

Consolidated Statement of Profit or Loss

Year ended 31 December 2016

	Note	2016 RMB'000	2015 RMB'000
REVENUE	5	6,664,785	5,886,845
Cost of sales		(3,935,465)	(3,655,753)
Gross profit		2,729,320	2,231,092
Other income and gains	5	359,903	362,928
Selling and distribution costs		(71,720)	(98,343)
Administrative expenses		(1,054,665)	(957,406)
Other expenses		(704,305)	(460,801)
Finance costs	6	(465,083)	(526,333)
Share of profits and losses of:			
Associates		7,622	6,819
A joint venture		(1,628)	(3,443)
PROFIT BEFORE TAX	7	799,444	554,513
Income tax expense	9	(365,925)	(154,930)
PROFIT FOR THE YEAR		433,519	399,583
Attributable to:			
Owners of the parent		353,322	308,140
Non-controlling interests		80,197	91,443
		433,519	399,583
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic			
– For profit for the year (RMB)	12	0.12	0.10
Diluted			
– For profit for the year (RMB)	12	0.12	0.10

Consolidated Statement of Comprehensive Income

Year ended 31 December 2016

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
PROFIT FOR THE YEAR	433,519	399,583
OTHER COMPREHENSIVE INCOME		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations Available-for-sale investments:		
Changes in fair value	5,801	(11,398)
	–	2,382
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	5,801	(9,016)
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:		
Remeasurements of post-employment benefit obligations	12,707	(21,936)
Income tax effect	(3,177)	5,484
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods	9,530	(16,452)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	15,331	(25,468)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	448,850	374,115
Attributable to:		
Owners of the parent	368,653	282,672
Non-controlling interests	80,197	91,443
	448,850	374,115

Consolidated Statement of Financial Position

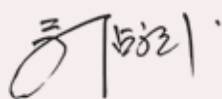
31 December 2016

	Note	31 December 2016 RMB'000	31 December 2015 RMB'000 (Restated)
NON-CURRENT ASSETS			
Property, plant and equipment	13	12,974,461	12,819,709
Prepaid land lease payments	14	708,807	623,579
Goodwill	15	875,897	885,815
Other intangible assets	16	9,421,587	8,768,615
Investment in a joint venture	17	120,229	131,857
Investments in associates	18	289,638	268,914
Available-for-sale investments	19	25,746	21,746
Deferred tax assets	20	189,379	244,251
Loans receivable	21	–	8,000
Long-term deposits	22	77,383	109,090
Other long-term assets	23	670,156	649,679
Total non-current assets		25,353,283	24,531,255
CURRENT ASSETS			
Inventories	24	3,630,598	3,439,183
Trade and notes receivables	25	281,215	67,127
Prepayments, deposits and other receivables	26	513,736	471,957
Equity investments at fair value through profit or loss	27	414,069	164,055
Derivative financial instruments	31	658	1,382
Available-for-sale investments	19	280,000	–
Pledged deposits	28	320,351	133,572
Loans receivable	21	649,124	222,348
Cash and cash equivalents	28	1,437,951	2,033,203
Assets of a disposal group classified as held for sale	10	7,527,702 82,674	6,532,827 –
Total current assets		7,610,376	6,532,827
CURRENT LIABILITIES			
Trade and notes payables	29	389,861	583,276
Other payables and accruals	30	2,150,217	1,814,445
Financial liabilities at fair value through profit or loss	31	52,854	–
Interest-bearing bank and other borrowings	32	10,884,200	8,024,668
Tax payable		179,076	20,549
Provisions	35	22,556	28,539
Corporate bonds	33	1,198,071	1,498,997
Deposits from customers	36	985,736	410,248
Current portion of other long-term liabilities	37	–	90,000
Liabilities directly associated with the assets classified as held for sale	10	15,862,571 13,558	12,470,722 –
Total current liabilities		15,876,129	12,470,722
NET CURRENT LIABILITIES		(8,265,753)	(5,937,895)
TOTAL ASSETS LESS CURRENT LIABILITIES		17,087,530	18,593,360

Consolidated Statement of Financial Position

31 December 2016

	Note	31 December 2016 RMB'000	31 December 2015 RMB'000 (Restated)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	32	1,087,706	1,732,649
Corporate bonds	33	945,101	2,140,818
Deferred tax liabilities	20	396,914	484,259
Deferred income	34	420,635	464,370
Provisions	35	78,339	102,338
Other long-term liabilities	37	23,618	22,515
Total non-current liabilities		2,952,313	4,946,949
Net assets		14,135,217	13,646,411
EQUITY			
Equity attributable to owners of the parent			
Share capital	38	2,965,827	2,965,827
Perpetual capital instruments	39	2,147,132	2,146,823
Reserves	41	6,108,910	5,628,376
		11,221,869	10,741,026
Non-controlling interests		2,913,348	2,905,385
Total equity		14,135,217	13,646,411



Weng Zhanbin
Director



Li Xiuchen
Director

Consolidated Statement of Changes in Equity

Year ended 31 December 2015 (Restated)

	Attributable to owners of the parent									
	Share capital	Perpetual capital instruments	Capital reserve	Special reserve-safety fund	Statutory and distributable reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000 (note 38)	RMB'000 (note 39)	RMB'000 (note 41)	RMB'000	RMB'000 (note 41)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2016	2,965,827	2,146,823	1,135,208	18,217	818,038	(19,731)	3,676,644	10,741,026	2,905,385	13,646,411
Profit for the year	-	-	-	-	-	-	353,322	353,322	80,197	433,519
Other comprehensive income for the year:										
Exchange differences related to foreign operations	-	-	-	-	-	5,801	-	5,801	-	5,801
Remeasurements of post-employment benefit obligations, net of tax	-	-	9,530	-	-	-	-	9,530	-	9,530
Total comprehensive income for the year	-	-	9,530	-	-	5,801	353,322	368,653	80,197	448,850
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(147,477)	(147,477)
Disposal of partial interest in a subsidiary without loss of control	-	-	323	-	-	-	-	323	1,189	1,512
Issue of shares under the employee shares subscription plan (note 40)	-	-	237,600	-	-	-	-	237,600	-	237,600
Equity-settled share-based payments (note 40)	-	-	105,600	-	-	-	-	105,600	-	105,600
Capital contribution from non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	74,054	74,054
Transfer to reserves	-	-	-	-	85,480	-	(85,480)	-	-	-
Accrued distribution of perpetual capital instruments	-	113,009	-	-	-	-	(113,009)	-	-	-
Distribution of perpetual capital instruments paid	-	(112,700)	-	-	-	-	-	(112,700)	-	(112,700)
Final 2015 dividend declared and paid	-	-	-	-	-	-	(118,633)	(118,633)	-	(118,633)
At 31 December 2016	2,965,827	2,147,132	1,488,261*	18,217*	903,518*	(13,930)*	3,712,844*	11,221,869	2,913,348	14,135,217

* These reserve accounts comprise the consolidated reserves of RMB6,108,910,000 (31 December 2015: RMB5,628,376,000) in the consolidated statement of financial position.

Consolidated Statement of Changes in Equity

Year ended 31 December 2015 (Restated)

	Attributable to owners of the parent							Total	Non-controlling interests	Total equity
	Share capital	Perpetual capital instruments	Capital reserve	Special reserve-safety fund	Statutory and distributable reserve	Exchange fluctuation reserve	Retained profits			
	RMB'000 (note 38)	RMB'000 (note 39)	RMB'000 (note 41)	RMB'000	RMB'000 (note 41)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2015	2,965,827	-	1,291,794	19,315	799,921	(8,333)	3,598,535	8,667,059	1,082,905	9,749,964
Profit for the year	-	-	-	-	-	-	308,140	308,140	91,443	399,583
Other comprehensive income for the year:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(11,398)	-	(11,398)	-	(11,398)
Remeasurements of post-employment benefit obligations, net of tax	-	-	(16,452)	-	-	-	-	(16,452)	-	(16,452)
Changes in fair value of available-for-sale investments, net of tax	-	-	2,382	-	-	-	-	2,382	-	2,382
Total comprehensive income for the year	-	-	(14,070)	-	-	(11,398)	308,140	282,672	91,443	374,115
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(61,403)	(61,403)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(4,689)	(4,689)
Acquisition of a subsidiary not accounted for as a business combination	-	-	-	-	-	-	-	-	1,540,732	1,540,732
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	5,297	5,297
Capital contribution from non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	251,100	251,100
Commitment of profit distribution to non-controlling shareholders	-	-	(142,516)	-	-	-	-	(142,516)	-	(142,516)
Transfer to reserves	-	-	-	-	18,117	-	(18,117)	-	-	-
Utilisation of the safety fund	-	-	-	(1,098)	-	-	-	(1,098)	-	(1,098)
Issue of perpetual capital instruments, net of issuance costs	-	2,083,200	-	-	-	-	-	2,083,200	-	2,083,200
Accrued distribution of perpetual capital instruments	-	63,623	-	-	-	-	(63,623)	-	-	-
Final 2014 dividend declared and paid	-	-	-	-	-	-	(148,291)	(148,291)	-	(148,291)
At 31 December 2015	2,965,827	2,146,823	1,135,208*	18,217*	818,038*	(19,731)*	3,676,644*	10,741,026	2,905,385	13,646,411

* These reserve accounts comprise the consolidated reserves of RMB5,628,376,000 (31 December 2014: RMB5,701,232,000) in the consolidated statement of financial position.

Consolidated Statement of Cash Flows

Year ended 31 December 2016

	Note	2016 RMB'000	2015 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		799,444	554,513
Adjustments for:			
Finance costs	6	465,083	526,333
Share of profits of associates		(7,622)	(6,819)
Share of loss of a joint venture		1,628	3,443
Interest income from loans receivable		(134,250)	(40,661)
Loss on disposal or write-off of items of property, plant and equipment, other intangible assets, prepaid land lease payments and other long-term assets	7	174,104	6,046
Gain on disposal of a subsidiary	7	–	(1,207)
Fair value loss/(gain), net:			
– Equity investments at fair value through profit or loss	7	8,554	(14,147)
– Commodity derivative contracts	7	–	(1,382)
(Gain)/loss on gold leasing business	7	(533)	49,237
Loss on disposal of equity investments at fair value through profit or loss	7	12,615	53,178
Loss/(gain) on settlement of commodity derivative contracts		162,099	(97,159)
Depreciation of property, plant and equipment	7	761,452	632,553
Amortisation of other intangible assets	7	63,901	105,242
Amortisation of prepaid land lease payments	7	18,166	14,485
Amortisation of long-term prepaid expenses		16,116	7,478
Provision for impairment of receivables	7	3,516	13,169
Impairment loss on loans receivable	7	5,160	522
Impairment loss on inventories	7	11,847	30,476
Impairment loss on non-current assets	7	231,212	230,359
Impairment loss on assets of a disposal group classified as held for sale	7	20,248	–
Share-based payment expense		105,600	–
Deferred income recognised	34	(89,525)	(83,413)
		2,628,815	1,982,246
Decrease in long-term deposits		31,707	2,819
Increase in inventories		(203,525)	(297,379)
(Increase)/decrease in trade and notes receivables		(214,719)	43,438
(Increase)/decrease in prepayments and other receivables		(52,461)	26,771
Increase in pledged deposits		(168,824)	(16,082)
Increase in loans receivable		(402,305)	(20,870)
(Decrease)/increase in trade and notes payables		(193,415)	103,230
Increase/(decrease) in other payables and accruals		223,940	(506,981)
Increase in deposits from customers		575,488	410,248
(Decrease)/increase in provisions		(21,536)	37,765
		2,203,165	1,765,205
CASH GENERATED FROM OPERATIONS		2,203,165	1,765,205
Income taxes paid		(339,815)	(261,360)
		1,863,350	1,503,845
NET CASH FLOWS FROM OPERATING ACTIVITIES		1,863,350	1,503,845

Consolidated Statement of Cash Flows

Year ended 31 December 2016

	Note	2016 RMB'000	2015 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		145,433	40,661
Dividend received from an associate		14,901	6,156
Purchases of items of property, plant and equipment		(1,223,135)	(1,916,960)
Proceeds from disposal of items of property, plant and equipment		16,748	77,615
Increase in land lease payments		(80,384)	(16,563)
Receipt of government grants		45,790	132,038
Increase in other intangible assets		(443,771)	(77,303)
Acquisition of subsidiaries	42	(20,040)	(1,343,244)
Proceeds from disposal of a subsidiary		–	3,994
Advance paid for the acquisition of subsidiaries		(99,075)	(38,117)
Advance received from disposal of a subsidiary classified as held for sale		9,000	–
Proceeds from disposal of partial interest in a subsidiary without loss of control		1,512	–
Prepayment retrieved for acquisition		–	800,000
Net proceeds from settlement of commodity derivative contracts		(162,099)	85,714
Deposits (paid)/retrieved for commodity derivative contracts		(72,274)	8,228
Net proceeds from acquisition of equity investments at fair value through profit or loss		(271,183)	(179,674)
Payment for investments in available-for-sale investments		(282,000)	–
Increase in long-term prepaid expenses		(11,391)	(27,078)
Decrease in loans receivable		48,066	29,500
Increase in loans receivable		(70,000)	(167,500)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(2,453,902)	(2,582,533)

Consolidated Statement of Cash Flows

Year ended 31 December 2016

	Note	2016 RMB'000	2015 RMB'000
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank and other borrowings		13,408,118	7,612,220
Issuance of a corporate bond, net of issuance expense		–	943,350
Repayment of a corporate bond		(1,500,000)	–
Repayment of bank and other borrowings		(11,203,739)	(7,466,264)
Proceeds received under the employee shares subscription plan		237,600	–
Capital contribution from non-controlling shareholders of subsidiaries		74,054	251,100
Receipts from gold leasing business		52,729	3,193,797
Deposits paid/(retrieved) for gold forward contracts in relation to gold leasing business		–	196,132
Deposits retrieved from gold leasing business		–	100,000
Repayments of gold leasing business		–	(4,385,373)
Dividends paid		(223,610)	(209,694)
Payment for commitment of profit distribution to non-controlling shareholders		(90,000)	(30,000)
(Increase)/decrease in pledged deposits for short-term bank loans		(17,955)	170,898
Issuance of perpetual capital instruments, net of issuance expense		–	2,083,200
Distribution paid for perpetual capital instruments		(112,700)	–
Interest paid		(645,722)	(617,219)
NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES		(21,225)	1,842,147
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(611,777)	763,459
Cash and cash equivalents at beginning of year		2,033,203	1,254,916
Effects of foreign exchange rate changes, net		16,525	14,828
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,437,951	2,033,203
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	28	1,419,591	1,914,032
Non-pledged time deposits with original maturity of less than three months when acquired	28	18,360	119,171
Cash and cash equivalents as stated in the consolidated statement of cash flows		1,437,951	2,033,203