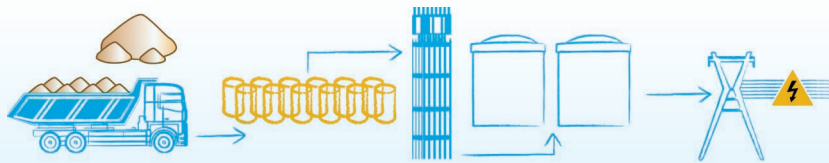


年度報告 Annual Report

2016



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Corporate Information

公司資料

ABOUT CGN MINING

CGN Mining is a company incorporated in the Cayman Islands, and is a company listed on the main board of the Stock Exchange (stock code:1164). The principal activities of the Company at present are development and trading of natural uranium resources for use by nuclear energy companies.

The Company positions itself as the sole overseas uranium exploration and trading platform for CGN Group, which strives to provide nuclear power plants owners with high-quality and reliable natural uranium products, and contributes to a clean environment.

關於中廣核礦業

中廣核礦業於開曼群島註冊成立，為一家在聯交所主板上市的公司(股份代號：1164)。公司目前的主要業務為核能企業使用的天然鈾資源的開發與貿易。

本公司定位為中廣核集團海外鈾資源開發與貿易的唯一平台，致力於為核電站業主提供優質可靠的天然鈾產品，為清潔環境作出貢獻。

DIRECTORS

Chairman and Non-executive Director

Zhou Zhenxing

Executive Directors

Yu Zhiping (*Chief Executive Officer*)

Xing Jianhua

Non-executive Directors

Chen Qiming (resigned on 29 June 2016)

Yin Engang (resigned on 29 June 2016)

Fang Chunfa (appointed on 29 June 2016)

Wu Junfeng (appointed on 29 June 2016)

Liu Mingdong (appointed on 23 March 2017)

Independent Non-executive Directors

Qiu Xianhong

Gao Pei Ji

Lee Kwok Tung Louis

AUDIT COMMITTEE

Qiu Xianhong (*Chairman*)

Yin Engang (resigned on 29 June 2016)

Fang Chunfa (appointed on 29 June 2016)

Lee Kwok Tung Louis

REMUNERATION COMMITTEE

Qiu Xianhong (*Chairman*)

Yu Zhiping

Xing Jianhua

Gao Pei Ji

Lee Kwok Tung Louis

NOMINATION COMMITTEE

Zhou Zhenxing (*Chairman*)

Yu Zhiping

Qiu Xianhong

Gao Pei Ji

Lee Kwok Tung Louis

董事

主席暨非執行董事

周振興

執行董事

余志平 (*首席執行官*)

幸建華

非執行董事

陳啟明 (於2016年6月29日辭任)

尹恩剛 (於2016年6月29日辭任)

方春法 (於2016年6月29日獲委任)

吳俊峰 (於2016年6月29日獲委任)

劉明東 (於2017年3月23日獲委任)

獨立非執行董事

邱先洪

高培基

李國棟

審核委員會

邱先洪 (*主席*)

尹恩剛 (於2016年6月29日辭任)

方春法 (於2016年6月29日獲委任)

李國棟

薪酬委員會

邱先洪 (*主席*)

余志平

幸建華

高培基

李國棟

提名委員會

周振興 (*主席*)

余志平

邱先洪

高培基

李國棟

Corporate Information 公司資料

JOINT COMPANY SECRETARIES

Zheng Xiaowei
Lai Siu Kuen

AUTHORISED REPRESENTATIVES

Xing Jianhua
Lai Siu Kuen

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

Room 1903, 19/F, China Resources Building
No. 26 Harbour Road
Wanchai, Hong Kong

CORPORATE WEBSITE

www.cgnmc.com

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China (Asia) Limited

AUDITOR

SHINEWING (HK) CPA Limited

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

聯席公司秘書

鄭曉衛
黎少娟

授權代表

幸建華
黎少娟

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26號
華潤大廈19樓1903室

公司網址

www.cgnmc.com

主要往來銀行

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

開曼群島股份登記及過戶總處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

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

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

SHARE LISTING

The Stock Exchange of Hong Kong Limited

STOCK CODE

Stock Code: 1164

香港股份登記及過戶分處

聯合證券登記有限公司
香港
北角
英皇道338號
華懋貿易廣場2期
33樓3301-04室

股份上市

香港聯合交易所有限公司

股份代號

股份代號：1164

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				
		2016	2015	2014	2013	2012
		2016年	2015年	2014年	2013年	2012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
				(Restated)		
				(經重列)		
Continuing operations	持續性業務					
Revenue	營業額	707,749	703,422	1,151,707	796,594	1,232,287
Operating profit	經營溢利	469,513	275,273	113,049	60,320	96,443
Finance costs	融資成本	(5,601)	(21,990)	(28,802)	(27,292)	(25,930)
Profit before taxation	除稅前溢利	463,912	253,283	84,247	33,028	70,513
Income tax expenses	所得稅支出	(74,782)	(49,920)	(22,462)	(16,978)	(51,866)
Profit from continuing operations	於持續性業務所得之溢利	389,130	203,363	61,785	16,050	18,647
Discontinued Operation	非持續性業務					
Profit (loss) from discontinued operation	於非持續性業務所得之溢利(虧損)	-	94,640	(103,660)	-	-
Profit (loss) for the year	本年度溢利(虧損)	389,130	298,003	(41,875)	16,050	18,647
Profit (loss) attributable to:	下列人士應佔溢利(虧損):					
Owners of the Company	本公司擁有人	389,130	297,981	(41,706)	16,365	18,660
Non-controlling interests	非控股權益	-	22	(169)	(315)	(13)
		389,130	298,003	(41,875)	16,050	18,647

FINANCIAL POSITION 財務狀況

		As at 31 December 於12月31日				
		2016	2015	2014	2013	2012
		2016年	2015年	2014年	2013年	2012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
				(Restated)		
				(經重列)		
Total assets	資產總值	1,886,549	1,145,300	2,244,346	1,652,395	1,812,470
Total liabilities	負債總值	(69,990)	(385,650)	(844,869)	(573,819)	(755,183)
		1,816,559	759,650	1,399,477	1,078,576	1,057,287
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,816,559	759,650	1,397,836	1,076,778	1,055,273
Non-controlling interests	非控股權益	-	-	1,641	1,798	2,014
		1,816,559	759,650	1,399,477	1,078,576	1,057,287

Chairman's Statement 主席致辭

In the year 2016, despite the downturn, CGN Mining achieved good results and its asset scale and profits continued to maintain growing. Concurrently, the Company continued to optimize its corporate governance structure, further strengthened its fiscal capacity and crystallized its goals on new business. Also, the Company enhanced its risk management and internal control and maintained the best practice for its corporate governance, which created high values for its whole shareholders.

The global development of nuclear power was active in 2016. Not only did UK, a well-developed country, actively promote construction of new nuclear power plants, but also did the countries along the route of the One Belt One Road Initiatives, especially new emerging economies like India, announced their development plans for nuclear power. All those countries are optimistic about the energy replenishment and economic benefits in long term that nuclear power could bring to them. The China's nuclear industry has also been steadily moving toward its goals under its "Thirteen-Five Power Development Plan". CGN Group was keeping pace with the China's overseas development and being active in promoting the "Nuclear Power to Go Out" strategy, in which the signing of certain cooperative agreements of UK new nuclear projects was undoubtedly the most remarkable feat, which confirmed our participation in such new nuclear projects. This is extremely meaningful to both CGN Group and the China's nuclear power industry, which gives affirmation to the "Go Out" strategy of the China's nuclear power and also firms its confidence of the entire industry.

Based on the good development of nuclear power as above mentioned, the uranium raw material industry, which is closely related to the nuclear power industry, has a favourable prospect. Yet, as the recovery progress of Japan's nuclear power was far behind expectations in short to medium term and numbers of inventories had to be destocked, it is expected the natural uranium market will remain oversupplied and the industry will take time to fully recover.

China has an old saying that "It's like rowing upstream: not to advance is to drop back". We firmly believe that only if we are tempered by challenges, we can grow through adversity. CGN Mining will adhere to the CGN Group's corporate spirit of "pursuit of excellence", forging ahead and moving towards its targets. In the meantime, the Board will continue to take the protection of the whole shareholders' interests as its main duty, overall control the direction of the development of the Company and to identify any possible risks in the Company's operation at all times, so as to maintain a sound operation and healthy development of the Company.

中廣核礦業在過去的2016年於逆勢中取得不錯的成績，資產規模和盈利繼續增長。同時，公司治理結構持續優化，資金保障能力進一步加強，新業務目標更加明確。風險管理與內控亦得到加強，企業管治繼續以最佳實踐要求為標準開展，給全體股東都創造了可貴的價值。

2016年全球核電發展整體向好，不僅有老牌發達國家英國積極推進新建核電站，一帶一路政策沿線多國尤其是以印度為代表的新興經濟體紛紛出台核電發展計劃，長期看好核電帶來的能源補充及經濟效應；中國核電亦在穩步向著「電力十三五發展規劃」的既定目標邁進。跟隨國家對外發展的步伐，中廣核集團積極推進「核電走出去」策略，其中最引人注目的當屬作為簽約方成功簽署英國新建核電項目一攬子合作協議，確定參與英國新建核電項目。這無論對於中廣核集團還是中國核電行業都意義非凡，更加肯定了中國核電的「走出去」戰略及堅定了核電行業的信心。

基於上述核電發展的良好態勢，與核電行業緊密相關的鈾原料行業遠期看好，但中短期由於日本核電重啟顯著低於預期，大量庫存需要消化，預計天然鈾行業供大於求的態勢尚未改變，行業的春天還須假以時日。

中國有一句古話「逆水行舟，不進則退」。我們堅信只有經過不斷的磨練，才能於逆境中成長壯大。中廣核礦業將秉承中廣核集團不斷追求卓越的企業精神，向著既定的目標砥礪奮進。與此同時，董事會也將繼續以維護全體股東利益為己任，整體把握公司發展方向並隨時關注運營中的可能風險，確保公司經營穩健及健康發展。

Chairman's Statement

主席致辭

APPRECIATION

As the Chairman of the Board, I wish to express on behalf of the Board of CGN Mining my heartfelt gratitude to our business partners, our clients and shareholders who have given us their trusts and supports. I also take this opportunity to sincerely thank all staff who have endeavored to contribute towards the development of the Company.

Chairman of the Board
Zhou Zhenxing

Beijing, 23 March 2017

致謝

作為董事會主席我謹代表中廣核礦業董事會，對給予我們信任及支持的業務夥伴、客戶及各位股東致以衷心的感謝。同時我也代表董事會衷心感謝全體員工竭誠盡責為公司發展做出的貢獻。

董事會主席
周振興

北京，2017年3月23日

Chief Executive Officer's Statement

首席執行官致辭

Dear Shareholders,

With concerted efforts of the Board, management and all the staff, the Company reached its goals and achieved enhancement in results in such sluggish market conditions in 2016. It is my pleasure to present the 2016 annual results of the Company to our shareholders. During the reporting period, the major results of the Company are as follows:

- Revenue of HK\$708 million (2015: HK\$703 million);
- Gross profit margin after deducting sales and distribution expenditure being 59.84% (2015: 40.21%);
- Profit attributable to owners of the Company being HK\$389 million (2015: HK\$298 million), basic earnings per share HK7.05 cents (2015: HK7.36 cents).

As the chief executive officer, I hereby thank all the shareholders for their recognition and support to the Company, thank the Board for its leading in our developing strategies and its support on all of our major operating decisions and thank all the staff for their efforts and contribution. I will summarize the performance of CGN Mining in 2016 and outline the subsequent plan below.

Stable operation of existing assets

In 2016, the two mines of Semizbay-U ran well and have exceeded the targets of the annual mining plan without causing any safety incident. Through implementing effective measures to reduce production costs continuously, its unit cost reduced to USD15.33/lb, representing a decrease of 26.08% as compared with USD20.74/lb in 2015, which made great contribution to achieving a total profit of USD12 million in such weak market.

各位股東：

在董事會、管理層和全體員工的齊心努力下，本公司在2016年低迷的市場環境下，完成了既定工作目標，並取得了業績提升。本人欣然地向各位股東呈上2016年度業績，於報告期內，公司主要業績如下：

- 營業額為708百萬港元(2015年：703百萬港元)；
- 扣除銷售及分銷開支後毛利率為59.84%(2015年：40.21%)；
- 本公司擁有人應佔溢利為389百萬港元(2015年：298百萬港元)，每股基本盈利7.05港仙(2015年：7.36港仙)。

作為首席執行官，我要感謝各位股東對公司的肯定與支持，感謝董事會在公司發展戰略上的引領和重大經營事項的決策支持，同時對廣大員工的無私奉獻、辛勤付出表示感謝。以下我將總結中廣核礦業於2016年度的表現，並概述後續的主要計劃。

穩健經營現有資產

2016年謝公司旗下兩座礦山運行情況良好，超額完成年度採鉆計劃，且未發生任何安全事故。通過採取有效措施持續降低生產成本，單位成本降低到了15.33美元／磅，比2015年單位成本20.74美元／磅降低26.08%，為在低迷的市場環境下實現全年盈利12百萬美元作出了重要貢獻。

Chief Executive Officer's Statement

首席執行官致辭

Expansion of high-quality resource reserve

In January 2016, the Company completed the acquisition of 19.99% equity interest in Fission. The PLS Property of Fission, being a high quality uranium mine in Canada with the highest exploring potential, further identified exploitable ore bodies in the East and West part of the original Triple R deposit, through the winter and summer exploration, especially the major findings of the strippable ore bodies in the west part. Fission has conducted promptly publications in relation to all of its findings and it is expected that mineral assets will increase significantly (report in relation to the new volume of mineral resources will be disclosed in the second half of 2017). Such expansion in mineral assets will further reduce the development costs of future projects and hence increase the market competitiveness.

Steady implementation of the new Kazakhstan uranium deposit project

In October and December 2016, the Company entered into the "Mining Principles Agreement on the Joint Development of Kazakhstan Uranium Deposit" and its supplemental agreement with Kazatomprom, which confirmed the selection of the new high-quality uranium mining deposits.

Completion of the new connected transactions framework agreement with three-year term

The connected transactions framework agreement of the Company in relation to natural uranium trading has expired on 31 December 2016. The Company entered into a new connected transactions framework agreement with CGNPC-URC in respect of the sales of natural uranium during the three years from 2017 to 2019, which helped maintain a continuously stable business development of the Company.

擴大優質資源儲備

於2016年1月，本公司完成對加拿大Fission公司19.99%股權的收購交割。作為加拿大最具開發潛力的優質鈾礦，PLS項目通過冬季和夏季勘探，在原Triple R礦床東西部兩側進一步識別出可開發礦體，尤其西側陸上可露採礦體有進一步重大發現，Fission公司對勘探發現均及時進行了公告，預計礦體資源量將大幅增加(2017年下半年將披露的新的資源量報告將公佈相關數據)。資源量的擴大將進一步降低未來項目的開發成本，增強項目的市場競爭力。

穩步推進哈薩克斯坦新鈾礦項目

分別於2016年10月及12月，本公司與哈原工簽署了《有關共同開發哈薩克斯坦鈾礦的礦業原則協議》及其補充協議，鎖定了新的優質鈾礦礦床。

達成新三年關連交易框架協議

本公司有關天然鈾貿易的原持續關連交易框架協議已於2016年12月31日到期，本公司就天然鈾銷售與中廣核鈾業發展達成了2017-2019三年期持續關連交易新框架協議，保證了公司業務的持續平穩發展。

Chief Executive Officer's Statement

首席執行官致辭

Optimizing the internal management

During the reporting period, the Company continued to enhance its management level. As for business planning, the Company has prepared its business proposal for the Thirteen-Five Period, which including detailed analysis and elaboration of the Company's operating environment, development goals and major tasks during the Thirteen-Five Period and was approved by the Board. The business proposal has helped the Company to clear its development path in the mid and long term. As for risk management, through various measures such as establishment of a mechanism, clear division of labour and optimization of workflow, the Company was able to supervise and control its major operating risks effectively, which ensured the accomplishment of the operating goals. As for human resources, the Company carried out in-depth research in respect of its mid-to-long incentive scheme for core staff.

Subsequent plan

The year of 2017 is an important year for the Company to achieve its Thirteen-Five business proposal. The difficulty that the Company is likely to face is still the weak market condition with low natural uranium price. On the other hand, low natural uranium price is beneficial to the acquisition of new uranium mining projects and the Company will be active in grasping such opportunities. In the meantime, despite the floor price and ceiling price mechanism agreed between the Company and its strategic customers which helped prevent against low price risks under the New uranium Sales Framework Agreement, the Company will still suffer from enormous operating challenges and pressure arisen from the continuous low level of natural uranium market price.

In 2017, the Company will follow the mid-to-long term operating strategies adopted by the Board without fear of hardship and adhere to the overall guideline of "stabilizing operation, striving for development and strengthening the management", work diligently and endeavour to achieve remarkable results, so as to maintain a sound and healthy development of the Company and create values for its all shareholders.

Chief Executive Officer
Yu Zhiping

Beijing, 23 March 2017

優化內部管理

於報告期內，本公司持續提升自身管理水平。在經營規劃層面，本年度公司完成了十三五期間五年商業計劃書的編制，計劃書對公司於十三五期間的經營環境、發展目標、重點任務等進行了詳細分析和闡述，並獲得董事會審批，為公司中長期發展明確了方向。在風險管理方面，通過制度建設、職責明確、流程優化等措施實現對公司重大經營風險的有效監控和控制，保障了公司經營目標的實現。在人力資源方面，就核心人員的中長期激勵方案進行了深入研究。

後續計劃

2017年是為實現本公司十三五商業計劃目標的重要一年，公司面臨的困難很可能仍將是天然鈾價格持續低迷的嚴峻市場環境。另一方面，低鈾價有利於新鈾礦項目的收購，公司將積極利用這個機會。同時，在新天然鈾銷售框架協議下，儘管公司與戰略客戶達成的保底封頂價格機制有助於防範低鈾價風險，但天然鈾市場價格的持續走低將使公司面臨較大的經營挑戰與壓力。

2017年，本公司將按照董事會明確的中長期經營策略，不畏艱難，繼續本著「穩經營、求發展、強管理」的總體工作思路，勤勉盡責做工作，全力以赴出業績，保持公司平穩健康發展，為全體股東創造價值。

首席執行官
余志平

北京，2017年3月23日

Directors' Report

董事會報告

Management Discussion and Analysis

BUSINESS REVIEW

The Group is principally engaged in natural uranium resources investment and trading. As at 31 December 2016, the Group holds 49% equity interest and 49% off-take rights of products in Semizbay-U as well as 19.98% equity interest in Fission. Meanwhile, the Kazakhstan new uranium project was conducted as scheduled.

For the year ended 31 December 2016, the Company realized revenue of HK\$708 million and profit attributable to owners of the Company of HK\$389 million, well achieving its plan and targets set at the beginning of the year.

Analysis of Business Environment

Nuclear power market and its industry development

According to China's "Thirteen-Five Power Development Plan", in 2020, the installed nuclear capacity of China has to reach 58,000,000 kW and the capacity under construction has to reach 30,000,000 kW, and it is expected that the installed nuclear capacity of China will reach 150,000,000 kW in 2030. Nuclear power units which were constructed during the Twelve-Five Period have been successively put into operation. In 2016, seven nuclear power units in total across the country were put into operation with a total installed nuclear capacity of 7,204.79 MWe, five among them belonged to the CGN Group, with an installed nuclear capacity of 5,465.79 MWe which accounted for 75.86%.

管理層討論及分析

業務回顧

本集團主要從事天然鈾資源投資及貿易，於2016年12月31日，本集團持有謝公司49%的股權及49%產品的包銷權，以及Fission公司19.98%的股權。同時，於哈薩克斯坦的新鈾礦項目正在按計劃推進中。

截至2016年12月31日止年度，本公司實現營業額708百萬港元，本公司擁有人應佔溢利為389百萬港元，較好的實現了年初制定的計劃和目標。

經營環境分析

核電市場與行業發展

根據中國「電力十三五發展規劃」，2020年，中國核電裝機容量要達到5,800萬千瓦，在建3,000萬千瓦的目標，預計到2030年中國核電裝機容量有望突破1.5億千瓦。十二五期間開工的核電機組已陸續投產，2016年全國共有7台核電機組投運，總裝機容量7,204.79MWe，其中中廣核集團有5台機組投運，裝機容量5,465.79MWe，佔比達75.86%。

In addition, 65 countries along “One Belt, One Road” planned to install 126 nuclear power units by 2030, with a total installed nuclear capacity of 150,000,000 kW. In 2016, India, Sweden, Russia and other countries announced their plans for building new nuclear power plants. Nuclear power has become the representative of the “Go Out Policy” of China and the nuclear “Go Out” strategy of CGN Group also achieved great progress in 2016. On 29 September 2016, CGN Group and Electricité de France (“EDF” – French public utility) officially entered into certain cooperation agreements of new UK nuclear power project in London, which confirmed that CGN Group will invest in the UK Hinkley Point C project and Sizewell C project and invest in and control shares of the Bradwell B project. On 10 January 2017, the UK government announced that it accepted the generic design assessment of Hualong I (“GDA”). The activation of GDA marked a significant step of China’s third generation nuclear power technology towards the implementation of the UK Bradwell B project.

With an increasing proportion of clean energy in the world and a stricter carbon emission standard, nuclear energy, as a clean and low carbon emission energy, will play a more important role in the global energy layout. Along with the operation of several nuclear power plants under construction and new developed nuclear power plants in China, as well as the implementation of nuclear energy “Go Out” strategy, domestic and international demands on nuclear energy are growing.

此外，「一帶一路」沿線65個國家2030年規劃核電機組達126台，裝機總規模約1.5億千瓦。於2016年，印度、瑞典、俄羅斯等國紛紛宣佈新建核電站計劃。核電已成為中國「走出去」的名片，中廣核集團核電「走出去」戰略在2016年亦取得了可喜進展。2016年9月29日，中廣核集團與Electricité de France（「EDF」—法國公共電力）在倫敦正式簽署了英國新建核電項目—攬子合作協議，確定中廣核集團參股投資英國欣克利角C（Hinkley Point C）和賽茲韋爾C（Sizewell C）、控股投資布拉德維爾B（Bradwell B）項目。2017年1月10日，英國政府發佈聲明，正式受理華龍一號通用設計審查（「GDA」），GDA的啟動，意味著中國自主三代核電技術落地英國布拉德維爾B（Bradwell B）項目邁出了關鍵一步。

在全球清潔能源比例日益提升，碳排放標準愈發嚴格的大環境下，核能作為一種清潔、低碳的環保能源，將在全球能源格局中扮演越來越重要的角色。隨著中國在建核電站的陸續投運，規劃新建核電站陸續開工，以及核電「走出去」戰略的逐步推進，核燃料國內和國際市場需求前景廣闊。

Directors' Report

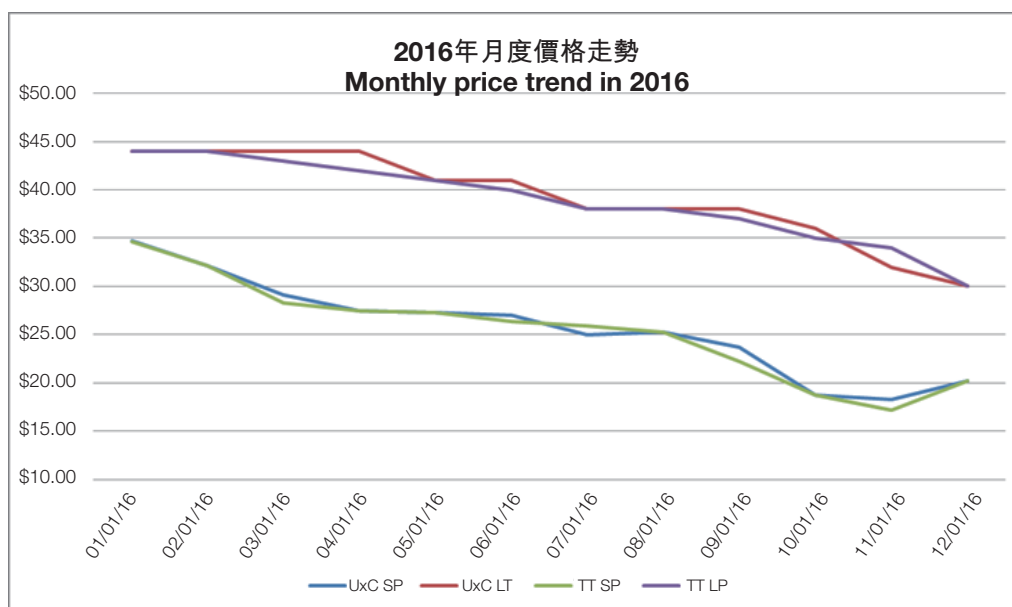
董事會報告

Natural uranium market and its industry development

In 2016, the supply of global natural uranium was greater than its demand and the fundamentals remained unchanged. The price of uranium maintained at a low level and trading volume further shrank. In 2016, the international price of natural uranium was weakened as a whole and was on downward trend. Throughout the year, the monthly average price of natural uranium in the spot market decreased from USD34.65/lb at the beginning of the year to USD20.25/lb in December, of which the decrease between September and October was relatively larger and the price fluctuated between USD17.75-20.25/lb. The monthly average price of the long-term market was USD38.83/lb, representing a significant decline as compared with 2015. Due to the decrease in spot prices, the price of long-term market started decreasing from October, and dropped to USD30/lb at the end of December.

天然鈾市場與行業發展

2016年國際天然鈾市場供大於需的基本面保持不變，鈾價維持低迷，交易量進一步萎縮。2016年國際天然鈾價格整體走弱，整體呈現下跌態勢。縱觀全年，天然鈾現貨市場月度均價自年初34.65美元/lb下跌至12月份的20.25美元/lb，其中9-10月跌幅較大，此後在17.75-20.25美元/lb之間震蕩。長期市場月度均價為38.83美元/lb，較2015年相比亦出現較大跌幅。受現貨價格下跌影響，長期市場價格從10月份開始下跌，至12月底長期價格下跌至30美元/lb。



2016年1月-2016年12月國際天然鈾價格走勢圖
International natural uranium price trend from January 2016-December 2016

BUSINESS PERFORMANCE AND ANALYSIS

During the reporting period, the Company continued to firmly implement the annual trading plan approved by the Board and ensured the achievement of revenues from principal business. In the meantime, the Company continued to optimize its management and control of the existing assets and, through more reasonable channels and management models, achieved its management goals. Also, the Company continued to enhance its cooperation with Kazatomprom and some progress was made during 2016.

Operating management and control of investment projects

As at 31 December 2016, the Company held 49% equity interest in Semizbay-U and 19.98% equity interest in Fission (as certain options granted by Fission to its internal staff and directors were exercised during the reporting period, total shares increased from 483,924,661 shares when acquisition took place to 484,187,994 shares, the equity interest held by the Group was diluted to 19.98% from 19.99%). Reserves of mines of Semizbay-U amounted to 36,774 tons of uranium while resources of projects of Fission, an associate, amounted to 43,609 tons of uranium.

Reserves of Semizbay-U and its production

In 2016, Semizbay-U produced 1,242 tons of natural uranium, representing an increase of 1.6% as compared with 2015 (2015: 1,222 tons). Of which, the actual production volume of uranium of Semizbay Mine was 500 tons while the actual production volume of uranium of Irkol Mine was 742 tons. During the reporting period, Semizbay-U did not conduct further exploration work.

Table 1 – Reserves of uranium deposits of Semizbay-U

Number 序號	Name of mine (project) 礦山(項目)名稱	Grade (%U) 品位(%U)	Reserve (C1+C2) (Tons of uranium) 儲量(C1+C2)(噸鈾)
1	Semizbay Mine 謝礦	0.056	13,513
2	Irkol Mine 伊礦	0.043	23,261

Note: According to the standard of the Kazakh Classification System (CIS), since the establishment of Semizbay-U in 2008, reserve of the Semizbay Mine was 17,108 tons of uranium while reserve of the Irkol Mine was 29,541 tons of uranium (relevant data was extracted from the competent person's report prepared by Blackstone Mining Associates Limited (mining and geological consultants) in 2014). The existing reserve data is calculated based on the past reserve, less the cumulative uranium mining volume.

業務表現及分析

於報告期內，本公司繼續穩健落實董事會批准的年度貿易計劃，確保了主營業務收入的實現。同時，針對現有資產不斷優化管控，通過更合理的途徑和管理模式實現了公司的管控目標。另外，本公司不斷推進與哈原工的深化合作，並於2016年取得一定進展。

投資項目的經營管控

於2016年12月31日，本公司持有謝公司49%權益及持有Fission公司19.98%權益（由於報告期內，Fission公司向內部員工及董事發放的部分期權被行權，總股份從收購時483,924,661股增至484,187,994股，故本集團持有權益從19.99%被稀釋為19.98%）。謝公司旗下礦山儲量共36,774噸鈾，聯營企業Fission公司旗下項目資源量共43,609噸鈾。

謝公司儲量及生產情況

2016年度，謝公司生產天然鈾1,242噸鈾，同比2015年上升1.6%（2015年1,222噸鈾）。其中，謝礦實際產鈾500噸，伊礦實際產鈾742噸。於報告期間，謝公司未開展進一步勘探工作。

表1—謝公司旗下鈾礦儲量

註：根據哈薩克斯坦地質分類系統(CIS)標準，2008年謝公司成立時，謝礦儲量為17,108噸鈾，伊礦儲量為29,541噸鈾（有關數據來源於2014年Blackstone Mining Associates Limited黑石礦業有限公司（礦業及地質顧問）所做合資格人士報告）。現儲量數目是根據當時儲量減去累計採鈾量計算而得。

Directors' Report

董事會報告

Exploration of Fission

The PLS Property of Fission was located in Saskatchewan, Canada, with an exploration area of approximately 31,039 hectares. The Triple R deposit and high-grade uranium ore region with high development potential have already been discovered in the previous exploration. The PLS Property was still at an exploration stage and no products were produced.

The Triple R deposit is in east-west direction with a length of approximately 2.63 kilometers. From West to East, it is classified into four zones: namely R840W, R00E, R780E and R1620E. Currently, only resources of R00E and R780E were included in the estimation of resources while resources of R840W and R1620E were excluded. Fission will continue to promote the exploration work of the PLS Property as scheduled so as to update its estimation of resources at the earliest possible time.

During the reporting period, expenditures on exploration of the PLS Property amounted to approximately CAD19 million, which including implementation of 91 drilling holes and completion of 28,200 meters' exploration. Certain achievements were accomplished in the exploration progress (details of which were promptly announced by Fission) and it is expected that the mining resources will largely increase, so as to further improve the economical-efficiency of the project.

Table 2 – Resources of projects under Fission

Number 序號	Name of project 項目名稱	Resource under control 控制資源量		Estimated resource 推斷資源量	
		Grade (%U) 品位 (%U)	Tons of uranium 噸鈾	Grade (%U) 品位 (%U)	Tons of uranium 噸鈾
1	PLS Property PLS 項目	1.40	37,302	1.14	6,307

Note: Same as the JORC (the Australasian code for reporting of exploration results, mineral resources and ore reserves) resources (including R600W zone) estimated by the technical adviser, Runge Pincock Minarco, in respect of such uranium deposit when investing in Fission in 2016.

Fission 公司勘探情況

Fission 公司旗下 PLS 項目位於加拿大薩斯喀徹溫省，探礦權面積約 31,039 公頃。在之前的勘探中，已發現 Triple R 礦床，並發現若干高潛力高品位鈾礦勘探區域。PLS 項目尚處於勘探階段，無產品產出。

Triple R 礦床呈東西走向，長度約 2.63 公里，並從西到東依次劃分為四個區域：R840W，R00E，R780E 和 R1620E。目前僅 R00E 和 R780E 包括在資源量估計中，R840W 及 R1620E 資源量尚未納入資源量估計中。Fission 公司將繼續按計劃推進 PLS 項目勘探工作，以便早日更新資源估算。

報告期內，PLS 項目勘探支出約 19 百萬加元，共部署鑽孔 91 個，完成勘探工作量 28,200 米。勘探取得了較多成果（有關勘探成果 Fission 公司均及時進行了公告），預計將較大幅度地增加項目的可採資源量，從而實現項目經濟性的進一步提升。

表 2—Fission 公司旗下項目資源量

註：同 2016 年投資 Fission 公司時的技術顧問 Runge Pincock Minarco 對該鈾礦評估出的 JORC（用於報告勘探成果、礦產儲量及礦石儲量的澳大利西亞準則）資源量（包括 R600W 區域）。

Description of differences on calculation criteria and parameters of Kazakhstan and Canada mines reserves: In the Kazakhstan and other countries of the Commonwealth of Independent States (CIS), mineral resources and reserves are classified according to the 1981 "System of Classification of Reserves and Resources of Mineral Deposits". This classification system uses seven categories in three groups based on the level of exploration performed. Table 3 presents a 'best estimate' correlation of the Kazakh classification system (CIS) to the JORC standard definitions. The CIS system and the JORC system are not directly reconcilable. The primary reason is that the CIS system does not rely on a high-degree drill hole spacing to categorize or classify the resources and reserves. JORC classification requires a high degree of reliable and factual data on not only the mineralization grade but also the geological and geotechnical aspects, as well as hydrogeology and significant economic factors to develop reliance on the assessed data and mineralization from which a classification can be derived.

哈薩克斯坦及加拿大礦山儲量計算標準及參數差別說明：在哈薩克斯坦和獨立國家聯合體(獨聯體)的其他國家，礦產資源和處理時根據1981年的【儲備和礦藏資源的分類體系】分類。該分類系統根據勘探水平採用三組七個類別，表3給出了哈薩克分類系統(CIS)與JORC準則定義的【最佳估計】相關性。CIS系統和JORC系統是不能直接調和的。主要原因為，CIS系統不依賴於高程度鑽孔間距進行分類或分類資源及儲量。JORC分類不僅需要礦化品位的高度可靠和真實數據，也需要地質、岩土工程方面，以及水文地質與顯著經濟因素相機和，從而使分類可以從可靠的評估數據和礦化水平中得出。

Table 3 – Correlation of CIS to the JORC standard definitions

表3—CIS與JORC準則定義的相關性

CIS Classification CIS 分類	CIS Categories CIS 類別	JORC Resources JORC 資源	JORC Reserve JORC 儲量
Explored Reserves 探明儲量	A and B A和B	Measured 探明級	Proven 證實級
Explored Reserves 探明儲量	C1 C1	Indicated 控制級	Probable 推定級
Evaluated Reserves 評估儲量	C2 C2	Inferred 推斷級	
Prognosticated Resources 預估資源	P1, P2 and P3 P1、P2和P3	Potential 潛在級	

Directors' Report

董事會報告

Asset management

During the reporting period, regarding to the management of Semizbay-U, the Company formulated an optimization solution of management and control by various channels such as holding seminars. The optimization solution divided the duties of its assigned team (the "Assigned Team", including the chief financial officer, deputy manager of the financial department, deputy manager of the business planning department, senior engineer of the production technology department of Semizbay-U) and relevant departments of the Company which were engaged in operation and management of the asset of Semizbay-U. Also, through the optimization solution, the Company has sorted out three management and control lines among board of shareholders' level, board of directors' level and the Assigned Team, so as to ensure the accomplishment of its management and control target. In addition, the Company formed a specific management and control solution for Fission as well, which was implemented through our two directors in the board of directors of Fission.

In order to optimize the management and reduce costs, during the reporting period, the Company has deregistered a subsidiary, namely Ever Jump Limited, which did not carry out any business over the past three years.

Natural uranium trading business

In 2016, all of the natural uranium products sold by the Company were sourced from self-owned mines of Semizbay-U, the natural uranium trading amount achieved HK\$706 million, representing an increase of 1% as compared to 2015 (2015: HK\$700 million). As at 31 December 2016, gross profit from natural uranium trading business was approximately HK\$421 million, representing an increase of 50% as compared to the gross profit of HK\$280 million for 2015.

Since the original natural uranium sales framework agreement has expired on 31 December 2016, the Company has obtained the approval from shareholders for the continuing connected transactions under the New Natural Uranium Sales Framework Agreement during the reporting period. The natural uranium transactions between the Company and CGNPC-URC in the coming three years will be conducted subject to such framework agreement. With reference to the basis of market price, the New Natural Uranium Sales Framework Agreement adopted a floor price and ceiling price mechanism, which aims at achieving interest and risk sharing with the owners of nuclear power plants.

資產管理

針對謝公司的管控，於回顧期內，本公司通過召開研討會等途徑形成了管控優化方案，方案中對外派參與謝公司經營管理的團隊人員（「外派團隊」，包括謝公司首席財務官、財務部副經理、經營計劃部副經理、生產技術部高級工程師等）及本部各部門於謝公司資產管控中的職責進行了劃分，並通過該優化方案明確了股東會層面、董事會層面及外派團隊三條管控線條，以確保本公司管控目標的實現。另外，本公司亦制定了針對Fission公司的具體管控方案，通過本公司於Fission公司董事會的兩名董事進行落實。

出於管理優化及降低成本的考慮，於回顧期內，本公司關閉了一家下屬公司Ever Jump Limited，該公司於近三年未開展任何業務。

天然鈾貿易業務

2016年，本公司銷售的天然鈾產品全部來自謝公司自有礦山，完成天然鈾貿易額706百萬港元，較2015年度增長1%（2015年：700百萬港元）。截至2016年12月31日，天然鈾貿易業務實現毛利約421百萬港元，較2015年280百萬港元增長50%。

由於現有天然鈾貿易框架協議已於2016年12月31日到期，於回顧期內，本公司完成了《新天然鈾貿易框架協議》的持續關連交易的股東審批，本公司與中廣核鈾業發展未來三年的天然鈾貿易將在該框架下進行。《新天然鈾銷售框架協議》在參考市場價格的基礎上，採用封頂保底的定價機制，旨在實現與核電站業主利益共享、風險共擔。

Developing new projects

During the reporting period, the new uranium deposit developing project between the Company and Kazatomprom has made further progress, subject to certain fulfillment of conditions. On 4 October 2016 and 6 December 2016, the Company entered into the "Mining Principles Agreement on the Joint Development of Kazakhstan Uranium Deposit" and its supplemental agreement respectively with Kazatomprom. Accordingly, both parties have selected the mine for their jointly-developed uranium deposit project in Kazakhstan and agreed on the Group's participatory interest in the mining partnership (the partnership which was incorporated for joint development of uranium deposits) to share on balance reserves of 19,600 tons of uranium with an undertaking volume of not less than 20,000 tons of uranium (the excess part which is beyond the share on balance reserves of the Company will be available to the Company from the entitlement of the off-take volume of Kazatomprom).

Placement and the New Financial Service Framework Agreement

On 8 November 2016, the Company and Hong Kong Xinmao entered into a share subscription agreement. Pursuant to such agreement, Hong Kong Xinmao subscribed for 659,400,000 ordinary shares of the Company at a price of HK\$0.52 per share (closing price being HK\$0.63 per share on 8 November 2016). The aggregate nominal value of the subscription shares is HK\$6,594,000. Upon completion of such transaction, Hong Kong Xinmao held 9.99% of the issued share capital of the Company as enlarged by the issue of shares and became the second largest shareholder of the Company. The proceeds raised in the issue of subscription shares, after deduction of the related expenses, amounted to approximately HK\$340 million (representing a net subscription price of approximately HK\$0.5153 per share), which will be used for acquiring uranium from overseas at competitive costs during market downturn in the future. As at 31 December 2016, the net proceeds had not been utilised and will be utilised as intended. For more details, please refer to the announcement of the Company dated 9 November 2016.

新項目開發

於報告期內，本公司與哈原工擬進行的新鈾礦開發合作項目取得進一步進展（取決於相關條件的滿足）。分別於2016年10月4日及2016年12月6日，本公司相繼與哈原工簽署《有關共同開發哈薩克斯坦鈾礦的礦業原則協議》及其補充協議。據此，雙方已就聯合開發位於哈薩克斯坦的在產鈾礦項目的合作選定了優質礦山，並約定本集團在礦業合夥企業（雙方共同開發鈾礦而成立的合夥企業）獲得權益剩餘儲量為19,600噸鈾，且包銷量不低於20,000噸鈾（超出本公司權益剩餘儲量部分，由哈原工從其自身包銷量中出讓予本公司）。

增發及《新財務服務框架協議》

於2016年11月8日，本公司與香港鑫茂簽署股權認購協議。根據該協議，香港鑫茂以每股0.52港元認購本公司659,400,000股普通股股份（2016年11月8日之收市價格為每股0.63港元），認購股份之面值總額為6,594,000港元。有關交易完成後，香港鑫茂持有本公司增發後經擴大已發行股本的9.99%，成為本公司第二大股東。扣除相關支出，本次增發所得款項約為3.4億港元（即每股認購股份認購價淨額約0.5153港元），將用於本公司後續在市場低迷時按具競爭力的成本自海外收購鈾。於2016年12月31日，該筆款項未被使用，後續將用於預期用途。更多詳情請參閱本公司日期為2016年11月9日之公告。

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Since the original financial service framework agreement has expired on 31 December 2016, the Company and CGNPC Huasheng entered into the New Financial Service Framework Agreement. Such agreement was approved at the EGM for a term commencing from 1 January 2017 to 31 December 2019 (both days inclusive). The New Financial Service Framework Agreement, to a maximum extent, ensures a safe finance of the Company and reduces its financial costs.

Major Acquisition/Disposal

On 27 January 2016, the Company completed the acquisition of 19.99% equity interest in Fission. The Company subscribed for 96,736,540 ordinary shares of Fission at a price of CAD0.85 per share. Pursuant to share subscription agreement, the Company obtained 20% of the annual production volume of the PLS Property acquired from Fission at a discount rate of 5% of the average spot price index published by Trade Tech, Inc. (Trade Tech of Denver Tech Center) and UxC (the LCX Consulting Company, LLC) and the Company may acquire an additional 15% of off-take rights of the annual production volume of the PLS Property.

Potential risks during operation and risk management

Risks of single supplier and single customer

During the reporting period, all supply of the Company's natural uranium is from the exercise of the off-take rights of Semizbay-U; on the other hand, because of Chinese import restriction on natural uranium and the strong demand from nuclear power plants owners of CGN Group, all natural uranium products are selling to CGNPC-URC (one of the few companies which holds the import and export permits of natural uranium in the PRC), resulting in the risks of relying on single supplier and single customer to the Company.

In respect of the risk of single supplier, the Company aims to cultivate its purchasing ability of natural uranium from other channels, to ensure that once Semizbay-U cannot provide sufficient supply due to operation difficulties, the Company can promptly activate its emergency mechanism to offer sufficient sales to its customer.

鑒於原《財務服務框架協議》已於2016年12月31日到期，本公司與中廣核華盛訂立《新財務服務框架協議》，該協議獲得股東特別大會批准，期限從2017年1月1日至2019年12月31日(包括首尾兩日)。《新財務服務框架協議》在最大程度保證了本公司的財務安全及財務成本的降低。

重大收購／出售

本公司於2016年1月27日完成收購Fission公司19.99%股權的交割。本公司以每股0.85加元認購Fission公司96,736,540股普通股。根據股權認購協議，本公司獲得以交付時Trade Tech, Inc. (Trade Tech of Denver Tech Center)及UxC (the LCX Consulting Company, LLC)現貨價格平均指數的5%折讓率向Fission公司採購PLS項目年產量20%及可選擇向Fission購買PLS項目年產量額外15%的包銷權。

經營中的潛在風險及風險管理

單一供應商和單一客戶的風險

於報告期內，本公司天然鈾的供應全部來自謝公司包銷權的行使；另一方面，由於中國天然鈾進口限制及中廣核集團旗下核電站業主的強勁需求，天然鈾全部出售給中廣核鈾業發展(中國少數持有天然鈾進出口許可證之公司之一)，導致本公司存在對單一供應商和單一客戶依賴的潛在風險。

針對單一供應商的風險，本公司亦在培養其他渠道的天然鈾採購能力，以確保一旦因謝公司經營出現問題而不能足額供應時，可以及時啟動應急機制，保證對客戶的足額銷售。

In respect of the risk of relying on single customer, the Company obtained a written commitment from CGNPC-URC for its procurement priority. The sales volume of the Company only take a very small proportion of the annual consumption volume of the nuclear power plants of the CGN Group. Therefore, the Company will not be exposed to the risk of non-performance of the procurement commitment by CGNPC-URC.

Risk of fluctuation in foreign exchange rate

The major investment assets of the Company are located at Kazakhstan and Canada, fluctuation of local currencies will cause material effects on the recognition of investment interests of the Company. Thus, the Company will continue to pay close attention to and assess the impacts of the risk of exchange rate.

BUSINESS PROSPECTS

Forecast of the natural uranium market

In 2016, spot prices of natural uranium kept decreasing from USD34.65/lb in January to USD17.75/lb in November. Despite a slight rebound to USD20.25/lb in December, the entire decline trend of prices remained unchanged. The price of the long-term market also dropped from USD44.00/lb at the beginning of the year to USD30.00/lb at the end of the year. Combining all analysis reports released by major institutions, the Company forecasts that the over-supply trend in the natural uranium market will continue in short term and the price of natural uranium in 2017 will maintain at a low level and with downside potential. Due to the production reducing plans of large-scale producers, the market price in early 2017 may rebound temporarily. However, the downward trend for the year will not change. It is expected that the market will be still at a destocking stage in the coming years, and uncertainty still exists in the recovery of Japan's nuclear power. Although part of manufacturers reduced their production which may lead to a slightly increase of the price level as compared with the current stage, the entire market may still be sluggish. In face of such market environment, the Company will adopt measures for controlling production costs and strengthen its management and control of risks, so as to maintain its stable operation.

針對依賴單一客戶風險，本公司獲得了中廣核鈾業發展關於優先保證採購的書面承諾，而本公司的銷售量相較於中廣核集團核電站的年度用量，比例非常低，故不會發生中廣核鈾業發展不履行採購承諾的風險。

匯率波動風險

本公司主要投資資產位於哈薩克斯坦及加拿大，其所在國本位貨幣的波動對本公司投資權益的確認將產生較大影響，本公司將持續關注並評估匯率風險帶來的影響。

業務展望

天然鈾市場形勢研判

2016年，天然鈾現貨價格從1月份的34.65美元/lb一路下跌至11月份的17.75美元/lb，12月份雖小幅反彈至20.25美元/lb，但價格整體下滑的趨勢沒有本質改變。長期市場價格也從年初的44.00美元/lb下跌至年底的30.00美元/lb。結合各大機構的分析報告，本公司預計，短期內天然鈾市場仍將維持供大於求的態勢，2017年天然鈾價格將繼續維持在低位，並存在繼續下行的空間。受大型生產商減產計劃影響，2017年前期市場價格可能會短暫回升，但全年低迷的態勢預計不會有本質變化。預計未來數年市場仍將處於庫存消化期，日本核電重啟繼續面臨不確定性，雖然部分生產商由於長期虧損而減產，可能使價格支撐位較當前會有小幅提升，但整體仍可能處於低迷態勢。面對此種市場環境，本公司將採取控制生產成本、加強風險管控等手段應對，確保公司平穩經營。

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Focusing on the reversal timing of natural uranium market and grasping opportunities for acquiring new projects

The Company will continuously pay great effort in market research and pay close attention to the price trend of natural uranium. On the one hand, the Company will explore new business model of foreign trade of natural uranium under the circumstances where risks are controllable; on the other hand, the Company will continue to focus on oversea uranium projects which have low costs and with high-quality, especially taking the in-situ leachable sandstone-type uranium mines in Central Asia and high grade uranium mines in Canada as its main targets. In the meantime, the Company will be active in establishing strategic partnership with famous international uranium manufacturers and traders and will capture opportunities for developing uranium mines according to its established strategies, in order to make full preparation before the reversal of the natural uranium market and to avoid missing opportunities.

Enhancing the management of investor relationship

The Company will further enhance its management of investor relationship, so as to build up good reputation of an honest, responsible and regulated image in the capital market. As for information disclosure, save for statutory disclosure, the Company will also make voluntary disclosure in order to increase the transparency of corporate information. As for communication with institutional investors, the Company will pay visits to key institutional investors regularly to inform them of the Company's latest operating status and procure the Company to be placed on the investment lists of institutional investors and attract the institutional investors to become our shareholders in the secondary market. As for communication with securities institutes, we will actively invite various brokerages to track CGN Mining for preparing research reports.

關注天然鈾市場反轉時機，擇機開展新項目併購

本公司將持續加強市場研究，密切關注天然鈾價格走勢，一方面，在確保風險可控的前提下，探索天然鈾國際貿易業務新模式；另一方面，持續關注海外低成本優質鈾資源項目，尤其以中亞的可地浸砂岩鈾礦和加拿大的高品位鈾礦為重點目標；同時積極與國際知名鈾生產商、貿易商建立戰略夥伴關係，按既定策略擇機開發鈾礦項目，在市場反轉前做好準備，避免錯過市場反轉的機會。

提升投資者關係管理水平

本公司將進一步加強投資者關係管理，樹立坦誠、負責、規範的資本市場良好形象。在信息披露方面，除法定披露信息外，加強自願披露，提升公司信息的透明度。與機構投資者溝通方面，會定期拜會重點機構投資者，向其推介公司最新經營情況；推動公司納入機構投資者投資名單，在二級市場吸引機構投資者成為股東。與證券機構溝通方面，我們將積極邀請各家券商研究員跟蹤中廣核礦業，編寫研究報告。

Optimizing corporate operation and governance structure

In 2017, the Company will optimize its operation, reduce operating costs and enhance management efficiency according to its business development needs. Regarding to the management and control of joint stock subsidiaries, the Company will release the monthly report of those joint stock subsidiaries within the Company regularly, conduct preliminary reviews of papers regarding the issues to be proposed at shareholder's meetings and board meetings, especially focusing on financial information research and pay close attention to financial budget, dividends and cost control issues. The Company will also endeavor to attract institutional investors so as to optimize its shareholders' structure, which will be beneficial to the long-term development of the Company.

Operation and management of the Company

The Company positions as the sole overseas uranium exploration, investment and financing platform for CGN Group, and it will continue to optimize its asset portfolio by taking full advantages of the capital market. Through establishing a reasonable and high-quality uranium resources project foundation, the Company aims to enhance its position and bargaining power in the industry, and strive for a growth in shareholder value ultimately.

In 2017, the Company will adhere to its three operation and management strategies of "stabilizing operations, striving for development and strengthening the management" to carry out its business:

In stabilizing operations, the Company will strengthen its management and control of Semizbay-U so as to achieve its goals of costs control, production volume and profitability of Semizbay-U and to ensure the realization of the off-take targets of the Company itself for the year. As for Fission, the Company will, through its influence on the board of Fission and the online financial audit, procure Fission to control its expenses and maintain capital reserve so as to cross over the "winter" and welcome the "spring" in the market.

In striving for development, the Company will implement the new uranium deposit project in Kazakhstan as scheduled and reach its targets by phases. In the meantime, the Company will track and select high-quality uranium deposits in rich uranium oversea regions and focus on high-quality projects in Central Asia and Canada.

優化組織運作與治理結構

2017年本公司將根據業務發展需要不斷優化組織運作，降低運營成本，提升管理效率。對參股下屬公司的管控方面，本公司將在公司內部定期發佈參股公司經營月報，組織好對參股公司股東會、董事會議案的預審工作，重點做好財務信息搜集，關注財務預決算、分紅及成本控制情況。公司將繼續加強引進機構投資者的工作，以優化股東結構，從而有利公司長遠發展。

公司經營管理

本公司定位為中廣核集團海外鈾資源開發融資的唯一平台，將充分借力資本市場，持續優化資產組合。通過構建合理、優質的鈾資源項目梯隊，逐步提升本公司的行業地位及行業話語權，最終實現股東價值增長。

2017年，本公司的經營管理將圍繞「穩經營、求發展、強管理」三方面重點任務開展工作：

於穩經營方面，本公司將強化對謝公司的管控，確保謝公司成本控制目標、產量目標、盈利目標及本公司年度包銷目標的實現；對於Fission公司，本公司將通過對其董事會的影響力和財務在線審核，使其控制開支，保有現金，以渡過市場寒冬迎接市場春天。

於促發展方面，按計劃推進哈薩克斯坦新鈾礦項目，完成階段目標；同時跟蹤並篩選海外富鈾地區高品質鈾礦，重點關注中亞、加拿大地區的優質項目。

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In strengthening the management, firstly, the Company will formulate a comprehensive incentive scheme for staff, so as to support the business development of the Company; secondly, the Company will strengthen its management of the operating plan and improve its risks assessment, so as to ensure the implementation of its operating plans and risk management and control measures.

During the Thirteen-Five Period, the major development goal of the Company is to become an influential natural uranium supplier and the Company will move towards such goal.

FINANCIAL PERFORMANCE AND ANALYSIS

Financial performance reflects the operation of the Company throughout the year. By paying attention to changes in financial indicators, business development of the Company can be fully understood.

Overview of financial results and position

Major Financial Indicators

於加強管理方面，一是做好關鍵人才激勵設計，支撐公司業務發展需要；二是加強公司經營計劃管理和風險跟蹤評估，確保公司經營計劃和風險管控措施的落實。

十三五期間，本公司的主要發展目標是成為一家有影響力的天然鈾供應商，後續將向著該目標努力前行。

財務表現與分析

財務表現反映本公司全年運營情況，通過關注財務指標的變動，將能全面了解本公司的業務發展狀況。

財務業績及狀況概覽

主要財務指標

		2016 2016年	2015 2015年
Profitability indicators	盈利能力指標		
Gross profit margin (%) ¹	毛利率 (%) ¹	59.84	40.21
EDITDA (HK\$ million) ²	EBITDA (百萬港元) ²	471.46	373.25
EBITDA/Revenue (%) ³	EBITDA/營業額比率 (%) ³	66.61	53.06
Net profit margin (%) ⁴	淨溢利率 (%) ⁴	54.98	42.36
Operation ability indicators	營運能力指標		
Trade receivables cycle – average (days) ⁵	應收賬款周期—平均 (天) ⁵	50	106
Inventory cycle – average (Not including goods in transit) (days) ⁶	存貨周期—平均 (不包括在途商品) (天) ⁶	N/A	14
Investment return indicators	投資回報指標		
Return on equity (%) ⁷	權益回報率 (%) ⁷	30.21	27.60
Profit attributable to owners of the Company to revenue ratio ⁸	本公司擁有人應佔溢利 與營業額比率 ⁸	54.98	42.36
Return on assets (%) ⁹	總資產回報率 (%) ⁹	25.67	17.58
Repayment ability indicators	償債能力指標		
Liability component of the convertible bonds (HK\$ million)	可換股債券的負債部分 (百萬港元)	—	289.93
Bank balances and cash (HK\$ million)	銀行結存及現金 (百萬港元)	40.92	285.53
Net tangible assets (HK\$ million) ¹⁰	有形資產淨值 (百萬港元) ¹⁰	1,816.56	759.65
Gearing ratio (%) ¹¹	資本負債比率 (%) ¹¹	3.85	50.77
Interest coverage ¹²	利息覆蓋率 ¹²	83.83	16.82

- | | |
|---|---|
| <p>1. Difference between revenue and cost of sales divided by revenue multiplied by 100%.</p> <p>2. The sum of profit before tax, finance costs, depreciation and amortisation, if any.</p> <p>3. The sum of profit before tax, finance costs, depreciation and amortisation, if any, divided by revenue multiplied by 100%.</p> <p>4. Profit for the year divided by revenue multiplied by 100%.</p> <p>5. Average receivables (i.e the arithmetic average of the beginning and the end of reporting period) divided by average daily sales (revenue divided by 360 days).</p> <p>6. Average amount of inventory (i.e the arithmetic average of the beginning and the end of reporting period) multiplied by 360 divided by cost of sales.</p> <p>7. Profit attributable to owners of the Company divided by total average equity (i.e the arithmetic average of the beginning and the end of reporting period) multiplied by 100%.</p> <p>8. Profit attributable to owners of the Company divided by the revenue multiplied by 100%.</p> <p>9. Profit for the year divided by total average assets (i.e the arithmetic average of the beginning and the end of reporting period) multiplied by 100%.</p> <p>10. Net assets less intangible assets, if any.</p> <p>11. Total debt divided by total equity multiplied by 100%.</p> <p>12. Profit before interest and taxes divided by interest expense.</p> | <p>1. 營業額與銷售成本之差除以營業額再乘以100%。</p> <p>2. 除稅前溢利、融資成本、折舊及攤銷(如有)之和。</p> <p>3. 除稅前溢利、融資成本、折舊及攤銷(如有)之和除以營業額再乘以100%。</p> <p>4. 本年度溢利除以營業額再乘以100%。</p> <p>5. 平均應收賬款(即期初期末算術平均值)除以平均日銷售額(營業額除以360天)。</p> <p>6. 存貨平均金額(即期初期末算術平均值)乘以360除以銷售成本。</p> <p>7. 本公司擁有人應佔溢利除以平均權益(即期初期末算術平均值)總額再乘以100%。</p> <p>8. 本公司擁有人應佔溢利除以營業額再乘以100%。</p> <p>9. 本年度溢利除以平均資產(即期初期末算術平均值)總額再乘以100%。</p> <p>10. 淨資產減去無形資產的淨值(如有)。</p> <p>11. 債務總額除以權益總額再乘以100%。</p> <p>12. 除利息及稅項前的溢利除以利息支出。</p> |
|---|---|

Financial results

As at 31 December 2016, the Group realized revenue of HK\$708 million from continuing businesses, representing an increase of HK\$5 million or 1% as compared to the revenue of HK\$703 million in 2015; the Group realized profit of HK\$389 million, representing an increase of HK\$91 million or 31% as compared to the profit of HK\$298 million in 2015. Profit attributable to owners of the Company was HK\$389 million, representing an increase of HK\$91 million or 31% as compared to the profit of HK\$298 million in 2015.

財務業績

截至2016年12月31日，本集團實現營業額(持續性業務)708百萬港元，較2015年的703百萬港元增加5百萬港元，同比增加1%；實現溢利389百萬港元，比2015年的298百萬港元增加91百萬港元，同比增加31%。本公司擁有人應佔溢利389百萬港元，比2015年的298百萬港元增加91百萬港元，同比增加31%。

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REVENUE

營業額

		For the year ended 31 December 截至12月31日止年度		Movements 變動	Percentage change 變動百分比
		2016 2016年	2015 2015年	Increase/ (Decrease) 增加/(減少)	Increase/ (Decrease) 增加/(減少)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	%
Natural uranium trading	天然鈾貿易	705,556	700,391	5,165	0.74
Property investment	物業投資	2,193	3,031	(838)	(27.65)
Total revenue	營業額合計	707,749	703,422	4,327	0.62

The revenue of 2016 of the Group increased by 0.62% to HK\$708 million as compared to the revenue of HK\$703 million of 2015. It was mainly due to the slight increase in the selling price of natural uranium of the Group for 2016 as compared with 2015.

本集團的營業額由2015年的703百萬港元增加0.62%至2016年的708百萬港元。主要原因是本集團於2016年天然鈾銷售價格較2015年有小幅增加。

Cost of sales

銷售成本

		For the year ended 31 December 截至12月31日止年度		Movements 變動	Percentage change 變動百分比
		2016 2016年	2015 2015年	Increase/ (Decrease) 增加/(減少)	Increase/ (Decrease) 增加/(減少)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	%
Natural uranium trading	天然鈾貿易	284,244	420,409	(136,165)	(32.39)
Property investment	物業投資	-	170	(170)	(100.00)
Total cost of sales	銷售成本合計	284,244	420,579	(136,335)	(32.42)

The cost of sales of the Group decreased by 32.42% from HK\$421 million in 2015 to HK\$284 million in 2016. It was mainly due to the significant decrease in the purchasing price of natural uranium of the Group for 2016 as compared with 2015.

本集團銷售成本由2015年的421百萬港元減少32.42%至2016年的284百萬港元。主要原因是本集團於2016年天然鈾的採購價格較2015年有較大幅度下降。

Other operating income

The other operating income of the Group decreased by 58.82% from HK\$17 million in 2015 to HK\$7 million in 2016, mainly due to the decrease in interest income generated since the fund paid upon the settlement for the acquisition of Fission, decrease in trade deposit interest income from a joint venture and no interest charging on overdue trade receivable.

Administrative expenses

Administrative expenses of the Group increased by 32% from HK\$31 million in 2015 to HK\$41 million in 2016, mainly due to the inclusion of the administrative expenses of Beijing Sino-Kazakh in 2016, while only part of its monthly administrative expenses were included in 2015.

Share of results of a joint venture

Our joint venture is Semizbay-U, and our share of results of a joint venture increased from the profit of HK\$5.36 million in 2015 to the profit of HK\$44.58 million in 2016.

Share of results of an associate

The associate of the Company is Fission. On 27 January 2016, the Company completed the acquisition of 19.99% equity interest in Fission and shared its results of HK\$33.28 million in 2016.

Finance costs

The finance costs of the Company decreased by 73% from HK\$22 million in 2015 to HK\$6 million in 2016. The main reason is that China Uranium Development exercised the conversion rights attached to the convertible bonds in respect of a principal amount of HK\$300,000,000 at the conversion price of HK\$0.23 per conversion share on 9 May 2016.

其他經營收入

本集團其他經營收入由2015年的17百萬港元減少58.82%至2016年的7百萬港元，主要原因是本集團支付用於收購Fission公司並購款後利息收入減少、合營企業之預付款利息減少及未有逾期應收賬款之利息發生。

行政開支

本集團行政開支由2015年的31百萬港元增加32%至2016年的41百萬港元，主要原因是2016年計入北京中哈鈾全年的行政開支，2015年只計入其部分月度行政開支。

應佔一間合營企業業績

本公司的合營企業為謝公司，本公司應佔合營企業業績由2015年的溢利5.36百萬港元增加至2016年的44.58百萬港元。

應佔一間聯營企業業績

本公司的聯營企業為Fission公司，本公司於2016年1月27日完成對Fission公司19.99%股權併購，2016年應佔聯營企業業績為33.28百萬港元。

融資成本

本公司融資成本由2015年的22百萬港元減少73%至2016年6百萬港元。主要原因是2016年5月9日，中國鈾業發展以每股換股股份0.23港元的轉換價就本金額300,000,000港元的可換股債券行使換股權。

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Income tax expenses

Income tax expenses increased by 50% from HK\$50 million in 2015 to HK\$75 million in 2016, mainly due to the increase in profit before taxation of the Company for 2016 as compared with 2015.

Profit for the year

Our annual profit significantly increased from HK\$298 million in 2015 to HK\$389 million in 2016. It was mainly from the increase on trading profits of off-take products and share of results of a joint venture and the gain on bargain purchase from the acquisition of an associate.

ASSETS CONDITION AND ANALYSIS

Total assets

As at 31 December 2016, the Group's total assets amounted to HK\$1,887 million, representing an increase of HK\$742 million or 65% from HK\$1,145 million as at 31 December 2015.

Net current assets

As at 31 December 2016, the Group's net current assets was HK\$1,079 million (2015: HK\$583 million). The change was primarily due to (i) the settlement of consideration of CAD82.2 million to Fission for acquiring 19.99% equity interest; (ii) the settlement of consideration of HK\$342,888,000 for placing 659,400,000 new shares to Hong Kong Xinmao; (iii) realization of trading revenue; and (iv) the completion of conversion of remaining convertible bonds.

所得稅支出

所得稅支出由2015年的50百萬港元增長50%至2016年的75百萬港元，主要原因是本公司2016除稅前溢利比2015年有較大增長。

本年度溢利

我們的年度溢利由2015年的298百萬港元大幅增長至2016年的389百萬港元。主要來自包銷產品貿易溢利、應佔合營企業業績的增長及有關收購聯營企業的議價收益。

資產狀況及分析

總資產

於2016年12月31日，本集團資產總額1,887百萬港元，比2015年12月31日的1,145百萬港元增加742百萬港元，增長65%。

流動資產淨值

於2016年12月31日，本集團流動資產淨值1,079百萬港元(2015年：583百萬港元)，變動的主要原因是(i)本公司期間已向Fission公司支付收購19.99%股權的82.2百萬加元；(ii)向香港鑫茂配售659,400,000新股份融資342,888,000港元；(iii)實現貿易收入；及(iv)所有剩餘可換股債券已完成換股。

Current assets

流動資產

		As at 31 December		Movements	Percentage change
		於 12 月 31 日		變動	變動百分比
		2016	2015	Increase/ (Decrease)	Increase/ (Decrease)
		2016 年	2015 年	增加/(減少)	增加/(減少)
		HK\$'000	HK\$'000	HK\$'000	%
		千港元	千港元	千港元	
Amount due from an intermediate holding company	應收一間中間控股公司款項	2,650	10,074	(7,424)	(73.69)
Trade and other receivables	應收賬款及其他應收款項	8,886	185,721	(176,835)	(95.22)
Amounts due from fellow subsidiaries	應收同系附屬公司款項	1,080,947	476,588	604,359	126.81
Bank balances and cash	銀行結存及現金	40,915	285,528	(244,613)	(85.67)
Total current assets	流動資產總額	1,133,398	957,911	175,487	18.32

As at 31 December 2016, the current assets of the Group were HK\$1,133 million, representing an increase of HK\$175 million or 18.32% from HK\$958 million as at 31 December 2015, primarily due to the realization of trading revenue and financing from placement of new shares which resulted in the significant increase of deposits in fellow subsidiaries.

於2016年12月31日，本集團流動資產為1,133百萬港元，比2015年12月31日的958百萬港元增加175百萬港元，增加18.32%，主要原因是本公司於報告期內實現貿易收入和配售新股融資以致存放於同系附屬公司款項大幅增加。

As at 31 December 2016, the aggregate amount of bank balances and cash was approximately HK\$40.92 million (31 December 2015: HK\$285.53 million), among which approximately 4% (31 December 2015: 1%) was denominated in HKD, approximately 19% (31 December 2015: 6%) was denominated in USD, 0% (31 December 2015: 81%) was denominated in CAD and approximately 77% (31 December 2015: 12%) was denominated in RMB.

於2016年12月31日，本集團擁有的銀行結餘及現金資金共計約40.92百萬港元（2015年12月31日：285.53百萬港元），其中約4%（2015年12月31日：1%）為港元，約19%（2015年12月31日：6%）為美元，0%（2015年12月31日：81%）為加元，及約77%（2015年12月31日：12%）為人民幣。

As at 31 December 2016, the Group did not have any bank deposits and cash pledged to any banks (31 December 2015: nil).

於2016年12月31日，本集團沒有任何銀行結存及現金抵押銀行（2015年12月31日：無）。

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Non-current assets

非流動資產

		As at 31 December		Movements	Percentage
		於 12 月 31 日		變動額	變動百分比
		2016	2015	Increase/ (Decrease)	Increase/ (Decrease)
		2016 年	2015 年	增加/(減少)	增加/(減少)
		HK\$'000	HK\$'000	HK\$'000	%
		千港元	千港元	千港元	
Property, plant and equipment	物業、廠房及設備	17,347	20,339	(2,992)	(14.71)
Investment properties	投資物業	29,021	28,778	243	0.84
Interest in a joint venture	於一間合營企業之權益	186,467	138,272	48,195	34.86
Interest in an associate	於一間聯營企業之權益	520,316	–	520,316	100.00
Total non-current assets	非流動資產總額	753,151	187,389	565,762	301.92

As at 31 December 2016, the non-current assets of the Group were HK\$753 million, representing an increase of HK\$566 million or 301.92% from HK\$187 million as at 31 December 2015. It was mainly because the Company has completed the acquisition of 19.99% equity interest in Fission during the reporting period.

於 2016 年 12 月 31 日，本集團非流動資產 753 百萬元，比 2015 年 12 月 31 日的 187 百萬元增加 566 百萬元，增加 301.92%，主要原因是本公司在報告期間完成對 Fission 公司 19.99% 的股權收購。

Liabilities

The Group's total liabilities amounted to HK\$70 million, representing a decrease of HK\$316 million or 82% from HK\$386 million as at 31 December 2015.

負債

本集團負債總額 70 百萬元，比 2015 年 12 月 31 日的 386 百萬元減少 316 百萬元，減少 82%。

Current liabilities

流動負債

		As at 31 December		Movements	Percentage
		於 12 月 31 日		變動	變動百分比
		2016	2015	Increase/ (Decrease)	Increase/ (Decrease)
		2016 年	2015 年	增加/(減少)	增加/(減少)
		HK\$'000	HK\$'000	HK\$'000	%
		千港元	千港元	千港元	
Trade and other payables	應付賬款及其他應付款	8,803	46,453	(37,650)	(81.05)
Amount due to an intermediate holding company	應付一間中間控股公司款項	13,238	11,772	1,466	12.45
Amount due to a joint venture	應付一間合營企業款項	5,813	3,293	2,520	76.53
Amounts due to fellow subsidiaries	應付同系附屬公司款項	378	2,891	(2,513)	(86.92)
Convertible bonds	可換股債券	-	289,933	(289,933)	(100.00)
Income tax payable	應付所得稅	26,353	20,449	5,904	28.87
Total current liabilities	流動負債總額	54,585	374,791	(320,206)	(85.44)

As at 31 December 2016, the current liabilities of the Group were HK\$55 million, representing a decrease of HK\$320 million or 85.44% from HK\$375 million as at 31 December 2015, primarily due to the fact that China Uranium Development exercised its conversion rights of all its convertible bonds.

於2016年12月31日，本集團流動負債為55百萬港元，比2015年12月31日的375百萬港元減少320百萬港元，減少85.44%，主要原因是中國鈾業發展將其持有的全部可換股債券行使了換股權。

As at 31 December 2016, the Group had no bank borrowings (31 December 2015: Nil).

於2016年12月31日，本集團並沒有任何銀行貸款(2015年12月31日：無)。

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Non-current liabilities

非流動負債

		As at 31 December		Movements	Percentage
		於 12 月 31 日		變動	變動百分比
		2016	2015	Increase/ (Decrease)	Increase/ (Decrease)
		2016 年	2015 年	增加/(減少)	增加/(減少)
		HK\$'000	HK\$'000	HK\$'000	%
		千港元	千港元	千港元	
Deferred tax liabilities	遞延稅項負債	15,405	10,859	4,546	41.86
Total non-current liability	非流動負債總額	15,405	10,859	4,546	41.86

As at 31 December 2016, the non-current liabilities of the Group were HK\$15 million, representing an increase of HK\$4 million or 41.86% from HK\$11 million as at 31 December 2015, primarily due to the deferred tax liabilities as a result of the significant increase on profits shared by Semizbay-U during the year as compared to the profits shared in 2015.

於 2016 年 12 月 31 日，本集團非流動資產為 15 百萬港元，比 2015 年 12 月 31 日的 11 百萬港元增加 4 百萬港元，增加 41.86%。主要原因是應佔謝公司本年度溢利較 2015 年大幅提升，而產生之遞延稅項負債。

Total Equity

權益總額

		As at 31 December		Movements	Percentage
		於 12 月 31 日		變動額	變動百分比
		2016	2015	Increase/ (Decrease)	Increase/ (Decrease)
		2016 年	2015 年	增加/(減少)	增加/(減少)
		HK\$'000	HK\$'000	HK\$'000	%
		千港元	千港元	千港元	
Share capital	股本	66,007	46,369	19,638	42.35
Reserves	儲備	1,750,552	713,281	1,037,271	145.42
Total equity	權益總額	1,816,559	759,650	1,056,909	139.13

As at 31 December 2016, total equity of the Group amounted to HK\$1,817 million, representing an increase of HK\$1,057 million or 139.13% from HK\$760 million as at 31 December 2015, mainly attributable to (i) trading profits from off-take products; (ii) gain on bargain purchase from acquisition of an associate; (iii) the facts that China Uranium Development exercised its conversion rights of the convertible bonds in an amount of HK\$300,000,000 at a conversion price of HK\$0.23 per conversion share and the Company allotted and issued 1,304,347,826 conversion shares to China Uranium Development; and (iv) the fact that the Company placed 659,400,000 new shares to Hong Kong Xinmao at a price of HK\$0.52 per share.

於 2016 年 12 月 31 日，本集團權益總額 1,817 百萬港元，比 2015 年 12 月 31 日的 760 百萬港元增加 1,057 百萬港元，增加 139.13%，主要原因是 (i) 包銷產品貿易溢利；(ii) 有關收購聯營企業之議價收益；(iii) 中國鈾業發展按每股換股股份 0.23 港元的轉換價就本金額 300,000,000 港元的可換股債券行使換股權，本公司向中國鈾業發展配發及發行 1,304,347,826 股換股股份；及 (iv) 向香港鑫茂以每股 0.52 港元配售 659,400,000 新股份。

Due to the decrease in liabilities, the Group's gearing ratio (total borrowings/equity attributable to owners of the Company) dropped to 4% (2015: 51%).

FINANCIAL CAPITAL

Financial assets and analysis

The Company adopts conservative capital and treasury policy and goals. During the reporting period, the Company's operating fund was mainly from the cash generated from operating activities and the consideration in received from the placement to Hong Kong Xinmao.

The capital needs requirements of the Company mainly comes from the acquisition expenses of acquiring natural uranium resources and funds for operation. During the reporting period, the Company has paid the consideration of CAD82.2 million to Fission for acquiring 19.99% equity interest. Since the Group had sufficient capital, such transaction was funded by its own capital and without any financing arrangement. Once suitable opportunities for acquisition arise in the future, the Group can obtain short-term borrowings from CGNPC Huasheng and also raise long-term funds through diverse financing channels to meet the needs of the project.

The financing capacity of the Company is affected by on multiple external and internal factors. In order to obtain financing on more favourable terms, the Company have to understand the external financing environment, adopt a reasonable financing model and strategies and strict management measures for debt risks.

External financing environment

The Company will continue to pay close attention to the trends in the financial market, consider how to respond to internal and external financial risks and adopt effective preventive measures for further safety of fund and financing, in order to facilitate financial health and development of core business of the Company.

因負債減少，本集團資本借貸比率(全部借貸/本公司擁有人應佔權益)下降至4%(2015年：51%)。

財務資本

財務資產及分析

本公司採納了保守的資金與庫務政策及目標。報告期間，公司的運營資金主要來自經營活動產生的現金及從香港鑫茂的配股事宜中獲得的對價。

本公司現金需求主要包括為收購天然鈾資源而發生的併購開支以及運營的資金需求。報告期內，本公司已就收購 Fission 公司 19.99% 股權事項支付對價 82.8 百萬加元，由於本集團自有資金充足，是次交易全部以本集團自有資金支付，沒有涉及融資安排。若未來有合適的併購機會，本集團可從中廣核華盛借入短期資金，同時將利用多元化的融資渠道籌集長期資金，以應付項目所需。

本公司的融資能力受到外部和內部多種因素的影響，為實現以更有利條件取得融資的目標，公司需要了解外部融資環境，採取合理的融資模式及策略、嚴謹的債務風險管理措施。

外部融資環境

本公司將一直密切關注金融市場走向，積極考慮如何應對來自內外部的金融風險，採取有效的預防措施進一步保障資金及融資安全，以促進公司的財務健康及核心業務發展。

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Financing model

Given the complex and ever-changing financial market environment, the Company has been exploring diverse financing approaches and strive to establish a financing model with combination of short, medium and long-term capitals, merges direct financing and indirect financing and with various channels to ensure the stable fund security. In the process of debt financing, the Company has followed the principle of considering both costs and safety. The Company is dedicated to seeking competitive financing cost but does not take the lowest financing costs as its only goal in order not to damage financing security and the quality of service received.

Types of financing products

Diversified financing varieties enable the Company to avoid from relying on a single financing channel, so as to ensure that the Company has choices in meeting the needs of different types of capital.

On 18 December 2015, the Company (as borrower) and CGNPC Huasheng (as lender) entered into a loan agreement, pursuant to which the Company can borrow from CGNPC Huasheng for short-term capital within the limit of total borrowing from time to time within 3 years of first withdrawal. As at 31 December 2016, the Company did not have any borrowing from external banks.

On 13 December 2016, the Company completed the placing of 659,400,000 new shares to Hong Kong Xinmao at a price of HK\$0.52 per share and raised a fund of HK\$342,888,000. The Company intended to use the fund in acquiring oversea uranium resources at a competitive cost under weak market conditions.

融資模式

在複雜多變的金融市場環境下，本公司一直探索多元化的融資方式，努力建立短、中、長期資金相互搭配、直接融資與間接融資相結合、多種渠道並舉的融資模式，為公司提供穩健的資金保障。在債務融資過程中，本公司始終遵循成本和安全兼顧的原則。公司致力追求具有競爭力的融資成本，卻並不以最低的融資成本為唯一目標，以免損害融資安全及接受的服務質量。

融資品種

多元化的融資品種可避免對單一融資渠道的依賴，保證公司在不同類型的資金需求有適當的選擇空間。

於2015年12月18日，本公司(作為借款人)與中廣核華盛(作為貸款人)訂立貸款協定，據此，本公司自首次提款日起的三年內，在總貸款額度內，可不時向中廣核華盛借入資金用於短期資金周轉。於2016年12月31日，本公司尚無來自外部銀行的貸款。

於2016年12月13日，本公司以每股0.52港元完成向香港鑫茂配售659,400,000新股份，實現融資342,888,000港元。本公司擬將該筆資金用於在市場低迷時按具競爭力的成本進行海外鈾資源併購。

Exchange rate

During the period, the Group's sale and purchase of products were mainly settled in USD and RMB (2015: USD and RMB), while its cash was mainly denominated in USD and HKD (2015: USD and HKD).

In 2016, the Group did not have any forward foreign exchange contracts, interests or currency swaps or other financial derivatives for hedging purposes, and the Group did not experience any significant difficulty or impact in its operation or liquidity due to the fluctuation in exchange rate.

Capital structure

As at 31 December 2016, the Company had 6,600,682,645 ordinary shares in issue totally (31 December 2015: 4,636,934,819 ordinary shares), the market value of the Company was approximately HK\$3,900 million (31 December 2015: HK\$2,800 million).

Risk management of debt

As at 31 December 2016, there were no banking borrowings or other borrowings of the Company. The Company did not provide security for subsidiaries or other companies, and subsidiaries are also not allowed to provide security of any form for any unit or person, without the approval of the authority department of the Company.

In order to manage liquidity risk, the Company formulates a comprehensive system to monitor the cash and cash equivalents and the unutilized credit level of the Company, to ensure a sufficient liquidity for the operation of the Company and to lower the effect from the cash flow volatility. Management of the Company will also keep an eye on the external borrowing, to ensure the sufficiency of unutilized borrowing credit. As at 31 December 2016, the Company has undrawn borrowing credit of USD300,000,000.

匯率

期內，本集團的產品銷售及採購都主要以美元及人民幣結算(2015年：美元及人民幣)，所持有的資金主要為美元及港元(2015年：美元及港元)。

於2016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，且本集團並未因匯率波動而於其營運或流動資金上遭受任何重大困難或影響。

資本結構

於2016年12月31日，本公司共發行共6,600,682,645股普通股(2015年12月31日：4,636,934,819股普通股)，市值約3,900百萬港元(2015年12月31日：2,800百萬港元)

債務風險管理

於2016年12月31日，本公司無任何銀行借款或其他借款。本公司亦未對附屬公司或其他公司提供擔保，亦不允許附屬公司在未經有權機構批准的前提下，為任何單位或個人提供任何形式的擔保。

為管理流動資金風險，本公司設有完善的制度流程以監控公司的現金及現金等值項目以及未動用的授信水平，以確保能夠為公司經營及減少現金流波動影響提供充足的現金支持。公司管理層亦對對外借款情況持續關注，以確保有足夠未運用的借款信用額度。於2016年12月31日，本公司擁有3億美元未提取的借款授信。

Directors' Report

董事會報告

Dividend distribution

The Board recommended a payment of final cash dividend of HK\$0.02 per share for the year ended 31 December 2016 to shareholders of the Company as of the record date for payment of dividend on 20 June 2017 (Tuesday). The ratio of final dividend distribution for the year is based on the various factors such as business performance in 2016. The Company will also take into consideration the Company's business performance, future developing strategies and other factors for the relevant year when determining the dividend distribution ratio for such year, provided that it shall not be lower than 20% of the distributable net profit of the continuous business for such year.

CONTINGENCY EVENTS

External guarantees

In 2016, the Group did not have any external guarantee (2015: Nil).

Pledge of assets

In 2016, the Group did not have any pledge of assets (2015: Nil).

Contingent liability

As at 31 December 2016, the Group did not have any major contingent liability (31 December 2015: nil).

Legal proceedings

The Company confirmed that there was no litigation, and it is not aware of any pending or threatened litigation against the Company which had or could have a material and adverse effect on the financial condition or results of operations of the Company during the reporting period.

Compliance with laws and regulations

For the year ended 31 December 2016 and up to the date of this report, to the knowledge of the Directors, the Group complied with applicable laws, rules and regulations in all material aspects.

股息派發

董事會建議向本公司股東派發截止2016年12月31日止年度的末期現金股息每股0.02港元予截止末期股息登記日期(2017年6月20日(星期二))的股東。本年度末期股息分配比例是基於公司2016年度業務表現等各方面因素考慮。公司在考慮將來的股息分配比例時，將會繼續按照當年業務表現、未來發展戰略及其他因素綜合考慮，以不低於當年持續性業務可供分配淨溢利的20%為准。

或然事項

對外擔保

於2016年度，本集團並無對外擔保(2015年：無)。

資產抵押

於2016年度，本集團並無資產抵押(2015年：無)。

或然負債

於2016年12月31日，本集團並無重大或然負債(2015年12月31日：無)。

法律訴訟

本公司確認於報告期內，本公司概無面臨任何重大訴訟，且不知悉任何未決或面臨威脅的訴訟已經或可能會對本公司財務狀況或經營造成重大不利影響。

遵守法律及法規

截至2016年12月31日止年度及截至本報告日期，據董事所知，本集團於所有重大方面均遵守相關法律，規則及法規。

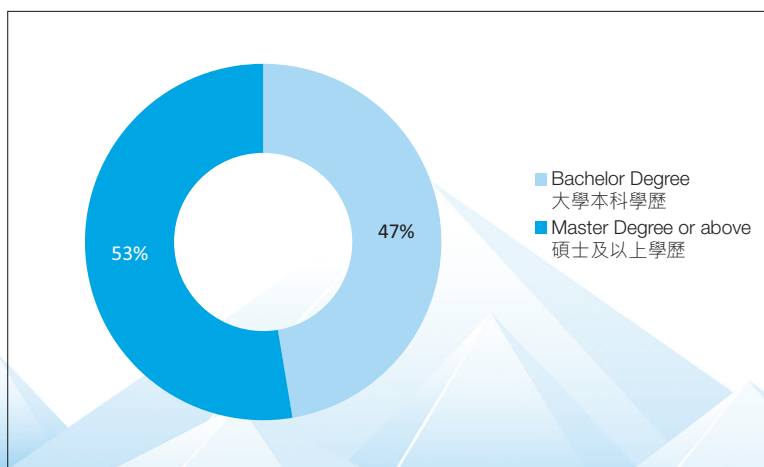
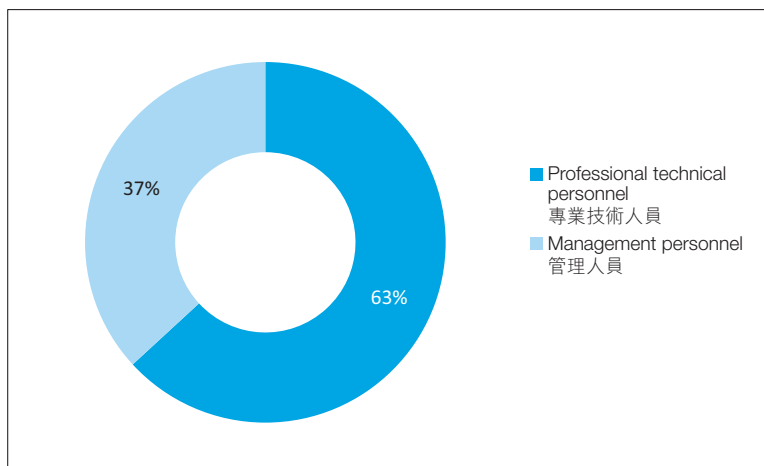
Human Capital

The Company always concerned about how to reasonably utilise and protect human capital so as to provide security of talents for the sustainable development of the Company. In the meantime, the Company focuses on optimizing and improving the human resources team and creates an outstanding team of management and professional talents.

As at 31 December 2016, the Group had 23 employees, 17 of these employees were located in China and 6 in Hong Kong. For further information about staff remuneration, please refer to the relevant contents in notes 16 and 17 of the consolidated financial statements.

TALENTS

Employee composition



人力資本

為了給公司的可持續發展提供人才保障，本公司一直注重人才的合理使用並關注人力資本的保護。同時，本公司強調人才隊伍的優化及提升並打造了一支優秀的包含管理及專業人才的隊伍。

於2016年12月31日，本集團共有23名僱員，其中17名駐於中國，6名駐於香港。有關僱員薪金詳情，請參考綜合財務報表附註16及17有關內容。

人才隊伍

員工結構

Directors' Report

董事會報告

Professional qualifications

In the current workforce, 48% employees have intermediate professional qualification or above.

EMPLOYMENT MECHANISM

Path of development

The Company respects growth and career development of each employee and has set two paths of career development, namely the management and the professional technology path, and has established the switch mechanism between the two paths. The staff can freely choose from the two career development paths and show their talents. Meanwhile, the Company provides guidance to staff to set up their personal career development plan, so as to help them to make rapid career growth.

Internal talent market

For better use of the ability and expertise of each employee, the Company established the internal talent market. The vacancies of the Company will be filled by internal talents firstly, through which the aspiration of individual employees can be better realized and the optimized allocation of internal human resources is achieved, thus to accomplish the common improvement of both the Company and employees.

EVALUATION SYSTEM

In order to ensure operating objectives could be effectively implemented, the Company has established a both incentive and restraint mechanism for staff appraisal, and tends to guide employees' conducts by way of continuous communication, feedback and improvement. Also, the Company will follow the steps of communication, coaching, tracking and assessment, during the formation and implementation of the performance plan, so as to reach the expected performance results, and promotes the co-development of the Company and staff.

CULTIVATING TALENTS

The Company has incorporated international and advanced experience in its talent cultivation, through combining its own characteristics, formed an autonomous talent cultivation mechanism and a regulated and highly effective training management system, which taking "training for entire staff, work under authorisation and lifelong education" as core values.

專業資格

現有員工隊伍中，持有中級及以上專業資格的員工佔比48%。

用人機制

發展通道

本公司注重員工的成長和職業發展，設有管理和專業技術兩個職業發展通道，並建立了兩個通道的轉換機制，員工可以在兩條職業發展通道上自由發展，充分發揮每一位員工的專長。與此同時，本公司於員工制定個人職業發展規劃方面提供指導，幫助員工快速成長。

內部人才市場

为了更好的發揮每位員工的能力和專長，公司建立了內部人才市場，公司空缺崗位優先通過公司內部人才市場補員，更好的實現員工個人發展訴求，優化內部人力資源配置，實現公司與員工共同發展。

考核制度

為確保公司經營目標的有效落實，本公司在員工考核方面建立了激勵與約束機制，並傾向通過持續的溝通、反饋、改進，引導員工工作行為。同時，建立完善的績效管理體系，通過績效計劃制定、績效計劃執行過程中進行溝通、輔導、跟蹤及評估，達成預期績效結果，促進公司和員工共同發展。

人才培養

公司通過吸收國際化先進的人才培養經驗，結合自身發展特點，形成了全員培訓、授權上崗、終身教育為核心理念的自主化人才培養體系和規範高效的培訓管理制度。

TRAINING RESOURCES

The Company has a comprehensive training system, providing various earnings, covering executive development program, cultivation and reservation for key positions, developing staff's general ability and etc, within which 12 courses for basic knowledge of nuclear fuel were developed, including aspects of the whole industrial chain from mining, smelting, assembly of final uranium products to the disposal of spent fuel. There are also 35 online courses, covering workplace technique, business communication and safety culture. These courses meet the Company's needs for rapid talent development effectively.

REMUNERATION SYSTEM

By incorporating industry features, the Company constructed a competitive remuneration system which appeals to quality talents and motivates employees effectively. The remuneration system reflects the value of positions and individual sharing and encourages long-term service of employees, jointly striving for continuous growth and sustainable development of the Company and sharing the results of corporate development. Remuneration is mainly composed of monthly salary, performance bonus, over-time pay, subsidies and benefits.

Other Information

ENVIRONMENTAL PROTECTION

The Company, as a green energy affiliate, pays high attention to environmental protection. and vigorously promotes environmental protection by promoting green, energy saving and environmental protection concept, such as advocating the green office, encouraging the replacement of paper document with electronic document, the use of double-sided printing and eco-friendly appliances etc. At the same time, the Company requests the staff to participate in promotional activities from time to time, such as tree planting activity, and promotes the use of public transports, or walking to substitute driving.

培訓資源

公司建立了完善的培訓體系，包含不同方面的培訓，內容覆蓋管理幹部能力提升項目、關鍵崗位人才培養與儲備項目、全員發展的通用能力培訓項目等，並已開發具有核燃料特色的基礎知識課程12門，涵蓋從鈾礦開採、礦石冶煉到形成最終核燃料組件產品，以及燃燒後廢料處理全產業鏈；並開發網絡課35門，涵蓋辦公技巧、商務溝通、安全文化等各類課程，有效滿足公司快速發展人才培養的需求。

薪酬體系

為有效吸引高素質人才，激發員工潛能，公司結合行業特點，搭建了富有競爭力的薪酬體系。薪酬體系著重體現崗位價值和個人貢獻，鼓勵員工長期為企業服務，共同致力於企業的不斷成長和可持續性發展，同時共享企業發展所帶來的成果。薪酬主要由月薪、績效獎金、加班工資、津補貼和福利構成。

其他信息

環境保護

本公司作為與綠色能源相關的企業，十分重視環境保護並大力提倡保護環境，倡導綠色、節能及環保理念。包括在日常工作中大力倡導綠色辦公，鼓勵使用電子文件替代紙質文件、文件雙面打印及複印、裝置環保節能的電器等。同時，本公司亦不定期組織員工參與植樹活動及提倡以搭乘公共交通工具或者步行替代駕車出行的宣傳活動等。

Directors' Report

董事會報告

RELATIONSHIP WITH SUPPLIERS AND CUSTOMERS

During the reporting period, the Company maintained a good relationship with its suppliers and customers which ensured the timely delivery of goods and the timely settlement for goods.

SOCIAL PARTICIPATION

The Company has actively participated in social charity activities, and encourage the staff to join the “Showing love” activities, such as helping and visiting people in need. At the same time, Semizbay-U, a joint venture of the Company, donated money to subsidize the school fees of the children from poor family near the mines and provided career opportunities and supported local community development. Semizbay-U also committed to donate USD1 to the local government for infrastructure construction when producing every 1 kilogram of natural uranium.

EQUAL OPPORTUNITY AND DIVERSITY

The Company respects and treats every employee the same, and promotes equal opportunity and policy of diversification regardless of age, sex, marital status.

與供應商及客戶的關係

於回顧期內，本公司與供應商及客戶之間保持良好關係。確保貨物的及時送達及貨款的及時結算。

社會參與

公司積極參與社會慈善，鼓勵並組織員工參與「獻愛心」活動如幫助和探訪有需要人士。同時，本公司的合營企業謝公司通過捐獻資金幫助礦山附近的貧困學生完成學業及提供部分就業機會並資助當地社區發展，並承諾每生產1千克天然鈾，捐獻1美元予當地政府用於城市基礎設施建設。

平等機會與多元化

本公司尊重及平等對待每一位員工，並提倡機會平等及不分年齡、性別、婚姻狀況等的多元化政策。

SUBSIDIARIES

Details of the subsidiaries held by the Company are set out in note 38 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

As at 9 May 2016, China Uranium Development exercised its conversion rights of the convertible bonds in an amount of HK\$300,000,000 at a conversion price of HK\$0.23 per conversion share and the Company has allotted and issued 1,304,347,826 conversion shares to China Uranium Development. As at 31 December 2016, there are no outstanding convertible bonds of the Company. Details of the convertible bonds are set out in note 29 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Group during the year are set out on pages 111 and 112 of the annual report.

PROPERTIES, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of the movements in property, plant and equipment and investment properties of the Group are set out in notes 18 and 19 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2016 amounted to approximately HK\$731 million.

PRE-EMPTIVE RIGHTS

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

附屬公司

本公司持有的附屬公司詳情載於綜合財務報表附註38。

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

中國鈾業發展於2016年5月9日按每股換股股份0.23港元的轉換價就本金額300,000,000港元的可換股債券行使換股權。本公司已向其配發及發行1,304,347,824股換股股份。於2016年12月31日，本公司無尚未轉股的可換股債券。本公司可換股債券的詳情載於綜合財務報表附註29。

儲備

本集團於年內的儲備變動情況載於年報第111及112頁。

物業、廠房及設備及投資物業

本集團的物業、廠房及設備及投資物業變動詳情分別載於綜合財務報表附註18及19。

可分派儲備

於2016年12月31日，本公司可供分派儲備為約731百萬港元。

優先購買權

本公司章程細則無有關優先購買權的條文，而開曼群島法例沒有對該等權利實施限制。

Directors' Report

董事會報告

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

None of the Company or 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 ended 31 December 2016.

MAJOR CUSTOMERS AND SUPPLIERS

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

Purchases

- the largest supplier: 100%
- five largest suppliers: 100%

Sales

- the largest customer: 100%
- five largest customers: 100%

China Uranium Development, the controlling shareholder, is the largest customer of the Company. Mr. Yu Zhiping, an ED and the chief executive officer of the Company, Mr. Xing Jianhua, an ED and the chief financial officer of the Company, Mr. Zhou Zhenxing, a NED and chairman of the Company, Mr. Fang Chunfa and Mr. Wu Junfeng, NEDs, all are the Directors and/or the senior management of CGNPC-URC, the sole shareholder of China Uranium Development, at different times throughout 2016. 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

In 2016, the Company (as service receiver) and CGNPC-URC (as service provider) entered into "Shared Administrative Services Agreement" for providing shared administrative services to the Company by CGNPC-URC. Moreover, Beijing Sino-Kazakh (as service provider) and CGNPC-URC (as service receiver) entered into "Technical Support Services Agreement" for providing technical support services to CGNPC-URC by Beijing Sino-Kazakh.

購買、出售或贖回本公司的上市股份

本公司及其附屬公司於截至2016年12月31日止年度並無贖回任何股份，亦無購買或出售本公司任何股份。

主要客戶及供應商

本公司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：100%
- 五大供應商：100%

銷售

- 最大客戶：100%
- 五大客戶：100%

本公司的最大客戶為控股股東中國鈾業發展。本公司執行董事兼首席執行官余志平先生，執行董事兼首席財務官幸建華先生，非執行董事兼主席周振興先生，非執行董事方春法先生及吳俊峰先生均在2016年不同時間為中國鈾業發展之唯一股東中廣核鈾業發展的董事及／或高級管理層。除上述披露外，並無董事、其連繫人士或任何按董事所知悉擁有本公司股本5%以上的股東於上述主要供應商或客戶擁有權益。

管理合約

2016年，本公司（作為享有服務方）與中廣核鈾業發展（作為服務提供方），就後者向前者提供行政共享服務訂立《共享行政服務協議》。另外，北京中哈鈾（作為服務提供方）與中廣核鈾業發展（作為享有服務方）就前者向後者提供技術支援訂立《技術支持服務協議》。

DIRECTORS

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

EDs

Mr. Yu Zhiping (*Chief Executive Officer*)

Mr. Xing Jianhua

NEDs

Mr. Zhou Zhenxing (*Chairman*)

Mr. Fang Chunfa (*appointed on 29 June 2016*)

Mr. Wu Junfeng (*appointed on 29 June 2016*)

Mr. Liu Mingdong (*appointed on 23 March 2017*)

INEDs

Mr. Qiu Xianhong

Mr. Gao Pei Ji

Mr. Lee Kwok Tung Louis

DIRECTORS' INTERESTS IN COMPETING BUSINESS

In 2016, none of the Directors and their respective associates 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.

DIRECTORS' SERVICE CONTRACTS

There is no service contract, which is not terminable by the Company within one year without payment of compensation (other than statutory compensation), in respect of all Directors who are proposed and offered for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS' INTERESTS IN CONTRACTS, TRANSACTIONS AND ARRANGEMENT

No contract, transactions and arrangement of significance to which the Company, any of its holding companies, or any of subsidiaries of the abovementioned companies was a party, in which a Director of the Company had a material interest, subsisted during the reporting period.

董事

於本年度內及截至本報告日期之本公司董事如下：

執行董事

余志平先生 (*首席執行官*)

幸建華先生

非執行董事

周振興先生 (*主席*)

方春法先生 (*於2016年6月29日獲委任*)

吳俊峰先生 (*於2016年6月29日獲委任*)

劉明東先生 (*於2017年3月23日獲委任*)

獨立非執行董事

邱先洪先生

高培基先生

李國棟先生

董事於競爭業務的權益

2016年，本公司董事及彼等各自連繫人士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。

董事服務合約

所有擬於本公司應屆股東週年大會上膺選連任的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) 方可終止的服務合約。

董事於合約、交易及安排的權益

本公司、其任何控股公司、或前述公司的任何下屬公司均未訂立於報告期內仍然有效且本公司董事於當中擁有重大權益的重大合約、交易及安排。

Directors' Report

董事會報告

DIRECTORS' INDEMNITIES

Pursuant to the Articles of Association, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate liability insurance coverage for the Directors and senior management.

SHARE OPTION SCHEME

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

After the adoption of the 2010 Share Option Scheme, no share option was granted.

The 2010 Share Option Scheme

The following disclosure is a summary of the 2010 Share Option Scheme as required by chapter 17 of 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, NEDs, 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.

董事的彌償保證

根據公司章程細則規定，每位董事就履行其職務或職責或有關其他事情而蒙受或招致任何損失或責任，均有權獲得公司以其資產賠償。本公司已為董事及高級管理層安排適當的責任保險。

股權計劃

本公司於2003年7月23日採納一項購股權計劃（「2003年購股權計劃」）。本公司於2010年6月2日舉行的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2003年購股權計劃。

於採納2010年購股權計劃後，並無授出任何購股權。

2010年購股權計劃

以下為根據上市規則第17章披露的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／或任何下屬公司作出的貢獻。

(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或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。

(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.

(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 Board 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的股份總數及其所佔於購股權計劃批准當日已發行股本百分比：*

可發行之的股份數目為155,105,699股，相等於本公司於2010年購股權計劃批准當日已發行股本約10%。

(4) *各參與者可享有的最高配額：*

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的購股權(包括已行使、已注銷及尚未行使的購股權)予以行使時，已發行及將予發行的股份總數，不得超過本公司當時已發行股本總額的百分之一(1%)。

(5) *行使購股權的時限：*

購股權可按照2010年購股權計劃的條款於董事會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)年終止(惟可根據該計劃條款而提早終止)。

(6) *行使購股權前規定的最短持有期：*

除非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年購股權計劃授出購股權毋須先行持有一段最短期限始能行使。

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- (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 and has a remaining life of approximately 3 years and 3 months as at the date of this report.

RETIREMENT BENEFIT SCHEMES

Details of the retirement benefit schemes are set out in notes 3 and 16 to the consolidated financial statements.

COMPANY WEBSITE

www.cgnmc.com

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

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)日內接納獲授的購股權要約，而接納獲授購股權要約時須支付代價1.00港元。

- (8) *行使價的釐定基準：*

受限於按2010年購股權計劃條款作出的調整，任何特定購股權的行使價應為董事會於提出授出購股權要約時全權酌情釐定價格（其須於授出的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的最高者：(i) 股份於授出購股權要約當日（須為交易日）的收市價（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)個營業日的平均收市價（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年且截至本報告日期，有效期大約還剩3年零3個月。

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16。

公司網站

www.cgnmc.com

DISCLOSURE OF INTERESTS

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

As at 31 December 2016, none of the Directors and the chief executives of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or its associated corporations (as defined in the part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to divisions 7 and 8 of part XV of the 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' interests and short positions in the shares, underlying shares of the Company

As at 31 December 2016, according to the register of substantial shareholders 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 executives 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:

權益披露

(a) 董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債券中的權益及淡倉

於2016年12月31日，並無本公司董事、主要行政人員及其各自之連繫人士於本公司及其相聯法團（定義見證券及期貨條例第XV部）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權益及淡倉（包括根據證券及期貨條例有關條文其被當作或視作擁有的權益及淡倉），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的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的權益及淡倉。

(b) 主要股東於本公司股份及相關股份中的權益及淡倉

於2016年12月31日，按本公司根據證券及期貨條例第336條規定存置的主要股東登記冊，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主要行政人員）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的權益或淡倉：

Directors' Report

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Name of shareholder 股東名稱	Capacity 身份	Number of shares (Notes 1 & 4) 股份數目 (附註1及4)	Approximate percentage of shareholding 股權概約百分比
China Uranium Development (Note 1) 中國鈾業發展(附註1)	Beneficial owner 實益擁有人	4,323,695,652 (L) 0 (S)	65.50% (L) 0% (S)
CGNPC – URC (Notes 1&2) 中廣核鈾業發展(附註1及2)	Interest in a controlled corporation 受控法團權益	4,323,695,652 (L) 0 (S)	65.50% (L) 0% (S)
CGNPC (Notes 1&2) 中廣核集團公司(附註1及2)	Interest in a controlled corporation 受控法團權益	4,323,695,652 (L) 0 (S)	65.50% (L) 0% (S)
Hong Kong Xinmao (Note 3) 香港鑫茂(附註3)	Beneficial owner 實益擁有人	659,400,000 (L) 0 (S)	9.99% (L) 0% (S)
Hainan Mining (Note 3) 海南礦業(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L) 0% (S)
Shanghai Fosun Industrial Investment Co., Ltd (Note 3) 上海復星產業投資有限公司(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L) 0% (S)
Shanghai Fosun Hightech (Group) Co., Ltd. (Note 3) 上海復星高科技(集團)有限公司(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L) 0% (S)
Fosun International Limited (Note 3) 復星國際有限公司(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L) 0% (S)

Directors' Report 董事會報告

Name of shareholder 股東名稱	Capacity 身份	Number of shares (Notes 1 & 4) 股份數目 (附註1及4)	Approximate percentage of shareholding 股權概約百分比
Fosun Holdings Limited (Note 3) 復星控股有限公司(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L)
Fosun International Holdings Ltd. (Note 3) 復星國際控股有限公司(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L)
Guo Guangchang (Note 3) 郭廣昌(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L)
State-owned Assets Supervision and Administration Commission of Hainan Province (Note 3) 海南省政府國有資產監督管理委員會(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L)
Hainan Haigang Group Co., Ltd. (Note 3) 海南海鋼集團有限公司(附註3)	Interest in a controlled corporation 受控法團權益	659,400,000 (L) 0 (S)	9.99% (L)

Directors' Report

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Notes:

1. The long position represents (i) the 4,278,695,652 Shares held by China Uranium Development (ii) the 45,000,000 outstanding charged shares (pursuant to the share charge dated 1 April 2011, Perfect Develop Holding Inc. (established by the Directors of the preceding controlling shareholders of the Company) charged 450,000,000 shares in favor of China Uranium Development among which, 225,000,000 and 180,000,000 charged shares were released on 18 February 2014 and 31 May 2016, respectively. The remaining 45,000,000 charged shares will continue to be charged in favour of China Uranium Development).
2. CGNPC-URC holds 100% of the issued share capital of China Uranium Development. CGNPC holds 100% of the equity interests of CGNPC-URC. Therefore, it is deemed to be interested in the interest held by China Uranium Development.
3. On 8 November 2016, the Company entered into the subscription agreement with Hong Kong Xinmao (being the subscriber), pursuant to which Hong Kong Xinmao has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 659,400,000 subscription shares at the subscription price of HK\$0.52 per subscription share. Such transaction has been completed on 13 December 2016. For details, please refer to the announcements of the Company dated 9 November 2016 and 13 December 2016.
4. 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.

Save as disclosed above, the Directors are not aware of any person as at 31 December 2016 who had an interest or short position 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.

附註：

1. 該好倉代表(i)中國鈾業發展持有的4,278,695,652股股份，及(ii)45,000,000股發行在外抵押股份(根據日期為2011年4月1日的股份抵押，Perfect Develop Holding Inc.(由本公司前控股股東之董事創立)以中國鈾業發展為受益人抵押了450,000,000股股份。其中225,000,000股及180,000,000股抵押股份已分別於2014年2月18日及2016年5月31日獲解除，餘下45,000,000股抵押股份將繼續以中國鈾業發展為受益人抵押)。
2. 中廣核鈾業發展持有中國鈾業發展已發行股本的100%，中廣核集團公司持有中廣核鈾業發展100%股本權益，因而被視為擁有中國鈾業發展所持的權益。
3. 於2016年11月8日，本公司與香港鑫茂(作為認購人)訂立一份認購協議。據此，香港鑫茂有條件同意認購及本公司有條件同意配發及發行合共659,400,000股認購股份，認購價為每股認購股份0.52港元，有關交易已於2016年12月13日完成。有關詳情請參考本公司發佈日期為2016年11月9日及12月13日的公告。
4. 「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。

除上文所披露外，於2016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的權益或淡倉。

RIGHTS TO ACQUIRE THE COMPANY'S SECURITIES

Save as disclosed in this annual report, none of the Company, or any of its holding companies or subsidiaries, or any of its fellow subsidiaries, a party to any arrangement enables the Directors or chief executives of the Company or their respective associates to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

CONTINUING CONNECTED TRANSACTIONS

The Company entered into the following continuing connected transactions with the connected persons, and transactions have been conducted in accordance with the agreed terms. The execution of the continuing connected transactions for the year 2016 were as follows:

No. 編號	Name of agreement, date and existing term 協議名稱、日期及現有期限	Transaction parties of the Group 本集團交易方	Connected transaction parties 關連交易對方	Nature of transaction and description 交易性質及情況	Pricing basis 定價基礎	Annual cap, actual transaction amount 年度上限、實際交易金額
1	"Natural Uranium Sales Framework Agreement" entered into on 13 October 2013, with a term from 9 December 2013 to 31 December 2016. The "New Natural Uranium Sales Framework Agreement" was entered into on 6 December 2016, with a term from 1 January 2017 to December 2019	The Company	CGNPC-URC and its wholly-owned subsidiary	The sale of natural uranium to CGNPC-URC and its wholly-owned subsidiary by the Group	According to the "Natural Uranium Sales Framework Agreement" which was entered into on 13 October 2013, the price per pound of natural uranium shall be determined with reference to the one-month, three-month, six-month, twelve-month arithmetic average prices of both the spot price index and long-term price index published weekly or monthly by the UxC and TradeTech and the rational price expectation of both parties. Pursuant to the "New Natural Uranium Sales Framework Agreement", the price per pound of natural uranium shall be determined with reference to the arithmetic average prices of the long-term price index published by UxC and TradeTech in the second month prior to the delivery month, subject to a floor price and a ceiling price.	HK\$3,463,200,000/HK\$705,556,136; Annual cap of the "New Natural Uranium Sales Framework Agreement": HK\$752,000,000 (2017); HK\$2,520,000,000 (2018); HK\$2,620,000,000 (2019)
	於2013年10月13日簽訂之《天然鈾銷售框架協議》，有效期為2013年12月9日至2016年12月31日。《新天然鈾銷售框架協議》已經於2016年12月6日訂立，有效期為2017年1月1日至2019年12月31日	本公司	中廣核鈾業發展及其全資附屬公司	本集團出售天然鈾予中廣核鈾業發展及其全資附屬公司	根據2013年10月13日簽訂之《天然鈾銷售框架協議》，天然鈾每磅價格將參考UxC及Tradetech每周或每月刊發的現貨價格指數及長期價格指數的1個月、3個月、6個月及12個月的算術平均價格以及雙方預期的合理價格釐定。 根據《新天然鈾銷售框架協議》，天然鈾每磅價格將參考UxC及TradeTech於交付月份前第二個月的長期價格指數的算術平均價，但設有封頂及保底價格。	3,463,200,000港元/705,556,136港元； 《新天然鈾銷售框架協議》的年度上限為：752,000,000港元（2017年度）； 2,520,000,000港元（2018年度）； 2,620,000,000港元（2019年度）

購買本公司證券的權利

除本年報內所披露者外，本公司、或其任何控股公司或附屬公司、或其任何同系附屬公司概無訂立任何安排，以使本公司董事或最高行政人員或彼等各自的連繫人擁有任何認購本公司或其任何相聯法團（定義見證券及期貨條例）證券的權利或以購買本公司或任何其他法人團體的股份或債權證的方式而獲得利益的權利。

持續關連交易

本公司與關連人士已訂立下列持續關連交易協議，並按協議條款開展交易。2016年持續關連交易的執行情況如下：

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No. 編號	Name of agreement, date and existing term 協議名稱、日期及現有期限	Transaction parties of the Group 本集團交易方	Connected transaction parties 關連交易對方	Nature of transaction and description 交易性質及情況	Pricing basis 定價基礎	Annual cap, actual transaction amount 年度上限、實際交易金額
2	"Financial Service Framework Agreement" entered into on 22 January 2014, with a term from 1 January 2014 to 31 December 2016. The "New Financial Service Framework Agreement" was entered into on 6 December 2016, with a term from 1 January 2017 to 31 December 2019	The Company	CGNPC Huasheng	The Group may place deposits in CGNPC Huasheng and gain interest income. CGNPC Huasheng provides settlement service and grants loans and facilities (if necessary) to the Company.	According to the "Financial Service Framework Agreement" which was entered into on 22 January 2014, the interest payable by CGNPC Huasheng to the Group shall be equal to or higher than (1) the relevant interest rate offered by CGNPC Huasheng to other members of the CGN Group in similar arrangement; and (2) the deposits interest rate as announced by other independent commercial banks in Hong Kong from time to time in similar arrangement. Pursuant to the "New Financial Service Framework Agreement", save for the above pricing determining agreement, there is a pricing determining mechanism of settlement and similar services fees, of which the settlement and similar services fees shall (i) equal to or lower than the settlement and similar services fees charged by CGNPC Huasheng to other members of the CGN Group in settlement services arrangements; and (ii) equal to or lower than the settlement and similar services fees as announced by other independent commercial banks in Hong Kong from time to time for settlement and similar services provided by CGNPC Huasheng.	USD178,000,000/USD139,375,893; Annual cap of the "New Financial Service Framework Agreement": USD220,000,000 (2017); USD480,000,000 (2018); USD480,000,000 (2019)
	2014年1月22日簽訂之《財務服務框架協議》，有效期為2014年1月1日至2016年12月31日。一份新《財務服務框架協議》已經於2016年12月6日訂立，有效期為2017年1月1日至2019年12月31日	本公司	中廣核華盛	本集團可存款於中廣核華盛，並從中獲得利息收入。中廣核華盛向本公司提供結算服務及在有需要時貸款和融資服務。	根據2014年1月22日簽訂之《財務服務框架協議》，中廣核華盛支付本公司利息將等於或高於(1)華盛在同類安排中向中廣核集團旗下其他成員公司提供之利率；及(2)香港其他獨立商業銀行在同類安排中不時所報存款利率。 根據《新財務服務框架協議》，除上述描述有關存款利息的定價約定外，還包含有關結算及同類服務費用釐定機制，具體為有關費用需(i)等於或低於中廣核華盛在結算服務安排中向中廣核集團旗下其他成員公司收取之結算及同類服務費用；及(ii)等於或低於香港獨立商業銀行就中廣核華盛提供之結算及同類服務不時所報結算及同類服務費用。	178,000,000美元/139,375,893美元； 《新財務服務框架協議》的年度上限為：220,000,000美元(2017年度)；480,000,000美元(2018年度)；480,000,000美元(2019年度)

Annual review of continuing connected transactions

The INEDs of the Company have reviewed and confirmed the continuing connected transactions set out above are:

1. in the ordinary and usual course of business of the Group;
2. on normal commercial terms or better; and
3. entered into 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 external auditor of the Company has 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; and
3. are in accordance with the pricing policies of the Group (if the transactions involve provision of goods or services by the Group).

Details of significant related party transactions undertaken by the Group during the year are set out in note 35 to the consolidated financial statements for the year ended 31 December 2016. Except for (i) sales of natural uranium resources to CGNPC-URC; (ii) sales of natural uranium resources to China Uranium Development; and (iii) loan interest income from CGNPC Huasheng have been elaborated in the section "Continuing Connected Transactions" above, other transactions set out in note 35 to the consolidated financial statements do not fall under the definition of (i) non-exempt connected transaction; or (ii) non-exempt continuing connected transaction under chapter 14A 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上述的持續關連交易，並確認該等持續關連交易為：

1. 屬於本集團一般及日常業務範圍；
2. 按正常或更佳商業條款進行；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。

本公司外聘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；及
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）。

本集團年內進行的重大關聯人士交易的詳情載於截至2016年12月31日止年度的綜合財務報表附註35。除有關(i)向中廣核鈾業發展銷售天然鈾資源；(ii)向中國鈾業發展銷售天然鈾資源；及(iii)中廣核華盛貸款之利息收入於「持續關連交易」一節已闡述外，綜合財務報表附註35所載之其他交易並非上市規則第14A章項下(i)不獲豁免關連交易；或(ii)不獲豁免持續關連交易界定的範疇內。

Directors' Report

董事會報告

MAJOR TRANSACTIONS AND CONNECTED TRANSACTIONS

The Company and Fission entered into the share subscription agreement on 11 January 2016, pursuant to which Fission has agreed to issue and the Company has agreed to subscribe for 96,736,540 ordinary shares and plus an additional number of ordinary shares that is equal to approximately 24.98% of the number of common share to be issued by Fission prior to the completion of the acquisition pursuant to the exercise of outstanding convertible securities of Fission, at a price of CAD0.85 (equivalent to approximately HK\$4.66) per common share, for a total consideration of approximately CAD82,226,000 (equivalent to approximately HK\$453,924,000).

During the reporting period, the Company has completed the acquisition of 19.99% equity interest in Fission.

Following the completion of the acquisition on 27 January 2017, the Company became the single largest shareholder of Fission.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the annual report, for the year ended 31 December 2016, the Company has not entered into any equity-linked agreement.

DONATIONS

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

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained a sufficient public float throughout the year ended 31 December 2016 and up to the date of this report as required under the Listing Rules.

AUDITOR

The consolidated financial statements for the year ended 31 December 2016 have been audited by SHINEWING (HK) CPA Limited who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

主要交易及關連交易

本公司與Fission公司於2016年1月11日簽訂購股協議，據此，Fission公司同意發行而本公司同意認購96,736,540股普通股，另加額外數目之普通股，相當於在考慮了Fission可換股證券被執行情況下，在收購事項完成前Fission公司已發行普通股數目約24.98%，價格為每股普通股0.85加元（相當於約4.66港元），總代價為約82,226,000加元（相當於約453,924,000港元）。

於報告期內，本公司完成收購Fission公司19.99%股權的主要交易。

於2017年1月27日收購完成後，本公司成為Fission公司單一最大股東。

股票掛鈎協議

除本年報所披露者外，截至2016年12月31日止年度，本公司並無訂立任何股票掛鈎協議。

慈善捐款

於本年度內，本集團並無作出任何慈善捐贈。

公眾持股量

根據本公司可以得悉而董事亦知悉的公開資料，本公司於截至2016年12月31日止年度及截至本報告日期按上市規則維持足夠的公眾持股量。

核數師

截至2016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退任，惟合資格並願意於應屆股東週年大會上膺選連任。

EVENTS AFTER THE REPORTING PERIOD

Appointment of NED

Pursuant to the share subscription agreement entered into between the Company and Hong Kong Xinmao on 8 November 2016, Hong Kong Xinmao shall have the right to nominate one person to be a NED. On the nomination request from Hong Kong Xinmao, on 23 March 2017, the Company has completed such appointment and Mr. Liu Mingdong was appointed as the NED of the Company, with effect from the same date.

By Order of the Board

Zhou Zhenxing

Chairman

Beijing, 23 March 2017

結算日後事項

委任非執行董事

根據本公司與香港鑫茂於2016年11月8日訂立的股權認購協議，香港鑫茂有權提名一名人士擔本公司非執行董事。根據香港鑫茂的提名請求，於2017年3月23日，本公司完成有關董事任命，劉明東先生被任命為本公司非執行董事，於同日生效。

承董事會命

主席

周振興

北京，2017年3月23日

Corporate Governance Report

企業管治報告

The Company is committed to establishing and fulfilling a good corporate governance practice and procedures, for ensuring a quality Board, sound internal control, and transparency and accountability to all shareholders in order to enhance credibility and reputation of the Company. We firmly 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.

CORPORATE GOVERNANCE

Corporate governance practices

The Company's corporate governance policy follows all code provisions of the Corporate Governance Code during the reporting period and up to the date of this report, except for the deviation from the code provisions disclosed below.

Code provision A.6.7 stipulates that, the independent non-executive directors and other non-executive directors, as equal board members, should attend general meetings and develop a balanced understanding of the views of shareholders.

Except Mr. Yu Zhiping, an ED and the chief executive officer, Mr. Xing Jianhua, an ED, Mr. Yin Engeng, a NED (resigned on 29 June 2016), Mr. Qiu Xianhong, Mr. Gao Pei Ji, and Mr. Lee Kwok Tung, all being INEDs, other Directors were unable to attend the 2016 AGM due to other business engagement.

Moreover, pursuant to the 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 committees (or his duly appointed delegate, if such member is unable to attend) to attend. These persons should be available to answer questions at the annual general meeting.

Mr. Zhou Zhenxing, chairman of the Board and nomination committee, was unable to attend the 2016 AGM due to other business engagement. Such meeting was chaired by Mr. Yu Zhiping who also answered shareholders' questions of the Company.

本公司致力於制定及履行良好的企業管治常規及程序，通過確保高素質的董事會、健全的內部監控，以及對股東的透明度及問責性，來提升本公司的公信力及聲譽。我們堅信良好的企業管治常規可贏得股東以及其他利益相關方的信任，及最重要的是，可維護股東的長遠利益。

企業管治

企業管治常規守則

本公司於報告期內和截至本報告日期止已遵守企業管治守則的全部守則條文，惟下文所述偏離守則條文的情況除外。

守則條文第A.6.7條規定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，應出席股東大會，對股東的意見有公正的瞭解。

除執行董事兼首席執行官余志平先生、執行董事李建華先生、非執行董事尹恩剛先生(於2016年6月29日辭任)、獨立非執行董事邱先洪先生、高培基先生及李國棟先生外，由於另有公務安排，其他董事未能出席本公司2016年股東週年大會。

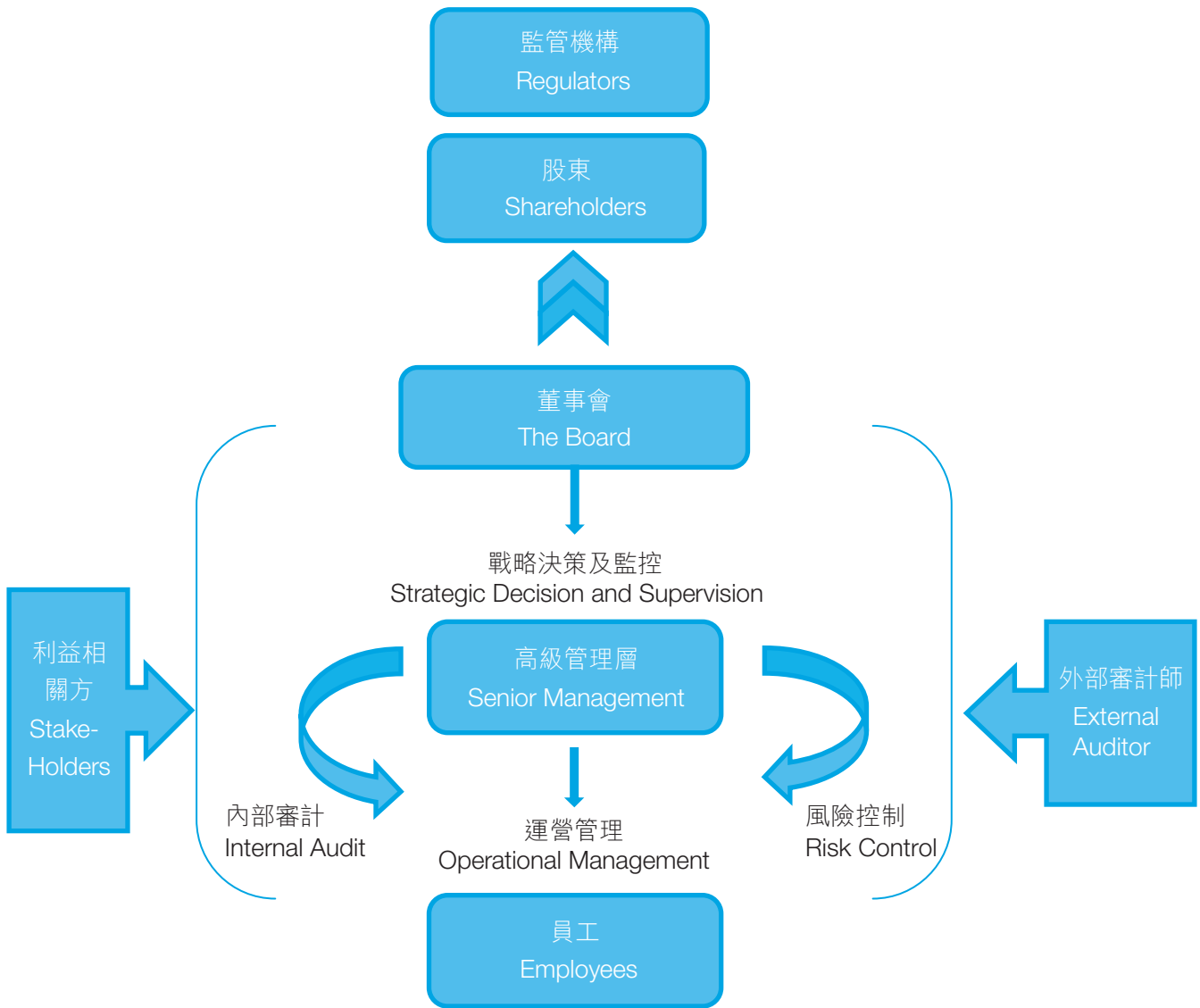
另外，守則條文第E.1.2條規定董事會主席應出席股東週年大會。彼亦應邀請審核、薪酬、提名及任何其他委員會(如適用)的主席一同出席。如該等委員會主席未能出席，董事會主席應邀請該委員會的另一名成員出席(或如其未能出席，由其正式委任的代表出席)。此等人士應出席股東週年大會以解答問題。

董事會主席兼提名委員會主席周振興先生因另有公務安排而未能出席2016年股東週年大會，該股東大會由余志平先生主持並解答股東提問。

Corporate Governance Report 企業管治報告

CORPORATE GOVERNANCE STRUCTURE

企業管治架構



Corporate Governance Report

企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the standards of securities transactions for the Directors. 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 regarding Directors' securities transactions during the year ended 31 December 2016.

BOARD OF DIRECTORS

Composition and role

The Board currently comprises 9 directors, including 2 EDs, 4 NEDs and 3 INEDs. The composition of the Board is based on a comprehensive consideration of the Directors' professional skills, working background and qualification. It shows the differentiated and diverse arrangement of Directors. As at the date of this report, the members of the Board are as follows:

董事進行證券交易的標準守則

本公司已採納標準守則為董事進行證券交易的標準。經向所有董事作出特定查詢後，所有董事均確認彼等於截至2016年12月31日止年度內已遵守標準守則。

董事會

組成及角色

本公司董事會現由9名董事組成，包括2名執行董事、4名非執行董事及3名獨立非執行董事。董事會的組成基於董事的專業技能、職業背景及資格等多方面綜合考慮，體現了董事差異化及多元化的安排。於本報告日期，董事會成員如下：

Directors	董事	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會
EDs	執行董事			
Mr. Yu Zhiping (<i>chief executive officer</i>)	余志平先生 (<i>首席執行官</i>)	M		M
Mr. Xing Jianhua	幸建華先生	M		
NEDs	非執行董事			
Mr. Zhou Zhenxing (<i>chairman</i>)	周振興先生 (<i>主席</i>)			C
Mr. Fang Chunfa (appointed on 29 June 2016)	方春法先生 (於2016年6月29日獲委任)		M	
Mr. Wu Junfeng (appointed on 29 June 2016)	吳俊峰先生 (於2016年6月29日獲委任)			
Mr. Liu Mingdong (appointed on 23 March 2017)	劉明東先生 (於2017年3月23日獲委任)			
INEDs	獨立非執行董事			
Mr. Qiu Xianhong	邱先洪先生	C	C	M
Mr. Gao Pei Ji	高培基先生	M		M
Mr. Lee Kwok Tung Louis	李國棟先生	M	M	M

C – Chairman of the relevant Board committees

M – Member of the relevant Board committees

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 Board is responsible for formulating the overall strategy and policy of the Group and ensures there are sufficient capital and management resources for the implementation of relevant strategies and the completeness of the financial and internal control systems, and secures the compliance of business operation with relevant legal requirements. All members of the Board fulfills their duties and acts in the best interest of the Group and shareholders. Unless otherwise disclosed in this annual report, to the knowledge of the Company, there was no financial, business, family and other material/related relationship among members of the Board.

All Directors should comply with rule 3.08(d) of the Listing Rules at all times to avoid actual and potential conflict of interest and duties. In each meeting of the Board and special committees of the Board (the "Meetings"), Directors are required to declare if they have any interest in the matters being considered in the Meetings. If a Director or any of his associates have major interests in the matters to be considered, the Director will not be counted as in the quorum and voting at the meeting. The Director shall not be present during the discussion on related matters.

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 INEDs has appropriate professional qualifications in accounting or related financial management expertise.

董事會負責制定本集團整體策略及政策，並確保有足夠的資金和管理資源以確保相關策略得以執行，及財務和內部監控系統的完善性以及保障業務運作符合相關法律規定。董事會成員均盡忠職守，並確保以本集團及股東的最佳利益行事。除本年報內另有披露者外，據公司所知，董事會成員之間沒有任何財務、業務、家族或其他重大／相關關係。

全體董事於任何時候均須遵守上市規則第3.08(d)條以避免實際及潛在利益和職責衝突。董事於每次董事會及董事會委員會會議（「該等會議」）上需申報是否於該等會議考慮事項中擁有利益。如果一名董事或其任何連繫人於將要考慮的事項中擁有重大利益，則該名董事不會被計入法定參會人數及於會上投票。該董事可能亦需於討論有關事項時避席。

董事會遵守上市規則第3.10(1)及(2)和第3.10A條規定，訂明本公司須最少委任三名獨立非執行董事，獨立非執行董事人數須滿足至少佔董事會成員三分之一的比例，且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。

Corporate Governance Report

企業管治報告

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

RESPONSIBILITIES OF THE BOARD

As the decision authority of the Company, the Board takes charge of the corporate governance function. The major responsibilities of the Board include the tasks stated below. The Board may delegate the responsibilities to other committees as it thinks fit:

- (a) to review the Company's 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 provisions 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 committee(s) and panel(s), review their performance and revise their composition and terms of reference as appropriate;

按照企業管治守則第C.2.1段的要求，董事已對本集團的風險管理及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點，包括財務、營運、合規監控與風險管理均有效。

董事會職責

董事會作為公司的決策機構，就公司治理負有責任和義務。董事會的職責主要包括以下職責，在認為合適的情況下，董事會可能轉授其他委員會以履行相關職責：

- (a) 檢討本公司的政策、計劃及程序，並於有需要時提出建議；
- (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；

Corporate Governance Report 企業管治報告

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| <p>(g) to oversee all matters and to formulate policies in relation to the Company's risk management and 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;</p> | <p>(g) 監督與本公司的風險管理及內部監控、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；</p> |
| <p>(h) investigate any significant instances of non-compliance or potential non-compliance of the Company; and</p> | <p>(h) 調查本公司任何重大不遵例或可能的不遵例情況；及</p> |
| <p>(i) to do any such things to enable the Board to discharge its obligations and responsibilities.</p> | <p>(i) 作出任何該等事情以讓董事會履行其職務及責任。</p> |

Major work performed by the Board as regards the corporate governance function during the year 2016 includes:

董事會於2016年年度有關企業管治功能的主要工作包括：

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|--|---------------------------------|
| <p>1. reviewing the "Internal Control Evaluation Report" of 2015;</p> | <p>1. 審閱2015年《內控評價報告》；</p> |
| <p>2. reviewing and approving the internal audit plan of 2016;</p> | <p>2. 審批2016年內審計劃；</p> |
| <p>3. reviewing and approving the latest version of the "Rules for Authority Delegation Policy";</p> | <p>3. 審批通過最新版《授權管理規定》；</p> |
| <p>4. reviewing and approving the "Comprehensive Risk Management Control Policy";</p> | <p>4. 審批通過《全面風險管理制度》；</p> |
| <p>5. reviewing and approving the "Business Proposal for Thirteen-Five Period";</p> | <p>5. 審批通過《十三五商業計劃書》；</p> |
| <p>6. reviewing and approving the organisational adjustment to strengthen internal control;</p> | <p>6. 審批通過組織機構調整以加強內控；</p> |
| <p>7. reviewing and approving the dividend distribution policy of the Company;</p> | <p>7. 審批通過公司分紅政策；</p> |
| <p>8. considering major matters in relation to major transactions and/or connected transactions;</p> | <p>8. 審議有關主要交易及／或關連交易等重大事項；</p> |
| <p>9. reviewing the Model Code; and</p> | <p>9. 審閱標準守則；及</p> |
| <p>10. reviewing and confirming the independence of INEDs.</p> | <p>10. 審閱及確認獨立非執行董事的獨立性。</p> |

Corporate Governance Report

企業管治報告

BIOGRAPHIES OF DIRECTORS

The Board of Directors

Chairman and Non-executive Director

Mr. Zhou Zhenxing (“Mr. Zhou”), aged 59, was appointed as the chairman of the Board and a NED of the Company on 5 December 2013. Mr. Zhou is also the chairman of the board of CGNPC-URC, the chairman of the board of China General Nuclear Power Services Corporation and the chairman of the board of CGN (Beijing) Nuclear Technology Application Co., Ltd. Mr. Zhou worked at China National Nuclear Corporation from March 1989 to January 1996 as a deputy director of the general affairs division of the nuclear fuel bureau and subsequently the secretary to the executive deputy general manager of the China National Nuclear Group. Between July 1996 and December 1999, he joined Unilever Wall’s (China) Co., Ltd. as a vice general manager and the head of human resources and external relations, concurrently from July 1998 to April 2001, he also served as a vice president of Sumstar Group Co., Ltd., a company under Ministry of Light Industry. Between May 2001 and March 2003, Mr. Zhou joined China Universities Intelligence Bank Co., Ltd. as the executive vice president, head of human resources and operation and management. Between April 2003 and September 2006, Mr. Zhou joined Galaxy Captek Co., Ltd.* (“Galaxy Captek”) (北京銀河創新技術發展有限公司), a member of CGN Group, as general manager. Between September 2006 and August 2009, he was the general manager of CGNPC-URC. He has been the chairman of the Board of CGNPC-URC since August 2009. Mr. Zhou graduated with a bachelor of engineering degree in metal materials engineering from the Hebei University of Science and Technology and with a master of engineering degree in metal materials and heat treatment from the Harbin Institute of Technology. Mr. Zhou has more than 27 years of experience in operation and management of largescale enterprises at home and abroad, as well as the practical operation experience in uranium resources exploration and nuclear resources operation system.

董事簡介

董事會

主席兼非執行董事

周振興先生（「周先生」），59歲，於2013年12月5日獲委任為本公司主席暨非執行董事。周先生同時還擔任中廣核鈾業發展董事會主席、中廣核服務集團有限公司董事會主席及中廣核（北京）核技術應用有限公司董事會主席。周先生於1989年3月至1996年1月工作於中國核工業集團總公司，先後擔任該司核燃料局綜合處副處長及中國核工業集團常務副總經理秘書。於1996年7月至1999年12月，任聯合利華和路雪（中國）有限公司副總經理兼人力資源及對外關係總監，期間自1998年7月起至2001年4月，兼任輕工業部群星集團公司副總裁。於2001年5月至2003年3月，周先生任中關村百校信息園有限公司常務副總裁兼人力資源及經營管理總監。於2003年4月至2006年9月，周先生任北京銀河創新技術發展有限公司（「北京銀河創新」）（中廣核成員公司）總經理。於2006年9月至2009年8月，任中廣核鈾業發展總經理。自2009年8月起任中廣核鈾業發展董事會主席至今。周先生畢業於河北科技大學金屬材料工程專業，獲工學學士學位；哈爾濱工業大學金屬材料及熱處理專業碩士研究生，獲工學碩士學位。周先生擁有超過27年的國內外大型企業之經營管理經驗以及鈾資源開發與核燃料運作體系的實操經驗。

Executive Director and Chief Executive Officer

Mr. Yu Zhiping (“Mr. Yu”), aged 53, is an ED and the chief executive officer of the Company. Mr. Yu was appointed the chairman of the Company and a NED on 18 August 2011 and was re-designated from the chairman of the Board and NED of the Company to an ED and the chief executive officer on 5 December 2013. Mr. Yu also served as the general manager of the nuclear fuel sector of the CGN Group, managing director of CGNPC-URC and chairman of Swakop Uranium (PTY) Ltd. (“Swakop Uranium”) (中廣核鈾業斯科有限公司). Mr. Yu joined CGN Group in 1989, and served as the head of the production planning division at the joint venture of the Daya Bay Nuclear Power (a subsidiary of CGN Group), and subsequently as the head of the development planning division of the CGNPC, the secretary general of the financial and economic affairs committee, the director of the research centre, the general manager of the strategic planning department of CGNPC, and served as the general manager of CGNPC-URC since September 2009. Mr. Yu graduated with a bachelor degree in engineering mechanics from Huazhong University of Science & Technology in 1985. Mr. Yu has over 26 years of experience in corporate management and nuclear fuel system operation.

執行董事兼首席執行官

余志平先生(「余先生」)，53歲，為本公司執行董事暨首席執行官。余先生於2011年8月18日獲委任為本公司董事會主席暨非執行董事，並於2013年12月5日由本公司董事會主席及非執行董事調任為執行董事兼首席執行官。余先生同時還擔任中廣核集團核燃料板塊總經理，中廣核鈾業發展董事總經理、中廣核鈾業斯科有限公司(「斯科公司」)董事會主席。余先生於1989年加入中廣核集團，曾先後擔任中廣核集團附屬公司大亞灣核電合營公司生產計劃處處長、中廣核集團公司發展計劃部計劃處處長、財經委員會秘書長、研究中心主任和戰略規劃部總經理，於2009年9月起擔任中廣核鈾業發展董事總經理至今。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。余先生擁有超過26年的公司管理和核燃料體系運作實操經驗。

Corporate Governance Report

企業管治報告

Executive Director

Mr. Xing Jianhua (“Mr. Xing”), aged 46, was appointed as an ED of the Company on 25 June 2015. Mr. Xing is also the chief financial officer of the Company. Mr. Xing is also a director of Semizbay-U, a non-executive director of Energy Metals Limited (a listed company in Australia, stock code: EME), a non-executive director of Fission and deputy general manager and the chief accountant of CGNPC-URC. Prior to joining the Company, Mr. Xing has served as the deputy head and technician of the Miners Bridge area of Yinggangling Mining Bureau of Jiangxi province, the section head of the finance department of Changsha Research Institute of Mining and Metallurgy, general manager of the finance department of China Potevio* (中國普天信息產業集團) and general manager of the finance department of CGNPC. Mr. Xing graduated from Hunan Xiangtan Mining Institute* (湘潭礦業學院) with a bachelor of engineering degree in mining engineering in 1995; and obtained a master of management degree in accounting from Wuhan University of Technology in 2002 and Mr. Xing is a certified public accountant in the PRC. Mr. Xing has over 22 years of experience in mining, financial management, acquisition and capital operation.

執行董事

幸建華先生(「幸先生」)，46歲，於2015年6月25日獲委任為本公司執行董事。幸先生亦擔任本公司首席財務官。幸先生同時擔任謝公司董事、澳大利亞金屬能源公司(澳洲上市公司，股票代碼：EME)非執行董事、加拿大Fission公司(多倫多上市公司，股票代碼：FCU)非執行董事、中廣核鈾業發展副總經理兼總會計師。加入本公司前，幸先生曾任江西英崗嶺礦務局橋頭礦工區副區長兼技術員、長沙礦冶研究院財務部部長、中國普天信息產業集團財務部總經理及中廣核集團公司財務部總經理等職位。幸先生1995年畢業於湘潭礦業學院採礦工程專業，獲工學學士學位，2002年獲武漢理工大學會計學專業管理學碩士學位，為中國註冊會計師。幸先生擁有超過22年的礦山開採、財務管理、併購和資本運作經驗。

Non-executive Director

Mr. Fang Chunfa (“Mr. Fang”), aged 47, was appointed as a NED of the Company on 29 June 2016. Mr. Fang is currently a general manager of the strategic planning department of CGNPC and CGN Power Co., Ltd.* (中國廣核電力股份有限公司) (“CGN Power”, listed on the main board of the Stock Exchange, stock code: 1816). Mr. Fang joined Guangdong Nuclear Power Joint Venture Company Limited* (廣東核電合營有限公司) in June 1993 and he served successively as the secretary to the board of directors, the deputy manager of the administration department and the manager of the operation management department at Daya Bay Nuclear Power Operations & Management Company Limited* (大亞灣核電運營管理有限責任公司) from March 2003 to August 2011. Mr Fang served as the director of the research center of CGNPC from August 2011 to May 2014. He also served as the secretary of the board of directors and the company secretary of CGN Power from March 2014 to March 2016 and from April 2014 to March 2016 respectively. Moreover, Mr. Fang has served as a director of China General Nuclear Capital Holdings Co. Ltd.* (中廣核資本控股有限公司) since March 2016. Mr. Fang graduated from Beijing Foreign Studies Institute (北京外國語學院) with major in English language in July 1989, and obtained a master’s degree in business administration from Huazhong University of Science and Technology (華中科技大學) in June 2009. Mr. Fang was accredited as a senior engineer by CGNPC in December 2003.

Mr. Liu Mingdong (“Mr. Liu”), aged 47, was appointed as a NED of the Company on 23 March 2017. Mr. Liu is currently the board chairman and deputy secretary of the party committee, member of the strategic committee and nomination committee of Hainan Mining, an executive director of Xinmao, a director of Hainan Fuxin Titanim Industry Co., Ltd* (海南富鑫鈦業有限公司), and the board chairman of Hainan Xian Dai Construction Parts Co., Ltd. (海南現代建築部品有限公司). Mr. Liu served various positions including head of planning division, head of financial planning department, assistant general manager and deputy general manager of Hainan Iron and Steel Company* (海南鋼鐵公司) from 2000 to 2007. After that, Mr. Liu served as director, general manager and deputy secretary of the party committee of Hainan Mining United Co., Ltd.* (海南礦業聯合有限公司) from 2007 to 2010 and acted as managing director of Hainan Mining from 2010 to 2016. Mr. Liu obtained a postgraduate degree in engineering management from University of Science & Technology Beijing in April 1996.

非執行董事

方春法先生(「方先生」)，47歲，於2016年6月29日獲委任為本公司非執行董事。方先生現任中廣核集團公司及中廣核電力股份有限公司(「中廣核電力」，於聯交所主板上市，股份代號：1816)戰略計劃部總經理。方先生於1993年6月加入廣東核電合營有限公司，於2003年3月至2011年8月相繼擔任大亞灣核電運營管理有限責任公司董事會秘書、行政管理部副經理、經營管理部經理。方先生於2011年8月至2014年5月擔任中廣核研究中心主任。彼亦分別於2014年3月至2016年3月及2014年4月至2016年3月期間擔任中廣核電力董事會秘書及公司秘書。此外，方先生自2016年3月起擔任中廣核資本控股有限公司董事。方先生於1989年7月畢業於北京外國語學院英語專業，於2009年6月獲得華中科技大學工商管理專業碩士學位。方先生於2003年12月被中廣核集團公司批准認定高級工程師資格。

劉明東先生(「劉先生」)，47歲，於2017年3月23日獲委任為本公司非執行董事。劉先生現任海南礦業董事長兼黨委副書記、戰略委員會及提名委員會委員、鑫茂執行董事、海南富鑫鈦業有限公司董事及海南現代建築部品有限公司董事長。劉先生於2000年及2007年期間，先後擔任海南鋼鐵公司計劃處處長、計劃財務部部長、總經理助理、副總經理等職務。其後於2007年至2010年期間，劉先生擔任海南礦業聯合有限公司董事、總經理兼黨委副書記，並在2010年至2016年期間擔任海南礦業董事總經理。劉先生於1996年4月獲得北京科技大學工程管理專業碩士學位。

Corporate Governance Report

企業管治報告

Non-executive Director

Mr. Wu Junfeng ("Mr. Wu"), aged 43, was appointed as a NED of the Company on 29 June 2016. Mr. Wu is currently a general manager of the asset operations department of CGNPC and CGN Power, a general manager of Guangzhou Nuclear Power Investment Co., Ltd.* (廣東核電投資有限公司), an executive director of Shenzhen Neng Zhi Hui Investment Co., Ltd.* (深圳市能之匯有限公司) and a non-executive director of CGN New Energy Holdings Co., Ltd. (listed in the main board of the Stock Exchange, stock code: 1811). Mr. Wu joined the audit department of CGNPC in July 2000. He successively served positions including the manager of integrated department (綜合部) of Shenzhen Daya Bay Commercial Investment and Management Co. Limited* (深圳市大亞灣商業投資管理有限公司), the deputy director of the accounting department of China Nuclear Power Engineering Co., Ltd.* (中廣核工程有限公司), the general accountant of China Technology Co., Ltd.* (北京廣利核系統工程有限公司), the assistant general manager of the finance department of CGNPC and the general accountant of Yangjiang Nuclear Power Co., Ltd.* (陽江核電有限公司) from November 2002 to May 2016. Mr. Wu graduated from Southwestern University of Finance and Economics (西南財經大學) in 1995 with major in statistics and obtained a bachelor's degree in science. In 2000 and 2009, he obtained a master of management degree in accounting and a doctorate of management degree in accounting from Southwestern University of Finance and Economics. Mr. Wu possess the qualification as a certified public accountant in the PRC.

非執行董事

吳俊峰先生 (「吳先生」)，43歲，於2016年6月29日獲委任為本公司非執行董事。吳先生現任中廣核集團公司及中廣核電力資產經營部總經理、廣東核電投資有限公司總經理、深圳市能之匯有限公司執行董事及中廣核新能源控股有限公司(於聯交所主板上市，股份代號：1811)非執行董事及戰略發展委員會成員。吳先生於2000年7月加入中廣核集團公司審計部，於2002年11月至2016年5月期間曾先後擔任深圳市大亞灣商業投資管理有限公司綜合部經理、中廣核工程有限公司會計處副處長、北京廣利核系統工程有限公司總會計師、中廣核集團公司財務部總經理助理及陽江核電有限公司總會計師等職務。吳先生於1995年畢業於西南財經大學統計學專業，獲得理學學士學位；於2000年及2009年，吳先生取得西南財經大學會計專業管理學碩士以及會計專業管理學博士學位。吳先生擁有中國註冊會計師及高級會計師資格。

Independent Non-executive Director

Mr. Qiu Xianhong (“Mr. Qiu”), aged 54, was appointed as an INED of the Company on 18 August 2011. He is a Certified Public Accountant in the PRC. Mr. Qiu is a partner of Beijing QQCPA Accounting Firm. Mr. Qiu is also a finance consultant to China Institute of Strategy and Management. Prior to joining the Company, 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 graduated with a bachelor degree in financial accounting from Jiangxi University of Finance and Economics. Mr. Qiu has over 29 years of experience in financial accounting, financial management and auditing.

Independent Non-executive Director

Mr. Gao Pei Ji (“Mr. Gao”), aged 70, was appointed as an INED of the Company on 22 August 2014. Mr. Gao also serves as an independent non-executive director of CITIC Resources Holdings Limited (listed on the main board of the Stock Exchange, stock code: 1205). Mr. Gao was a deputy director of C & C Law Office in Beijing between 1984 and 1993. Mr. Gao became a partner of Clifford Chance, a leading international law firm, between 1993 and 2007. Following his retirement in 2007, he became a PRC legal consultant to Clifford Chance, Hong Kong office. Mr. Gao has extensive and diversified experience in a broad area of legal practices, including banking and finance, direct investment (both inbound and outbound from the perspective of the PRC) in the areas of energy, natural resource and petrochemical projects. Mr. Gao has been involved in the development of nuclear power projects since 1985, including the development of Daya Bay nuclear power project, the incorporation of the operating company for Daya Bay and Lingao nuclear power plants and the development of the Taishan nuclear power project (applying third generation technology). Mr. Gao holds a LL.M degree from the Law School of University of California, Berkeley. He has been admitted to practice law in the PRC since 1984.

獨立非執行董事

邱先洪先生（「邱先生」），54歲，於2011年8月18日獲委任為本公司獨立非執行董事。彼具有中國註冊會計師資格。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。加入本公司前，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。邱先生畢業於江西財經大學，獲得學士學位（財務會計）。邱先生具有超過29年的財務會計、財務管理及審計經驗。

獨立非執行董事

高培基先生（「高先生」），70歲，於2014年8月22日獲委任為本公司獨立非執行董事。高先生同時擔任中信資源控股有限公司（於聯交所主板上市，股份代號：1205）之獨立非執行董事。高先生自1984年至1993年期間擔任中國領先律師事務所北京中信律師事務所副主任；於1993年至2007年期間擔任國際領先律師事務所高偉紳律師事務所的合夥人；於2007年退休後，彼成為高偉紳律師事務所香港辦事處的中國法律顧問。高先生在廣泛的法律實務領域擁有豐富及多元化的經驗，包括銀行及融資領域、及於能源、自然資源、石油化工項目領域的直接投資經驗（包括中國境內外投資）。彼自1985年起一直參與核電項目的開發與建設，包括開發大亞灣核電站項目、大亞灣與嶺澳等核電站的運營公司的設立及台山核電項目（採用第三代核技術）的開發建設。彼持有加州伯克萊大學法學院的碩士學位。彼自1984年起獲得中國律師資格。

Corporate Governance Report

企業管治報告

Independent Non-executive Director

Mr. Lee Kwok Tung Louis (“Mr. Lee”), aged 49, was appointed as an INED of the Company on 22 August 2014. Mr. Lee has been a certified practising accountant of the CPA Australia since 1996 and certified public accountant of the Hong Kong Institute of Certified Public Accountants since 1999. He has possessed over 24 years of experience with unlisted groups, listed groups and professional firms in finance, accounting and auditing. Mr. Lee is currently an independent non-executive director of Zhong Ao Home Group Limited (listed on the growth enterprise market of the Stock Exchange, stock code: 1538) and Worldgate Global Logistics Ltd. (listed on the main board of the Stock Exchange, stock code: 8292). Mr. Lee graduated with a bachelor of economics degree from Macquarie University in Australia in 1992.

獨立非執行董事

李國棟先生（「李先生」），49歲，於2014年8月22日獲委任為本公司獨立非執行董事。李先生自1996年成為澳洲會計師公會執業會計師並於1999年成為香港會計師公會執業會計師，擁有逾24年於專業機構從事財務、會計及審計工作經驗。李先生目前亦擔任中奧到家集團有限公司（於聯交所主板上市，股份代號：1538）及盛良物流有限公司（於聯交所創業板上市，股份代號：8292）獨立非執行董事。李先生於1992年畢業於澳洲麥克理大學，取得經濟學學士學位。

BIOGRAPHIES OF SENIOR MANAGEMENT

Mr. Cai Yusheng (“Mr. Cai”), aged 49, is the vice president of the Company and the vice general manager of CGNPC-URC. Mr. Cai was appointed as the vice president of the Company on 5 December 2013. Prior to joining the Company, Mr. Cai has served as the deputy director of the Nuclear Fuel Bureau of China National Nuclear Corporation, project manager of the international division of Taisei Corporation, project manager of the international division of Bechtel Group, general manager of Beijing Qing Da Zheng Yuan Environmental Engineering Co., Ltd* (北京清大正源環保工程技術有限公司). He graduated from Tsinghua University with a bachelor of engineering degree in engineering management in 1990 and got a master of engineering degree in civil engineering from University of Tokyo in 1998. Mr. Cai possesses 26 years of extensive project management experience and in-depth knowledge in the nuclear fuel industry.

Ms. Zheng Xiaowei (“Ms. Zheng”), aged 50, is the joint company secretary and general counsel of the Company and the board secretary and general counsel of CGNPC-URC. Ms. Zheng was appointed as the general counsel of the Company on 15 April 2014 and selected as the joint company secretary on 1 June 2014. Prior to joining the Company, Ms. Zheng has served as the project manager of the Hong Kong High Technology Development Management Company Limited* (香港高科技發展管理有限公司), investment planning manager of the development planning department of CGNPC, manager of the planning and finance department, financial representative and secretary of the Board of Galaxy Captek. Ms. Zheng graduated from Zhejiang University with a bachelor of engineering degree in industrial automation in 1988 and obtained a master of science degree in science and technology information from China Defense Science and Technology Information Center in 1992; Ms. Zheng possesses the qualification certificate for accounting of the PRC and the Enterprise Legal Adviser Qualification Certificate of the PRC* (中國企業法律顧問執業資格). Ms. Zheng has 20 years of experience in project investment and financial management, 15 years of experience in corporate governance and 10 years of experience in management of legal affairs.

高級管理人員簡介

蔡於勝先生(「蔡先生」)，49歲，現任本公司副總裁及中廣核鈾業發展副總經理。蔡先生於2013年12月5日被委任為本公司副總裁。加入本公司前，蔡先生曾任中國核工業總公司核燃料局副處長、大成建設株式會社國際部項目經理、Bechtel Group國際部項目經理、北京清大正源環保工程技術有限公司總經理。蔡先生1990年畢業於清華大學工程管理專業，獲工學學士學位，1998年獲東京大學土木工程專業工學碩士學位。蔡先生擁有26年豐富項目管理經驗和深厚的核燃料行業知識。

鄭曉衛女士(「鄭女士」)，50歲，現任本公司聯席公司秘書兼總法律顧問及中廣核鈾業發展董事會秘書兼總法律顧問。鄭女士於2014年4月15日被委任為本公司總法律顧問並於2014年6月1日被委任為聯席公司秘書。加入本公司前，鄭女士曾任香港高科技發展管理有限公司項目經理、中廣核集團公司發展計劃部投資策劃主任、北京銀河創新計劃財務部經理、財務負責人及董事會秘書。鄭女士1988年畢業於浙江大學工業自動化專業，獲工學學士學位。1992年獲中國國防科技信息中心科技情報專業理學碩士學位；鄭女士擁有中國會計師資格以及中國企業法律顧問執業資格。鄭女士擁有20年項目投資與財務管理經驗、15年公司治理經驗及10年法律事務管理經驗。

Corporate Governance Report 企業管治報告

Mr. He Fei (“Mr. He”), aged 40, is the president assistant of the Company and the general manager assistant of CGNPC-URC. Mr. He was appointed as the president assistant of the Company on 22 August 2014. Prior to joining the Company, Mr. He held a position in the department of international cooperation of the State Commission of Science, Technology and Industry for National Defence, and was then appointed to the French Atomic Energy Commission; and served successively as the secretary of the general manager department of the general office, secretary to the chairman of the board of the secretariat, senior manager for business of Beijing business unit and director of the business liaison office of the general office of CGNPC. Mr. He graduated from the International Relations College with a bachelor of arts degree in English in 2000 and obtained a master of law degree in civil and commercial law from Renmin University of China in 2009. Mr. He has worked in the nuclear power industry for an extensive period and developed extensive understanding of the domestic and international nuclear power industry, and has rich corporate management experience.

何飛先生（「何先生」），40歲，現任本公司總裁助理及中廣核鈾業發展總經理助理。何先生於2014年8月22日被委任為本公司總裁助理。加入本公司前，何先生曾於國防科工委國際合作司掛職及委派至法國原子能委員會；曾先後出任中廣核集團公司辦公廳總經理部秘書、秘書處董事長秘書、北京工作部業務高級經理、辦公廳業務聯絡處處長。何先生2000年畢業於國際關係學院英文專業，獲文學學士學位，2009年獲中國人民大學民商法學專業法學碩士學位。何先生長期從事於核電行業，對該行業有全面瞭解，積累了豐富的企業管理經驗。

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 Articles of Association and the Corporate Governance Code. The Articles of Association provides details in relation to the procedures of election and appointment of the Directors.

Pursuant to the Articles of Association, any further re-appointment of an INED who has served the Board for more than 9 years will be subject to separate resolution to be approved by shareholders.

Besides, pursuant to article 112 of the Articles of Association, Directors appointed to fill casual vacancy shall hold office only until the next general meeting after their appointment, and shall be subject to re-election by shareholders.

All Directors will sign director service agreement with the Company immediately after their appointment for an initial term of two years and subject to retirement and re-election of at least once every three years. The contract sets out the details of the duties and obligations of Directors. All Directors understand they have joint responsibility towards all shareholders in terms of the operation, business and development of the Company. They are required to fulfill Directors' duties according to the director service contract and relevant laws and regulations. All Directors confirm that they provide sufficient time and effort in company affairs, express their views cautiously and diligently and fulfill their Directors' duties.

Directors' Interests

As recorded in the register required to be kept under section 352 of part XV of the SFO, none of the Directors held any shares of the Company or associated corporations as at 31 December 2016.

董事的委任及重選

包括主席及首席執行官在內的所有董事均須根據公司章程細則及企業管治守則的規定，每三年輪流退任一次，並可於股東週年大會上經股東重選。公司章程細則中詳細規定了董事選聘的程序。

根據公司章程細則規定，對於在董事會服務超過9年的獨立非執行董事進行再次委任，須經股東以獨立的決議案審批通過。

另外，公司章程細則第112條規定，獲委任填補臨時空缺的董事任期將只至其獲委任後的下一屆股東大會為止，其後須經股東大會重選。

所有董事獲委任後均會立即與公司簽署董事服務協議初始任期為兩年並至少每三年退任及重選一次，合約中詳細列明董事責任和義務。全體董事均理解他們對全體股東就公司的運營、業務及發展富有共同的責任，並須按照董事服務合約及相關法律法規履行董事職責。所有董事均確保投入足夠時間及精力處理公司事務，謹慎勤勉表達意見，確保董事責任的履行。

董事權益

根據證券及期貨條例第XV部第352條規定備存的登記冊所載，各董事於2016年12月31日概無持有本公司及相聯法團的股份。

Corporate Governance Report

企業管治報告

Directors' Training and Continuous Professional Development

Newly appointed Directors will receive an introduction package related to the laws in relation to Directors of a listed company and their duties, which covers the statutory and regulatory obligations of a Director.

Pursuant to code provision A.6.5, Directors should participate in continuous professional development training to develop and refresh their knowledge and skills. The Company encourages all Directors to participate in continuous professional development to ensure better fulfillment of Directors' duties and contribution to the Company's development. During the reporting period, all Directors participated in continuous professional development by attending internal training, seminar or forum. Furthermore, attending training seminars or reading materials is also beneficial to continuous professional development.

In 2016, a summary of training taken by the Directors is set out as follows:

董事培訓及持續專業發展

獲委任的新董事將收到有關上市公司董事及擔任董事職務的法律及有關其職責文件介紹，內容涵蓋董事的法定及監管責任。

根據守則條文第A.6.5條規定，董事應參與持續專業發展訓練，以發展及更新其知識與技巧。公司鼓勵全體董事參與持續專業發展，以確保董事職責的更好履行及為公司的發展出謀獻策。於報告期內，所有董事已通過參與內部培訓、研討會或論壇等方式參與持續專業發展。此外，出席培訓講座或閱讀材料亦有助於持續專業發展。

於2016年，董事參與培訓概況如下：

Directors	董事	Type of training 培訓種類
EDs	執行董事	
Yu Zhiping	余志平先生	a
Xing Jianhua	幸建華先生	a
NEDs	非執行董事	
Zhou Zhenxing	周振興先生	a
Fang Chunfa	方春法先生	a
Wu Junfeng	吳俊峰先生	b
INEDs	獨立非執行董事	
Qiu Xianhong	邱先洪先生	a
Gao Pei Ji	高培基先生	a
Lee Kwok Tung Louis	李國棟先生	a

a: Attendance in person: On 17 November 2016, the Company held a training session for Directors, which covered the governance structure of Hong Kong listed companies and the latest regulatory requirements, the status and trend of nuclear energy development, the status and trend of disposal of spent fuel.

b: Reading training materials relevant to the Company's business or to the Directors' duties and obligations.

a: 親身出席：本公司於2016年11月17日舉辦董事專項培訓，內容包含香港上市公司管治架構及最新規管要求、核能發展現狀與趨勢、乏燃料後處理現狀與趨勢等。

b: 閱讀與本公司業務或與董事職務及職責有關的培訓資料。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the Corporate Governance Code stipulates that the roles of chairman of the Board and chief executive officer should be in charge by different persons. During the reporting period, the roles of chairman of the Board and chief executive officer of the Company were held by Mr. Zhou Zhenxing and Mr. Yu Zhiping, respectively. The chairman of the Board 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 EDs and the management team, is responsible for managing the Group's businesses, including the implementation of major strategies and measures adopted by the Board.

NEDS

NEDs, including INEDs, are experienced individuals from different industries and backgrounds. At least one of them possesses the appropriate accounting qualifications and related financial management expertise as required by the Listing Rules. Based on the expertise and experience of each of the Director, the Directors provide independent judgment and advice on the Company's management. The number of NEDs representing more than half of the Board members, which helps the Company to make objective and independent judgment and decision. The advice of NEDs shall be considered as major advice, in case where the conflicts of interest of related matters arises. The fixed initial term for NEDs is 2 years, and continue thereafter, the expiration of 2 years, the Company and NED himself could by notice in writing terminate the employment according to the relevant terms in the Director's service agreement.

Each INED has made an annual confirmation of independence in accordance with rule 3.13 of the Listing Rules. The Company is of the view that, all INEDs meet the independent guidelines as set out in rule 3.13 of the Listing Rules, and that they are independent.

主席及首席執行官

根據企業管治守則第A.2.1條規定，董事會主席及首席執行官的職務應該由不同人士擔任。於報告期內，本公司董事會主席與首席執行官分別由周振興先生及余志平先生擔任，董事會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；首席執行官則負責在執行董事及管理層隊伍支持下，管理本集團事務，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（包括獨立非執行董事）為來自不同行業及背景的資深人士，其中至少一名擁有上市規則規定的適當會計及相關財務管理專長。各位董事憑藉各自的專長及經驗承擔有關職責就公司的管理提供獨立判斷及意見。非執行董事的人數佔董事會的人數一半以上，能幫助公司做出客觀獨立的判斷和決策，且在就有關事項存在潛在利益衝突時，非執行董事意見將作為主要參考決策意見。非執行董事的初始任期為兩年，期滿後繼續生效，公司及非執行董事本人可根據董事服務協議中的有關條款書面通知終止聘任。

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條的獨立指引，具有獨立身份。

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企業管治報告

COMPANY SECRETARY

Ms. Zheng Xiaowei (“Ms. Zheng”) has been appointed as joint company secretary since 1 June 2014. In the meantime, in accordance with the requirement of the Listing Rules, the Company appointed Ms. Lai Siu Kuen (“Ms. Lai”) of KCS Hong Kong Limited, as the joint company secretary, to assist the work of Ms. Zheng. The role of the company secretary is to support the chairman of the Board, the Board and relevant committees, to ensure smooth communications and timely transmission of information. At the same time, the company secretary plays an important role such as to ensure the Board meetings are convened in accordance with laws and regulations, and the Board’s decisions are executed correctly. The company secretary is an important communication bridge between the Company and shareholders, it also assists the Board to perform the responsibility to shareholders in accordance with the Listing Rules. The primary contact person in the Company is Ms. Zheng, one of the joint company secretaries of the Company.

In accordance with the rule 3.29 of the Listing Rules, Ms. Zheng and Ms. Lai have received no less than 15 hours professional training for the year ended 31 December 2016.

BOARD PROCESS AND ATTENDANCE OF MEETINGS

There are at least 4 regular Board meetings held every year, and a special Board meeting is convened when necessary. In addition to acting by written resolutions, Directors participated in the meetings either in person, by proxy or through electronic means of communications. Board members have full access to the business development of the Company at the meetings at regular interval.

At least 14 days’ notices of all regular 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 meetings.

During the year ended 31 December 2016, there were altogether nine (9) Board meetings held by the Company. The attendance of each Director at the Board meeting and relevant committee meetings are as follows:

公司秘書

鄭曉衛女士(「鄭女士」)自2014年6月1日起獲委任為聯席公司秘書。同時，根據上市規則的規定，我們聘請凱譽香港有限公司的黎少娟女士(「黎女士」)為聯席公司秘書，協助鄭女士開展工作。公司秘書負責支持董事會主席、董事會及相關委員會，以保證溝通的順暢及信息的及時傳遞。同時，公司秘書在確保董事會合法合規召開及董事會決策得到準確執行方面發揮重要作用。公司秘書亦是公司與股東間的重要溝通橋梁，同時協助董事會按照上市規則的要求履行對股東的責任。本公司內部之主要聯繫人為作為聯席公司秘書之一的鄭女士。

根據上市規則第3.29條，鄭女士及黎女士於截至2016年12月31日止年度已接受不少於15個小時的專業訓練。

董事會程序及會議出席情況

董事會每年至少召開4次定期董事會會議及於需要時召開專題董事會會議。除透過書面決議案參與決策外，董事亦通過親自出席或委任代表出席或以電子通訊方式參與會議。董事會成員可於會議上定期全面獲悉公司業務發展狀況。

所有定期董事會會議均已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日發送給所有董事。

截至2016年12月31日止年度，本公司共召開九(9)次董事會，各董事出席董事會會議及相關委員會會議的情況如下：

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Name 姓名	Position 職位	Number of meetings attended/Number of meetings held 出席次數/會議舉行次數			
		Board Meeting 董事會*	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Mr. Zhou Zhenxing 周振興先生	Chairman of the Board and NED and chairman of the nomination committee 董事會主席兼非執行董事、提名委員會主席	6/9			2/2
Mr. Yu Zhiping 余志平先生	ED and member of the nomination committee and remuneration committee 執行董事、提名委員會委員、薪酬委員會委員	6/9		0/1	1/2
Mr. Xing Jianhua 幸建華先生	ED and member of the remuneration committee 執行董事、薪酬委員會委員	9/9		1/1	
Mr. Chen Qiming (resigned on 29 June 2016) 陳啟明先生 (於2016年6月29日辭任)	NED 非執行董事	3/4			
Mr. Yin Engang (resigned on 29 June 2016) 尹恩剛先生 (於2016年6月29日辭任)	NED and member of the audit committee 非執行董事及審核委員會委員	4/4	2/3		

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Name 姓名	Position 職位	Number of meetings attended/Number of meetings held 出席次數/會議舉行次數			
		Board Meeting 董事會*	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Mr. Fang Chunfa (appointed on 29 June 2016) 方春法先生 (於2016年6月29日獲委任)	NED and member of the audit committee 非執行董事、審核委員會委員	2/5	2/2		
Mr. Wu Junfeng (appointed on 29 June 2016) 吳俊峰先生 (於2016年6月29日獲委任)	NED 非執行董事	2/5			
Mr. Qiu Xianhong 邱先洪先生	INED, chairman of the audit committee and the remuneration committee and member of the nomination committee 獨立非執行董事、審核委員會主席、薪酬委員會主席及提名委員會委員	9/9	5/5	1/1	2/2
Mr. Gao Pei Ji 高培基先生	INED, member of the remuneration committee and the nomination committee 獨立非執行董事、薪酬委員會委員及提名委員會委員	9/9		1/1	2/2
Mr. Lee Kwok Tung Louis 李國棟先生	INED, member of the audit committee, the remuneration committee and the nomination committee 獨立非執行董事、審核委員會委員、薪酬委員會委員及提名委員會委員	9/9	5/5	1/1	2/2

* At the specified Board meetings for reviewing connected transactions held on 13 October and 13 December 2016, Mr. Zhou Zhenxing, Mr. Yu Zhiping, Mr. Fang Chunfa and Mr. Wu Junfeng were required to abstain from voting, but they may attend the meetings at their discretions.

* 於2016年10月13日及12月13日召開的專題董事會為審議有關關連交易事項，該兩次董事會，周振興先生、余志平先生、方春法先生及吳俊峰先生均需回避表決，但可酌情是否出席會議。

Should a potential conflict of interest involving a substantial shareholder or a Director arise, the matter would be considered and approved in a physical meeting, as opposed to being dealt with by written resolution. Other Directors and INEDs with no material conflict of interest would be present at meetings dealing with such conflict.

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

DELEGATION AND WORK DONE BY THE BOARD

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

The Board has formulated a clear written policy that delineates matters reserved for Board approval 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.

若有控股股東或董事存在可能的利益衝突，有關事宜將以會議形式進行審議批准，而非以書面決議處理。不存在重大利益衝突的其他董事及獨立非執行董事將出席有關董事會會議處理有關衝突事項。

公司已就其董事可能會面臨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。

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的業務管理、策略決定、表現及事務。

董事會已制定清晰的書面政策，清楚列載本集團需董事會預先批准的事宜。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。

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企業管治報告

In addition to work relating to corporate governance function, other major work performed by the Board during the year ended 31 December 2016 includes:

1. approving the 2016 business plan and budget planning;
2. approving the Directors' report, audited financial statements and auditor's report for the year ended 31 December 2016;
3. approving the unaudited interim results for the period ended 30 June 2016;
4. proposing the re-election of Directors and the authority of the Board to fix the remuneration of the Directors to be approved at the 2016 AGM;
5. proposing the share issue and repurchase general mandate to be approved at the 2016 AGM;
6. proposing the re-appointment of SHINEWING (HK) CPA Limited as the auditors of the Company and the authority of the Board to fix the auditor remuneration to be approved at the 2016 AGM;
7. approving the subscription agreement and the underwriting agreement of natural uranium products entered into between the Company and Fission and obtaining the written approval from the controlling shareholder;
8. as required by China Uranium Development in respect of the exercise of its conversion rights of the convertible bonds in an amount of HK\$300,000,000, approving the issue of 1,304,347,826 conversion shares;

除與企業管治功能有關的工作外，董事會於截至2016年12月31日止年度進行的主要工作包括：

1. 通過2016年年度經營計劃與預算；
2. 通過截至2016年12月31日止年度之董事報告，經審核之財務報表及核數師報告；
3. 通過截至2016年6月30日止期間之未經審核中期業績；
4. 通過於2016年股東週年大會上提呈有關董事重選及授權董事會釐定董事袍金事宜予以批准；
5. 通過於2016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；
6. 通過於2016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；
7. 通過本公司與Fission公司訂立購股協議及天然鈾產品包銷協議，並獲得控股股東書面批准；
8. 應中國鈾業發展就持有的本金額300,000,000港元的可換股債券行使隨附換股權的請求，批准發行1,304,347,826股換股股份；

Corporate Governance Report 企業管治報告

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| <p>9. approving the resignation of Mr. Chen Qiming as a NED, the resignation of Mr. Yin Engang as a NED and member of the audit committee, the appointment of Mr. Wu Junfeng as a NED and the appointment of Mr. Fang Chunfa as a NED and member of the audit committee;</p> <p>10. approving the Mining Principles Agreement and its supplemental agreement entered into between the Company and Kazatoprom;</p> <p>11. approving the New Natural Uranium Sales Framework Agreement entered into between the Company and CGNPC-URC and submitting the agreement for approval at the EGM;</p> <p>12. approving the New Financial Service Framework Agreement entered into between the Company and CGNPC Huasheng and submitting the agreement for approval at the EGM;</p> <p>13. approving the subscription agreement entered into between the Company and Hong Kong Xinmao and approving the issue of 659,400,000 ordinary shares.</p> | <p>9. 通過陳啟明先生辭任非執行董事，尹恩剛先生辭任非執行董事及審核委員會委員，委任吳俊峰先生為非執行董事，委任方春法先生出任非執行董事及審核委員會委員；</p> <p>10. 通過本公司與哈原工訂立礦業原則協議及其修訂協議；</p> <p>11. 通過本公司與中廣核鈾業發展簽署《新天然鈾銷售框架協議》並提呈股東特別大會批准；</p> <p>12. 通過本公司與中廣核華盛簽署《新財務服務框架協議》並提呈股東特別大會批准；</p> <p>13. 通過本公司與香港鑫茂訂立股份認購協議，並批准發行659,400,000股普通股份。</p> |
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The day-to-day operation and management of the Group is delegated to the senior management. Certain authorities are also granted to relevant Board committee, the granted authorities and responsibilities are reviewed by the Board from time to time.

BOARD COMMITTEES

There are three committees under the Board of the Company, which are audit committee, remuneration committee and nomination committee, respectively, with its terms of reference established. Each specific committee performs on specific area, provides comments and recommendations to the Board for consideration.

董事會將本集團日常營運及管理的權力轉授予高級管理層，並將部分權限授權予相關董事會委員會，授權職能及職責由董事會不定期進行檢討。

董事委員會

本公司董事會下設有三個委員會，分別為審核委員會、薪酬委員會及提名委員會，並已制定其職權範圍，各專門委員會就特定範疇履職，提出意見及建議供董事會決策參考。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE

The audit committee of the Company is delegated by the Board to exercise its specific rights within the ambit of the terms of reference.

During the reporting period, the audit committee of the Company comprised one NED, namely Mr. Yin Engang (resigned on 29 June 2016)/Mr. Fang Chunfa (appointed on 29 June 2016), and 2 INEDs, namely Mr. Qiu Xianhong (Chairman) and Mr. Lee Kwok Tung Louis.

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 systems of the Group, and oversee 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 performed by the audit committee during the year ended 31 December 2016 includes:

1. assessing the independence and objectivity of external auditors;
2. reviewing the internal control and risk management systems of the Company;
3. reviewing the audited annual results for the year ended 31 December 2015; and
4. reviewing the unaudited interim results for the period ended 30 June 2016.

During the year ended 31 December 2016, the Board had no disagreement with the audit committee's view on the selection, appointment, resignation or dismissal of the external auditor.

審核委員會

審核委員會在董事會授權範圍內行使特定權利。

於報告期內，本公司審核委員會由1名非執行董事尹恩剛先生(於2016年6月29日辭任)/方春法先生(於2016年6月29日獲委任)、2名獨立非執行董事邱先洪先生(主席)及李國棟先生組成。

審核委員會的職責為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有效性進行獨立檢討，監督審計程序。同時，審核委員會就財務申報、內部監控及審計事宜充當董事、外聘核數師及管理層之間的溝通橋樑。

截至2016年12月31日止年度，審核委員會的主要工作包括：

1. 評估外聘核數師的獨立及客觀性；
2. 檢討公司內部監控及風險管理系統；
3. 審閱截至2015年12月31日止年度的經審核年度業績；及
4. 審閱截至2016年6月30日止期間未經審核中期業績。

截至2016年12月31日止年度，董事會與審核委員會在外聘核數師的甄選、委任、辭任或罷任方面並無分歧意見。

REMUNERATION COMMITTEE

The remuneration committee is delegated by the Board to exercise its specific rights within the ambit of the terms of reference.

During the reporting period, the remuneration committee of the Company comprised two EDs, namely Mr. Yu Zhiping and Mr. Xing Jianhua, and three INEDs, namely, Mr. Qiu Xianhong (chairman), Mr. Gao Pei Ji and Mr. Lee Kwok Tung Louis.

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 EDs, NEDs and senior management and review the remuneration packages of the EDs and senior management with reference to the corporate goals and objectives.

Major work performed by the remuneration committee during the year ended 31 December 2016 includes:

1. reviewing the management's remuneration packages for the year 2016, with reference to the corporate goals and objectives formulated by the Board; and
2. making recommendations to the Board as to the remuneration packages of individual ED and senior management for the year 2016.

Pursuant to code provision B.1.5 of the Corporate Governance Code, the annual remuneration of the members of the senior management (excluding the Directors) by band for the year ended 31 December 2016 is set out below:

Remuneration band (HK\$) 薪酬範圍 (港元)	Number of individuals 人數
0-1,000,000	2
1,000,000-1,500,000	1

Details of the remuneration of the Directors and the 5 highest paid individuals are set out in note 17 to the consolidated financial statements.

薪酬委員會

薪酬委員會在董事會授權範圍內行使特定權利。

於報告期內，本公司薪酬委員會由兩名執行董事余志平先生及幸建華先生，以及三名獨立非執行董事邱先洪先生(主席)、高培基先生及李國棟先生組成。

薪酬委員會的職責為就公司執行董事、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，並參考公司方針及目標檢討全體執行董事及高級管理層的薪酬組合。

截至2016年12月31日止年度，薪酬委員會的主要工作包括：

1. 根據董事會訂立的公司方針及目標檢討2016年管理層薪酬組合；及
2. 向董事會就2016年個別執行董事及高級管理層的薪酬組合提出建議。

根據企業管治守則第B.1.5條，高級管理層成員(不包括董事)於截至2016年12月31日止年度的年度薪酬在下列範圍內：

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17。

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企業管治報告

NOMINATION COMMITTEE

The nomination committee is delegated by the Board to exercise its specific rights within the ambit of terms of reference.

During the reporting period, the nomination committee of the Company comprised one NED, namely Mr. Zhou Zhenxing (chairman), one ED, namely Mr. Yu Zhiping and three INEDs, namely Mr. Qiu Xianhong, Mr. Gao Pei Ji and Mr. Lee Kwok Tung Louis.

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 corporate strategy; and 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.

For the year ended 31 December 2016, major work performed by the nomination committee includes:

1. reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board;
2. reviewing the terms of reference of the nomination committee and their effectiveness in the discharge of their duties and considering the need for any changes;
3. making recommendations to the Board as to nomination of directors for re-election at the 2016 AGM;
4. making recommendations to the Board as to the change of the Board and Board committee members;
5. making recommendations to the Board as to the re-designation of Directors; and
6. assessing the independence of INEDs.

提名委員會

提名委員會在董事會授權範圍內行使特定權利。

於報告期內，本公司提名委員會由一名非執行董事周振興先生（主席）、一名執行董事余志平先生及三名獨立非執行董事邱先洪先生、高培基先生及李國棟先生組成。

提名委員會的職責為審閱及制定有關董事委任、重新委任及罷免的提名程序；檢討董事會的架構、人數及組成並向董事會提出建議或提出任何變動計劃，以配合公司策略；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。在考慮提名人選時，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。

截至2016年12月31日止年度，提名委員會的主要工作包括：

1. 檢討董事會的架構、人數及組成（包括技能、知識及經驗）；
2. 檢討提名委員會的職責範圍及其履行職責的效益及考慮任何變動的需
要；
3. 向董事會就提名董事於2016年股東週年大會上重選為董事提出建議；
4. 向董事會就董事會及董事委員會成員變動提出建議；
5. 向董事會就董事調任提出建議；及
6. 評核獨立非執行董事的獨立性。

BOARD DIVERSITY POLICY

The Board adopted the “Board Diversity Policy”. The Company recognises the merits of Board diversity and sees the edge of Board diversity in driving competitiveness. In making up the Board’s composition, the Board considers various skills, regional and industry experience, background, gender and other attributes of the Board members. All Board appointments are based on the talent, skill and experience of the individual, as well as gender diversity, so as to meet the operational needs.

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 HKFRSs 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, 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.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for setting up and maintaining effective risk management and internal control systems and for reviewing its effectiveness, to safeguard the Group’s assets and shareholders’ interest. The management of the Company at each level assesses and reports on the adequacy and effectiveness of the risk management and internal control systems by performing reviews and testing. Internal control department reports to the audit committee once a year on key findings regarding risk management and internal controls. Audit committee, in turn, communicates any material issues regarding risk management and internal control systems to the Board.

董事多元化政策

董事會已採納《董事會成員多元化政策》。本公司認可董事會成員多元化的優點，並已看到董事會成員多元化在提高競爭力方面的優勢。在董事會成員的組成上，董事會將考慮董事會成員的不同技能、區域和行業經驗、背景、性別以及其他特點。所有的董事會任命均基於才幹、技能、經驗以及性別差異等，以適應工作需要。

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。本公司在編製財務報表時，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有關之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。

風險管理與內控

董事會整體負責建立與維持公司風險管理及內部監控體系的有效性，並不斷檢討其效力以保障本集團的資產及股東的利益。公司各級管理層通過對風險管理及內部監控系統的檢討和測試以評估和報告內部監控系統的充足性和有效性。內部監控部門每年度向審核委員會匯報一次有關風險管理及內部監控的主要調查結果，審核委員會向董事會匯報有關風險管理及內部監控系統中存在的任何重大事項和問題。

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During the year ended 31 December 2016, the audit committee conducted a review on the effectiveness of the risk management and internal control systems, and no serious deficiencies were identified. Therefore, the Board considered that the risk management and internal control systems of the Group are effective, and complied with the provisions of the Corporate Governance Code.

Comprehensive risk management

In 2016, the Company was committed to perfecting its comprehensive risk management system. With reference to relevant risk management requirements of the “Risk Management – Principles and Guidelines” of ISO31000:2009 standard and the Corporate Governance Code and the Corporate Governance Report published by the Stock Exchange, the Company effectively identified, tracked and controlled the risks. It also set up a comprehensive risk management mechanism and formed a Comprehensive Risk Management Policy. Such system defined the contents and requirements regarding risk management responsibility system, risk management flow, business risk classification and risk reporting mechanism. The Board, management, the risk management department were responsible for their relevant duties within risk management and reviewed on the implementation of risk management once a year to ensure the efficient operation of the system. Meanwhile, the Company classified the risks into three levels, namely major operating risk, specific risk (including project investment risk) and general risk, and established different management process for those risks separately.

Internal audit

In 2016, according to the internal audit plan approved by the Board, the audit department carried out a series of audit work including: intermediaries (mainly refer to professional agents) service contract audit, financial management audit and risk management evaluation. Through the above audit programs, the department identified 13 audit problems, proposed 16 audit recommendations and launched 7 reforming plans. Through regularly implementing specific audit measures and regularly providing management advices every year, the Company is able to prevent from and control the potential risks in relevant sectors and its management, also, shows its effectiveness of internal audit in risk prevention and internal control, which ensures that the Company's operation complies with laws and regulations.

截至2016年12月31日止年度，審核委員會已檢討風險管理及內部監控系統的有效性，並無發現任何嚴重不足。因此，董事會認為本集團的風險管理及內部監控系統有效且符合企業管治守則的守則條文。

全面風險管理

2016年，本公司致力於完善全面風險管理體系，以ISO31000：2009標準《風險管理－原則及指引》以及聯交所發佈的《企業管治守則》及《企業管理報告》中有關風險管理的要求作為重要參考，對風險進行有效識別、跟蹤及控制，建立了全面風險管理機制，並形成了《全面風險管理制度》。該制度明確了風險管理責任體系、風險管理流程、風險業務分類和風險報告機制等方面的內容和要求，董事會、管理層、風險管理部門和業務部門已根據其於風險管理中承擔的職責開展有關工作，並每年回顧一次風險管理情況確保公司風險管理體系有效運作。同時，本公司將風險劃分為重大經營風險、專項風險（包括項目投資風險）、一般風險三個層次，建立了相區分的風險管理流程。

內部審計

2016年，根據董事會批准的內部審計計劃，審計部共開展了一系列包括中介（主要指專業機構）服務合同審計、財務管理審計、風險管理評價等相關審計工作。通過開展上述審計項目，共發現13個審計問題，提出審計建議16條，累計發放7項整改計劃。通過每年定期實施專項審計並定期向董事會提供管理建議，有效防範和監控了公司相關領域運作與管理中存在的風險，發揮了內部審計在風險防控和健全內控方面的積極作用，確保了公司的合法合規經營。

Disclosure of inside information

The Company regulates the handling and dissemination of inside information as set out in the information disclosure policy which contains the detailed procedures to ensure that inside information could be identified timely and remain confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is effectively and consistently made.

AUDITOR'S REMUNERATION

For the year ended 31 December 2016, the remuneration paid by the Company to the auditor, Messrs. SHINEWING (HK) CPA Limited, is set out as follows:

Services rendered	所提供的服務	Fees paid/payable
		已付／應付的費用 (HK\$'000) (千港元)
Audit services	審核服務	1,270
Non-audit services	非審核服務	480

The significant amount of fee incurred for non-audit services arose from (i) the review of interim financial statements for six months ended 30 June 2016 and (ii) the preparation of cash flow projections comfort letter for the purpose of the circular dated 9 December 2016 issued in connection with the major and continuing connected transaction in relation to New Natural Uranium Sales Framework Agreement and New Financial Service Framework Agreement.

SHAREHOLDERS AND SHAREHOLDERS' MEETING

In order to ensure that all shareholders of the Company enjoy equal status and effective exercise of their own rights, the Company convenes general meetings every year in accordance with the Articles of Association. During the year 2016, two (2) general meetings were held, namely the annual general meeting held on 19 May 2016 and the extraordinary general meeting held on 29 December 2016. The attendance of each director at the annual general meeting is set out as follows:

內幕信息披露

本公司按列示於公司信息披露制度中的詳細流程就內幕信息進行處理及發佈，以確保內幕信息被及時識別並確保有關內幕信息於獲得適當批准前維持保密，有關信息將以有效及一致的方式進行發佈。

核數師酬金

截至2016年12月31日止年度，本公司支付給核數師信永中和(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)審閱截至2016年6月30日止六個月之中期財務報表及(ii)就有關主要及持續關連交易(新天然鈾銷售框架協議及新財務服務框架協議)之日期為2016年12月9日之通函編製現金流量預測告慰書。

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，本公司根據章程細則的規定每年召開股東大會。2016年本公司共舉行兩(2)次股東大會，分別為2016年5月19日舉行的股東週年大會及2016年12月29日舉行的股東特別大會。各董事出席股東大會情況如下：

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Name 姓名		Number of meetings attended/ Number of meetings held 出席次數／會議舉行次數
Mr. Zhou Zhenxing	周振興先生	1/2
Mr. Yu Zhiping	余志平先生	2/2
Mr. Xing Jianhua	幸建華先生	1/2
Mr. Chen Qiming (resigned on 29 June 2016)	陳啟明先生 (於2016年6月29日辭任)	0/1
Mr. Yin Engang (resigned on 29 June 2016)	尹恩剛先生 (於2016年6月29日辭任)	1/1
Mr. Fang Chunfa (appointed on 29 June 2016)	方春法先生 (於2016年6月29日委任)	0/1
Mr. Wu Junfeng (appointed on 29 June 2016)	吳俊峰先生 (於2016年6月29日委任)	0/1
Mr. Qiu Xianhong	邱先洪先生	2/2
Mr. Gao Pei Ji	高培基先生	1/2
Mr. Lee Kwok Tung Louis	李國棟先生	2/2

SHAREHOLDERS' RIGHTS

Right to convene an extraordinary general meeting

Pursuant to article 64 of the Articles of Association, 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 share capital of the Company having the right to vote at general meetings, the directors are obliged to proceed to convene an extraordinary general meeting of the Company.

Such requisition shall be made in writing to the Directors or the secretary for the purpose of requiring an extraordinary general meeting 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 convene a meeting within 21 days from the date of the deposit of the requisition, 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.

股東權利

要求召開股東特別大會的權利

根據公司章程細則第64條規定，如於提出要求當日，持有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公司股東提出要求，董事可召開本公司的股東特別大會。

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公司秘書發出，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。提出要求的人士須在要求函件中說明開會目的及簽署。

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產生的所有合理費用。

Right to put enquiries to the Board

Shareholders have the right to put enquiries to the Board. All enquiries may be made in writing and sent to the attention of the joint company secretary, Ms. Zheng Xiaowei, in one of the following ways:

1. By post: CGN Mining Company Limited
Rm 1903, 19/F., China Resources Building
No. 26 Harbour Road
Wanchai, Hong Kong
2. By facsimile: (852) 2116 4031
3. By email: ir.cgnmc@cgnpc.com.cn

Voting by poll

Pursuant to rule 13.39 of the Listing Rules and article 72 of the Articles of Association, any votes of the shareholders at a general meeting must be taken by poll, except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted 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) give to shareholders of the Company entitled to receive notice of the next annual general meeting notice of any resolution which may properly be proposed and is intended to be proposed at that meeting;
- b) 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.

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聯席公司秘書鄭曉衛女士收啟：

1. 郵遞：中廣核礦業有限公司
香港灣仔港灣道26號
華潤大廈19樓
1903室
2. 傳真：(852) 2116 4031
3. 電郵：ir.cgnmc@cgnpc.com.cn

以點票方式進行投票

根據上市規則第13.39條及公司章程細則第72條規定，股東於股東大會上作出的任何投票必須以點票方式進行，惟主席允許且僅有關程序及行政事宜的決議案可以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遵從以下程序：

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。

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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 joint company secretary not less than 6 weeks before the general meeting, and in case of a requisition requires notice of a resolution, not less than 1 week before the general meeting for any other requisition.

Change in Constitutional Documents

During the year ended 31 December 2016, there is no significant change in constitutional documents of the Company.

有關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）送達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由公司秘書收啟。

章程文件變動

截至2016年12月31日止年度，本公司章程文件概無任何重大變動。

Environmental, Social and Governance Report

環境、社會及管治報告

SCOPE OF REPORT

During the year ended 31 December 2016, the operation which could cause material effect to the environment and society of the Group is coming from the mining activities in relation to Semizbay-U. This Environmental, Social and Governance (“ESG”) report covers the operating sites of the CGN Mining in Kazakhstan for the year ended 31 December 2016, and its contents are mainly about the Semizbay-U and the Semizbay Mine and Irkol Mine (hereinafter “mine”), of which CGN Mining holds a 49% equity interest. The reporting period is for the year ended 31 December 2016, which is the same as the period for the annual report of the Company. Unless stated otherwise, the definition used in this report carries the same meaning as listed in the Definitions.

This report has been drafted according to Appendix 27 of the Listing Rules, namely the “ESG Reporting Guide”. It is the Company’s first ESG report drafted in compliance with these guidelines, and provides general disclosure regarding the requirement “to give an explanation in the event of non-compliance” contained in those guidelines.

COMMUNICATION WITH STAKEHOLDERS

As a listed company, CGN Mining discloses its information regarding business operations and progress in projects, etc., and posted on the Company’s website www.cgnmc.com and the Stock Exchange’s designated website for information disclosure (HKEX news: www.hkexnews.hk). All disclosures are prepared and published in accordance with the requirements of the Listing Rules. Furthermore, upon receiving an inquiry from investors, the Company will promptly contact the investors, assist them in understanding the Company’s operating information, and answer the investors’ questions by inviting them to visit the Company in person or through a telephone conference, etc. Concurrently, the Company will, from time to time, organize roadshows in the form of performance presentation meetings, etc., to which it will invite some investors or potential investors and analysts, in order to present the Company’s latest news.

報告範圍

截至2016年12月31日止年度，本集團對環境及社會產生重大影響之運營主要來自於與謝公司有關的採礦活動。本環境、社會及管治報告（「環境、社會及管治報告」）涵蓋中廣核礦業截至2016年12月31日止年度位於哈薩克斯坦的營運點，內容主要包括中廣核礦業擁有49%權益的謝公司及其旗下的謝礦及伊礦（下稱「礦場」）。報告的時段為截至2016年12月31日止年度，與本年報報告期一致。除文義另有定義外，本報告所界定之詞彙與釋義部分所載列者具有相同含義。

本報告依據上市規則附錄二十七《環境、社會及管治報告指引》編撰，為本公司首份依循該指引編撰的環境、社會及管治報告，並按指引中「不遵守就解釋」的要求作出一般披露。

與持份者溝通

中廣核礦業作為一家上市公司，於公司網站(www.cgnmc.com)及聯交所指定資訊披露網站(披露易：www.hkexnews.hk)中披露本公司的經營情況及項目進展等信息，有關披露均為按照上市規則的要求編制及發佈。此外，當收到投資者查詢時，本公司將及時與投資者取得聯繫，並通過邀請投資者親臨公司或透過電話會議等形式助其瞭解公司經營資訊及解答疑問；同時，本公司亦不定期舉辦業績發佈會等形式的路演，邀請部分投資者或潛在投資者及分析師參加，以介紹本公司最新情況。

Environmental, Social and Governance Report

環境、社會及管治報告

A ENVIRONMENTAL

A1 Emissions

The uranium mine of Semizbay-U in Kazakhstan mainly provides natural uranium used in the downstream production of clean energy. The scope of business is closely related to the environment, and the mine also concerned significantly about its operating process which may affect the environment, as well as to aim at improving the environment. From year 2015, the mine was granted an emission permit from the Kazakhstan government's environmental authority, and was able to meet the emission standards stipulated in its regulations and the law. Semizbay-U has also implemented a series of actions, including regular measurements of greenhouse gas emissions to ensure compliance with emission standards, and long-term monitoring of the airtightness of equipment and ventilation systems to prevent leakage from emission gas pipes that would affect the employees working in the facilities.

After processing, domestic sewage is recycled and reused in various water usage sections in the mine, which helps in water conservation and reducing sewage. Following chlorination, the domestic sewage of the uranium mine hydrometallurgy workshop is transported through plastic pipes to a biological purification pool for purification. When the sewage has been purified, it is reused in the production area and base camp, for example to irrigate greening facilities, clean tank trucks that transport commercial stripping liquid, make leaching solutions, etc. The disposal of general waste in the mine has also been effectively controlled, waste separation facilities have been provided for separating plastic, glass, and metals waste for recycling purpose. Concurrently, Semizbay-U has signed agreement with the office accommodation service provider, which will provide timely recycling of used printer cartridges in order to reduce the generation of hazardous waste.

A 環境

A1 排放物

謝公司於哈薩克斯坦的採鈾礦場主要供應天然鈾用於下游清潔能源的生產，業務範疇與環保有著密切的關係，而礦場同樣亦相當重視運作過程中對環境產生影響的環節，並致力於改善環境。礦場於2015年開始已獲哈薩克斯坦政府的環保機關頒發排放許可，達致合規合法排放。為此，謝公司亦制定了一系列行動，包括定期測量溫室氣體排放量以保證排放達標，以及內部長期監控設備和通風系統的密閉性，以防排氣管道出現溢漏，影響到廠內工作中的人員。

生活廢水經處理後會循環再用於礦場內不同的用水環節，有助減少廢水排放並可節約用水。採鈾礦場水冶車間的生活廢水經氯化後沿塑膠管線輸送往生物進化池進行淨化，淨化後會再次應用於生產區和營地中，如用於澆灌綠化設施、清洗運送商品解吸液的罐車、配置溶浸液等。此外，對礦場內一般廢棄物的排放亦進行了有效管理，場內設有專門的廢棄物分類處理場地，塑膠、玻璃、金屬進行分類擺放，以方便回收。同時，謝公司亦與辦公用品服務單位簽訂了合同，用完的墨水匣會安排適時回收，以減少有害廢棄物的產生。

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With regards to its purchasing system, Semizbay-U has made clear that it will primarily use products provided by Kazakhstan suppliers included in the list of national suppliers published by the Sovereign Wealth Fund. As for the maintenance activity of the equipment in the mine, Semizbay-U requires the service providers to implement on-site maintenance to the greatest possible extent, in order to reduce the need for Semizbay-U employees to travel, as well as the need to transport the involved instruments. All these measures help to reduce overall carbon emissions into the environment.

Semizbay-U strictly abides by the relevant Environmental Protection Laws of Kazakhstan, and there have been no cases where the company has been prosecuted for violation of any laws related to environmental protection within the reporting period.

A2 Use of Resources

In addition to controlling the sources of pollution during the production process, the efficient use of resources in the mine can minimize the damage caused to the environment and increase the resource use efficiency. In the process of uranium mining, leaching liquid plays an important role in extraction of uranium. In the mine, all the solid waste containing iron would be collected and put in leaching liquid pools to increase the quantity of ferrous and ferric iron, thereby abetting the leaching of underground uranium, so as to improve the resource efficiency and increase the output.

The industrial sewage generated in the mine's hydrometallurgy workshop, the cleaning sewage, and the sewage from cleaning receptacles containing chemical products and from commercial stripping liquid tank trucks, etc., is all recovered, recycled and allocated to leaching liquid stations, and directly returned to the in-situ leaching industrial mining flow process, in order to achieve efficient use of water resources. Furthermore, energy and water conservation is widely promoted in the mine, including signs posted near washbasins to remind employees to conserve water.

謝公司於採購制度中明確列明，優先採購獲哈薩克斯坦國資委(Sovereign Wealth Fund，簡稱國資委)列入該國供應商名單中的供應商提供的產品。而對於礦場內的技術維修方面，謝公司要求服務提供者儘量於礦場範圍內履行合同義務，實施即場維修，以減少謝公司員工的出差或涉及的儀器運輸。此等政策均有助於減少對整體環境的碳排放。

謝公司嚴格遵守哈薩克斯坦相關的環保法例，期內未有因為違反與環保相關法例而被檢控的個案。

A2 資源使用

除控制生產過程中產生的污染源外，有效使用礦場內的資源可提升資源使用效益，減少對環境產生的破壞。採鈾過程中，溶浸液對鈾的提取起着重要的作用，礦場會收集場地內含鐵的固體廢棄物，再將其投進溶浸液池中以增加二價鐵或三價鐵的數量，從而幫助地下鈾的浸出，讓資源獲得有效利用的同時亦提高產量。

礦場內水冶車間所產生的工藝廢水、清洗廢水、含化學物的清洗集裝箱和商品解析液管裝車廢水等，均會被循環再用並配送至溶浸液點，直接回歸到地浸工藝流程中，以達到有效利用水資源。此外，礦場內亦大力宣導節約用水用電，包括在洗手池旁張貼節約用水的標語以提醒員工。

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A3 The Environment and Natural Resources

In order to reduce the environmental impact from Semizbay-U's uranium mining operations, Semizbay-U has aggressively adopted innovative technology for the recycling of waste so as to reduce emission. Semizbay-U conducts central collection of the sewage from both its uranium mining area workshop and the mining base camp, and transports the sewage to the biological purification station through underground pipes. After purification and disinfection, the sewage is then sent to the leaching liquid pool in order to abet the recycling process. Semizbay-U also proactively looks into the emission of greenhouse gases. In 2015, it began to use solar heat exchanger to comprehensively replace fossil fuels for indoor heating, using advanced technology to reduce fuel consumption, wastage of natural resources and the environmental damage caused by the emission of greenhouse gases.

Semizbay-U pursues the local policy of a green economy, and prioritizes the purchase of energy-saving raw materials. Furthermore, after the mining work has been finished, the company will replant the area in order to restore the original environment to the greatest possible extent and reduce environmental damage.

Regarding the hazardous waste generated in the mine, such as used oil, used batteries, drilling fluid, etc., Semizbay-U has contracted the eligible processing company to handle the recycling. Other than ensuring the handling process complies the legal requirement, it helps encourage wastage recycling. With regards to the used iron plates, used containers, used tires, and other such waste generated during the mining production process, these are turned into flower pots and other such things in order to beautify and green the mine.

A3 環境及天然資源

為減少謝公司採礦業務對環境的影響，謝公司積極引進創新科技將廢物循環再利用，以減少廢物排放。謝公司對於旗下採鈾礦場廠區車間和礦場場地的廢水均進行中央收集，並通過地下鋪設的管道送至生物進化站，經過淨化消毒後再送往溶浸液池以輔助再生產工序。此外，謝公司高度關注溫室氣體排放問題，並於2015年開始安裝太陽能熱交換器，全面取代以傳統石化燃料為室內供暖，通過先進科技減少燃氣的使用及天然資源的浪費並降低溫室氣體排放對環境造成的破壞。

謝公司奉行當地的綠色經濟政策，優先考慮採購節能的原材料。此外，針對開採後的礦區地表，會進行地表植被的復墾工作，務求儘量還原本來的生態環境，以減少對環境的破壞。

對於場區內所產生的有害廢棄物，如廢油、廢蓄電池、鑽井液等，謝公司會聘請當地政府認定的合資格處理商進行回收並加工再用，務求做到合法處理有害廢棄物的同時，亦鼓勵廢物的循環再用。而礦場生產過程中產生的廢鐵板、廢桶、廢輪胎等將改裝成花盆等，用於美化及綠化廠區環境。

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Semizbay-U also understands the importance of education in promoting environmental issues. By organizing regular training and examinations in environmental matters for the employees, the company is able to deepen and disseminate various aspects of environmental awareness among its employees. Furthermore, the company constantly encourages its employees to reduce office waste material, and strives to improve the employees' environmental awareness.

B SOCIAL

B1 Employment

Semizbay-U consistently upholds the policy of equality of its employees. When hiring employees, it treats all applicants according to the principles of fairness and equality. Concurrently, Semizbay-U follows the guidance of relevant authority of Kazakhstan regarding hiring practices. They do not set any restrictions on male to female ratio, and do not limit the ethnic or cultural background of their employees, and advocates a policy of employee diversification and anti-discrimination. When promoting employees, the main considerations are the employee's work ability and their contributions to the company.

Employees are the driving force behind the company's continued operations. Semizbay-U provides various benefits at different levels for employees, and strives to make the employees feel the company's appreciation. Semizbay-U clearly lists numerous benefits, such as social insurance and medical insurance, in its employment contracts, and also includes benefits to cover other aspects of life, such as holiday expenses, etc. Semizbay-U also pays particular attention to the needs of female employees, and provides female employees with up to 3 years maternal leave, as well as maternal leave compensation.

In strict abidance with the labour laws of Kazakhstan, Semizbay-U provides full-time employees with one month's paid annual leave, and the company's compensation for dismissal and retirement are both paid according to the relevant labour laws.

謝公司同時認識到教育在推動環保方面的重要作用，通過定期組織對員工的環保培訓和考試，深化及灌輸員工多方面的環保知識。此外，謝公司日常亦會號召員工減少辦公室廢棄物，增強員工減廢的意識。

B 社會

B1 僱傭

謝公司一直秉持平等對待員工的政策。在員工招聘方面，會秉承公平和平等原則對待所有應徵者。同時，謝公司亦遵從哈薩克斯坦有關機構於員工聘用方面的指引，不會規定男女員工比例，亦不會限制入職員工的民族及文化背景，提倡僱員多元化及反歧視政策。而在員工晉升方面，主要考慮因素為員工的工作能力及對所在公司的貢獻。

員工是企業持續營運的動力所在，謝公司為員工提供多項不同層面的福利待遇，務求令員工感受到企業對員工的重視。謝公司在員工合同內列明為員工提供多項福利待遇，如社會保險和醫療保險等，同時包含其他生活層面的福利，如過節費等；而謝公司亦特別照顧女性員工所需，會向女性員工提供長達3年的產假，並提供產假補貼。

謝公司嚴格遵守哈薩克斯坦勞動法規定，給予正式員工一個月的有薪假期，而解僱及退休補償均按照當地勞動法執行。

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Semizbay-U consistently and strictly abides by the relevant employment laws, and there have been no cases of prosecution due to any violation of the relevant laws during the reporting period.

B2 Health and Safety

For companies engaged in mining, the safety of the employees during the mining operations is extremely important. The guiding principle of Semizbay-U in managing the safety and health of its employees is to take preventive measures. Semizbay-U focuses much on the analysis of the working environment and the evaluation of the risks in the mine in order to assess the level of potential risk, and takes actions to remove potential dangers that have been identified so as to protect the safety and health of employees. During the inspection process, Semizbay-U rectifies those operating conditions that are not fulfilling the safety and occupational health rules, to avoid the employees encountering any potential health and safety problems, and to alert the employees to observe the safety rules by working in the mine. Semizbay-U has established internal preventive measures on health and safety, and reminded the risks for potential work injuries or occupational illnesses. As a corporate social responsible firm, Semizbay-U cares about fulfilling its health and safety obligations in accordance with the articles of the contractual agreement signed with its employees.

The company's primary responsibility during mining operations is to ensure the employees' safety. Semizbay-U provides appropriate personal protective equipment to the employees with potential health and safety hazards in their work, including masks that protect against dust and hazardous gases, safety harnesses for working at height, special acid-resistant work wear, gloves, glasses, etc. Concurrently, in order to maintain the effectiveness and adequate supply of the protective equipment, Semizbay-U organizes regular purchasing and maintenance of the employees' work wear, work shoes, and other personal protection equipment. It also conducts regular operational testing of the relevant equipment, vehicles, and machines, and strictly executes its testing plan for potential dangers.

謝公司一直嚴格遵守相關的僱傭法例，期內未有因為違反與僱傭相關法例而被檢控的個案。

B2 健康與安全

對於經營礦業開採的企業來說，員工在礦場內操作時的安全健康至關重要。防範於未然更是謝公司對職業安全健康管理的的首要宗旨，謝公司著重對生產區域進行勞動環境分析及場地風險評價以衡量潛在風險程度，並針對識別出的風險制定隱患消除措施，從而保障員工在施工時的安全健康。謝公司同時亦針對巡查時發現的不符合安全和職業健康規定的操作情況進行糾正，以防員工操作時出現任何危害安全健康的行為，以及令員工更為注意礦場操作安全。謝公司亦已制定內部職業健康和 safety 防範措施，對可能存在的工傷或職業病進行風險提示。而作為一間負責任的企業，謝公司重視按照與員工簽訂的合同條款履行職業健康和安全的義務。

保障員工安全是企業於經營礦場的首要責任。謝公司為各類存在安全健康隱患工種的員工配備適當的安全防護工具，包括防粉塵和防有害氣體口罩、高空作業安全帶、防酸的特殊工作服、手套和眼鏡等。同時為保持防護用具的有效性及其配備充足，謝公司會安排定期採購及維修員工的工服、工鞋和其他個人防護用具。亦會定時對有關設備、汽車和機械進行運行狀態測試，嚴格執行潛在危險的檢測計劃。

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Semizbay-U also takes a stringent view on the monitoring of the occupational safety and health of its contractors, and requires the contractors to provide their employees with the appropriate protective equipment, and to establish isolation zones in dangerous areas. The contractors must also provide training in safe operations and inform their employees about risks.

Semizbay-U strictly abides by the relevant safety laws, and there have been no cases of prosecution due to any violation of the relevant occupational safety laws during the reporting period.

B3 Development and Training

Enhancing the employees' technical skills and knowledge, as well as providing training, are very important for the company's sustainable development. Semizbay-U provides employees with regular training on technical skill, including courses in engineering design and the application of instruments and software, in order to enhance the skills of its employees. Semizbay-U also arranges language training, including English and Kazakh for employees whose mother tongue is non-Kazakh, in order to improve their language and communication skills.

In addition to provide class-style training courses, Semizbay-U also arranges annual winter and summer camp study programs, through various activities, employees can learn about lean production and the key factors for lowering production costs and improving production efficiency.

B4 Labour Standards

Semizbay-U consistently upholds the principle of strict abidance with the local labour laws of Kazakhstan in order to operate in accordance with the law and demonstrate the importance that it attaches to the rights of each individual employee.

另一方面，謝公司對外包商的職業安全健康監管亦同樣重視，要求外包商為員工提供適當的防護用具及在危險區域設置隔離帶，並須為其員工提供安全操作培訓及進行危險提示。

謝公司嚴格遵守相關的安全法例，期內未有因為違反與職業安全相關法例而被檢控的個案。

B3 發展及培訓

增強員工技能和知識及進行人才培訓，對推動企業持續發展起著重要的作用。謝公司會定期對員工進行專業技能培訓，當中包括工程設計、儀器及軟體應用等課程以助員工提升自身技能。謝公司又會安排語言能力方面的培訓，包括英語和對母語非哈薩克語的員工進行哈薩克語等的培訓，以提升他們的語言及溝通能力。

除提供課堂式培訓課程外，謝公司每年亦推行冬季和夏季營會學習計劃，使員工能透過活動學習經濟性生產有關知識，以及降低生產成本和提高生產效率的關鍵要素。

B4 勞工準則

謝公司一直以嚴格遵守哈薩克當地勞動法規為原則，以實現合法合規經營，亦同時體現公司對於每位員工權益的重視。

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Semizbay-U abides by local labour laws, and prohibits the employment of child labour. Semizbay-U also strictly abides by the requirements of the local labour laws in preventing forced labour, and makes appropriate and reasonable arrangements for the employees' working hours and workload.

There have been no cases of child labour or forced labour at Semizbay-U within the reporting period.

B5 Supply Chain Management

Semizbay-U endeavours to improve its environmental, social and governance performance. Semizbay-U also aims at making a positive impact to the society through supply chain management. When evaluating suppliers, Semizbay-U would assess the appropriateness of the supplier's industrial technology, and consequently considers the possibilities for reducing environmental impact and consumption of raw materials. Semizbay-U also assesses the safety of the supplier's industrial equipment, to determine whether or not the equipment may cause physical harm. Semizbay-U requires its suppliers to provide their employees with the appropriate protective equipment and use the protective equipment during work, as well as to provide the appropriate measures and training to protect the employees' health and safety.

When selecting its suppliers and determining its purchasing approach, Semizbay-U must give priority to purchase from suppliers that are on the lists of organizations employing handicapped people. Through the process of supply chain management, it helps encourage the development of caring companies. Semizbay-U will also verify the integrity of the suppliers during the selection process, and pay close attention to their companies' governance history.

謝公司遵照當地勞動法的規定，禁止招募童工。對於防止強制勞工方面，謝公司亦嚴格按照當地勞動法的要求，對員工的工作時間和勞動強度作出適當及合理的安排。

謝公司期內並未出現過任何童工或強迫勞工的情況。

B5 供應鏈管理

謝公司致力於改善環境、社會及管治表現，同樣對於有緊密合作關係的供應商，謝公司亦期望通過供應鏈管理為社會帶來正面的影響。謝公司在評定供應商時會基於其工藝技術的合理性，考慮對降低環境影響及原材料消耗的可能性。謝公司亦會對供應商的工藝設備安全性作出評核，檢視會否對人體造成傷害。謝公司亦要求供應商向其員工提供適當的防護用具，並要求必須於工作時佩戴防護用具，以及提供妥善的職安健防範措施及培訓。

在挑選供應商及確定採購方式時，謝公司亦規定必須向已在殘疾人士機構名單上的供應商提供優先採購，並在供應鏈環節採取措施以鼓勵及協助關懷社區的企業的發展。此外，謝公司在挑選供應商時，會確認供應商的誠信資訊並積極關注它們的企業管治背景。

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B6 Product Responsibility

As unsafe products constitute a threat to human health and life, Semizbay-U places great importance to product quality and safety, and safety is its foremost consideration. Radioactive and chemical pollution must be prevented during both the mining of natural uranium and the enriching process. Concurrently, to ensure personal and environmental safety, all containers must be as airtight as possible. All tank trucks must be fitted with signs to show that they are carrying dangerous uranium products, in order to warn all other vehicles and pedestrians.

Strict quality control of products is of crucial importance to the company's success. With regards to quality control, the natural uranium products from Semizbay-U are all compliant to international standards, and the company's rules stipulate that it must conduct chemical analysis of samples from the products it delivers, in order to ensure the reliability and quality of the products.

Semizbay-U has also stipulated a strict policy with regards to customer information. According to this policy, all employees are strictly prohibited from disclosing information about customers who purchase natural uranium. With regards to the advertisement and promotion of products, due to the unified nature of the usage pathway of the produced products and their quality assessment standards, Semizbay-U maintains consistency between the product information that it discloses publicly and the actual product information, and never exaggerates or omits any part of it.

Semizbay-U strictly abides by the relevant product responsibility laws, and there have been no cases of prosecution due to any violations of laws related to product responsibility or confidentiality.

B6 產品責任

由於不安全的產品會為人類健康及生命帶來威脅，謝公司對產品的品質及安全性高度重視，安全則更加被視為首要考慮因素。天然鈾開採及加工過程中均須確保避免造成放射性及化學污染，同時為了保障人身和環境安全，所有容器必須做到最大限度的密閉。所有運輸罐車均須明顯標識鈾產品的危險性，以對所有在行車輛及途人作出警示。

嚴格監控產品品質對企業的成功起著關鍵性的作用。在品質控制方面，謝公司生產的天然鈾產品根據國際標準進行生產，並規定必須對交付的產品進行取樣分析化驗，以確保提供的產品優質可靠。

另外，謝公司對於客戶資訊方面亦已制定嚴格的政策，根據該政策，所有員工一律禁止向外界洩露購買天然鈾的客戶資訊。關於產品廣告宣傳方面，由於生產出的產品的使用途徑及品質衡量標準的單一性，謝公司對外宣傳的產品資訊與產品自身資訊保持一致，絕不涉及任何誇大失實成分。

謝公司嚴格遵守相關的產品責任法例，期內未有因為違反與產品責任或私隱相關法例而被檢控的個案。

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B7 Anti-corruption

Semizbay-U consistently safeguards the principle of conducting business honestly and operating fairly, has clear rules against corruption, fraud, etc., and has drafted a policy to prevent bribery in accordance with Kazakhstan's local Anti-Corruption and Criminal Laws. The Anti-Corruption Policy defines basic anti-corruption principles such as interest conflicts, and decides the policy's goal and mission, authority and responsibility, as well as the preventive measures of the anti-corruption policy, etc. Semizbay-U has established comprehensive monitoring of actions involving extortion and blackmail, and has strictly stipulated the necessary measures to prevent extortion and fraud. Furthermore, all purchases of services and goods by the Semizbay-U Company must be done, in accordance with the purchasing procedure of the Kazakhstan Sovereign Wealth Fund, by announcing bidding information to the suppliers through its and the government's official purchasing website in order to conduct an open bidding procedure. It ensures the openness, fairness, and impartiality of the bidding process.

To give the employees a thorough understanding of its anti-corruption policy, Semizbay-U will provide information to help employees to prevent money-laundering, and will also provide special training and education to prevent extortion, fraud, and other such activities, thereby strengthening the employees' anti-corruption awareness.

Semizbay-U strictly abides by the relevant Anti-Corruption laws, and there have been no cases of prosecution due to any violations of the relevant laws within the reporting period.

B7 反貪污

謝公司一直堅守誠信從商及公平營運的原則，對反貪污和欺詐等政策均有明確規定，並根據哈薩克斯坦當地的反腐敗及犯罪行為法律編制防止賄賂政策。反貪污政策定義了利益衝突等反貪污的基本原則，並訂下政策的目的和任務、權力和責任，以及反貪污政策的預防措施等。謝公司亦已就勒索及欺詐行為進行全面監控，嚴格制定防勒索及防欺詐的必要措施。此外，謝公司所有物資及服務採購均須遵守哈薩克斯坦國資委的採購辦法，於有關係統、謝公司自身和國家規定的採購網站向供應商發佈招標資訊以進行公開招標程式，確保招標過程公開公平公正。

為使員工對反貪污政策有充分的理解，謝公司會對員工進行防洗黑錢資訊提示，亦會舉辦防勒索欺詐等範疇的專業培訓和教育，從而增強員工的反貪污意識。

謝公司嚴格遵守相關的反貪污法例，期內未有因為違反相關法例而被檢控的個案。

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B8 Community Investment

While developing its business in Kazakhstan, Semizbay-U is also actively engaged in the various needs of the local community, with the hope of giving back to the local community, improving it, and embodying the spirit of “Taking from society, giving back to society”. Semizbay-U enthusiastically participates in charitable donations, and provides funds to support community building. Its donation projects encompass various domains in the community, including the construction of schools, sport facilities, orphanages, etc., in an effort to improve community facilities.

In addition to participating in charitable donation programs, Semizbay-U also cooperates with educational institutions, and has started internship programs with numerous technical schools by sending students to work in the production operation units. This is to promote the educational development by taking concrete actions. Through this, a large number of students can have the opportunity to experience the concept of “study through practice, contribute to society”.

Concurrently, Semizbay-U actively participates in community activities, and invests in the community. During every major festival, Semizbay-U's employees will participate in the festivity activities arranged and organized by the local organization, and strongly support such activities to activate community interactions, strengthen cohesion, and jointly build a harmonious, integrated community. In addition, in order to improve the employees' sense of social responsibility, Semizbay-U also encourages its employees contribute to social development by taking an active part in community activities.

B8 社區投資

謝公司在哈薩克斯坦的業務不斷發展的同時，亦積極關注所處社區的各項需要，希望能藉此回饋社會，改善社區，體現「取諸社會，用諸社會」的精神。謝公司熱心參與慈善捐獻，提供資金支援社區建設。捐贈項目遍及社區內的不同領域，當中包括學校、體育設施、孤兒院的建設等，為完善社區設施出一分力。

除參與慈善捐獻活動外，謝公司更與教育機構合作，與多間技術學校開展實習生計劃，安排學生到生產運作部門實習，以實際行動推動教育事業的發展，令在校的莘莘學子能夠有機會體驗「實踐所學，貢獻社會」的理念。

同時，謝公司亦積極參與社區活動，投入社區。每逢大型節日，謝公司員工均會參加當地組織舉辦的節慶活動，並給予活動大力支持，藉此促進社區交流，增強凝聚力，共建和諧共融社區。此外，為提高員工對社會的責任感，謝公司亦同時鼓勵員工積極參與社區活動，從而為社區發展作出貢獻。

Independent Auditor's Report 獨立核數師報告



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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)

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)

OPINION

We have audited the consolidated financial statements of CGN Mining Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 107 to 222, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code") and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

我們已審核載於第107至222頁之中廣核礦業有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，該等綜合財務報表包括於2016年12月31日的綜合財務狀況表，及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已按照香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於2016年12月31日之財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已按香港《公司條例》之披露規定妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈之香港審核準則(「香港審核準則」)進行審核。我們於該等準則項下的責任在本報告「核數師對審核綜合財務報表之責任」一節中詳述。我們獨立於 貴集團並根據香港會計師公會之職業會計師道德守則(「守則」)及已遵循該等要求及守則履行其他道德責任。我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

Independent Auditor's Report 獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

IMPAIRMENT ASSESSMENT ON THE INTEREST IN AN ASSOCIATE

Refer to note 21 to the consolidated financial statements and the accounting policies on pages 129-131.

The key audit matter

The Group has 19.98% interest in an associate, Fission Uranium Corp. which is a listed company in Canada. As at 31 December 2016, the interest in an associate held by the Group is approximately HK\$520,316,000.

Following a review of the business, the outlook for the industry and the market conditions, as the uranium price was in a decreasing trend from the date of acquisition to the end of reporting period and the Canadian dollar was in fluctuation, there is a risk of impairment in respect of the interest in an associate; management has carried out the impairment assessment on the interest in an associate.

We considered this a key audit matter because this involves a significant degree of management judgement in respect of the valuation methods and assumptions for the estimation of the fair value of the interest in the associate.

How the matter was addressed in our audit

Our procedures were designed to review the management's assessment of the indicators of impairment and understand and assess the reasonableness of the methods and assumptions used in the valuation model to estimate the recoverable amount of the associate.

We have discussed and assessed the indicators of possible impairment with the management and the component auditor and, where such indicators were identified, assessed the management's impairment testing.

We have assessed the valuation methodology and compared significant inputs to third party sources. We have also understood and assessed the key assumptions and critical judgement used by the management based on our knowledge of the business and industry.

關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核本期綜合財務報表中最重要的事項。我們在整體審核綜合財務報表和就此形成意見時處理此等事項，而不會就此等事項單獨發表意見。

一間聯營企業權益的減值評估

請參閱綜合財務報表附註21及第129-131頁的會計政策。

關鍵審核事項

貴集團擁有一間聯營企業Fission Uranium Corp 19.98%權益，Fission Uranium Corp為一間於加拿大上市的公司。於2016年12月31日，貴集團持有該間聯營企業的權益約520,316,000港元。

於回顧業務、行業前景和市況後，由於收購日至報告期完結期間鈾價格有下降的趨勢及加拿大元匯率波動，因此存在對聯營企業權益減值的風險；管理層對聯營企業的權益進行了減值評估。

由於估計聯營企業權益公允值的估值方法及假設涉及管理層的重大判斷，因此我們判斷為關鍵審核事項。

我們的審核如何處理該事項

我們旨在審查管理層對減值指標的評估，並對估值模式中用以估計聯營企業的可收回金額而使用的方法及假設提出合理性的了解及評估。

我們已與管理層和組成部分核數師討論及評估潛在減值指標，並於識別有關指標後，評估管理層的減值測試。

我們已評估估值方法，並與第三方資料來源的重要輸入作比較。我們還基於我們對業務及行業的知識，對管理層所使用的關鍵假設及重要判斷提出了解及評估。

Independent Auditor's Report 獨立核數師報告

IMPAIRMENT ASSESSMENT ON THE INTEREST IN A JOINT VENTURE

Refer to note 20 to the consolidated financial statements and the accounting policies on pages 129-131.

The key audit matter

The Group has 49% interest in a joint venture, Semizbay-U Limited Liability Partnership. As at 31 December 2016, the interest in a joint venture held by the Group is approximately HK\$186,467,000.

Following a review of the business, the outlook for the industry and the market conditions, as the uranium price was in a decreasing trend from the beginning to the end of reporting period, there is a risk of impairment in respect of the interest in a joint venture; management has carried out the impairment assessment on the interest in a joint venture.

We considered this a key audit matter because this involves a significant degree of management judgement in respect of the valuation methods and assumptions for the estimation of the fair value of the interest in the joint venture.

How the matter was addressed in our audit

Our procedures were designed to review the management's assessment of the indicators of impairment and understand and assess the reasonableness of the methods and assumptions used in the valuation model to estimate the recoverable amount of the joint venture.

We have discussed and assessed the indicators of possible impairment with the management and the component auditors and, where such indicators were identified, assessed the management's impairment testing.

We have assessed the valuation methodology and compared significant inputs to third party sources. We have also understood and assessed the key assumptions and critical judgement used by the management based on our knowledge of the business and industry.

一間合營企業權益的減值評估

請參閱綜合財務報表附註20及第129-131頁的會計政策。

關鍵審核事項

貴集團擁有一間合營企業謝米茲拜伊有限合夥企業49%權益。於2016年12月31日，貴集團持有該間合營企業的權益約186,467,000港元。

於回顧業務、行業前景和市況後，由於報告日開始至結束期間，鈾價格有下降的趨勢，因此存在對合營企業權益減值的風險；管理層對合營企業的權益進行了減值評估。

由於估計合營企業權益公允值的估值方法和假設涉及管理層的重大判斷，因此我們判斷為關鍵審核事項。

我們的審核如何處理該事項

我們旨在審查管理層對減值指標的評估，並對估值模式中用以估計合營企業的可收回金額使用的方法及假設提出合理性的了解及評估。

我們已與管理層和組成部分核數師討論及評估潛在減值指標，並於識別有關指標後，評估管理層的減值測試。

我們已評估估值方法，並與第三方資料來源的重要輸入作比較。我們還基於我們對業務及行業的知識，對管理層所使用的關鍵假設及重要判斷提出了解及評估。

Independent Auditor's Report 獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS OF THE COMPANY AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事需為其他資料負責。其他資料包括年度報告內所有資料，但不包括綜合財務報表及相關核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式的鑒證結論。

審核綜合財務報表時，我們的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審核過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。

於此方面，我們沒有任何報告。

貴公司董事及治理層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的香港財務報告準則及香港《公司條例》披露規定編製該等綜合財務報表，真實而公平地呈列其內容以及進行 貴公司董事認為必要之內部監控，確保綜合財務報表之不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，貴公司董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非 貴公司董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督 貴集團的財務報告過程。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.

核數師對審核綜合財務報表之 責任

我們的目標乃對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告，並按照協定的委聘條款僅向閣下(作為一個整體)報告，除此之外，本報告不作其他用途。我們概不就本報告內容對任何其他人士負責或承擔責任。合理保證為高水平的保證，但不能保證按照香港審核準則進行的審核總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則被視為重大錯誤陳述。

根據香港審核準則進行審核時，我們運用專業判斷，於整個審核過程中保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，因應該等風險設計及執行審核程序，以及獲取充足及適當的審核憑證，作為我們提供意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 瞭解與審核相關的內部控制，以設計在有關情況下屬適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估貴公司董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。

Independent Auditor's Report 獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 總結董事採用持續經營會計基礎的適當性，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營業務。
- 評估綜合財務報表的整體列報方式、結構及內容(包括披露)事項以及綜合財務報表是否公平反映相關交易及事項。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。我們負責貴集團審核的指導、監督及執行。我們為審核意見承擔全部責任。

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

我們與治理層溝通審核的計劃範圍及時間以及重大審核發現等，其中包括我們在審核中識別出內部控制的任何重大不足之處。

我們亦向治理層提交聲明，表明我們已符合有關獨立性的相關專業道德要求，並就所有被合理認為會影響我們獨立性的關係及其他事項以及相關的防範措施(如適用)與治理層溝通。

Independent Auditor's Report 獨立核數師報告

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Pang Wai Hang.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Pang Wai Hang

Practising Certificate Number: P05044

Hong Kong
23 March 2017

從與治理層溝通的事項中，我們決定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審核事項。我們在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，若有合理預期於我們報告中註明某事項造成的負面後果將超過其產生的公眾利益，則本行決定不應在報告中註明該事項。

出具獨立核數師報告的審核項目合夥人為彭衛恆。

信永中和(香港)會計師事務所有限公司

執業會計師

彭衛恆

執業證書號碼：P05044

香港
2017年3月23日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2016 截至2016年12月31日止年度

		Notes	2016	2015
		附註	2016年 HK\$'000 千港元	2015年 HK\$'000 千港元
Continuing operations	持續性業務			
Revenue	營業額	8	707,749	703,422
Cost of sales	銷售成本		(284,244)	(420,579)
Gross profit	毛利		423,505	282,843
Other operating income	其他經營收入	8	7,269	17,416
Administrative expenses	行政開支		(41,278)	(31,390)
Changes in fair value of investment properties	投資物業公允值變動	19	2,158	1,044
Share of results of a joint venture	應佔一間合營企業業績		44,575	5,360
Share of results of an associate	應佔一間聯營企業業績		33,284	–
Finance costs	融資成本	10	(5,601)	(21,990)
Profit before taxation	除稅前溢利		463,912	253,283
Income tax expenses	所得稅支出	11	(74,782)	(49,920)
Profit for the year from continuing operations	持續性業務年內溢利	13	389,130	203,363
Discontinued operation	非持續性業務			
Profit for the year from discontinued operation	非持續性業務年內溢利	12	–	94,640
Profit for the year	本年度溢利		389,130	298,003
Profit for the year attributable to owners of the Company:	本公司擁有人應佔年內溢利：			
– from continuing operations	– 從持續性業務		389,130	203,363
– from discontinued operation	– 從非持續性業務		–	94,618
			389,130	297,981
Profit for the year attributable to non-controlling interests:	非控股權益應佔年內溢利：			
– from continuing operations	– 從持續性業務		–	–
– from discontinued operation	– 從非持續性業務		–	22
			–	22
			389,130	298,003
Earnings per share	每股盈利	15		
From continuing and discontinued operations	從持續性及非持續性業務			
Basic	基本		HK7.05 cents 7.05 港仙	HK7.36 cents 7.36 港仙
Diluted	攤薄		HK6.61 cents 6.61 港仙	HK5.39 cents 5.39 港仙
From continuing operations	從持續性業務			
Basic	基本		HK7.05 cents 7.05 港仙	HK5.02 cents 5.02 港仙
Diluted	攤薄		HK6.61 cents 6.61 港仙	HK3.79 cents 3.79 港仙

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2016 截至2016年12月31日止年度

		2016	2015
		2016年	2015年
	Note	HK\$'000	HK\$'000
	附註	千港元	千港元
Profit for the year	本年度溢利	389,130	298,003
Other comprehensive expenses:	其他全面開支：		
<i>Items that may be subsequently reclassified to profit or loss:</i>	<i>其後或可重新分類至損益的項目：</i>		
Exchange differences on translation of financial statements of subsidiaries	換算附屬公司財務報表產生之匯兌差異	(4,412)	(5,412)
Exchange differences on translation of financial statements of a joint venture	換算一間合營企業財務報表產生之匯兌差異	3,620	(100,139)
Exchange differences on translation of financial statements of an associate	換算一間聯營企業財務報表產生之匯兌差異	29,459	-
Reclassification adjustment for the cumulative exchange difference included in profit or loss upon disposal of subsidiaries	重列因出售附屬公司而累計於損益表之匯兌差異調整	-	(81,270)
	32		
Other comprehensive income (expense) for the year	本年度其他全面收益（開支）	28,667	(186,821)
Total comprehensive income for the year	本年度全面收益總額	417,797	111,182
Total comprehensive income for the year attributable to:	下列人士應佔本年度全面收益總額：		
Owners of the Company	本公司擁有人	417,797	111,149
Non-controlling interests	非控股權益	-	33
		417,797	111,182

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2016 於2016年12月31日

			31 December 2016 2016年 12月31日 HK\$'000 千港元	31 December 2015 2015年 12月31日 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	17,347	20,339
Investment properties	投資物業	19	29,021	28,778
Interest in a joint venture	於一間合營企業之權益	20	186,467	138,272
Interest in an associate	於一間聯營企業之權益	21	520,316	–
			753,151	187,389
Current assets	流動資產			
Trade and other receivables	應收賬款及其他應收款項	22	8,886	185,721
Amount due from an intermediate holding company	應收一間中間控股公司款項	26	2,650	10,074
Amounts due from fellow subsidiaries	應收同系附屬公司款項	23	1,080,947	476,588
Bank balances and cash	銀行結存及現金	24	40,915	285,528
			1,133,398	957,911
Total assets	資產總值		1,886,549	1,145,300
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	25	8,803	46,453
Amount due to an intermediate holding company	應付一間中間控股公司款項	26	13,238	11,772
Amount due to a joint venture	應付一間合營企業款項	27	5,813	3,293
Amounts due to fellow subsidiaries	應付同系附屬公司款項	23	378	2,891
Convertible bonds	可換股債券	29	–	289,933
Income tax payable	應付所得稅		26,353	20,449
			54,585	374,791
Net current assets	流動資產淨值		1,078,813	583,120
Total assets less current liabilities	資產總值減流動負債		1,831,964	770,509

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2016 於2016年12月31日

			31 December 2016 2016年 12月31日 HK\$'000 千港元	31 December 2015 2015年 12月31日 HK\$'000 千港元
		Notes 附註		
Capital and reserves	資本及儲備			
Share capital	股本	28	66,007	46,369
Reserves	儲備		1,750,552	713,281
Total equity	權益總額		1,816,559	759,650
Non-current liability	非流動負債			
Deferred tax liabilities	遞延稅項負債	30	15,405	10,859
			1,831,964	770,509

The consolidated financial statements on pages 107 to 222 were approved and authorised for issue by the board of directors on 23 March 2017 and are signed on its behalf by:

載於第107至222頁之綜合財務報表於2017年3月23日經董事會批准及授權刊發，並由下列董事代表簽署：

Director 董事

Director 董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2016 截至2016年12月31日止年度

		Equity attributable to owners of the Company												
		本公司擁有人應佔權益												
		Equity component of										Non-controlling		
		Share capital	Share premium	Capital reserve	convertible bonds	Exchange translation reserve	Share options	Reserve fund	Retained earnings	Properties revaluation reserve	Other reserve	Total	interests	Total
		股本	股份溢價	資本儲備	可換股債券	匯兌儲備	購股權	儲備基金	保留盈利	物業重估	其他儲備	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	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	千港元
							(Note a)			(Note b)				
							(附註 a)			(附註 b)				
At 1 January 2016	於2016年1月1日	46,369	995,873	-	69,414	(626,506)	154	27,583	333,128	-	(86,365)	759,650	-	759,650
Issued of shares upon conversion of convertible bonds	於轉換可換股債券時發行股份	13,044	351,904	-	(69,414)	-	-	-	-	-	-	295,534	-	295,534
Profit for the year	本年度溢利	-	-	-	-	-	-	-	389,130	-	-	389,130	-	389,130
Other comprehensive expense for the year:	本年度其他全面開支：													
Exchange differences on translation of financial statements of subsidiaries	換算附屬公司財務報表產生之匯兌差異	-	-	-	-	(4,412)	-	-	-	-	-	(4,412)	-	(4,412)
Exchange differences on translation of financial statements of a joint venture	換算一間合營企業財務報表產生之匯兌差異	-	-	-	-	3,620	-	-	-	-	-	3,620	-	3,620
Exchange differences on translation of financial statements of an associate	換算一間聯營企業財務報表產生之匯兌差異	-	-	-	-	29,459	-	-	-	-	-	29,459	-	29,459
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	28,667	-	-	389,130	-	-	417,797	-	417,797
Issue of new shares, net of transaction cost	發行新股份(扣除交易成本)	6,594	333,335	-	-	-	-	-	-	-	-	339,929	-	339,929
Share of other reserve of an associate	應佔一間聯營企業其他儲備	-	-	-	-	-	-	-	-	3,649	3,649	-	-	3,649
At 31 December 2016	於2016年12月31日	66,007	1,681,112	-	-	(597,839)	154	27,583	722,258	-	(82,716)	1,816,559	-	1,816,559

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2016 截至2016年12月31日止年度

		Equity attributable to owners of the Company 本公司擁有人應佔權益												
		Equity component of										Non-		
		Share capital	Share premium	Capital reserve	convertible bonds	Exchange translation reserve	Share options	Reserve fund	Retained earnings	Properties revaluation reserve	Other reserve	Total	controlling interests	Total
		股本	股份溢價	資本儲備	可換取債券	匯兌儲備	購取權	儲備基金	保留盈利	物業重估	其他儲備	總計	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	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	千港元
				(Note b)				(Note a)			(Note b)			
				(附註b)				(附註a)			(附註b)			
At 1 January 2015	於2015年1月1日	33,326	657,939	944,534	138,827	(439,674)	154	62,078	(8,359)	9,011	-	1,397,836	1,641	1,399,477
Issued of shares upon conversion of convertible bonds	於轉換可換取債券時發行股份	13,043	337,934	-	(69,413)	-	-	-	-	-	-	281,564	-	281,564
Profit for the year	本年度溢利	-	-	-	-	-	-	-	297,981	-	-	297,981	22	298,003
Other comprehensive expense for the year:	本年度其他全面開支:													
Exchange differences on translation of financial statements of subsidiaries	換算附屬公司財務報表產生之匯兌差異	-	-	-	-	(5,423)	-	-	-	-	-	(5,423)	11	(5,412)
Reclassification adjustment for the cumulative exchange difference included in profit or loss upon disposal of subsidiaries	重列因出售附屬公司而累計於損益表的匯兌差異調整	-	-	-	-	(81,270)	-	-	-	-	-	(81,270)	-	(81,270)
Exchange differences on translation of financial statements of a joint venture	換算一間合營企業財務報表產生之匯兌差異	-	-	-	-	(100,139)	-	-	-	-	-	(100,139)	-	(100,139)
Total comprehensive (expense) income for the year	本年度全面(開支)收益總額	-	-	-	-	(186,832)	-	-	297,981	-	-	111,149	33	111,182
Merger reserves arising from common control combination	共同控制合併產生之合併儲備	-	-	(944,534)	-	-	-	-	-	-	(86,365)	(1,030,899)	-	(1,030,899)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	(34,495)	43,506	(9,011)	-	-	(1,674)	(1,674)
At 31 December 2015	於2015年12月31日	46,369	995,873	-	69,414	(626,506)	154	27,583	333,128	-	(86,365)	759,650	-	759,650

Notes:

- (a) 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.
- (b) The other reserve represents (i) the difference between the consideration of United States dollars ("USD") 133,000,000 (equivalent to approximately HK\$1,030,899,000) and the aggregate paid-in capital of 北京中哈鈾資源投資有限公司 (for identification purpose, in English, Beijing Sino-Kazakh Uranium Resources Investment Company Limited, referred to as "Beijing Sino-Kazakh") of Renminbi ("RMB") 823,770,000 (equivalent to approximately HK\$944,534,000) acquired under business combinations under common control and (ii) share of other reserve of an associate.

附註:

- (a) 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。
- (b) 其他儲備指(i)根據共同控制下之業務合併收購的代價133,000,000美元(相當於約1,030,899,000港元)與北京中哈鈾資源投資有限公司(「北京中哈鈾」)實繳資本總額人民幣823,770,000元(相當於約944,534,000港元)之間的差額及(ii)應佔一間聯營企業的其他儲備。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016 截至2016年12月31日止年度

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	463,912	347,842
Adjustments for:	調整：		
Amortisation of intangible assets	攤銷無形資產	-	15
Amortisation of prepaid lease payments on land use rights	攤銷土地使用權預付租賃款	-	102
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,950	3,216
Changes in fair value of investment properties	投資物業公允值變動	(2,158)	(735)
Finance costs	融資成本	5,601	21,990
Gain on disposal of subsidiaries	出售附屬公司之收益	-	(99,040)
Bank interest income	銀行利息收入	(46)	(565)
Interest income from overdue trade receivable from an intermediate holding company	一間控股公司之逾期應收賬款之利息收入	-	(3,514)
Interest income from overdue sale proceeds of disposal of subsidiaries	出售附屬公司之逾期應收款之利息收入	(269)	-
Loan interest income from fellow subsidiaries	同系附屬公司之貸款利息收入	(4,273)	(6,319)
Trade deposit interest income from a joint venture	一間合營企業之預付款利息收入	(161)	(3,326)
Share of results from a joint venture	應佔一間合營企業業績	(44,575)	(5,360)
Share of results from an associate	應佔一間聯營企業業績	(33,284)	-
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損淨額	-	81
Operating cash flow before movements in working capital	營運資金變動前之經營現金流量	386,697	254,387
Increase in inventories	存貨增加	-	(5,771)
Decrease in trade and other receivables	應收賬款及其他應收款項減少	121,517	43,239
Decrease in trade and other payables	應付賬款及其他應付款項減少	(37,667)	(83,183)
Increase in current account with an intermediate holding company	一間中間控股公司往來款項增加	8,990	3,956
Increase (decrease) in amount due to a joint venture	應付一間合營企業款項增加(減少)	2,521	(8,563)
(Decrease) increase in amounts due to fellow subsidiaries	應付同系附屬公司款項(減少)增加	(2,503)	70
Cash from operations	經營業務所得現金	479,555	204,135
Hong Kong tax paid	已付香港稅項	(62,053)	(35,391)
The United Kingdom Corporation Tax paid	已付英國企業稅	(1,371)	-
NET CASH FROM OPERATING ACTIVITIES	經營活動所得現金淨額	416,131	168,744

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016 截至2016年12月31日止年度

		2016	2015
		2016年	2015年
	Notes	HK\$'000	HK\$'000
	附註	千港元	千港元
INVESTING ACTIVITIES	投資活動		
Repayment from fellow subsidiaries	同系附屬公司還款	1,051,153	11,325,994
Interest income from fellow subsidiaries	同系附屬公司之利息收入	4,449	7,595
Interest income from overdue trade receivable from an intermediate holding company	一間中間控股公司之逾期應收賬款之利息收入	3,577	-
Interest income from overdue sale proceeds of disposal of subsidiaries	出售附屬公司之逾期應收款之利息收入	269	-
Bank interest income received	已收銀行利息收入	46	658
Trade deposit interest income from a joint venture	一間合營企業之預付款利息收入	161	3,326
Deposits advanced to fellow subsidiaries	向同系附屬公司提供之存款	(1,655,517)	(10,472,024)
Purchase of property, plant and equipment	購買物業、廠房及設備	(5)	(863)
Net cash inflow from disposal of subsidiaries (net of bank balances and cash disposed of)	出售附屬公司之現金流入淨額 (扣除出售之銀行結存及現金)	-	50,973
Payment for common control business combinations	支付共同控制業務合併	-	(1,030,899)
Cash inflow from deferred cash consideration from disposal of subsidiaries	出售附屬公司之遞延現金對價之現金流入	35,000	-
Acquisition of an associate	收購一間聯營企業	(437,363)	-
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(998,230)	(115,240)
CASH FROM FINANCING ACTIVITY	融資活動所得現金		
Net proceeds from issue of shares by subscription	認購發行股份所得款項淨額	339,929	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 (減少) 增加淨額	(242,170)	53,504
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	於年初之現金及現金等值項目	285,528	233,655
Effect of foreign exchange rate changes	匯率變動影響	(2,443)	(1,631)
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	40,915	285,528

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

1. GENERAL

CGN Mining Company Limited (the “Company”) was incorporated in 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”), a company incorporated in Hong Kong and a wholly-owned subsidiary of 中廣核鈾業發展有限公司 (CGNPC Uranium Resources Co. Ltd.) (“CGNPC-URC”), which is in turn a subsidiary of 中國廣核集團有限公司 (China General Nuclear Power Corporation) (“CGNPC”). CGNPC is the ultimate parent of the Company. Both CGNPC-URC and CGNPC were established in the PRC and state-owned enterprises.

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 the “Group”) are property investment, trading of natural uranium and other investments. The Group discontinued its operations in selling, distributing and manufacturing of pharmaceutical and food products during the year ended 31 December 2015 following the completion of the disposal of Yugofoil Holdings Limited (“Yugofoil”) and its subsidiaries (collectively referred to as “Yugofoil Group”) on 25 March 2015.

The functional currency of the Company is 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 Hong Kong dollars (“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。其母公司為中國鈾業發展有限公司(「中國鈾業發展」)，該公司為一家於香港註冊成立的公司，並為中廣核鈾業發展有限公司(「中廣核鈾業發展」)的全資附屬公司，後者為中國廣核集團有限公司(「中廣核集團公司」)的附屬公司。中廣核集團公司為本公司的最終母公司。中廣核鈾業發展及中廣核集團公司均於中國成立的國有企業。

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」)之主要業務為物業投資、天然鈾貿易及其他投資。自2015年3月25日完成出售裕高飛控股有限公司及其附屬公司(以下統稱「裕高飛集團」)後，本集團於截至2015年12月31日止年度不再繼續經營藥品及食品銷售、分銷及製造業務。

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(「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 2016 截至2016年12月31日止年度

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

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards (“HKAS(s)”), amendments and Interpretations, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations

The application of the new and revised 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（「香港會計師公會」）頒佈之新訂及經修訂香港財務報告準則，包括香港財務報告準則、香港會計準則（「香港會計準則」）、修訂及詮釋。

香港財務報告準則修訂本	香港財務報告準則 2012年至2014年週期的年度改進
香港會計準則第1號修訂本	披露計劃
香港會計準則第16號及香港會計準則第38號修訂本	澄清折舊及攤銷的可接受之方法
香港會計準則第16號及香港會計準則第41號修訂本	農業：生產性植物
香港會計準則第27號修訂本	個別財務報表內之權益法
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28號修訂本	投資實體：實行綜合入賬之例外規定
香港財務報告準則第11號修訂本	收購共同經營權益的入賬

於本年度應用新訂及經修訂香港財務報告準則對本集團本年度及過往年度的財務表現及狀況及／或此等綜合財務報表所載之披露事項並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

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

New and revised HKFRSs issued but not yet effective

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

HKFRS 9 (2014)	Financial Instruments ²
HKFRS 15	Revenue from Contracts with Customers ²
HKFRS 16	Leases ³
Amendments to HKAS 7	Disclosure Initiative ¹
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ²
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ²

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)

已頒佈但仍未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈惟尚未生效之新訂或經修訂香港財務報告準則：

香港財務報告準則第9號(2014年)	金融工具 ²
香港財務報告準則第15號	來自客戶的合約收入 ²
香港財務報告準則第16號	租賃 ³
香港會計準則第7號修訂本	披露計劃 ¹
香港會計準則第12號修訂本	就未變現虧損確認遞延稅項資產 ¹
香港財務報告準則第10號及香港會計準則第28號修訂本	投資者與其聯營或合營企業之間資產出售或注資 ³
香港財務報告準則第2號修訂本	以股份為基礎支付交易的分類及計量 ²
香港財務報告準則第4號修訂本	與香港財務報告準則第4號保險合同一併應用之香港財務報告準則第9號金融工具 ²

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

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

New and revised HKFRSs issued but not yet effective (Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2017.
- ² Effective for annual periods beginning on or after 1 January 2018.
- ³ Effective for annual periods beginning on or after 1 January 2019.
- ⁴ Effective date not yet been determined.

The directors of the Company anticipate that, except as described below, the application of other new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 and includes the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2015 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category for certain financial assets. The finalised version of HKFRS 9 also introduces an “expected credit loss” model for impairment assessments.

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）

已頒佈但仍未生效之新訂及經修訂香港財務報告準則（續）

- ¹ 於2017年1月1日或之後開始之年度期間生效。
- ² 於2018年1月1日或之後開始之年度期間生效。
- ³ 於2019年1月1日或之後開始之年度期間生效。
- ⁴ 生效日期尚未獲釐定。

本公司董事預期，除下文所述者外，應用新訂及經修訂香港財務報告準則對本集團的業績及財務狀況並無重大影響。

香港財務報告準則第9號（2014年）— 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。其後於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。2013年，香港財務報告準則第9號經再行修訂大幅修改對沖會計，允許實體在財務報表中更好的反映彼等的風險管理活動。於2015年頒佈香港財務報告準則第9號的最終版本加入於先前年度頒佈之香港財務報告準則第9號的所有規定，藉為若干金融資產引入透過「按公允值列賬並於其他全面收益內處理」（「按公允值列賬並於其他全面收益內處理」）計量類別，對分類及計量規定作出有限修訂。香港財務報告準則第9號的最終版本亦為減值評估引入了「預期信貸虧損」樣本。

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綜合財務報表附註

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

HKFRS 9 (2014) Financial Instruments (Continued)

Key requirements of HKFRS 9 (2014) that are relevant to the Group are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be 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 reporting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. 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 (2014), 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(2014年)－金融工具(續)

與本集團相關之香港財務報告準則第9號(2014年)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，一般於其後報告期間結束時按攤銷成本計量。於目的為同時收回合約現金流及出售金融資產之業務模式中持有之債務工具，以及金融資產條款令於特定日期產生之現金流純粹為支付本金及未償還本金之利息之債務工具，按透過按公允值列賬並於其他全面收益內處理之方式計量。所有其他債務投資及股權投資乃按於其後報告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(2014年)，實體可以不可撤回地選擇在其他全面收益中呈列股權投資(並非持作買賣)之其後公允值變動，並只在損益中確認股息收入。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

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

HKFRS 9 (2014) Financial Instruments (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) 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 fair value through profit or loss was presented in profit or loss.
- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

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(2014年)－金融工具(續)

- 就指定為按公允值計入損益之金融負債而言，香港財務報告準則第9號(2014年)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益呈列，除非在其他全面收益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。
- 在減值評估方面，加入了有關實體對其金融資產及提供信貸承擔之預期信貸虧損會計之減值規定。該等規定消除香港會計準則第39號就確認信貸虧損所定的門檻。根據香港財務報告準則第9號(2014年)之減值方法，於確認信貸虧損前毋須已發生信貸事件。反之，實體須一直將預期信貸虧損以及此等預期信貸虧損之變動入賬。預期信貸虧損之金額在各報告日期進行更新，以反映自初始確認以來信貸風險之變動，因此，已就預期信貸虧損提供適時的資料。

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綜合財務報表附註

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

HKFRS 9 (2014) Financial Instruments (Continued)

- HKFRS 9 (2014) introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 (2014) looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The directors of the Company do not anticipate that the adoption of HKFRS 9 (2014) in the future may have significant impact on amounts reported in respect of the Group’s financial assets and financial liabilities.

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（2014年）—金融工具（續）

- 香港財務報告準則第9號（2014年）引入新模式，允許公司在對沖彼等之金融及非金融風險時更好地利用所進行的風險管理活動調整對沖會計。香港財務報告準則第9號（2014年）是一種以原則為基礎的方法，著眼於風險的確認及計量，但並不區分金融項目和非金融項目。該新模式亦允許實體利用內部產生的資料進行風險管理作為對沖會計的基準。根據香港會計準則第39號，有必要使用僅用作會計目的度量來展現相對於香港會計準則第39號的合格性及合規性。該新模式亦包括合格性標準，但該等標準基於對沖關係優勢的經濟評估。可以利用風險管理數據釐定。相較於香港會計準則第39號之對沖會計內容，應該可以降低實行成本，乃因其降低了僅為會計處理所需進行的分析量。

香港財務報告準則第9號（2014年）將於2018年1月1日或之後開始之年度期間生效，允許提早應用。

本公司董事預期，日後採納香港財務報告準則第9號（2014年）將不會對本集團金融資產及金融負債所呈報金額造成重大影響。

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綜合財務報表附註

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

HKFRS 9 (2014) Financial Instruments (Continued)

Regarding the Group’s financial assets and financial liabilities, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 15 Revenue from Contracts with Customers

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Thus, HKFRS 15 introduces a model that applies to contracts with customers, featuring a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

- i) Identify the contract with the customer;
- ii) Identify the performance obligations in the contract;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligations; and
- v) Recognise revenue when (or as) the entity satisfies a performance obligation.

HKFRS 15 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

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（2014年）—金融工具（續）

於完成詳盡審閱前很難就本集團的金融資產及金融負債造成的影響提供一個合理的估計。

香港財務報告準則第15號—來自客戶合約的收入

香港財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得的代價。因此，香港財務報告準則第15號引入適用於客戶的模型，其特點為以合約為基礎，對交易進行五項分析，以釐定是否確認收益、確認收益之金額及確認收益之時間。五個步驟如下：

- i) 識別與客戶訂立的合約；
- ii) 識別合約中的履約責任；
- iii) 釐定交易價；
- iv) 將交易價分配至合約中的履約責任；及
- v) 於實體完成履約責任時（或就此）確認收益。

香港財務報告準則第15號亦引用大量定性及定量的披露要求，為財務報告使用者了解自與客戶所訂立合約所產生之收入及現金流之性質、金額、時間及不確定性等全面質化及量化資訊。

於香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號—收益、香港會計準則第11號—建築合約及相關詮釋的收益確認指引。

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

HKFRS 15 Revenue from Contracts with Customers (Continued)

HKFRS 15 will become effective for annual periods beginning on or after 1 January 2018 with early application permitted. The directors of the Company do not anticipate that the application of HKFRS 15 in the future may have material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

HKFRS 16 Leases

HKFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees.

In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value.

At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

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15號－來自客戶合約的收入（續）

香港財務報告準則第15號將於2018年1月1日或之後開始之年度期間生效，允許提早應用。本公司董事預期，日後應用香港財務報告準則第15號將不會對就本集團的綜合財務報表中的已呈報金額及披露資料構成重大影響。然而，於本集團完成詳盡審閱前，無法合理估計香港財務報告準則第15號的影響。

香港財務報告準則第16號－租賃

香港財務報告準則第16號為租賃安排之識別以及其於出租人及承租人財務報表之處理方式提供一個綜合模型。

就承租人會計處理而言，該準則引入單一承租人會計處理模式，規定承租人就租賃期超過十二個月的所有租賃確認資產及負債，惟相關資產價值較低則除外。

於租賃開始日期，承租人須按成本確認使用權資產，包括租賃負債之初始計量金額，加上於開始日期或之前向出租人作出之任何租賃付款，扣除任何已收取之租賃優惠、初始估計修復成本及承租人所產生之任何初始直接成本。租賃負債初步按於租賃付款尚未支付當日之現值確認。

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

HKFRS 16 Leases (Continued)

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of HKAS 16 Property, Plant and Equipment, while interest accrual on lease liability will be charged to profit or loss.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

HKFRS 16 will supersede the current lease standards including HKAS 17 Leases and the related Interpretations when it becomes effective. HKFRS 16 replaces all existing lease accounting requirements and represents a significant change in the accounting and reporting of leases, with more assets and liabilities to be reported on the consolidated statement of financial position and a different recognition of lease costs.

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16號－租賃（續）

其後，使用權資產按成本減任何累計折舊及任何累計減值虧損計量，並就任何重新計量之租賃負債作出調整。租賃負債之其後計量方式為透過增加賬面值以反映租賃負債之利息，透過削減賬面值以反映所作出之租賃付款，以及透過重新計量賬面值以反映任何重新評估或租賃修訂或反映經修訂之實質固定租賃付款。使用權資產之折舊及減值費用（如有）將按照香港會計準則第16號－物業、廠房及設備之規定計入損益，而租賃負債之應計利息將於損益內扣除。

就出租人會計處理而言，香港財務報告準則第16號實質上沿用香港會計準則第17號的出租人會計規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並以不同方式將此兩類租賃入賬。

香港財務報告準則第16號生效後，將取代現有租賃準則，包括香港會計準則第17號－租賃及相關詮釋。香港財務報告準則第16號會取代所有現時有關租賃之會計要求，並為租賃之會計及申報帶來重大改變，令更多資產及負債呈報於綜合財務狀況表，亦為租賃成本之確認帶來轉變。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

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

HKFRS 16 Leases (Continued)

As at 31 December 2016, the Group has non-cancellable operating lease commitments of approximately HK\$2,124,000. HKAS 17 does not required the recognition of any right-of-use asset or liability for further payments for these leases; instead, certain information is disclosed as operating lease commitments in note 36. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. The new requirement to recognise a right-of-use asset and a related lease liability is expected to have an impact on the amount recognised in the Group’s consolidated financial statements and the directors of the Company are currently assessing its potential impact. It is not practicable to provide a reasonable estimate of the effect until the Group performs a detailed review.

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16號－租賃（續）

於2016年12月31日，本集團之不可撤銷經營租賃承擔約為2,124,000港元。香港會計準則第17號並無規定就此等租賃之進一步付款確認任何使用權資產或負債；反之，若干資料以經營租賃承擔於附註36披露。初步評估顯示，此等安排將符合香港財務報告準則第16號項下之租賃定義，因此本集團將確認所有此等租賃之使用權資產及相應之負債，除非其於應用香港財務報告準則第16號後符合低價值或短期租賃。確認使用權資產及相關租賃負債之新規定預期將對本集團綜合財務報表中已確認金額產生重大影響，而本公司董事目前正在評估其潛在影響。於本集團進行詳細審閱前，無法合理估計有關影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

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 (i.e. its subsidiaries). If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

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。

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商品及服務提供代價之公允值計算。

公允值為市場參與者於現時市況下於計量日在主要(或最有利)市場因出售資產而收取或因轉讓負債而支付之價格，不論該價格是否可利用其他估值方法直接觀察或估計，其均為平倉價。公允值計量詳情闡述於下文載列之會計政策。主要會計政策載於下文：

主要會計政策載於下文：

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(即其附屬公司)之財務報表。倘附屬公司編製其財務報表所採用之會計政策並非綜合財務報表中就類似情況下之類似交易及事件採用之會計政策，則應在編製綜合財務報表時在該附屬公司之財務報表中作出適當調整以確保與本集團所採取之會計政策相一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns. When the Group has less than a majority of the voting rights of an investee, power over the investee may be obtained through: (i) a contractual arrangement with other vote holders; (ii) rights arising from other contractual arrangements; (iii) the Group's voting rights and potential voting rights; or (iv) a combination of the above, based on all relevant facts and circumstances.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

Consolidation of a subsidiary begins when the Company obtains control of the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries 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.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

3. 主要會計政策 (續)

綜合基準 (續)

倘本集團(i)對投資對象擁有權力；(ii)對參與投資對象而獲得之可變回報須承擔風險或擁有權利；及(iii)可對投資對象行使其權力以影響本集團之回報金額，則獲得控制權。倘本集團於投資對象之投票權未能佔大多數，則可根據所有相關因素及情況通過以下途徑取得對投資對象之權力：(i)與其他投票權持有人訂立合約安排；(ii)其他合約安排產生之權利；(iii)本集團之投票權及潛在投票權；或(iv)上述途徑之組合。

倘相關事實及情況表明上述控制權之相關元素中一項或多項元素發生變動，則本公司會重估是否其對投資對象具有控制權。

當本公司獲得附屬公司之控制權時，附屬公司之綜合開始而當本集團失去附屬公司之控制權時則附屬公司之綜合終止。

於本集團取得控制權日期直至本集團不再控制附屬公司日期期間，附屬公司之收支計入綜合損益及其他全面收益表。

附屬公司之損益及其他全面收益之各部分歸屬於本公司擁有人及非控股權益。附屬公司之全面收益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。

與本集團實體間之交易有關之所有集團內公司間資產及負債、權益、收益、開支及現金流量於綜合時全數撇銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Merger accounting for business combination involving entities under common control

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

3. 主要會計政策 (續)

共同控制實體業務合併的合併會計法

綜合財務報表載入發生共同控制合併的合併實體或業務的財務報表項目，猶如自該等合併實體或業務首次受控制方控制日期起進行合併。

合併實體或業務的資產淨值從控制方的角度按現有賬面值合併。在控制方權益維持不變的期間，共同控制合併時產生的商譽或收購方所佔被收購方可識別資產、負債及或然負債公允淨值超逾成本的差額並不確認。

綜合損益及其他全面收益表包括各合併實體或業務自最早呈列日期或自合併實體或業務首次受共同控制日期的業績(以較短期間為準)。

綜合財務報表內的比較金額已經重列，猶如實體或業務於上一個呈報期間末或自首次受共同控制日期起(以較短期間為準)已合併。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in an associate and a joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in an associate and a joint venture are accounted for in the consolidated financial statements using the equity method. Under the equity method, investments in an associate and a joint venture are initially recognised at cost. The Group's share of the profit or loss and changes in the other comprehensive income of the associate and joint venture are recognised in profit or loss and other comprehensive income respectively after the date of acquisition. If the Group's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture, which determined using the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

If an associate or a joint venture uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to make the associate's or joint venture's accounting policies conform to those of the Group when the associate's or joint venture's financial statements are used by the Group in applying the equity method.

3. 主要會計政策 (續)

於聯營及合營企業之投資

聯營企業指本集團能對其行使重大影響力。重大影響力指可參與受投資公司之財務及營運決策但不是控制或共同控制該等政策之權力。

合營企業指一項共同安排，對安排擁有共同控制權之訂約方據此對安排之資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

本集團於聯營及合營企業的投資於綜合財務報表入賬內採用權益法。根據權益法，於聯營及合營企業的投資初始按成本確認。本集團應佔聯營及合營企業的損益及其他全面收益之變動分別於收購日期後於益損及其他全面收益內確認。倘本集團應佔聯營及合營企業的虧損等於或超過本集團於該聯營及合營企業的權益(使用權益法釐定連同實質屬於本集團於聯營及合營企業的投資淨值的任何長期權益)時，本集團不再確認其分佔的進一步虧損。本集團僅在已招致法定或推定責任或代表聯營及合營企業支付款項的情況下確認額外虧損或負債。

就類似交易及於類似情況下之事件，倘聯營及合營企業使用的會計政策有別於本集團所採納者，則在權益法下本集團使用聯營及合營企業之財務報表時，須調整聯營及合營企業之會計政策，以符合本集團之會計政策。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in an associate and a joint venture (Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the associate or joint venture is recognised as goodwill and is included in the carrying amount of the investment.

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognised in profit or loss in the period in which the investment is acquired.

After application of the equity method, including recognising the associate's or joint venture's losses (if any), the Group determines whether it is necessary to recognise any additional impairment loss with respect to its investment in the associate or joint venture. Goodwill that forms part of the carrying amount of an investment in an associate or a joint venture is not separately recognised. The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment in the associate or joint venture. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

When the Group's ownership interest in an associate or a joint venture is reduced, but the Group continues to apply the equity method, the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest is reclassified to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

3. 主要會計政策 (續)

於聯營及合營企業之投資 (續)

於被投資方成為一間聯營及合營企業當日，於聯營及合營企業的投資採用權益法入賬。於收購投資後，投資成本超過本集團應佔聯營及合營企業可識別資產及負債之公允淨值部分確認為商譽，並計入投資賬面值。

本集團應佔可識別資產及負債之公允淨值超過投資成本之部份，經重新評估後於收購投資期間即時在損益中確認。

應用權益法後並且確認聯營及合營企業之虧損(如有)，本集團需決定是否需要就其於聯營及合營企業之投資確認任何額外減值虧損。作為聯營及合營企業投資之賬面值的一部分的商譽不單獨確認。該項投資(包括商譽)之全部賬面值作為單一資產，透過將其可收回金額(使用價值與公允值減出售成本之較高者)與賬面值比較進行減值測試。任何已確認減值虧損構會成於聯營企業及合營企業之投資賬面值之一部分。有關減值虧損之任何撥回於該項投資可收回金額其後增加時確認。

當本集團於一間聯營及合營企業之擁有權益減少，但本集團仍應用權益法時，則先前於其他全面收益中就該擁有權益削減之收益或虧損按比例重新分類至損益(倘該收益或虧損就出售有關資產或負債被要求重新分類至損益)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in an associate and a joint venture (Continued)

Gains and losses resulting from transactions between the Group and its associate or joint venture are recognised in consolidated financial statements only to the extent of unrelated investors' interests in the associate or joint venture. The Group's share in the associate's or joint venture's gains or losses resulting from these transactions is eliminated.

Investments in subsidiaries

Investments in subsidiaries are stated on the statement of financial position of the Company at cost less accumulated impairment loss, if any.

Property, plant and equipment

Property, plant and equipment including leasehold land and buildings (classified as finance leases) held for use in the production or supply of goods or services, 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 allocate 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 accounted for on a prospective basis.

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)

於聯營及合營企業之投資 (續)

本集團與其合營及聯營企業進行交易所得之損益，只會在於該聯營及合營企業並無關連之投資者權益的情況下，方會在綜合財務報表確認。本集團應佔聯營及合營企業來自該等交易之損益予以抵銷。

於附屬公司之投資

任何附屬公司投資於本公司財務狀況表按成本減累計減值虧損列賬(如有)。

物業、廠房及設備

物業、廠房及設備包括持作生產或供應商品或服務或作行政用途之土地及樓宇(分類為融資租賃)，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，以直線法分配其減除估計剩餘價值後之成本計算。估計使用年期、剩餘價值及折舊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。

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 2016 截至2016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 their 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.

If an investment property becomes an owner-occupied property when there is a change in use, as evidenced by commencement of an owner-occupation, the fair value of that property at the date of transfer is the deemed cost for subsequent accounting for that property as an item of property, plant and equipment.

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.

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.

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。

倘投資物業成為用途發生變動之擁有人佔用物業（以擁有人開始佔用為佐證），則於轉讓日期該物業之公允值為後續計入物業、廠房及設備項目的認定成本。

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）。

金融資產

本集團之金融資產歸類為貸款及應收款項。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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument 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 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 debt instrument, 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 trade and other receivables, amounts due from an intermediate holding company and fellow subsidiaries and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Impairment loss on financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when 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.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法乃計算債務工具攤銷成本及按有關期間攤分利息收入之方法。實際利率為按債務工具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及利率點、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定付款非衍生金融工具。於初步確認後，貸款及應收款項(包括應收賬款及其他應收款項、應收一間間接控股公司款項、應收同系附屬公司款項及銀行結存及現金)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虧損之會計政策)。

金融資產減值虧損

金融資產於各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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

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 30 days, observable changes in national or local economic conditions that correlate with default on receivables.

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.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值虧損 (續)

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，如利息及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30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。

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。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

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.

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 Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities including trade and other payables, amounts due to an intermediate holding company, a joint venture and fellow subsidiaries 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)

金融資產 (續)

金融資產減值虧損 (續)

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。

金融負債及權益工具

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

權益工具

權益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。本公司發行之權益工具按收取所得款項(減直接發行成本後)確認。

金融負債

金融負債(包括應付賬款及其他應付款項、應付一間間接控股公司、一間合營企業及同系附屬公司款項以及可換股債券)其後按攤銷成本採用實際利率法計量。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

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.

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 bonds 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).

3. 主要會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

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或已收費用及利率點、交易成本及其他溢價或折讓)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。

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權益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權益工具方式結清的轉換權乃分類為權益工具。

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(可換股債券權益部分)。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Convertible bonds (Continued)

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.

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

A financial asset is derecognised 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. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognise its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3. 主要會計政策 (續)

金融工具 (續)

可換股債券 (續)

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。權益部分（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權益部分，直至轉換權獲行使為止（於此情況下，可換股債券權益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，可換股債券權益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。

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權益部分。權益部分交易成本會直接於股權中扣除。負債部分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，方終止確認該金融資產。倘本集團轉移或保留擁有權絕大部分風險及回報並繼續控制已轉移資產，則本集團確認其於資產之保留權益及可能需要支付之相關負債款項。倘本集團保留已轉讓金融資產擁有權絕大部分風險及回報，本集團可繼續確認金融資產，亦可就已收取的所得款項確認已抵押借貸。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Derecognition (Continued)

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.

A financial liability is derecognised 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.

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 bank balances and cash as defined above.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible 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.

3. 主要會計政策 (續)

金融工具 (續)

終止確認 (續)

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權益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。

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銀行結存及現金。

有形資產之減值虧損

本集團於報告期結束時評估其有形資產有限可使用之賬面值，以確定該等資產有否出現減值虧損跡象。倘有任何該等跡象，則會估計資產的可收回金額，以釐定減值虧損 (如有) 的程度。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible assets (Continued)

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 of disposal 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 a 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.

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.

3. 主要會計政策 (續)

有形資產之減值虧損 (續)

倘無法估計個別資產之可收回金額，本集團估計資產所屬現金產生單位之可收回金額。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現金產生單位，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現金產生單位之最小組合。

可收回金額為公允值減去處置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（或現金產生單位）之可收回金額低於其賬面值，則該項資產（或現金產生單位）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。

於其後撥回減值虧損時，資產（或現金產生單位）之賬面值將調高至其經修訂估計之可收回金額，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（或現金產生單位）原應釐定之賬面值。撥回之減值虧損即時於收益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or 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.

The Group's policy for recognition of revenue from operating leases is described in the accounting policy below.

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.

Service income is recognised when services are provided.

3. 主要會計政策 (續)

收益確認

收益乃按日常業務中已售貨物之已收或應收代價之公允值計量，扣除折扣及相關銷售稅計算。

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。

本集團關於確認經營租賃收益的會計政策如下：

倘若經濟利益可能將流入本集團及收益金額能夠可靠計量，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。

服務收入乃於提供服務時予以確認。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Equity settled share-based payment transactions

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.

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 tax as reported in the consolidated statement of profit or loss 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.

3. 主要會計政策 (續)

權益結算之股份付款交易

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。

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。應課稅溢利與綜合損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，且不包括毋須課稅或不可扣稅之項目。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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases 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 deferred tax 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 and associate and interest in joint venture, 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.

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.

3. 主要會計政策 (續)

稅項 (續)

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，則不會確認遞延稅項資產及負債。

遞延稅項負債乃按附屬公司及聯營企業投資及合營企業權益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。

遞延稅項資產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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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 general principles above.

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上述一般原則計量。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項與其他全面收益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 2016 截至2016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 at the dates of the transactions. At the end of the 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 at 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 exchange translation reserve (attributed to non-controlling interests 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非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

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint arrangement that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes 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 term of the relevant lease.

3. 主要會計政策 (續)

外幣 (續)

於出售海外業務(即出售本集團海外業務全部權益或涉及失去對一間附屬公司(包括海外業務)的控制權的出售、涉及失去對一間共同控制實體(包括海外業務)的共同控制權的出售或涉及失去對一間聯營企業(包括海外業務)的重大影響力的出售)時,就本集團擁有人應佔該業務而於權益累計的全部匯兌差額則重新分類至損益。

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,按相關租期確認為開支。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016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, 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 benefits

Payments to state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme (defined contribution plans) are recognised as an expense when employees have rendered service entitling them to the contributions.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal.

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，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

國家管理退休福利計劃及強制性公積金計劃（界定供款計劃）之供款於僱員提供服務而有權享有供款時入賬列為開支。

辭退福利

辭退福利於僱員在正常退休日期前被本集團終止僱用以換取此等福利時支付。本集團能證明承諾根據一項不可撤回之詳盡正式計劃終止僱用現有僱員時確認辭退福利。

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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.

Other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Fair value measurement

When measuring fair value except for the Group's share-based payment transactions, leasing transactions, net realisable value of inventories and value in use of tangible assets for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3. 主要會計政策 (續)

借貸成本

收購、建造或生產合資格資產(需大量時間方能達致可供擬定用途或出售的資產)直接應佔的借貸成本，乃加入該等資產的成本，直至該等資產大致可供擬定用途或出售為止。

其他借貸成本均於產生期間在損益確認。

公允值計量

當就減值評估目的而評估除本集團股本結算之股份付款交易外之公允值、租賃交易、可變現存貨淨值及有形資產使用價值時，本集團會考慮市場參與者於計量日對資產或負債定價時所考慮之資產或負債特點。

非金融資產之公允值計量乃考慮市場參與者通過使用其資產之最高及最佳用途或將其出售予將使用其最高及最佳用途之另一市場參與者，而能夠產生經濟利益之能力。

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For the year ended 31 December 2016 截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Fair value measurement *(Continued)*

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follows:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

3. 主要會計政策 (續)

公允值計量 (續)

本集團使用適用於不同情況的估值方法，而其有足夠資料計量公允值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。尤其是，本集團根據輸入數據之特點將公允值計量分為以下三個層級：

第一層—相同資產或負債在交投活躍市場的報價(未經調整)。

第二層—估值方法(藉此直接或間接觀察對公允值計量而言屬重要輸入數據之最低層級)。

第三層—估值方法(藉此無法觀察對公允值計量而言屬重要輸入數據之最低層級)。

於報告期間結束時，本集團通過審閱相關公允值計量確定就按經常性基準以公允值計量之資產及負債之架構中層級間是否發生轉移。

Notes to the Consolidated Financial Statements

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For the year ended 31 December 2016 截至2016年12月31日止年度

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 judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. 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.

Critical judgements in applying 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.

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，本公司董事須就綜合財務報表中呈報及披露之資產、負債、收益及開支金額作出判斷、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。

於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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying 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.

Significant influence over associate

As per note 21 to the consolidated financial statements, the directors of the Company considered Fission Uranium Corp. ("Fission"), in which the Group has 19.98% equity interest, is an associate of the Group as the Group has significant influence over Fission by virtue of its contractual right appointed two out of nine directors to the board of directors of Fission.

4. 主要會計判斷及估計不明朗因素之主要來源(續)

於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。

對聯營企業有重大影響力

誠如綜合財務報表附註21，由於本集團憑藉其合同權利委任Fission董事會內九名董事的其中兩名而於Fission擁有重大影響力，故本公司董事認為Fission Uranium Corp. (「Fission」，本集團持有其19.98%權益)屬本集團聯營企業。

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For the year ended 31 December 2016 截至2016年12月31日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

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.

Estimated useful life and 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. As at 31 December 2016, the carrying amount of property, plant and equipment was approximately HK\$17,347,000 (2015: HK\$20,339,000).

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

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、廠房及設備之估計使用年期及折舊

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。於2016年12月31日，物業、廠房及設備之賬面值約為17,347,000港元(2015年：20,339,000港元)。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment loss recognised in respect of other receivables, amounts due from fellow subsidiaries and an intermediate holding company

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 2016, the carrying amounts of other receivables, amounts due from fellow subsidiaries and an intermediate holding company were approximately HK\$3,715,000 (2015: HK\$42,255,000), approximately HK\$1,080,947,000 (2015: HK\$476,588,000) and approximately HK\$2,650,000 (2015: HK\$10,074,000) respectively.

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 of disposal 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 2016, the carrying amount of property, plant and equipment was approximately HK\$17,347,000 (2015: HK\$20,339,000).

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)

就其他應收賬款、應收同系附屬公司款項及應收一間中間控股公司款項確認減值虧損

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2016年12月31日，其他應收款項、應收同系附屬公司款項及應收一間中間控股公司款項之賬面值分別約為3,715,000港元(2015年：42,255,000港元)、1,080,947,000港元(2015年：476,588,000港元)及2,650,000港元(2015年：10,074,000港元)。

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2016年12月31日，物業、廠房及設備之賬面值約為17,347,000港元(2015年：20,339,000港元)。

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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 2016 was approximately HK\$29,021,000 (2015: HK\$28,778,000).

Impairment loss on investment in a joint venture

At the end of the reporting period, the Company reviews the carrying amounts of investment in a joint venture to determine whether there is any indication that the investment has suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss, if any. The determination of recoverable amount of investment in a joint venture involves estimates as to: (1) future revenues based on forecasted uranium prices; (2) actual production volume of uranium mines held by the joint venture; (3) exchange rate between Tenge, the currency of the Republic of Kazakhstan ("Kazakhstan"), and USD; (4) the discount rate to be applied to such revenues and costs for the purpose of deriving a recoverable amount. If the recoverable amount of the investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. The carrying amount of investment in a joint venture is approximately HK\$186,467,000 (2015: HK\$138,272,000) as at 31 December 2016. No impairment is recognised for current and prior years.

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2016年12月31日，按公允值計量之投資物業賬面值約為29,021,000港元(2015年：28,778,000港元)。

於一間合營企業之投資之減值虧損

於報告期間結束時，本公司檢討於一間合營企業之投資之賬面值以釐定是否有跡象顯示該投資已出現減值虧損。倘存在任何有關跡象，須估計該投資之可收回金額以釐定減值虧損(如有)之程度。釐定於一間合營企業之投資之可收回金額涉及估計：(1)根據預測鈾價計算之未來收益；(2)合營企業持有之鈾礦之實際產量；(3)哈薩克斯坦共和國(「哈薩克斯坦」)貨幣堅戈與美元之匯率；(4)為釐定可收回金額而對有關收益及成本適用之貼現率。倘估計該投資之可收回金額低於其賬面值，則該投資之賬面值減至其可收回金額。減值虧損即時於損益中確認。於2016年12月31日，於一間合營企業之投資之賬面值約為186,467,000港元(2015年：138,272,000港元)。於本年度及過往年度沒有確認減值。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment loss on investment in an associate

At the end of the reporting period, the Company reviews the carrying amounts of investment in an associate to determine whether there is any indication that the investment has suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss, if any. The determination of recoverable amount of investment in an associate involves estimates as to: (1) the appropriateness of the comparable transactions selected under market approach; (2) the indicated resources of uranium; (3) exchange rate between Canadian dollar ("CAD"), the currency of Canada, and USD and (4) the uranium price adjustment rate to be applied to such comparable transactions for the purpose of deriving a recoverable amount. If the recoverable amount of the investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. For the year ended 31 December 2016, an impairment loss of approximately HK\$220,032,000 was recognised in profit or loss and included in share of results of an associate. The carrying amount of investment in an associate is approximately HK\$520,316,000 (2015: nil) as at 31 December 2016.

Fair value measurement and valuation processes

Some of the Group's assets including investment properties and identifiable assets and liabilities of an associate at the acquisition date are measured at fair value for financial reporting purposes. The directors of the Company are responsible to determine the appropriate valuation techniques and inputs for fair value measurements. Details are set out in notes 19 and 39.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The directors of the Company work closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

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)

於一間聯營企業之投資之減值虧損

於報告期間結束時，本公司檢討於一間聯營企業之投資之賬面值以釐定是否有跡象顯示該投資已出現減值虧損。倘存在任何有關跡象，須估計該投資之可收回金額以釐定減值虧損(如有)之程度。釐定於一間聯營企業之投資之可收回金額涉及估計：(1)選擇市場法下可資比較交易之適合性；(2)指定之鈾資源；(3)加拿大貨幣加元與美元之匯率；(4)為釐定可收回金額而對有關可資比較交易適用之鈾價調整率。倘估計該投資之可收回金額低於其賬面值，則該投資之賬面值減至其可收回金額。截至2016年12月31日止年度，於損益中確認的減值虧損約為220,320,000港元，並列入應佔一間聯營企業業績中。於2016年12月31日，於一間聯營企業之投資之賬面值約為520,316,000港元(2015年：無)。

公允值計量及估值程序

就財務呈報目的，本集團之若干資產(包括投資物業及收購日期一間聯營企業的可確認資產及負債)按公允值計量。本公司董事負責釐定有關公允值計量之適用估值方法及輸入數據。詳情載列於附註19及39。

在估計資產或負債之公允值時，本集團使用可獲得之可觀察市場數據。倘無法獲得第一層輸入數據，本集團會委聘第三方合資格估值師進行估值。本公司董事與合資格外部估值師緊密合作設立模式適用之估值方法及輸入數據。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Income taxes

As at 31 December 2016, the Group has not been recognised the tax losses of approximately HK\$63,685,000 (2015: HK\$60,858,000) due to the unpredictability of future profit streams. These losses relate to subsidiaries that have a history of tax losses and the Group has not accounted for the relevant deferred tax. 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.

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, amounts due to an intermediate holding company, a joint venture and fellow subsidiaries, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained earnings. 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 risks associated with each class of capital, and take appropriate actions to adjust the Group's capital structure.

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)

所得稅

於2016年12月31日，本集團尚未確認稅項虧損約63,685,000港元（2015年：60,858,000港元），由於未能預測未來溢利來源。關於過往有稅務虧損的附屬公司的虧損，本集團並未有將相關的遞延稅項入賬。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。

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淨負債、應付一間中間控股公司款項、一間合營企業款項及同系附屬公司款項（包括於附註29披露之可換股債券）扣除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、儲備及保留盈利。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與各類資本相關的風險，並就此採取適當行動調整本集團資本結構。

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6. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	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)	1,133,398	940,245
Financial liabilities	金融負債		
At amortised cost	按攤銷成本	28,232	354,342

6. 金融工具

金融工具類別

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade and other receivables, amounts due from an intermediate holding company and fellow subsidiaries, bank balances and cash, trade and other payables, amounts due to an intermediate holding company, a joint venture and fellow subsidiaries 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.

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賬款及其他應收款項、應收一間中間控股公司及同系附屬公司款項、銀行結存及現金、應付賬款及其他應付款項、應付一間中間控股公司、一間合營企業及同系附屬公司款項及可換股債券。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。

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For the year ended 31 December 2016 截至2016年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk

The Group has transactional currency exposures. Such exposures arise from rental income and purchases by the Group in currencies other than the entities' functional currencies. Approximately 100% (2015: 60%) of the Group's rental income and nil (2015: 6%) of the Group's purchases are denominated in currencies other than the functional currency of the group's entity making the purchases. In addition, certain portion of trade and other receivables, amount due from an intermediate holding company and fellow subsidiaries, bank balances and cash, trade and other payables, amount due to an intermediate holding company and fellow subsidiaries are denominated in currencies other than the functional currency of the entity to which they relate.

The following table shows the Group's exposure at the end of the reporting period to currency risk arising from recognised monetary assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

		USD'000		RMB'000		HK\$'000		CAD'000	
		千美元		人民幣千元		千港元		千加元	
Presented in:		2016	2015	2016	2015	2016	2015	2016	2015
列示為		2016年	2015年	2016年	2015年	2016年	2015年	2016年	2015年
Assets	資產	905	945	33,942	41,362	498,475	364,256	-	44,535
Liabilities	負債	-	-	(12,679)	(10,250)	(2,799)	(4,936)	(89)	-

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

本集團面對交易貨幣風險。有關風險源自租金收入及本集團以該等實體的功能貨幣以外之貨幣進行採購。本集團約100% (2015年: 60%) 的租金收入及無 (2015年: 6%) 的採購以集團實體作出採購之功能貨幣以外之貨幣列值。此外, 若干部分應收賬款及其他應收款項、應收一間中間控股公司及同系附屬公司款項、銀行結存及現金、應付賬款及其他應付款項、應付一間中間控股公司及同系附屬公司款項, 乃以實體之相關功能貨幣以外之貨幣結算。

下表顯示本集團於報告期間結束時因已確認貨幣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。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to the currency risk of RMB, USD, HK\$ and CAD.

The following table details the Group's sensitivity (i) to a 5%, 5% and 0.5% increase or decrease in HK\$ against the RMB, CAD and USD respectively for the years ended 31 December 2016 and 2015. 5%, 5% and 0.5% are the sensitivity rates used when reporting foreign currency risk internally to key management personnel and 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% or 0.5% (2015: 5% or 0.5%) change in foreign currency rates. A positive number below indicates an increase in post-tax profit where the respective functional currency strengthen 5% or 0.5% (2015: 5% or 0.5%) against the relevant currency. For a 5% or 0.5% (2015: 5% or 0.5%) weakening of the respective functional currency against the relevant currency, there would be an equal and opposite impact on the profit.

	USD'000		RMB'000		HK\$'000		CAD'000	
	千美元		人民幣千元		千港元		千加元	
Presented in:	2016	2015	2016	2015	2016	2015	2016	2015
列示為	2016年	2015年	2016年	2015年	2016年	2015年	2016年	2015年
Profit or loss								
溢利或虧損	(34)	(35)	(857)	(1,074)	(2,069)	(1,500)	-	(186)

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.

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、美元、港元及加元貨幣風險。

下表詳列本集團(i)截至2016年及2015年12月31日止年度對港元分別兌人民幣、加元及美元升值或貶值5%、5%及0.5%之敏感度。該敏感度比率(5%、5%及0.5%)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%或0.5%(2015年: 5%或0.5%)變動作出之換算調整。下文之正數顯示倘相應的功能貨幣兌有關貨幣升值5%或0.5%(2015年: 5%或0.5%)所導致除稅後溢利之升幅。倘相應的功能貨幣兌有關貨幣貶值5%或0.5%(2015年: 5%或0.5%)，將會對溢利構成相反之等額影響。

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。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances and amounts due from fellow subsidiaries. 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.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments including bank balances and cash and amounts due from fellow subsidiaries at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2015: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points (2015: 50 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2016 would increase/decrease by approximately HK\$4,668,000 (2015: HK\$3,372,000). This is mainly attributable to the Group's exposure to interest rates on its bank balances and amounts due from fellow subsidiaries.

7. 財務風險管理目標及政策 (續)

利率風險

本集團就其浮息銀行結餘及應收同系附屬公司款項面對現金流量利率風險。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。

敏感度分析

以下之敏感度分析乃根據於報告期間結束時非衍生工具(包括銀行結存及現金以及應收同系附屬公司的款項)之利率風險而釐定。編製該項分析時假設於報告期間結束時之未償還金融工具於全年內仍未償還。50個基點(2015年：50個基點)之增加或減少為向主要管理人員就利率風險作內部報告時使用，代表管理層就利率可能產生之合理變動所作評估。

倘利率上升/下跌50個基點(2015年：50個基點)，而所有其他可變因素維持不變，則本集團於截至2016年12月31日止年度之除稅後溢利會增加/減少約4,668,000港元(2015年：3,372,000港元)。此乃主要由於本集團之銀行結存及應收貸款面臨利率風險所致。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

As at 31 December 2016, 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 to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability 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 amount due from an intermediate holding company and fellow subsidiaries to be insignificant as the default risk of the advance to the intermediate holding company and fellow subsidiaries is limited considering the intermediate holding company and fellow subsidiaries has sufficient net assets to repay its debts and a good history of repayment. The Group does not expect to incur a significant loss for uncollected amounts due from an intermediate holding company and fellow subsidiaries.

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 100% (2015: 100%) of the total trade receivable as at 31 December 2016.

7. 財務風險管理目標及政策 (續)

信貸風險

於2016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性，確保就不可收回金額作出足夠減值虧損。

考慮到一間中間控股公司及同系附屬公司有足夠資產淨值償還債務，而且過往還款記錄良好，及墊支予一間中間控股公司及同系附屬公司之違約風險有限，故本公司董事認為因應收一間中間控股公司款項及應收同系附屬公司款項所造成的信貸風險並不重大，而本集團預期不會就應收一間中間控股公司款項及應收同系附屬公司款項之未收回金額產生重大虧損。

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2016年12月31日應收賬款總額100% (2015年：100%)。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

Besides, the Group has concentration of credit risk as 100% (2015: 100%) of the total trade receivables 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 immediate holding company of the Company with good creditworthiness.

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)

此外，本集團面對信貸風險集中的情況，應收賬款總額中100%（2015年：100%）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本公司一間具有良好信譽的直接控股公司。

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。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

Liquidity risk tables

		Less than 1 year	1-5 years	Total undiscounted cash flows 未貼現 現金流量總額	Carrying amount at 31 December 於12月31日之 賬面值
		1年內 HK\$'000 千港元	1-5年 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2016	2016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	8,803	-	8,803	8,803
Amount due to an intermediate holding company	應付一間中間控股公司款項	13,238	-	13,238	13,238
Amount due to a joint venture	應付一間合營企業款項	5,813	-	5,813	5,813
Amounts due to fellow subsidiaries	應付同系附屬公司款項	378	-	378	378
		28,232	-	28,232	28,232
2015	2015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	46,453	-	46,453	46,453
Amount due to an intermediate holding company	應付一間中間控股公司款項	11,772	-	11,772	11,772
Amount due to a joint venture	應付一間合營企業款項	3,293	-	3,293	3,293
Convertible bonds	可換股債券	300,000	-	300,000	289,933
Amounts due to fellow subsidiaries	應付同系附屬公司款項	2,891	-	2,891	2,891
		364,409	-	364,409	354,342

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)

信貸風險 (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。

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8. REVENUE AND OTHER OPERATING INCOME

Revenue represents amount received and receivable from sales of natural uranium, net of returns, discounts allowed and sales related taxes, and gross rental income during the year. Revenue recognised during the year from continuing operations is as follows.

8. 營業額及其他經營收入

營業額指年內扣除退貨、允許折扣及相關銷售稅後的天然鈾之已收及應收款項，以及租金收入總額。於本年度確認之持續性業務收益如下。

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Revenue	營業額		
Sales of goods	銷售貨品	705,556	700,391
Gross rental income (note)	租金收入總額(附註)	2,193	3,031
		707,749	703,422
Other operating income	其他經營收入		
Bank interest income	銀行利息收入	46	549
Loan interest income from fellow subsidiaries	同系附屬公司之貸款利息收入	4,273	6,319
Interest income from overdue trade receivable from an intermediate holding company	一間中間控股公司之逾期應收賬款之利息收入	-	3,514
Interest income from overdue sale proceeds of disposal of subsidiaries	出售附屬公司之逾期應收款之利息收入	269	-
Trade deposit interest income from a joint venture	一間合營企業之預付款利息收入	161	3,326
Management fee income	管理費收入	2,504	-
Tax on disposal of subsidiaries reimbursed by the acquirer of Yugofoil Group	出售裕高飛集團之收購方返還因出售附屬公司稅款	-	3,706
Others	其他	16	2
		7,269	17,416
Total revenue	總收益	715,018	720,838

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8. REVENUE AND OTHER OPERATING INCOME (Continued)

Note: An analysis of the Group's net rental income is as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Gross rental income	租金收入總額	2,193	3,031
Less: Outgoings (included in cost of sales)	減：相關開支 (計入銷售成本)	-	(170)
Net rental income	租金收入淨額	2,193	2,861

9. SEGMENT INFORMATION

Information reported to the chief executive officer ("CEO"), 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. Operating segments identified by the chief operating decision maker are the same as the reportable segments of the Group.

Pharmaceutical and food segment (the "Disposed Business") was discontinued in year ended 31 December 2015 (details set out in note 12). Accordingly, the Group's reportable and operating segments from continuing operations are as follows:

- property investment segment engages in leasing;
- natural uranium trading segment engages in trading of natural uranium; and
- other investments segment engages in investment in a joint venture and an associate.

No operating segments have been aggregated to form the above reportable segments.

8. 營業額及其他經營收入 (續)

附註：本集團之租金收入淨額分析如下：

9. 分部資料

本集團為就資源分配及分部表現評估目的向首席執行官即主要營運決策者報告的數據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與以組成本集團的可報告分部相同。

藥品及食品分部(「出售業務」)於2015年12月31日止年度已不再經營(詳情載於附註12)。為此，本集團的可報告及持續性業務的經營分部如下：

- 物業投資分部指租賃；
- 天然鈾貿易分部指天然鈾貿易；及
- 其他投資分部是指投資於一間合營及一間聯營企業。

本集團並無將經營分部整合以組成上述可報告分部。

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9. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Continuing operations

For the year ended 31 December 2016

		Property investment	Other investments	Natural uranium trading	Total
		物業投資	其他投資	天然鈾貿易	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Revenue	營業額	2,193	-	705,556	707,749
Segment (loss) profit	分部(虧損)溢利	(65)	77,859	409,670	487,464
Other income and gains	其他收入及收益				7,269
Central administration costs	中央行政成本				(25,220)
Finance costs	融資成本				(5,601)
Profit before taxation from continuing operations	持續性業務除稅前溢利				463,912

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		Property investment	Other investments	Natural uranium trading	Total
		物業投資	其他投資	天然鈾貿易	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Revenue	營業額	3,031	-	700,391	703,422
Segment (loss) profit	分部(虧損)溢利	(2,536)	5,360	269,218	272,042
Other income and gains	其他收入及收益				17,416
Central administration costs	中央行政成本				(14,185)
Finance costs	融資成本				(21,990)
Profit before taxation from continuing operations	持續性業務除稅前溢利				253,283

9. 分部資料(續)

分部收益及業績

本集團按可報告及經營分部呈列之收益及業績分析如下：

持續性業務

截至2016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 2016 截至2016年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Segment revenue 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 CEO 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

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Property investment	物業投資	46,839	55,980
Other investments	其他投資	706,783	138,272
Natural uranium trading	天然鈾貿易	4,738	125,800
		758,360	320,052
Unallocated corporate assets	未分配公司資產	1,128,189	825,248
Total assets	資產總值	1,886,549	1,145,300

9. 分部資料(續)

分部收入及業績(續)

經營分部之會計政策與附註3所述之本集團會計政策相同。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。此乃就資源分配及表現評估向首席執行官報告之計量。

分部資產及負債

下表呈列本集團可報告及經營分部分析之資產及負債：

分部資產

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For the year ended 31 December 2016 截至2016年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

Segment liabilities

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Property investment	物業投資	8,597	4,850
Other investments	其他投資	–	–
Natural uranium trading	天然鈾貿易	6,999	46,564
		15,596	51,414
Unallocated corporate liabilities	未分配公司負債	54,394	334,236
Total liabilities	負債總額	69,990	385,650

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than amounts due from fellow subsidiaries, bank balances and cash and other assets for corporate use including certain property, plant and equipment and other receivables.
- all liabilities are allocated to operating segments other than amounts due to an intermediate holding company and fellow subsidiaries, convertible bonds, income tax payable, deferred tax liabilities 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：

- 除應收同系附屬公司款項、銀行結存及現金以及作公司用途之其他資產，包括若干物業、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。
- 除應付一間中間控股公司款項及應付同系附屬公司款項、可換股債券、應付所得稅、遞延稅項負債及若干其他應付款項外，所有負債均分配至經營分部。

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綜合財務報表附註

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9. SEGMENT INFORMATION (Continued)

Other segment information

Continuing operations

2016

9. 分部資料(續)

其他分部數據

持續性業務

2016年

		Property investment	Other investments	Natural uranium trading	Unallocated	Total
		物業投資	其他投資	天然鈾貿易	未分配	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
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	5	-	-	-	5
Depreciation and amortisation	折舊及攤銷	917	-	-	1,033	1,950
Changes in fair value of investment properties	投資物業公允值變動	(2,158)	-	-	-	(2,158)
Operating lease rental on land and buildings	土地及樓宇之經營租賃租金	-	-	-	1,846	1,846
Share of results of a joint venture	應佔一間合營企業業績	-	(44,575)	-	-	(44,575)
Share of results of an associate (Note)	應佔一間聯營企業業績(附註)	-	(33,284)	-	-	(33,284)
Amounts regularly provided to the CEO but not included in the measure of segment profit or loss or segment assets:	定期向首席執行官提供數據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	-	-	-	5,601	5,601
Income tax expense	所得稅支出	-	-	-	74,782	74,782
Bank interest income	銀行利息收入	-	-	-	(46)	(46)
Loan interest income from fellow subsidiaries	同系附屬公司之貸款利息收入	-	-	-	(4,273)	(4,273)
Interest income from overdue sale proceeds of disposal of subsidiaries	出售附屬公司之逾期應收款之利息收入	-	-	-	(269)	(269)
Management fee income	管理費收入	-	-	-	(2,504)	(2,504)
Trade deposits interest income from a joint venture	一間合營企業之預付款利息收入	-	-	(161)	-	(161)

Note:

An impairment loss of interest in an associate of approximately HK\$220,032,000 is included in the share of results of an associate.

附註：

約220,032,000港元的減值虧損已列入於應佔一間聯營企業業績中。

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For the year ended 31 December 2016 截至2016年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

Continuing operations (Continued)

2015

9. 分部資料(續)

其他分部數據(續)

持續性業務(續)

2015年

	Property investment	Other investments	Natural uranium trading	Unallocated	Total
	物業投資	其他投資	天然鈾貿易	未分配	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

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	111	-	-	624	735
Transfer from investment properties	轉撥自投資物業	17,963	-	-	-	17,963
Depreciation and amortisation	折舊及攤銷	526	-	-	996	1,522
Changes in fair value of investment properties	投資物業之公允值變動	(1,044)	-	-	-	(1,044)
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損淨額	-	-	-	81	81
Operating lease rental on land and buildings	土地及樓宇之經營租賃租金	-	-	-	3,290	3,290
Share of results of a joint venture	應佔一間合營企業業績	-	(5,360)	-	-	(5,360)

Amounts regularly provided to the CEO but not included in the measure of segment profit or loss or segment assets: 定期向首席執行官提供數據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	-	-	-	21,990	21,990
Income tax expense	所得稅支出	-	-	-	49,920	49,920
Bank interest income	銀行利息收入	-	-	-	(549)	(549)
Loan interest income from fellow subsidiaries	同系附屬公司之貸款利息收入	-	-	-	(6,319)	(6,319)
Interest income from overdue trade receivable from an intermediate holding company	一間中間控股公司之逾期應收款之利息收入	-	-	(3,514)	-	(3,514)
Trade deposits interest income from a joint venture	一間合營企業之預付款利息收入	-	-	(3,326)	-	(3,326)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Geographical information

Continuing operations

The Group's operations are located in Hong Kong ("HK"), the PRC, Kazakhstan and Canada.

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

持續性業務

本集團的業務位於香港、中國、哈薩克斯坦及加拿大。

有關本集團來自外部客戶的收入的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		
		2016	2015	2016	2015
		2016年	2015年	2016年	2015年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
HK	香港	-	-	2,178	3,211
PRC	中國	707,749	703,422	44,190	45,906
Kazakhstan	哈薩克斯坦	-	-	186,467	138,272
Canada	加拿大	-	-	520,316	-
		707,749	703,422	753,151	187,389

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group is 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：

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Customer A ¹	客戶甲 ¹	705,556	700,094

¹ Revenue from natural uranium trading segment

¹ 來自天然鈾貿易分部之收入

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

10. FINANCE COSTS

10. 融資成本

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Imputed interest expense on convertible bonds (note 29)	可換股債券之估算利息 開支(附註29)	5,601	21,990

11. INCOME TAX EXPENSES

11. 所得稅支出

Continuing operations

持續性業務

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
HK Profits Tax	香港利得稅		
– current year	– 本年度	67,341	44,259
– under (over) provision in prior years	– 過往年度撥備不足(超額撥備)	682	(376)
PRC Enterprise Income Tax on disposal of subsidiaries	出售附屬公司的中國企業 所得稅		
– current year	– 本年度	–	3,706
UK Corporate Tax	英國企業稅		
– current year	– 本年度	646	478
– under provision in prior years	– 過往年度撥備不足	659	–
		69,328	48,067
Deferred tax	遞延稅項	5,454	1,853
		74,782	49,920

HK Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

香港利得稅按該兩個年度的估計應課稅溢利以16.5%的稅率計算。

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.

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%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

11. INCOME TAX EXPENSES (Continued)

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 both years.

The subsidiary operating in the United Kingdom (“UK”) is subject to Corporation Tax Act of UK and the tax rate of the UK subsidiary is 20% for both years.

Pursuant to the tax law of the Kazakhstan, withholding income tax is levied on 10% of profit before distributed to overseas investors. The Kazakhstan Income Tax is withheld by the joint venture when 49% of total dividends were distributed to the Company by the joint venture.

Pursuant to the laws and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI for both years.

11. 所得稅支出 (續)

於本年度及過往年度，若干中國附屬公司處於虧損狀況，或結轉自往年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。

於英國營運之附屬公司須根據英國企業所得稅法，英國附屬公司於兩個年度之稅率為20%。

根據哈薩克斯坦稅法，預扣所得稅按分派海外投資之除稅前溢利之10%徵收。上述哈薩克斯坦所得稅由合營企業在其向本公司分派49%之總股息時預扣。

根據開曼群島及英屬處女群島之法律及法規，本集團於本年度及過往年度毋須繳納開曼群島及英屬處女群島所得稅。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

11. INCOME TAX EXPENSES (Continued)

The income tax expenses for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss as follows:

11. 所得稅支出 (續)

本年度所得稅支出與綜合損益表所示除稅前溢利對賬如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Continuing operations	持續性業務		
Profit before taxation	除稅前溢利	463,912	253,283
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	79,968	42,147
Tax effect of share of results of a joint venture	應佔一間合營企業之稅務影響	(11,144)	(1,340)
Tax effect of share of results of an associate	應佔一間聯營企業之稅務影響	(5,492)	–
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(258)	(1,385)
Tax effect of expenses not deductible for tax purpose	不可扣稅支出之稅務影響	3,571	5,157
Tax effect of disposal of subsidiaries	出售附屬公司之稅務影響	–	3,706
Deferred tax on undistributed earnings of a joint venture	一間合營企業未分配溢利的遞延稅項	5,028	1,049
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	1,768	962
Under(over) provision in prior years	過往年度撥備不足(超額撥備)	1,341	(376)
Income tax expenses for the year	本年度所得稅支出	74,782	49,920

Details of deferred taxation are set out in note 30.

遞延稅項詳情載於附註30。

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For the year ended 31 December 2016 截至2016年12月31日止年度

12. DISCONTINUED OPERATION

On 25 March 2015, the Group entered into a sale and purchase agreement to dispose of its 100% equity interest in Yugofoil Group, which carried out all of the Group's pharmaceutical and food products operation, to an independent third party for a total consideration of HK\$101,250,000. The disposal was completed on the same day, on which date control of Yugofoil Group passed to the acquirer.

Following the completion of the disposal of Yugofoil Group, the Group discontinued its operation in the Disposed Business. The profit for the year ended 31 December 2015 from the Disposed Business was set out below:

	Note	2015 2015年 HK\$'000 千港元
	附註	
Loss of the Disposed Business for the year		(4,400)
Gain on disposal of the Disposed Business	32	99,040
		94,640

The results of the Disposed Business for the year ended 31 December 2015 was as follows:

截至2015年12月31日止年度該出售業務的業績如下：

		2015 2015年 HK\$'000 千港元
Revenue	營業額	35,221
Cost of sales	銷售成本	(29,071)
Gross profit	毛利	6,150
Other operating income	其他經營收入	60
Selling and distribution expenses	銷售及分銷開支	(3,362)
Administrative expenses	行政開支	(7,020)
Changes in fair value of investment properties	投資物業公允值變動	(309)
Loss before taxation	除稅前虧損	(4,481)
Income tax credit	所得稅抵免	81
Loss of the Disposed Business for the year	年內該出售業務之虧損	(4,400)

12. 非持續性業務

於2015年3月25日，本集團訂立銷售及採購協議，以總代價101,250,000港元向獨立第三方出售其於裕高飛集團的全部股權，而裕高飛集團從事本集團之所有藥品及食品業務。出售完成當日，亦為裕高飛集團將控制權轉讓予收購方之日期。

於出售裕高飛集團完成後，本集團終止其於該出售業務的營運。截至2015年12月31日止年度該出售業務的溢利載列如下：

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For the year ended 31 December 2016 截至2016年12月31日止年度

12. DISCONTINUED OPERATION (Continued)

Income tax credit from the Disposed Business included the following:

		2015 2015年 HK\$'000 千港元
Deferred tax	遞延稅項	(81)

During the year ended 31 December 2015, the Company disposed of its entire interests in Yugofoil Group and the 10% on the gain on disposal of subsidiaries in the PRC is subjected to the PRC Enterprise Income Tax.

12. 非持續性業務(續)

該出售業務所得稅抵免包括以下：

於2015年12月31日止年度，本公司出售裕高飛集團之全部權益，出售中國附屬公司的收益的10%須繳納中國企業所得稅。

Loss for the year ended 31 December 2015 from the Disposed Business included the following:

該出售業務截至2015年12月31日止的虧損包括以下各項：

		2015 2015年 HK\$'000 千港元
Amortisation of intangible assets	攤銷無形資產	15
Amortisation of prepaid lease payments on land use rights	攤銷土地使用權預付租賃款	102
Cost of inventories recognised as an expense	已確認為開支的存貨成本	28,756
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,694
Operating lease rental on land and buildings	土地及樓宇之經營租賃租金	110
Staff costs	員工成本	5,232
Research and development costs	研發成本	7
Bank interest income	銀行利息收入	(16)
Rental income from investment properties	投資物業租金收入	1,986
Net exchange loss	淨匯兌虧損	136

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For the year ended 31 December 2016 截至2016年12月31日止年度

12. DISCONTINUED OPERATION (Continued)

Net cash outflows on the Disposed Business was as follows:

		2015 2015年 HK\$'000 千港元
Operating activities	經營活動	(1,327)
Investing activities	投資活動	(110)
		(1,437)

12. 非持續性業務(續)

該出售業務之現金流出淨額如下：

13. PROFIT FOR THE YEAR

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Continuing operations	持續性業務		
Profit for the year has been arrived at after charging:	本年度溢利已扣除下列各項：		
Auditors' remuneration	核數師酬金	1,270	1,250
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成本	284,244	420,409
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,950	1,522
Operating lease rental on land and buildings	土地及樓宇之經營租賃租金	1,846	3,290
Staff costs (including directors' emoluments) (note 16)	員工成本(包括董事酬金)(附註16)	14,746	9,444
Share of income tax expense of a joint venture	應佔一間合營企業所得稅支出	14,465	7,896
Share of income tax expense of an associate	應佔一間聯營企業所得稅支出	3,110	-
Net exchange loss	淨匯兌虧損	2,748	703
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損淨額	-	81

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14. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2016 (2015: nil).

Subsequent to the end of the reporting period, a final dividend of HK2 cents (2015: nil) in respect of the year ended 31 December 2016 per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

15. EARNINGS PER SHARE

From continuing and discontinued operations

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

14. 股息

於截至2016年12月31日止年度期間並無派發或建議派發股息(2015年：無)。

於本報告期後，董事會提議派發截至2016年12月31日止年度之末期股息為每股2港仙(2015年：無)，該等擬派股息需經過即將召開的股東週年大會批准。

15. 每股盈利

從持續性業務及非持續性業務

本公司擁有人應佔從持續性業務及非持續性業務的每股基本及攤薄盈利乃按下列數據計算：

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Earnings	盈利		
Earnings for the year attributable to the owners of the Company for the purpose of basic earnings per share	用於計算每股基本盈利之本公司擁有人應佔年內盈利	389,130	297,981
Effect of dilutive potential ordinary shares: Interest on convertible bonds	具攤薄效應之潛在普通股之影響：可換股債券利息	5,601	21,990
Earnings for the year attributable to the owners of the Company for the purpose of diluted earnings per share	用於計算每股攤薄盈利之本公司擁有人應佔本年內盈利	394,731	319,971
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利之普通股加權平均數	5,515,784,641	4,047,298,131
Effect of dilutive potential ordinary shares: Convertible bonds	具攤薄效應之潛在普通股之影響：可換股債券	459,729,151	1,893,984,514
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用於計算每股攤薄盈利之普通股加權平均數	5,975,513,792	5,941,282,645

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15. EARNINGS PER SHARE (Continued)

From continuing operations

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

15. 每股盈利(續)

從持續性業務

本公司擁有人應佔來自持續性業務的每股基本及攤薄盈利乃按下列數據計算：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Earnings	盈利		
Earnings for the year attributable to the owners of the Company for the purpose of basic and diluted earnings per share	用於計算每股基本及攤薄盈利之本公司擁有人應佔年內盈利	389,130	297,981
Less: earnings for the year from discontinued operation	減：來自非持續性業務的年內盈利	-	(94,618)
Earnings for the purpose of basic earnings per share for the year attributable to the owners of the Company	用於計算每股基本盈利之本公司擁有人應佔年內盈利	389,130	203,363
Effect of dilutive potential ordinary shares: Interest on convertible bonds	具攤薄效應之潛在普通股之影響：可換股債券利息	5,601	21,990
Earnings for the purpose of diluted earnings per share for the year attributable to the owners of the Company	用於計算每股攤薄盈利之本公司擁有人應佔本年內盈利	394,731	225,353
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利之普通股加權平均數	5,515,784,641	4,047,298,131
Effect of dilutive potential ordinary shares: Convertible bonds	具攤薄效應之潛在普通股之影響：可換股債券	459,729,151	1,893,984,514
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用於計算每股攤薄盈利之普通股加權平均數	5,975,513,792	5,941,282,645

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15. EARNINGS PER SHARE (Continued)

From discontinued operation

Basic earnings per share for the discontinued operation for the year ended 31 December 2015 was earnings HK2.34 cents per share and diluted earnings per share for the discontinued operation was HK1.59 cents per share, based on the profit for the year from discontinued operation of HK\$94,618,000 and the denominators detailed above for both basic and diluted earnings per share.

16. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

From continuing operations

		2016	2015
		2016年	2015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	12,410	8,155
Retirement benefit schemes contribution	退休福利計劃供款	2,336	1,289
		14,746	9,444

The subsidiaries in HK operate defined contribution schemes (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance 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. The employees are required to contribute 5% of their monthly salaries or up to a maximum of HK\$1,500 and they can choose to make additional contributions. The employees are entitled to 100% of the employer's Mandatory Contributions upon their retirement at the age of 65, death or total incapacity.

15. 每股盈利(續)

從非持續性業務

截至2015年12月31日止年度，來自非持續性業務的每股基本盈利為每股2.34港仙及來自非持續業務的每股攤薄盈利為每股盈利1.59港仙，乃基於來自非持續性業務的年內溢利94,618,000港元及上文詳述計算每股基本及攤薄盈利的分母。

16. 員工成本(包括董事酬金)

來自持續性業務

香港附屬公司為合資格僱員按香港強制性公積金計劃條例推行定額供款計劃(「強積金計劃」)。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。集團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。僱員須按其月薪之5%或最高1,500港元作出供款，而彼等可選擇作出額外供款。僱員於65歲退休、身故或完全喪失工作能力時享有100%之僱主強制性供款。

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For the year ended 31 December 2016 截至2016年12月31日止年度

16. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

From continuing operations (Continued)

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 HK.

The total cost charged to profit or loss of HK\$2,336,000 (2015: HK\$1,289,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

Details of the Company's share options granted to the employees of the Group are set out in note 34.

16. 員工成本(包括董事酬金) (續)

來自持續性業務(續)

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。

自損益扣除之總成本2,336,000港元(2015年：1,289,000港元)，即本集團於本會計期間就該等計劃應付之供款。

本公司向本集團員工授出購股權之詳情載於附註34。

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17. DIRECTORS' AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

(a) Directors' and chief executive's emoluments

The emoluments paid or payable to each of the ten (2015: ten) directors and the chief executive were as follows:

For the year ended 31 December 2016

17. 董事及最高薪酬人士之酬金

(a) 董事及主要行政人員酬金

已付或應付十名(2015年：十名)董事及主要行政人員之酬金如下：

截至2016年12月31日止年度

		Other emoluments 其他酬金				Total 總計
		Salaries, allowances and other benefits 薪金、津貼及其他福利	Discretionary bonus 酌情花紅	Retirement benefit schemes contribution 退休福利計劃供款		
Fees 袍金		Fees 袍金	benefits 及其他福利	Discretionary bonus 酌情花紅	Retirement benefit schemes contribution 退休福利計劃供款	Total 總計
HK\$'000 千港元		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Executive directors:</i>	<i>執行董事：</i>					
Yu Zhiping ¹	余志平 ¹	-	950	-	-	950
Xing Jianhua	幸建華	-	864	-	-	864
<i>Non-executive directors:</i>	<i>非執行董事：</i>					
Zhou Zhenxing	周振興	200	-	-	-	200
Fang Chunfa ²	方春法 ²	75	-	-	-	75
Wu Junfeng ²	吳俊峰 ²	75	-	-	-	75
Chen Qiming ³	陳啟明 ³	75	-	-	-	75
Yin Engang ³	尹恩剛 ³	75	-	-	-	75
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>					
Qiu Xianhong	邱先洪	120	-	-	-	120
Lee Kwok Tung Louis	李國棟	120	-	-	-	120
Gao Pei Ji	高培基	120	-	-	-	120
		860	1,814	-	-	2,674

¹ Mr. Yu Zhiping was also the CEO of the Company and his emoluments disclosed above included those for services rendered by him as the CEO.

² Appointed on 29 June 2016.

³ Resigned on 29 June 2016.

⁴ Mr. Liu Mingdong was appointed on 23 March 2017 as a non-executive director of the Company.

¹ 余志平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2016年6月29日獲委任。

³ 於2016年6月29日辭任。

⁴ 劉明東先生於2017年3月23日被任命為本公司非執行董事。

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17. DIRECTORS' AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 December 2015

17. 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2015年12月31日止年度

		Other emoluments 其他酬金			Total 總計
		Salaries, allowances and other benefits 薪金、津貼及其他福利	Discretionary bonus 酌情花紅	Retirement benefit schemes contribution 退休福利計劃供款	
	Fees 袍金				
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Executive directors:</i>	<i>執行董事：</i>				
Yu Zhiping ¹	余志平 ¹	-	950	-	950
Xing Jianhua ²	幸建華 ²	-	444	-	444
He Zuyuan ³	何祖元 ³	-	420	-	420
<i>Non-executive directors:</i>	<i>非執行董事：</i>				
Huang Jianming ⁴	黃建明 ⁴	126	-	-	126
Zhou Zhenxing	周振興	200	-	-	200
Chen Qiming	陳啟明	150	-	-	150
Yin Engang	尹恩剛	150	-	-	150
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>				
Qiu Xianhong	邱先洪	120	-	-	120
Lee Kwok Tung Louis	李國棟	120	-	-	120
Gao Pei Ji	高培基	120	-	-	120
		986	1,814	-	2,800

¹ Mr. Yu Zhiping was also the CEO of the Company and his emoluments disclosed above included those for services rendered by him as the CEO.

² Appointed on 25 June 2015.

³ Resigned on 25 June 2015.

⁴ Resigned on 3 November 2015.

¹ 余志平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2015年6月25日辭任。

³ 於2015年6月25日獲辭任。

⁴ 於2015年11月3日辭任。

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17. DIRECTORS' AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

During the years ended 31 December 2016 and 2015, retirement benefit schemes contribution for directors is borne by CGNPC, the ultimate parent of the Company, and its subsidiaries (collectively referred to as the "CGNPC Group"). No apportionment has been made as the directors of the Company consider that it is impracticable to apportion this amount between their services to the Group and their services to CGNPC Group.

(b) Individuals with highest emoluments

Of the five individuals with the highest emoluments in the Group, two (2015: two) were directors and the CEO of the Company whose emoluments are included in the disclosures in note 17(a) above. The emoluments of the remaining three (2015: three) individuals were as follows:

		2016	2015
		2016年	2015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	2,369	2,062
Discretionary bonus	酌情花紅	88	126
Retirement benefit schemes contribution	退休福利計劃供款	323	140
		2,780	2,328

The emoluments were within the following bands:

		2016	2015
		2016年	2015年
		Number of Individuals	Number of individuals
		人數	人數
Nil to HK\$1,000,000	零至1,000,000港元	2	3
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	-

17. 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)

於截至2016年及2015年12月31日止年度，董事退休福利計劃供款乃由本公司之最終母公司中廣核集團公司及其附屬公司(統稱「中廣核集團」)承擔。由於本公司董事認為就其向本集團及中廣核集團提供服務而分攤該數目並不可行，因而尚未作出分攤。

(b) 最高薪酬人士

於本集團五名最高薪酬人士中，兩名(2015年：兩名)為本公司董事及首席執行官。其薪酬已在上述附註17(a)中作出披露。餘下三名人士(2015年：三名)的薪酬為如下：

其酬金在以下範圍內：

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Leasehold land and buildings 租賃 土地及樓宇	Leasehold improve- ments 租賃物業 裝修	Plant and machinery 廠房及機器	Motor vehicles 汽車	Furniture, fixtures and office equipment 傢私、裝置 及辦公設備	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST	成本						
At 1 January 2015	於2015年1月1日	47,942	5,592	83,196	9,577	12,068	158,375
Exchange realignment	匯兌調整	(972)	(26)	(229)	(48)	(52)	(1,327)
Additions	添置	-	577	108	-	178	863
Disposals	出售	-	(165)	-	-	(185)	(350)
Disposals of subsidiaries	出售附屬公司	(47,673)	(5,401)	(83,075)	(9,529)	(7,343)	(153,021)
Transfers from investment properties (note 19)	轉撥自投資物業 (附註19)	17,963	-	-	-	-	17,963
At 31 December 2015	於2015年12月31日	17,260	577	-	-	4,666	22,503
Exchange realignment	匯兌調整	(1,094)	-	-	-	(27)	(1,121)
Additions	添置	-	-	-	-	5	5
At 31 December 2016	於2016年12月31日	16,166	577	-	-	4,644	21,387
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值						
At 1 January 2015	於2015年1月1日	36,311	4,938	58,313	9,018	7,828	116,408
Exchange realignment	匯兌調整	(113)	(17)	(264)	(34)	(70)	(498)
Provided for the year	本年度撥備	1,379	178	493	156	1,010	3,216
Eliminated on disposals	出售時抵銷	-	(160)	-	-	(109)	(269)
Disposals of subsidiaries	出售附屬公司	(37,146)	(4,827)	(58,542)	(9,140)	(7,038)	(116,693)
At 31 December 2015	於2015年12月31日	431	112	-	-	1,621	2,164
Exchange realignment	匯兌調整	(63)	-	-	-	(11)	(74)
Provided for the year	本年度撥備	844	193	-	-	913	1,950
At 31 December 2016	於2016年12月31日	1,212	305	-	-	2,523	4,040
CARRYING VALUES	賬面值						
At 31 December 2016	於2016年12月31日	14,954	272	-	-	2,121	17,347
At 31 December 2015	於2015年12月31日	16,829	465	-	-	3,045	20,339

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18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The carrying values of properties shown above comprise:

18. 物業、廠房及設備(續)

上述物業之賬面值包括：

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Land and buildings outside HK:	於香港境外之土地及房產：		
Medium-term lease	中期租賃	14,954	16,829

The above items of property, plant and equipment are depreciated on a straight-line basis at the following useful lives and rates per annum:

上述物業、廠房及設備項目乃根據直線法按以下可使用年期及年率計算折舊：

Leasehold land and buildings	Over the shorter of the term of the lease or 40 years	租賃土地及樓宇	按租賃年期或40年，以較短者為準
Leasehold improvements	Over the shorter of the term of the lease or 5 years	租賃物業裝修	按租賃年期或5年，以較短者為準
Plant and machinery	10% to 20%	廠房及機器	10%至20%
Motor vehicles	20%	汽車	20%
Furniture, fixtures and office equipment	10% to 27%	傢俬、裝置及辦公設備	10%至27%

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19. INVESTMENT PROPERTIES

19. 投資物業

		HK\$'000 千港元
FAIR VALUE	公允值	
At 1 January 2015	於2015年1月1日	117,637
Net increase in fair value recognised in profit or loss	已於損益確認之公允值淨增加	735
Exchange realignment	匯兌調整	(2,422)
Disposals of subsidiaries	出售附屬公司	(69,209)
Transferred to property, plant and equipment (note 18)	轉撥至物業、廠房及 設備(附註18)	(17,963)
At 31 December 2015	於2015年12月31日	28,778
Net increase in fair value recognised in profit or loss	已於損益確認之公允值淨增加	2,158
Exchange realignment	匯兌調整	(1,915)
At 31 December 2016	於2016年12月31日	29,021

The carrying value of investment properties shown above are situated in the PRC and held under medium-term lease.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

The fair values of the investment properties held by Beijing Sino-Kazakh as at 31 December 2016 and 2015 have been arrived at on the basis of a valuation carried out on that date by an independent qualified professional valuer not connected with the Group, Avista, who has among its staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued. The valuation was arrived at on an open market value basis by using the income approach of capitalising the net rental income receivable from the existing tenancies and the reversionary income potentials.

上述賬面值之投資物業乃位於中國，根據中期租賃持有。

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。

北京中哈鈾於2016年及2015年12月31日所持有投資物業的公允值乃基於與本集團無關連之獨立合資格專業估值師艾華迪所進行估值而達致。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。該估價是按公開市值基準，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達致。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

19. INVESTMENT PROPERTIES (Continued)

The fair values of the investment properties held by Yugofoil Group on the disposal date in 2015 were arrived at the basis of a valuation carried out on the date by an independent qualified professional valuer not connected with the Group, Avista Valuation Advisory Limited (“Avista”), who has among its staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued. The valuation was arrived at on an open market value basis by using the income approach of capitalising the net rental income receivable from the existing tenancies and the reversionary income potentials.

There has been no change from the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The Group’s investment properties that are measured subsequent to initial recognition at fair value are HK\$29,021,000 (2015: HK\$28,778,000). They are grouped into fair value hierarchy Level 3 based on the degree to which the inputs fair value measurements is observable.

Part of the investment properties held by Beijing Sino-Kazakh has been transferred to owner-occupied purpose since 1 July 2015. The fair value as at the date of change in usage of approximately HK\$17,963,000 has been arrived at on the basis of a valuation carried out on that date by Avista. The valuation was arrived at on an open market value basis by using the income approach and the reversionary income potentials. Increase in fair value of approximately HK\$465,000 was recognised in profit or loss on the date of transfer.

19. 投資物業 (續)

裕高飛集團於2015年出售的投資物業的公允值乃基於與本集團無關連之獨立合資格專業評估師艾華迪評估諮詢有限公司(「艾華迪」)所進行估值而達致。艾華迪部分員工為香港測量師學會會員，擁有近期所估物業所在地點及其類別之估值經驗。該估價是按公開市值基準，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達致。

估值技術較上一年度所用者並無改變。就計量物業之公允值而言，物業之最有效使用值為其現時之使用值。

本集團之投資物業以初步確認後之公允值29,021,000港元(2015年：28,778,000港元)計量，乃按公允值可觀察的程度分類為公允值第三級。

部分北京中哈鈿持有的投資物業於2015年7月1日轉撥至自用用途。其於轉撥自用用途日之公允值17,963,000港元乃基於艾華迪基於當日的估值基準確認有關估價是按公開市值基準透過收入法及轉回潛在收入而達致。公允值增加約465,000港元乃於轉讓日期在損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

19. INVESTMENT PROPERTIES (Continued)

There were no transfers between levels in fair value hierarchy for the two years ended 31 December 2016 and 2015.

Information about Level 3 fair value measurements of investment properties:

	Valuation technique 估值技術	Key input 主要輸入值	Significant unobservable inputs 不可觀察之重要資料
All Investment properties	Income approach	Income approach takes into account net rental income of the properties derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the market value at an appropriate capitalisation rate.	Term yield and reversion yield are at 6%.
所有投資物業	收入法	收入法乃經計及有關物業以現有租賃所得及／或在現時市場上可收取之租金收入淨額，且已就有關租賃之復歸收入潛力作適當估量，再將有關租賃予以資本化以按某一適當資本化比率釐定市值。	期間收益率及復歸收益率為6%。

The fair value measurement of the investment properties determined by using income approach is negatively correlated to the term yield and reversion yield. A slight increase in term yield and reversion yield used would result in a significant decrease in fair value measurement of the properties and vice versa.

The net increase in fair value of approximately HK\$2,158,000 was recognised in profit or loss for the year ended 31 December 2016 (2015: HK\$735,000) for continuing operations.

19. 投資物業 (續)

於2016年及2015年12月31日兩年內並無公允值等級制度之間的等級轉移。

有關投資物業第三級公允值計量之資料：

採用收入法釐定之投資物業公允值計量乃與期間收益率及復歸收益率呈負相關。期間收益率及復歸收益率略微增長會導致物業公允值計量顯著減少，反之亦然。

截至2016年12月31日止年度，公允值增加淨額約2,158,000港元（2015年：735,000港元）乃於持續性業務中的損益確認。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

20. INTEREST IN A JOINT VENTURE

20. 於一間合營企業之權益

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of unlisted interest in a joint venture	於一間合營企業之非上市權益成本	793,730	793,730
Share of post-acquisition results and other comprehensive expenses	應佔收購後業績及其他全面開支	(607,263)	(655,458)
		186,467	138,272

Details of the joint venture as at 31 December 2016 and 2015 are as follows:

合營企業於2016年12月31日及2015年12月31日的詳情如下：

Name of entity	Form of entity	Place of incorporations and operation	Class of shares held	Percentage of ownership held by the Group	Principal activities
實體名稱	實體形式	註冊成立及經營地點	所持股份類別	本集團所持擁有百分比	主要業務活動
Semizbay-U	Limited liability partnership	Kazakhstan	Ordinary shares	49%	Extraction, preliminary processing and sale of uranium oxide on Semizbay and Irkol fields
謝公司	有限責任合夥	哈薩克斯坦	普通股	49%	提取、初步加工及銷售 Semizbay 及 Irkol 區域的氧化鈾

Summarised financial information of material joint ventures

Summarised financial information in respect of the Group's joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

The joint venture is accounted for using the equity method in these consolidated financial statements.

重大合營企業財務資料概要

本集團各合營企業的財務資料概要載列下文。下文的財務資料概要乃合營企業根據香港財務報告準則而編製的財務報表所顯示的金額。

於此等綜合財務報表中，合營企業以權益法列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

20. INTEREST IN A JOINT VENTURE (Continued)

Semizbay-U

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Current assets	流動資產	275,161	207,392
Non-current assets	非流動資產	530,924	550,317
Current liabilities	流動負債	358,813	355,506
Non-current liabilities	非流動負債	66,727	120,016
The above amounts of assets and liabilities include the following:	上述資產及負債金額包括下列：		
Cash and cash equivalents	現金及現金等值項目	8,352	12,991
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括應付賬款及其他應付款項及撥備)	289,844	264,943
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括應付賬款及其他應付款項及撥備)	6,005	27,648

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Revenue	營業額	551,941	786,887
Profit for the year	本年度溢利	90,970	10,938
Other comprehensive income (expenses) for the year	本年度其他全面收入(開支)	7,388	(204,365)
Total comprehensive income (expenses) for the year	本年度總全面收入(開支)	98,358	(193,427)

20. 於一間合營企業之權益(續)

謝公司

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For the year ended 31 December 2016 截至2016年12月31日止年度

20. INTEREST IN A JOINT VENTURE (Continued)

Semizbay-U (Continued)

The above profit for the year include the following:

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation and amortisation	折舊及攤銷	88,941	113,549
Interest income	利息收入	720	1,017
Interest expense	利息開支	20,206	43,233
Income tax expense	所得稅支出	29,520	16,115

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture is set out as below:

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Net assets of Semizbay-U	謝公司資產淨值	380,545	282,187
Proportion of the Group's ownership interest in Semizbay-U	本集團於謝公司的權益比例	49%	49%
Carrying amount of the Group's interest in Semizbay-U	本集團於謝公司的權益的賬面值	186,467	138,272

No contingent liabilities incurred related to the Group's interest in a joint venture.

20. 於一間合營企業之權益(續)

謝公司(續)

上述本年度溢利包括下列：

上述於合營企業之權益財務資料概要與賬面值的對賬如下：

本集團於一間合營企業的權益並無或然負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

21. INTEREST IN AN ASSOCIATE

21. 於一間聯營企業之權益

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of listed interest in an associate (Note 39)	於一間聯營企業上市權益之成本(附註39)	453,924	—
Share of post-acquisition profit and other comprehensive income (Note a)	應佔收購後溢利及其他全面收益(附註a)	62,743	—
Share of other reserve	應佔其他儲備	3,649	—
		520,316	—

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Market value of the interest in the listed associate	於一間上市聯營企業權益之市值	360,096	—

Details of the associate as at 31 December 2016 are as follows:

於2016年12月31日之聯營企業詳情如下：

Name of entity 實體名稱	Form of entity 實體形式	Place of incorporations and operation 註冊成立及經營地點	Class of shares held 所持股份類別	Percentage of ownership held by the Group 本集團所持擁有權百分比	Principal activities 主要業務活動
Fission	Corporation	Canada	Common shares	19.98% (Note c) (2015: nil)	Acquisition and development of exploration and evaluation assets
Fission	企業	加拿大	普通股	19.98% (附註c) (2015年：無)	收購及開發勘探及評估資產

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

21. INTEREST IN AN ASSOCIATE (Continued)

Notes:

- (a) Fission was acquired by the Company on 27 January 2016. Details of the acquisition are set out in note 39.

As at 31 December 2016, the management of the Group reviewed the interest in an associate for impairment and determined that interest in an associate is impaired based on a valuation carried out by an independent qualified professional valuer, HF Appraisal and Advisory Limited ("HF"). The fair value of exploration right held by Fission is arrived on a fair value less costs to sell by using the comparable transaction approach and adjusting the uranium price. The fair value is categorised as level 3 under the fair value hierarchy. The key inputs used in level 3 fair value measurement are the comparable transactions, uranium prices and the indicated resources of uranium.

During the year, the market uranium price decreased, an impairment loss of approximately HK\$220,032,000 was recognised and included in the share of results of an associate for the current year.

- (b) The Group is able to exercise significant influence over Fission because it has appointed two out of the nine directors of Fission under the terms stated in the subscription agreement entered into by the Company and Fission on 11 January 2016 ("Subscription Agreement").
- (c) During the year, Fission issued approximately 263,000 ordinary shares upon exercise of share options granted to the directors and employees of Fission under the share option schemes of Fission. As a result, the Group's interest in Fission reduced in aggregate by 0.01% (2015: N/A). The effect on the deemed disposal of partial interest in Fission is minimal. No loss on deemed disposal is recognised.

The market value of the Group's interest in an associate disclosed above is based on the quoted market price available on the Toronto Stock Exchange under the symbol "FCU", which is level 1 input in terms of HKFRS 13.

21. 於一間聯營企業之權益(續)

附註：

- (a) 本公司於2016年1月27日完成收購 Fission。詳情載於附註39。

於2016年12月31日，本集團管理層審閱於一間聯營企業之權益減值，並根據獨立合資格專業估值師匯福評估及諮詢有限公司（「匯福」）所進行的估值而釐定減值。Fission擁有的勘探權之公允值乃使用可資比較方式按公允值減出售成本方式並經調整鈾價所達致。公允值分類為公允值等級制度的第三級。第三級公允值計量的主要輸入數據為可資比較交易、鈾價及已劃分的鈾資源。

年內，由於天然鈾價格下跌，約220,032,000港元的減值虧損於本年度的應佔一間聯營企業業績內確認。

- (b) 本集團對Fission行使重大影響，乃由於根據本公司與Fission於2016年1月11日訂立的認購協議（「認購協議」）列明的條款，本集團有權於九名Fission董事中委任兩名董事。
- (c) 年內，Fission行使根據其購股權計劃向其董事及僱員授予的購股權後，發行約263,000股普通股。因此，本集團於Fission的權益合共減少0.01%（2015年：無）。視作出售部分Fission股權的影響十分輕微。視作出售事項概無確認虧損。

上述披露的本集團於一間聯營企業權益的市值乃根據多倫多證券交易所中代號"FCU"所報之市價（即就香港財務報告準則第13號而言的第一級輸入數據）而釐訂。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

21. INTEREST IN AN ASSOCIATE (Continued)

Summarised financial information of a material associate

Summarised financial information in respect of the Group's associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with International Financial Reporting Standards.

The associate is accounted for using the equity method in these consolidated financial statements.

Fission

		2016 2016年 HK\$'000 千港元
Current assets	流動資產	290,573
Non-current assets	非流動資產	2,565,665
Current liabilities	流動負債	2,732
Non-current liabilities	非流動負債	249,321
The above amounts of assets and liabilities include the following:	上述資產及負債金額包括下列：	
Cash and cash equivalents	現金及現金等值項目	288,769
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債(不包括應付賬款及其他應付款項及撥備)	-
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債(不包括應付賬款及其他應付款項及撥備)	-

21. 於一間聯營企業之權益(續)

重大聯營企業之財務資料概要

有關本集團重大聯營企業之財務資料概要載列如下。下文所述之財務資料概要乃指聯營企業根據國際財務報告準則編製之財務報表中所示金額。

該聯營企業於綜合財務報表中採用權益法入賬。

Fission

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

21. INTEREST IN AN ASSOCIATE (Continued)

21. 於一間聯營企業之權益(續)

Fission (Continued)

Fission (續)

		2016 2016年 HK\$'000 千港元
Revenue	收益	-
Loss for the year	本年度虧損	(41,645)
Other comprehensive income for the year	本年度其他全面收益	147,441
Total comprehensive income for the year	本年度總全面收益	105,796
Other reserve for the year	本年度其他儲備	18,261
		124,057

The above loss for the year include the following:

上述本年度虧損包括下列：

		2016 2016年 HK\$'000 千港元
Depreciation and amortisation	折舊及攤銷	732
Interest income	利息收入	3,168
Interest expense	利息開支	-
Income tax expense	所得稅支出	15,566

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

21. INTEREST IN AN ASSOCIATE (Continued)

Fission (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate is set out as below:

		2016 2016年 HK\$'000 千港元
Net assets of Fission	Fission 資產淨值	2,604,185
Proportion of the Group's ownership interest in Fission	本集團於 Fission 的權益比例	19.98%
Carrying amount of the Group's interest in Fission	本集團於 Fission 的權益的賬面值	520,316

No contingent liabilities incurred related to the Group's interest in an associate.

21. 於一間聯營企業之權益(續)

Fission (續)

上述於聯營企業之權益財務資料概要與賬面值的對賬如下：

本集團於一間聯營企業的權益並無或然負債。

22. TRADE AND OTHER RECEIVABLES

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Trade and bills receivables (Note (a))	應收賬款及應收票據(附註(a))	4,738	125,800
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))	-	-
		4,738	125,800
Prepayments, deposits and other receivables (Note (c))	預付款項、按金及其他應收款項(附註(c))	4,148	59,921
		8,886	185,721

The Group did not hold any collateral over these balances.

本集團並無就該等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 2016 截至2016年12月31日止年度

22. TRADE AND OTHER RECEIVABLES

(Continued)

Notes:

- (a) At 31 December 2016, trade and bills receivables represents amount due from the immediate holding company, China Uranium Development.
- (b) The movements in impairment loss of trade receivables were as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
At 1 January	於1月1日	-	4,330
Exchange realignment	匯兌調整	-	(18)
Eliminated on disposals of subsidiaries	於出售附屬公司抵銷	-	(4,312)
At 31 December	於12月31日	-	-

At 31 December 2016 and 2015, there were no impairment loss provided.

- (c) At 31 December 2016, included in prepayments, deposits and other receivables are HK\$88,000 (2015: HK\$3,577,000) due from an intermediate holding company, CGNPC-URC.

At 31 December 2015, included in prepayments, deposits and other receivables was approximately HK\$16,764,000 (equivalent to Canadian dollar ("CAD") 3,000,000) for deposit paid for the acquisition of 19.99% equity interest of Fission pursuant to the Subscription Agreement which is detailed in note 21. The deposit was transferred as a part of cost of investment during the year ended 31 December 2016 which is detailed in note 39.

22. 應收賬款及其他應收款項

(續)

附註：

- (a) 截至2016年12月31日，應收賬款及應收票據來自應收一間直接控股公司中國鈾業發展的款項。
- (b) 應收賬款減值虧損變動如下：

於2016年及2015年12月31日，本集團並未就減值虧損作出撥備。

- (c) 於2016年12月31日，預付款項、按金及其他應收款項包括一間間接控股公司中廣核鈾業發展的款項約88,000港元(2015年：3,577,000港元)。

於2015年12月31日，預付款項、按金及其他應收款項為根據認購協議收購Fission 19.99%權益所支付的訂金約16,764,000港元(相當於3,000,000加元)(詳述於附註21)。截至2016年12月31日止年度，有關訂金已作為投資成本的一部分(詳述於附註39)。

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22. TRADE AND OTHER RECEIVABLES

(Continued)

The Group normally grants to its trade customer credit periods for natural uranium segment ranging from 25 days to 30 days (2015: 25 days to 30 days) after delivery dates.

The following is an ageing analysis of the trade and bills receivables presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30天內	4,738	125,800

The Group's trade and other receivables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

22. 應收賬款及其他應收款項

(續)

本集團就天然鈾分部授予其貿易客戶始於送貨日介乎25日至30日(2015年: 25日至30日)的信貸期。

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, 應收賬款及應收票據賬齡分析如下。

本集團以有關集團實體功能貨幣以外之貨幣列值之應收賬款及其他應收款項如下:

		HK\$'000		RMB'000		CDN\$'000	
		千港元		人民幣千元		千加元	
Presented in:		2016	2015	2016	2015	2016	2015
列示為:		2016年	2015年	2016年	2015年	2016年	2015年
Trade and other receivables	應收賬款及其他應收款項	433	35,850	3,061	2,991	-	3,000

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23. AMOUNTS DUE FROM (TO) FELLOW SUBSIDIARIES

During the years ended 31 December 2016 and 2015, CGNPC Huasheng Investment Limited (“Huasheng”) and 中廣核財務, fellow subsidiaries of the Company, performed certain treasury activities for the Group and CGNPC Group. Pursuant to the arrangement, the fellow subsidiaries receive funds from the Group, pool the funds together with funds from CGNPC Group companies and provide intra-group financial services for the Group and CGNPC Group. The fellow subsidiaries will reimburse interest to the Group with reference to the prevailing market interest rate. At 31 December 2016, the Group has approximately HK\$1,080,871,000 (2015: HK\$476,586,000) and HK\$76,000 (2015: HK\$2,000) due from Huasheng and 中廣核財務 respectively under this arrangement. During the year ended 31 December 2016, the Group earned interest income amounting to approximately HK\$4,177,000 (2015: HK\$6,221,000) and HK\$96,000 (2015: HK\$98,000) from Huasheng and 中廣核財務 respectively under this arrangement.

The amounts are unsecured, interest-bearing ranging from 0.06% to 1.36% (2015: 0.54% to 1.35%) per annum and repayable within one year according to terms of deposit agreements.

The amounts due to fellow subsidiaries are unsecured, interest-free and repayable within a specified credit term.

The Group's amounts due from (to) fellow subsidiaries that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

23. 應收(付)同系附屬公司款項

截至2016年及2015年12月31日止年度，中廣核華盛投資有限公司(「華盛」)及中廣核財務為本集團及中廣核集團進行若干財資活動。根據安排，同系附屬公司從本集團收取資金、將資金與中廣核集團的資金匯集，並為本集團及中廣核集團提供集團內部金融服務。同系附屬公司將會參照當時的市場利率向本集團償付利息。於2016年12月31日，本集團根據該安排有應收華盛及中廣核財務款項約1,080,871,000港元(2015年：476,586,000港元)及76,000港元(2015年：2,000港元)。截至2016年12月31日止年度，本集團根據該安排分別從華盛及中廣核財務賺取利息收入約4,177,000港元(2015年：6,221,000港元)及96,000港元(2015年：98,000港元)。

款項乃無抵押、按0.06%至1.36%(2015年：0.54%至1.35%)不等的年利率計息及根據存款協議條款須於一年內償還。

應付同系附屬公司款項乃無抵押、不計息及根據購買協議信用條款。

本集團應收(付)同系附屬公司款項以相關集團實體作出採購之功能貨幣以外之貨幣列值載列如下：

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23. AMOUNTS DUE FROM (TO) FELLOW SUBSIDIARIES (Continued)

23. 應收(付)同系附屬公司款項(續)

Presented in: 列示為:	HK\$'000 千港元		RMB'000 人民幣千元	
	2016 2016年	2015 2015年	2016 2016年	2015 2015年
Amounts due from fellow subsidiaries 應收同系附屬公司款項	496,577	326,544	68	1
Amounts due to fellow subsidiaries 應付同系附屬公司款項	-	-	-	2,232

24. BANK BALANCES AND CASH

24. 銀行結存及現金

At 31 December 2016, bank balances comprise of bank balance of approximately HK\$40,906,000 (2015: HK\$285,518,000). Bank balances carry interest at average market rate of 0.15% (2015: 0.22%) per annum.

於2016年12月31日，銀行結存包括銀行結存約40,906,000港元(2015年：285,518,000港元)。銀行存款按固定平均年利率0.15%(2015年：0.22%)計息。

The Group's bank balances and cash that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

本集團以有關集團實體功能貨幣以外之貨幣列值之銀行結存及現金如下：

Presented in: 列示為:	HK\$'000 千港元		RMB'000 人民幣千元		USD'000 千美元		CAD'000 千加元	
	2016 2016年	2015 2015年	2016 2016年	2015 2015年	2016 2016年	2015 2015年	2016 2016年	2015 2015年
Bank balances and cash 銀行結存及現金	1,466	1,862	28,443	29,930	905	945	-	41,535

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25. TRADE AND OTHER PAYABLES

25. 應付賬款及其他應付款項

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Trade and bills payables	應付賬款及應付票據	1,419	42,637
Accrued expenses and other payables	應計開支及其他應付款項	7,384	3,816
		8,803	46,453

At 31 December 2016, included in trade and bills payables is amount of approximately HK\$1,419,000 (2015: HK\$42,637,000) due to a joint venture of the Company, Semizbay-U.

於2016年12月31日，應付賬款及應付票據約為1,419,000港元（2015年：42,637,000港元）為應付本公司之合營企業謝公司的款項。

The following is an ageing 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：

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30天內	1,419	42,637

The average credit period on purchases of goods was 30 days (2015: 30 days) after delivery date. The Group has 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到貨日後30天（2015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。

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25. TRADE AND OTHER PAYABLES (Continued)

The Group's trade and other payables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

Presented in: 列示為：	HK\$'000 千港元		RMB'000 人民幣千元		Pound sterling ("GBP") '000 千英鎊	
	2016 2016年	2015 2015年	2016 2016年	2015 2015年	2016 2016年	2015 2015年
Trade and other payables 應付賬款及其他應付款項	2,799	1,790	838	978	-	7

26. AMOUNT DUE FROM (TO) AN INTERMEDIATE HOLDING COMPANY

The amount due from an intermediate holding company represents the rental receivable from CGNPC-URC.

The amount due to an intermediate holding company represents unsettled amount of management service provided by and the expenses paid by CGNPC-URC on behalf of the Group.

The amounts are unsecured, interest-free, and repayable within a specified credit period.

25. 應付賬款及其他應付款項 (續)

本集團以有關集團實體功能貨幣以外之貨幣列值之應付賬款及其他應付款項如下：

26. 應收(付)一間中間控股公司款項

應收一間中間控股公司款項即就收中廣核鈾業發展租金。

應付一間中間控股公司款項即中廣核鈾業發展代本集團提供及支付的未償還管理服務費。

該款項乃無抵押、不計息及根據協議條款的信貸期限。

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26. AMOUNT DUE FROM (TO) AN INTERMEDIATE HOLDING COMPANY

(Continued)

The Group's amount due from (to) an intermediate holding company that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

Presented in: 列示為：	HK\$'000 港幣千元		RMB'000 人民幣千元	
	2016 2016年	2015 2015年	2016 2016年	2015 2015年
Amount due from an intermediate holding company 應收一間中間控股公司款項	-	-	2,370	8,440
Amount due to an intermediate holding company 應付一間中間控股公司款項	-	3,146	11,841	7,040

27. AMOUNT DUE TO A JOINT VENTURE

As at 31 December 2016 and 2015, the amount represents other taxes in relation to purchase of natural uranium resources from Semizbay-U, a joint venture of the Company, charged by the local government of Semizbay-U. The amount is reimbursed to Semizbay-U in accordance with a purchase agreement entered into between the Company and Semizbay-U. Included in the amount as at 31 December 2016 was approximately HK\$301,000 of the other payable for the delay of settlement of trade payable.

The balance was unsecured, interest-free and repayable within a specified credit period.

26. 應收(付)一間中間控股公司款項(續)

本集團應收(付)一間中間控股公司款項以相關集團實體作出採購之功能貨幣以外之貨幣列值載列如下：

27. 應付一間合營企業款項

於2016年及2015年12月31日，該款項指有關自本公司合營企業謝公司採購天然鈾資源而支付謝公司當地政府的其他稅項。該款項乃根據本公司與謝公司訂立的購買協議而支付謝公司。列入2016年12月31日款項為數約301,000港元為就延遲結算應付賬款之其他應付款。

結餘為無抵押、不計息及按指定信貸期限償還。

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28. SHARE CAPITAL

28. 股本

		Number of shares 股份數目	Amount 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 2015, 31 December 2015, 1 January 2016 and 31 December 2016	於2015年1月1日、 2015年12月31日、 2016年1月1日及 2016年12月31日	50,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2015	於2015年1月1日	3,332,586,993	33,326
Issue of shares upon conversion of convertible bonds	於轉換可換股債券 時發行股份	1,304,347,826	13,043
At 31 December 2015 and 1 January 2016	於2015年12月31日 及2016年1月1日	4,636,934,819	46,369
Issue of shares upon conversion of convertible bonds	於轉換可換股債券 時發行股份	1,304,347,826	13,044
Placing and subscription of new shares	配售及認購新股份	659,400,000	6,594
At 31 December 2016	於2016年12月31日	6,600,682,645	66,007

During the years ended 31 December 2016 and 2015, convertible bonds with an aggregate principal amount of HK\$300,000,000 and HK\$300,000,000 were converted into 1,304,347,826 and 1,304,347,826 ordinary shares of HK\$0.01 and HK\$0.01 each at a conversion price of HK\$0.23 and HK\$0.23 per share respectively.

On 8 November 2016, the Company entered into a subscription agreement with an independent third party for subscription of an aggregate 659,400,000 new shares of the Company at a subscription price of HK\$0.52 per share. The gross proceeds raised amounted to HK\$342,888,000 (before transaction costs of approximately HK\$2,959,000) and resulted in the net increase in share capital and share premium of approximately HK\$6,594,000 and HK\$333,335,000 respectively. The subscription was completed on 13 December 2016. Details of the subscription are set out in the Company's announcements dated 9 November 2016 and 13 December 2016.

於截至2016年及2015年12月31日止年度，本金額合共為300,000,000港元及300,000,000港元的可換股債券分別按兌換價每股0.23港元及每股0.23港元兌換為1,304,347,826股及1,304,347,826股每股值為0.01港元及0.01港元的普通股。

於2016年11月8日，本公司與一名獨立第三方就以認購價每股股份0.52港元認購合共659,400,000股本公司新股份而訂立認購協議。所得款項總額增至342,888,000港元（未計入交易成本約2,959,000港元），導致股本及股份溢價分別錄得淨增加約6,594,000港元及333,335,000港元。認購於2016年12月13日完成。認購之詳情載列於本公司日期為2016年11月9日及2016年12月13日的公告。

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28. SHARE CAPITAL (Continued)

All the ordinary shares issued during the year ended 31 December 2016 and 2015 rank pari passu with the then existing shares in all respects.

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 are 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 is 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 for the year is set out below:

28. 股本 (續)

於截至2016年及2015年12月31日止年度所有已發行的普通股與當時現有股份於各方面享有同地位。

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：負債及權益部分。權益部分於「可換股債券權益部分」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
At 1 January 2015	於2015年1月1日	549,507
Imputed interest charged (note 10)	估算利息開支(附註10)	21,990
Conversion of shares (note 33)	兌換股份(附註33)	(281,564)
At 31 December 2015	於2015年12月31日	289,933
Imputed interest charged (note 10)	估算利息開支(附註10)	5,601
Conversion of shares (note 33)	兌換股份(附註33)	(295,534)
At 31 December 2016	於2016年12月31日	-

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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 土地及樓宇 以及投資物業之 公允值變動	Change in fair value of properties upon transfer to investment properties 物業轉撥至 投資物業時之 公允值變動	Interest in a joint venture 一間合營 企業之 權益	Total
		累計稅項折舊 HK\$'000 千港元	公允值變動 HK\$'000 千港元	公允值變動 HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2015	於2015年1月1日	7,332	6,277	3,375	3,399	20,383
Charged to profit or loss	於損益計入	462	261	-	1,049	1,772
Transfer from investment properties to property, plant and equipment	從投資物業轉至 物業、廠房及設備	2,341	(2,341)	-	-	-
Eliminated on disposals of subsidiaries	出售附屬公司時抵銷	(7,073)	(201)	(3,377)	-	(10,651)
Exchange realignment	匯兌調整	(139)	(269)	2	(239)	(645)
At 31 December 2015	於2015年12月31日	2,923	3,727	-	4,209	10,859
(Credited) charged to profit or loss	於損益(計入)扣除	(114)	540	-	5,028	5,454
Exchange realignment	匯兌調整	(171)	(260)	-	(477)	(908)
At 31 December 2016	於2016年12月31日	2,638	4,007	-	8,760	15,405

At the end of the reporting period, the Group has unused tax losses of approximately HK\$63,685,000 (2015: HK\$60,858,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses of approximately HK\$63,685,000 (2015: HK\$60,858,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$63,685,000 (2015: HK\$60,858,000) that will expire after five years from the year of assessment to which they relate to.

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63,685,000港元(2015年：60,858,000港元)。由於未能預測未來溢利來源，故並無就約63,685,000港元(2015年：60,858,000港元)之稅項虧損確認遞延稅項資產。未確認稅項虧損中約63,685,000港元(2015年：60,858,000港元)將於與其相關之評稅年度起計五年後屆滿。

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31. BUSINESS COMBINATIONS UNDER COMMON CONTROL

The Group adopted merger accounting for common control combinations in respect of the acquisition of Beijing Sino-Kazakh during the year ended 31 December 2015.

On 16 May 2014, the Company entered into a share transfer agreement with CGNPC-URC to acquire 100% equity interest of Beijing Sino-Kazakh at a consideration of approximately HK\$1,030,899,000. The acquisition was completed on 15 April 2015.

The ultimate parent of the Company and Beijing Sino-Kazakh is CGNPC and the aforesaid transactions are regarded as business combinations under common control.

No significant adjustments were made to the net assets and net results of the above entities as a result of the common control combination to achieve consistency of accounting policies.

31. 共同控制下之業務合併

本集團就截至2015年12月31日止年度收購北京中哈鈾的共同控制合併採納合併會計法。

於2014年5月16日，本公司已與中廣核鈾業發展訂立股份轉讓協議以收購北京中哈鈾之100%股權，代價約為1,030,899,000港元。該收購於2015年4月15日完成。

本公司及北京中哈鈾之最終母公司為中廣核且上述交易被視為共同控制下之業務合併。

由於共同控制合併為貫徹會計政策之一致性，故概無就上述實體淨資產及淨業績作出重大調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

31. BUSINESS COMBINATIONS UNDER COMMON CONTROL (Continued)

Statements of adjustments for business combinations under common control occurred during the year ended 31 December 2015 on the Group's financial position as at 31 December 2015 and the results for the year ended 31 December 2015 were summarised as follows:

31. 共同控制下之業務合併 (續)

就截至2015年12月31日止年度發生之共同控制下之業務合併而對本集團於2015年12月31日之財務狀況以及截至2015年12月31日止年度之業績所作調整表概括如下：

		The Group excluding Beijing Sino-Kazakh and discontinued operation 本集團不包括 北京中哈鈾及 非持續性業務 HK\$'000 千港元	Beijing Sino-Kazakh 北京中哈鈾 HK\$'000 千港元	Adjustments (Note) 調整(附註) HK\$'000 千港元	The Group including Beijing Sino-Kazakh and excluding discontinued operation 本集團包括北 京中哈鈾但不包 括非持續性業務 HK\$'000 千港元
Year ended 31 December 2015	截至2015年12月31日止年度				
Revenue	營業額	700,391	3,031	-	703,422
Profit before taxation	除稅前溢利	250,082	3,201	-	253,283
Income tax expense	所得稅支出	(48,067)	(1,853)	-	(49,920)
Profit for the year	本年度溢利	202,015	1,348	-	203,363
As at 31 December 2015	於2015年12月31日				
Non-current assets	非流動資產	1,034,110	184,178	(1,030,899)	187,389
Current assets	流動資產	911,944	45,967	-	957,911
Total assets	總資產	1,946,054	230,145	(1,030,899)	1,145,300
Current liabilities	流動負債	369,941	4,850	-	374,791
Non-current liabilities	非流動負債	153	10,706	-	10,859
Total liabilities	總負債	370,094	15,556	-	385,650
NET ASSETS	淨資產	1,575,960	214,589	(1,030,899)	759,650
Capital and reserves	資本及儲備				
Share capital	股本	46,369	944,534	(944,534)	46,369
Reserves	儲備	1,529,591	(729,945)	(86,365)	713,281
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,575,960	214,589	(1,030,899)	759,650
Non-controlling interests	非控股權益	-	-	-	-
TOTAL EQUITY	權益總額	1,575,960	214,589	(1,030,899)	759,650

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

31. BUSINESS COMBINATIONS UNDER COMMON CONTROL (Continued)

Note: The adjustment represents elimination of the share capital of Beijing Sino-Kazakh against their investment costs. The differences have been recorded in other reserve as at 31 December 2015.

The effects of adopting merger accounting for common control combination on the Group's basic profit per share from continuing operations for the year ended 31 December 2015 were as follows:

31. 共同控制下之業務合併 (續)

附註：調整指北京中哈鈾股本與其投資成本的抵銷。於2015年12月31日差額已於其他儲備入賬。

就有關本集團於截至2015年12月31日止年度從持續性業務每股基本溢利之共同控制合併採納合併會計法之影響表述如下：

		2015 2015年 HK cents 港仙
Figures before adjustments	調整前之數據	4.99
Adjustments arising on common control combination	因共同控制合併產生之調整	0.03
Restated figures after adjustments	調整後之重列數據	5.02

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

32. DISPOSAL OF SUBSIDIARIES

As set out in note 12, on 25 March 2015, the Group entered into a sale and purchase agreement to dispose of its 100% equity interest in Yugofoil Group, to an independent third party for a total consideration of HK\$101,250,000.

Included in HK\$101,250,000, there was (i) a consideration for the disposal of 100% equity interests in Yugofoil at HK\$61,250,000 and (ii) an assignment of an advance owing to the Group by Yugofoil of HK\$40,000,000 to an independent third party.

32. 出售附屬公司

如附註12所提及，於2015年3月25日，本集團訂立銷售及採購協議，向獨立第三方出售其於裕高飛集團之全部股權，總代價為101,250,000港元。

獨立第三方所付的總代價101,250,000港元包括(1)出售裕高飛100%股權權益61,250,000港元及(ii)裕高飛前期應欠本集團40,000,000港元。

		HK\$'000 千港元
The net assets of Yugofoil Group at the date of disposal were as follows:	裕高飛集團於出售日期之資產淨值如下：	
Intangible assets	無形資產	134
Property, plant and equipment	物業、廠房及設備	36,328
Investment properties	投資物業	69,209
Prepaid lease payments on land use rights	土地使用權預付租賃款項	19,040
Inventories	存貨	38,175
Trade and other receivables	應收賬款及其他應收款項	35,360
Bank balances and cash	銀行結存及現金	15,277
Trade and other payables	應付賬款及其他應付款項	(112,857)
Value added tax payable	應付增值稅	(237)
Income tax payable	應付所得稅	(4,624)
Amount due to ultimate holding company	應付最終控股公司款項	(40,000)
Deferred tax liabilities	遞延稅項負債	(10,651)
Net assets disposed of	所出售資產淨值	45,154
Gain on disposal of subsidiaries:	出售附屬公司之收益：	
Consideration received and receivable	已收及應收代價	
Cash received	已收現金	66,250
Deferred cash consideration (included in other receivable)	遞延現金代價 (計入其他應收款項)	35,000
		101,250
Total consideration	總代價	101,250
Net assets disposed of	所出售資產淨值	(45,154)
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity to profit or loss on loss of control of the subsidiary	有關附屬公司資產淨值之累計匯兌差額於失去附屬公司之控制權時從權益重新分類至損益	81,270
Non-controlling interests	非控股權益	1,674
Assignment of amounts due from Yugofoil Group	轉讓應收裕高飛集團款項	(40,000)
Gain on disposal of subsidiaries	出售附屬公司之收益	99,040
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	66,250
Bank balances and cash disposed of	所出售銀行結存及現金	(15,277)
		50,973

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For the year ended 31 December 2016 截至2016年12月31日止年度

32. DISPOSAL OF SUBSIDIARIES (Continued)

The subsidiaries disposed of during the year ended 31 December 2015 contributed approximately HK\$35,221,000 and HK\$4,400,000 to the Group's revenue and net loss for the year respectively.

33. MAJOR NON-CASH TRANSACTION

During the year ended 31 December 2016, the bondholder converted convertible bonds in aggregate principal amount of HK\$300,000,000 (2015: HK\$300,000,000) at the conversion price of HK\$0.23 (2015: HK\$0.23) per share whereby a respective total number of 1,304,347,826 (2015: 1,304,347,826) conversion shares were issued. As a result of the conversion, share capital and share premium of the Company have been increased by approximately HK\$13,044,000 and HK\$351,904,000 respectively (2015: HK\$13,043,000 and HK\$337,934,000 respectively) while the carrying amount of the convertible bonds and the equity component of convertible bonds have been decreased by approximately HK\$295,534,000 and HK\$69,414,000 respectively (2015: HK\$281,564,000 and HK\$69,413,000 respectively).

34. 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. Details of which were set out in the Company's circular dated 27 April 2010.

32. 出售附屬公司(續)

截至2015年12月31日止年度，出售附屬公司於本年度對本集團的營業額及虧損淨值分別貢獻約35,221,000港元及4,400,000港元。

33. 主要非現金交易

於截至2016年12月31日止年度，債券持有人按兌換價每股0.23港元(2015年：0.23港元)兌換本金額合共為300,000,000港元(2015年：300,000,000港元)的可換股債券，因此共發行1,304,347,826股(2015年：1,304,347,826股)股份。由於兌換可換股票據，可換股債券及可換股債券權益部分的賬面值分別減少約295,534,000港元及69,414,000港元(2015年：分別為281,564,000港元及69,413,000港元)，本公司的股本及股份溢價分別增加約13,044,000港元及351,904,000港元(2015年：分別為13,043,000港元及337,934,000港元)。

34. 購股權計劃

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」)。有關詳情載於本公司日期2010年4月27日之通函。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

34. 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\$5,000,000, in any 12-month period, are subject to shareholders' approval in a general meeting of the Company.

During the years ended 31 December 2016 and 2015, no share options were granted, cancelled or exercised.

34. 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、主要行政人員或主要股東或彼等各自之連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連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。

於截至2016年及2015年12月31日止年度，概無授出、註銷或行使任何購股權。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

35. 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:

35. 關聯人士交易

- (a) 除於本綜合財務報表內其他地方披露者外，本集團年內與關聯人士曾發生以下的重大交易：

			2016	2015
		Notes	2016年	2015年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Sales of natural uranium resources to CGNPC-URC	向中廣核鈾業發展銷售天然鈾資源	(i)	-	297
Sales of natural uranium resources to China Uranium Development	向中國鈾業發展銷售天然鈾資源	(i)	705,556	700,094
Purchases of natural uranium resources from Semizbay-U	自謝公司購買天然鈾資源	(ii)	282,024	416,892
Other taxes related to purchases of natural uranium resources from Semizbay-U	有關自謝公司購買天然鈾資源的其他稅項	(ii)	2,220	3,293
Management fee paid to CGNPC-URC	付給中廣核鈾業發展管理費	(iii)	5,467	3,359
Interest income from overdue receivable from CGNPC-URC	中廣核鈾業發展逾期應收賬款之利息收入	(i)	-	3,514
Loan interest income from Huasheng	華盛貸款之利息收入	(iv)	4,177	6,221
Loan interest income from 中廣核財務	中廣核財務貸款之利息收入	(viii)	96	98
Rental income from CGNPC-URC	來自中廣核鈾業發展之租金收入	(v)	2,193	3,031
Trade deposit interest income from Semizbay-U	來自謝公司貿易預付款利息收入	(ii)	161	3,326
Compensation for delay of settlement of trade payable	逾期應付賬款之補償	(ii)	301	-

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綜合財務報表附註

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35. RELATED PARTY TRANSACTIONS

(Continued)

(a) (Continued)

			2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
	Notes 附註			
Business and administration service fee paid to CGN Global Uranium Limited ("CGN Global")	向CGN Global Uranium Limited ("CGN Global") 支付的業務及行政服務費 (vi)		124	70
Staff cost paid to General Uranium UK Ltd ("General Uranium")	向General Uranium UK Ltd ("General Uranium") 支付的僱員費用 (vii)		254	–
Management fee received from CGNPC-URC	收取中廣核鈾業發展之管理費 (ix)		2,504	–

Notes:

(i) On 15 October 2013, the Group entered into a framework agreement with CGNPC-URC for the sales of natural uranium resources for the period ended 31 December 2016 at prevailing market rates. Interests at LIBOR plus 2% per annum on overdue amounts for the overdue period will be charged to CGNPC-URC.

On 31 July 2015, the Group entered into an amendment to the framework agreement entered into on 15 October 2013 with CGNPC-URC that the subsidiaries of CGNPC-URC, including China Uranium Development, can also be the purchaser of natural uranium resources. Interests at 0.5% per day on overdue amounts for the overdue period but not more than 10% of the delayed due amount will be charged to China Uranium Development.

On 1 July 2015, the Group entered into a sale agreement with China Uranium Development for the sales of natural uranium resources for the years 2016 and 2015.

附註：

(i) 於2013年10月15日，本集團與中廣核鈾業發展就於截至2016年12月31日止期間按現行市價出售天然鈾資源而訂立框架協議。逾期款項將於逾期期間按LIBOR加2%年息向中廣核鈾業發展收取利息。

於2015年7月31日，本集團與中廣核鈾業發展修訂於2013年10月15日訂立的框架協議，據此，中廣核鈾業發展的附屬公司（包括中國鈾業發展）亦可為天然鈾的買方。逾期款項將於逾期期間按0.5%日息但不多於逾期款項之10%向中國鈾業發展收取利息。

於2015年7月1日，本集團與中國鈾業發展就2016年及2015年年度銷售天然鈾訂立銷售協議。

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For the year ended 31 December 2016 截至2016年12月31日止年度

35. RELATED PARTY TRANSACTIONS

(Continued)

(a) (Continued)

Notes: (Continued)

(ii) On 18 May 2016, the Group entered into a purchase agreement with Semizbay-U for the purchases of natural uranium resources for the year 2016 with other taxes in relation thereon borne by the Group.

On 1 July 2015, the Group entered into a purchase agreement with Semizbay-U for the purchases of natural uranium resources for the year 2015 with other taxes in relation thereon borne by the Group. The Group is required to pay trade deposit to Semizbay-U before delivery under the agreement with an interest rate of 4% per annum.

(iii) The Group entered into a service agreement with CGNPC-URC for the management services provided by CGNPC-URC.

(iv) The Group entered into a framework agreement with Huasheng to deposit amounts with Huasheng and generate interests from such deposits.

(v) The Group entered into a rental agreement with CGNPC-URC to lease out the investment properties to generate rental income.

(vi) During the years ended 31 December 2016 and 2015, CGN Global provided the business and administration services to the Group and charged for services fee.

(vii) During the year ended 31 December 2016, General Uranium shared the finance staff with the Group and charged for services fee.

(viii) During the years ended 31 December 2016 and 2015, the Group placed the deposits in 中廣核財務 to generate interest income with reference to the prevailing market interest rate.

(ix) The Group entered into a management agreement with CGNPC-URC to provide the management services to CGNPC-URC for three years to generate management fee income.

35. 關聯人士交易 (續)

(a) (續)

附註：(續)

(ii) 於2016年5月18日，本集團與謝公司就自2016年採購天然鈾資源而訂立購買協議，其他有關稅項由本集團承擔。

於2015年7月1日，本集團與謝公司就於2015年購買天然鈾訂立購買協議，其他有關稅項由本集團承擔。根據協議，本集團須向謝公司支付貿易按金，年利率為4%。

(iii) 本集團與中廣核鈾業發展就中廣核鈾業發展應提供的管理服務訂立服務協議。

(iv) 本集團與華盛就於華盛存款以產生利息而訂立框架協定。

(v) 本集團與中廣核鈾業發展就租出投資物業訂立租賃協議，以產生租金收入。

(vi) 於截至2016年及2015年12月31日止年度，CGN Global提供的業務及行政服務予本集團及收取服務費。

(vii) 於截至2016年12月31日止年度，General Uranium與本集團共用財務僱員及收取服務費。

(viii) 於截至2016年及2015年12月31日止年度，本集團就於中廣核財務存入金額，以產生利息收入(經參考當前市場利率)。

(ix) 本集團就三年向中廣核鈾業發展提供管理服務與其訂立管理協議，以產生管理費收入。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

35. RELATED PARTY TRANSACTIONS

(Continued)

(a) (Continued)

All transactions were conducted with terms mutually agreed with the counter parties.

Details of connected transactions of the Company are disclosed in the “Directors’ Report” section to the Annual Report.

(b) Compensation of key management personnel

The remuneration of directors of the Company during the years ended 31 December 2016 and 2015 is as follows:

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Short-term benefits	短期福利	2,674	2,800
Post-employment benefits	離職後福利	-	-
		2,674	2,800

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.

35. 關聯人士交易 (續)

(a) (續)

所有交易乃根據與交易方所簽訂協議訂約。

本公司關連交易詳情於年報「董事會報告」中披露。

(b) 主要管理人員之補償

於截至2016年及2015年12月31日止年度本公司董事之酬金如下：

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 2016 截至2016年12月31日止年度

36. COMMITMENTS

The Group as lessor

Property rental income earned during the year was HK\$2,193,000 (2015: HK\$5,017,000). The Group's properties held for rental purposes. A carrying amount of HK\$69,209,000 and HK\$17,963,000 were disposed of and transferred to property, plant and equipment respectively during the year ended 31 December 2015. The remaining properties are expected to generate rental yields on approximately 6% (2015: 6% to 15%) on an ongoing basis.

As at 31 December 2016, the Group did not have future minimum lease receivable (2015: Nil).

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:

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	1,519	1,266
In the second to fifth year inclusive	於第二年至第五年(包括首尾兩年)	605	1,661
		2,124	2,927

36. 承擔

本集團作為出租人

年內賺取之物業租金收入約為2,193,000港元(2015年: 5,017,000港元)。本集團之物業持作租賃用途，賬面值為69,209,000港元及17,963,000港元的物業已經於截至2015年12月31日止年度分別出售及轉至物業、廠房及設備。餘下的物業預期持續產生約6%(2015年: 6%至15%)的租金收益。

於2016年12月31日，本集團概無未來最低租應收賬款(2015年: 無)。

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：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 37. 本公司財務狀況表

		Notes	2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Plant and equipment	廠房及設備		2,178	3,211
Investments in subsidiaries	附屬公司投資		1,032,119	1,032,119
Investment in an associate	一間聯營企業投資		453,924	–
			1,488,221	1,035,330
Current assets	流動資產			
Trade and other receivables	應收賬款及其他應收款項		8,731	185,786
Amount due from a fellow subsidiary	應收同系附司公司款項	(b)	1,072,565	471,864
Bank balances and cash	銀行結存及現金		2,313	249,631
			1,083,609	907,281
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項		7,939	47,250
Amounts due to subsidiaries	應付附屬公司款項	(a)	841	1,187
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	(b)	–	2,821
Amount due to an intermediate holding company	應付一間中間控股公司款項	(a)	5,455	7,162
Convertible bonds	可換股債券		–	289,933
Income tax payable	應付所得稅		25,940	19,971
			40,175	368,324
Net current assets	流動資產淨值		1,043,434	538,957
Total assets less current liabilities	資產總值減流動負債		2,531,655	1,574,287
Capital and reserves	股本及儲備			
Share capital	股本		66,007	46,369
Reserves	儲備	(c)	2,465,495	1,527,765
Total equity	權益總額		2,531,502	1,574,134
Non-current liability	非流動負債			
Deferred tax liabilities	遞延稅項負債		153	153
			2,531,655	1,574,287

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

37. 本公司財務狀況表(續)

Notes:

- (a) Amounts due to subsidiaries and an intermediate holding company are unsecured, non-interest bearing and repayable on demand.
- (b) The amount represents amount due from Huasheng and amount due to CGN Power Co., Limited and details are set out in note 23.
- (c) Movements in the reserves during the years are as follows:

附註：

- (a) 應付附屬公司及一間中間控股公司款項為無抵押、免息及須應要求償還。
- (b) 應收華盛款項及應付中國廣核電力股份有限公司款項的金額，詳情載於附註23。
- (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 權益部分 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 2015	於2015年1月1日	710,971	154	138,827	7	209,108	1,059,067
Conversion of convertible bonds	兌換可換股債券	337,934	-	(69,413)	-	-	268,521
Profit for the year	本年度溢利	-	-	-	-	200,177	200,177
At 31 December 2015	於2015年12月31日	1,048,905	154	69,414	7	409,285	1,527,765
Conversion of convertible bonds	兌換可換股債券	351,904	-	(69,414)	-	-	282,490
Issue of new shares, net of transaction cost	發行新股份(扣除交易成本)	333,335	-	-	-	-	333,335
Profit for the year	本年度溢利	-	-	-	-	321,905	321,905
At 31 December 2016	於2016年12月31日	1,734,144	154	-	7	731,190	2,465,495

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

38. LIST OF SUBSIDIARIES

Details of the subsidiaries held by the Company as at 31 December 2016 and 2015 are as follows:

38. 附屬公司列表

本公司於2016年及2015年12月31日持有之附屬公司詳情如下：

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 本集團應佔權益		Principal activities 主營業務
					2016	2015	
					2016年	2015年	
Direct subsidiaries: 直接附屬公司：							
Ever Jump Limited	Ordinary shares 普通股	BVI 英屬處女群島	HK 香港	1 ordinary share of USD1 each 1股普通股每股面值1美元	100%	100%	Inactive 暫無業務
[†] Beijing Sino-Kazakh 北京中哈鈾	Contributed Capital 繳入資本	PRC 中國	PRC 中國	RMB823,770,000 人民幣823,770,000元	100%	100%	Investment project 投資項目
CGNM UK Ltd.	Ordinary shares 普通股	UK 英國	UK 英國	100,000 ordinary shares of GBP 1 each 100,000股普通股 每股面值1英鎊	100%	100%	Trading of natural uranium 天然鈾貿易

Wholly owned foreign enterprise

外商獨資企業

Note: 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.

附註：概無附屬公司於本報告期間結束時或於本報告期內任何時間有任何未償還的債務證券。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

39. ACQUISITION OF AN ASSOCIATE

Pursuant to the Subscription Agreement, Fission agree to issue and the Company agree to subscribe for 96,736,540 common shares at a price of CAD0.85 per common share at a consideration of approximately CAD82,226,000 (equivalent to approximately HK\$453,924,000) ("Consideration"). The transaction was completed on 27 January 2016. Following the completion of the acquisition, the Company held approximately 19.99% of the equity interest in Fission. Fission is accounted for as an associate of the Company which exercises significant influence in Fission after the acquisition.

Details of the transaction are set out in the Company's announcement dated 21 December 2015, 11 January 2016, 14 January 2016 and 27 January 2016 and the Company's circular dated 7 March 2016.

According to the Subscription Agreement, the Consideration will be satisfied by:

- (a) Release the deposit of CAD3,000,000 (equivalent to approximately HK\$16,561,000) paid during the year ended 31 December 2015 to the Company's legal counsel pursuant to an escrow agreement made between the Company, Fission and the Company's legal counsel dated 31 December 2015 as a part of the Consideration.
- (b) The remaining part of the Consideration should be paid upon the date of completion of acquisition.

39. 收購一間聯營企業

根據認購協議，Fission同意發行及本公司同意以每股0.85加元認購96,736,540股普通股，代價約為82,226,000加元（相當於約453,924,000港元）（「代價」）。交易於2016年1月27日完成。緊隨收購完成，本公司持有Fission約19.99%股權。Fission被列為本公司的聯營企業，而本公司在收購後於Fission具有重大影響力。

有關交易詳情載於本公司日期為2015年12月21日、2016年1月11日、2016年1月14日及2016年1月27日的公告，及本公司日期為2016年3月7日的通函。

根據認購協議，代價將根據以下方式償付：

- (a) 解除於截至2015年12月31日止年度向本公司法律顧問根據代管協議（本公司、Fission與本公司法律顧問於2015年12月31日訂立）支付的3,000,000加元（相當於約16,561,000港元）按金，作為部分代價。
- (b) 餘下代價應於收購完成日支付。

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綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

39. ACQUISITION OF AN ASSOCIATE (Continued)

The deposit amounting of approximately HK\$16,561,000 was paid during the year ended 31 December 2015 and the remaining part of the Consideration of approximately HK\$437,363,000 was paid during the current year.

An excess of the Company's share of the net fair value of Fission's identifiable assets and liabilities of approximately CAD129,621,000 (equivalent to approximately HK\$715,563,000) over the consideration of approximately HK\$453,924,000 of approximately HK\$261,639,000 was recognised in profit or loss and included in share of results of an associate. The fair value of identifiable assets and liabilities of Fission at acquisition date were accessed by HF, an independent qualified professional valuer not connected with the Group. In the opinion of the directors of the Company, the bargain purchase is because the market value of shares of Fission is far lower than the fair values of net identifiable assets and liabilities of Fission on the date of acquisition. This bargain purchase on acquisition was included in share of result of an associate during the year.

Acquisition-related costs amounting to approximately HK\$4,444,000 and HK\$4,647,000 have been recognised as administrative expenses in the years ended 31 December 2016 and 2015 respectively.

39. 收購一間聯營企業(續)

約16,561,000港元的按金已於截至2015年12月31日止年度支付，而代價餘下部分約437,363,000港元已於本年度期間支付。

本公司應佔Fission可識別資產及負債之公允淨值約129,621,000加元(相當於約715,563,000港元)較約453,924,000港元的代價超出約261,639,000港元，超出部分已於損益表內確認並列入應佔聯營企業業績中。Fission於收購日的可識別資產及負債的公允值乃來自與本集團無關連之獨立合資格專業估值師匯福。本公司董事認為收購議價的原因是Fission股票市值遠低於收購當日Fission可識別的淨資產及負債的公允值。此收購議價包括於期內的應佔聯營企業業績內。

為數約4,444,000港元及4,647,000港元的收購相關成本已分別於截至2016年及2015年12月31日止年度確認為行政開支。

Particulars of Major Properties as at 31 December 2016 於2016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
Rooms 2906 – 2910 & 2912, 29/F, Shi Ao International Centre No. 101 Shaoyaoju Beili, Chaoyang District, Beijing, PRC	中國北京市朝陽區 芍藥居北里 101號世奧國際中心 29樓2906 – 2910 及2912室	Office Premises 辦公室	Medium-term lease 中期租賃

Definitions 釋義

In this annual report (excluding the “Independent Auditor’s Report to the shareholders of the Company”), unless the context otherwise requires, the following expressions shall have the following meanings:

於本年度報告內(不包括「致本公司股東的獨立核數師報告」)，除文義另有所指外，以下詞彙應具有如下含義：

“2016 AGM” 「2016年股東週年大會」	指	the annual general meeting of the Company held on 19 May 2016. 本公司於2016年5月19日召開的股東週年大會。
“associate(s)” 「連繫人士」	指	has the meaning ascribed to it under the Listing Rules. 具有上市規則所賦予之含義。
“Articles of Association” 「章程細則」	指	the articles of association of the Company. 本公司組織章程細則。
“Beijing Sino-Kazakh” 「北京中哈鈾」	指	Beijing Sino-Kazakh Uranium Resources Investment Company Limited*, a limited liability company incorporated in the PRC, a wholly owned subsidiary of the Company. 北京中哈鈾資源投資有限公司，於中國成立的有限責任公司，為本公司全資附屬公司。
“Board” 「董事會」	指	the board of Directors. 本公司董事會。
“CAD” 「加元」	指	Canadian dollars, the lawful currency of Canada. 加拿大元，加拿大之法定貨幣。
“CGN” or “CGNPC” 「中廣核」或「中廣核集團公司」	指	China General Nuclear Power Corporation, a company incorporated in PRC with limited liability and the sole shareholder at China Uranium Development. 中國廣核集團有限公司，於中國成立之有限責任公司，為中國鈾業發展之唯一股東。
“CGN Group” 「中廣核集團」	指	CGNPC and its subsidiaries. 中廣核集團公司及其附屬公司。
“CGN Mining” or “Company” 「中廣核礦業」、「公司」或「本公司」	指	CGN Mining Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange. 中廣核礦業有限公司*，於開曼群島註冊成立之有限責任公司，其股份於聯交所主板上市。
“CGNPC Huasheng” 「中廣核華盛」	指	CGNPC Huasheng Investment Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of CGNPC. 中廣核華盛投資有限公司，於香港註冊成立之公司，為中廣核集團公司之全資附屬公司。
“CGNPC-URC” 「中廣核鈾業發展」	指	China Uranium Development Company Limited*, a company established in the PRC with limited liability and the sole shareholder of the China Uranium Development. 中廣核鈾業發展有限公司，於中國成立之有限責任公司，為中國鈾業發展之唯一股東。

<p>“China Uranium Development” 「中國鈾業發展」</p>	<p>指</p>	<p>China Uranium Development Company Limited, the controlling shareholder of the Company. 中國鈾業發展有限公司*，本公司之控股股東。</p>
<p>“connected person” 「關連人士」</p>	<p>指</p>	<p>has the meaning ascribed to it under the Listing Rules. 具有上市規則所賦予之含義。</p>
<p>“controlling shareholder” 「控股股東」</p>	<p>指</p>	<p>has the meaning ascribed to it under the Listing Rules. 具有上市規則賦予之含義。</p>
<p>“Corporate Governance Code” 「企業管治守則」</p>	<p>指</p>	<p>Corporate Governance Code and Corporate Governance Report set out in Appendix 14 of the Listing Rules. 上市規則附錄十四所列的企業管治守則及企業管治報告。</p>
<p>“Director(s)” 「董事」</p>	<p>指</p>	<p>the director(s) of the Company. 本公司董事。</p>
<p>“EGM” 「股東特別大會」</p>	<p>指</p>	<p>the extraordinary general meeting which was held on 29 June 2016. 於2016年12月29日召開的股東特別大會。</p>
<p>“ED(s)” 「執行董事」</p>	<p>指</p>	<p>executive Director(s) of the Company. 本公司執行董事。</p>
<p>“Fission” 「Fission公司」</p>	<p>指</p>	<p>Fission Uranium Corp., a Canadian-based resource company of which ordinary shares are listed on the Toronto Stock Exchange under the symbol “FCU”, the OTCQX market place in the U.S under the symbol “FCUUF” and on the Frankfurt Stock Exchange under the symbol “2FU”. Fission in an associate of the Company. Fission Uranium Corp.，一家以加拿大為基地之資源公司，其中普通股以代號「FCU」於多倫多證券交易所、以代號「FCUUF」於美國OTCQX交易市場及以代號「2FU」於法蘭克福證券交易所上市。Fission公司為本公司聯營企業。</p>
<p>“Group” 「本集團」</p>	<p>指</p>	<p>the Company and its subsidiary. 本公司及其附屬公司。</p>
<p>“Hainan Mining” 「海南礦業」</p>	<p>指</p>	<p>Hainan Mining Co., Ltd*, which is listed on the Shanghai Stock Exchange, stock code: 601969. 海南礦業股份有限公司，於上海證券交易所上市，股份代號：601969。</p>
<p>“HK\$” 「港元」</p>	<p>指</p>	<p>Hong Kong dollars, the lawful currency of Hong Kong. 香港之法定貨幣。</p>
<p>“Hong Kong” 「香港」</p>	<p>指</p>	<p>the Hong Kong Special Administrative Region of the People’s Republic of China. 中華人民共和國香港特別行政區。</p>
<p>“HKFRSs” 「香港財務報告準則」</p>	<p>指</p>	<p>the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. 由香港會計師公會頒佈之香港財務報告準則。</p>

Definitions 釋義

“Hong Kong Xinmao”		Hong Kong Xinmao Investment Co., Limited, a company incorporated in Hong Kong with limited liability which is a wholly-owned subsidiary of Hainan Mining.
「香港鑫茂」	指	香港鑫茂投資有限公司，於香港註冊成立的有限公司，為海南礦業的全資附屬公司。
“INED(s)”		independent non-executive Director(s) of the Company .
「獨立非執行董事」	指	本公司獨立非執行董事。
“Irkol Mine”		the Irkol mine located in the Kyzylorzhinsk area, 20 kilometres from the town of Chiili, Kazakhstan, which was owned and operated by Semizbay-U.
「伊礦」	指	伊爾克利礦山，位於哈薩克斯坦 Chiili 鎮 20 千米處之 Kyzylorzhinsk 地區之 Irkol 礦山，由謝公司擁有及管理。
“Kazakhstan”		The Republic of Kazakhstan.
「哈薩克斯坦」	指	哈薩克斯坦共和國。
“Kazatomprom”		National Atomic Company Kazatomprom, a joint stock company established according to the laws of Kazakhstan, which holds 51% equity interest of Semizbay-U.
「哈原工」	指	National Atomic Company Kazatomprom (哈薩克斯坦國家原子能公司*)，一家根據哈薩克斯坦法律成立的有限公司，持有謝公司51%權益。
“kW”		a unit of power equal to 1000 watts.
「kW」	指	電力單位，相當於 1000 瓦特。
“lb”		per pound.
「lb」	指	每磅。
“Listing Rules”		the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
「上市規則」	指	香港聯合證券交易所有限公司證券上市規則。
“MWe”		megawatts electric
「MWe」	指	兆瓦電力
“Model Code”		the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules.
「標準守則」	指	上市規則附錄十所載上市公司董事進行證券交易的標準守則。
“New Financial Service Framework Agreement”		the framework agreement dated 6 December 2016 and entered into between the Company and CGNPC Huasheng in relation to the provision of certain financial service by CGNPC Huasheng to the Company.
「新財務服務框架協議」	指	本公司與中廣核華盛訂立之日起為 2016 年 12 月 6 日之框架協議，內容有關中廣核華盛向本公司提供若干財務服務。

<p>“New Natural Uranium Sales Framework Agreement”</p> <p>「新天然鈾銷售框架協議」</p>	<p>指</p>	<p>the framework agreement dated 6 December 2016 and entered into between the Company and CGNPC-URC in relation to the sale of natural uranium by the Group to CGNPC-URC and/or its subsidiaries.</p> <p>本公司與中廣核鈾業發展訂立之日期為2016年12月6日之框架協議，內容有關本集團向中廣核鈾業發展及／或其附屬公司銷售天然鈾。</p>
<p>“NED(s)”</p> <p>「非執行董事」</p>	<p>指</p>	<p>non-executive Director(s) of the Company.</p> <p>本公司非執行董事。</p>
<p>“PLS Property”</p> <p>「PLS 項目」</p>	<p>指</p>	<p>Patterson Lake South project, Fission’s primary and wholly-owned asset.</p> <p>Patterson Lake South 項目，為 Fission 公司之主要及全資擁有資產。</p>
<p>“PRC”</p> <p>「中國」</p>	<p>指</p>	<p>The People’s Republic of China, which, for the purpose of this report, excludes Hong Kong, Macau and Taiwan.</p> <p>中華人民共和國，就本報告而言不包括香港、澳門及臺灣。</p>
<p>“RMB”</p> <p>「人民幣」</p>	<p>指</p>	<p>Renminbi, the lawful currency of the PRC.</p> <p>人民幣，中國之法定貨幣。</p>
<p>“Semizbay Mine”</p> <p>「謝礦」</p>	<p>指</p>	<p>the Semizbay mine located in the Valihanov District of Akmoltnsk Oblast, Kazakhstan which was owned and operated by Semizbay-U.</p> <p>謝米茲拜伊礦山，位於哈薩克斯坦 Akmoltnsk Oblast 之 Valihanov 區，由謝公司擁有及管理。</p>
<p>“Semizbay-U”</p> <p>「謝公司」</p>	<p>指</p>	<p>Semizbay-U Limited Liability Partnership, a limited liability partnership established in Kazakhstan, the Company owns its 49% equity interest and as a joint venture of the Company.</p> <p>謝米茲拜伊有限合夥企業，於哈薩克斯坦成立之有限責任合夥企業，為本公司合營企業，本公司擁有其 49% 權益。</p>
<p>“SFO”</p> <p>「證券及期貨條例」</p>	<p>指</p>	<p>the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).</p> <p>證券及期貨條例（香港法例第 571 章）。</p>
<p>“share(s)”</p> <p>「股份」</p>	<p>指</p>	<p>ordinary share(s) in the Company with a nominal value of HK\$0.01 each.</p> <p>本公司每股面值 0.01 港元之普通股。</p>
<p>“shareholder(s)”</p> <p>「股東」</p>	<p>指</p>	<p>holder(s) of the share(s).</p> <p>股份持有人。</p>
<p>“Stock Exchange”</p> <p>「聯交所」</p>	<p>指</p>	<p>The Stock Exchange of Hong Kong Limited.</p> <p>香港聯合交易所有限公司。</p>
<p>“subsidiary”</p> <p>「附屬公司」</p>	<p>指</p>	<p>has the meaning ascribed to it under the Listing Rules.</p> <p>具有上市規則所賦予之含義。</p>

Definitions 釋義

“Takeovers Code” 「收購守則」	指	The Code on Takeovers and Mergers and Share Buy-Backs approved by the Securities and Futures Commission as amended from time to time. 證券及期貨事務監察委員會核准之公司收購、合併及股份回購守則（經不時修訂）。
“Thirteen-Five Period” or “Thirteen-Five” 「十三五期間」或「十三五」	指	the period from 2016 to 2020. 2016年至2020年期間。
“Thirteen-Five Plan” 「十三五規劃」	指	the national five-year business proposal issued by the Chinese government during Thirteen-Five Period. 由中國政府發布的十三五期間的國家五年商業計劃。
“Twelve-Five Period” 「十二五期間」	指	the period from 2011 to 2015. 2011年至2015年期間。
“UK” 「英國」	指	the United Kingdom of Great Britain and Northern Ireland. 大不列顛及北愛爾蘭聯合王國。
“USD” 「美元」	指	United States dollars, the lawful currency of the United States of America. 美元，美利堅合眾國之法定貨幣。

