



ENERGY INTERNATIONAL INVESTMENTS HOLDINGS LIMITED
能源國際投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立之有限公司)
(Stock code 股份代號 : 353)



**INTERIM
REPORT**
中期報告 2012



* For identification purpose only 僅供識別

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Luo Nianru
Mr. Chan Kwok Wing
Mr. Wang Donghai
Ms. Wang Meiyun
Mr. Yang Guangming

Independent Non-Executive Directors

Mr. Choi Chi Fai
Mr. Chan Wai Cheung Admiral (appointed on 30 March 2012)
Mr. Wang Jinghua

AUDIT COMMITTEE

Mr. Choi Chi Fai (*Chairman*)
Mr. Chan Wai Cheung Admiral (appointed on 30 March 2012)
Mr. Wang Jinghua

REMUNERATION COMMITTEE

Mr. Choi Chi Fai
Mr. Chan Wai Cheung Admiral (appointed on 30 March 2012)
Mr. Wang Jinghua

NOMINATION COMMITTEE

Mr. Choi Chi Fai
Mr. Chan Wai Cheung Admiral (appointed on 30 March 2012)
Mr. Wang Jinghua

COMPANY SECRETARY

Mr. Wong Siu Keung, Joe

AUTHORISED REPRESENTATIVES

Ms. Wang Meiyun
Mr. Wong Siu Keung, Joe

董事會

執行董事

羅念如先生
陳國榮先生
王東海先生
王美艷女士
楊光明先生

獨立非執行董事

蔡志輝先生
陳偉璋先生 (於二零一二年三月三十日獲委任)
王靖華先生

審核委員會

蔡志輝先生 (*主席*)
陳偉璋先生 (於二零一二年三月三十日獲委任)
王靖華先生

薪酬委員會

蔡志輝先生
陳偉璋先生 (於二零一二年三月三十日獲委任)
王靖華先生

提名委員會

蔡志輝先生
陳偉璋先生 (於二零一二年三月三十日獲委任)
王靖華先生

公司秘書

黃兆強先生

授權代表

王美艷女士
黃兆強先生

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1508, 15th Floor
The Center
99 Queen's Road Central
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Trustee (Cayman) Limited
PO Box 484, HSBC House
68 West Bay Road
Grand Cayman, KY1-1106
Cayman Islands

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong Law:
Hui & Lam Solicitors
Room 1505-6 The Center
99 Queen's Road
Central, Hong Kong

As to Cayman Islands Law:
Conyers Dills & Pearman
2901 One Exchange Square
8 Connaught Place
Central, Hong Kong

AUDITORS

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

註冊辦事處

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

香港總辦事處及主要營業地點

香港
皇后大道中99號
中環中心
15樓1508室

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東28號
金鐘匯中心26樓

主要股份過戶登記處

HSBC Trustee (Cayman) Limited
PO Box 484, HSBC House
68 West Bay Road
Grand Cayman, KY1-1106
Cayman Islands

本公司法律顧問

香港法例:
許林律師行
香港中環
皇后大道中99號
中環中心1505-6室

開曼群島法律:
Conyers Dills & Pearman
香港中環
康樂廣場8號
交易廣場一座2901室

核數師

香港立信德豪會計師事務所有限公司
香港
干諾道中111號
永安中心25樓

CONSOLIDATED INCOME STATEMENT

綜合損益表

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

(Unaudited)
(未經審核)
Six months ended 30 June
截至六月三十日止六個月

		Notes 附註	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Continuing operations:	持續經營業務:			
Revenue	收益	4	145,920	101,981
Cost of sales	銷售成本		(140,522)	(79,695)
Gross profit	毛利		5,398	22,286
Other income	其他收入	4	39,240	3,213
Selling and distribution expenses	銷售及分銷開支		(4,525)	(968)
Administrative expenses	行政開支		(14,913)	(13,973)
Other operating expenses	其他經營開支		(19,733)	(18,491)
Finance costs	財務成本	6	(5,221)	(5,402)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	7	246	(13,335)
Income tax (expense)/credit	所得稅(開支)/計入	8	(3,285)	1,037
Loss after income tax from continuing operations	持續經營業務除所得稅後虧損		(3,039)	(12,298)
Discontinued operations:	已終止經營業務:			
Loss for the period	本期間虧損	10	-	(1,045)
Loss for the period	本期間虧損		(3,039)	(13,343)
Loss for the period attributable to:	應佔本期間虧損:			
Owners of the Company	本公司擁有人			
- from continuing operations	- 持續經營業務		(3,170)	(8,954)
- from discontinued operations	- 已終止經營業務		-	(1,045)
			(3,170)	(9,999)
Non-controlling interests	非控股股東權益			
- from continuing operations	- 持續經營業務		131	(3,344)
- from discontinued operations	- 已終止經營業務		-	-
			131	(3,344)
Loss for the period	本期間虧損		(3,039)	(13,343)
Loss per share for loss attributable to the owners of the Company during the period	本公司擁有人應佔本期間虧損之每股虧損	11		
- Basic (HK cents)	- 基本(港仙)			
From continuing and discontinued operations	持續經營業務及已終止經營業務		(0.02)	(0.07)
From continuing operations	持續經營業務		(0.02)	(0.06)
From discontinued operations	已終止經營業務		-	(0.01)
- Diluted (HK cents)	- 攤薄(港仙)			
From continuing and discontinued operations	持續經營業務及已終止經營業務		N/A 不適用	N/A 不適用
From continuing operations	持續經營業務		N/A 不適用	N/A 不適用
From discontinued operations	已終止經營業務		N/A 不適用	N/A 不適用

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入表

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

(Unaudited)

(未經審核)

Six months ended 30 June

截至六月三十日止六個月

	Notes	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
	附註		
Loss for the period	本期間虧損	(3,039)	(13,343)
Other comprehensive income for the period	本期間其他全面收入		
Exchange (loss)/gain on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌(虧損)/收益	(3,993)	3,157
Other comprehensive income for the period	本期間其他全面收入	(3,993)	3,157
Total comprehensive income for the period	本期間全面收入總額	(7,032)	(10,186)
Total comprehensive income attributable to:	應佔全面收入總額：		
Owners of the Company	本公司擁有人	(5,827)	(7,918)
Non-controlling interests	非控股股東權益	(1,205)	(2,268)
		(7,032)	(10,186)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 30 June 2012 於二零一二年六月三十日

	Notes	(Unaudited) (未經審核) 30 June 2012 HK\$'000 二零一二年 六月三十日 千港元	(Audited) (經審核) 31 December 2011 HK\$'000 二零一一年 十二月三十一日 千港元
	附註		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	593,145	604,657
Prepaid land lease payments		29,294	29,876
Goodwill		209,628	209,628
Intangible assets		2,083,756	2,096,843
Deferred tax assets		3,936	7,491
		2,919,759	2,948,495
Current assets			
Indemnification assets	21	–	14,040
Inventories		1,238	15,570
Trade receivables	13	54,432	31,326
Prepayments, deposits and other receivables		50,962	37,982
Pledged bank deposits		978	976
Cash at banks and in hand		75,913	97,325
		183,523	197,219
Current liabilities			
Trade payables	14	20,931	12,017
Other payables and accruals		135,508	147,230
Amount due to non-controlling shareholder		3,437	4,074
Provision for legal claim	21	–	14,040
Bank borrowings		–	12,200
Other borrowings	15	37,149	2,196
Convertible bonds		15,237	14,129
Tax payables		2,951	2
		215,213	205,888
Net current (liabilities)		(31,690)	(8,669)
Total assets less current liabilities		2,888,069	2,939,826
Non-current liabilities			
Amount due to non-controlling shareholder		14,347	8,401
Other borrowings	15	52,751	113,652
Promissory notes	16	29,961	28,707
Convertible bonds		386	355
Deferred tax liabilities		519,636	522,891
		617,081	674,006
Net assets		2,270,988	2,265,820

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 30 June 2012 於二零一二年六月三十日

			(Unaudited) (未經審核) 30 June 2012 HK\$'000 二零一二年 六月三十日 千港元	(Audited) (經審核) 31 December 2011 HK\$'000 二零一一年 十二月三十一日 千港元
		Notes 附註		
EQUITY	權益			
Equity attributable to the owners of the Company	本公司擁有人應佔權益			
Share capital	股本	17	137,227	134,827
Reserves	儲備		1,979,539	1,980,446
			2,116,766	2,115,273
Non-controlling interests	非控股股東權益		154,222	150,547
Total equity	總權益		2,270,988	2,265,820

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

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

(Unaudited)
(未經審核)
Equity attributable to the owners of the Company
本公司擁有人應佔權益

		Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Exchange reserve HK\$'000	Convertible bonds	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
						equity reserve HK\$'000				
		股本 千港元	股份溢價 千港元	資本儲備 千港元	匯兌儲備 千港元	可換股債券 權益儲備 千港元	累計虧損 千港元	總計 千港元	股東權益 非控股 股東權益 千港元	總權益 千港元
At 1 January 2011	於二零一一年一月一日	134,626	2,037,769	137,610	6,332	700,074	(866,476)	2,149,935	142,332	2,292,267
Net loss for the period	本期間虧損淨額	-	-	-	-	-	(9,999)	(9,999)	(3,344)	(13,343)
Other comprehensive income:	其他全面收入:									
Exchange gain on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌收益	-	-	-	2,081	-	-	2,081	1,076	3,157
Total comprehensive income for the period	本期間全面收入總額	-	-	-	2,081	-	(9,999)	(7,918)	(2,268)	(10,186)
At 30 June 2011	於二零一一年六月三十日	134,626	2,037,769	137,610	8,413	700,074	(876,475)	2,142,017	140,064	2,282,081
At 1 January 2012	於二零一二年一月一日	134,827	2,050,580	148,104	15,267	694,721	(928,226)	2,115,273	150,547	2,265,820
Bank and other borrowings assigned to non-controlling shareholder unconditionally	無條件轉讓予非控股股東之銀行及其他借款	-	-	7,320	-	-	-	7,320	4,880	12,200
Issue of shares upon conversion of convertible bonds (note 17)	兌換可換股債券後發行股份(附註17)	2,400	10,083	-	-	(12,483)	-	-	-	-
Transactions with owners	與擁有人之交易	2,400	10,083	7,320	-	(12,483)	-	7,320	4,880	12,200
Net loss for the period	本期間虧損淨額	-	-	-	-	-	(3,170)	(3,170)	131	(3,039)
Other comprehensive income:	其他全面收入:									
Exchange gain on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌收益	-	-	-	(2,657)	-	-	(2,657)	(1,336)	(3,993)
Total comprehensive income for the period	本期間全面收入總額	-	-	-	(2,657)	-	(3,170)	(5,827)	(1,205)	(7,032)
At 30 June 2012	於二零一二年六月三十日	137,227	2,060,663	155,424	12,610	682,238	(931,396)	2,116,766	154,222	2,270,988

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

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

(Unaudited)

(未經審核)

Six months ended 30 June

截至六月三十日止六個月

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Net cash generated from operating activities	源自經營業務之現金淨額	17,737	23,071
Net cash used in investing activities	用於投資業務之現金淨額	(19,477)	(28,020)
Net cash used in financing activities	用於融資活動之現金淨額	(22,823)	(21,199)
Net decrease in cash and cash equivalents	現金及現金等值項目之減少淨額	(24,563)	(26,148)
Cash and cash equivalents at the beginning of the period	期初之現金及現金等值項目	97,325	146,135
Effect on foreign exchange rate changes	匯率變動之影響	3,151	(1,429)
Cash and cash equivalents at the end of the period	期末之現金及現金等值項目	75,913	118,558

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

1. GENERAL INFORMATION

Energy International Investments Holdings Limited (the "Company") is a limited liability company incorporated and domiciled in the Cayman Islands. Registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, British West Indies and its principal place of business is Unit 1508, 15th Floor, The Center, 99 Queen's Road Central, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Group ceased its trading of carpets business during the year ended 31 December 2011 and the related segment information was classified as discontinued operation for the period ended 30 June 2012. Accordingly, the comparative consolidated statement of comprehensive income and related notes for the six months ended 30 June 2011 have been re-presented.

The principal activity of the Company is investment holding. The principal activities of the Company and its subsidiaries (together referred to as the "Group") include:

- the supply of electricity and heat representing the business of generation and supplying of electricity and heat; and
- the oil production representing the business of oil production.

1. 一般資料

能源國際投資控股有限公司(「本公司」)為一間於開曼群島註冊成立並以開曼群島為居籍之有限責任公司。本公司之註冊辦事處設於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, British West Indies, 而主要營業地點則為香港皇后大道中99號中環中心15樓1508室。本公司之股份於香港聯合交易所有限公司(「聯交所」)上市。

本集團於截至二零一一年十二月三十一日止年度終止經營地毯買賣業務,並於截至二零一二年六月三十日止期間將有關分類資料分類為已終止經營業務。因此,截至二零一一年六月三十日止六個月的比較綜合全面收入表及相關附註已作出重列,藉以呈列已終止經營業務。

本公司之主要業務為投資控股。本公司及其附屬公司(統稱「本集團」)之主要業務包括:

- 熱電供應,指熱電生產及供應業務;及
- 生產石油,指生產石油業務。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. BASIS OF PREPARATION

These unaudited consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard (the "HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

(i) Going concern basis

The financial statements have been prepared on a going concern basis which assumes the realisation of assets and satisfaction of liabilities in the ordinary course of business notwithstanding that the Group suffered a loss of HK\$3,039,000 for the period and had net current liabilities of HK\$31,690,000 (31 December 2011: net current liabilities of HK\$8,669,000) as at 30 June 2012. The going concern basis has been adopted on the bases that:

- (a) The directors have prepared cash flow forecast for the next twelve months. Based on the results of the cash flow forecast, the directors are of the opinion that the Group is able to generate sufficient cash flows from its operations.
- (b) The directors are negotiating with certain suppliers and lenders of other borrowings to delay the repayment of certain other payables and borrowings, respectively. The directors are confident that the counterparties would agree on the revised repayment timetable so as to ease the pressure of short term repayment pressure.
- (c) The performance of the Group is improving and the loss for current period was significantly decreased by 77% compared to same period last year. The directors are confident that the Group performance would continue to improve.

2. 編製基準

此等未經審核綜合中期財務報表已根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號中期財務報告及聯交所證券上市規則（「上市規則」）之適用披露規定而編製。

(i) 持續經營基準

財務報表已根據持續經營基準編製，其假設於一般日常業務變現資產及償還負債，惟本集團於期內錄得虧損3,039,000港元及於二零一二年六月三十日錄得流動負債淨值31,690,000港元（二零一一年十二月三十一日：流動負債淨值8,669,000港元）。持續經營基準乃按以下基準採納：

- (a) 董事已編製未來十二個月的現金流預測。根據現金流預測結果，董事認為本集團可自其業務產生足夠現金流。
- (b) 董事與若干供應商及其他借款之貸款人磋商以分別延遲償還若干其他應付款項及借款。董事有信心對手方會同意經修訂之還款時間表，務求紓緩短期還款之壓力。
- (c) 本集團表現好轉，期內虧損較去年同期大幅減少77%。董事有信心本集團能繼續提升表現。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. BASIS OF PREPARATION (Continued)

(i) Going concern basis (Continued)

Therefore, the directors consider that the Group can meet its financial obligations as and when they fall due in the foreseeable future and believe that the Company will continue as a going concern and consequently has prepared the financial statements on a going concern basis.

Should the Company be unable to continue in business as a going concern, adjustments would have to be made to restate the value of assets to their recoverable amounts, to reclassify non-current assets and liabilities as current assets and liabilities respectively, and to provide for any further liabilities which may arise. The effects of these potential adjustments have not been reflected in these financial statements.

(ii) Loss of controls over the assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI")

During the year of 2010, the board of directors (the "Board"), discovered that as from 31 January 2010, the exploration licence held by QHFSMI, an indirect wholly-owned subsidiary of the Group established in the People's Republic of China ("PRC"), had been transferred to a company known as 內蒙古小紅山源森礦業有限公司 (in English, for identification purpose only, Inner Mongolia Xiao Hong Shan Yuen Xian Mining Industry Company Limited) ("Yuen Xian Company") without the Company's knowledge, consent or approval.

2. 編製基準 (續)

(i) 持續經營基準 (續)

因此，董事認為本集團可於可見未來在財務負債到期時作出支付，並相信本公司將繼續持續經營，因此以持續經營基準編製財務報表。

倘本公司無法持續經營業務，將作出調整以重列資產價值至其可收回金額，並分別重新分類非流動資產與負債為流動資產及負債，並於任何進一步負債可能產生時作出撥備。此等潛在調整的影響並無於此等財務報表反映。

(ii) 失去青海森源礦業開發有限公司（「青海森源」）及內蒙古森源礦業開發有限公司（「內蒙古森源」）資產之控制權

於二零一零年年度，董事會（「董事會」）發現，由本集團之間接全資附屬公司青海森源（於中華人民共和國（「中國」）成立）持有之勘探牌照自二零一零年一月三十一日起轉讓予一間名為內蒙古小紅山源森礦業有限公司（「源森公司」）（英文名稱為Inner Mongolia Xiao Hong Shan Yuen Xian Mining Industry Company Limited，僅供識別）之公司，而本公司對此並不知情，亦無表示同意或批准。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. BASIS OF PREPARATION (Continued)

(ii) Loss of controls over the assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)

Based on the searches conducted by the Company's legal advisers, the Company was advised that:

- (a) Yuen Xian Company is a wholly foreign owned enterprise established in the PRC on 21 October 2009 and is wholly owned by a company, namely Yuenxian Mining Industry Holding Company Limited ("HK Yuenxian"). Ms Leung Lai Ching Margaret ("Ms Leung") is one of the directors and the legal representative of Yuen Xian Company.
- (b) HK Yuenxian (formerly known as Forest Source Mining Industry Holding Company Limited) is a company incorporated in Hong Kong on 29 August 2008 and is wholly owned by Ms Leung. Ms Leung is also the sole director of HK Yuenxian.

Disputes with Ms Leung

In November 2009, a legal proceeding was commenced by Hong Kong Forest Source Mining Industry Holding Company Limited ("HKFSMIH"), QHFSMI and IMFSMI, all of which are wholly-owned subsidiaries of the Group, against HK Yuenxian, Ms Leung and such other persons named as co-defendants to such legal proceedings. The Company sought and obtained, among other things, an interim injunction order from the Hong Kong Court in the following terms:

- (a) An injunction restraining, amongst others, HK Yuenxian and Ms Leung from carrying on business in Hong Kong and/or the PRC under the name of Forest Source Mining Industry Holding Company Limited (subsequently known as HK Yuenxian since 7 January 2010); and

2. 編製基準 (續)

(ii) 失去青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權 (續)

根據本公司法律顧問進行之調查，本公司知悉：

- (a) 源森公司為一間於二零零九年十月二十一日於中國成立之全外資企業，由一間名為源森礦業控股有限公司(「香港源森」)之公司全資擁有。梁麗瀟女士(「梁女士」)為源森公司其中一名董事及法定代表人。
- (b) 香港源森(前稱為森源礦業控股有限公司)為一間於二零零八年八月二十九日於香港註冊成立之公司，由梁女士全資擁有。梁女士亦為香港源森之唯一董事。

與梁女士之糾紛

於二零零九年十一月，本集團三間全資附屬公司香港森源礦業控股有限公司(「香港森源礦業控股」)、青海森源及內蒙古森源向香港源森、梁女士及有關法律訴訟中名列共同被告人之其他人士展開法律訴訟。本公司已尋求並取得(其中包括)香港法院頒佈之暫時禁制令，內容如下：

- (a) 限制(其中包括)香港源森及梁女士以「森源礦業控股有限公司」(自二零一零年一月七日起名為「香港源森」)之名於香港及/或中國進行業務之禁制令；及

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財務報表附註

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

2. BASIS OF PREPARATION (Continued)

(ii) Loss of controls over the assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)

Disputes with Ms Leung (Continued)

- (b) An injunction restraining, amongst others, Ms Leung from acting or holding out as a director of QHFSMI or interfering with the business of QHFSMI, including but not limited to making any representations, requests, demands or promises to the Inner Mongolia Autonomous Region Commerce and Industry Bureau or any other governmental agencies in the PRC on behalf of QHFSMI in regard to any affairs of or relating to QHFSMI.

The interim injunction order was subsequently discharged on 30 March 2010.

Ms Leung's legal status as director and legal representative in the PRC subsidiaries remained unchanged during the period in the absence of her cooperation

Ms Leung was a director and legal representative of both QHFSMI and IMFSMI. On 10 September 2009, the sole shareholder of QHFSMI and IMFSMI (i.e. HKFSMIH) had resolved to remove Ms Leung's capacity as director and legal representative of both QHFSMI and IMFSMI with immediate effect. As disclosed in the Company's circular dated 28 June 2010, the respective members of board of directors and legal representative of QHFSMI and IMFSMI had not yet been officially changed as the procedures of changing and updating the official records at the relevant PRC government authority took longer than expected as Ms Leung, being the then legal representative, was not cooperative and failed to provide the requested documents and corporate seals.

2. 編製基準 (續)

(ii) 失去青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權 (續)

與梁女士之糾紛 (續)

- (b) 限制(其中包括)梁女士擔任青海森源之董事或顯示出其為董事身份行事或干涉青海森源之業務,包括但不限於就青海森源之任何事務或與之有關之任何事務代表青海森源向內蒙古自治區工商局或中國任何其他政府機構作出任何聲明、要求、索求或承諾之禁制令。

該暫時禁制令其後於二零一零年三月三十日撤銷。

本期間內,梁女士作為中國附屬公司之董事及法定代表之法律地位在其不配合的情況下維持不變

梁女士曾為青海森源及內蒙古森源之董事及法定代表。於二零零九年九月十日,青海森源及內蒙古森源的唯一股東(即香港森源礦業控股)議決罷免梁女士於青海森源及內蒙古森源之董事及法定代表職務,即時生效。如本公司日期為二零一零年六月二十八日之通函所披露,由於當時之法定代表梁女士不配合及未能提供所需文件及公司印章,致使向相關中國政府部門更改及更新正式記錄之手續所花費之時間超過預期,因此青海森源及內蒙古森源各自之董事會分別之成員及法定代表仍未正式更改。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. BASIS OF PREPARATION (Continued)

(ii) Loss of controls over the assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)

Transfer of exploration licence without the Company's knowledge, consent or approval

The Group acquired QHFSMI from Ms Leung in 2007. QHFSMI was the holder of an exploration licence which conferred QHFSMI the rights to conduct exploration work for the mineral resources containing iron, vanadium and titanium in the titanium mine located at Xiao Hong Shan in Inner Mongolia, the PRC. Based on the search conducted by the Company's legal advisers, the exploration licence was transferred, without the Company's knowledge, consent or approval, to Yuen Xian Company on 31 January 2010. Such actions by Ms Leung were not expected in view of the interim injunction order obtained by the Company from the Hong Kong Court, details of which are set out in the sub-paragraph headed "Disputes with Ms Leung" above. Without the exploration licence, QHFSMI no longer has the rights to, among other things, carry out exploration of the mineral resources of the titanium mine, access to the titanium mine and neighboring areas and has no priority in obtaining the mining rights of the titanium mine.

2. 編製基準 (續)

(ii) 失去青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權 (續)

在本公司不知情及未經本公司同意或批准的情況下轉讓勘探牌照

本集團於二零零七年向梁女士收購青海森源。青海森源持有一個勘探牌照，該牌照賦予青海森源在位於中國內蒙古小紅山含有鐵、釩及鈦之鈦礦進行礦產資源勘探工作之權利。根據本公司法律顧問進行之調查，該勘探牌照已於二零一零年一月三十一日在本公司不知情及未經本公司同意或批准的情況下轉讓予源森公司。鑒於本公司已取得香港法院頒佈之暫時禁制令(詳情載於上文「與梁女士之糾紛」分段)，本公司完全沒有預料到梁女士會採取有關行動。倘無勘探牌照，青海森源不再有權(其中包括)於鈦礦進行礦產資源勘探、進入鈦礦及鄰近區域以及優先獲得鈦礦之開採權。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. BASIS OF PREPARATION (Continued)

(ii) Loss of controls over the assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)

Transfer of exploration licence without the Company's knowledge, consent or approval (Continued)

As soon as the Company had discovered the loss of QHFSMI's exploration licence, the Company sought advice from its legal advisers. Given the discovery of the loss of significant assets of QHFSMI, the board of directors is no longer in the position of maintaining controls over QHFSMI and IMFSMI by the Group. As a consequence, the directors of the Company consider that the Group no longer has the power to exercise its right as the shareholder and thus has lost its control over the assets and operations and is unable to exercise control over the financial and operating policy decisions of QHFSMI and IMFSMI. Accordingly, the directors of the Company consider that it is inappropriate to consolidate the financial statements of QHFSMI and IMFSMI into the Group and these two wholly-owned subsidiaries are de-consolidated and classified as discontinued operations from 2010.

(iii) De-consolidating QHFSMI and IMFSMI

The Group has been unable to obtain the financial information of QHFSMI and IMFSMI since 2010. The directors of the Company consider that the Group had lost its control to govern the financial and operating policies of QHFSMI and IMFSMI with effect from 1 January 2010. Accordingly, the financial information of QHFSMI and IMFSMI was de-consolidated with effect from 1 January 2010.

2. 編製基準 (續)

(ii) 失去青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權 (續)

在本公司不知情及未經本公司同意或批准的情況下轉讓勘探牌照 (續)

本公司發現失去青海森源之勘探牌照後，已立即尋求其法律顧問之意見。鑒於發現失去青海森源之重大資產，董事會已無法再維持本集團對青海森源及內蒙古森源之控制權。基於上述原因，本公司董事認為，本集團不再有權行使其作為股東之權利，並因此失去其對青海森源及內蒙古森源之資產及經營之控制權，亦無法對青海森源及內蒙古森源之財務及經營決策行使控制權。因此，本公司董事認為，不宜將青海森源及內蒙古森源之財務報表綜合計入本集團之賬目內，故該兩間全資附屬公司自二零一零年起不再綜合入賬，並分類為已終止經營業務。

(iii) 不再將青海森源及內蒙古森源綜合入賬

本集團無法取得青海森源及內蒙古森源自二零一零年起之財務資料。本公司董事認為，二零一零年一月一日起，本集團失去其規管青海森源及內蒙古森源之財務及經營政策之控制權。因此，於二零一零年一月一日起，青海森源及內蒙古森源之財務資料不再綜合入賬。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

3. PRINCIPAL ACCOUNTING POLICIES

These unaudited consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2011. The accounting policies and methods of computation used in the preparation of these unaudited consolidated interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2011 with addition for the following amendments and interpretations (the “new HKFRSs”) issued by the HKICPA, which have become effective.

Amendments to HKFRS 7 Disclosures – Transfers of Financial Assets.

Amendments to HKAS12 Deferred Tax – Recovery of Underlying Assets.

The adoption of the new and revised HKFRSs had no material impact on the unaudited consolidated financial statements of the Group for the current and prior accounting period.

The Group has not early adopted the new and revised standards, amendments and interpretations that have been issued but are not yet effective.

The Group is in the process of assessing the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs will have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in change in the future as to how the results and financial position are prepared and presented.

3. 主要會計政策

此等未經審核綜合中期財務報表應與截至二零一一年十二月三十一日止年度之全年財務報表一併閱覽。編製有關未經審核綜合中期財務報表所採用之會計政策及計算方法與截至二零一一年十二月三十一日止年度之全年財務報表所採用者一致，並採納以下由香港會計師公會所頒佈之已生效修訂及詮釋（「新訂香港財務報告準則」）。

《香港財務報告準則》第7號（修訂本） 「披露－轉讓金融資產」

《香港會計準則》第12號（修訂本） 「遞延稅項－收回相關資產」

採納新訂及經修訂香港財務報告準則對本集團本期及過往會計期間之未經審核綜合財務報表並無重大影響。

本集團並無提早應用已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋。

本集團現正評估該等新訂香港財務報告準則之潛在影響，惟尚未能確定該等新訂香港財務報告準則會否對本集團編製及呈列其經營業績及財務狀況之方式構成重大影響。該等新訂香港財務報告準則可能導致日後編製及呈列業績及財務狀況之方式出現變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, represents net invoiced value of sales of oil and supply of electricity and heat attributable to the interests of the Group.

An analysis of the Group's revenue and other income are as follows:

4. 收益及其他收入

收益（亦為本集團之營業額）指本集團權益應佔之石油銷售及熱電供應之發票淨值。

本集團之收益及其他收入分析如下：

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至六月三十日止六個月	
		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Revenue	收益		
Sale of oil	石油銷售	89,279	51,932
Supply of electricity and heat	熱電供應	56,641	50,049
		145,920	101,981
Other income	其他收入		
Bank interest income	銀行利息收入	173	144
Sundry income	各項收入	166	148
Gain on disposals of property, plant and equipment	出售物業、廠房及設備之收益	26	182
Exchange gains, net	匯兌收益淨額	-	886
Government grants	政府補助	38,875	1,853
		39,240	3,213

5. SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the chief operating decision maker (i.e. the Board of Directors) for their decisions about resources allocation to the Group's business components and review of these components' performance. The business components in the internal reporting to the chief operating decision maker are determined following the Group's major product and service lines. The Group has identified the following reportable segments.

5. 分類資料

本集團已根據定期向主要營運決策者（即董事會）匯報以供決定分配資源至本集團業務分部及檢討該等分部表現之內部財務資料，確立其營運分類及編製分類資料。向主要營運決策者作出內部報告之業務分部，乃按照本集團主要產品及服務種類釐定。本集團已確立以下報告分類。

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財務報表附註

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

5. SEGMENT INFORMATION (Continued)

- (a) the Supply of Electricity and Heat segment represents the business of generation and supplying of electricity and heat; and
- (b) the Oil Production segment represents the business of oil production.

There was no inter-segment sale and transfer during the six months period ended 30 June 2012 (six months ended 30 June 2011: Nil).

The trading of carpets business was discontinued for the year ended 31 December 2011, the comparative information for this business for the six months ended 30 June 2011 was classified as discontinued operations.

5. 分類資料 (續)

- (a) 熱電供應分類，指熱電生產及供應業務；及
- (b) 生產石油分類，指生產石油業務。

於截至二零一二年六月三十日止六個月，並無分類間之出售及轉讓（截至二零一一年六月三十日止六個月：無）。

由於本集團已於截至二零一一年十二月三十一日止年度終止經營地毯買賣業務，因此有關該業務的二零一一年六月三十日止六個月比較資料已分類為已終止經營業務。

	Continuing operations 持續經營業務						Discontinued operations 已終止經營業務	
	Supply of Electricity and Heat 熱電供應 (Unaudited) (未經審核) Six months ended 30 June 截至六月三十日止六個月		Oil Production 生產石油 (Unaudited) (未經審核) Six months ended 30 June 截至六月三十日止六個月		Total 總計 (Unaudited) (未經審核) Six months ended 30 June 截至六月三十日止六個月		Trading of Carpets 買賣地毯 (Unaudited) (未經審核) Six months ended 30 June 截至六月三十日止六個月	
	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Reportable segment revenue:	報告分類收益：							
From external customers	56,641	50,049	89,279	51,932	145,920	101,981	-	-
Reportable segment (loss)/profit	(474)	(7,799)	8,863	7,934	8,389	135	-	(1,045)
Bank interest income	131	91	42	51	173	142	-	-
Depreciation	14,478	13,602	9,655	7,040	24,133	20,642	-	3
Amortisation of prepaid land lease payments	339	328	-	-	339	328	-	-
Amortisation of intangible assets	3,343	8,092	9,678	8,016	13,021	16,108	-	-
Reportable segment assets	686,253	759,173	2,409,527	2,349,619	3,095,780	3,108,792	-	326
Additions to non-current segment assets during the period	704	36	18,773	14,538	19,477	14,574	-	-
Reportable segment liabilities	91,070	134,712	658,040	613,095	749,110	747,807	-	5

NOTES TO THE FINANCIAL STATEMENTS

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

5. SEGMENT INFORMATION (Continued)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

5. 分類資料 (續)

就本集團營運分類所呈列之總金額與財務報表中呈列之本集團主要財務數字之對賬如下：

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至六月三十日止六個月	
		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Continuing operations:	持續經營業務：		
Reportable segment profit	報告分類溢利	8,389	135
Finance costs	財務成本	(3,077)	(5,402)
Other unallocated income	其他未分配收入	-	2
Other unallocated expenses	其他未分配開支	(5,066)	(8,070)
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	246	(13,335)
Discontinued operations:	已終止經營業務：		
Loss before income tax for discontinued operations	已終止經營業務之 除所得稅前虧損	-	(1,045)
		(Unaudited) (未經審核)	(Audited) (經審核)
		30 June 2012 HK\$'000 二零一二年 六月三十日 千港元	31 December 2011 HK\$'000 二零一一年 十二月三十一日 千港元
Reportable segment assets	報告分類資產	3,095,780	3,138,471
Property, plant and equipment	物業、廠房及設備	263	316
Cash at banks and in hand	銀行結存及手頭現金	6,023	5,599
Other corporate assets	其他企業資產	1,216	1,328
Group assets	本集團資產	3,103,282	3,145,714
Reportable segment liabilities	報告分類負債	749,110	799,303
Convertible bonds	可換股債券	15,623	14,484
Promissory notes	本票	29,961	28,707
Other corporate liabilities	其他公司負債	37,600	37,400
Group liabilities	本集團負債	832,294	879,894

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財務報表附註

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

6. FINANCE COSTS

6. 財務成本

(Unaudited)

(未經審核)

Six months ended 30 June

截至六月三十日止六個月

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Interest on bank and other borrowings due within five years	五年內到期之銀行及其他借款利息	2,821	3,105
Imputed interest on promissory notes (note 16)	本票之推算利息(附註16)	1,254	1,262
Imputed interest on convertible bonds	可換股債券之推算利息	1,138	1,035
Bank charge	銀行手續費	8	-
		5,221	5,402

7. PROFIT/(LOSS) BEFORE INCOME TAX

7. 除所得稅前溢利/(虧損)

Profit/(loss) before income tax is arrived at after charging the following:

除所得稅前溢利/(虧損)已扣除以下各項:

		(Unaudited) (未經審核)		(Unaudited) (未經審核)		(Unaudited) (未經審核)	
		Continuing operations 持續經營業務	Discontinued operations 已終止經營業務	Continuing operations 持續經營業務	Discontinued operations 已終止經營業務	Consolidated 綜合	Consolidated 綜合
		Six months ended 30 June 截至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	Six months ended 30 June 截至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	Six months ended 30 June 截至六月三十日止六個月	Six months ended 30 June 截至六月三十日止六個月
		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Charging:	扣除:						
Cost of inventories recognised as expense	確認為開支之存貨成本	61,792	19,434	-	-	61,792	19,434
Depreciation*	折舊*	24,185	20,695	-	3	24,185	20,698
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	339	328	-	-	339	328
Amortisation of intangible assets**	無形資產攤銷**	13,022	16,108	-	-	13,022	16,108
Operating lease charges on land and buildings	土地及樓宇之經營租約費用	1,108	1,551	-	345	1,108	1,896
Staff costs, including directors' emoluments	員工成本, 包括董事酬金	11,905	11,096	-	611	11,905	11,707
Loss on early redemption of promissory notes (note 16)**	提早贖回本票之虧損(附註16)**	-	2,383	-	-	-	2,383

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

7. PROFIT/(LOSS) BEFORE INCOME TAX (Continued)

* Depreciation expenses of approximately HK\$22,042,000 (six months ended 30 June 2011: HK\$18,561,000) and approximately HK\$2,143,000 (six months ended 30 June 2011: HK\$2,137,000) were included in cost of sales and administrative expenses respectively.

** These items included in "Other operating expenses" on the face of the consolidated income statement.

8. INCOME TAX EXPENSE/(CREDIT)

No Hong Kong profits tax has been provided as the Group had no estimated assessable profits arising in or derived from Hong Kong for both periods.

7. 除所得稅前溢利／（虧損） （續）

* 折舊開支約22,042,000港元（截至二零一一年六月三十日止六個月：18,561,000港元）及約2,143,000港元（截至二零一一年六月三十日止六個月：2,137,000港元）已分別計入銷售成本及行政開支。

** 該等項目計入綜合損益表之「其他經營開支」

8. 所得稅開支／（計入）

由於本集團於兩段期間均無在香港產生或源自香港之估計應課稅溢利，故並無就香港利得稅作出撥備。

(Unaudited)
(未經審核)

Six months ended 30 June
截至六月三十日止六個月

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Current tax – the PRC	當期稅項－中國	3,018	80
Deferred tax – the PRC	遞延稅項－中國	267	(1,117)
Income tax expense/(credit)	所得稅開支／（計入）	3,285	(1,037)

Income tax of subsidiaries of the Company in the PRC, is subject to PRC enterprise income tax at the tax rate of 25% for the six months ended 30 June 2012.

截至二零一二年六月三十日止六個月，本公司中國附屬公司須按25%之稅率繳納中國企業所得稅。

9. DIVIDEND

The Board does not recommend any payment of interim dividend for the six months ended 30 June 2012 (six months ended 30 June 2011: Nil)

9. 股息

董事會不建議就截至二零一二年六月三十日止六個月派付任何中期股息（截至二零一一年六月三十日止六個月：無）。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

10. DISCONTINUED OPERATIONS

The trading of carpets business for the period ended 30 June 2011 is presented as discontinued operations in accordance with HKFRS 5.

An analysis of the results of the discontinued operations included in the unaudited consolidated income statement was as follows:

10. 已終止經營業務

截至二零一一年六月三十日止期間內之買賣地毯業務已根據香港財務報告準則第五號呈列為已終止經營業務。

載列於未經審核綜合損益表之已終止經營業務之業績分析如下：

		(Unaudited) (未經審核) Six months ended 30 June 2011 截至 二零一一年 六月三十日 止六個月 Trading of carpets 買賣地毯 HK\$'000 千港元
Revenue	收益	-
Other income	其他收入	-
Expenses	開支	(1,045)
		(1,045)
Income tax expense	所得稅開支	-
Loss for the period from discontinued operations	已終止經營業務之本期間虧損	(1,045)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

11. LOSS PER SHARE

The calculations of basic losses per share attributable to the owners of the Company are based on the following data:

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Loss	虧損		
Loss for the period attributable to the owners of the Company from continuing operations for the purpose of basic loss per share	用以計算每股基本虧損之本公司擁有人應佔本期間來自持續經營業務之虧損	(3,170)	8,954
Loss for the period attributable to the owners of the Company from discontinued operations for the purpose of basic loss per share	用以計算每股基本虧損之本公司擁有人應佔本期間來自已終止經營業務之虧損	-	1,045
Loss for the period attributable to the owners of the Company for the purpose of basic loss per share	用以計算每股基本虧損之本公司擁有人應佔本期間虧損	(3,170)	9,999

11. 每股虧損

本公司擁有人應佔每股基本虧損乃根據以下數據計算：

(Unaudited)
(未經審核)
Six months ended 30 June
截至六月三十日止六個月

		2012 '000 二零一二年 千股	2011 '000 二零一一年 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	用以計算每股基本虧損之普通股加權平均數	20,068,665	13,462,586

(Unaudited)
(未經審核)
Six months ended 30 June
截至六月三十日止六個月

No diluted loss per share for the six months ended 30 June 2012 and 2011 was presented as the potential ordinary shares on convertible bonds were anti-dilutive.

由於可換股債券之潛在普通股具反攤薄效應，故並無呈列截至二零一二年及二零一一年六月三十日止六個月之每股攤薄虧損。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2012, the Group acquired property, plant and equipment at cost HK\$19,477,000 (2011: HK\$14,577,000).

13. TRADE RECEIVABLES

The Group normally allows trading credit terms ranging from 30 to 90 days to its established customers. Each customer has a maximum credit limit. Trade debtors with balances aged over 90 days are required to settle all outstanding balances before any further credit is granted. In view of this, there is no significant concentration of credit risk. Trade receivables are non-interest bearing.

Ageing analysis of trade receivables, based on the invoice date, is as follows:

1 – 90 days	1 – 90日
91 – 365 days	91 – 365日

At 30 June 2012 and 31 December 2011, there were no trade receivables that were individually determined to be impaired. The Group did not hold any collateral over these balances.

12. 物業、廠房及設備

截至二零一二年六月三十日止六個月，本集團收購物業、廠房及設備的成本為19,477,000港元（二零一一年：14,577,000港元）。

13. 應收貿易賬項

本集團一般給予已建立關係之客戶30至90日之貿易信貸期。每個客戶設有信貸上限。賬齡為90日以上之應收貿易賬項結餘，須於獲授任何進一步信貸前清還所有未償還結餘。因此並無重大信貸集中風險。應收貿易賬項並不計息。

應收貿易賬項根據發票日期之賬齡分析如下：

(Unaudited) (未經審核)	(Audited) (經審核)
30 June 2012 HK\$'000 二零一二年 六月三十日 千港元	31 December 2011 HK\$'000 二零一一年 十二月三十一日 千港元
47,854	31,326
6,578	-
54,432	31,326

於二零一二年六月三十日及二零一一年十二月三十一日，並無應收貿易賬項個別被釐定為已減值。本集團並無就該等結餘持有任何抵押品。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

14. TRADE PAYABLES

Trade payables are non-interest bearing and are normally settled on 60-day terms.

Ageing analysis of trade payables, based on the invoice date, is as follows:

14. 應付貿易賬項

應付貿易賬項為免息及通常於60日內結算。

應付貿易賬項根據發票日期之賬齡分析如下：

		(Unaudited) (未經審核) 30 June 2012 HK\$'000 二零一二年 六月三十日 千港元	(Audited) (經審核) 31 December 2011 HK\$'000 二零一一年 十二月三十一日 千港元
1 – 90 days	1 – 90日	7,475	6,436
91 – 365 days	91 – 365日	7,580	3,381
Over 1 year	一年以上	5,876	2,200
		20,931	12,017

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

15. OTHER BORROWINGS

As at 30 June 2012 and 31 December 2011, all borrowings were obtained from the independent third parties and are analysed as follows:

	(Unaudited) (未經審核) 30 June 2012 HK\$'000 二零一二年 六月三十日 千港元	(Audited) (經審核) 31 December 2011 HK\$'000 二零一一年 十二月三十一日 千港元
Repayable on demand or within one year	按要求償還或一年內償還	
Loan B, unsecured	貸款B·無抵押	2,196
Loan D, unsecured	貸款D·無抵押	-
	37,149	
	37,149	2,196
Repayable after 1 year but within 5 years	一年後但五年內償還	
Loan D, unsecured	貸款D·無抵押	36,464
Loans F and G, unsecured	貸款F及G·無抵押	42,692
Loan H, unsecured	貸款H·無抵押	3,107
Loan I, unsecured	貸款I·無抵押	1,220
Loans J, K, L and M, unsecured	貸款J·K·L及M·無抵押	30,169
	15,932	
	52,751	113,652

Loan B bears the interest at the rate of 24% per annum and repayable on demand.

Loan D bears the interest at the rate of 3% per annum and repayable in January 2013.

Loans F and G are interest-free and repayable in January 2014.

Loan H is interest-free and repayable by instalment of RMB200,000 per month from July 2013.

Loan I is interest-free and repayable in July 2013.

Loans J, K, L and M are interest-free and repayable in July 2013.

15. 其他借款

於二零一二年六月三十日及二零一一年十二月三十一日，所有借款均來自獨立第三方，分析如下：

貸款B按年利率24%計息及須按要償還。

貸款D按年利率3%計息及須於二零一三年一月償還。

貸款F及G為免息及須於二零一四年一月償還。

貸款H為免息及須自二零一三年七月起按每月人民幣200,000元分期償還。

貸款I為免息及須於二零一三年七月償還。

貸款J·K·L及M為免息及須於二零一三年七月償還。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

16. PROMISSORY NOTES

The promissory notes with a principal amount of HK\$50,000,000 are unsecured, interest bearing at 2% per annum. The fair value at the date of issue amounting to HK\$43,854,000 was calculated at the discounted borrowing rate of 8.99% per annum.

During the six months ended 30 June 2011, the promissory notes of HK\$20,000,000 were early redeemed and a loss on early redemption of promissory notes of approximately HK\$2,383,000 have been included in "Other operating expenses".

Movement of promissory notes is as follows:

At the beginning of the period/year	於期／年初
Imputed interest on promissory notes (note 6)	本票之推算利息(附註6)
Redemption of promissory notes	贖回本票
At the end of the period/year	於期／年末

In December 2011, both the Group and the promissory notes holder agreed to extend the maturity date of promissory notes to 1 July 2013.

16. 本票

本金額50,000,000港元之本票為無抵押、以年利率2%計息。於發行日期之公平值43,854,000港元乃按貼現借款年利率8.99%計算。

截至二零一一年六月三十日止六個月，20,000,000港元之本票已提早贖回，提早贖回本票之虧損約2,383,000港元亦已計入「其他經營開支」。

本票之變動如下：

(Unaudited) (未經審核)	(Audited) (經審核)
30 June 2012	31 December 2011
HK\$'000	HK\$'000
二零一二年 六月三十日	二零一一年 十二月三十一日
千港元	千港元
28,707	43,865
1,254	2,459
-	(17,617)
29,961	28,707

於二零一一年十二月，本集團及本票持有人兩者均同意延遲本票到期日至二零一三年七月一日。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

17. SHARE CAPITAL

During the period ended 30 June 2012, 240,000,000 new ordinary shares in aggregate were issued, at conversion price of HK\$0.08 per share to the bondholders upon conversion of convertible bonds. As a result, there was an increase in share capital and share premium of HK\$2,400,000 and HK\$10,083,000, respectively.

18. OPERATING LEASE COMMITMENTS

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

Within one year	一年內
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)
After five years	五年後

The Group leases certain leasehold land and buildings under operating leases. The leases run for an initial period of two to thirteen years, with an option to renew the lease and renegotiate the terms at expiry date or at dates as mutually agreed between the Group and respective landlords/lessors. None of the leases include contingent rentals.

17. 股本

截至二零一二年六月三十日止期間，本公司於可換股債券進行兌換時按每股兌換價0.08港元向債券持有人發行合共240,000,000股新普通股。因此，其股本及股份溢價分別增加2,400,000港元及10,083,000港元。

18. 經營租約承擔

於二零一二年六月三十日，本集團於下列年期內屆滿之不可撤銷經營租約之未來最少租賃付款總額如下：

(Unaudited) (未經審核)	(Audited) (經審核)
30 June 2012	31 December 2011
HK\$'000	HK\$'000
二零一二年 六月三十日	二零一一年 十二月三十一日
千港元	千港元
2,924	1,876
1,839	970
1,082	1,166
5,845	4,012

本集團根據經營租約租用若干租賃土地及樓宇。該等租約初步為期兩至十三年，可於到期日或本集團與有關業主／出租人共同商定之日期選擇續租及重訂租約條款。該等租約不包括或然租金。

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財務報表附註

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

19. CAPITAL AND OTHER COMMITMENTS

19. 資本及其他承擔

		(Unaudited) (未經審核) 30 June 2012 HK\$'000 二零一二年 六月三十日 千港元	(Audited) (經審核) 31 December 2011 HK\$'000 二零一一年 十二月三十一日 千港元
Capital commitments: Contracted but not provided for in respect of equipment	資本承擔： 已訂約但未就設備計提撥備	6,336	3,038
Other commitments: Contracted but not provided for in respect of administrative fee and training fee	其他承擔： 已訂約但未就管理費及培訓費 計提撥備	60,459	58,321
		66,795	61,359

20. RELATED PARTY TRANSACTIONS

20. 關連人士交易

Save as disclosed elsewhere in unaudited consolidated interim financial statements, the Group had the following material transactions with related parties during the period:

除未經審核綜合中期財務報表他處所披露者外，本集團期內與關連人士進行之重大交易如下：

Compensation of key management personnel

主要管理人員之補償

		(Unaudited) (未經審核) Six months ended 30 June 截至六月三十日止六個月	2011 HK\$'000 二零一一年 千港元
Total remuneration of directors and other members of key management during the period	期內董事及其他 主要管理人員之 薪酬總額	393	1,232

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

21. LITIGATION

Tarim Basin

In September 2009, an independent party (the "Plaintiff") undertook a legal action against and filed a claim to a group of three parties. These three parties are referred to as the "First Defendant", the "Second Defendant" (i.e. China Era Energy Power Investment Limited ("China Era")) and the "Third Defendant" (collectively referred to as the "Defendants"). The First Defendant was an ex-director of China Era and the Third Defendant was a related company of First Defendant as the First Defendant was a director of both China Era and the Third Defendant at that time.

Based on the statement of claims, the Plaintiff alleged that China Era entered into an agreement in May 2007 with the Plaintiff relating to a production sharing agreement for an exploration and exploitation project that related to an oilfield located at the North and South Kashi Blocks on Tarim Basin in Xinjiang, the PRC. The Plaintiff further alleged that a tender was submitted in June 2007 for the North and South Kashi Blocks on Tarim Basin (the "Tender") but was rejected by PetroChina Company Limited for political reason only. The contract for the North Kashi Block on Tarim Basin was subsequently awarded to the Third Defendant in December 2008 (the "Kashi Contract"). The Plaintiff alleged that the Tender contained confidential information beneficially belonging to the Plaintiff which was disclosed by China Era to the Third Defendant to secure the Kashi Contract to the exclusion of the Plaintiff, in breach of its duty of confidence and/or fiduciary duties owed to the Plaintiff.

The Defendants filed defence on 14 December 2009 where the Defendants denied the claim made by the Plaintiff.

On 20 December 2011, the Plaintiff and the Defendants entered into a settlement agreement in which the Defendants agreed to pay a settlement sum of US\$1,800,000 (approximately HK\$14,040,000) to the Plaintiff and the Plaintiff agreed to discontinue the claim by filing a consent order to the Court after receiving the settlement sum. Accordingly, the indemnification assets of HK\$14,040,000 and the provision for legal claims of HK\$14,040,000 have been reversed in the six months period ended 30 June 2012.

21. 訴訟

塔里木盆地

於二零零九年九月，一名獨立方（「原告」）對三方採取法律行動，並提出申索。有關三方稱為「第一被告」、「第二被告」（即中國年代能源投資有限公司（「中國年代」）及「第三被告」（統稱為「被告」）。第一被告為中國年代之一名前董事，而因第一被告當時為中國年代及第三被告之董事，因此第三被告為第一被告之一間關連公司。

根據申索陳述書，原告指稱中國年代於二零零七年五月與原告訂立一項協議，內容有關就位於中國新疆塔里木盆地之喀什北區塊及南區塊之油田而訂立之一項關於勘探及開採項目之生產分成協議。原告進一步指稱於二零零七年六月就塔里木盆地之喀什北區塊及南區塊呈交標書（「標書」），惟僅因政治理由而被中國石油天然氣股份有限公司拒絕受理。隨後塔里木盆地之喀什北區塊合約於二零零八年十二月贈予第三被告（「喀什合約」）。原告指稱標書載有原告實益擁有之機密資料，而中國年代向第三被告披露該等機密資料，以在排除原告之情況下取得喀什合約，違反對原告之保密責任及／或受信責任。

被告已於二零零九年十二月十四日提交抗辯書，被告在其中否認原告所作出之申索。

於二零一一年十二月二十日，原告及被告人訂立和解協議，其中被告人同意向原告支付和解費為1,800,000美元（約14,040,000港元），而原告同意於收取和解費後終止入稟法院索償。因此，彌償資產14,040,000港元及法律索償撥備14,040,000港元已於截至二零一二年六月三十日六個月期間撥回。

MANAGEMENT DISCUSSION AND ANALYSIS

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BUSINESS REVIEW AND OUTLOOK

For the six months ended 30 June 2012 (the "Period"), the Group's revenue was approximately HK\$146 million (six months ended 30 June 2011: HK\$102 million). The Group's revenue is mainly contributed from the supply of electricity and heat segment and oil production segment.

The loss for the period ended 30 June 2012 was approximately HK\$3 million (six months ended 30 June 2011: HK\$13 million). The loss of the Group was substantially decreased by approximately HK\$10 million as compared to the corresponding period of last year due to increase in government grants in the supply of electricity and heat segment business and tight cost control leading to the decrease in administration expenses.

Electricity and heat business

For the six months ended 30 June 2012, Shanxi Zhong Kai Group Lingshi Heat and Power Company Limited ("Shanxi Zhong Kai Lingshi"), in which the Company owns a 60% equity interest, generated turnover of approximately HK\$57 million (six months ended 30 June 2011: HK\$50 million), an increase of approximately 14% as compared to the same period last year. The increase in turnover was mainly due to the carry over effect of the upward tariff adjustments as announced by the National Development and Reform Commission in the months of June and December 2011.

Shanxi Zhong Kai Lingshi recorded a loss of approximately HK\$0.5 million (six months ended 30 June 2011: HK\$8 million). The decrease in loss was mainly due to the increase in revenue as a result of the carry over effect of the electricity tariff adjustments in the months of June and December 2011.

In the first half of 2012, Shanxi Zhong Kai Lingshi focused on improving operational efficiency and strengthening its environmental protection facilities. During the period under review, it commenced the construction work of sewage treatment with an aim of achieving zero-emissions.

Finance costs decreased from HK\$2.5 million in the first half of 2011 to HK\$1 million in the first half of 2012. It was mainly due to the repayment and assignment of interest-bearing borrowings during 2011 and the first half of 2012. In the first quarter of 2012, a bank loan in the amount of RMB10 million was unconditionally assigned to a non-controlling shareholder. The loan was waived by the non-controlling shareholder and then credited to capital reserves in equity accordingly.

業務回顧及展望

於截至二零一二年六月三十日止六個月（「本期間」），本集團之收益約為146,000,000港元（截至二零一一年六月三十日止六個月：102,000,000港元）。本集團之收益主要來自熱電供應分類及生產石油分類。

截至二零一二年六月三十日止期間之虧損約為3,000,000港元（截至二零一一年六月三十日止六個月：13,000,000港元）。與去年同期比較，本集團的虧損大幅減少約10,000,000港元，此乃由於熱電供應分類業務所獲政府補助增加，以及嚴謹控制成本導致行政開支減少所致。

發電及供熱業務

截至二零一二年六月三十日止六個月，山西中凱集團靈石熱電有限公司（「山西中凱靈石」，本公司擁有其60%股權）錄得營業額約57,000,000港元（截至二零一一年六月三十日止六個月：50,000,000港元），較去年同期增加約14%。營業額增加主要由於國家發展和改革委員會於二零一一年六月及十二月宣佈電費上調之滾存效應所致。

山西中凱靈石錄得虧損約500,000港元（截至二零一一年六月三十日止六個月：8,000,000港元）。虧損減少主要由於二零一一年六月及十二月電價調整之滾存效應以致收益增加所致。

於二零一二年上半年，山西中凱靈石專注於改善營運效率及加強環境保護設施。於回顧期間，山西中凱靈石已展開污水處理之建築工程，以達至零排放之目標。

財務成本由二零一一年上半年的2,500,000港元下降至二零一二年上半年的1,000,000港元，主要由於二零一一年及二零一二年上半年的計息借款還款及轉讓所致。於二零一二年第一季，人民幣10,000,000元之銀行貸款無條件轉讓予一名非控股股東。貸款獲該名非控股股東豁免，及後相應計入權益項下之資本儲備內。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In the remainder of 2012, we strive to renew the heat supply contract with the Central Heat Transmit Station of Lingshi County, the local government authority, for the new winter season this year. The management will review our collaboration with the Central Heat Transmit Station of Lingshi County for the heat supply services to ensure that our heat supply business remains cost effective and commercially sound.

Due to the global economic crisis, the Chinese economy showed signs of slowdown during the first half of 2012. This unfavorable economic climate will create a challenging operating environment for our electricity and heat business. Going forward, we remain cautious about the prevailing uncertain economic condition. The management will continue to take measures to improve productivity in order to mitigate the impact of the unfavorable economic conditions.

Oil business

In 2012, the global economy continues to show signs of volatility as concerns over the sovereign debt crisis in Europe, linger and a spate of mixed economic data points to slowing recovery in the United States. Despite of numerous uncertainties including the fluctuations of United States dollars and regional political uncertainties especially in Northern Africa and speculative activities, the PRC's economy is expected to maintain a stable growth and demand in crude oil and refined products markets is expected to rise accordingly.

The results of operations and costs incurred in oil business are detailed below. The management expect that the oil business will continue to generate revenue and contribute profit to the Group in the second half of 2012.

(a) Results of operations

		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Net sales to customers	對客戶銷售淨額	89,279	51,932
Other income	其他收入	42	937
Operating expenses	經營開支	(57,071)	(18,514)
Depreciation	折舊	(9,655)	(15,056)
Special petroleum revenue tax	石油特別收益金	(13,732)	(11,365)
Result of operations before income tax expenses	除所得稅前經營業績	8,863	7,934

在二零一二年餘下時間，於今年冬季，我們致力與當地政府機關靈石縣城市集中供熱總站重續供熱合約。管理層將審閱我們與靈石縣城市集中供熱總站就供熱服務之合作，以確保我們的供熱業務保持成本效益及有利可圖。

由於全球經濟危機，中國於二零一二年上半年出現經濟下滑的跡象。經濟氣候不景，以致本集團發電及供熱業務之營運環境越見艱難。展望將來，對於現時不明確的經濟情況，我們保持審慎的態度。管理層將繼續採取措施提升產能，以紓緩不利經濟情況所帶來之影響。

石油業務

於二零一二年，由於對歐洲主權債務危機之憂慮繼續盤桓，經濟數據好壞爭持顯示美國復甦步伐緩慢，種種跡象顯示全球經濟將繼續波動。儘管存在大量不明朗因素，如美元波動及區域政治不穩定（尤其是北非）及投機活動，預期中國經濟將維持穩定增長，預期將推動原油及精煉石油產品市場需求之增長。

石油業務之經營業績及所涉之成本詳列如下。管理層預期石油業務於二零一二年下半年將繼續為本集團帶來收益及溢利貢獻。

(a) 經營業績

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至六月三十日止六個月	
		2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Net sales to customers	對客戶銷售淨額	89,279	51,932
Other income	其他收入	42	937
Operating expenses	經營開支	(57,071)	(18,514)
Depreciation	折舊	(9,655)	(15,056)
Special petroleum revenue tax	石油特別收益金	(13,732)	(11,365)
Result of operations before income tax expenses	除所得稅前經營業績	8,863	7,934

MANAGEMENT DISCUSSION AND ANALYSIS

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(b) Costs incurred in oil exploration and development

Exploration costs	勘探成本
Development costs	開發成本
Total costs incurred	所涉成本總額

(b) 勘探及開發石油所涉之成本

(Unaudited)

(未經審核)

Six months ended 30 June

截至六月三十日止六個月

2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
–	–
12,150	13,038
12,150	13,038

In the coming year, the Group will continue exploration and production activities, aiming to increase its production capacity and reserves. On the other hand, the Group will also continue to improve extraction techniques in order to increase the overall efficiency. The Group will continue to place great emphasis on its scientific and geological researches, increase efforts to make breakthroughs on key techniques, strengthen the meticulous exploration of mature oil field, actively push forward venture exploration in oil field.

The production wells drilled in last year begin to contribute to the revenue generation. The revenue for current period amounted to HK\$89 million, an increase of 72% compared to same period in last year.

In the meantime, various measures will be deployed for the maintenance of wells in the oil field, including stabilizing and controlling the production rate of aged wells, and implementing the maintenance project for water injections wells.

FUTURE PLAN AND PROSPECTS

The management believes that the businesses of electricity and heat and oil production will strengthen the Company and creates the value for our shareholders. The management will continue to maximize value from inherent potential of the Group's existing assets.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2012, the net assets value of the Group is approximately HK\$2,271 million (31 December 2011: HK\$2,266 million) and the total cash and bank balance is approximately HK\$76 million (31 December 2011: HK\$97 million). As at 30 June 2012, the Group had total current assets of approximately HK\$184 million (31 December 2011: HK\$197 million) and total current liabilities of approximately HK\$215 million (31 December 2011: HK\$206 million).

未來一年，本集團將繼續進行勘探及生產活動，力求提高產量及儲量。另一方面，本集團將繼續改良提取技術，務求提高整體產量。本集團將繼續專注於科學及地質研究，加倍努力取得關鍵技術突破，強化老區精細挖潛，大力推進油田之風險勘探。

去年鑽探的生產井開始貢獻收益。本期間錄得收益89,000,000港元，較去年同期增加72%。

同時，本集團將部署各項措施維護油田之油井，包括穩定及控制舊井之生產率以及實施注水井維護工程。

未來規劃及展望

管理層相信發電及供熱業務與石油生產業務將強化本公司，並為本公司股東創造價值。管理層將繼續發掘其現有資產的內在潛力，以期達致最高價值。

流動資金及財務資源

於二零一二年六月三十日，本集團之資產淨值約為2,271,000,000港元（二零一一年十二月三十一日：2,266,000,000港元），而現金及銀行結餘總額則約為76,000,000港元（二零一一年十二月三十一日：97,000,000港元）。於二零一二年六月三十日，本集團之流動資產總值約為184,000,000港元（二零一一年十二月三十一日：197,000,000港元），而流動負債總額則約為215,000,000港元（二零一一年十二月三十一日：206,000,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CURRENT AND GEARING RATIO

As at 30 June 2012, the Group had total assets of approximately HK\$3,103 million (31 December 2011: HK\$3,146 million), total liabilities of approximately HK\$832 million (31 December 2011: HK\$880 million), indicating a gearing ratio of 0.27 (31 December 2011: 0.28) on the basis of total liabilities over total assets. The current ratio of the Group for the Period was 0.86 (31 December 2011: 0.96).

FOREIGN CURRENCY EXPOSURE

The Group's sales and purchases are denominated in Renminbi and United States dollars. The Group does not use derivative financial instruments to hedge its foreign currency risk. The Group reviews its foreign currency exposures regularly and does not consider its foreign exchange risk to be significant.

CHARGES ON ASSETS

As at 30 June 2012, the Group did not have interest-bearing bank borrowings (31 December 2011: HK\$12 million) and had pledged bank deposits of approximately HK\$1 million (31 December 2011: HK\$1 million).

CONTINGENT LIABILITIES

As at 30 June 2012, the Group did not have any significant contingent liabilities (31 December 2011: Nil).

EMPLOYEE INFORMATION

As at 30 June 2012, the Group employed approximately 390 full-time employees (As at 30 June 2011: 436). The Group's emolument policies are formulated on the performance of individual employees and are reviewed annually in line with industry practice. The Group also provides provident fund schemes (as the case may be) to its employees depending on the location of such employees.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2012 (six months ended 30 June 2011: Nil).

流動比率及資本負債比率

於二零一二年六月三十日，本集團之資產總值約為3,103,000,000港元（二零一一年十二月三十一日：3,146,000,000港元），負債總額約為832,000,000港元（二零一一年十二月三十一日：880,000,000港元），按負債總額除資產總值計算，資本負債比率為0.27（二零一一年十二月三十一日：0.28）。本期間本集團之流動比率為0.86（二零一一年十二月三十一日：0.96）。

外匯風險

本集團之買賣以人民幣及美元計值。本集團並無使用衍生財務工具對沖其外匯風險。本集團定期檢討其外匯風險，目前認為本集團並無承受重大匯兌風險。

資產抵押

於二零一二年六月三十日，本集團無計息銀行借款（二零一一年十二月三十一日：12,000,000港元），已抵押銀行存款約為1,000,000港元（二零一一年十二月三十一日：1,000,000港元）。

或然負債

於二零一二年六月三十日，本集團概無任何重大或然負債（二零一一年十二月三十一日：無）。

僱員資料

於二零一二年六月三十日，本集團僱用約390名全職僱員（二零一一年六月三十日：436名）。本集團之薪酬政策按個別僱員表現而釐定，並每年檢討以便與業界慣例相符。此外，本集團亦按該等僱員之工作地點向僱員提供公積金計劃（按情況而定）。

中期股息

董事會不建議就截至二零一二年六月三十日止六個月派付中期股息（截至二零一一年六月三十日止六個月：無）。

OTHER INFORMATION

其他資料

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

At 30 June 2012, none of the Directors or chief executive of the Company and their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO") (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

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

As at 30 June 2012, so far as is known to the directors or chief executives of the Company, the following persons (other than a director or chief executive of the Company) had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholders 股東姓名	Nature of interest 財務性質	Interest in Shares 股份權益	Interest in underlying Shares 於相關股份之權益	Aggregate interest 總權益	Approximate percentage [#] 概約百分比 [#]	Notes 附註
Mr. Liu Ran 劉然先生	Interest of controlled corporation 受控制法團權益	3,078,000,000	12,932,000,000	16,010,000,000	116.67%	1
Giant Crystal Limited 鉅晶有限公司	Beneficial owner 實質擁有人	3,078,000,000	12,932,000,000	16,010,000,000	116.67%	1
Ms. Ho Mee Kuen Karen 何美娟女士	Interest of controlled corporation 受控制法團權益	807,302,000	-	807,302,000	5.99%	2
Maycrown Capital Limited 美冠資本有限公司	Beneficial owner 實質擁有人	807,302,000	-	807,302,000	5.99%	2

[#] Percentage which the aggregate long position in the Shares or underlying Shares represents to the issued share capital of the Company of 13,722,665,354 Shares as at 30 June 2012

董事於股份、相關股份及債券之權益及淡倉

於二零一二年六月三十日，本公司董事或主要行政人員及彼等之聯繫人概無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）之任何股份、相關股份及債券中擁有任何已根據證券及期貨條例第XV部第7及8分部通知本公司及聯交所（包括根據證券及期貨條例之該等條文當作或視為擁有之權益及淡倉），或須根據證券及期貨條例第352條規定於該規定所指之由本公司存置之登記冊記錄，或須根據上市發行人董事進行證券交易的標準守則（「標準守則」）通知本公司及聯交所之權益或淡倉。

主要股東於本公司股份及相關股份之權益及淡倉

於二零一二年六月三十日，就本公司董事或主要行政人員所知，除本公司董事或主要行政人員外，以下人士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條須予備存之登記冊中記錄之權益或淡倉：

[#] 於股份或相關股份之好倉總額佔本公司於二零一二年六月三十日之已發行股本13,722,665,354股股份之百分比

OTHER INFORMATION

其他資料

Notes:

1. Giant Crystal Limited is a company incorporated under the laws of the British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Liu Ran. Mr. Liu Ran therefore deemed to be interested in 3,078,000,000 shares and 12,932,000,000 underlying shares held by Giant Crystal Limited.

12,932,000,000 underlying Shares consist of shares to be issued upon the conversion of (i) the outstanding Tranche 1 Bonds (as defined in the circular of the Company dated 11 October 2010) (which, based on the conversion price of HK\$0.08 per Share, can be converted into 6,346,000,000 Shares); and (ii) the Tranche 2 Bonds (as defined in the circular of the Company dated 11 October 2010) (which, based on the conversion price of HK\$0.08 per Share, can be converted into 6,586,000,000 Shares). However, the Tranche 2 Bonds has not been issued. Please refer to the Company's circular dated 11 October 2010 for details of the principal terms of the Tranche 1 Bonds and the Tranche 2 Bonds.

2. Maycrown Capital Limited is a company incorporated under the laws of the British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Ms. Ho Mee Kuen Karen. Ms. Ho Mee Kuen Karen therefore deemed to be interested in 807,302,000 shares held by Maycrown Capital Limited.

All the interests stated above represent long positions in the ordinary Shares of the Company. As at 30 June 2012, no short positions were recorded in the register maintained by the Company under section 336 of the SFO.

Save as disclosed above, as far as the Directors are aware, no other person had an interest or short position in the Company's shares or underlying shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

附註:

1. 鉅晶有限公司為一間根據英屬處女群島法律註冊成立之公司，其全部已發行股本由劉燃先生合法實質擁有。因此，劉燃先生被視為擁有鉅晶有限公司所持有之3,078,000,000股股份及12,932,000,000股相關股份之權益。

該12,932,000,000股相關股份包括於轉換下列債券時發行之股份：(i)尚未行使之第一批債券（定義見本公司日期為二零一零年十月十一日之通函）（按轉換價每股0.08港元計算，可兌換為6,346,000,000股股份）；及(ii)第二批債券（定義見本公司日期為二零一零年十月十一日之通函）（按轉換價每股0.08港元計算，可兌換為6,586,000,000股股份）。然而，第二批債券尚未發行。有關第一批債券及第二批債券之主要條款之詳情，請參閱本公司日期為二零一零年十月十一日之通函。

2. 美冠資本有限公司為一間根據英屬處女群島法律註冊成立之公司，其全部已發行股本由何美娟女士合法實質擁有。因此，何美娟女士被視為擁有美冠資本有限公司所持有之807,302,000股股份之權益。

上述所有權益代表於本公司普通股之好倉。於二零一二年六月三十日，於本公司根據證券及期貨條例第336條存置之登記冊中並無淡倉之記錄。

除以上所披露者外，就董事所知，概無其他人士於本公司之股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露或須記錄於本公司根據證券及期貨條例第336條存置之登記冊中之權益或淡倉。

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司於本期間並無購買、贖回或出售本公司任何上市證券。

OTHER INFORMATION

其他資料

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company and the Board have applied the principles in the code provisions of the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Listing Rules on the Stock Exchange by adopting the code provisions of the Code.

During the six months ended 30 June 2012, the Board has adopted and complied with the code provisions of the Code in so far they are applicable with the exception of the deviation from the code provision A.2.1 (i.e. the vacancy of chairman of the Company). Since the position of chairman is vacated, the Company is still looking for a suitable candidate to fill the vacancy of chairman and further announcement will be made by the Company upon fulfillment of this requirement under the Listing Rules.

The code provision E.1.2 stipulates that the chairman of the Board shall attend the annual general meeting of the Company. Due to the vacancy of chairman of the Company, Ms. Wang Meiyuan (executive director of the Company) chaired the annual general meeting of the Company held on 7 June 2012. This constitutes a deviation from the code provision E.1.2 of the Code.

The code provision A.4.1 stipulates that the non-executive directors should be appointed for a specific term, subject to re-election.

All the independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the By-law of the Company, and the appointment will be reviewed when they are due for re-election.

The Board will review the management structure of the Group from time to time and will adopt appropriate measures as may be desirable for future development of the operating activities or business of the Group.

遵守企業管治常規守則

本公司及董事會透過採納聯交所上市規則附錄十四所載之企業管治常規守則(「守則」)之守則條文，應用守則條文之原則。

於截至二零一二年六月三十日止六個月，董事會已採納並一直遵守適用之守則條文，惟偏離守則條文A.2.1條(即本公司主席一職懸空)者除外。由於主席一職懸空，本公司仍在物色合適人選填補主席之空缺，並將於符合上市規則此項規定後另行刊發公佈。

守則條文E.1.2條規定，董事會主席應出席本公司股東週年大會。由於本公司主席出缺，王美艷女士(本公司執行董事)主持於二零一二年六月七日舉行之本公司股東週年大會。此舉偏離守則條文E.1.2條。

守則條文A.4.1條規定，非執行董事應有指定任期，並須接受重選。

本公司所有獨立非執行董事均無指定任期，惟須根據本公司細則條文最少每三年於本公司股東週年大會中輪席退任及重選一次，而有關委任將於到期重選時檢討。

董事會將不時檢討本集團之管理架構，並會為本集團經營活動或業務之未來發展採取所需之適當措施。

OTHER INFORMATION

其他資料

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules. Having made specific enquiry of all directors, all directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2012.

REMUNERATION COMMITTEE

The Remuneration Committee, established in compliance with the Code as set out in Appendix 14 of the Listing Rules, comprises the three independent non-executive directors of the Company, is responsible for reviewing and evaluating the remuneration packages of the executive directors and senior management of the Company and making recommendations to the board of directors from time to time.

NOMINATION COMMITTEE

The Nomination Committee, established in compliance with the Code as set out in Appendix 14 of the Listing Rules, comprises the three independent non-executive directors of the Company, is responsible for making recommendations to the Board on the appointment of Directors and management of the Board succession.

AUDIT COMMITTEE

The Company has an Audit Committee which was established in accordance with the requirements of the Code for the purposes of reviewing the Group's financial reporting process and internal controls. The Audit Committee comprises the three independent non-executive directors of the Company. The members of the Audit Committee have reviewed the unaudited consolidated financial statements of the Group for the six months ended 30 June 2012 and are of the opinion that such statements comply the applicable accounting standards and the Listing Rules and that adequate disclosures have been made

遵守標準守則

本公司已採納上市規則附錄十所載之標準守則。經向全體董事作出具體查詢後，全體董事均確認彼等於截至二零一二年六月三十日止六個月內一直遵守標準守則所載之規定標準。

薪酬委員會

本公司遵照上市規則附錄十四所載守則成立薪酬委員會，成員包括本公司三名獨立非執行董事，負責審閱及評估本公司執行董事及高級管理層之薪酬待遇，並不時向董事會提供推薦建議。

提名委員會

本公司遵照上市規則附錄十四所載守則成立提名委員會，成員包括本公司三名獨立非執行董事，負責就委任董事及董事會管理層之繼任事宜向董事會提供推薦建議。

審核委員會

本公司按照守則之規定設有審核委員會，旨在檢討本集團財務報告程序及內部監控。審核委員會由本公司三名獨立非執行董事組成。審核委員會成員已審閱本集團截至二零一二年六月三十日止六個月之未經審核綜合財務報表，認為該等報表已遵守適用之會計準則及上市規則，並已作出適當披露。

OTHER INFORMATION

其他資料

DISCLOSURE OF DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Disclosure of changes in information on Directors since the date of the 2011 Annual Report of the Company pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

Mr. Chan Wai Cheung Admiral was appointed as independent non-executive director, the members of each of the audit committee, the remuneration committee and the nomination committee of the Company with effect 30 March 2012.

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

APPRECIATION

I take this opportunity to express our gratitude to the shareholders of the Company for their continued support and our Directors and our staffs for their contribution to the Company

By Order of the Board

Energy International Investments Holdings Limited

Wang Meiyang

Executive Director

Hong Kong, 27 August 2012

根據上市規則第13.51B(1)條披露董事資料

下文載列根據上市規則第13.51B(1)條所披露自本公司二零一一年年報刊發日期以來之董事資料變動：

自二零一二年三月三十日起，陳偉璋先生獲委任為本公司獨立非執行董事，以及審核委員會、薪酬委員會及提名委員會成員。

除上文所披露者外，並無其他資料須根據上市規則第13.51B(1)條之規定予以披露。

致謝

本人謹此由衷感謝本公司股東從不間斷的支持。同時，本人亦向本集團董事及員工致以深切謝意，感謝他們對本公司所作出的努力。

承董事會命

能源國際投資控股有限公司

執行董事

王美艷

香港，二零一二年八月二十七日

