

中國金屬再生資源(控股)有限公司
China Metal Recycling (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
(Stock Code 股份代號: 00773)



INTERIM REPORT
2011 中期業績報告

2011

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Corporate Information

企業資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Chun Chi Wai (*Chairman and Chief Executive Officer*)
Mr. Fung Ka Lun (*Group Finance Director and Group Vice President*)
Mr. Jiang Yan Zhang (*Chief Operating Officer*)

Non-executive Director:

Ms. Lai Wun Yin

Independent Non-executive Directors:

Mr. Chan Kam Hung
Mr. Leung Chong Shun
Mr. Yan Qi Ping

Audit Committee:

Mr. Chan Kam Hung (*Chairman*)
Mr. Leung Chong Shun
Mr. Yan Qi Ping

Remuneration Committee:

Mr. Leung Chong Shun (*Chairman*)
Mr. Chan Kam Hung
Mr. Yan Qi Ping
Mr. Chun Chi Wai

AUTHORISED REPRESENTATIVES

Mr. Chun Chi Wai
Mr. Lam Po Kei

COMPANY SECRETARY

Mr. Lam Po Kei

REGISTERED OFFICE

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

董事會

執行董事：

秦志威先生 (*主席兼行政總裁*)
馮嘉倫先生 (*集團財務董事兼集團副總裁*)
姜延章先生 (*營運總監*)

非執行董事：

黎煥賢女士

獨立非執行董事：

陳錦雄先生
梁創順先生
閻啟平先生

審核委員會：

陳錦雄先生 (*主席*)
梁創順先生
閻啟平先生

薪酬委員會：

梁創順先生 (*主席*)
陳錦雄先生
閻啟平先生
秦志威先生

授權代表

秦志威先生
林寶基先生

公司秘書

林寶基先生

註冊辦事處

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 4803, Office Tower, Convention Plaza
1 Harbour Road, Wanchai
Hong Kong
Tel: (852) 2547 4725

AUDITOR

Deloitte Touche Tohmatsu

LEGAL ADVISERS

Sidley Austin (Hong Kong)
Jun He Law Offices (China)

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited
Bank of China Limited
China Construction Bank Corporation
China Everbright Bank Co. Ltd
Industrial and Commercial Bank of China Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26/F Tesbury Centre
28 Queen's Road East, Wanchai, Hong Kong

STOCK CODE

The Hong Kong Stock Exchange Limited: 00773

WEBSITE

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www.cmr773.com

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會展廣場辦公大樓4803室
電話：(852) 2547 4725

核數師

德勤•關黃陳方會計師行

法律顧問

盛德國際律師事務所(香港)
君合律師事務所(中國)

主要往來銀行

星展銀行(香港)有限公司
渣打銀行(香港)有限公司
中國銀行股份有限公司
中國建設銀行股份有限公司
中國光大銀行股份有限公司
中國工商銀行股份有限公司

主要股份過戶登記處

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港灣仔皇后大道東28號
金鐘匯中心26樓

股份代號

香港聯合交易所有限公司：00773

網址

www.chinametalrecycle.com
www.cmr773.com

Financial Highlights

財務摘要

China Metal Recycling (Holdings) Limited 中國金屬再生資源(控股)有限公司(the "Company") and its subsidiaries (collectively the "Group") are pleased to present the following highlights:

中國金屬再生資源(控股)有限公司 China Metal Recycling (Holdings) Limited (「本公司」) 及其附屬公司 (「統稱「本集團」») 欣然宣佈下列摘要：

For the six months ended 30 June 截至六月三十日止六個月

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動
Revenue	收益	25,335,413	8,685,279	191.7
Gross profit	毛利	1,128,602	528,669	113.5
Profit before taxation	除稅前溢利	1,117,592	465,868	139.9
Profit attributable to owners of the Company	本公司擁有人應佔溢利	1,043,076	419,847	148.4
Basic earnings per share (HK cents)	每股基本盈利(港仙)	91.60	40.18	128.0
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	90.64	40.01	126.5

The Group's unaudited profit attributable to owners of the Company for the six months ended 30 June 2011 (the "Period") amounted to HK\$1,043.1 million.

本集團截至二零一一年六月三十日止六個月(「本期間」)未經審核本公司擁有人應佔溢利為10.431億港元。

Basic earnings per share was HK91.6 cents.

每股基本盈利為91.6港仙。

The board of directors of the Company (the "Board") resolved not to declare any interim dividend for the Period.

本公司董事會(「董事會」)決議不就本期間派發中期股息。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

Business Overview

The Group's interim results for the six months ended 30 June 2011 (the "Period") achieved another record which follows the outstanding growth momentum in the past few years. Revenue and profit attributable to owners of the Company for the Period were up by approximately 191.7% and 148.4% to HK\$25,335.4 million and HK\$1,043.1 million respectively when compared with the six months ended 30 June 2010 (the "Last Period"), as a result of the expansion of our regional coverage, increased market share and the continued strong demand for recycled metals. Tightened credit in China has also provided a favorable business environment to the Group, as many smaller players faced difficulties in obtaining necessary financings. Leveraging on the Group's scale of operation, financing and other competitive advantages, the Group has gained additional market share. Sales volume of ferrous metals for the Period was approximately 1.1 million tons, an increase of approximately 69.7% compared to the Last Period while sales volume of non-ferrous metals for the Period was approximately 310,000 tons, an increase of approximately 129.5% compared to the Last Period. Other materials represent the sales of other raw materials to our customers such as ores, scrap plastics, etc. Leveraging on the long term relationships with our customers and sourcing capabilities, the Group cross-sells these other raw materials to our customers.

China's crude steel production during the Period reached approximately 350 million tons, an increase of approximately 9.6% compared to the Last Period. China's copper cathode production during the Period was approximately 2.64 million tons, an increase of approximately 16.8% compared to the Last Period. The penetration of scrap metals consumption in China during the Period has remained at a low level when compared with figures in the developed countries. Therefore, there exists a great potential for increasing the Group's penetration of recycled metals in China.

業務回顧及展望

業務概況

本集團於截至二零一一年六月三十日止六個月（「本期間」）的中期業績再創佳績，成功延續過去數年的強勁增長勢頭。本期間收益及本公司擁有人應佔溢利分別較截至二零一零年六月三十日止六個月（「前期」）上升約191.7%及148.4%至253.354億港元及10.431億港元，主要由於本集團所覆蓋地區的範圍擴展，加上本集團所佔市場份額增加以及再生金屬的需求持續強勁所致。中國持續收緊信貸，亦為本集團締造有利的營商環境，茲因業內不少規模較小的公司越來越難以取得所需融資經營業務。憑藉本集團的龐大的營運規模、充沛的資金以及其他競爭優勢，本集團於本期間成功擴大市場份額。於本期間，黑色金屬的銷售量約為110萬噸，較前期增加約69.7%，而於本期間有色金屬的銷售量則約為31萬噸，較前期增加約129.5%。其他材料乃指銷售予本集團客戶的其他原材料銷售量，例如礦石及廢塑膠等。本集團借助與客戶經已建立的長期合作關係及本身具備的採購能力，向客戶交叉銷售該等其他原材料。

中國於本期間的粗鋼產量達約3.50億噸，較前期增加約9.6%。於本期間中國的電解銅產量約為264萬噸，較前期增加約16.8%。於本期間，中國的廢金屬消耗量滲透率相比發達國家的數字仍屬於偏低水平。因此，中國具有提高本集團再生金屬滲透率的龐大潛能。

Management Discussion and Analysis

管理層討論及分析

For the Eastern China operation, benefiting from the smooth operations of the port in Jiangyin, and with the benefit of being one of the best metal recycling markets in China, business flow has remained strong in the region. The Group has continued its growth momentum in the revenue of the Eastern China region during the Period. Margins have improved as compared to the Last Period as a result of the ramp up operation and the increase in regional market share. Jiangyin port has been the regional logistic and distribution hub supporting the Group's recycling base in the Eastern China region and improved the Group's operational efficiency and competitiveness in the region and lowered transportation costs.

For the Northern China operation, business flow has continued to increase as a result of the smooth execution of the operation. The joint venture with 天津鋼管集團股份有限公司 (Tianjin Pipe (Group) Corporation) and 11 regional recyclers (the "Tianjin Joint Venture") has started business operation and will create a "Strong-Strong" alliance by combining the competitive advantages of the shareholders. We are confident that the Tianjin Joint Venture will become the largest recycling platform in the region, thereby greatly enhancing the Group's bargaining and managing power in the Northern China region.

For the Southern China operation, business has been stable. The Zhongshan site expanded our collection coverage and contributed an additional capacity of 300,000 tons. On 15 March 2011, the Company entered into a non-binding memorandum of understanding with 廣東物資集團公司 (Guangdong Materials Group Corporation) ("GDWZ") to set up a joint venture to engage in the business of recycling in the Southern China region. The discussion is ongoing and the Group is in process of finalizing the terms with GDWZ. The proposed co-operation would help the Group create an integrated metal recycling system that combines the recycling and dismantling of scrap metals, electrical appliances, motor vehicles, vessels and aircrafts.

For the Central China operation, the Wuhan site has been ramping up. The Group has been expanding its regional suppliers network to meet the demand from the major customer, 武漢鋼鐵(集團)公司 (Wuhan Iron and Steel (Group) Corporation).

華東地區營運方面，受惠於江陰港口業務的暢順運作，以及江陰作為中國其中一個最佳的再生金屬市場，區內業務量一直強勁。於本期間，本集團在華東地區的收益增長勢頭持續。由於業務提升及地區市場佔有率增加，因此利潤率較上年已有改善。江陰港成為支持本集團於華東地區再生基地的區域物流及分銷樞紐，同時亦已有助改善本集團的營運效率、區內競爭力及降低運輸成本。

華北地區營運方面，業務運作暢順因而持續錄得增長。本集團與天津鋼管集團股份有限公司及11名當地回收商組成之合營企業（「天津合營企業」）已投入營運。天津合營企業將強強聯手，結合合營企業股東的競爭優勢。本集團有信心，天津合營企業將可成為區內規模最大的再生資源平台，大大加強本集團在華北地區的議價及管理能力。

華南地區營運方面，業務穩定增長。中山市基地擴大我們的回收範圍，並投入額外30萬噸產能。於二零一一年三月十五日，本公司與廣東物資集團公司（「廣物集團」）訂立不具約束力諒解備忘錄，擬於華南地區成立從事回收業務的合營企業。雙方目前仍正在洽商，而本集團現正與廣物集團落實有關條款。建議合作事項亦為本集團建立集廢舊金屬、家電、汽車、船舶及飛機等於一身的一體化金屬回收拆解體系。

華中地區營運方面，本集團正致力提升武漢基地的業務。本集團一直致力擴大其區內供應商網絡以應付來自主要客戶武漢鋼鐵(集團)公司的需求。

Our future development strategy is to leverage on our competitive advantages to 1) continue to strengthen our strategic national network and product categories in order to establish an integrated metal recycling system that combines the recycling and dismantling of scrap metals, electrical appliances, motor vehicles and vessels, so as to fully support the State government's target of establishing a comprehensive recycling system under the 12th Five-Year Plan, 2) develop a diversified sales and procurement network to enlarge our market share, 3) continue to invest in advanced machineries and environmental protection facilities to ensure operational efficiency and economies of scale, and 4) increase investment in our staff to enhance management quality and strengthen our overall operational and business integration capability. The strategy of combining both organic and inorganic approaches of corporate development to maintain our relative first-mover advantage will be continued to reinforce our leadership position in the metal recycling industry in China.

Looking forward into second half of 2011, though facing uncertainties in the macro-economic conditions, the Group is confident to continue the volume growth momentum of the first half of 2011. With contributions from our multiple regional operations, we are confident to deliver more than spectacular returns to the shareholders of the Company.

FINANCIAL REVIEW

Revenue

Revenue of the Group for the Period was HK\$25,335.4 million (Last Period: HK\$8,685.3 million), representing an increase of 191.7% as compared to that for the Last Period.

Increase in the Group's revenue was mainly attributable to the significant increase in the sales of both ferrous and non-ferrous metals during the Period. The Group's business from new regions, namely the Eastern China region and the Northern China region, have contributed significantly to the increase during the Period.

本集團的未來發展策略是利用本集團的競爭優勢，1) 繼續鞏固全國性的策略布點及產品種類，設立一個集回收拆解廢金屬、家電、汽車及船舶於一身的一體化金屬回收體系，以全面支援中國政府根據第十二個五年規劃設立全面回收體系的目標，2) 發展多元化的銷售及採購網絡以擴大我們的市場份額，3) 持續投資於先進機械及環保設施以確保營運效率及經濟規模效益，及4) 增加投資於栽培員工以提升管理質量，以及增強我們整體營運及業務整合的能力。採用綜合自然發展及人為方式的企業發展策略來維持我們作為先行者的相對競爭優勢，將繼續有助提高我們在中國金屬再生行業的市場領先地位。

展望二零一一年下半年，雖然面對未見明朗的宏觀經濟環境，但本集團有信心可以繼續二零一一年上半年的強勁增長勢頭。憑藉來自多個地區的營運貢獻，我們信心十足可以為本公司股東帶來令人滿意的回報。

財務回顧

收益

本集團於本期間的收益為253.354億港元（前期：86.853億港元），較前期上升191.7%。

本集團於本期間的收益上升，主要因為黑色及有色金屬的銷售大幅上升。本集團來自華東及華北新地區的業務一直對本期間的收益上升作出重大貢獻。

Management Discussion and Analysis

管理層討論及分析

Gross Profit

Gross profit of the Group for the Period was HK\$1,128.6 million (Last Period: HK\$528.7 million), representing an increase of 113.5% as compared to that for the Last Period. Gross profit margin of the Group for the Period was 4.5% (Last Period: 6.1%), representing a decrease of 1.6%. The decrease was mainly due to the increase in contributions from new regions which have lower gross profit margins and the lower selling prices when metal commodity prices decrease between the time of raw materials purchase and the time of sales, majority of which have already been hedged by metal commodity future contracts.

Other Income

Other income for the Period, including mainly interest income, exchange gain and gain on disposal of investment properties and the relevant prepaid lease payments, increased by 256.5% from HK\$16.6 million for the Last Period to HK\$59.1 million. The increase was mainly due to the increases in exchange gain and interest income from bank deposits by HK\$16.5 million and HK\$12.0 million respectively. Renminbi had been appreciating against United States dollars during the Period.

Distribution and Selling Expenses

Distribution and selling expenses for the Period amounted to HK\$17.1 million, representing an increase of 161.7% compared to that for the Last Period. The increase was mainly attributable to the increase in volume of our products sold.

Administrative Expenses

Administrative expenses including staff salaries, bank charges, depreciation expenses and other general administration expenses for the Period amounted to HK\$133.5 million, representing an increase of 74.0% over that of HK\$76.7 million for the Last Period.

The increase was mainly attributable to the increase in the number of executive staff for the operations of the Group in the new regions in China; and various expenses, mainly bank charges and other taxes, incurred by the Group when expanding its operations.

The Group recognized total expenses of HK\$14.2 million for the Period (Last Period: HK\$19.7 million) in relation to share options granted by the Company under the Pre-IPO and the Post-IPO share option schemes adopted by the Company.

毛利

本集團於本期間的毛利為11.286億港元(前期: 5.287億港元), 較前期增加113.5%。本集團於本期間的毛利率為4.5%(前期: 6.1%), 下降1.6%。毛利率下降主要由於毛利率較低的新地區貢獻增加, 以及金屬商品價格於採購原材料及銷售的時間之間下跌導致售價降低, 而金屬商品期貨合約已為大部份降低的售價作對沖。

其他收入

於本期間, 其他收入主要包括利息收入、匯兌收益及出售投資物業收益以及有關的預付租賃款項, 由前期1,660萬港元上升256.5%至5,910萬港元, 主要因為匯兌收益及銀行存款利息收入分別上升1,650萬港元及1,200萬港元。人民幣兌美元於本期間一直升值。

分銷及銷售開支

於本期間, 分銷及銷售開支為1,710萬港元, 較前期增加161.7%, 主要是由於產品銷售量上升所致。

行政開支

於本期間, 行政開支包括員工薪酬、銀行費用、折舊開支及其他一般行政開支, 由前期7,670萬港元增加74.0%至1.335億港元。

增加主要因為本集團因於中國新地區擴充業務而導致行政人員數目與各項開支(主要為銀行費用及其他稅項)增加。

本集團已經就本公司採納之首次公開發售前及首次公開發售後之購股權計劃授出的購股權而確認本期間有關開支總額達1,420萬港元(前期: 1,970萬港元)。

Net Gain on Derivative Financial Instruments

Net gain on derivative financial instruments represents the net gain arising from the changes in fair value of the metal commodity future contracts used to hedge against the Group's purchases and inventory. Metal commodity prices have been volatile during the Period and resulted in net gains on those commodity future contracts used to hedge against the corresponding spot purchase or inventory when metal commodity prices decrease during the hedged period.

Finance Costs

Finance costs increased by 319.7% from HK\$27.0 million for the Last Period to HK\$113.2 million for the Period. The finance costs for the Period mainly arose from trade financing from banks for working capital purposes.

Profit Attributable to Owners of the Company

The profit attributable to owners of the Company for the Period grew by 148.4% to HK\$1,043.1 million as compared with HK\$419.8 million for the Last Period.

Key Financial Ratios

The following table sets forth certain of our financial ratios as at the date for the periods indicated.

Current ratio	流動比率
Gearing ratio (%)	資產負債比率(%)

衍生金融工具的收益淨額

衍生金融工具的收益淨額為用作對沖本集團購入貨品及存貨的金屬商品期貨合約的公允價值變動所產生的收益淨額。於本期間，金屬商品價格一直波動，在金屬商品價格於對沖期間下跌時，促使用作對沖相應採購該等商品現貨或存貨的期貨合約錄得收益淨額。

融資成本

融資成本由前期的2,700萬港元增加319.7%至本期間的1.132億港元。於本期間，融資成本主要由來自銀行貿易融資撥作營運資金用途所致。

本公司擁有人應佔溢利

於本期間，本公司擁有人應佔溢利較前期4.198億港元增加148.4%至10.431億港元。

主要財務比率

下表列載本集團截至所示期間日期的若干主要財務比率。

At 30 June, 2011 於二零一一年 六月三十日	At 31 December, 2010 於二零一零年 十二月三十一日
1.6	1.5
35.8	26.5

Management Discussion and Analysis

管理層討論及分析

For the six months
ended 30 June
截至六月三十日止六個月

Inventory turnover days	存貨周轉日數
Debtors' turnover days	應收款項周轉日數
Creditors' turnover days	應付款項周轉日數

2011 二零一一年	2010 二零一零年
14	16
51	75
28	34

Working Capital

The inventory turnover of the Group was 14 days for the Period as compared to 16 days for the Last Period. In order to better manage the commodity price risk during the Period, the inventory level was maintained at a lower level.

The Group's debtors' turnover (including both trade debtors and bills receivable) was 51 days for the Period as compared to 75 days for the Last Period. The Group generally allows average credit periods of 30 to 60 days and 30 to 90 days to its ferrous and non-ferrous customers respectively. The decrease was primarily due to speeding up of repayment by certain customers and tightening credit control of the Group.

The Group's creditors' turnover (including both trade payables and bills payable) was 28 days for the Period as compared to 34 days for the Last Period. Credit periods granted by the Group's suppliers increased to 60 days.

營運資金

於本期間，本集團的存貨周轉期為14日，前期則為16日。於本期間，為了更妥善管理商品價格風險，存貨水平維持低位。

於本期間，本集團的應收款項周轉期（包括應收貿易款項及應收票據）為51日，前期則為75日。本集團一般給予黑色金屬及有色金屬客戶的平均信貸期分別為30至60日及30至90日。周轉期減少主要乃因若干客戶提前償付款項及本集團收緊信貸控制所致。

於本期間，本集團的應付款項周轉期（包括應付貿易款項及應付票據）為28日，而前期則為34日。本集團供應商給予本集團的信貸期增加至60日。

Liquidity, Financial Resources and Capital Structure

As at 30 June 2011, the Group has net current assets of HK\$4,874.9 million (31 December 2010: HK\$4,114.2 million) of which cash and bank deposits were HK\$2,754.8 million (31 December 2010: HK\$2,971.0 million). Total borrowings as at 30 June 2011, including discounted bills, were HK\$4,873.6 million (31 December 2010: HK\$3,634.5 million), of which HK\$4,512.2 million are repayable within one year (31 December 2010: HK\$3,281.6 million). Such borrowings are mainly denominated in Renminbi, United States (“US”) Dollars and Hong Kong Dollars. They were mainly used to finance the purchases of the Group. The Group’s gearing ratio as at 30 June 2011 (total borrowings divided by total assets) was 35.8% (31 December 2010: 26.5%).

The Group’s transactions and the monetary assets are principally denominated in Renminbi, Hong Kong dollars and US dollars. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the Period.

The Group adopts centralised financing and treasury policies in order to ensure the Group’s funding is utilised efficiently. Conservative approach is adopted in monitoring foreign exchange exposure and interest rate risk. Forward contracts were used to hedge the foreign currency exposure in trading activities when it was considered appropriate.

The Group’s liquidity position remains strong and the Group possesses sufficient cash and available banking facilities to meet its commitments and working capital requirements.

Capital Expenditure and Capital Commitments

In order to enhance production capacity, the Group invested approximately HK\$87.1 million during the Period (Last Period: HK\$180.7 million) in the acquisition of new fixed assets. These mainly represented the acquisition and deposits paid for buildings in Tianjin, construction work as well as machineries for various plants in China.

流動資金、財務資源及資本架構

於二零一一年六月三十日，本集團的流動資產淨值為48.749億港元（二零一零年十二月三十一日：41.142億港元），當中現金及銀行存款為27.548億港元（二零一零年十二月三十一日：29.710億港元）。於二零一一年六月三十日，借款總額（包括貼現票據）為48.736億港元（二零一零年十二月三十一日：36.345億港元），其中45.122億港元須於一年內償還（二零一零年十二月三十一日：32.816億港元）。該等借款主要以人民幣、美元及港元計值，主要用作本集團的採購資金。本集團於二零一一年六月三十日的資產負債比率（借款總額除以資產總值）為35.8%（二零一零年十二月三十一日：26.5%）。

本集團的交易及貨幣資產主要以人民幣、港元及美元計值。於本期間，本集團的營運或流動資金並無由於貨幣匯率浮動而出現任何重大困難或受到任何重大影響。

為確保本集團資金得以有效運用，本集團採用中央財務及庫務政策，並以保守態度監控外匯及利率風險。本集團在認為合適情況下採用遠期合約對沖交易活動的外匯風險。

本集團的流動資金狀況仍然強勁。本集團擁有充裕現金及可用銀行融資，足以應付承擔及營運資金需要。

資本開支及資本承擔

為提升產能，本集團於本期間投資約8,710萬港元（前期：1.807億港元）增購新固定資產，主要為繳付天津之樓宇、建設工程及中國各地廠房設施機器設備之按金及購置金額。

Management Discussion and Analysis

管理層討論及分析

As at 30 June 2011, the Group made capital expenditure commitments of approximately HK\$130.0 million (31 December 2010: HK\$318.2 million) which were contracted but not provided for in the financial statements. These commitments were mainly related to the investment in an associate in Tianjin.

Charges on Group Assets

As at 30 June 2011, the Group's banking facilities were mainly collateralised by certain bank deposits amounted to HK\$1,154.6 million (31 December 2010: HK\$1,630.5 million), bills receivable amounted to HK\$1,235.9 million (31 December 2010: HK\$449.4 million) and inventories amounted to HK\$203.0 million (31 December 2010: HK\$398.8 million). As at 31 December 2010, trade receivables amounted to HK\$53.5 million and certain land and buildings of the Group of approximately HK\$4.4 million were pledged for the Group's banking facilities.

Foreign Exchange Risk Management

Most of the sales of the Group are settled in Renminbi, which is not freely convertible into foreign currencies. The fluctuation of Renminbi during the Period did not have any adverse effect on the Group's results. Besides, the Group will conduct periodic review of its exposure to foreign exchange risk and may use financial instruments for hedging purposes when considered appropriate.

Contingent Liabilities

As at 30 June 2011 and 31 December 2010, the Group had no material contingent liabilities.

於二零一一年六月三十日，已訂約但尚未於財務報表撥備的本集團資本開支承擔約為1.300億港元（二零一零年十二月三十一日：3.182億港元）。該等承擔主要涉及投資於一間天津之聯營公司。

抵押本集團資產

於二零一一年六月三十日，本集團銀行融資主要以若干銀行存款11.546億港元（二零一零年十二月三十一日：16.305億港元）、應收票據12.359億港元（二零一零年十二月三十一日：4.494億港元）及存貨2.030億港元（二零一零年十二月三十一日：3.988億港元）為抵押。於二零一零年十二月三十一日，應收貿易款項5,350萬港元及本集團若干土地及樓宇約440萬港元已作為本集團銀行融資之抵押品。

外匯風險管理

本集團大部分銷售以人民幣結算，人民幣不能自由兌換為外幣。人民幣於本期間的波動並無對本集團業績造成任何不利影響。除此之外，本集團將會定期檢討外匯風險，並在認為合適情況下可能使用金融工具作對沖之用。

或然負債

於二零一一年六月三十日及二零一零年十二月三十一日，本集團並無任何重大或然負債。

Employees and Remuneration Policies

As at 30 June 2011, the Group had a workforce of more than 500 people. Salaries of employees are maintained at competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. The Group has share option schemes whereby employees of the Group are granted options to acquire shares in the Company.

Good relationship has been maintained between the Group and its employees. The Group also provides internal training to staff and provides bonuses based on staff performance and profits of the Group.

Appreciation

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its shareholders, business partners, bankers and auditor for their support to the Group throughout the Period.

僱員及薪酬政策

於二零一一年六月三十日，本集團有逾500名員工。員工的薪酬維持於競爭水平，並會每年檢討，屆時會密切參考有關勞工市場及經濟情況。本集團設有購股權計劃，僱員獲授購股權，以認購本公司股份。

本集團與僱員的關係良好。本集團亦向員工提供內部培訓及根據員工表現及本集團盈利發放花紅。

鳴謝

董事會藉此機會對本集團管理層及全體員工的努力及貢獻致以真誠的感激，並感謝股東、商業伙伴、往來銀行及核數師於本期間對本集團的支持。

Corporate Governance and Other Information

企業管治及其他資料

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted a code of conduct regarding securities transactions of the directors, senior management and relevant employees (who, because of their office in the Group, are likely to be in possession of unpublished price sensitive information in relation to the Company or its securities) of the Group (the “Own Code”) on terms no less exacting than the required standard of dealings set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

Having made specific enquiry with all directors, all the members of the Board have confirmed that they have complied with the required standard as set out in the Model Code and the Own Code throughout the six months ended 30 June 2011 (the “Period”). No incident of non-compliance of the Model Code or the Own Code during the Period by the senior management and relevant employees was noted by the Company.

遵守上市規則的標準守則

本公司已採納一套條款不比香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）所載之買賣標準規定寬鬆的董事、高級管理層及相關僱員（基於在本集團的職位而可能取得關於本公司或其證券的未公開股價敏感資料者）進行證券買賣的行為守則（「本公司守則」）。

經向全體董事作出特定查詢後，董事會所有成員均已確認於截至二零一一年六月三十日止六個月（「本期間」）內一直遵守標準守則及本公司守則的規定標準。於本期間，本公司概無發現高級管理層及有關僱員違反標準守則或本公司守則的事件。

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain high standards of corporate governance in the interests of its shareholders. Throughout the Period, the Company followed the principles and complied with all applicable code provisions under the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 to the Listing Rules save for the deviation disclosed below.

Code provision A.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Mr. Chun Chi Wai currently holds both the offices of Chairman and Chief Executive Officer of the Company. The Board considers that the current structure of vesting the roles of Chairman and Chief Executive Officer in the same person will not impair the balance of power and authority within the Board as all major decisions are made in consultation with members of the Board as well as the senior management of the Company. Beside, this arrangement provides the Company with a strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the accounting principles and practices adopted by the Group with the management of the Company and discussed and reviewed the auditing and financial matters, including major internal control procedures and the unaudited interim financial statements for the six months ended 30 June 2011.

The interim financial statements have been reviewed by the Company's auditor, in accordance with Hong Kong Standard on Review Engagements 2410 “Review on Interim Financial Information Performed by the Independent Auditor of the Entity”.

All members of the audit committee are independent non-executive directors of the Company, namely, Mr. Chan Kam Hung (Chairman), Mr. Leung Chong Shun and Mr. Yan Qi Ping.

企業管治常規守則

本公司致力保持高水準的企業管治，以符合本公司股東利益。於本期間內，本公司一直遵循並遵守上市規則附錄14所載企業管治常規守則（「企業管治常規守則」）的所有適用守則條文，惟下文披露之偏離除外。

企業管治常規守則第A.2.1條規定主席及行政總裁之職能應分開而不應由一人兼任。秦志威先生現時擔任本公司主席及行政總裁職務。董事會認為，由於所有重大決策乃經本公司之董事會成員及高級管理層磋商作出，故主席及行政總裁由一人兼任的現有架構不會有損董事會的權責平衡。其次，這安排為本公司提供穩固一致的領導團隊，可更為有效充分規劃及實施業務決策及策略。

審核委員會

本公司審核委員會已與本公司管理層審閱本集團採納的會計原則及慣例，並討論及審閱審核及財務事宜，包括主要內部監控程序及截至二零一一年六月三十日止六個月的未經審核中期財務報表。

本集團的中期財務報表已由本公司的核數師根據香港審閱項目準則第2410號「由實體的獨立核數師進行的中期財務資料審閱」審閱。

審核委員會全體成員均為本公司獨立非執行董事，分別為陳錦雄先生（主席）、梁創順先生及閻啟平先生。

Corporate Governance and Other Information

企業管治及其他資料

REMUNERATION COMMITTEE

The Company has established a remuneration committee with written terms of reference in compliance with the CG Code. As at the date of this report, the remuneration committee comprises four members, namely Mr. Leung Chong Shun (Chairman), Mr. Chan Kam Hung, Mr. Yan Qi Ping and Mr. Chun Chi Wai, the majority of whom are independent non-executive directors.

There has been no change to the basis of determining the directors' emolument by taking into consideration factors such as the experience and performance of the directors and market conditions.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the Period (six months ended 30 June 2010: Nil).

SHARE OPTIONS

(a) Pre-IPO Share Option Scheme

Pursuant to a written resolution of the sole shareholder of the Company on 22 May 2009, the Pre-IPO Share Option Scheme (the "Pre-IPO Scheme") was adopted by the Company. Pursuant to the Pre-IPO Scheme, the Company may grant options to any full-time or part-time employees or potential employees, executives, officers or directors of the Company, its subsidiaries and associated companies ("Eligible Participants") to subscribe for shares of the Company.

No options were granted by the Company under the Pre-IPO Scheme after the listing of the Company's shares on the Stock Exchange.

薪酬委員會

本公司已成立薪酬委員會，並遵照企業管治守則制訂書面職權範圍。於本報告日期，薪酬委員會共有四名成員，包括梁創順先生(主席)、陳錦雄先生、閔啟平先生及秦志威先生，主要成員為獨立非執行董事。

釐定董事薪酬的基準並無改變，乃經考慮董事經驗及表現以及市況等因素釐定。

中期股息

董事會決議不就本期間派發任何中期股息(截至二零一零年六月三十日止六個月：無)。

購股權

(a) 首次公開發售前購股權計劃

根據本公司唯一股東於二零零九年五月二十二日通過的書面決議案，本公司採納首次公開發售前購股權計劃(「首次公開發售前計劃」)。根據首次公開發售前計劃，本公司可向本公司、其附屬公司及聯營公司任何全職或兼職僱員或準僱員、行政人員、高級職員或董事(「合資格參與人士」)授出購股權以認購本公司股份。

於本公司股份在聯交所上市後，本公司並無根據首次公開發售前計劃授出購股權。

Details of the share options granted under the Pre-IPO Scheme outstanding during the Period are as follows:

根據首次公開發售前計劃授出但本期間尚未行使的購股權詳情如下：

Category of Eligible Participants	Date of grant (Note i) 授出日期 (附註i)	Exercise price per share (Note ii) 每股行使價 (附註ii) HK\$ 港元	Exercisable period 行使期	Outstanding as at 1 January 2011	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period	Outstanding as at 30 June 2011
				於二零一一年一月一日尚未行使					於二零一一年六月三十日尚未行使
Directors 董事	19 June 2009 二零零九年六月十九日	5.18	22 June 2010-18 June 2017 二零一零年六月二十二日至二零一七年六月十八日	3,346,202	—	(514,800)	—	—	2,831,402
Directors 董事	19 June 2009 二零零九年六月十九日	5.18	23 June 2011-18 June 2017 二零一一年六月二十三日至二零一七年六月十八日	3,346,204	—	—	—	—	3,346,204
Directors 董事	19 June 2009 二零零九年六月十九日	5.18	23 June 2012-18 June 2017 二零一二年六月二十三日至二零一七年六月十八日	3,346,204	—	—	—	—	3,346,204
				10,038,610	—	(514,800)	—	—	9,523,810

Corporate Governance and Other Information

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Category of Eligible Participants	Date of grant (Note i) 授出日期 (附註i)	Exercise price per share (Note ii) 每股行使價 (附註ii) HK\$ 港元	Exercisable period 行使期	Outstanding as at 1 January 2011	Granted during the Period 期內授出	Exercised during the Period 期內行使	Cancelled during the Period 期內註銷	Lapsed during the Period 期內失效	Outstanding as at 30 June 2011
				於二零一一年一月一日尚未行使					於二零一一年六月三十日尚未行使
Employees 僱員	19 June 2009 二零零九年六月十九日	5.18	22 June 2010- 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	1,988,516	—	(1,374,725)	—	—	613,791
Employees 僱員	19 June 2009 二零零九年六月十九日	5.18	23 June 2011- 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	4,263,192	—	(38,425)	—	—	4,224,767
Employees 僱員	19 June 2009 二零零九年六月十九日	5.18	23 June 2012- 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	4,263,192	—	—	—	—	4,263,192
				10,514,900	—	(1,413,150)	—	—	9,101,750
Total 總計				20,553,510	—	(1,927,950)	—	—	18,625,560

No share option was cancelled or lapsed under the Pre-IPO Scheme during the Period. In respect of the share options exercised under the Pre-IPO scheme during the Period, the weighted average share price at the dates of exercise is HK\$9.818 (six months ended 30 June 2010: N/A) per share.

首次公開發售前計劃項下購股權於本期間概無註銷或失效。有關已於本期間行使的首次公開發售前計劃項下購股權，於行使當日的加權平均股份價格為每股9.818港元(截至二零一零年六月三十日止六個月：無)。

(b) Share Option Scheme

Also, pursuant to a written resolution of the sole shareholder of the Company on 22 May 2009, the Share Option Scheme (the "Scheme") was also adopted.

Pursuant to the Scheme, the Company may grant options to any full-time or part-time employees, executives or officers including directors of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisors ("Eligible Scheme Participants") who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its subsidiaries.

During the Period, 833,333 share options were granted to certain employees of the Group on 28 January 2011 (the "Date of Grant"). The closing price of the Company's shares immediately before the Date of Grant was HK\$8.92.

Details of the valuation of share options granted during the Period are set out in note 17 to the Condensed Consolidated Financial Statements.

(b) 購股權計劃

此外，根據本公司唯一股東於二零零九年五月二十二日通過的書面決議案，本公司亦採納購股權計劃（「該計劃」）。

根據該計劃，本公司可向任何全職或兼職僱員、行政人員或高級職員（包括本公司或其任何附屬公司的董事，以及董事會全權認為將會或曾為本公司及／或其任何附屬公司作出貢獻的任何供應商、客戶、諮詢顧問、代理及顧問）（「合資格計劃參與人士」）授出購股權。

於本期間，833,333股購股權於二零一一年一月二十八日（「授出日期」）授予本集團若干僱員。本公司股份於緊接授出日期前的收市價為8.92港元。

於本期間所授購股權估值詳情載於簡明綜合財務報表附註17。

Corporate Governance and Other Information

企業管治及其他資料

Details of the share options granted under the Scheme and outstanding during the Period are as follows:

於本期間，該計劃項下授出及尚未行使的購股權詳情如下：

Category of Eligible Scheme Participants	Date of grant (Note i) 授出日期 (附註i)	Exercise price per share (Note ii) 每股行使價 (附註ii) HK\$ 港元	Exercisable period 行使期	Outstanding as at 1 January 2011	Granted during the Period 期內授出	Exercised during the Period 期內行使	Cancelled during the Period 期內註銷	Lapsed during the Period 期內失效	Outstanding as at 30 June 2011
				於二零一一年一月一日尚未行使					於二零一一年六月三十日尚未行使
Director 董事	24 December 2009 二零零九年十二月二十四日	8.740	1 November 2010- 23 December 2017 二零一零年十一月一日至 二零一七年十二月二十三日	1,144,164	—	—	—	—	1,144,164
Director 董事	24 December 2009 二零零九年十二月二十四日	8.740	1 November 2011- 23 December 2017 二零一一年十一月一日至 二零一七年十二月二十三日	1,144,165	—	—	—	—	1,144,165
Director 董事	24 December 2009 二零零九年十二月二十四日	8.740	1 November 2012- 23 December 2017 二零一二年十一月一日至 二零一七年十二月二十三日	1,144,165	—	—	—	—	1,144,165
Director 董事	8 June 2010 二零一零年六月八日	6.784	8 June 2011- 7 June 2018 二零一一年六月八日至 二零一八年六月七日	128,700	—	—	—	—	128,700
Director 董事	8 June 2010 二零一零年六月八日	6.784	8 June 2012- 7 June 2018 二零一二年六月八日至 二零一八年六月七日	128,700	—	—	—	—	128,700
Director 董事	8 June 2010 二零一零年六月八日	6.784	8 June 2013- 7 June 2018 二零一三年六月八日至 二零一八年六月七日	128,700	—	—	—	—	128,700
Sub-total 小計				3,818,594	—	—	—	—	3,818,594

Category of Eligible Scheme Participants	Date of grant (Note i) 授出日期 (附註i)	Exercise price per share (Note ii) 每股行使價 (附註ii) HK\$ 港元	Exercisable period 行使期	Outstanding as at 1 January 2011	Granted during the Period 期內授出	Exercised during the Period 期內行使	Cancelled during the Period 期內註銷	Lapsed during the Period	Outstanding as at 30 June 2011
				於二零一一年一月一日尚未行使				於二零一一年六月三十日尚未行使	
Employees 僱員	24 December 2009 二零零九年十二月二十四日	8.740	1 November 2010 - 23 December 2017 二零一零年十一月一日至二零一七年十二月二十三日	724,638	—	(266,600)	—	—	458,038
Employees 僱員	24 December 2009 二零零九年十二月二十四日	8.740	1 November 2011 - 23 December 2017 二零一一年十一月一日至二零一七年十二月二十三日	724,637	—	—	—	—	724,637
Employees 僱員	24 December 2009 二零零九年十二月二十四日	8.740	1 November 2012 - 23 December 2017 二零一二年十一月一日至二零一七年十二月二十三日	724,637	—	—	—	—	724,637
Employees 僱員	8 June 2010 二零一零年六月八日	6.784	8 June 2011 - 7 June 2018 二零一一年六月八日至二零一八年六月七日	147,405	—	—	—	—	147,405
Employees 僱員	8 June 2010 二零一零年六月八日	6.784	8 June 2012 - 7 June 2018 二零一二年六月八日至二零一八年六月七日	147,406	—	—	—	—	147,406

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Category of Eligible Scheme Participants	Date of grant (Note i)	Exercise price per share (Note ii)	Outstanding as at 1 January 2011					Outstanding as at 30 June 2011	
			Exercisable period	於二零一一年一月一日尚未行使	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period	於二零一一年六月三十日尚未行使
參與人士類別	(附註i)	(附註ii)	行使期	尚未行使	期內授出	期內行使	期內註銷	期內失效	尚未行使
		HK\$ 港元							
Employees 僱員	8 June 2010 二零一零年 六月八日	6.784	8 June 2013 - 7 June 2018 二零一三年 六月八日至 二零一八年 六月七日	147,406	—	—	—	—	147,406
Employees 僱員	27 August 2010 二零一零年 八月二十七日	7.802	1 July 2011 - 26 August 2018 二零一一年 七月一日至 二零一八年 八月二十六日	897,206	—	—	—	—	897,206
Employees 僱員	27 August 2010 二零一零年 八月二十七日	7.802	1 July 2012 - 26 August 2018 二零一二年 七月一日至 二零一八年 八月二十六日	897,206	—	—	—	—	897,206
Employees 僱員	27 August 2010 二零一零年 八月二十七日	7.802	1 July 2013 - 26 August 2018 二零一三年 七月一日至 二零一八年 八月二十六日	897,207	—	—	—	—	897,207
Employees 僱員	28 January 2011 二零一一年 一月二十八日	9.0	28 January 2012 - 27 January 2019 二零一二年 一月二十八日至 二零一九年 一月二十七日	—	277,778	—	—	—	277,778

Category of Eligible Scheme Participants	Date of grant (Note i) (附註i)	Exercise price per share (Note ii) (附註ii) HK\$ 港元	Exercisable period 行使期	Outstanding as at 1 January 2011			Outstanding as at 30 June 2011		
				於二零一一年一月一日尚未行使	Granted during the Period 期內授出	Exercised during the Period 期內行使	Cancelled during the Period 期內註銷	Lapsed during the Period 期內失效	於二零一一年六月三十日尚未行使
Employees 僱員	28 January 2011 二零一一年一月二十八日	9.0	28 January 2013 - 27 January 2019 二零一三年一月二十八日至 二零一四年一月二十七日	—	277,778	—	—	—	277,778
Employees 僱員	28 January 2011 二零一一年一月二十八日	9.0	28 January 2014 - 27 January 2019 二零一四年一月二十八日至 二零一四年一月二十七日	—	277,777	—	—	—	277,777
Sub-total 小計				5,307,748	833,333	(266,600)	—	—	5,874,481
Total 總計				9,126,342	833,333	(266,600)	—	—	9,693,075

No share option was cancelled or lapsed under the Scheme during the Period. In respect of the share options exercised under the Scheme during the Period, the weighted average share price at the dates of exercise is HK\$10.917 (six months ended 30 June 2010: N/A) per share.

Notes:

- (i) The vesting period of share options is from the date of the grant until the commencement of the exercise period.
- (ii) The exercise price of share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

該計劃項下購股權於本期間概無註銷或失效。有關已於本期間行使該計劃項下購股權，於行使當日的加權平均股份價格為每股10.917港元(截至二零一零年六月三十日止六個月：無)。

附註：

- (i) 購股權的歸屬期由授出日期起至行使期開始止。
- (ii) 購股權的行使價須按供股或紅股發行或其他本公司股本類似變動而予以調整。

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DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2011, the interests of the directors of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(i) Long positions in the shares of the Company:

Name of director 董事姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行 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
Mr. Chun Chi Wai 秦志威先生	Interest of controlled corporation (Note) 受控制法團權益(附註)	583,149,181	51.18%
	Beneficial owner 實益擁有人	1,089,000	0.10%
Ms. Lai Wun Yin 黎煥賢女士	Interest of spouse (Note) 配偶權益(附註)	584,238,181	51.28%

Note: Mr. Chun Chi Wai is deemed to be interested in 583,149,181 ordinary shares held by Wellrun Limited ("Wellrun") as the sole beneficial owner of Wellrun. Ms. Lai Wun Yin is the spouse of Mr. Chun Chi Wai and is deemed to be interested in the shares held by Mr. Chun Chi Wai.

董事於股份、相關股份及債券的權益

於二零一一年六月三十日，本公司董事及彼等之聯繫人士於本公司及其相聯法團的股份、相關股份及債券中擁有本公司根據證券及期貨條例(「證券及期貨條例」)第352條存置的登記冊記錄，或根據標準守則而知會本公司及聯交所的本公司股份權益如下：

(i) 本公司股份的好倉：

Number of issued ordinary shares held 所持已發行 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
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附註：由於秦志威先生乃好運有限公司(「好運」)的唯一實益擁有人，故視為擁有好運所持583,149,181股普通股的權益。黎煥賢女士乃秦志威先生的配偶，故視為擁有秦志威先生所持股份的權益。

(ii) Long positions in the underlying shares of the Company:

(ii) 本公司相關股份的好倉：

Name of director 董事姓名	Capacity 身份	Number of options/ underlying shares held 所持購股權/ 相關股份數目	Exercise period 行使期	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Chun Chi Wai 秦志威先生	Beneficial owner 實益擁有人	1,930,502	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.17%
	Beneficial owner 實益擁有人	1,930,502	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.17%
	Beneficial owner 實益擁有人	1,930,502	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.17%
	Interest of spouse (Note) 配偶權益(附註)	643,500	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.06%
	Interest of spouse (Note) 配偶權益(附註)	643,501	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.06%
	Interest of spouse (Note) 配偶權益(附註)	643,501	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.06%
		7,722,008		0.69%
Mr. Fung Ka Lun 馮嘉倫先生	Beneficial owner 實益擁有人	1,144,164	1 November 2010 - 23 December 2017 二零一零年十一月一日至 二零一七年十二月二十三日	0.10%
	Beneficial owner 實益擁有人	1,144,165	1 November 2011 - 23 December 2017 二零一一年十一月一日至 二零一七年十二月二十三日	0.10%
	Beneficial owner 實益擁有人	1,144,165	1 November 2012 - 23 December 2017 二零一二年十一月一日至 二零一七年十二月二十三日	0.10%
		3,432,494		0.30%

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Name of director 董事姓名	Capacity 身份	Number of options/ underlying shares held 所持購股權/ 相關股份數目	Exercise period 行使期	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Jiang Yan Zhang 姜延章先生	Beneficial owner 實益擁有人	514,801	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.05%
	Beneficial owner 實益擁有人	514,801	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.05%
		1,029,602		0.10%

Name of director 董事姓名	Capacity 身份	Number of options/ underlying shares held 所持購股權/ 相關股份數目	Exercise period 行使期	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Ms. Lai Wun Yin 黎煥賢女士	Beneficial owner 實益擁有人	643,500	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.06%
	Beneficial owner 實益擁有人	643,501	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.06%
	Beneficial owner 實益擁有人	643,501	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.06%
	Interest of spouse (Note) 配偶權益(附註)	1,930,502	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.17%
	Interest of spouse (Note) 配偶權益(附註)	1,930,502	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.17%
	Interest of spouse (Note) 配偶權益(附註)	1,930,502	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.17%
			7,722,008	

Name of director 董事姓名	Capacity 身份	Number of options/ underlying shares held 所持購股權/ 相關股份數目	Exercise period 行使期	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Chan Kam Hung 陳錦雄先生	Beneficial owner 實益擁有人	128,700	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.01%
		386,100		0.03%
Mr. Leung Chong Shun 梁創順先生	Beneficial owner 實益擁有人	128,700	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.01%
		386,100		0.03%
Mr. Yan Qi Ping 閻啟平先生	Beneficial owner 實益擁有人	128,700	8 June 2011 - 7 June 2018 二零一一年六月八日至 二零一八年六月七日	0.01%
	Beneficial owner 實益擁有人	128,700	8 June 2012 - 7 June 2018 二零一二年六月八日至 二零一八年六月七日	0.01%
	Beneficial owner 實益擁有人	128,700	8 June 2013 - 7 June 2018 二零一三年六月八日至 二零一八年六月七日	0.01%
		386,100		0.03%

Note: Mr. Chun Chi Wai and Ms. Lai Wun Yin are husband and wife and therefore are deemed to be interested in the options held by each other.

附註：秦志威先生與黎煥賢女士為夫婦關係，因此視為擁有對方所持購股權的權益。

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(iii) Long positions in the shares and underlying shares of associated corporation of the Company;

(iii) 本公司相聯法團股份及相關股份的好倉：

Name of director 董事姓名	Capacity 身份	Name of associated corporation 相聯法團名稱	Number of issued ordinary shares held 所持已發行普通股數目	Percentage of the issued share capital of the associated corporation 佔相聯法團已發行股本百分比
Mr. Chun Chi Wai 秦志威先生	Beneficial owner (Note) 實益擁有人(附註)	Wellrun 好運	1	100%

Note: As Wellrun owns more than 50% interest of the Company, Wellrun is an associated corporation of the Company under the SFO. Wellrun is also a controlled corporation of Mr. Chun Chi Wai under the SFO. The entire issued share capital of Wellrun is owned by Mr. Chun Chi Wai, who is a director of the Company and the sole director of Wellrun.

附註：由於好運擁有本公司超過50%的權益，根據證券及期貨條例，好運乃本公司的相聯法團。根據證券及期貨條例，好運亦為秦志威先生的受控法團。本公司董事及好運的唯一董事秦志威先生擁有好運的全部已發行股本。

Other than as disclosed above, none of the directors of the Company nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 30 June 2011.

除上文所披露者外，概無本公司董事或彼等的聯繫人士於二零一一年六月三十日在本公司或其任何相聯法團的任何股份、相關股份或債券擁有任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2011, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors who are also substantial shareholders of the Company, the following shareholders had notified the Company of their interests and short positions in the shares and underlying shares of the Company.

主要股東

於二零一一年六月三十日，除上文所披露之若干董事(彼等亦為主要股東)權益外，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，下列股東已知會本公司彼等在本公司之股份及相關股份中擁有的權益及淡倉。

Long positions in the shares of the Company:

本公司股份的好倉：

Name of shareholder 股東姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行 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
Wellrun 好運	Beneficial owner (note (i)) 實益擁有人(附註(i))	583,149,181	51.18%
Paul G. Desmarais	Interest of controlled corporations (note (ii)) 受控制法團權益(附註(ii))	68,650,000	6.03%
Nordex Inc.	Interest of controlled corporations (note (ii)) 受控制法團權益(附註(ii))	68,650,000	6.03%
Gelco Enterprises Ltd.	Interest of controlled corporations (note (ii)) 受控制法團權益(附註(ii))	68,650,000	6.03%
Power Corporation of Canada	Interest of controlled corporations (note (ii)) 受控制法團權益(附註(ii))	68,650,000	6.03%
Power Financial Corporation	Interest of controlled corporations (note (ii)) 受控制法團權益(附註(ii))	68,650,000	6.03%
IGM Financial Inc.	Interest of controlled corporations (note (ii)) 受控制法團權益(附註(ii))	68,650,000	6.03%

Notes:

附註：

(i) Wellrun is the controlled corporation of Mr. Chun Chi Wai, who is a director of the Company and the sole director of Wellrun.

(i) 好運為本公司董事及好運唯一董事秦志威先生的受控法團。

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(ii) According to the disclosure of interest notices filed by Paul G Desmarais, Gelco Enterprises Ltd., IGM Financial Inc., Nordex Inc., Power Corporation of Canada and Power Financial Corporation, each of these companies and Paul G Desmarais was deemed to be interested in 68,650,000 shares of the Company. Among these 68,650,000 shares, 1,500,000 shares were directly held by Mackenzie Financial Capital Corporation. Mackenzie Financial Capital Corporation was a wholly-owned subsidiary of Mackenzie Financial Corporation. Mackenzie Financial Corporation was a wholly-owned subsidiary of Mackenzie Inc. which was, in turn, a wholly-owned subsidiary of IGM Financial Inc. of which Power Financial Corporation held approximately 57.23% shareholding interests. 171263 Canada Inc., a wholly-owned subsidiary of Power Corporation of Canada, owned approximately 66.08% shareholding interests in Power Financial Corporation. Gelco Enterprises Ltd. owned approximately 53.62% voting shareholding interests in Power Corporation of Canada. Nordex Inc., a company which was owned as to 68.00% by Paul G. Desmarais, owned approximately 94.95% shareholding interests in Gelco Enterprises Ltd..

Other than as disclosed above, the Company has not been notified of any other interests or short positions in the shares or underlying shares of the Company as at 30 June 2011.

(ii) 根據 Paul G Desmarais、Gelco Enterprises Ltd.、IGM Financial Inc.、Nordex Inc.、Power Corporation of Canada及Power Financial Corporation存檔的權益披露通知，Paul G Desmarais及該等公司被視為於68,650,000股本公司股份中擁有權益。於該等68,650,000股股份中，1,500,000股股份由Mackenzie Financial Capital Corporation直接持有。Mackenzie Financial Capital Corporation為Mackenzie Financial Corporation的全資附屬公司。Mackenzie Financial Corporation為Mackenzie Inc.的全資附屬公司，而Mackenzie Inc.為IGM Financial Inc.的全資附屬公司，IGM Financial Inc.則由Power Financial Corporation持有約57.23%控股權益。171263 Canada Inc.為Power Corporation of Canada的全資附屬公司，其於Power Financial Corporation中擁有約66.08%控股權益。Gelco Enterprises Ltd.於Power Corporation of Canada中擁有約53.62%投票控股權益。Nordex Inc.乃一家由Paul G Desmarais擁有68.00%的公司，其於Gelco Enterprises Ltd.中擁有約94.95%控股權益。

除上文所披露者外，於二零一一年六月三十日，本公司並無獲知會有關本公司股份或相關股份的任何其他權益或淡倉。

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

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information available to the Company and within the knowledge of the Directors, the Company maintained adequate public float during the Period.

買賣或贖回本公司上市證券

於本期間，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

充足公眾持股量

按本公司取得的資料及據董事所知，本公司於本期間一直維持充足公眾持股量。

Report on Review of Interim Financial Information 中期財務資料審閱報告

Deloitte.
德勤

TO THE BOARD OF DIRECTORS OF CHINA METAL RECYCLING (HOLDINGS) LIMITED

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 34 to 60, which comprises the condensed consolidated statement of financial position of China Metal Recycling (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30 June 2011 and the related condensed consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended and certain explanatory notes. The Main Board Listing 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 Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 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.

致中國金屬再生資源(控股)有限公司董事會

(於開曼群島註冊成立的有限公司)

緒言

我們已審閱第34頁至第60頁所載的中國金屬再生資源(控股)有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的中期財務資料，當中載有於二零一一年六月三十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全面收益表、簡明綜合權益變動表以及簡明綜合現金流量表，以及若干解釋附註。香港聯合交易所有限公司證券上市規則之主板上市規則規定中期財務資料報告須遵照當中相關條文及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)編製。貴公司董事有責任根據香港會計準則第34號編製及呈列本中期財務資料。我們的責任為根據我們的審閱對此中期財務資料作出結論，並按照我們雙方所協定的應聘條款，僅向閣下整體報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告的內容對任何其他人士負責或承擔法律責任。

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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants
Hong Kong

25 August 2011

審閱範圍

我們根據香港會計師公會頒佈的香港審閱項目準則第2410號「由實體的獨立核數師進行的中期財務資料審閱」進行我們的審閱工作。中期財務資料的審閱工作包括向主要負責財務及會計事項的人員作出查詢，並進行分析和其他審閱程序。由於審閱範圍遠較按照香港核數準則所進行的審核範圍為小，所以不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此，我們不會發表審核意見。

結論

根據我們的審閱工作，我們並無察覺到任何事項，使我們相信中期財務資料在所有重大方面沒有按照香港會計準則第34號的規定編製。

德勤•關黃陳方會計師行

執業會計師
香港

二零一一年八月二十五日

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

For the six months ended 30 June 2011
截至二零一一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	
		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
	NOTES 附註		
Revenue	3	25,335,413	8,685,279
Cost of sales		(24,206,811)	(8,156,610)
Gross profit		1,128,602	528,669
Other income		59,050	16,563
Distribution and selling expenses		(17,130)	(6,546)
Administrative expenses		(133,500)	(76,740)
Net gain on derivative financial instruments	12	197,696	30,491
Finance costs	4	(113,152)	(26,958)
Share of (loss) profit of an associate		(3,974)	389
Profit before taxation		1,117,592	465,868
Income tax expense	5	(65,347)	(38,489)
Profit for the period	6	1,052,245	427,379
Other comprehensive income			
Exchange differences arising from translation of foreign operations			
- subsidiaries		48,517	—
- an associate		1,514	—
Other comprehensive income for the period		50,031	—
Total comprehensive income for the period		1,102,276	427,379

		Six months ended 30 June	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
NOTE		HK\$'000	HK\$'000
附註		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Profit for the period attributable to:	以下各項應佔期內溢利：		
Owners of the Company	本公司擁有人	1,043,076	419,847
Non-controlling interests	非控股權益	9,169	7,532
		1,052,245	427,379
Total comprehensive income for the period attributable to:	以下各項應佔期內全面收入總額：		
Owners of the Company	本公司擁有人	1,091,079	419,847
Non-controlling interests	非控股權益	11,197	7,532
		1,102,276	427,379
Earnings per share	每股盈利	HK cents	HK cents
- basic	— 基本	91.60	40.18
- diluted	— 攤薄	90.64	40.01

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2011
於二零一一年六月三十日

			30 June 2011	31 December 2010
			二零一一年 六月三十日	二零一零年 十二月三十一日
	NOTES 附註		HK\$'000	HK\$'000
			千港元	千港元
			(unaudited)	(audited)
			(未經審核)	(經審核)
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment		物業、廠房及設備	9 440,065	426,817
Investment properties		投資物業	9 —	1,638
Prepaid lease payments		預付租賃款項		
- non-current portion		— 非即期部分	9 202,843	194,631
Interests in associates		於聯營公司權益	214,647	96,625
Deposits paid for acquisition of property, plant and equipment		購買物業、廠房及設備 已付按金	83,846	18,281
Deposits paid for land use rights		土地使用權已付按金	120,917	129,072
			1,062,318	867,064
CURRENT ASSETS		流動資產		
Inventories		存貨	1,993,607	1,747,136
Trade and other receivables and deposits		貿易及其他應收款項 及按金	10 5,586,680	7,347,811
Bills receivable		應收票據	11 2,104,263	717,160
Prepaid lease payments		預付租賃款項		
- current portion		— 即期部分	9 10,126	9,733
Deposit paid to a related party		已付關聯方按金	122	120
Derivative financial instruments		衍生金融工具	12 101,509	66,745
Taxation recoverable		可收回稅項	—	3,888
Pledged bank deposits		已質押銀行存款	1,154,599	1,630,541
Restricted deposits		受限制存款	173,090	251,972
Bank balances and cash		銀行結餘及現金	1,427,120	1,088,536
			12,551,116	12,863,642

			30 June 2011	31 December 2010
			二零一一年 六月三十日	二零一零年 十二月三十一日
		NOTES 附註	HK\$'000 千港元	HK\$'000 千港元
			(unaudited) (未經審核)	(audited) (經審核)
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	13	1,630,575	4,171,503
Bills payable	應付票據	13	1,343,112	1,109,965
Amount due to a non-controlling shareholder of a subsidiary	應付一間附屬公司非控股股東款項		1,960	1,960
Amount due to an associate	應付一間聯營公司款項		28,080	—
Discounted bills	貼現票據	11	1,134,999	320,588
Derivative financial instruments	衍生金融工具	12	74,219	134,837
Bank borrowings	銀行借款	14	3,377,166	2,960,962
Tax payable	應付稅項		86,097	49,578
			7,676,208	8,749,393
NET CURRENT ASSETS	流動資產淨值		4,874,908	4,114,249
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		5,937,226	4,981,313
NON-CURRENT LIABILITIES	非流動負債			
Bank borrowings	銀行借款	14	361,446	352,941
Other long-term payable	其他長期應付款項		—	235
			361,446	353,176
NET ASSETS	資產淨值		5,575,780	4,628,137
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	15	114	114
Reserves	儲備		5,491,990	4,556,720
Equity attributable to owners of the Company	本公司擁有人應佔權益		5,492,104	4,556,834
Non-controlling interests	非控股權益		83,676	71,303
TOTAL EQUITY	總權益		5,575,780	4,628,137

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2011
截至二零一一年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Capital reserve	Other reserve	Exchange reserve	Share options reserve	Retained profits	Total	Non-controlling interests	Total
		股本	股份溢價	資本儲備	其他儲備	匯兌儲備	購股權儲備	保留溢利	總計	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
		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
At 1 January 2010 (audited)	於二零一零年一月一日 (經審核)	105	1,918,780	161,370	—	36,317	15,120	878,289	3,009,981	79,834	3,089,815
Profit and total comprehensive income for the period	期內溢利及全面收入總額	—	—	—	—	—	—	419,847	419,847	7,532	427,379
Recognition of equity-settled share-based payment	確認以權益結算以股份支付款項	—	—	—	—	—	19,709	—	19,709	—	19,709
Dividend recognised as distribution (note 7)	確認為分派的股息(附註7)	—	—	—	—	—	—	(125,400)	(125,400)	—	(125,400)
At 30 June 2010 (unaudited)	於二零一零年六月三十日 (未經審核)	105	1,918,780	161,370	—	36,317	34,829	1,172,736	3,324,137	87,366	3,411,503
Profit for the period	期內溢利	—	—	—	—	—	—	466,715	466,715	(2,191)	464,524
Exchange differences arising on translation of foreign operations	換算海外業務所產生的匯兌差額	—	—	—	—	—	—	—	—	—	—
- subsidiaries	— 附屬公司	—	—	—	—	45,814	—	—	45,814	2,987	48,801
- an associate	— 一間聯營公司	—	—	—	—	1,046	—	—	1,046	—	1,046
Reclassification of other comprehensive income upon disposal of a subsidiary	於出售一間附屬公司後重新分類其他全面收入	—	—	—	—	(307)	—	—	(307)	—	(307)
Other comprehensive income	其他全面收入	—	—	—	—	46,553	—	—	46,553	2,987	49,540
Total comprehensive income for the period	期內全面收入總額	—	—	—	—	46,553	—	466,715	513,268	796	514,064
Issue of new shares	發行新股	9	706,491	—	—	—	—	—	706,500	—	706,500
Cost of issue of new shares	發行新股成本	—	(15,126)	—	—	—	—	—	(15,126)	—	(15,126)
Recognition of equity-settled share-based payments	確認以權益結算以股份支付款項	—	—	—	—	—	15,052	—	15,052	—	15,052
Exercise of share options	行使購股權	—	16,000	—	—	—	(4,218)	—	11,782	—	11,782
Acquisition of a subsidiary	收購一間附屬公司	—	—	—	—	—	—	—	—	807	807
Acquisition of additional interest in a subsidiary	收購一間附屬公司的額外權益	—	—	—	(379)	1,600	—	—	1,221	(12,182)	(10,961)
Disposal of a subsidiary	出售一間附屬公司	—	—	—	—	—	—	—	—	(5,524)	(5,524)
Capital contribution from a non-controlling shareholder of a subsidiary	一間附屬公司非控股股東的出資	—	—	—	—	—	—	—	—	40	40
At 31 December 2010 (audited)	於二零一零年十二月三十一日(經審核)	114	2,626,145	161,370	(379)	84,470	45,663	1,639,451	4,556,834	71,303	4,628,137

Attributable to owners of the Company
本公司擁有人應佔

		Share	Share	Capital	Other	Exchange	Share	Retained	Non-		
		capital	premium	reserve	reserve	reserve	options	profits	Total	controlling	Total
		股本	股份溢價	資本儲備	其他儲備	匯兌儲備	購股權儲備	保留溢利	總計	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
		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
Profit for the period	期內溢利	—	—	—	—	—	—	1,043,076	1,043,076	9,169	1,052,245
Exchange differences arising on translation of foreign operations	換算海外業務所產生的匯兌差額										
- subsidiaries	— 附屬公司	—	—	—	—	46,489	—	—	46,489	2,028	48,517
- an associate	— 一間聯營公司	—	—	—	—	1,514	—	—	1,514	—	1,514
Total comprehensive income for the period	期內全面收入總額	—	—	—	—	48,003	—	1,043,076	1,091,079	11,197	1,102,276
Recognition of equity-settled share-based payment	確認以權益結算以股份支付款項	—	—	—	—	—	14,178	—	14,178	—	14,178
Exercise of share options	行使購股權	—	16,711	—	—	—	(4,395)	—	12,316	—	12,316
Capital contribution from a non-controlling shareholder of a subsidiary	一間附屬公司非控股股東的出資	—	—	—	—	—	—	—	—	1,176	1,176
Dividend recognised as distribution (note 7)	確認為分派的股息(附註7)	—	—	—	—	—	—	(182,303)	(182,303)	—	(182,303)
At 30 June 2011 (unaudited)	於二零一一年六月三十日(未經審核)	114	2,642,856	161,370	(379)	132,473	55,446	2,500,224	5,492,104	83,676	5,575,780

The capital reserve of the Group represents the aggregate of:

- (i) the reserve of HK\$120,811,000 arising on the acquisition of the remaining 48% equity interest in a subsidiary of the Company, Asia Steel (Holdings) Limited, from a non-controlling shareholder by Mr. Chun Chi Wai ("Mr. Chun"), the founder shareholder of the Company in June 2007 and representing the unaudited consolidated net assets value of Asia Steel (Holdings) Limited attributable to the non-controlling shareholder as at 30 June 2007 reclassified from non-controlling interests as deemed contribution by Mr. Chun; and
- (ii) the difference between the nominal value of the aggregate share capital of the subsidiaries acquired by the Company upon the group reorganisation in 2006 and the nominal value of the Company's shares issued in exchange of HK\$40,559,000.

本集團的資本儲備乃指下列兩項之總和：

- (i) 於二零零七年六月，本公司創辦股東秦志威先生(「秦先生」)向非控股股東收購本公司一間附屬公司亞洲鋼鐵(控股)有限公司的餘下48%股權產生的儲備約120,811,000港元，相當於非控股股東於二零零七年六月三十日應佔從非控股權益重新歸類為視作秦先生出資的亞洲鋼鐵(控股)有限公司未經審核綜合資產淨值；及
- (ii) 本公司於二零零六年進行集團重組後所購入附屬公司股本總額的面值與本公司為換取該等股本而發行的股份面值約40,559,000港元的差額。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2011
截至二零一一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	
		2011 二零一一年 HK\$'000 千港元 (unaudited) (未經審核)	2010 二零一零年 HK\$'000 千港元 (unaudited) (未經審核)
NET CASH USED IN OPERATING ACTIVITIES	經營業務動用 的現金淨額	(1,035,206)	(436,855)
INVESTING ACTIVITIES	投資活動		
Decrease (increase) in pledged bank deposits	已質押銀行存款 減少(增加)	475,942	(862,119)
Decrease (increase) in restricted bank deposits	受限制銀行存款 減少(增加)	78,882	(13,224)
Proceeds on disposal of investment properties and prepaid lease payments	出售投資物業及 預付租賃款項的 所得款項	17,306	—
Capital injection to an associate	向一間聯營公司注資	(120,482)	—
Deposits paid for acquisition of property, plant and equipment	購買物業、廠房及 設備已付按金	(65,565)	(2,105)
Purchase of property, plant and equipment	購買物業、廠房及 設備	(21,544)	(68,809)
Deposits paid for land use rights	土地使用權已付按金	—	(109,750)
Deposit paid for acquisition of a subsidiary	收購一間附屬公司已付按金	—	(33,239)
Other investing activities	其他投資活動	20,992	3,063
NET CASH FROM (USED IN) INVESTING ACTIVITIES	投資活動產生(動用) 的現金淨額	385,531	(1,086,183)
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新籌集的銀行借款	3,447,920	1,573,880
Increase in discounted bills	貼現票據增加	814,411	321,122
Advance from the controlling shareholder	控股股東墊款	300,000	—
Proceeds on exercise of share options	行使購股權所得款項	12,316	—
Repayment of bank borrowings	償還銀行借款	(3,014,405)	(175,504)
Repayment to the controlling shareholder	向控股股東還款	(300,000)	—
Dividend paid	已付股息	(182,303)	(125,400)
Interest paid	已付利息	(113,152)	(19,278)
Other financing activities	其他融資活動	1,176	—
NET CASH FROM FINANCING ACTIVITIES	融資活動產生 的現金淨額	965,963	1,574,820

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元 (unaudited) (未經審核)	2010 二零一零年 HK\$'000 千港元 (unaudited) (未經審核)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物 增加淨額	316,288	51,782
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日現金及 現金等價物	1,088,536	554,417
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動的影響	22,296	—
CASH AND CASH EQUIVALENTS AT 30 JUNE, represented by bank balances and cash	於六月三十日現金及 現金等價物 即銀行結餘及現金	1,427,120	606,199

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2011
截至二零一一年六月三十日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting".

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2011 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2010.

In the current interim period, the Group has applied, for the first time, a number of new or revised standards, amendments and interpretations ("new or revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The application of these new or revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

The Group has not early applied new or revised standards, that have been issued but are not yet effective. The following new or revised standards have been issued after the date the consolidated financial statements for the year ended 31 December 2010 were authorised for issuance and are not yet effective:

1. 編製基準

本公司及其附屬公司（「本集團」）的簡明綜合財務報表已根據香港聯合交易所有限公司證券上市規則附錄16的適用披露規定及香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。

2. 主要會計政策

簡明綜合財務報表已按歷史成本基準編製，惟按公允值計量的若干金融工具則除外。

截至二零一一年六月三十日止六個月的簡明綜合財務報表的會計政策及計算方法，與編製本集團截至二零一零年十二月三十一日止年度的年度財務報表所遵循的會計政策及計算方法一致。

於本中期期間，本集團已首次應用多項由香港會計師公會（「香港會計師公會」）頒佈的新訂及經修訂準則、修訂本及詮釋（「新訂及經修訂香港財務報告準則」）。

在本中期期間內應用該等新訂或經修訂香港財務報告準則，對該等簡明綜合財務報表所匯報的金額及／或於該等簡明綜合財務報表所載的披露並無重大影響。

本集團並無提早應用已頒發但未生效的新訂或經修訂準則。以下新訂或經修訂準則為於截至二零一零年十二月三十一日止年度的綜合財務報表獲得批准刊發後才頒發，而且尚未生效。

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

HKFRS 10	Consolidated Financial Statements ¹	香港財務報告準則第十號	綜合財務報表 ¹
HKFRS 11	Joint Arrangements ¹	香港財務報告準則第十一號	合營安排 ¹
HKFRS 12	Disclosure of Interests in Other Entities ¹	香港財務報告準則第十二號	於其他實體的權益披露 ¹
HKFRS 13	Fair Value Measurement ¹	香港財務報告準則第十三號	公允值計量 ¹
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income ²	香港會計準則第一號(修訂本)	其他全面收入項目的呈列 ²
HKAS 19 (as revised in 2011)	Employee Benefits ¹	香港會計準則第十九號 (於二零一一年修訂)	僱員福利 ¹
HKAS 27 (as revised in 2011)	Separate Financial Statements ¹	香港會計準則第二十七號 (於二零一一年修訂)	獨立財務報表 ¹
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ¹	香港會計準則第二十八號 (於二零一一年修訂)	於聯營公司及合營公司的投資 ¹

¹ Effective for annual periods beginning on or after 1 January 2013

² Effective for annual periods beginning on or after 1 July 2012

The directors of the Company anticipate that the application of these new or revised standards will have no material impact on the results and the financial position of the Group.

2. 主要會計政策 (續)

香港財務報告準則第十號	綜合財務報表 ¹
香港財務報告準則第十一號	合營安排 ¹
香港財務報告準則第十二號	於其他實體的權益披露 ¹
香港財務報告準則第十三號	公允值計量 ¹
香港會計準則第一號(修訂本)	其他全面收入項目的呈列 ²
香港會計準則第十九號 (於二零一一年修訂)	僱員福利 ¹
香港會計準則第二十七號 (於二零一一年修訂)	獨立財務報表 ¹
香港會計準則第二十八號 (於二零一一年修訂)	於聯營公司及合營公司的投資 ¹

¹ 於二零一三年一月一日或以後開始之年度期間生效

² 於二零一二年七月一日或以後開始之年度期間生效

本公司董事預期應用以上經修訂及新訂準則將不會對本集團業績及財務狀況有重大影響。

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簡明綜合財務報表附註

For the six months ended 30 June 2011
截至二零一一年六月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION

The Group is engaged in the principal business of recycling, processing and marketing of metals, including ferrous and non-ferrous metals, which are the raw materials for a wide range of metallic end-products. The Group collects scrap steel, scrap copper and other scrap metals and processes them using advanced equipment to produce quality recycled metals. From time to time, the Group also sells products collected directly to customers when the quality of such products meets certain required standards. During the current period, the Group is also engaged in the recycling and marketing of other materials, other than metals. The revenue can be broadly classified into three categories:

- (i) ferrous metals, namely iron and steel;
- (ii) non-ferrous metals, including copper, aluminium, etc.; and
- (iii) other materials, including ores, scrap plastics, etc..

The board of directors of the Company regularly reviews revenue analysis by the principal products processed/sold by the Group and the Group's consolidated profit for the period for the purposes of resource allocation and performance assessment. As no other discrete financial information is available for the assessment of different business activities, no segment information is presented.

The following is an analysis of the Group's revenue by principal products for the period under review:

3. 收益及分部資料

本集團主營金屬回收、加工及營銷業務，包括黑色及有色金屬（為多種終端金屬產品的原材料）。本集團回收廢鋼、廢銅及其他廢金屬，並利用先進設備加工生產優質循環再造金屬。本集團亦不時於該等廢金屬質量符合若干規定標準時向客戶直接出售產品。於本期間，除金屬外，本集團亦經營其他物料的回收及營銷業務。收益大致分為三類：

- (i) 黑色金屬，即鐵及鋼；
- (ii) 有色金屬，包括銅及鋁等；及
- (iii) 其他物料，包括礦石及廢塑膠等。

本公司董事會定期審閱本集團加工／出售的主要產品的收益分析以及本集團的期內綜合溢利，以進行資源分配及表現評估。由於並無其它分立財務資料可用於評估不同業務活動，故無呈列分部資料。

於回顧期間，本集團按主要產品劃分的收益分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Ferrous metals	黑色金屬	4,724,841	1,958,819
Non-ferrous metals	有色金屬	18,877,522	6,726,460
Other materials	其他物料	1,733,050	—
		25,335,413	8,685,279

4. FINANCE COSTS

4. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Interest on bank loans wholly repayable within five years	須於五年內悉數償還的銀行貸款利息	74,277	23,018
Interest on discounted bills	貼現票據利息	37,676	3,940
Interest on advance from the controlling shareholder (note)	控股股東墊付利息 (附註)	1,199	—
		113,152	26,958

Note: During the six months ended 30 June 2011, the Group obtained an advance of HK\$300,000,000 from the controlling shareholder, Wellrun Limited and paid interest thereon at Hong Kong Interbank Offered Rate plus 2.25%. The advance was settled in the same period.

附註：於截至二零一一年六月三十日止六個月，本集團獲得控股股東好運有限公司墊款300,000,000港元，並已按香港銀行同業拆息加2.25%支付其利息。墊款已於同期償付。

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For the six months ended 30 June 2011
截至二零一一年六月三十日止六個月

5. INCOME TAX EXPENSE

PRC Enterprise Income Tax	中國企業所得稅
Current period	即期
Underprovision in prior year	過往年度撥備不足

5. 所得稅開支

Six months ended 30 June

截至六月三十日止六個月

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
	63,086	38,489
	2,261	–
	65,347	38,489

No provision for Hong Kong Profits Tax has been made as the Group's subsidiaries in Hong Kong either had no assessable profit or incurred tax losses for both periods.

Under the Law of the People's Republic of China (the "PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

Under Decree-Law no. 58/99/M, Central Steel (Macao Commercial Offshore) Limited ("Central Steel"), a Macau subsidiary incorporated under that Law (called "58/99/M Company"), is exempted from Macau Complementary tax (Macau income tax) as the 58/99/M Company does not sell its products to any Macau resident company during both periods.

At 30 June 2011, the aggregate amount of temporary differences associated with undistributed earnings of the subsidiaries in the PRC was HK\$339,730,000 (31 December 2010: HK\$192,710,000). No deferred tax liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

於上述兩段期間，由於本集團於香港的附屬公司並無應課稅溢利或產生稅項虧損，故並無就香港利得稅作出相關撥備。

根據中華人民共和國（「中國」）企業所得稅法（「企業所得稅法」）以及企業所得稅法的實施條例，中國附屬公司的稅率為25%。

中環鋼鐵（澳門離岸商業服務）有限公司（「中環鋼鐵」）為根據第58/99/M號法令註冊成立的澳門附屬公司（稱為「58/99/M公司」）。由於該58/99/M公司於上述兩段期間並無向任何澳門本土公司銷售產品，故此獲豁免繳納澳門補充稅（澳門所得稅）。

於二零一一年六月三十日，於中國的附屬公司未分派盈利的相關臨時差額合共339,730,000港元（二零一零年十二月三十一日：192,710,000港元）。並無就該等差額確認遞延稅項負債，因為本集團處於控制撥回臨時差額時間的位置，該等差額很可能不會於可見未來撥回。

6. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

Amortisation of prepaid lease payments
 Depreciation of property, plant and equipment
 Depreciation of investment properties
 Loss on disposal of property, plant and equipment
 Operating lease rentals paid in respect of rented premises
 Gain on disposal of investment properties and prepaid lease payments
 Interest income
 Net exchange gain

期內溢利已扣除(計入):

預付租賃款項攤銷物業、廠房及設備折舊
 投資物業折舊
 出售物業、廠房及設備虧損
 就租賃物業支付的經營租賃租金
 出售投資物業及預付租賃款項收益
 利息收入
 匯兌收益淨額

6. 期內溢利

Six months ended 30 June

截至六月三十日止六個月

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
4,718	1,997
18,294	7,505
6	19
236	85
14,557	10,012
(12,964)	–
(20,992)	(9,021)
(22,360)	(5,889)

7. DIVIDEND

During the current interim period, a final dividend of HK16 cents per share in respect of the year ended 31 December 2010 (six months ended 30 June 2010: HK12 cents per share in respect of the year ended 31 December 2009) was declared and paid to the owners of the Company. The aggregate amount of the final dividend declared and paid in the current interim period amounted to HK\$182,303,000 (six months ended 30 June 2010: HK\$125,400,000).

The directors resolved not to pay any interim dividend for the period (six months ended 30 June 2010: Nil).

7. 股息

於本中期期間，已向本公司擁有人宣派及支付截至二零一零年十二月三十一日止年度每股16港仙的末期股息(截至二零一零年六月三十日止六個月：截至二零零九年十二月三十一日止年度每股12港仙的末期股息)。於本中期期間，已宣派及支付的末期股息總額為182,303,000港元(截至二零一零年六月三十日止六個月：125,400,000港元)。

董事決議不就本期間宣派任何中期股息(截至二零一零年六月三十日止六個月：無)。

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簡明綜合財務報表附註

For the six months ended 30 June 2011
截至二零一一年六月三十日止六個月

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

8. 每股盈利

按下列數據計算本公司擁有人應佔每股基本及攤薄盈利：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Earnings:	盈利：		
Profit for the period attributable to owners of the Company for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利的本公司擁有人應佔期內溢利	1,043,076	419,847
Number of shares:	股份數目：		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的加權平均普通股數目	1,138,767,566	1,045,000,000
Effect of diluted potential ordinary shares as a result of the share options granted under the Pre-IPO Scheme and the Post-PO Scheme (defined in note 17)	根據首次公開發售前計劃及首次公開發售後計劃(定義見附註17)所授出購股權的潛在普通股攤薄影響	12,080,080	4,239,939
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利的加權平均普通股數目	1,150,847,646	1,049,239,939

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND PREPAID LEASE PAYMENTS

During the period, the Group acquired property, plant and equipment of HK\$21,544,000 (six months ended 30 June 2010: HK\$120,346,000) for the expansion of its operation and business.

In addition, the Group successfully obtained certain land use rights for its operation sites in the PRC during the period and an aggregate amount of HK\$11,265,000 (six months ended 30 June 2010: HK\$41,542,000) has been transferred from deposits paid for land use rights to prepaid lease payments.

During the period, the Group disposed of its investment properties and the corresponding prepaid lease payments with an aggregate carrying amount of HK\$4,342,000, resulting in a gain on disposal of HK\$12,964,000.

9. 物業、廠房及設備、投資物業以及預付租賃款項變動

期內，本集團已就擴充其經營及業務購買物業、廠房及設備21,544,000港元(截至二零一零年六月三十日止六個月：120,346,000港元)。

此外，本集團於期內已就其在中國的經營地盤取得若干土地使用權，並已將總額11,265,000港元(截至二零一零年六月三十日：41,542,000港元)由土地使用權已付按金轉撥往預付租賃款項。

期內，本集團出售其投資物業及相關預付租賃款項賬面總值4,342,000港元，產生出售收益12,964,000港元。

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簡明綜合財務報表附註

For the six months ended 30 June 2011
截至二零一一年六月三十日止六個月

10. TRADE AND OTHER RECEIVABLES AND DEPOSITS

The Group generally allows an average credit period of 30 to 90 days to its trade customers. The aged analysis of the Group's trade receivables, presented based on the invoice date at the end of the reporting period, is as follows:

Trade receivables:	應收貿易款項：
0 - 30 days	0至30日
31 - 60 days	31至60日
61 - 90 days	61至90日
91 - 120 days	91至120日
121 - 180 days	121至180日
Over 180 days	超過180日

Other receivables and deposits:	其他應收款項及按金：
Deposits and prepayments	按金及預付款項
Deposits paid for purchase of raw materials	購買原材料的已付按金
Other taxes recoverable	其他可收回稅項
Others	其他

10. 貿易及其他應收款項及按金

本集團一般向貿易客戶提供介乎30日至90日的平均信貸期。於報告期結束時本集團應收貿易款項的賬齡分析(按發票日期呈列)如下：

30 June 2011 二零一一年 六月三十日 HK\$'000 千港元	31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元
1,692,155	1,152,304
1,553,485	1,096,188
1,230,768	944,505
494,727	923,509
340	1,662,913
572	524,285
4,972,047	6,303,704
29,945	55,454
287,396	686,151
275,771	279,154
21,521	23,348
614,633	1,044,107
5,586,680	7,347,811

11. BILLS RECEIVABLE/DISCOUNTED BILLS

The amount represents bills on hand and bills discounted to banks with recourse with a maturity period of less than 180 days. At the end of the reporting period, these receivables are not yet due. The Group retains all the risks and rewards of discounted bills receivable and accordingly, the Group continues to recognise the full carrying amount of such bills receivable and has recognised the cash received on such discount as secured discounted bills liabilities in the condensed consolidated statement of financial position.

The effective interest rates of such discounted bills liabilities range from 2.00% to 7.35% (31 December 2010: 0.36% to 3.06%) per annum.

12. DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives settled in net (not under hedge accounting):

		30 June 2011 二零一一年六月三十日		31 December 2010 二零一零年十二月三十一日	
		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Future contracts on metals (note a)	金屬期貨合約 (附註a)	98,290	73,636	58,616	120,507
Foreign currency forward contracts (note b)	外幣遠期合約 (附註b)	3,219	405	8,129	14,330
Interest rate swaps	利率掉期	-	178	-	-
		101,509	74,219	66,745	134,837

Notes:

- (a) The Group uses future contracts to reduce its exposure to the price risk of metals, including copper, aluminium, zinc, etc.. The future contracts are actively traded in the market and measured at their fair values at the end of the reporting period, with gain or loss recognised directly in profit or loss. The contracts, including both long and short positions contracts, are denominated in either Renminbi or United States dollar and will mature within the coming 1 to 6 months.
- (b) The Group entered into foreign currency forward contracts to manage its foreign exchange rate risk. The aggregate notional amount of outstanding foreign currency forward contracts as at 30 June 2011 was US\$75,947,000 (31 December 2010: US\$199,900,000) and the contracts will mature within one year.

Included in net gain on derivative financial instruments of HK\$197,696,000 (six months ended 30 June 2010: HK\$30,491,000) is net gain of HK\$199,793,000 (six months ended 30 June 2010: HK\$22,471,000) attributable to future contracts of metals. The gain was mainly arisen from the fluctuations of copper price during the period, which are favorable to the position of the Group's future contracts.

11. 應收票據／貼現票據

該款項主要指於180日內到期的手頭票據及銀行附有追索權的已貼現票據。該等應收款項於報告期結束時尚未到期。本集團保留所有該等已貼現應收票據的全部風險及回報；因此，本集團繼續確認該等應收票據的足額賬面值，並將該等貼現所得現金在簡明綜合財務狀況表中確認為有抵押貼現票據負債。

該等貼現票據負債的實際年利率為2.00%至7.35%（二零一零年十二月三十一日：0.36%至3.06%）。

12. 衍生金融工具

並非按對沖會計法處理的按淨額結算衍生工具：

附註：

- (a) 本集團使用期貨合約降低其金屬價格風險，包括銅、鋁及鋅等。期貨合約於市場上交投活躍及於報告期間結束時按公允值計量，其盈虧於損益內直接確認。該等合約包括好倉及淡倉合約，以人民幣或美元計值，並會於一至六個月內到期。
- (b) 本集團訂立外幣遠期合約管理其匯率風險。於二零一一年六月三十日的未償還外幣遠期合約的賬面總值為75,947,000美元（二零一零年十二月三十一日：199,900,000美元），而合約將於一年內到期。

衍生金融工具收益淨額為197,696,000港元（截至二零一零年六月三十日止六個月：30,491,000港元），包含金屬期貨合約產生收益淨額199,793,000港元（截至二零一零年六月三十日止六個月：22,471,000港元）。該收益主要由於期內銅價格波動有利於本集團的期貨合約所致。

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For the six months ended 30 June 2011
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13. TRADE AND OTHER PAYABLES/ BILLS PAYABLE

The aged analysis of the Group's trade payables, presented based on the invoice date at the end of the reporting period, is as follows:

		30 June 2011 二零一一年 六月三十日 HK\$'000 千港元	31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元
Trade payables:	應付貿易款項：		
0 - 30 days	0至30日	1,186,691	938,813
31 - 60 days	31至60日	16,501	891,316
61 - 90 days	61至90日	29,608	822,360
91 - 120 days	91至120日	809	715,714
121 - 150 days	121至150日	8,216	370,087
Over 150 days	超過150日	23,761	23,484
		1,265,586	3,761,774
Other payables:	其他應付款項：		
Accruals	應計費用	42,557	45,589
Consideration payable for acquisition of additional interest in a subsidiary	收購於一間附屬公司的額外權益而應付的代價	3,494	10,961
Payables for acquisition of property, plant and equipment	購買物業、廠房及設備的應付款項	1,799	2,377
Deposits received from customers	已收客戶按金	182,783	146,144
Other taxes payable	其他應付稅項	8,892	30,257
Amounts payable to brokers (note)	應付經紀款項(附註)	67,576	133,695
Others	其他	57,888	40,706
		364,989	409,729
		1,630,575	4,171,503

13. 貿易及其他應付款項/ 應付票據

於報告期結束時，本集團應付貿易款項的賬齡分析(按發票日期呈列)如下：

13. TRADE AND OTHER PAYABLES/ BILLS PAYABLE (Continued)

Note: Amounts payable to brokers are arising from the Group's margin accounts for its derivative instruments. Out of the amount, HK\$7,705,000 (31 December 2010: HK\$55,654,000) is unsecured and interest bearing at London Interbank Offered Rate plus a spread, ranging from 1% to 2% (31 December 2010: 0.5% to 1%) and HK\$59,871,000 (31 December 2010: HK\$78,041,000) is interest-free and secured by inventories with an aggregate carrying amount of HK\$202,995,000 (31 December 2010: HK\$131,979,000).

All the bills payable of the Group are aged within 180 days and not yet due at the end of the reporting period. Bills payable are secured by pledged bank deposits of HK\$224,641,000 (31 December 2010: HK\$370,056,000).

14. BANK BORROWINGS

During the current period, the Group obtained new short-term bank loans amounting to HK\$3,447,920,000 (six months ended 30 June 2010: HK\$1,573,880,000) and made repayments of HK\$3,014,405,000 (six months ended 30 June 2010: HK\$175,504,000). The loans at 30 June 2011 bear effective interest rate ranging from 1.50% to 7.26% (31 December 2010: 1.20% to 5.62%) per annum. Majority of these loans are secured by the Group's pledged bank deposits at the end of the reporting period.

The proceeds were used to finance the general operations of the Group.

13. 貿易及其他應付款項/ 應付票據 (續)

附註：應付經紀的款額為就本集團衍生工具的保證金戶口所產生。款項當中，7,705,000港元(二零一零年十二月三十一日：55,654,000港元)為無抵押及按倫敦銀行同業拆息加介乎1%至2%的息差計息(二零一零年十二月三十一日：0.5%至1%)，而59,871,000港元(二零一零年十二月三十一日：78,041,000港元)為免息及由賬面總值為202,995,000港元的存貨作抵押(二零一零年十二月三十一日：131,979,000港元)。

本集團所有應付票據的賬齡均在180日內，且於報告期結束時尚未到期。應付票據由已質押銀行存款224,641,000港元所抵押(二零一零年十二月三十一日：370,056,000港元)。

14. 銀行借款

於本期間，本集團已取得新造短期銀行貸款達3,447,920,000港元(截至二零一零年六月三十日止六個月：1,573,880,000港元)及償還3,014,405,000港元(截至二零一零年六月三十日止六個月：175,504,000港元)。該等貸款於二零一一年六月三十日按實際年利率介乎1.50%至7.26%(二零一零年十二月三十一日：1.20%至5.62%)計息。該等貸款大多數均由本集團於報告期結束時的已質押銀行存款所抵押。

所得款項已用作為本集團的一般營運提供資金。

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15. SHARE CAPITAL

15. 股本

		Number of shares 股份數目	Share capital 股本 HK\$ 港元
Ordinary shares of HK\$0.0001 each	每股面值0.0001港元的普通股		
Authorised:	法定：		
At 1 January 2010,	於二零一零年一月一日、		
30 June 2010,	二零一零年六月三十日、		
31 December 2010	二零一零年十二月三十一日及		
and 30 June 2011	二零一一年六月三十日	10,000,000,000	1,000,000
At 1 January 2010 and	於二零一零年一月一日及		
30 June 2010	二零一零年六月三十日	1,045,000,000	104,500
Exercise of share options	行使購股權	2,274,675	227
Issue of shares on	於二零一零年十二月二十二日		
22 December 2010 (note)	發行股份(附註)	90,000,000	9,000
At 31 December 2010	於二零一零年十二月三十一日	1,137,274,675	113,727
Exercise of share options	行使購股權	2,194,550	219
At 30 June 2011	於二零一一年六月三十日	1,139,469,225	113,946

Note: On 9 December 2010, arrangements were made for a private placement to independent private investors of 90,000,000 shares of HK\$0.0001 each in the Company held by Wellrun Limited, the controlling shareholder of the Company, at a price of HK\$7.85 per share representing a discount of approximately 11.10% to the closing market price of the Company's shares on 9 December 2010.

Pursuant to a subscription agreement of the same date, Wellrun Limited subscribed for 90,000,000 new shares of HK\$0.0001 each in the Company at a price of HK\$7.85 per share. The proceeds were used for existing and future acquisitions, capital expenditure on plant and machinery and as general working capital of the Group. These new shares were issued under the general mandate granted to the directors at the annual general meeting of the Company held on 27 May 2010.

The new shares allotted and issued rank pari passu in all respects with other shares in issue.

附註：於二零一零年十二月九日，已就向獨立私人投資者私人配售由本公司控股股東好運有限公司持有之90,000,000股每股面值0.0001港元之本公司股份作出安排，有關價格為每股7.85港元，較本公司股份於二零一零年十二月九日之收市價貼現約11.10%。

根據同日之認購協議，好運有限公司按每股7.85港元之價格認購90,000,000股每股面值0.0001港元之本公司新股份。所得款項已用於現時及未來收購、廠房及機器之資本開支及本集團之一般營運資金。該等新股份乃根據本公司於二零一零年五月二十七日舉行之股東週年大會向董事授出之一般授權發行。

新配發及發行的股份在所有方面與其他已發行股份具相同地位。

16. CAPITAL COMMITMENTS

16. 資本承擔

		30 June	31 December
		2011	2010
		二零一一年	二零一零年
		六月三十日	十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of:	已訂約但並無於簡明綜合財務報表內撥備的資本開支：		
- acquisition of property, plant and equipment	- 購買物業、廠房及設備	4,840	67,065
- addition of construction in progress	- 新增在建工程	-	11,206
- addition of land use rights	- 新增土地使用權	4,709	4,598
- capital injection in an associate	- 於一間聯營公司注資	120,483	235,294
		130,032	318,163

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17. SHARE-BASED PAYMENTS

Equity-settled share option schemes

(a) Pre-IPO Share Option Scheme

The Company adopted the Pre-IPO Share Option Scheme (the "Pre-IPO Scheme") on 22 May 2009. The purpose of the Pre-IPO Scheme is to recognise the contribution that eligible participants made or may have made to the growth of the Group.

The movements of the share options granted under the Pre-IPO Scheme during the period are as follows:

		Number of share options 購股權數目
Outstanding at 1 January 2011	於二零一一年一月一日尚未行使	20,553,510
Exercised during the period	於期內行使	(1,927,950)
Outstanding at 30 June 2011	於二零一一年六月三十日尚未行使	18,625,560

During the current period, the Group recognised an expense of HK\$6,587,000 (six months ended 30 June 2010: HK\$13,309,000) in relation to share options granted by the Company under the Pre-IPO Scheme.

17. 以股份支付款項

以權益結算的購股權計劃

(a) 首次公開發售前購股權計劃

本公司於二零零九年五月二十二日採納首次公開發售前購股權計劃（「首次公開發售前計劃」）。首次公開發售前計劃旨在嘉許合資格參與人士為本集團的發展所作出或可能已作出的貢獻。

期內，根據首次公開發售前計劃授出的購股權變動詳情如下：

於本期間，本集團就本公司根據首次公開發售前計劃授出的購股權確認開支6,587,000港元（截至二零一零年六月三十日止六個月：13,309,000港元）。

17. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option schemes (Continued)

(b) Share Option Scheme

The Company also adopted the Share Option Scheme (the "Scheme") on 22 May 2009. The purpose of the Scheme is also to recognise the contribution made or may have made to the Group by eligible participants.

The movements of the share options granted under the Scheme during the period are as follows:

		Number of share options 購股權數目
Outstanding at 1 January 2011	於二零一一年一月一日尚未行使	9,126,342
Granted during the period	於期內授出	833,333
Exercised during the period	於期內行使	(266,600)
<hr/>		
Outstanding at 30 June 2011	於二零一一年六月三十日尚未行使	9,693,075

In the current period, 833,333 share options were granted to five employees of the Group on 28 January 2011. The closing price of the Company's shares immediately before the date of grant was HK\$8.92.

The fair value of the options determined at the date of grant using the Binomial model was HK\$3,272,000. The share options granted have a vesting period of 1 to 3 years and the grantees are entitled to a gradual increase in the number of share options being vested upon increase in the years of services to the Group. The following assumptions were used to calculate the fair value:

Market price	HK\$9.0
Exercise price	HK\$9.0
Contractual life	4.5 to 5.5 years
Expected volatility	56%
Expected dividend yield	1.5%
Risk-free rate	1.58% to 1.92%

17. 以股份支付款項 (續)

以權益結算的購股權計劃 (續)

(b) 購股權計劃

本公司亦於二零零九年五月二十二日採納購股權計劃(「該計劃」)。該計劃為嘉許合資格參與人士對本集團所作出或可能已作出的貢獻。

期內，根據該計劃授出的購股權變動詳情如下：

	Number of share options 購股權數目
Outstanding at 1 January 2011	9,126,342
Granted during the period	833,333
Exercised during the period	(266,600)
<hr/>	
Outstanding at 30 June 2011	9,693,075

於本期間，本集團五名僱員於二零一一年一月二十八日已獲授833,333份購股權。本公司股份於緊接授出日期前的收市價為8.92港元。

購股權的公允值為3,272,000港元，乃於授出日期以二項式期權定價模式釐定。已授出購股權的歸屬期為一至三年，而隨著承授人於本集團的服務年期增長，將予歸屬的購股權數目可逐漸增加。計算公允值時已使用下列假設：

市價	9.0港元
行使價	9.0港元
合約年期	4.5至5.5年
預計波幅	56%
預計股息率	1.5%
無風險利率	1.58%至1.92%

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17. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option schemes (Continued)

(b) Share Option Scheme (Continued)

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest ultimately. The impact of the revision of the estimates, if any, is recognised in profit and loss, with a corresponding adjustment to the share options reserve.

During the current period, the Group recognised an expense of HK\$7,591,000 (six months ended 30 June 2010: HK\$6,400,000) in relation to share options granted by the Company under the Scheme.

17. 以股份支付款項 (續)

以權益結算的購股權計劃 (續)

(b) 購股權計劃 (續)

估計購股權公允值時已使用二項式期權定價模式。計算購股權公允值所用的變量及假設按董事的最佳估算而定。變量及假設變動可能導致購股權的公允值有變。

於各報告期末，本集團修訂其對預期最終會歸屬的購股權數目的估計。修訂該等估計的影響（如有）將於損益確認，並會於購股權儲備中作出相應調整。

於本期間，本集團就本公司根據該計劃授出的購股權確認開支7,591,000港元（截至二零一零年六月三十日止六個月：6,400,000港元）。

18. RELATED PARTY DISCLOSURES

(I) Related party transactions

Name of related parties 關聯方名稱	Nature of transactions 交易性質
Guangzhou Zhujiang Steel Port Co., Ltd. ("Guangzhou Zhujiang"), an associate of the Group 廣州珠鋼碼頭有限公司(「廣州珠鋼」)， 本集團的聯營公司	Port loading charges paid 已付港口裝卸費用
Guangzhou Asia Steel Property Co., Ltd. ("GAS Property"), a company controlled by Mr. Chun Chi Wai ("Mr. Chun"), the ultimate controlling shareholder and a director of the Company 廣州亞鋼置業有限公司(「廣州亞鋼 置業」)，本公司最終控股股東兼董事 秦志威先生(「秦先生」)控制的公司	Rental expenses paid 已付租金開支
Wellrun Limited, the controlling shareholder of the Company 好運有限公司，本公司的控股股東	Interest paid 已付利息

18. 關聯方披露

(I) 關聯方交易

Six months ended 30 June

截至六月三十日止六個月

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
257	1,213
356	352
1,199	—

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For the six months ended 30 June 2011
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18. RELATED PARTY DISCLOSURES (Continued)

(II) Related party balances

Name of related parties 關聯方名稱	Nature of balances 結餘性質
Guangzhou Zhujiang 廣州珠鋼	Non-trade payable 非貿易應付款項
GAS Property 廣州亞鋼置業	Deposit paid 已付按金

18. 關聯方披露 (續)

(II) 關聯方結餘

30 June 2011 二零一一年 六月三十日 HK\$'000 千港元	31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元
28,080	–
122	120

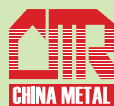
(III) Compensation of key management personnel

The emoluments of the directors of the Company, who are also identified as members of key management of the Group, are as follow:

(III) 主要管理人員的酬金

本公司董事(而其亦已識別為本集團主要管理層成員)的酬金載列如下:

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Short-term benefits	短期福利	4,984	3,201
Post-employment benefits	受僱後福利	12	13
Equity-settled share-based payments	以權益結算以股份支付款項	5,066	6,642
		10,062	9,856



中國金屬再生資源(控股)有限公司
China Metal Recycling (Holdings) Limited