



**CHINA VANADIUM  
TITANO-MAGNETITE MINING  
COMPANY LIMITED**

**中國鈮鈦磁鐵礦業有限公司**

(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: 00893)

*CONSOLIDATE  
THE FOUNDATION*

*with inclusiveness and adaptability*

**謀定而動 順勢而為**

**2018**

**ANNUAL 年  
REPORT 報**



# Our Presence 集團版圖



## SOUTHERN REGION 南部

### A. Mines 礦

Name 名稱	Location 位置	Area 面積	Type of Resources 資源種類	Resources as at 31 December 2018 (Mt) 於2018年12月31日資源量 (百萬噸)	Average Grade 平均品位	Mining Method 開採方法
A1 Baicao Mine 白草鐵礦	Huili County, Sichuan 四川省會理縣	Mining area: 1.88 sq.km. 採礦面積: 1.88平方公里	Vanadium-bearing titano-magnetite 鈮鈦磁鐵礦	47.36 <sup>(1)</sup>	23.32% TFe 鐵品位23.32%	Open-pit mining 露天開採
A2 Xiushuihe Mine (including expansion) 秀水河鐵礦 (包括擴展地區)	Huili County, Sichuan 四川省會理縣	Exploration area: 1.73 sq.km. (including a mining area of 0.52 sq.km.) 勘探面積: 1.73平方公里 (含採礦面積: 0.52平方公里)	Vanadium-bearing titano-magnetite 鈮鈦磁鐵礦	63.30 <sup>(1)</sup>	24.24% TFe 鐵品位24.24%	Open-pit mining 露天開採
A3 Yangqueqing Mine 陽雀箐鐵礦	Huili County, Sichuan 四川省會理縣	Mining area: 0.25 sq.km. 採礦面積: 0.25平方公里	Vanadium-bearing titano-magnetite 鈮鈦磁鐵礦	21.18 <sup>(2)</sup>	25.06% TFe 鐵品位25.06%	Open-pit mining 露天開採
A4 Cizhuqing Mine 茨竹箐鐵礦	Huili County, Sichuan 四川省會理縣	Mining area: 1.279 sq.km. 採礦面積: 1.279平方公里	Vanadium-bearing titano-magnetite 鈮鈦磁鐵礦	25.57 <sup>(2)</sup>	21.40% TFe 鐵品位21.40%	Open-pit mining 露天開採
A5 Haibaodang Mine 海保因鐵礦	Panzhihua City, Sichuan 四川省攀枝花市	Exploration area: 26.2 sq.km. 勘探面積: 26.2平方公里	Vanadium-bearing titano-magnetite 鈮鈦磁鐵礦	105.60 <sup>(1)</sup>	16.54% TFe 鐵品位16.54%	Open-pit mining 露天開採

### B. Plants 廠房

Name 名稱	Location 位置	Capacity 產能
B1 Xiushuihe Processing Plant 秀水河洗選廠	Near the Xiushuihe Mine 靠近秀水河鐵礦	Low-grade vanadium-bearing iron concentrates: 800.0 Ktpa <sup>(4)</sup> ; titanium concentrates: 100.0 Ktpa <sup>(4)</sup> 低品位含鈮鐵精礦: 800.0千噸/年 <sup>(4)</sup> ; 鈦精礦: 100.0千噸/年 <sup>(4)</sup>
B2 Baicao Processing Plant 白草洗選廠	Near the Baicao Mine 靠近白草鐵礦	Low-grade vanadium-bearing iron concentrates: 700.0 Ktpa <sup>(4)</sup> ; titanium concentrates: 60.0 Ktpa <sup>(4)</sup> 低品位含鈮鐵精礦: 700.0千噸/年 <sup>(4)</sup> ; 鈦精礦: 60.0千噸/年 <sup>(4)</sup>
B3 Hailong Processing Plant 海龍洗選廠	Near the Cizhuqing Mine 靠近茨竹箐鐵礦	Low-grade vanadium-bearing iron concentrates: 300.0 Ktpa <sup>(4)</sup> 低品位含鈮鐵精礦: 300.0千噸/年 <sup>(4)</sup>
B4 Heigutian Processing Plant 黑谷田洗選廠	Near the Yangqueqing Mine 靠近陽雀箐鐵礦	Low-grade vanadium-bearing iron concentrates: 800.0 Ktpa <sup>(4)</sup> ; titanium concentrates: 120.0 Ktpa <sup>(4)</sup> 低品位含鈮鐵精礦: 800.0千噸/年 <sup>(4)</sup> ; 鈦精礦: 120.0千噸/年 <sup>(4)</sup>
B5 Iron Pelletising Plant 球團礦廠	Huili County, Sichuan 四川省會理縣	1,000.0 Ktpa <sup>(5)</sup> 1,000.0千噸/年 <sup>(5)</sup>

## NORTHERN REGION 北部

### C. Mines 礦

Name 名稱	Location 位置	Area 面積	Type of Resources 資源種類	Resources as at 31 December 2018 (Mt) 於2018年12月31日資源量 (百萬噸)	Average Grade 平均品位	Mining Method 開採方法
C1 Maoling-Yanglongshan Mine 毛嶺—羊龍山鐵礦	Wenchuan County, Sichuan 四川省汶川縣	Exploration area: 11.6 sq.km. (including a mining area of 1.9 sq.km.) 勘探面積: 11.6平方公里 (含採礦面積: 1.9平方公里)	Ordinary magnetite 普通磁鐵礦	56.08 <sup>(1)</sup>	22.76% TFe 鐵品位22.76%	Underground mining 地下開採
C2 Shigou Gypsum Mine 石溝石膏礦	Hanyuan County, Sichuan 四川省漢源縣	Mining area: 0.1228 sq.km. 採礦面積: 0.1228平方公里	Gypsum 石膏	10.37 <sup>(3)</sup> (Types 331 and 333) (種類331及333)	90.64% Gypsum + Anhydrite 石膏+無水石膏 品位90.64%	Underground mining 地下開採

### D. Plant 廠房

Name 名稱	Location 位置	Capacity 產能
D1 Maoling Processing Plant 毛嶺洗選廠	Near the Maoling-Yanglongshan Mine 靠近毛嶺—羊龍山鐵礦	High-grade iron concentrates: 150.0 Ktpa <sup>(4)</sup> 高品位鐵精礦: 150.0千噸/年 <sup>(4)</sup>

<sup>(1)</sup> Under the JORC Code (2012 Edition) 根據聯合可採儲量委員會規則 (2012年版)

<sup>(2)</sup> Under the JORC Code (2004 Edition) 根據聯合可採儲量委員會規則 (2004年版)

<sup>(3)</sup> Under the Classification for Resources/Reserves of Solid Fuels and Mineral Commodities (GB/T 17766-1999) 根據固體礦產資源/儲量分類 (GB/T 17766-1999)

<sup>(4)</sup> Under the wet basis 根據濕基基準

<sup>(5)</sup> Under the dry basis 根據乾基基準

We aim to be a

# TOP-NOTCH ENTERPRISE

## 打造一流企業

### CORE VALUE

- We deliver with integrity
- We explore opportunities
- We uphold the essence of commitment and responsibility
- 誠信、開拓、責任

### VISION

- To explore exceptional potential in mining
- 中國鐵鈦，  
太（鈦）不平凡（鈦）

### MISSION

- We reward shareholders
- We care for the community
- 回報股東，回報社會

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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Non-executive Director

Mr. Teh Wing Kwan (*Chairman*)

#### Executive Directors

Mr. Jiang Zhong Ping  
(*Chief executive officer*)

Mr. Hao Xiemin  
(*Financial controller*)

Mr. Wang Hu

#### Independent Non-executive Directors

Mr. Yu Haizong

Mr. Liu Yi

Mr. Wu Wen

### AUDIT COMMITTEE

Mr. Yu Haizong (*Chairman*)

Mr. Liu Yi

Mr. Wu Wen

### REMUNERATION COMMITTEE

Mr. Liu Yi (*Chairman*)

Mr. Jiang Zhong Ping

Mr. Yu Haizong

### NOMINATION COMMITTEE

Mr. Teh Wing Kwan (*Chairman*)

Mr. Jiang Zhong Ping

Mr. Yu Haizong

Mr. Liu Yi

Mr. Wu Wen

### COMPANY SECRETARY

Mr. Kong Chi Mo (*FCCA, FCIS, FCS, MHKIoD, MHKIRA & MHKSI*)

### AUTHORISED REPRESENTATIVES

Mr. Jiang Zhong Ping

Mr. Kong Chi Mo (*FCCA, FCIS, FCS, MHKIoD, MHKIRA & MHKSI*)

### REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit A on 4<sup>th</sup> Floor

E168

Nos. 166-168

Des Voeux Road Central

Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

SMP Partners (Cayman) Limited

Royal Bank House – 3<sup>rd</sup> Floor

24 Shedden Road

P.O. Box 1586

Grand Cayman

KY1-1110

Cayman Islands

### 董事會 非執行董事

鄭永權先生 (*主席*)

#### 執行董事

蔣中平先生  
(*首席執行官*)

郝謝敏先生  
(*財務總監*)

王虎先生

#### 獨立非執行董事

余海宗先生

劉毅先生

吳文先生

### 審核委員會

余海宗先生 (*主席*)

劉毅先生

吳文先生

### 薪酬委員會

劉毅先生 (*主席*)

蔣中平先生

余海宗先生

### 提名委員會

鄭永權先生 (*主席*)

蔣中平先生

余海宗先生

劉毅先生

吳文先生

### 公司秘書

江智武先生 (*FCCA, FCIS, FCS, MHKIoD, MHKIRA及MHKSI*)

### 授權代表

蔣中平先生

江智武先生 (*FCCA, FCIS, FCS, MHKIoD, MHKIRA及MHKSI*)

### 註冊辦事處

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

### 香港主要營業地點

香港

德輔道中

166-168號

E168

4樓A室

### 主要股份登記及過戶處

SMP Partners

(Cayman) Limited

Royal Bank House

– 3<sup>rd</sup> Floor

24 Shedden Road

P.O. Box 1586

Grand Cayman

KY1-1110

Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong  
Investor Services Limited  
17M Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## AUDITOR

Ernst & Young  
22/F, CITIC Tower  
1 Tim Mei Avenue  
Central  
Hong Kong

## LEGAL ADVISERS

*as to Hong Kong law:*  
MinterEllison LLP  
Level 32, Wu Chung House  
213 Queen's Road East  
Wanchai  
Hong Kong

*as to Cayman Islands law:*  
Conyers Dill & Pearman  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

## INVESTOR RELATIONS CONSULTANT

Cornerstones Communications  
Limited  
Unit 1408-10  
14/F, Dominion Centre  
43-59 Queen's Road East  
Wanchai  
Hong Kong  
Email: [ir@chinavtmmining.com](mailto:ir@chinavtmmining.com)

## COMPETENT PERSON

BAW Mineral Partners Limited  
Room 2603, 26/F  
Tung Wai Commercial Building  
109-111 Gloucester Road  
Wanchai  
Hong Kong

## WEBSITE

[www.chinavtmmining.com](http://www.chinavtmmining.com)

## STOCK CODE

00893

## SHARE INFORMATION

Board lot size: 1,000

## FINANCIAL CALENDAR

1 January to 31 December

## 香港股份登記及 過戶分處

香港中央證券登記  
有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心17M樓

## 核數師

安永會計師事務所  
香港  
中環  
添美道1號  
中信大廈22樓

## 法律顧問

*關於香港法律：*  
銘德有限法律責任  
合伙律師事務所  
香港  
灣仔  
皇后大道東213號  
胡忠大廈32層

*關於開曼群島法律：*  
康德明律師事務所  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

## 投資者關係顧問

基石傳訊有限公司  
香港  
灣仔  
皇后大道東43-59號  
東美中心14樓  
1408-10室  
電郵: [ir@chinavtmmining.com](mailto:ir@chinavtmmining.com)

## 合資格人士

寶萬礦產有限公司  
香港  
灣仔  
告士打道109-111號  
東惠商業大廈  
26樓2603室

## 網站

[www.chinavtmmining.com](http://www.chinavtmmining.com)

## 股份代號

00893

## 股份資料

每手買賣單位: 1,000

## 財政期間

1月1日至12月31日

# Corporate Profile

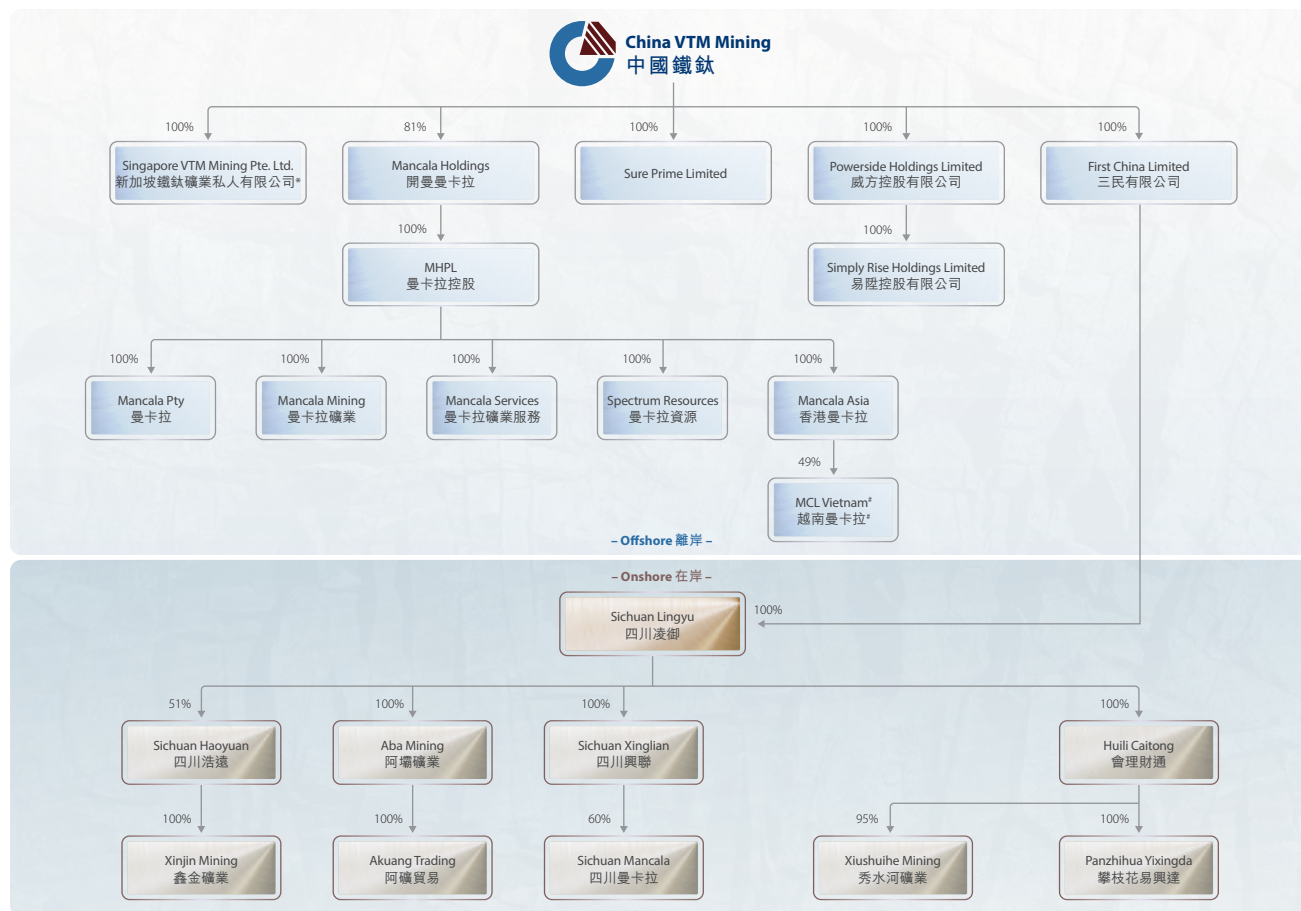
## 公司簡介

The Company has been listed on the main board of the Hong Kong Stock Exchange since 8 October 2009. During the year ended 31 December 2018, the Group was principally engaged in mining and ore processing, sale of self-produced products, trading of coals and steels, management of strategic investments and rendering of specialised mining services. As at 31 December 2018, the Group owned five vanadium-bearing titano-magnetite mines (namely the Baicao Mine, Xiushuihe Mine, Yangqueqing Mine, Cizhuqing Mine and Haibaodang Mine), one ordinary iron ore mine (namely the Maoling-Yanglongshan Mine), one gypsum mine (namely the Shigou Gypsum Mine), five processing plants (namely the Baicao Processing Plant, Xiushuihe Processing Plant, Hailong Processing Plant, Heigutian Processing Plant and Maoling Processing Plant) and one iron pelletising plant. All mines are located in Sichuan, a region with the most abundant vanadium-bearing titano-magnetite resources in China.

As at 31 December 2018, the total number of shares of the Company in issue was 2,249,015,410 Shares and the percentage holding of the Company's subsidiaries was as follows:

本公司自2009年10月8日起於香港聯交所主板上市。於截至2018年12月31日止年度，本集團的主要業務為採礦及礦石洗選、銷售自產產品、買賣煤炭及鋼鐵、策略性投資管理，以及提供專業開採服務。於2018年12月31日，本集團擁有五個鈦磁鐵礦（即白草鐵礦、秀水河鐵礦、陽雀箐鐵礦、茨竹箐鐵礦及海保函鐵礦）、一個普通鐵礦（即毛嶺—羊龍山鐵礦）、一個石膏礦（即石溝石膏礦）、五座洗選廠（即白草洗選廠、秀水河洗選廠、海龍洗選廠、黑谷田洗選廠及毛嶺洗選廠）及一座球團礦廠。全部鐵礦所在的四川省乃中國境內鈦磁鐵礦資源最豐富的地區。

於2018年12月31日，本公司的已發行股份總數為2,249,015,410股，而本公司持有子公司的權益百分比如下：



\* As Mancala Asia is contractually entitled to appoint a majority of members in the members' council of MCL Vietnam and to control the operations of MCL Vietnam, MCL Vietnam is accounted as a subsidiary of Mancala Asia.

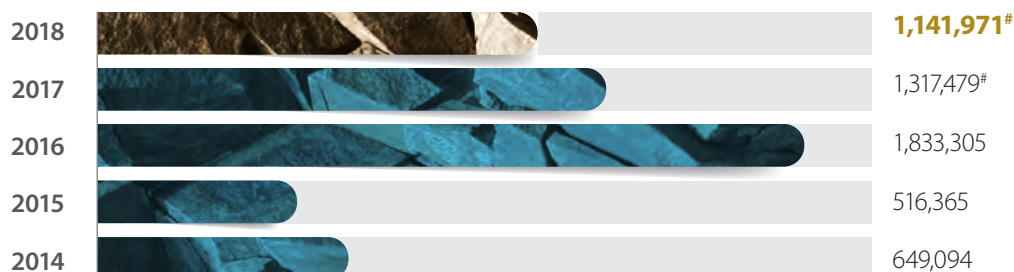
\* 由於香港曼卡拉按照合約有權委任越南曼卡拉董事會大多數成員，並可控制越南曼卡拉的營運，故越南曼卡拉入賬列作香港曼卡拉的子公司。

# Financial Highlights

## 財務摘要

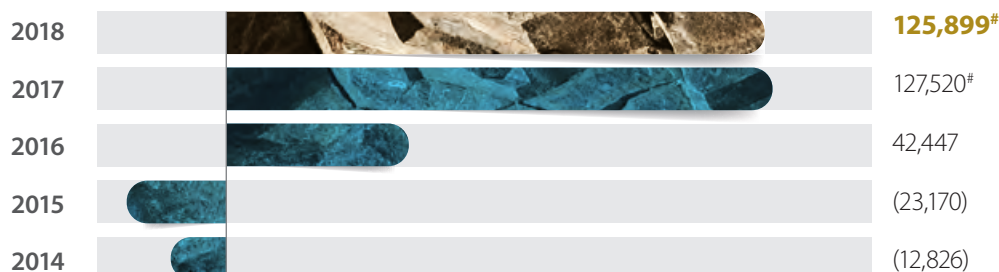
### REVENUE

收入  
(RMB'000)  
(人民幣千元)



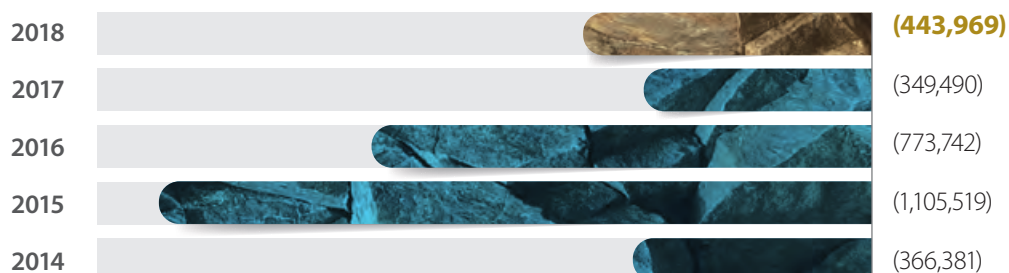
### GROSS PROFIT/ (LOSS)

毛利/(毛損)  
(RMB'000)  
(人民幣千元)



### LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

歸屬於本公司  
擁有人的虧損  
(RMB'000)  
(人民幣千元)



### EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

歸屬於本公司  
擁有人的權益  
(RMB'000)  
(人民幣千元)



<sup>#</sup> Included both Continuing and Discontinued Operations after elimination of intra-group revenue or profit

<sup>#</sup> 包括持續經營及已終止經營業務，經對銷集團內公司間收入或利潤

# Chairman's Statement

## 主席報告書



**Teh Wing Kwan 鄭永權**  
*Chairman 主席*

### Dear Shareholders,

2018 was eventful and rather stressful as we recalibrated in this highly complicated external environment for the steel industry. There is and has been an unpredictable cyclical risk from the undesirably volatile market as a result of the de-stocking pace and re-stocking need given the major supply-side structural reform. Under such circumstances, predicting market trends for each of our business segments in such an environment is obviously not a slam dunk or one may probably need a crystal ball. With this level of uncertainty, we observe that many smaller-scale steel mills are barely breaking even and rarely re-investing. Many industry players are still scratching their heads indeed.

### 致各位股東：

2018年鋼鐵行業的外在環境甚為複雜，我們調整策略迎難而上，經歷了既多事而壓力頗重的一年。供給側結構改革導致去庫存的步伐及補充庫存的需求不一，令市場出現未如人意的波動，造成持續難以預料的週期性風險。在這種情況下，除非手執水晶球能預知未來，否則要預測我們各個業務分部的市場走勢誠非易事。面對種種不確定性，我們注意到許多規模較小的鋼鐵廠僅僅維持收支平衡，鮮有能力再投資。事實上，不少業者仍在苦苦思索發展路向。



During the year, we spoke to many industry experts. We monitored market conditions, analysed segmental performance and evaluated various commercial options. In doing so, we avoided throwing good money after bad and we agreed unanimously that there is an urgent need to restructure our businesses amidst the stubbornly persisting market volatility that we don't like. It was thus strategically important for us to segregate our key mining businesses into (i) the expanding High Fe Mines and (ii) the disappointing Low Fe and Inactive Mines. Arising of which, we initiated major restructuring and announced the proposed disposal of the loss-making Low Fe and Inactive Mines shortly after the financial year-end.

At the time of writing this report, our share price has risen by more than 3 times from the last 52-week low reaching a 52-week high of HKD0.47. Whilst it has softened since then, it seems to have stabilised. I hope the share price recovery does somehow stage a good stead for us while we are restructuring our business and re-building our corporate fundamentals, which has been my key priority, being your Chairman of the Board since October 2017.

## OVERVIEW

At the macro level, China's economic data have not given much reason to celebrate for most, if not all, of the sectors. Most of us would have learnt that China's annual gross domestic product ("GDP") growth in 2018 generally matched expectations but this came in at its slowest pace since 1990, which also came down from those very stable growth rates over the recent years. Whilst China's economic growth seems to be stabilising, it is slowing. In this visual aspect, we have no doubt on the importance of steel to China's GDP growth. The growth in the steel industry in one way or another is an indicative sign of China's economic strength and the pace of the economic growth has resulted in various adjustments of government's policies for the industry. The switch in such policies has weighed down the shift in iron ore demand that the recent shift in such demand has drastically fragmented our industry.

年內，我們曾與不少行內專家交談，並關注市況，分析分部表現，權衡不同商業選項，藉此避免投資失利。市場持續動盪一段時間的形勢下，我們一致認為有重組業務的急切需要。有鑑於此，我們進行具有重要戰略作用的舉措，將主要開採業務拆分為(i)不斷擴張的高鐵品位礦場及(ii)表現遜色的低鐵品位及不活躍礦場。其後，我們於財政年結日後不久展開大型重組，宣佈建議出售錄得虧損的低鐵品位及不活躍礦場。

於撰寫本報告時，我們的股價已上漲超過3倍，由過去52週的低位反彈至52週的全年高位0.47港元。雖然股價其後偏軟，惟現時已見回穩。重組業務及重建公司基礎乃本人自2017年10月出任董事會主席以來的首要任務，本人期望股價回升可以為我們營造利好氣氛。

## 概覽

從宏觀層面看，雖然部分行業表現不俗，惟中國經濟數據反映大部分板塊表現乏善可陳。不少行內業者已洞悉，雖然中國於2018年的全年國內生產總值增長總體符合預期，但已是自1990年以來的最慢增速，亦從近年非常穩定的增長率回落。儘管中國的經濟增長漸趨平穩，但增速正在放緩。從表面看，我們深信鋼鐵對於中國國內生產總值增長有一定的重要性。鋼鐵行業的增長或多或少反映中國的經濟實力，而經濟增長步伐已促使政府多次調整對行業的政策。政策的轉變已令近期行業出現嚴重斷層的鐵礦石需求轉移百上加斤。

## Chairman's Statement

### 主席報告書

Having said that, there appears a mounting downside risk in certain segments of our industry arising from the structurally weakened demand for the low-grade iron ore, which is further burdened by the increasing sensitivity on the impurity of iron ore content given emission control under the China's Blue Sky Plan. The toughening environmental clean-up that came in the form of curbs on blast furnace operations, iron ore sintering and the related processing activities pushed demand for the more polluting (but more affordable) iron ore down while encouraging those of high-grade. In this context, steel millers work towards balancing productivity and affordability as productivity sometime comes at the expense of affordability given more costly investments and much higher compliance requirements.

So, we realistically can't take such risks in broadly defined ways and we have to execute our strategic plans under a clearly defined framework for our immediate key objectives – to improve operating financial performance and reduce asset impairment risks. It is a sure thing that the Group needs a turnaround after reporting consecutive years of disappointing losses that the Group's continual struggle for profits in this volatile market seems extremely tiring to you (being the owner) and to us (being the Board members). This explains why the proposed disposal of the Low Fe and Inactive Mines makes sense for us if we do not see any commercial rationale to re-invest and re-allocate resources here. The decision to sell off these loss-making segments was made after our thoughtful plans in streamlining part of our operations and rationalising some of the under-utilised assets.

In the months ahead, we will continue to cast a watchful eye on the US-China trade tension and potential rollout of other stimulus measures by the Chinese government, if any and if relevant.

話雖如此，低品位鐵礦石需求結構性轉弱導致行業若干分部出現下行風險。與此同時，中國藍天計劃的排放監控亦提高業內對鐵礦石雜質的關注程度，令需求受壓。禁止鼓風爐運作、鐵礦石燒結及相關洗選活動等收緊潔淨環境的手段，均壓抑對污染程度較高（但價格較為相宜）的鐵礦石需求，並推高對高品位鐵礦石的需求。就此而言，生產力與價格相宜往往難以並存，鋼鐵廠需為生產進行耗費成本的投資及滿足更嚴格的遵例規定，要對生產力及可負擔程度作出平衡。

因此，我們實事求是，不能以籠統的方式處理該等風險，必須按照清楚界定的框架為我們當前的主要目標執行戰略計劃，即改善營運財務業績，降低資產減值風險。本集團一直力爭在波動市場上賺取利潤，惟連續多年錄得虧損，令廣大股東（作為擁有人）及我們（作為董事會成員）均感疲憊，的確是時候需要扭轉形勢。因此，我們認為沒有充分的商業理據支持重新投資及投放資源於低鐵品位及不活躍礦場，故建議出售誠屬合理。出售蒙受虧損的分部乃經我們精心規劃後，為精簡部分業務及整合部分使用率不足的資產所作的決定。

於未來數月，我們將繼續密切注視中美貿易的緊張局勢，以及中國政府可能推出的其他振興措施（如有及如適用）。

## STRATEGIES

During the year, we kept our operational strategies largely unchanged (as set out in my last 2017 Chairman's Statement) – specifically, focusing on operating cash flows, improving segmental efficiencies and reducing impairment risks. Meanwhile, we widened and deepened the scopes of our strategic reviews; and hastened our execution.

As reiterated, we factored out the strategic importance of managing the Group's operations in two key business segments, namely the High Fe Mines and the Low Fe and Inactive Mines, as the differential ballooned when market demand shifted unexpectedly fast with much higher price premium for the less polluting high-grade iron ore. Such a move encouraged us to allocate more resources towards improving production efficiencies for the High Fe Mines and optimising its revenue mix. These strategies helped us to improve our overall margins and stabilised our operating cash flows but asset impairment risks arising from very low and no utilisation rate for the Low Fe and Inactive Mines remain an issue to resolve.

Given these focused strategies, we have thus scaled down the Low Fe Mines and are keeping those Inactive Mines continually suspended for good despite impairment risks. While maintaining a cautious stance on the operations of the Low Fe and Inactive Mines, we explored complex farm-out arrangements with other operators and we also evaluated piecemeal sale of processing plants and related equipment. To a larger extent, we either did not receive serious interest that could possibly lead to substantive discussions or we were approached for deals, which I think we would probably be better off doing nothing.

## 策略

於年內，我們的營運策略大致相同（見本人上一份的2017年主席報告書）－具體而言，專注於改善經營現金流，提升分部效益及降低減值風險。與此同時，我們已擴大及深化戰略檢討範圍，加快執行速度。

我們已一再重申，剔除本集團兩大業務分部－高鐵品位礦場以及低鐵品位及不活躍礦場的戰略重要性，原因在於市場需求轉移出乎意料地急促，污染較少的高品位鐵礦石溢價飛漲，令兩個分部的差異明顯急劇擴大。此情勢鼓勵我們調撥更多資源提升高鐵品位礦場的生產效率，盡量發揮其收入組合的表現。此等戰略有助我們提高整體利潤率，穩定經營現金流，惟低鐵品位及不活躍礦場的極低甚至零使用率產生的資產減值風險仍有待解決。

因應此等重點戰略，我們已縮減低鐵品位礦場的規模，即使面對減值風險亦繼續暫停不活躍礦場的運作。在審慎處理低鐵品位及不活躍礦場營運的同時，我們亦與其他營運商探討工序外判安排，以及評估將洗選廠及相關設備逐一出售。我們並未收到有機會達致實質商談的真誠洽商，亦無接獲任何交易邀請，故本人認為某程度上適宜靜觀其變。

## Chairman's Statement

### 主席報告書

We subsequently reorganised these assets and then put through a proposal to sell the entire interest of the operating group that own, operate and manage the Low Fe and Inactive Mines to a related party for RMB550.0 million with their obligations to take over a total indebtedness (including bank guarantees) of up to RMB730.0 million from us – as we announced on 29 January 2019. The proposed disposal of these loss-making operations is one of our key business restructuring strategies and the deal (if completed) is expected to have positive financial effects for the Group. The is a very substantial transaction with a connected party by definition which is thus subject to your approval (more specifically, independent shareholders) in an extraordinary general meeting (“EGM”) to be convened in due course. We will send you a circular explaining the transactions and illustrating the financials when ready; and independent professionals will have to opine on the transactions as well.

In view of our intention to sell the Low Fe and Inactive Mines, we have since recorded its operating results under the heading of “Discontinued Operations” with those selling assets and liabilities are now being classified as “held for sale” in accounting terms. The financial presentation vindicates our action to stop the related operations and confirms our decision to sell assets for the loss-making Low Fe and Inactive Mines.

### OUTLOOK

Looking at the big picture, China celebrates the 40<sup>th</sup> anniversary of its Reform and Opening-up with remarkable progress in its economic and social transformation. After four decades of unfettered growth, it appears that the country is facing a myriad of external factors that may pose challenges to its future economic growth, which in itself has largely been funded by surging debts and is now showing signs of slower momentum.

As previous rapid growth models have not come without costs, there are contentious issues to deal with given loading debts and rising costs. Meanwhile, the already-complicated US-China trade row is getting more complicated despite recent signs of easing but notoriously, like a fickle weather. We are now learning whether the country could deal with these issues tactfully – or to a certain extent, whether it will do so or need to do so. In this context, many expect manufacturing activities will continue to slow, margins will fall and industrial profits will remain under pressure amidst this time of uncertainty.

我們隨後已重組該等資產，並擬議以人民幣550.0百萬元向一名關聯方出售擁有、經營及管理低鐵品位及不活躍礦場的營運集團全部權益，連同彼等承擔最高人民幣730.0百萬元總債務（包括銀行擔保）的義務（見於2019年1月29日所公告）。建議出售該等錄得虧損的業務乃我們的重點業務重組戰略之一，該交易（如完成）預期為本集團之財務狀況帶來正面影響。按定義，此乃一項與一名關連人士進行的非常重大交易，因此有待閣下（尤其指獨立股東）於將於適當時候召開的股東特別大會上批准。我們現正製備一份通函，並將於備妥後發送予閣下，當中闡釋交易及說明財務事宜，獨立專業人士亦會從中就該等交易發表意見。

鑑於我們有意出售低鐵品位及不活躍礦場，我們已就會計處理將該等礦場經營業績入賬列入「已終止經營業務」項下，而該等出售資產及負債現時則劃分為「持作出售」。財務呈列方式證明我們停止相關業務的行動是合理的，並確認我們出售錄得虧損的低鐵品位及不活躍礦場資產的決定。

### 前景

總體而言，中國慶祝改革開放40週年，經濟及社會轉型均取得長足發展。經歷40年迅速奔馳的增長，國家現正面對的不少外圍因素，未來有可能對一直由急增的債務支撐並呈現減慢勢頭的經濟增長，帶來重重挑戰。

由於過去的快速增長模式並非沒有代價，故此現時需要面對因債務累積及成本上漲所帶來的棘手問題。另一方面，中美貿易糾紛近日雖有緩和跡象，但眾所周知兩國關係陰晴不定，令本已複雜的情勢更加多變。我們現正注視國家能否精妙地處理各種問題，或某程度上會否處理或要否處理該等問題。就此，市場普遍預期面對不明朗的環境，製造業將持續放緩，利潤率下跌，行業利潤仍會受壓。

Under such observation, there exists an opportunity to see credit expansion or some forms of fiscal stimulus measures again, shortly after China's official efforts to clamp down on credit while it is still addressing issues relating to excessive loans, bad debts and messy defaults – these are policies of argus-eyed awareness which come from the country's alarmingly high debts level years ago. It seems that the re-surfacing or re-thinking of debts-load growth models are kicking in again in a bid to pump more money back to the economy, which came at the onset of the slowing pace of economic growth and amidst the tariff wars talks. However, at this juncture, the pace of such accelerating stimulus remains to be seen but against this backdrop, budget for infrastructure spending is one of those that may continue to find successive support despite news of halting major infrastructure projects and re-adjustment of policies for such investments in smaller cities of China.

Back to our industry, with China's bearing anti-pollution measures, there is logic to see surging demand for high-grade iron ore when steel mills are restricted as to how much they can pollute in a production process that best possible quality iron ore could potentially maximise quantity of steel that can be produced relatively to certain level of energy consumption. Given so, lower grade iron ore capacity has been scaled down, left idle or forced to run at lower-than-optimal utilisation rates. We are also monitoring the fragmented iron ore market very closely too see if the price and demand dynamism for the high-grade iron ore will vary which will either widen or narrow the existing differential gap. At this juncture, there are still points to see good demand and price support for the high-grade iron ore products ahead.

## GOING FORWARD

Having said that, we are heedful of those warnings at the macro level and their implications on our industry, on our next strategic plans and on our potential business diversification. As we remain cautiously optimistic, our optimism is still largely reserved until we are able to refresh our growth initiatives and revamp our corporate strategies. On a positive note, I believe our business restructuring will eventually bring us to the next significant milestone – both for our reorganised mining operations and in our corporate transformation plans.

由此可見，雖然中國政府未幾前曾遏抑信貸，並正着手處理市場過度貸款、壞賬及無力償債等問題——此乃國家應對積累多年的過高債務水平而高瞻遠矚地實施的監控政策，惟再次出現信貸擴張或不同形式的財政刺激措施的機遇依然存在。在經濟增長步伐放緩及關稅博弈的背景下，或有可能重推或重新考慮以增加債務負擔模式，將有更多資金回流至國內經濟。然而，目前刺激經濟的提速步伐尚未揭盅，面對當前環境，即使中國部分較小型城市暫停大型基建項目及重新調整基建投資政策的消息時有所聞，基建開支預算仍可能不時得到支持。

我們的行業方面，隨着中國的防治污染措施出台，鋼鐵廠在生產過程中可產生的污染量受到限制，而最為上乘的鐵礦石則可在相同耗能水平下生產最多鋼鐵，故高品位鐵礦石的需求順理成章地急升。有鑑於此，我們已縮減、閉置或降低較低品位鐵礦石的產量。我們正密切注視出現分化的鐵礦石市場，觀察高品位鐵礦石的價格及需求走向會否改變，現時差距會擴大抑或收窄。現時仍有理由看好未來高品位鐵礦石產品的需求及其價格支撐。

## 展望

儘管如此，我們留意到宏觀層面的危機及其對我們所處行業、下一波戰略規劃及潛在業務多元化的影響。我們會保持審慎樂觀，在有力重現增長勢頭及重整公司戰略之前，不會掉以輕心。從好的角度看，本人相信我們的業務重組，包括重組後的開採業務及公司的轉型規劃，最終會帶領我們邁進下一個重大里程。



## Chairman's Statement 主席報告書

### THANK YOU

Many thanks to our stakeholders, partners, bankers, management, and staffs. I look forward to seeing you at the 2019 AGM, or possibly, slightly earlier if we could convene an EGM ahead of time.

#### **Teh Wing Kwan**

*Chairman*

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Hong Kong, 26 March 2019

### 致謝

本人謹此向其他利益相關方、業務夥伴、往來銀行、管理層及員工衷心致謝。本人期待於2019年股東週年大會，或倘我們此前能召開股東特別大會，則可於更早時間與閣下會面。

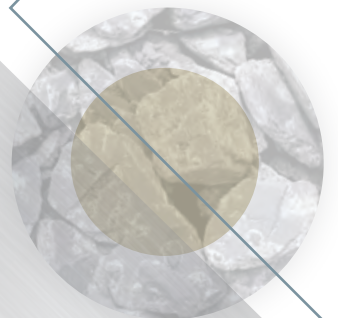
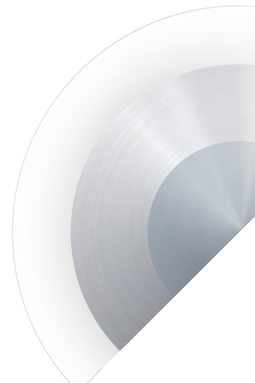
*主席*

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香港，2019年3月26日

*Management  
Discussion and Analysis*  
管理層討論及分析



# Management Discussion and Analysis

## 管理層討論及分析

### MARKET REVIEW

During the Reporting Period, the Group observed the following industrial development and market statistics:

- In January 2019, the National Bureau of Statistics of the PRC announced that China's GDP recorded an annual growth of 6.6% in 2018 (6.5% and 6.4% for the third and fourth quarters, respectively), which generally matched expectations;
- This official annual GDP growth in 2018, probably the slowest pace since 1990, may indicate downward pressure on economic growth. While the steel industry seems to have benefitted from the supply-side structural reform and unexpected increase in real estate investments, complicated factors such as international trade tension decelerated growth in the domestic economy in the latter part of 2018;
- Following the pledge to adhere to the implementation of nationwide supply-side structural reform and to cut excessive steel capacity in 2018 at the 19<sup>th</sup> National Congress of the Communist Party of China, the National Development and Reform Commission of the PRC (the "NDRC") announced promising results in tackling the problem of excessive steel capacity and improved industry practice. By 2018, China has met the maximum target of removing 150 Mt of excessive capacity in 5 years as set out in the 2016 "Opinions on Resolving Overcapacity in the Steel Industry to Revive Development"\*;
- However, the NDRC also admitted that illegal production of substandard steel remained to be an obstacle. The removal of substandard steel production was largely completed in 2017 with over 500 enterprises and 140.0 Mt of substandard steel eliminated. Yet revival of enterprises producing substandard steel was spotted in 2018. In view of this situation, representatives from the NDRC, the Ministry of Industry and Information Technology of the PRC and the State Administration for Market Regulation as well as vice secretaries of 20 provinces held a work meeting in December 2018 to reinforce inspection of illegal production of substandard steel and delivered the key instruction to prevent the revival of production of substandard steel;

### 市場回顧

於報告期內，本集團注意到以下行業發展及市場統計數據：

- 於2019年1月，中國國家統計局公佈2018年中國國內生產總值全年增長6.6%（第三及第四季分別為6.5%及6.4%），總體符合預期；
- 2018年的官方全年國內生產總值增長應該是自1990年以來的最慢增速，或許是經濟增長出現下行壓力的跡象。雖然鋼鐵行業表面上受惠於供給側結構性改革及房地產投資項目出乎預期的增長，惟國際貿易局勢緊張等錯綜複雜的因素，均拖慢2018年下旬國內經濟的增長步伐；
- 於中國共產黨第十九次全國代表大會上承諾2018年堅持推進全國供給側結構性改革及壓減過剩鋼鐵產能後，中國國家發展和改革委員會（「發改委」）宣佈處理過剩鋼鐵產能問題上取得理想成果，行業狀況已經改善。於2018年末前，中國已實現2016年「關於鋼鐵行業化解過剩產能實現脫困發展的意見」所訂下於5年內取締150百萬噸過剩產能的最高目標；
- 然而，發改委亦承認，非法生產地條鋼依然是一項障礙。地條鋼生產的取締工作已於2017年大致完成，淘汰超過500間企業及140.0百萬噸地條鋼，惟地條鋼於2018年有死灰復燃的跡象。有鑒於此，來自發改委、中國工業和信息化部及國家市場監督管理總局的代表連同20個省（區）的政府分管副秘書長於2018年12月舉行工作會議，加強調查非法地條鋼生產，下達防止地條鋼生產死灰復燃的重大批示；



- The country also continued to strive for low carbon development and environmental protection. In December 2018, the China Metallurgical Industry Planning and Research Institute issued the “2018 Report on the Energy Saving and Low-Carbon Development of China’s Steel Industry”\* expecting a year-on-year growth of only 8.9% in energy consumption amidst a 11% annual growth of steel production in 2018, and the energy consumption in 2019 was estimated to decrease by 3.4% year-on-year;
- Further to the Ministry of Ecology and Environment of the PRC’s consultation paper on the “Ultra-low Emission Renovation Plan for Steel Enterprises” requiring 480.0 Mt of steel capacity in China to meet the ultra-low emission standards by 2020, the Central Environmental Protection Supervision Bureau\* intensified supervision for autumn and winter air pollution in Sichuan in December 2018. Four rounds of continuous inspections were conducted in Chengdu Plain, South Sichuan, Northeast Sichuan as well as Panzhihua, aggregating a total of 18 cities;
- As the market outlook turned weak in late 2018, the demand for steel decreased and the China’s Purchasing Managers Index (“PMI”) dropped substantially in November and December 2018. In the first 10 months of 2018, the China’s PMI maintained an average level of over 50 for the steel sector, but decreased to the level of 45 in November and December;
- As the market environment of the steel industry continued to be challenging, fluctuations in iron ore price became apparent. The China Iron Ore Price Index compiled by the China Iron and Steel Association fluctuated at the level of 230-250 over the course of 2018, with the figures surging to 273.65 and 272.14 in February and October, respectively, as the market expected a hike in steel demand after the Chinese New Year holidays and the announcement of steady growth policies such as unleashing liquidity and large-scale tax reduction in October 2018;
- The government’s intensifying efforts in solving air pollution and cleaning up the steel industry through various measures also caused the demand for high-grade iron ore to surpass that of low-grade iron ore. In the second half of 2018, the China 62% TFe Iron Ore Price Index fluctuated at a high level of above 60, except for a dip to 59 in mid September, while the level of 58% TFe Iron Ore Price Index remained at 50 except for October and November 2018. As China implements stricter emission criteria, the demand for high-grade iron ore is expected to thrive;
- 中國同時繼續推動低碳發展及環境保護。於2018年12月，中國冶金工業規劃研究院發表「中國鋼鐵工業節能低碳發展報告2018」，預計2018年全年鋼鐵產量增長11%，耗能僅按年增長8.9%，而2019年的耗能估計會按年減少3.4%；
- 繼中國生態環境部發表「鋼鐵企業超低排放改造工作方案（徵求意見稿）」要求於2020年前中國的480.0百萬噸鋼鐵產能符合超低排放標準後，中央生態環境保護督察辦公室於2018年12月加強監督四川的秋冬空氣污染情況。於成都平原、四川南部、四川東北部及攀枝花合共18個城市進行四輪持續檢查；
- 由於2018年末市場前景轉淡，2018年11月及12月的鋼鐵需求及中國採購經理指數大幅下挫。於2018年首10個月，鋼鐵板塊的中國採購經理指數平均維持超過50的水平，但於11月及12月下跌至45的水平；
- 由於鋼鐵行業的市場環境仍然挑戰重重，鐵礦石價格顯著波動。中國鋼鐵工業協會編製的中國鐵礦石價格指數於2018年全年在230-250水平上落，並在市場預期鋼鐵需求於春節假期後攀升，以及於2018年10月宣佈放寬流動資金及大規模減稅等穩定增長政策後，於2月及10月分別急升至273.65及272.14；
- 政府利用不同措施加大力度治理空氣污染及整飭鋼鐵行業亦帶動高品位鐵礦石的需求，遠超對低品位鐵礦石的需求。於2018年下半年，中國TFe含量62%的鐵礦石價格指數於超過60的高位徘徊，只有於9月中下跌至59，而TFe含量58%的鐵礦石價格指數除2018年10月及11月外，則維持在50的水平。由於中國落實收緊排放標準，預期高品位鐵礦石將有強勁需求；

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- The international steel market also showed a general trend of fallback in 2018 amidst international trade frictions. According to the General Administration of Customs of the PRC, steel exports amounted to 69.34 Mt as of December 2018, decreasing by 8.1% year-on-year; and
- For the titanium industry, the price of titanium concentrates (with over 46% titanium contents) in the Panzhihua region fluctuated throughout the year. Following the Chinese New Year holidays and resulting from short market supply, the price reached a level of RMB1,380 per tonne in the first four months of 2018, which then decreased to RMB1,060 per tonne in June due to the environmental protection measures implemented on downstream titanium dioxide producers and decreased market demand. The price then rose back to a stable level of RMB1,150-1,180 per tonne in November and December 2018, with the market outlook remaining cautious as local regulations stayed strict and market demand continued to be stagnant.
- 另外，在國際貿易磨擦的背景下，國際鋼鐵市場總體於2018年呈下行走勢。根據中國海關總署資料，鋼鐵出口於2018年12月按年下跌8.1%至69.34百萬噸；及
- 至於鈦行業，攀枝花地區的鈦精礦（鈦含量超過46%）的價格全年起伏不定。於春節假期後，面對市場供應短缺，價格於2018年首四個月達至每噸人民幣1,380元的水平，其後由於對下游鈦白粉生產商實施嚴格的環保措施，市場需求減少，故於6月回落至每噸人民幣1,060元。及後，嚴格的地方法規令後市氣氛審慎，市場需求波動不大，惟價格曾於2018年11月及12月一度回升至每噸人民幣1,150至1,180元的穩定水平。

## BUSINESS AND OPERATIONS REVIEW

### Market and Strategy Overview

During the Reporting Period, the Group observed an obvious trend that there had been a shift in demand from lower-grade iron concentrates (below 62% TFe) to higher-grade iron concentrates (above 62% TFe) arising mainly from those stringent requirements imposed by the Chinese government given environmental protection and emission control for sustainable mining practices. The changing trend has fragmented the markets seeing increasingly higher demand and significant price premium for high-grade iron concentrates, contrasting a fall in both demand and prices for low-grade iron concentrates. It is highly likely that these market trends will continue if the existing government policies remain unchanged.

The shift in demand from low-grade iron concentrates further burdened the Group and there is no commercial justification to reactivate or resume production for those inactive mines. To facilitate resource allocation and operational management, the Group has segregated its operations into (i) High Fe Mines and (ii) Low Fe and Inactive Mines. The Group conducted strategic reviews on these operations as well. Subsequent to the financial year end, the Group announced the proposed Disposal of the Low Fe and Inactive Mines (or the Disposal Group).

The proposed Disposal allows the Group to focus expanding on capacity and improving efficiencies for the operations of its high-grade iron concentrates mainly in the northern region of Sichuan. Given the decision to sell, the Disposal Group was classified as held for sale as at 31 December 2018 and the operating results of which was recorded under a discontinued operation for the year ended 31 December 2018.

### 業務及營運回顧

#### 市場及策略概覽

於報告期內，本集團注意到一個明顯的趨勢，即需求自低品位鐵精礦（TFe含量62%以下）轉向高品位鐵精礦（TFe含量62%以上），主要因為為中國政府為可持續發展礦業運營而實施嚴格的環保及排放控制規定。有關趨勢轉變令市場出現兩極，高品位鐵精礦需求越來越高，溢價豐厚，而低品位鐵精礦需求及價格則雙雙下跌。倘現有政府政策維持不變，則上述市場趨勢極有可能持續不衰。

需求從低品位鐵精礦疏走令本集團百上加斤，本集團並無商業理由讓不活躍礦場重開或復產。為方便資源分配及營運管理，本集團已將營業分拆為(i)高鐵品位礦場及(ii)低鐵品位及不活躍礦場。本集團亦已對該等營運進行戰略性檢討。於財政年度結束後，本集團宣佈建議出售低鐵品位及不活躍礦場（即出售集團）。

建議中的出售事項有助本集團專注於為主要位於四川北部地區的高品位鐵精礦營運擴充產能及提升效率。由於已決定出售，故出售集團於2018年12月31日分類為持作出售，其經營業績於截至2018年12月31日止年度列入已終止經營業務。

Financially,

- (i) the Disposal Group recorded net loss after tax as a result of (i) significantly lower selling prices (which fell by 9.3% on average as compared to FY2017) of the low-grade iron concentrates due to falling demand and aggressive de-stocking; and (ii) impairment losses due to lower value in use given the fall in selling price and lower-than-expected utilisation rates and the inactive status of the existing suspended mines which the Group has no commercial grounds to expand or resume production for the Low Fe and Inactive Mines; and contrarily
- (ii) the Remaining Group recorded significantly higher gross profit margin and positive operating cash flows as a result of higher demand, higher selling prices and focused strategies to improve efficiencies for production of high-grade iron concentrates for the High Fe Mines.

The Group noted that the current market conditions remain highly volatile despite improving demand and prices for the high-grade iron concentrates. The Group will continue to monitor closely and observe potential changes, if any, which may have a material impact on the Group's existing strategies.

### Operation and Financial Overview

During the Reporting Period, the Group reported lower revenue, which fell by 13.3% to approximately RMB1,142.0 million for FY2018. The fall in the Group's revenue for trading outpaced the rest of the business segments resulting in a fall in total revenue for the Group for FY2018. Specifically,

- average selling price for low-grade iron concentrates (within the southern region of Sichuan and Panxi Region in particular) fell sharply by approximately 9.3% on average due to falling demand for cheap low-grade iron ore under China's anti-smog policies;
- average selling price for high-grade iron concentrates rose by approximately 6.9% – given the Group's focused strategies in improving efficiencies for its High Fe Mines, the mine operations located mainly in the northern region of Sichuan had been able to constantly produce high-grade iron concentrates with an average range of 65% TFe (with an encouraging but small volume of 72% TFe during FY2018); and

在財政方面：

- (i) 基於以下原因，就出售集團錄得稅後虧損淨額：(i)需求下跌及積極縮減庫存令低品位鐵精礦售價大幅下跌（相比2017財政年度平均跌幅9.3%）；及(ii)鑑於售價下跌及廠房使用率較預期低，以及現時暫停運作的礦場不活躍的情況，本集團並無商業理由進行低鐵品位及不活躍礦場的擴產或復產，導致使用價值下跌；及，與此相對，
- (ii) 由於高品位鐵精礦的需求增加、售價較高及提升高鐵品位礦場的高品位鐵精礦生產效率的針對性策略，故保留集團的毛利率顯著上升，並錄得正經營現金流量。

本集團注意到，儘管高品位鐵精礦的需求及價格改善，惟目前市況仍然波動較大。本集團將繼續密切監察，並配合任何可能對本集團現有策略造成重大影響的轉變。

### 營運及財務概覽

於報告期內，本集團收入減少，2018財政年度的收入下跌13.3%至約人民幣1,142.0百萬元。本集團因貿易的收入下跌，跌幅超出其餘業務分部，令本集團2018財政年度的總收入有所下跌。具體而言，

- 在中國防治霧霾政策下，對低價低品位鐵礦石的需求下跌，令低品位鐵精礦（尤其是位於四川南部地區及攀西地區）的平均售價平均急跌約9.3%；
- 高品位鐵精礦的平均售價上升約6.9%—鑑於本集團推行提升其高鐵品位礦場效率的針對性策略，主要位於四川北部地區的礦場的業務運作得以持續生產高品位鐵精礦（TFe含量平均達65%，2018財政年度小量產品TFe含量達72%，令人鼓舞）；及

## Management Discussion and Analysis

### 管理層討論及分析

- smaller quantum of trading activities given the Group's business direction to progressively reduce its exposure in this segment which required higher working capital requirements – total purchase and sales volumes of trading activities were approximately 307.7 Kt and 320.1 Kt, respectively, representing a fall of 40.8% and 46.2%, respectively, as compared to FY2017.

The production and sales volumes for FY2018 were as follows:

- low-grade iron concentrates were approximately 1,111.4 Kt and 1,119.7 Kt, respectively;
- high-grade iron concentrates were approximately 105.2 Kt and 105.2 Kt, respectively; and
- titanium concentrates were approximately 88.2 Kt and 93.7 Kt, respectively.

The Group also recorded lower gross profit of approximately RMB125.9 million and gross profit margin of approximately 11.0% for FY2018 as compared to FY2017. Administrative expenses rose by 75.0% to RMB118.2 million due mainly to one-off retrenchment and redundancy compensation as a result of the Group's strategies to reduce production capacity for its Low Fe Mines.

As a result and given the above, the Group recorded higher Net Loss for FY2018 compared to FY2017, despite positive cash flows generated from the Remaining Group. Excluding impairment losses and write-down of inventories to net realisable value mainly attributable to the Disposal Group, the Group would have recorded a significantly lower Net Loss for FY2018. Details of financial performance of the Remaining Group are set out on page 22 of this annual report.

- 鑑於本集團業務方針定於逐步減少參與營運資金需求較高的買賣銷售分部，買賣活動的數量減少－買賣活動的總購買量及銷售量分別約為307.7千噸及320.1千噸，分別較2017財政年度下跌40.8%及46.2%。

2018財政年度的產量及銷量如下：

- 低品位鐵精礦分別約為1,111.4千噸及1,119.7千噸；
- 高品位鐵精礦分別約為105.2千噸及105.2千噸；及
- 鈦精礦分別約為88.2千噸及93.7千噸。

與2017財政年度比較，本集團於2018財政年度的毛利及毛利率下跌，分別為約人民幣125.9百萬元及約11.0%。行政開支增加75.0%至人民幣118.2百萬元，主要由於本集團削減低鐵品位礦場產能的策略產生一次性裁員補償所致。

由於及鑑於上文所述，儘管保留集團產生正現金流量，惟於2018財政年度，本集團的虧損淨額仍較2017財政年度增加。撇除主要源自出售集團的減值虧損及撇減存貨至可變現淨值，本集團於2018財政年度的虧損淨額將大幅減少。保留集團財務表現的詳情載於本年報第22頁。

## Overview of Mines

Please refer to below tables for the status of the Group's mine operations for (i) the Low Fe and Inactive Mines which are owned and operated under the Disposal Group and (ii) the High Fe Mines which are owned and operated under the Remaining Group.

## 礦場概覽

有關本集團以下礦場：(i)由出售集團擁有及經營的低鐵品位及不活躍礦場及(ii)由保留集團擁有及經營的高鐵品位礦場的業務運作狀況，請參閱下表。

### Discontinued Operations – Low Fe and Inactive Mines 已終止經營業務—低鐵品位及不活躍礦場

Mine 礦場	Processing Plant 洗選廠	Status as at 31 December 2018 於2018年12月31日的狀況
Baicao Mine 白草鐵礦	Baicao Processing Plant 白草洗選廠	Producing vanadium-bearing iron concentrates of low Fe contents (within the range of 53% TFe to 55% TFe) 生產Fe含量低的含釩鐵精礦(TFe含量介乎53%至55%)
	Heigutian Processing Plant 黑谷田洗選廠	Suspended since 2015 and has no intention to resume production 自2015年起暫停運作，現時無意復產
Xiushuihe Mine (including expansion) 秀水河鐵礦(包括擴展地區)	Xiushuihe Processing Plant 秀水河洗選廠	Producing vanadium-bearing iron concentrates of low Fe contents (within the range of 53% TFe to 55% TFe) 生產Fe含量低的含釩鐵精礦(TFe含量介乎53%至55%)
	Hailong Processing Plant 海龍洗選廠	Producing vanadium-bearing iron concentrates of low Fe contents (within the range of 53% TFe to 55% TFe) 生產Fe含量低的含釩鐵精礦(TFe含量介乎53%至55%)
	Iron Pelletising Plant 球團礦廠	Suspended since 2013 and has no intention to resume production 自2013年起暫停運作，現時無意復產
Yangqueqing Mine 陽雀箐鐵礦	N/A 不適用	Inactive; vanadium-bearing titano-magnetite of low Fe contents (average grade of 25.06% TFe) 不活躍；Fe含量低的釩鈦磁鐵礦(平均品位為25.06% TFe)
Cizhuqing Mine 茨竹箐鐵礦	N/A 不適用	Inactive; vanadium-bearing titano-magnetite of low Fe contents (average grade of 21.40% TFe) 不活躍；Fe含量低的釩鈦磁鐵礦(平均品位為21.40% TFe)
Haibaodang Mine 海保凶鐵礦	N/A 不適用	Inactive; vanadium-bearing titano-magnetite of low Fe contents (average grade of 16.54% TFe) 不活躍；Fe含量低的釩鈦磁鐵礦(平均品位為16.54% TFe)

### Continuing Operations – High Fe Mines and Gypsum Mine 持續經營業務—高鐵品位礦場及石膏礦

Mine 礦場	Processing Plant 洗選廠	Status as at 31 December 2018 於2018年12月31日的狀況
Maoling-Yanglongshan Mine 毛嶺—羊龍山鐵礦	Maoling Processing Plant 毛嶺洗選廠	Producing iron concentrates of high Fe contents (within the range of 65% TFe to 72% TFe) 生產Fe含量高的鐵精礦(TFe含量介乎65%至72%)
Shigou Gypsum Mine 石溝石膏礦	N/A 不適用	Conducted feasibility studies and started trial production in small quantities; to observe and monitor consistency of trial production results, and consider whether they are satisfactory 已進行可行性研究及開始少量試產；觀察及監察試產結果一致性，並考慮結果是否令人滿意

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

The following table summarises the transacted volumes for (i) trading sales and (ii) sale of self-produced products of the Group:

下表概述本集團(i)買賣銷售；及(ii)銷售自產產品的數量：

		Purchase from independent third parties 向獨立第三方購買			Sale to an independent third party 向獨立第三方出售		
		FY2018 2018 財政年度 (Kt) (千噸)	FY2017 2017 財政年度 (Kt) (千噸)	Change 變動 %	FY2018 2018 財政年度 (Kt) (千噸)	FY2017 2017 財政年度 (Kt) (千噸)	Change 變動 %
<b>(i) Trading Sales</b>	<b>(i) 買賣銷售</b>						
Steels	鋼鐵	59.6	87.2	(31.7)	66.0	110.7	(40.4)
Coals	煤炭	248.1	432.5	(42.6)	254.1	484.7	(47.6)
		<u>307.7</u>	<u>519.7</u>	(40.8)	<u>320.1</u>	<u>595.4</u>	(46.2)
		Production volume (Dry basis) 產量 (乾基)			Sales volume (Dry basis) 銷量 (乾基)		
		FY2018 2018 財政年度 (Kt) (千噸)	FY2017 2017 財政年度 (Kt) (千噸)	Change 變動 %	FY2018 2018 財政年度 (Kt) (千噸)	FY2017 2017 財政年度 (Kt) (千噸)	Change 變動 %
<b>(ii) Sale of Self-produced Products</b>	<b>(ii) 銷售自產產品</b>						
<b>(a) Discontinued Operations</b>	<b>(a) 已終止經營業務</b>						
Low-grade iron concentrates Xiushuihe Processing Plant	低品位鐵精礦 秀水河洗選廠	528.6	499.6	5.8	482.7	452.2	6.7
Hailong Processing Plant	海龍洗選廠	290.6	277.7	4.6	-	-	-
Baicao Processing Plant	白草洗選廠	292.2	296.1	(1.3)	637.0	552.7	15.3
		<u>582.8</u>	<u>573.8</u>	1.6	<u>637.0</u>	<u>552.7</u>	15.3
Total production volume	總產量	<u>1,111.4</u>	<u>1,073.4</u>	3.5	<u>1,119.7</u>	<u>1,004.9</u>	11.4
Titanium concentrates	鈦精礦						
Baicao Processing Plant	白草洗選廠	68.8	48.5	41.9	75.4	47.8	57.7
Xiushuihe Processing Plant	秀水河洗選廠	19.4	-	N/A 不適用	18.3	-	N/A 不適用
		<u>88.2</u>	<u>48.5</u>	81.9	<u>93.7</u>	<u>47.8</u>	96.0
<b>(b) Continuing Operations</b>	<b>(b) 持續經營業務</b>						
High-grade iron concentrates Maoling Processing Plant	高品位鐵精礦 毛嶺洗選廠	105.2	102.0	3.1	105.2	93.1	13.0

## Risk and Uncertainties

It is widely known that many banks and financial institutions in China have tightened their lending policies and adopted more prudent measures in approving and renewing loans for local enterprises in China. The Group's business falls under the categories that are perceived to be unfavourable or higher-risk industries as a result of massive overcapacity over the last few years and environmental compliance issues. Such bank loans and banking facilities, if any, are likely to remain callable on demand, subject to more regular short-term reviews and may be offered in a stringently controlled manner with a much higher cost of capital. The Group was well aware of the difficulties and uncertainties in obtaining long-term banking facilities with potentially higher finance costs. The management has made concerted efforts in communicating with the Group's banks and financial institutions in China and will continue to take a proactive approach in doing so.

During the year, the Group initiated discussions on repayment terms with the customers and monitored their repayment schedules, resulting in collection of certain outstanding balances. As such, the Group made a reversal of impairment losses on trade receivables of approximately RMB13.4 million during the year. As the market remains volatile, the Group will continue to take necessary actions to recover those long outstanding receivables in part or in full.

Pursuant to the announcement dated 29 January 2019, the completion of the proposed Disposal is subject to, among other things, the passing of the requisite resolutions by the independent Shareholders at an extraordinary general meeting of the Company for approving the SPA and the transactions contemplated thereby. For details, please refer to the announcement made by the Company on 29 January 2019.

## FINANCIAL REVIEW

*Note: Pursuant to the announcement on 29 January 2019, the Company has entered into the SPA with a connected person on the same date in respect of the Disposal. The Group has decided to dispose of the Disposal Group because it plans to focus its resources on its high-grade iron concentrates products mainly in the northern region of Sichuan. The Disposal is due to be completed by the end of the first half of 2019. As at 31 December 2018, final negotiations for the sale were in progress and the Disposal Group was classified as held for sale and as a discontinued operation.*

## 風險及不確定性

眾所周知，中國不少銀行及金融機構收緊借貸政策，於審批及續新中國地方企業貸款時更形審慎。本集團從事的業務所屬類別因過去數年產能嚴重過剩及環境合規問題而被視為不利或較高風險行業。有關銀行貸款及銀行融資（如有）很有可能仍需應要求償還，需作更多定期短期覆核，可能受到更嚴格監控，資金成本亦更高。本集團深悉取得長期銀行融資的困難及不明朗因素，並可能需要較高財務成本。管理層同心協力與本集團往來的中國銀行及金融機構溝通，並將繼續積極溝通。

年內，本集團主動與客戶商討還款條款，並監察還款進度，收回若干未償還結餘。故此，本集團於年內撥回應收賬款減值虧損約人民幣13.4百萬元。由於市場仍然波動，故本集團將繼續採取必要行動，以收回部分或全部該等長期未償還應收款項。

根據日期為2019年1月29日的公告，建議出售事項須待（其中包括）獨立股東於本公司的股東特別大會上通過必要決議案批准買賣協議及據此擬進行的交易後，方告完成。有關詳情請參閱本公司於2019年1月29日作出的公告。

## 財務回顧

附註：根據於2019年1月29日作出的公告，本公司與一名關連人士於同日就出售事項訂立買賣協議。本集團計劃集中資源於以四川北部地區為主的高品位鐵精礦產品，故決定出售出售集團。出售事項預期於2019年上半年末或之前完成。於2018年12月31日，有關銷售仍在進行最後磋商，而出售集團已劃分為持作出售及已終止經營業務。

## Management Discussion and Analysis

### 管理層討論及分析

		FY2018 2018 財政年度 RMB'000 人民幣千元	FY2017 2017 財政年度 RMB'000 人民幣千元 (Re-presented) (經重列)	Change 變動 % %
<b>REMAINING GROUP</b>	<b>保留集團</b>			
Revenue#	收入#	692,863	877,183	(21.0)
Cost of sales	銷售成本	<u>(634,210)</u>	<u>(861,611)</u>	(26.4)
<b>Gross profit</b>	<b>毛利</b>	<b>58,653</b>	15,572	276.7
Other income and gains	其他收入及收益	602	1,353	(55.5)
Selling and distribution expenses	銷售及分銷開支	<b>(11,284)</b>	(15,123)	(25.4)
Administrative expenses	行政開支	<b>(34,746)</b>	(15,931)	118.1
Other expenses	其他開支	<b>(2,256)</b>	(8,123)	(72.2)
Reversal/(provision) of impairment losses, net	減值虧損撥回/(撥備)淨額	<b>7,335</b>	(79,930)	(109.2)
Fair value losses on financial assets at fair value through profit or loss	按公平值計量且其變動計入當期損益的金融資產的公平值虧損	-	(109,617)	(100.0)
Finance costs	財務成本	<b>(8,343)</b>	(5,282)	58.0
Share of losses of an associate	應佔一間聯營公司虧損	-	(9,458)	(100.0)
<b>Operating profit/(loss) before tax from the Remaining Group</b>	<b>保留集團的稅前營運利潤/(虧損)</b>	<b>9,961</b>	(226,539)	(104.4)
Income tax credit	所得稅抵免	<b>2,808</b>	4,076	(31.1)
<b>Operating profit/(loss) after tax from the Remaining Group</b>	<b>保留集團的稅後營運利潤/(虧損)</b>	<b>12,769</b>	(222,463)	(105.7)
<b>DISPOSAL GROUP</b>	<b>出售集團</b>			
Loss for the year from the Disposal Group#	出售集團的年內虧損#	<u>(462,020)</u>	<u>(167,158)</u>	176.4
<b>Loss for the year</b>	<b>年內虧損</b>	<b>(449,251)</b>	<b>(389,621)</b>	15.3
<b>ATTRIBUTABLE TO:</b>	<b>歸屬於:</b>			
Owners of the Company	本公司擁有人	<b>(443,969)</b>	(349,490)	27.0
Minority Interests	少數股東權益	<b>(5,282)</b>	(40,131)	(86.8)
		<u>(449,251)</u>	<u>(389,621)</u>	15.3
<b>ATTRIBUTABLE TO:</b>	<b>歸屬於:</b>			
Owners of the Remaining Group	保留集團擁有人	<b>16,527</b>	(185,817)	(108.9)
Minority Interests	少數股東權益	<b>(3,758)</b>	(36,646)	(89.7)
		<u>12,769</u>	<u>(222,463)</u>	(105.7)
<b>ATTRIBUTABLE TO:</b>	<b>歸屬於:</b>			
Owners of the Disposal Group	出售集團擁有人	<b>(460,496)</b>	(163,673)	181.4
Minority Interests	少數股東權益	<b>(1,524)</b>	(3,485)	(56.3)
		<u>(462,020)</u>	<u>(167,158)</u>	176.4

# Presented at gross of intra-group transactions as if the Disposal had taken place on 31 December 2018.

# 按集團內公司間交易的總額呈列，猶如出售事項已於2018年12月31日落實。



## Revenue

Revenue fell to RMB692.9 million for FY2018 (FY2017: RMB877.2 million) as a result of lower trading volume. These were partially offset mainly by (i) the increase in sales of high-grade iron concentrates; and (ii) maiden consolidation of revenue from mining services business for FY2018.

## Cost of Sales

Cost of sales primarily comprised contracting fees for mining and stripping as well as materials, labour, power and other utilities, repair and maintenance, depreciation and amortisation, and purchase cost for trading. Cost of sales fell to RMB634.2 million for FY2018 (FY2017: RMB861.6 million), due primarily to lower purchases for trading purpose.

## Gross Profit and Margin

Gross profit and related margin increased to approximately RMB58.7 million (FY2017: RMB15.6 million) and to approximately 8.5% (FY2017: 1.8%) for FY2018, respectively. Both gross profit and gross profit margin increased on the back of higher selling price for high-grade iron concentrates and gross profit contributed by mining services business.

## Other Income and Gains

Other income and gains remained relatively stable at approximately RMB0.6 million (FY2017: RMB1.4 million).

## Selling and Distribution Expenses

Selling and distribution expenses decreased to RMB11.3 million for FY2018 (FY2017: RMB15.1 million) as a result of reduction of transportation fees per tonnage. The selling and distribution expenses primarily comprised transportation fees, logistic costs, storage and other administrative fees.

## Administrative Expenses

Administrative expenses increased to RMB34.7 million for FY2018 (FY2017: RMB15.9 million) due mainly to maiden consolidation of expenses of RMB22.4 million relating to mining services business; and the increases were more than the cost savings arising from the operational streamlining during the year.

## 收入

於2018財政年度，由於買賣量減少，故收入下跌至人民幣692.9百萬元（2017財政年度：人民幣877.2百萬元），惟主要由於2018財政年度(i)高品位鐵精礦銷售額增加；及(ii)初次綜合計算開採服務業務的收入，跌幅得以部分抵銷。

## 銷售成本

銷售成本主要包括採礦及剝離承包費、材料、人工、能源及其他公用服務、維修及維護、折舊及攤銷以及買賣業務的採購成本。於2018財政年度，本集團的銷售成本下跌至人民幣634.2百萬元（2017財政年度：人民幣861.6百萬元），主要是由買賣採購減少所致。

## 毛利及毛利率

2018財政年度的毛利及相關毛利率上升至約人民幣58.7百萬元（2017財政年度：人民幣15.6百萬元）及約8.5%（2017財政年度：1.8%）。鑑於高品位鐵精礦售價上升及開採服務業務貢獻的毛利，毛利及毛利率齊升。

## 其他收入及收益

其他收入及收益相對穩定，維持於約人民幣0.6百萬元（2017財政年度：人民幣1.4百萬元）。

## 銷售及分銷開支

2018財政年度的銷售及分銷開支因每噸運輸費下降而減少至人民幣11.3百萬元（2017財政年度：人民幣15.1百萬元）。銷售及分銷開支主要包括運輸費、物流成本、儲存及其他行政費用。

## 行政開支

2018財政年度的行政開支增加至人民幣34.7百萬元（2017財政年度：人民幣15.9百萬元），主要是由於初次綜合計算有關開採服務業務的開支人民幣22.4百萬元；而於年內，上述項目增加之數目超出精簡營運所節省的成本。

### Other Expenses

Other expenses decreased to RMB2.3 million for FY2018 (FY2017: RMB8.1 million) due mainly to the cost recognition of raw materials from non-core business in 2017.

### Reversal/(Provision) of Impairment Losses, Net

As a result of trade receivables amounting to RMB9.9 million which had previously been impaired were recovered during the year and no further significant impairment exposure was found on the respective assets, the Remaining Group recorded a credit of RMB7.3 million for FY2018 (FY2017: loss of RMB79.9 million).

### Fair Value Losses on Financial Assets at Fair Value Through Profit or Loss

There was no fair value loss on financial assets for FY2018 (FY2017: RMB109.6 million for the Exchangeable Notes).

### Finance Costs

Finance costs increased to RMB8.3 million for FY2018 (FY2017: RMB5.3 million) as a result of maiden consolidation of finance costs from mining services business for FY2018 amounting to RMB2.0 million.

### Share of Losses of an Associate

There was no share of loss of an associate for FY2018 (FY2017: RMB9.5 million related to the share of equity loss of the mining services business).

### Income Tax Credit

Income tax credit of RMB2.8 million for FY2018 (FY2017: RMB4.1 million), as a result of recognition of deferred tax assets arising from re-assessment of future taxable profits.

### Loss Attributable to Owners

Given the above, the Remaining Group recorded a Net Profit of RMB16.5 million for FY2018 (FY2017: Net Loss of RMB185.8 million) while the Disposal Group recorded a Net Loss of RMB460.5 million for FY2018 (FY2017: Net Loss of RMB163.7 million).

Given the full year contribution of the Remaining Group's results was offset by the Net Loss incurred by the Disposal Group, Net Loss for FY2018 rose from RMB349.5 million to RMB444.0 million.

### 其他開支

2018財政年度的其他開支減少至人民幣2.3百萬元(2017財政年度:人民幣8.1百萬元),主要是由於2017年確認非核心業務產生的原材料成本所致。

### 減值虧損撥回/(撥備)淨額

由於過往已減值的應收賬款人民幣9.9百萬元於年內收回,且有關資產並無發現其他重大減值風險,故保留集團已於2018財政年度將人民幣7.3百萬元的進賬(2017財政年度:虧損人民幣79.9百萬元)入賬。

### 按公平值計量且其變動計入當期損益的金融資產的公平值虧損

2018財政年度並無錄得金融資產的公平值虧損(2017財政年度:可轉換票據的公平值虧損人民幣109.6百萬元)。

### 財務成本

2018財政年度的財務成本增加至人民幣8.3百萬元(2017財政年度:人民幣5.3百萬元),是由於2018財政年度初次綜合計算有關開採服務業務的財務成本人民幣2.0百萬元所致。

### 應佔一間聯營公司虧損

2018財政年度並無應佔一間聯營公司虧損(2017財政年度:人民幣9.5百萬元,與分佔開採服務業務的權益虧損有關)。

### 所得稅抵免

2018財政年度的所得稅抵免為人民幣2.8百萬元(2017財政年度:人民幣4.1百萬元),是由於重新評估未來應課稅利潤導致確認遞延稅項資產所致。

### 歸屬於擁有人的虧損

鑑於上文所述,保留集團於2018財政年度錄得純利人民幣16.5百萬元(2017財政年度:虧損淨額人民幣185.8百萬元),而出售集團於2018財政年度錄得虧損淨額人民幣460.5百萬元(2017財政年度:虧損淨額人民幣163.7百萬元)。

計及保留集團業績的全年貢獻被出售集團產生的虧損淨額抵銷後,2018財政年度的虧損淨額由人民幣349.5百萬元增加至人民幣444.0百萬元。

## Final Dividend

The Board does not recommend the payment of a final dividend for FY2018 (FY2017: Nil).

## LIQUIDITY AND CAPITAL RESOURCES

The following table sets out certain information regarding the Group's consolidated statement of cash flows for the years ended 31 December 2018 and 2017:

## 末期股息

董事會並不建議派付2018財政年度的末期股息(2017財政年度：無)。

## 流動性及資本資源

下表載列有關本集團截至2018年及2017年12月31日止年度的綜合現金流量表的若干資料：

		FY2018 2018財政年度		FY2017 2017財政年度	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cash and cash equivalents as stated in the consolidated statement of cash flows at beginning of the year	年初於綜合現金流量表列賬的現金及現金等價物		13,286		19,740
Net cash flows generated from operating activities	經營活動產生的現金流量淨額	208,217		66,955	
Net cash flows used in investing activities	投資活動使用的現金流量淨額	(138,594)		(92,403)	
Net cash flows from/(used in) financing activities	融資活動產生/(使用)的現金流量淨額	(52,770)		19,221	
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額		16,853		(6,227)
Effect of foreign exchange rate changes, net	匯率變動影響淨額		3,632		(227)
Cash and cash equivalents as stated in the consolidated statement of cash flows at end of the year	年末於綜合現金流量表列賬的現金及現金等價物		33,771		13,286

## Net Cash Flows Generated From Operating Activities

The Group's net operating cash flows position improved during FY2018, generating approximately RMB208.2 million for FY2018 (FY2017: RMB67.0 million) after accounting for operating profit before working capital changes (or "Cash Profit") of RMB73.2 million (FY2017: RMB41.4 million), net working capital investments of RMB135.8 million (FY2017: RMB81.0 million), net interest received of RMB50,000 (FY2017: RMB55.0 million net interest payment) and income tax payments of RMB0.8 million (FY2017: RMB0.4 million).

## 經營活動產生的現金流量淨額

將營運資金變動前的經營利潤(或「現金利潤」)人民幣73.2百萬元(2017財政年度：人民幣41.4百萬元)、營運資金投資淨額人民幣135.8百萬元(2017財政年度：人民幣81.0百萬元)、已收利息淨額人民幣50,000元(2017財政年度：已付利息淨額人民幣55.0百萬元)及已繳所得稅人民幣0.8百萬元(2017財政年度：人民幣0.4百萬元)入賬後，本集團的經營現金流量淨額狀況於2018財政年度有所改善，2018財政年度產生現金淨額約人民幣208.2百萬元(2017財政年度：人民幣67.0百萬元)。

### Net Cash Flows Used in Investing Activities

The Group's net cash flows used in investing activities was RMB138.6 million for FY2018 (FY2017: RMB92.4 million), due primarily to the investment in and upgrade of plant and equipment of approximately RMB137.3 million (FY2017: RMB71.7 million) for production.

### Net Cash Flows From/(Used in) Financing Activities

The Group's net cash flows used in financing activities was RMB52.8 million for FY2018 (FY2017: net cash flows from financing activities was RMB19.2 million), due primarily to repayment of bank loans and interest expenses during the year.

## FINANCIAL POSITION

*Note: Significant changes in financial position during the financial year under review were mainly attributed to the classification of the Disposal Group's financial position to assets and liabilities held for sale as at 31 December 2018. Details of Discontinued Operations as at 31 December 2018 are set out in note 10 to the financial statements of this annual report.*

### Analysis of Inventories

The Remaining Group's inventories fell to RMB23.6 million as at 31 December 2018 (FY2017: RMB82.7 million), due mainly to lower purchases for trading purpose.

### Analysis of Trade and Bills Receivables

The Remaining Group's trade and bills receivables fell to RMB105.2 million as at 31 December 2018 (FY2017: RMB289.1 million) on the back of lower revenues. Trade receivables turnover days for FY2018 remained relatively stable at 68 days (FY2017: 67 days).

### Assets Classified as Held for Sale

The assets classified as held for sale were RMB41.2 million as at 31 December 2018 (FY2017: RMB42.1 million) arising from held for sale equipment for mining services business.

### Assets and Liabilities of a Disposal Group Classified as Held For Sale

This related to the assets and liabilities of the Disposal Group (Discontinued Operations) given the proposed Disposal of 100% stake in Huili Caitong.

### 投資活動使用的現金流量淨額

2018財政年度本集團投資活動使用的現金流量淨額為人民幣138.6百萬元（2017財政年度：人民幣92.4百萬元），主要是由於生產廠房及設備投資及升級費用約人民幣137.3百萬元（2017財政年度：人民幣71.7百萬元）所致。

### 融資活動產生／（使用）的現金流量淨額

2018財政年度本集團融資活動使用的現金流量淨額為人民幣52.8百萬元（2017財政年度：融資活動產生的現金流量淨額為人民幣19.2百萬元），主要由年內償還銀行貸款及利息開支所致。

## 財務狀況

*附註：財務狀況於回顧財政年度內出現重大變動，主要由2018年12月31日將出售集團的財務狀況劃分為持作出售的資產及負債所致。於2018年12月31日已終止經營業務的詳情載於本年報的財務報表附註10。*

### 存貨分析

於2018年12月31日，保留集團的存貨減少至人民幣23.6百萬元（2017財政年度：人民幣82.7百萬元），主要是由於減少為買賣採購所致。

### 應收賬款及票據分析

於2018年12月31日，鑑於收入減少，保留集團的應收賬款及票據減少至人民幣105.2百萬元（2017財政年度：人民幣289.1百萬元）。2018財政年度應收賬款週轉天數大致平穩，維持68天（2017財政年度：67天）。

### 劃分為持作出售的資產

於2018年12月31日，劃分為持作出售的資產為人民幣41.2百萬元（2017財政年度：人民幣42.1百萬元），源自開採服務業務的持作出售設備。

### 劃分為持作出售的出售集團的資產及負債

由於建議出售會理財通100%權益，此項目與出售集團（已終止經營業務）的資產及負債有關。

### Analysis of Trade and Bills Payables

The Remaining Group's trade and bills payables remained relatively stable at RMB54.2 million as at 31 December 2018 (FY2017: RMB51.3 million).

### Analysis of Net Current Liabilities Position

The Group's net current liabilities position decreased to RMB10.2 million as at 31 December 2018 (FY2017: RMB407.5 million). The current ratio improved close to 1.0 as at 31 December 2018 (FY2017: 0.7) as a result of the classification of the Disposal Group as held for sale.

### Borrowings

Total borrowings of the Remaining Group increased slightly to RMB100.8 million as at 31 December 2018 (FY2017: RMB94.2 million) due mainly to the reclassification of certain payables amount during the year. As at 31 December 2018, except for the hire purchase arrangements and other loans which were denominated in AUD, all bank loans were denominated in RMB. Details of borrowings of the Group are set out in note 28 to financial statements of this annual report.

### Contingent Liabilities

As at 31 December 2018, the Group did not have any material contingent liabilities.

### Pledge of Assets

The Group's pledge of assets as at 31 December 2018 mainly consisted of:

- (i) a one-year interest-bearing bank loan of RMB120.0 million granted by Shanghai Pudong Development Bank ("SPDB") Chengdu Branch to Xiushuihe Mining. In accordance with the bank loan agreements entered into between Xiushuihe Mining and the lender, the mining right of Xiushuihe Mine and 95% equity interest of Xiushuihe Mining were pledged to the SPDB;
- (ii) interest-bearing bank loans of RMB310.4 million granted by China Construction Bank Huili Branch to Huili Caitong, which was secured by the mining right of Baicao Mine; and
- (iii) one-year interest-bearing bank loans of RMB84.0 million granted by SPDB Chengdu Branch to Aba Mining, which was secured by the mining right of Maoling Mine.

### 應付賬款及票據分析

於2018年12月31日，保留集團的應付賬款及票據大致平穩，維持在人民幣54.2百萬元（2017財政年度：人民幣51.3百萬元）。

### 流動負債淨額狀況分析

於2018年12月31日，本集團的流動負債淨額狀況減少至人民幣10.2百萬元（2017財政年度：人民幣407.5百萬元）。於2018年12月31日，流動比率改善至接近1.0（2017財政年度：0.7），乃由於劃分出售集團為持作出售所致。

### 借貸

於2018年12月31日，保留集團的借貸總額輕微增加至人民幣100.8百萬元（2017財政年度：人民幣94.2百萬元），主要是由於年內若干應付賬款重新分類所致。於2018年12月31日，除以澳元計值的租購安排及其他貸款外，所有銀行貸款以人民幣計值。本集團借貸的詳情載於本年報的財務報表附註28。

### 或有負債

於2018年12月31日，本集團並無任何重大或有負債。

### 資產質押

於2018年12月31日，本集團的已質押資產主要包括：

- (i) 由上海浦東發展銀行（「浦發銀行」）成都分行向秀水河礦業提供的一年期計息銀行貸款人民幣120.0百萬元。按照秀水河礦業與貸款人訂立的銀行貸款協議，秀水河鐵礦的採礦權及秀水河礦業的95%股本權益已質押予浦發銀行；
- (ii) 由中國建設銀行會理支行向會理財通提供的計息銀行貸款人民幣310.4百萬元，乃以白草鐵礦的採礦權作抵押；及
- (iii) 由浦發銀行成都分行向阿壩礦業提供的一年期計息銀行貸款人民幣84.0百萬元，乃以毛嶺鐵礦的採礦權作抵押。

# Management Discussion and Analysis

## 管理層討論及分析

### Foreign Currency Risk

The Group's foreign currency exposures arose primarily from the exchange rate movement of foreign currencies, namely Hong Kong dollars, US dollars, Australian dollars, Singapore dollars and Vietnamese dong, against the Renminbi. Hong Kong dollars, US dollars, Australian dollars, Singapore dollars and Vietnamese dong are the functional currencies of respective entities within the Group.

The Renminbi is not freely convertible. There is a risk that the Chinese government may take actions affecting exchange rates which may have a material adverse effect on the Group's net assets, earnings and any dividends it declares if such dividend is to be exchanged or converted into foreign currencies. The Group has not entered into any hedging transactions to manage the potential fluctuation in foreign currencies. The management monitors the Group's foreign currency exposure and will consider hedging significant foreign currency exposure when the needs arise.

The following table demonstrates the sensitivity to a 5.0% change in RMB against HKD, USD, AUD, SGD and VND, respectively. The 5.0% is the rate used when reporting currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in the foreign currency rate. The sensitivity analyses of the Group's exposure to foreign currency risk at the end of each reporting period have been determined based on the adjustment of translation of the monetary assets and liabilities at the end of each reporting period for a 5.0% change in RMB against HKD, USD, AUD, SGD and VND, respectively, with all other variables held constant, of the Group's loss before tax for the year ended 31 December 2018 (due to changes in the fair value of cash and cash equivalents and financial assets at fair value through profit or loss denominated in HKD, USD, AUD, SGD and VND):

*Increase/(decrease) in loss before tax:*  
If RMB strengthens against HKD, USD,  
AUD, SGD and VND  
If RMB weakens against HKD, USD,  
AUD, SGD and VND

稅前虧損增加／(減少)：  
倘人民幣兌港元、美元、澳元、新加坡元及  
越南盾轉強  
倘人民幣兌港元、美元、澳元、新加坡元及  
越南盾轉弱

RMB'000  
人民幣千元

1,245

(1,245)

### 外幣風險

本集團的外幣風險主要來自港元、美元、澳元、新加坡元及越南盾等外幣兌人民幣的匯率變動。港元、美元、澳元、新加坡元及越南盾乃本集團旗下各實體的功能貨幣。

人民幣不可自由兌換。本集團須承受中國政府可能會採取行動影響匯率的風險，該等行動可能會對本集團的資產淨值、盈利及所宣派的任何股息（倘若有關股息須兌換或換算為外幣）構成重大不利影響。本集團並無進行任何對沖交易以管理潛在的外幣波動。管理層監察本集團的外幣風險，並將於有需要時考慮對沖重大的外幣風險。

下表說明對人民幣分別兌港元、美元、澳元、新加坡元及越南盾出現5.0%變動的敏感度。5.0%乃內部向主要管理人員匯報貨幣風險時採用的比率，並為管理層對外幣匯率合理可能變動的評估。對本集團於各報告期末的外幣風險的敏感度分析，乃根據在所有其他變數維持不變下，就於各報告期末換算貨幣資產及負債，對本集團截至2018年12月31日止年度的稅前虧損作出人民幣分別兌港元、美元、澳元、新加坡元及越南盾出現5.0%變動的調整（源於按港元、美元、澳元、新加坡元及越南盾計值的現金及現金等價物以及按公平值計量且其變動計入當期損益的金融資產的公平值變動）而得出：

### Interest Rate Risk

The Group's income and operating cash flows are not substantially affected by the changes in market interest rates. The Group has no significant interest-bearing assets, except for cash and cash equivalents. The Group manages its interest rate exposure arising from all of its interest-bearing loans through the use of fixed rates. In addition, the Group has not used any interest rate swaps to hedge against interest rate risk.

### Contractual Obligations

The Group had no contractual obligations as at 31 December 2018 and 31 December 2017.

### Capital Expenditure

The Group's total capital expenditure decreased by RMB11.5 million to RMB102.6 million for FY2018 (FY2017: RMB68.3 million, excluding capital expenditure through the acquisition of a subsidiary). The capital expenditure comprised mainly (i) additions in machinery and building aggregated to RMB80.1 million for the technical improvement with a view to potentially increase the grade of low-grade iron concentrates; and (ii) additions in mining infrastructure aggregated to RMB20.4 million for Aba Mining.

### Gearing Ratio

Gearing ratio is a measure of financial leverage, which is calculated by net debt divided by "total equity plus net debt". Net debt is defined as interest-bearing bank and other loans, net of cash and cash equivalents and it excludes liabilities incurred for working capital purpose. Equity includes equity attributable to owners of the Company and non-controlling interests. As at 31 December 2018, gearing ratio improved to 7.0% (FY2017: 39.9%) following the liabilities of the Disposal Group was classified as held for sale.

### 利率風險

本集團的收入及經營現金流量並不會大幅地受市場利率變動影響。除現金及現金等價物外，本集團並無重大計息資產。本集團通過使用固定利率管理其所有計息貸款產生的利率風險。此外，本集團並無利用任何利率掉期對沖利率風險。

### 合約責任

於2018年12月31日及2017年12月31日，本集團並無合約責任。

### 資本開支

本集團的總資本開支減少人民幣11.5百萬元至2018財政年度的人民幣102.6百萬元（2017財政年度：人民幣68.3百萬元，不包括透過收購一間子公司的資本開支）。資本開支主要包括(i)為技術提升項目添置機械及廠房合共人民幣80.1百萬元，以期提高低品位鐵精礦的品位；及(ii)為阿壩礦業添置採礦基礎設施合共人民幣20.4百萬元。

### 借貸比率

借貸比率為金融槓桿的計量方式，按淨債務除以「總權益加淨債務」計算得出。淨債務指計息銀行及其他貸款，減去現金及現金等價物，並不包括就營運資金產生的負債。權益包括歸屬於本公司擁有人的權益及非控股權益。於出售集團的負債劃分為持作出售後，借貸比率於2018年12月31日改善至7.0%（2017財政年度：39.9%）。

**RESOURCE AND RESERVE OF MINES UNDER  
THE JORC CODE (2012 EDITION) AS AT  
31 DECEMBER 2018**

**Resource and Reserve Summary of the Baicao  
Mine and the Xiushuihe Mine (including  
expansion)**

**(a) JORC Mineral Resource**

Properties 物業	Category 類別	Tonnage 噸數 (Mt) (百萬噸)	TFe (%)	Grade 品位	Contained Metal 蘊含金屬				
				TiO <sub>2</sub> (%)	V <sub>2</sub> O <sub>5</sub> (%)	TFe (Kt)	TiO <sub>2</sub> (Kt)	V <sub>2</sub> O <sub>5</sub> (Kt)	
Baicao Mine 白草鐵礦	Measured (M) 探明	16.09	23.37	10.73	0.20	3,759	1,726	32	
	Indicated (I) 控制	21.76	23.42	10.02	0.21	5,097	2,180	45	
	<b>M+I 探明+控制</b>	<b>37.85</b>	<b>23.40</b>	<b>10.32</b>	<b>0.21</b>	<b>8,856</b>	<b>3,906</b>	<b>78</b>	
	Inferred 推斷	9.51	23.00	10.98	0.24	2,187	1,044	22	
	<b>Total 總計</b>	<b>47.36</b>	<b>23.32</b>	<b>10.45</b>	<b>0.21</b>	<b>11,043</b>	<b>4,950</b>	<b>100</b>	
Xiushuihe Mine (including expansion) 秀水河鐵礦 (包括擴展地區)	Measured (M) 探明	40.21	24.66	9.03	0.22	9,917	3,630	89	
	Indicated (I) 控制	23.09	23.51	8.03	0.19	5,429	1,854	44	
	<b>M+I 探明+控制</b>	<b>63.30</b>	<b>24.24</b>	<b>8.66</b>	<b>0.21</b>	<b>15,346</b>	<b>5,484</b>	<b>133</b>	
	Inferred 推斷	-	-	-	-	-	-	-	
	<b>Total 總計</b>	<b>63.30</b>	<b>24.24</b>	<b>8.66</b>	<b>0.21</b>	<b>15,346</b>	<b>5,484</b>	<b>133</b>	

Notes:

- The material assumptions and technical parameters, except for re-interpretation of geology, set out in the technical report of the Behre Dolbear Asia, Inc. as shown in the prospectus of the Company dated 24 September 2009 with respect to the Baicao Mine and the Xiushuihe Mine (including expansion) continue to apply.
- The mineral resources of the Baicao Mine and the Xiushuihe Mine (including expansion) as at 31 December 2018 were estimated by BAW Mineral Partners Limited by depleting the mineral resources consumed throughout 2018 for the Baicao Mine and Xiushuihe Mine (including expansion).
- The last digit of the figures in the table may not add up correctly because of rounding.

**聯合可採儲量委員會規則 (2012年  
版) 下各礦場於2018年12月31日  
的資源量及儲量**

**白草鐵礦及秀水河鐵礦 (包括擴展  
地區) 的資源量及儲量概要**

**(a) 聯合可採儲量委員會礦產資源類別**

附註:

- 本公司日期為2009年9月24日的招股章程所示貝里多貝爾亞洲有限公司技術報告中有關白草鐵礦及秀水河鐵礦 (包括擴展地區) 的主要假設及技術參數 (地質重新詮釋除外) 繼續適用。
- 白草鐵礦及秀水河鐵礦 (包括擴展地區) 於2018年12月31日的礦產資源量由寶萬礦產有限公司透過減去2018年就白草鐵礦及秀水河鐵礦 (包括擴展地區) 所耗礦產資源量估計。
- 上表所列數據的最後一個數位經過四捨五入調整, 因此相加總數未必精確。



(b) JORC Ore Reserve

Properties 物業	Category 類別	Tonnage 噸數 (Mt) (百萬噸)	TFe (%)	Grade 品位		Contained Metal 蘊含金屬		
				TiO <sub>2</sub> (%)	V <sub>2</sub> O <sub>5</sub> (%)	TFe (Kt)	TiO <sub>2</sub> (Kt)	V <sub>2</sub> O <sub>5</sub> (Kt)
Baicao Mine 白草鐵礦	Proved 證實	2.27	20.76	10.70	0.23	472	243	5
	Probable 概略	6.86	20.98	10.32	0.22	1,440	708	15
	<b>Total 總計</b>	<b>9.13</b>	<b>20.93</b>	<b>10.41</b>	<b>0.22</b>	<b>1,911</b>	<b>951</b>	<b>21</b>
Xiushuihe Mine (including expansion) 秀水河鐵礦 (包括擴展地區)	Proved 證實	28.10	24.19	9.32	0.22	6,797	2,618	62
	Probable 概略	17.54	23.98	8.61	0.20	4,205	1,509	35
	<b>Total 總計</b>	<b>45.64</b>	<b>24.11</b>	<b>9.04</b>	<b>0.21</b>	<b>11,002</b>	<b>4,127</b>	<b>97</b>

Notes:

- The material assumptions and technical parameters, except for re-interpretation of geology, set out in the technical report of the Behre Dolbear Asia, Inc. as shown in the prospectus of the Company dated 24 September 2009 with respect to the Baicao Mine and the Xiushuihe Mine (including expansion) continue to apply.
- The ore reserves of the Baicao Mine and the Xiushuihe Mine (including expansion) as at 31 December 2018 were estimated by BAW Mineral Partners Limited by depleting the ore reserves consumed throughout 2018 for the Baicao Mine and Xiushuihe Mine (including expansion).
- The last digit of the figures in the table may not add up correctly because of rounding.

(b) 聯合可採儲量委員會礦石儲量類別

附註：

- 本公司日期為2009年9月24日的招股章程所示貝里多貝爾亞洲有限公司技術報告中有關白草鐵礦及秀水河鐵礦(包括擴展地區)的所有假設及技術參數(地質重新詮釋除外)繼續適用。
- 白草鐵礦及秀水河鐵礦(包括擴展地區)於2018年12月31日的礦石儲量由寶萬礦產有限公司透過減去2018年就白草鐵礦及秀水河鐵礦(包括擴展地區)所耗礦石儲量估計。
- 上表所列數據的最後一個數位經過四捨五入調整，因此相加總數未必精確。

## Resource Summary of the Maoling-Yanglongshan Mine

(c) JORC Mineral Resource

Property 物業	Category 類別	Tonnage 噸數 (Mt) (百萬噸)	Grade	Contained Metal
			品位 TFe (%) (%)	蘊含金屬 TFe (Kt) (千噸)
Maoling-Yanglongshan Mine 毛嶺－羊龍山鐵礦	Measured (M) 探明	–	–	–
	Indicated (I) 控制	8.84	22.24	1,966
	<b>M+I 探明 + 控制</b>	<b>8.84</b>	<b>22.24</b>	<b>1,966</b>
	Inferred 推斷	47.24	22.86	10,799
	<b>Total 總計</b>	<b>56.08</b>	<b>22.76</b>	<b>12,765</b>

Notes:

- The material assumptions and technical parameters set out in the technical report of the Behre Dolbear Asia, Inc. as shown in the Company's supplemental announcement dated 13 February 2015 with respect to the Maoling-Yanglongshan Mine continue to apply.
- The mineral resources of the Maoling-Yanglongshan Mine as at 31 December 2018 were estimated by BAW Mineral Partners Limited by depleting the mineral resources consumed throughout 2018 for the Maoling-Yanglongshan Mine.
- The last digit of the figures in the table may not add up correctly because of rounding.

## 毛嶺－羊龍山鐵礦的資源量概要

(c) 聯合可採儲量委員會礦產資源類別

Property 物業	Category 類別	Tonnage 噸數 (Mt) (百萬噸)	Grade	Contained Metal
			品位 TFe (%) (%)	蘊含金屬 TFe (Kt) (千噸)
Maoling-Yanglongshan Mine 毛嶺－羊龍山鐵礦	Measured (M) 探明	–	–	–
	Indicated (I) 控制	8.84	22.24	1,966
	<b>M+I 探明 + 控制</b>	<b>8.84</b>	<b>22.24</b>	<b>1,966</b>
	Inferred 推斷	47.24	22.86	10,799
	<b>Total 總計</b>	<b>56.08</b>	<b>22.76</b>	<b>12,765</b>

附註：

- 本公司日期為2015年2月13日的補充公告所示貝里多貝爾亞洲有限公司技術報告中有關毛嶺－羊龍山鐵礦的主要假設及技術參數繼續適用。
- 毛嶺－羊龍山鐵礦於2018年12月31日的礦產資源量由寶萬礦產有限公司透過減去2018年就毛嶺－羊龍山鐵礦所耗礦產資源量估計。
- 上表所列數據的最後一個數位經過四捨五入調整，因此相加總數未必精確。

### Resource Summary of the Haibaodang Mine

BAW Mineral Partners Limited conducted a site visit and established a resource model for the Haibaodang Mine in August 2018. Considering the low grades of TFe and TiO<sub>2</sub> content, the expected significant capital investment (given the relatively remote infrastructures) and the expired exploration license, which is pending regulatory review of the renewal application, BAW anticipated that an absence of reasonable prospects for an eventual economic extraction is very likely and therefore, classified the mineral resource estimates for the Haibaodang Mine as an Exploration Result in accordance with the JORC Code (2012 Edition). The Exploration Results of the Haibaodang Mine contain 105.60 Mt of mineralised material at 16.54% TFe and 7.43% TiO<sub>2</sub> with contained metal of 17,374 Kt of TFe and 7,807 Kt of TiO<sub>2</sub>.

### Resource Summary of the Yangqueqing Mine (including expansion) and the Cizhuqing Mine

The mineral resources of the Yangqueqing Mine (including expansion) and the Cizhuqing Mine under the JORC Code (2004 Edition) have not been changed since the disclosure in our 2011 interim report.

The material assumptions and technical parameters set out in the Company's supplemental announcement dated 13 February 2015 in preparing the resource estimation with respect to the Yangqueqing Mine (including expansion) and the Cizhuqing Mine have not been materially changed and continue to apply.

### RESOURCE OF MINES UNDER THE CLASSIFICATION FOR RESOURCES/RESERVES OF SOLID FUELS AND MINERAL COMMODITIES (GB/T 17766-1999) AS AT 31 DECEMBER 2018

#### Resource Summary of the Shigou Gypsum Mine

The mineral resources of the Shigou Gypsum Mine under the Classification for Resources/Reserves of Solid Fuels and Mineral Commodities (GB/T 17766-1999) have not been changed since the disclosure in our 2014 annual report. The assumption of the resources of the Shigou Gypsum Mine is 82.51% "gypsum + anhydrite" cut-off grade and 1 metre minimum in width.

#### 海保凶鐵礦的資源量概要

寶萬礦產有限公司已於2018年8月為海保凶鐵礦進行實地考察並制定資源模型。考慮到低品位TFe及TiO<sub>2</sub>含量，預期涉及重大資本投資（基於相對偏遠的基礎建設），已到期勘探許可證有待監管審批續期申請，寶萬預期最終經濟開採很可能缺乏合理前景，故將海保凶鐵礦的礦產資源量估計按照聯合可採儲量委員會規則（2012年版）分類為勘探結果。海保凶鐵礦的勘探結果含有105.60百萬噸礦化物，當中16.54%為TFe，7.43%為TiO<sub>2</sub>，蘊含金屬為17,374千噸TFe及7,807千噸TiO<sub>2</sub>。

#### 陽雀箐鐵礦（包括擴展地區）及茨竹箐鐵礦的資源量概要

根據聯合可採儲量委員會規則（2004年版），陽雀箐鐵礦（包括擴展地區）及茨竹箐鐵礦的礦產資源量自2011年中期報告所披露以來並無變化。

本公司日期為2015年2月13日的補充公告所載於編製陽雀箐鐵礦（包括擴展地區）及茨竹箐鐵礦的資源量估計時採納的主要假設及技術參數並無重大變動及繼續適用。

#### 固體礦產資源／儲量分類（GB/T 17766-1999）下各礦場於2018年12月31日的資源量

#### 石溝石膏礦的資源量概要

根據固體礦產資源／儲量分類（GB/T 17766-1999），石溝石膏礦的礦產資源量自2014年年報所披露以來並無變化。石溝石膏礦資源量的假設為「石膏＋無水石膏」邊界品位為82.51%及最小可採寬度為1米。

### EMPLOYEES AND EMOLUMENT POLICIES

As at 31 December 2018, the Group had a total of 998 dedicated full time employees (31 December 2017: 1,434 employees), including 18 management staff members, 49 technical staff members, 104 administrative and sales & marketing staff members, and 827 operational staff members. For the year, the employee benefit expenses (including Directors' remuneration in the form of fees, salaries and other allowances) were approximately RMB103.2 million (FY2017: RMB74.3 million).

The emolument policies of the Group are based on performance, experience, competence and market comparable. Remuneration packages generally comprise salary, housing allowance, contribution to pension schemes and discretionary bonus relating to the performance of the Group. The Group has also adopted share option schemes for its employees, providing incentives and rewards to eligible participants with reference to their contributions. For details, please refer to the section headed "Directors' Report" in this annual report. Proper training programmes were implemented in order to promote employees' career development and progression within the Group.

### OTHER SIGNIFICANT EVENTS

On 29 January 2019, Sichuan Lingyu, which is an indirect wholly-owned subsidiary of the Company, entered into a conditional sales and purchase agreement with Chengyu Vanadium Titano to dispose of 100% equity interest in Huili Caitong to Chengyu Vanadium Titano. The consideration for the sale interest shall be RMB550.0 million, which is to be settled by offsetting certain intra-group debts of up to RMB465.0 million with the remaining RMB85.0 million to be paid in cash. In addition, Chengyu Vanadium Titano will, upon completion, procure the release of the Company's guarantees of indebtedness owed by the Disposal Group to certain banks of up to RMB730.0 million. For details, please refer to the Company's announcement dated 29 January 2019.

### 僱員及酬金政策

於2018年12月31日，本集團共有998名全職僱員（2017年12月31日：1,434名僱員），包括18名管理人員、49名技術員、104名行政及銷售與營銷人員以及827名營運人員。於年內的僱員福利開支（包括以袍金、薪金及其他津貼形式發放的董事薪酬）約為人民幣103.2百萬元（2017財政年度：人民幣74.3百萬元）。

本集團的酬金政策按表現、經驗、能力及市場可比較公司釐定。薪酬待遇一般包括薪金、房屋津貼、退休金計劃供款及與本集團業績掛鈎的酌情花紅。本集團亦為僱員採納股份期權計劃，以參照合資格參與人士的貢獻向彼等給予嘉許及獎勵。有關詳情請參閱本年報「董事會報告書」一節。本集團已推行適當的培訓課程，促進僱員在本集團內的事業發展及晉升。

### 其他重大事項

於2019年1月29日，四川凌御（本公司的間接全資子公司）與成渝鈮鈦訂立有條件買賣協議，向成渝鈮鈦出售會理財通的100%股本權益。待售權益的代價為人民幣550.0百萬元，以抵銷最多人民幣465.0百萬元的若干集團內公司間債務的方式支付，其餘人民幣85.0百萬元以現金支付。此外，成渝鈮鈦將於完成後安排解除本公司就出售集團結欠若干銀行的債務所提供最高擔保額為人民幣730.0百萬元的擔保。有關詳情請參閱本公司日期為2019年1月29日的公告。

# Profile of Directors and Senior Management

## 董事及高級管理層簡介

### CHAIRMAN AND NON-EXECUTIVE DIRECTOR

#### Mr. Teh Wing Kwan

Mr. Teh, aged 46, was appointed as the non-executive director of the Company on 26 July 2017 and subsequently appointed as the chairman of the Board on 12 October 2017. Mr. Teh is also the chairman of the nomination committee of the Company.

Mr. Teh, a sophisticated investor, specialises in corporate restructuring, corporate finance, and merger & acquisition. Mr. Teh is currently a substantial shareholder, the executive chairman and chief executive officer (“CEO”) of Citicode Ltd. (listed on the main board of the Singapore Exchange Securities Trading Limited (the “SGX”) and formerly known as Advance SCT Limited) and an advisor to the board of Koda Ltd (listed on the main board of the SGX). Mr. Teh was the group CEO and managing director of Sapphire Corporation Limited (“Sapphire”) (listed on the main board of the SGX) from October 2013 to December 2017. Under his leadership, Sapphire has undergone a major corporate restructuring exercise and he has transformed Sapphire by acquiring one of the largest privately-owned urban rail transit engineering groups in China. He has also led Sapphire to be the first company listed outside Hong Kong to receive The Listed Enterprise Excellence Awards 2016 from the Hong Kong-based Capital Weekly.

Mr. Teh served as a non-executive director of Singapore eDevelopment Limited (listed on the Catalist of the SGX and formerly known as CCM Group Limited) from June 2013 to August 2016; a non-executive director of Asian American Medical Group Limited (listed on the Australian Securities Exchange (the “ASX”) and formerly known as Asian Centre For Liver Diseases & Transplantation Limited) from January 2011 to January 2016 and a non-executive director of Heng Fai Enterprises Limited (listed on the Hong Kong Stock Exchange and currently known as ZH International Holdings Limited) from October 2013 to September 2014.

Some of Mr. Teh’s other investment and corporate portfolios included but are not limited to – In 2002, he advised and completed the restructuring and initial public offering (the “IPO”) exercise of Koda Ltd (which was subsequently named one of the best 200 companies under a billion by Forbes Asia in 2006) on the SGX. In 2006, he evaluated and advised a spinoff plan for the proposed IPO application of a foreign-controlled enterprise on the Ho Chi Minh Stock Exchange. In 2009, he advised and completed the restructuring and listing exercise of one of Asia’s foremost liver centres, the Singapore-incorporated Asian Centre For Liver Diseases & Transplantation Limited via a reverse takeover of an ASX-listed fashion design house. Mr. Teh has also previously involved in and advised on other corporate actions including

### 主席兼非執行董事

#### 鄭永權先生

鄭先生，四十六歲，於2017年7月26日獲委任為本公司的非執行董事，其後於2017年10月12日獲委任為董事會主席。鄭先生亦為本公司提名委員會主席。

鄭先生乃資深投資者，擅長企業重組、企業融資及併購。目前，鄭先生為城式企業有限公司\*（於新加坡證券交易所有限公司（「新交所」）主板上市，前稱Advance SCT Limited）的主要股東、執行主席兼行政總裁，並為Koda Ltd（於新交所主板上市）董事會的顧問。鄭先生曾經於2013年10月至2017年12月為盛世企業有限公司\*（「盛世企業」）（於新交所主板上市）的集團首席執行官兼董事總經理。盛世企業在其領導下進行一項重大企業重組活動，透過收購中國最大私營城市軌道交通工程公司，讓盛世企業轉型。彼亦引領盛世企業成為首間榮獲香港資本壹週傑出上市企業大獎2016 (The Listed Enterprise Excellence Awards 2016)之香港境外上市公司。

鄭先生曾於2013年6月至2016年8月出任 Singapore eDevelopment Limited（於新交所凱利板(Catalist)上市，前稱CCM Group Limited）的非執行董事，於2011年1月至2016年1月出任 Asian American Medical Group Limited（於澳洲證券交易所（「澳交所」）上市，前稱Asian Centre For Liver Diseases & Transplantation Limited）的非執行董事，以及於2013年10月至2014年9月出任恒輝企業控股有限公司（於香港聯交所上市，現稱正恒國際控股有限公司）的非執行董事。

鄭先生曾參與多項其他投資及企業項目，包括但不限於—於2002年，彼完成Koda Ltd的企業重組及其於新交所的上市計劃，而Koda Ltd其後於2006年名列福布斯亞洲(Forbes Asia)收入10億美元以下企業200強(the best 200 companies under a billion)。於2006年，彼為一間外資控制企業於胡志明證券交易所的分拆上市計劃進行評估及提供顧問意見。於2009年，彼透過反收購一間澳交所上市時裝設計公司，完成Asian Centre For Liver Diseases & Transplantation Limited（於新加坡註冊成立，為亞洲最頂尖肝臟中心之一）的重組及上市計劃。鄭先生亦曾參與其他企業活動

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business reorganisation, corporate restructuring, proposed divestments, corporate debts restructuring and cash exit offer for other publicly listed companies, family-owned enterprises and regional asset owners.

Mr. Teh was nominated for the 2015 and 2016 Asia Pacific Entrepreneurship Awards (Singapore) under the Industrial and Commercial Products Industry as well as the 2017 and 2018 Outstanding Leaders in Asia Corporate Excellence & Sustainability Awards under the Leadership Category. Mr. Teh is a fellow of The Association of Chartered Certified Accountants (United Kingdom), a fellow chartered accountant of the Institute of Singapore Chartered Accountants, an international affiliate of the Hong Kong Institute of Certified Public Accountants, a chartered accountant of the Malaysian Institute of Accountants, a full member of the Singapore Institute of Directors and an ordinary member of the Hong Kong Securities and Investment Institute.

## EXECUTIVE DIRECTORS

### Mr. Jiang Zhong Ping

Mr. Jiang, aged 53, has been an executive director of the Company since 28 April 2008 and re-designated as the chief executive officer of the Company since 12 October 2017. Mr. Jiang is also a member of the nomination committee and the remuneration committee of the Company. Mr. Jiang joined the Group in March 2008 as a director of Huili Caitong. Mr. Jiang is a director and the general manager of Sichuan Lingyu and a director of Huili Caitong, First China Limited, Simply Rise Holdings Limited and Sure Prime Limited. Sichuan Lingyu, Huili Caitong, First China Limited, Simply Rise Holdings Limited and Sure Prime Limited are all wholly-owned subsidiaries of the Company. Mr. Jiang has over 19 years of experience in production and quality control in the steel industry. Mr. Jiang was a technician, head of quality control department and the chief manager of the audit department of Chuanwei from August 1989 to April 2008. Mr. Jiang graduated from Chongqing Steel and Iron College\* in Chongqing in July 1989 with a college degree in iron and steel rolling.

並提供顧問意見，包括為其他上市公司、家族企業及區域資產擁有人進行業務重組、企業重組、建議撤資、企業債務重組及現金退市要約。

鄭先生獲提名競逐2015年及2016年（新加坡）亞太工商行業企業收購專家（2015 and 2016 Asia Pacific Entrepreneurship Awards (Singapore) under the Industrial and Commercial Products Industry），以及2017年及2018年亞洲企業卓越與可持續發展大獎領袖類別傑出領袖（2017 and 2018 Outstanding Leaders in Asia Corporate Excellence & Sustainability Awards under the Leadership Category）。鄭先生為英國特許公認會計師公會資深會員、新加坡特許會計師協會（Institute of Singapore Chartered Accountants）的資深特許會計師、香港會計師公會的國際聯繫會員、馬來西亞會計師公會（Malaysian Institute of Accountants）的特許會計師、新加坡董事學會（Singapore Institute of Directors）的正式會員以及香港證券及投資學會的學會會員。

## 執行董事

### 蔣中平先生

蔣先生，五十三歲，自2008年4月28日起擔任本公司的執行董事，自2017年10月12日起調任本公司的首席執行官。蔣先生亦為本公司提名委員會成員及薪酬委員會成員。蔣先生於2008年3月加入本集團擔任會理財通的董事，現為四川凌御的董事兼總經理及會理財通、三民有限公司、易陞控股有限公司及Sure Prime Limited的董事，而以上所有公司均為本公司的全資子公司。蔣先生在鋼鐵產業的生產以及質量監管上，擁有十九年以上的相關經驗。在1989年8月至2008年4月期間，蔣先生歷任川威的技術專家、質量監管部主管以及審計部經理。蔣先生在1989年7月畢業於重慶市的重慶鋼鐵專科學校，榮獲鋼鐵軋製專業大專學位。

### Mr. Hao Xiemin

Mr. Hao, aged 37, has been an executive director and the financial controller of the Company since 1 January 2018. Mr. Hao has been the financial manager of the Company since January 2012. Mr. Hao is also a director/supervisor/financial manager of certain key subsidiaries of the Company and is responsible for the financial reporting and management of these subsidiaries. He was the financial controller of Huili Caitong from January 2012 to February 2016. He has 14 years of experience in financial management and has also previously participated in the IPO exercise of the Company, including pre-IPO reorganisation, merger and acquisition, corporate finance matters and operational reorganisation. Prior to joining the Company, Mr. Hao was the financial supervisor of the Panxi Region of the mining branch of Chuanwei from March 2010 to January 2012, a financial supervisor in each of the financial management department of Chuanwei from May 2006 to March 2010 and Sichuan Longwei Metal Products Co., Ltd.\* from July 2004 to April 2006, respectively. Mr. Hao has professional qualification as an International Certified Management Accountant. Mr. Hao obtained a bachelor's degree in accounting from Southwestern University of Finance and Economics in June 2004.

### Mr. Wang Hu

Mr. Wang, aged 39, has been an executive director of the Company since 1 January 2018. Mr. Wang has been the assistant to the then chairman, Mr. Jiang Zhong Ping and the manager of legal and compliance department of the Company, and the manager of legal and compliance department and a director of Huili Caitong since August 2008. Mr. Wang is also a director and supervisor of certain key subsidiaries of the Company and is responsible for legal and compliance matters of these subsidiaries. Mr. Wang has 15 years of experience in legal and compliance matters. Mr. Wang has previously participated in the pre-IPO reorganisation and IPO exercise of the Company, including merger and acquisition. He has been responsible for the legal and compliance matters of the Group after the listing of the Company. Prior to joining the Company, Mr. Wang was the supervisor of legal department of Chuanwei from September 2003 to August 2008 and worked as a client relationship manager in Agricultural Bank of China, Chongqing Changshou branch\* from August 2002 to September 2003. Mr. Wang obtained a bachelor's degree in law from Southwest University of Political Science & Law in July 2002.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

### Mr. Yu Haizong

Mr. Yu, aged 54, has been an independent non-executive director of the Company since 4 September 2009. Mr. Yu is also the chairman of the audit committee and a member of the nomination committee and the remuneration committee of the Company. Mr. Yu was a chartered

### 郝謝敏先生

郝先生，三十七歲，自2018年1月1日起擔任本公司的執行董事兼財務總監。郝先生自2012年1月起一直為本公司的財務部長。郝先生亦出任本公司若干主要子公司的董事／監事／財務部長並負責該等子公司的財務報告及管理。彼於2012年1月至2016年2月出任會理財通的財務總監。彼擁有十四年財務管理經驗，曾參與本公司的首次公開發售活動，包括首次公開發售前重組、併購、企業融資事宜及業務重組。於加入本公司前，郝先生於2010年3月至2012年1月為川威旗下礦業分公司攀西地區的財務主管；於2006年5月至2010年3月為川威財務管理部的財務主管；及於2004年7月至2006年4月為四川省龍威金屬製品有限公司財務管理部的財務主管。郝先生擁有國際註冊管理會計師專業資格。郝先生於2004年6月取得西南財經大學會計學士學位。

### 王虎先生

王先生，三十九歲，自2018年1月1日起擔任本公司的執行董事。王先生曾為本公司時任主席蔣中平先生的助理及法律與合規部部長；自2008年8月起為會理財通的法律與合規部部長及董事。王先生亦為本公司若干主要子公司的董事及監事，負責該等子公司的法律及合規事宜。王先生擁有十五年法律及合規事宜經驗。王先生曾參與本公司首次公開發售前重組及首次公開發售活動，包括併購。彼於本公司上市後負責本集團的法律及合規事宜。於加入本公司前，王先生於2003年9月至2008年8月為川威的法律部主管，並於2002年8月至2003年9月於中國農業銀行重慶市長壽支行任職客戶關係經理。王先生於2002年7月取得西南政法大學法律學士學位。

## 獨立非執行董事

### 余海宗先生

余先生，五十四歲，自2009年9月4日起擔任本公司的獨立非執行董事。余先生亦為本公司審核委員會主席、提名委員會成員及薪酬委員會成員。余先生在1994年至2000年是四川同德會計師事

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public accountant in Sichuan Tongde Certified Accountants Firm\* (formerly known as Chengdu Xinda Certified Accountants Firm\*) from 1994 to 2000, a member of the expert panels of Land and Resources Department of Sichuan Province and Science and Technology Department of Sichuan\*. Mr. Yu is a chartered public accountant (non-practicing) in the PRC, a member of the Chartered Public Accountant Further Education Committee of Sichuan Association of Chartered Public Accountants\*, and a professor, master and doctoral supervisor of the Accounting Faculty of Southwestern University of Finance and Economics in Chengdu, Sichuan. Mr. Yu is also the dean of the Auditing Department at Southwestern University of Finance and Economics in Chengdu, Sichuan. Mr. Yu worked in the finance department of Weiyuan Steel Factory\* from July 1988 to August 1990. Mr. Yu served as an independent non-executive director of Xinan Huaji Company Limited\*, a company listed on the Shenzhen Stock Exchange from 1998 to 2000 and he served as an independent non-executive director of Jinyu Checheng Company Limited\* (“Jinyu Checheng”), a company listed on the Shenzhen Stock Exchange, and was also a member of the audit committee and remuneration committee of Jinyu Checheng from May 2004 to June 2010. As a member of the audit committee of Jinyu Checheng, Mr. Yu’s duties included reviewing the internal control system and reviewing and analysing financial statements of the company. Mr. Yu was an independent non-executive director and a member of audit committee of Chengdu Tianxing Instruments (Group) Co., Limited\*, a company listed on the Shenzhen Stock Exchange, from June 2012 to June 2015. Mr. Yu was also an independent non-executive director and a chairman of the audit committee of Royal China International Holdings Limited, a company listed on the Hong Kong Stock Exchange, from 10 February 2017 to 25 September 2018. Currently, Mr. Yu is an independent non-executive director and a chairman of the audit committee of Sichuan Expressway Company Limited, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, and an independent non-executive director of Sichuan Jiuzhou Electric Group Co., Ltd, a company listed on the Shenzhen Stock Exchange. Mr. Yu received a bachelor’s degree from Southwestern University of Finance and Economics in Chengdu, Sichuan in accounting in July 1988, a master’s degree in economics (accounting) in December 1992 and a doctoral degree in management (accounting) in March 2002. Through his professional qualification as a chartered public accountant, his education background in accounting and his previous experience as an independent non-executive director of public companies, he meets the criteria for accounting and related financial management expertise as required by Rule 3.10(2) of the Listing Rules. The Directors are of the view that Mr. Yu’s experience in internal controls and reviewing and analysing audited financial statements of a public company that he gained when he was serving as a member or chairman of the audit committees of various public companies enables him to meet the requirements under Rule 3.10(2) of the Listing Rules.

務所（前身為成都信達會計師事務所）的註冊會計師，並曾為四川省國土資源廳及四川省科學技術廳的專家小組成員。余先生是中國認證的註冊會計師（非執業）、四川省註冊會計師協會CPA後續教育委員會成員，以及四川成都西南財經大學會計學院的教授、碩士及博士生導師。余先生亦是四川成都西南財經大學審計系系主任。在1988年7月至1990年8月期間，余先生曾任職於威遠鋼鐵廠財務科。1998年至2000年，余先生出任西南化機股份有限公司的獨立非執行董事，該公司乃一間於深圳證券交易所上市的公司；而在2004年5月至2010年6月，彼則擔任金宇車城股份有限公司（「金宇車城」）的獨立非執行董事及審核委員會和薪酬委員會成員，該公司乃一間於深圳證券交易所上市的公司。作為金宇車城的審核委員會成員，余先生的職責包括檢討內部監管系統，並審閱分析該公司的財務報表。2012年6月至2015年6月，余先生是成都天興儀表股份有限公司（一間於深圳證券交易所上市的公司）的獨立非執行董事及審核委員會成員。2017年2月10日至2018年9月25日，余先生亦是皇中國際控股有限公司（一間於香港聯交所上市的公司）的獨立非執行董事兼審核委員會主席。目前，余先生為四川成渝高速公路股份有限公司（一間於上海證券交易所和香港聯交所上市的公司）的獨立非執行董事及審核委員會主席及四川九洲電器股份有限公司（一間於深圳證券交易所上市的公司）的獨立非執行董事。余先生在1988年7月榮獲四川成都西南財經大學會計專業學士學位，1992年12月榮獲會計經濟學碩士學位，2002年3月榮獲會計師管理學博士學位。彼擁有註冊會計師的專業資格、會計教育背景及過往作為上市公司獨立非執行董事的經驗，符合上市規則第3.10(2)條規定的會計及有關財務管理專長標準。董事認為余先生作為多間上市公司的審核委員會成員或主席，在內部監管以及審閱分析上市公司經審核財務報表方面獲得的經驗，使彼符合上市規則第3.10(2)條的規定。



### Mr. Liu Yi

Mr. Liu, aged 56, has been an independent non-executive director of the Company since 4 September 2009. Mr. Liu is also the chairman of the remuneration committee and a member of the audit committee and the nomination committee of the Company. Mr. Liu has been working at Sichuan Metallurgical Design and Research Institute since July 1987, engaging in project consulting, beneficiation process and mining design, feasibility study and relevant engineering design work and specialising in mineral processing engineering. His past experiences in mining design projects include constructing iron concentrate production lines of various capacities and mining operations planning for vanadium-bearing titanomagnetite mines. He is the deputy chief engineer and the chief project designer of the mining engineering institute of Sichuan Metallurgical Design and Research Institute. He is also a Work Safety Expert in Sichuan\* appointed by Sichuan Administration of Work Safety\* and Sichuan Administration of Coal Mine Safety\*. Mr. Liu graduated from the faculty of mining resource engineering of Xi'an Metallurgy and Architecture College\*, now known as Xi'an University of Architecture and Technology, in Shaanxi and received a bachelor's degree in engineering in 1987.

### Mr. Wu Wen

Mr. Wu, aged 50, has been an independent non-executive director of the Company since 1 November 2014. Mr. Wu is also a member of the audit committee and the nomination committee of the Company. Mr. Wu is a qualified lawyer in the PRC. Mr. Wu graduated from Peking University School of Law in 1990. Mr. Wu obtained a Juris Doctor degree from Northwestern School of Law of Lewis and Clark College in 1998. Mr. Wu worked as an associate of Sichuan Canway Law Firm from August 1998 to May 2002 and later became a partner from February 2003 to December 2008. Mr. Wu also worked as legal counsel in Kodak (China) Company Limited from May 2002 to December 2002. Mr. Wu practised law as a partner of Tahota Law Firm from February 2009 to February 2014. Since March 2014, Mr. Wu has been a partner of Zhonglun Law Firm. Mr. Wu is a member of the Chinese Bar Association.

## SENIOR MANAGEMENT

### Mr. Jiang Zhong Ping

Mr. Jiang is the chief executive officer of the Company. Details of his biography are set out above in this section.

### Mr. Hao Xiemin

Mr. Hao is the financial controller of the Company. Details of his biography are set out above in this section.

### 劉毅先生

劉先生，五十六歲，自2009年9月4日起擔任本公司的獨立非執行董事。劉先生亦為本公司薪酬委員會主席、審核委員會成員及提名委員會成員。劉先生自1987年7月起任職於四川省冶金設計研究院，從事項目顧問、礦石洗選及採礦設計、可行性研究以及相關工程設計的工作，並專責礦物洗選工程。彼具有採礦設計項目（包括建設各種產能的鐵精礦生產線及鈦磁鐵礦採礦營運計劃）的經驗。劉先生現任四川省冶金設計研究院副總工程師及首席項目設計師。彼現時亦為獲四川省安全生產監督管理局及四川省煤礦安全監察局委聘的四川安全生產專家。劉先生在1987年畢業於陝西省的西安冶金建築學院（現稱為西安建築科技大學）的礦產資源系，並榮獲工程學學士學位。

### 吳文先生

吳先生，五十歲，自2014年11月1日起擔任本公司的獨立非執行董事。吳先生亦為本公司審核委員會成員及提名委員會成員。吳先生為中國合資格律師。吳先生於1990年畢業於北京大學法學院。彼於1998年取得Northwestern School of Law of Lewis and Clark College的法律博士學位。吳先生於1998年8月至2002年5月擔任四川康維律師事務所律師，後於2003年2月至2008年12月成為合夥人。於2002年5月至2002年12月，吳先生亦擔任柯達（中國）股份有限公司的法律顧問。於2009年2月至2014年2月，吳先生於泰和泰律師事務所執業，擔任合夥人。由2014年3月至今，吳先生是中倫律師事務所的合夥人。吳先生為中國律師協會會員。

## 高級管理層

### 蔣中平先生

蔣先生為本公司的首席執行官，其履歷詳情載於本節上文。

### 郝謝敏先生

郝先生為本公司財務總監，其履歷詳情載於本節上文。

## COMPANY SECRETARY

### Mr. Kong Chi Mo

Mr. Kong, aged 43, has been the company secretary and authorised representative of the Company since September 2009. Mr. Kong has over 20 years of experience in accounting, auditing, financial management, corporate finance, investor relations, company secretarial affairs and corporate governance. Mr. Kong also serves as an independent non-executive director in public companies listed on the Hong Kong Stock Exchange.

Mr. Kong was the executive director and the chief financial officer of the Company from October 2013 to May 2015 and from May 2008 to May 2015, respectively. Mr. Kong was an independent non-executive director of CAA Resources Limited, a company listed on the main board of the Hong Kong Stock Exchange from April 2013 to August 2017. Mr. Kong worked at KPMG from October 1999 to December 2007 and was promoted to senior manager during his term of office. Prior to joining KPMG, Mr. Kong worked as a finance trainee in Hutchison Telecommunications (Hong Kong) Limited (an indirect wholly-owned subsidiary of Hutchison Telecommunications Hong Kong Holdings Limited, a company listed on the main board of the Hong Kong Stock Exchange) from June 1997 to March 1998, and as an associate in PricewaterhouseCoopers from March 1998 to October 1999.

Mr. Kong obtained his bachelor's degree in business administration from The Chinese University of Hong Kong in December 1997. Mr. Kong is a fellow of The Association of Chartered Certified Accountants (United Kingdom), a member of The Hong Kong Institute of Directors, a fellow of each of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators (United Kingdom), an ordinary member of Hong Kong Securities and Investment Institute and a full member of Hong Kong Investor Relations Association. Mr. Kong was also awarded the Chartered Governance Professional qualification of The Institute of Chartered Secretaries and Administrators (United Kingdom) and The Hong Kong Institute of Chartered Secretaries in September 2018.

## 公司秘書

### 江智武先生

江先生，四十三歲，自2009年9月起擔任本公司的公司秘書及授權代表。江先生於會計、核數、財務管理、企業融資、投資者關係、公司秘書事務及企業管治方面累積逾二十年經驗。江先生亦為多間香港聯交所上市公司的獨立非執行董事。

江先生分別在2013年10月至2015年5月及2008年5月至2015年5月期間為本公司的執行董事及首席財務官。江先生於2013年4月至2017年8月擔任香港聯交所主板上市公司優庫資源有限公司的獨立非執行董事。江先生於1999年10月至2007年12月任職畢馬威會計師事務所，於任內晉升至高級經理。在加入畢馬威會計師事務所之前，江先生於1997年6月至1998年3月期間在和記電訊（香港）有限公司（香港聯交所主板上市公司和記電訊香港控股有限公司的間接全資子公司）擔任財務實習生，於1998年3月至1999年10月期間在羅兵咸永道會計師事務所擔任經理。

江先生在1997年12月獲香港中文大學頒授工商管理學士學位。江先生為英國特許公認會計師公會資深會員、香港董事學會會員、香港特許秘書公會資深會員、英國特許秘書及行政人員公會資深會員、香港證券及投資學會會員及香港投資者關係協會正式會員。於2018年9月，江先生亦獲授英國特許秘書及行政人員公會及香港特許秘書公會的管治專業(Chartered Governance Professional)資格。

*Directors' Report*  
董事會報告書



# Directors' Report

## 董事會報告書

The Directors hereby present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2018.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries are mining and ore processing, sale of self-produced products, trading of coals and steels, management of strategic investments and rendering of specialised mining services. Details of the Company's subsidiaries as at 31 December 2018 are set out in note 1 to the financial statements of this annual report.

### BUSINESS REVIEW

A fair review of the business of the Group as well as a discussion and analysis of the Group's performance during the year as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the laws of Hong Kong), including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Corporate Governance Report – Risk Management and Internal Control" of this annual report. These discussions form part of this Directors' report.

### PERMITTED INDEMNITY

The Articles provide that the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the Directors.

A directors and officers liability insurance is in place to protect the Directors and officers against potential costs and liabilities arising from claims brought against the Directors and officers.

### RESULTS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 97 and 98 of this annual report.

董事謹此提呈其報告書以及本集團截至2018年12月31日止年度的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，其主要子公司的業務為進行採礦及礦石洗選、銷售自產產品、買賣煤炭及鋼鐵、管理策略性投資及提供專業開採服務。本公司子公司於2018年12月31日的詳情載於本年報財務報表附註1。

### 業務回顧

按香港法例第622章《公司條例》附表5規定對本集團業務作出的中肯審視及本集團年內表現的討論及分析，包括有關本集團面對的主要風險及不明朗因素的討論及本集團業務相當可能有的未來發展的揭示，請參閱本年報「主席報告書」、「管理層討論及分析」及「企業管治報告－風險管理及內部監控」各節。此等討論屬於本董事會報告書的一部分。

### 獲准許的彌償條文

章程細則規定，董事將可就彼等因執行彼等的職務或因就此而作出、贊同作出或沒有作出的任何行動而將會或可能承擔或蒙受的所有訴訟、成本、押記、損失、損害賠償及開支獲得以本公司的資產及溢利作出的彌償保證及免受損害，惟此彌償保證並不延伸至與任何董事的任何欺詐或不誠實行為有關的任何事項。

本公司已為董事和高級職員作出責任保險安排，以保障董事和高級職員因被提出申索而可能招致的成本及責任。

### 業績

本集團截至2018年12月31日止年度的業績載於本年報第97及第98頁的綜合損益及其他全面收益表中。

## DIVIDEND POLICY AND FINAL DIVIDEND

During the year, the Board adopted a written dividend policy ("Dividend Policy"), effective from 27 December 2018. The Board adopted the Dividend Policy that, in recommending or declaring dividends, the Company will maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. When considering the declaration and payment of dividends, the Board will consider a number of factors, including but not limited to the Group's financial results and cash flow position, the Group's future operations and earnings, the Group's expected capital requirements and expansion plans, the Group's debt to equity ratios and the debt level, any restrictions on payment of dividends under any financial covenant undertaken by the Group, the retained earnings and distributable reserves of the Company and each of the members of the Group, the shareholders' expectation and industry's norm, and the general market conditions.

The Board does not recommend payment of a final dividend for the year ended 31 December 2018 (2017: nil).

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 13 June 2019 to Wednesday, 19 June 2019 (both days inclusive) during which no transfer of Shares will be effected. In order to determine the entitlement to attend and vote at the 2019 AGM, all share transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17<sup>th</sup> Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 12 June 2019.

## PROPERTY, PLANT AND EQUIPMENT

Additions to property, plant and equipment of the Group for the year ended 31 December 2018 amounted to approximately RMB102.1 million. Details of the movements during the year in the Group's property, plant and equipment are set out in note 13 to the financial statements of this annual report.

## SHARE CAPITAL

There was no change in the authorised and issued share capital of the Company during the year ended 31 December 2018. Details of the movements during the year in the issued share capital of the Company are set out in note 30 to the financial statements of this annual report.

## 股息政策及末期股息

於年內，董事會已採納書面股息政策（「股息政策」），由2018年12月27日起生效。董事會已採納股息政策，於建議或宣派股息時，本公司將保留足夠現金儲備，以應付其營運資金需要及未來增長，以及滿足股東價值。於考慮宣派及派付股息時，董事會將考慮多項因素，包括但不限於本集團的財務業績及現金流狀況，本集團的未來營運及盈利，本集團的預期資金需要及擴充計劃，本集團的債務對權益比率及債務水平，本集團承擔的任何財務契約下的任何派息限制，本公司及本集團旗下各成員公司的留存盈利及可分派儲備，股東預期及行業標準，以及整體市況。

董事會並不建議派付截至2018年12月31日止年度的末期股息（2017年：無）。

## 暫停辦理股東登記手續

本公司將由2019年6月13日（星期四）至2019年6月19日（星期三）止（包括首尾兩日）暫停辦理股東登記手續，於該期間概不會進行任何股份轉讓。為確定出席2019年股東週年大會及於會上投票的資格，所有股份過戶文件連同相關股票必須不遲於2019年6月12日（星期三）下午4時30分交回本公司的香港股份登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖，以辦理登記手續。

## 物業、廠房及設備

本集團截至2018年12月31日止年度添置的物業、廠房及設備約為人民幣102.1百萬元。本集團物業、廠房及設備於年內的變動詳情載於本年報財務報表附註13。

## 股本

於截至2018年12月31日止年度，本公司的法定及已發行股本概無變動。本公司已發行股本於年內的變動詳情載於本年報財務報表附註30。

## DISTRIBUTABLE RESERVES

Details of the movements during the year ended 31 December 2018 in the reserves of the Group are set out in the consolidated statement of changes in equity on page 101 of this annual report.

As at 31 December 2018, the Company's reserves available for distribution to the Shareholders in accordance with the Articles were RMB1,877.5 million.

Under the Companies Law, subject to the provision of its Articles, the share premium account may be applied by the Company in paying distributions or dividends to its members or in paying up unissued shares to be issued to its members as fully paid bonus shares provided that no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

The reserves of the Company available for distribution depend on the dividend distributable by the Company's subsidiaries. For dividend purpose, the amount which the Company's subsidiaries in the PRC can legally distribute by way of a dividend is determined by reference to their distributable profits as reflected in the PRC statutory financial statements which are prepared in accordance with accounting principles generally accepted in the PRC. These distributable profits differ from those that are reflected in the Group's consolidated financial statements prepared in accordance with the IFRSs.

## FINANCIAL SUMMARY

A summary of the results, assets, liabilities and non-controlling interests of the Group for the last five financial years is set out on pages 244 to 246 of this annual report.

## LOANS AND BORROWINGS

Details of the loans and borrowings of the Group are set out in note 28 to financial statements of this annual report.

## 可分派儲備

本集團儲備於截至2018年12月31日止年度的變動詳情載於本年報第101頁的綜合股權變動表。

於2018年12月31日，根據章程細則，本公司可供分派予股東的儲備為人民幣1,877.5百萬元。

根據公司法及在章程細則條文的規限下，本公司可以股份溢價賬向其股東作出分派或派付股息，或將發行予其股東的未發行股份繳足及入賬列作繳足紅股，惟倘於緊隨建議作出分派或派付股息當日後，本公司無法於日常業務過程中支付到期債項，則不得以股份溢價賬向股東作出任何分派或派付股息。

本公司的可供分派儲備視乎本公司子公司的可供分派股息而定。就股息而言，於釐定本公司中國子公司可合法地以股息方式分派的金額時，會參考根據中國公認會計原則編製的中國法定財務報表所顯示的可供分派利潤。該等可供分派利潤與本集團根據國際財務報告準則編製的綜合財務報表所顯示者有所不同。

## 財務摘要

本集團於過去五個財政年度的業績、資產、負債及非控股權益摘要載於本年報第244至第246頁。

## 貸款及借貸

本集團的貸款及借貸詳情載於本年報財務報表附註28。

## MAJOR CUSTOMERS AND SUPPLIERS

For the years ended 31 December 2018 and 2017, sales to the Group's five largest customers accounted for 97.9% and 99.7% of the total revenue of the Group, respectively, and sales to the largest customer accounted for 46.8% and 61.1%, respectively.

During the years, the Group's customers were highly concentrated primarily because (i) the steels, coals and iron products are bulk raw materials and the customers required stable supply and (ii) the production volumes of self-produced products were low and our pool of target customers was small. The Group was aware of the risk of a concentrated customer base and has entered into non-exclusive sales agreements with several potential customers. Pursuant to the agreements, the Group is able to sell any of our products to the potential customers without any restrictions.

For the years ended 31 December 2018 and 2017, purchases from the Group's five largest suppliers accounted for 81.0% and 84.8% of the total purchases of the Group, respectively, and purchases from the largest supplier accounted for 24.2% and 33.6%, respectively.

None of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in any of the Group's five largest suppliers or customers.

## DIRECTORS

The Directors during the year and up to the date of this annual report are as follows:

### Non-executive Director

Mr. Teh Wing Kwan

### Executive Directors

Mr. Jiang Zhong Ping

Mr. Hao Xiemin

Mr. Wang Hu

### Independent non-executive Directors

Mr. Yu Haizong

Mr. Liu Yi

Mr. Wu Wen

Biographical details of the current Directors are set out in the section headed "Profile of Directors and Senior Management" on pages 35 to 40 of this annual report.

## 主要客戶及供應商

截至2018年及2017年12月31日止年度，向本集團五大客戶作出的銷售額分別佔本集團總收入的97.9%及99.7%，而向最大客戶作出的銷售額分別佔46.8%及61.1%。

於年內，本集團的客戶高度集中，主要歸因於(i)鋼鐵、煤炭及鐵產品乃散裝原料，客戶要求有穩定供應；及(ii)自產產品的產量低，目標客戶數量少。本集團瞭解客戶群集中的風險，遂與多名潛在客戶訂立非獨家銷售協議。根據該等協議，本集團可在不受任何限制下向潛在客戶銷售任何本集團產品。

截至2018年及2017年12月31日止年度，向本集團五大供應商作出的購買額分別佔本集團總購買額的81.0%及84.8%，而向最大供應商作出的購買額分別佔24.2%及33.6%。

董事、彼等的任何緊密聯繫人或任何股東（就董事所深知擁有本公司已發行股本5%以上者）概無在本集團任何五大供應商或客戶中擁有任何實益權益。

## 董事

以下為本年度及截至本年報日期的董事：

### 非執行董事

鄭永權先生

### 執行董事

蔣中平先生

郝謝敏先生

王虎先生

### 獨立非執行董事

余海宗先生

劉毅先生

吳文先生

現任董事的履歷詳情載於本年報第35至第40頁「董事及高級管理層簡介」一節。

## Directors' Report 董事會報告書

In accordance with articles 84(1) and 84(2) of the Articles, Messrs. Yu Haizong, Liu Yi and Wu Wen will retire at the 2019 AGM and, being eligible, will offer themselves for re-election at the 2019 AGM.

### DIRECTORS' SERVICE CONTRACTS

Mr. Jiang Zhong Ping, an executive Director, entered into a new service contract with the Company for a term of one year commencing from 12 December 2018. Each of Mr. Hao Xiemin and Mr. Wang Hu, an executive Director, entered into a new service contract with the Company for a term of one year commencing from 1 January 2019.

None of the Directors proposed for re-election at the 2019 AGM has entered into any service agreement with the Company which is not terminable within one year without payment of compensation (other than the statutory compensation).

### REMUNERATION OF THE DIRECTORS

The remuneration of the Directors is determined with reference to the Directors' duties, responsibilities, performance and the results of the Group.

Details of the remuneration of the Directors are set out in note 8 to financial statements of this annual report.

### EMOLUMENT POLICIES

The emolument policies of the Group are based on performance, experience, competence and market comparable. Remuneration packages generally comprise salary, housing allowance, contribution to pension schemes and discretionary bonus relating to the performance of the Group.

When compared to other employees of the Group, the remuneration packages of the Directors and senior management put a heavier weight on their contributions to the performance of the Group. This is achieved by way of share option schemes. The emolument policies of the Directors and senior management are overseen by the remuneration committee of the Company.

Details of the schemes are set out under the section headed "Share Options" of this report and note 31 to the financial statements of this annual report.

按照章程細則第84(1)及84(2)條，余海宗先生、劉毅先生及吳文先生將於2019年股東週年大會上告退，惟彼等符合資格並願意在2019年股東週年大會上接受重選。

### 董事的服務合約

執行董事蔣中平先生已與本公司訂立新服務合約，任期自2018年12月12日起計為期一年。執行董事郝謝敏先生及王虎先生已各自與本公司訂立新服務合約，任期自2019年1月1日起計為期一年。

擬於2019年股東週年大會上重選連任的董事，概無與本公司訂立任何不能於一年內不作賠償（法定賠償除外）而終止的服務協議。

### 董事薪酬

董事薪酬按董事職務、職責、表現及本集團業績釐定。

董事薪酬的詳情載於本年報財務報表附註8。

### 酬金政策

本集團的酬金政策按表現、經驗、能力及市場可比較公司釐定。薪酬待遇一般包括薪金、房屋津貼、退休金計劃供款及與本集團業績掛鈎的酌情花紅。

相比本集團其他僱員，董事及高級管理層的薪酬待遇較注重彼等對本集團表現的貢獻，並透過股份期權計劃與本集團表現掛鈎。董事及高級管理層的酬金政策由本公司的薪酬委員會監管。

該等計劃的詳情載於本報告「股份期權」一節及本年報財務報表附註31。



## INDEPENDENCE 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 Listing Rules. The Company considers that all of the independent non-executive Directors are independent in accordance with the guidelines set out in the Listing Rules.

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2018, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or (c) were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange, are as follows:

### Long positions in share options granted by the Company

Number of share options held by the Directors and chief executives of the Company to subscribe for Shares as at 31 December 2018:

Name	Capacity	Number of share options held	Number of underlying Shares	Percentage of the Company's issued share capital
姓名	身份	所持股份期權數目	相關股份數目	佔本公司已發行股本的百分比
Mr. Jiang Zhong Ping 蔣中平先生	Beneficial owner 實益擁有人	17,000,000	17,000,000	0.76%
Mr. Wang Hu 王虎先生	Beneficial owner 實益擁有人	2,200,000	2,200,000	0.10%
Mr. Hao Xiemin 郝謝敏先生	Beneficial owner 實益擁有人	100,000	100,000	0.00%
Mr. Yu Haizong 余海宗先生	Beneficial owner 實益擁有人	100,000	100,000	0.00%
Mr. Liu Yi 劉毅先生	Beneficial owner 實益擁有人	100,000	100,000	0.00%

## 獨立非執行董事的獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書，並根據上市規則所載指引認為全體獨立非執行董事均具獨立性。

## 董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於2018年12月31日，本公司董事及最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所的權益及淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉）；或(b)根據證券及期貨條例第352條須記錄於該條所指登記冊的權益及淡倉；或(c)根據標準守則須知會本公司及香港聯交所的權益及淡倉如下：

### 於本公司所授出股份期權的好倉

於2018年12月31日，本公司董事及最高行政人員持有可認購股份的股份期權數目：

## Directors' Report 董事會報告書

The details of share options held by the Directors and chief executives of the Company are disclosed under the section headed "Share Options" of this report.

Save as disclosed above, as at 31 December 2018, so far as is known to all the Directors and chief executives of the Company, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or (c) were required, pursuant to the Model Code to be notified to the Company and the Hong Kong Stock Exchange.

### SHARE OPTIONS

The Company adopted a share option scheme (the "Old Option Scheme") on 4 September 2009. At the 2010 AGM, the Shareholders approved the adoption of a new share option scheme (the "New Option Scheme") and the termination of the operation of the Old Option Scheme (such that no further options shall thereafter be offered under the Old Option Scheme but in all other respects the provisions of the Old Option Scheme shall remain in full force and effect).

### SUMMARY OF THE OLD OPTION SCHEME

The purpose of adopting the Old Option Scheme was to provide incentives or rewards to eligible persons for their contributions to, and continuing efforts to promote the interests of, the Company and enabling our Group to recruit and retain high-calibre employees. The eligible persons include any Director or employee (whether full time or part time) of any member of the Group.

The maximum aggregate number of Shares which may be issued upon exercise of all outstanding options to be granted and yet to be exercised under the Old Option Scheme and any other share option schemes must not, in aggregate, exceed 30% of the Shares in issue from time to time. The maximum number of Shares issued and to be issued upon exercise of the options granted to any eligible person under the Old Option Scheme and any other share option schemes shall not in any 12-month period up to the date of grant exceed 1% of the issued share capital of the Company as of the date of grant. Any further grant of share options in excess of this limit is subject to the Shareholders' approval in a general meeting. The vesting period and the period within which an option may be exercised under the Old Option

本公司董事及最高行政人員持有的股份期權詳情於本報告「股份期權」一節中披露。

除上文所披露者外，於2018年12月31日，就本公司全體董事及最高行政人員所知，本公司董事及最高行政人員概無於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有任何(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所的權益或淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉）；或(b)根據證券及期貨條例第352條須記錄於該條所指登記冊的權益或淡倉；或(c)根據標準守則須知會本公司及香港聯交所的權益或淡倉。

### 股份期權

本公司於2009年9月4日採納一項股份期權計劃（「舊期權計劃」）。於2010年股東週年大會上，股東批准採納一項新股份期權計劃（「新期權計劃」），並終止舊期權計劃的運作（致使不會再根據舊期權計劃授出期權，但舊期權計劃的條文在所有其他方面將仍具有十足效力及作用）。

### 舊期權計劃概要

採納舊期權計劃旨在向合資格人士提供獎勵或獎賞，以表彰其對本公司的貢獻及持續努力促進本公司利益，並讓本集團可招攬及挽留優秀僱員。合資格人士包括本集團任何成員公司的任何董事或全職或兼職僱員。

悉數行使根據舊期權計劃及任何其他股份期權計劃將予授出但並未行使的尚未行使期權後可予發行的最高股份總數，合共不得超過不時已發行股份的30%。於任何截至授出日期的12個月期間內，行使向舊期權計劃及任何其他股份期權計劃下任何一名合資格人士授出的期權而已經發行及將予發行的最高股份數目，不得超過本公司於授出日期已發行股本的1%。進一步授出超過此限額的股份期權須於股東大會上取得股東批准。歸屬期及期權可根據舊期權計劃行使的期間由董事會絕對酌情釐定。概無期權可行使前必須持有任何最短期間的整體規定，惟董事會有權於授出任

Scheme will be determined by the Board at its absolute discretion. There is no general requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its absolute discretion any such minimum period at the time of grant of any particular option. The exercise price in relation to each option shall be determined by the Board at its absolute discretion, but in any event shall not be less than the highest of (i) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the date of grant of such option; (ii) the average closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant of such option; and (iii) the nominal value of a Share on the date of grant of such option. The amount payable on acceptance of the offer of the grant of an option was HKD1.

The Company had 7,800,000 Shares available for issue under the Old Option Scheme, which represented approximately 0.35% of the Shares in issue as at the date of this annual report. Details of the share options outstanding as at 31 December 2018 which have been granted under the Old Option Scheme are as follows:

何特定期權時酌情施加任何相關最短期間。各份期權的行使價由董事會絕對酌情釐定，但無論如何不得少於(i)股份於授出有關期權當日在香港聯交所每日報價表所列的收市價；(ii)股份於緊接授出有關期權當日前五個交易日在香港聯交所每日報價表所列的平均收市價；及(iii)股份於授出有關期權當日的面值（以最高者為準）。接納授出期權要約的應付款項為1港元。

本公司根據舊期權計劃共有7,800,000股可供發行股份，佔於本年報日期的已發行股份約0.35%。已根據舊期權計劃授出但於2018年12月31日尚未行使的股份期權詳情如下：

Name or category of participant	Date of grant	Exercise period	Exercise price per share option 每份股份期權行使價 HKD 港元	No. of share options held as at 01.01.2018 and 31.12.2018 於2018年1月1日及2018年12月31日所持股份期權數目
<b>1. Directors/chief executives</b>				
<b>董事／最高行政人員</b>				
Mr. Jiang Zhong Ping 蔣中平先生	29.12.2009	29.06.2012 to 28.12.2019 29.06.2012至28.12.2019	5.05	1,500,000
		29.12.2014 to 28.12.2019 29.12.2014至28.12.2019	5.05	1,500,000
	01.04.2010	01.10.2012 to 31.03.2020 01.10.2012至31.03.2020	4.99	250,000
		01.04.2015 to 31.03.2020 01.04.2015至31.03.2020	4.99	250,000
Mr. Wang Hu <sup>(Note 1)</sup> 王虎先生 <sup>(附註1)</sup>	29.12.2009	29.06.2012 to 28.12.2019 29.06.2012至28.12.2019	5.05	200,000
		29.12.2014 to 28.12.2019 29.12.2014至28.12.2019	5.05	200,000

Name or category of participant	Date of grant	Exercise period	Exercise price per share option	No. of share options held as at 01.01.2018 and 31.12.2018
參與人士姓名或類別	授出日期	行使期	每份股份期權行使價 HKD 港元	於2018年1月1日及 2018年12月31日 所持股份期權數目
2. Employees (in aggregate) 僱員(合計)	29.12.2009	29.06.2012 to 28.12.2019	5.05	1,500,000
		29.06.2012至28.12.2019		
	01.04.2010	29.12.2014 to 28.12.2019	5.05	1,500,000
		29.12.2014至28.12.2019		
		01.10.2012 to 31.03.2020	4.99	450,000
	01.10.2012至31.03.2020			
	01.04.2015 to 31.03.2020	4.99	450,000	
	01.04.2015至31.03.2020			
			Total 總計	7,800,000

Notes:

- As Mr. Wang Hu was appointed as an executive Director on 1 January 2018, his share options were then reclassified from the category "Employees" to the category "Directors/chief executives" on the even date.
- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- There were no share options granted, exercised, cancelled or lapsed during the year.

附註:

- 由於王虎先生於2018年1月1日獲委任為執行董事，其股份期權於同日由「僱員」類別重新分類為「董事／最高行政人員」類別。
- 股份期權的歸屬期為由授出日期起至行使期開始為止。
- 於年內並無股份期權獲授出、行使、註銷或失效。

## SUMMARY OF THE NEW OPTION SCHEME

The purposes of adopting the New Option Scheme are: (i) to broaden the scope of eligible persons to include all substantial shareholders of the Company and any person whom the Board considers to have contributed to the development and growth of the Company; (ii) to provide incentive or reward to eligible persons for their contributions to, and continuing efforts to promote the interests of the Company; and (iii) to enable the Group to recruit and retain high-calibre employees. The eligible persons include Directors, chief executives, substantial shareholders or employees (whether full time or part time) of any member of the Group and any person who the Board considers, at its sole discretion, to have contributed or will contribute to the development and growth of the Group.

The maximum aggregate number of Shares which may be issued upon exercise of all outstanding options to be granted and yet to be exercised under the New Option Scheme and any other share option schemes must not, in aggregate, exceed 30% of the shares of the Company in issue from time to time. The maximum number of Shares which may be issued upon exercise of all options to be granted under all schemes adopted by the Company, must not in aggregate exceed 207,500,000 Shares, being 10% of the total number of Shares then in issue as at the date of adoption of the New Option Scheme (the "Scheme Mandate Limit"). Options lapsed under the New Option Scheme or any other share option scheme shall not be counted for the purpose of calculating the Scheme Mandate Limit. The maximum number of Shares issued and to be issued upon exercise of the options granted and to be granted to each eligible person under the New Option Scheme and any other share option schemes shall not in any 12-month period up to the date of grant exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this limit is subject to the Shareholders' approval in a general meeting. The Company had 207,500,000 Shares available for issue under the New Option Scheme, which represented 9.23% of the Shares in issue as at the date of this annual report.

Any grant of options to a Director, chief executives or to a substantial Shareholder or any of their respective associates is required to be approved by the independent non-executive Directors (excluding independent non-executive Directors who are the grantees of the options). If any grant of options to a substantial Shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person in the 12 months up to and including the date of the offer of such grant: (1) representing in aggregate over 0.1% of the Shares in issue on the date of the offer; and (2) having an aggregate value in excess of HKD5.0 million, based on the closing price of the Shares

## 新期權計劃概要

採納新期權計劃旨在(i)擴大合資格人士的範圍，以包括本公司所有主要股東及董事會認為曾經對本公司發展及增長作出貢獻的任何人士；(ii)向合資格人士提供獎勵或獎賞，以表彰其對本公司的貢獻及持續努力促進本公司利益；及(iii)讓本集團可招攬及挽留優秀僱員。合資格人士包括本集團任何成員公司的董事、最高行政人員、主要股東或全職或兼職僱員，以及董事會全權酌情認為曾經或將會對本集團發展及增長作出貢獻的任何人士。

悉數行使根據新期權計劃及任何其他股份期權計劃將予授出但並未行使的尚未行使期權後可予發行的最高股份總數，合共不得超過本公司不時已發行股份的30%。悉數行使根據本公司採納的所有計劃授出的所有期權後可予發行的最高股份數目，不得超過207,500,000股股份，即於採納新期權計劃日期當時已發行股份總數的10%（「計劃授權限額」）。就計算計劃授權限額而言，根據新期權計劃或任何其他股份期權計劃已失效的期權將不會計算在內。於任何截至授出日期的12個月期間內，行使已經及將會向新期權計劃及任何其他股份期權計劃下任何一名合資格人士授出的期權後已經發行及將予發行的最高股份數目，不得超過本公司於授出日期已發行股本的1%。進一步授出超過此限額的股份期權須於股東大會上取得股東批准。本公司根據新期權計劃共有207,500,000股可供發行股份，佔於本年報日期的已發行股份9.23%。

向董事、最高行政人員或主要股東或彼等各自的聯繫人授出期權，必須經獨立非執行董事（不包括為期權承授人的獨立非執行董事）批准。向主要股東或獨立非執行董事或彼等各自的聯繫人授出任何期權如導致於直至及包括要約日期止12個月內，悉數行使已經及將會向該人士授出的期權後已經及將會發行的股份數目：(1)合共超過要約日期已發行股份0.1%；及(2)總值超過5,000,000港元（以股份於授出日期在香港聯交所所報收市價為基準），則進一步授出期權須於股東大會上

## Directors' Report

### 董事會報告書

as quoted on the Hong Kong Stock Exchange at the date of grant, such further grant of options are subject to the Shareholders' approval in a general meeting at which all connected persons of the Company shall abstain from voting in favour of the grant at such meeting and other requirements prescribed under the Listing Rules from time to time.

A consideration of HKD1.0 is payable by grantees on acceptance of the offer of the grant of an option. There is no general requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its absolute discretion any such minimum period at the time of grant of any particular option. Upon acceptance, the date of grant of any particular option is deemed to have taken effect from the date on which an offer is made. Any option may be exercised according to the terms of the New Option Scheme and the offer in whole or in part by the grantee (or his/her personal representatives) before its expiry by giving notice in writing to the Company stating that the option is to be exercised and the number of Shares in respect of which it is exercised. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised more than ten years from the date of grant. No option may be granted more than ten years after the date of approval of the New Option Scheme, and the remaining life of the New Option Scheme is approximately one year.

The subscription price in relation to each option shall be determined by the Board at its absolute discretion, but in any event shall not be less than the highest of (i) the nominal value of the Shares; (ii) the average closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant of the option; and (iii) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the date of grant of the option. In the event of a grantee ceasing to be an eligible person for any reason other than (1) by reason of summary dismissal for misconduct or other breach of the terms of his employment or other contract constituting him an eligible person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty; or (2) by death, the option may be exercised within one month after the date of such cessation, which date shall be (i) if he is an employee of any member of the Group, his last actual working day with such member of the Group whether salary is paid in lieu of notice or not; or (ii) if he is not an employee of any member of the Group, the date on which the relationship constituting him as an eligible person ceases.

取得股東批准，而本公司的全部關連人士須放棄於該會上投票贊成授出期權，並須遵照上市規則不時訂明的其他規定。

承授人接納授出期權的要約時須繳付1.0港元的代價。該計劃並無設有期權於獲行使前所須持有最短期限的一般規定，惟董事會有權按其絕對酌情權在授出任何指定期權時設定最短期限。於接納時，任何特定期權的授出日期會被視為自作出要約的日期起生效。承授人（或其遺產代理人）可於期權到期前根據新期權計劃及要約條款向本公司發出通知書，列明即將全部或部分行使期權及行使期權所涉股份數目，以行使股份期權。期權行使期由董事會絕對酌情釐定，惟不得超過授出日期起計十年。新期權計劃獲批准當日起計十年屆滿後不得再授出期權，而新期權計劃的剩餘年期約為一年。

各份期權的認購價由董事會絕對酌情釐定，但無論如何不得少於(i)股份面值；(ii)股份於緊接授出有關期權當日前五個交易日在香港聯交所每日報價表所列的平均收市價；及(iii)股份於授出有關期權當日在香港聯交所每日報價表所列的收市價（以最高者為準）。倘承授人因下列兩種原因以外的任何原因不再為合資格人士（(1)因行為不當或違反其僱傭或令其成為合資格人士的其他合約的條款而被即時解僱，或看似無法或無合理希望可償還債項、已無力償債或已與債權人整體作出任何償債安排或債務重整協議，或已被裁定觸犯任何牽涉其品格或誠信的刑事罪行等原因；或(2)身故），則自不再為合資格人士當日起計一個月內仍可行使期權，而(i)倘該人士為本集團任何成員公司的僱員，則不再為合資格人士日期為其在本集團該成員公司的最後實際工作日（無論是否獲發薪金以代替通知金）；或(ii)倘該人士並非本集團任何成員公司的僱員，則不再為合資格人士的日期為使其成為合資格人士的關係終止當日。

Details of the share options outstanding as at 31 December 2018 which have been granted under the New Option Scheme are as follows:

已根據新期權計劃授出但於2018年12月31日尚未行使的股份期權詳情如下：

Name or category of participant	Date of grant	Exercise period	Exercise price per share option 每份股份期權行使價 HKD 港元	No. of share options held as at 01.01.2018 and 31.12.2018 於2018年1月1日及2018年12月31日 所持股份期權數目
<b>1. Directors/chief executives</b>				
<b>董事／最高行政人員</b>				
Mr. Jiang Zhong Ping 蔣中平先生	23.05.2011	23.05.2013 to 22.05.2021 23.05.2013至22.05.2021	3.60	5,000,000
	15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024	1.00	4,250,000
		15.04.2015 to 14.04.2024 15.04.2015至14.04.2024	1.00	2,125,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	2,125,000
Mr. Wang Hu <sup>(Note 1)</sup> 王虎先生 <sup>(附註1)</sup>	23.05.2011	23.05.2013 to 22.05.2021 23.05.2013至22.05.2021	3.60	1,000,000
	15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024	1.00	400,000
		15.04.2015 to 14.04.2024 15.04.2015至14.04.2024	1.00	200,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	200,000
Mr. Hao Xiemin <sup>(Note 1)</sup> 郝謝敏先生 <sup>(附註1)</sup>	15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024	1.00	50,000
		15.04.2015 to 14.04.2024 15.04.2015至14.04.2024	1.00	25,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	25,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	25,000
Mr. Yu Haizong 余海宗先生	15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024	1.00	50,000
		15.04.2015 to 14.04.2024 15.04.2015至14.04.2024	1.00	25,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	25,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	25,000
Mr. Liu Yi 劉毅先生	15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024	1.00	50,000
		15.04.2015 to 14.04.2024 15.04.2015至14.04.2024	1.00	25,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	25,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	25,000

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Name or category of participant	Date of grant	Exercise period	Exercise price per share option 每份股份期權行使價 HKD 港元	No. of share options held as at 01.01.2018 and 31.12.2018 於2018年1月1日及2018年12月31日所持股份期權數目
2. <b>Employees</b> (in aggregate) 僱員 (合計)	23.05.2011	23.05.2013 to 22.05.2021 23.05.2013至22.05.2021	3.60	4,500,000
	15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024	1.00	3,500,000
		15.04.2015 to 14.04.2024 15.04.2015至14.04.2024	1.00	1,750,000
		15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00	1,750,000
			Total 總計	27,100,000

Notes:

- As Mr. Wang Hu and Mr. Hao Xiemin were appointed as executive Directors on 1 January 2018, their share options were then reclassified from the category "Employees" to the category "Directors/chief executives" on the even date.
- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- There were no share options granted, exercised, cancelled or lapsed during the year.

Save as disclosed above, at no time during the year was the Company, its parent companies or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

附註：

- 由於王虎先生及郝謝敏先生於2018年1月1日獲委任為執行董事，其股份期權於同日由「僱員」類別重新分類為「董事／最高行政人員」類別。
- 股份期權的歸屬期為由授出日期起至行使期開始為止。
- 於年內並無股份期權獲授出、行使、註銷或失效。

除上文所披露者外，於年內任何時間，本公司、其母公司或其任何子公司或同系子公司概無訂立任何安排，以致董事可藉收購本公司或任何其他法人團體的股份或債權證而獲取利益。



## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

To the best knowledge of the Directors or chief executives of the Company, as at 31 December 2018, persons (other than the Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

### Long positions in Shares:

Name	Notes	Directly beneficially owned	Through parties acting in concert	Held in the capacity of person having a security interest in Shares	Total	Percentage of the Company's issued share capital
名稱／姓名	附註	直接實益擁有	通過一致行動人士擁有	以擁有股份抵押權益人士的身份持有	總額	佔本公司已發行股本百分比
Trisonic International 合創國際	1, 5 & 6 1、5及6	1,006,754,000	–	–	1,006,754,000	44.76%
Kingston Grand Kingston Grand	1, 2 & 5 1、2及5	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Wang Jin 王勁先生	1, 5 & 6 1、5及6	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Yang Xianlu 楊先露先生	5 5	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Wu Wendong 吳文東先生	5 5	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Li Hesheng 李和勝先生	1 & 5 1及5	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Shi Yinjun 石銀君先生	1 & 5 1及5	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Zhang Yuanguai 張遠貴先生	1 & 5 1及5	–	1,006,754,000	–	1,006,754,000	44.76%
Long Sino International Limited	2, 3 & 5	–	1,006,754,000	–	1,006,754,000	44.76%
Long Sino International Limited	2、3及5	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Zou Hua 鄒華先生	3, 4 & 5 3、4及5	–	1,006,754,000	–	1,006,754,000	44.76%

## 主要股東及其他人士於股份及相關股份的權益

就本公司董事或最高行政人員所深知，於2018年12月31日，於本公司股份或相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部的條文向本公司披露或於本公司根據證券及期貨條例第336條須存置的登記冊記錄的權益或淡倉的人士（本公司董事或最高行政人員除外）如下：

### 於股份的好倉：

# Directors' Report

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Name	Notes	Directly beneficially owned	Through parties acting in concert	Held in the capacity of person having a security interest in Shares	Total	Percentage of the Company's issued share capital
名稱／姓名	附註	直接實益擁有	通過一致行動人士擁有	以擁有股份抵押權益人士的身份持有	總額	佔本公司已發行股本百分比
Ms. Jiang Hua 姜華女士	4 & 5 4及5	–	1,006,754,000	–	1,006,754,000	44.76%
四川信托有限公司 四川信托有限公司		–	–	614,080,000	614,080,000	27.30%
Erie Investments Limited Erie Investments Limited		202,892,000	–	–	202,892,000	9.02%

Notes:

- The issued share capital of Trisonic International was owned as to 3% by Mr. Li Hesheng, 42.6% by Mr. Wang Jin, 7.2% by Mr. Shi Yinjun, 7.2% by Mr. Zhang Yuanguai and 40% by Kingston Grand.
- The issued share capital of Kingston Grand was owned as to 100% by Long Sino International Limited.
- The issued share capital of Long Sino International Limited was owned as to 100% by Mr. Zou Hua.
- Ms. Jiang Hua was the spouse of Mr. Zou Hua.
- As at 31 December 2018, 1,006,754,000 Shares were held by Trisonic International. Since Trisonic International, Kingston Grand, Messrs. Wang Jin, Yang Xianlu, Wu Wendong, Li Hesheng, Shi Yinjun and Zhang Yuanguai, Long Sino International Limited, Mr. Zou Hua and Ms. Jiang Hua were parties acting in concert, each of Kingston Grand, Messrs. Wang Jin, Yang Xianlu, Wu Wendong, Li Hesheng, Shi Yinjun and Zhang Yuanguai, Long Sino International Limited, Mr. Zou Hua and Ms. Jiang Hua was deemed to be interested in 1,006,754,000 Shares held by Trisonic International.
- Mr. Wang Jin was a director of Trisonic International.

附註：

- 合創國際的已發行股本分別由李和勝先生擁有3%、王勁先生擁有42.6%、石銀君先生擁有7.2%、張遠貴先生擁有7.2%及Kingston Grand擁有40%。
- Kingston Grand的已發行股本由Long Sino International Limited擁有100%。
- Long Sino International Limited的已發行股本由鄒華先生擁有100%。
- 姜華女士為鄒華先生的配偶。
- 於2018年12月31日，1,006,754,000股股份由合創國際持有。由於合創國際、Kingston Grand、王勁先生、楊先露先生、吳文東先生、李和勝先生、石銀君先生、張遠貴先生、Long Sino International Limited、鄒華先生及姜華女士為一致行動人士，故Kingston Grand、王勁先生、楊先露先生、吳文東先生、李和勝先生、石銀君先生、張遠貴先生、Long Sino International Limited、鄒華先生及姜華女士各自被視為在合創國際持有的1,006,754,000股股份中擁有權益。
- 王勁先生為合創國際的董事。

Save as disclosed above, as at 31 December 2018, the Company had not been notified by any persons (other than the Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## DEED OF NON-COMPETITION

In order to restrict competition activities between the Controlling Shareholders and the Company, the Controlling Shareholders entered into a deed of non-competition in favour of the Company dated 23 September 2009 (the "Non-Competition Deed").

The undertakings and covenants stipulated under the Non-Competition Deed cover any business which involves ore processing and sale of iron concentrates, iron pellets, titanium concentrates and titanium-related downstream products or any other business from time to time conducted by any member of the Group (the "Competing Business") in Hong Kong, the PRC or such other part of the world where any member of the Group carries on its business from time to time other than the mines owned or operated by Weixi Guangfa and Yanyuan Xiwei.

Pursuant to the Non-Competition Deed, the Controlling Shareholders having an opportunity to invest in, participate in, engage in, operate or manage any Competing Business (the "Business Opportunity") shall notify the Company about such Business Opportunity in writing. The Company shall have the first right of refusal under the same investment terms to such Controlling Shareholders. The Controlling Shareholders shall implement the project only if the Company has confirmed that it has no intention to invest, participate in, engage in or operate such Business Opportunity as approved by the Board.

## MANAGEMENT CONTRACTS

Other than the service contracts of the Directors, the Company has not entered into any contract with any individual, firm or body corporate to manage or administer the whole or any substantial part of any business of the Company during the year.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Except for the service contracts and share option schemes as disclosed in this annual report, there were no transactions, arrangements, or contracts of significance in relation to the business of the Group, to

除上文所披露者外，於2018年12月31日，本公司概無獲任何人士（本公司董事或最高行政人員除外）知會於本公司股份或相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部的條文向本公司披露或於本公司根據證券及期貨條例第336條須存置的登記冊記錄的權益或淡倉。

## 不競爭契約

為限制控股股東與本公司之間的競爭業務，控股股東以本公司為受益人於2009年9月23日訂立不競爭契約（「不競爭契約」）。

不競爭契約規定的承諾及契諾涵蓋涉及於香港、中國或本集團任何成員公司不時進行其業務的世界其他地方（不包括由維西廣發及鹽源西威擁有或經營的礦場）的礦石洗選以及鐵精礦、球團礦、鈦精礦及鈦相關下游產品銷售的任何業務或本集團任何成員公司不時經營的任何其他業務（「競爭業務」）。

根據不競爭契約，有機會投資於、參與、從事、經營或管理任何競爭業務（「業務機遇」）的控股股東應就有關業務機遇向本公司發出書面通知。在相同投資條款下，本公司應較該等控股股東享有優先權。控股股東僅於本公司經董事會批准後確認其無意投資於、參與、從事或經營有關業務機遇後方可實行計劃。

## 管理合約

除董事的服務合約外，本公司年內概無與任何個人、公司或法人團體訂立任何合約以管理或監管本公司任何業務的全部或任何主要部分。

## 董事於重大交易、安排或合約中的權益

除本年報所披露的服務合約及股份期權計劃外，本公司、其母公司、其子公司或同系子公司概無訂立於年結日或年內任何時間仍然有效，且對本

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### 董事會報告書

which the Company, its parent companies, its subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### CONTRACTS OF SIGNIFICANCE

No contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries subsisted at the end of the year or at any time during the year.

No contracts of significance between the Company or any of its subsidiaries and a controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries subsisted at the end of the year or at any time during the year.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors had an interest in any business constituting a competing business to the Company.

### NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

For the year ended 31 December 2018, there were no non-exempt continuing connected transactions (2017: nil).

### AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules (the "CG Code").

The primary duties of the audit committee are to review and supervise the financial reporting process and internal control procedures.

The audit committee currently comprises three independent non-executive Directors, namely Mr. Yu Haizong (Chairman), Mr. Liu Yi and Mr. Wu Wen.

During the year ended 31 December 2018, the audit committee has reviewed: (i) the audited consolidated financial statements of the Group and annual results announcement for the year ended 31 December 2017 and (ii) the consolidated financial statements of the Group and interim results announcement for the six months ended 30 June 2018.

集團業務關係而言屬重大，而董事或與董事有關連的實體於當中直接或間接擁有重大權益的任何交易、安排或合約。

### 重大合約

本公司或其任何子公司概無就本公司的控股股東（定義見上市規則）或其任何子公司所提供的服務，訂立於年結日或年內任何時間仍然有效的重大合約。

本公司或其任何子公司概無與本公司的控股股東（定義見上市規則）或其任何子公司訂立於年結日或年內任何時間仍然有效的任何重大合約。

### 董事於競爭業務的權益

年內，董事並無於構成本公司競爭業務的任何業務中擁有權益。

### 不獲豁免持續關連交易

截至2018年12月31日止年度，並無進行任何不獲豁免持續關連交易（2017年：無）。

### 審核委員會

本公司已遵照上市規則附錄十四所載的企業管治守則及企業管治報告（「企管守則」）成立審核委員會，並釐定其書面職權範圍。

審核委員會主要負責審閱和監管財務報告程序及內部監控程序。

審核委員會目前由三名獨立非執行董事余海宗先生（主席）、劉毅先生及吳文先生組成。

於截至2018年12月31日止年度，審核委員會已審閱：(i)本集團截至2017年12月31日止年度的經審核綜合財務報表及全年業績公告；及(ii)本集團截至2018年6月30日止六個月的綜合財務報表及中期業績公告。截至2018年12月31日止年度，審核

During the year ended 31 December 2018, the audit committee has reviewed the risk management and internal control systems of the Group. Details of the risk management and internal control of the Group are set out on pages 79 to 85 of this annual report.

## REMUNERATION COMMITTEE

The Company has established a remuneration committee with written terms of reference in compliance with the CG Code.

The remuneration committee currently comprises two independent non-executive Directors, namely Mr. Liu Yi (Chairman) and Mr. Yu Haizong and one executive Director, namely Mr. Jiang Zhong Ping.

## NOMINATION COMMITTEE

The Company has established a nomination committee with written terms of reference in compliance with the CG Code.

The nomination committee currently comprises one non-executive Director, namely Mr. Teh Wing Kwan (Chairman), one executive Director, namely Mr. Jiang Zhong Ping and three independent non-executive Directors, namely Mr. Yu Haizong, Mr. Liu Yi and Mr. Wu Wen.

## PRE-EMPTIVE RIGHTS

There are no provisions relating to pre-emptive rights over Shares under the Articles.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry to all the Directors, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the year ended 31 December 2018.

## CORPORATE GOVERNANCE

The Company has adopted the CG Code. Throughout the year ended 31 December 2018, the Company has complied with all applicable code provisions as set out in the CG Code except for code provisions A.4.1 and A.6.7 as described in the Corporate Governance Report.

For details of the Corporate Governance Report, please refer to pages 64 to 88 of this annual report.

委員會已對本集團的風險管理及內部監控系統進行檢討。本集團風險管理及內部監控的詳情載於本年報第79至第85頁。

## 薪酬委員會

本公司已遵照企管守則成立薪酬委員會，並釐定其書面職權範圍。

薪酬委員會現時由兩名獨立非執行董事劉毅先生（主席）及余海宗先生以及一名執行董事蔣中平先生組成。

## 提名委員會

本公司已遵照企管守則成立提名委員會，並釐定其書面職權範圍。

提名委員會現時由一名非執行董事鄭永權先生（主席）、一名執行董事蔣中平先生以及三名獨立非執行董事余海宗先生、劉毅先生及吳文先生組成。

## 優先購買權

章程細則概無有關股份優先購買權的條文。

## 證券交易的標準守則

本公司已採納標準守則，作為董事進行本公司證券交易的行為守則。於向所有董事進行具體查詢後，所有董事已確認，彼等已於截至2018年12月31日止整個年度一直遵守標準守則所載有關交易的規定標準。

## 企業管治

本公司已採納企管守則。於截至2018年12月31日止整個年度，本公司一直遵守企管守則的所有適用守則條文規定，惟企業管治報告所述的守則條文A.4.1及A.6.7除外。

有關企業管治報告的詳情，請參閱本年報第64至第88頁。

## CHANGE IN DIRECTORS AND DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION

Mr. Teh Wing Kwan ("Mr. Teh"), the non-executive chairman of the Company, ceased to be the non-independent non-executive director of Sapphire (SGX: BRD), a company listed on the main board of the SGX, with effect from 26 April 2018. Mr. Teh was appointed as the non-executive chairman of Citicode Ltd. (formerly known as Advance SCT Limited) (SGX: 5FH), a company listed on the main board of the SGX, with effect from 27 June 2018. Mr. Teh was subsequently redesignated as executive chairman and CEO of Citicode Ltd. on 24 July 2018.

Effective from 1 January 2018, (i) Mr. Hao Xiemin was appointed as an executive Director and the financial controller of the Company in place of Mr. Zheng Zhiquan; and (ii) Mr. Wang Hu was appointed as an executive Director.

Mr. Jiang Zhong Ping, an executive Director, entered into a new service contract with the Company for a term of one year commencing from 12 December 2018. Each of Mr. Hao Xiemin and Mr. Wang Hu, an executive Director, entered into a new service contract with the Company for a term of one year commencing from 1 January 2019.

Save as disclosed above, there is no change in Directors' and chief executives' information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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

Throughout the year ended 31 December 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken by the Group in the ordinary course of business are set out in note 37 to financial statements of this annual report. These related party transactions either did not constitute connected transactions/continuing connected transactions or constituted connected transactions/continuing connected transactions but were exempted from all disclosure and independent shareholders' approval requirements under the Listing Rules.

## 董事以及董事及最高行政人員資料變動

本公司非執行主席鄭永權先生(「鄭先生」)不再出任新交所主板上市公司盛世企業 (SGX: BRD)的非獨立非執行董事,由2018年4月26日起生效。鄭先生獲委任為新交所主板上市公司城式企業有限公司\*(前稱Advance SCT Limited) (SGX: 5FH)的非執行主席,由2018年6月27日起生效。鄭先生其後於2018年7月24日調任為城式企業有限公司\*執行主席兼行政總裁。

(i)郝謝敏先生獲委任為本公司執行董事兼財務總監,以接替鄭志泉先生;及(ii)王虎先生獲委任為執行董事,由2018年1月1日起生效。

執行董事蔣中平先生已與本公司訂立新服務合約,任期自2018年12月12日起計為期一年。執行董事郝謝敏先生及王虎先生已各自與本公司訂立新服務合約,任期自2019年1月1日起計為期一年。

除上文所披露者外,概無根據上市規則第13.51B(1)條須披露的董事及最高行政人員資料變動。

## 購買、出售或贖回本公司上市證券

於截至2018年12月31日止整個年度,本公司或其任何子公司概無購買、出售或贖回本公司任何上市證券。

## 關聯方交易

本集團於日常業務過程中進行的關聯方交易詳情載於本年報財務報表附註37。根據上市規則,此等關聯方交易並不構成關連交易/持續關連交易,或構成關連交易/持續關連交易但獲豁免遵守所有披露及獨立股東批准規定。

## SUFFICIENCY OF PUBLIC FLOAT

Based on the publicly available information and to the best of the Directors' knowledge, information and belief and as at the date of this annual report, the Company has maintained sufficient public float as required under the Listing Rules.

## RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

### (i) Employees

As at 31 December 2018, the Group had a total of 998 dedicated full time employees, decreased by approximately 30.4% as compared to the total dedicated full time employees as at 31 December 2017. The employee turnover rate for the year was approximately 34.5%. The total full time employees included 387 female employees and 611 male employees, of which 176 employees were aged 30 or below, 196 employees were aged between 31 and 40, 520 employees were aged between 41 and 50, and 106 employees were aged 51 or above. Management maintained good communications with the employees and encouraged feedback from them. The proper training programmes were implemented in order to promote employees' career development and progression within the Group. The Group evaluated the employees regularly, promotions and further training were provided when necessary.

### (ii) Suppliers

During the year, the Group's suppliers mainly consisted of mining contractors, transportation contractors, suppliers of production-related materials and trading companies. The Group selected the suppliers based on various criteria, including but are not limited to qualifications and reputations. The Group has established long-term relationship with the major mining contractor for more than 15 years, the transportation contractors for more than 5 years, and both the suppliers of production related materials and trading companies for more than 3 years. The Group has continued to maintain sound business relationships with major suppliers, and no incidents that will adversely affect the Group's product supply have occurred.

## 公眾持股量充足程度

根據於本年報日期的公開資料以及就董事所知、所悉及所信，本公司一直維持上市規則規定的足夠公眾持股量。

## 與僱員、供應商及客戶的關係

### (i) 僱員

於2018年12月31日，本集團共有998名全職僱員，較於2017年12月31日的全職僱員總人數減少約30.4%。本年度的僱員流失率約為34.5%。全職僱員總數包括387名女性僱員及611名男性僱員，其中176名為30歲或以下，196名介乎31至40歲，520名介乎41至50歲，106名為51歲或以上。管理層與僱員保持良好溝通，並鼓勵僱員提供意見反饋。本集團推行針對性的培訓課程，務求協助僱員在本集團發展事業及晉升。本集團定期評核僱員表現，並於有需要時提拔人才，加強培訓。

### (ii) 供應商

年內，本集團之供應商主要包括採礦承辦商、運輸承辦商、生產相關材料供應商及貿易公司。本集團基於多項準則甄選供應商，包括但不限於資格及聲譽。本集團與主要採礦承辦商、運輸承辦商以及生產相關材料供應商及貿易公司建立長期關係，分別超過15年、5年及3年。本集團一直與主要供應商維持良好的業務關係，並無發生任何對本集團的產品供應構成不利影響的事件。

### (iii) Customers

During the year, sales to the Group's five largest customers accounted for 97.9% of the total revenue. The Group maintained good relationships with the customers who required stable supply for these bulk raw materials, these customers are distributors and trading companies. The Group has established long-term relationship with the customers for 3 to 5 years. The trading of steels and coals contributed 45.4% of the total revenue of the Group.

Please refer to the financial statements of this annual report for more details of the Group's trading terms with its customers as set out in note 20.

## ENVIRONMENTAL POLICY AND PERFORMANCE

The Company has always been closely communicating with its stakeholders, actively responding to their needs, and taking those into consideration during the corporate strategy formulation and decision making process. The Company sees sustainable development as the key for a corporation to succeed and therefore, it aims to seek a win-win situation for the Group, society and the environment by balancing between the creation of economic value and the impact on the environment.

The Group strictly complies with various national environmental protection laws and regulations. It has implemented a series of measures to alleviate environmental impacts of ore mining, processing and transporting. The Group has established rules for pollutant control and waste disposal, including the proper way of handling airborne dust, waste oil, noise, mine rocks and tailings generated during ore mining and the promotion of waste recycling; the Group has also brought in new equipment to improve resource use efficiency and built tailings pond to control ecological impact and improve water resources recycling; electricity consumption has been reduced by improving the Group's facilities and technologies and increasing the proportion of new energy purchases such as hydropower, thereby controlling greenhouse gas emission; the Group supports green operations and encourages its employees to adopt environmentally friendly working habits. For further information about the Company's environmental performance during the year, please refer to the Company's separate Environmental, Social and Governance Report to be issued by the Company. The report will be available on the Hong Kong Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website after its publication.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Group and its activities are subject to requirements under various laws. In addition, the Listing Rules also apply to the Company.

### (iii) 客戶

年內，本集團五大客戶的銷售佔總收入的97.9%。本集團與需要獲散裝原料穩定供應的客戶維持良好關係，該等客戶為分銷商及貿易公司。本集團已與客戶建立3至5年長期關係。買賣鋼鐵及煤炭佔本集團總收入的45.4%。

有關本集團與客戶的貿易條款的更多詳情，請參閱本年報財務報表附註20。

## 環境政策及表現

本公司一直與利益相關方保持緊密聯繫，積極回應彼等的需求，於制定企業策略及決策過程中加以考量。本公司視可持續發展為企業成功關鍵，因此，本公司致力在創造經濟價值與環境影響之間取得平衡，為本集團、社會及環境締造三贏局面。

本集團嚴格遵守不同國家的環保法律及法規，並已採取一系列措施減輕採礦、洗選及運輸過程對環境的影響。本集團已制定污染物控制及廢物處理規則，包括以適當途徑處理礦石開採所產生的粉塵、廢油、噪音、廢石及尾礦，以及推廣廢物循環利用。本集團亦已購入新設備以提高資源使用效率、興建尾礦庫以控制對環境的影響及更有效回收水資源；通過提升本集團設備及技術減少耗電，以及增加購買水電等新能源的比例，從而控制溫室氣體排放。本集團支持綠色運作，鼓勵僱員養成環保工作習慣。有關本公司本年度環境表現的進一步資料，請參閱本公司將另行刊發的環境、社會及管治報告。該報告於刊發後將上載至香港聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))及本公司網站。

## 遵守法律及法規

本集團及其活動須受限於多項法律規定。此外，上市規則亦適用於本公司。



The relevant PRC laws which had a material implication or impact on the operation of the Group during the year include, among other things, the Work Safety Law of the PRC\*, Labour Law of the PRC\*, Environmental Protection Law of the PRC\*, Land Administration Law of the PRC\*, Environmental Impact Assessment Law of the PRC\*, Mineral Resources Law of the PRC\*, Law of the PRC on Safety in Mines\*, Law of the PRC on Water and Soil Conservation\*, Law of the PRC on Wholly Foreign-Owned Enterprises\* and Law of the PRC on Enterprise Income Tax\* and the applicable regulations, guidelines and policies issued or promulgated under or in connection with these laws.

The relevant Australian laws which had a material implication or impact on the operation of the Group include, among other things, Corporations Act (2001) and Environmental Protection and Biodiversity Act (1999) at the national level of Australia, Work Health and Safety Act (2012) and Mineral Resources Development Act (1995) in Tasmania, Occupational Health and Safety Act (2004) and Mineral Resources (Sustainable Development) Act (1990) in Victoria, Work Health and Safety Act (2011) and Mining Act (1992) in New South Wales, Work Health and Safety Act (2011) and Mineral Resources Development Act (1989) in Queensland, and Occupational Health and Safety Act (1984) and WA Mining Act (1978) in Western Australia.

The Company seeks to ensure compliance with these requirements through various measures such as internal controls, trainings and oversight of various business units at different levels of the Group. The Group highly values the importance of ensuring compliance with applicable legal and regulatory requirements.

During the year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws, rules and regulations by the Group that have significant impact on the business and operations of the Group.

## AUDITOR

The Company appointed Ernst & Young as auditor of the Company for the year ended 31 December 2018. A resolution will be proposed for approval by the Shareholders at the 2019 AGM to re-appoint Ernst & Young as auditor of the Company.

On behalf of the Board  
**Teh Wing Kwan**  
Chairman

26 March 2019

於年內對本集團的營運具有重大涵義或影響的相關中國法律其中包括中華人民共和國安全生產法、中華人民共和國勞動法、中華人民共和國環境保護法、中華人民共和國土地管理法、中華人民共和國環境影響評價法、中華人民共和國礦產資源法、中華人民共和國礦山安全法、中華人民共和國水土保持法、中華人民共和國外資企業法及中華人民共和國企業所得稅法以及根據該等法律頒佈或與該等法律有關的適用規例、指引及政策。

於年內對本集團的營運具有重大涵義或影響的相關澳洲法律其中包括澳洲全國性的公司法\* (2001年)及環境保護及生物多樣化法\* (1999年)、塔斯曼尼亞的工作健康及安全法\* (2012年)及礦物資源開發法\* (1995年)、維多利亞的職業健康及安全法\* (2004年)及礦物資源(可持續開發)法\* (1990年)、新南威爾士的工作健康及安全法\* (2011年)及採礦法\* (1992年)、昆士蘭的工作健康及安全法\* (2011年)及礦物資源開發法\* (1989年)、以及西澳的職業健康及安全法\* (1984年)及西澳採礦法\* (1978年)。

本公司力求透過內部監控、培訓及監察本集團不同層級的多個業務單位，確保符合該等規定。本集團高度重視確保符合適用法律及監管規定。

年內，就本公司所知，本集團並無嚴重違反或不符適用法律、法規及規例，以致對本集團的業務及營運構成重大影響。

## 核數師

本公司委聘安永會計師事務所出任本公司截至2018年12月31日止年度的核數師。有關重新委聘安永會計師事務所為本公司核數師的決議案將於2019年股東週年大會上提呈以取得股東批准。

代表董事會  
主席  
鄭永權

2019年3月26日

*Corporate Governance Report*  
企業管治報告



The Company has adopted the CG Code as its own code of corporate governance. The Directors consider that during the year ended 31 December 2018, the Company has complied with the code provisions under the CG Code except for code provisions A.4.1 and A.6.7.

Code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. Mr. Teh Wing Kwan, the non-executive Director, is not appointed for a specific term. This constitutes a deviation from code provision A.4.1. However, as Mr. Teh's appointment is subject to retirement by rotation and re-election by the Shareholders at the annual general meetings of the Company in accordance with the Articles, in the opinion of the Directors, this meets the objective of the CG Code.

Code provision A.6.7 of the CG Code stipulates that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of the Shareholders. Mr. Wu Wen did not attend the general meeting held on 17 May 2018 due to other business commitments.

The Directors are committed to upholding the corporate governance of the Company to ensure that formal and transparent procedures are in place to protect and maximise the interests of the Shareholders.

Set out below is the detailed discussion of the corporate governance practices adopted and observed by the Company during the year.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry to all the Directors, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code for the year ended 31 December 2018.

本公司已採納企管守則作為其本身的企業管治守則。董事認為本公司於截至2018年12月31日止年度已遵守企管守則項下的守則條文，惟下文所述的守則條文A.4.1及A.6.7除外。

企管守則的守則條文A.4.1訂明，非執行董事的委任應有指定任期，並須接受重新選舉。非執行董事鄭永權先生的委任並無指定任期。此情況構成偏離守則條文A.4.1。然而，由於按照章程細則，鄭先生的任命須輪席退任，並須於本公司的股東週年大會上接受股東重選，故董事認為此舉符合企管守則的宗旨。

企管守則的守則條文A.6.7訂明，獨立非執行董事及其他非執行董事應出席股東大會，對公司股東的意見有全面、公正的了解。吳文先生因其他事務而並無出席於2018年5月17日舉行的股東大會。

董事致力維持本公司的企業管治，確保具有正式及具透明度的程序，以保障及盡量提升股東的權益。

下文載列本公司於年內所採納及遵守的企業管治常規的詳細討論。

### 董事進行的證券交易

本公司已採納標準守則，作為董事進行本公司證券交易的行為守則。於向所有董事進行具體查詢後，所有董事已確認，彼等於截至2018年12月31日止年度一直遵守標準守則所載有關交易的規定標準。

## BOARD OF DIRECTORS

The Board currently comprises a combination of executive Directors, a non-executive Director and independent non-executive Directors. At least one of the independent non-executive Directors possesses appropriate professional qualifications (or accounting or related financial management expertise) as required by the Listing Rules. This provides a healthy professional relationship between the Board and senior management in the process of formulating business strategies for the Group. The Board is also supported by other key committees to provide independent oversight of management. These key committees are the audit committee, remuneration committee and nomination committee and are made up of the majority of independent non-executive Directors. As of the date of this annual report, the composition and committees of the Board are as follows:

### Board member 董事會成員

#### Non-executive Director 非執行董事

Mr. Teh Wing Kwan (*Chairman*)  
鄭永權先生 (主席)

#### Executive Directors 執行董事

Mr. Jiang Zhong Ping (*Chief executive officer*)  
蔣中平先生 (首席執行官)  
Mr. Hao Xiemin (*Financial controller*)  
郝謝敏先生 (財務總監)  
Mr. Wang Hu  
王虎先生

#### Independent non-executive Directors 獨立非執行董事

Mr. Yu Haizong  
余海宗先生  
Mr. Liu Yi  
劉毅先生  
Mr. Wu Wen  
吳文先生

Notes:

C: Chairman  
M: Member

## 董事會

董事會現時由執行董事、非執行董事及獨立非執行董事組成。至少一名獨立非執行董事擁有上市規則要求的適當專業資格(或會計或相關財務管理專業知識)。此有助於董事會與高級管理層制定本集團業務策略時維持良好而專業的關係。董事會亦得到其他主要委員會支持，獨立監督管理事宜。該等主要委員會為審核委員會、薪酬委員會及提名委員會，主要由獨立非執行董事組成。於本年報日期，董事會的組成及委員會如下：

	Audit committee 審核委員會	Remuneration committee 薪酬委員會	Nomination committee 提名委員會
Mr. Teh Wing Kwan (Chairman) 鄭永權先生 (主席)	—	—	C
Mr. Jiang Zhong Ping (Chief executive officer) 蔣中平先生 (首席執行官)	—	M	M
Mr. Hao Xiemin (Financial controller) 郝謝敏先生 (財務總監)	—	—	—
Mr. Wang Hu 王虎先生	—	—	—
Mr. Yu Haizong 余海宗先生	C	M	M
Mr. Liu Yi 劉毅先生	M	C	M
Mr. Wu Wen 吳文先生	M	—	M

附註：

C：主席  
M：成員

Biographical details of the above Directors are set out in the section headed "Profile of Directors and Senior Management" on pages 35 to 40 of this annual report.

Mr. Jiang Zhong Ping, an executive Director, entered into a new service contract with the Company for a term of one year commencing from 12 December 2018. Each of Mr. Hao Xiemin and Mr. Wang Hu, an executive Director, entered into a new service contract with the Company for a term of one year commencing from 1 January 2019.

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 Listing Rules. The Company considers that all of the independent non-executive Directors are independent in accordance with the guidelines set out in the Listing Rules.

The key roles of the Board are:

- to guide the overall development, corporate strategies and directions of the Group, approve the Board policies, strategies and financial objectives of the Group and monitor the performance of management;
- to ensure effective management leadership of the highest quality and integrity;
- to approve major funding proposals and investments; and
- to provide overall insight in the proper conduct of the Group's business.

上述董事的履歷詳情載於本年報第35頁至第40頁的「董事及高級管理層簡介」一節。

執行董事蔣中平先生已與本公司訂立新服務合約，任期自2018年12月12日起計為期一年。執行董事郝謝敏先生及王虎先生已各自與本公司訂立新服務合約，任期自2019年1月1日起計為期一年。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書，並根據上市規則所載指引認為全體獨立非執行董事均具獨立性。

董事會的主要職責為：

- 指導本集團的整體發展、公司策略及方向，批准董事會政策、本集團的策略及財務目標，以及監察管理層的表現；
- 確保最高質量及最有誠信的有效管理領導；
- 批准主要資金計劃及投資；及
- 就適當進行本集團業務制定整體理念。

# Corporate Governance Report

## 企業管治報告

The Board has delegated certain functions to the relevant Board committees, details of which are disclosed below. Day-to-day management of the Group's business is delegated to the management of the Company under the supervision of the executive Directors. The functions and powers that are so delegated are reviewed periodically to ensure that they remain appropriate.

During the year, the Company held four regular Board meetings for reviewing and approving the financial and operating performance and considering the overall strategies and policies of the Group. Sufficient notice convening the Board meeting was dispatched to the Directors setting out the matters to be discussed. All the Directors were given an opportunity to include matters in the agenda for the Board meeting and had access to the company secretary of the Company (the "Company Secretary") to ensure that all board procedures and all applicable rules and regulations were followed. The Board also enabled the Directors to seek independent professional advice at the Company's expense in appropriate circumstances. At the meetings, the Directors were provided with the relevant documents to be discussed and approved. The Company Secretary was responsible for keeping minutes for the Board meetings.

During the year, the Company held one general meeting on 17 May 2018. The following is the attendance record of the meetings held by the Board, audit committee, remuneration committee, nomination committee and the Shareholders for the year ended 31 December 2018:

董事會已轉授部分職能予相關董事委員會，詳情於下文披露。本集團業務的日常管理已轉授予本公司管理層，並受執行董事監督。由此轉授的職能及權力會接受定期檢討以確保其保持適當合宜。

年內，本公司曾舉行四次例行董事會會議，以檢討及批准財務及營運表現，以及考慮本集團整體策略及政策。本公司已向董事寄發召開董事會會議的充分通知，列明會上擬討論的事項。各董事均可提出事項加入董事會會議議程，並可與本公司的公司秘書（「公司秘書」）聯絡，以確保全部董事會程序及全部適用規章制度均獲遵守。董事會亦讓董事可在適當情況下尋求獨立專業意見，費用概由本公司承擔。董事於會議上獲提供擬討論及批准的有關文件。公司秘書負責為董事會會議備存會議記錄。

年內，本公司於2018年5月17日舉行一次股東大會。董事會、審核委員會、薪酬委員會、提名委員會及股東於截至2018年12月31日止年度舉行的會議的出席記錄如下：

Name of Director 董事姓名	Number of meeting(s) attended/Number of meeting(s) held 出席會議次數/舉行會議次數				
	Board meeting 董事會會議	Audit committee meeting 審核委員會會議	Remuneration committee meeting 薪酬委員會會議	Nomination committee meeting 提名委員會會議	General meeting 股東大會
Mr. Teh Wing Kwan 鄭永權先生	4/4	-	-	2/2	1/1
Mr. Jiang Zhong Ping 蔣中平先生	4/4	-	2/2	2/2	1/1
Mr. Hao Xiemin 郝謝敏先生	4/4	-	-	-	0/1
Mr. Wang Hu 王虎先生	4/4	-	-	-	1/1
Mr. Yu Haizong 余海宗先生	4/4	2/2	2/2	2/2	1/1
Mr. Liu Yi 劉毅先生	4/4	2/2	2/2	2/2	1/1
Mr. Wu Wen 吳文先生	4/4	2/2	-	2/2	0/1

## DIRECTORS' TRAINING

According to the code provision A.6.5 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contributions to the board remain informed and relevant.

All the Directors have been provided with training on their duties and responsibilities as a director of a listed company and the compliance issues under the Listing Rules. The Company continuously updates the Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure their compliance and enhance their awareness of good corporate governance practices.

All the Directors had provided the Company with their respective training records pursuant to the CG Code. During the year, all the Directors have participated in appropriate continuous professional development by ways of attending training or reading materials relevant to the Group's business or to Directors' duties and responsibilities.

The individual training record of each Director during the year ended 31 December 2018 is set out below:-

## 董事培訓

根據企管守則的守則條文A.6.5，全體董事應參與一項發展及更新其知識及技能的持續專業發展課程，以確保彼等對董事會的貢獻仍屬知情及相關。

全體董事已獲提供有關其作為上市公司董事的職務及職責以及上市規則合規事宜的培訓。本公司持續向董事提供有關上市規則及其他適用監管規定的最新發展，以確保董事遵守該等規則及提高彼等對良好企業管治常規的認識。

董事已根據企管守則向本公司提供彼等各自的培訓記錄。年內，全體董事均透過出席培訓或閱覽與本集團業務或董事職責及責任有關的資料，參與適當的持續專業發展。

於截至2018年12月31日止年度，各董事的個人培訓記錄載列如下：

	<b>Training received 已接受培訓</b>
<b>Non-executive Director</b> <b>非執行董事</b>	
Mr. Teh Wing Kwan ( <i>Chairman</i> ) 鄭永權先生 (主席)	(1) and (2) (1)及(2)
<b>Executive Directors</b> <b>執行董事</b>	
Mr. Jiang Zhong Ping ( <i>Chief executive officer</i> ) 蔣中平先生 (首席執行官)	(1) and (2) (1)及(2)
Mr. Hao Xiemin ( <i>Financial controller</i> ) 郝謝敏先生 (財務總監)	(1) and (2) (1)及(2)
Mr. Wang Hu 王虎先生	(1) and (2) (1)及(2)
<b>Independent Non-executive Directors</b> <b>獨立非執行董事</b>	
Mr. Yu Haizong 余海宗先生	(1) and (2) (1)及(2)
Mr. Liu Yi 劉毅先生	(1) and (2) (1)及(2)
Mr. Wu Wen 吳文先生	(1) and (2) (1)及(2)

Notes:

- (1) Reading relevant materials and updates relating to the Listing Rules and other applicable regulatory requirements and matters of relevance to the Directors in the discharge of their duties; and
- (2) Reading news, journals, magazines and/or other reading materials regarding legal and regulatory changes and matters of relevance to the Directors in the discharge of their duties.

## CHAIRMAN AND CHIEF EXECUTIVE

The roles of the Company's chairman and the chief executive are segregated. Mr. Teh Wing Kwan is the chairman of the Board who is chiefly responsible for managing the Board and acting in the best interest of the Group and the Shareholders, while Mr. Jiang Zhong Ping is the chief executive officer of the Company who takes charge of the supervision of the execution of the policies determined by the Board.

The chairman chairs the Board meetings and briefs the Board members on the issues discussed at the Board meetings. The chairman also ensures that the Board members work together with the management with the capability and authority to engage management in constructive views on various matters, including strategic issues and business planning processes.

## APPOINTMENT AND RE-ELECTION OF THE DIRECTORS

According to the Articles, at each annual general meeting, one-third of the Directors are subject to retirement by rotation or, if the number is not a multiple of three, then the number nearest to but not less than one-third shall retire from the office and shall be eligible for re-election. The Directors to be retired by rotation shall be those who have been longest in office since their last appointment or re-election. Every Director shall be subject to retirement at an annual general meeting at least once every three years. Any other appointment, resignation, removal or re-designation of Director will be timely disclosed to the Shareholders by announcement and shall include in such announcement, the reasons given by the Director for his resignation.

The Board selects and recommends candidates for directorship with regard to the balance of skills and experience appropriate to the Group's business.

附註：

- (1) 閱覽與董事履行其職責相關的上市規則以及其他適用監管規定及事宜的材料及最新資料；及
- (2) 閱覽與董事履行其職責相關並涉及法律及監管變動及事宜的新聞、期刊、雜誌及／或其他閱讀材料。

## 主席及首席執行官

本公司的主席及首席執行官角色有所區分。鄭永權先生為董事會主席，主要負責管理董事會及以本集團及股東的最佳利益為依歸行事；蔣中平先生為本公司首席執行官，負責監督董事會所訂政策的執行情況。

主席主持董事會會議，並就董事會會議討論事項向董事會成員作出簡報。主席亦確保董事會成員與具有能力及授權的管理層協作，以令管理層就各事項（包括策略議題及業務規劃程序）發表具建設性的意見。

## 委任及重選董事

根據章程細則，於各股東週年大會上，三分之一的董事（或倘董事人數並非三的倍數，則為最接近但不少於三分之一的人數）須輪席退任，並符合資格接受重選。輪席退任董事為自上次委任或重選以來任職時間最長的董事。各董事須最少每三年於股東週年大會上退任。本公司將於適當時間以公告向股東披露任何其他董事的委任、辭任、免職或調動，該公告將包括董事辭任的理由。

董事會於衡量董事候選人是否具備本集團業務所需技能及經驗後，挑選及推薦董事候選人。



## AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the CG Code. The audit committee currently comprises three independent non-executive Directors, Mr. Yu Haizong (Chairman), Mr. Liu Yi and Mr. Wu Wen.

The audit committee's main functions are:

- to be responsible for the relationship with the Company's external auditor, including making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards and to develop and implement policy on the engaging of an external auditor to supply non-audit services;
- to monitor the integrity of the financial statements and annual/interim reports and quarterly reports (if prepared for publication) and to review significant financial reporting judgments contained in them; and
- to oversee the Group's financial reporting system, risk management and internal control systems.

## 審核委員會

本公司已遵照企管守則成立審核委員會，並釐定其書面職權範圍。審核委員會現時由三名獨立非執行董事余海宗先生（主席）劉毅先生及吳文先生組成。

審核委員會的主要職能為：

- 負責與本公司外部核數師的關係，包括就外部核數師的委任、重新委任及罷免向董事會提供建議、批准外部核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；
- 按適用的標準檢討及監察外部核數師是否獨立客觀及核數程序是否有效，及就聘用外部核數師提供非核數服務制定及執行政策；
- 監察財務報表以及年度／中期報告及季度報告（如有編製刊發）的完整性，及審閱當中所載有關財務申報的重大判斷；及
- 監管本集團的財務申報制度、風險管理及內部監控系統。

## Corporate Governance Report 企業管治報告

During the year, the audit committee held two meetings and performed the following major tasks:

- reviewed the audited consolidated financial statements of the Group and annual results announcement for the year ended 31 December 2017, and reviewed the consolidated financial statements of the Group and interim results announcement for the six months ended 30 June 2018;
- reviewed the changes in accounting standards and assessed their potential impacts on the financial statements;
- reviewed the Company's external auditor's qualifications, independence and performance;
- reviewed the Company's external auditor's statutory audit plan, audit scope and engagement letters; and
- assisted the Board to evaluate on the adequacy and effectiveness of risk management and internal control systems of the Group and financial reporting procedures.

The Group has established an independent internal audit function directly reporting to the audit committee. The internal audit personnel will attend the audit committee meetings and report on internal audit matters annually. If there is any material internal control defect, the internal audit personnel directly reports to the audit committee without limitation. The audit committee assists the Board in monitoring the risk exposures, design and operating effectiveness of the relevant risk management and internal control systems. The audit committee will report to the Board after properly reviewing the effectiveness of the Group's risk management and internal control systems.

During the year ended 31 December 2018, the audit committee has reviewed the risk management and internal control systems and the effectiveness of the Company's internal audit function. Details of the risk management and internal control of the Group are set out on pages 79 to 85 of this report.

年內，審核委員會舉行兩次會議，並曾進行下列主要工作：

- 審閱截至2017年12月31日止年度的本集團經審核綜合財務報表及全年業績公告，並審閱截至2018年6月30日止六個月的本集團綜合財務報表及中期業績公告；
- 審閱會計準則的變動及評估該等準則對財務報表的潛在影響；
- 審閱本公司外部核數師的資格、獨立性及表現；
- 審閱本公司外部核數師的法定審核計劃、審核範圍及委聘書；及
- 協助董事會評價本集團風險管理及內部監控系統以及財務申報制度是否充足有效

本集團已設立獨立的內部核數職能，直接向審核委員會報告。內部核數人員將每年出席審核委員會會議，報告內部核數事宜。如發現任何重大內部監控缺陷，內部核數人員可不受限制地直接向審核委員會報告。審核委員會協助董事會監察風險、相關風險管理及內部監控系統的設計及運作效能。審核委員會則於詳細檢討本集團風險管理及內部監控系統的效能後，向董事會提交報告。

於截至2018年12月31日止年度，審核委員會已審閱風險管理及內部監控系統以及本公司內部審核職能的成效。本集團風險管理及內部監控的詳情載於本報告第79至第85頁。

## REMUNERATION COMMITTEE

The Company has established a remuneration committee with written terms of reference in compliance with CG Code. The remuneration committee currently comprises two independent non-executive Directors, namely Mr. Liu Yi (Chairman) and Mr. Yu Haizong and one executive Director, namely Mr. Jiang Zhong Ping.

The remuneration committee's main functions are:

- to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- to review and approve performance-based remuneration with reference to corporate goals and objectives resolved by the Board from time to time;
- to determine, with delegated responsibilities, the remuneration packages of individual executive Directors or senior management, which should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- to consider the granting of share options to Directors, chief executives, substantial Shareholders or employees of any member of the Group and any person who has contributed or will contribute to the development and growth of the Group pursuant to the share option schemes adopted by the Company;
- to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- to review and approve the interim reports, annual reports, announcements and circulars or any publication of the Company regarding information on the remuneration and service contracts of the Directors prior to approval by the Board.

During the year, the remuneration committee held two meetings, at which the members of the remuneration committee reviewed the remuneration packages of the Directors.

## 薪酬委員會

本公司已遵照企管守則成立薪酬委員會，並釐定其書面職權範圍。薪酬委員會現時由兩名獨立非執行董事劉毅先生（主席）及余海宗先生以及一名執行董事蔣中平先生組成。

薪酬委員會的主要職能為：

- 就關於所有董事及高級管理人員薪酬的本公司政策及架構，以及關於建立制訂薪酬政策的正式及透明程序向董事會提出推薦建議；
- 參考董事會不時議決的公司目標及宗旨，檢討及批准與表現掛鈎的薪酬；
- 獲轉授責任釐定個別執行董事或高級管理層成員的薪酬，包括實物福利、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償）；
- 考慮根據本公司採納的股份期權計劃向本集團任何成員公司的董事、最高行政人員、主要股東或僱員及已經或將會為本集團的發展及增長作出貢獻的任何人士授予股份期權；
- 確保董事或其任何聯繫人不會參與釐定其本身薪酬；及
- 在獲得董事會批准前審閱及批准中期報告、年度報告、公告及通函或本公司刊發有關董事薪酬及服務合約的資料。

年內，薪酬委員會舉行兩次會議，薪酬委員會成員於會上檢討董事的薪酬待遇。

# Corporate Governance Report

## 企業管治報告

The remuneration paid/payable to senior management (comprising Directors) for the year ended 31 December 2018 by band is set out below:

於截至2018年12月31日止年度，已付／應付高級管理人員（包括董事）的薪酬範圍載列如下：

Name of Director 董事姓名	Remuneration band 薪酬範圍 RMB 人民幣	Director's fee 董事袍金 %	Salaries, allowances and benefits in kind 薪金、津貼及實物福利 %	Share options 股份期權 %	Pension scheme contributions 退休金計劃供款 %	Total 合計 %
<b>Chairman and non-executive Director</b> 主席兼非執行董事						
Mr. Teh Wing Kwan 鄭永權先生	< 1 <sup>#</sup>	100	-	-	-	100
<b>Executive Directors</b> 執行董事						
Mr. Jiang Zhong Ping 蔣中平先生	200,000 – 300,000	53.0	41.3	-	5.7	100
Mr. Hao Xiemin 郝謝敏先生	200,000 – 300,000	51.7	42.8	-	5.5	100
Mr. Wang Hu 王虎先生	200,000 – 300,000	51.7	42.8	-	5.5	100
<b>Independent non-executive Directors</b> 獨立非執行董事						
Mr. Yu Haizong 余海宗先生	100,000 – 200,000	100	-	-	-	100
Mr. Liu Yi 劉毅先生	100,000 – 200,000	100	-	-	-	100
Mr. Wu Wen 吳文先生	100,000 – 200,000	100	-	-	-	100

<sup>#</sup> Mr. Teh has voluntarily accepted a nominal Director's fee of HKD1 per annum as the chairman of the Board and the non-executive Director.

<sup>#</sup> 鄭先生自願就擔任董事會主席及非執行董事接受名義董事袍金每年1港元。

## NOMINATION COMMITTEE

The Company has established a nomination committee with written terms of reference in compliance with the CG Code. The nomination committee currently comprises the non-executive Director, Mr. Teh Wing Kwan (Chairman), one executive Director, namely Mr. Jiang Zhong Ping, and three independent non-executive Directors, namely Mr. Yu Haizong, Mr. Liu Yi and Mr. Wu Wen.

The nomination committee's main functions are:

- to review the structure, size, composition (including the skills, knowledge and experience) and diversity (including but not limited to gender, age, cultural and educational background, ethnicity, skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nomination for directorships with due regard to the nomination policy ("Nomination Policy") and the board diversity policy ("Board Diversity Policy") of the Company and other factors which are relevant to the Company;
- to develop and formulate the Nomination Policy and the Board Diversity Policy for the Board's consideration and approval;
- to discuss any revisions to the Nomination Policy and the Board Diversity Policy that may be required, and recommend such revisions to the Board for the Board's consideration and approval;
- to review, implement and monitor, as appropriate, the Nomination Policy and the Board Diversity Policy;
- to review measurable objectives that the Board has set for implementing any of the Nomination Policy and the Board Diversity Policy, and monitor the progress on achieving such objectives;
- to assess the independence of independent non-executive Directors with reference to, inter alia, the factors set out in the Listing Rules and any other factors deemed appropriate by the nomination committee or the Board and assess their ability to devote sufficient time to the Board and Board committees;
- to make recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for the Directors, in particular the chairman and chief executive;

## 提名委員會

本公司已遵照企管守則成立提名委員會，並釐定其書面職權範圍。提名委員會現由一名非執行董事鄭永權先生（主席）、一名執行董事蔣中平先生以及三名獨立非執行董事余海宗先生、劉毅先生及吳文先生組成。

提名委員會的主要職能為：

- 每年最少對董事會的架構、人數、組成（包括技能、知識及經驗）及多元化（包括但不限於性別、年齡、文化及教育背景、種族、技能、知識及經驗方面）進行一次審閱，並就董事會的任何建議變動提出推薦建議，為本公司的公司策略提供輔助；
- 於審慎考慮本公司的提名政策及董事會多元化政策以及與本公司相關的其他因素後，物色具合適資格成為董事會成員的人選，以及對獲提名出任董事的人士進行挑選或就此向董事會提供推薦建議；
- 草擬及制訂提名政策及董事會多元化政策以供董事會考慮及批准；
- 討論提名政策及董事會多元化政策需作出的修訂，並向董事會提出修訂建議，以供董事會考慮及批准；
- 檢討、執行及監察（如適用）提名政策及董事會多元化政策；
- 檢討董事會為執行提名政策及董事會多元化政策而定的可計量目標，並監督達標進度；
- 參考（其中包括）上市規則所載的因素及提名委員會或董事會視為合適的任何其他因素，評估獨立非執行董事的獨立性及彼等投放足夠時間於董事會及董事委員會的能力；
- 就董事的委任或重新委任，以及董事（特別是主席及最高行政人員）的繼任計劃，向董事會提供推薦建議；

## Corporate Governance Report 企業管治報告

- to develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship; and
- to keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the market place.

The Board Diversity Policy is concerned with a view to achieving a sustainable and balanced development and increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Board Diversity Policy has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All the Board appointments will be based on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

During the year, the nomination committee held two meetings, at which the members of the nomination committee:

- reviewed the structure, size, composition and diversity of the Directors;
- assessed the skills, knowledge and experience of the new Directors;
- evaluated the performance and contribution of the retiring Directors;
- assessed the independence of the retiring Directors; and
- made recommendation to the Board for the adoption of the revised terms of reference of the nomination committee (including the Nomination Policy) in compliance with the CG Code, effective from 1 January 2019. The Nomination Policy is concerned with the nomination criteria and nomination procedures for the selection and recommendation of candidates for directorship.

- 制訂物色及評估董事人選的資格及評核人選的條件；及
- 持續檢討組織的領導需要（包括執行及非執行），以確保組織在市場上持續有效競爭的能力。

董事會多元化政策視董事會達致可持續均衡發展及日益多元化，為支持本公司達成策略目標及可持續發展的要素。董事會多元化政策已考慮多個方面，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。董事會所有委任均以用人唯才為原則，而在考慮人選時均以客觀條件充分顧及董事會成員多元化的裨益。

於年內，提名委員會舉行兩次會議，提名委員會成員曾於會上：

- 檢討董事的人數、大小、成員及多元性；
- 評核新任董事的技能、知識及經驗；
- 評估退任董事的表現及貢獻；
- 評核退任董事的獨立性；及
- 就遵照企管守則採納由2019年1月1日起生效的提名委員會經修訂職權範圍（包括提名政策）向董事會提供推薦建議。提名政策涉及甄選及推薦董事候選人的提名條件及提名程序。

## CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing the duties on corporate governance function as set out below:

- to develop and review the Company's policies and practices on corporate governance and make recommendations;
- to review and monitor the training and continuous professional development of the Directors and senior management;
- to review and monitor the Company's policies and practices on compliance and legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and the Directors; and
- to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

During the year, the Board held four meetings, at which the Board reviewed the Company's policies and practices on corporate governance and legal and regulatory compliance, training and continuous professional development of the Directors, as well as the Company's compliance with the CG Code.

## AUDITOR'S REMUNERATION

For the year ended 31 December 2018, the remuneration paid/payable (excluding out-of-pocket expenses and value added tax) by the Group to the Company's external auditor, Ernst & Young, is set out below:

		RMB'000 人民幣千元
Assurance services:	核證服務:	
– Continuing Operations	– 持續經營業務	1,050
– Discontinued Operations	– 已終止經營業務	3,580
Advisory services:	顧問服務:	
– Environmental, social and governance	– 環境、社會及管治	270
– Risk management and internal control	– 風險管理及內部監控	150
– Others	– 其他	22
Total	合計	<u>5,072</u>

## 企業管治職能

董事會負責履行下列企業管治職能的責任：

- 制訂及檢討本公司的企業管治政策及常規，並作出推薦建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 檢討及監察本公司有關遵例以及法定及監管規定的政策及常規；
- 制訂、檢討及監察適用於僱員及董事的操守守則及遵例手冊（如有）；及
- 檢討本公司有否遵守企管守則及企業管治報告的披露規定。

年內，董事會曾舉行四次會議，董事會於會上審閱本公司有關企業管治及遵守法律和監管規例、董事培訓和持續專業發展以及本公司遵守企管守則的政策及慣例。

## 核數師酬金

截至2018年12月31日止年度，本集團已付／應付本公司外部核數師安永會計師事務所的酬金（不包括代付開支及增值稅）載列如下：

## DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND GOING CONCERN STATEMENT

The Directors acknowledge their responsibilities for preparing the financial statements for each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. The Company deploys appropriate and sufficient resources to prepare audited accounts. Senior management is required to present and explain the financial reporting and matters that materially affect or may have material impact on the financial performance and operations of the Group to the audit committee and the Board and respond to the queries and concerns raised by the audit committee and the Board to their satisfaction. The consolidated financial statements have been prepared in accordance with the IFRSs and the disclosure requirements of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

As at 31 December 2018, the Group's financial position has been continuously affected by a combination of factors, such as weak market demand and selling price for low-grade iron products, low plants' utilisation rates, escalated costs for operations including regulatory and environmental compliance costs, etc. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. As guided in the section headed "Market and Strategy Overview" under "Management Discussion and Analysis" which can be found in 2018 interim report, the Group has segregated its mines operations by (i) grades and (ii) geographic locations to facilitate strategic reviews, resources allocation and operational management with a key objective to potentially expand production capacity for the mines in the northern region of Sichuan as its core mining assets while minimise future impairment losses for those mines located mainly in the southern region of Sichuan. Subsequent to various rounds of assessments and careful consideration, the Group has had on 29 January 2019 entered into the SPA to dispose of the Disposal Group which mainly produce and sell low-grade iron concentrates. The proposed Disposal, upon completion, is expected to result in positive financial effects on profit, net assets, cash flows and gearing ratio of the Remaining Group. In preparing the consolidated financial

## 董事及核數師就財務報表應負的責任及持續經營聲明

董事確認彼等有責任編製各財政期間的財務報表，以真實及公平反映本集團狀況及於該期間的業績及現金流量。本公司調配合適及足夠的資源編製經審核賬目。高級管理層須向審核委員會及董事會呈報及闡釋對本集團財務表現及營運有或可能有重大影響的財務申報及事宜，並就審核委員會及董事會提出的查詢及關注作出令彼等信納的回應。綜合財務報表乃根據國際財務報告準則及香港法例第622章《公司條例》的披露規定編製。

於2018年12月31日，本集團的財務狀況持續受到多項因素綜合造成的影響，如低品位鐵產品的市場需求及售價疲弱、廠房利用率低、經營成本上升（包括監管及環境合規成本）等。此等情況顯示有重大不明朗因素可能會嚴重影響本集團持續經營的能力。誠如2018年中期報告「管理層討論及分析」內「市場及策略概覽」一節所示，本集團已按(i)品位及(ii)地理位置拆分其礦場的業務運作，以便進行策略性檢討、資源分配及營運管理，主要目的為開發四川北部地區礦場的潛在產能，將之拓展為其核心開採資產，同時盡可能降低以四川南部地區為主的礦場日後的減值虧損。經多輪評估及審慎考慮後，本集團於2019年1月29日訂立買賣協議，出售主要生產及出售低品位鐵精礦的出售集團。預期建議出售事項於完成後將為保留集團的利潤、資產淨值、現金流量及借貸比率帶來正面財務影響。於編製截至2018年12月31日止年度的綜合財務報表時，董事已評估本集團的持續經營狀況。按本年報財務報表附註2.1所披露，考慮到本集團已執行或正在執行的措施，董事認為本集團將具備足夠的營運資金以撥付其經



statements for the year ended 31 December 2018, the Directors have assessed the going concern status of the Group. As disclosed in note 2.1 to financial statements of this annual report, taking into account the measures the Group implemented or is in the process of implementing, the Directors consider that the Group will have sufficient working capital to finance its operations and to pay its financial obligations as and when they fall due. Accordingly, the consolidated financial statements for the year ended 31 December 2018 have been prepared on a going concern basis.

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the risk management and internal control systems of the Group and reviewing their effectiveness. The audit committee assists the Board in monitoring the risk exposures, design and operating effectiveness of the relevant risk management and internal control systems. The audit committee will report to the Board after properly reviewing the effectiveness of the Group's risk management and internal control systems.

The Group established an independent internal audit function directly reporting to the audit committee. The internal audit personnel will attend the audit committee meetings and report on internal audit matters annually. If there is any material internal control defect, the internal audit personnel directly reports to the audit committee without limitation. Meanwhile, the Group appointed an international advisory firm as an external advisor in November 2018 to provide internal control services under a three-year rotation plan based on a risk-based methodology.

Under the supervision of the Board, the management of the Group is responsible for designing and implementing the Group's risk management and internal control systems. The Group has set up three lines of defense for risk management. As the first line of defense, the business units (e.g., sales department and production department) are responsible for identifying and assessing business risks and developing risk mitigation measures. As the second line of defense, the functional departments (e.g., compliance department and finance department) are responsible for assisting the business units to improve the risk management and monitoring the effectiveness of risk management. As the third line of defense, the internal audit function assists the Board and the audit committee to review the effectiveness of the Group's risk management and internal control systems.

營所需及支付其到期財務責任。因此，截至2018年12月31日止年度的綜合財務報表按持續經營基準編製。

## 風險管理及內部監控

董事會負責監督本集團的風險管理及內部監控系統，並檢討其效能。審核委員會協助董事會監察風險、相關風險管理及內部監控系統的設計及運作效能。審核委員會於詳細檢討本集團風險管理及內部監控系統的效能後，向董事會提交報告。

本集團已設立獨立的內部核數職能，直接向審核委員會報告。內部核數人員將每年出席審核委員會會議，報告內部核數事宜。如發現任何重大內部監控缺陷，內部核數人員可不受限制地直接向審核委員會報告。與此同時，本集團已於2018年11月委任一間國際顧問公司為本集團的外部顧問，以根據風險法及為期三年的循環審核計劃提供內部監控服務。

在董事會的監督下，本集團管理層負責設計及實行本集團的風險管理及內部監控系統。本集團為風險管理制定三條防線。第一條防線為業務單位（即銷售部門及生產部門），負責識別及評估業務風險，並設定減低風險措施；第二條防線為職能部門（即合規部門及財務部門），負責協助業務單位改善風險管理，監察風險管理成效；而第三條防線為內部核數功能，協助董事會及審核委員會檢討本集團風險管理及內部監控系統的成效。

## Corporate Governance Report 企業管治報告

As and when required during the year, the management convened meetings which were chaired by the senior management with attendants including managers from subsidiaries and department heads from the headquarters. The Group's decisions on operations, implementation of investment projects, financial issues, and the updates on risk management and internal control were considered and determined in these meetings. The management convened annual and interim work meetings in order to assign and review works on a yearly basis and half yearly basis, respectively. The meetings have facilitated the organisation, co-ordination, communication and supervision on the commencement and implementation of the Group's various operations, as well as the risk management and internal control systems.

The Group acknowledges its responsibilities under the SFO and the Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information include:

- the Company has established a sensitive information disclosure policy, which specified the information disclosure process, the confidentiality requirements of the undisclosed sensitive information, the confidentiality obligations of the employees of the Group, etc;
- the access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality;
- confidentiality agreements are in place when the Group enters into significant negotiations;
- the executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors;

年內如有需要，管理層會召開由高級管理人員出任主席的大會，與會者包括子公司的經理及總部的部門主管。本集團的營運決策、投資項目的實行、財務事宜以及風險管理及內部監控的最新情況，均於該等會議上省覽及決定。管理層召開年度及中期工作會議，以每年及每半年指派及檢討各項工作。該等會議有助組織、協調、聯繫及監督本集團不同業務以及風險管理及內部監控系統的開展及推行。

本集團知悉其根據證券及期貨條例、上市規則及凌駕性原則，有責任於內幕消息成為決策事項時應即時公佈。處理及發佈內幕消息的程序及內部監控包括：

- 本公司已制定敏感資料披露政策，訂明資料披露過程、不披露敏感資料的保密規定、本集團僱員的保密義務等；
- 資料按必要基準僅限於有限數目的僱員接觸。管有內幕消息的僱員全面瞭解彼等的保密義務；
- 本集團於進行重大磋商時會訂立保密協議；
- 於與媒體、分析師或投資者等外部人士聯繫時，執行董事獲指派為代表本公司的發言人；

- the service contracts of the Directors, senior management and the employees of the Group specify the confidentiality clauses; and
- the legal advisors of the Company regularly provide relevant training to the Board and senior management.

## Risk Management

The Board has established an enterprise risk management mechanism according to the Committee of Sponsoring Organizations of the Treadway Commission's Enterprise Risk Management Framework. The Board has established risk management policies and measures on the procedures of risk identification, evaluation, reporting and mitigation. The risk management mechanism covers the whole Group's various risks in the business operations and management. The functional department of risk management is the compliance department of the Group, which reports to the audit committee and is responsible for the establishment and operations of the risk management system and co-ordination of risk management, supervision and evaluation of the risk management, as well as providing advice for material risk decisions.

The compliance department of the Group periodically collected risk information and conducted risk evaluation through questionnaires, workshops, management meetings, etc., which were reported to senior management in a timely manner. In 2018, based on the Group's production and business conditions, the compliance department of the Group summarised a total of 75 risk factors, categorised as strategic risk, operational risk, compliance risk and financial risk. The management scored the risk factors based on their understanding, production and operation experiences and determined the risk mitigation and internal control measures to address the risks. The identified top five risks and the related risk response measures were as below:

- market conditions of iron ore industry are highly related to the macroeconomic condition, which will affect the Group's revenue. China is undergoing a major supply-side structural reform. The issues of overcapacity in the steel industry remain a serious concern and there is also limited opportunity to export excess steel when global investments are subdued and anti-dumping measures are already in place. In face of the unfavourable operating environment, the Group has streamlined its operations amidst challenging and highly volatile business conditions. As part of the Group's diversification plans, the

- 董事、本集團高級管理人員及僱員的服務合約訂有保密條文；及
- 本公司的法律顧問定期向董事會及高級管理人員提供相關培訓。

## 風險管理

董事會已按照Committee of Sponsoring Organizations of the Treadway Commission的企業風險管理框架設立企業風險管理機制。董事會已就風險識別、評估、匯報及控制程序制定風險管理政策及措施。風險管理機制涵蓋本集團旗下所有業務的各種經營及管理風險。風險管理的職能部門乃本集團的合規部門，向審核委員會匯報，負責風險管理系統的制訂及運作，並協調、監督及評價風險管理，以及提供有關重大風險決定的專業意見。

本集團的合規部門定期蒐集風險資訊，透過問卷、專題討論、管理層會議等進行風險評估，並適時向高級管理層匯報。於2018年，本集團的合規部門基於本集團的生產及業務狀況，概括出共75項風險因素，分類為策略風險、營運風險、合規風險及財務風險。管理層根據其認知、生產及營運經驗，對內使用因素作出評分，決定減輕風險及內部監控措施，處理有關風險。已識別的五大風險及相關風險回應措施如下：

- 鐵礦石行業的市況與宏觀經濟狀況息息相關，將會影響本集團收入。中國正經歷重大供給側結構性改革，鋼鐵行業產能過剩問題仍然嚴峻，而全球投資意欲不振，反傾銷措施湧現，亦窒礙將過剩鋼鐵出口的機會。面對不利的營商環境，本集團在荊棘滿途的市況下精簡業務。作為多元化計劃的其中一環，管理層自2016年起開展鋼鐵及煤炭買賣，擴大收入來源。在中國政府的環境措施的影響下，與低品位鐵礦石

management has commenced trading of steels and coals which helped to expand revenue stream since 2016. As a result of the Chinese government's environmental measures, market demand and market price for high-grade iron ore which produces less pollutant during the steel production process have increased, in contrast to low-grade iron ore. The Group has planned to expand the production of high-grade iron ore in North Sichuan and lower the potential impairment loss of low-grade iron ore in South Sichuan;

- timely collection of trade receivables is important to the Group's cash flow. Lack of proper credit management may lead to high risk sales, while excessive trade receivables' balance will affect the Group's financial performance. In 2018, the management has strengthened the review and approval on the sales contracts and sales orders; meanwhile, the sales and finance departments have conducted periodical evaluation on the collection of trade receivables and contractual performance of major customers, and followed up on the overdue trade receivables;
- raising funds to ensure the virtuous cycle of working capital is vital. Given the moderating economic growth in China and soaring debts at the macro level, many banks and financial institutions in China, to a larger extent, have tightened their lending policies and adopted more prudent measures in approving and renewing loans. As the Group's business falls under the categories which have been extensively affected by the conservative banking approaches, the Group is well aware of the difficulties and uncertainties in obtaining long-term banking facilities and potentially, at higher funding costs. For the best interests of the Group, the management discussed and negotiated with the banks for the interest rates and the expiry dates upon the renewal of the bank loans. Meanwhile, to actively implement the budget management, the Group held regular monthly meetings to analyse the budget implementation and the following month's budget plan to ensure efficient and rational use of funds;

相反的是，煉鐵過程中產生較少污染物的  
高品位鐵礦石的市場需求和市場價格均有所增長。本集團已經計劃擴大四川北部地區高品位鐵礦石的生產，同時降低四川南部地區低品位鐵礦石的潛在減值虧損；

- 及時收取應收賬款對本集團的現金流十分重要。信貸管理欠佳可能導致銷售風險增加，而應收賬款結餘過高將影響本集團的財務表現。於2018年，管理層已加強審批銷售合約及銷售訂單，銷售及財務部門亦同時定期檢討收取應收賬款及主要客戶履行合約的情況，針對逾期應收賬款發起催收；
- 為確保營運資金良性循環，融資乃不二法門。面對中國經濟增長放緩，宏觀債務水平上升，國內不少銀行及金融機構已大幅收緊放貸政策並採取更保守的貸款審批及續期措施。由於本集團的業務屬於深受此等謹慎銀行措施影響的行業，本集團深明取得長期銀行信貸存在不少困難及不明朗因素，資金成本亦可能上升。本着本集團的最佳利益，管理層於續新銀行貸款時與多間銀行就利率及到期日進行討論及磋商。與此同時，本集團主動實施預算管理，舉行每月例會分析預算實施情況及翌月的預算規劃，確保資金用之有道；

- as the smog pollution in China is worsening, the Chinese government might enforce tougher environmental measures that would place additional pressure on domestic steel producers. In order to alleviate pressure on the environment, the Group has started to sell the tailings to independent third parties for further production, processing and reuse since 2016. The tailings water produced was recycled and sent to the processing plant for reuse after proper treatment; moreover, the Group has planned to produce more high-grade iron ore which produces less pollutant; and
- Mine management is of great importance to ore producers. The Group has adopted various ways to improve the safety and orderliness of mine production, such as strengthened overhaul towards the equipment, more frequent staff training, etc. According to the risk evaluation, the management considered the possibility of mine management failure to be low due to the Group's continuous focus on mine management; however, considering its huge implication if occurred, the management took it as a major risk for the Group to pay continuous close attention.
- 由於中國霧霾污染日益嚴重，中國政府有可能實施更嚴格的环境措施，加重國內鋼鐵生產商負擔。為減輕對环境的壓力，本集團於2016年開始向獨立第三方出售尾礦以供進一步生產、洗選及重用，並回收尾礦廢水，經妥善處理後送往洗選廠重用，同時本集團已計劃增加污染物較少的高品位鐵礦石的生產量；及
- 礦區管理對於礦石生產商非常重要。本集團已經採取多種措施以提高礦區生產的安全和秩序，如加強設備檢修工作、組織更加密集的員工培訓等。根據此次風險調查，管理層認為本集團一直專注礦區管理，故有關管理失效的可能性偏低，但考慮到一旦發生則影響將非常鉅大，故管理層將其列作本集團持續密切關注的主要風險。

### Internal Control

The audit committee supervises and inspects the comprehensiveness and implementation of the internal control system of the Group, and regularly discusses with the management on the system in order to ensure that the management performs its duties to establish an effective internal control framework.

### 內部監控

審核委員會監督及檢討本集團內部監控系統的全面性及實施情況，定期與管理層進行有關系統的討論，以確保管理層履行其建立有效的內部監控框架的職責。

## Corporate Governance Report

### 企業管治報告

The internal control system has been designed to safeguard the assets of the Group and maintain proper accounting records, execution with appropriate authority and compliance of the relevant laws and regulations. The Board has established and evaluated the relevant internal control system across three spectrums covering the corporate governance and system, business and accounting procedures and information system control. The Group has developed the management policy and procedures and exerted strict evaluation on personnel performance. The Board has established internal control and risk management mechanism according to the Committee of Sponsoring Organizations of the Treadway Commission's Internal Control Integrated Framework. The main features of the framework are as follows:

- control environment: including code of conduct and other practices regarding acceptable business practice or expected standards of ethical and moral behaviours, management of conflict of interest, authority and responsibility, legal and regulatory compliance, etc;
  - risk assessment: including objective management, risk assessment and management, compliance management, etc;
  - control activities: including sales, trade receivables and collection, procurement, trade payables and payment, production and costing, human resources and payroll, assets management, treasury, financial reporting, information technology general controls, etc;
  - information and communication: including forecasting and budgeting, internal and external communication, confidentiality and data protection; and
  - monitoring activities: including internal audit function, reporting of internal control defects, etc.
- 內部監控系統乃為保障本集團資產及存置妥善的會計記錄、適當授權執行及遵守相關法律及法規而設。董事會已循三個範疇建立及評核相關內部監控系統，涵蓋企業管治與制度、業務及會計程序以及資訊系統控制。本集團制訂管理政策及程序，嚴格評核人員表現。董事會已按照Committee of Sponsoring Organizations of the Treadway Commission的內部監控綜合框架設立內部監控及風險管理機制。該框架的主要特色如下：
- 控制環境：包括行為守則及其他關於可接納商業慣例或預期道德及操守行為標準的常規、利益衝突管理、權責、法律及監管合規等；
  - 風險評估：包括目標管理、風險評估及管理、合規管理等；
  - 控制活動：包括銷售、應收賬款及收款、採購、應付賬款及付款、生產及成本計算、人力資源及薪資、資產管理、資金管理、財務報告、資訊科技的一般控制等；
  - 信息與溝通：包括預測及預算、內部及外部溝通、保密及數據保護；及
  - 監察活動：包括內部核數功能、內部監控缺失匯報等。

In 2018, the internal audit function of the Group, with the assistance of an international advisory firm, performed an annual review and self-assessment on the above internal control system in order to monitor its operations in a timely manner. The main work procedures included policy review, interview with key process owners, sample testing, etc. As a result of the self-assessment, the Group updated some policies and procedures in accordance with the actual business operations and practice of the Group. For the identified 22 issues, the Group requested the relevant departments to take remediation action in a timely manner. The internal audit function together with an international advisory firm reported the self-assessment result to the audit committee. The Board, through the audit committee, reviewed the work of the internal audit function as well. After a follow-up review on the remediation status of the identified issues, the Group believed that a proper internal control system was established and executed, and no significant area of concern which might affect the Shareholders was found.

The Board conducts review of the Group's risk management and internal control systems at least once a year. The Group's risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. For the year ended 31 December 2018, the Board, through the audit committee, has reviewed the effectiveness of the systems of risk management and internal control (including financial, operational and compliance controls), and was of the view that the Group complied with the relevant CG Code of risk management and internal control and concluded that the risk management and internal control systems were effective and adequate, and such controls effectively mitigated the risks that might have impact on the Group in achieving its strategic objectives.

## COMPANY SECRETARY

Mr. Kong Chi Mo was appointed as the Company Secretary on 4 September 2009. According to Rule 3.29 of the Listing Rules, an issuer's company secretary must take no less than 15 hours of relevant professional training in each financial year. During the year, Mr. Kong has taken no less than 15 hours of relevant professional training.

於2018年，在一間國際顧問公司的協助下，本集團的內部核數功能已履行上述內部監控系統的年度檢討及自我評核，以適時監察其運作。主要工作程序包括政策審閱，訪問主要程序負責人，抽樣測試等。因應自我評核，本集團已按照其實際業務運作及常規更新若干政策及程序。就已識別的22個事項而言，本集團要求相關部門適時採取修正行動。內部核數功能與一間國際顧問公司共同向審核委員會匯報自我評核結果。董事會亦透過審核委員會檢討內部核數功能的工作。對已識別事項的修正狀況進行跟進檢討後，本集團相信已建立及執行妥善的內部監控系統，並無發現可能影響股東的重大疑慮。

董事會每年最少檢討本集團的風險管理及內部監控系統一次。本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，僅能提供不存在重大錯誤陳述或虧損的合理而非絕對保證。於截至2018年12月31日止年度，董事會已透過審核委員會檢討風險管理及內部監控（包括財務、營運及合規控制）系統的成效，並認為本集團已遵守風險管理及內部監控的相關企管守則，總結風險管理及內部監控系統屬有效及充分；能有效減低可能影響本集團達成其策略目標的風險。

## 公司秘書

江智武先生於2009年9月4日獲委任為公司秘書。根據上市規則第3.29條，發行人的公司秘書必須於每個財政年度內接受不少於15小時的相關專業培訓。於年內，江先生已接受不少於15小時的相關專業培訓。

## SHAREHOLDERS' RIGHTS

### Procedures for convening an extraordinary general meeting and putting forward proposals at shareholders' meetings

Pursuant to Article 58 of the Articles, Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company (the "Requisitionist(s)") may, by written requisition (the "Requisition") to the Board or the Company Secretary, require an EGM to be called by the Board for the transaction of any business specified in the Requisition. The Requisition shall be deposited at the principal place of business of the Company in Hong Kong. The EGM shall be held within two months after the deposit of the Requisition. In the event that the Board fails to proceed to convene the EGM within twenty-one days of the deposit of the Requisition, the Requisitionist(s) may do so in the same manner, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Board shall be reimbursed to the Requisitionist(s) by the Company.

### Procedures for shareholders to put enquiries to the Board

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. In respect of other enquiries, Shareholders may put forward enquiries to the Board through the Company's principal place of business in Hong Kong which will direct the enquiries to the Board for handling.

## COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

In 2018, the Company continued to communicate with Shareholders, investors and analysts in an honest manner through various channels. Timely disclosure of corporate information and necessary data for valuation purpose has been fully provided so as to help the capital market understand the investment value of the Company. The main communication channels with the Shareholders include:

## 股東權利

### 召開股東特別大會及於股東大會上提呈建議的程序

根據章程細則第58條，於遞呈要求日期持有不少於本公司繳足股本（賦有本公司股東大會上投票權）十分之一的股東（「要求人」）有權透過向董事會或公司秘書發出書面要求（「要求」），要求董事會召開股東特別大會，以處理有關要求中指定的任何事項。要求應交回本公司的香港主要營業地點。股東特別大會應於遞呈要求後兩個月內舉行。倘遞呈要求後二十一日內，董事會未有召開股東特別大會，則要求人可以同樣方式召開大會，而要求人因董事會未有召開大會而合理產生的所有合理開支應由本公司向要求人償付。

### 股東向董事會提出查詢的程序

股東應向本公司香港股份登記分處香港中央證券登記有限公司（地址為香港灣仔皇后大道東183號合和中心17M樓）查詢其股權情況。對於其他查詢，股東可透過本公司的香港主要營業地點向董事會提出查詢，而本公司的香港主要營業地點會將有關查詢轉交董事會處理。

## 與股東及投資者的溝通

於2018年，本公司繼續透過多種渠道以誠實的態度與股東、投資者及分析師進行溝通。本公司已全面提供適時的資料披露及必要估值數據，旨在幫助資本市場了解本公司的投資價值。與股東的主要溝通渠道包括：



### Annual general meetings

The annual general meeting is an important discussion platform for the Shareholders to participate in, facilitating the communications between the management of the Company and the Shareholders. The annual general meeting is held once a year, being accessible to all the Shareholders. The Directors answer any questions the Shareholders have at the annual general meeting, being attended by the external auditor and the Company Secretary. All matters proposed to the Shareholders for approval shall be submitted in separate resolutions and resolved by way of poll at the annual general meeting. The procedures of conducting a poll will be explained in details to the Shareholders and the voting results will be set out on the Hong Kong Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website.

### Annual reports, interim reports, announcements and circulars

The Company issues its annual reports and interim reports after publishing the annual results and the interim results in March and August every year, respectively, so as to periodically review the development of the Group as well as to update its Shareholders with its latest business information and market trends. In addition, the Company will inform the Shareholders through announcements regarding any major event or price sensitive information in a timely manner. For any matter requiring the approval of the Shareholders, the Company will hold an EGM according to the requirements of the Hong Kong Stock Exchange and issue a circular prior to the specific date of the meeting, allowing the Shareholders to have sufficient time to learn more about the matters for making voting decisions. All annual reports, interim reports, announcements and circulars will be uploaded to the Hong Kong Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website.

The chairman of the Board also encourages Shareholders and investors to write to him directly if they wish so. He has included his email address in the section headed "Chairman's Statement" on page 12 of this annual report.

### 股東週年大會

股東週年大會是讓股東參與的重要討論平台，方便本公司管理層與股東之間的溝通。股東週年大會每年舉行一次，所有股東均可參與。董事將於股東週年大會上回答股東的任何問題，而外部核數師及公司秘書亦會出席。提呈股東批准的所有事宜將於股東週年大會上以單獨決議案提呈並以投票表決方式議決。進行投票表決的程序將向股東詳細解釋，而投票表決結果將載於香港聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))及本公司的網站。

### 年報、中期報告、公告及通函

本公司會分別於每年3月及8月刊發年度業績及中期業績後刊發其年度報告及中期報告，以定期回顧本集團的發展以及向股東更新最新業務資料及市場趨勢。此外，本公司將及時透過公告知會股東所涉及的任何主要事件或價格敏感資料。就任何需要股東批准的事項而言，本公司將根據香港聯交所的規定舉行股東特別大會並於大會的特定日期前刊發通函，令股東有充足時間了解有關作出投票決定的事宜的更多詳情。所有年度報告、中期報告、公告及通函將上載至香港聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))及本公司網站。

董事會主席亦鼓勵股東及投資者直接向其表達意見。彼已於本年報的第12頁「主席報告書」一節載列其電郵地址。

### The Company's website

The Company's website offers timely access to the Group's press releases and other business information. Through its website, the Company provides the Shareholders with electronic versions of the financial reports, the latest slide presentations, as well as up-to-date news about the Group's business, announcements, general information, etc. To make contributions to environmental protection and maintain effective communication with the Shareholders, the Group encourages all Shareholders to browse the Company's corporate communication files on the Company's website.

### Investor contacts and enquiries

The Group has a dedicated team to maintain contact with investors and handle Shareholders' enquiries. Should investors have any enquiries, please contact the Company's external Investor Relations Consultant via email at [ir@chinavtmmining.com](mailto:ir@chinavtmmining.com).

The Company will ensure that the information of the work on investor relations is disclosed in a timely and accurate manner, and will react to the capital market effectively and smoothly. This can help the capital market to better understand its development strategies and operating conditions.

### 本公司網站

本公司的網站會適時提供本集團的新聞稿及其他業務資料。透過其網站，本公司向股東提供財務報告的電子版本、最新演示文稿及有關本集團業務、公告及一般資料等的最新消息。為對環境保護作出貢獻及維持與股東的有效溝通，本集團鼓勵所有股東於本公司網站瀏覽本公司的企業通訊文件。

### 投資者聯絡及查詢

本集團有專門的團隊維持與投資者的聯絡及處理股東查詢。投資者如有任何查詢，請聯絡本公司的外部投資者關係顧問，電郵為 [ir@chinavtmmining.com](mailto:ir@chinavtmmining.com)。

本公司將確保有關投資者關係的工作資料適時及準確的披露，以及有效及順暢地回應資本市場。此舉可幫助資本市場加深了解本公司的發展策略及經營狀況。

# Independent Auditor's Report

## 獨立核數師報告



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To the shareholders of  
**CHINA VANADIUM TITANO-MAGNETITE MINING COMPANY LIMITED**  
(Incorporated in the Cayman Islands with limited liability)

致中國鈮鈦磁鐵礦業有限公司  
(於開曼群島註冊成立的有限公司)  
列位股東

### OPINION

We have audited the consolidated financial statements of China Vanadium Titano-Magnetite Mining Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 97 to 243, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 意見

我們已審計列載於第97至243頁的中國鈮鈦磁鐵礦業有限公司(「貴公司」)及其子公司(「貴集團」)的綜合財務報表。此綜合財務報表包括於2018年12月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合股權變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已按照國際會計準則理事會頒佈的國際財務報告準則以及香港《公司條例》的披露規定真實而中肯地反映了貴集團於2018年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照該等規定妥為編製。

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

## KEY AUDIT MATTERS

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下進行處理的，我們不對這些事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。

我們已經履行了本報告「核數師就審計綜合財務報表承擔的責任」部分闡述的責任，包括與這些事項相關的責任。相應地，我們的審計工作包括執行為應對評估綜合財務報表的重大錯誤陳述風險而設計的程序。我們執行審計程序的結果，包括應對下述事項所執行的程序，為對隨附的綜合財務報表發表審計意見提供了基礎。

## Key audit matter

### 關鍵審計事項

#### *Impairment of non-current assets*

#### 非流動資產減值

In accordance with IFRSs, the Group assesses at the end of each reporting period whether there are any indications of impairment for its non-current assets. If such indications of impairment exist, a formal estimate of the recoverable amount is performed. The Group has material non-current assets, including property, plant and equipment, mining infrastructure, mining rights, and exploration rights and assets. Based on the existing market conditions, impairment indicators were identified for the Group's main cash generating units ("CGUs"), other pre-development stage mining rights, and exploration rights and assets.

根據國際財務報告準則，貴集團於各報告期末評估其非流動資產有否任何減值跡象。如減值跡象存在，則會進行正式的可收回金額估計。貴集團擁有重大非流動資產，包括物業、廠房及設備、採礦基建、採礦權以及勘探權及資產。根據目前的市場情況，貴集團的主要現金產生單位、其他尚未開發的採礦權以及勘探權及資產存在減值跡象。

Accordingly, management performed the impairment assessment based on the discounted cash-flow model on these non-current assets and the related cash generating units. A total impairment loss on non-current assets of RMB388,780,000 was recognised during the year. The assessment of recoverable amounts involved significant estimation uncertainty, subjective assumptions and application of significant judgement, in relation to recoverable reserves, commodity prices, discount rate, budgeted gross margin and production volumes.

因此，管理層基於貼現現金流量模型對這些非流動資產及有關現金產生單位進行減值評估。本年度確認的非流動資產減值虧損總計人民幣388,780,000元。可收回金額的評估涉及重大的估計不確定性，運用主觀假設和重大判斷，涉及可採儲量、商品價格、貼現率、預算毛利率和產量。

The Group's disclosures about impairment assessment for these non-current assets are included in notes 10 and 13 to financial statements.

貴集團關於該等非流動資產減值的披露載列於財務報表附註10及13。

## How our audit addressed the key audit matter

### 該關鍵審計事項在我們的審計中是如何應對的

Our audit procedures included the following:

我們的審計程序包括以下各項：

- We tested the impairment model selected for each CGU and class of assets based on our understanding of their nature and checked its mathematical accuracy.
- 我們基於對現金產生單位和資產類別性質的理解，測試就每個現金產生單位和每個資產類別挑選的減值模型，並檢查其在數學上的準確性。
- We compared key market-derived estimates, including commodity prices and interest rates, against external data. We reviewed the sensitivity analysis of key assumptions and estimates underlying the calculations prepared by management.
- 針對與市場相關的關鍵估計（包括商品價格及利率），我們將其與外部數據進行對比。我們已覆核管理層就計算作出的關鍵性假設和估計敏感性分析。
- We compared key operational estimates in the models to source data and publicly available information, including the forward market price of iron ore and gypsum.
- 針對模型中與經營相關的關鍵估計，我們將其與數據來源及可公開獲得的信息進行對比，包括鐵礦石和石膏遠期市場價格。
- We involved our valuation specialist to assist us in evaluating the key valuation parameters such as the discount rate calculation, the terminal growth rate applied and the valuation model used in the impairment assessment models.
- 針對貼現率的計算、使用的永久增長率及估值模型的選擇等減值測試模型中的關鍵估值參數，我們邀請內部評估專家參與，協助我們進行評估。
- We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.
- 我們亦已評估綜合財務報表附註上的相關披露是否足夠。

# Independent Auditor's Report

## 獨立核數師報告

### Key audit matter

#### 關鍵審計事項

#### *Recoverability of trade receivables*

#### 應收賬款的可回收性

The Group has material credit exposures in its portfolio of trade receivables. As at 31 December 2018, the gross balance of trade receivables was RMB480,338,000 of which RMB327,263,000 was past due. As at 31 December 2018, a total provision for impairment of trade receivables of RMB327,495,000 was recorded. The volatility of iron ore and steel markets in 2018 increased the required judgement in making the impairment assessment. The assessment of impairment provision for trade receivables involves significant management judgement including the assessment of customers' financial position, and expected future cash flows from customers.

貴集團應收賬款組合存在重大信貸風險。於2018年12月31日，應收賬款總餘額為人民幣480,338,000元，其中逾期應收賬款餘額為人民幣327,263,000元。於2018年12月31日，對應收賬款計提的減值撥備總額為人民幣327,495,000元。2018年鐵礦石和鋼鐵市場的不穩定更需要在評估減值時運用判斷。管理層評價應收賬款減值撥備時運用的重大判斷包括評價客戶的財務狀況及預計未來從客戶獲取的現金流。

The Group's disclosures about impairment assessment for trade receivables and the related credit risk are included in notes 3, 20 and 39 to financial statements.

貴集團關於應收賬款減值評估及相關信貸風險的披露載列於財務報表附註3、20及39。

### How our audit addressed the key audit matter

#### 該關鍵審計事項在我們的審計中是如何應對的

Our audit procedures included the following:

我們的審計程序包括以下各項：

- We assessed and tested the controls over the loss allowance estimate process.  
我們評估並測試虧損撥備抵估計過程的監控。
- We checked the ageing analysis of trade receivables by customer.  
我們檢查按客戶劃分的應收賬款賬齡分析。
- We selected samples of trade receivables and assessed management's assumptions used in the calculation of the expected credit losses ("ECLs") by checking the overdue balances, the customers' historical payment patterns and bank receipts for the payments received subsequent to year end. We also checked evidence for the latest progress in collecting the outstanding amounts and the credit status of these significant debtors by reviewing correspondence with the debtors and by performing company search.  
我們選取應收賬款的抽樣，評估管理層在計算預期信用損失時運用的假設，檢查了逾期結餘、客戶歷史回款情況及年終後收款的銀行收據。我們亦已檢查包括與重要債務人就未結清款項最新進展的往來郵件及彼等信用狀況等證據，並進行公司查冊。
- We assessed the adequacy of disclosures regarding the ECLs of trade receivables and the Group's exposure to credit risk in the consolidated financial statements.  
我們評估綜合財務報表中關於應收賬款預期信用損失和 貴集團所面對信貸風險的披露是否足夠。

## OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

## 年報內的其他信息

董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

對於我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## 董事就綜合財務報表須承擔的責任

董事須負責根據國際會計準則理事會頒布的國際財務報告準則及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對彼等認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

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

審核委員會協助董事履行職責，監督 貴集團的財務報告過程。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

#### 核數師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅對全體股東作出報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部監控，以設計適當的審計程序，但目的並非對貴集團內部監控的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。



- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部監控的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

## Independent Auditor's Report

### 獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Lai Chee Kong.

#### **Ernst & Young**

*Certified Public Accountants*

Hong Kong

26 March 2019

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是黎志光。

#### **安永會計師事務所**

*執業會計師*

香港

2019年3月26日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

Year Ended 31 December 2018  
截至2018年12月31日止年度

		Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元 (Re-presented) (經重列)
<b>CONTINUING OPERATIONS</b>	<b>持續經營業務</b>			
<b>REVENUE</b>	<b>收入</b>	4, 5	<b>684,750</b>	877,183
Cost of sales	銷售成本		<b>(634,210)</b>	(861,611)
<b>Gross profit</b>	<b>毛利</b>		<b>50,540</b>	15,572
Other income and gains	其他收入及收益	5	<b>602</b>	1,353
Selling and distribution expenses	銷售及分銷開支		<b>(11,284)</b>	(15,123)
Administrative expenses	行政開支		<b>(34,746)</b>	(15,931)
Other expenses	其他開支		<b>(2,256)</b>	(8,123)
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	7	<b>(1,071)</b>	–
Impairment losses on intangible assets	無形資產減值虧損	7	–	(64,884)
Reversal/(provision) of impairment losses on trade receivables, net	應收賬款減值虧損撥回／(撥備)淨額	7	<b>9,898</b>	(10,521)
Impairment losses on financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產減值虧損	7	<b>(23)</b>	–
Impairment losses on assets held for sale	持作出售資產減值虧損	7	<b>(1,469)</b>	(4,525)
Fair value losses on financial assets at fair value through profit or loss	按公平值計量而其變動計入損益的金融資產的公平值虧損	7	–	(109,617)
Finance costs	財務成本	6	<b>(8,343)</b>	(5,282)
Share of losses of an associate	應佔一間聯營公司虧損		–	(9,458)
<b>PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>持續經營業務的稅前利潤／(虧損)</b>	7	<b>1,848</b>	(226,539)
Income tax credit	所得稅抵免	9	<b>2,808</b>	4,076
<b>PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS</b>	<b>持續經營業務的年內利潤／(虧損)</b>		<b>4,656</b>	(222,463)
<b>DISCONTINUED OPERATIONS</b>	<b>已終止經營業務</b>			
Loss for the year from Discontinued Operations	已終止經營業務的年內虧損	10	<b>(453,907)</b>	(167,158)
<b>LOSS FOR THE YEAR</b>	<b>年內虧損</b>		<b>(449,251)</b>	(389,621)

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

Year Ended 31 December 2018  
截至2018年12月31日止年度

	Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元 (Re-presented) (經重列)
<b>OTHER COMPREHENSIVE INCOME/ (LOSS) :</b>	<b>其他全面收益／(虧損) :</b>		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	可於往後期間重新分類至損益的其他全面收益／(虧損) :		
Exchange differences on translation of foreign operations	換算海外業務產生的匯兌差額	<u>989</u>	<u>(140)</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	<b>年內全面虧損總額</b>	<u><b>(448,262)</b></u>	<u><b>(389,761)</b></u>
Loss attributable to:	虧損歸屬於：		
Owners of the Company	本公司擁有人	<u><b>(443,969)</b></u>	<u>(349,490)</u>
Non-controlling interests	非控股權益	<u><b>(5,282)</b></u>	<u>(40,131)</u>
		<u><b>(449,251)</b></u>	<u><b>(389,621)</b></u>
Total comprehensive loss attributable to:	全面虧損總額歸屬於：		
Owners of the Company	本公司擁有人	<u><b>(443,161)</b></u>	<u>(349,603)</u>
Non-controlling interests	非控股權益	<u><b>(5,101)</b></u>	<u>(40,158)</u>
		<u><b>(448,262)</b></u>	<u><b>(389,761)</b></u>
Earnings/(loss) per Share attributable to ordinary equity holders of the Company:	歸屬於本公司普通股股權持有人的每股股份盈利／(虧損) :		
Basic and diluted	基本及攤薄		
– For loss for the year	一年內虧損	12	
		<u><b>RMB 人民幣(0.20)元</b></u>	<u>RMB 人民幣(0.16)元</u>
– For profit/(loss) from Continuing Operations	一持續經營業務溢利／(虧損)	12	
		<u><b>RMB 人民幣0.00元</b></u>	<u>RMB 人民幣(0.08)元</u>

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2018  
2018年12月31日

		Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	159,203	630,898
Intangible assets	無形資產	14	737,526	1,349,971
Other intangible asset	其他無形資產	15	7,525	8,440
Prepaid land lease payments	預付土地租賃款	16	–	33,015
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	17	1,172	7,347
Payments in advance	預繳款項		–	156
Deferred tax assets	遞延稅項資產	18	17,601	70,269
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>923,027</b>	<b>2,100,096</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	19	23,627	174,637
Trade and bills receivables	應收賬款及票據	20	105,229	373,707
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	17	21,222	71,387
Due from related parties	應收關聯方款項	22	–	637
Cash and cash equivalents	現金及現金等價物	23	33,696	13,286
			<b>183,774</b>	<b>633,654</b>
Assets classified as held for sale	分類為持作出售的資產	24	41,169	302,125
Assets of a disposal group classified as held for sale	分類為持作出售的出售組別的資產	10	1,297,877	–
<b>Total current assets</b>	<b>流動資產總值</b>		<b>1,522,820</b>	<b>935,779</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and bills payables	應付賬款及票據	25	54,235	175,871
Contract liabilities	合約負債	26	5,811	–
Other payables and accruals	其他應付款項及應計款項	27	77,878	554,906
Interest-bearing bank and other loans	計息銀行及其他貸款	28	84,645	596,205
Due to related parties	應付關聯方款項	22	9,805	11,220
Tax payable	應付稅款		9,154	3,254
Dividend payable	應付股息		–	1,801
			<b>241,528</b>	<b>1,343,257</b>
Liabilities directly associated with the assets classified as held for sale	與分類為持作出售的資產直接相關的負債	10	1,291,490	–
<b>Total current liabilities</b>	<b>流動負債總額</b>		<b>1,533,018</b>	<b>1,343,257</b>

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2018

2018年12月31日

		Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>NET CURRENT LIABILITIES</b>	<b>流動負債淨額</b>	2.1	<b>(10,198)</b>	(407,478)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>912,829</b>	1,692,618
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Interest-bearing bank and other loans	計息銀行及其他貸款	28	<b>16,149</b>	311,106
Provision for rehabilitation	復原撥備	29	<b>1,833</b>	11,400
Other payables	其他應付款項	27	<b>1,151</b>	25,007
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>		<b>19,133</b>	347,513
<b>Net assets</b>	<b>資產淨值</b>		<b>893,696</b>	1,345,105
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司擁有人的權益</b>			
Issued capital	已發行股本	30	<b>197,889</b>	197,889
Reserves	儲備	32	<b>376,848</b>	823,018
			<b>574,737</b>	1,020,907
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>318,959</b>	324,198
<b>Total equity</b>	<b>權益總額</b>		<b>893,696</b>	1,345,105

**Jiang Zhong Ping** 蔣中平  
Director 董事

**Hao Xiemin** 郝謝敏  
Director 董事

# Consolidated Statement of Changes in Equity

## 綜合股權變動表

Year ended 31 December 2018  
截至2018年12月31日止年度

Attributable to owners of the Company  
歸屬於本公司擁有人

		Issued capital	Share premium account	Statutory reserves	Safety fund surplus reserve	Contributed surplus	Share option reserve	Difference arising from acquisition of non-controlling interests	Capital reserve	Exchange fluctuation reserves	Retained earnings/(accumulated losses)	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價賬	法定公積金	安全基金專項儲備	繳入盈餘	股份期權儲備	收購非控股權益產生的差額	資本公積	匯兌波動儲備	留存盈利/(累計虧損)	合計	非控股權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		note 30	note 32(a)	note 32(b)	note 32(d)	note 32(c)	note 31		note 32(f)					
		附註30	附註32(a)	附註32(b)	附註32(d)	附註32(c)	附註31		附註32(f)					
At 1 January 2017	於2017年1月1日	182,787	1,840,253	220,176	134,214	87,238	41,921	(852,820)	186,200	-	(521,796)	1,318,173	353,782	1,671,955
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	-	-	-	(113)	(349,490)	(349,603)	(40,158)	(389,761)
Equity-settled Shares option arrangement	股權結算股份期權安排	-	-	-	-	-	(1,777)	-	-	-	1,777	-	-	-
Issue of new Shares	發行新股份	15,102	37,235	-	-	-	-	-	-	-	-	52,337	-	52,337
Establishment for safety fund surplus reserve	成立安全基金專項儲備	-	-	-	26,429	-	-	-	-	-	(26,429)	-	-	-
Acquisition of a subsidiary	收購一間子公司	-	-	-	-	-	-	-	-	-	-	-	10,574	10,574
At 31 December 2017	於2017年12月31日	197,889	1,877,488*	220,176*	160,643*	87,238*	40,144*	(852,820)*	186,200*	(113)*	(895,938)*	1,020,907	324,198	1,345,105
At 1 January 2018	於2018年1月1日	197,889	1,877,488	220,176	160,643	87,238	40,144	(852,820)	186,200	(113)	(895,938)	1,020,907	324,198	1,345,105
Effect of adoption of IFRS 9 (note 2.2)	採用國際財務報告準則第9號的影響(附註2.2)	-	-	-	-	-	-	-	-	-	(3,009)	(3,009)	(138)	(3,147)
At 1 January 2018 (restated)	於2018年1月1日(經重列)	197,889	1,877,488	220,176	160,643	87,238	40,144	(852,820)	186,200	(113)	(898,947)	1,017,898	324,060	1,341,958
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	-	(443,969)	(443,969)	(5,282)	(449,251)
Other comprehensive loss for the year:	年內其他全面虧損:													
Exchange differences on translation of financial statements	換算財務報表產生的匯兌差額	-	-	-	-	-	-	-	-	808	-	808	181	989
Total comprehensive income/(loss) for the year	年內全面收益/(虧損)總額	-	-	-	-	-	-	-	-	808	(443,969)	(443,161)	(5,101)	(448,262)
Utilisation for safety fund surplus reserve	動用安全基金專項儲備	-	-	-	(5,649)	-	-	-	-	-	5,649	-	-	-
Provision of safety fund surplus reserve	提供安全基金專項儲備	-	-	-	21,833	-	-	-	-	-	(21,833)	-	-	-
At 31 December 2018	於2018年12月31日	197,889	1,877,488*	220,176*	176,827*	87,238*	40,144*	(852,820)*	186,200*	695*	(1,359,100)*	574,737	318,959	893,696

\* These reserve accounts comprise the consolidated reserves of RMB376,848,000 (2017: RMB823,018,000) in the consolidated statement of financial position.

\* 該等儲備賬包括綜合財務狀況表中的綜合儲備人民幣376,848,000元(2017年:人民幣823,018,000元)。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2018  
截至2018年12月31日止年度

	Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元 (Re-presented) (經重列)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營活動的現金流量</b>		
Profit/(loss) before tax:	稅前溢利／(虧損)：		
From Continuing Operations	持續經營業務	7	1,848
From Discontinued Operations	已終止經營業務	10	(437,791)
Adjustments for:	就下列各項作出的調整：		
Finance costs	財務成本	6, 10	61,177
Bank interest income	銀行利息收入		(50)
Gain on debt restructuring	債務重組收益		(4,093)
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目收益		(972)
Reversal of inventory provision	撥回存貨撥備		-
Write-down of inventory to net realisable value	撇減存貨至可變現淨值		2,680
Fair value losses on financial assets at fair value through profit or loss	按公平值計量而其變動計入損益的金融資產的公平值虧損	7	-
Impairment of items of property, plant and equipment	物業、廠房及設備項目減值	7, 10	113,309
Provision/(reversal) of impairment loss on trade receivables, net	應收賬款減值虧損撥備／(撥回)淨額	7, 10	(13,350)
Impairment loss on financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產減值虧損	7, 10	12,221
Impairment of items of intangible assets	無形資產項目減值	7, 10	266,630
Impairment loss on prepaid land lease payments	預付土地租賃款減值虧損	10	8,841
Impairment of assets held for sale	持作出售的資產減值	7, 10	1,469
Depreciation	折舊	13	53,591
Amortisation of intangible assets	無形資產攤銷	14	5,618
Fair value loss on a previously held equity interest under the step acquisition of a subsidiary	之前就分步收購一間子公司所持股本權益的公平值虧損		-
Share of losses of an associate	應佔一間聯營公司虧損		-
Amortisation of other intangible asset	其他無形資產攤銷	15	915
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	16	1,110
			<b>73,153</b>
			41,382



# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2018  
截至2018年12月31日止年度

	Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元 (Re-presented) (經重列)
Decrease/(increase) in trade receivables	應收賬款減少／(增加)	231,118	(54,035)
Decrease in inventories	存貨減少	102,736	120,406
Decrease/(increase) in prepayments, other receivables and other assets	預付款項、其他應收款項及 其他資產減少／(增加)	(93,102)	21,984
Decrease in amounts due from related parties	應收關聯方款項減少	610	9,750
Decrease in trade payables and bill payables	應付賬款及票據減少	(2,075)	(19,687)
Increase/(decrease) in other payables and accruals	其他應付款項及應計 款項增加／(減少)	(109,305)	7,119
Decrease in contract liabilities	合約負債減少	5,811	-
Increase in amounts due to related parties	應付關聯方款項增加	-	(4,545)
Cash from operations	經營產生的現金	208,946	122,374
Interest paid	已付利息	-	(55,080)
Interest received	已收利息	50	17
Income tax paid	已付所得稅	(779)	(356)
Net cash flows from operating activities	經營活動產生的現金 流量淨額	208,217	66,955
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動的現金流量</b>		
Purchase of items of property, plant and equipment	購置物業、廠房及設備項目	(137,273)	(71,692)
Purchase of intangible assets	購置無形資產	(82)	(1,258)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備 項目所得款項	321	35
Consideration paid for previously acquired subsidiaries	過往收購子公司的已付代價	-	(20,850)
Acquisition of a subsidiary	收購一間子公司	-	4,197
Acquisition of an associate	收購一間聯營公司	(1,560)	(2,835)
Net cash flows used in investing activities	投資活動使用的現金 流量淨額	(138,594)	(92,403)

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2018

截至2018年12月31日止年度

	Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元 (Re-presented) (經重列)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>融資活動的現金流量</b>			
Proceeds from bank loans and other loans	銀行貸款及其他貸款所得款項	153,479	24,842
Repayment of bank loans and other loans	償還銀行貸款及其他貸款	(173,011)	(5,621)
Interest paid	已付利息	(32,272)	–
Decrease in an amount due to a related party	應付一名關聯方款項減少	(966)	–
Net cash flows from/(used in) financing activities	融資活動產生/(使用)的現金流量淨額	(52,770)	19,221
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
<b>現金及現金等價物增加/(減少)淨額</b>			
Cash and cash equivalents at beginning of year	年初的現金及現金等價物	13,286	19,740
Effect of foreign exchange rate changes, net	匯率變動影響淨額	3,632	(227)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>年終的現金及現金等價物</b>	<b>33,771</b>	<b>13,286</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
<b>現金及現金等價物結餘分析</b>			
Cash and bank balances	現金及銀行結餘	33,696	13,286
Cash and cash equivalent as stated in the consolidated statement of financial position	綜合財務狀況表所列的現金及現金等價物	33,696	13,286
Cash and bank balances attributable to Discontinued Operations	歸屬於已終止經營業務的現金及銀行結餘	75	–
Cash and cash equivalents as stated in the statement of cash flows	現金流量表所列的現金及現金等價物	33,771	13,286

# Notes to Financial Statements

## 財務報表附註

31 December 2018  
2018年12月31日

### 1. CORPORATE AND GROUP INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 28 April 2008 under the Companies Law. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is located at Unit A, 4th Floor, E168, Nos. 166-168 Des Voeux Road Central, Hong Kong.

During the year ended 31 December 2018, the Group was principally engaged in the following principal activities:

- mining and ore processing
- sale of self-produced products
- trading of coals and steels
- management of strategic investments
- rendering of specialised mining services

In the opinion of the Directors, Trisonic International, a company incorporated in Hong Kong, is the parent and the ultimate holding company of the Company.

### 1. 公司及集團資料

本公司於2008年4月28日在開曼群島根據公司法註冊成立為一間獲豁免有限責任公司。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的香港主要營業地點位於香港德輔道中166-168號E168大廈4樓A室。

於截至2018年12月31日止年度內，本集團主要從事以下主要業務：

- 採礦及礦石洗選
- 銷售自產產品
- 煤炭及鋼鐵買賣
- 策略性投資管理
- 提供專業開採服務

董事認為，合創國際（一間於香港註冊成立的公司）為本公司的母公司及最終控股公司。

# Notes to Financial Statements

## 財務報表附註

31 December 2018

2018年12月31日

### 1. CORPORATE AND GROUP INFORMATION

(Continued)

#### Information about subsidiaries

Particulars of the Company's subsidiaries are as follows:

Company name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company	Principal activities
公司名稱	註冊成立／註冊及營業地點	已發行普通股本／註冊股本	歸屬於本公司的權益百分比	主要業務
<i>Directly held:</i>				
<i>直接持有：</i>				
Powerside Holdings Limited	BVI	USD1	100	Investment holding
威方控股有限公司	英屬處女群島	1美元		投資控股
First China Limited	Hong Kong	HKD2	100	Investment holding
三民有限公司	香港	2港元		投資控股
Sure Prime Limited ("Sure Prime")	BVI	USD1	100	Investment holding
Sure Prime Limited (「Sure Prime」)	英屬處女群島	1美元		投資控股
Mancala Holdings <sup>(d)</sup>	BVI	HKD1	81	Investment holding
開曼曼卡拉 <sup>(d)</sup>	英屬處女群島	1港元		投資控股
Singapore VTM Mining Pte. Ltd.	Singapore	SGD1	100	Investment holding
Singapore VTM Mining Pte. Ltd.	新加坡	1新加坡元		投資控股
<i>Indirectly held:</i>				
<i>間接持有：</i>				
Simply Rise Holdings Limited	Hong Kong	HKD1	100	Investment holding
易陞控股有限公司	香港	1港元		投資控股
Sichuan Mancala <sup>(c)</sup>	PRC	RMB10,000,000	60	Investment holding
四川曼卡拉 <sup>(c)</sup>	中國	人民幣 10,000,000元		投資控股
Huili Caitong <sup>(a)/(e)</sup>	PRC	RMB610,520,000	100	Iron ore mining, iron ore beneficiation and sale of self-produced products
會理財通 <sup>(a)/(e)</sup>	中國	人民幣 610,520,000元		鐵礦石開採、鐵礦石洗選及銷售自產產品

### 1. 公司及集團資料 (續)

#### 有關子公司的資料

本公司各子公司的詳情如下：

**1. CORPORATE AND GROUP INFORMATION**  
*(Continued)*  
**Information about subsidiaries *(Continued)***

**1. 公司及集團資料 (續)**

**有關子公司的資料 (續)**

Company name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company	Principal activities
公司名稱	註冊成立／註冊及營業地點	已發行普通股本／註冊股本	歸屬於本公司的權益百分比	主要業務
Sichuan Lingyu <sup>(b)</sup>	PRC	HKD770,000,000	100	Product trading and investment holding
四川凌御 <sup>(b)</sup>	中國	770,000,000港元		產品買賣及投資控股
Xiushuihe Mining <sup>(c)/(e)</sup>	PRC	RMB200,000,000	95	Iron ore mining, iron ore beneficiation and sale of self-produced products
秀水河礦業 <sup>(c)/(e)</sup>	中國	人民幣 200,000,000元		鐵礦石開採、鐵礦石洗選及銷售自產產品
Aba Mining <sup>(c)</sup>	PRC	RMB20,000,000	100	Iron ore mining, iron ore beneficiation and sale of self-produced products
阿壩礦業 <sup>(c)</sup>	中國	人民幣 20,000,000元		鐵礦石開採、鐵礦石洗選及銷售自產產品
Akuang Trading <sup>(c)</sup>	PRC	RMB20,000,000	100	Iron ore beneficiation and sale of iron concentrates
阿礦貿易 <sup>(c)</sup>	中國	人民幣 20,000,000元		鐵礦石洗選及銷售鐵精礦
Sichuan Xinglian <sup>(c)</sup>	PRC	RMB1,000,000	100	Mining and construction consulting
四川興聯 <sup>(c)</sup>	中國	人民幣 1,000,000元		開採及工程諮詢

## 1. CORPORATE AND GROUP INFORMATION

*(Continued)*Information about subsidiaries *(Continued)*

## 1. 公司及集團資料 (續)

## 有關子公司的資料 (續)

Company name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company	Principal activities
公司名稱	註冊成立/ 註冊及營業地點	已發行 普通股本/ 註冊股本	歸屬於本公司 的權益百分比 %	主要業務
Panzhuhua Yixingda <sup>(c)/(e)</sup>	PRC	RMB1,000,000	100	Iron ore mining, iron ore beneficiation and sale of self-produced products
攀枝花易興達 <sup>(c)/(e)</sup>	中國	人民幣 1,000,000元		鐵礦石開採、 鐵礦石洗選及 銷售自產產品
Sichuan Haoyuan <sup>(c)</sup>	PRC	RMB20,000,000	51	Gypsum ore beneficiation and sale of self-produced products
四川浩遠 <sup>(c)</sup>	中國	人民幣 20,000,000元		石膏礦石洗選及 銷售自產產品
Xinjin Mining <sup>(c)</sup>	PRC	RMB1,150,000	51	Gypsum ore mining, gypsum ore beneficiation and sale of self-produced products
鑫金礦業 <sup>(c)</sup>	中國	人民幣 1,150,000元		石膏礦石開採、 石膏礦石洗選及 銷售自產產品
MHPL <sup>(d)</sup>	Australia	AUD298,817	81	Contract mining and specialised mining services
曼卡拉控股 <sup>(d)</sup>	澳洲	298,817澳元		合約採礦及 專業採礦服務

## 1. CORPORATE AND GROUP INFORMATION (Continued)

### Information about subsidiaries (Continued)

- (a) Huili Caitong was converted from a domestic limited company to a foreign investment enterprise on 22 September 2006.
- (b) Sichuan Lingyu is registered as a wholly-foreign-owned enterprise under PRC law.
- (c) These subsidiaries are registered as domestic enterprises under PRC law.
- (d) Not audited by Ernst & Young, Hong Kong or other member firm of the Ernst & Young global network.
- (e) Pursuant to the announcement on 29 January 2019, the Company has entered into the SPA with Chengyu Vanadium Titano. (the "Purchaser") on the same date in respect of the disposal of Huili Caitong, Xiushuihe Mining and Panzhihua Yixingda (hereinafter collectively referred to as the "Disposal Group") (the "Disposal"). Refer to note 10 to the financial statements for further details of the Disposal.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

## 1. 公司及集團資料 (續)

### 有關子公司的資料 (續)

- (a) 會理財通於2006年9月22日由境內有限責任公司轉制為外資企業。
- (b) 四川凌御根據中國法律註冊為外商獨資企業。
- (c) 此等子公司根據中國法律註冊為境內企業。
- (d) 並非由香港安永或安永全球網絡的其他成員公司審核。
- (e) 根據於2019年1月29日的公告，本公司於同日與成渝鈦鈹（「買方」）訂立買賣協議，內容有關出售會理財通、秀水河礦業及攀枝花易興達（下文統稱「出售集團」）（「出售事項」）。有關出售事項的進一步詳情，請參閱財務報表附註10。

上表列出的本公司子公司乃董事認為主要影響年內業績或構成本集團淨資產的重大部分者。董事認為提供其他子公司的詳情將使篇幅過於冗長。

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”), which comprise standards and interpretations approved by the International Accounting Standards Board (the “IASB”), and International Accounting Standards (“IASs”) and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. Assets of a disposal group classified as held for sale and assets classified as held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in note 10 and note 24. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

#### Going concern basis

During the year ended 31 December 2018, the Group incurred a consolidated net loss of RMB449,251,000 (2017: RMB389,621,000). As at 31 December 2018, the Group had net current liabilities of RMB10,198,000 (2017: RMB407,478,000).

### 2.1 編製基準

本財務報表乃按照國際財務報告準則（包括國際會計準則理事會批准的生效中準則及詮釋，以及國際會計準則委員會批准的生效中國際會計準則及常務詮釋委員會詮釋）及香港《公司條例》的披露規定編製。除按公平值計量而其變動計入損益的金融資產按公平值計量外，本財務報表乃根據歷史成本慣例編製。分類為持作出售的出售組別的資產及分類為持作出售的資產按賬面金額與公平值減出售成本兩者的較低者列賬，進一步闡釋見附註10及附註24。除另有註明者外，本財務報表以人民幣呈列，且所有金額已調整至最接近的千位數。

#### 持續經營基準

於截至2018年12月31日止年度，本集團產生綜合淨虧損人民幣449,251,000元（2017年：人民幣389,621,000元）。於2018年12月31日，本集團錄得流動負債淨額人民幣10,198,000元（2017年：人民幣407,478,000元）。



## 2.1 BASIS OF PREPARATION (Continued) Going concern basis (Continued)

In view of these circumstances, the Directors have given consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. In order to improve the Group's liquidity and cash flows to sustain the Group as a going concern, the Group implemented or is in the process of implementing the following measures:

- (a) As at 31 December 2018, other than the borrowings of the Disposal Group, the Group's total borrowings amounted to RMB100,794,000, of which RMB84,645,000 will be due within twelve months from 31 December 2018. The Group has not experienced any significant difficulties in renewing its short-term bank loans upon their maturities and there is no indication that the banks will not renew the existing bank loans if the Group applies for renewal. The Group will actively negotiate with the banks for the renewal of its borrowings when they fall due to secure necessary facilities to meet the Group's working capital and financial requirements in 2019. The Directors have evaluated all the relevant facts available to them and are of the opinion that they have a good track record or relationship with the banks so that the bank loans will be renewed upon maturity.
- (b) As mentioned in note 1, the Company has entered into the SPA with the Purchaser on 29 January 2019 in respect of the Disposal for the consideration of RMB550,000,000. The Disposal is expected to be completed before the end of the first half of 2019.
- (c) The Group is actively following up with its customers on overdue trade receivables with an aim of agreeing a repayment schedule with each of them.
- (d) The Group is proactively implementing various strategic plans to streamline its operations to improve profitability and initiate plans to rationalise assets. These include initiatives to scale back capacity, reduce headcounts, trim operating expenses and reduce capital expenditure.

## 2.1 編製基準 (續) 持續經營基準 (續)

有鑑於此，董事在評估本集團會否具備足夠財務資源以持續經營時已考慮本集團未來的流動性及表現，以及其可用財政來源。為改善本集團的流動性及現金流以持續經營，本集團已經或正在執行以下措施：

- (a) 於2018年12月31日，除出售集團的借貸外，本集團的借貸總額為人民幣100,794,000元，其中人民幣84,645,000元將於由2018年12月31日起計十二個月內到期。本集團於短期銀行貸款到期時續期方面並無重大困難，亦無跡象顯示銀行於本集團申請續期時不會為現有銀行貸款續期。本集團將積極與銀行磋商為其到期借貸續期，以確保本集團取得必要融資滿足2019年的營運資金需要及財務需要。董事已評估所有可得相關事實，認為本集團往績紀錄或與銀行關係良好，因此銀行貸款將可於到期時續期。
- (b) 誠如附註1所述，本公司於2019年1月29日就出售事項與買方訂立買賣協議，代價為人民幣550,000,000元。出售事項預期於2019年上半年完結前完成。
- (c) 本集團正積極聯絡客戶跟進逾期應收賬款，務求與彼等各方協定還款時間表。
- (d) 本集團正積極落實多項策略性計劃，精簡營運以提升盈利能力並啟動資產優化計劃，當中措施包括縮減產能、精簡人手、削減營運開支及減少資本開支。

## 2.1 BASIS OF PREPARATION (Continued)

### Going concern basis (Continued)

The Directors have reviewed the Group's cash flow forecast prepared by management which covers a period of twelve months from the end of the reporting period. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the foreseeable future. Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements of the Group for the year ended 31 December 2018 on a going concern basis.

Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised at the amounts other than which they are currently recorded in the consolidated statement of financial position. In addition, the Group may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustment has not been reflected in the consolidated financial statements.

### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2018. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

## 2.1 編製基準 (續)

### 持續經營基準 (續)

董事已審閱管理層所編製涵蓋本集團由報告期末起計十二個月期間的現金流預測。董事認為於計及上述計劃及措施後，本集團將具備足夠的營運資金以撥付其營運所需及於可見將來履行到期的財務責任。因此，董事認為按持續經營基準編製本集團截至2018年12月31日止年度的綜合財務報表誠屬合適。

倘持續經營的假設並不合適，則可能須作出調整，以反映資產可能需要按與目前於綜合財務狀況表所記賬者不同的金額變現的情況。此外，本集團亦可能須就可能產生的進一步負債計提撥備，並分別將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整的影響尚未於綜合財務報表反映。

### 綜合入賬基準

綜合財務報表包括本公司及其子公司截至2018年12月31日止年度的財務報表。子公司為本公司直接或間接控制的實體。當本集團因參與投資實體的業務而享有或有權獲得可變回報，並有能力透過對投資實體的權力（即賦予本集團目前指示投資實體相關活動的能力的現有權利）影響該等回報時，本集團即擁有控制權。

## 2.1 BASIS OF PREPARATION (Continued) Basis of consolidation (Continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interests and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investments retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## 2.1 編製基準 (續) 綜合入賬基準 (續)

當本公司直接或間接擁有投資實體的投票權或類似權利不及過半數時，本集團於評估是否對投資實體擁有權力時會考慮所有相關事實及情況，包括：

- (a) 與投資實體其他票數持有人的合約安排；
- (b) 其他合約安排產生的權利；及
- (c) 本集團的投票權及潛在投票權。

子公司的財務報表乃就與本公司相同的報告期採用一致的會計政策編製。子公司的業績由本集團取得控制權之日起綜合入賬，並將繼續綜合入賬直至有關控制權終止之日。

即使會導致非控股權益產生虧絀結餘，損益及其他全面收益各個組成部分仍會於本公司擁有人及非控股權益內歸屬。因本集團成員公司間交易而產生的所有集團內公司間資產及負債、權益、收入、開支及現金流量均於綜合入賬時悉數對銷。

倘有事實及情況顯示上文所述的三個控制權元素中有一個或以上出現變動，則本集團會重新評估是否控制投資實體。倘子公司的所有權權益出現變動（並未失去控制權），則按股權交易入賬。

倘本集團失去對子公司的控制權，則其終止確認(i)該子公司的資產（包括商譽）及負債、(ii)任何非控股權益的賬面金額及(iii)於權益內記錄的累計換算差額；並確認(i)已收代價的公平值、(ii)所保留任何投資的公平值及(iii)損益中任何因此產生的盈餘或虧絀。先前於其他全面收益確認的本集團應佔部分，會按就本集團直接出售相關資產或負債規定的相同基準適當地重新分類至損益或留存利潤。

## Notes to Financial Statements

### 財務報表附註

31 December 2018  
2018年12月31日

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to IFRS 4	<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts</i>
IFRS 9	<i>Financial Instruments</i>
IFRS 15	<i>Revenue from Contracts with Customers</i>
Amendments to IFRS 15	<i>Clarifications to IFRS 15 Revenue from Contracts with Customers</i>
Amendments to IAS 40	<i>Transfers of Investment Property</i>
IFRIC 22	<i>Foreign Currency Transactions and Advance Consideration</i>
<i>Annual Improvements 2014-2016 Cycle</i>	Amendments to IFRS 1 and IAS 28

Other than as explained below regarding the impact of IFRS 9, IFRS 15 and the amendments to IFRS 15, the adoption of the above new and revised standards has had no significant financial effect on these financial statements.

## 2.2 會計政策及披露的變更

本集團已就本年度的財務報表首次採用下列新訂及經修訂國際財務報告準則。

國際財務報告準則第2號修訂本	以股份為基礎的付款交易的分類及計量
國際財務報告準則第4號修訂本	於國際財務報告準則第4號「保險合約」下應用國際財務報告準則第9號「金融工具」
國際財務報告準則第9號	金融工具
國際財務報告準則第15號	客戶合約收入
國際財務報告準則第15號修訂本	釐清國際財務報告準則第15號「客戶合約收入」
國際會計準則第40號修訂本	轉撥投資物業
國際財務報告詮釋委員會第22號	外幣交易及預收預付代價
2014年至2016年週期的年度改進	國際財務報告準則第1號及國際會計準則第28號修訂本

除下文所闡述有關國際財務報告準則第9號、國際財務報告準則第15號及國際財務報告準則第15號修訂本的影響外，採用上述新訂及經修訂準則對本財務報表並無重大財務影響。

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

Further information about IFRS 15 and IFRS 9 applied by the Group is described below:

- (a) IFRS 9 *Financial Instruments* replaces IAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

With the exception of hedge accounting, which the Group has applied prospectively, the Group has recognised the transition adjustments against the applicable opening balances in equity at 1 January 2018. Therefore, the comparative information was not restated and continues to be reported under IAS 39.

### **Classification and measurement**

The following information sets out the impacts of adopting IFRS 9 on the statement of financial position, including the effect of replacing IAS 39's incurred credit loss calculations with IFRS 9's ECLs.

## 2.2 會計政策及披露的變更 (續)

有關本集團應用的國際財務報告準則第15號及國際財務報告準則第9號的進一步資料載述於下文：

- (a) 於2018年1月1日或之後開始的年度期間，國際財務報告準則第9號「金融工具」取代國際會計準則第39號「金融工具：確認及計量」，匯集將金融工具入賬的全部三個範疇：分類及計量、減值以及對沖會計法。

除本集團已按前瞻性基準應用的對沖會計法外，本集團已對2018年1月1日的適用年初權益結餘確認過渡調整。因此，比較資料不予重列，且繼續根據國際會計準則第39號呈報。

### **分類及計量**

以下資料載列採用國際財務報告準則第9號對財務狀況表的影響，包括以國際財務報告準則第9號的預期信用損失取代國際會計準則第39號的已產生信用損失計算法的影響。

## Notes to Financial Statements

### 財務報表附註

31 December 2018  
2018年12月31日

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

### Classification and measurement (Continued)

A reconciliation between the carrying amounts under IAS 39 and the balances reported under IFRS 9 as at 1 January 2018 is as follows:

			IAS 39 measurement 國際會計準則第39號計量			IFRS 9 measurement 國際財務報告準則第9號計量		
	Note 附註	Category 類別	Amount 金額 RMB'000 人民幣千元	Re- classification 重新分類 RMB'000 人民幣千元	ECL 預期信用損失 RMB'000 人民幣千元	Amount 金額 RMB'000 人民幣千元	Category 類別	
<u>Financial assets</u>		<u>金融資產</u>						
Trade and bills receivables	(i)	應收賬款及票據	373,707	-	(3,096)	370,611	AC <sup>2</sup>	
Financial assets included in prepayments, other receivables and other assets		計入預付款項、其他應收款項及其他資產的金融資產	10,974	-	(51)	10,923	AC	
Due from related parties		應收關聯方款項	637	-	-	637	AC	
Cash and cash equivalents		現金及現金等價物	13,286	-	-	13,286	AC	
			<u>398,604</u>	<u>-</u>	<u>(3,147)</u>	<u>395,457</u>		
<u>Other assets</u>		<u>其他資產</u>						
Deferred tax assets		遞延稅項資產	70,269	-	-	70,269		
Total assets		資產總值	<u>468,873</u>	<u>-</u>	<u>(3,147)</u>	<u>465,726</u>		
<u>Financial liabilities</u>		<u>金融負債</u>						
Trade and bills payables		應付賬款及票據	175,871	-	-	175,871	AC	
Financial liabilities included in other payables and accruals		計入其他應付款項及應計款項的金融負債	295,609	-	-	295,609	AC	
Interest-bearing bank and other loans		計息銀行及其他貸款	907,311	-	-	907,311	AC	
Due to related parties		應付關聯方款項	11,220	-	-	11,220	AC	
Dividend payables		應付股息	1,801	-	-	1,801	AC	
Total liabilities		負債總額	<u>1,391,812</u>	<u>-</u>	<u>-</u>	<u>1,391,812</u>		

<sup>1</sup> L&R: Loans and receivables

<sup>2</sup> AC: Financial assets or financial liabilities at amortised cost

## 2.2 會計政策及披露的變更 (續)

(a) (續)

### 分類及計量 (續)

根據國際會計準則第39號的賬面金額與2018年1月1日根據國際財務報告準則第9號呈報的結餘的對賬如下：

<sup>1</sup> L&R: 貸款及應收款項

<sup>2</sup> AC: 按攤銷成本計量的金融資產或金融負債

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

### Classification and measurement (Continued)

Note:

- (i) The Group has remeasured the carrying amount of the trade receivables and financial assets included in prepayments, other receivables and other assets based on the ECL allowance.

### Impairment

The following table reconciles the aggregate opening impairment allowances under IAS 39 to the ECL allowances under IFRS 9. Further details are disclosed in notes 17 and 20 to the financial statements.

	Impairment allowances under IAS 39 at 31 December 2017 於2017年12月31日 根據國際會計準則第39號的減值備抵 RMB'000 人民幣千元	Re-measurement 重新計量 RMB'000 人民幣千元	ECL allowances under IFRS 9 at 1 January 2018 於2018年1月1日 根據國際財務報告準則第9號的預期信用損失備抵 RMB'000 人民幣千元
Trade receivables	340,748	3,096	343,844
Financial assets included in prepayments, other receivables and other assets	-	51	51
	340,748	3,147	343,895

## 2.2 會計政策及披露的變更 (續)

(a) (續)

### 分類及計量 (續)

附註：

- (i) 本集團已基於預期信用損失備抵重新計量應收賬款以及計入預付款項、其他應收款項及其他資產的金融資產的賬面金額。

### 減值

下表為根據國際會計準則第39號的年初減值備抵總額與根據國際財務報告準則第9號的預期信用損失備抵的對賬。進一步詳情於財務報表附註17及20披露。

## Notes to Financial Statements

### 財務報表附註

31 December 2018  
2018年12月31日

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

### Impact on reserves

The impact of transition to IFRS 9 on reserves is as follows:

## 2.2 會計政策及披露的變更 (續)

(a) (續)

### 對儲備的影響

過渡至國際財務報告準則第9號對儲備的影響如下：

		<b>Reserves</b>
		<b>儲備</b>
		RMB'000
		人民幣千元
Accumulated reserves attributable to owners of the Company	歸屬於本公司擁有人的累計儲備	
Balance as at 31 December 2017 under IAS 39	於2017年12月31日根據國際會計準則第39號的結餘	1,020,907
Recognition of expected credit losses for trade receivables under IFRS 9	根據國際財務報告準則第9號確認應收賬款的預期信用損失	(2,958)
Recognition of expected credit losses for financial assets included in prepayments, other receivables and other assets under IFRS 9	根據國際財務報告準則第9號確認計入預付款項、其他應收款項及其他資產的金融資產的預期信用損失	(51)
Balance as at 1 January 2018 under IFRS 9	於2018年1月1日根據國際財務報告準則第9號的結餘	<u>1,017,898</u>
Accumulated reserves attributable to non-controlling interests	歸屬於非控股權益的累計儲備	
Balance as at 31 December 2017 under IAS 39	於2017年12月31日根據國際會計準則第39號的結餘	324,198
Recognition of expected credit losses for trade receivables under IFRS 9	根據國際財務報告準則第9號確認應收賬款的預期信用損失	(138)
Balance as at 1 January 2018 under IFRS 9	於2018年1月1日根據國際財務報告準則第9號的結餘	<u>324,060</u>



## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (b) IFRS 15 and its amendments replace IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The disclosures are included in note 5 to the financial statements. As a result of the application of IFRS 15, the Group has changed the accounting policy with respect to revenue recognition in note 2.4 to the financial statements.

The Group has adopted IFRS 15 using the modified retrospective method of adoption. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group has elected to apply the standard to contracts that are not completed as at 1 January 2018.

The cumulative effect of the initial application of IFRS 15 was recognised as an adjustment to the opening balance of accumulated losses as at 1 January 2018. Therefore, the comparative information was not restated and continues to be reported under IAS 11, IAS 18 and related interpretations.

## 2.2 會計政策及披露的變更 (續)

- (b) 國際財務報告準則第15號及其修訂本取代國際會計準則第11號「建築合約」、國際會計準則第18號「收入」及相關詮釋，並適用於所有客戶合約收入（設有有限例外情況）。國際財務報告準則第15號確立一個五步模型，以將客戶合約收入入賬。根據國際財務報告準則第15號，收入按反映實體預期以向客戶轉讓貨品或服務所換取的代價金額確認。國際財務報告準則第15號的原則提供結構更完善的收入計量及確認方法。該準則亦引入廣泛定質及定量披露規定，包括拆分總收入、有關履約責任的資料、各期間合約資產及負債賬戶結餘的變動以及主要判斷及估計。披露事項載於財務報表附註5。由於應用國際財務報告準則第15號，故本集團已更改財務報表附註2.4內有關收入確認的會計政策。

本集團利用經修改追溯採用法採用國際財務報告準則第15號。根據此方法，該準則可應用於在初始應用日期的所有合約，或僅應用於在該日尚未完成的合約。本集團已選擇對在2018年1月1日尚未完成的合約應用該準則。

初始應用國際財務報告準則第15號的累計影響已確認為對2018年1月1日的年初累計虧損結餘的調整。因此，比較資料不予重列，且繼續根據國際會計準則第11號、國際會計準則第18號及相關詮釋呈報。

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(b) (Continued)

Before the adoption of IFRS 15, the Group recognised consideration received from customers in advances from customers as other payables and accruals. Under IFRS 15, the amount is classified as contract liabilities. Therefore, upon the adoption of IFRS 15, the Group reclassified RMB1,955,000 from other payables and accruals to contract liabilities as at 1 January 2018 in relation to the consideration received from customers in advances. As at 31 December 2018, under IFRS 15, RMB5,811,000 was reclassified from other payables and accruals to contract liabilities in relation to the consideration received from customers in advance for the sale of goods.

Other than the reclassification explained above, the adoption of IFRS 15 has had no impact on the Group's profit or loss and other comprehensive income or on the Group's operating, investing and financing cash flows.

## 2.2 會計政策及披露的變更 (續)

(b) (續)

採用國際財務報告準則第15號前，本集團將客戶墊款中的已收客戶代價確認為其他應付款項及應計款項。根據國際財務報告準則第15號，該金額分類為合約負債。因此，採用國際財務報告準則第15號後，本集團將人民幣1,955,000元從其他應付款項及應計款項重新分類為2018年1月1日有關已收客戶預繳代價的合約負債。於2018年12月31日，根據國際財務報告準則第15號，人民幣5,811,000元已從其他應付款項及應計款項重新分類為有關銷售貨品的已收客戶預繳代價的合約負債。

除上文所闡述的重新分類外，採用國際財務報告準則第15號對本集團的損益及其他全面收益或經營、投資及融資現金流量並無影響。

## 2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 3	<i>Definition of a Business</i> <sup>2</sup>
Amendments to IFRS 9	<i>Prepayment Features with Negative Compensation</i> <sup>1</sup>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
IFRS 16	<i>Leases</i> <sup>1</sup>
IFRS 17	<i>Insurance Contracts</i> <sup>3</sup>
Amendments to IAS 1 and IAS 8	<i>Definition of Material</i> <sup>2</sup>
Amendments to IAS 19	<i>Plan Amendment, Curtailment or Settlement</i> <sup>1</sup>
Amendments to IAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> <sup>1</sup>
IFRIC 23	<i>Uncertainty over Income Tax Treatments</i> <sup>1</sup>
Annual Improvements 2015-2017 Cycle	Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 <sup>1</sup>

## 2.3 已頒佈但尚未生效的國際財務報告準則

本集團並未於本財務報表中採用下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第3號	修訂本	業務的定義 <sup>2</sup>
國際財務報告準則第9號	修訂本	具有負補償的提前還款特性 <sup>1</sup>
國際財務報告準則第10號及國際會計準則第28號	修訂本	投資者與其聯營公司或合營企業之間出售或注入資產 <sup>4</sup>
國際財務報告準則第16號		租賃 <sup>1</sup>
國際財務報告準則第17號		保險合約 <sup>3</sup>
國際會計準則第1號及國際會計準則第8號	修訂本	重大的定義 <sup>2</sup>
國際會計準則第19號	修訂本	計劃修正、縮減或清償 <sup>1</sup>
國際會計準則第28號	修訂本	聯營公司及合營企業的長期權益 <sup>1</sup>
國際財務報告詮釋委員會詮釋第23號		所得稅處理方法的不確定性 <sup>1</sup>
2015年至2017年週期的年度改進		國際財務報告準則第3號、國際財務報告準則第11號、國際會計準則第12號及國際會計準則第23號修訂本 <sup>1</sup>

**2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs***(Continued)*

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2020
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>4</sup> No mandatory effective date yet determined but available for adoption

Further information about those IFRSs that are expected to be applicable to the Group is described below.

Amendments to IFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 January 2020.

**2.3 已頒佈但尚未生效的國際財務報告準則 (續)**

- <sup>1</sup> 於2019年1月1日或之後開始的年度期間生效
- <sup>2</sup> 於2020年1月1日或之後開始的年度期間生效
- <sup>3</sup> 於2021年1月1日或之後開始的年度期間生效
- <sup>4</sup> 尚未釐定強制生效日期但可供採用

預期適用於本集團的國際財務報告準則的進一步資料載述於下文。

國際財務報告準則第3號修訂本釐清業務的定義並就此提供額外指引。該等修訂本釐清，就將被視為業務的一組活動及資產而言，其須至少包括共同對創造輸出的能力作出重大貢獻的一項輸入及一個實質過程。一項業務的存在要素無須包括創造輸出所需的所有輸入及過程。該等修訂本移除對市場參與者是否有能力收購業務及繼續生產輸出的評估。相反，重點在於所收購輸入及所收購實質過程是否共同對創造輸出的能力作出重大貢獻。該等修訂本亦將輸出的定義縮窄為專注於向客戶提供的貨品或服務、投資收入或來自日常活動的其他收入。再者，該等修訂本為評估一項已收購過程是否屬實質提供指引，並引入可選用的公平值集中度測試，以允許對一組已收購的活動及資產是否並非業務進行簡化評估。本集團預期按前瞻性基準自2020年1月1日起採用該等修訂本。

## 2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

### (Continued)

IFRS 16, replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases – Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in IAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under IFRS 16 is substantially unchanged from the accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between operating leases and finance leases. IFRS 16 requires lessees and lessors to make more extensive disclosures than under IAS 17. Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group will adopt IFRS 16 from 1 January 2019. The Group plans to adopt the transitional provisions in IFRS 16 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019 and will not restate the comparatives. In addition, the Group plans to apply the new requirements to contracts that were previously identified as leases applying IAS 17 and measure the lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application. The right-of-use asset will be measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before the date of initial application. The Group plans to use the exemptions allowed by the standard on lease contracts whose lease terms end within 12 months as of the date of initial application. During 2018, the Group has performed a detailed assessment on the impact of adoption of IFRS 16. The Group has estimated that right-of-use assets of RMB4,594,000 and lease liabilities of RMB3,504,000 will be recognised at 1 January 2019.

## 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際財務報告準則第16號取代國際會計準則第17號「租賃」、國際財務報告詮釋委員會第4號「釐定安排是否包含租賃」、常務詮釋委員會—第15號「經營租賃—獎勵」及常務詮釋委員會—第27號「評估涉及租賃法律形式的交易本質」。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項確認豁免選項—低價值資產租賃及短期租賃。於租賃開始日期，承租人會確認作出租賃款的負債（即租賃負債）及確認代表於租期內使用相關資產的權利的資產（即使用權資產）。除非使用權資產符合國際會計準則第40號中投資物業的定義或與應用重估模型的物業、廠房及設備類別有關，否則該使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因支付租賃款而減少。承租人將須分別確認租賃負債的利息開支及使用權資產的折舊開支。承租人亦將須於發生若干事件時重新計量租賃負債，例如因租期變更或用於釐定未來租賃款的指數或比率變更而引致租賃款變更。承租人一般將重新計量租賃負債的數額確認為使用權資產的調整。國際財務報告準則第16號大致沿用國際會計準則第17號內出租人的會計方法。出租人將繼續使用與國際會計準則第17號相同的分類原則將所有租賃分類，並將之分為經營租賃及融資租賃。國際財務報告準則第16號規定承租人及出租人作出比根據國際會計準則第17號更廣泛的披露。承租人可選擇利用全面追溯或經修改追溯方法應用該準則。本集團將由2019年1月1日起採用國際財務報告準則第16號。本集團計劃採用國際財務報告準則第16號中的過渡條文，以將初始採用的累積影響確認為對留存盈餘於2019年1月1日年初餘額的調整，且不會重列比較數字。此外，本集團計劃對先前應用國際會計準則第17號時識別為租賃的合約應用新規定，並按餘下租賃款的現值（利用初始應用當日的本集團遞增借貸利率貼現）計量租賃負債。使用權資產將按租賃負債的金額計量，並按緊接初始應用日期前有關於財務狀況表確認的租賃的任何預付或應計租賃款金額調整。本集團計劃使用該準則所允許有關租賃結束日為由初始應用日期起計12個月內的租賃合約的豁免。於2018年，本集團已對採用國際財務報告準則第16號的影響進行詳細評估。本集團估計將於2019年1月1日確認使用權資產人民幣4,594,000元及租賃負債人民幣3,504,000元。

## 2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs (Continued)

Amendments to IAS 1 and IAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

IFRIC 23, addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of IAS 12 (often referred to as "uncertain tax positions"). The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The interpretation is to be applied retrospectively, either fully retrospectively without the use of hindsight or retrospectively with the cumulative effect of application as an adjustment to the opening equity at the date of initial application, without the restatement of comparative information. The Group expects to adopt the interpretation from 1 January 2019. The interpretation is not expected to have any significant impact on the Group's financial statements.

## 2.3 已頒佈但尚未生效的國際 財務報告準則 (續)

國際會計準則第1號及國際會計準則第8號的修訂本為重大提供一個新定義。新定義訂明，倘可合理預期某項資料的遺漏、失實或模糊不清將影響一般用途財務報表的主要使用者按該等財務報表作出的決定，則該項資料屬重大。該等修訂本釐清，重要性將視乎資料的性質或量級而定。資料失實如可合理預期影響主要使用者作出的決定，則屬重大。本集團預期按前瞻性基準自2020年1月1日起採用該等修訂本。該等修訂本預期對本集團的財務報表並無任何重大影響。

國際財務報告詮釋委員會—詮釋第23號處理於稅項處理方法涉及影響國際會計準則第12號的應用的不確定因素（一般稱為「不確定稅務狀況」）時將所得稅（即期及遞延）入賬的方法。該項詮釋不適用於國際會計準則第12號範圍以外的稅項或徵稅，亦無特別包括與不確定稅項處理方法相關的利息及處罰的相關規定。該項詮釋具體處理以下項目：(i)實體是否考慮分開處理各項不確定稅項處理方法；(ii)實體對稅務機關的稅項處理方法檢查所作的假設；(iii)實體如何釐定應課稅利潤或稅項虧損、稅基、未動用稅項虧損、未動用稅項抵免及稅率；及(iv)實體如何考慮事實及情況變動。該項詮釋將會追溯應用，既可在無須採用事後確認的情況下全面追溯應用，亦可將應用的累積影響作為初始應用當日的年初權益調整追溯應用，而無須重列比較資料。本集團預期自2019年1月1日起採用該項詮釋。預期該項詮釋對本集團的財務報表並無任何重大影響。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Business combinations and goodwill

Business combinations not under common control are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

## 2.4 主要會計政策概要

### 業務合併及商譽

非共同控制的業務合併以收購法入賬。已轉讓代價以收購日期的公平值計算，該公平值為本集團轉讓的資產於收購日期的公平值、本集團向所收購公司的前擁有人承擔的負債及本集團發行以換取所收購公司控制權的股本權益的總和。本集團就各業務合併選擇按公平值或於所收購公司可識別資產淨值的應佔比例，計算於屬現時擁有人權益，並於清盤時賦予其持有人按比例分佔實體資產淨值的非控股權益。非控股權益的一切其他部分按公平值計量。收購相關成本於產生時列為開支。

當本集團收購一項業務時，按照合約條款、於收購日期的經濟環境及相關條件，評估所承擔金融資產及負債，以作合適分類及標示，其中包括在所收購公司主合約中分割出嵌入式衍生工具。

倘業務合併分階段進行，先前持有的股本權益按收購日期的公平值重新計量，因而產生的任何收益或虧損於損益中確認。

收購方將轉讓的任何或有代價會按收購日期的公平值確認。分類為資產或負債的或有代價按公平值計量，而公平值變動會於損益確認。分類為權益的或有代價不予重新計量，而其後結算於權益中入賬。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Business combinations and goodwill (Continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the (a) consideration transferred, (b) the amount recognised for non-controlling interests; and (c) any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a part of a cash-generating unit (or group of cash-generating units) and part of the operation within the unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

## 2.4 主要會計政策概要 (續)

### 業務合併及商譽 (續)

商譽初步按成本計量，即(a)已轉讓代價；(b)已確認非控股權益金額；及(c)本集團先前於所收購公司持有的股本權益的任何公平值的總和，超出所收購可識別資產淨值及所承擔可識別負債淨額的差額。倘該代價及其他項目總和低於所收購資產淨值的公平值，則於進行重新評估後，差額會於損益確認為議價收購收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值可能減值時，則會更頻密地進行測試。本集團於12月31日進行商譽年度減值測試。為進行減值測試，因業務合併而購入的商譽自收購日期起被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配至該等單位或單位組別。

減值會通過評估與商譽有關的現金產生單位（現金產生單位組別）的可收回金額釐定。倘現金產生單位（現金產生單位組別）的可收回金額低於賬面金額，則會確認減值虧損。已就商譽確認的減值虧損不會於未來期間撥回。

倘商譽被分配至現金產生單位（或現金產生單位組別）一部分，而該單位的部分業務已售出，則在釐定出售收益或虧損時，與已出售業務相關的商譽會計入該業務的賬面金額。在該情況下出售的商譽會基於已出售業務及現金產生單位的保留份額的相對價值進行計量。



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Business combinations and goodwill (Continued)

When the acquisition of subsidiaries does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

### Merger accounting for business combination under common control

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

### Fair value measurement

The Group measures its financial assets at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

## 2.4 主要會計政策概要 (續)

### 業務合併及商譽 (續)

當收購子公司並非一項業務時，本集團會將之入賬列為收購一組資產及負債。收購成本基於所收購資產及負債的相對公平值分配至該等資產及負債，而商譽或遞延稅項則不予確認。

### 共同控制下業務合併的合併會計方法

綜合財務報表包括進行共同控制合併的合併實體或業務的財務報表，猶如該等實體或業務自首次受控股方控制之日起綜合入賬。

### 公平值計量

於各報告期末，本集團按公平值計量其按公平值計量而其變動計入損益的金融資產。公平值乃於計量日期市場參與者之間在有序交易出售資產可收或轉讓負債應付的價格。公平值計量所建基的前題是資產出售或負債轉讓的交易乃於資產或負債的主要市場或（如無主要市場）最有利的市場進行。主要或最有利市場必須為本集團可達的市場。資產或負債的公平值計量會使用市場參與者在為資產或負債定價時所用的假設，並假設市場參與者會為其最佳經濟利益行事。

非金融資產的公平值計量會考慮市場參與者從使用資產的最有利及最佳用途，或向將以最有利及最佳用途使用資產的另一名市場參與者出售資產而產生經濟利益的能力。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Fair value measurement (Continued)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 2.4 主要會計政策概要 (續)

### 公平值計量 (續)

本集團會視情況，就計量公平值可得的數據多寡採用合適的估值技術，盡量使用相關可觀察輸入數據，並盡量減少使用不可觀察輸入數據。

於財務報表計量或披露公平值的所有資產及負債基於對公平值計量整體而言屬重大的最下層輸入數據，按下文所述的公平值層級分類：

- 第1層 – 基於相同資產或負債在活躍市場的報價值（未經調整）
- 第2層 – 基於對公平值計量而言屬重大的最下層輸入數據屬直接或間接可觀察的估值技術
- 第3層 – 基於對公平值計量而言屬重大的最下層輸入數據屬不可觀察的估值技術

就於財務報表按經常性基準確認的資產及負債而言，本集團會於各報告期末重新評估分類方法（基於對公平值計量整體而言屬重大的最下層輸入數據），以釐定各層級間有否出現轉移。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, deferred tax assets and non-current assets classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use ("VIU") and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

## 2.4 主要會計政策概要 (續)

### 非金融資產減值

倘若出現減值跡象或當有需要對資產(存貨、金融資產、遞延稅項資產及分類為持作出售的非流動資產除外)進行年度減值測試,本集團會估計該資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值與其公平值減出售成本的較高者,並就個別資產釐定,除非資產並無產生在很大程度上可獨立於其他資產或資產類別的現金流入,在此情況下,則釐定資產所屬現金產生單位的可收回金額。

減值虧損僅於資產賬面金額超逾可收回金額時確認。於評估使用價值時,估計未來現金流量以可反映現時市場對貨幣時間價值及資產特定風險的評估的稅前貼現率貼現至現值。減值虧損於產生當期在損益中與減值資產功能一致的開支類別中扣除。

於各報告期末均評估是否有跡象顯示過往已確認的減值虧損不再存在或有所減少。若出現上述跡象,則估計可收回金額。資產(商譽除外)過往已確認的減值虧損僅於釐定資產可收回金額所用的估計有變時撥回,惟金額不會超過假設過往年度並無就該項資產確認減值虧損而應釐定的賬面金額(已扣除任何折舊/攤銷)。減值虧損的撥回於產生當期計入損益。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

## 2.4 主要會計政策概要 (續)

### 關聯方

下列各方被視為與本集團有關連：

- (a) 該方為一名個人或該名個人的近親，而該名個人
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團母公司的主要管理層成員；

或

- (b) 倘該方為實體，並符合下列任何條件：
  - (i) 該實體與本集團屬同一集團的成員公司；
  - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體的母公司、子公司或同系子公司的聯營公司或合營企業）；
  - (iii) 該實體與本集團均為同一第三方的合營企業；
  - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Related parties (Continued)

(b) (Continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale, it is not depreciated and in accordance with IFRS 5, as further explained in the accounting policy for "Non-current assets held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

## 2.4 主要會計政策概要 (續)

### 關聯方 (續)

(b) (續)

- (v) 該實體為本集團或與本集團有關連的實體就僱員利益設立的離職後福利計劃；
- (vi) 該實體受(a)所識別人士控制或共同控制；
- (vii) (a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員；及
- (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

### 物業、廠房及設備與折舊

物業、廠房及設備(在建工程除外)按成本減累計折舊及任何減值虧損入賬。當物業、廠房及設備項目被分類為持作出售時，按照國際財務報告準則第5號，該項目不作折舊，進一步解釋見「持作出售的非流動資產」的會計政策。物業、廠房及設備項目的成本包括其購買價及任何使資產達致擬定用途運作狀況及地點而直接應計的成本。

物業、廠房及設備項目投入運作後產生的開支，例如維修保養開支，一般於產生期間自損益扣除。倘達到確認標準，則重大檢查的開支會於資產賬面金額中資本化作為替換。倘須定期替換物業、廠房及設備的主要部分，則本集團會將該等部分確認為有特定可使用年期的個別資產，並計提相應折舊。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Property, plant and equipment and depreciation (Continued)

Depreciation of items of property, plant and equipment, other than mining infrastructure, is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

Buildings	7-40 years
Plant and machinery	2-20 years
Office equipment	3-10 years
Motor vehicles	2-10 years

Depreciation of mining infrastructure is calculated using the units-of-production (“UOP”) method to depreciate the cost of the assets in proportion to the extraction of the proved and probable mineral reserves. The remaining estimated useful lives of the mining infrastructure at the end of the reporting period ranging from 2.5 years to 19.7 years are determined in accordance with the production plans of the entities concerned and the proved and probable reserves of mines using the UOP method.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

## 2.4 主要會計政策概要 (續)

### 物業、廠房及設備與折舊 (續)

物業、廠房及設備項目(採礦基建除外)的折舊乃於各項物業、廠房及設備項目的估計可使用年期內以直線法將其成本撇銷至剩餘價值計算得出。物業、廠房及設備的估計可使用年期如下：

樓宇	7至40年
廠房及機器	2至20年
辦公室設備	3至10年
汽車	2至10年

採礦基建的折舊以其生產單位按證實及概略礦產儲量開採比例撇銷資產成本的方法計算得出。採礦基建於報告期末的餘下估計可使用年期按照與有關實體的生產計劃及按生產單位方法計算的證實及概略儲量釐定，介乎2.5年至19.7年之間。

倘若物業、廠房及設備項目的部分的可使用年期不同，則該項目的成本按合理基準分配至各部分，而各部分將獨立計算折舊。剩餘價值、可使用年期及折舊方法至少會於各財政年度末審閱，並作出適當調整。

經初始確認的物業、廠房及設備項目(包括任何主要部分)於出售或預期日後使用或出售不會有任何經濟利益時終止確認。出售或棄用收益或虧損指有關資產的出售所得款項淨額與賬面金額的差額，於終止確認資產的年度在損益中確認。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Property, plant and equipment and depreciation (Continued)

Construction in progress represents items of property, plant and equipment under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowing funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

### Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

## 2.4 主要會計政策概要 (續)

### 物業、廠房及設備與折舊 (續)

在建工程指正在建設的物業、廠房及設備項目，按成本減任何減值虧損入賬而不作折舊。成本包括施工期間的工程直接成本及相關借貸資金的資本化借貸成本。在建工程於落成可用時獲重新分類至物業、廠房及設備的適當類別。

### 持作出售的非流動資產及出售組別

非流動資產及出售組別如將主要透過出售交易而非持續使用收回賬面金額，則分類為持作出售。在此情況下，資產或出售組別必須僅按出售該等資產或出售組別的一般及慣用條款可即時以其現況出售，且其出售的可能性必須極高。子公司所有分類為出售組別的資產及負債會重新分類為持作出售，而不論本集團於出售後有否保留於前子公司的非控股權益。

分類為持作出售的非流動資產及出售組別（金融資產除外）按賬面金額與公平值減出售成本兩者的較低者計量。分類為持作出售的物業、廠房及設備以及無形資產不作折舊或攤銷。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

#### **Brand name**

Brand name is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 10 years.

#### **Mining rights**

Mining rights are stated at cost less accumulated amortisation and any impairment losses. Mining rights include the cost of acquiring mining licences, exploration and evaluation costs transferred from exploration rights and assets upon determination that an exploration property is capable of commercial production, and the cost of acquiring interests in the mining reserves of existing mining properties. The mining rights are amortised over the estimated useful lives of the mines, in accordance with the production plans of the entities concerned and the proved and probable reserves of the mines using the UOP method. Mining rights are written off to profit or loss if the mining property is abandoned.

#### **Exploration rights and assets**

Exploration rights are stated at cost less accumulated amortisation and any impairment losses, and exploration assets are stated at cost less any impairment losses. Exploration rights and assets include the cost of acquiring exploration rights, topographical and geological surveys, exploratory drilling, sampling and trenching and activities in relation to commercial and technical feasibility studies, and deferred amortisation and depreciation charges in respect of assets consumed during the exploration activities.

## 2.4 主要會計政策概要 (續)

### 無形資產 (商譽除外)

個別收購的無形資產於初始確認時按成本計量。於業務合併收購的無形資產的成本乃該資產於收購日期的公平值。無形資產的可使用年期評估為有限或無限。可使用年期有限的無形資產隨後於可使用經濟年限內攤銷，並評估是否有跡象顯示無形資產可能出現減值。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度末審閱。

#### **品牌名稱**

品牌名稱按成本減任何減值虧損列賬，並於其估計可使用年期（10年）按直線法攤銷。

#### **採礦權**

採礦權按成本減累計攤銷及任何減值虧損列賬。採礦權包括收購採礦許可證的成本，於釐定勘探物業具備商業生產能力時轉撥自勘探權及資產的勘探及評估成本，以及收購現有採礦物業的採礦儲量權益的成本。採礦權按照與有關實體的生產計劃及按生產單位方法計算的證實及概略儲量，於礦場的估計可使用年期攤銷。倘若放棄採礦物業，則採礦權在損益內撇銷。

#### **勘探權及資產**

勘探權按成本減累計攤銷及任何減值虧損列賬，而勘探資產則按成本減去減值虧損列賬。勘探權及資產包括收購勘探權、地質及地理勘測、勘探鑽孔、抽樣及挖掘及與商業及技術上可行性研究有關的活動的成本，及於勘探活動所耗用資產的遞延攤銷及折舊開銷。



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Intangible assets (other than goodwill)

(Continued)

#### Exploration rights and assets (Continued)

Exploration rights are amortised over the term of rights. Equipment used in exploration is depreciated over its useful life, or, if dedicated to a particular exploration project, over the life of the project on the straight-line basis, whichever is shorter. Amortisation and depreciation are included, in the first instance, in exploration rights and assets and are transferred to mining rights when it can be reasonably ascertained that an exploration property is capable of commercial production.

Exploration and evaluation costs include expenditure incurred to secure further mineralisation in existing ore bodies as well as in new areas of interest. Expenditure incurred prior to acquiring legal rights to explore an area is written off as incurred.

Exploration rights and assets shall be assessed for impairment when facts and circumstances indicate that the carrying amount may exceed its recoverable amount. An impairment test is performed if any of the following indicators are present:

- (a) the period for which the entity 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;
- (b) substantial expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- (c) 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 entity has decided to discontinue such activities in the specific area; or
- (d) 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.

## 2.4 主要會計政策概要 (續)

### 無形資產 (商譽除外) (續)

#### 勘探權及資產 (續)

勘探權按權利期限攤銷。勘探所使用設備以直線法按其可使用年期計算折舊，或倘屬特定勘探項目的專項設備，則按該項目年期中計算折舊（以較短者為準）。攤銷及折舊先行計入勘探權及資產內，並當可合理確定勘探物業可進行商業生產時，轉至採礦權。

勘探及評估成本包括確定現有礦體以及在新權益區域進一步礦化所產生的開支。於獲得合法權利前對一個區域進行的勘探而產生的開支將於產生時攤銷。

勘探權及資產於顯示賬面金額可能超逾其可收回金額的事實及情況出現時進行減值評估。減值測試將於出現下列任何跡象時進行：

- (a) 實體於特定區域的勘探權的期間已經或將於近期屆滿，並預期不會續期；
- (b) 對進一步勘探及評估特定區域礦產資源的大量開支既無預算，亦無規劃；
- (c) 於特定區域勘探及評估礦產資源並無發現商業上有利的礦產資源數量，故實體已決定終止於特定區域的該等活動；或
- (d) 充分數據表明，儘管於特定區域的開發可能會繼續進行，但勘探及評估資產的賬面金額不可能於成功開發或銷售中全面收回。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Intangible assets (other than goodwill)

#### (Continued)

#### Exploration rights and assets (Continued)

An impairment loss is recognised for the amount by which the exploration rights and assets' carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration rights and assets' fair value less costs of disposal and their VIU. For the purpose of assessing impairment, the exploration rights and assets subject to testing are grouped with existing cash-generating units of production fields that are located in the same geographical region.

When it can be reasonably ascertained that an exploration property is capable of commercial production, exploration and evaluation costs capitalised are transferred to either mining infrastructure or mining rights and depreciated/amortised using the UOP method based on the proved and probable mineral reserves. Exploration rights and assets are written off to profit or loss if the exploration property is abandoned.

#### Stripping (waste removal) costs

As part of its mining operations, the Group incurs stripping (waste removal) costs both during the development phase and production phase of its operations. Stripping costs incurred in the development phase of a mine, before the production phase commences (development stripping), are capitalised as part of the cost of constructing the mine and subsequently amortised over its useful life using the UOP method. The capitalisation of development stripping costs ceases when the mine/component is commissioned and ready for use as intended by management.

## 2.4 主要會計政策概要 (續)

### 無形資產(商譽除外)(續)

#### 勘探權及資產(續)

本集團就勘探權及資產的賬面金額超逾其可收回金額的差額確認減值虧損。可收回金額為勘探權及資產的公平值減出售成本及其使用價值兩者的較高者。就評估減值而言，須作測試的勘探權及資產與位於同一地區的礦產區內現有的現金產生單位屬同一組別。

當可合理地確定勘探物業可進行商業生產時，已撥充資本的勘探及評估成本將轉撥至採礦基建或採礦權，並利用基於證實及概略礦產儲量的生產單位方法折舊／攤銷。倘若摒除勘探物業，則會於損益撇銷勘探權及資產。

#### 剝離(清除廢物)成本

作為採礦營運的一部分，本集團於營運開發階段及生產階段均產生剝離(清除廢物)成本。在生產階段開始前，於一個礦區開發階段產生的剝離成本(開發剝離)資本化為礦區建設成本的一部分，其後使用生產單位方法於可使用年期內攤銷。開發剝離成本於礦區／組成部分可投入使用及可作管理層的擬定用途時停止資本化。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Stripping (waste removal) costs (Continued)

Stripping costs incurred during the production phase are generally considered to create two benefits, being either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories. Where the benefits are realised in the form of improved access to ore to be mined in the future, the costs are recognised as a non-current asset, referred to as a stripping activity asset, if the following criteria are met:

- a) Future economic benefits (being improved access to the ore body) are probable;
- b) The component of the ore body for which access will be improved can be accurately identified; and
- c) The costs associated with the improved access can be reliably measured.

If all of the criteria are not met, the production stripping costs are charged to profit or loss as operating costs as they are incurred.

In identifying components of the ore body, the Group works closely with the mining operation personnel for each mining operation to analyse each of the mine plans. Generally, a component will be a subset of the total ore body, and a mine may have several components. The mine plans, and therefore the identification of components, can vary between mines for a number of reasons. These include, but are not limited to: the type of commodity, the geological characteristics of the ore body, the geographical location, and/or financial considerations. Given the nature of the Group's operations, components are generally either major pushbacks or phases.

The stripping activity asset is accounted for as an addition to, or an enhancement of, an existing asset, being the mine asset, and is presented as part of "Intangible assets" in the statement of financial position. This forms part of the total investment in the relevant cash-generating unit, which is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

## 2.4 主要會計政策概要 (續)

### 剝離 (清除廢物) 成本 (續)

於生產階段產生的剝離成本一般被視為產生兩種利益，即生產存貨或於未來易於取得將予開採的礦石。倘有關利益屬於期內生產存貨，則生產剝離成本以存貨的部分生產成本入賬。倘有關利益屬於未來易於取得將予開採的礦石，則在符合以下條件的情況下，以剝離活動資產確認為非流動資產：

- a) 可能出現未來經濟利益 (即易於取得礦體)；
- b) 能夠準確地識別將會易於取得的礦體的構成要素；及
- c) 能夠可靠地計量與易於取得礦石相關的成本。

倘未能符合所有條件，則生產剝離成本會以產生的經營成本在損益開銷。

於識別礦體的構成要素時，本集團就各個開採營運與開採營運人員緊密合作，分析每個礦區規劃。總體而言，構成要素將為總礦體的一小部分，而一個礦區可以有多个構成要素。因此，不同礦區的規劃及識別構成要素可因為多種原因而有別，包括但不限於：商品類型、礦體的地質特徵、地理位置及／或財務考量。鑑於本集團的營運性質，構成要素一般為大型退回或分階段開採。

剝離活動資產以添置或提升現有資產 (即礦區資產) 入賬，並於財務狀況表以「無形資產」的一部分呈報。剝離活動資產構成相關現金產生單位總投資的一部分，並在有事件或情況變動顯示可能不能收回賬面值時進行減值檢討。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Stripping (waste removal) costs (Continued)

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore, plus an allocation of directly attributable overhead costs. If incidental operations are occurring at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, these costs are not included in the cost of the stripping activity asset.

The stripping activity asset is subsequently amortised using the UOP method over the life of the identified component of the ore body that has become more accessible as a result of the stripping activity. Economically recoverable reserves, which comprise proven and probable reserves, are used to determine the expected useful life of the identified component of the ore body. The stripping activity asset is then carried at cost less depreciation and any impairment losses.

### Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

## 2.4 主要會計政策概要 (續)

### 剝離 (清除廢物) 成本 (續)

剝離活動資產初步按成本計量，即為易於取得礦石可識別構成要素而進行剝離活動直接產生的累計成本，另加直接應佔的間接成本。倘生產剝離活動同時附帶其他營運，而有關營運並非生產剝離活動按計劃繼續所必需，則該等成本不會計入剝離活動資產的成本內。

剝離活動資產其後於經剝離活動而更易取得的礦體的可識別構成要素年期內，使用生產單位方法攤銷。可從經濟角度收回的儲量（包括證實及概略儲量）用以釐定礦體可識別構成要素的預計可使用年期。剝離活動資產其後按成本減折舊及任何減值虧損列賬。

### 經營租賃

凡資產所有權的絕大部分回報與風險仍歸於出租人的租賃，均入賬列作經營租賃。如本集團為出租人，則本集團根據經營租賃出租的資產會計入非流動資產，而根據經營租賃應收的租金會於租期內以直線基準計入損益。如本集團為承租人，則根據經營租賃應付的租金（扣除已收出租人的任何獎勵）會於租期內以直線基準於損益中扣除。

經營租賃下的預付土地租賃款初步按成本列賬，其後於租期內以直線基準確認。

透過屬融資性質的租購合約取得的資產入賬列作融資租賃，惟於估計可使用年期內折舊。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018)

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition (applicable from 1 January 2018)" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自2018年1月1日起適用的國際財務報告準則第9號下的政策)

#### 初始確認及計量

金融資產於初始確認時分類為其後按攤銷成本計量及按公平值計量而其變動計入損益。

金融資產於初始確認時的分類取決於金融資產的合約現金流特徵及本集團管理該等金融資產的業務模型。除並無重大融資組成部分或本集團已就其應用可行權宜方法 (不調整重大融資組成部分的影響) 的應收賬款外, 本集團初始按公平值加上 (倘屬並非按公平值計量而其變動計入損益的金融資產) 交易成本計量金融資產。並無重大融資組成部分或本集團已就其應用可行權宜方法的應收賬款按照下文「收入確認 (自二零一八年一月一日起適用)」所載的政策根據國際財務報告準則第15號釐定的交易價格計量。

為使金融資產按攤銷成本或以按公平值計量而其變動計入損益的方式分類及計量, 需產生就未償還本金的「純粹本息付款」的現金流。

本集團管理金融資產的業務模型指本集團如何管理其金融資產以產生現金流。業務模型確定現金流是否來自收集合約現金流、出售金融資產, 或兩者兼有。

金融資產的所有常規買賣乃於交易日 (即本集團承諾購買或出售該資產的日期) 確認。常規買賣為於市場規例或慣例普遍確立的期間內須交付資產的金融資產買賣。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (Continued)

#### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

#### Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自2018年1月1日起適用的國際財務報告準則第9號下的政策) (續)

#### 其後計量

金融資產的其後計量取決於其如下分類：

按攤銷成本計量的金融資產 (債務工具)  
如同時符合以下條件，則本集團按攤銷成本計量金融資產：

- 該金融資產於一個旨在通過持有金融資產收取合約現金流的業務模型內持有。
- 該金融資產的合約條款於特定日期產生現金流，而有關現金流乃純粹支付未償還本金的本金及利息。

按攤銷成本計量的金融資產其後利用實際利率法計量，並須作出減值。當資產被終止確認、修改或出現減值時，收益及虧損會於損益確認。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (Continued)

#### Subsequent measurement (Continued)

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

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自2018年1月1日起適用的國際財務報告準則第9號下的政策) (續)

#### 其後計量 (續)

##### 按公平值計量而其變動計入損益的金融資產

按公平值計量而其變動計入損益的金融資產包括持作買賣的金融資產、於初始確認時指定按公平值計量而其變動計入損益的金融資產或強制要求按公平值計量的金融資產。金融資產如為於短期內出售或購回而購入，則分類為持作買賣。衍生工具 (包括獨立的嵌入式衍生工具) 除非被指定為有效對沖工具，否則亦分類為持作買賣。現金流並非純粹支付本金及利息的金融資產，不論其業務模型如何，均以按公平值計量而其變動計入損益的方式分類及計量。儘管如上文所述債務工具可按攤銷成本或以按公平值計量而其變動計入損益的方式分類，但於初始確認時，倘將債務工具指定按公平值計量而其變動計入損益能夠消除或大幅減少會計錯配，則債務工具可指定按公平值計量而其變動計入損益。

按公平值計量而其變動計入損益的金融資產於財務狀況表按公平值列賬，而公平值變動淨額於損益確認。

該類別包括本集團並無不可撤銷地選擇以按公平值計量而其變動計入其他全面收益的方式分類的衍生工具及股本投資。當派息權確立、與股息相關的經濟利益有可能流入本集團及股息金額能可靠地計量時，分類為按公平值計量而其變動計入損益的金融資產的股本投資的股息亦於損益確認為其他收入。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018)

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

#### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

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

Financial assets at fair value through profit or loss represent financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in profit or loss. These net fair value changes do not include any interest earned on these financial assets, which is recognised in accordance with the policy set out for "Revenue recognition (applicable before 1 January 2018)" below.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (於2018年1月1日前適用的國際會計準則第39號下的政策)

#### 初始確認及計量

金融資產於初始確認時按適當的形式分類為按公平值計量而其變動計入損益的金融資產、貸款及應收款項以及可供出售的金融投資，或者分類為指定作有效對沖的對沖工具的衍生工具。金融資產進行初始確認時，應以其公平值加收購金融資產應佔的交易成本計量，惟金融資產以公平值計入損益的情況下除外。

金融資產的所有常規買賣乃於交易日（即本集團承諾購買或出售該資產的日期）確認。常規買賣為於市場規例或慣例普遍確立的期間內交付資產的金融資產買賣。

#### 其後計量

金融資產的其後計量乃根據彼等的分類進行如下：

##### *按公平值計量而其變動計入損益的金融資產*

按公平值計量而其變動計入損益的金融資產指於初始確認時指定按公平值計量而其變動計入損益的金融資產。金融資產如為於短期內出售而購入，則分類為持作買賣。衍生工具（包括獨立的嵌入式衍生工具）除非按國際會計準則第39號所界定指定為有效對沖工具，否則亦分類為持作買賣。

按公平值計量而其變動計入損益的金融資產於財務狀況表按公平值列賬，正數的公平值變動淨額於損益呈列為其他收入及收益，負數的公平值變動淨額則於損益呈列為財務成本。該等公平值變動淨額不包括就該等金融資產所賺取的任何利息，該等利息乃按照下文「收入確認（於2018年1月1日前適用）」所載的政策確認。



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (Continued)

#### Subsequent measurement (Continued)

*Financial assets at fair value through profit or loss (Continued)*

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in profit or loss. The loss arising from impairment is recognised in profit or loss in finance costs for loans and in other expenses for receivables.

### Derecognition of financial assets (policies under IFRS 9 applicable from 1 January 2018 and policies under IAS 39 applicable before 1 January 2018)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primary derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (於2018年1月1日前適用的國際會計準則第39號下的政策) (續)

#### 其後計量 (續)

*按公平值計量而其變動計入損益的金融資產 (續)*

於初始確認時指定按公平值計量而其變動計入損益的金融資產於初始確認當日被指定並僅於符合國際會計準則第39號的標準時方可指定。

#### 貸款及應收款項

貸款及應收款項指附帶固定或可釐定付款金額，而並無於活躍市場報價的非衍生金融資產。於初步計量後，該等資產其後以實際利率法按攤銷成本減任何減值備抵計量。攤銷成本計及收購時的任何折讓或溢價，並包括組成實際利率一部分的費用或成本。實際利率的攤銷計入損益中的其他收入及收益一項內。減值產生的虧損分別於損益中的財務成本及其他開支確認。

### 終止確認金融資產 (自2018年1月1日起適用的國際財務報告準則第9號下的政策及於2018年1月1日前適用的國際會計準則第39號下的政策)

金融資產 (或倘適用，一項金融資產的一部分或一組同類金融資產的一部分) 主要在下列情況下終止確認 (即從本集團的綜合財務狀況表中移除)：

- 自資產收取現金流量的權利已屆滿；或
- 本集團已轉讓自資產收取現金流量的權利，或已根據一項「轉付」安排承擔責任，在無重大延誤情況下，將所得現金流量全數付予第三方；及(a)本集團已轉讓資產的絕大部分風險及回報；或(b)本集團並無轉讓或保留資產的絕大部分風險及回報，但已轉讓資產的控制權。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Derecognition of financial assets (policies under IFRS 9 applicable from 1 January 2018 and policies under IAS 39 applicable before 1 January 2018) (Continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### Impairment of financial assets (policies under IFRS 9 applicable from 1 January 2018)

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

## 2.4 主要會計政策概要 (續)

### 終止確認金融資產 (自2018年1月1日起適用的國際財務報告準則第9號下的政策及於2018年1月1日前適用的國際會計準則第39號下的政策) (續)

當本集團已轉讓其自一項資產收取現金流量的權利或已訂立轉付安排時，本集團會評估是否及在多大程度上保留該資產所有權的風險及回報。當其並無轉讓或保留該資產的絕大部分風險及回報，亦無轉讓該資產的控制權時，本集團會於其繼續參與該已轉讓資產的範圍內確認該資產。於該情況下，本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團保留的權利及義務的基準計量。

以對所轉讓資產的擔保形式進行的持續參與按資產原賬面金額或本集團可能被要求償還的代價最高金額兩者 (以較低者為準) 計量。

### 金融資產減值 (自2018年1月1日起適用的國際財務報告準則第9號下的政策)

本集團就所有並非以按公平值計量而其變動計入損益的方式持有的債務工具確認預期信用損失備抵。預期信用損失以按照合約到期的合約現金流與本集團預期收取的所有現金流兩者的差額為基準，並按與原實際利率相若的利率貼現。預期現金流將包括出售所持抵押品或構成合約條款組成部分的其他增信安排的現金流。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Impairment of financial assets (policies under IFRS 9 applicable from 1 January 2018) (Continued)

#### General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (自2018年1月1日起適用的國際財務報告準則第9號下的政策) (續)

#### 一般方法

預期信用損失分兩個階段確認。就自初始確認以來信貸風險並無大幅增加的信貸敞口而言，本集團會為未來12個月內可能發生的違約事件所產生的信用損失（12個月預期信用損失）計提預期信用損失撥備。就自初始確認以來信貸風險大幅增加的信貸敞口而言，本集團須就預期於敞口餘下年期產生的信用損失計提虧損撥備，而不論違約的時間（全期預期信用損失）。

於各報告日期，本集團會評估金融工具的信貸風險自初始確認以來有否大幅增加。當進行此評估時，本集團會比較該金融工具於報告日期及於初始確認日期出現的違約風險，並會考慮無須花費過多成本或精力即可獲得的合理而具理據支持的資料，包括歷史及前瞻性資料。

本集團認為，當合約款項逾期超過90天時，金融資產即已違約。然而，於若干情況下，在並無計及本集團持有的任何增信安排前，本集團亦可於內部或外部資料顯示本集團不大可能悉數收取尚未償還合約金額時將金融資產視作違約。倘無法合理地預期收回合約現金流，則撇銷金融資產。

按攤銷成本計量的金融資產須根據一般方法作出減值，並於隨後計量預期信用損失的階段內分類，惟下文所詳述應用簡化方法的應收賬款除外。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Impairment of financial assets (policies under IFRS 9 applicable from 1 January 2018) (Continued)

#### *Simplified approach*

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For trade receivables and contract assets that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

### Impairment of financial assets (policies under IAS 39 applicable before 1 January 2018)

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (自2018年1月1日起適用的國際財務報告準則第9號下的政策) (續)

#### *簡化方法*

就不含重大融資組成部分的應收賬款及合約資產而言，或當本集團應用可行權宜方法不調整重大融資組成部分的影響時，本集團應用簡化方法計算預期信用損失。根據簡化方法，本集團並無追蹤信貸風險的變動，而是基於各報告日期的全期預期信用損失確認虧損撥備。本集團已設立建基於歷史信用損失經驗的撥備矩陣，並就債務人及經濟環境特定的前瞻性因素作出調整。

就包含重大融資組成部分的應收賬款及合約資產以及應收租賃而言，本集團根據上述政策選擇採用簡化方法計量預信用損失作為其會計政策。

### 金融資產減值 (於2018年1月1日前適用的國際會計準則第39號下的政策)

本集團於各個報告期末評估是否存在客觀證據顯示一項或一組金融資產出現減值。倘於初始確認一項或一組金融資產後發生一項或多項事件對資產的估計未來現金流量造成影響，且有關影響能夠可靠地估計，則出現減值。減值證據可包括一名或一群債務人正面臨重大財務困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如欠款數目或出現與違約相關的經濟狀況變動。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Impairment of financial assets (policies under IAS 39 applicable before 1 January 2018)

(Continued)

#### Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced either directly or through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased by adjusting the allowance amount. If a write-off is later recovered, the recovery is credited to other expenses in profit or loss.

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (於2018年1月1日前適用的國際會計準則第39號下的政策) (續)

#### 按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先會按個別基準就個別屬重大的金融資產或按組合基準就個別不屬重大的金融資產，評估是否存在客觀減值證據。倘本集團認定按個別基準經評估的金融資產（無論是否屬重大）並無客觀證據顯示出現減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產內，並綜合評估該組金融資產是否存在減值。經個別評估減值，且減值虧損已予確認或繼續確認的資產，不會納入綜合減值評估之內。

已識別的減值虧損金額按該資產賬面金額與估計未來現金流量（不包括並未產生的未來信用損失）現值的差額計量。估計未來現金流量的現值以金融資產的初始實際利率（即初次確認時計算的實際利率）貼現。

該資產的賬面金額會直接減少或通過使用備抵賬而減少，而虧損於損益確認。利息收入繼續就減少後賬面金額採用計量減值虧損時用以貼現未來現金流量的利率累計。若日後收回不可實現且所有抵押品已變現或已轉讓予本集團，則撇清貸款及應收款項連同任何相關備抵。

倘若在其後期間估計減值虧損金額由於確認減值之後發生的事項而增加或減少，則透過調整備抵金額增加或減少先前確認的減值虧損。倘於其後收回撇清款項，則該項收回將計入損益的其他開支一項。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Financial liabilities (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018)

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings and payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payable, other payables, amounts due to related parties and interest-bearing bank and other loans.

#### Subsequent measurement

The subsequent measurement of loans and borrowings is as follows:

##### Loans and borrowings

After initial recognition, interest-bearing bank and other loans are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

### Derecognition of financial liabilities (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

## 2.4 主要會計政策概要 (續)

### 金融負債 (自2018年1月1日起適用的國際財務報告準則第9號及於2018年1月1日前適用的國際會計準則第39號下的政策)

#### 初始確認及計量

金融負債於初始確認時分類為貸款及借貸以及應付款項。

所有金融負債初步按公平值確認，而如屬貸款及借貸以及應付款項，則扣除直接應佔交易成本。

本集團的金融負債包括應付賬款及應付票據、其他應付款項、應付關聯方款項以及計息銀行及其他貸款。

#### 其後計量

貸款及借貸的其後計量如下：

##### 貸款及借貸

於初始確認後，計息銀行及其他貸款隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認或按實際利率法進行攤銷程序時，其收益及虧損在損益確認。

攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入損益中的財務成本內。

### 終止確認金融負債 (自2018年1月1日起適用的國際財務報告準則第9號及於2018年1月1日前適用的國際會計準則第39號下的政策)

金融負債於負債項下責任被解除或撤銷或屆滿時終止確認。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Derecognition of financial liabilities (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018) (Continued)

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

### Offsetting of financial instruments (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018)

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of finished goods, comprises direct materials, direct labour and an appropriate proportion of fixed and variable overhead costs, including depreciation and amortisation incurred in converting materials into finished goods, based on the normal production capacity. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

### Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

## 2.4 主要會計政策概要 (續)

### 終止確認金融負債 (自2018年1月1日起適用的國際財務報告準則第9號及於2018年1月1日前適用的國際會計準則第39號下的政策) (續)

當一項現有金融負債被來自同一貸款方且大部分條款均有差別的另一項金融負債所取代，或現有負債的條款被大幅修改時，此種置換或修改被視作終止確認原有負債並確認新負債處理，而兩者的賬面金額差額於損益確認。

### 抵銷金融工具 (自2018年1月1日起適用的國際財務報告準則第9號及於2018年1月1日前適用的國際會計準則第39號下的政策)

倘有現時可強制執行的法律權力以抵銷已確認金額，且有意按淨額基準結算或同時變現資產及結清負，則金融資產與金融負債會互相對銷，而有關淨額在財務狀況表內呈報。

### 存貨

存貨按成本與可變現淨值兩者中的較低者列賬。成本按加權平均法計算，若是成品，則包括直接物料成本、直接勞動成本及固定及浮動間接成本中的適當部分，包括將物料轉為成品時產生的折舊及攤銷（基於正常產能計算）。可變現淨值基於估計售價扣除完成及出售時預期產生的成本計算。

### 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、活期存款及可隨時轉換為已知數額現金、價值變動風險極微及一般自購入後三個月內到期的短期高流動性投資。

就綜合財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金與存放銀行現金（包括有期存款）。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in statement of profit or loss.

Provisions for the Group's obligations for rehabilitation are based on estimates of required expenditure at the mines in accordance with the rules and regulations of the PRC. The obligation generally arises when the asset is installed or the ground environment is disturbed at the production location. The Group estimates its liabilities for final rehabilitation and mine closure based upon detailed calculations of the amount and timing of the future cash expenditure to perform the required work. Spending estimates are escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. When the liability is initially recognised, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining infrastructure.

Over time, the discounted liability is increased for the change in the present value based on the appropriate discount rate. The periodic unwinding of the discount is recognised within finance costs in profit or loss. The asset is depreciated using the UOP method over its expected life and the liability is accreted to the projected expenditure date. Additional disturbances or changes in estimates (such as mine plan revisions, changes in estimated costs, or changes in timing of the performance of reclamation activities) will be recognised as additions or charges to the corresponding assets and rehabilitation liabilities when they occur at the appropriate discount rate.

## 2.4 主要會計政策概要 (續)

### 撥備

當因過往事件導致現有債務(法定或推定)及日後可能需要有資源流出以償還債務時,本集團會確認撥備,但必須能可靠估計有關債務金額。

當貼現的影響重大時,本集團會確認的撥備金額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而產生的貼現現值增額,列作財務成本計入損益表。

本集團為履行復原責任作出的撥備乃基於對按照中國的規則及規例所規定的礦場開支而作出的估計。責任一般於資產獲得安置於生產地點或生產地點的場地環境受到干擾時產生。本集團估計其最後復原與礦場關閉的責任乃依據為進行規定工作的未來現金開支的金額與進度的詳細計算。開支估計因通貨膨脹而逐步擴大,然後以貼現率貼現,此反映貨幣的時間價值與僅限於負債的風險的現時市場評估,以使撥備金額反映預期用於履行責任的開支現值。當該負債被初始確認時,估計成本的現值透過相關採礦基建的賬面金額上升撥充資本。

貼現負債會隨時間就現值基於適當貼現率的變動而增加。定期撥回貼現於損益的財務成本一項中確認。資產利用生產單位方法於其預期年期折舊,並調升負債至預計開支日期。當估計發生額外干擾或更改(如採礦計劃修訂,估計成本改變,或進行復原活動的時間改變)時,估計中的額外干擾或更改將會按適當貼現率確認為對相應資產及復原負債的增加或扣減。



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## 2.4 主要會計政策概要 (續)

### 所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅於損益外確認，不論是於其他全面收益確認或直接於股權確認。

即期稅項資產及負債乃基於報告期末已頒佈或實際上已頒佈的稅率（及稅法），並考慮本集團業務所在國家的現有詮釋及慣例，按預期自稅務機構退回或付予稅務機構的金額計算。

遞延稅項採用負債法就於報告期末資產及負債的稅基與兩者用作財務報告的賬面金額之間的所有暫時差額計提撥備。

本集團就所有應課稅暫時差額確認遞延稅項負債，惟下列情況除外：

- 遞延稅項負債乃因在初次確認一項並非業務合併的交易中的商譽、資產或負債而產生，並於交易時並不影響會計利潤或應課稅利潤或虧損；及
- 就與於子公司的投資有關的應課稅暫時差額而言，暫時差額的撥回時間為可控制，而該等暫時差額於可見將來可能不會撥回。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## 2.4 主要會計政策概要 (續)

### 所得稅 (續)

本集團就所有可扣稅暫時差額、未動用稅項抵免及任何未動用稅項虧損的結轉確認遞延稅項資產，但以將有應課稅利潤以動用可扣稅暫時差額、未動用稅項抵免及未動用稅項虧損的結轉以作對銷為限，惟下列情況除外：

- 與可扣稅暫時差額有關的遞延稅項資產乃因初次確認在一項並非業務合併的交易中的資產或負債而產生，並於交易時並不影響會計利潤或應課稅利潤或虧損；及
- 就與於子公司的投資有關的可扣稅暫時差額而言，遞延稅項資產僅於暫時差額於可見將來有可能撥回以及將有應課稅利潤以動用暫時差額以作對銷的情況下，方予確認。

於各報告期末審閱遞延稅項資產的賬面金額，並在不再可能有足夠應課稅利潤以動用全部或部分遞延稅項資產時，相應扣減該賬面金額。未確認的遞延稅項資產會於各報告期末重新評估，並在可能有足夠應課稅利潤以收回全部或部分遞延稅項資產時確認。

遞延稅項資產及負債按預期適用於變現資產或清還負債期間的稅率，基於報告期末已頒佈或實際上已頒佈的稅率（及稅法）計算。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Income tax (Continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

### Revenue recognition (applicable from 1 January 2018)

#### Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

## 2.4 主要會計政策概要 (續)

### 所得稅 (續)

遞延稅項資產與遞延稅項負債於及僅於以下情況下抵銷：本集團具有在法律上可強制執行的權利將即期稅項資產與即期稅項負債抵銷，遞延稅項資產及遞延稅項負債與同一稅務機關徵收的所得稅有關，當中涉及同一應課稅實體，或有意按淨額基準結算即期稅項負債與資產或同時變現資產及結算負債的不同應課稅實體，而於每個未來期間預期結算或收回的遞延稅項負債或資產數額均屬重大。

### 政府補助

政府補助於可合理地確定將會收取補助及將符合所有附帶條件時按公平值確認。補助如涉及開支項目，則會於對應其擬補助的成本支銷的期間內有系統地確認為收入。

補助如與資產有關，則公平值會計入遞延收入賬內，從資產的賬面金額扣除及透過扣減的折舊開支而轉撥至損益。

### 收入確認 (自2018年1月1日起適用)

#### 客戶合約收入

客戶合約收入於貨品或服務的控制權轉讓予客戶時，按能反映本集團預期有權就該等貨品或服務所換取的代價金額確認。

當合約中的代價包含可變金額時，代價金額按本集團就向客戶轉讓貨品或服務而有權獲得的金額估計。可變代價於合約開始時估計並受到限制，直至與可變代價相關的不確定因素得到解決時，確認的累計收入金額極有可能不會發生重大收益撥回為止。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Revenue recognition (applicable from 1 January 2018) (Continued)

#### Revenue from contracts with customers (Continued)

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

#### Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

#### Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

## 2.4 主要會計政策概要 (續)

### 收入確認 (自2018年1月1日起適用) (續)

#### 客戶合約收入 (續)

當合約包含融資組成部分，而該融資組成部分為客戶提供超過一年的貨品或服務轉讓融資的重大利益時，收入按應收款項的現值計量，並利用將於本集團與客戶在合約開始時的單獨融資交易中反映的貼現率貼現。當合約包含融資組成部分，而該融資組成部分為本集團提供超過一年的重大財務利益時，根據合約確認的收入包括根據實際利率法在合約負債上加算的利息開支。就客戶付款至轉讓承諾貨品或服務的期限為一年或以下的合約而言，交易價格利用國際財務報告準則第15號中的可行權宜方法，不會就重大融資組成部分的影響作出調整。

#### 銷售貨品

來自銷售貨品的收入於資產控制權轉移至客戶的時間點（一般為交付貨品時）確認。

#### 其他收入

利息收入利用實際利率法以應計基準確認，所用利率為於金融工具的預期年期或更短期間（如適用）內將估計未來現金收款準確貼現至金融資產賬面淨額的利率。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Revenue recognition (applicable before 1 January 2018) (Continued)

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (c) from the rendering of services, when the service has been rendered.

### Contract liabilities (applicable from 1 January 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### Contracts for services (applicable before 1 January 2018)

Contract revenue on the rendering of services comprises the agreed contract amount. Costs of rendering services comprise labour and other costs of personnel directly engaged in providing the services and attributable overheads.

## 2.4 主要會計政策概要 (續)

### 收入確認 (於2018年1月1日前適用) (續)

當經濟利益可能流入本集團並能可靠地計算時，本集團會按下列基準確認收入：

- (a) 銷售貨品的收入在擁有權的重大風險及回報已轉移予買方，以及本集團不再擁有一般視為與擁有權相關的管理權或對已售貨品的有效控制權時確認；
- (b) 利息收入利用實際利率法以應計基準確認，所用利率為於金融工具的預期年期或更短期間（如適用）內將估計未來現金收款準確貼現至金融資產賬面淨額的利率；及
- (c) 提供服務的收入於服務提供時確認。

### 合約負債 (自2018年1月1日起適用)

合約負債為向客戶轉讓貨品或服務的責任（本集團已就此向客戶收取代價（或到期代價金額））。倘客戶於本集團向其轉讓貨品或服務前支付代價，則合約負債乃於款項支付或到期（以較早者為準）時確認。合約負債於本集團履約時確認為收入。

### 服務合約 (於2018年1月1日前適用)

提供服務的合約收入包括協定合約金額。提供服務成本包括勞工及其他直接受聘提供服務的人員成本以及應佔間接成本。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Contracts for services (applicable before 1 January 2018) (Continued)

Revenue from the rendering of services is recognised based on the percentage of completion of the transaction, provided that the revenue, the costs incurred and the estimated costs to completion can be measured reliably. The percentage of completion is established by reference to the costs incurred to date as compared to the total costs to be incurred under the transaction. Where the outcome of a contract cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Provision is made for foreseeable losses as soon as they are anticipated by management. Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when 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 capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## 2.4 主要會計政策概要 (續)

### 收入確認 (於2018年1月1日前適用) (續)

提供服務的收入基於交易完成百分比確認，惟收入、所產生成本及估計完成成本須能可靠計量。完成百分比參照迄今產生的成本相對根據交易將產生的總成本的比例計量。倘若合約結果無法可靠計量，則收入僅於所產生開支合資格收回的情況下確認。

管理層一旦預計有可預見虧損，即就此計提撥備。倘迄今產生的合約成本另加已確認利潤減已確認虧損超過進度款，則多出的金額會視為應收合約客戶款項處理。倘進度款超過迄今產生的合約成本另加已確認利潤減已確認虧損，則多出金額會視為應付合約客戶款項處理。

### 借貸成本

本集團將直接屬於購買、建築或生產合資格資產 (即需要一段長時間方可用作擬定用途或出售的資產) 的借貸成本撥充資本，作為該等資產的部分成本。當資產大致上已預備妥當可用作擬定用途或出售時，本集團終止將借貸成本撥充資本。於特別借貸用作合資格資產開支前的暫時投資所賺取的投資收入，會由資本化借貸成本中減除。所有其他借貸成本會於產生期間支銷。借貸成本包括實體就借取資金產生的利息及其他成本。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the note to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

### Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including Directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 31 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

## 2.4 主要會計政策概要 (續)

### 股息

末期股息於其在股東大會上獲股東批准時確認為負債。建議末期股息於財務報表附註披露。

因本公司組織章程大綱及細則授權董事宣派中期股息，故中期股息同時獲建議及宣派。因此，中期股息於建議及宣派後隨即確認為負債。

### 以股份為基礎的付款

本公司設有一項股份期權計劃，旨在向對本集團業務成功有所貢獻的合資格參與人提供獎勵及獎賞。本集團僱員（包括董事）按以股份為基礎的付款形式收取薪酬，以提供服務作為獲得股本工具（「股權結算交易」）的代價。

與僱員進行股權結算交易的成本參照股本工具於授出當日的公平值計量。公平值由外聘估值師採用二項模式計算，其進一步詳情載於財務報表附註31。

股權結算交易成本連同股權的相應增加於服務條件達成期間在僱員福利開支確認。於各報告期末至歸屬日期就股權結算交易所確認的累計開支，反映已屆滿的歸屬期及本集團就將最終歸屬股本工具數目作出的最佳估計。期內扣自或計入損益的數額指期初及期終確認的累計開支變動。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Share-based payments (Continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

## 2.4 主要會計政策概要 (續)

### 以股份為基礎的付款 (續)

於釐定獎勵於授出日期的公平值時不會考慮服務及非市場表現條件，但會評估達成該等條件的可能性，作為本集團對最終歸屬的權益工具數量的最佳估計。市場表現條件反映於授出日期的公平值內。獎勵所附帶但並無相關服務要求的任何其他條件會視為非歸屬條件。除非另有服務及／或表現條件，否則非歸屬條件反映於獎勵的公平值內，並即時支銷獎勵。

對於因並未符合非市場表現及／或服務條件而最終並無歸屬的獎勵，本集團不會確認開支。倘獎勵包括市場或非歸屬條件，則不論市場或非歸屬條件是否達成，交易亦會視為歸屬處理，惟所有其他表現及／或服務條件須已達成。

倘股權結算獎勵的條款有所修訂，假若已符合獎勵原訂條款，所確認開支最少須達到猶如條款並無任何修訂的水平。此外，倘按修訂日期計量，任何修訂導致以股份為基礎的付款的公平值總額有所增加，或對僱員帶來其他利益，則就該等修訂確認開支。

倘股權結算獎勵被取消，則會被視為於取消當日已歸屬處理，並須就有關獎勵即時確認任何尚未確認的開支。此包括未能達成本集團或僱員控制範圍內非歸屬條件的任何獎勵。然而，倘有新獎勵取代已取消的獎勵，並於授出當日指定為取代獎勵，則已取消的獎勵及新獎勵將被視為根據前段所述原有獎勵的修訂。

尚未行使期權的攤薄影響已反映於計算每股盈利時的額外股份攤薄。



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Other employee benefits

#### *Pension schemes*

The employees of the subsidiaries in Mainland China are required to participate in a defined central pension scheme managed by the local municipal government of the areas in Mainland China in which they operate. These subsidiaries are required to contribute a certain percentage of the relevant part of the payroll of these employees to the central pension scheme. The Group has no obligation for the payment of retirement benefits beyond the annual contributions. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

In addition to the above, the Group also participates in a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the MPF Scheme for its employee in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund.

#### *Housing fund*

Contributions to a defined contribution housing fund administered by the Public Accumulation Funds Administration Centre in Mainland China are charged to profit or loss as incurred.

## 2.4 主要會計政策概要 (續)

### 其他僱員福利

#### *退休金計劃*

於中國內地的子公司的僱員需參與由該等子公司經營所在中國內地地區的地方市政府經營的定額中央退休金計劃。該等子公司需將該等僱員薪金有關部分的若干百分比供款予該中央退休金計劃。本集團並無義務支付超出年度供款以外的退休福利。該等供款於其按照中央退休金計劃規則成為應付款時於損益扣除。

除上文外，本集團亦為其香港僱員參與指定供款強制性公積金退休福利計劃（「強積金計劃」）項下的強積金計劃。供款按照強積金計劃規則，基於僱員基礎薪金的若干百分比計算，並於應付時自損益扣除。強積金計劃資產與本集團資產獨立持有，由一個獨立管理基金持有。

#### *住房公積金*

屬於由中國內地公積金管理中心管理的指定供款住房公積金的供款於產生時於損益扣除。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Foreign currencies

These financial statements are presented in RMB, which is the functional currency of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their profit or loss are translated into RMB at the weighted average exchange rates for the year.

## 2.4 主要會計政策概要 (續)

### 外幣

本財務報表以人民幣呈列，而人民幣為本公司的功能貨幣。本集團內的實體各自決定其功能貨幣，各實體的財務報表項目均以所定功能貨幣計量。本集團實體入賬的外幣交易初始按交易日通行的有關功能貨幣的匯率入賬。以外幣為計價單位的貨幣資產及負債，按有關功能貨幣於報告期末的匯率進行換算。因結算或換算貨幣項目而產生的差額於損益確認。

按歷史成本計量、以外幣列賬的非貨幣項目，採用初始交易日期的匯率換算。按公平值計量、以外幣列賬的非貨幣項目，採用計量公平值日期的匯率換算。換算按公平值計量的非貨幣項目而產生的收益或虧損，按確認該項目的公平值變動的收益或虧損一致的方法處理（即公平值收益或虧損於其他全面收益或損益確認的項目的換算差額亦分別於其他全面收益或損益確認）。

為於終止確認有關預收預付代價的非貨幣資產或非貨幣負債時釐定初始確認相關資產、開支或收入所用的匯率，初始交易日期為本集團初始確認預收預付代價所產生非貨幣資產或非貨幣負債之日。倘有多筆預繳或預收款項，則本集團會就每筆預付或預收代價釐定交易日期。

若干海外子公司的功能貨幣為人民幣以外的貨幣。於報告期末，該等實體的資產及負債按報告期末通行的匯率換算為人民幣，而損益則按年內加權平均匯率換算為人民幣。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Foreign currencies (Continued)

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

## 3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### (a) Provision for expected losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

## 2.4 主要會計政策概要 (續)

### 外幣 (續)

所產生的匯兌差額於其他全面收益確認並於匯兌波動儲備累計。於海外業務出售時，與該特定海外業務有關的其他全面收益部分於損益表確認。

## 3. 重大會計估計

本集團財務報表的編製需要管理層作出影響收入、開支、資產及負債呈報金額及相關披露以及或有負債的披露的估計及假設。該等假設及估計固有的不明朗因素可導致未來須對受影響資產或負債的賬面金額進行重大調整。

### 估計不明朗因素

涉及未來的主要假設及於報告期末估計不明朗因素的其他主要來源（前述因素均擁有導致下個財政年度的資產及負債賬面金額出現大幅調整的重大風險）討論如下：

#### (a) 應收賬款預期損失撥備

本集團利用撥備矩陣計算應收賬款的預期信用損失。撥備率乃基於多個具有類似虧損模式的客戶分部組別（即按客戶類別及評級劃分）的逾期天數釐定。

撥備矩陣初始以本集團觀察所得的歷史違約率為基礎。本集團將校準矩陣，以利用前瞻性資料調整歷史信用損失經驗。舉例而言，倘預測經濟狀況（即國內生產總值）預期於來年轉差，導致違約宗數上升，則會調整歷史違約率。於各報告日期，本集團會更新其觀察所得的歷史違約率，並分析前瞻性估計的變動。

**3. SIGNIFICANT ACCOUNTING ESTIMATES***(Continued)***Estimation uncertainty (Continued)****(a) Provision for expected losses on trade receivables (Continued)**

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 20 to the financial statements.

**(b) PRC corporate income tax ("PRC CIT")**

The Group's operating subsidiaries in Mainland China are subject to PRC CIT. As a result of the fact that certain matters relating to PRC CIT have not been confirmed by the relevant local tax authorities, objective estimates based on currently enacted tax laws, regulations and other related policies are required in determining the provision for PRC CIT to be made. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact the income tax expense and tax provision in the period in which the differences realise. The carrying amount of PRC CIT payable as at 31 December 2018 was RMB9,154,000 (2017: RMB3,254,000).

**(c) Useful lives of property, plant and equipment**

The Group estimates useful lives and related depreciation charges for its items of property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of items of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and actions of its competitors. Management will increase the depreciation charge where useful lives are less than previously estimated, or it will record an impairment provision for technically obsolete assets that have been abandoned. The carrying amount of property, plant and equipment as at 31 December 2018 was RMB159,203,000 (2017: RMB630,898,000). Further details are given in note 13 to the financial statements.

**3. 重大會計估計 (續)****估計不明朗因素 (續)****(a) 應收賬款預期損失撥備 (續)**

對觀察所得的歷史違約率、預測經濟狀況及預期信用損失三者之相互關係的評估屬重大估計。預期信用損失的金額易受狀況變動及預測經濟狀況影響。本集團的歷史信用損失經驗及對經濟狀況的預測亦未必能反映客戶日後的實際違約情況。有關預期信用損失對本集團應收賬款的資料於財務報表附註20披露。

**(b) 中國企業所得稅**

本集團的中國內地營運子公司須繳納中國企業所得稅。由於當地相關稅務機構尚未確認有關中國企業所得稅的若干事件，故需要基於對目前制定的稅務法律、法規及其他相關政策的客觀估計釐定中國企業所得稅撥備。倘該等事件的最後稅項不同於最初記錄的金額，則差額將影響於差額實現期間的所得稅開支及稅項撥備。於2018年12月31日，應付中國企業所得稅的賬面金額為人民幣9,154,000元（2017年：人民幣3,254,000元）。

**(c) 物業、廠房及設備的可使用年期**

本集團估計其物業、廠房及設備項目的可使用年期及相關折舊費用。該估計乃基於類似性質及功能的物業、廠房及設備項目的實際可使用年期的過往經驗釐定，並可能因技術創新及產業競爭者間的行為而有重大改變。倘可使用年期少於先前的估計年期，則管理層將增加折舊費用，或將記錄已報廢的過時技術資產減值撥備。於2018年12月31日，物業、廠房及設備的賬面金額為人民幣159,203,000元（2017年：人民幣630,898,000元）。進一步詳情載於財務報表附註13。

### 3. SIGNIFICANT ACCOUNTING ESTIMATES

(Continued)

#### Estimation uncertainty (Continued)

##### (d) Mine reserves

Engineering estimates of the Group's mine reserves are inherently imprecise and represent only approximate amounts because of the significant judgements involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated mine reserves can be designated as "proved" and "probable". Proved and probable mine reserve estimates are updated at regular intervals taking into account recent production and technical information about each mine. In addition, as prices and cost levels change from year to year, the estimate of proved and probable mine reserves also changes. This change is considered a change in estimates for accounting purposes and is reflected on a prospective basis in both depreciation and amortisation rates calculated on the UOP method and the time period for discounting the rehabilitation provision. Changes in the estimate of mine reserves are also taken into account in impairment assessments of non-current assets.

##### (e) Exploration rights and assets

The application of the Group's accounting policy for exploration right and assets requires estimation in determining whether it is likely that future economic benefits will result either from future exploitation or sale or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of mine reserves is itself an estimation process with varying degrees of uncertainty depending on sub-classification. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in profit or loss in the period when the new information becomes available. The carrying amount of exploration rights and assets as at 31 December 2018 was RMB65,991,000 (2017: RMB320,414,000). Further details are given in note 14 to the financial statements.

### 3. 重大會計估計 (續)

#### 估計不明朗因素 (續)

##### (d) 礦場儲量

鑑於編製本集團礦場儲量的技術估計涉及重要判斷，這些資料存在固有不精確性，並僅屬於相若數額。在估計礦場儲量可確定為「證實」及「概略」儲量之前，本公司需要遵從若干有關技術標準的權威性指引。證實及概略礦場儲量的估計定期更新，並考慮各個礦場最近的生產及技術資料。此外，由於價格及成本水平逐年變更，因此，證實及概略礦場儲量的估計亦會出現變動。就會計目的而言，該等變動視為估計變更，並按未來適用法反映在未來根據生產單位方法計算得出的折舊及攤銷比率及貼現復原撥備的時間中。礦場儲量估計的變動亦計入非流動資產的減值評估。

##### (e) 勘探權及資產

於對勘探權及資產應用本集團的會計政策時，需要對未來開採或銷售是否可能帶來未來經濟利益，或者活動是否未達到足以對是否存在儲量作出合理評估的階段的活動的決定作出估計。釐定礦場儲量本身即為估計程序，視乎細分類別而涉及不同程度的不明朗因素。倘獲得新資料，則所作出的估計及假設可能改變。倘於開支撥充資本後獲得資料顯示開支不大可能收回，則撥充資本的金額於獲得新資料期內的損益中撇銷。於2018年12月31日，勘探權及資產的賬面金額為人民幣65,991,000元（2017年：人民幣320,414,000元）。進一步詳情載於財務報表附註14。

**3. SIGNIFICANT ACCOUNTING ESTIMATES***(Continued)***Estimation uncertainty (Continued)****(f) Net realisable value of inventories**

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated cost to be incurred to completion and disposal. These estimates are based on the current market condition and the historical experience of selling products of a similar nature. It could change significantly as a result of changes in downstream industries that consume the Group's products. Management reassesses these estimates at the end of each reporting period. The carrying amount of inventories as at 31 December 2018 was RMB23,627,000 (2017: RMB174,637,000). Further details are given in note 19 to the financial statements.

**(g) Provision for rehabilitation**

Provision for rehabilitation is based on estimates of future expenditures incurred by management to undertake rehabilitation and restoration work which were discounted at a rate of 6.35% as at 31 December 2018 (2017: 6.35%) reflecting the term and nature of the obligations to their present values. Significant estimates and assumptions are made in determining the provision for rehabilitation as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases and changes in the discount rate. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at the end of the reporting period represents management's best estimate of the present value of the future rehabilitation costs required. Changes to estimated future costs are recognised in the consolidated statement of financial position by adjusting the rehabilitation asset and liability. The carrying amount of provision for rehabilitation as at 31 December 2018 was RMB1,833,000 (2017: RMB11,400,000). Further details are contained in note 29 to the financial statements.

**3. 重大會計估計 (續)****估計不明朗因素 (續)****(f) 存貨的可變現淨值**

存貨的可變現淨值乃於日常業務過程中的估計售價，扣除估計完成成本及出售成本。該等估計乃基於現有市況及銷售同類性質產品的歷史經驗為基準進行，並可因耗用本集團產品的下游行業變動而顯著改變。管理層於各報告期末重新評估有關估計。於2018年12月31日，存貨的賬面金額為人民幣23,627,000元（2017年：人民幣174,637,000元）。進一步詳情載於財務報表附註19。

**(g) 復原撥備**

復原撥備乃基於管理層所承擔以進行復原及修復工作產生的未來開支估計，其按2018年12月31日的比率6.35%（2017年：6.35%）貼現至現值，以反映責任的年期及性質。重大估計及假設乃用以決定復原撥備而作出，因為多項因素均會影響最終應付負債。該等因素包括復原活動的範圍及成本、技術變動、監管變動、成本上升及貼現率變動的估計。該等不明朗因素可能導致將來實際開支與現時撥備金額有所不同。報告期末的撥備指管理層對未來所需復原成本現值的最佳估計。估計未來成本變動透過調整復原活動的資產及負債而於綜合財務狀況表中確認。於2018年12月31日，復原撥備的賬面金額為人民幣1,833,000元（2017年：人民幣11,400,000元）。進一步詳情載於財務報表附註29。

### 3. SIGNIFICANT ACCOUNTING ESTIMATES

(Continued)

#### Estimation uncertainty (Continued)

##### (h) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the tax losses can be utilised. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the deferred tax assets recorded at the end of the reporting period could be impacted. The gross amount of deferred tax assets recognised as at 31 December 2018 was RMB17,601,000 (2017: RMB70,269,000). The amounts of unrecognised tax losses and unrecognised deductible temporary differences as at 31 December 2018 were RMB32,971,000 (2017: RMB887,978,000) and RMB127,269,000 (2017: RMB1,683,365,000), respectively. Further details are contained in note 18 to the financial statements.

Additionally, future changes in tax laws and regulations in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions on taxable income in future periods.

##### (i) Valuation of financial assets at fair value through profit or loss

The Group's Exchangeable Notes are designated upon initial recognition as at fair value through profit or loss and re-measured to fair value through profit or loss in subsequent reporting periods. The fair value of the Exchangeable Notes was estimated by management and the estimation included some assumptions not supported by observable market prices or rates and hence they are subject to uncertainty. Favourable or unfavourable changes to these assumptions would result in significant changes in the fair value of the Exchangeable Notes and the corresponding adjustments to the amount of gain or loss reported in profit or loss. The fair value of the Exchangeable Notes at 31 December 2018 was nil (2017: Nil).

### 3. 重大會計估計 (續)

#### 估計不明朗因素 (續)

##### (h) 遞延稅項資產

本集團就所有可扣稅暫時差額及未動用稅項虧損確認遞延稅項資產，但須以將有應課稅利潤以動用可扣稅暫時差額及稅項虧損以作對銷為限。未來應課稅收入的估計乃基於營運的預測現金流量及各司法權區的現有稅法應用作出。如未來現金流量及應課稅收入與估計有重大差異，則本集團變現於報告期末錄得的遞延稅項資產的能力會受到影響。於2018年12月31日，已確認遞延稅項資產總額為人民幣17,601,000元（2017年：人民幣70,269,000元）。於2018年12月31日的未確認稅項虧損及未確認可扣稅暫時差額金額分別為人民幣32,971,000元（2017年：人民幣887,978,000元）及人民幣127,269,000元（2017年：人民幣1,683,365,000元）。進一步詳情載於財務報表附註18。

此外，本集團營運所在的司法權區的稅務法律及規例的未來變動可限制本集團於未來期間就應課稅收入獲得稅項減免的能力。

##### (i) 按公平值計量而其變動計入損益的金融資產的估值

本集團的可轉換票據於初始確認時指定為按公平值計量而其變動計入損益並於其後報告期重新計量至公平值而其變動計入損益。可轉換票據的公平值由管理層估計，估計包括未有可觀察市價或費率支持的若干假設，因此，該等假設存在不明朗因素。該等假設的有利或不利變動將導致可轉換票據的公平值出現重大變動，並對於損益中呈報的收益或虧損金額作出相應調整。於2018年12月31日，可轉換票據的公平值為零（2017年：零）。

### 3. SIGNIFICANT ACCOUNTING ESTIMATES

(Continued)

#### Estimation uncertainty (Continued)

##### (j) Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Definite life non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Based on the existing market conditions, impairment indicators were identified for the Group's main mining cash generating units, other pre-development stage mining rights, and exploration rights and assets. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its VIU. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When VIU calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. The accumulated impairment amounts for property, plant and equipment, intangible assets and prepaid land lease payments at 31 December 2018 were RMB8,527,000 (2017: RMB683,188,000), RMB113,722,000 (2017: RMB311,884,000), and RMB1 (2017: RMB2,413,000) respectively. Further details are contained in notes 10 and 13 to the financial statements.

### 3. 重大會計估計 (續)

#### 估計不明朗因素 (續)

##### (j) 非金融資產 (商譽除外) 的減值

本集團會於各報告期末評估所有非金融資產是否有任何減值跡象。具有有限年期的非金融資產於有跡象表明其賬面金額可能無法收回時進行減值測試。基於現行市況，本集團的主要採礦現金產生單位、其他尚未開發的採礦權以及勘探權及資產存在減值跡象。當資產或現金產生單位的賬面值超過其可收回金額時則存在減值，可收回金額為其公平值減銷售成本及其使用價值的較高者。公平值減銷售成本乃基於類似資產的公平交易的有約束力銷售交易或可觀察市價減出售資產的增量成本的可用數據計算。於計算使用價值時，管理層須估計資產或現金產生單位的預期未來現金流量，並選用合適的貼現率，以計算現金流量的現值。於2018年12月31日，物業、廠房及設備、無形資產以及預付土地租賃款的累計減值金額分別為人民幣8,527,000元（2017年：人民幣683,188,000元）、人民幣113,722,000元（2017年：人民幣311,884,000元）及人民幣1元（2017年：人民幣2,413,000元）。進一步詳情載於財務報表附註10及13。



#### 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their services and products and has four (2017: two) reportable operating segments as follows:

- (a) the high-Fe mining operation segment comprises the operation of sale of self-produced high-grade iron concentrates within the range of 65% TFe to 72% TFe;
- (b) the trading segment comprises the operation of sale of traded products;
- (c) the specialised mining services segment comprises the provision of specialised mining services, which include raise boring, shaft excavation, engineering services, and other mining services; and
- (d) the corporate and others segment covers the non-operating activities supporting the Group which includes the central functions such as the functional costs that have not been allocated to the other segments.

During 2017, the Directors concluded that there were two separate reporting segments, after the acquisition of Mancala Holdings and its subsidiaries, which principally engages in the business of providing specialised mining services. During 2018, following operational and strategic reviews, the Directors monitored the results of the Group's operating segments separately into four segments. Following a change in the composition of the Group's reporting segments, the Group has restated the operating segment information for the year ended 31 December 2017.

The Directors monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from Continuing Operations. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that other income, other expenses, finance costs and fair value losses on financial assets at fair value through profit or loss are excluded from such measurement.

#### 4. 經營分部資料

本集團基於服務及產品分為不同業務單位進行管理，四個（2017年：兩個）可呈報經營分部如下：

- (a) 高Fe採礦業務分部包括銷售TFe含量介乎65%至72%的自產高品位鐵精礦業務；
- (b) 買賣分部包括銷售買賣產品業務；
- (c) 專業開採服務分部包括提供專業開採服務，當中包括天井鑽探、豎井開挖、工程服務及其他開採服務；及
- (d) 企業及其他分部涵蓋支援本集團的非經營活動，包括中央職能（如未有分配至其他分部的功能性成本）。

於2017年，董事認為於收購開曼曼卡拉及其子公司（主要從事提供專業開採服務業務）後有兩個獨立的呈報分部。於2018年，經進行營運及策略性檢討後，董事按四個分部分開監察本集團各經營分部的業績。隨着本集團呈報分部組成改變，本集團已重列截至2017年12月31日止年度的經營分部資料。

董事分開監察本集團各經營分部的業績，以就資源分配及表現評估作出決策。分部表現基於可呈報分部利潤／虧損評估，而可呈報分部利潤／虧損乃計量持續經營業務的經調整稅前利潤／虧損的基準。除於計量時剔除其他收入、其他開支、財務成本及按公平值計量而其變動計入損益的金融資產的公平值虧損外，持續經營業務的經調整稅前利潤／虧損的計量方式與本集團稅前利潤／虧損的計量方式一致。

# Notes to Financial Statements

## 財務報表附註

31 December 2018  
2018年12月31日

### 4. OPERATING SEGMENT INFORMATION (Continued)

Segment assets exclude deferred tax assets and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable and dividend payables as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Year ended 31 December 2018

### 4. 經營分部資料 (續)

由於遞延稅項資產以及現金及現金等價物乃按集團基準管理，故分部資產並不包括該等資產。

由於計息銀行及其他借貸、應付稅款以及應付股息乃按集團基準管理，故分部負債並不包括該等負債。

分部間銷售及轉讓乃參照按當時通行市價向第三方作出銷售所用的售價交易。

截至2018年12月31日止年度

		High-Fe mining operation 高Fe 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Specialised mining services 專業 開採服務 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Segment revenue</b>	<b>分部收入</b>					
Sales to external customer	向外部客戶作出的銷售	81,744	517,915	85,091	–	684,750
Intersegment sales	分部間銷售	8,113	–	2,000	646	10,759
		<b>89,857</b>	<b>517,915</b>	<b>87,091</b>	<b>646</b>	<b>695,509</b>
<i>Reconciliation:</i>	<i>對賬:</i>					
Elimination of intersegment sales	對銷分部間銷售					(10,759)
Revenue from Continuing Operations	持續經營業務收入					<b>684,750</b>
<b>Segment results</b>	<b>分部業績</b>	<b>17,927</b>	<b>12,890</b>	<b>(12,273)</b>	<b>(6,699)</b>	<b>11,845</b>
<i>Reconciliation:</i>	<i>對賬:</i>					
Other income	其他收入					602
Other expense	其他開支					(2,256)
Finance costs	財務成本					(8,343)
Profit before tax from Continuing Operations	持續經營業務稅前利潤					<b>1,848</b>
<b>Segment assets</b>	<b>分部資產</b>	<b>341,335</b>	<b>132,419</b>	<b>120,141</b>	<b>7,300,117</b>	<b>7,894,012</b>
<i>Reconciliation:</i>	<i>對賬:</i>					
Elimination of intersegment receivables	對銷分部間應收款項					(6,797,339)
Deferred tax assets	遞延稅項資產					17,601
Cash and cash equivalents	現金及現金等價物					33,696
Assets related to Discontinued Operations	有關已終止經營業務的資產					<b>1,297,877</b>
Total assets	資產總值					<b>2,445,847</b>

## 4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2018 (Continued)

## 4. 經營分部資料 (續)

截至2018年12月31日止年度 (續)

		High-Fe mining operation 高Fe 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Specialised mining services 專業 開採服務 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Segment liabilities</b>	<b>分部負債</b>	<b>235,640</b>	<b>103,825</b>	<b>91,325</b>	<b>4,194,882</b>	<b>4,625,672</b>
<i>Reconciliation:</i>	<i>對賬:</i>					
Elimination of intersegment payables	對銷分部間應付款項					(4,474,959)
Interest-bearing bank and other loans	計息銀行及其他貸款					100,794
Tax payable	應付稅款					9,154
Liabilities related to Discontinued Operations	有關已終止經營業務的負債					1,291,490
Total liabilities	負債總額					<u>1,552,151</u>
<b>Other segment information</b>	<b>其他分部資料</b>					
Reversal of impairment losses on trade receivables, net (note 20)	撥回應收賬款減值虧損淨額 (附註20)	(8,737)	(1,161)	-	-	(9,898)
Impairment losses on financial assets included in prepayments, other receivables and other assets (note 17)	計入預付款項、其他應收款項及其他資產的金融資產減值虧損 (附註17)	23	-	-	-	23
Impairment losses on property plant and equipment (note 13)	物業、廠房及設備減值虧損 (附註13)	-	-	1,071	-	1,071
Impairment losses on assets classified as held for sale (note 7)	分類為持作出售的資產減值虧損 (附註7)	-	-	1,469	-	1,469
Depreciation and amortisation (notes 13, 14 and 15)	折舊及攤銷 (附註13、14及15)	11,882	-	6,420	-	18,302
Capital expenditure* (note 13)	資本開支* (附註13)	20,411	22	1,360	239	22,032

\* Capital expenditure consists of additions to property, plant and equipment and intangible assets.

\* 資本開支包括添置物業、廠房及設備以及無形資產。

# Notes to Financial Statements

## 財務報表附註

31 December 2018

2018年12月31日

### 4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2017

### 4. 經營分部資料 (續)

截至2017年12月31日止年度

		High-Fe mining operation 高Fe 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Specialised mining services 專業 開採服務 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Segment revenue</b>	<b>分部收入</b>	67,690	805,918	3,575	-	877,183
<i>Reconciliation:</i>	<i>對賬:</i>					
Elimination of intersegment sales	對銷分部間銷售					-
Revenue from Continuing Operations	持續經營業務收入					<u>877,183</u>
<b>Segment results</b>	<b>分部業績</b>	(12,687)	1,228	(12,992)	(189,638)	(214,089)
<i>Reconciliation:</i>	<i>對賬:</i>					
Other income	其他收入					1,353
Other expense	其他開支					(8,521)
Finance costs	財務成本					<u>(5,282)</u>
Loss before tax from Continuing Operations	持續經營業務稅前虧損					<u>(226,539)</u>
<b>Segment assets</b>	<b>分部資產</b>	323,274	490,809	118,452	4,939,718	5,872,253
<i>Reconciliation:</i>	<i>對賬:</i>					
Elimination of intersegment receivables	對銷分部間應收款項					(4,267,146)
Deferred tax assets	遞延稅項資產					1,224
Cash and cash equivalents	現金及現金等價物					13,211
Assets related to Discontinued Operations	有關已終止經營業務的資產					<u>1,416,333</u>
Total assets	資產總值					<u>3,035,875</u>
<b>Segment liabilities</b>	<b>分部負債</b>	246,958	425,049	45,322	1,887,709	2,605,038
<i>Reconciliation:</i>	<i>對賬:</i>					
Elimination of intersegment payables	對銷分部間應付款項					(2,420,586)
Interest-bearing bank and other loans	計息銀行及其他貸款					94,211
Tax payable	應付稅款					10,075
Liabilities related to Discontinued Operations	有關已終止經營業務的負債					<u>1,402,032</u>
Total liabilities	負債總額					<u>1,690,770</u>

#### 4. OPERATING SEGMENT INFORMATION (Continued)

Year ended 31 December 2017 (Continued)

	High-Fe mining operation 高Fe 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Specialised mining services 專業 開採服務 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Other segment information</b>	<b>其他分部資料</b>				
Impairment losses on intangible assets	無形資產減值 虧損	—	—	64,884	64,884
Impairment losses on assets classified as held for sale	分類為持作出售 的資產減值 虧損	—	4,525	—	4,525
Impairment losses on trade receivables	應收賬款減值 虧損	—	1,678	—	10,521
Depreciation and amortisation	折舊及攤銷	8,843	741	103	10,696
Capital expenditure*	資本開支*	9,852	45,747	—	55,407
	<u>9,660</u>	<u>—</u>	<u>741</u>	<u>103</u>	<u>10,696</u>

\* Capital expenditure consists of additions to property, plant and equipment and intangible assets, including assets from the acquisition of a subsidiary.

#### Entity-wide disclosures

##### Geographical information

The following table sets out information about the geographical locations of the Group's revenue from external customers during the year. The geographical locations of customers are determined based on the locations designated by the customers at which the goods were delivered or services were rendered.

Domestic – Mainland China	國內—中國內地
Overseas – Australia	海外—澳洲

At the end of the reporting period, except for certain property, plant and equipment located in Australia with the total net carrying amount of RMB40,326,000 (2017: RMB48,822,000), all of the Group's non-current assets were located in the PRC, the place of domicile of the Group's operating entities.

#### 4. 經營分部資料 (續)

截至2017年12月31日止年度 (續)

	High-Fe mining operation 高Fe 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Specialised mining services 專業 開採服務 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Other segment information</b>	<b>其他分部資料</b>				
Impairment losses on intangible assets	無形資產減值 虧損	—	—	64,884	64,884
Impairment losses on assets classified as held for sale	分類為持作出售 的資產減值 虧損	—	4,525	—	4,525
Impairment losses on trade receivables	應收賬款減值 虧損	—	1,678	—	10,521
Depreciation and amortisation	折舊及攤銷	8,843	741	103	10,696
Capital expenditure*	資本開支*	9,852	45,747	—	55,407
	<u>9,660</u>	<u>—</u>	<u>741</u>	<u>103</u>	<u>10,696</u>

\* 資本開支包括添置物業、廠房及設備以及無形資產，包括收購一間子公司的資產。

#### 實體整體披露

##### 地域資料

下表載列年內本集團來自外部客戶收入的地域資料。客戶的所在地乃基於客戶指定交付貨品或提供服務的地點釐定。

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
599,659	873,608
85,091	3,575
<u>684,750</u>	<u>877,183</u>

於報告期末，除賬面淨額合共人民幣40,326,000元（2017年：人民幣48,822,000元）、位於澳洲的若干物業、廠房及設備外，本集團所有非流動資產均位於中國（本集團經營實體的註冊地點）。

**4. OPERATING SEGMENT INFORMATION***(Continued)***Entity-wide disclosures (Continued)****Information about major customers**

Revenue from each of the major customers, which amounted to 10% or more of the total revenue, is set out below:

Customer A	客戶甲
Customer B	客戶乙

**4. 經營分部資料 (續)****實體整體披露 (續)****主要客戶資料**

來自佔總收入10%或以上的各主要客戶的收入載列如下：

<b>2018</b>	2017
<b>2018年</b>	2017年
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元
<b>528,863</b>	805,254
<b>80,434</b>	67,791

**5. REVENUE, OTHER INCOME AND GAINS**

An analysis of revenue is as follows:

**5. 收入、其他收入及收益**

收入分析如下：

	<b>2018</b>		2017	
	<b>2018年</b>		2017年	
	<b>RMB'000</b>	%	RMB'000	%
	人民幣千元		人民幣千元	
<i>Revenue from contracts with customers</i> 客戶合約收入				
Sales of goods: 銷售貨品：				
High-grade iron concentrates 高品位鐵精礦	<b>81,744</b>	<b>12.0</b>	67,690	7.7
Trading of coals 煤炭買賣	<b>271,416</b>	<b>39.6</b>	449,907	51.3
Trading of steels 鋼鐵買賣	<b>246,499</b>	<b>36.0</b>	356,011	40.6
Rendering of specialised mining services 提供專業開採服務	<b>85,091</b>	<b>12.4</b>	3,575	0.4
	<b>684,750</b>	<b>100.0</b>	877,183	100.0

## 5. REVENUE, OTHER INCOME AND GAINS

(Continued)

### Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2018

## 5. 收入、其他收入及收益 (續)

### 客戶合約收入

(i) 已拆分收入資料

截至2018年12月31日止年度

		High-Fe mining operation 高Fe 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Specialised mining services 專業 開採服務 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Type of goods or services</b>	<b>貨品或服務類別</b>					
High-grade iron concentrates	高品位鐵精礦	81,744	–	–	–	81,744
Trading of coals	煤炭買賣	–	271,416	–	–	271,416
Trading of steels	鋼鐵買賣	–	246,499	–	–	246,499
Rendering of specialised mining services	提供專業開採服務	–	–	85,091	–	85,091
		<u>81,744</u>	<u>517,915</u>	<u>85,091</u>	<u>–</u>	<u>684,750</u>
<b>Geographical markets</b>	<b>地域市場</b>					
Mainland China	中國內地	81,744	517,915	–	–	599,659
Australia	澳洲	–	–	85,091	–	85,091
		<u>81,744</u>	<u>517,915</u>	<u>85,091</u>	<u>–</u>	<u>684,750</u>
<b>Time of revenue recognition</b>	<b>收入確認時間</b>					
Goods transferred at a point in time	於某一時間點轉讓的貨品	81,744	517,915	–	–	599,659
Services transferred over time	隨時間轉讓的服務	–	–	85,091	–	85,091
		<u>81,744</u>	<u>517,915</u>	<u>85,091</u>	<u>–</u>	<u>684,750</u>

## 5. REVENUE, OTHER INCOME AND GAINS

*(Continued)*

## Revenue from contracts with customers

*(Continued)**(i) Disaggregated revenue information (Continued)*

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in segment information:

For the year ended 31 December 2018

## 5. 收入、其他收入及收益 (續)

## 客戶合約收入 (續)

*(i) 已拆分收入資料 (續)*

下文載列客戶合約收入與分部資料內披露的金額的對賬：

截至2018年12月31日止年度

		High-Fe mining operation 高Fe 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Specialised mining services 專業 開採服務 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Revenue from contracts with customers</b>	客戶合約收入					
External customers	外部客戶	81,744	517,915	85,091	–	684,750
Intersegment sales	分部間銷售	8,113	–	2,000	646	10,759
		<b>89,857</b>	<b>517,915</b>	<b>87,091</b>	<b>646</b>	<b>695,509</b>
Intersegment adjustments and eliminations	分部間調整及對銷	(8,113)	–	(2,000)	(646)	(10,759)
Total revenue from contracts with customers	客戶合約收入總額	<b>81,744</b>	<b>517,915</b>	<b>85,091</b>	<b>–</b>	<b>684,750</b>



**5. REVENUE, OTHER INCOME AND GAINS**  
*(Continued)*  
**Revenue from contracts with customers**  
*(Continued)*

**(i) Disaggregated revenue information (Continued)**

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	所確認計入報告期初合約負債的收入金額：
Sale of goods from Continuing Operations (note 26)	持續經營業務銷售貨品（附註26）
Sale of goods from Discontinued Operations (note 26)	已終止經營業務銷售貨品（附註26）

**(ii) Performance obligations**

Information about the Group's performance obligations is summarised below:

*Sales of goods*

The performance obligation is satisfied upon delivery of the concentrates and payment is generally due within 30 to 90 days from delivery.

*Specialised mining services*

The performance obligation is satisfied over time as services are rendered and a proportional payment in advance is normally required. Payment is generally due upon completion of processing and customer acceptance.

**5. 收入、其他收入及收益（續）**

**客戶合約收入（續）**

**(i) 已拆分收入資料（續）**

下表顯示本報告期內確認計入報告期初合約負債的收入金額：

<b>2018</b>
<b>2018年</b>
<b>RMB'000</b>
<b>人民幣千元</b>
<b>1,526</b>
<b>429</b>
<b>1,955</b>

**(ii) 履約責任**

有關本集團履約責任的資料概述如下：

*銷售貨品*

於交付精礦後（款項一般於由交付起計30至90天內到期）即達成履約責任。

*專業開採服務*

履約責任乃於服務提供時隨時間達成，一般須按比例預繳款項。款項一般於加工及客戶驗收完成後到期。

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### 財務報表附註

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#### 5. REVENUE, OTHER INCOME AND GAINS

(Continued)

##### Revenue from contracts with customers

(Continued)

##### (ii) Performance obligations (Continued)

An analysis of other income and gains is as follows:

Bank interest income	銀行利息收入
Government grants*	政府補助*
Miscellaneous	其他
Total other income and gains	其他收入及收益總額

\* There were no unfulfilled conditions or contingencies relating to these grants.

#### 6. FINANCE COSTS

An analysis of finance costs from Continuing Operations is as follows:

Interest on bank and other loans	銀行及其他貸款的利息
Interest on discounted bills receivable	應收貼現票據的利息
Interest on hire purchase arrangements	租購安排的利息
Unwinding of discount on provision (note 29)	撥備貼現值撥回 (附註29)
Others	其他

#### 5. 收入、其他收入及收益 (續)

##### 客戶合約收入 (續)

##### (ii) 履約責任 (續)

其他收入及收益的分析如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
49	16
86	80
467	1,257
602	1,353

\* 概無有關該等補助的未達成條件或非預期事項。

#### 6. 財務成本

持續經營業務財務成本分析如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
7,906	5,216
-	5
320	-
117	110
8,343	5,331
-	(49)
8,343	5,282

## 7. PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS

The Group's profit/(loss) before tax from Continuing Operations was arrived at after charging/(crediting):

## 7. 持續經營業務稅前利潤／(虧損)

本集團的持續經營業務稅前利潤／(虧損)已扣除／(計入)下列各項：

		Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Cost of inventories sold	已售出存貨成本		<b>560,747</b>	855,206
Cost of services rendered	已提供服務成本		<b>73,463</b>	6,405
Employee benefit expenses (including Directors' and chief executive's remuneration (note 8)):	僱員福利開支(包括董事及最高行政人員薪酬(附註8)):			
Wages and salaries	工資及薪金		<b>22,207</b>	11,988
Welfare and other benefits	福利及其他利益		<b>841</b>	878
Pension scheme contributions	退休金計劃供款			
– Defined contribution fund	– 界定供款基金		<b>3,781</b>	1,290
Housing fund	住房公積金			
– Defined contribution fund	– 界定供款基金		<b>161</b>	195
Total employee benefit expenses	僱員福利開支總額		<b>26,990</b>	14,351
Depreciation	折舊	13	<b>16,443</b>	9,679
Amortisation of intangible assets	無形資產攤銷	14	<b>944</b>	772
Amortisation of other intangible assets	其他無形資產攤銷	15	<b>915</b>	–
Depreciation and amortisation expenses	折舊及攤銷開支		<b>18,302</b>	10,451
Impairment losses recognised on:	就以下項目確認的減值虧損:			
Intangible assets	無形資產	14	–	64,884
Assets classified as held for sale	分類為持作出售的資產		<b>1,469</b>	4,525
Property, plant and equipment	物業、廠房及設備	13	<b>1,071</b>	–
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	17	<b>23</b>	–
Provision/(reversal) of impairment losses on trade receivables, net	應收賬款減值虧損撥備／(撥回)淨額	20	<b>(9,898)</b>	10,521
Total provision/(reversal) of impairment losses, net	總減值虧損撥備／(撥回)淨額		<b>(7,335)</b>	79,930
Operating lease rentals	經營租賃租金		<b>1,371</b>	395
Fair value loss on a previously held equity interest under the step acquisition of a subsidiary	之前就分步收購一間子公司所持股本權益的公平值虧損		–	633
Auditor's remuneration	核數師酬金		<b>1,050</b>	637
Fair value losses on financial assets at fair value through profit or loss	按公平值計量而其變動計入損益的金融資產的公平值虧損	21	–	109,617

## 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange ("HKSE"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

Fees	袍金
Other emoluments:	其他酬金：
Salaries, allowances and benefits in kind	薪金、津貼及實物利益
Pension scheme contributions – Defined contribution fund	退休金計劃供款 – 界定供款基金

### (a) Independent non-executive Directors

The fees paid to independent non-executive Directors during the year were as follows:

Mr. Yu Haizong	余海宗先生
Mr. Liu Yi	劉毅先生
Mr. Wu Wen	吳文先生

There were no other emoluments payable to the independent non-executive Directors during the year (2017: Nil).

## 8. 董事及首席執行官薪酬以及最高薪酬的五名僱員

根據香港聯交所（「港交所」）證券上市規則、香港公司條例第383(1)(a)·(b)·(c)及(f)條以及公司（披露董事利益資料）規例第2部披露本年度董事及首席執行官的薪酬如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
900	600
365	424
48	32
413	456
1,313	1,056

### (a) 獨立非執行董事

年內已付獨立非執行董事的袍金如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
150	120
150	120
150	120
450	360

年內並無應付獨立非執行董事的其他酬金（2017年：無）。

**8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)**

**(b) Executive Directors, non-executive Directors and the chief executive**

**8. 董事及首席執行官薪酬以及最高薪酬的五名僱員 (續)**

**(b) 執行董事、非執行董事及首席執行官**

		Salaries, allowances and benefits in kind 薪金、津貼及 實物利益 RMB'000 人民幣千元	Pension scheme contributions 退休金 計劃供款 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>2018</b>	<b>2018年</b>			
<b>Executive Directors</b>	<b>執行董事</b>			
Mr. Jiang Zhong Ping <sup>(i)</sup>	蔣中平先生 <sup>(i)</sup>	150	117	16
Mr. Hao Xiemin <sup>(iv)</sup>	郝謝敏先生 <sup>(iv)</sup>	150	124	16
Mr. Wang Hu <sup>(iv)</sup>	王虎先生 <sup>(iv)</sup>	150	124	16
		<b>450</b>	<b>365</b>	<b>48</b>
<b>Non-executive Director</b>	<b>非執行董事</b>			
Mr. Teh Wing Kwan <sup>(iii)</sup>	鄭永權先生 <sup>(iii)</sup>	-	-	-
		<b>450</b>	<b>365</b>	<b>48</b>
		<b>450</b>	<b>365</b>	<b>863</b>

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### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

#### (b) Executive Directors, non-executive Directors and the chief executive (Continued)

		Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total
		袍金	薪金、津貼及實物利益	退休金計劃供款	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
2017	2017年				
Executive Directors	執行董事				
Mr. Jiang Zhong Ping	蔣中平先生	120	209	16	345
Mr. Zheng Zhiquan <sup>(ii)</sup>	鄭志泉先生 <sup>(ii)</sup>	120	215	16	351
		240	424	32	696
Non-executive Director	非執行董事				
Mr. Teh Wing Kwan	鄭永權先生	-	-	-	-
		240	424	32	696

Notes:

- (i) Mr. Jiang Zhong Ping was re-designated from the chairman of the Board and the acting chief executive officer to the chief executive officer on 12 October 2017.
- (ii) Mr. Zheng Zhiquan resigned as an executive Director and a financial controller on 1 January 2018.
- (iii) Mr. Teh Wing Kwan was appointed as a non-executive Director and the chairman of the Board on 26 July 2017 and 12 October 2017, respectively, with an annual remuneration of HKD1.
- (iv) Mr. Hao Xiemin and Mr. Wang Hu were appointed as executive Directors on 1 January 2018, and their share options were then reclassified from the category "employees" to the category "Executive Directors".

附註:

- (i) 蔣中平先生於2017年10月12日由董事會主席兼代理首席執行官調任首席執行官。
- (ii) 鄭志泉先生於2018年1月1日辭任執行董事及財務總監。
- (iii) 鄭永權先生於2017年7月26日獲委任為獨立非執行董事，並於2017年10月12日獲委任為董事會主席，年薪為1港元。
- (iv) 郝謝敏先生及王虎先生於2018年1月1日獲委任為執行董事，彼等的購股權已因而由「僱員」類別重新分類至「執行董事」類別。

## 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

### (c) Five highest paid employees

The five highest paid employees during the year didn't include any Directors (included the chief executive officer who is also the executive Director of the Company) (2017: two), details of whose remuneration are set out above. Details of the remuneration for the year of the remaining five (2017: three) highest paid employees who are neither a Director nor chief executive of the Company are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物利益
Pension scheme contributions	退休金計劃供款

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

Nil to HKD1,000,000	零至1,000,000港元
HKD1,000,001 to HKD1,500,000	1,000,001港元至1,500,000港元
HKD1,500,001 to HKD2,000,000	1,500,001港元至2,000,000港元

## 8. 董事及首席執行官薪酬以及最高薪酬的五名僱員 (續)

### (c) 最高薪酬的五名僱員

年內最高薪酬的五名僱員不包括董事（包括亦為本公司執行董事的首席執行官）（2017年：兩名），彼等的薪酬詳情載列於上文。本年度其餘五名（2017年：三名）既非董事亦非本公司最高行政人員的最高薪酬僱員的薪酬詳情如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
5,353	1,300
453	31
<b>5,806</b>	<b>1,331</b>

薪酬在以下範圍內的最高薪酬僱員（非董事及非最高行政人員）的數目如下：

Number of employees 僱員數目	
2018 2018年	2017 2017年
Nil無	2
4	1
1	Nil無
<b>5</b>	<b>3</b>

## 9. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group was not subject to any income tax in the Cayman Islands and the BVI during the two years ended 31 December 2018 and 2017.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the two years ended 31 December 2018 and 2017.

The provision for PRC CIT is based on the respective PRC CIT rates applicable to the subsidiaries located in Mainland China as determined in accordance with the relevant income tax rules and regulations of Mainland China for the year.

All subsidiaries domiciled in the PRC (the "PRC subsidiaries") were subject to the PRC CIT rate of 25% during the year ended 31 December 2018. Pursuant to the income tax rules and regulations in Australia, the Group's subsidiaries located in Australia are liable to Australia corporate income tax at a rate of 30% on the assessable profits generated for the year. Pursuant to the income tax rules and regulations in Singapore, the Group's subsidiary located in Singapore is liable to Singapore corporate income tax at a rate of 17% on the assessable profits generated for the year.

The major components of income tax credit are as follows:

Deferred (note 18)	遞延(附註18)
Exchange realignment	匯兌調整
Total tax credit for the year from Continuing Operations	持續經營業務年內稅項抵免總額
Total tax charge/(credit) for the year from Discontinued Operations (note 10)	已終止經營業務年內稅項支出/(抵免)總額(附註10)

## 9. 所得稅

根據開曼群島及英屬處女群島的規則及規例，截至2018年及2017年12月31日止兩個年度內，本集團無須繳納開曼群島及英屬處女群島所得稅。

由於本集團於截至2018年及2017年12月31日止兩個年度並無源於香港或於香港賺取的應課稅利潤，故未有就香港利得稅作出撥備。

就中國企業所得稅作出的撥備乃按照本年度中國內地的相關所得稅規則及規定，基於適用於中國內地子公司的個別中國企業所得稅稅率釐定。

所有中國註冊子公司（「中國子公司」）於截至2018年12月31日止年度內須按25%的中國企業所得稅稅率納稅。根據澳洲的所得稅規則及規例，本集團位於澳洲的子公司須就年內產生的應課稅利潤按30%的稅率繳納澳洲企業所得稅。根據新加坡的所得稅規則及規例，本集團位於新加坡的子公司須就年內產生的應課稅利潤按17%的稅率繳納新加坡企業所得稅。

所得稅抵免的主要組成部分如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
(2,666)	(4,076)
(142)	—
(2,808)	(4,076)
16,116	(21,193)
13,308	(25,269)



**9. INCOME TAX (Continued)**

A reconciliation of the tax charge/(credit) applicable to profit/(loss) before tax at the applicable tax rate for the companies within the Group to the tax charge/(credit) at the effective tax rate is as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Profit before tax from Continuing Operations	持續經營業務稅前利潤	1,848	(226,539)
Loss before tax from Discontinued Operations	已終止經營業務稅前虧損	<u>(437,791)</u>	<u>(188,351)</u>
		<u>(435,943)</u>	<u>(414,890)</u>
Tax at the applicable tax rate of 25%	按25%的適用稅率計算的稅款	(108,986)	(103,723)
Expenses not deductible for tax	不可扣稅開支	4,385	27,404
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	40,829	4,732
Tax effect of deductible temporary differences not recognised	未確認可扣減暫時差額的稅務影響	79,853	76,838
Effect on opening deferred tax due to change in tax rate	稅率變動對年初遞延稅項的影響	-	(26,378)
Income not subject to tax	無須課稅收入	(3)	(4,142)
Tax losses utilised from the prior year	動用過往年度的稅項虧損	<u>(2,770)</u>	-
Tax charge/(credit) at the Group's effective tax rate	按本集團實際稅率計算的稅項支出/(抵免)	<u>13,308</u>	<u>(25,269)</u>
Tax credit from Continuing Operations at the effective tax rate	按實際稅率計算的持續經營業務稅項抵免	<u>(2,808)</u>	<u>(4,076)</u>
Tax charge/(credit) from Discontinued Operations at the effective tax rate	按實際稅率計算的已終止經營業務稅項支出/(抵免)	<u>16,116</u>	<u>(21,193)</u>

**9. 所得稅 (續)**

適用於按本集團旗下公司的適用稅率計算的稅前利潤/(虧損)的稅項支出/(抵免)與按實際稅率計算的稅項支出/(抵免)對賬如下:

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### 9. INCOME TAX (Continued)

Notes:

(a) Expenses not deductible for tax for the year ended 31 December 2018 mainly consist of administrative expenses incurred by offshore companies. Expenses not deductible for tax for the year ended 31 December 2017 mainly consist of fair value losses on financial assets at fair value through profit or loss, impairment loss and administrative expenses incurred by offshore companies. These expenses are not expected to be deductible for tax.

(b) Pursuant to the Circular on Issues Concerning Tax Policies for In-depth Implementation of Western Development Strategies of the State Administration of Taxation, the Ministry of Finance and General Administration of Customs (Cai Shui [2011] No. 58), the tax preferential treatments for the Western Region Development are valid until 2020. According to the Circular, "from 1 January 2011 to 31 December 2020, corporate income tax may be levied at a reduced tax rate of 15% for enterprises established in the western region and engaged in encouraged industries. The above-mentioned industries shall refer to enterprises whose principal businesses are the industrial projects prescribed in the Catalogue of Encouraged Industries in the Western Region (the "Catalogue"), the income of which accounts for more than 70% of the total income of such enterprises. The Catalogue of Encouraged Industries in the Western Region shall be issued separately." At present, the Catalogue of Encouraged Industries in the Western Region has been approved by the State Council, and was implemented as of 1 October 2014.

Huili Caitong, Aba Mining and Xiushuihe Mining enjoyed the preferential corporate income tax rate of 15% for the year ended 31 December 2016 according to the "Western Development Policy". The Catalogue of Encouraged industries in the Western Region (revised 2017) (the "Revised Catalogue") has been introduced and implemented since 28 July 2017, the principal businesses of Huili Caitong, Aba Mining and Xiushuihe Mining was not included in the Revised Catalogue, therefore, the provision for income tax expense of Huili Caitong, Aba Mining and Xiushuihe Mining during the year were calculated at the CIT rate of 25% (2017: 25%).

### 9. 所得稅 (續)

附註：

(a) 截至2018年12月31日止年度的不可扣稅開支主要包括離岸公司產生的行政開支。截至2017年12月31日止年度的不可扣稅開支主要包括按公平值計量而其變動計入損益的金融資產的公平值虧損、減值虧損及離岸公司產生的行政開支。此等開支預期不可扣稅。

(b) 根據國家稅務總局、財政部及海關總署發佈的《關於深入實施西部大開發戰略有關稅收政策問題的通知》(財稅[2011]58號文)、「西部大開發政策」的稅務優惠政策有效期至2020年。該通知訂明，「自2011年1月1日至2020年12月31日，對設在西部地區的鼓勵類產業企業減按15%的稅率徵收企業所得稅。上述鼓勵類企業是指以《西部地區鼓勵類產業目錄》(「目錄」)中規定的產業項目為主營業務，且其主營業務收入佔企業收入總額70%以上的企業。《西部地區鼓勵類產業目錄》另行發佈」。目前，《西部地區鼓勵類產業目錄》已獲國務院批准，已自2014年10月1日起實施。

根據「西部大開發政策」，會理財通、阿壩礦業及秀水河礦業於截至2016年12月31日止年度享有15%優惠企業所得稅稅率。根據自2017年7月28日起頒布並實施的《西部地區鼓勵類產業目錄(2017年修訂)》(「經修訂目錄」)，會理財通、阿壩礦業及秀水河礦業的主營業務並不納入經修訂目錄範圍，故會理財通、阿壩礦業及秀水河礦業於年內的所得稅開支撥備乃按25% (2017年：25%)的企業所得稅稅率計算。

## 10. DISCONTINUED OPERATIONS

The Disposal Group is mainly engaged in mining and ore processing and sale of self-produced low-grade iron concentrates and titanium concentrates products mainly in southern region of Sichuan. Pursuant to a Board resolution dated 8 October 2018, the Group has decided to dispose of the Disposal Group because it plans to focus its resources on its high-Fe mining operation mainly in northern region of Sichuan. In October 2018, the Company entered into the memorandum of understanding in respect of the Disposal with the Purchaser. On 29 January 2019, the Company has entered into the SPA in respect of the Disposal with the Purchaser, particulars of the SPA were set out in the Company's announcement dated 29 January 2019. As at 31 December 2018, management had reasonably expected that the Disposal would be highly probable completed within one year. As such, management believes that the results and cash flows of the Disposal Group should be presented as discontinued operations for the year ended 31 December 2018 in accordance with IFRS 5. With the Disposal Group being classified as a discontinued operation, the low-grade iron concentrates and titanium concentrates businesses are no longer included in the note 4 for operating segment information.

## 10. 已終止經營業務

出售集團主要於四川省南部地區從事採礦及礦石洗選以及銷售自產低品位鐵精礦及鈦精礦產品。根據日期為2018年10月8日的董事會決議案，由於本集團計劃集中資源於以四川北部地區為主的高Fe採礦業務，故決定出售出售集團。於2018年10月，本公司與買方就出售事項訂立諒解備忘錄。於2019年1月29日，本公司與買方就出售事項訂立買賣協議，買賣協議的詳情載於本公司日期為2019年1月29日的公告。於2018年12月31日，管理層合理地預期出售事項很有可能於1年內完成。因此，管理層相信出售集團的業績及現金流量應按照國際財務報告準則第5號呈列為截至2018年12月31日止年度的已終止經營業務。隨着出售集團分類為已終止經營業務，低品位鐵精礦及鈦精礦業務不再計入附註4的經營分部資料。

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### 10. DISCONTINUED OPERATIONS (Continued)

The results of the Disposal Group for the year are presented below:

### 10. 已終止經營業務(續)

出售集團的年內業績呈列如下：

		Note	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>REVENUE</b>	收入		<b>457,221</b>	440,296
Cost of sales	銷售成本		<b>(381,862)</b>	(328,348)
<b>Gross profit</b>	毛利		<b>75,359</b>	111,948
Other income and gains	其他收入及收益		<b>121,396</b>	182
Selling and distribution expenses	銷售及分銷開支		<b>(73,103)</b>	(54,078)
Administrative expenses	行政開支		<b>(83,453)</b>	(51,629)
Other expenses	其他開支		<b>(26,021)</b>	(34)
Write-down of inventories to net realisable value	撇減存貨至可變現淨值		<b>(2,680)</b>	-
Impairment losses on property, plant and equipment (note 13)	物業、廠房及設備減值虧損(附註13)	(a)	<b>(112,238)</b>	(72,776)
Impairment losses on intangible assets (note 14)	無形資產減值虧損(附註14)	(a)	<b>(266,630)</b>	(11,245)
Impairment losses on prepaid land lease payments (note 16)	預付土地租賃款減值虧損(附註16)	(a)	<b>(8,841)</b>	(2,413)
Reversal of impairment losses on trade receivables, net (note 20)	撥回應收賬款減值虧損淨額(附註20)		<b>3,452</b>	-
Impairment losses on financial assets included in prepayments, other receivables and other assets (note 17)	計入預付款項、其他應收款項及其他資產的金融資產減值虧損(附註17)		<b>(12,198)</b>	-
Impairment losses on assets classified as held for sale	分類為持作出售的資產減值虧損		-	(40,000)
Finance costs	財務成本		<b>(52,834)</b>	(68,306)
<b>Loss before tax from Discontinued Operations</b>	已終止經營業務稅前虧損		<b>(437,791)</b>	(188,351)
Income tax credit/(charge)	所得稅抵免/(支出)		<b>(16,116)</b>	21,193
<b>LOSS FOR THE YEAR FROM THE DISCONTINUED OPERATIONS</b>	已終止經營業務年內虧損		<b>(453,907)</b>	(167,158)

## 10. DISCONTINUED OPERATIONS (Continued)

Note:

- (a) In accordance with the Group's accounting policies, each asset or CGU is evaluated annually at 31 December or biannually at 30 June to determine whether there are any indications of impairment. If any such indications of impairment exist, a formal estimate of the recoverable amount is performed.

In assessing whether an impairment is required, the carrying value of the asset or CGU is compared with its recoverable amount. The recoverable amount is the higher of the CGU's fair value less costs of disposal and VIU. Management has performed impairment assessment on all of the carrying amounts of the Group's property, plant and equipment, intangible assets and prepaid land lease payments. For the purpose of impairment assessment, Baicao CGU (comprising the mining right to Baicao Mine, stripping activity assets of Baicao Mine and Baicao Processing Plant) and Xiushuihe CGU (comprising the mining right to Xiushuihe Mine, land use right of Xiushuihe Mining, Xiushuihe Processing Plant and Hailong Processing Plant) are treated as separate CGUs. The recoverable amounts of Baicao CGU, Xiushuihe CGU, the exploration right of Haibaodang Mine and the mining right of Cizhuqing Mine were estimated based on their respective VIU determined by discounting the future cash flows to be generated from the continuing use of these assets. The recoverable amounts are determined based on the calculation using cash flow projections according to financial budgets covering periods ranging from 10 to 12 years approved by management with pre-tax discount rates ranging between 12.01% and 15.26% (31 December 2017: 13.18% and 16.67%) depending on the nature of the CGU/asset. The cash flows beyond the periods ranging from 10 to 12 years are extrapolated using a zero growth rate until the end of the respective asset useful lives.

Other key assumptions used in the estimation of VIU are as follows:

*Resources/reserves* – These represent one of the key factors the management has considered during the impairment testing, which comprise resources (measured, indicated and inferred) estimated, and/or reserves (proved and probable) where appropriate, on the basis of appropriate geological evidence and sampling, with reference to the resources and reserves statements prepared by appropriate competent persons.

## 10. 已終止經營業務 (續)

附註：

- (a) 本集團按照其會計政策每年於12月31日或每半年於6月30日評估各資產或現金產生單位，以釐定是否有任何減值跡象。倘出現任何有關減值跡象，則進行正式可收回金額估計。

於評估是否須作出減值時會比較資產或現金產生單位的賬面值與可收回金額。可收回金額為現金產生單位的公平價值減出售成本與使用價值兩者的較高者。管理層已對本集團物業、廠房及設備、無形資產以及預付土地租賃款的所有賬面金額進行減值評估。為評估減值，白草現金產生單位（包括白草鐵礦的採礦權、白草鐵礦的剝離活動資產以及白草洗選廠）及秀水河現金產生單位（包括秀水河鐵礦的採礦權、秀水河鐵礦的土地使用權、秀水河洗選廠及海龍洗選廠）被視為獨立的現金產生單位處理。白草現金產生單位、秀水河現金產生單位、海保函鐵礦採礦權及茨竹箐鐵礦採礦權的可收回金額基於其各自的使用價值（透過貼現持續使用此等資產所產生的未來現金流量釐定）估計。可收回金額利用按照管理層批准的介乎10至12年期財政預算進行的現金流量預測，以稅前貼現率介乎12.01%至15.26%（2017年12月31日：13.18%至16.67%）（取決於現金產生單位／資產的性質）計算。介乎10至12年期後的現金流量採用零增長率推算，直至有關資產的可使用年期結束為止。

估計使用價值時使用的其他主要假設如下：

*資源量／儲量*—乃管理層於減值測試時已考慮的關鍵因素之一，包括參考適當的合資格人士所編製的資源量及儲量報表，基於適當地質證據及採樣而得出的估計資源量（探明、控制及推斷）及／或儲量（證實及概略）（如適用）。

## 10. DISCONTINUED OPERATIONS (Continued)

Note: (Continued)

(a) (Continued)

*Commodity prices* – Forecast commodity prices are based on management's estimates and are derived from forward price curves and long-term views of domestic supply and demand, building on past experience of the industry and consistent with external sources. These prices were adjusted to arrive at appropriate consistent price assumptions for the different qualities and type of commodities, or, where appropriate, contracted prices were applied. These prices are reviewed at least annually.

*Budgeted gross margins* – The basis used to determine the value assigned to the budgeted gross margins is the average gross margin achieved in the recent years for Baicao CGU and Xiushuihe CGU, adjusted for management's expectations for possible changes in the production costs and estimated market prices.

*Production volumes* – Estimated production volumes are based on the detailed life of mine plans and take into account development plans of the mine agreed by management as part of the long-term planning process.

*Discount rate* – The discount rates used are pre-tax and reflect specific risks relating to the relevant units.

The values assigned to key assumptions are consistent with external information sources.

## 10. 已終止經營業務 (續)

附註：(續)

(a) (續)

*商品價格*—預測商品價格的基準為管理層按過去行業經驗作出的估計，以遠期價格曲線及對境內供需的長遠預測計算，與外界資料一致。該等價格已就不同質量及類形的商品而調整，以取得適當及一致的估值假設或在適當情況下應用合約價。該等價格至少每年檢討。

*預算毛利率*—用於釐定預算毛利率的價值的基準為白草現金產生單位及秀水河現金產生單位近年達到的平均毛利率，並就管理層對生產成本及估計市價的可能變動所作的預期而調整。

*產量*—估計產量建基於礦場規劃的具體年期，並考慮了管理層於長期規劃過程中同意的礦場發展計劃。

*貼現率*—所採用的貼現率未扣除稅項，並反映有關單位的特定風險。

主要假設的價值與外部資料來源一致。

## 10. DISCONTINUED OPERATIONS (Continued)

Note: (Continued)

(a) (Continued)

Based on the above-mentioned impairment assessment, the recoverable amounts, carrying amounts as at 31 December 2018 and impairment provisions for the year ended 31 December 2018 are as follows:

		Recoverable amount 可收回金額 RMB'000 人民幣千元	Carrying amount 賬面金額 RMB'000 人民幣千元	Impairment provision 減值撥備 RMB'000 人民幣千元
Baicao CGU	白草現金產生單位	144,189	250,842	106,653
Xiushuihe CGU	秀水河現金產生單位	298,532	327,625	29,093
Exploration right of Haibaodang Mine	海保函鐵礦探礦權	-	215,995	215,995
Mining right of Cizhuqing Mine	茨竹箐鐵礦探礦權	85,611	121,579	35,968
				<u>387,709</u>

The above impairment provisions as at 31 December 2018 have been allocated to the following asset classes.

### Impairment loss recognised on property, plant and equipment

An impairment loss of RMB112,238,000 (note 13) (2017: RMB72,776,000) was recognised during the year to write down the carrying amounts of Baicao Processing Plant, Xiushuihe Processing Plant and Hailong Processing Plant to their respective recoverable amounts of RMB114,291,000, RMB217,384,000 and RMB68,360,000 as at 31 December 2018.

## 10. 已終止經營業務 (續)

附註：(續)

(a) (續)

基於上述減值評估，於2018年12月31日的可收回金額、賬面金額及截至2018年12月31日止年度的減值撥備如下：

上述於2018年12月31日的減值撥備已分配至以下資產類別。

### 就物業、廠房及設備確認的減值虧損

年內確認的減值虧損為人民幣112,238,000元(附註13)(2017年：人民幣72,776,000元)，旨在將白草洗選廠、秀水河洗選廠及海龍洗選廠的賬面金額撇減至其各自於2018年12月31日的可收回金額人民幣114,291,000元、人民幣217,384,000元及人民幣68,360,000元。

**10. DISCONTINUED OPERATIONS (Continued)**

Note: (Continued)

(a) (Continued)

**Impairment loss recognised on prepaid land lease payments**

An impairment loss of RMB8,841,000 (note 16) (2017: RMB2,413,000) was recognised during the year to write down the carrying amounts of prepaid land lease payments of Baicao Mine and Xiushuihe Mine to their respective recoverable amounts of RMB10,277,000 and RMB12,787,000 as at 31 December 2018.

**Impairment loss recognised on intangible assets**

An impairment loss of RMB266,630,000 (2017: RMB11,245,000) was recognised during the year to write down the carrying amounts of the mining right and stripping activity assets of Baicao Mine, the exploration assets of Xiushuihe Mine, the mining right of Cizhuqing Mine and the exploration right of Haibaodang Mine to their respective recoverable amounts of RMB19,621,000, RMB1, RMB85,611,000 and RMB1 as at 31 December 2018.

In relation to Baicao CGU, Xiushuihe CGU, the exploration right of Haibaodang Mine and the mining right of Cizhuqing Mine that were impaired during the year, any variation in the key assumptions above would either result in further impairment or lead to a reversal of impairment.

The impairment losses recognised for Baicao CGU, the exploration right of Haibaodang Mine and the mining right of Cizhuqing Mine were primarily due to the following reasons:

*Baicao CGU, Xiushuihe CGU and the mining right of Cizhuqing Mine* – they were impaired as a result of forecasted low commodity price and stringent environmental regulations in recent years. The Group's mining plan was adjusted correspondingly with the increase of inevitable compliance cost due to increasing regulations.

*The exploration right of Haibaodang Mine* – it was impaired as a result of forecasted high production costs including regulation and environmental compliance costs, low recovery rates and low commodity price. The production costs were thus adjusted correspondingly with the updated ore processing experiment report prepared by the professionals (an independent third party).

**10. 已終止經營業務 (續)**

附註：(續)

(a) (續)

**就預付土地租賃款確認的減值虧損**

年內確認的減值虧損為人民幣8,841,000元(附註16)(2017年：人民幣2,413,000元)，旨在將白草鐵礦及秀水河鐵礦預付土地租賃款的賬面金額撇減至其各自於2018年12月31日的可收回金額人民幣10,277,000元及人民幣12,787,000元。

**就無形資產確認的減值虧損**

年內確認的減值虧損為人民幣266,630,000元(2017年：人民幣11,245,000元)，旨在將白草鐵礦探礦權及剝離活動資產、秀水河鐵礦探礦資產、茨竹箐鐵礦探礦權及海保凶鐵礦探礦權的賬面金額撇減至其各自於2018年12月31日的可收回金額人民幣19,621,000元、人民幣1元、人民幣85,611,000元及人民幣1元。

就年內減值的白草現金產生單位、秀水河現金產生單位、海保凶鐵礦探礦權及茨竹箐鐵礦探礦權而言，上述主要假設的任何變化將會導致減值增加或減值撥回。

就白草現金產生單位、海保凶鐵礦探礦權及茨竹箐鐵礦探礦權確認減值虧損，主要基於以下理由：

*白草現金產生單位、秀水河現金產生單位及茨竹箐鐵礦探礦權*—因近年預測商品價格偏低及環境法規收緊而減值。本集團的探礦計劃就新增規定所產生的無可避免新增合規成本而相應調整。

*海保凶鐵礦探礦權*—因預測生產成本(包括監管及環境合規成本)高企、回收率偏低及商品價格偏低而減值。因此，生產成本基於專家(獨立第三方)編製的最新礦石洗選實驗報告調整。



**10. DISCONTINUED OPERATIONS (Continued)**

The major classes of assets and liabilities of the Disposal Group classified as held for sale as at 31 December 2018 are as follows:

**10. 已終止經營業務 (續)**

於2018年12月31日分類為持作出售的出售集團的主要資產及負債類別如下：

		2018 2018年 RMB'000 人民幣千元
<b>ASSETS</b>	<b>資產</b>	
Property, plant and equipment	物業、廠房及設備	403,423
Intangible assets	無形資產	340,666
Prepaid land lease payments	預付土地租賃款	23,064
Payments in advance	預繳款項	156
Deferred tax assets	遞延稅項資產	39,218
Inventories	存貨	45,594
Trade and bills receivables	應收賬款及票據	47,614
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	138,040
Due from related parties	應收關聯方款項	27
Cash and cash equivalents	現金及現金等價物	75
Assets classified as held for sale	分類為持作出售的資產	<u>260,000</u>
Assets of a disposal group classified as held for sale	分類為持作出售的出售組別的資產	<u>1,297,877</u>
<b>LIABILITIES</b>	<b>負債</b>	
Trade and bills payables	應付賬款及票據	119,561
Other payables and accruals	其他應付款項及應計款項	364,055
Interest-bearing bank and other loans	計息銀行及其他貸款	802,098
Due to related parties	應付關聯方款項	449
Tax payable	應付稅款	(6,821)
Dividend payable	應付股息	1,801
Provision for rehabilitation	復原撥備	10,347
Liabilities directly associated with the assets classified as held for sale	與分類為持作出售的資產直接相關的負債	<u>1,291,490</u>
Net assets directly associated with the Disposal Group	與出售集團直接相關的淨資產	<u>6,387</u>

## Notes to Financial Statements

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#### 10. DISCONTINUED OPERATIONS (Continued)

The net cash flows incurred by the Disposal Group are as follow:

Operating activities	經營活動
Investing activities	投資活動
Financing activities	融資活動
Net cash inflow	現金流入淨額
Loss per Share:	每股股份虧損：
Basic and diluted, from the Discontinued Operations	基本及攤薄，已終止經營業務

The calculations of basic and diluted loss per Share from the Discontinued Operations are based on:

Profit attributable to ordinary equity holders of the parent from the Discontinued Operations	歸屬於母公司普通股股權持有人的已終止經營業務利潤
Weighted average number of Shares used in the basic and diluted earnings per Share calculation (note 30)	用於計算每股股份基本及攤薄盈利的股份加權平均數 (附註30)

#### 10. 已終止經營業務 (續)

出售集團產生的現金流量淨額如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
52,660	(223,379)
(105,150)	(73,532)
52,490	296,913
<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>
—	2
<u>          </u>	<u>          </u>
<u>RMB 人民幣(0.20)元</u>	<u>RMB 人民幣(0.08)元</u>

計算已終止經營業務每股股份基本及攤薄虧損時乃以下列項目為基礎：

2018 2018年 RMB 人民幣 (449,658,000)元	2017 2017年 RMB 人民幣 (162,158,000)元
<u>2,249,015,410</u>	<u>2,160,167,244</u>

## 11. DIVIDEND

At a meeting of the Directors held on 26 March 2019, the Directors did not recommend a final dividend for the year ended 31 December 2018 (2017: Nil).

## 12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per Share is based on the loss for the year attributable to ordinary equity holders of the Company, and the weighted average number of Shares of 2,249,015,410 (2017: 2,160,167,244) in issue during the year ended 31 December 2018.

No adjustment has been made to the basic earnings per Share amounts presented for the years ended 31 December 2018 and 2017 in respect of a dilution as the exercise prices of the Company's outstanding share options were higher than the average market prices for the Shares during the current and prior years.

## 11. 股息

於2019年3月26日舉行的董事會會議上，董事不建議派付截至2018年12月31日止年度的末期股息（2017年：無）。

## 12. 歸屬於本公司普通股股權持有人的每股盈利／（虧損）

每股股份基本盈利乃基於歸屬於本公司普通股股權持有人的年內虧損及截至2018年12月31日止年度內已發行股份加權平均數2,249,015,410股（2017年：2,160,167,244股）計算。

由於在截至2018年及2017年12月31日止年度，本公司尚未行使的股份期權的行使價高於股份的平均市價，故並無就本年度及過往年度呈列的每股股份基本盈利金額作出攤薄調整。

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### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、廠房及設備

31 December 2018                      2018年12月31日

**Cost:**  
At 1 January 2018                      於2018年1月1日  
Additions from Continuing Operations                      持續經營業務添置  
Additions from Discontinued Operations                      已終止經營業務添置  
Transferred from CIP                      轉自在建工程  
Disposals                      出售  
Transferred to held for sale                      轉至持作出售  
Cost included in Discontinued Operations (note 10)                      計入已終止經營業務的成本(附註10)  
Exchange realignment                      匯兌調整

At 31 December 2018                      於2018年12月31日

**Accumulated depreciation and impairment:**  
At 1 January 2018                      於2018年1月1日  
Provided for the year from Continuing Operations                      持續經營業務年內計提撥備  
Provided for the year from Discontinued Operations                      已終止經營業務年內計提撥備  
Impairment recognised during the year from Continuing Operations                      年內確認的持續經營業務減值  
Impairment recognised during the year from Discontinued Operations (note 10(a))                      年內確認的已終止經營業務減值(附註10(a))  
Disposals                      出售  
Transferred to held for sale                      轉至持作出售  
Depreciation and impairment included in Discontinued Operations (note 10)                      計入已終止經營業務的折舊及減值(附註10)  
Exchange realignment                      匯兌調整

At 31 December 2018                      於2018年12月31日

**Net carrying amount:**  
At 1 January 2018                      於2018年1月1日

At 31 December 2018                      於2018年12月31日

Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 機動車輛 RMB'000 人民幣千元	Mining infrastructure 採礦基建 RMB'000 人民幣千元	Construction in progress ("CIP") 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
1,048,415	611,718	5,579	9,859	242,430	63,531	1,981,532
166	1,598	95	500	16,351	3,322	22,032
11,581	23,464	318	1,018	-	43,691	80,072
3,194	13,340	-	275	-	(16,809)	-
-	(1,646)	-	(559)	-	-	(2,205)
-	(9,419)	-	-	-	-	(9,419)
(1,023,068)	(568,803)	(4,791)	(8,557)	(153,767)	(62,318)	(1,821,304)
-	(2,566)	(35)	(13)	-	(266)	(2,880)
<u>40,288</u>	<u>67,686</u>	<u>1,166</u>	<u>2,523</u>	<u>105,014</u>	<u>31,151</u>	<u>247,828</u>
704,943	481,815	4,780	8,847	148,093	2,156	1,350,634
2,023	7,453	132	56	6,779	-	16,443
13,953	17,451	114	162	5,468	-	37,148
-	-	-	-	-	1,071	1,071
84,959	16,653	53	432	-	10,141	112,238
-	(1,369)	-	(516)	-	-	(1,885)
-	(8,906)	-	-	-	-	(8,906)
(784,949)	(495,202)	(4,500)	(6,927)	(115,494)	(10,809)	(1,417,881)
-	(199)	(9)	-	-	(29)	(237)
<u>20,929</u>	<u>17,696</u>	<u>570</u>	<u>2,054</u>	<u>44,846</u>	<u>2,530</u>	<u>88,625</u>
343,472	129,903	799	1,012	94,337	61,375	630,898
<u>19,359</u>	<u>49,990</u>	<u>596</u>	<u>469</u>	<u>60,168</u>	<u>28,621</u>	<u>159,203</u>

### 13. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 13. 物業、廠房及設備 (續)

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 機動車輛 RMB'000 人民幣千元	Mining infrastructure 採礦基建 RMB'000 人民幣千元	Construction in progress ("CIP") 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>31 December 2017</b>	<b>2017年12月31日</b>							
<b>Cost:</b>	<b>成本:</b>							
At 1 January 2017	於2017年1月1日	1,029,262	519,640	4,698	10,310	234,580	75,547	1,874,037
Additions	添置	2,565	26,284	222	237	7,850	27,472	64,630
Acquisition of a subsidiary	收購一間子公司	-	36,720	647	-	-	5,271	42,638
Transferred from CIP	轉自在建工程	16,588	28,268	-	-	-	(44,856)	-
Disposals	出售	-	-	-	(690)	-	-	(690)
Exchange realignment	匯兌調整	-	806	12	2	-	97	917
		<u>1,048,415</u>	<u>611,718</u>	<u>5,579</u>	<u>9,859</u>	<u>242,430</u>	<u>63,531</u>	<u>1,981,532</u>
At 31 December 2017	於2017年12月31日							
<b>Accumulated depreciation and impairment:</b>	<b>累計折舊及減值:</b>							
At 1 January 2017	於2017年1月1日	633,930	444,034	4,609	9,273	133,635	-	1,225,481
Provided for the year	年內撥備	13,335	23,593	45	199	10,425	-	47,597
Acquisition of a subsidiary	收購一間子公司	-	5,229	102	-	-	-	5,331
Impairment recognised during the year (note 10(a))	年內確認的減值 (附註10(a))	57,678	8,855	24	30	4,033	2,156	72,776
Disposals	出售	-	-	-	(655)	-	-	(655)
Exchange realignment	匯兌調整	-	104	-	-	-	-	104
		<u>704,943</u>	<u>481,815</u>	<u>4,780</u>	<u>8,847</u>	<u>148,093</u>	<u>2,156</u>	<u>1,350,634</u>
At 31 December 2017	於2017年12月31日							
<b>Net carrying amount:</b>	<b>賬面淨額:</b>							
At 1 January 2017	於2017年1月1日	<u>395,332</u>	<u>75,606</u>	<u>89</u>	<u>1,037</u>	<u>100,945</u>	<u>75,547</u>	<u>648,556</u>
At 31 December 2017	於2017年12月31日	<u>343,472</u>	<u>129,903</u>	<u>799</u>	<u>1,012</u>	<u>94,337</u>	<u>61,375</u>	<u>630,898</u>

(a) As at 31 December 2018, loans relating to the hire purchase arrangements were secured by the corresponding machineries with an aggregate carrying amount of RMB535,000 (note 28(b)).

(b) In accordance with the Group's accounting policies, each asset or CGU is evaluated annually at 31 December or biannually at 30 June to determine whether there are any indications of impairment. If any such indications of impairment exist, a formal estimate of the recoverable amount is performed.

During 2018, impairment loss of RMB1,071,000 was related to the write-down to current market value of property, plant and equipment improvement of MHPL which is undergoing repair.

(a) 於2018年12月31日，租購安排相關貸款以賬面總額人民幣535,000元的相應機器作抵押 (附註28(b))。

(b) 本集團按照其會計政策每年於12月31日或每半年於6月30日評估各資產或現金產生單位，以釐定是否有任何減值跡象。倘出現任何有關減值跡象，則進行正式可收回金額估計。

於2018年，人民幣1,071,000元的減值虧損乃關於將曼卡拉控股正進行修理的物業、廠房及設備裝修撇減至當前市值。

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## 財務報表附註

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### 14. INTANGIBLE ASSETS

### 14. 無形資產

<b>31 December 2018</b>	<b>2018年12月31日</b>
<b>Cost:</b>	<b>成本：</b>
At 1 January 2018	於2018年1月1日
Additions from	已終止經營業務添置
Discontinued Operations	
Cost included in	計入已終止
Discontinued Operations	經營業務的成本
(note 10)	(附註10)
At 31 December 2018	於2018年12月31日
<b>Accumulated amortisation and impairment:</b>	<b>累計攤銷及減值：</b>
At 1 January 2018	於2018年1月1日
Amortisation provided	年內計提的持續
during the year from	經營業務攤銷撥備
Continuing Operations	
Amortisation provided	年內計提的已終止
during the year from	經營業務攤銷撥備
Discontinued Operations	
Impairment recognised	年內確認的已終止
for the year from	經營業務減值
Discontinued Operations	(附註10(a))
(note 10(a))	
Amortisation and	計入已終止經營業務
impairment included in	的攤銷及減值
Discontinued Operations	(附註10)
(note 10)	
At 31 December 2018	於2018年12月31日
<b>Net carrying amount:</b>	<b>賬面淨額：</b>
At 1 January 2018	於2018年1月1日
At 31 December 2018	於2018年12月31日

Mining rights 採礦權 RMB'000 人民幣千元	Stripping activity assets 剝離活動資產 RMB'000 人民幣千元	Exploration rights and assets 探礦權及資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
1,283,629	150,519	437,568	1,871,716
269	–	200	469
<u>(483,603)</u>	<u>(150,519)</u>	<u>(371,777)</u>	<u>(1,005,899)</u>
<u>800,295</u>	<u>–</u>	<u>65,991</u>	<u>866,286</u>
266,925	137,666	117,154	521,745
944	–	–	944
3,988	686	–	4,674
45,309	5,172	216,149	266,630
<u>(188,406)</u>	<u>(143,524)</u>	<u>(333,303)</u>	<u>(665,233)</u>
<u>128,760</u>	<u>–</u>	<u>–</u>	<u>128,760</u>
<u>1,016,704</u>	<u>12,853</u>	<u>320,414</u>	<u>1,349,971</u>
<u>671,535</u>	<u>–</u>	<u>65,991</u>	<u>737,526</u>

14. INTANGIBLE ASSETS (Continued)

14. 無形資產 (續)

		Mining rights 採礦權 RMB'000 人民幣千元	Stripping activity assets 剝離活動資產 RMB'000 人民幣千元	Exploration rights and assets 探礦權及資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>31 December 2017</b>	<b>2017年12月31日</b>				
<b>Cost:</b>	<b>成本:</b>				
At 1 January 2017	於2017年1月1日	1,281,614	148,847	437,568	1,868,029
Additions	添置	2,015	1,672	–	3,687
At 31 December 2017	於2017年12月31日	1,283,629	150,519	437,568	1,871,716
<b>Accumulated amortisation and impairment:</b>	<b>累計攤銷及減值:</b>				
At 1 January 2017	於2017年1月1日	191,580	128,922	117,154	437,656
Impairment recognised for the year	年內確認的減值	72,060	4,069	–	76,129
Amortisation provided during the year	年內計提的攤銷撥備	3,285	4,675	–	7,960
At 31 December 2017	於2017年12月31日	266,925	137,666	117,154	521,745
<b>Net carrying amount:</b>	<b>賬面淨額:</b>				
At 1 January 2017	於2017年1月1日	1,090,034	19,925	320,414	1,430,373
At 31 December 2017	於2017年12月31日	1,016,704	12,853	320,414	1,349,971

As at 31 December 2018, the mining rights of Maoling Mine with a net carrying amount of RMB21,826,000 (2017: RMB22,771,000) were pledged to secure the Group's bank loans (note 28(a)).

於2018年12月31日，賬面淨額為人民幣21,826,000元（2017年：人民幣22,771,000元）的毛嶺鐵礦採礦權已作質押，作為本集團銀行貸款的擔保（附註28(a)）。

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### 15. OTHER INTANGIBLE ASSET

### 15. 其他無形資產

		<b>Brand name</b> 品牌名稱 RMB'000 人民幣千元
<b>31 December 2018</b>	<b>2018年12月31日</b>	
<b>Cost:</b>	<b>成本：</b>	
At 1 January and 31 December 2018	於2018年1月1日及12月31日	<u>8,440</u>
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>	
At 1 January 2018	於2018年1月1日	–
Amortisation provided during the year	年內計提的攤銷撥備	<u>915</u>
At 31 December 2018	於2018年12月31日	<u>915</u>
<b>Net carrying amount:</b>	<b>賬面淨額：</b>	
At 1 January 2018	於2018年1月1日	<u>8,440</u>
At 31 December 2018	於2018年12月31日	<u>7,525</u>
<b>31 December 2017</b>	<b>2017年12月31日</b>	
<b>Cost:</b>	<b>成本：</b>	
At 1 January 2017	於2017年1月1日	–
Acquisition of a subsidiary	收購一間子公司	<u>8,440</u>
At 31 December 2017	於2017年12月31日	<u>8,440</u>
<b>Net carrying amount:</b>	<b>賬面淨額：</b>	
At 1 January 2017	於2017年1月1日	<u>–</u>
At 31 December 2017	於2017年12月31日	<u>8,440</u>



## 16. PREPAID LAND LEASE PAYMENTS

Carrying amount at 1 January	於1月1日的賬面金額
Impairment recognised for the year from Discontinued Operations (note 10(a))	年內確認的已終止經營業務減值(附註10(a))
Amortised during the year from Discontinued Operations	年內攤銷已終止經營業務
Assets included in Discontinued Operations (note 10)	計入已終止經營業務的資產(附註10)
Carrying amount at 31 December	於12月31日的賬面金額

Prepaid land lease payments represented costs of land use rights in respect of the Group's leasehold land situated in Sichuan Province, the PRC.

## 16. 預付土地租賃款

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
33,015	36,535
(8,841)	(2,413)
(1,110)	(1,107)
(23,064)	—
—	33,015

預付土地租賃款指關於本集團位於中國四川省的租賃土地的土地使用權成本。

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### 17. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

### 17. 預付款項、其他應收款項及其他資產

		Note	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<i>Current portion:</i>	<i>流動部分：</i>			
Prepayments consisting of:	預付款項包括：			
Purchase of raw materials	購買原材料		8,725	4,826
Utilities	公用服務		–	496
Prepayment for the use right of a road	道路使用權預付款項		47	45
Prepaid stripping and mining fees	預付剝離及開採費	(a)	–	40,227
Prepaid transportation fees	預付運輸費		–	2,732
Other prepayments	其他預付款項		1,572	12,087
Other receivables consisting of:	其他應收款項包括：			
Utilities	公用服務		–	5,269
Other receivables	其他應收款項		10,911	5,705
			<b>21,255</b>	71,387
Impairment allowance	減值備抵	(b)	<b>(33)</b>	–
			<b>21,222</b>	71,387
<i>Non-current portion:</i>	<i>非流動部分：</i>			
Prepayment for the use right of a road	道路使用權預付款項		636	694
Long-term environmental rehabilitation deposits	環境修復長期押金		–	6,653
Long-term deposit	長期押金		536	–
			<b>1,172</b>	7,347
			<b>22,394</b>	78,734

## 17. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (Continued)

Notes:

- (a) As at 31 December 2017, the balance represented prepaid stripping and mining fees made to an independent third party contractor for stripping and mining activities at Baicao Mine and Xiushuihe Mine of the Disposal Group.
- (b) The movements in the loss allowance for impairment of financial assets included in prepayments, other receivables and other assets are as follows:

At beginning of year	於年初		
Effect of adoption of IFRS 9	初用國際財務報告準則第9號的影響		
At beginning of year (restated)	年初(經重列)		
Impairment losses recognised from Continuing Operations (note 7)	已確認持續經營業務減值虧損(附註7)		
Impairment losses recognised from Discontinued Operations (note 10)	已確認已終止經營業務減值虧損(附註10)		
Impairment included in Discontinued Operations	計入已終止經營業務的減值		
At end of year	於年終		

Where applicable, impairment analysis is performed at each reporting date by considering expected credit losses, which are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The loss rate applied for as at 31 December 2018 ranged from 0.0% to 100.0%.

## 17. 預付款項、其他應收款項及其他資產(續)

附註：

- (a) 於2017年12月31日，該結餘指就出售集團白草鐵礦及秀水河鐵礦的剝離及開採活動預付一名獨立第三方承包商的剝離及開採費。
- (b) 計入預付款項、其他應收款項及其他資產的金融資產的減值虧損備抵變動如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
—	—
51	—
51	—
23	—
12,198	—
(12,239)	—
33	—

在適用情況下，本集團會於各報告日期透過考慮預期信用損失進行減值分析，而預期信用損失乃參照本集團的歷史虧損紀錄應用虧損率方法估計。本集團會調整虧損率，以反映當前狀況及對未來經濟狀況的預測(如適用)。於2018年12月31日，所應用的虧損率介乎0.0%至100.0%。

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### 18. DEFERRED TAX

The movements in deferred tax assets during the year are as follows:

		Losses available for offsetting against taxable profits	Excess tax over book value of fixed assets	Provision for rehabilitation	Unrealised profit from intragroup transaction	Provision for impairment	Others	Total
		可供抵銷應課稅利潤的虧損	固定資產的稅項折舊超出賬面值的差額	復原撥備	集團內公司間交易的未變現利潤	減值撥備	其他	合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At 1 January 2017</b>	<b>於2017年1月1日</b>	28,918	1,876	2,451	54	-	6,268	39,567
Deferred tax credited/ (charged) to profit or loss during the year	年內在損益入賬/(扣除)的遞延稅項	19,491	1,990	271	(54)	-	3,571	25,269
Acquisition of a subsidiary	收購一間子公司	5,433	-	-	-	-	-	5,433
Deferred tax assets at 31 December 2017 and 1 January 2018	於2017年12月31日及2018年1月1日的遞延稅項資產	53,842	3,866	2,722	-	-	9,839	70,269
Deferred tax credited/(charged) to profit or loss during the year from Continuing Operations (note 9)	年內在損益入賬/(扣除)的持續經營業務的遞延稅項(附註9)	(30)	2,037	52	-	2,289	(1,682)	2,666
Deferred tax credited/(charged) to profit or loss during the year from Discontinued Operations (note 9)	年內在損益入賬/(扣除)的已終止經營業務的遞延稅項(附註9)	(18,115)	(9,605)	(1,950)	-	-	13,554	(16,116)
Deferred tax included in Discontinued Operations (note 10)	計入已終止經營業務的遞延稅項(附註10)	(27,509)	9,680	(416)	-	-	(20,973)	(39,218)
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	<b>8,188</b>	<b>5,978</b>	<b>408</b>	<b>-</b>	<b>2,289</b>	<b>738</b>	<b>17,601</b>

Notes:

(a) As at 31 December 2018, the Group has tax losses arising from Mainland China of RMB32,971,000 (2017: RMB887,978,000) that would expire in three to five years and other deductible temporary differences of RMB127,269,000 (2017: RMB1,683,365,000) that were available for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as it is not considered probable that taxable profits will be available against which they can be utilised.

### 18. 遞延稅項

遞延稅項資產於年內的變動如下：

附註：

(a) 於2018年12月31日，本集團有源自中國內地、將於三至五年內到期的稅項虧損人民幣32,971,000元(2017年：人民幣887,978,000元)及其他可扣減暫時差額人民幣127,269,000元(2017年：人民幣1,683,365,000元)，可用以抵銷未來應課稅利潤。由於本集團認為不大可能有應課稅利潤可用以抵銷稅項虧損，故並無就上述虧損及可扣減暫時差額確認遞延稅項資產。

## 18. DEFERRED TAX (Continued)

Notes: (Continued)

- (b) Deferred tax assets related to the PRC subsidiaries have been provided at the enacted corporate income tax rate of 25%.
- (c) Pursuant to the income tax rules and regulations of the PRC, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement has been effective from 1 January 2008 and applied to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The withholding tax rate for the Group is 10%.

As at 31 December 2018, no deferred tax liability has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the Directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences as associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately nil (2017: RMB212,497,000).

## 18. 遞延稅項 (續)

附註：(續)

- (b) 與中國子公司有關的遞延稅項資產已按25%的已頒佈企業所得稅稅率計提。
- (c) 根據中國有關所得稅的法規及條例，對宣派予在中國內地成立的外資企業中的外國投資者的股息徵收10%的預扣稅。該規定已由2008年1月1日起生效，並適用於2007年12月31日後的盈利。倘若中國內地與外國投資者所在司法權區之間存在稅務協定，可能會運用較低的預扣稅率。對本集團而言，預扣稅率為10%。

於2018年12月31日，就本集團於中國內地成立的子公司須繳納預扣稅的未匯款盈利而言，概無確認與該等應付預扣稅有關的遞延稅項負債。董事認為，該等子公司不大可能於可見將來分派該等盈利。與於中國內地子公司的投資有關而未確認遞延稅項負債的暫時差額總額合共約為零(2017年：人民幣212,497,000元)。

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#### 19. INVENTORIES

Raw materials	原材料
Spare parts and consumables	後備配件及消耗品
Finished goods	成品
Others	其他
Inventory provision	存貨撥備

#### 19. 存貨

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
3,011	49,258
2,314	38,505
278	85,937
18,083	1,143
<b>23,686</b>	174,843
<b>(59)</b>	(206)
<b>23,627</b>	174,637

#### 20. TRADE AND BILLS RECEIVABLES

Trade receivables	應收賬款
Impairment	減值
Trade receivables, net of impairment	應收賬款，已扣除減值
Bills receivable	應收票據

#### 20. 應收賬款及票據

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
126,886	580,171
(21,657)	(340,748)
<b>105,229</b>	239,423
–	134,284
<b>105,229</b>	373,707

The Group's trading terms with its customers are mainly on credit. Aba Mining's trading terms for its customers normally require payments in advance, except for major customers, where Aba Mining granted a credit term of 2 years. During the year, the Group other than Aba Mining granted a six-month credit term to its customers for sale of self-produced products given the market conditions remained weak and a six-month credit term to its trading customers and customers for rendering specialised mining services. Trade receivables are non-interest-bearing and unsecured.

本集團與客戶的貿易條款主要為賒賬形式。阿壩礦業與客戶的貿易條款一般為須預繳款項，惟獲阿壩礦業授出2年信用期的主要客戶除外。鑑於市況持續低迷，本集團（阿壩礦業除外）年內給予自產產品銷售的客戶六個月的信用期，並給予貿易客戶及提供專業開採服務的客戶六個月的信用期。應收賬款為不計息及無抵押。

## 20. TRADE AND BILLS RECEIVABLES (Continued)

An ageing analysis of the trade receivables as at the end of each reporting period, based on the invoice date and net of loss allowance, is as follows:

Within 3 months	3個月內
3 to 9 months	3至9個月
9 to 12 months	9至12個月
Over 1 year	超過1年

The movements in the loss allowance for impairment of trade receivables are as follows:

At beginning of year	於年初
Effect of adoption of IFRS 9	採用國際財務報告準則第9號的影響
At beginning of year (restated)	於年初(經重列)
Impairment losses/(reversal), net	減值虧損/(撥回)淨額
– From Continuing Operations (note 7)	– 持續經營業務(附註7)
– From Discontinued Operations (note 10)	– 已終止經營業務(附註10)
Write-off of trade receivable allowance	撇銷應收賬款備抵
Acquisition of a subsidiary	收購一間子公司
Impairment included in Discontinued Operations	計入已終止經營業務的減值
At end of year	於年終

## 20. 應收賬款及票據(續)

於各報告期末，應收賬款基於發票日期及已扣除虧損備抵後的賬齡分析如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
103,751	226,646
14	5,321
–	217
1,464	7,239
<b>105,229</b>	<b>239,423</b>

應收賬款減值虧損備抵的變動如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
340,748	328,906
3,096	–
343,844	328,906
(9,898)	10,521
(3,452)	–
(2,999)	–
–	1,321
(305,838)	–
<b>21,657</b>	<b>340,748</b>

## 20. TRADE AND BILLS RECEIVABLES (Continued) Impairment under IFRS 9 for the year ended 31 December 2018

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

		Current 即期	Past due 逾期	Total 總計
Expected credit loss rate	預期信用損失率	1.5%	100%	
Gross carrying amount (RMB'000)	賬面總額 (人民幣千元)			
From Continuing Operations	持續經營業務	105,376	21,510	126,886
From Discontinued Operations	已終止經營業務	47,699	305,753	353,452
Settlement subsequently (RMB'000)	其後結算 (人民幣千元)			
From Continuing Operations	持續經營業務	95,570	-	95,570
From Discontinued Operations	已終止經營業務	42,003	-	42,003
Carrying amount subject to credit risk exposure (RMB'000)	承授信貸風險 的賬面金額 (人民幣千元)			
From Continuing Operations	持續經營業務	9,806	21,510	31,316
From Discontinued Operations	已終止經營業務	5,696	305,753	311,449
Expected credit losses (RMB'000)	預期信用損失 (人民幣千元)			
From Continuing Operations	持續經營業務	147	21,510	21,657
From Discontinued Operations	已終止經營業務	85	305,753	305,838

## 20. 應收賬款及票據 (續) 截至2018年12月31日止年度根據 國際財務報告準則第9號的減值

於各報告日期，本集團利用撥備矩陣計量預期信用損失，以進行減值分析。撥備率乃基於多個具有類似虧損模式的客戶分部組別（即按客戶類別及評級劃分）的逾期天數釐定。計算方法反映概率加權結果、金錢時間值及於報告日期可獲得有關過往事件、當前狀況及對未來經濟狀況的預測的合理而具理據支持資料。一般而言，應收賬款如逾期及不受強制執行活動所限，則會撇銷。

下文載列利用撥備矩陣得出本集團應收賬款面對的信貸風險的資料：



## 20. TRADE AND BILLS RECEIVABLES (Continued) Impairment under IAS 39 for the year ended 31 December 2017

Included in the above provision for impairment of trade receivables, which was measured based on incurred credit losses under IAS 39, as at 31 December 2017 was a provision for individually impaired trade receivables of RMB340,748,000 with a carrying amount before provision of RMB580,171,000.

The individually impaired trade receivables as at 31 December 2017 related to certain customers that were in financial difficulties, and the Group had stopped supplying goods to these customers, and initiated discussions on repayment terms and been in the midst of monitoring its repayment schedules. Whilst the Group would continue to follow up closely on the receivable status, the recoverability of part of the receivables has specifically been affected by the weak market condition and might be delayed by a longer-than-expected period, or the receivables may not be recoverable. Despite such provision and longer-than-expected repayment periods, the Group would initiate necessary actions to recover these receivables in part or in full.

The ageing analysis of the trade receivables as at 31 December 2017 that were not individually nor collectively considered to be impaired under IAS 39 is as follows:

Neither past due nor impaired	既無逾期亦無減值	231,967
Amounts due and partially impaired, net of provision	到期及已部分減值的金額， 已扣除撥備	
– 9 months to 3 years past due	– 逾期9個月至3年	7,456
		<u>239,423</u>

The Directors were of the opinion that no further provision for impairment under IAS 39 was necessary in respect of above balances as there has not been a significant change in credit quality and the balances are still considered fully or partially recoverable.

## 20. 應收賬款及票據 (續)

### 截至2017年12月31日止年度根據國際會計準則第39號的減值

上述根據國際會計準則第39號基於已產生信用損失計量的於2017年12月31日應收賬款減值撥備包括個別減值的應收賬款的撥備人民幣340,748,000元，於撥備前的賬面金額為人民幣580,171,000元。

於2017年12月31日的個別減值的應收賬款與若干陷入財政困難的客戶有關，而本集團已停止向該等客戶供貨及商討還款條款，並監察還款進度。儘管本集團將繼續密切跟進應收款項的情況，但部分應收款項的可收回性明顯受到低迷的市況所影響，收回時間可能較預期長，亦可能有應收款項無法收回。即使作出上述撥備及還款期較預期長，本集團亦會採取必要行動，以收回部分或全部有關應收款項。

於2017年12月31日，根據國際會計準則第39號並無被視為個別或共同減值的應收賬款的賬齡分析如下：

2017  
2017年  
RMB'000  
人民幣千元

董事認為，由於信用質素並無大幅改變，加上結餘仍被視為可全數或部分收回，因此根據國際會計準則第39號無需就上述結餘進一步計提減值撥備。

**20. TRADE AND BILLS RECEIVABLES (Continued)**  
**Transferred financial assets that are derecognised in their entirety**

As at 31 December 2018, the Group endorsed certain bills receivable accepted by banks in the PRC to certain of its suppliers in order to settle the trade payables to these suppliers with a carrying amount in aggregate of RMB249,880,000 (2017: RMB259,954,000); furthermore, as at 31 December 2018, the Group discounted certain bills receivable accepted by banks in the PRC, with a carrying amount in aggregate of RMB500,000 (2017: RMB200,000) (collectively referred to as the "Derecognised Bills"). The Derecognised Bills have a maturity term from three to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the "Continuing Involvement"). In the opinion of the Directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated advances on discounting and trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their face amounts. In the opinion of the Directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

During the year, the Group has a recognised interest expense of Nil (2017: RMB5,000) (note 6) on discounted bills receivable. No gains or losses were recognised from the Continuing Involvement, both during the year or cumulatively. The endorsement and discount of bills receivable have been made evenly throughout the year.

**20. 應收賬款及票據 (續)**  
**整項終止確認的已轉讓金融資產**

於2018年12月31日，本集團向若干供應商批註經中國的銀行接納的若干應收票據，以清償賬面總額為人民幣249,880,000元（2017年：人民幣259,954,000元）的應付該等供應商賬款。再者，於2018年12月31日，本集團貼現若干經中國的銀行接納而賬面總額為人民幣500,000元（2017年：人民幣200,000元）的應收票據（合稱「終止確認票據」）。於報告期末，終止確認票據為期三至六個月。按照中國票據法，倘中國的銀行違約，則終止確認票據持有人有權向本集團提出追討（「持續性參與」）。董事認為，本集團已將終止確認票據的絕大部分風險及回報轉移，故已取消確認終止確認票據及相關貼現墊款及應付賬款的全部賬面金額。本集團因對終止確認票據的持續性參與及因購回該等終止確認票據的未貼現現金流量而承受損失的最高風險相等於其面額。董事認為，本集團對終止確認票據的持續性參與的公平值不大。

年內，本集團確認因應收已貼現票據而產生的利息開支為零（2017年：人民幣5,000元）（附註6）。並無就持續性參與確認年內或累計收益或虧損。應收票據的批註及貼現於整個年度均衡地作出。

## 21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group has Exchangeable Notes with an aggregate amount of USD20,000,000 and USD10,000,000 subscribed by Sure Prime on 2 May 2011 and 18 November 2011, respectively and designated as financial assets at fair value through profit or loss upon initial recognition. The Exchangeable Notes were issued by the Issuer. The original maturity date of the Exchangeable Notes was 25 November 2014.

As at 2 December 2014, Sure Prime did not receive any part of the redemption amount payable by the Issuer under the Exchangeable Notes, and there occurred an event of default under the Exchangeable Notes. During 2015, Sure Prime together with other noteholders waived the event of default and the maturity of the Exchangeable Notes was extended from 25 November 2014 till 25 March 2015 and further extended till 25 August 2015 pursuant to two separate default waiver letters. In addition, the yield to maturity for the entire term of the Exchangeable Notes and until the full redemption thereof has been revised from 20% to 25% per annum and Sure Prime shall be entitled to exchange all or any part of the Exchangeable Notes at any time to shares in the target company owned by the Issuer prior to the full redemption of the Exchangeable Notes by a single or multiple presentations of exchange notice. Since the previous extension on default waiver, the Group has not received any part of the amount repayable by the Issuer from the redemption of the Exchangeable Notes. As a result, as at 31 December 2018 and 2017, the Issuer was in default.

## 21. 按公平值計量而其變動計入損益的金融資產

本集團有Sure Prime分別於2011年5月2日及2011年11月18日所認購總額為20,000,000美元及10,000,000美元、於初始確認時指定按公平值計量而其變動計入損益的金融資產的可轉換票據。可轉換票據由發行人發行。可轉換票據的原到期日為2014年11月25日。

截至2014年12月2日，Sure Prime尚未收到發行人根據可轉換票據應付的任何部分贖回金額，導致發生可轉換票據下的違約事件。於2015年，Sure Prime連同其他票據持有人豁免違約事件，並根據兩份獨立的違約豁免書，將可轉換票據的到期日由2014年11月25日延後至2015年3月25日，並進一步延後至2015年8月25日。此外，可轉換票據全期及直至獲悉數贖回為止的持至到期日收益已由每年20%修訂為每年25%，而Sure Prime有權於悉數贖回可轉換票據前透過提呈一份或多份轉換通知，隨時將全部或任何部分可轉換票據轉換為發行人所擁有目標公司的股份。由於曾經延長違約豁免期，故本集團並無收到發行人就贖回可轉換票據應付的任何部分款項。因此，於2018年及2017年12月31日，發行人已違約。

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#### 21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The movements in the fair value of the Exchangeable Notes are as follows:

Carrying amount at 1 January	於1月1日的賬面金額	-
Fair value losses recognised during the year (note 7)	年內確認的公平值虧損 (附註7)	-
Carrying amount at 31 December	於12月31日的賬面金額	-

The fair value of the Exchangeable Notes as at 31 December 2018 and 2017 was estimated by management based on the estimated recoverable amount of the Exchangeable Notes discounted with a risk-free interest rate. The following table lists the key inputs:

Risk-free interest rate (Indonesia) (% per annum)	無風險利率 (印尼) (每年%)	0.91
Recovery rate (%)	收回率 (%)	0

#### 21. 按公平值計量而其變動計入損益的金融資產 (續)

可轉換票據公平值的變動如下:

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
-	109,617
-	(109,617)
<u>-</u>	<u>-</u>

可轉換票據於2018年及2017年12月31日的公平值由管理層基於經無風險利率貼現的可轉換票據估計可收回金額估計。下表呈列主要輸入值:

2018 2018年	2017 2017年
0.91	0.91
<u>0</u>	<u>0</u>

## 22. BALANCES WITH RELATED PARTIES

## 22. 與關聯方的結餘

		Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<i>Due from related parties:</i>				
Non-trade in nature				
	– Trisonic International	(a)	–	537
	– Minefair Pty Ltd.	(b)	–	100
			<u>–</u>	<u>637</u>
<i>Due to related parties:</i>				
Non-trade in nature				
	– Yanyuan Xiwei	(c)	1,332	1,332
	– Longwei Hotel Management Co., Ltd. (“Longwei Hotel”)	(d)	10	460
	– Chuanwei	(e)	486	472
	– Mancala Resources Pty Ltd. (“Mancala Resources”)	(f)	7,825	4,876
	– Kyne Family Trust	(g)	–	1,712
	– Lannen Family Trust	(g)	–	1,761
	– Trisonic International	(a)	152	–
	– Akerman Family Trust	(g)	–	607
			<u>9,805</u>	<u>11,220</u>

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### 財務報表附註

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## 22. BALANCES WITH RELATED PARTIES

### (Continued)

Notes:

- (a) The balance due from Trisonic International as at 31 December 2017 represented miscellaneous expenses paid by the Group on behalf of Trisonic International.
- (b) Minefair Pty Ltd. is a company owned by two directors and one employee of MHPL. The balance as at 31 December 2017 represented an interest-free loan granted to Minefair Pty Ltd, which is repayable on demand.
- (c) Yanyuan Xiwei is a company controlled by Chuanwei. Balances due to Yanyuan Xiwei represented certain expenses paid by Yanyuan Xiwei on behalf of Aba Mining.
- (d) Longwei Hotel and Trisonic International are ultimately controlled by the same beneficial owners. Balances due to Longwei Hotel represented a rental payable to Longwei Hotel for the operating lease of office premises by the Group.
- (e) Chuanwei and Trisonic International are ultimately controlled by the same beneficial owners. Balance due to Chuanwei mainly comprised staff remuneration paid by Chuanwei on behalf of Sichuan Lingyu and Aba Mining.
- (f) Mancala Resources is a company controlled by two directors and one employee of MHPL. The balance as at 31 December 2018 still represented an interest-free loan granted by Mancala Resources, which was repayable on demand.
- (g) These trusts are individually entrusted by each of two directors and one employee of MHPL. The balances as at 31 December 2017 represented interest-bearing loans granted to MHPL, which bore a fixed interest rate of 6.6% per annum and were repayable on demand.

## 22. 與關聯方的結餘 (續)

附註：

- (a) 於2017年12月31日應收合創國際的結餘指本集團代表合創國際支付的雜項開支。
- (b) Minefair Pty Ltd.為一間由曼卡拉控股兩名董事及一名僱員擁有的公司。於2017年12月31日的結餘指向Minefair Pty Ltd.提供的一筆免息貸款，須應要求償還。
- (c) 鹽源西威為由川威控制的公司。應付鹽源西威的結餘指鹽源西威代表阿壩礦業支付的若干開支。
- (d) 龍威酒店及合創國際由相同的實益擁有人最終控制。應付龍威酒店的結餘指本集團就辦公室物業經營租賃應付龍威酒店的租金。
- (e) 川威及合創國際由相同的實益擁有人最終控制。應付川威的結餘主要包括川威代表四川凌御及阿壩礦業支付的員工薪酬。
- (f) Mancala Resources為一間由曼卡拉控股兩名董事及一名僱員控制的公司。於2018年12月31日的結餘指由Mancala Resources提供的一筆免息貸款，須應要求償還。
- (g) 該等信託分別由曼卡拉控股兩名董事及一名僱員各自委託。於2017年12月31日的結餘指向曼卡拉控股提供的計息貸款，按固定年利率6.6厘計息，並須應要求償還。

## 23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents 現金及現金等價物

The Group's cash and bank balances are denominated in RMB at the end of each reporting period, except for the following:

Cash and bank balances denominated in:	以下列貨幣計值的現金及銀行結餘：
HKD	港元
USD	美元
SGD	新加坡元
VND	越南盾
AUD	澳元

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between three months and one year, and earn interest at the respective deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

## 23. 現金及現金等價物

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>33,696</b>	<b>13,286</b>

本集團的現金及銀行結餘於各報告期末均以人民幣計值，惟下列款項除外：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>20,953</b>	2,359
<b>56</b>	37
<b>302</b>	—
<b>764</b>	—
<b>2,828</b>	<b>4,359</b>

人民幣不可自由兌換為其他貨幣，然而，根據中國外匯管理條例及結匯、售匯及付匯管理規定，本集團獲批准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

銀行存款按基於每日銀行存款利率計算的浮動利率計息。定期存款的存款期為三個月至一年不等，並按各自的存款利率計息。銀行結餘及定期存款存放於近期並無違約記錄且信譽可靠的銀行。

## Notes to Financial Statements

### 財務報表附註

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#### 24. ASSETS CLASSIFIED AS HELD FOR SALE

Non-recurring fair value measurements:

Heigutian Processing Plant	黑谷田洗選廠
Unutilised fixed assets for specialised mining services	專業開採服務的未動用固定資產

Notes:

- (a) The balance as at 31 December 2017 represented the fair value less cost to sell of Heigutian Processing Plant. During the year, Heigutian Processing Plant in its entirety as a part of the Disposal Group had been decided by the Group to sell to the Purchaser. Please refer to note 10 for more details.
- (b) The balance as at 31 December 2017 and 2018 represented the fair value less cost to sell of assets held for sale, which comprised part of plant and equipment of MHPL which would not be utilised in the current operation.

The non-recurring fair value measurement for assets held for sale was considered to be Level 2 for the years ended 31 December 2018 and 2017, as it is derived from quoted prices in markets that are not active.

#### 24. 分類為持作出售的資產

非經常性公平值計量：

Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
(a)	-	260,000
(b)	<b>41,169</b>	42,125
	<b>41,169</b>	302,125

附註：

- (a) 於2017年12月31日的結餘指黑谷田洗選廠的公平值減出售成本。年內，本集團決定向買方全部出售黑谷田洗選廠作為出售集團的一部分。有關更多詳情，請參閱附註10。
- (b) 於2017年及2018年12月31日的結餘指持作出售資產的公平值減出售成本，當中包括曼卡拉控股將不會用於現時營運的部分廠房及設備。

截至2018年及2017年12月31日止年度持作出售資產的非經常性公平值計量被視為第2層，原因是其根據非活躍市場的報價得出。



## 25. TRADE AND BILL PAYABLES

Trade payables	應付賬款
Bills payable	應付票據

An ageing analysis of the trade and bills payables of the Group as at the end of the reporting period, based on the invoice date or issuance date, where appropriate, is as follows:

Within 180 days	180天內
181 to 365 days	181至365天
1 to 2 years	1至2年
2 to 3 years	2至3年
Over 3 years	超過3年

Trade payables of the Group are non-interest-bearing and are normally settled within 180 days.

## 25. 應付賬款及票據

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
54,235	175,273
—	598
<b>54,235</b>	<b>175,871</b>

於報告期末，本集團應付賬款及票據基於發票日期或發出日期（如適用）的賬齡分析如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
49,667	65,813
—	10,314
81	15,876
3,448	21,584
1,039	62,284
<b>54,235</b>	<b>175,871</b>

本集團的應付賬款為不計息，通常於180天內結算。

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#### 26. CONTRACT LIABILITIES

The Group recognised the following revenue-related contract liabilities, which represented the unsatisfied performance obligation as at 31 December 2017 and 2018. The balance of contract liabilities is expected to be recovered/settled within one year.

Movements in the contract liabilities balances during the year 2018 are as follows:

#### 26. 合約負債

本集團已確認以下收入相關合約負債，指於2017年及2018年12月31日的未達成履約責任。合約負債結餘預期於一年內收回／清償。

合約負債結餘於2018年度內的變動如下：

		RMB'000 人民幣千元
Carrying amount at 31 December 2017	於2017年12月31日的賬面金額	–
Reclassification from other payables and accruals	從其他應付款項及 應計款項重新分類	<u>1,955</u>
Carrying amount at 1 January 2018	於2018年1月1日的賬面金額	1,955
Revenue recognised during the year from Continuing Operations (note 5)	年內已確認持續經營 業務收入(附註5)	(1,526)
Revenue recognised during the year from Discontinued Operations	年內已確認已終止經營業務收入	(429)
Consideration received from customers, excluding amounts recognised as revenue during the year	已收客戶代價，不包括 年內已確認為收入的款項	<u>5,811</u>
Carrying amount at 31 December 2018	於2018年12月31日的賬面金額	<u><u>5,811</u></u>

## 27. OTHER PAYABLES AND ACCRUALS

## 27. 其他應付款項及應計款項

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<i>Current portion:</i>	<i>流動部分:</i>		
Advances from customers	客戶墊款	-	1,955
Payables related to:	關於下列項目的應付款項:		
Construction in progress	在建工程	8,135	128,452
Taxes other than income tax	除所得稅外的稅項	25,702	142,546
Exploration and evaluation assets	探礦及評估資產	10,329	20,398
Payroll and welfare payable	應付薪資及福利	8,607	94,575
Transportation expenses	運輸費	-	3,242
Acquisition of subsidiaries	收購子公司		
– Sichuan Xinglian	– 四川興聯	133	1,693
Consultancy and professional fees	諮詢及專業費	3,156	9,189
Deposits received	已收押金	7	99
Land occupation compensation payables	應付土地佔用賠償	-	10,497
Accrued government surcharges	應計政府附加費	4,529	37,237
Accrued price adjustment fund	應計價格調整資金	-	7,991
Accrued interest expenses	應計利息開支	100	86,851
Other payables	其他應付款項	17,180	10,181
		<b>77,878</b>	<b>554,906</b>
<i>Non-current portion:</i>	<i>非流動部分:</i>		
Loan from a third party	一名第三方的貸款	-	23,794
Other payables	其他應付款項	1,151	1,213
		<b>1,151</b>	<b>25,007</b>
		<b>79,029</b>	<b>579,913</b>

## Notes:

- (a) Balances represented the remaining consideration payable to an independent third party in relation to the acquisition of a 45% equity interest in Sichuan Xinglian by Sichuan Lingyu.
- (b) The balance represented an interest-free loan granted by Sapphire Corporation Limited ("Sapphire", a non-controlling shareholder of Mancala Holdings) to MHPL. The loan is unsecured and is due for repayment on or before 31 December 2020.

## 附註:

- (a) 該等結餘指就四川凌御收購四川興聯45%股本權益而應向一名獨立第三方支付代價餘額。
- (b) 該等結餘指盛世企業有限公司\* (「盛世企業」, 開曼曼卡拉的非控股股東) 授予曼卡拉控股的免息貸款。該筆貸款為無抵押, 將於2020年12月31日或之前到期償還。

# Notes to Financial Statements

## 財務報表附註

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### 28. INTEREST-BEARING BANK AND OTHER LOANS

### 28. 計息銀行及其他貸款

		Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Bank loans – secured	銀行貸款—有抵押	(a)	<b>83,979</b>	523,400
Bank loans – unsecured	銀行貸款—無抵押		–	232,725
Hire purchase arrangements – secured	租購安排—有抵押	(b)	<b>96</b>	9,558
Other loans – unsecured	其他貸款—無抵押	(c)	<b>16,719</b>	141,628
			<b>100,794</b>	907,311
Current liabilities	流動負債		<b>(84,645)</b>	(596,205)
Non-current liabilities	非流動負債		<b>16,149</b>	311,106
<b>Analysed into:</b>	<b>分析為：</b>			
<i>Bank loans repayable:</i>	<i>應於下列期間償還的 銀行貸款：</i>			
Within one year or on demand	一年內或應要求		<b>83,979</b>	445,125
In the second year	第二年		–	9,000
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)		–	302,000
			<b>83,979</b>	756,125
<i>Hire purchase arrangements repayable:</i>	<i>應於下列期間償還的 租購安排：</i>			
Within one year	一年內		<b>96</b>	9,452
In the second year	第二年		–	106
			<b>96</b>	9,558
<i>Other loans repayable:</i>	<i>應於下列期間償還的 其他貸款：</i>			
Within one year or on demand	一年內或應要求		<b>570</b>	141,628
In the second year	第二年		<b>15,565</b>	–
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)		<b>584</b>	–
			<b>16,719</b>	141,628
			<b>100,794</b>	907,311

## 28. INTEREST-BEARING BANK AND OTHER LOANS (Continued)

		2018 2018年	2017 2017年
		(Effective interest rate) (實際利率)	
Banks loans	銀行貸款	<b>3.92%-8.82%</b>	3.92%-8.84%
Other loans	其他貸款	<b>0.00%-8.40%</b>	0.00%-9.00%
Hire purchase arrangements	租購安排	<b>4.80%</b>	4.80%-6.79%

Notes:

(a) The Group's bank loans are secured by:

Mining rights of Xiushuihe Mine and a 95% equity interest in Xiushuihe Mining	秀水河鐵礦的採礦權及秀水河礦業的95%股本權益
Mining rights of Baicao Mine	白草鐵礦的採礦權
Mining rights of Maoling Mine	毛嶺鐵礦的採礦權

(b) The Group acquired certain of its machinery and other fixed assets through hire purchase arrangements, which were classified as finance leases and have remaining lease terms ranging from one to two years. As at 31 December 2018, payable relating to the hire purchase arrangements was secured by the corresponding assets with an aggregate carrying amount of RMB535,000 (note 13).

## 28. 計息銀行及其他貸款 (續)

	2018 2018年	2017 2017年
	(Effective interest rate) (實際利率)	
Banks loans	<b>3.92%-8.82%</b>	3.92%-8.84%
Other loans	<b>0.00%-8.40%</b>	0.00%-9.00%
Hire purchase arrangements	<b>4.80%</b>	4.80%-6.79%

附註：

(a) 本集團的銀行貸款以下列項目作抵押：

	2018 2018年	2017 2017年
	RMB'000 人民幣千元	RMB'000 人民幣千元
	(Amount of bank loans) (銀行貸款額)	
Mining rights of Xiushuihe Mine and a 95% equity interest in Xiushuihe Mining	-	120,000
Mining rights of Baicao Mine	-	319,400
Mining rights of Maoling Mine	<b>83,979</b>	84,000
	<b>83,979</b>	523,400

(b) 本集團透過租購安排購入若干機器及其他固定資產。該等安排分類為融資租賃，剩餘租期介乎一至兩年。於2018年12月31日，租購安排相關應付款項以賬面總額人民幣535,000元的相應資產作抵押（附註13）。

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## 28. INTEREST-BEARING BANK AND OTHER LOANS (Continued)

Notes: (Continued)

(b) (Continued)

At 31 December 2018, the total future minimum lease payments under hire purchase arrangements and their present values were as follows:

Amounts payable:	應於下列期間償還的金額：
Within one year	一年內
In the second year	第二年
Total minimum finance lease payments	最低融資租賃款總額
Future finance charges	未來財務支出
Total net finance lease payables	應付融資租賃款淨額總額
Portion classified as current liabilities	分類為流動負債的部分
Non-current portion	非流動部分

## 28. 計息銀行及其他貸款 (續)

附註：(續)

(b) (續)

於2018年12月31日，租購安排下須於日後支付的最低租賃款總額及其現值如下：

Minimum lease payments 2018 最低租賃款 2018年 RMB'000 人民幣千元	Present value of minimum lease payments 2018 最低租賃款現值 2018年 RMB'000 人民幣千元
97	93
-	-
<u>97</u>	<u>93</u>
 (1)	
 96	
<u>(96)</u>	
 -	
<u>-</u>	

## 28. INTEREST-BEARING BANK AND OTHER LOANS (Continued)

Notes: (Continued)

- (c) The balance mainly represented an interest-free loan granted by Sapphire to MHPL. The loan is unsecured and due for repayment on or before 31 December 2020.

As at 31 December 2018, except for the hire purchase arrangements and other loans which were denominated in AUD, all bank loans were denominated in RMB. As at 31 December 2017, except for the hire purchase arrangements which were denominated in AUD, all bank loans and other loans were denominated in RMB.

## 29. PROVISION FOR REHABILITATION

At the beginning of year	於年初
Unwinding of discount	貼現回撥
– From Continuing Operations (note 6)	– 持續經營業務 (附註6)
– From Discontinued Operations	– 已終止經營業務
Provision included in Discontinued Operations (note 10)	計入已終止經營業務的撥備 (附註10)
At the end of year	於年終

## 28. 計息銀行及其他貸款 (續)

附註：(續)

- (c) 該等結餘主要指盛世企業授予曼卡拉控股的免息貸款。該筆貸款為無抵押，將於2020年12月31日或之前到期償還。

於2018年12月31日，除租購安排及其他貸款以澳元計值外，全部銀行貸款均以人民幣計值。於2017年12月31日，除租購安排以澳元計值外，全部銀行及其他貸款均以人民幣計值。

## 29. 復原撥備

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
11,400	10,670
117	110
663	620
(10,347)	–
<u>1,833</u>	<u>11,400</u>

# Notes to Financial Statements

## 財務報表附註

31 December 2018  
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### 30. SHARE CAPITAL

Shares	股份
<b>Authorised:</b>	<b>法定：</b>
10,000,000,000 (2017: 10,000,000,000) Shares of HKD0.1 each	10,000,000,000股 (2017年： 10,000,000,000股) 每股面值0.1港元的股份
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>
2,249,015,410 (2017: 2,249,015,410) Shares of HKD0.1 each	2,249,015,410股 (2017年： 2,249,015,410股) 每股面值0.1港元的股份

A summary of movements in the Company's share capital is as follows:

At 1 January 2018	於2018年1月1日
Issue of new Shares	發行新股份
At 31 December 2018	於2018年12月31日

### 30. 股本

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>880,890</b>	<b>880,890</b>
<b>197,889</b>	<b>197,889</b>

本公司股本變動概要如下：

	Number of Shares in issue 已發行股份數目	Issued Capital 已發行股本 RMB'000 人民幣千元
At 1 January 2018	2,249,015,410	197,889
Issue of new Shares	—	—
At 31 December 2018	<b>2,249,015,410</b>	<b>197,889</b>



### 31. SHARE OPTION SCHEMES

On 4 September 2009, the Company adopted a share option scheme (the "Old Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Old Share Option Scheme include the Directors, including non-executive Directors, and other employees of the Group.

On 15 April 2010, the Company adopted a new share option scheme (the "New Share Option Scheme"), and simultaneously terminated the operation of the Old Share Option Scheme (such that, no further options shall thereafter be offered under the Old Share Option Scheme but in all other respects the provisions of the Old Share Option Scheme shall remain in force and effect). Eligible participants of the New Share Option Scheme include Directors, chief executives, substantial Shareholders or employees (whether full time or part time) of any member of the Group and any persons whom the Board considers, in its sole discretion, have contributed or will contribute to the development and growth of the Group. The New Share Option Scheme will remain in force for 10 years from that date, unless otherwise cancelled or amended.

The maximum number of the Shares in respect of which options may be granted under the New Share Option Scheme and any other schemes of the Company shall not, in aggregate, exceed 207,500,000 Shares, being 10% of the total number of Shares of the Company in issue on the adoption date of the New Share Option Scheme. The maximum number of Shares issued and which may fall to be issued upon exercise of the options granted and to be granted under the New Share Option Scheme to each eligible participant in the New Share Option Scheme within any 12-month period is limited to 1% of the Shares of the Company in issue as at the date of grant. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

### 31. 股份期權計劃

於2009年9月4日，本公司採納一項股份期權計劃（「舊股份期權計劃」），藉以鼓勵及回饋對本集團的成功經營作出貢獻的合資格參與人士。舊股份期權計劃的合資格參與人士包括董事（包括非執行董事）及其他本集團僱員。

於2010年4月15日，本公司採納一項新股份期權計劃（「新股份期權計劃」），同時終止施行舊股份期權計劃（致使其後不再根據舊股份期權計劃授出期權，但舊股份期權計劃的規定在所有其他方面繼續具有十足效力及作用）。新股份期權計劃的合資格參與人士包括本集團任何成員公司的董事、最高行政人員、主要股東或全職或兼職僱員，以及董事會全權酌情認為曾經或將會對本集團的發展及增長作出貢獻的任何人士。除非另行註銷或修訂，否則新股份期權計劃將於由該日起計10年內仍然有效。

根據新股份期權計劃及本公司任何其他計劃可授出的期權涉及的股份最高數目合計不得超過207,500,000股，即於新股份期權計劃採納日期本公司已發行股份總數的10%。根據新股份期權計劃，於任何12個月期間向新股份期權計劃下各合資格參與人士授出及將授出的期權獲行使時已發行及可能須予發行的股份最高數目以佔於授出日期本公司已發行股份的1%為限。進一步授出超過該上限的股份期權須待股東於股東大會上批准。

### 31. SHARE OPTION SCHEMES (Continued)

Share options granted to Directors, chief executives, substantial Shareholders or any of their respective associates are subject to approval by the independent non-executive Directors (excluding the independent non-executive Directors who are the grantees of the options). In addition, any grant of share options to substantial Shareholders or independent non-executive Directors or to any of their respective associates, in excess of 0.1% of the Shares of the Company in issue on the date of offer with an aggregate value (based on the closing price of the Shares quoted on the HKSE at the date of grant) in excess of HKD5 million made within any 12-month period from the date of grant (inclusive) would be subject to Shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HKD1 in total by the grantee. The exercise period of the share options granted is determinable by the Directors that no option may be exercised more than 10 years from the date of grant.

The exercise price of share options is determinable by the Board, but may not be less than the highest of (i) the nominal value of Shares of the Company; (ii) the average closing price of the Shares for the five trading days immediately preceding the date of grant of the share options; and (iii) the HKSE closing price of the Shares on the date of grant of the share options.

### 31. 股份期權計劃 (續)

向董事、最高行政人員、主要股東或彼等各自任何聯繫人授出股份期權前，須取得獨立非執行董事（不包括屬期權承授人的獨立非執行董事）批准。此外，如於授出日期（包括當日）起計任何12個月期間內授予主要股東或獨立非執行董事或彼等各自任何聯繫人的任何股份期權超逾於要約日期本公司已發行股份的0.1%，以及總值（基於港交所所報股份於授出日期的收市價計算）超逾5百萬港元，則須在股東大會上取得股東批准。

授出股份期權的要約可於由要約日期起計28日內接納，承授人接納股份期權時須支付合共1港元的象徵式代價。所授出股份期權的行使期由董事釐定，惟期權概不得於授出日期滿10年後行使。

股份期權的行使價由董事會決定，惟行使價不得低於下列中的最高者：(i)本公司股份面值；(ii)股份於緊接授出股份期權日期前五個交易日的平均收市價；及(iii)股份於授出股份期權日期的港交所收市價。

### 31. SHARE OPTION SCHEMES (Continued)

The following share options were outstanding under the Old Share Option Scheme and the New Share Option Scheme during the year:

As at 1 January 2018	於2018年1月1日
– Old Share Option Scheme	– 舊股份期權計劃
– New Share Option Scheme	– 新股份期權計劃
Forfeited during the year	年內沒收
– Old Share Option Scheme	– 舊股份期權計劃
– New Share Option Scheme	– 新股份期權計劃
As at 31 December 2018	於2018年12月31日

Note:

- (a) The share options outstanding as at 1 January 2018 represented share options granted under the Old Share Option Scheme and the New Share Option Scheme by the Company on 29 December 2009, 1 April 2010, 23 May 2011 and 15 April 2014 at the exercise prices of HKD5.05, HKD4.99, HKD3.60 and HKD1.00 per Share, respectively.

### 31. 股份期權計劃 (續)

於年內根據舊股份期權計劃及新股份期權計劃尚未行使的股份期權如下：

Note	Weighted average exercise price HKD per Share 加權平均行使價 每股股份港元	Number of options '000 期權數目 千份
附註		
(a)	5.04	7,800
(a)	2.01	27,100
	–	–
	–	–
	<b>2.68</b>	<b>34,900</b>

附註：

- (a) 於2018年1月1日尚未行使的股份期權指本公司於2009年12月29日、2010年4月1日、2011年5月23日及2014年4月15日根據舊股份期權計劃及新股份期權計劃分別按行使價每股股份5.05港元、4.99港元、3.60港元及1.00港元授出的股份期權。

**31. SHARE OPTION SCHEMES (Continued)**

The exercise prices and exercise periods of the share options outstanding as at 31 December 2018 and 31 December 2017 are as follows:

**2018**

Number of options	Exercise price per Share	Exercise period
期權數目	每股股份行使價	行使期
'000 千份	HKD 港元	
3,000	5.05	29 June 2012 to 28 December 2019 2012年6月29日至2019年12月28日
3,400	5.05	29 December 2014 to 28 December 2019 2014年12月29日至2019年12月28日
700	4.99	1 October 2012 to 31 March 2020 2012年10月1日至2020年3月31日
700	4.99	1 April 2015 to 31 March 2020 2015年4月1日至2020年3月31日
10,500	3.60	23 May 2013 to 22 May 2021 2013年5月23日至2021年5月22日
8,250	1.00	15 October 2014 to 14 April 2024 2014年10月15日至2024年4月14日
4,175	1.00	15 April 2015 to 14 April 2024 2015年4月15日至2024年4月14日
4,175	1.00	15 October 2015 to 14 April 2024 2015年10月15日至2024年4月14日
<b>34,900</b>		

**31. 股份期權計劃 (續)**

於2018年12月31日及2017年12月31日尚未行使的股份期權的行使價及行使期如下：

**2018年**

31. SHARE OPTION SCHEMES (Continued)

2017

Number of options	Exercise price per Share	Exercise period
期權數目	每股股份	行使期
'000	行使價	
千份	HKD	
	港元	
3,000	5.05	29 June 2012 to 28 December 2019 2012年6月29日至2019年12月28日
3,400	5.05	29 December 2014 to 28 December 2019 2014年12月29日至2019年12月28日
700	4.99	1 October 2012 to 31 March 2020 2012年10月1日至2020年3月31日
700	4.99	1 April 2015 to 31 March 2020 2015年4月1日至2020年3月31日
10,500	3.60	23 May 2013 to 22 May 2021 2013年5月23日至2021年5月22日
8,250	1.00	15 October 2014 to 14 April 2024 2014年10月15日至2024年4月14日
4,175	1.00	15 April 2015 to 14 April 2024 2015年4月15日至2024年4月14日
4,175	1.00	15 October 2015 to 14 April 2024 2015年10月15日至2024年4月14日
<u>34,900</u>		

The Group has 34,900,000 share options exercisable as at 31 December 2018 (2017: 34,900,000) and the weighted average exercise price was HKD2.68 per Share (2017: HKD2.68).

The Group did not recognise share option expense during the year (2017: Nil).

31. 股份期權計劃 (續)

2017年

於2018年12月31日，本集團有34,900,000份（2017年：34,900,000份）股份期權可予行使，而加權平均行使價為每股股份2.68港元（2017年：2.68港元）。

年內，本集團並無確認股份期權開支（2017年：無）。

**31. SHARE OPTION SCHEMES (Continued)**

The fair values of equity-settled share options granted were estimated and valued by independent professional valuers as at the dates of grant, using the binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the major inputs to the model used:

		Equity-settled share options granted on			
		於下列日期授出的股權結算股份期權			
		15 April 2014 2014年 4月15日	23 May 2011 2011年 5月23日	1 April 2010 2010年 4月1日	29 December 2009 2009年 12月29日
Dividend yield (%)	股息率(%)	2.17	2.07	1.36	1.41
Expected volatility (%)	預期波幅(%)	49.47	62.40	66.40	68.56
Risk-free interest rate (%)	無風險利率(%)	2.270	2.430	2.788	2.652

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At 31 December 2018, the Company had 7,800,000 share options outstanding under the Old Share Option Scheme and 27,100,000 share options outstanding under the New Share Option Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 34,900,000 additional Shares and additional share capital of HKD3,490,000 and share premium of HKD90,216,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 34,900,000 share options outstanding, which represented approximately 1.55% of the Shares in issue as at that date.

**31. 股份期權計劃 (續)**

授出的股權結算股份期權的公平值已於授出日期由獨立專業估值師以二項模式估計及估值，當中已考慮授出期權的條款及條件。下表列出該模式所用的主要輸入值：

		Equity-settled share options granted on			
		於下列日期授出的股權結算股份期權			
		15 April 2014 2014年 4月15日	23 May 2011 2011年 5月23日	1 April 2010 2010年 4月1日	29 December 2009 2009年 12月29日
Dividend yield (%)	股息率(%)	2.17	2.07	1.36	1.41
Expected volatility (%)	預期波幅(%)	49.47	62.40	66.40	68.56
Risk-free interest rate (%)	無風險利率(%)	2.270	2.430	2.788	2.652

預期波幅反映歷史波幅乃未來趨勢指標的假設，不一定為實際結果。

計量公平值時概無計及已授出期權的其他特質。

於2018年12月31日，本公司根據舊股份期權計劃共有7,800,000份尚未行使股份期權，而根據新股份期權計劃共有27,100,000份尚未行使股份期權。根據本公司現時資本架構，悉數行使尚未行使股份期權將導致額外發行34,900,000股股份及產生額外股本3,490,000港元及股份溢價90,216,000港元（未扣除發行開支）。

於該等財務報表獲批准之日，本公司共有34,900,000份尚未行使股份期權，相當於該日的已發行股份約1.55%。

**32. RESERVES**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity in the financial statements.

**(a) Share premium account**

The application of the share premium account is governed by the Companies Law. Under the constitutional documents and the Companies Law, the share premium is distributable as dividend on the condition that the Company is able to pay its debts when they fall due in the ordinary course of business at the time the proposed dividend is to be paid.

**(b) Statutory reserve fund**

In accordance with the Company Law of the PRC and the respective articles of association of the PRC Subsidiaries, each of the PRC Subsidiaries other than Sichuan Lingyu is required to allocate 10% of its profits after tax, as determined in accordance with the PRC Generally Accepted Accounting Principles (the "PRC GAAP"), to the statutory surplus reserve (the "SSR") until such reserve reaches 50% of its registered capital.

As Sichuan Lingyu is a wholly-foreign-owned enterprise, according to the Rules for the Implementation of Foreign-funded Enterprise Law of the PRC and the articles of association of Sichuan Lingyu, Sichuan Lingyu is required to allocate 10% of its profit after tax in accordance with PRC GAAP to the statutory reserve fund (the "SRF") until such reserve reaches 50% of its registered capital.

The SSR and the SRF are non-distributable except in the event of liquidation and subject to certain restrictions set out in the relevant PRC regulations. They can be used to offset accumulated losses or capitalised as paid-up capital.

**32. 儲備**

本集團於本年度及過往年度的儲備金額及其變動於財務報表的綜合股權變動表呈列。

**(a) 股份溢價賬**

股份溢價賬的應用受公司法監管。根據組織章程文件及公司法，在派付擬派股息時，本公司能夠於其於日常業務過程中的債項到期時支付該等債項的情況下，股份溢價可作為股息分派。

**(b) 法定儲備金**

按照中國公司法及中國子公司各自的公司章程細則，各中國子公司（四川凌御除外）須分配其按照中國公認會計原則釐定的稅後利潤的10%至法定盈餘公積金，直至該公積金達至其註冊資本的50%為止。

由於四川凌御為一間外商獨資企業，根據中國外資企業法實施細則及四川凌御的公司章程細則，四川凌御須按照中國公認會計原則分配其10%稅後利潤至法定儲備金，直至該儲備金達至其註冊資本的50%為止。

除清盤外，法定盈餘公積金及法定儲備金均不可用作分派，並受到若干相關中國法規所限制。法定盈餘公積金及法定儲備金可用作抵銷累計虧損或被資本化為繳足資本。

**32. RESERVES (Continued)**

**(c) Contributed surplus**

The contributed surplus represented the difference between the nominal value of the Shares issued in exchange of or consideration paid for subsidiaries acquired and the aggregate amount of the nominal value for the paid-up capital of these subsidiaries attributable to the owners of the Company for business combinations under common control.

**(d) Safety fund surplus reserve**

Pursuant to a Notice regarding Safety Production Expenditure jointly issued by the Ministry of Finance and the State Administration of Work Safety of the PRC in February 2012, the Group is required to establish a safety fund surplus reserve based on volume of mineral ore extracted. The safety fund can only be transferred to retained earnings to offset safety related expenses as and when they are incurred, including expenses related to safety protection facilities and equipment improvement and maintenance as well as safety production inspection, appraisal, consultation and training.

**(e) Share option reserve**

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained earnings should the related options expire or be forfeited.

**(f) Capital reserve**

The capital reserve represented the Group's capital injection to subsidiaries by way of transfer from retained earnings in 2012.

**32. 儲備 (續)**

**(c) 實繳盈餘**

實繳盈餘指本公司用以交換所收購子公司或為此支付代價而發行的股份面值與歸屬於本公司擁有人的該等子公司就共同控制下的業務合併而言的繳足資本面值總金額之間的差額。

**(d) 安全基金專項儲備**

根據中國財政部及國家安全生產監督管理總局於2012年2月聯合頒佈的一則關於安全生產費的通知，本集團須基於所開採礦量成立安全基金專項儲備。安全基金只可當及於安全相關開支產生時轉撥至留存盈利以抵銷相關開支，包括與保安設施及設備提升及維護以及安全生產檢查、評估、諮詢及培訓有關的開支。

**(e) 股份期權儲備**

股份期權儲備包括已授出但尚未行使的股份期權的公平值，進一步闡述見財務報表附註2.4有關以股份為基礎的付款的會計政策。該款項將於相關期權獲行使時轉撥至股份溢價賬，或倘相關期權屆滿或被沒收，則轉撥至留存盈利。

**(f) 資本公積**

資本公積指本集團於2012年透過從留存盈利轉撥而向子公司作出的注資。



### 33. PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiary that has material non-controlling interests are set out below:

Percentage of equity interest held by non-controlling interests: Sichuan Haoyuan	非控股權益所持股本權益的百分比： 四川浩遠
Total comprehensive loss for the year allocated to non-controlling interests: Sichuan Haoyuan	分配至非控股權益的 年內全面虧損總額： 四川浩遠
Accumulated balances of non-controlling interests at the reporting date: Sichuan Haoyuan	於報告日期的非控股 權益累計結餘： 四川浩遠

The following tables illustrate the summarised financial information of the above subsidiary.

### 33. 擁有重大非控股權益的非全資子公司

擁有重大非控股權益的本集團子公司的詳情載列如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>49%</b>	49%
<b>1,115</b>	33,627
<b>297,330</b>	298,445

下表說明以上子公司的概要財務資料。

Impairment on non-current assets Other expenses	非流動資產減值 其他開支
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額
Current assets Non-current assets Current liabilities	流動資產 非流動資產 流動負債
Net cash flows from/(used in) operating activities	經營活動所得／（使用） 的現金流量淨額
Net cash flows from financing activities	融資活動所得的現金流量淨額
Net increase in cash and cash equivalents	現金及現金等價物增加淨額

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
— <b>(2,276)</b>	(64,888) <b>(3,738)</b>
<b>(2,276)</b>	(68,626)
<b>4,555</b> <b>652,093</b> <b>(49,853)</b>	3,383 651,864 <b>(46,176)</b>
<b>(3,498)</b>	85
<b>3,574</b>	—
<b>76</b>	85

**34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS****(a) Non-cash transaction**

In 2017, part of the debts of Mancala Holdings owing to Sapphire was offset with the refundable deposits previously paid by the Group to Sapphire of RMB9,483,000.

**(b) Changes in liabilities arising from financing activities****34. 綜合現金流量表附註****(a) 非現金交易**

於2017年，開曼曼卡拉結欠盛世企業的部分債務與本集團之前已付盛世企業的可退回按金人民幣9,483,000元抵銷。

**(b) 融資活動所產生負債的變動**

		Bank and other loans amount	Interest payable amount	Amount due to a related party provision 應付 一名關聯方 款項撥備
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At 1 January 2018</b>	<b>於2018年1月1日</b>	<b>907,311</b>	<b>86,851</b>	<b>11,220</b>
Changes from financing cash flows	融資現金流量變動	<b>(19,532)</b>	<b>(32,272)</b>	<b>(966)</b>
Non-cash changes:	非現金變動：			
Interest expense	利息開支	-	<b>60,397</b>	-
Reclassification	重新分類	<b>15,113</b>	-	-
Liabilities included in Discontinued Operations	計入已終止經營業務的負債	<b>(802,098)</b>	<b>(114,876)</b>	<b>(449)</b>
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	<b>100,794</b>	<b>100</b>	<b>9,805</b>
At 1 January 2017	於2017年1月1日	874,111	69,133	2,244
Changes from financing cash flows	融資現金流量變動	19,221	-	-
Non-cash changes:	非現金變動：			
Acquisition of a subsidiary	收購一間子公司	13,979	-	8,976
Interest expense	利息開支	-	17,718	-
At 31 December 2017	於2017年12月31日	<b>907,311</b>	<b>86,851</b>	<b>11,220</b>

### 35. OPERATING LEASE ARRANGEMENTS

#### As lessee

The Group entered into commercial leases on certain office buildings based on the reason that it is not in the best interest of the Group to purchase these assets. These leases have average terms of one to five years.

At the end of each reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年（包括首尾兩年）

### 35. 經營租賃安排

#### 作為承租人

本集團就若干辦公大樓訂立商業租賃，原因為購買該等資產並不符合本集團最佳利益。該等租賃的平均租期為一年至五年。

於各報告期末，本集團根據不可撤銷經營租賃須於日後支付的最低租賃款總額到期情況如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
846	479
1,207	179
<b>2,053</b>	<b>658</b>

### 36. CAPITAL COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

Contracted, but not provided for:	已訂約，但未撥備：
- Plant and machinery	- 廠房及機器
- Acquisition of mining rights	- 收購採礦權

### 36. 資本承擔

本集團於報告期末的資本承擔如下：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
-	321
1,736	870
<b>1,736</b>	<b>1,191</b>

### 37. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following transactions with related parties during the year.

#### (a) Outstanding balances with related parties

Details of the Group's balances with its related parties as at the end of the reporting period are disclosed in note 22 to the financial statements.

#### (b) Compensation of key management personnel of the Group

Details of Directors' and the chief executive's emoluments including key management personnel are set out note 8 to the financial statements.

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial instruments reasonably approximate to fair values are as explained below:

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, amounts due from related parties, trade and bills payables, financial liabilities included in other payables, interest-bearing bank and other loans, amounts due to related parties and dividend payable approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the financial controller and the audit committee. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

### 37. 關聯方交易

除財務報表其他部分已詳列的交易及結餘外，本集團於年內與關聯方進行以下交易：

#### (a) 尚未收回的與關聯方結餘

於報告期末本集團與其關聯方結餘的詳情於財務報表附註22披露。

#### (b) 本集團主要管理人員的補償

有關董事及最高行政人員（包括主要管理人員）酬金的詳情載於財務報表附註8。

### 38. 金融工具公平值及公平值架構

本集團金融工具的賬面金額與公平值合理地相若，闡述如下：

管理層評定現金及現金等價物、應收賬款及票據、計入預付款項、其他應收款項及其他資產的金融資產、應收關聯方款項、應付賬款及票據、計入其他應付款項的金融負債、計息銀行及其他貸款、應付關聯方款項以及應付股息的公平值主要因短期到期而與其賬面金額相若。

本集團由財務經理領導的公司財務團隊負責制定金融工具公平值計量的政策及程序。公司財務團隊直接向財務總監及審核委員會匯報。公司財務團隊於各報告日期分析金融工具價值變動，並決定估值所使用的主要輸入值。估值經首席財務官審閱及批准。公司財務團隊與審核委員會就中期及年度財務申報每年兩次討論估值過程及結果。

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of financial assets at fair value through profit and loss is based on valuation techniques. The model incorporates unobservable inputs of the recovery rate. The carrying amount of financial assets at fair value through profit and loss is the same as its fair value.

The fair value measurement hierarchy of the Group's financial assets at fair value through profit and loss measured at fair value required significant unobservable inputs (Level 3) as at 31 December 2018 and 31 December 2017. Increase in recovery rate would result in the increase in the fair value of Exchangeable Notes. The fair value measurement hierarchy of the Group's assets held for sale measured at fair value derived from quoted prices in markets that were not active (Level 2) as at 31 December 2018 and 31 December 2017.

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial assets of the Group mainly include cash and bank balances, trade and bills receivables, financial assets at fair value through profit or loss, financial assets included in prepayments, other receivables and other assets and amounts due from related parties, which arise directly from its operations. Financial liabilities of the Group mainly include financial liabilities included in other payables and accruals, trade and bills payables, amounts due to related parties, dividend payable and interest-bearing bank and other loans.

Risk management is carried out by the finance department which is led by the Group's executive Directors. The Group's finance department identifies and evaluates financial risks in close co-operation with the Group's operating units. The main risks arising from the Group's financial instruments are liquidity risk, interest rate risk, credit risk and foreign currency risk.

### 38. 金融工具公平值及公平值架構(續)

金融資產及負債的公平值按工具於自願交易雙方的現行交易(而非強逼或清盤銷售)中可交換的金額計入。估計公平值時已使用以下方法及假設:

按公平值計量而其變動計入損益的金融資產的公平值基於估值技術計量。模型包含收回率的不可觀察輸入值。按公平值計量而其變動計入損益的金融資產的賬面金額與公平值相同。

於2018年12月31日及2017年12月31日,本集團按公平值計量的按公平值計量而其變動計入損益的金融資產的公平值計量架構需要重大不可觀察輸入值(第3層)。收回率上升會導致可轉換票據的公平值上升。於2018年12月31日及2017年12月31日,本集團按公平值計量的持作出售資產的公平值計量架構乃根據非活躍市場的報價(第2層)得出。

### 39. 財務風險管理目標及政策

本集團的金融資產主要包括經營業務直接產生的現金及銀行結餘、應收賬款及票據、按公平值計量而其變動計入損益的金融資產、計入預付款項、其他應收款項及其他資產的金融資產以及應收關聯方款項。本集團的金融負債主要包括計入其他應付款項及應計款項的金融負債、應付賬款及票據、應付關聯方款項、應付股息以及計息銀行及其他貸款。

財務部在本集團執行董事的領導下進行風險管理。本集團財務部與本集團營運部門緊密合作,負責識別及評估財務風險。本集團金融工具所產生的主要風險包括流動性風險、利率風險、信貸風險及外幣風險。

**39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

The Group's financial risk management policy seeks to ensure that adequate resources are available to manage the above risks and to create value for its Shareholders. The Directors regularly review these risks and they are summarised below.

**Liquidity risk**

The Group monitors its exposure to a shortage of funds by considering the maturity of both its financial liabilities and financial assets and projected cash flows from operations.

As at 31 December 2018, the Group had net current liabilities of RMB10,198,000.

Regarding 2018 and thereafter, the liquidity of the Group is primarily dependent on its ability to maintain adequate cash flows from operations and successfully renew its short-term bank loans to meet its debt obligations as they fall due.

The maturity profile of the Group's financial liabilities at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

Interest-bearing bank and other loans	計息銀行及其他貸款	100	1,392	85,632	16,149	103,273
Trade and bills payables	應付賬款及票據	–	39,132	10,535	4,568	54,235
Other payables and accruals	其他應付款項及應計款項	18,665	8,889	–	1,151	28,705
Due to related parties	應付關聯方款項	9,805	–	–	–	9,805

		2018 2018年				
On demand 按要求	Less than 3 months 少於3個月	3 to 12 months 3至12個月	1 to 5 years 1至5年	Total 合計		
RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
100	1,392	85,632	16,149	103,273		
–	39,132	10,535	4,568	54,235		
18,665	8,889	–	1,151	28,705		
9,805	–	–	–	9,805		
<b>28,570</b>	<b>49,413</b>	<b>96,167</b>	<b>21,868</b>	<b>196,018</b>		

**39. 財務風險管理目標及政策 (續)**

本集團的財務風險管理政策旨在確保有足夠資源管理上述風險，並為股東創造價值。董事定期檢討該等風險，現概述如下。

**流動性風險**

本集團透過考慮其金融負債及金融資產的期限和預期經營所得現金流量，監察其須面對的資金短缺風險。

於2018年12月31日，本集團的流動負債淨額為人民幣10,198,000元。

就2018年及其後，本集團的流動性主要取決於其能否從業務營運中維持足夠的現金流，以及能否成功續新其短期銀行貸款以履行其到期債務責任。

於報告期末，本集團金融負債基於合約未貼現付款的期限如下：

**39. FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES (Continued)**  
**Liquidity risk (Continued)**

**39. 財務風險管理目標及政策  
(續)**  
**流動性風險 (續)**

		2017 2017年				
		Less than 3 months 按要求 RMB'000 人民幣千元	3 to 12 months 3至12個月 RMB'000 人民幣千元	1 to 5 years 1至5年 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	
Interest-bearing bank and other loans	計息銀行及 其他貸款	486,221	4,542	134,530	333,381	958,674
Trade and bills payables	應付賬款及票據	127,681	41,218	6,972	–	175,871
Other payables and accruals	其他應付款項及 應計款項	141,357	129,245	–	25,007	295,609
Dividend payable	應付股息	1,801	–	–	–	1,801
Due to related parties	應付關聯方款項	11,489	–	–	–	11,489
		<u>768,549</u>	<u>175,005</u>	<u>141,502</u>	<u>358,388</u>	<u>1,443,444</u>

**Interest rate risk**

The Group's exposure to interest rate risk relates primarily to the Group's bank deposits, interest-bearing bank loans and other loans and Exchangeable Notes (which are subject to fair value interest rate risk). The interest rates and terms of repayment of interest-bearing bank and other loans are disclosed in note 28 to the financial statements.

The Group manages its cash flow interest rate risk exposure arising from all of its interest-bearing loans through the use of fixed rates. In addition, the Group has not used any interest rate swaps to hedge against interest rate risk.

**利率風險**

本集團面對的利率風險主要與本集團銀行存款、計息銀行貸款及其他貸款及可轉換票據（須承受公平值利率風險）有關。計息銀行及其他貸款的利率及還款條款於財務報表附註28披露。

本集團利用固定利率管理其全部計息貸款所產生的現金流量利率風險。此外，本集團並無利用任何利率掉期對沖利率風險。

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Credit risk

Substantial amounts of the Group's cash and cash equivalents and time deposits are held in major reputable financial institutions located in Mainland China, Hong Kong and Australia, which management believes are of high credit quality. The credit risk of the Group's other financial assets, which comprise trade and bills receivables, notes, other receivables and amounts due from related parties, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Group has no other financial assets which carry significant exposure to credit risk.

As disclosed in note 4, the Group sells most of the products to a small number of customers. As a result, it faces a high level of concentration of credit risk. The Group manages this risk by offering a nine-month credit term to its customers for sale of self-produced products given market conditions remained weak and a three-month credit term to its trading customers. The Group maintains strict control over its outstanding receivables and senior management regularly reviews the overdue balances. In addition, the Group's exposure to credit risk is also influenced by the individual characteristics of each customer and default risk of the industry in which customers operate. During the year, the Group generated its revenue mainly from the sales of iron products and trading of steels and coals to the steels producers and distributors that purchase the Group's products and resell them to steels producers. In addition, the Group also generated revenue from sales of titanium products to other customers. In this regard, the Group is exposed to the concentration of credit risk in the steels and titanium industries.

#### **Maximum exposure and year-end staging as at 31 December 2018**

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2018. The amounts presented are gross carrying amounts for financial assets.

### 39. 財務風險管理目標及政策 (續) 信貸風險

本集團絕大部分的現金及現金等價物及定期存款存放於中國內地、香港及澳洲聲譽良好的主要金融機構。管理層相信該等機構擁有良好的信貸質素。本集團其他金融資產（包括應收賬款及票據、票據、其他應收款項及應收關聯方款項）的信貸風險由於交易對手拖欠款項而產生，而所面對的最高風險相等於該等工具的賬面金額。本集團並無其他金融資產須面對重大信貸風險。

誠如附註4所披露，本集團向少數客戶銷售其大部分產品，故信貸集中風險甚高。鑑於市況持續低迷，為管理此風險，本集團為銷售自產產品的客戶提供九個月的信用期，並向其買賣客戶提供三個月信用期。本集團維持對其尚未收回應收款項的嚴格控制，並由高級管理層定期審閱逾期餘款。此外，本集團須承受的信貸風險亦受每名客戶的個別特性及客戶經營行業的違約風險所影響。年內，本集團的收入主要來自向鋼鐵生產商以及購買本集團產品並轉售予鋼鐵生產商的分銷商銷售鐵產品以及買賣鋼鐵及煤炭。此外，本集團的收入亦來自向其他客戶銷售鈦產品。就此，本集團面對的信貸風險集中於鋼鐵及鈦行業。

#### **於2018年12月31日的最高風險及年結階段**

下表顯示基於本集團信貸政策的信貸質素及最高信貸風險，主要基於逾期資料（除非其他資料可在無須花費過多成本或精力的情況下獲得），及於2018年12月31日的年結階段分類。所呈列金額為金融資產賬面總額。



**39. FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES (Continued)**  
Credit risk (Continued)

**39. 財務風險管理目標及政策  
(續)**  
信貸風險 (續)

		Life time ECLs 全期預期信用損失				
		12-month ECLs				
		Stage 1	Stage 2	Stage 3	Simplified approach	Total
		12個月預期 信用損失 階段1	階段2	階段3	簡化方法	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade receivables*	應收賬款*	-	-	-	126,886	126,886
Financial assets included in prepayments, other receivables and other assets**	計入預付款項、 其他應收款項及 其他資產的 金融資產**	11,447	-	-	-	11,447
Cash and cash equivalents	現金及現金等價物					
- Not yet past due	- 未逾期	33,696	-	-	-	33,696
		<u>45,143</u>	<u>-</u>	<u>-</u>	<u>126,886</u>	<u>172,029</u>

\* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 20 to the financial statements.

\*\* The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be doubtful.

\* 就本集團應用減值簡化方法的應收賬款而言，基於撥備矩陣的資料於財務報表附註20披露。

\*\* 當計入預付款項、其他應收款項及其他資產的金融資產未逾期，且並無資料顯示金融資產的信貸風險自初始確認以來大幅增加時，金融資產的信貸質素被視為「正常」；否則金融資產的信貸質素被視為成疑。

**Foreign currency risk**

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. Approximately 13% (2017: 0%) of the Group's sales were denominated in currencies other than the functional currencies of the operating units making the sale, whilst approximately 12% (2017: 0%) of costs were denominated in the units' functional currencies.

**外幣風險**

本集團面對交易貨幣風險，乃源自經營單位以其功能貨幣以外貨幣進行的買賣。本集團約13% (2017年: 0%) 的銷售額以經營單位進行銷售的功能貨幣以外貨幣計值，而本集團約12% (2017年: 0%) 的成本以單位的功能貨幣計值。

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Foreign currency risk (Continued)

The Group's foreign currency exposures arise primarily from the exchange rate movement of foreign currencies, namely HKD, USD, AUD, SGD and VND, against the RMB. HKD, USD, AUD, SGD and VND are the functional currencies of respective entities within the Group.

The Group does not enter into any hedging transactions to manage the potential fluctuation in foreign currencies. Management monitors the Group's foreign currency exposure and will consider hedging significant foreign currency exposure when the needs arise.

The following table demonstrates the sensitivity to a 5.0% change in RMB against HKD, USD, AUD, SGD and VND, respectively. The 5.0% is the rate used when reporting currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in the foreign currency rates. The sensitivity analyses of the Group's exposure to foreign currency risk at the end of each reporting period have been determined based on the adjustment of translation of the monetary assets and liabilities at the end of each reporting period for a 5.0% change in RMB against HKD, USD, AUD, SGD and VND, respectively, with all other variables held constant, of the Group's loss before tax for the year ended 31 December 2018 (due to changes in the fair value of cash and cash equivalents and financial assets at fair value through profit or loss denominated in HKD, USD, AUD, SGD and VND):

Increase/(decrease) in loss before tax	稅前虧損增加／(減少)
If RMB strengthens against HKD, USD, AUD, SGD and VND	倘人民幣兌港元、美元、澳元、 新加坡元及越南盾轉強
If RMB weakens against HKD, USD, AUD, SGD and VND	倘人民幣兌港元、美元、澳元、 新加坡元及越南盾轉弱

### 39. 財務風險管理目標及政策 (續)

#### 外幣風險(續)

本集團面對的外幣風險主要源自外幣(即港元、美元、澳元、新加坡元及越南盾)兌人民幣的匯率變動。港元、美元、澳元、新加坡元及越南盾為本集團旗下各實體的功能貨幣。

本集團並無進行任何對沖交易以管理潛在的外幣波動。管理層監察本集團的外幣風險，並將於有需要時考慮對沖重大的外幣風險。

下表說明對人民幣分別兌港元、美元、澳元、新加坡元及越南盾出現5.0%變動的敏感度。5.0%乃內部向主要管理人員匯報貨幣風險時採用的比率，並為管理層對外幣匯率合理可能變動的評估。對本集團於各報告期末的外幣風險的敏感度分析，乃基於在所有其他變數維持不變下，就於各報告期末換算貨幣資產及負債，對本集團截至2018年12月31日止年度的稅前虧損作出人民幣分別兌港元、美元、澳元、新加坡元及越南盾出現5.0%變動的調整(源於按港元、美元、澳元、新加坡元及越南盾計值的現金及現金等價物以及按公平值計量而其變動計入損益的金融資產的公平值變動)得出：

2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
1,245	338
(1,245)	(338)

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Foreign currency risk (Continued)

The Group does not consider that it has any significant exposure to the risk of fluctuation in the exchange rates between HKD/USD/AUD/SGD/VND and RMB as a reasonable possible change of 5% in RMB against HKD/USD/AUD/SGD/VND would have no significant financial impact on the Group's profit.

#### Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise Shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to Shareholders or raise new capital from its investors. No changes were made in the objectives, policies or processes for managing financial risk during the year.

The Group will minimise the capital expenditure and renew or extend its short-term loans as part of capital management. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Group's policy is to keep the gearing ratio between 20% and 40% over the long term. Net debt is defined as interest-bearing bank and other loans, net of cash and cash equivalents and it excludes liabilities incurred for working capital purposes. Equity includes equity attributable to the owners of the Company and non-controlling interests. As at 31 December 2018, the gearing ratio was 7.0% (2017: 39.9%).

### 39. 財務風險管理目標及政策 (續) 外幣風險(續)

由於人民幣兌港元／美元／澳元／新加坡元／越南盾的合理可能變動5%將不會對本集團的利潤有任何重大財務影響，故本集團認為其並無面臨重大港元／美元／澳元／新加坡元／越南盾兌人民幣匯率波動風險。

#### 資本管理

本集團資本管理的主要目的為保障本集團持續經營的能力及維持良好的資本比率，以支持其業務及盡量提高股東價值。

本集團管理其資本結構，並根據經濟狀況變化對該架構作出調整。為維持或調整其資本架構，本集團或會調整向股東派付的股息或向其投資者募集新資本。年內並無對管理財務風險的目標、政策或程序作出任何變動。

本集團將盡量減少資本開支並重續或延長其短期貸款作為資本管理一部分。本集團以借貸比率監控其資本，該比率為債務淨額除以權益總額再加債務淨額。本集團的政策為將借貸比率長期維持於20%至40%之間。債務淨額被界定為計息銀行及其他貸款，扣除現金及現金等價物，且並不包括就營運資金用途而產生的負債。權益包括歸屬於本公司擁有人的權益及非控股權益。於2018年12月31日，借貸比率為7.0%（2017年：39.9%）。

**40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY**

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

**40. 本公司的財務狀況表**

於報告期末本公司財務狀況表的資料如下：

		<b>2018</b> <b>2018年</b> <b>RMB'000</b> 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Office equipment	辦公室設備	6	6
Investments in subsidiaries	於子公司的投資	<u>475,734</u>	<u>114,530</u>
<b>Total non-current assets</b>	<b>非流動資產總值</b>	<u>475,740</u>	<u>114,536</u>
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Dividend receivable	應收股息	17,157	17,157
Due from subsidiaries	應收子公司款項	137,852	931,075
Due from the holding company	應收控股公司款項	-	566
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	85	9,483
Cash and cash equivalents	現金及現金等價物	<u>424</u>	<u>446</u>
<b>Total current assets</b>	<b>流動資產總值</b>	<u>155,518</u>	<u>958,727</u>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Due to subsidiaries	應付子公司款項	51,022	49,550
Due to the holding company	應付控股公司款項	152	-
Other payables and accruals	其他應付款項及應計款項	<u>5,347</u>	<u>2,806</u>
<b>Total current liabilities</b>	<b>流動負債總額</b>	<u>56,521</u>	<u>52,356</u>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>	<u>98,997</u>	<u>906,371</u>
<b>Net assets</b>	<b>資產淨值</b>	<u>574,737</u>	<u>1,020,907</u>
<b>EQUITY</b>	<b>權益</b>		
Issued capital	已發行股本	197,889	197,889
Reserves (Note)	儲備(附註)	<u>376,848</u>	<u>823,018</u>
<b>Total equity</b>	<b>權益總額</b>	<u>574,737</u>	<u>1,020,907</u>

#### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

The movements of the Company's reserves are as follows:

		Share premium account	Share option reserve	Accumulated losses	Total
		股份溢價賬	股份期權儲備	累計虧損	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於2017年1月1日	1,840,253	41,921	(393,006)	1,489,168
Issue of new Shares	發行新股份	37,235	-	-	37,235
Total comprehensive loss for the year	年內全面虧損總額	-	-	(703,385)	(703,385)
Equity-settled share option arrangements	股權結算股份期權安排	-	(1,777)	1,777	-
At 31 December 2017 and 1 January 2018	於2017年12月31日及2018年1月1日	1,877,488	40,144	(1,094,614)	823,018
Total comprehensive loss for the year	年內全面虧損總額	-	-	(446,170)	(446,170)
At 31 December 2018	於2018年12月31日	<u>1,877,488</u>	<u>40,144</u>	<u>(1,540,784)</u>	<u>376,848</u>

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited.

#### 41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board on 26 March 2019.

#### 40. 本公司的財務狀況表 (續)

附註：

本公司儲備的變動如下：

股份期權儲備包括已授出但尚未行使的股份期權的公平值，進一步闡述見財務報表附註2.4有關以股份為基礎的付款的會計政策。該款項將於相關期權獲行使時轉撥至股份溢價賬，或倘相關期權屆滿或被沒收，則轉撥至留存利潤。

#### 41. 批准財務報表

董事會於2019年3月26日批准及授權刊發財務報表。

# Five-Year Financial Summary

## 五年財務摘要

### SUMMARY OF FINANCIAL INFORMATION

A summary of the results, assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

#### Results

### 財務資料摘要

下文載列本集團過去五個財政年度的業績、資產、負債及非控股權益摘要，乃摘錄自己公佈的經審核財務報表。

#### 業績

For the year ended 31 December

截至12月31日止年度

	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元 (Re-presented) (經重列)	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元	2014 2014年 RMB'000 人民幣千元
<b>CONTINUING OPERATIONS</b>	<b>持續經營業務</b>				
<b>REVENUE</b>	<b>收入</b>	<b>684,750</b>	877,183	1,833,305	516,365
Cost of sales	銷售成本	<b>(634,210)</b>	(861,611)	(1,790,858)	(539,535)
<b>Gross profit/(loss)</b>	<b>毛利/(毛損)</b>	<b>50,540</b>	15,572	42,447	(23,170)
Other income and gains	其他收入及收益	602	1,353	1,442	23,971
Selling and distribution expenses	銷售及分銷開支	<b>(11,284)</b>	(15,123)	(76,295)	(53,789)
Administrative expenses	行政開支	<b>(34,746)</b>	(15,931)	(72,028)	(197,698)
Other expenses	其他開支	<b>(2,256)</b>	(8,123)	(619)	(74,563)
Impairment losses on goodwill	商譽減值虧損	-	-	-	(15,318)
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	<b>(1,071)</b>	-	(185,195)	(258,270)
Impairment losses on intangible assets	無形資產減值虧損	-	(64,884)	(200,040)	(35,715)
Impairment losses on prepaid land lease payments	預付土地租賃款減值虧損	-	-	-	-
Reversal/(provision) of impairment losses on trade receivables, net	應收賬款減值虧損撥回/(撥備)淨額	<b>9,898</b>	(10,521)	(64,865)	(181,916)
Impairment losses on financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產減值虧損	<b>(23)</b>	-	-	-
Impairment losses on assets held for sale	持作出售資產減值虧損	<b>(1,469)</b>	(4,525)	(78,334)	(60,555)
Fair value gains/(losses) on financial assets at fair value through profit or loss	按公平值計量而其變動計入損益的金融資產的公平值收益/(虧損)	-	(109,617)	(111,555)	(68,999)
Finance costs	融資成本	<b>(8,343)</b>	(5,282)	(57,322)	(64,465)
Share of losses of an associate	分佔一間聯營公司的虧損	-	(9,458)	-	-
Share of profits and losses of joint venture	分佔合營企業的利潤及虧損	-	-	-	(308)
<b>PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>持續經營業務稅前利潤/(虧損)</b>	<b>1,848</b>	(226,539)	(802,364)	(1,010,487)
Income tax credit/(expense)	所得稅抵免/(開支)	<b>2,808</b>	4,076	2,853	(102,704)
<b>PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS</b>	<b>持續經營業務年內利潤/(虧損)</b>	<b>4,656</b>	(222,463)	(799,511)	(1,113,191)
<b>DISCONTINUED OPERATIONS</b>	<b>已終止經營業務</b>				
Loss for the year from Discontinued Operations	已終止經營業務年內虧損	<b>(453,907)</b>	(167,158)	-	-
<b>LOSS FOR THE YEAR</b>	<b>年內虧損</b>	<b>(449,251)</b>	<b>(389,621)</b>	<b>(799,511)</b>	<b>(367,422)</b>

# Five-Year Financial Summary

## 五年財務摘要

		For the year ended 31 December				
		截至12月31日止年度				
		2018	2017	2016	2015	2014
		2018年	2017年	2016年	2015年	2014年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Re-presented)			
			(經重列)			
<b>OTHER COMPREHENSIVE INCOME/(LOSS):</b>	<b>其他全面收益/(虧損):</b>					
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	可於往後期間重新分類至損益的其他全面收益/(虧損):					
Exchange differences on translation of foreign operations	換算海外業務產生的匯兌差額	989	(140)	-	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	<b>年內全面虧損總額</b>	<b>(448,262)</b>	<b>(389,761)</b>	<b>(799,511)</b>	<b>(1,113,191)</b>	<b>(367,422)</b>
Loss attributable to:	虧損歸屬於:					
Owners of the Company	本公司擁有人	(443,969)	(349,490)	(773,742)	(1,105,519)	(366,381)
Non-controlling interests	非控股權益	(5,282)	(40,131)	(25,769)	(7,672)	(1,041)
		<b>(449,251)</b>	<b>(389,621)</b>	<b>(799,511)</b>	<b>(1,113,191)</b>	<b>(367,422)</b>
Total comprehensive loss attributable to:	全面虧損總額歸屬於:					
Owners of the Company	本公司擁有人	(443,161)	(349,603)	(773,742)	(1,105,519)	(366,381)
Non-controlling interests	非控股權益	(5,101)	(40,158)	(25,769)	(7,672)	(1,041)
		<b>(448,262)</b>	<b>(389,761)</b>	<b>(799,511)</b>	<b>(1,113,191)</b>	<b>(367,422)</b>
Basic and diluted earnings/(loss) per Share attributable to ordinary equity holders of the Company: (RMB)	歸屬於本公司普通股股權持有人的每股份基本及攤薄盈利/(虧損): (人民幣元)					
- Continuing Operations	- 持續經營業務	- <sup>#</sup>	(0.08)	(0.37)	(0.53)	(0.18)
- Discontinued Operations	- 已終止經營業務	(0.20)	(0.08)	-	-	-
<b>Total</b>	<b>總計</b>	<b>(0.20)</b>	<b>(0.16)</b>	<b>(0.37)</b>	<b>(0.53)</b>	<b>(0.18)</b>

<sup>#</sup> Less than RMB0.01

<sup>#</sup> 少於人民幣0.01元

## Five-Year Financial Summary 五年財務摘要

### Assets, Liabilities and Non-controlling Interests

### 資產、負債及非控股權益

		As at 31 December				
		於12月31日				
		2018	2017	2016	2015	2014
		2018年	2017年	2016年	2015年	2014年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Non-current assets	非流動資產	923,027	2,100,096	2,162,708	2,588,298	3,031,590
Current assets	流動資產	1,522,820	935,779	1,118,448	1,449,690	1,832,463
Non-current liabilities	非流動負債	(19,133)	(347,513)	(11,924)	(11,065)	(35,048)
Current liabilities	流動負債	(1,533,018)	(1,343,257)	(1,597,277)	(1,555,457)	(1,601,477)
Total equity	權益總額	893,696	1,345,105	1,671,955	2,471,466	3,227,528
Non-controlling interests	非控股權益	(318,959)	(324,198)	(353,782)	(379,551)	(31,733)
Equity attributable to owners of the Company	歸屬於本公司擁有人的權益	574,737	1,020,907	1,318,173	2,091,915	3,195,795



“2010 AGM” 「2010年股東週年大會」	指	the Shareholders’ annual general meeting held on 15 April 2010 於2010年4月15日舉行的股東週年大會
“2019 AGM” 「2019年股東週年大會」	指	the Shareholders’ annual general meeting to be held on 19 June 2019 將於2019年6月19日舉行的股東週年大會
“Aba Mining” 「阿壩礦業」	指	Aba Mining Co., Ltd.*, a limited liability company established in the PRC on 27 February 2004 and an indirect wholly-owned subsidiary of the Company 阿壩礦業有限公司，一間於2004年2月27日在中國成立的有限責任公司，為本公司的間接全資子公司
“Akuang Trading” 「阿礦貿易」	指	Huili County Akuang Trading Co., Ltd.*, a limited liability company established in the PRC on 13 June 2012 and an indirect wholly-owned subsidiary of the Company 會理縣阿礦貿易有限公司，一間於2012年6月13日在中國成立的有限責任公司，為本公司的間接全資子公司
“Anhydrite” 「無水石膏」	指	an anhydrous sulfate mineral with the chemical formula CaSO <sub>4</sub> 一種無水硫酸鹽礦物，化學式為CaSO <sub>4</sub>
“Articles” 「章程細則」	指	the articles of association of the Company, adopted on 4 September 2009 and as amended from time to time 本公司於2009年9月4日採納的組織章程細則，經不時修改
“Australian dollars” or “AUD” 「澳元」	指	the lawful currency of the Commonwealth of Australia 澳大利亞聯邦法定貨幣
“Baicao Mine” 「白草鐵礦」	指	the vanadium-bearing titano-magnetite mine located in Huili County, Sichuan and operated by Huili Caitong, with a mining area of 1.88 sq.km. 白草鐵礦，一個位於四川會理縣的鈦鈹磁鐵礦，由會理財通經營，採礦面積為1.88平方公里
“Baicao Processing Plant” 「白草洗選廠」	指	the ore processing plant located near the Baicao Mine and operated by Huili Caitong 位於白草鐵礦附近的礦石洗選廠，由會理財通經營
“Board” 「董事會」	指	the board of Directors 董事會
“BVI” 「英屬處女群島」	指	the British Virgin Islands 英屬處女群島

## Glossary

### 詞彙

“Chengyu Vanadium Titano” 「成渝鈮鈦」	指	Chengyu Vanadium Titano Technology Ltd.*, formerly known as Weiyuan Steel Co., Ltd.*, a sino-foreign equity joint venture established in the PRC on 3 April 2001 and a connected person to the Group 成渝鈮鈦科技有限公司（前稱威遠鋼鐵有限公司），一間於2001年4月3日在中國成立的中外合資經營企業，並為本集團的關連人士
“China” or “PRC” 「中國」	指	the People’s Republic of China excluding, for the purpose of this annual report, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan 中華人民共和國，就本年報而言，不包括香港、中國澳門特別行政區及台灣
“China VTM Mining”, “Company”, “we” or “us” 「中國鐵鈦」、 「本公司」或「我們」	指	China Vanadium Titano-Magnetite Mining Company Limited (中國鈮鈦磁鐵礦業有限公司), a limited liability company incorporated in the Cayman Islands on 28 April 2008 中國鈮鈦磁鐵礦業有限公司，一間於2008年4月28日在開曼群島註冊成立的有限公司
“Chuanwei” 「川威」	指	Sichuan Chuanwei Group Co., Ltd.*, a limited liability company established in the PRC on 29 March 1998 and a connected person to the Group 四川省川威集團有限公司，一間於1998年3月29日在中國成立的有限責任公司，為本集團的關連人士
“Cizhuqing Mine” 「茨竹箐鐵礦」	指	the vanadium-bearing titano-magnetite mine located in Huili County, Sichuan and operated by Huili Caitong, with a mining area of 1.279 sq.km. 一個位於四川會理縣的鈮鈦磁鐵礦，由會理財通經營，採礦面積為1.279平方公里
“close associate(s)” 「緊密聯繫人」	指	has the meaning ascribed thereto in the Listing Rules 具上市規則所賦予的涵義
“Companies Law” 「公司法」	指	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands 開曼群島法例第22章公司法（1961年法例3，經綜合及修訂）
“connected person(s)” 「關連人士」	指	has the meaning ascribed thereto in the Listing Rules 具上市規則所賦予的涵義
“Continuing Operations” 「持續經營業務」	指	operations of the Remaining Group 保留集團的業務

<p>“Controlling Shareholder(s)” 「控股股東」</p>	<p>指</p>	<p>Trisonic International, Kingston Grand, Messrs. Wang Jin, Shi Yinjun, Yang Xianlu, Wu Wendong, Zhang Yuangui and Li Hesheng 合創國際、Kingston Grand、王勁先生、石銀君先生、楊先露先生、吳文東先生、張遠貴先生及李和勝先生</p>
<p>“Director(s)” 「董事」</p>	<p>指</p>	<p>director(s) of the Company or any one of them 本公司任何一名或多名董事</p>
<p>“Discontinued Operations” 「已終止經營業務」</p>	<p>指</p>	<p>operations of the Disposal Group 出售集團的業務</p>
<p>“Disposal” 「出售事項」</p>	<p>指</p>	<p>the proposed sale of the Disposal Group to Chengyu Vanadium Titano as announced on 29 January 2019 誠如2019年1月29日所公告，建議向成渝鈦鈷出售出售集團</p>
<p>“Disposal Group” 「出售集團」</p>	<p>指</p>	<p>Huili Caitong and its subsidiaries, namely Xiushuihe Mining and Panzhihua Yixingda 會理財通及其子公司秀水河礦業及攀枝花易興達</p>
<p>“Exchangeable Note(s)” 「可轉換票據」</p>	<p>指</p>	<p>the exchangeable note(s) issued by the Issuer in accordance with the Secured Exchangeable Note Purchase Agreement with its terms and conditions set out in the Note Certificate 發行人根據有抵押可轉換票據購買協議發行的可轉換票據，其條款及條件載於票據證書</p>
<p>“Exploration Result(s)” 「勘查結果」</p>	<p>指</p>	<p>exploration result(s) include(s) data and information generated by mineral exploration programmes that might be of use to investors but which do not form part of a declaration of mineral resources or ore reserves 勘查結果包括勘探工作中產生的、可供投資者使用但不作為礦產資源量或礦石儲量正式報告部分的數據和信息</p>
<p>“Fe” 「Fe」</p>	<p>指</p>	<p>chemical symbol of iron element 鐵元素的化學符號</p>
<p>“FY2017” 「2017財政年度」</p>	<p>指</p>	<p>financial year ended and/or as at 31 December 2017 截至2017年12月31日止財政年度及／或於2017年12月31日</p>
<p>“FY2018” 「2018財政年度」</p>	<p>指</p>	<p>financial year ended and/or as at 31 December 2018 截至2018年12月31日止財政年度及／或於2018年12月31日</p>

## Glossary

### 詞彙

“Group” 「本集團」	指	the Company and its subsidiaries 本公司及其子公司
“Gypsum” 「石膏」	指	a soft hydrous sulfate mineral with the chemical formula $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$ 一種軟質含水硫酸鹽礦物，化學式為 $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$
“Haibaodang Mine” 「海保函鐵礦」	指	the vanadium-bearing titano-magnetite mine located in Renhe District, Panzhihua City, Sichuan, with an exploration area of 26.2 sq.km. 海保函鈦鐵礦，一個位於四川攀枝花市仁和區的鈦鈦磁鐵礦，勘查面積為26.2平方公里
“Hailong Processing Plant” 「海龍洗選廠」	指	the ore processing plant located near the Cizhuqing Mine and operated by Huili Caitong 位於茨竹箐鐵礦附近的礦石洗選廠，由會理財通經營
“Heigutian Processing Plant” 「黑谷田洗選廠」	指	the ore processing plant located near the Yangqueqing Mine and owned by Huili Caitong 位於陽雀箐鐵礦附近的礦石洗選廠，由會理財通擁有
“High Fe Mines” 「高鐵品位礦場」	指	Maoling-Yanglongshan Mine and Maoling Processing Plant 毛嶺—羊龍山鐵礦及毛嶺洗選廠
“Hong Kong” 「香港」	指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Hong Kong dollars” or “HKD” 「港元」	指	the lawful currency of Hong Kong 香港法定貨幣
“Hong Kong Stock Exchange” 「香港聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Huili Caitong” 「會理財通」	指	Huili County Caitong Iron and Titanium Co., Ltd.*, established in the PRC on 7 July 1998 and has been a foreign equity joint venture in the PRC since 29 December 2010, and an indirect wholly-owned subsidiary of the Company 會理縣財通鐵鈦有限責任公司，於1998年7月7日在中國成立，並自2010年12月29日起成為中國的外商合資經營企業，為本公司的間接全資子公司

“IFRSs”		International Financial Reporting Standards, which comprise standards and interpretations approved by the International Accounting Standards Board and the International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect
「國際財務報告準則」	指	國際財務報告準則，包括至今仍然生效由國際會計準則理事會通過的準則及詮釋，以及由國際會計準則委員會通過的國際會計準則及常務詮釋委員會詮釋
“Inactive Mines”		Cizhuqing Mine, Yangqueqing Mine and Haibaodang Mine
「不活躍礦場」	指	茨竹箐鐵礦、陽雀箐鐵礦及海保凶鐵礦
“Indicated”		part of a mineral resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit
「控制」	指	礦產資源中有關份量、品位（或質量）、密度、形狀及實體特性均能準確估量的部分，以便運用具充足詳情的修訂因素，支持礦場的生產規劃及進行礦床經濟可行性評估
“Inferred”		part of a mineral resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes
「推斷」	指	礦產資源中有關份量及品位（或質量）可根據有限度的地質證據和採樣估量的部分。地質證據足以假設（但非核實）地質及品位（或質量）的連續性。該估量是根據在露頭、槽探、礦坑、礦內巷道及鑽孔等地點以適當技術收集的勘探、採樣及測試信息作出
“iron”		a silvery-white, lustrous, malleable, ductile, magnetic or magnetisable, metallic element occurring abundantly in combined forms, notably in hematite, limonite, magnetite, and taconite, and alloyed for use in a wide range of important structural materials
「鐵」	指	一種銀白色的、有光澤、有韌性、可延展、有磁性或可被磁化的金屬元素，以化合物形式大量存在，主要有赤鐵礦、褐鐵礦、磁鐵礦及角岩，在許多種重要結構材料中用作合金的一種

## Glossary

### 詞彙

“iron concentrate(s)” 「鐵精礦」	指	concentrate(s) whose main mineral content (by value) is iron 主要礦物成份（按價值）為鐵的精礦
“iron ore” 「鐵礦石」	指	compounds of iron and oxygen (iron oxides) mixed with impurities (gangue); it is a mineral which when heated in the presence of a reductant will yield metallic iron 混合雜質（脈石）的鐵與氧混合物（氧化鐵）；是一種與還原劑一起加熱時會成為金屬鐵的礦物
“iron pellet(s)” 「球團礦」	指	a round hardened clump of iron-rich material suitable for application in blast furnaces 適用於高爐的圓球狀硬化物料，含鐵量較高
“Iron Pelletising Plant” 「球團礦廠」	指	the plant that produces iron pellets and is located in Huili County, Sichuan, which is approximately 5.5 km from the Xiushuihe Mine and operated by Huili Caitong 位於四川會理縣生產球團礦的工廠，由會理財通經營，距離秀水河鐵礦約5.5公里
“Issuer” 「發行人」	指	Rui Tong Limited, a private company incorporated in the BVI with limited liability, being the issuer of the Exchangeable Note under the Secured Exchangeable Note Purchase Agreement and a third party independent of the Company and its connected persons 瑞通有限公司，一間於英屬處女群島註冊成立的私人有限公司，為有抵押可轉換票據購買協議項下的可轉換票據發行人，且為本公司及其關連人士的獨立第三方
“JORC Code (2004 Edition)” 「聯合可採儲量委員會規則（2004年版）」	指	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia in 1989 and revised and updated in 1992, 1996, 1999 and 2004 that sets out minimum standards, recommendations and guidelines for public reporting 由澳大利西亞礦冶學會、澳洲地質學家協會及澳洲礦物委員會所組成的聯合可採儲量委員會於1989年編製，並於1992年、1996年、1999年及2004年修訂及更新的澳大利西亞礦產勘探結果、礦產資源量及可採儲量的報告規則，載列就向公眾申報而言的最低標準、建議及指引

“JORC Code (2012 Edition)”		the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia in 1989 and revised and updated in 1992, 1996, 1999, 2004 and 2012, that sets out minimum standards, recommendations and guidelines for public reporting
「聯合可採儲量委員會規則 (2012年版)」	指	由澳大利西亞礦冶學會、澳洲地質學家協會及澳洲礦物委員會所組成的聯合可採儲量委員會於1989年編製，並於1992年、1996年、1999年、2004年及2012年修訂及更新的澳大利西亞礦產勘探結果、礦產資源量及可採儲量的報告規則，載列就向公眾申報而言的最低標準、建議及指引
“Kingston Grand”		Kingston Grand Limited, a company incorporated in the BVI on 20 February 2007, holder of 40% of the issued share capital of Trisonic International
「Kingston Grand」	指	Kingston Grand Limited，一間於2007年2月20日在英屬處女群島註冊成立的公司，持有合創國際40%的已發行股本
“km” 「公里」	指	kilometre(s), a metric unit measure of distance 公里，量度距離的十進制單位
“Kt” 「千噸」	指	thousand tonnes 千噸
“Ktpa” 「千噸／年」	指	thousand tonnes per annum 每年千噸
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange 香港聯交所證券上市規則
“Low Fe Mines”		Baicao Mine, Baicao Processing Plant, Xiushuihe Mine (including expansion), Xiushuihe Processing Plant, Hailong Processing Plant, Heigutian Processing Plant and Iron Pelletising Plant
「低鐵品位礦場」	指	白草鐵礦、白草洗選廠、秀水河鐵礦（包括擴展地區）、秀水河洗選廠、海龍洗選廠、黑谷田洗選廠及球團礦廠
“Mancala Asia”		Mancala Asia Ltd, a limited liability company incorporated in Hong Kong on 26 March 2013 and a subsidiary of the Company, in which the Company indirectly owns 81% equity interest
「香港曼卡拉」	指	Mancala Asia Limited，一間於2013年3月26日在香港註冊成立的有限公司，為本公司的子公司，由本公司間接擁有81%股本權益

## Glossary

### 詞彙

“Mancala Holdings”		Mancala Holdings Limited, the legal and beneficial owner of the entire issued share capital of MHPL
「開曼曼卡拉」	指	Mancala Holdings Limited，曼卡拉控股全部已發行股本的法律上兼實益擁有人
“Mancala Mining”		Mancala Mining Pty Ltd, a limited liability company incorporated in Australia on 9 June 1992 and a subsidiary of the Company, in which the Company indirectly owns 81% equity interest
「曼卡拉礦業」	指	Mancala Mining Pty Ltd，一間於1992年6月9日在澳洲註冊成立的有限公司，為本公司的子公司，由本公司間接擁有81%股本權益
“Mancala Pty”		Mancala Pty Ltd, a limited liability company incorporated in Australia on 15 March 1989 and a subsidiary of the Company, in which the Company indirectly owns 81% equity interest
「曼卡拉」	指	Mancala Pty Ltd，一間於1989年3月15日在澳洲註冊成立的有限公司，為本公司的子公司，由本公司間接擁有81%股本權益
“Mancala Services”		Mancala Mine Services Pty Ltd, a limited liability company incorporated in Australia on 21 August 2003 and a subsidiary of the Company, in which the Company indirectly owns 81% equity interest
「曼卡拉礦業服務」	指	Mancala Mine Services Pty Ltd，一間於2003年8月21日在澳洲註冊成立的有限公司，為本公司的子公司，由本公司間接擁有81%股本權益
“Maoling Extended Exploration Area”		formerly an independent exploration region with an area of 2.83 sq.km. covered under the extended exploration permit of the Maoling Mine (covering 1.9 sq.km. of the mining area of the Maoling Mine), has been consolidated with the Yanglongshan Mine since September 2012 to form the Maoling-Yanglongshan Mine
「毛嶺延伸勘查區域」	指	原為毛嶺鐵礦延伸勘查許可證所覆蓋面積為2.83平方公里（覆蓋了1.9平方公里的毛嶺鐵礦採礦面積）的獨立勘查區域，自2012年9月起與羊龍山鐵礦合併成為毛嶺—羊龍山鐵礦
“Maoling Mine”		an ordinary magnetite mine located in Wenchuan County, Sichuan, with a mining area of 1.9 sq.km.
「毛嶺鐵礦」	指	毛嶺鐵礦，一個位於四川汶川縣的普通磁鐵礦，採礦面積為1.9平方公里
“Maoling Processing Plant”		the ore processing plant located near the Maoling-Yanglongshan Mine and operated by Aba Mining
「毛嶺洗選廠」	指	位於毛嶺—羊龍山鐵礦附近的礦石洗選廠，由阿壩礦業經營



“Maoling-Yanglongshan Mine”		an exploration region with a total area of 11.6 sq.km. covered under the exploration permit of the Maoling-Yanglongshan Mine (the mining area covered is owned by the Maoling Mine), formed from the combination of the Maoling Extended Exploration Area and the Yanglongshan Mine since September 2012 and operated by Aba Mining
「毛嶺－羊龍山鐵礦」	指	由毛嶺－羊龍山鐵礦勘查許可證所覆蓋總面積為11.6平方公里的勘查區域，由毛嶺延伸勘查區域和羊龍山鐵礦自2012年9月起合併而成，所覆蓋的採礦範圍由毛嶺鐵礦擁有，並由阿壩礦業經營
“MCL Vietnam”		MCL Vietnam Industries Company Limited, a limited liability company incorporated in Vietnam on 14 May 2013 and a subsidiary of the Company, in which the Company indirectly owns 39.69% equity interest
「越南曼卡拉」	指	MCL Vietnam Industries Company Limited，一間於2013年5月14日在越南註冊成立的有限公司，為本公司的子公司，由本公司間接擁有39.69%股本權益
“Measured”		part of a mineral resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of modifying factors to support detailed mine planning and final evaluation of the economic viability of the deposit
「探明」	指	礦產資源中有關份量、品位（或質量）、密度、形狀及實體特性均能準確估量的部分，以便運用修訂因素，支持礦場的詳盡礦區規劃及進行礦床最終經濟可行性評估
“MHPL”		Mancala Holdings Pty Ltd, a limited liability company incorporated in Australia on 8 March 1990 and a subsidiary of the Company, in which the Company indirectly owns 81% equity interest
「曼卡拉控股」	指	Mancala Holdings Pty Ltd，一間於1990年3月8日在澳洲註冊成立的有限公司，為本公司的子公司，由本公司間接擁有81%股本權益
“mining right(s)”		the right(s) to mine mineral resources and obtain mineral products in areas where mining activities are licensed
「採礦權」	指	於批准進行開採活動範圍內開採礦產資源及取得礦產品的權利
“Model Code”		Model Code for Securities Transactions by Directors of the Listed Issuers as set out in Appendix 10 of the Listing Rules
「標準守則」	指	上市規則附錄十所載的上市發行人董事進行證券交易的標準守則
“Mt”		million tonnes
「百萬噸」	指	百萬噸

## Glossary

### 詞彙

“N/A” 「不適用」	指	not applicable 不適用
“Net Profit” or “Net Loss” 「純利」或「虧損淨額」	指	profit or loss attributable to owners 歸屬於擁有人的利潤或虧損
“Note Certificate” 「票據證書」	指	the note certificate of the Exchangeable Note with the terms and conditions of the Exchangeable Note set out therein 可轉換票據的票據證書，載有可轉換票據的條款及條件
“ore processing” 「礦石洗選」	指	the process which in general refers to the extraction of usable portions of ores by using physical and chemical extraction methods 利用物理及化學方式提取礦石中 useful 部分的廣義工序
“Panxi Region” 「攀西地區」	指	a region in Sichuan located at southwest of Chengdu reaching from Panzhihua to Xichang 四川的一個地區，位於成都市西南方，由攀枝花至西昌之間的地區組成
“Panzhihua Yixingda” 「攀枝花易興達」	指	Panzhihua Yixingda Industrial Trading Co., Ltd.*, a limited liability company established in the PRC on 9 July 2009 and an indirect wholly-owned subsidiary of the Company 攀枝花易興達工貿有限責任公司，一間於2009年7月9日在中國成立的有限責任公司，為本公司的間接全資子公司
“Probable” 「概略」	指	the economically mineable part of an indicated, and in some circumstances, a measured mineral resource. The confidence in the modifying factors applying to a probable ore reserve is lower than that applying to a proved ore reserve 控制資源量及（在某些情況）探明礦產資源量的經濟可採部分。概略礦石儲量適用的修訂因素確定性低於證實礦石儲量所適用者
“Proved” 「證實」	指	the economically mineable part of a measured mineral resource. A proved ore reserve implies a high degree of confidence in the modifying factors. A proved ore reserve represents the highest confidence category of reserve estimate and implies a high degree of confidence in geological and grade continuity, and the consideration of the modifying factors. The style of mineralisation or other factors could mean that proved ore reserves are not achievable in some deposits 探明礦產資源量的經濟可採部分。證實礦石儲量具有高確定性的修訂因素。證實礦石儲量是儲量估算的最高確定性類別，地質及品位連續性及修訂因素考慮的確定性甚高。礦化模式或其他因素可意味在某些礦場並無證實礦石儲量

<p>“Remaining Group” 「保留集團」</p>	<p>指</p>	<p>the Company and its subsidiaries excluding the Disposal Group 本公司及其子公司（不包括出售集團）</p>
<p>“Renminbi” or “RMB” 「人民幣」</p>	<p>指</p>	<p>the lawful currency of the PRC 中國法定貨幣</p>
<p>“Reporting Period” 「報告期」</p>	<p>指</p>	<p>the year ended 31 December 2018 截至2018年12月31日止年度</p>
<p>“Secured Exchangeable Note Purchase Agreement” 「有抵押可轉換票據購買協議」</p>	<p>指</p>	<p>the secured exchangeable note purchase agreement dated 2 May 2011 entered into between the Group and the Issuer pursuant to which the Issuer has conditionally agreed to issue and the Group has conditionally agreed to subscribe the Exchangeable Note on the terms and subject to the conditions set out therein 本集團與發行人於2011年5月2日訂立的有抵押可轉換票據購買協議，據此，發行人及本集團分別有條件同意按協議所載條款及在協議所載條件規限下發行及認購可轉換票據</p>
<p>“Spectrum Resources” 「曼卡拉資源」</p>	<p>指</p>	<p>Spectrum Resources Australia Pty Ltd, a limited liability company incorporated in Australia on 19 February 1987 and a subsidiary of the Company, in which the Company indirectly owns 81% equity interest Spectrum Resources Australia Pty Ltd，一間於1987年2月19日在澳洲註冊成立的有限公司，為本公司的子公司，由本公司間接擁有81%股本權益</p>
<p>“SFO” 「證券及期貨條例」</p>	<p>指</p>	<p>the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time 香港法例第571章證券及期貨條例（經不時修訂、增補或以其他方式修改）</p>
<p>“Share(s)” 「股份」</p>	<p>指</p>	<p>ordinary share(s) in the share capital of the Company, with a nominal value of HKD0.1 each 本公司股本中的普通股，每股面值0.1港元</p>
<p>“Shareholder(s)” 「股東」</p>	<p>指</p>	<p>holder(s) of the Share(s) 股份持有人</p>
<p>“Shigou Gypsum Mine” 「石溝石膏礦」</p>	<p>指</p>	<p>Shigou gypsum mine located at Hanyuan County, Ya’an City, Sichuan, with a mining area of 0.1228 sq.km. 位於四川雅安市漢源縣的石溝石膏礦，採礦面積為0.1228平方公里</p>
<p>“Sichuan” 「四川」</p>	<p>指</p>	<p>the Sichuan province of the PRC 中國四川省</p>

## Glossary

### 詞彙

<p>“Sichuan Haoyuan”</p> <p>「四川浩遠」</p>	<p>指</p>	<p>Sichuan Haoyuan New Materials Co., Ltd.*, a limited liability company established in the PRC on 18 July 2011 and a subsidiary of the Company, in which the Company indirectly owns 51% equity interest</p> <p>四川省浩遠新材料有限公司，一間於2011年7月18日在中國成立的有限責任公司，為本公司的子公司，由本公司間接擁有51%股本權益</p>
<p>“Sichuan Lingyu”</p> <p>「四川凌御」</p>	<p>指</p>	<p>Sichuan Lingyu Investment Co., Ltd.*, a limited liability company established in the PRC on 9 June 2010 and an indirect wholly-owned subsidiary of the Company</p> <p>四川省凌御投資有限公司，一間於2010年6月9日在中國成立的有限責任公司，為本公司的間接全資子公司</p>
<p>“Sichuan Mancala”</p> <p>「四川曼卡拉」</p>	<p>指</p>	<p>Sichuan Mancala Mining Co., Ltd.*, a limited liability company established in the PRC on 25 September 2017 and a subsidiary of the Company, in which the Company indirectly owns 60% equity interest</p> <p>四川省曼卡拉礦業有限公司，一間於2017年9月25日在中國成立的有限責任公司，為本公司的子公司，由本公司間接擁有60%股本權益</p>
<p>“Sichuan Xinglian”</p> <p>「四川興聯」</p>	<p>指</p>	<p>Sichuan Xinglian Mining and Technology Construction Co., Ltd.*, a limited liability company established in the PRC on 23 June 2011 and an indirect wholly-owned subsidiary of the Company</p> <p>四川省興聯礦產技術工程有限公司，一間於2011年6月23日在中國成立的有限責任公司，為本公司的間接全資子公司</p>
<p>“Singapore dollars” or “SGD”</p> <p>「新加坡元」</p>	<p>指</p>	<p>the lawful currency of the Republic of Singapore</p> <p>新加坡共和國法定貨幣</p>
<p>“SPA”</p> <p>「買賣協議」</p>	<p>指</p>	<p>the sales and purchase agreement in relation to the Disposal dated 29 January 2019 entered into among Sichuan Lingyu, Chengyu Vanadium Titano and Huili Caitong</p> <p>四川凌御、成渝鈦鈦及會理財通於2019年1月29日訂立有關出售事項的買賣協議</p>
<p>“sq.km.”</p> <p>「平方公里」</p>	<p>指</p>	<p>square kilometres</p> <p>平方公里</p>
<p>“target company”</p> <p>「目標公司」</p>	<p>指</p>	<p>Oriental Mining and Mineral Resources Co., Ltd., a company incorporated in the Cayman Islands on 8 April 2011 and a third party independent of the Company and its connected persons</p> <p>Oriental Mining and Mineral Resources Co., Ltd.，一間於2011年4月8日在開曼群島註冊成立的公司，為本公司及其關連人士的獨立第三方</p>

“TFe” [TFe]	指	the symbol for denoting total iron 表示全鐵的符號
“TiO <sub>2</sub> ” [TiO <sub>2</sub> ]	指	the chemical symbol for titanium dioxide 二氧化鈦的化學符號
“titanium concentrate(s)” [鈦精礦]	指	concentrate(s) whose main content (by value) is titanium dioxide 主要成份（按價值）為二氧化鈦的精礦
“Trisonic International” [合創國際]	指	Trisonic International Limited (合創國際有限公司), a company incorporated in Hong Kong on 19 July 2006 and a Controlling Shareholder 合創國際有限公司，一間於2006年7月19日在香港註冊成立的公司，為控股股東
“Type 331” [種類331]	指	measured intrinsic economic resources (Type 331) as defined in the Classification for Resources/Reserves of Solid Fuels and Mineral Commodities 《固體礦產資源／儲量分類》所界定的探明的內蘊經濟資源量（種類331）
“Type 333” [種類333]	指	inferred intrinsic economic resources (Type 333) as defined in the Classification for Resources/Reserves of Solid Fuels and Mineral Commodities 《固體礦產資源／儲量分類》所界定的推斷的內蘊經濟資源量（種類333）
“United States” or “US” [美國]	指	the United States of America, its territories, its possessions and all areas subject to its jurisdiction 美利堅合眾國，其領土、屬地及所有司法權區
“US dollars” or “USD” [美元]	指	the lawful currency of the United States 美國法定貨幣
“Vietnamese dong” or “VND” [越南盾]	指	the lawful currency of the Socialist Republic of Vietnam 越南社會主義共和國法定貨幣
“V <sub>2</sub> O <sub>5</sub> ” [V <sub>2</sub> O <sub>5</sub> ]	指	the chemical symbol for vanadium pentoxide 五氧化鈮的化學符號
“Weixi Guangfa” [維西廣發]	指	Weixi Guangfa Iron Ore Development Company Limited*, a limited liability company established in the PRC on 10 June 2005 維西廣發鐵礦開發有限公司，一間於2005年6月10日在中國成立的有限責任公司

## Glossary

### 詞彙

“Xinjin Mining”		Hanyuan County Xinjin Mining Co., Ltd.*, a limited liability company established in the PRC on 29 September 2010 and a subsidiary of the Company, in which the Company indirectly owns 51% equity interest
「鑫金礦業」	指	漢源縣鑫金礦業有限公司，一間於2010年9月29日在中國成立的有限責任公司，為本公司的子公司，由本公司間接擁有51%股本權益
“Xiushuihe Mine”		the vanadium-bearing titano-magnetite mine located in Huili County, Sichuan and operated by Xiushuihe Mining, with a mining area of 0.52 sq.km.
「秀水河鐵礦」	指	秀水河鐵礦，一個位於四川會理縣的鈮鈦磁鐵礦，由秀水河礦業經營，採礦面積為0.52平方公里
“Xiushuihe Mining”		Huili County Xiushuihe Mining Co., Ltd.*, a limited liability company established in the PRC on 26 June 2007 and a subsidiary of the Company, in which the Company indirectly owns 95.0% equity interest
「秀水河礦業」	指	會理縣秀水河礦業有限公司，一間於2007年6月26日在中國成立的有限責任公司，為本公司的子公司，由本公司間接擁有95.0%股本權益
“Xiushuihe Processing Plant”		the ore processing plant located near the Xiushuihe Mine and operated by Xiushuihe Mining
「秀水河洗選廠」	指	位於秀水河鐵礦附近的礦石洗選廠，由秀水河礦業經營
“Yanglongshan Mine”		an ordinary magnetite mine located in Wenchuan County, Sichuan, formerly an independent exploration region with an area of 8.79 sq.km. covered under the exploration permit of the Yanglongshan Mine, and has been consolidated as the Maoling-Yanglongshan Mine with the Maoling Extended Exploration Area since September 2012
「羊龍山鐵礦」	指	羊龍山鐵礦，一個位於四川汶川縣的普通磁鐵礦，原為由羊龍山鐵礦勘查許可證所覆蓋面積為8.79平方公里的獨立勘查區域，自2012年9月起與毛嶺延伸勘查區域合併為毛嶺—羊龍山鐵礦
“Yangqueqing Mine”		the vanadium-bearing titano-magnetite mine located in Huili County, Sichuan and operated by Huili Caitong, with a mining area of 0.25 sq.km.
「陽雀箐鐵礦」	指	陽雀箐鐵礦，一個位於四川會理縣的鈮鈦磁鐵礦，由會理財通經營，採礦面積為0.25平方公里
“Yanyuan Xiwei”		Yanyuan County Xiwei Mining Company Limited*, a limited liability company established in the PRC on 7 December 2007
「鹽源西威」	指	鹽源縣西威礦業有限責任公司，一間於2007年12月7日在中國成立的有限責任公司

\* For identification purpose only

\* 僅供識別



**CHINA VANADIUM  
TITANO-MAGNETITE MINING  
COMPANY LIMITED**  
中國鈮鈦磁鐵礦業有限公司

[www.chinavtmmining.com](http://www.chinavtmmining.com)