construction of the project commenced on 4 July 2012. Upon completion of the first phase of the project, it will have an annual steel production capacity of 1.0 million tonnes. When comparing to production in the PRC, the project will save shipping costs, loading and unloading charges and inland port charges.

#### BUSINESS DEVELOPMENT

The Group has been purchasing ores from Indonesia through exclusive offtake agreement at fixed low price for self-use or sale to third parties. The sales volume for ores in the first half year of 2012 amounted to 1.3 million tonnes (2011: 1.5 million tonnes). The sales volume for the six months ended 30 June 2012 is lower than the corresponding period in 2011 because the Company's ores supplier had been temporarily suspended since 7 May 2012 from export as a consequence of new rules and regulations promulgated by the relevant Indonesia government authorities. The export of the ores from the supplier to the Company resumed on 6 July 2012. As a result of the temporary suspension of export, certain shipments to our customers have been delayed to the second half year of 2012. Based on the latest available information, we estimate that the sales quantity of ores in 2012 will maintain at last year's level of around 3.5 million tonnes.

Since the ore trading business contributed steady revenue and cash flows to the Group, we are actively developing relationship with up- and downstream trading partners to further expand the resources trading business in order to bring a steady growth of revenue.

#### 海外

本集團於印尼加里曼丹島的鋼鐵廠項目正逐漸發展。此項目為本集團在印尼的一個主要項目。本集團擁有該項目61%權益，餘下39%權益由當地夥伴擁有。該項目於二零一二年七月四日開始動工，工程首期完成後，年鋼產能將達1.0百萬公噸。與在中國生產相比，該項目將節省運輸費、裝載及卸載費以及內陸港口費。

#### 業務發展

本集團一直可透過獨家採購協議以固定低廉價格採購印尼礦石，以供自用或銷售予第三方。二零一二年上半年錄得礦石銷量達1.3百萬公噸(二零一一年：1.5百萬公噸)。截至二零一二年六月三十日止六個月銷量較二零一一年同期低，原因是本公司礦石供應商因相關印尼政府機關頒佈新規則及規例，自二零一二年五月七日起暫停出口。本公司供應商於二零一二年七月六日恢復礦石出口。由於出口暫停使然，本集團向客戶裝運的若干貨物延至二零一二年下半年。根據現有最新資料，本集團估計二零一二年礦石銷售數量維持在去年水平，即約3.5百萬公噸。

由於礦石貿易業務對本集團貢獻穩定的收益及現金流，本公司積極與上下游貿易夥伴建立關係，以進一步擴大資源貿易業務，及帶來穩定收益增長。

## Management Discussion and Analysis

### 管理層討論及分析

#### OPERATING ENVIRONMENT ANALYSIS

The global financial market remains turbulence in the first half year of 2012 due to the sovereign debt crisis in Europe. Due to the high uncertainty in the global economy, the commodity prices of iron and nickel continued their downward trends in the first half year of 2012. The iron and steel industry in the PRC has also experienced great challenges due to excessive supply caused by the slowdown in the property market and infrastructure investments.

According to “Twelfth Five-Year Plan” of the PRC Government, the development of steel industry will focus on efficiency, which include low energy consumption, low carbon, low emission, high recycle rate and high value-added product outputs. Domestic markets will become quality-oriented, which will impose higher requirements on products in terms of environmental-friendliness, safe and durability, sustainability and recycling. It is expected that quantitative demand for high quality steel products will increase significantly in the medium-to-long term, and product development will incline to the high-end market. To capture these business opportunities, our Group has gradually shifted to the production of high quality iron and steel products and the application of more environmental-friendly production method. The Group believes that the demand and market shares of our special steel, alloy steel and nickel base stainless steel products will increase in the future.

#### 經營環境分析

二零一二年上半年全球金融市場受歐洲主權債務危機影響下仍然波動。由於全球經濟高度不明朗，鐵和鎳的商品價格於二零一二年上半年持續呈下降趨勢。由於房地產市場及基建投資放緩導致鋼鐵供應過剩，中國鋼鐵市場亦經歷巨大挑戰。

按照中國政府「十二五規劃」的步調，鋼鐵行業會朝「效益」方向發展，包括低耗能、低碳、低排放、高回收率及高增值產品；內需市場則將更著重「質量」，而要求產品更環保、更安全耐用、可持續及可回收。預期高質素鋼製品的數量需求將於中長期大幅度增加，而產品亦會向高端市場發展。為抓住此等商機，本集團逐步轉向生產高質素鋼鐵製品，並採用更環保的生產方法。本集團相信本集團的特鋼、合金鋼及鎳系不銹鋼製品的需求及市場份額在未來均會有所增加。

## Management Discussion and Analysis

### 管理層討論及分析

#### TURNOVER AND SALES VOLUME

Major products of the Group were limonitic ores and stainless steel base materials. The table below sets out the turnover and sales volume of our products for the periods indicated:

#### 營業額及銷量

本集團之主要產品為褐鐵礦及不銹鋼基料。下表載列本集團產品於所示期間之營業額及銷量：

#### Turnover

#### 營業額

		2012		2011		2011	
		二零一二年		二零一一年		二零一一年	
		First Half		First Half		Second Half	
		上半年		上半年		下半年	
		RMB'000	%	RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%	人民幣千元	%
<b>Mineral Resources:</b>	<b>礦業系：</b>						
Limonitic ores	褐鐵礦	543,556	62%	523,210	37%	745,909	64%
<b>Iron and Steel Products:</b>	<b>鋼鐵製品：</b>						
Stainless steel base materials	不銹鋼基料	165,972	19%	691,701	49%	236,826	20%
Ferro-nickel alloys and others	鎳鐵合金及其他	96,177	11%	21,906	1%	59,146	5%
Ni-Cr alloy steel ingots	鎳鉻合金鋼錠	69,876	8%	177,526	13%	131,555	11%
<b>Total</b>	<b>總計</b>	<b>875,581</b>	<b>100%</b>	<b>1,414,343</b>	<b>100%</b>	<b>1,173,436</b>	<b>100%</b>

#### Sales volume

#### 銷量

		2012		2011		2011	
		二零一二年		二零一一年		二零一一年	
		First Half		First Half		Second Half	
		上半年		上半年		下半年	
		Tonnes	%	Tonnes	%	Tonnes	%
		公噸	%	公噸	%	公噸	%
<b>Mineral Resources:</b>	<b>礦業系：</b>						
Limonitic ores	褐鐵礦	1,347,163	96%	1,520,853	93%	1,997,729	97%
<b>Iron and Steel Products:</b>	<b>鋼鐵製品：</b>						
Stainless steel base materials	不銹鋼基料	25,327	2%	91,763	6%	16,840	1%
Ferro-nickel alloys and others	鎳鐵合金及其他	15,604	1%	1,026	—	19,843	1%
Ni-Cr alloy steel ingots	鎳鉻合金鋼錠	8,558	1%	22,638	1%	16,781	1%
<b>Total</b>	<b>總計</b>	<b>1,396,652</b>	<b>100%</b>	<b>1,636,280</b>	<b>100%</b>	<b>2,051,193</b>	<b>100%</b>

## Management Discussion and Analysis

### 管理層討論及分析

The Group's turnover for the first half year of 2012 was RMB875,581,000 (2011: RMB1,414,343,000), an decrease of 38% as compared with the corresponding period of last year. The decrease in turnover was mainly attributable to the sales of iron and steel products decreased by 57% from 115,427 tonnes in the corresponding period last year to 49,489 tonnes this year due to downturn of the iron and steel market in the PRC.

The turnover of our ore trading business was RMB543,556,000 (2011: RMB523,210,000), representing 62% to the total turnover. The sales volume of ore was 1,347,163 tonnes, decreased by 11% as compared to 1,520,853 tonnes in the corresponding period of last year. However, the average unit selling price per ton increased by 17% compared to the corresponding period last year. The Group believes that the ore trading business will continuously make stable contribution to the Group.

#### COST OF SALES

The cost of sales for the first half year of 2012 decreased by RMB460,801,000, or 39%, to approximately RMB735,804,000 (2011: RMB1,196,605,000), the decrease in cost of sales was in line with decrease in turnover.

本集團於二零一二年上半年之營業額為人民幣875,581,000元(二零一一年：人民幣1,414,343,000元)，較上年同期減少38%，其原因主要為隨著中國鋼鐵市場不景，鋼鐵製品銷售從去年同期的115,427公噸下降至今年的49,489公噸，減幅為57%。

礦石貿易之營業額為人民幣543,556,000元(二零一一年：人民幣523,210,000元)，佔總營業額之62%。礦石銷量為1,347,163公噸，較上年同期1,520,853公噸減少11%。然而，每公噸平均單位售價較上年同期上升17%，本集團相信礦石貿易業務會繼續為本集團帶來穩定收入。

#### 銷售成本

二零一二年上半年之銷售成本減少人民幣460,801,000元或39%至約人民幣735,804,000元(二零一一年：人民幣1,196,605,000元)。銷售成本減少與營業額減少一致。

## Management Discussion and Analysis

### 管理層討論及分析

The table below shows the breakdown of our total production costs for the periods indicated:

下表為本公司於所示期內之總生產成本之明細：

#### Cost of sales

#### 銷售成本

		2012		2011	
		二零一二年		二零一一年	
		First Half		First Half	
		上半年		上半年	
		RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%
Raw Materials	原材料	520,008	71%	612,603	51%
Fuel	燃料	58,146	8%	382,798	32%
Utilities	水電費	55,895	8%	105,410	9%
Depreciation	折舊	62,688	9%	69,518	6%
Staff Costs	員工成本	25,415	3%	15,979	1%
Others	其他	13,652	1%	10,297	1%
<b>Total</b>	<b>總計</b>	<b>735,804</b>	<b>100%</b>	<b>1,196,605</b>	<b>100%</b>

#### GROSS PROFIT

The Group's total gross profit for the first half of 2012 was RMB139,777,000 (2011: RMB217,738,000), and the gross profit margin was 16% (2011: 15%). During the period, gross profit of our products primarily came from trading of limonitic ores. The average gross profit margin of limonitic ores was 30% (2011: 28%). During the first half year of 2012, the sales of iron and steel products recorded a negative gross profit margin due to the downturn of the iron and steel market in the PRC.

#### 毛利

於二零一二年上半年，本集團之毛利總額為人民幣139,777,000元(二零一一年：人民幣217,738,000元)，毛利率為16%(二零一一年：15%)。期內，本公司之產品毛利主要來自褐鐵礦貿易。褐鐵礦之平均毛利率為30%(二零一一年：28%)。於二零一二年上半年，鋼鐵製品銷售錄得負毛利率，原因是中國鋼鐵市場不景。

#### OTHER INCOME AND GAINS

Other income and gains for the first half year of 2012 was RMB467,114,000 (2011: RMB131,571,000), which is higher than that of the corresponding period in 2011. Such increase was mainly attributable to the gain on disposal of Yongan Special Steel amounted to RMB464,246,000.

#### 其他收入及盈利

二零一二年上半年之其他收入及收益為人民幣467,114,000元(二零一一年：人民幣131,571,000元)，較二零一一年同期為高。有關增加之主要原因為出售永安特鋼的盈利人民幣464,246,000元所致。

## Management Discussion and Analysis

### 管理層討論及分析

#### SELLING AND DISTRIBUTION COSTS

Selling and distribution costs for the first half year of 2012 decreased by RMB16,949,000, or 63%, to RMB9,803,000 (2011: RMB26,752,000), representing 1% of the turnover (2011: 2%). The decrease in selling and distribution costs was mainly due to less logistic costs were incurred as a result of drop in sales volume.

#### ADMINISTRATIVE EXPENSES

Administrative expenses for the first half of 2012 increased by RMB29,024,000 or 43%, to RMB95,861,000 (2011: RMB66,837,000), representing 11% of the turnover (2011: 5%). Increase in administrative expenses was mainly because the Group increased investments in research and development of high-quality iron and steel products during the period.

#### FINANCE COSTS

Finance costs include interest expenses of bank borrowings, Term Loan and convertible bonds. According to relevant International Financial Reporting Standards ("IFRSs"), estimated future cash flows for convertible bonds and Term Loan were discounted at effective interest rates and the imputed effective interest included both coupon payment and financial charges accrued for redemption in the future. Finance costs for the first half year of 2012 was RMB137,499,000 (2011: RMB124,723,000).

#### OTHER EXPENSES

Increase in other expenses for the six months ended 30 June 2012 was mainly attributable to the provision for impairment of closing inventories.

#### PROFIT BEFORE TAX

The profit before tax for the first half year of 2012 was RMB337,832,000 (2011: RMB122,486,000). Profit before tax margin was 39% (2011: 9%). The earnings before interest, tax, depreciation and amortisation ("EBITDA") margin was 64% (2011: 23%).

#### 銷售及分銷成本

二零一二年上半年之銷售及分銷成本減少人民幣16,949,000元或63%至人民幣9,803,000元(二零一一年: 人民幣26,752,000元), 相當於營業額之1%(二零一一年: 2%)。銷售及分銷成本減少主要由於銷量下滑而產生較少物流成本。

#### 行政成本

二零一二年上半年之行政成本增加人民幣29,024,000元或43%至人民幣95,861,000元(二零一一年: 人民幣66,837,000元), 相當於營業額之11%(二零一一年: 5%)。行政成本增加主要由於本集團於期內增加對研發優質鋼鐵製品的投資。

#### 融資成本

融資成本包括銀行借貸、定期貸款及可換股債券的利息開支。根據有關國際財務報告準則(「國際財務報告準則」), 可換股債券及定期貸款之估計日後現金流量以實際利率折現計算, 推定實際利息同時包括日後贖回之息票款項及應計財務支出。二零一二年上半年之融資成本為人民幣137,499,000元(二零一一年: 人民幣124,723,000元)。

#### 其他開支

截至二零一二年六月三十日止六個月之其他開支增加, 主要由於期末存貨減值撥備。

#### 除稅前溢利

於二零一二年上半年之除稅前溢利為人民幣337,832,000元(二零一一年: 人民幣122,486,000元)。除稅前溢利率為39%(二零一一年: 9%)。除利息、稅項、折舊及攤銷前盈利(「EBITDA」)率為64%(二零一一年: 23%)。

## Management Discussion and Analysis

### 管理層討論及分析

#### INCOME TAX EXPENSE

Based on the existing law, the Hong Kong profits tax rate applicable to the Company and subsidiaries operating in Hong Kong is 16.5%. The entities within the Group operating in the PRC, Indonesia and Singapore were subject to corporate income tax rate at 25%, 25% and 17% respectively for the six months ended 30 June 2012. Increase in the income tax expense was mainly due to the gain on disposal of Yongan Special Steel.

#### PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

The profit attributable to owners of the parent for the first half year of 2012 was RMB176,582,000 (2011: RMB105,821,000). The net profit margin was 20% (2011: 7%).

#### KEY FINANCIAL RATIOS

		Six months ended		Year ended
		30 June	31 December	
		2012	2011	
Notes		截至二零一二年	截至二零一一年	
		六月三十日	十二月三十一日	
附註		止六個月	止年度	
Current ratio	流動比率	1	97%	69%
Inventories turnover days	存貨週轉日數	2	138 days	93 days
Debtor turnover days	應收賬款週轉日數	3	14 days	21 days
Creditor turnover days	應付賬款週轉日數	4	140 days	96 days
Interest cover	盈利對利息倍數	5	3.5 times	1.5 times
Interest-bearing gearing ratio	計息資本負債比率	6	46%	47%
Debt to EBITDA ratio	負債與EBITDA比率	7	3.0 times	3.4 times
Net debt/Capital and net debt ratio	淨負債/資本與淨負債比率	8	40%	40%

#### 所得稅開支

根據現行法例，於香港經營之本公司及其附屬公司所適用之香港利得稅稅率為16.5%。截至二零一二年六月三十日止六個月，本集團於中國、印尼及新加坡經營之實體須分別按稅率25%、25%及17%繳納企業所得稅。所得稅開支上升，主要由於出售永安特鋼的盈利所致。

#### 母公司股權持有人應佔溢利

本集團二零一二年上半年之母公司股權持有人應佔溢利為人民幣176,582,000元（二零一一年：人民幣105,821,000元）。純溢利率為20%（二零一一年：7%）。

#### 主要財務比率

## Management Discussion and Analysis

### 管理層討論及分析

Notes:

1. Current assets/current liabilities X 100%
2. Inventories/cost of sales X 182 days or 365 days
3. Trade and notes receivables/turnover X 182 days or 365 days
4. Trade and notes payables/cost of sales X 182 days or 365 days
5. Profit before interest and tax/net interest expense
6. Interest-bearing loans and other borrowings (including convertible bonds)/equity attributable to the owners of the parent X 100%
7. Interest-bearing loans and other borrowings (including convertible bonds)/EBITDA
8. Net debt/Capital and net debt

附註：

1. 流動資產／流動負債 X 100%
2. 存貨／銷售成本 X 182 日或 365 日
3. 應收賬款及應收票據／營業額 X 182 日或 365 日
4. 應付賬款及應付票據／銷售成本 X 182 日或 365 日
5. 除利息及稅項前溢利／利息開支淨額
6. 計息貸款及其他借貸(包括可換股債券)／母公司股權持有人應佔權益 X 100%
7. 計息貸款及其他借貸(包括可換股債券)／EBITDA
8. 負債淨額／股本及負債淨額

### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at 30 June 2012 mainly comprised plant and machinery, buildings, and construction in progress. The increase in balance to RMB2,183 million (2011: RMB2,109 million) was mainly due to the purchase costs and finance costs for the addition of new production facilities of Lianyungang project.

### INTANGIBLE ASSET

The intangible asset solely represented the unamortised amount of the exclusive offtake right from Yiwang Mining secured by the Group in May 2007. The decrease in the balance during the period was due to the amortisation for the period based on the unit of purchase method.

### 物業、廠房及設備

於二零一二年六月三十日之物業、廠房及設備主要包括廠房及機器、樓宇及在建工程。有關結餘增至人民幣2,183,247,000元(二零一一年：人民幣2,108,753,000元)乃主要歸因於為連雲港項目添置新生產設施而產生之採購成本及融資成本所致。

### 無形資產

無形資產僅指本集團於二零零七年五月獲得之Yiwang Mining獨家採購權之未攤銷款項。期內結餘減少乃由於期內根據單位購買法攤銷所致。



## Management Discussion and Analysis

### 管理層討論及分析

#### INVENTORIES

The inventory turnover days increased from 93 days for the year ended 31 December 2011 to 138 days for the six months ended 30 June 2012. As at 30 June 2012, the inventory balance decreased by RMB13,177,000, or 2%, to RMB559,836,000. The drop in inventory level was mainly due to management's continuous effort and determination to control inventory during the period.

#### TRADE AND NOTES RECEIVABLES

The debtor turnover days decreased from 21 days for the year ended 31 December 2011 to 14 days for the six months ended 30 June 2012. Trade and notes receivables balance decreased by RMB79,304,000 to RMB68,988,000, which was mainly due to the decrease of sales turnover for the period.

#### PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

As at 30 June 2012, prepayments, deposits and other receivables balance was RMB1,136,013,000, representing an increase of RMB873,002,000, or 332%, compared to 31 December 2011. The increase was mainly due to the outstanding consideration receivable from disposal of Yongan Special Steel amounted to RMB847,679,000.

#### CASH AND CASH EQUIVALENTS AND PLEDGED TIME DEPOSITS

The cash and cash equivalents and pledged time deposits amounted to RMB365,143,000 as at 30 June 2012, an increase of RMB30,718,000 or 9% compared to 31 December 2011. Such increase was mainly due to the net cash inflow from operating activities during the period.

#### 存貨

存貨週轉日數由截至二零一一年十二月三十一日止年度之93日增加至截至二零一二年六月三十日止六個月之138日。於二零一二年六月三十日，存貨結餘減少人民幣13,177,000元至人民幣559,836,000元，減幅為2%。存貨量下降主要是由於期內管理層持續努力及銳意控制致使存貨數量下降。

#### 應收賬款及應收票據

應收賬款週轉日數由截至二零一一年十二月三十一日止年度之21日減至截至二零一二年六月三十日止六個月之14日。應收賬款及應收票據結餘減少人民幣79,304,000元至人民幣68,988,000元，主要是由於期內銷售營業額減少所致。

#### 預付款項、按金及其他應收款項

於二零一二年六月三十日，預付款項、按金及其他應收款項結餘為人民幣1,136,013,000元，較二零一一年十二月三十一日增加人民幣873,002,000元或332%，主要是由於尚未收回應收出售永安特鋼的代價人民幣847,679,000元所致。

#### 現金及現金等值物與已抵押定期存款

於二零一二年六月三十日之現金及現金等值物與已抵押定期存款為人民幣365,143,000元，較於二零一一年十二月三十一日增加人民幣30,718,000元，增幅為9%，主要是由於期內經營活動之淨現金流入。

## Management Discussion and Analysis

### 管理層討論及分析

#### TRADE AND NOTES PAYABLES

As at 30 June 2012, trade and notes payables balance decreased by RMB26,500,000, or 4%, to RMB566,955,000, which was mainly due to less purchases made during the period in view of the poor market sentiments. The creditor turnover days increased from 96 days for the year ended 31 December 2011 to 140 days for the six months ended 30 June 2012.

#### CONVERTIBLE BONDS

On 8 May 2012, the Company made available to eligible holders of the 10% Coupon Convertible Bonds due 2012 (“Existing Bonds”) an exchange offer (the “Exchange Offer”).

The Company invited the eligible holders of the Existing Bonds to tender their Existing Bonds (subject to a minimum of HK\$100,000 or an integral multiple of HK\$100,000 in excess thereof) for exchange by the Company for the New Senior Bonds and New Convertible Bonds (“New Bonds”). For each HK\$100,000 in principal amount of Existing Bonds validly tendered in the Exchange Offer and accepted for exchange by the Company, the Company would deliver to eligible holders:

- New Senior Bonds in a principal amount of HK\$75,000 for each Existing Bond of principal amount HK\$100,000 to be delivered on the settlement date; and
- New Convertible Bonds in a principal amount of HK\$25,000 for each Existing Bond of principal amount HK\$100,000 to be delivered on the settlement date.

#### 應付賬款及應付票據

於二零一二年六月三十日，應付賬款及應付票據結餘減少人民幣26,500,000元或4%至人民幣566,955,000元，主要是由於在期內因應市場疲弱，減少購買所致。應付賬款週轉日數由截至二零一一年十二月三十一日止年度之96日增至截至二零一二年六月三十日止六個月之140日。

#### 可換股債券

二零一二年五月八日，本公司向二零一二年到期利率10%的可換股債券（「現有債券」）的合資格持有人提呈交換要約（「交換要約」）。

本公司邀請現有債券合資格持有人交回其現有債券（須最少為100,000港元或100,000港元的完整倍數），以換取本公司發行的新優先債券及新可換股債券（「新債券」）。根據交換要約有效交回並獲本公司接受作交換的現有債券每本金額100,000港元，本公司將於結算日期就現有債券本金額每100,000港元向合資格持有人交付：

- 本金額75,000港元的新優先債券；及
- 本金額25,000港元的新可換股債券。

## Management Discussion and Analysis

### 管理層討論及分析

The Company have completed the Exchange Offer to the bondholders and the Existing Bonds in the amount of HK\$1,303,300,000 (representing approximately 97.87% of the aggregate outstanding principal amount of the Existing Bonds) were tendered and accepted for exchange by the Company pursuant to the Exchange Offer and were exchanged for the New Bonds comprising the New Senior Bonds in the principal amount of HK\$977,475,000 and the New Convertible Bonds in the principal amount of HK\$325,825,000 and the New Bonds were issued by the Company on 12 June 2012. The Existing Bonds in the amount of HK\$28,400,000 which were not tendered for exchange pursuant to the Exchange Offer remained outstanding subject to the terms and conditions as amended pursuant to the Extraordinary Resolution of the holders of the Existing Bonds approved on 31 May 2012.

Decrease in the convertible bonds balance was mainly attributable to the Existing Bonds in the principal amount of HK\$977,475,000 were exchanged into New Senior Bonds pursuant to the Exchange Offer.

### INTEREST-BEARING BANK AND OTHER BORROWINGS

As at 30 June 2012, the total interest-bearing bank and other borrowings increased by RMB1,003 million, or 213%, to RMB1,474 million. The increase in balance was mainly attributable to Existing Bonds in the principal amount of HK\$977,475,000 were exchanged into New Senior Bonds pursuant to the Exchange Offer. The gearing ratio decreased from 47% as at 31 December 2011 to 46% as at 30 June 2012.

本公司已向債券持有人完成交換要約。本金額1,303,300,000港元的現有債券(相當於現有債券未償還本金總額約97.87%)已根據交換要約交回並獲本公司接納交換,並已交換為新債券(包含本金額977,475,000港元的新優先債券及本金額325,825,000港元的新可換股債券),而本公司亦已於二零一二年六月十二日發行新債券。並無根據交換要約交回以供交換本金額為28,400,000港元的現有債券依舊有待償還,其中須受根據現有債券持有人於二零一二年五月三十一日批准的特別決議案予以修訂的條款及條件所限。

可換股債券結餘減少,主要由於本金額977,475,000港元之現有債券根據交換要約交換為新優先債券。

### 計息銀行及其他借貸

於二零一二年六月三十日,計息銀行及其他借貸總額增加人民幣1,003,310,000元或213%至人民幣1,473,776,000元。結餘增加主要由於本金額977,475,000港元之現有債券根據交換要約交換為新優先債券所致。資本負債比率由截至二零一一年十二月三十一日之47%減至截至二零一二年六月三十日之46%。

## Management Discussion and Analysis

### 管理層討論及分析

#### NON-CURRENT ASSETS/LIABILITIES HELD FOR SALE

As at 31 December 2011, the non-current assets/liabilities held for sale represent the assets and liabilities of Yongan Special Steel reclassified from various financial statements line items in compliance with the relevant IFRSs. During the six months ended 30 June 2012, the disposal of Yongan Special Steel was completed and the relevant assets and liabilities of the disposal group were transferred to the costs of disposal.

#### LIQUIDITY AND OPERATION

Our working capital was principally sourced from cash generated from operating activities and from long-term and short-term debts. During the six months ended 30 June 2012, net cash inflow generated from operating activities amounted to RMB133 million. During the six months ended 30 June 2012, net cash inflow from investing activities amounted to RMB37 million and RMB153 million was used to repay long-term and short term debts.

As at 30 June 2012, the Group had current liabilities of RMB2,193 million, of which RMB914 million were bonds, interest-bearing bank and other borrowings repayable within one year, RMB567 million were trade and notes payables, and RMB566 million were other payables and accruals.

#### 持作出售的非流動資產／負債

於二零一一年十二月三十一日，持作出售的非流動資產／負債指為遵守有關國際財務報告準則而自財務報表中不同項目重新分類的永安特鋼資產及負債。截至二零一二年六月三十日止六個月，出售永安特鋼完成，出售集團相關資產及負債轉撥至出售成本。

#### 流動資金及營運

本公司之營運資金主要來自經營活動所得現金以及長期負債及短期債務。截至二零一二年六月三十日止六個月，來自經營活動所得之現金流入淨額為人民幣132,842,000元。截至二零一二年六月三十日止六個月，投資活動現金流入淨額共人民幣37,014,000元及償還長期負債及短期債務共計人民幣153,039,000元。

於二零一二年六月三十日，本集團之流動負債為人民幣2,192,888,000元，其中包括債券、須於一年內償還之計息銀行及其他借貸為人民幣913,659,000元，應付賬款及應付票據為人民幣566,955,000元，及其他應付款項及應計費用共人民幣566,268,000元。

## Management Discussion and Analysis

### 管理層討論及分析

#### FOREIGN CURRENCY RISK

Since 2004, the Group has begun the purchase of iron ore from overseas suppliers. The purchase and sales contracts of ore trading business are principally denominated in US\$. The Group's purchase and sales related to iron and steel products are mainly denominated in RMB. Apart from the convertible bonds, Term Loan and intangible asset which are denominated in HK\$, US\$ and US\$, respectively, other assets and liabilities of the Group are primarily denominated in RMB. Since RMB against US\$ and HK\$ is in a favourable trend in recent years, no hedging is considered necessary at the moment. However, the Group will closely monitor the foreign currency risk and consider using appropriate financial instruments for hedging purposes when necessary.

As at 30 June 2012, the Group did not enter into any hedging transactions to manage the potential fluctuation in foreign currencies as the Directors considered that the Group had no significant foreign currency risk.

#### 外匯風險

自二零零四年起，本集團開始向海外供應商採購鐵礦石。礦石貿易業務之買賣合約主要以美元計值。而本集團有關鋼鐵製品之買賣主要以人民幣計值。除可換股債券、定期貸款及無形資產分別以港元、美元及美元計值外，本集團之其他資產及負債主要以人民幣計值。由於近年人民幣兌美元及港元處於利好趨勢，故目前毋須作出對沖。然而，本集團將密切監控外匯風險，並在必要時考慮利用適當的金融工具進行對沖。

於二零一二年六月三十日，由於董事認為本集團並無重大外匯風險，故本集團並沒有為管理潛在外匯波動而進行任何對沖交易。

## Interim Consolidated Income Statement

### 中期綜合損益表

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Notes 附註		
<b>REVENUE</b>			
Cost of sales	5	<b>875,581</b> <b>(735,804)</b>	1,414,343 (1,196,605)
Gross profit		<b>139,777</b>	217,738
Other income and gains	5	<b>467,114</b>	131,571
Selling and distribution costs		<b>(9,803)</b>	(26,752)
Administrative expenses		<b>(95,861)</b>	(66,837)
Finance costs	7	<b>(137,499)</b>	(124,723)
Other expenses		<b>(26,374)</b>	(9,749)
Share of profit of an associate		<b>478</b>	1,238
<b>PROFIT BEFORE TAX</b>	6	<b>337,832</b>	122,486
Income tax expenses	8	<b>(161,719)</b>	(15,753)
<b>PROFIT FOR THE PERIOD</b>		<b>176,113</b>	106,733
<b>ATTRIBUTABLE TO:</b>			
Owners of the parent		<b>176,582</b>	105,821
Non-controlling interests		<b>(469)</b>	912
		<b>176,113</b>	106,733
<b>EARNINGS PER SHARE</b>			
<b>ATTRIBUTABLE TO</b>			
<b>ORDINARY EQUITY</b>			
<b>HOLDERS OF THE PARENT</b>			
— Basic (RMB)	10	<b>0.0766</b>	0.0459
— Diluted (RMB)	10	<b>0.0766</b>	0.0294

## Interim Consolidated Statement of Comprehensive Income

## 中期綜合全面損益表

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>PROFIT FOR THE PERIOD</b>	期內溢利	<b>176,113</b>	106,733
OTHER COMPREHENSIVE INCOME/ (EXPENSE)	其他全面收益/(開支)		
Exchange differences on translation of foreign operations	境外經營報表折算 滙兌差額	<b>4,566</b>	(36,292)
OTHER COMPREHENSIVE INCOME/ (EXPENSE) FOR THE PERIOD, NET OF TAX	期內稅後其他全面 收益/(開支)	<b>4,566</b>	(36,292)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內全面收益合計	<b>180,679</b>	70,441
<b>ATTRIBUTABLE TO:</b>	<b>屬於：</b>		
Owners of the parent	母公司股權持有人	<b>181,132</b>	69,529
Non-controlling interests	非控股權益	<b>(453)</b>	912
		<b>180,679</b>	70,441

## Interim Consolidated Statement of Financial Position

## 中期綜合財務狀況表

As at 30 June 2012

於二零一二年六月三十日

			30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	11	2,183,247	2,108,753
Prepaid land lease payments	預付土地租賃款項		192,135	194,144
Intangible asset	無形資產	12	2,063,621	2,090,159
Deferred tax assets	遞延稅項資產		25,927	152,546
Investment in an associate	於一間聯營公司之投資		22,752	22,274
Total non-current assets	非流動資產總值		4,487,682	4,567,876
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	13	559,836	573,013
Trade and notes receivables	應收賬款及應收票據	14	68,988	148,292
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	15	1,136,013	263,011
Pledged time deposits	已抵押定期存款	16	240,512	219,601
Cash and cash equivalents	現金及現金等值物	16	124,631	114,824
			2,129,980	1,318,741
Assets of a disposal group classified as held for sale	分類為持作出售之處置組中資產	17	—	722,731
Total current assets	流動資產總值		2,129,980	2,041,472



## Interim Consolidated Statement of Financial Position

### 中期綜合財務狀況表

As at 30 June 2012  
於二零一二年六月三十日

			30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
		Notes 附註		
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and notes payables	應付賬款及應付票據	18	566,955	593,455
Other payables and accruals	其他應付款項及應計負債		566,268	427,141
Derivative financial instruments	衍生金融工具	19	5,844	8,774
Dividend payable	應付股息		6	6
Interest-bearing bank and other borrowings	計息銀行貸款及其他借貸	20	913,659	402,690
Current portion of convertible bonds	可換股債券之即期部分	21	91,669	1,164,420
Tax payable	應付稅項		48,487	30,720
			<b>2,192,888</b>	<b>2,627,206</b>
Liabilities directly associated with the assets classified as held for sale	直接與分類為持作出售 的資產相關之負債	17	—	314,568
Total current liabilities	流動負債總額		<b>2,192,888</b>	<b>2,941,774</b>
<b>NET CURRENT LIABILITIES</b>	<b>流動負債淨額</b>		<b>(62,908)</b>	<b>(900,302)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>4,424,774</b>	<b>3,667,574</b>
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Interest-bearing bank and other borrowings	計息銀行貸款及其他借貸	20	560,117	67,776
Convertible bonds	可換股債券	21	116,451	—
Derivative financial instruments	衍生金融工具	19	70,380	—
Deferred tax liabilities	遞延稅項負債		2,568	2,401
Other long term payables	其他長期應付款項		6,280	5,280
Total non-current liabilities	非流動負債總額		<b>755,796</b>	<b>75,457</b>
<b>NET ASSETS</b>	<b>淨資產</b>		<b>3,668,978</b>	<b>3,592,117</b>
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the parent</b>	<b>母公司股權持有人應佔權益</b>			
Issued capital	已發行股本	22	230,373	230,373
Reserves	儲備		3,422,601	3,240,136
			<b>3,652,974</b>	<b>3,470,509</b>
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>16,004</b>	<b>121,608</b>
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>3,668,978</b>	<b>3,592,117</b>

## Interim Consolidated Statement of Changes in Equity

## 中期綜合權益變動表

For the six months ended 30 June 2012

截至二零一二年六月三十日止六個月

		Attributable to owners of the parent 母公司股東持有人應佔															
		Share		Capital		Share		Statutory		Exchange		Retained		Non-		Total	
		issued	premium	Contributed	reserve	option	statutory	reserve	fund	fluctuation	reserve	profits	Total	controlling	interests	equity	
		capital	account	surplus	reserve	reserves	reserve	fund	法定	波動	保留	總計	權益	權益		總額	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	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	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
For the six months ended 30 June 2012	截至二零一二年六月三十日止六個月																
At 1 January 2012 (Audited)	於二零一二年一月一日(經審核)	230,373	3,029,155	51,599	122,147	26,809	75,940	(397,764)	332,250	3,470,509	121,608	3,592,117					
Profit for the period	期內溢利	—	—	—	—	—	—	—	176,582	176,582	(469)	176,113					
Other comprehensive income for the period:	期內其他全面收益：																
Exchange differences on translation of foreign operations	境外經營報表折算滙兌差額	—	—	—	—	—	—	4,550	—	4,550	16	4,566					
Total comprehensive income for the period	期內全面收益總額	—	—	—	—	—	—	4,550	176,582	181,132	(453)	180,679					
Equity-settled share option arrangements	以股權支付之購股權安排	—	—	—	—	6,361	—	—	—	—	6,361	—	6,361				
Forfeited share option reserve	已沒收之購股權儲備	—	—	—	—	(5,028)	—	—	—	—	(5,028)	—	(5,028)				
Disposal of a subsidiary	出售一間附屬公司	—	—	—	—	—	—	—	—	—	—	(111,333)	(111,333)				
Establishment of a subsidiary	成立一間附屬公司	—	—	—	—	—	—	—	—	—	—	—	—	6,182	—	6,182	
At 30 June 2012 (Unaudited)	於二零一二年六月三十日(未經審核)	230,373	3,029,155	51,599	122,147	28,142	75,940	(393,214)	508,832	3,652,974	16,004	3,668,978					

## Interim Consolidated Statement of Changes in Equity 中期綜合權益變動表

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

		Attributable to owners of the parent 母公司股權持有人應佔										
		Share Issued capital	Share premium account	Contributed surplus	Capital reserve	Share option reserves	Statutory surplus reserves and statutory reserve fund	Exchange fluctuation reserve	Retained profits	Non- controlling interests	Total	Total equity
		已發行 股本	股份 溢價賬	實繳盈餘	資本儲備	購股權 儲備	公積金及 法定準備金	滙兌 波動儲備	保留溢利	總計	非控股 權益	權益總額
		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
<b>For the six months ended 30 June 2011</b>	<b>截至二零一一年 六月三十日止六個月</b>											
<b>At 1 January 2011 (Audited)</b>	<b>於二零一一年 一月一日(經審核)</b>	228,553	3,003,805	51,599	122,147	25,926	75,739	(53,074)	266,107	3,720,802	120,572	3,841,374
Profit for the period	期內溢利	—	—	—	—	—	—	—	105,821	105,821	912	106,733
Other comprehensive expense for the period:	期內其他全面開支：											
Exchange differences on translation of foreign operations	境外經營報表折算 滙兌差額	—	—	—	—	—	—	(36,292)	—	(36,292)	—	(36,292)
Total comprehensive income for the period	期內全面收益總額	—	—	—	—	—	—	(36,292)	105,821	69,529	912	70,441
Equity-settled share option arrangements	以股權支付之 購股權安排	—	—	—	—	1,204	—	—	—	1,204	—	1,204
Forfeited share option reserve	已沒收之購股權儲備	—	—	—	—	(246)	—	—	—	(246)	—	(246)
Conversion of convertible bonds	轉換可換股債券	1,820	25,373	—	—	—	—	—	—	27,193	—	27,193
<b>At 30 June 2011 (Unaudited)</b>	<b>於二零一一年 六月三十日 (未經審核)</b>	230,373	3,029,178	51,599	122,147	26,884	75,739	(89,366)	371,928	3,818,482	121,484	3,939,966

## Interim Consolidated Statement of Cash Flows

## 中期綜合現金流量表

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	經營活動之現金 流入淨額	<b>132,842</b>	151,695
<b>NET CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES</b>	投資活動之現金 流入／(流出)淨額	<b>37,014</b>	(84,155)
<b>NET CASH FLOWS USED IN FINANCING ACTIVITIES</b>	融資活動之現金流出淨額	<b>(153,039)</b>	(137,030)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	現金及現金等值物之 增加／(減少)淨額	<b>16,817</b>	(69,490)
Cash and cash equivalents at beginning of period	期初之現金及現金等值物	<b>114,824</b>	172,591
Effect of foreign exchange rate changes, net	滙兌變動影響淨額	<b>(7,010)</b>	(8,867)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	期末之現金及現金等值物	<b>124,631</b>	94,234

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 11 March 2004 under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands, British West Indies. The principal place of business of the Company and its subsidiaries (collectively referred as “the Group”) is located at No.7, Block F, Runhua Business Garden, No. 24 Jinshui Road, Jinshui District, Zhengzhou City, Henan Province, the People’s Republic of China (the “PRC”). The principal place of business of the Company is Room 3501, China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong.

The principal activities of the Company are investment holding and the trading of ore. The Group is principally engaged in the manufacture and sale of iron and steel products in the PRC and the trading of ore.

In the opinion of the directors of the Company (the “Directors”), Easyman Assets Management Limited (“Easyman”), a company incorporated in the British Virgin Islands and wholly owned by Mr. Dong Shutong, is the ultimate holding company of the Group.

#### 1. 公司資料

本公司於二零零四年三月十一日根據開曼群島法律第22章公司法（一九六一年第三號法例，經綜合及修訂）在開曼群島註冊成立為受豁免有限公司。本公司註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands, British West Indies。本公司及其附屬公司（「本集團」）主要營業地點位於中華人民共和國（「中國」）河南省鄭州市金水區金水路24號潤華商務花園F座7號。本公司主要營業地點位於香港干諾道中168–200號信德中心招商局大廈3501室。

本公司之主要業務為投資控股及礦石貿易。本集團主要於中國從事鋼鐵製品生產和銷售及礦石貿易業務。

根據本公司董事（「董事」）之意見，於英屬處女群島註冊成立並由董書通先生全資擁有之Easyman Assets Management Limited（「Easyman」）為本集團之最終控股公司。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements, which comprise the interim consolidated statement of financial position of the Group as at 30 June 2012 and the related interim consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the six months ended 30 June 2012 (the "Period"), have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting and the disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Stock Exchange").

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2011. The unaudited interim condensed consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand, except when otherwise indicated.

#### 2. 編製基準

本未經審核中期簡明綜合財務報表乃根據國際會計準則(「國際會計準則」)第34號中期財務報告及香港聯合交易所有限公司(「聯交所」)證券上市規則之披露規定而編製，其中包括本集團於二零一二年六月三十日之中期綜合財務狀況表，以及截至二零一二年六月三十日止六個月(「期內」)之相關中期綜合損益表、全面損益表、權益變動表及現金流量表。

本未經審核中期簡明綜合財務報表並未包括年度財務報表所須之所有資料及披露事項，故應連同本集團截至二零一一年十二月三十一日止年度財務報表一併閱讀。除另有指明者外，本未經審核中期簡明綜合財務報表以人民幣(「人民幣」)呈列，且所有數值已四捨五入至最近之千位數。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 2. BASIS OF PREPARATION (continued)

##### Basis of preparation

As at 30 June 2012, the Group had net current liabilities of RMB62,908,000, and had bank and other borrowings of RMB913,659,000, which were due for repayment or renewal within the next 12 months.

In order to strengthen the capital base of the Group and to improve the Group's financial position, immediate liquidity and cash flows, and otherwise to sustain the Group as a going concern, the directors of the Company have taken the following measures:

- (a) The Group is negotiating with certain bankers to obtain additional banking facilities;
- (b) The Group is considering to dispose of certain of its operations and assets; and
- (c) The directors of the Company are considering various alternatives to strengthen the capital base of the Group through fund raising exercises.

On the basis that the Group would obtain additional banking facilities from the bankers, realise certain of its operations and assets and obtain additional funding from other sources, the directors are satisfied that the Group will be able to meet its financial obligations as and when they fall due for the foreseeable future, and are of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

#### 2. 編製基準(續)

##### 編製基準

於二零一二年六月三十日，本集團之流動負債淨額為人民幣62,908,000元，而銀行及其他借貸為人民幣913,659,000元，該等款項須於未來12個月內償還或重續。

為增強本集團之資金基礎、改善本集團之財務狀況、即時流動性及現金流量，以及使本集團可持續經營，本公司董事已採取以下措施：

- (a) 本集團正在與若干銀行磋商，以獲取額外銀行融資；
- (b) 本集團正在考慮出售若干業務及資產；及
- (c) 本公司董事現正考慮各種選擇方案以通過集資活動加強本集團的資本基礎。

基於集團自銀行獲取額外銀行融資、變現若干業務及資產，並從其他來源取得額外資金，董事相信本集團的財務負債於可見將來到期時有能力償還，亦認為按持續經營基準編製財務報表屬恰當。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in preparation of the Group's annual financial statements for the year ended 31 December 2011, except for the adoption of new and revised International Financial Reporting Standards (IFRSs, which also include IAS and interpretations) as set out below:

IFRS 1 Amendment	Amendment to IFRS 1 <i>Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i>
IFRS 7 Amendment	Amendment to IFRS 7 <i>Disclosures — Transfers of financial assets</i>
IAS 12 Amendment	Amendment to IAS 32 <i>Deferred Tax: Recovery of Underlying Assets</i>

The adoption of the above new and revised IFRSs has had no significant financial impact on the Group's interim condensed consolidated financial statements.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### 4. OPERATING SEGMENT INFORMATION

For management purpose, the Group has one reportable operating segment: the trading of ore and the manufacturing and sale of iron and steel products. Management monitors the operating results of the Group's business units as a whole for the purpose of making decisions about resource allocation and performance assessment.

### 3. 主要會計政策概要

除採納以下新訂及經修訂國際財務報告準則(「國際財務報告準則」, 其亦包括國際會計準則及詮釋)外, 編製中期簡明綜合財務報表所採納之會計政策與編製本集團截至二零一一年十二月三十一日止年度之年度財務報表所採用者一致:

國際財務報告準則第1號 (修訂本)	修訂國際財務報告準則第1號 嚴重高通脹及剔除首次採納者 之固定日期
國際財務報告準則第7號 (修訂本)	修訂國際財務報告準則第7號 披露一轉讓金融資產
國際會計準則第12號 (修訂本)	修訂國際會計準則第32號 遞延稅項: 收回相關資產

採納上述新訂及經修訂國際財務報告準則不會對本集團中期簡明綜合財務報表構成重大財務影響。

本集團並無提早採納任何其他已頒佈但未生效之準則、詮釋或修訂。

### 4. 經營分部資料

根據管理需要, 本集團僅有一個可呈報經營分部: 礦石貿易以及生產和銷售鋼鐵製品。管理層出於資源配置及績效考評之決策目的, 將本集團各業務單元之經營成果作為一個整體來進行管理。



## Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

### 5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, net of value-added tax.

An analysis of revenue, other income and gains is as follows:

### 5. 收益、其他收入及盈利

收益亦即本集團之營業額，指所售貨品之發票淨值（經扣除增值稅）。

收益、其他收入及盈利之分析如下：

		<b>Six months ended 30 June</b> 截至六月三十日止六個月	
		<b>2012</b> 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>Revenue</b>	<b>收益</b>		
Sale of goods:	銷貨：		
Stainless steel base materials	不銹鋼基料	<b>165,972</b>	691,701
Ni-Cr alloy steel ingot	鎳鉻合金鋼錠	<b>69,876</b>	177,526
Ferro-nickel alloys and others	鎳鐵合金及其他	<b>96,177</b>	21,906
Limonitic ores	褐鐵礦	<b>543,556</b>	523,210
Total revenue	收益總額	<b>875,581</b>	1,414,343
<b>Other income</b>	<b>其他收入</b>		
Bank interest income	銀行利息收入	<b>2,837</b>	5,947
Sale of scrap materials and others	廢料銷售及其他	<b>21</b>	3,580
		<b>2,858</b>	9,527
<b>Gains</b>	<b>盈利</b>		
Gain on fair value adjustment of derivative financial instruments	衍生金融工具公允價值變動之盈利	—	112,850
Government grants	政府補助	<b>10</b>	4,580
Gain on disposal of a subsidiary	出售一間附屬公司之盈利	<b>464,246</b>	—
Foreign exchange gain, net	滙兌變動盈利淨額	—	4,614
		<b>464,256</b>	122,044
Total other income and gains	其他收入及盈利總額	<b>467,114</b>	131,571

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

#### 6. 除稅前溢利

本集團除稅前溢利已扣除/(計入)下列各項：

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Notes 附註			
Staff costs (including Directors' remuneration):	員工成本(包括董事酬金)：		
Salaries and other staff costs	薪金及其他員工成本	24,519	19,762
Retirement benefit scheme contributions	退休福利計劃供款	3,905	4,262
Equity-settled share-based expense	以股權結算之股份為本開支	1,333	958
Total staff costs	總員工成本	<b>29,757</b>	24,982
Cost of inventories sold	已售存貨成本	735,804	1,196,605
Research expenses	研究開支	12,183	36
Auditors' remuneration	核數師酬金	1,779	2,094
Depreciation	折舊	44,759	55,310
Write-down of inventories to net realisable value*	存貨撇減至可變現淨值*	15,658	376
Amortisation of exclusive offtake right	獨家採購權攤銷	38,036	72,805
Amortisation of other non-current assets	其他非流動資產攤銷	—	1,175
Amortisation of prepaid land lease payment	預付土地租賃款項攤銷	2,203	4,133
Bank interest income	銀行利息收入	(2,837)	(5,947)
Gain on fair value adjustment of derivative financial instruments	衍生金融工具公允價值變動 之盈利	—	(112,850)
Loss on fair value adjustment of derivative financial instruments*	衍生金融工具公允價值變動 之虧損*	5,240	—
Impairment of trade receivables*	應收賬款減值*	—	3,544
Reversal of impairment of trade receivables*	撥回應收賬款減值*	(2,027)	—
Foreign exchange gain	滙兌盈利	—	(4,614)
Foreign exchange loss*	滙兌虧損*	2,643	—
Gain on disposal of a subsidiary	出售一間附屬公司之盈利	(464,246)	—
Minimum lease payments under operating leases in respect of buildings and equipment	有關樓宇及設備之經營租賃 之最低租賃付款	2,486	3,426

\* These items are included in "other expenses" on the face of the interim consolidated income statement.

\* 該等項目均計入中期綜合損益表中之「其他開支」。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 7. FINANCE COSTS

An analysis of finance costs is as follows:

Interest on bank loans and other borrowings	銀行貸款及其他借貸利息
Interest on convertible bonds	可換股債券利息
Total interest expenses	利息開支總額
Less: Interest capitalised	減：資本化利息
Total finance costs	融資成本總額

#### 8. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

#### 7. 融資成本

融資成本分析如下：

##### Six months ended 30 June 截至六月三十日止六個月

2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
50,727	67,703
168,777	155,784
219,504	223,487
(82,005)	(98,764)
137,499	124,723

#### 8. 所得稅

本集團須按實體基準就產生或源於本集團成員公司註冊及經營所在管轄區域的溢利繳納所得稅。

根據開曼群島及英屬處女群島法規及規例，本集團於開曼群島及英屬處女群島無須繳納任何所得稅。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 8. INCOME TAX (continued)

The applicable Hong Kong profits tax rate of the Company, Infonics International Limited, Group Rise Trading Limited and S.E.A. Mineral Limited, which operates in Hong Kong is 16.5% (six months ended 30 June 2011: 16.5%) based on existing legislation. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The applicable income tax rate of CNR Group Holdings Pte. Limited ("CNR Group Holdings") and Bilchart Maritime Pte. Ltd., subsidiaries of the Company incorporated in Singapore, was 17% for the six months ended 30 June 2012 (six months ended 30 June 2011: 5%). CNR Group Holdings was entitled to a five-year tax concessionary rate of 5% as it was awarded the Global Trader Programme status by International Enterprise Singapore, for the five years ending 31 December 2013, and has written to International Enterprise Singapore to withdraw its Global Trader Programme incentive with effect from 1 September 2011.

PT. Mandan and PT. Batulicin Steel, subsidiaries of the Company incorporated in Indonesia, were subject to a single income tax rate of 25% for the six months ended 30 June 2012 (six months ended 30 June 2011: 25%).

#### 8. 所得稅(續)

根據現行法例，於香港經營之本公司、永豐國際有限公司、Group Rise Trading Limited及南洋礦業有限公司適用香港利得稅稅率為16.5%（截至二零一一年六月三十日止六個月：16.5%）。其他地區應課稅溢利之稅項根據本集團經營所在司法權區之現行相關法例、詮釋及慣例，按適用稅率計算。

本公司於新加坡註冊成立之附屬公司中鎳控股有限公司（「中鎳控股」）及Bilchart Maritime Pte. Ltd.於截至二零一二年六月三十日止六個月之適用所得稅稅率為17%（截至二零一一年六月三十日止六個月：5%）。由於中鎳控股獲得新加坡國際企業發展局授予環球貿易商資格，其於截至二零一三年十二月三十一日止五個年度享有優惠稅率5%。中鎳控股向新加坡國際企業發展局遞交書面申請，申請自二零一一年九月一日起退出其環球貿易商計劃。

本公司於印尼註冊成立之附屬公司PT. Mandan及PT. Batulicin Steel於截至二零一二年六月三十日止六個月須按25%之單一所得稅稅率（截至二零一一年六月三十日止六個月：25%）繳稅。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 8. INCOME TAX (continued)

According to the PRC Corporate Income Tax Law, the applicable income tax rate of the PRC subsidiaries of the Group was 25% for the six months ended 30 June 2012 (six months ended 30 June 2011: 25%).

#### 8. 所得稅(續)

根據中國企業所得稅法，本集團中國附屬公司截至二零一二年六月三十日止六個月之適用所得稅稅率為25% (截至二零一一年六月三十日止六個月：25%)。

#### Six months ended 30 June 截至六月三十日止六個月

		2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Provision for income tax in respect of profit for the Period:	有關期內溢利之所得稅撥備：		
Current — Mainland China	即期 — 中國大陸	2,170	804
Current — Singapore	即期 — 新加坡	32,763	7,769
Deferred	遞延	126,786	7,180
Total tax expense for the Period	本期所得稅開支總額	<b>161,719</b>	15,753

#### 9. DIVIDENDS

The Directors recommend the payment of an interim dividend of HK1 cent per share (2011 interim dividend: Nil), totalling HK\$23,043,000 (equivalent to RMB18,785,000), for the year ending 31 December 2012.

#### 9. 股息

董事建議宣派截至二零一二年十二月三十一日止年度之中期股息每股1港仙(二零一一年中期股息：零)，合共23,043,000港元(相當於人民幣18,785,000元)。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

##### Basic

The calculation of basic earnings per share is based on the profit for the Period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,304,333,337 (six months ended 30 June 2011: 2,303,725,280) in issue during the Period.

##### Diluted

The calculation of diluted earnings per share amount is based on the profit attributable to ordinary equity holders of the parent, adjusted to reflect the interest on the Zero Coupon Convertible Bonds (note a), the 10% Coupon Convertible Bonds (note b), the 6% Coupon Convertible Bonds (note c) and the Term Loan with Warrants (note d). The weighted average number of ordinary shares used in the calculation is the weighted average number of the ordinary shares in issue during the Period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

Notes:

- (a) Details of the Zero Coupon Convertible Bonds are included in note 20(d).
- (b) Details of the 10% Coupon Convertible Bonds are included in note 20(d).
- (c) Details of the 6% Coupon Convertible Bonds are included in note 21(c).
- (d) Details of the Term Loan with Warrants are included in note 20(c).

#### 10. 母公司普通股股權持有人應佔每股盈利

##### 基本

每股基本盈利乃根據母公司普通股股權持有人應佔期內溢利及期內已發行普通股之加權平均股數2,304,333,337股(截至二零一一年六月三十日止六個月: 2,303,725,280股)計算。

##### 攤薄

每股攤薄盈利乃根據母公司普通股股權持有人應佔溢利計算，並經調整以反映零息可換股債券(附註a)、10厘息可換股債券(附註b)、6厘息可換股債券(附註c)及含認股權證之定期貸款(附註d)之利息。用作計算之普通股加權平均股數，為期內已發行普通股之加權平均股數(與計算每股基本盈利所使用者相同)，以及假設所有潛在攤薄普通股被視為行使或兌換為普通股時按無償方式發行之普通股加權平均股數。

附註：

- (a) 零息可換股債券詳情載於附註20(d)。
- (b) 10厘息可換股債券詳情載於附註20(d)。
- (c) 6厘息可換股債券詳情載於附註21(c)。
- (d) 含認股權證之定期貸款詳情載於附註20(c)。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued) Diluted (continued)

The calculation of diluted earnings per share is based on:

#### 10. 母公司普通股股權持有人應佔 每股盈利(續)

攤薄(續)

每股攤薄盈利乃根據下列基準計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>Earnings</b>	<b>盈利</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	用於計算每股基本盈利之母公司普通股股權持有人應佔溢利	176,582	105,821
Interest on the Zero Coupon Convertible Bonds	零息可換股債券利息	*606	*545
Interest on the 10% Coupon Convertible Bonds	10厘息可換股債券利息	*87,176	61,772
Interest on the 6% Coupon Convertible Bonds	6厘息可換股債券利息	*3,843	—
Interest on the Term Loan with Warrants	含認股權證之定期貸款利息	*24,921	45,467
Loss on extinguishment of the 10% Coupon Convertible Bonds	終止10厘息可換股債券之虧損	*352	—
Loss on fair value adjustment of the derivative component of the 10% Coupon Convertible Bonds	10厘息可換股債券衍生部分之公允價值變動虧損	*711	—
Gain on fair value adjustment of the derivative component of the 10% Coupon Convertible Bonds	10厘息可換股債券衍生部分之公允價值變動盈利	—	(55,848)
Loss on fair value adjustment of the derivative component of the 6% Coupon Convertible Bonds	6厘息可換股債券衍生部分之公允價值變動虧損	*8,160	—
Gain on fair value adjustment of Warrants	認股權證公允價值變動之盈利	*(3,631)	(57,002)
		<b>298,720</b>	<b>100,755</b>

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued) Diluted (continued)

#### 10. 母公司普通股股權持有人應佔 每股盈利(續)

攤薄(續)

		Number of shares 股份數目	
		Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年	2011 二零一一年
<b>Shares</b>	<b>股數</b>		
Weighted average number of ordinary shares in issue during the Period used in the basic earnings per share calculation	用以計算每股基本盈利之期內已發行普通股加權平均股數	<b>2,304,333,337</b>	2,303,725,280
Effect of dilution — weighted average number of ordinary shares:	攤薄影響 — 普通股加權平均股數：		
— Share options	— 購股權	<b>**—</b>	2,638,354
— The Zero Coupon Convertible Bonds	— 零息可換股債券	<b>*760,476</b>	*1,525,130
— The 10% Coupon Convertible Bonds	— 10厘息可換股債券	<b>*1,104,329,976</b>	864,622,241
— The 6% Coupon Convertible Bonds	— 6厘息可換股債券	<b>*41,134,096</b>	—
— The Term Loan with Warrants	— 含認股權證之定期貸款	<b>*69,438,271</b>	232,188,211
		<b>3,519,996,156</b>	3,404,699,216



## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued) Diluted (continued)

#### 10. 母公司普通股股權持有人應佔 每股盈利(續)

攤薄(續)

Less the impact of:  
— The Zero Coupon Convertible Bonds\*  
— The 10% Coupon Convertible Bonds\*  
— The 6% Coupon Convertible Bonds\*  
— The Term Loan with Warrants\*  
  
Amount adjusted and used in the diluted  
earnings per share calculation

扣除下列影響：  
— 零息可換股債券\*  
— 10厘息可換股債券\*  
— 6厘息可換股債券\*  
— 含認股權證之定期貸款\*  
  
用於計算每股攤薄盈利  
之調整後金額

For the six months ended 30 June 2012 截至二零一二年六月三十日 止六個月	
Earnings 盈利 RMB'000 人民幣千元 (Unaudited) (未經審核)	Number of shares 股份數目
298,720	3,519,996,156
(606)	(760,476)
(88,239)	(1,104,329,976)
(12,003)	(41,134,096)
(21,290)	(69,438,271)
<b>176,582</b>	<b>2,304,333,337</b>

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued) Diluted (continued)

#### 10. 母公司普通股股權持有人應佔 每股盈利(續)

##### 攤薄(續)

		For the six months ended 30 June 2011 截至二零一一年六月三十日 止六個月	
		Earnings 盈利 RMB'000 人民幣千元 (Unaudited) (未經審核)	Number of shares 股份數目
		100,755	3,404,699,216
Less the impact of:	扣除下列影響：		
— The Zero Coupon Convertible Bonds*	— 零息可換股債券*	(545)	(1,525,130)
Amount adjusted and used in the diluted earnings per share calculation	用於計算每股攤薄盈利之調整後金額	100,210	3,403,174,086

\* Since the impact of the dilution of the Zero Coupon Convertible Bonds, the 10% Coupon Convertible Bonds, the 6% Coupon Convertible Bonds and the Term Loan with Warrants is anti-dilutive, the amount presented for the diluted earnings per share for the period ended 30 June 2012 is based on the earnings for the Period attributable to ordinary equity holders of the parent of RMB176,582,000 and the weighted average of 2,304,333,337 ordinary shares in issue during the Period.

\*\* Since all the applicable exercise prices of the share options exceed the average market price of ordinary shares during the reporting period, the share options have no dilutive effect on earnings per share amount.

\* 由於零息可換股債券、10厘息可換股債券、6厘息可換股債券及含認股權證之定期貸款具有反攤薄影響，故截至二零一二年六月三十日止期間之每股攤薄盈利金額乃根據母公司普通股股權持有人應佔期內盈利人民幣176,582,000元及期內2,304,333,337股已發行普通股之加權平均股數計算。

\*\* 由於所有購股權的適用行使價均超逾報告期內普通股平均市價，故購股權對每股盈利並無攤薄影響。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 11. PROPERTY, PLANT AND EQUIPMENT 11. 物業、廠房及設備

		RMB'000 人民幣千元 (Unaudited) (未經審核)
Carrying value at 1 January 2012	於二零一二年一月一日 之賬面價值	2,108,753
Additions	添置	119,085
Depreciation charge for the Period	期內折舊	(44,759)
Foreign exchange realignment	外幣折算差額	168
Carrying value at 30 June 2012	於二零一二年六月三十日 之賬面價值	<u>2,183,247</u>

#### 12. INTANGIBLE ASSET 12. 無形資產

		<b>Exclusive offtake right 獨家採購權</b> RMB'000 人民幣千元 (Unaudited) (未經審核)
Carrying amount at 1 January 2012	於二零一二年一月一日 之賬面值	2,090,159
Amortisation provided during the Period	期內攤銷	(38,036)
Foreign exchange realignment	外幣折算差額	11,498
Carrying amount at 30 June 2012	於二零一二年六月三十日 之賬面值	<u>2,063,621</u>

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 13. INVENTORIES

Raw materials	原材料
Finished goods	製成品
Work in progress	在製品
Spare parts and consumables	備件及易耗品

#### 13. 存貨

30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
226,510	247,348
225,919	214,148
71,015	73,886
36,392	37,631
<b>559,836</b>	<b>573,013</b>

#### 14. TRADE AND NOTES RECEIVABLES

An aging analysis of the trade and notes receivables at the end of the reporting period, based on the invoice date, is as follows:

#### 14. 應收賬款及應收票據

於報告期末，按發票日期計算之應收賬款及應收票據之賬齡分析如下：

Within 90 days	90日內
91 to 180 days	91至180日
181 to 365 days	181至365日
Over 1 year	超過1年
Less: Provision for impairment of trade receivables	減：應收賬款減值 撥備

30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
17,314	113,793
31,815	18,251
11,559	15,288
12,649	7,336
<b>73,337</b>	<b>154,668</b>
<b>(4,349)</b>	<b>(6,376)</b>
<b>68,988</b>	<b>148,292</b>

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

#### 15. 預付款項、按金及其他應收款項

		<b>30 June 2012</b>	31 December 2011
		二零一二年 六月三十日	二零一一年 十二月三十一日
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
		<b>(Unaudited)</b>	(Audited)
		(未經審核)	(經審核)
Receivables arising from disposal of a subsidiary	出售一間附屬公司產生的應收款項	<b>847,679</b>	—
Other receivables	其他應收款項	<b>102,380</b>	70,029
Prepayments to suppliers	預付供應商之款項	<b>72,434</b>	49,624
Value-added tax recoverable	應退增值稅	<b>54,146</b>	53,495
Shareholder's loan to an associate	向一間聯營公司借出之股東借款	<b>46,382</b>	50,522
Other prepayments	其他預付款項	<b>8,567</b>	7,853
Current portion of other non-current assets	其他非流動資產之即期部分	<b>5,262</b>	32,325
Current portion of prepaid land lease payments	預付土地租賃款項之即期部分	<b>4,290</b>	4,290
		<b>1,141,140</b>	268,138
Less: Provision for impairment of other receivables	減：其他應收款項之減值撥備	<b>(5,127)</b>	(5,127)
		<b>1,136,013</b>	263,011

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 16. CASH AND CASH EQUIVALENTS AND PLEDGED TIME DEPOSITS

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Cash and bank balances	現金及銀行結餘	124,631	114,824
Time deposits	定期存款	240,512	219,601
		<b>365,143</b>	334,425
Less: Guarantee as salvage security	減：作為打撈擔保之保證	—	(3,466)
Pledged time deposits for issuing bank acceptance notes (note 18)	為取得銀行承兌票據已抵押之定期存款 (附註18)	<b>(240,512)</b>	(216,135)
Cash and cash equivalents	現金及現金等值物	<b>124,631</b>	114,824

#### 16. 現金及現金等值物與已抵押定期存款

#### 17. ASSETS AND LIABILITIES OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 26 April 2012, the disposal of 51% equity interest in Yongan Special Steel, which was classified as held for sale in 2011, was completed following the sale of the Group's shares and the completion of the business re-registration.

#### 17. 分類為持作出售之處置組中資產及負債

於二零一二年四月二十六日，繼完全出售本集團所持有股權以及工商登記變更完成後，處置永安特鋼51%股權的交易完成。該資產於二零一一年被分類為持作出售之處置組中資產。

## Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

### 18. TRADE AND NOTES PAYABLES

An aging analysis of the trade and notes payables at the end of the reporting period, based on the invoice date, is as follows:

Within 90 days	90日內
91 to 180 days	91至180日
181 to 365 days	181至365日
1 to 2 years	1至2年
2 to 3 years	2至3年
Over 3 years	超過3年

At 30 June 2012, notes payable of RMB407,894,000 (31 December 2011: RMB401,108,000) were secured by time deposits amounting to RMB240,512,000 (31 December 2011: RMB216,135,000) (note 16).

### 18. 應付賬款及應付票據

於報告期末，按發票日計算之應付賬款及應付票據之賬齡分析如下：

30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
358,899	310,563
164,786	259,953
34,583	12,462
4,859	9,406
2,771	18
1,057	1,053
<b>566,955</b>	<b>593,455</b>

於二零一二年六月三十日，應付票據人民幣407,894,000元(二零一一年十二月三十一日：人民幣401,108,000元)以定期存款人民幣240,512,000元(二零一一年十二月三十一日：人民幣216,135,000元)作為保證金(附註16)。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 19. DERIVATIVE FINANCIAL INSTRUMENTS

#### 19. 衍生金融工具

			<b>30 June 2012</b> 二零一二年 六月三十日 <b>RMB'000</b> 人民幣千元 <b>(Unaudited)</b> (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
		Notes 附註		
<u>Liabilities</u>	<u>負債</u>			
Warrants bifurcated from the host contract of the Term Loan	分離自定期貸款主合同之認股權證部分	20(c)	<b>5,844</b>	9,432
Conversion and redemption options bifurcated from the host contract of the 10% Coupon Convertible Bonds	分離自 10 厘息可換股債券主合同之轉換權及贖回權	21(b)	—	(658)
Conversion and redemption options bifurcated from the host contract of the 6% Coupon Convertible Bonds	分離自 6 厘息可換股債券主合同之轉換權及贖回權	21(c)	<b>70,380</b>	—
			<b>76,224</b>	8,774
Less: Portion classified as current	減：即期部分			
Warrants bifurcated from the host contract of the Term Loan	分離自定期貸款主合同之認股權證部分	20(c)	<b>(5,844)</b>	(9,432)
Conversion and redemption options bifurcated from the host contract of the 10% Coupon Convertible Bonds	分離自 10 厘息可換股債券主合同之轉換權及贖回權	21(b)	—	658
Non-current portion	非即期部分		<b>70,380</b>	—



## Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS

### 20. 計息銀行貸款及其他借貸

		30 June 2012 (Unaudited) 二零一二年六月三十日 (未經審核)			31 December 2011 (Audited) 二零一一年十二月三十一日 (經審核)			
		Contractual interest			Contractual interest			
Notes		rate (%) 合同利率	Maturity 到期日	RMB'000 人民幣千元	rate (%) 合同利率	Maturity 到期日	RMB'000 人民幣千元	
附註		(%)	到期日	人民幣千元	(%)	到期日	人民幣千元	
<b>Current</b>	<b>流動</b>							
	Bank loans — unsecured	銀行貸款 — 無抵押	6.9–7.9	2013	154,900	6.1–8.2	2012	85,000
	Bank loans — secured	銀行貸款 — 有抵押	(a) 7.2	2012	130,000	7.2–7.9	2012	130,000
	Other borrowings — unsecured	其他借貸 — 無抵押	(b) 0–10.0	2012	93,629	0–8.0	2012	22,942
	Other borrowings — secured	其他借貸 — 有抵押	(c) 9.5	2012	87,546	9.5	2012	164,748
	The 10% Coupon Senior Bonds	10厘息優先債券	(d) 10.0	2013	447,584	—	—	—
				<u>913,659</u>			<u>402,690</u>	
<b>Non-current</b>	<b>非流動</b>							
	Bank loans — unsecured	銀行貸款 — 無抵押	—	—	—	7.9	2013	49,900
	Other borrowings — unsecured	其他借貸 — 無抵押	(b) 3.5	2014	2,093	8.0	2013	17,876
	The 10% Coupon Senior Bonds	10厘息優先債券	(d) 10.0	2015	545,382	—	—	—
	The Modified 10% Coupon Bonds	經修訂10厘息債券	(e) 10.0	2015	12,642	—	—	—
				<u>560,117</u>			<u>67,776</u>	
				<u>1,473,776</u>			<u>470,466</u>	

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

#### 20. 計息銀行貸款及其他借貸(續)

		<b>30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)</b>	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Analysed into:	前述計息銀行貸款及 其他借貸的分析如下：		
Bank loans repayable:	銀行貸款還款期：		
Within one year	一年內	<b>284,900</b>	215,000
In the second year	第二年	<b>—</b>	49,900
		<b>284,900</b>	264,900
Other borrowings repayable:	其他借貸還款期：		
Within one year	一年內	<b>628,759</b>	187,690
In the second year	第二年	<b>560,117</b>	17,876
		<b>1,188,876</b>	205,566
		<b>1,473,776</b>	470,466

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes:

- (a) At 30 June 2012, the secured bank loans comprised: (i) a bank loan of RMB50,000,000 (31 December 2011: RMB50,000,000) secured by a parcel of leasehold land in Mainland China with a net carrying amount of RMB67,545,000 (31 December 2011: RMB68,304,000); (ii) a bank loan of RMB50,000,000 (31 December 2011: RMB50,000,000) secured by a parcel of leasehold land in Mainland China and buildings and plant and machinery with net carrying amounts of RMB17,431,000 (31 December 2011: RMB17,625,000) and RMB50,435,000 (31 December 2011: RMB51,715,000), respectively; and (iii) bank loans of RMB30,000,000 (31 December 2011: RMB30,000,000) secured by a parcel of leasehold land in Mainland China with a net carrying amount of RMB37,164,000 (31 December 2011: RMB37,582,000).
- (b) At 30 June 2012, the unsecured other borrowings included: (i) a loan of RMB89,000 (31 December 2011: RMB89,000) from Xianghe Group Shangjie Power Engineering Co., Ltd., which bore interest at a floating rate ranging from 5.4% to 7.5% per annum; (ii) a loan from May Limited of US\$2,500,000 (equivalent to RMB15,795,000) (31 December 2011: RMB15,708,000), which bore interest at a rate of 8% per annum; (iii) loans from the ultimate holding company of the Company consisting of amounts of SG\$1,826,000 and HK\$5,000,000 (in aggregate equivalent to RMB14,496,000) (31 December 2011: RMB22,853,000), which bore interest at a rate of 8% per annum; (iv) a loan of US\$10,000,000 (equivalent to RMB63,249,000) (31 December 2011: Nil) from United Mineral Limited, which bore interest at a rate of 10% per annum; (v) a loan of US\$331,050 (equivalent to RMB2,093,000) (31 December 2011: RMB2,168,000) from hire purchase of motor vehicles, which bore interest at a rate of 3.52% per annum.

#### 20. 計息銀行貸款及其他借貸(續)

附註：

- (a) 於二零一二年六月三十日，有抵押的銀行貸款包括：(i) 以一幅位於中國大陸，賬面淨值為人民幣67,545,000元(二零一一年十二月三十一日：人民幣68,304,000元)的租賃土地作為抵押的銀行貸款人民幣50,000,000元(二零一一年十二月三十一日：人民幣50,000,000元)；(ii) 分別以一幅位於中國大陸，賬面淨值為人民幣17,431,000元(二零一一年十二月三十一日：人民幣17,625,000元)的租賃土地以及賬面淨值為人民幣50,435,000元(二零一一年十二月三十一日：人民幣51,715,000元)的樓宇、廠房及機械作為抵押的銀行貸款人民幣50,000,000元(二零一一年十二月三十一日：人民幣50,000,000元)；及(iii) 以位於中國大陸，賬面淨值為人民幣37,164,000元(二零一一年十二月三十一日：人民幣37,582,000元)的租賃土地作為抵押的銀行貸款人民幣30,000,000元(二零一一年十二月三十一日：人民幣30,000,000元)。
- (b) 於二零一二年六月三十日，無抵押的其他借貸包括：(i) 向祥和集團上街電力工程有限公司借入貸款人民幣89,000元(二零一一年十二月三十一日：人民幣89,000元)·按浮動年利率5.4厘至7.5厘計息；(ii) 向May Limited借入貸款2,500,000美元(相當於人民幣15,795,000元)(二零一一年十二月三十一日：人民幣15,708,000元)·按年利率8厘計息；(iii) 向本公司最終控股公司借入貸款，該貸款包括新加坡幣1,826,000元及5,000,000港元(合共相當於人民幣14,496,000元)(二零一一年十二月三十一日：人民幣22,853,000元)·按年利率8厘計息；(iv) 向United Mineral Limited借入貸款10,000,000美元(相當於人民幣63,249,000元)(二零一一年十二月三十一日：零)·按年利率10厘計息；(v) 汽車租用採購貸款331,050美元(相當於人民幣2,093,000元)(二零一一年十二月三十一日：人民幣2,168,000元)·該貸款年利率為3.52%。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

- (c) At 30 June 2012, the secured other borrowings represented a facility of a US\$ equivalent amount of RMB330,000,000 (the "Term Loan") obtained by the Company in December 2010 by entering into a term loan agreement with Asia Equity Value Ltd. (the "Lender"), pursuant to which, the Company agreed, as a condition to the availability of the Term Loan, to issue to the Lender warrant instruments (the "Warrants").

The entire registered capital of Lianyungang East Harvest Minerals Co. Ltd. ("East Harvest Minerals"), a subsidiary of the Company, was pledged in favour of the Lender for the availability of the Term Loan. At 30 June 2012, the paid-up capital of East Harvest Minerals amounted to US\$127,000,000, equivalent to RMB803,262,000 (31 December 2011: RMB800,214,000).

The movements of the liability and derivative components of the Term Loan for the six months ended 30 June 2012 are as follows:

#### 20. 計息銀行貸款及其他借貸(續)

附註：(續)

- (c) 於二零一二年六月三十日，有抵押的其他借貸指本公司於二零一零年十二月藉與 Asia Equity Value Ltd. (「貸方」) 訂立定期貸款協議取得的人民幣 330,000,000 元等值美元信貸 (「定期貸款」)。據此，本公司同意向貸方發行認股權證 (「認股權證」) 作為取得定期貸款的條件。

為取得定期貸款，本公司附屬公司連雲港東茂礦產品有限公司 (「東茂礦產品」) 全部註冊資本已質押予貸方。於二零一二年六月三十日，東茂礦產品之實收資本為 127,000,000 美元，相當於人民幣 803,262,000 元 (二零一一年十二月三十一日：人民幣 800,214,000 元)。

於截至二零一二年六月三十日止六個月，定期貸款負債及衍生部分的變動載列如下：

		<b>Liability component</b>	<b>Derivative 衍生部分</b>	<b>Total 總計</b>
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)
At 1 January 2012	於二零一二年一月一日	164,748	9,432	174,180
Interest expenses	利息費用	24,921	—	24,921
Repayment	還款	(102,123)	—	(102,123)
Changes in fair value	公允價值變動	—	(3,631)	(3,631)
Foreign exchange realignment	外幣折算差額	—	43	43
At 30 June 2012	於二零一二年六月三十日	87,546	5,844	93,390
Portion classified as current	即期部分	(87,546)	(5,844)	(93,390)
Non-current portion	非即期部分	—	—	—

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

- (d) On 12 December 2007, the Company issued 20,000 zero coupon convertible bonds due 2012 at HK\$100,000 each with an aggregate nominal value of HK\$2,000,000,000 (the "Zero Coupon Convertible Bonds") which were subsequently traded on the Stock Exchange.

On 10 November 2010, the Company exchanged 97.85% of the Zero Coupon Convertible Bonds with: (1) a cash payment of HK\$20,000 for each HK\$100,000 in principal amount of the Zero Coupon Convertible Bonds; and (2) 13,748 10% coupon convertible bonds due 2012 at HK\$100,000 each with an aggregate nominal value of HK\$1,374,800,000 (the "10% Coupon Convertible Bonds").

On 12 June 2012, the Company further exchanged 97.87% of the 10% Coupon Convertible Bonds with: (1) 39,099 10% coupon senior bonds due 2015 at a principal amount of HK\$25,000 for the 10% Coupon Convertible Bonds of principal amount of HK\$100,000 with an aggregate nominal amount of HK\$977,475,000 (the "10% Coupon Senior Bonds"); and (2) 13,033 6% coupon convertible bonds due 2015 at a principal amount of HK\$25,000 for the 10% Coupon Convertible Bonds of principal amount of HK\$100,000 with an aggregate nominal amount of HK\$325,825,000 (the "6% Coupon Convertible Bonds").

#### 20. 計息銀行貸款及其他借貸(續)

附註：(續)

- (d) 於二零零七年十二月十二日，本公司以每份100,000港元發行20,000份於二零一二年到期之零息可換股債券(「零息可換股債券」)，總面值為20億港元，其後有關債券於聯交所上市。

於二零一零年十一月十日，本公司以下列各項交換零息可換股債券之97.85%：(1)每100,000港元本金額零息可換股債券現金付款20,000港元；及(2)本公司以每份100,000港元發行的13,748份於二零一二年到期之10厘息可換股債券，總面值為1,374,800,000港元(「10厘息可換股債券」)。

於二零一二年六月十二日，本公司進一步以下列各項交換10厘息可換股債券之97.87%：(1)以100,000港元本金額10厘息可換股債券，交換本金額25,000港元於二零一五年到期之10厘息優先債券，共39,099份，總面值為977,475,000港元(「10厘息優先債券」)；及(2)以100,000港元本金額10厘息可換股債券，交換本金額25,000港元於二零一五年到期之6厘息可換股債券，共13,033份，總面值為325,825,000港元(「6厘息可換股債券」)。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

(d) (continued)

Some of the key terms of the 10% Coupon Senior Bonds are as follows:

- (i) Interest rate: 10% per annum, which is payable quarterly in arrears;
- (ii) Maturity date: 12 March 2015;
- (iii) Repayment: The Company shall redeem the bonds at 100% of the principal amounts in 9 specific instalments on the dates falling 9, 12, 15, 18, 21, 24, 27, 30 and 33 months after the issue date;
- (iv) Premium: on 12 December 2012, the Company will pay a premium of HK\$7,792.50 per HK\$25,000 in principal amount of the 10% Coupon Senior Bonds to each bondholder;
- (v) Redeemable in cash at the option of the Company at their early redemption amount calculated by using the bond principal with an interest rate of 10% on a quarterly basis, at any time on or after 12 December 2012 and prior to the final maturity date, providing that early redemption may not be exercised by the Company within 30 days of the end of a specific close period.

#### 20. 計息銀行貸款及其他借貸(續)

附註：(續)

(d) (續)

10厘息優先債券部分主要條款如下：

- (i) 年利率：10厘，每季度支付前期的利息；
- (ii) 到期日：二零一五年三月十二日；
- (iii) 償還：本公司須於發行日期後第9、12、15、18、21、24、27、30及33個月，分9期指定分期付款贖回債券100%本金額；
- (iv) 溢價：於二零一二年十二月十二日，本公司將向10厘息優先債券的各名持有人每本金額25,000港元支付7,792.50港元的溢價。
- (v) 於二零一二年十二月十二日或之後及在最終到期日前任何時間，本公司可選擇以現金支付提早贖回額贖回債券，提早贖回額按債券本金額及利率10厘作季度計算，惟本公司於指定關閉期間結束後起計30日內不得提早贖回債券。

## Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

(d) (continued)

The fair value of the 10% Coupon Senior Bonds, which was valued by Greater China Appraisal Limited ("Greater China Appraisal"), has been split into a liability component and a derivative financial instrument as follows:

- (i) Liability component initially recognised at its fair value, which was measured using an equivalent market interest rate for a similar bond without a redemption option, and is subsequently carried at amortised cost;
- (ii) Redemption option of the Company recognised at its fair value, which is measured as the residual amount after deducting the fair value of the liability component from the total fair value of the bonds measured under the Hull-White Model.

The movements of the liability and derivative components of the 10% Coupon Senior Bonds for the six months ended 30 June 2012 are as follows:

		<b>Liability component</b>	<b>Derivative*</b>	<b>Total</b>
		負債部分	衍生部分*	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)
At 12 June 2012	於二零一二年六月十二日	986,502	—	986,502
Interest expenses	利息費用	7,049	—	7,049
Repayment	還款	—	—	—
Changes in fair value	公允價值變動	—	—	—
Foreign exchange realignment	外幣折算差額	(586)	—	(586)
At 30 June 2012	於二零一二年六月三十日	992,965	—	992,965
Portion classified as current	即期部分	(447,584)	—	(447,584)
Non-current portion	非即期部分	545,381	—	545,381

\* At its initial recognition on 12 June 2012 and at the end of the reporting period, the fair value of the derivative was immaterial.

### 20. 計息銀行貸款及其他借貸(續)

附註：(續)

(d) (續)

經漢華評估有限公司(「漢華評估」)估值後，10厘息優先債券之公允價值已被分拆為負債部分與衍生金融工具，載列如下：

- (i) 負債部分按其公允價值進行初始確認，該公允價值按同類債券(並無贖回權)之相等市場利率計算，其後以攤餘成本計量；
- (ii) 本公司之贖回權按公允價值確認，該公允價值為扣除債券負債部分之公允價值總額後的剩餘金額。公允價值總額按赫爾—懷特模式計量。

截至二零一二年六月三十日止六個月，10厘息優先債券之負債及衍生部分之變動如下：

\* 於二零一二年六月三十日之初始確認時及報告期末，衍生部分之公允價值並不重大。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 20. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

- (e) According to the extraordinary resolution dated 31 May 2012, amendments to the terms and conditions governing the remaining 284 10% Coupon Convertible Bonds with an aggregate nominal amount of HK\$28,400,000 (the "Modified 10% Coupon Bonds") are as follows:
- (i) delete the conversion right attached to the 10% Coupon Convertible Bonds and delete the terms in relation to the adjustment to the conversion price;
  - (ii) extend the maturity date from 12 December 2012 to 12 March 2015;
  - (iii) amend the maturity repayment in respect of each 10% Coupon Convertible Bonds from 131.1699% of the principal amount to 100% of the principal amount;
  - (iv) delete the pre-agreed share price ceiling as an event triggering the redemption option of the Company, and remove the capital event and the delisting of the Company as a relevant event triggering redemption option of the bondholders;
  - (v) amend the early redemption amount to 100% of the principal amount together with any unpaid interest accrued thereto on the redemption date.

The Group determined the fair value of the Modified 10% Coupon Bonds based on the valuation performed by Great China Appraisal using an equivalent market interest rate for a similar bond without a conversion option.

The carrying amounts of the Group's borrowings approximate to their fair values.

#### 20. 計息銀行貸款及其他借貸(續)

附註：(續)

- (e) 根據日期為二零一二年五月三十一日的特別決議案，餘下284份總面值28,400,000港元的10厘息可換股債券(「經修訂10厘息債券」)之條款及條件修訂如下：
- (i) 刪除10厘息可換股債券附帶的兌換權，並刪除有關調整兌換價之條文；
  - (ii) 將到期日由二零一二年十二月十二日延至二零一五年三月十二日；
  - (iii) 將每份10厘息可換股債券之到期還款額由本金額之131.1699%改為本金額之100%；
  - (iv) 將預先協定股份價格上限從觸發本公司贖回選擇權事件清單中剔除，並將資本事件及本公司除牌從觸發債券持有人贖回選擇權有關事件清單中剔除；
  - (v) 修訂提早贖回額至本金額之100%連同於贖回日期任何累計未付利息。

本集團乃根據漢華評值利用同類債券(並無兌換權)之相等市場利率作出之估值釐定經修訂10厘息債券之公允價值。

本集團借貸之賬面價值與其公允價值相若。



## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 21. CONVERTIBLE BONDS

#### 21. 可換股債券

			<b>30 June 2012</b>	31 December 2011
			二零一二年 六月三十日	二零一一年 十二月三十一日
			<b>RMB'000</b>	RMB'000
			人民幣千元	人民幣千元
	Notes 附註		<b>(Unaudited)</b>	(Audited)
			(未經審核)	(經審核)
Liability component:		負債部分：		
The Zero Coupon Convertible Bonds	(a)	零息可換股債券	<b>8,878</b>	8,225
The 10% Coupon Convertible Bonds	(b)	10厘息可換股債券	—	1,156,195
The 6% Coupon Convertible Bonds	(c)	6厘息可換股債券	<b>199,242</b>	—
			<b>208,120</b>	1,164,420
Portion classified as current		即期部分	<b>(91,669)</b>	(1,164,420)
Non-current portion		非即期部分	<b>116,451</b>	—

Notes:

- (a) The movement of the liability component of the Zero Coupon Convertible Bonds for the six months ended 30 June 2012 is as follows:

附註：

- (a) 截至二零一二年六月三十日止六個月，零息可換股債券之負債部分之變動如下：

		<b>Liability component of convertible bonds</b>
		<b>可換股債券 之負債部分</b>
		RMB'000
		人民幣千元
		(Unaudited)
		(未經審核)
At 1 January 2012	於二零一二年一月一日	8,225
Interest expenses	利息費用	606
Foreign exchange realignment	外幣折算差額	47
At 30 June 2012	於二零一二年六月三十日	8,878
Portion classified as current	即期部分	(8,878)
Non-current portion	非即期部分	—

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 21. CONVERTIBLE BONDS (continued)

Notes: (continued)

- (b) The movements of the liability and derivative components of the 10% Coupon Convertible Bonds for the six months ended 30 June 2012 are as follows:

		<b>Liability component of convertible bonds</b>	<b>Derivatives</b>	<b>Total</b>
		可換股債券 之負債部分	衍生部分	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)
At 1 January 2012	於二零一二年一月一日	1,156,195	(658)	1,155,537
Interest expenses	利息費用	164,328	—	164,328
Payment of interest	支付利息	(54,280)	—	(54,280)
Changes in fair value	公允價值變動	—	711	711
Extinguishment	終止	(1,266,243)	(53)	(1,266,296)
At 30 June 2012	於二零一二年六月三十日	—	—	—

- (c) As set out in note 20(d), some of the key terms of the 6% Coupon Convertible Bonds are as follows:

- (i) Convertible at the option of the bondholders into fully paid ordinary shares at any time from 12 June 2012 to 2 March 2015 at a conversion price of HK\$0.7834 per share (the "Initial Conversion Price"). If on 12 December 2012 (the "Reset Date"), the volume weighted average price of the shares for the period of 15 consecutive trading days on the Stock Exchange immediately prior to the Reset Date (the "Prevailing Market Price") is less than the then prevailing conversion price, the conversion price shall be adjusted to a price that is equal to such Prevailing Market Price, provided always that the conversion price as so adjusted shall not be less than 75% of the Initial Conversion Price (the "Floor Price"). In the event that the Prevailing Market Price is less than the Floor Price, the conversion price shall be adjusted to a price equal to the Floor Price (the "Adjustment"). Apart from the Adjustment, there is no change in terms of the 6% Coupon Convertible Bonds;

#### 21. 可換股債券(續)

附註：(續)

- (b) 截至二零一二年六月三十日止六個月，10厘息可換股債券之負債及衍生部分之變動如下：

- (c) 誠如附註20(d)所載，6厘息可換股債券部分主要條款如下：

- (i) 債券持有人可選擇於二零一二年六月十二日至二零一五年三月二日期間隨時以兌換價每股0.7834港元(「初步兌換價」)兌換為已繳足普通股。倘股份緊接二零一二年十二月十二日(「重設日期」)前連續15個交易日期間在聯交所的交易量加權平均價(「當時市價」)低於當時兌換價，兌換價須調整至相等於當時市價的價格，前提是兌換價不得調整至低於初步兌換價的75%(「最低價格」)。倘若當時市價低於最低價格，兌換價須調整至相等於最低價格的價格(「有關調整」)。除有關調整外，6厘息可換股債券條款不變；

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 21. CONVERTIBLE BONDS (continued)

Notes: (continued)

- (c) (continued)
- (ii) Redeemable in cash at the option of the Company at their early redemption amount calculated by using the bond principal with an interest rate of 6% on a quarterly basis, at any time on or after 12 December 2012 and prior to the final maturity date, providing that early redemption may not be exercised by the Company within 30 days of the end of a specific close period;
- (iii) Redeemable in cash at the option of the Company at their early redemption amount calculated by using the bond principal with an interest rate of 6% on a quarterly basis, if at any time after the first anniversary of the issue date the volume weighted average price of the shares over period of 30 consecutive trading days on the Stock Exchange, the last of which occurs not more than 5 days prior to the date upon which notice of such redemption is published, is greater than or equal to 125% of the then prevailing conversion price;
- (iv) Premium: on 12 December 2012, the Company will pay a premium of HK\$7,792.50 per HK\$25,000 in principal amount of the 6% Coupon Convertible Bonds to each bondholder; and
- (v) To be redeemed at 100% of its principal amount on 12 March 2015. The 6% Coupon Convertible Bonds carry interest at a rate of 6% per annum, which is payable quarterly in arrears.

The Company determined the fair value of the liability component of the 6% Coupon Convertible Bonds based on the valuation performed by Greater China Appraisal using an equivalent market interest rate for a similar bond without a conversion option.

#### 21. 可換股債券(續)

附註：(續)

- (c) (續)
- (ii) 於二零一二年十二月十二日或之後及在最終到期日前任何時間，本公司可選擇以現金支付提早贖回額贖回債券。提早贖回額按債券本金額及利率6厘作季度計算，惟本公司於指定關閉期間結束後起計30日內不得提早贖回債券；
- (iii) 倘若股份於發行日期滿一週年後任何時間在聯交所連續30個交易日(最後一日在刊發贖回通知日期前5日內)期間的成交量加權平均價高於或相等於當時兌換價的125%，本公司可選擇以現金支付提早贖回額贖回債券。提早贖回額按債券本金額及利率6厘作季度計算；
- (iv) 溢價：於二零一二年十二月十二日，本公司將向各6厘息可換股債券持有人本金額每25,000港元支付溢價7,792.50港元；及
- (v) 於二零一五年三月十二日按本金額之100%予以贖回。6厘息可換股債券的年利率為6厘，每季度支付前期的利息。

本公司乃根據漢華評值利用同類債券(並無兌換權)之相等市場利率作出之估值釐定6厘息可換股債券負債部分之公允價值。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 21. CONVERTIBLE BONDS (continued)

Notes: (continued)

(c) (continued)

The Company also recognised a number of derivatives, the values of which comprise:

- (i) The fair value of the option of the bondholders to convert the 6% Coupon Convertible Bonds into ordinary shares of the Company at the conversion price; and
- (ii) The fair value of the option of the Company to redeem the 6% Coupon Convertible Bonds.

These options are interdependent as only one of these options can be exercised. Therefore, they are not able to be accounted for separately and a singly compound derivative financial instrument was recognised.

The fair values of the derivatives were valued by Greater China Appraisal, using the trinomial model.

The movements of the liability and derivative components of the 6% Coupon Convertible Bonds for the six months ended 30 June 2012 are as follows:

#### 21. 可換股債券(續)

附註：(續)

(c) (續)

本公司亦確認數項衍生工具，其價值包括以下各項：

- (i) 債券持有人按兌換價將6厘息可換股債券兌換為本公司普通股的選擇權的公允價值；及
- (ii) 本公司贖回6厘息可換股債券的選擇權的公允價值。

該等選擇權相互關連，二者間僅有一項可被行使。因此，二者不能單獨確認，而被整體確認為單一的複合衍生金融工具。

本公司乃根據漢華評值利用三項式定價模型作出之估值釐定該衍生金融工具之公允價值。

截至二零一二年六月三十日止六個月，6厘息可換股債券之負債及衍生部分之變動如下：

	Liability component of convertible bonds	Derivatives	Total
	可換股債券之 負債部分	衍生部分	總計
	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元
	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)
At 12 June 2012 (Initial recognised)	195,510	62,236	257,746
Interest expenses	3,843	—	3,843
Changes in fair value	—	8,160	8,160
Foreign exchange realignment	(111)	(16)	(127)
At 30 June 2012	199,242	70,380	269,622
Portion classified as current	(82,791)	—	(82,791)
Non-current portion	116,451	70,380	186,831

## Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

### 22. ISSUED CAPITAL

### 22. 已發行股本

		Period ended 30 June 2012 截至二零一二年 六月三十日止期間		Year ended 31 December 2011 截至二零一一年 十二月三十一日止年度	
		Number of ordinary shares 普通股數		Number of ordinary shares 普通股數	
		RMB'000 (Unaudited) 人民幣千元 (未經審核)		RMB'000 (Audited) 人民幣千元 (經審核)	
Authorised (HK\$0.1 each):	法定 (每股0.1港元):				
At beginning and end of the period/year	期初/年初 及期末/年末	5,000,000,000	479,200	5,000,000,000	479,200
Issued and fully paid (HK\$0.1 each):	已發行及繳足 (每股0.1港元):				
At beginning of the period/year	期初/年初	2,304,333,337	230,373	2,282,983,565	228,553
Conversion of convertible bonds	轉換可換股債券	—	—	21,349,772	1,820
At end of the period/year	期末/年末	2,304,333,337	230,373	2,304,333,337	230,373

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 23. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

#### 23. 公允價值層級

本集團根據下述層級參數來計量及披露金融工具之公允價值：

第一層級：公允價值基於相同資產或負債在活躍市場中的標價(未經調整)而計量

第二層級：公允價值基於估值技術計量，當中對公允價值有重大影響的變量為直接或間接可觀察

第三層級：公允價值基於估值技術計量，當中對公允價值有重大影響的變量乃基於不可觀察市場的數據(不可觀察的變量)

At 30 June 2012

於二零一二年六月三十日

Level 1	Level 2	Level 3	Total
第一層級	第二層級	第三層級	總計
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

Derivative financial instruments 衍生金融工具

—	76,224	—	76,224
---	--------	---	--------

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 23. FAIR VALUE HIERARCHY (continued) 23. 公允價值層級(續)

At 31 December 2011 於二零一一年十二月三十一日			
Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Derivative financial instruments 衍生金融工具	—	8,774	— 8,774

During the Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (six months ended 30 June 2011: Nil).

期內第一層級與第二層級公允價值計量之間無轉換，也沒有轉入或轉出第三層級(截至二零一一年六月三十日止六個月：無)。

#### 24. CONTINGENCY

A subsidiary of the Group is currently a prosecutor in a lawsuit alleging that the contractor breached a contract related to a construction project located in Lianyungang City, Jiangsu Province, the PRC. The subsidiary claims that the construction quality of the contractor did not meet the standards stipulated in the contract, thus the outstanding claims of the contractor for the construction of RMB4,500,000 was controversial.

The Directors believe that the subsidiary has a good chance of success in the final trial and the unrecorded construction claims would not exceed RMB4,500,000 and would not have significant impact on the financial position of the Group.

#### 24. 或然事項

本集團一間附屬公司現於一宗法律訴訟以控方身份指控承包商違反有關位於中國江蘇省連雲港市的建設項目的合同。該附屬公司指稱該承包商的建設質素未達合同所訂明標準，因此有關該承包商之尚欠建設申索款項人民幣4,500,000元有待商榷。

董事相信，該附屬公司很可能在終審勝訴，而未入賬建設申索款項將不超過人民幣4,500,000元，不會對本集團財務狀況造成重大影響。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 25. SHARE-BASED PAYMENT

On 2 May 2005, the Company approved a share option scheme (the "Share Option Scheme") under which the Directors may, at their discretion, grant options to the Directors and employees of the Group to subscribe for shares in the Company. The subscription price for shares under the Share Option Scheme will be determined by the Directors, which shall be calculated at the time of grant of the relevant option and shall not be less than the highest of (i) the nominal value of a share; (ii) the closing price of a share as stated in the Stock Exchange's daily quotation sheet on the date of grant of the relevant option, which must be a business day; and (iii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the relevant option.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme must not exceed 10% of the share capital of the Company in issue and may not exceed in nominal value 30% of the issued share capital of the Company in issue for a period of 10 consecutive years. The Share Option Scheme will remain in force for the period of 10 years commencing on 2 May 2005. No option may be granted to any one person which, if exercised in full, would result in the total number of shares which were already issued and may fall to be issued to him under all the options previously granted to him pursuant to the Share Option Scheme in any 12-month period up to the date of grant, exceeding 1% of the maximum aggregate number of shares for the time being issued and which may fall to be issued under the Share Option Scheme.

#### 25. 股份支付

於二零零五年五月二日，本公司批准一項購股權計劃（「購股權計劃」），據此，董事可酌情授予本集團董事及僱員認購本公司股份之購股權。購股權計劃之股份認購價將由董事於授出有關購股權當時釐定，不得低於下列各項之最高者：(i) 股份面值；(ii) 於授出有關購股權當日（必須為營業日）聯交所日報表所列股份之收市價；及 (iii) 緊接授出有關購股權當日前五個營業日聯交所每日日報表所列之股份收市價平均值。

根據購股權計劃可授出之購股權涉及之股份數目最多不得超逾本公司已發行股本之10%，亦不得超過本公司已發行股本面值之30%，連續十年有效。購股權計劃自二零零五年五月二日起為期十年有效。倘於截至授出日期止任何12個月期間全面行使過往授予一名人士之購股權將導致根據購股權計劃向其授出之所有購股權所涉及之已經或將向其發行之股份總數，超逾當時根據該購股權計劃已經及將可發行之股份上限1%，則不得向其授出購股權。



## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 25. SHARE-BASED PAYMENT (continued)

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive Directors. In addition, any share options granted to a substantial shareholder or an independent non-executive Director, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

On 20 January 2012, a total of 50,000,000 share options were granted to the eligible participants under the Share Option Scheme in respect of their services to the Group in the forthcoming year. These share options have a certain vesting period and an exercise period consistent with the Share Option Scheme, with an exercise price of HK\$0.63, which was equal to the market price of the shares on the date of grant.

The fair value of options granted during the six months ended 30 June 2012 was estimated on the date of grant using the following assumptions:

Dividend yield (%)	股息收益率(%)	0.00
Expected volatility (%)	預期波幅(%)	60.19
Risk-free interest rate (%)	無風險利率(%)	1.39
Expected life (years)	預期年期(年)	10
Weighted average share price (HK\$)	加權平均股價(港元)	0.63

#### 25. 股份支付(續)

向本公司董事、首席執行官或主要股東、或任何彼等之聯繫人士授予購股權須事先經獨立非執行董事准許。此外，授予主要股東或獨立非執行董事或任何彼等之聯繫人士之任何購股權，若於任何12個月期間的任何時間超出本公司已發行股份0.1%或總值(根據本公司於授出日期之股份價格)超過5百萬港元，均須得到股東於股東大會之預先批准。

於二零一二年一月二十日，根據購股權計劃，授予合資格參與者合共50,000,000份購股權，以鼓勵彼等來年為本集團提供服務。該等購股權具有特定歸屬期且行使期與購股權計劃一致，行使價為0.63港元，相等於股份於授出日期的市價。

截至二零一二年六月三十日止六個月授出的購股權的公允價值於授出日期採用以下假設估計：

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 26. COMMITMENTS

##### (i) Capital commitments

Contracted, but not provided 已訂約但未撥備：

for:

Property, plant and equipment 物業、廠房及設備

30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
298,550	334,473

##### (ii) Operating lease commitments As lessee

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from two to three years.

At 30 June 2012, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year 一年內  
In the second to fifth years, inclusive 第二至第五年，包括首尾兩年

##### (ii) 經營租賃承擔 作為承租人

本集團根據經營租賃安排租用若干辦公室物業。經商定之物業租賃年期介乎兩至三年。

於二零一二年六月三十日，本集團於下列各段期間到期之不可撤銷經營租賃之未來最低租金付款總額如下：

30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
5,729	2,468
8,340	1,704
14,069	4,172

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 27. RELATED PARTY TRANSACTIONS

##### (i) Transactions with related parties

In addition to the transactions detailed elsewhere in the interim condensed consolidated financial statements, the Group had the following material transactions with related parties during the six months ended 30 June 2012:

#### 27. 關聯方交易

##### (i) 與關聯方交易

截至二零一二年六月三十日止六個月內，除於本中期簡明綜合財務報表其他地方披露之交易外，本集團與關聯方有下列重大交易：

Names of related parties 關聯方名稱	Nature of transactions 交易性質	Six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Yiwan Mining (Note a)	Purchase of iron ores (Note b)		
Yiwan Mining (附註 a)	購入鐵礦石 (附註 b)	148,593	154,869
Easyman (Note a)	Loan provided by the related company (Note c) 關聯公司提供之貸款 (附註 c)	14,496	—
Easyman (附註 a)	Interest expense (Note c) 利息費用 (附註 c)	835	2,352
Anyang Iron & Steel Group Co., Ltd (Note d) 安陽鋼鐵集團 有限責任公司 (附註 d)	Interest expense (Note e) 利息費用 (附註 e)	—	1,748
Full Harvest Development Limited (Note f) 豐盛發展有限公司 (附註 f)	Shareholder's loan (Note g) 股東貸款 (附註 g)	57,171	—

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 27. RELATED PARTY TRANSACTIONS (continued)

##### (i) Transactions with related parties (continued)

Notes:

- (a) Easyman is a company wholly owned by Mr. Dong Shutong, an executive Director and a substantial shareholder of the Company. The Directors consider that Mr. Dong Shutong through Easyman, as a lender of Yiwang Mining, has an indirect economic interest in Yiwang Mining.
- (b) The transactions were carried out based on the terms agreed by the parties under an exclusive offtake agreement and a second amending agreement entered into between Yiwang Mining and the Group in March 2007 and September 2008, respectively. In cases of compulsory price adjustment mandated by the Government of Indonesia, the prices of the transactions will be hence adjusted accordingly for the remaining life of the exclusive offtake right.
- (c) The loans in the total amount of RMB14,496,000 were provided by Easyman and are unsecured, repayable by December 2012 and bear an interest rate of 8% per annum.
- (d) It was no longer a non-controlling shareholder of the Group after the disposal of the subsidiary on 26 April 2012.
- (e) The loan in the amount of RMB68,096,000 was provided by Anyang Iron & Steel Group Co., Ltd and is unsecured.
- (f) This company is an associate of the Group.
- (g) The shareholder's loan to Full Harvest Development Limited is unsecured, interest-free and repayable by 31 December 2012.

#### 27. 關聯方交易 (續)

##### (i) 與關聯方交易 (續)

附註：

- (a) Easyman 乃一間由本公司執行董事兼主要股東董書通先生全資擁有之公司。董事認為董書通先生通過 Yiwang Mining 之放款人 Easyman 於 Yiwang Mining 擁有間接經濟利益。
- (b) 該交易按照 Yiwang Mining 與本集團於二零零七年三月簽訂之獨家採購協議及二零零八年九月簽訂之第二份修訂協議之條款進行。如印尼政府下令進行強制價格調整，則在獨家採購權餘下年期內交易價格將相應予以調整。
- (c) 由 Easyman 提供之貸款總額為人民幣 14,496,000 元，該貸款無抵押，須於二零一二年十二月償還，並按年利率 8% 計息。
- (d) 在本集團於二零一二年四月二十六日出售附屬公司後，該公司不再為本集團非控股股東。
- (e) 由安陽鋼鐵集團有限責任公司提供之貸款總額為人民幣 68,096,000 元，該貸款無抵押。
- (f) 該公司為本集團之聯營公司。
- (g) 對豐盛發展有限公司提供的股東借款無抵押，不計息，並須於二零一二年十二月三十一日償還。

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 27. RELATED PARTY TRANSACTIONS (continued)

##### (ii) Outstanding balance with related parties

##### Amounts owed by related parties

Names of related parties	關聯方名稱
Yiwan Mining	Yiwan Mining
Full Harvest Development Limited	豐盛發展有限公司

##### Amounts owed to related parties

Names of related parties	關聯方名稱
Easyman	Easyman
Anyang Iron & Steel Group Co., Ltd	安陽鋼鐵集團有限責任公司

#### 27. 關聯方交易(續)

##### (ii) 與關聯方之未了結結餘

##### 關聯方結欠款項

30 June 2012 二零一二年六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
79,427	25,298
57,172	46,126

##### 結欠關聯方款項

30 June 2012 二零一二年六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2011 二零一一年十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
14,496	22,853
—	102,673

## Notes to Interim Condensed Consolidated Financial Statements

### 中期簡明綜合財務報表附註

#### 27. RELATED PARTY TRANSACTIONS (continued)

##### (iii) Compensation of key management personnel of the Group

Fees	袍金
Salary, allowances and benefits	薪金、津貼及福利
Employee share option benefits	僱員購股權福利
Pension scheme contributions	退休計劃供款

#### 27. 關聯方交易 (續)

##### (iii) 本集團主要管理人員之報酬如下

Six months ended 30 June  
截至六月三十日止六個月

2012 二零一二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (Unaudited) (未經審核)
416	421
3,822	1,344
565	213
26	15
<b>4,829</b>	<b>1,993</b>

#### 28. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 23 August 2012.

#### 28. 批准中期簡明綜合財務報表

本中期簡明綜合財務報表已於二零一二年八月二十三日獲董事會批准及授權刊行。

## Other Information

### 其他資料

#### DIRECTORS' INTEREST IN CONTRACTS

On 5 March 2007, S.E.A. Mineral Limited (“SEAM”) entered into an exclusive offtake agreement with Yiwan Mining (the “Exclusive Offtake Agreement”), a limited company incorporated in Indonesia, which is substantially owned by Mr. Soen Bin Kuan, a substantial shareholder of the Company. Pursuant to the Exclusive Offtake Agreement, Yiwan Mining agreed to exclusively sell and SEAM agreed to buy the iron ores produced by Yiwan Mining at a fixed price of US\$16 per dry tonne, for a minimum 40 million dry tonnes of iron ores throughout a period of approximately 14 years expiring on 24 January 2021, which has subsequently been extended by a supplemental agreement to 24 January 2036. Pursuant to the recommendation letter issued by the Minister of Mineral and Coal on 25 June 2012 to the Minister of Commerce which granted the export approval to Yiwan Mining, the export price of iron ore was changed to US\$23.5 commencing from 1 July 2012.

By virtue of the convertible bonds issued by Yiwan Mining to Easyman which is wholly owned by Mr. Dong Shutong, executive Director and Chairman of the Board. Mr. Dong had an indirect interest in the Exclusive Offtake Agreement.

Further details of the transaction undertaken in connection therewith are included in Note 27 to the condensed consolidated financial statements. Save as disclosed above and in the paragraph headed “CONNECTED TRANSACTIONS” as set out on pages 78 to 79 of this interim report, no Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the period.

#### 董事之合約權益

於二零零七年三月五日，南洋礦業有限公司（「南洋礦業」）與Yiwan Mining（於印尼註冊成立之有限公司，主要由李民權先生擁有）訂立獨家採購協議（「獨家採購協議」）。根據獨家採購協議，Yiwan Mining同意獨家出售而南洋礦業同意購買Yiwan Mining生產之鐵礦石，協定之固定價格為每乾噸16美元，於二零二一年一月二十四日屆滿之大約14年期間須購買最少40,000,000乾噸鐵礦石。其後，獨家採購權期限經補充協議延長至二零三六年一月二十四日。根據煤礦務部於二零一二年六月二十五日向授與Yiwan Mining出口批准的商務部發出的推薦函件，鐵礦出口價格自二零一二年七月一日起改為23.5美元。

由於Yiwan Mining發行可換股債券予Easyman，而Easyman乃由董事會執行董事兼主席董書通先生全資擁有，故此董先生於獨家採購協議擁有間接權益。

有關所進行交易之其他詳情載於簡明綜合財務報表附註27。除上文及載於本中期報告第78至79頁「關連交易」一段所披露者外，於期內概無董事於本公司或其任何附屬公司所訂立而對本集團業務有重大影響之合約中直接或間接擁有重大權益。

## Other Information

### 其他資料

#### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the 30 June 2012, the interests and short positions of the Directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”), to be notified to the Company and the Stock Exchange were as follows:

##### (i) Long positions in the Shares

Name of Director	Capacity in which interests are held	Number of Shares held	Approximate percentage to the issued share capital of the Company 佔本公司已發行股本之概約百分比
董事姓名	持有權益之身份	持有股份數目	
Mr. Dong Shutong	Held by controlled corporations	1,394,106,705	60.50%
董書通先生	由受控制法團持有	(Note 1)	
Mr. Dong Chengzhe	Beneficial owner	200,000	0.01%
董鉞喆先生	實益擁有人		

#### 董事於股份、相關股份及債權證之權益及淡倉

於二零一二年六月三十日，董事及最高行政人員於本公司及任何其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中，擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之有關條文彼等被當作或被視作擁有之權益及淡倉)；或(b)根據證券及期貨條例第352條規定，須列入該條例所述登記冊之權益及淡倉；或(c)根據聯交所證券上市規則(「上市規則」)附錄10之上市發行人董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

##### (i) 本公司股份之好倉



## Other Information

### 其他資料

#### (ii) Long positions in the underlying Shares

#### (ii) 相關股份之好倉

Name of Director	Capacity in which interests are held	Number of underlying shares held	Approximate % to the issued share capital of the Company
董事姓名	持有權益之身份	持有相關股份數目	佔本公司已發行股本之概約百分比
Mr. Dong Shutong	Beneficial owner	5,000,000 (Note 2)	0.22%
董書通先生	實益擁有人		
	Held by spouse	1,700,000 (Note 2)	0.07%
	由配偶持有		
	Held by controlled corporations	2,050,537,633 (Note 3)	88.99%
	由受控制法團持有		
Ms. Ng See Wai Rowena	Beneficial owner	8,000,000 (Note 2)	0.35%
吳思煒女士	實益擁有人		
Mr. Song Wenzhou	Beneficial owner	2,520,000 (Note 2)	0.11%
宋文州先生	實益擁有人		
Mr. Dong Chengzhe	Beneficial owner	2,775,000 (Note 2)	0.12%
董鉞喆先生	實益擁有人		
Mr. Yang Fei	Beneficial owner	2,775,000 (Note 2)	0.12%
楊飛先生	實益擁有人		
Mr. Mao Yehong	Beneficial owner	1,500,000 (Note 2)	0.07%
毛葉紅先生	實益擁有人		

## Other Information

### 其他資料

## Notes:

- As at 30 June 2012, 1,371,074,705 Shares and 23,032,000 Shares were held by Easyman and Sino Regent Worldwide Limited ("Sino Regent"), respectively. As the entire issued share capital of each of Easyman and Sino Regent is held by Mr. Dong, Mr. Dong is deemed to be beneficial interested in such Shares by virtue of the SFO.
- The share options are unlisted equity-settled options granted pursuant to the Company's share option scheme adopted on 2 May 2005. Upon exercise of the share options in accordance with such share option scheme, Shares are issuable to the option holder(s) who exercise(s) the rights.
- Pursuant to a sale and purchase agreement dated 7 October 2011, two batches of convertible notes which could be converted into a total of 2,050,537,633 shares of the Company may be issued to Easyman and East Grow Management Limited ("East Grow") (with 90% interest owned by Easyman) subject to the terms and conditions of the sale and purchase agreement. The sale and purchase agreement was subject to a number of conditions precedent including but not limited to the approval from Independent Shareholders in extraordinary general meeting. By virtue of SFO, Mr. Dong is deemed to have beneficial interests in the above underlying shares.

## 附註：

- 於二零一二年六月三十日，由 Easyman 及 Sino Regent Worldwide Limited (「Sino Regent」) 分別持有 1,371,074,705 股及 23,032,000 股股份。由於董先生分別持有 Easyman 及 Sino Regent 的全部已發行股本，根據證券及期貨條例，董先生被視為於上述股份中擁有實益權益。
- 該等購股權為根據本公司於二零零五年五月二日採納之購股權計劃授出之非上市以股權支付之購股權。根據該購股權計劃行使購股權後，本公司可向行使有關權利的購股權持有人發行股份。
- 根據日期為二零一一年十月七日之買賣協議，或向 Easyman 及 East Grow Management Limited (「East Grow」) (由 Easyman 擁有 90% 權益) 發行兩批合共可轉換為 2,050,537,633 股本公司股份之可換股票據，惟須受買賣協議之條款及條件的規限。該買賣協議須待若干先決條件達成後方可完成，包括(但不限於)須獲獨立股東於股東特別大會上批准。根據證券及期貨條例，董先生被視為於上述相關股份中擁有實益權益。

## Other Information

### 其他資料

#### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2012, according to the register kept by the Company under Section 336 of the SFO, the following persons and companies (other than the interest disclosed above in respect of the Director who is also a substantial shareholder of the Company) were interested in 5% or more in the Shares or underlying Shares which fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO; or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

#### 主要股東於本公司股份及相關股份之權益及淡倉

於二零一二年六月三十日，根據於本公司按照證券及期貨條例第336條規定須存置之登記冊的紀錄，以下人士及公司（不包括上文披露同時為本公司主要股東之董事所涉權益）於本公司股份或相關股份中持有須根據證券及期貨條例第XV部第2及3分部通知本公司的5%或以上權益；或於本集團任何成員公司的股東大會中於所有情況下均享有表決權的任何類別股本中持有（不論直接或間接）10%或以上權益：

Name of Shareholder 股東名稱	Capacity in which interests are held 持有權益之身份	Interests in Shares or underlying Shares 於本公司股份或相關股份中 所持有的權益		Approximate % to the issued share capital of the Company 佔本公司已發行股本之 概約百分比	
		Long positions 好倉	Short positions 淡倉	Long positions 好倉	Short positions 淡倉
Sun Qiaodian 孫巧點	Beneficial owner 實益擁有人	1,700,000 (Note 1)	Nil	0.07%	Nil
	Held by spouse (Note 2) 由配偶持有(附註2)	3,449,644,338	Nil	149.70%	Nil
		3,449,644,338	無	149.70%	無
Easyman	Beneficial owner 實益擁有人	3,216,558,575 (Note 3)	Nil	139.59%	Nil
	Held by controlled corporation 由受控制法團持有	205,053,763 (Note 4)	Nil	8.90%	Nil
		205,053,763 (附註4)	無	8.90%	無
Asia Equity Value Limited	Beneficial owner 實益擁有人	505,907,542 (Note 5)	110,000,000 (Note 6)	21.95%	4.77%
Asia Equity Value Limited		505,907,542 (附註5)	110,000,000 (附註6)	21.95%	4.77%
East Grow	Beneficial owner 實益擁有人	205,053,763 (Note 4)	Nil	8.90%	Nil
East Grow		205,053,763 (附註4)	無	8.90%	無
Soen Bin Kuan 李民權	Beneficial owner 實益擁有人	182,734,104	Nil	7.93%	Nil
		182,734,104	無	7.93%	無

## Other Information

### 其他資料

## Notes:

1. These are unlisted equity-settled options granted pursuant to the Company's share option scheme adopted on 2 May 2005. Upon exercise of the options in accordance with such share option scheme, the Shares of HK\$0.10 each are issuable to the option holder(s) who exercise(s) the rights.
2. Ms. Sun Qiaodian is the spouse of Mr. Dong Shutong, whose interest was disclosed in the previous section.
3. These include non-listed convertible notes which could be converted into a total of 2,050,537,633 Shares, which may be issued subject to the terms and conditions of the relevant sale and purchase agreement dated 7 October 2011.
4. These represent non-listed convertible notes which could be converted into a total of 205,053,763 Shares, which may be issued subject to the terms and conditions of the relevant sale and purchase agreement dated 7 October 2011. All these underlying Shares were held by East Grow (with 90% interest owned by Easyman). By virtue of the SFO, Easyman is deemed to have beneficial interests in these underlying Shares.
5. These include unlisted physically settled equity derivatives which could be converted into 409,463,542 Shares.
6. These represent the right of Easyman to acquire from Asia Equity Value Limited 110,000,000 Shares pursuant to an option agreement entered into between Easyman and Asia Equity Value Limited.

## 附註:

1. 該購股權乃根據本公司於二零零五年五月二日採納之購股權計劃授出之非上市以股權結算之購股權。根據該購股權計劃行使購股權後，本公司可向行使購股權的購股權持有人發行每股面值0.10港元之股份。
2. 孫巧點女士為董書通先生的配偶，董先生的權益已於上節披露。
3. 該處包括可轉換成共2,050,537,633股本公司股份的非上市可換股票據，該等本公司股份視乎日期為二零一一年十月七日之買賣協議的條款及條件可予發行。
4. 該處代表可轉換成共205,053,763股本公司股份的非上市可換股票據，該等本公司股份視乎日期為二零一一年十月七日之買賣協議的條款及條件可予發行。此等相關股份均由East Grow全數持有（由Easyman擁有90%權益）。根據證券及期貨條例，Easyman視為實益擁有此等相關股份。
5. 該處包括可轉換成409,463,542股本公司股份的非上市以實物結算之股本衍生工具。
6. 該等股份為Easyman根據由Easyman及Asia Equity Value Limited間協定的購股權協議從Asia Equity Value Limited收購本公司110,000,000股股份的權利。

## Other Information

### 其他資料

Save as disclosed above, so far as was known to the Directors, there was no other person who, as at the 30 June 2012, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, beneficially interested in 5% or more of the issued share capital of the Company; or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

### SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed on 2 May 2005, the Company adopted a share option scheme (the "Share Option Scheme") for the purpose of enabling the Company to recruit and retain high-calibre employees and attract resources that are valuable to the Group and to provide the Company with a means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to such persons who contribute or may bring benefit to the Group. The Share Option Scheme will remain in force for a period of 10 years from adoption of such scheme and will expire on 2 May 2015.

The options granted under the Share Option Scheme have an exercise period of 10 years from the date of acceptance of the options, which is in compliance with the terms of the Share Option Scheme, subject to the a vesting schedule of 5 years whereby only 20% of the options is exercisable 12 months after the date of acceptance of the options and an additional 20% of the options shall be exercisable by the grantee in each subsequent year until the last day of the 5-year period after the date of acceptance of the options when 100% of the options become exercisable.

除上文所披露者外，於二零一二年六月三十日，概無董事獲悉有任何人士於本公司之股份或相關股份，擁有根據證券及期貨條例第XV部第2及第3分部須知會本公司之權益或淡倉，或於本集團任何成員公司的股東大會中於任何情況下均具表決權的任何類別股本中持有（不論直接或間接）10%或以上權益。

### 購股權計劃

根據於二零零五年五月二日通過之普通決議案，本公司採納一項購股權計劃（「購股權計劃」），以使本公司能招聘和挽留優秀之僱員及將有價值之資源引入本集團，並使本公司能以多種方式獎勵、獎賞、酬勞、補償及／或提供福利予該等為本集團作出貢獻或能為本集團帶來利益之人士。該計劃將自採納之日起計10年期間內有效，並將於二零一五年五月二日屆滿。

購股權計劃下所授出的購股權具有10年行使期，由承授購股權當日起計算，符合購股權計劃的條款，購股權將設有五年歸屬時間表，據此，僅20%之購股權可於承授日後12個月內行使，而承授人可於其後每年行使另外20%，直至於承授日起5年後最後一日可行使全部購股權。

## Other Information

### 其他資料

Details of movements in the Company's share options during the period are as follows: 期內本公司購股權之變動詳情如下：

		No. of share options 購股權數目				Price of Company's shares at exercise date of options (Note 2) 本公司股份 於購股權 行使日的股價 (附註2)	
		Outstanding as at 1 January 2012	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding as at 30 June 2012	Exercise price of share options (Note 1) 購股權之 行使價 (附註1) HK\$ 港元
		於二零一二年 一月一日 尚未行使	於期內授出	於期內行使	於期內失效	於二零一二年 六月三十日 尚未行使	本公司股份 於購股權 行使日的股價 (附註2)
<b>Directors</b>	<b>董事</b>						
Mr. Dong Shutong	董書通先生	5,000,000	—	—	—	5,000,000	1.07 N/A 不適用
Ms. Ng See Wai Rowena	吳思偉女士	—	8,000,000	—	—	8,000,000	0.63 N/A 不適用
Mr. Song Wenzhou	宋文州先生	1,020,000	—	—	—	1,020,000	1.07 N/A 不適用
		—	1,500,000	—	—	1,500,000	0.63 N/A 不適用
Mr. Mao Yehong	毛葉紅先生	—	1,500,000	—	—	1,500,000	0.63 N/A 不適用
Mr. Dong Chengzhe	董誠誌先生	1,275,000	—	—	—	1,275,000	1.91 N/A 不適用
		—	1,500,000	—	—	1,500,000	0.63 N/A 不適用
Mr. Yang Fei	楊飛先生	1,275,000	—	—	—	1,275,000	1.91 N/A 不適用
		—	1,500,000	—	—	1,500,000	0.63 N/A 不適用
Mr. Zhao Ping	趙平先生	4,250,000	—	—	(4,250,000)	—	1.91 N/A 不適用
Sub-total for number of share options to Directors	授予董事之購股權 數目小計	<b>12,820,000</b>	<b>14,000,000</b>	<b>—</b>	<b>(4,250,000)</b>	<b>22,570,000</b>	<b>—</b>
<b>Associates of controlling shareholder</b>	<b>控股股東的 聯繫人士</b>	<b>—</b>	<b>7,500,000</b>	<b>—</b>	<b>—</b>	<b>7,500,000</b>	<b>0.63 N/A 不適用</b>
<b>Other employees</b>	<b>其他僱員</b>	11,900,000	—	—	—	11,900,000	1.07 N/A 不適用
		3,000,000	—	—	(3,000,000)	—	2.37 N/A 不適用
		11,385,000	—	—	(470,000)	10,915,000	2.45 N/A 不適用
		—	28,500,000	—	(200,000)	28,300,000	0.63 N/A 不適用
Sub-total for number of share options to other employees	授予僱員之購股權 數目小計	<b>26,285,000</b>	<b>28,500,000</b>	<b>—</b>	<b>(3,670,000)</b>	<b>51,115,000</b>	<b>—</b>
<b>Total</b>	<b>總計</b>	<b>39,105,000</b>	<b>50,000,000</b>	<b>—</b>	<b>(7,920,000)</b>	<b>81,185,000</b>	<b>—</b>

## Other Information

### 其他資料

Notes:

1. The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
2. The price of the shares of the Company as at the date of exercise of the share options is the Stock Exchange's closing price on the trading date immediately prior to the date on which the share options were exercised.

Except as disclosed above, as at the date of this report, no other share option has been granted by the Company pursuant to the Company's share option scheme.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the period ended 30 June 2012 was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

附註：

1. 購股權之行使價可能因供股或紅股發行或本公司股本之其他類似變動而予以調整。
2. 本公司股份於購股權行使日的股價為緊接購股權獲行使當日前的交易日中於聯交所的收市價。

除上文所披露者外，於本報告日期，本公司概無根據本公司之購股權計劃授出其他購股權。

### 董事收購股份或債券之權利

除上文所披露者外，本公司、其控股公司或其任何附屬公司及同系附屬公司概無於二零一二年六月三十日止期間內任何時間參與訂立任何安排，致使董事可藉收購本公司或任何其他法人團體的股份或債權證，以取得權益。

## Other Information

### 其他資料

#### CONNECTED TRANSACTIONS

Pursuant to the extraordinary general meetings of the Company held on 28 January 2010 and 22 June 2012, the Company's independent shareholders approved the continuing connected transactions in relation to the exclusive ores purchase from Yiwan Mining. According to the Exclusive Offtake Agreement entered into between Yiwan Mining and SEAM, an indirect wholly-owned subsidiary of the Company, in connection with the purchasing of ore, Yiwan Mining agreed to supply ore to SEAM until 24 January 2036. According to the Exclusive Offtake Agreement and supplemental agreements, the prices for these continuing connected transactions will be US\$16 per dry tonne and these transactions will be entered into in usual and ordinary course of business of the Group. The annual cap for these transactions for the years ending 31 December 2012, 2013 and 2014 will not exceed HK\$998.4 million, HK\$1,248 million and HK\$1,248 million, respectively.

On 7 May 2012, the Minister of Trade of the Republic of Indonesia ("Indonesia") promulgated the Regulations Concerning Provisions of Mining Product Export No. 29/M-DAG/PER/5/2012, pursuant to which all mine owners in Indonesia are required to obtain certain approvals from the relevant Indonesian governmental authorities before they can continue to export ores. Pursuant to Regulations No. 574.K/30/DJB/2012 dated 11 May 2012 promulgated by the Directorate General of Mineral and Coal regarding the procedures and regulations on recommendation for ores export, all mine owners in Indonesia need to obtain the ore exporter status ("the Status Approval") and an ore export approval (the "Export Approval") in respect of the ores being exported. Accordingly, the export of iron-nickel ores from Yiwan Mining had been temporarily suspended since 7 May 2012. Yiwan Mining obtained the Status Approval and the Export Approval on 13 June 2012 and 27 June 2012, respectively. The export of the iron-nickel ores

#### 關連交易

根據本公司於二零一零年一月二十八日及二零一二年六月二十二日舉行之股東特別大會，本公司獨立股東批准有關向Yiwan Mining獨家採購礦石之持續關連交易。根據Yiwan Mining與南洋礦業（本公司間接全資附屬公司）所訂立有關採購礦石之獨家採購協議，Yiwan Mining同意供應礦石予南洋礦業，直至二零三六年一月二十四日止。根據獨家採購協議及補充協議，該等持續關連交易之價格將為每乾噸16美元，而該等交易將於本集團之日常及一般業務過程中訂立。於截至二零一二年、二零一三年及二零一四年十二月三十一日止年度之年度上限分別不超過998,400,000港元、1,248,000,000港元及1,248,000,000港元。

於二零一二年五月七日，印度尼西亞共和國（「印尼」）商貿部頒佈有關礦產品出口條款29/M-DAG/PER/5/2012號規例，據此，所有印尼礦場擁有人均須從相關印尼政府部門取得若干批文方石繼續出口礦石。根據由礦物及煤礦總局於二零一二年五月十一日就引薦礦石出口的程序及規定頒佈的574.K/30/DJB/2012號規例，所有印尼礦場擁有人均須申請礦石出口商資格（「資格認可」）及就擬出口的礦石申請出口許可（「出口許可」）。因此，Yiwan Mining由二零一二年五月七日起遭暫停出口鐵鎳礦石。Yiwan Mining分別於二零一二年六月十三日及二零一二年六



## Other Information

### 其他資料

from Yiwang Mining to the Company was resumed on 6 July 2012. The Status Approval is valid for two years while the Export Approval is valid for a period of three months from the date of their respective issuance, and Yiwang Mining can re-apply for the Status Approval and the Export Approval before their respective expiry dates. However, according to the recommendation letter issued by the Minister of Mineral and Coal on 25 June 2012 to the Minister of Commerce which granted the Export Approval to Yiwang Mining, the export price of iron-nickel ores to be sold by Yiwang Mining to the Company shall be US\$23.5 per tonne (excluding the Export Tax (as defined below)) (the "New Export Price") instead of the current US\$16 per tonne.

Pursuant to the terms of the Exclusive Offtake Agreement, SEAM and Yiwang Mining may agree to alter the purchase price if being directed by the relevant governmental authorities. Since the New Export Price is a price directed by the relevant governmental authorities of Indonesia, SEAM and Yiwang Mining have agreed to adopt the New Export Price as the ore purchase price commencing from 1 July 2012 under the Exclusive Offtake Agreement.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 30 June 2012, none of the Directors had an interest in the businesses (other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or any member of the Group) which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

月二十七日取得資格認可及出口許可。Yiwang Mining於二零一二年七月六日恢復向本公司出口鐵鎳礦石。資格認可的有效期限為兩年，而出口許可的有效期限則為三個月，由發出日起計。Yiwang Mining可於到期日前重新申請資格認可及出口許可。然而，根據礦物及煤礦部長於二零一二年六月二十五日向商貿部長發出以授予Yiwang Mining出口許可的引薦信，Yiwang Mining售予本公司的鐵鎳礦石出口價應為每公噸23.5美元(未計出口稅(定義見下文)) (「新出口價」)，而非目前的每公噸16美元。

根據獨家採購協議，若有相關政府部門指示，南洋礦業及Yiwang Mining可協議更改購買價。由於新出口價乃由相關政府部門指示所定的價格，南洋礦業及Yiwang Mining同意根據獨家採購協議於二零一二年七月一日起採納新出口價為礦石購買價。

### 董事於競爭業務之權益

於二零一二年六月三十日，概無董事於被視為與本集團業務直接或間接構成競爭或可能構成競爭之業務(不包括董事獲委任為有關公司之董事以代表本公司及/或本集團任何成員公司權益之業務)中擁有任何權益。

## Other Information

### 其他資料

#### EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2012, the Group had approximately 2,300 employees, of whom 30 were management personnel. The Group implemented a duty and performance linked remuneration distribution policy.

The remuneration of an employee consists of basic salary and performance-based bonus. During the period, the staff costs of the Group amounted to RMB29,757,000 (2011: RMB24,982,000).

#### INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK1 cent per share (2011 interim dividend: Nil), totalling HK\$23,043,000 (equivalent to RMB18,785,000) (2011 interim dividend: Nil), for the year ending 31 December 2012. The interim dividend will be paid on or about 18 October 2012 to members whose names appear on the register of members of the Company on 28 September 2012.

#### CLOSURE OF REGISTER OF MEMBERS

The interim dividend will be paid on or about Thursday, 18 October 2012 to the shareholders whose names appear on the register of members of the Company on Friday, 28 September 2012. The register of members of the Company will be closed from Wednesday, 26 September 2012, to Friday, 28 September 2012, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the above mentioned interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Tuesday, 25 September 2012.

#### 僱員及薪酬政策

於二零一二年六月三十日，本集團約有2,300名僱員，其中30名為管理人員。本集團實行與職責及效率掛鈎之薪酬政策。

僱員薪酬包括薪金及表現花紅。期內，本集團之員工成本為人民幣29,757,000元(二零一一年：人民幣24,982,000元)。

#### 中期股息

董事會議決宣派截至二零一二年十二月三十一日止年度之中期股息每股1港仙(二零一一年中期股息：無)，合共23,043,000港元(相當於人民幣18,785,000元)(二零一一年中期股息：無)。中期股息將於二零一二年十月十八日或前後派發予於二零一二年九月二十八日名列本公司股東登記冊的股東。

#### 暫停辦理股份過戶登記

中期股息將於二零一二年十月十八日(星期四)或前後派發給於二零一二年九月二十八日(星期五)名列本公司股東登記冊的股東。本公司於二零一二年九月二十六日(星期三)至二零一二年九月二十八日(星期五)(包括首尾兩日)暫停辦理股份過戶登記。要符合資格獲得上述中期股息，則所有過戶文件連同有關股票須不遲於二零一二年九月二十五日(星期二)下午四時三十分遞交給本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港皇后大道東183號合和中心17M樓。

## Other Information

### 其他資料

#### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has complied with the Corporate Governance Code ("CG Code") as set out in Appendix 14 of the Listing Rules during the six months ended 30 June 2012 with the exception that the deviations from code provision A2.1 in respect of the segregation of the roles of chairman and chief executive officer, and code provision A4.1 in respect of the service term of independent non-executive directors.

In respect of A2.1, the roles of the Chairman and the Chief Executive Officer of the Company are now performed by Mr. Dong Shutong. Mr. Dong Shutong is responsible for over-seeing the Company's operations in respect of compliance with internal rules, and compliance with statutory requirements and promoting the corporate governance of the Company. This constitutes a deviation from code provision A.2.1. The Board believes that it is in the best interest of the Company and the shareholders as a whole since Mr. Dong Shutong is knowledgeable in the business of the Group and possesses the essential leadership skills to guide discussions of the Board. The significant decision-making and the day-to-day management of the Company are carried out by all of the executive Directors. Therefore, the roles of the Chairman and the chief executive of the Company are not segregated in the sense that two different individuals took up these roles, however, the functions of the chief executive were carried out by all of the executive Directors. In respect of A4.1, according to the articles of association of the Company, one third of the Directors for the time being shall retire from office by rotation at each annual general meeting and the Directors to retire by rotation shall be those who have been the longest in office since their last re-election or appointment. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practice in this respect is in line with that provided in the CG Code.

#### 遵守企業管治守則

董事認為，除了偏離守則第A.2.1條有關主席與首席執行官職務劃分之條文及守則第A.4.1條有關獨立非執行董事服務任期之條文，本公司於截至二零一二年六月三十日止六個月一直遵守上市規則附錄14所載企業管治守則（「企業管治守則」）。

就A.2.1而言，本公司主席及首席執行官均為董書通先生。董書通先生負責監督本公司營運遵守內部規則以及法定要求，以及加強本公司企業管治。此舉偏離守則條文第A.2.1條。董事會相信，董書通先生對本集團業務認識深厚及具備所需領導才能領導董事會進行討論，故符合本公司及股東之整體最佳利益。本公司之重要決策及日常管理由全體執行董事執行。因此，本公司之主席及首席執行官並無由兩名不同人士擔任，以作區分，反而全體執行董事履行首席執行官之職能。就A.4.1條而言，根據本公司之章程細則，於每次股東週年大會，三分之一之當時董事須輪流退任，而須輪流退任之董事須為最近重選或委任後任期最長之董事。因此，本公司認為已採取足夠措施確保本公司之企業管治常規在此方面與企業管治守則所規定者一致。

## Other Information

### 其他資料

#### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct regarding Directors' securities transactions. Having made specific enquiries, all Directors confirmed that they have complied with the standard set out in the Model Code during the six months ended 30 June 2012.

#### CHANGES OF THE BOARD IN THE PERIOD UNDER REVIEW

Mr. Chiang Shyh-yi has been appointed as an executive Director of the Company with effect from 1 April 2012. As at the date of this report, the Board has twelve Directors, the number of independent non-executive Directors constituted over one-third of the Board, whose names appear in the "Corporate Information" section.

*Update on Director's biographical information:*

Mr. Wong Chi Keung has been appointed as an independent non-executive director of Zhuguang Holdings Group Company Limited (a company listed on the Main Board of the Stock Exchange) effective on 5 June 2012.

#### AUDIT COMMITTEE

The Company established an audit committee pursuant to a resolution of the Directors passed on 2 May 2005 in compliance with Rule 3.21 of the Listing Rules. The audit committee consists of three independent non-executive Directors, namely Mr. Wong Chi Keung, Mr. Bai Baohua and Mr. Huang Changhui. Mr. Wong Chi Keung is the chairman of the audit committee.

#### 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則作為董事證券交易之行為守則。經具體查詢後，全體董事確認彼等於截至二零一二年六月三十日止六個月一直遵守標準守則所載之規定。

#### 董事會於回顧期內之變動

蔣士宜先生獲委任為本公司執行董事，由二零一二年四月一日起生效。於本報告日期，董事會共有十二名董事，而獨立非執行董事人數佔董事會成員人數超過三分之一，彼等之姓名載於「公司資料」一節。

*董事個人履歷更新資料：*

黃之強先生獲委任珠光控股集團有限公司（於聯交所主板上市之公司）之獨立非執行董事一職，由二零一二年六月五日起生效。

#### 審核委員會

本公司遵照上市規則第3.21條，根據於二零零五年五月二日通過的董事決議案成立審核委員會。審核委員會由三名獨立非執行董事組成，分別為黃之強先生、白葆華先生及黃昌淮先生，其中黃之強先生為審核委員會主席。

## Other Information

### 其他資料

The audit committee has adopted the terms of reference in line with the CG Code. The principal duties of the audit committee include the review and supervision of the Group's internal control process and a review of the unaudited interim financial information for the six months ended 30 June 2012 and financial reporting.

### REMUNERATION COMMITTEE

The Company established a remuneration committee pursuant to a resolution of the Directors passed on 10 April 2006 in compliance with the CG Code. The remuneration committee consists of three independent non-executive Directors, namely Mr. Wong Chi Keung, Mr. Bai Baohua, Mr. Huang Changhuai and an executive Director, Mr. Dong Shuntong. Mr. Huang Changhuai is the chairman of the remuneration committee.

### NOMINATION COMMITTEE

The Company established a nomination committee pursuant to a resolution of the Directors passed on 30 December 2011 in compliance with the CG Code. The nomination committee consists of three independent non-executive Directors, namely Mr. Wong Chi Keung, Mr. Bai Baohua, Mr. Huang Changhuai and an executive Director, Mr. Dong Shuntong. Mr. Dong Shuntong is the chairman of the nomination committee.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2012.

審核委員會已採納與企業管治守則一致之職權範圍。審核委員會之主要職責包括檢討及監督本集團之內部監控程序及財務申報事宜，包括審閱截至二零一二年六月三十日止六個月的未經審核中期財務資料。

### 薪酬委員會

本公司遵照企業管治守則，根據於二零零六年四月十日通過之董事決議案成立薪酬委員會。薪酬委員會由三名獨立非執行董事黃之強先生、白葆華先生及黃昌淮先生以及一名執行董事董書通先生組成，其中黃昌淮先生為薪酬委員會主席。

### 提名委員會

本公司遵照企業管治守則，根據於二零一一年十二月三十日通過之董事決議案成立提名委員會。提名委員會由三名獨立非執行董事黃之強先生、白葆華先生及黃昌淮先生以及一名執行董事董書通先生組成，其中董書通先生為提名委員會主席。

### 購買、出售或贖回本公司之上市證券

本公司及其任何附屬公司於截至二零一二年六月三十日止六個月概無購買、出售或贖回本公司任何上市證券。

## Other Information

### 其他資料

#### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed minimum public float under the Listing Rules.

On behalf of the Board  
**Mr. Dong Shutong**  
*Chairman*

Hong Kong, 23 August 2012

#### 充足之公眾持股量

於本報告日期，根據本公司所得的公開資料及據董事所知，本公司已根據上市規則保持規定的最低公眾持股量。

代表董事會  
主席  
董書通先生

香港，二零一二年八月二十三日

[ir.cnrholdings.com](http://ir.cnrholdings.com)