



中國鎳資源
CHINA NICKEL RESOURCES

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：02889

Interim Report **2013**
中期報告

資源者
無限
責任
無限



1 Zhengzhou Office

2 Gongyi Plant

3 Gongyi Pilot Plant

4 New Plant in Lianyungang

5 Hong Kong Office

6 Singapore Office

7 Jakarta Office

8 Mine in South Kalimantan
(exclusive offtake right)

9 Plant in South Kalimantan (to be built)

鄭州市辦事處

鞏義廠房

鞏義試驗廠房

連雲港新建廠房

香港辦事處

新加坡辦事處

雅加達辦事處

印尼南加里曼丹省礦場（獨家採購權）

印尼南加里曼丹省廠房（即將興建）

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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. Dong Chengzhe

Mr. Song Wenzhou

Mr. Yang Fei

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

董鍼喆先生

宋文州先生

楊飛先生

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

陳貽恪先生

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

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No. 7, Block F
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Zhengzhou City, Henan Province
PRC 450012

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潤華商務花園 F 座 7 號
郵編 450012

AUDITORS

PricewaterhouseCoopers

核數師

羅兵咸永道會計師事務所

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada
Trust Company (Cayman) Limited
4th Floor
Royal Bank House
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George Town
Grand Cayman KY1-1110
Cayman Islands

股份過戶登記總處

Royal Bank of Canada
Trust Company (Cayman) Limited
4th Floor
Royal Bank House
24 Shedden Road
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CORPORATE INFORMATION 公司資料

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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

China 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

WEBSITE

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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	
		2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue/Turnover	收益／營業額	973,613	1,076,974
Gross Profit	毛利	129,787	171,927
Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") [#]	除利息、稅項、折舊及 攤銷前之盈利 (「EBITDA」) [#]	204,065	689,212
(Loss)/Profit before Tax	除稅前(虧損)／溢利	(72,399)	415,536
(Loss)/Profit Attributable to Equity Holders of the Company	本公司股權持有人 應佔(虧損)／溢利	(101,831)	217,197
Gross Profit Margin	毛利率	13.3%	16.0%
EBITDA Margin	EBITDA率	21.0%	64.0%
Net (Loss)/Profit Margin	淨(虧損)／溢利率	(10.3%)	20.2%

[#] 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 HK\$571,028,000. There was no such gain in the six months ended 30 June 2013.

[#] 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571,028,000港元。截至二零一三年六月三十日止六個月並無該等盈利。

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 People's Republic of China ("PRC"). 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. Yiwan Mining ("Yiwan Mining") on 5 March 2007 (the "Exclusive Offtake Agreement"). During the six months ended 30 June 2013, ore trading business continued 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 ready for commercial production. However, due to the weak market sentiment in the past few months, the production plan of the plant has been delayed. When the Nickel price becomes more stable. It will commence commercial production and 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.

本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，以供中華人民共和國（「中國」）生產之用。本集團藉此因應市況擴大產品種類及優化產品組合。同時，通過二零零七年三月五日與PT. Yiwan Mining（「Yiwan Mining」）訂立的獨家採購協議（「獨家採購協議」），本集團積極擴大礦石貿易業務。截至二零一三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

連雲港項目之首條生產線已完成試產，並預備投產。然而，由於過去數月市場情緒疲弱，廠房之生產計劃已延期，待於鎳價更為穩定時將會投產及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使碳消耗量或減少達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

In Indonesia, PT. Mandan Steel, our wholly owned subsidiary incorporated in Indonesia, is our future processing and manufacturing arm in overseas. PT. Mandan Steel is also recognised as a key iron and steel mill construction project of Indonesia with strong support from the Indonesian central government, and offers manufacturing capability that is valuable considering the new mining regulations in Indonesia.

In 2012, PT. Mandan Steel has signed a shareholder agreement with a local business partner in connection with the subscription of existing shares of PT. Batulicin Steel (a limited liability company in Indonesia held as to 61% by PT. Mandan Steel and 39% by the local partner) for the development of the iron and steel mill. In July 2013, PT. Mandan Steel and the local business partner entered into an agreement with two independent strategic investors to issue new shares of PT. Batulicin Steel to them. After the subscription of new shares by the respective shareholders, the shareholdings of PT. Batulicin Steel held by PT. Mandan Steel, the local business partner and the new strategic investors will be 51%, 39% and 10% respectively.

Given that there is a strong demand for steel products in Indonesia, PT. Batulicin Steel will produce steel bar for concrete reinforcement to capture the market opportunities in Indonesia. This processing facility can save shipping fee, loading and unloading charges and inland port charges. PT. Batulicin Steel is to be constructed in three stages. The Stage 1 development is facilitated and based on the overall relocation of the equipment from Yongan Special Steel, a former wholly-owned subsidiary of the Group. To ensure high quality, environmental protection, energy efficiency and low production cost, new equipment will be added to

海外

在印尼，本公司在印尼註冊成立的全資附屬公司PT. Mandan Steel為本集團未來的海外加工及生產線。PT. Mandan Steel亦獲認定為印尼重點鋼鐵廠建設項目，得到印尼中央政府鼎力支持，且在印尼的新採礦規定下提供寶貴的產能。

於二零一二年，PT. Mandan Steel已與當地業務夥伴簽訂股東協議，內容有關認購PT. Batulicin Steel（為印尼有限公司，由PT. Mandan Steel持有61%股本權益，而39%股本權益由當地夥伴持有的）的既有股份，以供發展鋼鐵廠之用。於二零一三年七月，PT. Mandan Steel及當地業務夥伴與兩位獨立策略投資者簽訂一份協議，內容有關向彼等發行PT. Batulicin Steel之新股。於股東各自認購新股後，PT. Mandan Steel、當地業務夥伴及兩位新策略投資者將分別擁有PT. Batulicin Steel 51%、39%及10%之權益。

由於印尼鋼產品需求強勁，PT. Batulicin Steel將生產鋼筋作加強混凝土之用，以抓緊印尼的市場機遇。此加工設施可節省船運成本、裝卸費用及內陸港口費用。PT. Batulicin Steel將分三階段興建，第一階段發展會得助及建基於本集團前全資附屬公司永安特鋼整體設備的重新安置。為保證高質素、環保、能源效益及低生產成本，新設備會添置於現有設備上，部分現有設施亦會修改。目標是於二零一五年完成第一階段發展。永安特鋼的現有設備產能達

BUSINESS REVIEW

業務回顧

existing equipment and some existing facilities will be modified. The goal is to complete the Stage 1 development by 2015. The existing facility of Yongan Special Steel is capable of producing 360,000 tonnes of hot molten iron and 360,000 tonnes of steel, and has hot steel rolling capacity of 700,000 tonnes. For Stage 1 development, the expected capital expenditure is approximately US\$150 million and of which approximately US\$90 million is expected to be financed by bank loan. The remaining US\$60 million capital expenditures will be contributed by the Group and other shareholders in cash according to their respective shareholdings.

BUSINESS DEVELOPMENT

The Group has been purchasing ores from Indonesia through Exclusive Offtake Agreement at fixed low price for self-use or for sale to third parties. The sales volume for ores in the first half year of 2013 amounted to 1.89 million dry tonnes (2012: 1.35 million dry tonnes). The sales volume for the six months ended 30 June 2013 is higher than the corresponding period in 2012 because in May and June 2012 the Group's ores supplier was temporarily suspended from export as a consequence of new rules and regulations promulgated by the relevant Indonesian government authorities. The export of ores from the supplier to the Group was resumed on 6 July 2012. There was no such incident happened in the six months ended 30 June 2013. Based on management's latest estimation, the sales volume for ores will be approximately 4 million dry tonnes for the year ending 31 December 2013. 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.

360,000公噸熱熔鐵及360,000公噸鋼，並有700,000公噸熱軋鋼產能。就第一階段發展而言，預期資本開支約為150百萬美元，當中約90百萬美元預期將由銀行貸款撥付。其餘60百萬美元資本開支將由本集團及其他股東按彼等各自之股權以現金方式提供。

業務發展

本集團一直透過獨家採購協議以固定低廉價格自印尼採購礦石，以供自用或銷售予第三方。二零一三年上半年錄得礦石銷量達1.89百萬乾公噸(二零一二年：1.35百萬乾公噸)。截至二零一三年六月三十日止六個月銷量較二零一二年同期高，原因是本集團礦石供應商因相關印尼政府機關頒佈新規則及規例，自二零一二年五月及六月暫停出口。本集團供應商於二零一二年七月六日恢復礦石出口。截至二零一三年六月三十日止六個月並無發生該等事件。根據管理層最近期的估計，截至二零一三年十二月三十一日止年度礦石銷量將約為4百萬乾公噸。由於礦石貿易業務為本集團貢獻穩定的收入及現金流，我們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，以帶來穩定收益增長。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析

OPERATING ENVIRONMENT ANALYSIS

The global financial market remained stagnant in the first half year of 2013. Due to the uncertainty in the global economy, the commodity prices of iron and nickel remain at their recent years' bottom. The operating environment of PRC iron and steel industry remains challenging due to excessive supply caused by the slowdown in the property market and infrastructure investments.

In the short-term, the operating environment of PRC iron and steel industry may not improve significantly. However, we remain cautious optimistic about the quantitative demand for high quality steel products in the medium-to-long term. We expect the PRC domestic markets will become more quality-oriented, which will impose higher requirements on products in terms of environmental-friendliness, safety and durability, sustainability and recyclability, and the product development will incline to the high-end market.

To capture these business opportunities, the 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

二零一三年上半年全球金融市場仍然蕭條。由於全球經濟不明朗，鐵和鎳的商品價格仍為近年來的最低價格。由於房地產市場及基建投資放緩導致鋼鐵供應過剩，中國鋼鐵業之經營環境仍面臨挑戰。

短期內，中國鋼鐵業的經營環境或未大幅改善。然而，我們仍對中長期內高質素鋼製品的需求量持審慎樂觀的態度。我們預期，中國國內市場將更著重質量，而要求產品更環保、更安全及耐用、可持續及可回收，因此產品的發展將趨向高端市場。

為抓住此等商機，本集團已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

管理層討論與分析

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

	2013 二零一三年 First Half 上半年		2012 二零一二年 First Half 上半年		2012 二零一二年 Second Half 下半年	
	HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Mineral Resources:	礦物資源：					
Limonitic ores	849,536	87%	668,581	62%	456,262	63%
Iron and Steel Products:	鋼鐵製品：					
Stainless steel base materials	36,143	4%	204,147	19%	173,920	24%
Ferro-nickel alloys and others	38,977	4%	118,298	11%	43,977	6%
Ni-Cr alloy steel ingots	48,654	5%	85,948	8%	53,996	7%
Provision of shipping services	提供運輸服務					
	303	0%	—	—	—	—
Total	973,613 100%		1,076,974 100%		728,155 100%	
	總計					

Sales volume

銷量

	2013 二零一三年 First Half 上半年		2012 二零一二年 First Half 上半年		2012 二零一二年 Second Half 下半年	
	Tonnes 公噸	%	Tonnes 公噸	%	Tonnes 公噸	%
Mineral Resources:	礦物資源：					
Limonitic ores (dry tonnes)	1,889,135	99%	1,347,163	96%	1,096,284	97%
Iron and Steel Products:	鋼鐵製品：					
Stainless steel base materials	5,088	0%	25,327	2%	21,001	2%
Ferro-nickel alloys and others	7,064	1%	15,604	1%	13,692	1%
Ni-Cr alloy steel ingots	5,123	0%	8,558	1%	4,911	0%
Total	1,906,410 100%		1,396,652 100%		1,135,888 100%	
	總計					

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析

The Group's turnover for the first half year of 2013 was HK\$973,613,000 (2012: HK\$1,076,974,000), a decrease of 9.6% as compared with the corresponding period of last year. The decrease in turnover was mainly attributable to the decrease in sales of iron and steel products by 65.1% from 49,489 tonnes in the corresponding period last year to 17,275 tonnes this period due to sluggish iron and steel market in the PRC. Owing to the weak market demand for iron and steel products, Zhengzhou Yongtong Special Steel Co., Ltd. ("Zhengzhou Yongtong") has stopped production since March 2013 for a thorough maintenance and recalibration program for its production facilities and adjustment of product mix.

During the six months ended 30 June 2013, the turnover of our ore trading business was HK\$849,536,000 (2012: HK\$668,581,000), representing 87.3% (2012: 62.1%) to the total turnover. The sales volume of ore was 1,889,135 dry tonnes, increased by 40.2% as compared to 1,347,163 dry tonnes in the corresponding period of last year. However, the average unit selling price per dry ton decreased by 9.3% compared to the corresponding period of last year due to decrease in commodity market price of iron ore in the second quarter of 2013. The Group believes that the ore trading business will continuously make stable contribution to the Group.

本集團於二零一三年上半年之營業額為973,613,000港元(二零一二年: 1,076,974,000港元)，較上年同期減少9.6%。營業額減少的原因主要為隨著中國鋼鐵市場不景氣，鋼鐵製品銷售從去年同期的49,489公噸減至今年的17,275公噸，減幅為65.1%。由於鋼鐵產品市場需求疲弱，鄭州永通特鋼有限公司(「鄭州永通」)自二零一三年三月起停止生產，進行徹底的維修及生產設施重新校準計劃，並調整產品組合。

截至二零一三年六月三十日止六個月，本集團礦石貿易之營業額為849,536,000港元(二零一二年: 668,581,000港元)，佔總營業額之87.3%(二零一二年: 62.1%)。礦石銷量為1,889,135乾公噸，較上年同期1,347,163乾公噸增加40.2%。然而，每乾公噸平均單位售價較上年同期下降9.3%，原因在於二零一三年下半年鐵礦石的商品市場價格下降。本集團相信礦石貿易業務會繼續為本集團帶來穩定收入。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

COST OF SALES

The cost of sales for the first half year of 2013 decreased by HK\$61,221,000, or 6.8%, to HK\$843,826,000 (2012: HK\$905,047,000), the decrease in cost of sales was in line with decrease in turnover. The table below shows the breakdown of our total production costs for the periods indicated:

		2013 二零一三年 First Half 上半年		2012 二零一二年 First Half 上半年	
		HK\$'000 千港元	% %	HK\$'000 千港元	% %
Raw Materials	原材料	775,070	92%	639,612	71%
Fuel and Utilities	燃料及水電費	17,066	2%	140,274	15%
Depreciation	折舊	34,484	4%	77,108	9%
Staff Costs	員工成本	8,957	1%	31,260	3%
Others	其他	8,249	1%	16,793	2%
Total	總計	843,826	100%	905,047	100%

銷售成本

二零一三年上半年之銷售成本減少61,221,000港元或6.8%至843,826,000港元(二零一二年: 905,047,000港元)。銷售成本減少與營業額減少一致。下表載列本集團於所示期內之總生產成本之明細:

GROSS PROFIT

The Group's total gross profit for the first half of 2013 was HK\$129,787,000 (2012: HK\$171,927,000), and the gross profit margin was 13.3% (2012: 16.0%). During the period, gross profit of our products primarily came from trading of limonitic ores. The average gross profit margin of limonitic ores was 16.0% (2012: 30.0%). During the first half year of 2013, profit margin of our iron and steel products remained thin due to the continuous sluggishness in the iron and steel market of the PRC.

毛利

於二零一三年上半年，本集團之毛利總額為129,787,000港元(二零一二年: 171,927,000港元)，毛利率為13.3%(二零一二年: 16.0%)。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16.0%(二零一二年: 30.0%)。於二零一三年上半年，本集團之鋼鐵製品的毛利率依然微薄，原因是中國鋼鐵市場持續不景。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

OTHER INCOME AND GAINS

Other income and gains for the first half year of 2013 was HK\$57,531,000 (2012: HK\$574,556,000), which is significantly lower than that of the corresponding period in 2012. Such decrease was mainly attributable to the gain on disposal of Yongan Special Steel amounted to HK\$571,028,000 in the first half year of 2012. There was no such gain in the six months ended 30 June 2013.

The other income and gains in the six months ended 30 June 2013 was mainly attributable to the fair value change in the derivative financial instruments in connection with the convertible bonds issued by the Company amounted to HK\$45,581,000.

SELLING AND DISTRIBUTION COSTS

Selling and distribution costs for the first half year of 2013 decreased by HK\$9,355,000, or 77.6%, to HK\$2,702,000 (2012: HK\$12,057,000), representing 0.3% of the turnover (2012: 1.1%). The decrease in selling and distribution costs was mainly due to less logistic costs as a result of drop in sales volume of iron and steel products.

ADMINISTRATIVE EXPENSES

Administrative expenses for the first half of 2013 decreased by HK\$11,880,000 or 10.1%, to HK\$106,030,000 (2012: HK\$117,910,000), representing 10.9% of the turnover (2012: 10.9%). Decrease in administrative expenses was mainly due to decrease in research expenses.

其他收入及盈利

二零一三年上半年之其他收入及盈利為57,531,000港元(二零一二年: 574,556,000港元), 顯著低於二零一二年同期。有關減少之主要因為二零一二年上半年出售永安特鋼的收益達571,028,000港元所致。二零一三年六月三十日止六個月並無該等盈利。

截至二零一三年六月三十日止六個月之其他收入及盈利主要包括45,581,000港元本公司發行之可換股債券相關衍生金融工具之公允價值變動。

銷售及分銷成本

二零一三年上半年之銷售及分銷成本減少9,355,000港元或77.6%至2,702,000港元(二零一二年: 12,057,000港元), 相當於營業額之0.3%(二零一二年: 1.1%)。銷售及分銷成本減少主要由於鋼鐵製品銷量下滑而產生較少物流成本。

行政成本

二零一三年上半年之行政成本減少11,880,000港元或10.1%至106,030,000港元(二零一二年: 117,910,000港元), 相當於營業額之10.9%(二零一二年: 10.9%)。行政成本減少主要由於研究開支減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCE COSTS

Finance costs mainly included interest expenses of bank borrowings, senior bonds and convertible bonds. According to relevant International Financial Reporting Standards (“IFRSs”), estimated future cash flows for senior bonds and convertible bonds were discounted at effective interest rates and the imputed effective interest included both coupon payments and financial charges accrued for redemption in the future. Finance costs for the first half year of 2013 was HK\$141,873,000 (2012: HK\$169,127,000). Decrease in the finance costs was mainly due to repayment of senior bonds’ principal according to the repayment schedule and the conversion of convertible bonds into the Company’s new shares during the period.

OTHER EXPENSES

Other expenses in the six months ended 30 June 2012 was mainly attributable to the provision for impairment of closing inventories and the loss on fair value adjustment of derivative financial instruments. Decrease in other expenses was due to decrease in amounts of these items.

(LOSS)/PROFIT BEFORE TAX

The loss before tax for the first half year of 2013 was HK\$72,399,000 (2012: profit of HK\$415,536,000). Loss before tax margin was 7.4% (2012: profit before tax margin of 38.6%). The EBITDA was 21.0% (2012: 64.0%).

融資成本

融資成本主要包括銀行借貸、優先債券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」)，優先債券及可換股債券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融資支出。二零一三年上半年之融資成本為141,873,000港元(二零一二年：169,127,000港元)。融資成本減少主要由於根據還款計劃償還優先債券本金及期內可換股債券轉換為本公司的新股份所致。

其他開支

截至二零一二年六月三十日止六個月的其他開支主要包括期末存貨減值撥備及衍生金融工具公允價值變動之虧損。其他開支減少乃由於該等項目金額減少所致。

除稅前(虧損)/溢利

於二零一三年上半年之除稅前虧損為72,399,000港元(二零一二年：溢利415,536,000港元)。除稅前虧損率為7.4%(二零一二年：除稅前溢利率38.6%)。EBITDA為21.0%(二零一二年：64.0%)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

INCOME TAX EXPENSE

Based on the existing legislation, 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 2013. The tax expense in the six months ended 30 June 2012 was mainly due to the tax expense in connection with the gain on disposal of Yongan Special Steel. Income tax expense decreased as there was no such gain on disposal in the six months ended 30 June 2013.

(LOSS)/PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company for the first half year of 2013 was HK\$101,831,000 (2012: profit of HK\$217,197,000).

KEY FINANCIAL RATIOS

		Six months ended		Year ended
		30 June	31 December	
Notes		2013	2012	
		截至二零一三年 六月三十日 止六個月	截至二零一二年 十二月三十一日 止年度	
附註				
Current ratio	流動比率	1	86.1%	79.8%
Inventories turnover days	存貨週轉日數	2	144.7 days 日	156.5 days 日
Debtor turnover days	應收賬款週轉日數	3	50.5 days 日	22.4 days 日
Creditor turnover days	應付賬款週轉日數	4	210.6 days 日	183.1 days 日
Interest cover	盈利對利息倍數	5	0.5 times 倍	0.9 times 倍
Interest-bearing gearing ratio	計息資本負債比率	6	56.7%	55.4%
Debt to EBITDA ratio	負債與EBITDA比率	7	11.2 times 倍	4.2 times 倍
Net debt/Capital and net debt ratio	淨負債/資本與淨負債比率	8	42.6%	43.2%

所得稅開支

根據現行條例，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%。截至二零一三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。截至二零一二年六月三十日止六個月之稅項開支主要為出售永安特鋼的盈利相關之稅項開支。截至二零一三年六月三十日止六個月並無該等出售收益，故所得稅開支減少。

本公司股權持有人應佔(虧損)/溢利

本集團二零一三年上半年之本公司股權持有人應佔虧損為101,831,000港元(二零一二年：溢利217,197,000港元)。

主要財務比率

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Notes:

1. Current assets/current liabilities X 100%
2. Inventories/cost of sales X 181 days or 365 days
3. Trade and notes receivables/turnover X 181 days or 365 days
4. Trade and notes payables/cost of sales X 181 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 equity holders of the Company X 100%
7. Interest-bearing loans and other borrowings (including convertible bonds)/EBITDA
8. Net debt/Capital and net debt X 100%

附註：

1. 流動資產／流動負債X100%
2. 存貨／銷售成本X181日或365日
3. 應收賬款及應收票據／營業額X181日或365日
4. 應付賬款及應付票據／銷售成本X181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)／本公司股權持有人應佔權益X100%
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X100%

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at 30 June 2013 mainly comprised plant and machinery, buildings and construction in progress. The increase in balance to HK\$2,616.2 million (2012: HK\$2,574.3 million) was mainly due to the addition of new production facilities in the production plants of Lianyungang City East Harvest Mining Co., Ltd. and Zhengzhou Yongtong offset by the depreciation charges for the period.

INTANGIBLE ASSET

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

物業、廠房及設備

於二零一三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2,616.2百萬港元(二零一二年: 2,574.3百萬港元)乃主要歸因於為連雲港市東茂礦業有限公司及鄭州永通添置新生產設施所致，而部分被期內折舊費用抵銷。

無形資產

無形資產僅指本集團於二零零七年五月從Yiwan Mining獲得之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

管理層討論與分析

INVENTORIES

The inventory turnover days decreased from 156.5 days in 2012 to 144.7 days in the six months ended 30 June 2013. As at 30 June 2013, inventories balance decreased by HK\$27.3 million, or 3.9%, to HK\$674.7 million (2012: HK\$702.0 million). The drop in inventory level was mainly due to management's continuous effort and determination to control inventory level during the period.

TRADE AND NOTES RECEIVABLES

The debtor turnover days increased from 22.4 days in 2012 to 50.5 days in the six months ended 30 June 2013. As at 30 June 2013, trade and notes receivables balance increased by HK\$160.7 million, or 144.5%, to HK\$271.9 million (2012: HK\$111.2 million). The increase in trade and notes receivables was mainly contributed by the increase in trading of limonitic ores. In addition, the ore trading in May and June 2012 was temporarily suspended because the Indonesian supplier was required to obtain certain government export approvals that no sales was made during the stoppage period.

PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The prepayments, deposits and other receivables mainly comprised of prepayment to limonitic ore suppliers and the proceeds receivable from the disposal of Yongan Special Steel. Decrease in the prepayments, deposits and other receivables was mainly because HK\$249.0 million of proceeds from disposal of Yongan Special Steel was received during the period. As of 30 June 2013, the outstanding amount of proceeds receivable from the disposal amounted to HK\$547.1 million.

存貨

存貨週轉日數由二零一二年之156.5日減至截至二零一三年六月三十日止六個月之144.7日。於二零一三年六月三十日，存貨結餘減少27.3百萬港元至674.7萬元（二零一二年：702.0百萬港元），減幅為3.9%。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二零一二年之22.4日增至截至二零一三年六月三十日止六個月之50.5日。於二零一三年六月三十日應收賬款及應收票據結餘增加160.7百萬港元或144.5%至271.9百萬港元（二零一二年：111.2百萬港元），主要是由於褐鐵礦銷售營業額增加所致。此外，礦石貿易因印尼供貨商須取得若干政府出口批文而於二零一二年五月及六月中斷，於中止期間概無任何銷售。

預付款項、按金及其他應收款項

預付款項、按金及其他應收款項主要包括預付褐鐵礦供貨商之款項及出售永安特鋼應收款項。預付款項、按金及其他應收款項減少主要是由於期內收回出售永安特鋼所得款項249.0百萬港元。截至二零一三年六月三十日，應收出售所得款項之尚未收回款項為547.1百萬港元。

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CASH AND CASH EQUIVALENTS AND PLEDGED TIME DEPOSITS

The cash and bank balances increased by approximately HK\$220.1 million, or 36.3%, to approximately HK\$826.1 million (2012: HK\$606.0 million) as at 30 June 2013 when compared to that as at 31 December 2012. It was mainly due to the net cash generated from operating activities of approximately HK\$100.2 million and net increase in pledged time deposits and bank and other borrowings of HK\$104.9 million and HK\$147.0 million respectively, offset by the interest payment of HK\$111.3 million.

TRADE AND NOTES PAYABLES

The creditor turnover days increased from 183.1 days in 2012 to 210.6 days in the six months ended 30 June 2013. As at 30 June 2013, trade and notes payables balance increased by HK\$160.8 million, or 19.6%, to HK\$981.8 million (2012: HK\$821.0 million). This was mainly because management used more bank bills for settlement of purchases which have longer payment terms.

CONVERTIBLE BONDS

Decrease in the convertible bonds during the six months ended 30 June 2013 was mainly because convertible bonds in the nominal amount of HK\$136,750,000 were converted into 235,775,830 new shares of the Company at HK\$0.58 per share in accordance with the terms of the convertible bonds. The remaining nominal amount of the convertible bonds was due for repayment in 2015.

DERIVATIVE FINANCIAL INSTRUMENTS

Decrease in derivative financial instruments was mainly due to the conversion of HK\$136,750,000 convertible bonds into the Company's new shares and the change in fair value of the outstanding convertible bonds during the six months ended 30 June 2013.

現金及現金等值物與已抵押定期存款

相較二零一二年十二月三十一日，現金及銀行結餘增加約220.1百萬港元或36.3%至二零一三年六月三十日之約826.1百萬港元（二零一二年：606.0百萬港元），主要是由於期內經營活動產生之現金淨額約100.2百萬港元及已抵押定期存款以及銀行及其他借款淨分別增加104.9百萬港元及147.0百萬港元，並由利息付款111.3百萬港元抵銷。

應付賬款及應付票據

應付賬款週轉日數由二零一二年之183.1日增至截至二零一三年六月三十日止六個月之210.6日。於二零一三年六月三十日，應付賬款及應付票據結餘增加160.8百萬港元或19.6%至981.8百萬港元（二零一二年：821.0百萬港元），主要是由於管理層使用更多擁有較長付款期限之銀行票據清償採購款項所致。

可換股債券

截至二零一三年六月三十日止六個月可換股債券減少主要由於本金額136,750,000港元之可換股債券根據可換股債券之條款以每股0.58港元兌換為235,775,830股本公司新股所致。可換股債券之餘下本金於二零一五年到期償還。

衍生金融工具

衍生金融工具減少主要由於截至二零一三年六月三十日止六個月136,750,000港元之可換股債券兌換為本公司新股及尚未贖回之可換股債券之公允價值變動所致。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析

BANK AND OTHER BORROWINGS

As at 30 June 2013, total bank and other borrowings balance increased by HK\$147.0 million, or 7.2%, to HK\$2,178.0 million (2012: HK\$2,031.0 million) was mainly because the Group had used more bank loans for working capital and capital expenditures. The interest-bearing gearing ratio (gearing ratio) increased from 55.4% in 2012 to 56.7% in the six months ended 30 June 2013.

SHARE CAPITAL

During the six months ended 30 June 2013, share capital increased by HK\$23.6 million, to HK\$254.2 million (2012: HK\$230.6 million) was mainly attributable to the issue of 235,775,830 new shares of the Company at nominal value of HK\$0.1 each upon conversion of the convertible bonds. The share premium arising from the issue of these new shares amounted to HK\$86.8 million.

LIQUIDITY AND CAPITAL RESOURCES

Our working capital has been principally sourced from cash generated from operations and from long-term and short-term borrowings. We also utilise advances received from our customers to finance part of our working capital requirements. As at 30 June 2013, the advances from customers amounted to HK\$296.8 million. As at 30 June 2013, we had current liabilities of HK\$3,008.2 million, of which HK\$1,431.2 million were bank and other borrowings repayable within one year and HK\$981.8 million were trade and notes payables in respect of purchase of raw materials.

銀行及其他借貸

於二零一三年六月三十日，銀行及其他借貸結餘增加147.0百萬港元或7.2%至2,178.0百萬港元(二零一二年：2,031.0百萬港元)，此乃主要由於本集團使用更多銀行貸款作為營運資金及資本開支。計息資本負債比率(資本負債比率)由二零一二年之55.4%增至截至二零一三年六月三十日止六個月之56.7%。

股本

截至二零一三年六月三十日止六個月，股本增加23.6百萬港元至254.2百萬港元(二零一二年：230.6百萬港元)，此乃主要由於因轉換可換股債券而發行235,775,830股每股面值0.1港元之本公司新股所致。發行該等新股產生之股份溢價為86.8百萬港元。

流動資金及資本資源

本集團之營運資金主要來自經營活動所得現金以及長期及短期借貸。本集團亦使用客戶墊款撥付部分所需營運資金。於二零一三年六月三十日，來自客戶之墊款為296.8百萬港元。於二零一三年六月三十日，本集團之流動負債為3,008.2百萬港元，其中包括須於一年內償還之銀行及其他借貸1,431.2百萬港元，及購買原材料之應付賬款及應付票據981.8百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FOREIGN CURRENCY RISK

Since 2004, the Group has begun the purchase of iron ore from overseas suppliers. The Group's purchase and sales contracts of ore trading business are principally denominated in USD and purchase and sales in connection with iron and steel products are mainly denominated in RMB. As at 30 June 2013, the assets and liabilities of our PRC operations are primarily denominated in RMB, while the assets and liabilities for operations outside PRC are mainly denominated in HKD and USD. Since RMB against HKD was in a favorable trend in recent years, there is no significant foreign exchange exposure for the Group's net assets of PRC operations. Furthermore, HKD is pegged to USD that management does not expect that there will be significant foreign exchange exposure for the Group's net assets of non-PRC operations. Therefore, no hedging of foreign currency risk is considered necessary at the moment. However, management will closely monitor the foreign currency exposure and consider using necessary financial instruments for hedging purposes.

As at 30 June 2013, the Group did not enter into any hedging transactions to manage the potential fluctuation in foreign currency as the Directors considered the Group had no significant foreign currency risk.

外匯風險

自二零零四年起，本集團開始自海外供應商採購鐵礦石。本集團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。於二零一三年六月三十日，本集團中國業務之資產及負債主要以人民幣計值，而中國境外業務之資產及負債主要以港元及美元計值。由於近年人民幣兌港元處於利好趨勢，故本集團中國業務之淨資產並無重大外匯風險。此外，港元與美元掛鈎，故管理層預期本集團中國境外業務之淨資產亦無重大外匯風險。因此，目前毋須作出對沖。然而，管理層將密切監控外匯風險，並考慮利用必要的金融工具進行對沖。

於二零一三年六月三十日，由於董事會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匯波動而進行任何對沖交易。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

SECURITY

As at 30 June 2013, the Group had the following assets being pledged: (1) time deposits of HK\$562.1 million (2012: HK\$349.3 million), certain parcels of the Group's leasehold lands situated in the PRC with the carrying amounts of HK\$155.8 million (2012: HK\$154.8 million) and building and plant and machinery with net carry amounts of HK\$56.3 million (2012: HK\$58.2 million) were secured for notes payables of HK\$755.2 million (2012: HK\$645.1 million) and bank loans granted to the Company and certain Group's subsidiaries of HK\$302.0 million (2012: HK\$123.3 million); and (2) the Exclusive Offtake Agreement with Yiwang Mining and USD bank deposits of HK\$7.1 million (2012: HK\$115.1 million) were secured for the 6% Coupon Convertible Bonds and 10% Coupon Senior Bonds issued by the Company in June 2012.

CAPITAL COMMITMENT

As at 30 June 2013, the Group had capital commitments in the amount of approximately HK\$331.7 million.

抵押品

於二零一三年六月三十日，本集團已抵押以下資產：(1) 應付票據 755.2 百萬港元(二零一二年：645.1 百萬港元)及本公司以及本集團若干附屬公司的獲授銀行貸款 302.0 百萬港元(二零一二年：123.3 百萬港元)以本集團定期存款 562.1 百萬港元(二零一二年：349.3 百萬港元)、位於中國賬面值為 155.8 百萬港元(二零一二年：154.8 百萬港元)的若干幅租賃土地及賬面淨值為 56.3 百萬港元(二零一二年：58.2 百萬港元)的樓宇、廠房及機器作為抵押；及(2)本公司於二零一二年六月發行的 6 厘息可換股債券及 10 厘息優先債券，以與 Yiwang Mining 訂立的獨家採購協議及 7.1 百萬港元(二零一二年：115.1 百萬港元)的美元銀行存款作抵押。

資本承擔

於二零一三年六月三十日，本集團之資本承擔約為 331.7 百萬港元。

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

中期簡明綜合收益表

For the six months ended 30 June 2013
截至二零一三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	
		2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated – Note 2.2) (經重列 – 附註2.2)
	Notes 附註		
Revenue	收益	973,613	1,076,974
Cost of sales	銷售成本	(843,826)	(905,047)
Gross profit	毛利	129,787	171,927
Other income and gains	其他收入及盈利	57,531	574,556
Selling and distribution costs	銷售及分銷成本	(2,702)	(12,057)
Administrative expenses	行政成本	(106,030)	(117,910)
Finance costs	融資成本	(141,873)	(169,127)
Other expenses	其他開支	(9,464)	(32,440)
Share of profit of an associate	應佔一間聯營公司 溢利	352	587
(Loss)/profit before tax	除稅前(虧損)/溢利	(72,399)	415,536
Income tax expenses	所得稅開支	(27,901)	(198,916)
(Loss)/profit for the period	期內(虧損)/溢利	(100,300)	216,620
Attributable to:	屬於：		
Equity holders of the Company	本公司股權持有人	(101,831)	217,197
Non-controlling interests	非控股權益	1,531	(577)
		(100,300)	216,620
(Loss)/earnings per share attributable to equity holders of the Company	本公司股權持有人 應佔每股 (虧損)/盈利		
— Basic (HK cents)	— 基本(港仙)	(4.05)	9.42
— Diluted (HK cents)	— 攤薄(港仙)	(4.45)	9.42

Details of the dividends payable and proposed for the period are disclosed in Note 9.

有關期內應付及建議股息詳情披露於附註9。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 中期簡明綜合全面收益表

For the six months ended 30 June 2013
 截至二零一三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	
		2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated – Note 2.2) (經重列 – 附註 2.2)
(Loss)/profit for the period	期內(虧損)/溢利	(100,300)	216,620
Other comprehensive income/(loss)	其他全面收益/(虧損)		
<i>Items that have been reclassified or may be subsequently reclassified to profit or loss</i>	<i>已重新分類或可能於其後重新分類至損益之項目</i>		
Exchange differences reclassified to income statement on disposal of a subsidiary	出售一間附屬公司時重新分類至收益表之滙兌差額	–	(5,495)
Exchange differences on translation of foreign operations	境外經營報表折算滙兌差額	46,281	(13,187)
Other comprehensive income/(loss) for the period, net of tax	期內稅後其他全面收益/(虧損)	46,281	(18,682)
Total comprehensive (loss)/income for the period	期內全面(虧損)/收益合計	(54,019)	197,938
Attributable to:	屬於：		
Equity holders of the Company	本公司股權持有人	(57,405)	198,562
Non-controlling interests	非控股權益	3,386	(624)
		(54,019)	197,938

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

As at 30 June 2013
於二零一三年六月三十日

			30 June 2013 二零一三年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) (Restated – Note 2.2) (經重列 – 附註 2.2)
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	11	物業、廠房及設備	2,616,207	2,574,272
Prepaid land lease payments		預付土地租賃款項	221,794	221,002
Intangible asset	12	無形資產	2,438,199	2,498,900
Deferred tax assets		遞延稅項資產	3,230	889
Interest in an associate		於一間聯營公司之 權益	89,420	89,069
Other non-current assets		其他非流動資產	–	1,233
Total non-current assets		非流動資產總值	5,368,850	5,385,365
Current assets		流動資產		
Inventories	13	存貨	674,669	702,024
Trade and notes receivables	14	應收賬款及應收票據	271,889	111,188
Prepayments, deposits and other receivables	15	預付款項、按金及 其他應收款項	818,800	1,019,438
Pledged time deposits	16	已抵押定期存款	569,250	464,397
Cash and cash equivalents	16	現金及現金等值物	256,880	141,610
Total current assets		流動資產總值	2,591,488	2,438,657
Current liabilities		流動負債		
Trade and notes payables	17	應付賬款及應付票據	981,817	821,036
Other payables and accruals		其他應付款項及 應計負債	553,388	612,399
Dividend payable		應付股息	8	8
Bank and other borrowings	19	銀行貸款及其他借貸	1,431,183	1,557,409
Tax payable		應付稅項	41,754	64,555
Total current liabilities		流動負債總額	3,008,150	3,055,407
Net current liabilities		流動負債淨額	(416,662)	(616,750)
Total assets less current liabilities		總資產減流動負債	4,952,188	4,768,615

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 中期簡明綜合財務狀況表

As at 30 June 2013
 於二零一三年六月三十日

		Notes 附註	30 June 2013 二零一三年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) (Restated – Note 2.2) (經重列 – 附註 2.2)
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行貸款及其他借貸	19	746,807	473,609
Convertible bonds	可換股債券	20	116,958	177,660
Derivative financial instruments	衍生金融工具	18	20,494	101,592
Deferred tax liabilities	遞延稅項負債		3,066	3,043
Other long term payables	其他長期應付款項		8,638	8,115
Total non-current liabilities	非流動負債總額		895,963	764,019
Net assets	淨資產		4,056,225	4,004,596
Equity	權益			
Capital and reserves attributable to equity holders of the Company	本公司股權持有人應佔資本及儲備			
Share capital	股本	21	254,183	230,606
Reserves	儲備		3,790,121	3,755,085
			4,044,304	3,985,691
Non-controlling interests	非控股權益		11,921	18,905
Total equity	權益總額		4,056,225	4,004,596

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明綜合權益變動表

For the six months ended 30 June 2013
截至二零一三年六月三十日止六個月

(Unaudited)	(未經審核)
For the six months	截至二零一三年
ended 30 June 2013	六月三十日止六個月
At 1 January 2013	於二零一三年一月一日
(Loss)/profit for the period	期內(虧損)/溢利
Other comprehensive income	期內其他全面收益：
for the period:	
Exchange differences on	境外經營報表折算
translation of foreign	滙兌差額
operations	
Total comprehensive income/(loss)	期內全面收益/(虧損)
for the period	總額
Equity-settled share option	以股權支付之購股權安排
arrangements	
Forfeited share option reserve	已沒收之購股權儲備
Conversion of convertible	轉換可換股債券
bonds (Note 21)	(附註21)
Acquisition of additional interest	收購一家附屬公司之
in a subsidiary	額外權益
At 30 June 2013	於二零一三年六月三十日

Attributable to equity holders of the Company 本公司股東持有人應佔											
Share capital	Share premium	Contributed surplus	Capital reserve	Share option				Retained profits	Total	Non-controlling interests	Total equity
				reserve	reserve	reserves	reserve				
股本	股份溢價	實繳盈餘	資本儲備	購股權儲備	法定儲備	滙兌儲備	保留溢利	總計	權益	權益總額	
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
230,606	3,036,939	47,514	115,807	33,567	89,774	367,535	63,949	3,985,691	18,905	4,004,596	
-	-	-	-	-	-	-	(101,831)	(101,831)	1,531	(100,300)	
-	-	-	-	-	-	44,426	-	44,426	1,855	46,281	
-	-	-	-	-	-	44,426	(101,831)	(57,405)	3,386	(54,019)	
-	-	-	-	1,549	-	-	-	1,549	-	1,549	
-	-	-	-	(36)	-	-	-	(36)	-	(36)	
23,577	86,833	-	-	-	-	-	-	110,410	-	110,410	
-	-	-	-	-	-	-	4,095	4,095	(10,370)	(6,275)	
254,183	3,123,772	47,514	115,807	35,080	89,774	411,961	(33,787)	4,044,304	11,921	4,056,225	

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 中期簡明綜合權益變動表

For the six months ended 30 June 2013
 截至二零一三年六月三十日止六個月

Attributable to equity holders of the Company
 本公司股權持有人應佔

	Share capital	Share premium	Contributed surplus	Capital reserve	Share	Statutory reserves	Exchange reserve	Retained profits	Total	Non-	Total equity
					option reserve					controlling interests	
	股本	股份溢價	實繳盈餘	資本儲備	購股權儲備	法定儲備	匯兌儲備	保留溢利	總計	權益	權益總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
(Unaudited)											
(Restated – Note 2.2)											
For the six months ended 30 June 2012											
At 1 January 2012	230,606	3,059,639	47,514	115,807	28,792	76,128	366,426	355,972	4,280,884	150,004	4,430,888
Profit/(loss) for the period	-	-	-	-	-	-	-	217,197	217,197	(577)	216,620
Other comprehensive loss for the period:											
Exchange differences reclassified to income statement on disposal of a subsidiary	-	-	-	-	-	-	(5,495)	-	(5,495)	-	(5,495)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(13,140)	-	(13,140)	(47)	(13,187)
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	(18,635)	217,197	198,562	(624)	197,938
Equity-settled share option arrangements	-	-	-	-	7,802	-	-	-	7,802	-	7,802
Forfeited share option reserve	-	-	-	-	(6,168)	-	-	-	(6,168)	-	(6,168)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(137,329)	(137,329)
Establishment of a subsidiary	-	-	-	-	-	-	-	-	-	7,582	7,582
At 30 June 2012	230,606	3,059,639	47,514	115,807	30,426	76,128	347,791	573,169	4,481,080	19,633	4,500,713

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 June 2013
截至二零一三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	
		2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated – Note 2.2) (經重列 – 附註 2.2)
Net cash generated from operating activities	經營活動產生之現金淨額	100,184	163,474
Net cash inflows from investing activities	投資活動之現金流入淨額	16,826	45,549
Net cash outflow from financing activities	融資活動之現金流出淨額	(7,909)	(188,328)
Net increase in cash and cash equivalents	現金及現金等值物之增加淨額	109,101	20,695
Cash and cash equivalents at beginning of period	期初之現金及現金等值物	141,610	141,636
Effect of foreign exchange rate changes, net	滙兌變動影響淨額	6,169	(9,446)
Cash and cash equivalents at end of period	期末之現金及現金等值物	256,880	152,885

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. 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. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

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, an Executive Director ("Mr. Dong"), 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獲豁免有限公司。本公司註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。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。本公司的股份於香港聯合交易所有限公司（「聯交所」）主板上市。

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本公司執行董事董書通先生（「董先生」）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

1 CORPORATE INFORMATION (continued)

This condensed consolidated interim financial information for the six months ended 30 June 2013 is unaudited and has been reviewed by the audit committee of the Company. This condensed consolidated interim financial information was approved and authorised for issue by the board of directors on 29 August 2013.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2013 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.

This condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2012, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

1 公司資料(續)

截至二零一三年六月三十日止六個月之簡明綜合中期財務資料未經審核並已經本公司審核委員會審閱。簡明綜合中期財務資料已於二零一三年八月二十九日由董事會批准授權發行。

2 編製基準

截至二零一三年六月三十日止六個月簡明綜合中期財務資料乃根據國際會計準則(「國際會計準則」)第34號「中期財務報告」及聯交所證券上市規則之披露規定而編製。

簡明綜合中期財務資料並未包括年度財務報表所要求之所有資料及披露事項，故應連同本公司截至二零一二年十二月三十一日止年度根據國際財務報告準則(「國際財務報告準則」)編製的年度財務報表一併閱讀。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

2 BASIS OF PREPARATION (continued)

2.1 Going concern

This condensed consolidated interim financial information has been prepared on a going concern basis notwithstanding the fact that as at 30 June 2013, the Group had net current liabilities of HK\$416,662,000, which mainly included the current portion of the 39,099 10% coupon senior bonds with nominal value of HK\$25,000 each issued on 12 June 2012 (the "10% Coupon Senior Bonds") of HK\$495,457,000 and the remaining bank and other borrowings of HK\$935,726,000.

On 21 January 2013, the Group entered into a framework agreement with Beijing Wincapital Management Co., Ltd. in relation to the disposal of 30% equity interest in S.E.A. Mineral Limited, a wholly-owned subsidiary of the Group. The Company announced the transaction on 24 January 2013. The Directors believe that the disposal can significantly strengthen the cash flow position of the Group as a whole in the near future. In addition, the Group has been actively negotiating with PRC banks for the renewal of PRC bank borrowings when those borrowings fall due in 2013. In previous years, the Group did not encounter any significant difficulties in renewing the PRC bank borrowings.

2 編製基準(續)

2.1 持續經營

簡明綜合中期財務資料根據持續經營基準編製，儘管於二零一三年六月三十日，本集團之流動負債淨額為416,662,000港元，當中主要包括於二零一二年六月十二日發行之39,099份每份面值為25,000港元之10厘息優先債券（「10厘息優先債券」）之即期部分495,457,000港元及其餘銀行貸款及其他借貸935,726,000港元。

於二零一三年一月二十一日，本集團與北京匯贏創業投資有限公司訂立有關出售本集團全資附屬公司南洋礦業有限公司30%權益的框架協議。本公司已於二零一三年一月二十四日公佈該交易。董事相信該出售將於不久將來大大加強本集團的整體現金流量狀況。此外，本集團正為將於二零一三年到期之中國境內銀行借款與中國境內銀行積極磋商展期。於過往年度，本集團在中國境內銀行借款展期方面未遭遇任何重大阻礙。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 中期簡明綜合財務報表附註

2 BASIS OF PREPARATION (continued)

2.1 Going concern (continued)

Taking into account the above measures, 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 interim financial information on a going concern basis.

2.2 Change in presentation currency

In prior years, the Group's consolidated financial statements have been presented in Renminbi ("RMB"). As a result of the Group's expanded operations outside the PRC and the increased level of financing and other activities determined based upon currencies other than RMB, the directors considered that Hong Kong Dollar ("HK\$") is a more appropriate presentation currency of the Group's financial statements, which also aligned with the Company's functional currency.

2 編製基準(續)

2.1 持續經營(續)

經考慮上述措施，董事相信本集團在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中期財務資料實屬恰當。

2.2 更改呈列貨幣

於過往年度，本集團之綜合財務報表一直以人民幣(「人民幣」)呈列。由於本集團擴大於中國以外之業務，而以人民幣以外貨幣計值之財務及其他活動亦有所增加，故董事認為，港元(「港元」)對本集團之財務報表而言為較合適之呈列貨幣，亦與本公司之功能貨幣一致。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**2 BASIS OF PREPARATION
(continued)****2.2 Change in presentation currency
(continued)**

The change in presentation currency of the Group has been applied retrospectively and the comparative figures in the interim condensed consolidated financial information have been translated from RMB to HK\$ using the closing rates at the end of the relevant reporting periods for the items in the condensed consolidated statement of financial position, average rate for the relevant period for condensed consolidated income statement, condensed consolidated statement of comprehensive income and condensed consolidated statement of cash flows items and historical rates for the items in the consolidated statement of changes in equity. The change in presentation currency has no significant impact on the financial position of the Group as at 30 June 2013 and 31 December 2012, or the results and cash flows for the six-month periods ended 30 June 2013 and 2012.

2 編製基準 (續)**2.2 更改呈列貨幣 (續)**

本集團呈列貨幣之變動已追溯應用，而於中期簡明綜合財務報表之比較數字亦已由人民幣重列為港元，簡明綜合財務狀況表項目採用於相關報告期末之收市匯率，簡明綜合收益表、簡明綜合全面收益表及簡明綜合現金流量表項目採用於相關期間之平均匯率，及綜合權益變動表項目採用歷史匯率計算。呈列貨幣之變動對本集團於二零一三年六月三十日及二零一二年十二月三十一日之財務狀況或截至二零一三年及二零一二年六月三十日止六個月期間之業績及現金流量並無重大影響。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 中期簡明綜合財務報表附註

2 BASIS OF PREPARATION (continued)

2.3 Accounting policies

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed consolidated financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 December 2012.

The accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2012, except as mentioned below.

2 編製基準(續)

2.3 會計政策

編製此簡明綜合中期財務資料要求管理層作出影響會計政策應用及所報告資產及負債、收入及開支的數額作出判斷、估計及假設。實際結果或有別於有關估計。編製此簡明綜合中期財務資料時，由管理層對本集團在會計政策的應用及主要不確定數據的估計所作出的重要判斷與截至二零一二年十二月三十一日止年度的年度財務報表所採用者相同。

編製簡明綜合中期財務資料所採納之會計政策與編製本集團截至二零一二年十二月三十一日止年度之年度財務報表所採用者一致，惟以下除外。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

**2 BASIS OF PREPARATION
(continued)**

2.3 Accounting policies (continued)

(a) Effect of adopting new standards, amendments and interpretation to existing standards

The following new standards, amendments and interpretation to standards are mandatory for accounting periods beginning on or after 1 January 2013. The adoption of these new standards, amendments and interpretation to standards does not have any significant impact to the results and financial position of the Group.

IFRSs (amendment)	Improvements to IFRSs 2011
IFRS 1 (amendment)	Government loans
IFRS 7 (amendment)	Disclosures — offsetting financial assets and financial liabilities
IFRS 10	Consolidated financial statements
IFRS 11	Joint arrangements
IFRS 12	Disclosure of interests in other entities
IFRS 13	Fair value measurements
IAS 1 (amendment)	Presentation of financial statements
IAS 19 (2011)	Employee benefits
IAS 27 (2011)	Separate financial statements
IAS 28 (2011)	Investments in associates and joint ventures
IFRIC Int 20	Stripping costs in the production phrase of a surface mine

2 編製基準 (續)

2.3 會計政策 (續)

(a) 採納新訂準則、現有準則的修訂及詮釋的影響

以下新準則、準則的修訂及詮釋須自二零一三年一月一日或之後開始的會計期間強制生效。採納該等新準則、準則的修訂及詮釋對本集團的業績及財務狀況並無任何重大影響。

國際財務報告準則 (修訂本)	二零一一年國際財務報告準則之改進
國際財務報告準則第1號 (修訂本)	政府貸款
國際財務報告準則第7號 (修訂本)	披露一抵銷金融資產及金融負債
國際財務報告準則第10號	綜合財務報表
國際財務報告準則第11號	共同安排
國際財務報告準則第12號	披露於其他實體的權益
國際財務報告準則第13號	公允價值計量
國際會計準則第1號 (修訂本)	呈列財務報表
國際會計準則第19號 (二零一一年)	僱員福利
國際會計準則第27號 (二零一一年)	獨立財務報表
國際會計準則第28號 (二零一一年)	於聯營公司及合營公司之投資
國際財務報告詮釋委員會詮釋第20號	露天礦場生產階段之剝採成本

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

2 BASIS OF PREPARATION (continued)

2.3 Accounting policies (continued)

(b) *New standard, amendments and interpretation to standards that have been issued but are not yet effective*

The following new standard, amendments and interpretation to standards have been issued but are not effective for 2013 and have not been early adopted by the Group:

IFRS 7 (amendment)	Mandatory effective date of IFRS 9 and transition disclosures ⁽²⁾
IFRS 9	Financial instruments ⁽²⁾
IFRS 10, IFRS 11 and IAS 27 (2011) (amendment)	Investment entities ⁽¹⁾
Additions to IFRS 9	Financial instruments — financial liabilities ⁽²⁾
IAS 32 (amendment)	Offsetting financial assets and financial liabilities ⁽¹⁾
IAS 36 (amendment)	Recoverable amount disclosures for non-financial assets ⁽¹⁾
IFRIC Int 21	Levies ⁽¹⁾

⁽¹⁾ Effective for the Group for annual period beginning on 1 January 2014

⁽²⁾ Effective for the Group for annual period beginning on 1 January 2015

The directors are in the process of assessing the impact of the adoption of these new standard, amendments and interpretation to standards on the results and financial position of the Group.

2 編製基準(續)

2.3 會計政策(續)

(b) *已頒佈但尚未生效之新準則、準則之修訂及詮釋*

本集團尚未提早採納以下已頒佈但於二零一三年尚未生效之新準則、準則之修訂及詮釋：

國際財務報告準則第7號(修訂本)	國際財務報告準則第9號的強制生效日期及過渡披露 ⁽²⁾
國際財務報告準則第9號	金融工具 ⁽²⁾
國際財務報告準則第10號、國際財務報告準則第11號及國際會計準則第27號(二零一一年)(修訂本)	投資實體 ⁽¹⁾
國際財務報告準則第9號新增規定	金融工具—金融負債 ⁽²⁾
國際會計準則第32號(修訂本)	抵銷金融資產及金融負債 ⁽¹⁾
國際會計準則第36號(修訂本)	非金融資產披露之可收回款項 ⁽¹⁾
國際財務報告詮釋委員會詮釋第21號	徵稅 ⁽¹⁾

⁽¹⁾ 於二零一四年一月一日開始之年度期間於本集團生效

⁽²⁾ 於二零一五年一月一日開始之年度期間於本集團生效

董事現正評估就採納此等新準則、準則之修訂及詮釋對本集團的業績及財務狀況的影響。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk, foreign currency risk and liquidity risk. There have been no change in the risk management policies since 31 December 2012.

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.

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.

3 金融風險管理

本集團的活動使其面臨各種各樣的金融風險：利率風險、信用風險、外匯風險及流動資金風險。風險管理政策自二零一二年十二月三十一日起並無變動。

4 經營分部資料

就管理目的，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。

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）。

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 (continued)**

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

5 收益、其他收入及盈利(續)

收益、其他收入及盈利之分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Revenue	收益		
Sale of goods:	銷貨：		
Stainless steel base materials	不銹鋼基料	36,143	204,147
Ni-Cr alloy steel ingots	鎳鉻合金鋼錠	48,654	85,948
Ferro-nickel alloys and others	鎳鐵合金及其他	38,977	118,298
Limonitic ores	褐鐵礦	849,536	668,581
Service income	服務收入	303	-
Total revenue	收益總額	973,613	1,076,974
Other income	其他收入		
Bank interest income	銀行利息收入	3,097	3,489
Others	其他	4,202	27
		7,299	3,516
Other gains	其他盈利		
Change in fair value of derivative financial instruments	衍生金融工具公允價值變動	45,581	-
Government grants*	政府補助*	100	12
Gain on disposal of a subsidiary	出售一間附屬公司之盈利	-	571,028
Foreign exchange gain, net	滙兌變動盈利淨額	4,448	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之盈利	103	-
		50,232	571,040
Total other income and gains	其他收入及盈利總額	57,531	574,556

* There are no unfulfilled condition or contingencies relating to the government grants.

* 關於政府補助無相關未達成條件或或然事項

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

6 (LOSS)/PROFIT BEFORE TAX

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

6 除稅前(虧損)/溢利

本集團除稅前(虧損)/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	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
	Notes 附註		
Staff costs (including Directors' remuneration):	員工成本(包括董事酬金)：		
Salaries	薪金	36,188	30,159
Retirement benefit scheme contributions and other costs	退休福利計劃供款及其他成本	4,171	4,803
Equity-settled share-based compensation expense	以股權結算之股本補償開支	1,513	1,639
Total staff costs	總員工成本	41,872	36,601
Cost of inventories sold	已售存貨成本	843,826	905,047
Research expenses	研究開支	-	14,985
Depreciation	折舊	70,977	55,054
(Reversal of write-down)/ write-down of inventories to net realisable value	存貨(撥回撇減)/撇減至可變現淨值	(38,341)	19,259
Amortisation of intangible asset	無形資產攤銷	60,701	46,785
Amortisation of prepaid land lease payment	預付土地租賃款項攤銷	2,913	2,710
Bank interest income	銀行利息收入	(3,097)	(3,489)
(Gain)/loss on change in fair value of derivative financial instruments	衍生金融工具公允價值變動之(盈利)/虧損	(45,581)	6,446
Loss on restructure of convertible bonds, net	重組可換股債券虧損淨額	-	433
Reversal of impairment of trade receivables	應收賬款減值撥回	(1,416)	(2,493)
Foreign exchange (gain)/loss	匯兌(盈利)/虧損	(4,448)	3,251
Gain on disposal of a subsidiary	出售一間附屬公司之盈利	-	(571,028)
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	2,862	3,058

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 expense	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.

The applicable Hong Kong profits tax rate of the Company and its subsidiaries, which operate in Hong Kong was 16.5% (six months ended 30 June 2012: 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.

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

2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
121,957	62,395
19,916	207,598
141,873	269,993
—	(100,866)
141,873	169,127

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權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。

根據現行法例，於香港經營之本公司及其附屬公司適用香港利得稅稅率為16.5%（截至二零一二年六月三十日止六個月：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。

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 income tax rate of subsidiaries of the Group incorporated in Singapore was 17% for the six months ended 30 June 2013 (six months ended 30 June 2012: 17%).

The subsidiaries of the Group incorporated in Indonesia were subject to a single income tax rate of 25% for the six months ended 30 June 2013 (six months ended 30 June 2012: 25%).

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 2013 (six months ended 30 June 2012: 25%).

8 所得稅 (續)

本集團於新加坡註冊成立之附屬公司於截至二零一三年六月三十日止六個月之適用所得稅稅率為17% (截至二零一二年六月三十日止六個月：17%)。

本集團於印尼註冊成立之附屬公司於截至二零一三年六月三十日止六個月須按25%之單一所得稅稅率 (截至二零一二年六月三十日止六個月：25%) 繳稅。

根據中國企業所得稅法，本集團中國附屬公司截至二零一三年六月三十日止六個月之適用所得稅稅率為25% (截至二零一二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

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
Current — Singapore	即期 — 新加坡
Deferred	遞延
Total tax expense for the period	本期稅項開支總額

2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
(128)	2,669
30,358	40,298
(2,329)	155,949
27,901	198,916

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

9 DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the year ending 31 December 2013. On 23 August 2012, the Directors recommended the payment of an interim dividend of HK1 cent per share, totalling HK\$23,043,000, for the year ended 31 December 2012.

10 (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Basic

The calculation of basic (loss)/earnings per share is based on the (loss)/profit for the period attributable to equity holders of the Company, and the weighted average number of ordinary shares of 2,512,391,986 (six months ended 30 June 2012: 2,304,333,337) in issue during the period.

Diluted

The calculation of diluted loss per share for the six months ended 30 June 2013 is based on the loss attributable to equity holders of the Company, adjusted to reflect the interest on, and change in fair value of the derivative component of the 6% Coupon Convertible Bonds. 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 loss 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.

9 股息

董事不建議宣派截至二零一三年十二月三十一日止年度之中期股息。於二零一二年八月二十三日，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，合共23,043,000港元。

10 本公司股權持有人應佔每股(虧損)/盈利

基本

每股基本(虧損)/盈利乃根據本公司股權持有人應佔期內(虧損)/溢利及期內已發行普通股之加權平均股數2,512,391,986股(截至二零一二年六月三十日止六個月：2,304,333,337股)計算。

攤薄

截至二零一三年六月三十日止六個月之每股攤薄虧損乃根據本公司股權持有人應佔虧損計算，並經調整以反映6厘息可換股債券之利息及衍生工具部分之公允價值變動。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(與計算每股基本虧損所使用者相同)，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。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

**10 (LOSS)/EARNINGS PER SHARE
 ATTRIBUTABLE TO EQUITY
 HOLDERS OF THE COMPANY
 (continued)**

Diluted (continued)

Diluted earnings per share for the six months ended 30 June 2012 has not been disclosed as the impact of dilution of the Zero Coupon Convertible Bonds, the 10% Coupon Convertible Bonds, the 6% Coupon Convertible Bonds and the Term Loan with Warrants is an anti-dilutive.

The calculation of diluted loss per share is based on:

Loss

Loss attributable to equity holders of the Company, used in the basic loss per share calculation
 Interest on the 6% Coupon Convertible Bonds
 Change in fair value of the derivative component of the 6% Coupon Convertible Bonds

**10 本公司股權持有人應佔每股
 (虧損)/盈利(續)**

攤薄(續)

截至二零一二年六月三十日止六個月，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有反攤薄影響，故無披露每股攤薄盈利。

每股攤薄虧損乃根據下列基準計算：

虧損

用於計算每股基本虧損之
 本公司股權持有人
 應佔虧損
 6厘息可換股債券利息
 6厘息可換股債券衍生
 部分之公允價值變動

Six months ended 30 June 截至六月三十日 止六個月 2013 二零一三年 HK\$'000 千港元
(101,831)
19,916
(45,581)
(127,496)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

**10 (LOSS)/EARNINGS PER SHARE
 ATTRIBUTABLE TO EQUITY
 HOLDERS OF THE COMPANY
 (continued)
 Diluted (continued)**

**10 本公司股權持有人應佔每股
 (虧損)/盈利(續)**

攤薄(續)

Shares

Weighted average number of ordinary shares
 in issue during the period used in
 the basic loss per share calculation

Effect of dilution — weighted average
 number of ordinary shares:

— The 6% Coupon Convertible Bonds

股數

用以計算每股基本虧損之
 期內已發行普通股加權
 平均股數

攤薄影響 — 普通股加權
 平均股數：

— 6厘息可換股債券

**Six months
 ended 30 June**
 截至六月三十日
 止六個月
2013
 二零一三年
**Number of
 shares**
 股份數目

2,512,391,986

353,708,563

2,866,100,549

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

		Property, plant and equipment 物業、廠房及設備 HK\$'000 千港元
Carrying value at 1 January 2013	於二零一三年一月一日之賬面值	2,574,272
Additions	添置	102,516
Disposals	處置	(36,145)
Depreciation charged for the period	期內折舊	(70,977)
Foreign exchange realignment	外幣折算差額	46,541
Carrying value at 30 June 2013	於二零一三年六月三十日之賬面值	2,616,207

12 INTANGIBLE ASSET

12 無形資產

		Exclusive offtake right 獨家採購權 HK\$'000 千港元
Carrying amount at 1 January 2013	於二零一三年一月一日之賬面值	2,498,900
Amortisation provided during the period	期內攤銷	(60,701)
Carrying amount at 30 June 2013	於二零一三年六月三十日之賬面值	2,438,199

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 2013 二零一三年 六月三十日 HK\$'000 千港元	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元
218,095	268,537
184,266	388,878
245,775	6,979
26,533	37,630
674,669	702,024

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:

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

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：

30 June 2013 二零一三年 六月三十日 HK\$'000 千港元	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元
127,884	66,537
94,724	30,994
28,039	7,725
26,502	12,502
277,149	117,758
(5,260)	(6,570)
271,889	111,188

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

		30 June 2013	31 December 2012
		二零一三年 六月三十日	二零一二年 十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
Prepayment to PT. Yiwu Mining ("Yiwu Mining")	預付PT. Yiwu Mining (「Yiwu Mining」) 之款項	142,978	124,910
Prepayments to other suppliers	預付其他供應商之款項	37,516	19,842
Receivables arising from disposal of a subsidiary	出售一間附屬公司產生的應收款項	547,094	752,137
Other receivables	其他應收款項	40,542	42,104
Value-added tax recoverable	可收回增值稅	36,234	72,843
Other prepayments	其他預付款項	20,873	13,925
		825,237	1,025,761
Less: Provision for impairment of other receivables	減：其他應收款項之減值撥備	(6,437)	(6,323)
		818,800	1,019,438

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****16 現金及現金等值物與已抵押定期存款**

		30 June 2013	31 December 2012
		二零一三年 六月三十日	二零一二年 十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
Cash and bank balances	現金及銀行結餘	256,880	141,610
Time deposits	定期存款	569,250	464,397
		826,130	606,007
Less:	減：		
Time deposits pledged for bank borrowings (Note 19(a))	為銀行貸款之已抵押定期存款 (附註 19(a))	(188,313)	-
Time deposits pledged for issuing bank acceptance notes (Note 17)	為取得銀行承兌票據之已抵押定期存款 (附註 17)	(373,799)	(349,266)
Time deposits pledged for senior bonds and convertible bonds	為優先債券及可換股債券之已抵押定期存款	(7,138)	(115,131)
Cash and cash equivalents	現金及現金等值物	256,880	141,610

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

17 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 2013, notes payable of HK\$755,195,000 (31 December 2012: HK\$645,087,000) were secured by a parcel of leasehold land in mainland China with net carrying amounts of HK\$4,006,000 (31 December 2012: HK\$4,006,000) and time deposits amounting to HK\$373,799,000 (31 December 2012: HK\$349,266,000) (Note 16).

17 應付賬款及應付票據

於報告期末，按發票日期計算之應付賬款及應付票據之賬齡分析如下：

30 June 2013 二零一三年 六月三十日 HK\$'000 千港元	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元
435,139	322,269
474,091	434,324
25,145	28,164
20,751	30,163
18,047	2,268
8,644	3,848
981,817	821,036

於二零一三年六月三十日，應付票據755,195,000港元(二零一二年十二月三十一日：645,087,000港元)以賬面值淨額為4,006,000港元(二零一二年十二月三十一日：4,006,000港元)的中國大陸一塊租賃土地及定期存款373,799,000港元(二零一二年十二月三十一日：349,266,000港元)作抵押(附註16)。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

18 DERIVATIVE FINANCIAL INSTRUMENTS

18 衍生金融工具

		30 June 2013 二零一三年 六月三十日 HK\$'000 千港元	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元
	Notes 附註		
Liabilities	負債		
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	20	101,592
		20,494	101,592

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

19 BANK AND OTHER BORROWINGS

19 銀行貸款及其他借貸

		30 June 2013 二零一三年六月三十日			31 December 2012 二零一二年十二月三十一日			
		Contractual interest			Contractual interest			
Notes		rate (%) 合同利率	Maturity	HK\$'000	rate (%) 合同利率	Maturity	HK\$'000	
附註		(%)	到期日	千港元	(%)	到期日	千港元	
Current	流動							
	Bank loans — unsecured	銀行貸款 — 無抵押	6.4	2014	62,771	6.1-8.6	2013	190,911
	Bank loans — secured	銀行貸款 — 有抵押	(a) 6.6 – 10	2013-2014	816,019	6.6-8.6	2013	801,628
	Other borrowings — unsecured	其他借貸 — 無抵押	(b) 8 – 10	2013	56,936	0-8.0	2013	76,132
	The 10% Coupon Senior Bonds	10厘息優先債券	(c) 10	2013	495,457	10.0	2013	488,738
				1,431,183			1,557,409	
Non-current	非流動							
	Bank loan — unsecured	銀行貸款 — 無抵押	7.23	2016	62,770	-	-	-
	Bank loans — secured	銀行貸款 — 有抵押	(a) 2.25 – 2.7	2015	176,491	-	-	-
	Other borrowings — unsecured	其他借貸 — 無抵押	(b) 8	2015	19,375	-	-	-
	Other borrowings — secured	其他借貸 — 有抵押	(d) 10	2015	251,083	-	-	-
	The 10% Coupon Senior Bonds	10厘息優先債券	(c) 10	2015	218,134	10.0	2015	456,531
	The Modified 10% Coupon Bonds	經修訂10厘息債券	(e) 10	2015	18,954	10.0	2015	17,078
				746,807			473,609	
				2,177,990			2,031,018	

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**19 BANK AND OTHER BORROWINGS
(continued)****19 銀行貸款及其他借貸(續)**

		30 June 2013 二零一三年 六月三十日 HK\$'000 千港元	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元
Analysed into:	分析如下：		
Bank loans repayable:	銀行貸款還款期：		
Within one year	一年內	878,790	992,539
In the second year	第二年	176,491	-
In the third year	第三年	62,770	-
		1,118,051	992,539
Other borrowings repayable:	其他借貸還款期：		
Within one year	一年內	56,936	76,132
In the second year	第二年	270,458	-
		327,394	76,132
The 10% Coupon Senior Bonds	10厘息優先債券		
Within one year	一年內	495,457	488,738
In the second year	第二年	218,134	365,224
In the third year	第三年	-	91,307
		713,591	945,269
The modified 10% Coupon Bonds:	經修訂10厘息債券：		
In the second year	第二年	18,954	17,078
		2,177,990	2,031,018

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**19 BANK AND OTHER BORROWINGS
(continued)**

Notes:

(a) Bank loans — secured

At 30 June 2013, the secured bank loans comprised of: (i) a bank loan of HK\$25,108,000 (31 December 2012: HK\$24,665,000) secured by a parcel of leasehold land in Mainland China with a net carrying amount of HK\$84,764,000 (31 December 2012: HK\$84,205,000); (ii) a bank loan of HK\$62,771,000 (31 December 2012: HK\$61,664,000) secured by a parcel of leasehold land in Mainland China and buildings and plant and machinery with net carrying amounts of HK\$21,396,000 (31 December 2012: HK\$21,258,000) and HK\$56,331,000 (31 December 2012: HK\$58,151,000), respectively; and (iii) a bank loan of HK\$37,662,000 (31 December 2012: HK\$36,998,000) secured by a parcel of leasehold land in Mainland China with a net carrying amount of HK\$45,609,000 (31 December 2012: HK\$45,319,000); (iv) a loan of HK\$690,478,000 (31 December 2012: HK\$678,301,000) guaranteed by Mr. Dong; and (v) two bank loans in a total of HK\$176,491,000 (31 December 2012: Nil) secured by bank deposits of HK\$188,313,000 (Note 16).

19 銀行貸款及其他借貸(續)

附註：

(a) 銀行貸款 — 有抵押

於二零一三年六月三十日，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84,764,000港元(二零一二年十二月三十一日：84,205,000港元)的租賃土地作為抵押的銀行貸款25,108,000港元(二零一二年十二月三十一日：24,665,000港元)；(ii) 以一幅位於中國大陸，賬面淨值為21,396,000港元(二零一二年十二月三十一日：21,258,000港元)的租賃土地以及賬面淨值為56,331,000港元(二零一二年十二月三十一日：58,151,000港元)的樓宇、廠房及機械作為抵押的銀行貸款62,771,000港元(二零一二年十二月三十一日：61,664,000港元)；及(iii) 以位於中國大陸，賬面淨值為45,609,000港元(二零一二年十二月三十一日：45,319,000港元)的租賃土地作為抵押的銀行貸款37,662,000港元(二零一二年十二月三十一日：36,998,000港元)；(iv) 由董先生做擔保的貸款690,478,000港元(二零一二年十二月三十一日：678,301,000港元)；及(v) 以188,313,000港元的銀行存款作為抵押的兩筆銀行貸款合共176,491,000港元(二零一二年十二月三十一日：無)(附註16)。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**19 BANK AND OTHER BORROWINGS
(continued)**

Notes: (continued)

(b) Other borrowings — unsecured

At 30 June 2013, the unsecured other borrowings included: (i) a loan from an independent third party of US\$2,500,000 (equivalent to HK\$19,375,000) (31 December 2012: HK\$19,375,000), which bears interest at a rate of 8% per annum; (ii) loans from the ultimate holding company of the Group consisting of amounts of SG\$2,147,000, and HK\$5,091,000 (equivalent to HK\$18,152,000 in aggregate) (31 December 2012: HK\$17,888,000), which bear interest at a rate of 8% per annum; and (iii) a loan of US\$5,000,000 (equivalent to HK\$38,784,000) (31 December 2012: HK\$38,759,000) from an independent third party, which bears interest at a rate of 10% per annum. As at 31 December 2012, the secured other borrowings also included a loan of RMB89,000 (equivalent to HK\$110,000) from an independent third party, which is interest-free.

(c) The 10% Coupon Senior Bonds

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").

19 銀行貸款及其他借貸(續)

附註：(續)

(b) 其他借貸 — 無抵押

於二零一三年六月三十日，無抵押其他借貸包括：(i) 從獨立第三方借入的貸款2,500,000美元(相當於19,375,000港元)(二零一二年十二月三十一日：19,375,000港元)，按年利率8厘計息；(ii) 向本集團最終控股公司借入貸款，該貸款包括2,147,000港元及5,091,000港元(相當於合共18,152,000港元)(二零一二年十二月三十一日：17,888,000港元)按年利率8厘計息；及(iii) 向獨立第三方借入貸款5,000,000美元(相當於38,784,000港元)(二零一二年十二月三十一日：38,759,000港元)，按年利率10厘計息。於二零一二年十二月三十一日，無抵押的其他借貸亦包括向一名獨立第三方借入貸款人民幣89,000元(相當於110,000港元)，該貸款為免息。

(c) 10厘息優先債券

於二零零七年十二月十二日，本公司已發行20,000份零息可換股債券，於二零一二年到期，代價100,000港元，總面值2,000,000,000港元(「零息可換股債券」)，其後有關債券於聯交所買賣。

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的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」)。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

**19 BANK AND OTHER BORROWINGS
 (continued)**

Notes: (continued)

(c) The 10% Coupon Senior Bonds (continued):

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 Bond 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").

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;

19 銀行貸款及其他借貸(續)

附註：(續)

(c) 10厘息優先債券(續)

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」)。

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；

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**19 BANK AND OTHER BORROWINGS
(continued)**

Notes: (continued)

(c) The 10% Coupon Senior Bonds (Continued):

- (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.

The 10% Coupon Senior Bonds with the embedded redemption options as a whole, were initially recognised as a debt host contract at its fair value, which was measured using an equivalent market interest rate for a similar bond without a redemption option, and are subsequently carried at amortised cost. At its initial recognition on 12 June 2012 and at the end of the reporting period, the fair value of the embedded redemption options was immaterial. The fair value of the 10% Coupon Senior Bonds was valued by Greater China Appraisal Limited.

19 銀行貸款及其他借貸(續)

附註：(續)

(c) 10厘息優先債券(續)

- (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。

10厘息優先債券連同內含之贖回權整體按公允價值初步確認為債務主合同，按類似但不含贖回權的債券的相同市場利率計量，其後以攤銷成本列值。於二零一二年六月十二日初步確認時及於本報告期末，嵌入式贖回權的公允價值並不重大。10厘息優先債券之公允價值乃為漢華評值有限公司作出的估值。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

**19 BANK AND OTHER BORROWINGS
(continued)**

Notes: (continued)

(c) The 10% Coupon Senior Bonds (Continued):

The movements of the liability component of the 10% Coupon Senior Bonds for the six months ended 30 June 2013 are as follows:

At 12 June 2012 (initially recognised)	於二零一二年六月十二日 (最初確認)	1,209,394
Interest expense	利息費用	89,562
Repayment	還款	(353,687)
At 31 December 2012	於二零一二年十二月三十一日	945,269
Portion classified as current	分類為即期部分	(488,738)
Non-current portion	非即期部分	456,531
At 1 January 2013	於二零一三年一月一日	945,269
Interest expense	利息開支	58,033
Repayment	還款	(289,711)
At 30 June 2013	於二零一三年六月三十日	713,591
Portion classified as current	分類為即期部分	(495,457)
Non-current portion	非即期部分	218,134

(d) Other borrowings — secured

As at 30 June 2013, other borrowings of RMB200,000,000 (approximately equivalent to HK\$251,083,000) was under a secured financing provided by China Fortune International Trust Co., Ltd. ("China Fortune Trust"), a company established in the PRC with limited liability and is an independent third party to the Group, for a term of two years.

19 銀行貸款及其他借貸 (續)

附註：(續)

(c) 10厘息優先債券 (續)

截至二零一三年六月三十日止六個月，10厘息優先債券之負債部分之變動如下：

	HK\$'000 千港元
於二零一二年六月十二日 (最初確認)	1,209,394
利息費用	89,562
還款	(353,687)
於二零一二年十二月三十一日	945,269
分類為即期部分	(488,738)
非即期部分	456,531
於二零一三年一月一日	945,269
利息開支	58,033
還款	(289,711)
於二零一三年六月三十日	713,591
分類為即期部分	(495,457)
非即期部分	218,134

(d) 其他借貸 — 有抵押

於二零一三年六月三十日，其他借貸人民幣200,000,000元 (約相等於251,083,000港元) 為華鑫國際信託有限公司 (「華鑫信託」) (在中國成立的有限公司，為本集團的獨立第三方) 提供為期兩年的有抵押融資。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**19 BANK AND OTHER BORROWINGS
(continued)**

Notes (continued):

(d) Other borrowings — secured (Continued)

In consideration of the Financing provided by China Fortune Trust, (i) Zhengzhou Yongtong Special Steel Company Limited, an indirect wholly-owned subsidiary of the Company has assigned to China Fortune Trust certain rights and entitlements to all the income generated or otherwise receivable, if any, from the equity interest of its wholly-owned subsidiary, Henan Yongtong Nickel Co., Ltd., and (ii) Mr. Dong has provided a personal guarantee in favour of China Fortune Trust, for such period so long as the Financing remains outstanding.

(e) The Modified 10% Coupon Bonds

According to an extraordinary resolution dated 31 May 2012, amendments to the terms and conditions governing the 10% Coupon Convertible Bonds for 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 of the 10% Coupon Convertible Bonds 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;

19 銀行貸款及其他借貸(續)

附註：(續)

(d) 其他借貸 — 有抵押(續)

作為華鑫信託提供融資的代價，(i) 鄭州永通特鋼有限公司(本公司的間接全資附屬公司)已向華鑫信託轉讓自其全資附屬公司河南永通鎳業有限公司的股權所產生或應收的所有收入的若干權利及利益(如有)，及(ii)董先生以華鑫信託為受益人於融資仍未償還之期間提供個人擔保。

(e) 經修訂10厘息債券

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10厘息可換股債券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%；

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

**19 BANK AND OTHER BORROWINGS
(continued)**

Notes (continued):

(e) The Modified 10% Coupon Bonds (Continued)

- (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 the 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 Limited using an equivalent market interest rate for a similar bond without a conversion option.

19 銀行貸款及其他借貸(續)

附註：(續)

(e) 經修訂 10 厘息債券(續)

- (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有限公司利用同類債券(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。

20 CONVERTIBLE BONDS

The 6% Coupon Convertible Bonds 6 厘息可換股債券

20 可換股債券

30 June 2013 二零一三年 六月三十日 HK\$'000 千港元	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元
116,958	177,660

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**20 CONVERTIBLE BONDS (continued)**

The movements of the liability and derivative components of the 6% Coupon Convertible Bonds for the six months ended 30 June 2013 are as follows:

20 可換股債券(續)

截至二零一三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	衍生工具	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 12 June 2012	於二零一二年六月十二日			
(Initial recognised)	(初步確認)	239,683	76,298	315,981
Interest expense	利息開支	49,885	-	49,885
Conversion into ordinary shares	轉換成普通股	(547)	-	(547)
Changes in fair value	公允價值變動	-	25,294	25,294
Repayments	還款	(111,361)	-	(111,361)
At 31 December 2012, non-current portion	於二零一二年十二月 三十一日，非即期部分	177,660	101,592	279,252
At 1 January 2013	於二零一三年一月一日	177,660	101,592	279,252
Interest expense	利息開支	19,916	-	19,916
Conversion into ordinary shares	轉換成普通股	(74,917)	-	(74,917)
Conversion into share premium	轉換成股份溢價	-	(35,517)	(35,517)
Changes in fair value	公允價值變動	-	(45,581)	(45,581)
Repayments	還款	(5,701)	-	(5,701)
At 30 June 2013, non-current portion	於二零一三年六月三十日， 非即期部分	116,958	20,494	137,452

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**20 CONVERTIBLE BONDS (continued)**

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 Initial Conversion Price, the Initial 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 Initial Conversion Price shall be adjusted to a price equal to the Floor Price. Accordingly, the Initial Conversion Price of HK\$0.7834 was adjusted to HK\$0.5800 with effect from 12 December 2012 (the "Adjustment"). Apart from the Adjustment, there would be no change in terms of the 6% Coupon Convertible Bonds;

20 可換股債券(續)

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」)低於初步兌換價，初步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，初步兌換價須調整至相等於最低價格的價格。因此，初步兌換價0.7834港元已調整至0.5800港元，自二零一二年十二月十二日生效(「有關調整」)。除有關調整外，6厘息可換股債券條款將維持不變；

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

20 CONVERTIBLE BONDS (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 a 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

20 可換股債券(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

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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20 CONVERTIBLE BONDS (continued)

- (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 Limited using an equivalent market interest rate for a similar bond without a conversion option.

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.

20 可換股債券(續)

- (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有限公司利用同類債券(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。

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。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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21 SHARE CAPITAL

21 股本

	Period ended 30 June 2013 截至二零一三年 六月三十日止期間		Year ended 31 December 2012 截至二零一二年 十二月三十一日止年度	
	Number of ordinary shares 普通股數	HK\$'000 千港元	Number of ordinary shares 普通股數	HK\$'000 千港元
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	500,000	5,000,000,000	500,000
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	2,306,057,474	230,606	2,304,333,337	230,433
Conversion of convertible bonds (Note) 轉換可換股債券 (附註)	235,775,830	23,577	1,724,137	173
At end of the period/year 期末/年末	2,541,833,304	254,183	2,306,057,474	230,606

Note:

During the six months ended 30 June 2013, convertible bonds in the nominal amount of HK\$136,750,000 were converted into 235,775,830 new shares of the Company at HK\$0.5800 per share in accordance with the terms of the convertible bonds.

附註:

截至二零一三年六月三十日止六個月，本金額為136,750,000港元之可換股債券已根據可換股債券之條款按每股0.5800港元轉換為235,775,830股本公司新股份。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

22 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)

As at 30 June 2013, except for the derivative financial instruments of HK\$20,494,000 (31 December 2012: HK\$101,592,000) measured at level 2 of the fair value measurement hierarchy, the Group does not have any other financial instruments that are measured in the statement of financial position at fair value.

During the six months period ended 30 June 2013, 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 2012: Nil).

22 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並非基於可觀察市場的數據（不可觀察的變量）

於二零一三年六月三十日，除以第二層級公允價值計量之衍生金融工具20,494,000港元（二零一二年十二月三十一日：101,592,000港元）外，本集團並無任何其他金融工具於財務狀況表中以公允價值計量。

截至二零一三年六月三十日止六個月期間，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（截至二零一二年六月三十日止六個月：無）。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

23 CONTINGENCY

At the end of the reporting period, certain subsidiaries are parties to various legal claims in their ordinary course of business. In the opinion of the Directors, the ultimate resolution of these claims would not have a significant impact on the Group's results and financial position.

24 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.

23 或然事項

於報告期末，若干附屬公司在其日常業務過程中捲入各種法律索償事件。董事認為，該等索償的最終裁決並不會對本集團的業績及財務狀況構成重大影響。

24 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）聯交所每日報價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報價表所列之股份平均收市價。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

24 SHARE-BASED PAYMENT (continued)

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.

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.

24 股份支付(續)

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過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計十年有效。倘於截至授出日期止任何12個月期間全面行使過往根據購股權計劃授予一名人士之購股權將導致已經或將可向其發行之股份總數超過當時根據購股權計劃已經及將可發行之股份總數上限1%，則不得向其授出購股權。

授予本公司董事、首席執行官或主要股東，或任何彼等之聯繫人之購股權須事先經獨立非執行董事准許。此外，倘授予本公司主要股東或獨立非執行董事，或任何彼等之聯繫人之任何購股權於任何時間超出本公司已發行股份0.1%或於任何12個月期間總值(根據本公司於授出日期之股份價格)超過5百萬港元，均須於股東大會得到股東預先批准。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**24 SHARE-BASED PAYMENT
(continued)**

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 on 20 January 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
Historical volatility (%)	歷史波幅 (%)	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

No share options have been granted or exercised during the six months period ended 30 June 2013.

24 股份支付(續)

於二零一二年一月二十日，合共 50,000,000 份購股權根據購股權計劃授予合資格參與者，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。

於二零一二年一月二十日授出的購股權的公允價值於授出日期採用以下假設估計：

截至二零一三年六月三十日止六個月期間，概無購股權獲授出或行使。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

25 COMMITMENTS
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

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.

25 承擔
資本承擔

30 June 2013 二零一三年 六月三十日 HK\$'000 千港元	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元
331,737	293,364

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。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**25 COMMITMENTS (continued)**
Operating lease commitments — as lessee (continued)

At 30 June 2013, 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

25 承擔(續)
經營租賃承擔 — 作為承租人(續)

於二零一三年六月三十日，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 2013	31 December 2012
二零一三年 六月三十日	二零一二年 十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
6,560	8,645
4,458	7,674
11,018	16,319

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

26 RELATED PARTY TRANSACTIONS

- (i) In addition to the transactions detailed elsewhere in the interim condensed consolidated financial information, the Group had the following material transactions with related parties during the six months ended 30 June 2013:

26 關聯方交易

- (i) 除於中期簡明綜合財務資料其他地方詳述之交易外，本集團於截至二零一三年六月三十日止六個月與關聯方進行下列重大交易：

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	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Yiwan Mining (Note a) Yiwan Mining (附註 a)	Purchase of iron ores (Note b) 購入鐵礦石 (附註 b)	384,003	182,771
Easyman	Interest expense (Note d)		
Easyman	利息開支 (附註 d)	675	1,027

Notes:

- (a) Easyman is a company wholly owned by Mr. Dong. The Directors consider that Mr. Dong through Easyman, as a lender of Yiwan Mining, has an indirect economic interest in Yiwan Mining.

附註：

- (a) Easyman乃一間由董先生全資擁有之公司。董事認為董先生通過Easyman作為Yiwan Mining之放款人而於Yiwan Mining擁有間接經濟利益。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註**26 RELATED PARTY TRANSACTIONS
(continued)****(i) (continued)**

Notes: (continued)

- (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.

(ii) Outstanding balances with related parties**Amounts owed by related parties**

Prepayment to Yiwang Mining (Note 15)	預付 Yiwang Mining 之款項(附註 15)
Loan to Full Harvest Development Limited (Note c)	貸款予豐盛發展 有限公司 (附註 c)

26 關聯方交易(續)**(i) (續)**

附註：(續)

- (b) 該等交易分別按照 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。

(ii) 與關聯方的未償還結餘**關聯方結欠款項**

30 June 2013	31 December 2012
二零一三年 六月三十日	二零一二年 十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
142,978	124,910
59,975	62,320

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
中期簡明綜合財務報表附註

**26 RELATED PARTY TRANSACTIONS
(continued)**

(ii) Outstanding balances with related parties (continued)

Amounts owed to related parties

Amounts due to Easyman (Note d) 結欠 Easyman 款項 (附註 d)

Notes:

- (c) The shareholder's loan to Full Harvest Development Limited, an associate, is unsecured and interest-free.
- (d) Included in amounts due to Easyman were loans in the amount of HK\$18,152,000 (2012: HK\$17,888,000), which are unsecured, repayable on demand and bear an interest rate at 8% per annum (also see Note 19(b)).

26 關聯方交易 (續)

(ii) 與關聯方之未償還結餘 (續)

結欠關聯方款項

30 June 2013 二零一三年 六月三十日 HK\$'000 千港元	31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元
18,205	17,888

附註：

- (c) 對聯營公司豐盛發展有限公司提供的股東貸款為無抵押及免息。
- (d) 結欠 Easyman 款項包括貸款 18,152,000 港元 (二零一二年：17,888,000 港元)，該貸款為無抵押，須按要求償還，並按年利率 8% 計息 (亦請參閱附註 19(b))。

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 中期簡明綜合財務報表附註

**26 RELATED PARTY TRANSACTIONS
 (continued)**

(iii) Compensation of key management personnel of the Group was as follows:

26 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

		2013	2012
		二零一三年	二零一二年
		HK\$'000	HK\$'000
		千港元	千港元
Fees	袍金	500	512
Salary, allowances and benefits	薪金、津貼及福利	6,735	4,701
Employee share option benefits	僱員購股權福利	675	695
Pension scheme contributions	退休計劃供款	37	32
		7,947	5,940

OTHER INFORMATION
其他資料**DIRECTORS' INTERESTS IN CONTRACTS**

On 5 March 2007, S.E.A. Mineral Limited ("SEAM"), an indirect wholly-owned subsidiary of the Company, entered into an exclusive offtake agreement with PT. Yiwun Mining ("Yiwun Mining") (the "Exclusive Offtake Agreement"), a limited company incorporated in Indonesia, which is substantially owned by Mr. Soen Bin Kuan, who at 30 June 2013 and the date of this report holds more than 5% of the issued share capital of the Company. Pursuant to the Exclusive Offtake Agreement, Yiwun Mining agreed to exclusively sell and SEAM agreed to buy the iron ores produced by Yiwun 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 of Indonesia which granted the export approval to Yiwun Mining, the export price of iron ore was changed to US\$23.5 per dry tonne commencing from 1 July 2012.

By virtue of the convertible bonds issued by Yiwun Mining to S.E.A. Mining Limited and S.E.A. Mining Resources Limited which are indirectly substantially owned by Mr. Dong Shutong, Executive Director and Chairman of the Board, Mr. Dong has an indirect interest in the Exclusive Offtake Agreement.

Further details of the transaction undertaken in connection therewith are included in Note 26 to the condensed consolidated financial statements. Save as disclosed above and in the paragraph headed "CONNECTED TRANSACTIONS" as set out on page 83 of this 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.

董事於合約之權益

於二零零七年三月五日，本公司間接全資附屬公司南洋礦業有限公司（「南洋礦業」）與PT. Yiwun Mining（「Yiwun Mining」）（於印尼註冊成立之有限公司，主要由李民權先生擁有，其於二零一三年六月三十日及本報告日期持有本公司已發行股本超過5%）訂立獨家採購協議（「獨家採購協議」）。根據獨家採購協議，Yiwun Mining同意於二零一一年一月二十四日屆滿之整個約14年期間獨家出售而南洋礦業同意購買Yiwun Mining生產之最少40,000,000乾公噸鐵礦石，協定之固定價格為每乾公噸16美元。其後，獨家採購權期限經附加協議延長至二零三六年一月二十四日。根據印尼煤礦務部長於二零一二年六月二十五日向授與Yiwun Mining出口批准的商務部長發出的推薦函件，鐵礦石的出口價自二零一二年七月一日起更改為每乾公噸23.5美元。

由於Yiwun Mining發行可換股債券予南洋礦產有限公司及南洋礦產資源有限公司，而執行董事兼董事會主席董書通先生為這兩家公司之間接大股東，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26。除上文及載於本報告第83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 30 June 2013, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) which (a) were required to be notified to the Company and the Stock Exchange of Hong Kong Limited ("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 the 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 of the Company as at 30 June 2013:**

Name of Director	Capacity in which interests are held
董事姓名	持有權益之身份
Mr. Dong Shutong 董書通先生	Held by controlled corporations 由受控法團持有
Mr. Dong Chengzhe 董鉞喆先生	Beneficial owner 實益擁有人

董事於股份、相關股份及債權證之權益及淡倉

於二零一三年六月三十日，董事於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)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香港聯合交易所有限公司(「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」)附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

(i) 於二零一三年六月三十日於本公司股份之好倉：

Number of shares held	Approximate percentage to the issued share capital of the Company
持有股份數目	佔本公司已發行股本之概約百分比
1,505,930,705 (note 1) (附註1)	59.25%
1,500,000	0.06%

OTHER INFORMATION
其他資料

- (ii) Long positions in the underlying shares of the Company as at 30 June 2013
- (ii) 於二零一三年六月三十日於本公司相關股份之好倉

Name of Director	Capacity in which interests are held	Number of underlying 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	持有相關股份數目	
Mr. Dong Shutong 董書通先生	Beneficial owner 實益擁有人	5,000,000 (note 2) (附註2)	0.20%
	Held by spouse 由配偶持有	1,700,000 (note 2) (附註2)	0.07%
Ms. Ng See Wai Rowena 吳思煒女士	Beneficial owner 實益擁有人	8,000,000 (note 2) (附註2)	0.31%
Mr. Song Wenzhou 宋文州先生	Beneficial owner 實益擁有人	2,520,000 (note 2) (附註2)	0.10%
Mr. Dong Chengzhe 董鉞喆先生	Beneficial owner 實益擁有人	2,775,000 (note 2) (附註2)	0.11%
Mr. Yang Fei 楊飛先生	Beneficial owner 實益擁有人	2,775,000 (note 2) (附註2)	0.11%

OTHER INFORMATION 其他資料

Notes:

1. As at 30 June 2013, 1,481,074,705 Shares and 24,856,000 Shares were held by Easyman Assets Management Limited ("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.
2. 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.

附註：

1. 於二零一三年六月三十日，Easyman Assets Management Limited (「Easyman」)及Sino Regent Worldwide Limited (「Sino Regent」)分別持有1,481,074,705股及24,856,000股股份。由於Easyman及Sino Regent各自的全部已發行股本均由董先生所持有，根據證券及期貨條例，董先生被視為於該等股份中擁有實益權益。
2. 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權益支付之購股權。根據該購股權計劃行使購股權後，可向行使有關權利的購股權持有人發行股份。

OTHER INFORMATION 其他資料

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

As at 30 June 2013, shareholders (other than the interest disclosed above in respect of the Director who is also a substantial shareholder of the Company) who had interests and short positions in the shares and underlying shares of the Company which have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions in the shares and underlying shares of the Company as at 30 June 2013:

主要股東於本公司股份及相關股份中之權益及淡倉

於二零一三年六月三十日，股東（不包括上文披露同時為本公司主要股東之董事所涉權益）於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之規定已向本公司披露、或記錄於本公司根據證券及期貨條例第336條規定須存置之登記冊內之權益及淡倉如下：

於二零一三年六月三十日於本公司股份及相關股份之好倉：

Name of shareholders	Capacity in which interests are held	Number of shares/ underlying 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
股東姓名	持有權益之身份	持有股份／相關股份數目	
Easyman Easyman	Beneficial owner 實益擁有人	1,481,074,705	58.27%
Soen Bin Kuan 李民權	Beneficial owner 實益擁有人	182,735,104	7.19%
Sun Qiaodian 孫巧點	Beneficial owner 實益擁有人	1,700,000 (note 1) (附註1)	0.07%
	Held by spouse 由配偶持有	1,512,630,705 (note 2) (附註2)	59.51%

OTHER INFORMATION 其他資料

Notes:

1. 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.
2. Ms. Sun Qiaodian is the spouse of Mr. Dong Shutong, whose interest was disclosed in previous section.

Save as disclosed above, so far as was known to the Directors, there was no other person who, as at 30 June 2013, 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.

附註：

1. 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權益支付之購股權。根據該購股權計劃行使購股權後，可向行使有關權利的購股權持有人發行股份。
2. 孫巧點女士乃董書通先生之配偶，董先生的權益於前一節中披露。

除上文所披露者外，就董事迄今所知，於二零一三年六月三十日，概無其他人士於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部須知會本公司之權益或淡倉，或直接或間接於本公司已發行股本中擁有5%或以上的實益權益，或直接或間接擁有附有任何情況下於本集團的任何成員公司的股東大會上投票權利的任何類別股本面值10%或以上權益。

OTHER INFORMATION 其他資料

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 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. Details of movements in the Company's share options during the period are as follows:

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」），以使本公司能招聘及挽留優秀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、提供薪酬、補償及／或提供福利予為本集團作出貢獻或能為本集團帶來利益之有關人士。該購股權計劃將自採納之日起計十年內有效，並將於二零一五年五月二日屆滿。

根據購股權計劃之條款，根據購股權計劃授出之購股權之行使期由接納購股權當日起計為期十年，惟受五年歸屬時間表所限，據此，僅20%之購股權可於接納購股權當日12個月後行使，而承授人可於每接續之一年行使額外20%購股權，直至購股權獲接納日期後五年期之最後一日方可行使100%購股權。期內本公司購股權之變動詳情如下：

OTHER INFORMATION
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No. of share options

購股權數目

		Outstanding as at 31 January 2013	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding as at 30 June 2013	Exercise price of share options (Note 1)	Price of Company's shares at exercise date of options (Note 2)
		於二零一三年 一月一日 尚未行使	於期內授出	於期內行使	於期內失效	於二零一三年 六月三十日 尚未行使	購股權之 行使價 (附註1)	本公司股份 於購股權 行使日的股價 (附註2)
							HKS 港元	HKS 港元
Directors	董事							
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	吳思煒女士	8,000,000	-	-	-	8,000,000	0.63	N/A 不適用
Mr. Dong Chengzhe	董誠喆先生	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. 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. 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
Sub-total for number of share options to Directors	授予董事之購股權 數目小計	21,070,000	-	-	-	21,070,000		
Senior management	高級管理層	5,500,000	-	-	-	5,500,000	0.63	N/A 不適用
Other employees	其他僱員	11,900,000	-	-	-	11,900,000	1.07	N/A 不適用
		10,635,000	-	-	(280,000)	10,355,000	2.45	N/A 不適用
		29,400,000	-	-	(200,000)	29,200,000	0.63	N/A 不適用
Sub-total for number of share options to other employees	授予其他僱員之 購股權 數目小計	51,935,000	-	-	(480,000)	51,455,000		
Total	總計	78,505,000	-	-	(480,000)	78,025,000		

Notes:

附註:

- 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.
- 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.
- 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調整。
- 本公司於購股權行使日期之股價為緊接購股權行使日期前之交易日之聯交所收市價。

OTHER INFORMATION 其他資料

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the paragraph headed "SHARE OPTION SCHEME" above, at no time during the six months ended 30 June 2013 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.

CONNECTED TRANSACTIONS

In 2007, SEAM and Yiwang Mining entered into the Exclusive Offtake Agreement in connection with the purchasing of ore. Yiwang Mining agreed to supply ore to the Group until 24 January 2036. According to the Exclusive Offtake Agreement and supplemental agreements, the prices for these continuing connected transactions would be US\$16 per dry tonne and subsequently adjusted to US\$23.5 per dry tonne pursuant to the recommendation letter issued by the Minister of Mineral and Coal on 25 June 2012 to the Minister of Commerce of Indonesia.

Pursuant to the extraordinary general meeting of the Company held on 22 June 2012, the Company's independent shareholders approved the continuing connected transactions in relation to the exclusive ores purchase from Yiwang Mining. These transactions will be entered into in usual and ordinary course of business of the Group and 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.

Save as disclosed above, no contracts of significance to which the Company, its subsidiaries, holding companies or associated companies was a party subsisted at any time during the period or at the end of the period.

董事收購股份或債權證之權利

除上文「購股權計劃」一段中所披露者外，於截至二零一三年六月三十日止六個月內任何時間，本公司、其控股公司或其任何附屬公司及同系附屬公司並無訂立任何安排，使董事可藉收購本公司或任何其他法團公司之股份或債權證而獲利。

關連交易

於二零零七年，南洋礦業與Yiwang Mining就採購礦石訂立獨家採購協議。Yiwang Mining同意供應礦石予本集團直至二零三六年一月二十四日。根據獨家採購協議及附加協議，該等持續關連交易之價格將為每乾公噸16美元，其後根據印尼煤礦務部長於二零一二年六月二十五日向商務部長發出的推薦函件調整至每乾公噸23.5美元。

根據本公司於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Yiwang Mining獨家採購礦石之持續關連交易。該等交易將於本集團之日常及一般業務過程中訂立。該等交易於截至二零一二年、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998.4百萬港元、1,248百萬港元及1,248百萬港元。

除上文所披露者外，於本期間任何時間或期終，本公司、其附屬公司、其控股公司或聯營公司並無訂立任何重大合約。

OTHER INFORMATION 其他資料

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the period, none of the Directors had any interest in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2013, the Group had approximately 3,500 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 HK\$41,872,000 (2012: HK\$36,601,000).

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the year ending 31 December 2013.

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 2013 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.

董事於競爭業務之權益

期內，概無董事直接或間接於與本集團業務競爭或可能競爭之業務中擁有任何權益。

僱員及薪酬政策

於二零一三年六月三十日，本集團約有3,500名僱員，其中30名為管理人員。本集團實行與職責及效率掛鉤之薪酬政策。

僱員薪酬包括薪金及表現花紅。期內，本集團之員工成本為41,872,000港元(二零一二年：36,601,000港元)。

中期股息

董事會不建議派付截至二零一三年十二月三十一日止年度之中期股息。

遵守企業管治守則

董事認為，除了偏離守則第A2.1條有關主席與首席執行官職務劃分之條文及守則第A4.1條有關獨立非執行董事服務任期之條文，本公司於截至二零一三年六月三十日止六個月一直遵守香港上市規則附錄14所載企業管治常規守則(「企業管治守則」)。

OTHER INFORMATION
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In respect of A2.1, the roles of the chairman and the chief executive officer of the Company are now both 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 A2.1. 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, except for Mr. Fahmi Idris, independent non-executive Director, who was appointed for a term of three years, Mr. Yang Tianjun, non-executive Director, and the remaining independent non-executive Directors including Mr. Bai Baohua, Mr. Huang Changhuai and Mr. Wong Chi Keung were not appointed for a specific term. This constitutes a deviation from Code Provision A4.1. However, 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.

就A2.1條而言，本公司主席及首席執行官目前均由董書通先生擔任。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A2.1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以非由兩名不同人士擔任來說並無分開，但首席執行官之職能乃由全體執行董事履行。

就A4.1條而言，除獨立非執行董事法米先生任期為三年外，非執行董事楊天鈞先生及其餘獨立非執行董事包括白葆華先生、黃昌淮先生及黃之強先生均無特定任期。此事偏離守則條文第A4.1條。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 the code of conduct regarding Directors' securities transactions. Having made specific enquiries, all Directors confirmed that they had complied with the standard set out in the Model Code during the six months ended 30 June 2013.

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 Changhuai. Mr. Wong Chi Keung is the chairman of the audit committee.

The audit committee has adopted the terms of reference in line with the CG Code. The principal duties of the audit committee include review the effectiveness of the Group's internal control system, recommend to the Board on the appointment of external auditors, and review of the unaudited interim financial information for the six months ended 30 June 2013 and financial reporting.

董事進行證券交易的標準守則

本公司已採納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二零一三年六月三十日止六個月一直遵守標準守則所載之規定。

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。

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本集團之內部監控程序之有效性、向董事會推薦外部核數師人選及審閱截至二零一三年六月三十日止六個月期間的未經審核中期財務資料及財務報告。

OTHER INFORMATION 其他資料

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 2013.

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常規守則，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

本公司或其任何附屬公司於截至二零一三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.

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。

On behalf of the Board

Mr. Dong Shutong

Chairman

代表董事會

主席

董書通先生

Hong Kong, 29 August 2013

香港，二零一三年八月二十九日



立業樹人
增益創新

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