



KINGSTONE
金石礦業

CHINA KINGSTONE MINING HOLDINGS LIMITED
中國金石礦業控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(於開曼群島註冊成立並於百慕達存續的有限公司)

Stock Code 股份代號: 1380



2016
中期報告
INTERIM REPORT

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Minliang (*Chairman*)
Mr. Zhang Jianzhong
Mr. Zhang Weijun
Mr. Zhang Cuiwei

Independent Non-executive Directors

Mr. Ma Ho Yin
Ms. Wang Yihua
Mr. Sheng Guoliang

AUDIT COMMITTEE

Ms. Wang Yihua (*Chairman*)
Mr. Ma Ho Yin
Mr. Sheng Guoliang

REMUNERATION COMMITTEE

Mr. Sheng Guoliang (*Chairman*)
Mr. Ma Ho Yin
Mr. Wang Minliang

NOMINATION COMMITTEE

Mr. Ma Ho Yin (*Chairman*)
Mr. Sheng Guoliang
Mr. Wang Minliang

AUTHORISED REPRESENTATIVES

Mr. Wang Minliang
Mr. Pak Wai Keung Martin

COMPANY SECRETARY

Mr. Pak Wai Keung Martin

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

董事會

執行董事

王民良先生 (*主席*)
張建忠先生
張衛軍先生
張翠薇女士

獨立非執行董事

馬浩賢先生
王藝華女士
盛國良先生

審計委員會

王藝華女士 (*主席*)
馬浩賢先生
盛國良先生

薪酬委員會

盛國良先生 (*主席*)
馬浩賢先生
王民良先生

提名委員會

馬浩賢先生 (*主席*)
盛國良先生
王民良先生

授權代表

王民良先生
白偉強先生

公司秘書

白偉強先生

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Corporate Information

公司資料

HEADQUARTERS OF BUSINESS IN THE PRC

Zhangjiaba Mine
Zhenjiang Village
Xiangshui County
Jiangyou City
Sichuan Province
The PRC

PRINCIPAL PLACE OF BUSINESS IN THE PRC

5/F, Nanfang Security Building,
386 Shuiwanlu
Xiangzhou District
Zuhai City
Guangdong Province
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 6812-13, 68/F
The Center
99 Queen's Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Management (Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKERS

Bank of China Limited
Bank of Communications Limited
Industrial and Commercial Bank of China
The Hongkong and Shanghai Banking Corporation Limited

中國營業總部

中國
四川省
江油市
香水鄉
鎮江村
張家壩礦山

中國主要營業地點

中國
廣東省
珠海市
香洲區
水灣路386號
南方證券大廈5樓

香港主要營業地點

香港
皇后大道中99號
中環中心
68樓6812-13室

股份過戶登記總處

Estera Management (Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

香港股份過戶登記處

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
17樓1712-1716號舖

主要往來銀行

中國銀行股份有限公司
交通銀行股份有限公司
中國工商銀行
香港上海滙豐銀行有限公司

AUDITORS

Elite Partners CPA Limited

LEGAL ADVISERS

Mason Ching & Associates (as to Hong Kong law)
Appleby (as to Cayman and Bermuda law)

STOCK CODE

1380

WEBSITE OF THE COMPANY

www.kingstonemining.com

審計師

開元信德會計師事務所有限公司

法律顧問

程彥棋律師樓 (香港法律)
毅柏律師事務所 (開曼及百慕達法律)

股份代號

1380

公司網址

www.kingstonemining.com

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

China Kingstone Mining Holdings Limited (the “Company”), together with its subsidiaries (the “Group”), is the mining operator in China which focuses on beige marble blocks and processing of marble slabs, and owned the largest beige marble mine, namely Zhangjiaba Mine, which is located in Zhenjiang Village, Xiangshui County, Jiangyou City of Sichuan Province, China, in terms of marble reserves, according to the certification issued by China Stone Material Association in August 2010.

Production and Sales Volume

Sentiment of the China property market affects the demand for construction materials and eventually affects the sales of marble and marble products. The number of purchase of residential properties in China continued to growth though it is in slower pace. The Group considers that the demand for construction materials in China is expected to rise moderately.

However, in the current conditions of the mine, the marble stone deposit in the current layer is still cracked and the Group has to make a further development of the mine to lower benches by stripping for the qualified marble stone for the decoration and construction market. The Group is executing a plan to improvement in the Group’s marble operation, including the enhancement of its production capacities, techniques and efficiency, to achieve the estimated low-cost production and to maintain the low-cost advantage. The Group intended to enhance the Group’s production technologies and facilities by acquiring machinery and equipment in the second half year of 2016.

業務回顧

中國金石礦業控股有限公司（「本公司」）連同其附屬公司（「本集團」）是中國專注於米黃色大理石荒料及加工成大理石板材的礦業營運商，擁有位於中國四川省江油市香水鄉鎮江村的張家壩礦山。根據中國石材協會於2010年8月發出的證明，張家壩礦山是全國米黃色大理石儲量最大的礦山。

產量及銷量

中國房地產市場的氣氛影響建築材料的需求並最終影響大理石及大理石產品的銷售。中國住宅物業的購買數量持續低速增長。本集團認為，中國建築材料的需求預期將會適度上升。

然而，就礦山的當前條件而言，當前礦層的大理石礦體仍破裂及本集團已透過剝採裝飾及建築市場專用的優質大理石，進一步開發礦山的下層台階。本集團正推行計劃，改善本集團大理石經營業務，包括提高其產能、技術及效率，以達致預計的低成本生產及維持低價優勢。本集團擬於2016年下半年透過收購機械設備提高本集團的生產技術及設備。

Management Discussion and Analysis

管理層討論及分析

The summarized production and sales volume are set out below:

產量及銷量概況載列如下：

		Six months ended 30 June 截至6月30日止六個月		
		2016 2016年	2015 2015年	Change 變動
Production volume:	產量：			
Marble blocks mined (cubic meter)	已開採大理石荒料 (立方米)	-	-	N/A 不適用
Marble slabs processed (square meter)	大理石板材加工 (平方米)	-	-	N/A 不適用
Marble slags produced (tonnes)	已生產大理石礦渣 (噸)	43,496	72,264	-39.8%
Sales volume:	銷量：			
Marble blocks (cubic meter)	大理石荒料 (立方米)	-	-	N/A 不適用
Marble slabs (square meter)	大理石板材 (平方米)	-	6,867	-100%
Marble slags (tonnes)	大理石礦渣 (噸)	43,496	72,264	-39.8%
Average selling prices:	平均售價：			
Marble blocks (RMB per cubic meter)	大理石荒料 (人民幣/立方米)	-	-	N/A 不適用
Marble slabs (RMB per square meter)	大理石板材 (人民幣/平方米)	-	320	-100%
Marble slags (RMB per tonnes)	大理石礦渣 (人民幣/噸)	18	6	+200%

Exploration, Development and Production Activities

There was no geological exploration activity during the six months ended 30 June 2016 ("HY16") as the Group focuses on the development and mining at the Zhangjiaba mine during the year. The Zhangjiaba mine located in Sichuan Province of China, contains 44.2 million cubic meter of measured and indicated marble resources, which represents 16.8 million cubic meter of proved and probable marble reserves based on a block rate of 38%, according to the independent competent person's report dated on 7 March 2011 (as shown in the Company's Prospectus).

The Zhangjiaba mine mainly divided into the eastern mining zone and the western mining zone. During HY16, the Group was carrying out the stripping at the Zhangjiaba mine. As the Group was mining the relatively upper benches of the mine, the limestone deposit in this area is still cracked and the quality of the marble stone in terms of the color and pattern is not satisfactory. It is expected that the further development of the mine to lower benches will be required for large block production.

勘探、開發及生產活動

於截至2016年6月30日止六個月(「2016年上半年」)並無地質勘探活動，因本集團於年內著重於張家壩礦山的開發及開採。張家壩礦山位於中國四川省，根據獨立合資格人士於2011年3月7日的報告(載於本公司招股章程)，蘊藏44,200,000立方米探明及推定大理石資源，按荒料率38%計，相當於16,800,000立方米的證實及概略大理石儲量。

張家壩礦山主要分為東部採礦區及西部採礦區。於2016年上半年，本集團於張家壩礦山進行剝採。由於本集團一直在開採礦山的相對上層台階，該領域的石灰岩礦床仍為破裂，且大理石顏色及圖案的品質強差人意。預期大型荒料生產將需要進一步開發礦山的下層台階。

Management Discussion and Analysis

管理層討論及分析

During HY16, the aggregate expenditure of the mining operation of the Group was approximately RMB2.0 million, which mainly included depreciation on property, plant and equipment of approximately RMB1.2 million, fuel consumption of approximately RMB0.3 million and staff costs of approximately RMB0.3 million.

During HY16, the Group has not entered into any contracts and did not have any commitment relating to infrastructure projects, subcontracting arrangements and purchase of equipment.

FINANCIAL REVIEW

Revenue and Gross Profit

The Group's revenue decreased by RMB1.8 million or 69.2% to RMB0.8 million for HY16 from RMB2.6 million for the six months ended 30 June 2015 ("HY15"). The decrease was primarily due to a decrease in sales of marble blocks. During HY16, there was no output of marble stones and marble blocks.

Gross profit decreased by RMB0.3 million or 50.0% to RMB0.3 million for HY16 from RMB0.6 million for HY15. The decrease was primarily due to a decrease of sales of marble blocks.

Selling and distribution expenses

Selling and distribution expenses increased from RMB0.2 million for HY15 to RMB0.3 million for HY16. The increase was primarily due to increase in promoting and exhibition expense.

Administrative expenses

Administrative expenses decreased from RMB27.5 million for HY15 to RMB25.7 million for HY16. The decrease was primarily due to a decrease of legal and professional fee.

2016年上半年，本集團採礦業務的總開支約為人民幣2,000,000元（主要包括物業、廠房及設備折舊約人民幣1,200,000元、燃料消耗約人民幣300,000元及員工成本約人民幣300,000元）。

2016年上半年，本集團並無訂立任何合約，亦無任何有關基礎設施項目、分判安排及購買設備的承擔。

財務回顧

收入及毛利

本集團收入由截至2015年6月30日止六個月（「2015年上半年」）的人民幣2,600,000元減少人民幣1,800,000元或69.2%至2016年上半年的人民幣800,000元。該減少乃主要由於大理石荒料銷售減少所致。於2016年上半年並無大理石及大理石荒料產出。

毛利由2015年上半年的人民幣600,000元減少人民幣300,000元或50.0%至2016年上半年的人民幣300,000元。該減少乃主要由於銷售大理石荒料銷售減少所致。

銷售及分銷開支

銷售及分銷開支由2015年上半年的人民幣200,000元增至2016年上半年的人民幣300,000元。該增加乃主要由於推廣及展覽開支增加所致。

行政開支

行政開支由2015年上半年的人民幣27,500,000元減少至2016年上半年的人民幣25,700,000元。該減少乃主要由於法律及專業費用減少所致。

Loss for the period

The Group recorded a loss of RMB73.6 million for FY16 as compared to a loss of RMB69.1 million for FY15. The increase was primarily due to an increase in an impairment loss of various assets. The details were disclosed in note 7 of the condensed consolidated interim financial statements.

Liquidity and Capital Resources

As at 30 June 2016, the Group's total equity interests was RMB231.0 million (31 December 2015: RMB205.9 million), representing a increase of 12.2%. The decrease was mainly attributable to a loss of RMB73.6 million incurred for the period.

As at 30 June 2016, the Group had cash and bank balances of RMB87.3 million (31 December 2015: RMB10.4 million). Cash and bank balances were mainly denominated in Hong Kong dollars and Chinese Renminbi ("RMB").

As at 30 June 2016, the Group's interest bearing loan, which was denominated in Hong Kong dollar, was RMB17.1 million (31 December 2015: RMB16.7 million) and at fixed interest rate. The Group does not currently use any derivatives to manage interest rate risk. Gearing ratio, representing total loan divided by total equity, was 0.07 (31 December 2015: 0.08).

As at 30 June 2016, the Group had available working capital facilities of RMB12.2 million (31 December 2015: RMB8.4 million) with an independent third party and approximately RMB4.9 million (31 December 2015: RMB8.4 million) with a company which is wholly and beneficially owned by Mr. Wang Minliang, all of which was used.

期內虧損

本集團於2016年財政年度錄得虧損人民幣73,600,000元，2015年財政年度則錄得虧損人民幣69,100,000元。該增加乃主要由於多項資產之減值虧損增加。有關詳情乃披露於簡明綜合中期財務報表附註7。

流動資金及資本資源

於2016年6月30日，本集團總權益為人民幣231,000,000元（2015年12月31日：人民幣205,900,000元），增幅為12.2%。該減少乃主要由於期內產生虧損人民幣73,600,000元。

於2016年6月30日，本集團擁有現金及銀行結餘人民幣87,300,000元（2015年12月31日：人民幣10,400,000元）。現金及銀行結餘主要以港元及中國人民幣（「人民幣」）計值。

於2016年6月30日，本集團以港元計值的計息貸款為人民幣17,100,000元（2015年12月31日：人民幣16,700,000元），利率固定。本集團目前並無使用任何衍生工具管理利率風險。總貸款除以總權益得出的資產負債比率為0.07（2015年12月31日：0.08）。

於2016年6月30日，本集團與一名獨立第三方可提取的營運資金融資為人民幣12,200,000元（2015年12月31日：人民幣8,400,000元）及與一間由王民良先生全資及實益擁有的公司可提取的營運資金融資為約人民幣4,900,000元（2015年12月31日：人民幣8,400,000元），該等融資均已獲悉數動用。

Management Discussion and Analysis

管理層討論及分析

Capital Expenditure

The Group's capital expenditure was amounted to RMB3.7 million during HY16 (HY15: 0.2 million), which was primarily related to an addition of property, plant and equipment.

Exposure to Fluctuations in Exchange Rates

The Group principally operates its businesses in the PRC. The Group is not exposed to significant foreign exchange risk as most of the Group's business transactions, assets and liabilities are principally denominated in Chinese Renminbi ("RMB"), which is the functional and reporting currency of the Group, except certain administrative expenses, denominated in Hong Kong dollar and United States dollar, in the Hong Kong office. The Group has not entered into any foreign exchange contract as hedging measures.

Human Resources

As at 30 June 2016, the Group had a total workforce of 36 (31 December 2015: 34). The total staff cost, including directors' emoluments, share options benefit and pension scheme contribution, was approximately RMB4.7 million (HY15: RMB8.2 million) during HY16.

The Group's emolument policies are formulated on the performance of individual employee and on the basis of the salary trends in Hong Kong and the PRC, and will be reviewed regularly. Subject to the Group's profitability, the Group may also distribute discretionary bonus to its employees as an incentive for their contribution to the Group.

Pledge of Assets

As at 30 June 2016, the Group had no pledge of assets.

Contingent Liabilities

As at 30 June 2016, the Group had no material contingent liabilities.

資本開支

本集團於2016年上半年的資本開支為人民幣3,700,000元(2015年上半年:人民幣200,000元),主要與添置物業、廠房及設備有關。

匯率波動風險

本集團主要營業地點為中國。本集團並無重大外匯風險,因為本集團大部份業務交易、資產及負債主要以中國人民幣(「人民幣」)計值,而人民幣為本集團的功能及列報貨幣,惟若干香港辦事處的行政開支則以港元及美元計值。本集團並無訂立任何外匯合同作對沖措施。

人力資源

於2016年6月30日,本集團共有36名員工(2015年12月31日:34名)。2016年上半年,員工成本總額(包括董事酬金、購股權福利及退休金計劃供款)約為人民幣4,700,000元(2015年上半年:人民幣8,200,000元)。

本集團的薪酬政策按照個別員工的表現以及香港及中國的薪酬趨勢制訂,並會定期審閱。本集團亦會根據盈利能力,向員工分派酌情花紅,以鼓勵員工對本集團作出貢獻。

資產抵押

於2016年6月30日,本集團並無資產抵押。

或然負債

於2016年6月30日,本集團並無重大或然負債。

PROSPECTS

The Group's business of marble products is closely associated with the growth and prosperity of the property market in the PRC. The marble stone business of the Group is still full of challenges amidst the slow growth rate of the property investment in the PRC. In considering the recent improvement of property market, the Group plans to further investment in the production facilities which is essential for the Group to maintain the competitiveness. The Group will continue to consolidate the production and operations and extend the customer base to get improved in the performance of the business of marble stone.

前景

本集團大理石產品的業務與中國物業市場的增長及興旺息息相關。在中國物業投資增速放緩的情況下，本集團大理石業務仍充滿挑戰。鑒於近期物業市場有所改善，本集團計劃進一步投資生產設施，其乃本集團維持競爭力的重要一環。本集團將繼續整合生產及營運，擴闊客戶基礎，以改善大理石業務的表現。

Other Information

其他資料

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) for the six months ended 30 June 2016 except for a deviation from code provisions A.2.1 and A6.7 of CG Code.

Under code provision A.2.1 of CG Code, the roles of chairman and chief executive officer (the “CEO”) should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing. During the six months ended 30 June 2016, there is no officer carrying the title of CEO. The duties of CEO are undertaken by executive directors of the Company. Although the responsibility of chairman and a part of responsibility of CEO are vested in Mr. Wang Minliang during the six months ended 30 June 2016, in which all major decisions are made in consultation with the other Board members and the senior management of the Company. The Board considers that there is sufficient balance of power and the current arrangement maintains a strong management position of the Company.

Under code provision of E1.2 of CG Code, Mr. Wang Minliang, the chairman of the Board was unable to attend the annual general meeting of the Company held on 26 February 2016 due to business reasons. Ms. Zhang Cuiwei, the executive director of the Company, was authorized by the Chairman present to chair the meeting.

Save as the deviation from the code provision A.2.1 and E1.2 of the CG Code, in the opinion of the directors of the Company, the Company has complied with all code provisions as set out in the CG Code throughout the six months ended 30 June 2016 and, where appropriate, the applicable recommended best practices of the CG Code.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors’ securities transactions by the Directors. The Company confirms that, having made specific enquiries with all Directors of the Company, all Directors confirmed that they have complied with the required standards set out in the Model Code and its own code of conduct regarding directors’ securities transaction throughout the six months ended 30 June 2016.

企業管治

本公司於截至2016年6月30日止六個月一直遵守聯交所證券上市規則(「上市規則」)附錄14所載《企業管治守則》及《企業管治報告》(「企業管治守則」)，惟與企業管治守則的守則條文第A.2.1條及第A6.7條有所偏離。

企業管治守則之守則條文第A.2.1條規定，主席及行政總裁(「行政總裁」)的角色應區分及不應由同一人擔任。主席及行政總裁的職責應清晰確立及以書面形式載列。截至2016年6月30日止六個月，並無高級人員出任行政總裁一職。行政總裁的職責由本公司執行董事承擔。儘管於截至2016年6月30日止六個月主席的職責及行政總裁的部分職責歸集於王民良先生，但所有重大決策均經過諮詢本公司其他董事會成員及高級管理層後作出。董事會認為已有足夠的權力均衡及目前的安排可維持本公司管理層的強勢地位。

企業管治守則之守則條文第E1.2條規定，董事會主席王民良先生出於業務原因未能出席於2016年2月26日舉行的本公司股東週年大會。本公司執行董事張翠薇女士獲主席授權擔任大會主席。

除與企業管治守則之守則條文第A.2.1條及第E1.2條有所偏離外，本公司董事認為，本公司於截至2016年6月30日止六個月一直遵守企業管治守則所載的所有守則條文及企業管治守則的適用建議最佳常規(如適用)。

遵從標準守則

本公司已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)，作為其本身就董事進行證券交易之操守準則。本公司確認，經向本公司全體董事作出特定查詢後，全體董事確認彼等於截至2016年6月30日止六個月一直遵守標準守則所載之規定標準及其本身就董事進行證券交易之操守準則。

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company comprised three independent non-executive directors, namely Ms. Wang Yihua, Mr. Ma Ho Yin and Mr. Sheng Guoliang. The audit committee of the Company has reviewed the unaudited interim results of the Group for the six months ended 30 June 2016 and has recommended their adoption to the Board.

In addition, the Company's auditor, Elite Partners CPA Limited, has also conducted a review of the aforesaid unaudited interim financial information in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

BOARD OF DIRECTORS

As at 30 June 2016, the Board comprises four executive directors of the Company ("Executive Director(s)"), namely Mr. Wang Minliang, Mr. Zhang Jianzhong, Mr. Zhang Weijun and Ms. Zhang Cuiwei, and three independent non-executive directors of the Company ("Independent Non-executive Director(s)"), namely Mr. Ma Ho Yin, Ms. Wang Yihua and Mr. Sheng Guoliang.

審計委員會及審閱中期業績

本公司的審計委員會由三名獨立非執行董事組成，包括王藝華女士、馬浩賢先生及盛國良先生。本公司審計委員會已審閱本集團截至2016年6月30日止六個月的未經審核中期業績，並已向董事會建議採納該等業績。

此外，本公司之審計師開元信德會計師事務所有限公司根據香港會計師公會頒佈之香港審閱委聘準則第2410號「實體之獨立核數師執行中期財務資料審閱」，亦已審閱上述未經審核中期財務資料。

董事會

於2016年6月30日，董事會包括本公司四名執行董事（「執行董事」）王民良先生、張建忠先生、張衛軍先生及張翠薇女士以及本公司三名獨立非執行董事（「獨立非執行董事」）馬浩賢先生、王藝華女士及盛國良先生。

Other Information

其他資料

CHANGE IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors subsequent to the date of the 2015 Annual Report are set out below:

Name of Directors	Details of the change
Mr. Wang Minliang	With effect from the date of redesignation as executive director (i.e. 1 January 2016), the monthly base salary has been revised to HK\$100,000.
Mr. Zhang Weijun	With effective from the date of appointment (i.e. 24 December 2015), the monthly base salary has been HK\$15,000.
Ms. Zhang Cuiwei	With effective from the date of appointment (i.e. 1 January 2016), the monthly base salary has been HK\$85,000.
Mr. Ma Ho Yin	With effective from the date of appointment (i.e. 24 December 2015), the monthly base salary has been HK\$10,000.
Ms. Wang Yihua	With effective from the date of appointment (i.e. 28 December 2015), the monthly base salary has been HK\$10,000.
Mr. Sheng Guoliang	With effective from the date of appointment (i.e. 28 December 2015), the monthly base salary has been HK\$10,000.

Other than those disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

董事資料變動

根據上市規則第13.51B(1)條，2015年年報日期後的董事資料變動載列如下：

董事姓名	變動詳情
王民良先生	自調任為執行董事日期(即2016年1月1日)起生效，月薪已調整為100,000港元。
張衛軍先生	自獲委任日期(即2015年12月24日)起生效，月薪為15,000港元。
張翠薇女士	自獲委任日期(即2016年1月1日)起生效，月薪為85,000港元。
馬浩賢先生	自獲委任日期(即2015年12月24日)起生效，月薪為10,000港元。
王藝華女士	自獲委任日期(即2015年12月28日)起生效，月薪為10,000港元。
盛國良先生	自獲委任日期(即2015年12月28日)起生效，月薪為10,000港元。

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條作出披露。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2016.

DIRECTORS' INTEREST IN SECURITIES

As at 30 June 2016, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which (a) were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to provisions of Division 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors or chief executive have taken or deemed to have under such provisions of the SFO); (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange were set out below:

(a) Long positions in ordinary shares of the Company

Name of director 董事姓名	Capacity 身份	Number of ordinary shares of HK\$0.10 each held 所持有每股面值0.10港元之普通股數目			Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
		Direct interest 直接權益	Deemed interest 視作擁有權益	Total interest 總權益	
Mr. Wang Minliang 王民良先生	Interest of a controlled corporation 受控法團權益	-	97,150,819 (Note) (附註)	97,150,819	2.06%

Note:

These 97,150,819 shares of the Company were directly owned by Jiang Tong Investment Limited. Mr. Wang Minliang owns the entire issued share capital of Jiang Tong Investment Limited.

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於截至2016年6月30日止六個月內概無購買、出售或贖回本公司任何上市證券。

董事於證券的權益

於2016年6月30日，董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部之條文規定須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例有關條文董事或最高行政人員被當作或視作持有之權益及淡倉）；(b)根據證券及期貨條例第352條須載入該條例所指之登記冊之權益及淡倉；或(c)根據聯交所證券上市規則（「上市規則」）附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉載列如下：

(a) 於本公司普通股之好倉

附註：

該等97,150,819股本公司股份由建統投資有限公司直接擁有。王民良先生擁有建統投資有限公司全部已發行股本。

Other Information

其他資料

(b) Long positions in underlying shares of the Company

Details of the interests of the Directors in the share options of the Company are separately disclosed under the section headed "Share Options".

Save as disclosed above, none of Directors or the chief executive of the Company or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities of Futures Ordinance (the "SFO")) which have been notified to the Company and the Stock Exchange of Hong Kong (the "Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executive of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the period was the Company or any of its holding company or subsidiaries been participated in any arrangements to enable the Directors of chief executive (including their spouse and children under 18 years of age) to acquire any interests and short positions of shares or underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO).

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 June 2016, substantial shareholders' interests or short position in the shares and underlying shares of the Company, being interests of 5% or more, as recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO were as follows:

Name	Capacity	Number of underlying shares	Long/Short position	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
姓名/名稱	身份	相關股份數目	好倉/淡倉	
Ninotre Investment Limited	Beneficial owner	549,660,831	Long position	11.65%
Ninotre Investment Limited	實益擁有人		好倉	

(b) 於本公司相關股份之好倉

董事所持本公司購股權權益的詳情於「購股權」一節內個別披露。

除上文所披露者外，董事或本公司最高行政人員或彼等各自之聯繫人概無於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份或債券中，擁有已根據證券及期貨條例第XV部第7及8分部知會本公司及香港聯交所（「聯交所」）之任何權益或淡倉，其中包括董事及本公司最高行政人員根據證券及期貨條例之該等條文被當作及視作擁有之權益及淡倉，或須要及已列入證券及期貨條例第352條規定本公司存置的登記冊內之任何權益及淡倉或已根據標準守則另行知會本公司及聯交所之任何權益及淡倉。

除上文所披露者外，本公司或其任何控股公司或附屬公司於期內任何時候從未參與任何安排，使董事或最高行政人員（包括彼等的配偶及未滿18歲子女）於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份或相關股份或債券中購入任何權益及淡倉。

主要股東於證券的權益

於2016年6月30日，按本公司根據證券及期貨條例第336條存置的主要股東名冊所記錄，主要股東於本公司股份及相關股份之權益或淡倉（即擁有5%或以上權益）載列如下：

Save as disclosed above, none of the Directors is aware that any person (not being Directors or chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO.

SHARE OPTIONS

Pre-IPO share option scheme

The Company has adopted a pre-IPO share option scheme on 24 January 2011 (the "Pre-IPO Option Scheme") for the purpose of giving the its employees, advisers, consultants and business partners an opportunity to have a personal stake in the Company and help motivate them to optimize their future performance and efficiency to the Company and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such employees, advisers, consultants and business partners who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Company.

All Pre-IPO Options may be exercised during the period commencing from the end of twelve months after the Listing Date (i.e. 18 March 2012) to the date falling five years from the Listing Date (i.e. 17 March 2016).

No further Pre-IPO Options can be granted after the date of listing of the Company's shares on the Main Board of The Stock Exchange (the "Listing Date").

除上文所披露者外，董事概不知悉任何人士（並非董事或本公司最高行政人員者）於本公司股份及相關股份中擁有本公司根據證券及期貨條例第336條存置的主要股東名冊中登記的權益或淡倉。

購股權

首次公開發售前購股權計劃

本公司已於2011年1月24日採納首次公開發售前購股權計劃（「首次公開發售前購股權計劃」），目的是向其僱員、顧問、諮詢人及業務夥伴提供於本公司擁有個人股權的機會，並有助於激勵彼等於日後為本公司做出最佳表現及效率，及／或就彼等過去的貢獻給予獎勵，以吸引及挽留對本公司的表現、發展或成功乃屬重要及／或其貢獻有利於或將有利於本公司的表現、發展或成功的該等僱員、顧問、諮詢人及業務夥伴，或以其他方式與彼等維持持續的合作關係。

所有首次公開發售前購股權可於上市日期（即2012年3月18日）後十二個月完結時起計至上市日期後五年屆滿日（即2016年3月17日）止期間內行使。

概不可於本公司股份在聯交所主板上市日期（「上市日期」）後進一步授出首次公開發售前購股權。

Other Information

其他資料

Details of outstanding and movement of the Pre-IPO Options during the six months ended 30 June 2016 are as follows:

於截至2016年6月30日止六個月，未行使的首次公開發售前購股權及其變動的詳情如下：

Date of grant	Exercise price (Note 3)	As at 1 January 2016	Lapsed during the six months ended 30 June 2016	As at 30 June 2016
授出日期	行使價(附註3)	於2016年1月1日	於截至2016年6月30日止六個月內失效	於2016年6月30日
24 January 2011 2011年1月24日	HK\$0.473 0.473港元	50,769,231	(50,769,231)	—

Note:

附註：

1. The share option grantees were the former director and employee of the Company;
2. On 24 May 2012, the Board passed a resolution that these Pre-IPO Options shall continue to be exercisable until the expiry of the option period regardless of that the grantees ceased to be director or employee of the Company.

1. 購股權承授人為本公司前董事及僱員；
2. 於2012年5月24日，董事會通過一項決議案，指儘管該等承授人不再擔任本公司董事或僱員，惟該等首次公開發售前購股權應可繼續行使，直至購股權期間屆滿為止。

2011 Share Option Scheme

Apart from Pre-IPO Option Scheme, the Company has also adopted a share option scheme on 24 January 2011 (the "2011 Option Scheme") for the purpose of giving the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimize their future performance and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of executives, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

The 2011 Share Option Scheme will be valid and effective for a period of 10 years from the date of adoption.

2011購股權計劃

除首次公開發售前購股權計劃外，本公司亦已於2011年1月24日採納一項購股權計劃（「2011購股權計劃」），旨在給予合資格人士機會，於本公司擁有個人權益，並有助於激勵彼等為本集團提升其未來表現及效率及／或為彼等過去的貢獻向彼等作出獎勵，並吸引和挽留該等在本集團中擔當重要角色及／或其貢獻目前或將有利於本集團的表現、增長或成功的合資格人士或以其他方式與彼等維持持續關係，而就高級行政人員而言，則可令本集團吸引和挽留具備經驗和能力的人士及／或為彼等過去的貢獻作出獎勵。

2011購股權計劃將自採納日期起計十年期間生效及有效。

Other Information

其他資料

Details of outstanding and movement of share options under 2011 Option Scheme (the "2011 Options") during the six months ended 30 June 2016 are as follows:

於截至2016年6月30日止六個月，2011購股權計劃之未行使購股權（「2011年購股權」）及其變動詳情如下：

Grantees	Date of grant		Exercise price	As at 1 January 2016	Grant/Lapsed during the period	Reclassification (Increase/ (Decrease)) (Note 7,8)	As at 30 June 2016
承授人	授出日期		行使價	於2016年1月1日	於期內授出/失效	重新分類 (增加/ (減少)) (附註7、附註8)	於2016年6月30日
Directors							
董事							
Ms. Zhang Cuiwei 張翠薇女士	26 June 2014	note 4	HK\$0.237	-	-	12,692,308	12,692,308
	2014年6月26日	附註4	0.237港元				
	12 January 2015	note 5	HK\$0.225	-	-	17,769,231	17,769,231
	2015年1月12日	附註5	0.225港元				
Mr. Zhu Hongjun 朱紅軍先生	26 June 2014	note 4	HK\$0.237	6,346,154	-	(6,346,154)	-
	2014年6月26日	附註4	0.237港元				
	12 January 2015	note 5	HK\$0.225	6,346,154	-	(6,346,154)	-
Other employees 其他僱員	9 June 2014	note 3	HK\$0.237	34,269,231	-	-	34,269,231
	2014年6月9日	附註3	0.237港元				
	26 June 2014	note 4	HK\$0.237	25,384,616	-	(6,346,154)	19,038,462
	2014年6月26日	附註4	0.237港元				
	30 December 2014	note 6	HK\$0.223	45,692,308	-	-	45,692,308
	2014年12月30日	附註6	0.223港元				
	12 January 2015	note 5	HK\$0.225	35,538,462	-	(11,423,077)	24,115,385
	2015年1月12日	附註5	0.225港元				
	4 November 2011	note 1,2	HK\$1.087	9,900,000	-	-	9,900,000
Former director and employee 前董事及僱員	2011年11月4日	附註1、附註2	1.087港元				
				163,476,925	-	-	163,476,925
				Vested at end of period 於期末歸屬	163,476,925		163,476,925

Other Information

其他資料

Note:

1. On 24 May 2012, the Board passed a resolution that these options shall continue to vest and be exercisable until the expiry of the option period regardless of these grantees ceased to be director or employee of the Company.
2. The options were divided into three tranches exercisable from 4 November 2011, 4 November 2012 and 4 November 2013 to 3 November 2021.
3. The options were exercisable from 9 June 2014 to 8 June 2024 (both dates inclusive)
4. The options were exercisable from 26 June 2014 to 25 June 2024 (both dates inclusive).
5. The options were exercisable from 12 January 2015 to 15 December 2024 (both dates inclusive).
6. Of which 15,230,769 options were exercisable from 30 December 2014 to 18 December 2024 (both dates inclusive) and the 30,461,539 options were exercisable from 19 December 2015 to 18 December 2024 (both dates inclusive).
7. Ms. Zhang Cuiwei was appointed as Director with effect from 1 January 2016. Her entitlements to the share options were reclassified from category of "Other employees" to "Directors".
8. Mr. Zhu Hongjun resigned to be Director with effect from 1 January 2016 but retained by the Group with other position. His entitlements to the share options were reclassified from the category of "Directors" to "Other employees".
9. The Company recorded the fair value of these share options as staff cost in the income statement. The Company will record the nominal value of the shares which is HK\$0.10 per share issued pursuant to the exercise price of the share options as additional share capital and the Company will record the excess of the exercise price of the share options over nominal value of the shares in its share premium account. Any share options which has lapsed or been cancelled will be deducted from the balance of the share options.

附註：

1. 於2012年5月24日，董事會通過一項決議案，指儘管該等承授人不再擔任本公司董事或僱員，惟該等購股權應繼續歸屬及行使，直至購股權期間屆滿為止。
2. 購股權分為三批，自2011年11月4日、2012年11月4日及2013年11月4日起至2021年11月3日止可予行使。
3. 購股權自2014年6月9日起至2024年6月8日止（包括首尾兩日）可予行使。
4. 購股權自2014年6月26日起至2024年6月25日止（包括首尾兩日）可予行使。
5. 購股權自2015年1月12日至2024年12月15日止（包括首尾兩日）可予行使。
6. 其中15,230,769份購股權自2014年12月30日至2024年12月18日止（包括首尾兩日）可予行使及30,461,539份購股權自2015年12月19日至2024年12月18日（包括首尾兩日）可予行使。
7. 張翠薇女士獲委任為董事，自2016年1月1日起生效。彼有權享有之購股權由「其他僱員」類別重新分類至「董事」類別。
8. 朱紅軍先生辭任董事，自2016年1月1日起生效，惟獲本集團以其他職位挽留。彼有權享有之購股權由「董事」類別重新分類至「其他僱員」類別。
9. 本公司將該等購股權的公平值於收益表內入賬為員工成本。本公司將把股份面值（根據購股權行使價為每股已發行股份0.10港元）入賬為額外股本，而本公司將把購股權行使價超出股份面值的金額入賬至股份溢價賬。任何已失效或已註銷的購股權將自購股權的結餘中扣除。

TO THE BOARD OF DIRECTORS OF
CHINA KINGSTONE MINING HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 21 to 44 which comprises the condensed consolidated statement of financial position of China Kingstone Mining Holdings Limited (the "Company") as at 30 June 2016 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

致中國金石礦業控股有限公司
(於開曼群島註冊成立之有限公司)
董事會

引言

我們已審閱第21至第44頁所載的中期財務資料，包括中國金石礦業控股有限公司（「貴公司」）於2016年6月30日的簡明綜合財務狀況表，以及截至該日止六個月期間的相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表及重大會計政策概要及其他解釋附註。根據香港聯合交易所有限公司證券上市規則規定，中期財務資料報告須按照其相關條文以及國際會計準則理事會頒布的國際會計準則第34號「中期財務報告」（「國際會計準則第34號」）編製。董事負責按照國際會計準則第34號編製及呈報本中期財務資料。我們之責任在於根據受聘之協定條款審閱本中期財務資料，就此達成結論，並僅向閣下全體匯報，而不作任何其他用途。我們不就本報告之內容向任何其他人士承擔或負上任何責任。

審閱範圍

我們根據香港會計師公會頒布之香港審閱委聘準則第2410號「實體之獨立核數師執行中期財務資料審閱」進行審閱。中期財務資料之審閱包括詢問（主要對負責財務及會計事務之人士），以及應用分析及其他審閱程序。審閱之範圍遠較根據香港審核準則進行之審核範圍為小，故我們無法確保我們已知悉可通過審核辨別之所有重要事項。因此，我們並不表達審核意見。

Independent Review Report

獨立審閱報告

CONCLUSION

Based on our review, nothing has come to our attention that cause us to believe that the interim financial information is not prepared in accordance with IAS 34.

Elite Partners CPA Limited
Certified Public Accountants
Yip Kai Yin
Practising Certificate Number: P05131
Hong Kong, 25 August 2016

結論

根據我們的審閱，概無任何事項引致我們相信中期財務資料並無根據國際會計準則第34號妥為編製。

開元信德會計師事務所有限公司
執業會計師
葉啟賢
執業證書編號：P05131
香港，2016年8月25日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2016 截至2016年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
	Notes 附註		
REVENUE	收入	5	764
Cost of sales	銷售成本		(471)
Gross profit	毛利		293
Other income and gains	其他收入及收益	6	424
Selling and distribution costs	銷售及分銷成本		(297)
Administrative expenses	行政開支		(25,660)
Impairment of various assets	若干資產減值	7	(46,863)
OPERATING LOSS	營運虧損		(72,103)
Finance costs	財務成本	8	(1,497)
LOSS BEFORE TAX	除稅前虧損		(73,600)
Income tax credit	所得稅抵免	9	-
LOSS FOR THE PERIOD	期內虧損	10	(73,600)
Other comprehensive loss: <i>Items that may be reclassified subsequently to profit or loss:</i>	其他全面虧損： <i>其後可能重新分類至損益的項目：</i>		
Exchange differences on translation of non-PRC operations	因換算非中國業務產生的匯兌差異		9,069
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔期內全面虧損總額		(64,531)
Loss per share (RMB cents):	每股虧損(人民幣分)：		
— Basic and diluted	— 基本及攤薄	11	(1.90)

The notes on pages 26 to 44 are an integral part of these condensed consolidated interim financial statements.

第26至44頁之附註屬本簡明綜合中期財務報表之一部份。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2016 於2016年6月30日

			30 June 2016 2016年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2015 2015年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
		Notes 附註		
NON-CURRENT ASSETS				
	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	135,450	133,005
Intangible assets	無形資產		43,715	43,732
Prepaid land lease payments	預付土地租賃款項		1,355	1,355
Deposit paid for acquisition of investment	已付收購投資按金	14	29,971	29,309
			210,491	207,401
CURRENT ASSETS				
	流動資產			
Inventories	存貨		1,173	1,079
Trade receivables	貿易應收款項	15	58,477	59,357
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項		3,605	7,457
Secured senior loan note	有抵押優先貸款票據	16	–	45,828
Cash and cash equivalents	現金及現金等價物		87,309	10,437
			150,564	124,158
CURRENT LIABILITIES				
	流動負債			
Trade payables	貿易應付款項	17	1,440	1,368
Other payables and accruals	其他應付款項及應計費用		30,403	26,402
Obligation under finance lease	融資租賃承擔		110	213
Interest-bearing loan	計息貸款	18	17,015	16,748
Provision for litigation	訴訟撥備		77,127	77,041
			126,095	121,772
NET CURRENT ASSETS	流動資產淨額		24,469	2,386
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		234,960	209,787

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2016 於2016年6月30日

		Notes	30 June 2016 2016年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2015 2015年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
		附註		
NON-CURRENT LIABILITIES	非流動負債			
Obligation under finance lease	融資租賃承擔		526	514
Provision for environmental rehabilitation	環境恢復撥備		2,697	2,697
Deferred income	遞延收入		109	117
Deferred tax liability	遞延稅項負債		608	608
			3,940	3,936
NET ASSETS	資產淨值		231,020	205,851
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Issued capital	已發行股本	19	388,360	297,294
Reserves	儲備		(157,340)	(91,443)
Total equity	總權益		231,020	205,851

The notes on pages 26 to 44 are an integral part of these condensed consolidated interim financial statements.

第26至44頁之附註屬本簡明綜合中期財務報表之一部份。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2016 截至2016年6月30日止六個月

		Issued capital 已發行 股本 RMB'000 人民幣千元	Share premium* 股份 溢價* RMB'000 人民幣千元	Contributed reserve* 繳入 儲備* RMB'000 人民幣千元	Share option reserve* 購股權 儲備* RMB'000 人民幣千元	Foreign currency translation reserve* 外幣換算 儲備* RMB'000 人民幣千元	Accumulated losses* 累計 虧損* RMB'000 人民幣千元	Total equity 總權益 RMB'000 人民幣千元
At 1 January 2015 (Audited)	於2015年1月1日(經審核)	201,996	860,044	14,480	65,716	(5,691)	(836,211)	300,334
Issue of shares (Unaudited)	發行股份(未經審核)	95,298	(2,898)	-	-	-	-	92,400
Equity-settled share option arrangements (Unaudited)	權益結算購股權安排 (未經審核)	-	-	-	3,580	-	-	3,580
Share options lapsed (Unaudited)	購股權失效(未經審核)	-	-	-	(211)	-	211	-
Total comprehensive loss for the period (Unaudited)	期內全面虧損總額 (未經審核)	-	-	-	-	(96)	(69,083)	(69,179)
At 30 June 2015 (unaudited)	於2015年6月30日 (未經審核)	297,294	857,146	14,480	69,085	(5,787)	(905,083)	327,135
At 1 January 2016 (Audited)	於2016年1月1日(經審核)	297,294	857,146	14,480	68,815	(297)	(1,031,587)	205,851
Issue of shares (Unaudited)	發行股份(未經審核)	91,066	(1,366)	-	-	-	-	89,700
Share options lapsed (Unaudited)	購股權失效(未經審核)	-	-	-	(49,487)	-	49,487	-
Total comprehensive loss for the period (Unaudited)	期內全面虧損總額 (未經審核)	-	-	-	-	9,069	(73,600)	(64,531)
At 30 June 2016 (unaudited)	於2016年6月30日 (未經審核)	388,360	855,780	14,480	19,328	8,772	(1,055,700)	231,020

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2016 截至2016年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用現金淨額	(8,668)	(14,456)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(3,721)	(228)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	–	971
Acquisition of secured senior loan note	收購有抵押優先貸款票據	–	(61,104)
Other investing cash flows	其他投資現金流量	10	4
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(3,711)	(60,357)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Issue of new shares	發行新股份	89,700	92,400
Repayments of obligation under finance lease	償還融資租賃承擔	(149)	(101)
Repayment of interest-bearing loans	償還計息貸款	(525)	–
Interest paid	已付利息	(1,497)	(604)
NET CASH GENERATED FROM FINANCING ACTIVITIES	融資活動所得現金淨額	87,529	91,695
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加／(減少)淨額	75,150	16,882
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初現金及現金等價物	10,437	15,858
EFFECT OF FOREIGN EXCHANGE	外匯影響	1,722	66
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	87,309	32,806

The notes on pages 26 to 44 are an integral part of these condensed consolidated interim financial statements.

第26至44頁之附註屬本簡明綜合中期財務報表之一部份。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

1. GENERAL INFORMATION

China Kingstone Mining Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) were principally engaged in the production and sale of marble and marble related products mainly in China.

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Company Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The ultimate holding company of the Company is Wongs Investment Development Holdings Group Limited (In liquidation), which is incorporated in the British Virgin Islands.

The Company has its shares listing on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 18 March 2011.

These financial statements are presented in Chinese Renminbi (“RMB”), unless otherwise stated.

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on 25 August 2016.

These condensed consolidated interim financial statements have been reviewed, not audited.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2016 (“Interim Financial Statements”) have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) issued by the International Accounting Standards Board and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Interim Financial Statements do not include all the information and disclosures required in a full set of financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2015 (“2015 Annual Report”).

1. 一般資料

中國金石礦業控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）主要在中國從事大理石石材及大理石相關產品的生產及銷售。

本公司根據開曼群島法例第22章公司法（1961年第3號法例，經綜合及修訂），於開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司的最終控股公司為Wongs Investment Development Holdings Group Limited（清盤中），該公司於英屬處女群島註冊成立。

本公司之股份自2011年3月18日起於香港聯合交易所有限公司（「聯交所」）上市。

除另有指明外，此等財務報表以中國人民幣（「人民幣」）呈列。

本簡明綜合中期財務報表已於2016年8月25日獲董事會批准刊發。

本簡明綜合中期財務報表已經審閱，惟未經審核。

2. 編製基準

截至2016年6月30日止六個月之未經審核簡明綜合中期財務報表（「中期財務報表」）已根據國際會計準則理事會頒佈的國際會計準則第34號（「國際會計準則第34號」）及香港聯合交易所有限公司證券上市規則（「上市規則」）之適用披露規定編製。

中期財務報表並不包括就編製完整財務報表所需之所有資料及披露，並應與本集團截至2015年12月31日止年度的年度綜合財務報表（「2015年年報」）一併閱讀。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

3. ESTIMATES

The preparation of the Interim Financial Statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

In preparing the Interim Financial Statements, the significant judgements 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 consolidated financial statements for the year ended 31 December 2015.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those followed in the preparation of 2015 Annual Report of the Company.

In the current period, the Group has adopted all the new and revised International Financial Reporting Standards ("IFRSs") that are relevant to its operations and effective for its accounting year beginning on 1 January 2016. IFRSs comprise International Financial Reporting Standards; International Accounting Standards and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current and prior periods.

The Group has not applied the new and revised IFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised IFRSs but is not yet in a position to state whether these new and revised IFRSs would have a material impact on its results of operations and financial position.

3. 估計

根據國際會計準則第34號編製中期財務報表時，管理層須作出影響政策應用及本年度截至現在為止之資產與負債、收益及開支之呈報數額之判斷、估計及假設。實際結果與此等估計可能有差異。

編製此等中期財務報表時，管理層於應用集團會計政策所作之重大判斷及估計不確定因素之主要來源與截至2015年12月31日止年度之綜合財務報表所應用者一致。

4. 主要會計政策概要

編製中期財務報表所採納之會計政策與編製本公司2015年年報所遵循者一致。

於本期間，本集團已採納所有新訂及經修訂國際財務報告準則（「國際財務報告準則」），該等準則與其經營有關，並於2016年1月1日開始之會計年度生效。國際財務報告準則包括國際財務報告準則、國際會計準則及詮釋。採納該等新訂及經修訂國際財務報告準則並無對本集團的會計政策、本集團財務報表之呈列及本期間及過往期間呈報的金額造成重大變動。

本集團並無應用已頒佈但尚未生效的新訂及經修訂國際財務報告準則。本集團已開始評估該等新訂及經修訂國際財務報告準則的影響，惟尚未能說明該等新訂及經修訂國際財務報告準則會否對其經營業績及財務狀況構成重大影響。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

5. REVENUE AND OPERATING SEGMENT INFORMATION

Revenue represents the net invoiced value of goods sold, net of trade discounts and returns.

The Group's revenue and contribution to profit were mainly derived from its sale of marble and marble related products, which is regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group's senior management for purposes of resource allocation and performance assessment. In addition, the principal assets employed by the Group are located in Sichuan Province and Guangdong Province, the PRC.

Accordingly, no segment analysis is presented other than entitywide disclosures.

Entity-wide disclosures

Information about products

The following table sets forth the total revenue from external customers by product and the percentage of total revenue during the period:

5. 收入及經營分部資料

收入指已售貨品的淨發票值，扣除貿易折扣及退回。

本集團的收入及對利潤的貢獻主要源自大理石及大理石相關產品的銷售，其被視作單一可報告分部，與內部向本集團的高級管理層報告資料作資源分配及表現評估用途的方式一致。此外，本集團使用的主要資產均位於中國四川省及廣東省。

因此，除整個實體披露外，未有呈列分部分析。

整個實體披露

有關產品的資料

下表載列期內按產品劃分來自外部客戶的總收入及佔總收入的百分比：

		For the six months ended 30 June 截至6月30日止六個月			
		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	%	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)	%
Marble blocks	大理石荒料	–	0.0%	–	0.0%
Marble slabs	大理石板材	–	0.0%	2,200	83.4%
Marble slags	大理石礦渣	764	100%	437	16.6%
		764	100%	2,637	100.0%

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

6. OTHER INCOME AND GAINS

6. 其他收入及收益

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
Bank interest income	銀行利息收入	10	4
Machinery rental income	機器租金收入	124	234
Miscellaneous	雜項	290	121
		424	359

7. IMPAIRMENT OF VARIOUS ASSETS

7. 若干資產減值

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
Impairment on marble mining operation	大理石採礦營運減值		
- property, plant and equipment	- 物業、廠房及設備	-	31,434
- intangible assets	- 無形資產	-	10,306
- prepaid land lease payments	- 預付土地租賃款項	-	440
		-	42,180
Impairment on trade receivables	貿易應收款項減值	-	711
Impairment on secured senior loan note	有抵押優先貸款票據減值	46,863	1,191
		46,863	44,082

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

8. FINANCE COSTS

8. 財務成本

For the six months ended 30 June
截至6月30日止六個月

		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
Finance leases charges	融資租賃費用	15	18
Bank notes discount interests	銀行票據貼現利息	–	1
Interest on other loan	其他貸款的利息		
– Wholly repayable within five years	— 須於五年內悉數償還	1,482	585
		1,497	604

9. INCOME TAX CREDIT

9. 所得稅抵免

For the six months ended 30 June
截至6月30日止六個月

		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
Current – the PRC	即期 — 中國		
– Charge for the period	— 本期所得稅	–	–
– Under-provision in prior years	— 過往年度撥備不足	–	–
Deferred tax	遞延稅項	–	(2,397)
		–	(2,397)

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of subsidiaries of the Company in the PRC is 25% for the six months ended 30 June 2016 and 2015.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施規例,本公司於中國之附屬公司於截至2016年及2015年6月30日止六個月之稅率皆為25%。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

10. LOSS FOR THE PERIOD

The Group's loss for the period is arrived at after charging/crediting):

10. 期內虧損

本集團之期內虧損已扣除/ (計入) 以下各項:

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
Amortisation of intangible assets	無形資產攤銷	17	-
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	-	17
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊	1,310	2,270
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	434

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the six months ended 30 June 2016 attributable to owners of the Company of approximately RMB73,600,000 (six months ended 30 June 2015: RMB69,083,000) and the weighted average number of 3,871,567,000 (six months ended 30 June 2015: 3,086,305,000) ordinary shares in issue during the period.

(b) Diluted loss per share

No diluted loss per share is presented as the Company did not have any dilutive potential ordinary shares during the six months ended 30 June 2016 and 2015.

11. 每股虧損

(a) 每股基本虧損

本公司擁有人應佔每股基本虧損乃根據本公司擁有人應佔截至2016年6月30日止六個月虧損約人民幣73,600,000元(截至2015年6月30日止六個月: 人民幣69,083,000元)及期內已發行普通股加權平均數3,871,567,000股(截至2015年6月30日止六個月: 3,086,305,000股)計算得出。

(b) 每股攤薄虧損

由於本公司於截至2016年及2015年6月30日止六個月並無具潛在攤薄性質之普通股, 因此並無呈列每股攤薄虧損。

12. DIVIDEND

The Directors do not recommend the payment of any dividend for each of the six months ended 30 June 2016 and 2015.

12. 股息

董事並不建議就截至2016年及2015年6月30日止六個月各期間派付任何股息。

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, the Group acquired plant and machinery at a cost of RMB3,721,000 (2015: Motor vehicle at a cost of RMB228,000).

13. 物業、廠房及設備

截至2016年6月30日止六個月, 本集團收購成本為人民幣3,721,000元之廠房及設備(2015年: 成本為人民幣228,000元之汽車)。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

14. DEPOSIT PAID FOR ACQUISITION OF INVESTMENT

14. 已付收購投資按金

	30 June 2016 2016年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2015 2015年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
Deposit paid for acquisition of investment 已付收購投資按金	27,696	27,696
Exchange realignment 匯兌調整	2,275	1,613
	29,971	29,309

On 29 July 2014, the Group entered into a sale and purchase agreement with the then director of the Company, Ms. Zhang Cuiwei (the "Vendor") to purchase the entire issued share capital of China Fortune Investment Holdings Limited (the "Target Company") and all shareholders' loan owed by the Target Company and its subsidiaries (the "Target Group") to the Vendor or its affiliates which are outstanding as at completion of the acquisition. The Target Company is wholly-owned and controlled by Ms. Zhang Cuiwei.

The consideration in the amount of RMB131,200,000 (equivalent to approximately HK\$164,100,000) shall be satisfied by the Group as follows: (i) as to RMB24,000,000 (equivalent to approximately HK\$30,000,000), payable in cash within 90 days from the date of the extraordinary general meeting of the Company to be held to consider and approve the acquisition; (ii) as to RMB39,100,000 (equivalent to approximately HK\$48,900,000), to be satisfied by the Target Group's surrender of the vendor's promissory note; (iii) as to RMB29,000,000 (equivalent to approximately HK\$36,300,000), payable in cash to be used for the repayment of the loans owed by the Target Group to a financial institution; and (iv) as to RMB39,100,000 (equivalent to approximately HK\$48,900,000), payable in cash within 6 months from the completion of the acquisition or within such period as agreed by the Group and Vendor in writing. For details, please refer to the circular of the Company dated 27 February 2015.

於2014年7月29日，本集團與本公司當時一名董事張翠薇女士（「賣方」）訂立買賣協議，以收購中國兆和投資集團有限公司（「目標公司」）全部已發行股本及目標公司及其附屬公司（「目標集團」）欠付予賣方或其聯屬公司且於完成收購日期尚未清償的所有股東貸款。目標公司由張翠薇女士全資擁有及控制。

代價人民幣131,200,000元（相等於約164,100,000港元）將由本集團以下列方式償付：(i) 自本公司召開以供考慮及批准收購事項的股東特別大會之日起90日內應付現金人民幣24,000,000元（相等於約30,000,000港元）；(ii) 以目標集團交還賣方之承兌票據償付人民幣39,100,000元（相等於約48,900,000港元）；(iii) 應付現金人民幣29,000,000元（相等於約36,300,000港元）用於償還目標集團欠付一家金融機構的貸款；及(iv) 自收購事項完成後六個月內或本集團與賣方書面協定該期間內應付現金人民幣39,100,000元（相等於約48,900,000港元）。有關詳情謹請參閱本公司日期為2015年2月27日之通函。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

14. DEPOSIT PAID FOR ACQUISITION OF INVESTMENT (Continued)

The principal business of the Target Group is property investment and property management in the PRC. The acquisition was not yet completed up to the date of this report. The amount represented earnest money (equivalent to HK\$35,000,000) paid to Ms. Zhang Cuiwei, for the proposed acquisition of the entire issued share capital in the Target Company. The earnest money is interest-free and shall be refunded if the acquisition is not completed on or before 30 September 2016 or the termination of the acquisition.

15. TRADE RECEIVABLES

14. 已付收購投資按金 (續)

目標集團的主要業務為在中國從事物業投資及物業管理。直至本報告日期，收購事項尚未完成。有關金額指就建議收購目標公司之全部已發行股本已向張翠薇女士支付之誠意金（相當於35,000,000港元）。該誠意金為不計息，而倘該收購事項並無於2016年9月30日或之前完成或該收購事項遭終止，則予可退還。

15. 貿易應收款項

		30 June 2016 2016年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2015 2015年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
Trade receivables	貿易應收款項	114,674	115,804
Less: impairment	減：減值	(56,197)	(56,447)
		58,477	59,357

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

15. TRADE RECEIVABLES (Continued)

An aged analysis of trade receivables, as at the end of the reporting periods based on the goods delivery date, and net of impairments, is as follows:

		30 June 2016 2016年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2015 2015年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
0 to 90 days	0至90日	–	–
91 to 180 days	91至180日	–	–
181 to 365 days	181至365日	–	–
Over 1 year	1年以上	58,477	59,357
		58,477	59,357

Reconciliation of allowance for trade receivables:

貿易應收款項之撥備對賬如下：

		30 June 2016 2016年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2015 2015年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
At beginning of period/year	於期/年初	56,447	56,447
(Reverse)/Allowance for the period/year	期/年內(撥回)/撥備	(250)	–
At end of period/year	於期/年末	56,197	56,447

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

15. TRADE RECEIVABLES (Continued)

The Group's trading terms with its customers are mainly on credit. The credit period is generally one month. Except for certain customers developed by the Group at the beginning of its commercial operation were granted for a credit period of 18 months. In view of the fact that the Group sells most of its products to several major customers, there is a high level of concentration of credit risk. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Trade receivables are non-interest-bearing.

As at 30 June 2016, trade receivables of RMB58,477,000 (as at 31 December 2015: RMB59,357,000) were past due but not impaired, among which RMB46,963,000 were secured by certain properties and the Group has been taking legal actions to recover these trade receivables. The Group has regularly conducted credit assessment for the outstanding debts and found that the counterparties had good credit quality. Throughout the period, the Group had recorded repayments from these counterparties. It is anticipated that there will be repayments in the coming year.

15. 貿易應收款項 (續)

本集團與其客戶的貿易條款主要為信貸形式。除本集團於其開始商業營運時已發展的若干客戶獲授予18個月信貸期外，信貸期一般為一個月。由於本集團向若干主要客戶出售其大部分產品，信貸風險集中水平甚高。本集團設法對其尚未償還應收款項實施嚴格控制以盡量減低信貸風險。貿易應收款項為不計息。

於2016年6月30日，人民幣58,477,000元（2015年12月31日：人民幣59,357,000元）貿易應收款項均已逾期，惟尚未減值，其中人民幣46,963,000元以若干物業作為抵押且本集團已採取法律行動，以收回該等貿易應收款項。本集團已定期就尚未償還債項進行信貸評估，並認為該等交易對手具備較好的信貸質素。於本期間，本集團已錄得來自該等交易對手之還款。預期未來年度仍有還款。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

16. SECURED SENIOR LOAN NOTE

16. 有抵押優先貸款票據

		30 June 2016 2016年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2015 2015年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
Secured senior loan note	有抵押優先貸款票據	65,150	65,150
Less: impairment	減：減值	(65,150)	(19,332)
		-	45,828

Note:

On 13 May 2015, the Group entered into the sale and purchase agreement with a vendor, to acquire a secured senior loan note ("Loan Note") of nominal amount of US\$10,000,000 (equivalent to approximately RMB65,150,000) issued by Magnificent Century Limited (the "Note Issuer"). The total issued amount of the Loan Note is US\$45,000,000. The Loan Note carries interest at the rate of 10% per annum payable semi-annually in arrears and was issued on 10 August 2012 for a period of three years with a maturity date on 7 August 2015 (the "Maturity Date"). The Loan Note may be redeemed by the Note Issuer in part or in principal amount of up to 75% of the total principal amount outstanding at any time after twelve months after the date of issue of the Loan Note and prior to the Maturity Date at the principal amount of the Loan Note plus all interest accrued thereon and unpaid as at the date of redemption.

The Loan Note was guaranteed by two guarantors, Dragon Canal International Holdings Limited and Golden Dragon Century Limited and secured by the charges of shares in the Note Issuer's subsidiary (the "Security"). To the best knowledge, information and belief of the directors having made all reasonable enquiry, each of the vendor, the Note Issuer, the guarantors and their respective ultimate beneficial owners is an independent third party.

附註：

於2015年5月13日，本集團與一名賣方訂立買賣協議，以收購Magnificent Century Limited（「票據發行人」）發行的面值為10,000,000美元（約相等於人民幣65,150,000元）的有抵押優先貸款票據（「貸款票據」）。貸款票據之發行面值總額為45,000,000美元。貸款票據按年利率10%計息，須於每半年期末支付，且貸款票據於2012年8月10日發行，為期三年及到期日為2015年8月7日（「到期日」）。票據發行人可於貸款票據的發行日期起計十二個月後及貸款票據本金額到期日前任何時間贖回部分或未償還本金總額最多75%的貸款票據，另加累計及於贖回日期未付的所有利息。

貸款票據由兩名擔保人Dragon Canal International Holdings Limited及金龍世紀有限公司作擔保且由票據發行人之附屬公司之股份押記作抵押（「抵押品」）。據董事經作出一切合理查詢後所深知、盡悉及確信，賣方、票據發行人、擔保人以及彼等各自之最終實益擁有人各自為獨立第三方。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

16. SECURED SENIOR LOAN NOTE (Continued)

The Note Issuer failed to repay the Loan Note by the Maturity Date. The details can be referred to the Company's announcement dated 9 August 2015. The Group is currently seeking legal advice as to the appropriate course of action in respect of the said event of default under the Loan Note. According to the terms of the instrument of the Loan Note (the "instrument"), the Group is not entitled to enforce its rights under the Instrument against the Issuer and/or the guarantors without the prior written consent of the noteholder whose holdings of the Loan Notes represents more than 50% of the principal amount of all the Loan Notes created by the Instrument then outstanding. As at the date of this Interim Financial Statements, all noteholders are in the process of exploring the possible actions to be taken in respect of the said event of default.

The directors have been assessing the recoverable amount of the Loan Note. Based on the information from the creditor's meeting of the Loan Note, the PRC subsidiary of the Note Issuer was being filed with the winding petition by the local creditors. As the Company has no position to obtain further information about this winding-up petition for the PRC subsidiary of the Note Issuer and the outcome of the winding-up is highly uncertain. The Directors considered the recoverable amount of the Loan Note was zero. The Group recorded an impairment loss of RMB46,863,000 on the Loan Note for the six months ended 30 June 2016.

17. TRADE PAYABLES

Trade payables are non-interest-bearing and are normally settled in 180 days. An aged analysis of trade payables, based on the invoice date, is as follows:

Outstanding balances with ages: 具有以下賬齡的未償還結餘:
Over 180 days 180日以上

16. 有抵押優先貸款票據 (續)

票據發行人未能於到期日償還貸款票據。有關細節可參閱本公司日期為2015年8月9日的公告。本集團目前正尋求法律意見以就貸款票據項下所述違約事件採取合適行動。根據貸款票據之文據條款(「文據」)，未經票據持有人(其所持有貸款票據佔當時未償還文據所設立的所有貸款票據本金額50%以上)事先同意，本集團無權對票據發行人及/或擔保人強制行使其於文據下的權利。於本中期財務報表日期，所有票據持有人正就上述違約事項尋求可能採取的行動。

董事正評估貸款票據的可收回款項。根據來自貸款票據債權人會議之資料，當地債權人已就票據發行人之中國附屬公司遞交清盤呈請。由於本公司未能獲得有關就票據發行人中國附屬公司遞交清盤呈請的進一步資料及清盤之結果極不確定，董事認為貸款票據之可收回金額為零。本集團於截至2016年6月30日止六個月錄得貸款票據減值虧損人民幣46,863,000元。

17. 貿易應付款項

貿易應付款項不計息且一般於180日內清付。根據發票日期，貿易應付款項的賬齡分析如下：

30 June 2016 2016年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2015 2015年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
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1,440

1,368

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

18. INTEREST BEARING LOAN

18. 計息貸款

		30 June 2016 2016年 6月30日 RMB'000 人民幣千元	31 December 2015 2015年 12月31日 RMB'000 人民幣千元
Unsecured – within one year	無抵押—於一年內	17,015	16,748

The interest bearing loan was fully repaid in July 2016. As at the date of this interim report, the Group does not have any outstanding loan or borrowing.

該計息貸款已於2016年7月悉數償還。於中期報告日期，本集團並無尚有任何未償還貸款或借貸。

19. SHARE CAPITAL

19. 股本

		Number of shares '000 股份數目 千股	RMB'000 人民幣千元
Ordinary shares of HK\$0.1 每股面值0.1港元之普通股			
Authorised: Ordinary shares of HK\$0.1 (2015: HK\$0.1) each At 1 January 2015, at 31 December 2015, at 1 January 2016 and at 30 June 2016	法定： 每股面值0.1港元 (2015年：0.1港元)之普通股 於2015年1月1日、 2015年12月31日、2016年1月1日 及2016年6月30日	15,000,000	1,215,275
Issued and fully paid: Ordinary shares of HK\$0.1 (2015: HK\$0.1) each At 1 January 2015 Issue of shares (note a)	已發行及繳足： 每股面值0.1港元 (2015年：0.1港元)之普通股 於2015年1月1日 發行股份(附註a)	2,426,758 1,213,379	201,996 95,298
At 31 December 2015 Issue of shares (note b)	於2015年12月31日 發行股份(附註b)	3,640,137 1,080,000	297,294 91,066
At 30 June 2016	於2016年6月30日	4,720,137	388,360

Note:

附註：

(a) On 29 June 2015, the Company issued 1,213,379,318 ordinary shares, on the basis of one offer share for every two shares held, to the shareholders of the Company at a subscription price of HK\$0.1 per share through an open offer. The net proceeds of approximately HK\$117.7 million are intended to be used as to the Group's acquisitions and general working capital purpose.

(a) 於2015年6月29日，本公司透過公開發售按認購價每股0.1港元向本公司股東發行1,213,379,318股普通股，基準為每持有兩股股份獲發一股發售股份。所得款項淨額約117,700,000港元擬用於本集團收購及一般營運資本用途。

(b) On 23 May 2016, pursuant to the placing and subscription agreement dated 8 March 2016, 1,080,000,000 shares of HK\$0.1 each were allotted and issued at the price of HK\$0.1 per share.

(b) 於2016年5月23日，根據日期為2016年3月8日之配售及認購協議，1,080,000,000股每股面值0.1港元之股份已按每股股份0.1港元之價格進行配發及發行。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

20. SHARE OPTION SCHEME

Pre-IPO share option scheme and 2011 Option Scheme

The Company has adopted the Pre-IPO share option scheme (the "Pre-IPO Option Scheme") and a share option scheme (the "2011 Option Scheme") on 24 January 2011 for the purpose of giving its employees, directors, advisers, consultants and business partners an opportunity to have a personal stake in the Company and help motivate them to optimize their future performance and efficiency and/or to reward them for their past contributions, to attract and retain or otherwise maintain on going relationships with such employees, advisers, consultants and business partners who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Company.

The following share options were outstanding under the Pre-IPO Option Scheme and the 2011 Option Scheme during the reporting period:

Pre-IPO Option Scheme

		30 June 2016 2016年6月30日		31 December 2015 2015年12月31日	
		Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份	Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份
At beginning of reporting period 於報告期初		0.6	50,769	0.6	40,000
Adjustment upon open offer effective on 29 June 2015 於2015年6月29日公開發售生效時調整		-	-	-	10,769
Lapsed 已失效		(0.6)	(50,769)	-	-
At the end of reporting period 於報告期末		-	-	0.6	50,769

20. 購股權計劃

首次公開發售前購股權計劃及2011年購股權計劃

本公司於2011年1月24日採納首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）及一項購股權計劃（「2011年購股權計劃」），旨在給予其僱員、董事、顧問、諮詢人和業務夥伴機會，於本公司擁有個人權益，並激勵彼等提升其未來表現及效率及／或為彼等過去的貢獻向彼等作出獎勵，並吸引和挽留該等在本公司中擔當重要角色及／或其貢獻目前或將有利於本公司的表現、增長或成功的僱員、顧問、諮詢人和業務夥伴或以其他方式與彼等維持持續關係。

於報告期內，根據首次公開發售前購股權計劃及2011年購股權計劃尚未行使的購股權如下：

首次公開發售前購股權計劃

	30 June 2016 2016年6月30日		31 December 2015 2015年12月31日	
	Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份	Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

20. SHARE OPTION SCHEME (Continued)

2011 Option Scheme

20. 購股權計劃 (續)

2011年購股權計劃

		30 June 2016 2016年6月30日		31 December 2015 2015年12月31日	
		Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份	Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份
At beginning of reporting period 於報告期初	Share options granted during the period/year 期/年內授出購股權	0.281	163,477	0.374	106,200
- to directors 一向董事		-	-	0.285	34,800
Lapsed during the period 於期內失效		-	-	0.248	(14,677)
Adjustment upon open offer effective on 29 June 2015 於2015年6月29日公開發售生效時調整		-	-	-	37,154
Outstanding at end of reporting period 於報告期末尚未行使		0.281	163,477	0.281	163,477
Exercisable at end of reporting period 於報告期末可行使		0.281	163,477	0.281	163,477

The exercise price and exercise period of those share options outstanding under the Pre-IPO Option Scheme and the 2011 Option Scheme as at 30 June 2016 and 31 December 2015 are as follows:

於2016年6月30日及2015年12月31日，該等於首次公開發售前購股權計劃及2011年購股權計劃項下尚未行使的購股權的行使價和行使期如下：

Pre-IPO Option Scheme

首次公開發售前購股權計劃

	Number of options 購股權數目 '000 千股	Exercise price per share 每股行使價 HK\$ 港元	Exercise period 行使期
At 31 December 2015 於2015年12月31日	50,769	0.473	From 18 March 2012 to 18 March 2016 自2012年3月18日起至 2016年3月18日止
At 30 June 2016 於2016年6月30日	-	-	-

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

20. SHARE OPTION SCHEME (Continued)

2011 Option Scheme (Continued)

20. 購股權計劃 (續)

2011年購股權計劃 (續)

	Number of options 購股權數目 '000 千股	Exercise price per share 每股行使價 HK\$ 港元	Exercise period 行使期
At 31 December 2015 and at 30 June 2016	9,900	1.087	Three tranches in proportion of 50%, 25% and 25% exercisable from 4 November 2011, 4 November 2012 and 4 November 2013 to 3 November 2021, respectively.
於2015年12月31日及 2016年6月30日			按50%、25%及25%的比例分作三批，分別自2011年11月4日、2012年11月4日及2013年11月4日起至2021年11月3日止可予行使。
	31,731	0.237	From 26 June 2014 to 25 June 2024 自2014年6月26日起至 2024年6月25日止
	34,269	0.237	From 9 June 2014 to 8 June 2024 自2014年6月9日起至 2024年6月8日止
	45,692	0.223	From 30 December 2014 to 18 December 2024 15,230,769 options offered may be exercised on or after 30 December 2014; and 30,461,539 options offered may be exercised on or after 19 December 2015. 自2014年12月30日起至2024年12月18日止，15,230,769份提呈授予購股權可於2014年12月30日或之後行使；30,461,539份提呈授予購股權可於2015年12月19日或之後行使。
	41,885	0.225	From 12 January 2015 to 15 December 2024 自2015年1月12日起至 2024年12月15日止

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

20. SHARE OPTION SCHEME (Continued)

2011 Option Scheme (Continued)

The fair value of those share options under the 2011 Option Scheme granted during the six months ended 30 June 2015 was HK\$3,278,000 (equivalent to approximately RMB2,575,000). The Group recognized a share option expense of HK\$4,557,000 (equivalent to approximately RMB3,580,000) during the six months ended 30 June 2015. No share options were granted during the six months ended 30 June 2016.

The fair value of equity-settled share options granted during the period was estimated as at the date of grant, using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

		Share options granted to employees 向僱員授出之 購股權	Share options granted to directors 向董事授出之 購股	Share options granted to employees 向僱員授出之 購股權	Share options granted to directors 向董事授出之 購股權
Date of grant	授出日期	9 June 2014 2014年6月9日	26 June 2014 2014年6月26日	30 December 2014 2014年12月30日	12 January 2015 2015年1月12日
Number of share options	購股權數目	32,000,000	30,400,000	36,000,000	34,800,000
Dividend yield (%)	派息率	3.12%	3.12%	3.12%	3.12%
Expected volatility (%)	預期波幅	40.29%	40.35%	40.04%	39.68%
Risk-free interest rate (%)	無風險利率	2.06%	2.04%	1.89%	1.59%

20. 購股權計劃 (續)

2011年購股權計劃 (續)

於截至2015年6月30日止六個月內根據2011年購股權計劃授出的購股權公平值為3,278,000港元(相等約於人民幣2,575,000元)。本集團已於截至2015年6月30日止六個月確認購股權開支4,557,000港元(相等於約人民幣3,580,000元)。於截至2016年6月30日止六個月並無授出購股權。

於期內授出的股權結算購股權公平值於授出日期採用二項模式估計，當中計及授出購股權時的條款及條件。下表載列該模式所使用的輸入數據：

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

21. RELATED PARTY TRANSACTIONS

During the six months ended 30 June 2016, the Group had the following material transaction with related parties:

(A) KEY MANAGEMENT COMPENSATION

		For the six months ended 30 June 截至6月30日止六個月	
		2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
Salaries, wages and other benefits	薪金、工資及其他福利	1,069	1,110
Equity-settled share option expenses	股權結算購股權開支	-	2,575
		1,069	3,685

21. 關連方交易

截至2016年6月30日止六個月，本集團與關連方有以下重大交易：

(A) 主要管理層酬金

(B)

			For the six months ended 30 June 截至6月30日止六個月	
			2016 2016年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 2015年 RMB'000 人民幣千元 (unaudited) (未經審核)
Name of related party 關連方名稱	Relationship 關係	Nature of transaction 交易性質		
Kinwin International Company Limited ("Kinwin")	Mr. Wang Minliang, a director of the Company, is the beneficial owner of Kinwin	Interest-bearing loan	4,855	7,854
		Interest paid	448	585
建勝國際投資有限公司 (「建勝」)	本公司董事王民良 先生為建勝之 實益擁有人			

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 June 2016 截至2016年6月30日止六個月

22. LITIGATIONS

- (i) On 13 July 2015, Royal Moon International Company Limited ("Royal Moon"), the underwriter of the open offer announced by the Company on 14 May 2015, issued a writ of summons at the High Court of the Hong Kong Special Administrative Region (the "Writ") against the Company. Pursuant to the Writ, Royal Moon claims against the Company, amongst others, a sum of not less than HK\$150,000,000 being damages for the breach of a written underwriting agreement made between Royal Moon and the Company dated 13 May 2015. The Group made a provision of RMB77,041,000 (equivalent to HK\$92,000,000) in relation to an estimated cash outflow in relation to the litigation.

22. 訴訟

- (i) 於2015年7月13日，本公司於2015年5月14日公佈之公開發售包銷商皇月國際有限公司（「皇月」）向香港特別行政區高等法院針對本公司提出傳訊令狀（「令狀」）。根據令狀，皇月向本公司提出（其中包括）一筆總額不少於150,000,000港元（就違反皇月與本公司所訂立日期為2015年5月13日之書面包銷協議之損害賠償）之申索。本集團已就有關該訴訟之預期現金流出作出人民幣77,041,000元（相當於92,000,000港元）之撥備。



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