

Annual Report 2010  
二零一零年年報



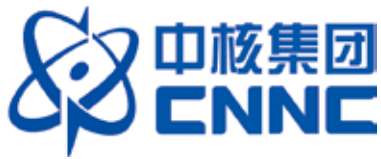
**CNNC International Limited**  
**中核國際有限公司**

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 2302

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## CNNC INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

### BOARD OF DIRECTORS

#### Chairman and Non-Executive Director

Qiu Jiangan

#### Executive Directors

Han Ruiping

Xu Hongchao

#### Non-Executive Director

Chen Xinyang

#### Independent Non-Executive Directors

Cheong Ying Chew Henry

Cui Ligu

Zhang Lei

### AUDIT COMMITTEE

Cheong Ying Chew Henry (*Chairman*)

Chen Xinyang

Cui Ligu

Zhang Lei

### REMUNERATION COMMITTEE

Han Ruiping (*Chairman*)

Chen Xinyang

Cheong Ying Chew Henry

Cui Ligu

Zhang Lei

### COMPANY SECRETARY

Li Philip Sau Yan

### REGISTERED OFFICE

P.O. Box 309GT

Ugland House

South Church Street

Grand Cayman

Cayman Islands

## 中核國際有限公司\*

(於開曼群島註冊成立之有限公司)

### 董事局

#### 主席暨非執行董事

邱建剛

#### 執行董事

韓瑞平

許紅超

#### 非執行董事

陳新陽

#### 獨立非執行董事

張英潮

崔利國

張雷

### 審核委員會

張英潮 (*主席*)

陳新陽

崔利國

張雷

### 薪酬委員會

韓瑞平 (*主席*)

陳新陽

張英潮

崔利國

張雷

### 公司秘書

李守仁

### 註冊辦事處

P.O. Box 309GT

Ugland House

South Church Street

Grand Cayman

Cayman Islands

\* 僅供識別

## Corporate Information 公司資料 (continued 續)

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 2809, 28th Floor  
China Resources Building  
26 Harbour Road, Wanchai  
Hong Kong  
Tel: (852) 2598 1010  
Fax: (852) 2598 6262  
Email: info@cncintl.com

### SOLICITOR

Baker & Mckenzie

### AUDITOR

Deloitte Touche Tohmatsu

### PRINCIPAL BANKERS

China Construction Bank Corporation  
Industrial and Commercial Bank of China (Asia) Limited

### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE (BRANCH REGISTRAR)

Computershare Hong Kong Investor Services Limited  
46th Floor  
Hopewell Centre, 183 Queen's Road East  
Hong Kong

### CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE (REGISTRAR)

Butterfield Fulcrum Group (Cayman) Limited  
Butterfield House  
68 Fort Street, George Town  
Grand Cayman, KY1-1107  
Cayman Islands

### CORPORATE WEBSITE

www.cncintl.com

### SHARE LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited  
Stock Code: 2302

### 總辦事處及主要營業地點

香港  
灣仔港灣道26號  
華潤大廈  
28樓2809室  
電話：(852) 2598 1010  
傳真：(852) 2598 6262  
電郵：info@cncintl.com

### 律師

貝克·麥堅時律師事務所

### 核數師

德勤·關黃陳方會計師行

### 主要往來銀行

中國建設銀行股份有限公司  
中國工商銀行(亞洲)有限公司

### 香港股份過戶登記處(分處)

香港中央證券登記有限公司  
香港  
皇后大道東183號合和中心  
46樓

### 開曼群島股份過戶登記處(總處)

Butterfield Fulcrum Group (Cayman) Limited  
Butterfield House  
68 Fort Street, George Town  
Grand Cayman, KY1-1107  
Cayman Islands

### 公司網站

www.cncintl.com

### 股份上市及股份代號

香港聯合交易所有限公司  
股份代號：2302



邱建剛  
主席  
Qiu Jianguang  
Chairman

On behalf of the Board of Directors of CNNC International Limited (the "Company") and its subsidiaries (collectively the "Group"), I am pleased to present the annual results of the Group for the year ended 31st December, 2010.

## URANIUM RESOURCES BUSINESS

2010 heralded the year of development of the Company's uranium resources business. Following the successful reinstatement of the exploration licences of our Mongolia uranium resources project, the Company is pushing negotiations with the Mongolian government in resolving the various issues of reserves assessment and joint venture development in order to secure the establishment of a joint venture company as well as the mining licence.

During the year, we have also successfully obtained from our parent company 37.2% of a uranium resources project in Niger, Africa, which is the first overseas uranium resources development project of the PRC. Currently, this project is in the trial production stage with the first uranium product produced at the end of 2010.

We have also commenced our overseas uranium product trading business and procured 300 tonnes of uranium products in 2010.

本人謹代表董事局向股東提呈中核國際有限公司(「本公司」)及其附屬公司(統稱為「本集團」)截至二零一零年十二月三十一日止年度之全年業績。

## 鈾資源業務

二零一零年為本公司鈾資源業務發展的起步之年。隨著蒙古鈾資源項目成功取回勘探許可證，公司努力並推動與蒙古政府協商，解決儲量評審及合資開發中涉及的諸多問題，爭取盡快完成合資公司組建並獲得開採許可證。

年內，公司亦成功從母公司取得位於非洲尼日爾的37.2%鈾資源項目。該項目是中國首個海外鈾資源開發項目，目前已進入試生產階段，於2010年底亦成功產出了首批鈾產品。

公司亦開展了海外鈾產品貿易工作，2010年購得鈾產品300噸。

## Chairman's Statement 主席報告書 (continued 續)

### RESULTS

For the year ended 31st December, 2010, the Group reported turnover of approximately HK\$168,048,000 (2009: approximately HK\$136,571,000) and gross profit of approximately HK\$18,820,000 (2009: HK\$3,643,000). Total comprehensive expense attributable to owners of the Company for 2010 was approximately HK\$48,863,000 (2009: approximately HK\$39,153,000). The Group's revenue in 2010 was primarily derived from the die-casting business of our group's subsidiary.

### ADJUSTMENT OF BOARD LOTS

To facilitate trading in and promote liquidity of our shares among investors, the board lot of our shares was changed from 5,000 shares to 1,000 shares on 2nd August, 2010.

### BUSINESS PROSPECTS AND CONCLUSION

The Group is striving to develop overseas uranium resources business. With the Mongolia project and 37.2% uranium project in Niger in hand, we will continue to identify more suitable uranium projects of premier quality. Together with our developing uranium product trading business, we are making steady progress in the uranium resources business. In respect of the die-casting business, we are in the process of undertaking a thorough review to set its long-term targets. We have also commenced our study in extending and deepening our sectors of operations to develop projects of the uranium product processing and nuclear energy compliant industries, expand our scope of operations and secure impressive returns for our shareholders.

### APPRECIATION

On behalf of the Board of Directors, I would like to take this opportunity to express my heartfelt appreciation to our shareholders, customers and business partners for their long-standing supports and my gratitude to the Group's management team and staff for their endeavours and contributions in the past year.

**Qiu Jiangang**  
Chairman

Hong Kong, 31st March, 2011

### 業績

截至二零一零年十二月三十一日止，本集團之營業額約為港幣168,048,000元（二零零九年：港幣136,571,000元）。實現毛利約港幣18,820,000元（二零零九年：約港幣3,643,000元）。二零一零年度本公司擁有人應佔年內全面開支總額約港幣48,863,000元，（二零零九年：約港幣39,153,000元）。二零零九年之業務收入主要為本集團附屬公司壓鑄業務之業績。

### 調整股票交易單位

為了便於投資者買賣公司股票，激活股票交易水平，2010年8月2日公司調整了每手股票交易單位，將公司每手股票交易單位從5,000股調整為1,000股。

### 業務展望及總結

本集團致力發展海外鈾資源業務，現擁有蒙古及37.2%的尼日爾鈾項目，亦將會繼續尋找更多合適的優質鈾項目，加上已開展的鈾產品貿易業務，穩步上進。對壓鑄業務本集團正進行全面檢討，釐定長遠目標。本集團亦開始研究深化經營領域，發展鈾產品加工與核能配套產業項目，擴大本集團的經營範圍，替股東尋求可觀回報。

### 致謝

本人謹代表董事局藉此機會就股東、客戶及業務夥伴一直對我們的支持致以衷心謝意，並感謝管理團隊及本集團的員工過去一年付出的努力及作出的貢獻。



**邱建剛**  
主席

香港，二零一一年三月三十一日

## Management Discussion & Analysis 管理層討論及分析

### MARKET OVERVIEW

In order to satisfy the burgeoning development of the nuclear power industry in the PRC, the Group is striving to identify and expand overseas uranium resources projects of premier quality. In line with the continual increases in the number of nuclear power plants planned and under construction, the international market prices of uranium have surged significantly in 2010. Demands for uranium resources as well as the prices of uranium are expected to sustain their growth in the long term.

During the year ended 31st December, 2010 (the "Year Under Review"), having overcome the adverse impacts of the overseas automobile and construction industries in 2008 and 2009, the die-casting market improved in line with the global economic recovery and coupled with the robust domestic automobile industry, die-casting orders resumed back to its pre-financial tsunami tracks.

### BUSINESS OVERVIEW

On 25th March, 2010, the Group was successful in its acquisition of 37.2% equity interests in Société des Mines d'Azelik S.A. ("SOMINA") from its immediate controlling shareholder, CNNC Overseas Uranium Holding Limited through the acquisition of a subsidiary known as Ideal Mining Limited ("Ideal Mining"). SOMINA, a company incorporated in Niger, Africa with limited liability, is the registered holder of a mining license for a uranium ore mine located in the Agadez region of the Tchirozerine department of Niger. The full consideration of HK\$414 million was satisfied by the issue of the three-year 2% convertible note of the Company. With exploration work finished, the first lot of uranium concentrates was produced under trial run by the end of 2010. The full production is expected to commence in the second half of 2011. The Group has commenced uranium product trading during the Year Under Review. In September 2010, through a wholly owned subsidiary, the Group has acquired 300 tonnes of uranium products.

The operating results of the Group for the Year Under Review were primarily derived from the die casting business. Driven by robust domestic consumption and buoyant overseas orders, the die casting department strived to expand its market coverage. Turnover for the Year Under Review rebounded significantly by approximately 23.0% to approximately HK\$168,048,000 (2009: approximately HK\$136,571,000). The Group was committed to cost control by optimising processes, automating procedures to cut expenses and switching resources to products with higher gross profit. Gross margin increased from approximately 2.7% for the corresponding period of last year to approximately 11.2% for the Year Under Review despite raw material price hikes, domestic labour shortages and wages surges.

### 市場概覽

本集團積極尋求及拓展優質海外鈾資源項目，以滿足中國現正迅速發展的核電產業。隨著全球已計劃及正在興建的核電廠數量不斷增加，二零一零年鈾的國際市場價格已大幅上升。預期長遠鈾資源需求量和鈾價格還會持續增長。

截至二零一零年十二月三十一日年度（「回顧年度」）內，壓鑄市場經過二零零八年及二零零九年之海外汽車及建築業不景氣的影響，隨著全球經濟復甦，加上國內汽車業蓬勃，壓鑄訂單已回復金融海嘯前之水平。

### 業務回顧

本集團於二零一零年三月二十五日透過收購一間名為理想礦業有限公司（「理想礦業」）的附屬公司成功從直接控股母公司中核海外鈾業控股有限公司，收購Société des Mines d'Azelik S.A.（「SOMINA公司」），一家於非洲尼日爾註冊成立的有限公司37.2%的權益，SOMINA公司是位於尼日爾Tchirozerine省Agadez地區的一個鈾礦開採許可證的登記持有人。收購支付代價為港幣414,000,000元，全數以本公司發行3年期、票面年息2%的可換股票據支付。該鈾礦的勘探工作已經完成，於二零一零年底，試生產出第一批鈾產品。預期二零一一年下半年全面展開生產。於回顧年度，本公司亦開展鈾產品貿易。於二零一零年九月，透過一間間接全資附屬公司成功收購300噸鈾產品。

於回顧年度，本集團經營業績主要來源於壓鑄業務，在國內內銷強勁帶動及海外訂單復甦的情況下，壓鑄業務部努力拓展市場，本集團於回顧年度的營業額上升約23.0%至約港幣168,048,000元（二零零九年：約港幣136,571,000元）。同時本集團致力控制成本，在原材料價格上漲、國內勞工短缺及工資飆升下，不斷整頓流程，利用自動化設備節省開支，及將資源調配至高毛利產品下，毛利率由去年同期的2.7%迅速回復至回顧期錄得之11.2%。



## Management Discussion & Analysis 管理層討論及分析 (continued 續)

Other income for the Year Under Review increased by approximately 83.7% to approximately HK\$12,323,000 (2009: approximately HK\$6,709,000) due to the exchange gains from the appreciation of Renminbi deposits and the receipt of insurance compensation for the claim of damages arising from flooding in 2008. Despite the increase in turnover during the Year Under Review, selling and distribution expenses fell by approximately 5.7% to approximately HK\$5,088,000 (2009: approximately HK\$5,396,000) as the Group has tightened control on the expenses.

In June 2009, the Group acquired Western Prospector Group Ltd. ("Western Prospector"), a company then listed in Canada and its subsidiaries hold uranium exploration licenses in Mongolia. During the Year Under Review, the full year administrative expenses of Western Prospector and its subsidiaries were consolidated into the Group's account. Administrative and other expenses for the Year Under Review rose by approximately 17.7% to approximately HK\$43,608,000 (2009: approximately HK\$37,038,000) which was primarily attributable to the service fees of intermediaries and professionals in respect of the acquisition of Ideal Mining.

During the Year Under Review, share of loss of an associate of approximately HK\$8,937,000 (2009: nil) was related to the equity share of loss of SOMINA since the Group acquired Ideal Mining until the end of the year.

The above-mentioned convertible note issued to CNNC Overseas on 25th March, 2010 were appraised to have an effective interest rate of 8.80% per annum. While no interest was payable in respect of the portion of effective interest rate in excess of the annual coupon rate, the amount in respect of such portion was required to be charged to the income statement and be reversed and credited to reserves upon redemption under Hong Kong Accounting Standards. As a result, the finance cost for the Year Under Review increased by approximately 279.9% to approximately HK\$36,366,000 (2009: approximately HK\$9,573,000).

The income tax credit increased to approximately HK\$7,777,000 (2009: approximately HK\$1,265,000) due to the reduction of deferred tax during the Year Under Review. The exchange gain arising on translation of assets in foreign currency to presentation currency amounted to approximately HK\$6,216,000 (2009: approximately HK\$1,237,000). Summing up the combined effects of the foregoing, total comprehensive expense for the Year Under Review amounted to approximately HK\$48,863,000 (2009: approximately HK\$39,153,000).

於回顧年度，受惠於集團人民幣存款價值升值之匯兌收益，及收到二零零八年水災之保險賠償，其他收入比去年同期上升約83.7%至約港幣12,323,000元(二零零九年：約港幣6,709,000元)。縱使營業額上升，本集團致力控制銷售及分銷開支成本，開支比去年同期下跌約5.7%至約港幣5,088,000元(二零零九年：約港幣5,396,000元)。

二零零九年六月本集團收購當時於加拿大上市及其子公司擁有位於蒙古之鈾礦勘探許可證之Western Prospector Group Ltd. (「西部公司」)。本集團於回顧年度合併西部公司的全年行政費用。行政及其他開支費用比去年同期上升約17.7%至約港幣43,608,000元(二零零九年：約港幣37,038,000元)，上升原因主要是收購理想礦業時的中介及專業人員服務費用。

於回顧年度內，一家聯營公司應佔虧損約8,937,000港元(二零零九年：零)乃涉及由本集團於收購理想礦業直至年度結束期間SOMINA公司的應佔權益虧損。

本公司於二零一零年三月二十五日向中核海外發行上文提及之可換股票據。經評估師評定之實際年利率為8.80%利息。縱使實際利率超出票面年利率之部份不用支付，但根據香港會計準則，要在收益中扣除，於贖回票據時可回撥儲備。因此，融資成本於回顧年度上升約279.9%至約港幣36,366,000元(二零零九年：約港幣9,573,000元)。

回顧年度的所得稅抵免受惠於遞延稅項的減少而上升至約港幣7,777,000元(二零零九年：約港幣1,265,000元)。換算呈報貨幣產生之匯兌收益為約港幣6,216,000元(二零零九年：約港幣1,237,000元)。總結以上各項原因後，回顧年度的全面開支總額約港幣48,863,000元(二零零九年：約港幣39,153,000元)。



## FUTURE STRATEGIES

The Group will make its footprint in overseas uranium resources business and serve the needs of China's nuclear power development by identifying more suitable uranium projects of premier quality, in addition to the existing Western Prospector project in Mongolia and the 37.2% uranium project in Niger. With the already-developed uranium products trading business, the Group will have a very broad horizon with exploration, mining, milling, processing and trading capacity. In respect of the die-casting business, the Group is in the process of conducting a thorough review to set its long-term targets. Taking advantage of the trend of nuclear power development in the PRC, the Group have also commenced its study in extending and deepening the sectors of operations gradually and developing towards the directions of uranium product processing and nuclear energy compliant industries. The Group will continue to utilise its listing platform in expanding its scope of operations as well as striving to secure impressive return for the shareholders.

## EMPLOYEES AND REMUNERATION POLICIES

As at 31st December, 2010, the Group employed approximately 1,219 (2009: 1,158) full-time employees of whom 26 (2009: 25) were based in Hong Kong, 1,158 (2009: 1,092) were based in the Group's factories in Dongguan and office in Beijing, the PRC and 35 (2009: 41) were based in Mongolia. Total staff cost incurred during the Year Under Review amounted to approximately HK\$60,761,000 (2009: approximately HK\$46,151,000).

Remuneration policies and packages for the Group's employees are based on their performance, working experiences and conditions prevailing in the industry. Depending on the financial results of the Group and the performance of individual employees, eligible staff may also be granted performance bonuses, in addition to basic salaries, retirement schemes and medical benefit schemes. The Company will also study the basis of granting discretionary share options according to the business development to raise staff morale. To raise work quality and management abilities of its employees, the Group provides job rotation, in-house training and external training courses to employees.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 31st December, 2010, total bank borrowings amounted to approximately HK\$16,000,000 (At 31st December, 2009: approximately HK\$16,000,000) which would be due within one year. The bank borrowings are denominated in Hong Kong dollars, and bear interest at rates calculated with reference to Hong Kong Interbank Offered Rate ("HIBOR") plus basis.

## 未來策略

本集團現已擁有蒙古西部項目及37.2%的尼日爾鈾項目，未來亦將會繼續尋找更多合適優質鈾項目，立足海外鈾資源業務，服務中國核能發展之需要，加上已開展的鈾產品貿易業務，形成勘探、採冶、加工和貿易能力。對於壓鑄業務，本集團正進行全面檢討，釐定長遠目標。本集團亦開始研究深化經營領域，借力中國核電發展之勢，逐步向鈾產品加工、核能配套等產業方向發展。同時，發揮上市平台的作用，擴大本集團的經營範圍，為股東尋求可觀回報。

## 僱員及薪酬政策

於二零一零年十二月三十一日，本集團僱用約1,219名(二零零九年：1,158名)全職員工，其中：26名(二零零九年：25名)駐於香港，1,158名(二零零九年：1,092名)駐於本集團在中國東莞之廠房及北京辦事處，另35名(二零零九年：41名)駐於蒙古。回顧年度內員工成本總額約為港幣60,761,000元(二零零九年：港幣約46,151,000元)。

本集團僱員之薪酬政策及方案按照員工之表現、工作經驗及行業當時之狀況釐定。除基本薪金、退休計劃及醫療福利計劃外，因應本集團財務業績及個別員工之表現，合資格員工亦可獲得表現花紅。未來本公司將根據業務發展狀況，研究酌發購股權等激勵手段。為提高工作團隊之創造力和僱員之工作質素及管理能力，本集團將進一步充實組織機構和僱員隊伍，向僱員提供職位調配、內部培訓及外界培訓課程等。

## 流動資金及財務資源

於二零一零年十二月三十一日，銀行借貸總額為約港幣16,000,000元(於二零零九年十二月三十一日：約港幣16,000,000元)，將於一年內到期。銀行借貸以港幣列值，參考香港銀行同業拆息加指定息率計息。

## Management Discussion &amp; Analysis 管理層討論及分析 (continued 續)

The Group had net current assets amounting to approximately HK\$574,625,000 (At 31st December, 2009: approximately HK\$634,970,000) and a current liabilities of approximately HK\$149,188,000 (At 31st December, 2009: approximately HK\$44,417,000) as at 31st December, 2010. During the Year Under Review, the Group acquired of approximately 300 tonnes of uranium products which were kept in stock at 31st December, 2010. The uranium products account for the main part of the increase of inventories of approximately HK\$285,230,000 at 31st December, 2010 compared to 31st December, 2009. Debtors' turnover days decreased from about 104 days as at 31st December, 2009 to about 80 days as at 31st December, 2010. Capital expenditures on plant, equipment, exploration and evaluation assets, leasehold improvements and construction in progress totalled approximately HK\$33,230,000 during the Year Under Review (2009: approximately HK\$212,576,000), of which approximately HK\$416,000 (2009: approximately HK\$95,000) was related to the construction cost of the new manufacturing plant situated in Shanghai, the PRC. Commitment to purchase additional property, plant and equipment that had been contracted for but not provided in the financial statements as at 31st December, 2010 amounted to approximately HK\$4,980,000 (At 31st December, 2009: approximately HK\$17,952,000).

During the Year Under Review, net cash outflow from operating activities amounted to approximately HK\$278,833,000 (2009: approximately HK\$12,206,000). The Group's cash on hand and bank balances decreased from approximately HK\$607,626,000 as at 31st December, 2009 to approximately HK\$306,797,000 as at 31st December, 2010 after the acquisition of the uranium concentrates.

Total shareholders' funds increased from approximately HK\$857,595,000 as at 31st December, 2009 to approximately HK\$950,839,000 as at 31st December, 2010, mainly due to the conversion option arising from the above-mentioned convertible note issued and the deemed contributions from equity participants arising from the acquisition of Ideal Mining and net asset guarantee compensation from equity participants according to service agreements during the Year Under Review. As a result of the issue of the above-mentioned convertible note, the gearing ratio, in terms of total debts to total assets, increased to approximately 0.35 (At 31st December, 2009: approximately 0.14) as at 31st December, 2010.

於二零一零年十二月三十一日，本集團流動資產淨值約為港幣574,625,000元(於二零零九年十二月三十一日：約港幣634,970,000元)，流動負債約為港幣149,188,000元(於二零零九年十二月三十一日：約港幣44,417,000元)。回顧年度內，本集團收購300噸鈾產品。對比二零零九年十二月三十一日，於二零一零年十二月三十一日所增加之約港幣285,230,000元存貨，大部份為鈾產品。應收賬款收款期由二零零九年十二月三十一日之約104天減至二零一零年十二月三十一日之約80天。回顧年度內之廠房、設備、勘探及評估資產、租賃物業裝修與在建工程之資本開支合共約港幣33,230,000元(二零零九年：約港幣212,576,000元)，當中約港幣416,000元(二零零九年：約港幣95,000元)與位於中國上海之新生產廠房之興建成本有關。此外，於二零一零年十二月三十一日，已訂立合同的增購物業、廠房及設備約為港幣4,980,000元(於二零零九年十二月三十一日：約港幣17,952,000元)，其訂立之金額並未於財務報表撥備。

於回顧年度，來自經營業務之現金淨支出額約為港幣278,833,000元(二零零九年：約港幣12,206,000元)。收購鈾濃縮物，本集團之手頭現金及銀行結餘由二零零九年十二月三十一日之約港幣607,626,000元減少至二零一零年十二月三十一日之約港幣306,797,000元。

股東資金總額由二零零九年十二月三十一日之約港幣857,595,000元增至二零一零年十二月三十一日之約港幣950,839,000元。增幅原因主要是發行前文所提可換股票據所產生之股權撥入股本儲備，和收購理想礦業所產生之資本貢獻及於回顧年度根據現有股東的服務協議之保證資產賠款撥入資本儲備。於二零一零年十二月三十一日，由於發行前文所提的可換股票據，資產負債比率(按負債總額相對資產總值計算)增加至約0.35(於二零零九年十二月三十一日：約0.14)。

## ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Save from the acquisition of Ideal Mining mentioned above, there were no material acquisitions and disposals of subsidiaries and associated companies for the Year Under Review.

## EXPOSURE TO FOREIGN EXCHANGE RISK

The Group's income, expenditure of raw materials, manufacturing, investment and borrowings are mainly denominated in USD, HKD, Mongolian Tugrik and RMB. Fluctuations of the exchange rates of Mongolian Tugrik and RMB against foreign currencies could affect the operating costs of the Group. Currencies other than Mongolian Tugrik and RMB were relatively stable during the Year Under Review, the Group did not expose to significant foreign exchange risk. The Group currently does not have a foreign currency hedging policy for hedging significant foreign currency exposure.

## CAPITAL STRUCTURE

There has been no significant change in the capital structure of the Group since 31st December, 2009.

## CHARGE ON ASSETS

There was no charge on the Group's assets during the Year Under Review (2009: Nil).

## 收購及出售附屬公司及聯營公司

於回顧年度，除上文提及收購理想礦業外，本集團並無任何重大收購或出售附屬公司及聯營公司。

## 外匯風險承擔

本集團之收入、原材料開支、製造、投資及借貸主要以美元、港幣、蒙古圖格里克及人民幣列值。蒙古圖格里克及人民幣兌外幣匯率波動對本集團經營成本可構成影響。蒙古圖格里克及人民幣以外之貨幣於回顧年度內相對穩定，本集團並無面對重大外匯風險。本集團現時並無外幣對沖策略就重大外匯風險進行對沖。

## 資本結構

本集團之資本結構自二零零九年十二月三十一日以來並無重大變動。

## 資產抵押

於回顧年度，本集團並無抵押任何資產(於二零零九年：無)。

## Corporate Governance Report 企業管治報告

### CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions laid down in the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31st December, 2010 (the “Year Under Review”) except for disclosed below.

### BOARD OF DIRECTORS

Members of the Board of directors of the Company (the “Board”) are collectively responsible for overseeing the business and affairs of the Company and its subsidiaries (the “Group”) that aims to enhancing the Company’s value for stakeholders. Roles of the Board include reviewing and guiding corporate strategies and policies; monitoring financial and operating performance; ensuring the integrity of the Group’s accounting and financial reporting systems; and setting appropriate policies in managing risks of the Group.

The Board currently comprises a total of seven members including two executive directors, two non-executive directors and three independent non-executive directors (“INEDs”), whose details are set out on pages 17 to 21. Members of the Board have different professional and industry experiences and backgrounds so as to bring in valuable contributions and advices for the development of the Group’s business. More than one-third of the Board are INEDs and one of the INEDs has appropriate related financial management expertise as required under the Listing Rules.

Directors have full access to accurate, relevant and timely information of the Group through management and are able to obtain independent professional advices on issues whenever deemed necessary by the directors.

Regular meetings are held by the Board at least 4 times a year to discuss strategies and business issues, including financial performance of the Group, and additional meetings will be held when necessary. The Company has held regular board meetings in accordance with the Listing Rules and the CG Code and also the Memorandum and Articles of Association of the Company, formal notice and board meeting documents are also given in advance to all directors. During the Year Under Review, the Board held 4 regular meetings. Members of the Board can attend the meetings either in person or through electronic means of communication. A record of the directors’ attendance at regular Board meetings is set out on page 16.

### 企業管治常規守則

本公司於截至二零一零年十二月三十一日止年度內(「回顧年度」)，除下文提及，一直遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載企業管治常規守則(「守則」)所訂守則條文。

### 董事局

本公司董事局(「董事局」)成員共同監督本公司及其附屬公司(「本集團」)業務及事務，旨在提升本公司為股東帶來的價值。董事局職責包括檢討企業策略及政策並作出指引；監管財務及營運表現；確保本集團會計及財務申報制度充足完備；以及制訂合適政策管理本集團風險。

董事局現由合共七名成員組成，包括兩名執行董事、二名非執行董事及三名獨立非執行董事(「獨董」)，董事履歷詳情載於第17至21頁。董事局成員具備不同專業及行業經驗及背景，能為本集團業務發展做出寶貴貢獻及意見。董事局超過三分之一成員為獨立非執行董事，其中一名具有上市規則要求之合適有關財務管理專業經驗。

董事可透過管理層，全面取得本集團之準確、相關及最新資料，且可於彼等認為需要時取得獨立專業意見。

董事局每年舉行至少4次全體常規會議，以檢討(其中包括)本集團之財務及營運表現，並於有需要時召開額外會議。本公司已根據上市規則及守則及本公司之公司組織章程大綱及細則召開定期常規會議，及在開會前向全體董事發出正式通知及董事會文件。於回顧年度共舉行了4次董事局定期常規會議。董事局成員可親身或透過電子通訊方式出席。董事出席董事局定期常規會議之記錄載於第16頁。

## BOARD OF DIRECTORS (continued)

The roles of the Chairman and the Chief Executive Officer are segregated in order to reinforce their independence and accountability. Their respective responsibilities are clearly established and set out in writing. The Chairman leads the Board's workings and proceedings, while the Chief Executive Officer is responsible for implementing the Group's strategies and policies and for conducting the Group's businesses.

## CONFIRMATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules. Having made specific enquiry of all the directors, all the directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

## DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparing the financial statements of the Group. With the assistance of the accounting department, which is under the supervision of the management of the Company, the directors ensure that the financial statements of the Group have been properly prepared in accordance with statutory requirements and applicable accounting standards. The directors also ensure that the publication of the accounts of the Group is in a timely manner.

A report of the independent auditor on the Group's accounts is set out in this annual report.

## 董事局 (續)

主席及行政總裁之角色獨立區分以加強獨立性及問責性，而各自之職責已書面確立。主席領導董事局運作及程序，而行政總裁負責實行本集團策略及政策，以及進行本集團業務。

## 獨立非執行董事之確認書

本公司已接獲各獨董根據上市規則第3.13條就確認彼等之獨立性發出之年度確認書。本公司認為全體獨立非執行董事均為獨立人士。

## 董事進行證券交易的標準守則

本公司已就董事進行證券交易採納一套不寬鬆於上市規則附錄10所載上市公司董事進行證券交易的標準守則(「標準守則」)所規定標準的操守準則。向全體董事作出明確查詢後，全體董事確認彼等已遵守標準守則及本公司就董事進行證券交易所採納的操守準則所載標準規定。

## 董事對財務報表之責任

董事明瞭彼等編製本集團財務報表之責任。在由本公司管理層督導的會計部門協助下，董事確保本集團財務報表根據法定規定及適用會計準則妥為編製，並依時刊發本集團賬目。

本年報載有獨立核數師對本集團賬目之報告。

## Corporate Governance Report 企業管治報告 (continued 續)

### INTERNAL CONTROL AND INTERNAL AUDIT

The Board acknowledges its responsibility in maintaining sound and effective internal control system for the Group to safeguard investments of the shareholders and assets of the Company at all times.

The system of internal controls aims to help achieving the Group's business objectives, safeguarding assets and maintaining proper accounting records for provision of reliable financial information. However, the design of the system is to provide reasonable, but not absolute, assurance against material misstatement in the financial statements or loss of assets and to manage rather than eliminate risks of failure when business objectives are being sought.

Management has conducted regular reviews during the Year Under Review on the effectiveness of the internal control system covering all material controls in area of financial, operational and compliance controls, various functions for risks management as well as physical and information system security.

Procedures have been designed for the business objectives, safeguard asset against unauthorized use or disposition, ensure proper maintenance of books and records for the provision of reliable financial information for internal use or publication, and to ensure compliance with relevant legislations and regulations.

Internal Audit Department has conducted an on going independent review on the effectiveness of the system of internal control and risk management of the Group and considers it to be adequate and effective. Reports on the effectiveness of the Group's internal control on difference areas had been submitted to the Audit Committee. It is noted that there is no significant areas of concern which may affect the effectiveness of the internal control system.

Throughout the Year Under Review, the Board is satisfied that the Group has fully complied with the code provisions on internal control as set out in C.2.1 of the CG code.

### 內部監控及內部審計

董事局理解須負責為本集團維持穩健有效之內部監控制度，隨時保障股東投資及本公司資產。

內部監控制度旨在協助本集團達致業務目標、保障資產及恰當存管會計記錄以提供可靠財務數據。然而，有關制度只為防止財務報表出現重大陳述錯誤或資產損失提供合理而非絕對保證，並管理而非消除實現業務目標時面對之失敗風險。

管理層於回顧年度定期檢討內部監控制度之成效，涵蓋財務、營運及守章方面之所有重大監管、風險管理各項職能以至實質及信息系統保安。

本集團已就業務目標、保障資產遭非法挪用或處置、確保妥善存置賬簿及記錄以提供內部使用或刊發之可靠財務數據，以及確保遵循相關法例及法規制定多項程序。

內部審核部門持續獨立審閱本集團內部監控制度及風險管理之成效，並認為有關制度充足有效。有關本集團就不同範疇之內部監控成效所作出報告，已提呈審核委員會審理。務請注意，並無重大範疇或會影響內部監控系統之成效。

回顧年度內，董事局信納，本集團全面遵守企業管治守則第C.2.1條所載有關內部監控之守則條文。



## AUDITOR'S REMUNERATION

For the Year Under Review, the remuneration paid to the Company's auditor, Messrs Deloitte Touche Tohmatsu, is set out as follows:

Services rendered 所提供服務		Fees paid/payable 已付／應付酬金	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Audit services	審計服務	1,900	1,350
Non-audit services (i.e. Professional Service)	非審計服務(專業服務)	320	1,773
		<b>2,220</b>	<b>3,123</b>

## AUDIT COMMITTEE

The Company's Audit Committee was first established in December 2002 and its terms of reference are available on the Company's website.

The principal duties of the Audit Committee include reviewing the Group's financial reporting system, internal control procedures, risk management, assessing the adequacy of the human resources of the Group's accounting and finance department and maintaining good and independent communications with the management as well as external auditor of the Company. Its current members include:

Mr. Cheong Ying Chew Henry (*Chairman of the Audit Committee*)  
Mr. Chen Xinyang  
Mr. Cui Liguang  
Mr. Zhang Lei

Three out of four members of the Audit Committee are the INEDs of the Company. Mr. Cheong Ying Chew Henry has appropriate related financial management expertise as required under the Listing Rules. None of them is employed by or otherwise affiliated with former or existing auditor of the Company.

The Audit Committee held 2 meetings during the Year Under Review. The minutes of the Audit Committee meetings were tabled to the Board for noting and for action by the Board where appropriate. The attendance of each member is set out on Page 16.

During the Year Under Review, the Audit Committee reviewed the Group's interim and annual report for the year ended 31st December, 2010 and the accounting principles and practices adopted by the Group. The Audit Committee also reviewed the adequacy and effectiveness of the Company's internal control system and made recommendations to the Board.

## 核數師酬金

於回顧年度，應付本公司核數師德勤•關黃陳方會計師行之酬金載列如下：

## 審核委員會

本公司審核委員會於二零零二年十二月成立，其職權範圍載於本公司網頁。

審核委員會主要負責審閱本集團之財務報告制度、內部監控程序、風險管理，考慮本集團在會計及財務人力資源、資歷及經驗是否足夠，並與管理層及本公司外聘核數師保持良好以及獨立的溝通。現任成員包括：

張英潮先生(審核委員會主席)  
陳新陽先生  
崔利國先生  
張雷先生

審核委員會四名成員當中，有三名為本公司獨董。張英潮先生具備上市規則所規定適當的相關財務管理知識。彼等概無受僱於本公司前任或現任核數師，或以其他方式與其有聯繫。

審核委員會於回顧年度內舉行2次會議。審核委員會會議記錄已提呈董事局過目及採取適當行動。每名成員出席率載於第16頁。

回顧年度內，審核委員會已審閱本集團截至二零一零年十二月三十一日止年度之中期及年度報告與本集團所採納會計準則及慣例。審核委員會另審閱本公司內部監控制度是否充足有效，並向董事局提供推薦意見。



## Corporate Governance Report 企業管治報告 (continued 續)

### REMUNERATION COMMITTEE

The Company's Remuneration Committee was established in September 2005. Its current members include:

Mr. Han Ruiping (*Chairman of the Remuneration Committee*)  
Mr. Chen Xinyang  
Mr. Cheong Ying Chew Henry  
Mr. Cui Liguo  
Mr. Zhang Lei

Three out of five members of the remuneration committee are the INEDs of the Company. The terms of reference of the Remuneration Committee are available on the Company's website.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for the remuneration of directors and reviewing their specific remuneration package for directors and senior management, including terms of salary, discretionary bonus scheme, benefits in kind, pension rights, compensation payments and other long-term incentive schemes by reference to market conditions, performance of the Group and the individual and corporate goals and objectives as set by the Board from time to time.

The Remuneration Committee held 1 meeting during the Year Under Review. The minutes of the Remuneration Committee meeting were tabled to the Board for noting and for action by the Board where appropriate. The attendance of each member is set out on Page 16. During the meeting, the committee members discussed the policy for the remuneration of executive directors and senior management and assessed the performance of executives.

### SHAREHOLDERS' RIGHTS

The Board and management shall ensure shareholders' rights and all shareholders are treated equitably and fairly. Pursuant to the Company's bye-laws, any shareholder entitled to receive notice of and to attend and vote at a general meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. Shareholders who hold not less than one-tenth of the paid up capital of the Company shall have the right, by written requisition to the Board, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition.

Chairmen of the various Board committees, or failing the Chairmen, any member from the respective committees, must attend the annual general meetings of the Company to address shareholders' queries. External auditor shall also be invited to attend the Company's annual general meetings and are available to assist the Directors in addressing queries from shareholders relating to the conduct of the audit and the preparation and content of their auditor report. The Chairman of the Board did not attend the 2010 annual general meeting ("2010 AGM") due to his illness. The 2010 AGM was chaired by Executive Vice President.

### 薪酬委員會

本公司薪酬委員會於二零零五年九月成立，現任成員包括：

韓瑞平先生(薪酬委員會主席)  
陳新陽先生  
張英潮先生  
崔利國先生  
張雷先生

薪酬委員會五名成員當中，有三名為本公司獨董。薪酬委員會之職權範圍載於本公司網頁。

薪酬委員會之主要職責包括就本公司有關董事薪酬之政策及結構向董事局提出建議，並參照市場狀況、本集團及個人表現以及董事局不時制定之企業目標及定向後，檢討董事及高級管理層之具體薪酬待遇，包括薪酬條款、酌情花紅計劃、實物利益、退休權利、薪酬付款及其他長期獎勵計劃。

薪酬委員會於回顧年度內舉行一次會議。薪酬委員會會議記錄已提呈董事局過目及採取適當行動。每名成員出席率載於本報告第16頁。會上，委員會成員討論執行董事及高級管理層之薪酬政策及評估行政人員表現。

### 股東權利

董事局及管理層須保障股東權利，且全體股東均獲得公平公正的對待。根據本公司之公司細則，任何有權接獲出席本公司股東大會通告，出席大會並於會上表決之股東，有權委聘另一名人士作為彼之受委代表，代彼出席及表決。持有不少於本公司繳足股本十分之一的股東，有權書面要求董事局就該項要求所訂明任何事宜召開股東特別大會。

各董事委員會主席，或如主席未能出席，則相關委員會的任何成員，必須出席本公司的股東周年大會解答股東提問。外聘核數師亦獲邀出席本公司股東周年大會，從旁協助董事解答股東有關審核工作及核數師報告編製與內容之提問。董事局主席因抱恙未能出席2010年股東週年大會(2010股東會)。2010股東會由執行副總裁主持。

## INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company sees high quality reporting as an essential element in building successful relationship with the Company's shareholders. The information provided will not only comply with the different requirements in force but to provide additional information to enhancing communications with shareholders and the investment public. It is part of a continuous communication that encompasses meetings and announcements to the market as well as periodic written reports in the form of preliminary announcement of results and interim and annual reports.

The Company also maintains a corporate website on which comprehensive information of the Group is provided.

## 投資者關係及與股東溝通

本公司視良好報告制度為與本公司股東建立良好關係的關鍵。所提供數據除符合現行不同法律法規外，更可提供額外數據加強與股東及公眾投資者之溝通。本公司透過各項會議及市場公佈以及業績初步公佈與中期及年度報告等定期書面報告與股東及投資者持續溝通。

本公司亦設有公司網頁，提供本集團全面資訊。

## DIRECTORS' ATTENDANCE AT BOARD, AUDIT AND REMUNERATION COMMITTEES' MEETINGS

## 董事局、審核委員會及薪酬委員會會議之出席紀錄

		Board Meetings 董事局 常規會議	Audit Committee Meetings 審核委員會 會議	Remuneration Committee Meeting 薪酬委員會 會議
Total number of meetings held during the Year Under Review	回顧年度內舉行之會議總數	4	2	1
Number of meetings attended:	所出席會議次數：			
<b>Chairman and Non-executive Director</b>	<b>主席暨非執行董事</b>			
Mr. Qiu Jiangang	邱建剛先生	4(100%)	N/A 不適用	N/A 不適用
<b>Chief Executive Officer and Executive Director</b>	<b>行政總裁暨執行董事</b>			
Mr. Han Ruiping	韓瑞平先生	4(100%)	N/A 不適用	1(100%)
<b>Executive Vice President and Executive Director</b>	<b>執行副總裁暨執行董事</b>			
Mr. Xu Hongchao	許紅超先生	4(100%)	N/A 不適用	N/A 不適用
<b>Non-executive Director</b>	<b>非執行董事</b>			
Mr. Huang Mingang (resigned on 1st October, 2010)	黃敏剛先生(二零一零年十月一日辭任)	1(25%)	0(0%)	0(0%)
Mr. Chen Xinyang (appointed on 1st October, 2010)	陳新陽先生(二零一零年十月一日上任)	N/A 不適用	N/A 不適用	N/A 不適用
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>			
Mr. Cheong Ying Chew Henry	張英潮先生	4(100%)	2(100%)	1(100%)
Mr. Cui Ligu	崔利國先生	4(100%)	2(100%)	1(100%)
Mr. Zhang Lei	張雷先生	4(100%)	2(100%)	1(100%)

## Profiles of Directors and Senior Management 董事及高級管理層簡介

### BOARD OF DIRECTORS

#### Chairman and Non-executive Director

**Mr. Qiu Jiangang**, aged 56, currently serves as the deputy general manager of China National Nuclear Corporation (“CNNC”). Mr. Qiu joined CNNC in 1982 and had served as the director of the Overall Planning Department of CNNC and the assistant to the general manager of CNNC before his current position. Mr. Qiu has been the chairman of SUFA Technology Industrial Co., Ltd. CNNC (中核蘇閩科技實業股份有限公司) (stock code: 000777), a company listed on the Shenzhen Stock Exchange, since December 2005. Mr. Qiu has over 29 years of experience in the nuclear industry. Mr. Qiu graduated from Shanghai Jiao Tong University in 1982 with a bachelor degree in nuclear energy engineering.

#### Executive Directors

**Mr. Han Ruiping**, aged 48, currently serves as the Chief Executive Officer of the Company and a director of China Uranium Corporation Limited, CNNC Overseas Uranium Holding Limited (“CNNC Overseas”) and Société des Mines d’Azelik S.A.. Mr. Han joined CNNC in 1989 and had served as engineer, senior engineer of China National Nuclear Corporation (中國核工業總公司) (the predecessor of CNNC), deputy director of the Nuclear Fuel Department of CNNC and deputy director of the Planning Department of CNNC before his current position. Before joining CNNC, Mr. Han was a trainee researcher of China Institute of Atomic Energy (中國原子能科學研究院). Apart from serving CNNC, Mr. Han also served as the deputy commissioner of the Science and Technology Division of the Overall Planning Department of Commission of Science, Technology, and Industry for National Defense of the Peoples’ Republic of China (COSTIND) during 1998 to 1999 and a researcher of the Overall Planning Department of COSTIND during 1999 to 2004. Mr. Han has over 22 years of experience in the nuclear industry. Mr. Han graduated from Wuhan University in 1986 with a bachelor degree in Science. He also holds a master degree in management science and engineering from Harbin Engineering University.

### 董事局成員

#### 主席暨非執行董事

**邱建剛先生**，56歲，現任中國核工業集團公司(「中核集團」)副總經理。邱先生於一九八二年加入中核集團，擔任現職之前，彼曾任中核集團綜合計畫部主任及中核集團總經理助理。邱先生自二零零五年十二月起擔任深圳證券交易所上市公司中核蘇閩科技實業股份有限公司(證券代碼：000777)董事長。邱先生於核工業領域累積逾29年經驗。邱先生於一九八二年畢業於上海交通大學，獲核動力工程學士學位。

#### 執行董事

**韓瑞平先生**，48歲，現任本公司行政總裁，中國國核海外鈾業有限公司總經理，中核海外鈾業控股有限公司(「中核海外」)董事及Société des Mines d’Azelik S.A.公司的董事。韓先生於一九八九年加入中核集團，擔任現職之前，彼曾任中國核工業總公司(中核集團的前身)工程師、高級工程師、中核集團核燃料局副處長及中核集團計劃部副主任。加入中核集團前，韓先生為中國原子能科學研究院實習研究員。除於中核集團之任職外，韓先生亦於一九九八年至一九九九年期間擔任中華人民共和國國防科學技術工業委員會(國防科工委)綜合計畫司副處長，並於一九九九年至二零零四年期間擔任國防科工委綜合計劃司調研員。韓先生於核工業累積逾22年經驗。韓先生於一九八六年畢業於武漢大學，獲理學士學位，另獲哈爾濱工程大學管理科學與工程碩士學位。

## BOARD OF DIRECTORS (continued)

### Executive Directors (continued)

**Mr. Xu Hongchao**, aged 40, currently serves as the Executive Vice President of the Company, a director of CNNC Overseas and Société des Mines d’Azelik S.A.. Mr. Xu joined CNNC in 1993 and had served as the accountant of the finance department of China National Nuclear Corporation (中國核工業總公司) (the predecessor of CNNC), the deputy director of the Assets Management Division of the Investments Operations Department of CNNC, the director of the Overall Management Division of the Policy Research and System Reform Department of CNNC and the director of the Investment Division of the Assets Management Department of CNNC. Mr. Xu was a director of Sanmen Nuclear Power Co., Ltd. (三門核電有限公司) and SUFA Technology Industrial Co., Ltd. CNNC (中核蘇閩科技實業股份有限公司) (stock code: 000777), a company listed on the Shenzhen Stock Exchange. Mr. Xu has about 17 years of experience in the areas of project investment, assets management and securities investment. Mr. Xu graduated from Hengyang Engineering School in 1993 with a bachelor degree in industrial management engineering. He also holds a master degree in business administration from the Tsinghua University. Mr. Xu is also qualified as a senior accountant.

### Non-executive Director

**Mr. Chen Xinyang**, aged 61, was a director and general manager of China Nuclear Energy Industry Corporation (中國原子能工業公司) (“CNEIC”) until August 2010. Mr. Chen joined The Second Engineering Institute of Nuclear Industry (核工業第二研究設計院) (“SEINI”) as a technician in 1979 and was transferred to CNEIC in 1982. During his tenure in CNEIC, Mr. Chen had also served as economist, senior economist, deputy commissioner and commissioner. Mr. Chen was also a director of CNNC Finance Company, Ltd (中核財務有限責任公司) (“CNFC”) and is currently the director of Yenaut Industrial Co., Ltd (“YIC”). CNEIC, SEINI, CNFC and YIC are members of CNNC. Mr. Chen graduated from Tsinghua University in 1979 with a bachelor degree in engineering and physics.

## 董事局成員 (續)

### 執行董事 (續)

**許紅超先生**，40歲，現任本公司執行副總裁，中核海外董事及Société des Mines d’Azelik S.A.公司的董事。許先生於一九九三年加入中核集團，並擔任中國核工業總公司(中核集團的前身)財務局會計師、中核集團投資經營部資產經營處副處長、中核集團政研體改部綜合管理處處長以及中核集團資產經營部投資處處長。許先生曾任三門核電有限公司及深圳證券交易所上市公司中核蘇閩科技實業股份有限公司(證券代碼：000777)董事。許先生於專案投資、資產管理及證券投資方面累積約17年經驗。許先生於一九九三年畢業於衡陽工學院，獲工業管理工程學士學位，另獲清華大學工商管理碩士學位。許先生亦具有高級會計師職稱。

### 非執行董事

**陳新陽先生**，61歲，曾任中國原子能工業公司(「原子能」)總經理及董事直至二零一零年八月。陳先生於一九七九年加入核工業第二研究設計院(「核設計院」)任技術員。於一九八二年被派至原子能，期間曾任原子能之經濟師、高級經濟師、副處長、處長等職務。陳先生曾任中核財務有限責任公司(「中核財務」)董事及現任原能工業有限公司(「原能工業」)董事。原子能，核設計院，中核財務及原能工業是中核集團屬下之公司。陳先生於一九七九年畢業於清華大學，獲工程物理系學士學位。

## Profiles of Directors and Senior Management 董事及高級管理層簡介 (continued 續)

**BOARD OF DIRECTORS** (continued)**Independent Non-executive Directors**

**Mr. Cheong Ying Chew Henry**, aged 63, currently serves as an Executive Director & Deputy Chairman of Worldsec Limited, a company listed on the London Stock Exchange. Mr. Cheong also serves as an independent non-executive director of Cheung Kong (Holdings) Limited (stock code: 0001), Hutchison Telecommunications Hong Kong Holdings Limited (stock code: 215), New World Department Store China Limited (stock code: 825), SPG Land (Holdings) Limited (stock code: 337), Cheong Kong Infrastructure Holdings Limited (stock code: 1038), TOM Group Limited (stock code: 2383), all being companies listed on the Main Board of the Stock Exchange. He is also an independent non-executive director of Excel Technology International Holdings Limited (stock code: 8048), and Creative Energy Solutions Holdings Limited (stock code: 8109), all being companies listed on the GEM Board of the Stock Exchange. He is also an independent non-executive director of BTS Group Holdings Public Company Limited, a Company listed on The Stock Exchange of Thailand. Mr. Cheong has over 30 years of experience in securities industry. He is also a member of the Securities and Futures Appeals Tribunal, a member of the Advisory Committee of the Securities and Futures Commission and a member of the Disciplinary Panel A of Hong Kong Institute of Certified Public Accountants. Mr. Cheong holds a Bachelor of Science (mathematics) degree from Chelsea College, University of London and a Master of Science (Operational Research and Management) degree from Imperial College, University of London.

**Mr. Cui Ligu**, aged 41, is currently a partner of Guantao Law Firm, a law firm in Beijing, PRC. He has been practising law since 1993. Mr. Cui founded Guantos Law Firm in 1994. He has over 16 years of experience in legal sector. Mr. Cui is also an independent director of UBS SDIC Fund Management Co., Ltd. (國投瑞銀基金管理有限公司) an independent non-executive director of APT Satellite Holdings Limited (stock code: 01045), a company listed on the Main Board of the Stock Exchange, independent director of SDIC Xinji Energy Co., Ltd (國投新集能源股份有限公司) (stock code: 6019189), a company listed on the Shanghai Stock Exchange and an independent director of SUFA Technology Industry Co., Ltd. CNNC (中核蘇閩科技實業股份有限公司) (stock code: 000777), and Beijing NavInfo Co., Ltd. (北京四維圖新科技股份有限公司) (Stock code: 002405), both companies being listed on the Shenzhen Stock Exchange. He is also a member of the Finance & Securities Committee of All China Lawyers Association; a vice general secretary of the Chamber of Financial Street; and the legal counselor in the internal control group of securities issuing of Guodu Securities Limited and Bohai Securities Co., Ltd. Mr. Cui graduated from the China University of Political Science and Law with a bachelor degree in laws in 1991. He also holds a master degree in laws from the same university.

**Mr. Zhang Lei**, aged 41, currently serves as a deputy general manager of Beijing Fuchengmen sales department of Great Wall Securities Co., Ltd. (長城證券有限責任公司), a company Mr. Zhang joined since 1994. Mr. Zhang has over 17 years of experience in the securities industry. Mr. Zhang graduated from Renmin University of China in 1996, major in commercial and economic management. Mr. Zhang holds the qualification of settlement practitioner granted by Beijing Stock Exchange.

**董事局成員** (續)**獨立非執行董事**

**張英潮先生**，63歲，現任倫敦證券交易所上市公司Worldsec Limited執行董事及副主席。張先生亦擔任長江實業(集團)有限公司(股份代號：0001)、和記電訊香港控股有限公司(股份代號：215)、新世界百貨中國有限公司(股份代號：825)、盛高置地(控股)有限公司(股份代號：337)、長江基建集團有限公司(股份代號：1038)、TOM集團有限公司(股份代號：2383)(以上公司均為聯交所主板上市公司)之獨立非執行董事，以及聯交所創業板上市公司志鴻科技國際控股有限公司(股份代號：8048)和科瑞控股有限公司(股份代號：8109)之獨立非執行董事。張先生亦是於泰國證券交易所上市之BTS Group Holdings Public Company Limited之獨立非執行董事。張先生於證券行業累積逾30年經驗。現為證券及期貨事務上訴審裁處委員、證券及期貨事務監察委員會諮詢委員會委員及香港會計師公會紀律小組A成員。張先生持有倫敦大學Chelsea College的數學理學士學位及倫敦大學Imperial College的操作研究管理科學碩士學位。

**崔利國先生**，41歲，現任中國北京觀韜律師事務所合夥人，一九九三年起成為執業律師，於一九九四年，創辦北京觀韜律師事務所。崔先生在法律界擁有逾16年經驗。崔先生同時兼任國投瑞銀基金管理有限公司獨立董事、聯交所主板上市公司亞太衛星控股有限公司(股份代號：01045)獨立非執行董事、上海證券交易所上市公司國投新集能源股份有限公司(證券代碼：6019189)獨立董事及深圳證券交易所上市公司中核蘇閩科技實業股份有限公司(證券代碼：000777)獨立董事及北京四維圖新科技股份有限公司(證券代號：002405)獨立董事。彼為在中華全國律師會金融證券專業委員會委員，金融街商會副秘書長，國都證券有限公司，渤海證券有限公司證券發行內核小組法律專家。崔先生於一九九一年畢業於中國政法大學，獲法律學士學位，後於該學校獲法律碩士學位。

**張雷先生**，41歲，一九九四年加入長城證券有限責任公司，現任長城證券有限責任公司北京阜成門營業部副總經理。張先生在證券業務方面累積逾17年經驗。張先生於一九九六年畢業於中國人民大學商業經濟管理專業。張先生具有北京證券交易中心頒授的清算員資格。



## SENIOR MANAGEMENT

**Mr. Tsang Chiu Wai**, aged 60, is the Chief Operating Officer of the DieCasting Division of the Group. Mr. Tsang started to work in the metal working industry in Hong Kong in 1981. Mr. Tsang was a co-founder of the Group and joined the Group in 1993. He was an executive director and chairman of the Group. He resigned as an executive director and chairman of the Group in December 2008, but remains to serve in the Die Casting Division of the Group. He is responsible for the strategic planning and development of the Die Casting Division of the Group. Mr. Tsang graduated from the University of Hong Kong with a Bachelor of Science Degree in 1974. After completion of his Master of Business Administration Degree in the University of Windsor, Canada, in 1977, Mr. Tsang joined an international oil company in Hong Kong and gained valuable experience in corporate planning and finance. Mr. Tsang is a member of the North American Die Casting Association.

**Mr. Kong Cheuk Luen, Trevor**, aged 55, is the President of the Die Casting Division of the Group. Mr. Kong joined the Group in 2002 and was an executive director and chief executive officer of the Group. He resigned as an executive director and chief executive officer of the Group in December 2008, but remains to serve in the Die Casting Division of the Group. He is responsible for the overall management of the financial operation and business development functions of the Die Casting Division of the Group. Mr. Kong graduated from University of Saskatchewan, Canada in 1980 with a Bachelor of Commerce Degree. Before joining the Group, Mr. Kong was the General Manager of InfoChain Express division, an information technology business unit at Avery Dennison Corporation, a Fortune 500 US based company, and has over twenty-two years of manufacturing management experience. During his past years of experience, he had successfully deployed several key projects such as computerization of production system, certification of ISO 9001 qualify system, construction of new 150,000 square feet plant facility and restructuring of a world class manufacturing team. Mr. Kong is a member of the North American Die Casting Association.

## 高級管理層

**曾昭偉先生**，60歲，為本集團壓鑄業務部之營運總監。曾先生於一九八一年投身於香港金屬工程業，後於一九九三年加盟本集團，為本集團創辦人之一，曾任本集團執行董事兼主席。曾先生於二零零八年十二月辭任本集團執行董事兼主席，但繼續在本集團壓鑄業務部服務。彼負責本集團壓鑄業務部策略規劃及發展。彼於一九七四年畢業於香港大學，持有理學士學位。曾先生於一九七七年在加拿大的University of Windsor 完成其工商管理碩士學位課程後，便加入香港一家國際石油公司工作，於企業策劃及財務方面取得寶貴的經驗。彼亦為North American Die Casting Association的會員。

**江爵媛先生**，55歲，為本集團壓鑄業務部之總裁。江先生於二零零二年加入本集團，曾任本集團執行董事兼行政總裁。江先生於二零零八年十二月辭任本集團執行董事兼行政總裁，但繼續在本集團壓鑄業務部服務。彼負責本集團壓鑄業務部之財務營運及業務發展的整體管理。江先生於一九八零年在加拿大的University of Saskatchewan 畢業，持有商業學士學位。加入本集團前，彼為InfoChain Express部門總經理，於製造管理方面累積逾二十二年的經驗，該部門乃Avery Dennison Corporation（一家名列於財富雜誌首500位的美國公司）的資訊科技業務單位。彼於以往多年的經驗中，曾成功展開多個主要項目，例如生產系統電腦化、ISO9001品質系統認證、興建150,000平方呎的新廠房設施及重組世界級的製造隊伍。彼亦為North American Die Casting Association的會員。

## Profiles of Directors and Senior Management 董事及高級管理層簡介 (continued 續)

### SENIOR MANAGEMENT (continued)

**Mr. Li Philip Sau Yan**, aged 52, is the Company Secretary and Financial Controller of the Company. Prior to joining the Company in November 2008, he had over 28 years of experience in auditing, accounting and financial management. Mr. Li is an associate member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Li is a graduate of Imperial College of the University of London and holds a Bachelor of Science degree.

### 高級管理層 (續)

**李守仁先生**，52歲，為本公司秘書及財務總監。李先生於二零零八年十一月加入本公司前，已擁有愈28年有關核數、會計及財務管理經驗。李先生為英格蘭及威爾斯特許會計師公會會員及香港會計師公會資深會員。李先生畢業於英國倫敦大學Imperial College，取得科學學士學位。



## Directors' Report 董事局報告書

The directors present their annual report and the audited consolidated financial statements for the year ended 31st December, 2010.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of the Company's principal subsidiaries, an associate and a jointly controlled entity are set out in notes 39, 15 and 16 to the consolidated financial statements.

During the year, the Group acquired 37.2% equity interest in Société des Mines d'Azelik S.A. ("SOMINA") from its immediate holding company through the acquisition of a subsidiary known as Ideal Mining Limited ("Ideal Mining").

### RESULTS

The results of the Group for the year ended 31st December, 2010 are set out in the consolidated statement of comprehensive income on page 30.

The directors do not recommend the payment of any dividend for the year.

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in note 12 to the consolidated financial statements.

### SHARE CAPITAL

Details of the Company's share capital are set out in note 27 to the consolidated financial statements. There was no movement in the Company's share capital during the year.

### DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31st December, 2010, the Company's reserves available for distribution amounted to approximately HK\$816,492,000 (2009: HK\$812,257,000).

董事局提呈其截至二零一零年十二月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司為一間投資控股公司，其主要附屬公司、聯營公司及共同控制實體之業務載於綜合財務報表附註39、15及16。

年內，本集團透過從直接控股公司收購一所附屬公司名為理想礦業有限公司（「理想礦業」），收購Société des Mines d'Azelik S.A.（「SOMINA」）之37.2%的權益。

### 業績

本集團截至二零一零年十二月三十一日止年度之業績載於第30頁的綜合全面收益表。

董事局不建議派付年度之股息。

### 物業、廠房及設備

本集團年內在有關物業、廠房及設備之變動詳情載於綜合財務報表附註12。

### 股本

本公司股本之詳情載於綜合財務報表附註27。在年內，本公司並無變動。

### 本公司之可供分派儲備

本公司於二零一零年十二月三十一日，可供分派予股東之儲備金額約港幣816,492,000元（二零零九年：港幣812,257,000元）。

## Directors' Report 董事局報告書 (continued 續)

### DIRECTORS

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

#### Chairman and non-executive director

Mr. Qiu Jiangang

#### Executive directors

Mr. Han Ruiping

Mr. Xu Hongchao

#### Non-executive director

Mr. Chen Xinyang (appointed on 1st October, 2010)

Mr. Huang Mingang (resigned on 1st October, 2010)

#### Independent non-executive directors

Mr. Cheong Ying Chew Henry

Mr. Cui Ligu

Mr. Zhang Lei

In accordance with Article 112 of the Company's Articles of Association, Mr. Qiu Jiangang, Mr. Chen Xinyang and Mr. Cui Ligu will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Each of the current executive directors and independent non-executive directors had entered into a service contract with the Company for an initial term of three years commencing 5th November, 2008 which shall continue thereafter until terminated by either party giving to the other party not less than three months prior written notice.

The term of office of each of the non-executive directors is the period from his appointment to the time of retirement by rotation in accordance with the Company's Articles of Association.

### 董事

以下為本公司於年內及直至本報告日之董事：

#### 主席暨非執行董事

邱建剛先生

#### 執行董事

韓瑞平先生

許紅超先生

#### 非執行董事

陳新陽先生(二零一零年十月一日上任)

黃敏剛先生(二零一零年十月一日辭任)

#### 獨立非執行董事

張英潮先生

崔利國先生

張雷先生

根據本公司之公司組織章程細則第112條，邱建剛先生，陳新陽先生及崔利國先生將於即將舉行之股東周年大會輪值退任，惟彼等符合資格並願重選連任。

各在任執行董事及獨立非執行董事與本公司訂有服務合約，年期由二零零八年十一月五日起計初步為期三年，其後將會繼續有效，直至其中一方向另一方發出不少於三個月的事先書面通知為止。

各在任非執行董事的任期為由其委任日期起直至本公司之公司組織章程細則訂明的輪值退任時間為止。

### SERVICE CONTRACTS OF DIRECTORS

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31st December, 2010, none of the directors nor their associates had any shares or underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

### SHARE OPTIONS

Particulars of the Company's share option scheme (the "Scheme") are set out in note 30 to the consolidated financial statements. No share option has been granted under the Scheme since its adoption.

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than as disclosed under the section headed "SHARE OPTIONS" above, at no time during the year was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company or any of its holding companies, subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### 董事服務合約

概無董事與本公司或其任何附屬公司訂立任何本集團若不給予補償(法定補償除外)則於一年內不可終止之服務合約。

### 董事於股份及相關股份之權益

於二零一零年十二月三十一日，未有董事及彼等之聯繫人士於本公司及其相聯法團之股份或相關股份中，擁有本公司根據證券及期貨條例(「證券及期貨條例」)第352條規定存置之登記冊所記錄之權益，或根據上市公司董事進行證券交易的標準守則已知會本公司及香港聯合交易所有限公司(「聯交所」)的權益。

### 購股權

本公司購股權計劃(「計劃」)的詳情載於綜合財務報表附註30。自採納計劃以來，並無根據計劃授出購股權。

### 購入股份或債券之安排

除上文「購股權」一節已披露者外，本公司或其任何控股公司，附屬公司或同系附屬公司於回顧年度任何時間概無訂立任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而取得利益。

### 董事擁有重大合約之權益

本公司或其任何控股公司、附屬公司或同系附屬公司概無訂立本公司董事直接或間接擁有重大權益而於回顧年度結日時或回顧年度內任何時間仍然有效之重大合約。

## Directors' Report 董事局報告書 (continued 續)

**SUBSTANTIAL SHAREHOLDERS**

At 31st December, 2010, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company.

**Long positions**

Ordinary shares of HK\$0.01 each of the Company

**主要股東**

於二零一零年十二月三十一日，按照本公司根據證券及期貨條例第336條規定存置之主要股東登記冊所披露，以下股東已知會本公司彼等擁有本公司已發行股本之相關權益及淡倉。

**好倉**

本公司每股面值港幣0.01元之普通股

Name of shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
股東姓名	身份	所持已發行普通股數目	佔本公司已發行股本百分比
CNNC Overseas Uranium Holding Limited ("CNNC Overseas") (note)	Corporate interest	266,372,273	62.07%
中核海外鈾業控股有限公司(「中核海外」)(附註)	公司權益		
China Uranium Corporation Limited ("CUC") (note)	Corporate interest	266,372,273	62.07%
中國國核海外鈾業有限公司(「國核鈾」)(附註)	公司權益		
China National Nuclear Corporation ("CNNC") (note)	Corporate interest	266,372,273	62.07%
中國核工業集團公司(「中核集團」)(附註)	公司權益		

Note: CNNC Overseas is the immediate holding company of the Company, which is wholly owned by CUC, whereas CUC is wholly owned by CNNC.

附註：中核海外為本公司直接控股股東，其為國核鈾全資附屬公司。國核鈾為中核集團全資附屬公司。

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31st December, 2010.

除上文已披露者外，於二零一零年十二月三十一日，本公司並不知悉本公司已發行股本有任何其他相關權益或淡倉。

## PURCHASE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares.

## CONNECTED TRANSACTIONS

On 23rd January, 2010, a directly wholly-owned subsidiary of the Company and CNNC Overseas entered into a sale and purchase agreement pursuant to which CNNC Overseas agreed to sell its entire 100% equity interest in Ideal Mining, an investment holding company incorporated in British Virgin Islands, to the Group at a consideration to be satisfied through issuance of a convertible notes to CNNC Overseas with a principal amount of US\$53,281,853. Details of which are set out in notes 24 and 29 to the consolidated financial statements, respectively.

Mr. Tsang Chiu Wai ("Mr. Tsang") and Mr. Kong Cheuk Luen Trevor ("Mr. Kong"), former directors and existing shareholders of the Company, compensated the Company of approximately HK\$30,748,000 in relation to a guaranteed sum. Details of which are set out in note 20 to the consolidated financial statements, respectively.

## APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing Securities on the Stock Exchange (the "Listing Rules"). The Company considers all of the independent non-executive directors are independent.

## EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of which are set out in note 30 to the consolidated financial statements.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## 購買或贖回本公司上市股份

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

## 關連交易

於二零一零年一月二十三日，公司的一間直接全資附屬公司與中核海外訂立買賣協議，據此，中核海外同意出售其於理想礦業，一所在英屬維爾京群島註冊成立的投資控股公司，全部已發行股本給本集團，代價以本公司發行給中核海外本金53,281,853美元的可轉股票據。詳情披露於綜合財務報表附註24及29。

本公司前任董事及現有股東曾昭偉先生及江爵媛先生於一個保證款項，賠償本公司約港幣30,748,000元。詳情披露於綜合財務報表附註20。

## 獨立非執行董事之委任

本公司已接獲各獨立非執行董事根據香港聯合交易所有限公司證券上市規則（「上市規則」）第3.13條就確認彼等之獨立性發出之年度確認書。本公司認為全體獨立非執行董事均為獨立人士。

## 薪酬政策

薪酬委員會按僱員之長處、資格及能力釐定本集團僱員之薪酬政策。

薪酬委員會按本公司經營業績、個人表現及可比較市場數據釐定本公司董事之酬金。

本公司已採納購股權計劃，作為董事及合資格僱員之獎勵，計劃詳情載於綜合財務報表附註30。

## 優先購買權

本公司之公司組織章程細則或開曼群島法律均無任何關於優先購買權之規定，致使本公司有責任向現有股東按比例發售新股。

## Directors' Report 董事局報告書 (continued 續)

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year.

### AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as the auditor of the Company.

On behalf of the Board

**Qiu Jiangan**  
Chairman

Hong Kong, 31st March, 2011

### 充足公眾持股量

本公司於年內一直維持充足公眾持股量。

### 核數師

本公司將於股東周年大會提呈續聘德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事局



**邱建剛**  
主席

香港，二零一一年三月三十一日

# Deloitte.

## 德勤

**TO THE SHAREHOLDERS OF CNNC INTERNATIONAL LIMITED**  
*(incorporated in the Cayman Islands with limited liability)*

We have audited the consolidated financial statements of CNNC International Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 30 to 95 which comprise the consolidated statement of financial position as at 31st December, 2010 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

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

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

**致中核國際有限公司**  
*(於開曼群島註冊成立之有限公司)*  
**各股東**

本核數師行已審核載於第30至95頁內中核國際有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一零年十二月三十一日之綜合財務狀況表，以及截至該日止年度之綜合全面收益表、綜合資本變動表及綜合現金流量表，連同主要會計政策概要及其他解釋附註。

### **董事就綜合財務報表須承擔的責任**

貴公司董事須負責按照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製及真實公平地呈列此等綜合財務報表。有關責任包括制訂、實施及維持有關編製及真實公平地呈列綜合財務報表之內部監控制度，確保此等綜合財務報表並不存在由於欺詐或錯誤而導致的重大錯誤陳述；選定及採用適當會計政策；以及作出在相關情況下屬合理之會計估計。

### **核數師的責任**

本核數師行之責任乃根據協定之委聘條款按審核工作之結果，對此等綜合財務報表發表意見，並僅向全體股東報告，不作其他用途。本核數師行概不就本報告的內容向任何其他人士承擔或負上任何責任。本核數師行乃按照香港會計師公會頒佈之香港核數準則進行審核工作。該等準則規定本核數師行須遵從道德操守，並計劃及進行審核工作，以合理保證此綜合財務報表是否不存有重大錯誤陳述。



## Independent Auditor's Report 獨立核數師報告書 (continued 續)

### AUDITORS' RESPONSIBILITY (continued)

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

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

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st December, 2010, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**Deloitte Touche Tohmatsu**  
Certified Public Accountants

Hong Kong  
31st March, 2011

### 核數師的責任 (續)

審核範圍包括執行情序以取得有關綜合財務報表所載數額及披露事項之審核憑證。所選定程序倚賴核數師之判斷，包括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之風險。於作出該等風險評估時，核數師考慮與實體編製及真實公平地呈列綜合財務報表有關之內部監控制度，以制訂適合相關情況之審核程序，但並非旨在就實體內部監控制度是否有效發表意見。審核範圍亦包括評估所採用會計政策是否恰當及 貴公司董事所作出會計估計是否合理，以及評估綜合財務報表整體上之呈列方式。

本核數師行相信，本核數師行已取得充分及恰當的審核憑證，以為審核意見提供基準。

### 意見

本核數師行認為，有關綜合財務報表按照香港財務報告準則真實公平地反映 貴集團於二零一零年十二月三十一日的狀況及 貴集團截至該日止年度的虧損和現金流量，並已按照香港公司條例之披露規定適當編製。

**德勤•關黃陳方會計師行**  
執業會計師

香港  
二零一一年三月三十一日

## Consolidated Statement of Comprehensive Income 綜合全面收益表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

			2010	2009
			二零一零年	二零零九年
			HK\$'000	HK\$'000
			港幣千元	港幣千元
		NOTES 附註		
Revenue	收益	5	168,048	136,571
Cost of sales	銷售成本		(149,228)	(132,928)
Gross profit	毛利		18,820	3,643
Other income and gains	其他收入及收益	6	12,323	6,709
Selling and distribution expenses	銷售及分銷開支		(5,088)	(5,396)
Administrative and other expenses	行政及其他開支		(43,608)	(37,038)
Share of loss of an associate	應佔聯營公司之虧損	15	(8,937)	—
Finance costs	融資成本	7	(36,366)	(9,573)
Loss before taxation	除稅前虧損	9	(62,856)	(41,655)
Income tax credit	所得稅抵免	10	7,777	1,265
Loss for the year	年內虧損		(55,079)	(40,390)
<b>Other comprehensive income</b>	<b>其他全面收入</b>			
Exchange difference arising on translation to presentation currency	換算呈報貨幣產生之匯兌差額		6,216	1,237
Total comprehensive expense for the year, attributable to owners of the Company	本公司擁有人，應佔年內全面開支總額		(48,863)	(39,153)
Basic and diluted loss per share	每股基本及攤薄虧損	11	(HK12.8 cents 港仙)	(HK10.1 cents 港仙)

## Consolidated Statement of Financial Position 綜合財務狀況表

At 31st December, 2010 於二零一零年十二月三十一日

			2010	2009
			二零一零年	二零零九年
			HK\$'000	HK\$'000
			港幣千元	港幣千元
	NOTES			
	附註			
<b>Non-current assets</b>		<b>非流動資產</b>		
Property, plant and equipment	12	物業、廠房及設備	107,855	143,557
Exploration and evaluation assets	13	勘探及評估資產	184,598	165,568
Prepaid lease payments	14	預付租賃款項	—	5,887
Interest in an associate	15	於聯營公司之權益	455,142	—
Deposits paid on acquisition of property, plant and equipment	17	收購物業、廠房及設備已付之訂金	875	519
			748,470	315,531
<b>Current assets</b>		<b>流動資產</b>		
Inventories	18	存貨	309,232	24,002
Trade and other receivables and prepayments	19	應收貿易賬款及其他應收款項以及預付款項	44,778	47,304
Prepaid lease payments	14	預付租賃款項	—	133
Amounts due from shareholders	20	應收股東款項	30,748	—
Investments held for trading	21	持作買賣投資	367	322
Bank balances and cash	22	銀行結餘及現金	306,797	607,626
			691,922	679,387
Assets classified as held for sale	12	持作出售資產	31,891	—
			723,813	679,387
<b>Current liabilities</b>		<b>流動負債</b>		
Trade and other payables and accruals	23	應付貿易賬款及其他應付款項以及應計欠款	33,669	28,371
Taxation payable		應付稅項	181	46
Convertible notes	24	可換股票據	99,338	—
Unsecured bank loan	25	無抵押銀行貸款	16,000	16,000
			149,188	44,417
<b>Net current assets</b>		<b>流動資產淨值</b>	<b>574,625</b>	<b>634,970</b>
<b>Total assets less current liabilities</b>		<b>總資產減流動負債</b>	<b>1,323,095</b>	<b>950,501</b>
<b>Non-current liabilities</b>		<b>非流動負債</b>		
Convertible notes	24	可換股票據	365,819	90,279
Deferred tax liabilities	26	遞延稅項負債	6,437	2,627
			372,256	92,906
<b>Net assets</b>		<b>資產淨值</b>	<b>950,839</b>	<b>857,595</b>
<b>Capital and reserves</b>		<b>股本及儲備</b>		
Share capital	27	股本	4,292	4,292
Reserves	28	儲備	946,547	853,303
Equity attributable to owners of the Company		本公司擁有人應佔權益	950,839	857,595

The consolidated financial statements on pages 30 to 95 were approved and authorised for issue by the Board of directors on 31st March, 2011 and are signed on its behalf by:

**Han Ruiping**  
韓瑞平

DIRECTOR  
董事

第30至95頁之綜合財務報表已於二零一一年三月三十一日經由董事局批准及授權發出，並由下列董事代表董事局簽署：

**Xu Hongchao**  
許紅超

DIRECTOR  
董事

## Consolidated Statement of Changes In Equity 綜合資本變動表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

		Attributable to owners of the Company											
		本公司擁有人應佔											
		Share capital	Share premium	Capital reserve	Non-distributable reserve	Merger reserve	General reserve fund	Convertible notes equity reserves	Translation reserve	Accumulated profits	Total	Non-controlling interests	Total
		股本	股份溢價	股本儲備	不可分派儲備	合併儲備	一般儲備基金	可換股票據股本儲備	匯兌儲備	累計溢利	合共	非控股股東權益	合共
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Note 27)			(Note 28)	(Note 28)	(Note 28)						
		(附註27)			(附註28)	(附註28)	(附註28)						
At 1st January, 2009	於二零零九年一月一日	3,792	316,227	—	16,584	127	7,206	20,370	5,992	99,342	469,640	—	469,640
Loss for the year	年內虧損	—	—	—	—	—	—	—	—	(40,390)	(40,390)	—	(40,390)
Exchange differences arising on translation to presentation currency	換算呈報貨幣產生之匯兌差額	—	—	—	—	—	—	—	1,237	—	1,237	—	1,237
Total comprehensive income (expense) for the year	年內全面收入(開支)總額	—	—	—	—	—	—	—	1,237	(40,390)	(39,153)	—	(39,153)
Issue of new shares	發行新股	500	438,500	—	—	—	—	—	—	—	439,000	—	439,000
Share issue expenses	發行股份開支	—	(11,892)	—	—	—	—	—	—	—	(11,892)	—	(11,892)
Acquisition of subsidiaries (Note 29)	收購附屬公司(附註29)	—	—	—	—	—	—	—	—	—	—	63,071	63,071
Acquisition of additional interests in subsidiaries (Note 29)	增購附屬公司權益(附註29)	—	—	—	—	—	—	—	—	—	—	(63,071)	(63,071)
At 31st December, 2009	於二零零九年十二月三十一日	4,292	742,835	—	16,584	127	7,206	20,370	7,229	58,952	857,595	—	857,595
Loss for the year	年內虧損	—	—	—	—	—	—	—	—	(55,079)	(55,079)	—	(55,079)
Exchange differences arising on translation to presentation currency	換算呈報貨幣產生之匯兌差額	—	—	—	—	—	—	—	6,216	—	6,216	—	6,216
Total comprehensive income (expense) for the year	年內全面收入(開支)總額	—	—	—	—	—	—	—	6,216	(55,079)	(48,863)	—	(48,863)
Deemed contribution from equity participants arising on acquisition of a subsidiary (Note 29)	因收購附屬公司所產生的股權擁有人被視為的貢獻(附註29)	—	—	50,723	—	—	—	—	—	—	50,723	—	50,723
Deemed contribution from equity participants in respect of the shortfall of the guaranteed net assets value of certain subsidiaries (Note 20)	關於該子公司之保證資產淨值的差額所產生的股權擁有人被視為的貢獻(附註20)	—	—	30,748	—	—	—	—	—	—	30,748	—	30,748
Recognition of equity component of a convertible note (Note 24)	確認可換股票據股本部分(附註24)	—	—	—	—	—	—	72,619	—	—	72,619	—	72,619
Deferred tax liability on recognition of equity component of a convertible note	確認可換股票據股本部分所產生的遞延稅項	—	—	—	—	—	—	(11,983)	—	—	(11,983)	—	(11,983)
At 31st December, 2010	於二零一零年十二月三十一日	4,292	742,835	81,471	16,584	127	7,206	81,006	13,445	3,873	950,839	—	950,839

## Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

	NOTES 附註	2010	2009
		二零一零年 HK\$'000 港幣千元	二零零九年 HK\$'000 港幣千元 (Restated) (重列)
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Loss before taxation	除稅前虧損	(62,856)	(41,655)
Adjustments for:	經調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	16,622	16,396
Dividend income	股息收入	(8)	(7)
Finance costs	融資成本	36,366	9,573
Gain on fair value changes of investments held for trading	持作買賣投資之公平價值變動之收益	(45)	(115)
Interest income	利息收入	(2,540)	(790)
Share of loss of an associate	應佔聯營公司之虧損	8,937	—
Loss on write-off of property, plant and equipment	撤銷物業、廠房及設備之虧損	—	296
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(3,524)	(16,302)
(Increase) decrease in inventories	存貨(增加)減少	(283,702)	15,445
Decrease in trade and other receivables and prepayments	應收貿易賬款及其他應收款項以及預付款項減少	2,019	7,721
Increase (decrease) in trade and other payables and accruals	應付貿易賬款及其他應付款項以及應計欠款增加(減少)	6,629	(18,968)
Cash used in operations	經營業務所用之現金	(278,578)	(12,104)
Taxation in other jurisdictions paid	繳付其他司法權區稅項	(255)	(102)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>用作經營業務之現金淨額</b>	<b>(278,833)</b>	<b>(12,206)</b>
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	(14,423)	(1,919)
Additions of exploration and evaluation assets	添置勘探及評估資產	(7,595)	(8,193)
Interest received	已收利息	2,540	790
Dividends received	已收股息	8	7
Acquisition of subsidiaries	收購附屬公司	29	(132,499)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>用作投資活動之現金淨額</b>	<b>(19,470)</b>	<b>(141,814)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Interest paid	已付利息	(2,225)	(2,578)
Acquisition of additional interests in subsidiaries	增購附屬公司權益	29	(63,071)
Proceed from issue of new shares	發行新股所得款項	—	439,000
Share issue expenses	發行股份開支	—	(11,892)
<b>NET CASH (USED IN) FROM FINANCING ACTIVITIES</b>	<b>(用作)來自融資活動之現金淨額</b>	<b>(2,225)</b>	<b>361,459</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物(減少)增加淨額</b>	<b>(300,528)</b>	<b>207,439</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>承前現金及現金等價物</b>	<b>607,626</b>	<b>400,150</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>外匯匯率變動之影響</b>	<b>(301)</b>	<b>37</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD, represented by bank balances and cash</b>	<b>現金及現金等價物結轉，由銀行結餘及現金組成</b>	<b>306,797</b>	<b>607,626</b>

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

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

## 1. GENERAL

CNNC International Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands and its shares have been listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company’s immediate holding company is CNNC Overseas Uranium Holding Limited (“CNNC Overseas”), a company incorporated in Hong Kong with limited liability. In the opinion of the directors of the Company, the Company’s intermediate holding company and ultimate holding company is China Uranium Corporation Limited and 中國核工業集團公司 (China National Nuclear Corporation “CNNC”), a state-controlled entity in the People’s Republic of China (the “PRC”), respectively.

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 functional currency of the Company is United States dollars (“US\$”). The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) for the convenience of the shareholders, as the Company is listed in Hong Kong.

The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are manufacture and distribution of die casting parts, and exploration and trading of mineral properties.

## 1. 一般資料

中核國際有限公司(「本公司」)根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。

本公司的母公司為於香港註冊成立的有限公司中核海外鈾業控股有限公司(「中核海外」)。本公司董事認為，本公司之中介控股公司及最終控股公司分別為中國國核海外鈾業有限公司及中國核工業集團公司(「中核集團」)。中核集團為中華人民共和國(「中國」)政府擁有的實體。

本公司之註冊辦事處及主要營業地點於年報「公司資料」一節披露。

本公司之功能貨幣為美元(「美元」)。由於本公司於香港上市，所以為方便股東，綜合財務報表以港幣(「港幣」)列值。

本公司及其附屬公司(下文統稱「本集團」)之主要業務為製造及分銷壓鑄部件和勘探及經營礦產物業。



## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**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 standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (as revised in 2008)	Business Combinations
HKAS 27 (as revised in 2008)	Consolidated and Separate Financial Statements
HKAS 39 (Amendments)	Eligible Hedged Items
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009
HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008
HK(IFRIC) — Int 17	Distributions of Non-cash Assets to Owners
HK — Int 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

Except as described below, the application of the new and revised standards, amendments and interpretations in the current year has had no material effect on the consolidated financial statements.

**Amendments to HKAS 7 Statement of Cash Flows (as part of Improvements to HKFRSs issued in 2009)**

The amendments to HKAS 7 specify that cash flows arising from changes in ownership interests in a subsidiary that do not result in a loss of control, such as the subsequent purchase or sale by a parent of a subsidiary’s equity instruments, shall be classified as cash flows from financing activities. Accordingly, acquisition of additional interests in a subsidiary of HK\$63,071,000 paid in 2009 has been reclassified from investing to financing activities in the consolidated statement of cash flows.

**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，本集團已應用以下由香港會計師公會(「香港會計師公會」)頒佈之下列新訂及經修訂準則、修訂本及詮釋。

香港財務報告準則第2號(修訂本)	集團以現金結算股份為基礎之付款交易
香港財務報告準則第3號(二零零八年經修訂)	業務合併
香港會計準則第27號(二零零八年經修訂)	綜合及獨立財務報表
香港會計準則第39號(修訂本)	合資格對沖項目
香港財務報告準則(修訂本)	二零零九年所頒佈香港財務報告準則之改進
香港財務報告準則(修訂本)	香港財務報告準則第5號之修訂本作為二零零八年所頒佈香港財務報告準則之改進之一部分
香港(國際財務報告詮釋委員會) — 詮釋第17號	向擁有人分派非現金資產
香港 — 詮釋第5號	財務報表之呈報 — 借款人對包含可隨時要求償還條文之定期貸款所作分類

除下文所述外，於本年度應用新訂及經修訂準則、修訂本及詮釋對綜合財務報表並無重大影響。

**香港會計準則第7號「現金流量表」之修訂本(作為二零零九年所頒佈香港財務報告準則之改進之一部份)**

香港會計準則第7號之修訂本指明，倘若因於附屬公司之擁有權權益變動而產生之現金流量並不會導致失去控制權(如其後購買或由母公司出售附屬公司之股本工具)，則將被分類為自融資活動之現金流量。因此，於二零零九年就收購一家附屬公司之額外權益已支付之63,071,000港元，已於綜合現金流量表內由投資重新分類為融資活動。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

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

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

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010 <sup>1</sup>
HKFRS 7 (Amendments)	Disclosures — Transfers of Financial Assets <sup>3</sup>
HKFRS 9	Financial Instruments <sup>4</sup>
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets <sup>5</sup>
HKAS 24 (Revised)	Related Party Disclosures <sup>6</sup>
HKAS 32 (Amendments)	Classification of Rights Issues <sup>7</sup>
HK(IFRIC) — Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement <sup>6</sup>
HK(IFRIC) — Int 19	Extinguishing Financial Liabilities with Equity Instruments <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1st July, 2010 and 1st January, 2011, as appropriate.

<sup>2</sup> Effective for annual periods beginning on or after 1st July, 2010.

<sup>3</sup> Effective for annual periods beginning on or after 1st July, 2011.

<sup>4</sup> Effective for annual periods beginning on or after 1st January, 2013.

<sup>5</sup> Effective for annual periods beginning on or after 1st January, 2012.

<sup>6</sup> Effective for annual periods beginning on or after 1st January, 2011.

<sup>7</sup> Effective for annual periods beginning on or after 1st February, 2010.

HKFRS 9 “Financial Instruments” (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 “Financial Instruments” (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

(續)

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂準則及詮釋：

香港財務報告準則(修訂本)	二零一零年所頒佈香港財務報告準則之改進 <sup>1</sup>
香港財務報告準則第7號(修訂本)	披露 — 轉移金融資產 <sup>3</sup>
香港財務報告準則第9號	金融工具 <sup>4</sup>
香港會計準則第12號(修訂本)	遞延稅項： 收回相關資產 <sup>5</sup>
香港會計準則第24號(經修訂)	有關連人士披露 <sup>6</sup>
香港會計準則第32號(修訂本)	供股分類 <sup>7</sup>
香港(國際財務報告詮釋委員會) — 詮釋第14號(修訂本)	最低資本規定之預付款項 <sup>6</sup>
香港(國際財務報告詮釋委員會) — 詮釋第19號	以股本工具清償金融負債 <sup>2</sup>

<sup>1</sup> 於二零一零年七月一日及二零一一年一月一日(按適用情況而定)或之後開始之年度期間生效。

<sup>2</sup> 於二零一零年七月一日或之後開始之年度期間生效。

<sup>3</sup> 於二零一一年七月一日或之後開始之年度期間生效。

<sup>4</sup> 於二零一三年一月一日或之後開始之年度期間生效。

<sup>5</sup> 於二零一二年一月一日或之後開始之年度期間生效。

<sup>6</sup> 於二零一一年一月一日或之後開始之年度期間生效。

<sup>7</sup> 於二零一零年二月一日或之後開始之年度期間生效。

香港財務報告準則第9號「金融工具」(二零零九年十一月頒佈)就金融資產之分類及計量引入新規定。香港財務報告準則第9號「金融工具」(二零一零年十一月經修訂)加入有關金融負債及取消確認之規定。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

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

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 “Financial Instruments: Recognition and Measurement” are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, 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 presentation 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 attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1st January, 2013, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group’s consolidated financial statements for financial year ending 31st December, 2013. Based on the Group’s financial assets and financial liabilities as at 31st December, 2010, the directors anticipate that the application of the new Standard is not expected to have material impact on the amounts reported in respect of the Groups’ 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)

根據香港財務報告準則第9號，所有屬於香港會計準則第39號「金融工具：確認及計量」範疇內之已確認金融資產隨後將按攤銷成本或公平值計量。具體而言，如於一種業務模式內持有之債務投資，乃以收取合約現金流量為目標，而有關現金流量僅用作支付本金額及未償還本金額之利息，則一般會於隨後之會計期間結束時按攤銷成本計量。所有其他債務投資及股本投資乃於隨後之會計期間結束時按公平值計量。

就金融負債而言，對金融負債之最重要影響為指定按公平值計入損益。具體而言，根據香港財務報告準則第9號，就指定按公平值計入損益之金融負債而言，源自金融負債之信貸風險變動之金融負債公平值變動數額乃於其他全面收入確認，除非於其他全面收入呈列該負債之信貸風險變動之影響將會新增或擴大於損益之會計錯配。源自金融負債信貸風險之公平值變動不會隨後於損益中重新分類。在過往而言，根據香港會計準則第39號，指定按公平值計入損益之金融負債公平值變動之全部數額乃於損益中呈列。

香港財務報告準則第9號於二零一三年一月一日或之後開始之年度期間生效，並容許提前應用。

董事預期香港財務報告準則第9號將於截至二零一三年十二月三十一日止財政年度在本集團之綜合財務報表採納。根據本集團於二零一零年十二月三十一日之金融資產及金融負債，董事預期應用有關新準則就本集團之金融資產及金融負債而呈報之數額而言並無重大影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 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 certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given on exchange of goods.

The principal accounting policies are set out below.

#### Basis of consolidation

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

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

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

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

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

### 3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適用披露資料。

除若干金融工具乃根據下文所闡釋會計政策按公平值計量外，綜合財務報表乃按歷史成本基準編製。歷史成本一般根據交易貨品時所付出代價之公平值。

主要會計政策如下文所述。

#### 綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體(其附屬公司)之財務報表。倘本公司擁有權力管治一家實體之財務及營運政策而從其業務中獲益，則構成控制。

年內收購或出售之附屬公司之業績，乃由收購生效日期起或計至出售生效日期(視適用情況而定)計入綜合全面收益表。

附屬公司財務報表於需要情況下作出調整，致使其會計政策與本集團其他成員公司所採用者貫徹一致。

所有集團內公司間之交易、結餘、收入及開支已完整地於綜合賬目時對銷。

附屬公司之非控制權益與本集團所佔之權益分開呈列。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**3. SIGNIFICANT ACCOUNTING POLICIES (continued)****Interest in an associate**

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale (in which case it is accounted for under HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”) or when the investment is designated as at fair value through profit or loss upon initial recognition or is classified as held for trading (in which case it is accounted for under HKAS 39 “Financial Instruments: Recognition and Measurement”). Under the equity method, investments in associates are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the associates. When the Group’s share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group’s net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group’s investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 “Impairment of Assets” as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

**3. 主要會計政策 (續)****於聯營公司之權益**

聯營公司指投資者對其擁有重大影響力之實體，且不屬於附屬公司或於合營公司之權益。重大影響力乃有權參與被投資公司之財務及經營政策決定而非控制或共同控制該等政策。

聯營公司之業績及資產與負債乃按權益會計法納入此等綜合財務報表內，惟歸類為持作出售的投資會根據香港財務報告準則第5號「持作出售非流動資產及終止業務」進行會計處理，以及初始確認時指定按公平值計入損益的投資或歸類為持作買賣的投資會根據香港會計準則第39號「金融工具：確認及計量」進行會計處理則除外。根據權益會計法，於聯營公司之投資乃按成本，另就本集團攤佔聯營公司之資產淨值於收購後之變動調整，減任何已識別減值虧損，列於簡明綜合財務狀況表。當本集團攤佔聯營公司之虧損等於或超過其於該聯營公司之權益（包括實質上構成本集團在聯營公司之投資淨額中一部分之任何長期權益），本集團終止確認其攤佔之進一步虧損。額外攤佔虧損之提撥及負債之確認水平，僅以本集團已招致之法定或推定責任或代表該聯營公司支付之款項為限。

香港會計準則第39號之規定獲應用以釐定是否需要就本集團於聯營公司之投資確認任何減值虧損。如有必要，則將該投資之全部賬面值（包括商譽）作為單一資產根據香港會計準則第36號「資產之減值」，透過比較其可收回金額（使用價值與公平值減出售成本兩者之較高者）與其賬面值進行減值測試。任何確認之減值虧損構成該投資賬面值之一部分。倘若其後該投資之可收回金額增加，則有關減值虧損之任何撥回乃根據香港會計準則第36號予以確認。



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Interest in an associate (continued)

From 1st January, 2010 onwards, upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with HKAS 39. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that associate.

When a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

#### Interest in a jointly controlled entity

Joint venture arrangements that involve the establishment of a separate entity in which ventures have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The Group recognises its interests in jointly controlled entities using proportionate consolidation, except when the investment is classified as held for sale (in which case it is accounted for under HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations") or when the investment is designated as at fair value through profit or loss upon initial recognition or is classified as held for trading (in which case it is accounted for under HKAS 39 "Financial Instruments: Recognition and Measurement"). Under this method, the Group's share of each of the assets, liabilities, income, expenses and other comprehensive income of the jointly controlled entity are combined with the Group's similar line items, line by line, in the consolidated financial statements. All material intercompany transactions and balances have been eliminated to the extent of the Group's interest.

### 3. 主要會計政策 (續)

#### 於聯營公司之權益 (續)

二零一零年一月一日起，倘若出售聯營公司會導致本集團失去對該聯營公司之重大影響力，則任何保留投資按當日之公平值計量，而該公平值乃指根據香港會計準則第39號於初步確認為金融資產時之公平值。先前已保留權益應佔聯營公司賬面值與其公平值兩者間之差額，乃計入釐定因出售聯營公司而產生之收益或虧損中。此外，本集團會將先前在其他全面收入中就該聯營公司確認之所有金額入賬，基準與該聯營公司直接出售相關資產或負債時所規定之基準相同。因此，倘若該聯營公司先前於其他全面收入中確認之收益或虧損重新分類至出售相關資產或負債之損益，則當本集團失去對該聯營公司之重大影響力時，將有關收益或虧損由權益重新分類至損益(作為重新分類之調整)。

倘若一集團實體與其聯營公司進行交易，則與該聯營公司交易時所產生之損益僅會在該聯營公司之權益與本集團並無關連之情況下，方會於本集團之綜合財務報表內確認。

#### 於共同控制實體之權益

合營企業安排涉及成立獨立實體，而當中各經營方對該實體之經濟活動擁有共同控制權者乃列作共同控制實體。

本集團採用比例綜合法確認於共同控制實體之權益，惟當投資分類為持有作出售時(在此情況下，該投資根據香港財務報告準則第5號「持有作出售之非流動資產及已終止經營業務」入賬)或當投資乃指定為按初步確認時之公平值計入損益或分類為持有作買賣時(在此情況下，該投資根據香港會計準則第39號「金融工具：確認及計量」)除外。根據該綜合法，本集團按其在共同控制實體的各項資產、負債、收入、開支及其他全面收入中所佔的份額與本集團綜合財務報表的相似項目逐項合併。所有集團內重大交易及結餘均以本集團所佔權益為限予以對銷。



## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition

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

Revenue from sales of goods are recognised when goods are delivered and title has been passed.

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

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

#### Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

### 3. 主要會計政策 (續)

#### 收益確認

收益按已收或應收代價之公平值計量，並指於一般業務過程中售出貨品之應收款項，經扣除退貨及銷售相關稅項。

來自貨品銷售之收益於貨品付運及擁有權轉讓後確認。

當經濟利益有可能流入本集團，且收益之金額能被可靠計量時，來自金融資產之利息收入獲確認。來自金融資產之利息收入按未提取本金及適用實際利率以時間基準累計，有關利率乃於金融資產預期年期將估計日後現金收入準確貼現至該資產初步確認時之賬面淨值之利率。

來自投資之股息收入於本集團收取款項之權利確立時確認(惟須於經濟利益有可能流入本集團，且收益之金額能被可靠計量時，方會確認)。

#### 持作出售之非流動資產

倘非流動資產之賬面值將主要透過出售交易而並非透過持續使用而收回，則有關之非流動資產乃分類為持作出售。此項條件只會於出售極可能發生及非流動資產(或出售組合)於其現況下可供即時出售才符合。管理層必須承諾出售，而有關出售應預期於分類日期起計一年內符合資格確認為完整出售。

當本集團承諾之出售計劃涉及喪失對附屬公司之控制權，則當符合上述條件時，該附屬公司之所有資產及負債乃分類為持作出售，而不論本集團是否將於出售後保留於前附屬公司之非控制性權益。

分類為持作出售之非流動資產(及出售組合)乃以其先前賬面值與公平值減出售成本之較低者計量。

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress 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.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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 included in profit or loss.

#### **Buildings under development for future owner-occupied purpose**

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

### 3. 主要會計政策 (續)

#### 物業、廠房及設備

物業、廠房及設備(包括持作生產或供應貨品或服務用途之樓宇, 惟在建工程除外)乃按成本值減其後累計折舊及累計減值虧損, 如有, 列賬。

折舊按估計可使用年期及經計及其估計剩餘價值, 以直線法撇銷物業、廠房及設備(在建工程除外)項目之成本值而計提撥備。估計可使用年期、剩餘價值及折舊方法會於各報告期末檢討, 而任何估計變動之影響按前瞻基準入賬。

作生產、供應或行政用途之在建中物業乃按成本減任何已確認之減值虧損列賬。成本包括專業費用, 以及就合資格資產而言, 根據本集團之會計政策資產化之借貸成本。在建工程於竣工及可作擬定用途時被分類為物業、廠房及設備之適當類別。此等資產於資產可作擬定用途時按與其他物業資產相同之基準開始折舊。

物業、廠房及設備項目於出售或預期不會自持續使用資產產生日後經濟利益時剔除確認。出售或不會自持續使用所產生任何損益, 按項目出售所得款項淨額與賬面值間之差額計算計入損益。

#### **日後業主自用之發展中租賃土地及樓宇**

倘發展中租賃土地及樓宇乃作生產或行政用途, 有關租賃土地部分分類為預付租賃款項, 並以直線法按租期攤銷。於興建期間, 就租賃土地撥備之攤銷開支列作在建樓宇成本部分。在建樓宇按成本值減任何已識別減值虧損列賬。樓宇於可供使用時(即於樓宇達致按管理層擬定方式運作所需地點及環境時)開始折舊。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Exploration and evaluation assets

Exploration and evaluation assets are recognised at cost on initial recognition. Subsequent to initial recognition, exploration and evaluation assets are stated at cost less any accumulated impairment losses.

Exploration and evaluation assets include the cost of exploration rights and the expenditure incurred in the search for natural resources as well as the determination of the technical feasibility and commercial viability of extracting those resources.

When the technical feasibility and commercial viability of extracting natural resources become demonstrable, previously recognised exploration and evaluation assets are reclassified as either intangible assets or property, plant and equipment. These assets are assessed for impairment before reclassification, and any impairment loss is recognised in profit or loss.

#### 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.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### 3. 主要會計政策 (續)

#### 勘探及評估資產

勘探及評估資產於初步確認時按成本值確認。初步確認後，勘探及評估資產按成本值減任何累計減值虧損列賬。

勘探及評估資產包括探礦權之成本、尋找天然資源以及釐定開採該等資源在技術及商業上是否可行而產生之開支。

當有證據顯示開採天然資源在技術及商業上均屬可行時，過往已確認之勘探及評估資產會重新分類為無形資產或物業、廠房及設備。該等資產於重新分類前須通過減值評估，任何減值虧損於損益內確認。

#### 租賃

倘租賃條款將資產擁有權之絕大部分風險及回報轉讓予承租人，則分類為融資租賃。所有其他租賃均分類為經營租賃。

經營租賃支付款項乃於租賃期內以直線法確認為開支，惟倘若另有系統性基準更能代表租賃資產之經濟利益被消耗之時間模式除外。經營租賃所產生之或然租金於其產生期間確認為開支。

倘若於訂立經營租賃時收取租賃優惠，則有關優惠確認為負債。有關優惠之利益總額以直線法確認為租金開支減少，惟倘若另有系統性基準更能代表租賃資產之經濟利益被消耗之時間模式除外。

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items, and on the re-translation of monetary items, are recognised in profit or loss in the period in which they arise.

### 3. 主要會計政策 (續)

#### 租賃土地及樓宇

倘若租賃同時包括土地及樓宇部分，則本集團根據評估各部分所有權之風險及回報是否已絕大部分轉移至本集團而將其分類為融資租賃或經營租賃，除非肯定該兩個部分均屬經營租賃，於此情況下，整份租賃分類為經營租賃。具體而言，最低租金支付款項(包括任何一筆過預付款項)於租賃訂立時按租賃土地部分及樓宇部分中之租賃權益相對公平值比例於土地及樓宇部分間分配。

倘若能可靠地分配租賃付款，則入賬列作經營租賃之租賃土地權益乃於綜合財務狀況表呈列為「預付租賃款項」，並按直線法於租賃期內攤銷。

#### 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的貨幣(外幣)進行之交易，均按交易日期之現行匯率以功能貨幣(即該實體經營業務主要經濟地區之貨幣)列賬。於報告期終，以外幣計值之貨幣項目均按該日之現行匯率重新換算。按歷史成本以外幣計算之非貨幣項目毋須重新換算。

於結算及換算貨幣項目時產生之匯兌差額，均於產生期間內於損益確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

#### 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 for which the commencement date for capitalisation is on or after 1st January, 2009, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

### 3. 主要會計政策 (續)

#### 外幣 (續)

就呈列綜合財務報表而言，本集團業務之資產及負債按報告期終之現行匯率換算為本集團之呈列貨幣（即港幣），而其收支按年內平均匯率換算，惟期內匯率大幅波動除外，在此情況下則採用交易日期之現行匯率。如產生匯兌差額，則於其他全面收入確認，並於股本（匯兌儲備）累計。

#### 借貸成本

直接應佔收購、建造或生產合資格資產（如需大量時間方能達致可供擬定使用或出售用途之資產，其開始撥充資本日期為二零零九年一月一日或之後）之借貸成本，應加入該等資產之成本，直至該等資產大致可供擬定使用或出售用途為止。待用於合資格資產開支之特定借貸之暫時投資所得之投資收入，在合資格撥充資本之借貸成本中扣除。

所有其他借貸成本乃於其產生之期間於損益中確認。

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### Retirement benefit costs

Payments to retirement benefit schemes are charged as an expense when employees have rendered service entitling them to the contributions.

#### 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 as reported in the consolidated statement of comprehensive income 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)

#### 政府補助金

政府補助金須直至可合理保證本集團將遵守政府補助金附帶之條件及將收到有關補助金時方會確認。

本集團確認政府補助金擬作補償之相關成本為開支期間時，政府補助金有系統地在損益確認。具體而言，如政府補助金之主要條件乃本集團應購買、建造或以其他方式獲得非流動資產，則於綜合財務狀況表確認為有關資產賬面值之扣減項目，並於有關資產之可用年期內轉撥至損益。如可收取之政府補助金乃用作補償因向本集團提供即時財政支援而已產生之開支或損失及並無未來有關成本，則於可收取之期間於損益確認。

#### 退休福利成本

向退休福利計劃之付款於僱員提供服務而有權享有供款時列作開支扣除。

#### 稅項

所得稅開支指即期應繳稅項與遞延稅項總和。

即期應繳稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括在其他年度應課稅或可扣稅收支項目，亦不包括全面收益表中毋須課稅或不可扣稅項目，因此與綜合全面收益表所呈報之溢利不同。本集團之即期稅項負債乃按於報告期終頒佈或實質頒佈之稅率計算。



## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 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 profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, and interests in a joint venture and an associate, 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 the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit 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 the tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

### 3. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項按綜合財務報表內資產及負債賬面值與用於計算應課稅溢利之相應稅基兩者之暫時差額確認。遞延稅項負債一般按所有應課稅暫時差額確認。遞延稅項資產一般按可扣減暫時差額確認但則限於日後可能取得應課稅溢利以抵銷可扣減暫時差額。倘暫時差額產生自商譽或初步確認一項交易(業務合併除外)之其他資產及負債，而有關交易既不影響應課稅溢利亦不影響會計溢利，則不予確認有關資產及負債。

遞延稅項負債乃按因於附屬公司之投資及於合營企業之投資而引致之應課稅暫時差額而確認，惟若本集團可控制暫時差額之撥回，以及暫時差額可能不會於可見將來撥回則除外。與該等投資及權益相關的可扣減暫時差額所產生的遞延稅項資產，僅在按可能出現可利用暫時差額扣稅之足夠應課稅溢利，並預期於可見將來撥回時確認。

遞延稅項資產之賬面值於報告期終審閱並進行扣減，直至不再可能有足夠應課稅溢利以收回全部或部分資產。

遞延稅項資產及負債按預期於償還負債或變現資產期間適用之稅率計量，並根據截至報告期終前已頒佈或大致已頒佈之稅率(及税法)計算。

遞延稅項負債及資產之計量反映本集團預期於報告期終收回或結算其資產及負債賬面值之方式之稅務結果。遞延稅項於損益確認，除非遞延稅項關係到於其他全面收入或直接於股本確認之項目，在該情況下遞延稅項亦分別於其他全面收入或直接於股本確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

#### 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 (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

The Group's financial assets are classified into two categories, including financial assets at fair value through profit or loss and loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### Effective interest method

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

Interest income is recognised on an effective interest basis.

### 3. 主要會計政策 (續)

#### 存貨

存貨按成本值及可變現淨值之較低者入賬。成本值以加權平均法計算。

#### 金融工具

金融資產及金融負債於集團實體成為工具合約條文之訂約方時在綜合財務狀況表確認。

金融資產及金融負債初步按公平值計算。收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)產生之直接應佔交易成本於初步確認時計入金融資產或金融負債之公平值或自當中扣除(按適用情況而定)。收購按公平值計入損益之金融資產或金融負債產生之直接應佔交易成本則即時於損益確認。

#### 金融資產

本集團之金融資產分為二類，包括按公平值計入損益之金融資產和貸款及應收款項。所有以正常方式購買或出售之金融資產按交易日基準確認及剔除確認。正常方式購買或出售是按規則規定或市場慣例設定的時限交付資產之金融資產的購買或出售。

#### 實際利率法

實際利率法乃計算金融資產之經攤銷成本及分配利息收入至有關期間之方法。實際利率乃於初次確認時將估計未來現金收入(包括構成實際利率不可或缺部分之已付或已收之所有費用、交易成本及其他溢價或折讓)於金融資產之預期年期或(如適當)較短期間內完全貼現至賬面淨值之比率。

利息收入乃按實際利率基準確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

##### Financial assets at fair value through profit or loss

The Group's financial assets at fair value through profit and loss represent financial assets held for trading. A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets held for trading are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

##### 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 and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

##### Impairment of financial assets

Financial assets, other than those financial assets at fair value through profit or loss, are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 按公平值計入損益之金融資產

本集團按公平值計入損益之金融資產為持作買賣金融資產。當屬於下列任何一項時，金融資產分類為持作買賣：

- 所收購之金融資產主要用於在不久將來銷售；或
- 屬於本集團整體管理之可識別金融工具組合之一部分，且近期有賺取短期溢利的實際模式；或
- 屬於衍生工具(指定及具有有效對沖作用之工具除外)。

持作買賣之金融資產會按公平值計量，重新計量產生之公平值變動於產生期間直接於損益確認。於損益中確認之收益或虧損淨額不包括金融資產所賺取之任何股息或利息。

##### 貸款及應收款項

貸款及應收款項是沒有於活躍市場掛牌之固定或可釐定付款之非衍生金融資產。初步確認後，貸款及應收款項(包括應收貿易賬款及其他應收款項以及銀行結餘及現金)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列賬(見下文金融資產減值之會計政策)。

##### 金融資產減值

除了按公平值計入損益之金融資產以外，金融資產會在報告期終評定有否減值跡象。倘有客觀證據顯示，初步確認金融資產後發生的一項或以上事件導致對金融資產的估計未來現金流量造成影響，金融資產即屬減值。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Impairment of financial assets (continued)

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

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

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently 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 and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

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

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產減值 (續)

就所有其他金融資產而言，減值之客觀證據可能包括：

- 發行者或對方出現重大財政困難；
- 未能繳付或拖欠支付利息或本金；或
- 借款人有可能面臨破產或進行財務重組。
- 由於金融困阻而令該金融資產的活躍市場消失。

就若干類別的金融資產(如應收貿易賬款)而言，個別評為並無減值之資產會於其後匯集一併評估減值。應收款項組合出現減值之客觀證據包括本集團過往收款紀錄、以及國家或地區經濟狀況出現明顯變動導致應收款項未獲償還。

就按攤銷成本列賬之金融資產而言，倘有客觀跡象表明該項資產已減值，則按照資產賬面值與估算之未來現金流量以原本實際利率折現之現值之間差額計算，並於損益中確認其減值虧損。

與所有金融資產有關之減值虧損會直接於金融資產賬面值中作出扣減，惟應收貿易賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。當應收貿易賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回先前撇減之金額則於損益中計入。

就按攤銷成本計量之金融資產而言，若於其後期間，減值虧損之金額減少，且該減少在客觀上與確認減值虧損後發生之事項相關連，則先前確認之減值虧損可從損益賬中撥回，惟該資產於減值撥回日期之賬面值不應超過其未確認減值時之攤銷成本值。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

##### 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 through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

##### Financial liabilities

Financial liabilities including trade and other payables, unsecured bank loans and convertible note are subsequently measured at amortised cost, using the effective interest method.

##### Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

##### Convertible notes

Convertible notes issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition. 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 of similar non-convertible debts. The difference between the gross proceed of the issue of the convertible notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the notes into equity, is included in equity (convertible note equity reserve).

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融負債及股本

集團實體發行之金融負債及股本工具根據所訂立合約安排之內容與金融負債及股本工具之定義分類。

股本工具乃證明集團於扣減其所有負債後於資產擁有剩餘權益之合約。就金融負債及股本工具採納之會計政策載列如下。

##### 實際利率法

實際利率法乃計算金融負債之經攤銷成本及分配利息開支至有關期間之方法。實際利率乃將估計未來現金付款於金融負債之預期年期或(如適當)較短期間內完全貼現之比率。

利息開支乃按實際利率基準確認。

##### 金融負債

金融負債(包括應付貿易賬款及其他應付款項、無抵押銀行貸款及可換股票據)其後採用實際利率法按攤銷成本計量。

##### 股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本列賬。

##### 可換股票據

本集團發行附有負債及換股權部分之可換股票據，於初步確認時獨立分類為個別項目。將以固定金額現金或另一項金融資產交換固定數量之本公司股本工具之模式結付之換股權，分類為股本工具。

初步確認時，負債部分之公平值乃以類似非可換股債務之當前市場利率釐定。發行可換股票據之所得款項總額與負債部分所獲公平值之間差額，即持有人將票據轉換為股本之換股權，計入股本內(可換股票據股本儲備)。



## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Convertible note (continued)

In subsequent periods, the liability component of the convertible notes 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 convertible notes equity reserve until the embedded option is exercised in which case the balance stated in convertible notes equity reserve will be transferred to share premium. Where the option remains unexercised at the expiry date, the balance stated in convertible notes equity reserve will be released to accumulated profits. 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 notes are allocated to the liability and conversion option components in proportion to their relative fair values. Transaction costs relating to the conversion option derivative is charged to profit or loss immediately. 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 notes using the effective interest method.

##### Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

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.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 可換股票據 (續)

於往後期間，可換股票據之負債部分以實際利率法按攤銷成本列賬。股本部分（即將負債部分轉換為本公司普通股之換股權）仍將保留於可換股票據股本儲備，直至內含換股權獲行使為止，在此情況下，可換股票據股本儲備所列結餘將轉撥至股份溢價。倘換股權於屆滿日期尚未行使，則可換股票據股本儲備所列結餘將轉撥至累計溢利。於換股權獲轉換或屆滿時，將不會於損益表確認損益。

與發行可換股票據相關之交易成本乃按負債及換股權部分相關公平值之比例分配至負債及換股權部分。與換股權衍生工具相關之交易成本即時自損益扣除。與負債部分相關之交易成本計入負債部分之賬面值，並於可換股票據之年期採用實際利率法攤銷。

##### 剔除確認

金融資產於自資產獲取現金流量之權利屆滿或金融資產轉讓及本集團將金融資產擁有權之絕大部分風險及回報轉讓時剔除確認。

剔除確認金融資產時，資產賬面值與已收及應收代價及已於其他全面收入確認之累計溢利或虧損總和之差額會於損益確認。

金融負債於有關合約訂明之責任已履行、取消或到期時剔除確認，剔除確認金融負債賬面值與已付及應付代價之差額於損益確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**3. SIGNIFICANT ACCOUNTING POLICIES (continued)****Impairment losses****Tangible assets**

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets 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. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised as income immediately.

**Exploration and evaluation assets**

The carrying amount of the exploration and evaluation assets is reviewed annually and adjusted for impairment in accordance with HKAS 36 "Impairment of Assets" whenever one of the following events or changes in circumstances indicate that the carrying amount may not be recoverable (the list is not exhaustive):

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; or
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

**3. 主要會計政策 (續)****減值虧損****有形資產**

於報告期終，本集團審閱其有形資產之賬面值，以釐定該等資產是否存在任何減值虧損跡象。如有此種跡象，則對該資產之可收回金額予以估計，從而釐定減值虧損之程度(如有)。倘資產之可收回金額估計低於其賬面值，則資產之賬面值將調低至其可收回金額。減值虧損即時確認為開支。

倘減值虧損其後撥回，則資產之賬面值會增至經修訂之估計可收回金額，惟據此增加之賬面值不得超過倘於以往年度並無確認資產減值虧損而原應釐定之賬面值。減值虧損於撥回時即時確認為收入。

**勘探及評估資產**

勘探及評估資產之賬面值每年均作檢討，並於出現下列事件或事況變化顯示賬面值或不能收回時，按照香港會計準則第36號「資產之減值」作出減值調整(此列不能盡錄)：

- 本集團於特定區域勘探權於期間已經或將於近期屆滿，並預期不會續期；
- 對進一步勘探及評估特定區域礦產資源之大量開支既無預算，亦無規劃；
- 於特定區域勘探及評估礦產資源並無發現商業上有利之礦產資源數量，故本集團已決定終止於特定區域之該等活動；或
- 充分數據表明，儘管於特定區域之開發可能會繼續進行，但勘探及評估資產之賬面值不可能於成功開發或銷售中全面收回。

倘一項資產之賬面值超出其可收回金額時，則減值虧損於損益內確認。



#### 4. KEY SOURCE OF ESTIMATION UNCERTAINTY

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year, are discussed below:

##### Estimated impairment on exploration and evaluation assets

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest the carrying amount may exceed its recoverable amount. As detailed in note 13, the implementation of various provisions of the new energy law might affect the recoverable amount of the exploration and evaluation assets. The directors of the Company exercise their judgment in estimating the recoverable amount with reference to a discounted cash flow analysis, whereas the possible outcomes of the new energy law were assessed. Where the recoverable amount is less than expected, a material impairment loss may arise.

##### Estimated impairment on interest in an associate

Impairment assessment is performed when indications exist that the carrying amount of the investment in an associate may not be recoverable. The recoverable amount is measured at the higher of the fair value less cost to sell, which is based on the Group's best estimate of the price of the Group would achieve in a sale transaction of the investment, and value in use. Where the recoverable amount is less than expected, a material impairment loss may arise.

Changes to the assumptions underlying the assessment of the recoverable value may result in recognition of impairment losses, such factors may include further delays, increases in the total forecast cost of planned projects or negative outcomes to exploration activities, in which the exploration and evaluation expenditures are considered likely to be recoverable through future extraction activity or sale where the exploration activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

#### 4. 估計不明朗因素之主要來源

本集團對未來作出估計及假設。該等估計及假設對下一個財政年度內之資產賬面金額造成重大調整之重大風險，討論如下：

##### 勘探及評估資產之估計減值

勘探及評估資產會於有事實及情況表明賬面值可能會超過其可收回金額時，就減值進行評估。誠如附註13所詳述，管理層與相關蒙古當局磋商之結果，以及實施新能源法下多項條文可能影響勘探及評估資產之可收回金額。本公司董事在估計可收回金額時，乃經參照貼現現金流量分析及評估新能源法的可能出現的結果，並行使判斷。倘可收回金額較預期為少，則可能產生重大減值虧損。

##### 於聯營公司權益之估計減值

當有跡象存在顯示於聯營公司投資之賬面值可能無法收回時，即進行減值評估。可收回數額乃以公平值減出售成本(乃根據本集團對本集團於有關投資之出售交易將達成價格之最佳估計)及使用價值之較高者計量。倘可收回數額少於預期，則可能產生重大減值虧損。

評估可收回價值之相關假設變動，可能導致減值虧損之確認，有關要素包括進一步延誤、增加於籌劃中項目之總預測成本或勘探活動之負面結果，其中勘探及評估支出被視為極可能透過未來之開採活動或出售(倘勘探活動尚未達到容許合理評估儲量存在之階段)而收回。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**5. REVENUE AND SEGMENT INFORMATION**

Information reported to the Group's executive directors, being the chief operating decision maker, for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group's operating and reportable segments under HKFRS 8 are as follows:

- Exploration and trading of mineral properties — exploration and trading of uranium and coal
- Manufacture and distribution of die casting parts — manufacture and distribution of aluminium, zinc and magnesium die casting parts

**Segment revenue and results**

The following is an analysis of the Group's revenue and results by reportable segment.

**5. 收益及分部資料**

就進行資源分配及分部表現評估而向主要營運決策人(即本集團執行董事)呈報之資料,主要集中在本集團之產品或提供的服務。本集團根據香港財務報告準則第8號之營運及匯報分部如下:

- 勘探及經營礦產物業 — 勘探及買賣鈾及煤
- 製造及分銷壓鑄部件 — 製造及分銷鋁、鋅及鎂壓鑄部件

**分部收益及業績**

本集團收益及業績按營運分部之分析如下:

		2010			2009		
		二零一零年			二零零九年		
		Exploration and trading of mineral properties	Manufacture and distribution of die casting parts	Total	Exploration of mineral properties	Manufacture and distribution of die casting parts	Total
		勘探及經營礦產物業	製造及分銷壓鑄部件	總計	勘探礦產物業	製造及分銷壓鑄部件	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>REVENUE</b>	<b>收益</b>	—	168,048	168,048	—	136,571	136,571
<b>RESULTS</b>	<b>業績</b>						
Segment (loss) profit	分部(虧損)利潤	(28,022)	15,284	(12,738)	(7,759)	(16,827)	(24,586)
Unallocated corporate administration costs	未分配中央行政成本			(13,752)			(7,496)
Finance costs	融資成本			(36,366)			(9,573)
Loss before taxation	除稅前虧損			(62,856)			(41,655)

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment (loss) profit represents the loss incurred or profit generated from each segment without allocation of corporate administration costs and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

匯報分部之會計政策與本集團會計政策相同。分部(虧損)利潤指各分部產生之虧損或利潤,不包括中央行政成本及融資成本之分配。此乃就進行資源分配及表現評估而向主要營運決策人呈報之計量資料。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**5. REVENUE AND SEGMENTAL INFORMATION** (continued)  
**Segment assets and liabilities**

The following is an analysis of the Group's assets and liabilities by reportable segment:

**5. 收益及分部資料** (續)  
**分部資產及負債**

本集團資產及負債按營運分部之分析如下：

		2010 二零一零年			2009 二零零九年		
		Exploration and trading of mineral properties 勘探及經營 礦產物業	Manufacture and distribution of die casting parts 製造及分銷 壓鑄部件	Total 總計	Exploration of mineral properties 勘探 礦產物業	Manufacture and distribution of die casting parts 製造及分銷 壓鑄部件	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分部資產	964,307	507,976	1,472,283	211,916	783,002	994,918
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分部負債	375,547	45,427	420,974	1,153	43,264	44,417
Unallocated liabilities	未分配負債			100,470			92,906
Consolidated liabilities	綜合負債			521,444			137,323

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments; and
- all liabilities are allocated to reportable segments other than the convertible note issued in 2008 and related deferred tax liabilities. The convertible note issued in 2010 was issued for acquisition of a subsidiary in the exploration and trading of mineral properties segment as detailed in note 29 and was allocated to such segment.

就監察分部表現及分配分部間資源而言：

- 所有資產分配至營運分部；及
- 除二零零八年發行的可換股票據及相關遞延稅項負債外，所有負債分配至營運分部。誠如附註29所載，於二零一零年發行的可換股票據，是為了收購一間勘探及經營礦產物業分部的附屬公司，及此可換股票據分配至此分部。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

5. REVENUE AND SEGMENTAL INFORMATION (continued)  
Other segment information5. 收益及分部資料(續)  
其他分部資料

		2010			2009		
		二零一零年			二零零九年		
		Exploration and trading of mineral properties 勘探及經營 礦產物業	Manufacture and distribution of die casting parts 製造及分銷 壓鑄部件	Total	Exploration of mineral properties 勘探 礦產物業	Manufacture and distribution of die casting parts 製造及分銷 壓鑄部件	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Amounts included in the measure of segment results or segment assets:	計量分部業績或分部資產時計入之金額：						
Addition to non-current assets	添置非流動資產	30,519	2,711	33,230	210,021	2,555	212,576
Depreciation and amortisation	折舊及攤銷	88	16,534	16,622	73	16,323	16,396
Interest in an associate	於聯營公司之權益	455,142	—	455,142	—	—	—
Share of loss of an associate	應佔聯營公司之虧損	8,937	—	8,937	—	—	—
Loss on write-off of property, plant and equipment	撇銷物業、廠房及設備之虧損	—	—	—	267	29	296

## Revenue from major products

The following is an analysis of the Group's revenue from its major products:

## 來自主要產品之收益

本集團來自主要產品之收益分析如下：

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Sale of aluminium die casting parts	銷售鋁壓鑄部件	155,936	127,942
Sale of zinc die casting parts	銷售鋅壓鑄部件	10,726	6,981
Sale of magnesium die casting parts	銷售鎂壓鑄部件	1,386	1,648
		168,048	136,571

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**5. REVENUE AND SEGMENTAL INFORMATION (continued)**  
**Geographical information**

The Group's operation is principally located in the PRC and People of Mongolia (country of domicile). The Group's revenue by geographical market based on destination of goods irrespective of locations of customers, and information about its non-current assets by geographical location of the assets are detailed below:

**5. 收益及分部資料(續)**  
**地區資料**

本集團主要在中國和蒙古(主要營運國家)營運。本集團按地區市場劃分之收益乃根據貨品之最終地點(不論客戶地點)為基準，及有關按資產之地區來劃分的非流動資產之資料詳列如下：

		Revenue from		Non-current assets	
		external customers			
		從外部客戶所得收益		非流動資產	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
United States of America	美國	48,723	36,535	—	—
The PRC	中國				
(country of domicile)	(主要營運國家)	42,595	23,399	64,576	107,515
Hong Kong	香港	18,444	15,002	700	1,051
Germany	德國	18,144	18,494	—	—
Italy	義大利	11,042	11,788	—	—
United Kingdom	英國	3,005	6,875	—	—
Sweden	瑞典	3,389	5,607	—	—
People of Mongolia	蒙古				
(country of domicile)	(主要營運國家)	—	—	228,052	206,965
Republic of Niger	尼日爾	—	—	464,079	—
Others	其他	22,706	18,871	—	—
		168,048	136,571	757,407	315,531

**Information about major customers**

Revenues from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

**有關主要客戶之資料**

相關年度內從客戶所得收益佔本集團之銷售總額10%以上載列如下：

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Customer A	客戶A	32,630	23,739
Customer B	客戶B	28,246	19,112
Customer C	客戶C	—	14,708
		60,876	57,559

All customers are related to manufacture and distribution of die casting parts segment.

所有客戶與製造及分銷壓鑄部件分部相關。

Note: Only two major customers each contributed over 10% of the total sales during the year.

附註：於本年度內，只有兩個主要客戶各佔本集團之銷售總額10%以上。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**6. OTHER INCOME AND GAINS****6. 其他收入及收益**

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Included in other income and gains are the following:	其他收入及收益當中包括以下各項：		
Dividend income from investments held for trading	持作買賣投資之股息收入	8	7
Fair value change on investments held for trading	持作買賣投資之公平值變動	45	115
Interest income	利息收入	2,540	790
Net exchange gain	兌換損益淨額	3,925	—
Government subsidy in the form of PRC tax refund	中國稅務退稅形式 支付之政府支助	—	2,214
Insurance compensation received in respect of loss on damages to the factories caused by flooding in previous year	以前年度因工廠水浸導致損失 所獲得之保險賠償	3,100	—

**7. FINANCE COSTS****7. 融資成本**

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest on unsecured bank loans wholly repayable within one year	須於一年內悉數償還的無抵押銀行貸款利息	101	100
Effective interest expenses on convertible notes (note 24)	可換股票據之實際利息開支 (附註24)	36,265	9,473
		36,366	9,573

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**8. DIRECTORS' AND EMPLOYEES' EMOLUMENTS**

The emoluments paid or payable to each of the eight (2009: seven) directors are as follows:

**8. 董事及僱員酬金**

本集團向八名(二零零九年: 七名)董事各自已付或應付之酬金如下:

		Qiu	Han	Xu	Huang	Chen	Cheong			
		Jiangang	Ruiping	Hongchao	Mingang*	Xinyang**	Ying Chew	Cui Liguo	Zhang Lei	Total
		(Note (i))	(Note (i))		(Note (ii))		Henry			
		邱建剛	韓瑞平	許紅超	黃敏剛*	陳新陽**	張英潮	崔利國	張雷	合共
		(附註(i))	(附註(i))		(附註(ii))					
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
2010										
二零零一零年										
Directors' fee	董事袍金	200	200	150	150	—	200	150	150	1,200
Other emoluments:	其他酬金									
Salaries and other benefits	薪酬及									
	其他福利	800	700	550	—	—	—	—	—	2,050
Discretionary bonus based on individual's performance	個人表現之花紅	—	60	150	—	—	—	—	—	210
Retirement benefit scheme contributions	退休福利計劃									
	供款	—	—	28	—	—	—	—	—	28
Total emoluments	酬金總額	1,000	960	878	150	—	200	150	150	3,488
2009										
二零零九年										
Directors' fee	董事袍金	150	150	114	100	—	150	100	100	864
Other emoluments:	其他酬金									
Salaries and other benefits	薪酬及									
	其他福利	—	350	550	—	—	—	—	—	900
Retirement benefit scheme contributions	退休福利計劃									
	供款	—	—	8	—	—	—	—	—	8
Total emoluments	酬金總額	150	500	672	100	—	150	100	100	1,772

\* Mr. Huang Mingang resigned on 1st October, 2010.

\*\* Mr. Chen Xinyang was appointed on 1st October, 2010.

Note

(i) Mr. Qiu Jiangang and Mr. Han Ruiping paid all their emoluments to CNNC Overseas.

(ii) Mr. Huang Mingang paid all his emoluments to Yenaut Industrial Co., Ltd.

\* 黃敏剛先生於二零一零年十月一日辭任

\*\* 陳新陽先生於二零一零年十月一日上任

附註

(i) 邱建剛先生及韓瑞平先生支付彼等之所有董事酬金予中核海外。

(ii) 黃敏剛先生支付彼等之所有董事酬金予原能工業有限公司。



## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**8. DIRECTORS' AND EMPLOYEES' EMOLUMENTS**

(continued)

Of the five individuals with the highest emoluments in the Group, two individuals (2009: nil) were directors of the Company whose emoluments are included in the disclosure set out above. The emoluments of the three (2009: five) individuals were as follows:

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Salaries and other benefits	薪酬及其他福利	8,223	9,689
Retirement benefit schemes contributions	退休福利計劃供款	36	60
		8,259	9,749

		2010	2009
		二零一零年	二零零九年
		No. of	No. of
		individuals	individuals
		僱員人數	僱員人數
Emoluments of the employees	僱員酬金介乎下列		
were within the following band:	組別:		
Not exceeding HK\$1,000,000	不超過港幣1,000,000元	—	2
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	1	1
HK\$3,500,001 to HK\$4,000,000	港幣3,500,001元至 港幣4,000,000元	2	2

During the year, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

**8. 董事及僱員酬金 (續)**

本集團的五名最高薪酬人士中，其中兩名人士(二零零九年：無)為本公司董事，彼等之酬金已於上文披露，該三名人士(二零零九年：五名)的酬金如下：

年內，本集團並無向任何董事或五名最高薪酬人士支付任何酬金，作為加入本集團或加入時的獎金或離職賠償。任何董事概無於年內放棄任何酬金。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

9. LOSS BEFORE TAXATION

9. 除稅前虧損

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Loss before taxation has been arrived at after charging (crediting):	年內虧損經扣除(計入):		
Directors' remuneration (note 8)	董事酬金(附註8)	3,488	1,772
Other staff costs	其他員工成本	53,143	41,213
Retirement benefit schemes contributions (note 35)	退休福利計劃供款(附註35)	3,739	3,166
Total staff costs	員工成本總額	60,370	46,151
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	28,057	19,138
Less: Amount capitalised in exploration and evaluation assets	減:撥充資本至勘探及評估資產之款項	(11,435)	(2,742)
		16,622	16,396
Amortisation of prepaid lease payments	預付租賃款項攤銷	133	133
Less: Amount capitalised in construction in progress	減:於在建工程撥充資本之款項	(133)	(133)
		—	—
Auditors' remuneration	核數師酬金	2,284	1,670
Cost of inventories recognised as expense	已確認為開支之存貨成本	149,228	132,928
Loss on write-off of property, plant and equipment	撇銷物業、廠房及設備之虧損	—	296
Net exchange loss	匯兌虧損淨額	—	968
Operating lease charges on land and buildings	土地及樓宇之經營租賃費用	6,161	5,422

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

## 10. INCOME TAX CREDIT

## 10. 所得稅抵免

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Current tax charge:	本期稅項：		
PRC Enterprise Income Tax	中國企業所得稅	395	133
Deferred tax credit (note 26)	遞延稅項(附註26)	(8,172)	(1,398)
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應佔稅項	(7,777)	(1,265)

No provision for Hong Kong Profits Tax had been made in the consolidated financial statements as the Group has no assessable profits or incurred tax losses for both years.

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%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

由於本集團於兩個年度並無應課稅溢利或產生稅務虧損，故於綜合財務報表並無作出香港利得稅撥備。

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

其他法區所產生的稅務乃根據有關法區的稅率計算。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**10. INCOME TAX CREDIT** (continued)

The income tax credit for the year can be reconciled to the loss before taxation per the consolidated statement of comprehensive income as follows:

**10. 所得稅抵免** (續)

本年度所得稅抵免可與綜合全面收益表所示除稅前虧損對賬如下：

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Loss before taxation	除稅前虧損	(62,856)	(41,655)
Tax at the PRC Enterprise Income Tax rate of 25%	按中國企業所得稅率25%計算之稅項	(15,714)	(10,414)
Tax effect of share of loss of an associate	應佔聯營公司之虧損之稅務影響	2,234	—
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(5,492)	(2,829)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	4,387	2,418
Tax effect of tax losses not recognised	未確認稅損之稅務影響	11,064	8,444
Utilisation of tax losses previously not recognised	使用前年度未確認稅損	(3,847)	—
Effect of tax concession granted to the Company's certain subsidiaries	本公司若干附屬公司獲稅項優惠之影響	(899)	(120)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司不同稅率之影響	438	1,158
Others	其他	52	78
Income tax credit for the year	本年度稅項抵免	(7,777)	(1,265)

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**11. LOSS PER SHARE**

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the loss for the year of HK\$55,079,000 (2009: HK\$40,390,000) and 429,168,000 shares in issue during the year (2009: 401,771,000 weighted average number of shares in issue during 2009).

The computation of diluted loss per share for both years does not assume the conversion of the Group's convertible notes as the conversion of the convertible notes would result in a decrease in loss per share.

**11. 每股虧損**

本公司擁有人應佔每股基本及攤薄虧損乃根據年內虧損HK\$55,079,000(二零零九年: HK\$40,390,000)及年內已發行429,168,000股(二零零九年: 於二零零九年已發行加權平均數401,771,000股)計算。

由於兌換可換股票據可導致每股虧損減少,故並無呈列兩個年度的每股攤薄虧損。

**12. PROPERTY, PLANT AND EQUIPMENT/ASSETS CLASSIFIED AS HELD FOR SALE****12. 物業、廠房及設備/資產分類為持作出售資產**

		Leasehold improvements	Mining Structure	Plant and machinery and other equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
		租賃物業裝修	礦區結構	廠房及機器和其他設備	傢俬及裝置	汽車	在建工程	合共
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>COST</b>	<b>成本</b>							
At 1st January, 2009	於二零零九年一月一日	19,973	—	162,943	16,782	1,457	34,146	235,301
Exchange realignment	匯兌調整	(1)	—	(29)	(2)	—	(7)	(39)
Additions	添置	748	—	1,040	720	—	95	2,603
Transfer	轉讓	1,309	—	—	—	—	(1,309)	—
Acquired on acquisition of subsidiaries (note 29)	收購附屬公司時 購入(附註29)	—	4,691	37,438	1,058	1,218	—	44,405
Write-offs	撇銷	—	—	(30)	(142)	(520)	—	(692)
At 31st December, 2009	於二零零九年十二月三十一日	22,029	4,691	201,362	18,416	2,155	32,925	281,578
Exchange realignment	匯兌調整	204	174	3,178	1,574	615	—	5,745
Additions	添置	352	—	10,148	484	2,800	416	14,200
Transfer to assets classified as held for sale	轉入持作出售資產	—	—	—	—	—	(33,341)	(33,341)
At 31st December, 2010	於二零一零年十二月三十一日	22,585	4,865	214,688	20,474	5,570	—	268,182
<b>DEPRECIATION AND IMPAIRMENT</b>	<b>折舊及減值</b>							
At 1st January, 2009	於二零零九年一月一日	14,905	—	83,980	11,747	1,328	7,337	119,297
Exchange realignment	匯兌調整	(3)	—	(13)	(2)	—	—	(18)
Provided for the year	年度撥備	1,631	329	14,694	2,221	258	—	19,138
Eliminated on write-offs	撇銷時對銷	—	—	(16)	(65)	(315)	—	(396)
At 31st December, 2009	於二零零九年十二月三十一日	16,538	329	98,645	13,901	1,271	7,337	138,021
Exchange realignment	匯兌調整	169	38	1,087	258	34	—	1,586
Provided for the year	年度撥備	1,304	330	22,646	2,828	949	—	28,057
Eliminated on transfer to assets classified as held for sales	轉入持作出售資產時對銷	—	—	—	—	—	(7,337)	(7,337)
At 31st December, 2010	於二零一零年十二月三十一日	18,011	697	122,378	16,987	2,254	—	160,327
<b>CARRYING VALUES</b>	<b>賬面值</b>							
At 31st December, 2010	於二零一零年十二月三十一日	4,574	4,168	92,310	3,487	3,316	—	107,855
At 31st December, 2009	於二零零九年十二月三十一日	5,491	4,362	102,717	4,515	884	25,588	143,557

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**12. PROPERTY, PLANT AND EQUIPMENT/ASSETS  
CLASSIFIED AS HELD FOR SALE** (continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives, after taking into account of their estimated residual value, on a straight-line basis at the following rates per annum:

Mining structure	Over 20 years
Leasehold improvements	Over the term of the leases, or 5 years, whichever is the shorter
Plant and machinery and other equipment	6%–20%
Furniture and fixtures	18%–33%
Motor vehicles	18%–25%

Construction in progress represented costs of construction of factory premises erected on a piece of land held by a subsidiary of the Company. These factory premises were constructed for the manufacture and distribution of die casting parts. During the year ended 31st December, 2007, the subsidiary was named as a defendant in a District Court action in the PRC in respect of the alleged breach of contractual undertakings of several construction contracts. All construction costs in dispute were properly accrued in the consolidated statement of financial position. Due to significant delay in the completion of the construction works, a number of the relevant assets were determined to be impaired. Accordingly, an impairment loss of approximately HK\$7,337,000 was recognised during the year ended 31st December, 2007.

During the year ended 31st December, 2008, the District Court in the PRC ruled in favour of the plaintiff. The subsidiary and its legal counsel appealed to the Intermediate Court in the PRC but the Intermediate Court in the PRC still ruled in favour of the plaintiff. Accordingly, additional construction costs of approximately HK\$2,661,000 in dispute were accrued in the consolidated statement of financial position; while additional penalties of approximately HK\$1,704,000 and additional legal expenses of approximately HK\$198,000 were charged to profit or loss during the year ended 31st December, 2008. The judgment from the Intermediate Court was final.

**12. 物業、廠房及設備／資產分類  
為持作出售資產** (續)

除在建工程外，上述物業、廠房及設備項目乃按估計可使用年期及經計及其估計剩餘價值，以直線法按以下年率計算折舊：

礦區結構	20年以上
租賃物業裝修	租賃年期或5年 (以較短者為準)
廠房及機器和其他設備	6%–20%
傢俬及裝置	18%–33%
汽車	18%–25%

由於被指違反若干工程合約之合約承諾，一家附屬公司於截至二零零七年十二月三十一日止年度在中國地方法院一項訴訟中成為被告人。爭議中之全部工程成本已恰當於截至二零零七年十二月三十一日止年度綜合財務狀況表內累計。該事件亦導致新工廠廠房之竣工日期出現重大延期。若干相關資產已經減值。因此，截至二零零七年十二月三十一日止年度已確認之減值虧損約港幣7,337,000元。

於二零零八年，中國地方法院判決原告人勝訴。該附屬公司及其法律顧問向中國中級人民法院提出上訴，惟中國中級人民法院仍判決原告人勝訴。因此，爭議中之額外工程成本約港幣2,661,000元於綜合財務狀況表中累計，而額外罰金約港幣1,704,000元及額外法律費用約港幣198,000元於截至二零零八年十二月三十一日止年度損益內扣除。中級人民法院作出的裁決為最終判決。



## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 12. PROPERTY, PLANT AND EQUIPMENT/ASSETS CLASSIFIED AS HELD FOR SALE (continued)

As at 31st December, 2009, the directors of the Company conducted impairment review of the construction in progress. The recoverable amount based on fair value less costs to sell estimated by the directors of the Company by reference to a valuation carried out on that date by Greater China Appraisal Limited ("Greater China"), independent qualified professional valuers not connected with the Group is higher than the relevant carrying amount as at 31st December, 2009 and, accordingly, no further impairment was recognised.

In October 2010, the directors of the Company planned to dispose of the land together with the construction works thereon. The Group committed to this selling plan and actively seeking a buyer. Subsequently, on 21st January, 2011, the subsidiary entered into a sales agreement with a third party to dispose of the land together with the construction works thereon at a consideration of RMB55,000,000 (equivalent to HK\$64,748,000). Thus, the carrying amounts of the land and the construction works were known to be recovered through sale as at the end of the reporting period and so the carrying values of construction in progress and the prepaid lease payments (Note 14) have been transferred to assets classified as held for sale at 31st December, 2010.

### 12. 物業、廠房及設備／資產分類 為持作出售資產 (續)

本公司董事於二零零九年十二月三十一日就本集團之在建工程進行減值檢討。本集團之在建工程於二零零九年十二月三十一日之公平值乃按照由與本集團並無關連之獨立合資格專業估值師漢華評值有限公司(「漢華」)於當日進行的估值而釐定。漢華為估價師協會之會員。經參照漢華所達致之估值，於二零零九年十二月三十一日按照公平值減出售成本計算之可收回數額高於相關的賬面值。因此，並無進一步確認減值。

於二零一零年十月，本公司董事計劃出售有關土地連同土地上之建造工程。本集團承諾進行此出售計劃及積極尋求買家。隨後於二零一一年一月二十一日，有關附屬公司與第三方訂立出售協議，出售有關土地連同土地上之建造工程，代價為人民幣55,000,000元(相等於64,748,000港元)。因此，於報告期結束時之有關土地及建造工程之賬面值即透過出售而收回，因此，於二零一零年十二月三十一日，在建工程及預付租賃款項(附註14)之賬面值已轉撥至分類為持作出售之資產。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**12. PROPERTY, PLANT AND EQUIPMENT/ASSETS  
CLASSIFIED AS HELD FOR SALE** (continued)

As at 31st December, 2010, assets classified as held for sale comprise:

**12. 物業、廠房及設備／資產分類  
為持作出售資產** (續)

於二零一零年十二月三十一日資產分類為持作出售資產如下：

		HK\$'000 港幣千元
Construction in progress previously included in property, plant and equipment	過往包括在物業、廠房及設備之在建工程	26,004
Land use rights previously included in prepaid lease payments	過往包括在預付租賃款項之土地使用權	5,887
		31,891

**13. EXPLORATION AND EVALUATION ASSETS**

**13. 勘探及評估資產**

		HK\$'000 港幣千元
<b>COST</b>	<b>成本</b>	
Acquired on acquisition of subsidiaries (note 29)	收購附屬公司時購入(附註29)	154,633
Additions	添置	10,935
At 31st December, 2009	於二零零九年十二月三十一日	165,568
Additions	添置	19,030
At 31st December, 2010	於二零一零年十二月三十一日	184,598

The Group's exploration and evaluation assets were mainly arising from the acquisition of the Western Prospector Group Ltd. ("Western Prospector") (together with its subsidiaries known as "Western Prospector Group") during the year ended 31st December, 2009, details of which are set out in note 29.

誠如附註29所載，本集團之勘探及評估資產主要由於截至二零零九年十二月三十一日年度所收購的Western Prospector Group Ltd (「西部公司」)及其附屬公司統稱「西部公司集團」而產生。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 13. EXPLORATION AND EVALUATION ASSETS (continued)

The Western Prospector Group's uranium exploration licenses were temporarily suspended in April 2009 and July 2009 due to the purported non-compliance with Law on Minerals, Land Law and Law on Radiation Safety of Mongolia and purported breaches of various laws of Mongolia respectively, reported by the inspector of the Mineral Resources Authority of Mongolia ("MRAM"). All of the suspensions were lifted in early July 2009 and November 2009 respectively, and the MRAM re-registered all such uranium exploration licenses on 12th November, 2009. Details of these are set out in the Company's announcements dated 27th July, 2009, 21st August, 2009, 13th November, 2009 and 29th December, 2009.

On 15th August, 2009, the Mongolian's Law on Nuclear Energy and Mongolia's Law on Implementing Procedures of the Law on Nuclear Energy (collectively referred to as the "New Laws") came into force. Under the New Laws, the People of Mongolia (the "Mongolia State") has the right to take ownership without payment of either not less than 51% of the shares of the Group's Mongolia subsidiaries if the Mongolia State's funding was used to determine the resource during exploration, or not less than 34% if the Mongolia State's funding was not used to determine the resource during exploration.

Based on management's discussions with the relevant Mongolian authorities and the advice from its Mongolian legal advisers, following the re-registration of the uranium exploration licences, the license holders will have the right to apply for mining licenses to mine or extract the resource identified in the relevant areas covered by the exploration licenses once consensus is reached between the Group and the relevant Mongolian authorities in respect of the implementation of various provisions under the New Laws.

During the year and as at 31st December, 2010, the directors of the Company carried out negotiations with the relevant Mongolian authorities in respect of the implementation of various provisions under the New Laws. Although the outcome cannot be reasonably determined, the directors of the Company, after taking into consideration of recent negotiation with one relevant Mongolia authorities and legal advice and the discounted cash flow analysis, are confident that the Group's interest in the exploration and evaluation assets will not be materially affected.

### 13. 勘探及評估資產 (續)

根據蒙古礦產資源管理局(「MRAM」)檢查人員指出，西部公司集團因未有遵守蒙古礦產法、土地法及輻射保護及安全法及違反多項蒙古法律，其鈾探礦許可證分別於二零零九年四月及二零零九年七月被暫停。該等暫停已於二零零九年七月及二零零九年十一月初撤銷，而於二零零九年十一月十二日，MRAM已重新登記全部該等鈾探礦許可證。有關詳情載於本集團在二零零九年七月二十七日、二零零九年八月二十一日、二零零九年十一月十三日及二零零九年十二月二十九日刊發之公告內。

於二零零九年八月十五日，蒙古的核能法例及蒙古有關核能法例實施程序的法例(統稱「新法例」)均已生效。根據新法例，蒙古國民(「蒙古」)有權取得不少於本集團蒙古附屬公司股份的51%(倘於勘探過程中動用蒙古資金發掘資源)；或不少於該等股份的34%(倘於勘探過程中並無動用蒙古資金發掘資源)之所有權，而毋須付款。

根據管理層與有關蒙古當局之討論及其蒙古法律顧問之意見，本集團與有關蒙古當局就實施新法例下多項條文達成共識後，隨著重新登記鈾探礦許可證後，許可證持有人即有權申請開採許可證，藉以開採及擷取探礦許可證所涵蓋之相關地區內所識別之資源。

於年內及於二零一零年十二月三十一日，本公司董事與有關蒙古當局就實施新法例下多項條文正在進行磋商。雖然結果未能合理確定，但本公司董事經考慮近期與一個蒙古有關當局磋商及法律意見及貼現現金流量分析後，深信本集團於勘探及評估資產之權益將不會受到重大影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**14. PREPAID LEASE PAYMENTS**

The amount represented payments made to acquire a medium-term land use right (the "Land Use Right") in the PRC after deduction of a government grant of approximately HK\$8,335,000 (2009: HK\$8,335,000), details of which are set out in note 36.

The relevant government authorities have not granted formal title to the Land Use Right to the Group. In the opinion of the directors of the Company, the absence of formal title to the Land Use Right does not impair the value of the relevant properties to the Group. The directors of the Company also believe that formal title to the Land Use Right will be granted to the Group in due course.

The prepaid lease payments are amortised over the term of 50 years on a straight-line basis and are analysed for reporting purposes as follows:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Non-current asset	非流動資產	—	5,887
Current asset	流動資產	—	133
		—	6,020

As at 31st December, 2010, the carrying value of the prepaid lease payments has been transferred to assets classified as held for sale as set out in note 12.

**15. INTEREST IN AN ASSOCIATE**

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Cost of unlisted investment	非上市的投資之成本	463,865	—
Exchange realignment	匯兌調整	214	—
Share of post-acquisition loss	分佔收購後虧損	(8,937)	—
Interest in an associate	於聯營公司之權益	455,142	—

During the year, the Group acquired a 37.2% equity interest in Société des Mines d'Azelik S.A. ("SOMINA") through the acquisition of a subsidiary known as Ideal Mining Limited ("Ideal Mining"), as detailed in note 29(i).

**14. 預付租賃款項**

款項指購入於中國的中期土地使用權(「土地使用權」)，扣除政府補助金約8,335,000港元(二零零九年：8,335,000港元)後支付的款項，有關詳情載於附註36。

有關政府部門尚未向本集團授出土地使用權之正式業權。本公司董事認為，尚未取得土地使用權之正式業權不會導致本集團於有關物業出現減值。本公司董事亦相信，本集團將於適當時候獲授土地使用權之正式業權。

預付租賃款項乃以直線法按土地使用權之50年年期攤銷及分析如下：

於二零一零年十二月三十一日，預付租賃款項之賬面值已轉撥至附註12所載的分類為持作出售之資產。

**15. 於聯營公司之權益**

誠如附註29(i)所載，本集團於本年度透過收購一間附屬公司名為理想礦業有限公司(「理想礦業」)，收購Société des Mines d'Azelik S.A.(「SOMINA」)之37.2%的權益。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**15. INTEREST IN AN ASSOCIATE** (continued)

Details of the Group's associate at 31st December, 2010 are as follows:

**15. 於聯營公司之權益** (續)

於二零一零年十二月三十一日，本集團之聯營公司詳情如下：

Name of associate	Country of registration and operation	Paid-up registered capital 已繳足註冊股本	Attributable equity interest held by the Group 本集團所持應佔股權	Principal activity 主要業務
聯營公司名稱	註冊及營運之地點	註冊股本	所持應佔股權	主要業務
SOMINA	Republic of Niger	African Financial Community Franc ("XOF") 500,000,000	37.2%	Mining
SOMINA	尼日爾共和國	500,000,000 非洲金融共同體法郎（「西非法郎」）	37.2%	礦業開採

The summarised consolidated financial information of SOMINA is set out below:

SOMINA之簡易綜合財務資料呈列如下：

		2010 二零一零年 HK\$'000 港幣千元
Total assets	總資產	3,357,124
Total liabilities	總負債	(2,109,600)
Net assets	資產淨值	1,247,524
Group's share of net assets of an associate	本集團應佔聯營公司之資產淨值	464,079
Revenue	收益	—
Loss for the period	期內虧損	24,024
Group's share of loss of an associate for the period	本集團期內應佔聯營公司之虧損	8,937

**16. INTEREST IN A JOINTLY CONTROLLED ENTITY**

As at 31st December, 2010 and 2009, the Group had interests in the following jointly controlled entity:

**16. 於共同控制實體之權益**

於二零一零年及二零零九年十二月三十一日，本集團於下列共同控制實體擁有權益：

Name of jointly controlled entity	Country of registration and operation	Paid-up registered capital 已繳足註冊股本	Attributable equity interest held by the Group 本集團所持應佔股權	Principal activity 主要業務
共同控制實體名稱	註冊及營運之地點	註冊股本	所持應佔股權	主要業務
XXEM LLC	People of Mongolia	Mongolian Tugrik ("MNT") 5,825	50%	Provide powerline support for the Group
XXEM LLC	蒙古	5,825 蒙古圖格里克（「圖格里克」）	50%	為集團提供電源供應

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For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**16. INTEREST IN A JOINTLY CONTROLLED ENTITY**

(continued)

The financial information in respect of the Group's interest in a jointly controlled entity which is accounted for using proportionate consolidation with the line-by-line reporting format is set out below:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	38,111	31,416
Current assets	流動資產		
Other receivables and prepayment	其他應收款項及預付款項	120	166
Bank balances and cash	銀行結餘及現金	842	2,305
		962	2,471
Current liability	流動負債		
Other payables	其他應付款項	3,788	6,381
Net current liability	流動負債淨值	(2,826)	(3,910)
		35,285	27,506

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Revenue	收益	—	—
Other income	其他收益	113	—
Expenses	開支	4,034	2,825

**17. DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT**

The deposits were paid by the Group in connection with the acquisition of property, plant and equipment for production facilities in the PRC. The outstanding consideration committed are shown as capital commitments in note 33.

**16. 於共同控制實體之權益 (續)**

有關本集團於共同控制實體之權益之財務資料概要載列如下，有關財務資料以比例綜合法列賬，並以分項方式呈列：

**17. 收購物業、廠房及設備已付之訂金**

本集團支付之訂金乃有關購入位於中國之物業、廠房及設備以用作為生產設施。未償還承擔金額載於附註33所載的資本承擔內。



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## 18. INVENTORIES

## 18. 存貨

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Raw material	原材料	9,122	6,228
Work-in-progress	在製品	14,495	9,447
Finished goods	製成品		
— Uranium concentrates	— 金屬鈾	278,684	—
— Others	— 其他	6,931	8,327
		309,232	24,002

## 19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

## 19. 應收貿易賬款及其他應收款項以及預付款項

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Trade receivables	應收貿易賬款	36,934	38,814
Deposits paid	已付訂金	2,689	3,316
Other receivables	其他	3,170	3,002
Prepayments	預付款項	1,985	2,172
		44,778	47,304

The Group allows a credit period of 30 to 90 days to its trade customers. The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

本集團給予其貿易客戶30日至90日的信貸期。於報告期終，根據發票日期為基準而呈列之應收貿易賬款賬齡分析如下：

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
0 to 30 days	0日至30日	15,671	12,179
31 to 60 days	31日至60日	11,616	12,613
61 to 90 days	61日至90日	7,044	9,818
91 to 120 days	91日至120日	1,326	2,684
Over 120 days	超過120日	1,277	1,520
		36,934	38,814

Before accepting any new customer, the Group will understand the potential customer's credit quality and defines its credit limits. Credit sales are made to customers with an appropriate credit history. Credit limits attributed to customers are reviewed regularly.

在接納新客戶之前，本集團將了解潛在客戶之信貸質素並確定其信用限度。本集團向具有良好信用記錄的客戶作出信用銷售。授予客戶的信用限度定期覆核。

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For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS** (continued)

The directors of the Company considered that trade receivables at the end of the reporting period which are neither past due nor impaired are recoverable based on the past repayment pattern of corresponding customers and subsequent settlement.

Included in the Group's trade receivable balance are debtors with an aggregate carrying amount of HK\$7,147,000 (2009: HK\$14,453,000) which are past due at the reporting date for which an impairment loss has not been recognised. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired is as follows:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
31 to 60 days	31日至60日	1,455	3,378
61 to 90 days	61日至90日	3,089	6,871
91 to 120 days	91日至120日	1,326	2,684
Over 120 days	超過120日	1,277	1,520
Total	總計	7,147	14,453

The directors of the Company considered that trade receivables at the end of the reporting period which are past due but not impaired are of good credit quality based on subsequent settlement.

Trade and other receivables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		MNT 圖格里克 HK\$'000 港幣千元	US\$ 美元 HK\$'000 港幣千元	Euro 歐元 HK\$'000 港幣千元
As at 31st December, 2010	於二零一零年十二月三十一日	955	596	1,292
As at 31st December, 2009	於二零零九年十二月三十一日	1,516	724	2,107

**19. 應收貿易賬款及其他應收款項以及預付款項** (續)

本公司董事認為，於報告期間結束時並未過期及並無減值之應收貿易賬款，根據相應客戶之以往付款模式及期終後收款，有關賬款乃屬可收回。

於報告日期，本集團的應收貿易賬款餘額之內共有賬面值為港幣7,147,000元(二零零九年：港幣14,453,000元)的應收款項已逾期，但本集團並未確認減值虧損。本集團對該等餘額不持有任何抵押物。

已逾期但未予以減值之應收貿易賬款之賬齡：

本公司董事認為，已逾期但未予以減值之應收貿易賬款，根據期終後收款，乃具有良好之信貸質素。

下文載列以有關集團實體之功能貨幣以外之貨幣列值之應收貿易賬款及其他應收款項：

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For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**20. AMOUNTS DUE FROM SHAREHOLDERS**

In prior year, Mr. Tsang Chiu Wai ("Mr. Tsang") and Mr. Kong Cheuk Luen Trevor ("Mr. Kong"), former substantial shareholders of the Company, entered into (i) an agreement with the Company's immediate holding company CNNC Overseas in the purchase and sale of the Company's equity interests; and (ii) an agreement incident to the purchase and sale agreement with the Company for guaranteeing the audited consolidated net asset value of the Company's major operating subsidiaries in manufacture and distributor of die casting parts segment, including United Non-Ferrous (Overseas) Limited and its subsidiaries, of not less than the sum of HK\$189,674,000 (the "Guaranteed Sum") as at 3rd December, 2010. If the actual amount is less than the Guaranteed Sum as at 3rd December, 2010, each of Mr. Tsang and Mr. Kong agree to pay to the Company half of such shortfall. On that day, the amount based on the audited accounts fell short of the Guaranteed Sum by approximately HK\$30,748,000. Therefore, Mr. Tsang and Mr. Kong are liable to pay the shortfall to the Company.

The amount are unsecured, interest-free and repayable on demand. In the opinion of the directors of the Company, these amounts will be recovered in the next twelve months from 31st December, 2010. As a result, the amounts are classified as current assets. The corresponding amount has been credited directly to the capital reserve in the equity as deemed contribution from equity participants.

**21. INVESTMENTS HELD FOR TRADING**

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Equity securities listed in Hong Kong	於香港上市的股本證券	367	322

The fair values of the listed equity securities are determined based on the quoted market bid prices available on the Stock Exchange.

**20. 應收股東款項**

於上一年度，本公司前主要股東曾昭偉先生(「曾先生」)及江爵煖先生(「江先生」)(i)與本公司之直接控股公司中核海外就買賣本公司股份權益訂立一份協議；及(ii)就涉及本公司之買賣協議而訂立之安排，保證本公司於製造及分銷壓鑄部件分部之主要營運附屬公司(包括United Non-Ferrous (Overseas) Limited及其附屬公司)於二零一零年十二月三日之經審核綜合資產淨值不少於總額189,674,000港元(「保證總額」)。倘於二零一零年十二月三日之實際數額少於保證總額，則曾先生及江先生同意每人向本公司支付該不足數額之一半。於當日，根據經審核賬目計算之數額較保證總額不足之數約為30,748,000港元。因此，曾先生及江先生有責任向本公司支付不足之數額。

有關數額為無抵押、免息及須於要求時償還。本公司董事認為，該等數額將於二零一零年十二月三十一日起計之未來十二個月內收回。因此，有關數額乃分類為流動資產。相應數額已直接計入權益內之資本儲備，視作權益參與者之注資。

**21. 持作買賣投資**

上述持作買賣投資之公平值乃按聯交所報市場出價而釐定。

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For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**22. BANK BALANCES AND CASH**

Bank balances carry interest at prevailing market rates which range from 0.01% to 0.75% (2009: 0.03% to 0.31%) per annum.

Bank balances that are denominated in currencies other than functional currencies of the relevant group entities are set out below:

		CAD	MNT	RMB	US\$	Euro
		加元	圖格里克	人民幣	美元	歐元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
As at 31st December, 2010	於二零一零年十二月三十一日	6,421	1,473	175,992	5,527	7,116
As at 31st December, 2009	於二零零九年十二月三十一日	6,295	2,424	81	3,498	3,961

**22. 銀行結餘及現金**

銀行結餘按介乎0.01厘至0.75厘(二零零九年: 0.03厘至0.31厘)之市場年利率計息。

下文載列以有關集團實體之功能貨幣以外之貨幣列值之銀行結餘:

**23. TRADE AND OTHER PAYABLES AND ACCRUALS**

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Trade payables	應付貿易賬款		
0 to 30 days	0日至30日	4,103	6,294
31 to 60 days	31日至60日	2,464	298
61 to 90 days	61日至90日	542	63
91 to 120 days	91日至120日	22	15
Over 120 days	超過120日	174	351
		7,305	7,021
Accruals	應計欠款	13,574	12,691
Other payables	其他應付款項	9,967	6,454
Deposits received	已收訂金	2,823	2,205
		33,669	28,371

**23. 應付貿易賬款及其他應付款項以及應計欠款**

於兩個報告期終, 根據發票日期為基準而呈列之應付貿易賬款賬齡分析如下:

The average credit period on purchase of goods is 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購買貨品的平均信貸期為60日。本集團已制定財務風險管理政策, 藉以確保所有應付款項於信貸時限內清償。

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**23. TRADE AND OTHER PAYABLES AND ACCRUALS**

(continued)

Trade and other payables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		<b>MNT</b>	<b>RMB</b>	<b>US\$</b>	<b>Euro</b>
		<b>圖格里克</b>	<b>人民幣</b>	<b>美元</b>	<b>歐元</b>
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
As at 31st December, 2010	於二零一零年十二月三十一日	4,088	13	1,192	1,096
As at 31st December, 2009	於二零零九年十二月三十一日	1,109	163	874	1,101

**24. CONVERTIBLE NOTES**

On 5th November, 2008, the Company issued a 2% unsecured convertible note to the immediate holding company of the Company, CNNC Overseas, with a principal amount of US\$13,702,000 ("CN 2008"). The fixed note interest of US\$68,512 will be settled quarterly. CN 2008 entitles CNNC Overseas to convert it, in whole or in part of the principal amount, into ordinary shares of the Company at any time prior to seven business days preceding the maturity date on 4th November, 2011, at the conversion price of US\$0.23 per share, subject to anti-dilutive adjustments. If CN 2008 has not been converted, it will be redeemed at par on 4th November, 2011. The effective interest rate of the liability components of CN 2008 is 11.58%.

On 25th March, 2010, the Company issued another 2% unsecured convertible note to CNNC Overseas with a principal amount of US\$53,281,853 ("CN 2010") in connection with the acquisition of Ideal Mining as set out in note 29(i). CN 2010 entitles CNNC Overseas to convert it, in whole or in part of the principal amount, into ordinary shares of the Company at any time prior to seven business days preceding the maturity date on 24th March, 2013, at the conversion price of HK\$9.50 per share, subject to anti-dilutive adjustments. The number of shares to be issued upon conversion is determined by dividing the principal amount of CN 2010 to be converted (translated into HK\$ at a fixed rate of HK\$7.77 to US\$1.00) by the conversion price of HK\$9.50, subject to anti-dilutive adjustments. If CN 2010 has not been converted, it will be redeemed at par on 24th March, 2013. At initial recognition, the fair value of CN 2010 is estimated to be HK\$413,356,000, including the liability component of HK\$340,737,000 at an effective interest rate of 8.80% and the conversion option amounted to HK\$72,619,000 has been credited to convertible notes equity reserve by reference to a valuation carried out on that date by Greater China.

**23. 應付貿易賬款及其他應付款項以及應計欠款 (續)**

下文載列以有關集團實體之功能貨幣以外之貨幣列值之應收貿易賬款及其他應收款項：

**24. 可換股票據**

於二零零八年十一月五日，本公司向中核海外發行本金額13,702,000美元的2%無抵押可換股票據（「CN 2008」）。固定票息68,512美元將每季清償。在反攤薄調整規限下，CN 2008持有人可於二零一一年十一月四日到期日前七個營業日以前任何時間按換股價每股0.23美元將本金額全數或部份轉換為本公司之普通股。倘CN 2008未予以兌換，則將於二零一一年十一月四日按面值予以贖回。CN 2008負債部份之實際利率為11.58厘。

誠如附註29(i)所載，於二零一零年三月二十五日，本公司再向中核海外發行本金額53,281,853美元的2%無抵押可換股票據（「CN 2010」）以收購理想礦業。在反攤薄調整規限下，CN2010持有人可於二零一三年三月二十四日到期日前七個營業日以前任何時間按換股價每股港幣9.50元將本金額全數或部份轉換為本公司之普通股。在反攤薄調整規限下，可換股份數量是取決於要轉換CN 2010本金除以港幣9.50元之換股價（以固定匯率港幣7.77元對1.00美元折算）。倘CN 2010未予以兌換，則將於二零一三年三月二十四日按面值予以贖回。在初始確認時，CN 2010之公平值被評估為港幣413,356,000元，包括港幣340,737,000元的負債部份及其實際利率為8.80%，及根據漢華當天之評估，價值港幣72,619,000元可換股權已計入可換股票據股本儲備。

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For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**24. CONVERTIBLE NOTES** (continued)

The movement of the liability component of CN 2008 and CN 2010 is set out as below:

		CN 2008	CN 2010	Total
		CN 2008	CN 2010	合共
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At 1st January, 2009	於二零零九年一月一日	83,284	—	83,284
Interest charge	利息支出	9,473	—	9,473
Interest paid	已付利息	(2,478)	—	(2,478)
At 31st December, 2009	於二零零九年十二月三十一日	90,279	—	90,279
Issue during the year	於年內發行	—	340,737	340,737
Interest charge	利息支出	11,183	25,082	36,265
Interest paid	已付利息	(2,124)	—	(2,124)
At 31st December, 2010	於二零一零年十二月三十一日	99,338	365,819	465,157

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Analysed for reporting purposes as:	報告用途之分析	365,819	90,279
Non-current liability	非流動負債	99,338	—
Current liability	流動負債	465,157	90,279

**25. UNSECURED BANK LOAN**

The unsecured bank loan carries floating-rate interest at Hong Kong Inter-bank Offer Rate ("HIBOR") plus 0.45% and is repayable at the end of each interest period. Amount repaid may be redrawn immediately. The intervals of each interest period vary from one to three months.

The average effective interest rate of the Group's unsecured bank loan is 0.64% (2009: 0.60%) per annum.

**24. 可換股票據** (續)

CN 2008及CN 2010負債部分之變動如下：

**25. 無抵押銀行貸款**

無抵押銀行貸款之浮息為香港銀行同業拆息(「香港銀行同業拆息」)加0.45厘及須於各利息期末清償。已清償款項可立即重新提取。各利息期限之間隔期介乎一個月至三個月。

本集團之無抵押銀行貸款之實際平均年利率為0.64厘(二零零九年：0.6厘)。



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**26. DEFERRED TAX LIABILITY**

The following are the deferred tax liability (asset) recognised and movements thereon during the current and prior years:

		<b>Tax loss</b>	<b>Convertible</b>	<b>Total</b>
		<b>稅項虧損</b>	<b>可換股票據</b>	<b>合共</b>
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At 1st January, 2009	於二零零九年一月一日	—	4,025	4,025
Credited to profit or loss	於損益計入	—	(1,398)	(1,398)
At 31st December, 2009	於二零零九年十二月三十一日	—	2,627	2,672
Credited to profit or loss	於損益計入	(2,539)	(5,633)	(8,172)
Credited to equity	計入權益	—	11,982	11,982
At 31st December, 2010	於二零一零年十二月三十一日	(2,539)	8,976	6,437

At the end of the reporting period, the Group has unused tax losses of approximately HK\$104,435,000 (2009: HK\$60,179,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses of HK\$89,047,000 (2009: HK\$60,179,000) due to the unpredictability of future profits streams. Unrecognised tax losses of HK\$4,497,000 (2009: HK\$4,407,000) will gradually expire from 2011 to 2015 (2009: from 2010 to 2014). The remaining tax losses may be carried forward indefinitely.

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1st January, 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$6,364,000 (2009: HK\$1,296,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

**26. 遞延稅項**

已確認之主要遞延稅項負債(資產)以及於現行及以往年度之變動如下：

於報告期終，本集團的未動用稅務虧損約港幣104,435,000元(二零零九年：港幣60,179,000元)，可用於抵銷日後溢利。由於不能預測日後溢利來源，故並無就餘下稅務虧損港幣89,047,000元(二零零九年：港幣60,179,000元)確認遞延稅項資產。未確認稅務虧損港幣4,497,000元(二零零九年：港幣4,407,000元)將於二零一零年至二零一五年(二零零九年：由二零一零年至二零一四年)依次到期。餘下的稅務虧損可無限期結轉。

根據中國企業所得稅法規定，自二零零八年一月一日起，將向於中國的附屬公司就其所賺取之溢利而宣派之股息徵收預扣稅。中國附屬公司之累計溢利應佔之暫時差額為港幣6,364,000港元(二零零九年：1,296,000港元)，本集團並未就該筆款項於綜合財務報表作出撥備，原因是本集團能控制撥回暫時差額之時間，且有關暫時差額將可能不會於可見未來撥回。

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**27. SHARE CAPITAL**

**27. 股本**

		Number of ordinary shares 普通股數目		Amount 金額	
		2010 二零一零年	2009 二零零九年	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Ordinary shares of HK\$0.01 each	每股面值港幣0.01元 的普通股				
Authorised:	法定：				
At 1st January and 31st December	於一月一日 及十二月三十一 日	1,000,000,000	1,000,000,000	10,000	10,000
Issued and fully paid:	已發行及繳足：				
At 1st January	於一月一日	429,168,308	379,168,308	4,292	3,792
Issue of new shares	發行新股	—	50,000,000	—	500
At 31st December	於十二月三十一日	429,168,308	429,168,308	4,292	4,292

Pursuant to a placing agreement dated 8th July, 2009, an aggregate of 50,000,000 ordinary shares of HK\$0.01 each in the Company were placed by CNNC Overseas to independent investors at the price of HK\$8.78 per share (the "Placing"). On completion of the Placing, CNNC Overseas subscribed for an aggregate of 50,000,000 new shares in the Company at the price of HK\$8.78 per share so as to raise further working capital for the Company and broaden its capital base. These shares ranked pari passu with the then existing shares in all respects. The net proceeds from the subscription of approximately HK\$427 million were used for the Group's business developments and general working capital.

根據二零零九年七月八日訂立的配售協議，中核海外按每股股份港幣8.78元的價格，向獨立股東配售合共本公司50,000,000股每股0.01港元的普通股（「配售」）。完成配事後，中核海外按每股股份港幣8.78元的價格認購合共本公司50,000,000股新股份，藉以進一步為本公司籌措營運資金及擴大資本的基礎。該等股份與當時現有股份在各方面具有同等地位。認購所得款項淨額約為港幣427,000,000元，擬作本集團日後業務發展及一般營運資金之用。

**28. RESERVES**

The non-distributable reserve represents the aggregate amount of the share premium of the subsidiaries as at the time of a group reorganisation effected on 13th December, 2002 (the "Group Reorganisation").

The merger reserve represents the difference between the aggregate nominal amount of the share capital of the subsidiaries and the nominal amount of the Company's shares issued in exchange thereof pursuant to the Group Reorganisation.

**28. 儲備**

不可分派儲備指於二零零二年十二月十三日進行集團重組（「集團重組」）時附屬公司的股份溢價總額。

合併儲備為根據集團重組收購附屬公司股本面值總額與本公司就換取有關股本所發行股份面值間之差額。

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**28. RESERVES** (continued)

As stipulated by the relevant laws and regulations in the PRC, subsidiaries established in the PRC (the "PRC subsidiaries") are required to maintain a general reserve fund which is non-distributable. Appropriations to this reserve fund are made out of profit for the year of the PRC subsidiaries' PRC statutory financial statements which are prepared in accordance with the accounting principles generally accepted in the PRC. The amount and allocation basis are decided by the board of directors of the PRC subsidiaries annually and is not less than 10% of the profit for the year of the PRC subsidiaries for that year. The general reserve fund can be used for expanding the capital base of the PRC subsidiaries by means of capitalisation issue.

**29. ACQUISITION OF SUBSIDIARIES/ACQUISITION OF ADDITIONAL INTEREST IN SUBSIDIARIES**

- (i) On 23rd January, 2010, a directly wholly-owned subsidiary of the Company and CNNC Overseas entered into a sale and purchase agreement pursuant to which CNNC Overseas agreed to sell its entire 100% equity interest in Ideal Mining, an investment holding company incorporated in the British Virgin Islands, to the Group at a consideration to be satisfied through issuance of CN 2010 to CNNC Overseas with a principal amount of US\$53,281,853. The principal asset of Ideal Mining is a 37.2% equity interest in SOMINA, a company incorporated in Niger with limited liability, which is the registered holder of the mining license for a uranium mine located in the Agadez region of the Tchirozérine department of Niger. Details of the transaction are set out in the Company's circular dated 4th March, 2010.

Ideal Mining is an investment holding company and SOMINA has not commenced commercial production of the mine. The Group acquired Ideal Mining from its immediate holding company, CNNC Overseas, at a consideration which is about 90% of the fair value of the net assets acquired. The difference between the fair value of the consideration paid and the fair value of net assets acquired is deemed as capital contribution from CNNC Overseas, which is credited directly to the capital reserve in the equity. The transaction has been completed on 25th March, 2010.

**28. 儲備** (續)

根據中國有關法律及規例規定，在中國成立的附屬公司（「中國附屬公司」）須設立一般儲備基金，而該等儲備基金乃不可分派。該儲備基金乃撥付自中國附屬公司遵照中國公認會計原則所編製中國法定財務報表之年內溢利。分配數額及分配基準由中國附屬公司之董事局每年釐定，惟該數額不可少於中國附屬公司於該年度之年內溢利10%。一般儲備基金可用於透過資本化發行擴大中國附屬公司之資本基礎。

**29. 收購附屬公司／增購附屬公司權益**

- (i) 於二零一零年一月二十三日，公司的一間直接全資附屬公司與中核海外訂立買賣協議，據此，中核海外同意出售理想礦業，一所在英屬維爾京群島註冊成立的投資控股公司，全部已發行股本給公司的一間直接全資附屬公司，代價以公司發行給中核海外本金53,281,853美元的CN2010。理想礦業主要資產是在SOMINA（一所在尼日爾註冊成立的有限公司）之37.2%的權益，其是位於尼日爾Tchirozérine省Agadez地區一個鈾礦開採許可證的登記持有人。有關交易詳情載於本公司在二零一零年三月四日刊發之通函內。

理想礦業是一家投資控股公司，並且SOMINA未開始礦的商業生產。本公司以約90%淨資產公平值的代價購買理想礦業。收購代價與收購資產的公平值之間的差額被視作為中核海外的資本貢獻，直接地計入資本儲備。交易於二零一零年三月二十五日完成。

		HK\$'000 港幣千元
Consideration transferred at fair value:	轉讓代價公平值	
Issuance of CN 2010	發行CN 2010	413,356
Asset recognised at the date of acquisition:	於收購日資產淨值	
Interest in an associate acquired	收購於聯營公司之權益	464,079
Deemed contribution from immediate holding company	直接控股公司被視為的貢獻	(50,723)
		413,356

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**29. ACQUISITION OF SUBSIDIARIES/ACQUISITION OF ADDITIONAL INTEREST IN SUBSIDIARIES** (continued)

- (ii) During the year ended 31st December, 2009, the Group acquired approximately 69.5% of the issued share capital of Western Prospector from independent third parties for an aggregate consideration of approximately HK\$143,589,000. Western Prospector was a company incorporated in Canada with its shares listed on the Toronto Stock Exchange Venture Exchange. This acquisition was accounted for as acquisition of a jointly controlled entity and the assets and the associated liabilities of the Western Prospector Group. The acquisition of Western Prospector Group was not considered as a business acquisition as the activities of the Western Prospector Group are the holding of exploration licenses in radioactive minerals in Mongolia and investment in jointly controlled entity. The acquisition was completed on 29th June, 2009.

**29. 收購附屬公司／增購附屬公司權益** (續)

- (ii) 於截至二零零九年十二月三十一日年度，本集團向獨立第三方收購西部公司已發行股本約69.5%，總代價約143,589,000港元。西部公司為一間於加拿大註冊成立之公司，其股份於多倫多證券交易所創業交易所上市。此項收購以收購共同控制實體及西部公司集團的資產及相關負債入賬。收購西部公司集團並不視為業務收購，由於西部公司集團的相關業務為持有蒙古放射性礦物之探礦許可證及於共同控制實體的投資。該收購已於二零零九年六月二十九日完成。

		HK\$'000 港幣千元
Assets acquired, including the jointly controlled entity (see note 16), and liabilities recognised at the date of acquisition:	於收購日，收購之資產，包括共同控制實體(附註16)，及確認之負債如下：	
Property, plant and equipment	物業、廠房及設備	11,841
Exploration and evaluation assets	勘探及評估資產	154,633
Interest in jointly controlled entity	於共同控制實體的權益	30,460
Other receivables and prepayments	其他應收款項及預付款項	3,125
Bank balances and cash	銀行結餘及現金	25,911
Other payables and accruals	其他應付款項及應計欠款	(1,418)
		224,552
Non-controlling interests	少數股東權益	(63,071)
Net assets acquired	所收購之資產淨值	161,481
Consideration transferred:	以下列方式支付：	
Cash	現金	143,589
Transaction costs incurred	產生之交易成本	17,892
		161,481
Net cash outflow arising from acquisition:	收購產生之現金流量淨額	
Cash consideration paid	已付之現金代價	(143,589)
Transaction costs paid	已付之交易成本	(17,892)
Bank balances and cash acquired	所收購之銀行結餘及現金	28,982
		(132,499)

Following the completion of the above acquisition and in August 2009, the Group acquired the remaining 30.5% equity interest in Western Prospector, at a cash consideration of Canadian dollar ("CAD") 9,357,755 (equivalent to approximately HK\$63,071,000). Western Prospector then became a wholly-owned subsidiary of the Company and its shares were delisted from the Toronto Stock Exchange Venture Exchange on 18th August, 2009.

隨著上述收購完成後，於二零零九年八月，本集團收購西部公司之餘下30.5%股權，現金代價為9,357,755加元(「加元」)(相等於約港幣63,071,000元)。西部公司遂成為本公司之全資附屬公司，而其股份於二零零九年八月十八日在多倫多證券交易所創業交易所除牌。

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**29. ACQUISITION OF SUBSIDIARIES/ACQUISITION OF ADDITIONAL INTEREST IN SUBSIDIARIES** (continued)

(ii) (continued)

Western Prospector Group incurred a loss of approximately HK\$7.8 million between the date of acquisition and at 31st December, 2009.

**30. SHARE OPTION SCHEME**

The Company's share option scheme (the "Scheme") was adopted for a period of ten years commencing 11th December, 2002 pursuant to a written resolution of all shareholders passed on 11th December, 2002 for the primary purpose of providing incentives or rewards to directors of the Company and eligible employees of the Group. Under the Scheme, the Company may grant options to eligible employees and directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to outside eligible advisors and consultants to the Company and its subsidiaries at the discretion of its board of directors.

The number of shares which may be issued under the Scheme is subject to the following limits:

- (i) the maximum number of shares in respect of which options may be granted under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of issued shares of the Company from time to time;
- (ii) without prior approval from the Company's shareholders, the total number of shares in respect of which options may be granted under the Scheme and any other share option scheme is not permitted to exceed 22,000,000 shares, representing 10% of the issued share capital of the Company at 6th January, 2003; and
- (iii) the number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the issued share capital of the Company as at the date of such grant.

**29. 收購附屬公司／增購附屬公司權益** (續)

(ii) (續)

於收購日期與二零零九年十二月三十一日期間，西部公司集團產生虧損約港幣7,800,000元。

**30. 購股權計劃**

根據全體股東於二零零二年十二月十一日通過的書面決議案，本公司採納購股權計劃（「該計劃」），由二零零二年十二月十一日起為期十年，主要目的是作為對本公司董事及本集團合資格僱員的鼓勵或獎勵。根據該計劃，本公司可授出購股權予本公司及其附屬公司合資格僱員及董事，以認購本公司股份。此外，按董事局之酌情決定，本公司可不時授出購股權予本公司及其附屬公司的外界合資格顧問及諮詢顧問。

根據該計劃可予發行之股份數目受下列規限：

- (i) 根據該計劃及本公司任何其他購股權計劃可能授出購股權所涉及股份數目上限，合共不得超過本公司不時已發行股份總數之30%；
- (ii) 在未獲得本公司股東事先批准前，根據該計劃及任何其他購股權計劃可能授出購股權涉及之股份總數，合共不得超過22,000,000股，相當於二零零三年一月六日本公司已發行股本之10%；及
- (iii) 於任何一年內可能向任何人士授出購股權涉及之股份數目，不得超過本公司於授出日期已發行股本之1%。



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### 30. SHARE OPTION SCHEME (continued)

A nominal consideration of HK\$1 is payable upon acceptance of the grant of the option. The exercise price is determined by the directors of the Company and will be at least the higher of (i) the average of the closing prices of the ordinary shares of the Company for the five trading days immediately preceding the date of the grant; (ii) the closing price of the ordinary shares of the Company on the date of the grant; and (iii) the nominal value of the ordinary shares of the Company.

Any options granted under the Scheme must be exercised during such option period as may be determined and notified by the directors of the Company, which shall not exceed 10 years from the date of acceptance of the option.

No options have been granted under the Scheme since its adoption.

### 31. 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 debt, which includes unsecured bank loan and convertible notes, net of cash and cash equivalents, and equity attributable to owners of the Company, comprising share capital and reserves as disclosed in the consolidated financial statements.

The directors of the Company review the capital structure annually. As part of this review, the directors of the Company assess the annual budget prepared by management of the Company. Based on the proposed annual budget, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The directors of the Company also balance its overall capital structure through the payment of dividends, new share issues of the Company as well as the issue of new debt or the redemption of existing debt.

### 30. 購股權計劃 (續)

於接納授出購股權時須支付港幣1元象徵式代價。行使價由本公司董事釐定，價格不得低於下列最高者：(i)本公司普通股於緊接授出日期前五個交易日之平均收市價；(ii)本公司普通股於授出日期之收市價；及(iii)本公司普通股面值。

根據該計劃授出之任何購股權須於本公司董事釐定及公佈之購股權期間內行使，有關期間不得超過購股權獲接納當日起10年。

自該計劃獲採納以來，並無根據該計劃授出任何購股權。

### 31. 資本風險管理

本集團管理其資本以確保能夠持續經營，同時透過優化債務及權益結餘將股東回報提至最高。

本集團之資本架構包括債務，包括須於一年內悉數償還之無抵押銀行貸款、可換股票據及本公司擁有人應佔權益（包括綜合財務報表所披露之股本、股份溢價、投資重估儲備、不可分派儲備、合併儲備、一般儲備基金、可換股票據股本儲備、匯兌儲備及累計溢利）。

本公司董事每年審閱資本架構。作為此審閱之一部分，本公司董事對本公司管理層編製之年度預算進行評估。根據建議年度預算，本公司董事考慮資本成本及與各類資本有關的風險。本公司董事亦透過派付股息、建議本公司發行新股及發行新債券或贖回現有債券以平衡其整體資本架構。



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**32. FINANCIAL INSTRUMENTS****(a) Categories of financial instruments**

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Fair value through profit or loss held for trading	按公平值計入損益的持作出售	367	322
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	380,338	652,758
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	498,429	118,728

**(b) Financial risk management objectives and policies**

The Group's major financial instruments include trade and other receivables, amounts due from shareholders, investments held for trading, bank balances and cash, trade and other payables, unsecured bank loan and convertible notes. The risks associated with these financial instruments include credit risk, market risk (currency risk and interest rate risk) and liquidity risk. The policies on how to mitigate these risks are set out below.

**Credit risk**

The Group's principal financial assets include trade and other receivables, amounts due from shareholders and bank balance and cash. The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31st December, 2010 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group only extends credit to customers based upon careful evaluation of the customers' financial conditions and credit history.

**32. 金融工具****(a) 金融工具之類別****(b) 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貿易賬款及其他應收款項、持作買賣投資、銀行結餘及現金、應付貿易賬款及其他應付款項、須於一年內悉數償還之無抵押銀行貸款及可換股票據。該等金融工具之詳情於有關附註披露。下文載列該等金融工具相關之風險及舒緩風險之政策。管理層管理及監控有關風險，以確保能及時及有效採取適當措施。

**信貸風險**

本集團之主要金融資產包括應收貿易賬款及其他應收款項以及現金及現金等價物。於二零一零年十二月三十一日，倘交易對方未能履行其責任，則本集團就各類別已確認金融資產而須承受之最高信貸風險為於綜合財務狀況表列賬之該等資產賬面值。為減低信貸風險，本集團管理層已成立隊伍負責釐定信貸限額、信貸批核及其他監控程序，以確保採取跟進行動收回逾期債務。本集團僅於審慎評估客戶財務狀況及過往信貸狀況後，方向客戶提供信貸。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 32. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies

(continued)

##### **Credit risk** (continued)

In addition, the Group reviews the recoverable amount of each individual receivable at the end of the reporting period to ensure that adequate impairment losses are recognised for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's exposure to bad debts and concentration risk is reduced.

The Group has concentration of credit risk as 29% of the total trade receivables as at 31st December, 2010 (2009: 57%) was due from the Group's five largest customers. Those five largest customers are reputable electrical appliance company, automotive traders and agents with long business history with the Group. Management performs periodic evaluations and customer visits to ensure the Group's exposure to bad debts is not significant. The historical experience in the collection of trade receivables from the five largest customers falls within the expectation of the directors.

Credit risk on bank balances is limited because the counterparties are banks with good reputation.

### 32. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### **信貸風險** (續)

此外，本集團於報告期終審閱各項個別應收款項可收回金額，確保已就不可收回金額確認足夠減值虧損。就此而言，本公司董事認為，本集團承受之壞賬及信貸集中風險乃屬輕微。

本集團面對信貸集中風險，原因為二零一零年十二月三十一日之應收貿易賬款總額中有29% (二零零九年：57%) 來自本集團五大客戶。該五大客戶為具有良好聲譽之電器公司、汽車交易商及代理人，與本集團已建立長久業務關係。管理層定期進行評估及拜訪客戶，以確保本集團承受之壞賬風險並不重大。在向五大客戶收回應收貿易賬款方面所取得之以往經驗乃符合董事之預期。

由於交易對手為獲國際信貸評級機構評級為高信貸評級或擁有良好信譽之銀行，故銀行結餘之信貸風險有限。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**32. FINANCIAL INSTRUMENTS** (continued)**(b) Financial risk management objectives and policies**

(continued)

**Market risk***(i) Foreign currency risk management*

While most of the Group's operations are transacted in the functional currencies of the respective group entities, the Group undertakes certain transactions denominated in foreign currencies. The Group currently has not formulated any hedging policies against its exposure to currency risk. However, the Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rate and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in foreign currencies at the end of both reporting periods are as follows:

		HKD 港元 HK\$'000 港幣千元	CAD 加元 HK\$'000 港幣千元	MNT 圖格里克 HK\$'000 港幣千元	RMB 人民幣 HK\$'000 港幣千元	US\$ 美元 HK\$'000 港幣千元	Euro 歐元 HK\$'000 港幣千元
As at 31st December, 2010	於二零一零年十二月三十一日						
Assets	資產	—	6,421	2,428	175,992	6,123	8,408
Liabilities	負債	16,000	—	4,088	131	1,192	1,096
As at 31st December, 2009	於二零零九年十二月三十一日						
Assets	資產	—	6,295	3,940	81	4,222	6,068
Liabilities	負債	16,000	—	1,109	163	874	1,101

**32. 金融工具** (續)**(b) 財務風險管理目標及政策** (續)**市場風險***(i) 外幣風險管理*

儘管就各集團實體而言，本集團大部分業務乃以功能貨幣進行，惟本集團進行若干以外幣計值交易。本集團現時並無就其貨幣風險制定任何對沖政策。然而，本集團仍透過密切監控外匯匯率變動管理其外幣風險。

本集團以外幣計值之貨幣資產及貨幣負債於兩個報告期終之賬面值如下：

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**32. FINANCIAL INSTRUMENTS** (continued)

**(b) Financial risk management objectives and policies**

(continued)

**Market risk** (continued)

(i) *Foreign currency risk management* (continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2009: 5%) increase and decrease in US\$ against the relevant foreign currencies. 5% (2009: 5%) represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currencies denominated monetary items at the end of the reporting period and adjusted for a 5% (2009: 5%) change in foreign currency rates. A positive number below indicates a decrease in loss where US\$ weakens 5% (2009: 5%) against the relevant currencies. For a 5% (2009: 5%) strengthening of US\$ against the relevant currencies, there would be an equal and opposite impact on loss. Since HK\$ is pegged to US\$, relevant foreign currency risk is minimal and excluded from the calculation below.

**32. 金融工具** (續)

**(b) 財務風險管理目標及政策** (續)

**市場風險** (續)

(i) *外幣風險管理* (續)

敏感度分析

下表詳述本集團對美元兌相關外幣升跌5% (二零零九年: 5%) 之敏感度。5% (二零零九年: 5%) 為本集團內部向主要管理人員匯報外幣風險所用的敏感度比率, 亦是管理層對外匯匯率可能出現之合理變動之評估。敏感度分析僅包括於報告期終尚未到期以外幣列值之貨幣項目, 對匯率5% (二零零九年: 5%) 變動作出調整。正數指美元兌相關貨幣減值5% (二零零九年: 5%) 時, 虧損有所減少。當美元兌相關貨幣升值5% (二零零九年: 5%) 時, 可能對虧損有同等相反的影響。由於港幣與美元掛鈎, 故相關貨幣風險極低, 以下計算時亦不包括在內。

		<b>CAD</b>	<b>MNT</b>	<b>RMB</b>	<b>Euro</b>
		<b>加元</b>	<b>圖格里克</b>	<b>人民幣</b>	<b>歐元</b>
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
2010	二零一零年				
Decrease (increase) in loss for the year	年內虧損減少(增加)	306	(79)	8,374	348
2009	二零零九年				
Decrease (increase) in loss for the year	年內虧損減少(增加)	300	135	(4)	237

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 32. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies

(continued)

##### **Market risk** (continued)

##### (ii) Interest rate risk

The Group's exposure to changes in interest rates is mainly attributable to its bank balances, unsecured bank loan and convertible notes. Bank balances and unsecured bank loan at variable rates expose the Group to cash flow interest-rate risk. Details of the Group's bank balances and unsecured bank loan are disclosed in notes 22 and 25 respectively.

The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group does not expose to significant cash flow interest-rate risk on financial instruments as the interest of the Group's financial liabilities and fluctuation in interest rate are insignificant. Also, the directors of the Company consider those interest bearing bank deposits are within short maturity period and the effect on fluctuation in interest rate is insignificant.

The Group is also exposed to fair value interest rate risk in relation to the liability component of the fixed rate convertible notes.

##### **Liquidity risk**

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of borrowings.

The following table details Group's 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 tables include 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.

### 32. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### **市場風險** (續)

##### (ii) 利率風險

本集團之利率變動風險主要與其銀行結餘、無抵押銀行貸款及可換股票據有關。按浮動息率計息之銀行結餘及無抵押銀行貸款導致本集團須面對現金流量利率風險。本集團銀行結餘及無抵押銀行貸款詳情分別於附註22及25披露。

本集團現時並無任何利率對沖政策。然而，管理層會監察利率風險及於需要時考慮對沖重大利率風險。

由於本集團金融負債的利息及利率的波動微不足道，故本集團並無面對重大現金流量利率風險。此外，本公司董事認為，該等計息銀行存款乃在短期內到期，且利率波動的影響非常微輕。

本集團亦就固定利率可換股票據之負債部分面對公平值利率風險。

##### **流動資金風險**

於管理流動資金風險時，本集團會監督及維持現金及現金等價物處於管理層認為充足之水平，以撥付本集團之營運所需資金及減低現金流量波動之影響。管理層會監督動用借貸之情況。

下表詳列本集團非衍生金融負債根據協定還款條款之合約期限情況。該等表格乃根據本集團於可被要求償還金融負債之最早日期之金融負債未貼現現金流量編製。該等表格包括利息及本金現金流量。倘利息流量乃按浮動利率計算，則未貼現金額乃由報告期終之利率曲線推算。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**32. FINANCIAL INSTRUMENTS** (continued)

**(b) Financial risk management objectives and policies**

(continued)

**Liquidity risk** (continued)

		Weighted average effective interest rate	0 to 30 days	31 to 60 days	61 to 365 days	1-5 years	Total	Total
							undiscounted cash flows	carrying amount
		加權 平均利率	0至30日	31至60日	61至365日	1至5年	未貼現 總現金 流量	賬面總值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		百分比	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>As at 31st December, 2010</b>	<b>於二零一零年 十二月三十一日</b>							
Trade and other payables	應付貿易賬款及 其他應付款項	—	16,174	361	737	—	17,272	17,272
Unsecured bank loan	須於一年內悉數償還 之無抵押銀行貸款	0.6	16,072	—	—	—	16,072	16,000
Convertible notes	可換股票據	9.4	—	358	107,813	438,863	547,034	465,157
			32,246	719	108,550	438,863	580,378	498,429
<b>As at 31st December, 2009</b>	<b>於二零零九年 十二月三十一日</b>							
Trade and other payables	應付貿易賬款及 其他應付款項	—	11,722	361	366	—	12,449	12,449
Unsecured bank loan	須於一年內悉數償還 之無抵押銀行貸款	0.6	16,096	—	—	—	16,096	16,000
Convertible notes	可換股票據	11.6	—	531	1,593	107,992	110,116	90,279
			27,818	892	1,959	107,992	138,661	118,728

The amounts included above for variable interest rate instruments for financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

上述金額包括金融負債的浮息利率工具，倘浮息利率與於報告期終釐定之上述估計利率出現差異，浮息利率工具則可能出現變動。

**(c) Fair value**

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

**(c) 公平值**

金融資產及金融負債之公平值釐定如下：

- 具有標準條款及條件及於活躍流動市場買賣之金融資產，乃參考所報市場買盤價釐定公平值；及
- 其他金融資產及金融負債之公平值乃以貼現現金流量分析為基準之普遍公認之定價模式釐定。



## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**32. FINANCIAL INSTRUMENTS** (continued)**(c) Fair value** (continued)

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 to their fair values.

The fair value measurement recognised on the consolidated financial statements subsequent to initial recognition with respect to the Group's investments held for trading belongs to level 1, being fair value derived from quoted prices (unadjusted) in active market for identical assets or liabilities.

**32. 金融工具** (續)**(c) 公平值** (續)

本公司董事認為，於綜合財務報表內按攤銷成本列賬之金融資產及金融負債賬面值與其公平值相若。

就本集團持作買賣投資而言，初步確認後在綜合財務報表確認之公平值計量乃屬於第一層級，即從已識別資產或負債於活躍市場中所報價格(未調整)得出的公平值。

**33. CAPITAL COMMITMENTS**

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Capital expenditure in respect of acquisition of property, plant and equipment:	就收購物業、廠房及設備的資本開支：		
Authorised but not contract for	已授權但未訂約	4,980	1,173
Contracted for but not provided	已訂約但未撥備	17,010	16,779
		<b>21,990</b>	<b>17,952</b>

**33. 資本承擔****34. OPERATING LEASE COMMITMENTS**

At the end of the reporting period, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases for rented premises which fall due as follows:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Within one year	一年內	4,713	4,855
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	4,199	5,095
		<b>8,912</b>	<b>9,950</b>

**34. 經營租賃承擔**

於報告期終，本集團根據就已租物業訂立的不可撤銷經營租賃，於下列年期到期支付之未償還日後最低租賃款項承擔如下：

Operating lease payments represent rentals payable by the Group for certain of its office and factory premises. Leases are negotiated for an average term of 3 years and rentals are fixed and no arrangements have been entered into for contingent rental payments.

經營租賃款項指本集團就其若干辦公室物業以及廠房土地及樓宇應付租金。平均租賃年期為3年。租金乃固定，且無就或然租金付款訂立任何安排。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**35. RETIREMENT BENEFIT SCHEMES**

Effective from 1st December, 2000, the Group has participated in a Mandatory Provident Fund Scheme (the "MPF Scheme") for all its eligible employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme. No forfeited contributions are available to reduce the contribution payable in the future years.

The Group is also required to make contributions to state-management retirement benefit schemes operated by the PRC government based on a certain percentage of the monthly payroll costs of the employees of its subsidiaries in the PRC. The Group has no other obligations under the state-management retirement benefit schemes in the PRC other than the contribution payable.

During the year, the total amount contributed by the Group to the relevant retirement benefit schemes are as follows:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
MPF Scheme	強積金計劃	217	201
State-management retirement benefit schemes	國有退休金計劃	3,522	2,965
		<b>3,739</b>	<b>3,166</b>

**35. 退休福利計劃**

本集團由二零零零年十二月一日起為其香港所有合資格僱員參與一項強制性公積金計劃(「強積金計劃」)。強積金計劃根據強制性公積金計劃條例在強制性公積金計劃管理局註冊。強積金計劃的資產由獨立信託人控制，與本集團的資金分開持有。根據強積金計劃的規則，僱主及其僱員各自須按規則指定的比率就計劃作出供款。本集團就強積金計劃應負的唯一責任為根據計劃作出所需供款，並無沒收供款以減低於未來年度應付的供款。

本集團亦須就中國政府營辦的國有退休金福利計劃，按中國附屬公司之僱員月薪成本的若干百分比，作出供款。本集團除需要根據中國的國有退休金計劃作出供款外，並無任何其他供款責任。

年內，本集團就有關退休福利計劃的供款總額如下：

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**36. GOVERNMENT GRANT**

During the year ended 31st December, 2005, the Group received a government grant of approximately HK\$8,335,000 in relation to the land use right of a piece of land situated in the PRC acquired by the Group during that year. The amount has been deducted from the carrying amount of the prepaid lease payments as set out in note 14, which was also reclassified as assets classified as held for sale as detailed in note 12. The amount is transferred to income in the form of reduced amortisation charge over the term of the prepaid lease payments. This policy has resulted in a credit to income in the current year of HK\$167,000 (2009: HK\$167,000). As at 31st December, 2010, an amount of HK\$7,403,000 (2009: HK\$7,570,000) remained to be amortised and included in assets held for sale.

**37. RELATED PARTY DISCLOSURES**

The following transactions and balances were entered into during the year or outstanding at the end of the reporting period respectively.

**(i) Remuneration of directors and other members of key management**

The remuneration of directors and other members of key management during the year was as follows:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Short-term benefits	短期福利	13,730	10,210
Post-employment benefits	退休後福利	114	44
		<b>13,844</b>	<b>10,254</b>

The remuneration paid for Mr. Tsang and Mr. Kong amounted to HK\$7,204,000 (2009: HK\$7,024,000) for the year. Their remunerations were not included in the above disclosure.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

**36. 政府補助金**

截至二零零五年十二月三十一日止年度，本集團於當年內就購入位於中國一幅土地之土地使用權獲取政府補助金約港幣8,335,000元。如附註14所載，該筆款項已從預付租賃款項賬面值中扣除。該款項亦重分類至附註12所載的持作出售資產內。該筆款項於預付租賃款項之租賃期內以扣減攤銷支出之方式轉撥至收入。此政策導致港幣167,000元(二零零九年：港幣167,000元)計入本年度收入。於二零一零年十二月三十一日，港幣7,403,000元(二零零九年：港幣7,570,000元)尚未攤銷及包括在持作出售資產。

**37. 有關連人士披露**

於年內及報告期終，本集團訂立或未完成之交易及餘額如下：

**(i) 董事及其他主要管理層成員之酬金**

年內董事及其他主要管理層成員之酬金如下：

本年度曾先生及江先生之薪酬為港幣7,204,000元(二零零九年：港幣7,024,000元)。他們的薪酬不包含在以上之披露。

薪酬委員會考慮董事及主要行政人員個別表現及市場趨勢後釐定彼等的薪酬。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**37. RELATED PARTY DISCLOSURES** (continued)

**(ii) Transactions and balances with other state-controlled entities in the PRC**

The Group itself is part of a larger group of companies under CNNC which is controlled by the PRC government. Other than the transactions and balances as disclosed in note 20 and apart from the issue of convertible notes as set out in note 24 and the related effective interest expenses of approximately HK\$36,265,000 (2009: HK\$9,473,000) to its immediate holding company in which interest paid amounted to HK\$2,124,000 (2009: HK\$2,478,000), there was a deemed contribution amounting to HK\$50,723,000 made by the immediate holding company, which was related to the acquisition of a subsidiary through the issuance of convertible notes as set out in note 29.

The Group has also entered into various transactions, including deposits placements with certain banks and financial institutions which are state-controlled entities in its ordinary course of business. In view of the nature of those banking transactions, the directors of the Company are of the opinion that separate disclosure would not be meaningful.

**38. MAJOR NON-CASH TRANSACTION**

The acquisition of Ideal Mining as set out in note 29 was satisfied through the issuance of a convertible note CN 2010.

**37. 有關連人士披露** (續)

**(ii) 與中國其他國家控制實體之交易及結餘**

本集團本身是中國政府控制的中核旗下較大集團公司之部分。年內，除附註20所載的交易及餘額，附註24所載發行可換股票據，以及向其直接控股公司中核海外支付約港幣36,265,000元(二零零九年：港幣9,473,000元)之相關利息開支(其中已付利息為港幣2,124,000元(二零零九年：2,478,000))外，為數50,723,000港元之視作注資乃直接控股公司作出，乃如附註29所載涉及透過發行可換股票據而收購附屬公司。

本集團亦於一般業務過程中與若干屬國家控制實體之銀行及金融機構訂立多項交易，包括存置存款。鑑於該等銀行交易性質，本公司董事認為，另行披露意義不大。

**38. 主要非現金交易**

誠如附註29所載，收購理想礦業是以發行CN2010滿足代價。

## Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

**39. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY**

Details of the Company's principal subsidiaries at the end of both reporting periods are as follows:

**39. 本公司附屬公司詳情**

於兩個報告期終，本公司之主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立/成立	Issued and fully paid share/registered capital 已發行及繳足股份/ 註冊股本	Proportion of nominal value of issued/registered capital held by the Company 本公司持有已發行/ 註冊股本面值的比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2010 二零一零年 %	2009 二零零九年 %	2010 二零一零年 %	2009 二零零九年 %	
United Non-Ferrous (Overseas) Limited	British Virgin Islands ("BVI") 英屬維爾京群島	Ordinary shares US\$30,400 普通股30,400美元	100	100	—	—	Investment holding 投資控股
Dongguan United Metal Products Co., Ltd. ("Dongguan United") (note i)	PRC 中國	Registered capital HK\$40,000,000 註冊股本 港幣40,000,000元	—	—	100	100	Manufacture and trading of die casting parts 壓鑄及銷售金屬產品
東莞經利五金制品有限公司 (東莞經利) (附註i)							
Emeelt Mines LLC	People of Mongolia 蒙古	Registered capital US\$10,000 註冊資本10,000美元	—	—	100	100	Mineral exploration in Mongolia 於蒙古探礦
Ideal Mining 理想礦業	BVI 英屬維爾京群島	Registered capital US\$390,000 註冊資本390,000美元	—	—	100	—	Investment holding 投資控股
United Castings (Dongguan) Co., Ltd. ("United Castings") (note i)	PRC 中國	Registered capital HK\$17,750,000 註冊股本港幣17,750,000元	—	—	100	100	Manufacture and trading of die casting parts 壓鑄及銷售金屬產品
東莞科鑄金屬製品有限公司 (東莞科鑄) (附註i)							
United Metal Products (Shanghai) Co., Ltd. ("United Shanghai") (note i)	PRC 中國	Registered capital US\$5,900,000 (note ii) 註冊股本5,900,000美元 (附註ii)	—	—	100	100	Inactive 暫無業務
科鑄金屬製品(上海)有限公司 (科鑄上海) (附註i)							
United Metals Company Limited 經利實業有限公司	Hong Kong 香港	Ordinary shares HK\$1,602 普通股港幣1,602元	—	—	100	100	Trading of die casting parts 銷售金屬產品
United Non-Ferrous Corporation	Mauritius 毛里裘斯	Registered capital US\$1 註冊資本1美元	—	—	100	100	Trading of die casting parts 銷售金屬產品
Western Prospector Mongolia LLC	People of Mongolia 蒙古	Registered capital US\$10,000 註冊資本10,000美元	—	—	100	100	Mineral exploration in Mongolia 於蒙古探礦

Notes:

- (i) Dongguan United, United Shanghai and United Castings are established in the PRC as wholly foreign owned enterprises.
- (ii) As at 31st December, 2010, the capital of United Shanghai was paid up as to US\$5,900,000 (2009: US\$3,870,000).

附註：

- (i) 東莞經利、科鑄上海及東莞科鑄為在中國成立的全外資企業。
- (ii) 於二零一零年十二月三十一日，科鑄上海之繳入股本為5,900,000美元(二零零九年：3,870,000美元)。

None of the subsidiaries had issued any debt securities at the end of the year.

在本年度年底，並無任何附屬公司發行任何債務證券。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results, assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表所列為董事認為主要影響本集團業績、資產及負債之本公司附屬公司。董事認為列出其他附屬公司之詳情會過於冗長。

## Financial Summary 財務概要

Set out below is a financial summary of the Group for each of the five years ended 31st December, 2010:

以下為本集團截至二零一零年十二月三十一日止五個年度各年之財務概要：

### RESULTS

### 業績

		For the year ended 31st December, 截至十二月三十一日止年度				
		2006	2007	2008	2009	2010
		二零零六年	二零零七年	二零零八年	二零零九年	二零一零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue	收益	242,831	234,919	209,082	136,571	168,048
Profit (loss) before taxation	除稅前溢利(虧損)	14,170	(4,394)	(20,430)	(41,655)	(62,856)
Income tax (expense) credit	所得稅(開支)抵免	(754)	38	713	1,265	7,777
Profit (loss) for the year	年內溢利(虧損)	13,416	(4,356)	(19,717)	(40,390)	(55,079)
Earnings (loss) per share	每股盈利(虧損)					
— basic (HK cents)	— 基本(港仙)	6.1	(2.0)	(8.1)	(10.1)	(12.8)

### ASSETS AND LIABILITIES

### 資產及負債

		As at 31st December, 於十二月三十一日				
		2006	2007	2008	2009	2010
		二零零六年	二零零七年	二零零八年	二零零九年	二零一零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Total assets	資產總值	256,606	240,890	613,513	994,918	1,472,283
Total liabilities	負債總值	(63,519)	(51,216)	(143,873)	(137,323)	(521,444)
Equity attributable to owners of the Company	本公司擁有人應佔權益	193,087	189,674	469,640	857,595	950,839



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