



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



資源有限  
責任無限

2015  
INTERIM REPORT  
中期報告



- 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)

- 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)





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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Dong Shutong (*Chairman and Chief Executive Officer*)  
Mr. Wang Ping (*Deputy Chief Executive Officer*)  
Mr. Yin Sheping (*Deputy Chief Executive Officer*)  
Mr. Dong Chengzhe (*Deputy Chief Executive Officer*)  
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. Huang Changhuai  
Mr. Bai Baohua

### REMUNERATION COMMITTEE

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

### NOMINATION COMMITTEE

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

### COMPANY SECRETARY

Mr. Choi Kwok Keung Sanvic

### AUTHORISED REPRESENTATIVES

Mr. Dong Shutong  
Mr. Yang Fei

### 董事會

#### 執行董事

董書通先生 (*主席兼總裁*)  
王平先生 (*副總裁*)  
尹社平先生 (*副總裁*)  
董誠喆先生 (*副總裁*)  
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*)  
黃昌淮先生  
白葆華先生

### 薪酬委員會

黃昌淮先生 (*委員會主席*)  
董書通先生  
白葆華先生  
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

蔡國強先生

### 授權代表

董書通先生  
楊飛先生

**REGISTERED OFFICE**

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

**HEAD OFFICE IN HONG KONG**

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

**PRINCIPAL PLACE OF BUSINESS IN  
THE PRC**

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

**AUDITOR**

PricewaterhouseCoopers

**PRINCIPAL SHARE REGISTRAR AND  
TRANSFER OFFICE**

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

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

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

**註冊辦事處**

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

**香港總辦事處**

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

**中國主要營業地點**

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

**核數師**

羅兵咸永道會計師事務所

**股份過戶登記總處**

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

**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

# Corporate Information

## 公司資料

### PRINCIPAL BANKERS

#### Hong Kong:

China CITIC Bank International Limited  
The Hongkong and Shanghai Banking  
Corporation Limited

#### The PRC:

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

#### Singapore:

Citibank Singapore Limited  
The Hongkong and Shanghai Banking  
Corporation Limited  
DBS Bank Limited  
China CITIC Bank International Limited

### WEBSITE

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

### STOCK CODE

02889

### 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

#### 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  
廣發銀行股份有限公司  
江蘇銀行股份有限公司

#### 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  
星展銀行有限公司  
中信銀行(國際)有限公司

### 網站

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

### 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

		2015 二零一五年 HK\$'000 千港元 <b>(Unaudited)</b> (未經審核)	2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收益	<b>28,182</b>	201,405
Gross Profit	毛利	<b>963</b>	3,133
Loss before Interest, Tax, Depreciation and Amortisation ("LBITDA")	除利息、稅項、折舊及 攤銷前之虧損 (「LBITDA」)	<b>(31,175)</b>	(10,247)
Loss before income tax	除所得稅前虧損	<b>(207,521)</b>	(70,085)
Loss Attributable to Equity Holders of the Company	本公司權益持有人應佔 虧損	<b>(207,260)</b>	(70,685)
Gross Profit Margin	毛利率	<b>3.4%</b>	1.6%
LBITDA Margin	LBITDA 率	<b>(110.6%)</b>	(5.1%)
Net Loss Margin	淨虧損率	<b>(736.4%)</b>	(35.4%)

# Management Discussion and Analysis

## 管理層討論與分析

### OPERATING ENVIRONMENT ANALYSIS

#### Impact of Export Ban

The business of the Group has been severely affected by the Export Ban (as hereinafter defined) since 12 January 2014.

Pursuant to the relevant regulations promulgated in Indonesia, unprocessed ore export by mining business licence holders in Indonesia (“IUP Holders”) has been banned from 12 January 2014 onwards unless the IUP Holders have carried out processing and refining domestically according to Government Regulation No. 23 of 2010 regarding implementation of activities of business of minerals and coal mining and have conducted refining and smelting in accordance with Law No. 4 of 2009 regarding minerals and coal mining (“Export Ban”).

The Group purchases ores for both trading of limonitic ore business and self-use manufacturing of iron and steel products. In the past few years, the Group enjoyed fixed price in ore supply through an exclusive offtake agreement (“EOA”).

After the Export Ban, the ore trading business, which contributed 91% of revenue to the Group in 2013, was completely suspended. The turnover from ore trading business shrank 96.5% from HK\$1,493.9 million in 2013 to HK\$52.1 million in 2014. There was no turnover from ore trading business in the first half of 2015.

Besides the direct impact on the ore trading business, the Export Ban also adversely affected the manufacturing operation of iron and steel products. Without ore supply in stable price under the EOA, the Group had to purchase the ores from the PRC market with volatile ore price fluctuation which affected the cost of manufacturing of the iron and steel products.

#### 經營環境分析

#### 出口禁運的影響

本集團業務因一項於二零一四年一月十二日起實施的出口禁運(定義見內文)而受到沉重打擊。

根據印尼頒佈的相關規例，印尼採礦業務牌照持有人(「IUP持有人」)的未經處理礦石出口於二零一四年一月十二日起被禁止，惟IUP持有人已按二零一零年政府規例第23號(有關開採礦物及煤業務活動實施)在當地進行處理及提煉，並且已按二零零九年法例第4號(有關開採礦物及煤)進行提煉及冶煉則另作別論(「出口禁運」)。

本集團購入礦石以供褐鐵礦石貿易業務及生產鋼鐵製品自營業務之用。過去數年，本集團藉一份獨家採購協議(「獨家採購協議」)受惠於以固定價格取得礦石供應。

出口禁運實施後，於二零一三年佔本集團收益91%之礦石貿易業務已完全停頓。來自礦石貿易業務萎縮了96.5%，其營業額由二零一三年1,493.9百萬港元下降至二零一四年的52.1百萬港元。於二零一五年上半年礦石貿易業務並無營業額。

除了對礦石貿易業務造成直接影響，出口禁運亦對鋼鐵製品生產業務造成負面影響。失去獨家採購協議下價格穩定的礦石供應後，本集團須要向中國市場採購礦石，由於市場價格相當波動，因而影響了鋼鐵製品的生產成本。



### Operating environment in 2015

In the first half of 2015, the PRC's steel market continued to be negatively affected by over-supply and the persisting weak steel price under fierce competition in the steel market. As a result, the gross margin of iron and steel products remained thin.

We remain pessimistic about the steel market in the PRC in the short-term due to the continuation of the over-supply and the persisting weak steel price under fierce competition in the steel market. We expect the price of iron and steel products will not have significant rebound in the near future. However, in the long-term, we expect the global economy will gradually recover and the economy of the PRC will maintain its healthy growth trend. Going forward, domestic market in the PRC will become quality-oriented, which will impose higher requirements on products in terms of environmental-friendliness, safety and durability, sustainability and recycling. We expect that the quantitative demand for high quality steel products will increase significantly in the long run, and product development will incline to the high-end market.

To capture these business opportunities, our Group has shifted to the production of high quality iron and steel products through the application of more environmental-friendly production method. Moreover, the Group completed the innovation on the new "high-strength steel" product in the second half of the year 2014 which can be applied to bridge construction, offshore oil platform construction, marine construction, ship construction, power transmission engineering and marine transport facilities. Despite the new "high-strength steel" products launching to the market is at very beginning stage, the Directors believe that the "high-strength steel" product can contribute substantially to the Group's future operating profits upon the successful exploration and development of the new "high-strength steel" products in the PRC's steel market in the near future.

### 於二零一五年的營運環境

於二零一五年上半年，由於鋼鐵市場競爭激烈，供應過剩問題持續以及鋼鐵價格持續疲軟，中國鋼鐵市場繼續受到不利影響。因此，毛利率依然微薄。

我們短期內仍對中國鋼鐵市場持並不樂觀的態度，原因為鋼鐵市場競爭激烈、供應過剩問題持續以及鋼鐵價格持續疲軟。我們預期鋼鐵產品的價格短期內不會有重大反彈。然而，長期而言，我們預期全球經濟將逐漸復甦，中國經濟亦會維持其健康增長趨勢。未來，中國國內市場將更著重質量，而對產品環保、安全及耐用、可持續及可回收方面要求更高。我們預期長遠內高質素鋼製品的需求量將會大幅增長，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。此外，本集團已於二零一四年下半年完成新「高強鋼材」產品之改進，其可應用於橋樑建設、海上石油平台建設、海洋建築、船舶建造、輸電工程及海洋運輸設備。儘管向市場推出全新「高強鋼材」產品僅處於起步的階段，董事相信，待不久將來中國鋼鐵市場成功探索及開發出新「高強鋼材」產品的應用後，「高強鋼材」產品將大大有助本集團之未來經營溢利。

# Management Discussion and Analysis

## 管理層討論與分析

### BUSINESS REVIEW

#### Project Progress

##### *In the PRC*

Lianyungang City East Harvest Mining Company Limited, a wholly-owned subsidiary of the Company, has constructed a production plant to produce nickel fine powder. The first production line of the production plant started trial production in the second half year of 2012. The nickel fine powder can be treated as finished product for direct sales; alternatively, it can be treated in a blast furnace and possessed into nickel-iron alloy fluid, which becomes a high-quality raw material for the production of 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. The project is highly recognised by the local government. Moreover, the plant is situated at the Lianyungang port and benefits from geographical advantages. Ores and other raw materials from overseas can be conveniently transported to the plant, largely reducing the inland transportation costs and logistics pressure.

Due to the Export Ban, the production of iron ores related products was affected substantially. The management has decided to suspend the production plan to a later period.

#### 業務回顧

##### 項目進展

##### *在中國*

本公司全資附屬公司連雲港東茂礦業有限公司已興建生產廠房以生產鎳精粉。該生產廠房的首條生產線已於二零一二年下半年投入試生產。鎳精粉既可作完成品直接出售，亦可於高爐加工成鎳鐵合金液，成為生產不銹鋼的上乘原材料。連雲港項目採用由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從而可減少碳消耗量達40%。此外，該廠可利用低品位鎳礦石進行生產，成本遠低於傳統生產工藝所用之原料。該項目備受地方政府認同。再者，該廠位於連雲港港口，佔盡地利，來自海外的礦石及其他原材料運入廠時相當便捷，大大減低經內陸運輸的成本及物流壓力。

鐵礦石相關產品之生產明顯受出口禁運影響，管理層決定將生產計劃押後。

# Management Discussion and Analysis

## 管理層討論與分析

### ***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. The steel mill project 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. The Stage I development is facilitated and based on the overall relocation of the equipment from Luoyang Yongan Special Steel Co., Ltd., a former wholly-owned subsidiary of the Company. To ensure high quality, environmental protection, energy efficiency and low production cost, new equipment will be added to existing equipment and some existing equipment will be modified. After the Export Ban which affected our cash flow position together with the delay in disposal of 30% equity interest of S.E.A. Mineral Limited ("SEAM"), a wholly-owned subsidiary of the Company, the Group is seeking other financing sources to facilitate the development of the project. Management is currently negotiating with the relevant parties to facilitate the completion of the proposed disposal despite longer than expected time was spent as a result of the rapid changes in environment the SEAM operates in.

### **Business Development** **Ore trading business**

The Group purchases ores from Indonesia through the EOA at fixed price for self-use or for sales, and has started selling ores to third parties since the end of 2009. The ore trading business had a remarkable contribution to our profitability and cash flows in the past few years due to strong demand from the PRC customers.

After the Export Ban, the ore trading business of the Group has been suspended and it is anticipated that such significant negative impact on the financial and operating results of the Group will continue in the whole year of 2015.

### ***在印尼***

本公司在印尼註冊成立的全資附屬公司PT. Mandan Steel將成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。鋼鐵廠項目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。第一階段發展會得助及建基於本公司前全資附屬公司洛陽永安特鋼有限公司設備的整體重新安置。為保證高質素、環保、能源效益及低生產成本，現有設備上會添置新設備，部分現有設施亦會修改。影響本集團的現金流量狀況的出口禁運頒佈後，加上本公司全資附屬公司南洋礦業有限公司（「南洋礦業」）30%權益出售延期，本集團現正尋求其他融資來源以協助項目發展。儘管南洋礦業的經營環境出現急促變化，導致已耗費的時間比預期更多，管理層目前正與有關方面磋商，促使完成建議出售。

### **業務發展** **礦石貿易業務**

本集團透過獨家採購協議以固定價格由印尼購入礦石以供自用或銷售，並且已於二零零九年年末開始向第三方銷售礦石。

在出口禁運後，本集團的礦石貿易業務已暫停。我們預期有關禁運將於二零一五年全年持續對本集團之財務及經營業績帶來重大負面影響。

# Management Discussion and Analysis

## 管理層討論與分析

It is possible that the relevant mining regulations in Indonesia may be amended but there is no guarantee that the Export Ban will be lifted in near future.

The Directors are considering any possible alternatives, including but not limited to, co-operation with local enterprises for building up steel mills in Indonesia.

### **Steel-making operations**

For the steel-making operations of the Group, both the sales volume and profit margins of stainless steel products and Ni-Cr alloy steel ingot shrank continuously as a result of the weak demand and intense competition in the PRC. In addition, due to the continuing weak demand in iron and steel market, our production suspended after the long Chinese New Year holidays in the year of 2015. Since early July 2015, the Group's steel-making operations has been resumed gradually.

While we expect the keen competition in the PRC will continue in the whole year of 2015, the demand for steel products will gradually pick up. The Group is actively developing new high value-added steel products and identifying overseas markets with growth potentials to strengthen our product portfolio and reduce market concentration risk.

### **Financing Arrangement**

As at 30 June 2015, the Group had net current liabilities of approximately HK\$2,466.8 million. The Group has been actively negotiating with PRC and overseas banks and institutional investors for new borrowings and the renewal of existing borrowings when those borrowings fall due. During the period and up to the date of this report, the Group has successfully renewed or obtained short-term borrowings of HK\$150 million. Based on the management's past experience, the Group did not encounter any significant difficulties in renewing the borrowings.

印尼的相關採礦規例可能會有所修訂，但不保證出口禁運將於未來取消。

董事現正考慮任何潛在替代方案，包括但不限於與地方企業合作，以便於印尼建立鋼鐵廠。

### **造鋼業務**

就本集團的造鋼業務而言，不銹鋼產品及鎳鉻合金鋼錠的銷量及溢利率均持續下跌，原因是中國需求疲弱且競爭激烈。此外，由於鋼鐵市場需求疲弱，生產於二零一五年農曆新年長假後暫停。自二零一五年七月初開始，本集團之造鋼業務已逐步恢復。

儘管我們預期中國競爭激烈的情況於二零一五年全年仍會持續，鋼產品的需求將會逐步回復。本集團現正積極發展新的高增值鋼產品，並物色具增長潛力的海外市場，以鞏固我們的產品組合，減低市場集中的風險。

### **融資安排**

於二零一五年六月三十日，本集團的流動負債淨值約為2,466.8百萬港元。本集團已與中國境內及海外銀行以及機構投資者積極磋商新借款及將到期的現有借款展期。期內及截至本報告日期止，本集團已順利重續或獲得的短期借款150百萬港元。根據管理層的過往經驗，本集團在借款展期方面未遇到任何重大困難。

In addition, based on the framework agreement with a potential investor for the disposal of 30% equity interests of SEAM, a wholly-owned subsidiary of the Group, aggregate consideration will be approximately RMB900 million (equivalent to approximately HK\$1.1 billion). The transaction is still in progress and due to the rapid change in operating and regulatory environment of our subsidiary, the potential investor needs more time for conducting their due diligence work.

### Event of Default and Cross-Default

#### Bonds

During the year of 2014 and the six months ended 30 June 2015, the Group had default in payment of due interest and principal under the terms and conditions of the bonds, the default may trigger a cross-default in accordance with respective terms and conditions of the bonds. In such an event, DB Trustees (Hong Kong) Limited, in its respective capacities as trustee for the holders of the bonds is entitled to, amongst other things, accelerate the Company's obligations under the bonds and declare the outstanding principal amounts of the Bonds to be immediately due and payable, together with outstanding interest and all other sums payable. As at the date of this report, DB Trustees (Hong Kong) Limited has not made any demand for immediate repayment of the 12% Coupon Senior Bonds, the 8% Coupon Convertible Bonds or the Modified 10% Coupon Bonds. As at the date of this report, (i) the principal amount of the 12% Coupon Senior Bonds of HK\$390,990,000 and the accrued interest of HK\$47,807,000 are outstanding; (ii) the principal amount of the 8% Coupon Convertible Bonds of HK\$117,525,000 and the accrued interest of HK\$10,407,000 are outstanding; and (iii) the principal amount of the Modified 10% Coupon Bonds of HK\$28,400,000 and the accrued interest of HK\$3,604,000 are outstanding.

此外，按照本集團與準投資者訂立框架協議，據此將以代價總額約人民幣9億元(相當於約11億港元)出售本集團全資附屬公司南洋礦業30%權益。基於我們附屬公司的經營環境及監管環境急變，該交易仍在進行中，而準投資者需要更多時間進行盡職審查。

### 違約及交叉違約事件

#### 債券

於二零一四年內及截至二零一五年六月三十日止六個月，本集團拖欠支付債券條款及條件項下之應付利息及本金，根據債券有關條款及條件，拖欠款項可能導致交叉違約。於此事件下，作為債券持有入之信託人，德意志信託(香港)有限公司因而有權(包括但不限於)加快本公司之債券欠款償還及宣佈債券之未償還本金、未償還利息及所有其他應付金額到期及立即清還。截至本報告日期，德意志信託(香港)有限公司尚未作出任何要求立即清還12%票面息優先債券、8%票面息可換股債券或經修訂的10%票面息債券。截至本報告日期，(i) 12%票面息優先債券之未償還本金為390,990,000港元及應計利息為47,807,000港元；(ii) 8%票面息可換股債券未償還本金為117,525,000港元及應計利息為10,407,000港元；及(iii)經修訂的10%票面息債券未償還本金為28,400,000港元及應計利息為3,604,000港元。



# Management Discussion and Analysis

## 管理層討論與分析

### Bank loans

#### CITIC Loan

Under the terms and conditions of the bank loan from China CITIC Bank International Limited (“CITIC Bank”) to the Company (the “CITIC Loan”), payment of the interest in respect of one of the CITIC Loan in the amount of US\$96,000 (equivalent to approximately HK\$745,000) has fallen due and was payable on 12 January 2015. The Company did not repay the above interest.

On 14 January 2015, the Company received a demand letter from the CITIC Bank demanding settlement of all the outstanding principal amount of US\$25,616,000 (equivalent to approximately HK\$198,587,000) together with accrued interests, other charges and any amount due to the CITIC Bank (“Full Outstanding Amount of CITIC Loan”) thereon in full on or before 22 January 2015. Since the Company did not repay the Full Outstanding Amount of CITIC Loan by 22 January 2015, the CITIC Bank is entitled to lodge their claims against the covering standby letters of credit issued by China CITIC Bank Corporation Limited, as a security of the CITIC Loan.

Under the terms and conditions of the CITIC Bank, the principal in the amount of US\$12,516,000 (equivalent to approximately HK\$97,030,000) has fallen due and was payable on 6 July 2015. Since the Company did not repay the above principal, on 6 July 2015, the CITIC Bank lodged and has completed its claims against the covering standby letter of credit issued by China CITIC Bank Corporation Limited, as a security of the CITIC Loan fully backed up by the pledged deposit of the Group, for the outstanding principal amount of US\$12,516,000 (equivalent to approximately HK\$97,030,000) together with accrued interests, other charges and any amount due to the CITIC Bank thereon in full.

### 銀行貸款

#### 中信貸款

根據中國中信銀行(國際)有限公司(「中信銀行」)向本公司借出之銀行貸款(「中信貸款」)之條款及條件，其中一筆中信貸款利息金額為96,000美元(相等於約745,000港元)已於二零一五年一月十二日到期應付。本公司未能支付上述利息。

於二零一五年一月十四日，本公司已接獲一封由中信銀行發出之催還信件，要求本公司於二零一五年一月二十二日或之前全數償還所有未償還本金共25,616,000美元(相等於約198,587,000港元)連同應計利息、其他費用及任何尚欠中信銀行之金額(「中信貸款未償還全額」)。由於本公司並無於二零一五年一月二十二日前償還中信貸款未償還全額，中信銀行有權就中信銀行股份有限公司發出作為中信貸款抵押品之相關備用信用狀提出申索。

根據中信銀行之條款及條件，本金12,516,000美元(相等於約97,030,000港元)經已於二零一五年七月六日到期及應付。由於本公司並無償還上述本金。於二零一五年七月六日，中信銀行已就未償還本金12,516,000美元(相等於約97,030,000港元)連同其應計利息連同其他費用及任何尚欠中信銀行之全數金額向發出相關備用信用狀之中信銀行股份有限公司提出及完成申索。該備用信用狀為相關中信貸款抵押品，並全數獲本集團已抵押存款支持。

## Management Discussion and Analysis 管理層討論與分析

Up to the date of this report, CITIC Bank has not lodged its claims against the securities in respect of the remaining outstanding CITIC Loan with principal amount of US\$13,100,000 (equivalent to approximately HK\$101,557,000), that is, the stand-by letters of credit issued by China CITIC Bank Corporation Limited fully backed up by the pledged deposit of the Group. The remaining outstanding principal has not been settled and the interest rate swap contracts entered between CITIC Bank and the Company remain effective with no loss has been incurred from the unwinding interest.

### SCB Loan

Under the terms and conditions of the bank loan facility letters from Shanghai Commercial Bank Limited (the "SCB") to the Company (the "SCB Loan"), payment of the interest in respect of one of the SCB Loan in the amount of US\$100,000 (equivalent to approximately HK\$775,000) has fallen due and was payable on 12 January 2015 (the "Due Date"). The Company did not repay the above interest.

On 14 January 2015, the Company received a demand letter from the SCB demanding settlement of all the outstanding principal amount of US\$15,650,000 (equivalent to approximately HK\$121,386,000) together with accrued interests, other charges and any amount due to the SCB ("Full Outstanding Amount of SCB Loan") thereon in full on or before 22 January 2015. Otherwise the SCB would be entitled to lodge their claims against the covering standby letters of credit issued by Bank of Jiangsu Company Limited, as a security of the SCB Loan.

The Company did not repay SCB the Full Outstanding Amount of SCB Loan by 22 January 2015. As a result, on 26 January 2015, the SCB lodged and has completed its claims against the securities and the Full Outstanding Amount of SCB Loan have been fully offset by the pledged deposit of the Group.

截至本報告日期，中信銀行並未針對餘下本金為13,100,000美元(相等於約101,557,000港元)之未償還中信貸款涉及之抵押品提出索償，即中信銀行股份有限公司發出並全數獲本集團已抵押存款支持之備用信用狀。餘下未償還本金尚未獲清償，而中信銀行跟本公司簽訂之利率掉期合約維持有效，亦未有因利息撥回而造成損失。

### 上商貸款

根據上海商業銀行有限公司(「上商銀行」)向本公司發出之銀行貸款(「上商貸款」)之條款及條件，其中一筆上商貸款利息金額為100,000美元(相等於約775,000港元)已於二零一五年一月十二日(「到期日」)到期及應付。本公司並無支付上述利息。

於二零一五年一月十四日，本公司已接獲一封由上商銀行發出之催還信件，要求本公司於二零一五年一月二十二日或之前全數償還所有未償還本金共15,650,000美元(相等於約121,386,000港元)連同應計利息、其他費用及任何尚欠上商銀行之金額(「上商貸款未償還全額」)。否則上商銀行將有權就江蘇銀行股份有限公司發出作為上商貸款抵押品之相關備用信用狀提出申索。

本公司並無於二零一五年一月二十二日前向上商銀行償還未償還全額。因此，於二零一五年一月二十六日，上商銀行已就有關抵押品提出及完成申索，而上商貸款未償還全額已透過本集團之已抵押存款完全抵銷。

# Management Discussion and Analysis

## 管理層討論與分析

### SPD Loan

On 26 January 2015, the Company received a demand letter from Shanghai Pudong Development Bank Co., Ltd. (“SPD”) in relation to the bank loan facility and interest rate swap facility granted to the Company by SPD.

On 5 February 2015, the Company did not repay SPD all the outstanding principal, accrued interests and the break funding cost due by the Company to SPD (“Full Outstanding Amount of SPD Loan”). As a result, the SPD lodged and completed its claims for the Full Outstanding Amount of SPD Loan against the securities, that is, the irrevocable and unconditional letters of guarantee issued by the SPD Zhengzhou Branch fully backed up by the pledged deposit of the Group. The Full Outstanding Amount of SPD Loan have been fully offset by the pledged deposit of the Group.

The transactions under the interest rate swap contracts entered between the SPD and the Company was terminated immediately.

### Subsequent Event

#### **Winding up petition against a subsidiary**

CNR Group Holdings Pte. Ltd. (“CNR Singapore”), a wholly-owned subsidiary of the Company, was notified by the legal advisers acting for Shinewarm Resources (HK) Group Limited (“Shinewarm”) that an application was presented on 27 August 2015 to the High Court of the Republic of Singapore seeking the winding up of CNR Singapore at the hearing on 18 September 2015. The application was based on a claim by Shinewarm for US\$444,000 (equivalent to approximately HK\$3,440,000) and future interest that continues to accrue under an arbitral award dated 1 April 2015 and a statutory demand under section 254(2)(a) of the Singapore Companies Act (Cap 50) dated 5 May 2015 which had been handed down in respect of refundable trading prepayment made by Shinewarm to CNR Singapore and certain costs and interest. More details were contained in the Company’s announcement dated 28 August 2015. The Directors believe that this claim will be settled in the short term and will have no material adverse impact to the financial performance and operations of the Group.

### 浦發貸款

於二零一五年一月二十六日，本公司接獲一封由上海浦東發展銀行股份有限公司（「浦發銀行」）發出之催還信件，其內容有關浦發銀行授予本公司之銀行貸款授信額度及利率掉期授信額度。

於二零一五年二月五日，本公司未有向浦發銀行償還所有本公司尚欠浦發銀行之未償還本金、應計利息及資金成本費用（「浦發貸款未償還全額」）。因此，浦發銀行已就浦發貸款未償還全額向發出不可撤回及無條件之擔保狀之浦發銀行鄭州分行提出及完成申索。擔保狀為相關浦發貸款抵押品，並全數獲本集團已抵押存款支持。浦發貸款未償還全額已透過本集團之已抵押存款完全抵銷。

浦發銀行與本公司簽訂之利率掉期合同下之交易已立即被終止。

### 結算日後事項

#### **針對子公司之清盤呈請**

本公司全資子公司CNR Group Holdings Pte. Ltd.（「CNR新加坡」）收到代表Shinewarm Resources (HK) Group Limited（「Shinewarm」）的法律顧問通知，指已於二零一五年八月二十七日向新加坡共和國高等法院提交申請，將於二零一五年九月十八日聆訊上尋求CNR新加坡清盤。申請乃基於有關Shinewarm付予CNR新加坡之可退貿易預付款及若干成本及利息而發出日期為二零一五年四月一日之仲裁裁決及日期為二零一五年五月五日根據新加坡公司法例第50章第254(2)(a)條而發出之法定要求償還書項下，Shinewarm之索償款項444,000美元（相當於約3,440,000港元）及持續計提未來利息。其他詳情載於本公司日期為二零一五年八月二十八日之公告內。董事相信此索賠將於短期內解決，將不會對本集團財務表現及運作構成重大不利影響。

# Management Discussion and Analysis

## 管理層討論與分析

### FINANCIAL REVIEW

#### Turnover and sales volume

Major products of the Group were stainless steel products, ferro-nickel alloys and Ni-Cr alloy steel ingots. The table below sets out the turnover and sales volume of our products for the periods indicated:

### 財務回顧

#### 營業額及銷量

本集團之主要產品為不銹鋼產品、鎳鐵合金及鎳鉻合金鋼錠。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

		2015 二零一五年 First Half 上半年		2014 二零一四年 First Half 上半年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
<b>Mineral Resources:</b>	<b>礦物資源：</b>				
Limonitic ores	褐鐵礦	-	0%	22,755	12%
<b>Iron and Steel Products:</b>	<b>鋼鐵製品：</b>				
Stainless steel products	不銹鋼產品	4,198	15%	82,497	41%
Ferro-nickel alloys and others	鎳鐵合金及其他	15,266	54%	57,197	28%
Ni-Cr alloy steel ingots	鎳鉻合金鋼錠	8,718	31%	38,956	19%
<b>Total</b>	<b>總計</b>	<b>28,182</b>	<b>100%</b>	<b>201,405</b>	<b>100%</b>

# Management Discussion and Analysis

## 管理層討論與分析

### Sales volume

### 銷量

		2015		2014	
		二零一五年		二零一四年	
		First Half		First Half	
		上半年		上半年	
		Tonnes	%	Tonnes	%
		公噸		公噸	
<b>Mineral Resources:</b>	<b>礦物資源：</b>				
Limonitic ores (dry tonnes)	褐鐵礦(乾公噸)	-	0%	55,448	63%
<b>Iron and Steel Products:</b>	<b>鋼鐵製品：</b>				
Stainless steel products	不銹鋼產品	790	9%	11,750	14%
Ferro-nickel alloys	鎳鐵合金及其他				
and others		6,907	75%	15,176	18%
Ni-Cr alloy steel ingots	鎳鉻合金鋼錠	1,521	16%	3,913	5%
<b>Total</b>	<b>總計</b>	<b>9,218</b>	<b>100%</b>	<b>86,287</b>	<b>100%</b>

The Group's turnover for the first half year of 2015 was HK\$28.2 million (2014: HK\$201.4 million), a decrease of 86.0% as compared with the corresponding period of last year. The decrease in turnover was mainly attributable to weak demand and intense competition in the PRC and both the sales volume and selling price of stainless steel products, ferro-nickel alloys and Ni-Cr alloy steel ingots shrank continuously.

本集團於二零一五年上半年之營業額為28.2百萬港元(二零一四年：201.4百萬港元)，較上年同期減少86.0%。營業額減少的原因主要為需求疲弱及中國市場競爭激烈，加上不銹鋼產品、鎳鐵合金及鎳鉻合金鋼錠之銷量及售價持續縮減。

Pursuant to the Export Ban, unprocessed iron ore export from PT. Yiwon Mining ("Yiwon") to our Group has been suspended from 12 January 2014 onwards. The ore trading business of the Group was suspended and there was a significant negative impact on the financial and operating results of the Group in 2014 and 2015. It is possible that the relevant mining regulations in Indonesia may be amended but there is no guarantee that the Export Ban will be uplifted in near future.

根據出口禁運，由PT. Yiwon Mining (「Yiwon」)對本集團的未經處理鐵礦石出口已由二零一四年一月十二日起暫停。本集團的礦石貿易業務已暫停，對本集團於二零一四年及二零一五年之財務及經營業績帶來重大負面影響。印尼的相關採礦規例可能會有修訂，但不保證出口禁運將於不久將來取消。



# 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 2015 decreased by HK\$171.1 million, or 86.3%, to HK\$27.2 million (2014: HK\$198.3 million), 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:

		2015		2014	
		二零一五年		二零一四年	
		First Half		First Half	
		上半年		上半年	
		HK\$'000	%	HK\$'000	%
		千港元		千港元	
Raw materials	原材料	8,372	31%	145,706	73%
Fuel and utilities	燃料及水電費	2,669	10%	14,888	8%
Depreciation	折舊	12,252	45%	24,917	13%
Staff costs	員工成本	3,531	13%	7,316	4%
Others	其他	395	1%	5,445	2%
<b>Total</b>	<b>總計</b>	<b>27,219</b>	<b>100%</b>	<b>198,272</b>	<b>100%</b>

### 銷售成本

二零一五年上半年之銷售成本減少171.1百萬港元或86.3%至27.2百萬港元(二零一四年: 198.3百萬港元)。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 2015 was HK\$1.0 million (2014: HK\$3.1 million), and the gross profit margin was 3.4% (2014: 1.6%). There is slight improvement in gross profit margin mainly due to the change in product mix, particularly increased sales of products with higher profit margin. However, due to the weak demand in steel market which affected the overall revenue of iron and steel products, the gross profit remained thin.

### 毛利

於二零一五年上半年, 本集團之毛利總額為1.0百萬港元(二零一四年: 3.1百萬港元), 毛利率為3.4%(二零一四年: 1.6%)。期內毛利率有微幅改善, 主要由於產品組合改變, 特別是利潤較高的產品銷售增多。然而, 因鋼材市場需求乏力, 拖累鋼鐵製品的整體收益, 毛利仍然微薄。

### Other gains, net

Other gains, net for the first half year of 2015 was HK\$8.8 million (2014: HK\$21.9 million), which is lower than that of the corresponding period in 2014.

### 其他盈利淨額

二零一五年上半年之其他盈利淨額為8.8百萬港元(二零一四年: 21.9百萬港元), 低於二零一四年同期。

### Selling and distribution costs

Selling and distribution costs for the first half year of 2015 decreased by HK\$4.4 million, or 74.6%, to HK\$1.5 million (2014: HK\$5.9 million), representing 5.3% of the turnover (2014: 2.9%). The decrease in selling and distribution costs was mainly due to decrease in sales.

### 銷售及分銷成本

二零一五年上半年之銷售及分銷成本減少4.4百萬港元或74.6%至1.5百萬港元(二零一四年: 5.9百萬港元), 相當於營業額之5.3%(二零一四年: 2.9%)。銷售及分銷成本減少主要由於銷量減少所致。

# Management Discussion and Analysis

## 管理層討論與分析

### Administrative expenses

Administrative expenses for the first half of 2015 remained stable and slightly decreased by HK\$4.0 million or 4.0%, to HK\$97.3 million (2014: HK\$101.3 million), representing 345.2% of the turnover (2014: 50.3%).

### Finance costs

Finance costs mainly included interest expenses of bank borrowings, senior bonds and convertible bonds. Finance costs for the first half year of 2015 was HK\$133.0 million (2014: HK\$113.9 million).

### Other expenses

Other expenses for the first half of 2015 increased by HK\$0.5 million to HK\$1.5 million (2014: HK\$1.0 million).

### Loss before income tax

The loss before income tax for the first half year of 2015 was HK\$207.5 million (2014: HK\$70.1 million). Loss before tax margin was 736.4% (2014: 35.4%). The loss before interest, tax, depreciation and amortisation ("LBITDA") margin was 110.6% (2014: 5.1%).

### Income tax expense

Income tax expense for the six months ended 30 June 2014 related to the ore trading business.

### Loss attributable to equity holders of the Company

The loss attributable to equity holders of the Company for the first half year of 2015 was HK\$207.3 million (2014: HK\$70.7 million).

### 行政開支

二零一五年上半年之行政開支維持穩定，輕微減少4.0百萬港元或4.0%至97.3百萬港元(二零一四年：101.3百萬港元)，佔營業額之345.2%(二零一四年：50.3%)。

### 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。二零一五年上半年之融資成本為133.0百萬港元(二零一四年：113.9百萬港元)。

### 其他開支

於二零一五年上半年的其他開支增加0.5百萬港元至1.5百萬港元(二零一四年：1.0百萬港元)。

### 除所得稅前虧損

於二零一五年上半年之除所得稅前虧損為207.5百萬港元(二零一四年：70.1百萬港元)。除稅前虧損率為736.4%(二零一四年：35.4%)。除利息、稅項、折舊及攤銷前虧損(「LBITDA」)率為110.6%(二零一四年：5.1%)。

### 所得稅開支

截至二零一四年六月三十日止六個月的所得稅開支與礦石貿易業務有關。

### 本公司權益持有人應佔虧損

二零一五年上半年之本公司權益持有人應佔虧損為207.3百萬港元(二零一四年：70.7百萬港元)。

# Management Discussion and Analysis

## 管理層討論與分析

### Key financial ratios

### 主要財務比率

			Six months ended 30 June 2015 截至 二零一五年 六月三十日 止六個月	Year ended 31 December 2014 截至 二零一四年 十二月三十一日 止年度
	Notes			
	附註			
Current ratio		1	27%	40%
Inventories turnover days		2	2,054 days 日	223 days 日
Debtor turnover days		3	126 days 日	25 days 日
Creditor turnover days		4	2,608 days 日	670 days 日
Interest cover		5	-0.8 times 倍	-2.5 times 倍
Interest-bearing gearing ratio		6	193%	174%
Debt to LBITDA ratio		7	-75.6 times 倍	-7.3 times 倍
Net debt/Capital and net debt ratio		8	71%	67%

Notes:

附註：

- |  |  |
|--|--|
| 1. Current assets/current liabilities X 100%   | 1. 流動資產／流動負債 X 100%  |
| 2. Inventories/cost of sales X 181 days or 365 days  | 2. 存貨／銷售成本 X 181 日或365 日   |
| 3. Trade and notes receivables/turnover X 181 days or 365 days   | 3. 應收賬款及應收票據／營業額 X 181 日或365 日                                       |
| 4. Trade and notes payables/cost of sales X 181 days or 365 days   | 4. 應付賬款及應付票據／銷售成本 X 181 日或365 日                                      |
| 5. Profit before interest and tax/net interest expense   | 5. 除利息及稅項前溢利／利息開支淨額  |
| 6. Interest-bearing loans and other borrowings (including convertible bonds)/equity attributable to equity holders of the Company X 100%   | 6. 計息貸款及其他借貸(包括可換股債券)／本公司權益持有人應佔權益 X 100%                            |
| 7. Interest-bearing loans and other borrowings (including convertible bonds)/LBITDA  | 7. 計息貸款及其他借貸(包括可換股債券)／LBITDA   |
| 8. Net debt*/Capital and net debt X 100%   | 8. 負債淨額*/股本及負債淨額 X 100%  |
| * Net debt included bank and other borrowings, convertible bonds (the liability component), trade and notes payables and other payables and accruals less cash and cash equivalents and pledged time deposits. | * 負債淨額包括銀行及其他借貸、可換股債券(負債部分)、應付賬款及應付票據及其他應付款項及應計負債扣減現金及現金等值物與已抵押定期存款。 |

# Management Discussion and Analysis

## 管理層討論與分析

### Property, plant and equipment

Property, plant and equipment as at 30 June 2015 mainly comprised plant and machinery, buildings and construction in progress. The decrease in balance to HK\$1,121.1 million (2014: HK\$1,178.0 million) was mainly due to the depreciation charges for offset by the addition during the period.

### Intangible asset

The intangible asset solely represents the unamortised amount of the exclusive offtake right.

### Inventories

The inventory turnover days increased from 223 days in 2014 to 2,054 days in the six months ended 30 June 2015.

### Trade and notes receivables

The debtor turnover days increased from 25 days in 2014 to 126 days in the six months ended 30 June 2015. As at 30 June 2015, trade and notes receivables balance decreased by HK\$3.5 million, or 15.3%, to HK\$19.7 million (2014: HK\$23.2 million).

### Prepayments, deposits and other receivables

The prepayments, deposits and other receivables mainly comprised of prepayment to limonitic ore suppliers.

### Cash and cash equivalents and pledged time deposits

The cash and cash equivalents and pledged time deposits decreased by approximately HK\$699.0 million, or 68.6%, to approximately HK\$319.8 million (2014: HK\$1,018.8 million) as at 30 June 2015 when compared to that as at 31 December 2014. It was mainly due to certain pledged time deposits used to settle certain bank and other borrowings.

### 物業、廠房及設備

於二零一五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。有關結餘減至1,121.1百萬港元(二零一四年:1,178.0百萬港元)乃主要歸因於期內折舊費用被新添置抵銷。

### 無形資產

無形資產僅指獨家採購權之未攤銷款項。

### 存貨

存貨週轉日數由二零一四年之223日增至截至二零一五年六月三十日止六個月之2,054日。

### 應收賬款及應收票據

應收賬款週轉日數由二零一四年之25日增至截至二零一五年六月三十日止六個月之126日。於二零一五年六月三十日，應收賬款及應收票據結餘減少3.5百萬港元或15.3%至19.7百萬港元(二零一四年:23.2百萬港元)。

### 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。

### 現金及現金等值物與已抵押定期存款

相較二零一四年十二月三十一日，現金及現金等值物與已抵押定期存款減少約699.0百萬港元或68.6%至二零一五年六月三十日之約319.8百萬港元(二零一四年:1,018.8百萬港元)，主要是由於若干抵押定期存款用以抵銷若干銀行及其他借款。

### Trade and notes payables

The creditor turnover days increased from 670 days in 2014 to 2,608 days in the six months ended 30 June 2015. As at 30 June 2015, trade and notes payables balance decreased by HK\$529.5 million, or 57.4%, to HK\$392.3 million (2014: HK\$921.8 million). The decrease was mainly due to decrease in purchase of raw materials in line with decrease in turnover in the first half of 2015.

### Convertible bonds

Decrease in the convertible bonds during the six months ended 30 June 2015 was resulting from convertible bonds conversion during the first half year of 2015.

### Bank and other borrowings

As at 30 June 2015, total bank and other borrowings balance decreased by HK\$34.5 million, or 1.5%, to HK\$2,239.0 million (2014: HK\$2,273.5 million).

### Share capital

During the six months ended 30 June 2015, share capital increased to HK\$276.7 million (2014: HK\$267.9 million) due to convertible bonds conversion.

### Liquidity and capital resources

The Group's working capital has been principally sourced from cash generated from operations and from long-term and short-term borrowings. The Group also utilised advances received from our customers to finance part of our working capital requirements. As at 30 June 2015, the Group had current liabilities of HK\$3,358.6 million, of which HK\$2,239.0 million were bank and other borrowings repayable within one year and HK\$392.3 million were trade and notes payables in respect of purchase of raw materials.

### 應付賬款及應付票據

應付賬款週轉日數由二零一四年之670日增至截至二零一五年六月三十日止六個月之2,608日。於二零一五年六月三十日，應付賬款及應付票據結餘減少529.5百萬港元或57.4%至392.3百萬港元（二零一四年：921.8百萬港元），主要是由於與二零一五年上半年營業額下跌相符的採購原材料減少所致。

### 可換股債券

截至二零一五年六月三十日止六個月可換股債券減少主要由二零一五年上半年轉換可換股債券所致。

### 銀行及其他借貸

於二零一五年六月三十日，銀行及其他借貸結餘總額減少34.5百萬港元或1.5%至2,239.0百萬港元（二零一四年：2,273.5百萬港元）。

### 股本

截至二零一五年六月三十日止六個月，由於轉換可換股債券，股本增加至276.7百萬港元（二零一四年：267.9百萬港元）。

### 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之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。於二零一五年六月三十日，本集團之流動負債為3,358.6百萬港元，其中包括須於一年內償還之銀行及其他借貸2,239.0百萬港元，及購買原材料之應付賬款及應付票據392.3百萬港元。



# 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 2015, 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 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 2015, 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.

### Security

As at 30 June 2015, the Group had the following assets being pledged: (1) time deposits of HK\$281.5 million (2014: HK\$1,007.3 million) and certain parcels of the Group's leasehold lands situated in the PRC with aggregate carrying amounts of HK\$198.5 million (2014: HK\$200.9 million) were secured for notes payables of HK\$267.6 million (2014: HK\$797.5 million) and bank loans granted to the Company and certain Group's subsidiaries of HK\$520.2 million (2014: HK\$702.7 million); and (2) the EOA with Yiwán and a USD bank deposit of HK\$0.01 million (2014: HK\$0.01 million) were secured for the convertible bonds and senior bonds issued by the Company.

### 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。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。於二零一五年六月三十日，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。

於二零一五年六月三十日，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外匯波動而進行任何對沖交易。

### 抵押品

於二零一五年六月三十日，本集團有以下資產已作出質押：(1) 定期存款 281.5 百萬港元 (二零一四年：1,007.3 百萬港元)、本集團位於中國的租賃土地的若干地塊，總賬面值為 198.5 百萬港元 (二零一四年：200.9 百萬港元)，已就應付票據 267.6 百萬港元 (二零一四年：797.5 百萬港元) 及授予本公司及本集團若干附屬公司之銀行貸款 520.2 百萬港元 (二零一四年：702.7 百萬港元) 作抵押；及 (2) 與 Yiwán 訂立的獨家採購協議及美元銀行存款 0.01 百萬港元 (二零一四年：0.01 百萬港元)，已就本公司發行之可換股債券及優先債券作抵押。

# Management Discussion and Analysis

## 管理層討論與分析

### Capital commitment

As at 30 June 2015, the Group had capital commitments in the amount of approximately HK\$58.7 million (2014: HK\$58.7 million).

### CONCLUSION AND PROSPECTS

In the first half of 2015 was full of challenges and uncertainties both for the market and the Group. The over-supply situation had not fundamentally improved amid the increasingly fierce competition from similar products in the steel product. As a result, the gross profit margin of iron and steel products remained thin during the period.

We expect the economy of the PRC will continue its healthy growth trend and the demand and profitability of our steel products will rebound in the future.

In the longer term, we expect the PRC will continue its modernisation and urbanisation that the demand of high quality steel products for public infrastructure and equipment manufacturing will increase steadily. This definitely will bring enormous business opportunities for our Group.

We believe that after the technology industrialisation and modernisation of steel products, the Group will have a stronger competitive advantage in the industry.

### 資本承擔

於二零一五年六月三十日，本集團之資本承擔約為58.7百萬港元（二零一四年：58.7百萬港元）。

### 總結與展望

對於市場及本集團而言，二零一五上半年仍然充滿挑戰及不確定性。由於鋼鐵產品同類產品的競爭日益激烈，供應過剩問題並無實質性改善。因此，本期間的鋼鐵產品毛利率仍然薄弱。

我們預期中國經濟將繼續其健康增長趨勢及我們鋼產品之需求及利潤將於未來回升。

更長遠而言，我們預期中國將繼續其現代化及城鎮化，公共基建及設備生產對高質量鋼產品的需求將穩步上升，必會為本集團帶來龐大的業務機遇。

我們相信，技術產業化及鋼鐵產品現代化後，本集團於業內的競爭優勢將更為強大。

# Interim Condensed Consolidated Income Statement

## 中期簡明綜合收益表

For the six months ended 30 June 2015  
截至二零一五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	
		2015	2014
		二零一五年	二零一四年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<b>Revenue</b>	<b>收益</b>	<b>28,182</b>	201,405
Cost of sales	銷售成本	<b>(27,219)</b>	(198,272)
Gross profit	毛利	<b>963</b>	3,133
Other gains, net	其他盈利淨額	<b>8,823</b>	21,915
Selling and distribution costs	銷售及分銷成本	<b>(1,485)</b>	(5,855)
Administrative expenses	行政開支	<b>(97,298)</b>	(101,320)
Finance income	融資收入	<b>15,993</b>	127,208
Finance costs	融資成本	<b>(133,027)</b>	(113,926)
Other expenses	其他開支	<b>(1,490)</b>	(992)
Share of loss of an associate	應佔一間聯營公司 虧損	-	(248)
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>	<b>(207,521)</b>	(70,085)
Income tax expense	所得稅開支	-	(1,273)
<b>Loss for the period</b>	<b>期內虧損</b>	<b>(207,521)</b>	(71,358)
<b>Attributable to:</b>	<b>屬於：</b>		
Equity holders of the Company	本公司權益持有人	<b>(207,260)</b>	(70,685)
Non-controlling interests	非控股權益	<b>(261)</b>	(673)
		<b>(207,521)</b>	(71,358)
<b>Loss per share attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔每股虧損</b>		
— Basic (HK cents)	— 基本 (港仙)	<b>(7.57)</b>	(2.77)
— Diluted (HK cents)	— 攤薄 (港仙)	<b>(7.57)</b>	(2.77)

# 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 2015  
截至二零一五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

<b>2015</b>	2014
二零一五年	二零一四年
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>(Unaudited)</b>	(Unaudited)
(未經審核)	(未經審核)

<b>Loss for the period</b>	期內虧損	<b>(207,521)</b>	(71,358)
<b>Other comprehensive loss</b>	其他全面虧損		
<i>Items that may be subsequently reclassified to profit or loss</i>	可能於其後重新分類至損益之項目		
Exchange differences on translation of foreign operations	境外經營報表折算滙兌差額	<b>(1,151)</b>	(12,978)
<b>Other comprehensive loss for the period, net of tax</b>	期內稅後其他全面虧損	<b>(1,151)</b>	(12,978)
<b>Total comprehensive loss for the period</b>	期內全面虧損合計	<b>(208,672)</b>	(84,336)
<b>Attributable to:</b>	屬於：		
Equity holders of the Company	本公司權益持有人	<b>(208,408)</b>	(83,657)
Non-controlling interests	非控股權益	<b>(264)</b>	(679)
		<b>(208,672)</b>	(84,336)

# Interim Condensed Consolidated Statement of Financial Position

## 中期簡明綜合財務狀況表

As At 30 June 2015  
於二零一五年六月三十日

			30 June 2015 二零一五年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2014 二零一四年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	11	1,121,140	1,178,003
Prepaid land lease payments	預付土地租賃款項		194,037	196,418
Intangible asset	無形資產	12	2,384,543	2,384,543
Deferred tax assets	遞延稅項資產		1,115	1,115
Other non-current asset	其他非流動資產		4,361	3,846
			<b>3,705,196</b>	<b>3,763,925</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	13	308,850	307,035
Trade and notes receivables	應收賬款及 應收票據	14	19,695	23,248
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	15	243,559	254,565
Pledged time deposits	已抵押定期存款	16	281,494	1,007,304
Cash and cash equivalents	現金及現金等值物	16	38,288	11,520
			<b>891,886</b>	<b>1,603,672</b>
<b>Total assets</b>	<b>總資產</b>		<b>4,597,082</b>	<b>5,367,597</b>
<b>EQUITY</b>	<b>權益</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>	<b>本公司權益 持有人應佔 資本及儲備</b>			
Share capital	股本	20	276,654	267,854
Reserves	儲備		943,092	1,118,058
			<b>1,219,746</b>	<b>1,385,912</b>
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>8,201</b>	<b>8,465</b>
<b>Total equity</b>	<b>權益總額</b>		<b>1,227,947</b>	<b>1,394,377</b>



# Interim Condensed Consolidated Statement of Financial Position

## 中期簡明綜合財務狀況表

As At 30 June 2015  
於二零一五年六月三十日

			30 June 2015 二零一五年 六月三十日 HK\$'000 (Unaudited) (未經審核)	31 December 2014 二零一四年 十二月三十一日 HK\$'000 (Audited) (經審核)
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Other long term payables	其他長期應付款項		9,123	9,886
Deferred tax liabilities	遞延稅項負債		1,365	1,365
			<b>10,488</b>	11,251
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付賬款	17	124,657	124,286
Notes payables	應付票據	17	267,611	797,528
Other payables and accruals	其他應付款項及 應計負債		499,937	500,477
Bank and other borrowings	銀行貸款及 其他借貸	18	2,238,994	2,273,465
Convertible bonds	可換股債券	19	117,525	143,925
Derivative financial instruments	衍生金融工具	19	72,493	84,373
Tax payable	應付稅項		37,430	37,915
			<b>3,358,647</b>	3,961,969
<b>Total liabilities</b>	<b>總負債</b>		<b>3,369,135</b>	3,973,220
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		<b>4,597,082</b>	5,367,597
<b>Net current liabilities</b>	<b>流動負債淨值</b>		<b>(2,466,761)</b>	(2,358,297)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>1,238,435</b>	1,405,628

# 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 2015  
截至二零一五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	Statutory reserves	Share option reserve	Exchange reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
		股本	股份溢價	實繳盈餘	資本儲備	法定儲備	購股權儲備	匯兌儲備	累計虧損	小計	非控股權益	總計
		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
<b>(Unaudited)</b>	<b>(未經審核)</b>											
<b>For the six months ended</b>	<b>截至二零一五年</b>											
<b>30 June 2015</b>	<b>六月三十日止六個月</b>											
<b>At 1 January 2015</b>	<b>於二零一五年一月一日</b>	267,854	3,152,210	47,514	115,807	89,774	36,471	443,660	(2,767,378)	1,385,912	8,465	1,394,377
Loss for the period	期內虧損	-	-	-	-	-	-	-	(207,260)	(207,260)	(261)	(207,521)
Other comprehensive loss for the period:	期內其他全面虧損：											
Exchange differences on translation of foreign operations	境外經營報表折算匯兌差額	-	-	-	-	-	-	(1,148)	-	(1,148)	(3)	(1,151)
<b>Total comprehensive loss for the period</b>	<b>期內全面虧損總額</b>	-	-	-	-	-	-	(1,148)	(207,260)	(208,408)	(264)	(208,672)
Equity-settled share-based compensation expense	以股權結算之股本補償開支	-	-	-	-	-	366	-	-	366	-	366
Conversion of convertible bonds	轉換可換股債券	8,800	33,076	-	-	-	-	-	-	41,876	-	41,876
<b>Total transactions with owners</b>	<b>與擁有人之交易總額</b>	8,800	33,076	-	-	-	366	-	-	42,242	-	42,242
<b>At 30 June 2015</b>	<b>於二零一五年六月三十日</b>	276,654	3,185,286	47,514	115,807	89,774	36,837	442,512	(2,974,638)	1,219,746	8,201	1,227,947
<b>For the six months ended</b>	<b>截至二零一四年六月三十日</b>											
<b>30 June 2014</b>	<b>止六個月</b>											
<b>At 1 January 2014</b>	<b>於二零一四年一月一日</b>	255,304	3,124,945	47,514	115,807	89,774	36,651	452,777	(1,314,245)	2,808,527	9,450	2,817,977
Loss for the period	期內虧損	-	-	-	-	-	-	-	(70,685)	(70,685)	(673)	(71,358)
Other comprehensive loss for the period:	期內其他全面虧損：											
Exchange differences on translation of foreign operations	境外經營報表折算匯兌差額	-	-	-	-	-	-	(12,972)	-	(12,972)	(6)	(12,978)
<b>Total comprehensive loss for the period</b>	<b>期內全面虧損總額</b>	-	-	-	-	-	-	(12,972)	(70,685)	(83,657)	(679)	(84,336)
Equity-settled share-based compensation expense	以股權結算之股本補償開支	-	-	-	-	-	(564)	-	-	(564)	-	(564)
<b>Total transaction with owners</b>	<b>與擁有人之交易總額</b>	-	-	-	-	-	(564)	-	-	(564)	-	(564)
<b>At 30 June 2014</b>	<b>於二零一四年六月三十日</b>	255,304	3,124,945	47,514	115,807	89,774	36,087	439,805	(1,384,930)	2,724,306	8,771	2,733,077



# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 1 GENERAL 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 and its subsidiaries (collectively referred as the “Group”) is located at No. 7, Block F, Runhua Business Garden, No. 24 Jinshui Road, Jinshui District, Zhengzhou city, Henan Province, the People’s Republic of China (the “PRC”), 450012. 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 (“Mr. Dong”), an Executive Director, is the ultimate holding company of the Group.

The interim condensed consolidated financial information for the six months ended 30 June 2015 is unaudited and has been reviewed by the audit committee of the Company. This interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 31 August 2015.

### 1 一般資料

本公司於二零零四年三月十一日根據開曼群島公司法第22章（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。本公司及其附屬公司（統稱「本集團」）主要營業地點位於中華人民共和國（「中國」）河南省鄭州市金水區金水路24號潤華商務花園F座7號（郵編450012）。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。

截至二零一五年六月三十日止六個月之中期簡明綜合財務資料未經審核但已經由本公司審核委員會審閱。本中期簡明綜合財務資料已於二零一五年八月三十一日由董事會批准授權發行。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2015 has 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 interim condensed consolidated 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 2014, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

#### 2.1 Going concern

In preparing this interim condensed consolidated financial information for the six months ended 30 June 2015, the Directors have considered the future liquidity of the Group. During the six months ended 30 June 2015, the Group incurred a loss of approximately HK\$207,521,000 and had a net operating cash outflow of approximately HK\$602,761,000 due to the market downturn and significant change in operating and regulatory environment of the Group’s subsidiaries. As at 30 June 2015, the Group had net current liabilities of HK\$2,466,761,000 and the Group’s total borrowings amounted to HK\$2,624,130,000, comprised of bank and other borrowings, convertible bonds and notes payables of 2,238,994,000, HK\$117,525,000 and 267,611,000, respectively as at 30 June 2015. Cash and cash equivalents of the Group amounted to HK\$38,288,000 as at 30 June 2015.

### 2 編製基準

本截至二零一五年六月三十日止六個月之中期簡明綜合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。

本中期簡明綜合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二零一四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。

#### 2.1 持續經營

董事在編製截至二零一五年六月三十日止六個月之中期簡明綜合財務資料時，已考慮本集團未來流動資金的狀況。截至二零一五年六月三十日止六個月，基於市場低迷以及本集團附屬公司的經營和監管環境出現重大變動，本集團錄得虧損約207,521,000港元，並有經營現金流出淨額約602,761,000港元。於二零一五年六月三十日，本集團的流動負債淨額為2,466,761,000港元，而本集團總借貸為2,624,130,000港元，當中包括於二零一五年六月三十日分別為2,238,994,000港元、117,525,000港元及267,611,000港元之銀行及其他借貸、可換股債券及應付票據。本集團於二零一五年六月三十日之現金及現金等值物為38,288,000港元。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.1 Going concern (continued)

On 19 December 2014, the Group failed to make interest payment totalling HK\$16,108,000 under the relevant terms and conditions of its Modified 10% Coupon Bonds, 12% Coupon Senior Bonds and 8% Coupon Convertible Bonds (together the "Bonds"), which constituted an event of default under the respective terms of the Bonds as at 31 December 2014. During the six months ended 30 June 2015, the Group failed to make further interest payment totalling HK\$29,048,000 on the Bonds and principal payment on the Modified 10% Coupon Bonds of HK\$28,400,000, details of which have been disclosed in Note 18(f)(i). As a result, the outstanding principal amounts of the Bonds totaling HK\$536,915,000 became immediately due and payable, out of which the 12% Coupon Senior Bonds and 8% Coupon Convertible Bonds of HK\$390,990,000 and HK\$117,525,000, respectively have been reclassified as current liabilities as at 31 December 2014 and 30 June 2015, whereas the Modified 10% Coupon Bonds of HK\$28,400,000 was overdue based on its original terms of repayment as at 30 June 2015 and therefore the overdue has not resulted in its reclassification.

As at 30 June 2015, certain other loans and other borrowings of HK\$887,649,000 and HK\$70,738,000, respectively, were overdue, which resulted in an event of cross-default of certain secured short-term bank loans and certain unsecured bank loans of HK\$63,403,000 and HK\$88,764,000 respectively, which have original contractual repayment dates of within one year and therefore has not resulted in their reclassification.

### 2 編製基準 (續)

#### 2.1 持續經營 (續)

於二零一四年十二月十九日，本集團未能根據經修訂的10%票面息債券、12%票面息優先債券及8%票面息可換股債券(統稱「該等債券」)之相關條件及條款支付利息，合共16,108,000港元。於二零一四年十二月三十一日，根據該等債券之相關條款，這構成違約事件。截至二零一五年六月三十日止六個月，本集團未能就該等債券進一步支付利息，合共29,048,000港元，及就經修訂的10%票面債券支付本金28,400,000港元，詳情於附註18(f)(i)披露。因此，該等債券未償還之本金額合共536,915,000港元即時成為到期應付，其中分別為390,990,000港元及117,525,000港元之12%票面息優先債券及8%票面息可換股債券於二零一四年十二月三十一日及二零一五年六月三十日已重新分類為流動負債，而28,400,000港元之經修訂的10%票面息債券已根據原定還款期於二零一五年六月三十日逾期，因此逾期情況並無導致其重新分類。

於二零一五年六月三十日，若干其他貸款及其他借貸(分別為887,649,000港元及70,738,000港元)已逾期，因而導致若干有抵押短期銀行貸款及若干無抵押銀行貸款(分別為63,403,000港元及88,764,000港元)出現交叉違約事件，該等貸款之原有合約還款日期為一年內，故並無導致重新分類。



# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.1 Going concern (continued)

During the six months ended 30 June 2015, the Group failed to make principal and interest payments on certain secured bank loans and the bank issued demand letters to the Group requesting immediate repayment of secured bank loans with principal amounts totalling HK\$198,587,000, together with their related interest up to date; all of these were due for repayment within one year and therefore has not resulted in their reclassification.

Furthermore, as at 30 June 2015, notes payables to the extent of HK\$241,062,000 of the Group was overdue.

In addition to the above, the Company and a subsidiary are parties to various legal claims as detailed in Note 23.

The aforementioned conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern such that it may not be able to realise its assets and discharge its liabilities in the normal course of business.

### 2 編製基準 (續)

#### 2.1 持續經營 (續)

截至二零一五年六月三十日止六個月內，本集團未能就若干有抵押銀行貸款作出本金及利息付款，銀行向本集團發出付款通知書，要求本集團即時償還本金總額為198,587,000港元之有抵押銀行貸款，連同截至目前之相關利息，所有該等貸款須於一年內到期償還，故並無導致重新分類。

此外，於二零一五年六月三十日，本集團已逾期應付票據為241,062,000港元。

除上述者外，本公司及一間附屬公司亦涉及多項法律索償事件，詳情載於本附註23。

上述狀況顯示存有重大不明朗因素，或會令本集團持續經營的能力產生重大疑慮，導致本集團或無法在日常業務過程中將其資產變現及償還其負債。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.1 Going concern (continued)

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to improve its financial position which include, but not limited to, the following:

- (1) The Group has been actively negotiating with a syndicate of banks for a syndicated loan in the PRC (i) to replace certain outstanding bank borrowings and notes payables of the Group to the extent of HK\$215,490,000 and HK\$204,211,000, respectively (out of which HK\$152,167,000 and HK\$204,211,000 respectively had been overdue as at 30 June 2015) with a 3-year loan of the same amount; and (ii) to provide additional loan facilities to the Group as working capital for an amount of not exceeding RMB150 million for a 3-year term. In addition, the Group has also been actively negotiating with its lenders for the renewal of its bank loans as necessary when those bank loans fall due. Based on the past experience, the Group did not encounter any significant difficulties in renewing the bank loans and the Directors are confident that all necessary bank loans can be renewed when necessary. During the six months ended 30 June 2015, a bank loan with principal amount of HK\$25,361,000 was successfully renewed for another twelve months from its original due date. Furthermore, the Group also managed to obtain certain new bank loans from certain banks totalling HK\$125,057,000 during the six months ended 30 June 2015.

### 2 編製基準 (續)

#### 2.1 持續經營 (續)

於該等狀況下，本公司董事在評估本集團之財務狀況時，已考慮及審慎分析本集團之流動資金來源，並採取措施以減輕其壓力，但並不包括以下各項：

- (1) 本集團正積極磋商，以籌組銀團貸款，以代替本集團若干銀行借貸，金額分別為150,000,000港元及204,211,000港元（其中152,167,000港元及204,211,000港元分別已於二零一五年六月三十日逾期）；(ii) 為本集團提供額外營運資金，金額不超過150百萬元，此舉將使本集團一直積極償還到期之銀行貸款（如需要）。按集團過往之經驗，本行無困難，並大信貸得重續。二零一五年六月三十日止，本集團25,361,000港元的銀行借貸逾期，其還款日期延後至二零一五年六月三十日止。再者，截至二零一五年六月三十日，本集團亦獲得共125,057,000港元的若干新銀行貸款。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.1 Going concern (continued)

(2) The Group has been actively negotiating with the holders of the 12% Coupon Senior Bonds and the 8% Coupon Convertible Bonds with carrying amounts of HK\$390,990,000 and HK\$117,525,000 respectively, at 30 June 2015 for further extension of the repayment of principal and interest, details of which are disclosed in Note 18(f)(i).

(3) In connection with the secured bank loans that became due as at 30 June 2015 as a result of failure to make interest payment amounting to HK\$198,587,000, as detailed in Note 18(a)(3), a total of HK\$97,030,000 had been settled by utilising the Group's pledged time deposits to the extent of HK\$101,446,000. No action had been taken by the bank on the outstanding overdue bank borrowings with principal amount of HK\$101,557,000 as at 30 June 2015. However, such borrowings are fully secured by pledged time deposits of the Group to the extent of HK\$106,640,000.

### 2 編製基準(續)

#### 2.1 持續經營(續)

(2) 本集團一直積極與12%票面息優先債券及8%票面息可換股債券(於二零一五年六月三十日之賬面值分別為390,990,000港元及117,525,000港元)之持有人磋商進一步延遲償還本金及利息，有關詳情於附註18(f)(i)披露。

(3) 如附註18(a)(3)所詳述，就因未能作出利息付款而於二零一五年六月三十日到期的有抵押銀行貸款為198,587,000港元而言，合共97,030,000港元已透過動用本集團為數101,446,000港元之已抵押定期存款支付。於二零一五年六月三十日，銀行並無就尚未償還逾期銀行借貸本金額101,557,000港元採取任何行動。然而，有關借貸已由本集團106,640,000港元的已抵押定期存款全面擔保。

**2 BASIS OF PREPARATION (continued)**

**2.1 Going concern (continued)**

(4) On 21 January 2013, the Group entered into a non-binding framework agreement with Beijing Wincapital Management Co., Ltd. ("Beijing Wincapital") in relation to the disposal of a 30% equity interest in S.E.A. Mineral Limited ("SEAM"), a wholly-owned subsidiary of the Group. The aggregate disposal consideration is expected to be approximately RMB900 million (approximately HK\$1.1 billion). The proposed transaction is yet to complete and no formal sales and purchase agreement has been entered into up to the date of approval of the interim condensed consolidated financial information. Longer than expected time was spent on negotiation of the detailed terms and conditions because of the rapid change in operating and regulatory environment of SEAM since the framework agreement was signed. In connection with the proposed disposal, Beijing Wincapital arranged certain loan finance to the Group in the aggregate amount of RMB700 million (equivalent to approximately HK\$887 million) as at 30 June 2015, details of which are disclosed in Note 18(c). Such borrowings can be settled by offsetting against the disposal consideration should the proposed disposal be completed. As at 30 June 2015, all these loans totalling HK\$887,649,000 have expired. Up to the date of approval of this report, the Group has not received any letter from these lenders demanding for repayment of these loans. Management is currently negotiating with the relevant parties to formally extent the terms of these loans to facilitate the completion of the proposed disposal despite longer than expected time was spent as a result of the rapid changes in environment that SEAM operates in. Management believes that with bona fide intention for both parties, the proposed disposal will be completed and the Group will be able to offset all these borrowing against the disposal consideration.

**2 編製基準 (續)**

**2.1 持續經營 (續)**

(4) 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(「北京匯贏」)訂立有關出售本集團全資附屬公司南洋礦業有限公司(「南洋礦業」)30%權益的無約束力框架協議。總出售代價預計約為人民幣9億元(相等於約11億港元)。截至中期簡明綜合財務資料批准日期，此項建議交易尚未完成，亦未訂立任何正式買賣協議。自框架協議簽署後，由於南洋礦業的經營及規管環境急速轉變，故此商討條款及條件細節所耗時間較預期長。就此項建議出售事項而言，截至二零一五年六月三十日，北京匯贏為本集團安排若干貸款融資總額人民幣700百萬元(相等於約887百萬港元)，有關詳情於附註18(c)披露。倘建議之交易得以完成，有關借貸可藉抵銷出售代價支付。於二零一五年六月三十日，所有該等貸款合共887,649,000港元已到期。截至本報告批准日期，本集團尚未接獲任何該等放貸人之函件，要求償還該等貸款。管理層現正與相關訂約方進行磋商，以正式延長該等貸款之期限，以促使完成建議出售事項，即使南洋礦業的經營環境出現急劇變化令所耗時間較預期長。管理層相信訂約雙方之真誠意向，建議之出售事項將會完成，而本集團將可以出售代價抵銷所有該等借貸。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.1 Going concern (continued)

(5) Apart from the liabilities mentioned in points (1) to (4) above, the Group had other borrowings of HK\$70,738,000, which were overdue as at 30 June 2015. The Group has been actively negotiating with the lenders for the renewal and extension of these borrowings. During the six months ended 30 June 2015, the Group has obtained certain new borrowings from certain parties totalling HK\$149,519,000.

(6) The Group is negotiating with various financial institutions and identifying various options for financing the Group's working capital and commitments in the foreseeable future, including identification of potential investors to invest in various projects undertaken by the Group.

(7) The Group is also maximising its sales effort, including speeding up of sales of its existing inventories and seeking new orders from overseas markets or new customers on developed new products, and implementing more stringent cost control measures with a view to improving operating cash flows.

(8) The Group has engaged legal advisors to handle all major litigation matters as detailed in Note 23. In preparing this interim condensed consolidated financial information, the Directors have also obtained advice from legal advisors on these matters and, based upon which, are of the view that the Group will be able to resolve these matters with no significant cash outflows in the next twelve months.

### 2 編製基準(續)

#### 2.1 持續經營(續)

(5) 除上述第(1)至(4)項所述的負債外，本集團於二零一五年六月三十日逾期的其他借貸總額為70,738,000港元。本集團一直積極與放款人磋商重續及延長該等借貸的還款日期。截至二零一五年六月三十日止六個月，本集團已從若干新借貸共149,519,000港元。

(6) 本集團現正與多個財務機構進行磋商，尋找本集團於可見將來營運資金及承擔的不同融資方案，包括物色潛在投資者對本集團進行之多個項目進行投資。

(7) 本集團同時致力提升銷售力度，包括加快銷售現有存貨，對開發新產品或新海外市場或更嚴謹的成本監控措施，以改善現金流量。

(8) 如附註23所述，本集團已委聘法律顧問處理所有主要訴訟事宜。編製此中期簡明綜合財務資料時，董事就該等事宜取法法律顧問的意見，據此，董事認為本集團能夠於未來十二個月內在毋須招致重大現金流出情況下解決該等事宜。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.1 Going concern (continued)

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

#### 2.2 Accounting policies

The preparation of the interim condensed consolidated 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 interim 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 2014.

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the annual financial statements for the year ended 31 December 2014, except as mentioned below.

### 2 編製基準 (續)

#### 2.1 持續經營 (續)

董事已審閱由管理層編製的本集團現金流量預測。現金流量預測涵蓋的期間自報告期末起計不少於十二個月。董事認為，考慮到上述計劃及措施，本集團將有充足的營運資金應付報告期末起計未來十二個月內營運所需的資金以及履行到期的財務責任。因此，董事相信按持續經營基準編製中期簡明綜合財務資料是恰當的。

#### 2.2 會計政策

編製此中期簡明綜合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。編製本中期簡明綜合財務資料時，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二零一四年十二月三十一日止年度的年度財務報表所採用者相同。

編製中期簡明綜合財務資料所採納之會計政策與編製本集團截至二零一四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 Information 中期簡明綜合財務資料附註

## 2 BASIS OF PREPARATION (continued)

### 2.2 Accounting policies (continued)

#### (a) *Effect of adopting amendments to existing standards*

The following amendments to existing standards are mandatory for accounting periods beginning on or after 1 January 2015. The adoption of these amendments to existing standards does not have any significant impact to the results and financial position of the Group.

IAS 19 (amendment)	Defined Benefit Plans: Employee Contributions
IFRSs (amendment)	Annual Improvements 2010–2012 cycle and 2011–2013 cycle

## 2 編製基準 (續)

### 2.2 會計政策 (續)

#### (a) *採納現有準則的修訂的影響*

以下現有準則的修訂須自二零一五年一月一日或之後開始的會計期間強制生效。採納該等現有準則的修訂對本集團的業績及財務狀況並無任何重大影響。

國際會計準則第19號 (修訂本)	定額福利計劃： 僱員供款
國際財務報告準則 (修訂本)	二零一零年至 二零一二年週期及 二零一一年至 二零一三年週期 之年度改進



# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.2 Accounting policies (continued)

##### (b) *New standards and amendments to existing standards that have been issued but are not effective*

IAS 1 (amendment)	Disclosure Initiative <sup>(1)</sup>
IAS 16 and 38 (amendment)	Clarification of Acceptable Methods of Depreciation and Amortisation <sup>(1)</sup>
IAS 16 and 41 (amendment)	Agriculture: Bearer Plants <sup>(1)</sup>
IAS 27 (amendment)	Equity Method in Separate Financial Statements <sup>(1)</sup>
IAS 28 and IFRS 10 (amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>(1)</sup>
IAS 28, IFRS 10 and IFRS 12 (amendment)	Investment Entities: Applying the Consolidation Exception <sup>(1)</sup>
IFRSs (amendment)	Annual Improvements 2012–2014 cycle <sup>(1)</sup>
IFRS 9	Financial Instruments <sup>(2)</sup>
IFRS 11 (amendment)	Accounting for Acquisitions of Interests in Joint Operations <sup>(1)</sup>
IFRS 14	Regulatory Deferred Accounts <sup>(1)</sup>
IFRS 15	Revenue from Contracts with Customers <sup>(2)</sup>

<sup>(1)</sup> Effective for annual periods beginning on or after 1 January 2016

<sup>(2)</sup> Effective for annual periods beginning on or after 1 January 2018

### 2 編製基準 (續)

#### 2.2 會計政策 (續)

##### (b) *已頒布但尚未生效之新準則及現有準則的修訂*

國際會計準則第1號 (修訂本)	披露計劃 <sup>(1)</sup>
國際會計準則第16號及國際會計準則第38號 (修訂本)	對可接受的折舊和攤銷方法的澄清 <sup>(1)</sup>
國際會計準則第16號及國際會計準則第41號 (修訂本)	農業：生產性植物 <sup>(1)</sup>
國際會計準則第27號 (修訂本)	單獨財務報表之權益法 <sup>(1)</sup>
國際會計準則第28號及國際財務報告準則第10號 (修訂本)	投資者與其聯營公司或合營公司間之資產出售或注入 <sup>(1)</sup>
國際會計準則第28號、國際財務報告準則第10號及國際財務報告準則第12號 (修訂本)	投資實體：應用綜合賬目的例外情況 <sup>(1)</sup>
國際財務報告準則 (修訂本)	二零一二年至二零一四年週期之年度改進 <sup>(1)</sup>
國際財務報告準則第9號	金融工具 <sup>(2)</sup>
國際財務報告準則第11號 (修訂本)	收購於合營業務之權益的會計處理 <sup>(1)</sup>
國際財務報告準則第14號	監管遞延賬戶 <sup>(1)</sup>
國際財務報告準則第15號	源於客戶合約的收入 <sup>(2)</sup>

<sup>(1)</sup> 於二零一六年一月一日或之後開始之年度期間生效

<sup>(2)</sup> 於二零一八年一月一日或之後開始之年度期間生效

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.2 Accounting policies (continued)

(b) ***New standards and amendments to existing standards that have been issued but are not effective (continued)***

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

### 3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign exchange risk, price risk, cash flow and fair value interest rate risk, credit risk and liquidity risk. There have been no changes in the risk management policies since 31 December 2014.

### 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.

### 2 編製基準 (續)

#### 2.2 會計政策 (續)

(b) ***已頒布但尚未生效之新準則及現有準則的修訂 (續)***

董事仍在評估採納此等新訂準則及準則之修訂對本集團之業績及財務狀況的影響。

### 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：外匯風險、價格風險、現金流量及公允價值利率風險、信用風險及流動資金風險。風險管理政策自二零一四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：礦石貿易以及生產及銷售鋼鐵製品。管理層出於資源配置及績效考評之決策目的，將本集團各業務單元之經營成果作為一個整體來進行管理。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 5 REVENUE AND OTHER GAINS, NET

Revenue represents the net invoiced value of goods sold, net of value-added tax.

### 5 收益及其他盈利淨額

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）。

#### Six months ended 30 June

截至六月三十日止六個月

		2015	2014
		二零一五年	二零一四年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Revenue</b>	<b>收益</b>		
Sale of goods:	銷貨：		
Stainless steel products	不銹鋼產品	<b>4,198</b>	82,497
Ni-Cr alloy steel ingot	鎳鉻合金鋼錠	<b>8,718</b>	38,956
Ferro-nickel alloys and others	鎳鐵合金及其他	<b>15,266</b>	57,197
Limonitic ores	褐鐵礦	-	22,755
<b>Total revenue</b>	<b>收益總額</b>	<b>28,182</b>	201,405
<b>Other gains, net</b>	<b>其他盈利淨額</b>		
Change in fair value of derivative financial instruments	衍生金融工具公允價值變動	<b>(3,596)</b>	19,991
Foreign exchange gain/(loss), net	滙兌盈利／(虧損)淨額	<b>2,743</b>	(2,180)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之盈利	<b>8,975</b>	1,053
Others	其他	<b>701</b>	3,051
<b>Other gains, net</b>	<b>其他盈利淨額</b>	<b>8,823</b>	21,915

# Notes to Interim Condensed Consolidated Financial Information 中期簡明綜合財務資料附註

## 6 LOSS BEFORE INCOME TAX

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

## 6 除所得稅前虧損

本集團除所得稅前虧損已扣除／(計入)下列各項：

**Six months ended 30 June**

截至六月三十日止六個月

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Staff costs (including Directors' remuneration):	員工成本(包括董事酬金)：		
Salaries	薪金	<b>22,419</b>	29,150
Retirement benefit scheme contributions and other costs	退休福利計劃供款及其他成本	<b>252</b>	871
Equity-settled share-based compensation expense	以股權結算之股份補償開支	<b>366</b>	(564)
<b>Total staff costs</b>	<b>總員工成本</b>	<b>23,037</b>	29,457
Cost of inventories sold	已售存貨成本	<b>27,219</b>	182,649
Research expenses	研發開支	<b>492</b>	2,745
Depreciation (Note 11)	折舊(附註11)	<b>57,088</b>	66,923
Amortisation of intangible asset (Note 12)	無形資產攤銷(附註12)	-	3,243
Amortisation of prepaid land lease payment	預付土地租賃款項攤銷	<b>2,224</b>	2,954
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	<b>4,046</b>	1,318

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 7 FINANCE (COSTS)/INCOME, NET

### 7 融資(成本)/收益淨額

Six months ended 30 June

截至六月三十日止六個月

		2015	2014
		二零一五年	二零一四年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Finance income</b>	<b>融資收入</b>		
Interest income on time deposits	定期存款利息收入	<b>15,993</b>	3,322
Gain on restructure of senior bonds, net	優先債券重組之收益淨額	-	123,886
		<b>15,993</b>	127,208
<b>Finance cost</b>	<b>融資成本</b>		
Interest on bank loans and other borrowings	銀行貸款及其他借貸利息	<b>(127,505)</b>	(90,328)
Interest on convertible bonds	可換股債券利息	<b>(5,522)</b>	(23,598)
Total interest expense	利息開支總額	<b>(133,027)</b>	(113,926)
Finance (costs)/income, net	融資(成本)/收益淨額	<b>(117,034)</b>	13,282

### 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 ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

The applicable Hong Kong profits tax rate of the Company and its subsidiaries, which operate in Hong Kong was 16.5% (2014: 16.5%) based on existing legislation.

### 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司法權區的溢利繳納所得稅。

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（「英屬處女群島」）毋須繳納任何所得稅。

根據現行法例，本公司及其於香港營運之附屬公司適用香港利得稅稅率為16.5%（二零一四年：16.5%）。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 8 INCOME TAX (continued)

The applicable income tax rate of subsidiaries of the Group incorporated in Singapore was 17% (2014: 17%). Effective 1 July 2013, CNR Singapore has been granted to a tax concessionary rate of 10% as it was awarded Global Trader Programme (“GTP”) status by International Enterprise Singapore for a period of five and a half years from 1 July 2013 to 31 December 2018. In February 2015, CNR Singapore withdrew its GTP status to minimise its compliance costs.

The subsidiaries of the Group incorporated in Indonesia were subject to a single income tax rate of 25% (2014: 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 2015 (2014: 25%).

### 8 所得稅(續)

本集團於新加坡註冊成立之附屬公司的適用所得稅稅率為17% (二零一四年：17%)。自二零一三年七月一日起，CNR新加坡獲新加坡國際企業發展局授予的環球貿易商(「GTP」)資格而可按優惠稅率10%納稅，期限自二零一三年七月一日起至二零一八年十二月三十一日止共五年零六個月。於二零一五年二月，CNR新加坡撤銷其GTP資格以將其合規成本降至最低。

本集團於印度尼西亞註冊成立之附屬公司須按25% (二零一四年：25%)之單一所得稅稅率繳納所得稅。

根據中國企業所得稅法，本集團的中國附屬公司截至二零一五年六月三十日止六個月之適用所得稅稅率為25% (二零一四年：25%)。

#### Six months ended 30 June

截至六月三十日止六個月

		2015	2014
		二零一五年	二零一四年
		HK\$'000	HK\$'000
		千港元	千港元
Current income tax	即期所得稅		
— Mainland China	— 中國大陸	-	29
Deferred income tax	遞延所得稅	-	1,244
Income tax expense	所得稅開支	-	1,273

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 9 DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the year ending 31 December 2015 (2014: Nil).

### 10 LOSS PER SHARE

#### Basic

The calculation of basic loss per share is based on the loss for the period attributable to equity holders of the Company, and the weighted average number of ordinary shares of 2,736,214,231 (2014: 2,553,040,200) in issue during the period.

#### Diluted

The calculation of diluted loss per share for the six months ended 30 June 2015 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 8% Coupon Convertible Bonds and share options. 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.

Diluted loss per share is the same as basic loss per share for the six months ended 30 June 2015 because the impact of dilution of the 8% Coupon Convertible Bonds and share options is anti-dilutive.

### 9 股息

董事不建議宣派截至二零一五年十二月三十一日止年度之中期股息(二零一四年：無)。

### 10 每股虧損

#### 基本

每股基本虧損乃根據本公司權益持有人應佔期內虧損及期內已發行普通股之加權平均股數 2,736,214,231 股(二零一四年：2,553,040,200 股)計算。

#### 攤薄

截至二零一五年六月三十日止六個月之每股攤薄虧損乃根據本公司權益持有人應佔虧損計算，並作出調整以反映 8% 票面息可換股債券衍生工具部分及購股權公允價值變動之利息。計算所用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(按計算每股基本虧損所使用者)，以及假設於所有潛在攤薄普通股視為行使或轉換為普通股時按無償方式發行之普通股加權平均股數。

截至二零一五年六月三十日止六個月，由於 8% 票面息可換股債券之攤薄影響及購股權影響屬反攤薄，故每股攤薄虧損等於每股基本虧損。



# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

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

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

		<b>2015</b>	2014
		二零一五年	二零一四年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
As at 1 January	於一月一日	<b>1,178,003</b>	1,928,122
Additions	添置	<b>2,149</b>	22,094
Disposals	出售	<b>(2,360)</b>	-
Depreciation charge for the period	期內折舊	<b>(57,088)</b>	(66,923)
Foreign exchange realignment	外幣折算差額	<b>436</b>	(19,217)
As at 30 June	於六月三十日	<b>1,121,140</b>	1,864,076

### 12 INTANGIBLE ASSET      12 無形資產

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

		<b>2015</b>	2014
		二零一五年	二零一四年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
<b>Exclusive offtake right</b>	<b>獨家採購權</b>		
As at 1 January	於一月一日	<b>2,384,543</b>	2,387,786
Amortisation for the period	期內攤銷	<b>-</b>	(3,243)
As at 30 June	於六月三十日	<b>2,384,543</b>	2,384,543

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 13 INVENTORIES

### 13 存貨

		<b>30 June</b>	31 December
		<b>2015</b>	2014
		二零一五年	二零一四年
		六月三十日	十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Raw materials	原材料	<b>149,915</b>	115,518
Work in progress	在製品	-	3,301
Finished goods	製成品	<b>243,978</b>	273,174
Spare parts and consumables	備件及易耗品	<b>24,236</b>	24,283
		<b>418,129</b>	416,276
Less: provision for impairment losses	減：減值虧損撥備	<b>(109,279)</b>	(109,241)
		<b>308,850</b>	307,035

### 14 TRADE AND NOTES RECEIVABLES

### 14 應收賬款及應收票據

		<b>30 June</b>	31 December
		<b>2015</b>	2014
		二零一五年	二零一四年
		六月三十日	十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Trade receivables	應收賬款	<b>57,441</b>	59,697
Notes receivables	應收票據	<b>1,961</b>	3,245
		<b>59,402</b>	62,942
Less: provision for impairment	減：減值撥備	<b>(39,707)</b>	(39,694)
		<b>19,695</b>	23,248

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 14 TRADE AND NOTES RECEIVABLES (continued)

The Group's trading terms with its customers are mainly on credit, except for new customers and customers of limonitic ores, where payment in advance is normally required. The credit period is generally one to two months. During the period, the Group generated its revenue from sales of special steel products, thereby exposing the Group to concentration of credit risk in the steel industry. The Group does not hold any collateral or other credit enhancements over these balances. Trade and notes receivables are non-interest-bearing. The carrying amounts of trade and notes receivables approximate their fair values.

#### (a) Trade receivables

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

		<b>30 June</b> <b>2015</b> 二零一五年 六月三十日 <b>HK\$'000</b> 千港元	31 December 2014 二零一四年 十二月三十一日 HK\$'000 千港元
Within 90 days	90日內	<b>7,511</b>	6,038
91 to 180 days	91至180日	<b>3,211</b>	1,649
181 to 365 days	181至365日	<b>2,030</b>	12,208
Over 1 year	超過一年	<b>44,689</b>	39,802
		<b>57,441</b>	59,697

### 14 應收賬款及應收票據(續)

本集團與客戶之交易主要以信貸方式結算，惟一般要求新客戶及褐鐵礦客戶預付款項。信貸期一般為一至兩個月。期內，本集團之收益來自特鋼產品銷售，因此，本集團面臨鋼鐵行業之信貸集中風險。本集團並無就該等結餘持有任何抵押品或其他信貸保證。應收賬款及應收票據不計利息，應收賬款及應收票據的賬面值與其公允價值相若。

#### (a) 應收賬款

於報告期末，按發票日期計算之應收賬款之賬齡分析如下：

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 14 TRADE AND NOTES RECEIVABLES (continued)

#### (b) Notes receivables

As at the end of the reporting period, the maturity period of the Group's notes receivables is as follows:

		<b>30 June 2015</b>	31 December 2014
		二零一五年 六月三十日	二零一四年 十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Within 90 days	90日內	-	2,841
91 to 180 days	91至180日	<b>1,961</b>	404
		<b>1,961</b>	3,245

### 14 應收賬款及應收票據(續)

#### (b) 應收票據

於報告期末，本集團應收票據之屆滿期如下：

### 15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Prepayments to PT. Yiwan Mining (Note 25)	預付PT. Yiwan Mining之款項(附註25)	<b>108,286</b>	108,349
Prepayments to other suppliers	預付其他供應商之款項	<b>10,187</b>	5,394
Other prepayments	其他預付款項	<b>3,012</b>	2,240
Deposits and other receivables	按金及其他應收款項	<b>56,016</b>	44,532
Receivable from disposal of freehold land and buildings	出售永久業權土地及樓宇之應收款項	-	21,620
Value-added tax recoverable	可收回增值稅	<b>61,996</b>	67,980
Current portion of prepaid land lease payments	預付土地租賃款項之即期部份	<b>4,062</b>	4,450
		<b>243,559</b>	254,565

### 15 預付款項、按金及其他應收款項

		<b>30 June 2015</b>	31 December 2014
		二零一五年 六月三十日	二零一四年 十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元

## Notes to Interim Condensed Consolidated Financial Information 中期簡明綜合財務資料附註

### 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

		<b>30 June 2015</b>	31 December 2014
		二零一五年 六月三十日	二零一四年 十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Cash and bank balances	現金及銀行結餘	<b>38,288</b>	11,520
Time deposits	定期存款	<b>281,494</b>	1,007,304
		<b>319,782</b>	1,018,824
Less: Pledged time deposits for bank borrowings (Note 18(a))	減：為銀行貸款之已抵押定期存款（附註18(a)）	<b>(208,086)</b>	(535,297)
Pledged time deposits for issuing bank acceptance notes (Note 17(b))	為取得銀行承兌票據之已抵押定期存款（附註17(b)）	<b>(73,395)</b>	(471,994)
Pledged time deposits 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	<b>(13)</b>	(13)
Cash and cash equivalents	現金及現金等值物	<b>38,288</b>	11,520

### 17 TRADE AND NOTES PAYABLES 17 應付賬款及應付票據

		<b>30 June 2015</b>	31 December 2014
		二零一五年 六月三十日	二零一四年 十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Trade payables	應付賬款	<b>124,657</b>	124,286
Notes payables	應付票據	<b>267,611</b>	797,528
		<b>392,268</b>	921,814

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 17 TRADE AND NOTES PAYABLES (continued)

#### (a) Trade payables

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

		<b>30 June</b>	31 December
		<b>2015</b>	2014
		二零一五年	二零一四年
		六月三十日	十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Within 90 days	90日內	<b>7,196</b>	7,377
91 to 180 days	91至180日	<b>3,192</b>	15,584
181 to 365 days	181至365日	<b>21,462</b>	18,530
1 to 2 years	1至2年	<b>27,491</b>	29,628
2 to 3 years	2至3年	<b>35,117</b>	29,182
Over 3 years	超過3年	<b>30,199</b>	23,985
		<b>124,657</b>	124,286

Trade payables are normally settled on terms of 60 to 180 days. The carrying amounts of trade payables approximate their fair values at the end of the reporting period.

應付賬款一般於60至180日結算。於報告期末，應付賬款之賬面值與其公允價值相若。

### 17 應付賬款及應付票據(續)

#### (a) 應付賬款

於報告期末，按發票日期計算之應付賬款之賬齡分析如下：

# Notes to Interim Condensed Consolidated Financial Information 中期簡明綜合財務資料附註

## 17 TRADE AND NOTES PAYABLES (continued)

### (b) Notes payables

An ageing analysis of the notes payables of the Group at 30 June 2015 is as follows:

		30 June 2015 二零一五年 六月三十日 HK\$'000 千港元	31 December 2014 二零一四年 十二月三十一日 HK\$'000 千港元
Within 90 days	90日內	9,684	459,082
91 to 180 days	91至180日	380	338,446
181 to 365 days	181至365日	257,547	-
		<b>267,611</b>	797,528

At 30 June 2015, notes payable of HK\$267,611,000 (31 December 2014: HK\$797,528,000) were secured by time deposits amounting to HK\$73,395,000 (31 December 2014: HK\$471,994,000) (Note 16).

於二零一五年六月三十日，267,611,000港元之應付票據(二零一四年十二月三十一日：797,528,000港元)由金額為73,395,000港元(二零一四年十二月三十一日：471,994,000港元)之定期存款(附註16)金額擔保。

## 17 應付賬款及應付票據(續)

### (b) 應付票據

於二零一五年六月三十日，本集團之應付票據之賬齡分析如下：



# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 18 BANK AND OTHER BORROWINGS

### 18 銀行及其他借貸

30 June 2015 二零一五年六月三十日				31 December 2014 二零一四年十二月三十一日				
Notes	Contractual interest rate (%) 合同利率 (%)	Original maturity 原到期日	HK\$'000 千港元	Contractual interest rate (%) 合同利率 (%)	Original maturity 原到期日	HK\$'000 千港元		
附註	(%)	原到期日	千港元	(%)	原到期日	千港元		
<b>Current</b>	<b>即期</b>							
Current bank loan – unsecured	即期銀行貸款 – 無抵押	(a)	6.6	2015	25,361	6.6	2015	25,352
Other bank loan – unsecured	其他銀行貸款 – 無抵押	(a)	8.63	2016	63,403	8.68	2016	63,379
Current bank loans – secured	即期銀行貸款 – 有抵押	(a)	2.25-10.0	2015	520,195	2.25-7.99	2015	663,142
Non-current bank loans with repayable on demand terms – secured	附有按要求償還條款之非即期銀行貸款 – 有抵押		-	-	-	2.46	2016	39,579
Other borrowings – unsecured	其他借貸 – 無抵押	(b)	8.0-108.0	2014-2015	322,996	8.0-108.0	2014-2015	175,312
Other loans	其他貸款	(c)	10.0-11.4	2014-2015	887,649	10.0-11.4	2014-2015	887,311
The 12% Coupon Senior Bonds	12%票面息優先債券	(d)	12.0	2018	390,990	12.0	2018	390,990
The Modified 10% Coupon Bonds	經修訂的10%票面息債券	(e)	10.0	2015	28,400	10.0	2015	28,400
					2,238,994			2,273,465

Notes:

附註:

#### (a) Bank loans

(1) At 30 June 2015, the secured bank loans comprised: (i) bank loan of HK\$126,807,000 (31 December 2014: HK\$63,379,000) secured by a number of leasehold land in Mainland China with net carrying amounts of HK\$154,843,000 (31 December 2014: HK\$156,561,000); (ii) bank loans of HK\$125,057,000 (31 December 2014: HK\$63,379,000) secured by a parcel of leasehold land in Mainland China and guaranteed by Mr. Dong; and (iii) loans from a bank in a total of HK\$198,587,000 (31 December 2014: HK\$506,245,000) secured by bank deposits of HK\$208,086,000 (31 December 2014: HK\$535,297,000) (Note 16); and (iv) bank loans of HK\$69,744,000 (31 December 2014: HK\$69,718,000) secured by a number of leasehold land in Mainland China with net carrying amounts of HK\$43,865,000 (31 December 2014: HK\$44,307,000).

#### (a) 銀行貸款

(1) 於二零一五年六月三十日，有抵押銀行貸款包括：(i) 以數幅位於中國大陸，賬面淨值為154,843,000港元(二零一四年十二月三十一日：156,561,000港元)的租賃土地作為抵押的銀行貸款126,807,000港元(二零一四年十二月三十一日：63,379,000港元)；(ii) 由董先生做擔保的銀行貸款125,057,000港元(二零一四年十二月三十一日：63,379,000港元)；及(iii) 以208,086,000港元(二零一四年十二月三十一日：535,297,000港元)的銀行存款(附註16)作為抵押的銀行貸款合共198,587,000港元(二零一四年十二月三十一日：506,245,000港元)；及(iv) 以數幅位於中國大陸，賬面淨值為43,865,000港元(二零一四年十二月三十一日：44,307,000港元)的租賃土地作為抵押的銀行貸款69,744,000港元(二零一四年十二月三十一日：69,718,000港元)。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 18 BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

#### (a) Bank loans (continued)

(2) During the six months period ended 30 June 2015, other loans and borrowings of HK\$958,387,000 were overdue, which constituted an event of cross-default of certain secured short-term bank loans and certain unsecured bank loans of HK\$63,403,000 and HK\$88,764,000 respectively, details of which have been disclosed in note (f) below. However, all of these short-term bank loans were due for repayment within one year and therefore has not resulted in their reclassification as at 30 June 2015.

(3) During the six months ended 30 June 2015, the Group failed to make principal and interest payments on certain secured bank loans with principal amount of HK\$198,587,000 as at 30 June 2015 and the bank issued demand letters to the Group requesting immediate repayment of related secured bank loans with principal amounts totalling HK\$198,587,000, together with their related interest up to date. Up to the date of this report, bank loans to the extent of HK\$97,030,000 (together with their relevant interest) had been settled by utilising the Group's pledged time deposits of HK\$101,446,000. No action had been taken by the bank on the remaining overdue bank loans with principal amount of HK\$101,557,000 as at 30 June 2015. However, such borrowings are fully secured by pledged time deposits of the Group to the extent of HK\$106,640,000.

### 18 銀行及其他借貸(續)

附註：(續)

#### (a) 銀行貸款(續)

(2) 截至二零一五年六月三十日止六個月期間，其他貸款及借貸958,387,000港元已逾期，構成若干有抵押銀行貸款及若干無抵押銀行貸款分別63,403,000港元及88,764,000港元之交又違約事件，有關詳情披露於下文附註(f)。然而，所有該等短期銀行貸款須於一年內到期償還，因此並無導致其於二零一五年六月三十日重新分類。

(3) 截至二零一五年六月三十日止六個月，本集團未能償還於二零一五年六月三十日本金額為198,587,000港元之若干有抵押銀行貸款之本金及利息付款，銀行已發出付款通知書，要求本集團即時償還本金總額為198,587,000港元之相關有抵押銀行貸款，連同截至目前之相關利息。截至本報告日期，銀行貸款的97,030,000港元(連同其相關利息)已透過動用本集團為數101,446,000港元之已抵押定期存款支付。於二零一五年六月三十日，銀行並無就逾期銀行貸款餘額本金額101,557,000港元採取任何行動。然而，有關借貸已由本集團106,640,000港元的已抵押定期存款全面擔保。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 18 BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

#### (b) Other borrowings – unsecured

As at 30 June 2015, unsecured other borrowings comprised: (i) loans from Mr. Dong's relatives of RMB25,700,000 (equivalent to HK\$32,589,000) (31 December 2014: HK\$32,577,000), which bear interest at rates of 36% to 43% per annum; (ii) loans from the ultimate holding company of the Company consisting of amounts of SG\$2,024,000, US\$1,715,000 and HK\$44,965,000 (in aggregate equivalent to HK\$70,149,000) (31 December 2014: HK\$61,232,000), which bear interest at a rate of 8% per annum except for an amount of US\$1,715,000, which is interest free; (iii) a loan from an independent third party of RMB1,000,000 (equivalent to HK\$1,268,000) (31 December 2014: 2,535,000), which bear interest at 12% per annum; (iv) a loan from an independent third party of US\$2,500,000 (equivalent to HK\$19,381,000) (31 December 2014: HK\$19,391,000), which bear interest at 8% per annum; and (v) loans from certain independent third parties of RMB115,910,000 (equivalent to HK\$146,983,000) (31 December 2014: Nil), which bear interest at 10% per annum.

As at 30 June 2015, unsecured other borrowings also comprised loans from independent third parties of RMB14,500,000 (equivalent to HK\$18,387,000) (31 December 2014: 25,352,000), RMB21,000,000 (equivalent to HK\$26,630,000) (31 December 2014: HK\$26,619,000) and RMB6,000,000 (equivalent to HK\$7,609,000) (31 December 2014: HK\$7,606,000) which bear interest at rates of 19.2% to 21.6% per annum, 21.6% per annum and 0.3% per day, respectively, all of these borrowings are guaranteed by an independent third party.

All these unsecured other borrowings are repayable within one year and as at 30 June 2015, HK\$70,738,000 were overdue.

### 18 銀行及其他借貸(續)

附註：(續)

#### (b) 其他借貸 – 無抵押

於二零一五年六月三十日，無抵押其他借貸包括：(i) 向董先生之親戚借入的貸款人民幣25,700,000元(相當於32,589,000港元)(二零一四年十二月三十一日：32,577,000港元)·按年利率36厘至43厘計息；(ii) 向本公司最終控股公司借入貸款，該貸款包括2,024,000新加坡元、1,715,000美元及44,965,000港元(相當於合共70,149,000港元)(二零一四年十二月三十一日：61,232,000港元)·除了貸款1,715,000美元為免息外，其他貸款按年利率8厘計息；(iii) 從獨立第三方借入的貸款人民幣1,000,000元(相當於1,268,000港元)(二零一四年十二月三十一日：2,535,000港元)·按年利率12厘計息；(iv) 從獨立第三方借入的貸款2,500,000美元(相當於19,381,000港元)(二零一四年十二月三十一日：19,391,000港元)·按年利率8厘計息；及(v) 從若干獨立第三方借入的貸款人民幣115,910,000元(相當於146,983,000港元)(二零一四年十二月三十一日：零)·按年利率10厘計息。

於二零一五年六月三十日，無抵押其他借貸亦包括從獨立第三方借入的貸款人民幣14,500,000元(相當於18,387,000港元)(二零一四年十二月三十一日：25,352,000港元)，人民幣21,000,000元(相當於26,630,000港元)(二零一四年十二月三十一日：26,619,000港元)，及人民幣6,000,000元(相當於7,609,000港元)(二零一四年十二月三十一日：7,606,000港元)，分別按利率每年介乎19.2厘至21.6厘、每年21.6厘及每日0.3厘計息，該等借貸全部由獨立第三方做擔保。

該等無抵押其他借貸全部須於一年內償還，於二零一五年六月三十日，70,738,000港元已逾期。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 18 BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

#### (c) Other loans

On 21 January 2013, the Group entered into a non-binding framework agreement with Beijing Wincapital Management Co., Ltd. ("Beijing Wincapital") in relation to the disposal of a 30% equity interest in S.E.A. Mineral Limited ("SEAM"), a wholly-owned subsidiary of the Group. The aggregate disposal consideration is expected to be approximately RMB900 million (approximately HK\$1,100 million). The proposed transaction is yet to complete and no formal sales and purchase agreement has been entered into up to the date of approval of the interim condensed consolidated financial information.

In connection with the proposed disposal, Beijing Wincapital arranged certain financing loans ("Financing Loans") to the Group in the aggregate amounts of RMB700 million (equivalent to approximately HK\$887 million) as at 31 December 2014 (2013: HK\$254 million). Such borrowings can be settled by offsetting against the disposal consideration should the proposed disposal be completed.

As at 30 June 2015, the Financing Loans comprised of:

- (i) A loan of RMB200,000,000 (equivalent to HK\$253,614,000) (31 December 2014: HK\$253,517,000) 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 up to January 2015.

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

### 18 銀行及其他借貸(續)

附註：(續)

#### (c) 其他貸款

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(「北京匯贏」)訂立有關出售本集團全資附屬公司南洋礦業有限公司(「南洋礦業」)30%權益的無約東力框架協議。總出售代價預計為大約人民幣9億元(約11億港元)。截至中期簡明綜合財務資料批准日期，建議交易尚未完成，亦未訂立任何正式買賣協議。

就此項建議出售事項而言，截至二零一四年十二月三十一日，北京匯贏為本集團安排若干貸款融資(「貸款融資」)總額人民幣700百萬元(相等於約887百萬港元)(二零一三年：254百萬港元)。倘建議出售得以完成，有關借貸可藉抵銷出售代價支付。

於二零一五年六月三十日，融資貸款包括：

- (i) 貸款人民幣200,000,000元(相當於253,614,000港元)(二零一四年十二月三十一日：253,517,000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(至二零一五年一月)的有抵押融資。

作為華鑫信託提供融資的代價，(i)永通特鋼(本集團的全資附屬公司)已向華鑫信託轉讓自其全資附屬公司永通鑛業的股權所產生或應收的所有收入的權利及利益(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。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 18 BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

#### (c) Other loans (continued)

- (ii) Loans provided by Gongyi Jiahui in the aggregate of RMB500,000,000 (equivalent to HK\$634,035,000) (31 December 2014: HK\$633,794,000) for a term of three to six months from the respective drawdown dates.

Except for a loan of RMB49,200,000 (equivalent to HK\$62,389,000) (31 December 2014: HK\$62,365,000) which was secured by a charge over 1,307,786,705 ordinary shares of the Company held by Easyman, representing approximately 47.27% of the issued share capital of the Company as at 30 June 2015, all of these loans are unsecured.

As at the date of approval of the interim condensed consolidated financial information, all of the loans under the Financing Loans of HK\$887,649,000 (31 December 2014: HK\$315,883,000) have expired. The Group is in the process of negotiating with Beijing Wincapital and the above relevant lenders to extend the terms of these borrowings.

#### (d) The 12% Coupon Senior Bonds

On 13 June 2014, the Company has completed the restructuring of its 10% Coupon Senior Bonds with aggregate nominal amount of HK\$390,990,000 and the 6% Coupon Convertible Bonds with aggregate nominal amount of HK\$181,575,000 such that the maturity of these bonds will be extended for three years to 2018 ("Debt Restructuring"). The key terms of the 10% Coupon Senior Bonds have been amended as follows:

- (i) Interest rate: 12% per annum, which is payable quarterly in arrears;
- (ii) Maturity date: 12 December 2018;
- (iii) Repayment: The Company shall redeem the bonds at 100% of the remaining principal of HK\$390,990,000 in 8 quarterly instalments commencing 12 March 2017 to and including the Final Maturity Date;

### 18 銀行及其他借貸(續)

附註：(續)

#### (c) 其他貸款(續)

- (ii) 肇義佳匯提供貸款合共人民幣500,000,000元(相當於634,035,000港元)(二零一四年十二月三十一日：633,794,000港元)，為期三至六個月(由相關提款日期起計)。

除貸款人民幣49,200,000元(相當於62,389,000港元)(二零一四年十二月三十一日：62,365,000港元)以質押Easyman所持本公司1,307,786,705股普通股(相當於本公司於二零一五年六月三十日已發行股本約47.27%)作為抵押品外，所有該等貸款為無抵押。

於中期簡明綜合財務資料批准日期，融資貸款項下之貸款887,649,000港元(二零一四年十二月三十一日：315,883,000港元)已悉數到期。本集團正與北京匯羈及上述有關貸款人進行磋商，以延長該等借貸之期限。

#### (d) 12%票面息優先債券

於二零一四年六月十三日，本公司完成重組其面值合共390,990,000港元之10%票面息優先債券及面值合共181,575,000港元之6%票面息可換股債券，致使該等債券的還款期將延長三年至二零一八年(「債務重組」)。10%票面息優先債券之主要條款修訂如下：

- (i) 年利率：12厘，每季度支付前期的利息；
- (ii) 到期日：二零一八年十二月十二日；
- (iii) 償還：本公司須於二零一七年三月十二日起至最終到期日(包括該日)分8期按季付款贖回債券100%餘下本金額390,990,000港元；

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 18 BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

#### (d) The 12% Coupon Senior Bonds (continued)

- (iv) 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 12% on a quarterly basis, at any time 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 and the 6% Coupon Convertible Bonds have been accounted for as extinguishment of financial liabilities and the amended Coupon Senior Bonds ("12% Coupon Senior Bonds") and amended Convertible Bonds ("8% Coupon Convertible Bonds") have been recognised upon the completion of the Debt Restructuring.

The 12% Coupon Senior Bonds with the embedded redemption options, were initially recognised as a debt host contract, which was measured using an equivalent market interest rate for a similar bond without a redemption option, and are subsequently carried at amortised cost. The embedded redemption options, were initially recognised as an embedded derivative, which was measured using valuation technique. At its initial recognition on 13 June 2014 and at the end of the reporting period, the fair value of the embedded redemption options was insignificant. The fair value of the 12% Coupon Senior Bonds was valued by Greater China Appraisal Limited.

The movements of the liability and derivative components of the 12% Coupon Senior Bonds are as follows:

		Liability component 負債部分 HK\$'000 千港元	Embedded derivatives 內含衍生工具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 13 June 2014 (initially recognised)	於二零一四年六月十三日 (初始確認)	219,351	–	219,351
Interest expense	利息開支	41,772	–	41,772
Payment of coupons	支付票息	(11,826)	–	(11,826)
Acceleration of unwinding interest on bonds due to event of default (note f)	因違約事件加速債券之 利息撥回(附註f)	141,693	–	141,693
At 31 December 2014 and 30 June 2015	於二零一四年 十二月三十一日及 二零一五年六月三十日	390,990	–	390,990

### 18 銀行及其他借貸(續)

附註：(續)

#### (d) 12% 票面息優先債券(續)

- (iv) 於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12厘作季度支付，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%票面息優先債券及6%票面息可換股債券已列賬為金融負債之抵銷，而已修訂的優先債券(12%票面息優先債券)及已修訂的可換股債券(8%票面息可換股債券)已於完成債務重組後確認。

12%票面息優先債券連同內含之贖回權初始確認為債務主合同，按類似但不含贖回權的債券的相同市場利率計量，其後以攤餘成本列值。內含之贖回權初步確認為內含衍生工具，利用估值法計算。於二零一四年六月十三日初步確認時及報告期末，內含之贖回權的公允價值並不重大。12%票面息優先債券之公允價值乃為漢華評估有限公司作出的估值。

12%票面息優先債券之負債及衍生工具部分之變動如下：

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 18 BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

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

The Modified 10% Coupon Bonds matured on 12 March 2015 and therefore was overdue as at 30 June 2015.

#### (f) Events of default under the terms of the borrowings

(i) During the year ended 31 December 2014 and six months period ended 30 June 2015, the Group failed to make: interest payment totalling HK\$16,108,000 and HK\$29,048,000, respectively under the relevant terms and conditions of its Modified 10% Coupon Bonds, 12% Coupon Senior Bonds and 8% Coupon Convertible Bonds, and principal payment on the Modified 10% Coupon Bonds of HK\$28,400,000. This constituted an event of default under the respective terms of the Bonds. As a result, the outstanding carrying amounts of the Modified 10% Coupon Bonds, 12% Coupon Senior Bonds and 8% Coupon Convertible Bonds shall become immediately due and payable, out of which the 12% Coupon Senior Bonds and 8% Coupon Convertible Bonds of HK\$390,990,000 and HK\$117,525,000, respectively have been reclassified as current liabilities as at 30 June 2015, whereas the Modified 10% Coupon Bonds of HK\$28,400,000 was overdue as at 30 June 2015 and therefore the overdue has not resulted in its reclassification.

Despite the above, DB Trustees (Hong Kong) Limited, the trustee for the holders of the Bonds, has not demanded immediate repayment of the Bonds and their related interest up to the date of approval of this report. The Group has been actively negotiating with the holders of the Bonds for further extension of the repayment of principal and interest, and the execution of debt restructuring scheme, if needed, to facilitate the Group meeting its obligations.

### 18 銀行及其他借貸(續)

附註：(續)

#### (e) 經修訂10%票面息債券

經修訂的10%票面息債券於二零一五年三月十二日到期，因此於二零一五年六月三十日已逾期。

#### (f) 根據借貸條款發生違約事件

(i) 截至二零一四年十二月三十一日止年度及截至二零一五年六月三十日止六個月期間，本集團未能根據其經修訂的10%票面息債券、12%票面息優先債券及8%票面息可換股債券之相關條款及條件支付貸款利息(分別為16,108,000港元及29,048,000港元)及支付經修訂的10%票面息債券之本金28,400,000港元。根據該等債券之相關條款，此事構成違約事件。因此，經修訂的10%票面息債券、12%票面息優先債券及8%票面息可換股債券之未行使賬面值即時成為到期應付，其中分別為390,990,000港元及117,525,000港元之12%票面息優先債券及8%票面息可換股債券於二零一五年六月三十日已重新分類為流動負債，而28,400,000港元之經修訂的10%票面息債券於二零一五年六月三十日已逾期，因此逾期情況並無導致其重新分類。

儘管發生上述事件，截至本報告批准日期，德意志信託(香港)有限公司(為該等債券持有人之受託人)並無要求即時償還該等債券及其相關利息。本集團已積極與該等債券持有人進行磋商，以進一步延期償還本金及利息，並執行債務重組計劃(如有需要)，促使本集團履行其責任。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 18 BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

#### (f) Events of default under the terms of the borrowings (continued)

- (ii) In addition, as mentioned in note (a) above, certain secured and unsecured bank loans totaling HK\$152,167,000 have become repayable on demand as a result of the cross default on certain other loans. The Group has been actively negotiating with these banks on any possible renewal or refinancing arrangements of these borrowings, out of which HK\$88,765,000 is proposed to be refinanced by a syndicated loan.
- (iii) As it is also described in note (c) above, as at 30 June 2015, the terms of all of the Financing Loans of HK\$887,649,000 have expired. The Group is in the process of negotiating with Beijing Wincapital and the above relevant lenders to extend the terms of these borrowings.

### 19 CONVERTIBLE BONDS

On 13 June 2014, the Company completed the Debt Restructuring as stated in Note 18(d), whereupon the terms and conditions governing the 6% Coupon Convertible Bonds with aggregate nominal amount of HK\$181,575,000 have been amended as follows:

- (i) Amended the interest rate payable from 6% per annum to 8% per annum;
- (ii) Extended the final maturity date of the 8% Coupon Convertible Bonds from 12 March 2015 to 12 March 2018;
- (iii) The price at which ordinary shares will be issued upon conversion of the Convertible Bonds will be reduced to HK\$0.30 per ordinary share, subject to adjustment in the manner provided in the Convertible Bonds Trust Deed;

### 18 銀行及其他借貸(續)

附註：(續)

#### (f) 根據借貸條款發生違約事件(續)

- (ii) 此外，如上文附註(a)所述，若干已抵押及無抵押銀行貸款合共152,167,000港元，已因若干其他貸款出現交叉違約而改為於要求時償還。本集團一直積極與該等銀行就任何可能重續該等借貸或其融資安排進行磋商，其中88,765,000港元計劃以銀團貸款再融資。
- (iii) 此外，如上文附註(c)所述，於二零一五年六月三十日，所有融資貸款（共887,649,000港元）之期限已逾期。本集團正在與北京匯贏及上述相關放貸人進行磋商，以延長該等借貸之期限。

### 19 可換股債券

於二零一四年六月十三日，本公司已完成債務重組（如附註18(d)所述），據此，面值總額181,575,000港元之6%票面息可換股債券之條款及條件已修訂如下：

- (i) 將應付年利率由6%修訂為8%；
- (ii) 將8%票面息可換股債券之最終到期日由二零一五年三月十二日延至二零一八年三月十二日；
- (iii) 兌換可換股債券後，將發行普通股之價格修訂為每股普通股0.30港元（可按有關可換股債券信託契據規定之方式調整）；



# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 19 CONVERTIBLE BONDS (continued)

- (iv) Amended to the Conversion Price re-set mechanics to provide a reduced Floor Price of HK\$0.18;
- (v) Added a provisional clause to the definition of “Relevant Event” (Note) to ensure that the suspension of trading of the ordinary shares of the Company on the Stock Exchange at the completion date of the Debt Restructuring will not constitute a Relevant Event unless it continues for a period of 120 consecutive calendar days following 12 June 2014;
- (vi) Amended the Reserve Account arrangements to reduce the Required Minimum Balance from US\$10,000,000 to US\$1,000; and
- (vii) The addition of provisions which will require the Company to credit to the balance of the Reserve Account amounts calculated by reference to the volume of dry tonnes of ore exported to SEAM in the event that the current restrictions imposed on the export of ores under the Exclusive Offtake Agreement are lifted and which will require the Company to accelerate the payments schedule in such circumstances.

Note:

A “Relevant Event” occurs:

- (1) when the ordinary shares of the Company cease to be listed or admitted to trading, or the trading of which is suspended for a period of more than 90 consecutive calendar days, on the Hong Kong Stock Exchange; or
- (2) when there is a change of control in the Company.

### 19 可換股債券(續)

- (iv) 修訂兌換價重設機制，訂明0.18港元之下調最低價格；
- (v) 對「有關事件」（附註）之定義新增臨時條款，確保本公司普通股於債務重組完成日期暫停於聯交所買賣將不會構成一項有關事件，除非其於二零一四年六月十二日後持續為期連續120個曆日；
- (vi) 修訂儲備賬安排，以將規定最低結餘由10,000,000美元減至1,000美元；及
- (vii) 加入額外條文，條文規定假如撤銷對獨家採購協議項下出口礦石的現有限制，本公司須將參照出口往南洋礦業的礦石乾噸數量計算的數額計入儲備賬結餘內。在此等情況下，本公司須縮短付款時間表。

附註：

「有關事件」於以下情況下發生：

- (1) 當本公司普通股不再於香港聯交所上市，或不再獲准於香港聯交所買賣，或其買賣暫停超過為期連續90個曆日；或
- (2) 倘本公司之控制權出現變動。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 19 CONVERTIBLE BONDS (continued)

The amendments are considered to be substantial modification of terms of the 6% Coupon Convertible Bonds. Consequently, the 6% Coupon Convertible Bonds have been accounted for as extinguishment of financial liabilities and the 8% Coupon Convertible Bonds have been recognised upon the completion of the Debt Restructuring.

The movements of the liability and derivative components of the 8% Coupon Convertible Bonds are as follows:

### 19 可換股債券(續)

該等修訂被視為6%票面息可換股債券條款之重大修訂。因此，6%票面息可換股債券已列賬為金融負債之抵銷，而8%票面息可換股債券已於完成債務重組後確認。

8%票面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 13 June 2014 (initial recognition)	於二零一四年六月十三日 (初始確認)	81,691	105,663	187,354
Interest expense	利息開支	14,608	-	14,608
Conversion into ordinary shares	轉換成普通股	(17,782)	(22,033)	(39,815)
Changes in fair value	公允價值變動	-	743	743
Payments of coupons	支付票息	(3,662)	-	(3,662)
Acceleration of unwinding interest on bonds due to event of default	因違約事件加速債券之 利息撥回	69,070	-	69,070
At 31 December 2014	於二零一四年 十二月三十一日	143,925	84,373	228,298
At 1 January 2015	於二零一五年一月一日	<b>143,925</b>	<b>84,373</b>	<b>228,298</b>
Conversion into ordinary shares	轉換成普通股	<b>(26,400)</b>	<b>(15,476)</b>	<b>(41,876)</b>
Changes in fair value	公允價值變動	-	<b>3,596</b>	<b>3,596</b>
At 30 June 2015	於二零一五年六月三十日	<b>117,525</b>	<b>72,493</b>	<b>190,018</b>

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 19 CONVERTIBLE BONDS (continued)

The Company determined the fair value of the liability component of the 8% 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 8% Coupon Convertible Bonds into ordinary shares of the Company at the conversion price;
- (ii) The fair value of the option of the Company to redeem the 8% Coupon Convertible Bonds; and
- (iii) The fair value of the potential option of the holders to request the Company to redeem the 8% Coupon Convertible Bonds upon the occurrence of Relevant Event.

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

The fair values of the derivatives were valued by Greater China Appraisal Limited using the trinomial model. As at 30 June 2015, the fair value of the liability component of the 8% Coupon Convertible Bonds was HK\$68,604,000.

### 19 可換股債券(續)

本公司8%票面息可換股債券負債部分之公允值，乃為漢華評值有限公司按類似但不含換股權的債券的相同市場利率計量而作出的估值。

本公司已確認若干衍生工具，其價值由以下各項組成：

- (i) 債券持有人選擇按換股價兌換8%票面息可換股債券為本公司普通股之公允價值；
- (ii) 本公司選擇贖回8%票面息可換股債券之公允價值；及
- (iii) 持有人於發生有關事件後可能選擇要求本公司贖回8%票面息可換股債券之公允值。

由於僅可行使此等選擇權之其中一項，故此等選擇權為互相關連。因此，有關選擇權不可獨立入帳，並確認單一綜合衍生金融工具。

衍生工具之公允價值乃漢華評值有限公司使用三項式模式而作出的估值。於二零一五年六月三十日，8%票面息可換股債券負債部分之公允值為68,604,000港元。

## Notes to Interim Condensed Consolidated Financial Information 中期簡明綜合財務資料附註

### 19 CONVERTIBLE BONDS (continued)

The 8% Coupon Convertible Bonds and the 12% Coupon Senior Bonds are secured by (i) the pledge of the Group's time deposits amounting to HK\$13,000; (ii) all of the rights, interest, title and benefits of the Exclusive Offtake Agreement; and (iii) all of the shares held by First Elite Development Limited in S.E.A. Mining Limited, a private company incorporated in Hong Kong with limited liability, which is the sole legal and beneficial holder of the convertible bonds issued by PT. Yiwon Mining with principals amounting to HK\$46,500,000 and US\$3,000,000 respectively, which are convertible into ordinary shares of PT. Yiwon Mining.

As at 30 June 2015, an event of default occurred under the terms of the 8% Coupon Convertible Bonds, details of which have been disclosed in Note 18 (f).

### 19 可換股債券(續)

8%票面息可換股債券及12%票面息優先債券由下列各項作抵押：(i)質押本集團定期存款13,000港元；(ii)獨家採購協議之所有權利、權益、所有權及利益；及(iii)First Elite Development Limited持有於南洋礦產有限公司之所有股份。First Elite Development Limited乃一間於香港註冊成立的私人有限公司，為PT. Yiwon Mining所發行本金總額分別為46,500,000港元及3,000,000美元之可換股債券(獲轉換為PT. Yiwon Mining的普通股)之唯一合法及實益持有人。

於二零一五年六月三十日，根據8%票面息可換股債券之條款發生違約事件，有關詳情披露於附註18(f)。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 20 SHARE CAPITAL

### 20 股本

		Period ended 30 June 2015 截至二零一五年 六月三十日止期間		Year ended 31 December 2014 截至二零一四年 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): At beginning and end of the period/year	法定(每股0.1港元): 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): At beginning of the period/year	已發行及繳足 (每股0.1港元): 期初/年初	2,678,540,198	267,854	2,553,040,200	255,304
Conversion of convertible bonds	轉換可換股債券	88,000,000	8,800	125,499,998	12,550
At end of the period/year	期末/年末	2,766,540,198	276,654	2,678,540,198	267,854

### 21 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 Hong Kong 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 Hong Kong Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the relevant option.

### 21 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）香港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香港聯交所每日報價表所列之股份平均收市價。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 21 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.

There were 140,000 share options lapsed, with no share options granted or exercised during the six months period ended 30 June 2015.

### 21 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。

截至二零一五年六月三十日止六個月期間，140,000份購股權已失效，且概無購股權獲授出或行使。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 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 2015 and 31 December 2014, the Group and the Company did not have any financial instruments that were carried at fair value except for the derivative financial instruments.

At 30 June 2015 and 31 December 2014, the conversion rights of the Company's and the Group's 8% Coupon Convertible Bonds, together with redemption rights (considered as a single derivative), classified as derivative financial instruments of HK\$72,493,000 (31 December 2014: HK\$84,373,000) was measured under level 3 of fair value hierarchy. The fair value was valued by estimating the value of the whole bond with and without the embedded derivatives.

### 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)

於二零一五年六月三十日及二零一四年十二月三十一日，除衍生金融工具外，本集團及本公司並無任何按公允價值計量的金融工具。

於二零一五年六月三十日及二零一四年十二月三十一日，本公司及本集團8%票面息可換股債券附帶的兌換權，連同分類作衍生金融工具的贖回權(被視為一項單一衍生工具)72,493,000港元(於二零一四年十二月三十一日：84,373,000港元)，乃以公允價值層級的第3級別計量。公允價值乃透過估計全部債券包含及不包含嵌入式衍生工具的估價進行估值。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 22 FAIR VALUE HIERARCHY (continued)

The most significant inputs in determination of the fair value of conversion rights of the 8% Coupon Convertible Bonds are market price of the Company's ordinary shares, discount rate, and volatility rate of market price of the Company's ordinary shares.

### 23 CONTINGENT LIABILITIES

The Group follows the guidance of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" to determine when should contingent liabilities be recognised, which requires significant judgement.

The Group reviews significant outstanding litigations in order to assess the need for provisions. Among the factors considered are the nature of the litigation, legal processes and potential level of damages, the opinions and views of the legal counsels and advisors, and the management's intentions to respond to the litigations. To the extent the estimates and judgements do not reflect the actual outcome, this could materially affect the results for the period and the financial position.

### 22 公允價值層級(續)

釐定8%票面息可換股債券換股權之公允價值的最重要輸入數據乃本公司普通股的市價、貼現率，以及本公司普通股的市價波動率。

### 23 或然負債

本集團遵從國際會計準則第37號「撥備、或然負債及或然資產」的指引，以斷定何時應確認或然負債，過程中需要作出重大的判斷。

本集團會審閱重大的待決訴訟，以評估有否撥備的需要。所考慮的因素包括訴訟的性質、法律程序及損害賠償的潛在程度、法律顧問及諮詢人的意見及見解以及管理層對回應訴訟的意向。倘估計及判斷與實際結果不相符，則有可能嚴重影響期內業績及財務狀況。



# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 23 CONTINGENT LIABILITIES (continued)

#### (i) Litigation with Rock Resource Limited (“RR”) and United Mineral Limited (“UM”) (collectively referred to as the “Buyers”)

In March 2014, the Company received certain legal letters (the “Letters”) from the Buyers dated 20 March 2014, which purported to be statutory demands serviced to the Company pursuant to section 178(1) (a) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (“Statutory Demand”).

The Letters concern disputes between the Group and the Buyers relating to certain primary contracts for the sale and purchase of Indonesian iron ores, and contain claims for (i) an amount of US\$10,347,698 (equivalent to approximately HK\$80,242,000) which comprises the demand for return of an advance payment made by RR to the Group of US\$3,000,000 (equivalent to approximately HK\$23,264,000) and interest thereon to the extent of US\$7,347,698 (equivalent to approximately HK\$56,978,000) payable up to 20 March 2014; and (ii) an amount of RMB70,355,783 (equivalent to approximately HK\$89,488,000) which comprises the demand for return of an advance payment made by UM to the Group of RMB20,000,000 (equivalent to approximately HK\$25,438,000) and interest thereon to the extent of RMB50,355,783 (equivalent to approximately HK\$64,050,000) payable up to 20 March 2014. The Company as guarantor to the abovementioned primary contracts is therefore also a party to these litigations.

### 23 或然負債 (續)

#### (i) 與 Rock Resource Limited (「RR」) 及 United Mineral Limited (「UM」) (統稱「買家」) 之訴訟

於二零一四年三月，本公司接獲買家發出日期為二零一四年三月二十日的若干法律函件(「該等函件」)，其中聲稱為根據《公司(清盤及雜項條文)條例》(第32章)第178(1)(a)條向本公司呈遞之法定要求索償書(「法定要求索償書」)。

該等函件涉及本集團與買家就買賣印尼鐵礦石而簽訂的若干主要合約的糾紛，其中載有以下索償：(i) 一筆為數10,347,698美元(相等於約80,242,000港元)的款項，包含RR向本集團要求退還已付墊款3,000,000美元(相等於約23,264,000港元)連同其中利息，金額最多為截至二零一四年三月二十日止應付的7,347,698美元(相等於約56,978,000港元)；及(ii) 一筆為數人民幣70,355,783元(相等於約89,488,000港元)的款項，包含UM向本集團要求退還已付墊款人民幣20,000,000元(相等於約25,438,000港元)連同其中利息，金額最多為截至二零一四年三月二十日止應付的人民幣50,355,783元(相等於約64,050,000港元)。由於本公司為上述主要合約之擔保人，因此亦屬該等訴訟之一方。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 23 CONTINGENT LIABILITIES (continued)

#### (i) Litigation with Rock Resource Limited (“RR”) and United Mineral Limited (“UM”) (collectively referred to as the “Buyers”) (continued)

On 4 April 2014, the Group issued a legal letter to the legal representative of the Buyers requesting them to withdraw the Statutory Demand as the Group considers that it has bona fide defences on substantial grounds to the claims asserted from the Buyers, and the Group also considers it has very substantial counterclaims against the Buyers as a result of their non-performance of the relevant contracts.

On 7 April 2014, the Group received another legal letter from the legal representative of the Buyers informing that the Buyers will not present their winding up petition against the Company without serving a 3-day notice.

On 11 April 2014, the Company received another statutory demand from the legal representative of UM to claim for certain interest charge (“Interest Charge”) on certain loans provided by UM to the Group (the principal of which had been fully repaid before 31 December 2013) calculated up to 11 April 2014 (as supplemented by another legal letter dated 15 April 2014), together with the related penalty, to the extent of US\$3,839,000 (equivalent to approximately HK\$29,770,000). The Group has subsequently replied, through its legal representative, that most of the claimed Interest Charge are unenforceable at law but agreed to pay the relevant interest charge (after tax) calculated under normal contract terms in the amount of US\$345,000 (equivalent to approximately HK\$2,675,000) which has been provided for during the year ended 31 December 2013.

### 23 或然負債(續)

#### (i) 與Rock Resource Limited (「RR」)及 United Mineral Limited (「UM」)(統稱「買家」)之訴訟(續)

於二零一四年四月四日，本集團向買家的法律代表發出法律函件，要求他們撤回法定要求索償書，理由是本集團認為其就買家提出的索償有實質理據作出真誠抗辯，而本集團認為基於買家亦未有履行有關合約，可向買家提出非常重大的反索償。

於二零一四年四月七日，本集團接獲買家法律代表另一封法律函件，通知本集團買家不會在未有發出3天通知期的情況下，提請本公司清盤。

於二零一四年四月十一日，本公司接獲UM法律代表另一項法定要求索償書(經日期為二零一四年四月十五日另一封法律函件補充)，申索有關UM向本集團提供若干貸款(本金額已於二零一三年十二月三十一日前全數償還)截至二零一四年四月十一日止之若干利息收費(「利息收費」)，連同有關罰金，金額最多為3,839,000美元(相等於約29,770,000港元)。本集團隨後透過其法律代表回覆，申索的大部分利息收費在法律上為不可強制執行，但同意支付按正常合約條款計算的相關利息收費(稅後)345,000美元(相等於約2,675,000港元)，有關金額已於截至二零一三年十二月三十一日止年度作出撥備。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 23 CONTINGENT LIABILITIES (continued)

#### (i) Litigation with Rock Resource Limited ("RR") and United Mineral Limited ("UM") (collectively referred to as the "Buyers") (continued)

On 9 May 2014, the Group received another legal letter from the legal representative of UM informing that UM will not present its winding up petition against the Company without serving a 3-day notice.

In October 2014, the legal representative of UM issued a letter to the Group requesting payment for the amount of US\$345,000 and the Group fully settled the amount in November 2014.

On 18 November 2014, a subsidiary of the Group received a legal letter from RR, which purported to be statutory demand served to the subsidiary pursuant to section 254(2) (a) of the Singapore Companies Act (Cap. 50), requesting for settlement of a payable of US\$1,726,000 (equivalent to approximately HK\$13,387,000) (the "Unpaid Invoices"), which has been included as current liabilities of the Group in the consolidated statement of financial position.

On 8 December 2014, the Group issued a legal letter to RR requesting RR to withdraw such statutory demand and confirm that RR will not commence winding up of the aforementioned subsidiary as the Group considers it has bona fide defences on substantial grounds to the claims asserted in RR's letter dated 18 November 2014 and has significant cross-claims against RR and therefore the Unpaid Invoices should not be settled at this stage since the Group would be entitled to set these sums off against its very substantial counterclaims for RR and/ or UM.

### 23 或然負債 (續)

#### (i) 與 Rock Resource Limited ("RR") 及 United Mineral Limited ("UM") (統稱「買家」) 之訴訟 (續)

於二零一四年五月九日，本集團接獲UM法律代表另一封法律函件，通知本集團UM不會在未有發出3天通知期的情況下，提請本公司清盤。

於二零一四年十月，UM法律代表向本集團發出函件，要求支付345,000美元之金額，本集團已於二零一四年十一月悉數結付有關金額。

於二零一四年十一月十八日，本集團附屬公司接獲RR之法律函件，有關根據新加坡公司條例(第50章)第254(2)(a)條向附屬公司送達法定要求索償書，要求清償應付款項1,726,000美元(相當於約13,387,000港元)(「未付發票」)，有關金額已計入本集團綜合財務狀況表之流動負債。

於二零一四年十二月八日，本集團向RR發出法律函件，要求RR撤回該法定要求索償書，並確認RR將不會展開上述附屬公司之清盤，理由是為本集團認為其就RR日期為二零一四年十一月十八日之函件提出的索償有實質理據作出真誠抗辯及針對RR提出重大反索償，而由於本集團將可針對RR及/或UM之非常重大反索償抵銷該等款項，故此於現階段毋須結付未付發票。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 23 CONTINGENT LIABILITIES (continued)

#### (i) Litigation with Rock Resource Limited ("RR") and United Mineral Limited ("UM") (collectively referred to as the "Buyers") (continued)

There has been no further correspondence between the Group and the Buyers since then and up to the date of approval of the interim condensed consolidated financial information. The Directors, after seeking legal advice on the above claims, consider that the Group has bona fide defences on substantial grounds to the claims asserted from the Buyers such that (i) the aforementioned advance payments received to the extent of approximately HK\$48,702,000 in aggregate are presently not due for repayment by the Group; (ii) the resulting interest so calculated are therefore miscalculated and grossly inflated; (iii) other than an amount of HK\$2,675,000 relating to the Interest Charge which has already been settled by the Group, the remaining sums of the claims are without merit; and (iv) the Unpaid Invoices should not be settled at this stage. The Directors are also of the opinion that the Group has significant ground for very substantial counterclaims and cross-claims against each of the Buyers as a result of their non-performance of the relevant contracts as mentioned in the Letters. Consequently, no provision has been made for these claims on this interim condensed consolidated financial information as the Directors consider that it is not probable that the above legal claims would result in any material outflow of economic benefits from the Group.

### 23 或然負債 (續)

#### (i) 與 Rock Resource Limited (「RR」) 及 United Mineral Limited (「UM」) (統稱「買家」) 之訴訟 (續)

自此及截至中期簡明綜合財務資料批准日期，本集團與買家並無任何其他通訊。董事就上述申索尋找法律意見後認為，本集團就買家提出的索償有實質理據作出真誠抗辯，因為(i)上述已收的墊款上限合共約48,702,000港元目前無需由本集團償還；(ii)其計算的利息因而是被錯誤計算且嚴重誇大；(iii)除本集團已結付與利息收費相關的2,675,000港元外，索償的餘額缺乏充份理據；及(iv)未付發票毋須於現階段結付。董事亦認為，基於買家亦未有履行該等函件所述相關合約，本集團有實質的理據向每名買家提出相當重大的反索償及交叉索償。因此，由於董事認為上述法律申索不大可能使本集團流出任何重大的經濟利益，故此並無就有關申索於中期簡明綜合財務資料內作出撥備。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 23 CONTINGENT LIABILITIES (continued)

#### (ii) Dispute on Contracts of Affreightment (“COAs”)

The Group entered into certain COAs with various marine vessel owners committing certain minimum number of cargoes per calendar month for exporting iron ores from Indonesia. As a result of the unfavourable economic environment and the various changes in rules and regulations stipulated by the Indonesian government authorities since year 2012, the Group's ores export was adversely affected and therefore unable to fulfil the minimum cargoes commitments as stipulated by some of these COAs.

During the year ended 31 December 2014, the Group received various legal letters from TORM A/S (“TORM”), a marine vessel owner, to (i) claim for an outstanding freight charges payable by the Group to TORM of approximately US\$1,834,000 (equivalent to approximately HK\$14,268,000) (“Outstanding Freight Charges”); and (ii) notify the commencement of arbitration proceedings pursuant to the terms of the relevant COAs to claim for loss and damage suffered by TORM (“Other Losses”) with respect to approximately 51 unfulfilled cargoes under the terms of the relevant COAs which is estimated by TORM to be approximately US\$11,828,000 (equivalent to approximately HK\$91,721,000) up to 27 March 2014 (the amount stated in the latest claim submissions from TORM).

### 23 或然負債 (續)

#### (ii) 就租船貨運合約(「租船貨運合約」)的爭議

本集團與多名船主訂立若干租船貨運合約，承諾每個曆月要求若干最低數目的貨船從印尼出口鐵礦石。鑒於不利的經濟環境，再加上印尼政府頒佈的規則及規例自二零一二年起有若干變動，本集團的礦石出口受到不利影響，因而無法達到若干租船貨運合約規定的貨船最低數目承諾。

截至二零一四年十二月三十一日止年度，本集團接獲船主TORM A/S(「TORM」)的法律函件，內容為(i)申索本集團應付TORM的未支付運費約1,834,000美元(相等於約14,268,000港元)(「未支付運費」)；及(ii)通知根據有關租船貨運合約的條款展開仲裁程序，申索TORM根據有關租船貨運合約的條款就約51艘未履行的貨船蒙受的損失及損害(「其他損失」)，TORM估計截至二零一四年三月二十七日之金額約為11,828,000美元(相等於約91,721,000港元)，金額載於TORM提交最近期申索呈請書內。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 23 CONTINGENT LIABILITIES (continued)

#### (ii) Dispute on Contracts of Affreightment (“COAs”) (continued)

The relevant freight charges payable by the Group to TORM have been fully accounted for in the consolidated financial statements of the Group for the year ended 31 December 2013. The dispute with TORM in respect of the Outstanding Freight Charges has been settled at an amount of US\$419,000 (equivalent to HK\$3,253,000) during the year ended 31 December 2014 and the claim has been fully discharged in June 2014.

In connection with the claims on Other Losses, the Group has engaged legal advisors to commence arbitration procedures with TORM in February 2014. The said arbitration procedures are still in progress as at the date of approval of the interim condensed consolidated financial information.

In preparing this interim condensed consolidated financial information, the Directors have obtained legal advice in this respect and, based upon which, consider that as the arbitration is still ongoing, they are not currently in a position to estimate the financial effect (if any) relating to the arbitration and it may take a substantial time to complete the arbitration process.

Accordingly, no provision in respect of such legal dispute was made in the interim condensed consolidated financial information.

As at 30 June 2015 and up to the date of approval of this report, based on the best knowledge and information of the Directors, there are no further claims in relation to any COAs that the Group has entered into.

### 23 或然負債(續)

#### (ii) 就租船貨運合約(「租船貨運合約」)的爭議(續)

本集團應付TORM的有關運費已全數計入截至二零一三年十二月三十一日止年度的綜合財務報表。截至二零一四年十二月三十一日止年度，與TORM爭議相關的未支付運費已清償419,000美元(相當於3,253,000港元)，而有關申索已於二零一四年六月全面解除。

至於其他損失的申索，本集團於二零一四年二月委聘法律顧問與TORM展開仲裁程序。上述仲裁程序於中期簡明綜合財務資料批准日期仍在進行。

董事在編製該等中期簡明綜合財務資料時，已就仲裁獲取法律意見，據此認為仲裁仍在進行，董事現時未能估計仲裁產生的財務影響(如有)，且仲裁程序可能需要相當長時間才能完成。

因此，本公司並無就此等法律爭議於中期簡明綜合財務資料作出撥備。

於二零一五年六月三十日及截至本報告批准日期，據董事深知及盡悉，本集團再無涉及其訂立任何有關租船貨運合約之其他申索。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 23 CONTINGENT LIABILITIES (continued)

Should the resolution of these legal claims and dispute turn out to be unfavourable to the Group, the Group may need to record additional losses in respect of these claims and disputes in future reporting periods.

### 24 COMMITMENTS

#### Capital commitments

### 23 或然負債(續)

如上述法律申索及爭議的最終結果不利於本集團，本集團可能需在未來報告期間就該等申索及爭議錄得額外的損失。

### 24 承擔

#### 資本承擔

		30 June 2015 二零一五年 六月三十日 HK\$'000 千港元	31 December 2014 二零一四年 十二月三十一日 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
Property, plant and equipment	物業、廠房及設備	<b>58,702</b>	58,679

#### Operating lease commitments — as lessee

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

At 30 June 2015, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

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

於二零一五年六月三十日，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 2015 二零一五年 六月三十日 HK\$'000 千港元	31 December 2014 二零一四年 十二月三十一日 HK\$'000 千港元
Within one year	一年內	<b>3,212</b>	5,750
In the second to fifth years, inclusive	第二至第五年，包括首尾兩年	<b>1,027</b>	2,241
		<b>4,239</b>	7,991

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 25 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 2015:

### 25 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，本集團於截至二零一五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	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
PT. Yiwang Mining	Purchase of iron ores, export tax exclusive (note b) 購入鐵礦石，未計出口稅（附註b）	-	16,848
Easyman (note a) (附註a)	Interest expense (note c) 利息開支（附註c）	<b>1,796</b>	1,194
Ms. Sun Qiaodian ("Ms. Sun") 孫巧點女士（「孫女士」）	Interest expense (note d) 利息開支（附註d）	<b>6,804</b>	4,091



# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 25 RELATED PARTY TRANSACTIONS (continued)

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

### 25 關聯方交易(續)

#### (ii) 與關聯方的未結餘額

		30 June 2015 二零一五年 六月三十日 HK\$'000 千港元	31 December 2014 二零一四年 十二月三十一日 HK\$'000 千港元
Prepayments to PT. Yiwon Mining (note 15 and note e)	預付PT. Yiwon Mining之款項(附註15和附註e)	108,286	108,349
Other receivable from PT. Yiwon Mining (note f)	來自PT. Yiwon Mining之其他應收款項(附註f)	28,982	-
Loan to Full Harvest Development Limited (note g)	貸款予豐盛發展有限公司(附註g)	56,975	56,975
Amounts due to Easyman (note c)	結欠Easyman款項(附註c)	70,149	61,232
Amounts due to Ms. Sun (note d)	結欠孫女士之款項(附註d)	32,589	32,577
Amount due to a Director (note h)	結欠一名董事之款項(附註h)	2,086	2,226

Notes:

- (a) Easyman is a company wholly owned by Mr. Dong. The Directors consider that Mr. Dong through Easyman, as a lender of PT. Yiwon Mining, has an indirect economic interest in PT. Yiwon Mining.
- (b) The transactions were carried out based on the terms agreed by the parties under an exclusive offtake agreement and a second amending agreement entered into between PT. Yiwon 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.

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PT. Yiwon Mining之放款人而於PT. Yiwon Mining擁有間接經濟利益。
- (b) 該等交易分別按照PT. Yiwon 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。倘印尼政府授權強制價格調整，該等交易之價格將就獨家採礦權之餘下年期作出相應調整。

# Notes to Interim Condensed Consolidated Financial Information

## 中期簡明綜合財務資料附註

### 25 RELATED PARTY TRANSACTIONS (continued)

#### (ii) Outstanding balances with related parties (continued)

Notes: (continued)

- (c) Details of the terms of amounts due to Easyman are disclosed in Note 18(b).
- (d) Ms. Sun Qiaodian is the spouse of Mr. Dong. Amount due to Ms. Sun is unsecured and repayable by 31 December 2015. Interest is calculated at mutually agreed terms.
- (e) Prepayments are made to PT. Yiwang Mining for purchases of iron ores. The amount is unsecured and interest-free and will be settled by offsetting the relevant purchases.
- (f) Other receivable from PT. Yiwang Mining is unsecured, interest-free and repayable on demand.
- (g) The shareholder's loan to Full Harvest Development Limited, an associate, is unsecured and interest-free.
- (h) Amount due to a Director is unsecured, interest-free and repayable on demand.

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

### 25 關聯方交易 (續)

#### (ii) 與關聯方的未結餘額 (續)

附註：(續)

- (c) 結欠 Easyman 款項的條款詳情於附註 18(b) 披露。
- (d) 孫巧點女士為董先生的配偶。結欠孫女士之款項為無抵押，並須於二零一五年十二月三十一日前償還。利息是按互相同意條款計算。
- (e) 預付 PT. Yiwang Mining 之款項乃為購入鐵礦石。該款項為無抵押及免息，並將透過對銷相關購貨清償。
- (f) 其他應收 PT. Yiwang Mining 之款項為無抵押、免息及於要求時償還。
- (g) 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。
- (h) 結欠一名董事的款項為無抵押、免息及於要求時償還。

#### (iii) 本集團主要管理人員之報酬：

##### Six months ended 30 June

截至六月三十日止六個月

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Fees	袍金	500	500
Salary, allowances and benefits	薪金、津貼及福利	3,490	2,756
Employee share option benefits	僱員購股權福利	54	(71)
Pension scheme contributions	退休計劃供款	26	16
		<b>4,070</b>	<b>3,201</b>

## Corporate Governance and Other Information

### 企業管治及其他資料

#### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has complied with the Corporate Governance Code (“CG Code”) as set out in Appendix 14 of the Listing Rules during the six months ended 30 June 2015 with the exception that the deviations from code provision A.2.1 in respect of the segregation of the roles of chairman and chief executive officer, and code provision A.4.1 in respect of the service term of independent non-executive directors.

In respect of A.2.1, the roles of the chairman and the chief executive officer of the Company are now performed by Mr. Dong Shutong. Mr. Dong Shutong is responsible for over-seeing the Company’s operations in respect of compliance with internal rules, and compliance with statutory requirements and promoting the corporate governance of the Company. This constitutes a deviation from code provision A.2.1. The Board believes that it is in the best interest of the Company and the shareholders as a whole since Mr. Dong Shutong is knowledgeable in the business of the Group and possesses the essential leadership skills to guide discussions of the Board. The significant decision-making and the day-to-day management of the Company are carried out by all of the executive directors. Therefore, the roles of the chairman and the chief executive of the Company are not segregated in the sense that two different individuals took up these roles, however, the functions of the chief executive were carried out by all of the executive directors.

#### 遵守企業管治常規守則

董事認為，除了偏離守則第A.2.1條有關主席與總裁職務劃分之條文及守則第A.4.1條有關獨立非執行董事服務任期之條文，本公司於截至二零一五年六月三十日止六個月一直遵守上市規則附錄14所載企業管治守則（「企業管治守則」）。

就A.2.1而言，本公司主席及總裁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索償書，以及加強本公司企業管治。此舉偏離守則條文第A.2.1條。董事會相信，董書通先生對本集團業務認識深厚及具備所需領導才能領導董事會進行討論，故符合本公司及股東之整體最佳利益。本公司之重要決策及日常管理由全體執行董事執行。因此，本公司之主席及總裁以非由兩名不同人士擔任來說並無分開，但總裁之職能由全體執行董事履行。

In respect of A.4.1, 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 Changhui and Mr. Wong Chi Keung were not appointed for a specific term. This constitutes a deviation from Code Provision A.4.1. 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.

#### BOARD'S CONSIDERATION – MITIGATION MEASURES TO GOING CONCERN ISSUE

The Board has given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to improve its financial position which include, but not limited to, the following:

- (1) the Group has been actively negotiating a syndicated loan with a syndicate of banks in the People's Republic of China ("PRC") to (i) replace certain bank borrowings and notes payable of the Group with revised terms including the extension of loan period to more than 1 year; and (ii) provide additional loan facilities to the Group as working capital;
- (2) the Company has been actively negotiating with a bank in Hong Kong for the borrowings that had become due as at 31 December 2014 as a result of cross-default and subsequently overdue after the year end. Such borrowings are fully secured by bank deposits of the Group;

就A.4.1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A.4.1條。然而，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。

#### 董事會考慮 – 有關持續經營事宜的改善措施

董事會在評核本集團有否充足的財務資源持續經營時，已審慎考慮本集團未來流動資金及表現以及其可行之融資來源。本集團已採取若干措施以減輕流動資金的壓力並改善其財務狀況，包括但不限於以下各項：

- (1) 本集團正就一項銀團貸款與某中華人民共和國（「中國」）銀行之銀團積極進行磋商，以(i)取代本集團若干銀行借貸及應付票據（藉經修訂之條款，包括將貸款期延長至超過一年）；及(ii)為本集團提供額外貸款融資作為營運資金；
- (2) 就因交叉違約於二零一四年十二月三十一日到期及其後於年結日逾期之借款，本公司與一間香港銀行積極進行磋商。有關借貸以本集團銀行存款全數擔保；

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- (3) to finalise the proposed disposal of up to 30% equity interest S.E.A. Mineral Limited (“SEAM”), a wholly-owned subsidiary of the Group. On 21 January 2013, the Group entered into a non-binding framework agreement with Beijing Wincapital Management Co., Ltd. in relation to the disposal of a 30% equity interest in SEAM. The aggregate disposal consideration is expected to be approximately RMB900 million (approximately HK\$1.1 billion). The proposed transaction is at the finalisation stage and no formal sales and purchase agreement has been entered into up to the date of this report. Longer than expected time has been spent on negotiation of the detailed terms and conditions because of the rapid change in operating and regulatory environment of SEAM since the framework agreement was signed. Management is currently negotiating with the relevant parties to facilitate the completion of the proposed disposal despite longer than expected time was spent as a result of the rapid changes in environment that SEAM operates in. The proposed transaction can significantly strengthen the cash flow position of the Group as a whole in the near future;
- (3) 就最後落實擬出售本集團全資附屬公司南洋礦業有限公司（「南洋礦業」）最多為30%的權益。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南洋礦業30%權益的無約束力框架協議。總出售代價預計為大約人民幣9億元（約11億港元）。截至本報告日期，建議交易仍處於定稿階段，尚未訂立任何正式買賣協議。自框架協議簽署後，由於南洋礦業的經營及規管環境劇變，此商討條款及條件細節所耗時間較預期長。儘管南洋礦業的經營環境急變令所耗時間較預期長，管理層目前正與相關訂約方磋商以促使完成建議出售事項，建議交易能於不久將來大幅增強本集團整體的現金流狀況；
- (4) apart from the points (1), (2) and (3) above, the Group had other borrowings became overdue subsequent to 31 December 2014. The Group has been actively negotiating with the lenders for the renewal and extension of these borrowings;
- (4) 除上述第(1)、(2)及(3)點外，本集團亦有其他於二零一四年十二月三十一日後逾期之借貸。本集團一直積極與放債人磋商重續及延長該等借貸；
- (5) the Group has been actively negotiating with the holders of the 12% Coupon Senior Bonds and the 8% Coupon Convertible Bonds for further extension of the repayment of principal and interest;
- (5) 本集團一直積極與12%票面息優先債券及8%票面息可換股債券之持有人磋商進一步延遲償還本金及利息；

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- (6) the Company has appointed Somerley Capital Limited (“Somerley”) as the financial advisor to advise the Board in respect of possible financing arrangements including but not limited to group re-organisation and debt restructuring. The Company intends, via Somerley, to enter into discussions with its bankers, bondholders and creditors as necessary with a view to agreeing arrangements to facilitate the Group meeting its obligations;
- (6) 本公司已委任新百利融資有限公司(「新百利」)為財務顧問，以就潛在融資安排(包括但不限於集團重組及債務重組)向董事會提供意見。本公司擬於需要時透過新百利與其往來銀行、債券擁有人及債權人進行商討，以協定安排促使本集團應付債務；
- (7) the Group is negotiating with various potential investors, financial institutions and identifying various options for financing the Group’s working capital and commitments in the foreseeable future, including identification of potential investors to invest in various projects undertaken by the Group;
- (7) 本集團正與各潛在投資者、財務機構進行磋商，並物色不同融資途徑，以於可見將來應付本集團的營運資金及承擔，包括物色潛在投資者投資本集團從事的各個項目；
- (8) the Group is maximising its sales effort, including speeding up of sales of its existing inventories and seeking new orders from overseas markets or new customers on developed new products, and implementing more stringent cost control measures with a view to improving operating cash flows; and
- (8) 本集團正致力提升銷售力度，包括加快現有存貨銷售並於海外市場尋求新訂單或就開發新產品尋求新客戶，以及實施更嚴謹成本控制措施，以改善經營現金流量；及
- (9) the Group has engaged legal advisors to handle all major litigation matters and seek for an appropriate solution to the best interest of the Group.
- (9) 本集團已委聘法律顧問處理所有重大訴訟事宜，及尋求符合本集團最佳利益之合適解決方法。

#### DIRECTORS' INTERESTS IN CONTRACTS

On 5 March 2007, SEAM, an indirect wholly owned subsidiary of the Company, entered into an exclusive offtake agreement with Yiwán (the "Exclusive Offtake Agreement"), a limited company incorporated in Indonesia, which is substantially owned by Mr. Soen Bin Kuan, who at 30 June 2015 and the date of this report holds more than 5% of the issued share capital of the Company. Pursuant to the Exclusive Offtake Agreement, Yiwán agreed to exclusively sell and SEAM agreed to buy the iron ores produced by Yiwán at a fixed price of US\$16 per dry tonne, for a minimum 40 million dry tonnes of iron ores throughout a period of approximately 14 years expiring on 24 January 2021, which has subsequently been extended by a supplemental agreement to 24 January 2036. Pursuant to the recommendation letter issued by the Minister of Mineral and Coal on 25 June 2012 to the Minister of Commerce which granted the export approval to Yiwán, the export price of iron ore was changed to US\$23.5 commencing from 1 July 2012. By virtue of the convertible bonds issued by Yiwán 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.

#### 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與Yiwán（於印尼註冊成立之有限公司，主要由李民權先生擁有，其於二零一五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，Yiwán同意獨家出售而南洋礦業同意購買Yiwán生產之鐵礦石，協定之固定價格為每乾公噸16美元，於二零一一年一月二十四日屆滿之整個約14年期間須購買最少40,000,000乾公噸鐵礦石。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。根據煤礦務部長於二零一二年六月二十五日向授予Yiwán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23.5美元。由於Yiwán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。

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

As at 30 June 2015, 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 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 as set out in Appendix 10 of the Listing Rules (the "Model Code"), 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 2015:**

Name of Directors	Capacity in which interest are held	Number of shares	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	股份數目	概約百分比
Dong Shutong 董書通	Held by controlled corporations (note) 由受控法團持有(附註)	1,497,660,705	54.13%
Dong Chengzhe 董鉞喆	Beneficial owner 實益擁有人	1,500,000	0.05%

Note: As at the Latest Practicable Date, 1,472,804,705 Shares and 24,856,000 Shares were held by Easyman and Sino Regent Worldwide Limited ("Sino Regent"), respectively. As the entire issued share capital of each of Easyman and Sino Regent is held by Mr. Dong, Mr. Dong is deemed to be beneficially interested in such Shares by virtue of the SFO.

### 董事於股份、相關股份及債權證之權益及淡倉

於二零一五年六月三十日，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)根據上市規則附錄10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) 於二零一五年六月三十日於本公司股份之好倉:**

附註: 於最後可行日期, Easyman及Sino Regent Worldwide Limited (「Sino Regent」) 分別持有1,472,804,705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。



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(ii) Long positions in the underlying shares of the Company as at 30 June 2015:

(ii) 於二零一五年六月三十日於本公司相關股份之好倉：

Name of Directors	Capacity in which interest are held	Number of share options (note)	Approximate percentage to the issued share capital of the Company
董事姓名	持有權益之身份	購股權數目 (附註)	佔本公司已發行股本之概約百分比
Dong Shutong 董書通	Beneficial owner 實益擁有人	5,000,000	0.19%
	Held by spouse 由配偶持有	1,700,000	0.06%
Dong Chengzhe 董鉞喆	Beneficial owner 實益擁有人	2,775,000	0.10%
Song Wenzhou 宋文州	Beneficial owner 實益擁有人	2,520,000	0.09%
Yang Fei 楊飛	Beneficial owner 實益擁有人	2,775,000	0.10%

Note: 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：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。

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

As at 30 June 2015, 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 2015:

### 主要股東於本公司股份及相關股份中之權益及淡倉

於二零一五年六月三十日，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：

於二零一五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 interest are held	Number of Shares/ underlying shares	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	股份／相關股份數目	
Easyman	Beneficial owner 實益擁有人	1,472,804,705	53.24%
Soen Bin Kuan 李民權	Beneficial owner 實益擁有人	182,734,104	6.61%
Sun Qiaodian (note 1) 孫巧點(附註1)	Beneficial owner 實益擁有人	1,700,000 (note 2) (附註2)	0.06%
	Held by spouse 由配偶持有	1,502,660,705	54.32%

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Notes:

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

Save as disclosed above, so far as was known to the Directors, there was no other person who, as at 30 June 2015, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, beneficially interested in 5% or more of the issued share capital of the Company; or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

### SHARE OPTION SCHEME

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

附註：

1. 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。
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。

除上文所披露者外，就董事迄今所知，於二零一五年六月三十日，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在在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。

### 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。該購股權計劃自採納之日起計十年內有效，並已於二零一五年五月二日屆滿。

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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:

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全部購股權。期內本公司購股權之變動詳情如下：

		No. of share options 購股權數目						
		Outstanding as at 1 January 2015	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding as at 30 June 2015	Exercise price of share options (note 1)	Price of Company's shares at exercise date of options (note 2)
		於二零一五年 一月一日 尚未行使	於期內授出	於期內行使	於期內失效	於二零一五年 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)
							HK\$ 港元	HK\$ 港元
<b>Directors</b>	<b>董事</b>							
Mr. Dong Shutong	董書通先生	5,000,000	-	-	-	5,000,000	1.07	N/A 不適用
Mr. Dong Chengzhe	董誠誌先生	1,275,000	-	-	-	1,275,000	1.91	N/A 不適用
		1,500,000	-	-	-	1,500,000	0.63	N/A 不適用
Mr. 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	<b>13,070,000</b>	-	-	-	<b>13,070,000</b>	-	-
<b>Other employees</b>	<b>其他僱員</b>							
		11,900,000	-	-	-	11,900,000	1.07	N/A 不適用
		7,545,000	-	-	(140,000)	7,405,000	2.45	N/A 不適用
		26,300,000	-	-	-	26,300,000	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	<b>45,745,000</b>	-	-	<b>(140,000)</b>	<b>45,605,000</b>		
<b>Total</b>	<b>總計</b>	<b>58,815,000</b>	-	-	<b>(140,000)</b>	<b>58,675,000</b>		

# Corporate Governance and Other Information

## 企業管治及其他資料

Notes:

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

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the paragraph "Share Option Scheme" above, at no time during the period ended 30 June 2015 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.

### 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.

### EVENTS AFTER THE REPORTING PERIOD

Details of the significant events after the reporting period of the Group are set out in the Management Discussion and Analysis under section headed "Subsequent Event".

### 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 primary duties of the audit committee are to review the financial reporting process and internal control procedures of the Group.

附註：

1. 購股權之行使價可能因供股或紅股發行或本公司股本之其他類似變動而調整。
2. 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。

### 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，於截至二零一五年六月三十日止年度內任何時間，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。

### 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。

### 報告期後事項

本集團報告期後重大事項之詳情載於管理層討論及分析中「結算日後事項」一節。

### 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之董事決議案成立審核委員會。審核委員會主要負責審議本集團之財務匯報過程及內部監控程序。

## Corporate Governance and Other Information 企業管治及其他資料

The audit committee consists of Mr. Wong Chi Keung, Mr. Bai Baohua and Mr. Huang Changhuai — Independent Non-executive Directors of the Company and Mr. Wong Chi Keung is the Chairman of the audit committee.

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the financial information for the six months ended 30 June 2015.

### REMUNERATION COMMITTEE

The Company established a remuneration committee pursuant to a resolution of the Directors passed on 10 April 2006 in compliance with the Corporate Governance Code as set out in Appendix 14 of the Listing rules (“CG Code”).

The remuneration committee consists of Mr. Wong Chi Keung, Mr. Bai Baohua, Mr. Huang Changhuai — Independent Non-executive Directors of the Company and Mr. Dong Shutong — Executive Director of the Company. 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 Mr. Wong Chi Keung, Mr. Bai Baohua, Mr. Huang Changhuai — Independent Non-executive Directors of the Company and Mr. Dong Shutong — Executive Director of the Company. Mr. Dong Shutong is the chairman of the nomination committee.

審核委員會由本公司獨立非執行董事黃之強先生、白葆華先生及黃昌淮先生組成，其中黃之強先生為審核委員會主席。

審核委員會已與管理層審閱本集團所採納之會計準則及慣例，並討論核數、內部監控及財務匯報事項，包括審閱截至二零一五年六月三十日止六個月之財務資料。

### 薪酬委員會

本公司遵照上市規則附錄14所載企業管治守則（「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。

薪酬委員會由本公司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本公司執行董事董書通先生組成。黃昌淮先生為薪酬委員會之主席。

### 提名委員會

本公司遵照企業管治守則，根據於二零一一年十二月三十日通過之董事決議案成立提名委員會。

提名委員會由本公司獨立非執行董事黃之強先生、白葆華先生、黃昌淮先生及本公司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。

## Corporate Governance and Other Information

### 企業管治及其他資料

#### EMPLOYEES REMUNERATION POLICY

The remuneration policy of the Group to reward its employees and Executive Directors is based on their performance, qualifications, competence displayed, market comparable and the performance of the Group. Remuneration packages typically comprise salary, housing allowances, discretionary bonus, other fringe benefits and the Group's contribution to retirement benefits schemes. The remuneration of Executive Directors and senior management are determined by the Remuneration Committee which will review them regularly. To provide incentive to the relevant participants, including the Directors and eligible employees, the Company has adopted the Share Option Scheme.

#### MODEL CODE

The Company has adopted the Model Code as the code for securities transactions by Directors. Having made specific enquiries, the Company has confirmed that all Directors have complied with the requirements set out in the Model Code.

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

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the period.

#### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the six months ended 30 June 2015.

#### 僱員薪酬政策

本集團回報僱員及執行董事的薪酬政策乃根據其表現、資歷、所示才能、市場水平及本集團表現而釐定。薪酬待遇一般包括薪金、房屋津貼、酌情花紅及其他實物利益以及本集團對退休福利計劃的供款。執行董事及高級管理層的薪酬由薪酬委員會釐定及定期檢討。為激勵董事及合資格僱員等相關參與者，本公司已採納購股權計劃。

#### 標準守則

本公司已採納標準守則，作為董事進行證券交易之守則。經作出具體查詢後，本公司確認全體董事均已遵循標準守則所載之規定。

#### 購買、贖回或出售本公司之上市證券

本公司及其任何附屬公司於期內概無購買、贖回或出售本公司任何上市證券。

#### 充足之公眾持股量

本公司於截至二零一五年六月三十日止六個月保持充足之公眾持股量。



中國鎳資源  
CHINA NICKEL RESOURCES