



**KINGSTONE**  
金石礦業

**China Kingstone Mining Holdings Limited**  
**中國金石礦業控股有限公司**

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)  
(於開曼群島註冊成立並於百慕達存續的有限公司)

Stock Code 股份代號 : 1380

**2019**  
**ANNUAL REPORT**  
**年度報告**



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Zheng Yonghui  
Mr. Zhang Jianzhong  
Mr. Zhang Weijun  
Ms. Zhang Cuiwei  
Mr. Zhang Mian

#### Independent Non-executive Directors

Ms. Wang Yihua  
Mr. Sheng Guoliang  
Mr. Yang Ruimin

### AUDIT COMMITTEE

Ms. Wang Yihua (*Chairman of Audit Committee*)  
Mr. Yang Ruimin  
Mr. Sheng Guoliang

### REMUNERATION COMMITTEE

Mr. Sheng Guoliang (*Chairman of Remuneration Committee*)  
Mr. Yang Ruimin  
Ms. Zhang Cuiwei

### NOMINATION COMMITTEE

Mr. Yang Ruimin (*Chairman of Nomination Committee*)  
Mr. Sheng Guoliang  
Ms. Zhang Cuiwei

### AUTHORISED REPRESENTATIVES

Ms. Zhang Cuiwei  
Mr. Cheung Wai Kee

### COMPANY SECRETARY

Mr. Cheung Wai Kee

### REGISTERED OFFICE

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

### 董事會

#### 執行董事

鄭永暉先生  
張建忠先生  
張衛軍先生  
張翠薇女士  
張勉先生

#### 獨立非執行董事

王藝華女士  
盛國良先生  
楊銳敏先生

### 審計委員會

王藝華女士 (*審計委員會主席*)  
楊銳敏先生  
盛國良先生

### 薪酬委員會

盛國良先生 (*薪酬委員會主席*)  
楊銳敏先生  
張翠薇女士

### 提名委員會

楊銳敏先生 (*提名委員會主席*)  
盛國良先生  
張翠薇女士

### 授權代表

張翠薇女士  
張蔚琦先生

### 公司秘書

張蔚琦先生

### 註冊辦事處

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

## CORPORATE INFORMATION 公司資料

### HEADQUARTERS OF BUSINESS IN THE PRC

Zhangjiaba Mine  
Zhenjiang Village  
Xiangshui County  
Jiangyou City  
Sichuan Province  
The PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 14, 8/F., Seapower Tower  
Concordia Plaza  
No. 1 Science Museum Road  
Kowloon, Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Management (Bermuda) Limited  
Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

### HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
China Construction Bank (Asia) Corporation Limited  
Bank of Communications Limited  
Industrial and Commercial Bank of China

### LEGAL ADVISOR

Wong, Wan & Partners in association with Seyfarth Shaw  
(as to Hong Kong law)  
Suite 3701, Edinburgh Tower  
The Landmark  
15 Queen's Road Central  
Central, Hong Kong

### AUDITORS

Elite Partners CPA Limited

### STOCK CODE

01380

### WEBSITE OF THE COMPANY

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

### 中國營業總部

中國  
四川省  
江油市  
香水鄉  
鎮江村  
張家壩礦山

### 香港主要營業地點

香港九龍  
科學館道1號  
康宏廣場  
北座8樓14室

### 股份過戶登記總處

Estera Management (Bermuda) Limited  
Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

### 香港股份過戶登記處

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  
17樓1712-1716號舖

### 主要往來銀行

香港上海滙豐銀行有限公司  
中國建設銀行(亞洲)股份有限公司  
交通銀行股份有限公司  
中國工商銀行

### 法律顧問

黃志豪、萬利律師事務所(與美國賽法思  
• 肖律師事務所聯營)(有關香港法律)  
香港中環  
皇后大道中15號  
置地廣場  
公爵大廈3701室

### 審計師

開元信德會計師事務所有限公司

### 股份代號

01380

### 公司網址

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

# CORPORATE PROFILE

## 企業簡歷

China Kingstone Mining Holdings Limited (the "Company") was incorporated as an exempted company with limited liability in the Cayman Islands under the Company Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's domicile was changed to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda on 10 August 2016 (Bermuda time). The shares of the Company are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 18 March 2011.

The Company and its subsidiaries (the "Group") were principally engaged in the production and sales of marble and marble related products in China. The Group is a mining operator, focusing on marble products, and owned the largest beige marble mine, namely Zhangjiaba Mine, which is located in Zhenjiang Village, Xiangshui County, Jiangyou City of Sichuan Province, China, in terms of marble reserves, according to the certification issued by China Stone Material Association (中國石材協會) in August 2010. The mining permit of Zhangjiaba Mine was issued on 21 February 2011 and will expire on 21 February 2021.

According to the competent person's report dated 7 March 2011, the Zhangjiaba Mine contains 44.2 million cubic meters of measured and indicated marble resources. The block rate is expected to be 38% on the marble resources, which is equivalent to an estimated 16.8 million cubic meters of proved and probable marble reserves.

中國金石礦業控股有限公司(「本公司」)根據開曼群島法例第22章公司法(1961年第3號法例,經綜合及修訂),於開曼群島註冊成立為獲豁免有限公司。於2016年8月10日(百慕達時間),透過撤銷在開曼群島的註冊,本公司的註冊地點變更為百慕達並根據百慕達法律作為獲豁免公司存續。本公司的股份於2011年3月18日起在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司及其附屬公司(「本集團」)主要在中國從事大理石及大理石相關產品的生產及銷售。本集團為專注於大理石產品的礦業營運商,擁有位於中國四川省江油市香水鄉鎮江村的張家壩礦山。根據中國石材協會於2010年8月發出的證明,張家壩礦山是全國米黃色大理石儲量最大的礦山。張家壩礦山的採礦許可證乃於2011年2月21日發出及將於2021年2月21日到期。

根據日期為2011年3月7日的合資格人士報告,張家壩礦山含44,200,000立方米的探明及推定大理石資源。大理石資源的荒料率預期為38%,預計相當於16,800,000立方米的證實及概略大理石儲量。

### RESOURCES AND RESERVES

The resources and reserves estimates for marble stones of Zhangjiaba Mine in Sichuan Province as at 31 December 2019 under JORC Code (as defined in Chapter 18 of the Listing Rules) are set out in the following table:

JORC Resource and Reserve Class JORC 資源及儲量類別		2019 2019年 Cubic meter 立方米	2018 2018年 Cubic meter 立方米
Measured Resource	探明資源	14.86 million 百萬	15.06 million 百萬
Indicated Resource	推定資源	26.82 million 百萬	27.18 million 百萬
Total Resource	總資源	41.68 million 百萬	42.24 million 百萬
Proved Reserve	證實儲量	5.30 million 百萬	4.87 million 百萬
Probable Reserve	概略儲量	9.56 million 百萬	8.82 million 百萬
Total Reserve	總儲量	14.86 million 百萬	13.69 million 百萬

Note:

The resources and reserves for marble stones of Zhangjiaba Mine were estimated based on the independent competent person's report dated on 7 March 2011 (as shown in the Company's Prospectus). The increases and decreases due to mining consumption and exploration during the year were confirmed by internal experts.

### 資源及儲量

下表載列於2019年12月31日根據JORC準則(定義見上市規則第18章)的四川省張家壩礦山預計大理石資源及儲量:

附註:

張家壩礦山大理石的資源及儲量基於日期為2011年3月7日的獨立合資格人士報告(載於本公司的招股章程內)估算。年內因採礦消耗及勘探的增加及減少由內部專家確認。

# CHAIRMAN'S STATEMENT

## 主席報告

Dear Shareholders,

On behalf of the board of directors (the "Board" or "Directors") of China Kingstone Mining Holdings Limited (the "Company") and its subsidiaries (the "Group"), I am pleased to present the annual results of the Group for the year ended 31 December 2019 ("FY2019").

### FINAL RESULTS

For FY2019, the Group recorded revenue of RMB65.7 million (FY2018: RMB67.7 million) and a gross profit of RMB4.4 million (FY2018: RMB4.5 million), representing an decrease of approximately 3.0% and 2.2%, respectively compared to those for the year ended 31 December 2018 ("FY2018").

Net loss attributable to owners of the Company was RMB68.5 million for FY2019, as compared to net loss of RMB19.3 million attributable to owners of the Company for FY2018. Basic loss per share for FY2019 was RMB2.4 cents, as compared to basic loss of RMB0.7 cents per share for FY2018.

### BUSINESS REVIEWS AND PROSPECTS

The China economy is showing a sign of slowdown resulting from the US-China trade war that has simmered for over 18 months. Though the phase one interim agreement has been made in December 2019 to prevent a further escalation of the trade war, it is expected that the next round of the negotiation between the US and China would get tougher once they begin tackling the thorny issues on which they had clashed. The China economy has not got out of woods yet. Furthermore, in early of year 2020, the outbreak of new coronavirus pneumonia epidemic (the "New Coronavirus") in China followed hard on the heels of the phase one's US-China trade truce. It looks set to further dampen sentiment in the market. To a large extent the marble product businesses of the Group hinges upon the economic prospect of China. The Group has been left reeling from the double blow of the US-China trade war and New Coronavirus facing an uncertain future in the coming years.

尊敬的各位股東：

本人謹代表中國金石礦業控股有限公司（「本公司」）及其附屬公司（「本集團」）董事會（「董事會」或「董事」），欣然提呈本集團截至2019年12月31日止年度（「2019財政年度」）的年度業績。

### 末期業績

於2019財政年度，本集團錄得收入人民幣65,700,000元（2018財政年度：人民幣67,700,000元）及毛利人民幣4,400,000元（2018財政年度：人民幣4,500,000元），分別較截至2018年12月31日止年度（「2018財政年度」）減少約3.0%及2.2%。

於2019財政年度，本公司擁有人應佔虧損淨額為人民幣68,500,000元，而於2018財政年度，本公司擁有人應佔虧損淨額為人民幣19,300,000元。2019財政年度的每股基本虧損為人民幣2.4分，而2018財政年度的每股基本虧損為人民幣0.7分。

### 業務回顧及展望

中國經濟因中美貿易戰持續了18個月以上而出現放緩跡象。儘管於2019年12月第一階段臨時協議已經達成，防止貿易戰的進一步升級，一旦中美雙方開始處理彼等發生衝突引起的棘手問題，預期雙方下一次的協商將更加困難。中國經濟尚未走出困境。此外，於2020年初，中國新型冠狀肺炎傳染病（「新型冠狀病毒」）的爆發於緊隨第一階段中美貿易休戰後出現，似乎對市場人氣進一步造成打擊。本集團的大理石產品業務很大程度上依賴於中國的經濟前景。本集團在受到中美貿易戰及新型冠狀病毒的雙重打擊下步履維艱以面對未來幾年不確定的前景。

## CHAIRMAN'S STATEMENT 主席報告

During FY2019, the construction industry in China was still strong but its growth was obviously slowing down which resulted from the trade pressure exerted by the US in the trade war, denting the economic growth in China. The Group realized that many small and medium-sized construction companies were struggling to stay afloat and facing financial distress. The Group expects that the weakening demand of marble slabs will continue amid the deceleration in economic growth in China. Under this highly uncertain economic environment, the Group has to be extra cautious of and closely monitor any further investment of working capital in the marble slab business in order to contain the credit risk of our customers.

In these years, the Group has made strides in the development of marble slag business. Sales of marble slags grew by 2.3 times in two-years' time from RMB7.7 million in 2017 to RMB25.8 million in 2019. The marble slag business has become one of the Group's business focuses. Despite the uncertainty in China economy, the marble slag business has shown strong resilience to the external headwinds. The Group expects that the sales of marble slags will grow at a bit slower pace in the coming years as the economic activities in China are likely to decline due to the spread of the New Coronavirus.

The Group had set the business expansion plan of a downstream vertical integration to GCC business. The Group entered into a non-binding memorandum of understanding with a GCC manufacturer as joint venture partner which possesses rich experience on operation of a GCC production in a bid to plunge into the ground calcium carbonate powder ("GCC") business in Jiangyou City in April 2017. However, several months after the MOU was signed, the Group halted the cooperation plan with the joint venture partner as there was a litigation of the Group involving the Zhangjiaba mine that might discourage the joint venture partner from making progress on the GCC business with the Group. The re-negotiation of the cooperation had been set in motion after the settlement of the litigation in July 2018. Unfortunately, after over one-year's negotiation, the Group was unable to nail down the new cooperation agreement and foresees that the chance of making a deal with the joint venture partner is very low. Despite this setback, the Group is still digging its heels in developing GCC business as it allows the Group to achieve product diversification and result in a synergy. The Group is exploring other alternatives to achieve this business plan of GCC.

於2019財政年度，中國的建築行業依然穩固，但其增長因美國在貿易戰中施加的壓力抑制中國的經濟增長而出現明顯放緩。本集團意識到諸多中小型建築公司一直奮力求存的同时面臨金融危機。本集團預期，隨著中國經濟放緩，大理石板材的需求將會持續減弱。在高度不確定的經濟環境下，本集團必須格外謹慎並密切監察任何加大投資在大理石板材業務營運資金以控制我們客戶的信貸風險。

近年來，本集團在發展大理石礦渣業務方面取得長足進步。大理石礦渣的銷售從2017年的人人民幣7,700,000元增長至2019年的人人民幣25,800,000元，兩年時間內上漲了2.3倍。大理石礦渣業務已成為本集團業務重點之一。儘管中國經濟的不確定性，大理石礦渣業務表現出強大的對抗外部逆風能力。本集團預期大理石礦渣銷售將在未來幾年增長稍為緩慢，乃由於中國的經濟業務活動因新型冠狀病毒傳播而下降。

本集團已制定重質碳酸鈣業務下游垂直整合的業務擴張計劃。於2017年4月，本集團已與重質碳酸鈣製造商（作為合營企業夥伴，在進行重質碳酸鈣生產方面擁有豐富經驗）訂立不具法律約束力的諒解備忘錄，以投入江油市的重質碳酸鈣（「重質碳酸鈣」）業務。然而，於簽署諒解備忘錄後幾個月內，本集團停止了與合營企業夥伴的合作計劃，乃由於本集團涉及張家壩礦山的訴訟，可能令合營企業夥伴對其與本集團在重質碳酸鈣業務取得進展失去信心。合作的再次協商已於2018年7月和解訴訟後進行。不幸的是，經過一年多的協商，本集團未能敲定新合作協議，而預期與合營企業夥伴敲定協議的機率非常低。即便遭遇該等挫折，本集團依然堅持發展重質碳酸鈣業務，乃由於其可令本集團實現產品多元化及形成協同效應。本集團正探索其他替代方案以實現重質碳酸鈣的業務計劃。



## CHAIRMAN'S STATEMENT 主席報告

The Company will continue to consolidate the production and operations of marble stone and its related business as well as make good use of our marble resources. On the other hand, the Group will also continue to explore new business opportunities so arising in order to maximize shareholders' value in the future.

### APPRECIATION

I would like to take this opportunity to express my heartfelt gratitude to all our shareholders, customers and other business partners for their attention and support to the Group in the difficult times. I would also like to thank our directors, management team and all staff of the Group for their dedication and hard work to the Group for the past year.

**Zheng Yonghui**  
*Executive Director*

Hong Kong, 11 May 2020

本集團將繼續整合生產及經營大理石及其相關業務以及盡量利用我們的大理石資源。另一方面，本集團未來亦將繼續探尋因此出現的新業務機遇以將股東的價值最大化。

### 鳴謝

本人藉此機會衷心感謝全體股東、客戶及其他業務夥伴，感謝彼等在本集團的艱困日子中鼎力支持、同舟共濟。本人亦感謝本集團的董事、管理層團隊及全體員工在過去一年的貢獻及努力。

*執行董事*  
**鄭永暉**

香港，2020年5月11日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

#### Marble Slab Business

Marble stones are widely used in construction and decoration industry for decorative purposes due to its bright colour and lustrous finish. Marble slabs are used in application such as interior and exterior decoration, laying pavements, stairs, flooring and furniture. The Group sells marble slabs through some distributors or purchasing agents which have a strong track record and broad sales and marketing network with the property developers and construction companies in China.

In view of the rapid urbanization in China and the Belt and Road initiative that have driven the infrastructure development, the Group had expected the marble slab business to ratchet up with upbeat forecast. However, during FY2019, the growth in construction industry was apparently slowing down and facing a stiff challenge even as the China government stepped up the stimulus amid the escalating US-China trade war. The US and China imposed trade tariffs across a variety of products in a seemingly endless series of tit-for-tat measures, including most kinds of building materials. The Group recorded a decrease of 24.1% in sales of marble slabs from RMB52.6 million for FY2018 to RMB39.9 million for FY2019, resulting from a decrease in demand of the marble slabs for decorative purpose. The Group expects weakening demand in marble slabs will continue for years if the trade disputes drag on and the spread of the New Coronavirus persists. The Group has to maintain a high degree of vigilance against unpredictable international developments and sensitive external factors that may adversely affect the Group's marble slab business.

#### Marble Slag and Calcium Carbonate Business

Marble slags are produced in the course of stripping overburden at Zhangjiaba mine and by crushing the cracked marble stones. Marble slag is a core raw material for the production of GCC. The Group sells the marble slags to the GCC manufacturers which are close to the Zhangjiaba mine. Revenue attributable to the marble slag business was approximately RMB25.8 million for FY2019, representing an increase of RMB10.6 million as compared to RMB15.2 million for FY2018. Such increase was primarily due to ramping up the production of marble slags through speeding up the stripping of ore. Demand of marble slags from the GCC manufacturers stays strong.

### 業務回顧

#### 大理石板材業務

大理石由於細膩亮澤、瑰美雅致，被廣泛用於建築及裝修行業作裝飾用途，大理石礦渣用於內外部裝飾、鋪設路面、樓梯、地板及傢俬等等。本集團於中國透過部分擁有彪炳往績及與物業開發商及建築公司擁有廣泛銷售營銷網絡的分銷商或採購代理銷售大理石板材。

鑒於中國城市化進程加快和促動基建發展的一帶一路倡議，本集團預期大理石板材業務將越來越暢旺，前景喜人。然而，於2019財政年度，建築行業的增長明顯放緩並面臨嚴峻挑戰，儘管中國政府在中美貿易戰不斷升級的情況下加大刺激力度。美國及中國採取一系列無休止的貌似爭鋒相對的措施，對多種產品施加貿易關稅，包括大多數建築材料。本集團錄得大理石板材銷售額由2018財政年度的人人民幣52,600,000元減少24.1%至2019財政年度的人人民幣39,900,000元，乃由於作裝飾用途的大理石板材需求減少所致。倘貿易爭端拖延及新型冠狀病毒持續傳播，本集團預期，大理石板材需求將持續多年疲軟。本集團須對不可預測的國際發展態勢以及可能對本集團大理石板材業務構成不利影響的外部敏感因素保持高度警覺。

#### 大理石礦渣及碳酸鈣業務

大理石礦渣是在張家壩礦山覆蓋層剝採過程中由壓碎破裂大理石產生。大理石礦渣是生產重質碳酸鈣的核心原材料。本集團將大理石礦渣售予張家壩礦山附近的重質碳酸鈣製造商。於2019財政年度，大理石礦渣業務應佔收入約為人民幣25,800,000元，較2018財政年度的人人民幣15,200,000元增加人民幣10,600,000元。有關增加乃主要由於大理石礦渣產量因剝採礦的速度加快而提高所致。重質碳酸鈣製造商對大理石礦渣的需求保持強勁。

The Group plans to embark on the GCC business and integrate with the existing marble slag business. GCC is produced by the grinding process to transform marble slags into a powder. GCC is widely used as raw materials in the production of building and construction materials, paper, plastics, paints, coatings, and personal health and food production. The Group may utilize its own rich marble resources from Zhangjiaba mine to produce marble slags and then further process to GCC. The Group expects that the downstream vertical integration will result in a synergy that allows the Group's GCC business to become competitive as the Group has a stable supply of marble slags in its own hand and enjoys cost advantages. During FY2019, the Group was still undergoing the negotiation for the cooperation agreement but no deal has been made yet.

### Exploration, Development and Production Activities

There was no geological exploration activity during the year. The Group focuses on the development and mining at the Zhangjiaba mine. The Zhangjiaba mine located in Sichuan Province of China contains 44.2 million cubic meters of measured and indicated marble resources, which represents 16.8 million cubic meters of proved and probable marble reserves based on a block rate of 38%, according to the independent competent person's report dated on 7 March 2011 (as shown in the Company's Prospectus).

The Zhangjiaba mine is mainly divided into the eastern mining zone and the western mining zone. During FY2019 and FY2018, the Group continues to carry out the stripping of the overburden materials at the the both eastern and western zone of the deposit. The deposit in these areas is still cracked. The Group expects that the further development of the mine to lower benches will be required for large block production and the block production will commence not earlier than year 2021.

During FY2019, the aggregate expenditure of the mining operation of the Group was approximately RMB23.9 million (FY2018: RMB20.7 million), which mainly included depreciation on property, plant and equipment of RMB7.6 million (FY2018: RMB6.8 million), consumables and fuel of RMB3.54 million (FY2018: RMB3.84 million), safety protection related expenses of RMB2.3 million (FY2018: RMB1.1 million) and subcontracting cost for stripping of RMB9.8 million (FY2018: Nil).

本集團計劃從事重質碳酸鈣業務，將其與現有的大理石礦渣業務進行整合。重質碳酸鈣是由大理石礦渣研磨成粉末而來，其作為原材料廣泛用於生產樓宇及建築材料、紙張、塑料、漆料及塗層，並用於生產個人保健食品。本集團可運用張家壩礦山的自有豐富大理石資源生產大理石礦渣，並將其進一步加工成重質碳酸鈣。由於本集團以其自身品牌擁有穩定的大理石礦渣供應及亦享有成本優勢，本集團預期該下游垂直整合會形成協同效應，可讓本集團的重質碳酸鈣業務更具有競爭力。於2019財政年度，本集團仍就合作協議進行洽談，但尚未達成任何協議。

### 勘探、開發及生產活動

於年內並無進行地質勘探活動。本集團專注於在張家壩礦山的開發及開採。張家壩礦山位於中國四川省，根據獨立合資格人士於2011年3月7日的報告（如本公司招股章程所示），蘊藏44,200,000立方米探明及推定大理石資源，按荒料率38%計算，相當於16,800,000立方米的證實及概略大理石儲量。

張家壩礦山主要分為東部採礦區及西部採礦區。於2019財政年度及2018財政年度，本集團繼續開展在東部及西部礦床剝採廢料的工序。該等區域的礦床仍為破裂。本集團預期大型荒料生產將需要進一步開發礦山的下層台階及荒料生產將不早於2021年開始。

於2019財政年度，本集團採礦業務的總開支約為人民幣23,900,000元（2018財政年度：人民幣20,700,000元），主要包括物業、廠房及設備折舊人民幣7,600,000元（2018財政年度：人民幣6,800,000元）、消耗品及燃料人民幣3,540,000元（2018財政年度：人民幣3,840,000元）、安全防護相關開支人民幣2,300,000元（2018財政年度：人民幣1,100,000元）及剝採的分包成本人民幣9,800,000元（2018財政年度：無）。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### FINANCIAL REVIEW

#### Revenue

The Group's revenue decreased by approximately RMB2.0 million or 3.0% from approximately RMB67.7 million for FY2018 to approximately RMB65.7 million for FY2019. The decrease was primarily due to a combined effect of (i) a decrease of RMB12.7 million in sales of marble slabs from RMB52.6 million for FY2018 to RMB39.9 million for FY2019, resulting from the weakening demand in marble slab, and (ii) an increase of RMB10.6 million in sales of marble slags from RMB15.2 million for FY2018 to RMB25.8 million for FY2019, as result of ramping up the production of marble slags through speeding up the stripping.

#### Revenue by products

		Year ended 31 December 截至12月31日止年度		
		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	Change 變動 %
Marble slabs	大理石板材	39,892	52,567	-24.1%
Marble slags	大理石礦渣	25,797	15,152	+70.3%
		65,689	67,719	

#### Analysis by sales volume and selling price

		Year ended 31 December 截至12月31日止年度		
		2019 2019年	2018 2018年	Change 變動
<b>Sales volume:</b>	<b>銷量:</b>			
Marble slabs (square meter)	大理石板材 (平方米)	139,062	204,566	-32.0%
Marble slags (ton)	大理石礦渣 (噸)	1,135,574	563,187	+101.6%
<b>Average selling prices:</b>	<b>平均售價:</b>			
Marble slabs (RMB per square meter)	大理石板材 (每平方米人民幣元)	286.9	257.0	+11.6%
Marble slags (RMB per ton)	大理石礦渣 (每噸人民幣元)	22.7	26.9	-15.6%

### 財務回顧

#### 收入

本集團之收入由2018財政年度的約人民幣67,700,000元減少約人民幣2,000,000元或3.0%至2019財政年度的約人民幣65,700,000元。有關減少乃主要由於(i)因大理石板材的需求疲軟導致大理石板材銷售由2018財政年度的人民幣52,600,000元減少人民幣12,700,000元至2019財政年度的人民幣39,900,000元，及(ii)因透過加快剝採速度提高大理石礦渣的產量導致大理石礦渣銷售由2018財政年度的人民幣15,200,000元增加人民幣10,600,000元至2019財政年度的人民幣25,800,000元的綜合影響所致。

#### 按產品劃分收入

		Year ended 31 December 截至12月31日止年度		
		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	Change 變動 %
Marble slabs	大理石板材	39,892	52,567	-24.1%
Marble slags	大理石礦渣	25,797	15,152	+70.3%
		65,689	67,719	

#### 按銷量及售價進行的分析

		Year ended 31 December 截至12月31日止年度		
		2019 2019年	2018 2018年	Change 變動
<b>Sales volume:</b>	<b>銷量:</b>			
Marble slabs (square meter)	大理石板材 (平方米)	139,062	204,566	-32.0%
Marble slags (ton)	大理石礦渣 (噸)	1,135,574	563,187	+101.6%
<b>Average selling prices:</b>	<b>平均售價:</b>			
Marble slabs (RMB per square meter)	大理石板材 (每平方米人民幣元)	286.9	257.0	+11.6%
Marble slags (RMB per ton)	大理石礦渣 (每噸人民幣元)	22.7	26.9	-15.6%

### Gross profit and Gross profit margin

Gross profit decreased by approximately RMB0.1 million or 2.2% from approximately RMB4.5 million for FY2018 to approximately RMB4.4 million for FY2019. The decrease was primarily due to a decrease in gross profit of marble slabs, resulting from a decrease in its sales.

Gross profit margin remained at 6.7% for FY2018 and FY2019, respectively. Increase in gross profit margin of marble slabs, resulting from an increase of 11.6% in average selling price of marble slabs from RMB257.0 per square meter for FY2018 to RMB286.9 per square meter for FY2019, was offset by a decrease in gross profit margin of marble slags, resulting from a decrease of 15.6% in average selling price of marble slags from RMB26.9 per ton for FY2018 to RMB22.7 per ton for FY2019.

### Selling and distribution expenses

Selling and distribution expenses increased from RMB1.2 million for FY2018 to RMB2.5 million for FY2019. The increase was primarily due to an increase in transportation cost and direct sales tax, resulting from an increase in the sales volume of marble slags.

### Administrative expenses

Administrative expenses increased by RMB12.4 million from RMB29.4 million for FY2018 to RMB41.8 million for FY2019. The increase was primarily due to an increase of RMB11.0 million in share option expenses in relation to share options granted to the Directors and certain employees of the Group during FY2019 and an increase of HK\$9.4 million in additional provisions for litigation in relation to a dispute that the plaintiff claimed against the Group to refund the deposit and part of consideration for a loan assignment agreement dated 9 August 2013 but the Group considered it should be forfeited and non-refundable.

The Group has implemented retrenchment measures, including a reduction of staff cost, rental expenses and other general operating expenses since late 2018 in order to increase the effectiveness of the operation of the Group and weather any difficulties we may face under the circumstances of slowing economic growth in the PRC.

### 毛利及毛利率

毛利由2018財政年度的約人民幣4,500,000元減少約人民幣100,000元或2.2%至2019財政年度的約人民幣4,400,000元。該減少乃主要由於大理石板材銷售的減少導致其毛利減少。

毛利率於2018財政年度及2019財政年度維持穩定，均為6.7%。大理石板材的平均售價增加11.6%，由2018財政年度的每平方米人民幣257.0元增加至2019財政年度的每平方米人民幣286.9元，使大理石板材的毛利率增加，被大理石礦渣的平均售價減少15.6%，由2018財政年度的每噸人民幣26.9元減少至2019財政年度的每噸人民幣22.7元所導致的大理石礦渣的毛利率減少所抵銷。

### 銷售及分銷開支

銷售及分銷開支由2018財政年度的人民幣1,200,000元增加至2019財政年度的人民幣2,500,000元。該增加乃主要由於大理石礦渣銷量增加導致的運輸成本及直接銷售稅增加所致。

### 行政開支

行政開支由2018財政年度的人民幣29,400,000元增加人民幣12,400,000元至2019財政年度的人民幣41,800,000元。該增加乃主要由於與在2019財政年度向本集團董事及若干僱員授出購股權有關的購股權開支增加人民幣11,000,000元，及與原告就日期為2013年8月9日之轉讓貸款協議要求本集團退還按金及部分代價（惟本集團認為應被沒收且不可退還）的爭議有關的額外訴訟撥備增加9,400,000港元所致。

為提高本集團營運之效率以及應付在中國經濟增長放緩的情況下我們可能會面對的困難，本集團已自2018年末實施緊縮措施，包括減少員工成本、租金開支及其他一般營運開支。

### Impairment loss of trade receivables

The Group made an impairment loss of RMB28.2 million on trade receivable for FY2019, representing an increase by RMB19.9 million, as compared to RMB8.3 million for FY2018. The increase in impairment losses for FY2019 primarily comprised:

- 1) A trade receivable that was secured by a property located in Inner Mongolia (the "Pledged Property"). The pledgee of the Pledged Property defaulted in 2012 and the Group took legal action to recover the trade receivable. The court judgment was handed down to grant the right of transfer of the title of Pledged Property to the Group in August 2016. The Group has taken steps to sell the trade receivable associated with Pledged Property but in vain for over the past three years. An additional impairment loss of RMB9.4 million in relation to the trade receivable was provided during FY2019;
- 2) An increase of RMB10.5 million in an impairment loss of on trade receivables primarily in relation to the marble slab business was provided for FY2019, due to an increase in the expected credit loss rate for FY2019. The Group expects that the weakening demand of marble slabs will continue amid the deceleration in economic growth in China. The Group's ultimate customers are mainly small-medium sized enterprises in China which generally faces financial difficulties owing to the tightening financial market conditions and has delayed the payment of our invoices.

### Loss for the year attributable to owners of the Company

The Group recorded a loss of RMB68.5 million for FY2019, representing an increase of RMB49.2 million as compared to RMB19.3 million for FY2018, as a result of a combined effect of (i) a gain of RMB15.7 million on reversal of provision for litigation due to a settlement of a claim against the Group being reached with the plaintiff during FY2018; (ii) an increase of RMB19.9 million in provision for impairment loss on trade receivables, and (iii) an increase of RMB12.4 million in administrative expenses.

### 貿易應收款項減值虧損

本集團於2019財政年度錄得貿易應收款項減值虧損人民幣28,200,000元，較2018財政年度的人民幣8,300,000元增加人民幣19,900,000元。於2019財政年度增加的減值虧損主要包括：

- 1) 一筆以位於內蒙古的物業（「抵押物業」）作抵押的貿易應收款項。抵押物業的承押人於2012年違約，本集團採取法律行動以追回該筆貿易應收款項。法院於2016年8月下達判決，授權將抵押物業的業權轉讓予本集團。本集團已採取措施出售與抵押物業有關的貿易應收款項，但三年多來未果。2019財政年度計提與貿易應收款項有關的新增減值虧損人民幣9,400,000元；
- 2) 由於2019財政年度預期信貸虧損率增加，於2019財政年度主要就大理石板材業務計提貿易應收款項之減值虧損增加人民幣10,500,000元。本集團預期，隨著中國經濟放緩，大理石板材的需求將會持續減弱。本集團的最終客戶主要為中國中小型企業，普遍因金融市況收緊面臨財務困難並延遲支付發票。

### 本公司擁有人應佔年度虧損

本集團於2019財政年度錄得虧損人民幣68,500,000元，較2018財政年度的人民幣19,300,000元增加人民幣49,200,000元，此乃由於以下各項之綜合影響：(i) 由於針對本集團提出的申索已於2018財政年度與原告達成和解，就訴訟撥備撥回錄得收益人民幣15,700,000元；(ii) 貿易應收款項減值虧損撥備增加人民幣19,900,000元；及(iii) 行政開支增加人民幣12,400,000元。

### Liquidity and Capital Resources

As at 31 December 2019, the Group's total equity interests were approximately RMB347.5 million (31 December 2018: RMB401.2 million), representing a decrease of 13.4% as compared with that as at 31 December 2018. The decrease was mainly attributable to total comprehensive loss of RMB64.7 million recorded for FY2019.

As at 31 December 2019, the Group had cash and bank balances of approximately RMB49.0 million (31 December 2018: RMB65.1 million). Cash and bank balances were mainly denominated in Hong Kong dollars and Chinese Renminbi ("RMB"). The Group has adequate financial resources to meet the anticipated future liquidity requirement and capital expenditure commitment.

As at 31 December 2019, a loan from a director (included in amount due to directors) amounted to approximately RMB4.3 million (31 December 2018: Nil) was unsecured, interest-bearing at 10% per annum, mature in one year and dominated in Hong Kong dollars. It was accounted for as current liabilities of the Group. The Group does not currently use any derivatives to manage the interest rate risk. Gearing ratio, representing the loan divided by total equity, was 0.01 (31 December 2018: Nil).

### Capital Expenditure

During FY2019, the Group's capital expenditure amounted to RMB3.3 million (FY2018: RMB2.8 million), which was primarily related to acquisition of property, plant and equipments.

### Charge of the Group's assets

As at 31 December 2019, the Group did not have any charges on its assets.

### Significant investment held

As at 31 December 2019, there were no material investments held by the Group.

### Exposure to Fluctuations in Exchange Rates

The Group principally operates its businesses in the PRC. The Group is not exposed to significant foreign exchange risk as most of the Group's business transactions, assets and liabilities are principally denominated in RMB, which is the functional and reporting currency of the Group, except certain administrative expenses of the Hong Kong office which were denominated in Hong Kong dollars. The Group has not entered into any foreign exchange contracts as hedging measures.

### 流動資金及資本資源

於2019年12月31日，本集團總權益約為人民幣347,500,000元（2018年12月31日：人民幣401,200,000元），較於2018年12月31日下降13.4%。該減少乃主要由於2019財政年度錄得全面虧損總額人民幣64,700,000元所致。

於2019年12月31日，本集團擁有現金及銀行結餘約人民幣49,000,000元（2018年12月31日：人民幣65,100,000元）。現金及銀行結餘主要以港元及中國人民幣（「人民幣」）計值。本集團擁有足夠財務資源滿足預期未來流動資金需求及資本開支承擔。

於2019年12月31日，來自董事的貸款（計入應付董事款項）約人民幣4,300,000元（2018年12月31日：無）為無抵押、按年利率10%計息、於一年內到期並以港元計值。借貸入賬列作本集團的流動負債。本集團目前並無使用任何衍生工具以管理利率風險。資產負債率（即貸款除以權益總額）為0.01（2018年12月31日：無）。

### 資本開支

本集團於2019財政年度的資本開支為人民幣3,300,000元（2018財政年度：人民幣2,800,000元），主要與收購物業、廠房及設備有關。

### 本集團資產抵押

於2019年12月31日，本集團並無抵押其任何資產。

### 持有的重大投資

於2019年12月31日，本集團概無持有任何重大投資。

### 匯率波動風險

本集團主要營業地點為中國。本集團並無重大外匯風險，因為除香港辦事處的若干行政開支以港元計值外，本集團大部分業務交易、資產及負債主要以人民幣計值，而人民幣為本集團的功能及列報貨幣。本集團並無訂立任何外匯合同作對沖措施。

### Contingent liabilities

As at 31 December 2019, the Group did not have any significant contingent liabilities.

### Future plans for material investments or capital assets

Save as disclosed in this annual report, the Group does not have any plan for material investments or capital assets in the coming year as at 31 December 2019.

### Environmental Policies and Performance

Details of environment policies and performance refers to the "Environmental, Social and Governance Report" contained in this annual report for further information on the work done and efforts made by the Group on environment protection, legal compliance and other aspects for the sustainable growth and development of the businesses of the Group.

### Compliance with Applicable Laws and Regulations

During FY2019 and up to the date of this annual report, the Board was not aware of any non-compliance with any relevant laws and regulations that had a significant impact on the business and operations of the Group.

### Key Relationship with Employees, Customers and Suppliers

The Group recognizes employees as valuable assets of the Group. The Group provides competitive remuneration package to employees and reviews staff benefit regularly. The Group intends to use its best effort to attract and attain appropriate and suitable personnel to provide services to the Group.

The Group attaches importance to the relationships with its customers and suppliers. The Group believes that building a long-term beneficial relationship with each of them is of paramount importance to establish mutual trust, loyalty and business development and on which the Group's success and sustainability rely.

The Group will continue to maintain and strengthen its relationship with its customers through regular contacts with them. It is the industrial norm that the marble mine operator usually selects a few major distributors and manufacturers, which has production sites that are close to the marble mine in order to save transportation costs, management costs as well as sales and marketing costs. Thus, the Directors consider that there is no significant risk associated with reliance on major customers due to the nature of the Group's products.

### 或然負債

於2019年12月31日，本集團並無任何重大或然負債。

### 重大投資或資本資產的未來計劃

除本年報所披露者外，於2019年12月31日，本集團並無任何來年之重大投資或資本資產計劃。

### 環境政策及表現

有關環境政策及表現之詳情指本集團於環保方面的工作及努力、法律合規情況及其他有關本集團可持續增長及業務發展方面的進一步資料，請參閱本年報所載「環境、社會及管治報告」。

### 遵守適用法律及法規

於2019財政年度及截至本年報日期，董事會並不知悉任何違反相關法律及法規事宜而對本集團業務及營運造成重大影響。

### 與僱員、客戶及供應商的主要關係

本集團認為僱員為本集團之寶貴資產。本集團向僱員提供具競爭力的薪酬待遇並定期檢討員工福利。本集團擬盡最大努力吸引及挽留合適的人才為本集團提供服務。

本集團十分重視與其客戶及供應商的關係。本集團相信，與彼等各自建立長期的利益關係乃建立相互信任、忠誠及業務發展的重中之重，也是本集團成功及可持續發展的依賴。

本集團定期與其客戶聯絡，持續維持及加強其與客戶之關係。大理石礦山營運方通常選擇擁有鄰近大理石礦山的生產場地之若干主要分銷商及製造商以節約運輸成本、管理成本及銷售及市場推廣成本。因此，董事認為，概無因本集團產品性質而依賴主要客戶相關之重大風險。



### Human Resources

As at 31 December 2019, the Group had employed a total of 31 employees (31 December 2018: 25 employees). The total staff cost, including directors' emoluments, share options benefit and pension scheme contribution, was approximately RMB17.2 million for FY2019 (FY2018: RMB6.8 million).

The Group's emolument policies are formulated on the performance of individual employee and on the basis of the salary trends in Hong Kong and the PRC, and will be reviewed regularly. Subject to the Group's profitability, the Group may also distribute a discretionary bonus to its employees as an incentive for their contribution to the Group.

### Use of proceeds from fund raising activities

On 3 March 2017 and 24 April 2017, the Company entered into an agreement and supplemental agreement with an underwriter by issuing 2,360,068,975 rights shares to qualifying shareholders by way of the rights issue at subscription price of HK\$0.12 per rights share on the basis of five rights shares for every share in issue on the record date. The net proceeds from the rights issue were approximately HK\$276.5 million. The rights issue was made for the purposes of (i) approximately HK\$191.8 million (RMB170.0 million) for the contribution of funding in the joint venture company for the calcium carbonate business, in which approximately HK\$149.2 million (RMB132.2 million) for the set-up of manufacturing building (including the property, plant and equipment) and approximately HK\$42.6 million (RMB37.8 million) for the general working capital of the business; (ii) approximately HK\$33.8 million (RMB30.0 million) for general working capital of the Group, including but not limited to the operating cash used for the daily production of marble and marble related products, the settlement of outstanding accounts payable to vendors and the general operating expenses of the Group; and (iii) the remaining net proceed of approximately HK\$50.9 million (RMB45.2 million) for the settlement of the potential damages arising from the litigation in relation to the breach of a written underwriting agreement and between the underwriter of the open offer announced by the Company on 14 May 2015.

### 人力資源

於2019年12月31日，本集團共有31名（2018年12月31日：25名）員工。於2019財政年度，員工成本總額（包括董事酬金、購股權福利及退休金計劃供款）約為人民幣17,200,000元（2018財政年度：人民幣6,800,000元）。

本集團的薪酬政策按照個別員工的表現以及香港及中國的薪酬趨勢制訂，並會定期審閱。本集團亦會根據其盈利情況，向員工分派酌情花紅，作為對員工為本集團所作出貢獻的獎勵。

### 集資活動的所得款項用途

於2017年3月3日及2017年4月24日，本公司與包銷商訂立協議及補充協議，按認購價每股供股股份0.12港元及按於記錄日期每持有一股已發行股份可獲發五股供股股份之基準以供股形式向合資格股東發行2,360,068,975股供股股份。供股所得款項淨額約為276,500,000港元。供股乃就以下目的而作出：(i) 約191,800,000港元（人民幣170,000,000元）用作合營公司的注資以發展碳酸鈣業務，其中約149,200,000港元（人民幣132,200,000元）用於建設生產樓宇（包括物業、廠房及設備）及約42,600,000港元（人民幣37,800,000元）用作該業務的一般營運資金；(ii) 約33,800,000港元（人民幣30,000,000元）用作本集團的一般營運資金，包括但不限於大理石及大理石相關產品日常生產所用的經營現金、清償應付賣方的尚未償還款項及本集團的一般營運開支；及(iii) 餘下所得款項淨額約50,900,000港元（人民幣45,200,000元）用於結算訴訟產生之潛在損害賠償，該訴訟與違反本公司於2015年5月14日公佈之公開發售包銷商與本公司所訂立之書面包銷協議有關。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

As at 29 September 2017, the Company resolved to change the use of the unutilized net proceeds of HK\$50.9 million for the settlement of the potential damages arising from the litigation to use the unutilized proceeds for (i) purchasing machineries for replacement of well-worn mining equipment (approximately HK\$15.0 million); (ii) investments in the marble slabs business (approximately HK\$20.0 million), and (iii) general working capital (approximately HK\$15.9 million). For details, please refer to the announcement of the Company dated 29 September 2017.

於2017年9月29日，本公司決議將未動用所得款項淨額50,900,000港元的用途從用於結算訴訟產生之潛在損害賠償變更為將未動用所得款項用於(i)購置機械以替代陳舊的採礦設備(約15,000,000港元)；(ii)投資大理石板材業務(約20,000,000港元)；及(iii)一般營運資金(約15,900,000港元)。詳情請參閱本公司日期為2017年9月29日之公告。

As at 31 December 2019, the net proceeds had been utilised as follows:

於2019年12月31日，所得款項淨額已動用如下：

		Intended use of proceeds 所得款項之 計劃用途 HK\$'000 千港元	Actual use of proceeds 所得款項之 實際用途 HK\$'000 千港元
The contribution of funding for the calcium carbonate business	注資以發展碳酸鈣業務		
– The set-up of manufacturing building (including the property, plant and equipment)	– 建設生產樓宇(包括物業、廠房及設備)	149,150	60,000
– General working capital of the calcium carbonate business	– 碳酸鈣業務的一般營運資金	42,610	–
General working capital of the Group	本集團的一般營運資金		
– Purchasing of machineries for replacement of well-worn mining equipment	– 購置機械以替代陳舊的採礦設備	15,000	15,000
– Marble slabs business	– 大理石板材業務	20,000	61,220
– Settlement of litigation involving Sichuan Jinshida (Note 1)	– 結算涉及四川金時達的訴訟(附註1)	–	24,976
– Other general working capital	– 其他一般營運資金	49,780	63,743
		276,540	224,939

Note 1:

For the details, please refer to the announcement of the Company dated 2 November 2017, 17 April 2018, 23 April 2018, 18 May 2018, 23 May 2018, 13 June 2018, 20 June 2018, 26 June 2018 and 5 July 2018

附註1：

有關詳情，請參閱本公司日期為2017年11月2日、2018年4月17日、2018年4月23日、2018年5月18日、2018年5月23日、2018年6月13日、2018年6月20日、2018年6月26日及2018年7月5日之公告

### Intended use of the unutilized proceeds and/or the expected timeline

In April 2017, the Group entered in a non-legal binding memorandum of understanding (the "MOU") with a ground calcium carbonate manufacturer to form a joint venture company to extend the downstream business of calcium carbonate production in Jiangyou City, Sichuan Province, the PRC.

During FY2018, the JV partner obtained the land use approval for part of the planned production site from the Land and Resources Department of Jiangyou City and the Construction Permit on site from the relevant authority in China. In the wake of the settlement of the litigation involving the auction of the Zhangjiaba mine in July 2018, the Group and JV Partner eagerly underwent the re-negotiation of the operational details of the cooperation.

In June 2018, the Group and a joint venture partner (the "JV Partner"), who is the shareholder of the ground calcium carbonate manufacturer, entered into a joint venture agreement (the "JV agreement") in relation to formation of a joint venture company (the "JV Company") to operate the ground calcium carbonate ("GCC") production in Jiangyou City, Sichuan Province, the PRC. In August 2018, an equity joint venture company (the "JV Company") was formed as to 51% by the Group and 49% by the JV Partner in accordance with the JV agreement. The Group also made the deposit payment of approximately RMB51.6 million for acquisition of property, plant and equipment in respect of the GCC business. However, given that certain fund needs for the GCC business development plan have already been contributed by the JV Partner as opposed to the Group under the MOU, the JV Partner demanded to adjust the terms of the cooperation framework. The Group and JV Partner worked on the negotiation for over one-year. Unfortunately, the Group foresees that there is a very low chance of it making a deal with the JV Partner. Despite this setback, the Group is still digging its heel in the GCC business which allows the Group to achieve product diversification and result in a synergy. The Group is exploring other alternatives to develop the GCC business. As at 31 December 2019, the Group expects that the intended use of unutilized proceeds will be applied to the GCC business and general working capital of the Group.

### 未動用所得款項之計劃用途及／或預期時間表

於2017年4月，本集團與一名重碳酸鈣生產商訂立不具法律約束力的諒解備忘錄（「諒解備忘錄」），以成立一間合營公司於中國四川省江油市擴展碳酸鈣生產下游業務。

於2018財政年度，合營夥伴已向江油市國土資源局取得部分計劃生產場地的土地使用權審批，並自中國相關部門取得場地建造許可。於2018年7月了結涉及張家壩礦山拍賣的訴訟後，本集團與合營夥伴正積極重新磋商合作營運細節。

於2018年6月，本集團與合營夥伴（「合營夥伴」，為重碳酸鈣生產商的股東）訂立合營協議（「合營協議」），內容有關成立一間合營公司（「合營公司」）以在中國四川省江油市經營重碳酸鈣（「重碳酸鈣」）生產業務。於2018年8月，本集團與合營夥伴根據合營協議透過分別出資51%及49%成立合營公司（「合營公司」）。本集團亦就收購有關重碳酸鈣業務的物業、廠房及設備而作出按金付款約人民幣51,600,000元。然而，鑒於合營夥伴已出資滿足重碳酸鈣業務發展計劃的若干資金需求，而非本集團根據諒解備忘錄出資，因此合營夥伴要求調整合作框架條款。本集團及合營夥伴磋商超過一年。不幸的是，本集團預見與合營夥伴達成交易的機會極低。儘管遭遇挫折，本集團仍堅持推進重碳酸鈣業務，從而使本集團實現產品多樣化並產生協同效應。本集團正在探索其他替代方案以發展重碳酸鈣業務。於2019年12月31日，本集團預計未動用所得款項之計劃用途將用於本集團重碳酸鈣業務及一般營運資金。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

During FY2018, the Group made a deposit payment of approximately RMB51.3 million (equivalent to approximately HK\$60.0 million) to suppliers for the acquisition of plant and equipment in respect of the GCC business. As the negotiation of the cooperation agreement may be falling apart, the Group has withheld the delivery of the plant and equipment until further notice. The timeline of the cash deployment for the GCC business has not been determined yet.

The GCC business plan was unable to be materialized as planned for the reasons as disclosed above and dragged on for almost two years. The Group reassigned part of net proceeds for the GCC business to meet the on-going need for the general working capital of the Group, including the working capital for the existing marble business, payment for the settlement of litigation and other general administrative expenses, such as rent, salary, legal fees.

於2018財政年度，本集團就收購有關重碳酸鈣業務的廠房及設備而向供應商作出按金付款約人民幣51,300,000元（相當於約60,000,000港元）。由於合作協議磋商可能破裂，故本集團已暫停交付廠房及設備，直至進一步通知為止。重碳酸鈣業務的現金到位時間尚未確定。

由於上述披露之原因，重碳酸鈣業務計劃無法按計劃實現，且拖延了將近兩年。本集團已抽調重碳酸鈣業務所得款項淨額的部分金額以滿足本集團一般營運資金的持續需求，包括現有大理石業務的營運資金、訴訟結算付款及其他一般行政開支，如租金、工資及法律費用。

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層簡歷

### EXECUTIVE DIRECTOR

#### Zheng Yonghui

Mr. Zheng Yonghui (鄭永暉), aged 51, is an executive director of the Company. Mr. Zheng has been an executive director of the Company since 9 April 2019. Mr. Zheng has over 20 years of global business experience around many regions, including Greater China, Asia and Europe. He has worked as general manager of Guangzhou Bao Shui District Zhongjian International Co., Ltd\* (廣州保稅區中堅國際有限公司) and general manager of Hong Kong Tak Shing Trading Company Limited (香港德誠貿易有限公司). He is currently a chairman of the board of directors of Wuxi Heyoo Science and Technology Co. Ltd\* (無錫漢咏科技股份有限公司), a company listed on National Equities Exchange Quotations (NEEQ: 831007). He has accumulated rich experience in international trade and business management.

#### Zhang Jianzhong

Mr. Zhang Jianzhong (張建忠) ("Mr. Zhang"), aged 62, is an executive director of the Company. Mr. Zhang has been an executive director of the Company since 30 August 2013. Mr. Zhang is an associate professor, conferred by Ministry of Geology and Mineral Resources of the People's Republic of China, and holds a bachelor degree in Engineering and Law. Since 1991, Mr. Zhang has been involved in management work relating to stone mining, processing and marketing. From 1991 to May 2002, he worked in Wuhan Lingda Stone Materials Co., Ltd.\* (武漢翎達石材有限公司), which is a company founded by the China University of Geosciences\* (中國地質大學) and other parties in 1990, where he had taken up posts such as deputy factory director, office head and factory director. Prior to joining the Company, Mr. Zhang served as deputy general manager of Wuhan Zhongdida Assets Management Co., Ltd. (武漢中地大資產經營有限公司). Mr. Zhang has extensive expertise in geology, and sophisticated experience in stone mine exploration and development.

#### Zhang Weijun

Mr. Zhang Weijun (張衛軍) ("Mr. Zhang"), aged 61, is an executive director of the Company. Mr. Zhang has been an executive director of the Company since 24 December 2015. Mr. Zhang is primarily responsible for the business development of the Group. Mr. Zhang has around 10 years of experience in mining industry and is currently a vice president of a mining company in the PRC.

### 執行董事

#### 鄭永暉

鄭永暉先生，51歲，為本公司之執行董事。鄭先生自2019年4月9日起為本公司之執行董事。鄭先生環繞眾多地區（包括大中華、亞洲及歐洲）有逾20年的全球業務經驗。彼曾擔任廣州保稅區中堅國際有限公司之總經理及香港德誠貿易有限公司之總經理。彼目前為無錫漢咏科技股份有限公司（一間於全國中小企業股份轉讓系統掛牌上市的公司（新三板代號：831007））之董事會主席。彼於國際貿易及業務管理累積豐富經驗。

#### 張建忠

張建忠先生（「張建忠先生」），62歲，為本公司之執行董事。張建忠先生自2013年8月30日起擔任本公司之執行董事。張建忠先生為副教授，職稱由中華人民共和國地質礦產部授予，持有工學及法學學士學位。張建忠先生自1991年起從事與石材開採、加工及營銷相關的管理工作。於1991年至2002年5月間，彼於武漢翎達石材有限公司（一間由中國地質大學及其他各方於1990年成立的公司）任職，曾歷任副廠長、辦公室主任及廠長等多個職務。加入本公司前，張建忠先生擔任武漢中地大資產經營有限公司副總經理。張建忠先生具備豐富的地質專業知識，並且在石材礦山的勘查及開發方面積累了豐富的經驗。

#### 張衛軍

張衛軍先生（「張衛軍先生」），61歲，為本公司之執行董事。張衛軍先生自2015年12月24日起擔任本公司之執行董事。張衛軍先生主要負責本集團的業務發展。張衛軍先生於採礦業擁有約10年經驗，目前為中國一間採礦公司的副總裁。

## PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層簡歷

### Zhang Cuiwei

Ms. Zhang Cuiwei (張翠薇) ("Ms. Zhang"), aged 51, is an executive director of the Company. Ms. Zhang was first appointed as an executive director of the Company on 30 April 2013 and ceased to be an executive director of the Company on 14 July 2015. Ms. Zhang has been re-appointed as executive Director with effect from 1 January 2016. Ms. Zhang graduated in Foreign Languages and Literature from Jilin University of the PRC. Ms. Zhang is primarily responsible for corporate operational management and administration of the Group. Ms. Zhang has about 20 years of experience in corporate management, personnel and administration affairs.

### Zhang Mian

Mr. Zhang Mian (張勉), aged 62, is an executive director of the Company. Mr. Zhang has been an executive director of the Company since 4 February 2019. Mr. Zhang Mian graduated from South China Normal University in China and has many years of experience in journalism and communication and media management. He has worked in one of the most influential mainstream newspaper group in South China. He has also accumulated rich experience in business management in the fields of construction, decoration engineering, packaging and printing, new material development and application.

## INDEPENDENT NON-EXECUTIVE DIRECTOR

### Wang Yi Hua

Ms. Wang Yi Hua (王藝華) ("Ms. Wang"), aged 49, is an independent non-executive director of the Company. Ms. Wang has been an independent non-executive director of the Company since 28 December 2015. Ms. Wang holds a Bachelor Degree in Management from the Party School of the Central Committee of the Communist Party of China (Hubei Branch) and obtained the Qualification Certificate of Speciality and Technology approved and issued by Ministry of Personnel, PRC with speciality in intermediate level of accountancy conferred by the Ministry of Finance, PRC. Ms. Wang has over 20 years of experience in finance, accounting and relevant management gained from an investment company in the PRC.

### 張翠薇

張翠薇女士(「張女士」)，51歲，為本公司之執行董事。張女士於2013年4月30日首次獲委任為本公司之執行董事，並於2015年7月14日不再擔任本公司之執行董事。張女士自2016年1月1日起獲重新委任為執行董事。張女士畢業於中國吉林大學外國語言文學系。張女士主要負責本集團的企業運營管理及行政。張女士在企業管理、人事及行政領域擁有約20年經驗。

### 張勉

張勉先生，62歲，為本公司之執行董事。張勉先生自2019年2月4日起為本公司之執行董事。張勉先生畢業於中國華南師範大學，擁有多年的新聞傳播及媒體管理經驗。彼曾任職於華南地區其中一個最具影響力的主流報業集團。彼亦於建築、裝飾工程、包裝及印刷、新材料發展及應用領域積累了豐富的業務管理經驗。

## 獨立非執行董事

### 王藝華

王藝華女士(「王女士」)，49歲，為本公司之獨立非執行董事。王女士自2015年12月28日起擔任本公司之獨立非執行董事。王女士持有中共中央黨校函授學院湖北分院管理學士學位及獲得中國人事部批准及頒發的專業技術資格證書及中國財政部授予的中級會計專業資格。王女士於中國一間投資公司獲得逾20年財務、會計及相關管理經驗。

### Sheng Guoliang

Mr. Sheng Guoliang (盛國良) ("Mr. Sheng"), aged 52, is an independent non-executive director of the Company. Mr. Sheng has been an independent non-executive director of the Company since 28 December 2015. Mr. Sheng has completed a three years' course in Public Affairs Management at Huzhou University. Mr. Sheng has around 5 years of experience in mining industry and hotel management business, respectively.

### Yang Ruimin

Mr. Yang Ruimin (楊銳敏) ("Mr. Yang"), aged 37, is an independent non-executive director of the Company. Mr. Yang has been an independent non-executive director of the Company since 11 June 2018. Mr. Yang holds a bachelor degree in Economic and Administrative Management from PLA Nanjing Political College (中國人民解放軍南京政治學院). Mr. Yang has over 10 years of experience in human resource management in different industries.

### 盛國良

盛國良先生(「盛先生」)，52歲，為本公司之獨立非執行董事。盛先生自2015年12月28日起擔任本公司之獨立非執行董事。盛先生已修畢湖州師範學院公共事業管理三年制課程。盛先生於採礦業及酒店管理方面分別有約5年經驗。

### 楊銳敏

楊銳敏先生(「楊先生」)，37歲，為本公司之獨立非執行董事。楊先生自2018年6月11日起擔任本公司之獨立非執行董事。楊先生持有中國人民解放軍南京政治學院經濟及行政管理學士學位。楊先生於不同行業的人力資源管理擁有逾10年經驗。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain high standards of corporate governance consistent with the needs and requirements of its businesses and the best interest of all of its stakeholders. The Board believes that high standards of corporate governance provide a framework and solid foundation for the Group to safeguard the interests of shareholders and other stakeholders and enhance the shareholders' value.

The Company has complied with the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") for FY2019 except for a deviation from code provisions A.2.1, A.1.8 and E.1.2 of CG Code.

#### Deviation from A.2.1 of CG Code

Under code provision A.2.1 of CG Code, the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing. During FY2019, there is no officer carrying the title of CEO and also no chairman being appointed by the Board. The duties of the CEO are undertaken by executive directors of the Company while the independent board members assume the role and responsibility of chairman to ensure that the board is effective in its task of setting and implementing the company's direction and strategy. The Board considers that there is sufficient balance of power and the current arrangement maintains a strong management position of the Company.

#### Deviation from A.1.8 of CG Code

Under code provision of A.1.8 of CG Code, the Company should arrange appropriate insurance cover in respect of legal action against the Directors. Currently, the Company does not have insurance cover in this respect as the Board believes that, with the current internal control system and the close supervision of the management, the Director's risk of being sued or getting involved in litigation in their capacity as a director of the Company is relatively low. Nevertheless, the Board will review the need for insurance cover from time to time.

### 企業管治常規

本公司致力達致及維持高水平的企業管治，使之與其業務需要及需求一致，並符合其所有利益相關人士的最佳利益。董事會相信，高水平的企業管治為本集團提供框架及穩固的基礎，以保障股東及其他利益相關人士的權益及提升股東價值。

本公司於2019財政年度一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治守則及企業管治報告（「企業管治守則」），惟與企業管治守則的守則條文第A.2.1、A.1.8及E.1.2條有所偏離。

#### 偏離企業管治守則第A.2.1條

根據企業管治守則的守則條文第A.2.1條規定，主席及行政總裁（「行政總裁」）的角色應予區分及不應由同一人擔任。主席及行政總裁之間的職責分工應清晰確立及以書面形式載列。於2019財政年度，並無高級人員出任行政總裁一職及董事會尚未委任主席。本公司執行董事將承擔行政總裁的職責，而獨立董事會成員承擔主席的職責及責任以確保董事會有效設定及執行本公司的決策及策略。董事會認為已有足夠的權力均衡及目前的安排可維持本公司管理層的強勢地位。

#### 偏離企業管治守則第A.1.8條

根據企業管治守則的守則條文第A.1.8條規定，本公司應就針對董事的法律訴訟安排適當保險。由於董事會相信現有內部監控制度及管理層密切監管的情況下，各董事因董事身份而被控告或牽涉於訴訟之風險偏低，故本公司並無就此作投保安排。儘管如此，董事會將不時檢討投保需要。



### Deviation from E.1.2 of CG Code

Under the code provision of E.1.2 of CG Code, the chairman of the Board should attend the annual general meeting. The Board elected an executive Director, Mr. Zheng Yonghui, to attend and chair the annual general meeting.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions by the Directors. Having made specific enquiries with all directors of the Company (the "Board" or "Directors"), all Directors confirmed that they have complied with the required standards set out in the Model Code and its own code of conduct regarding directors' securities transaction throughout the year ended 31 December 2019.

### BOARD OF DIRECTORS

#### (I) Composition of the Board

The Board has maintained a balance of skills and experience appropriate for the business requirements and objectives of the Group and for the exercise of independent judgment. The Board currently comprises five executive Directors and three independent non-executive Directors. Each Director of the Company has been appointed on the strength of his/her caliber, experience, professional qualification and potential to contribute to the proper guidance of the Group and its businesses.

The composition of the Board was set out below:

#### Executive Directors

Mr. Zheng Yonghui (appointed on 9 April 2019)  
Mr. Zhang Jianzhong  
Mr. Zhang Weijun  
Ms. Zhang Cuiwei  
Mr. Zhang Mian (appointed on 4 February 2019)

#### Independent Non-executive Directors

Ms. Wang Yihua  
Mr. Sheng Guoliang  
Mr. Yang Ruimin

During FY2019, to the best knowledge of the Company, there was no financial, business or family relationship among the members of the Board.

### 偏離企業管治守則第E.1.2條

根據企業管治守則的守則條文第E.1.2條規定，董事會主席應出席股東週年大會。董事會選任執行董事鄭永暉先生出席並主持股東週年大會。

### 董事的證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為其本身有關董事進行證券交易的操守準則。經向本公司全體董事（「董事會」或「董事」）作出具體查詢後，全體董事已確認，彼等於截至2019年12月31日止整個年度內一直遵守標準守則所載的規定標準及其本身有關董事進行證券交易的操守準則。

### 董事會

#### (I) 董事會的組成

董事會一直在本集團業務需要及目標與行使獨立判斷所適用的技巧與經驗之間維持必要的平衡。目前，董事會包括五名執行董事及三名獨立非執行董事。本公司每名董事均按其才幹、經驗、專業資格，以及其可能對本集團及其業務的適當指引所作出的貢獻而獲委任。

董事會的組成載列如下：

#### 執行董事

鄭永暉先生（於2019年4月9日獲委任）  
張建忠先生  
張衛軍先生  
張翠薇女士  
張勉先生（於2019年2月4日獲委任）

#### 獨立非執行董事

王藝華女士  
盛國良先生  
楊銳敏先生

於2019財政年度內，就本公司深知，董事會成員之間概無財務、業務或家族關係。

Pursuant to the Bye-laws of the Company (the “Bye-laws”), any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of members after his appointment and be subject to re election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re election. At each annual general meeting, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest one-third but not less than one-third) shall retire from office by rotation. Each director shall retire at least once every three years.

The biographies of the Directors are set out in “Profile of Directors and Senior Management” on pages 20 to 22 of this annual report.

### (II) Independent non-executive Directors

Each of independent non-executive Directors (the “INEDs”) was appointed for a term of three years, subject to re-election by rotation at least once every three years. The re-election of each of these INEDs who has served on the Board for more than nine years is subject to a separate resolution to be approved by shareholders.

The Company received from each of its independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board has reviewed the independent non-executive Directors and considered that all of them are independent with the definition of the Listing Rules.

The Company complied with requirements under Rule 13.10(1), Rule 3.10(2) and Rule 3.10A of the Listing Rules throughout the year ended 31 December 2019.

根據本公司之公司細則（「公司細則」），任何獲董事會委任以填補臨時空缺的董事任期將直至其獲委任後首屆股東大會為止，並可於該大會上膺選連任，而任何獲董事會委任加入現有董事會作新增成員的董事任期僅至本公司下屆股東週年大會為止，屆時將合資格膺選連任。於每屆股東週年大會上，當時三分之一的董事（或倘董事的數目並非三或三的倍數，則為最接近但不少於三分之一的數目）須輪值告退，惟各董事須每三年至少退任一次。

董事履歷載於本年報第20至22頁「董事及高級管理層履歷」。

### (III) 獨立非執行董事

各獨立非執行董事（「獨立非執行董事」）委任年期為三年，惟彼等須最少每三年輪選一次。已任職董事會超過九年的每名獨立非執行董事須經由股東通過獨立決議案批准後方可接受重選。

本公司已收到其各獨立非執行董事根據上市規則第3.13條呈交的年度獨立性確認書。董事會已評估獨立非執行董事，並認為彼等均為符合上市規則定義的獨立人士。

截至2019年12月31日止整個年度內，本公司一直遵守上市規則第13.10(1)條、第3.10(2)條及第3.10A條規定。

(III) Attendance of Directors at the board meeting and general meeting

The Directors can attend meeting in person or by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously in accordance with the Bye-laws. The company secretary of the Company (the "Company Secretary") will assist the chairman of the Board and/or executive Director to prepare the agenda of the meeting and each Director may request to include any matters in the agenda for the regular Board meetings. All Directors may seek the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters. All directors will also be provided with sufficient resources to discharge their duties, and upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expense. All minutes of Board meetings were recorded in sufficient detail, including matters considered and decisions reached by the Board and are open for inspection by Directors.

The Bye-laws contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

There were 9 board meetings and 1 general meeting held during FY2019. The attendance of each Director at the board meetings and general meeting is set out below:

Director  
董事

Mr. Zheng Yonghui (appointed on 9 April 2019)	鄭永暉先生 (於2019年4月9日獲委任)
Ms. Zhang Cuiwei	張翠薇女士
Mr. Zhang Jianzhong	張建忠先生
Mr. Zhang Weijun	張衛軍先生
Mr. Zhang Mian (appointed on 4 February 2019)	張勉先生 (於2019年2月4日獲委任)
Ms. Wang Yinhua	王藝華女士
Mr. Sheng Guoliang	盛國良先生
Mr. Yang Ruimin	楊銳敏先生

(III) 董事於董事會會議及股東大會出席率

根據公司細則，董事可親自或通過容許所有參與大會之人士彼此互相同步及即時溝通之形式（如電話、電子或其他通訊設備）出席會議。本公司公司秘書（「公司秘書」）將協助董事會主席及／或執行董事預備會議議程，而各董事均可要求將任何事宜加入董事會常務會議議程之內。全體董事均可尋求公司秘書的建議及服務，而公司秘書會定期就管治及監管事宜向董事會提供最新資料。全體董事亦將獲得充分資源以履行彼等的職責，而經過合理要求，董事可在適當情況下尋求獨立專業意見，費用由本公司承擔。所有董事會會議的記錄均充分詳細地記錄，包括董事會已考慮的事項及達致的決定，並公開予董事查閱。

公司細則載有條文，規定董事或彼等的任何聯繫人於交易中擁有重大權益時，有關董事須於批准交易的會議上放棄表決及不得計入法定人數。

於2019財政年度內，本公司已舉行9次董事會會議及1次股東大會。各董事出席董事會會議及股東大會的次數載列如下：

Attendance/Number of Meetings 出席／舉行會議次數		
Director 董事	Board meeting 董事會會議	General meeting 股東大會

Mr. Zheng Yonghui (appointed on 9 April 2019)	鄭永暉先生 (於2019年4月9日獲委任)	4/5	1/1
Ms. Zhang Cuiwei	張翠薇女士	9/9	0/1
Mr. Zhang Jianzhong	張建忠先生	9/9	0/1
Mr. Zhang Weijun	張衛軍先生	6/9	0/1
Mr. Zhang Mian (appointed on 4 February 2019)	張勉先生 (於2019年2月4日獲委任)	6/8	1/1
Ms. Wang Yinhua	王藝華女士	6/9	0/1
Mr. Sheng Guoliang	盛國良先生	9/9	0/1
Mr. Yang Ruimin	楊銳敏先生	3/9	0/1

### (IV) The Board and Management

The Board is responsible for the overall management of the Group, which includes leadership and control of the Company and oversees the Group's businesses, strategic decisions, internal control, risk management and performances. The principal functions of the Board is to (1) convene general meetings and report the Board's work at general meetings; (2) implement the resolutions passed by the shareholders in general meetings; (3) consider and approve strategies, financial objectives, annual budget, investment proposals of the Group; (4) formulate the proposals for profit distributions; (5) assume the responsibilities of corporate governance of the Group; and (6) exercise other powers, functions and duties conferred by the shareholders in general meeting. It is the responsibility of the Board to determine the appropriate corporate governance practices applicable to the Company's circumstances and to ensure processes and procedures are in place to achieve the Company's corporate governance objectives.

The management team is delegated with the authority and responsible by the Board for the day-to-day management of the Group and is accountable to the Board. The management team has overall responsibility for formulating the business strategies and development plan of the Group and is also responsible for the supervision and execution of the plans of the Group. The delegated functions and work tasks are periodically reviewed.

### (V) Board Diversity Policy

The Board has a board diversity policy (the "Policy") which sets out the approach to achieve diversity on the Board. The Company recognizes and embraces the benefits of having a diverse Board to enhance its operating results and quality of its performance.

### (IV) 董事會及管理層

董事會負責本集團整體管理，包括領導及監控本公司以及監督本集團的業務、策略決定、內部監控、風險管理及表現。董事會的主要職能為(1)召開股東大會並於股東大會上匯報董事會工作；(2)執行股東於股東大會上通過的決議案；(3)考慮及批准本集團的策略、財務目標、年度預算、投資方案；(4)制定溢利分派的方案；(5)承擔本集團的企業管治責任；及(6)行使股東於股東大會上賦予的其他權力、職能及職責。董事會的責任為釐定適用於本公司情況的恰當企業管治常規，並確保已制定程序及手續以實現本公司的企業管治目標。

管理層團隊獲董事會授予關於本集團日常管理的權限及責任，並對董事會負責。管理層團隊整體上負責制定本集團的業務策略及發展計劃，並負責監督及執行本集團的計劃。本公司會對授權職能及工作任務定期進行檢討。

### (V) 董事會成員多元化政策

董事會設有董事會成員多元化政策（「該政策」），當中載列實現董事會成員多元化的方法。本公司明白並深信董事會成員多元化對提升本公司的營運業績及表現質素裨益良多。

With a view to achieving a sustainable and balanced development, the Company sees diversity at the Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other qualities of the Directors. These differences will be considered in determining the optimum composition of the Board. All appointments of the Directors are made on meritocracy, and will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

As at the date of this annual report, the Board comprises eight Directors, amongst them, three are Independent Non-executive Directors, thereby promoting critical review and control of the management process. The Board is also characterized by significant diversity, whether considered in terms of gender, age, professional experience, skills and knowledge.

Having reviewed the Policy and the Board's composition, the nomination committee of the Company (the "Nomination Committee") considered that the requirements of the Policy had been met.

### (VI) Continuous professional development of Directors

The Directors, on an ongoing basis, will receive amendments to or updates on relevant laws, rules and regulations. In addition, the Company encourages the Directors to enroll in a wide range of professional development courses and seminars relating to the Listing Rules, Hong Kong Companies Ordinance and corporate governance practices so that they can continuously improve their relevant knowledge and skills. The Company will, if necessary, provide timely and regular trainings to the Directors to ensure that they are kept abreast with the latest requirements under the Listing Rules and corporate governance practices.

為達致可持續及均衡的發展，本公司視董事會層面日益多元化為維持競爭優勢的關鍵元素。一個真正多元化的董事會應包括並善用董事於技能、地區及行業經驗、背景、性別及其他素質等方面的差異。本公司在制定董事會成員的最佳組合時將考慮上述的差異。所有董事的委任均任人唯賢，並將充分考慮董事會成員多元化的裨益後按客觀標準衡量。

於本年報日期，董事會由八名董事組成，其中三名為獨立非執行董事，這有助嚴格檢討及監控管理程序。不論以性別、年齡、專業經驗、技能及知識等因素而言，董事會成員亦十分多元化。

經檢討該政策及董事會的組成後，本公司提名委員會（「提名委員會」）認為已符合該政策的規定。

### (VI) 董事持續專業發展

董事將持續接收有關相關法律、規則及法規的修訂或更新。此外，本公司鼓勵董事報讀與上市規則、香港公司條例及企業管治常規有關的不同類型的專業發展課程及研討會，以便彼等可持續提升其相關知識及技能。本公司將按需要為董事提供適時及定期培訓，以確保彼等緊跟上市規則及企業管治常規的最新規定。

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the chief executive officer (the “CEO”) are clearly defined and segregated to ensure independence and proper checks and balances. The Chairman focuses on the business strategy and direction of the Company and has executive responsibility, provides leadership for the Board and ensures proper and effective functioning of the Board in discharging of its responsibilities. The CEO is accountable to the Board for the overall implementation of the Company’s strategies and the co-ordination of overall business operations.

During FY2019, no officer carried the title of CEO and no chairman was appointed by the Board. The duties of the CEO are undertaken by executive directors of the Company while the independent board members assumed the role and responsibility of the chairman to ensure that the board is effective in its task of setting and implementing the company’s direction and strategy. The Board considers that there is sufficient balance of power and the current arrangement maintains a strong management position of the Company.

### BOARD COMMITTEES

#### (I) Audit Committee

The audit committee (the “Audit Committee”) of the Company has been established by the Board with specific written terms of reference and all members of the Audit Committee are INEDs.

Pursuant to the terms of reference of the Audit Committee, the primary duties of the audit committee of the Company are mainly to make recommendations to the Board on the appointment, re-appointment and removal of external auditor, the review of the financial statements and material advice in respect of financial reporting and the oversight of internal control procedures of the Group.

### 主席及行政總裁

主席及行政總裁（「行政總裁」）的角色已清晰界定及區分，以確保獨立性且能適當地互相制衡。主席負責制訂本公司的業務策略及方針，並具有執行責任、領導董事會及確保董事會在履行其職責時能正確及有效地運作。行政總裁須在全面執行本公司策略及協調整體業務營運方面向董事會負責。

於2019財政年度，概無高級人員出任行政總裁一職以及董事會亦無委任主席。行政總裁的職責由本公司執行董事承擔，而獨立董事會成員承擔主席職責，以確保董事會有效制定及執行本公司方針及策略。董事會認為已有足夠的權力均衡及目前的安排可維持本公司管理層的強勢地位。

### 董事委員會

#### (I) 審計委員會

董事會已成立本公司審計委員會（「審計委員會」），設有特定書面職權範圍。審計委員會的全體成員均為獨立非執行董事。

根據審計委員會的職權範圍，本公司審計委員會的主要職責為就委任、重新委任及罷免外聘審計師向董事會作出推薦建議、審閱財務報表、就財務報告事宜提供重大意見以及監督本集團的內部監控程序。

As at the date of this report, the Audit Committee comprises three INEDs, namely Ms. Wang Yihua, Mr. Sheng Guoliang and Mr. Yang Ruimin. Ms. Wang Yihua is the chairman of the Audit Committee.

During FY2019, the Audit Committee held 2 meetings to, including but not limited to, 1) review the annual results for the year ended 31 December 2018, 2) review the interim results for the six months ended 30 June 2019 before their submission to the Board and monitored the integrity of such financial statements, 3) review and assess the auditor's independence or objective in relation to the provision of non-audit services; 4) review the Company's financial positions, internal control and risk management systems and give suggestions to the Board and 5) meet with independent auditor to discuss the nature and scope of the audit and the areas of concern.

The composition of the Audit Committee and attendance of the members of the Audit Committee at the audit committee meeting are set out below:

**Members of Audit Committee**  
**審計委員會成員**

Ms. Wang Yihua ( <i>Chairman</i> )	王藝華女士 (主席)
Mr. Sheng Guoliang	盛國良先生
Mr. Yang Ruimin	楊銳敏先生

於本報告日期，審計委員會由三名獨立非執行董事組成，即王藝華女士、盛國良先生及楊銳敏先生。王藝華女士為審計委員會主席。

於2019財政年度內，審計委員會曾舉行2次會議以（包括但不限於）1) 審閱截至2018年12月31日止年度的年度業績，2) 於向董事會遞交截至2019年6月30日止六個月的中期業績前進行審閱並監察該等財務報表的完整性，3) 檢討及評估審計師在提供非審計服務方面的獨立性或客觀性，4) 檢討本公司的財務狀況、內部監控及風險管理系統，並向董事會提供建議及5) 與獨立審計師會晤以討論審計的性質及範圍以及關注領域。

審計委員會的組成及審計委員會成員出席審計委員會會議的次數載列如下：

**Attendance/  
Number of meeting**  
**出席／舉行會議次數**

Ms. Wang Yihua ( <i>Chairman</i> )	王藝華女士 (主席)	2/2
Mr. Sheng Guoliang	盛國良先生	2/2
Mr. Yang Ruimin	楊銳敏先生	2/2

(II) Remuneration Committee

The remuneration committee (the “Remuneration Committee”) of the Company has been established by the Board with specific written terms of reference and all members of the Remuneration Committee are INEDs.

Pursuant to the terms of reference of the Remuneration Committee, the primary duties of the Remuneration Committee are mainly to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and the senior management of the Group, review performance-based remuneration and ensure none of the Directors determine their own remuneration.

As at the date of this report, the Remuneration Committee comprises two INEDs, namely Mr. Sheng Guoliang and Mr. Yang Ruimin, and one executive Director, namely Ms. Zhang Cuiwei. Mr. Sheng Guoliang is the chairman of the Remuneration Committee

During FY2019, the Remuneration Committee held 3 meeting to approve and review the remuneration packages of the Directors and the management of the Company.

The Remuneration Committee has the delegated responsibility to determine the remuneration packages on individual executive Directors and senior management, in compliance with B.1.2 (c)(i) of CG Code.

The composition of the Remuneration Committee and attendance of the members of the Remuneration Committee at the remuneration committee meeting are set out below:

Members of Remuneration Committee 薪酬委員會成員		Attendance/ Number of meeting 出席／舉行會議次數
Mr. Sheng Guoliang (Chairman)	盛國良先生 (主席)	3/3
Mr. Yang Ruimin	楊銳敏先生	1/3
Ms. Zhang Cuiwei	張翠薇女士	3/3

(II) 薪酬委員會

董事會已成立本公司薪酬委員會（「薪酬委員會」），設有特定書面職權範圍。薪酬委員會的全體成員均為獨立非執行董事。

根據薪酬委員會的職權範圍，薪酬委員會的主要職責乃就本集團全體董事及高級管理層人員的整體薪酬政策及架構向董事會作出推薦建議、審閱以表現釐訂的薪酬，以及確保董事概無釐訂其本身的薪酬。

於本報告日期，薪酬委員會由兩名獨立非執行董事（即盛國良先生及楊銳敏先生）以及一名執行董事（即張翠薇女士）組成。盛國良先生為薪酬委員會主席。

於2019財政年度內，薪酬委員會曾舉行3次會議以批准及檢討本公司董事及管理層的薪酬待遇。

薪酬委員會獲授權負責釐定個別執行董事及高級管理層人員的薪酬待遇，以符合企業管治守則第B.1.2(c)(i)條。

薪酬委員會的組成及薪酬委員會成員出席薪酬委員會會議的次數載列如下：



(III) Nomination Committee

The nomination committee (the "Nomination Committee") of the Company has been established by the Board with specific written terms of reference.

Pursuant to the terms of reference of the Nomination Committee, the primary duties of the Nomination Committee are mainly to make recommendations to the Board on identifying individuals suitably qualified to become the Board members, considering the reappointment of the Directors and succession planning for the Directors. Details of the authority and responsibilities of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

As at the date of this report, the Nomination Committee comprises two INED, namely Mr. Yang Ruimin and Mr. Sheng Guoliang, and one executive Director, namely Ms. Zhang Cuiwei. Mr. Yang Ruimin is the chairman of the Nomination Committee.

During FY2019, the Nomination Committee held 2 meetings to nominate and make recommendation of candidates for Directors and review the structure, size and composition of the Board and concluded that members of the Board have possessed the expertise and independence to carry out the Board's functions and responsibilities.

Members of Nomination Committee  
提名委員會成員

Mr. Yang Ruimin ( <i>Chairman</i> )	楊銳敏先生 (主席)
Mr. Sheng Guoliang	盛國良先生
Ms. Zhang Cuiwei	張翠薇女士

(III) 提名委員會

董事會已成立本公司提名委員會（「提名委員會」），設有特定書面職權範圍。

根據提名委員會的職權範圍，提名委員會的主要職責為就物色具備合適資格可擔任董事會成員的人士、考慮董事重新委任及董事繼任計劃向董事會作出推薦建議。提名委員會的權限及責任的詳情可於本公司及聯交所的網站查閱。

於本報告日期，提名委員會由兩名獨立非執行董事（即楊銳敏先生及盛國良先生）及一名執行董事（即張翠薇女士）組成。楊銳敏先生為提名委員會主席。

於2019財政年度內，提名委員會曾舉行2次會議以提名董事候選人及作出相關推薦建議以及檢討董事會的架構、規模及組成，並認為董事會成員具備專業知識及獨立身份以履行董事會的職能及責任。

Attendance/  
Number of meeting  
出席／舉行會議次數

Mr. Yang Ruimin ( <i>Chairman</i> )	楊銳敏先生 (主席)	0/2
Mr. Sheng Guoliang	盛國良先生	2/2
Ms. Zhang Cuiwei	張翠薇女士	2/2

## NOMINATION POLICY

The Group adopted a nomination policy ("Nomination Policy") on 1 January 2019. A summary of this policy is disclosed as follows:

### 1. Objective

- 1.1 The Nomination Committee shall nominate suitable candidates to the Board for it to consider and make recommendations to shareholders for election as directors of the Company at general meetings or appoint him/her to fill casual vacancies.
- 1.2 The Nomination Policy helps the Nomination Committee and the Board to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's business development.

### 2. Selection Criteria

- 2.1 The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate.
  - Qualifications and experience in the relevant industries in which the Company's business is involved or is going to be involved;
  - Commitment in respect of available time and relevant interest;
  - Reputation for integrity; and
  - Diversity in all its aspects, including but not limited to gender, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

## 提名政策

本集團於2019年1月1日採納一項提名政策（「提名政策」）。該政策的概要披露如下：

### 1. 目的

- 1.1 提名委員會應向董事會提名合適的候選人以供考慮，並於股東大會就選舉有關人士擔任本公司董事或委任有關人士以填補臨時空缺向股東提供推薦建議。
- 1.2 提名政策有助提名委員會及董事會確保董事會在技能、經驗及視角多元化方面達致平衡，以切合本集團業務發展的要求。

### 2. 甄選標準

- 2.1 在評估建議候選人的合適性時，提名委員會將參考下文所列因素。
  - 本公司業務所涉及或將涉及的相關行業的資質及經驗；
  - 投入時間及相關事務關注的承諾；
  - 誠信聲譽；及
  - 董事會各方面的多元化，包括但不限於性別、文化及教育背景、種族、專業經驗、技能、知識和服務年期。

上述因素僅供參考，並非盡列所有因素，亦不具決定性作用。提名委員會可酌情提名其認為適當任何人士。

### 3. Nomination Procedures

- 3.1 The Nomination Committee shall call a meeting, and invite nominations of candidates from Board members (if any) for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members;
- 3.2 Proposed candidates will be asked to submit the necessary personal information, together with their written consent to be appointed as a director of the Company. The Nomination Committee may request candidates to provide additional information and documents, if considered necessary;
- 3.3 The Nomination Committee shall evaluate the proposed candidate's suitability with reference to the selection criteria stated above and make recommendation(s) to the Board's consideration and approval;
- 3.4 In the case of the re-election of a director at the general meeting, the Nomination Committee shall review the overall contribution of the directors to the Company and their services, their participation and performance within the Board, and whether such director still meets the needs to complement the Company's corporate strategy.

### 4 Review of the Nomination Policy

- 4.1 The Board will review the Nomination Policy from time to time.

## ACCOUNTABILITY AND AUDIT

The Board acknowledges its responsibility to prepare the Group's 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. In preparing the financial statements for the year ended 31 December 2019, the Board has selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

### 3. 提名程序

- 3.1 提名委員會應召開會議，並於會議前邀請董事會成員提名的候選人（如有）以供提名委員會審議。提名委員會亦可提名未獲董事會成員提名的候選人；
- 3.2 建議候選人須提交必要的個人資料，連同彼等獲委任為本公司董事的書面同意。提名委員會可在其認為必要的情況下要求候選人提交其他資料及文件；
- 3.3 提名委員會須參考上述甄選標準評估建議候選人的合適性，並向董事會作出推薦建議以供審批；
- 3.4 倘於股東大會上重選董事，提名委員會應審閱董事向本公司作出的整體貢獻及服務、其於董事會的參與程度及表現，及該董事是否仍滿足執行本公司企業策略的需求。

### 4 檢討提名政策

- 4.1 董事會將不時檢討提名政策。

## 問責性及審計

董事會確認其就各財政期間編製本集團財務報表的責任，以真實公允地反映本集團的事務狀況及該期間的業績及現金流量。本公司調配恰當及充裕資源以編製經審計賬目。在編製截至2019年12月31日止年度的財務報表時，董事會已選擇合適的會計政策並貫徹一致地應用、作出審慎、公允及合理的判斷及估計，並按持續經營基準編製財務報表。董事負責採取一切合理及必要步驟以保障本集團資產，以及避免和查察欺詐及其他不合規狀況。董事並不知悉有關可能導致本公司繼續按持續經營基準經營受到重大質疑的事件或狀況的任何重大不明朗因素。

## CORPORATE GOVERNANCE REPORT 企業管治報告

The Group endeavours to present a balanced, clear and comprehensible assessment of the Group's performance, position and prospects. The interim and annual results of the Company are announced in a timely manner within the limit of two months and three months, respectively, after the end of the relevant periods in accordance with the Listing Rules.

### AUDITOR'S REMUNERATION

The remuneration paid or payable for the services provided for FY2019 to Elite Partners CPA Limited ("Elite Partners") is set out below:

#### Services rendered

提供的服務

#### Fee paid/payable

已付／應付費用

RMB'000

人民幣千元

Audit of financial statements	審計財務報表	486,957
Agreed-upon procedures of interim review	約定中期審閱程序	—
Financial and tax due diligence	財務和稅務盡職調查	—
Other non-audit services	其他非審計服務	152,174
		639,131

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group established and maintained appropriate and effective risk management and internal control systems.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resource, qualifications and experience and training of staff and external advisor of the Group's accounting, internal audit and financial reporting function.

The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest.

本集團力求平衡、清晰及全面評估本集團表現、狀況及前景。本公司的中期及年度業績已按上市規則的規定，分別在有關期間結束後兩個月及三個月的限期內及時公告。

### 審計師薪酬

就2019財政年度已提供的服務而已付或應付開元信德會計師事務所有限公司（「開元信德」）的薪酬載列如下：

### 風險管理及內部監控

董事會全面負責評估及決定在達成本集團策略目標過程中所願意承擔的風險性質及程度，並確保本集團建立及維持恰當有效的風險管理及內部監控系統。

審計委員會持續檢討對本集團持續經營尤為重要的風險管理及內部監控。審計委員會將考慮本集團會計、內部審計及財務申報職能部門的資源、員工資質、經驗及培訓以及外部顧問的充足性。

本集團管理層負責設計、維持、執行及監督風險管理及內部監控系統，以確保有充足的監控措施保障本集團資產及利益相關人士的利益。

The Group has established risk management procedures to address and handle the all significant risks associate with the business of the Group. The Board would perform annual review on any significant change of the business environment and establish procedures to respond to the risks resulting from significant changes to the business environment. The risk management and internal control systems are designed to mitigate the potential losses of the business.

The management would identify the risks associated with the business of the Group by considering both internal and external factors and events which include political, economic, technology, environmental, social and staff. Each of risks has been assessed and prioritized based on their relevant impact and occurrence opportunity. The relevant risk management strategy would be applied to each type of risks according to the assessment results, type of risk management strategy has been listed as follows:

- Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risks;
- Risk avoidance: change business process or objective so as to avoid the risk;
- Risk sharing and diversification: diversify the effect of the risk or allocate to different location or product or market;
- Risk transfer: transfer ownership and liability to a third party.

The internal control systems are designed and implemented to reduce the risks associated with the business accepted by the Group and minimize the adverse impact results from the risks. The risk management and internal control system 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 FY2019, the Group has engaged an external advisory firm to perform the review on the risk management policy and procedures and carry out the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control system of the Group. There is no significant deficiency and weakness on the internal control system that may affect the financial, operational and compliance controls and risk management functions has been identified by the external advisory firm for FY2019.

本集團已建立風險管理程序以應對及處理與本集團業務有關的一切重要風險。董事會將對業務環境的任何重大變化進行年度審計，並建立程序應對業務環境之重大變化帶來的風險。風險管理及內部監控系統乃為降低業務之潛在損失而設計。

管理層將考慮包括政治、經濟、科技、環境、社會及員工在內的內部及外部因素以及事件，以識別與本集團業務有關的風險。我們將根據各項風險的影響及其發生機率評估有關風險並決定優先應對次序。有關風險管理策略將根據評估結果應用至每種類型風險，風險管理策略可分為以下類型：

- 風險自留及降低風險：接受風險的影響或本集團採取措施降低風險的影響；
- 規避風險：改變業務流程或目標以規避風險；
- 分擔及分散風險：分散有關風險的影響或將其分攤至不同地區、產品或市場；
- 轉移風險：將所有權及責任轉移至第三方。

內部監控系統之設計及實施目的乃為降低本集團承擔的業務相關風險，以及儘可能降低有關風險帶來的不利影響。風險管理及內部監控系統的設計乃為管理而非消除無法達成業務目標的風險，且僅可提供合理而非絕對保證不會出現嚴重誤報或損失。

於2019財政年度，本集團已委聘外部顧問機構對風險管理政策及程序進行審閱，並承擔內部審計職能，以確保本集團風險管理及內部監控系統的有效性及其效率。於2019財政年度，外聘顧問機構並無發現內部監控系統存在重大缺陷或不足，可影響財務、營運及合規監控及風險管理職能。

The Board reached the conclusion that the risk management and internal control system and procedures of the Group were reasonably in place and effective.

### COMPANY SECRETARY

Mr. Cheung Wai Kee ("Mr. Cheung") is the company secretary of the Company. He is the employee of the Company and has adequate knowledge on the Company to discharge his duty as the company secretary of the Company. Mr. Cheung confirmed that he has taken no less than 15 hours of relevant professional training for FY2019.

### SHAREHOLDERS' RIGHTS

#### (I) Shareholders convene an special general meeting

Pursuant to the Bye-laws and the Companies Act 1981 of Bermuda, any one or more registered shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the voting right at general meetings of the Company (the "Requisitionists") shall, at all times, have the right, by written requisition that must be signed by the Requisitionists to the Board deposited at the registered office of the Company to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition and such meeting shall be held within three months after the deposit of such requisition. If, within 21 days of such deposit, the Board fails to proceed to convene such meeting, the Requisitionists themselves may do so in the same manner. Any reasonable expenses incurred by the Requisitionists by reason of the failure of the Board duly to convene a meeting shall be repaid to the Requisitionists by the Company.

董事會認為，本集團的風險管理以及內部監控系統及程序已屬合理有效及充分。

### 公司秘書

張蔚琦先生（「張先生」）為本公司的公司秘書。彼為本公司的僱員並對本公司有充分了解，以履行其作為本公司公司秘書的職責。張先生確認其已於2019財政年度接受不少於15小時的相關專業培訓。

### 股東權利

#### (I) 股東召開股東特別大會

根據公司細則及百慕達1981年公司法，任何於呈交要求當日持有不少於附帶於本公司股東大會上表決權利的本公司繳足股本的十分之一的一名或多名註冊股東（「要求人」）應有權隨時遞交須經要求人簽署的書面要求至本公司的註冊辦事處予董事會，要求董事會召開股東特別大會，以處理有關要求所指明的任何事務，而有關大會須於呈交有關要求後三個月內舉行。倘董事會於有關呈交起計21日內未能召開有關大會，則要求人可自行以相同方式如此行事，本公司將向要求人償付因董事會未能召開大會而產生的任何合理費用。

### (II) Procedure by which shareholders may put forward enquiries to the Board

Shareholders should send their enquiries about their shareholdings to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Shareholders may also make enquiries with the Board at the general meeting of the Company.

### (III) Shareholders put forward proposals at shareholders' meetings

There are no provisions under the Company's Bye-laws or the Companies Act 1981 of Bermuda regarding procedures for Shareholders to put forward proposals at general meetings other than a proposal of a person for election as director. Shareholders may follow the procedures set out above to convene a special general meeting for any business specified in such written requisition.

## INVESTOR RELATIONS

### (I) Constitutional documents

The Company confirmed that there has been no significant change in the Company's memorandum of associations and the Bye-laws during FY2019.

### (II) Communication with shareholders

The Board recognizes the importance of maintaining clear, timely and effective communication with the shareholders and the investors. The Board also recognizes that effective communication with the investors is the key to establish investor's confidence and to attract new investors. Therefore, the Group is committed to maintaining a high degree of transparency to ensure that the investors and the shareholders receive accurate, clear, comprehensive and timely information of the Group by the publication of annual report, interim reports, announcements and circulars. The Company also publishes all such documents on the Company's website at [www.kingstonemining.com](http://www.kingstonemining.com). The Directors and the Board committee members are available to answer questions at annual general meeting of the Company.

### (II) 股東向董事會提出查詢的程序

股東應將其對股權的疑問送交本公司的股份過戶登記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。

股東亦可於本公司的股東大會上向董事會作出查詢。

### (III) 股東於股東大會上提呈議案

本公司之公司細則或百慕達1981年公司法概無條文涉及股東在股東大會提呈議案的程序（提名候選董事的建議除外）。股東可根據上述程序召開股東特別大會以處理書面請求提出的任何事宜。

## 投資者關係

### (I) 章程文件

於2019財政年度內，本公司確認，本公司的組織章程大綱及本公司之公司細則概無任何重大變動。

### (II) 與股東的溝通

董事會認同與股東及投資者保持清晰、及時而有效溝通的重要性。董事會亦認同與投資者進行有效溝通是建立投資者信心及吸引新投資者的關鍵所在。因此，本集團致力保持高透明度，確保投資者及股東通過刊發年報、中期報告、公告及通函得到準確、清晰、完整而及時的本公司資料。本公司亦在本公司網站 [www.kingstonemining.com](http://www.kingstonemining.com) 刊發全部該等文件。董事及董事委員會成員應出席本公司的股東週年大會，並在會上解答問題。

### (III) Dividend policy

The Company adopted a dividend policy on payment of dividends on 1 January 2019. It aims at enhancing transparency of the Company and facilitating its shareholders and the potential investors of the Company to make informed investment decision relating to the Company. The Board will review the dividend policy from time to time.

While the Company intends to declare and pay dividends in the future, the payment and the amount of any dividends will depend on a number of factors, including but not limited to:

- (a) the Group's actual and expected financial performance;
- (b) the Group's expected working capital requirements, capital expenditure requirements and future expansion plans;
- (c) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (d) the Group's liquidity position;
- (e) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (f) any other factors that the board of directors of the Company deems relevant.

Shareholders will be entitled to receive such dividends pro rata according to the amounts paid up or credited as paid up on the shares. The declaration, payment, and amount of dividends will be subject to the Board's discretion.

Dividends may be paid only out of distributable profits as permitted under the relevant laws. There can be no assurance that the Company will be able to declare or distribute any dividend in the amount set out in any of the plans or at all. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

### (III) 股息政策

本公司於2019年1月1日就派付股息採納一項股息政策。該股息政策旨在提升本公司的透明度，以便本公司股東及有意投資者就本公司作出知情的投資決定。董事會將不時檢討股息政策。

儘管本公司有意於未來宣派及派付股息，惟任何股息之派付及金額將視乎多項因素而定，包括但不限於：

- (a) 本集團之實際及預期財務表現；
- (b) 本集團之預期營運資金需要、資本開支需要及未來擴張計劃；
- (c) 本公司及本集團各成員公司之保留盈利及可供分派儲備；
- (d) 本集團之流動資金狀況；
- (e) 整體經濟環境及可能對本集團之業務或財務表現及狀況構成影響之其他內在或外在因素；及
- (f) 本公司董事會視為相關之任何其他因素。

股東將有權按股份之繳足或入賬列作繳足金額比例收取有關股息。股息之宣派、派付及金額將由董事會酌情決定。

股息僅可於相關法例許可下從可供分派溢利中派付。本公司概不保證將能按任何計劃所載金額宣派或分派任何股息或根本無法宣派或分派任何股息。本公司過往股息分派記錄不可用作釐定本公司日後可能宣派或派付之股息水平之參考或基準。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### OVERVIEW

This report focuses on the disclosure of the Company's performance in respects of business integrity, green production, environmental protection, responsible production, employee development, teamwork, production safety and health, and giving back to society.

This report is prepared in accordance with the Environmental, Social and Governance ("ESG") Reporting Guide (as amended) issued by the Hong Kong Stock Exchange (the "Stock Exchange"), as set out in Appendix 27 to the Listing Rules of the Stock Exchange. Identification and disclosure of information on the Company's ESG performance is for reference by stakeholders and shareholders.

Unless otherwise stated, this ESG Report includes the business operations of the Group in both Hong Kong and China during the reporting period for the year ended 31 December 2019 (the "Reporting Period") relating to the overall performance, risks, strategies, measures and commitments of four aspects: quality of working environment, environmental protection, operating practices and community participation.

Through this ESG Report, the Group makes public and detailed disclosure and elaboration of ESG and other non-financial matters of the Company. The Group hopes that the report disclosures will provide the opportunity to review our own ESG performance and governance achievements, as well as provide a platform for the public to understand our social responsibility values and non-financial business achievements.

### OVERALL APPROACHES AND POLICIES

The Group has been persisting in creating economic benefits, promoting business development and performing its corporate social responsibility to strike a balance between all parties, while advocating corporate integrity in its pursuit of sustainable development. For our sustainable development, we are committed to:

- Ensuring the compliance with laws, regulations and standards applicable to our operations in an ethical and transparent manner;

### 概覽

本報告重點披露本公司在誠信營商、綠色生產、環境保護、責任生產、員工發展、團隊協作、安全生產與健康及社會回饋方面的表現。

本報告遵循香港聯交所（「聯交所」）上市規則附錄二十七所載，聯交所公佈的經修訂《環境、社會及管治（「環境、社會及管治」）報告指引》進行編製，識別並披露本公司環境、社會及管治方面表現的資訊供利益相關人士及股東參考。

除另有指明外，本環境、社會及管治報告涵蓋本集團在香港及中國的業務運作於截至2019年12月31日止年度的報告期間（「報告期間」），在工作環境質量、環境保護、營運常規及社區參與等四個方面之整體表現、風險、策略、措施及承諾。

本集團通過本環境、社會及管治報告對環境、社會及管治等本公司非財務事宜作公開及詳細的披露和闡述。本集團希望借助報告披露，為我們提供一個審視自身環境、社會及管治表現以及管治成果的契機，並為公眾提供深入了解我們的社會責任理念以及非財務經營成果的交流平台。

### 整體方針及政策

本集團一直秉持在創造經濟效益、推動業務發展的同時，兼顧企業社會責任，平衡各方利益，倡導誠信的企業價值觀，追求可持續發展。對於企業可持續發展，我們承諾：

- 以符合道德及透明的方式確保遵守我們營運適用的法律、法規和標準；

- Maintaining a long-term and sustainable relationship by listening to the voice of the community to understand the social needs;
- Establishing and maintaining open and transparent communications with local communities and the public on matters regarding safety, environment and community relationship; and
- Protecting the integrity, health, and benefits of stakeholders on issues such as cooperation and respect for employees, communities and environment, for the sake of being recognized as a company with sustainable development.
- 聆聽社會的心聲，藉以理解社會的需求，從而維持長期可持續的關係；
- 在安全、環境和社區關係事宜方面與當地社區和公眾建立和保持開放、透明的溝通；及
- 在合作以及尊重員工、社會及環境的議題方面保護利益相關人士的誠信、健康和福利，旨在被認可為一個可持續發展的公司。

### STAKEHOLDER ENGAGEMENT

We value our stakeholders and their feedback in regards to our businesses and ESG aspects. With the goal to strengthen the sustainability approach and performance of the Group, we put effort in maintaining a close communication with our key stakeholders, including but not limited to government and regulatory authorities, shareholders, employees, customers, suppliers, and the general public. We take stakeholders' expectations into consideration in formulating our businesses and ESG strategies by utilising diversified engagement methods and communication channels, shown as below.

### ENVIRONMENTAL

The Zhangjiaba Mine ("the Mine") located at Zhenjiang Village, Xiangshui County, Jiangyou City of Sichuan Province, China, is subject to various PRC environmental protection laws and regulations relating to a broad range of environmental protection matters, such as land rehabilitation, water and soil preservation, noise control and discharge of wastewater and pollutants. It is the Group's policy to ensure the mining activities carried out by the authorised miner are in compliance with all relevant laws and regulations.

### 利益相關人士參與

我們重視利益相關人士及其對我們業務及環境、社會及管治事宜的反饋意見。為了改善本集團的可持續發展方法和表現，我們一直努力與主要利益相關人士維持密切溝通，當中包括但不限於政府及監管機構、股東、僱員、客戶、供應商和公眾。我們透過運用下文所示的多元化參與方式及溝通渠道，在制定業務以及環境、社會及管治策略時考慮利益相關人士的期望。

### 環境

位於中國四川省江油市香水鄉鎮江村的張家壩礦山（「礦山」）受中國各項相關環保事宜（例如土地復墾、水土保持、噪音控制及廢水及污染物排放）的環境保護法例及規例監管。本集團的政策是確保經授權礦工開展的採礦活動遵守所有相關法例及規例。

## Emissions

### Air emissions

During the year of 2019, the mining operations are carried out by the authorised miner. Management considers that the emissions and wastes generated by the Group are insignificant. The major air emissions during the year is mainly the use of motor vehicles for staff to and from the mine site and the urban area. The Group concerns about the use of fuel has adverse effect to the environment and promotes car-pooling wherever possible, use tele-conference or video conference in place of face to face meetings. During the process of combustion of fuels, other air pollutants, such as nitrogen oxides ("NO<sub>x</sub>"), sulphur oxides ("SO<sub>x</sub>") and particulate matters ("PM") are also produced.

### Greenhouse gas emissions

The Group has constantly updated itself with the local legislation and standards for environmental protection and assessed whether these legislations and standards are related to the business of the Group and the Group's compliance status. The Group will continue looking for ways to reduce CO<sub>2</sub> emissions and land contamination.

## 排放

### 大氣排放

於2019年，採礦業務由經授權礦工開展。管理層認為本集團產生的排放及廢棄物並不重大。年內主要大氣排放主要來自員工使用汽車往返礦區及市區。本集團關注使用燃料對環境所產生的不利影響，因此促進在有可能時共享汽車，並使用電話會議或視像會議代替當面會議。燃料燃燒過程亦會產生氮氧化物（「NO<sub>x</sub>」）、硫氧化物（「SO<sub>x</sub>」）及懸浮微粒（「懸浮微粒」）等其他空氣污染物。

### 溫室氣體排放

本集團不斷更新本地環保法例及標準，並評估該等法例及標準是否與本集團之業務有關以及本集團合規情況。本集團將繼續尋求減少二氧化碳排放及土地污染之方法。

## Emissions data summary

## 排放數據概要

	Unit 單位	2019 2019年
<b>Air emissions</b>		
<b>大氣排放</b>		
Nitrogen Oxides (NO <sub>x</sub> )	kg	22
氮氧化物 (NO <sub>x</sub> )	千克	
Sulphur Oxides (SO <sub>x</sub> )	kg	0.1
硫氧化物 (SO <sub>x</sub> )	千克	
Respiratory suspended particles ("RSP")	kg	1.6
可吸入懸浮粒子（「可吸入懸浮粒子」）	千克	
<b>Greenhouse gas emissions</b>		
<b>溫室氣體排放</b>		
Scope 1 – Fuel combustion	Tonne	32.5
範疇一—燃料燃燒	噸	
Scope 2 – Electricity consumption	Tonne	1.3
範疇二—電力消耗	噸	
Scope 3 – Other indirect emissions	Tonne	16.5
範疇三—其他間接排放	噸	
<b>Total GHG emissions</b>	<b>Tonne</b>	<b>50.3</b>
<b>溫室氣體排放總量</b>	<b>噸</b>	
Intensity	Tonne/ employee	1.8
密度	噸／員工	

### Hazardous and non-hazardous wastes production

No hazardous wastes are produced during the daily office operation. The general office waste was mainly attributed to the domestic wastes, the Group has formulated a guideline for waste classification, reduction, reuse, recycling and disposal. Paper is one of the major non-hazardous wastes generated in the offices. The Group adopted the following practices to reduce paper waste at source, so to reduce the production of non-hazardous waste:

- Print only when needed and encourage duplex printing; and
- Re-use single-sided used papers, envelopes, folders and carton in office.

During the Reporting Period, no violation of environmental laws and regulations regarding emission of exhaust air and greenhouse gas, discharge into water and land, as well as hazardous and non-hazardous wastes that had significant impact on the Group was found. The Group also confirmed that it was not subject to governmental penalties due to any violation of aforesaid laws and regulations in the course of business during the Reporting Period.

### Use of resources

The Group utilizes resources effectively and responsibly to achieve sustainable development. The Group encourages staff to adopt environmentally responsible habits in their day to day activities, and the Group constantly measure waste production, and seek to promote use of recyclable materials.

The Group did not have problems in seeking appropriate water resources. The existing supply of water resources could satisfy the Groups needs in the aspects of volume, quality of water and the guarantee of water supply facilities. In 2019, the Group carried out measures of reduction in water consumption, recycling and utilization of industrial waste water.

### 有害及無害廢物產生

日常辦公室運作並無產生有害廢物。一般辦公室廢物主要來自生活垃圾。本集團已制定有關垃圾分類、減廢、重用、循環再造及處置的指引。紙張為辦公室產生的主要無害廢物之一。本集團採取下列措施從源頭減少浪費用紙，從而減少無害廢物產生：

- 僅於有需要時列印及鼓勵雙面打印；及
- 重複使用單面列印的辦公室紙張、信封、文件夾及紙板。

報告期間，本集團並無就任何有關廢氣及溫室氣體排放、水及土地的排污、以及產生有害及無害廢物且對本集團有重大影響的環保法律法規之違規事件。本集團亦確認於報告期間，我們業務過程中未有出現違反上述法律及法規而遭受相關政府機關處罰的情況。

### 資源利用

本集團有效利用資源，主動承擔實現可持續發展的責任。本集團鼓勵員工於日常活動中養成環保習慣，且本集團持續計量廢物產量，並致力推動可循環材料的使用。

本集團在獲取合適水源方面並無問題。現有水源供應在水量、水質及供水設施保證方面均可滿足本集團的需求。於2019年，本集團已貫徹落實節水降耗、工業廢水循環利用等措施。

The following consumption data was recorded in the year ended 31 December 2019:

Electricity consumption	21,803 kWh
Electricity consumption intensity	778 kWh per employee
Paper consumption	276 kg
Paper consumption intensity	9.9 kg per staff

截至2019年12月31日止年度錄得以下消耗數據：

電力消耗	21,803千瓦時
電力消耗密度	778千瓦時／每名員工
紙張消耗	276千克
紙張消耗密度	9.9千克／每名員工

## Environment and natural resources

As mining operators, the Group is in the business of extracting natural resources at the Zhangjiaba Mine. The Management of the Group believes every practicable effort had been made to ensure their collateral impact to the surrounding environment is kept to a minimum. Right at the planning stage of the excavation the location is set to be outside the urban planning area, and does not involve designated areas such as nature reserves, scenic spots and cultural relics (under preservation protection). Further, there are no farmlands are located near the mining sites.

It is the firm beliefs of the Management that both the effective and efficient use of energy and due care to the environment are vital for sustainable development of the Group. Hence the Group closely monitors and reviews the relevant data from time to time, minimizing the negative effect to the environment and maximizing its business development and operation at the same time.

## SOCIAL

The Group has a comprehensive personnel management system which is prepared (subject to geographical locations) in accordance with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Labour Law of the People's Republic of China《中華人民共和國勞動法》, Labour Contract Law of the People's Republic of China《中華人民共和國勞動合同法》 and other applicable laws, as well as industry practices. The system covers recruitment, rank management, remuneration, training, confidentiality and other areas. The Group ensures employees are clear about their own rights and responsibilities as they will comply with the system and carry out their work legally, in order to safeguard the interest of both parties.

## 環境及自然資源

作為礦業營運商，本集團正在從張家壩礦山開採自然資源。本集團管理層認為其已作出每項實際努力以確保將對周圍環境的附帶影響控制在最低限度。在挖掘的規劃階段，選址便已設置在城市規劃區外，不涉及自然保護區、風景名勝區及文化遺產（受保護）等指定區域。此外，礦場附近並無任何農田。

管理層堅信，能源的有效及高效使用以及對環境的應有關注對於本集團的可持續發展至關重要，因此本集團不時密切監察及審閱相關資料，將對環境的負面影響減至最低，同時最大限度地進行其業務發展及營運。

## 社會

本集團擁有一套全面的人事管理制度，相關制度（因應所在地區）根據香港法例第57章《僱傭條例》及《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及其他適用法律、以及行業慣例編製。該制度涵蓋人事招聘、職級管理、薪酬、培訓、保密守則等方面。本集團確保僱員清晰了解其權利及責任的同時，根據此制度合規合法地工作，保障雙方權益。

## Employment

Although the Group has faced challenges from a downtrend economic environment, the staff is willing to work with the Group to tackle these unfavourable, adverse conditions. The Group has established a policy to ensure that the rights of each staff member are protected no matter the circumstances. The employment contract of the Group specifies the terms including compensation and dismissal, working hours, rest periods and other benefits and welfare for our staff. Every staff member of the Group has signed the employment contract with the Group. The promotion policies of the Group are based on the performance of the relevant staff in their position on annual basis.

### Working hours, rest periods and leave paid

Five-day work arrangement is adopted to facilitate work-life balance. In addition to all rest days and statutory holidays as specified in local laws and regulations, employees are entitled to paid annual leaves, maternity leaves, paternity leaves, marriage leaves and compassionate leaves. Overtime work compensation is given to staff for doing overtime work.

### Anti-discrimination and equal opportunity

The Group actively promotes a diverse workplace where people from diverse backgrounds are valued and respected. The Group adopts equal employment opportunity policies and treats all the employees equally. Employment, remuneration and promotion are not under the influence of social identities, such as ethnicity, race, nationality, gender, religion, age, sexual orientation, political faction and marital status.

During the year ended 31 December 2019, Management of the Group was not aware of any non-compliance with the relevant employment law and regulation in both Hong Kong and PRC.

## 僱傭

雖然本集團面臨經濟環境下行所帶來的挑戰，但員工願與本集團共同面對該等不利條件。本集團已設立政策以確保各員工之權利於任何情況下得到保障。本集團僱傭合約已列明有關員工報酬及解僱、工作時間、休息期間以及其他利益及福利等條款。本集團各員工已與本集團簽訂僱傭合約。本集團的晉升政策乃基於相關員工每年於其職位之表現。

### 工作時間、休息期間以及帶薪假期

本集團採取五天工作制，以促進工作與生活的平衡。除地方法例及規例訂明的所有休息日及法定假期外，僱員可享受帶薪年假、產假、陪產假、婚假及恩恤假。僱員加班可獲得加班補償。

### 反歧視及公平機會

本集團積極推進多元化的工作場所，不同背景的人在此均享重視及尊重。本集團採納平等僱傭機會政策，對全體僱員一視同仁。僱傭、薪酬及晉升不受種族、民族出身、國籍、性別、宗教信仰、年齡、性取向、政治派別及婚姻狀況等社會特徵影響。

截至2019年12月31日止年度，本集團管理層並無知悉任何違反香港及中國相關僱傭法例及規例的情況。

		Workforce distribution 人力分配	Staff turnover rate (%) 員工流失率(%)
Total number of staff	員工總人數	28	19.6
Gender	性別		
Male	男性	20	11.4
Female	女性	8	37.5

## Health and Safety

The health and safety of employees have always been the group's priority of productions. To manage the chances for workplace incidents and to highlight the importance of health care of their employees, the Group had established various guidelines and policies. These had been included in their Staff Handbook, which is distributed to employees and enforced by their line management and human resource department. Majority of their mining workers are employed through third party agency, the Group had stipulated these agencies to ensure that they place the similar, if not higher, emphasis on the safety and health care of their employees.

Every worker is required to follow safety instructions and to train for using the equipment and/or machinery properly. A safety monitoring mechanism has been established and staff in each of production stage has been assigned to monitor the compliance of safety rules.

### Occupational health and safety statistics 職業健康及安全統計數據

Number of lost days due to work injury	因工傷而損失的工作日數
Number of work-related fatalities	因工作關係的死亡人數
Number of work injuries	工傷數目

The Management believes the Group has fully complied with law and regulations regarding the health and safety requirements of the business activities of the Group for the year ended 31 December 2019.

## Development and Training

Management believes that keeping their employees up to date with emerging trends and standards plays a fundamental role in business growth. Therefore, the Group encourages employees to continuously develop and improve their skill through training. The Group understands that training could facilitate sustainable long-term development, which is beneficial for both the Group and the employees. The Group provides training for directors regarding the Group's development and essential skills. The Group evaluates these training programmes from time to time and reviews its effectiveness. The Group encourages communication between management and employees, the Group respects and cares about employees' opinions and suggestions.

## 健康與安全

僱員的健康及安全一直是本集團生產的首要任務。為管控發生工作場所事故的可能性並強調僱員健康之重要性，本集團已制定多種指引及政策。該等指引及政策已被納入其員工手冊，該手冊分發予僱員並由其各級管理層及人力資源部門執行。其大部分採礦工人乃透過第三方代理僱用，本集團已對該等代理作出規定以確保彼等對僱員安全及健康的重視程度與本集團類似（如不會更高）。

每位工人須遵守安全指示，並接受有關正確使用設備及／或機器之培訓。本集團已設立安全監督機制並於各生產階段指派員工監督安全規則的遵守情況。

2019	2018
2019年	2018年

Nil 零	Nil 零
Nil 零	Nil 零
Nil 零	Nil 零

管理層認為，截至2019年12月31日止年度，本集團已全面遵守有關本集團業務活動健康及安全要求之法例及規例。

## 發展及培訓

管理層認為，讓僱員及時了解新興趨勢及標準在業務增長中發揮著重要作用。因此，本集團鼓勵僱員通過培訓不斷發展及提高技能。本集團認為培訓可促進可持續長期發展，對本集團及僱員均有利。本集團為董事提供有關本集團發展及基本技能的培訓。本集團不時評估該等培訓計劃，並檢討其有效性。本集團鼓勵管理層與僱員進行溝通，並尊重及重視僱員的意見及建議。

Training details of director and staff for the year ended 31 December 2019:

截至2019年12月31日止年度董事及員工的培訓詳情：

		Average training hours attended 平均參與培訓時數	No. of staff attended training 參與培訓員工人數	Percentage of staff attended training 參與培訓員工百分比
By Gender	按性別			
Male	男性	25	10	50%
Female	女性	2	3	37.5%
By Category	按類別			
Senior management	高級管理層	2	8	100%
Management	管理人員	20	1	14%
General staff	普通員工	19	4	31%

### Labour Standards

The Group is committed to uphold the labour rights of staff and has established a compliant mechanism for staff to report any labour violations. The Management believes that the Group has complied with relevant labour standards for the year ended 31 December 2019. It is always the group's policy to prohibit employment of staff members under the legal working age of 18. During the year ended 31 December 2019, no labour disputes between the company and its staff has been recorded.

### 勞工準則

本集團致力於保障員工的勞動權利，並建立員工申訴機制以報告任何違反勞動權利之情況。管理層認為，截至2019年12月31日止年度，本集團已遵守相關勞工準則。嚴禁僱用未達法定工作年齡18歲之員工是本集團一直以來的政策。截至2019年12月31日止年度，本公司與其員工之間概無任何勞動糾紛。

The Group adhere to the laws and regulations prohibiting child labour and forced labour, which mainly include the following:

本集團遵守禁止童工及強制勞工的法例及規例，主要包括以下各項：

- Employment Ordinance of HKSAR
- Labor Law of the PRC 《中華人民共和國勞動法》
- Labor Contract Law of the PRC 《中華人民共和國勞動合同法》
- Law of the PRC on Protection of Minors 《中華人民共和國未成年人保護法》
- Regulations on Prohibiting Use of Child Labor (State Council Order No.364)
- 香港特別行政區僱傭條例
- 《中華人民共和國勞動法》
- 《中華人民共和國勞動合同法》
- 《中華人民共和國未成年人保護法》
- 《禁止使用童工規定》（國務院令第364號）



### Supply chain management

The purchasing department will target suppliers with reputation in industry, and then select through quotation comparison and negotiation. The Group also performs background check to their potential miners according to effective procedures in order to prevent fraud during the selection process.

In selecting contractor and equipment suppliers, the Group takes into account various factors, such as (i) quality of services; (ii) contracting costs; (iii) safety management; and (iv) relevant qualifications (if applicable). The Group requires contractors to maintain a high standard of quality for the services provided, and to comply with and have in place adequate occupational health and safety and environmental protection procedures in accordance with the applicable laws and regulations and safety requirements imposed by the relevant PRC government authorities.

The mining activities are carried out by a reputable local qualified service provider which comply with government regulation during the year ended 31 December 2019. The Group does not foresee its source of supplies to be a potential threat to the group operation.

### Product Responsibility

The quality of products depends on the quality of the mine as the Group has not further processed the beige marble blocks. The Group facilitate customer on-site inspection and testing to ensure the quality of the marble blocks are in line with their expectations. The director believes that the Group has complied with relevant laws and regulations related to the products of the Group.

During the reporting period of 2019, the Company did not receive any complaints from customers about our products or services.

### 供應鏈管理

採購部門將面向行業內具有聲譽的供應商，然後通過報價比較及磋商進行甄選。於甄選過程中，本集團亦會按照有效程序核查潛在礦工的背景，以防止欺詐行為。

在挑選承包商及設備供應商時，本集團會考慮各項因素，例如(i)服務質素；(ii)合約成本；(iii)安全管理；及(iv)相關資質(如適用)。本集團要求承包商對所提供服務維持高質量標準，並遵守適用法例及規例以及中國相關政府部門施加的安全規定及設立充分的職業健康安全及環境保護程序。

截至2019年12月31日止年度，採礦活動由擁有良好聲譽的地方合資格服務提供商遵照政府規例進行。本集團預期其供應商資源不會對集團營運構成潛在威脅。

### 產品責任

由於本集團並無進一步加工米黃色大理石，故產品質量取決於礦山質量。本集團協助客戶進行現場檢查及測試，以確保大理石的質素符合彼等之預期。董事認為，本集團已遵守有關本集團產品之相關法例及規例。

於2019年報告期間，本公司並無收到客戶有關我們產品或服務的任何投訴。

### Anti-Corruption

With regards to compliance with relevant laws and regulations in different regions, the group maintains a code of business integrity. A system with good moral integrity and the anti-corruption mechanism is the cornerstone for the sustainable and healthy development of the group. The Group also prohibits staff from receiving gifts of excessive amount from customers and suppliers. The Group takes a zero-tolerance approach to corruption and bribery and is committed to acting professionally, fairly and with integrity in all our business dealings. Any suspicious transactions would be notified and reported to the relevant governing body by the responsible officer.

During the year ended 2019, no fraudulent practices has brought to the Group's attention during the year.

### Community Involvement

Contributing to society is a part of the Group's sustainable development strategy. The Group is committed to providing career opportunities to locals and promoting the development of the community's economy. The Group fully understands and appreciates the importance of and the need for community investment. One remarkable aspect fully appreciated by the local community is that most employees of the mine come from nearby villages. The Group is committed to developing more community investment opportunities in its development plans. Through day-to-day contact with community officials and leaders, the Group explores and examines how the Group can engage the community.

### 反貪污

本集團根據不同地區之相關法例及規例維持業務誠信守則。建立具有良好道德誠信及反貪污機制的系統乃本集團可持續健康發展之基石。本集團亦禁止員工自客戶及供應商收取數額過大之禮品。本集團對貪污及賄賂採取零容忍態度，致力以專業、公平及誠實的方式進行其所有的業務交易。專責人員將通知任何可疑交易並向相關監管機構報告。

截至2019年止年度，本集團未注意到年內有任何欺詐行為。

### 社區參與

向社會作出貢獻乃本集團可持續發展戰略之一部分。本集團致力於為當地居民提供就業機會，並促進社區經濟的發展。本集團深知並重視社區投資的重要性及需要。當地社區中非常值得贊賞的事情是礦區的大多數僱員都是來自鄰近的村莊。本集團致力於在其發展規劃中開發更多的社區投資機會。透過與社區官員及領導者的日常聯繫，本集團探索及審查本集團參與社區的方式。

# REPORT OF THE DIRECTORS

## 董事會報告

The Board hereby presents its report and the audited consolidated financial statements of the Group for the year ended 31 December 2019.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are the mining, processing and trading of the marble stones and marble-related products. During the year, there were no significant changes in the nature of the Group's principal activities.

The principal activities of the Company's major subsidiaries are set out in note 21 to the consolidated financial statements.

### BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development are provided in the Chairman Statement on pages 6 and 8 and Management Discussion and Analysis on pages 9 to 19 of this annual report.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and other comprehensive income on page 71 of this annual report.

The Directors do not recommend the payment of a dividend for the year ended 31 December 2019 (2018: Nil).

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2019 are set out in note 17 to the consolidated financial statements.

### PROPERTIES

The Group did not hold any major property development and/or sale or for investment purposes as at 31 December 2019.

### SHARE CAPITAL

Details of the movements in issued share capital of the Company during the year ended 31 December 2019 are set out in note 34 to the consolidated financial statements.

董事會謹此提呈本集團截至2019年12月31日止年度報告及經審核綜合財務報表。

### 主要業務

本公司為投資控股公司。本集團的主要業務為開採、加工及買賣大理石及大理石相關產品。於年內，本集團主要業務的性質並無重大變動。

本公司主要附屬公司的主要業務載於綜合財務報表附註21。

### 業務回顧

本集團於年內之業務回顧及本集團之未來業務發展討論載於本年報第6頁至8頁之主席報告及第9頁至19頁之管理層討論及分析。

### 業績及分派

本集團截至2019年12月31日止年度的業績載於本年報第71頁的綜合損益及其他全面收益表。

董事不建議派付截至2019年12月31日止年度的股息(2018年：無)。

### 物業、廠房及設備

本集團截至2019年12月31日止年度的物業、廠房及設備變動詳情載於綜合財務報表附註17。

### 物業

於2019年12月31日，本集團並無就發展及／或銷售或投資目的持有任何重大物業。

### 股本

本公司截至2019年12月31日止年度的已發行股本變動詳情載於綜合財務報表附註34。

## REPORT OF THE DIRECTORS 董事會報告

### PRE-EMPTIVE RIGHTS

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

### DISTRIBUTABLE RESERVES OF THE COMPANY

Details of the movements in reserves of the Group during the year ended 31 December 2019 are set out in the consolidated statements of changes in equity on page 74 of this annual report.

As at 31 December 2019, the Company's reserves available for distribution to shareholders in accordance with the Company's Bye-laws are RMB12.8 million (31 December 2018: RMB38.7 million).

### BORROWINGS

Details of the loan from a director of the Company are set out in note 31 to the consolidated financial statements.

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years are set out on page 160 of this annual report.

### DIRECTORS

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

#### Executive Directors

Mr. Zheng Yonghui (appointed on 9 April 2019)  
Ms. Zhang Cuiwei  
Mr. Zhang Jianzhong  
Mr. Zhang Wenjun  
Mr. Zhang Mian (appointed on 4 February 2019)

#### Independent Non-executive Directors

Ms. Wang Yihua  
Mr. Sheng Guoliang  
Mr. Yang Ruimin

### 優先購買權

本公司之公司細則或百慕達法例並無優先購買權條文，而將令本公司須按比例向現有股東提呈發售新股份。

### 本公司可供分派儲備

本集團截至2019年12月31日止年度的儲備變動詳情載於本年報第74頁的綜合權益變動表。

於2019年12月31日，根據本公司之公司細則，本公司可供分派予股東的儲備為人民幣12,800,000元（2018年12月31日：人民幣38,700,000元）。

### 借貸

本公司來自董事的貸款詳情載於綜合財務報表附註31。

### 五年財務摘要

本集團於過往五個財政年度之業績及資產與負債之摘要載於本年報第160頁。

### 董事

於年內及截至本報告日期的董事為：

#### 執行董事

鄭永暉先生（於2019年4月9日獲委任）  
張翠薇女士  
張建忠先生  
張衛軍先生  
張勉先生（於2019年2月4日獲委任）

#### 獨立非執行董事

王藝華女士  
盛國良先生  
楊銳敏先生

### RETIREMENT

In accordance with clause of the Company's Bye-laws, one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. A circular containing the biographical details of the director candidates eligible for re-election and the notice of annual general meeting will be sent to the shareholders of the Company.

In accordance with the Company's Bye-laws, Mr. Zhang Jianzhong, Ms. Zhang Cuiwei, Mr. Sheng Guoliang and Ms. Wang Yihua will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

### CONFIRMATION OF INDEPENDENCE

The Company has received, from each of the independent non-executive Directors, a confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors to be independent.

### CHANGES TO DIRECTORS' INFORMATION

Save as disclosed in this report, the Directors confirm that in relation to their profile, no information is required to be disclosed pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

### DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service contract with the Company for a term of three years from the date of his/her appointment. Such service contract can be determined by either party serving at least one month's notice prior to the expiry of the term.

None of the Directors (including any Director who may be proposed for re-election at the forthcoming annual general meeting) has entered into any service agreement with the Company which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### REMUNERATION OF THE DIRECTORS

The remuneration of each Director is approved at general meeting. Other emoluments will be determined by the Remuneration Committee and the Board with reference to the duties, responsibilities, performance of the Directors and the results of the Group. The remuneration of all Directors is subject to regular review and monitoring by the Remuneration Committee to ensure that the levels of their remuneration and compensation are appropriate.

Details of the remuneration of the Directors are set out in note 12 to the consolidated financial statements.

### 告退

根據本公司之公司細則條款，其時三分之一的董事應輪值退任，惟每名董事應最少每三年一次於股東週年大會上退任。一份載有合資格膺選連任的候任董事之履歷詳情及股東週年大會通告的通函將寄發予本公司股東。

根據本公司之公司細則，張建忠先生、張翠薇女士、盛國良先生及王藝華女士將輪值告退及合資格並願意於應屆股東週年大會上膺選連任。

### 確認獨立身份

本公司已接獲獨立非執行董事各自按照上市規則第3.13條發出的獨立身份確認。本公司認為，所有獨立非執行董事均為獨立人士。

### 董事資料變更

除本報告所披露者外，董事確認，就其簡介而言，概無資料須根據聯交所證券上市規則（「上市規則」）第13.51B(1)條予以披露。

### 董事服務合約

各董事已與本公司訂立服務合約，由彼等獲委任日期起計，為期三年。有關服務合約可由任何一方於任期屆滿前發出至少一個月的通知終止。

概無董事（包括可能於應屆股東週年大會提呈重選的任何董事）與本公司訂立本集團不可於一年內終止而免付賠償（法定賠償除外）的任何服務協議。

### 董事酬金

各董事的酬金乃於股東大會上批准。其他薪酬將會由薪酬委員會及董事會參考董事的職務、責任及表現以及本集團的業績釐定。全體董事的酬金須由薪酬委員會定期檢討及監督，以確保彼等的酬金及薪酬水平適合。

董事酬金詳情載於綜合財務報表附註12。

## REPORT OF THE DIRECTORS 董事會報告

### DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

The biographical details of the Directors and senior management are set out on pages 20 to 22 of this annual report.

### EMOLUMENT POLICY

The Group's emolument policies are formulated on the performance of individual employee and on the basis of the salary trends in Hong Kong and China, and will be reviewed regularly. Subject to the profitability of the Group, the Group may also distribute discretionary bonus to its employees as an incentive for their contribution to the Group. The Group has adopted a share option scheme for its employees.

### RETIREMENT BENEFIT SCHEMES

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme ("MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme in Hong Kong. The Group also participates in a defined contribution retirement scheme (the "Retirement Scheme") organized by the relevant local government authority in the PRC, under which the Group is required to contribute a specific percentage of the payroll of its employees to the Retirement Scheme. Save as disclosed above, the Group has not operated any other retirement benefits schemes for the Group's employees.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2019, the Group's five largest customers accounted for 94% (2018: 90%) of total sales of the Group and the largest customers accounted for 31% (2018: 42%) of total sales of the Group. The five largest customers are all medium-size enterprises.

During the year ended 31 December, the Group's five largest suppliers accounted for 100% (2018: 100 %) of total purchases of the Group and the largest supplier accounted for 84.5% (2018: 81.7%) of total purchases of the Group.

None of the Directors or any of their associates or any shareholders who, to the knowledge of the Directors, owns more than 5% of the Company's issued capital had any interest in the five largest customers. To the best of knowledge of the Board, it is not aware of any relationship among the major customers.

### 董事及高級管理層履歷

董事及高級管理層履歷詳情載於本年報第20至22頁。

### 薪酬政策

本集團的薪酬政策按個別僱員的表現及根據香港及中國的薪金趨勢制定，並會定期予以檢討。視乎本集團的盈利能力，本集團亦會向其僱員派發酌情花紅作為其對本集團所作出貢獻的獎勵。本集團已為其僱員採納購股權計劃。

### 退休福利計劃

根據香港強制性公積金計劃條例，本集團設有界定供款強制性公積金退休福利計劃（「強積金計劃」），目標為符合資格參與強積金計劃的香港僱員。本集團亦參與中國有關當地政府部門籌辦的界定供款退休計劃（「退休計劃」），據此，本集團須按照僱員薪金的特定百分比向退休計劃作出供款。除上文所披露者外，本集團並無為本集團僱員設立任何其他退休福利計劃。

### 主要客戶及供應商

截至2019年12月31日止年度，本集團五大客戶佔本集團總銷售的94%（2018年：90%），及最大客戶佔本集團總銷售的31%（2018年：42%）。五大客戶均為中等規模的企業。

於截至12月31日止年度，本集團五大供應商佔本集團總採購額100%（2018年：100%）及最大供應商佔本集團總採購額84.5%（2018年：81.7%）。

概無董事或彼等任何聯繫人或任何股東（就董事所知，擁有本公司已發行股本5%以上）於五大客戶中擁有任何權益。就董事會所深知，本公司並不知悉任何主要客戶間的關係。

## DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2019, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which (a) were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to provisions of Division 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors or chief executive have taken or deemed to have under such provisions of the SFO); (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 for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules to be notified to the Company and the Stock Exchange, were set out below:

### (a) Long positions in ordinary shares of the Company

Name of Director	Capacity	Number of ordinary shares of HK\$0.01 each held 所持有每股面值0.01港元之普通股數目			Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
		Direct interest	Deemed interest	Total interest	
董事姓名	身份	直接權益	視作擁有權益	總權益	
Zheng Yonghui	(a) Interest of a controlled corporation	-	287,997,542 (Note) (附註)	287,997,542	10.17%
鄭永暉	(a) 受控法團權益				
	(b) Beneficial owner (b) 實益擁有人	138,740,000	-	138,740,000	4.90%
		138,740,000	287,997,542	426,737,542	15.07%

Note:

The 287,997,542 ordinary shares of the Company were directly owned by Oasis Tycoon Investments Limited of which all interests are directly controlled by Mr. Zheng Yonghui.

附註:

本公司287,997,542股普通股由Oasis Tycoon Investments Limited直接擁有，而Oasis Tycoon Investments Limited之全部權益由鄭永暉先生直接控制。

## 董事於證券的權益

於2019年12月31日，董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中擁有(a)根據證券及期貨條例第XV部第7及第8分部之條文規定須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例有關條文董事或主要行政人員被當作或視作持有之權益及淡倉）；(b)根據證券及期貨條例第352條須載入該條例所指之登記冊之權益及淡倉；或(c)根據上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉載列如下：

### (a) 於本公司普通股之好倉

### (b) Long positions in underlying shares of the Company

Details of the interests of the Directors in the share options of the Company are separately disclosed under the section headed "Share Options".

### (c) Short position

As at 31 December 2019, none of Directors or the chief executive nor their associates had any short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations.

Save as disclosed above, at no time during the period did the Company or any of its holding company or subsidiaries participate in any arrangements to enable the Directors or chief executive (including their spouse and children under 18 years of age) to acquire any interests and short positions of shares or underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO).

## DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 December 2019 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 December 2019, none of the Directors are aware that any person (not being Directors or chief executive of the Company) has an interest or short position in the shares and underlying shares of the Company as recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO.

### (b) 於本公司相關股份的好倉

董事所持本公司購股權權益的詳情於「購股權」一節內單獨披露。

### (c) 淡倉

於2019年12月31日，概無董事或主要行政人員或彼等聯繫人於本公司或其任何相聯法團的任何股份、相關股份或債權證中擁有任何淡倉。

除上文所披露者外，本公司或其任何控股公司或附屬公司於期內任何時候並無參與任何安排，使董事或主要行政人員（包括彼等的配偶及未滿18歲子女）於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份或相關股份或債權證中購入任何權益及淡倉。

## 董事購買股份或債權證的權利

截至2019年12月31日止年度內任何時間概無授予任何董事或彼等各自的配偶或未成年子女權利以透過購買本公司股份或債權證獲得利益；彼等亦無行使任何該等權利；或本公司、其控股公司或其任何附屬公司或同系附屬公司均並非使董事有權獲得任何其他法人團體該等權利的任何安排的訂約方。

## 主要股東於證券的權益

於2019年12月31日，按照本公司根據證券及期貨條例第336條規定須存置的主要股東登記冊所記錄，董事概不知悉任何人士（並非董事或本公司主要行政人員）於本公司股份及相關股份中擁有權益或淡倉。



### SHARE OPTION SCHEME

The Company has also adopted a share option scheme on 24 January 2011 (the "2011 Option Scheme"). A summary of 2011 Option Scheme is set out below:

#### Purpose

The purpose of 2011 Option Scheme is to give the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimize their future performance and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of executives, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

#### Participants of the scheme

The Board may grant options to any person being a director (including independent non-executive director), employee, shareholder, supplier, customer, consultant, business partner and adviser of any member of the Company and their associates.

#### Maximum number of shares available for issue

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2011 Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the shares in issue of the Company as at the date of the Listing Date. Subject to as provided in the 2011 Option Scheme, the Company may seek approval from its shareholders in a general meeting to refresh the 10% limit (not exceeding 10% of the shares in issue of the Company as at the date of approval by the shareholders of the Company in a general meeting) and grant options beyond such 10% limit, but the total number of shares which may be issued under 2011 Option Scheme and any other schemes of the Group must not exceed 30% of the number of shares in issue from time to time.

### 購股權計劃

本公司亦於2011年1月24日採納一項購股權計劃（「2011年購股權計劃」）。2011年購股權計劃的概要載列如下：

#### 目的

設立2011年購股權計劃的目的是向合資格人士提供於本公司擁有個人股權的機會，並有助於激勵彼等於日後為本集團作出最佳表現及效率，及／或就彼等過去的貢獻給予獎勵，以吸引及挽留對本集團的表現、發展或成功乃屬重要及／或其貢獻有利於或將有利於本集團的表現、發展或成功的該等合資格人士或以其他方式與彼等維持持續的合作關係，另外就行政人員而言，讓本集團可吸引及挽留經驗豐富且具才能的人士及／或就其過往貢獻給予獎勵。

#### 計劃參與人士

董事會可向下列人士授予購股權：本公司任何成員公司的董事（包括獨立非執行董事）、僱員、股東、供應商、客戶、諮詢人、業務夥伴及顧問及其聯繫人。

#### 可供發行股份數目上限

因行使根據2011年購股權計劃及本集團任何其他計劃將予授出的所有購股權而可能發行的最高股份數目，合計不得超過本公司於上市日期當日已發行股份的10%，惟根據2011年購股權計劃的規定，本公司可於股東大會尋求其股東批准更新該10%上限（不得超過於股東大會上獲本公司股東批准當日本公司已發行股份的10%）；及授出超過該10%上限的購股權，惟根據2011年購股權計劃及本集團任何其他計劃而可能發行的股份總數不得超過不時已發行股份數目30%。

### Maximum entitlement of each participant

No option may be granted to any one eligible person such that the total number of shares issued and to be issued upon exercise of options granted and to be granted to that person in any 12-month period exceeds 1% of the number of shares in issue of the Company from time to time. The Company may seek approval from its shareholders in a general meeting to grant options to the eligible person exceeding 1% of the shares in issue of the Company in 12 month period up to and including the date of such further grant.

### Period of the share to be taken up under an option

An offer of the grant of an option shall remain open for acceptance by the eligible person concerned for a period of 28 days from the date of offer upon payment of HK\$1.0 for each grant of options.

### Minimum holding period of an option

Subject to the terms and conditions in the 2011 Option Scheme, the Board may determine there is no minimum period for which an option must be held before it can be exercised and no performance target which needs to be achieved by the grantee before the option can be exercised.

### Subscription price

The subscription price in respect of any particular option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option but the subscription price shall not be less than whichever is highest of (1) the nominal value of the shares; (2) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the offer date; and (3) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days (as defined in the Listing Rules) immediately preceding the date of offer.

### 各參與人士享有配額上限

本公司概不得向任何一名合資格人士授出購股權，致使在任何12個月期間內向該名人士授出及將授出的購股權獲行使時而已發行及將予發行的股份總數超過本公司不時已發行股份數目的1%。本公司可於股東大會尋求其股東批准，以向合資格人士授出超過截至進一步授出購股權之日（包括該日）止12個月期間本公司已發行股份1%的購股權。

### 股份將根據購股權獲承購的期間

授出購股權的要約應由要約日期起28日的期間內維持可供有關合資格人士於就每次授出購股權支付1.0港元後接納。

### 購股權的最短持有期限

在2011年購股權計劃的條款及條件規限下，董事會可釐定於購股權可獲行使前並無購股權必須被持有的最短期限，於購股權可獲行使前承授人亦毋須達到任何表現目標。

### 認購價

任何特定購股權的認購價須由董事會在授出有關購股權時全權酌情決定，惟該認購價不得低於(1)股份面值；(2)於要約日期聯交所每日報價表所列的股份收市價；及(3)緊接要約日期前五個營業日（定義見上市規則）股份於聯交所每日報價表所列的平均收市價三者中的最高者。

## Life of 2011 Option Scheme

The 2011 Share Option Scheme will be valid and effective for a period of 10 years from the date of adoption.

Details of outstanding and movement of share options under 2011 Option Scheme during the year ended 31 December 2019 are as follows:

## 2011年購股權計劃的期限

2011年購股權計劃將由採納日期起計10年期間內有效及生效。

截至2019年12月31日止年度，2011年購股權計劃下未行使的購股權及其變動的詳情如下：

Grantees	Date of grant		Exercise price	As at 1 January 2019	Grant during the period	Lapsed during the period	As at 31 December 2019
承授人	授出日期		行使價	於2019年1月1日	於期內授出	於期內失效	於2019年12月31日
<b>Director</b>							
<b>董事</b>							
Zhang Cuiwei	26 June 2014	note 4	HK\$1.737	1,731,663	-	-	1,731,663
張翠薇	2014年6月26日	附註4	1.737港元				
	12 January 2015	note 5	HK\$1.649	2,424,329	-	-	2,424,329
	2015年1月12日	附註5	1.649港元				
Zhang Mian	15 April 2019	note 8	HK\$0.1172	-	28,320,827	-	28,320,827
張勉	2019年4月15日	附註8	0.1172港元				
<b>Other</b>							
<b>其他</b>							
Other employees	9 June 2014	note 3	HK\$1.737	3,290,160	-	-	3,290,160
其他僱員	2014年6月9日	附註3	1.737港元				
	26 June 2014	note 4	HK\$1.737	1,731,663	-	-	1,731,663
	2014年6月26日	附註4	1.737港元				
	30 December 2014	note 6	HK\$1.634	4,848,657	-	-	4,848,657
	2014年12月30日	附註6	1.634港元				
	12 January 2015	note 5	HK\$1.649	2,424,329	-	-	2,424,329
	2015年1月12日	附註5	1.649港元				
	23 November 2017	note 7	HK\$0.0972	47,200,000	-	-	47,200,000
	2017年11月23日	附註7	0.0972港元				
	15 April 2019	note 8	HK\$0.1172	-	169,924,962	-	169,924,962
	2019年4月15日	附註8	0.1172港元				
Former Director and employee	4 November 2011	note 1,2	HK\$10.87	1,350,697	-	-	1,350,697
前董事及僱員	2011年11月4日	附註1、2	10.87港元				
				65,001,498	198,245,789	-	263,247,287
				65,001,498			263,247,287
		Vested at end of period		65,001,498			263,247,287
		於期末歸屬					

## REPORT OF THE DIRECTORS 董事會報告

Note:

1. On 24 May 2012, the Board passed a resolution that these options shall continue to be vested and be exercisable until the expiry of the option period regardless of these grantees ceased to be a Director or an employee of the Company.
2. The options were divided into three tranches exercisable from 4 November 2011, 4 November 2012 and 4 November 2013 to 3 November 2021.
3. The options were exercisable from 9 June 2014 to 8 June 2024 (both dates inclusive).
4. The options were exercisable from 26 June 2014 to 25 June 2024 (both dates inclusive).
5. The options were exercisable from 12 January 2015 to 15 December 2024 (both dates inclusive).
6. The options were exercisable from 30 December 2014 to 18 December 2024 (both dates inclusive).
7. The options were exercisable from 23 November 2017 to 22 November 2027 (both dates inclusive).
8. The options were exercisable from 15 April 2019 to 14 April 2029 (both dates inclusive).
9. The Company recorded the fair value of these share options as staff cost in the income statement. The Company will record the nominal value of the shares which is HK\$0.01 per share issued pursuant to the exercise price of the share options as additional share capital and the Company will record the excess of the exercise price of the share options over nominal value of the shares in its share premium account. Any share options which has lapsed or been cancelled will be deducted from the balance of the share options.

### MANAGEMENT CONTRACTS

Other than the service contracts with Directors, no contracts concerning the management and administration of the whole or any substantial part of any business of the Company were entered or existed during the year ended 31 December 2019.

附註：

1. 於2012年5月24日，董事會通過一項決議案，指儘管該等承授人不再擔任本公司董事或僱員，該等購股權應繼續予以歸屬及可予行使，直至購股權期間屆滿為止。
2. 該等購股權分為三期，分別由2011年11月4日、2012年11月4日及2013年11月4日起至2021年11月3日止可予行使。
3. 該等購股權於2014年6月9日至2024年6月8日（首尾兩天包括在內）可予行使。
4. 該等購股權於2014年6月26日至2024年6月25日（首尾兩天包括在內）可予行使。
5. 該等購股權於2015年1月12日至2024年12月15日（首尾兩天包括在內）可予行使。
6. 該等購股權於2014年12月30日至2024年12月18日（首尾兩天包括在內）可予行使。
7. 該等購股權於2017年11月23日至2027年11月22日（首尾兩天包括在內）可予行使。
8. 該等購股權於2019年4月15日至2029年4月14日（首尾兩天包括在內）可予行使。
9. 本公司將該等購股權的公允值作為員工成本記入收益表。本公司將把按購股權行使價發行的股份的面值（每股0.01港元）入賬為額外股本，而本公司將會把購股權行使價超出股份面值的差額記入其股份溢價賬。任何已失效或已註銷的購股權將自購股權結餘中扣除。

### 管理合約

除董事的服務合約外，截至2019年12月31日止年度，並無訂立或存有關於本公司整體或大部分業務的管理及行政合約。

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save for the related party transactions disclosed in note 38 to the consolidated financial statements, no contract of significance in relation to the business of the Group, to which the Company, its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2019.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the year ended 31 December 2019 and up to and including the date of this annual report.

### CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

At any time during the year ended 31 December 2019, there were no connected transactions or continuing connected transactions of the Company as defined under Chapter 14A of the Listing Rules, which are required to comply with any of the reporting, announcement or independent Shareholders' approval requirements under the Listing Rules. None of the related party transactions constituted a connected transaction or continuing connected transaction which should be disclosed pursuant to the Listing Rules.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct for dealing in securities of the Company by the directors. Having made specific enquiry to all the Directors, they confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the year ended 31 December 2019.

### 董事於重大合約的權益

除綜合財務報表附註38所披露之關連方交易外，於年末或截至2019年12月31日止年度內任何時間，本公司、其控股公司、其附屬公司或同系附屬公司概無參與訂立有關本集團業務，且董事直接或間接於當中擁有重大權益的重大合約。

### 董事於競爭性業務的權益

截至2019年12月31日止年度及直至本年報日期（包括該日）內任何時間，除本集團的業務外，董事概無於任何直接或間接與本集團的業務構成競爭或曾經構成競爭或現時或過往可能構成競爭的業務中擁有或曾經擁有任何權益。

### 關連交易及關聯方交易

於截至2019年12月31日止年度內任何時間，本公司並無進行上市規則第14A章所指須遵守上市規則項下的任何申報、公告或獨立股東批准規定的關連交易或持續關連交易。概無關聯方交易構成須根據上市規則予以披露之關連交易或持續關連交易。

### 證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則，作為董事買賣本公司證券的自身操守準則。經向全體董事作出特定查詢後，董事確認彼等於截至2019年12月31日止年度全年已遵守標準守則所載的規定買賣標準。

### PERMITTED INDEMNITY PROVISIONS

Pursuant to the memorandum and articles of association of the Company, the Directors, managing Directors, alternate Directors, auditors, secretary and other officers, for the time being, acting in relation to the affairs of the Company, shall be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the exertion of their duty.

The permitted indemnity provision is currently in force for the benefit of the Directors as defined and required by Section 470 of the Companies Ordinance and has been in force throughout the year ended 31 December 2019. The Company has not arranged for appropriate insurance cover for Directors' and officers' liabilities in respect to legal actions against its Directors and senior management arising out of corporate activities. The reasons for this decision is elaborated on page 23 of the corporate governance report.

### CORPORATE GOVERNANCE

Details of the Company's corporate governance practices are set out in the Corporate Governance Report of this annual report.

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

Neither the Company nor any of its subsidiaries or holding company or subsidiary of the holding company has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2019.

### EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report relating to the Share Option Scheme, the Company did not enter into any equity-linked agreements that (i) will or may result in the Company issuing Shares or (ii) require the Company to enter into any agreements that will or may result in the Company issuing Shares during the year ended 31 December 2019 or had subsisted at the end of year ended 31 December 2019.

### 獲准許彌償條文

根據本公司組織章程大綱及細則，董事、董事總經理、替任董事、審計師、秘書及當時就本公司事務行事的其他高級行政人員均可從本公司之資產就該等人士執行其職責時因所作出、發生之作為或不作為而招致或蒙受之所有訴訟、費用、收費、損失、損害及開支獲得彌償。

為董事的利益而作出之公司條例第470條所界定及規定的獲准許彌償條文現時生效及於截至2019年12月31日止年度全年一直有效。本公司並無就其董事及高級管理人員可能會面對由企業活動產生之法律行動，為董事及高級行政人員之責任作適當之投保安排。該決定之理由詳述於第23頁的企業管治報告。

### 企業管治

有關本公司企業管治常規的詳情載於本年報企業管治報告。

### 購買、贖回或出售本公司上市證券

本公司或其任何附屬公司或控股公司或控股公司的附屬公司於截至2019年12月31日止年度概無購買、出售或贖回本公司任何上市證券。

### 股本掛鈎協議

除本年報就購股權計劃所作披露外，於截至2019年12月31日止年度內或於截至2019年12月31日止年度年終時，本公司並無訂立或存在任何(i)將會或可導致本公司發行股份或(ii)要求本公司訂立任何協議將會或可導致本公司發行股份的股本掛鈎協議。

### SUFFICIENCY OF PUBLIC FLOAT

The shares of the Company were listed on 18 March 2011 on the main board of the Stock Exchange. Based on publicly available information and to the best of the Directors' knowledge, information and belief, the Company has maintained sufficient public float during the year ended 31 December 2019 and up to the date of this report of directors under the Listing Rules.

### AUDITORS

The financial statements have been audited by Elite Partners CPA Limited who retire and, being eligible, offer themselves for re-appointment in the forthcoming annual general meeting of the Company.

### AUDIT COMMITTEE

The Audit Committee, which consists of three members, all of whom are independent non-executive Directors, has reviewed the Group's consolidated financial statements for the year ended 31 December 2019, including the accounting principles and practices adopted by the Group and discussed with auditors in relation to the internal control and financial reporting matters of the Group.

On behalf of the Board  
**Zheng Yonghui**  
*Executive Director*

11 May, 2020

### 充足公眾持股量

本公司股份於2011年3月18日在聯交所主板上市。根據可供公眾查閱的資料及就董事所知、所悉及所信，於截至2019年12月31日止年度及直至本董事會報告日期，本公司一直根據上市規則維持充足的公眾持股量。

### 審計師

開元信德會計師事務所有限公司已審計財務報表，其已退任，並符合資格及願意於本公司應屆股東週年大會膺選連任。

### 審計委員會

審計委員會由三名成員組成，彼等均為獨立非執行董事。審計委員會已審閱本集團截至2019年12月31日止年度的綜合財務報表，包括本集團所採納的會計原則及常規，並與審計師討論本集團的內部監控及財務報告事宜。

代表董事會  
執行董事  
**鄭永暉**

2020年5月11日

# INDEPENDENT AUDITOR'S REPORT

## 獨立審計師報告



To the Members of China Kingstone Mining Holdings Limited  
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

### Opinion

We have audited the consolidated financial statements of China Kingstone Mining Holdings Limited and its subsidiaries (collectively referred to as "the Group") set out on pages 71 to 159, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 2019, 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.

致中國金石礦業控股有限公司列位股東  
(於開曼群島註冊成立並於百慕達存續的有限公司)

### 意見

我們已審計載於第71至159頁中國金石礦業控股有限公司及其附屬公司(統稱「貴集團」)之綜合財務報表,包括於2019年12月31日之綜合財務狀況表、截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註,包括重要會計政策概要。

我們認為,綜合財務報表根據國際會計準則理事會(「國際會計準則理事會」)頒佈之國際財務報告準則(「國際財務報告準則」)準確及公平地反映了貴集團於2019年12月31日之綜合財務狀況以及貴集團截至該日止年度之綜合財務表現及綜合現金流量,並已按照香港公司條例之披露規定妥為編製。

### 意見的基礎

我們已根據香港會計師公會(「香港會計師公會」)頒佈之香港審計準則(「香港審計準則」)進行審計。我們就該等準則承擔的責任在本報告「審計師就審計綜合財務報表須承擔的責任」一節中進一步闡述。根據香港會計師公會的《職業會計師道德守則》(「守則」),我們獨立於貴集團,並已履行守則中的其他職業道德責任。我們相信,我們所獲得之審計憑證能充足及適當地為我們的審計意見提供基礎。



## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2019. 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.

### Key Audit Matter 關鍵審計事項

#### Impairment assessment of property, plant and equipment, right-of-use assets and intangible assets 物業、廠房及設備、使用權資產以及無形資產的減值評估

As at 31 December 2019, the Group had property, plant and equipment of approximately RMB175,184,000, right-of-use assets of approximately RMB1,219,000 and a mining right classified as an intangible asset of approximately RMB41,744,000 relating to the Group's cash-generating unit regarding sale of marble and marble-related products (the "CGU"). For the year ended 31 December 2019, no impairment loss had been recognised on the Group's property, plant and equipment and intangible asset respectively. Details are set out in note 17 and 18 to the consolidated financial statements. 於2019年12月31日，貴集團的物業、廠房及設備約為人民幣175,184,000元，使用權資產約為人民幣1,219,000元，而其分類為無形資產的採礦權約為人民幣41,744,000元，採礦權與貴集團有關銷售大理石及大理石相關產品的現金產生單位（「現金產生單位」）有關。截至2019年12月31日止年度，並無就貴集團的物業、廠房及設備以及無形資產分別確認減值虧損。有關詳情載於綜合財務報表附註17及18。

The Group had engaged an independent valuer to assist the management of the Company in estimating the recoverable amount of the CGU which requires significant judgement to be made by the management of the Company.

貴集團已委聘一名獨立估值師協助貴公司管理層對須由貴公司管理層作出重大判斷的現金產生單位可收回金額作出估計。

## 關鍵審計事項

根據我們的專業判斷，關鍵審計事項為我們審計截至2019年12月31日止年度綜合財務報表中最重要的事項。我們在審計整體綜合財務報表和就此形成意見時處理此等事項，而不會就此等事項單獨發表意見。

### How the matter was addressed in our audit 我們的審計如何處理該事項

Our procedures in relation to the management's impairment assessment of property, plant and equipment and intangible asset included the following:  
我們有關管理層對物業、廠房及設備以及無形資產的減值評估的程序包括以下各項：

- We obtained cash flow forecasts prepared by the management of the Company and assessed the reasonableness of the methodology and assumptions used for the preparation of the forecasts (e.g. estimated reserves of mineral, sales volume, unit selling price, estimated expenses and discount rate etc.).
- 我們已獲得由貴公司管理層編製的現金流量預測，並已評估編製預測（例如估計礦產儲量、銷售量、銷售單價、估計開支及折現率等）所用方法及假設的合理性。
- We evaluated the competence, capabilities and objectivity of an independent valuer and the method used for estimating the recoverable amount of the CGU.
- 我們已評估獨立估值師的才幹、能力及客觀性以及估計現金產生單位可回收金額所用的方法。

### Key Audit Matter 關鍵審計事項

We had identified the impairment assessment of property, plant and equipment, right-of-use assets and intangible assets relating to the CGU as a key audit matter because significant management judgement was used in determining key assumptions.

我們已確認物業、廠房及設備、使用權資產以及與現金產生單位有關的無形資產的減值評估為一項關鍵審計事項，原因為管理層於制定關鍵假設時須作出重要判斷。

### Impairment assessment of the trade receivables 貿易應收款項的減值評估

As at 31 December 2019, the Group had trade receivables of approximately RMB59 million net of impairment.

於2019年12月31日，本集團貿易應收款項約為人民幣59,000,000元（扣除減值）。

### How the matter was addressed in our audit 我們的審計如何處理該事項

- We discussed with the independent valuer the appropriateness of the methodology and assumptions used in estimating the recoverable amount of the CGU and performed certain procedures to assess data and assumptions used by the management and the valuer in estimating the recoverable amount.
- 我們已與獨立估值師討論估計現金產生單位可收回金額時用到的方法及假設的適當性，並已執行若干程序評估管理層及估值師於估計可收回金額時所用的數據及假設。
- We checked the mathematical accuracy of calculation of the recoverable amount of the CGU.
- 我們已核實現金產生單位可收回金額計算方法的數學準確度。

Our procedures in relation to management's impairment assessment of the trade receivables as at 31 December 2019 included:

我們有關於2019年12月31日管理層對貿易應收款項所作的減值評估的程序包括以下各項：

- We understood and evaluated the key controls that the Group has implemented to manage and monitor its credit risk, and validated the control effectiveness on a sample basis;
- 了解並評估 貴集團為管理及監控其信貸風險而實施的關鍵控制措施並抽樣確認控制的有效性；
- We checked, on a sample basis, the ageing profile of the trade receivables as at 31 December 2019 to the underlying financial records and post year-end settlements to bank receipts;
- 抽樣檢查於2019年12月31日有關財務記錄內的貿易應收款項的賬齡情況及年結日後的銀行賬戶結算收據；

### Key Audit Matter 關鍵審計事項

Management performed periodic assessment on the recoverability of the trade receivables and the sufficiency of provision for impairment based on information including credit profile of different customers, ageing of the trade receivables, historical settlement records, subsequent settlement status, expected timing and amount of realisation of outstanding balances, and on-going trading relationships with the relevant customers. Management also considered forward-looking information that may impact the customers' ability to repay the outstanding balances in order to estimate the expected credit losses for the impairment assessment.

管理層根據不同客戶信用狀況、貿易應收款項的賬齡、過往結算記錄、後續結算狀況、預期時間及未償還結餘變現金額及與相關客戶的持續交易關係等資料對貿易應收款項的可收回性及減值撥備的充足性進行定期評估。管理層亦考慮可能對客戶償還尚未償還結餘的能力造成影響的前瞻性資料，以估計減值評估的預期信貸虧損。

We focused on this area due to the impairment assessment of trade receivables under the expected credit loss model involved the use of significant management judgements and estimate.

我們專注於此範疇乃由於預期信貸虧損模型下貿易應收款項之減值評估涉及對管理層所作重大判斷及估計的使用。

We had identified impairment of trade receivables as a key audit matter because significant judgements had to be made for the assessment of impairment under the expected credit loss model.

我們已確認貿易應收款項之減值為一項關鍵審計事項，原因為須作出重大判斷以評估預期信貸虧損模型下之減值。

### How the matter was addressed in our audit 我們的審計如何處理該事項

- We inquired of management for the status of each of the material trade receivables past due as at year end and corroborated explanations from management with supporting evidence, such as understood on-going business relationship with the customers based on trade records, checked historical and subsequent settlement records of and other correspondence with the customers; and
- 向管理層查詢有關於年結日已逾期的各重大貿易應收款項的狀況並以支撐證據證實管理層的解釋，如根據交易記錄了解與客戶的持續業務關係、核查與客戶的歷史及其後結算記錄及其他通訊；及
- We assessed the appropriateness of the expected credit loss provisioning methodology, examined the key data inputs on a sample basis to assess their accuracy and completeness, and challenged the assumptions, including both historical and forward-looking information, used to determine the expected credit losses.
- 評估預期信貸虧損撥備的方法是否合適、抽樣檢查主要輸入數據以評估其是否準確及完整，並對用以釐定預期信貸虧損的有關歷史及前瞻性資料的假設提出質疑。

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include 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 Directors and the Audit Committee 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 Audit Committee are responsible for overseeing the Group's financial reporting process.

### 其他資料

董事須對其他資料承擔責任。其他資料包括年報中所包含的資料，惟不包括綜合財務報表及我們就此發出的審計師報告。

我們對綜合財務報表作出的意見並未考慮其他資料。我們不對其他資料發表任何形式的核證結論。

就審計綜合財務報表而言，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中獲悉的資料存在重大不符，或是否可能存在重大錯誤陳述。倘若我們基於已完成的工作認為其他資料出現重大錯誤陳述，我們須報告該事實。我們就此並無須報告事項。

### 董事及審計委員會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佈的國際財務報告準則及香港公司條例之披露規定編製真實而公允的綜合財務報表，並負責董事認為編製綜合財務報表所必需的有關內部監控，以確保有關綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非董事有意將貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。

審計委員會須負責監督貴集團的財務報告流程。

### 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 solely to you, as a body, in accordance with our agreed terms of engagement and Section 90 of the Bermuda Companies Act 1981, 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 HKSA's 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 HKSA's, we exercise professional judgment and maintain professional skepticism 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.

### 審計師就審計綜合財務報表須承擔的責任

我們的目標是合理確定整體而言綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出包含我們意見的審計師報告。我們僅按照我們委聘的協定條款及百慕達1981年公司法第90章之規定向閣下（作為整體）報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理確定屬高層次的核證，但不能擔保根據香港審計準則進行的審計工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者根據此等綜合財務報表作出的經濟決定時，被視為重大錯誤陳述。

在根據香港審計準則進行審計的過程中，我們運用了職業判斷，在整個審計過程中保持職業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應這些風險設計及執行審計程序，獲得充足及適當的審計憑證為我們的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部監控，因此未能發現由此造成的重大錯誤陳述風險比未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 了解與審計有關的內部監控，以設計恰當的審計程序，但並非旨在對貴集團的內部監控的有效性發表意見。
- 評估所用會計政策是否恰當，以及董事所作出的會計估算和相關披露是否合理。

## INDEPENDENT AUDITOR'S REPORT 獨立審計師報告

- 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.
- 對董事採用以持續經營為基礎的會計法的恰當性作出結論。根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。倘我們認為存在重大不確定性，我們需要在審計師報告中提請注意綜合財務報表內的相關資料披露。倘若有關披露資料不足，則我們須出具非無保留意見的審計師報告。我們的結論是基於截至審計師報告日期止所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評估綜合財務報表（包括披露資料）的整體列報、架構和內容，以及綜合財務報表是否已公允地反映相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足適當的審計憑證，以就綜合財務報表發表意見。我們須負責指導、監督和執行貴集團的審計工作。我們須為我們的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.

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.

我們就（其中包括）審計工作的計劃範圍和時間、在審計過程中我們所識別的的主要審計發現（包括內部監控的重大缺失）與審計委員會進行溝通。

我們亦向審計委員會作出聲明，確認我們已遵守有關獨立性的相關道德要求，並就所有被合理認為可能影響我們獨立性的關係和其他事宜以及相關保障措施（如適用），與彼等進行溝通。

我們通過與審計委員會溝通，確定哪些是本期間綜合財務報表審計工作的最重要事項，即關鍵審計事項。我們會在審計師報告中描述這些事項，除非法律或法規不允許對某項事項作出公開披露，或在極端罕見的情況下，若有合理預期在我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

## INDEPENDENT AUDITOR'S REPORT 獨立審計師報告

The engagement partner on the audit resulting in this independent auditor's report is Siu Jimmy with practising certificate number: P05898.

負責此獨立審計師報告的審計項目項目合夥人為蕭俊武，其執業牌照號碼為P05898。

Elite Partners CPA Limited  
*Certified Public Accountants*  
Hong Kong, 11 May 2020

10/F 8 Observatory Road,  
Tsim Sha Tsui, Kowloon  
Hong Kong

開元信德會計師事務所有限公司  
執業會計師  
香港，2020年5月11日

香港  
九龍尖沙咀  
天文台道8號10樓

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 December 2019 截至2019年12月31日止年度

		Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
<b>REVENUE</b>	<b>收入</b>	7	65,689	67,719
Cost of sales	銷售成本		(61,260)	(63,170)
<b>Gross profit</b>	<b>毛利</b>		4,429	4,549
Other income and gains	其他收入及收益	8	767	14,540
(Loss)/gain on deregistration/ disposal of a subsidiary	取消註冊／出售附屬公司之 (虧損)／收益		(1,117)	566
Selling and distribution expenses	銷售及分銷開支		(2,458)	(1,210)
Impairment loss recognised on trade receivables	就貿易應收款項確認之 減值虧損	9	(28,200)	(8,307)
Administrative expenses	行政開支		(41,755)	(29,393)
Finance costs	財務成本	10	(171)	(15)
<b>LOSS BEFORE TAX</b>	<b>除稅前虧損</b>	11	(68,505)	(19,270)
Income tax	所得稅	13	-	-
<b>LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔年度虧損</b>		(68,505)	(19,270)
Other comprehensive income:	其他全面收入：			
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至 損益的項目：			
Exchange differences on translation of foreign operations	因換算海外業務產生的 匯兌差異		3,847	10,633
<b>LOSS AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔年度虧損及 全面收益總額</b>		(64,658)	(8,637)
<b>LOSS PER SHARE (RMB cents)</b> - Basic and diluted	<b>每股虧損 (人民幣分)</b> - 基本及攤薄	15	(2.4)	(0.7)



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2019 於2019年12月31日

		Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018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	17	178,732	189,365
Intangible assets	無形資產	18	41,744	43,732
Prepaid land lease payments	預付土地租賃款項	19	–	1,253
Right-of-use assets	使用權資產	20	3,878	–
Prepayment	預付款項	25(a)	51,330	51,642
			<b>275,684</b>	<b>285,992</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	23	363	369
Trade receivables	貿易應收款項	24	59,368	71,684
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	25(b)	3,774	3,941
Cash and cash equivalents	現金及現金等價物	26	49,022	65,058
			<b>112,527</b>	<b>141,052</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade payables	貿易應付款項	27	558	1,814
Obligation under finance lease	融資租賃承擔	28	–	233
Lease liabilities	租賃負債	29	1,429	–
Other payables and accruals	其他應付款項及應計費用	30	18,167	18,433
Amounts due to directors	應付董事款項	31	5,586	831
Provision for litigation	訴訟撥備	32	10,601	1,200
			<b>36,341</b>	<b>22,511</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>76,186</b>	<b>118,541</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>351,870</b>	<b>404,533</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As at 31 December 2019 於2019年12月31日

		Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	29	1,041	-
Provision for rehabilitation	復墾撥備	33	2,697	2,697
Deferred tax liabilities	遞延稅項負債	22	608	608
			4,346	3,305
<b>NET ASSETS</b>	<b>資產淨值</b>		347,524	401,228
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	34	24,435	24,435
Reserves	儲備	35	323,089	376,793
<b>TOTAL EQUITY</b>	<b>總權益</b>		347,524	401,228

The consolidated financial statements on pages 71 to 159 were approved and authorised for issue by the board of directors on 11 May 2020 and are signed on its behalf by:

第71至159頁的綜合財務報表已於2020年5月11日獲董事會批准及授權刊發，並由下列董事代表簽署：

Zhang Cuiwei  
張翠薇  
Director  
董事

Wang Yihua  
王藝華  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

		Issued capital	Share premium*	Contributed reserve*	Share option reserve*	Foreign currency translation reserve* 外幣換算儲備*	Retained profits	Total equity
		已發行股本 RMB'000 人民幣千元	股份溢價* RMB'000 人民幣千元	繳入儲備* RMB'000 人民幣千元 (附註35)	購股權儲備* RMB'000 人民幣千元 (附註36)	儲備* RMB'000 人民幣千元	保留溢利 RMB'000 人民幣千元	總權益 RMB'000 人民幣千元
At 1 January 2018	於2018年1月1日	24,435	221,144	14,480	25,115	(12,860)	137,551	409,865
Loss for the year	年度虧損	-	-	-	-	-	(19,270)	(19,270)
Exchange difference on translation of overseas operations	因換算海外業務產生的匯兌差異	-	-	-	-	10,633	-	10,633
Total comprehensive loss	全面虧損總額	-	-	-	-	10,633	(19,270)	(8,637)
At 31 December 2018	於2018年12月31日	24,435	221,144	14,480	25,115	(2,227)	118,281	401,228
Loss for the year	年度虧損	-	-	-	-	-	(68,505)	(68,505)
Exchange difference on translation of overseas operations	因換算海外業務產生的匯兌差異	-	-	-	-	3,847	-	3,847
Total comprehensive loss	全面虧損總額	-	-	-	-	3,847	(68,505)	(64,658)
Grant of share options	授出購股權	-	-	-	10,954	-	-	10,954
At 31 December 2019	於2019年12月31日	24,435	221,144	14,480	36,069	1,620	49,776	347,524

\* These reserve accounts comprise the consolidated reserves in the consolidated statement of financial position.

\* 該等儲備賬目包括綜合財務狀況表的綜合儲備。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2019 截至2019年12月31日止年度

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Loss before tax	除稅前虧損	(68,505)	(19,270)
Adjustments for:	對以下各項作出調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	12,074	13,142
Depreciation of right-of-use assets	使用權資產折舊	1,392	-
Amortisation of intangible assets	無形資產攤銷	1,988	-
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	-	34
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備之 (收益) / 虧損	(414)	1,848
Impairment loss recognised on trade receivables	就貿易應收款項確認之 減值虧損	28,200	8,307
Impairment loss recognised on other receivables	就其他應收款項確認之 減值虧損	34	-
Gain on disposal of a subsidiary	出售附屬公司之收益	-	(566)
Loss on deregistration of a subsidiary	取消註冊附屬公司之虧損	1,117	-
Exchange gain	匯兌收益	(10)	-
Gain on disposal of right-of-use assets	出售使用權資產之收益	(10)	-
Provision for litigation	訴訟撥備	9,401	-
Interest expenses	利息開支	171	15
Interest income	利息收入	(1)	(1)
Share-based payments expenses	以股份為基礎之付款開支	10,954	-
Reversal of provision for litigation	訴訟撥備撥回	-	(14,500)
Operating cash flows before movements in working capital	營運資金變動前之 經營現金流量	(3,609)	(10,991)
Decrease in prepayments, deposits and other receivables	預付款項、按金及 其他應收款項減少	139	11,895
Decrease in inventories	存貨減少	6	2,684
Increase in trade receivables	貿易應收款項增加	(14,927)	(45,456)
Decrease in trade payables	貿易應付款項減少	(1,256)	(106)
(Decrease)/increase in other payables and accruals	其他應付款項及 應計費用(減少)/增加	(426)	5,689
Payment for litigation	訴訟款項	-	(21,800)
<b>Net cash used in operating activities</b>	<b>經營活動所用現金淨額</b>	<b>(20,073)</b>	<b>(58,085)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2019 截至2019年12月31日止年度

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchases of property, plant and equipment	購買物業、廠房及設備	(2,622)	(2,812)
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	487	339
Purchases of right-of-use assets	購買使用權資產	(320)	-
Proceed on deregistration of a subsidiary	取消註冊附屬公司之所得款項	(4)	-
Interest received	已收利息	1	1
Proceed on disposal of a subsidiary	出售附屬公司所得款項	-	599
Prepayment for purchase of property, plant and equipment	購買物業、廠房及設備之預付款項	-	(51,642)
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>	<b>(2,458)</b>	<b>(53,515)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Repayments of lease liabilities	租賃負債還款	(1,324)	-
Repayments of obligation under finance lease	融資租賃承擔還款	(233)	(396)
Interest paid	已付利息	(2)	(15)
Advance from a director	董事墊款	4,665	-
<b>Net cash from/(used in) financing activities</b>	<b>融資活動所得/(所用)現金淨額</b>	<b>3,106</b>	<b>(411)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物淨減少</b>	<b>(19,425)</b>	<b>(112,011)</b>
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物	65,058	168,613
Effect of foreign exchange rate changes	匯率變動之影響	3,389	8,456
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>年終現金及現金等價物</b>	<b>49,022</b>	<b>65,058</b>
<b>Represented by</b>	<b>呈列為</b>		
Cash and cash equivalents	現金及現金等價物	49,022	65,058

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 1. GENERAL INFORMATION

China Kingstone Mining Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the production and sale of marble and marble related products, mainly in China. There were no significant changes in the nature of the Group’s principal activities during the year.

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands under the name of China Kingstone Mining Holdings Limited on 29 March 2010 and changed its domicile to Bermuda with limited liability on 10 August 2016. The registered office address of the Company is Canon’s Court, 22 Victoria Street, Hamilton HM12, Bermuda. The principal place of business of the Company in Hong Kong is located at Unit 14, 8/F, Seapower Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong.

The Company has its shares listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 18 March 2011.

The consolidated financial statements are presented in Chinese Renminbi (“RMB”), unless otherwise stated, which is also the functional currency of the Company.

### 1. 一般資料

中國金石礦業控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）主要在中國從事大理石及大理石相關產品的生產及銷售。年內，本集團主要業務的性質並無重大變動。

於2010年3月29日，本公司根據開曼群島法例第22章公司法（1961年第3號法例，經綜合及修訂），於開曼群島註冊成立為獲豁免有限公司，公司名稱為中國金石礦業控股有限公司並於2016年8月10日更改其註冊地點為百慕達並作為有限公司存續。本公司的註冊辦事處地址為Canon’s Court, 22 Victoria Street, Hamilton HM12, Bermuda。本公司的香港主要營業地址位於香港九龍科學館道1號康宏廣場北座8樓14室。

本公司之股份自2011年3月18日起於香港聯合交易所有限公司（「聯交所」）上市。

除另有指明外，此等財務報表以中國人民幣（「人民幣」）呈列。人民幣亦為本公司功能貨幣。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

#### New and Amendments to IFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to IFRSs issued by the International Accounting Standards Board (“IASB”) for the first time in the current year:

IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to IFRSs	Annual Improvements to IFRSs 2015-2017 Cycle

Except as described below, the application of the new and amendments to IFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）

#### 本年度強制生效的新訂國際財務報告準則及修訂本

本集團於本年度首次採納以下國際會計準則理事會（「國際會計準則理事會」）頒佈的新訂國際財務報告準則及修訂本：

國際財務報告準則第16號	租賃
國際財務報告詮釋委員會—詮釋第23號	所得稅處理之不確定性
國際財務報告準則第9號之修訂本	具有負補償的提前還款特性
國際會計準則第19號之修訂本	計劃修訂、縮減或結算
國際會計準則第28號之修訂本	於聯營公司及合營企業的長期權益
國際財務報告準則之修訂本	2015年至2017年週期之國際財務報告準則年度改進

除下文所述者外，於本年度應用新訂國際財務報告準則及修訂本對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載的披露並無重大影響。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

#### New and Amendments to IFRSs that are mandatorily effective for the current year

(Continued)

##### Impacts and changes in accounting policies of application on IFRS 16 Leases

The Group has applied IFRS 16 for the first time in the current year. IFRS 16 superseded IAS 17 Leases (“IAS 17”), and the related interpretations.

##### *Transition and summary of effects arising from initial application of IFRS 16*

###### Definition of a lease

The Group has elected the practical expedient to apply IFRS 16 to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in IFRS 16 in assessing whether a contract contains a lease.

### 2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

#### 本年度強制生效的新訂國際財務報告準則及修訂本（續）

##### 應用國際財務報告準則第16號租賃對會計政策的影響及變動

本集團於本年度首次應用國際財務報告準則第16號。國際財務報告準則第16號取代國際會計準則第17號租賃（「國際會計準則第17號」）及相關詮釋。

##### *初步應用國際財務報告準則第16號而產生之過渡及影響概要*

###### 租賃之定義

本集團已選擇實際權宜方法，將國際財務報告準則第16號應用於先前應用國際會計準則第17號及國際財務報告詮釋委員會－詮釋第4號釐定安排是否包括租賃識別為租賃之合約，而並無將該準則應用於先前並未識別為包含租賃之合約。因此，本集團未有重新評估於初步應用日期前已存在之合約。

就於2019年1月1日或之後訂立或修訂之合約而言，本集團根據國際財務報告準則第16號所載之規定應用租賃之定義，以評估合約是否包含租賃。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

#### New and Amendments to IFRSs that are mandatorily effective for the current year

(Continued)

#### Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

*Transition and summary of effects arising from initial application of IFRS 16 (Continued)*

As a lessee

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying IFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under IFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under IAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. relied on the assessment of whether leases are onerous by applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets as an alternative of impairment review; and
- ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

On transition, the Group has made the following adjustments upon application of IFRS 16:

The Group recognised lease liabilities of approximately RMB1,620,000 and right-of-use assets of approximately RMB2,873,000 at 1 January 2019.

### 2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

#### 本年度強制生效的新訂國際財務報告準則及修訂本（續）

#### 應用國際財務報告準則第16號租賃對會計政策的影響及變動（續）

*初步應用國際財務報告準則第16號而產生之過渡及影響概要（續）*

作為承租人

本集團於2019年1月1日透過應用國際財務報告準則第16號C8(b)(ii)過渡按相等於相關租賃負債之金額確認額外租賃負債及使用權資產。於初步應用日期之任何差額於期初保留溢利中確認，且未有重列比較資料。

於過渡時應用國際財務報告準則第16號之經修訂追溯方法時，本集團於與各租賃合約相關之範圍內，按個別租賃基準將以下實際權宜方法應用於先前根據國際會計準則第17號分類為經營租賃之租賃：

- i. 應用國際會計準則第37號撥備、或然負債及或然資產作為減值檢討的替代方法，評估租賃是否為虧損；及
- ii. 選擇不對租期於初步應用日期12個月內屆滿的租賃確認使用權資產及租賃負債；

於過渡時，本集團已於應用國際財務報告準則第16號後作出以下調整：

於2019年1月1日，本集團確認約人民幣1,620,000元的租賃負債及約人民幣2,873,000元的使用權資產。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

#### New and Amendments to IFRSs that are mandatorily effective for the current year

(Continued)

Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

*Transition and summary of effects arising from initial application of IFRS 16 (Continued)*

As a lessee (Continued)

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The lessee's incremental borrowing rate applied is 4.7%.

### 2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

#### 本年度強制生效的新訂國際財務報告準則及修訂本（續）

應用國際財務報告準則第16號租賃對會計政策的影響及變動（續）

初步應用國際財務報告準則第16號而產生之過渡及影響概要（續）

作為承租人（續）

於確認先前分類為經營租賃的租賃的租賃負債時，本集團已應用於初步應用日期相關集團實體的增量借貸利率。所應用的承租人增量借貸利率為4.7%。

RMB'000  
人民幣千元

Operating lease commitments disclosed at 31 December 2018	於2018年12月31日披露的經營租賃承擔	2,060
Less: Recognition exemption – short-term leases	減：確認豁免－短期租賃	(393)
		1,667
Lease liabilities discounted at relevant incremental borrowing rates	租賃負債按相關增量借貸利率進行貼現	(47)
		1,620
Lease liabilities at 1 January 2019	於2019年1月1日的租賃負債	1,620
Analysed as	分析為	
Current	流動	1,438
Non-current	非流動	182
		1,620

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

#### New and Amendments to IFRSs that are mandatorily effective for the current year

(Continued)

Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

Transition and summary of effects arising from initial application of IFRS 16 (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

### 2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

#### 本年度強制生效的新訂國際財務報告準則及修訂本（續）

應用國際財務報告準則第16號租賃對會計政策的影響及變動（續）

初步應用國際財務報告準則第16號而產生之過渡及影響概要（續）

作為承租人（續）

於2019年1月1日使用權資產的賬面值包括下列各項：

	Note 附註	RMB'000 人民幣千元
Right-of-use assets relating to operating leases recognised upon application of IFRS 16	於應用國際財務報告準則第16號後確認的與經營租賃有關的使用權資產	1,620
Reclassified from prepaid land lease payments	自預付土地租賃款項重新分類	(a) 1,253
		2,873
By class	按類別	
Leasehold lands	租賃土地	1,253
Leased properties	租賃物業	1,620
		2,873

Notes:

(a) Upfront payments for leasehold lands in the People's Republic of China (the "PRC") were classified as prepaid land lease payments as at 31 December 2018. Upon application of IFRS 16, the prepaid land lease payments amounting to approximately RMB1,253,000 were reclassified to right-of-use assets.

附註：

(a) 於2018年12月31日，位於中華人民共和國（「中國」）的租賃土地前期付款分類為預付土地租賃款項。待應用國際財務報告準則第16號後，預付土地租賃款項約為人民幣1,253,000元，重新分類至使用權資產。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

#### New and Amendments to IFRSs that are mandatorily effective for the current year

(Continued)

Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

Transition and summary of effects arising from initial application of IFRS 16 (Continued)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

### 2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

#### 本年度強制生效的新訂國際財務報告準則及修訂本（續）

應用國際財務報告準則第16號租賃對會計政策的影響及變動（續）

初步應用國際財務報告準則第16號而產生之過渡及影響概要（續）

於2019年1月1日，對綜合財務狀況表中確認的金額進行了如下調整。未受變更影響的項目未進行列示。

		Carrying amounts previously reported at 31 December 2018	Adjustments	Carrying amounts under IFRS 16 at 1 January 2019
		先前於2018年12月31日報告的賬面值	調整	於2019年1月1日按照國際財務報告準則第16號計量的賬面值
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Prepaid land lease payments	預付土地租賃款項	1,253	(1,253)	-
Right-of-use assets	使用權資產	-	2,873	2,873
<b>Current liabilities</b>	<b>流動負債</b>			
Lease liabilities	租賃負債	-	1,438	1,438
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	-	182	182

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 December 2019, movements in working capital have been computed based on opening statement of financial position as at 1 January 2019 as disclosed above.

附註：為報告按間接法計算的截至2019年12月31日止年度的經營活動所得現金流量，營運資金變動按如上披露的於2019年1月1日財務狀況表的期初餘額計算。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

#### New and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs and on interpretation that have been issued but are not yet effective:

IFRS 17 Amendments to IFRS 3	Insurance Contracts <sup>1</sup> Definition of Business <sup>2</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to IAS 1	Classification of Liabilities as Current or Non-current <sup>5</sup>
Amendments to IAS 1 and IAS 8	Definition of Material <sup>4</sup>
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>2</sup> Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2020

<sup>5</sup> Effective for annual periods beginning on or after 1 January 2022

In addition to the above new and amendments to IFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments the Amendments to References to the Conceptual Framework in IFRS Standards, will be effects for annual periods beginning on or after 1 January 2020.

The directors of the Company consider that the application of all new and amendments to IFRSs and IASs is unlikely to have a material impact on the Group's financial position and performance as well as disclosure in foreseeable future.

### 2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

#### 已頒佈但尚未生效之新訂及經修訂國際財務報告準則

本集團並無提早應用以下已頒佈但尚未生效的新訂國際財務報告準則及國際財務報告準則修訂本及詮釋：

國際財務報告準則第17號 國際財務報告準則第3號之 修訂本	保險合約 <sup>1</sup> 業務之定義 <sup>2</sup>
國際財務報告準則第10號及 國際會計準則第28號之 修訂本	投資方及其聯營 公司或合營企 業間之銷售或 資產注入 <sup>3</sup>
國際會計準則第1號之 修訂本	負債分類為即期 或非即期 <sup>5</sup>
國際會計準則第1號及國際 會計準則第8號之修訂本	重大之定義 <sup>4</sup>
國際財務報告準則第9號、 國際會計準則第39號及 國際財務報告準則第7號 之修訂本	利率基準改革 <sup>4</sup>

<sup>1</sup> 自2021年1月1日或之後開始之年度期間生效

<sup>2</sup> 就收購日期為於2020年1月1日或之後開始之首  
個年度期間開始當日或之後的業務合併及資產  
收購生效

<sup>3</sup> 自將予釐定之日期或之後開始之年度期間生效

<sup>4</sup> 自2020年1月1日或之後開始之年度期間生效

<sup>5</sup> 自2022年1月1日或之後開始之年度期間生效

除上述新訂國際財務報告準則及國際財務報告準則修訂本外，2018年頒佈了經修訂財務報告之概念框架。其重大修訂國際財務報告準則之概念框架指引之修訂本，將於2020年1月1日或之後開始的年度期間生效。

本公司董事認為應用全部新訂及經修訂國際財務報告準則及國際會計準則對本集團財務狀況及業績以及與可見未來的披露造成重大影響的可能性較小。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRSs, which include all applicable individual International Financial Reporting Standards, International Accounting Standards ("IAS") and interpretations issued by the International Accounting Standards Board ("IASB"), and applicable disclosure requirements of the Hong Kong Companies Ordinances and applicable disclosure requirements of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with IFRS 16 (since 1 January 2019) or IAS 17 (before application of IFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

### 3. 重大會計政策概要

編製此等綜合財務報表所應用的主要會計政策載列如下。除另有指明外，所有呈列的年度均貫徹應用該等政策。

#### 編製基準

綜合財務報表乃根據國際會計準則理事會（「國際會計準則理事會」）頒佈之國際財務報告準則（包括所有適用個別國際財務報告準則、國際會計準則（「國際會計準則」）及詮釋）以及香港公司條例的適用披露規定及香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）的適用披露規定編製。

如下文所載會計政策闡述，綜合財務報表乃於各報告期末以歷史成本基準編製。

歷史成本通常基於交換貨品及服務所得代價的公允值。

公允值為於計量日期市場參與者於有序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否可使用其他估值方法直接觀察或估計。於估計資產或負債的公允值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮的資產或負債的特點。該等綜合財務報表中作計量及／或披露用途的公允值乃按此基準釐定，惟國際財務報告準則第2號以股份為基礎的付款範疇內以股份為基礎的付款交易、國際財務報告準則第16號（自2019年1月1日起）或國際會計準則第17號（於應用國際財務報告準則第16號之前）範疇內的租賃交易以及某種程度上與公允值相似但並非公允值的計量（如國際會計準則第2號存貨中的可變現淨值或國際會計準則第36號資產減值中的使用價值）除外。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of preparation (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

#### Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

### 3. 重大會計政策概要 (續)

#### 編製基準 (續)

此外，就財務報告而言，公允值計量根據輸入數據對公允值計量之可觀察程度及輸入數據對公允值計量整體之重要性分為第1、2或3級，現載述如下：

- 第1級輸入數據為實體於計量日期就相同資產或負債於活躍市場取得之報價（未經調整）；
- 第2級輸入數據為第1級所包含之報價以外，就資產或負債可直接或間接觀察之輸入數據；及
- 第3級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載列如下：

#### 綜合入賬基準

綜合財務報表包括本公司及其附屬公司截至12月31日止之財務報表。附屬公司是指本集團對其擁有控制權的實體。當本集團承受或享有參與實體所得的可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。當本集團的現有權力賦予其目前掌控有關業務（即大幅影響實體回報的業務）時，則本集團對該實體行使權力。

在評估控制權時，本集團會考慮其潛在投票權以及其他人士持有的潛在投票權，以釐定其是否擁有控制權。在持有人能實際行使潛在投票權的情況下，方會被認為具有潛在投票權。

附屬公司在控制權轉移至本集團之日綜合入賬，而在控制權終止之日起停止綜合入賬。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of Consolidation (Continued)

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company. Total comprehensive income of subsidiaries is also attributed to the owners of the Company.

Intra-group transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### Changes in the Group's interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets, and liabilities of the subsidiary attributable to the owners of the Company.

#### Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi, which is the functional currency of the principal operating subsidiaries of the Group.

The functional currency of the Company is Hong Kong Dollars.

##### (b) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

### 3. 重大會計政策概要 (續)

#### 綜合入賬基準 (續)

損益及其他全面收益各項目均歸屬於本公司擁有人。附屬公司之全面收益總額亦歸屬於本公司擁有人。

集團內公司間之交易、結餘及未變現溢利均予以對銷。除非交易提供憑證顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。倘有需要，附屬公司之會計政策會作出調整，以確保符合本集團採納之政策。

#### 本集團於現有附屬公司權益之變動

當本集團失去對附屬公司的控制權時，則取消確認該附屬公司的資產及負債。有關收益或虧損於損益確認，並計算為以下兩者的差額 (i) 所收到代價的公允值與任何保留權益的公允值之和；及 (ii) 有關本公司擁有人應佔該附屬公司資產及負債的賬面值。

#### 外幣匯兌

##### (a) 功能及呈報貨幣

本集團旗下各實體之財務報表所包括之項目，均以該實體主要營運經濟環境之貨幣（「功能貨幣」）計算。本綜合財務報表乃以人民幣呈報，人民幣為本集團主要營運附屬公司之功能貨幣。

本公司之功能貨幣為港元。

##### (b) 各實體財務報表之交易及結餘

外幣交易於初步確認時按交易當日之匯率折算為功能貨幣。外幣資產和負債按各報告期末之匯率換算。由此換算政策產生的盈虧均於損益內入賬。



For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currency translation (Continued)

##### (c) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- (iii) All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

#### Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

### 3. 重大會計政策概要 (續)

#### 外幣匯兌 (續)

##### (c) 綜合賬目換算

本集團旗下所有實體的功能貨幣與本公司呈報貨幣不一致者，其業績和財務狀況均按以下方法換算為本公司呈報貨幣：

- (i) 各財務狀況表呈列的資產及負債，均按照該財務狀況表結算日的收市匯率換算；
- (ii) 收入及開支，均按照平均匯率換算（但若此平均匯率未能合理反映各交易日之匯率所帶來的累計影響，則按照交易日之匯率換算此等收入及開支）；及
- (iii) 所有匯兌差異，均於外幣換算儲備內確認。

在編製綜合賬目時，折算於海外實體之投資淨額和借貸而產生的匯兌差異，均於外幣換算儲備內確認。當出售海外業務時，此等匯兌差異將於綜合損益內確認為出售盈虧的一部分。

#### 物業、廠房及設備

除在建工程外，物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括其購買價及將資產達致運作狀況及地點以作擬定用途的任何直接應佔成本。

其後成本僅於與項目有關之未來經濟利益有可能將流入本集團，而項目之成本能可靠地計量時，列入資產賬面值或獨立確認為資產（倘適用）。所有其他維修及保養費用，於產生期間在損益內確認。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment (Continued)

Depreciation is provided to write off the cost of items of property, plant and equipment, other than mining infrastructure, over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method. The estimated useful lives of property, plant and equipment are as follows:

Buildings	10 – 20 years
Plant and machinery	5 – 15 years
Office equipment	5 years
Leasehold improvement	Over the lease term
Motor vehicles	4 – 10 years

Depreciation of mining infrastructure is calculated using the Units of Production ("UOP") method to write off the cost of the assets.

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

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 borrowed 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. Depreciation of these assets, on the same basis as other property, plant and equipment, commences when the assets are ready for their intended use.

### 3. 重大會計政策概要 (續)

#### 物業、廠房及設備 (續)

除開採基礎設施外，物業、廠房及設備項目會以估計使用年期及對估計剩餘價值的考慮，以直線法計算折舊以撇銷其成本。物業、廠房及設備的估計使用年期如下：

樓宇	10至20年
廠房及機器	5至15年
辦公室設備	5年
租賃物業裝修	按租期
汽車	4至10年

採礦基礎設施的折舊乃按生產單位（「生產單位」）法撇銷其資產成本計算。

本集團於各報告期末檢討及調整（倘適用）剩餘價值、可使用年期及折舊方法。

因出售物業、廠房及設備而產生之盈虧，按出售所得款項淨額與相關資產賬面值之差額，於損益內確認。

在建工程乃指在建物業、廠房及設備項目，其按成本減任何減值虧損列賬而不予折舊。成本包括直接建築成本及已於建築期間內就借入資金已資本化的借款成本。在建工程於完成並準備投入使用时重新分類為適當類別的物業、廠房及設備。該等資產於資產可作其擬定用途時開始折舊，與其他物業、廠房及設備之折舊基準相同。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Stripping costs

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 stripping activity asset and is accounted for as an addition to, or an enhancement of, the 'Mining Infrastructure' in the statement of financial position if the following criteria are met:

- (a) it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;
- (b) the entity can identify the component of the ore body for which access has been improved; and
- (c) the costs relating to the stripping activity associated with that component can be measured reliably.

Other production stripping costs are charged to the profit or loss as operating costs as they are incurred.

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 the costs of the inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is used to allocate the production stripping costs between the inventory produced and the stripping activity asset. This production measure is calculated for the identified component of the ore body and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the expected volume of waste extracted compared with the actual volume for a given volume of ore production of each component.

### 3. 重大會計政策概要 (續)

#### 剝採成本

一般而言，於生產階段產生的剝採成本視為帶來兩項利益，即生產存貨，或改善進入日後將開採礦場的通道。倘該等利益在期內以所生產存貨的方式實現，則生產剝採成本入賬為生產該等存貨的成本的一部分。

倘該等利益以改善進入日後將開採礦場的通道的方式實現，則有關成本確認為剝採活動資產，並在符合以下準則時，入賬列為財務狀況表之「開採基建」的增加或提升：

- (a) 剝採活動之相關日後經濟利益（提高礦體開採率）將有可能流入該實體；
- (b) 該實體可識別開採率已提升之礦體之組成部分；及
- (c) 能可靠地計量與該組成部分相關之剝採活動之有關成本。

其他生產剝採成本於產生時計入損益，列作營運成本。

剝採活動資產初步以成本計量，該成本乃為改善已識別礦場部分的進入通道而進行的剝採活動所直接產生的累計成本，加上直接應佔的雜項成本。

倘所生產存貨的成本及剝採活動資產不能分開識別，則以相關生產計量在所生產存貨及剝採活動資產之間分配生產剝採成本。該生產計量乃為已識別礦場部分而計算，並用作識別產生未來利益的額外活動的進度的基準。本集團將預期提取的廢物量與各部分生產某一礦量產生的實際廢物量作比較。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Stripping costs (Continued)

The stripping activity asset is subsequently depreciated using the UOP basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity. The stripping activity asset is then carried at cost less depreciation and any impairment losses.

#### Mining rights

Mining rights are stated at cost less accumulated amortisation and any impairment losses. Mining rights include the cost of acquiring mining licenses, 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.

#### Leases

Under IAS 17 (prior to 1 January 2019)

##### *The Group as lessee*

##### Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

##### Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

### 3. 重大會計政策概要 (續)

#### 剝採成本 (續)

剝採活動資產其後按生產單位基準，在因剝採活動而變得更易進入的已識別礦場部分的開採年限內進行折舊。剝採活動資產其後以成本減折舊及任何減值虧損列賬。

#### 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，於釐定勘探財產具備商業生產能力時轉撥自採礦權及資產的勘探及評估成本，以及收購現有礦業財產的採礦儲量權益的成本。採礦權以生產單位法根據各有關實體的生產計劃及礦山的證實及概略儲量，於礦山的估計可使用年期予以攤銷。倘礦業財產開採完畢，則採礦權在損益內撇銷。

#### 租賃

根據國際會計準則第17號（於2019年1月1日前）

##### 本集團作為承租人

##### 經營租賃

並無向本集團作出資產擁有權之全部風險及回報之實質轉讓之租賃獲入賬為經營租賃。租金（扣除出租人提供的任何優惠）於租期內以直線法確認為開支。

##### 融資租賃

資產所有權之全部風險及回報實質上轉移至本集團之租賃，列為融資租賃。融資租賃在租期開始時按租賃資產之公允值及最低租賃款項現值（兩者均於租賃開始時釐定）之較低者資本化。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leases (Continued)

Under IAS 17 (prior to 1 January 2019) (Continued)

#### *The Group as lessee (Continued)*

##### Finance leases (Continued)

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated the same as owned assets over the shorter of its estimated useful life and the lease term.

#### Upon the adoption of IFRS 16 on 1 January 2019

##### *Definition of a lease*

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

##### *As a lessee*

##### Short-term leases

The Group applies the short-term lease recognition exemption to leases of leasehold properties that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

### 3. 重大會計政策概要 (續)

#### 租賃 (續)

根據國際會計準則第17號 (於2019年1月1日前) (續)

本集團作為承租人 (續)

##### 融資租賃 (續)

對出租人承擔之相應負債於財務狀況表中列作應付融資租賃。租賃款項按比例分配為財務費用及削減未償付負債。財務費用在各租期內分攤，以為負債餘額得出一個貫徹之定期利率。

於融資租賃下之資產與自置資產同樣按其估計可使用年期及租期的較短者計算折舊。

#### 於2019年1月1日應用國際財務報告準則第16號後

##### 租賃的定義

倘合約就換取代價賦予在一段期間內控制已識別資產用途的權利，則該合約為租賃或包含租賃。

於初步應用日期或之後訂立或修改的合約而言，本集團根據國際財務報告準則第16號的定義於初始或修改日期評估合約是否為租賃或包含租賃。除非合約條款及條件其後有變，否則有關合約將不會進行重新評估。

##### 作為承租人

##### 短期租賃

本集團對從開始日期起計租賃期為12個月或更短的租賃物業及不包含購買選擇權的租賃應用短期租賃的確認豁免。

短期租賃的租賃款項在租賃期內採用直線法確認為開支。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leases (Continued)

Upon the adoption of IFRS 16 on 1 January 2019 (Continued)

*As a lessee (Continued)*

#### Right-of-use assets

Except for short-term leases, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- any initial direct costs incurred by the Group.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

### 3. 重大會計政策概要 (續)

#### 租賃 (續)

於2019年1月1日應用國際財務報告準則第16號後 (續)

*作為承租人 (續)*

#### 使用權資產

除短期租賃外，本集團於租賃開始日期（即相關資產可供使用的日期）確認使用權資產。使用權資產按成本減去任何累計折舊和減值虧損進行計量，並對租賃負債的任何重新計量作出調整。

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 在租賃期開始日期或之前支付的任何租賃款項，減去所取得的任何租賃優惠；及
- 本集團產生的任何初始直接成本。

就於租期結束時合理確定會取得相關租賃資產所有權的使用權資產而言，本集團將自開始日期起至使用年期結束期間計提折舊。在其他情況下，使用權資產則以直線法於其估計可使用年期與租期兩者中的較短者計提折舊。

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leases (Continued)

Upon the adoption of IFRS 16 on 1 January 2019 (Continued)

*As a lessee (Continued)*

#### Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed lease payments (including in-substance fixed payments) less any lease incentives receivable.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

#### Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

### 3. 重大會計政策概要 (續)

#### 租賃 (續)

於2019年1月1日應用國際財務報告準則第16號後 (續)

*作為承租人 (續)*

#### 租賃負債

於租賃開始日期，本集團按於該日期尚未支付之租賃款項現值確認並計量租賃負債。倘租賃隱含之利率難以釐定，則本集團使用於租賃開始日期之增量借貸利率計算租賃款項現值。

租賃款項包括固定租賃付款（包括實質固定付款）減任何應收租賃優惠。

租賃負債在綜合財務狀況表中單獨呈列。

租賃負債其後透過增加賬面值反映租賃負債的利息（採用實際利率法）及調減賬面值反映已支付的租賃款項進行計量。

#### 稅項

為計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項，本集團首先釐定稅項扣減是否因使用權資產或租賃負債而產生。

就稅項扣減乃因租賃負債而產生的租賃交易而言，本集團就使用權資產及租賃負債單獨應用國際會計準則第12號所得稅的規定。由於應用初始確認豁免，與使用權資產及租賃負債有關的暫時差異不會於初始確認時及租期內確認。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods comprises raw materials, direct labour and proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 during the Track Record Period. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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

### 3. 重大會計政策概要 (續)

#### 存貨

存貨以成本值與可變現淨值兩者中之較低者列賬。成本值以加權平均基準釐定。製成品之成本包括原材料、直接工資、相應比例之全部日常生產費用以及分包費用(倘適用)。可變現淨值乃日常業務運作中之估計售價減估計完成成本及估計出售所需成本。

#### 金融工具

金融資產及金融負債於集團實體成為該工具合約條文的訂約方時確認。所有常規方式買賣的金融資產概於交易日予以確認及取消確認。常規方式買賣乃指遵循法規或市場慣例在約定時間內交付資產的金融資產買賣。

金融資產及金融負債初步以公允值計量，惟產生自與客戶的合約之貿易應收款項(於往績記錄期間初步按國際財務報告準則第15號計量)除外。收購或發行金融資產及金融負債(按公允值計入損益的金融資產或金融負債除外)直接應佔的交易成本於初步確認時加入或從金融資產或金融負債的公允值扣除(倘適用)。收購按公允值計入損益的金融資產或金融負債直接應佔的交易成本即時在損益中確認。

實際利率法為計算金融資產或金融負債的攤銷成本以及分配相關期間的利息收入及利息開支之方法。實際利率乃於初步確認時按金融資產或金融負債的預期可使用年期或適用的較短期間內確切貼現估計未來現金收入及付款(包括構成實際利率不可或缺部分的所有已付或已收費用及點數、交易成本及其他溢價或貼現)至賬面淨值的利率。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets

##### *Classification and subsequent measurement of financial assets*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss ("FVTPL"), except that at the date of initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 "Business Combinations" applies.

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

##### 金融資產

##### *金融資產的分類及其後計量*

滿足以下條件其後按攤銷成本計量的金融資產：

- 以收取合約現金流量為目的而持有資產之業務模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

符合下列條件的金融資產其後按公允值計入其他全面收益（「按公允值計入其他全面收益」）計量：

- 以收取合約現金流量及出售而達致目標之業務模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

所有其他金融資產其後按公允值計入損益（「按公允值計入損益」）計量，惟在初始確認金融資產之日，倘該股本投資並非持作買賣，亦非收購方在國際財務報告準則第3號「業務合併」所適用的業務合併中確認的或然代價，本集團可不可撤銷地選擇於其他全面收益（「其他全面收益」）呈列股本投資公允值的其後變動。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Classification and subsequent measurement of financial assets (Continued)

- (i) Amortised cost and interest income
- Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period.

If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

- (ii) Financial assets at FVTPL
- Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend earned on the financial asset and is included in the "other gains and losses" line item.

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產的分類及其後計量 (續)

- (i) 攤銷成本及利息收入
- 利息收入乃對其後按攤銷成本計量的金融資產使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外（見下文）。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。

倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

- (ii) 按公允值計入損益之金融資產
- 不符合按攤銷成本或按公允值計入其他全面收益或指定為按公允值計入其他全面收益計量的準則的金融資產乃按公允值計入損益計量。

按公允值計入損益之金融資產按各報告期末的公允值計量，而任何公允值收益或虧損均於損益確認。於損益確認的收益或虧損淨額並不包括就金融資產賺取的任何股息，並計入「其他收益及虧損」項目。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets*

The Group performs impairment assessment under expected credit losses ("ECL") model on financial assets (including trade and other receivables, other financial assets measured at amortised cost and bank balances) which are subject to impairment under IFRS 9. The amount of ECL is updated at each reporting dates to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after each reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值

本集團就須根據國際財務報告準則第9號作出減值之金融資產(包括貿易及其他應收款項、其他按攤銷成本計量之金融資產及銀行結餘)根據預期信貸虧損(「預期信貸虧損」)模式進行減值評估。預期信貸虧損金額於各報告日期更新,以反映信貸風險自初步確認以來之變動。

全期預期信貸虧損指於相關工具預期使用期內發生所有可能的違約事件而導致的預期信貸虧損。相反,12個月預期信貸虧損(「12個月預期信貸虧損」)則指預期於報告日期後12個月內可能發生的違約事件而導致的部分全期預期信貸虧損。預期信貸虧損根據本集團過往信貸虧損經驗進行評估,並根據債務人特定因素、一般經濟狀況以及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

本集團一直就貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損乃就擁有重大結餘的債務人進行個別評估。

就所有其他工具而言,本集團計量的虧損撥備等於12個月預期信貸虧損,惟倘信貸風險自初步確認以來出現顯著增加,則本集團會確認全期預期信貸虧損。應否確認全期預期信貸虧損的評估乃基於自初步確認以來發生違約的機率或風險的顯著增加而作出。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at each reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產減值 (續)

(i) 信貸風險顯著增加

於評估自初步確認以來信貸風險是否顯著增加時，本集團將於各報告日期金融工具發生的違約風險與初步確認日期金融工具發生的違約風險進行比較。在進行該評估時，本集團會考慮合理及有理據的定量及定質資料，包括過往經驗及無需付出額外成本或精力而可得之前瞻性資料。

具體而言，評估信貸風險是否顯著增加時會考慮以下資料：

- 金融工具外部（如有）或內部信貸評級之實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如信貸息差、債務人之信貸違約掉期價格大幅增加；
- 業務、財務或經濟狀況目前或預測出現不利變動，預計將導致債務人償債能力大幅下降；
- 債務人經營業績實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境實際或預期出現重大不利變動，導致債務人償債能力大幅下降。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

##### (i) Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

##### (ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 720 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產減值 (續)

##### (i) 信貸風險顯著增加 (續)

不論上述評估結果如何，本集團均假設於合約付款逾期超過30天時，信貸風險自初步確認以來已顯著增加，除非本集團擁有合理及有理據的資料證明可予收回則當別論。

本集團定期監控用以識別信貸風險有否顯著增加的標準之效能，且修訂標準（如適當）來確保標準能在金額逾期前識別信貸風險顯著增加。

##### (ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人（包括本集團）還款（未計及本集團所持任何抵押品）時發生。

不論上文為何，本集團都認為，金融資產逾期超過720日後發生違約，惟本集團有合理及具理據資料顯示更加滯後的違約標準更為恰當則當別論。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

##### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

##### (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs sooner.

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產減值 (續)

##### (iii) 信貸減值金融資產

金融資產在一項或以上事件(對該金融資產估計未來現金流量構成不利影響)發生時維持信貸減值。金融資產維持信貸減值的證據包括有關下列事件的可觀察數據:

- (a) 發行人或借款人的重大財困;
- (b) 違反合約(如違約或逾期事件);
- (c) 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠;
- (d) 借款人將可能陷入破產或其他財務重組;或
- (e) 因財困而導致該金融資產活躍市場消失。

##### (iv) 撇銷政策

資料顯示對手方處於嚴重財困及無實際收回可能時(例如對手方被清盤或已進入破產程序時,以較早發生者為準),本集團則撇銷金融資產。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

(iv) Write-off policy (Continued)

Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event.

Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables, finance lease receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產減值 (續)

(iv) 撇銷政策 (續)

經考慮法律意見後(倘合適)，遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成取消確認事項。

任何其後收回在損益中確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約虧損率(即違約時虧損程度)及違約時風險敞口之函數。違約概率及違約虧損率之評估乃基於歷史數據按前瞻性資料作調整。預期信貸虧損的預估反映以各自發生違約的風險為權重釐定的公正及概率加權金額。

一般而言，預期信貸虧損為根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額(按初始確認時釐定之實際利率貼現)。

倘預期信貸虧損按集體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按以下基準歸類：

- 金融工具性質(即本集團貿易及其他應收款項、應收融資租賃及應收客戶款項各自評為獨立組別。授予關連人士之貸款按個別基準評估預期信貸虧損)；

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and other receivables and other financial assets measured at amortised cost, where the corresponding adjustment is recognised through a loss allowance account.

#### Derecognition of financial assets

The Group derecognised a financial asset when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

#### Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產減值 (續)

(v) 預期信貸虧損之計量及確認 (續)

- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級 (倘有)。

利息收入乃根據金融資產之賬面總值計算，除非金融資產出現信貸減值，在此情況下，利息收入根據金融資產之攤銷成本計算。

歸類工作經管理層定期檢討，以確保各組別成份仍具有類似信貸風險特性。

本集團調整所有金融工具之賬面值，以於損益確認彼等之減值收益或虧損，惟貿易及其他應收款項及按攤銷成本計量之其他金融資產除外 (在此情況下，相應調整乃透過虧損撥備賬確認)。

#### 終止確認金融資產

當從資產收取現金流量之合約權利屆滿或本集團已將金融資產及資產擁有權絕大部分風險及回報轉讓予另一方時，則本集團會終止確認金融資產。於全面終止確認金融資產時，該資產賬面值與已收及應收代價及已於其他全面收益確認及累計於權益之累計盈虧之總和間之差額於損益確認。

#### 金融負債及權益

債務及權益工具乃根據合約安排的實質內容及金融負債及權益工具的定義分類為金融負債或權益。



For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity (Continued)

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by group entities are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities at amortised cost

All financial liabilities including trade and other payables, amounts due to directors and lease liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, is recognised in profit or loss.

#### Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### 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 over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual installments.

### 3. 重大會計政策概要 (續)

#### 金融工具 (續)

#### 金融負債及權益 (續)

##### 權益工具

權益工具乃證實扣除實體所有負債後其資產的剩餘權益的任何合約。集團實體發行之權益工具按已收所得款項扣除直接發行成本確認。

##### 按攤銷成本計量的金融負債

所有金融負債(包括貿易及其他應付款項、應付董事款項及租賃負債)其後按攤銷成本使用實際利率法計量。

實際利率法為計算金融負債的攤銷成本以及分配相關期間的利息開支之方法。實際利率乃於初步確認時按金融負債的預期可使用年期或適用的較短期間內確切貼現估計未來現金付款至賬面淨值的利率。

##### 終止確認金融負債

當且僅當本集團的責任獲履行、取消或屆滿時，本集團終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價的差額於損益確認。

#### 貿易及其他應付款項

貿易及其他應付款項初步按公允值確認，其後則利用實際利率法按攤銷成本計量；除非貼現影響並不重大，則會按成本列賬。

#### 政府補貼

政府補貼在合理確定將會收取補貼及將會符合一切所附條件時，按其公允值確認。如補貼與開支項目有關，則於有關期間內確認為收入，以按系統基準將補貼與擬補償的相關成本抵銷。倘補貼與資產有關，則公允值計入遞延收入賬，並按相關資產的預計可使用年期按年以等額分期轉撥至損益賬。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition

Revenue is recognised over time when the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Significant judgment is required in determining whether the terms of the Group's contracts with customers in relation to the product create an enforceable right to payment for the Group. The Group has considered the relevant local laws that apply to those relevant contracts and opinion from external legal counsel. Based on the assessment of the Group's management, the terms of the relevant sales contracts do not create an enforceable right to payment for the Group after taking into consideration indicators. Accordingly, the sales of products is considered to be performance obligation satisfied at a point in time.

- (a) Revenue from sale of marble and marble related products are recognised at a particular point in time. This is the time when legal assignment is completed which is the time when the customer has ability to direct the use of the goods and obtain substantially all of the remaining benefits of the goods.
- (b) Interest income are recognised as it accrues using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost. (i.e. gross carrying amount net of loss allowance) of the net asset.

#### Retirement benefit obligations

The Group contributes to a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Scheme Ordinance for all employees in Hong Kong. Contributions are made based on a percentage of the employees' relevant income 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. The Group's employer contributions vest fully with the employees when contributed in the MPF Scheme.

### 3. 重大會計政策概要 (續)

#### 收入確認

當本集團的履約未創造對本集團具有替代用途的資產，而本集團有可強制執行權利收取至今已履約部分的款項，則收入於一段時間確認。於釐定本集團有關產品的合約條款是否與賦予本集團收取款項的可強制執行權利時須作出重大判斷。本集團已考慮適用於相關合約的相關當地法律和外部法律顧問的意見。根據本集團管理層的評估並經考慮多項指標，相關銷售合約的條款不會賦予本集團收取款項的可強制執行權利。因此，銷售產品被視為於某一時間點履行履約責任。

- (a) 銷售大理石及大理石相關產品之收入於某一時間點確認。該時間為法定轉讓完成之時，即當客戶能夠指定貨品用途並取得剩餘貨品的絕大部分利益時。
- (b) 利息收入於產生時以實際利率法確認。就按攤銷成本計量且並無出現信貸減值的金融資產而言，則資產總賬面值應用實際利率。就出現信貸減值的金融資產而言，實際利率應用於資產淨值的攤銷成本（即總賬面值扣除虧損撥備）。

#### 退休福利責任

本集團為所有香港僱員就強制性公積金計劃條例內之強制性公積金退休福利計劃（「強積金計劃」）作出定額供款。根據強積金計劃條款，供款乃基於僱員相關收入之百分比計算，並於彼等須予支付時在損益扣除。強積金計劃之資產與本集團之資產分開處理，由獨立管理基金持有。本集團之僱主供款於向強積金計劃作出供款時悉數歸屬於僱員。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Retirement benefit obligations (Continued)

The employees of the Company's subsidiaries which operate in the People's Republic of China ("PRC") are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

#### Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another IFRS requires or permits their inclusion in the cost of an asset.

### 3. 重大會計政策概要 (續)

#### 退休福利責任 (續)

於中華人民共和國(「中國」)營運之本公司附屬公司僱員須參與由當地市政府營運之中央退休金計劃。該等附屬公司須向中央退休金計劃按其薪金成本之某一百分比供款。根據中央退休金計劃條款，有關供款於彼等須予支付時在損益扣除。

#### 短期及其他長期僱員福利

短期僱員福利以預期支付的福利未貼現金額及於僱員提供服務時確認。所有短期僱員福利確認為開支，惟另一項國際財務報告準則要求或准予將福利計入資產成本則除外。

給予僱員的福利(如薪酬及薪金、年假以及病假)扣除任何已支付金額後確認為負債。

就其他長期僱員福利確認的負債，乃按本集團預期就僱員直至報告日期提供的服務所作出的估計未來現金流出之現值計量。因服務成本、利息及重新計量導致的負債賬面值之任何變動，乃於損益中確認，惟另一項國際財務報告準則要求或准許將有關變動計入資產成本則除外。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Share-based employee compensation

The Group operates equity-settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the equity instruments awarded. The value is appraised at the grant date and excludes the impact of any non-market vesting conditions.

All share-based compensation is recognised as an expense in profit or loss with a corresponding credit to share options reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is recognised over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally vested.

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the vested share options are lapsed, forfeited or still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

### 3. 重大會計政策概要 (續)

#### 以股份為基礎之僱員報酬

本集團設有以股本支付以股份為基礎之報酬計劃以作為其僱員薪酬。

就授出任何以股份為基礎報酬之所有已收取僱員服務乃按其公允值計量，公允值參考所授出股權工具而間接釐定。有關價值於授出日期評估，不計及任何非市場歸屬條件之影響。

所有以股份為基礎之報酬於損益確認為開支，相應進賬會計入僱員購股權儲備（扣除遞延稅項（倘適用））。倘歸屬期或其他歸屬條件適用，有關開支會按預期將予歸屬購股權數目之最佳適用估計於歸屬期內確認。非市場歸屬條件已計入有關預期可予行使購股權數目之假設內。倘有任何跡象顯示預期將予歸屬之購股權數目有別於早前估計者，則其後會修訂估計。倘最終行使之購股權少於原先歸屬者，則不會對過往期間所確認開支作出調整。

倘購股權獲行使，先前於購股權儲備所確認之款項將轉撥至股份溢價。倘已歸屬之購股權失效、遭沒收或於屆滿日期尚未行使，則先前於購股權儲備所確認之款項將轉撥至保留溢利。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Borrowing costs

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

#### Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

### 3. 重大會計政策概要 (續)

#### 借貸成本

所有借貸成本於產生期間在損益中確認。

#### 稅項

所得稅指即期稅項及遞延稅項之總和。

即期應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與於損益所確認溢利不同，是因為前者不包括在其他年度應課稅或可扣稅的收入或開支項目，且不包括從未課稅或扣稅之項目。本集團即期稅項之負債乃按報告期末前已實行或大致上已實行之稅率計算。

財務報表資產及負債賬面值與計算應課稅溢利所用相應稅基間之差異確認為遞延稅項。所有應課稅暫時差異一般確認為遞延稅項負債，而可能出現可用作抵扣可扣稅暫時差異、未動用稅項虧損或未動用稅務抵免之應課稅溢利時，則可確認遞延稅項資產。因商譽或業務合併以外交易中既不影響應課稅溢利亦不影響會計溢利之其他資產及負債之初步確認而引致的暫時差異，則不會確認該等資產及負債。

遞延稅項負債按投資於附屬公司產生之應課稅暫時差異確認，惟若本集團可控制暫時差異之撥回及暫時差異可能於可見將來不會撥回之情況則除外。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

#### Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if 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 Company or of a parent of the Company.

### 3. 重大會計政策概要 (續)

#### 稅項 (續)

遞延稅項資產之賬面值會於各報告期末作檢討，並在不再可能有足夠應課稅溢利收回全部或部分資產時作調減。

遞延稅項乃以於報告期末前已制定或大致上已制定之稅率為基準，按預期於負債清償或資產變現期間內之適用稅率計算。遞延稅項會於損益確認，惟倘其與其他全面收益有關之項目或直接於權益中確認，則該遞延稅項亦會於其他全面收益內確認或直接於權益確認。

遞延稅項資產及負債之計量反映本集團預計於報告期末收回或清償其資產及負債之賬面值所帶來之稅務後果。

遞延稅項資產與負債在即期稅項資產與即期稅項負債有合法可強制執行權利互相抵銷及該等即期稅項資產及負債涉及同一稅務機關徵收之所得稅以及本集團擬以淨額基準結算即期稅項資產及負債之情況下，方可互相抵銷。

#### 關連人士

關連人士為與本集團有關連的個人或實體。

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本公司或本公司母公司的主要管理層成員。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Related parties (Continued)

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities 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.
- (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. If the Group is itself such a plan, the sponsoring employers are also 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).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

### 3. 重大會計政策概要 (續)

#### 關連人士 (續)

(b) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本公司屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
- (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
- (iii) 兩間實體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。
- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。倘本集團本身便是該計劃，提供資助的僱主亦與本集團有關連。
- (vi) 實體受(a)所識別人土控制或受共同控制。
- (vii) 於(a)(i)所識別人土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。
- (viii) 實體或其所屬集團的任何成員公司向呈報實體或呈報實體之母公司提供關鍵管理人員服務。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of the Group's various lines of business in different geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

#### Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, 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 for which the estimates of future cash flows have not been adjusted.

### 3. 重大會計政策概要 (續)

#### 分部報告

經營分部及綜合財務報表所呈報之各分部金額自定期提供予本集團最高行政管理人員就資源分配及評估本集團的各種業務及按不同地理位置的表現的財務資料中識別出來。

就財務呈報而言，除非分部具備相似的經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務的方法及監管環境的性質方面相似，否則各個重大經營分部不會合併計算。個別非重大的經營分部，如果符合上述大部分標準，則可合併計算。

#### 有形及無形資產減值

本集團於各報告期末檢討其有形及無形資產之賬面值，以確定該等資產有否出現任何減值虧損跡象。倘出現任何上述跡象，即估計該等資產之可收回金額，藉以釐定任何減值虧損的程度。倘不能估計個別資產的可收回金額，本集團則估計資產所屬的現金產生單位的可收回金額。倘可識別合理且一致之分配基準，企業資產亦可分派至個別現金產生單位，否則，有關資產將被分派至可識別合理且一致分配基準之最小現金產生單位組別。

可收回金額乃根據公允值減出售成本與使用價值的較高者而計算。在評估使用價值時，估計未來現金流量使用反映當前市場評估金錢時間價值及資產具體風險（並無就此調整估計未來現金流量）的除稅前貼現率貼現至現值計算。



For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment of tangible and intangible assets

(Continued)

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

### 3. 重大會計政策概要 (續)

#### 有形及無形資產減值 (續)

倘估計資產(或現金產生單位)的可收回金額低於其賬面值,則將該項資產(或現金產生單位)的賬面值減至其可收回金額。減值虧損即時於損益確認。

倘於其後撥回減值虧損,則該項資產(或現金產生單位)的賬面值會增加至經修訂的估計可收回金額,但隨之增加後的賬面值不得超逾該項資產或現金產生單位假設於過往年度並無確認減值虧損所釐定的賬面值(減攤銷或折舊)。減值虧損撥回即時於損益確認,除非有關資產按重估值入賬,則減值虧損撥回將視作重估增加。

#### 撥備及或然負債

倘若本集團須就過往事件承擔法律或推定責任,而履行該責任可能導致含有經濟效益之資源外流,在可作出可靠估計時,便會計提撥備。

計及有關責任之風險及不明朗因素後,確認為撥備之金額為清償報告期末現有責任所需代價之最佳估計。倘使用清償現有責任之估計現金流量計量撥備,則其賬面值為該等現金流量現值。

倘若含有經濟效益之資源外流之可能性較低,或是無法對有關數額作出可靠之估計,便會將該責任披露為或然負債;但假如這類資源外流之可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否之潛在責任,亦會披露為或然負債;惟這類資源外流之可能性極低則除外。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Restoration provisions

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease are recognised at the date of inception of the lease at the directors' best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

### 4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Management are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### (a) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

### 3. 重大會計政策概要 (續)

#### 修復撥備

根據租賃的條款及條件將租賃資產修復至其原有狀況之成本撥備，於租賃開始日期按董事對修復該資產所需開支的最佳估計確認。有關估計定期進行檢討及根據新情況作出適當調整。

### 4. 重大會計判斷及估計不確定性的主要來源

管理層須就從其他來源不顯而易見的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及認為屬有關的其他因素。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘若會計估計修訂只影響修訂估計期間，則有關修訂會在該期間確認。倘若有關修訂既影響當期亦影響未來期間，則有關修訂會在修訂期間及未來期間確認。

#### 估計不確定性主要來源

以下為涉及日後的主要假設及於報告期末估計的不確定性的其他主要來源（均可能擁有導致下個財政年度資產及負債的賬面值出現大幅調整的重大風險）。

#### (a) 物業、廠房及設備及折舊

本集團釐定其物業、廠房及設備的估計可使用年期、剩餘價值及相關折舊開支。此估計乃根據具有類似性質及功能的物業、廠房及設備的實際可使用年期及剩餘價值的過往經驗得出。倘可使用年期及剩餘價值與過往估計不同，本集團將會調整折舊開支，或其將會撇銷或折餘已棄置或出售的技術過期資產或非策略性資產。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Key sources of estimation uncertainty (Continued)

##### (b) Impairment of tangible and intangible assets

The Group assesses each cash-generating unit annually to determine whether any indication of impairment exists. When an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. The carrying amount of the tangible and intangible asset, including property, plant and equipment, right-of-use assets and mining right, are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the accounting policy as disclosed in the relevant part of this section. Estimating the value in use requires the Group to estimate future cash flows from the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

##### (c) Mine reserves

Engineering estimates of the Group's mine reserves are inherently imprecise and represent only approximate amounts because of the significant judgments 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 estimate for accounting purposes and is reflected on a prospective basis in both depreciation and amortisation rates calculated on a UOP basis 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.

### 4. 重大會計判斷及估計不確定性的主要來源 (續)

#### 估計不確定性主要來源 (續)

##### (b) 有形及無形資產減值

本集團每年評估各現金產生單位，以釐定是否有任何減值存在的跡象。倘存在減值跡象，則會作出可收回金額的正式估計，即被視為公允值減出售成本與使用價值的較高者。有形及無形資產（包括物業、廠房及設備、使用權資產以及採礦權）的賬面值會於有事件或情況變動顯示賬面值可能不能根據本節有關部分所披露的會計政策予以收回時檢查減值。估計使用價值要求本集團估計來自現金產生單位的未來現金流量以及選擇適當的折現率以計算該等現金流量的現值。

##### (c) 礦山儲量

由於對本集團礦山儲量的工程估計涉及重大程度的判斷，因此估計數額本質上並不精確，並僅代表概約數額。於估計礦山儲量可被指定為「證實」及「概略」前，須符合有關工程標準的權威指引。證實及概略礦山儲量估計乃在考慮各礦山的近期生產及技術資料後作出定期更新。此外，由於價格及成本水平逐年變動，證實及概略礦山儲量估計亦有所變動。此變動被視為就會計目的而言的估計變動，並按預期基準反映於就折現復墾撥備按生產單位基準和時限計算的折舊及攤銷率。礦山儲量估計的變動亦考慮非流動資產的減值評估。

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For the year ended 31 December 2019 截至2019年12月31日止年度

### 4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Key sources of estimation uncertainty (Continued)

##### (d) Provision of ECL of trade receivables

The Group's trade receivables are assessed for impairment based on the expected loss model required by IFRS 9. The assessment made by management has taken into account relevant historical information adjusted for forward looking information available to management at the date of assessment (to the extent that such information is reasonable and supportable without undue cost or effort). Provision of ECL are also recognised for the current year (please see Notes 6 and 24). Management has exercised judgment in estimating the amount of expected credit loss. If the actual outcome is different from management's estimate, an additional impairment loss or reversal of impairment loss may arise.

##### (e) Provisions for rehabilitation

Provision for rehabilitation is measured in accordance with the relevant rules and regulations applicable in the PRC at the end of the reporting period, and using the cash flows estimated to settle the present obligation. Its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

##### (f) Provision for litigation

The management measured the provision for litigation in accordance with the legal opinion and relevant laws and regulation applicable in Hong Kong and PRC at the end of the reporting period.

### 4. 重大會計判斷及估計不確定性的主要來源 (續)

#### 估計不確定性主要來源 (續)

##### (d) 貿易應收款項的預期信貸虧損撥備

本集團貿易應收款項乃根據國際財務報告準則第9號預期虧損模式進行減值評估。管理層所作之評估，乃計及於評估日期管理層可得之相關過往資料並就前瞻性資料作出調整（惟有關資料屬合理可證且無須耗費過多成本或努力即可獲得者）。預期信貸虧損撥備亦於本年度確認（請參閱附註6及24）。管理層於估計預期信貸虧損金額時已作出判斷。倘實際結果有別於管理層之估計，則可能產生額外減值虧損或撥回減值虧損。

##### (e) 復墾撥備

復墾撥備乃於報告期末根據中國適用的相關規則及法規計量，並採用所估計的現金流量以結算當前責任。其賬面值乃該等現金流量的現值（倘貨幣時間值的影響屬重大）。

##### (f) 訴訟撥備

管理層於報告期末按照法律意見及香港及中國適用之相關法律及法規計量訴訟撥備。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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### 5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

During the reporting period, the capital structure of the Group consists of debt which includes equity attributable to owners of the Company, comprising issued share capital and reserves. The Directors review the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the associated risks, and take appropriate actions to adjust the Group's capital structure. The Group's overall strategy remains unchanged from prior periods.

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial assets of the Group mainly include cash and bank balances, trade and other receivables. Financial liabilities of the Group mainly include trade payables, other payables; amounts due to directors and lease liabilities.

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.

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 board regularly reviews these risks and they are summarised below.

#### (a) Categories of financial instruments

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Financial assets: Financial assets at amortised cost (including cash and cash equivalents)	金融資產： 按攤銷成本計量的 金融資產（包括現金及 現金等價物）	111,793	140,670
Financial liabilities: Financial liabilities at amortised cost	金融負債： 按攤銷成本計量的 金融負債	26,781	21,311

### 5. 資本風險管理

本集團管理其資本，以確保本集團之實體將可以持續基準經營，並透過優化債務及權益間之平衡，為股東帶來最大回報。

於報告期間，本集團之資本架構包括由本公司擁有人應佔權益（其包括已發行股本及儲備）組成之債務。董事定期審閱資本架構。作為此審閱之一部分，董事考慮資本成本及相關風險，並會採取適當行動以調節本集團之資本架構。與過往期間相比，本集團之整體策略仍然維持不變。

### 6. 財務風險管理目標及政策

本集團的金融資產主要包括現金及銀行結餘、貿易及其他應收款項。本集團的金融負債主要包括貿易應付款項、其他應付款項、應付董事款項及租賃負債。

本集團財務部在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。

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。董事會定期檢討該等風險並概述如下。

#### (a) 金融工具之分類

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### (b) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arises.

#### (c) Interest rate risk

The Group has no significant interest bearing assets and liabilities. The Group's income, expenses and operating cash flows were substantially independent of changes in market interest rates. Fluctuation of market rate does not have significant impact to operating cash flows and no sensitivity analysis has been presented accordingly.

#### (d) Credit risk and impairment assessment

Substantial amounts of the Group's cash and cash equivalents are held in major reputable financial institutions located in the PRC and Hong Kong, which management believes are of high credit quality. The credit risk of the Group's other financial assets, which comprise trade receivables and other receivables arises from default of the counterparties, 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.

### 6. 財務風險管理目標及政策 (續)

#### (b) 外匯風險

本集團面對的外幣風險較小，此乃由於其大部分業務交易、資產及負債主要以本集團實體的功能貨幣計值。本集團現時並無就外幣交易、資產及負債制訂外幣對沖政策。本集團密切監察其外幣風險，並將於有需要時考慮對沖重大外幣風險。

#### (c) 利率風險

本集團並無重大計息資產及負債。本集團之收入、開支及經營現金流量基本上與市場利率的變化無關。市場利率波動對經營現金流量並無重大影響，因此並無呈列敏感度分析。

#### (d) 信貸風險及減值評估

本集團的大部分現金及現金等價物由位於中國及香港的主要知名金融機構持有，而管理層相信該等機構具有良好信貸質素。本集團其他金融資產（包括貿易應收款項及其他應收款項）的信貸風險由於交易對手方違約而產生，而所面臨的最高風險相當於該等工具的賬面值。本集團並無其他面臨重大信貸風險的金融資產。

For the year ended 31 December 2019 截至2019年12月31日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### (d) Credit risk and impairment assessment

(Continued)

The Group sells most of the products to a small number of customers in the marble distributors. As a result, it faces a high level of concentration of credit risk. The Group manages this risk by offering standardised credit terms to its customers of marble products for an approved credit term of 90 days. Some major customers which have long relationship with the Group were granted for a longer payment term. 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.

The Group has a concentration of credit risk as 31% (2018: 42%) of the total trade receivables was due from a single customer within the sales of marble and marble related product segment.

This customer is a privately owned property developer in the PRC with whom the Group had trading relationship over the past few years.

### 6. 財務風險管理目標及政策 (續)

#### (d) 信貸風險及減值評估 (續)

本集團出售大部分產品予大理石分銷商的少數客戶。因此，其面臨高度集中信貸風險。本集團通過向其大理石產品的客戶提供標準信貸期（經批准信貸期達90日）管理該項風險。與本集團維持長期關係之若干主要客戶獲授更長的付款期限。本集團對其尚未收回應收款項維持嚴格控制，且高級管理層會定期審閱逾期結餘。此外，本集團所面臨的信貸風險亦受到每名客戶的個別特性及客戶經營業務所在行業的違約風險所影響。

本集團有信貸集中風險，原因為貿易應收款項總額之31%（2018年：42%）乃源自大理石及大理石相關產品銷售分部之單一客戶。

該客戶為一間位於中國之私營地產開發商，本集團在過去幾年與其有貿易關係。

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For the year ended 31 December 2019 截至2019年12月31日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### (d) Credit risk and impairment assessment

(Continued)

The Group applied the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

### 6. 財務風險管理目標及政策 (續)

#### (d) 信貸風險及減值評估 (續)

本集團採用國際財務報告準則第9號簡化方法計量預期信貸虧損，該方法就所有貿易應收款項使用全期預期信貸虧損撥備。為計量預期信貸虧損，貿易應收款項已根據攤估信貸風險特徵及逾期天數分組。下表提供有關本集團所面臨的信貸風險及貿易應收款項的預期信貸虧損的資料：

		2019 2019年		
		Expected loss rate (Note 1 below) 預期虧損率 (下文附註1)	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
		%		
		%		
Current (not past due)	即期(未逾期)	8.7%	31,389	2,737
0 – 90 days past due	逾期0至90天	N/A 不適用	–	–
91 – 270 days past due	逾期91至270天	33.2%	16,221	5,378
271 – 719 days past due	逾期271至719天	42.7%	34,710	14,837
More than 720 days	超過720天	100.0%	116,346	116,346
			198,666	139,298



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### (d) Credit risk and impairment assessment (Continued)

		2018 2018年		
		Expected loss rate (Note 1 below) 預期虧損率 (下文附註1)	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	–	2,878	–
0 – 90 days past due	逾期0至90天	–	33,060	–
91 – 270 days past due	逾期91至270天	18.0%	20,283	3,651
271 – 719 days past due	逾期271至719天	32.4%	12,959	4,197
More than 720 days	超過720天	90.9%	113,602	103,250
			182,782	111,098

Notes:

1) Expected loss rates are based on actual loss experience over the past 3 years. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified factors to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The credit quality of other receivables excluding prepayments has been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. The directors of the Company are of the opinion that the credit risk of other receivables is low due to the sound collection history of the receivables due from them. Therefore, expected credit loss rate of the other receivables excluding prepayments is assessed to be close to zero.

### 6. 財務風險管理目標及政策 (續)

#### (d) 信貸風險及減值評估 (續)

		2018 2018年		
		Expected loss rate (Note 1 below) 預期虧損率 (下文附註1)	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	–	2,878	–
0 – 90 days past due	逾期0至90天	–	33,060	–
91 – 270 days past due	逾期91至270天	18.0%	20,283	3,651
271 – 719 days past due	逾期271至719天	32.4%	12,959	4,197
More than 720 days	超過720天	90.9%	113,602	103,250
			182,782	111,098

附註：

1) 預期虧損率乃按過往3年的實際虧損經驗為準。過往虧損率乃經調整以反映影響客戶結付應收款項的能力的宏觀經濟因素的現時及前瞻性資料。本集團已識別最相關的因素，並基於該等因素的預期變動相應調整過往虧損率。

其他應收款項（不包括預付款項）的信貸質素乃經參考有關交易方違約率及交易方財務狀況的歷史資料評估。本公司董事認為其他應收款項的信貸風險甚微，乃由於應收彼等款項的收款記錄良好。因此，其他應收款項（不包括預付款項）的預期信貸虧損率評估乃接近於零。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### (e) 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. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing loans and its own funding sources.

The Group's financial liabilities have contractual maturities as follows:

### 6. 財務風險管理目標及政策 (續)

#### (e) 流動資金風險

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，監察其資金短缺風險。本集團的目標為透過使用計息貸款及其自身的資金來源，維持資金持續性與靈活性間的平衡。

本集團的金融負債有以下合約訂明之到期期限：

		2019 2019年				
		Maturity Analysis – undiscounted cash outflows 到期日分析 – 未貼現現金流出				
		Less than 1 year or on demand	Between 1 and 2 years	More than 2 years but not more than five years	Total	Carrying amount at 31 December 2019 於2019年 12月31日 的賬面值
		1年內 或按要求 RMB'000 人民幣千元	1至2年 RMB'000 人民幣千元	2年以上 但不超過5年 RMB'000 人民幣千元	總計 RMB'000 人民幣千元	RMB'000 人民幣千元
Trade payable	貿易應付款項	558	-	-	558	558
Other payable	其他應付款項	18,167	-	-	18,167	18,167
Amounts due to directors	應付董事款項	5,991	-	-	5,991	5,586
Lease liabilities	租賃負債	1,508	875	196	2,579	2,470
		26,224	875	196	27,295	26,781

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### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### (e) Liquidity risk (Continued)

### 6. 財務風險管理目標及政策 (續)

#### (e) 流動資金風險 (續)

2018

2018年

		Maturity Analysis – undiscounted cash outflows 到期日分析 – 未貼現現金流出				
		Less than 1 year or on demand	Between 1 and 2 years	More than 2 years But not More than five years	Total	Carrying amount at 31 December 2018 於2018年 12月31日 的賬面值
		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
Trade payable	貿易應付款項	1,814	-	-	1,814	1,814
Other payable	其他應付款項	18,433	-	-	18,433	18,433
Amount due to directors	應付董事款項	831	-	-	831	831
Obligation under finance lease	融資租賃承擔	235	-	-	235	233
		21,313	-	-	21,313	21,311

For the year ended 31 December 2019 截至2019年12月31日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### (f) Fair value

Fair value estimates are made at a specific point in time and are based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

For financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

### 6. 財務風險管理目標及政策 (續)

#### (f) 公允值

公允值估計乃於特定時間作出，並根據相關市場資料及金融工具的資料得出。該等估計屬主觀性質，並涉及不明朗因素及須作重大判斷的事項，故無法準確釐定。假設的變動可能會重大影響該等估計。

就財務報告而言，公允值計量根據輸入數據對公允值計量之可觀察程度及輸入數據對公允值計量整體之重要性分為第1、2或3級，現載述如下：

- 第1級輸入數據為實體於計量日期就相同資產或負債於活躍市場取得之報價（未經調整）；
- 第2級輸入數據為第1級所包含之報價以外，就資產或負債可直接或間接觀察之輸入數據；及
- 第3級輸入數據為資產或負債之不可觀察輸入數據。

於綜合財務狀況表所反映本集團之金融資產及金融負債之賬面值與彼等各自之公允值相若。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 7. REVENUE AND OPERATING SEGMENT INFORMATION

Revenue represents the net invoiced value of goods sold, net of trade discounts and returns and various types of government surcharges, where applicable.

The Group's revenue and contribution to profit were mainly derived from its sale of marble and marble related products, which is regarded as a single operating segment in a manner consistent with the way in which information is reported internally to the Group's senior management for purposes of resource allocation and performance assessment. In addition, the principal assets employed by the Group are located in Sichuan Province and Guangdong Province, the PRC. Accordingly, no segment analysis is presented other than entity-wide disclosures.

#### Entity-wide disclosures

##### Information about products

The following table sets forth the total revenue from external customers by product and the percentage of total revenue during the year:

		2019 2019年		2018 2018年	
		RMB'000 人民幣千元	% %	RMB'000 人民幣千元	% %
Marble slabs	大理石板材	39,892	60.7%	52,567	77.6%
Marble slags	大理石礦渣	25,797	39.3%	15,152	22.4%
		65,689	100%	67,719	100%

##### Information about major customers

Revenue from major customers, each of whom accounted for 10% or more of the total revenue is set out below:

		2019 2019年	2018 2018年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Customer A	客戶A	20,177	30,812
Customer B	客戶B	19,715	21,755
Customer C*	客戶C*	17,925	—

\* Revenue derived from Customer C did not contribute over 10% of total revenue of the Group during the year ended 31 December 2018.

### 7. 收入及經營分部資料

收入指已售貨品的淨發票值，扣除貿易折扣及返利以及多種政府附加費（倘適用）。

本集團的收入及對溢利的貢獻主要源自大理石及大理石相關產品的銷售，其被視作單一經營分部，與內部向本集團的高級管理層報告資料作資源分配及表現評估用途的方式一致。此外，本集團使用的主要資產均位於中國四川省及廣東省。因此，除整個實體披露外，未有呈列分部分析。

#### 整個實體披露

##### 有關產品的資料

下表載列年內按產品劃分來自外部客戶的總收入及佔總收入的百分比：

##### 有關主要客戶的資料

來自主要客戶（彼等各佔總收入的10%或以上）的收入載列如下：

		2019 2019年	2018 2018年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Customer A	客戶A	20,177	30,812
Customer B	客戶B	19,715	21,755
Customer C*	客戶C*	17,925	—

\* 截至2018年12月31日止年度，來自客戶C的收入並無佔本集團總收入的10%以上。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 8. OTHER INCOME AND GAINS

### 8. 其他收入及收益

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Interest income	利息收入	1	1
Exchange gain	匯兌收益	10	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	414	-
Gain on disposal of right-of-use assets	出售使用權資產之收益	10	-
Reversal of provision for litigation, net	訴訟撥備撥回，淨額	-	14,500
Others	其他	332	39
		767	14,540

### 9. IMPAIRMENT LOSS RECOGNISED ON TRADE RECEIVABLES

### 9. 就貿易應收款項確認之減值虧損

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Impairment loss recognised on trade receivables	就貿易應收款項確認之 減值虧損	28,200	8,307
		28,200	8,307

### 10. FINANCE COSTS

### 10. 財務成本

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Finance leases charges	融資租賃費用	2	15
Interest on lease liabilities	租賃負債利息	90	-
Interest on amount due to a director	應付董事款項利息	79	-
		171	15

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 11. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

### 11. 除稅前虧損

本集團的除稅前虧損經扣除以下各項後達致：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Cost of inventories sold	已售存貨成本	61,260	63,170
Staff costs (including directors' remuneration):	員工成本(包括董事酬金):		
Wages and salaries	工資及薪金	5,963	6,565
Equity-settled share option expenses	權益結算購股權開支	10,954	-
Pension scheme contributions	退休計劃供款		
– Defined contribution scheme	– 一定額供款計劃	43	104
Other staff benefits	其他員工福利	219	153
		17,179	6,822
Auditors' remuneration	審計師酬金	493	470
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	-	34
Amortisation of intangible assets	無形資產攤銷	1,988	-
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊	12,074	13,142
Depreciation of right-of-use assets	使用權資產折舊	1,392	-
Impairment recognised on other receivables	就其他應收款項確認之減值	34	-
Operating lease rentals for office	辦公室經營租金	-	5,637
Expenses related to short-term lease	短期租賃相關開支	542	-
Provision for litigation	訴訟撥備	9,401	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	1,848
Loss on deregistration of a subsidiary	取消註冊附屬公司的虧損	1,117	-

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 12. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS

#### (a) Directors' Emoluments

		For the year ended 31 December 2019 截至2019年12月31日止年度					
		Notes	Fees	Salaries, allowances and other benefits	Retirement benefits scheme	Equity-settled share option expense	Total emoluments
		附註	袍金 RMB'000 人民幣千元	薪金、津貼及 其他利益 RMB'000 人民幣千元	退休福利計劃 RMB'000 人民幣千元	購股權開支 RMB'000 人民幣千元	酬金總額 RMB'000 人民幣千元
Executive directors:	執行董事:						
Mr. Zheng Yonghui	鄭永輝先生	(v)	–	320	–	–	320
Ms. Zhang Cuiwei	張翠薇女士		–	451	21	–	472
Mr. Zhang Jianzhong	張建忠先生		–	135	–	–	135
Mr. Zhang Weijun	張衛軍先生		–	158	–	–	158
Mr. Zhang Mian	張勉先生	(ii)	–	141	–	1,817	1,958
Independent non-executive directors:	獨立非執行董事:						
Mr. Yang Ruimin	楊銳敏先生	(iii)	84	–	–	–	84
Mr. Sheng Guoliang	盛國良先生		106	–	–	–	106
Ms. Wang Yihua	王藝華女士		106	–	–	–	106
			296	1,205	21	1,817	3,339

		For the year ended 31 December 2018 截至2018年12月31日止年度					
		Notes	Fees	Salaries, allowances and other benefits	Retirement benefits scheme	Equity-settled share option expense	Total emoluments
		附註	袍金 RMB'000 人民幣千元	薪金、津貼及 其他利益 RMB'000 人民幣千元	退休福利計劃 RMB'000 人民幣千元	購股權開支 RMB'000 人民幣千元	酬金總額 RMB'000 人民幣千元
Executive directors:	執行董事:						
Mr. Wang Minliang	王民良先生	(i)	–	948	–	–	948
Ms. Zhang Cuiwei	張翠薇女士		–	886	–	–	886
Mr. Zhang Jianzhong	張建忠先生		–	130	–	–	130
Mr. Zhang Weijun	張衛軍先生		–	151	–	–	151
Independent non-executive directors:	獨立非執行董事:						
Mr. Yang Ruimin	楊銳敏先生	(iii)	45	–	–	–	45
Mr. Ma Ho Yin	馬浩賢先生	(iv)	20	–	–	–	20
Mr. Sheng Guoliang	盛國良先生		102	–	–	–	102
Ms. Wang Yihua	王藝華女士		102	–	–	–	102
			269	2,115	–	–	2,384



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 12. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (Continued)

#### (a) Directors' Emoluments (Continued)

Notes:

- (i) Resigned on 12 September 2018
- (ii) Appointed on 4 February 2019
- (iii) Appointed on 11 June 2018
- (iv) Resigned on 12 March 2018
- (v) Appointed on 9 April 2019

Salaries, allowance and benefits in kind paid to or for the executive directors are generally emoluments paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

#### (b) Five Highest Paid Individual Emoluments

One (2018: two) of the five highest paid individuals of the Group were directors whose emolument is set out in the above. For the year ended 31 December 2019, the remaining four (2018: three) employees' emoluments of the Company were as follows:

### 12. 董事薪酬及五名最高薪僱員個人酬金 (續)

#### (a) 董事酬金 (續)

附註：

- (i) 於2018年9月12日辭任
- (ii) 於2019年2月4日獲委任
- (iii) 於2018年6月11日獲委任
- (iv) 於2018年3月12日辭任
- (v) 於2019年4月9日獲委任

向或就執行董事支付之薪金、津貼及實物利益為就該等人士管理本公司及其附屬公司之事宜所提供之其他服務支付或彼等應收之一般酬金。

#### (b) 五名最高薪僱員個人酬金

本集團五名最高薪人士包括一名(2018年：兩名)董事，其酬金已載於上文。截至2019年12月31日止年度，本公司其餘四名(2018年：三名)僱員的酬金如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Salaries, allowances and other benefits in kind	薪金、津貼及其他實物利益	542	1,488
Retirement benefits scheme contributions	退休福利計劃供款	-	30
Equity-settled share option expense	權益結算購股權開支	7,309	-
		7,851	1,518

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For the year ended 31 December 2019 截至2019年12月31日止年度

### 12. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (Continued)

#### (b) Five Highest Paid Individual Emoluments

(Continued)

Their emoluments fell within the following bands:

		Number of employees 僱員數目	
		2019 2019年	2018 2018年
<b>Emolument band:</b>	<b>薪酬範圍：</b>		
Nil – HK\$500,000	0至500,000港元	–	2
HK\$500,001 – HK\$1,000,000	500,001港元至 1,000,000港元	–	–
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至 1,500,000港元	–	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至 2,000,000港元	–	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至 2,500,000港元	4	–
		4	3

- (c) No emoluments have been paid by the Group to the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the two years ended 31 December 2019 and 2018.

### 12. 董事薪酬及五名最高薪僱員個人酬金 (續)

#### (b) 五名最高薪僱員個人酬金 (續)

彼等之薪酬範圍如下：

- (c) 於截至2019年及2018年12月31日止兩個年度，本集團並無向董事或五名最高薪人士支付酬金，作為吸引彼等加入本集團或於加入本集團時的獎勵，或作為離任的補償。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 13. INCOME TAX

### 13. 所得稅

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Current – the PRC	即期－中國		
– Charge for the year	－年度支出	–	–
Deferred tax	遞延稅項	–	–
		–	–

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of subsidiaries of the Company in the PRC is 25% for both years.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，本公司於中國之附屬公司於兩個年度之稅率皆為25%。

The tax rate of subsidiaries of the Company in Hong Kong is 16.5% for both years.

本公司於香港之附屬公司於兩個年度之稅率皆為16.5%。

The reconciliation between the income tax for the year and the loss before tax multiplied by the tax rate in the PRC is as follows:

年內所得稅及按中國稅率倍乘之除稅前虧損對賬如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Loss before tax	除稅前虧損	(68,505)	(19,270)
Tax at the applicable tax rate of companies within the Group	按本集團旗下公司適用稅率計算所得的稅項	(17,126)	(4,818)
Tax effect of income not taxable for tax purpose	就稅務目的毋須課稅收入的稅務影響	(105)	(4,148)
Tax effect of expenses not deductible for tax purpose	就稅務目的不可扣稅開支的稅務影響	6,980	2,294
Effect on different tax rate of subsidiaries	附屬公司不同稅率的影響	7,319	2,567
Tax loss not recognised	未確認稅項虧損	2,932	4,105
Income tax	所得稅	–	–

At 31 December 2019, the Group has unused tax losses of approximately RMB50,483,000 (2018: RMB77,763,000) available for offsetting against future profits. No deferred tax asset (2018: nil) has been recognised in respect of such tax losses, due to unpredictability of future profit streams.

於2019年12月31日，本集團有未動用稅項虧損約人民幣50,483,000元(2018年：人民幣77,763,000元)，可供抵銷未來溢利。概無就該等稅項虧損確認遞延稅項資產(2018年：無)，因為未來溢利流難以預測。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 13. INCOME TAX (Continued)

Expiry dates of tax losses for which no deferred tax assets are recognised are as follows:

Expiry date	屆滿日期	Amount of tax losses 稅項虧損金額 RMB'000 人民幣千元
31 December 2020	2020年12月31日	13,720
31 December 2021	2021年12月31日	3,604
31 December 2022	2022年12月31日	10,590
31 December 2023	2023年12月31日	10,841
31 December 2024	2024年12月31日	11,728
		50,483

### 14. TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

The consolidated total comprehensive loss attributable to owners of the Company for the year ended 31 December 2019 includes a loss of approximately RMB64,658,000 (2018: RMB8,637,000), which has been dealt with in the financial statements of the Company.

### 15. LOSS PER SHARE

#### (a) Loss per share – Basic

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of approximately RMB68,505,000 (2018: loss of RMB19,270,000) and the weighted average number of approximately 2,832,083,000 (2018: 2,832,083,000) ordinary shares in issue during the year.

#### (b) Loss per share – Diluted

For the year ended 31 December 2018 and 2019, the effects of all potential ordinary shares are anti-dilutive since their assumed exercise would result in a decrease in loss per share.

### 13. 所得稅 (續)

並無確認遞延稅項資產的稅項虧損的屆滿日期如下：

### 14. 本公司擁有人應佔年度全面虧損總額

截至2019年12月31日止年度本公司擁有人應佔綜合全面虧損總額包括虧損約人民幣64,658,000元(2018年：人民幣8,637,000元)，其已於本公司的財務報表內處理。

### 15. 每股虧損

#### (a) 每股虧損 – 基本

本公司擁有人應佔每股基本虧損乃根據本公司擁有人應佔年度虧損約人民幣68,505,000元(2018年：虧損人民幣19,270,000元)及年內已發行普通股加權平均數約2,832,083,000股(2018年：2,832,083,000股)計算得出。

#### (b) 每股虧損 – 攤薄

截至2018年及2019年12月31日止年度，所有潛在普通股均具有反攤薄影響，此乃由於假設行使該等潛在普通股可導致每股虧損減少。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 16. DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during 2019, nor has any dividend been proposed since the reporting period (2018: Nil).

### 16. 股息

2019年並無向本公司普通股股東派付或建議派付任何股息，自報告期間以來亦無建議派付任何股息（2018年：無）。

### 17. PROPERTY, PLANT AND EQUIPMENT

### 17. 物業、廠房及設備

		Buildings	Plant and machinery	Leasehold improvement and office equipment 租賃裝修及辦公處設備	Motor vehicles 汽車	Mining infrastructure 採礦基建	Construction in progress 在建工程	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	RMB'000 人民幣千元
<b>COST:</b>	<b>成本：</b>							
At 1 January 2019	於2019年1月1日	9,232	55,797	11,736	16,222	61,183	109,252	263,422
Exchange realignment	匯兌調整	-	-	58	48	-	-	106
Additions	添置	-	1,424	88	61	-	1,049	2,622
Disposal/write off	出售/撤銷	-	-	(4,499)	(4,189)	-	-	(8,688)
Write off on deregistration of subsidiary	取消註冊附屬公司時撤銷	-	-	(1,253)	-	-	-	(1,253)
At 31 December 2019	於2019年12月31日	9,232	57,221	6,130	12,142	61,183	110,301	256,209
<b>DEPRECIATION AND IMPAIRMENTS:</b>	<b>折舊及減值：</b>							
At 1 January 2019	於2019年1月1日	3,826	20,381	7,012	11,498	13,950	17,390	74,057
Exchange realignment	匯兌調整	-	-	58	43	-	-	101
Provided during the year	年內撥備	576	9,791	507	1,200	-	-	12,074
Disposal/write off	出售/撤銷	-	-	(4,476)	(4,139)	-	-	(8,615)
Write off on deregistration of subsidiary	取消註冊附屬公司時撤銷	-	-	(140)	-	-	-	(140)
At 31 December 2019	於2019年12月31日	4,402	30,172	2,961	8,602	13,950	17,390	77,477
<b>Carrying amount:</b>	<b>賬面值：</b>							
At 31 December 2019	於2019年12月31日	4,830	27,049	3,169	3,540	47,233	92,911	178,732

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 17. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 17. 物業、廠房及設備 (續)

		Buildings	Plant and machinery	Leasehold improvement and office equipment 租賃裝修及辦公處設備	Motor vehicles	Mining infrastructure	Construction in progress	Total
		樓宇 RMB'000 人民幣千元	廠房及機器 RMB'000 人民幣千元	辦公處設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	採礦基建 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
<b>COST:</b>	<b>成本:</b>							
At 1 January 2018	於2018年1月1日	9,232	62,955	11,484	17,040	61,183	106,752	268,646
Exchange realignment	匯兌調整	-	-	200	(185)	-	-	15
Additions	添置	-	240	72	-	-	2,500	2,812
Disposal/write off	出售/撇銷	-	(7,398)	(20)	(633)	-	-	(8,051)
At 31 December 2018	於2018年12月31日	9,232	55,797	11,736	16,222	61,183	109,252	263,422
<b>DEPRECIATION AND IMPAIRMENTS:</b>	<b>折舊及減值:</b>							
At 1 January 2018	於2018年1月1日	3,250	16,584	6,256	9,189	13,950	17,390	66,619
Exchange realignment	匯兌調整	-	-	98	(234)	-	-	(136)
Provided during the year	年內撥備	576	8,743	678	3,145	-	-	13,142
Disposal/write off	出售/撇銷	-	(4,946)	(20)	(602)	-	-	(5,568)
At 31 December 2018	於2018年12月31日	3,826	20,381	7,012	11,498	13,950	17,390	74,057
<b>Carrying amount:</b>	<b>賬面值:</b>							
At 31 December 2018	於2018年12月31日	5,406	35,416	4,724	4,724	47,233	91,862	189,365

The Group's property, plant and equipment are mainly used in the Group's sale of marble and marble related products cash generating unit (the "Sichuan Jinshida CGU"). During the year ended 31 December 2019, the directors conducted a review of the recoverable amount of the Group's property, plant and equipment, intangible assets and right-of-use assets based on the value in use of Sichuan Jinshida CGU. It was determined that no impairment loss to be recognised in 2019 (2018: nil) in the Group's property, plant and equipment, intangible assets and right-of-use assets. The recoverable amount have been determined on the basis of the value in use of the CGU, the valuation is prepared by an independent professional valuer. The pre-tax discount rate in measuring the amounts of value in use were 23% (2018: 20%) in relation to Sichuan Jinshida CGU. The growth rate of cash flow in the long run are extrapolated using a steady growth rate of 3% (2018: 3%). Other key assumptions for the value in use calculations related to the estimation of cash inflows/outflows included budgeted sales and gross margin. Such estimation is based on the Sichuan Jinshida CGU's past performance and management's expectation for future performance.

本集團之物業、廠房及設備主要用於本集團大理石及大理石相關產品現金產生單位（「四川金時達現金產生單位」）之銷售。於截至2019年12月31日止年度，董事按照四川金時達現金產生單位之使用價值審閱本集團之物業、廠房及設備、無形資產以及使用權資產之可收回金額，確定於2019年將無需就本集團之物業、廠房及設備、無形資產以及使用權資產確認減值虧損（2018年：無）。可收回金額按現金產生單位之使用價值釐定，有關估值乃由獨立專業估值師編製。就四川金時達現金產生單位計量使用價值金額之稅前貼現率為23%（2018年：20%）。現金流量之長期增長率使用3%（2018年：3%）之穩定增長率推算。計算使用價值之其他主要假設涉及現金流入／流出之估計，包括預算銷售額及毛利率，有關估計乃根據四川金時達現金產生單位之過往表現及管理層對未來表現之預測作出。

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For the year ended 31 December 2019 截至2019年12月31日止年度

### 17. PROPERTY, PLANT AND EQUIPMENT (Continued)

The carrying amount of motor vehicle of approximately RMB4,724,000 includes an amount of RMB433,000 in respect of assets held under finance leases as at 31 December 2018.

### 18. INTANGIBLE ASSETS

### 17. 物業、廠房及設備 (續)

於2018年12月31日，汽車之賬面值約人民幣4,724,000元包括與根據融資租賃持有之資產有關的金額人民幣433,000元。

### 18. 無形資產

		Mining rights 採礦權 RMB'000 人民幣千元
<b>COST:</b>	<b>成本：</b>	
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於2018年1月1日、2018年12月31日、 2019年1月1日及2019年12月31日	62,785
<b>AMORTISATION:</b>	<b>攤銷：</b>	
At 1 January 2018	於2018年1月1日	19,053
Charge for the year	年內支出	-
At 31 December 2018 and 1 January 2019	於2018年12月31日 及2019年1月1日	19,053
Charge for the year	年內支出	1,988
At 31 December 2019	於2019年12月31日	21,041
<b>CARRYING AMOUNTS:</b>	<b>賬面值：</b>	
At 31 December 2019	於2019年12月31日	41,744
At 31 December 2018	於2018年12月31日	43,732

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 18. INTANGIBLE ASSETS (Continued)

The intangible asset represent rights for the mining of marble reserves in the Zhangjiaba Mine which is located in Jiangyou County, Sichuan Province, the PRC. The Mine is operated by the Company's indirect wholly-owned subsidiary, Sichuan Jiangyou Jinshida Stone Co., Ltd.\* ("Sichuan Jinshida"). The local government granted the mining permits to Sichuan Jinshida with a term of 10 years to 1 February 2021.

\* English translation for identification only

The Group conducted a reviews of the recoverable amount of its intangible assets in 2019 and 2018. The Group's intangible assets are used in the Group's sale of marble and marble related products cash generating unit (the "Sichuan Jinshida CGU"). Details please refer to Note 17.

No impairment loss was recognised for the years ended 31 December 2019 and 2018.

### 19. PREPAID LAND LEASE PAYMENTS

Carrying amount at 1 January	於1月1日的賬面值	1,287
Amortisation for the year	年內攤銷	(34)
Carrying amount at 31 December	於12月31日的賬面值	1,253

Prepaid land lease payments represent the acquisition cost of state-owned land use rights in the PRC, which is held under a medium term lease.

### 18. 無形資產 (續)

無形資產指開採張家壩礦山內的大理石儲量的權利。該礦山位於中國四川省江油縣，由本公司間接全資附屬公司四川江油金時達石業有限公司（「四川金時達」）經營。地方政府授予四川金時達為期10年的採礦許可證，至2021年2月1日到期。

本集團於2019年及2018年審閱其無形資產之可收回金額。本集團之無形資產用於本集團大理石及大理石相關產品現金產生單位（「四川金時達現金產生單位」）之銷售。詳情請參閱附註17。

截至2019年及2018年12月31日止年度，並無確認減值虧損。

### 19. 預付土地租賃款項

2018  
2018年  
RMB'000  
人民幣千元

預付土地租賃款項指於中國收購國有土地使用權的成本，有關土地乃根據中期租約持有。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 20. RIGHT-OF-USE ASSETS

### 20. 使用權資產

		Leasehold lands 租賃土地 RMB'000 人民幣千元	Leased properties 租賃物業 RMB'000 人民幣千元	Motor vehicle 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本:</b>				
At 1 January 2019 (restated)	於2019年1月1日(經重列)	2,457	1,620	-	4,077
Addition	添置	-	2,685	720	3,405
Disposal	出售	-	(1,620)	-	(1,620)
At 31 December 2019	於2019年12月31日	2,457	2,685	720	5,862
<b>Depreciation:</b>	<b>折舊:</b>				
At 1 January 2019 (restated)	於2019年1月1日(經重列)	1,204	-	-	1,204
Charge for the year	年度支出	34	1,275	83	1,392
Exchange realignment	匯兌調整	-	12	1	13
Disposal	出售	-	(625)	-	(625)
At 31 December 2019	於2019年12月31日	1,238	662	84	1,984
<b>Carrying amount:</b>	<b>賬面值:</b>				
At 31 December 2019	於2019年12月31日	1,219	2,023	636	3,878
At 1 January 2019 (restated)	於2019年1月1日(經重列)	1,253	1,620	-	2,873

Notes:

附註:

- (i) Leasehold lands represents lump sum considerations paid or payable by the Group to acquire leasehold lands located in the PRC. These leasehold lands are with lease periods of 48–50 years and there are no ongoing payments to be made under the terms of the land leases.
- (ii) The Group leases two properties and motor vehicle for its operations. Lease contracts for the properties are entered into for fixed term of 2 years and no extension and termination options. The motor vehicle leases for 4.5 years and pledged for the corresponding lease liability.

- (i) 租賃土地指本集團就收購位於中國的租賃土地已付或應付之一次性代價。根據土地租賃條款，該等租賃土地租期為48年至50年且並無正在進行的付款。
- (ii) 本集團就其營運租賃兩項物業及汽車。物業之租賃合約乃以固定期限2年訂立及並無延期及終止選擇權。汽車租期為4.5年及已就相應租賃負債作抵押。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 21. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

The list below gives the particulars of principal subsidiaries of the Company which, in opinion of the directors, principally affect the operating results and net assets of the Group. To give full details of subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

### 21. 本公司附屬公司之詳情

下表載列本公司主要附屬公司的詳情。董事認為，該等公司對本集團的經營業績及資產淨值構成重要影響。董事認為，詳述所有附屬公司將導致提供的資料過於冗長。

Company name 公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Legal status 法律地位	Nominal value of issued and paid-up share/ registered paid-up capital 已發行及繳足股份/ 註冊繳足股本之面值	Percentage of equity interests attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
				2019: 2019年:	2018: 2018年:	
Directly held: 直接持有:						
Kingstone Industrial Investment Limited	the British Virgin Islands ("BVI")	Limited liability company	US\$1	100%	100%	Investment holding
金石實業投資有限公司	英屬處女群島	有限責任公司	1美元			投資控股
Success United Asia Ltd. Success United Asia Ltd.	the BVI 英屬處女群島	Limited liability company 有限責任公司	US\$1 1美元	100%	100%	Trading of marble slabs 買賣大理石板材
Indirectly held: 間接持有:						
Kingstone (HK) Group Limited 金石(香港)集團有限公司	Hong Kong 香港	Limited liability company 有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Kingstone (Guangzhou) Mable Industry Co., Ltd.* ("Kingstone Guangzhou") 金石(廣州)石業有限公司(「金石廣州」)	the PRC 中國	Limited liability company 有限責任公司	US\$50,000,000 50,000,000美元	100%	100%	Processing and trading of construction materials 加工及買賣建築材料
Sichuan Jinshida 四川金時達	the PRC 中國	Limited liability company 有限責任公司	RMB10,000,000 人民幣10,000,000元	100%	100%	Mining, processing and trading of construction materials 開採、加工及買賣建築材料

\* English translation for identification only

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 22. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities are as follows:

### 22. 遞延稅項負債

遞延稅項負債的變動如下：

		Fair value adjustments arising from acquisition of a subsidiary 因收購附屬公司 所產生的公允價值 調整 RMB'000 人民幣千元
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於2018年1月1日、2018年12月31日、 2019年1月1日及2019年12月31日	608

Deferred tax liabilities related to the PRC subsidiaries have been provided at an enacted corporate income tax rate of 25%.

有關中國附屬公司的遞延稅項負債已按已頒佈的企業所得稅稅率25%計提撥備。

### 23. INVENTORIES

### 23. 存貨

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Materials and supplies	材料及物料	363	369
		363	369

### 24. TRADE RECEIVABLES

### 24. 貿易應收款項

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	198,666	182,782
Less: Allowance for credit losses	減：信貸虧損撥備	(139,298)	(111,098)
		59,368	71,684

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 24. TRADE RECEIVABLES (Continued)

The Group's trading terms with its customers are mainly on credit. Except for certain customers solicited by the Group at the beginning of its commercial operation were granted for a longer credit terms, the credit period is generally three months. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Trade receivable are non-interest bearing.

An aged analysis of trade receivables, as at the end of the reporting periods based on the goods delivery date, and net of allowance for credit losses, is as follows:

### 24. 貿易應收款項 (續)

本集團與其客戶的貿易條款主要為信貸形式。除本集團於其開始商業營運時已招攬的若干客戶獲授予較長信貸期外，信貸期一般為三個月。本集團設法對其尚未償還應收款項實施嚴格控制以盡量減低信貸風險。貿易應收款項為不計息。

於報告期末，根據貨品交付日期，貿易應收款項（已扣除信貸虧損撥備）的賬齡分析如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
0 to 90 days	0至90日	28,652	2,878
91 to 180 days	91至180日	-	33,060
181 to 365 days	181至365日	10,843	16,632
Over 1 year	1年以上	19,873	19,114
		59,368	71,684

Reconciliation of the loss allowance of trade receivables:

貿易應收款項之虧損撥備對賬如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
At beginning of year	於年初	111,098	102,791
Allowance for the year	本年度撥備	28,200	8,307
At end of year	於年末	139,298	111,098

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 24. TRADE RECEIVABLES (Continued)

As at 31 December 2018, included in trade receivables of approximately RMB10,352,000 were secured by certain properties in the PRC as a collateral ("Properties"). A valuation was conducted on the Properties by an independent valuer and the recoverable amounts of the trade receivables based on the net realisable values of the Properties were higher than the carrying amount (after deduction of tax and estimated legal costs). Thus no individual impairment loss recognised.

As at 31 December 2019, the Group provided additional loss allowance with RMB10,352,000 for the trade receivables secured by the Properties as the director of the Company considered as a default in the current year.

### 24. 貿易應收款項 (續)

於2018年12月31日，計入貿易應收款項之約人民幣10,352,000元以若干位於中國的物業（「物業」）作為抵押物進行抵押。獨立估值師已對物業進行估值，根據物業之可變現淨值計算之貿易應收款項之可收回金額（經扣除稅項及估計法律費用後）高於賬面值。因此，並無確認個別減值虧損。

於2019年12月31日，由於本公司董事認為本年度發生違約，本集團就以物業作抵押之貿易應收款項計提額外虧損撥備人民幣10,352,000元。

### 25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

#### (a) Non-current portion

Prepayment for acquisition of property, plant and equipment	收購物業、廠房及設備之預付款項

### 25. 預付款項、按金及其他應收款項

#### (a) 非流動部分

2019	2018
2019年	2018年
RMB'000	RMB'000
人民幣千元	人民幣千元

51,330	51,642
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#### (b) current portion

Prepayment	預付款項
Deposits	按金
Others	其他

#### (b) 流動部分

2019	2018
2019年	2018年
RMB'000	RMB'000
人民幣千元	人民幣千元

371	13
2,713	3,185
690	743

3,774	3,941
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For the year ended 31 December 2019 截至2019年12月31日止年度

### 26. CASH AND CASH EQUIVALENTS

The Group's cash and bank balances are all denominated in the following currencies:

Cash and bank balances:	現金及銀行結餘：
RMB	人民幣
HK\$	港元
US\$	美元

		2019	2018
		2019年	2018年
		RMB'000	RMB'000
		人民幣千元	人民幣千元

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

本集團的現金及銀行結餘均以下列貨幣計值：

	2019	2018
	2019年	2018年
	RMB'000	RMB'000
	人民幣千元	人民幣千元

人民幣不可自由兌換成其他貨幣，惟根據《中華人民共和國外匯管理條例》，本集團獲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。

### 27. TRADE PAYABLES

Trade payables are unsecured, non-interest bearing and are normally settled in 90 days. An aged analysis of trade payables, based on the invoice date, is as follows:

0 to 60 days	0至60日
61 to 120 days	61至120日
121 to 180 days	121至180日
Over 180 days	180日以上

### 27. 貿易應付款項

貿易應付款項為無抵押、免息，一般於90日內清付。根據發票日期，貿易應付款項的賬齡分析如下：

	2019	2018
	2019年	2018年
	RMB'000	RMB'000
	人民幣千元	人民幣千元

		436	1,765
		50	-
		-	-
		72	49
		558	1,814

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 28. OBLIGATION UNDER FINANCE LEASE

As at 31 December 2018, the Group has obligation under finance leases of motor vehicle (Note 17). The lease term is 5 years. The interest rate is of flat rate from 1.3% to 1.8% per annum.

As at 31 December 2019, obligation under finance lease are classified as lease liabilities.

### 28. 融資租賃承擔

於2018年12月31日，本集團有汽車之融資租賃承擔（附註17）。租期為5年。利率為每年平息1.3%至1.8%。

於2019年12月31日，融資租賃承擔分類為租賃負債。

		Minimum lease payment 最低租賃款項	Present value of minimum lease payments 最低租賃款項現值
		2018 2018年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Within one year	一年內	235	233
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	-	-
		235	233
less: Future finance charges	減：未來財務費用	(2)	-
Present value of lease obligations	租賃承擔現值	233	233
less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內結算的款項 (於流動負債項下呈列)		(233)
Amount due for settlement after 12 months	於12個月後結算的款項		-

All finance lease payables are denominated in Hong Kong dollars.

所有應付融資租賃均以港元計值。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 29. LEASE LIABILITIES

The exposure of the Group's lease liabilities are as follows:

### 29. 租賃負債

本集團租賃負債的披露資料如下：

		2019 2019年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值	-
Adjustment on initial application of IFRS 16	首次應用國際財務報告準則第16號作出之調整	1,620
At 1 January (restated)	於1月1日(經重列)	1,620
Addition	添置	3,085
Repayment during the year	年內償還	(1,324)
Imputed interest	推算利息	90
Disposal	出售	(1,005)
Exchange realignment	匯兌調整	4
		2,470

		Minimum lease payments 最低租賃款項 2019 2019年 RMB'000 人民幣千元	Present value of lease liabilities 租賃負債現值 2019 2019年 RMB'000 人民幣千元
Minimum lease payment due:	於以下時間到期的最低租賃款項：		
- Within one year	— 一年內	1,508	1,429
- Within a period of more than one year but not more than two years	— 超過一年但不超過兩年之期間內	875	854
- Within a period of more than two years but not more than five years	— 超過兩年但不超過五年之期間內	196	187
Future finance charges	未來財務費用	(109)	
Present value of lease liabilities	租賃負債現值	2,470	2,470
Amounts due for settlement within one year (shown under current liabilities)	於一年內結算的款項(於流動負債項下呈列)		1,429
Amounts due for settlement after one year (shown under non-current liabilities)	於一年後結算的款項(於非流動負債項下呈列)		1,041
			2,470

The Group leases properties and motor vehicles for operation and these lease liabilities were measured at the present value of the lease payment that are not yet paid. All leases are entered at fixed prices.

本集團就營運租賃物業及汽車，及該等租賃負債乃按尚未支付的租賃款項現值計量。所有租賃均按固定價格訂立。



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### 30. OTHER PAYABLES AND ACCRUALS

### 30. 其他應付款項及應計費用

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Payables relating to:	與下列各項有關的應付款項：		
Taxes other than income tax	稅項（所得稅除外）	1,381	1,474
Payroll and welfare	工資及福利	6,183	6,073
Deposits received	已收按金	131	98
Accruals and others	應計費用及其他	10,472	10,788
		18,167	18,433

Note:

The amounts are unsecured, interest-free and repayable on demand.

附註：

該款項為無抵押、免息及須按要求償還。

### 31. AMOUNTS DUE TO DIRECTORS

### 31. 應付董事款項

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Loans from a director (Note a)	來自董事的貸款（附註a）	4,291	—
Amounts due to directors (Note b)	應付董事款項（附註b）	1,295	831
		5,586	831

Note

(a) The loans from the Group's director, Mr. Zheng Yonghui, are unsecured, interest accrued at 10% per annum and repayable within 1 year from 8 September 2020 to 22 December 2020.

(b) As at 31 December 2019, the amount due to the Group's director, Mr. Zheng Yonghui, is unsecured, non-interest bearing and have no fixed repayment term. As at 31 December 2018, the amount due to the Group's resigned director, Mr. Wang Minliang, is unsecured, non-interest bearing and have no fixed repayment term. The carrying value of the amounts due to directors approximate their fair value.

附註

(a) 來自本集團董事鄭永暉先生的貸款為無抵押、按年利率10%計息及於2020年9月8日至2020年12月22日起計一年內償還。

(b) 於2019年12月31日，應付本集團董事鄭永暉先生的款項為無抵押、免息及無固定償還期限。於2018年12月31日，應付本集團辭任董事王民良先生的款項為無抵押、免息及無固定償還期限。應付董事款項的賬面值與其公允值相若。

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### 32. PROVISION FOR LITIGATION

- (a) A litigation related to a claim of RMB15 million together with interest and cost thereon (collectively the "Claim") charged by Mr. Shao Weiquan (the "Plaintiff") against Sichuan Jinshida, an indirectly wholly owned subsidiary of the Company, and others including Mr. Huang Xianyou, the controlling shareholder of the Company and a former owner of Sichuan Jinshida, pursuant to the guarantees purported to be executed by each of them in 2010 in favour of the Plaintiff in securing the obligation and liabilities of Guangzhou Jiucheng Mining Co., Ltd ("Guangzhou Jiucheng"), a related party of the Company, under the loan agreement entered into between the Plaintiff and Guangzhou Jiucheng dated 25 July 2010.

In September 2014, Guangdong Province Maoming City Dianbai District People's Court handed down a judgment against Sichuan Jinshida in respect of the Claim. In August 2016, Sichuan Jinshida appealed against the judgement to Guangdong Province Maoming City Intermediate People's Court but the appeal was dismissed.

In June 2017, Sichuan Jinshida received an enforcement decision made by the Guangdong Province Maoming City Dianbai District People's Court (the "Decision"). Pursuant to the Decision, the mining right of the Zhangjiaba Mine was seized for a period of three years.

On 5 July 2018, Sichuan Jinshida entered into a Settlement Agreement with the Plaintiff, of which Sichuan Jinshida and the Plaintiff agreed to settle the Claim for RMB21.8 million (the "Settlement Agreement") which shall be paid by two instalments namely (1) RMB10 million within 15 business days, after the entering of the Settlement Agreement and (2) RMB11.8 million within four months after the entering of the Settlement Agreement. The Plaintiff also agreed to discharge any liabilities of Sichuan Jinshida and forgo any other claim in connection with the subject matter upon the full payment of the Claim.

### 32. 訴訟撥備

- (a) 邵偉權先生(「原告」)針對本公司間接全資附屬公司四川金時達及黃賢優先生(為本公司的控股股東及四川金時達的前擁有人)等其他人士提起訴訟,根據聲稱由彼等各自於2010年向原告簽立的擔保本公司的關連方廣州久成礦業有限公司(「廣州久成」)於原告與廣州久成於2010年7月25日訂立的貸款協議項下義務及責任的擔保,申索人民幣15,000,000元連同相關利息及費用(統稱為「申索」)。

於2014年9月,廣東省茂名市電白區人民法院判決四川金時達在申索中敗訴。於2016年8月,四川金時達向廣東省茂名市中級人民法院提出上訴,但上訴遭駁回。

於2017年6月,四川金時達接獲廣東省茂名市電白區人民法院作出的強制執行決定書(「決定書」)。根據決定書,張家壩礦山的採礦權被查封三年。

於2018年7月5日,四川金時達與原告訂立和解協議,據此,四川金時達與原告同意就申索進行和解,和解金額為人民幣21,800,000元(「和解協議」),將分兩期支付:(1)人民幣10,000,000元於訂立和解協議後15個營業日內支付及(2)人民幣11,800,000元於訂立和解協議後四個月內支付。原告亦同意於悉數償付申索後免除四川金時達的任何責任且放棄有關標的事項的任何其他申索。

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### 32. PROVISION FOR LITIGATION (Continued)

(a) (Continued)

The Group made a provision of RMB37.5 million in relation to the Claim for the year ended 31 December 2017. As a result of the Settlement Agreement, a gain on reversal of a provision of approximately RMB15.7 million will be reflected in the profit and loss account of the Group for the year ended 31 December 2018.

(b) On 8 August 2018, the Company received a writ of summons (the "Writ") issued in the Court of First Instance of the High Court of Hong Kong under Commercial List Action No. 5 of 2018 (the "Action") by Mr. Li Jiaju (the "Plaintiff") against Kinwin International Investment Limited (the "1st Defendant"), a company wholly owned by a former director, the Company (the "2nd Defendant") and the former director (the "3rd Defendant"), in relation to a claim for the sum of approximately HK\$23.7 million plus interest and costs against the 1st Defendant or alternatively, a claim for a sum of approximately HK\$21.2 million plus interest and costs against the Company or alternatively a claim for the sum owned by the 1st Defendant against the 3rd Defendant, pursuant to a loan agreement between the Plaintiff and the 1st Defendant and an alleged deed of assignment that was executed between the Plaintiff, 1st Defendant, the 2nd Defendant. The Company considered no provision made for the case as this proceeding is still at its early stage and the Company is highly unlikely to incur any further liability as at 31 December 2019 and 31 December 2018.

(c) On 22 August 2018, the High Court of Hong Kong Special Administrative Region ("High Court") handed down a judgement to dismiss the application for summary judgment from Zhongtai International Wealth Management Limited (the "Plaintiff") which is the financier of Royal Moon for underwriting of open offer announced by the Company on 14 May 2015, for a claim that the Company is liable to account to the Plaintiff for wrongfully returning the balance of fund of approximately HK\$61.4 million from the open offer bank account to Royal Moon on the ground of the alleged breach of trust and/or breach of equitable/fiduciary duties.

### 32. 訴訟撥備(續)

(a) (續)

本集團已於截至2017年12月31日止年度就申索計提撥備人民幣37,500,000元。由於和解協議，本集團將於截至2018年12月31日止年度的損益賬入賬撥回撥備之收益約人民幣15,700,000元。

(b) 於2018年8月8日，本公司接獲李家駒先生（「原告」）根據2018年商業類別訴訟第5號（「訴訟」）於香港高等法院原訴法庭針對建勝國際投資有限公司（「第一被告」，一間由前任董事全資擁有之公司）、本公司（「第二被告」）及前任董事（「第三被告」）發出的傳訊令狀（「令狀」），內容有關根據原告與第一被告訂立之貸款協議及原告與第一被告、第二被告簽立之一份聲稱轉讓契據，針對第一被告提出金額約23,700,000港元另加利息及費用之索償，或針對本公司提出金額約21,200,000港元另加利息及費用之索償，或針對第三被告提出收取第一被告欠付金額之索償。本公司認為，由於目前仍處於訴訟初期階段且於2019年12月31日及2018年12月31日本公司不大可能產生任何進一步負債，故並無就此計提撥備。

(c) 於2018年8月22日，香港特別行政區高等法院（「高等法院」）下達判決駁回中泰國際優越理財有限公司（「原告」）（其就本公司於2015年5月14日公佈之公開發售包銷為皇月提供資金）的簡易判決申請，原告申索本公司須就從公開發售銀行賬戶錯誤地向皇月退還資金餘額約61,400,000港元而向原告負上責任，理由是聲稱違反信託及／或違反衡平／受信責任。

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### 32. PROVISION FOR LITIGATION (Continued)

(c) (Continued)

The Plaintiff is claiming for equitable compensation and/or damages, and/or account of profits on the ground of the Company's breach of trust, together with an order to pay to the Plaintiff such sum as may be found due or payable, including relevant interests and costs. The Plaintiff is also seeking for a declaration that the Company is liable to account to the Plaintiff for the balance of the fund in the open offer account of the Company or such other sum as the Court thinks fit on the ground of its breach of trust.

The Company considered no provision made for the case as this proceeding is still at its early stage and the Company is highly unlikely to incur any further liability as at 31 December 2019 and 31 December 2018.

- (d) On 8 August 2018, the Company received a notification of proceeding served by Guangzhou City Huangpu district People's Court pursuant to which Mr. Caiyou (the "Plaintiff") commenced a legal proceedings against Sichuan Jinshida (a wholly-owned subsidiary of the Company) (the "1st Defendant"), Kingstone Guangzhou, (the "2nd Defendant") and other, due to the disputes of an agreement dated 9 August 2013 for assignment of loan between Sichuan Jinshida (as assignor) Mr. Cao You ("Mr. Cao") (as assignee) and Guangdong Huaxia Financial Guarantee Co., (as guarantor of the assignment agreement) pursuant to which Sichuan Jinshida has agreed to assign and Mr. Cai has agreed to accept Sichuan Jinshida's rights, title, interest and benefits in and to the Loan at a total consideration of RMB40,000,000.

Pursuant to the civil complaint, the plaintiff claims against Sichuan Jinshida and other defendants (i) to rescind the assignment agreement and an alleged supplemental agreement, (ii) to return the deposit and part of consideration in amount of RMB8.0 million in aggregate, (iii) to pay compensation of RMB5.0 million.

### 32. 訴訟撥備 (續)

(c) (續)

原告就本公司違反信託而索償衡平補償及／或損害賠償、及／或交出所得利潤，並要求頒令支付原告有關可能屬應付之金額，包括相關利息及費用。原告亦正尋求宣告本公司就本公司公開發售賬戶之資金餘額而向原告負上責任或法院認為合適之其他金額，理由是本公司違反信託。

本公司認為，由於目前仍處於訴訟初期階段且於2019年12月31日及2018年12月31日本公司不大可能產生任何進一步負債，故並無就此計提撥備。

- (d) 於2018年8月8日，本公司接獲廣州市黃埔區人民法院送達之訴訟通知，據此，蔡有先生（「原告」）因對四川金時達（作為轉讓人）、蔡有先生（「蔡先生」，作為承讓人）及廣東華夏融資擔保有限公司（作為轉讓協議之擔保人）之間訂立的日期為2013年8月9日之轉讓貸款協議存有爭議而針對本公司之全資附屬公司四川金時達（「第一被告」）、金石廣州（「第二被告」）等提出訴訟，根據該協議，四川金時達已同意轉讓且蔡先生已同意接納四川金時達對該筆貸款享有之權利、所有權、權益及利益，總代價為人民幣40,000,000元。

根據該民事起訴狀，原告要求四川金時達及其他被告 (i) 撤銷該轉讓協議及聲稱補充協議、(ii) 退還按金及部分代價合共人民幣8,000,000元、(iii) 支付賠償金人民幣5,000,000元。

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### 32. PROVISION FOR LITIGATION (Continued)

(d) (Continued)

On 18 December 2019, Guangdong Province Guangzhou City People's Court of Huangpu District handed down a judgment against Sichuan Jinshida in respect of the claim. The Company filed an appeal petition at the Guangdong Provincial Guangzhou Municipal Intermediate People's court (the "the Guangzhou Court"). The hearings were made in April and early May 2020. The Guangzhou Court has not yet handed down judgments in respect of the appeal petition of the Group as at the date of this annual report.

A provision for litigation of approximately RMB10.6 million (2018: RMB1.2 million) regarding this case was recognised for the year ended 31 December 2019.

### 32. 訴訟撥備 (續)

(d) (續)

於2019年12月18日，廣東省廣州市黃埔區人民法院判決四川金時達在申索中敗訴。本公司已向廣東省廣州市中級人民法院（「廣州法院」）提出上訴呈請。聆訊已於2020年4月及5月初舉行。於本年報日期，廣州法院尚未宣佈有關本集團上訴呈請之判決。

截至2019年12月31日止年度，已就此確認訴訟撥備約人民幣10,600,000元（2018年：人民幣1,200,000元）。

### 33. PROVISION FOR REHABILITATION

### 33. 復墾撥備

RMB'000  
人民幣千元

At 1 January 2018, 31 December 2018,  
1 January 2019 and 31 December 2019

於2018年1月1日、2018年12月31日、  
2019年1月1日及2019年12月31日

2,697

The Group is required to make payments for restoration and rehabilitation of certain land after the sites have been mined. The Provision is measured in accordance with the relevant rules and regulations applicable in the PRC at the end of the reporting period.

於開採礦區後，本集團須付款修復及復墾若干土地。撥備乃於報告期末根據中國適用之相關規則及法規計量。

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### 34. SHARE CAPITAL

Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股	Number of shares 股份數目 '000 千股	Share Capital 股本 RMB'000 人民幣千元
Authorised	法定		
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於2018年1月1日、 2018年12月31日、 2019年1月1日及 2019年12月31日	150,000,000	1,215,275
Issued and fully paid	已發行及繳足		
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於2018年1月1日、 2018年12月31日、 2019年1月1日及 2019年12月31日	2,832,083	24,435

### 34. 股本

### 35. RESERVES

#### Contributed reserve

It represents the aggregate amount of the consideration of RMB24,480,000 paid to the former owners of Sichuan Jinshida by the ultimate controlling shareholder to obtain the control over Sichuan Jinshida by 14 March 2008 after netting off the investment cost of RMB10,000,000 paid by the Group on the acquisition of the entire equity interest in Sichuan Jinshida from the ultimate controlling shareholder pursuant to the reorganisation, as if the acquisition had been completed from the beginning of the year ended 31 December 2010. The corresponding liability of the investment cost of RMB10,000,000 payable to the ultimate controlling shareholder arising from the acquisition pursuant to the reorganisation was classified as a current liability as at 31 December 2009 and the balance was settled in November 2010.

### 35. 儲備

#### 繳入儲備

繳入儲備指最終控股股東為取得對四川金時達的控制權而於2008年3月14日前向四川金時達的前擁有人支付的總代價人民幣24,480,000元，經扣除本集團就根據重組向最終控股股東收購四川金時達全部股權而支付的投資成本人民幣10,000,000元，猶如收購事項已於截至2010年12月31日止年度開始時完成。因根據重組進行收購事項所產生的應付最終控股股東投資成本人民幣10,000,000元的相應負債已於2009年12月31日分類為流動負債，而該結餘已於2010年11月清還。

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### 36. SHARE OPTION SCHEME

#### 2011 Option Scheme

### 36. 購股權計劃

#### 2011年購股權計劃

		31 December 2019 2019年12月31日		31 December 2018 2018年12月31日	
		Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千股	Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千股
Outstanding at beginning of reporting period	於報告期初未行使	0.66	65,002	0.66	65,002
Share options granted during the year - to directors	年內授出購股權 - 向董事				
Granted during the year	年內授出	0.1172	198,246	-	-
Outstanding at end of reporting period	於報告期末未行使	0.25	263,248	0.66	65,002
Exercisable at end of reporting period	於報告期末可行使	0.25	263,248	0.66	65,002

The options outstanding at the end of the year have a weighted average remaining contractual life of 8.72 years (2018: 7.97 years) and the exercise prices range from HK\$0.0972 to HK\$7.97 (2018: HK\$0.0972 to HK\$7.97).

於本年度末尚未行使的購股權的加權平均剩餘合約期為8.72年(2018年: 7.97年)及行使價範圍介乎0.0972港元至7.97港元(2018年: 0.0972港元至7.97港元)。

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### 36. SHARE OPTION SCHEME (Continued)

The exercise price and exercise period of those share options outstanding under the 2011 Option Scheme as at 31 December 2018 and 31 December 2019 are as follows:

### 36. 購股權計劃 (續)

於2018年12月31日及2019年12月31日，該等於2011年購股權計劃項下尚未行使購股權的行使價和行使期如下：

	Number of options 購股權數目	Exercise price per share 每股行使價	Exercise period 行使期
	'000 千份	HK\$ 港元	
At 31 December 2019 於2019年12月31日	1,351	7.97	Three tranches in proportion of 50%, 25% and 25% exercisable from 4 November 2011, 4 November 2012 and 4 November 2013 to 3 November 2021, respectively. 按50%、25%及25%的比例分作三批，分別自2011年11月4日、2012年11月4日及2013年11月4日起至2021年11月3日止可予行使。
	3,464	1.74	From 26 June 2014 to 25 June 2024 自2014年6月26日起至2024年6月25日止
	3,290	1.74	From 9 June 2014 to 8 June 2024 自2014年6月9日起至2024年6月8日止
	4,849	1.63	From 19 December 2014 to 18 December 2024 12,000,000 options offered may be exercised on or after 19 December 2014; and 24,000,000 options offered may be exercised on or after 19 December 2015. 自2014年12月19日起至2024年12月18日止，授出的12,000,000份購股權可於2014年12月19日或之後行使，及授出的24,000,000份購股權可於2015年12月19日或之後行使。
	4,848	1.65	From 12 January 2015 to 15 December 2024 自2015年1月12日起至2024年12月15日止
	47,200	0.0972	From 23 November 2017 to 22 November 2027 自2017年11月23日起至2027年11月22日止
	198,246	0.1172	From 15 April 2019 to 14 April 2029 自2019年4月15日起至2029年4月14日止



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### 36. SHARE OPTION SCHEME (Continued)

### 36. 購股權計劃 (續)

	Number of options 購股權數目 '000 千份	Exercise price per share 每股行使價 HK\$ 港元	Exercise period 行使期
At 31 December 2018 於2018年12月31日	1,351	7.97	Three tranches in proportion of 50%, 25% and 25% exercisable from 4 November 2011, 4 November 2012 and 4 November 2013 to 3 November 2021, respectively. 按50%、25%及25%的比例分作三批，分別自2011年11月4日、2012年11月4日及2013年11月4日起至2021年11月3日止可予行使。
	3,464	1.74	From 26 June 2014 to 25 June 2024 自2014年6月26日起至2024年6月25日止
	3,290	1.74	From 9 June 2014 to 8 June 2024 自2014年6月9日起至2024年6月8日止
	4,849	1.63	From 19 December 2014 to 18 December 2024 12,000,000 options offered may be exercised on or after 19 December 2014; and 24,000,000 options offered may be exercised on or after 19 December 2015. 自2014年12月19日起至2024年12月18日止，授出的12,000,000份購股權可於2014年12月19日或之後行使，及授出的24,000,000份購股權可於2015年12月19日或之後行使。
	4,848	1.65	From 12 January 2015 to 15 December 2024 自2015年1月12日起至2024年12月15日止
	47,200	0.0972	From 23 November 2017 to 22 November 2027 自2017年11月23日起至2027年11月22日止

The fair value of those share options under the 2011 Option Scheme granted during the year ended 31 December 2019 was approximately HK\$12,447,000 (equivalent to approximately RMB10,954,000) of which the Group recognised as equity-settled share option expense of HK\$12,447,000 (equivalent to approximately RMB10,954,000) during the year ended 31 December 2019.

於截至2019年12月31日止年度內根據2011年購股權計劃授出的購股權公允價值約為12,447,000港元（相當於約人民幣10,954,000元），其中本集團已於截至2019年12月31日止年度確認權益結算購股權開支12,447,000港元（相當於約人民幣10,954,000元）。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 36. SHARE OPTION SCHEME (Continued)

No share option granted during the year ended 31 December 2018.

The fair value of equity-settled share options granted during the year was estimated as at the date of grant, using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

		Share options granted to employees 向僱員 授出購股權	Share options granted to directors 向董事 授出購股權	Share options granted to employees 向僱員 授出購股權	Share options granted to directors 向董事 授出購股權	Share options granted to employees 向僱員 授出購股權	Share options granted to directors 向董事授出 購股權	Share options granted to employees 向僱員授出 購股權
Date of grant	授出日期	9 June 2014	26 June 2014	30 December 2014	12 January 2015	23 November 2017	15 April 2019	15 April 2019
		2014年6月9日	2014年6月26日	2014年12月30日	2015年1月12日	2017年11月23日	2019年4月15日	2019年4月15日
Dividend yield (%)	派息率(%)	3.12%	3.12%	3.12%	3.12%	-	-	-
Expected volatility (%)	預期波幅(%)	40.29%	40.35%	40.04%	39.68%	80.18%	77.84%	77.84%
Risk-free interest rate (%)	無風險利率(%)	2.06%	2.04%	1.89%	1.59%	1.75%	1.63%	1.63%

As at 31 December 2019, the Company had approximately 263,248,000 (2018: 65,002,000) share options outstanding under the 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 approximately 263,248,000 (2018: 65,002,000) additional ordinary shares of the Company.

As at 31 December 2019, the Company had approximately 263,248,000 (2018: 65,002,000) share options outstanding under share option schemes, which represented approximately 9.30% (2018: 2.30%) of the Company's shares in issue as at that date.

### 36. 購股權計劃 (續)

截至2018年12月31日止年度概無授出購股權。

於年內授出的權益結算購股權公允值於授出日期採用二項式模式予以估計，當中計及授出購股權時的條款及條件。下表載列該模式所使用的輸入數據：

於2019年12月31日，本公司於購股權計劃下有約263,248,000份（2018年：65,002,000份）尚未行使購股權。根據本公司目前的股本架構，全面行使尚未行使購股權將導致發行約263,248,000股（2018年：65,002,000股）本公司額外普通股。

於2019年12月31日，本公司於購股權計劃下有約263,248,000份（2018年：65,002,000份）尚未行使購股權，佔該日本公司已發行股份約9.30%（2018年：2.30%）。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 37. COMMITMENTS

#### (a) Commitments under operating leases

##### As lessee

The Group leases certain land premises and buildings under operating lease arrangements, with leases negotiated for terms for 2 years with an option for renewal after that date, at which time all terms will be renegotiated.

At each end of reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2018 2018年 RMB'000 人民幣千元
Within one year	一年內	1,875
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	185
		2,060

#### (b) Capital Commitments

At 31 December 2018 and 2019, the Group had outstanding commitments as follows:

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Capital expenditure in respect of purchase of property, plant and equipment contracted for but not provided in the consolidated financial statements	已簽約但未在綜合財務報表撥備之有關購買物業、廠房及設備之資本開支	8,830	8,518
Capital expenditure in respect of construction of property, plant and equipment contracted for but not provided in the consolidated financial statements	已簽約但未在綜合財務報表撥備之有關建造物業、廠房及設備之資本開支	6,800	6,800
		15,630	15,318

### 37. 承擔

#### (a) 經營租約承擔

##### 作為承租人

本集團按經營租約安排租用若干土地物業及樓宇，經磋商租期為兩年，並可選擇於到期日後續期，屆時所有條款將會重新磋商。

於各報告期末，本集團根據不可撤銷經營租賃應付的未來最低租金總額的到期日如下：

#### (b) 資本承擔

於2018年及2019年12月31日，本集團擁有未履行承擔如下：

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 38. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the financial statements, the Group had the following significant related party transactions:

#### (a) Key management compensation

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利	2,451	3,282
Pension costs – defined contribution scheme	退休金成本 – 定額供款計劃	37	15
Equity-settled share option expense	權益結算購股權開支	1,817	–
		4,305	3,297

#### (b) Interest on amount due to a director

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Interest on amount due to a director	應付董事款項利息	79	–

The interest incurred from the loan from the Group's director, Mr. Zheng Yonghui, at 10% per annum.

### 38. 關連方交易

除財務報表其他地方所披露者外，本集團擁有以下重大關連方交易：

#### (a) 主要管理層酬金

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利	2,451	3,282
Pension costs – defined contribution scheme	退休金成本 – 定額供款計劃	37	15
Equity-settled share option expense	權益結算購股權開支	1,817	–
		4,305	3,297

#### (b) 應付董事款項利息

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Interest on amount due to a director	應付董事款項利息	79	–

有關利息產生自本集團董事鄭永暉先生授出的貸款，年利率為10%。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 39. DEREGISTRATION/DISPOSAL OF A SUBSIDIARY

- (a) On 26 March 2019, the Group applies to deregister wholly owned subsidiary, Zhuhai Jinxin Gold Enterprise Management Co., Ltd.\* ("Zhuhai Jinxin"). The deregistration cost is RMB4,000 and completed on 5 September 2019.

Assets and liabilities derecognised at the date of deregistration was approximately RMB1,113,000. Loss on deregistration of subsidiaries is approximately RMB1,117,000. The deregistration cost is RMB4,000 and is satisfied by cash. The Group incurred a cash outflow of RMB4,000 due to the deregistration.

\* English translation for identification only

### 39. 取消註冊／出售附屬公司

- (a) 於2019年3月26日，本集團申請將全資附屬公司珠海金鑫金業企業管理有限公司（「珠海金鑫」）取消註冊。有關取消註冊成本為人民幣4,000元及已於2019年9月5日完成。

取消註冊當日終止確認之資產及負債約為人民幣1,113,000元。取消註冊附屬公司的虧損約為人民幣1,117,000元。取消註冊成本為人民幣4,000元及以現金償付。由於取消註冊，本集團產生現金流出人民幣4,000元。

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	1,113
Net asset	資產淨值	1,113
Non-controlling interest	非控股權益	-
		1,113
Exchange reserve realised	已變現匯兌儲備	-
		1,113
Loss on deregistration of subsidiaries	取消註冊附屬公司之虧損	(1,117)
Deregistration cost	取消註冊成本	(4)
Satisfied by:	償付方式：	
Cash	現金	4

An analysis of the net outflow of cash and cash equivalents in respect of the deregistration of a subsidiary as follows:

有關取消註冊附屬公司的現金及現金等價物流出淨額的分析如下：

		RMB'000 人民幣千元
Deregistration cost	取消註冊成本	(4)
Net outflow cash and cash equivalents in respect of the deregistration of a subsidiary	有關取消註冊附屬公司的現金及現金等價物流出淨額	(4)

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 39. DEREGISTRATION/DISPOSAL OF A SUBSIDIARY (Continued)

- (b) On 22 November 2017, the Group entered into a sales and purchase agreement with independent third party, to dispose 100% shareholding of Jiangyou Kingstone Properous Marble Co., Ltd., at a consideration of RMB600,000, the disposal was completed on 26 March 2018.

### 39. 取消註冊／出售附屬公司 (續)

- (b) 於2017年11月22日，本集團與獨立第三方訂立買賣協議以出售江油金石鑫隆大理石有限公司的全部股權，代價為人民幣600,000元，該出售事項已於2018年3月26日完成。

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	174
Cash and cash equivalent	現金及現金等價物	1
Trade and other payables	貿易及其他應付款項	(437)
Net liabilities	負債淨額	(262)
Non-controlling interest	非控股權益	-
		(262)
Exchange reserve realised	已變現匯兌儲備	296
		34
Gain on disposal of subsidiaries	出售附屬公司之收益	566
Consideration	代價	600
Satisfied by:	償付方式：	
Cash	現金	600

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries as follows:

有關出售附屬公司的現金及現金等價物流入淨額的分析如下：

		RMB'000 人民幣千元
Cash consideration	現金代價	600
Less: Cash and cash equivalents disposed of	減：已出售現金及現金等價物	1
Net inflow cash and cash equivalents in respect of the disposal of a subsidiary	有關出售附屬公司的現金及現金等價物流入淨額	599

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY AS AT 31 DECEMBER

### 40. 本公司於12月31日之財務狀況表

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司的投資	-	-
Property, plant and equipment	物業、廠房及設備	66	-
Right-of-use assets	使用權資產	2,660	-
		2,726	-
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	319	7,125
Cash and cash equivalents	現金及現金等價物	46,274	59,540
		46,593	66,665
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Other payables and accruals	其他應付款項及應計費用	4,048	2,670
Amounts due to directors	應付董事款項	5,586	831
Lease liabilities	租賃負債	1,429	-
		11,063	3,501
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>	35,530	63,164
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>	38,256	63,164
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>		
Lease liabilities	租賃負債	1,040	-
		1,040	-
<b>NET ASSETS</b>	<b>資產淨值</b>	37,216	63,164
<b>EQUITY</b>	<b>權益</b>		
Share capital	股本	24,435	24,435
Reserves (Note)	儲備(附註)	12,781	38,729
<b>TOTAL EQUITY</b>	<b>總權益</b>	37,216	63,164

Approved and authorised for issue by the board of directors on 11 May 2020.

由董事會於2020年5月11日批准及授權刊發。

Zhang Cuiwei  
張翠薇  
Director  
董事

Wang Yihua  
王藝華  
Director  
董事

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY AS AT 31 DECEMBER (Continued)

Note:

Reserve movement of the Company

		Share premium 股份溢價 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Share option reserve 購股權儲備 RMB'000 人民幣千元	Foreign currency translation reserve 外幣換算儲備 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
At 1 January 2018	於2018年1月1日	221,144	(97,196)	25,115	(11,033)	138,030
Total comprehensive loss for the year	年度全面虧損總額	-	(141,341)	-	42,040	(99,301)
At 31 December 2018 and 1 January 2019	於2018年12月31日及2019年1月1日	221,144	(238,537)	25,115	31,007	38,729
Total comprehensive loss for the year	年度全面虧損總額	-	(37,635)	-	733	(36,902)
Grant of share options	授出購股權	-	-	10,954	-	10,954
At 31 December 2019	於2019年12月31日	221,144	(276,172)	36,069	31,740	12,781

### 40. 本公司於12月31日之財務狀況表

(續)

附註：

本公司儲備變動

### 41. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements were approved and authorised for issue by the Board on 11 May 2020.

### 41. 批准綜合財務報表

綜合財務報表由董事會於2020年5月11日批准及授權刊發。



# SUMMARY OF FINANCIAL INFORMATION

## 財務資料概要

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### 綜合全面收益表

		Year ended 31 December 截至12月31日止年度				
		2015 2015年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Revenue	收入	3,680	12,290	31,383	67,719	65,689
Profit/(loss) before tax	除稅前溢利/(虧損)	(198,940)	(124,548)	7,797	(19,270)	(68,505)
Income tax credit	所得稅抵免	2,675	-	-	-	-
Profit/(Loss) for the year	年度溢利/(虧損)	(196,265)	(124,548)	7,797	(19,270)	(68,505)
		RMB cents 人民幣分	RMB cents 人民幣分	RMB cents 人民幣分	RMB cents 人民幣分	RMB cents 人民幣分
Basic earnings/(loss) per share	每股基本盈利/(虧損)	(58.7)	(27)	0.5	(0.7)	(2.4)

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 綜合財務狀況表

		As at 31 December 於12月31日				
		2015 2015年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Non-current assets	非流動資產	207,401	270,660	247,046	285,992	275,684
Current assets	流動資產	124,158	40,762	220,093	141,052	112,527
Total assets	總資產	331,559	311,422	467,139	427,044	388,211
Current liabilities	流動負債	121,772	138,327	53,768	22,511	36,341
Non-current liabilities	非流動負債	3,936	3,719	3,506	3,305	4,346
Total liabilities	總負債	125,708	142,046	57,274	25,816	40,687
Net assets/Total equity	淨資產/總權益	205,851	169,376	409,865	401,228	347,524



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