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滙力集團
HUILI GROUP

Huili Resources (Group) Limited
滙力資源（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1303)

- (I) FURTHER DELAY IN PUBLICATION OF THE ANNUAL RESULTS AND
THE ANNUAL REPORT OF THE GROUP FOR THE YEAR ENDED
31 DECEMBER 2017;**
- (II) PUBLICATION OF UNAUDITED MANAGEMENT ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017;
AND**
- (III) CONTINUAL SUSPENSION OF TRADING**

This announcement is made by Huili Resources (Group) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 28 March 2018, 30 April 2018, 31 May 2018 and 8 June 2018 (collectively, the “**Announcements**”), in relation to, among others, the delay in publication of the annual results for the year ended 31 December 2017 (the “**2017 Annual Results**”). Capitalised terms used in this announcement shall have the same meanings as defined in the announcement of the Company dated 8 June 2018 unless the context otherwise requires.

FURTHER DELAY IN PUBLICATION OF THE 2017 ANNUAL RESULTS AND THE 2017 ANNUAL REPORT

As disclosed in the Announcements, the Board has set up a special investigating committee (the “**Special Investigating Committee**”) on 21 March 2018 to investigate the Disposal and address the issues raised by the Auditors. An independent investigation firm has also been engaged by the Special Investigating Committee on 25 March 2018 to conduct an independent investigation (the “**Independent Investigation**”) into such matters. Up to the date of this announcement, the investigation is still under progress and the Company expects that the Independent Investigation will be completed in around mid-July 2018. Upon conclusion of the investigation procedures and completion of the audit procedures by the Auditors relating to the findings of the Independent Investigation and other outstanding matters, the Company will arrange for the finalization and publication of the 2017 Annual Results together with the annual report for the year ended 31 December 2017 (the “**2017 Annual Report**”) as soon as practicable thereafter. Based on the above and the Company’s understanding of the latest developments and circumstances, it is currently expected that the 2017 Annual Results and the 2017 Annual Report will be published on or before 31 July 2018.

The Company will make further announcement(s) relating to any further material development of the above and to inform the Shareholders and potential investors of the Company on the date of the rescheduled meeting of the Board to approve the 2017 Annual Results and the 2017 Annual Report as and when appropriate.

PUBLICATION OF UNAUDITED MANAGEMENT ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

In order to keep the Shareholders and potential investors informed of the business operation and financial position of the Group, the Board would like to provide the Shareholders and potential investors with the preliminary unaudited management accounts of the Group for the year ended 31 December 2017, together with the audited comparative figures for the same period in 2016, as set out below:

CONSOLIDATED BALANCE SHEET

	As at 31 December	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
ASSETS		
Non-current assets		
Property, plant and equipment	63,292	60,729
Mining rights and exploration rights	99,300	99,300
Land use rights	8,856	9,099
Deferred tax assets	2,823	2,823
Refundable deposit	–	163,367
Restricted cash at banks	2,648	2,525
Other receivables and prepayments	<u>113,123</u>	<u>109,123</u>
Total non-current assets	290,042	446,966
Current assets		
Available for sale financial assets	–	114,825
Inventories	3,045	3,045
Trade receivables	8,975	100
Other receivables and prepayments	187,512	362,660
Cash and cash equivalents	<u>54,410</u>	<u>8,970</u>
Total current assets	253,942	489,600
Total assets	543,984	936,566
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	137,361	137,361
Share premium	668,768	668,768
Other reserves	(12,168)	(7,111)
Accumulated losses	<u>(314,417)</u>	<u>(256,096)</u>
Non-controlling interests	479,544	542,922
	(1,643)	977
Total equity	477,901	543,899

	As at 31 December	
	2017	2016
	RMB'000	RMB'000
LIABILITIES		
Non-current liabilities		
Provision for close down, restoration and environmental costs	3,233	3,160
Deferred tax liabilities	24,494	24,548
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Total non-current liabilities	27,727	27,708
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Current liabilities		
Trade payables	12,226	1,318
Other payables and accruals	22,029	315,611
Income tax payable	4,101	2,005
Current portion of long-term borrowings	–	46,025
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Total current liabilities	38,356	364,959
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Total liabilities	66,083	392,667
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Total equity and liabilities	543,984	936,566
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CONSOLIDATED INCOME STATEMENT

	Year ended 31 December	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	45,847	25,588
Cost of sales	(30,806)	(23,943)
Gross profit	15,041	1,645
Distribution expenses	–	(56)
Administrative expenses	(74,212)	(33,161)
Other gains/(losses) – net	4,582	347
Operating loss	(54,589)	(31,225)
Finance income	493	210
Finance costs	(3,482)	(3,000)
Finance costs – net	(2,989)	(2,790)
Loss before income tax	(57,578)	(34,015)
Income tax expense	(3,363)	(1,254)
Loss for the year	(60,941)	(35,269)
Loss attributable to:		
Equity holders of the Company	(58,321)	(34,615)
Non-controlling interests	(2,620)	(654)
	(60,941)	(35,269)
Loss per share attributable to the equity holders of the Company (expressed in RMB per share)		
– Basic and diluted	(0.036)	(0.022)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2017 <i>RMB'000</i>	2016 <i>RMB'000</i>
Loss for the year	(60,941)	(35,269)
Other comprehensive income:		
<i>Items that may be reclassified to profit or loss</i>		
Available-for-sale financial assets		
– Change in value of available-for-sale financial assets	–	2,539
– Transferred to profit or loss upon disposal	(5,057)	–
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Other comprehensive income for the year, net of tax	(5,057)	2,539
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Total comprehensive loss for the year	(65,998)	(32,730)
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Attributable to:		
Equity holders of the Company	(63,378)	(32,076)
Non-controlling interests	(2,620)	(654)
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Total comprehensive loss for the year	(65,998)	(32,730)
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Shareholders and potential investors are reminded that the information contained in this announcement is only based on the preliminary assessment by the Board on the unaudited management accounts of the Group for the period ended 31 December 2017, and is not based on any data or information that has been audited or reviewed by the Auditors or the audit committee of the Company. The Board wishes to emphasise that the unaudited financial information set out above is pending for further review by the Auditors and the audit committee of the Company, and will be subject to changes resulting from, among others, further review by the Company and any potential adjustments that might be proposed by the Auditors pending the completion of the investigation by the Special Investigating Committee on the Disposal and the issues raised by the Auditors.

Shareholders and potential investors should exercise caution when considering the unaudited financial information disclosed above.

CONTINUAL SUSPENSION OF TRADING OF SHARES

As a result of the delay in publication of the 2017 Annual Results and the requirements of Rule 13.50 of the Listing Rules, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 am on 28 March 2018, pending the publication of the 2017 Annual Results, and will remain suspended until further notice.

Shareholders and potential investors should exercise caution when dealing in the Shares.

By Order of the Board
Huili Resources (Group) Limited
Li Xiaobin
Chairman

Hong Kong, 15 June 2018

As at the date of this announcement, the executive Directors are Mr. Li Xiaobin, Ms. Wang Qian, Mr. Liu Huijie and Ms. Jia Dai and the independent non-executive Directors are Mr. Cao Shiping, Ms. Sun Zhili and Ms. Xiang Siying.