



中廣核礦業有限公司*

CGN Mining Company Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 1164)



年報 **2012**
ANNUAL REPORT

* For identification purpose only 僅供識別

Contents

目錄

| | | |
|--|-----|---------------------|
| Financial Highlights | 2 | 財務摘要 |
| Corporate Information | 3 | 公司資料 |
| Chairman's Statement | 6 | 主席報告書 |
| Management Discussion and Analysis | 8 | 管理層討論及分析 |
| Directors' Profile | 16 | 董事簡介 |
| Corporate Governance Report | 20 | 企業管治報告 |
| Directors' Report | 42 | 董事會報告 |
| Independent Auditor's Report | 65 | 獨立核數師報告 |
| Consolidated Income Statement | 68 | 綜合收益表 |
| Consolidated Statement of Comprehensive Income | 69 | 綜合全面收益表 |
| Consolidated Statement of Financial Position | 70 | 綜合財務狀況表 |
| Consolidated Statement of Changes in Equity | 72 | 綜合權益變動表 |
| Consolidated Statement of Cash Flows | 74 | 綜合現金流量表 |
| Notes to the Consolidated Financial Statements | 76 | 綜合財務報表附註 |
| Particulars of Major Properties as at 31 December 2012 | 180 | 於2012年12月31日之主要物業詳情 |

Financial Highlights 財務摘要

OPERATING RESULTS 業績

| | | For the year ended 31 December 截至12月31日止年度 | | | | |
|--------------------------------|-------------|---|-----------|----------|----------|----------|
| | | 2012 | 2011 | 2010 | 2009 | 2008 |
| | | 2012年 | 2011年 | 2010年 | 2009年 | 2008年 |
| | | 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 |
| Turnover | 營業額 | 1,232,287 | 372,726 | 328,120 | 367,056 | 699,317 |
| Operating profit (loss) | 經營溢利 (虧損) | 96,443 | (224,349) | 52,942 | 66,171 | 97,887 |
| Finance costs | 融資成本 | (25,930) | (10,524) | (779) | (586) | (16,405) |
| Profit (loss) before taxation | 除稅前溢利 (虧損) | 70,513 | (234,873) | 52,163 | 65,585 | 81,482 |
| Income tax (expense) credit | 所得稅 (支出) 抵免 | (51,866) | 3,417 | (12,947) | (12,615) | (20,563) |
| Profit (loss) for the year | 本年度溢利 (虧損) | 18,647 | (231,456) | 39,216 | 52,970 | 60,919 |
| Profit (loss) attributable to: | 下列人士應佔 | | | | | |
| | 溢利 (虧損) : | | | | | |
| Owners of the Company | 本公司擁有人 | 18,660 | (229,858) | 36,610 | 53,010 | 61,095 |
| Non-controlling interests | 非控股權益 | (13) | (1,598) | 2,606 | (40) | (176) |
| | | 18,647 | (231,456) | 39,216 | 52,970 | 60,919 |

FINANCIAL POSITION 財務狀況

| | | As at 31 December 於12月31日 | | | | |
|---|----------------|------------------------------|-----------|-----------|----------|-----------|
| | | 2012 | 2011 | 2010 | 2009 | 2008 |
| | | 2012年 | 2011年 | 2010年 | 2009年 | 2008年 |
| | | 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 |
| Total assets | 總資產 | 1,812,470 | 1,945,034 | 871,860 | 725,102 | 794,921 |
| Total liabilities | 總負債 | (755,183) | (908,167) | (164,845) | (74,912) | (197,549) |
| | | 1,057,287 | 1,036,867 | 707,015 | 650,190 | 597,372 |
| Equity attributable to owners of the Company | 本公司擁有人 應佔權益 | 1,055,273 | 1,034,844 | 703,601 | 649,382 | 596,959 |
| Non-controlling interests | 非控股權益 | 2,014 | 2,023 | 3,414 | 808 | 413 |
| | | 1,057,287 | 1,036,867 | 707,015 | 650,190 | 597,372 |

Note: The consolidated results of the Group for the two years ended 31 December 2012 and 2011 and the assets and liabilities of the Group as at 31 December 2012 and 2011 have been extracted from the audited consolidated financial statements of the Group as set out on pages 68 to 71 of the Annual Report.

附註：本集團截至2012年及2011年12月31日止兩個年度的綜合業績和本集團於2012年及2011年12月31日的資產及負債是節錄自本年報內第68至71頁的本集團經審核綜合財務報表。

DIRECTORS

Chairman and Non-Executive Director

Yu Zhiping

Executive Directors

He Zuyuan (*Chief Executive Officer*)

Li Xianli (appointed on 5 July 2012)

Li Zhengguang (resigned on 5 July 2012)

Zheng Xiaowei (re-designated from a non-executive Director to an executive Director on 15 March 2012 and resigned on 5 July 2012)

Non-executive Directors

Wei Qiyuan

Jin Yunfei (appointed on 5 July 2012)

Huang Jianming (appointed on 5 July 2012)

Chen Zhiyu (resigned on 5 July 2012)

Independent Non-executive Directors

Ling Bing

Qiu Xianhong

Huang Jinsong

AUDIT COMMITTEE

Qiu Xianhong (*Chairman*)

Wei Qiyuan

Ling Bing

REMUNERATION COMMITTEE

Qiu Xianhong (*Chairman*)

He Zuyuan

Li Xianli

Ling Bing

Huang Jinsong

NOMINATION COMMITTEE

Yu Zhiping (*Chairman*)

He Zuyuan

Ling Bing

Qiu Xianhong

Huang Jinsong

董事

主席暨非執行董事

余志平

執行董事

何祖元 (*首席執行官*)

李現立 (於2012年7月5日獲委任)

李正光 (於2012年7月5日辭任)

鄭曉衛 (於2012年3月15日由非執行董事調任為執行董事並於2012年7月5日辭任)

非執行董事

魏其岩

靳雲飛 (於2012年7月5日獲委任)

黃建明 (於2012年7月5日獲委任)

陳志宇 (於2012年7月5日辭任)

獨立非執行董事

凌兵

邱先洪

黃勁松

審核委員會

邱先洪 (*主席*)

魏其岩

凌兵

薪酬委員會

邱先洪 (*主席*)

何祖元

李現立

凌兵

黃勁松

提名委員會

余志平 (*主席*)

何祖元

凌兵

邱先洪

黃勁松

Corporate Information 公司資料

COMPANY SECRETARY

Kong Chun Hin, Jason (appointed on 27 August 2012)

Cheung Hin Kiu (resigned on 27 August 2012)

AUTHORISED REPRESENTATIVES

He Zuyuan

Kong Chun Hin, Jason

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

Suites 6706-07, 67/F., Central Plaza

18 Harbour Road

Wanchai

Hong Kong

CORPORATE WEBSITE

<http://www.irasia.com/listco/hk/cgnmining/index.htm>

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Agricultural Bank of China Limited

Bank of China (Hong Kong) Limited

Industrial and Commercial Bank of China (Asia) Limited

AUDITORS

SHINEWING (HK) CPA Limited

公司秘書

江俊軒 (於2012年8月27日獲委任)

張顯翹 (於2012年8月27日辭任)

授權代表

何祖元

江俊軒

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

香港灣仔

港灣道18號

中環廣場67樓6706-6707室

公司網址

<http://www.irasia.com/listco/hk/cgnmining/index.htm>

主要往來銀行

香港上海滙豐銀行有限公司

中國農業銀行股份有限公司

中國銀行(香港)有限公司

中國工商銀行(亞洲)有限公司

核數師

信永中和(香港)會計師事務所有限公司

Corporate Information 公司資料

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Trustee (Cayman) Limited
P.O. Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
18th Floor
Fook Lee Commercial Centre
Town Place, 33 Lockhart Road
Wanchai, Hong Kong

SHARE LISTING

The Stock Exchange of Hong Kong Limited

STOCK CODE

Stock code: 1164

開曼群島股份登記及過戶總處

HSBC Trustee (Cayman) Limited
P.O. Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

香港股份登記及過戶分處

聯合證券登記有限公司
香港灣仔
駱克道33號
中央廣場
福利商業中心
18樓

股份上市

香港聯合交易所有限公司

股份代號

股份代號：1164

Chairman's Statement 主席報告書

On behalf of the board of directors (the "Board") of CGN Mining Company Limited ("CGN Mining" or the "Company") and its subsidiaries (collectively referred to as the "Group"), I hereby announce the audited consolidated results of the Group for the year ended 31 December 2012.

In 2012, the natural uranium trading business begins to bring new source of revenue and significant growth to the Group, leading to a net profit record.

During the reporting period, the Group has achieved the following results:

- Turnover of HK\$1,232 million (2011: HK\$373 million);
- Gross profit margin after deducting selling and distribution expenses being 14% (2011: 3%); and
- Profit attributable to owners of the Company/turnover being 2% (2011: -62%).

The Group has repositioned itself as a platform for uranium resources investment and trading, leveraging on the background and expertise of China Uranium Development Company Limited in the uranium industry to pursue business development and investment opportunities, which in turn diversifies the business model of the Group.

The natural uranium trading is a new business to the Group. At the same time, the Group is still carrying out its existing pharmaceutical and food business. To enhance competitiveness, the Group will effectively allocate additional resources (such as human resources) for the business development, thus ensuring a smooth operation of this new business sector.

本人謹代表中廣核礦業有限公司（「中廣核礦業」或「本公司」）連同其附屬公司（統稱「本集團」）董事會（「董事會」）宣佈本集團截至2012年12月31日止年度之經審核綜合業績。

在2012年，天然鈾貿易業務開始為本集團帶來了新的收入來源及顯著的增長，開創了淨利潤的記錄。

報告期內，本集團主要取得了如下業績：

- 營業額為1,232百萬港元（2011年：373百萬港元）；
- 扣除銷售及分銷開支後毛利率為14%（2011年：3%）；及
- 本公司擁有人應佔溢利與營業額比率為2%（2011年：-62%）

本集團重新定位為鈾資源投資和貿易平台，借助中國鈾業發展有限公司於鈾產業之背景及專業知識，開拓業務發展及投資機會，使本集團業務更多元化。

天然鈾貿易為本集團之新業務板塊，同時，本集團從事現有藥品及食品業務。為加強本集團日後之競爭力，本集團將有效地分配更多資源（如人力資源）以發展天然鈾貿易產業，確保此項新業務板塊可暢順運作。

Chairman's Statement 主席報告書

The influence of the nuclear crisis in Fukushima city of Japan is diminishing, at the same time, there is a scarcity of power generating resources (such as oil and coal) without desirable and sufficient substitutes. Given that the expected strong demand for energy in the long term for development of the PRC economy, we anticipate that the nuclear power industry, and in turn the uranium or related industry in the PRC would be developing persistently in the future. The Group continues to develop the scale of natural uranium trading business and proactively seek investment opportunities in uranium resources, accelerating the momentum for the Group's revenue.

The profitability of the Group, affected by the keen competition in the pharmaceutical industry, continues to decline. In the foreseeable future, consolidation is expected to take place in the markets of food, pharmaceuticals and properties in the PRC, with substantial pressure on the operating environment. The Group will reinforce our risk management and trim down the existing pharmaceutical and food business.

We endeavour to lay good foundation, endlessly pursue breakthrough, preserve sustainable growth and create value for the shareholders.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to extend the heartfelt gratitude to our business partners, customers and shareholders for their relentless support. I would also like to thank all staff for their dedicated efforts over the past year.

Yu Zhiping
Chairman

Hong Kong, 5 March 2013

日本福島市核電事故之影響逐步消退，同時，發電資源（如石油和煤）供應有限，沒有理想且充足之替代品。中國經濟長遠發展預期對能源需求相當殷切，我們預計中國核能產業連帶中國之鈾或相關產業日後將持續發展。本集團將繼續拓展天然鈾貿易規模及積極尋找鈾資源投資的契機，為公司盈利帶來動力。

製藥行業之激烈競爭影響本集團之盈利能力，持續下滑。於可預見將來，國內的食品、藥品和房地產市場都會繼續出現調整和有着重大的經營壓力。集團會加強風險管理及縮減現有之藥品及食品業務。

我們致力打好基礎，不斷尋求突破，保持持續性增長，為股東創造價值。

致意

本人謹代表董事會向一直支持我們的業務夥伴、客戶及股東表示衷心的謝意，並對全體員工於過去一年的不懈努力予以感謝。

主席
余志平

香港，2013年3月5日

Management Discussion and Analysis 管理層討論及分析

BUSINESS REVIEW

In the year 2012, the consolidated turnover of the Group increased by approximately 230% year-on-year from HK\$373 million to approximately HK\$1,232 million as compared to the previous year. The profit attributable to owners of the Company amounted to approximately HK\$19 million (2011: loss of HK\$230 million).

The significant increase in the turnover of the Company for the year ended 2012 as compared with the previous year was primarily attributable to the solid stream of income generated from the new natural uranium trading business which recorded approximately HK\$1,167 million (2011: nil). We have also received an one-off proceeds gained from the disposal of a commercial property at Lippo Centre, Queensway, Hong Kong in December 2012. As a result, the Group has recorded a substantial increase in profits as compared to the year 2011.

As a whole, the profit attributable to owners of the Company amounted to approximately HK\$19 million (2011: loss of HK\$230 million). Basic earnings per share was HK\$0.56 cents (2011: loss per share HK\$10.31 cents). The Group's financial position remained strong during the year, with approximately HK\$605 million (2011: HK\$1,264 million) of bank balance and cash as at 31 December 2012. Gearing ratio (total borrowings/equity attributable to owners of the Company, net of intangible assets and goodwill) as at 31 December 2012 was 47% (2011: 45%).

Trading of Natural Uranium

Over the year, the directors of the Company have been exploring suitable business opportunities to broaden the revenue base and to diversify the business scope of the Company.

業務回顧

2012年，本集團之綜合營業額由去年約373百萬港元，上升至約12.32億港元，按年計升幅約230%。本公司擁有人應佔溢利約19百萬港元（2011年：虧損230百萬港元）。

2012年年度營業額比去年大幅上升，主要是由於新的天然鈾貿易業務帶來穩定的收入來源，年內錄得金額約為11.67億港元（2011年：無）。我們亦於2012年12月從出售位於香港金鐘道力寶中心的商業物業獲得一次性的收益。因此，本集團錄得溢利較2011年大幅攀升。

整體而言，本公司擁有人應佔溢利約為19百萬港元（2011年：虧損230百萬港元）。每股基本盈利為0.56港仙（2011年：每股虧損10.31港仙）。集團在年內的財政狀況保持穩健，於2012年12月31日，集團擁有銀行結餘及現金約6.05億港元（2011年：12.64億港元），資本借貸比率（全部借貸／扣減無形資產及商譽後的本公司擁有人應佔權益）為47%（2011年：45%）。

天然鈾貿易

多年來，本公司董事發掘合適商機，以擴大收益基礎及多元化發展本公司之業務範疇。

Management Discussion and Analysis 管理層討論及分析

The Group has commenced the trading of natural uranium in 2011 and achieved a profit record in 2012. Uranium has the largest atomic number of natural element. In the crust, uranium exists in uranium minerals, isomorphic form and absorbed state. Uranium is chemically active, so no pure uranium exists in nature. In general, uranium ore is mined and then uranium is extracted from the ore to form uranium-rich intermediate products, often referred to as uranium concentrates, which is further purified into uranium oxides. The international market usually uses triuraniumoctoxide (U_3O_8) as the standard product in the trading of natural uranium.

The Group has recorded HK\$1,167 million turnover in trading of natural uranium during the reporting period.

Pharmaceutical and Food Industry

Product Sales

During the year, the Group's turnover from sales of pharmaceutical and food product amounted to approximately HK\$58 million, a significant decrease of approximately 84% as compared with the sales of approximately HK\$367 million last year.

"Osteoform Calcium Food", a food product of the Group

The Group's food product "Osteoform Calcium Food" consists of multiple minerals and vitamins. Its nutrition facilitates the absorption of calcium by human body, thus helping the formation of bone matrix and the maintenance of bone density. Turnover in the year 2012 amounted to HK\$0.1 million, representing a decrease of 100% as compared with last year.

With reference to the Company's announcements dated 14 June 2012, 12 March 2012, 8 December 2011 and 4 August 2011 and the 2011 annual report, the Group discovered that the sales of Osteoform Calcium Food (or otherwise called Osteoform Food Product in the above announcements) has decreased substantially since June 2011. Given that the food hygiene licence obtained by the Group has expired on 25 November 2011 and the difficulties of renewing the food hygiene licence in view of the changes of food hygiene rules and regulations in PRC, the Group had stopped the production of Osteoform Calcium Food in 2011.

本集團於2011年開始天然鈾貿易業務並在2012年取得盈利記錄。鈾是自然界中原子序數最大的元素。地殼中的鈾主要以鈾礦物、類質圖像和吸附狀態的形式存在。由於鈾的化學性質活躍，所以自然界不存在天然的純鈾，需要通過鈾礦開採、鈾提取加工富集成含鈾較高的中間產品，通常稱為鈾化學濃縮物，並經過進一步提純，加工成鈾氧化物。國際市場通常用八氧化三鈾作為天然鈾貿易的標準產品。

本集團於本報告期內錄得11.67億港元的天然鈾貿易營業額。

藥品和食品業務

產品銷售

年內，本集團之藥品和食品銷售營業額約58百萬港元，與去年約3.67億港元比較，大幅下降約84%。

「樂力鈣食品」— 本集團的食品

本集團的食品「樂力鈣食品」含多種礦物質和維生素，其營養素作用可促進人體對鈣的吸收、亦能促進骨基質生成，維持骨質密度。2012年的營業額為0.1百萬港元，較去年下跌100%。

根據本公司日期為2012年6月14日、2012年3月12日、2011年12月8日及2011年8月4日的公告以及2011年年報，本集團發現樂力鈣食品（或於上述公告中稱之為樂力食品）的銷售自2011年6月以來出現大幅下跌。鑑於本集團獲取的食物衛生牌照已於2011年11月25日屆滿，而由於中國的食物衛生規則及規例改變，要為該食物衛生牌照續牌十分困難，故本集團已於2011年終止生產樂力鈣食品。

Management Discussion and Analysis 管理層討論及分析

“Osteoform Vitamins with minerals dispersible tablet”, a compound vitamin and minerals product

“Osteoform Vitamins with minerals dispersible tablet”, a compound product for the prevention and treatment of disease caused by lack of vitamins and minerals, was launched onto the market during the second quarter of the year 2009. Turnover in the year 2012 was around HK\$0.8 million, representing a decrease of approximately 96% as compared with last year.

Madaus products

Regarding the trading of overseas agency products of Madaus GmbH, Germany which include Legalon (Silymarin) and Uralyt-U (Potassium Sodium Hydrogen Citrate Granules), etc., the Group has recorded turnover of approximately HK\$9.9 million in the year 2012, representing a decrease of approximately 89% as compared with last year. In 2012, the Group was selling its remaining stock of Madaus products. When the existing Madaus products are all sold out, the Group will stop selling Madaus products.

“Taurilite®”, a prescription medication capable of dissolving the cholesterol stones formed in the gallbladder and bile-duct

“Taurilite®” Tauroursodeoxycholic acid capsule cures and prevents liver diseases such as cholelithiasis and chronic bile stasis. In the case of cholesterol stone smaller than 2cm, sufferers may simply dissolve it by taking the medication without having to undergo operation. “Taurilite®” has been launched onto the market during the second half of the year 2009. Turnover for the year 2012 was approximately HK\$20.1 million, representing a growth of approximately 6% as compared with last year.

The Production Base in Wuhan, Hubei Province, the PRC

During the year, our major production included a drug “Glimpiride orally disintegrating tablets” – medication for diabetes, “Vital Fast” – a slow release flu medication and “Opin” – a gynaecology biological drug.

「樂力多維元素分散片」－ 維生素與礦物質分散片

於2009年第二季度推出市場的「樂力多維元素分散片」，可用於預防和治療因缺乏維生素與礦物質所引起的各種疾病，於2012年錄得約0.8百萬港元的營業額，與去年比較，錄得跌幅約96%。

德國馬博士大藥廠產品

在代理經營德國馬博士大藥廠的藥品方面，其中包括「利加隆」(水飛薊素)和「友來特」(枸橼酸氫鉀鈉顆粒)等，集團於2012年內錄得約9.9百萬港元的營業額，與去年比較，錄得跌幅約89%。於2012年，本集團出售德國馬博士大藥廠產品的剩餘存貨。待現有剩餘產品沽清後，本集團將停止銷售德國馬博士大藥廠產品。

「滔羅特®」－ 溶解膽囊和膽管中膽固醇結石的處方藥

「滔羅特®」牛磺熊去氧膽酸膠囊，其主要適應癥為治療和預防膽固醇結石及慢性膽汁淤積性肝病，使患者在無需接受手術治療下服藥溶解小於2cm的膽固醇結石。「滔羅特®」於2009年下旬推出了市場，於2012年內錄得營業額約20.1百萬港元，與去年比較，錄得升幅約6%。

中國湖北省武漢市的生產基地

年內，本工廠主要生產：用於治療糖尿病的產品「格列美脲」、治療感冒的藥品「維快」，以及治療婦科病的生物藥品「奧平」。

Management Discussion and Analysis 管理層討論及分析

Sichuan Hengtai Pharmaceutical Company Limited

Sichuan Hengtai Pharmaceutical Company Limited is the major sales arm of the Group. During the year, major sales products included “Taurolite®”.

Property Investment

Leased investment property

Property investment segment includes leased properties situated in Sichuan, the PRC. During the year 2012, the property investment business contributed approximately HK\$7.0 million (2011: HK\$5.5 million) rental income to the Group. The increase was mainly due to the improvement of occupancy rate and rental level.

BUSINESS PROSPECTS

The Board is of the view that the markets of food, pharmaceuticals and properties of the PRC will be consolidated in the foreseeable future given the existing pressure in the operating environment. The Group will strengthen risk management and scale down the existing pharmaceutical and food business. At the same time, the Group continues to develop the scale of natural uranium trading and proactively identify uranium resource investment opportunities to preserve the sustainable growth and long-term value of the shareholders.

FINANCIAL REVIEW

Capital structure

As at 31 December 2012, the Company had in issue 3,332,586,993 ordinary shares (31 December 2011: 3,332,586,993 ordinary shares). During the year 2012, the Company had not issued any new shares (2011: 1,781,530,000). The market capitalisation of the Company as at 31 December 2012 was approximately HK\$2,866 million (31 December 2011: approximately HK\$3,199 million).

四川恒泰醫藥有限公司

四川恒泰醫藥有限公司為本集團之主要銷售公司。於本年度主要負責銷售的產品包括「滔羅特®」。

房地產投資

投資物業租賃

房地產投資分部包括位於中國四川省的已出租物業。於2012年，房地產投資業務為本集團帶來約7.0百萬港元（2011年：5.5百萬港元）租金收入。較去年錄得升幅主要因為出租率及租金水平改善所致。

業務展望

董事會認為，在可預見的將來，由於經營環境現時面對的壓力，國內的食品、藥品和房地產市場將出現整固。集團會加強風險管理及縮減現有之藥品及食品業務。與此同時，本集團將繼續開展天然鈾貿易的規模及積極尋找鈾資源投資的契機，以維持可持續的增長和股東的長遠價值。

財務回顧

資本結構

於2012年12月31日，本公司已發行共3,332,586,993股普通股（2011年12月31日：3,332,586,993股普通股）。於2012年度，本公司並沒有發行任何新股份（2011年：1,781,530,000股）。於2012年12月31日，本公司的市值約為28.66億港元（2011年12月31日：約31.99億港元）。

Management Discussion and Analysis 管理層討論及分析

Liquidity and financial resources

As at 31 December 2012, the Group did not have any outstanding bank borrowing (31 December 2011: nil). Bank balances and cash amounted to approximately HK\$605 million (31 December 2011: HK\$1,264 million), including pledged bank deposits of approximately HK\$1 million (31 December 2011: HK\$1 million). The decrease was mainly due to the advance of a revolving loan to a shareholder during the year.

As at 31 December 2012, the Group has not obtained banking facilities from any banks (31 December 2011: HK\$88 million). The average cost of financing was around 6% per annum in 2011. The Group has maintained sufficient financial resources for business operation purpose. The Group has no seasonality of borrowing requirement.

The Group adopts conservative funding and treasury policies and objectives. During the year ended 31 December 2012, the Group financed its operations mainly by internally generated resources.

As at 31 December 2012, in relation to cash and bank balances amounting to approximately HK\$605 million (31 December 2011: HK\$1,264 million), approximately 80% (2011: 93%) of which was denominated in HK\$, approximately 5% (2011: 7%) of which was denominated in Renminbi ("RMB") and approximately 15% (2011: 0%) of which was denominated in USD.

Exposure to foreign exchange risk and currency policy

The sales of the Group were mainly denominated in USD and RMB (2011: RMB). Purchases were mainly denominated in USD and RMB (2011: USD, RMB and Euro). Operating expenditures including administrative expenses and selling and distribution expenses, were primarily denominated in HK\$ and RMB.

流動資金和財務資源

於2012年12月31日，集團並沒有任何未償還的銀行貸款（2011年12月31日：無）；銀行存款及現金約為6.05億港元（2011年12月31日：12.64億港元），包括已抵押銀行結存約1百萬港元（2011年12月31日：1百萬港元）。銀行存款及現金減少主要是由於年內向一名股東提供循環貸款所致。

於2012年12月31日，集團並無任何銀行貸款額度（2011年12月31日：88百萬港元）。2011年的平均融資成本約為年息6%。集團有足夠資金應付業務所需。集團並沒有季節性的借款需求。

本集團採納了保守的資金及庫務政策及目標。於截至2012年12月31日止年度，本集團主要以內部產生的資源為其營運提供資金。

於2012年12月31日，現金及銀行結存為約6.05億港元（2011年12月31日：12.64億港元），其中約80%（2011年：93%）以港幣計算、約5%（2011年：7%）以人民幣計算及約15%（2011年：0%）以美元計算。

外匯風險及貨幣政策

集團的銷售主要以美元及人民幣結算（2011年：人民幣）。至於購貨結算，則主要以美元及人民幣結算（2011年：美元、人民幣及歐羅）。經營開支包括行政開支以及銷售及分銷開支，主要以港幣及人民幣結算。

Management Discussion and Analysis 管理層討論及分析

In 2012, the Group did not enter into any forward contracts, interest or currency swaps or other financial derivatives for hedging purpose. The Group did not experience any material difficulty or negative effect on its operations or liquidity as a result of fluctuations on currency exchange rates.

Contingent liabilities

As at 31 December 2012, the Group had no material contingent liabilities (2011: nil).

Key financial figures and ratios

Income statement item:

Gross profit margin: During the reporting period, the Group has strategically scaled down its pharmaceutical and food business. The natural uranium trading business has made a significant boost in total turnover. The average gross profit margin for the year 2012 decreased to approximately 16% when compared to approximately 29% for the corresponding period in 2011, due to the lower gross profit margin of the natural uranium business as compared with the pharmaceutical and food business.

Other operating income: The other operating income for the year 2012 was approximately HK\$54 million, which had been increased by approximately HK\$22 million as compared to the year 2011. It was mainly attributable to the increase of bank interest income and gain on disposal of a property during the year.

Selling and distribution expenses: The Group identified high selling and distribution expenses as business risk and aimed to tighten the outflow. The ratio of selling and distribution expenses to turnover significantly decreased from 26% for the year 2011 to 3% for the year 2012.

於2012年，本集團並無任何遠期外匯合同、利息或貨幣掉期或其他對沖用途之金融衍生工具。期內，本集團並無因貨幣匯率的波動而令其營運或流動資金出現任何重大困難或負面影響。

或然負債

於2012年12月31日，本集團並無重大或然負債（2011年：無）。

主要的財務數據和比率

收益表項目方面：

毛利率：於報告期內，本集團策略性地縮減了藥品和食品業務。天然鈾貿易業務的總營業額錄得大幅上升。2012年的平均毛利率下降至約為16%，而2011年同期的平均毛利率則為約29%，毛利率有所下降是因為天然鈾貿易業務的毛利率比藥品和食品業務為低。

其他經營收入：於2012年的其他經營收入約為54百萬港元，較2011年增加約22百萬港元。此乃主要由於年內銀行利息收入及出售物業之收益增加所致。

銷售及分銷開支：集團致力收緊開支，以降低已識別出的高銷售及分銷開支可能引起的業務風險。銷售和分銷開支相對營業額的比率由2011年26%顯著下跌至2012年3%。

Management Discussion and Analysis 管理層討論及分析

Administrative expenses: Although the Group focused on tightening its budgetary control to cut down administrative costs, the administrative expenses increased from approximately HK\$93 million to HK\$130 million as the Group made efforts to explore new business opportunities during the year.

行政開支：儘管集團重點控制費用預算以節約行政成本，行政開支因集團於年內致力開拓新商機而從約93百萬港元上升至1.3億港元。

Finance costs: The finance costs for the year 2012 mainly arose from the convertible bond issued and allotted in the second half of year 2011.

融資成本：2012年的融資成本主要由2011年下半年發行及配發的可換股債券而產生。

| | | Year 2012 2012年 | Year 2011 2011年 |
|--|--|--------------------|--------------------|
| Income statement item: | 收益表項目： | | |
| Turnover (HK\$' million) | 營業額 (百萬港元) | 1,232 | 373 |
| Gross profit margin | 毛利率 | 16% | 29% |
| Selling and distribution expenses (HK\$' million) | 銷售及分銷開支 (百萬港元) | 35 | 98 |
| Gross profit margin after deducting selling and distribution expenses | 扣除銷售及分銷開支後 毛利率 | 14% | 3% |
| Profit (loss) attributable to owners of the Company/Turnover | 本公司擁有人應佔溢利 (虧損) 與營業額比率 | 2% | (62%) |
| Earning (loss) before interest, tax, depreciation and amortisation ("EBITDA" "(LBITDA)") (HK\$' million) | 在利息、稅金、折舊和 攤銷前的盈利 (虧損) (「EBITDA」 「LBITDA」) (百萬港元) | 103 | (214) |
| EBITDA (LBITDA)/Turnover | EBITDA (LBITDA)與 營業額比率 | 8% | (57%) |

Statement of financial position item:

Gearing ratio: The gearing ratio as at 31 December 2012 (total borrowings/equity attributable to owners of the Company, net of intangible assets and goodwill) was 47%, as compared to the gearing ratio of 45% as at 31 December 2011.

財務狀況表項目：

資本借貸比率：於2012年12月31日，本集團的資本借貸比率（全部借貸／扣減無形資產及商譽後的本公司擁有人應佔權益）為47%，而2011年12月31日則為45%。

Management Discussion and Analysis 管理層討論及分析

The Group offers shorter credit terms to the customer of the new natural uranium trading business. However, as the Group generated more revenue in the fourth quarter of year 2012, the average trade receivable turnover days were only slightly reduced to approximately 45 days. Since the Group does not generally hold any inventory for the natural uranium trading business, the inventory turnover days decreased to approximately 5 days.

本集團向新的天然鈾貿易業務客戶授出較短的信貸期。然而，由於本集團於2012年第4季度錄得較高營業額，應收賬款的平均週期只是輕微下降至約45天。由於本集團於報告期內一般沒有就天然鈾貿易業務持有任何存貨，存貨週期下降至約5天。

| | | As at 31 December 2012 於2012年 12月31日 HK\$' million 百萬港元 | As at 31 December 2011 於2011年 12月31日 HK\$' million 百萬港元 |
|---|------------------------|---|---|
| Statement of financial position item: | 財務狀況表項目： | | |
| Liability component of convertible bonds | 可換股債券的負債部分 | 493 | 467 |
| Bank balances and cash | 銀行結存及現金 | 605 | 1,264 |
| Net tangible assets | 有形資產淨值 | 1,055 | 1,035 |
| Gearing ratio | 資本借貸比率 | 47% | 45% |
| Average trade receivable turnover days | 應收賬款週期 – 平均 | 45 days 45天 | 46 days 46天 |
| Average inventory turnover days (excluding goods in transit) | 存貨週期 – 平均 (不包括在途商品) | 5 days 5天 | 74 days 74天 |

As at 31 December 2012, the Group had approximately HK\$1 million in bank balances and cash that were pledged as collateral to a bank. For the year 2012, return on equity was on average 2% (2011: -22%).

於2012年12月31日，集團約有1百萬港元銀行結存及現金已抵押予銀行作為抵押品。於2012年度，股東資金回報率平均為2%（2011年：-22%）。

EMPLOYEE INFORMATION

As at 31 December 2012, the Group had 180 employees. 122 of these employees were located in China and 58 in Hong Kong and Macau.

僱員資料

於2012年12月31日，集團共有180名僱員，該等僱員中，122名駐於中國，58名駐於香港及澳門。

The policies of employee remuneration, bonus, share option scheme and training are commensurate with performance and comparable to market rate. The Group encourages employees to participate in external training programs to develop themselves on a continuous basis, so as to improve staff quality to meet future challenges and gain a competitive edge. Total staff costs for the year 2012 amounted to approximately HK\$52 million.

集團員工的薪酬、花紅、購股權計劃及培訓政策方面均與表現掛鉤和貼近市場水準。集團鼓勵僱員透過參加外界舉辦的專業培訓課程持續發展，以提高員工素質，迎接各項挑戰，藉以增強本集團的市場競爭優勢。2012年度的員工成本總計約52百萬港元。

Directors' Profile 董事簡介

BOARD OF DIRECTORS

Chairman

Mr. Yu Zhiping, aged 49, is the chairman and non-executive director of the Company. He was appointed a non-executive director on 18 August 2011. Mr. Yu is a senior engineer. He joined CGN Group in 1989, and is currently a general manager of CGNPC Uranium Resources Co., Ltd. Prior to that, he was the secretary general of the Financial and Economic Affairs Committee, director of the research centre, and a general manager of the strategic planning department of China Guangdong Nuclear Power Holding Corporation ("CGNPC", the ultimate controlling shareholder of the Company, collectively with its subsidiaries referred to as "CGN Group"). Mr. Yu has over 23 years of experience in corporate management and uranium exploration. Mr. Yu is currently the chairman of Swakop Uranium (Pty) Limited and a non-executive director of North River Resources plc (listed on AIM of the London Stock Exchange, ticker: NRRP). Mr. Yu graduated with a bachelor degree in Engineering Mechanics from Huazhong University of Science & Technology in 1985.

Chief Executive Officer and Executive Director

Mr. He Zuyuan, aged 47, is the chief executive officer, executive director and authorised representative of the Company. He was appointed an executive director on 18 August 2011. He joined CGN Group in 2007 and is currently a deputy general manager of CGNPC Uranium Resources Co., Ltd. He had served as a CFO of CGNPC Uranium Resources Co., Ltd. Mr. He has over 21 years of experience in uranium exploration and financial management. He has worked for Nanjing Zhongda Group for 3 years, serving as its Chief Financial Officer and vice president. Mr. He is currently a director of Beijing Sino-Kaz Uranium Resources Investment Company Limited, Energy Metals Ltd. (a listed company in Australia, stock code: EME), China Uranium Development Company Limited, North River Resources plc (listed on AIM of the London Stock Exchange, ticker: NRRP), Taurus Mineral Limited and Semizbay-U LLP. He was once a director of Kalahari Minerals and Extract Resources Pty Ltd.. Mr. He graduated with a bachelor degree from East China Institute of Geology in 1988 and was also awarded an MBA degree from Tsinghua University.

董事會

主席

余志平先生，49歲，為本公司主席暨非執行董事。他於2011年8月18日獲委任為非執行董事。余先生是高級工程師。彼於1989年加入中廣核集團，現任中廣核鈾業發展有限公司總經理。擔任現職之前，曾擔任中國廣東核電集團有限公司（「中廣核集團公司」，本公司之最終控股股東，連同其附屬公司，合稱「中廣核集團」）財經委員會秘書長、研究中心主任和戰略規劃部總經理。余先生擁有超過23年的公司管理和鈾礦勘探經驗。余先生目前擔任Swakop鈾（私人）有限公司董事長及North River Resources plc（於倫敦證券交易所高增長市場（AIM）上市，股份代號：NRRP）之非執行董事。余先生於1985年畢業於華中科技大學工程力學專業，獲學士學位。

首席執行官暨執行董事

何祖元先生，47歲，擔任本公司首席執行官、執行董事兼授權代表。他於2011年8月18日獲委任為執行董事。何先生於2007年加入中廣核集團，現任中廣核鈾業發展有限公司副總經理。彼曾擔任中廣核鈾業發展有限公司總會計師。何先生擁有超過21年的鈾礦勘探和財務管理經驗，曾在南京中達集團任職3年，擔任首席財務官和副總裁。何先生目前擔任北京中哈鈾資源投資有限公司、Energy Metals Ltd.（澳洲上市公司，股份代號：EME）、中國鈾業發展有限公司、North River Resources plc（於倫敦證券交易所高增長市場（AIM）上市，股份代號：NRRP）、Taurus Mineral Limited及Semizbay-U LLP之董事。何先生曾擔任Kalahari Minerals及Extract Resources Pty Ltd.之董事。何先生於1988年畢業於華東地質學院，另獲清華大學工商管理碩士學位。

Directors' Profile 董事簡介

Chief Financial Officer and Executive Director

Mr. Li Xianli, aged 39, joined the Company as chief financial officer on February 2012 and was appointed an executive director on 5 July 2012. Mr Li is currently a non-practicing member of The Chinese Institute of Certified Public Accountants. He graduated from the Central University of Finance and Economics with a bachelor degree in economics in 1996. From 1996 to 2000, Mr. Li was involved in the financial management work in the finance department of CGNPC. From April 2010 to February 2012, Mr. Li was the executive director of Silver Grant International Industries Limited ("Silver Grant") (Stock code:171), whose shares are listed on The Stock Exchange of Hong Kong Limited, during which, he was also the Deputy General Manager of Silver Grant from September 2010 to January 2012. Mr. Li has over 10 years of experience in accounting and financial management.

Non-executive Director

Mr. Wei Qiyan, aged 45, was appointed as a non-executive director on 18 August 2011. He is a senior engineer and holder of doctorate degree in Business Administration. Mr. Wei joined CGN Group in 1991, and is currently a deputy general manager of CGNPC Uranium Resources Co., Ltd. Prior to that, he served as the head of the planning and contract department and the contract manager of the engineering department in Taishan Nuclear Power Joint Venture Co., Ltd. Mr. Wei has over 20 years of experience in nuclear fuel, nuclear power plant technology, contract management and corporate management. Mr. Wei graduated with a master degree in engineering from Tsinghua University in 1991 and received a doctorate degree in Business Administration from Huazhong University of Science and Technology in 2007.

首席財務官暨執行董事

李現立先生，現年39歲，於2012年2月加入本公司擔任首席財務官，並於2012年7月5日獲委任為執行董事。李先生現為中國註冊會計師協會非執業會員。李先生於1996年在中央財經大學畢業，獲經濟學學士學位。李先生於1996至2000年期間在中廣核集團公司財務部從事財務管理工作。於2010年4月至2012年2月期間出任銀建國際實業有限公司（「銀建」）（股份代號：171）執行董事，其中於2010年9月至2012年1月期間，彼兼任銀建之副總經理，該公司股份於香港聯合交易所有限公司上市。李先生在會計及財務管理方面擁有逾10年經驗。

非執行董事

魏其岩先生，45歲，於2011年8月18日獲委任為非執行董事。魏先生為高級工程師及工商管理學博士。魏先生於1991年加入中廣核集團，現任中廣核鈾業發展有限公司副總經理。擔任現職之前，曾擔任台山核電合營有限公司計劃合同部經理兼工程部合同經理。魏先生擁有超過20年的核燃料、核電站技術、合同管理及公司管理經驗。魏先生於1991年畢業於清華大學，獲工學碩士學位，2007年在華中科技大學獲工商管理學博士學位。

Directors' Profile 董事簡介

Non-executive Director

Ms. Jin Yunfei, aged 45, was appointed as a non-executive director on 5 July 2012. She joined CGNPC Uranium Resources Co., Ltd in 2011 and acted as a CFO until now. Prior to that, Ms. Jin served as an official supervisor in the board of supervisors of State-owned Assets Supervision and Administration Commission of the State Council (SASAC) and as an official supervisor in the board of supervisors of large state-owned enterprises. Ms. Jin has over 18 years' experience in financial management in China. Currently, Ms. Jin is the Chairman of Beijing Sino-Kaz Uranium Resources Investment Company Limited and China Uranium Development Company Limited. She is also a director of CGNPC Uranium Resource Xinjiang Co., Ltd, CGNPC Uranium Resource Guangdong Co., Ltd, CGNPC URC Logistics (Beijing) Co., Ltd, "Semizbai-U" Limited Liability Partnership and a non-executive director of Energy Metals Ltd. (a listed company in Australia, stock code: EME). In 1989, Ms. Jin graduated with a bachelor degree in economics (major in Materials Economics Management) from Shaanxi Institute of Finance and Economics. In 2004, Ms. Jin was awarded a master degree in management (major in Accountancy) from Renmin University of China.

Non-executive Director

Mr. Huang Jianming, aged 49, was appointed as a non-executive director on 5 July 2012. He joined the Group since its establishment in April 1998. Prior to Mr. Huang's resignation in November 2009, Mr. Huang was one of the founders of the Group, vice-chairman and chief executive officer of the Company, who was responsible for planning and deciding the business and production strategy and daily operation. During the period from April 2004 to November 2009, Mr. Huang was an executive director of the Company. Mr. Huang graduated from Luzhou Chemical Engineering College in 1981. Mr. Huang was employed as a management staff of Sichuan Chengdu Fourth Pharmaceutical Plant for 11 years since 1982 and accumulated over 22 years of management experience in the pharmaceutical industry.

非執行董事

靳雲飛女士，現年45歲，於2012年7月5日獲委任為非執行董事。她於2011年加入中廣核鈾業發展有限公司，任職總會計師至今。擔任現職之前，靳女士曾擔任國務院國有資產監督管理委員會（「國資委」）監事會正處級專職監事及國有大型企業監事會專職監事。靳女士擁有超過18年之中國財務管理經驗。目前，靳女士擔任北京中哈鈾資源投資有限公司董事長及中國鈾業發展有限公司董事長。彼亦為中廣核鈾業新疆發展有限公司、中廣核鈾業廣東有限公司、中廣核鈾業物流（北京）有限公司、謝米茲拜伊鈾有限責任合夥企業之董事及 Energy Metals Ltd.（澳洲上市公司，股份代號：EME）之非執行董事。靳女士於1989年畢業於陝西財經學院，獲經濟學學士（物資經濟管理專業），並於2004年於中國人民大學獲得管理學碩士（會計學專業）。

非執行董事

黃建明先生，現年49歲，於2012年7月5日獲委任為非執行董事。他在本集團於1998年4月成立時加盟。黃先生在2009年11月離開本公司前為本集團創辦人之一、本公司副主席兼首席執行官，負責本公司之業務策略、生產規劃及日常營運。在2004年4月至2009年11月期間，黃先生為本公司執行董事。黃先生於1981年畢業於瀘州化工專科學校。自1982年起，黃先生於四川省成都市第四製藥廠出任管理層達11年，黃先生於藥業管理方面累積超過22年經驗。

Directors' Profile 董事簡介

Independent Non-executive Director

Mr. Ling Bing, aged 46, was appointed as an independent non-executive director on 18 August 2011. He is a qualified lawyer in the PRC, and is currently a Chinese Law professor of the University of Sydney, Australia. Mr. Ling is a member of the Executive Council of the Chinese Society of International Law, a consultant to the research centre of law of the sea of School of Law of Tsinghua University, a consultant to the Centre of Comparative Law and Transnational Law of Tilburg University in the Netherlands and an external consultant for both the LLM Program in Chinese Law of the Faculty of Law of the University of Hong Kong and the LLM Program of the Open University of Hong Kong. Mr. Ling was a professor and associate dean of the Faculty of Law of the Chinese University of Hong Kong, a visiting professor of the Law School of Tsinghua University, an adjunct professor of School of Law of Fudan University, a visiting professor of Law School of the University of Michigan, and a tutor of the Institute of International Law of Peking University. Mr. Ling has over 21 years of experience in Business Law teaching and research. Mr. Ling has an LLB degree from Peking University and an LLM degree from the University of Michigan.

Independent Non-executive Director

Mr. Qiu Xianhong, aged 50, was appointed as an independent non-executive director on 18 August 2011. He is a Certified Public Accountant in the PRC and a senior accountant. Mr. Qiu is a partner of Beijing QQCPA Accounting Firm. Mr. Qiu is also a finance consultant to China Institute of Strategy and Management. Mr. Qiu was the deputy head of the financial department and asset management department of China National Packaging Corporation, and the deputy director of the Financial Department of China Patent Bureau. Mr. Qiu has over 27 years of experience in financial accounting, financial management and auditing. Mr. Qiu graduated with a bachelor degree in financial accounting from Jiangxi University of Finance and Economics.

Independent Non-executive Director

Mr. Huang Jinsong, aged 43, was appointed as an independent non-executive director on 18 August 2011. He is an associate professor of Corporate Management of the School of Economics and Management of Beijing University of Aeronautics and Astronautics, joined the Company in August 2011. Mr. Huang has worked as the chief consultant to Beijing Zhengxinchuangye Investment Consulting Company Limited for 3 years. Mr. Huang has over 12 years of experience in corporate reorganization and development strategy. Mr. Huang has a master degree and a doctorate degree in Management, both of which are from Tsinghua University.

獨立非執行董事

凌兵先生，現年46歲，於2011年8月18日獲委任為獨立非執行董事。他具有中國律師職業資格，現擔任澳大利亞悉尼大學中國法教授。凌先生現在同時擔任中國國際法學會常務理事、清華大學法學院海洋法研究中心顧問、荷蘭蒂爾堡大學比較法和跨國法學院顧問、香港大學法律學院中國法法學碩士項目校外評審顧問和香港公開大學法學碩士專案校外評審顧問。凌先生曾擔任香港中文大學法律學院教授兼副院長、清華大學法學院訪問教授、復旦大學法學院兼職教授、美國密執安大學法學院訪問教授和北京大學國際法研究所助教。凌先生具有超過21年的商法教學和科研經驗。凌先生持有北京大學法學學士學位和美國密執安大學法學碩士學位。

獨立非執行董事

邱先洪先生，現年50歲，於2011年8月18日獲委任為獨立非執行董事。他具有中國註冊會計師資格，高級會計師職稱。邱先生現在擔任北京全企國際會計師事務所有限責任公司合夥人，還擔任中國戰略與管理研究會財務顧問。邱先生曾擔任中國包裝總公司財務部副主任、資產管理部副主任和中國專利局財務處副處長。邱先生具有超過27年的財務會計、財務管理及審計經驗。邱先生畢業於江西財經大學，獲得學士學位（財務會計）。

獨立非執行董事

黃勁松先生，現年43歲，於2011年8月18日獲委任為獨立非執行董事。現任北京航空航天大學經濟管理學院企業管理系副教授。黃先生於2011年8月加入本公司。黃先生曾在北京正信創業投資諮詢有限公司工作3年，擔任其首席諮詢師。黃先生具有超過12年的企業重組和發展戰略經驗。黃先生持有清華大學管理學碩士和博士學位。

Corporate Governance Report 企業管治報告

The Company is committed to establishing and fulfilling a good corporate governance practice and procedure, by ensuring a quality Board, sound internal control, and transparency and accountability to all shareholders. We believe that good corporate governance practice can earn the trust of shareholders as well as other stakeholders, and most importantly, preserve the long-term interests of the shareholders.

To allow the shareholders to have an informed view, we set out below a summative report describing what we have done to follow the corporate governance practice for the year ended 31 December 2012.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance policy follows the principles and practice stated in Appendix 14 of the Listing Rules (Corporate Governance Code and Corporate Governance Report) (the "Corporate Governance Code").

In the opinion of the board (the "Board") of directors (the "Directors") of the Company, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices (effective until 31 March 2012) during the period from 1 January 2012 to 31 March 2012 and the Corporate Governance Code (effective from 1 April 2012) during the period from 1 April 2012 to 31 December 2012, except for the deviation from the code provision disclosed below.

Code provisions A.2.7: The chairman should at least annually hold meetings with the non-executive Directors without the executive directors present.

According to paragraph I (d) of Appendix 14, attendance at board or committee meetings by an alternate director should not be counted as attendance by the director himself. On 15 November 2012, Mr. Yu Zhiping, the Company's Chairman, has appointed Mr. Wei Qiyang to be his alternate to attend a meeting with other non-executive Directors, without the presence of executive Directors. The attendance of Mr. Wei Qiyang should not be counted as attendance by Mr. Yu Zhiping himself. Mr. Yu Zhiping has communicated with other non-executive Directors on a regular basis.

本公司致力制定及履行良好的企業管治常規及程序，確保高質素之董事會、健全之內部監控，以及對股東之透明度及問責性。我們相信，良好的企業管治慣例可贏得股東以及其他持份者的信任，及最重要的是，可維護股東的長遠利益。

為讓股東達致知情的意見，我們於下文載列摘要報告，描述於截至2012年12月31日止年度我們為遵從企業管治慣例所做的工作。

企業管治常規守則

本公司的企業管治政策遵從上市規則附錄十四所列的原則及慣例（企業管治守則及企業管治報告）（「企業管治守則」）。

本公司董事（「董事」）組成的董事會（「董事會」）認為，本公司於2012年1月1日至2012年3月31日期間已遵守企業管治常規守則內所載的守則條文（有效直至2012年3月31日）及於2012年4月1日至2012年12月31日期間已遵守企業管治守則（由2012年4月1日起生效），惟下文所述偏離守則條文的情況除外。

守則條文第A.2.7條：主席須最少每年在沒有執行董事出席的情況下與非執行董事舉行會議。

根據附錄14第I(d)段，由替任董事代表出席董事會或董事委員會會議不應被計作由董事本身的出席率。於2012年11月15日，本公司主席余志平先生委任魏其岩先生作為其替任董事，在沒有執行董事出席的情況下與其他非執行董事召開會議。魏其岩先生的出席率不應被計作余志平先生本人的出席率。余志平先生定期與其他非執行董事溝通。

Corporate Governance Report 企業管治報告

Code provision A.6.7: Independent non-executive Directors and other non-executive Directors, as equal Board members, should give the Board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and develop a balanced understanding of the views of shareholders.

Mr. Yu Zhiping, Mr. Wei Qiyang, Mr. Chen Zhiyu (resigned on 5 July 2012), all being non-executive Directors, and Mr. Ling Bing, Mr. Qiu Xianhong and Mr. Huang Jinsong, all being independent non-executive Directors, were unable to attend the annual general meeting of the Company (“AGM”) held on 16 May 2012 due to other business engagement.

Code provision E.1.2: The chairman of the board should attend the annual general meeting. He should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, he should invite another member of the committee or failing this his duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting. The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that requires independent shareholders’ approval. An issuer’s management should ensure the external auditor attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditors’ report, the accounting policies and auditor independence.

Mr. Yu Zhiping, the Chairman of the Board and chairman of the Nomination Committee did not attend the AGM due to other business engagements. Mr. Yu Zhiping has appointed Mr. He Zuyuan, Chief Executive Officer and a member of the Nomination Committee, to attend the AGM and answer questions raised by shareholders.

Mr. Qiu Xianhong, chairman of the Audit Committee and Remuneration Committee did not attend the AGM and was not able to delegate other members of the Audit Committee and Remuneration Committee to attend the AGM as all of them have other business engagements.

守則條文第A.6.7條：獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應定期出席董事會及其同時出任委員會成員的委員會會議並積極參與會務，以其技能、專業知識及不同的背景及資格作出貢獻。彼等並應出席股東大會，對公司股東的意見有公正的了解。

非執行董事余志平先生、魏其岩先生、陳志宇先生（於2012年7月5日辭任），以及獨立非執行董事凌兵先生、邱先洪先生及黃勁松先生由於其他公務，未能出席本公司於2012年5月16日舉行的股東週年大會（「股東週年大會」）。

守則條文第E.1.2條：董事會主席應出席股東週年大會。彼亦應邀請審核、薪酬、提名及任何其他委員會（視乎適用而定）的主席一同出席。如該等委員會主席未能出席，董事會主席應邀請該委員會的另一名成員出席（或如其未能出席，由其正式委任的代表出席）。此等人士應出席股東週年大會以解答問題。獨立董事委員會（如有）的主席亦應出席任何股東大會以解答會上的提問、批准關連交易或須經獨立股東批准的任何其他交易。發行人的管理層須確保外聘核數師出席股東週年大會，以解答關於履行審核工作、編製核數師報告內容、會計政策及核數師獨立性等方面的提問。

董事會主席兼提名委員會主席余志平先生由於其他公務而未能出席股東週年大會。余志平先生已委任首席執行官及提名委員會其中一名成員何祖元先生出席股東週年大會及解答股東在會上提出的問題。

審核委員會及薪酬委員會主席邱先洪先生並未能出席股東週年大會，且未能委派審核委員會及薪酬委員會的其他成員出席股東週年大會，因為其他成員全部均有其他公務而未能出席。

Corporate Governance Report 企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the principle standards of securities transactions by the directors of the Company. All Directors have confirmed, following specific enquiries made by the Company that they have complied with the required standards set out in the Model Code during the period.

BOARD OF DIRECTORS

Composition and role

As at 31 December 2012, the Board comprises 2 Executive Directors ("EDs"), 4 Non-executive Directors ("NEDs") and 3 Independent Non-executive Directors ("INEDs") with the following membership information on which each Director serves:

董事的證券交易

本公司已採納標準守則上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）為本公司董事進行證券交易的主要標準。經本公司向彼等作出具體查詢，全體董事確認，彼等於期內已遵守標準守則內所載的標準規定。

董事會

組成及角色

於2012年12月31日，董事會由2名執行董事（「執行董事」）、4名非執行董事（「非執行董事」）及3名獨立非執行董事（「獨立非執行董事」）組成。下表載列各董事於各董事委員會的成員身份資料：

| Director | 董事 | Remuneration Committee 薪酬委員會 | Audit Committee 審核委員會 | Nomination Committee 提名委員會 |
|--|--------------------------|---------------------------------|--------------------------|-------------------------------|
| Executive Directors | 執行董事 | | | |
| Mr. He Zuyuan (Chief Executive Officer) | 何祖元先生 (首席執行官) | M | | M |
| Mr. Li Xianli (appointed on 5 July 2012) | 李現立先生 (於2012年7月5日獲委任) | M | | |
| Non-executive Directors | 非執行董事 | | | |
| Mr. Yu Zhiping (Chairman) | 余志平先生 (主席) | | | C |
| Mr. Wei Qiyang | 魏其岩先生 | | M | |
| Ms. Jin Yunfei (appointed on 5 July 2012) | 靳雲飛女士 (於2012年7月5日獲委任) | | | |
| Mr. Huang Jianming (appointed on 5 July 2012) | 黃建明先生 (於2012年7月5日獲委任) | | | |
| Independent Non-executive Directors | 獨立非執行董事 | | | |
| Mr. Ling Bing | 凌兵先生 | M | M | M |
| Mr. Qiu Xianhong | 邱先洪先生 | C | C | M |
| Mr. Huang Jinsong | 黃勁松先生 | M | | M |

Notes:

- C – Chairman of the relevant Board committees
- M – Member of the relevant Board committees

附註：

- C – 有關董事委員會的主席
- M – 有關董事委員會的成員

Corporate Governance Report 企業管治報告

The biographical details of the Directors are set out in the section “Directors’ Profile” of this annual report.

All Directors are subject to retirement by rotation once every three years in accordance with Article 108 of the Articles of Association and the Corporate Governance Code.

The Board complies with Rules 3.10(1) & (2) and 3.10A of the Listing Rules in relation to the appointment of at least three INEDs, which represents at least one-third of the Board, and one of the INED has appropriate professional qualifications on accounting or related financial management expertise.

Each of the INED has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all INEDs meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent.

The Board members does not have any financial, business, family or other material/relevant relationships with each other.

In accordance with Paragraph C.2.1 of the Corporate Governance Code, the Directors have conducted a review of the overall effectiveness of the internal control system of the Group and concluded that all material controls, including financial, operational and compliance controls and risk management are effective.

各董事的履歷詳情載於本年報「董事簡介」一節。

根據本公司組織章程第108條及企業管治守則之規定，所有的董事均須每3年輪流告退。

董事會遵守上市規則第3.10(1)及(2)和第3.10A條的規定，訂明須最少須委任三名獨立非執行董事，並須相當於董事會最少三分之一的成員，其中一名獨立非執行董事須具備適當的專業資格或會計或相關財務管理經驗。

各獨立非執行董事已根據上市規則第3.13條作出年度獨立性確認。本公司認為，所有獨立非執行董事均符合上市規則第3.13條的獨立性指引及具獨立身份。

董事會成員彼此之間並沒有任何財務、業務、家族或其他重大／相關關係。

根據企業管治守則第C.2.1段，董事已對本集團的內部監控系統的整體有效性進行檢討，結論為所有重大控制，包括財務、營運、遵例控制與風險管理均有效。

Corporate Governance Report 企業管治報告

The Board takes charge of the corporate governance function and is responsible for the tasks stated below. The Board may delegate the responsibilities to other committees as it thinks fit:

- (a) to review the Company's compliance policies, programs and procedures and make recommendations as necessary from time to time;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the Company's policies and practices to ensure compliance with the legal and regulatory requirements;
- (d) to oversee the implementation of any code of conduct and/or business ethics of the Company to ensure the Company's compliance with the relevant rules and regulations, including but not limited to the Listing Rules and the Takeovers Code;
- (e) to review the Company's compliance with the code and disclosure in the corporate governance report;
- (f) to form any committee(s) or panels, appoint members thereto, delegate at any time and from time to time to any person or committee(s) or panel(s), any of its powers and functions conferred on it, review and approve the reports of the committees(s) and panel(s), review their performance and revise their composition and terms of reference as appropriate;
- (g) to oversee all matters and to formulate policies in relation to the Company's internal control, succession plans, remuneration and compensation for Directors and employees, risk management, corporate governance and corporate social responsibility, and to supervise the Company's management to implement such policies;
- (h) investigate any significant instances of non-compliance or potential non-compliance of the Company; and
- (i) to do any such things to enable the Board to discharge its obligations and responsibilities.

董事會掌管企業管理功能並負責履行以下任務。董事會在認為合適的情況下可能轉授其他委員會以履行責任：

- (a) 檢討本公司的遵例政策、計劃及程序，並不時於有需要時作出推薦建議；
- (b) 檢討及監察董事及高級管理層的培訓及持續專業發展；
- (c) 檢討及監察本公司的政策及慣例，以確保遵守法律及監管規定；
- (d) 監督本公司的任何操守守則及／或經營道德標準的執行，以確保本公司遵守有關的規則及規例，包括但不限於上市規則及收購守則；
- (e) 檢討本公司遵守守則及於企業管治報告內作出披露的情況；
- (f) 成立任何委員會或小組委員會、委任該等委員會的成員，並於任何時候及不時向任何人士或委員會委以該等委員會的權力及職能；審閱及批准該等委員會及小組委員會的報告；審閱彼等履行職務的表現；以及於適當情況下修改其組成及職權範圍；
- (g) 監督與本公司的內部監控、繼任計劃、董事與僱員的薪酬及酬金、風險管理、企業管治與企業社會責任有關的所有事宜及制定有關政策，以及監督本公司的管理層實施該等政策的情況；
- (h) 調查本公司任何重大不遵例或可能的不遵例情況；及
- (i) 作出任何該等事情以讓董事會履行其職務及責任。

Corporate Governance Report 企業管治報告

Major work done by the Board as regards the corporate governance function during 2012 includes:

1. reviewing compliance with certain amendments to the Listing Rules effective on 1 April 2012;
2. reviewing and approving the proposed amendments to memorandum of association and articles of association;
3. approving the establishment of nomination committee and the terms of reference for the nomination committee;
4. reviewing and approving the shareholders communication policy;
5. approving the revised terms of reference for the remuneration committee;
6. approving the revised terms of reference for the audit committee;
7. approving the procedure for shareholders to nominate directors;
8. reviewing and approving the board authority charter;
9. reviewing the effectiveness of the internal control system;
10. reviewing the directors' compliance with the Model Code; and
11. reviewing and agreeing on the independence of non-executive Directors.

董事會於2012年年度有關企業管治功能的主要工作包括：

1. 審閱就上市規則於2012年4月1日生效之某些修訂的合規事宜；
2. 審閱及通過就組織章程大綱及組織章程細則所建議的修訂；
3. 通過提名委員會之成立及提名委員會之職務範圍；
4. 審閱及通過與股東溝通的政策；
5. 通過薪酬委員會職務範圍之修訂；
6. 通過審核委員會職務範圍之修訂；
7. 通過由股東提名董事之程序；
8. 審閱及通過授權管理規定；
9. 總結內部監控系統之有效性；
10. 審閱董事遵守證券交易之標準守則；及
11. 審閱及接納非執行董事之獨立性。

Corporate Governance Report 企業管治報告

Change of directorship and composition of committees

Re-designation of Directors:

- (1) Ms. Zheng Xiaowei was re-designated from a non-executive Director to an executive Director, with effect from 15 March 2012;
- (2) Mr. Qiu Xianhong was re-designated from a member of the Remuneration Committee to the chairman of the Remuneration Committee and Mr. He Zuyuan was re-designated from the chairman of the Remuneration Committee to a member of the Remuneration Committee, with effect from 15 March 2012;

Resignation of Directors:

- (1) Mr. Li Zhengguang has resigned as an executive Director and a member of the Remuneration Committee, with effect from 5 July 2012;
- (2) Ms. Zheng Xiaowei has resigned as an executive Director, with effect from 5 July 2012; and
- (3) Mr. Chen Zhiyu has resigned as a non-executive Director, with effect from 5 July 2012.

Appointment of Directors:

- (1) Mr. Li Xianli has been appointed as an executive Director and a member of the Remuneration Committee, with effect from 5 July 2012;
- (2) Mr. Huang Jianming has been appointed as a non-executive Director, with effect from 5 July 2012; and
- (3) Ms. Jin Yunfei has been appointed as a non-executive Director, with effect from 5 July 2012.

Saved as disclosed in this annual report, to the knowledge of the Company, there is no financial, business, family or other material or relevant relationships among members of the Board.

董事人選及委員會組成成員的變動

董事之調任：

- (1) 鄭曉衛女士由非執行董事調任為執行董事由2012年3月15日起生效；
- (2) 邱先洪先生由薪酬委員會成員調任為薪酬委員會主席；何祖元先生由薪酬委員會主席調任為薪酬委員會成員；均由2012年3月15日起生效；

董事之辭任：

- (1) 李正光先生已辭任執行董事及薪酬委員會成員之職，由2012年7月5日起生效；
- (2) 鄭曉衛女士已辭任執行董事之職，由2012年7月5日起生效；及
- (3) 陳志宇先生已辭任非執行董事之職，由2012年7月5日起生效。

董事之委任：

- (1) 李現立先生已獲委任為執行董事及薪酬委員會成員，由2012年7月5日起生效；
- (2) 黃建明先生已獲委任為非執行董事，由2012年7月5日起生效；及
- (3) 靳雲飛女士已獲委任為非執行董事，由2012年7月5日起生效。

除本年報內另有披露者外，據本公司所知，董事會成員彼此之間並無財務、業務、家族或其他重大或相關的關係。

Corporate Governance Report 企業管治報告

APPOINTMENT AND RE-ELECTION OF DIRECTORS

All Directors, including the Chairman and the Chief Executive Officer, are required to retire from office by rotation once every three years and are subject to re-election by shareholders at the annual general meeting in accordance with the Company's Articles of Association and the Corporate Governance Code.

Pursuant to Article 108 of the Company's Articles of Association, one-third of the Directors, who have served the longest on the Board, must retire and be eligible for re-election at each annual general meeting.

Any further re-appointment of an Independent Non-Executive Director who has served the Company's Board for more than 9 years will be subject to separate resolution to be approved by shareholders.

Directors appointed to fill casual vacancy shall hold office only until the first general meeting after their appointment, and shall be subject to re-election by shareholders.

DIRECTORS' TRAINING

Pursuant to Code A.6.5 of the "Corporate Governance Code" (with effective from 1 April 2012), Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During the period starting from 1 April 2012 to 31 December 2012, all Directors have participated in appropriate continuous professional development activities by way of attending training seminar or reading material on legal and regulatory subjects relevant to the Company's business or to the Directors' duties and responsibilities.

董事之委任及重選

所有董事，包括主席及首席執行官，均須根據本公司的公司章程細則及企業管治守則的規定每三年輪流告退一次，並可於股東週年大會上經股東重選。

根據本公司的公司章程細則第108條，於董事會任職最久的三分之一董事須輪流告退，惟彼等合符資格可於每個股東週年大會上接受重選。

對已於本公司董事會服務超過9年的獨立非執行董事作出任可再次的委任，將須經股東以獨立的決議案通過。

獲委任填補臨時空缺的董事的任期將只直至其獲委任後的下一屆股東大會為止，其後須經股東重選。

董事的培訓

根據「企業管治守則」守則第A.6.5條（由2012年4月1日起生效），董事應參與持續的專業發展訓練，以發展及更新其知識與技巧。這是為確保董事在有足夠及相關的知識下為董事會作出貢獻。於2012年4月1日至2012年12月31日期間，所有董事已透過出席培訓講座或閱讀與本公司事務或與董事職務及職責有關的法律及監管資料，參與適當的持續性專業發展活動。

Corporate Governance Report 企業管治報告

A summary of training taken by the Directors since 1 April 2012 up to 31 December 2012 is set out as follows:

以下列表概述自2012年4月1日至2012年12月31日董事所接受之培訓：

| Directors | 董事 | Type of training 培訓種類 |
|--|----------------------|--------------------------|
| Executive Directors | | |
| He Zuyuan (<i>Chief Executive Officer</i>) | 何祖元 (<i>首席執行官</i>) | a |
| Li Xianli | 李現立 | a |
| Li Zhengguang | 李正光 | b |
| Zheng Xiaowei | 鄭曉衛 | b |
| Non-executive Directors | | |
| Yu Zhiping (<i>Chairman</i>) | 余志平 (<i>主席</i>) | b |
| Wei Qiyang | 魏其岩 | a |
| Jin Yunfei | 靳雲飛 | b |
| Huang Jianming | 黃建明 | a |
| Chen Zhiyu | 陳志宇 | b |
| Independent Non-executive Directors | | |
| Ling Bing | 凌兵 | a |
| Qiu Xianhong | 邱先洪 | a |
| Huang Jinsong | 黃勁松 | a |

Notes:

- a: attending training seminar
- b: reading seminar materials on legal and regulatory subjects relevant to the Company's business or to the Directors' duties and obligations

附註：

- a: 出席培訓講座
- b: 閱讀與本公司事務或與董事職務及職責有關的法律及監管資料

Corporate Governance Report 企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The chairman of the Company is Mr. Yu Zhiping and the chief executive officer of the Company is Mr. He Zuyuan. The Company has complied with code provision A.2.1 and J 9(b) which stipulate that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Chairman is responsible for ensuring that the Board is functioning properly, with good corporate governance practices and procedures, whereas the chief executive officer, supported by the executive Directors and management team, is responsible for managing the Group's businesses, including the implementation of major strategies and initiatives adopted by the Board.

NON-EXECUTIVE DIRECTORS

The term of appointment of Non-Executive Directors are as follows:

主席及首席執行官

本公司主席為余志平先生，本公司首席執行官為何祖元先生。本公司已遵守守則條文第A.2.1條及J 9(b)條，當中訂明主席及首席執行官的角色須予分開，不應由同一名個人擔任。主席負責確保董事會在良好的企業管治慣例及程序下妥善地履行職務；而首席執行官則負責在執行董事及管理層隊伍支援下，好好管理集團的事務，包括執行董事會採納的主要策略及措施。

非執行董事

非執行董事獲委任的年期如下：

| Non-Executive Directors | 非執行董事 | Term of Appointment 委任年期 |
|--|--|--|
| Yu Zhiping (<i>Chairman</i>) | 余志平 (<i>主席</i>) | 18 August 2011 – 17 August 2013 2011年8月18日 – 2013年8月17日 |
| Wei Qiyang | 魏其岩 | 18 August 2011 – 17 August 2013 2011年8月18日 – 2013年8月17日 |
| Jin Yunfei (appointed on 5 July 2012) | 靳雲飛 (於2012年7月5日獲委任) | 5 July 2012 – 4 July 2014 2012年7月5日 – 2014年7月4日 |
| Huang Jianming (appointed on 5 July 2012) | 黃建明 (於2012年7月5日獲委任) | 5 July 2012 – 4 July 2014 2012年7月5日 – 2014年7月4日 |
| Chen Zhiyu (resigned on 5 July 2012) | 陳志宇 (於2012年7月5日辭任) | 18 August 2011 – 5 July 2012 2011年8月18日 – 2012年7月5日 |
| Zheng Xiaowei (re-designated from a non-executive Director to an executive Director on 15 March 2012 and resigned on 5 July 2012) | 鄭曉衛 (於2012年3月15日由非執行董事調任為執行董事並於2012年7月5日辭任) | 18 August 2011 – 14 March 2012 2011年8月18日 – 2012年3月14日 |

Corporate Governance Report 企業管治報告

COMPANY SECRETARY

Mr. Kong Chun Hin, Jason, (“Mr. Kong”) has been appointed as the company secretary of the Company (the “Company Secretary”) since 27 August 2012. Mr. Kong reports to the chief executive officer directly and is responsible to the Board for ensuring that the Board complies with relevant procedures, laws and regulations and Board meetings are conducted efficiently and effectively. Mr. Kong is also responsible for ensuring that the board is fully appraised of the relevant corporate governance developments relating to the Group and facilitating the professional development of the Directors.

In accordance with the newly introduced Rule 3.29 of the Listing Rules (effective on 1 April 2012), Mr. Kong has received no less than 15 hours relevant professional training for the year 2012.

BOARD PROCESS

During the year, the Board met regularly to discuss and formulate the overall strategy as well as the operational and financial performance of the Group. In addition to acting by written resolutions, Directors participated either in person, by proxy, or through electronic means of communications.

Board members have full access to relevant information both at the meetings and at regular intervals.

At least 14 days’ notices of all board meetings were given to all Directors, who were given an opportunity to include matters in the agenda for discussion. The finalised agenda and accompanying board papers were sent to all Directors at least 3 days prior to the meeting.

For the year ended 31 December 2012, the Directors have conducted a review of the overall effectiveness of the internal control system of the Group.

The Company held an annual general meeting during the year on 16 May 2012.

公司秘書

江俊軒先生（「江先生」）自2012年8月27日起獲委任為本公司的公司秘書（「公司秘書」）。江先生直接向首席執行官匯報職務，並須就確保董事會遵守有關的程序、法律及規例以及董事會會議以有效及高效率的方式召開，向董事會負責。江先生亦須負責確保董事會對與集團有關的企業管治發展有充份的評估及須促進董事的專業發展。

根據新引進的上市規則第3.29條（由2012年4月1日起生效），江先生於2012年度已接受過不少於15個小時的相關專業訓練。

董事會程序

年內，董事會定期召開會議，討論及制定本集團的整體策略以及營運與財務表現。除透過書面決議案行事外，董事親身或透過代表或透過電子通訊方式參與會議。

董事會成員可於會議上及定期全面獲取相關的資料。

所有董事會會議均向所有董事發出最少14日的通知，讓董事有機會在議程中加入事項以供討論。落實後的議程及相關的董事會文件於會議召開前最少3日發送至所有董事。

截至2012年12月31日止年度，董事已對本集團的內部監控系統的整體有效性進行檢討。

年內，本公司於2012年5月16日召開了一次股東週年大會。

Corporate Governance Report 企業管治報告

Attendance records of each Director at Board meetings held for the year ended 31 December 2012 are set out as follows:

各董事於截至2012年12月31日止年度召開的董事會會議的出席記錄如下：

| Directors | 董事 | Number of meetings attended in person/held 親身出席會議數目／ 召開會議數目 | Number of meetings attended by alternate/held 由替任董事代替出席的 會議數目／ 召開 會議數目 |
|---|---|---|--|
| Executive Directors | | | |
| | 執行董事 | | |
| He Zuyuan (<i>Chief Executive Officer</i>) | 何祖元 (<i>首席執行官</i>) | 4/4 | – |
| Li Xianli (appointed on 5 July 2012) | 李現立 (於2012年7月5日獲委任) | 2/2 | – |
| Li Zhengguang (resigned on 5 July 2012) | 李正光 (於2012年7月5日辭任) | 2/2 | – |
| Zheng Xiaowei (re-designated from a non-executive Director to an executive Director on 15 March 2012 and resigned on 5 July 2012) | 鄭曉衛 (於2012年3月15日由非執行董事調任為執行董事並於2012年7月5日辭任) | 1/2 | 1/2 |
| Non-Executive Directors | | | |
| | 非執行董事 | | |
| Yu Zhiping (<i>Chairman</i>) | 余志平 (<i>主席</i>) | 1/4 | 3/4 |
| Wei Qiyan | 魏其岩 | 3/4 | 1/4 |
| Jin Yunfei (appointed on 5 July 2012) | 靳雲飛 (於2012年7月5日獲委任) | 1/2 | 1/2 |
| Huang Jianming (appointed on 5 July 2012) | 黃建明 (於2012年7月5日獲委任) | 2/2 | – |
| Chen Zhiyu (resigned on 5 July 2012) | 陳志宇 (於2012年7月5日辭任) | 1/2 | – |
| Independent Non-executive Directors | | | |
| | 獨立非執行董事 | | |
| Ling Bing | 凌兵 | 3/4 | – |
| Qiu Xianhong | 邱先洪 | 4/4 | – |
| Huang Jinsong | 黃勁松 | 4/4 | – |

Should a potential conflict of interest involving a substantial shareholder or a Director arise, the matter was discussed in a physical meeting, as opposed to being dealt with by written resolution. Independent Non-Executive Directors with no conflict of interest were present at meetings dealing with such conflict.

若有大股東或董事存在可能性的利益衝突，有關事宜將於實質召開的會議上進行討論方式處理，而非以書面決議處理。不存在重大利益衝突的獨立非執行董事將出席有關董事會會議。

The Company has arranged appropriate directors and officers liability insurance in respect of legal action against Directors.

本公司已就其董事可能會面對的法律行動作適當的董事及高級管理人員責任保險投保安排。

Corporate Governance Report 企業管治報告

DELEGATION AND WORK DONE BY THE BOARD

The Board provides leadership and oversees the Group's business management, strategic decisions, performance and affairs of the Group.

The Board has formulated a clear written policy that delineates a formal schedule of matters specifically reserved for board approval before making decisions on behalf of the Group. The reserved matters include, among other things:

1. the development strategy and planning;
2. corporate policies;
3. financial planning;
4. investment planning;
5. annual budget;
6. major disposals and acquisitions;
7. major connected transactions;
8. appointment and resignation of directors, company secretary and other senior management;
9. other significant operational and financial matters.

In addition to work relating to corporate governance function, other major work done by the Board during 2012 includes:

1. approving the 2012 budget planning;
2. approving the rules applicable to board proceedings;
3. approving the unaudited interim results for the period ended 30 June 2012;
4. approving the directors' report, audited financial statements and auditors' report for the year ended 31 December 2011;
5. considering the non-payment of dividend for the year ended 31 December 2011 and for the period ended 30 June 2012 respectively;
6. proposing the re-election of directors and the authority of the Board to fix the remuneration of the directors to be approved at the 2012 annual general meeting;

董事會權力轉授及已完成工作

董事會領導公司運作並監察本集團之業務管理策略決定、表現及事務。

董事會已制定清晰的書面政策，清楚說明正式的預定計劃並列載在代表本集團作出決定前需要董事會預先批准的事宜。那些特別需要董事會預先批准的事宜包括：

1. 業務發展及規劃；
2. 公司政策；
3. 財務規劃；
4. 投資規劃；
5. 年度預算；
6. 主要出售及收購事宜；
7. 主要關連交易；
8. 董事、公司秘書及其他高級管理層之委任及辭任；
9. 其他重大經營及財務事宜。

除了與企業管治功能有關的工作外，董事會於2012年年度的主要工作包括：

1. 通過2012年年度預算；
2. 通過董事會議事規則；
3. 通過截至2012年6月30日止期間之未經審核中期業績；
4. 通過截至2011年12月31日止年度之董事報告，已經審核之財務報表及審計報告；
5. 考慮不派發分別截至2011年12月31日止年度及截至2012年6月30日止期間之股息；
6. 通過於2012年股東週年大會上提呈有關董事重選及授權董事會釐定2012年年度之董事袍金事宜予以批准；

Corporate Governance Report 企業管治報告

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|--|---|
| 7. proposing the share issue and repurchase general mandate to be approved at the 2012 annual general meeting; | 7. 通過於2012年股東週年大會上提呈有關發行股份及購回股份之一般性授權予以批准； |
| 8. proposing the re-appointment of SHINEWING (HK) CPA Limited as the auditors of the Company and the authority of the Board to fix the auditors' remuneration to be approved at the 2012 annual general meeting; | 8. 通過於2012年股東週年大會上提呈有關續聘信永中和(香港)會計師事務所有限公司為本公司核數師及授權董事會釐定核數師酬金予以批准； |
| 9. approving the entering into of a major and continuing connected transaction as regards the revolving loan facility agreement between the Company as lender and China Uranium Development Company Limited as borrower; | 9. 通過涉及主要及持續關連交易之循環額度貸款合同由本公司(作為貸款方)與中國鈾業發展有限公司(作為借款方)簽訂； |
| 10. approving the resignation of Mr. Li Zhengguang as executive Director and member of remuneration committee; | 10. 通過李正光先生辭任執行董事及薪酬委員會成員之職務； |
| 11. approving the resignation of Ms. Zheng Xiaowei as executive Director; | 11. 通過鄭曉衛女士辭任執行董事之職務； |
| 12. approving the resignation of Mr. Chen Zhiyu as non-executive Director; | 12. 通過陳志宇先生辭任非執行董事之職務； |
| 13. approving the resignation of Ms. Cheung Hin Kiu as the Company Secretary and authorised representative of the Company; | 13. 通過張顯翹女士辭任公司秘書及授權代表之職務； |
| 14. approving the appointment of Mr. Li Xianli as executive Director and member of remuneration committee and his remuneration; | 14. 通過委任李現立先生為執行董事及薪酬委員會成員及其薪酬； |
| 15. approving the appointment of Ms. Jin Yunfei as non-executive Director and her remuneration; | 15. 通過委任靳雲飛女士為非執行董事及其薪酬； |
| 16. approving the appointment of Mr. Huang Jianming as non-executive Director and his remuneration; | 16. 通過委任黃建明先生為非執行董事及其薪酬； |
| 17. approving the appointment of Mr. Kong Chun Hin Jason as the Company Secretary and the authorised representative of the Company; | 17. 通過委任江俊軒先生為公司秘書及本公司之授權代表； |
| 18. approving the change of head office and principal place of business address in Hong Kong. | 18. 通過更改總辦事處及香港的主要營業地點。 |

The day-to-day operation and management of the Group are delegated to the senior management. Certain authorities and responsibilities are also delegated to the Audit Committee, the Remuneration Committee and the Nomination Committee.

董事會將本集團日常營運及管理的權力轉授予管理層。董事會同時將某些權力及責任轉授審核委員會、薪酬委員會及提名委員會。

Corporate Governance Report 企業管治報告

BOARD COMMITTEES

The Board has established the following committees with defined terms of reference, which are of no less exacting terms than those set out in the Corporate Governance Code.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") is delegated by the Board to perform its duties within the ambit of the terms of reference.

The Audit Committee comprises two independent non-executive Directors, namely Mr. Qiu Xianhong (a Certified Public Accountant in the PRC and with substantial financial accounting, financial management and auditing experience), who serve as the chairman of the Audit Committee, and Mr. Ling Bing, and one non-executive Director, Mr. Wei Qiyang.

The function of the Audit Committee is basically to assist the Board in providing an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Group, and overseeing the audit process. The Audit Committee also serves as a focal point for communication, among directors, the external auditors, and the management as regards financial reporting, internal control and the auditing.

Major work done by the Audit Committee during the year ended 31 December 2012 includes:

1. assessing the independence and objectivity of external auditors;
2. reviewing the internal control and risk management system of the Company;
3. reviewing the unaudited interim results for the period ended 30 June 2012;
4. reviewing the audited annual results for the year ended 31 December 2011.

董事委員會

董事會已成立以下的委員會，並已制定彼等的界定職權範圍，有關的條款嚴謹程度不遜於企業管治守則中所載者。

審核委員會

本公司審核委員會（「審核委員會」）獲董事會授權以履行在職權範圍內規限之職務。

審核委員會由兩名獨立非執行董事，即邱先洪先生（具有中國註冊會計師資格及富有資深的財務會計、財務管理及審計經驗）擔任審核委員會主席及凌兵先生，及一名非執行董事，魏其岩先生組成。

審核委員會之功能基本上是協助董事會對本集團的財務申報程序、內部監控及風險管理系統的成效進行獨立檢討，監督核數程序。同時，審核委員會就財務申報、內部監控及核數事宜充當董事、外聘核數師及管理層之間的溝通紐帶。

截至2012年12月31日止年度，審核委員會的主要工作包括：

1. 評核外聘核數師之獨立及客觀性；
2. 審視本公司之內部監控及風險管理系統；
3. 審閱截至2012年6月30日止期間之未經審核中期業績；
4. 審閱截至2011年12月31日止年度之經審核年度業績。

Corporate Governance Report 企業管治報告

Three (3) Audit Committee meetings were held during the year. The attendance of each Audit Committee member is set out as follows:

年內舉行了三(3)次審核委員會會議。每位審核委員會成員的出席情況如下：

| Directors | 董事 | Number of meetings attended in person/held | Number of meetings attended by alternate/held |
|-------------------------|----------|--|---|
| | | 親身出席會議數目／召開會議數目 | 由替任董事代替出席的會議數目／召開會議數目 |
| Qiu Xianhong (Chairman) | 邱先洪 (主席) | 3/3 | – |
| Wei Qiyan | 魏其岩 | 2/3 | 1/3 |
| Ling Bing | 凌兵 | 2/3 | |

REMUNERATION COMMITTEE

The remuneration committee of the Company (the “Remuneration Committee”) is delegated by the Board to perform its duties within the ambit of the terms of reference.

The Remuneration Committee comprises three independent non-executive Directors, namely Mr. Qiu Xianhong (re-designated from a member to the chairman of the Remuneration Committee on 15 March 2012), Mr. Ling Bing and Mr. Huang Jinsong and two executive Directors Mr. He Zuyuan (re-designated from the chairman to a member of the Remuneration Committee on 15 March 2012) and Mr. Li Xianli.

The function of the Remuneration Committee is basically to make recommendations to the Board on the Company's policy and structure of all remuneration of executive directors, non-executive directors and senior management and review the specific remuneration packages of all executive directors and senior management with reference to the corporate goals and objectives.

薪酬委員會

本公司薪酬委員會（「薪酬委員會」）獲董事會授權以履行在職務範圍所規限之職務。

薪酬委員會由三名獨立非執行董事，即邱先洪先生（於2012年3月15日由薪酬委員會成員調任為主席）、凌兵先生及黃勁松先生，以及兩名執行董事，即何祖元先生（於2012年3月15日由薪酬委員會主席調任為成員）及李現立先生組成。

薪酬委員會之功能基本上就是就本公司執行董事、非執行董事及高級管理層的薪酬政策及架構向董事會提出建議。此外，薪酬委員會因應董事會的公司方針及目標檢討全體執行董事及高級管理層之薪酬。

Corporate Governance Report 企業管治報告

Major work done by Remuneration Committee during the year ended 31 December 2012 includes:

1. approving the resignation of Mr. Li Zhengguang as member of the Remuneration Committee and accepting the appointment of Mr. Li Xianli as member of the Remuneration Committee;
2. making recommendations to the Board as to the remuneration of Mr. Li Xianli as executive Director and chief financial officer and also member of the Remuneration Committee;
3. making recommendations to the Board as to the remuneration of Ms. Jin Yunfei as non-executive Director;
4. making recommendations to the Board as to the remuneration of Mr. Huang Jianming as non-executive Director.

Details of the remuneration of the Directors and the 5 highest paid individuals are set out in note 16 to the consolidated financial statements.

The Remuneration Committee did not hold any physical meetings but the Remuneration Committee acted by written resolutions during the year.

截至2012年12月31日止年度，薪酬委員會的主要工作包括：

1. 通過李正光先生辭任薪酬委員會成員並接納委任李現立先生為薪酬委員會成員；
2. 向董事會就李現立先生任職為執行董事、首席財務官及薪酬委員會成員之薪酬提出建議；
3. 向董事會就靳雲飛女士任職為非執行董事之薪酬提出建議；
4. 向董事會就黃建明先生任職為非執行董事之薪酬提出建議。

董事及五名最高薪酬人士的酬金詳情，載於綜合財務報表附註16。

薪酬委員會並未在年內舉行薪酬委員會會議，但薪酬委員會已透過書面決議案行事。

Corporate Governance Report 企業管治報告

NOMINATION COMMITTEE

The Company established a nomination committee (the "Nomination Committee") on 15 March 2012 with written terms of reference in accordance with the Code provisions. The Nomination Committee is delegated by the Board to perform its duties within the ambit of terms of reference.

The Nomination Committee comprises one non-executive Director, namely Mr. Yu Zhiping as chairman and one executive Director Mr. He Zuyuan, and three independent non-executive Directors Mr. Ling Bing, Mr. Qiu Xianhong and Mr. Huang Jinsong.

The function of the Nomination Committee is basically to review and formulate the nomination procedure as regards the appointment, re-appointment and removal of Directors; review the structure, size and composition of the Board and make recommendations or any proposed changes to the Board to implement the Company's corporate strategy; and to make recommendation to the Board on candidates for appointment as Directors. The Nomination Committee follows rigorous selection procedure in choosing the right person as a member of the Board. Various criteria such as appropriate professional knowledge, experience, skills and possible contribution of the candidate will be considered.

Major work done by the Nomination Committee during 2012 includes:

1. reviewing the structure, size and composition of the Board;
2. making recommendations to the Board as to nominating Mr. Li Xianli as executive Director;
3. making recommendations to the Board as to nominating Ms. Jin Yunfei as non-executive Director;
4. making recommendations to the Board as to nominating Mr. Huang Jianming as non-executive Director.

The Nomination Committee did not hold any physical meetings but the Nomination Committee acted by written resolutions during the year.

提名委員會

本公司於2012年3月15日成立提名委員會（「提名委員會」），並按守則條文制定其職權範圍。提名委員會獲董事會授權以履行在職權範圍所規限之職務。

提名委員會由一名非執行董事，即余志平先生（擔任主席）及一名執行董事何祖元先生，以及三名獨立非執行董事凌兵先生、邱先洪先生及黃勁松先生組成。

提名委員會之功能基本上是審閱及制定有關董事委任、重新委任及罷免；檢討董事會的架構、人數及組成並就任何計劃變動向董事會提出建議，以配合本公司的公司策略；向董事會就董事委任推薦人選。提名委員會按照嚴謹的篩選程序選擇合適人士為董事會成員。提名委員會將考慮各方因素包括適當的專業知識、經驗、技能及可能付出的貢獻。

提名委員會於2012年年度的主要工作包括：

1. 檢討董事會之架構、人數及組成；
2. 向董事會就提名李現立先生為執行董事提出建議；
3. 向董事會就提名靳雲飛女士為非執行董事提出建議；
4. 向董事會就提名黃建明先生為非執行董事提出建議。

提名委員會並未在年內舉行提名委員會會議，但提名委員會已透過書面決議案行事。

Corporate Governance Report 企業管治報告

DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the financial statements of the Group. In preparing the financial statements, the Hong Kong Financial Reporting Standards have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made. The Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

The Company's auditor, Messrs. SHINEWING (HK) CPA Limited acknowledged its reporting responsibilities pursuant to the Corporate Governance Code. The auditor's responsibilities are set out in the Independent Auditor's Report.

AUDITOR'S REMUNERATION

For the year ended 31 December 2012, the remuneration paid to the Company's auditor, Messrs. SHINEWING (HK) CPA Limited, is set out as follows:

| | | Fees paid/payable 已付／應付的費用 HK\$'000 千港元 |
|--------------------|--------|--|
| Services rendered | 所提供的服務 | |
| Audit services | 審核服務 | 1,414 |
| Non-audit services | 非審核服務 | 1,112 |

The significant amount of fee incurred for the non-audit services arises from i) performing agreed-upon procedures in respect of quarterly financial results for the first quarter of 2012; ii) the review of interim financial statements for six months ended 30 June 2012; and iii) the preparation of cash flow projections comfort letter for the purpose of the circular dated 31 October 2012 issued in connection with the proposed major and continuing connected transaction in relation to the revolving loan facility agreement.

AMENDMENTS TO THE CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2012, the Company has adopted its amended and restated memorandum of association and articles of association on 16 May 2012.

董事及核數師對財務報表應負的責任

董事確認其對編製本集團財務報表應負的責任。於編製財務報表時，已採用香港財務報告準則、使用適當的會計政策並貫徹地應用，及已作出合理和審慎的判斷與估計。董事會並不知悉有任何與可能對本集團持續經營的能力構成重大疑問的事件或情況之有關任何重大不明朗因素存在。因此，董事會於編製財務報表時已持續採用持續經營基準。

本公司的核數師信永中和（香港）會計師事務所有限公司確認其根據企業管治守則應負的報告責任。核數師的職責載於獨立核數師報告內。

核數師的酬金

截至2012年12月31日止年度，付予本公司核數師信永中和（香港）會計師事務所有限公司的酬金載列如下：

非審核服務所產生的重大費用來自i)對2012年第一季度業績公告進行之商定程序；ii)審閱截至2012年6月30日止六個月之中期財務報表；及iii)為有關主要及持續關連交易（關於循環額度貸款合同）通函編製於2012年10月31日而發出之現金流量預測告慰書。

章程文件的修訂

截至2012年12月31日止年度，本公司已於2012年5月16日採納其經修訂及重列的公司組織章程大綱及公司章程細則。

Corporate Governance Report 企業管治報告

SHAREHOLDERS AND SHAREHOLDERS' MEETING

In order to ensure that all shareholders of the Company enjoy equal status and effectively exercise their own rights, the Company convenes shareholders' general meetings every year in accordance with the Articles of Association. During the year, two (2) shareholders' general meetings were held, including the annual general meeting held on 16 May 2012 and one (1) extraordinary general meeting held on 15 November 2012. The attendance of each Director at the general meetings during the year ended 31 December 2012 is set out as follows:

股東和股東大會

為保障本公司所有股東享有平等地位並有效地行使自身的權利，本公司根據公司章程細則的規定每年召開股東大會。於本年度，本公司共召開兩(2)次股東大會，其中包括於2012年5月16日舉行之股東週年大會和一(1)次於2012年11月15日舉行的股東特別大會。各董事於截至2012年12月31日止年度出席股東大會情況如下：

| | | Number of meetings attended in person/held | Number of meetings attended by alternate/held |
|---|---|--|---|
| | | 親身出席／ 召開會議數目 | 由替任董事 代替出席的 會議數目／ 召開 會議數目 |
| Executive Directors | | 執行董事 | |
| He Zuyuan (<i>Chief Executive Officer</i>) | 何祖元 (<i>首席執行官</i>) | 2/2 | — |
| Li Xianli (appointed on 5 July 2012) | 李現立 (於2012年7月5日獲委任) | 1/1 | — |
| Li Zhengguang (resigned on 5 July 2012) | 李正光 (於2012年7月5日辭任) | 0/1 | — |
| Zheng Xiaowei (re-designated from a non-executive Director to an executive Director on 15 March 2012 and resigned on 5 July 2012) | 鄭曉衛 (於2012年3月15日由非執行董事調任為執行董事並於2012年7月5日辭任) | 0/1 | — |
| Non-Executive Directors | | 非執行董事 | |
| Yu Zhiping (<i>Chairman</i>) | 余志平 (<i>主席</i>) | 0/2 | — |
| Wei Qiyao | 魏其岩 | 0/2 | — |
| Jin Yunfei (appointed on 5 July 2012) | 靳雲飛 (於2012年7月5日獲委任) | 0/1 | — |
| Huang Jianming (appointed on 5 July 2012) | 黃建明 (於2012年7月5日獲委任) | 0/1 | — |
| Chen Zhiyu (resigned on 5 July 2012) | 陳志宇 (於2012年7月5日辭任) | 0/1 | — |
| Independent Non-executive Directors | | 獨立非執行董事 | |
| Ling Bing | 凌兵 | 0/2 | — |
| Qiu Xianhong | 邱先洪 | 0/2 | — |
| Huang Jinsong | 黃勁松 | 0/2 | — |

Corporate Governance Report 企業管治報告

SHAREHOLDERS' RIGHTS

Right to convene an extraordinary general meeting

Pursuant to Article 64 of the Articles of Association of the Company (the "Articles"), on the requisition of one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings, the Directors may proceed to convene an extraordinary meeting of the Company ("EGM").

Such requisition shall be made in writing to the Directors or the Secretary for the purpose of requiring an EGM and deposited at the registered office of the Company in Cayman Islands and/or the principal place of business of the Company in Hong Kong. The requisitionists must state the purposes of the meeting and sign the requisition letter.

If the Directors do not within 21 days from the date of the deposit of the requisition proceed to convene a meeting, the requisitionist(s) himself (themselves) may convene a meeting, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the requisitionist(s) by the Company.

Right to put enquiries to the Board

Shareholders have the right to put enquiries to the Board. All enquiries can be in writing and sent for the attention of the Company Secretary, Mr. Jason Kong, in one of the following ways:

1. By post: CGN Mining Company Limited
Suites 6706-07, 67/F., Central Plaza
18 Harbour Road
Wanchai, Hong Kong
2. By facsimile: (852) 2806 2861
3. By email: cs@cgnmc.com

股東權利

要求召開股東特別大會的權利

根據本公司的公司章程細則（「細則」）第64條，如於提出要求當日持有代表不少於有權於股東大會上投票的本公司繳足股本十分之一的一名或多名本公司股東提出要求，董事可召開本公司的股東特別大會（「股東特別大會」）。

該等要求召開股東特別大會的要求須以書面形式向董事或秘書發出，並送往本公司於開曼群島的註冊辦事處及／或位於香港的主要營業地點。提出要求的人士須於要求函件內述明開會目的及簽署。

如董事未能於接獲要求日期起計21日內召開會議，要求召開會議的人士可自行召開該大會，並且公司應為要求召開會議的人報銷因董事會未能召開該會議而發生的所有合理費用。

向董事會提出查詢的權利

股東有權向董事會提出查詢。所有查詢可以書面形式提出，並以下列任何一種方式送呈本公司秘書江俊軒先生收啟：

1. 郵遞：中廣核礦業有限公司
香港灣仔港灣道18號
中環廣場67樓
6706-6707室
2. 傳真：(852) 2806 2861
3. 電郵：cs@cgnmc.com

Corporate Governance Report 企業管治報告

Voting by poll

Pursuant to Rule 13.39 of the Listing Rules and Article 72 of the Articles, any votes of the Shareholders at a general meeting must be taken by poll, except where the chairman in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted or by a show of hands.

Procedures to put forward proposals at general meetings

Shareholders who would like to put forward proposals at a general meeting shall follow the procedures below.

On the requisition in writing of either i) any number of shareholder of the Company representing not less than one-fortieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or ii) not less than 50 shareholders, the Company shall, at the expense of the requisitionists:

- a) to give to shareholders of the Company entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- b) to circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition must be signed by the requisitionists and deposited at the registered office of the Company in Cayman Islands and/or the principal place of business of the Company in Hong Kong for the attention of the Company Secretary not less than 6 weeks before the general meeting in case of a requisition requires notice of a resolution, or not less than 1 week before the general meeting for any other requisition.

By Order of the Board
Jason Kong
Company Secretary

以點票方式進行投票

根據上市規則第13.39條及細則第72條，股東於股東大會上作出的任何投票必須以點票方式進行，惟主席真誠容許僅有關程序及行政事宜之決議案可以舉手方式進行表決。

於股東大會上提呈建議的程序

擬於股東大會上提呈建議的股東須跟隨以下的程序。

於i)持有代表不少於提出要求當日有權在該要求所相關的大會上投票的所有股東總投票權四十分之一票數的任何本公司股東數目；或ii)不少於50名股東以書面提出要求時，本公司須作出以下事項，產生的支出將由提出要求的人士承擔：

- a) 向有權接收下屆股東週年大會通告的本公司股東發出可能於大會上正式提呈或擬提呈的任何決議案；
- b) 向有權接收任何股東大會通告的股東發出不多於一千字數的陳述，內容有關該大會將提呈的任何決議案所述的事情或將於該大會上處理的事務。

有關的要求須由提出要求的人士簽署，並於股東大會前不少於六個星期（如為需要發出決議案通知的要求）或股東大會前不少於一星期（如為任何其他要求）送呈本公司於開曼群島的註冊辦事處及／或位於香港的主要營業地點本公司秘書收。

承董事會命
公司秘書
江俊軒

Directors' Report 董事會報告

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2012.

PRINCIPAL ACTIVITIES AND ANALYSIS OF OPERATIONS

The Company is an investment holding company and engaged in trading of natural uranium. Its subsidiaries are principally engaged in selling, distributing and manufacturing of pharmaceutical and food products and property investment. An analysis of the Group's performance for the year is set out in note 8 to the consolidated financial statements.

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The head office and principal place of business of the Company in Hong Kong has changed from Unit 7, 31st Floor, Tower 1, Lippo Centre, 89 Queensway, Hong Kong to Suites 6706-6707, 67/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong, with effect from 23 July 2012.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 68 of the annual report.

Since the Group intends to retain sufficient capital for business development, the Board would not recommend the payment of a final dividend (2011: Nil).

No dividend was paid or proposed during the year ended 31 December 2012, nor has any dividend been proposed since the end of the reporting period (2011: Nil)

With effect on 20 July 2012, the Company has discontinued its voluntary practice of publishing the quarterly financial results for the first and third quarters of each financial year ("Quarterly Reporting"). The Company continues to publish the Group's interim 6-month and annual financial results and other disclosure requirements under the Listing Rules. The Board considers that the new practice of discontinuing Quarterly Reporting is more cost effective and efficient and would not prejudice the interests of the Company's shareholders and potential investors as a whole.

董事會欣然提呈本公司之董事會報告連同本集團截至2012年12月31日止年度的經審核綜合財務報表。

主要業務及業務分析

本公司為投資控股公司及從事天然鈾貿易，其附屬公司之主要業務為藥品及食品銷售、分銷及製造，以及物業投資。本集團本年度業務分析載於綜合財務報表附註8。

香港主要營業地點

本公司於香港的總辦事處及主要營業地點已由香港金鐘道89號力寶中心1座31樓7室搬往香港灣仔港灣道18號中環廣場67樓6706-6707室，由2012年7月23日起生效。

業績及股息分派

本集團本年度之業績載於年報第68頁之綜合收益表。

由於集團打算保留充足資金作業務發展，故董事會不建議派發末期股息（2011年：無）。

截至2012年12月31日止年度並無派發或建議派發股息，而自結算日起亦無建議派發任何股息（2011年：無）。

由2012年7月20日起，本公司終止自願性公佈每一財政年度第一季度及第三季度的季度業績公佈的做法（「季度報告」）。本公司繼續根據上市規則的規定公佈集團的六個月中期和年度財務業績以及遵守該規則下的一切披露規定。董事會認為，終止季度報告的新實務更具成本效益及可提高效率，且不會影響本公司股東及有意投資者的整體利益。

Directors' Report 董事會報告

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the five years ended 31 December 2012 is set out on page 2 of the annual report.

RESERVES

Movements in the reserves of the Group during the year are set out on pages 72 and 73 of the annual report.

INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, AND PREPAID LEASE PAYMENTS ON LAND USE RIGHT

Details of the movements in intangible assets, property, plant and equipment, investment properties, and prepaid lease payments on land use right of the Group are set out in notes 17, 18, 19 and 20 to the consolidated financial statements respectively.

SUBSIDIARIES

Details of the principal subsidiaries of the Company are set out in note 37 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 28 to the consolidated financial statements.

CONVERTIBLE BONDS

In 2011, the Company issued convertible bonds with principal amount of HK\$600,000,000, which can be converted into 2,608,695,652 shares at an initial conversion price of HK\$0.23 per share. The proceeds from convertible bonds may finance new business opportunities or investments of the Group. Details of the convertible bonds are set out in note 29 to the consolidated financial statements.

財務摘要

本集團截至2012年12月31日止5個年度之業績和資產及負債之摘要載於年報第2頁。

儲備

本集團於本年度之儲備變動載於年報第72及73頁。

無形資產，物業、廠房及設備，投資物業及土地使用權預付租賃款項

本集團之無形資產，物業、廠房及設備，投資物業及土地使用權預付租賃款項變動詳情分別載於綜合財務報表附註17、18、19及20。

附屬公司

本公司主要附屬公司詳情載於綜合財務報表附註37。

股本

本公司股本變動詳情載於綜合財務報表附註28。

可換股債券

於2011年，本公司發行本金額共600,000,000港元之可換股債券，可按每股初步轉換價0.23港元轉換為2,608,695,652股股份。發行可換股債券之款項可為本集團新業務機會或投資提供資金。本公司可換股債券之詳情載於綜合財務報表附註29。

Directors' Report 董事會報告

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors

Mr. He Zuyuan (*Chief Executive Officer*)

Mr. Li Xianli (appointed on 5 July 2012)

Mr. Li Zhengguang (resigned on 5 July 2012)

Ms. Zheng Xiaowei (re-designated from a non-executive Director to an executive Director on 15 March 2012 and resigned on 5 July 2012)

Non-executive Directors

Mr. Yu Zhiping (*Chairman*)

Mr. Wei Qiyan

Ms. Jin Yunfei (appointed on 5 July 2012)

Mr. Huang Jianming (appointed on 5 July 2012)

Mr. Chen Zhiyu (resigned on 5 July 2012)

Independent Non-executive Directors

Mr. Ling Bing

Mr. Qiu Xianhong

Mr. Huang Jinsong

In accordance with Article 112 of the Articles, any Director appointed to fill a casual vacancy or as an additional Director shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such general meeting. On 5 July 2012, Mr. Li Xianli was appointed as an executive Director, and Mr. Huang Jianming and Ms. Jin Yunfei were appointed as non-executive Directors. All of them were appointed on 5 July 2012 and, being eligible, will offer themselves for re-election at the next annual general meeting of the Company.

In accordance with Article 108 of the Articles, Mr. He Zuyuan and Mr. Qiu Xianhong will retire from office by rotation as Directors at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-election.

董事

本公司在本年度內及截至本報告日期之董事如下：

執行董事

何祖元先生 (*首席執行官*)

李現立先生 (於2012年7月5日獲委任)

李正光先生 (於2012年7月5日辭任)

鄭曉衛女士 (於2012年3月15日由非執行董事調任為執行董事並於2012年7月5日辭任)

非執行董事

余志平先生 (*主席*)

魏其岩先生

靳雲飛女士 (於2012年7月5日獲委任)

黃建明先生 (於2012年7月5日獲委任)

陳志宇先生 (於2012年7月5日辭任)

獨立非執行董事

凌兵先生

邱先洪先生

黃勁松先生

根據細則第112條，獲委任填補臨時空缺的任何董事或額外獲委任加入董事會的董事任期將只直至本公司下屆股東大會，屆時將合資格在會上獲重選連任，惟於釐定應於該股東大會輪流告退的董事人選或董事數目時不應被計入在內。於2012年7月5日，李現立先生獲委任為執行董事，而黃建明先生及靳雲飛女士則獲委任為非執行董事。彼等均於2012年7月5日獲委任，惟彼等符合資格並將於本公司下屆股東週年大會上尋求重選連任。

根據細則第108條，何祖元先生及邱先洪先生於即將舉行的本公司股東週年大會上輪流告退董事之職，惟彼等符合資格並將膺選連任。

Directors' Report 董事會報告

DIRECTORS' SERVICE CONTRACTS

There is no service contract, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation), in respect of those Directors who are due to retire and offer for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS' INTERESTS IN CONTRACTS

Except for the Director's service contracts, no contracts of significance in relation to the Group's business to which the Company or its subsidiaries were a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

BIOGRAPHICAL DETAILS OF DIRECTORS

Biographical details of directors are set out on pages 16 to 19.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2012 amounted to approximately HK\$946,974,000.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction against such rights under the laws of the Cayman Islands.

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

None of the Company and its subsidiaries redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year 2012.

董事之服務合約

於即將舉行之本公司股東週年大會上退任並膺選連任之該等董事概無與本公司訂立於一年內須作出賠款(法定補償除外)方可終止之服務合約。

董事於合約之權益

除董事之服務合約外，於年終時或年內任何時間，沒有有關本集團的業務之重大合同，其中本公司或附屬公司為訂約一方及有一名董事於其中(不論直接或間接)擁有重大利益。

董事簡介

董事簡介詳情載於年報第16至19頁。

可供分派儲備

於2012年12月31日，本公司之可供分派儲備為約946,974,000。

優先購買權

本公司組織章程細則並無優先購買權之條文，而開曼群島法例並無對該等權利實施限制。

購買、出售或贖回本公司之上市股份

本公司及其附屬公司於2012年度內並無贖回任何股份，亦無購買或出售本公司任何股份。

Directors' Report 董事會報告

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the “2010 Share Option Scheme”) in the annual general meeting of the Company held on 2 June 2010 and terminated the share option scheme approved by the shareholders of the Company on 23 July 2003 (the “2003 Share Option Scheme”) at the same meeting.

The “2010 Share Option Scheme”

After adoption of the 2010 Share Option Scheme, no share option was granted. The following disclosure is a summary of the 2010 Share Option Scheme as required by Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

(1) *Purpose:*

The purpose of the 2010 Share Option Scheme is to enable the Company to grant options to Eligible Participants as incentives or rewards for their contribution to the Company and/or any of the Subsidiaries.

(2) *Participants:*

The Eligible Participants of the 2010 Share Option Scheme to whom option(s) may be granted by the Board shall include any employees, non-executive directors, directors, suppliers, customers, advisors, consultants, joint venture partners and any shareholders of any members of the Group or any invested entities or any holders of any securities issued by any members of the Group or any invested entities.

購股權計劃

本公司於2010年6月2日舉行之股東週年大會上採納一項購股權計劃（「2010年購股權計劃」），並於同一大會上終止本公司股東於2003年7月23日批准之購股權計劃（「2003年購股權計劃」）。

2010年購股權計劃

採納2010年購股權計劃後，並無授出任何購股權。以下披露為香港聯合交易所有限公司證券上市規則（「上市規則」）第17章規定之2010年購股權計劃概要：

(1) *目的：*

2010年購股權計劃之目的為使本公司可向合資格參與者授出購股權，作為鼓勵及獎賞彼等對本公司及／或任何附屬公司作出貢獻。

(2) *參與者：*

可獲董事會授予購股權之2010年購股權計劃合資格參與者包括本集團任何成員公司或任何被投資實體之僱員、非執行董事、董事、供應商、客戶、顧問、諮詢人、合營企業夥伴及任何股東以及本集團任何成員公司或任何被投資實體所發行任何證券之任何持有人。

Directors' Report 董事會報告

(3) *Total number of shares available for issue under the 2010 Share Option Scheme and percentage of issued share capital at the date of approval of the share option scheme:*

The number of shares which can be issued is 155,105,699 shares representing approximately 10% of the issued share capital of the Company at the date of approval of the 2010 Share Option Scheme.

(4) *Maximum entitlement of each participant:*

The total number of shares issued and to be issued upon exercise of the Options granted under the 2010 Share Option Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding Options) to each Eligible Participant in any 12-month period must not exceed one percent (1%) of the then total issued share capital of the Company (the "Individual Limit").

(5) *The periods within which the shares must be taken up under an option:*

An option shall be exercisable in whole or in part and in accordance with the terms of the 2010 Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on the day on which the offer for the grant of options is made but shall end in any event not later than ten (10) years commencing from the date the Board makes an offer of the grant of an option subject to the provisions for early termination thereof.

(6) *The minimum period for which an option must be held before it can be exercised:*

Unless the Directors otherwise determine and state in the offer of the grant of options to an Eligible Participant, there is no minimum period for which an option granted under the 2010 Share Option Scheme must be held before it can be exercised.

(3) *根據2010年購股權計劃可發行之股份總數及其所佔於購股權計劃批准日之已發行股本百分比：*

可發行之股份數目為155,105,699股，相等於本公司於2010年購股權計劃批准日之已發行股本約10%。

(4) *各參與者可享有之最高配額：*

在任何12個月期間內每名合資格參與者根據2010年購股權計劃及本公司任何其他購股權計劃獲授之購股權（包括已行使、已註銷及尚未行使之購股權）予以行使時，已發行及將予發行之股份總數，不得超過本公司當時已發行股本總額之百分之一(1%)（「個別上限」）。

(5) *行使購股權之時限：*

購股權可按照2010年購股權計劃之條款於董事決定並已知會各承授人之期間內任何時間全部或部分行使，該期間可自授出購股權要約提出當日開始，惟在任何情況下不得遲於董事會授予購股權建議當日起計十(10)年（惟可根據該計劃條款而提早終止）。

(6) *行使購股權前規定之最短持有期：*

除董事另有決定並於向合資格參與者提出授予購股權要約時表明，否則根據2010年購股權計劃授出之購股權毋須先行持有一段最短期限始能行使。

Directors' Report 董事會報告

- (7) *The amount payable on application or acceptance of the option and the period within which payments of calls must or may be made or loans for such purpose must be paid:*

An offer of grant of an option may be accepted by an Eligible Participant within twenty-eight (28) days from the date of the offer of grant of the option. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an option.

- (8) *The basis of determining the exercise price:*

Subject to the adjustment made in accordance with the terms of the 2010 Share Option Scheme, the exercise price in respect of any particular option shall be such price as determined by the Board in its absolute discretion at the time of making the offer of grant of an option (which shall be stated in the letter containing the offer of grant of an option) but in any case the exercise price must be at least the highest of (i) the closing price of shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations sheets for the five (5) business days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

- (9) *The remaining life:*

The 2010 Share Option Scheme will remain in force for a period of 10 years commencing on 2 June 2010.

The "2003 Share Option Scheme"

The share option scheme effective on 26 January 2002 was replaced by a new share option scheme adopted by the shareholders on 23 July 2003 (the "2003 Share Option Scheme").

The purpose of the 2003 Share Option Scheme is to grant share options to selected participants satisfying the criteria according to the 2003 Share Option Scheme as incentives or rewards for their contribution to the Group.

- (7) *申請認購或接納購股權時應付之金額，以及付款或通知付款或償還購股權貸款之期限：*

合資格參與者須於授出購股權要約提出當日起計二十八(28)日內接納獲授之購股權要約，而接納獲授購股權要約時須支付代價1.00港元。

- (8) *行使價之釐定基準：*

受限於按2010年購股權計劃條款作出之調整，任何特定購股權之行使價應為董事會於提出授出購股權要約之時全權酌情釐定之價格（其須於授出之購股權要約函件內訂明），惟在任何情況下行使價必須最少為下列三者中之最高者：(i)股份於授出購股權要約當日（須為交易日）之收市價（以聯交所每日報價表所載者為準）；(ii)股份於緊接授出購股權要約日期前五(5)個營業日之平均收市價（以聯交所每日報價表所載者為準）；及(iii)股份面值。

- (9) *尚餘有效期：*

2010年購股權計劃有效期為自2010年6月2日起10年。

2003年購股權計劃

於2002年1月26日生效之購股權計劃已由股東於2003年7月23日採納之新購股權計劃（「2003年購股權計劃」）取代。

2003年購股權計劃旨在向該等符合2003年購股權計劃各項條件下之經挑選參與者授予購股權，作為其對本集團作出貢獻之鼓勵或獎賞。

Directors' Report 董事會報告

The maximum number of securities to be issued upon the exercise of all outstanding options granted and yet to be exercised under the 2003 Share Option Scheme and any other share option scheme must not in aggregate exceed 30% of the relevant shares capital of the Company in issue from time to time.

The total number of shares which may be issued upon exercise of all options to be granted under the 2003 Share Option Scheme must not in aggregate exceed 127,746,216 shares representing 10% of the share in issue at the date of the 2003 Share Option Scheme. Subsequently, the general scheme limit was refreshed and approved at the annual general meeting on 31 May 2005, and the limit was re-set to 154,170,699 shares.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the 2003 Share Option Scheme to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being.

An option may be accepted by a participant within 21 days from the date of the offer of grant of the options. The subscription price for shares under the 2003 Share Option Scheme will be a price determined by the Directors but shall not be less than the highest of (i) the closing price of shares as stated in the Stock Exchange's daily quotation sheet for trades in one or more board lot of shares on the date of the offer of grant, or (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for trades in one or more board lot of shares for the five trading days immediately preceding the date of the offer of grant, and (iii) the nominal value of shares. A nominal consideration of HK\$1 is payable on acceptance of the grant of option.

An option may be exercised in accordance with the terms of the 2003 Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date of acceptance of the offer but shall and in any event be not later than ten years from the date on which the offer is made subject to the provisions of early termination thereof.

因行使根據2003年購股權計劃或任何其他購股權計劃授出之所有尚未行使及有待行使購股權而將予發行之證券數目，最多合共不得超過本公司不時已發行有關股本之30%。

因行使根據2003年購股權計劃將予授出之所有購股權而可能發行之股份總數，合共不得超過127,746,216股股份，相當於2003年購股權計劃日期已發行股份10%。其後一般計劃上限已於2005年5月31日召開之股東週年大會上批准更新，該上限已重新設定為154,170,699股股份。

於任何12個月期間內，因行使根據2003年購股權計劃向任何參與者授出之購股權而已經及可能須予發行之股份總數，最多不得超過本公司當時已發行股本之1%。

參與者可於建議授出購股權之日起計21日內接納購股權。根據2003年購股權計劃，股份之認購價將由董事會釐定，惟不得少於以下三項之最高者：(i)授出購股權當日聯交所每日報價表所列股份（一手或以上股份）之收市價，或(ii)緊接授出購股權當日前五個交易日聯交所每日報價表所列股份（一手或以上股份）之平均收市價，及(iii)股份面值。於接納獲授之購股權時須繳付1港元象徵式代價。

購股權持有人可按照2003年購股權計劃之條款，於董事會釐定及通知各承授人之期間隨時行使購股權。該期間由接納購股權當日開始，及在任何情況下不遲於購股權授出當日起計十年屆滿，除非根據有關規定提早終止。

Directors' Report 董事會報告

The 2003 Share Option Scheme commenced on 23 July 2003 and ended on 2 June 2010.

First phase:

On 21 June 2002, the Directors granted options to subscribe for an aggregate of 30,000,000 shares of the Company, with an exercise price at HK\$0.39 per share. Those who were granted with the options can exercise their rights in multiple periods starting from 16 August 2002 to 6 February 2012 as below:

- From 16 August 2002 to 6 February 2012 – approximately 6,850,000 shares
- From 1 January 2003 to 6 February 2012 – approximately 8,280,000 shares
- From 1 January 2004 to 6 February 2012 – approximately 6,510,000 shares
- From 1 January 2005 to 6 February 2012 – approximately 8,360,000 shares

Among the grantees in this grant of share options, 108 of them are full-time employees of the Company and an aggregate of 21,100,000 options were granted to them; 29 of them are staff of major customers of the Company and an aggregate of 8,900,000 options are granted to them. During the year ended 31 December 2012, 100,000 share options granted were lapsed, no option was forfeited or cancelled. As at 31 December 2012, no share options remained outstanding and exercisable.

Second phase:

On 28 February 2003, the Directors granted options to three directors of certain subsidiaries of the Group to subscribe for 19,800,000 shares of the Company, with an exercise price at HK\$0.24 per share. The grantees are entitled to exercise the subscription rights on or before 6 February 2012.

All of the options in this phase were fully exercised in 2004.

2003年購股權計劃於2003年7月23日生效，於2010年6月2日失效。

第一期計劃：

於2002年6月21日，董事會授出合共可認購本公司30,000,000股股份之購股權，行使價為每股0.39港元。獲授購股權之人士可於2002年8月16日至2012年2月6日期間按以下方式分期行使其權利：

- 2002年8月16日至2012年2月6日 – 約6,850,000股
- 2003年1月1日至2012年2月6日 – 約8,280,000股
- 2004年1月1日至2012年2月6日 – 約6,510,000股
- 2005年1月1日至2012年2月6日 – 約8,360,000股

是次獲授購股權人士當中108名為本集團全職僱員，合共獲授21,100,000份購股權；29名為本公司主要客戶的員工，合共獲授8,900,000份購股權。於截至2012年12月31日止年度內，獲授購股權之人士合共100,000份購股權失效，並沒有沒收或註銷購股權。於2012年12月31日，沒有到期可以但尚未行使的購股權。

第二期計劃：

於2003年2月28日，董事向本集團若干附屬公司3名董事授予合共可認購本公司19,800,000股股份之購股權，行使價為每股0.24港元。承授人有權於2012年2月6日或之前行使認購權。

此計劃中之購股權已於2004年內全獲行使。

Directors' Report 董事會報告

Third phase:

On 29 September 2003, the Directors granted options to subscribe for an aggregate of 30,000,000 shares of the Company, with an exercise price at HK\$0.51 per share. Those who were granted the options can exercise their rights in two periods starting from 2 January 2004 to 6 February 2012 as below:

From 2 January 2004 to 6 February 2012 –
approximately 8,990,000 shares
From 2 July 2004 to 6 February 2012 –
approximately 21,010,000 shares

As at the date of granting, among the grantees in this grant of share options, 14 of them are full-time employees of the Group and an aggregate of 16,595,000 options were granted to them; 5 of them are directors of certain subsidiaries of the Group and an aggregate of 12,405,000 options were granted to them; and one of them is a consultant of a wholly owned subsidiary and 1,000,000 options were granted. In year 2003, 1,500,000 options were waived by a grantee. During the year ended 31 December 2012, 760,000 share options granted were lapsed, no option was forfeited or cancelled. As at 31 December 2012, no share options remained outstanding and exercisable.

Fourth phase:

On 12 September 2005, the Directors granted options to subscribe for an aggregate of 69,800,000 shares of the Company, with an exercise price at HK\$0.23 per share. Those who were granted the options can exercise their rights in two periods starting from 1 January 2006 to 6 February 2012 as below:

From 1 January 2006 to 6 February 2012 –
approximately 34,900,000 shares
From 1 January 2007 to 6 February 2012 –
approximately 34,900,000 shares

第三期計劃：

於2003年9月29日，董事授出合共可認購本公司30,000,000股股份之購股權，行使價為每股0.51港元。獲授購股權之人士可於2004年1月2日至2012年2月6日期間按以下方式分兩期行使其權利：

2004年1月2日至2012年2月6日 –
約8,990,000股
2004年7月2日至2012年2月6日 –
約21,010,000股

於授出當天，是次獲授購股權人士當中14名為本集團全職僱員，合共獲授16,595,000份購股權；5名為本集團若干附屬公司董事，合共獲授12,405,000份購股權；1名為一家全資附屬公司之顧問，獲授1,000,000份購股權。於2003年度內，一名承授人放棄1,500,000份購股權。於截至2012年12月31日止年度內，獲授購股權之人士合共760,000份購股權失效，並沒有沒收或註銷購股權。於2012年12月31日，沒有到期可以但尚未行使的購股權。

第四期計劃：

於2005年9月12日，董事授出合共可認購本公司69,800,000股股份之購股權，行使價為每股0.23港元。獲授購股權之人士可於2006年1月1日至2012年2月6日期間按以下方式分兩期行使其權利：

2006年1月1日至2012年2月6日 –
約34,900,000股
2007年1月1日至2012年2月6日 –
約34,900,000股

Directors' Report 董事會報告

As at the date of granting, among the grantees in this grant of share options, 12 of them are full-time employees of the Group and an aggregate of 11,000,000 options were granted to them; 3 of them are executive directors of the Company and an aggregate of 35,000,000 options were granted to them; 3 of them are independent non-executive directors of the Company and an aggregate of 4,500,000 options were granted to them; 2 of them are ex-executive directors of the Company in the past 12 months and an aggregate of 18,000,000 options were granted to them; and 2 of them are directors of certain subsidiaries of the Group and an aggregate of 1,300,000 options were granted to them.

All of the options in this phase were fully exercised in 2011.

Fifth phase:

On 29 January 2008, the Directors granted options to subscribe for an aggregate of 67,500,000 shares of the Company, with an exercise price at HK\$0.28 per share. Those who were granted the options can exercise their rights in two periods starting from 1 October 2008 to 6 February 2012 as below:

From 1 October 2008 to 6 February 2012 –
approximately 20,250,000 shares
From 1 January 2009 to 6 February 2012 –
approximately 47,250,000 shares

As at the date of granting, among the grantees in this grant of share options, 6 of them are full-time employees of the Group and an aggregate of 16,000,000 options were granted to them; 4 of them are executive directors of the Company and an aggregate of 34,000,000 options were granted to them; 1 of them is independent non-executive director of the Company and 1,500,000 options were granted; 1 of them is a director of a subsidiary of the Company and 2,000,000 options were granted; 1 of them is a director of certain subsidiaries of the Company and 3,000,000 options were granted; and 3 of them are consultants of the Company and an aggregate of 11,000,000 options were granted to them. During the year ended 31 December 2011, 65,500,000 share options granted were exercised, no option was forfeited, or cancelled. All of the options in this phase were fully exercised in 2011.

於授出當天，是次獲授購股權人士當中12名為本集團全職僱員，合共獲授11,000,000份購股權；3名為本公司執行董事，合共獲授35,000,000份購股權；3名為本公司獨立非執行董事，合共獲授4,500,000份購股權；2名為本公司過往12個月內在職之前執行董事，獲授18,000,000份購股權；2名為本集團若干附屬公司董事，合共獲授1,300,000份購股權。

此計劃中之購股權已於2011年內全獲行使。

第五期計劃：

於2008年1月29日，董事授出合共可認購本公司67,500,000股股份之購股權，行使價為每股0.28港元。獲授購股權之人士可於2008年10月1日至2012年2月6日期間按以下方式分兩期行使其權利：

2008年10月1日至2012年2月6日 –
約20,250,000股
2009年1月1日至2012年2月6日 –
約47,250,000股

於授出當日，是次獲授購股權人士當中6名為本集團全職僱員，合共獲授16,000,000份購股權；4名為本公司執行董事，合共獲授34,000,000份購股權；1名為本公司獨立非執行董事，獲授1,500,000份購股權；1名為本公司一家附屬公司董事，獲授2,000,000份購股權；1名為本公司若干附屬公司之董事，獲授3,000,000份購股權；3名為本公司之顧問，合共獲授11,000,000份購股權。於截至2011年12月31日止年度內，獲授購股權之人士行使合共65,500,000份購股權，並沒有沒收和註銷。此計劃中之購股權已於2011年內全獲行使。

Directors' Report 董事會報告

Other share options

On 22 September 2003, the Group entered into an agreement to acquire the remaining 15% minority interest of the subsidiary, Vital Pharmaceuticals (Sichuan) Co Ltd. The remaining monetary consideration of the acquisition amounting to approximately HK\$28.3 million representing 60% of the total consideration will be settled at the sole option of the Company, either in cash or in new ordinary share of the Company. On or before the following dates, the Company may opt to pay cash or to issue new ordinary shares by serving a notice to the seller (the "Notice"):

- 22 March 2004: HK\$9,433,962;
- 22 September 2004: HK\$9,433,962; and
- 22 March 2005: HK\$9,433,962.

The number of shares is calculated at a price that is equal to the higher of the average 30 day closing price of the Company's shares on the Stock Exchange immediately prior to the date of the Notice and HK\$0.46 per share. The maximum number of shares to be issued if based on HK\$0.46 per share will be 61,525,839. A conditional approval has been obtained from the Stock Exchange for the listing of and permission to deal in the share options. All of the options in this phase were fully exercised in 2005.

Details of the movement of share options are set out in note 31 to the consolidated financial statements.

RETIREMENT BENEFIT SCHEMES

Details of the retirement benefit schemes are set out in notes 3 and 15 to the consolidated financial statements.

CHANGE OF COMPANY WEBSITE

The website of the Company has been changed from "www.vital-pharm.com" to "http://www.irasia.com/listco/hk/cgnmining/index.htm", with effect from 3 January 2012.

其他購股權

於2003年9月22日，本集團訂立協議以收購附屬公司四川維奧製藥有限公司剩餘15%少數股東權益。該收購之幣值代價餘額約28.3百萬港元（相當於代價總額的60%）將由本公司全權決定以現金或以本公司新普通股支付。本公司可於下列日期或之前，向賣方發出通知（「通知」），選擇支付現金或發行新普通股：

- 2004年3月22日：9,433,962港元；
- 2004年9月22日：9,433,962港元；及
- 2005年3月22日：9,433,962港元。

購股權股份數目乃按於緊接通知日期前30日本公司股份於聯交所之平均收市價及每股0.46港元之較高者計算。按每股0.46港元之基準計算，最多可發行61,525,839股股份。本公司已獲聯交所所有條件批准該購股權股份上市。此計劃中之購股權已於2005年內全獲行使。

購股權變動詳情載於綜合財務報表附註31。

退休福利計劃

退休福利計劃詳情載於綜合財務報表附註3及15。

更改公司網站

本公司之網站已由「www.vital-pharm.com」更改為「http://www.irasia.com/listco/hk/cgnmining/index.htm」，自2012年1月3日起生效。

Directors' Report 董事會報告

DISCLOSURE OF INTERESTS

(a) The Directors' and chief executive's interests and short position in the shares, underlying shares and debentures of the Company or any associated corporation

As at 31 December 2012, the interests and short positions of the Directors and chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571) ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

權益披露

(a) 董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債券中之權益及淡倉

於2012年12月31日，本公司董事、行政總裁及彼等之聯繫人士於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視作擁有之權益及淡倉），或根據證券及期貨條例第352條規定須記錄於該條所指登記冊之權益及淡倉，或根據上市規則所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

| Name of Director 董事姓名 | Capacity 身份 | Number of ordinary shares of HK\$0.01 each ("Share") (Note 1) 每股面值0.01港元 普通股股份（「股份」）數目 （附註1） | Approximate percentage of the total issued share capital of the Company 佔本公司已發行 股本總額的概約百分比 |
|-----------------------------|---------------------------|--|--|
| Mr. Huang Jianming 黃建明先生 | Personal interest 個人權益 | 8,500,000 (L) | 0.26% |

Note:

1. The letter "L" stands for the Director's long position in the Shares.

附註：

1. 「L」代表董事在此等股份中所持之好倉。

Directors' Report 董事會報告

Save as disclosed above, none of the Directors and the chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Substantial Shareholders' interest and short positions in the shares, underlying shares of the Company

As at 31 December 2012, according to the register of members kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons/entities, other than a Director or chief executive of the Company, had an interest or short position in the shares and underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

除上文所披露外，本公司董事及行政總裁概無在本公司或其相聯法團（定義見證券及期貨條例）的股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益及淡倉（包括根據證券及期貨條例彼等被當作或視為擁有之權益及淡倉），或根據證券及期貨條例第352條須登記於該條所指登記冊之任何權益及淡倉，或根據上市規則所載標準守則須知會本公司及聯交所之任何權益及淡倉。

(b) 主要股東於本公司股份及相關股份中之權益及淡倉

於2012年12月31日，按本公司根據證券及期貨條例第336條規定存置之股東登記冊，就董事在作出合理查詢後所知或確認，下列人士／實體（不包括本公司董事或行政總裁）於本公司股份、相關股份及債券中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉：

Directors' Report 董事會報告

| Name 股東名稱 | Company/ Name of Group member 公司／集團 成員公司名稱 | Capacity 身份 | Number of shares (Note 3) 股份數目 (附註3) | Approximate percentage of shareholding 股權概約 百分比 |
|---|--|---|--|---|
| Perfect Develop Holding Inc. (Note 4) | Corporate | Beneficial owner | 522,526,940 (L) 450,000,000 (S) | 15.68% (L) 13.50% (S) |
| Perfect Develop Holding Inc. (附註4) | 公司 | 實益擁有人 | | |
| China Uranium Development Company Limited (Note 1 & 2) | Corporate | Beneficial owner | 4,728,695,652 (L) 550,354,609 (S) | 141.89% (L) 16.51% (S) |
| 中國鈾業發展有限公司(附註1及2) | 公司 | 實益擁有人 | | |
| CGNPC Uranium Resources Co. Ltd. (Note 5 & 6) | Corporate | Interest in a controlled corporation | 4,728,695,652 (L) 550,354,609 (S) | 141.89% (L) 16.51% (S) |
| 中廣核鈾業發展有限公司 (附註5及6) | 公司 | 受控法團權益 | | |
| China Guangdong Nuclear Power Holding Corporation, Ltd. (Note 7) | Corporate | Interest in a controlled corporation | 4,728,695,652 (L) 550,354,609 (S) | 141.89% (L) 16.51% (S) |
| 中國廣東核電集團有限公司(附註7) | 公司 | 受控法團權益 | | |
| Silver Grant International Industries Limited (Note 2) | Corporate | Beneficial owner | 550,354,609 (L) | 16.51% (L) |
| 銀建國際實業有限公司(附註2) | 公司 | 實益擁有人 | | |

Notes:

- The long position represents (i) the 1,670,000,000 Shares held by China Uranium Development Company Limited ("China Uranium Development") (ii) the interests in the 2,608,695,652 Shares to be allotted and issued upon the full exercise of the conversion rights attached to the convertible bonds in the principle amount of HK\$600,000,000 at an initial conversion price of HK\$0.23 issued by the Company on 18 August 2011 (the "Convertible Bonds"), and (iii) the interest in the 450,000,000 Shares held under the Share Charge as stated in note 4 below.

附註：

- 該好倉代表(i)中國鈾業發展有限公司(「中國鈾業發展」)持有的1,670,000,000股之權益，(ii)因按初步轉換價每股0.23港元全面行使本公司於2011年8月18日發行本金額600,000,000港元的可換股債券(「可換股債券」)所附帶的換股權而將予配發及發行的2,608,695,652股股份之權益；及(iii)下文附註4所載股份抵押項下持有之450,000,000股股份中的權益。

Directors' Report 董事會報告

2. China Uranium Development and Silver Grant International Industries Limited ("Silver Grant") entered into a Subscription Agreement dated 23 March 2012 (the "Subscription Agreement"). Upon completion of the Subscription Agreement on 1 June 2012, China Uranium Development had issued and Silver Grant had subscribed for an exchangeable bond in the principal amount of HK\$776,000,000 (the "Exchangeable Bond"), pursuant to which Silver Grant can exercise the exchange right (the "Exchange Right") at the exchange price of HK\$1.41 (subject to adjustment) to request China Uranium Development to transfer to it the shares of the Company held by China Uranium Development. Assuming that Silver Grant fully exercise the Exchange Right, China Uranium Development will transfer an aggregate of 550,354,609 Shares (representing approximately 16.51% of the then existing share capital of the Company) to Silver Grant.
3. The letter "L" denotes the person's/entity's long position in the shares. The letter "S" denotes the person's/entity's short position in the shares.
4. The issued share capital of Perfect Develop Holding Inc. is beneficially owned as to 58.28% by Mr. Tao Lung, 30.67% by Mr. Huang Jianming and 11.05% by Mr. Liu James Jin. Mr. Tao Lung, Mr. Huang Jianming and Mr. Liu James Jin are founders of the Group. Mr. Tao Lung and Mr. Liu James Jin are former executive Directors of the Company. Mr. Huang Jianming is a founder of the Group and is currently a non-executive Director of the Company. Pursuant to a share charge dated 1 April 2011 (the "Share Charge"), Perfect Develop Holding Inc. charged 450,000,000 Shares in favour of China Uranium Development.
5. CGNPC Uranium Resources Co. Ltd. ("CGNPC-URC", formerly known as CGNPC Nuclear Fuel Co., Ltd.) holds 100% of the issued share capital of China Uranium Development. Therefore, CGNPC-URC is deemed to be interested in 4,728,695,652 Shares by virtue of its shareholding of China Uranium Development.
2. 中國鈾業發展與銀建國際實業有限公司(「銀建」)於2012年3月23日訂立一項認購協議(「認購協議」)。於認購協議在2012年6月1日完成時，中國鈾業發展發行及銀建認購本金額776,000,000港元的可交換債券(「可交換債券」)，據此，銀建可按每股1.41港元(可予調整)的交換價行使交換權(「交換權」)，以要求中國鈾業發展向其轉讓由中國鈾業發展持有的本公司股份。假設銀建全面行使交換權，中國鈾業發展將向銀建轉讓合共550,354,609股股份(相當於本公司當時現有已發行股本約16.51%)。
3. 「L」代表該等人士／實體在此等股份中所持之好倉。「S」代表該等人士／實體在此等股份中所持之淡倉。
4. Perfect Develop Holding Inc.已發行股本分別由陶龍先生實益擁有58.28%、黃建明先生實益擁有30.67%，以及劉津先生實益擁有11.05%。陶龍先生、黃建明先生和劉津先生均為本集團創辦人。陶龍先生及劉津先生為本公司前執行董事。黃建明先生為本集團創辦人及現時為本公司非執行董事。根據日期為2011年4月1日之股份抵押(「股份抵押」)，Perfect Develop Holding Inc.以中國鈾業發展為受益人抵押了450,000,000股股份。
5. 中廣核鈾業發展有限公司(「中廣核鈾業發展」，前稱中廣核燃料有限公司)持有中國鈾業發展之已發行股本100%。因此，中廣核鈾業發展因持有中國鈾業發展之股權而被視為擁有該4,728,695,652股股份之權益。

Directors' Report 董事會報告

6. The long position represents (i) the interests held by China Uranium Development as stated in note 1 above, (ii) the interests in the 2,608,695,652 Shares to be allotted and issued upon the exercise of the conversion rights attached to Convertible Bonds issued by the Company on 18 August 2011 and (iii) 450,000,000 Shares under the Share Charge as stated in note 4 above.
7. China Guangdong Nuclear Power Holding Corporation, Ltd. holds 100% of the equity interests of CGNPC-URC. Therefore, it is deemed to be interested in the interest held by CGNPC-URC.

Save as disclosed above, the Directors are not aware of any person as at 31 December 2012 who had an interest or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO.

DIRECTORS' AND CHIEF EXECUTIVE'S RIGHT TO SUBSCRIBE FOR SHARES

Save as disclosed in the annual report, none of the Company's Directors and chief executive (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares, warrants or debentures (if applicable) of the Company and its associated corporations (within the meaning of the SFO) during the year.

6. 該等好倉代表(i)上文附註1所述由中國鈾業發展持有的權益；(ii)因行使本公司於2011年8月18日發行的可換股債券所附的轉換權而將予配發及發行之2,608,695,652股股份之權益；及(iii)上文附註4所載股份抵押項下之450,000,000股股份。
7. 中國廣東核電集團有限公司持有中廣核鈾業發展100%股權，因而被視為擁有中廣核鈾業發展所持的權益。

除上文所披露外，於2012年12月31日，董事並不知悉有任何人士於本公司股份、相關股份及債券中擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益或淡倉。

董事及行政總裁認購股份之權利

除本年報所披露外，於本年度任何時間內，本公司董事及行政總裁（包括彼等之配偶及未滿18歲之子女）概無在本公司及其相聯法團（定義見證券及期貨條例）之股份、認股權證或債權證（如適用）中擁有任何權益，亦無獲授予或行使任何可認購股份、認股權證或債權證之權利。

CONTINUING CONNECTED TRANSACTION

1. Framework agreement entered into between CGNPC Uranium Resources Co., Ltd (“CGNPC-URC”) (formerly known as “CGNPC Nuclear Fuel Co., Ltd”) and the Company (the “Framework Agreement”)

On 21 October 2011, the Company and CGNPC-URC entered into the Framework Agreement in relation to the sale of Natural Uranium (as defined in the Framework Agreement) by the Group to CGNPC-URC during the Effective Period (as defined in the Framework Agreement). Pursuant to the Framework Agreement, the Group agreed to sell and CGNPC-URC agreed to purchase and purchase on behalf of certain End Users (as defined in the Framework Agreement) certain amount of Natural Uranium during the Effective Period. The Framework Agreement took effect on 28 November 2011 (“Effective Date”).

As at date of Framework Agreement, CGNPC-URC is the sole shareholder of China Uranium Development, the controlling shareholder of the Company, which holds approximately 50.11% equity interest in the Company. CGNPC-URC is therefore a connected person of the Company under the Listing Rules. The transaction contemplated under the Framework Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

The Annual Cap Amounts of the transaction value fee in respect of the Continuing Connected Transaction payable for the financial year ended 31 December 2012 is HK\$2,246,400,000.

持續關連交易

1. 本公司與中廣核鈾業發展有限公司（「中廣核鈾業發展」）（前稱「中廣核燃料有限公司」）訂立框架協議（「框架協議」）

於2011年10月21日，本公司與中廣核鈾業發展就本集團於有效時期內向中廣核鈾業發展出售天然鈾（定義見框架協議）訂立框架協議。據此，本集團同意出售而中廣核鈾業發展同意於有效時期內購買及代表若干最終用戶（定義見框架協議）購買若干數量之天然鈾。框架協議於2011年11月28日（「生效日期」）起生效。

於訂立框架協議當日，中廣核鈾業發展為持有本公司約50.11%股本權益之本公司控股股東中國鈾業發展之唯一股東。因此，根據上市規則，中廣核鈾業發展屬本公司之關連人士。根據上市規則第14A章，框架協議項下擬進行的交易構成本公司之持續關連交易。

截至2012年12月31日止年度就持續關連交易應付的該交易價值的年度上限為2,246,400,000港元。

Directors' Report 董事會報告

2. Revolving Loan Facility Agreement between CGN Mining Company Limited and China Uranium Development Company Limited (“China Uranium Development”)

On 15 October 2012, the Company as lender and China Uranium Development as borrower entered into the Revolving Loan Facility Agreement (the “Facility Agreement”) pursuant to which the Company will provide the Revolving Loan of an amount not exceeding US\$100 million (approximately HK\$780 million) to China Uranium Development for a term of one year commencing from the date of passing the relevant resolutions at the extraordinary general meeting held on 15 November 2012.

The Company is owned as to approximately 50.11% equity interest by China Uranium Development and accordingly China Uranium Development is the Controlling Shareholder of the Company. Therefore, China Uranium Development is a connected person of the Company. The entering into of the Revolving Loan Facility Agreement and the provision of the Revolving Loan to China Uranium Development constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting requirements pursuant to Rule 14A.45 of the Listing Rules.

The interest rate of each Single Loan (as defined in the Facility Agreement) shall be calculated from the Drawdown Date (as defined in the Facility Agreement) until the full repayment date of the Single Loan on the basis of 360 days per annum in the following ways:

- (a) 1 month LIBOR+6%, if the Single Loan Period is less than 3 months;
- (b) 3 months LIBOR+6%, if the Single Loan Period is between 3-6 months; or

2. 中廣核礦業有限公司與中國鈾業發展有限公司（「中國鈾業發展」）之間的循環額度貸款合同

於2012年10月15日，本公司（作為貸款方）與中國鈾業發展（作為借款方）訂立循環額度貸款合同（「循環額度貸款合同」），據此，本公司將向中國鈾業發展提供金額不超過100,000,000美元（約780,000,000港元）的循環貸款，由於2012年11月15日舉行的股東特別大會上通過有關的決議案日期起計為期一年。

中國鈾業發展擁有本公司約50.11%之股本權益，中國鈾業發展因而為本公司之控股股東。故此，中國鈾業發展為本公司的關連人士。訂立循環額度貸款合同及向中國鈾業發展提供循環貸款構成本公司根據上市規則第14A章的持續關連交易，因而須受上市規則第14A.45條的報告規定所規限。

各單筆貸款（定義見循環額度貸款合同）之利息將由放款日（定義見循環額度貸款合同）起至該單筆貸款全額償還日按每年360日為基準計算。各單筆貸款之利率計算如下：

- (a) 倘若單筆貸款期限少於三個月，按一個月LIBOR加6%計算；
- (b) 倘若單筆貸款期限為三至六個月，按三個月LIBOR加6%計算；或

Directors' Report 董事會報告

(c) 6 months LIBOR+6%, if the Single Loan Period is more than 6 months.

If the Single Loan Period (as defined in the Facility Agreement) is less than or equal to 6 months, all interest accrued shall be paid in a lump sum on the Single Loan Due Date (as defined in the Facility Agreement). If the Single Loan Period is more than 6 months: (i) depending on actual circumstances, in the event that the Drawdown Date of that Single Loan falls between 21 December to 20 June (both dates inclusive), all interest accrued during the First Interest Period shall be paid on 21 June; in the event that the Drawdown Date of that Single Loan falls between 21 June to 20 December (both dates inclusive), all interest accrued during the First Interest Period shall be paid on 21 December; and (ii) after the First Interest Period, depending on actual circumstances, all interest accrued during Other Interest Period shall be paid on 21 June and 21 December of each year. However, all interest accrued during the Final Interest Period shall be paid on the Single Loan Due Date.

China Uranium Development was not required to provide any guarantee or charge any assets to the Company under the Facility Agreement because the Company considers the relevant risk of default as extremely low.

The purpose of the continuing connected transaction is to enhance the return on investment on the Company's surplus cash resources while maintaining the flexibility of cash flow for any further business development or investment opportunities.

The Cap Amount of the Revolving Loan is US\$100 million (equivalent to approximately HK\$780 million).

(c) 倘若單筆貸款期限超過六個月，按六個月LIBOR加6%計算。

若該單筆貸款期限（定義見循環額度貸款合同）少於或等於六個月，所有應計利息須於該單筆貸款到期日（定義見循環額度貸款合同）一次過支付。若該單筆貸款期限超過六個月：(i)視乎實際情況，倘若該單筆貸款之放款日為12月21日至6月20日期間（起止日期均包括），於首個利息期所應計之全部利息須於6月21日支付；倘若該單筆貸款之放款日為6月21日至12月20日期間（起止日期均包括），於首個利息期應計之全部利息須於12月21日支付；及(ii)於首個利息期後，視乎實際情況，於其他利息期應計之全部利息須於每年6月21日及12月21日支付。然而，於最終利息期應計之全部利息須於該單筆貸款到期日支付。

由於本公司認為有關的拖欠風險十分低，中國鈾業發展將毋須根據循環額度貸款合同向本公司提供任何擔保或資產抵押。

此項持續關連交易的目的乃為提高本公司盈餘現金資源的投資回報，同時可保持現金流的靈活性以供作任何進一步的業務發展或投資機會。

循環額度貸款合同的上限金額為100,000,000美元（相當於約780,000,000港元）。

Directors' Report 董事會報告

Annual review of continuing connected transactions

The Independent Non-Executive Directors of the Company have reviewed and confirm that the continuing connected transactions set out above have been entered into:

1. in the ordinary and usual course of business of the Group;
2. either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third party or; and
3. in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company have also reviewed these continuing connected transactions and confirmed to the Board that these transactions:

1. have been approved by the Board;
2. have been entered into in accordance with the relevant agreement governing the transactions;
3. are in accordance with the pricing policies of the Group (if the transactions involve provision of goods or services by the Group); and
4. have not exceeded the relevant annual caps disclosed in previous announcements.

The Board acknowledged the receipt of the auditors' confirmation letter dated 5 March 2013 which confirms the matters as required by Rule 14A.38 of the Listing Rules.

持續關連交易的年度審閱

本公司獨立非執行董事已審閱及確認上述的持續關連交易乃在以下範圍內訂立：

1. 本集團一般及日常業務範圍內；
2. 按正常商業條款，或如沒有足夠可比較交易以判斷該等交易是否按正常商業條款訂立，則按不遜於本公司給予或獲自（視乎適用而定）獨立第三方的條款訂立；及
3. 根據監管該等交易的相關協議，按公平合理及符合本公司股東整體利益的條款訂立。

本公司核數師已審閱該等持續關連交易，並向董事會確認該等交易：

1. 已獲董事會批准；
2. 已根據監管該等交易的相關協議訂立；
3. 符合本集團的定價政策（如該等交易涉及本集團提供商品或服務）；及
4. 並沒有超逾於之前的公佈中披露的相關年度上限。

董事會確認收到核數師於2013年3月5日發出的確認書以確認上市規則第14A.38條所規定的事宜。

Directors' Report 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases

- the largest supplier 97%
- five largest suppliers combined 99%

Sales

- the largest customer 95%
- five largest customers combined 96%

CGNPC-URC, the largest customer of the Company, is the sole shareholder of China Uranium Development, the controlling shareholder of the Company. CGNPC-URC is a connected person of the Company. Mr. He Zuyuan, an executive Director and chief executive officer of the Company, Mr. Yu Zhiping, a non-executive Director and chairman, Ms. Zheng Xiaowei (an executive Director who resigned on 5 July 2012), Mr. Wei Qiyuan, a non-executive Director and Ms. Jin Yunfei (a non-executive Director who was appointed on 5 July 2012) are all the directors of China Uranium Development and/or the senior management of CGNPC-URC at different material time throughout 2012. Save as disclosed above, none of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

主要客戶及供應商

本年度本集團主要供應商及客戶所佔購買及銷售之百分比如下：

購買

- 最大供應商97%
- 五大供應商合計99%

銷售

- 最大客戶95%
- 五大客戶合計96%

本公司最大客戶中廣核鈾業發展乃中國鈾業發展之唯一股東，後者是本公司之控股股東，故中廣核鈾業發展為本公司的關連人士。本公司之執行董事兼首席執行官何祖元先生，非執行董事兼主席余志平先生，執行董事鄭曉衛女士（於2012年7月5日辭任），非執行董事魏其岩先生及非執行董事靳雲飛女士（於2012年7月5日委任）均在2012年中不同相關時間為中國鈾業發展之董事及／或中廣核鈾業發展之高級管理層。除上述披露外，並無董事、其聯繫人士或任何按董事所知悉擁有本公司股本5%以上之股東於上述主要供應商或客戶擁有權益。

管理合約

本年度本公司概無就管理其整體或任何主要業務部分訂立或訂有任何合約。

Directors' Report 董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors, the controlling shareholders of the Company and their respective associates (as defined in the Listing Rules) had an interest in a business which causes or may cause any significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

DONATIONS

During the year, the Group has not made any charitable donations.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the latest practicable date prior to the printing of this report, the Company believe that the number of securities of the Company which are in the hands of the public is higher than the relevant prescribed minimum percentage.

AUDITORS

The consolidated financial statements for the year ended 31 December 2012 have been audited by Messrs. SHINEWING (HK) CPA Limited who will retire and, being eligible, offer themselves for re-appointment at the forthcoming Annual General Meeting.

By Order of the Board

Yu Zhiping
Chairman

Hong Kong, 5 March 2013

董事於競爭業務之權益

年內，董事、本公司控股股東及彼等各自之聯繫人士（定義見上市規則）概無在與本集團業務構成或可能構成任何重大競爭的業務中擁有任何權益，而任何該等人士與本集團亦無或可能出現其他利益衝突。

慈善捐贈

於本年度內，本集團並無作出任何慈善捐贈。

公眾持股量

於本年報刊發前的最後實際可行日期，根據本公司可以得悉而本公司董事亦知悉的公開資料，本公司相信公眾人士持有本公司證券的數量高於有關指定的最低百分比。

核數師

截至2012年12月31日止年度的綜合財務報表已經由信永中和（香港）會計師事務所有限公司審核。信永中和（香港）會計師事務所有限公司將任滿告退，惟合資格並願意於應屆股東週年大會上膺選連任。

承董事會命
主席
余志平

香港，2013年3月5日

Independent Auditor's Report 獨立核數師報告



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33 Hysan Avenue
Causeway Bay, Hong Kong

信永中和(香港)
會計師事務所有限公司
香港銅鑼灣
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TO THE MEMBERS OF CGN MINING COMPANY LIMITED

中廣核礦業有限公司

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of CGN Mining Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 68 to 179, which comprise the consolidated statement of financial position as at 31 December 2012, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

致中廣核礦業有限公司

全體股東

(於開曼群島註冊成立之有限公司)

我們已審核載於第68頁至第179頁之中廣核礦業有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)之綜合財務報表，該等綜合財務報表包括於2012年12月31日的綜合財務狀況表，及截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明資料。

董事對綜合財務報表之責任

貴公司董事之責任乃按香港會計師公會頒佈之香港財務報告準則及香港《公司條例》之披露規定編製該等綜合財務報表，及真實而公平地呈列其內容以及進行董事認為必要之內部監控，確保綜合財務報表不存在由於欺詐或錯誤而引致之重大錯誤陳述。

Independent Auditor's Report 獨立核數師報告

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion 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. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

核數師之責任

我們之責任乃依據我們之審核對該等綜合財務報表發表意見，並僅向閣下（作為一個整體）根據協定之委聘條款報告我們之意見。除此之外，本報告不作其他用途。我們概不就本報告內容對其他任何人士承擔任何責任或負債。我們根據香港會計師公會頒佈之香港審計準則進行審核。該等準則要求我們遵守道德規範，並計劃及執行審核工作，致使可就綜合財務報表是否存有任何重大錯誤陳述作出合理確定。

審核包括執执行程序以獲取與綜合財務報表所載金額及披露事項有關之審核憑證。所選用程序取決於核數師判斷，包括評估綜合財務報表是否存有重大錯誤陳述（不論是由於欺詐或錯誤而引起）的風險。在評估該等風險時，核數師將考慮公司有關編製及真實而公平地呈列綜合財務報表之內部監控，務求設計一套在有關環境下適當的審核程序，但目的並非為對公司內部監控之有效性發表意見。審核亦包括評估董事所採用會計政策是否適當及所作出會計估計是否合理，並評估綜合財務報表之整體呈列方式。

我們相信，我們獲得之審核憑證已充足及適當地為我們之審核意見提供基礎。

Independent Auditor's Report 獨立核數師報告

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2012 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Hon Kei, Anthony

Practising Certificate Number: P05591

Hong Kong
5 March 2013

意見

我們認為，該等綜合財務報表已按照香港財務報告準則真實而公平地反映貴集團於2012年12月31日之財務狀況及其截至該日止年度之溢利及現金流量，並已按香港《公司條例》之披露規定妥為編製。

信永中和（香港）會計師事務所有限公司

執業會計師

黃漢基

執業證書號碼：P05591

香港
2013年3月5日

Consolidated Income Statement 綜合收益表

For the year ended 31 December 2012 截至2012年12月31日止年度

| | | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|--|------------------|-------------|----------------------------------|----------------------------------|
| | | Notes 附註 | | |
| Turnover | 營業額 | 8 | 1,232,287 | 372,726 |
| Cost of sales | 銷售成本 | | (1,031,057) | (264,758) |
| Gross profit | 毛利 | | 201,230 | 107,968 |
| Other operating income | 其他經營收入 | 8 | 54,255 | 31,752 |
| Gain on disposal of subsidiaries | 出售附屬公司收益 | 32 | – | 30,599 |
| Selling and distribution expenses | 銷售及分銷開支 | | (34,526) | (97,953) |
| Administrative expenses | 行政開支 | | (130,369) | (93,193) |
| Termination benefits | 終止利益 | 15 | – | (54,728) |
| Impairment loss recognised in respect of property, plant and equipment | 確認物業、廠房及設備減值虧損 | 18 | – | (72,001) |
| Changes in fair value of investment properties | 投資物業公允值變動 | 19 | 5,853 | (24,438) |
| Impairment loss recognised in respect of goodwill | 確認商譽減值虧損 | 21 | – | (52,355) |
| Finance costs | 融資成本 | 10 | (25,930) | (10,524) |
| Profit (loss) before taxation | 除稅前溢利(虧損) | | 70,513 | (234,873) |
| Income tax (expense) credit | 所得稅(支出)抵免 | 11 | (51,866) | 3,417 |
| Profit (loss) for the year | 本年度溢利(虧損) | 12 | 18,647 | (231,456) |
| Profit (loss) for the year attributable to: | 下列人士應佔本年度溢利(虧損): | | | |
| Owners of the Company | 本公司擁有人 | | 18,660 | (229,858) |
| Non-controlling interests | 非控股權益 | | (13) | (1,598) |
| | | | 18,647 | (231,456) |
| Earnings (loss) per share | 每股盈利(虧損) | 14 | | |
| Basic | 基本 | | HK0.56 cents港仙 | HK(10.31) cents港仙 |
| Diluted | 攤薄 | | HK0.56 cents港仙 | HK(10.31) cents港仙 |

Consolidated Statement of Comprehensive Income 綜合全面收益表

For the year ended 31 December 2012 截至2012年12月31日止年度

| | | 2012 | 2011 |
|---|----------------------------|---------------|-----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Profit (loss) for the year | 本年度溢利(虧損) | 18,647 | (231,456) |
| Other comprehensive income (expense) | 其他全面收益(開支) | | |
| Exchange differences arising on translating foreign operations | 換算海外業務產生之匯兌差異 | | |
| Gain arising during the year | 本年度產生之收益 | 1,773 | 29,288 |
| Reclassification adjustments for the cumulative gain included in profit or loss upon disposal during the year | 本年度於出售時就計入損益之累計收益作出之重新分類調整 | – | (21,649) |
| Other comprehensive income for the year | 本年度其他全面收益 | 1,773 | 7,639 |
| Total comprehensive income (expense) for the year | 本年度全面收益(開支)總額 | 20,420 | (223,817) |
| Total comprehensive income (expense) for the year attributable to: | 下列人士應佔本年度全面收益(開支)總額: | | |
| Owners of the Company | 本公司擁有人 | 20,429 | (222,426) |
| Non-controlling interests | 非控股權益 | (9) | (1,391) |
| | | 20,420 | (223,817) |

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2012 於2012年12月31日

| | | | 2012 | 2011 |
|--|------------------|-------|------------------|-----------|
| | | | 2012年 | 2011年 |
| | | Notes | HK\$'000 | HK\$'000 |
| | | 附註 | 千港元 | 千港元 |
| Non-current assets | 非流動資產 | | | |
| Intangible assets | 無形資產 | 17 | 266 | 322 |
| Property, plant and equipment | 物業、廠房及設備 | 18 | 49,878 | 63,007 |
| Investment properties | 投資物業 | 19 | 83,530 | 76,790 |
| Prepaid lease payments on land use rights | 土地使用權預付租賃款項 | 20 | 19,751 | 19,918 |
| Goodwill | 商譽 | 21 | – | – |
| | | | 153,425 | 160,037 |
| Current assets | 流動資產 | | | |
| Properties under development | 發展中物業 | 22 | – | – |
| Inventories | 存貨 | 23 | 11,548 | 408,422 |
| Loan receivable from a shareholder | 應收一名股東的貸款 | 24 | 775,174 | – |
| Trade and other receivables | 應收賬款及其他應收款項 | 25 | 266,611 | 96,467 |
| Prepaid lease payments on land use rights | 土地使用權預付租賃款項 | 20 | 397 | 366 |
| Income tax recoverable | 可收回所得稅 | | – | 16,207 |
| Bank balances and cash | 銀行結存及現金 | 26 | | |
| – pledged | – 已抵押 | | 644 | 678 |
| – unpledged | – 無抵押 | | 604,671 | 1,262,857 |
| | | | 1,659,045 | 1,784,997 |
| Total assets | 資產總值 | | 1,812,470 | 1,945,034 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 應付賬款及其他應付款項 | 27 | 220,066 | 424,922 |
| Value added tax payable | 應付增值稅 | | 943 | 4,187 |
| Income tax payable | 應付所得稅 | | 27,190 | – |
| | | | 248,199 | 429,109 |
| Net current assets | 流動資產淨值 | | 1,410,846 | 1,355,888 |
| Total assets less current liabilities | 資產總值減流動負債 | | 1,564,271 | 1,515,925 |

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2012 於2012年12月31日

| | | | 2012 | 2011 |
|---|-------------------|-------|------------------|-----------|
| | | | 2012年 | 2011年 |
| | | Notes | HK\$'000 | HK\$'000 |
| | | 附註 | 千港元 | 千港元 |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 28 | 33,326 | 33,326 |
| Reserves | 儲備 | | 1,021,947 | 1,001,518 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | 1,055,273 | 1,034,844 |
| Non-controlling interests | 非控股權益 | | 2,014 | 2,023 |
| Total equity | 權益總額 | | 1,057,287 | 1,036,867 |
| Non-current liabilities | 非流動負債 | | | |
| Convertible bonds | 可換股債券 | 29 | 493,413 | 467,483 |
| Deferred tax liabilities | 遞延稅項負債 | 30 | 13,571 | 11,575 |
| | | | 506,984 | 479,058 |
| | | | 1,564,271 | 1,515,925 |

The consolidated financial statements on pages 68 to 179 were approved and authorised for issue by the board of directors on 5 March 2013 and are signed on its behalf by:

載於第68至179頁之綜合財務報表於2013年3月5日經董事會批准及授權刊發，並由下列董事代表簽署：

Yu Zhiping 余志平
Director 董事

He Zuyuan 何祖元
Director 董事

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2012 截至2012年12月31日止年度

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | | | | |
|---|----------------------------|---|----------|-------------|-------------|----------|------------|-------------|-----------|-------------|-----------|-------------|-----------|
| | | Equity component of | | | Exchange | Share | Enterprise | Properties | Non- | | | | |
| | | Share | Share | convertible | translation | options | Reserve | development | Retained | revaluation | Total | controlling | Total |
| | | capital | premium | bonds | reserve | reserve | Fund | fund | earnings | reserve | | interests | |
| | | 股本 | 股份溢價 | 可換股債券 | 匯兌儲備 | 購股權 | 儲備基金 | 企業發展 | 保留盈利 | 物業重估 | 總計 | 非控股 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | (Note) (附註) | | | | | | | | | | | |
| At 1 January 2011 | 於2011年1月1日 | 15,511 | 251,175 | - | 68,501 | 9,891 | 54,373 | 616 | 294,523 | 9,011 | 703,601 | 3,414 | 707,015 |
| Loss for the year | 本年度虧損 | - | - | - | - | - | - | - | (229,858) | - | (229,858) | (1,598) | (231,456) |
| Other comprehensive income for the year | 本年度其他全面收益 | - | - | - | - | - | - | - | - | - | - | - | - |
| Exchange differences arising on translating foreign operations | 換算海外業務產生之匯兌差異 | - | - | - | 29,081 | - | - | - | - | - | 29,081 | 207 | 29,288 |
| Gain arising during the year | 本年度產生之收益 | - | - | - | 29,081 | - | - | - | - | - | 29,081 | 207 | 29,288 |
| Reclassification adjustments for the cumulative gain included in profit or loss upon disposal during the year | 本年度於出售時就計入損益之累計收益作出之重新分類調整 | - | - | - | (21,649) | - | - | - | - | - | (21,649) | - | (21,649) |
| Total comprehensive (expense) income for the year | 本年度全面(開支)收益總額 | - | - | - | 7,432 | - | - | - | (229,858) | - | (222,426) | (1,391) | (223,817) |
| Issue of shares (Note 28) | 發行股份(附註28) | 16,700 | 367,400 | - | - | - | - | - | - | - | 384,100 | - | 384,100 |
| Transaction costs attributable to issue of shares | 發行股份之交易成本 | - | (1,861) | - | - | - | - | - | - | - | (1,861) | - | (1,861) |
| Exercise of share options | 行使購股權 | 1,115 | 41,225 | - | - | (9,737) | - | - | - | - | 32,603 | - | 32,603 |
| Recognition of equity component of convertible bonds | 確認可換股債券股本部分 | - | - | 139,503 | - | - | - | - | - | - | 139,503 | - | 139,503 |
| Transaction costs attributable to issue of convertible bonds | 發行可換股債券之交易成本 | - | - | (676) | - | - | - | - | - | - | (676) | - | (676) |
| Disposal of subsidiaries | 出售附屬公司 | - | - | - | - | - | (19,878) | (616) | 20,494 | - | - | - | - |
| At 31 December 2011 | 於2011年12月31日 | 33,326 | 657,939 | 138,827 | 75,933 | 154 | 34,495 | - | 85,159 | 9,011 | 1,034,844 | 2,023 | 1,036,867 |

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2012 截至2012年12月31日止年度

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | | | |
|--|---------------|---|---------------|-------------------|---------------------|-----------------|----------|----------|---------------------|-----------|-----------------------|-----------|
| | | Equity component of | | | Exchange | Share | Reserve | Retained | Properties | Non- | | Total |
| | | Share capital | Share premium | convertible bonds | translation reserve | options reserve | Fund | earnings | revaluation reserve | Total | controlling interests | Total |
| | | 股本 | 股份溢價 | 可換股債券 | 匯兌儲備 | 購股權儲備 | 儲備基金 | 保留盈利 | 物業重估儲備 | 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 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | (Note) (附註) | | | | | | | | | | |
| At 1 January 2012 | 於2012年1月1日 | 33,326 | 657,939 | 138,827 | 75,933 | 154 | 34,495 | 85,159 | 9,011 | 1,034,844 | 2,023 | 1,036,867 |
| Profit for the year | 本年度溢利 | - | - | - | - | - | - | 18,660 | - | 18,660 | (13) | 18,647 |
| Other comprehensive income for the year | 本年度其他全面收益 | - | - | - | - | - | - | - | - | - | - | - |
| Exchange differences arising on translating foreign operations | 換算海外業務產生之匯兌差異 | - | - | - | 1,769 | - | - | - | - | 1,769 | 4 | 1,773 |
| Gain arising during the year | 本年度產生之收益 | - | - | - | 1,769 | - | - | - | - | 1,769 | 4 | 1,773 |
| Total comprehensive income for the year | 本年度全面收益總額 | - | - | - | 1,769 | - | - | 18,660 | - | 20,429 | (9) | 20,420 |
| At 31 December 2012 | 於2012年12月31日 | 33,326 | 657,939 | 138,827 | 77,702 | 154 | 34,495 | 103,819 | 9,011 | 1,055,273 | 2,014 | 1,057,287 |

Note: Subsidiaries in the People's Republic of China (the "PRC") have appropriated 10% of the profit to reserve fund. The reserve fund is required to be retained in the accounts of the subsidiaries for specific purposes.

附註：於中華人民共和國（「中國」）成立之附屬公司須將溢利之10%撥入儲備基金。儲備基金須保留於附屬公司之賬目內作特定用途。

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2012 截至2012年12月31日止年度

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|---|------------------------------------|----------------------------------|----------------------------------|
| OPERATING ACTIVITIES | 經營業務 | | |
| Profit (loss) before taxation | 除稅前溢利 (虧損) | 70,513 | (234,873) |
| Adjustments for: | 調整: | | |
| Amortisation of intangible assets | 攤銷無形資產 | 60 | 333 |
| Amortisation of prepaid lease payments on land use rights | 攤銷土地使用權預付租賃款 on land use rights | 397 | 723 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 6,340 | 9,458 |
| (Increase) decrease in fair value of investment properties | 投資物業公允值 (增加) 減少 | (5,853) | 24,438 |
| Finance costs | 融資成本 | 25,930 | 10,524 |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | - | (30,599) |
| Gain on disposal of held-for-trading investment | 出售持作買賣投資之收益 | - | (13) |
| Impairment loss recognised in respect of goodwill | 確認商譽減值虧損 | - | 52,355 |
| Impairment loss recognised in respect of property, plant and equipment | 確認物業、廠房及設備 減值虧損 | - | 72,001 |
| Impairment loss recognised in respect of intangible assets | 確認無形資產減值虧損 | - | 2,558 |
| Impairment loss recognised in respect of trade receivables | 確認應收賬款減值虧損 | - | 85 |
| Bank interest income | 銀行利息收入 | (24,594) | (5,911) |
| Loan interest income from a shareholder | 一名股東之貸款利息收入 | (5,479) | - |
| Net gain on disposal of property, plant and equipment | 出售物業、廠房及設備之 收益淨額 | (19,289) | (11,804) |
| Recovery of indemnified taxation | 收回彌償稅項 | (2,960) | - |
| Write-back of long outstanding payables | 撥回長期未付之應付款項 | - | (3,554) |
| Write-off of other receivables | 撇銷其他應收款項 | - | 1,887 |
| Write-down and write-off of inventories | 撇減及撇銷存貨 | 3,494 | 20,765 |
| Reversal of write-down of inventories | 撥回撇減存貨 | (1,154) | - |
| Operating cash flow before movements in working capital | 營運資金變動前之 經營現金流量 | 47,405 | (91,627) |
| Decrease (increase) in inventories | 存貨減少 (增加) | 394,705 | (325,032) |
| Increase in properties under development | 發展中物業增加 | - | (11,215) |
| (Increase) decrease in trade and other receivables | 應收賬款及其他應收款項 (增加) 減少 | (203,531) | 2,906 |
| Increase in tax recoverable | 可收回稅項增加 | (3,700) | (4,000) |
| (Decrease) increase in trade and other payables | 應付賬款及其他應付款項 (減少) 增加 | (205,841) | 370,828 |
| (Decrease) increase in value added tax payable | 應付增值稅 (減少) 增加 | (3,244) | 596 |
| Cash from (used in) operations | 經營業務所得 (所用) 現金 | 25,794 | (57,544) |
| Hong Kong tax paid | 已付香港稅項 | (10,566) | - |
| The PRC Enterprise Income Tax refund (paid) | 已退 (已付) 中國企業所得稅 | 7,714 | (12,378) |
| NET CASH FROM (USED IN) OPERATING ACTIVITIES | 經營業務所得 (所用) 現金淨額 | 22,942 | (69,922) |

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2012 截至2012年12月31日止年度

| | | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|--|-------------|---------------------------------------|----------------------------------|----------------------------------|
| | Notes 附註 | | | |
| INVESTING ACTIVITIES | 投資活動 | | | |
| Net cash inflow from disposal of subsidiaries (net of bank balances and cash disposed of) | 32 | 出售附屬公司現金流入淨額 (扣除出售之銀行結存及現金) | – | 296,653 |
| Balance of proceed received for disposal of a subsidiary | 32(d) | 出售附屬公司所得款項結餘 | 35,800 | – |
| Proceeds from disposal of property, plant and equipment | | 出售物業、廠房及設備所得款項 | 31,299 | 24,759 |
| Bank interest income received | | 銀行利息收入 | 28,280 | 1,869 |
| Decrease in pledged bank balances | | 已抵押銀行結餘減少 | 34 | 12,161 |
| Loan advanced to a shareholder | | 授予一名股東的貸款 | (775,174) | – |
| Purchase of property, plant and equipment | | 購買物業、廠房及設備 | (4,543) | (8,948) |
| Proceeds from disposal of held-for-trading investment | | 出售可供出售投資所得款項 | – | 2,186 |
| NET CASH (USED IN) FROM INVESTING ACTIVITIES | | 投資活動(所用)所得現金淨額 | (684,304) | 328,680 |
| FINANCING ACTIVITIES | 融資活動 | | | |
| Recovery of indemnified taxation | | 收回彌償稅項 | 2,960 | – |
| Proceeds from issue of convertible bonds, net of issuing expenses | | 發行可換股債券所得款項， 扣除發行開支 | – | 597,093 |
| Proceeds from issue of shares, net of issuing expenses | | 發行股份所得款項， 扣除發行開支 | – | 382,239 |
| Proceeds from shares issued under share option scheme | | 根據購股權計劃發行 股份所得款項 | – | 32,603 |
| Repayment of bank borrowings | | 償還銀行借貸 | – | (75,632) |
| Interest paid | | 已付利息 | – | (3,466) |
| NET CASH FROM FINANCING ACTIVITIES | | 融資活動所得現金淨額 | 2,960 | 932,837 |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | | 現金及現金等值項目 (減少)增加淨額 | (658,402) | 1,191,595 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR | | 於年初之現金及現金 等值項目 | 1,262,857 | 68,146 |
| Effect of foreign exchange rate changes | | 匯率變動影響 | 216 | 3,116 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by unpledged bank balances and cash | | 於年終之現金及現金等值項目， 即無抵押銀行結存及現金 | 604,671 | 1,262,857 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

1. GENERAL

CGN Mining Company Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liabilities. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its parent is 中國鈾業發展有限公司 (China Uranium Development Company Limited) (“China Uranium Development”), which was incorporated in Hong Kong. Its ultimate parent is 中國廣東核電集團有限公司 (China Guangdong Nuclear Power Holding Corporation), which was established in the PRC.

The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the Annual Report.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are selling, distributing and manufacturing of pharmaceutical and food products, property investment and trading of natural uranium.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) while the functional currency of the Company is United States dollars (“USD”). As the Company is listed in Hong Kong, the directors of the Company consider that it is appropriate to present the consolidated financial statements in HK\$.

1. 一般資料

中廣核礦業有限公司(「本公司」)為於開曼群島註冊成立之獲豁免有限公司，本公司股份於香港聯合交易所有限公司(「聯交所」)上市。其母公司中國鈾業發展有限公司(「中國鈾業發展」)於香港註冊成立。中國廣東核電集團有限公司為其最終母公司，該公司於中國成立。

本公司之註冊辦事處及主要營業地點地址載於年報之「公司資料」一節。

本公司及其附屬公司(統稱「本集團」)之主要業務為藥品及食品銷售、分銷及製造，物業投資及天然鈾貿易。

綜合財務報表乃以港元呈列而本公司之功能貨幣為美元。由於本公司於香港上市，故本公司董事認為綜合財務報表以港元呈列乃恰當做法。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

| | |
|-----------------------|--|
| Amendments to HKFRS 1 | Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters |
| Amendments to HKFRS 7 | Financial Instruments: Disclosures – Transfers of Financial Assets |
| Amendments to HKAS 12 | Deferred Tax: Recovery of Underlying Assets |

Amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets

The Group has applied for the first time the amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets in the current year. Under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 Investment Property are presumed to be recovered entirely through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The Group measures its investment properties using the fair value model. As a result of the application of the amendments to HKAS 12, the directors of the Company reviewed the Group’s investment property portfolios and concluded that the Group’s investment properties in the PRC are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors of the Company have determined that the ‘sale’ presumption set out in the amendments to HKAS 12 is rebutted. As a result, the Group continues to measure the deferred tax relating to these investment properties on the basis that the entire carrying amounts of the properties were recovered through use.

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已應用下列由香港會計師公會頒佈之新訂及經修訂香港財務報告準則。

| | |
|--------------------|------------------------|
| 香港財務報告準則 第1號修訂本 | 嚴重高通胀及剔除首次 採納者的固定日期 |
| 香港財務報告準則 第7號修訂本 | 金融工具： 披露—金融資產轉讓 |
| 香港會計準則第12號 修訂本 | 遞延稅項：收回相關資產 |

香港會計準則第12號之修訂本遞延稅項：收回相關資產

本集團於本年度首次應用香港會計準則第12號之修訂本遞延稅項：收回相關資產。根據修訂，按公允值模式根據香港會計準則第40號投資物業計量之投資物業，計量遞延稅項時乃假設為全部透過出售收回，除非該假設在若干情況下不成立。

本集團以公允值模式計算其投資物業。由於採納香港會計準則第12號之修訂本，本公司董事已審閱本集團持有之投資物業組合，並確認本集團乃以通過時間之推移而非通過銷售消耗投資物業所含絕大部分經濟利益為目標之商業模式持有投資物業。因此，董事釐定載於香港會計準則第12號修訂本之「銷售」假設不成立。因此，本集團繼續按該等投資物業之全部賬面值乃透過使用收回之基準計算與該等物業有關之遞延稅項。

於本年度應用香港財務報告準則修訂本對本集團本年度及以前年度的財務表現及狀況及／或對此等綜合財務報表內之披露並無重大影響。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective.

| | |
|---|--|
| Amendments to HKFRSs | Annual Improvements 2009-2011 Cycle ² |
| Amendments to HKFRS 1 | First-time Adoption of HKFRSs – Government Loans ² |
| Amendments to HKFRS 7 | Disclosures – Offsetting Financial Assets and Financial Liabilities ² |
| Amendments to HKFRS 9 and HKFRS 7 | Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁴ |
| HKFRS 9 | Financial Instruments ⁴ |
| HKFRS 10 | Consolidated Financial Statements ² |
| HKFRS 11 | Joint Arrangements ² |
| HKFRS 12 | Disclosure of Interests in Other Entities ² |
| HKFRS 13 | Fair Value Measurement ² |
| Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 | Consolidated financial statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance ² |
| Amendments to HKFRS 10, HKFRS 12 and HKAS 27 | Consolidated Financial Statements, Disclosure of Interests in Other Entities and Separate Financial Statements: Investment Entities ³ |
| Amendments to HKAS 1 | Presentation of Items of Other Comprehensive Income ¹ |
| HKAS 19 (as revised in 2011) | Employee Benefits ² |
| HKAS 27 (as revised in 2011) | Separate Financial Statements ² |
| HKAS 28 (as revised in 2011) | Investments in Associates and Joint Ventures ² |
| Amendments to HKAS 32 | Offsetting Financial Assets and Financial Liabilities ³ |
| HK(IFRIC) – Interpretation (“Int”) 20 | Stripping Costs in the Production Phase of a Surface Mine ² |

- ¹ Effective for annual periods beginning on or after 1 July 2012.
- ² Effective for annual periods beginning on or after 1 January 2013.
- ³ Effective for annual periods beginning on or after 1 January 2014.
- ⁴ Effective for annual periods beginning on or after 1 January 2015.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並無提早應用下列已頒佈惟尚未生效之新訂及經修訂香港財務報告準則：

| | |
|---|--|
| 香港財務報告準則修訂本 | 2009年 – 2011年週期的年度改進 ² |
| 香港財務報告準則第1號修訂本 | 首次採納香港財務報告準則 – 政府貸款 ² |
| 香港財務報告準則第7號修訂本 | 披露 – 金融資產和金融負債的互相抵銷 ² |
| 香港財務報告準則第9號及香港財務報告準則第7號修訂本 | 香港財務報告準則第9號的強制性生效日期及過渡性披露 ⁴ |
| 香港財務報告準則第9號 | 金融工具 ⁴ |
| 香港財務報告準則第10號 | 綜合財務報表 ² |
| 香港財務報告準則第11號 | 聯合安排 ² |
| 香港財務報告準則第12號 | 披露於其他實體的權益 ² |
| 香港財務報告準則第13號 | 公允值計量 ² |
| 香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號修訂本 | 綜合財務報表、聯合安排及披露於其他實體的權益：過渡指引 ² |
| 香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號修訂本 | 綜合財務報表、披露於其他實體的權益及獨立財務報表：投資實體 ³ |
| 香港會計準則第1號修訂本 | 其他全面收益項目的列報 ¹ |
| 香港會計準則第19號（於2011年修訂） | 僱員福利 ² |
| 香港會計準則第27號（於2011年修訂） | 獨立財務報表 ² |
| 香港會計準則第28號（於2011年修訂） | 投資聯營公司及合營企業 ² |
| 香港會計準則第32號修訂本 | 金融資產和金融負債的互相抵銷 ³ |
| 香港（國際財務報告詮釋委員會）– 詮釋第20號 | 露天礦場生產期的剝除成本 ² |

- ¹ 於2012年7月1日或之後開始之年度期間生效。
- ² 於2013年1月1日或之後開始之年度期間生效。
- ³ 於2014年1月1日或之後開始之年度期間生效。
- ⁴ 於2015年1月1日或之後開始之年度期間生效。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012

The Annual Improvements to HKFRSs 2009 – 2011 Cycle include a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to HKFRSs include the amendments to HKAS 16 Property, Plant and Equipment and the amendments to HKAS 32 Financial Instruments: Presentation.

The amendments to HKAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The directors of the Company do not anticipate that the application of the amendments will have a material effect on the Group’s consolidated financial statements.

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 Income Taxes. The directors of the Company anticipate that the amendments to HKAS 32 will have no effect on the Group’s consolidated financial statements as the Group has already adopted this treatment.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於2012年6月發出香港財務報告準則2009年至2011年週期的年度改進

香港財務報告準則2009年至2011年週期的年度改進包括對多項香港財務報告準則的多項修訂。該等修訂於2013年1月1日或之後開始的年度期間生效。香港財務報告準則修訂本包括對香港會計準則第16號「物業、廠房及設備」的修訂及香港會計準則第32號「金融工具：列報」的修訂。

香港會計準則第1號之修訂本釐清實體只在追溯應用、重列或重新分類對第三份財務狀況報表內的資料造成重大影響的情況下，才須呈列第三份財務狀況表，相關的附註毋須隨附於第三份財務狀況表。

香港會計準則第16號修訂本闡明，零部件、後備設備及使用中設備一旦符合香港會計準則第16號項下物業、廠房及設備的定義，則應分類為物業、廠房及設備，否則應分類為存貨，本公司董事預期應用此等修訂將不會對本集團的綜合財務報表造成重大影響。

香港會計準則第32號修訂本闡明，向股本工具持有人所作分派的所得稅以及股權交易的交易成本，應根據香港會計準則第12號「所得稅」入賬，本公司董事預期，香港會計準則第32號的修訂將不會對本集團的綜合財務報表造成重大影響，因為本集團已採用此項準則。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The directors of the Company anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第32號修訂本「金融資產和金融負債的互相抵銷」及香港財務報告準則第7號修訂本「披露－金融資產和金融負債的互相抵銷」

香港會計準則第32號修訂本闡明抵銷金融資產和金融負債規定相關的現有應用事宜。具體而言，修訂本闡明「目前有合法可執行抵銷權」及「同時變現及結算」的涵義。

香港財務報告準則第7號修訂本規定實體應披露關於金融工具在可執行的淨值結算總協議或類似協議下的抵銷權及相關安排的資料（例如抵押品登入規定）。

香港財務報告準則第7號修訂本於2013年1月1日或之後開始的年度期間以及有關年度期間內的中期期間生效，亦須就所有比較期間作出追溯披露。然而，香港會計準則第32號修訂本於2014年1月1日或之後開始的年度期間方始生效，並須追溯應用。

本公司董事預期，應用此等香港會計準則第32號及香港財務報告準則第7號之修訂本，可能導致日後須就抵銷金融資產及金融負債作出更多的披露。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the reclassification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具

於2009年頒佈之香港財務報告準則第9號引入金融資產之分類及計量之新規定。於2010年修訂之香港財務報告準則第9號加入金融負債之分類及計量及中止確認之規定。

香港財務報告準則第9號之主要規定載述如下：

- 所有符合香港會計準則第39號金融工具：確認及計量範疇之已確認金融資產其後將按攤銷成本或公允值計量。具體而言，根據業務模式以收取合約現金流量為目的持有及合約現金流量純粹為支付本金及未償還本金之利息之債務投資，一般於其後會計期間結束時按攤銷成本計量。所有其他債務投資及股本投資乃按於其後會計期間結束時之公允值計量。此外，根據香港財務報告準則第9號，實體可以不可撤回地選擇在其他全面收益中呈列股本投資（並非持作買賣）之其後公平價值變動，並只在損益中確認股息收入。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 Financial Instruments (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors of the Company anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

- 就指定為按公允值計入溢利或虧損之金融負債而言，香港財務報告準則第9號規定該負債信貸風險變動導致之金融負債公允值變動金額於其他全面收入呈列，除非在其他全面收入確認負債之信貸風險變動影響會導致或擴大損益上之會計錯配。金融負債信貸風險變動導致之公允值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公允值計入損益之金融負債公允值變動全數金額於損益列報。

香港財務報告準則第9號於2015年1月1日或之後開始的年度期間生效，並准予提早應用。

本公司董事預期，日後採納香港財務報告準則第9號將對本集團金融資產及金融負債所呈報金額構成重大影響。然而，於完成詳細審閱前，就有關影響提供合理估計並不可行。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements. HK (SIC) – Int 12 Consolidation – Special Purpose Entities will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

綜合、聯合安排、聯營公司及披露的新訂及經修訂準則

於2011年6月，五項有關綜合、聯合安排、聯營公司及披露的準則獲頒佈，包括香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號（2011年修訂本）及香港會計準則第28號（2011年修訂本）。

此五項準則的主要規定如下。

香港財務報告準則第10號取代香港會計準則第27號「綜合及獨立財務報表」內有關與綜合財務報表之部分。香港（常設詮釋委員會）- 詮釋第12號「綜合－特殊目的實體」將由香港財務報告準則第10號生效日期起被撤銷。根據香港財務報告準則第10號，只有一個綜合基準，即控制基準。此外，香港財務報告準則第10號包含控制權之新定義，其中包括三個元素：(a)有權控制投資對象；(b)自參與投資對象營運所得浮動回報之承擔或權利；及(c)能夠運用其對投資對象之權力以影響投資者回報金額。香港財務報告準則第10號已就複雜情況之處理方法加入詳細指引。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised standards on consolidation, joint arrangements, associates and disclosures (Continued)

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK (SIC) – Int 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standards and is applicable to entities that have interests in subsidiaries, joint arrangements and associates, and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

綜合、聯合安排、聯營公司及披露的新訂及經修訂準則（續）

香港財務報告準則第11號將取代香港會計準則第31號「合營企業權益」。香港財務報告準則第11號處理兩方或多方共同控制之合營安排如何分類的問題。香港（常設詮釋委員會）- 詮釋第13號「共同控制實體－合營方提供之非貨幣出資」將由香港財務報告準則第11號的生效日期起被撤銷。在香港財務報告準則第11號下，合營安排分為合營經營及合營企業，視乎合營安排下合營各方之權利及義務而定。相比之下，在香港會計準則第31號下，合營安排分為三類：共同控制實體、共同控制資產及共同控制經營。此外，根據香港財務報告準則第11號，合營企業須運用權益會計法入賬，而根據香港會計準則第31號，共同控制實體可運用權益會計法或比例綜合會計法入賬。

香港財務報告準則第12號為一項披露準則，適用於於附屬公司、聯合安排、聯營公司及／或未綜合結構實體擁有權益之實體。整體而言，香港財務報告準則第12號所載之披露規定較現行準則所規定者更為全面。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised standards on consolidation, joint arrangements, associates and disclosures (Continued)

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application permitted provided that all of these standards are applied at the same time.

The directors of the Company do not anticipate that the application of these five standards will have a significant impact on amounts reported in the consolidated financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities

The amendments to HKFRS 10 introduce an exception to consolidating subsidiaries for an investment entity, except where the subsidiaries provide services that relate to the investment entity's investment activities. Under the amendments to HKFRS 10, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

綜合、聯合安排、聯營公司及披露的新訂及經修訂準則（續）

於2012年7月，香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號發出修訂本，闡明首次應用此五項香港財務報告準則的若干過渡性指引。

該等五項準則連同與上述過渡性指引有關的修訂，將於2013年1月1日或其後開始之年度期間生效，並容許提早採用，惟須所有該等準則須同時提早應用。

本公司董事預期，採納該等五項準則將不會對綜合財務報表所呈報的金額構成重大影響。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號投資實體之修訂本

香港財務報告準則第10號之修訂本引入一項有關就投資實體綜合附屬公司的豁免，惟倘該等附屬公司提供與該投資實體的投資活動有關的服務的情況除外。根據香港財務報告準則第10號之修訂本，一間投資實體須以指定為按公允值計入溢利或虧損的方式計量其於附屬公司的權益。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities (Continued)

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;
- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments to HKFRS 12 and HKAS 27 have been made to introduce new disclosure requirements for investment entities.

The amendments to HKFRS 10, HKFRS 12 and HKAS 27 are effective for annual periods beginning on or after 1 January 2014, with earlier application permitted. The directors of the Company anticipate that the application of the amendments will have no effect on the Group as the Company is not an investment entity.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號投資實體之修訂本（續）

為符合作為一家投資實體，該實體必須符合若干準則。具體而言，該實體須為：

- 從一名或以上的投資者獲取資金，以向投資者提供專業投資管理服務；
- 向其投資者承諾，其業務目的為純粹為從資本升值、投資收入或同時兩者中獲取回報而作出資金投資；及
- 按公允值基準計量及評估其絕大部分投資的表現。

已對香港財務報告準則第12號及香港會計準則第27號作出相應的修訂，以為投資實體引入新的披露規定。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號之修訂本於2014年1月1日或之後開始之年度期間生效，並容許提早應用。本公司董事預期，應用該等修訂本將不會對本集團產生影響，因為本公司並不是一家投資實體。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 13 Fair Value Measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standards defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 Financial Instruments: Disclosures will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. The directors of the Company anticipate that the application of the new standards may affect certain amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第13號公允值計量

香港財務報告準則第13號確立有關公允值計量及披露公允值計量資料之單一指引。該準則界定公允值，確立計量公允值之框架及有關公允值計量之披露規定。香港財務報告準則第13號之範圍寬廣；適用於其他財務報告準則規定或允許公允值計量及披露公允值計量資料之金融工具項目及非金融工具項目，惟特定情況除外。整體而言，香港財務報告準則第13號所載之披露規定較現行準則之規定更為全面。例如，現時僅規限香港財務報告準則第7號「金融工具－披露」所述金融工具之三個公允值等級之量化及定性披露資料將藉香港財務報告準則第13號加以擴展，以涵蓋其範圍內之所有資產及負債。

香港財務報告準則第13號對始於2013年1月1日或該日以後之年度期間生效，並可提前應用。本公司董事預期，應用該新訂準則可能會影響綜合財務報表呈列之若干數額，且令其須披露更為全面之資料。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 Presentation of Items of Other Comprehensive Income introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a ‘statement of comprehensive income’ is renamed as a ‘statement of profit or loss and other comprehensive income’ and an ‘income statement’ is renamed as a ‘statement of profit or loss’. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in future accounting periods.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第1號修訂本其他全面收益項目的列報

香港會計準則第1號之修訂本其他全面收益項目的列報為全面收益報表及收入報表引入新的用詞。根據香港會計準則第1號之修訂本，「全面收益表」重新命名為「損益及其他全面收益報表」，而「收益表」則重新命名為「損益表」。香港會計準則第1號修訂本保留可於一個單一報表內或於兩個獨立而連續之報表內呈列損益及其他全面收益之選擇權。然而，香港會計準則第1號修訂本規定須將其他全面收益項目分為兩類：(a)其後將不會重新分類至損益之項目；及(b)日後在符合特定條件時可重新分類至損益之項目。其他全面收益項目之所得稅須按相同基準分配 – 此等修訂並沒有變更將其他全面收益項目呈列為除稅前或除稅後的選擇權。

香港會計準則第1號修訂本於2012年7月1日或之後開始之年度期間生效。於日後會計期間應用該等修訂時，其他全面收益項目之呈列將作出相應修改。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for investment properties that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港《公司條例》適用之披露規定。

誠如下列會計政策所闡釋，綜合財務報表乃按歷史成本基準編製，惟投資物業則按公允值計算。歷史成本一般根據交換資產提供代價之公允值計算。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及受本公司所控制實體（其附屬公司）之財務報表。控制指本公司有權監督一家實體之財務及經營政策，以從其經營活動中獲益。

於年內收購或出售附屬公司之收入及開支均自收購生效日期起截至出售生效日期止（視適用情況而定）計入綜合收益表內。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者貫徹一致。

所有集團內公司間交易、結餘、收入及開支均於綜合賬目時對銷。

於附屬公司之非控股權益與本文所述本集團權益獨立呈列。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in existing subsidiaries

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost less any accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

3. 主要會計政策 (續)

全面收益總額分配至非控股權益

一家附屬公司之全面收益及開支總額歸屬於本公司擁有人及非控股權益，即使此情況導致非控股權益產生虧絀結餘。

本集團於現有附屬公司之擁有權權益變動

倘本集團失去一間附屬公司之控制權，則其(i)於失去控制權當日取消按賬面值確認該附屬公司之資產(包括任何商譽)及負債，(ii)於失去控制權當日取消確認前附屬公司任何非控股權益(包括彼等應佔之其他全面收益之任何組成部分)之賬面值，及(iii)確認所收取代價之公允值及任何保留權益之公允值之總額，所產生之差額於損益內確認為本集團應佔之收益或虧損。

商譽

收購業務產生之商譽乃按成本減任何累計減值虧損(如有)列賬，並於綜合財務狀況表內獨立呈列。

就減值檢測而言，收購產生之商譽乃分配往本集團各有關賺取現金單位(或賺取現金單位之組別)，而預期該等賺取現金單位可自合併之協同效應中受益。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill (Continued)

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's statement of financial position at cost less any identified impairment losses.

Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately and with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets other than goodwill below). Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3. 主要會計政策 (續)

商譽 (續)

已獲分配商譽之賺取現金單位每年或於有跡象顯示該單位可能減值時進行減值檢測。就於某一報告期內收購產生的商譽而言，該等商譽獲分配至的賺取現金單位將於該報告期末前進行減值測試。當賺取現金單位之可收回款額少於該單位之賬面值，則分配減值虧損，以首先削減任何分配往該單位商譽之賬面值，其後減值虧損以單位各資產之賬面值為基準按比例分配往該單位之其他資產。商譽之減值虧損不會於往後期間撥回。

於出售有關賺取現金單位時，釐定出售損益之款額時須算入商譽之應佔款額。

附屬公司投資

附屬公司投資於本公司財務狀況表按成本減任何已識別減值虧損列賬。

無形資產

獨立收購之無形資產

獨立收購及具有有限使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬（見下文關於商譽以外有形及無形資產減值虧損之會計政策）。具有有限使用年期之無形資產之攤銷乃於彼等之估計使用年期按直線法攤銷。可使用年期及攤銷之估計方法乃於各報告期間結束時檢討，估計變動之影響按前瞻基準入賬。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets (Continued)

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Property, plant and equipment

Property, plant and equipment including leasehold land (classified as finance leases) and buildings held for use in the production or for administrative purposes, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in property revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained earnings.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策 (續)

無形資產 (續)

研發開支

研發開支乃於產生期間確認為開支。

物業、廠房及設備

物業、廠房及設備包括租賃土地(分類為融資租賃)及持作生產或行政用途之土地及樓宇，乃按成本值減其後累計折舊及其後累計減值虧損(如有)列於綜合財務狀況表。

物業、廠房及設備項目之折舊按其估計可使用年期，以直線法撇銷其減除估計剩餘價值後之成本計算。可使用年期、剩餘價值及折舊之估計方法乃於各報告期間結束時檢討，估計變動之影響按前瞻基準入賬。

倘物業、廠房及設備項目因用途更改(即不再由業主自用)而成為投資物業，則該項目之賬面值與於轉讓日期之公允值間之差額在其他全面收益確認，並在物業重估儲備累計。其後出售或廢棄該資產時，有關重估儲備將直接轉撥至保留盈利。

物業、廠房及設備項目於出售時或當預期不會因持續使用資產產生未來經濟利益時終止確認。因物業、廠房及設備項目被出售或報廢而產生之任何盈虧乃按該項資產之出售所得款項與賬面值之差額計算，並於損益內確認。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at its fair value. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate, on initial recognition.

3. 主要會計政策 (續)

投資物業

投資物業指持作賺取租金及／或資本增值之物業。

投資物業初步按成本計量，包括任何直接應佔開支。於初步確認後，投資物業按其公允值計量。投資物業公允值變動所產生盈虧，於產生期間計入損益。

金融工具

當某集團實體成為工具合同條文之訂約方時，金融資產及金融負債在綜合財務狀況表確認。

金融資產及金融負債初步按公允值計量。收購或發行金融資產及金融負債直接應佔之交易成本乃於初步確認時加入或扣除自金融資產或金融負債之公允值（視適用情況而定）。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets

The Group's financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including loan receivable from a shareholder, trade and other receivables and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment losses (see the accounting policy in respect of impairment of financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產

本集團之金融資產歸入貸款及應收款項。有關分類於初步確認時視乎金融資產之性質及目的而釐定。所有按常規買賣金融資產乃按交易日基準確認及終止確認。按常規買賣指買賣須於按市場規則或慣例設定之時限內交付之金融資產。

實際利率法

實際利率法乃計算金融資產攤銷成本及按有關期間攤分利息收入之方法。實際利率為按金融資產之預測可使用年期或(視適用情況而定)較短期間貼現估計未來現金收入(當中包括所有構成實際利率部分之已付或已收費用、交易成本及其他溢價或折讓)至初步確認時賬面淨值之確切比率。

就債務工具而言，利息收入按實際利率基準確認。

貸款及應收款項

貸款及應收款項乃並非於活躍市場報價之固定或待付非衍生金融工具。於初步確認後，貸款及應收款項(包括應收一名股東的貸款、應收賬款及其他應收款項，以及銀行結存及現金)均按採用實際利率法計算之攤銷成本減任何已識別減值虧損入賬(見下文關於金融資產減值之會計政策)。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period ranging from 25 to 180 days, observable changes in national or local economic conditions that correlate with default on receivables.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值

金融資產於報告期間結束時評估減值跡象。倘有客觀證據證明金融資產於初步確認後出現一項或多項影響其估計未來現金流量之事宜，則金融資產被認為已減值。

就所有金融資產而言，客觀減值證據可包括：

- 發行人或交易方面對重大財政困難；或
- 違反合同，如利息或本金付款出現逾期或拖欠情況；或
- 借款人可能面臨破產或進行財務重組；或
- 因財政困難導致該金融資產失去活躍市場。

就應收賬款及其他應收款項等若干類別金融資產而言，個別評估時獲評為未有減值之資產將另行共同進行減值評估。有關應收款項組合減值之客觀證據可包括本集團過往收取款項之經驗、組合中已超過25日至180日信貸期之延誤付款數目增加，以及與拖欠應收款項相關之國家或本地經濟狀況顯著變動。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial assets is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance amount are recognised in profit or loss. When trade and other receivables are considered uncollectible, they are written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就按攤銷成本入賬之金融資產而言，減值虧損金額指資產賬面值與估計未來現金流量按金融資產之原有實際利率貼現之現值間之差額。

所有金融資產之賬面值均直接減去減值虧損，惟應收賬款及其他應收款項除外，其賬面金額乃透過撥備賬扣減。撥備賬之賬面值變動於損益確認。倘應收賬款或其他應收款項被評為無法收回，則有關款項與撥備賬對銷。其後收回過往撇銷之款項將計入損益。

就按攤銷成本計量之金融資產而言，倘往後期間減值虧損金額減少，而有關減少客觀上與確認減值虧損後發生之事件有關，則先前確認之減值虧損於損益撥回，惟該資產於減值撥回當日之賬面值不得超過倘並無確認減值而原應存在之攤銷成本。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Other financial liabilities

Other financial liabilities including trade and other payables and convertible bonds are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具

集團實體發行之債務及股本工具乃根據合同安排之內容以及金融負債及股本工具之定義分類為金融負債或股本。

股本工具

股本工具乃任何證明本集團經扣減所有負債後之資產剩餘權益之合同。本集團發行之股本工具按收取所得款項(減直接發行成本後)確認。

實際利率法

實際利率法乃計算金融負債攤銷成本及按相關期間攤分利息開支之方法。實際利率為在金融負債之預計年期或(視適用情況而定)較短期間,使估計未來現金支出(包括所有構成實際利率組成部分之已付及已收費用及成本、交易費及其他溢價或折讓)準確貼現至初步確認之賬面淨值之該利率。

利息開支按實際利率基準確認。

其他金融負債

其他金融負債,包括應付賬款及其他應付款項,以及可換股債券,其後以實際利率法按攤銷成本計量。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Convertible bonds

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest rate of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bonds into equity, is included in equity (equity component of convertible bonds).

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in equity component of convertible bonds until the conversion option is exercised (in which case the balance stated in equity component of convertible bonds will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in equity component of convertible bonds will be released to the retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

可換股債券

本集團發行的可換股債券包括負債及轉換權部分，乃於初步確認時根據合同安排之內容以及金融負債及股本工具之定義各自分類為負債及股權項目。將以固定金額現金或另一項金融資產交換本公司本身固定數目的股本工具方式結清的轉換權乃分類為股本工具。

於初步確認時，負債部分的公允值乃按類似不可轉換債務的現行市場利率釐定。發行可換股債券的所得款項總額與撥往負債部分的公允值的差額（代表讓持有人將債券轉換為股本的轉換權）列入權益（可換股債券股本部分）。

於往後期間，可換股債券的負債部分乃以實際利率法按已攤銷成本列賬。股本部分（代表可將負債部分轉換為本公司普通股的選擇權）將保留於可換股債券股本部分，直至轉換權獲行使為止（於此情況下，可換股債券股本部分的結餘將轉撥至股份溢價）。倘轉換權於到期日尚未獲行使，可換股債券股本部分的結餘將解除至保留盈利。轉換權獲轉換或到期時不會於損益中確認任何盈虧。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Convertible bonds (Continued)

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity components are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognised financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

可換股債券 (續)

發行可換股債券的交易成本，按所得款項總額的分配比例撥往負債及股本部分。股本部分的交易成本會直接於股權中扣除。負債部分的交易成本計入負債部分的賬面值中，並以實際利率法於可換股債券期限內攤銷。

終止確認

僅當從資產收取現金流量之權利屆滿時，或本集團轉讓其金融資產及於金融資產擁有權之絕大部分風險及回報轉移予另一實體時，本集團方終止確認該金融資產。

於終止確認其全部金融資產時，資產賬面值與已收及應收代價及已於其他全面收入內確認及於股本累積之累計損益之總和之差額將確認為損益。

本集團僅當本公司之責任獲解除後、取消或到期時方終止確認金融負債。終止確認之金融負債賬面值與已付或應付代價之差額確認為損益。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Properties under development

Properties under development are stated at the lower of cost and net realisable value.

Cost is determined by apportionment of the total land and development costs including capitalisation of borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to completion and applicable selling expenses.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

3. 主要會計政策 (續)

發展中物業

發展中物業乃按成本及可變現淨值兩者之較低者列賬。

成本乃按分配土地及發展成本(包括借貸成本的資本化)總額釐定。

可變現淨額乃按一般業務過程中之估計售價減估計完成成本及適用銷售開支釐定。

存貨

存貨乃按成本與可變現淨值之較低者列賬。成本按加權平均法釐定。可變現淨額指存貨之估計銷售價減達至完成之所有估計成本及銷售所需費用。

現金及現金等值項目

載於綜合財務狀況表內之銀行結存及現金包括銀行及手頭現金以及到期日為三個月或以下之短期存款。就綜合現金流量表而言，現金及現金等值項目包括上文界定之現金及短期存款。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 (續)

商譽以外有形及無形資產之減值虧損 (見上文有關商譽之會計政策)

本集團於報告期結束時評估其有形資產及有限可使用年期無形資產之賬面值，以確定該等資產有否出現減值虧損跡象。倘出現任何跡象，則估計資產之可收回金額以釐定減值虧損程度 (如有)。

倘不大可能估計個別資產之可收回金額，則本集團估計資產所屬賺取現金單位之可收回金額。如可識別合理及一致之分配基準，則公司資產亦被分配至個別賺取現金單位，或於其他情況下彼等被分配至已識別合理及一致分配基準之賺取現金單位之最小組合。

可收回金額為公允值減去銷售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值，該貼現率能反映當前市場所評估之貨幣時間值及資產特定風險 (未來現金流量估計尚未就此作出調整)。

倘估計一項資產 (或賺取現金單位) 之可收回金額低於其賬面值，則該項資產 (或賺取現金單位) 之賬面值即減至其可收回金額。減值虧損即時於損益中確認。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. 主要會計政策 (續)

商譽以外有形及無形資產之減值虧損 (見上文有關商譽之會計政策) (續)

於其後撥回減值虧損時，資產 (或賺取現金單位) 之賬面值將調高至其可收回金額之經修訂估計，惟經增加之賬面值不得高於在過往年度並無確認減值虧損下就該資產 (或賺取現金單位) 原應釐定之賬面值。撥回之減值虧損即時於損益中確認。

收益確認

收益乃按已收或應收代價之公允值及於日常業務中售出貨物之應收款項，扣除折扣及銷售相關稅項計算。

銷售貨品之收益乃於貨品交付及擁有權轉移時且當時下列所有條件獲達成後確認：

- 本集團已將擁有貨品之絕大部分風險及回報轉讓予買方；
- 本集團並無對售出貨品保留程度一般與擁有權相關的持續管理參與，亦無保留售出貨品的實際控制權；
- 收益金額能可靠地計量；
- 交易有關之經濟利益很可能流入本集團；及
- 交易產生或將予產生之成本能可靠地計量。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Equity settled share-based payment transactions

Share options granted to employees (on or before 7 November 2002, or granted after 7 November 2002 and vested before 1 January 2005)

The financial impact of share options granted is not recorded in the consolidated financial statements until such time as the options are exercised, and no charge is recognised in profit or loss in respect of the value of options granted. Upon the exercise of the share options, the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded as share premium. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

3. 主要會計政策 (續)

收益確認 (續)

倘若經濟利益可能將流入本集團及收入金額能夠可靠計量，則將會確認金融資產利息收入。利息收入乃參照未償還本金及適用實際利率，按時間基準累計，有關利率乃按金融資產預計年期，將估計未來所收取現金實際貼現至該資產於初步確認之賬面淨值。

來自投資之股息收入乃於確定股東收取付款之權利時（情況必須是經濟利益很可能會流入本集團且收益金額可以可靠地計量）予以確認。

股本結算之股份付款交易

向僱員授出購股權（於2002年11月7日或之前，或於2002年11月7日後授出並於2005年1月1日前歸屬）

於購股權獲行使前不會在綜合財務報表記錄已授出購股權之財務影響，已授出購股權之價值亦不會於損益確認。於購股權獲行使時，本公司會將由此發行之股份按股份面值列作額外股本，並將每股行使價高於股份面值之差額列作股份溢價。在行使日期前已失效或註銷之購股權於未行使購股權登記冊中刪除。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Equity settled share-based payment transactions

(Continued)

Share options granted to employees (after 7 November 2002 and vested on or after 1 January 2005)

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will continue to be held in share options reserve.

Share options granted to other eligible participants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless the fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share options reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

3. 主要會計政策 (續)

股本結算之股份付款交易 (續)

向僱員授出購股權 (2002年11月7日後，並於2005年1月1日或之後歸屬)

參考購股權於授出日期之公允值釐定之所獲服務公允值，在購股權即時歸屬時於授出日期悉數確認為開支，並相應增加權益(購股權儲備)。

本集團於報告期間結束時修訂其對預期最終歸屬的購股權數目之估計。修訂原先估計產生之影響(如有)於損益確認，致使累計支出反映經修訂之估計，並於購股權儲備作相應調整。

購股權獲行使時，早前於購股權儲備確認之金額將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，則早前於購股權儲備確認之金額將繼續留存於購股權儲備。

其他合資格參與者獲授之購股權

為換取貨品或服務發行之購股權乃按所收取貨品或服務之公允值計算，除非有關公允值未能可靠計量則作別論，於此情況下，所收取貨品或服務將參考所授出購股權之公允值計算。當本集團取得貨品或當交易方提供服務時，所收取貨品或服務之公允值確認為開支，並相應增加權益(購股權儲備)，惟倘貨品或服務合資格確認為資產則除外。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 主要會計政策 (續)

稅項

所得稅支出指應付即期稅項及遞延稅項之總和。

應付即期稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合收益表中所報除稅前溢利不同，原因為前者不包括在其他年度應課稅或可扣稅收入或開支，且不包括毋須課稅及不可扣稅之項目。本集團之即期稅項負債乃按報告期間結束前已頒佈或實際已頒佈之稅率計算。

遞延稅項乃就於綜合財務報表所示資產及負債之賬面值與計算應課稅溢利所用相應稅基間臨時差額確認。遞延稅項負債一般就所有應課稅臨時差額確認，而遞延稅項資產則於可能可動用應課稅溢利以抵銷可扣減臨時差額之情況下確認。若於一項交易中，因商譽或因業務合併以外原因初步確認其他資產及負債而引致不會影響應課稅溢利亦不會影響會計溢利之臨時差額，則不會確認該等資產及負債。

遞延稅項負債乃按附屬公司投資產生之應課稅臨時差額確認，惟倘本集團可控制臨時差額撥回及臨時差額未必於可見將來撥回之情況則除外。有關該等投資及權益之可扣減臨時差額所產生遞延稅項資產，僅於具有足夠應課稅溢利可動用暫時差異之利益，且預期於可見將來撥回時確認。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the above general principles set out in HKAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項的賬面值於每一報告期末予以審閱，如不可能再有足夠應課稅溢利可供收回全部或部分資產，則將削減遞延稅項的賬面值。

遞延稅項資產及負債乃根據於報告期間結束時已頒佈或實際已頒佈之稅率（及稅法），按預期於清償負債或變現資產期間適用之稅率計算。

遞延稅項負債及資產之計量反映本集團預期於報告期間結束時收回或償還資產及負債賬面值產生之稅務後果。

就計量採用公允價值模式計量的投資物業的遞延稅項負債或遞延稅項資產而言，該等物業的賬面值乃假設可透過銷售全部收回，除非該假設不再成立。當投資物業可予折舊及於本集團的業務模式（其業務目標是隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益）內持有時，有關假設會不成立。倘有關假設不成立，則上述投資物業的遞延稅項負債及遞延稅項資產根據香港會計準則第12號所載的上述一般原則計量（即根據將如何收回有關物業的預期方式）。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項與於其他全面收入或直接於權益確認之項目有關，則即期及遞延稅項亦分別於其他全面收益或直接於權益確認。倘即期稅項或遞延稅項因對業務合併進行初步會計處理而產生，則稅務影響計入業務合併會計處理。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of the exchange translation reserve (attributable to non-controlling interest as appropriate).

3. 主要會計政策 (續)

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易均按交易日期之適用匯率換算為各自之功能貨幣（即該實體經營所在主要經濟地區之貨幣）入賬。於報告期間結束時，以外幣列值之貨幣項目均按當日之適用匯率重新換算。按公允值以外幣列值之非貨幣項目乃按釐定公允值當日之適用匯率重新換算。按外幣歷史成本計量之非貨幣項目毋須重新換算。

來自結算貨幣項目及重新換算貨幣項目之匯兌差額乃於產生期間內於損益確認。來自重新換算按公允值列賬之貨幣項目之匯兌差額於有關期間計入損益，惟在其他全面收益直接確認損益之非貨幣項目之重新換算除外，在該情況下，匯兌差額亦直接於其他全面收益確認。

就呈列綜合財務報表而言，本集團海外業務之資產與負債乃採用於各報告期間結束時之匯率換算為本集團之呈報貨幣（即港元）。收支項目乃按年內之平均匯率進行換算。所產生之匯兌差額（如有）乃於其他全面收益確認，並於權益以匯兌儲備累積（於適當時撥作非控股權益）。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies *(Continued)*

On disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of the reporting date. Exchange differences arising are recognised in the exchange translation reserve.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

3. 主要會計政策 (續)

外幣 (續)

於出售海外業務(即出售本集團於該海外業務之全部權益)時,本公司擁有人應佔業務於權益累計之所有匯兌差額重新分類至損益。

收購海外業務產生之商譽及所收購可識別資產之公允值調整,乃視作該海外業務之資產及負債,並按各報告期間結束時之適用匯率重新換算。所產生匯兌差額於匯兌儲備內確認。

租賃

當租約條款將擁有權之絕大部分風險及回報轉移予承租人時,租約分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃之租金收入於相關租賃年期內以直線法在損益確認。

本集團作為承租人

經營租賃付款以直線法,按租期確認為開支。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments on land use rights" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis, except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Retirement benefit costs

Payments to state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策 (續)

租賃土地及樓宇

當租賃包括土地及樓宇部分時，本集團按擁有各部分之大部分風險及回報是否已轉移至本集團之評估，將各部分獨立分類為融資租賃或經營租賃，除非兩項要素均為經營租賃，在該情況下整項租賃會分類為經營租賃。尤其是，最低租賃付款（包括任何一次性預付款）在租約期開始時，按租約之土地及樓宇部分之租賃權益相關公允值按比例分配於土地及樓宇部分。

倘租賃付款能可靠分配，列作經營租賃之租賃土地權益乃於綜合財務狀況表內列為「土地使用權預付租賃款項」，並按直線基準在租期內攤銷，惟已根據公允值模式分類及列作投資物業者則除外。當租賃付款不能在土地及樓宇部分之間可靠地分配時，整項租賃一般被分類為融資租賃，並作為物業、廠房及設備列賬。

退休福利成本

國家管理退休福利計劃及強制性公積金計劃之供款於僱員提供服務而有權享有供款時入賬列為開支。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 主要會計政策 (續)

借貸成本

直接來自收購、建造或生產合資格資產(為需用較長期間方可供擬定用途或出售之資產)之借貸成本計入該等資產之成本，直至資產大致可用於其擬定用途或出售時為止。

所有其他借貸成本均於產生期間在損益確認。

政府津貼

政府津貼是作為支出或已發生的虧損補償、或是以給予該集團即時的財務支援為目的而發放，無未來相關成本在應收期間內於損益中確認。

4. 主要會計判斷及估計不明朗因素之主要來源

應用載列於附註3之本集團會計政策時，本公司董事須就未能於其他來源明確得悉之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及其他視為相關之因素作出。實際情況可能有別於該等估計。

估計及相關假設會按持續基準審閱。倘會計估計之修訂僅會對修訂估計之期間產生影響，則有關修訂會於該期間確認，而倘修訂影響當前及未來期間，則會於修訂及未來期間確認。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying the entity's accounting policies

The followings are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Income taxes

In respect of the Hong Kong Profits Tax under inquiries by the Hong Kong Inland Revenue Department (the "IRD") as mentioned in note 11, management judgment was required in assessing the likelihood of success in defending its position that the income derived was non-Hong Kong sourced and therefore, was not subject to Hong Kong Profits Tax and no provision for profit tax was made in prior years. The provision of income taxes was reviewed on an ongoing basis. Concerning the future costs in handling the tax disputes, during the year ended 31 December 2012, the Group reached a settlement agreement with the IRD including interest and penalty in aggregate amount of approximately HK\$32,732,000. Details of which were set out in note 11.

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

於實體會計政策中應用之主要判斷

除涉及估計之判斷以外(見下文)，以下為本公司董事於應用實體之會計政策時已作出且對綜合財務報表中確認之金額產生最大影響之重大判斷。

所得稅

就附註11提述由香港稅務局(「稅局」)正查詢之香港利得稅而言，管理層需作出判斷以評估就其所指有關收入非源自香港之可能性，並因而於以往年度毋須繳付香港利得稅及作出利得稅撥備。所得稅撥備乃按持續基準審閱。截至2012年12月31日止年度，考慮到未來處理該稅務糾紛的成本，本集團與稅局就包括利息及罰款合計約32,732,000港元達成和解協議。詳情載於附註11。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying the entity's accounting policies (Continued)

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities from investment properties that were measured using the fair value model, the directors of the Company reviewed the Group's investment property portfolios and concluded that the Group's investment properties in the PRC were held under a business model whose objective is to consume substantively all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, in measuring the Group's deferred taxation on investment properties, the directors of the Company determined that the presumption that the carrying amounts of investment properties measured using the fair value model recovered entirely through sale was rebutted. As a result, the Group continues to recognise deferred tax liabilities on change in fair value of investment properties on the basis that the entire carrying amounts of the properties will be recovered through use.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Depreciation of property, plant and equipment

Property, plant and equipment were depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involved management's estimation. The Group assessed annually the residual value and the useful life of the property, plant and equipment and if the expectation differed from the original estimate, such a difference may impact the depreciation in the year and the estimate would be changed in the future period.

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

於實體會計政策中應用之主要判斷 (續)

投資物業遞延稅項

就計量採用公允值模式計量的投資物業的遞延稅項負債而言，本公司董事已審閱本集團投資物業組合，總結為本集團於中國的投資物業是根據其業務目標是隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益的商業模式持有。因此，於計量本集團於該等投資物業中的遞延稅項時，本公司董事釐定以公允值模式計量的該等投資物業賬面值乃全部透過出售收回的假設不成立。因此，本集團繼續按物業之全部賬面值將透過使用收回的假設確認投資物業公允值變動之遞延稅項負債。

估計不明朗因素之主要來源

以下為有關未來之主要假設及於報告期間結束時估計不明朗因素之其他主要來源，有關假設及不明朗因素構成須對下一財政年度資產及負債賬面值作出重大調整之重大風險。

物業、廠房及設備折舊

物業、廠房及設備經計及其估計剩餘價值，採用直線法按其估計可使用年期折舊。釐定可使用年期及剩餘價值涉及管理層之估計。本集團每年評估物業、廠房及設備之剩餘價值及可使用年期，倘預期與原先估計出現差異，有關差異可能影響該年度之折舊，而有關估計於日後期間將會出現變動。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment loss recognised in respect of trade receivables

The Group performed ongoing credit evaluations of its customers and adjusted credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitored collections and payments from its customers and maintained a provision for estimated credit losses based upon its historical experience and any specific customer collection issues that it had been identified. Credit losses had historically been within the Group's expectations and the Group would continue to monitor the collections from customers and maintain an appropriate level of estimated credit losses. As at 31 December 2012, the carrying amount of trade receivables was approximately HK\$251,091,000 (net of accumulated impairment loss of approximately HK\$4,212,000) (2011: carrying amount of approximately HK\$51,447,000, net of accumulated impairment loss of approximately HK\$4,165,000).

Impairment loss recognised in respect of other receivables

When there was objective evidence of impairment loss, the Group took into consideration the estimation of future cash flows. The amount of the impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows were less than expected, a material impairment loss might arise. As at 31 December 2012, the carrying amount of prepayments, deposits and other receivables was approximately HK\$15,520,000 (2011: HK\$45,020,000).

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

確認應收賬款減值虧損

本集團根據客戶之過往收款記錄及現時信譽(藉審閱彼等現時之信貸資料決定)對客戶進行持續信貸評估及調整其信貸限額。本集團亦持續監控收回款項及客戶的付款狀況，並就過往經驗及已識別之任何具體客戶收款問題釐定之估計信貸虧損計提撥備。信貸虧損過往一直處於本集團之預計範圍內，而本集團將繼續監控自客戶收款之情況並維持合適水平之估計信貸虧損。於2012年12月31日，應收賬款之賬面值約為251,091,000港元(已扣減約4,212,000港元之累計減值虧損)(2011年：賬面值約為51,447,000港元(已扣減約4,165,000港元之累計減值虧損))。

確認其他應收賬款減值虧損

倘客觀證據顯示出現減值虧損，本集團會考慮未來現金流量之估計。減值虧損之款額乃根據資產賬面值與估計未來現金流量(不包括未產生之日後信貸虧損)現值之差額，以金融資產之原實際利率(即初次確認時計算之實際利率)貼現計量。倘實際未來現金流量少於預期，則可能出現重大減值虧損。於2012年12月31日，預付款項、按金及其他應收款項之賬面值約為15,520,000港元(2011年：45,020,000港元)。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Write-down of inventories

The directors of the Company review an aging analysis at the end of each reporting period, and make allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production. The management estimates the net realisable value for finished goods based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at end of each reporting period and makes allowance for obsolete items. As at 31 December 2012, the carrying amount of inventories was approximately HK\$11,548,000 (net of accumulated impairment loss of approximately HK\$nil) (2011: carrying amount of approximately HK\$408,422,000, net of accumulated impairment loss of approximately HK\$14,349,000).

Impairment of property, plant and equipment

The impairment loss for property, plant and equipment was recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of property, plant and equipment are the greater of the fair value less costs to sell and value-in-use. In determining the recoverable amount, use of estimates such as the future revenue and discount rates is required. As at 31 December 2012, the carrying amount of property, plant and equipment was approximately HK\$49,878,000 (net of accumulated impairment loss of approximately HK\$53,965,000) (2011: carrying amount of approximately HK\$63,007,000, net of accumulated impairment loss of approximately HK\$53,965,000).

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

存貨撇減

公司董事於各報告期結束時審閱賬齡分析，並對已識別為不再適合用於生產之過時及滯銷存貨計提撥備。管理層主要根據最近期之發票價格及目前市況估計製成品之可變現淨值。本集團於各報告期結束時對每種產品進行盤點，並對過時貨品作出備抵。於2012年12月31日，存貨賬面值約為11,548,000港元（已扣減約零港元之累計減值虧損）（2011年：賬面值約為408,422,000港元（已扣減約14,349,000港元之累計減值虧損））。

物業、廠房及設備減值

物業、廠房及設備之減值虧損乃根據本集團之會計政策就賬面值超出其可收回款額之數額確認。物業、廠房及設備之可收回數額，乃公允值減銷售成本及使用價值之較高者。在釐定可收回數額時須使用未來收益及貼現率等多項估計。於2012年12月31日，物業、廠房及設備之賬面值約為49,878,000港元（已扣減約53,965,000港元之累計減值虧損）（2011年：賬面值約為63,007,000港元（已扣減約53,965,000港元之累計減值虧損））。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Fair value of investment properties

At the end of the reporting period, investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates of market conditions. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation have reflected the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties being recognised in profit or loss. The carrying amount of investment properties measured at fair value at 31 December 2012 was approximately HK\$83,530,000 (2011: HK\$76,790,000)

Income taxes

As at 31 December 2012, no deferred tax asset has been recognised on the tax losses and deductible temporary differences of approximately HK\$76,778,000 (2011: HK\$86,013,000) and HK\$62,026,000 (2011: HK\$91,110,000) respectively due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient profits or taxable temporary differences will be available in the future. The directors of the Company determine the deferred taxation assets based on the enacted or substantially enacted tax rates and the best knowledge of profit projections of the Group for coming years during which the deferred taxation assets are expected to be utilised. The directors of the Company will review the assumptions and profit projections by the end of the reporting period.

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

投資物業之公允值

於報告期結束時，投資物業乃按獨立專業估值師進行之估值以公允值列賬。於釐定公允值時，估值師依據之估值方法涉及若干市況估計。於依賴估值報告時，本公司董事已行使其判斷力並信納於估值中使用之假設足以反映現時市況。該等假設之變動將引起於損益中確認之本集團投資物業公允值之變動。於2012年12月31日，按公允值計量之投資物業賬面值約為83,530,000港元（2011年：76,790,000港元）。

所得稅

於2012年12月31日，由於未來溢利流的不確定性，並無就稅項虧損以及可扣稅臨時差異分別約76,778,000港元（2011年：86,013,000港元）及62,026,000港元（2011年：91,110,000港元）確認遞延稅項資產。遞延稅項資產的可變現性主要須視乎未來是否有足夠溢利或應課稅臨時差異可供動用。本公司董事按已頒佈或大致上已頒佈的稅率，以及本集團對於預期遞延稅項資產將被動用的未來數年期間溢利流預測的最佳所知釐定遞延稅項資產。本公司董事將於報告期末審閱該等假設及溢利預測。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes convertible bonds disclosed in note 29, cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the associated risks, and take appropriate actions to adjust the Group's capital structure.

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|--|------------------------|----------------------------------|----------------------------------|
| Financial assets | 金融資產 | | |
| Loans and receivables (including bank balances and cash) | 貸款及應收款項 (包括銀行結存及現金) | 1,641,060 | 1,356,598 |
| Financial liabilities | 金融負債 | | |
| At amortised cost | 按攤銷成本 | 713,034 | 892,236 |

5. 資本風險管理

本集團管理其資本，以確保本集團旗下實體能夠持續經營業務，並透過更完善平衡債務及權益，以為股東帶來最大回報。本集團整體策略與去年維持不變。

本集團之資本結構包括於附註29披露之可換股債券、現金及現金等值項目以及本公司擁有人應佔權益，當中包括已發行股本及儲備。本公司董事定期檢討資本結構。作為檢討其中一環，本公司董事考慮資本成本及相關風險，並就此採取適當行動調整本集團資本結構。

6. 金融工具

金融工具類別

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

For the year ended 31 December 2012 截至2012年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include loan receivable from a shareholder, trade and other receivables, bank balances and cash, trade and other payables and convertible bonds. Details of these financial instruments are disclosed in respective Notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by the Group in currencies other than the entities' functional currencies. In addition, certain portion of bank balances and cash, trade and other receivables and trade and other payables are denominated in currencies other than the functional currency of the entity to which they relate.

7. 財務風險管理目標及政策

本集團之主要金融工具包括應收一名股東的貸款、應收賬款及其他應收款項、銀行結存及現金、應付賬款及其他應付款項，以及可換股債券。此等金融工具之詳情於相關附註披露。與此等金融工具有關之風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險。下文載列如何減低該等風險之政策。管理層管理及監控該等風險，以確保及時有效地採取適當措施。

貨幣風險

本集團面對交易貨幣風險。有關風險源自本集團以該等實體的功能貨幣以外之貨幣進行銷售或採購。此外，若干部分銀行結存及現金、應收賬款及其他應收款項，以及應付賬款及其他應付款項乃以實體之相關功能貨幣以外之貨幣結算。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk (Continued)

The following table shows the Group's exposure at the end of the reporting period to currency risk arising from transactions or recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

| Presented in : 列示為 : | | USD'000 千美元 | | Renminbi ("RMB")'000 人民幣千元 | |
|-------------------------|----|----------------|---------------|----------------------------------|---------------|
| | | 2012 2012年 | 2011 2011年 | 2012 2012年 | 2011 2011年 |
| Assets | 資產 | 460 | 552 | 497 | — |
| Liabilities | 負債 | — | 50,385 | 1,000 | 1,510 |

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

7. 財務風險管理目標及政策 (續)

貨幣風險 (續)

下表顯示本集團於報告期間結束時因交易或已確認資產或負債以與實體相關功能貨幣以外之貨幣結算產生之風險。

本集團現時並無外幣對沖政策。然而，管理層監察外匯風險，並於有需要時考慮對沖重大外幣風險。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to the currency risk of RMB and USD.

The following table details the Group's sensitivity to a 5% and 0.5% (2011: 5% and 0.5%) increase and decrease in HK\$ against the RMB and USD respectively. 5% and 0.5% (2011: 5% and 0.5%) are the sensitivity rates used when reporting foreign currency risk internally to key management personnel represent management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% and 0.5% (2011: 5% and 0.5%) change in foreign currency rates. A positive number below indicates an increase in post-tax profit (2011: decrease in post-tax loss) where HK\$ strengthen 5% and 0.5% (2011: 5% and 0.5%) against the relevant currency. For a 5% and 0.5% (2011: 5% and 0.5%) weakening of HK\$ against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

7. 財務風險管理目標及政策 (續)

貨幣風險 (續)

敏感度分析

本集團主要面對人民幣及美元貨幣風險。

下表詳列本集團對港元分別兌人民幣及美元升值及貶值5%及0.5% (2011年：5%及0.5%) 之敏感度。該敏感度比率為向主要管理人員就外匯風險作內部報告時採用之敏感度，代表管理層就外匯匯率可能產生之合理變動所作評估。敏感度分析僅包括尚未結算之外幣計值貨幣項目及於報告期間結束時就外幣匯率之5%及0.5% (2011年：5%及0.5%) 變動作出之換算調整。下文之正數顯示倘港元兌有關貨幣升值5%及0.5% (2011年：5%及0.5%) 所導致除稅後溢利之升幅 (2011年：除稅後虧損之跌幅)。倘港元兌有關貨幣貶值5%及0.5% (2011年：5%及0.5%)，將會對溢利構成相反之等額影響，下文之結餘將為負數。

| | USD 美元 | | RMB 人民幣 | |
|-------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
| Profit or loss 溢利或虧損 | (13) | 1,458 | 26 | 69 |

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

管理層認為，由於年結日之風險並無反映年內風險，故敏感度分析並不代表固有外匯風險。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

As at 31 December 2012, the Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances and is also exposed to fair value interest rate risk in relation to fixed-rate bank deposits and loan receivable from a shareholder. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

As at 31 December 2011, the Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances and is also exposed to fair value interest rate risk in relation to fixed-rate bank deposits.

The Group's exposure to interest rate risk in relation to variable-rate bank balances and fixed-rate bank deposits and loan receivable from a shareholder is minimal due to short-term maturities.

Credit risk

As at 31 December 2012, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The directors of the Company consider the credit risk attributable to the loan receivable from a shareholder to be insignificant as the shareholder has good creditworthiness and the loan has been fully settled subsequent to the end of reporting period.

7. 財務風險管理目標及政策 (續)

利率風險

於2012年12月31日，本集團就其浮息銀行結餘面對現金流量利率風險，並就定息銀行存款及應收一名股東的貸款面對公允值利率風險。本集團目前並無利率對沖政策。然而，管理層會監控利率風險，並於預期將出現重大利率風險時考慮採取其他所需行動。

於2011年12月31日，本集團就其浮息銀行結餘面對現金流量利率風險，並就定息銀行存款面對公允值利率風險。

由於屬短期性質，本集團就浮息銀行結餘以及定息銀行存款及應收一名股東的貸款所承受的利率風險微不足道。

信貸風險

於2012年12月31日，因交易方未能履行責任而令本集團蒙受財務虧損之最高信貸風險乃來自綜合財務狀況表所載列相關已確認金融資產之賬面值。

為將信貸風險減至最低，本集團管理層已委派一支團隊，負責釐定信貸額、審批信貸及其他監察程序，確保跟進收回逾期債項之情況。此外，本集團會於各報告期結束時檢討各個別應收賬款之可收回金額，確保就不可收回金額作出足夠減值虧損。

本公司董事應為，該項應收一名股東的貸款所涉及的信貸風險並不重大，因為該名股東信譽良好，而該項貸款已於報告期末後全數償還。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 100% (2011: 100%) of the total trade receivables as at 31 December 2012.

Besides, the Group has concentration of credit risk as 95% of the total trade receivables as at 31 December 2012 was due from the Group's largest customer within natural uranium trading segment. However, the directors of the Company consider the credit risk to be insignificant as the major debtor was an intermediate holding company with good creditworthiness. As at 31 December 2011, trade receivables consist of a large number of customers and spread across diverse industries.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

7. 財務風險管理目標及政策 (續)

信貸風險 (續)

本集團按地區計的信貸風險集中度主要為集中於中國，佔於2012年12月31日應收賬款總額100% (2011年：100%)。

此外，本集團面對信貸風險集中的情況，於2012年12月31日應收賬款總額中95%乃應收本集團於天然鈾貿易業務分部的最大客戶的款項。然而，本公司董事認為，該等信貸風險並不重大，因為主要的債務人為一間具有良好信譽的中間控股公司。於2011年12月31日，應收賬款包括應收多名遍佈各行各業客戶的款項。

流動資金之信貸風險有限，原因為交易方均屬國際信貸評級機構評為信譽良好之銀行。就此而言，本公司董事認為，本集團的信貸風險已大大降低。

流動資金風險

於管理流動資金風險時，本集團監督及將現金及現金等值項目維持於管理層認為充足之水平，以撥付本集團之營運及減低現金流量波動之影響。

下表詳列本集團按照協定還款條款之非衍生金融負債餘下合約到期日。下表乃按照於本集團須償還之最早日期金融負債之未貼現現金流量編製，包括利率及本金現金流量。如利息流量按浮息計算，未貼現數額乃以報告期間結束時之利率曲線得出。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

Liquidity risk tables

| | | Weighted average interest rate | Carrying amount at 31 December 於12月31日 之賬面值 HK\$'000 千港元 | Less than 1 year 1年內 HK\$'000 千港元 | 1-5 years 1-5年 HK\$'000 千港元 | Total undiscounted cash flows 未貼現 現金流量總額 HK\$'000 千港元 |
|---|-----------------|---|--|---|--------------------------------------|---|
| 2012 | 2012年 | | | | | |
| Non-derivative financial liabilities | 非衍生金融負債 | | | | | |
| Trade and other payables | 應付賬款及 其他應付款項 | N/A | 219,621 | 219,621 | – | 219,621 |
| Convertible bonds | 可換股債券 | 5.43% | 493,413 | – | 600,000 | 600,000 |
| | | | 713,034 | 219,621 | 600,000 | 819,621 |
| 2011 | 2011年 | | | | | |
| Non-derivative financial liabilities | 非衍生金融負債 | | | | | |
| Trade and other payables | 應付賬款及 其他應付款項 | N/A | 424,753 | 424,753 | – | 424,753 |
| Convertible bonds | 可換股債券 | 5.43% | 467,483 | – | 600,000 | 600,000 |
| | | | 892,236 | 424,753 | 600,000 | 1,024,753 |

Fair value

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values due to their immediate or short-term maturities.

7. 財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金風險列表

公允值

金融資產及金融負債之公允值乃根據公認定價模式以貼現現金流量分析釐定。

本公司董事認為，按攤銷成本在綜合財務報表列賬之金融資產及金融負債之賬面值與其公允值相若，此乃由於其即時或於短期內到期。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

8. TURNOVER AND OTHER OPERATING INCOME

Turnover represents amount received and receivable from sales of pharmaceutical and food products net of returns, discounts allowed and sales related taxes, sales of natural uranium and gross rental income during the year. Revenues recognised during the year are as follows:

8. 營業額及其他經營收入

營業額指年內扣除退貨、允許折扣、相關銷售稅後來自銷售藥品及食品之已收及應收款項、天然鈾的銷售，以及租金收入總額。於本年度確認之收益如下：

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| Turnover | 營業額 | | |
| Sales of goods | 銷售貨品 | 1,225,329 | 367,243 |
| Gross rental income (note a) | 租金收入總額(附註a) | 6,958 | 5,483 |
| | | 1,232,287 | 372,726 |
| Other operating income | 其他經營收入 | | |
| Bank interest income | 銀行利息收入 | 24,594 | 5,911 |
| Gain on disposal of held-for-trading investment | 出售持作買賣投資之收益 | - | 13 |
| Government grant (note b) | 政府津貼(附註b) | - | 411 |
| Loan interest income from a shareholder | 一名股東之貸款利息收入 | 5,479 | - |
| Net exchange gain | 淨匯兌收益 | 174 | 10,059 |
| Net gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益淨額 | 19,289 | 11,804 |
| Write-back of long outstanding payables | 撥回長期未付之應付款項 | - | 3,554 |
| Recovery of indemnified taxation (note c) | 收回彌償稅項(附註c) | 2,960 | - |
| Others | 其他 | 1,759 | - |
| | | 54,255 | 31,752 |
| Total revenues | 總收益 | 1,286,542 | 404,478 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

8. TURNOVER AND OTHER OPERATING INCOME (Continued)

Notes:

- (a) An analysis of the Group's net rental income is as follows:

| | | 2012 | 2011 |
|---|----------------|----------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Gross rental income | 租金收入總額 | 6,958 | 5,483 |
| Less: Outgoings (included in cost of sales) | 減：相關開支（計入銷售成本） | (1,220) | (931) |
| Net rental income | 租金收入淨額 | 5,738 | 4,552 |

- (b) For the year ended 31 December 2011, the amount represented an one-off government grant for the Group's contribution to the environmental improvement in Sichuan Province, the PRC, in prior years.
- (c) For the year ended 31 December 2012, tax liabilities incurred before 2002 were recovered from the then controlling shareholders of the Company pursuant to the deed of indemnity dated 30 January 2002. Details are set out in note 33(b).

8. 營業額及其他經營收入 (續)

附註：

- (a) 本集團之租金收入淨額分析如下：

- (b) 於截至2011年12月31日止年度，有關金額指以往年度本集團於中國四川省環境改善而作出貢獻之一次性政府補貼。
- (c) 截至2012年12月31日止年度，於2002年前產生的稅務負債根據日期為2002年1月30日的彌償保證契據，獲得本公司當時的控股股東彌償。詳情載於附註33(b)。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

9. SEGMENT INFORMATION

Information reported to the Chief Executive Officer, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

- a) pharmaceutical and food segment engages in the selling, distributing and manufacturing of pharmaceutical and food products;
- b) property investment segment engages in leasing, developing and selling of office premises and residential properties; and
- c) natural uranium trading segment engages in trading of natural uranium.

9. 分部資料

本集團為就資源分配及表現評估目的向主要營運決策者即首席執行官報告的資料集中於所交付或所提供的貨品或服務種類。主要營運決策者識別的經營分部並無整合以組成本集團的可報告分部。

具體而言，本集團根據香港財務報告準則第8號劃分的可報告及經營分部如下：

- (a) 藥品及食品分部指銷售、分銷及製造藥品及食品；
- (b) 物業投資分部指租賃、發展及出售辦公室及住宅物業；及
- (c) 天然鈾貿易分部指天然鈾貿易業務。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the year ended 31 December 2012

| | | Pharmaceutical and food 藥品及食品 HK\$'000 千港元 | Property investment 物業投資 HK\$'000 千港元 | Natural uranium trading 天然鈾貿易 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|------------------------------|-----------|--|---|---|--------------------------------|
| Turnover | 營業額 | 57,836 | 6,958 | 1,167,493 | 1,232,287 |
| Segment profit (loss) | 分部溢利 (虧損) | (82,153) | 9,111 | 153,411 | 80,369 |
| Other income and gains | 其他收入及收益 | | | | 52,496 |
| Central administration costs | 中央行政成本 | | | | (36,422) |
| Finance costs | 融資成本 | | | | (25,930) |
| Profit before taxation | 除稅前溢利 | | | | 70,513 |

For the year ended 31 December 2011

截至2011年12月31日止年度

| | | Pharmaceutical and food 藥品及食品 HK\$'000 千港元 | Property investment 物業投資 HK\$'000 千港元 | Natural uranium trading 天然鈾貿易 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|------------------------------|---------|--|---|---|--------------------------------|
| Turnover | 營業額 | 367,243 | 5,483 | – | 372,726 |
| Segment loss | 分部虧損 | (215,869) | (25,339) | (480) | (241,688) |
| Other income and gains | 其他收入及收益 | | | | 50,135 |
| Central administration costs | 中央行政成本 | | | | (32,796) |
| Finance costs | 融資成本 | | | | (10,524) |
| Loss before taxation | 除稅前虧損 | | | | (234,873) |

9. 分部資料 (續)

分部收益及業績

下表呈列本集團可報告及經營分部之收益及業績分析：

截至2012年12月31日止年度

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

For the year ended 31 December 2012 截至2012年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the profit earned by (loss from) each segment without allocation of central administration costs, directors' salaries, other income and gains and finance costs. This is the measure reported to the Chief Executive Officer for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

Segment assets

| | | 2012 | 2011 |
|------------------------------|---------|-----------|-----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Pharmaceutical and food | 藥品及食品 | 93,078 | 191,323 |
| Property investment | 物業投資 | 87,833 | 81,205 |
| Natural uranium trading | 天然鈾貿易 | 240,596 | 391,593 |
| | | 421,507 | 664,121 |
| Unallocated corporate assets | 未分配公司資產 | 1,390,963 | 1,280,913 |
| Total assets | 資產總值 | 1,812,470 | 1,945,034 |

9. 分部資料 (續)

分部收益及業績 (續)

經營分部之會計政策與本集團載於附註3之會計政策相同。分部溢利(虧損)指各分部所賺取溢利(產生虧損)，並未分配中央行政成本、董事薪酬、其他收入及收益及融資成本。此乃就分配資源及表現評估向首席執行官報告之計量。

分部資產及負債

下表呈列本集團按可報告及經營分部分析之資產及負債：

分部資產

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

For the year ended 31 December 2012 截至2012年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

Segment liabilities

| | | 2012 | 2011 |
|-----------------------------------|---------|----------------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Pharmaceutical and food | 藥品及食品 | 17,652 | 34,786 |
| Property investment | 物業投資 | 1,216 | 573 |
| Natural uranium trading | 天然鈾貿易 | 198,969 | 391,593 |
| | | 217,837 | 426,952 |
| Unallocated corporate liabilities | 未分配公司負債 | 537,346 | 481,215 |
| Total liabilities | 負債總額 | 755,183 | 908,167 |

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than loan receivable from a shareholder, income tax recoverable, bank balances and cash and other assets for corporate use including property, plant and equipment and other receivables.
- all liabilities are allocated to operating segments other than income tax payable, deferred tax liabilities, convertible bonds and certain other payables.

9. 分部資料 (續)

分部資產及負債 (續)

分部負債

就監察分部業績及分部間之資源分配而言：

- 除應收一名股東的貸款、可收回所得稅、銀行結存及現金、以及作公司用途之其他資產，包括物業、廠房及設備以及其他應收款項外，所有資產均分配至經營分部。
- 除應付所得稅、遞延稅項負債、可換股債券以及若干其他應付款項外，所有負債均分配至經營分部。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Other segment information

2012

9. 分部資料 (續)

其他分部資料

2012年

| | | Pharmaceutical and food 藥品及食品 HK\$'000 千港元 | Property investment 物業投資 HK\$'000 千港元 | Natural uranium Trading 天然鈾貿易 HK\$'000 千港元 | Unallocated 未分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--|--|---|---|---------------------------------------|--------------------------------|
| Amounts included in the measure of segment profit or loss or segment assets: | 計算分部損益或分部資產時已計入款項： | | | | | |
| Addition to property, plant and equipment | 添置物業、廠房及設備 | 2,796 | 27 | 241 | 1,479 | 4,543 |
| Depreciation and amortisation | 折舊及攤銷 | 6,328 | 250 | 12 | 207 | 6,797 |
| Changes in fair value of investment property | 投資物業公允值變動 | - | (5,853) | - | - | (5,853) |
| Net gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益淨額 | (18) | - | - | (19,271) | (19,289) |
| Write-off of inventories | 撇銷存貨 | 3,494 | - | - | - | 3,494 |
| Reversal of write-down of inventories | 撥回撇減存貨 | (1,154) | - | - | - | (1,154) |
| Research and development costs | 研發成本 | 1,211 | - | - | - | 1,211 |
| Operating lease rental on land and buildings | 土地及樓宇之經營租賃租金 | 681 | - | 522 | 3,693 | 4,896 |
| Amounts regularly provided to the Chief Executive Officer but not included in the measure of segment profit or loss or segment assets: | 定期向首席執行官提供資料但並不包括於分部損益或分部資產計量之款項： | | | | | |
| Interest expense | 利息開支 | - | - | - | 25,930 | 25,930 |
| Income tax expense | 所得稅支出 | - | - | - | 51,866 | 51,866 |
| Bank interest income | 銀行利息收入 | - | - | - | (24,594) | (24,594) |
| Loan interest income from a shareholder | 一名股東的貸款利息收入 | - | - | - | (5,479) | (5,479) |
| Recovery of indemnified taxation | 收回彌償稅項 | - | - | - | (2,960) | (2,960) |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

2011

9. 分部資料 (續)

其他分部資料 (續)

2011年

| | Pharmaceutical and food 藥品及食品 HK\$'000 千港元 | Property investment 物業投資 HK\$'000 千港元 | Natural uranium Trading 天然鈾貿易 HK\$'000 千港元 | Unallocated 未分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--|---|---|---------------------------------------|--------------------------------|
| Amounts included in the measure of segment profit or loss or segment assets: | 計算分部損益或分部資產時已計入款項： | | | | |
| Addition to property, plant and equipment | 8,102 | - | - | 730 | 8,832 |
| Impairment loss recognised in respect of goodwill | 52,355 | - | - | - | 52,355 |
| Depreciation and amortisation | 10,227 | 249 | - | 38 | 10,514 |
| Changes in fair value of investment property | - | 24,438 | - | - | 24,438 |
| Net gain on disposal of property, plant and equipment | (11,804) | - | - | - | (11,804) |
| Impairment loss recognised in respect of property, plant and equipment | 72,001 | - | - | - | 72,001 |
| Impairment loss recognised in respect of trade receivables | 85 | - | - | - | 85 |
| Write-down of inventories | 14,808 | - | - | - | 14,808 |
| Write-off of inventories | 5,957 | - | - | - | 5,957 |
| Write-off of other receivables | 1,887 | - | - | - | 1,887 |
| Write-back of long outstanding payables | (3,554) | - | - | - | (3,554) |
| Impairment loss recognised in respect of intangible assets | 2,558 | - | - | - | 2,558 |
| Research and development costs | 1,820 | - | - | - | 1,820 |
| Operating lease rental on land and buildings | 1,290 | - | - | 127 | 1,417 |
| Amounts regularly provided to the Chief Executive Officer but not included in the measure of segment profit or loss or segment assets: | 定期向首席執行官提供資料但並不包括於分部損益或分部資產計量之款項： | | | | |
| Interest expense | - | - | - | 10,524 | 10,524 |
| Income tax credit | - | - | - | (3,417) | (3,417) |
| Bank interest income | - | - | - | (5,911) | (5,911) |
| Gain on disposal of held-for-trading investment | - | - | - | (13) | (13) |
| Gain on disposal of subsidiaries | - | - | - | (30,599) | (30,599) |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are located in Hong Kong ("HK") and the PRC.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

9. 分部資料 (續)

地域資料

本集團的業務位於香港及中國。

有關本集團來自外部客戶的收入資料是根據經營所在地點呈列。有關本集團非流動資產的資料是根據資產所在的地點呈列。

| | | Revenue from external customers | | Non-current assets | |
|-----|----|---------------------------------|----------|--------------------|----------|
| | | 來自外部客戶的收入 | | 非流動資產 | |
| | | 2012 | 2011 | 2012 | 2011 |
| | | 2012年 | 2011年 | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| HK | 香港 | 1,167,493 | – | 2,172 | 12,880 |
| PRC | 中國 | 64,794 | 372,726 | 151,253 | 147,157 |
| | | 1,232,287 | 372,726 | 153,425 | 160,037 |

Information about major customers

Revenue from customer of the corresponding years contributing over 10% of the total sales of the Group are as follows:

有關主要客戶之資料

以下載列來自於相應年度內佔本集團銷售總額超過10%的客戶之收入：

| | | 2012 | 2011 |
|-------------------------|------------------|------------------|------------------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Customer A ¹ | 客戶甲 ¹ | N/A ³ | 72,101 |
| Customer B ² | 客戶乙 ² | 1,167,493 | N/A ³ |

¹ Revenue from pharmaceutical and food segment
² Revenue from natural uranium trading segment
³ The corresponding revenue did not contribute over 10% of the total sales of the Group.

¹ 來自藥品及食品分部之收入
² 來自天然鈾貿易分部之收入
³ 相應的收入並沒有佔本集團銷售總額超過10%

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

For the year ended 31 December 2012 截至2012年12月31日止年度

10. FINANCE COSTS

10. 融資成本

| | | 2012 | 2011 |
|---|----------------------|----------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Interest expenses on: | 下列各項之利息開支： | | |
| – bank borrowings and overdrafts wholly repayable within five years | – 須於五年內悉數償還之銀行借貸及透支 | – | 3,305 |
| – imputed interest charged on convertible bonds (note 29) | – 可換股債券之估算利息開支(附註29) | 25,930 | 9,217 |
| – discounted bills of exchange without recourse | – 無追索權之貼現匯票 | – | 161 |
| Total borrowing costs | 借貸成本總額 | 25,930 | 12,683 |
| Less: amounts capitalised into properties under development | 減：於發展中物業項目資本化之款項 | – | (2,159) |
| | | 25,930 | 10,524 |

Borrowing costs capitalised during the year ended 31 December 2011 arose on the general borrowing pool and were calculated by applying a capitalisation rate of 6.73% (2012: nil) per annum to expenditure on properties under development.

截至2011年12月31日止年度來自一般借貸之借貸成本已資本化，並按資本化年率6.73% (2012年：無) 計入發展中物業開支。

11. INCOME TAX EXPENSE (CREDIT)

11. 所得稅支出(抵免)

| | | 2012 | 2011 |
|---------------------------------|------------|----------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Hong Kong Profits Tax | 香港利得稅 | | |
| – current year | – 本年度 | 22,572 | – |
| – underprovision in prior years | – 過往年度撥備不足 | 26,357 | – |
| PRC Enterprise Income Tax | 中國企業所得稅 | | |
| – current year | – 本年度 | 185 | – |
| – underprovision in prior year | – 過往年度撥備不足 | 878 | – |
| | | 49,992 | – |
| Deferred tax (note 30) | 遞延稅項(附註30) | 1,874 | (3,417) |
| | | 51,866 | (3,417) |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

11. INCOME TAX EXPENSE (CREDIT) (Continued)

During the year ended 31 December 2012, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits.

During the year ended 31 December 2011, Hong Kong Profits Tax has not been provided for in the consolidated financial statements as the Group's income neither arises in, nor is derived from Hong Kong.

In current and prior years, the Hong Kong Profits Tax amounting to approximately HK\$34,041,000 of a subsidiary of the Company in respect of the years of assessment 2000/01 to 2005/06 were under inquiries by the IRD. The Group lodged objections against the assessments and the IRD had held over the payment of the profits tax and the total amount of approximately HK\$15,791,000 (2011: HK\$11,791,000) tax reserve certificates was purchased and recorded as income tax recoverable in the statement of financial position.

During the year ended 31 December 2012, the Group reached a settlement agreement with the IRD on the amounts of Hong Kong Profits Tax relating to the years of assessment 2000/01 to 2011/12 for a total sum of approximately HK\$26,357,000 together with interest and penalty of approximately HK\$6,376,000. The tax liability of approximately HK\$26,357,000 and interest and penalty of approximately HK\$6,376,000 were recognised as income tax expense and administrative expense for the year ended 31 December 2012, respectively. Pursuant to the deed of indemnity dated 30 January 2002, sum incurred before 2002 of approximately HK\$2,960,000 was indemnified and settled by the then controlling shareholders (note 33(b)). The remaining amounts borne by the Group in total of approximately HK\$29,773,000 was settled by tax reserve certificates in sum of approximately HK\$15,791,000 and cash of approximately HK\$13,982,000 during the year ended 31 December 2012.

11. 所得稅支出(抵免)(續)

截至2012年12月31日止年度，香港利得稅按估計應課稅溢利以16.5%的稅率計算。

截至2011年12月31日止年度，由於本集團之收入並非在香港產生或源自香港，故並無於綜合財務報表內作出香港利得稅撥備。

於本年度及以往年度，稅務局(「稅局」)查詢本公司一間附屬公司於2000/01至2005/06課稅年度之香港利得稅，涉及稅款34,041,000港元。本集團已對該項評稅提出反對，獲稅局暫緩繳納利得稅；本公司已購買總額約15,791,000港元(2011年：11,791,000港元)之儲稅券，並記錄為綜合財務狀況表之可收回所得稅。

截至2012年12月31日止年度，本集團與稅局就2000/01至2011/12課稅年度之香港利得稅總額約26,357,000港元連同利息及罰款約6,376,000港元達成和解協議。稅務負債約26,357,000港元連同利息及罰款約6,376,000港元於截至2012年12月31日止年度確認為所得稅開支及行政開支。根據於2002年1月30日訂立之彌償保證契據，於2002年前產生的約2,960,000港元獲得當時的控股股東彌償及由其支付(附註33(b))。截至2012年12月31日止年度，由本集團承擔的餘額合共約29,773,000港元中，約15,791,000港元以儲稅券償還，約13,982,000港元以現金支付。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

11. INCOME TAX EXPENSE (CREDIT) (Continued)

Besides, in current and prior years, the Hong Kong Profits Tax amounting to approximately HK\$26,849,000 of another subsidiary of the Company in respect of the years of assessment 2002/03 to 2005/06 were under inquiries by the IRD. The Group lodged an objection against the assessments and the IRD had held over the payment of the profits tax and the total amount of approximately HK\$300,000 tax reserve certificates was purchased and recorded as income tax recoverable in the statement of financial position. During the year ended 31 December 2012, the tax reserve certificate was refunded as the IRD agreed that the income derived by this subsidiary was non-Hong Kong sourced.

Under the Law of 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% for both years.

Certain PRC subsidiaries were either in loss-making position for the current and the previous years or had sufficient tax losses brought forward from previous years to offset the estimated assessable income for the year and accordingly did not have any provision for PRC Enterprise Income Tax for the current and previous years.

The subsidiary operating in Macau is exempted from the income tax in Macau for the current and previous years.

11. 所得稅支出（抵免）（續）

此外，於本年度及以往年度，稅局查詢本公司另一間附屬公司於2002/03至2005/06課稅年度之香港利得稅，涉及稅款26,849,000港元。本集團已對該項評稅提出反對，獲稅局暫緩繳納利得稅；本公司已購買總額約300,000港元之儲稅券，並記錄為綜合財務狀況表之可收回所得稅。截至2012年12月31日止年度，由於稅局同意來自該附屬公司的收入並非在香港賺取，因此儲稅券獲得退回。

根據中國企業所得稅法（「企業所得稅法」）及其實施條例，中國附屬公司於兩個年度之稅率為25%。

於本年度及過往年度，若干中國附屬公司處於虧損狀況，或結轉自以往年度之稅務虧損足以抵銷年內估計應課稅收入，因此於本年度及過往年度並無任何中國企業所得稅的撥備。

於本年度及過往年度，在澳門經營之附屬公司獲豁免澳門所得稅。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

11. INCOME TAX EXPENSE (CREDIT) (Continued)

Pursuant to the laws and regulations of the Cayman Islands and British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI for the current and previous years.

The income tax expense (credit) for the year can be reconciled to the profit (loss) before taxation per the consolidated income statement as follows:

11. 所得稅支出（抵免）（續）

根據開曼群島及英屬處女群島（「BVI」）之法律及法規，本集團於本年度及過往年度毋須繳納開曼群島及BVI所得稅。

本年度所得稅支出（抵免）與綜合收益表所示除稅前溢利（虧損）對賬如下：

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|--|------------------------|----------------------------------|----------------------------------|
| Profit (loss) before taxation | 除稅前溢利（虧損） | 70,513 | (234,873) |
| Tax calculated at rates applicable to profits in the respective tax jurisdiction concerned | 按有關稅務司法權區適用於溢利之稅率計算之稅項 | 11,005 | (51,945) |
| Effect of tax exemption granted to a Macau subsidiary | 一間澳門附屬公司獲豁免稅項之影響 | 546 | 452 |
| Tax effect of income not taxable for tax purpose | 毋須課稅收入之稅務影響 | (7,683) | (8,632) |
| Tax effect of expenses not deductible for tax purpose | 不可扣稅支出之稅務影響 | 14,298 | 16,025 |
| Utilisation of previously unrecognised tax losses and deductible temporary difference | 動用先前未確認之稅務虧損及可扣減臨時差額 | - | (576) |
| Tax effect of tax losses and deductible temporary difference not recognised | 未確認稅務虧損及可扣減臨時差額之稅務影響 | 6,465 | 41,259 |
| Underprovision in prior years | 過往年度撥備不足 | 27,235 | - |
| Income tax expense (credit) for the year | 本年度所得稅支出（抵免） | 51,866 | (3,417) |

Details of deferred taxation are set out in note 30.

遞延稅項詳情載於附註30。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

12. PROFIT (LOSS) FOR THE YEAR

12. 本年度溢利（虧損）

| | | 2012 | 2011 |
|--|-----------------------|------------------|----------------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Profit (loss) for the year has been arrived at after charging (crediting): | 本年度溢利（虧損）已扣除（計入）下列各項： | | |
| Amortisation of intangible assets | 攤銷無形資產 | 60 | 333 |
| Amortisation of prepaid lease payments on land use rights | 攤銷土地使用權預付租賃款項 | 397 | 723 |
| Auditors' remuneration | 核數師酬金 | 1,421 | 1,498 |
| Cost of inventories recognised as an expense and included in cost of sales | 確認為開支及計入銷售成本的存貨銷售成本 | 1,027,497 | 243,062 |
| Carrying amount of inventories sold | 已售存貨的賬面值 | 3,494 | 5,957 |
| Write-off of inventories | 撇銷存貨 | (1,154) | — |
| Reversal of write-down of inventories (note 23) | 撥回撇減存貨（附註23） | — | 14,808 |
| Write-down of inventories | 撇減存貨 | — | — |
| | | 1,029,837 | 263,827 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 6,340 | 9,458 |
| Impairment loss recognised in respect of trade receivables (included in administrative expenses) | 確認應收賬款減值虧損（計入行政開支） | — | 85 |
| Impairment loss in respect of intangible assets (included in administrative expenses) | 無形資產減值虧損（計入行政開支） | — | 2,558 |
| Operating lease rental on land and buildings | 土地及樓宇之經營租賃租金 | 4,896 | 1,417 |
| Research and development costs | 研發成本 | 1,211 | 1,820 |
| Staff costs (including directors' emoluments) (note 15) | 員工成本（包括董事酬金）（附註15） | 51,606 | 120,124 |
| Write-off of other receivables (included in administrative expenses) | 撇銷其他應收款項（計入行政開支） | — | 1,887 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

13. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2012, nor has any dividend been proposed since the end of the reporting period (2011: nil).

14. EARNINGS (LOSS) PER SHARE

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

13. 股息

截至2012年12月31日止年度並無派發或建議派發股息，而自報告期間結算日以來亦無建議派發任何股息（2011年：無）。

14. 每股盈利（虧損）

本公司擁有人應佔每股基本及攤薄盈利（虧損）乃按下列數據計算：

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|--|-----------------------------------|----------------------------------|----------------------------------|
| Profit (loss) | 盈利（虧損） | | |
| Profit (loss) for the year attributable to the owners of the Company for the purposes of basic and diluted earnings (loss) per share | 計算每股基本及攤薄盈利（虧損）之本公司擁有人應佔本年度溢利（虧損） | 18,660 | (229,858) |
| Number of shares | 股份數目 | | |
| Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share | 計算每股基本盈利（虧損）之普通股加權平均數 | 3,332,586,993 | 2,229,036,061 |
| Effect of dilutive potential ordinary shares in respect of share options | 有關購股權之普通股攤薄影響 | 37,842 | — |
| Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share | 計算每股攤薄盈利（虧損）之普通股加權平均數 | 3,332,624,835 | 2,229,036,061 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

14. EARNINGS (LOSS) PER SHARE (Continued)

For the year ended 31 December 2012, the computation of diluted earnings per share does not assume conversion of convertible bonds as their exercise would result in an increase in earnings per share.

For the year ended 31 December 2011, the computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options and convertible bonds as their exercise would result in a decrease in loss per share.

15. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

| | | 2012 | 2011 |
|--|---------------|---------------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Salaries, allowances, other benefits and bonus | 薪金、津貼、其他福利及花紅 | 49,514 | 60,931 |
| Retirement benefit schemes contribution | 退休福利計劃供款 | 2,092 | 4,465 |
| Termination benefits (note) | 終止利益(附註) | — | 54,728 |
| | | 51,606 | 120,124 |

Note: Due to the expiry of food hygiene license for "Osteoform Compound Calcium Amino Acid Chelate Food Capsules" ("Osteoform") and an integration of production line, the Group had laid off excessive staff and incurred termination benefits of approximately HK\$44,228,000 during the year ended 31 December 2011. In addition, the Group had paid to the ex-directors for early resignation of approximately HK\$10,500,000 during the year ended 31 December 2011.

附註：由於「樂力複合氨基酸螯合鈣膠囊食品」(「樂力」)之食品衛生許可證已到期及整合生產線，本集團已解僱剩餘員工，並於截至2011年12月31日止年度產生終止利益約44,228,000港元。此外，本集團於截至2011年12月31日止年度已支付約10,500,000港元予前任董事作為提早離職之補償。

14. 每股盈利(虧損)(續)

截至2012年12月31日止年度，計算每股攤薄盈利時並沒有假設可換股債券獲轉換，因為轉換可換股債券將導致每股盈利上升。

截至2011年12月31日止年度，計算每股攤薄盈利時並沒有假設本公司尚未行使的購股權及可換股債券獲行使，因為有關的行使將導致每股虧損減少。

15. 員工成本(包括董事酬金)

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

For the year ended 31 December 2012 截至2012年12月31日止年度

15. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

The subsidiaries in Hong Kong operate defined contribution schemes which are available to qualified employees. The assets of the schemes are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, as appropriate.

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Company in this country participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

The retirement benefit schemes contribution represent gross contributions by the Group to the Schemes operated by the relevant authorities of the PRC and the defined contribution schemes operated in Hong Kong.

Details of the Company's share options granted to the employees of the Group are set out in note 31.

15. 員工成本（包括董事酬金） (續)

香港的附屬公司為合資格僱員推行定額供款計劃。該等計劃之資產與附屬公司之資產於獨立管理基金內分開持有。附屬公司之每月供款乃按照有關規定所訂明以適用薪酬成本之若干百分比或固定款額（視適用情況而定）計算。

根據中國有關當局之規例，本公司之中國附屬公司參與各項政府退休福利計劃（「該等計劃」），據此，該等附屬公司須向該等計劃作出供款，以撥付合資格僱員之退休福利。向該等計劃作出之供款乃按照中國規例所訂明適用薪酬成本之特定百分比計算。中國有關當局負責向退休僱員支付應付之全數退休福利。本集團就該等計劃之責任僅為根據該等計劃持續作出所需供款。

退休福利計劃供款即本集團向由中國有關當局運作之該等計劃以及於香港運作之定額供款計劃作出之供款總額。

本公司向本集團員工授出購股權之詳情載於附註31。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

16. DIRECTORS' AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

(a) Directors' and chief executive's emoluments

The emoluments paid or payable to each of the twelve (2011: seventeen) directors and the chief executive were as follows:

For the year ended 31 December 2012

| | | Other emoluments | | | | Total HK\$'000 千港元 |
|---|---------------------|---|---------------------|---|----|--------------------------|
| | | 其他酬金 | | | | |
| Fees | | Salaries, allowances and other benefits | Discretionary bonus | Retirement benefit schemes contribution | | |
| | | 薪金、津貼及其他福利 | | 退休福利計劃供款 | | |
| 袍金 | | HK\$'000 千港元 | 酌情花紅 | HK\$'000 千港元 | | |
| <i>Executive directors:</i> | | <i>執行董事:</i> | | | | |
| He Zuyuan ¹ | 何祖元 ¹ | - | 1,414 | 380 | 12 | 1,806 |
| Li Xianli ³ | 李現立 ³ | - | 612 | 173 | 7 | 792 |
| Li Zhengguang ⁴ | 李正光 ⁴ | - | 400 | - | - | 400 |
| Zheng Xiaowei ^{2, 4} | 鄭曉衛 ^{2, 4} | - | 38 | - | - | 38 |
| <i>Non-executive directors:</i> | | <i>非執行董事:</i> | | | | |
| Yu Zhiping | 余志平 | 200 | - | - | - | 200 |
| Wei Qiyan | 魏其岩 | 150 | - | - | - | 150 |
| Jin Yunfei ³ | 靳雲飛 ³ | 75 | - | - | - | 75 |
| Huang Jianming ³ | 黃建明 ³ | 75 | - | - | - | 75 |
| Chen Zhiyu ⁴ | 陳志宇 ⁴ | 75 | 198 | - | - | 273 |
| Zheng Xiaowei ² | 鄭曉衛 ² | 37 | - | - | - | 37 |
| <i>Independent non-executive directors:</i> | | <i>獨立非執行董事:</i> | | | | |
| Ling Bing | 凌兵 | 120 | - | - | - | 120 |
| Qiu Xianhong | 邱先洪 | 120 | - | - | - | 120 |
| Huang Jinsong | 黃勁松 | 120 | - | - | - | 120 |
| | | 972 | 2,662 | 553 | 19 | 4,206 |

¹ Mr. He Zuyuan was also the Chief Executive Officer of the Company and his emoluments disclosed above included those for services rendered by him as the Chief Executive Officer.

² Re-designated from non-executive director to executive director on 15 March 2012

³ Appointed on 5 July 2012

⁴ Resigned on 5 July 2012

Discretionary bonus for the year ended 31 December 2012 was determined with reference to the Group's operating results, individual performance and comparable market statistics.

16. 董事及最高薪酬人士之酬金

(a) 董事及主要行政人員酬金

已付或應付十二名(2011年: 十七名)董事及主要行政人員之酬金如下:

截至2012年12月31日止年度

¹ 何祖元先生亦為本公司的首席執行官，上文所披露彼獲付的酬金已包括其履行作為首席執行官的職務的酬金。

² 於2012年3月15日由非執行董事調任至執行董事。

³ 於2012年7月5日的委任。

⁴ 於2012年7月5日辭任。

截至2012年12月31日止年度之酌情花紅乃經參考本集團之經營業績、個人表現及可資比較市場數據而定。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

16. DIRECTORS' AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 December 2011

16. 董事及最高薪酬人士之酬金 (續)

(a) 董事及主要行政人員酬金 (續)

截至2011年12月31日止年度

| | | Other emoluments | | | | Total |
|---|--------------------|------------------|---|--------------------------------|---|----------|
| | | Fees | Salaries, allowances and other benefits | Payments for early resignation | Retirement benefit schemes contribution | |
| | | 袍金 | 薪金、津貼及其他福利 | 提早離職之薪資 | 退休福利計劃供款 | 總計 |
| | | 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 |
| <i>Executive directors:</i> | <i>執行董事：</i> | | | | | |
| Liu James Jin ¹ | 劉津 ¹ | – | 264 | 1,500 | 8 | 1,772 |
| Xu Xiaofan ¹ | 徐小凡 ¹ | – | 264 | 1,500 | – | 1,764 |
| Huang Zemin ¹ | 黃澤民 ¹ | – | 264 | 1,500 | – | 1,764 |
| Li Ke ¹ | 李可 ¹ | – | 264 | 1,500 | – | 1,764 |
| Chen Zhiyu ^{2,4} | 陳志宇 ^{2,4} | – | 270 | – | – | 270 |
| Guo Lin ¹ | 郭琳 ¹ | – | 264 | 1,500 | 8 | 1,772 |
| He Zuyuan ^{3,5} | 何祖元 ^{3,5} | – | 352 | – | – | 352 |
| Li Zhengguang ³ | 李正光 ³ | – | 297 | – | – | 297 |
| <i>Non-executive directors:</i> | <i>非執行董事：</i> | | | | | |
| Zheng Xiaowei ³ | 鄭曉衛 ³ | 56 | – | – | – | 56 |
| Yu Zhiping ³ | 余志平 ³ | 74 | – | – | – | 74 |
| Wei Qiyang ³ | 魏其岩 ³ | 56 | – | – | – | 56 |
| Chen Zhiyu ² | 陳志宇 ² | 50 | 132 | – | – | 182 |
| <i>Independent non-executive directors:</i> | <i>獨立非執行董事：</i> | | | | | |
| Lee Kwong Yiu ¹ | 李廣耀 ¹ | 80 | – | 1,100 | – | 1,180 |
| Lui Tin Nang ¹ | 呂天能 ¹ | 80 | – | 1,100 | – | 1,180 |
| Chong Cha Hwa ¹ | 張家華 ¹ | 80 | – | 800 | – | 880 |
| Ling Bing ³ | 凌兵 ³ | 44 | – | – | – | 44 |
| Qiu Xianhong ³ | 邱先洪 ³ | 44 | – | – | – | 44 |
| Huang Jinsong ³ | 黃勁松 ³ | 44 | – | – | – | 44 |
| | | 608 | 2,371 | 10,500 | 16 | 13,495 |

- ¹ Resigned on 18 August 2011
- ² Re-designated from executive director to non-executive director on 18 August 2011
- ³ Appointed on 18 August 2011
- ⁴ Mr. Chen Zhiyu was also the Chief Executive Officer of the Company before his resignation on 18 August 2011 and his emoluments disclosed above included those for services rendered by him as the Chief Executive Officer.
- ⁵ Mr. He Zuyuan was also the Chief Executive Officer of the Company since 18 August 2011 and his emoluments disclosed above included those for services rendered by him as the Chief Executive Officer.

- ¹ 於2011年8月18日辭任
- ² 於2011年8月18日由執行董事調任為非執行董事
- ³ 於2011年8月18日獲委任
- ⁴ 陳志宇先生於2011年8月18日辭任前亦為首席執行官，上文所披露彼獲付的酬金已包括其履行作為首席執行官的職務的酬金。
- ⁵ 何祖元先生由2011年8月18日起亦為首席執行官，上文所披露彼獲付的酬金已包括其履行作為首席執行官的職務的酬金。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

16. DIRECTORS' AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued)

(b) Individuals with highest emoluments

Of the five individuals with the highest emoluments in the Group, one (2011: five) was director and the chief executive of the Company whose emoluments are included in the disclosures in note 16(a) above. The emoluments of the remaining four (2011: nil) individuals were as follows:

16. 董事及最高薪酬人士之酬金 (續)

(b) 最高薪酬人士

於本集團五名最高薪酬人士中，一名(2011年：五名)為本公司董事及高級行政人員，其酬金已在上述附註16(a)中作出披露。其餘四名個人(2011年：無)的酬金如下：

| | | 2012 | 2011 |
|---|------------|--------------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Salaries, allowances and other benefits | 薪金、津貼及其他福利 | 4,736 | — |
| Discretionary bonus | 酌情花紅 | 450 | — |
| Retirement benefit schemes contribution | 退休福利計劃供款 | 9 | — |
| | | 5,195 | — |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

16. DIRECTORS' AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued)

(b) Individuals with highest emoluments (Continued)

Their emoluments were within the following bands:

| | | 2012 2012年 Number of Individuals 人數 | 2011 2011年 Number of individuals 人數 |
|--------------------------------|-----------------------------|---|---|
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001港元至 1,500,000港元 | 4 | - |

One of the four individuals with the highest emoluments was appointed as director during the year ended 31 December 2012. His total emoluments as the capacity of director and staff of the Company was within the band of HK\$1,000,001 to HK\$1,500,000.

- (c) No emoluments have been paid by the Group to all directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group during the years ended 31 December 2011 and 2012. During the year ended 31 December 2011, the Group paid approximately HK\$10,500,000 (2012: nil) as compensation for early resignation to the directors of the Company. No directors of the Company waived or agreed to waive any emoluments during the years ended 31 December 2011 and 2012.

16. 董事及最高薪酬人士之酬金 (續)

(b) 最高薪酬人士 (續)

彼等的酬金在以下範圍內：

該四名最高薪酬人士中其中一人於截至2012年12月31日止年度獲委任為董事。其擔任本公司董事及員工的酬金總額在1,000,001港元至1,500,000港元的範圍內。

- (c) 於截至2011年及2012年12月31日止年度，本集團並無向本公司任何董事或五名最高薪酬人士支付酬金，作為吸引加入或於加入本集團時之獎勵。於截至2011年12月31日止年度，本集團已向本公司董事支付約10,500,000港元（2012年：無）作為提早離職之賠償。於截至2011年及2012年12月31日止年度，概無本公司董事放棄或同意放棄任何酬金。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

17. INTANGIBLE ASSETS

17. 無形資產

| | | Technical know-how 專業技術知識 HK\$'000 千港元 |
|--|---------------------|--|
| COST | 成本 | |
| At 1 January 2011 | 於2011年1月1日 | 17,889 |
| Exchange realignment | 匯兌調整 | 1,062 |
| Derecognised on disposal of subsidiaries | 出售附屬公司時終止確認 | (16,051) |
| At 31 December 2011 | 於2011年12月31日 | 2,900 |
| Exchange realignment | 匯兌調整 | 32 |
| At 31 December 2012 | 於2012年12月31日 | 2,932 |
| ACCUMULATED AMORTISATION AND IMPAIRMENT | 累計攤銷及減值 | |
| At 1 January 2011 | 於2011年1月1日 | 14,861 |
| Exchange realignment | 匯兌調整 | 877 |
| Provided for the year | 本年度撥備 | 333 |
| Impairment loss recognised in the year | 年內確認之減值虧損 | 2,558 |
| Eliminated on disposal of subsidiaries | 出售附屬公司時對銷 | (16,051) |
| At 31 December 2011 | 於2011年12月31日 | 2,578 |
| Exchange realignment | 匯兌調整 | 28 |
| Provided for the year | 本年度撥備 | 60 |
| At 31 December 2012 | 於2012年12月31日 | 2,666 |
| CARRYING VALUES | 賬面值 | |
| At 31 December 2012 | 於2012年12月31日 | 266 |
| At 31 December 2011 | 於2011年12月31日 | 322 |

Technical know-how has finite useful lives and are amortised on a straight-line basis over five years.

專業技術知識具有有限可使用年期，按五年期以直線法攤銷。

During the year ended 31 December 2011, the directors of the Company conducted a review of the Group's intangible assets and determined that several intangible assets were impaired due to cessation of production of certain pharmaceutical and food products. Accordingly, impairment loss of approximately HK\$2,558,000 (2012: nil) was recognised in respect of intangible asset.

於截至2011年12月31日止年度，本公司董事審閱本集團之無形資產，認為因若干藥品及食品產品停產而導致多項無形資產減值。因此，已就無形資產確認減值虧損約2,558,000港元（2012年：無）。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

| | | Land and buildings 土地及樓宇 HK\$'000 千港元 | Leasehold improvements 租賃物業 裝修 HK\$'000 千港元 | Plant and machinery 廠房及機器 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Furniture, fixtures and office equipment 傢俬、裝置及辦公設備 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|---------------------|--|---|---|---|---|--------------------------------|
| COST 成本 | | | | | | | |
| At 1 January 2011 | 於2011年1月1日 | 93,797 | 7,959 | 200,264 | 14,288 | 11,534 | 327,842 |
| Exchange realignment | 匯兌調整 | 3,725 | 95 | 11,990 | 755 | 580 | 17,145 |
| Additions | 添置 | 4,530 | 1,724 | 412 | 1,563 | 603 | 8,832 |
| Disposals | 出售 | (14,111) | (4,770) | (9,601) | (3,391) | (875) | (32,748) |
| Derecognised on disposal of subsidiaries | 出售附屬公司時終止確認 | (26,886) | – | (122,677) | (1,281) | (2,454) | (153,298) |
| At 31 December 2011 | 於2011年12月31日 | 61,055 | 5,008 | 80,388 | 11,934 | 9,388 | 167,773 |
| Exchange realignment | 匯兌調整 | 700 | 62 | 907 | 133 | 101 | 1,903 |
| Additions | 添置 | – | 196 | 353 | 2,265 | 1,729 | 4,543 |
| Disposals | 出售 | (13,989) | – | – | (2,326) | (2,512) | (18,827) |
| At 31 December 2012 | 於2012年12月31日 | 47,766 | 5,266 | 81,648 | 12,006 | 8,706 | 155,392 |
| ACCUMULATED DEPRECIATION AND IMPAIRMENT 累計折舊及減值 | | | | | | | |
| At 1 January 2011 | 於2011年1月1日 | 14,544 | 7,170 | 110,322 | 12,993 | 8,674 | 153,703 |
| Exchange realignment | 匯兌調整 | 415 | 61 | 6,096 | 700 | 383 | 7,655 |
| Provided for the year | 本年度撥備 | 3,931 | 524 | 3,501 | 535 | 967 | 9,458 |
| Impairment losses recognised | 已確認減值虧損 | 30,886 | – | 40,325 | 35 | 755 | 72,001 |
| Eliminated on disposals | 出售時對銷 | (2,650) | (4,770) | (9,334) | (2,449) | (590) | (19,793) |
| Eliminated on disposal of subsidiaries | 出售附屬公司時對銷 | (14,645) | – | (100,081) | (1,186) | (2,346) | (118,258) |
| At 31 December 2011 | 於2011年12月31日 | 32,481 | 2,985 | 50,829 | 10,628 | 7,843 | 104,766 |
| Exchange realignment | 匯兌調整 | 362 | 15 | 701 | 113 | 34 | 1,225 |
| Provided for the year | 本年度撥備 | 1,768 | 788 | 2,143 | 871 | 770 | 6,340 |
| Eliminated on disposals | 出售時對銷 | (2,302) | – | – | (2,142) | (2,373) | (6,817) |
| At 31 December 2012 | 於2012年12月31日 | 32,309 | 3,788 | 53,673 | 9,470 | 6,274 | 105,514 |
| CARRYING VALUES 賬面值 | | | | | | | |
| At 31 December 2012 | 於2012年12月31日 | 15,457 | 1,478 | 27,975 | 2,536 | 2,432 | 49,878 |
| At 31 December 2011 | 於2011年12月31日 | 28,574 | 2,023 | 29,559 | 1,306 | 1,545 | 63,007 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The carrying values of properties shown above comprise:

| | | 2012 | 2011 |
|-------------------------|-----------|---------------|---------------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Land in Hong Kong: | 於香港之土地： | | |
| Long lease | 中期租賃 | — | 12,007 |
| Land outside Hong Kong: | 於香港境外之土地： | | |
| Medium-term lease | 中期租賃 | 15,457 | 16,567 |
| | | 15,457 | 28,574 |

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

| | |
|--|---|
| Leasehold land and buildings | Over the shorter of the term of the lease or 40 years |
| Leasehold improvements | Over the shorter of the term of the lease or 5 years |
| Plant and machinery | 2.5% to 20% |
| Motor vehicles | 20% |
| Furniture, fixtures and office equipment | 10% to 27% |

Notes:

- (a) At 31 December 2011, the carrying values of the Group's property, plant and equipment pledged as security for the banking facilities granted to the Group amounted to approximately HK\$1,656,000 (2012: nil).

18. 物業、廠房及設備 (續)

上述物業之賬面值包括：

上述物業、廠房及設備項目乃根據直線法按以下年率計算折舊：

| | |
|------------|------------------|
| 租賃土地及樓宇 | 按租賃年期或40年，以較短者為準 |
| 租賃物業裝修 | 按租賃年期或5年，以較短者為準 |
| 廠房及機器 | 2.5%至20% |
| 汽車 | 20% |
| 傢俬、裝置及辦公設備 | 10%至27% |

附註：

- (a) 於2011年12月31日，已就本集團獲授之銀行融資抵押本集團物業、廠房及設備合共約1,656,000港元(2012年：無)。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Notes: (Continued)

- (b) During the year ended 31 December 2011, the directors of the Company conducted a review of the Group's manufacturing assets and determined that a number of property, plant and equipment were impaired, due to the expiry of food hygiene license for Osteoform and an integration of production line which resulted in the idleness of certain property, plant and equipment. Accordingly, impairment losses of approximately HK\$30,886,000 (2012: nil), HK\$40,325,000 (2012: nil) and HK\$790,000 (2012: nil) respectively were recognised in respect of land and buildings, plant and machinery and other assets, which were used in the pharmaceutical and food segment. The directors of the Company assessed the recoverable amounts based on the fair values less costs to sell, determined by reference to the market prices for similar assets.

18. 物業、廠房及設備 (續)

附註：(續)

- (b) 於截至2011年12月31日止年度，本公司董事審閱本集團之製造資產，認為基於樂力食品衛生許可證到期及由於整合生產線而導致若干物業、廠房及設備閒置，因而多項物業、廠房及設備已減值。因此，已就用於藥品及食品分部之土地及樓宇、廠房及機器以及其他資產分別確認減值虧損約30,886,000港元（2012年：無）、40,325,000港元（2012年：無）及790,000港元（2012年：無）。本公司董事基於公允值減去銷售成本（參照同類資產的市場價）以評估可收回金額。

19. INVESTMENT PROPERTIES

19. 投資物業

| | | HK\$'000 千港元 |
|---|---------------------|-----------------|
| FAIR VALUE | 公允值 | |
| At 1 January 2011 | 於2011年1月1日 | 95,409 |
| Decrease in fair value recognised in profit or loss | 已於損益確認之公允值減少 | (24,438) |
| Exchange realignment | 匯兌調整 | 5,819 |
| At 31 December 2011 | 於2011年12月31日 | 76,790 |
| Increase in fair value recognised in profit or loss | 已於損益確認之公允值增加 | 5,853 |
| Exchange realignment | 匯兌調整 | 887 |
| At 31 December 2012 | 於2012年12月31日 | 83,530 |

Notes:

- (a) The carrying value of investment properties shown above were situated in the PRC and held under medium-term lease.
- (b) All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes were measured using the fair value model and were classified and accounted for as investment properties.

附註：

- (a) 上述賬面值之投資物業乃位於中國，根據中期租賃持有。
- (b) 本集團所有根據經營租賃持有以賺取租金或作資本增值用途之物業權益均以公允值模式計量，並分類及入賬列作投資物業。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

19. INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

- (c) The fair value of the investment properties of the Group as at 31 December 2011 and 2012 has been arrived at on an open market value basis assuming sale with existing tenancies by using the income approach by capitalising the net rental income receivable from the existing tenancies and the reversionary rental income potentials. The valuations were carried out by an independent qualified professional valuer not connected with the Group, Avista Valuation Advisory Limited ("Avista"), who had among its staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.
- (d) At 31 December 2011, the fair value of the Group's investment properties pledged as security for the banking facilities granted to the Group amounted to approximately HK\$68,585,000 (2012: nil).

19. 投資物業 (續)

附註：(續)

- (c) 本集團投資物業於2011年及2012年12月31日之公允值，是按公開市值基準，假設在現有租賃下出售，透過資本化來自現有租賃的租金收入淨額及轉回潛在租金收入而釐定。該估值由與本集團無關連之獨立合資格專業估值師艾華迪評估諮詢有限公司（「艾華迪」）進行。艾華迪部分員工為香港測量師學會會員，擁有近期所估值物業所在地點及其類別之估值經驗。
- (d) 於2011年12月31日，已就本集團獲授之銀行融資抵押本集團投資物業公允值合共約68,585,000港元（2012年：無）。

20. PREPAID LEASE PAYMENTS ON LAND USE RIGHTS

20. 土地使用權預付租賃款項

| | | 2012 | 2011 |
|-------------------------------------|-----------|---------------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Analysed for reporting purposes as: | 就申報目的分析為： | | |
| Current assets | 流動資產 | 397 | 366 |
| Non-current assets | 非流動資產 | 19,751 | 19,918 |
| | | 20,148 | 20,284 |

The prepaid lease payments consisted of cost of land use rights in respect of land located in the PRC held under medium-term lease.

At 31 December 2011, the carrying value of the Group's prepaid lease payments on land use rights amounted to approximately HK\$1,457,000 (2012: nil) was pledged as security for the banking facilities granted to the Group.

預付租賃款項包括按中期租賃持有位於中國之土地之土地使用權成本。

於2011年12月31日，已就本集團獲授之銀行融資作出抵押之本集團土地使用權預付租賃款項之賬面值約為1,457,000港元（2012年：無）。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

21. GOODWILL

The carrying amounts of goodwill at the end of the reporting period allocated to Vital Pharmaceutical (Sichuan) Company Limited (“Sichuan Vital”) and 四川恒泰醫藥有限公司 (“Sichuan Hengtai”) and its subsidiary (“Hengtai Group”) are as follows:

| | | Sichuan Vital 四川維奧 HK\$'000 千港元 | Hengtai Group 恒泰集團 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|---------------------------|--|--|--------------------------------|
| COST | 成本 | | | |
| At 1 January 2011 | 於2011年1月1日 | 34,876 | 112,406 | 147,282 |
| Derecognised on disposal of a subsidiary | 出售一間附屬公司時終止確認 | (34,876) | – | (34,876) |
| At 31 December 2011 and 2012 | 於2011年及2012年12月31日 | – | 112,406 | 112,406 |
| IMPAIRMENT | 減值 | | | |
| At 1 January 2011 | 於2011年1月1日 | 34,876 | 60,051 | 94,927 |
| Eliminated on disposal of a subsidiary | 出售一間附屬公司時對銷 | (34,876) | – | (34,876) |
| Impairment loss recognised during the year | 年內已確認減值虧損 | – | 52,355 | 52,355 |
| At 31 December 2011 and 2012 | 於2011年及2012年12月31日 | – | 112,406 | 112,406 |
| CARRYING VALUES | 賬面值 | | | |
| At 31 December 2012 | 於2012年12月31日 | – | – | – |
| At 31 December 2011 | 於2011年12月31日 | – | – | – |

Sichuan Vital

On 30 December 2011, the Group disposed of its entire equity interest in Sichuan Vital, at a cash consideration of HK\$52,300,000 (note 32(d)). The goodwill which arose from the acquisition of Sichuan Vital amounting to HK\$34,876,000 was fully impaired in prior years.

21. 商譽

於報告期間結束時分配至四川維奧製藥有限公司(「四川維奧」)以及四川恒泰醫藥有限公司(「四川恒泰」)及其附屬公司(「恒泰集團」)之商譽賬面值如下：

四川維奧

於2011年12月30日，本集團出售其持有四川維奧之全部權益，現金代價為52,300,000港元(附註32(d))。收購四川維奧所產生商譽34,876,000港元已於以往年度全數減值。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

21. GOODWILL (Continued)

Hengtai Group

During the year ended 31 December 2011, the management of the Group assessed the recoverable amount of Hengtai Group with reference to the valuation report of the Hengtai Group issued by Avista and determined that goodwill was fully impaired by approximately HK\$52,355,000. The impairment of the cash generating unit was mainly attributable to the expiry of the food hygiene license (食品衛生許可證) for Osteoform as set out in the announcement of the Company dated 4 August 2011. The expiry of the food hygiene license led to cessation of production of Osteoform in the PRC.

The basis of calculating the recoverable amount and the principal underlying assumptions were summarised as below:

The recoverable amount of Hengtai Group was determined on the basis of value-in-use calculations. That calculation used cash flow projections based on financial budgets approved by management of the Group covering a five-year period, and discount rate of approximately 19%. Cash flow beyond the five-year period was extrapolated using a steady 3% growth rate. This growth rate was based on the relevant market growth forecasts and did not exceed the average long-term growth rate for the relevant industry.

Other key assumptions for the value-in-use calculations related to the estimation of cash inflow or outflows which included budgeted sales and gross margin, such estimation was based on the unit's past performance and management's expectations for the market development. During the year ended 31 December 2011, as the expiry of the food hygiene license resulted in cessation of production of Osteoform in the PRC, the budgeted sales for the value-in-use calculation prepared by the directors of the Company significantly decreased as compared to prior years. Management believed that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of Hengtai Group to exceed the aggregate recoverable amount of Hengtai Group.

21. 商譽 (續)

恒泰集團

於截至2011年12月31日止年度，本集團管理層參考艾華迪所發表恒泰集團估值報告，評估恒泰集團可收回金額，釐定商譽全數減值約52,355,000港元。賺取現金單位減值主要乃由於本公司於2011年8月4日之公佈所載之樂力食品衛生許可證到期。食品衛生許可證到期導致樂力於中國停產。

可收回金額之計量基準及主要相關假設概述如下：

恒泰集團可收回金額乃按使用價值基準計算釐定。有關計算使用經本集團管理層批核之五年期財務預算作出之現金流量預測及貼現率約19%計算。超過5年期之現金流量以3%之穩定增長率推算。增長率乃按相關市場增長預測計算，且不超逾相關行業的平均長期增長率。

計算使用價值之其他主要假設與包括預算銷售及毛利之現金流入或流出之估計有關，有關估計乃按單位之過往表現及管理層對市場發展之預期作出。截至2011年12月31日止年度由於食品衛生許可證到期令樂力停止生產，由本公司董事編製用作計算使用價值之預算銷量較以往年度大幅降低。管理層相信任何有關假設的合理可能變動不會導致恒泰集團之賬面值總額超逾恒泰集團之可收回款項總額。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

22. PROPERTIES UNDER DEVELOPMENT

22. 發展中物業

| | | 2012 | 2011 |
|--|-------------------------|----------|-----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| At 1 January | 於1月1日 | – | 240,561 |
| Exchange realignment | 匯兌調整 | – | 14,634 |
| Additions | 添置 | – | 13,374 |
| Derecognised on disposal of a subsidiary (note 32 (b)) | 出售一間附屬公司時終止確認 (附註32(b)) | – | (268,569) |
| At 31 December | 於12月31日 | – | – |
| Represented by: | 按下列各項呈列： | | |
| Prepaid lease payments on land use rights | 土地使用權之預付租賃款項 | – | 259,717 |
| Construction costs and capitalised expenditure | 建築成本及資本化支出 | – | 5,405 |
| Finance costs capitalised | 資本化融資成本 | – | 3,447 |
| Derecognised on disposal of a subsidiary (note 32 (b)) | 出售一間附屬公司時終止確認 (附註32(b)) | – | (268,569) |
| | | – | – |

23. INVENTORIES

23. 存貨

| | | 2012 | 2011 |
|-------------------|--------|----------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Raw materials | 原材料 | 1,978 | 1,471 |
| Work in progress | 在製品 | 62 | – |
| Finished goods | 製成品 | | |
| – in transit | – 運送途中 | – | 391,593 |
| – on hand | – 手頭 | 9,151 | 15,099 |
| Packing materials | 包裝物料 | 357 | 259 |
| | | 11,548 | 408,422 |

During the year, there was an increase in net realisable value of finished goods due to change of distribution channel and a decrease in cost to sell. As a result, a reversal of write-down of finished goods of approximately HK\$1,154,000 (2011: nil) has been recognised and included in cost of sales in the current year.

年內，由於分銷渠道改變及銷售成本下降，製成品的可變現淨值有所上升。因此，本年確認撥回撇減製成品約1,154,000港元（2011年：無）及將之列入銷售成本內。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

24. LOAN RECEIVABLE FROM A SHAREHOLDER

24. 應收一名股東的貸款

| | | 2012 | 2011 |
|-----------------------------------|-----------|----------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Loan to China Uranium Development | 貸款予中國鈾業發展 | 775,174 | — |

The Group advanced a revolving loan to China Uranium Development in the sum of USD100,000,000 on 20 November 2012. The loan was unsecured, carried interest at one-month London Interbank Offered Rate plus 6% per annum (which is predetermined at 6.2075% per annum on the date of advancement) and repayable within 45 days after the advancement. On 4 January 2013, the loan was fully settled.

本集團於2012年11月20日向中國鈾業發展授出一筆為數100,000,000美元的循環貸款。該貸款為無抵押，按一個月倫敦銀行同業拆息加6釐的年息（於貸款日期已預定為年息6.2075%）計息，並須於貸款日期後45日內償還。於2013年1月4日，該貸款已獲全數償還。

25. TRADE AND OTHER RECEIVABLES

25. 應收賬款及其他應收款項

| | | 2012 | 2011 |
|---|-----------------------|----------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Trade and bills receivables (note a) | 應收賬款及應收票據（附註a） | 255,303 | 55,612 |
| Less: Impairment loss recognised in respect of trade receivables (note b) | 減：應收賬款之已確認減值虧損（附註b） | (4,212) | (4,165) |
| | | 251,091 | 51,447 |
| Prepayments, deposits and other receivables (notes c and d) | 預付款項、訂金及其他應收款項（附註c及d） | 15,520 | 45,020 |
| | | 266,611 | 96,467 |

The Group did not hold any collateral over these balances.

本集團並無就該結餘持有任何抵押品。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

25. TRADE AND OTHER RECEIVABLES

(Continued)

Notes:

- (a) At 31 December 2012, included in trade and bills receivables was amount of approximately HK\$239,746,000 (2011: nil) due from an intermediate holding company, 中廣核鈾業發展有限公司 (CGNPC Uranium Resources Co., Ltd.) ("CGNPC-URC"), the sole shareholder of China Uranium Development.
- (b) The movements in impairment loss of trade receivables were as follows:

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|--|-----------|----------------------------------|----------------------------------|
| At 1 January | 於1月1日 | 4,165 | 7,800 |
| Exchange realignment | 匯兌調整 | 47 | 252 |
| Recognised during the year | 年內確認 | — | 85 |
| Written off | 撇銷 | — | (3,656) |
| Eliminated on disposal of subsidiaries | 出售附屬公司時對銷 | — | (316) |
| At 31 December | 於12月31日 | 4,212 | 4,165 |

At 31 December 2012, included in the impairment loss of trade receivables were individually impaired trade receivables with an aggregate balance of approximately HK\$4,212,000 (2011: HK\$4,165,000) which were due to long outstanding.

- (c) At 31 December 2012, included in prepayments, deposits and other receivables was interest receivable of approximately HK\$5,479,000 (2011: nil) from a shareholder, China Uranium Development, in relation to the revolving loan of USD100,000,000 (note 24).
- (d) The movements in impairment loss of prepayments, deposits and other receivables were as follows:

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|--|-----------|----------------------------------|----------------------------------|
| At 1 January | 於1月1日 | — | 3,273 |
| Exchange realignment | 匯兌調整 | — | 105 |
| Eliminated on disposal of subsidiaries | 出售附屬公司時對銷 | — | (3,378) |
| At 31 December | 於12月31日 | — | — |

25. 應收賬款及其他應收款項

(續)

附註：

- (a) 於2012年12月31日，列入應收賬款及應收票據為數約239,746,000港元(2011年：無)為應收中間控股公司中廣核鈾業發展有限公司(「中廣核鈾業發展」，中國鈾業發展的唯一股東)的款項。
- (b) 應收賬項減值虧損變動如下：

於2012年12月31日，應收賬款的減值虧損中包括個別減值的應收賬款合計結餘約4,212,000港元(2011年：4,165,000港元)，作出減值是由於長期未償還。

- (c) 於2012年12月31日，列入預付款項、訂金及其他應收款項內包括就一項為數100,000,000美元的循環貸款而應收一名股東中國鈾業發展的利息約5,479,000港元(2011年：無)(附註24)。
- (d) 預付款項、訂金及其他應收款項之減值虧損變動如下：

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

For the year ended 31 December 2012 截至2012年12月31日止年度

25. TRADE AND OTHER RECEIVABLES

(Continued)

The Group's credit terms for pharmaceutical and food segment ranged from 90 days to 180 days while credit term for natural uranium trading segment was an average of 25 days.

The following is an aged analysis of the trade and bills receivables, based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates, and net of impairment loss recognised:

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|----------------|--------|----------------------------------|----------------------------------|
| Within 30 days | 30天內 | 246,427 | 25,795 |
| 31-60 days | 31至60天 | 3,291 | 17,112 |
| 61-90 days | 61至90天 | 1,373 | 5,022 |
| Over 90 days | 超過90天 | – | 3,518 |
| | | 251,091 | 51,447 |

At 31 December 2012 and 2011, all trade receivables were neither past due nor impaired and related to a wide range of customers for whom there was no recent history of default.

25. 應收賬款及其他應收款項 (續)

本集團藥品及食品分部的信貸期介乎90天至180天，而天然鈾貿易分部的信貸期則平均為25天。

於報告期間結算日，以與收益確認日期相若的發票日期為基準，扣除已確認減值虧損後之應收賬款及應收票據賬齡分析如下：

於2012年及2011年12月31日，所有應收賬款未逾期及未減值，並與眾多並無近期欠款記錄之客戶有關。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

26. BANK BALANCES AND CASH

At 31 December 2012, unpledged bank balances comprised of short-term bank deposits with original maturity of three months or less of approximately HK\$530,457,000 (2011: HK\$1,140,000,000) and bank balance of approximately HK\$73,981,000 (2011: HK\$122,764,000). Short-term bank deposits carried fixed interest rates ranging from 0.80% to 1.18% (2011: ranging from 1.85% to 2.45%) per annum and bank balances carried interest at average market rate of 0.16% (2011: 0.42%) per annum.

Pledged bank deposits represented deposits pledged to banks to secure short-term banking facilities granted to the Group in respect of bills and letter of credit facilities and were therefore classified as current assets. The deposits carried fixed interest rate at 0.01% (2011: 0.01%) per annum. The pledged bank deposits will be released upon the settlement of bills and letter of credit facilities.

Bank balances and cash of the Group at 31 December 2012 included amounts of approximately HK\$31,540,000 (2011: HK\$83,348,000) denominated in RMB which is not freely convertible to other currencies.

26. 銀行結存及現金

於2012年12月31日，無抵押銀行結存包括原定償還期為三個月內之短期銀行存款約530,457,000港元（2011年：1,140,000,000港元）及銀行結存約73,981,000港元（2011年：122,764,000港元）。短期銀行存款按固定年利率介乎0.80厘至1.18厘（2011年：介乎1.85厘至2.45厘）計息，而銀行結存按平均市場利率0.16厘（2011年：0.42厘）計息。

已抵押銀行結存指為本集團就票據及信用狀所獲授短期銀行融資已質押予銀行之存款，因此分類為流動資產。存款按固定年利率0.01厘（2011年：0.01厘）計息。已抵押銀行存款將於償付票據及信用狀後解除。

本集團於2012年12月31日之銀行結存及現金包括以人民幣結算之款項約31,540,000港元（2011年：83,348,000港元），該筆款項不得自由兌換為其他貨幣。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

27. TRADE AND OTHER PAYABLES

27. 應付賬款及其他應付款項

| | | 2012 | 2011 |
|-------------------------------------|-------------|----------------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Trade and bills payables | 應付賬款及應付票據 | 199,068 | 393,390 |
| Accrued expenses and other payables | 應計開支及其他應付款項 | 20,998 | 31,532 |
| | | 220,066 | 424,922 |

The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period:

於報告期間結算日，根據發票日期呈列之應付賬款及應付票據之賬齡分析如下：

| | | 2012 | 2011 |
|----------------|--------|----------------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Within 30 days | 30天內 | 198,704 | 391,821 |
| 31-60 days | 31至60天 | 46 | 372 |
| 61-90 days | 61至90天 | 13 | 4 |
| Over 90 days | 超過90天 | 305 | 1,193 |
| | | 199,068 | 393,390 |

The average credit period on purchases of goods was 30 days (2011: 30 days). The Group had financial risk management policies in place to ensure that all payables are settled within the credit time frame.

採購貨品之平均信貸期為30天(2011年：30天)。本集團已實施財務風險管理政策，以確保所有應付款項於信貸期內清償。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

28. SHARE CAPITAL

28. 股本

| | | Number of shares | Amount |
|---|--|----------------------|-----------------------|
| | | 股份數目 | 金額 HK\$'000 千港元 |
| Ordinary share of HK\$0.01 each | 每股面值0.01港元之普通股 | | |
| Authorised: | 法定： | | |
| At 1 January 2011, 31 December 2011 and 31 December 2012 | 於2011年1月1日、 2011年12月31日及 2012年12月31日 | 50,000,000,000 | 500,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| At 1 January 2011 | 於 2011年1月1日 | 1,551,056,993 | 15,511 |
| Issue of subscription shares (note a) | 發行認購股份 (附註a) | 1,670,000,000 | 16,700 |
| Exercise of share options (note b) | 行使購股權 (附註b) | 111,530,000 | 1,115 |
| At 31 December 2011 and 2012 | 於2011年及2012年12月31日 | 3,332,586,993 | 33,326 |

Notes:

- (a) On 18 August 2011, the Company issued and allotted an aggregate of 1,670,000,000 ordinary shares of HK\$0.01 each by way of subscription at a price of HK\$0.23 per share. The net proceeds of approximately HK\$382,239,000 after deducting related expenses of approximately HK\$1,861,000 were used as additional working capital of the Group.
- (b) During the year ended 31 December 2011, 111,530,000 (2012: nil) new shares of HK\$0.01 each in the Company were issued at prices ranging from HK\$0.23 to HK\$0.51 (2012: nil) per share upon exercise of 111,530,000 share options.

All new shares issued during the year ended 31 December 2011 rank pari passu in all respects with other shares in issue.

附註：

- (a) 於2011年8月18日，本公司按每股0.23港元之價格透過認購發行及配發每股面值0.01港元之普通股合共1,670,000,000股。扣除相關開支約1,861,000港元後，所得款項淨額約382,239,000港元用作本集團額外營運資金。
- (b) 截至2011年12月31日止年度，111,530,000股（2012年：無）本公司面值0.01港元新股於行使111,530,000份購股權時按價格介乎每股0.23港元至0.51港元（2012年：無）發行。

截至2011年12月31日止年度發行之全部新股將在各方面與已發行其他股份享有同等權益。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

29. CONVERTIBLE BONDS

On 18 August 2011, the Company issued zero coupon convertible bonds (the “CB”) in principal amount of HK\$600,000,000 to China Uranium Development. The CB was denominated in HK\$. The CB entitled the holder to convert the CB in full or in part (in an amount of HK\$1,000 and integral multiples thereof) into the ordinary shares of the Company at any time on or after the date of issue of the CB up to seven days prior to the maturity date on 17 August 2016 at an initial conversion price of HK\$0.23 per share, subject to adjustments. If the CB had not been converted, it would be redeemed on 17 August 2016 at its principal amount.

The CB contained two components, liability and equity elements. The equity element was presented in equity heading “equity component of convertible bonds”. The fair value of the liability component was calculated as the present value of the stream of future cash flows. The effective interest rate of the liability component is 5.43% per annum. The movement of the liability component of the CB during the year is set out below:

29. 可換股債券

本公司於2011年8月18日向中國鈾業發展發行本金額為600,000,000港元之零息可換股債券（「可換股債券」）。可換股債券以港元計值。可換股債券持有者有權於發行可換股債券之日期或之後直至到期日（2016年8月17日）前七日之任何時間將可換股債券悉數或部分（金額為1,000港元及其完整倍數）按初步轉換價每股0.23港元（可予調整）轉換為本公司普通股股份。倘未能轉換可換股債券，則將於2016年8月17日以其本金額贖回。

可換股債券包括兩部分：負債及股本部分。股本部分於「可換股債券股本部分」項下之權益內呈列。負債部分公允值以未來現金流量之現值計算。負債部分之實際利率為年利率5.43%。下表載列年內可換股債券負債部分之變動：

| | | HK\$'000 千港元 |
|------------------------------------|---------------------|-----------------|
| Fair value at date of issue | 於發行日期之公允值 | 460,497 |
| Transaction costs capitalised | 資本化交易成本 | (2,231) |
| Imputed interest charged (note 10) | 估算利息開支（附註10） | 9,217 |
| At 31 December 2011 | 於2011年12月31日 | 467,483 |
| Imputed interest charged (note 10) | 估算利息開支（附註10） | 25,930 |
| At 31 December 2012 | 於2012年12月31日 | 493,413 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

30. DEFERRED TAXATION

The followings are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior year:

30. 遞延稅項

以下為於本年度及過往年度確認之主要遞延稅項負債及資產以及有關變動：

| | | Accumulated tax depreciation | Change in fair value of land and buildings and investment properties | Change in fair value of properties upon transfer to investment properties | Tax losses | Total |
|----------------------------|---------------------|------------------------------|--|---|------------|---------------|
| | | 累計稅項折舊 | 土地及樓宇以及投資物業公允值變動 | 物業轉撥至投資物業時之公允值變動 | 稅項虧損 | 總計 |
| | | 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 |
| At 1 January 2011 | 於2011年1月1日 | 5,194 | 6,029 | 3,054 | (122) | 14,155 |
| Charge to profit or loss | 於損益扣除 | 332 | (3,710) | - | (39) | (3,417) |
| Exchange realignment | 匯兌調整 | 278 | 367 | 192 | - | 837 |
| At 31 December 2011 | 於2011年12月31日 | 5,804 | 2,686 | 3,246 | (161) | 11,575 |
| Charge to profit or loss | 於損益扣除 | 284 | 1,429 | - | 161 | 1,874 |
| Exchange realignment | 匯兌調整 | 61 | 25 | 36 | - | 122 |
| At 31 December 2012 | 於2012年12月31日 | 6,149 | 4,140 | 3,282 | - | 13,571 |

At the end of the reporting period, the Group has unused tax losses of approximately HK\$76,778,000 (2011: HK\$86,989,000) available for offset against future profits. A deferred tax asset was recognised in respect of approximately HK\$976,000 at 31 December 2011 (2012: nil) of such losses. No deferred tax asset has been recognised in respect of the tax losses of approximately HK\$76,778,000 (2011: HK\$86,013,000) due to the unpredictability of future profit streams. At 31 December 2012, approximately HK\$76,778,000 (2011: HK\$50,919,000) included in the above unused tax losses will expire after five years from the year of assessment to which they relate to. Other losses may be carried forward indefinitely. In connection with the tax inquires by IRD as disclosed in note 11, certain tax losses brought forward from prior years had been forfeited in the course of settlement with the IRD.

於報告期間結算日，本集團可供抵銷未來溢利之未動用稅項虧損約為76,778,000港元（2011年：86,989,000港元）。於2011年12月31日已就該等約976,000港元（2012年：無）之虧損確認遞延稅項資產。由於未能預測未來溢利來源，故並無就約76,778,000港元（2011年：86,013,000港元）之稅項虧損確認遞延稅項資產。於2012年12月31日，上述未動用稅項虧損中約76,778,000港元（2011年：50,919,000港元）將於與其相關之評稅年度起計五年後屆滿。其他虧損可無限期結轉。關於附註11所述的稅務查詢，若干承前結轉的稅項虧損已於解決過程中被取消。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

30. DEFERRED TAXATION (Continued)

At the end of the reporting period, the Group has deductible temporary differences of approximately HK\$62,026,000 (2011: HK\$91,110,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible differences can be utilised.

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$3,279,000 (2011: HK\$3,309,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

31. SHARE OPTION SCHEME

A share option scheme was adopted on 26 January 2002 ("2002 Share Option Scheme"). The 2002 Share Option Scheme was replaced by a share option scheme adopted by the shareholders on 23 July 2003 ("2003 Share Option Scheme").

Pursuant to an ordinary resolution passed at the annual general meeting held on 2 June 2010, a new share option scheme ("2010 Share Option Scheme") was adopted and the 2003 Share Option Scheme was terminated. Any share options granted pursuant to the 2003 Share Option Scheme prior to the termination will remain exercisable before the expiration date. Details of which were set out in the Company's circular dated 27 April 2010.

30. 遞延稅項 (續)

於報告期間結算日，本集團有可扣減臨時差額約62,026,000港元（2011年：91,110,000港元）。由於不大可能有應課稅溢利可抵銷與可扣減差額，故並無就有關可扣減臨時差額確認遞延稅項資產。

根據企業所得稅法，自2008年1月1日起，就中國附屬公司所賺取溢利宣派之股息須繳交預扣稅。由於本集團能控制撥回臨時差額之時間，且有關臨時差額不大可能於可見將來撥回，故並無於綜合財務報表就中國附屬公司累計溢利所產生臨時差額3,279,000港元（2011年：3,309,000港元）作出遞延稅項撥備。

31. 購股權計劃

本公司於2002年1月26日採納一項購股權計劃（「2002年購股權計劃」）。2002年購股權計劃已由股東於2003年7月23日採納之新購股權計劃（「2003年購股權計劃」）取代。

根據於2010年6月2日舉行之股東週年大會上通過一項普通決議案，本公司已採納一項新購股權計劃（「2010年購股權計劃」），而2003年購股權計劃已告終止。2003年購股權計劃終止前據此授出之任何購股權仍可於到期日前行使。有關詳情載於本公司日期2010年4月27日之通函。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

31. SHARE OPTION SCHEME (Continued)

The board of directors of the Company may, at their discretion, grant option to the eligible participant including any employees, any non-executive directors, directors, suppliers, customers, advisors, consultants, joint venture partners and any shareholders of any members of the Group or any invested entities or any holders of any securities issued by any members of the Group or any invested entities. The maximum number of shares of the Company which may be issued upon exercise of all options granted under its share option scheme or any other share option scheme adopted by the Company must not in aggregate exceed 30% of its issued share capital of the Company from time to time. The total number of shares which may be issued upon exercise of all options to be granted under the 2010 Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares in issue as at the date of passing the relevant resolution adopting the share option scheme unless it is approved by shareholders in a general meeting of the Company. The maximum number of shares issuable under the options to each eligible participant in any 12-month period is limited to 1% of the shares in issue unless it is approved by shareholder in a general meeting of the Company. Any grant of options under the share option scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). Any share options granted to a substantial shareholder or an independent non-executive director of the Company or to any of their respective associates, in excess of 0.1% of the shares in issue and with an aggregate value (based on the closing price of the shares at the date of grant) in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in a general meeting of the Company.

31. 購股權計劃 (續)

本公司董事會可酌情向合資格參與者授出購股權，包括本集團任何成員公司或被投資實體之任何僱員、非執行董事、董事、供應商、客戶、顧問、諮詢人、合營夥伴及股東或本集團任何成員公司或被投資實體所發行證券之持有人。悉數行使根據本公司購股權計劃或本公司所採納任何其他購股權計劃所授出購股權而可能發行之本公司股份數目，合共最多不得超過本公司不時已發行股本之30%。悉數行使根據2010年購股權計劃及本集團任何其他購股權計劃所授出購股權而可能發行之股份總數，不得超過採納購股權計劃之有關決議案獲通過日期已發行股份之10%，除非股東於本公司股東大會批准則作別論。除非於本公司股東大會獲股東批准，否則每名合資格參與者於任何12個月根據購股權可獲發行之股份總數最多為已發行股份之1%。根據購股權計劃向本公司任何董事、行政總裁或主要股東或彼等各自之聯繫人士授出購股權必須獲獨立非執行董事（不包括同為購股權承授人之獨立非執行董事）之批准。倘於任何12個月期間向本公司之主要股東或獨立非執行董事或彼等各自之聯繫人士授出之購股權超過已發行股份之0.1%及總值超過5,000,000港元（根據股份於授出日期之收市價計算），則須於本公司股東大會獲股東批准。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

31. SHARE OPTION SCHEME (Continued)

At 31 December 2011, the number of shares of the Company in respect of which options had remained outstanding under the schemes was 860,000 (2012: nil) representing 0.03% (2012: nil) of the shares of the Company in issue at that date.

During the years ended 31 December 2011 and 2012, no share options were granted or cancelled. No (2011: 111,530,000) share options were exercised and 860,000 (2011: nil) share options were lapsed in current year.

First phase:

On 21 June 2002, options were granted to subscribe for an aggregate of 30,000,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2002 Share Option Scheme at HK\$0.39 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.37 per share. Those who were granted with the options can exercise their rights in multiple periods starting from 16 August 2002 to 6 February 2012 as follows:

From 16 August 2002 to 6 February 2012

– approximately 6,850,000 shares

From 1 January 2003 to 6 February 2012

– approximately 8,280,000 shares

From 1 January 2004 to 6 February 2012

– approximately 6,510,000 shares

From 1 January 2005 to 6 February 2012

– approximately 8,360,000 shares

31. 購股權計劃 (續)

於2011年12月31日，根據計劃尚未行使之購股權所涉及之本公司股份數目為860,000股（2012年：無），相當於本公司於該日已發行股份之0.03%（2012年：無）。

於截至2011年及2012年12月31日止年度，概無授出或註銷任何購股權。本年度內並無購股權（2011年：111,530,000份）被行使及共有860,000份購股權（2011年：無）已失效。

第一期計劃：

於2002年6月21日，本公司授出可認購合共30,000,000股本公司股份之購股權，行使價按2002年購股權計劃條文計算為每股0.39港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.37港元。獲授購股權之人士可自2002年8月16日起至2012年2月6日止期間按以下期間分批行使彼等之權利：

2002年8月16日至2012年2月6日

– 約6,850,000股

2003年1月1日至2012年2月6日

– 約8,280,000股

2004年1月1日至2012年2月6日

– 約6,510,000股

2005年1月1日至2012年2月6日

– 約8,360,000股

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

For the year ended 31 December 2012 截至2012年12月31日止年度

31. SHARE OPTION SCHEME (Continued)

Second phase:

On 28 February 2003, options were granted to subscribe for an aggregate of 19,800,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2002 Share Option Scheme at HK\$0.24 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.21 per share. Those who were granted with the options can exercise their rights from 1 March 2003 to any time before expiry date on 6 February 2012.

Third phase:

On 29 September 2003, options were granted to subscribe for an aggregate of 30,000,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2003 Share Option Scheme at HK\$0.51 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.50 per share. Those who were granted with the options can exercise their rights in two periods starting from 2 January 2004 to 6 February 2012 as follows:

From 2 January 2004 to 6 February 2012
– approximately 8,990,000 shares

From 2 July 2004 to 6 February 2012
– approximately 21,010,000 shares

31. 購股權計劃 (續)

第二期計劃：

於2003年2月28日，本公司授出可認購合共19,800,000股本公司股份之購股權，行使價按2002年購股權計劃條文計算為每股0.24港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.21港元。獲授購股權之人士可於2003年3月1日至2012年2月6日到期日止期間隨時行使彼等之權利。

第三期計劃：

於2003年9月29日，本公司授出可認購合共30,000,000股本公司股份之購股權，行使價按2003年購股權計劃條文計算為每股0.51港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.50港元。獲授購股權之人士可自2004年1月2日起 至2012年2月6日止期間按以下期間分批行使彼等之權利：

2004年1月2日至2012年2月6日
– 約8,990,000股

2004年7月2日至2012年2月6日
– 約21,010,000股

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

For the year ended 31 December 2012 截至2012年12月31日止年度

31. SHARE OPTION SCHEME (Continued)

Fourth phase:

On 12 September 2005, options were granted to subscribe for an aggregate of 69,800,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2003 Share Option Scheme at HK\$0.23 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.23 per share. Those who were granted with the options can exercise their rights in two periods starting from 1 January 2006 to 6 February 2012 as follows:

From 1 January 2006 to 6 February 2012
– approximately 34,900,000 shares

From 1 January 2007 to 6 February 2012
– approximately 34,900,000 shares

Fifth phase:

On 29 January 2008, options were granted to subscribe for an aggregate of 67,500,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2003 Share Option Scheme at HK\$0.28 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.28 per share. Those who were granted the options can exercise their rights in two periods starting from 1 October 2008 to 6 February 2012 as below:

From 1 October 2008 to 6 February 2012
– approximately 20,250,000 shares

From 1 January 2009 to 6 February 2012
– approximately 47,250,000 shares

31. 購股權計劃 (續)

第四期計劃：

於2005年9月12日，本公司授出可認購合共69,800,000股本公司股份之購股權，行使價按2003年購股權計劃條文計算為每股0.23港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.23港元。獲授購股權之人士可自2006年1月1日起 至2012年2月6日止期間按以下兩段期間分批行使其權利：

2006年1月1日至2012年2月6日
– 約34,900,000股

2007年1月1日至2012年2月6日
– 約34,900,000股

第五期計劃：

於2008年1月29日，本公司授出可認購合共67,500,000股本公司股份之購股權，行使價按2003年購股權計劃條文計算為每股0.28港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.28港元。獲授購股權之人士可自2008年10月1日起 至2012年2月6日止按以下兩段期間分批行使其權利：

2008年10月1日至2012年2月6日
– 約20,250,000股

2009年1月1日至2012年2月6日
– 約47,250,000股

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

For the year ended 31 December 2012 截至2012年12月31日止年度

31. SHARE OPTION SCHEME (Continued)

Movements of the share options during both years are set out below:

31. 購股權計劃 (續)

購股權於兩個年度之變動載列如下：

| | | | Outstanding at 1 January 2011 於2011年 1月1日 尚未行使 | Exercised during the year 於 年內行使 | Outstanding at 31 December 2011 於2011年 12月31日 尚未行使 | Lapsed during the year 年內失效 | Outstanding at 31 December 2012 於2012年 12月31日 尚未行使 | Exercise price per share 每股 行使價 HK\$ 港元 |
|--|--------------------|---------------------------------|--|--|--|--------------------------------------|--|--|
| Ex-directors: | 執行董事： | | | | | | | |
| Mr. Xu Xiaofan ¹ | 徐小凡先生 ¹ | 12 September 2005 2005年9月12日 | 15,000,000 | (15,000,000) | - | - | - | 0.23 |
| Mr. Liu James Jin ¹ | 劉津先生 ¹ | 29 January 2008 2008年1月29日 | 8,500,000 | (8,500,000) | - | - | - | 0.28 |
| Ms. Guo Lin ¹ | 郭琳女士 ¹ | 29 September 2003 2003年9月29日 | 3,000,000 | (3,000,000) | - | - | - | 0.51 |
| | | 29 January 2008 2008年1月29日 | 8,500,000 | (8,500,000) | - | - | - | 0.28 |
| Mr. Tao Lung ² | 陶龍先生 ² | 12 September 2005 2005年9月12日 | 15,000,000 | (15,000,000) | - | - | - | 0.23 |
| Mr. Huang Jianming ² | 黃建明先生 ² | 29 January 2008 2008年1月29日 | 8,500,000 | (8,500,000) | - | - | - | 0.28 |
| Mr. Shen Songqing ² | 沈松青先生 ² | 29 January 2008 2008年1月29日 | 8,500,000 | (8,500,000) | - | - | - | 0.28 |
| Mr. Chong Cha Hwa ¹ | 張家華先生 ¹ | 29 January 2008 2008年1月29日 | 1,500,000 | (1,500,000) | - | - | - | 0.28 |
| Employees | 僱員 | 21 June 2002 2002年6月21日 | 330,000 | (230,000) | 100,000 | (100,000) | - | 0.39 |
| | | 29 September 2003 2003年9月29日 | 10,260,000 | (9,500,000) | 760,000 | (760,000) | - | 0.51 |
| | | 12 September 2005 2005年9月12日 | 2,800,000 | (2,800,000) | - | - | - | 0.23 |
| | | 29 January 2008 2008年1月29日 | 19,000,000 | (19,000,000) | - | - | - | 0.28 |
| Other eligible Participants | 其他合資格參與者 | 29 September 2003 2003年9月29日 | 500,000 | (500,000) | - | - | - | 0.51 |
| | | 29 January 2008 2008年1月29日 | 11,000,000 | (11,000,000) | - | - | - | 0.28 |
| | | | 112,390,000 | (111,530,000) | 860,000 | (860,000) | - | |
| Exercisable at the end of the reporting period | 於報告期間結算日可予行使 | | 112,390,000 | | 860,000 | | - | |
| Weighted average exercise price | 加權平均行使價 | | HK\$0.29 | HK\$0.29 | HK\$0.50 | HK\$0.50 | - | |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

31. SHARE OPTION SCHEME (Continued)

- ¹ The directors resigned with effect from 18 August 2011.
- ² The directors resigned with effect from 11 November 2009. The share options held by the resigned directors remained effective and exercisable until 6 February 2012.

In respect of share options exercised during the year ended 31 December 2011, the weighted average share price at the dates of exercise is HK\$1.34 (2012: nil).

32. DISPOSAL OF SUBSIDIARIES

- (a) On 15 April 2011, the Group entered into sale agreements to dispose of its 100% equity interest in a total of nine inactive subsidiaries, to independent third parties for total consideration of approximately HK\$206. Those disposed subsidiaries include Vital Biotech (Hong Kong) Limited, Medhealth International Limited, Ever Power Holdings Inc., Gainful Plan Limited, Beshabar Trading Limited (BVI), Maxsun International Limited, Farthinghoe Enterprise Limited, AMT Labs (Australia) Pty Limited and Vitapharm Research Pty Limited. The disposal was completed on 15 April 2011.

31. 購股權計劃 (續)

- ¹ 該等董事已辭任，自2011年8月18日起生效。
- ² 該等董事已辭任，自2009年11月11日起生效。已辭任董事所持購股權繼續有效及可予行使，直至2012年2月6日為止。

截至2011年12月31日止年內行使之購股權於行使日期之加權平均價為1.34港元（2012年：無）。

32. 出售附屬公司

- (a) 於2011年4月15日，本集團訂立銷售協議，向獨立第三方出售其九間並無業務之附屬公司之全部股本權益，總代價約為206港元。該等已出售附屬公司包括維奧生物(香港)有限公司、Medhealth International Limited、Ever Power Holdings Inc.、Gainful Plan Limited、Beshabar Trading Limited (BVI)、美新國際有限公司、Farthinghoe Enterprise Limited、AMT Labs (Australia) Pty Limited及Vitapharm Research Pty Limited。該出售事項於2011年4月15日完成。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

32. DISPOSAL OF SUBSIDIARIES (Continued)

(a) (Continued)

The net assets of those disposed subsidiaries at their respective dates of disposal were as follows:

| | | HK\$'000 千港元 |
|--|---------------------|-----------------|
| Bank balances and cash | 現金及銀行存款 | 2 |
| Cumulative exchange translation reserve released on disposal of subsidiaries | 出售附屬公司釋放之 累計匯兌儲備 | (1,627) |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 1,625 |
| Total cash consideration | 總現金代價 | – |
| Net cash inflow arising on disposal | 出售產生之現金流入淨額 | |
| Cash consideration received | 所收取現金代價 | – |
| Less: bank balances and cash disposed of | 減：所出售銀行結餘及現金 | (2) |
| | | (2) |

(b) On 29 July 2011, 成都維奧置業有限公司 (“成都置業”), a wholly-owned subsidiary of the Company, entered into an agreement with an independent third party, pursuant to which 成都置業 agreed to dispose of and the acquirer agreed to acquire the entire equity interest of and the shareholder's loan owing by 成都溫江維奧房地產開發有限公司 (“溫江房地產”) at an aggregate cash consideration of RMB230,609,000 (equivalent to approximately HK\$281,230,000). The disposal was completed on 16 September 2011.

32. 出售附屬公司 (續)

(a) (續)

該等已出售附屬公司於其各自出售日期之資產淨值如下：

(b) 於2011年7月29日，本公司之全資附屬公司成都維奧置業有限公司（「成都置業」）與獨立第三方訂立協議，據此，成都置業同意出售而收購方同意收購成都溫江維奧房地產開發有限公司（「溫江房地產」）之全部股本權益及其應付股東貸款，總代價為人民幣230,609,000元（約相當於281,230,000港元）。該出售事項於2011年9月16日完成。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

32. DISPOSAL OF SUBSIDIARIES (Continued)

(b) (Continued)

The net assets of 溫江房地產 at the date of disposal were as follows:

32. 出售附屬公司 (續)

(b) (續)

溫江房地產於出售日期之資產淨值如下：

| | | HK\$'000 千港元 |
|--|--------------------------|-----------------|
| Property under development | 發展中物業 | 268,569 |
| Amount due to holding company | 應付控股公司款項 | (258,114) |
| Net assets disposed of | 所出售資產淨值 | 10,455 |
| Cumulative exchange translation reserve released on disposal of a subsidiary | 出售一間附屬公司釋放之 累計匯兌儲備 | (533) |
| Disposal of the total indebtedness owned by 溫江房地產 to the Group at the date of disposal | 於出售日期出售溫江房地產之 總債項予本集團 | 258,114 |
| Gain on disposal of a subsidiary | 出售一間附屬公司之收益 | 13,194 |
| Total cash consideration | 總現金代價 | 281,230 |
| Net cash inflow arising on disposal | 出售產生之現金流入淨額 | |
| Cash consideration received | 所收取現金代價 | 281,230 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

32. DISPOSAL OF SUBSIDIARIES (Continued)

- (c) On 25 July 2011, Sichuan Vital entered into an agreement with an independent third party, pursuant to which Sichuan Vital agreed to dispose of and the acquirer agreed to acquire the entire equity interest of 維奧(成都)製藥有限公司 (“維奧成都製藥”) at cash consideration of RMB1,500,000 (equivalent to approximately HK\$1,829,000). The disposal was completed on 21 September 2011.

The net assets of 維奧成都製藥 at the date of disposal were as follows:

32. 出售附屬公司 (續)

- (c) 於2011年7月25日，四川維奧與獨立第三方訂立協議，據此，四川維奧同意出售而收購方同意收購維奧(成都)製藥有限公司(「維奧成都製藥」)之全部股本權益，現金代價為人民幣1,500,000元(約相當於1,829,000港元)。該出售事項於2011年9月21日完成。

維奧成都製藥於出售日期之資產淨值如下：

| | | HK\$'000 千港元 |
|--|-----------------------|-----------------|
| Property, plant and equipment | 物業、廠房及設備 | 455 |
| Other receivables | 其他應收款項 | 182 |
| Bank balance and cash | 銀行結存及現金 | 314 |
| Other payables | 其他應付款項 | (620) |
| Net assets disposed of | 所出售資產淨值 | 331 |
| Cumulative exchange translation reserve released on disposal of a subsidiary | 出售一間附屬公司釋放之 累計匯兌儲備 | (1,218) |
| Gain on disposal of a subsidiary | 出售一間附屬公司之收益 | 2,716 |
| Total cash consideration | 總現金代價 | 1,829 |
| Net cash inflow arising on disposal | 出售產生之現金流入淨額 | |
| Cash consideration received | 所收取現金代價 | 1,829 |
| Less: bank balance and cash disposed of | 減：所出售銀行結餘及現金 | (314) |
| | | 1,515 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

32. DISPOSAL OF SUBSIDIARIES (Continued)

- (d) On 16 August 2011, Yugofoil Holdings Limited (“Yugofoil”), a wholly-owned subsidiary of the Company, entered into an agreement with an independent third party, pursuant to which Yugofoil agreed to dispose of and the acquirer agreed to acquire the entire equity of Sichuan Vital at cash consideration of HK\$51,000,000. Further on 20 September 2011, Yugofoil and the acquirer entered into a supplemental agreement for an additional cash consideration of HK\$1,300,000. The disposal was completed on 30 December 2011.

The net assets of Sichuan Vital at the date of disposal were as follows:

32. 出售附屬公司 (續)

- (d) 於2011年8月16日，本公司之全資附屬公司裕高飛控股有限公司（「裕高飛」）與獨立第三方訂立協議，據此，裕高飛同意出售，而收購方同意收購四川維奧之全部股本權益，現金代價為51,000,000港元。另外於2011年9月20日，裕高飛與收購方訂立一份補充協議，額外現金代價為1,300,000港元。出售事項已於2011年12月30日完成。

四川維奧於出售日期之資產淨值如下：

| | | HK\$'000 千港元 |
|--|-------------------|-----------------|
| Intangible assets | 無形資產 | – |
| Property, plant and equipment | 物業、廠房及設備 | 34,585 |
| Prepaid lease payment | 預付租賃款項 | 14,166 |
| Deposit for acquisition of property, plant and equipment | 收購物業、廠房及設備之按金 | 1,951 |
| Inventories | 存貨 | 7,791 |
| Trade and other receivables | 應收賬款及其他應收款項 | 10,562 |
| Bank balances and cash | 銀行結存及現金 | 2,590 |
| Other payables | 其他應付款項 | (14,138) |
| Net assets disposed of | 所出售資產淨值 | 57,507 |
| Cumulative exchange translation reserve released on disposal of a subsidiary | 出售一間附屬公司釋放之累計匯兌儲備 | (18,271) |
| Gain on disposal of a subsidiary | 出售一間附屬公司之收益 | 13,064 |
| Total cash consideration | 總現金代價 | 52,300 |
| Satisfied by: | 以下列各項支付： | |
| Cash received | 已收取現金 | 16,500 |
| Other receivable (note) | 其他應收款項 (附註) | 35,800 |
| | | 52,300 |
| Net cash inflow arising on disposal | 出售產生之現金流入淨額 | |
| Cash consideration received | 所收取現金代價 | 16,500 |
| Less: bank balances and cash disposed of | 減：所出售銀行結餘及現金 | (2,590) |
| | | 13,910 |

Note: The remaining cash consideration of HK\$35,800,000 was settled during the year ended 31 December 2012.

附註：其餘現金代價35,800,000港元於截至2012年12月31日止年度已償付。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

33. RELATED PARTY TRANSACTIONS

- (a) Save as disclosed elsewhere in the consolidated financial statements, the Group had the following material transactions with related parties during the year:

| | | 2012 | 2011 |
|--|-----------------|-----------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Sales of natural uranium to CGNPC-URC | 向中廣核鈾業發展銷售天然鈾 | 1,167,493 | — |
| Loan interest income received from China Uranium Development | 收取中國鈾業發展的貸款利息收入 | 5,479 | — |

- (b) As mentioned in notes 8 and 11, the Group reached a settlement agreement with the IRD on the amounts of Hong Kong Profits Tax relating to the years of assessment 2000/01 to 2011/12 for a total sum of approximately HK\$26,357,000 together with interest and penalty of approximately HK\$6,376,000. Amount incurred before 2002 had been indemnified by the then controlling shareholders of the Company as in accordance with the deed of indemnity dated 30 January 2002. In December 2012, the Company entered into a settlement deed with Mr Tao Lung, a beneficial owner of Perfect Develop Holding Inc., the then controlling shareholder, whereby Mr Tao Lung, acting on behalf of the indemnifiers, agreed to settle the tax liability incurred before 2002 of approximately HK\$2,960,000. During the year ended 31 December 2012, the amount was fully settled.

33. 有關連人士交易

- (a) 除於本綜合財務報表內其他地方披露者外，本集團年內與有關連人士曾訂立以下的重大交易：

- (b) 如附註8及附註11中所述，本集團與稅局就2000/01至2011/12課稅年度之香港利得稅總額約26,357,000港元連同利息及罰款約6,376,000港元達成和解協議。根據於2002年1月30日訂立之彌償保證契據，於2002年前產生的款項獲得當時的控股股東彌償及由其支付。於2012年12月，本公司與Perfect Develop Holding Inc. (當時的控股股東)的實益擁有人陶龍先生訂立和解契據，據此，陶龍先生代表彌償人行事，同意支付於2002年前產生的稅項責任約2,960,000港元。截至2012年12月31日止年度，該等款項已全數獲支付。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

33. RELATED PARTY TRANSACTIONS

(Continued)

(c) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year was as follows:

| | | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|--------------------------|-------|----------------------------------|----------------------------------|
| Short-term benefits | 短期福利 | 4,187 | 4,414 |
| Termination benefits | 終止利益 | – | 10,500 |
| Post-employment benefits | 離職後福利 | 19 | 58 |
| | | 4,206 | 14,972 |

The remuneration of directors of the Company and key executives was determined by the remuneration committee having regard to the performance of individuals and market trends.

33. 有關連人士交易 (續)

(c) 主要管理人員之補償

年內本公司董事及其他主要管理人員之酬金如下：

本公司董事及主要行政人員之酬金由薪酬委員會經考慮個別人士之表現及市場趨勢釐定。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

34. COMMITMENTS

Commitments under operating leases

The Group as lessor

Property rental income earned during the year was approximately HK\$6,958,000 (2011: HK\$5,483,000). The investment properties were expected to generate rental yields of 8.33% (2011: 7.14%) on an ongoing basis. The investment properties held had committed tenants for the next one to five years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

34. 承擔

經營租賃承擔

本集團作為出租人

年內賺取之物業租金收入約為6,958,000港元(2011年: 5,483,000港元)。投資物業預期持續產生租金收益8.33%(2011年: 7.14%)。所持投資物業具有承租往後一至五年之租戶。

於報告期間結算日,本集團已與租戶就於下列時限到期之未來最低租賃付款訂立合約:

| | | 2012 | 2011 |
|---------------------------------------|----------------------|----------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Within one year | 一年內 | 6,287 | 6,511 |
| In the second to fifth year inclusive | 於第二年至第五年 (包括首尾兩年) | 5,581 | 6,271 |
| | | 11,868 | 12,782 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

34. COMMITMENTS (Continued)

Commitments under operating leases (Continued)

The Group as lessee

The Group leased certain of its offices and staff quarters under operating lease arrangements. Leases for properties were negotiated for a term ranging from one to three years and rentals were fixed throughout the rental period.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

| | | 2012 | 2011 |
|---------------------------------------|----------------------|---------------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Land and buildings | 土地及樓宇 | | |
| Within one year | 一年內 | 6,707 | 544 |
| In the second to fifth year inclusive | 於第二年至第五年 (包括首尾兩年) | 7,218 | 590 |
| | | 13,925 | 1,134 |

35. PLEDGE OF ASSETS

At the end of the reporting period, certain assets of the Group were pledged to secure banking facilities granted to the Group as follows:

| | | 2012 | 2011 |
|---|-------------|------------|----------|
| | | 2012年 | 2011年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Property, plant and equipment | 物業、廠房及設備 | — | 1,656 |
| Investment properties | 投資物業 | — | 68,585 |
| Bank balances and cash | 銀行結存及現金 | 644 | 678 |
| Prepaid lease payments on land use rights | 土地使用權預付租賃款項 | — | 1,457 |
| | | 644 | 72,376 |

34. 承擔 (續)

經營租賃承擔 (續)

本集團作為承租人

本集團根據經營租賃安排租用若干辦公室及員工宿舍。租用物業之議定租賃年期介乎一年至三年，而租金在租賃期間固定不變。

於報告期間結算日，本集團根據不可撤銷經營租賃承擔於下列時限到期之未來最低租賃付款：

35. 資產抵押

於報告期間結算日，本集團已就所獲授銀行融資抵押若干資產，詳情如下：

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

For the year ended 31 December 2012 截至2012年12月31日止年度

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 36. 本公司財務狀況表

| | | Notes | 2012 2012年 HK\$'000 千港元 | 2011 2011年 HK\$'000 千港元 |
|---------------------------------------|-------------|-------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Non-current assets | 非流動資產 | | | |
| Plant and equipment | 廠房及設備 | | 2,218 | 705 |
| Investments in subsidiaries | 附屬公司投資 | (a) | 277,929 | 277,929 |
| | | | 280,147 | 278,634 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | | – | 391,593 |
| Loan receivables | 應收貸款 | | 775,174 | – |
| Trade and other receivables | 應收賬款及其他應收款項 | | 249,033 | 4,582 |
| Bank balances and cash | 銀行結存及現金 | | 533,281 | 1,144,788 |
| | | | 1,557,488 | 1,540,963 |
| Total assets | 資產總值 | | 1,837,635 | 1,819,597 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 應付賬款及其他應付款項 | | 202,140 | 393,750 |
| Amounts due to a subsidiary | 應付附屬公司款項 | (b) | – | 148,500 |
| Income tax payable | 應付所得稅 | | 22,660 | – |
| | | | 224,800 | 542,250 |
| Net current assets | 流動資產淨值 | | 1,332,688 | 998,713 |
| Total assets less current liabilities | 資產總值減流動負債 | | 1,612,835 | 1,277,347 |
| Capital and reserves | 股本及儲備 | | | |
| Share capital | 股本 | | 33,326 | 33,326 |
| Reserves | 儲備 | (c) | 1,085,943 | 776,538 |
| Total equity | 權益總額 | | 1,119,269 | 809,864 |
| Non-current liabilities | 非流動負債 | | | |
| Convertible bonds | 可換股債券 | | 493,413 | 467,483 |
| Deferred tax liabilities | 遞延稅項負債 | | 153 | – |
| | | | 493,566 | 467,483 |
| | | | 1,612,835 | 1,277,347 |

Notes:

(a) During the year ended 31 December 2011, investments in subsidiaries have been increased by approximately HK\$224,894,000 by capitalising the same amount of amounts due from subsidiaries.

(b) Amounts due to a subsidiary

The amounts are unsecured, non-interest bearing and repayable on demand.

附註：

(a) 於截至2011年12月31日止年度，附屬公司投資透過資本化應收附屬公司款項之相同金額增加約224,894,000港元。

(b) 應付附屬公司款項

有關款項為無抵押、免息及須應要求償還。

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

For the year ended 31 December 2012 截至2012年12月31日止年度

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Notes: (Continued)

(c) Movements in the reserves during the years are as follows:

36. 本公司財務狀況表 (續)

附註：(續)

(c) 年內儲備變動如下：

| | | Share premium | Share options reserve | Equity component of convertible bonds | Other reserve | Retained earnings | Total |
|--|---------------|-------------------------|--------------------------|---------------------------------------|-------------------------|-------------------------|-----------------------|
| | | 股份溢價 HK\$'000 千港元 | 購股權儲備 HK\$'000 千港元 | 可換股債券 股本部分 HK\$'000 千港元 | 其他儲備 HK\$'000 千港元 | 保留盈利 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| At 1 January 2011 | 於2011年1月1日 | 304,207 | 9,891 | - | - | (24,553) | 289,545 |
| Exercise of share options | 行使購股權 | 41,225 | (9,737) | - | - | - | 31,488 |
| Recognition of equity component of convertible bonds | 確認可換股債券的股本部分 | - | - | 139,503 | - | - | 139,503 |
| Issue of shares | 發行股份 | 367,400 | - | - | - | - | 367,400 |
| Transaction costs attributable to issue of shares | 發行股份應佔交易成本 | (1,861) | - | - | - | - | (1,861) |
| Transaction costs attributable to issue of convertible bonds | 發行可換股債券應佔交易成本 | - | - | (676) | - | - | (676) |
| Loss for the year | 年內虧損 | - | - | - | - | (48,861) | (48,861) |
| At 31 December 2011 | 於2011年12月31日 | 710,971 | 154 | 138,827 | - | (73,414) | 776,538 |
| Profit for the year | 年內溢利 | - | - | - | - | 309,417 | 309,417 |
| Loss arising from translation | 匯兌產生之虧損 | - | - | - | (12) | - | (12) |
| At 31 December 2012 | 於2012年12月31日 | 710,971 | 154 | 138,827 | (12) | 236,003 | 1,085,943 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

37. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries held by the Company as at 31 December 2012 and 2011 are as follows:

37. 主要附屬公司

本公司於2012及2011年12月31日持有之主要附屬公司詳情如下：

| Name of subsidiary 附屬公司名稱 | Class of shares held 持有股份類別 | Place of incorporation/ establishment 註冊成立/ 成立之地點 | Place of operations 業務地點 | Particulars of issued share capital/paid up registered capital 已發行股本/ 繳足註冊股本詳情 | Attributable equity interest of the Group | | Principal activities 主要業務 |
|--|--------------------------------|--|-----------------------------|--|--|---------------|--|
| | | | | | 2012 2012年 | 2011 2011年 | |
| Direct subsidiaries: 直接附屬公司： | | | | | | | |
| Yugofoil 裕高飛 | Ordinary shares 普通股 | BVI 英屬處女群島 | Hong Kong 香港 | 50,000 ordinary shares of US\$1 each 50,000股普通股 每股面值1美元 | 100% | 100% | Investment holding 投資控股 |
| Sino Lion Capital Inc. | Ordinary shares 普通股 | BVI 英屬處女群島 | Hong Kong 香港 | 1 ordinary shares of US\$1 each 1股普通股 每股面值1美元 | 100% | 100% | Investment holding 投資控股 |
| Ever Jump Limited | Ordinary shares 普通股 | BVI 英屬處女群島 | Hong Kong 香港 | 1 ordinary shares of US\$1 each 1股普通股 每股面值1美元 | 100% | 100% | Investment holding 投資控股 |
| Indirect subsidiaries: 間接附屬公司： | | | | | | | |
| Beshabar (Macao Commercial Offshore) Limited 芘莎芭(澳門離岸 商業服務)有限公司 | Ordinary shares 普通股 | Macau 澳門 | Macau 澳門 | 1 quota (share) of MOP100,000 each 1個配額(股) 每個配額100,000澳門元 | 100% | 100% | Inactive 暫無業務 |
| Beshabar Trading Limited | Ordinary shares 普通股 | Hong Kong 香港 | Hong Kong 香港 | 100 ordinary shares of HK\$1 each 100股普通股 每股面值1港元 | 100% | 100% | Inactive 暫無業務 |
| 武漢維奧製藥有限公司 | Contributed capital 繳入資本 | PRC 中國 | PRC 中國 | RMB30,000,000 人民幣30,000,000元 | 95.7% | 95.7% | Manufacturing and trading of pharmaceutical products 製造及買賣藥品 |
| Wide Triumph Limited 弘勝有限公司 | Ordinary shares 普通股 | Hong Kong 香港 | Hong Kong 香港 | 100 ordinary shares of HK\$1 each 100股普通股 每股面值1港元 | 100% | 100% | Management services 管理服務 |
| Vital Pharmaceuticals Company Limited 維奧醫藥有限公司 | Ordinary shares 普通股 | Hong Kong 香港 | Hong Kong 香港 | 100 ordinary shares of HK\$1 each 100股普通股 每股面值1港元 | 100% | 100% | Inactive 暫無業務 |

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

For the year ended 31 December 2012 截至2012年12月31日止年度

37. PRINCIPAL SUBSIDIARIES (Continued)

37. 主要附屬公司 (續)

| Name of subsidiary 附屬公司名稱 | Class of shares held 持有股份類別 | Place of incorporation/ establishment 註冊成立/ 成立之地點 | Place of operations 業務地點 | Particulars of issued share capital/paid up registered capital 已發行股本/ 繳足註冊股本詳情 | Attributable equity interest of the Group | | Principal activities 主要業務 |
|---|--------------------------------|--|-----------------------------|--|--|---------------|--|
| | | | | | 2012 2012年 | 2011 2011年 | |
| Indirect subsidiaries (Continued): 間接附屬公司 (續): | | | | | | | |
| 四川恒泰 (附註d) | Contributed capital 繳入資本 | PRC 中國 | PRC 中國 | RMB4,300,000 人民幣4,300,000元 | 100% | 100% | Selling and distributing of pharmaceutical products 銷售及分銷藥品 |
| * 成都置業 (note d) (附註d) | Contributed capital 繳入資本 | PRC 中國 | PRC 中國 | RMB18,000,000 人民幣18,000,000元 | 100% | 100% | Property development and management 物業發展及管理 |
| * 四川維奧實業有限公司 ("四川實業") (notes c and d) (附註c及d) | Contributed capital 繳入資本 | PRC 中國 | PRC 中國 | RMB229,541,874 人民幣229,541,874元 | 100% | 100% | Pharmaceutical research and development and investment management 醫藥研發及投資管理 |

* Wholly-owned foreign enterprise

外商獨資企業

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

For the year ended 31 December 2012 截至2012年12月31日止年度

37. PRINCIPAL SUBSIDIARIES (Continued)

Notes:

- (a) The above table lists the subsidiaries of the Group, which, in the opinion of the directors of the Company, principally affected the results or assets of the Group.
- (b) None of the subsidiaries had any debt securities outstanding as at the end of the reporting period or at any time during the reporting period.
- (c) During the year ended 31 December 2011, in accordance with relevant shareholder meeting resolution, spin-off agreements and regulations of modified articles of association, the then wholly-owned subsidiary of the Company, Sichuan Vital, was divided into the new Sichuan Vital and 四川實業. Registered and paid up capital of the new Sichuan Vital was reduced from USD36,800,000 to RMB65,000,000 and the registered capital of 四川實業 was RMB229,542,000. After the completion of spin-off, 四川實業 was wholly-owned by Yugofoil. During the year ended 31 December 2011, the entire interest of Sichuan Vital was disposed of.
- (d) During the year ended 31 December 2012, 成都置業 and Sichuan Hengtai obtained the approval of change in shareholding from Sichuan Vital to 四川實業 in relation to the spin-off of Sichuan Vital during the year ended 31 December 2011.

37. 主要附屬公司 (續)

附註：

- (a) 上表所列本集團的附屬公司清單，按本公司董事的意見認為，為主要影響本集團業績或資產的附屬公司。
- (b) 概無附屬公司於本報告期結算日或於本報告期內任何時間有任何已發行但未償還的債務證券。
- (c) 於截至2011年12月31日止年度，根據相關股東大會決議案、分拆協議及經修訂組織章程細則之規例，本公司一間當時的全資附屬公司四川維奧已分拆為新的四川維奧及四川實業。四川維奧之註冊及繳入資本由36,800,000美元減至人民幣65,000,000元，而四川實業之註冊資本則為人民幣229,542,000元。分拆安排完成後，四川實業由裕高飛全資擁有。於截至2011年12月31日止年度，四川維奧之全部權益已出售。
- (d) 截至2012年12月31日止年度，成都置業及四川恒泰已獲取就由於截至2011年12月31日止年度分拆四川維奧而導致股權由四川維奧轉至四川實業之股權變動之批准。

Particulars of Major Properties as at 31 December 2012 於2012年12月31日之主要物業詳情

PROPERTIES HELD FOR INVESTMENT

持作投資之物業

| Location | 位置 | Type of properties 物業種類 | Lease term 租賃期限 |
|--|--|----------------------------|---------------------------|
| Office Unit Nos. 15–16 on 1st Floor to 3rd Floor and Office Unit Nos. 1–12 on 4th Floor of an office building known as “科技財富中心”, No. 318 Tianfuda Road North Section, within Gaoxin District Technology Incubate Park (高新區科技孵化園內), Chengdu City, Sichuan Province, the PRC | 中國 四川省 成都市 高新區科技孵化園內 天府大道北側318號 名為「科技財富中心」 之辦公室大樓 1樓至3樓之15–16號 辦公室單位以及4樓 1至12號 辦公室單位 | Office premises 辦公室 | Medium-term lease 中期租賃 |
| No. 3, Keyuan South Road, High-Tech Industrial Development Zone, Chengdu City, Sichuan Province, the PRC | 中國 四川省 成都市 高新區 科園南路3號 | Office premises 辦公室 | Medium-term lease 中期租賃 |

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