

2016

INTERIM REPORT
中期報告



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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CORPORATE INFORMATION

公司資料

CNNC INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

BOARD OF DIRECTORS

Chairman and Non-Executive Director

Du Yunbin

Executive Directors

Wang Ying

Gao Shangxiong

Non-Executive Director

Xu Shouyi

Independent Non-Executive Directors

Cheong Ying Chew Henry

Cui Ligu

Zhang Lei

AUDIT COMMITTEE

Cheong Ying Chew Henry (*Chairman*)

Xu Shouyi

Cui Ligu

Zhang Lei

REMUNERATION COMMITTEE

Cui Ligu (*Chairman*)

Wang Ying

Xu Shouyi

Cheong Ying Chew Henry

Zhang Lei

NOMINATION COMMITTEE

Du Yunbin (*Chairman*)

Wang Ying

Cheong Ying Chew Henry

Cui Ligu

Zhang Lei

COMPANY SECRETARY

Li Philip Sau Yan

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

杜運斌

執行董事

王英

高尚雄

非執行董事

徐守義

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*)

徐守義

崔利國

張雷

薪酬委員會

崔利國 (*主席*)

王英

徐守義

張英潮

張雷

提名委員會

杜運斌 (*主席*)

王英

張英潮

崔利國

張雷

公司秘書

李守仁

REGISTERED OFFICE

P.O. Box 309GT
Ugland House
South Church Street
Grand Cayman
Cayman Islands

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@cnnintl.com

SOLICITOR

Hastings & Co.

AUDITOR

Deloitte Touche Tohmatsu

PRINCIPAL BANKERS

China Everbright Bank Co. Ltd, Hong Kong Branch
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)

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman, KY1-1110
Cayman Islands

CORPORATE WEBSITE

www.cnnintl.com

SHARE LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited
Stock Code: 2302

註冊辦事處

P.O. Box 309GT
Ugland House
South Church Street
Grand Cayman
Cayman Islands

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@cnnintl.com

律師

希仕廷律師行

核數師

德勤•關黃陳方會計師行

主要往來銀行

中國光大銀行股份有限公司香港分行
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)

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman, KY1-1110
Cayman Islands

公司網站

www.cnnintl.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

MANAGEMENT DISCUSSION & ANALYSIS

管理層討論及分析

The Board of Directors (the “Board”) of CNNC International Limited (the “Company”) is pleased to report the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30th June, 2016 (the “Period”).

RESULTS

For the six months ended 30th June, 2016, the loss for the Period for the Group was approximately HK\$12,993,000, as compared to approximately HK\$213,143,000 in the corresponding period last year. The material decrease in loss was due to the absence of the following items in the Period: the Group (i) shared the loss of its associate (Société des Mines d’Azelik S.A. (“Somina”)) for approximately HK\$88,756,000; and (ii) had made full provision of approximately HK\$119,857,000 for its investment equity of and loan receivables from Somina, for the six months ended 30th June, 2015 (the “2015 Period”). As the carrying amount of interest in Somina was nil at 31st December, 2015, the Group is no longer required to share any further losses in Somina in the Period, until it becomes a positive net asset position. Further details of the provision and share of loss of Somina are disclosed in the Interim Report 2015 and the Annual Report 2015 of the Group.

MARKET AND BUSINESS OVERVIEW

The principal activities of the Group remained as the development of uranium resources assets and trading of natural uranium products during the Period. The international natural uranium market has been over-supplied for the past few years, thus driving the market price of the natural uranium products to an all-time low level and causing adverse effects to the results of the Group.

During the Period, negotiations have been carried out with the representatives of the Mongolian Government in relation to the formation of a joint venture company to develop the uranium mining assets of the Group in Mongolia. The negotiations have been slowed down by the change of personnel of the Mongolian Government resulting from the change of ruling party after general election.

中核國際有限公司(「本公司」)董事局(「董事局」)欣然報告本公司及其附屬公司(統稱「本集團」)截至二零一六年六月三十日止六個月(「回顧期」)之未經審核簡明綜合業績。

業績

於截至二零一六年六月三十日止六個月，本集團回顧期內虧損約港幣12,993,000元，與去年同期約港幣213,143,000元相比，虧損大幅減少原因是回顧期內未發生以下事項：截至二零一五年六月三十日止六個月(「二零一五年同期」)，本集團(i)應佔聯營公司(Société des Mines d’Azelik S.A. (「Somina公司」))的虧損約港幣88,756,000元；及(ii)全數撥備Somina公司之權益及應收款項共約港幣119,857,000元。由於於二零一五年十二月三十一日於Somina公司之權益的賬面值為零，本集團於回顧期不需要再分攤Somina公司的虧損，直至Somina公司轉為正面淨資產狀況。詳情有關撥備及應佔Somina公司之虧損已載於本集團之二零一五年中期報告及二零一五年年報。

市場及業務回顧

本集團於回顧期之主要業務仍為發展鈾資源資產及天然鈾產品貿易。近幾年國際天然鈾市場供過於求，因而導致天然鈾產品市價處於歷年低位，對本集團業績造成負面影響。

本回顧期內，本集團與蒙古政府代表商議建立一所合營公司發展本集團於蒙古的鈾開採資產項目。該議題受到蒙古國政府大選後執政黨改變的人事變動而延誤。

OPERATIONS

During the Period, the Group recorded a revenue of approximately HK\$22,942,000 (2015 Period: nil) which resulted in a gross loss of approximately HK\$6,216,000 (2015 Period: nil), as the natural uranium inventory related to the sale transaction was acquired in 2013 at a price much higher than today's market value, and during the Period, there was a further drop of approximately 22.8% in natural uranium market price. Impairment loss had been provided to such inventory in previous years. If the inventory were not disposed of during the Period, further impairment loss of similar amount of the gross loss would otherwise have been required.

Due to the absence of compensation from the litigation of a Mongolian subsidiary of approximately HK\$735,000 and the interest of approximately HK\$2,054,000 for the loan advance to Somina recorded in the 2015 Period, there was a decrease of approximately 68.8% in other income, gains and losses, which were approximately HK\$1,267,000 (2015 Period: approximately HK\$4,063,000), during the Period compared to the 2015 Period.

There was a decrease of approximately 6.4% in administrative expenses which were approximately HK\$8,044,000 (2015 Period: approximately HK\$8,593,000) during the Period, compared to the 2015 Period. This reflects the tight control measures in expenses imposed by the Group.

During the Period, there was no tax charge arising from the trading profit (2015 Period: nil).

COMPREHENSIVE EXPENSES FOR THE PERIOD

Summing up the combined effects of the foregoing, loss for the Period was approximately HK\$12,993,000 (2015 Period: approximately HK\$213,143,000). After taking into account of the other comprehensive income of approximately HK\$190,000 relating to exchange differences arising on translation to presentation currency (2015 Period: expense of approximately HK\$80,000), the total comprehensive expense for the Period was approximately HK\$12,803,000 (2015 Period: approximately HK\$213,223,000), substantially reduced as compared to the 2015 Period.

經營業務

於回顧期內，本集團錄得收入約港幣22,942,000元(二零一五年同期：無)，由於此交易之天然鈾存貨於二零一三年購入，當時買入價比現時市價為高，於回顧期內天然鈾市價亦有約22.8%的跌幅，因而錄得淨虧損約港幣6,216,000元(二零一五年同期：無)。此存貨於以前年度已有減值虧損。如回顧期間內未能出售此存貨，與以上淨虧損相約的減值虧損亦需要撥備。

由於回顧期內，因沒有二零一五年同期錄得一家蒙古附屬公司自訴訟獲得之賠償約港幣735,000元及利息源自應收Somina公司貸款約港幣2,054,000元，其他收入、收益及虧損相比二零一五年同期下降約68.8%至約港幣1,267,000元(二零一五年同期：約港幣4,063,000元)。

行政費用與二零一五年同期相比下降約6.4%至約港幣8,044,000元(二零一五年同期：約港幣8,593,000元)。反映本集團大力收緊開支的成效。

回顧期內，無因貿易利潤計提的稅項開支(二零一五年同期：無)。

期內全面開支

綜合以上各項原因，回顧期內虧損約港幣12,993,000元(二零一五年同期：約港幣213,143,000元)。計入其他全面收入有關換算為呈列貨幣產生之匯兌收益約港幣190,000元(二零一五年同期：開支約港幣80,000元)後，回顧期內全面開支約港幣12,803,000元(二零一五年同期：約港幣213,223,000元)，與二零一五年同期相比大幅減少。

FUTURE STRATEGIES AND PROSPECTS

The Group has been monitoring and researching into the natural uranium trading market with a view to expand its trading activities. However, the natural uranium price remains at low position and appears that such trend may not change in the short term. The Group will engage in further natural uranium trading with caution.

The safety of the workforce and safeguarding of its assets are the top priorities of Somina. The Group will work closely with the other shareholders of Somina for its next move. The suspension of production of Somina will have no further material impact to the Group as the carrying amount of interest in Somina is nil and full provision of receivables from Somina had been made. No further share of loss of Somina would be required until it becomes a positive net asset position.

For the Mongolian project, the Group will continue to negotiate with the Mongolian Government for the setting up of a joint venture company for the project. The project has not been, to a material extent, adversely affected by its slow progress, as the market price of natural uranium products has remained low during the Period. To optimise the returns of the project, the Group intends to time the production to match with the recovery of the natural uranium market price.

Amidst the global economy recovery, there have been reorganisations of some major uranium resources groups in the market. The Company will closely monitor the development of such reorganisations, and explore possible investment opportunities among them.

HUMAN RESOURCES MANAGEMENT

As at 30th June, 2016, the Group employed 12 full-time employees. The Group's remuneration package is determined with reference to the experience and qualifications of the individual's performance. The Group also ensures that all employees are provided with adequate training and continued professional opportunities according to their needs.

未來策略及展望

為擴大貿易活動，本集團密切跟蹤及研究天然鈾貿易市場。然而國際天然鈾價格處於低位，預期這個趨勢短期內難以改變。本集團將謹慎地參與天然鈾貿易。

人員的安全及保護資產是Somina公司的首要任務。本集團會緊密地與Somina公司其他股東制定其下一步走向。由於本集團於Somina公司之權益之賬面值為零及應收的貸款已作出全面撥備，Somina公司停產對本集團不會再有重大影響。直至Somina公司轉為正面淨資產狀況前本集團不需要再分攤Somina公司的虧損。

蒙古專案方面，本集團會繼續與蒙古國政府商議合營公司的籌備事項。項目較慢的進展沒有嚴重負面影響，因為天然鈾價格於回顧期內仍處於低位。本集團將計劃項目生產期配合天然鈾價格回升，為項目取得最好回報。

於國際經濟復蘇期間，市場上一些主要鈾資源集團重組架構。本公司關注這些重組的發展，探討投資機會。

人力資源管理

於二零一六年六月三十日，本集團僱用12名全職員工。本集團之薪酬方案乃參考個別員工之經驗、資歷及表現而定。本集團亦確保全體員工獲提供足夠培訓以及符合個別需要之持續專業機會。

LIQUIDITY AND FINANCIAL RESOURCES

The Group recorded a net cash outflow of approximately HK\$29,650,000 (2015 Period: net cash inflow of approximately HK\$84,782,000) during the Period, which was mainly due to the payment of inventories. The Group's financial position remained healthy and does not have any interest bearing borrowing. The gearing ratio, which is represented by the ratio of total debts to total assets, was 0.097 as at 30th June, 2016 (as at 31st December, 2015: 0.064).

The working capital of the Group was generally financed by bank and cash balance. As at 30th June, 2016, the Group's cash-on-hand and bank balances amounted to approximately HK\$319,246,000 (as at 31st December, 2015: approximately HK\$348,778,000) and the Group had no bank loan outstanding (as at 31st December, 2015: nil). The Group's net current assets and current liabilities are approximately HK\$330,709,000 (as at 31st December, 2015: approximately HK\$343,566,000) and approximately HK\$59,599,000 (as at 31st December, 2015: approximately HK\$38,831,000) respectively as at 30th June, 2016.

Total shareholders' funds decreased from approximately HK\$569,885,000 as at 31st December, 2015 to approximately HK\$557,082,000 as at 30th June, 2016, as a result of the recognised loss incurred for the Period.

ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There were no material acquisitions and disposals of subsidiaries and associated companies for the Period.

流動資金及財務資源

於回顧期內，本集團錄得現金流出淨額約為港幣29,650,000元(二零一五年同期：現金流入淨額：約港幣84,782,000元)，主要是支付存貨款項。本集團之財務狀況維持穩健，沒有帶息負債。本集團於二零一六年六月三十日資產負債比率(按負債總額相對資產總值計算)為0.097(二零一五年十二月三十一日：0.064)。

本集團之營運資金一般以銀行結餘及現金撥付。於二零一六年六月三十日，本集團之手頭現金及銀行結餘約為港幣319,246,000元(二零一五年十二月三十一日：約港幣348,778,000元)，而沒有任何銀行貸款(二零一五年十二月三十一日：無)。於二零一六年六月三十日，本集團之流動資產淨值及流動負債額分別為約港幣330,709,000元(二零一五年十二月三十一日：約港幣343,566,000元)及約港幣59,599,000元(二零一五年十二月三十一日：約港幣38,831,000元)。

本公司權益持有人總金額由二零一五年十二月三十一日之約港幣569,885,000元減至二零一六年六月三十日之約港幣557,082,000元，主要是扣除回顧期內虧損所致。

收購及出售附屬公司及聯營公司

於回顧期內，本集團並無收購或出售重大附屬公司及聯營公司。

EXPOSURE TO FOREIGN EXCHANGE RISK

The Group's income, cost of sales, administrative expenses, investment and borrowings are mainly denominated in USD, HKD, Mongolian Tugrik and RMB. Fluctuations of the exchange rates of Mongolian Tugrik and RMB could affect the operating costs of the Group. Currencies other than Mongolian Tugrik and RMB were relatively stable during the Period. The Group currently does not have a foreign currency hedging policy. However, management will continue to monitor foreign exchange exposure and will take prudence measure to minimise the currency translation risk. The Group will consider hedging significant foreign currency exposure should the need arise.

CAPITAL STRUCTURE

There has been no significant change in the capital structure of the Group since 31st December, 2015.

CHARGE ON ASSETS

Apart from the 37.2% of the share capital in Somina held by Ideal Mining Limited pledged to a bank for banking facilities granted to Somina, there was no charge on the Group's assets during the Period (2015 Period: apart from the shares in Somina, nil).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30th June, 2016, none of the directors and chief executives of the Company, or any of their associates, had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of 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.

外匯風險承擔

本集團之收入、銷售成本開支、行政費用、投資及借貸主要以美元、港幣、蒙古圖格里克及人民幣計值。蒙古圖格里克及人民幣兌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期內相對穩定。本集團現時並無外幣對沖政策。然而，管理層將繼續監察外匯風險，並採取審慎措施減低匯兌風險。本集團將於必要時考慮就重大外匯風險進行對沖。

資本結構

本集團之資本結構自二零一五年十二月三十一日以來並無重大變動。

資產抵押

除了抵押予銀行以取得授予Somina公司之銀行信貸而由理想礦業有限公司持有之Somina公司之37.2%股本外，於回顧期內，本集團並無抵押任何資產(二零一五年期：除了Somina公司之股份，無)。

董事及主要行政人員於股份、相關股份及債券之權益

於二零一六年六月三十日，本公司董事及主要行政人員或彼等任何聯繫人士概無於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部分)之股份、相關股份及債券中，擁有本公司根據證券及期貨條例第352條規定存置之登記冊所記錄之任何權益及淡倉，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」)。

DIRECTORS' AND CHIEF EXECUTIVES' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Period was the Company or any of its subsidiaries a party to any arrangements to enable the directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the directors nor the chief executives had any right to subscribe for the securities of the Company, or had exercised any such right.

SHARE OPTIONS

The Company's share option scheme (the "Scheme") was adopted for a period of ten years commencing from 3rd June, 2013 and was approved by shareholders on 31st May, 2013. Particulars of the Scheme are set out in the Company's circular dated 30th April, 2013. Up to the date of approval of this interim report, no options have been granted under the Scheme.

SUBSTANTIAL SHAREHOLDERS

At 30th June, 2016, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO shows that, the following persons had notified the Company and the Stock Exchange of relevant interests and short positions in the issued share capital of the Company under the SFO.

Long positions

Ordinary shares of HK\$0.01 each of the Company

Name of shareholder 股東姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已 發行股本百分比
CNNC Overseas Uranium Holding Limited ("CNNC Overseas") (Note)	Corporate interest	326,372,273	66.72%
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	326,372,273	66.72%
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	326,372,273	66.72%
中國核工業集團公司(「中核集團」)(附註)	公司權益		

董事及主要行政人員購入股份或債券之權利

於回顧期內任何時間，本公司或其任何附屬公司並無參與任何安排，導致本公司董事及主要行政人員可藉著購入本公司或任何其他法人團體之股份或債券而獲取利益，而各董事或主要行政人員並無擁有可認購本公司證券之權利，亦無曾經行使任何上述權利。

購股權

本公司所採納的購股權計劃(「該計劃」)由二零一三年六月三日起計為期十年，並獲股東於二零一三年五月三十一日批准。該計劃詳情載於本公司二零一三年四月三十日通函內。截至批准本中期報告日期止，概無根據該計劃授出任何購股權。

主要股東

於二零一六年六月三十日，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記錄，以下人士已根據證券及期貨條例知會本公司及聯交所彼等在本公司已發行股本中擁有之相關權益及淡倉。

好倉

本公司每股面值港幣0.01元之普通股

SUBSTANTIAL SHAREHOLDERS (continued)

Long positions (continued)

Ordinary shares of HK\$0.01 each of the Company (continued)

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

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 30th June, 2016.

INTERIM DIVIDEND

The Board of Directors does not recommend the payment of an interim dividend for the Period (2015 Period: nil).

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

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

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 (the "Listing Rules") on the Stock Exchange throughout the Period.

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 Appendix 10 Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Listing Rules. The Company has received confirmation from all directors 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 throughout the Period.

主要股東(續)

好倉(續)

本公司每股面值港幣0.01元之普通股(續)

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。國核鈾則為中核集團全資附屬公司。

除上文披露者外，於二零一六年六月三十日，本公司並不知悉於本公司已發行股本中有任何其他相關權益或淡倉。

中期股息

董事局不建議就回顧期派發中期股息(二零一五年同期：無)。

購買、出售或贖回本公司上市證券

回顧期內，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。

企業管治常規守則

本公司於回顧期內一直遵守聯交所證券上市規則(「上市規則」)附錄14所載企業管治常規守則(「企業管治守則」)所訂守則條文。

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，全體董事確認於回顧期內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之標準規定。

AUDIT COMMITTEE

An Audit Committee has been established by the Company for the purpose of reviewing and providing supervision on the financial reporting process, internal control and risks management of the Group. The Audit Committee comprises three independent non-executive directors namely, Mr. Cheong Ying Chew Henry, Mr. Cui Ligu and Mr. Zhang Lei, and one non-executive director namely Mr. Xu Shouyi. Mr. Cheong Ying Chew Henry is the Chairman of the Audit Committee. The Group's interim results for the Period have been reviewed by the Audit Committee.

REMUNERATION COMMITTEE

In accordance with the requirements of the CG Code, a Remuneration Committee has been established by the Company to consider the remuneration of directors of the Company. The Remuneration Committee comprises three independent non-executive directors namely Mr. Cheong Ying Chew Henry, Mr. Cui Ligu and Mr. Zhang Lei, one executive director namely Ms. Wang Ying and one non-executive director namely Mr. Xu Shouyi. Mr. Cui Ligu is the Chairman of the Remuneration Committee.

NOMINATION COMMITTEE

In accordance with the requirements of the CG Code, a Nomination Committee has been established by the Company to review the structure of the Board and identify individuals suitably qualified to become Board Members. The Nomination Committee comprises three independent non-executive directors namely Mr. Cheong Ying Chew Henry, Mr. Cui Ligu and Mr. Zhang Lei, one executive director namely Ms. Wang Ying and one non-executive director namely Mr. Du Yunbin. Mr. Du Yunbin is the Chairman of the Nomination Committee.

審核委員會

本公司已成立審核委員會，負責審閱及監管本集團的財務報告程序、內部監控及風險管理。審核委員會由三名獨立非執行董事張英潮先生、崔利國先生及張雷先生及一名非執行董事徐守義先生組成。張英潮先生為審核委員會主席。本集團於回顧期的中期報告連同會計準則及處理方法已經過審核委員會審閱。

薪酬委員會

本公司已根據企業管治守則的規定成立薪酬委員會，以釐定本公司董事酬金。薪酬委員會由三名獨立非執行董事張英潮先生、崔利國先生及張雷先生、一名執行董事王英女士以及一名非執行董事徐守義先生組成。崔利國先生為薪酬委員會主席。

提名委員會

本公司已根據企業管治守則的規定成立提名委員會，以檢討董事局架構，並物色合資格人士成為董事局成員。提名委員會由三名獨立非執行董事張英潮先生、崔利國先生及張雷先生、一名執行董事王英女士及一名非執行董事杜運斌先生組成。杜運斌先生為提名委員會主席。

APPRECIATION

The Board would like to take this opportunity to thank our shareholders, the management and our staff members for their dedication and support.

On behalf of the Board
CNNC International Limited
中核國際有限公司
Chairman
Du Yunbin

Hong Kong, 25th August, 2016

致謝

董事局謹藉此機會向股東、管理人員及全體員工之不懈努力及鼎力支持表示謝意。

代表董事局
CNNC International Limited
中核國際有限公司
主席
杜運斌

香港，二零一六年八月二十五日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益表及其他全面收益表

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

		Six months ended 30th June, 截至六月三十日止六個月	
		2016 二零一六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 二零一五年 HK\$'000 港幣千元 (unaudited) (未經審核)
		NOTES 附註	
Revenue	收入	3	22,942
Cost of sales	銷售成本		(29,158)
Gross loss	毛損		(6,216)
Other income, gains and losses	其他收入、收益及虧損		1,267
Administrative expenses	行政開支		(8,044)
Other expenses	其他開支	4	—
Share of loss of an associate	應佔一間聯營公司之虧損		(119,857)
Loss before taxation	除稅前虧損	5	—
Income tax expense	所得稅開支	6	(12,993)
Loss for the period	期內虧損		(213,143)
Other comprehensive income (expense):	其他全面收入(開支):		
Item that will not be reclassified subsequently to profit or loss	隨後將不會重新分類至損益的項目		
Exchange differences arising on translation to presentation currency	換算為呈列貨幣產生之匯兌差額		190
Total comprehensive expense for the period, attributable to owners of the Company	本公司擁有人應佔期內全面開支總額		(80)
Basic loss per share	每股基本虧損	8	(12,803)
			(HK2.66 cents) (港幣2.66仙)
			(HK43.57 cents) (港幣43.57仙)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30th June, 2016 於二零一六年六月三十日

		NOTES 附註	30th June, 2016 二零一六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	31st December, 2015 二零一五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		19,376	20,533
Exploration and evaluation assets	勘探及評估資產	9	206,997	205,786
Interest in an associate	於聯營公司之權益	10	—	—
			226,373	226,319
Current assets	流動資產			
Inventories	存貨		42,505	29,158
Trade and other receivables and prepayments	應收貿易款項及其他應收款項及預付款項	11	28,557	4,461
Bank balances and cash	銀行結餘及現金		319,246	348,778
			390,308	382,397
Current liabilities	流動負債			
Trade and other payables and accruals	應付貿易款項及其他應付款項及應計欠款	12	36,031	16,281
Amount due to intermediate holding company	應付中介控股公司款項	13	1,596	1,596
Amount due to ultimate holding company	應付最終控股公司款項	13	—	1,473
Amounts due to fellow subsidiaries	應付同母系附屬公司款項	13	2,612	121
Income tax payable	應付所得稅		19,360	19,360
			59,599	38,831
Net current assets	流動資產淨值		330,709	343,566
Net assets	資產淨值		557,082	569,885
Capital and reserves	股本及儲備			
Share capital	股本	14	4,892	4,892
Reserves	儲備		552,190	564,993
Equity attributable to owners of the Company	本公司擁有人應佔權益		557,082	569,885

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合資本變動表

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

		Share capital	Share premium	Capital reserve	Non-distributable reserve	Merger reserve	Translation reserve	Accumulated losses	Total
		股本	股份溢價	資本儲備	不可分派儲備	合併儲備	匯兌儲備	累計虧損	合共
		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
		(Note 14)		(Note 15)	(Note 15)	(Note 15)			
		(附註14)		(附註15)	(附註15)	(附註15)			
At 1st January, 2015 (audited)	於二零一五年一月一日 (經審核)	4,892	868,805	80,827	16,584	127	8,411	(189,050)	790,596
Loss for the period	期內虧損	—	—	—	—	—	—	(213,143)	(213,143)
Exchange differences arising on translation	換算產生之匯兌差額	—	—	—	—	—	(80)	—	(80)
Total comprehensive expense for the period	期內全面開支總額	—	—	—	—	—	(80)	(213,143)	(213,223)
At 30th June, 2015 (unaudited)	於二零一五年六月三十日 (未經審核)	4,892	868,805	80,827	16,584	127	8,331	(402,193)	577,373
At 1st January, 2016 (audited)	於二零一六年一月一日 (經審核)	4,892	868,805	80,827	16,584	127	8,299	(409,649)	569,885
Loss for the period	期內虧損	—	—	—	—	—	—	(12,993)	(12,993)
Exchange differences arising on translation	換算產生之匯兌差額	—	—	—	—	—	190	—	190
Total comprehensive income (expense) for the period	期內全面收入(開支)總額	—	—	—	—	—	190	(12,993)	(12,803)
At 30th June, 2016 (unaudited)	於二零一六年六月三十日 (未經審核)	4,892	868,805	80,827	16,584	127	8,489	(422,642)	557,082

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

		Six months ended 30th June, 截至六月三十日止六個月	
		2016 二零一六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 二零一五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Net cash (used in) from operating activities	(用作)來自經營業務之現金淨額	(30,365)	91,413
Investing activities	投資活動		
Interest received	已收利息	995	1,054
Additions of exploration and evaluation assets	添置勘探及評估資產	(1,104)	(1,878)
Purchase of property, plant and equipment	購買物業、廠房及設備	(194)	—
Net cash used in investing activities	用作投資活動之現金淨額	(303)	(824)
Financing activities	融資活動		
Advance from (repayment to) fellow subsidiaries	墊款自(還款予)同母系附屬公司	2,491	(239)
Repayment to ultimate holding company	向最終控股公司之還款	(1,473)	(91)
Repayment to intermediate holding company	向中介控股公司之還款	—	(320)
Repayment to immediate holding company	向直接控股公司之還款	—	(5,157)
Net cash from (used in) financing activities	來自(用作)融資活動之現金淨額	1,018	(5,807)
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額	(29,650)	84,782
Cash and cash equivalents at 1st January	一月一日之現金及現金等價物	348,778	210,579
Effect of foreign exchange rate changes	外匯匯率變動之影響	118	(25)
Cash and cash equivalents at 30th June	六月三十日之現金及現金等價物	319,246	295,336

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th June, 2016 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31st December, 2015.

In the current interim period, the Group has applied, for the first time, certain amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are mandatorily effective for the current interim period.

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

The Group has not early applied the new and revised HKFRSs that have been issued but are not yet effective. The directors of the Company are currently assessing the impact on the adoption of the above new and revised HKFRSs and are yet to quantify the impact.

1. 編製基準

簡明綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則附錄16之適用披露規定編製。

2. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製。

截至二零一六年六月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與編製本集團截至二零一五年十二月三十一日止年度之年度財務報表所採用者一致。

於本中期期間，本集團首次應用期間依法生效若干由香港會計師公會頒佈之新修改香港會計準則（「香港會計準則」）。

於本中期期間應用以上新修改之香港會計準則概無對該等簡明綜合財務報表所呈報之金額及／或所載之披露造成重大影響。

本集團並無提早應用已頒佈惟尚未生效之新訂及經修訂香港財務報告準則。本公司董事正評估日後應用新訂及經修訂香港財務報告準則之影響，現時還未算出量化影響。

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

3. SEGMENT INFORMATION

Information reported to the Group's executive directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group currently organises its operations into two operating divisions, which also represent the operating segments of the Group for financial reporting purposes, namely trading of mineral property and exploration and trading of mineral properties. They represent two major lines of business engaged by the Group. The Group's operating and reportable segments under HKFRS 8 are as follows:

- Trading of mineral property — trading of uranium
- Exploration and trading of mineral properties — exploration and trading of uranium

The following is an analysis for the Group's revenue and results regarding the reportable and operating segments for the current and prior periods:

Six months ended 30th June, 2016

		Trading of mineral property 經營礦產物業 HK\$'000 港幣千元 (unaudited) (未經審核)	Exploration and trading of mineral properties 勘探及經營礦產物業 HK\$'000 港幣千元 (unaudited) (未經審核)	Consolidated 綜合 HK\$'000 港幣千元 (unaudited) (未經審核)
Segment revenue	分部收入	22,942	—	22,942
Segment loss	分部虧損	(6,385)	(3,780)	(10,165)
Unallocated other income and gains	未分配之其他收入及收益			995
Central administration costs	中央行政成本			(3,823)
Loss before taxation	除稅前虧損			(12,993)

3. 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服務運送或提供的類別。本集團現時將其業務分為兩個營運部門(即本集團用作財務報告目的之營運分部),分別為經營礦產物業以及勘探及經營礦產物業。該兩個分部為本集團所從事的兩大業務。根據香港財務報表準則第8號,本集團的營運及匯報分部如下:

- 經營礦產物業 — 買賣鈾
- 勘探及經營礦產物業 — 勘探及買賣鈾礦產物業

本集團本期間及過往期間關於匯報及營運分部收入及業績之分析如下:

截至二零一六年六月三十日止六個月

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

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

3. SEGMENT INFORMATION (continued)

Six months ended 30th June, 2015

3. 分部資料(續)

截至二零一五年六月三十日止六個月

		Trading of mineral property 經營 礦產物業 HK\$'000 港幣千元 (unaudited) (未經審核)	Exploration and trading of mineral properties 勘探及經營 礦產物業 HK\$'000 港幣千元 (unaudited) (未經審核)	Consolidated 綜合 HK\$'000 港幣千元 (unaudited) (未經審核)
Segment revenue	分部收入	—	—	—
Segment loss	分部虧損	(35,876)	(139,314)	(175,190)
Unallocated other income and gains	未分配之其他收入及 收益			3,108
Unallocated other expenses	未分配其他開支			(37,153)
Central administration costs	中央行政成本			(3,908)
Loss before taxation	除稅前虧損			(213,143)

Segment loss represents the loss incurred by each segment without allocation of interest income, impairment loss on amount due from an associate and central administration costs.

分部虧損指各分部產生之虧損，不包括利息收入，應收聯營公司款項之減值虧損及中央行政成本。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

3. SEGMENT INFORMATION (continued)

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

		30th June, 2016 二零一六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	31st December, 2015 二零一五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
ASSETS	資產		
Segment assets	分部資產		
— Trading of mineral property	— 經營礦產物業	65,447	29,158
— Exploration and trading of mineral properties	— 勘探及經營礦產物業	233,635	233,478
		299,082	262,636
Unallocated assets	未分配資產	317,599	346,080
Consolidated assets	綜合資產	616,681	608,716
LIABILITIES	負債		
Segment liabilities	分部負債		
— Trading of mineral property	— 經營礦產物業	20,803	—
— Exploration and trading of mineral properties	— 勘探及經營礦產物業	15,440	15,470
		36,243	15,470
Unallocated liabilities	未分配負債	23,356	23,361
Consolidated liabilities	綜合負債	59,599	38,831

For the purposes of monitoring segment performance and allocating resources:

- Segment assets include property, plant and equipment, exploration and evaluation assets, interest in an associate, inventories, trade and other receivables and bank balances and cash which are directly attributable to the relevant reportable segment.
- Segment liabilities include trade and other payables and accruals and amount due to intermediate holding company which are directly attributable to the relevant reportable segment.

3. 分部資料(續)

本集團資產及負債按匯報及營運分部劃分之分析如下：

就監察分部表現及分配分部間資源而言：

- 分部資產包括相關匯報分部直接應佔之物業、廠房及設備、勘探及評估資產、於聯營公司之權益、存貨、應收貿易款項及其他應收款項及銀行結餘及現金。
- 分部負債包括相關匯報分部直接應佔之應付貿易款項及其他應付款項及應計欠款，以及應付中介控股公司款項。

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

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

4. OTHER EXPENSES

4. 其他開支

		Six months ended 30th June, 截至六月三十日止六個月	
		2016 二零一六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 二零一五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Impairment loss on interest in an associate	於聯營公司之權益之 減值虧損	—	46,959
Impairment loss on amount due from an associate	應收聯營公司款項之 減值虧損	—	72,898
		—	119,857

5. LOSS BEFORE TAXATION

5. 除稅前虧損

		Six months ended 30th June, 截至六月三十日止六個月	
		2016 二零一六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 二零一五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Loss before taxation has been arrived at after charging (crediting):	除稅前虧損經扣除(計入) 下列項目:		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,114	1,217
Net exchange gains	匯兌收益淨額	(272)	(218)
Interest income	利息收入		
— Banks	— 銀行	(995)	(1,054)
— An associate	— 一間聯營公司	—	(2,054)

6. INCOME TAX EXPENSE

6. 所得稅開支

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods. No provision for Hong Kong Profits Tax has been made as the group entities have no assessable profit for both periods.

香港利得稅按兩個期間之估計應課稅溢利以16.5%之稅率計算。由於本集團實體於兩個期間均沒有應課稅溢利，故無作出香港利得稅撥備。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

7. DIVIDENDS

No dividends were paid, declared or proposed during the current and prior periods. The directors have determined that no dividend will be paid in respect of the current interim period.

8. BASIC LOSS PER SHARE

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

		2016 二零一六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 二零一五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Loss for the period attributable to owners of the Company	本公司擁有人應佔期內虧損	(12,993)	(213,143)
Number of ordinary shares for the purposes of basic loss per share	每股基本虧損之普通股數目	489,168,308	489,168,308

9. EXPLORATION AND EVALUATION ASSETS

The Group's exploration and evaluation assets were mainly arising from the acquisition of Western Prospector Group Ltd. during the year ended 31st 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 Mongolia Government has the right to take ownership without payment of either not less than 51% of the equity interest in the Group's Mongolian subsidiaries if the Mongolia Government's funding was used to determine the resource during exploration, or not less than 34% of the equity interest in the Mongolian subsidiaries if the Mongolia Government's funding was not used to determine the resource during exploration.

7. 股息

於本期間及過往期間沒有支付、宣派或建議派發股息。董事已決定不支付本中期期間的股息。

8. 每股基本虧損

本公司擁有人應佔每股基本虧損乃根據下列數據計算：

Six months ended 30th June,
截至六月三十日止六個月

9. 勘探及評估資產

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止年度收購Western Prospector Group Ltd. 而產生。

於二零零九年八月十五日，蒙古有關核能法例實施程序之法例(統稱「新法例」)生效。根據新法例，蒙古政府有權取得不少於於本集團蒙古附屬公司股權之51% (倘於勘探過程中動用蒙古政府資金發掘資源) 或不少於於蒙古附屬公司股權之34% (倘於勘探過程中並無動用蒙古政府資金發掘資源) 之所有權，而毋須付款。

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

9. EXPLORATION AND EVALUATION ASSETS (continued)

The directors of the Company commenced negotiating with the relevant Mongolian authorities in respect of the implementation of various provisions under the New Laws during the year ended 31st December, 2010. Based on management's discussions with the relevant Mongolian authorities and the advice from its Mongolian legal advisers, the Group will have the right to apply for mining licenses to mine or extract the resources identified in the relevant areas covered by the exploration licenses. As at 30th June, 2016, included in the exploration and evaluation assets is an amount of approximately HK\$206,997,000 (31st December, 2015: HK\$205,786,000) of which the Group is currently in the progress of applying for mining licenses to mine or extract the resources identified in the relevant areas covered by these exploration licenses. In the opinion of directors, there is no legal obstacle for application of such mining licenses. During the year ended 31st December, 2012, consensus has been reached between the Company and the relevant Mongolian authorities that a joint venture will be established for holding the mining licences, which are currently under application, with the Mongolia Government holding 51% of the equity interest in the joint venture. Upon the completion of establishment of the joint venture, the Group's mining licenses together with the carrying amount of the Group's exploration and evaluation assets will be transferred to the joint venture by way of a shareholder loan. In addition, the Company has drafted the shareholders' agreement, joint venture agreement and memorandum and association of the joint venture and has commenced negotiation with the detailed terms of these documents with the relevant Mongolian authorities and a pre-mining cooperation agreement was signed on 26th June, 2012 to kick off the pre-mining activities. Previously, a notice was received in January 2014 from the relevant Mongolian authorities which mentioned that the joint venture would be expected to be established in 2014. However, the establishment has been postponed due to changes in government officials of relevant Mongolian authorities in second half of 2014 and in June 2016. Further negotiations on the terms of the draft joint venture agreement will be carried out with the new government officials of relevant Mongolian authorities, and the finalisation of the joint venture agreement is anticipated to be completed in 2017. The Group's exploration and evaluation assets will be transferred to the joint venture by way of a shareholder loan upon the completion of establishment of the joint venture. The Company has continued the negotiation with the relevant Mongolian authorities and the directors are of the opinion that the recent changes will not result in significant impact on the consensus which has been reached previously. After taking into consideration of consensus being reached and the recent negotiations with the Mongolian authorities, recent legal advice, the arrangement for the Group's mining licenses and the assessment by the directors of the Company for the fair value less costs of disposal of the exploration and evaluation assets, the directors are of the opinion that no impairment on the carrying amount of exploration and evaluation assets is considered necessary.

9. 勘探及評估資產(續)

於截至二零一零年十二月三十一日止年度，本公司董事已與有關蒙古當局就實施新法例下多項條文展開商議。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，本集團將有權申請開採許可證，藉以開採或擷取於勘探許可證所涵蓋之相關地區內所識別之資源。於二零一六年六月三十日，勘探及評估資產包括約港幣206,997,000元(二零一五年十二月三十一日：港幣205,786,000元)指本集團現正申請開採許可證以開採或擷取該等勘探許可證所涵蓋之相關地區內所識別之資源。董事認為，申請該等開採許可證概無法律上之障礙。截至二零一二年十二月三十一日止年度內，本公司與有關蒙古當局已就將會成立合營企業達成共識，以持有正在申請之開採許可證，而蒙古國將持有合營企業股權之51%。完成成立合營企業後，本集團之開採許可證連同本集團勘探及評估資產之賬面值將以股東貸款方式轉撥至合營企業。此外，本公司已草擬股東協議、合營企業協議以及合營企業組織章程大綱及章程，與有關蒙古當局就該等文件之詳細條款展開磋商，並於二零一二年六月二十六日簽訂採礦前期合作協議，以開展多項採礦前期活動。本集團先前於二零一四年一月接獲有關蒙古當局發出之通知，當中提及合營企業預期將於二零一四年成立。然而，因有關蒙古當局之政府官員於二零一四年下半年及二零一六年六月出現調動，有關成立事宜因而順延。草擬合營企業協議之條款將會進一步與有關蒙古當局之新政府官員磋商，期待於二零一七年完成合營企業協議。本集團勘探及評估資產之賬面值將於完成成立合營企業後以股東貸款方式轉撥至合營企業。本公司已繼續與有關蒙古當局磋商，而董事認為近期之調動將不會對先前達成之共識造成重大影響。經考慮與蒙古當局達成之共識及近期磋商、近期法律意見、對本集團開採許可證之安排，以及本公司董事就勘探及評估資產之公平值減出售成本之評估後，董事認為毋須就勘探及評估資產之賬面值作出減值。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

10. INTEREST IN AN ASSOCIATE

10. 於聯營公司之權益

		30th June, 2016 二零一六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	31st December, 2015 二零一五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
Cost of unlisted investment	非上市投資之成本	463,865	463,865
Share of post-acquisition losses and other comprehensive income	應佔收購後虧損及其他全面收益	(463,865)	(463,865)
Interest in an associate	於聯營公司之權益	—	—

During the year ended 31st December, 2010, the Group acquired 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").

本集團於截至二零一零年十二月三十一日止年度透過收購一間名為理想礦業有限公司(「理想礦業」)之附屬公司，收購Société des Mines d'Azelik S.A. (「Somina公司」)之37.2%股本權益。

Due to the continued operating losses suffered over the years, unfavourable market conditions for the sale of uranium and insufficient cash flows for repayment of outstanding bank borrowings, the production of Somina has been suspended since the first half of 2015 and it is highly uncertain whether Somina will resume operation in the foreseeable future. Somina has run into serious going concern problem and significant loss was incurred in 2015.

由於多年來持續經營虧損、鈾銷售的市況持續不景及現金流不足以償還到期銀行貸款，Somina公司於二零一五年上半年停止生產及Somina公司能否於可見將來恢復營運存在高度不確定性。Somina公司有嚴重持續經營問題及二零一五年年度產生重大虧損。

At 30th June, 2016, the Group's equity interest in Somina is pledged to a bank for certain banking facilities granted to Somina.

於二零一六年六月三十日，本集團於Somina公司之股本權益已抵押予銀行以取得授予Somina公司之銀行信貸。

Details of the Group's associate as at 30th June, 2016 and 31st December, 2015 are as follows:

於二零一六年六月三十日及二零一五年十二月三十一日，本集團之聯營公司詳情如下：

Name of associate 聯營公司名稱	Country of registration and operation 註冊及營運之國家	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
Somina	Republic of Niger	African Financial Community Franc 500,000,000	37.2%	Mining of uranium
Somina公司	尼日爾共和國	500,000,000非洲 金融共同體法郎	37.2%	開採鈾礦

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

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

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

		30th June, 2016 二零一六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	31st December, 2015 二零一五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
0 to 30 days	0至30日	22,942	—

11. 應收貿易款項及應收聯營公司款項

本集團給予其貿易客戶30日之信貸期。於報告期終根據發票日期(與收入確認日期相若)為基準呈列之應收貿易賬款賬齡分析如下：

12. TRADE AND OTHER PAYABLES AND ACCRUALS

As at 30th June, 2016, included in trade and other payables and accruals are trade payable amounting to HK\$20,803,000 (31st December, 2015: Nil). The age of the amount was within 30 days at the end of the reporting period.

13. AMOUNTS DUE TO INTERMEDIATE HOLDING COMPANY/ULTIMATE HOLDING COMPANY/FELLOW SUBSIDIARIES

The amounts due to intermediate holding company, ultimate holding company and fellow subsidiaries are unsecured, interest-free and repayable on demand.

12. 應付貿易款項及其他應付款項以及應計欠款

於二零一六年六月三十日，應付貿易賬款及其他應付款項及應計欠款包括應付貿易賬款港幣20,803,000元(二零一五年十二月三十一日：無)，於報告期終，該筆款項之賬齡為30日之內。

13. 應付中介控股公司／最終控股公司／同母系附屬公司款項

應付中介控股公司、最終控股公司及同母系附屬公司款項為無抵押、免息及按要求償還。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

14. SHARE CAPITAL

		Number of ordinary shares 普通股數目	Amount 金額 HK\$'000 港幣千元
Ordinary shares of HK\$0.01 each	每股面值港幣0.01元之普通股		
Authorised:	法定:		
At 1st January, 2015,	於二零一五年一月一日、		
31st December, 2015 and	二零一五年十二月三十一日及		
30th June, 2016	二零一六年六月三十日	1,000,000,000	10,000
Issued and fully paid:	已發行及繳足:		
At 1st January, 2015,	於二零一五年一月一日、		
31st December, 2015 and	二零一五年十二月三十一日及		
30th June, 2016	二零一六年六月三十日	489,168,308	4,892

15. RESERVES

The capital reserve mainly represents the aggregate amount of the deemed capital contribution of approximately HK\$50,723,000 from CNNC Overseas arising on acquisition of Ideal Mining and deemed capital contribution of approximately HK\$30,748,000 from former substantial shareholders of the Company in respect of shortfall of the guaranteed net assets value of the Company's certain major subsidiaries for the sale of the Company's equity interests to CNNC Overseas during the year ended 31st December, 2010.

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.

15. 儲備

資本儲備主要指中核海外因收購理想礦業被視為注資之約港幣50,723,000元及來自本公司前主要股東被視為注資之約港幣30,748,000元(於截至二零一零年十二月三十一日止年度向中核海外出售本公司之股權權益後較本公司若干主要附屬公司之獲擔保資產淨值之短欠額)之總額。

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」)時附屬公司之股份溢價總額。

合併儲備為根據集團重組於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之間之差額。

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

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

16. RELATED PARTY TRANSACTIONS

Apart from the related party transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had the following significant related party transaction during the period.

(i) Remuneration of directors and other members of key management

The remuneration of directors and other members of key management during the period was as follows:

		Six months ended 30th June, 截至六月三十日止六個月	
		2016 二零一六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 二零一五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Short-term benefits	短期福利	1,268	1,209
Post-employment benefits	退休後福利	9	33
		1,277	1,242

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

(ii) Transactions and balances with PRC government-related entities in the PRC

The Group operates in an economic environment currently pre-dominated by entities controlled, jointly controlled or significantly influenced by the PRC government.

In addition, the Group itself is part of a larger group of companies under CNNC which is controlled by the PRC government. The balances are disclosed in note 13.

16. 關連方交易

除於簡明綜合財務報表其他部分所披露之關連方交易及結餘外，本集團於期內有以下重大關連方交易。

(i) 董事及其他主要管理層成員之酬金

期內董事及其他主要管理層成員之酬金如下：

Six months ended 30th June, 截至六月三十日止六個月

		2016 二零一六年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 二零一五年 HK\$'000 港幣千元 (unaudited) (未經審核)
Short-term benefits	短期福利	1,268	1,209
Post-employment benefits	退休後福利	9	33
		1,277	1,242

董事及主要行政人員之酬金乃由薪酬委員會經計及個人表現及市場趨勢後釐定。

(ii) 與其他中國政府相關實體之交易及結餘

本集團之營商環境現時由中國政府所控制、共同控制或對其有重大影響力之實體主導。

此外，本集團本身為中核集團旗下眾多公司成員之一，而中核集團受中國政府控制。有關結餘披露於附註13。

For the six months ended 30th June, 2016 截至二零一六年六月三十日止六個月

16. RELATED PARTY TRANSACTIONS (continued)

(ii) Transactions and balances with PRC government-related entities in the PRC (continued)

The Group has also entered into various transactions, including deposits placements with certain banks and financial institutions which are PRC government-related entities in its ordinary course of business. The directors of the Company are of the opinion that except as disclosed above, transactions with other PRC government related entities are not significant to the Group's operations.

- (iii) During the six months ended 30th June, 2016, the Group paid rental expenses of HK\$923,003 (six months ended 30th June, 2015: HK\$1,005,403) to a fellow subsidiary of the Company, which is a subsidiary of CNNC, for its office in Beijing, the PRC.

17. 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:

Operating lease payments represent rentals payable by the Group for certain of its office. Leases are negotiated for a terms of 1 to 3 years initially and rentals are fixed and no arrangements have been entered into for contingent rental payments.

16. 關連方交易(續)

(ii) 與其他中國政府相關實體之交易及結餘(續)

本集團亦於一般業務過程中與若干屬中國政府相關實體之銀行及金融機構訂立多項交易，包括存置存款。本公司董事認為，除上文披露外，與其他中國政府相關實體之交易對本集團營運並不重要。

- (iii) 截至二零一六年六月三十日止六個月，本集團就其位於中國之辦事處向本公司一間同母系附屬公司，亦是中核集團之附屬公司支付租金開支港幣923,003元(截至二零一五年六月三十日止六個月：港幣1,005,403元)。

17. 經營租賃承擔

於報告期末，本集團根據就已租物業訂立之不可撤銷經營租賃，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：

	30th June, 2016 二零一六年 六月三十日 HK\$'000 港幣千元 (unaudited) (未經審核)	31st December, 2015 二零一五年 十二月三十一日 HK\$'000 港幣千元 (audited) (經審核)
Within one year 一年內	543	1,105

經營租賃款項指本集團就其若干辦公室應付之租金。經磋商後，租賃年期初步介乎1至3年。租金乃固定，且無就或然租金付款訂立任何安排。

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