



# SHOUGANG FUSHAN RESOURCES GROUP LIMITED

首鋼福山資源集團有限公司

Stock Code 股份代號 : 639



2019  
年報  
ANNUAL  
REPORT

## LOCATIONS OF THE GROUP'S COKING COAL MINES 本集團的焦煤礦所在地



### CORPORATE PROFILE

**SHOUGANG FUSHAN RESOURCES GROUP LIMITED** is one of the most sizable integrated coking coal corporations in **CENTRAL-WESTERN CHINA**.

Taking Shanxi Province as its major investment base, it is principally engaged in **MINING OF COKING COAL, PRODUCTION AND SALES OF RAW AND CLEAN COKING COAL**.

The Group has three premium operating coking coal mines and three coal preparation plants.

### 公司簡介

首鋼福山資源集團有限公司為**中國中西部**最具規模之綜合焦煤企業之一。

以山西省作為主要投資基地，主要從事**焦煤開採、原焦煤及精焦煤生產及銷售業務**。

本集團現有三座在產的優質焦煤礦及三座洗煤廠。



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Ding Rucai (*Chairman*)  
Fan Wenli (*Managing Director*)  
So Kwok Hoo (*Deputy Managing Director*)  
Chen Zhaoqiang (*Deputy Managing Director*)  
Liu Qingshan (*Deputy Managing Director*)  
Chang Cun (*Non-executive Director*)  
Shi Yubao (*Non-executive Director*)  
Kee Wah Sze (*Independent Non-executive Director*)  
Choi Wai Yin (*Independent Non-executive Director*)  
Chan Pat Lam (*Independent Non-executive Director*)  
Japhet Sebastian Law (*Independent Non-executive Director*)

### EXECUTIVE COMMITTEE

Ding Rucai (*Chairman*)  
Fan Wenli  
So Kwok Hoo  
Chen Zhaoqiang  
Liu Qingshan

### AUDIT COMMITTEE

Choi Wai Yin (*Chairman*)  
Kee Wah Sze  
Chan Pat Lam  
Japhet Sebastian Law

### NOMINATION COMMITTEE

Ding Rucai (*Chairman*)  
Kee Wah Sze  
Choi Wai Yin  
Chan Pat Lam  
Japhet Sebastian Law

## 公司資料

### 董事會

丁汝才(*主席*)  
范文利(*董事總經理*)  
蘇國豪(*副董事總經理*)  
陳兆強(*副董事總經理*)  
劉青山(*副董事總經理*)  
常存(*非執行董事*)  
時玉寶(*非執行董事*)  
紀華士(*獨立非執行董事*)  
蔡偉賢(*獨立非執行董事*)  
陳柏林(*獨立非執行董事*)  
羅文鈺(*獨立非執行董事*)

### 執行委員會

丁汝才(*主席*)  
范文利  
蘇國豪  
陳兆強  
劉青山

### 審核委員會

蔡偉賢(*主席*)  
紀華士  
陳柏林  
羅文鈺

### 提名委員會

丁汝才(*主席*)  
紀華士  
蔡偉賢  
陳柏林  
羅文鈺

**CORPORATE INFORMATION (continued)****公司資料(續)****REMUNERATION COMMITTEE**

Japhet Sebastian Law (*Chairman*)  
Ding Rucai  
Shi Yubao  
Kee Wah Sze  
Choi Wai Yin  
Chan Pat Lam

**薪酬委員會**

羅文鈺(*主席*)  
丁汝才  
時玉寶  
紀華士  
蔡偉賢  
陳柏林

**COMPANY SECRETARY**

Kong Ling Yan

**公司秘書**

江領恩

**AUDITOR**

PricewaterhouseCoopers  
Certified Public Accountants and Registered PIE Auditor

**核數師**

羅兵咸永道會計師事務所  
執業會計師及註冊公眾利益實體核數師

**SHARE REGISTRAR**

Tricor Tengis Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

**股份過戶登記處**

卓佳登捷時有限公司  
香港  
皇后大道東183號  
合和中心54樓

**REGISTERED OFFICE AND  
PRINCIPAL PLACE OF BUSINESS**

6th Floor  
Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai  
Hong Kong

**註冊辦事處及主要營業地點**

香港  
灣仔  
告士打道56號  
東亞銀行港灣中心  
6樓

**STOCK CODE**

639

**股份代號**

639

**WEBSITE**

[www.shougang-resources.com.hk](http://www.shougang-resources.com.hk)

**網址**

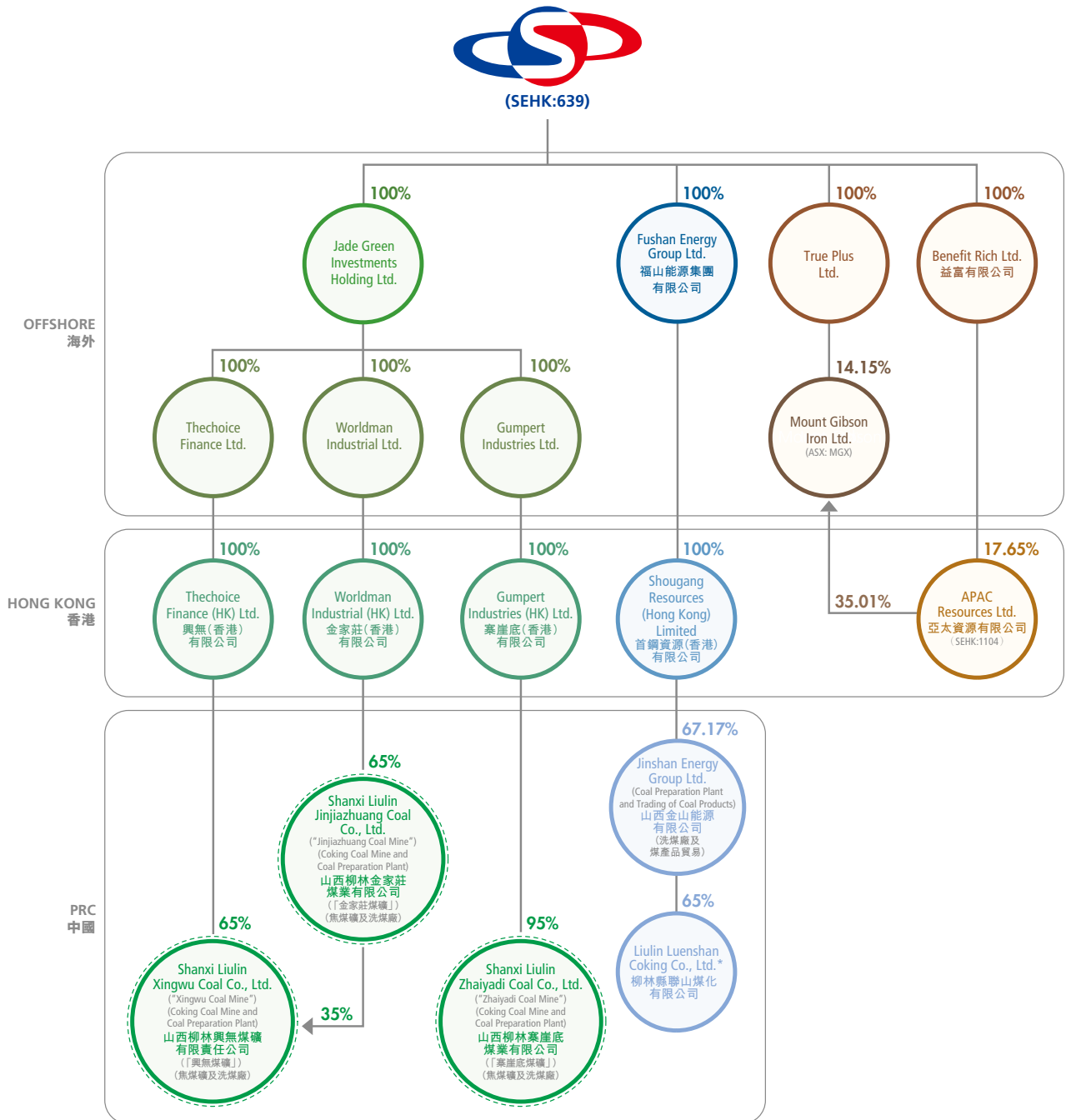
[www.shougang-resources.com.hk](http://www.shougang-resources.com.hk)

# MAIN OPERATIONAL STRUCTURE

# 主要業務架構

THE MAIN OPERATIONAL STRUCTURE OF THE GROUP AS AT 31 DECEMBER 2019 IS AS FOLLOWS:

於二零一九年十二月三十一日，本集團之主要業務架構如下：



\* The unofficial English translation is for identification purpose only.

## FINANCIAL HIGHLIGHTS

## 財務摘要

For the year ended 31 December  
截至十二月三十一日止年度

(HK\$'000) (千港元)		2017 二零一七年	2018 二零一八年	2019 二零一九年	Percentage change 百分比變化
Revenue	收益	3,471,922	3,686,176	<b>3,869,308</b>	+5%
Gross profit	毛利	1,875,404	1,900,542	<b>1,988,743</b>	+5%
Gross profit margin	毛利率	54%	52%	<b>51%</b>	
Profit for the year	年度溢利	1,182,584	1,151,928	<b>1,176,141</b>	+2%
Profit attributable to owners of the Company ("Owners")	本公司擁有人(「擁有人」)應佔溢利	1,080,649	1,100,488	<b>1,140,413</b>	+4%
Adjusted EBITDA <sup>1</sup>	經調整EBITDA <sup>1</sup>	2,027,696	2,028,196	<b>2,220,589</b>	+9%
Basic earnings per share (HK cents)	每股基本盈利(港仙)	20.38	20.76	<b>21.51</b>	+4%
Dividend per share (HK cents)	每股股息(港仙)	16.5	16.8	<b>17.2</b>	
- Interim (HK cents)	- 中期(港仙)	3.0	8.3	<b>8.5</b>	
- Special (HK cents)	- 特別(港仙)	6.3	-	<b>-</b>	
- Final (Proposed) (HK cents)	- 末期(建議)(港仙)	7.2	8.5	<b>8.7</b>	

As at 31 December  
於十二月三十一日

(HK\$'000) (千港元)		2017 二零一七年	2018 二零一八年	2019 二零一九年	Percentage change 百分比變化
Total assets	資產總值	21,694,645	21,251,042	<b>21,472,710</b>	+1%
of which:	其中:				
Cash and cash equivalents and time deposits with original maturity over three months	現金及現金等值物及原存款期超過三個月之定期存款	4,864,467	4,307,335	<b>4,761,884</b>	+11%
Unpledged bills receivables	無抵押應收票據	1,136,540	1,109,222	<b>950,696</b>	-14%
Total liabilities	負債總值	(4,318,962)	(4,475,236)	<b>(4,426,398)</b>	-1%
of which:	其中:				
Total borrowings	借貸總額	-	-	<b>-</b>	-
Total equity	權益總值	17,375,683	16,775,806	<b>17,046,312</b>	+2%
of which:	其中:				
Equity attributable to Owners	擁有人應佔權益	15,934,812	15,384,116	<b>15,681,580</b>	+2%
Net assets per share attributable to Owners (HK\$)	歸屬於擁有人每股資產淨值(港元)	3.01	2.90	<b>2.96</b>	+2%
Current ratio (times) <sup>2</sup>	流動比率(倍) <sup>2</sup>	2.87	2.58	<b>2.61</b>	+1%
Gearing ratio <sup>3</sup>	資本負債比率 <sup>3</sup>	-	-	<b>-</b>	-

Notes:

- Adjusted EBITDA is defined as profit before income tax plus finance costs, change in fair value of derivative financial instruments, share of profit/(loss) of an associate, depreciation, amortisation and written off of property, plant and equipment.
- Current ratio is computed from total current assets divided by total current liabilities.
- Gearing ratio is computed from total borrowings divided by total equity.

附註:

- 經調整EBITDA之定義為除所得稅前溢利加財務成本、衍生財務工具之公平值變動、應佔一間聯營公司溢利/(虧損)、折舊、攤銷及物業、廠房及設備之撇銷。
- 流動比率以流動資產總值除流動負債總值計算。
- 資本負債比率以借貸總額除權益總值計算。

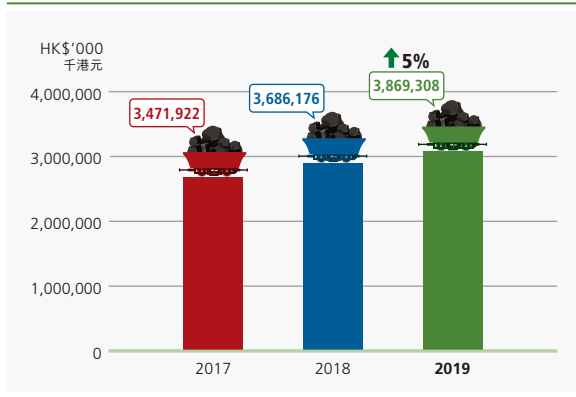
## FINANCIAL HIGHLIGHTS (continued)

## 財務摘要(續)

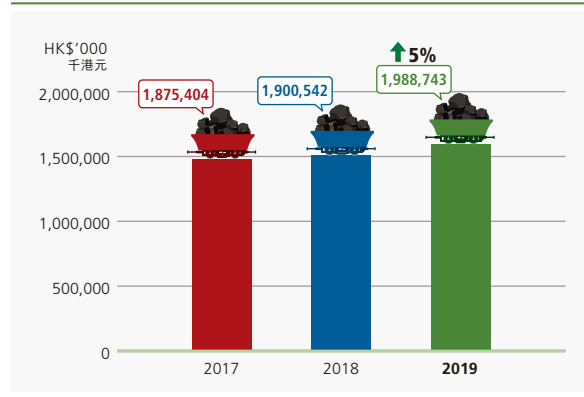
### PROFIT & LOSS SUMMARY

### 損益摘要

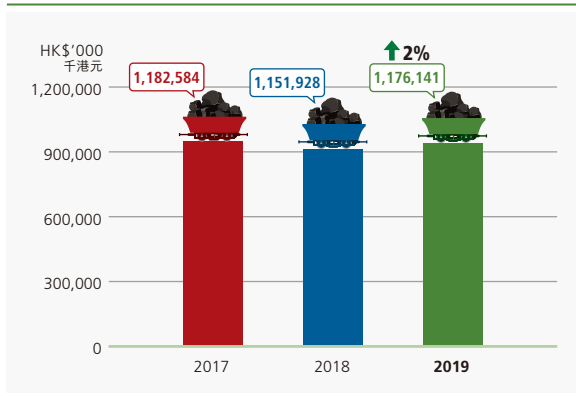
#### Revenue 收益



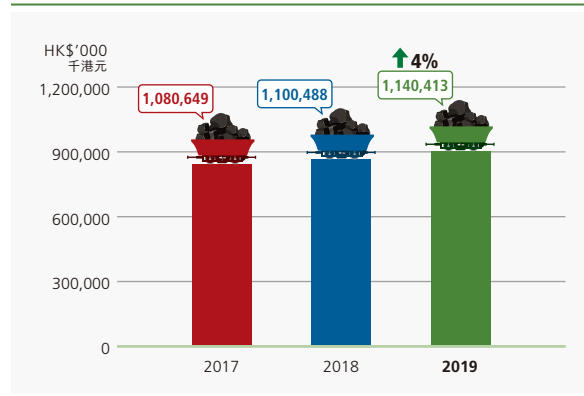
#### Gross profit 毛利



#### Profit for the year 年度溢利



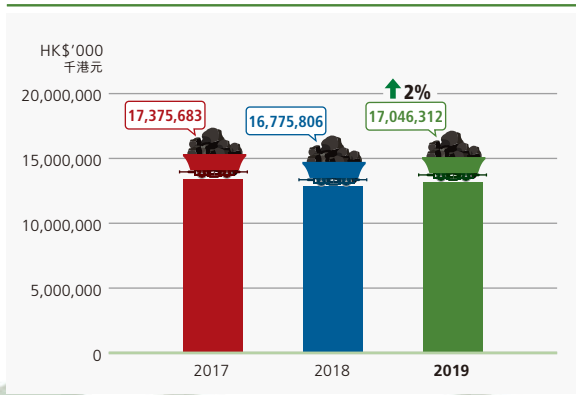
#### Profit attributable to Owners 擁有人應佔溢利



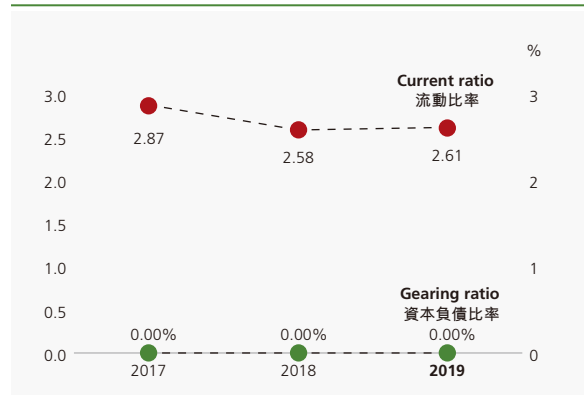
### HEALTHY FINANCIAL POSITION

### 穩健財務狀況

#### Net assets 資產淨值



#### Gearing ratio & current ratio 資本負債比率及流動比率





## OPERATING MINES

### XINGWU COAL MINE

- 6 km south of Liulin County and the mining right area extended over 11.6 sq. km and spans 4.5 km east to west and 4.5 km north to south
- Operation commenced in 1968
- Annual approved raw coking coal production capacity: 1.75 million tonnes
- Operate a coal preparation plant with annual designed input processing capacity of 1.2 million tonnes (put into operation in October 2002)
- Mainly production of hard coking coal

## 營運中之煤礦

### 興無煤礦

- 位於柳林縣以南6公里，採礦權區佔地約11.6平方公里，東西相距4.5公里，南北相距4.5公里
- 於一九六八年開始營運
- 核准年原焦煤生產能力：175萬噸
- 經營一座年入洗量為120萬噸之洗煤廠(於二零零二年十月投產)
- 主要生產硬焦煤



## OPERATING MINES (continued)

### JINJIAZHUANG COAL MINE

- 14 km south of Liulin County and the mining right area extended over 6.08 sq. km and spans 6.8 km east to west and 3.4 km north to south
- Operation commenced in 1996
- Suspended normal production since the second half of 2017 because of undergoing construction. Resumed normal production in the second half of 2019
- Annual approved raw coking coal production capacity: 1.75 million tonnes
- Operate a coal preparation plant with annual designed input processing capacity of 3.0 million tonnes (put into operation in June 2009)
- Mainly production of semi-hard coking coal

## 營運中之煤礦(續)

### 金家莊煤礦

- 位於柳林縣以南14公里，採礦權區佔地約6.08平方公里，東西相距6.8公里，南北相距3.4公里
- 於一九九六年開始營運
- 自二零一七年下半年因進行工程暫時停產，於二零一九年下半年已正式復產
- 核准年原焦煤生產能力：175萬噸
- 經營一座年入洗量為300萬噸之洗煤廠(於二零零九年六月投產)
- 主要生產半硬焦煤



## OPERATING MINES (continued)

### ZHAIYADI COAL MINE

- 16 km southwest of Liulin County and the mining right area extended over 13.9 sq. km and spans 5.5 km east to west and 5.0 km north to south
- Operation commenced in 1988
- Annual approved raw coking coal production capacity: 1.75 million tonnes
- Operate a coal preparation plant with annual designed input processing capacity of 2.1 million tonnes (put into operation in the 4th quarter of 2010)
- Mainly production of semi-hard coking coal

## 營運中之煤礦(續)

### 寨崖底煤礦

- 位於柳林縣以西南16公里，採礦權區佔地約13.9平方公里，東西相距5.5公里，南北相距5.0公里
- 於一九八八年開始營運
- 核准年原焦煤生產能力：175萬噸
- 經營一座年入洗量為210萬噸之洗煤廠(於二零一零年第四季度投產)
- 主要生產半硬焦煤



## OPERATING MINES (continued)

## 營運中之煤礦(續)

## COAL CHARACTERISTICS

## 煤炭特徵

- Located within the Lishi-Liulin mining area of Hedong coalfield, one of China's key reserve areas for high-quality hard coking coal.
  - Regarded as "panda coal" because of its scarcity and high economic value.
  - The Group's coking coal is of particularly good quality due to its high calorific value and caking index but low ash and sulfur content, characteristics that are highly desirable for coke and steel making.
- 位於河東煤田之離柳礦區，該區為中國優質硬焦煤之主要儲量區域之一。
  - 由於其稀有性和高經濟價值，被譽為「熊貓煤」。
  - 本集團之焦煤發熱值高及焦結度強，加上灰份及硫份低，品質優越，使之非常適合用於生產焦炭及鋼鐵。

Major Coal Quality Characteristic	主要煤炭質量特徵	Basic 基準	Operating Mines 營運中之煤礦		
			No. 4 4號	No. 5 5號	No. 9 9號
Moisture (%)	水分(%)	Ad	0.9	0.3	0.7
Ash (%)	灰分(%)	D	11.3	10.1	10.4
Sulfur Total (%)	總含硫量(%)	D	0.36	0.85	1.65
Volatile Matter (%)	揮發物含量(%)	Daf	21.6	23.4	18.7
Fixed Carbon (%)	固炭(%)	Ad	68.6	67.0	72.1
Calorific Value (Kcal./kg)	發熱量(千卡/千克)	Gr.v.d	7,500	7,200	7,540
Caking Index (G)	粘結指數(G)		86	75	72

Source: John.T. Boyd report as of 31 December 2007

資料來源：約翰.T.博德公司截至到二零零七年十二月三十一日之報告

## OPERATING MINES (continued)

## 營運中之煤礦(續)

## RESOURCES AND RESERVES/OUTPUT

## 資源量及儲量／產量

		Operating Mines 營運中之煤礦			Total 總額
		Xingwu 興無	Jinjiashuang 金家莊	Zhaiyadi 寨崖底	
<b>Resources and Reserves</b>	<b>資源量及儲量</b>				
In-Place Resources as of 31 December 2007 (Mt)	截至二零零七年十二月三十一日 之原地資源量(百萬噸)	63.23	64.18	78.34	205.75
Recoverable Reserves as of 31 December 2007 (Mt)	截至二零零七年十二月三十一日 之可採儲量(百萬噸)				
- Proven reserves	- 證實儲量	11.11	20.78	13.32	45.21
- Probable reserves	- 預可採儲量	35.23	23.02	38.89	97.14
Total proven and probable recoverable reserves as of 31 December 2007 (Mt)	截至二零零七年十二月三十一日 之總證實及預可採儲量 (百萬噸)	46.34	43.80	52.21	142.35
Less: Total raw coking coal output in 2008 to 2019 (Mt)	減：二零零八年至二零一九年 之原焦煤總產量(百萬噸)	(20.67)	(15.69)	(26.50)	(62.86)
<b>In-Place Resources as of 31 December 2019 (Mt) (NB)</b>	<b>截至二零一九年十二月三十一日 之原地資源量(百萬噸)(註)</b>	<b>42.56</b>	<b>48.49</b>	<b>51.84</b>	<b>142.89</b>
<b>Recoverable Reserves as of 31 December 2019 (Mt) (NB)</b>	<b>截至二零一九年十二月三十一日 之可採儲量(百萬噸)(註)</b>	<b>25.67</b>	<b>28.11</b>	<b>25.71</b>	<b>79.49</b>

NB: Resources and reserves have taken into account the coal reserves of the Operating Mines prepared by John T. Boyd Company, an independent mining and geological consultant, as of 31 December 2007, in accordance with the JORC Code, after deduction of the total raw coking coal output for the period from 1 January 2008 to 31 December 2019.

註：資源量及儲量乃由一家獨立採礦及地質顧問約翰T.博公司根據JORC規程估算截至2007年12月31日止營運中之煤礦的儲量減去於2008年1月1日至2019年12月31日期間的原焦煤總產量而計算。

## CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board, I would like to present to the shareholders the annual report of the Group for the year ended 31 December 2019 and to report to all shareholders the performance of the Group for the year under review.

Global economic growth in 2019 was the slowest since the 2008 financial crisis, whilst populism and protectionism are gaining momentum across the world, trade frictions are escalating and the increasing geopolitical tension has further weakened the world economic growth. The Sino-US trade negotiations have been stalled for nearly two years and finally announced reaching a first-phase agreement in December 2019. The handshake established a "buffer zone" for both countries and prevented expansion of the trade war and further shockwave to the world economy. However, the signing of the first phase of the agreement is not a substantive solution to the root cause of the conflict between the two countries. The Sino-US gaming is expected to exist for a considerable period of time, bringing many disturbances and uncertain variables to global economic growth.

China economy has slowed down in 2019 and stabilised at the end of the year with an overall gross domestic product ("GDP") growth 6.1%. Among all the downstream industries of steel sector, although infrastructure investments growth was lower than expectation, the overall investment amount rebounded in 2019. On the other hand, real estate investment was better than expected. Despite targeted policies were implemented, real estate investment has shown resilience, and new construction areas growth have continued to grow but at a slow pace. Due to the increase of steel industry concentration, steel output of 2019 reached a new high again. The annual output of crude steel was nearly 1 billion tonnes, with a YOY increase of 8.3%; annual output of pig iron was more than 800 million tonnes, with a YOY increase of 5.3%. As coking coal demand grew, so did the supply. According to the statistics from sxcoal.com, annual domestic supply of clean coking coal in 2019 was 470 million tonnes, with a YOY increase of 3.6%; annual import volume of coking coal was 74.65 million tonnes, with a YOY increase of 14.3%, which is equivalent to an overall YOY 5.0% increase in total coking coal supply. Supply and demand basically reached equilibrium in 2019. Coking coal prices showed a trend of high to low throughout the year with a significant decline in the second half of the year. In addition, due to the trade friction between China and the United States, the exchange rate of the RMB fluctuated, and the exchange rate of the RMB/HKD fell in 2019, which has negative impact on the Group's 2019 results.

## 主席報告書

尊敬的各位股東：

我謹代表董事會向各位股東提呈本集團截至二零一九年十二月三十一日止年度之年報，並向各位股東彙報本集團在回顧年度的業績表現。

二零一九年全球經濟是自二零零八年金融危機以來增速最低的一年，民粹主義和保護主義勢頭蔓延，貿易摩擦不斷升級，地緣政治緊張局勢加劇更削弱了各國的經濟增長。中美貿易談判反反覆覆接近兩年，終於在二零一九年十二月宣佈達成第一階段貿易協定，防止了貿易戰的繼續擴大將對雙方乃至世界經濟造成的進一步震盪，為形勢緩和建立了「緩衝地帶」。但第一階段協議的簽署並非實質性解決兩國間的深層矛盾，中美戰略博弈料會存在相當一段時間，為全球的經濟增長帶來許多干擾和不確定變數。

二零一九年中國經濟增速下行，到年底企穩，全年國內生產總值6.1%。鋼鐵行業下游產業中，基建投資增長弱於預期，但總體基礎建設投資需求回升；另一方面，房地產投資好於預期，行業在因城施策調控下，投資表現韌性較強，投資及新開工面積依然保持增長，但增速回落。鋼鐵行業因產業集中度提升，其產量於二零一九年再度創新高，粗鋼全年產量近10億噸，同比增長8.3%；生鐵產量8億多噸，同比增長5.3%。焦煤需求增長的同時，供應亦增長，根據中國煤炭資源網資料，二零一九年國內精焦煤供應量4.7億噸，同比增長3.6%；全年累計進口煉焦煤7,465萬噸，同比增長14.3%，即焦煤總體供應量同比增長約5.0%，供需基本達到平衡，焦煤價格全年呈現前高後低走勢，下半年降幅明顯。另外，二零一九年，因中美貿易摩擦反復，人民幣匯率跌宕起伏，人民幣對港元匯率同比下跌，其對二零一九年度本集團的業績亦有負面影響。

## CHAIRMAN'S STATEMENT (continued)

As a result of our team's effort, under the current challenging market situation, the Group is pleased to report that for the year under review, the raw coking coal production volume of the Group was 4.41 million tonnes, with a YOY increase of 8%; the clean coking coal production was 2.75 million tonnes, the sales volume was 2.70 million tonnes, with a YOY increase of 30% and 29% respectively. The average selling price of clean coking coal (VAT included) was RMB1,396/tonne, with a YOY decrease of 4%. For the year ended 31 December 2019, the Group's revenue was HK\$3.87 billion, with a YOY increase of 5%. The gross profit margin was 51% and the net profit attributable to the shareholders was HK\$1.14 billion, maintaining a steady growth.

Jinjiazhuang Coal Mine was granted a production permit in August 2019 and resumed to normal production gradually. The Group has optimised the labor organisation to improve operation efficiency. By optimising the coal mining and blending, we have strived to increase the mining and processing recovery rate. Moreover, the underground conveyor belt centralised control and automation system has entered the pilot stage, which could further improve production efficiency in the future.

Looking into 2020, the unexpected COVID-19 epidemic casts a shadow over the stabilised Chinese economy and global economy. World economic activities are severely suppressed, which will cause greater disturbance to the global supply chain, weaken the global economic growth and increase in downside risks. But we also see that the Chinese government's measures and efforts to combat the epidemic have been widely recognised by the world. At present, the epidemic in the Mainland China is basically under control. At the same time, the Chinese government has begun to gradually introduce various economic stimulus to the market which aim to reduce financial stress by proactive fiscal policy, measures including: cutting interest rate, fees and tax deferral and continuing to implement similar measures; impose financial transfer payments in those areas affected by the epidemic; increase fiscal expenditure by expanding the scale of local government debt issuance. However, the recent rapid spread of the epidemic overseas has exceeded anticipation and its impact on the economies of other countries is likely to further affect the Chinese economy due to the effect of board linkage. The short-term market outlook is full of challenges and uncertainties.

## 主席報告書(續)

面對市場重重挑戰，在全體員工的共同努力下，本集團欣喜地向各位股東彙報：回顧年度內，實現原焦煤產量441萬噸，同比上漲8%；精焦煤產量275萬噸，銷量270萬噸，同比分別上漲30%及29%。精焦煤平均售價(含增值稅)1,396元人民幣／噸，同比下降4%。截至二零一九年十二月三十一日止年度，本集團完成銷售收入38.7億港元，同比上漲5%；全年毛利率達51%。股東應佔溢利11.4億港元，維持增長步伐。

金家莊煤礦下組煤延深工程繼二零一八年底進入聯合試運轉後，於二零一九年八月獲得安全生產許可證，逐步恢復為正常生產礦井。本集團通過優化勞動組織，提高採掘工效；通過優化採煤配煤，努力提高資源回採率及回收率；運輸皮帶集中控制自動化項目亦已逐步進入調試運行階段，生產效率有望進一步提升。

展望二零二零年，突如其來的新冠肺炎疫情給剛剛重拾軌道的中國經濟乃至全球經濟都蒙上了一層陰影，嚴重抑制世界經濟活動，對全球供應鏈將形成較大擾動，使經濟增長變得更加脆弱，下行風險驟增。但我們也看到中國政府在對抗疫情的措施和力度均獲得世界廣泛認同，目前，內地疫情基本受控。同時，中國政府已經開始逐步推出各項經濟刺激措施，強調積極的財政政策要更加積極有為：減負，包括落實已經出台的貼息、降費、緩繳稅款，繼續研究出台減稅降費；攻堅，加大受疫情影響較大地區的轉移支付力度；擴大支出，主要是擴大地方政府專項債券發行規模。然而，近期疫情在海外的發展速度超過預期，其對各國經濟的影響很可能進而因聯動效應進一步影響中國經濟，市場前景短期內充滿挑戰和未知數。

## CHAIRMAN'S STATEMENT (continued)

Since China is taking a more aggressive fiscal policy, we expect that the infrastructure investments will have a faster growth in 2020. Meanwhile, as different policies will be adopted in different cities, real estate market will remain at a steady and health position. Under the global trend of "decoupling", China will also vigorously promote domestic demand in medium and long term, especially in consumer products such as automobiles and home appliances which have been hit hard by the COVID-19 development recently. Therefore, we expect that China's steel and coking coal industry will rebound after a decline in the beginning of 2020 and remain relatively stable throughout the year. However, further development of the epidemic overseas in short-term could create unexpected impacts on the global economy and various industries.

Under the orderly work and production resumption policy implemented by the nation, the Group's Liulin three mines took the lead in passing the inspection and resumed to production in the mid of February 2020. The Group has imposed a series of epidemic prevention and control measures. In the meantime, we have adjusted the production schedule according to the new policies to ensure we can reach our production promotion target this year with Jinjiazhuang Coal Mine resumed in production. In this very time, the Group's stable financial position and strong cash flow will become an exceptional advantage to overcome current difficulties and explore potential business opportunities. In response to the epidemic development at home and abroad, the Group will timely adjust our operating strategy in order to lower cost and expand revenue stream. Last but not least, the Group will keep transforming to "Intelligence mines" and continue to maintain the highest standards in occupational safety, environmental protection and sustainability.

I would like to express my sincere thanks to the management team and all the staff for their hard work and contributions. As a token of our appreciation for the continued support and kindness of our shareholders, the Board has proposed a final dividend of HK8.7 cents per ordinary share. Once more, I would like to express my heartfelt gratitude again to our shareholders, management team, employees and business partners for their support. Looking forward to overcoming difficulties together and a bright tomorrow!

## 主席報告書(續)

基於國內採取更加積極有為的財政政策，預計二零二零年全國基礎建設投資的速度和力度均會加大；房地產將會繼續執行因城施策，保持穩健；同時，在全球化「脫鉤」的大趨勢下，國家亦會在中長期內大力促進內需，刺激消費，特別是受新冠肺炎疫情打擊較大的汽車和家電等消費類產品。因而，預計中國鋼鐵業在二零二零年先抑後揚，總體仍保持相對平穩，對煉焦煤行業亦是如此。當然，海外短期疫情變化對全球經濟及各行業的進一步影響尚待觀察。

在國家復工復產有序政策下，本集團柳林三礦已於二零二零年二月中率先通過驗收復產，我們將全力做好防疫措施，同時因應新政策調整生產計劃，在金家莊煤礦逐步回復正常生產的情況下，進一步提升年度產量。在非常時期，本集團保有穩健的財務狀況和現金流的優勢將得以體現，有利於克服當前的困難並尋找商機，同時會因應海內外疫情發展，及時調整經營策略，加大降本挖潛力度，拓展增收管道，並進一步向智慧礦山推進，繼續向安全、環保及可持續化發展前行。

謹此向管理團隊及全體員工所付出的努力和貢獻表示衷心感謝，亦感謝各位股東長期以來的支持和厚愛，董事會建議末期股息每股普通股8.7港仙，以再次由衷感謝所有股東、管理人員、各位員工和業務夥伴，盼望共克時艱，共展美好明天！



## MANAGEMENT DISCUSSION AND ANALYSIS

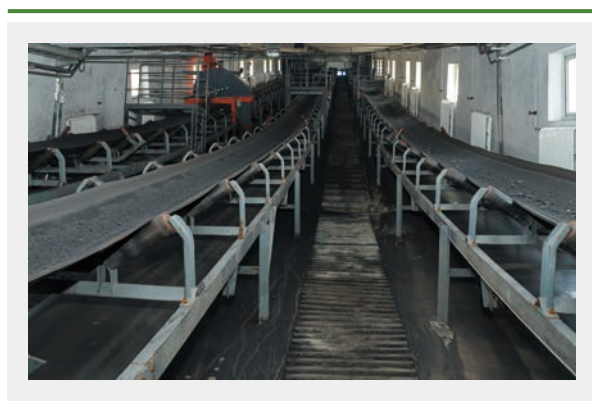
## 管理層論述 與分析

### BUSINESS REVIEW

The key operational data of our three premium operating coking coal mines in Liulin County, Shanxi Province (Xingwu Coal Mine, Jinjiazhuang Coal Mine and Zhaiyadi Coal Mine, collectively referred to as the “Three Mines”) for the year under review together with that of the same period of 2018 is summarised as follows:

### 業務回顧

本集團位於山西省柳林縣三座在產的優質焦煤礦（興無煤礦、金家莊煤礦和寨崖底煤礦，統稱「三礦」）截至回顧年度連同其截至二零一八年同期的主要營運資料撮要如下：



		For the year ended 31 December 截至十二月三十一日 止年度		Change 變化	
		2019	2018	Quantity/ Amount	Percentage
		二零一九年	二零一八年	數量/ 金額	百分比
		Unit			
		單位			
<i>Production volume:</i>	<i>產量:</i>				
Raw coking coal	原焦煤	Mt 百萬噸	4.41	4.07	+0.34 +8%
Clean coking coal	精焦煤	Mt 百萬噸	2.75	2.12	+0.63 +30%
<i>Sales volume:</i>	<i>銷量:</i>				
Raw coking coal	原焦煤	Mt 百萬噸	0.12	0.74	-0.62 -84%
Clean coking coal	精焦煤	Mt 百萬噸	2.70	2.10	+0.60 +29%
<i>Average realised selling price (inclusive of VAT):</i>	<i>平均實現售價 (含增值稅):</i>				
Raw coking coal	原焦煤	RMB/tonne 人民幣/噸	864	786	+78 +10%
Clean coking coal	精焦煤	RMB/tonne 人民幣/噸	1,396	1,451	-55 -4%

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### BUSINESS REVIEW (continued)

For the year ended 31 December 2019, the Group produced approximately 4.41 million tonnes ("Mt") (2018: approximately 4.07 Mt) of raw coking coal, representing a year-on-year ("YoY") increase of 8% and also the production volume of clean coking coal increased to approximately 2.75 Mt (2018: approximately 2.12 Mt), representing a YoY increase of 30% as a result of increase in production volume of raw coking coal by approximately 0.34 Mt and significant reduction of sales volume of raw coking coal by approximately 0.62 Mt. Due to the upgrading in mining technologies and the resumption normal production of Jinjiazhuang Coal Mine gradually in August 2019 which offset the negative effect of the implementation of new production restriction policies such as limitation of number of mining work platforms, our raw coal production volume was increased by 8% YoY in 2019.

In line with the increase in production volume of clean coking coal, the sales volume of clean coking coal also increased sharply by 29% YoY even though sales volume of raw coking coal dropped significantly by 84% YoY during the year under review. This is in line with the Group's long-term strategy to concentrate on clean coking coal sales. Sales of raw and clean coking coal accounted for 3% and 97% of the Group's turnover respectively for the year ended 31 December 2019. They accounted for 16% and 84% respectively for the year ended 31 December 2018.

## 管理層論述 與分析(續)

### 業務回顧(續)

截至二零一九年十二月三十一日止年度，本集團的原焦煤產量約441萬噸(二零一八年：約407萬噸)，按年上升8%；由於原焦煤產量增加約34萬噸和原焦煤銷量大幅減少約62萬噸，所以本集團的精焦煤產量增至約275萬噸(二零一八年：約212萬噸)，按年增幅達30%。雖然回顧年度內實施了新的限產政策(如限制開採工作面數量)對煤產量有負面影響，但提升採煤技術和金家莊煤礦已於二零一九年八月逐步回復正常生產，最終二零一九年度我們的原焦煤產量按年增幅8%。

於回顧年度內，隨著精焦煤產量按年上升，精焦煤銷量按年也顯著增加29%，原焦煤銷量同比則大幅下跌84%。這符合本集團專注於精焦煤銷售的長期策略。截至二零一九年十二月三十一日止年度，原焦煤及精焦煤的銷售額分別佔本集團營業額的3%和97%，而截至二零一八年同期則分別佔16%和84%。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### BUSINESS REVIEW (continued)

In the first half of 2019, the market prices of coking coal rose YoY. However, following the impact of the economic growth slowdown in the Mainland China, the market prices of coking coal have been falling since the second half of 2019. For the year ended 31 December 2019, the Group's average realised selling price (inclusive of value added tax "VAT") of raw coking coal increased by 10% YoY to Renminbi ("RMB") 864/tonne when compared with that of the same period of 2018 (2018: RMB786/tonne) and the Group's average realised selling price (inclusive of VAT) of clean coking coal decreased by 4% YoY to RMB1,396/tonne when compared with that of the same period of 2018 (2018: RMB1,451/tonne). The selling price of our raw coking coal was decreased in line with market. But the average realised selling price of our raw coking coal increased YoY mainly because of the increase in selling proportion of hard raw coking coal with higher selling price during the year under review. On the other hand, the drop in average realised selling price of our clean coking coal was slightly higher than market price because of the decrease in selling proportion of No.1 clean coking coal with higher selling price during the year under review. In terms of its sales volume, sales of hard and semi-hard raw coking coal accounted for 85% and 15% (2018: 11% and 89%) of the total raw coking coal sales volume respectively for the year ended 31 December 2019. In addition, sales of No.1 and No.2 clean coking coal accounted for 37% and 63% (2018: 46% and 54%) of the total clean coking coal sales volume respectively for the year ended 31 December 2019.

## 管理層論述 與分析(續)

### 業務回顧(續)

二零一九年上半年，焦煤市場價格同比有所上漲，但跟隨中國經濟增長放緩的影響，自二零一九年下半年以來，焦煤市場價格開始下跌。截至二零一九年十二月三十一日止年度，本集團原焦煤平均實現售價(含增值稅)按年上漲10%至人民幣864元/噸(二零一八年：人民幣786元/噸)，本集團精焦煤平均實現售價(含增值稅)則按年下調4%至人民幣1,396元/噸(二零一八年：人民幣1,451元/噸)。於回顧年度內，我們銷售的原焦煤售價跟隨市場有所下跌，但整體原焦煤平均實現售價按年上漲，主要是由於增加銷售價格較高的硬原焦煤之銷量比重。另一方面，於回顧年度內，我們的精焦煤平均實現售價則微高於市場價格跌幅，主要是減少銷售價格較高的1號精焦煤之銷量比重。按銷量計算，截至二零一九年十二月三十一日止年度，硬及半硬原焦煤銷量分別佔總原焦煤銷量的85%和15%(二零一八年：11%和89%)；另外，截至二零一九年十二月三十一日止年度，1號及2號精焦煤銷量分別佔總精焦煤銷量的37%及63%(二零一八年：46%及54%)。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW

For the year ended 31 December 2019, the Group recorded a turnover of approximately Hong Kong Dollars (“HK\$”) 3,869 million, representing an increase of approximately HK\$183 million or 5% YoY as compared with that of approximately HK\$3,686 million for the same period of 2018. The increase in turnover was mainly driven by the rise in overall sales volume of coal products, the positive impact of which has partially overridden by the decrease in average realised selling prices of clean coking coal by 4% YoY and the drop in average RMB exchange rate for the year under review.

For the year ended 31 December 2019, the total turnover to the top five customers accounted for 74% (2018: 72%) of the Group’s turnover. Of which, the total turnover to the largest customer accounted for 31% (2018: 24%) of the Group’s turnover.

For the year ended 31 December 2019, gross profit margin was 51% while 52% for the same period in 2018. Gross profit was increased by approximately HK\$88 million or 5% YoY.

For the year ended 31 December 2019, the Group recorded a net profit of approximately HK\$1,176 million and profit attributable to the owners of the Company (the “Owners”) of approximately HK\$1,140 million. Suffered from the depreciation of RMB average exchange rate by approximately 4% YoY, the net profit and profit attributable to the Owners derived from the Group’s coal business, which RMB is its functional currency, reduced by approximately HK\$45 million and approximately HK\$44 million YoY respectively. In addition, during the year under review, the Group had also made a one-off non-cash write off of property, plant and equipment mainly in relation to the carrying amount of underground mining structures of the upper coal seam of Jinjiazhuang Coal Mine upon its closure amounted to approximately HK\$129 million.

Excluding the impact on aforesaid exchange rate and the one-off written off, the Group would record a net profit of approximately HK\$1,318 million and profit attributable to Owners of approximately HK\$1,247 million, increased by approximately HK\$166 million and approximately HK\$147 million YoY respectively.

## 管理層論述 與分析(續)

### 財務回顧

截至二零一九年十二月三十一日止年度，本集團錄得營業額約38.69億港元，較二零一八年同期約36.86億港元按年增加約1.83億港元或5%。營業額增加主要因於回顧年度內煤炭產品整體銷量增長所致，其正面影響在一定程度上被精焦煤的平均實現售價按年下跌4%和平均人民幣匯率下調所抵銷。

截至二零一九年十二月三十一日止年度，前五大客戶的總營業額佔本集團營業額74%(二零一八年：72%)，其中最大客戶的總營業額佔本集團營業額31%(二零一八年：24%)。

截至二零一九年十二月三十一日止年度，毛利率為51%，二零一八年同期則為52%。毛利按年上升約8,800萬港元或5%。

截至二零一九年十二月三十一日止年度，本集團錄得淨利潤約11.76億港元及本公司擁有人(「擁有人」)應佔溢利約11.40億港元。受累人民幣平均匯率同比貶值約4%的影響，本集團主要以人民幣為功能貨幣的煤炭業務所得淨利潤和擁有人應佔溢利同比分別下調約4,500萬港元和約4,400萬港元。加上，於回顧年度內，由於一次性非現金撇銷物業、廠房及設備(主要為關閉金家莊上組煤礦的相關井下礦場建築物的賬面淨值金額)為數約1.29億港元。

扣除上述匯率及一次性撇銷影響，本集團應錄得淨利潤約13.18億港元及擁有人應佔溢利約12.47億港元，同比分別增長約1.66億港元和約1.47億港元。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW (continued)

During the year under review, save for the growth of coal business, the Group also recorded (i) an increase in dividend income generated from financial assets of approximately HK\$19 million YoY; (ii) the increase in income from sales of by-products by approximately HK\$29 million YoY as a result of the increase in sales volume of by-products being produced in the process of production of clean coking coal products and the increase in its selling prices because of direct sales to end-users; and (iii) the reduction in net foreign exchange loss by approximately HK\$11 million YoY as a result of the realised exchange gain of approximately HK\$21 million arose from the exchange of RMB and US\$ into HK\$ at good time which partially offset the effect on the depreciation in RMB exchange rate by 2.65% as at 31 December 2019 when compare with that as at 31 December 2018 (2018: depreciation in RMB exchange rate by 4.56% as at 31 December 2018 when compare with that as at 31 December 2017).

During the year under review, basic earnings per share was HK21.51 cents (2018: HK20.76 cents).

The Group recorded adjusted EBITDA of approximately HK\$2,221 million (2018: approximately HK\$2,028 million) and generated a positive cash flow of approximately HK\$1,922 million (2018: approximately HK\$1,643 million) from our operating activities during the year under review.

As at 31 December 2019, the Group continues to maintain a healthy financial position and has free bank balances and cash of approximately HK\$4,762 million (As at 31 December 2018: approximately HK\$4,307 million). The increase in bank balances and cash is mainly due to the increase in cash inflow generated from operating activities during the year under review. The Group earned the return on cash resources amounting to approximately HK\$128 million (2018: approximately HK\$124 million) during the year under review.

## 管理層論述 與分析(續)

### 財務回顧(續)

於回顧年度內，除煤炭業務利潤有所增長外，本集團亦錄得(i)從財務資產獲得股息收入按年增加約1,900萬港元；(ii)生產精焦煤所產的副產品銷量增加及直接銷售予最終用戶使其售價上升，出售副產品收入同比增加約2,900萬港元；及(iii)外幣滙兌虧損淨額減少約1,100萬港元，因把握時機將人民幣資金和美元兌換為港幣獲得的實現滙兌收益約2,100萬港元抵銷於二零一九年十二月三十一日結算日人民幣匯率較於二零一八年十二月三十一日貶值約2.65%(二零一八年：於二零一八年十二月三十一日人民幣匯率較於二零一七年十二月三十一日貶值約4.56%)的部份影響。

於回顧年度內，每股基本盈利為21.51港仙(二零一八年：20.76港仙)。

本集團於回顧年度內錄得經調整EBITDA約22.21億港元(二零一八年：約20.28億港元)及從經營業務產生正現金流約19.22億港元(二零一八年：約16.43億港元)。

於二零一九年十二月三十一日，本集團繼續維持穩健財務狀況並持有可動用銀行結餘及現金結餘約47.62億港元(二零一八年十二月三十一日：約43.07億港元)。銀行結餘及現金結餘增加主要是於回顧年度內經營業務產生之現金增加所致。於回顧年度內，本集團獲得資金收益達約1.28億港元(二零一八年：約1.24億港元)。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層論述 與分析(續)

### FINANCIAL REVIEW (continued)

### 財務回顧(續)

#### Cost of Sales

#### 銷售成本

During the year under review, cost of sales was approximately HK\$1,881 million, representing an increase of approximately HK\$95 million or 5% YoY, as compared with that of approximately HK\$1,786 million for the same period of 2018. The increase in cost of sales was due to the increase in actual usage volume of raw coking coal for sales and also increase in unit production cost of raw coking coal, of which partially offset by the depreciation in RMB average exchange rate.

於回顧年度內，銷售成本約18.81億港元，較二零一八年同期約17.86億港元，按年增加約9,500萬港元或5%。銷售成本增加是由於銷售所用的實際原焦煤數量增加和每噸原焦煤生產成本有所增加所致，部份增加被平均人民幣匯率貶值所抵銷。



## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層論述 與分析(續)

### FINANCIAL REVIEW (continued)

### 財務回顧(續)

#### Cost of Sales (continued)

#### 銷售成本(續)

The unit production costs are summarised as follows:

每噸生產成本撮要如下：

Unit: RMB/tonne  
單位：人民幣／噸

	For the year ended 31 December 截至十二月三十一日 止年度		Change 變化	
	2019 二零一九年	2018 二零一八年	Amount 金額	Percentage 百分比
Production cost of raw coking coal 原焦煤生產成本	352	337	+15	+4%
Less: Depreciation and amortisation 減：折舊及攤銷	(74)	(62)	+12	+19%
Cash production cost of raw coking coal 現金原焦煤生產成本	278	275	+3	+1%
Less: Uncontrollable costs – resources tax and levies 減：不可控製成本 – 資源稅和徵費	(57)	(61)	-4	-7%
Total 合計	221	214	+7	+3%
Processing cost for clean coking coal 精焦煤加工費	53	61	-8	-13%
of which, depreciation 其中：折舊	(11)	(15)	-4	-27%

Included in cost of sales, amortisation of mining rights was approximately HK\$195 million for the year ended 31 December 2019, representing an increase of approximately HK\$42 million or 27% YoY, as compared with that of approximately HK\$153 million for the same period of 2018. The increase in amortisation of mining rights was mainly due to the increase in actual usage volume of raw coking coal for sales during the year under review.

截至二零一九年十二月三十一日止年度，包括在銷售成本內的採礦權攤銷約1.95億港元，較二零一八年同期約1.53億港元，按年增加約4,200萬港元或27%。於回顧年度內，採礦權攤銷增加主要是銷售所用的實際原焦煤數量增加所致。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW (continued)

#### Cost of Sales (continued)

The increase in unit production cost of raw coking coal by 4% YoY was mainly attributable to the temporary high unit production cost derived from Jinjiazhuang Coal Mine. It was resulted from the low production level of Jinjiazhuang Coal Mine as it resumed production in August 2019.

In addition, the Group faced pressure on the rising costs such as increase in electricity and sewage charges by RMB4/tonne because of the implementation of various environmental protection policies and increase in labor costs. On the other hand, the reduction of cost was resulted from implementation of the effective cost control by the Group such as (i) the decrease in material cost by RMB3/tonne YoY due to the strengthen material management; (ii) the reduction on levy of environmental restoration fund by RMB3/tonne YoY; and (iii) the decrease in mining surface moving fee by RMB1/tonne YoY.

In addition, the unit processing cost of clean coking coal also decreased by 13% YoY as a result of the effective cost control and the increase in clean coking coal production volume by 30% YoY.

#### Gross Profit and Gross Profit Margin

As a result of the reasons above, gross profit was approximately HK\$1,989 million for the year ended 31 December 2019, representing an increase of approximately HK\$88 million or 5% YoY as compared with that of approximately HK\$1,901 million for the same period of 2018. Gross profit margin was 51% for the year under review and 52% for the same period of 2018.

#### Interest Income

During the year under review, interest income was approximately HK\$137 million, representing an increase of approximately HK\$13 million or 10% YoY as compared with approximately HK\$124 million of the same period in 2018. The increase in interest income was the result of the higher return derived from the effective cash management for the year under review.

## 管理層論述 與分析(續)

### 財務回顧(續)

#### 銷售成本(續)

每噸原焦煤生產成本按年增加4%，主要是由於金家莊煤礦於二零一九年八月才恢復生產使其產量較低，其每噸生產成本暫時相對比平常高。

此外，實際本集團面對成本上漲壓力，如實施各種環保政策要求使電費和排污費等費用增加人民幣4元／噸和人工成本上漲。另一方面，本集團有效地控制成本，如(i)加強物料管理，材料成本同比減少人民幣3元／噸；(ii)環境治理保證金減少每噸徵費人民幣3元／噸；及(iii)採礦面搬家費用同比減少人民幣1元／噸。

此外，每噸精焦煤加工費同比亦下調13%，主要是有效地控制成本和精焦煤產量同比增加30%所致。

#### 毛利及毛利率

基於上述原因，截至二零一九年十二月三十一日止年度，毛利約19.89億港元，較二零一八年同期約19.01億港元按年增加約8,800萬港元或5%。於回顧年度內，毛利率為51%，而二零一八年同期則為52%。

#### 利息收入

於回顧年度內，利息收入約1.37億港元，較二零一八年同期約1.24億港元按年增加約1,300萬港元或10%。於回顧年度內，利息收入增加主要是有效的資金管理帶來較高收益。



## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW (continued)

#### Other Income and Gains/(Losses), Net

During the year under review, other income and gains/(losses), net were approximately HK\$100 million, representing a significant increase of approximately HK\$64 million or 178% YoY as compared with approximately HK\$36 million of the same period in 2018. Excluding the impact of net foreign exchange loss of approximately HK\$17 million (2018: approximately HK\$28 million) during the year under review, other income and gains/(losses), net was increased by approximately HK\$53 million, was mainly attributable to increase in income from sales of by-products by approximately HK\$29 million or 107% YoY as a result of the increase in sales volume of by-products being produced in the process of production of clean coal products and the increase in its selling prices because of direct sales to end-users; and the increase in dividend income amounted to approximately HK\$19 million or 51% YoY generated from financial assets during the year under review.

#### Selling and Distribution Expenses

During the year under review, selling and distribution expenses were approximately HK\$250 million, representing an increase of approximately HK\$41 million or 20% YoY as compared with that of approximately HK\$209 million for the same period of 2018. Selling and distribution expenses mainly included the trucking fee for short distance to trains and transportation costs by trucks for sales of clean coking coal. The increase was mainly due to the increase in sales volume of clean coking coal by trains and trucks by approximately 350,000 tonnes during the year under review.

#### General and Administrative Expenses

During the year under review, general and administrative expenses were approximately HK\$182 million for the year ended 31 December 2019, representing a decrease of approximately HK\$23 million or 11% YoY as compared with approximately HK\$205 million for the same period of 2018. Save for the depreciation in average RMB to HK\$ exchange rate resulting in reduction of RMB-denominated expenses when translated into HK\$, the decrease is mainly attributable to the continuous implementation of cost control measures.

## 管理層論述 與分析(續)

### 財務回顧(續)

#### 其他收入及收益/(虧損)，淨額

於回顧年度內，其他收入及收益/(虧損)，淨額約1.00億港元，較二零一八年同期約3,600萬港元按年大幅增加約6,400萬港元或178%。撇除於回顧年度內錄得的外幣滙兌虧損淨額約1,700萬港元(二零一八年：約2,800萬港元)的影響，回顧年度內，其他收入及收益/(虧損)，淨額增加約5,300萬港元，主要是生產精焦煤所產的副產品銷量增加及直接銷售予最終用戶使售價上升，出售副產品收入同比增加約2,900萬港元或107%，以及從財務資產獲得股息收入按年增加約1,900萬港元或51%。

#### 銷售及分銷開支

於回顧年度內，銷售及分銷開支約2.50億港元，較二零一八年同期約2.09億港元，按年增加約4,100萬港元或20%，銷售及分銷開支主要包括銷售精焦煤所產生的火車短倒費及貨車運費，其增加主要是於回顧年度內以火車及貨車運煤的精焦煤銷量增加約350,000噸所致。

#### 一般及行政費用

於回顧年度內，一般及行政費用約1.82億港元，較二零一八年同期約2.05億港元按年減少約2,300萬港元或11%。除平均人民幣匯率按年貶值使主要以人民幣計值的費用折算港元列示時金額減少外，減少主要是持續實行控制成本措施。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW (continued)

#### Other Operating Expenses

During the year under review, other operating expenses were approximately HK\$146 million, representing a sharply increase of approximately HK\$140 million YoY as compared with approximately HK\$6 million for the same period of 2018. The significant increase in other operating expenses is mainly due to the one-off non-cash write off of net carrying amount of the related underground mining structures of the upper coal seam of Jinjiazhuang Coal Mine amounting to approximately HK\$129 million. For undergoing the trial production of the lower coal seam of Jinjiazhuang Coal Mine, the well entrance of the upper coal seam was closed down at the same time. Thus, net carrying amount of the related underground mining structures of the upper coal seam was written off.

#### Finance Costs

During the year under review, finance costs were approximately HK\$5 million (2018: nil). The finance costs amounted to approximately HK\$4 million (2018: nil) were derived from the early redemption of bills receivables of the Group for the short-term financing during the year under review. The remaining balance was the interest expense on lease liabilities recognised under the adoption of HKFRS 16. During the year under review, no borrowing costs (2018: nil) were capitalised in the construction in progress.

#### Income Tax Expense

During the year under review, it was recorded income tax expense of approximately HK\$457 million (2018: approximately HK\$488 million), of which approximately HK\$49 million (2018: approximately HK\$65 million) represented the provision of withholding tax of 5% on the dividend to be declared from the Group's major subsidiaries incorporated in the People's Republic of China ("PRC") ("major PRC subsidiaries") in accordance with the relevant tax regulations in the PRC. The enterprise income tax rate for the Group's major PRC subsidiaries is 25%.

## 管理層論述 與分析(續)

### 財務回顧(續)

#### 其他營運開支

於回顧年度內，其他營運開支約1.46億港元，較二零一八年同期約600萬港元按年大幅增加約1.40億港元。其他營運開支大幅增加主要因為一次性非現金撇銷金家莊煤礦上組煤的相關井下礦場建築物的賬面淨值約1.29億港元。金家莊煤礦的下組煤進入聯合試運轉，其上組煤井口也同時關閉。因此，上組煤的相關井下礦場建築物賬面淨值已予以撇銷。

#### 財務成本

於回顧年度內，財務成本約500萬港元(二零一八年：無)。於回顧年度內，約400萬港元(二零一八年：無)為本集團利用貼現票據之短期融資所產生的財務成本，餘額為根據香港財務報告準則第16號確認之租賃負債之利息支出。於回顧年度內，未有將借貸成本(二零一八年：無)撥充於在建工程中。

#### 所得稅費用

於回顧年度內，錄得所得稅費用約4.57億港元(二零一八年：約4.88億港元)，其中約4,900萬港元(二零一八年：約6,500萬港元)為就本集團於中國成立的主要附屬公司(「主要國內附屬公司」)之預計股利分配根據中國有關適用稅法收取5%預扣稅項作出之撥備。主要國內附屬公司之企業所得稅稅率為25%。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW (continued)

#### Owner's Attributable Profit

By reasons of the foregoing, the profit attributable to the Owner during the year under review was approximately HK\$1,140 million, an increase of HK\$40 million or 4% YoY, while approximately HK\$1,100 million for the year ended 31 December 2018.

#### Material Investments and Acquisitions

During the year ended 31 December 2019, the Group had no material investments and acquisitions.

#### Material Disposals

During the year ended 31 December 2019, the Group had no material disposals.

#### Charges on Assets

As at 31 December 2019, save for disclosed below, none of the Group's assets was charged or subject to any encumbrance.

As at 31 December 2019, bank deposits of approximately HK\$143 million and bills receivables of approximately HK\$278 million were used for securing bills facilities of approximately HK\$412 million.

#### Contingent Liabilities

As at 31 December 2019, there were no guarantees given by the Group.

#### Gearing Ratio

As at 31 December 2019, the Group had no borrowings. The gearing ratio of the Group was 0% (As at 31 December 2018: 0%).

## 管理層論述 與分析(續)

### 財務回顧(續)

#### 擁有人應佔溢利

基於上述原因，於回顧年度內本集團錄得的擁有人應佔溢利約11.40億港元，按年上升約4,000萬港元或4%，而截至二零一八年十二月三十一日止年度則約11.00億港元。

#### 重大投資及收購

截至二零一九年十二月三十一日止年度內，本集團並無進行任何重大投資及收購。

#### 重大出售

截至二零一九年十二月三十一日止年度內，本集團並無進行任何重大出售事項。

#### 資產抵押

於二零一九年十二月三十一日，除下文所披露者外，本集團概無任何資產已抵押或附帶任何產權負擔。

於二零一九年十二月三十一日，約1.43億港元的銀行存款及約2.78億港元的應收票據乃作為約4.12億港元之應付票據融資的抵押品。

#### 或然負債

於二零一九年十二月三十一日，本集團並無作出任何擔保。

#### 資本負債比率

於二零一九年十二月三十一日，本集團並無任何借貸，本集團資本負債比率為0%（於二零一八年十二月三十一日：0%）。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW (continued)

#### Exposure to Fluctuations in Exchange Rates

As at 31 December 2019, other than assets and liabilities denominated in Australian Dollars (“AUD”) and RMB, the Group had no material exposure to foreign exchange fluctuations. As at 31 December 2019, AUD and RMB were depreciated by approximately 1% and approximately 3% respectively, when compared to that as at 31 December 2018. The aggregate carrying amount of assets denominated in AUD represented approximately 5% of the Group’s net assets value as at 31 December 2019. Thus, such fluctuation in AUD exchange rate is not expected to have any material impact on the financial position of the Group. On the other hand, as the net assets value of foreign operations denominated in RMB represented approximately 71% of the Group’s net assets value as at 31 December 2019, the depreciation in RMB also led to an exchange loss of approximately HK\$330 million (other than the foreign exchange difference recognised in profit or loss stated above) recognised in the other comprehensive income upon translation of its net assets in the financial statements of foreign operations in the PRC for the year ended 31 December 2019. Nevertheless, the above exposure to fluctuation in exchange rates did not have any material impact on the financial position of the Group.

#### Liquidity and Financial Resources

As at 31 December 2019, the Group’s current ratio (total current assets divided by total current liabilities) was approximately 2.61 times and the Group’s cash and bank deposits amounted to approximately HK\$4,952 million, of which approximately HK\$143 million was deposited to secure bills facilities of same amount. The Group continued to maintain a healthy net cash balance.

The Group has bills receivables amounting to approximately HK\$1,307 million (of which approximately HK\$78 million represented endorsed bills receivables and approximately HK\$278 million was used for securing bills facilities of approximately HK\$269 million) as at 31 December 2019 that were readily convertible into cash, but would be subject to finance cost upon conversion before the maturity. Taking into account for the free bills receivables of approximately HK\$951 million, the Group’s free cash resources would have approximately HK\$5,760 million as at 31 December 2019.

## 管理層論述 與分析(續)

### 財務回顧(續)

#### 匯率波動風險

於二零一九年十二月三十一日，除以澳元及人民幣計值的資產和負債外，本集團並無其他重大匯率波動風險。於二零一九年十二月三十一日，澳元及人民幣匯率較二零一八年十二月三十一日分別貶值約1%及約3%。於二零一九年十二月三十一日，以澳元計值的資產賬面總值僅佔本集團資產淨值約5%，因此，澳元匯率的變動對本集團的財務狀況並沒有重大影響。另一方面，於二零一九年十二月三十一日，以人民幣計值的海外業務的資產淨值佔本集團資產淨值約71%，除上文提及該外幣匯兌差異於損益中確認外，因人民幣貶值導致本集團截至二零一九年十二月三十一日止年度換算於中國的海外業務財務報表的資產淨值時產生額外匯兌虧損約3.30億港元，並於其他全面收益中確認。雖然如此，以上匯率波動沒有對本集團的財務狀況造成任何重大影響。

#### 流動資金及財務資源

於二零一九年十二月三十一日，本集團之流動比率(流動資產總值除流動負債總值)約2.61倍，本集團現金及銀行存款合共約49.52億港元，其中約1.43億港元的銀行存款是作為相同金額之應付票據融資之抵押存款。本集團持續維持穩健的現金淨值結餘。

於二零一九年十二月三十一日，本集團應收票據金額共約13.07億港元(其中約0.78億港元的應收票據為已背書之應收票據，另約2.78億港元的應收票據乃作為約2.69億港元之應付票據融資的抵押)，該等票據可隨時轉換為現金，但於到期前轉換須支付相應財務成本。連同可動用的應收票據金額約9.51億港元計算，於二零一九年十二月三十一日本集團可動用之自由資金約57.60億港元。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW (continued)

#### Capital Structure

Total equity and borrowings are classified as capital of the Group. As at 31 December 2019, the share capital of the Company was approximately HK\$15,157 million, represented approximately 5,302 million shares in number. During the year under review, there is no change in number and amount of issued shares. The Group had no borrowings as at 31 December 2019.

### EMPLOYEES

As at 31 December 2019, the Group had 20 Hong Kong employees and 4,882 employees in the Mainland China. The remuneration packages of the employees are subject to annual review. The Group provides mandatory and voluntary provident fund schemes for its employees in Hong Kong and the state-sponsored retirement plan for its employees in the Mainland China. The Group also provides training to employees in the Mainland China. The Group has a share option scheme. During the year under review, no share option was granted or exercised.

### SAFETY PRODUCTION AND ENVIRONMENTAL PROTECTION

The Group has always been paying great attention to production safety and environmental protection while achieving stable coal production. Thus, the Group makes great efforts in promoting safety management and strengthening measures for environmental protection, aiming to build itself into a safety-oriented and environmentally-friendly enterprise. The Group has complied with the relevant environmental protection rules and regulations. The Group fulfilled our responsibilities of energy saving, emission reduction and environmental protection by strictly managing production procedures, eliminating discharge of waste water and waste gas and controlling vegetation damage, etc. in material aspects. All coal mines of the Group have obtained necessary permission and approval from the relevant Chinese regulators.

During the year under review, except infrastructure and construction of the lower coal seam for Jinjiazhuang Coal Mine under acceptance check of work in the first half of 2019 and the resumption of normal production in August 2019, all coal mines of the Group operated smoothly.

## 管理層論述 與分析(續)

### 財務回顧(續)

#### 資本結構

權益總值及借貸歸類為本集團的資本。於二零一九年十二月三十一日，本公司股本約151.57億港元，股數約53.02億股。於回顧年度內，發行股數及金額並無變動。於二零一九年十二月三十一日，本集團並無任何借貸。

#### 僱員

於二零一九年十二月三十一日，本集團僱用20名香港僱員和4,882名國內僱員，僱員的酬金待遇每年進行檢討。本集團為香港僱員提供強制性及自願性公積金計劃，並為國內僱員提供所屬地方政府管理的界定供款退休計劃，以及向國內僱員提供培訓班。本集團設有購股權計劃，於回顧年度內，並無任何購股權授出或行使。

### 安全生產及環保

在保持穩定煤炭生產同時，本集團一直非常重視生產安全及環保。為此，本集團作出極大努力，推廣安全標準管理及強化環境保護措施，目標是成為安全為本及注重環保之企業。本集團一向嚴格遵守相關的環保法則與法規，通過嚴控生產流程、清除污水廢氣排放、保護礦山植物等重大方面，將節能減排和保護環境落實到位。本集團所有煤礦均取得中國有關監管機構的必要許可證及批文。

於回顧年度內，除金家莊煤礦的下組煤基礎設施和工程在二零一九年上半年正在驗收外和其於二零一九年八月逐步回復正常生產外，本集團所有煤礦運作良好。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層論述 與分析(續)

### COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the Mainland China while the Company itself is listed on the main board of the Stock Exchange. Our establishment and operations accordingly shall comply with relevant laws and regulations in the Mainland China and Hong Kong. During the year ended 31 December 2019 and up to the date of this report, we have complied with the relevant laws and regulations in the Mainland China and Hong Kong.

### 遵守法律及法規

本集團的業務主要由本公司於國內的附屬公司進行，而本公司本身於聯交所主板上市。因此，我們的成立及營運須遵守國內及香港的有關法律及法規。截至二零一九年十二月三十一日止年度及直至本報告日期，我們已遵守國內及香港的有關法律及法規。

### PRINCIPAL RISKS AND UNCERTAINTIES

The Group's principal business activities are engaged in coking coal mining, production and sales of coking coal products in the PRC. As the Group's coking coal products are mainly used for refining of coke which is the second largest raw materials for steel, our major customers are steelmakers. The Group exposed to a variety of key risks including financial risks (including market risk, credit risk and liquidity risk), market price risk and operational risks. Details of the aforesaid financial risks and risk mitigation measures are elaborated in note 3 "Financial Risk Management" to the consolidated financial statements.

### 主要風險及不確定因素

本集團的主要業務為於中國從事焦煤炭開採、焦煤產品之生產和銷售。本集團的焦煤產品是提煉鋼鐵生產第二大原材料焦炭的原料，因此主要客戶是鋼鐵製造商。本集團面對多種主要風險，包括財務風險(包括市場風險、信貸風險及流動資金風險)、市場價格風險及營運風險。上述財務風險及減低其風險措施詳情載列於綜合財務報表附註3「財務風險管理」中闡述。

The market price of coking coal is highly depended on the demand of the downstream steel industry and the supply of coking coal. During the year under review, coking coal prices have maintained at a relatively high level in the first half and then fallen in the second half. If coal price was reducing, the Group's results would be affected directly.

焦煤市場價格基於下游鋼鐵行業的需求及焦煤供應。於回顧年度內上半年價格處於相對高位，但下半年價格開始回落。如煤價受壓，集團的業績將直接受到影響。



## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Operational risks include the estimation of remaining coal reserves, the renewal of mining rights and the mining works. The lives of our coal mines are highly depended on the estimated remaining coal reserves and the possibility to renew the mining rights. Engineering estimates of the Group's coal reserves involved subjective judgements by engineers that the inherent inaccuracy of technical estimation exists. If the past estimates change significantly, the lives of our coal mines would be shorter. In addition, the remaining license period of the mining rights held by the Group range from around 13 to 23 years which are shorter than the estimated useful lives of the coal mine estimated by the Group. If the Group is unable to renew the license of the mining rights from the relevant authority continuously, the respective mine may need to be closed down. Nevertheless, according to our past experiences and with our competent management team, we have renewed our mining rights at minimal charges in the past years. Mining works would become difficult and the environmental standards would be increased, resulting in rise in mining costs in the future.

### RELATIONSHIPS WITH KEY STAKEHOLDERS

The Group's success also depends on the support from key stakeholders which comprise employees, customers, suppliers and shareholders. Employees are regarded as the most important and valuable assets of the Group. Details of employees are disclosed above under "Employees".

#### Customers

The Group's principal customers are steel manufacturers. For the year ended 31 December 2019, the total turnover to the top five customers accounted for 74% (2018: 72%) of the Group's turnover, of which, the total turnover to the largest customer, Shougang Group, accounted for 31% (2018: 24%) of the Group's turnover. We have maintained a long and good co-operation relationship with these top five customers. We possess our competent sales team to establish various means to strengthen the communications between the customers and the Group.

## 管理層論述 與分析(續)

### 主要風險及不確定因素(續)

營運風險包括評估剩餘的煤炭儲量、重續採礦權和採礦工作。煤礦的壽命主要基於評估剩餘的煤炭儲量及重續採礦權的可能性。本集團煤炭儲量之工程估計涉及工程師在編製該等資料時作出之主觀判斷，估算技術存在固有不精確性。如過往之估算出現重大改變，煤礦的壽命或會縮短。另外，本集團所持採礦權之剩餘許可期介乎約13至23年，較本集團估計之煤礦可使用年期為短，如本集團未能向有關當局重續採礦權許可證，該煤礦或須面臨關閉。但按本集團以往經驗及依靠我們專業管理團隊，我們均能順利於過去年度以最低費用重續採礦權許可證。未來採礦工作的難度及環保要求或會增加，令採礦成本也相應提高。

### 與主要持份者的關係

本集團的成功亦依賴主要持份者，包括僱員、客戶、供應商及股東的支持。僱員被視為本集團重要及具價值的資產。有關僱員於上文「僱員」闡述。

#### 客戶

本集團的主要客戶來自鋼鐵製造商。截至二零一九年十二月三十一日止年度，前五大客戶的總營業額佔本集團營業額74%(二零一八年：72%)，其中最大客戶－首鋼集團的總營業額佔本集團營業額31%(二零一八年：24%)。本集團與前五大客戶長期維持良好合作關係。此外，本集團擁有專業的銷售團隊，該團隊通過各種方式加強客戶與本集團之間的溝通。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層論述 與分析(續)

### RELATIONSHIPS WITH KEY STAKEHOLDERS (continued)

### 與主要持份者的關係(續)

#### Suppliers

#### 供應商

The Group's principal suppliers are material vendors and contractors. The Group will continue to derive cost effectiveness by tendering, negotiating, improving the purchase system and developing new suppliers. In the meantime, various means have been established to maintain the quality of material and construction.

本集團的主要供應商為材料供應商及建築商。本集團將繼續通過投標、談判、完善採購制度及開拓新的供應商以獲得成本效益，並已建立各種流程規範以確保採購的材料及建築有品質保證。

#### Shareholders

#### 股東

Shougang Group is the largest customer of the Group. To maximise shareholders' interest is one of the corporate goals of the Group. The Group will continue to enhance production management, cost control and strive to increase our production capability, resources and reserves through acquisitions to improve the Group's profitability in order to create better value for our shareholders.

首鋼集團是本集團的最大客戶。股東利益最大化為本集團的企業目標之一。本集團將繼續加強生產管理、成本控制和努力爭取通過收購來增加我們的生產能力、資源和儲備，藉此提高本集團的盈利能力，為股東創造更多價值。

### FUTURE PROSPECTS

### 未來展望

China has achieved GDP growth of 6.1% in 2019, within the expected growth target of 6.0% to 6.5%. However, the growth rate declined gradually throughout the year due to number of domestic and international factors. The Chinese government reiterated the "Housing is not for Speculation" position, indicating the government will not boost the economy in the short-term by means of real estate industry. In 2019, the National Real Estate Development Investment was RMB13 trillion, a 9.9% growth YoY. Real estate industry is the major pillar to support the demand of steel. Its growth slowdown led to a weakening demand along the steel and coking coal products supply chain. In addition, the import volume of coking coal has increased significantly in 2019. The increase in supply growth rate has led to the decline in the prices of coking coal products in 2019. Especially, price declined in the second half of 2019 was more obvious.

中國二零一九年的國內生產總值增速為6.1%，符合6.0%至6.5%的預期目標，但受國內外多重影響下全年增速逐步下行。中國政府明確重申「房住不炒」的房地產市場定位，表明不將房地產作為短期刺激經濟的手段，二零一九年全國房地產開發投資達13萬億元人民幣，同比增長9.9%。房地產作為鋼鐵需求的第一大支柱，其增速減慢也導致了鋼鐵及焦煤產業鏈的需求減弱，加之煉焦煤進口量大增，總體供應增速，焦煤產品價格因而在二零一九年下半年降幅明顯。



## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FUTURE PROSPECTS (continued)

Looking forward to 2020, China and the United States have officially signed the first-phase trade agreement in which the United States will cancel part of the tariffs previously and suspend additional tariffs imposed on China. Although trade frictions between two countries have reduced temporarily, the outbreak of COVID-19 that spreads across the World has added uncertainty to global economy. Both Chinese and global GDP growth will obviously slow down. If the COVID-19 continues to spread, it may impact the global economy severely and dramatically.

Despite China economic growth will inevitably be affected by the epidemic in the first quarter of this year, the Chinese government has begun to accelerate investment and adopted more proactive fiscal measures to boost economic growth which will have positive effect on the demand side growth for the steel industry this year. On the other hand, since 2019, Chinese government has vigorously promoted infrastructure investment to ensure economic growth and stabilise employment. Local government debt issuance exceeded RMB4 trillion, a scale much greater than that in 2018. The special debt issuance reached trillions of RMB in the middle of March this year, together with leverage, this will drive more fund to infrastructure investments. We expect the funding will be in place and infrastructure projects will gradually be launched this year, which will help to promote the demand for steel and coking coal products.

As the upstream industry of steel sector, coking coal sector is benefited not only from the continuing structural reform of the sector, but also the economic policies from the Chinese government. Therefore the prices of coking coal products are expected to remain relatively stable. However, factors such as the COVID-19 development, the progress of next stage of trade negotiation between China and the United States, and the upcoming United States Presidential election might still cause uncertainties and huge pressure on the global economic development and investment sentiment. We remain cautious about future coking coal and steel prices.

## 管理層論述 與分析(續)

### 未來展望(續)

展望二零二零年，雖然中美已正式簽訂第一階段貿易協定，美國會取消部分之前對中國加徵的關稅，並暫停額外上調關稅，貿易摩擦暫時降溫，但因應新冠肺炎疫情爆發和全球蔓延，中國及全球經濟增速均將顯著放緩，若新冠肺炎疫情持續，或會對環球經濟予以重擊。

今年首季中國經濟增長將無可避免地受疫情影響，但我們看到中國政府已開始加速推動投資及採取更為積極的財政手段以促進經濟增長，這有利今年中國鋼鐵行業需求端的發展。另一方面，自二零一九年開始，中國政府大力推動基建投資以保經濟及穩就業，各地已發行地方債超過4萬億元人民幣，規模遠超過二零一八年。至二零二零年三月中，專項債發行規模已破萬億元人民幣，槓桿效應將會帶動更多資金流向基建領域。預期今年地方專行債款項陸續到位及基建等項目逐漸上馬，將有助推動鋼鐵及焦煤產品需求。

作為鋼鐵行業上游的煉焦煤產業，除繼續受惠於煤炭行業結構性改革之外，亦將受惠於中國政府經濟政策刺激。因此，煉焦煤產品價格有望繼續保持穩定。當然，在目前新冠肺炎疫情仍然持續、中美下階段的貿易談判進展及美國即將到來的大選尚有許多未知數的情形下，全球經濟發展及投資取向仍然存在諸多不確定性和巨大壓力，亦因此我們對未來煉焦煤及鋼鐵價格走勢保持謹慎態度。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FUTURE PROSPECTS (continued)

The Group's Jinjiazhuang Coal Mine was officially resumed production in August 2019. Due to the COVID-19, all domestic mines must pass the inspection upon resumption of production after the Lunar New Year holidays resulting in the suspension of production temporarily. Currently, our three coking coal mines have taken the lead in resuming the production in mid-February 2020. The Group expects that the overall raw coking coal output will gradually return to normal levels and will increase output accordingly compare to that of 2019.

As an Excellent Enterprise with Advanced Capacity selected by the Shanxi Provincial Government, we have maintained a good record in occupational safety for many years. We will continue to strengthen production safety, introducing cutting-edge technologies, improving environmental protection measures to ensure smooth production, cost control and enhance production efficiency. In this very time, the Group's stable financial position and strong cash flow will become an exceptional advantage. In response to epidemic development at home and abroad, the Group will timely adjust our operating strategy and identify potential investment opportunities. Looking at 2020, the Group will continue to maintain stringent corporate governance and leverage our competitive advantages to create greater value for our society, shareholders and employees.

## 管理層論述 與分析(續)

### 未來展望(續)

本集團金家莊煤礦已於二零一九年八月正式投入生產。受新冠肺炎疫情影響，所有國內煤礦春節假期後須驗收才可復產，造成短暫停產。目前，我們三個焦煤礦均已於二零二零年二月中旬率先驗收復產，因此本集團預計整體原焦煤產量將會逐步回復至正常水準，預計今年產量較二零一九年將有進一步提升。

作為山西省先進產能企業，多年來本集團一直保持良好的安全生產紀錄。我們會繼續加強生產安全、引進先進技術、提高環保水準等以確保正常生產、提升效率和降本增效。在此非常時期，本集團穩健的財務狀況和現金流的優勢將得以體現，因應海內外疫情發展，本集團會及時調整經營策略及物色有潛力的投資機會。放眼二零二零年，本集團會繼續維持嚴謹的企業管治，同時進一步創造更多價值、發揮競爭優勢從而為社會、股東和員工創造更大的價值回報。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

This Environmental, Social and Governance (“ESG”) Report is designed to allow shareholders, investors (including potential investors) and the public to have a more comprehensive and profound understanding of the work done on environment, social and governance area of the Group. This report elaborates the philosophy and practice in respect of social responsibility and the achievements of the Group it has made in economic, environment and social aspects. The Group primarily adopts the principles and basis of “Environmental, Social and Governance Reporting Guide” set out in Appendix 27 to the Listing Rules as its standards, with an aim to establish a sound environmental, social and governance structure. The Board believes that a sound environmental, social and governance structure is vital for continued sustainability and development of the Group’s activities. The Group is willing to take more responsibilities for the society but with a view to balancing the shareholders’ interests and the society’s benefits.

### SCOPE OF THE REPORT

The Group’s principal activities are engaged in coking coal mining, production and sales of coking coal products in the People’s Republic of China (the “PRC”). This report mainly covers the operations of the Group’s major subsidiaries in Liulin County, Shanxi Province, which are engaged in operation of three premium coking coal mines and the associated coal preparation plants for the production of raw and clean coking coal.

### REPORTING PERIOD

Reporting period is from 1 January 2019 to 31 December 2019.

### SCOPE OF THE CONTENT

This report focuses on the major aspects in environmental and social issues of the Group. For governance section, please refer to “Corporate Governance Report” on pages 57 to 88 of the Group’s 2019 Annual Report.

### REPORTING GUIDELINE

This report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” set out in Appendix 27 to the Listing Rules.

## 環境、社會及管治報告

本環境、社會及管治報告旨在讓股東、投資者(包括有意投資者)及公眾更全面及深入瞭解本集團於環境、社會及管治方面所做的工作。本報告闡述了本集團的社會責任理念和實踐，以及在經濟、環境和社會方面取得的進展。本集團主要採納上市規則附錄27所載《環境、社會及管治報告指引》之原則及基準，旨在建立良好的環境、社會及管治架構。董事會認為，良好的環境、社會及管治架構對本集團業務之可持續性及發展至關重要。本集團樂意肩負更多社會責任，務求於股東權益與社會利益之間取得平衡。

### 報告範圍

本集團的主要業務為於中華人民共和國(「中國」)從事焦炭開採、焦炭產品之生產和銷售。本報告主要覆蓋本集團位於山西省柳林縣之主要附屬公司的業務，其業務為經營三座優質焦煤礦及其附屬的洗煤廠，用以生產原焦煤及精焦煤。

### 時間範圍

匯報時間為二零一九年一月一日至二零一九年十二月三十一日。

### 內容範圍

本報告匯報本集團在環境及社會方面的主要範疇。就管治一節而言，請參閱本集團二零一九年年報第57至88頁之「企業管治報告」。

### 參考指引

本報告依據上市規則附錄27所載的《環境、社會及管治報告指引》而編製。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### REPORTING FREQUENCY

This report publishes on a yearly basis.

### 報告週期

本報告為年度報告。

### MANAGEMENT OBJECTIVE

The Group firmly believes that an effective environmental, social and governance system will help achieving sustainable development and sharing value of sustainability in the economic, environmental and social dimensions with its stakeholders.

### 管理目標

本集團堅信維持一個有效的環境、社會及管治系統，將有助於實現本集團可持續發展的目標，並可與持份者在經濟、環境及社會領域上分享可持續價值。

The Group has integrated its objective of sustainable development into daily operation, through by enhancing resource efficiency, reducing pollutant emission and resources consumption and strengthening safe production measures as its fundamental operational policies.

本集團已將可持續發展的目標融入日常營運管理，通過提高資源利用、減少污染排放、節約資源消耗、強化安全生產作為企業的基本營運方針。

Going beyond the pursuit of economic benefits, the Group has also proactively participated in charitable activities to make contribution to the society, devoting itself in promoting the local economic development and building a harmonious relationship with community. The Group reviews its environmental, social and governance system on a regular basis to ensure effective undertaking of its social responsibility.

本集團在獲取經濟利益的同時，積極參與公益活動以回饋社會，致力帶動地區經濟發展、構建和諧社區關係。本集團定期對環境、社會及管治系統進行檢討，確保有效的社會責任得以維持。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

# 環境、社會及管治報告(續)

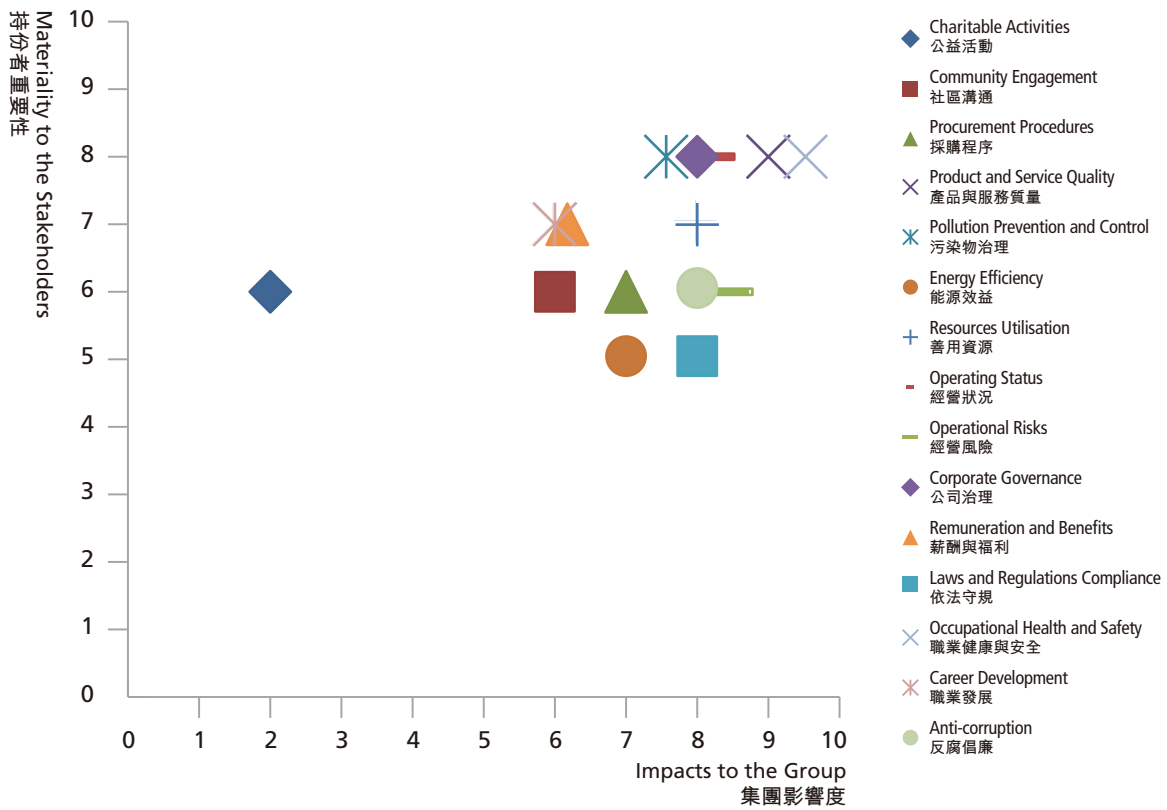
## MANAGEMENT ACTIONS

In the preparation of this report, the Group has adopted four stages approach on environmental, social and governance system, namely identification and analysis, assessment and sorting, verification and review, rectification and retrospect. By means of which, the Group has identified 15 key issues in its social responsibility.

## 管理行動

在準備本報告期間，本集團通過四個階段對環境、社會及管治系統進行識別和分析、評估和排序、驗證和檢討及整改和回顧。通過以上行動，本集團於社會責任上識別出15個重要議題。

### ESG key issues assessment 環境、社會及管治風險議題評估



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### STAKEHOLDERS ENGAGEMENT

### 持份者的參與

The success of the Group is underpinned by close communication and cooperation with its stakeholders.

本集團的成功是有賴於與各個持份者之間的緊密溝通和共同合作。

Stakeholders 持份者	Communication channel 溝通管道	Issues concerned 關注議題	The Group's responses 集團回應
Investors 投資者	General meetings 股東大會 Announcements 公告 Roadshows 路演 General receptions 日常接待	Operating status 經營狀況 Operational risks 經營風險 Corporate governance 公司管治	Strive to maintain lawful operation 努力合規經營 Formulate risk management strategies 制定風險應對策略 Enhance the transparency 提升透明度
Employees 員工	Labour union 工會 Performance assessment meetings 績效考核會議	Remuneration and benefits 薪酬與福利 Occupational health and safety 職業健康與安全 Career development 事業發展	Establish a fair remuneration and benefit mechanism 建立公平薪酬福利機制 Improve the working environment 改善工作環境 Provide on-job training 提供在職培訓機會
Government 政府	Government working conferences 政府工作會議 Information reporting 資訊匯報	Laws and regulation compliance 依法守規 Contribution to the society 社會貢獻	Ensure lawful operation 確保守法經營 Paying taxes timely and lawfully 按時依法納稅 Maintain good relationship with local community 維繫良好地區關係
Customers 客戶	Product reporting 產品報告 Regular visits 定期走訪	Product quality 產品品質 Service quality 服務品質	Quality inspection before delivery 出廠品質檢測 Provide customised products and services 提供個性化產品和服務

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### STAKEHOLDERS ENGAGEMENT (continued)

### 持份者的參與(續)

Stakeholders 持份者	Communication channel 溝通管道	Issues concerned 關注議題	The Group's responses 集團回應
Suppliers 供應商	Annual tender announcement 年度招標公告 Specific project announcement 專項項目公告 Conference of special technological topics 專題技術會議	Open, fair and justice procedures 公開、公平、公正的程式 Sharing technological outcomes 技術成果共用	Ensure tender process open and transparent 確保招投標過程的透明度 Prioritise in introducing technology of costs control and efficiency enhancement 擇優引入降本增效技術
Community organisation 社區組織	Town/village visits 村鎮探訪 Community engagement 社區活動	Environmental protection 保護環境 Charity activities 公益活動 Prioritise the employment 就業優先	Implement the environmental protection policy 執行環保政策 Promote the charity works 推動公益事業 Provide employment opportunities 提供就業機會

### THE ECONOMICAL RESPONSIBILITIES OF THE GROUP

### 本集團的經濟責任

The Group's principal business activities comprise coking coal mining, production and sales of coking coal products in the PRC. Through the Group's major subsidiaries in Liulin County, Shanxi Province, it operates three premium coking coal mines and their associated coal preparation plants for the production of raw and clean coking coal.

本集團的主要業務為於中國從事焦炭開採、焦炭產品之生產和銷售，通過在山西省柳林縣之主要附屬公司經營三座優質焦炭礦及其附屬的洗煤廠，用以生產原焦煤及精焦煤。

During the reporting period, the production volume of raw and clean coking coal of the Group were approximately 4.41 million tonnes and approximately 2.75 million tonnes respectively, and the sales volume of raw and clean coking coal were approximately 0.12 million tonnes and approximately 2.70 million tonnes respectively. Turnover of the Group was approximately HK\$3,869 million.

於本報告期內，本集團的原焦煤和精焦煤產量分別約441萬噸和約275萬噸，原焦煤和精焦煤銷量分別約12萬噸和約270萬噸，錄得營業額約38.69億港元。

The Group shared its profits to shareholders during the reporting period, of which, 2018 final dividend and 2019 interim dividend paid to shareholders total amounting to approximately HK\$901 million, staff costs (including employee benefit expenses) amounting to approximately HK\$712 million and income tax paid of approximately HK\$440 million to the government.

於本報告期內，本集團向各權益人分享經濟利益，其中向股東分派二零一八年度末期股息及二零一九年中期股息共約9.01億港元、錄得僱員成本(包括福利費)約7.12億港元、向政府支付所得稅約4.40億港元。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

### PRODUCT LIABILITY

The Group has been committed to maintaining sustainable supply, stable quality and privacy of customers.

Through setting up safety and quality standards, the Group has developed and formulated a comprehensive set of system and method for safety and quality management. Its premium coking coal mines under continuous production having been awarded “First Class Certificate for Safety and Quality Standardisation” or “Second Class Certificate for Safety and Quality Standardisation”. These certifications enable production safety in the coal mines and keep safety in a stable and improving level.

Quality of coking coal is the key to the Group’s stable development and also a warranty to the Group’s good reputation. The Group has a quality and technology centre in place to strengthen management of coal quality and coal preparation. By strengthening the examination and management of coal quality and timely transmission of information about product standards, the Group uses such information to guide production, and also provide reliable decision-making basis for sales of products. The “Measures of Coal Products Quality Examination” has been continuously optimised by the Group, in which both national and industrial standards have been incorporated, and under the management of the coal quality management department.

The “Confidentiality Policy in Sales Transactions” has been set up to prohibit release of sales related information such as documents, contacts, and statistics by the relevant staff. During the reporting period, the Group had neither experienced any product recall due to safety and health issue, nor received any material complaint regarding our products and services.

### SUPPLY CHAIN MANAGEMENT

Reasonable procurement price, stable and timely supply, high quality products and services and willingness to bear social responsibility are the basic criterions for the Group to select qualified suppliers. The “Procurement Management Policy” has been formulated by the Group so as to apply the same set of standards when introducing new suppliers and conducting regular selective inspection and review on the existing suppliers. Supplier who does not meet the standards shall lose its eligibility to become a qualified supplier.

To ensure transparency of the Group’s procurement activities and to enhance a corporate image of fair, open and justice, the Group’s procurements are mainly carried out through tender which is under the supervision of the Tender Committee.

## 環境、社會及管治報告(續)

### 產品責任

持續的供應、穩定的品質和客戶的隱私是本集團對客戶的承諾。

本集團通過煤礦安全品質標準化建設，發展並形成一整套安全品質管制體系和方法，持續生產中的優質焦煤礦分別獲得一級或二級安全質量標準化認證。此等認證保障煤礦生產安全，促進安全生產形勢的穩定好轉。

煤炭品質是本集團穩步發展的基礎，是本集團信譽的保證。本集團設立了質量技術中心，強化對煤質和配煤的管理。加強煤質考核管理，及時傳遞產品指標資訊，既可正常指導生產，又可為產品銷售提供可靠的決策依據。本集團結合國家和行業標準，持續優化《煤炭產品質量考核辦法》，由煤質管理機構進行管理。

本集團制定《銷售保密制度》，規範業務人員不得向外轉借銷售相關的檔案、合同、資料等有關業務資料。於本報告期間，本集團並未曾因安全與健康理由而須回收產品，亦未曾因接獲任何產品及服務方面的重大投訴。

### 供應鏈管理

合理的採購價格、穩定準時的供應、高質素的產品和服務、具有良好社會責任意識，是本集團於聘用合資格供應商的基本準則。本集團制定《採購管理制度》，於引入新供應商時及定期抽查檢查現有供應商時，引用同一套審核標準。未能滿足審核的供應商，將不會獲得成為合資格供應商的資格。

為確保本集團的採購活動的透明度，提升公平、公開、公正的形象，本集團主要通過招投標形式進行採購活動，並全程由招投標委員會監督運作。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

### ANTI-CORRUPTION

The Group has placed high emphasis on professional conduct and integrity of the employees. The “Staff Code of Conduct” and all administrative rules have expressly specified the values, visions and guidelines for maintaining honesty and corresponding operation guidelines. The Group has specially laid down the “Administrative Measures in respect of Prevention of Occupational Crimes” to advocate anti-corruption and honesty, strengthen scrutiny of and restrictions on authority, build up anti-corruption system and capitalise on the effect of disciplinary restraints.

During the reporting period, the Group’s all department managers or above had signed “Leading official being incorrupt when discharging duties undertaking agreement”.

### HEALTH AND SAFETY

Production safety is the first priority of the Group. Through establishing and operating a safety production entity, the Group has regulated the safety management system, and optimised the systems with respect to management, technology and assessment and evaluation. In line with the belief of “Safety is the Best Blessing for Employees and the Greatest Efficiency for the Enterprise”, the Group enhanced the production safety standards. By strengthening the special rectification of safety supervision, gas, flooding prevention, electrical and mechanical and transportation, and roof management and reinforcing the safety training and skills competition for all staff, the Group has standardised and systematised the safety management which laid a solid foundation for safety production.

In accordance with the “Production Safety Law of the People’s Republic of China” and the “Safety Regulations in Coal Mine”, the Group has firmly performed its responsibility to maintain safety in the coal mines by strictly executing operational rules of safety and the relevant systems and regulations, tracking inspections, conducting stringent evaluation and implementing strict but fair reward and punishment scheme. As a result, a standardised, normalised and dynamic management model is formed. In accordance with the independent safety management model of “Self-discipline at Position, Safety production at Team, Self-governance at Regional Unit”, the Group has strengthened regional unit and team formation, thus the safety foundation is being implemented.

## 環境、社會及管治報告(續)

### 反貪污

本集團非常重視僱員的職業操守和道德誠信。本集團的《員工守則》、各項管理規定都明確清正廉潔的價值理念和操作指引。本集團特別編製《預防職務犯罪管理辦法》，宣揚反腐倡廉教育、強化權力監督制約、建設預防腐敗體系、發揮紀律約束作用。

於本報告期間，本集團國內部門級經理以上人員均簽訂了《領導幹部廉潔履職承諾書》。

### 健康與安全

本集團把安全生產放到一切工作的首位任務，通過成立並運行安全生產主體，規範了安全管理體系，健全了管理體系，技術管理體系及考核評價體系，本著「安全是員工最好的福行，安全是企業最大的效益」的理念，提升安全生產標準化，加強安監、瓦斯、防治水、機電運輸、頂板管理的專項整治，強化全員安全培訓、技能比武，使安全管理更加規範化、系統化，為安全生產奠定堅實的基礎。

本集團依據《中華人民共和國安全生產法》和《煤礦安全規程》，嚴格落實礦井安全責任，認真執行安全操作規程和相關制度規定，跟蹤檢查，從嚴考核，做到了獎懲嚴明，形成了規範化、常態化、動態化的管理模式。按照「崗位自律，班組自保、區隊自治」的自主安全管理模式，強化區隊、班組建設，安全基礎得到落實。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

### HEALTH AND SAFETY (continued)

Pursuant to the rules in respect of prevention of occupational diseases under the "Safety Regulations in Coal Mine", the Group has set up a function especially responsible for the prevention and management of occupational disease in coal mines. With appropriate facilities and measures, the employees have been well protected from occupational diseases. The prevention and control of occupational diseases have been safeguarded by mass surveillance.

During the reporting period, its coking coal mines under continuous production having been awarded "First Class Certificate for Safety and Quality Standardisation" or "Second Class Certificate for Safety and Quality Standardisation" by the State Administration of Coal Mine Safety.

During the reporting period, the Group had no work-related fatalities.

### THE ENVIRONMENTAL RESPONSIBILITY OF THE GROUP

Environment protection is an important issue in the Group's operation policies. An "Environmental Management System" has been established by the Group to define the responsibilities of organisations and employees in all levels in respect of coal mine resources, pollutants and use of resources and to serve as guidelines for planning, prevention, governance and statistical analysis of environmental protection activities. Reference is made to the "Environmental Protection Law of the People's Republic of China" (《中華人民共和國環境保護法》), the "Atmospheric Pollution Prevention and Control Law of the People's Republic of China" (《中華人民共和國大氣污染防治法》), the "Water Pollution Prevention and Control Law of the People's Republic of China" (《中華人民共和國水污染防治法》), the "Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes" (《中華人民共和國固體廢物污染環境防治法》), the "Energy Conservation Law of the People's Republic of China" (《中華人民共和國節約能源法》) and the "Circular Economy Promotion Law of the People's Republic of China" (《中華人民共和國循環經濟促進法》) when formulating the "Environmental Management System". Meanwhile, online monitoring systems have been installed over the emission ports as required by the environmental protection department of the PRC for real-time supervision of the execution of environmental protection policies by the Group.

During the reporting period, there was no material breach of any national environmental laws and regulations by the Group.

## 環境、社會及管治報告(續)

### 健康與安全(續)

本集團已嚴格按照《煤礦安全規程》有關職業病危害防治，設置專門機構負責煤礦職業病危害防治管理工作，通過配備適當的防護設施和執行合適的防護措施，來保障僱員避免受到職業性危害，並通過群眾監督來保障職業病危害的防治工作。

於本報告期間，國家煤礦安監局對本集團持續生產中的優質焦煤礦評定為一級或二級安全質量標準化認證。

於本報告期間，本集團並沒有任何因工作關係而導致死亡的事務。

### 本集團的環保責任

保護環境是本集團經營方針的重要議題。本集團制定《環保管理制度》，明確了各級機構和人員於煤礦資源、排污物及資源使用的責任，作為開展環保工作的規劃、預防、治理、統計的指引。《環境管理制度》的制定參考了《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國節約能源法》及《中華人民共和國循環經濟促進法》。同時，本集團的排污物排放口已按照國家環保部門安裝線上監察設備，即時監督本集團對環境保護政策的執行力度。

於本報告期間，本集團並無任何重大違反國家環境保護法律法規的情況。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

### COAL MINE RESOURCES

By optimising the manpower arrangement, the Group has enhanced mining efficiency and optimised coal mining and preparation, striving to raise the mining recovery rate and washing yield of resources. The Group has continued to achieve non-stop production in Xingwu Coal Mine and Zhaiyadi Coal Mine upon changing working face. The transformation of Jinjiazhuang Coal Mine from a mine under construction to a mine in operation has also assured annual production volume. By introducing an unattended centralized belts operation system in all of the Group's mines in operation and gradually putting such system under trial run, the long-term objectives of achieving efficiency through headcount reduction and improving the safe working environment are achieved.

### POLLUTANTS

In the operation of business, a range of pollutants are inevitably generated by the Group. As a responsible corporation, the Group strives to mitigate the environment pollution from its operation to the greatest extent through the implementation of pollution controls. At the same time, the Group has formulated emission and discharge targets and action plans according to the actual circumstances.

#### 1. Atmospheric Pollution Control and Carbon Emission Reduction

The Group's atmospheric pollutants are mainly generated from its boiler system. The Group has fully carried out flue-gas desulphurisation, control of soot emissions and boiler modification to reduce atmospheric pollutant emissions.



## 環境、社會及管治報告(續)

### 煤礦資源

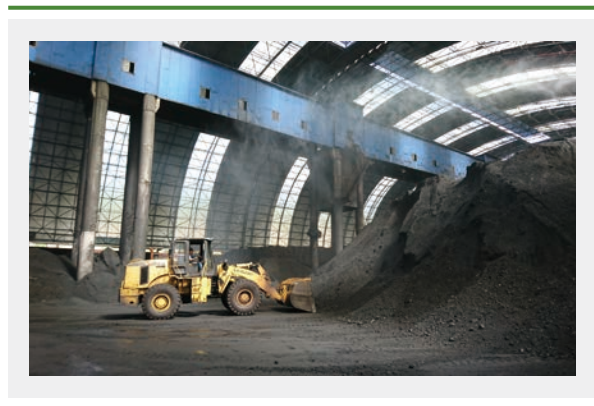
本集團通過優化勞動組織，提高採掘工效，優化採煤配煤，努力提高資源回採率及回收率。本集團於興無煤礦及寨崖底煤礦持續實現了工作面不停產對接，金家莊煤礦由基建礦井進入生產礦井，保證了年度生產任務的完成。本集團於所有生產礦井引入了皮帶集中控制無人值守系統，並已逐步進入調試運行階段，最終可實現減崗高效和改善安全作業環境的長遠目標。

### 排污物

本集團於開展業務時，不可避免地產生不同類型的排污物。作為一家負責任的企業，本集團通過開展污染防治，最大程度降低營運上對環境的污染。同時，本集團已根據實際情況，制定各類排放目標及行動方案。

#### 1. 大氣污染防治及碳排放改善工作

本集團的大氣污染物主要來自服務於本集團的鍋爐系統。本集團已全面實施煙氣脫硫、煙塵防治和鍋爐技術改造，減少大氣污染物排放。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### POLLUTANTS (continued)

### 排污物(續)

#### 1. Atmospheric Pollution Control and Carbon Emission Reduction (continued)

#### 1. 大氣污染防治及碳排放改善工作(續)

Benefitting from the previous success of the gas oxidation cogeneration project conducted in Jinjiazhuang Coal Mine, during the reporting period, the Group again cooperated with the qualified corporation and developed the gas oxidation heat supply device project in Xingwu Coal Mine to achieve “Green Mining” and “Zero” gas emission while solving the heating issue in Xingwu Coal Mine. Xingwu Coal Mine and Jinjiazhuang Coal Mine can fully make use of the gas emitted during mine operations to reduce carbon emission.

得益於前期金家莊煤礦的瓦斯氧化熱電聯產項目成功的經驗，於本報告期間，本集團再度與合資格單位合作，在興無煤礦建設瓦斯氧化供熱裝置項目，為興無煤礦實現「綠色開採」、瓦斯「零」排放、並同時解決興無煤礦的供熱問題。興無煤礦及金家莊煤礦將可充份利用礦產作業時釋放的氣體，以改善碳排放的影響。

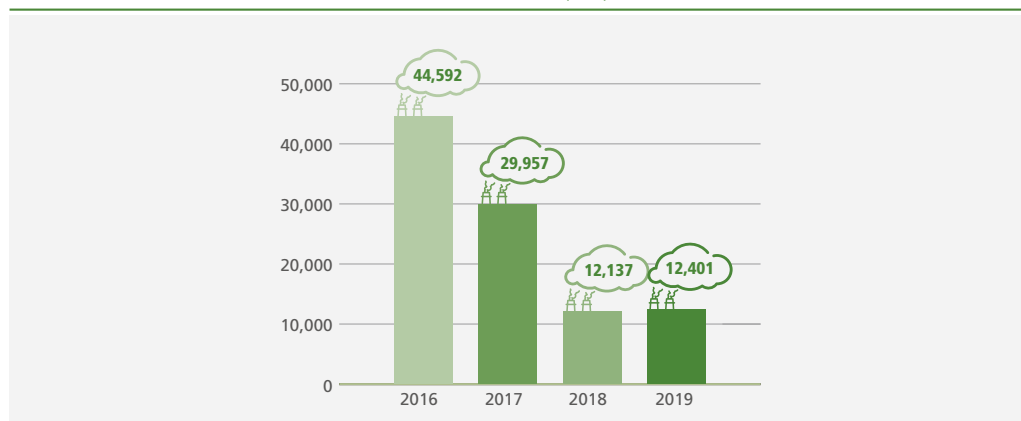
Last year, the Group adjusted the heat-supply method of the heat-supply system from coal burning to air heat pump according to local environmental protection regulations. During the reporting period, the system was running smoothly, which effectively reduced emission of air pollutants.

去年，本集團根據地方環保規定調整供熱系統的供熱方式，從燃煤供熱更改為空氣能熱泵供熱，系統於本報告期間繼續有效運作，持續有效地減少大氣污染物的排放。

**Total emission of sulphur dioxide (kg)**  
二氧化硫排放總量(千克)



**Total emission of soot (kg)**  
煙塵排放總量(千克)



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### POLLUTANTS (continued)

### 排污物(續)

#### 2. Water Pollution Control

#### 2. 水污染防治

The water pollution is caused by mine water and domestic sewage. The Group has established mine water and domestic sewage treatment systems and professional third parties are engaged to enhance discharged water quality and ensure discharged water fully fulfills discharge requirements. At the same time, after upgrading and reconstruction of the sewage treatment system, part of the treated sewage is being reused in the course of production. To further improve the sewage treatment capacity, the Group has engaged an independent third party to build a mine water treatment facility to further improve the sewage treatment and mine water utilisation capacity.

本集團的水污染物分別來自礦井水及生活污水。本集團已建設礦井水處理站及生活污水處理站，並委託專業第三方運營，提升水處理質量，確保所有經處理的水都滿足排放標準。同時，我們經過水處理站的提標改造後，已有部份經過處理的污水被重覆利用於各生產環節中。為進一步改善水處理能力，本集團已委託獨立第三方興建一座礦井水處理廠，以進一步改善水污染和礦井水利用的能力。



#### 3. Solid Waste Control

#### 3. 固體廢物防治

The Group's solid waste is mainly the mine tailings generated from underground mining. The solid waste which cannot be reused is stored at the designated site for pile up of the mine tailings. Professional third-parties are engaged to carry out land reclamation and greening work when appropriate so as to improve the ecological environment.

本集團的固體廢物主要來自井下回採產出的煤矸石。本集團對於無法利用的固體廢物安放於專屬矸石排放場地，並委託專業第三方於適當時候進行復墾綠化，改善生態環境。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### USE OF RESOURCES

The Group mainly uses power resources and water resources during the course of business in order to achieve its operational objectives. As a responsible enterprise, the Group optimises the use of resources through energy saving and consumption minimisation.

#### 1. Power Resources

The Group has enhanced the power consumption of equipment through better organisation and arrangement, reasonable deployment, strengthening the repair, maintenance and modification of the electrical and mechanical equipment. At the same time, the consumption of electricity resources is further reduced by adjusting the sequence of operating procedures of transportation equipment at the mining site, removing the lighting of the unmanned underground area and reasonably shifting electricity use to off-peak hours and preventing the lighting of the ground office from constantly powered on.

As the method of heat supply has been changed from coal boilers to air heat pumps, the consumption of electricity by the Group has increased inevitably.

#### 2. Water Resources

The Group carries out mine water and domestic sewage treatment through the mine water and domestic sewage treatment stations and reuses the treated waste water to remove soot in underground mines, clean the equipment and perform environment greening work as well as other purposes.

### 資源使用

本集團於開展業務時，主要使用電力資源和水資源達到營運目標。作為一家負責任的企業，本集團通過開展節能降耗，最大程度優化資源的使用。

#### 1. 電力資源

本集團通過統籌安排、合理調配，強化機電設備的維修、保養和改造，優化了設備的耗電情況。同時，通過調整採掘工作面運輸設備的啟動順序，取消井下無人作業區照明，合理安排避峰用電，杜絕地面辦公場所長明燈，進一步降低電力資源的消耗。

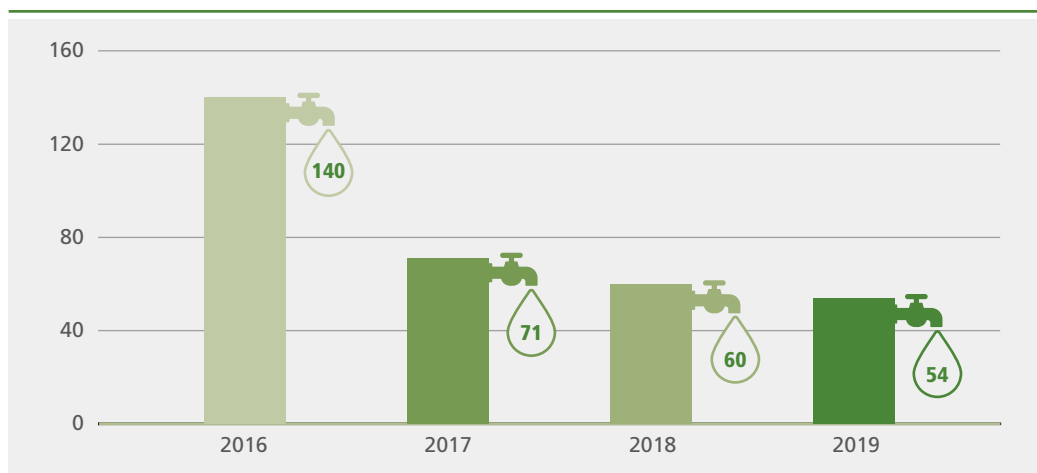
隨著燃煤鍋爐改為空氣熱能泵供暖，本集團的電力消耗量不可避免地有所上升。

#### 2. 水資源

本集團通過礦井水處理站和生活污水處理站，將礦井水和生活污水進行處理並重複利用，作為井下降塵、清洗設備、綠化環境等用途。

#### Fresh water consumption (ten thousand tonnes)

新鮮水消耗量(萬噸)



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

# 環境、社會及管治報告(續)

## USE OF RESOURCES (continued)

## 資源使用(續)

Environmental responsibility performance 環境責任績效		2019 二零一九年	2018 二零一八年
Index 指標名稱	Unit 單位		
<b>Air pollutants emission</b> 大氣污染排放			
Total emission of sulphur dioxide 二氧化硫排放總量	(kg) (千克)	<b>2,257</b>	27,291
Emission intensity of sulphur dioxide 二氧化硫排放密度	(mg/m <sup>3</sup> ) (毫克/立方米)	<b>24</b>	28
Total emission of soot 煙塵排放總量	(kg) (千克)	<b>12,401</b>	12,137
Emission intensity of soot 煙塵排放密度	(mg/m <sup>3</sup> ) (毫克/立方米)	<b>10</b>	10
Total emission of gas 瓦斯排放總量	(ten thousand m <sup>3</sup> ) (萬立方米)	<b>3,482</b>	3,787
<b>Water pollution discharge</b> 水污染排放			
Mine water discharge 礦井水排放量	(ten thousand tonnes) (萬噸)	<b>176</b>	164
Emission intensity of chemical oxygen demand 化學需氧量排放密度	(mg/L) (毫克/升)	<b>12</b>	12
<b>Solid waste discharge</b> 固體廢物排放			
Volume of mine tailing removal 排矸量	(ten thousand tonnes) (萬噸)	<b>140</b>	76
<b>Resources consumption</b> 資源消耗量			
Recovery rate of coal mining area 煤炭採區回採率	(%) (%)	<b>87%</b>	86%
Comprehensive energy consumption against raw coking coal production 原焦煤生產綜合能耗	(kg standard coal/tonne) (千克標準煤/噸)	<b>4</b>	4
Electricity consumption 電力消耗量	(ten thousand kwh) (萬千瓦時)	<b>21,129</b>	17,824
Fresh water consumption 新鮮水消耗量	(ten thousand tonnes) (萬噸)	<b>54</b>	60
<b>Utilisation of pollution emissions</b> 污染排放物利用			
Utilisation rate of gas 瓦斯利用率	(%) (%)	<b>53%</b>	55%
Utilisation rate of mine water 礦井水利用率	(%) (%)	<b>40%</b>	35%

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### EMPLOYEE RESPONSIBILITY OF THE GROUP

The Group attaches great emphasis on the people-oriented principle in respect of employee responsibility and is determined to protect the legal rights and interests of employees. The Group also cares about the physical and mental health of employees and proactively supports talent's growth so as to facilitate the long-term development of employees and enterprises.

#### 1. Compliance with Laws and Regulations

The Group has been strictly complied with the relevant employment laws and regulations in Mainland China, including the "Labour Law of the People's Republic of China" (《中華人民共和國勞動法》), the "Labour Contract Law of the People's Republic of China" (《中華人民共和國勞動合同法》), the "Social Insurance Law of the People's Republic of China" (《中華人民共和國社會保險法》) and other applicable local laws and regulations. Our human resources department has also conducted constant reviews and revisions on internal policies and regulations to ensure that the company complies with the latest laws and regulations promulgated or amendments thereto at all time. The Group also assimilates into the corporate culture of the enterprises located nearby and the social environment in the country and implements an equal, fair and open candidate screening system in order to prohibit any discrimination and illegal employment situation.

### 本集團的員工責任

本集團高度重視以人為本的員工責任理念，堅決維護員工合法權益，關心員工的身心健康，積極培育人才，以配合員工及企業的長遠發展。

#### 1. 合法合規

本集團嚴格遵守中國大陸相關僱傭法律及法規，包括《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》、及其他當地適用法律法規。人力資源部亦不斷檢討及修訂內部政策及規定，使企業任何時間均符合最新頒佈及修訂法律法規。融合國內地區週邊企業及社會環境，執行平等、公正及公開的選人制度，禁止任何歧視及違法、違規用工情況。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### EMPLOYEE RESPONSIBILITY OF THE GROUP (continued)

### 本集團的員工責任(續)

#### 2. Remuneration Package

The Group makes general assessment on the remuneration of the staff with reference to their roles and responsibilities, performance, skills, working experience, working environment and manpower market indicator, and provides appropriate incentive to the high calibre talents and staff at key positions which requires heavy responsibilities and high-level techniques. The Group establishes a monthly skill-based salary incentive system to award salary incentive to the staff who possesses special skills and bears significant safety responsibility with reference to their skills and safety management performance. Different kinds of bonus rewards are also in place based on different positions and job nature, including bonuses for exceed-target production, production safety, energy saving and target achievement, etc. The human resources department conducts regular review on the remuneration and benefit policies, in order to ensure that the remuneration level stays competitive and attractive to retain talents. We maintain a complete and effective performance assessment system which involves a monthly assessment and an annual general assessment, and distribution of performance-linked wages and annual bonuses based on the Group's operating results and the assessment result.

With respect to welfare, staff is entitled to pension insurance, medical cover, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund (collectively "5 Insurances and 1 Pension") as well as paid leaves. Pregnant staff is entitled to maternity leave according to the national regulation; staff at legal marriage age is entitled to marriage leave and staff who encounters bereavement is entitled to compassionate leave.

#### 2. 薪酬福利

本集團根據員工崗位責任、績效、技能、工作年限、工作環境及人力市場指標綜合考核員工報酬，適當鼓勵能力突出的優秀人才和責任重大、技術含量高的關鍵崗位，設立月度技能激勵工資制度，對擁有特殊操作技能及承擔重大安全責任人員，發放技能和安全管理激勵工資。本集團亦根據不同崗位及工作性質，提供各種激勵性獎勵制度，包括超產獎、安全生產獎、節約獎、達標獎等等。人力資源部定期檢討薪酬福利政策，以確保薪酬水準具競爭力，能夠吸引和保留人才。我們維持完整及有效績效考核系統，包括月度考核及全年進行總考核制度，並根據本集團的經營成果和考核結果發放績效工資及年度獎金。

福利待遇方面，員工享有養老保險、醫療保險、失業保險、工傷保險、生育保險、住房公積金(統稱五險一金)，以及帶薪休假。懷孕員工可按國家規定享有產假、適合法定結婚年齡員工享有婚假、喪親者享有喪假等福利。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### EMPLOYEE RESPONSIBILITY OF THE GROUP (continued)

### 本集團的員工責任(續)

#### 3. Equal Opportunities and Anti-discrimination

Being an equal opportunities employer, the Group is committed to creating a working environment with fairness, openness and mutual trust. Adhering to a fair and justifiable attitude toward all aspects from policies of candidate screening and employment to staff recruitment, selection, training, promotion, re-designation, termination or retirement, the Group opposes to any consideration which involves discrimination not related to work and prohibits all forms of workplace discrimination. There is no child labour and forced labour, while employees of the same position are remunerated on equal basis regardless of their gender, thus the rights of female employees are well-protected. Specific industrial regulations are stringently executed that females will never engage in underground mine works.

#### 3. 平等機會及反歧視

作為平等機會僱主，我們致力創造公平、公開及互信的工作環境，在選人、用人政策上，從員工招聘、選拔、培訓、晉升、調職以至離職或退休，皆堅持公平、公正及反對任何以非工作有關歧視條件作考慮。本集團禁止一切形式的就業歧視行為，不存在童工、強制勞動等情況；男女同工同酬，維護女性僱員權益，嚴格執行行業部門的規範，女工不從事煤礦井下勞動。

#### 4. Number of Employees

As of 31 December 2019, the Group had a total of 4,882 employees in the Mainland China.

Employee distribution by age in December 2019:

#### 4. 僱員人數

截至二零一九年十二月三十一日，本集團國內僱員人數為4,882人。

二零一九年十二月僱員年齡分佈：

Age group 年齡劃分	Number of employees 僱員人數
Aged 18-28 18-28周歲	670
Aged 29-40 29-40周歲	1,790
Aged 41-49 41-49周歲	1,300
Aged 50-55 50-55周歲	900
Aged 55 above 55周歲以上	222
Total 合計	4,882

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### EMPLOYEE RESPONSIBILITY OF THE GROUP (continued)

### 本集團的員工責任(續)

#### 4. Number of Employees (continued)

#### 4. 僱員人數(續)

Employee distribution by gender in December 2019:

二零一九年十二月僱員性別分佈：

Gender 性別	Underground positions 井下崗位	Other positions 其它崗位	Total number of employees 總人數
Male 男	2,822	1,400	4,222
Female 女	—	660	660
Total 總數	2,822	2,060	4,882

#### 5. Trainings and Development Training

#### 5. 培訓及發展培訓

The Group aims at forming a learning enterprise and encourages the staff to enhance operational capability and quality as well as grow with the Group so as to ensure the sustainable development of the enterprise. The human resources department is responsible for the trainings in management level, the safety supervision unit is responsible for the trainings for special skills while the training centres directly under the respective mine-operating units assume the duties of providing orientation trainings, on-the-job training and re-designation trainings, resulting in the formation of the three-level training system. In 2019, the Group organised 2,170 counts of all members safety training, including 87 counts of special skills training, 102 counts of "Three Violations" training and 1,592 counts of safety and quality standardisation training respectively. To further strengthen our talent pool and retain new personnel, since May 2019, the Group has increased study allowance and competency rewards to motivate employees to take the initiative to study.

本集團宣導建立學習型企業，鼓勵員工不斷提升業務能力和業務素質，宣導員工與公司共同成長，保證企業的持續發展。人力資源部負責管理層面的培訓，安監部培訓中心負責特殊工種培訓，各直屬企業培訓中心全面負責本企業員工崗前培訓、崗位技能培訓、轉崗培訓，形成了三級培訓體系。其中二零一九年組織了全員安全培訓2,170人次，其中特殊工種培訓87人次、三違培訓102人次，安全生產標準化培訓1,592人次。為進一步加強人才梯隊建設，留住新生力量，從二零一九年五月份起，增加學歷補助、職稱補助，提高了員工學習的積極性和主動性。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (continued)

## 環境、社會及管治報告(續)

### SOCIAL RESPONSIBILITIES OF THE GROUP

### 本集團的社會責任

Maintaining harmonic relationship with the community is beneficial to the business development of the Group. Before starting a project, the Group has already engaged an independent third party to carry out environmental impact assessments and has taken every feasible measure to reduce the impact caused by the project to the nearby communities and local residents.

與社區保持和諧的關係，有助於本集團的業務開展。本集團於開展業務時，已委託獨立協力廠商進行環境影響評估，並採取一切可行的措施以降低開展業務時對附近社區和當地居民的影響。

Further, the Group actively maintains close communications with communities and establishes dedicated departments to coordinate with the local residents. During the reporting period, in order to ensure smooth operation of the Group's mining plan and constantly provide employment opportunities to the community, the Group has continued to engage in a relocation project in respect of a coal mining subsidence area to help building new houses for the local residents and improving their living quality.

此外，本集團積極與社區進行緊密溝通，並成立專責部門與社區居民進行協調。於本報告期間，為確保本集團的採掘計畫得以順利進行，並持續為地區提供就業機會，本集團持續開展一項採煤沉陷區治理搬遷專案，為社區居民建設新房，改善生活素質。



## DIRECTORS' BIOGRAPHIES

**Mr. Ding Rucai**, aged 55, had acted as a deputy general manager of the Company since August 2014, then was appointed as the vice chairman of the Board, an Executive Director and managing director of the Company in September 2014 and was re-designated as the Chairman from 29 January 2018. Mr. Ding is also the chairman of each of the Executive Committee and the Nomination Committee, a member of the Remuneration Committee, and a director of certain subsidiaries of the Group.

Mr. Ding is a senior engineer in professor grade. He graduated from the School of Metallurgical and Ecological Engineering of the University of Science and Technology Beijing with a doctoral degree in ferrous metallurgy, he also studied senior business administration in the University of Warwick, United Kingdom. Mr. Ding has extensive experience in management of listed companies, mergers and acquisitions, production management of steel and coal industries, project construction management, trading of iron ore and coking coal resources and shipping management.

Previously, Mr. Ding was an executive director and the deputy managing director of Shougang International (SEHK:697) (from September 2014 to January 2018), a listed company in Hong Kong.

Currently, Mr. Ding is a non-executive director of Mount Gibson Iron Limited (ASX:MGX), a company listed on the Australian Securities Exchange Limited. He also holds several senior positions in the group companies of Shougang Group, including the position as a director and deputy managing director of Shougang Holding.

**Mr. Fan Wenli**, aged 40, was appointed Executive Director and managing director of the Company on 1 November 2019. He is also a member of the Executive Committee and a director of certain subsidiaries of the Group.

Mr. Fan is a senior mining engineer and a certified safety engineer. He graduated from Wuhan University of Technology with a bachelor's degree in mining resources engineering and then obtained a master's degree in mining engineering from University of Science and Technology Beijing.

## 董事簡介

丁汝才先生，55歲，自二零一四年八月擔任本公司之副總經理一職，其後於二零一四年九月獲委任為董事會副主席、執行董事兼本公司董事總經理，並由二零一八年一月二十九日起轉任為主席。丁先生亦分別為執行委員會和提名委員會之主席、薪酬委員會之成員，及本集團若干附屬公司之董事。

丁先生為教授級高級工程師。彼畢業於北京科技大學冶金與生態工程學院，並取得鋼鐵冶金博士學位，彼亦曾在英國華威大學研修高級工商管理。丁先生於管理上市公司、收購合併、鋼鐵和煤炭企業生產管理、項目工程建設、礦石和焦煤資源貿易、航運管理方面均具有豐富經驗。

過往，丁先生曾擔任香港上市公司首長國際 (SEHK:697) 之執行董事及副董事總經理 (由二零一四年九月至二零一八年一月)。

現時，丁先生為澳洲證券交易所有限公司上市之公司 Mount Gibson Iron Limited (ASX:MGX) 之非執行董事。彼亦擔任首鋼集團旗下公司中數個高級職位，其中包括首鋼控股之董事及副董事總經理。

范文利先生，40歲，於二零一九年十一月一日獲委任為執行董事兼本公司董事總經理。彼亦為執行委員會之成員及本集團若干附屬公司之董事。

范先生為礦山高級工程師及註冊安全工程師。彼於武漢理工大學礦山資源工程學士學位畢業，其後於北京科技大學礦業工程專業取得碩士學位。

## DIRECTORS' BIOGRAPHIES (continued)

Previously, Mr. Fan held various senior positions in Mining Corporation of Shougang Group Co., Ltd. ("Shougang Mining") and had been responsible for mining production and operation safety for a long time. Mr. Fan served as the deputy mine manager of the iron ore production plants of Shougang Mining, namely Xingshan Iron Mine (underground mine) and Shuichang Iron Mine (open-pit mine). He also served as the deputy director and the director of production division of Shougang Mining during which he facilitated the commencement of production and the arrival at mine full production capacity of Xingshan Iron Mine. Mr. Fan has extensive management experience both in open-pit and underground mine.

**Mr. So Kwok Hoo**, aged 66, was appointed Executive Director in March 1998 and acted as the deputy managing director of the Company in January 2010. He is also a member of the Executive Committee and a director of certain subsidiaries of the Group.

Mr. So holds bachelor degrees in applied science with major in chemical engineering and business administration in Canada. He has extensive experience in the coal industry, trading of iron ore and coking coal resources, sales and marketing of electrochemical and industrial products, and property investment.

Currently, Mr. So is a non-executive director of APAC Resources Limited (SEHK:1104), a listed company in Hong Kong.

**Mr. Chen Zhaoqiang**, aged 52, was appointed Executive Director and deputy managing director of the Company in January 2010. He is also a member of the Executive Committee and a director of certain subsidiaries of the Group.

Mr. Chen graduated from Jiaozuo Mining Institute with a bachelor degree majoring in mining engineering and obtained a master degree in management science from Huazhong University of Science & Technology and a finance executive master of business administration from Shanghai Advanced Institute of Finance of Shanghai Jiao Tong University. He has extensive experience in coal mining industry including in the areas of production safety management for coal mining, purchase and logistics management, mineral resources development and coal trading.

Previously, Mr. Chen had engaged in many important posts in coal mining enterprises, including in Pingdingshan Coal Co. Ltd., Henan Pingbao Coal Co. Ltd., and Henan Company for Coal Seam Gas Development & Application.

## 董事簡介(續)

過往，范先生曾於首鋼集團有限公司礦業公司（「首鋼礦業」）擔任多個高級職位，並長期負責礦山的安全生產經營工作。范先生曾先後分別擔任首鋼礦業旗下的杏山鐵礦（地下礦山）及水廠鐵礦（露天礦山）的副礦長，亦曾任首鋼礦業生產處的副處長、處長等職務，於任內組織了杏山鐵礦地採投產及快速達產。范先生對露天及地下礦山管理均具有豐富的經驗。

**蘇國豪先生**，66歲，於一九九八年三月獲委任為執行董事，並於二零一零年一月出任本公司之副董事總經理。彼亦為執行委員會之成員及本集團若干附屬公司之董事。

蘇先生於加拿大取得應用科學（主修化學工程）及工商管理學士學位。彼於煤炭市場、礦石和焦煤資源貿易、電子化工產品銷售及市場推廣和物業投資方面均具有豐富經驗。

現時，蘇先生為香港上市公司亞太資源有限公司（SEHK:1104）之非執行董事。

**陳兆強先生**，52歲，於二零一零年一月獲委任為執行董事及本公司副董事總經理。彼亦為執行委員會之成員及本集團若干附屬公司之董事。

陳先生畢業於焦作礦業學院，獲採礦工程專業學士學位，其後獲華中科技大學頒授管理科學碩士學位和上海交通大學上海高級金融學院頒授高級金融管理人員工商管理碩士學位。彼於煤礦企業，包括煤礦的安全生產管理、採購及物流管理、礦業資源開發及煤礦貿易方面均具有豐富經驗。

過往，陳先生於煤礦業曾擔任多項重要職務，包括任職於平頂山煤業（集團）公司、河南平寶煤業有限公司及河南省煤層氣開發利用公司。

## DIRECTORS' BIOGRAPHIES (continued)

## 董事簡介(續)

**Mr. Liu Qingshan**, aged 61, was appointed Executive Director in November 2008 and also acted as the deputy managing director of the Company in January 2010. He is a member of the Executive Committee and a director of certain subsidiaries of the Group.

劉青山先生，61歲，於二零零八年十一月獲委任為執行董事，並於二零一零年一月出任本公司之副董事總經理。彼為執行委員會之成員及本集團若干附屬公司之董事。

Mr. Liu graduated from Shanxi University of Finance and Economics Department of Accounting and obtained a master of business administration from Capital University of Economics and Business. He has extensive experience in the fields of accounting and finance in the mining industry in China.

劉先生畢業於山西財經學院會計系，並於首都對外經濟貿易學院取得工商管理碩士學位。彼於中國採礦業之會計及財務方面具有豐富經驗。

Prior to joining the Group, Mr. Liu worked as chief financial officer in Fortune Dragon Group Limited and in other sizable energy resources companies in China.

加入本集團前，劉先生於福龍集團有限公司及其他中國大型能源資源公司擔任財務總監。

**Ms. Chang Cun**, aged 41, was appointed Non-executive Director of the Company in July 2018.

常存女士，41歲，於二零一八年七月獲委任為非執行董事。

Ms. Chang is a certified public accountant in China and a certified internal auditor. She holds a bachelor degree in economics from Beijing Institute of Business and a master degree in management from Beijing Technology and Business University. Ms. Chang has extensive experience in accounting, auditing, financial and insurance businesses.

常女士為中國註冊會計師及註冊內部審計師。彼持有北京商學院經濟學士學位及北京工商大學管理學碩士學位。常女士在會計、審計、金融及保險行業方面具有豐富的經驗。

Previously, Ms. Chang held various positions in the group of Funde Sino Life.

過往，常女士曾於富德生命人壽集團擔任多個職位。

Currently, she is the director, deputy general manager and chief auditor of Funde Insurance Holdings Co., Ltd, the director and chief auditor of Funde Sino Life, the chief auditor of Sino Life AMC, and also the chief supervisor of The National Trust Co., Ltd respectively.

現時，彼分別為富德保險控股股份有限公司之董事、副總經理及審計責任人，富德生命人壽之董事及審計責任人，生命保險資產管理有限公司之審計責任人，以及國民信託有限公司之監事長。

## DIRECTORS' BIOGRAPHIES (continued)

**Mr. Shi Yubao**, aged 65, was appointed Non-Executive Director and member of the Remuneration Committee on 1 September 2019.

Mr. Shi is a senior economist and a senior political affairs specialist. He graduated from Chongqing University with a master degree in business administration. Mr. Shi has extensive experience in the fields of corporate management, strategic planning and economic.

Previously, Mr. Shi held various senior positions in Chongqing Changan Industry (Group) Co., Ltd. including the chairman of its board of directors, chairman of its labour union, general manager, etc. In addition, he served as the chairman of the board of directors of Chongqing Changan Real Estate Development Co., Ltd. and Changan Minsheng APLL Logistics Co., Ltd., a company listed in Hong Kong, respectively, and the chairman of supervisory committee of Chongqing Changan Automobile Co., Ltd., a company listed in Shenzhen. Mr. Shi also served as the external director of Shougang Group. Mr. Shi was a member of the 14th and 15th executive committee of China National General Labour Union, a member of the 2nd and 3rd labour union committee of Chongqing General Labour Union and a member of the expert group jury panel of Chongqing Enterprise Management Excellence Evaluation Committee.

**Mr. Kee Wah Sze**, aged 72, was appointed Independent Non-executive Director in April 1997 and is a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee.

Mr. Kee is a Notary Public of Hong Kong and a China Appointed Attesting Officer. He holds a master degree in Chinese and comparative law from the City University of Hong Kong and a master degree in law from the People's University of China.

Currently, Mr. Kee is a partner of Messrs. Michael Cheuk, Wong & Kee and has been a practicing solicitor in Hong Kong specialised in both the commercial and conveyancing fields for many years.

## 董事簡介(續)

時玉寶先生，65歲，於二零一九年九月一日獲委任為非執行董事及薪酬委員會之成員。

時先生為高級經濟師及高級政工師。彼於重慶大學畢業，獲工商管理碩士學位。時先生在企業管理、戰略決策及經濟方面均具有豐富的經驗。

過往，時先生曾於重慶長安工業(集團)有限責任公司擔任多個高級職位，其中包括其董事長、工會主席、總經理等。此外，他曾分別出任重慶長安房地產開發有限責任公司及香港上市公司重慶長安民生物流股份有限公司之董事長，以及深圳上市公司重慶長安汽車股份有限公司之監事會主席。時先生亦曾出任首鋼集團之外部董事。時先生曾為中華全國總工會第十四屆及第十五屆執委會委員、重慶市總工會第二屆及第三屆工會全委會委員和重慶市企業管理優秀成果審定委員會專家組評審委員。

紀華士先生，72歲，於一九九七年四月獲委任為獨立非執行董事，並分別為審核委員會、提名委員會及薪酬委員會之成員。

紀先生為香港國際公證人及中國委託公證人。彼持有香港城市大學之中國及比較法碩士學位及中國人民大學法律碩士學位。

現時，紀先生為卓黃紀律師事務所之合夥人，於香港執業多年，專注處理商業及物業轉易法律業務。



**DIRECTORS' BIOGRAPHIES (continued)****董事簡介(續)**

**Mr. Choi Wai Yin**, aged 61, was appointed Independent Non-executive Director in July 2004 and is the chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee.

**蔡偉賢先生**，61歲，於二零零四年七月獲委任為獨立非執行董事，並為審核委員會之主席，以及分別為提名委員會及薪酬委員會之成員。

Mr. Choi holds a master degree of science in finance from the City University of Hong Kong, a bachelor degree in business administration from The Chinese University of Hong Kong and a bachelor degree in law from the Peking University. He has extensive experience in the fields of finance and fund management.

蔡先生持有香港城市大學財經碩士學位、香港中文大學工商管理學士學位及北京大學法律學士學位，對財經及基金管理有豐富經驗。

Currently, he is a director and a responsible officer of Tap Capital Limited, a company carrying the asset management business. Mr. Choi is also an investment adviser registered under the SFO.

現時，彼為一家資產管理業務公司水龍頭管理有限公司之董事及負責人員。蔡先生亦是按照證券及期貨條例註冊之投資顧問，

**Mr. Chan Pat Lam**, aged 71, was appointed Independent Non-executive Director in December 2004 and is a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee.

**陳柏林先生**，71歲，於二零零四年十二月獲委任為獨立非執行董事，並分別為審核委員會、提名委員會及薪酬委員會之成員。

Mr. Chan has extensive experience in the field of international banking industry in Hong Kong, Macau and the United State.

陳先生於香港、澳門和美國的國際銀行界有豐富經驗。

Currently, Mr. Chan is an independent non-executive director of BeijingWest Industries International Limited (SEHK:2339), a listed company in Hong Kong. He is a partner of a private company namely Chan Kai Wing & Brothers Limited, and also a consultant of another private company which is an international container shipping agency in the Western region of Pearl River Delta.

現時，陳先生為香港上市公司京西重工國際有限公司(SEHK:2339)之獨立非執行董事。彼為一間名為陳啓榮昆仲有限公司的私人公司之合夥人，亦是另一家於珠江三角洲西部從事國際貨櫃船務代理商的私人公司之顧問。

## DIRECTORS' BIOGRAPHIES (continued)

## 董事簡介(續)

**Mr. Japhet Sebastian Law**, aged 68, was appointed Independent Non-executive Director in September 2013 and is the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee.

羅文鈺先生，68歲，於二零一三年九月獲委任為獨立非執行董事，並為薪酬委員會之主席，以及分別為審核委員會和提名委員會之成員。

Mr. Law graduated from the University of Texas at Austin with a doctor of philosophy degree in mechanical/industrial engineering in 1976.

羅先生於一九七六年獲得德克薩斯大學奧斯汀學院機械／工業工程博士學位。

Previously, Mr. Law was a professor of the Chinese University of Hong Kong. He joined The Chinese University of Hong Kong in 1986 and retired in August 2012. Before retirement, Mr. Law was a professor in the Department of Decision Sciences and Managerial Economics. He was the associate dean and subsequently the dean of the Faculty of Business Administration of The Chinese University of Hong Kong from 1993 to 2002. Prior to returning to Hong Kong, Mr. Law was the director of Operations Research at the Cullen College of Engineering and the director of Graduate Studies in Industrial Engineering at the University of Houston and was also involved with the U.S. Space Program in his career with McDonnell Douglas and Ford Aerospace in the United States. He acts as a consultant for various corporations in Hong Kong and overseas. Mr. Law is active in public services and serves as a member of the Provisional Regional Council of the Hong Kong Special Administrative Region Government and various other committees. He also serves on the boards of profit, non-profit and charitable organisations in Hong Kong and overseas.

過往，羅先生為香港中文大學教授。彼於一九八六年加入香港中文大學，並於二零一二年八月退休，羅先生於退休前擔任決策科學與企業經濟學系教授。彼由一九九三年至二零零二年期間先後出任香港中文大學工商管理學院副院長及院長。於回流香港前，羅先生曾任Cullen College of Engineering之運籌學系主任及侯斯頓大學工業工程研究生課程主任，在任職美國麥道和福特航空航天公司時，曾參與美國太空研究計劃。彼為香港及海外多間機構之顧問。羅先生積極參與公共服務，並擔任香港特區政府臨時區域市政局議員及其它多個委員會成員。彼亦就任香港及海外多個牟利、非牟利及慈善組織的董事局成員。

Currently, Mr. Law is an independent non-executive director of each of Global Digital Creations Holdings Limited (SEHK:8271), Tianjin Port Development Holdings Limited (SEHK:3382), Beijing Capital International Airport Company Limited (SEHK:694), Binhai Investment Company Limited (SEHK:2886), Regal Hotels International Holdings Limited (SEHK:78) and Tianjin Binhai Teda Logistics (Group) Corporation Limited (SEHK:8348) respectively, all of which are listed companies in Hong Kong.

現時，羅先生分別為環球數碼創意控股有限公司(SEHK:8271)、天津港發展控股有限公司(SEHK:3382)、北京首都國際機場股份有限公司(SEHK:694)、濱海投資有限公司(SEHK:2886)、富豪酒店國際控股有限公司(SEHK:78)及天津濱海泰達物流集團股份有限公司(SEHK:8348)之獨立非執行董事，該等公司均於香港上市。

## CORPORATE GOVERNANCE REPORT

The Company is committed to maintaining good corporate governance standard and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency.

### COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the CG Code during the financial year ended 31 December 2019, save for the deviations from code provision A.4.1 as follows:

*Under code provision A.4.1, non-executive directors should be appointed for a specific term and subject to re-election.*

None of the existing Non-executive Directors and Independent Non-executive Directors is appointed for a specific term, but according to the Articles, every Director is subject to retirement by rotation at least once every 3 years.

Since all Directors, including the Non-executive Directors and Independent Non-executive Directors, are also subject to retirement by rotation and re-election by shareholders at annual general meetings pursuant to the Articles, the Board therefore considers this requirement is sufficient to meet the underlying objective of the said code provision.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Listing Rules as a code of conduct of the Company for Directors' securities transactions.

Having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions throughout the year ended 31 December 2019.

Employees who are likely to possess inside information in relation to the Company or its shares are required to prohibit from dealing in Shares during the black-out period.

## 企業管治報告

本公司致力維持良好企業管治準則及程序，以維護全體股東利益，提高問責性及透明度。

### 遵守企業管治守則

本公司於截至二零一九年十二月三十一日止財政年度內已遵守企業管治守則的守則條文，惟以下守則條文第A.4.1條之偏離則除外：

*根據守則條文第A.4.1條，非執行董事之委任應有指定任期，並須接受重選。*

各現任非執行董事及獨立非執行董事概無特定任期，但根據細則，每位董事須至少每3年輪值退任一次。

由於所有董事(包括非執行董事及獨立非執行董事)均須根據細則於股東週年大會上輪值退任及由股東重選，董事會因此認為此規定足以達至該條守則條文的相關目的。

### 進行證券交易的標準守則

本公司已就董事進行證券交易而採納上市規則中上市發行人董事進行證券交易的標準守則(「標準守則」)作為其本身的行為守則。

在向所有董事作出特定查詢後，所有董事於截至二零一九年十二月三十一日止年度內已遵守標準守則及本公司有關董事進行證券交易的行為守則所規定的標準。

任何可能管有關於本公司或其股份的內幕消息的僱員，均不得於禁售期內買賣公司股份。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS

#### Composition

The Board currently comprises a total of 11 Directors, being 5 Executive Directors, 2 Non-executive Directors and 4 Independent Non-executive Directors. The list of Directors is set out in the section headed "Directors' report" of this annual report. In addition, an updated list of the Directors and their roles and functions is published on the websites of the Stock Exchange and the Company respectively.

The Board is characterised by significant diversity and has a balance of skills and experience appropriate for the requirements of the business of the Company. The Directors' biographical information is set out in the section headed "Directors' Biographies" of this annual report.

The Directors give sufficient time and attention to the affairs of the Group. All Directors are required to disclose to the Company at the time of their appointment and to provide the number and the nature of offices held in public companies or organisations and other significant commitments with an indication of the time involved annually.

Save for those as disclosed in the section headed "Directors' Biographies" of this annual report, the Board members have no other financial, business, family or other material/relevant relationships with each other.

The Board includes a balanced composition of Executive and Non-executive Directors (including Independent Non-executive Directors) so that there is a sufficient independent element on the Board, which can effectively exercise independent judgement.

The Non-executive Directors (including Independent Non-executive Directors) are of sufficient number and calibre for their views to carry weight. The functions of Non-executive Directors include:

- bringing an independent judgement at Board meetings;
- taking the lead where potential conflicts of interests arise;
- serving on Board committees if invited; and
- scrutinising the Company's performance and monitoring performance reporting.

## 企業管治報告 (續)

### 董事會

#### 組成

董事會現時共有11名董事，由5名執行董事、2名非執行董事及4名獨立非執行董事組成。董事名單載列於本年報「董事會報告」一節。此外，最新的董事名單及其角色與職能分別刊登於聯交所及本公司網站上。

董事會成員具顯著的多元化特色，並具備本公司業務所需的適當技巧和經驗。董事的簡介資料載列於本年報「董事簡介」一節。

董事均付出足夠時間及精神來處理本集團的事務。所有董事須於接受委任時披露及每年向本公司提供其於公眾公司或組織擔任職位的數目及性質，以及其他重大承擔，並表明其擔任有關職務所涉及的時間。

除於本年報「董事簡介」一節內所披露者外，董事會成員之間概無其他財務、業務、家族或其他重大／相關關係。

董事會中執行董事與非執行董事(包括獨立非執行董事)的組合均衡，使董事會具備足夠的獨立元素，能有效地作出獨立判斷。

非執行董事(包括獨立非執行董事)具有足夠人數和才幹，其意見具有影響力。非執行董事的職能包括：

- 於董事會議上提供獨立的意見；
- 在出現潛在利益衝突時發揮牽頭引導作用；
- 應邀出任董事會轄下委員會成員；及
- 仔細檢查本公司的表現，並監察表現報告。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS (continued)

#### Composition (continued)

The Non-executive Directors (including Independent Non-executive Directors) have made a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. They give the Board and the committees on which they serve the benefit of their skills, expertise, varied backgrounds and qualifications through regular attendance and active participation.

Composition of the Board is disclosed, and the Independent Non-executive Directors are identified, in all corporate communications to shareholders.

#### Board Diversity

The Company adopted a board diversity policy (the "Board Diversity Policy") on 28 August 2013 which sets out its approach to achieve diversity on the Board with a view to achieving a sustainable and balanced development of the Company.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

#### Director Nomination Policy

The Company adopted a director nomination policy (the "Director Nomination Policy") on 12 December 2018 which sets out the criteria and process in the nomination and appointment of directors of the Company, in order to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company, and ensure the Board continuity and appropriate leadership at Board level.

## 企業管治報告 (續)

### 董事會(續)

#### 組成(續)

非執行董事(包括獨立非執行董事)亦透過提供獨立、富建設性及有根據的意見，對制定本公司策略及政策作出正面貢獻。彼等透過定期出席董事會及董事會轄下委員會的會議，並積極參與會務，以其技能、專業知識、不同的背景及資格作出貢獻。

董事會的組成及獨立非執行董事的身份於所有致股東的公司通訊文件內披露。

#### 董事會成員多元化

本公司於二零一三年八月二十八日採納董事會成員多元化政策(「董事會成員多元化政策」)，當中列載本公司為達致董事會成員多元化而採取之方針，以達致本公司可持續及均衡發展。

本公司為尋求達致董事會多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。本公司亦將根據本身的業務模式及不時的特定需要去考慮各種因素。最終將按候選者的長處及可為董事會作出的貢獻而作決定。

#### 董事提名政策

本公司於二零一八年十二月十二日採納董事提名政策(「董事提名政策」)，當中載列本公司提名及委任董事的準則及程序，以確保董事會具備切合本公司業務所需的技巧、經驗及多元觀點，及確保董事會的持續性及維持其領導角色。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS (continued)

#### Director Nomination Policy (continued)

According to the selection criteria of the Director Nomination Policy, the Nomination Committee will carry out evaluation on candidates by considering their character, professional qualifications, skills, experience, independence (in case of independent non-executive directors), gender and time commitment and then make recommendation to the Board based on the nomination procedure. The Nomination Committee will also review the Director Nomination Policy from time to time and recommend proposed amendment to the Board when necessary to satisfy the business needs and to ensure its compliance with the regulatory requirements and maintain good corporate governance practices.

#### Role and Function of the Board and the Management

The Board is responsible for overall strategic formulation and performance monitoring of the Group. It delegates day-to-day operations of the Company to the Executive Committee and the management within the control and authority framework set by the Board. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Remuneration Committee and the Nomination Committee. Further details of these committees are set out in this report.

#### Board Meetings

The Board meets regularly and holds at least 4 Board meetings a year. Additional meetings will be arranged, if and when required. The Directors can attend meetings in person or through electronic means of communication in accordance with the Articles.

## 企業管治報告 (續)

### 董事會(續)

#### 董事提名政策(續)

按照董事提名政策的甄選標準，提名委員會會以候選人的品格、專業資格、技巧、經驗、獨立性(如屬獨立非執行董事)、性別、能夠投放的時間等因素作出評估，再按提名程序向董事會提出建議。提名委員會亦會不時對董事提名政策進行檢討，並在有需要時向董事會提出修訂建議，以切合業務需要，並確保其符合監管規定及良好企業管治常規。

#### 董事會及管理層的角色及職能

董事會負責制訂本集團的整體策略性方向及監管其表現。董事會授權執行委員會及管理層在董事會設定的監控及授權框架內處理日常營運事宜。另外，董事會亦授權審核委員會、薪酬委員會及提名委員會執行不同職責。該等委員會的進一步詳情載於本報告。

#### 董事會會議

董事會定期開會，並每年召開至少4次會議，於有需要時亦會另行安排會議。董事可親身出席或按細則規定以電子通訊方式參與會議。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS (continued)

#### Board Meetings (continued)

The Company Secretary assists the Chairman in drawing up the agenda of each Board meeting. Draft agenda of each regular Board meeting will be sent to all Directors for review before the agenda is issued and all Directors may request for inclusion of other matters in the agenda. The Chairman will take into account the matters proposed by the Directors and where appropriate, approve the inclusion of such matters in the agenda of the Board meeting. Generally, at least 14-day notice of a regular Board meeting is given and the Company aims at giving reasonable notice for all other Board meetings. The Company also aims at sending the agenda and the accompanying board papers, which are prepared in a form and quality sufficient to enable the Board to make informed decisions on matters placed before it, to all Directors at least 3 days before the intended date of a Board meeting. Where queries are raised by Directors, prompt and full responses will be given if possible.

There has been procedure in place to enable Directors to seek independent professional advice in appropriate circumstances at the Company's expenses. The Board shall resolve to, upon reasonable request, provide separate independent professional advice to Directors to assist them perform their duties to the Company.

The Company Secretary is responsible for taking minutes of Board meetings and Board committee meetings, draft and final versions of which would be sent to Directors for comments and records respectively, within a reasonable time after each meeting. Minutes are recorded in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views (if any) expressed. Minutes of Board meetings and Board committees meetings are kept by the Company Secretary and are open for inspection by any Director/committee member.

## 企業管治報告 (續)

### 董事會(續)

#### 董事會會議(續)

公司秘書協助主席訂定每次董事會會議的議程，每次發出董事會定期會議的議程前，會先把初稿發給各董事審閱，各董事可要求於議程上加入其他事項。主席會考慮董事提議加入議程的事項，並在適當情況下批准把該等事項加入董事會會議的議程。董事會的定期會議一般發出至少14天通知，本公司亦致力就一切其他董事會會議發出合理通知。本公司會盡力將議程及相關會議文件在擬定舉行的董事會會議日期至少3天前送交全體董事，而其形式及素質亦足以讓董事會就供彼等商議的事項作出有根據的決定。若有董事提出問題，本公司必定盡力作出迅速及全面的回應。

董事會已有既定的程序，讓董事可在適當的情況下尋求獨立專業意見，費用由本公司支付。董事會須應合理要求議決另外為董事提供獨立專業意見，以協助彼等履行其對本公司的責任。

公司秘書負責撰寫董事會及其轄下委員會的會議紀錄。在每次會議結束後，會議紀錄的初稿及最終定稿於合理時間內先後送交董事，初稿供董事表達意見，最終定稿則作記錄之用。會議紀錄對會議上所考慮事項及達致的決定有足夠詳細的記錄，其中包括董事提出的任何疑慮或表達的反對意見(如有的話)。董事會及其轄下委員會的會議紀錄由公司秘書備存，並供任何董事／委員會成員查閱。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS (continued)

#### Board Meetings (continued)

If a substantial shareholder or a Director has a conflict of interest in a matter (including material transaction with connected persons) which the Board has determined to be material, the matter will be dealt with by a physical Board meeting, rather than a written resolution. Independent Non-executive Directors who, and whose close associates, have no material interest in the transaction should be present at that Board meeting.

Except for those circumstances permitted by the Articles and all applicable laws, rules and regulations, a Director shall not vote on any Board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates (or associates where the transaction or arrangement is a connected transaction under Chapter 14A of the Listing Rules) has a material interest nor shall he be counted in the quorum present at the meeting.

#### Attendance Records

During the financial year ended 31 December 2019, the Directors have made active contribution to the affairs of the Group. Subject to the requirements under the Listing Rules, the Board considered and approved, among other things, various projects contemplated by the Group in the form of physical meetings and written resolutions, and reviewed and approved the interim results and annual results of the Group by way of physical meetings.

## 企業管治報告 (續)

### 董事會(續)

#### 董事會會議(續)

若有主要股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突(包括與關連人士進行的重大交易)，該事項將以舉行董事會會議的方式處理，而不會以書面決議的方式處理。在交易中本身及其緊密聯繫人均沒有重大利益的獨立非執行董事須出席有關的董事會會議。

除在細則及所有適用法律、規則及規例允許之情況下以外，若董事或其任何緊密聯繫人(若有關交易或安排屬於上市規則第十四A章所指的關連交易，則指聯繫人)於任何合約、安排或任何其他建議中佔有重大利益，有關董事不得就通過該合約、安排或建議的董事會決議案進行表決，亦不會被計入該次會議出席的法定人數。

#### 出席記錄

於截至二零一九年十二月三十一日止財政年度內，董事積極參與本集團的事務。在符合上市規則要求的情況下，董事會以會議及書面決議形式考慮及審批(其中包括)本集團擬進行的各種項目，而審議和批准本集團的中期業績及全年業績則以會議形式進行。



## CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告 (續)

### BOARD OF DIRECTORS (continued)

### 董事會(續)

#### Attendance Records (continued)

#### 出席記錄(續)

Records of the Directors' attendances at the Board meetings, Audit Committee meetings, Nomination Committee meetings, and Remuneration Committee meetings in 2019 are as follows:

董事於二零一九年的董事會會議、審核委員會會議、提名委員會會議及薪酬委員會會議之出席記錄如下：

Directors 董事	Number of meeting(s) attended/eligible to attend 出席會議次數／合資格出席會議次數			
	Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會
<b>Executive Directors</b> 執行董事				
Ding Rucai (Chairman) 丁汝才(主席)	6/6	N/A 不適用	4/4	4/4
Li Shaofeng <sup>Note I</sup> 李少峰 <sup>註I</sup>	5/5	N/A 不適用	N/A 不適用	N/A 不適用
Fan Wenli <sup>Note II</sup> 范文利 <sup>註II</sup>	1/1	N/A 不適用	N/A 不適用	N/A 不適用
So Kwok Hoo 蘇國豪	6/6	N/A 不適用	N/A 不適用	N/A 不適用
Chen Zhaoqiang 陳兆強	5/6	N/A 不適用	N/A 不適用	N/A 不適用
Liu Qingshan 劉青山	6/6	N/A 不適用	N/A 不適用	N/A 不適用
<b>Non-executive Directors</b> 非執行董事				
Leung Shun Sang, Tony <sup>Note III</sup> 梁順生 <sup>註III</sup>	3/3	N/A 不適用	N/A 不適用	1/1
Chang Cun 常存	6/6	N/A 不適用	N/A 不適用	N/A 不適用
Shi Yubao <sup>Note IV</sup> 時玉寶 <sup>註IV</sup>	2/2	N/A 不適用	N/A 不適用	2/2
<b>Independent Non-executive Directors</b> 獨立非執行董事				
Kee Wah Sze 紀華士	6/6	2/2	4/4	4/4
Choi Wai Yin 蔡偉賢	6/6	2/2	4/4	4/4
Chan Pat Lam 陳柏林	6/6	2/2	4/4	4/4
Japhet Sebastian Law 羅文鈺	6/6	2/2	4/4	4/4

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS (continued)

#### Attendance Records (continued)

*Note I:* The Board had convened 5 meetings during the period prior to the resignation of Mr. Li Shaofeng as the Executive Director on 1 November 2019.

*Note II:* The Board had convened 1 meeting during the period after Mr. Fan Wenli became the Executive Director on 1 November 2019.

*Note III:* The Board and the Remuneration Committee had convened 3 meetings and 1 meeting respectively during the period before the retirement of Mr. Leung Shun Sang, Tong as the Non-executive Director and the member of the Remuneration Committee on 16 May 2019.

*Note IV:* The Board and the Remuneration Committee each had convened 2 meetings during the period after Mr. Shi Yubao became the Non-executive Director and the member of the Remuneration Committee on 1 September 2019.

#### Access to Information

The Board is supplied with sufficient explanation and information by the management to enable the Board to make an informed assessment of financial and other information put before it for approval. The management provides all Board members with monthly updates which give a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties. Where any Director requires more information than is volunteered by the management, each Director has the right to separately and independently access to the Company's management to make further enquiries if necessary.

#### Appointment and Re-election of Directors

Appointment of new Directors is a matter for consideration by the Nomination Committee. The Nomination Committee will give adequate consideration to the Director Nomination Policy and Board Diversity Policy, will review the profiles of the candidates, and will make recommendations to the Board on the appointment, re-appointment and nomination of Directors.

## 企業管治報告 (續)

### 董事會(續)

#### 出席記錄(續)

*註I:* 在李少峰先生於二零一九年十一月一日起辭任執行董事前，董事會於期內所舉行的會議次數為5次。

*註II:* 在范文利先生自二零一九年十一月一日起出任執行董事後，董事會於期內所舉行的會議次數為1次。

*註III:* 在梁順生先生於二零一九年五月十六日起退任非執行董事及薪酬委員會成員前，董事會及薪酬委員會於期內所舉行的會議次數分別為3次及1次。

*註IV:* 在時玉寶先生自二零一九年九月一日起出任非執行董事及薪酬委員會成員後，董事會及薪酬委員會於期內所舉行的會議次數分別各為2次。

#### 資料之使用

管理層應向董事會提供充分的解釋及資料，讓董事會可以就提交給彼等批准的財務及其他資料，作出有根據的評審。管理層每月向董事會全體成員提供更新的資料，讓董事會整體及各董事獲得充足資料使彼等可對本公司的表現、狀況及前景有公正及易於理解的評估，以便履行職務。倘任何董事需要管理層主動提供的資料以外的額外資料，各董事均有權於有需要時自行接觸本公司管理層作進一步查詢。

#### 委任及重選董事

委任新董事的事宜由提名委員會審議。提名委員會將充分考慮董事提名政策和董事會成員多元化政策，以及審查候選人的簡歷，並就董事的委任、重新委任及提名向董事會提出建議。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS (continued)

#### Appointment and Re-election of Directors (continued)

According to the Articles, any Director so appointed by the Board shall hold office, in the case of filling a casual vacancy, only until the next following general meeting of the Company or, in the case of an addition to their number, until the next following annual general meeting of the Company, who shall then be eligible for re-election at such general meeting. Every Director is subject to retirement by rotation at least once every 3 years. 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 to but not less than one-third, shall retire from office by rotation.

None of the existing Non-executive Directors and Independent Non-executive Directors is appointed for a specific term, but they are subject to retirement by rotation and re-election by shareholders at annual general meeting pursuant to the Articles. Accordingly, though deviated from code provision A.4.1, the Board considers that such requirements are sufficient to meet the underlying objective of the said code provision.

#### Independent Non-executive Directors

The Company has appointed 4 Independent Non-executive Directors and at least one of them has appropriate professional qualifications or accounting or related financial management expertise, complied with Rules 3.10(1) and 3.10(2) of the Listing Rules.

The number of Independent Non-executive Directors represents more than one-third of the Board, complied with Rule 3.10A of the Listing Rules.

The Company has received from each of its Independent Non-executive Directors an annual confirmation regarding the independence of himself and his immediate family members pursuant to Rule 3.13 of the Listing Rules, the Company considers that all of the Independent Non-executive Directors are independent.

Pursuant to code provision A. 4.3 of the CG Code, any re-election of an independent non-executive director who has served the board for more than 9 years, his further appointment should be subject to a separate resolution to be approved by shareholders. During the year under review, Mr. Choi Wai Yin, an Independent Executive Director serving more than 9 years, retired in the AGM 2019 and his re-election was conducted in accordance with the requirement. In the AGM 2020, no Independent Non-executive Director will be re-elected.

## 企業管治報告 (續)

### 董事會(續)

#### 委任及重選董事(續)

根據細則，任何為填補臨時空缺而獲董事會委任的董事，其任期至本公司下次股東大會終止；若為增加董事會成員數目而獲委任的董事，其任期至本公司下屆股東週年大會終止，並有資格於該股東大會上膺選連任。每名董事須至少每3年輪值退任一次。於每屆股東週年大會上，三分之一的在任董事(或倘董事人數並非三的倍數，則為最接近但不少於三分之一的人數)須輪值退任。

各現任非執行董事及獨立非執行董事概無特定任期，但彼等須根據細則於股東週年大會上輪值退任及由股東重選。因此，縱使偏離守則條文第A.4.1條，董事會認為該等規定足以達至該條守則條文的相關目的。

#### 獨立非執行董事

本公司委任了4名獨立非執行董事，其中最至少1名獨立非執行董事具備適當的專業資格或在會計或相關財務管理方面的專長，符合上市規則第3.10(1)及3.10(2)條規定。

獨立非執行董事的人數佔董事會人數超過三分之一，符合上市規則第3.10A條規定。

本公司接獲各獨立非執行董事根據上市規則第3.13條的規定就其本人及直系家屬的獨立性所提交的週年確認書，本公司認為全體獨立非執行董事均屬獨立人士。

根據企業管治守則守則條文A.4.3條，凡服務董事會超過9年的獨立非執行董事，須獲股東以獨立決議案批准方可續任。回顧年度內，在任已過9年的獨立非執行董事蔡偉賢先生於二零一九年股東週年大會上退任，並已按要求進行重選。於二零二零年股東周年大會上，沒有獨立非執行董事將會膺選連任。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS (continued)

#### Independent Non-executive Directors (continued)

Currently, Mr. Japhet Sebastian Law serves as a director of 7 listed companies (including the Company), Mr. Law considers he is still able to devote sufficient time to the Board as he does not hold any other employment. Mr. Law further indicated his willingness to deploy his time to attend to his responsibilities as the Independent Non-executive Director where necessary. The number of listed companies in which each other Independent Non-executive Director held directorship is less than 7. They all indicate that they are able to contribute sufficient time to the Board's affairs and fulfil their responsibilities. Also, each Independent Non-executive Director has confirmed that he does not hold any cross directorship or other significant links with other directors through involvement in other companies.

#### Insurance for Directors' and Officers' Liability

Appropriate insurance cover on directors' and officers' liabilities has been in force to protect the Directors and officers from their risk exposure arising from the businesses of the Group.

#### Directors' Training and Professional Development

Every newly appointed Director will be given an introduction of regulatory requirements. Directors are continually updated on the latest development of the Listing Rules, legal and other regulatory requirements to ensure compliance and upkeep of good corporate governance practice. Directors are also encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company Secretary facilitates induction and professional development of Directors and the Company is responsible for arranging and funding suitable training for the Directors.

## 企業管治報告 (續)

### 董事會(續)

#### 獨立非執行董事(續)

現時，羅文鈺先生出任7家上市公司(包括本公司)的董事，羅先生認為由於其沒有其他工作，因此仍能夠為董事會投入足夠的時間。羅先生並表示在必要的情況下願意將其時間用於履行其獨立非執行董事職責。各其他獨立非執行董事所任職的上市公司數量均少於7家，他們均表示能在董事會事務中投入足夠時間，履行其責任。同時，各獨立非執行董事均確認沒有相互擔任對方公司董事職務或透過其他公司與其他董事有重大聯繫。

#### 董事及高級職員之責任保險

本公司已為董事及高級職員購買合適的責任保險，就彼等因本集團業務承擔的風險提供保障。

#### 董事培訓及專業發展

每名新委任的董事均獲提供相關法規要求的簡介。本公司亦會不斷向董事更新上市規則、法律及其他監管規定要求的最新發展，以確保彼等遵守及維持良好的企業管治常規。本公司亦鼓勵董事參與持續專業發展，發展並更新彼等的知識及技能。公司秘書協助安排董事的就任須知及專業發展，而本公司負責為董事安排合適的培訓並提供經費。

## CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告 (續)

### BOARD OF DIRECTORS (continued)

### 董事會(續)

#### Directors' Training and Professional Development (Continued)

#### 董事培訓及專業發展(續)

All Directors have provided to the Company their records of training received during the financial year ended 31 December 2019, a summary of which is as follows:

所有董事已向本公司提供彼等於截至二零一九年十二月三十一日止財政年度內接受培訓的記錄，概要如下：

#### **Continuous professional development** 持續專業發展

Directors 董事	Type (Note I) 種類(註I)	Subject (Note II) 內容(註II)
Ding Rucai 丁汝才	A B	1 1, 2, 3, 4
Li Shaofeng (resigned on 1 November 2019) 李少峰(於二零一九年十一月一日辭任)	A B	1 1, 3
Fan Wenli (be appointed on 1 November 2019) 范文利(於二零一九年十一月一日獲委任)	B	1, 2, 4
So Kwok Hoo 蘇國豪	A B	1, 2, 3 1, 2, 3, 4
Chen Zhaoqiang 陳兆強	A B	1 1, 2, 3, 4
Liu Qingshan 劉青山	A B	1 1, 2, 3, 4
Leung Shun Sang, Tony (retired on 16 May 2019) 梁順生(於二零一九年五月十六日退任)	A B	1 1
Chang Cun 常存	A B	1 1, 2, 3, 4
Shi Yubao (be appointed on 1 September 2019) 時玉寶(於二零一九年九月一日獲委任)	B	1, 2, 4
Kee Wah Sze 紀華士	A B	1 1, 2, 3, 4
Choi Wai Yin 蔡偉賢	A B	1 1, 2, 3, 4
Chan Pat Lam 陳柏林	A B	1 1, 2, 3, 4
Japhet Sebastian Law 羅文鈺	A B	1 1, 2, 3, 4

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD OF DIRECTORS (continued)

#### Directors' Training and Professional Development (continued)

##### Continuous professional development (continued)

*Note I:*

- A: Attending seminars, conferences, forums, in-house briefings or in-house training
- B: Reading newspapers, journals and updates

*Note II:*

- 1: Laws, rules and regulations
- 2: Finance, accounting or taxation
- 3: Management
- 4: Businesses relating to the Group

### CHAIRMAN AND MANAGING DIRECTOR

The roles of chairman and managing director are separate and exercised by different individuals to reinforce their independence and accountability. Mr. Ding Rucai is the Chairman and Mr. Li Shaofeng was the managing director of the Company until Mr. Fan Wenli took up the role on 1 November 2019. The Chairman provides leadership for the Board and ensures that the Board works effectively and performs its responsibilities. The managing director of the Company has overall chief executive responsibility for the Group's business development and day-to-day management generally. The division of responsibilities between the Chairman and the managing director of the Company is clearly established and set out in writing.

## 企業管治報告 (續)

### 董事會(續)

#### 董事培訓及專業發展(續)

##### 持續專業發展(續)

*註I:*

- A: 出席研討會、會議、論壇、內部簡介會或內部培訓
- B: 閱讀報章、刊物及更新資料

*註II:*

- 1: 法例、法規及規則
- 2: 財務、會計或稅務
- 3: 管理
- 4: 與本集團有關的業務

### 主席及董事總經理

為加強主席與董事總經理的獨立性及問責性，彼等的角色已予區分，並由不同人士擔任。丁汝才先生為主席，而李少峰先生則為本公司的董事總經理，直至范文利先生於二零一九年十一月一日接替該職務。主席的職責負責領導董事會，確保董事會有效地運作，且履行其職責；本公司董事總經理則肩負行政總裁整體的職務，負責本集團整體的業務發展及日常管理。主席與本公司董事總經理之間職責的分工已予清楚界定並以書面列載。

## CORPORATE GOVERNANCE REPORT (continued)

### CHAIRMAN AND MANAGING DIRECTOR (continued)

The responsibilities of the Chairman include, amongst other things:

- taking primary responsibility for ensuring that good corporate governance practices and procedures are established;
- ensuring that all Directors are properly briefed on issues arising at Board meetings, and ensuring that Directors receive, in a timely manner, adequate information which must be accurate, clear, complete and reliable;
- encouraging all Directors to make a full and active contribution to the Board's affairs and taking the lead to ensure that the Board acts in the best interest of the Company;
- encouraging Directors with different views to voice their concerns, allowing sufficient time for discussion of issues and ensuring that Board decisions fairly reflect Board consensus;
- ensuring that appropriate steps are taken to provide effective communications with shareholders and that their views are communicated to the Board as a whole; and
- promoting a culture of openness and debate by facilitating the effective contribution of Non-executive Directors in particular and ensuring constructive relations between Executive and Non-executive Directors.

During the year, the Chairman held meeting with the Independent Non-executive Directors without the presence of other Directors.

## 企業管治報告 (續)

### 主席及董事總經理(續)

主席的職責(其中)包括：

- 在確保公司制定良好的企業管治常規及程序方面負主要責任；
- 確保董事會會議上所有董事均適當知悉當前的事項，以及確保董事適時收到充分的資訊，而有關資訊亦必須準確清晰及完備可靠；
- 鼓勵所有董事全力投入董事會事務，並以身作則，確保董事會行事符合本公司最佳利益；
- 鼓勵持不同意見的董事表達本身關注的事宜、給予這些事宜充足時間討論，以及確保董事會的決定能公正反映董事會的共識；
- 確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達到整個董事會；及
- 提倡公開、積極討論的文化，促進董事(特別是非執行董事)對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係。

年內，主席與獨立非執行董事舉行了沒有其他董事出席的會議。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD COMMITTEES

The Board has established the following committees to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities. All committees have their own terms of reference. All resolutions passed by the committees will be reported to the Board at the Board meeting.

#### Executive Committee

The Executive Committee was established in May 2009 with specific written terms of reference which deal clearly with its authorities and duties.

The Executive Committee has been conferred with the general powers of the Board (except those matters specifically reserved for the Board) to manage and oversee the operations of the Group and has been assigned with the responsibilities to perform the corporate governance duties as follows:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Group's employees and Directors;
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- to conform to any requirement, direction, regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

## 企業管治報告 (續)

### 董事會轄下委員會

董事會已成立下列委員會，以監察本公司特定範疇的事務及協助董事會執行其職務。全部委員會均有其職權範圍。委員會通過的所有決議案均須於董事會會議上向董事會匯報。

#### 執行委員會

執行委員會於二零零九年五月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。

執行委員會獲授董事會的一般權力(惟特別保留予董事會的事項除外)以管理及監督本集團的營運，以及負責履行下列企業管治職責：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察適用於本集團僱員及董事的操守準則及合規手冊(如有)；
- 檢討本公司遵守企業管治守則的情況及企業管治報告內的披露；及
- 遵守董事會不時規定或本公司組織章程所載或法例規定的任何規定、指引或規則。



## CORPORATE GOVERNANCE REPORT (continued)

### BOARD COMMITTEES (continued)

#### Executive Committee (continued)

As per the list below, the Executive Committee comprises all Executive Directors with the Chairman as the chairman of the committee.

Committee chairman	Ding Rucai
Member	Li Shaofeng (resigned on 1 November 2019)
Member	Fan Wenli (be appointed on 1 November 2019)
Member	So Kwok Hoo
Member	Chen Zhaoqiang
Member	Liu Qingshan

The major works performed by the Executive Committee during the year under review included, amongst other things, the following:

- reviewed the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company;
- managed and overseeing the daily operation of the Group; and
- performed corporate governance duties.

#### Audit Committee

The Audit Committee was established in October 1999 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Audit Committee are posted on the website of the Company.

The principal duties of the Audit Committee include, amongst other things:

- overseeing the relationship with the Company's auditor;
- reviewing the interim and annual financial statements;
- reviewing the Company's financial reporting system, risk management and internal control systems; and
- reviewing the arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

## 企業管治報告 (續)

### 董事會轄下委員會(續)

#### 執行委員會(續)

如下表所列，執行委員會由全體執行董事組成，並以主席為執行委員會主席。

委員會主席	丁汝才
成員	李少峰(於二零一九年 十一月一日辭任)
成員	范文利(於二零一九年 十一月一日獲委任)
成員	蘇國豪
成員	陳兆強
成員	劉青山

執行委員會於回顧年度內的主要工作(其中包括)如下：

- 檢討本公司遵守企業管治守則的情況及審閱《企業管治報告》內的披露；
- 管理及監察本集團之日常業務營運；及
- 履行企業管治職責。

#### 審核委員會

審核委員會於一九九九年十月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。審核委員會的職權範圍登載於本公司網站上。

審核委員會的主要職責(其中包括)：

- 監察與本公司核數師之間的關係；
- 審閱中期及全年財務報告；
- 審查本公司的財務申報程序、風險管理及內部監控系統；及
- 檢討本公司僱員可在保密的情況下就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注之有關安排。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD COMMITTEES (continued)

#### Audit Committee (continued)

The Audit Committee has explicit authority to investigate any activity within its terms of reference and the authority to obtain outside legal or other independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. It is given access to and assistance from the employees and reasonable resources to perform its duties properly.

As per the list below, the chairman of the Audit Committee is an Independent Non-executive Director and the Audit Committee comprises all Independent Non-executive Directors. None of the members of the Audit Committee are former partners of the auditor of the Company.

Committee chairman	Choi Wai Yin
Member	Kee Wah Sze
Member	Chan Pat Lam
Member	Japhet Sebastian Law

The major works performed by the Audit Committee during the year under review included, amongst other things, the following:

- reviewed the final results and annual financial statements of the Group for the financial year ended 31 December 2018;
- reviewed the interim results and interim financial statements of the Group for the six months ended 30 June 2019;
- reviewed the reports on the risk management and internal control systems of the Group prepared by the internal audit department;
- met with the auditor of the Company in the absence of management, to discuss matters relating to its audit fees, any issues arising from the audit and any other matters the auditor may wish to raise; and
- made recommendation to the Board regarding the re-appointment of Company's auditor.

During the year, the Board had no disagreement with the Audit Committee's view on the selection, appointment, resignation or dismissal of the external auditor.

## 企業管治報告 (續)

### 董事會轄下委員會(續)

#### 審核委員會(續)

審核委員會具有明確權力，可按其職權範圍調查任何事宜，並有權在有需要時獲取外來法律或其他獨立專業意見，以履行其職責，費用由本公司支付。審核委員會亦可獲僱員提供支援及協助，取得合理的資源以妥善履行其職務。

如下表所列，審核委員會的主席由一名獨立非執行董事擔任，審核委員會由全體獨立非執行董事組成。概無審核委員會成員為本公司核數師的前任合夥人。

委員會主席	蔡偉賢
成員	紀華士
成員	陳柏林
成員	羅文鈺

審核委員會於回顧年度內履行的主要工作(其中包括)如下：

- 審閱本集團截至二零一八年十二月三十一日止財政年度的全年業績及全年財務報告；
- 審閱本集團截至二零一九年六月三十日止六個月的中期業績及中期財務報告；
- 審閱內部審計部門就本集團的風險管理及內部監控系統編製的報告；
- 在管理層不在場的情況下會見本公司核數師，以討論與核數費用有關的事宜、任何因核數工作產生的事宜及核數師欲提出的其他事項；及
- 就續聘本公司核數師向董事會提出建議。

董事會於年內概無不同意審核委員會對甄選、委任、辭任或罷免外聘核數師事宜的意見。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD COMMITTEES (continued)

#### Nomination Committee

The Nomination Committee was established in May 2009 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Nomination Committee are posted on the website of the Company.

The principal duties of the Nomination Committee include:

- reviewing the structure, size and composition of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board;
- making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
- assessing the independence of Independent Non-executive Directors; and
- reviewing the Board Diversity Policy, as appropriate; and reviewing the measurable objectives that have been set for implementing the Board Diversity Policy, and reviewing the progress on achieving the objectives.

Where vacancies exist at the Board, candidates are proposed and put forward to the Nomination Committee for consideration. The recommendations of the Nomination Committee made in accordance to the Director Nomination Policy will then be tendered to the Board for approval. In considering the nomination of a new Director, the Nomination Committee will give adequate consideration to the Board Diversity Policy and take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

## 企業管治報告 (續)

### 董事會轄下委員會(續)

#### 提名委員會

提名委員會於二零零九年五月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。提名委員會的職權範圍登載於本公司網站上。

提名委員會的主要職責包括：

- 檢討董事會的架構、人數及組成，並就任何為配合本公司策略而擬對董事會作出的變動提出建議；
- 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供建議；
- 就董事委任或重新委任以及董事繼任計劃向董事會提出建議；
- 評核獨立非執行董事的獨立性；及
- 在適當情況下檢討董事會成員多元化政策；以及檢討董事會為執行董事會成員多元化政策而制定的可計量目標和檢討達標進度。

董事會出現空缺時，獲提名的候選人交提名委員會審議。提名委員會按照董事提名政策提出建議並提交董事會審批。提名委員會於考慮提名新董事時，會充分考慮董事會成員多元化政策，並考慮該候選人的資格、能力、工作經驗、領導才能及專業操守。董事會在決定董事的獨立性時會遵循上市規則所載規定。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD COMMITTEES (continued)

#### Nomination Committee (continued)

The Nomination Committee has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain outside independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

As per the list below, the chairman of the Nomination Committee is the Chairman and the Independent Non-executive Directors constitute the majority of the Nomination Committee.

Committee chairman	Ding Rucai
Member	Kee Wah Sze
Member	Choi Wai Yin
Member	Chan Pat Lam
Member	Japhet Sebastian Law

The major works performed by the Nomination Committee during the year under review included, amongst other things, the following:

- assessed the independence of the Independent Non-executive Directors;
- considered and making recommendations to the Board on the re-election of Directors at the annual general meeting;
- reviewed the existing Board Diversity Policy; and
- made recommendation to the Board in accordance to the Director Nomination Policy for the appointments of Mr. Fan Wenli and Mr. Shi Yubao as the Directors.

## 企業管治報告 (續)

### 董事會轄下委員會(續)

#### 提名委員會(續)

提名委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在有需要時獲取外來獨立專業意見，以履行其職責，費用由本公司支付。

如下表所列，提名委員會的主席由主席擔任。獨立非執行董事佔提名委員會的大多數。

委員會主席	丁汝才
成員	紀華士
成員	蔡偉賢
成員	陳柏林
成員	羅文鈺

提名委員會於回顧年度內履行的主要職責(其中包括)如下：

- 評核獨立非執行董事的獨立性；
- 考慮及就於股東週年大會上重選董事向董事會提出建議；
- 檢討現有的董事會成員多元化政策；及
- 按照董事提名政策就委任范文利先生及時玉寶先生為董事向董事會提出建議。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD COMMITTEES (continued)

#### Remuneration Committee

The Remuneration Committee was established in September 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Remuneration Committee are posted on the website of the Company.

The principal duties of the Remuneration Committee include:

- making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management of the Group;
- reviewing and approving the management's remuneration proposals with reference to the Company's goals and objectives;
- determining, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management and making recommendations to the Board on the remuneration of Non-executive Directors;
- reviewing and approving compensation payable to Executive Directors and senior management and compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- ensuring that no Director or any of his/her associates is involved in deciding his/her own remuneration.

The Remuneration Committee may consult the Chairman and/or the managing director of the Company about their remuneration proposals for other Executive Directors. It has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain outside independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

## 企業管治報告 (續)

### 董事會轄下委員會(續)

#### 薪酬委員會

薪酬委員會於二零零五年九月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。薪酬委員會的職權範圍登載於本公司網站上。

薪酬委員會的主要職責包括：

- 就本公司對本集團董事及高級管理人員的全體薪酬政策及架構，向董事會提出建議；
- 因應本公司方針及目標而檢討及審批管理層的薪酬建議；
- 獲董事會轉授責任，釐定個別執行董事及高級管理人員的薪酬待遇，並就非執行董事的酬金向董事會提出建議；
- 檢討及審批應付予執行董事及高級管理人員的賠償，以及董事因行為不當而被辭退或免職時的賠償安排；及
- 確保任何董事或其任何聯繫人不得自行釐訂薪酬。

薪酬委員會可就其他執行董事的薪酬建議諮詢主席及／或本公司董事總經理的意見。薪酬委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在有需要時獲取外來獨立專業意見，以履行其職責，費用由本公司支付。

## CORPORATE GOVERNANCE REPORT (continued)

### BOARD COMMITTEES (continued)

#### Remuneration Committee (continued)

The remuneration policies for the Company as well as the Directors are market alignment and reward for performance. The Company reviews the remuneration package annually taking into consideration of the market practice, competitive market position and individual performance.

As per the list below, the chairman of the Remuneration Committee is an Independent Non-executive Director and the Independent Non-executive Directors constitute the majority of the Remuneration Committee.

Committee chairman	Japhet Sebastian Law
Member	Ding Rucai
Member	Leung Shun Sang, Tony (retired on 16 May 2019)
Member	Shi Yubao (be appointed on 1 September 2019)
Member	Kee Wah Sze
Member	Choi Wai Yin
Member	Chan Pat Lam

The major works performed by the Remuneration Committee during the year under review included, amongst other things, the following:

- reviewed the performance and the remuneration packages of the Directors;
- made recommendations to the Board on renewing the appointment term of the Non-executive Directors and Independent Non-executive Directors; and
- made recommendations to the Board on the terms of the service contract or engagement letter, and the remuneration of Mr. Fan Wenli and Mr. Shi Yubao.

Details of remuneration paid to the Directors and senior management for the year are set out in note 14 to the audited consolidated financial statements.

## 企業管治報告 (續)

### 董事會轄下委員會(續)

#### 薪酬委員會(續)

本公司及董事的薪酬政策均與市場水平及工作表現掛鉤。本公司會考慮市場慣例、市場上的競爭狀況及個人表現，按年檢討薪酬組合。

如下表所列，薪酬委員會的主席由一名獨立非執行董事擔任。獨立非執行董事佔薪酬委員會的大多數。

委員會主席	羅文鈺
成員	丁汝才
成員	梁順生(於二零一九年五月十六日退任)
成員	時玉寶(於二零一九年九月一日獲委任)
成員	紀華士
成員	蔡偉賢
成員	陳柏林

薪酬委員會於回顧年度內履行的主要工作(其中包括)如下：

- 檢討董事的表現及薪酬待遇；
- 就非執行董事及獨立非執行董事重續委任期的條款向董事會作出建議；及
- 就范文利先生及時玉寶先生的服務協議或委聘書條款，以及董事酬金向董事會提出建議。

年內，向董事及高級管理人員支付的薪酬之詳情載列於經審核綜合財務報表附註14。

## CORPORATE GOVERNANCE REPORT (continued)

### COMPANY SECRETARY

The Company Secretary supports the Board by ensuring good information flow within the Board and that board policy and procedures are followed. The Company Secretary is also responsible for advising the Board through the Chairman and/or the managing director of the Company on corporate governance and the implementation of the CG Code. The Company Secretary is an employee of the Company and has day-to-day knowledge of the Group's affairs.

The Company Secretary reports to the Chairman and the managing director of the Company. All Directors also have access to the advice and services of the Company Secretary to ensure that board procedures, and all applicable laws, rules and regulations, are followed. The selection, appointment and dismissal of the Company Secretary are subject to the Board approval.

The Company Secretary has confirmed that she has taken no less than 15 hours of relevant professional training during the year.

## 企業管治報告 (續)

### 公司秘書

公司秘書支援董事會，確保董事會成員之間資訊交流良好，以及董事會政策及程序得以遵循。公司秘書亦負責透過主席及／或本公司董事總經理向董事會就企業管治情況及企業管治守則之施行事宜提供意見。公司秘書為本公司的僱員，對本集團的日常事務甚有認識。

公司秘書向主席及本公司董事總經理匯報。所有董事亦可取得公司秘書的意見及服務，以確保董事會程序及所有適用法律、規則及規例得以遵守。公司秘書的遴選、委任與撤職須經董事會批准。

公司秘書確認其於年內接受不少於15小時的相關專業培訓。

## CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告 (續)

### RISK MANAGEMENT AND INTERNAL CONTROL

### 風險管理及內部監控

#### Internal Control

#### 內部監控

The Group adopted and implemented the Group's internal control system by making reference to the Committee of Sponsoring Organisation of the Treadway Commission ("COSO") Internal Control – Integrated Framework. The Group's internal control system is to achieve operations, reporting, and compliance objectives, implemented within the Group's entities, divisions, operating units and functions, through various internal control components in the areas of control environment, risk assessment, control activities, information and communication and monitoring activities. The Group's internal control system comprises 17 principles on effective internal controls as illustrated as follows:

本集團參照COSO(the“Committee of Sponsoring Organisations of the Treadway Commission”)刊發的內部控制整合框架建立和推行適合本集團的內部監控系統。本集團的內部監控系統以達成營運、匯報及合規為目標，運行於本集團的各個主體、分部、營運業務單元及職能，涵蓋控制環境、風險評估、控制活動、資訊和溝通及監控活動一系列的內部監控要素。本集團的內部監控系統能達致下列17項有效內部監控的原則：

<b>Operations, Reporting and Compliance Objectives</b> 達成營運、匯報及合規的目標	<b>Internal Control Components – 17 Principles on Effective Internal Controls</b> 內部監控要素 – 17項有效內部監控原則
	<b>Control Environment</b> 控制環境
	<b>Risk Assessment</b> 風險評估

1. Demonstrates commitment to integrity and ethical values  
展現對誠信與道德價值之承諾
2. Exercises oversight responsibility  
執行監督之責任
3. Establishes structure, authority, and responsibility  
建立架構、職權及責任
4. Demonstrates commitment to competence  
致力於留任及培育適任之人才
5. Enforces accountability  
承擔內部控制之責任及結果

6. Specifies suitable objectives  
設定有關目標
7. Identifies and analyses risk  
辨認及分析風險
8. Assesses fraud risk  
評估舞弊風險
9. Identifies and analyses significant change  
辨認及分析重大改變



## CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告 (續)

### RISK MANAGEMENT AND INTERNAL CONTROL (continued)

### 風險管理及內部監控(續)

#### Internal Control (continued)

#### 內部監控(續)

<b>Operations, Reporting and Compliance Objectives (continued)</b> 達成營運、匯報及合規的目標(續)	<b>Internal Control Components – 17 Principles on Effective Internal Controls (continued)</b> 內部監控要素 – 17項有效內部監控原則(續)
	<b>Control Activities</b> 控制活動 <ol style="list-style-type: none"> <li>10. Selects and develops control activities 選擇及建立控制活動</li> <li>11. Selects and develops general controls over technology 選擇及發展透過科技完成的一般控制</li> <li>12. Deploys through policies and procedures 制定相關政策及程序</li> </ol>
	<b>Information and Communication</b> 資訊與溝通 <ol style="list-style-type: none"> <li>13. Uses relevant information 使用有關資訊</li> <li>14. Communicates internally 內部溝通</li> <li>15. Communicates externally 外部溝通</li> </ol>
	<b>Monitoring Activities</b> 監督 <ol style="list-style-type: none"> <li>16. Conducts ongoing and/or separate evaluations 持續評估及／或個別評估</li> <li>17. Evaluates and communicates deficiencies 評估及溝通缺失</li> </ol>

The Board is responsible for the Group's internal control system and for reviewing its appropriateness and effectiveness. The Audit Committee is authorised to assist the Board to conduct relevant review. The Group's internal control system manages, but not eliminates, risks against the achievement of the Group's objectives, and provides a reasonable, but not absolute, assurance against material misstatement or loss.

董事會負有對內部監控系統的責任，並有責任對內部監控系統的合適性和有效性進行檢討。審計委員會已獲授權協助董事會進行相關檢討。本集團的內部監控系統旨在管理而非消除未能達成本集團業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

## CORPORATE GOVERNANCE REPORT (continued)

### RISK MANAGEMENT AND INTERNAL CONTROL (continued)

#### Internal Control (continued)

Based on the defined objectives, the management of the Group identifies and evaluates significant risks, and subsequently selects, adopts and implements appropriate internal control procedures. Through continuous monitoring, the management of the Group maintains an effective internal control system. The internal audit department of the Group conducts testing on the internal control system, reports deficiencies, recommends remedy solutions to the management and follows up implementation of recommendations.

The Audit Committee monitors, assesses and reviews the findings of the internal control systems from the management and the internal audit department of the Group on an ongoing basis, and regularly report to the Board.

The Group sets up an internal audit department which directly reports to the Audit Committee. The staffs of the internal audit department comprised of qualified and experienced professional. Based on the risk-based internal audit plan, the internal audit department is authorised unrestrictedly to conduct independent assessment on the Group's business, risk management and internal control system.

The management of the Group provided a confirmation to the Audit Committee on the effectiveness of the internal control system this year, including the effectiveness of the issuer's processes for financial reporting and "Listing Rules" compliance, and considers the system is effective and adequate. The Audit Committee reviewed and reported the results to the Board.

The Audit Committee reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions this year and satisfied the adequacy of the arrangement.

#### Risk Management

The structure of the Group's risk management system based on: 1) Risk Governance Structure; and 2) Risk Management Procedures.

## 企業管治報告 (續)

### 風險管理及內部監控(續)

#### 內部監控(續)

本集團管理層根據既定的目標，識別和評估潛在的主要風險，並以此為基礎，選擇、制訂和實施所需的內部監控措施，並通過持續監察的方式，維繫有效的內部監控系統。本集團內部審計部對內部監控系統進行測試，並於發現監控缺陷時，向管理層建議糾正措施，並於其後跟蹤糾正措施的落實情況。

審核委員會就管理層及內部審計部對內部監控系統的調查結果進行持續監督、評估和審議，並定期向董事會匯報審議結果。

本集團設有內部審計部，直接向審核委員會匯報。內部審計部由具有專業資格和豐富經驗的成員組成。根據以風險為導向的內部審計計劃，內部審計部可以在不受限制的情況下，獨立地檢討本集團所有業務、風險管理及內部監控系統。

本年度，本集團管理層已向審核委員會提供內部監控系統是否有效的確認，並由審核委員會進行了檢討，其中包括檢討本公司有關財務報告及遵守《上市規則》規定的程序的有效性，並認為該系統是有效及足夠。審核委員會已審閱並向董事會匯報結果。

本年度，審核委員會已就本集團在會計、內部審計及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算開支是否足夠進行檢討，並對有關方面的足夠程度表示滿意。

#### 風險管理

本集團的風險管理系統建基於：1)風險管治架構；及2)風險管理程序。

## CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告 (續)

### RISK MANAGEMENT AND INTERNAL CONTROL (continued)

### 風險管理及內部監控(續)

#### Risk Governance Structure

#### 風險管治架構

The Group's risk governance structure is based on a "Three Lines of Defense" model, with oversight by the Board on an ongoing basis and is reviewed by the Audit Committee and subsequently reported to the Board on the effectiveness of the risk management system.

本集團以三道防線模式為基礎來支援董事會對風險管理系統的持續監督，並透過審核委員會審議的檢討結果向董事會匯報風險管理系統是否有效。

Under the "Three Lines of Defense" model, major risk management functions and measures in each line is as follows:

在三道防線模式下，各方防線的主要風險管理職能和措施如下：

<b>1st Line of Defense: Risk Management Function 第一道防線：風險管理職能</b>	<b>2nd Line of Defense: Risk Monitoring Function 第二道防線：風險監察職能</b>	<b>3rd Line of Defense: Independent Assurance Function 第三道防線：獨立驗證職能</b>
1) Identify and evaluate risks, adopt measures to manage risks 識別及評估風險、採取措施以管理風險  2) Self-assessment on the effectiveness of the measures, adjust timely to mitigate risks 自我檢查措施的成效，適時調整方法以減輕風險	1) Monitor design appropriateness and implementation of risk management procedures 監督風險管理程序的設計合適性和執行有效性  2) Promote delivery of risk management information 促進風險管理資訊的傳達	1) Independent assessment on the appropriateness and effectiveness of risk management system 對風險管理系統的合適性和有效性進行獨立評價

#### Risk Management Procedures

#### 風險管理程序

The Group adopted and implemented a risk management policy and procedures that is appropriate to the Group by making reference to the Committee of Sponsoring Organisation of the Treadway Commission ("COSO") Enterprise Risk Management Framework.

本集團參照COSO (the Committee of Sponsoring Organisations of the Treadway Commission)刊發的企業風險管理框架建立和推行適合本集團的風險管理政策和程序。

The Board is responsible for assessing and determining the Group's risk appetite regarding the nature and magnitude and constructs a risk management procedures allowing a tone at the top and bottom up reporting.

董事會負責評估和釐定本集團達成策略目標時所接納的風險性質及程度，並建立了一個自上而下，由下而上的風險管理程序。

#### Top-Down Approach

#### 自上而下

The Board, through the management of the Group, communicates to entities, divisions, operating units and subsidiaries regarding potential effects on inherent risks and emerging risks, and defines standards on the Group's risk appetite and risk tolerance level.

董事會通過管理層對潛在影響本集團的固有風險和新生風險向相關主體、分部、業務單元或附屬單位傳達，並就本集團的風險偏好和風險容忍度訂定可接納標準。

## CORPORATE GOVERNANCE REPORT (continued)

### RISK MANAGEMENT AND INTERNAL CONTROL (continued)

#### Bottom Up Approach

Based on the guidance from the Board and incorporation of annual operating plan, the Group's entities, divisions, operating units and subsidiaries identify potential risks that affect the achievement of objectives. Every potential risk is evaluated based on the impact and likelihood. Appropriate risk responses, such as accepting, avoiding, transferring and controlling, are used to manage the risks based on the assessment results and the risk appetite and risk tolerance level defined by the Board.

The Board is responsible for the Group's risk management system and for reviewing its appropriateness and effectiveness. The Audit Committee is authorised to assist the Board to conduct relevant review. The Group's risk management system manages, but not eliminates, risks against the achievement of the Group's objectives, and provides a reasonable, but not absolute, assurance against material misstatement or loss.

The management monitors the design and implementation of the risk management procedures on an ongoing basis. The internal audit department assesses the effectiveness of the risk management system independently. The Audit Committee monitors, assesses and reviews the findings of risk management systems from the management and the internal audit department of the Group on an ongoing basis, and regularly report to the Board.

The management of the Group provided a confirmation to the Audit Committee on the effectiveness of the risk management system this year, and considers the system is effective and adequate. The Audit Committee reviewed and reported the review to the Board.

## 企業管治報告 (續)

### 風險管理及內部監控(續)

#### 由下而上

本集團的主體、分部、業務單元或附屬單位根據管理層傳達董事會的風險偏好，以及根據年度經營規劃的目標，識別影響達成目標的潛在風險。對每一個識別的風險，按照其影響程度和發生可能性進行評估。按照評估後的結果，並參照董事會既定的風險偏好和風險容忍度，通過接受、迴避、轉移或控制的形式來應對風險。

董事會負有對本集團風險管理系統的責任，並有責任對風險管理系統的合適性和有效性進行檢討。審核委員會已獲授權協助董事會進行相關檢討。本集團的風險管理系統旨在管理而非消除未能達成本集團業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

管理層對風險管理程序的設計和執行進行持續的監督，內部審計部對風險管理系統進行獨立評價。審核委員會就管理層及內部審計部對風險管理系統的調查結果進行持續監督、評估和審議，並定期向董事會匯報審議結果。

本年度，本集團管理層已向審核委員會提供風險管理系統是否有效的確認，並由審核委員會進行了檢討，並認為該系統是有效及足夠。審核委員會已向董事會匯報審議結果。

## CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告 (續)

### INSIDE INFORMATION DISCLOSURE POLICY

### 內幕消息披露政策

The Company adopted an inside information disclosure policy (the "Inside Information Disclosure Policy") on 21 December 2015 which sets out the procedures for the handling and dissemination of inside information with a view to preventing uneven, inadvertent or selective dissemination of inside information and ensuring shareholders and the public are provided with full, accurate and timely information about the activities and the financial condition of the Group. The Inside Information Disclosure Policy covers the following:

本公司於二零一五年十二月二十一日採納內幕消息披露政策(「內幕消息披露政策」)，當中列載處理及發佈內幕消息的程序，旨在避免不平均、不慎或選擇性發佈內幕消息及確保股東及公眾獲得有關本集團的業務及財務狀況的全面、準確及適時消息或資料。內幕消息披露政策涵蓋以下內容：

- setting out the processes for identifying, assessing and escalating potential inside information to the Board;
- setting out the responsibilities of officers in preserving the confidentiality of inside information, escalating upwards any such potential information and cascading down the message and responsibilities to relevant staff; and
- identifying who are the Company's authorised spokespersons and their responsibilities for communications with stakeholders of the Company.
- 說明識別、評估及向董事會提交潛在的內幕消息之程序；
- 說明高級職員的責任，要對內幕消息保密，向上級提交潛在的內幕消息及向相關員工傳達訊息及其責任；及
- 識別本公司授權的發言人及列明其與本公司持份者溝通的責任。

In addition, the Company has communicated to all relevant staff regarding the implementation of the Inside Information Disclosure Policy.

此外，本公司已向所有相關員工傳達有關實施內幕消息披露政策。

The Board considers that the Company's existing measures are effective and appropriate compliance mechanisms to safeguard the Company and its officers in discharging their disclosure obligations in respect of inside information.

董事會認為本公司現有措施屬有效及合適的合規機制，足以保障本公司及其高級職員履行內幕消息的披露責任。

The Inside Information Disclosure Policy is posted on the website of the Company.

內幕消息披露政策登載於本公司網站上。



## CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告 (續)

### AUDITOR'S REMUNERATION

### 核數師酬金

During the year, the remuneration paid/payable to the auditor of the Company is set out as follows:

年內已支付／應付予本公司核數師的酬金載列如下：

Services rendered	所提供服務	HK\$'000 港幣千元
Statutory audit services for 2019	二零一九年度法定審計服務	1,600
Non-statutory audit services:	非法定審計服務：	
Review on interim financial report	審閱中期財務報告	350
Other services	其他服務	64
		2,014

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

### 董事於財務報告的責任

The Directors acknowledge their responsibility for preparing financial statements of the Group which give a true and fair view of the state of affairs of the Group on a going concern basis and in presenting the annual and interim reports and other financial disclosures required under the Listing Rules, the Directors aim to present a balanced, clear and understandable assessment of the Group's position and prospects.

董事承認他們有責任編製本集團財務報告，以持續經營基準真實及公平地呈列本集團的事務。另於呈列年度報告及中期報告及上市規則所要求的其他財務披露時，董事須致力平衡、清晰及明白地評估本集團的狀況及前景。

The statement of the auditor of the Company, PricewaterhouseCoopers, about its reporting responsibilities on the audited consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 116 to 124 of this annual report.

本公司的核數師羅兵咸永道會計師事務所已在本年報第116頁至第124頁的獨立核數師報告中就彼於本集團經審核綜合財務報告的申報責任作出聲明。

## CORPORATE GOVERNANCE REPORT (continued)

### DIVIDEND POLICY

The Company has a policy on the payment of dividends, which is set out in the section headed "Directors' Report" of this annual report.

### COMMUNICATION WITH SHAREHOLDERS

On 22 March 2012, the Board adopted a Shareholders' Communication Policy reflecting the current practices of the Company for communication with its shareholders. Such policy aims at ensuring the shareholders of the Company are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders to engage actively with the Company. The Board would review the policy regularly.

To foster effective communications with the shareholders, the Company provides extensive information in its annual and interim reports and announcements. All shareholders' communications are also available on the Company's website at [www.shougang-resources.com.hk](http://www.shougang-resources.com.hk).

Pursuant to code provision E.1.2, the chairman of the board should attend the annual general meeting and invite the chairman of other committees to attend. The annual general meeting of the Company provides a useful forum for shareholders to exchange views with the Board. All Directors will make an effort to attend, external auditor will also be available at the annual general meeting to address shareholders' queries. In case of any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval, members of the independent Board committee will also make an effort to attend to address shareholders' queries.

## 企業管治報告 (續)

### 股息政策

本公司有一套派發股息的政策，載於本年報的「董事會報告」章節內。

### 與股東的溝通

於二零一二年三月二十二日，董事會採納一項反映本公司現時與股東通訊之常規的股東通訊政策。該政策旨在確保本公司股東均可適時取得全面、相同及容易理解的本公司資料，一方面使股東可在知情情況下行使其權力，另一方面也讓股東可與本公司積極交流。董事會會定期檢討該政策。

為促進與股東之間的有效溝通，本公司於年報、中期報告及公告上提供全面資料。所有股東通訊資料均可於本公司網站索閱，網址為 [www.shougang-resources.com.hk](http://www.shougang-resources.com.hk)。

按照守則條文第E.1.2條，董事會主席應出席股東週年大會，並邀請其他委員會的主席出席。本公司的股東週年大會為股東提供與董事會交流意見的有用平台。全體董事均會盡可能抽空出席，外聘核數師亦出席股東週年大會回答股東的提問。在任何批准關連交易或任何其他須經獨立股東批准之交易的股東大會上，獨立董事委員會成員亦會盡可能抽空出席回答股東的提問。



## CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告 (續)

### COMMUNICATION WITH SHAREHOLDERS (continued)

### 與股東的溝通(續)

PricewaterhouseCoopers, the auditor of the Company, attended the AGM 2019, and the Directors' attendances are as follows:

本公司的核數師羅兵咸永道會計師事務所出席了二零一九年股東週年大會，而當時的董事出席記錄如下：

**AGM 2019**  
二零一九年  
股東週年大會

#### Directors

#### 董事

##### Executive Directors

##### 執行董事

Ding Rucai (Chairman of the Board, the Executive Committee and the Nomination Committee)

丁汝才(董事會、執行委員會及提名委員會主席)

✓

Li Shaofeng<sup>Note I</sup>

李少峰<sup>註I</sup>

✓

Fan Wenli<sup>Note II</sup>

范文利<sup>註II</sup>

N/A 不適用

So Kwok Hoo

蘇國豪

✓

Chen Zhaoqiang

陳兆強

✓

Liu Qingshan

劉青山

✓

##### Non-executive Directors

##### 非執行董事

Leung Shun Sang, Tony<sup>Note III</sup>

梁順生<sup>註III</sup>

X

Chang Cun

常存

X

Shi Yubao<sup>Note II</sup>

時玉寶<sup>註II</sup>

N/A 不適用

##### Independent Non-executive Directors

##### 獨立非執行董事

Kee Wah Sze

紀華士

✓

Choi Wai Yin (Chairman of the Audit Committee)

蔡偉賢(審核委員會主席)

✓

Chan Pat Lam

陳柏林

✓

Japhet Sebastian Law (Chairman of the Remuneration Committee)

羅文鈺(薪酬委員會主席)

✓

Note I: Mr. Li Shaofeng resigned as a Director on 1 November 2019.

註I: 李少峰先生已於二零一九年十一月一日辭任董事職務。

Note II: Mr. Fan Wenli and Mr. Shi Yubao have not been appointed as the Directors when the AGM 2019 was held.

註II: 二零一九年股東週年大會舉行之時，范文利先生及時玉寶先生仍未獲委任為董事。

Note III: Mr. Leung Shun Sang, Tony retired as a Director after the conclusion of the AGM 2019.

註III: 梁順生先生已於二零一九年股東週年大會結束後退任董事職務。



## CORPORATE GOVERNANCE REPORT (continued)

### COMMUNICATION WITH SHAREHOLDERS (continued)

All notices of general meetings dispatched by the Company to its shareholders for meetings held will be sent for annual general meeting at least 20 clear business days before the meeting and at least 10 clear business days for all other general meetings, if any. Separate resolutions will be proposed at general meetings on each substantially separate issue, including the election of individual Directors, and all resolutions put to the vote of a general meeting will be taken by way of a poll. At the general meetings, the chairman of the meetings will explain the procedures for conducting a poll and answer questions from shareholders on voting by poll, if any. The results of the poll will be published on the websites of the Stock Exchange and the Company respectively. During the year, the general meeting of the Company was held in accordance to the aforesaid arrangement.

### SHAREHOLDERS' RIGHTS

#### Convene a General Meeting

Shareholder(s) representing at least 5% of the total voting rights of all shareholders of the Company having a right to vote at general meetings can request the Directors to call a general meeting pursuant to Section 566 of the Companies Ordinance. The request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Such request must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Company Secretary.

## 企業管治報告 (續)

### 與股東的溝通(續)

本公司就召開的股東大會，如屬股東週年大會，會於大會舉行前至少足20個營業日向股東發送通知，而就所有其他股東大會而言，則會在大會舉行前至少足10個營業日發送通知。本公司會就股東大會上每項實際獨立的事宜提出個別的決議案，包括個別董事的提名，而股東大會上提呈的所有議案均以投票方式表決。於股東大會上，大會主席會解釋以投票方式進行表決的程序，並回答股東有關以投票方式表決的提問(如有的話)。投票結果分別刊登於聯交所及本公司網站上。年內，本公司舉行之股東大會已按照上述安排進行。

### 股東權利

#### 召開股東大會

根據公司條例第566條，佔全體有權在股東大會上表決的本公司股東的總表決權最少5%的股東可要求董事召開股東大會。有關要求須述明有待在有關股東大會上處理的事務的一般性質及可包含可在股東大會上恰當地動議並擬在股東大會上動議的決議的文本。該要求須經提出要求的股東認證及以印本形式或電子形式送交本公司予公司秘書。

## CORPORATE GOVERNANCE REPORT (continued)

### SHAREHOLDERS' RIGHTS (continued)

#### Put Forward Proposals at Shareholders' Meetings

Shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company or at least 50 shareholders who have a relevant right to vote at a general meeting can request the Company to circulate to the shareholders of the Company a statement of not more than 1,000 words with respect to a matter mentioned in a proposed resolution or other business to be dealt with at that meeting pursuant to Section 580 of the Companies Ordinance. The expenses shall be borne by the shareholder(s) making the request unless the meeting concerned is an annual general meeting and the statement is received by the Company in time for sending with the notice of the meeting. The request must identify the statement to be circulated, and must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Company Secretary at least 7 days before the meeting to which it relates.

Shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company or at least 50 shareholders who have a right to vote on the resolution at an annual general meeting can request the Company to give to the shareholders of the Company notice of a resolution that may properly be moved and is intended to be moved at that meeting pursuant to Section 615 of the Companies Ordinance. The request must identify the resolution of which notice is to be given, and must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Company Secretary no later than 6 weeks before the annual general meeting to which the requests relate, or if later, the time at which notice of the meeting is given.

#### Shareholders' Enquiries

Specific enquiries or suggestions by shareholders can be sent in writing to the Board or the Company Secretary at our registered office or by email to the Company. In addition, shareholders can contact Tricor Tengis Limited, the share registrar of the Company, if they have any enquiries about their shareholdings and entitlement to dividend. Relevant contact details are set out on page 3 of this annual report.

### CHANGE IN CONSTITUTIONAL DOCUMENTS

There is no change in the Articles during the year.

## 企業管治報告 (續)

### 股東權利(續)

#### 在股東大會提出建議

根據公司條例第580條，佔全體在股東大會上有相關表決權利的本公司股東的總表決權最少2.5%的股東，或最少50名在股東大會上有相關表決權利的股東可以要求本公司向本公司股東傳閱有待在股東大會上處理的、某被提出的決議所述的事宜，或其他有待在股東大會上處理的事務而字數不多於1,000字的陳述書。除非有關會議是股東週年大會，而本公司及時收到股東的陳述書，使本公司在發出會議通知時可同時送交陳述書，否則費用概由提出要求的股東承擔。有關要求須指出將予傳閱的陳述書及須經所有提出該要求的股東認證，並須在該要求所關乎的股東大會前最少7日以印本形式或電子形式送交本公司予公司秘書。

根據公司條例第615條，佔全體有權在股東週年大會上表決的本公司股東的總表決權最少2.5%的股東，或最少50名有權在股東週年大會就決議表決的股東可以要求本公司向本公司股東發出關於可在股東週年大會上恰當地動議並在該大會上動議的決議的通知。有關要求須指出有待發出通知所關乎的決議及須經所有提出該要求的股東認證，並須在該要求所關乎的股東週年大會舉行前6個星期之前或(如在前述時間之後送抵本公司的話)有關會議通知發出之時以印本形式或電子形式送交本公司予公司秘書。

#### 股東查詢

倘股東有特別查詢或建議，可致函本公司之註冊辦事處予董事會或公司秘書或電郵至本公司。此外，股東如有任何有關其股份及股息之查詢，可以聯絡本公司的股份過戶登記處卓佳登捷時有限公司，有關聯絡詳情載於本年報第3頁。

### 憲章文件的更改

細則於年內並無變動。

## DIRECTORS' REPORT

The Board have pleasure in submitting their report and the audited consolidated financial statements of the Group for the year ended 31 December 2019.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries and associate are set out in notes 37 and 20 to the audited consolidated financial statements.

### RESULTS

The results of the Group for the year ended 31 December 2019 and the financial position of the Group at that date are set out in the audited consolidated financial statements on pages 125 to 232 of this annual report.

### DIVIDEND POLICY

The Board formalised and adopted a dividend policy for the Company which took effect from 12 December 2018 and it aims to allow the Shareholders to participate in the Company's profits whilst retaining adequate reserves for the future growth of the Group.

The Company intends to distribute not less than 40% of its net profit attributable to the shareholders (not less than dividend payout ratio of 40%) in each financial year as dividends. However, the Board will take into account certain factors of the Group when considering the declaration or recommendation of dividends, which includes the actual and expected financial performance, retained earnings and distributable reserves, liquidity position, general economic conditions, business cycle of the Group's businesses and other internal or external factors that may have an impact on the businesses or financial performance and position of the Group, and other factors that the Board may consider relevant.

Subject to Shareholders' approval of the proposed final dividend at the AGM 2020, the dividend payout ratio for the year ended 31 December 2019 is approximately 80%.

## 董事會報告

董事會欣然提呈其報告書及本集團截至二零一九年十二月三十一日止年度之經審核綜合財務報表。

### 主要業務

本公司之主要業務為投資控股。各主要附屬公司及聯營公司之業務載列於經審核綜合財務報表附註37及20。

### 業績

本集團截至二零一九年十二月三十一日止年度之業績及本集團於該日之財務狀況載列於本年報第125頁至第232頁之經審核綜合財務報表。

### 股息政策

董事會為本公司正式制訂及採納於二零一八年十二月十二日起生效之股息政策，旨在讓股東分享本公司溢利時，同時預留足夠儲備以供本集團日後發展之用。

本公司擬將每個財政年度不少於40%的股東應佔純利(股息發放率不少於40%)分派為股息，惟董事會於考慮宣派或建議派發股息時，將會考慮本集團多項因素，包括實際及預期財務表現、保留溢利及可供分派儲備、流動資金狀況、整體經濟狀況、本集團業務的營運週期、可能對本集團業務或財務表現及狀況造成影響的其他內外因素以及董事會可能認為相關的其他因素。

待股東於二零二零年股東週年大會上批准擬派發的末期股息後，截止二零一九年十二月三十一日止年度的全年股息發放率約為80%。

## DIRECTORS' REPORT (continued)

### DIVIDEND

The Board has proposed a final dividend of HK8.7 cents per Share for the year ended 31 December 2019 (2018: HK8.5 cents per Share), payable to shareholders whose names appear on the register of members of the Company at the close of business on Monday, 8 June 2020. The proposed final dividend together with the interim dividend paid in 2019 will make a total dividend of HK17.2 cents per Share for the year ended 31 December 2019 (2018: HK16.8 cents per Share).

Subject to Shareholders' approval of the proposed final dividend at the AGM 2020 to be held on Thursday, 21 May 2020, the final dividend is expected to be paid on Thursday, 23 July 2020. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrars, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 8 June 2020 for registration.

### BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2019 is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" on pages 12 to 14 and pages 15 to 32 of this annual report respectively.

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last 5 financial years is set out on page 233 of this annual report.

### BORROWINGS

As at 31 December 2019, the Group had no borrowings.

### SHARE CAPITAL

Details of the Company's share capital during the year are set out in note 33 to the audited consolidated financial statements.

## 董事會報告(續)

### 股息

董事會建議派發截至二零一九年十二月三十一日止年度之末期股息每股公司股份8.7港仙(二零一八年：每股公司股份8.5港仙)予於二零二零年六月八日(星期一)營業時間結束時名列本公司股東名冊內之股東。合計建議之末期股息及已於二零一九年派發之中期股息，截至二零一九年十二月三十一日止年度所派發之總股息將為每股公司股份17.2港仙(二零一八年：每股公司股份16.8港仙)。

待股東於二零二零年五月二十一日(星期四)舉行之二零二零年股東週年大會上批准擬派發之末期股息後，預期末期股息將於二零二零年七月二十三日(星期四)派發。為符合資格獲派發建議之末期股息，所有過戶文件連同相關股票必須於二零二零年六月八日(星期一)下午四時三十分前，交回本公司之股份過戶登記處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心54樓，以辦理股份過戶登記。

### 業務回顧

本集團截至二零一九年十二月三十一日止年度之業務回顧分別載於本年報第12頁至第14頁之「主席報告書」及第15頁至第32頁之「管理層論述與分析」。

### 五年財務摘要

本集團過去五個財政年度之公佈業績及資產與負債概要載列於本年報第233頁。

### 借貸

本集團於二零一九年十二月三十一日並無借貸。

### 股本

本年度內，本公司股本之詳情載列於經審核綜合財務報表附註33。

## DIRECTORS' REPORT (continued)

### DONATIONS

Charitable donations made by the Group during the year amounted to approximately HK\$1,293,000.

### DIRECTORS

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

Ding Rucai  
 Li Shaofeng (resigned on 1 November 2019)  
 Fan Wenli (be appointed on 1 November 2019)  
 So Kwok Hoo  
 Chen Zhaoqiang  
 Liu Qingshan  
 Leung Shun Sang, Tony (retired on 16 May 2019)  
 Chang Cun  
 Shi Yubao (be appointed on 1 September 2019)  
 Kee Wah Sze#  
 Choi Wai Yin#  
 Chan Pat Lam#  
 Japhet Sebastian Law#

# Independent Non-executive Director

In accordance with article 102(A) of the Articles, Mr. So Kwok Hoo, Mr. Chen Zhaoqiang, Mr. Liu Qingshan and Mr. Chan Pat Lam, will retire at the AGM 2020 by rotation, whereas in accordance with article 93 of the Articles, Mr. Fan Wenli, whose appointment as the Executive Director took effect on 1 November 2019 and Mr. Shi Yubao, whose appointment as the Non-executive Director took effect on 1 September 2019, shall hold office until the AGM 2020.

Mr. So Kwok Hoo, who has been an Executive Director since 1998, and Mr. Chan Pat Lam, who has been an Independent Non-executive Director since 2004, both have indicated their intention not to offer themselves for re-election and will retire at the conclusion of the AGM 2020, as they wish to devote more time to pursue their other personal business and arrangements. All the other retiring Directors, being eligible, offer themselves for re-election at the AGM 2020. The re-election of these retiring Directors will be individually voted on by Shareholders.

## 董事會報告(續)

### 捐款

本年度內，本集團之慈善捐款約1,293,000港元。

### 董事

於本年度內及截至本報告日期的董事如下：

丁汝才  
 李少峰(於二零一九年十一月一日辭任)  
 范文利(於二零一九年十一月一日獲委任)  
 蘇國豪  
 陳兆強  
 劉青山  
 梁順生(於二零一九年五月十六日退任)  
 常存  
 時玉寶(於二零一九年九月一日獲委任)  
 紀華士#  
 蔡偉賢#  
 陳柏林#  
 羅文鈺#

# 獨立非執行董事

根據細則第102(A)條，蘇國豪先生、陳兆強先生、劉青山先生和陳柏林先生須於二零二零年股東週年大會上輪值告退，而根據本公司章程細則第93條，范文利先生(其執行董事之任期自二零一九年十一月一日起生效)及時玉寶先生(其非執行董事之任期自二零一九年九月一日起生效)將任職至二零二零年股東週年大會。

蘇國豪先生(自一九九八年起出任執行董事)及陳柏林先生(自二零零四年起出任獨立非執行董事)，由於他們希望投放更多時間於其他個人事務及安排，均已表示不應選連任，並將於二零二零年股東週年大會結束後退任。所有其他應屆退任董事均合資格並願意接受於二零二零年股東週年大會上膺選連任。各退任董事之重選將由股東逐一投票表決。

## DIRECTORS' REPORT (continued)

### DIRECTORS OF SUBSIDIARIES

During the year and up to the date of this report, directors of the subsidiaries of the Company include Ding Rucai, Li Shaofeng<sup>#</sup>, Fan Wenli, So Kwok Hoo, Chen Zhaoqiang, Liu Qingshan, Gao Xingang, Gao Xiangdong, Kang Jizhong, Fu Jinghua, Chen Hui, Liang Weiming, Wang Dongming, Xue Kang, Zhang Yanjun, Zhang Zhiwen, Zhang Xiaojun, Tian Fengfa, Yang Jiyou, Kang Jianping, Song Yangping, Yang Jianquan<sup>#</sup>, Yin Dengfeng<sup>#</sup> and Zhang Yongchao<sup>#</sup>.

<sup>#</sup> As of the date of this report, that person had ceased to be the director of the subsidiary of the Company.

### DIRECTORS' INDEMNITIES AND INSURANCE

As permitted by the Articles, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto.

The Company has arranged appropriate directors' and officer's liability coverage for the directors and officers of the Company.

### DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the AGM 2020 has a service contract with the Company, which is not determinable by the Company within 1 year without payment of compensation other than statutory compensation.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

## 董事會報告(續)

### 附屬公司董事

年內及截至本報告日期，本公司附屬公司的董事包括丁汝才、李少峰<sup>#</sup>、范文利、蘇國豪、陳兆強、劉青山、高新剛、高向東、康繼忠、付晶華、陳暉、梁偉銘、王冬明、薛康、張炎軍、張治文、張曉軍、田鳳發、楊繼有、康建平、宋陽平、楊建全<sup>#</sup>、尹登峰<sup>#</sup>及張勇超<sup>#</sup>。

<sup>#</sup> 截至本報告日期，該人員已不再為本公司附屬公司的董事。

### 董事的彌償及保險

細則允許本公司各董事或其他高級職員有權就履行其職責或其他與此有關方面蒙受或產生的所有虧損或債務自本公司的資產中獲得賠償。

本公司已為本公司董事及高級職員購買適當的董事及高級職員責任保險作為保障。

### 董事之服務合約

擬於二零二零年股東週年大會上膺選連任之董事，概無與本公司訂立任何由本公司於1年內終止而須支付賠償(法定賠償除外)之服務合約。

### 管理合約

本年度內，本公司並無簽訂或存在有關管理或經營本公司全部或任何主要部份業務之合約。

**DIRECTORS' REPORT (continued)****董事會報告(續)****DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES****董事及最高行政人員於股份、相關股份及債權證之權益及淡倉**

The Directors who held office at 31 December 2019 had the following interests in the Shares as at that day as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules:

於二零一九年十二月三十一日，在任董事於該日在本公司之股份擁有須記入根據證券及期貨條例第352條須予設存之登記冊，或根據上市規則的標準守則須通知本公司及聯交所之權益如下：

**Long Positions in the Shares****於本公司股份之好倉**

Name of Director	Capacity in which interests were held	Number of Shares held	Interests as to % of the total number of Shares in issue as at 31.12.2019
董事姓名	持有權益之身份	持有之公司股份數目	權益佔於二零一九年十二月三十一日已發行公司股份總數之百分比
So Kwok Hoo 蘇國豪	Beneficial owner 實益擁有人	4,000,000	0.075%
Chen Zhaoqiang 陳兆強	Beneficial owner 實益擁有人	2,680,000	0.051%
Kee Wah Sze 紀華士	Beneficial owner 實益擁有人	700,000	0.013%
Chan Pat Lam 陳柏林	Beneficial owner 實益擁有人	200,000	0.004%
Ding Rucai 丁汝才	Beneficial owner 實益擁有人	120,000	0.002%
Choi Wai Yin 蔡偉賢	Beneficial owner 實益擁有人	20,000	0.000%

## DIRECTORS' REPORT (continued)

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

#### Long Positions in the Shares (continued)

Save as disclosed above, as at 31 December 2019, none of the Company's Directors, chief executives or their respective associates had any other personal, family, corporate and other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

#### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries, its parent company or any subsidiary of its parent company a party to any arrangement to enable the Directors or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

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

No transactions, arrangements or contracts that is significant in relation to the Group's business to which the Company or any of its subsidiaries, its parent company or any subsidiary of its parent company was a party and in which a Director or his/her connected entities had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## 董事會報告(續)

### 董事及最高行政人員於股份、相關股份及債權證之權益及淡倉(續)

#### 於本公司股份之好倉(續)

除上文所披露者外，於二零一九年十二月三十一日，本公司之董事、最高行政人員或彼等各自之聯繫人士概無於本公司或其任何相聯法團(按證券及期貨條例第XV部賦予之涵義)之股份、相關股份或債權證擁有須記入根據證券及期貨條例第352條須予設存之登記冊或根據標準守則須通知本公司及聯交所之任何其他個人、家族、公司及其他權益或淡倉。

#### 董事購買股份或債權證之權利

於本年度內任何時間，本公司或其任何附屬公司、其母公司或其母公司的任何附屬公司概無參與訂立任何安排，使董事或彼等各自之配偶或未滿18歲的子女可藉購買本公司或任何其他法人團體之股份或債權證而獲得利益。

#### 董事於交易、安排或合約之權益

本公司或其任何附屬公司、其母公司或其母公司的任何附屬公司在本年度結束時或本年度任何時間內，概無簽訂任何與本集團業務有關之任何重要交易、安排或合約，導致董事或其關連實體直接或間接獲得重大利益。



## DIRECTORS' REPORT (continued)

## 董事會報告(續)

### DIRECTORS' INTERESTS IN COMPETING BUSINESSES

### 董事於競爭業務之權益

During the year and up to the date of this annual report, no Directors are considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group pursuant to Rule 8.10 of the Listing Rules, other than those businesses of which the Directors were appointed as directors to represent the interests of the Company.

於本年度內及直至本年報日期，除基於代表本公司權益而被委任為其他公司董事所處理之業務外，董事概無被視為根據上市規則第8.10條規定下實際或可能直接或間接與本集團業務競爭之業務中擁有權益。

The change in details of Directors' interests in competing businesses disclosed in the previous annual report is illustrated in the table below in accordance with the requirement of Rule 8.10(2)(c)

根據上市規則第8.10(2)(c)條的要求，就上一次年度報告中披露有關董事於競爭業務之權益的資料之轉變，將在下表說明。

Director 董事	Details previously disclosed 以往披露資料	Changes in details 資料轉變
Ding Rucai 丁汝才	Shougang Holding, a company of which Mr. Ding was a director, carried out coal trading business through its subsidiaries or associates, or by way of other forms of investments. 由丁先生擔任董事的首鋼控股透過其附屬公司或聯營公司或其他投資方式進行煤炭貿易的業務。	Shougang Holding did not carry out coal trading business either by itself, or through its subsidiaries or associates, or by way of other forms of investments during the year under review. 回顧年度內，首鋼控股沒有，亦沒有透過其附屬公司或聯營公司或其他投資方式進行煤炭貿易的業務。
Li Shaofeng 李少峰	Shougang International, a company of which Mr. Li was a director, carried out coal trading business through its subsidiaries or associates, or by way of other forms of investments. 由李先生擔任董事的首鋼國際透過其附屬公司或聯營公司或其他投資方式進行煤炭貿易的業務。	Shougang International did not carry out coal trading business either by itself, or through its subsidiaries or associates, or by way of other forms of investments during the year under review. 回顧年度內，首長國際沒有，亦沒有透過其附屬公司或聯營公司或其他投資方式進行煤炭貿易的業務。

The Board is independent from the boards of the above-mentioned entities and is accountable to the Company's shareholders. Coupled with the diligence of its Independent Non-executive Directors whose views carry significant weight in the Board's decisions, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of these entities.

董事會獨立於上述實體之董事會，並須向本公司股東負責。本集團之獨立非執行董事克盡己職，對董事會之決策提供舉足輕重之意見，因此本集團能夠按公平原則與該等實體各自經營本身之業務。

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

## INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

## 根據證券及期貨條例須予披露之股東權益及淡倉

As at 31 December 2019, according to the register kept by the Company under Section 336 of the SFO, the following companies and persons had interests of 5% or more in the Shares and/or underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

於二零一九年十二月三十一日，根據本公司按證券及期貨條例第336條設存之登記冊所載，下列公司及人士於公司股份及／或相關股份持有5%或以上權益，而須根據證券及期貨條例第XV部第2及第3分部向本公司披露：

## Long Positions in the Shares/Underlying Shares

## 於公司股份／相關股份之好倉

Name of shareholder	Capacity in which interests were held	Number of shares/ underlying shares	Interests as to % of the total number of Shares in issue as at 31 December 2019	Note
股東名稱／姓名	持有權益之身份	股份／ 相關股份數目	權益佔 於二零一九年 十二月三十一日 已發行公司股份 總數之百分比	附註
Shougang Group 首鋼集團	Interests of controlled corporations 受控法團之權益	1,582,864,490	29.85%	I
Funde Sino Life 富德生命人壽	Beneficial owner 實益擁有人	1,539,844,306	29.04%	II
Jiang Jinzhi ("Mr. Jiang") 蔣錦志先生(「蔣先生」)	Interests of controlled corporations 受控法團之權益	332,914,000	6.28%	III

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

### INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO (continued)

### 根據證券及期貨條例須予披露之股東權益及淡倉(續)

#### Long Positions in the Shares/Underlying Shares (continued)

#### 於公司股份／相關股份之好倉(續)

##### Notes:

##### 附註：

- I. According to the disclosure form dated 9 April 2019 (being the latest disclosure form filed up to 31 December 2019), Shougang Group was interested in the Shares held by its direct and indirect subsidiaries, namely, Shougang Holding (a company wholly-owned by Shougang Group, holding 15,492,000 Shares), King Rich Group (a company wholly-owned by Shougang Holding, holding 83,000,000 Shares), Prime Success Investments Limited (a company wholly-owned by Shougang Holding, holding 20,410,000 Shares), Shougang International (a company held as to 43.99% interests by Shougang Group through its direct and indirect subsidiaries as per the disclosure form of Shougang International filed by Shougang Group on 11 December 2019, holding 954,000 Shares), Fair Gain Investments Limited (a company wholly-owned by Shougang International, holding 149,089,993 Shares), Fine Power Group Limited (a company wholly-owned by Shougang International, holding 663,918,497 Shares), and Ultimate Capital Limited (a company wholly-owned by Shougang International, holding 650,000,000 Shares).
  - II. Information per the disclosure form dated 22 May 2014 (being the latest disclosure form filed up to 31 December 2019).
  - III. According to the disclosure form dated 29 January 2018 (being the latest disclosure form filed up to 31 December 2019), Mr. Jiang was interested in the Shares held by the companies directly and indirectly owned by him, namely, Golden China Master Fund (a company wholly-owned by Mr. Jiang, holding 125,200,000 Shares), Shanghai Greenwoods Asset Management Limited (a company held as to 75% interests by Mr. Jiang, holding 74,248,000 Shares), Greenwoods Asset Management Limited (a wholly-owned subsidiary of Greenwoods Asset Management Holdings Limited which was held as to 81% interests by Unique Element Corp. which in turn was wholly-owned by Mr. Jiang, holding 28,166,000 Shares), and Greenwoods China Alpha Master Fund (a wholly-owned subsidiary of Greenwoods Asset Management Limited, holding 105,300,000 Shares).
- I. 按照二零一九年四月九日的披露表格(此乃截至二零一九年十二月三十一日止最後呈交的披露表格)中顯示，首鋼集團透過其直接及間接附屬公司所持的公司股份中擁有權益，即首鋼控股(持有15,492,000股公司股份，其為首鋼集團全資擁有的公司)、King Rich Group(持有83,000,000股公司股份，其為首鋼控股全資擁有的公司)、Prime Success Investments Limited(持有20,410,000股公司股份，其為首鋼控股全資擁有的公司)、首長國際(持有954,000股公司股份。按照首鋼集團二零一九年十二月十一日登記於首長國際之披露表格的資料，其為首鋼集團透過直接及間接附屬公司持有43.99%權益的公司)、Fair Gain Investments Limited(持有149,089,993股公司股份，其為首長國際全資擁有的公司)、Fine Power Group Limited(持有663,918,497股公司股份，其為首長國際全資擁有的公司)，及Ultimate Capital Limited(持有650,000,000股公司股份，其為首長國際全資擁有的公司)。
  - II. 按二零一四年五月二十二日的披露表格(此乃截至二零一九年十二月三十一日止最後呈交的披露表格)所示資料。
  - III. 按照二零一八年一月二十九日的披露表格(此乃截至二零一九年十二月三十一日止最後呈交的披露表格)中顯示，蔣先生透過其直接及間接擁有的公司所持的公司股份中擁有權益，即Golden China Master Fund(持有125,200,000股公司股份，其為蔣先生全資擁有的公司)、Shanghai Greenwoods Asset Management Limited(持有74,248,000股公司股份，其為蔣先生擁有75%權益的公司)、Greenwoods Asset Management Limited(持有28,166,000股公司股份，其為Greenwoods Asset Management Holdings Limited之全資附屬公司，該公司之81%權益由Unique Element Corp.擁有，而Unique Element Corp.則由蔣先生全資擁有)，及Greenwoods China Alpha Master Fund(持有105,300,000股公司股份，其為Greenwoods Asset Management Limited之全資附屬公司)。

## DIRECTORS' REPORT (continued)

### INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO (continued)

#### Long Positions in the Shares/Underlying Shares (continued)

Save as disclosed above, as at 31 December 2019, the Company has not been notified of any other person (other than the Directors and chief executives of the Company) who had an interest or short position in the Shares and/or underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

### CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

The Company had no controlling shareholder (as defined under the Listing Rules) during the year.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there is a sufficiency of public float of the Company's securities as required under the Listing Rules as at the date of this annual report.

### SHARE OPTION SCHEME

On 25 May 2012, the shareholders of the Company adopted a share option scheme (the "Share Option Scheme").

The purpose of the Share Option Scheme is to enable the Company to grant share options to selected participants as incentives or rewards for their contribution or potential contribution to the Company and/or any of its subsidiaries and/or any entity in which any member of the Group holds any equity interest (the "Invested Entities"). The Share Option Scheme shall be valid and effective from 29 May 2012, being the date on which the Listing Committee of the Stock Exchange granting its approval to the listing of, and permission to deal in, the Shares which may fall to be issued upon exercise of the options to be granted under the Share Option Scheme, and ending on 25 May 2022, being the tenth anniversary of the date on which the Share Option Scheme was adopted by the shareholders of the Company (both dates inclusive).

## 董事會報告(續)

### 根據證券及期貨條例須予披露之股東權益及淡倉(續)

#### 於公司股份／相關股份之好倉(續)

除上文所披露者外，於二零一九年十二月三十一日，本公司並無接獲任何其他人士(董事及本公司最高行政人員除外)通知，表示其於公司股份及／或相關公司股份中持有權益或淡倉，而須根據證券及期貨條例第XV部第2及第3分部向本公司披露。

### 控股股東於重要交易之權益

本公司於本年度內概無控股股東(按上市規則給予的涵義)。

### 公眾持股量

根據本公司所獲得之公開資料及就董事所知，於本年報刊發日期，本公司之證券符合上市規則所規定之足夠公眾持股量規定。

### 購股權計劃

於二零一二年五月二十五日，本公司股東批准採納了一個購股權計劃(「該購股權計劃」)。

該購股權計劃旨在使本公司能向選定參與者授出購股權，作為激勵或獎勵彼等對本公司及／或其任何附屬公司及／或本集團任何成員公司持有之任何股權之任何實體(「投資實體」)作出之貢獻或潛在貢獻。該購股權計劃自二零一二年五月二十九日(即於聯交所上市委員會授出批准因行使根據該購股權計劃授出之購股權而可能發行之本公司股份上市及買賣當日)起至二零二二年五月二十五日(即該購股權計劃獲本公司股東批准採納當日之十週年)止有效及生效(包括首尾兩日)。

## DIRECTORS' REPORT (continued)

### SHARE OPTION SCHEME (continued)

Under the Share Option Scheme, the Board may, at its discretion, offer full-time or part-time employees, executives, officers or directors (including executive and non-executive directors) of the Company or any of its subsidiaries or any of the Invested Entities, and any advisors, consultants, agents, suppliers, customers and distributors, who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its subsidiaries and/or any of the Invested Entities, share options to subscribe for Shares.

No share option has been granted under the Share Option Scheme since its adoption. The maximum number of Shares available for issue upon exercise of all share options which may be granted under the Share Option Scheme is 530,183,784, representing 10% of the Shares in issue as at the date of this annual report. The total number of Shares issued and which may fall to be issued upon the exercise of share options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding share options) to each grantee in any 12-month period up to the date of grant shall not exceed 1% of the number of Shares in issue as at the date of grant. Any further grant of share options in excess of this 1% limit shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting. In addition, any share options granted to a Substantial Shareholder or an Independent Non-executive Director, or to any of their associates, which would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of the offer of such grant (a) representing in aggregate over 0.1% of the Shares in issue on the date of the grant; and (b) having an aggregate value of in excess of HK\$5,000,000 (based on the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of each grant), such further grant of options shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting on a poll at which the grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour of the resolution concerning the grant of such options, and/or such other requirements prescribed under the Listing Rules from time to time. A connected person of the Company will be permitted to vote against the grant only if his intention to do so has been stated in the circular. Any grant of share options to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, is required to be approved by the Independent Non-executive Directors (excluding the Independent Non-executive Director who is the grantee of the options).

## 董事會報告(續)

### 購股權計劃(續)

根據該購股權計劃，董事會可酌情向本公司或任何其附屬公司或任何投資實體之全職或兼職僱員、行政人員、職員或董事(包括執行及非執行董事)，以及在董事會全權認為將對或曾對本公司及/或任何其附屬公司及/或任何投資實體作出貢獻之任何諮詢人、顧問、代理人、供應商、客戶和分銷商授出購股權以認購本公司股份。

自採納該購股權計劃起，概無根據此計劃授出購股權。因悉數行使根據該購股權計劃可能授出之購股權而可發行之最高公司股份數目為530,183,784股，佔本公司於本年報刊發日期已發行公司股份10%。各承授人於授出日期前任何12個月期間因行使該購股權計劃及本公司任何其他購股權計劃，將予獲授之購股權(包括已行使、註銷及尚未行使之購股權)而經已發行及將予發行之公司股份總數不得超過於授出日期本公司已發行公司股份數目之1%。倘進一步授出超過此1%限額之購股權，本公司須發出通函及經股東在股東大會上批准。此外，向本公司之主要股東或獨立非執行董事或任何彼等之聯繫人士授出之任何購股權，會導致有關人士於授出日期前12個月期間(包括授出日期)所有已獲授及將予獲授之購股權(包括已行使、已註銷及尚未行使之購股權)予以行使後已發行及將予發行之公司股份：(a)合計超過於授出日期本公司已發行公司股份0.1%；及(b)根據各授出日期公司股份載於聯交所日報表之收市價計算總值超過港幣5,000,000元，則須待本公司發出通函並經股東在股東大會上以投票表決方式批准，而獲授人、其聯繫人及本公司所有核心關連人士均須就授出該等購股權的決議案放棄投贊成票，及/或遵守上市規則不時規定之其他要求，始可進一步授出購股權。本公司關連人士有權投票反對授出購股權，惟通函內須表明其意向。向董事、本公司最高行政人員或主要股東或任何彼等之聯繫人士授出任何購股權，須經獨立非執行董事(不包括為有關購股權承授人之獨立非執行董事)批准。

## DIRECTORS' REPORT (continued)

### SHARE OPTION SCHEME (continued)

The period during which a share option may be exercised will be determined by the Board at its absolute discretion, save that no share option may be exercised more than 10 years after it has been granted under the Share Option Scheme. There is no requirement that a share option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of offer of any share options.

The exercise price in relation to each share option will be determined by the Board at its absolute discretion and shall not be less than the highest of (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer of share options; (ii) the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the 5 business days immediately preceding the date of offer of share options; and (iii) the nominal value of a Share on the date of offer of share options. Each of the grantees is required to pay HK\$1.00 as a consideration for his acceptance of the grant of share options in accordance with the Share Option Scheme. The offer of share options must be accepted within 30 days from the date of the offer.

Share options to be granted under the Share Option Scheme do not confer rights on the holders to dividends or to vote at general meetings.

No share option has been granted under the Share Option Scheme since its adoption. Accordingly, as at 31 December 2019, there was no share option outstanding under the Share Option Scheme.

### EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

## 董事會報告(續)

### 購股權計劃(續)

董事會可全權釐定購股權之行使期限，惟不得於根據該購股權計劃授出購股權之日期起計10年後行使。並無規定購股權可予行使前必須持有之最短期限，惟董事會有權於授出任何購股權時酌情釐定該最短期限。

各購股權之行使價將由董事會全權釐定，惟該價格不得少於以下之最高者：(i)於授出購股權日期公司股份載於聯交所日報表之收市價；(ii)緊接授出購股權日期前5個營業日公司股份載於聯交所日報表之平均收市價；及(iii)於授出購股權日期公司股份之面值。根據該購股權計劃，各承授人須支付港幣1.00元作為接納獲授購股權之代價。提出授出之購股權須於提出日期起計30日內獲接納。

根據該購股權計劃將予授出之購股權並不授予持有人獲派股息或於股東大會上投票之權利。

自採納該購股權計劃起，概無根據此計劃授出購股權。因此，於二零一九年十二月三十一日，概無根據該購股權計劃授出之尚未行使購股權。

### 股票掛鈎協議

於年內或年度結束時，本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立任何協議將會或可導致本公司發行股份。

## DIRECTORS' REPORT (continued)

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (whether on the Stock Exchange or otherwise) during the year.

### DISTRIBUTION RESERVES

At the end of the reporting period, the Company had approximately HK\$913,787,000 reserves available for distribution as calculated in accordance with the relevant provisions of the Companies Ordinance, of which approximately HK\$461,260,000 has been proposed as a final dividend for the year.

### MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, revenue from sales of goods to the Group's five largest customers accounted for approximately 73.5% of the total revenue from sales of goods for the year and revenue from sales of goods to the largest customer included therein amounted to approximately 30.7%. Purchases from the Group's five largest suppliers accounted for approximately 44.7% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 16.9%. Shougang Group, which together with its subsidiaries, was one of the top five customers of the Group. Save as disclosed above, none of the Directors of the Company or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the number of issued Shares) had any interest in the Group's five largest customers and suppliers.

## 董事會報告(續)

### 購買、出售或贖回本公司之上市證券

於本年度內，本公司或其任何附屬公司概無在聯交所或任何其他證券交易所購買、出售或贖回本公司之任何上市證券。

### 可供分派儲備

於報告期結束時，根據公司條例之相關規定計算，本公司可供分派之儲備約913,787,000港元，其中約461,260,000港元已建議作為本年度之末期股息。

### 主要客戶及供應商

於回顧年度，本集團向五位最大客戶銷售貨品的收入佔本年度銷售貨品的總收入約73.5%，而向當中最大客戶銷售貨品的收入佔本年度銷售貨品的總收入約30.7%。本集團向五位最大供應商採購之總額佔本年度總採購額約44.7%，而向當中最大供應商採購之總額佔本年度總採購額約16.9%。首鋼集團連同其附屬公司是本集團五大客戶之一。除上述披露者外，本公司董事或其任何緊密聯繫人士或就董事所知悉擁有本公司已發行公司股份數目5%以上權益之任何股東，概無於本集團五大客戶及供應商中擁有任何權益。

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS

## 持續關連交易及關連交易

## (a) Continuing Connected Transactions

## (a) 持續關連交易

During the year under review and up to the date of this annual report, the continuing connected transactions recorded are summarised as follow:

以下為於回顧年度內及截至本年報日期所記錄之持續關連交易：

(I)	
Date and Name of the agreement: 協議日期及名稱：	16 November 2017 The Second Master Agreement 二零一七年十一月十六日第二份總協議
Nature of the transaction: 交易性質：	(i) Supply coking coal products to the connected party; and 向關連人士供應焦煤產品；及 (ii) Purchase of steel material from the connected party 向關連人士購買鋼鐵物料
Parties of the transaction: 交易訂約各方：	(a) The Company and/or its subsidiaries 本公司及／或其附屬公司 (b) Shougang Group and/or its associates (the "Counterparty") 首鋼集團及／或其聯繫人士(「交易方」)
Change of relationship: 關係轉變：	When the agreement was entered into, Shougang International was a subsidiary of Shougang Group. As Shougang International was a substantial shareholder of the Company, Shougang Group was also a substantial shareholder of the Company and the transactions between the Group and the Counterparty became continuing connected transactions for the Company for the purpose of the Listing Rules. 簽訂協議時，首長國際為首鋼集團之附屬公司。由於首長國際為本公司之主要股東，首鋼集團亦成為本公司之主要股東，因此根據上市規則，本集團與交易方之交易構成本公司之持續關連交易。  On 9 April 2019, Shougang Group ceased to be a holding company of Shougang International, and thus the Counterparty was no longer a connected person (as per the definition of the Listing Rules) of the Company. The transactions contemplated under the Second Master agreement would not constitute a connected transaction from this date onwards. 於二零一九年四月九日，首鋼集團不再是首長國際之控股公司，故此交易方不再屬本公司的關連人士(按照上市規則定義)。自該日起，第二份總協議項下擬進行的交易不會構成關連交易。



**DIRECTORS' REPORT (continued)****董事會報告(續)****CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)****持續關連交易及關連交易(續)****(a) Continuing Connected Transactions (continued)****(a) 持續關連交易(續)**

(l) (continued)(續)	
<p>Description and purpose of the transaction: 交易概述及目的：</p>	<p>The Group (i) supplied coking coal products to the Counterparty since 2010 and (ii) purchased steel materials from the Counterparty since 2015 in its usual and ordinary course of business. The purpose of entering into the Second Master Agreement was to regulate the continuing connected transactions between the Group and the Counterparty for the 3 financial years ending 31 December 2020.</p> <p>本集團(i)自二零一零年起於其正常及日常業務過程中向交易方供應焦煤產品，以及(ii)自二零一五年起於其正常及日常業務過程中向交易方購買鋼鐵物料。訂立第二份總協議的目的是為了監管本集團及交易方截至二零二零年十二月三十一日止3個財政年度進行的持續關連交易。</p> <p>The Second Master Agreement was approved, confirmed and ratified by the independent shareholders of the Company on 21 December 2017. Details of the continuing connected transactions contemplated under the Second Master Agreement have been disclosed in the announcement of the Company dated 16 November 2017 and in the circular of the Company dated 4 December 2017.</p> <p>第二份總協議已於二零一七年十二月二十一日獲本公司的獨立股東批准、確認及追認。第二份總協議項下持續關連交易的詳情已於日期為二零一七年十一月十六日的本公司公告及日期為二零一七年十二月四日的本公司通函內作出披露。</p>

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(l) (continued)(續)	
Term: 年期 :	1 January 2018 to 31 December 2020 二零一八年一月一日至二零二零年十二月三十一日
Annual Cap: 年度上限 :	Nature (i) 性質(i) For the year ended 31 December 2018: RMB870,000,000 截至二零一八年十二月三十一日止年度 : 人民幣870,000,000元  <b>For the year ended 31 December 2019: RMB1,310,000,000</b> <b>截至二零一九年十二月三十一日止年度 : 人民幣1,310,000,000元</b>  For the year ending 31 December 2020: RMB1,510,000,000 截至二零二零年十二月三十一日止年度 : 人民幣1,510,000,000元
	Nature (ii) 性質(ii) For the year ended 31 December 2018: RMB50,000,000 截至二零一八年十二月三十一日止年度 : 人民幣50,000,000元  <b>For the year ended 31 December 2019: RMB52,000,000</b> <b>截至二零一九年十二月三十一日止年度 : 人民幣52,000,000元</b>  For the year ending 31 December 2020: RMB54,000,000 截至二零二零年十二月三十一日止年度 : 人民幣54,000,000元
The amount of connected transactions for the year ended 31 December 2019 under this agreement: 此協議項下截至二零一九年十二月 三十一日止年度屬關連交易之金額 :	Nature (i) RMB315,039,000 (equivalent to HK\$357,411,000) 性質(i) 人民幣315,039,000元(相當於357,411,000港元)  Nature (ii) RMB1,746,000 (equivalent to HK\$1,981,000) 性質(ii) 人民幣1,746,000元(相當於1,981,000港元)

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(II)	
Date and Name of the agreement: 協議日期及名稱：	31 August 2018 Tenancy Agreement 二零一八年八月三十一日租賃協議
Nature of the transaction: 交易性質：	Rent the premises owned by the connected party as the Group's office 租賃由關連人士擁有的物業用作本集團辦公室
Parties of the transaction: 交易訂約各方：	(a) The Company and its certain wholly-owned subsidiaries (the "Tenants") 本公司及其若干全資附屬公司(「租戶」) (b) Winluck Properties Limited – a wholly-owned subsidiary of Shougang Group (the "Landlord") 永運置業有限公司 – 為首鋼集團之全資附屬公司(「業主」)
Change of relationship: 關係轉變：	<p>When the agreement was entered into, Shougang International was a substantial shareholder of the Company, its holding company, Shougang Group, was also a substantial shareholder of the Company. Accordingly, the transactions between the Group and Shougang Group and/or its associates became connected transactions for the Company under the Listing Rules. Since the Landlord was an indirect wholly-owned subsidiary of Shougang Group, the transaction under the Tenancy Agreement constituted a continuing connected transaction for the Company under the Listing Rules.</p> <p>簽訂協議時，由於首長國際為本公司之主要股東，其控股公司首鋼集團亦為本公司之主要股東，因此，根據上市規則，本集團與首鋼集團及／或其聯繫人士之交易構成本公司之關連交易。鑒於業主為首鋼集團之間接全資附屬公司，根據上市規則，租賃協議項下之交易構成本公司之一項持續關連交易。</p> <p>On 9 April 2019, Shougang Group ceased to be a holding company of Shougang International, and thus the Landlord was no longer a connected person (as per the definition of the Listing Rules) of the Company. The transactions contemplated under this agreement would not constitute a connected transaction from this date onwards.</p> <p>於二零一九年四月九日，首鋼集團不再是首長國際之控股公司，故此業主不再屬本公司的關連人士(按照上市規則定義)。自該日起，本協議項下擬進行的交易不會構成關連交易。</p>

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(II) (continued)(續)	
Description and purpose of the transaction: 交易概述及目的：	<p>The Group has been using the premises as its office. The Tenancy Agreement entered into between the Tenants and the Landlord serves to renew a tenancy agreement which expired on 31 August 2018. The Board considered that the continued use of the premises as the Group's office would generate benefits to the Group as a whole in terms of saving on relocation and relevant administration costs.</p> <p>本集團一直使用該物業作為辦公室。租戶與業主簽訂租賃協議的目的乃為於二零一八年八月三十一日到期屆滿之租賃協議續期。董事會認為繼續使用該物業為本集團辦公室可節省搬遷成本及相關行政費用，對本集團整體而言帶來好處。</p> <p>Details of the continuing connected transactions contemplated under the Tenancy Agreement have been disclosed in the announcement of the Company dated 31 August 2018.</p> <p>租賃協議項下持續關連交易的詳情已於日期為二零一八年八月三十一日的本公司公告內作披露。</p>
Term: 年期：	1 September 2018 to 31 December 2020 二零一八年九月一日至二零二零年十二月三十一日
Annual Cap: 年度上限：	<p>For the period from 1 September to 31 December 2018: HK\$1,252,000 二零一八年九月一日至十二月三十一日止期間：1,252,000港元</p> <p><b>For the year ended 31 December 2019: HK\$3,756,000</b> <b>截至二零一九年十二月三十一日止年度：3,756,000港元</b></p> <p>For the year ending 31 December 2020: HK\$3,756,000 截至二零二零年十二月三十一日止年度：3,756,000港元</p>
The amount of connected transactions for the year ended 31 December 2019 under this agreement: 此協議項下截至二零一九年十二月三十一日止年度屬關連交易之金額：	HK\$1,033,000 1,033,000港元

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(III)	
Date and Name of the agreement: 協議日期及名稱：	7 December 2018 Master Facility Agreement 二零一八年十二月七日借款框架協議
Nature of the transaction: 交易性質：	Provide revolving credit facility to the connected party 向關連人士提供循環信貸貸款
Parties of the transaction: 交易訂約各方：	(a) The Company and/or its subsidiaries (excluding Jinshan Energy Group Limited ("Jinshan Energy") and its subsidiaries) (the "Lender") 本公司及／或其附屬公司(不包括山西金山能源有限公司(「金山能源」)及其附屬公司)(「貸款人」) (b) Jinshan Energy and/or its subsidiaries (the "Borrower") 金山能源及／或其附屬公司(「貸款人」)
Change of Relationship: 關係轉變：	<p>When the agreement was entered into, the Borrower was owned as to 67.17% by the Group, and as to 27% by Shougang Holding Company Limited ("Beijing Shougang"), and as to 5.83% by two independent third parties. Beijing Shougang was a wholly-owned subsidiary of Shougang Group and Shougang Group is the holding company of Shougang International, a substantial shareholder of the Company. Accordingly, Jinshan Energy was a connected subsidiary of the Company and the transactions contemplated under the Master Facility Agreement constituted continuing connected transactions for the Company.</p> <p>簽訂協議時，貸款人分別由本集團、首鋼控股有限責任公司(「北京首控」)及兩名獨立第三方分別擁有67.17%、27%及5.83%權益。北京首控為首鋼集團之全資附屬公司，且首鋼集團為本公司主要股東首長國際之控股公司。因此，金山能源為本公司之關連附屬公司，而借款框架協議項下擬進行之交易構成本公司之持續關連交易。</p> <p>On 9 April 2019, Shougang Group ceased to be a holding company of Shougang International, and thus the Borrower was no longer a connected person (as per the definition of the Listing Rules) of the Company. The transactions contemplated under this agreement would not constitute a connected transaction from this date onwards.</p> <p>於二零一九年四月九日，首鋼集團不再是首長國際之控股公司，故此貸款人不再屬本公司的關連人士(按照上市規則定義)。自該日起，本協議項下擬進行之交易不會構成關連交易。</p>

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(III) (continued)(續)	
<p>Description and purpose of the transaction: 交易概述及目的：</p>	<p>Jinshan Energy is a non-wholly owned subsidiary of the Group and the Master Facility Agreement is being entered into to enable the Group to provide financial assistance to Jinshan Energy for its operation and development requirements. 金山能源為本集團之非全資附屬公司，而訂立借款框架協議可讓本集團向金山能源提供財務資助，以應付其營運及發展需要。</p> <p>In view of the satisfactory cash flow and healthy financial position of the Group, the Directors considered that the provision of credit facilities by the Lender to the Borrower, can save finance costs as a whole and meet the development and financial needs of the Group in other development projects through fully utilising its internal funding strength, promoting reasonable allocation of resources and increasing its funding utilisation rate. 鑒於本集團擁有充裕之現金流量及穩健之財務狀況，董事認為，借款人向貸款人提供該信貸貸款，可使其透過充分利用內部資金、促進資源合理配置及提高資金使用率，整體節省財務成本，同時滿足本集團於其他發展項目之發展與財務需要。</p> <p>Details of the continuing connected transactions contemplated under the Master Facility Agreement have been disclosed in the announcement of the Company dated 7 December 2018. 借款框架協議項下持續關連交易的詳情已於日期為二零一八年十二月七日的本公司公告內作披露。</p>

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(III) (continued)(續)	
Term: 年期：	7 December 2018 to 6 December 2021 二零一八年十二月七日至二零二一年十二月六日
Annual Cap: (as the maximum daily outstanding amount) 年度上限：(為每日最高未償還金額)	For the period from 7 December to 31 December 2018: RMB90,000,000 二零一八年十二月七日至十二月三十一日止期間：人民幣90,000,000元  <b>For the year ended 31 December 2019: RMB90,000,000</b> <b>截至二零一九年十二月三十一日止年度：人民幣90,000,000元</b>  For the year ending 31 December 2020: RMB90,000,000 截至二零二零年十二月三十一日止年度：人民幣90,000,000元  For the period from 1 January to 6 December 2021: RMB90,000,000 二零二一年一月一日至十二月六日止期間：人民幣90,000,000元
The amount of connected transactions for the year ended 31 December 2019 under this agreement: 此協議項下截至二零一九年十二月 三十一日止年度屬關連交易之金額：	RMB70,990,000 (equivalent to HK\$78,089,000) 人民幣70,990,000元(相當於78,089,000港元)

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(IV)	
Date and Name of the agreement: 協議日期及名稱:	3 July 2019 Master Sale Agreement 二零一九年七月三日銷售框架協議
Nature of the transaction: 交易性質:	Supply coal products (including the coal by-product produced in the coking coal washing process) to connected party 向關連人士供應煤炭產品(包括洗焦煤過程中產生的煤炭副產品)
Parties of the transaction: 交易訂約各方:	(a) The Company and/or its subsidiaries (the "Seller") 本公司及/或其附屬公司(「銷售方」) (b) Shanxi International Energy Group Hongguang Power Generation Co., Ltd. and/or its subsidiaries (the "Purchaser") 山西國際能源集團宏光發電有限公司及/或其附屬公司(「購買方」)
Relationship: 關係:	When the agreement was entered into, the Purchaser was owned as to 49% by a substantial shareholder of the Company's subsidiaries, being a connected person of the Company. Accordingly, the Purchaser was an associate of a connected person of the Company under Rule 14A.13(3) of the Listing Rules and thus also a connected person of the Company. The transactions entered into between the Seller and the Purchaser under the Master Sale Agreement constitute continuing connected transactions of the Company under the Listing Rules. 簽訂協議時，本公司旗下附屬公司的主要股東(本公司關連人士)擁有購買方之49%股權。因此，根據上市規則第14A.13(3)條，購買方乃本公司關連人士之聯繫人，故此亦為本公司關連人士。銷售方與購買方按銷售框架協議項下訂立的交易構成上市規則項下本公司的持續關連交易。



## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(IV) (continued)(續)	
Description and purpose of the transaction: 交易概述及目的:	<p>The Group had explored the Purchaser as a customer in the first quarter of 2019 and started supplying coal products to the Purchaser in its ordinary and usual course of business. Both parties have been satisfied all completed orders including the prices, quality, delivery and payment terms, and have intention to continue the sale transactions in the long run. As the expected annual transaction amount would soon exceed 1% threshold under Rule 14A.76(1)(b) of the Listing Rules, on 3 July 2019, the Company and the Purchaser entered into the Master Sale Agreement to set the annual caps and to regulate the continuing connected transactions between the Seller and the Purchaser in compliance with the Listing Rules.</p> <p>本集團於二零一九年第一季度尋找到購買方成為客戶，並開始於其日常及一般業務過程中向購買方供應煤炭產品。雙方均滿意所有已完成的訂單，包括價格、質量、交付和付款條款，及有意長期持續進行銷售交易。由於預計年度交易金額將可能超過上市規則第14A.76(1)(b)條所豁免的1%界限，於二零一九年七月三日，本公司與購買方遵照上市規則之規定訂立銷售框架協議以設定年度上限及監管銷售方與購買方所進行之持續關連交易。</p> <p>Details of the continuing connected transactions contemplated under the Master Sale Agreement have been disclosed in the announcement of the Company dated 3 July 2019.</p> <p>銷售框架協議項下持續關連交易的詳情已於日期為二零一九年七月三日的本公司公告內作披露。</p>
Term: 期限:	3 July 2019 to 31 December 2021 (both days inclusive) 二零一九年七月三日至二零二一年十二月三十一日(包括首尾兩日)
Annual Cap: 年度上限:	<p><b>For the period from 3 July to 31 December 2019: RMB60,000,000</b> <b>二零一九年七月三日至十二月三十一日止期間：人民幣60,000,000元</b></p> <p>For the year ending 31 December 2020: RMB100,000,000 截至二零二零年十二月三十一日止年度：人民幣100,000,000元</p> <p>For the year ending 31 December 2021: RMB120,000,000 截至二零二一年十二月三十一日止年度：人民幣120,000,000元</p>
The amount of connected transactions for the year ended 31 December 2019 under this agreement: 此協議項下截至二零一九年十二月三十一日止年度屬關連交易之金額:	RMB33,644,000 (equivalent to HK\$38,170,000) 人民幣33,644,000元(相當於38,170,000港元)

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(V)	
Date and Name of the agreement: 協議日期及名稱:	16 September 2019 Master Sale Agreement 二零一九年九月十六日銷售框架協議
Nature of the transaction: 交易性質:	Supply coal products to connected party 向關連人士供應煤炭產品
Parties of the transaction: 交易訂約各方:	(a) The Company and/or its subsidiaries (the "Seller") 本公司及/或其附屬公司(「銷售方」) (b) Shanxi Fulong Coal Chemical Co., Ltd. and/or its subsidiaries and/or the fellow subsidiaries of its holding company (the "Purchaser") 山西福龍煤化有限公司及/或其附屬公司及/或其控股公司之同系附屬公司(「購買方」)
Relationship: 關係:	When the agreement was entered into, the Purchaser was a fellow subsidiary of the holding company of a substantial shareholder of the Company's subsidiaries, being a connected person of the Company. Accordingly, the Purchaser was an associate of a connected person of the Company under Rule 14A.13(1) of the Listing Rules and thus also a connected person of the Company. The transactions entered into between the Seller and the Purchaser under the Master Sale Agreement constitute continuing connected transactions of the Company under the Listing Rules. 簽訂協議時，購買方是本公司旗下附屬公司的主要股東(本公司關連人士)之控股公司的同系附屬公司。因此，根據上市規則第14A.13(1)條，購買方乃本公司關連人士之聯繫人，故此亦為本公司關連人士。銷售方與購買方按銷售框架協議項下訂立的交易構成上市規則項下本公司的持續關連交易。

## DIRECTORS' REPORT (continued)

## 董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS AND  
CONNECTED TRANSACTIONS (continued)

## 持續關連交易及關連交易(續)

## (a) Continuing Connected Transactions (continued)

## (a) 持續關連交易(續)

(V) (continued)(續)	
Description and purpose of the transaction: 交易概述及目的:	<p>The Group had been supplying coal products to the Purchaser in its ordinary and usual course of business since July 2019. Both parties were satisfied with all completed orders including the prices, quality, delivery and 100% deposit payment terms, and have intention to continue the sale transactions in the long run. As the expected annual transaction amount would soon exceed 1% threshold under Rule 14A.76(1)(b) of the Listing Rules, on 16 September 2019, the Company and the Purchaser entered into the Master Sale Agreement to set the annual caps and to regulate the continuing connected transactions between the Seller and the Purchaser in compliance with the Listing Rules.</p> <p>本集團於二零一九年七月開始於其日常及一般業務過程中向購買方供應煤炭產品。雙方均滿意所有已完成的訂單，包括價格、質量、交付和100%預付款條款，且有意長期持續進行銷售交易。由於預計年度交易金額將可能超過上市規則第14A.76(1)(b)條所豁免的1%界限，於二零一九年九月十六日，本公司與購買方遵照上市規則之規定訂立銷售框架協議以設定年度上限及監管銷售方與購買方所進行之持續關連交易。</p> <p>Details of the continuing connected transactions contemplated under the Master Sale Agreement have been disclosed in the announcement of the Company dated 16 September 2019.</p> <p>銷售框架協議項下持續關連交易的詳情已於日期為二零一九年九月十六日的本公司公告內作披露。</p>
Term: 期限:	16 September 2019 to 31 December 2021 (both days inclusive). 二零一九年九月十六日至二零二一年十二月三十一日(包括首尾兩日)
Annual Cap: 年度上限:	<p><b>For the period from 16 September to 31 December 2019: RMB60,000,000</b> 二零一九年九月十六日至十二月三十一日止期間：人民幣60,000,000元</p> <p>For the year ending 31 December 2020: RMB50,000,000 截至二零二零年十二月三十一日止年度：人民幣50,000,000元</p> <p>For the year ending 31 December 2021: RMB30,000,000 截至二零二一年十二月三十一日止年度：人民幣30,000,000元</p>
The amount of connected transactions for the year ended 31 December 2019 under this agreement: 此協議項下截至二零一九年十二月三十一日止年度屬關連交易之金額:	RMB12,407,000 (equivalent to HK\$14,076,000) 人民幣12,407,000元(相當於14,076,000港元)

## DIRECTORS' REPORT (continued)

### CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS (continued)

#### (b) Connected Transactions

Saved as disclosed above, the Group has no connected transaction that was subject to the disclosure requirements under the Listing Rules during the year under review and up to the date of this annual report.

### ANNUAL REVIEW ON CONTINUING CONNECTED TRANSACTIONS

Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditor, PricewaterhouseCoopers, was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. PricewaterhouseCoopers has issued an unqualified letter containing findings and conclusions in respect of the continuing connected transactions disclosed by the Group in the paragraph above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

In accordance with Rule 14A.55 of the Listing Rules, the Independent Non-executive Directors reviewed the continuing connected transactions in the paragraph above and confirmed that the transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Group as a whole.

### RELATED PARTY TRANSACTIONS

Details of other related party transactions, which were exempt from any disclosure and shareholders' approval requirements, or do not constitute connected or continuing connected transactions under Chapter 14A of the Listing Rules, are set out in note 40 to the audited consolidated financial statements.

## 董事會報告(續)

### 持續關連交易及關連交易(續)

#### (b) 關連交易

除上述所披露外，本集團於回顧年度內及截至本年報日期，沒有須按上市規則要求披露之關連交易。

### 持續關連交易之年度審閱

根據上市規則第14A.56條，本公司之核數師羅兵咸永道會計師事務所根據香港會計師公會頒佈之《香港鑒證業務準則》第3000號(經修訂)「非審核或審閱過往財務資料之鑒證工作」，並參照《實務說明》第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團之持續關連交易出具報告。根據上市規則第14A.56條，羅兵咸永道會計師事務所已發出無保留意見函件，其中包含有關本集團於上文披露之持續關連交易結果及結論。本公司已向聯交所提供核數師函件之副本。

根據上市規則第14A.55條，獨立非執行董事已審閱上述段落之持續關連交易，並確認該等交易乃：

- (i) 於本集團日常及一般業務過程中；
- (ii) 按正常或更佳商業條款；及
- (iii) 根據其相關協議按公平合理且符合本集團股東整體利益之條款進行。

### 關聯人士交易

其他關聯人士交易(該等交易獲豁免根據上市規則須予以披露及須獲股東批准，或該等交易並不構成上市規則第14A章的關連或持續關連交易)詳情載於經審核財務報表附註40。

## DIRECTORS' REPORT (continued)

### CORPORATE GOVERNANCE

The Company's corporate governance practices are set out in the "Corporate Governance Report" on pages 57 to 88 of this annual report.

### ENVIRONMENTAL AND SOCIAL MATTERS

The Company's compliance with the relevant provisions set out in the Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules for the financial year ended 31 December 2019 are set out in the "Environmental, Social and Governance Report" on pages 33 to 50 of this annual report.

### EVENT AFTER THE REPORTING DATE

Details of significant event occurring after the reporting date are set out in note 42 to the consolidated financial statements.

### AUDITOR

BDO Limited ("BDO") resigned as the auditor of the Company with effect from 1 August 2018 as the Board and the Audit Committee considered that BDO had been the auditor of the Company for a number of years, it was appropriate for the Company to change the auditor in order to comply with good corporate governance practice and enhance the independence of the auditor. The Board, with the recommendation from the Audit Committee, resolved to appoint PricewaterhouseCoopers as the auditor of the Company with effect from 1 August 2018 to fill the casual vacancy following the resignation of BDO. PricewaterhouseCoopers was retired and reappointed in AGM 2019.

A resolution will be submitted to the AGM 2020 to re-appoint PricewaterhouseCoopers as the auditor of the Company.

Save as disclosed above, there is no other change of the Company's auditors in any of the preceding three years.

## 董事會報告(續)

### 企業管治

本公司之企業管治常規載於本年報第57頁至第88頁之「企業管治報告」。

### 環境及社會事宜

本公司於截至二零一九年十二月三十一日止財政年度遵守上市規則附錄二十七所載《環境、社會及管治報告指引》的相關條文載於本年報第33頁至第50頁之「環境、社會及管治報告」。

### 報告日後事項

報告期結束後發生之重大事項詳情載於綜合財務報表附註42。

### 核數師

香港立信德豪會計師事務所有限公司(「立信德豪」)已辭任本公司核數師，自二零一八年八月一日起生效，原因為董事會及審核委員會考慮到立信德豪已擔任本公司的核數師多年，本公司適合更換核數師，以符合良好的公司管治常規，及提升核數師的獨立性。按照審核委員會的建議，董事會決議委任羅兵咸永道會計師事務所為本公司的核數師，自二零一八年八月一日起生效，以填補立信德豪辭任後之臨時空缺。羅兵咸永道會計師事務所已於二零一九年股東週年大會上任滿告退並續聘。

本公司將於二零二零年股東週年大會上提呈決議案，續聘羅兵咸永道會計師事務所為本公司之核數師。

除上文所披露者外，過去3年內並無有關本公司核數師之其他變動。

By Order of the Board  
**Ding Rucai**  
Chairman

承董事會命  
主席  
丁汝才

Hong Kong, 26 March 2020

香港，二零二零年三月二十六日

## INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



To the Members of Shougang Fushan Resources Group Limited  
(incorporated in Hong Kong with limited liability)

致首鋼福山資源集團有限公司成員  
(於香港註冊成立的有限公司)

### OPINION

### 意見

#### What we have audited

#### 我們已審計的內容

The consolidated financial statements of Shougang Fushan Resources Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 125 to 232, which comprise:

首鋼福山資源集團有限公司(「貴公司」)及其附屬公司(「貴集團」)載列於第125頁至第232頁的綜合財務報表，包括：

- the consolidated statement of financial position as at 31 December 2019;
  - the consolidated statement of profit or loss and other comprehensive income for the year then ended;
  - the consolidated statement of changes in equity for the year then ended;
  - the consolidated statement of cash flows for the year then ended; and
  - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於二零一九年十二月三十一日的綜合財務狀況表；
  - 截至該日止年度的綜合損益及其他全面收益表；
  - 截至該日止年度的綜合權益變動表；
  - 截至該日止年度的綜合現金流量表；及
  - 綜合財務報表附註，包括主要會計政策概要。

#### Our opinion

#### 我們的意見

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 Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一九年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為編製。

## INDEPENDENT AUDITOR'S REPORT (continued)

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### KEY AUDIT MATTERS

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

## 獨立核數師報告 (續)

### 意見基礎

我們已根據香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審計。我們於該等準則項下的責任在本報告「核數師就審計綜合財務報表須承擔的責任」內詳述。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的意見提供基礎。

### 獨立性

根據香港會計師公會的「專業會計師道德守則」（「該守則」），我們獨立於貴集團，並已遵循該守則履行其他道德責任。

### 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本期間綜合財務報表中最重要的事項。我們在整體審計綜合財務報表及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。

## INDEPENDENT AUDITOR'S REPORT (continued)

## 獨立核數師報告 (續)

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

Key audit matter identified in our audit is as follows:

我們在審計中識別的關鍵審計事項如下：

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p><b>Impairment assessments of goodwill, mining rights and property, plant and equipment</b> 商譽、採礦權以及物業、廠房及設備的減值評估</p> <p>Refer to Notes 15, 18 and 19 to the consolidated financial statements 參閱綜合財務報表附註15、18及19</p> <p>As at 31 December 2019, the Group has goodwill, mining rights and property, plant and equipment of HK\$1,202 million, HK\$7,357 million and HK\$3,329 million respectively, that were originated from the acquisitions of Shanxi Liulin Xingwu Coal Co., Limited (“Xingwu”), Shanxi Liulin Jinjiazhuang Coal Co., Limited (“Jinjiazhuang”) and Shanxi Liulin Zhaiyadi Coal Co., Limited (“Zhaiyadi”) in 2008. These companies are engaged in coking coal mining, production and sales of coking coal products in the People’s Republic of China (the “PRC”).</p> <p>於二零一九年十二月三十一日，貴集團持有來自於二零零八年收購山西柳林興無煤礦有限責任公司(「興無」)、山西柳林金家莊煤業有限公司(「金家莊」)及山西柳林寨崖底煤業有限公司(「寨崖底」)的商譽、採礦權以及物業、廠房及設備分別為12.02億港元、73.57億港元及33.29億港元。該等公司於中華人民共和國(「中國」)從事焦炭開採、焦煤產品生產及銷售。</p>	<p>Our procedures in relation to management’s impairment assessments of goodwill, mining rights and property, plant and equipment included: 我們就管理層對商譽、採礦權以及物業、廠房及設備的減值評估所作程序包括：</p> <ul style="list-style-type: none"> <li>- We evaluated the composition of management’s future cash flow forecasts used in their value-in-use calculations, and the process by which they were prepared. We found that the cash flow forecasts prepared by management were subject to review by the directors of the Company and were consistent with the budgets approved by the Company’s board of directors.</li> <li>- 我們評估了管理層在其使用價值計算中使用的未來現金流量預測的構成，以及準備這些預測的過程。我們發現管理層編製的現金流量預測由貴公司董事審閱，並與貴公司董事會批准的預算一致。</li> <li>- We involved our internal valuation experts in assessing the appropriateness and consistency of the methodologies used, and key assumptions and estimates applied.</li> <li>- 我們讓我們內部估值專家評估所用方法的適當性和一致性，以及所應用的關鍵假設及估計。</li> </ul>



## INDEPENDENT AUDITOR'S REPORT (continued)

## 獨立核數師報告 (續)

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p><b>Impairment assessments of goodwill, mining rights and property, plant and equipment (continued)</b> 商譽、採礦權以及物業、廠房及設備的減值評估(續)</p> <p>For the purpose of impairment assessments, management grouped the relevant assets of Xingwu, Jinjiazhuang and Zhaiyadi at the lowest levels for which there are three separately identifiable cash inflows that are largely independent of the cash inflows from other assets or group of assets (cash-generating-unit (“CGU”). Management determined the recoverable amounts of each CGU using the value-in-use method, which involved significant judgement in determining the assumptions used in the calculations. The key assumptions include long-term coal prices and discount rates.</p> <p>就減值評估而言，管理層將興無、金家莊及寨崖底的相關資產列為最低水平，其中有三項可單獨識別的現金流入，而這些資金大部分獨立於其他資產或資產組別(現金產生單位(「現金產生單位」))的現金流入。管理層按使用價值法釐定每個現金產生單位的可收回金額，該方法在釐定計算所用假設時作出重大判斷。關鍵假設包括長期煤炭價格及貼現率。</p> <p>Based on the results of the impairment assessments, no impairment on goodwill, mining rights and property, plant and equipment was considered necessary as at 31 December 2019.</p> <p>根據減值評估的結果，毋需於二零一九年十二月三十一日就商譽、採礦權以及物業、廠房及設備計提減值。</p>	<ul style="list-style-type: none"> <li>- We evaluated the reasonableness of management's key assumptions made in the forecasts. For coal prices, we compared the long-term coal prices used in the forecasts against the market prices, and assessed the rate of annual increment by reference to industry forecasts and market trends. For the discount rate, we benchmarked the rate used in the forecast against our research of the discount rates used by comparable companies in the industry.</li> <li>- 我們評估管理層於預測內所作出主要假設是否合理。就煤炭價格而言，我們將用於預測的長期煤炭價格與市價作比較，並參照行業預測與市場趨勢，評估年度升幅比率。至於貼現率，我們將用於預測的比率與我們關於行內可資比較公司所用貼現率的研究結果進行基準比較。</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (continued)

## 獨立核數師報告 (續)

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p><b>Impairment assessments of goodwill, mining rights and property, plant and equipment (continued)</b> 商譽、採礦權以及物業、廠房及設備的減值評估(續)</p> <p>We focused on this area due to the significance of the balances and the significant judgements involved in the assessment of the recoverable amounts of the CGUs including the assumptions used in the calculation of value-in-use.</p> <p>我們關注該範圍是因為結餘的重要性及評估現金產生單位可收回金額所涉及的重大判斷(包括計算使用價值時所用的假設)。</p>	<ul style="list-style-type: none"> <li>- We compared the current year actual results with the amounts included in the prior year cash flow forecast to consider the quality of management's forecasting, and we checked that management had considered the current year actual results in the preparation of this year's forecasts. We inquired of management to understand the reasons for the deviation of the actual results for the current year from the prior year's forecast, corroborating management's explanations to our knowledge on the market and the Group's performance in the current year. We also checked that these relevant factors had been taken into account in this year's forecasts.</li> <li>- 我們將本年度實際業績與上一年度現金流量預測中包含的金額進行了比較，以考慮管理層的預測質量，我們並檢查了管理層是否考慮了本年度的實際業績用以編製本年度的預測。我們詢問管理層了解本年度實際業績與上年度預測出現偏差的原因，證實管理層對我們對市場的了解及貴集團於本年度的表現有何解釋。我們亦檢查了本年度的預測中是否考慮了該等相關因素。</li> </ul> <p>Based on the procedures performed, we found management's judgements used in the impairment assessments of goodwill, mining rights and property, plant and equipment to be supportable based on the available evidence.</p> <p>根據所執行的程序，我們發現管理層在商譽、採礦權以及物業、廠房及設備的減值評估中使用的判斷可根據現有證據予以支持。</p>

## INDEPENDENT AUDITOR'S REPORT (continued)

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and 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 is responsible for overseeing the Group's financial reporting process.

## 獨立核數師報告 (續)

### 其他資料

貴公司董事須對其他資料承擔責任。其他資料包括 貴公司年報中所包含的所有資料，但不包括綜合財務報表及我們就此發出的核數師報告。

我們對綜合財務報表作出的意見並未考慮其他資料，且我們不就此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，從而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一致，或似乎存在重大錯誤陳述。

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，我們須報告此一事實。就此，我們並無須報告事項。

### 董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則以及香港《公司條例》編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使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，否則董事須以持續經營為會計基礎。

審核委員會負責監督 貴集團的財務報告過程。

## INDEPENDENT AUDITOR'S REPORT (continued)

### 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. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance 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 judgement and maintain professional scepticism throughout the audit. We also:

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

## 獨立核數師報告 (續)

### 核數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此等綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出包含我們意見的核數師報告。我們的意見乃按照香港《公司條例》第405條僅為向閣下(作為整體)報告，並無其他用途。我們並不就本報告的內容對任何其他人士承擔義務或負上責任。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存在的重大錯誤陳述。重大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，則被視為重大錯誤陳述。

我們根據香港審計準則進行審計的工作之一，是運用專業判斷，在整個審計過程中抱持專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致重大錯誤陳述的風險，因應這些風險設計及執行審計程序，以及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控制，因此未能發現由此造成的重大錯誤陳述風險高於未能發現由於錯誤而導致重大錯誤陳述的風險。
- 瞭解與審計有關的內部控制，以設計在有關情況下屬恰當的審計程序，但並非旨在對貴集團內部控制的成效發表意見。
- 評估所用會計政策是否恰當，以及董事所作出的會計估算及相關披露是否合理。

## INDEPENDENT AUDITOR'S REPORT (continued)

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

- 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.

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.

## 獨立核數師報告 (續)

### 核數師就審計綜合財務報表須承擔的 責任(續)

- 總結董事採用持續經營為會計基礎是否恰當，並根據已獲取的審計憑證，總結是否有可能對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘若我們總結認為有重大不確定因素，我們需要在核數師報告中提請注意綜合財務報表內的相關披露，或倘相關披露不足，則修訂我們的意見。我們的結論乃以截至核數師報告日期所獲得的審計憑證為基準。然而，未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表(包括披露)的整體列報、架構及內容，以及綜合財務報表是否已公平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及適當的審計憑證，以就綜合財務報表發表意見。我們須負責指導、監督及執行貴集團的審計工作。我們仍須為我們的審計意見承擔全部責任。

我們就(其中包括)審計工作的計劃範圍及時間以及重大審計發現(包括我們在審計過程中辨識的任何內部控制的重大缺失)與審核委員會進行溝通。

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

## INDEPENDENT AUDITOR'S REPORT (continued)

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Hin Gay Gabriel.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 26 March 2020

## 獨立核數師報告 (續)

### 核數師就審計綜合財務報表須承擔的 責任(續)

根據與審計委員會溝通的事項，我們確定了對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。除非法律或法規不容許公開披露此等事項或在極罕有的情況下，我們認為，由於披露此等事項可合理預期的不良後果將超過公眾知悉此等事項的利益，故不應在報告中予以披露，否則我們會在核數師報告中闡述此等事項。

出具本獨立核數師報告的審計項目合夥人是陳顯基。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零二零年三月二十六日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2019

## 綜合損益及其他全面收益表

截至二零一九年十二月三十一日止年度

		Notes 附註	2019 二零一九年 HK'000 千港元	2018 二零一八年 HK'000 千港元
<b>Revenue from contracts with customers</b>	來自客戶合約收益	5	<b>3,869,308</b>	3,686,176
Cost of sales	銷售成本		<b>(1,880,565)</b>	(1,785,634)
<b>Gross profit</b>	毛利		<b>1,988,743</b>	1,900,542
Interest income	利息收入		<b>136,755</b>	124,445
Other income and gains/(losses), net	其他收入及收益/(虧損), 淨額	6	<b>99,575</b>	35,790
Selling and distribution expenses	銷售及分銷開支		<b>(250,051)</b>	(208,621)
General and administrative expenses	一般及行政費用		<b>(182,291)</b>	(205,351)
Other operating expenses	其他營運開支	7	<b>(146,476)</b>	(6,437)
Finance costs	財務成本	8	<b>(4,912)</b>	-
Change in fair value of derivative financial instruments	衍生財務工具之公平值變動		<b>(8,555)</b>	-
Share of profit/(loss) of an associate	應佔一間聯營公司溢利/ (虧損)		<b>27</b>	(659)
<b>Profit before income tax</b>	除所得稅前溢利	9	<b>1,632,815</b>	1,639,709
Income tax expense	所得稅費用	10	<b>(456,674)</b>	(487,781)
<b>Profit for the year</b>	年度溢利		<b>1,176,141</b>	1,151,928
<b>Other comprehensive income for the year</b>	年度其他全面收益			
Item 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 financial statements of foreign operations	換算海外業務財務報表產生 之匯兌差額		<b>(329,530)</b>	(585,649)
Item that will not be reclassified to profit or loss:	將不予重新分類至損益的 項目:			
Net fair value gain on financial assets measured at fair value through other comprehensive income	財務資產按公平值計入其他 全面收益之公平值淨收益		<b>350,978</b>	24,374
<b>Total comprehensive income for the year</b>	年度全面收益總額		<b>1,197,589</b>	590,653

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the year ended 31 December 2019

# 綜合損益及其他全面收益表(續)

截至二零一九年十二月三十一日止年度

		Note 附註	2019 二零一九年 HK'000 千港元	2018 二零一八年 HK'000 千港元
<b>Profit for the year attributable to:</b>	以下人士應佔年度溢利：			
Owners of the Company	本公司擁有人		1,140,413	1,100,488
Non-controlling interests	非控股權益		35,728	51,440
<b>Profit for the year</b>	年度溢利		<b>1,176,141</b>	1,151,928
<b>Total comprehensive income for the year attributable to:</b>	以下人士應佔年度全面收益總額：			
Owners of the Company	本公司擁有人		1,198,776	605,105
Non-controlling interests	非控股權益		(1,187)	(14,452)
<b>Total comprehensive income for the year</b>	年度全面收益總額		<b>1,197,589</b>	590,653
<b>Earnings per share</b>	每股盈利			
- Basic and diluted (HK cents)	- 基本及攤薄(港仙)	12	21.51	20.76



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

# 綜合財務狀況表

於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 HK'000 千港元	2018 二零一八年 HK'000 千港元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	15	3,691,435	3,609,544
Prepaid lease payments	預付租賃款項	16	-	60,062
Land use rights	土地使用權	16	60,772	-
Right-of-use assets	使用權資產	17	26,076	-
Mining rights	採礦權	18	7,356,663	7,751,953
Goodwill	商譽	19	1,222,775	1,255,559
Interest in an associate	於一間聯營公司之權益	20	11,590	11,880
Financial assets measured at fair value through other comprehensive income	按公平值計入其他全面收益之財務資產	21	1,083,903	654,053
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	22	539,020	489,947
Deferred tax assets	遞延稅項資產	32	55,322	22,752
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>14,047,556</b>	13,855,750
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	23	123,530	130,069
Trade receivables	應收貿易賬項	24	490,613	669,837
Bills receivables	應收票據	24	1,306,706	1,578,345
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	22	319,316	319,677
Other financial asset	其他財務資產	25	232,500	200,000
Pledged bank deposits	已抵押銀行存款	26	190,605	190,029
Time deposits with original maturity over three months	原存款期超過三個月之定期存款	27	1,049,501	854,010
Cash and cash equivalents	現金及現金等值物	27	3,712,383	3,453,325
<b>Total current assets</b>	<b>流動資產總值</b>		<b>7,425,154</b>	7,395,292
<b>Total assets</b>	<b>資產總值</b>		<b>21,472,710</b>	21,251,042
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and bills payables	應付貿易賬項及應付票據	28	652,566	834,903
Lease liabilities	租賃負債	17	7,119	-
Other financial liability	其他財務負債	29	178,200	178,358
Other payables and accruals	其他應付款項及應計費用	30	1,501,517	1,426,081
Derivative financial instruments	衍生財務工具		5,117	-
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益款項	31	98,158	72,228
Tax payables	應付稅項		403,277	357,130
<b>Total current liabilities</b>	<b>流動負債總值</b>		<b>2,845,954</b>	2,868,700
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>4,579,200</b>	4,526,592

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2019

## 綜合財務狀況表(續)

於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 HK'000 千港元	2018 二零一八年 HK'000 千港元
<b>Total assets less total current liabilities</b>	<b>資產總值減流動負債總值</b>		<b>18,626,756</b>	18,382,342
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	32	1,559,503	1,606,536
Lease liabilities	租賃負債	17	20,941	-
<b>Total non-current liabilities</b>	<b>非流動負債總值</b>		<b>1,580,444</b>	1,606,536
<b>Net assets</b>	<b>資產淨值</b>		<b>17,046,312</b>	16,775,806
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>			
Share capital	股本	33	15,156,959	15,156,959
Reserves	儲備	34	524,621	227,157
<b>Total equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益總值</b>		<b>15,681,580</b>	15,384,116
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>1,364,732</b>	1,391,690
<b>Total equity</b>	<b>權益總值</b>		<b>17,046,312</b>	16,775,806

The consolidated financial statements on page 125 to 232 were approved by the Board of Directors on 26 March 2020 and were signed on its behalf:

第125頁至第232頁之綜合財務報表已於二零二零年三月二十六日獲董事會批准並代表簽署：

**Ding Rucai**  
丁汝才  
Director  
董事

**So Kwok Hoo**  
蘇國豪  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2019

## 綜合權益變動表

截至二零一九年十二月三十一日止年度

		Equity attributable to owners of the Company 本公司擁有人應佔權益						Non-controlling interests 非控股權益	Total equity 權益總值
		Share capital 股本	Statutory reserve 法定儲備 (note 34(a)) (附註34(a))	Other reserves 其他儲備 (note 34(b)) (附註34(b))	Retained profits 保留溢利	Security investment reserve 證券投資儲備	Translation reserve 換算儲備	Total	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	15,156,959	448,068	430,895	984,107	(1,720,783)	84,870	15,384,116	1,391,690 16,775,806
Profit for the year	年度溢利	-	-	-	1,140,413	-	-	1,140,413	35,728 1,176,141
Other comprehensive income for the year:	年度其他全面收益：								
- Exchange differences on translation of financial statements of foreign operations	- 換算海外業務財務報表產生之匯兌差額	-	-	-	-	-	(292,615)	(292,615)	(36,915) (329,530)
- Net fair value gain on financial assets measured at fair value through other comprehensive income	- 財務資產按公平值計入其他全面收益之公平值淨收益	-	-	-	-	350,978	-	350,978	- 350,978
Total comprehensive income for the year	年度全面收益總額	-	-	-	1,140,413	350,978	(292,615)	1,198,776	(1,187) 1,197,589
Transactions with owners in their capacity as owners:	以擁有人身份與擁有人進行交易：								
2018 final dividend approved (note 11)	已批准之二零一八年末期股息 (附註11)	-	-	-	(450,656)	-	-	(450,656)	- (450,656)
2019 interim dividend declared (note 11)	已宣派之二零一九年中期股息 (附註11)	-	-	-	(450,656)	-	-	(450,656)	- (450,656)
Dividend paid to non-controlling interests of subsidiaries	派付予附屬公司非控股權益之股息	-	-	-	-	-	-	-	(25,771) (25,771)
Appropriations to other reserves (note 34b)	撥款至其他儲備(附註34b)	-	-	21,165	(21,165)	-	-	-	- -
At 31 December 2019	於二零一九年十二月三十一日	15,156,959	448,068	452,060	1,202,043	(1,369,805)	(207,745)	15,681,580	1,364,732 17,046,312

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 December 2019

# 綜合權益變動表(續)

截至二零一九年十二月三十一日止年度

		Equity attributable to owners of the Company 本公司擁有人應佔權益						Non-controlling interests 非控股權益	Total equity 總權益	
		Share capital 股本	Statutory reserve 法定儲備 (note 34(a)) (附註34(a))	Other reserves 其他儲備 (note 34(b)) (附註34(b))	Retained profits 保留溢利	Security investment reserve 證券投資儲備	Translation reserve 換算儲備	Total		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
At 1 January 2018	於二零一八年一月一日	15,156,959	448,068	401,704	1,068,611	(1,745,157)	604,627	15,934,812	1,440,871	17,375,683
Profit for the year	年度溢利	-	-	-	1,100,488	-	-	1,100,488	51,440	1,151,928
Other comprehensive income for the year:	年度其他全面收益：									
- Exchange differences on translation of financial statements of foreign operations	- 換算海外業務財務報表產生之匯兌差額	-	-	-	-	-	(519,757)	(519,757)	(65,892)	(585,649)
- Net fair value gain on financial assets measured at fair value through other comprehensive income	- 財務資產按公平值計入其他全面收益之公平值淨收益	-	-	-	-	24,374	-	24,374	-	24,374
<b>Total comprehensive income for the year</b>	<b>年度全面收益總額</b>	-	-	-	1,100,488	24,374	(519,757)	605,105	(14,452)	590,653
Transactions with owners in their capacity as owners:	以擁有人身份與擁有人進行交易：									
2017 special dividend declared (note 11)	已宣派之二零一七年特別股息 (附註11)	-	-	-	(334,016)	-	-	(334,016)	-	(334,016)
2017 final dividend approved (note 11)	已批准之二零一七年末期股息 (附註11)	-	-	-	(381,732)	-	-	(381,732)	-	(381,732)
2018 interim dividend declared (note 11)	已宣派之二零一八年中期股息 (附註11)	-	-	-	(440,053)	-	-	(440,053)	-	(440,053)
Dividend paid to non-controlling interests of subsidiaries	派付予附屬公司非控股權益之股息	-	-	-	-	-	-	-	(34,729)	(34,729)
Appropriations to other reserves (note 34b)	撥款至其他儲備(附註34b)	-	-	29,191	(29,191)	-	-	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	15,156,959	448,068	430,895	984,107	(1,720,783)	84,870	15,384,116	1,391,690	16,775,806

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

## 綜合現金流量表

截至二零一九年十二月三十一日止年度

		Notes 附註	2019 二零一九年 HK'000 千港元	2018 二零一八年 HK'000 千港元
<b>Cash flows from operating activities</b>	<b>經營業務之現金流量</b>			
Profit before income tax	除所得稅前溢利		<b>1,632,815</b>	1,639,709
Adjustments for:	已作下列調整：			
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	<b>243,178</b>	232,613
Depreciation of right-of-use assets	使用權資產折舊	17	<b>5,162</b>	-
Amortisation of land use rights	土地使用權攤銷	16	<b>1,781</b>	-
Amortisation of prepaid lease payments	預付租賃款項攤銷	16	-	1,778
Amortisation of mining rights	採礦權攤銷	18	<b>195,429</b>	153,437
Interest income	利息收入		<b>(136,755)</b>	(124,445)
Dividend income	股息收入		<b>(56,022)</b>	(36,624)
Finance costs	財務成本		<b>4,912</b>	-
Share of (profit)/loss of an associate	應佔一間聯營公司(溢利)/虧損		<b>(27)</b>	659
Loss on disposals of property, plant and equipment	出售物業、廠房及設備之虧損	7	<b>14,182</b>	3,427
Written off of property, plant and equipment	撤銷物業、廠房及設備	7	<b>128,784</b>	-
Change in fair value of derivative financial instruments	衍生財務工具之公平值變動		<b>8,555</b>	-
Net foreign exchange loss	外幣匯兌虧損淨額	6	<b>16,857</b>	28,164
Operating profit before working capital changes	營運資金變動前之經營溢利		<b>2,058,851</b>	1,898,718
Changes in working capital:	營運資金變動：			
Decrease in inventories	存貨減少		<b>3,086</b>	56,976
Decrease/(Increase) in trade and bills receivables	應收貿易賬項及應收票據減少/(增加)		<b>391,177</b>	(55,186)
Increase in deposits, prepayments and other receivables	按金、預付款項及其他應收款項增加		<b>(18,161)</b>	(13,379)
(Decrease)/Increase in trade and bills payables	應付貿易賬項及應付票據(減少)/增加		<b>(120,343)</b>	219,965
Increase/(Decrease) in other payables and accruals	其他應付款項及應計費用增加/(減少)		<b>44,459</b>	(42,280)
Increase in amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益款項增加		<b>2,950</b>	3,076
Cash generated from operations	營運產生之現金		<b>2,362,019</b>	2,067,890
Income tax paid	已付所得稅		<b>(439,778)</b>	(425,039)
<b>Net cash inflow from operating activities</b>	<b>經營業務之現金流入淨額</b>		<b>1,922,241</b>	1,642,851

## CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2019

## 綜合現金流量表(續)

截至二零一九年十二月三十一日止年度

	Note 附註	2019 二零一九年 HK'000 千港元	2018 二零一八年 HK'000 千港元
<b>Cash flows from investing activities</b>	<b>投資業務之現金流量</b>		
Payments to acquire property, plant and equipment	購置物業、廠房及設備之款項	(624,134)	(913,435)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	4,532	505
Payment to acquire land use rights	購置土地使用權之款項	(4,158)	-
Payment to acquire financial assets measured at fair value through other comprehensive income	購置按公平值計入其他全面收益之財務資產之款項	(78,872)	-
Payments to acquire other financial asset	購買其他財務資產之款項	(232,500)	(200,000)
Receipt from redemption of other financial asset	贖回其他財務資產之款項	200,000	-
Increase in pledged bank deposits	已抵押銀行存款增加	(5,621)	(35,337)
(Increase)/Decrease in time deposits with original maturity over three months	原存款期超過三個月之定期存款(增加)/減少	(195,491)	686,798
Interest received	已收利息	152,446	105,500
Dividend received	已收股息	56,022	36,624
<i>Net cash outflow from investing activities</i>	<i>投資業務之現金流出淨額</i>	<b>(727,776)</b>	(319,345)
<b>Cash flows from financing activities</b>	<b>融資業務之現金流量</b>		
Principal elements of lease payments	支付租賃負債本金	(3,117)	-
Interest paid	已付利息	(4,912)	-
Dividends paid to owners of the Company	已付本公司擁有人之股息	(885,302)	(1,135,313)
<i>Net cash outflow from financing activities</i>	<i>融資業務之現金流出淨額</i>	<b>(893,331)</b>	(1,135,313)
<b>Net increase in cash and cash equivalents</b>	<b>現金及現金等值物增加淨額</b>	<b>301,134</b>	188,193
<b>Cash and cash equivalents at 1 January</b>	<b>於一月一日之現金及現金等值物</b>	<b>3,453,325</b>	3,323,659
<b>Effect of foreign exchange rates changes on cash and cash equivalents</b>	<b>外幣匯率變動對現金及現金等值物之影響</b>	<b>(42,076)</b>	(58,527)
<b>Cash and cash equivalents at 31 December</b>	<b>於十二月三十一日之現金及現金等值物</b>	<b>3,712,383</b>	3,453,325

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 1. GENERAL INFORMATION

Shougang Fushan Resources Group Limited (the “Company”) is a limited liability company incorporated and domiciled in Hong Kong. The address of its registered office is 6th Floor, Bank of East Asia Harbour View Centre, No. 56 Gloucester Road, Wanchai, Hong Kong. The Company’s shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The principal places of business of the Company and its subsidiaries (collectively referred to as the “Group”) are in Hong Kong and the People’s Republic of China (the “PRC”).

The principal activity of the Company is investment holding. The principal activities of the Group’s subsidiaries comprise coking coal mining, production and sales of coking coal products. There were no significant changes in the Group’s operations during the year. Details of the activities of the principal subsidiaries of the Group are set out in note 37.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) which is the same as the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of the consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or revised standards and interpretations and the impacts on the Group’s financial statements, if any, are disclosed in note 2.1.1.

### 2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations and the requirements of the Hong Kong Companies Ordinance Cap. 622 (the “Companies Ordinance”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

## 綜合財務報表附註

截至二零一九年十二月三十一日止年度

## 1. 一般資料

首鋼福山資源集團有限公司(「本公司」)為在香港註冊成立之有限公司，其註冊辦事處地址位於香港灣仔告士打道56號東亞銀行港灣中心6樓。本公司之股份於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(統稱為「本集團」)之主要營業地點為香港及中華人民共和國(「中國」)。

本公司主要業務為投資控股。本集團之附屬公司主要業務包括焦煤炭開採、焦煤產品之生產及銷售。於年內，本集團之營運並無重大變動。本集團主要附屬公司所進行業務之詳情載於附註37。

綜合財務報表以本公司功能貨幣港元(「港元」)列值。除另有註明外，所有金額均捨入至最接近千位數。

## 2. 主要會計政策之概述

編製綜合財務報表所用之主要會計政策概述如下。除另有註明外，該等政策貫徹應用於所有呈報年度。採納新訂或經修訂準則及詮釋以及其對本集團財務報表之影響(如有)於附註2.1.1中披露。

### 2.1 編製基準

綜合財務報表已根據所有適用香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋以及香港法例第622章《公司條例》(「《公司條例》」)規定編製。此外，綜合財務報表已遵守聯交所證券上市規則(「上市規則」)內適用之披露規定。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

The consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments classified as financial assets measured at fair value through other comprehensive income (note 21) and derivative financial instruments which are measured at fair values. The measurement bases are fully described in the accounting policies below.

##### 2.1.1 Adoption of new or amended standards and interpretations – effective 1 January 2019

The following new and amended standards and interpretations apply for the first time to the Group's financial reporting period commencing on 1 January 2019:

Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23	Annual Improvements to HKFRSs 2015–2017 Cycle
HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty Over Income Tax Treatments
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interest in Associates in Joint Ventures

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.1 編製基準(續)

除若干分類為按公平值計入其他全面收益之財務資產(附註21)及衍生財務工具之財務工具按公平值計量外，綜合財務報表均根據歷史成本基準編製。有關計量基準詳述於下文會計政策。

##### 2.1.1 採納新訂或經修訂準則及詮釋 – 於二零一九年一月一日生效

下列新訂或經修訂準則及詮釋乃本集團於二零一九年一月一日開始之財務報告期首次應用：

香港財務報告準則第9號之修訂	負債補償之預付特點
香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂	香港財務報告準則二零一五年至二零一七年週期之年度改進
香港財務報告準則第16號	租賃
香港(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
香港會計準則第19號之修訂	計劃修訂、縮減或清償
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### 2.1.1 Adoption of new or amended standards and interpretations – effective 1 January 2019 (continued)

The impact of the adoption of HKFRS 16 is disclosed below in note 2.2. The other standards did not have any impact on the Group's accounting policies and are not expected to significantly affect the current or future periods.

##### 2.1.2 New and amended standards and interpretations that have been issued but are not yet effective

The following new and amended standards and interpretations, which are potentially relevant to the Group's financial statements have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>1</sup>
Amendments to HKFRS 3	Definition of a Business <sup>1</sup>
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting <sup>1</sup>
Amendments to HKFRS 7 HKFRS 9 and HKAS 39	Interest Rate Benchmark Reform <sup>1</sup>
HKFRS 17	Insurance Contracts <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

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

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>3</sup> Effective date to be determined

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.1 編製基準(續)

##### 2.1.1 採納新訂或經修訂準則及詮釋 – 於二零一九年一月一日生效(續)

採用香港財務報告準則第16號之影響於下文附註2.2披露。其他準則對本集團會計政策並無任何影響，亦預計不會對當期或未來期間產生重大影響。

##### 2.1.2 已頒佈但尚未生效之新訂及經修訂準則及詮釋

以下可能與本集團財務報表有關之新訂及經修訂準則及詮釋已經頒佈，但尚未生效且本集團並無提早採納。本集團目前有意於該等變動生效之日起開始應用。

香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 <sup>1</sup>
香港財務報告準則第3號之修訂	業務之定義 <sup>1</sup>
二零一八年財務報告概念框架	經修訂財務報告概念框架 <sup>1</sup>
香港財務報告準則第7號、香港財務報告準則第9號及香港會計準則第39號之修訂	利率基準改革 <sup>1</sup>
香港財務報告準則第17號	保險合約 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間之資產出售或投入 <sup>3</sup>

<sup>1</sup> 自二零二零年一月一日或之後開始之年度期間生效

<sup>2</sup> 自二零二一年一月一日或之後開始之年度期間生效

<sup>3</sup> 生效日期有待決定

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### 2.1.2 New and amended standards and interpretations that have been issued but are not yet effective (continued)

None of the new and amended standards and interpretations issued but not yet applied by the Group is expected to have a significant effect on the financial statements of the Group.

#### 2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 16 on the Group's financial statements.

##### Adoption of HKFRS 16

The Group has adopted HKFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balances on 1 January 2019.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of HKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 4.52%.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.1 編製基準(續)

##### 2.1.2 已頒佈但尚未生效之新訂及經修訂準則及詮釋(續)

概無已頒佈但本集團尚未採用之新訂及經修訂準則及詮釋預計將對本集團之財務報表造成重大影響。

#### 2.2 會計政策變動

本附註解釋採納香港財務報告準則第16號對本集團財務報表之影響。

##### 採納香港財務報告準則第16號

本集團自二零一九年一月一日起追溯採納香港財務報告準則第16號，惟按該準則之特定過渡條文所允許，未重列二零一八年報告期間之比較數字。因此，因採用新租賃規則而作出之重新分類及調整於二零一九年一月一日期初結餘內確認。

採納香港財務報告準則第16號時，本集團就先前根據香港會計準則第17號「租賃」之原則分類為「經營租賃」之租賃確認租賃負債。該等負債以剩餘租賃款項之現值計量，並使用於二零一九年一月一日之承租人增量借款利率貼現。於二零一九年一月一日，應用至租賃負債之加權平均承租人增量借款利率為4.52%。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Changes in accounting policies (continued)

##### Adoption of HKFRS 16 (continued)

(i) *Practical expedient applied*

In applying HKFRS 16 for the first time, the Group has used the practical expedients permitted by the standard to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17, *Lease* and HK(IFRIC) – Int 4, *Determining whether an Arrangement contains a Lease*.

(ii) *Measurements of lease liabilities and right-of-use assets*

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.2 會計政策變動(續)

##### 採納香港財務報告準則第16號(續)

(i) *所應用之實際權宜方法*

於首次應用香港財務報告準則第16號時，本集團已使用該準則所允許之實際權宜方法，對具有合理相似特徵之租賃組合使用單一貼現率。

本集團亦已選擇不重新評估合約於初步應用日期是否租賃或包含租賃。相反，對於在過渡日期前訂立之合約，本集團依賴應用香港會計準則第17號「租賃」及香港(國際財務報告詮釋委員會)–詮釋第4號「釐定安排是否包租賃」進行之評估。

(ii) *租賃負債及使用權資產之計量*

		HK\$'000 千港元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露之經營租賃承擔	43,686
Discounted using the lessee's incremental borrowing rate at the date of initial application on 1 January 2019	使用承租人於首次應用日期二零一九年一月一日的增量借款利率貼現	(11,842)
<b>Lease liabilities recognised as at 1 January 2019</b>	<b>於二零一九年一月一日確認之租賃負債</b>	<b>31,844</b>
Of which:	其中：	
Current lease liabilities	流動租賃負債	5,816
Non-current lease liabilities	非流動租賃負債	26,028
		<b>31,844</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Changes in accounting policies (continued)

##### Adoption of HKFRS 16 (continued)

(ii) *Measurements of lease liabilities and right-of-use assets (continued)*

The associated right-of-use assets (including land use rights which is presented as a separate line item in the consolidated statement of financial position) were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated statement of financial position as at 31 December 2018.

The recognised right-of-use assets relate to land and office premises.

(iii) *Adjustments recognised in the consolidated statement of financial position on 1 January 2019*

Prepaid lease payments of HK\$60,062,000 as at 1 January 2019 have been reclassified as land use rights being a part of the right-of-use assets of the Group.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.2 會計政策變動(續)

##### 採納香港財務報告準則第16號(續)

(ii) *租賃負債及使用權資產之計量(續)*

相關使用權資產(包括在綜合財務狀況表中作為單獨項目列示之土地使用權)按等同於租賃負債之金額計量，並按於二零一八年十二月三十一日之綜合財務狀況表中確認之租賃相關之任何預付或應計租賃款項金額進行調整。

確認之使用權資產與土地及辦公場地有關。

(iii) *於二零一九年一月一日之綜合財務狀況表中確認之調整*

於二零一九年一月一日之預付租賃款項60,062,000港元已重新分類為土地使用權，屬於本集團使用權資產之一部分。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Changes in accounting policies (continued)

##### Adoption of HKFRS 16 (continued)

(iii) Adjustments recognised in the consolidated statement of financial position on 1 January 2019 (continued)

The change in accounting policy affected the following items in the consolidated statement of financial position on 1 January 2019:

- right-of-use assets – increased by HK\$31,844,000;
- lease liabilities – increased by HK\$31,844,000;
- land use rights – increased by HK\$60,062,000;
- prepaid lease payments – decreased by HK\$60,062,000.

There was no net impact on retained earnings on 1 January 2019.

#### 2.3 Principles of consolidation and equity accounting

##### (i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.2 會計政策變動(續)

##### 採納香港財務報告準則第16號(續)

(iii) 於二零一九年一月一日之綜合財務狀況表中確認之調整(續)

會計政策變動影響於二零一九年一月一日之綜合財務狀況表中以下項目：

- 使用權資產 – 增加31,844,000港元；
- 租賃負債 – 增加31,844,000港元；
- 土地使用權 – 增加60,062,000港元；
- 預付租賃款項 – 減少60,062,000港元。

對於二零一九年一月一日之保留溢利無淨影響。

#### 2.3 合併及權益會計原則

##### (i) 附屬公司

附屬公司指本集團擁有控制權之所有實體(包括結構性實體)。當本集團從參與實體業務而承擔取得其可變回報之風險或享有可變回報之權利，並有能力透過其對實體業務之主導權影響該等回報時，則本集團控制該實體。附屬公司於控制權轉移至本集團當日起全面綜合入賬，並於終止控制權當日起終止綜合入賬。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Principles of consolidation and equity accounting (continued)

##### (i) Subsidiaries (continued)

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 2.4).

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

##### (ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.3 合併及權益會計原則(續)

##### (i) 附屬公司(續)

本集團採用收購會計法將業務合併入賬(見附註2.4)。

集團內公司間交易、結餘及集團內公司間交易未變現收益均會對銷。未變現虧損亦會對銷，惟該交易有證據顯示已轉讓資產出現減值則除外。附屬公司之會計政策已在有需要時作出更改，以確保與本集團所採納有關政策一致。

附屬公司業績及權益中之非控股權益分別於綜合損益及其他全面收益表、綜合權益變動表及綜合財務狀況表中單獨呈列。

##### (ii) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權或共同控制權之實體。通常是本集團擁有20%至50%投票權之股權。聯營公司投資初步以成本確認，其後以權益會計法入賬。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Principles of consolidation and equity accounting (continued)

##### (ii) Associates (continued)

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.10.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.3 合併及權益會計原則(續)

##### (ii) 聯營公司(續)

根據權益會計法，投資初步以成本確認，其後作出調整以於損益中確認本集團應佔被投資方之收購後溢利或虧損，及於其他全面收益內確認本集團應佔被投資方之其他全面收益變動。聯營公司及合營企業之已收或應收股息被確認為投資賬面值之扣減。

如果本集團應佔一項採用權益會計法計算之投資之虧損等同或超過其於該實體之權益，包括任何其他無抵押長期應收款項，則本集團並不確認進一步之虧損，除非其代表其他實體負有責任或支付款項，則另作別論。

本集團與其聯營公司及合營企業之間之未變現交易收益會以本集團所持實體權益為限予以對銷。除非有證據顯示交易中所轉讓之資產出現減值，否則未變現虧損亦予以對銷。採用權益會計法之被投資方之會計政策已按需要作出改變，以確保與本集團採用之政策一致。

採用權益會計法計算之投資會根據附註2.10所述之政策對賬面值作減值測試。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Principles of consolidation and equity accounting (continued)

##### (iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Shougang Fushan Resources Group Limited.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.3 合併及權益會計原則(續)

##### (iii) 所有權權益之變化

本集團將與非控股權益之交易視為與本集團權益擁有人之交易不會導致失去控制權。所有權權益之變動導致控股權益與非控股權益之賬面值之間之調整，以反映其在附屬公司中之相對權益。對非控股權益之調整金額與已付或已收取之任何代價之間之任何差額，均在首鋼福山資源集團有限公司所有人應佔權益之單獨儲備中確認。

當本集團因失去控制權、共同控制權或重大影響而終止就一項投資合併或權益賬戶時，該實體之任何保留權益將按其公平值重新計量，並將賬面值之變動計入損益。該公平值成為初步賬面值，以便隨後將作為聯營公司、合營企業或財務資產之保留權益入賬。此外，先前於該實體之其他全面收益中確認之任何金額入賬，猶如本集團已直接出售相關資產或負債。這可能意味著先前於其他全面收益確認之金額會重新分類至損益或轉撥至適用香港財務報告準則所指明／准許之其他類別權益。

如果合營企業或聯營公司之所有權權益減少但保留共同控制或重大影響力，則只有先前在其他全面收益中確認之金額之比例份額在適當情況下重新分類至損益。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.4 Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.4 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論是否已收購權益工具或其他資產。收購一間附屬公司轉讓之代價包括：

- 所轉讓資產之公平值；
- 被收購業務前擁有人所產生之負債；
- 本集團已發行股本權益；
- 或然代價安排產生之任何資產或負債之公平值；及
- 附屬公司任何先前存在之股本權益之公平值。

在業務合併中所收購之可識別資產以及所承擔之負債及或有負債，首先以其於收購日期之公平值計量(少數例外情況除外)。本集團以逐項收購基準，按公平值或按非控股權益所佔被收購實體可識別資產淨值之比例確認於被收購實體之任何非控股權益。

收購相關成本於產生時支銷。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.4 Business combination (continued)

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.4 業務合併(續)

- 所轉讓代價；
- 被收購實體之任何非控股權益金額；及
- 於被收購實體先前之任何股本權益於收購日期之公平值

超出所收購可識別資產淨值之公平值時，其差額以商譽列賬。倘該等款項低於所收購業務之可識別資產淨值之公平值，則差額將直接於損益中確認為議價購買。

倘任何部分現金代價之結算獲遞延，日後應付金額貼現至其於兌換日期之現值。所用之貼現率乃該實體之增量借款利率，即根據相若之條款及條件可從獨立金融機構獲得同類借款之利率。或然代價分類為權益或財務負債。分類為財務負債之金額其後將重新按公平值計量，而公平值變動於損益中確認。

倘業務合併分階段進行，則收購方先前持有之被收購方股本權益於收購日期之賬面值於收購日期重新按公平值計量。任何因該項重新計量產生之收益或虧損於損益中確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.5 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

#### 2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of the Company (the "Board") has assigned executive directors which assesses the financial performance and position of the Group, and makes strategic decisions. The executive directors have been identified as the chief operating decision maker.

#### 2.7 Foreign currency translation

##### (i) 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 HK\$, which is Shougang Fushan Resources Group Limited's functional and presentation currency.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.5 獨立財務報表

於附屬公司之投資按成本扣除減值列賬。成本包括投資之直接歸屬成本。本公司按已收及應收股息為基準將附屬公司之業績入賬。

倘於附屬公司之投資產生之股息超過附屬公司於宣派股息期間之全面收益總額或倘該投資於單獨財務報表內之賬面值超過被投資方資產淨值(包括商譽)於綜合財務報表內之賬面值，則於收到該等股息時須對該等投資進行減值測試。

#### 2.6 分部報告

經營分部之報告方式與向主要經營決策者提供之內部報告一致。

本公司董事會(「董事會」)已指派執行董事負責評估本集團之財務表現及狀況，並作出策略性決策。執行董事已被確定為主要經營決策者。

#### 2.7 外幣換算

##### (i) 功能及列報貨幣

各本集團實體之財務報表所列項目均以該實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以港元列報，港元為首鋼福山資源集團有限公司之功能貨幣及列報貨幣。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Foreign currency translation (continued)

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income and gains/(losses), net.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.7 外幣換算(續)

##### (ii) 交易及結餘

外幣交易採用交易日期之匯率換算為功能貨幣。結算此等交易產生之匯兌收益及虧損以及將外幣計值之貨幣資產及負債以年終匯率換算產生之匯兌收益及虧損一般於損益內確認。倘其與合資格之現金流量對沖及合資格淨投資對沖有關或應佔部分海外業務投資淨額，則於權益內遞延。

與借貸有關之匯兌收益及虧損於損益表內之財務成本中列報。所有其他匯兌收益及虧損按淨額基準於損益表內之其他收入及收益/(虧損)，淨額中列報。

按公平值計量之外幣非貨幣項目，採用公平值釐定日期之匯率換算。按公平值列賬之資產及負債之換算差額乃作為公平值收益或虧損之一部分列報。例如，非貨幣資產(如分類按公平值計入其他全面收益之權益)之換算差額於其他全面收益內確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Foreign currency translation (continued)

##### (iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- 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;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this 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 dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.7 外幣換算(續)

##### (iii) 集團公司

功能貨幣與列報貨幣不一致之所有海外業務(並非嚴重通脹經濟體系之貨幣)之業績和財務狀況均按以下方法換算為列報貨幣：

- 所呈列之每份財務狀況表之資產及負債均按財務狀況表日期之收市匯率換算；
- 每份損益表及全面收益表之收入及開支均按平均匯率換算(除非該平均匯率並非交易日通行匯率累積影響之合理約數，則在此情況下，收入及開支按交易日換算)；及
- 產生之所有匯兌差額於其他全面收益內確認。

於合併賬目時，因換算海外實體投資淨額及換算借貸與其他指定為該等投資對沖之財務工具而產生之匯兌差額，均於其他全面收益內確認。當出售海外業務或償還構成該投資淨額部分之任何借貸，相關之匯兌差額重新分類至損益作為出售收益或虧損之一部分。

因收購海外業務產生之商譽及公平值調整視為海外業務資產及負債，並按收市匯率換算。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Foreign currency translation (continued)

##### (iv) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

#### 2.8 Property, plant and equipment

Property, plant and equipment, other than construction in progress ("CIP"), are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset includes its purchase price and the costs directly attributable to the acquisition of the items.

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. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.7 外幣換算(續)

##### (iv) 出售海外業務及部分出售

出售海外業務時(即出售本集團於海外業務之全部權益,或出售涉及失去包括海外業務之附屬公司之控制權,或出售涉及失去對包括海外業務之聯營公司之重大影響力),本公司擁有人就該業務應佔之所有於權益累計之貨幣換算差額乃重新分類至損益。

如屬並不引致本集團失去對包括海外業務之附屬公司之控制權之部分出售,累計貨幣換算差額之應佔比例重新歸屬予非控股權益且不會於損益內確認。就所有其他部分出售(即本集團於聯營公司之所有權權益減少,並不引致本集團失去重大影響力)而言,累計匯兌差額之應佔比例重新分類至損益。

#### 2.8 物業、廠房及設備

物業、廠房及設備(在建工程(「在建工程」)除外)乃按成本減累計折舊及累計減值虧損列賬。資產之成本包括購買價及收購該等項目直接應計之成本。

後續成本只有當有關項目相關之未來經濟利益很可能會流入本集團且有關項目成本可以可靠地計量時,才將其計入資產之賬面值或作為單獨資產確認(如適當)。被替換部分之賬面值終止確認。所有其他維修及保養費用在其產生之財政期間內於損益中確認為開支。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.8 Property, plant and equipment (continued)

Other than mining structures, depreciation is provided to write off the cost net of their estimated residual values over their estimated useful lives on a straight-line basis, at the following rates per annum:

Buildings and plants	The shorter of the lease terms or 5%
Mining machinery and equipment	10%
Leasehold improvements	The shorter of the lease terms or 33 $\frac{1}{3}$ %
Office equipment, furniture and fixtures	20% to 33 $\frac{1}{3}$ %
Motor vehicles and transportation equipment	10% to 25%

Depreciation on mining structures is provided to write off the cost of the mining structures using the units of production method based on the total proved and probable reserves of the coal mine as the depletion base.

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

CIP is stated at cost less impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the CIP is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of CIP until it is completed and ready for its intended use.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.8 物業、廠房及設備(續)

除礦場建築物外，折舊乃按下列年率計提撥備，以按其估計可使用年期以直線法將其估計剩餘價值之成本淨值撇銷：

樓宇及廠房	租賃年期或5%，兩者之較短者
開採機器及設備	10%
租賃物業裝修	租賃年期或33 $\frac{1}{3}$ %，兩者之較短者
辦公室設備、傢俬及裝置	20%至33 $\frac{1}{3}$ %
汽車及運輸設備	10%至25%

礦場建築物之折舊撥備採用總探明及可能之煤炭儲量為耗損基準之生產單位法，將礦場建築物之成本撇銷。

資產估計剩餘價值、折舊方法及估計可使用年期須於各報告期末進行檢討，並於適當情況下作出調整。

在建工程按成本減減值虧損列值。成本包括建築之直接成本以及於建築及安裝期間資本化之借貸成本。在將資產大致上達致可作擬定用途之必要準備活動完成時，該等成本將停止資本化，在建工程則撥入物業、廠房及設備之適當類別內。直至在建工程完成及可供擬定用途為止前，將不會就在建工程折舊計提撥備。

倘資產之賬面值高於其估計可收回金額，則資產即時撇減至其可收回金額。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.8 Property, plant and equipment (continued)

Gain or loss on disposal of an item of property, plant and equipment is the difference between the sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

#### 2.9 Intangible assets

##### (i) Goodwill

Goodwill is measured as described in note 2.4. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 5).

##### (ii) Mining rights

Mining rights are stated at cost less accumulated amortisation and accumulated impairment losses and are amortised on the units of production method based on the total proven and probable reserves of the coal mine.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.8 物業、廠房及設備(續)

處置一項物業、廠房及設備項目之收益或虧損，指出售所得款項與有關項目賬面值之差額，並於出售時於損益確認。

#### 2.9 無形資產

##### (i) 商譽

商譽按附註2.4所述計量。收購附屬公司所產生之商譽計入無形資產。商譽不予攤銷，惟每年進行減值測試，或當有事件出現或情況變化顯示可能出現減值時，則更頻密地進行減值測試，並按成本減累計減值虧損入賬。出售實體之收益及虧損包括與所出售實體有關之商譽賬面值。

商譽會被分配至現金產生單位以進行減值測試。有關分配乃對預期將從產生商譽之業務合併中獲益之現金產生單位或現金產生單位組別作出。該等單位或單位組別乃就內部管理而於監察商譽之最低層次(即經營分部(附註5))識別。

##### (ii) 採礦權

採礦權乃按成本減累計攤銷及累計減值虧損列賬，並根據煤礦之總探明及可能之儲量按生產單位法攤銷。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.10 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### 2.11 Investments and other financial assets

##### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.10 非財務資產減值

具有無限可使用年期之商譽及無形資產毋須攤銷，惟每年進行減值測試，或當有事件出現或情況變化顯示可能出現減值時，則更頻密地進行減值測試。其他資產於有事件出現或情況變化顯示賬面值可能無法收回時進行減值測試。就資產賬面值超出其可收回金額之金額確認減值虧損。可收回金額為資產之公平值扣除出售成本與使用價值兩者之較高者。於評估減值時，資產按可獨立識別之現金流入之最低層次分組，該等現金流入很大程度獨立於其他資產或資產組別(現金產生單位)之現金流入。出現減值之非財務資產(商譽除外)會於各報告期末就撥回減值之可能性進行檢討。

#### 2.11 投資及其他財務資產

##### (i) 分類

本集團將其財務資產分類為以下計量類別：

- 其後按公平值計入其他全面收益或損益之財務資產；及
- 按攤銷成本計量之財務資產。

分類乃取決於實體管理財務資產之業務模式及現金流量之合約條款而定。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.11 Investments and other financial assets (continued)

##### (i) Classification (continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment measured at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

##### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

##### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets measured at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.11 投資及其他財務資產(續)

##### (i) 分類(續)

就按公平值計量之資產而言，收益及虧損將列入損益或其他全面收益。就非持作買賣之股本工具投資而言，這將取決於本集團於初步確認時是否已不可撤回地選擇將股本投資按公平值計入其他全面收益。

本集團只會於其管理債務投資之業務模式改變時方會將該等資產重新分類。

##### (ii) 確認及終止確認

財務資產之定期購入及出售均於交易日(即本集團承諾購入或出售該資產當日)確認入賬。當本集團從該等財務資產收取現金流量之權利屆滿或已被轉讓及本集團已將擁有權帶來之絕大部分風險及回報轉移，則會終止確認財務資產。

##### (iii) 計量

於初步確認時，本集團按財務資產之公平值外加(倘為並非按公平值計入損益之財務資產)直接歸屬於收購該財務資產之交易成本計量。按公平值計入損益之財務資產交易成本於損益支銷。

在確定具有嵌入衍生工具之財務資產之現金流量是否純粹為本金及利息付款時，需從財務資產之整體考慮。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.11 Investments and other financial assets (continued)

##### (iii) Measurement (continued)

###### *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies all of its debt instruments at amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "other income and gains/(losses), net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

###### *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.11 投資及其他財務資產(續)

##### (iii) 計量(續)

###### *債務工具*

債務工具之後續計量取決於本集團管理資產之業務模式及有關資產之現金流量特徵。本集團按攤銷成本分類其所有債務工具：

倘持有資產旨在收取合約現金流量，而該等現金流量僅代表本金及利息付款，該等資產按攤銷成本計量。該等財務資產之利息收入以實際利率法計入財務收入。終止確認產生任何收益或虧損直接於損益中確認並連同匯兌收益及虧損於「其他收入及收益／（虧損），淨額」中呈列。減值虧損於損益表中呈列為單獨項目。

###### *股本工具*

本集團其後按公平值計量所有股本投資。倘本集團管理層選擇於其他全面收益內呈列股本投資之公平值收益及虧損，則於終止確認該投資後，不會將公平值收益及虧損重新分類至損益。當本集團收取來自該等投資之股息之權利確立時，則繼續於損益確認該等股息付款為其他收入。

以公平值計量且其變動計入其他全面收益的權益投資的減值損失（以及減值損失轉回），不會與其他公平值變動分開報告。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.11 Investments and other financial assets (continued)

##### (iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and bills receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 3.1(b) for further details.

#### 2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.11 投資及其他財務資產(續)

##### (iv) 減值

本集團對有關其按攤銷成本計量之債務工具之預期信貸虧損進行前瞻性評估。所應用之減值方法取決於信貸風險是否大幅增加。

就應收貿易賬項及應收票據而言，本集團應用香港財務報告準則第9號允許之簡化方法，其中要求可使用年期預期虧損須自初步確認應收款項時予以確認，詳見附註3.1(b)。

#### 2.12 抵銷財務工具

當本集團現有法定可強制執行權力抵銷已確認金額，且有意按淨額基準結算或同時變現資產及結算負債時，有關財務資產與負債可互相抵銷，並在財務狀況表報告其淨值。本集團亦訂有不符抵銷準則但於某些情況下仍可抵銷相關金額之安排(如破產或終止合約)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.13 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under HKFRS 9; and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

#### 2.14 Derivatives financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Group's derivative financial instruments do not qualify for hedge accounting and are accounted for at fair value through profit or loss. Gains or losses arising from changes in the fair value of these derivative financial instruments are recognised immediately in "change in fair value of derivative financial instruments" in the statement of profit or loss in the period in which they arise.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.13 財務擔保合約

財務擔保合約於出具擔保時確認為財務負債。有關負債初步按公平值計量，其後則按以下較高者計量：

- 根據香港財務報告準則第9號項下預期信貸虧損模式釐定之金額；及
- 初步確認之金額減根據香港財務報告準則第15號之原則所確認累計收益金額(如適用)。

財務擔保之公平值釐定為債務工具項下之合約付款與在並無擔保下將須作出之付款之間之現金流量差額之現值，或就承擔責任而將須付予第三方之估計金額。

#### 2.14 衍生財務工具

衍生工具於訂立衍生工具合約當日按公平值初步確認，其後於各報告日期末按彼等之公平值重新計量。

本集團之衍生財務工具不符合對沖會計處理，並按公平值計入損益入賬。該等衍生財務工具之公平值變動導致之收益或虧損即時在彼等產生之期間於損益表中「衍生財務工具之公平值變動」內確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.15 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost is calculated using weighted average method, and in the case of finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value represented the estimated net selling prices in the ordinary course of business less the estimated costs necessary to make the sale.

#### 2.16 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 60 to 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See note 24 for further information about the Group's accounting for trade receivables and note 3.1(b) for a description of the Group's impairment policies.

#### 2.17 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.15 存貨

存貨初步根據成本確認，並於其後按成本及可變現淨值兩者之較低者確認。成本按加權平均法基準計算，倘為製成品，則包括直接物料、直接人工及適當比例之間接費用。可變現淨值為於日常業務過程中之估計銷售淨價格減作出銷售所需之估計成本。

#### 2.16 應收貿易賬項

應收貿易賬項乃就日常業務過程中因出售貨品或提供服務而應收客戶款項。應收貿易賬項一般60至90天內到期結付，因此全部分類為流動。

應收貿易賬項初步按屬無條件之代價金額確認，除非按公平值確認時含有重大財務元素則作別論。本集團持有應收貿易賬項，旨在收取合約現金流量，因此其後採用實際利率法按攤銷成本計量。有關本集團之應收貿易賬項會計處理方法之進一步資料，請參閱附註24；有關本集團減值政策之說明，請參閱附註3.1(b)。

#### 2.17 現金及現金等值物

就呈列現金流量表而言，現金及現金等值物包括手頭現金、於金融機構之活期存款、其他短期、高流動性投資(原到期日為三個月或以下及可隨時轉換為已知金額之現金且所承受價值變動風險不大)及銀行透支。銀行透支於財務狀況表內流動負債項下借貸內呈列。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### 2.19 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### 2.20 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

#### 2.21 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.18 股本

普通股乃分類為權益。直接由發行新股或購股權引致之新增成本在權益中列為所得款項之減少(扣除稅項)。

#### 2.19 應付貿易賬項及其他應付款項

該等金額指財政年度結束前就已提供予本集團之貨品及服務之未償付負債。該等金額為無抵押，一般於確認後30至180日內支付。應付貿易賬項及其他應付款項呈列為流動負債，除非付款並非於報告期後12個月內到期。其初步按其公平值確認及其後使用實際利率法按攤銷成本計量。

#### 2.20 借貸成本

直接源自收購、建築或生產合資格資產之一般及特定借貸成本於完成及籌備資產以作其擬定用途或銷售所需期間內資本化。合資格資產指需要大量時間籌備以作擬定用途或銷售之資產。

其他借貸成本於其產生之期間內支銷。

#### 2.21 即期及遞延所得稅

期內所得稅開支或抵免為基於各司法權區之適用所得稅率計算之即期應課稅收入(由暫時差額及未動用稅項虧損導致之遞延稅項資產及負債變動調整)之應付稅項。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.21 Current and deferred income tax (continued)

##### *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### *Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.21 即期及遞延所得稅(續)

##### *即期所得稅*

即期所得稅支出根據本公司及其附屬公司及聯營公司經營及產生應課稅收入之國家於報告期末已頒佈或實質上已頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

##### *遞延所得稅*

遞延所得稅採用負債法就資產及負債之稅基與其於綜合財務報表內之賬面值兩者之暫時差額悉數作出撥備。然而，倘遞延稅項負債於商譽初步獲確認時產生，則遞延稅項負債不予確認。倘遞延所得稅乃因於業務合併以外交易中初步確認資產或負債而產生，而於交易時不會影響會計處理及應課稅損益，則遞延所得稅亦不予入賬。遞延所得稅採用在報告期末已頒佈或實質頒佈之稅率(及稅法)及於有關遞延所得稅資產變現或遞延所得稅負債結算時預期將會應用之稅率(及稅法)釐定。

僅於很可能有未來應課稅金額以動用該等暫時差額及虧損，方會確認遞延稅項資產。

倘本公司能控制撥回暫時差額之時間及該等差額很可能不會於可見未來撥回，則不會就海外業務投資之賬面值與稅基之暫時差額確認遞延稅項負債及資產。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.21 Current and deferred income tax (continued)

##### *Deferred income tax (continued)*

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### 2.22 Employee benefits

##### *(i) Short-term employee benefits*

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled within twelve months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are recognised in the year when the employees render the related service.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.21 即期及遞延所得稅(續)

##### *遞延所得稅(續)*

當有合法可強制執行權利抵銷流動稅項資產及負債及當遞延稅項結餘與同一稅務機關有關時，遞延稅項資產及負債可予抵銷。倘實體擁有合法可強制執行權利抵銷及擬按淨額基準結付或同時變現資產及結付負債時，則流動稅項資產及稅項負債可予抵銷。

即期及遞延稅項於損益內確認，但與其他全面收益中或直接在權益中確認之項目有關者則除外。在該情況下，稅項亦分別在其他全面收益或直接在權益中確認。

#### 2.22 僱員福利

##### *(i) 短期僱員福利*

短期僱員福利為預期於僱員提供相關服務之年度報告期末後之十二個月內悉數結算之僱員福利(離職福利除外)。短期僱員福利於僱員提供相關服務之年度內確認。

僱員應享年假權利乃於其應計予僱員時確認。截至報告日期因僱員提供服務而產生之估計年假負債計提撥備。

病假及分娩假期等非累計補償假期僅於休假時方予確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.22 Employee benefits (continued)

##### (ii) Retirement benefits

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance, for all of its Hong Kong employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

The employees of the Group's subsidiaries which operate in the 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.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

#### 2.23 Share-based payments

Share-based compensation benefits are provided to employees via the "2012 Scheme" and an employee share scheme, the executive short-term incentive scheme and share appreciation. Information relating to these schemes is set out in note 35.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.22 僱員福利(續)

##### (ii) 退休福利

僱員之退休福利乃透過定額供款計劃提供。

本集團根據強制性公積金計劃條例為其於香港所有合資格參與強積金計劃之僱員經營界定供款退休福利計劃。供款按僱員基本薪金之百分比作出。

本集團在中國經營之附屬公司之僱員，須參與當地市政府設立之中央退休金計劃。該等附屬公司須按其薪金成本之特定百分比向中央退休金計劃供款。

供款於僱員提供服務之年度內在損益中確認為開支。本集團根據此等計劃之責任限於應付之固定百分比供款。

#### 2.23 以股份為基礎之付款

僱員透過「二零一二年計劃」以及僱員股份計劃、行政人員短期獎勵計劃及股份升值獲提供以股份為基礎之補償福利。有關該等計劃之資料載於附註35。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.23 Share-based payments (continued)

The fair value of options granted under the 2012 Scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

#### 2.24 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.23 以股份為基礎之付款(續)

二零一二年計劃項下授出之購股權公平值確認為僱員福利開支，而權益相應增加。將予支銷之總額乃參考已授出購股權之公平值釐定：

- 包括任何市場表現條件(例如實體之股價)；
- 不包括任何服務和非市場表現歸屬條件(例如盈利能力、銷售增長目標和實體之僱員於指定期間內留任)之影響；及
- 包括任何非歸屬條件(例如規定僱員儲蓄或在一段指定期間內持有股份)之影響。

開支總額於歸屬期(即所有指定歸屬條件將予達成之期間)確認。於各期末，實體根據非市場歸屬及服務條件，修訂其估計預期將予歸屬之購股權數目。修訂原來估計數字(如有)之影響將於損益內確認，並就權益作出相應調整。

#### 2.24 撥備

當本集團因過往事件須承擔現有法律或推定責任，而解除責任將很可能需要資源流出，且有關金額已可作可靠估算時會確認撥備，惟不會就日後之經營虧損確認任何撥備。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.24 Provisions (continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### 2.25 Revenue recognition

##### *Sales of goods*

Revenue is recognised when or as the control of the good or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time.

Control of the good or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- 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.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.24 撥備(續)

倘出現多項類似責任，是否需要資源流出以解除責任乃經考慮整體責任類別後釐定。即使就同類責任中任何一項出現資源流出之可能性不大，仍會確認撥備。

撥備按管理層對於報告期末預期須償付現有責任之支出之最佳估計之現值計量。用於釐定現值之貼現率為反映當時市場對金錢時間值及負債特定風險之評估之稅前利率。隨時間流逝而增加之撥備確認為利息開支。

#### 2.25 收益確認

##### *銷售貨品*

當或於貨品或服務之控制權轉移至客戶時確認收益。貨品或服務之控制權是在一段時間內或於某一特定時點轉移，取決於合約之條款及適用於合約之法律。

貨品或服務之控制權是在一段時間內轉移，即本集團履約過程中：

- 提供客戶同時收到且消耗之所有利益；
- 產生或增強由客戶控制之資產(當本集團履約時)；或
- 不會產生對本集團具有可替代用途之資產，且本集團有強制執行權就累計至今已完成之履約部分收取款項。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.25 Revenue recognition (continued)

##### *Sales of goods (continued)*

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

The Group is engaged in coking coal mining, production and sales of coking coal products. Revenue is recognised when the control of the products are transferred to the customers at a point in time, when products are delivered to the customers, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customers, and either the customers have accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A contract liability is recognised when the consideration is received from customers before the goods are delivered. A receivable is recognised when the goods are delivered and accepted as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.25 收益確認(續)

##### *銷售貨品(續)*

倘貨品或服務之控制權在一段時間內轉移，參照在整個合約期間已完成履約責任之進度確認收益。否則，收益於客戶獲得貨品或服務控制權之特定時點確認。

本集團從事焦煤開採、焦煤產品之生產及銷售。收益於將產品控制權轉移予客戶之特定時點確認，即產品交付予客戶之時，且當中並無尚未履行之責任影響客戶對產品之驗收。貨品付運即當產品已運往指定地點，已將產品過期及損失之風險轉移給客戶，及客戶已按照銷售合約驗收產品、驗收條款已失效或本集團有客觀證據表明已符合所有驗收準則。

當貨品交付前已從客戶收取代價，則確認合約負債。當貨品交付並驗收後，則可確認應收款項，而此特定時點乃代價成為無條件之時，原因為在到期付款前只須待時間推移。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.26 Interest income

Interest income on financial assets measured at amortised cost and financial assets measured at fair value through other comprehensive income calculated using the effective interest method is recognised in the statement of profit or loss.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

#### 2.27 Dividends income

Dividends are received from financial assets measured at fair value through other comprehensive income. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in other comprehensive income if it relates to an investment measured at fair value through other comprehensive income. However, the investment may need to be tested for impairment as a consequence.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.26 利息收入

來自按攤銷成本計量之財務資產以及按公平值計入其他全面收益之財務資產之利息收入乃按實際利率法計算，並於損益表確認。

利息收入乃呈列為財務收入，而其乃自持有作現金管理目的之財務資產賺取。

利息收入乃就財務資產之賬面總值採用實際利率計算得出，惟其後出現信貸減值之財務資產除外。就信貸減值之財務資產而言，實際利率乃應用於財務資產之賬面淨值(扣除虧損撥備後)。

#### 2.27 股息收入

股息自按公平值計入其他全面收益之財務資產收取。股息乃於收取之權利確立時於損益表確認為其他收入，即使股息自收購前溢利繳付亦當如是，除非股息明確地指收回一項投資部分成本。在此情況下，倘與按公平值計入其他全面收益之投資有關，則股息於其他全面收益內確認。然而，該投資或可能需要接受減值測試。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.28 Earnings per share

##### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

##### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.28 每股盈利

##### (i) 每股基本盈利

每股基本盈利之計算方法為：

- 歸屬於本公司擁有人之溢利，不包括普通股以外之任何支付權益成本
- 除以於本財政年度內已發行普通股之加權平均數，並就年內發行之普通股之紅利元素作出調整，且當中並不包括庫存股份。

##### (ii) 每股攤薄盈利

每股攤薄盈利調整釐定每股基本盈利時所使用之數字，以計及：

- 與潛在攤薄普通股有關之利息及其他融資成本之除所得稅後影響；及
- 假設所有潛在攤薄普通股獲轉換，則將為已發行之額外普通股加權平均數。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.29 Leases

As explain in note 2.2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in note 2.2.

Until 31 December 2018, leases of land and office premises were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, prepaid lease payments are reclassified as land use rights, other leases are recognised as right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use assets is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.29 租賃

如上文附註2.2所闡述，本集團已更改租賃之會計政策(本集團作為承租人而言)。新政策如下所述，有關變更之影響見附註2.2。

截至二零一八年十二月三十一日，土地及辦公場地租賃分類為經營租賃。經營租賃項下所作之付款(扣除收取出租人之任何優惠)於租賃期間按直線法於損益支銷。

自二零一九年一月一日起，預付租賃款項重新分類為土地使用權，其他租賃則於本集團可用該租賃資產當日確認為使用權資產及相應負債。各項租賃款項於負債與財務成本之間分配。財務成本在租賃期內於損益扣除，以便就各期間之負債餘額產生固定之定期利率。使用權資產在資產之可使用年期或租賃期(以較短者為準)按直線法計提折舊。

一項租賃產生之資產及負債初步按現值基準計量。租賃負債計及固定款項之現值淨額(包括實質固定款項)減任何應收租賃優惠。

租賃款項使用租賃隱含之利率貼現。倘該利率未能釐定，則使用承租人之增量借款利率，即在類似經濟環境以及類似條款及條件下就獲得價值相近資產承租人為借入所需資金而將需支付之利率。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.29 Leases (continued)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.29 租賃(續)

為確定增量借款利率，本集團：

- 在可能的情况下，以個別承租人最近收到的第三方融資為起點，並進行調整以反映自收到第三方融資以來融資條件的變化；
- 使用一種建立方法，該方法首先從無風險利率開始，該利率針對本集團所持租賃的信貨風險進行了調整，該租賃沒有最近的第三方融資；並且
- 對租賃進行特定的調整，例如期限、國家、貨幣和擔保。

本集團面臨基於指數或費率的未來可變租賃付款的潛在增加，直到生效後才包括在租賃負債中。基於指數或費率的租賃付款調整生效時，將對租賃負債進行重新評估，並根據使用權資產進行調整。

租賃付款在本金和財務成本之間分配。財務成本在租賃期內從損益中扣除，以使每個期間的負債餘額產生固定的定期利率。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.29 Leases (continued)

Right-of-use assets are measured at cost comprising the following:

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

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

#### 2.30 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 2. 主要會計政策之概述(續)

#### 2.29 租賃(續)

使用權資產按成本計量，成本包括以下各項：

- 租賃負債初步計量金額；
- 於開始日期或之前所作之任何租賃付款減所收之任何租賃優惠；
- 任何初步直接成本；及
- 修復成本。

使用權資產通常按直線法在資產的可使用年期和租賃期限中較短者折舊。如果本集團合理地確定要行使購買期權，則使用權資產在相關資產的可使用年期內折舊。

與短期租賃及低價值資產租賃相關之付款按直線法於損益確認為開支。短期租賃為租賃期12個月或以下之租賃。

#### 2.30 股息分派

須就任何於報告期末或之前已宣派但於報告期末尚未分派之股息作出具有適當授權且不再由實體全權決定之撥備。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group is exposed to a variety of financial risks such as market risk (including foreign exchange risk, cash flow interest rate risk and price risk), credit risk and liquidity risk, which result from both its operating and investing activities. The Group does not have written risk management policies and guidelines. However, the directors meet periodically to analyse and formulate measures to manage the Group's exposure to market risks, including changes in interest rates and currency exchange rates. Generally, the Group employs a conservative strategy regarding its risk management. As the directors consider that the Group's exposure to market risk is kept at a minimum level, the Group has not used any derivatives or other instruments for hedging purposes. The most significant financial risks to which the Group is exposed are described below.

##### (a) Market risk

###### (i) Foreign exchange risk

Foreign exchange risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group mainly operates and invests in Hong Kong and the PRC with most of the transactions denominated and settled in HK\$ and Renminbi ("RMB") respectively. No foreign exchange risk has been identified for the financial assets and liabilities in the PRC operations as they were denominated in a currency same as the functional currencies of the group entities to which these transactions relate. The Group's exposure to foreign currency risk primarily arises from certain financial assets which are denominated in RMB, United States Dollars ("US\$") and Australian Dollars ("AUD").

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理

#### 3.1 財務風險因素

本集團面臨各種來自經營及投資活動之各種財務風險，例如市場風險(包括外匯風險、現金流量利率風險以及價格風險)、信貸風險及流動資金風險。本集團並無明文風險管理政策及指引。然而，董事定期開會分析及制訂措施以管理本集團面對之市場風險，包括利率及匯率變動。一般而言，本集團採取保守之風險管理策略。由於董事認為本集團面對之市場風險維持於低水平，故本集團並無採用任何衍生工具或其他工具以進行對沖。本集團面對最重大之財務風險闡述如下。

##### (a) 市場風險

###### (i) 外匯風險

外匯風險指財務工具之公平價值或未來現金流量因匯率變動而波動之風險。本集團主要在香港及中國經營及投資，大多數交易分別以港元及人民幣(「人民幣」)列示及結算。由於其以與該等交易有關之集團實體之功能貨幣相同之幣值列示，因而於中國之財務資產及負債並未識別出外匯風險。本集團之外幣風險主要來自若干以人民幣、美元(「美元」)及澳元(「澳元」)列示之財務資產。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

### 3. 財務風險管理(續)

#### 3.1 Financial risk factors (continued)

#### 3.1 財務風險因素(續)

##### (a) Market risk (continued)

##### (a) 市場風險(續)

###### (i) Foreign exchange risk (continued)

###### (i) 外匯風險(續)

To mitigate the Group's other exposure to foreign exchange risk, cash flows in foreign currencies are monitored in accordance with the Group's risk management policies. The financial assets that are not denominated in the functional currency of the Group's entity, translated into HK\$ at closing rates, are as follows:

為減低本集團其他外匯風險，外幣現金流量根據本集團之風險管理政策進行監察。不是以本集團實體之功能貨幣列示的財務資產(按收市匯率換算為港元)如下：

		2019 二零一九年 Expressed in HK\$'000 以千港元列示			2018 二零一八年 Expressed in HK\$'000 以千港元列示		
		AUD 澳元	US\$ 美元	RMB 人民幣	AUD 澳元	US\$ 美元	RMB 人民幣
Financial assets measured at fair value through other comprehensive income	按公平值計入其他全面收益之財務資產	853,746	-	-	483,407	-	-
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項						
- Consideration receivables	- 應收代價款	-	-	178,200	-	-	178,358
- Interest receivables	- 應收利息	45	13,784	5,890	175	28,025	10,991
Time deposit with original maturity over three months	原存款期超過三個月之定期存款	-	1,049,501	-	-	722,772	131,238
Cash and bank balances	現金及銀行結餘	75,008	521,820	1,165,247	38,666	1,876,877	781,443
Overall net exposure	整體風險淨額	928,799	1,585,105	1,349,337	522,248	2,627,674	1,102,030

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (a) Market risk (continued)

###### (i) Foreign exchange risk (continued)

As HK\$ is pegged to US\$, the Group does not expect any significant movements in the US\$/HK\$ exchange rates. No sensitivity analysis in respect of the Group's financial assets denominated in US\$ is disclosed as in the opinion of directors, such sensitivity analysis does not give additional value in view of insignificant movement in the US\$/HK\$ exchange rates as at the reporting date. The following table indicates the approximate change in the Group's profit for the year and equity in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the reporting date.

		2019 二零一九年			2018 二零一八年		
		Increase/ (Decrease) in foreign exchange rates	Effect on profit for the year	Effect on equity	Increase/ (Decrease) in foreign exchange rates	Effect on profit for the year	Effect on equity
		匯率上升/ (下降)	對年度 溢利之影響	對權益 之影響	匯率上升/ (下降)	對年度 溢利之影響	對權益 之影響
			HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元	HK\$'000 千港元
AUD	澳元	+5%	3,753	42,160	+5%	1,942	24,283
AUD	澳元	-5%	(3,753)	(42,160)	-5%	(1,942)	(24,283)
RMB	人民幣	+5%	67,467	-	+5%	55,337	-
RMB	人民幣	-5%	(67,467)	-	-5%	(55,337)	-

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

###### (i) 外匯風險(續)

由於港元與美元掛鈎，本集團預期美元／港元匯率不會有任何重大變動。有關本集團以美元列示之財務資產之敏感度分析並無予以披露，原因為董事認為有關敏感度分析並無提供額外價值，理由是美元／港元匯率於報告日期之變動並不重大。下表顯示因應匯率(就此，本集團於報告日期有重大風險)之合理可能變動，本集團年度溢利及權益之概約變動。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

### 3. 財務風險管理(續)

#### 3.1 Financial risk factors (continued)

#### 3.1 財務風險因素(續)

##### (a) Market risk (continued)

##### (a) 市場風險(續)

##### (ii) Cash flow interest rate risk

##### (ii) 現金流量利率風險

Cash flow interest rate risk relates to the risk that the cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's major exposure to interest rate risk relates primarily to other financial asset, pledged bank deposits, cash and cash equivalents and time deposits at bank, the terms and interest rates are disclosed in notes 25, 26 and 27 respectively.

現金流量利率風險與財務工具之現金流量會由於市場利率變動而波動之風險有關。本集團主要面對之利率風險主要與其他財務資產、已抵押銀行存款、現金及現金等值物以及銀行定期存款有關，而相關之條款及利率分別於附註25、26及27披露。

The following table illustrates the sensitivity of profit/loss after income tax for the year to a change in interest rates of +25 basis points and -25 basis points (2018: +25 basis points and -25 basis points). The calculations are based on the cash and cash equivalents as at 31 December 2019 and 2018. All other variables are held constant.

下表顯示年度除所得稅後溢利／虧損對利率+25點子及-25點子(二零一八年：+25點子及-25點子)之敏感度，乃基於二零一九年及二零一八年十二月三十一日之現金及現金等值物計算。所有其他變量均維持不變。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
If interest rates were 25 basis point (2018: 25 basis point) higher Profit for the year increased by	倘利率上升25點子 (二零一八年：25點子) 年度溢利增加	9,200	9,387
If interest rates were 25 basis point (2018: 25 basis point) lower Profit for the year decreased by	倘利率下降25點子 (二零一八年：25點子) 年度溢利減少	9,200	9,387

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (a) Market risk (continued)

###### (iii) Price risk

This relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes in interest rates and foreign exchange rates). The Group is exposed to other price risk arising from its listed equity investments classified as financial assets measured at fair value through other comprehensive income (note 21). Management manages this exposure by maintaining a portfolio of investments with different risk and return profiles and consider hedging the risk exposure should the need arise.

For listed equity securities, an average volatility of 16.10% and 11.37% (2018: 19.79% and 11.35%) was observed in Hang Seng Index in Hong Kong and All Ordinary Index in Australia in 2019 respectively. Had the quoted stock price for these securities increased or decreased by that amount, the Group's security investment reserve within equity would have been increased or decreased by approximately HK\$121,784,000 (2018: HK\$88,636,000).

##### (b) Credit risk

Credit risk arises from trade and bills receivables, deposits, other receivables, other financial asset, pledged bank deposits, time deposits with original maturity over three months and cash and cash equivalents.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

###### (iii) 價格風險

價格風險與財務工具之公平值或未來現金流量會由於市場價格變動(利率或匯率變動除外)而波動之風險有關。本集團之其他價格風險乃因分類為按公平值計入其他全面收益之財務資產之上市股本投資所致(附註21)。管理層透過維持具有不同風險及回報之投資組合管理此風險，並會於需要時考慮對沖此風險。

對於上市之股本證券，香港恒生指數及澳洲所有普通股指數(All Ordinary Index)於二零一九年之平均波幅分別為16.10%及11.37%(二零一八年：19.79%及11.35%)。倘該等證券所報股價按該幅度上升或下降，則本集團權益內之證券投資儲備將增加或減少約121,784,000港元(二零一八年：88,636,000港元)。

##### (b) 信貸風險

信貸風險來自應收貿易賬項及應收票據、按金、其他應收款項、其他財務資產、已抵押銀行存款、原存款期超過三個月之定期存款以及現金及現金等值物。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

###### (i) Risk management

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit system to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed once a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

The credit risk on all pledged bank deposits, time deposits with original maturity over three months and cash and cash equivalents of the Group is minimised as the funds are placed with major banks located in Hong Kong and the PRC respectively.

###### (ii) Impairment of financial assets

Impairment of financial assets of the Group are assessed using the expected credit loss model.

###### Trade receivables

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

###### (i) 風險管理

為降低信貸風險，本集團成立了一個小組負責確定信用額度並進行信用審批。在接受任何新客戶之前，本集團會使用內部信用系統評估潛在客戶之信用質量並按客戶設定信用額度。本集團每年對客戶之信用額度進行一次覆核且執行其他監控程序以確保採取必要之措施回收逾期債務。就此，董事認為本集團所承擔之信貸風險已經大為降低。

本集團所有已抵押銀行存款、原存款期超過三個月之定期存款以及現金及現金等值物之信貸風險均屬極微，因該等資金分別存於香港及中國之主要銀行。

###### (ii) 財務資產減值

本集團財務資產之減值採用預期信貸虧損模式評估。

###### 應收貿易賬項

本集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損，並就全部應收貿易賬項使用可使用年期內之預期虧損撥備。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

###### (ii) Impairment of financial assets (continued)

Trade receivables (continued)

To measure the lifetime expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2019 or 1 January 2019 respectively and the corresponding historical credit losses experienced within this period. 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 following table presents the gross carrying amount and the lifetime expected credit loss in respect of individually assessed trade receivables as at 31 December 2019 and 2018:

		<b>As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元</b>	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Gross carrying amount	賬面總值	<b>211,680</b>	217,453
Lifetime expected credit loss	可使用年期內之 預期信貸虧損	<b>(211,680)</b>	(217,453)
Net carrying amount	賬面淨值	-	-

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

###### (ii) 財務資產減值(續)

應收貿易賬項(續)

為計量可使用年期內之預期信貸虧損，應收貿易賬項根據共同信貸風險特徵及過期日數予以分類。預期虧損率乃按分別於二零一九年十二月三十一日或二零一九年一月一日前36個月期間銷售之付款情況及於本期間內出現之相應過往信貸虧損為基準計算，並對過往虧損率作出調整，以反映影響客戶結算應收款項能力之宏觀經濟因素之當前及前瞻性資料。

下表呈列於二零一九年及二零一八年十二月三十一日有關個別評估應收貿易賬項之賬面總值及可使用年期內之預期信貸虧損：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

###### (ii) Impairment of financial assets (continued)

Trade receivables (continued)

The following table presents the gross carrying amount and the provision for impairment loss in respect of collectively assessed trade receivables as at 31 December 2019 and 2018:

		As at 31 December 2019 於二零一九年十二月三十一日			
		Lifetime expected credit loss rate 可使用年期內之預期信貸虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Lifetime expected credit loss 可使用年期內之預期信貸虧損 HK\$'000 千港元	Net carrying amount 賬面淨值 HK\$'000 千港元
<b>Ageing category</b>	<b>賬齡類別</b>				
1 to 3 months	1至3個月	0.00%	490,613	-	490,613
4 to 6 months	4至6個月	0.00%	-	-	-
			<b>490,613</b>	<b>-</b>	<b>490,613</b>

		As at 31 December 2018 於二零一八年十二月三十一日			
		Lifetime expected credit loss rate 可使用年期內之預期信貸虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Lifetime expected credit loss 可使用年期內之預期信貸虧損 HK\$'000 千港元	Net carrying amount 賬面淨值 HK\$'000 千港元
<b>Ageing category</b>	<b>賬齡類別</b>				
1 to 3 months	1至3個月	0.00%	382,432	-	382,432
4 to 6 months	4至6個月	0.00%	287,405	-	287,405
			<b>669,837</b>	<b>-</b>	<b>669,837</b>

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

###### (ii) 財務資產減值(續)

應收貿易賬項(續)

下表呈列於二零一九年及二零一八年十二月三十一日有關共同評估應收貿易賬項之賬面總值及減值虧損撥備：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

###### (ii) Impairment of financial assets (continued)

###### Trade receivables (continued)

Expected credit loss is close to zero as the trade receivables have no recent history of default, the impact of the expected loss from collectively assessed trade receivables to be immaterial.

Impairment losses on trade receivables are presented as “net impairment losses on financial assets” in the consolidated statement of profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against the same line item.

Management has assessed and is of the opinion that there is no loss allowance for cash and cash equivalents, bills receivables and other financial assets measured at amortised cost as at 31 December 2019 (2018: same).

##### (c) Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities. The Group is exposed to liquidity risk in respect of settlement of trade payables and its financing obligations, and also in respect of its cash flow management. The Group’s objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and long term.

The Group manages its liquidity needs by carefully monitoring expected payments for potential investments as well as cash-outflows due in day-to-day business. Liquidity needs are monitored on a day-to-day basis. Long-term liquidity needs for a 360-day lookout periods are identified on a monthly basis.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

###### (ii) 財務資產減值(續)

###### 應收貿易賬項(續)

由於應收貿易賬項最近並無違約記錄，且來自共同評估應收貿易賬項之預期虧損影響輕微，故預期信貸虧損近乎零。

應收貿易賬項之減值虧損乃於綜合損益表內呈列為「財務資產減值虧損淨額」。倘應收貿易賬項未能收回，乃與應收貿易賬項之撥備賬撇銷。其後收回先前撇銷之金額乃計入相同項目內。

管理層已評估並認為於二零一九年十二月三十一日，並無就現金及現金等值物、應收票據及按攤銷成本計量之其他財務資產計提虧損撥備(二零一八年：相同)。

##### (c) 流動資金風險

流動資金風險與本集團無法履行其財務負債相關責任之風險有關。本集團面對償付應付貿易賬項及其融資責任以及其現金流量管理有關之流動資金風險。本集團之目標為將流動資產及資金承擔維持於合適水平，以應付其短期及長期流動資金需求。

本集團於日常業務中謹慎監察潛在投資及現金流出之預期付款，以管理其流動資金需要。本集團按日監察其流動資金需要。另每月釐定為期360日之長期流動資金需要。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (c) Liquidity risk (continued)

The Group maintains mainly cash to meet its liquidity requirements for up to 30-day periods, funding for long-term liquidity needs will be considered when there is any potential investment identified.

The following tables details the remaining contractual maturities at the reporting dates of non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payment computed using contractual rate or, if floating, based on current rates at the reporting date) and the earliest date the Group can be required to pay:

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動資金風險(續)

本集團主要維持現金以應付未來30日期間之流動資金所需，並將於識別潛在投資時考慮為長期流動資金需要籌集資金。

下表載列非衍生財務負債於報告日期之剩餘合約期限，乃根據合約未貼現現金流量(包括按合約利率計算或(倘為浮息)按報告日期現行利率計算之利息付款)以及本集團可被要求付款之最早日期計算：

		Carrying amount	Total contractual undiscounted cash flow	Within one year or on demand
		賬面值	合約未貼現金流量總額	一年內或按要求
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
<b>As at 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>			
<b>Non-derivative financial liabilities:</b>	<b>非衍生財務負債：</b>			
Trade and bills payables	應付貿易賬項及應付票據	652,566	652,566	652,566
Leased liabilities	租賃負債	28,060	38,222	7,119
Other financial liability	其他財務負債	178,200	178,200	178,200
Other payables and accruals	其他應付款項及應計費用	803,420	803,420	803,420
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益款項	98,158	98,158	98,158
		<b>1,760,404</b>	<b>1,770,566</b>	<b>1,739,463</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

### 3. 財務風險管理(續)

#### 3.1 Financial risk factors (continued)

#### 3.1 財務風險因素(續)

##### (c) Liquidity risk (continued)

##### (c) 流動資金風險(續)

		Carrying amount	Total contractual undiscounted cash flow 合約未貼現現金流量總額	Within one year or on demand 一年內或按需求
		賬面值 HK\$'000 千港元	現金流量總額 HK\$'000 千港元	或按需求 HK\$'000 千港元
As at 31 December 2018	於二零一八年十二月三十一日			
Non-derivative financial liabilities:	非衍生財務負債：			
Trade and bills payables	應付貿易賬項及應付票據	834,903	834,903	834,903
Other financial liability	其他財務負債	178,358	178,358	178,358
Other payables and accruals	其他應付款項及應計費用	807,518	807,518	807,518
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益款項	72,228	72,228	72,228
		1,893,007	1,893,007	1,893,007

#### 3.2 Capital management

#### 3.2 資本管理

The Group's objectives when managing capital are:

本集團之管理資本目的為：

- To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns for shareholders and benefits for other stakeholders;
- To support the Group's ability and growth; and
- To provide capital for the purpose of strengthening the Group's risk management capability.

- 確保本集團繼續有能力以持續基準經營，以繼續向股東提供回報並為其他持份者帶來利益；
- 支持本集團之能力及增長；及
- 提供資金以加強本集團之風險管理能力。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.2 Capital management (continued)

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Details of the Group's dividend policy is disclosed under the heading "Dividend Policy" in the Director's report. Management regards total equity, including its reserves, as capital which was amounted to HK\$17,046,312,000 (2018: HK\$16,775,806,000) as at 31 December 2019, for capital management purpose.

The Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. For this purpose, the Group defines net debts as total debt plus unaccrued proposed dividends, less time deposits with original maturity over three months and cash and cash equivalents. Adjusted capital comprises all components of equity and less unaccrued proposed dividends.

During the year, the Group's strategy, was to maintain the net debt-to-adjusted capital ratio at the minimal level. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt. As at 31 December 2019, the Group does not have any debt (2018: nil) and the Group's adjusted cash position (which include cash and cash equivalents and time deposits with original maturity over three months less proposed final dividend) is HK\$4,300,624,000 (2018: HK\$3,856,679,000).

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.2 資本管理(續)

本集團積極及定期檢討及管理其資本架構，以確保維持最佳資本架構及權益持有人之回報。考慮的因素為本集團日後之資金需要及資本效益、當時及預測盈利能力、預測經營現金流量、預測資本開支及預測策略投資機會。有關本集團股息政策之詳情於董事會報告「股息政策」一節中披露。就資本管理而言，於二零一九年十二月三十一日，管理層將權益總值(包括其儲備)視為資本共17,046,312,000港元(二零一八年：16,775,806,000港元)。

本集團按債務淨額對經調整資本之比率監察其資本架構。就此而言，本集團之債務淨額界定為債務總額加非應計擬派股息，減原存款期超過三個月之定期存款以及現金及現金等值物。經調整資本包括權益之所有組成部分，並減去非應計擬派股息。

於年內，本集團之策略是將債務淨額對經調整資本之比率維持在最低水平。為了維持或調整該比率，本集團可能會調整支付予股東之股息金額、發行新股份、向股東退還資本、籌集新債務融資或出售資產以減少債務。於二零一九年十二月三十一日，本集團並無任何債務(二零一八年：無)及本集團之經調整現金狀況(其中包括現金及現金等值物及原存款期超過三個月之定期存款減建議末期股息)為4,300,624,000港元(二零一八年：3,856,679,000港元)。

本公司或其任何附屬公司均不受限於外部施加之資本規定。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.3 公平值估計

下表提供按公平值列賬財務工具根據公平值層級之分析：

- 第1層：相同資產及負債於活躍市場之報價(未作調整)；
- 第2層：就資產或負債而直接(即價格)或間接(即從價格推衍)可觀察之資料輸入(不包括第1層所包含之報價)；及
- 第3層：並非根據可觀察之市場數據而有關資產或負債之資料輸入(無法觀察之資料輸入)。

整項財務資產或負債所歸入之公平值層級，乃基於對公平值計量具有重大意義之最低層次資料輸入。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

### 3. 財務風險管理(續)

#### 3.3 Fair value estimation (continued)

#### 3.3 公平值估計(續)

The financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

於綜合財務狀況表內按公平值計量之財務資產及負債乃劃分為以下之公平值層級：

		2019 二零一九年			
	Notes 附註	Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Financial assets measured at fair value through other comprehensive income	按公平值計入其他全面收益之財務資產				
- Listed equity securities	- 上市股本證券 3.3(a)	1,083,903	-	-	1,083,903
- Unlisted equity securities	- 非上市股本證券 3.3(b)	-	-	-	-
		<b>1,083,903</b>	<b>-</b>	<b>-</b>	<b>1,083,903</b>
Financial liabilities	財務負債				
- Derivative financial instruments	- 衍生財務工具 3.3(c)	-	5,117	-	5,117
		<b>-</b>	<b>5,117</b>	<b>-</b>	<b>5,117</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

		2018 二零一八年			
		Level 1 第1層	Level 2 第2層	Level 3 第3層	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Notes 附註					
Financial assets measured at fair value through other comprehensive income	按公平值計入其他全面收益之財務資產				
- Listed equity securities	- 上市股本證券	3.3(a)	654,053	-	-
- Unlisted equity securities	- 非上市股本證券	3.3(b)	-	-	-
			654,053	-	-
					654,053

There were no transfers between levels during both years.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to previous reporting periods.

#### (a) Listed equity securities

The listed equity securities are denominated in AUD and HK\$. Fair values have been determined by reference to their quoted prices at the reporting date and have been translated using the spot foreign currency rates at the end of the reporting period where appropriate.

#### (b) Unlisted equity securities

The fair value of unlisted equity securities included in level 3 approximates zero.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.3 公平值估計(續)

		2018 二零一八年			
		Level 1 第1層	Level 2 第2層	Level 3 第3層	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Notes 附註					
Financial assets measured at fair value through other comprehensive income	按公平值計入其他全面收益之財務資產				
- Listed equity securities	- 上市股本證券	3.3(a)	654,053	-	-
- Unlisted equity securities	- 非上市股本證券	3.3(b)	-	-	-
			654,053	-	-
					654,053

於該兩年期間內，層級之間概無轉移。

用於計量公平值之方法及估值技術與以往報告期間相比並無改變。

#### (a) 上市股本證券

上市股本證券乃以澳元及港元計值。公平值乃參考彼等於報告日期之報價而釐定，並以報告期末之現貨匯率換算(如適用)。

#### (b) 非上市股本證券

包含在第3層之非上市股本證券之公平值接近零。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### (c) Derivative financial instruments

The fair value of derivative financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The derivative financial instruments in level 2 comprise forward currency contracts classified as financial liabilities at fair value through profit or loss.

Specific valuation techniques used to value derivative financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments; and
- the fair value of foreign exchange forward contracts is determined using forward exchange market rates at the end of the reporting period.

As at 31 December 2019, the notional principal amounts of the outstanding forward currency contracts are to sell US\$ and purchase HK\$ at fixed rates at specific dates. The notional principal amounts of the outstanding foreign exchange forward contracts as at 31 December 2019 amounted to approximately US\$104,624,000 (equivalent to approximately HK\$810,837,000) (2018: nil).

Financial instruments not measured at fair value include trade and bills receivables, other receivables, other financial asset, bank balances and cash, amounts due to non-controlling interests of subsidiaries, trade and bills payables, other payables and accruals and other financial liability.

The fair values of these financial instruments measured at amortised cost approximate their carrying amounts.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 3. 財務風險管理(續)

#### 3.3 公平值估計(續)

##### (c) 衍生財務工具

並無於活躍市場買賣之衍生財務工具(例如場外衍生工具)公平值乃運用估值技術釐定，有關估值技術會盡量使用可觀察市場數據，而盡可能避免依賴實體特定估計。倘可觀察到工具公平值所需之所有重要資料輸入，則該工具列為第2層。第2層內之衍生財務工具包括分類為按公平值計入損益之財務負債之遠期貨幣合約。

用以為衍生財務工具進行估值之特定估值技術包括：

- 就相似工具使用市場報價或交易商報價；及
- 於報告期末使用遠期匯率釐定外匯遠期合約之公平值。

於二零一九年十二月三十一日，尚未結算遠期貨幣合約之名義本金額乃於特定日期按固定匯率賣出美元及買入港元。於二零一九年十二月三十一日，尚未結算外匯遠期合約之名義本金額約為104,624,000美元(相當於約810,837,000港元)(二零一八年：無)。

不按公平值計量之財務工具包括應收貿易賬項及應收票據、其他應收款項、其他財務資產、銀行結餘及現金、應付附屬公司非控股權益款項、應付貿易賬項及應付票據、其他應付款項及應計費用以及其他財務負債。

該等按攤銷成本計量之財務工具之公平值接近其賬面值。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### 4.1 Impairment of non-financial assets

The Group assesses impairment on property, plant and equipment, land use rights and mining rights at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates and assumptions about future events, which are subject to uncertainty and might materially differ from the actual results. In making these key estimates and judgements, the directors take into consideration assumptions that are mainly based on market condition existing at the reporting dates and appropriate market and discount rates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 4. 重要會計估計及判斷

本公司根據過往經驗及其他因素(包括於有關情況下相信為對未來事件之合理預期)持續評估估計及判斷。

本集團就未來作出估計及假設。顧名思義，由此得出之會計估計甚少等同相關實際結果。很可能導致需於下一個財政年度對資產及負債賬面值作出重大調整之估計及假設，討論如下：

#### 4.1 非財務資產減值

於各報告日期，本集團藉分析可能導致本集團資產減值之情形評定物業、廠房及設備、土地使用權及採礦權之減值。如發現減值跡象，則評定該資產之可收回金額。在評估可收回金額計算使用價值時，需就未來事件作出多項不可確定之重要估計及假設，其可能與實際結果出現重大差異。於作出有關重要估計及判斷時，董事考慮主要根據於報告日期當時市況及合適之市場及貼現率作出之假設。有關估計會定期與實際市場數據及本集團訂立之實際交易作出比較。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### 4.2 Impairment of goodwill

The Group tests on an annual basis whether goodwill has suffered any impairment in accordance with the accounting policy as stated in note 2.9. The recoverable amounts of CGUs have been determined based on value-in-use calculations. These calculations require the use of judgement and estimates about future cash flow expected to arise from the CGUs, the timeframe for the cash flows forecast and the suitable discount rates in order to calculate the present value. In the process of estimating expected future cash flows, management makes assumptions about future revenues and profits. These assumptions relate to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of goodwill within the next financial year. Determining the appropriate discount rate involves estimating the appropriate adjustment for market risk and asset specific risk factors. In addition, since the cash flow projections are extrapolated beyond 5 years and the remaining license period of the mining rights held by the Group ranges from 13 to 23 years, management is of the opinion that the Group is able to renew the license of the mining rights from the relevant authority continuously and at minimal charges. Details of impairment assessment are set out in note 19.

#### 4.3 Amortisation of mining rights

Mining rights are amortised over the estimated total proven and probable reserves of the coal mines using units of production method. The Group assesses on an annual basis the estimated reserve of the coal mine. However, the remaining license period of the mining rights held by the Group range from 13 to 23 years which are shorter than the estimated useful lives of the coal mine estimated by the Group. Management is of the opinion that the Group is able to renew the license of the mining rights from the relevant authority continuously and at minimal charges. If the expectation differs from the original estimate, such differences will impact the amortisation charged in the period in which such estimate is changed.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 4. 重要會計估計及判斷(續)

#### 4.2 商譽減值

本集團根據附註2.9所述之會計政策，每年測試商譽是否有任何減值。現金產生單位之可收回金額乃按使用價值計算方法釐定。此等計算需要就預期產生自現金產生單位之未來現金流量、現金流量預測之時間範圍及合適貼現率作出判斷及估計以計算現值。於估計預期未來現金流量時，管理層會對未來收益及溢利作出假設。該等假設與未來事件及狀況有關，而實際結果或會不同，並可能導致下一個財政年度商譽之賬面值須作出大幅調整。釐定合適之貼現率涉及估計市場風險及資產特定風險因素之合適調整。此外，由於已推斷出超過5年期間之現金流量預測，而本集團持有之採礦權許可證剩餘期限介乎13至23年不等，管理層認為，本集團能繼續以最低費用向有關當局重續採礦權許可證。減值評估之詳情載於附註19。

#### 4.3 採礦權攤銷

採礦權採用生產單位法就煤礦估計總探明及可能之煤炭儲量作出攤銷。本集團每年評估煤礦之估計儲量。然而，本集團所持採礦權許可證剩餘期限介乎13至23年，較本集團估計之煤礦可使用年期為短。管理層認為，本集團能繼續以最低費用向有關當局重續採礦權許可證。倘預期與原來估計有別，有關差異將影響估計出現變動期間之攤銷。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### 4.3 Amortisation of mining rights (continued)

Engineering estimates of the Group's coal reserves involved subjective judgements by engineers in developing such information and reserves are estimated in accordance with national standards set by relevant PRC authorities. Estimates of proven and probable coal reserves involved subjective judgements and assumption are required for a range of geological, technical and economic factors, so the proven and probable coal reserves are only approximate values. The recent production and technology documents shall be considered for the estimates of proven and probable coal reserves which will be updated regularly, the inherent inaccuracy of technical estimating exists. If the past estimates change significantly, the amortisation shall be adjusted during future periods.

### 5. REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION

The Group's principal activities are disclosed in note 1. Revenue from contracts with customers, which is also the Group's turnover, represents the sales value of coking coal products in the ordinary course of businesses which are recognised at a point in time. Revenue recognised is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Sales of raw coking coal	原焦煤銷售	107,190	592,720
Sales of clean coking coal	精焦煤銷售	3,762,118	3,093,456
		<b>3,869,308</b>	3,686,176

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 4. 重要會計估計及判斷(續)

#### 4.3 採礦權攤銷(續)

本集團煤炭儲量之工程估計涉及工程師在編製該等資料時作出之主觀判斷，而儲量乃按中國有關當局制訂之國家標準估計。探明及可能之煤炭儲量之估計涉及主觀判斷和假設，該等估計是為一系列地質、技術和經濟因素所需，因此探明及可能之煤炭儲量僅為概約值。於就探明及可能之煤炭儲量作出估計過程中將考慮近期之生產及技術資料，而此等資料將定期更新，且技術估計存在固有之不精確性。如過往之估計出現重大改變，將須於未來期間對攤銷作出調整。

### 5. 來自客戶合約收益及分部資料

本集團之主要業務於附註1披露。來自客戶合約收益亦即本集團之營業額，指在特定時點確認於日常業務過程中銷售焦煤產品之銷售價值。收益確認如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 5. REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (continued)

The executive directors have been identified as the chief operating decision-maker of the Company. The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major product lines. The Group has identified one reportable segment as follows:

Coking coal mining: Mining and exploration of coal resources and production of raw and clean coking coal in the PRC

The executive directors regard the Group's business as a single operating segment and review financial information accordingly. Therefore, no segment information is presented. The executive directors primarily use a measure of profit before income tax to assess the performance of the operating segment.

The Group's revenue from external customers and its non-current assets (other than financial instruments and deferred tax assets) are divided into the following geographical areas:

### 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 5. 來自客戶合約收益及分部資料(續)

執行董事為本公司主要營運決策者。本集團根據定期向執行董事報告以供彼等決定本集團業務部門資源分配及審閱該等部門表現之內部財務資料劃分經營分部及編製分部資料。向執行董事報告之內部財務資料內之業務部門，乃按本集團主要產品劃分。本集團劃分一個呈報分部如下：

焦煤開採：於中國開採及勘探煤炭資源以及生產原焦煤及精焦煤

執行董事視本集團業務為單一經營分部，並據此審閱財務資料。因此，並無呈列分部資料。執行董事主要使用除所得稅前溢利來評估經營分部之表現。

本集團按地區劃分之對外客戶收益及其非流動資產(財務工具及遞延稅項資產除外)如下：

		Revenue from external customers 對外客戶收益		Non-current assets 非流動資產	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Principal markets</b>	<b>主要市場</b>				
PRC	中國	<b>3,869,308</b>	3,686,176	<b>12,904,496</b>	13,178,829
Hong Kong	香港	-	-	<b>3,835</b>	116
		<b>3,869,308</b>	3,686,176	<b>12,908,331</b>	13,178,945

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 5. REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (continued)

Geographical location of customers is based on the location at which the goods were delivered whilst geographical location of non-current assets is based on the physical location of the assets.

During the year, revenue from customers over 10% of the Group's coking coal mining segment amounted to HK\$1,187,334,000 and HK\$992,960,000, which represented 31% and 26% of the Group's revenue. In last year, the respective revenue from customers over 10% of the Group's coking coal mining segment amounted to HK\$892,739,000, HK\$826,383,000 and HK\$471,557,000, which represented 24%, 22% and 13% of the Group's revenue.

### 6. OTHER INCOME AND GAINS/(LOSSES), NET

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 5. 來自客戶合約收益及分部資料(續)

客戶地區乃按交付貨品之地點釐定，而非流動資產地區乃按資產之實際所在地釐定。

於年內，來自本集團焦煤開採分部多於10%收益之客戶分別為1,187,334,000港元及992,960,000港元，分別佔本集團收益31%及26%。於去年，來自本集團焦煤開採分部多於10%收益之客戶分別為892,739,000港元、826,383,000港元及471,557,000港元，分別佔本集團收益24%、22%及13%。

### 6. 其他收入及收益／(虧損)，淨額

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Dividend income	股息收入	56,022	36,624
Income from sales of by-products	出售副產品之收入	55,596	26,579
Net foreign exchange loss	外幣匯兌虧損淨額	(16,857)	(28,164)
Others	其他	4,814	751
		<b>99,575</b>	35,790

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 7. OTHER OPERATING EXPENSES

### 7. 其他營運開支

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Written off of property, plant and equipment (Note)	物業、廠房及設備之撇銷(附註)	128,784	-
Loss on disposals of property, plant and equipment	出售物業、廠房及設備之虧損	14,182	3,427
Others	其他	3,510	3,010
		<b>146,476</b>	<b>6,437</b>

Note: Upon the commencement of trial production of the lower coal seam of Jinjiazhuang Coal Mine, the well entrance of the upper coal seam was closed down in May 2019. Thus, the net carrying amount of the related underground mining structures of the upper coal seam were written off during the year ended 31 December 2019.

附註：當金家莊煤礦之下組煤開始進入聯合試運轉，其上組煤井口於二零一九年五月關閉。因此，截至二零一九年十二月三十一日止年度，上組煤之相關井下礦場建築物之賬面淨值需予以撇銷。

### 8. FINANCE COSTS

### 8. 財務成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest charged on discounted bills receivables	貼現應收票據之利息費用	3,502	-
Interest expense on lease liabilities (note 17(ii))	租賃負債之利息開支(附註17(ii))	1,410	-
		<b>4,912</b>	<b>-</b>

No borrowing costs were capitalised for the years ended 31 December 2019 and 2018.

截至二零一九年及二零一八年十二月三十一日止年度，並無借貸成本已撥充資本。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 9. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:	
Auditor's remuneration	
– audit services	
– other services	
Cost of inventories sold	
Amortisation of:	
– prepaid lease payments (note 16)	
– land use rights (note 16)	
– mining rights (note 18)	
Depreciation of:	
– property, plant and equipment (note 15)	
– right-of-use assets (note 17(ii))	
Staff costs (including directors' emoluments) (note 13)	

除所得稅前溢利已扣除：	
核數師酬金	
– 核數服務	
– 其他服務	
銷售存貨成本	
攤銷：	
– 預付租賃款項(附註16)	
– 土地使用權(附註16)	
– 採礦權(附註18)	
折舊：	
– 物業、廠房及設備(附註15)	
– 使用權資產(附註17(ii))	
員工成本(包括董事酬金)(附註13)	

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
1,600	1,550
414	542
1,880,565	1,785,634
–	1,778
1,781	–
195,429	153,437
243,178	232,613
5,162	–
675,579	611,816

### 10. INCOME TAX EXPENSE

Current tax – PRC income tax	
– Current year	
– Over provision in respect of prior years	
Deferred tax (note 32)	
– Current year	

即期稅項 – 中國所得稅	
– 本年度	
– 過往年度超額撥備	
遞延稅項(附註32)	
– 本年度	

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
496,406	463,525
(1,000)	(753)
(38,732)	25,009
456,674	487,781

### 10. 所得稅費用

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 10. INCOME TAX EXPENSE (continued)

No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Group had no assessable profits arising in Hong Kong for 2019 and 2018.

In accordance with the Income Tax Law of the PRC for Enterprises with Foreign Investment, the Group's major operating subsidiaries, namely Shanxi Liulin Xingwu Coal Co., Limited ("Xingwu"), Shanxi Liulin Jinjiazhuang Coal Co., Limited ("Jinjiazhuang") and Shanxi Liulin Zhaiyadi Coal Co., Limited ("Zhaiyadi"), all established in the PRC, are subject to 25% enterprise income tax in the PRC.

The Group is also subject to withholding tax at the rate of 5% (2018: 5%) on the distributions of profits generated from the Group's major PRC subsidiaries which are directly owned by the Group's subsidiaries incorporated in Hong Kong.

Reconciliation between income tax expense and accounting profit at applicable tax rates is as follows:

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 10. 所得稅費用(續)

由於二零一九年及二零一八年本集團在香港並無產生應課稅溢利，故未有於綜合財務報表就香港利得稅作出撥備。

根據有關外資企業之中國所得稅法，本集團於中國成立之主要營運之附屬公司(即山西柳林興無煤礦有限責任公司(「興無」)、山西柳林金家莊煤業有限公司(「金家莊」)及山西柳林寨崖底煤業有限公司(「寨崖底」))之中國企業所得稅率均為25%。

本集團亦須就由本集團在香港註冊成立之附屬公司直接擁有之本集團主要中國附屬公司所產生之可分派溢利繳納5%(二零一八年：5%)之預扣稅。

所得稅費用與按適用稅率計算之會計溢利調節如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,632,815	1,639,709
Tax calculated at the rates applicable to the tax jurisdiction concerned	按所屬稅務司法權區適用之稅率計算之稅項	385,002	390,304
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	32,184	21,063
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(15,466)	(14,552)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	9,068	26,305
Utilisation of tax loss not recognised	動用未確認稅務虧損	(2,345)	-
Effect of withholding tax at 5% on distributable profits of the Group's major PRC subsidiaries	本集團主要中國附屬公司之可分派溢利繳納5%預扣稅之影響	49,231	65,414
Over provision in respect of prior years	過往年度超額撥備	(1,000)	(753)
Income tax expense	所得稅費用	456,674	487,781

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 11. DIVIDENDS

### 11. 股息

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Dividends recognised as distributions during the year:	於年內確認分派之股息：		
No 2018 special dividend (2018: 2017 special dividend of HK6.3 cents per ordinary share)	二零一八年無特別股息 (二零一八年：二零一七年特別股息每股普通股6.3港仙)	-	334,016
2018 final dividend of HK8.5 cents (2018: 2017 final dividend of HK7.2 cents) per ordinary share	二零一八年末期股息每股普通股8.5港仙(二零一八年：二零一七年末期股息7.2港仙)	<b>450,656</b>	381,732
2019 interim dividend of HK8.5 cents (2018: 2018 interim dividend of HK8.3 cents) per ordinary share	二零一九年中期股息每股普通股8.5港仙(二零一八年：二零一八年中期股息8.3港仙)	<b>450,656</b>	440,053
		<b>901,312</b>	1,155,801

On 26 March 2020, the Board proposed a final dividend of HK8.7 cents per ordinary share totalling HK\$461,260,000 to the owners of the Company in respect of the year ended 31 December 2019. The final dividend is subject to the shareholder's approval at the forthcoming annual general meeting. The final dividend proposed after 31 December 2019 has not been recognised as a liability as at 31 December 2019.

於二零二零年三月二十六日，董事會建議向本公司擁有人派發截至二零一九年十二月三十一日止年度末期股息每股普通股8.7港仙，合共461,260,000港元。該末期股息須待於即將舉行之股東週年大會上提呈股東批准。於二零一九年十二月三十一日後擬派之末期股息於二零一九年十二月三十一日並未確認為負債。

On 21 March 2019, the Board proposed a final dividend of HK8.5 cents per ordinary share totalling HK\$450,656,000 to the owners of the Company in respect of the year ended 31 December 2018. The final dividend was approved by shareholders at the annual general meeting held on 16 May 2019 and was paid on 11 July 2019. The final dividend proposed after 31 December 2018 has not been recognised as a liability as at 31 December 2018.

於二零一九年三月二十一日，董事會建議向本公司擁有人派發截至二零一八年十二月三十一日止年度末期股息每股普通股8.5港仙，合共450,656,000港元。該末期股息已於二零一九年五月十六日召開之股東週年大會上獲股東批准，並於二零一九年七月十一日支付。於二零一八年十二月三十一日後擬派之末期股息於二零一八年十二月三十一日並未確認為負債。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 12. EARNINGS PER SHARE

The calculations of basic and diluted earnings per share to owners of the Company are based on the following data:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit used to determine basic and diluted earnings per share	用作釐定每股基本及攤薄盈利之溢利	1,140,413	1,100,488
		'000 shares 千股	'000 shares 千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	計算每股基本及攤薄盈利之普通股加權平均數	5,301,837	5,301,837

Basic earnings per share is HK21.51 cents (2018: HK20.76 cents), based on the profit for the year attributable to owners of the Company of HK\$1,140,413,000 (2018: HK\$1,100,488,000) and weighted average number of ordinary shares as set out above for basic earnings per share.

No share options had been granted under the 2012 share option scheme since its adoption. Accordingly, as at 31 December 2019 and 2018, there was no share option outstanding and the Company did not have any dilutive potential ordinary shares during years ended 31 December 2019 and 2018.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 12. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃按下列數據計算：

基於本公司擁有人應佔年度溢利1,140,413,000港元(二零一八年：1,100,488,000港元)及上述計算每股基本盈利所使用之普通股加權平均數計算，每股基本盈利為21.51港仙(二零一八年：20.76港仙)。

自二零一二年購股權計劃獲採納以來概無據此授出任何購股權。因此，於二零一九年及二零一八年十二月三十一日，並無任何尚未行使之購股權，而本公司於截至二零一九年及二零一八年十二月三十一日止年度內並無任何具潛在攤薄影響力之普通股。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 13. STAFFS COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

### 13. 員工成本(包括董事酬金)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, wages and allowances	薪金、工資及津貼	625,536	607,922
Reversal for unused annual leaves	回撥未動用年假	(496)	(29)
Retirement benefits scheme contributions	退休福利計劃供款	86,764	101,820
		<b>711,804</b>	709,713
Less: capitalised in CIP	減：於在建工程內撥充資本	<b>(36,225)</b>	(97,897)
Total staff costs charged in profit or loss	於損益內扣除之總員工成本	<b>675,579</b>	611,816

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

#### Directors' emoluments

The emoluments paid or payable to each of the directors were as follows:

### 14. 董事及高級管理人員酬金

#### 董事酬金

已付或應付各董事之酬金如下：

		2019 二零一九年					2018 二零一八年				
		Salaries, allowances and benefits		Retirement benefits scheme		Total	Salaries, allowances and benefits		Retirement benefits scheme		Total
		Fees	Bonuses	contributions			Fees	Bonuses	contributions		
		薪金、津貼及袍金	實物福利	花紅	退休福利計劃供款	總額	薪金、津貼及袍金	實物福利	花紅	退休福利計劃供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>Executive directors</b>	<b>執行董事</b>										
Mr. Ding Rucai	丁汝才先生	-	3,120	-	18	3,138	-	2,790	-	18	2,808
Mr. Fan Wenli <sup>1</sup>	范文利先生 <sup>1</sup>	-	460	-	-	460	-	-	-	-	-
Mr. Li Shaofeng <sup>2</sup>	李少峰先生 <sup>2</sup>	-	4,500	-	15	4,515	-	5,400	-	18	5,418
Mr. So Kwok Hoo	蘇國豪先生	-	3,000	500	263	3,763	-	3,000	500	263	3,763
Mr. Chen Zhaoqiang	陳兆強先生	-	2,640	1,100	231	3,971	-	2,640	880	176	3,696
Mr. Liu Qingshan	劉青山先生	-	2,400	1,400	285	4,085	-	2,400	800	160	3,360
<b>Non-executive directors</b>	<b>非執行董事</b>										
Ms Chang Cun <sup>5</sup>	常存女士 <sup>5</sup>	420	-	-	-	420	210	-	-	-	210
Mr. Shi Yubao <sup>3</sup>	時玉寶先生 <sup>3</sup>	140	-	-	-	140	-	-	-	-	-
Mr. Leung Shun Sang, Tony <sup>4</sup>	梁順生先生 <sup>4</sup>	158	-	-	-	158	420	-	-	-	420
Mr. Dong Yansheng <sup>6</sup>	董燕生先生 <sup>6</sup>	-	-	-	-	-	210	-	-	-	210
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>										
Mr. Kee Wah Sze	紀華士先生	420	-	-	-	420	420	-	-	-	420
Mr. Choi Wai Yin	蔡偉賢先生	420	-	-	-	420	420	-	-	-	420
Mr. Chan Pat Lam	陳柏林先生	420	-	-	-	420	420	-	-	-	420
Mr. Japhet Sebastian Law	羅文鈺先生	420	-	-	-	420	420	-	-	-	420
		<b>2,398</b>	<b>16,120</b>	<b>3,000</b>	<b>812</b>	<b>22,330</b>	<b>2,520</b>	<b>16,230</b>	<b>2,180</b>	<b>635</b>	<b>21,565</b>

- <sup>1</sup> appointed with effect from 1 November 2019
- <sup>2</sup> resigned with effect from 1 November 2019
- <sup>3</sup> appointed with effect from 1 September 2019
- <sup>4</sup> retired with effect from 16 May 2019
- <sup>5</sup> appointed with effect from 1 July 2018
- <sup>6</sup> resigned with effect from 1 July 2018

- <sup>1</sup> 自二零一九年十一月一日起獲委任
- <sup>2</sup> 於二零一九年十一月一日辭任
- <sup>3</sup> 自二零一九年九月一日起獲委任
- <sup>4</sup> 於二零一九年五月十六日退任
- <sup>5</sup> 自二零一八年七月一日起獲委任
- <sup>6</sup> 於二零一八年七月一日辭任

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

#### Directors' emoluments (continued)

During the year, Mr. Ding Rucai, chairman of the Board, did not voluntarily waive any part of his salary (2018: HK\$330,000).

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group, or as compensation for loss of office (2018: nil).

During the year, no share options were granted to the directors in respect of their services to the Group (2018: nil). Details of these benefits in kind including the principal terms and number of options granted are disclosed under the heading "Share Option Scheme" in the Directors' report.

#### Five highest paid individuals

The five highest paid individuals in the Group in 2019 and 2018 were all directors of the Company and details of their emoluments are reflected in the analysis presented above.

The emoluments paid or payable to members of senior management are include in the analysis presented above.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 14. 董事及高級管理人員酬金(續)

#### 董事酬金(續)

於年內，董事會主席丁汝才先生並無自願放棄彼之部分薪金(二零一八年：330,000港元)。

於年內，本集團概無向董事支付酬金，作為吸引加盟或加盟本集團時之獎金或作為離職補償(二零一八年：無)。

於年內，並無就董事向本集團提供之服務向彼等授出購股權(二零一八年：無)。該等實物福利之詳情，包括授出購股權之主要條款及數目乃於董事會報告「購股權計劃」一節中披露。

#### 五名最高酬金人員

二零一九年及二零一八年本集團五名最高酬金人員全部為本公司董事，彼等之酬金詳情已於上文之分析中反映。

已付或應付高級管理層成員之酬金已載於上述之分析內。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Buildings and plants	CIP	Mining structures	Mining machinery and equipment	Leasehold improvements	Office equipment, furniture and fixtures	Motor vehicles and transportation equipment	Total
		樓宇及廠房 HK\$'000 千港元	在建工程 HK\$'000 千港元	礦場建築物 HK\$'000 千港元	開採機器及設備 HK\$'000 千港元	租賃物業裝修 HK\$'000 千港元	辦公室設備、傢俬及裝置 HK\$'000 千港元	汽車及運輸設備 HK\$'000 千港元	總額 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日								
Cost	成本值	1,541,531	984,209	978,822	1,492,519	2,965	114,946	61,319	5,176,311
Accumulated depreciation	累計折舊	(554,562)	-	(215,954)	(868,961)	(2,965)	(106,909)	(54,406)	(1,803,757)
Accumulated impairment losses	累計減值虧損	(115,161)	-	(42,810)	(42,810)	-	-	-	(200,781)
Net carrying amount	賬面淨值	871,808	984,209	720,058	580,748	-	8,037	6,913	3,171,773
For the year ended 31 December 2018	截至二零一八年十二月三十一日止年度								
Opening net carrying amount	年初賬面淨值	871,808	984,209	720,058	580,748	-	8,037	6,913	3,171,773
Exchange differences	匯兌差異	(38,371)	(65,970)	(31,456)	(34,919)	-	(450)	(323)	(171,489)
Additions	添置	838	545,318	6,425	286,737	-	4,462	2,025	845,805
Transfers	轉撥	56,901	(74,779)	-	17,878	-	-	-	-
Disposals	出售	(1,672)	-	(748)	(1,486)	-	(6)	(20)	(3,932)
Depreciation (note 9)	折舊(附註9)	(76,870)	-	(36,592)	(114,909)	-	(2,419)	(1,823)	(232,613)
Closing net carrying amount	年終賬面淨值	812,634	1,388,778	657,687	734,049	-	9,624	6,772	3,609,544
At 31 December 2018	於二零一八年十二月三十一日								
Cost	成本值	1,525,188	1,388,778	938,096	1,711,572	2,965	113,872	60,173	5,740,644
Accumulated depreciation	累計折舊	(602,645)	-	(239,552)	(936,666)	(2,965)	(104,248)	(53,401)	(1,939,477)
Accumulated impairment losses	累計減值虧損	(109,909)	-	(40,857)	(40,857)	-	-	-	(191,623)
Net carrying amount	賬面淨值	812,634	1,388,778	657,687	734,049	-	9,624	6,772	3,609,544
For the year ended 31 December 2019	截至二零一九年十二月三十一日止年度								
Opening net carrying amount	年初賬面淨值	812,634	1,388,778	657,687	734,049	-	9,624	6,772	3,609,544
Exchange differences	匯兌差異	(25,199)	(16,714)	(39,487)	(19,197)	-	(445)	(194)	(101,236)
Additions	添置	1,169	435,414	-	124,846	-	10,278	2,097	573,804
Transfers	轉撥	204,463	(1,098,170)	883,061	10,646	-	-	-	-
Disposals	出售	(1,072)	-	-	(17,518)	-	(36)	(89)	(18,715)
Written off (note 7)	撇銷(附註7)	-	-	(126,031)	(2,753)	-	-	-	(128,784)
Depreciation (note 9)	折舊(附註9)	(80,376)	-	(32,680)	(124,767)	-	(3,815)	(1,540)	(243,178)
Closing net carrying amount	年終賬面淨值	911,619	709,308	1,342,550	705,306	-	15,606	7,046	3,691,435
At 31 December 2019	於二零一九年十二月三十一日								
Cost	成本值	1,681,480	709,308	1,547,278	1,670,651	2,965	120,132	58,941	5,790,755
Accumulated depreciation	累計折舊	(662,870)	-	(197,408)	(925,573)	(2,965)	(104,526)	(51,895)	(1,945,237)
Accumulated impairment losses	累計減值虧損	(106,991)	-	(7,320)	(39,772)	-	-	-	(154,083)
Net carrying amount	賬面淨值	911,619	709,308	1,342,550	705,306	-	15,606	7,046	3,691,435



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 15. PROPERTY, PLANT AND EQUIPMENT (continued)

As at 31 December 2019, the Group is still in the process of obtaining the building ownership certificates for certain buildings with net carrying amount of approximately RMB105,430,000 (equivalent to HK\$115,973,000) (2018: RMB113,890,000 (equivalent to HK\$128,695,000)). In the opinion of directors of the Company, the Group has obtained the rights to use the buildings.

### 16. LAND USE RIGHTS/PREPAID LEASE PAYMENTS

The Group's interests in leasehold land and land use rights represent the prepaid lease payments under operating leases.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 15. 物業、廠房及設備(續)

於二零一九年十二月三十一日，本集團仍在為若干賬面淨值約人民幣105,430,000元(相當於115,973,000港元)(二零一八年：人民幣113,890,000元(相當於128,695,000港元))之樓宇申請房屋所有權證。本公司董事認為，本集團已取得有關樓宇之使用權。

### 16. 土地使用權／預付租賃款項

本集團於租賃土地及土地使用權之權益指按經營租賃支付之預付租賃款項。

		Land use rights 土地使用權 HK\$'000 千港元	Prepaid lease payments 預付租賃款項 HK\$'000 千港元
At 1 January 2018:	於二零一八年一月一日：	-	50,781
Addition	添置	-	13,919
Amortisation (note 9)	攤銷(附註9)	-	(1,778)
Exchange differences	匯兌差異	-	(2,860)
At 31 December 2018	於二零一八年十二月三十一日	-	<b>60,062</b>
Reclassification on adoption of HKFRS 16 (note 2.2)	採納香港財務報告準則第16號之重新分類(附註2.2)	<b>60,062</b>	<b>(60,062)</b>
Addition	添置	<b>4,158</b>	-
Amortisation (note 9)	攤銷(附註9)	<b>(1,781)</b>	-
Exchange differences	匯兌差異	<b>(1,667)</b>	-
Closing net carrying amount	年終賬面淨值	<b>60,772</b>	-

During the year, amortisation expense of HK\$1,781,000 (2018: HK\$1,778,000) has been included in general and administrative expenses.

於年內，攤銷開支1,781,000港元(二零一八年：1,778,000港元)已計入一般及行政費用。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### 17. 使用權資產及租賃負債

#### (i) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to the leases in respect of lands and office premises:

#### (i) 於綜合財務狀況表確認之金額

綜合財務狀況表顯示以下有關土地及辦公場地租賃之金額：

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元	1 January 2019 二零一九年 一月一日 HK\$'000 千港元
<b>Right-of-use assets</b>	<b>使用權資產</b>		
Land and office premises	土地及辦公場地	26,076	31,844
<b>Lease liabilities</b>	<b>租賃負債</b>		
Non-current	非流動	20,941	26,028
Current	流動	7,119	5,816
		<b>28,060</b>	<b>31,844</b>

No additions to the right-of-use assets during the year ended 31 December 2019.

截至二零一九年十二月三十一日止年度，概無添置使用權資產。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

### 17. 使用權資產及租賃負債(續)

#### (ii) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to the leases in respect of land and office premises:

#### (ii) 於綜合損益及其他全面收益表確認之金額

綜合損益及其他全面收益表顯示以下有關土地及辦公場地租賃之金額：

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元
Depreciation of right-of-use assets (note 9)	使用權資產折舊(附註9)	5,162
Interest expense on lease liabilities (note 8)	租賃負債之利息開支(附註8)	1,410

The total cash outflow for leases during the year ended 31 December 2019 is HK\$4,527,000.

截至二零一九年十二月三十一日止年度，就租賃之現金流出總額為4,527,000港元。

#### (iii) The Group's leasing activities and how these are accounted for

The Group leases various lands and offices premises. Rental contracts are typically made for fixed periods of 2 to 34 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

#### (iii) 本集團之租賃活動及如何將其入賬

本集團租用多項土地及辦公場地。租用合約通常以固定期限2至34年不等。

租賃條款按個別基準磋商，並包含各項不同條款及條件。除出租人所持有租賃資產之抵押權益外，租賃協議概不施加任何契諾。租賃資產不得用作借款抵押。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 18. MINING RIGHTS

### 18. 採礦權

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Opening net carrying amount	年初賬面淨值	7,751,953	8,275,967
Amortisation (note 9)	攤銷(附註9)	(195,429)	(153,437)
Exchange differences	匯兌差異	(199,861)	(370,577)
Closing net carrying amount	年終賬面淨值	<b>7,356,663</b>	7,751,953
Gross carrying amount	賬面總值	<b>10,372,726</b>	10,655,617
Accumulated amortisation	累計攤銷	<b>(2,372,127)</b>	(2,242,166)
Accumulated impairment losses	累計減值虧損	<b>(643,936)</b>	(661,498)
Net carrying amount	賬面淨值	<b>7,356,663</b>	7,751,953

The estimated remaining useful lives of the mining rights range between 32 years and 41 years based on exploration reports prepared in accordance with the relevant PRC standards.

During the year, amortisation expense of HK\$195,429,000 (2018: HK\$153,437,000) has been included in cost of sales.

按照根據中國相關準則編製之勘探報告，採礦權之估計剩餘可使用年期介乎32年至41年。

於年內，攤銷開支195,429,000港元(二零一八年：153,437,000港元)已計入銷售成本。

### 19. GOODWILL

### 19. 商譽

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Opening net carrying amount	年初賬面淨值	1,255,559	1,314,569
Exchange differences	匯兌差異	(32,784)	(59,010)
Closing net carrying amount	年終賬面淨值	<b>1,222,775</b>	1,255,559
Gross carrying amount	賬面總值	<b>2,114,924</b>	2,147,708
Accumulated impairment losses	累計減值虧損	<b>(892,149)</b>	(892,149)
Net carrying amount	賬面淨值	<b>1,222,775</b>	1,255,559

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 19. GOODWILL (continued)

#### Impairment tests for goodwill

A summary of the goodwill allocation is presented below.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Xingwu	興無	696,994	716,003
Jinjazhuang	金家莊	-	-
Zhaiyadi	寨崖底	505,070	518,845
Jinshan Energy Group Limited ("Jinshan")	山西金山能源有限公司 (「金山」)	20,711	20,711
Net carrying amount at 31 December	於十二月三十一日之 賬面淨值	<b>1,222,775</b>	1,255,559

During the year ended 31 December 2019, no impairment loss was recognised in the consolidated statement of profit or loss and other comprehensive income (2018: nil).

As described in note 4.2, the recoverable amounts of CGUs have been determined based on value-in-use calculations, which are based on certain key assumptions including growth rates and discount rate. The recoverable amounts as at 31 December 2019 were measured by an independent valuer, Asset Appraisal Limited, a member of the Hong Kong Institute of Surveyors.

To determine the recoverable amounts based on value-in-use calculations, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the CGUs.

Cash flows were projected based on the financial budgets prepared by management covering a 5-year period, the cash flows beyond the 5-year period are extrapolated using a steady percentage growth rate below.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 19. 商譽(續)

#### 商譽減值測試

商譽分配之概要如下。

截至二零一九年十二月三十一日止年度，並無於綜合損益及其他全面收益表內確認減值虧損(二零一八年：無)。

誠如附註4.2所述，現金產生單位之可收回金額乃按使用價值計算方法釐定，而使用價值乃根據若干主要假設包括增長率及貼現率。於二零一九年十二月三十一日之可收回金額乃由獨立估值師中誠達資產評估顧問有限公司計量，彼為香港測量師學會之會員。

根據使用價值計算確定可收回金額，估計未來現金流量採用可反映現時市場對金錢時間值及現金產生單位特定風險之評估之稅前貼現率貼現至其現值。

現金流量乃根據管理層以編製之5年財務預算而預測，5年期間以後之現金流量使用下列穩定百分比增長率推算。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 19. GOODWILL (continued)

#### Impairment tests for goodwill (continued)

The remaining license period of the mining rights held by the Group range from 13 to 23 years which are shorter than the estimated useful lives of the coal mines estimated by the Group, management is of the opinion that the Group is able to renew the license of the mining rights from the relevant authority continuously and at minimal charges.

The key assumptions of discounted cash flow models were as follows:

		2019 二零一九年	2018 二零一八年
Growth rates	增長率	-4.49% to +2%	-4.13% to +2%
Discount rate	貼現率	12.44%	13.40%

The annual growth rates applied by management are consistent with those estimated in the industry reports and do not exceed the growth rates of long-term coal prices. The discount rates used by management are the pre-tax interests rates that are able to reflect the risks specific to the related asset groups and consolidation of asset groups.

As at 31 December 2019, management believed that any reasonably foreseeable change in any of above key assumptions would not cause the carrying amount of goodwill to exceed the recoverable amount.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 19. 商譽(續)

#### 商譽減值測試(續)

本集團持有之採礦權許可證剩餘期限介乎13至23年，較本集團估算之煤礦預計可使用年期為短，管理層認為，本集團能繼續以最低費用向有關當局重續採礦權許可證。

貼現現金流量模型之主要假設如下：

		2019 二零一九年	2018 二零一八年
Growth rates	增長率	-4.49% to +2%	-4.13% to +2%
Discount rate	貼現率	12.44%	13.40%

管理層採用之年增長率與行業報告中估計之增長率一致，並不超過長期煤炭價格之增長率。管理層使用之貼現率是能夠反映相關資產組特定風險及資產組合併之稅前利率。

於二零一九年十二月三十一日，管理層認為任何上述關鍵假設之任何合理可預見變動均不會導致商譽之賬面值超過可收回金額。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 20. INTEREST IN AN ASSOCIATE

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 20. 於一間聯營公司之權益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
As at 1 January	於一月一日	11,880	13,107
Share of profit/(loss)	應佔溢利/(虧損)	27	(659)
Exchange differences	匯兌差異	(317)	(568)
As at 31 December	於十二月三十一日	11,590	11,880

Particulars of the associate at 31 December 2019 are as follows:

該聯營公司於二零一九年十二月三十一日之詳情如下：

Name 名稱	Place of incorporation and form of legal entity 註冊成立地點及法定實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of registered capital 註冊資本詳情	Effective interest held by the Group 本集團所持實際權益	
				2019 二零一九年	2018 二零一八年
Luliang Jin Yu Cangchu Company Limited*	PRC, limited liability company	Provision of coal storage services in the PRC	RMB42,000,000	35%	35%
呂梁晉煜倉儲有限公司	中國，有限公司	於中國提供煤炭儲存服務	人民幣42,000,000元		

\* The English translation is unofficial and for identification purpose only.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 20. INTEREST IN AN ASSOCIATE (continued)

Summary of financial information of the Group's associate as extracted from its unaudited management accounts is as follows:

### 20. 於一間聯營公司之權益(續)

本集團聯營公司之財務資料概述如下，有關資料摘錄自其未經審核管理賬目：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>As at 31 December</b>	<b>於十二月三十一日</b>		
Non-current assets	非流動資產	26,911	29,279
Current assets	流動資產	3,018	1,333
Non-current liabilities	非流動負債	-	-
Current liabilities	流動負債	(3,525)	(3,564)
<b>Net assets</b>	<b>資產淨值</b>	<b>26,404</b>	<b>27,048</b>
<b>For the year ended 31 December</b>	<b>截至十二月三十一日止年度</b>		
Revenue	收益	2,046	354
Profit/(Loss) for the year	年度溢利/(虧損)	76	(1,877)
Other comprehensive income	其他全面收益	(720)	(1,294)
<b>Total comprehensive income</b>	<b>全面收益總額</b>	<b>(644)</b>	<b>(3,171)</b>
Dividends received from associate	已收聯營公司之股息	-	-



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 21. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### 21. 按公平值計入其他全面收益之財務資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Equity securities, at fair value	股本證券，按公平值		
– listed in Australia (note (a))	– 於澳洲上市(附註(a))	853,746	483,407
– listed in Hong Kong (note (b))	– 於香港上市(附註(b))	230,157	170,646
		<b>1,083,903</b>	654,053
Unlisted equity interest (note (c))	非上市股本權益(附註(c))	–	–
		<b>1,083,903</b>	654,053

#### Notes:

- (a) This represents an investment in a company listed on the Australian Securities Exchange Limited (the "Australian Securities Exchange"), Mount Gibson Iron Limited ("Mount Gibson").

As at 31 December 2019, the Group directly held 14.15% (2018: 14.52%) interest in Mount Gibson and the fair value of the investment in Mount Gibson was HK\$853,746,000 (2018: HK\$483,407,000) which represented the market value with reference to its closing price denominated in AUD as at that day on the Australian Securities Exchange. A fair value gain of HK\$370,339,000 (2018: HK\$34,412,000) was recognised in the security investment reserve during the year ended 31 December 2019.

- (b) This represents an investment in a company listed on the Stock Exchange, APAC Resources Limited ("APAC").

As at 31 December 2019, the Group directly held 17.65% (2018: 17.65%) interest in APAC and the fair value of the investment in APAC was HK\$230,157,000 (2018: HK\$170,646,000) which represented the market value with reference to its closing price denominated in HK\$ as at that day on the Stock Exchange. During the year, the Group accepted the right issue for subscription of 71,700,000 shares of HK\$1.10 per right share. A fair value loss of HK\$19,361,000 (2018: HK\$10,038,000) was recognised in the security investment reserve during the year ended 31 December 2019.

- (c) This represents the cost of 7% (2018: 7%) equity investment in an unlisted company incorporated in the PRC. As the entity ceased operation during the year ended 31 December 2013, a fair value loss of approximately HK\$8,890,000 was recorded against the full investment cost in 2013.

The fair value of the Group's investments in listed and unlisted equity securities has been measured as described in note 3.3.

#### 附註：

- (a) 此為於澳洲證券交易所有限公司(「澳洲證券交易所」)上市公司Mount Gibson Iron Limited(「Mount Gibson」)之投資。

於二零一九年十二月三十一日，本集團直接持有Mount Gibson 14.15%(二零一八年：14.52%)權益，而於Mount Gibson投資之公平值為853,746,000港元(二零一八年：483,407,000港元)，即參照當日於澳洲證券交易所計值之收市價釐定之市值。已於截至二零一九年十二月三十一日止年度在證券投資儲備確認公平值收益370,339,000港元(二零一八年：34,412,000港元)。

- (b) 此為於聯交所上市公司亞太資源有限公司(「亞太資源」)之投資。

於二零一九年十二月三十一日，本集團直接持有亞太資源17.65%(二零一八年：17.65%)權益，而於亞太資源投資之公平值為230,157,000港元(二零一八年：170,646,000港元)，即參照當日於聯交所以港元計值之收市價釐定之市值。年內，本集團接納進行供股以每股供股股份1.10港元供股71,700,000股股份。已於截至二零一九年十二月三十一日止年度在證券投資儲備確認公平值虧損19,361,000港元(二零一八年：10,038,000港元)。

- (c) 此為於一間中國註冊成立之非上市公司之7%(二零一八年：7%)股本投資之成本。由於該實體於截至二零一三年十二月三十一日止年度停止業務，故於二零一三年整項投資成本錄得公平值虧損約8,890,000港元。

本集團於上市及非上市股本證券投資之公平值乃按附註3.3所述者計量。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

### 22. 按金、預付款項及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Non-current</b>	<b>非流動</b>		
Deposits for a potential mining project	可能進行之採礦項目按金	154,967	159,194
Prepayments for CIP and property, plant and equipment	在建工程以及物業、廠房及設備之預付款項	342,532	288,099
Prepayments for land-use rights	土地使用權之預付款項	41,521	42,654
		<b>539,020</b>	<b>489,947</b>
<b>Current</b>	<b>流動</b>		
Consideration receivable for the transfer of 27% equity interest of Jinshan (note 29)	轉讓金山27%股本權益應收代價款(附註29)	178,200	178,358
Prepayments	預付款項	110,532	74,326
Interest receivables	應收利息	23,508	39,200
Deposits and other receivables	按金及其他應收款項	7,076	27,793
		<b>319,316</b>	<b>319,677</b>

### 23. INVENTORIES

### 23. 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Spare parts and consumables	配件及消耗品	58,991	72,713
Coking coal	焦煤	64,539	57,356
		<b>123,530</b>	<b>130,069</b>

As at 31 December 2019 and 2018, no inventories were stated at net realisable value.

於二零一九年及二零一八年十二月三十一日，概無存貨按可變現淨值列值。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 24. TRADE AND BILLS RECEIVABLES

### 24. 應收貿易賬項及應收票據

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	應收貿易賬項	702,293	887,290
Less: Provision for impairment loss	減：減值虧損撥備	(211,680)	(217,453)
		<b>490,613</b>	669,837
Bills receivables	應收票據	<b>1,306,706</b>	1,578,345
		<b>1,797,319</b>	2,248,182

Trade receivables generally have credit terms ranging from 60 to 90 days (2018: 60 to 90 days) and no interest is charged. Bills receivables are expiring within one year. As at 31 December 2019 and 2018 all of the trade and bills receivables are denominated in RMB.

As at 31 December 2019, bills receivables amounted to RMB253,042,000 (equivalent to HK\$278,346,000) (2018: RMB292,531,000 (equivalent to HK\$330,560,000)) were pledged for bills payables (note 28).

The Group endorsed certain of its bills receivables with full recourse to the creditors. In the event of default by the debtors, the Group is obliged to pay the creditors the amount in default. The Group is therefore exposed to the risks of credit losses and late payment in respect of its endorsed bills receivables.

The endorsement transactions do not meet the requirements for de-recognition of financial assets as the Group retains substantially all of the risks and rewards of ownership of the endorsed bills receivables. As at 31 December 2019, bills receivables of RMB70,604,000 (equivalent to HK\$77,664,000) (2018: RMB122,622,000 (equivalent to HK\$138,563,000)) continue to be recognised in the Group's consolidated financial statements although they have been legally transferred to the creditors. The proceeds of the endorsement transactions are included in trade payables and other payables until the related bills receivables are collected or the Group settles any losses suffered by the creditors.

應收貿易賬項信貸期一般介乎60至90日(二零一八年：60至90日)，並無收取任何利息。應收票據於一年內到期。於二零一九年及二零一八年十二月三十一日，所有應收貿易賬項及應收票據均以人民幣計值。

於二零一九年十二月三十一日，應收票據人民幣253,042,000元(相當於278,346,000港元)(二零一八年：人民幣292,531,000元(相當於330,560,000港元))之款項已作為應付票據(附註28)之抵押。

本集團背書其若干具有全面追溯權之應收票據予債權人。倘欠債人拖欠款項，本集團須向債權人支付被拖欠金額。因此，本集團就背書應收票據承受信貸虧損及延遲還款之風險。

該背書交易並不符合取消確認財務資產之規定，因為本集團仍然保留背書應收票據擁有權之絕大部分風險及回報。於二零一九年十二月三十一日，應收票據人民幣70,604,000元(相當於77,664,000港元)(二零一八年：人民幣122,622,000元(相當於138,563,000港元))繼續在本集團之綜合財務報表內確認，即使該等票據已合法轉讓予債權人。背書交易之所得款項列為應付貿易賬項及其他應付款項，直至有關應收票據被收回或本集團結清債權人承受之任何虧損為止。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 24. TRADE AND BILLS RECEIVABLES (continued)

As at 31 December 2019, the bills receivables endorsed to trade creditors and other creditors amounted to RMB6,964,000 (equivalent to HK\$7,660,000) (2018: RMB19,500,000 (equivalent to HK\$22,035,000))(note 28) and RMB63,640,000 (equivalent to HK\$70,004,000) (2018: RMB103,122,000 (equivalent to HK\$116,528,000)) (note 30) respectively.

As these bills receivables have been legally transferred to the creditors, the Group does not have the authority to determine the disposition of the bills receivables.

As at 31 December 2019, ageing analysis of net trade receivables, based on the invoice dates, is as follows:

Up to 90 days	90日或以下
91 to 180 days	91至180日

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade and bills receivables. Note 3.1(b) provides for details about the calculation of the allowance.

The Group does not hold any collateral over these balances.

Impairment losses in respect of trade and bills receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case impairment loss is written off against trade and bills receivables directly.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 24. 應收貿易賬項及應收票據(續)

於二零一九年十二月三十一日，向貿易債權人及其他債權人背書之應收票據分別為人民幣6,964,000元(相當於7,660,000港元)(二零一八年：人民幣19,500,000元(相當於22,035,000港元))(附註28)及人民幣63,640,000元(相當於70,004,000港元)(二零一八年：人民幣103,122,000元(相當於116,528,000港元))(附註30)。

由於該等應收票據已合法轉讓予債權人，本集團並無權力決定該等應收票據之處置方式。

於二零一九年十二月三十一日，根據發票日期編製之應收貿易賬項淨額之賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Up to 90 days	90日或以下	490,613	382,432
91 to 180 days	91至180日	-	287,405
		<b>490,613</b>	<b>669,837</b>

本集團採用香港財務報告準則第9號簡化法計量預期信貸虧損，並就所有應收貿易賬項及應收票據使用可使用年期內之預期虧損撥備。附註3.1(b)提供了有關計算撥備之詳情。

本集團並未就該等結餘持有任何抵押品。

應收貿易賬項及應收票據之減值虧損乃使用撥備賬記錄，除非本集團信納該金額之收回率較低，在此情況下，減值虧損直接於應收貿易賬項及應收票據中撇銷。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 24. TRADE AND BILLS RECEIVABLES (continued)

Movement in the loss allowance of trade receivables is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	217,453	227,847
Exchange differences	匯兌差異	(5,773)	(10,394)
At 31 December	於十二月三十一日	211,680	217,453

### 25. OTHER FINANCIAL ASSET

As at 31 December 2019, other financial asset represented a one-year 5.50% (As at 31 December 2018: one-year 4.25%) coupon guaranteed bond with total principal amount of US\$30,000,000 (equivalent to HK\$232,500,000) (As at 31 December 2018: US\$25,641,000 (equivalent to HK\$200,000,000) due on 15 April 2020 (As at 31 December 2018: 6 February 2019).

### 26. PLEDGED BANK DEPOSITS

As at 31 December 2019, the Group has utilised pledged bank deposits of RMB129,800,000 (equivalent to HK\$142,780,000) (2018: RMB166,752,000 (equivalent to HK\$188,430,000)) which were denominated in RMB and were pledged for bills payables of RMB129,800,000 (equivalent to HK\$142,780,000) (2018: RMB166,752,000 (equivalent to HK\$188,430,000)) (note 28).

The directors of the Company consider that the fair value of the pledged bank deposits is not materially different from their carrying amount because of the short maturity period.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 24. 應收貿易賬項及應收票據(續)

應收貿易賬項虧損撥備變動如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	217,453	227,847
Exchange differences	匯兌差異	(5,773)	(10,394)
At 31 December	於十二月三十一日	211,680	217,453

### 25. 其他財務資產

於二零一九年十二月三十一日，本金總額為30,000,000美元(相當於232,500,000港元)(於二零一八年十二月三十一日：25,641,000美元(相當於200,000,000港元))之其他財務資產為於二零二零年四月十五日(於二零一八年十二月三十一日：二零一九年二月六日)到期之5.50厘一年期(於二零一八年十二月三十一日：4.25厘一年期)票息保證債券。

### 26. 已抵押銀行存款

於二零一九年十二月三十一日，本集團已動用已抵押銀行存款人民幣129,800,000元(相當於142,780,000港元)(二零一八年：人民幣166,752,000元(相當於188,430,000港元))，均以人民幣計值，並作為人民幣129,800,000元(相當於142,780,000港元)(二零一八年：人民幣166,752,000元(相當於188,430,000港元))(附註28)之應付票據之抵押。

本公司董事認為，由於已抵押銀行存款於短期內到期，故其公平值與賬面值並無重大差異。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 27. CASH AND CASH EQUIVALENTS AND TIME DEPOSITS AT BANKS

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash at banks and on hand	銀行及手頭現金	963,891	322,027
Time deposits at banks	銀行定期存款	3,797,993	3,985,308
Bank balances and cash	銀行結餘及現金	4,761,884	4,307,335
Less: Time deposits with original maturity over three months	減：原存款期超過三個月之定期存款	(1,049,501)	(854,010)
Cash and cash equivalents	現金及現金等值物	3,712,383	3,453,325

Cash at banks generates interest at the floating rates based on the daily bank deposit rates. During the year, time deposits with original maturity within three months were made for varying periods of one day to three months depending on the immediate cash requirements of the Group and earned interest at the respective these time deposit rates ranging from 0.90% to 5.15% (2018: 0.15% to 5.15%) per annum.

As at 31 December 2019, funds of the Group amounting to HK\$1,068,189,000 (2018: HK\$715,874,000) were deposited in bank accounts opened with banks in the PRC where the remittance of funds is subject to foreign exchange control.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 27. 現金及現金等值物以及銀行定期存款

銀行現金按每日銀行存款利率計算之浮息賺取利息。於年內，原存款期為三個月內之定期存款視乎本集團即時現金需要為期介乎一日至三個月不等，並按相關定期存款年利率介乎0.90%至5.15%(二零一八年：0.15%至5.15%)賺取利息。

於二零一九年十二月三十一日，本集團之資金金額為1,068,189,000港元(二零一八年：715,874,000港元)存放位於中國之銀行所開立之銀行賬戶，而資金匯款須受外匯管制。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 28. TRADE AND BILLS PAYABLES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade payables	應付貿易賬項	240,461	317,726
Bills payables	應付票據	412,105	517,177
		<b>652,566</b>	<b>834,903</b>

The Group was granted by its suppliers credit period ranging between 30 to 180 days (2018: 30 to 180 days). As at 31 December 2019 and 2018, all of the trade and bills payables are denominated in RMB.

Based on the invoice dates, ageing analysis of trade payables as at 31 December 2019 is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Up to 90 days	90日或以下	170,043	231,896
91 to 180 days	91至180日	38,528	47,123
181 to 365 days	181至365日	11,488	16,211
Over 365 days	365日以上	20,402	22,496
		<b>240,461</b>	<b>317,726</b>

As at 31 December 2019, bills payables amounted to RMB374,640,000 (equivalent to HK\$412,105,000) (2018: RMB457,629,000 (equivalent to HK\$517,121,000)) were secured by the pledged bank deposits of RMB129,800,000 (equivalent to HK\$142,780,000) (2018: RMB166,752,000 (equivalent to HK\$188,430,000)) (note 26) and bills receivables of RMB253,042,000 (equivalent to HK\$278,346,000) (2018: RMB292,531,000 (equivalent to HK\$330,560,000)) (note 24).

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 28. 應付貿易賬項及應付票據

本集團獲其供應商授予介乎30至180日(二零一八年: 30至180日)之信貸期。於二零一九年及二零一八年十二月三十一日, 所有應付貿易賬款及應付票據均以人民幣計值。

根據發票日期, 應付貿易賬項於二零一九年十二月三十一日之賬齡分析如下:

於二零一九年十二月三十一日, 應付票據人民幣374,640,000元(相當於412,105,000港元)(二零一八年: 人民幣457,629,000元(相當於517,121,000港元))以已抵押銀行存款人民幣129,800,000元(相當於142,780,000港元)(二零一八年: 人民幣166,752,000元(相當於188,430,000港元))(附註26)及應收票據人民幣253,042,000元(相當於278,346,000港元)(二零一八年: 人民幣292,531,000元(相當於330,560,000港元))(附註24)作抵押。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 28. TRADE AND BILLS PAYABLES (continued)

As at 31 December 2019, included in trade payables is a balance of RMB6,964,000 (equivalent to HK\$7,660,000) (2018: RMB19,500,000 (equivalent to HK\$22,035,000)) which represents bills receivables endorsed to trade creditors which do not meet the de-recognition requirements. The corresponding financial assets are included in bills receivables (note 24).

### 29. OTHER FINANCIAL LIABILITY

On 30 December 2016, Shougang Resources (Hong Kong) Limited (the "Transferor"), a wholly owned subsidiary of the Company, entered into a sale and purchase agreement with a wholly owned subsidiary of Shougang Group Co., Ltd. (the "Transferee") for the transfer of 27% equity interests of Jinshan at RMB162,000,000 (equivalent to HK\$186,138,000). In addition, the Transferor irrevocably undertakes to repurchase the 27% equity interests of Jinshan from the Transferee ("Put Option") at the same consideration of RMB162,000,000 plus interest of not more than RMB20,000,000 under certain conditions.

The transfer of 27% equity interests of Jinshan to the Transferee was completed during the year ended 31 December 2017. This change in the Group's interests in Jinshan does not result in a loss of control and Jinshan remains a subsidiary of the Company.

As at 31 December 2019, the financial liability arising from the Put Option for the repurchase as disclosed above to the Transferee represented the present value of the repurchase obligation on or before 31 December 2021 (2018: 31 December 2019) amounting to RMB162,000,000 (equivalent to HK\$178,200,000) (2018: RMB162,000,000 (equivalent to HK\$178,358,000)). On 31 December 2019, the expiry date of the Put Option was extended to 31 December 2021 with option to initiate the repurchase procedures under certain conditions before 31 December 2020 and recorded as a current liability.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 28. 應付貿易賬項及應付票據(續)

於二零一九年十二月三十一日，應付貿易賬項包括人民幣6,964,000元(相當於7,660,000港元)(二零一八年：人民幣19,500,000元(相當於22,035,000港元))之結餘指已為貿易債權人背書之應收票據，該等應收票據並不符合有關取消確認之規定。相應之財務資產已列入應收票據內(附註24)。

### 29. 其他財務負債

於二零一六年十二月三十日，本公司全資附屬公司首鋼資源(香港)有限公司(「轉讓人」)與首鋼集團有限公司之一間全資附屬公司(「受讓人」)訂立買賣協議，以人民幣162,000,000元(相當於186,138,000港元)轉讓金山27%股本權益。此外，轉讓人向受讓人作出不可撤回承諾在若干條件下以相同代價人民幣162,000,000元加上上限利息人民幣20,000,000元回購金山27%股本權益(「認沽期權」)。

向受讓人轉讓金山27%股本權益已於截至二零一七年十二月三十一日止年度內完成。本集團於金山權益之變動不會導致本集團喪失金山之控制權且金山仍為本公司之附屬公司。

於二零一九年十二月三十一日，如上文所披露向受讓人回購認沽期權產生之財務負債指於二零二一年十二月三十一日(二零一八年：二零一九年十二月三十一日)或之前之回購責任現值為人民幣162,000,000元(相當於178,200,000港元)(二零一八年：人民幣162,000,000元(相當於178,358,000港元))，於二零一九年十二月三十一日，認沽期權之到期日延至二零二一年十二月三十一日並可選擇在某些條件下於二零二零年十二月三十一日之前啟動回購程序及記錄為一項流動負債。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 30. OTHER PAYABLES AND ACCRUALS

### 30. 其他應付款項及應計費用

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contract liabilities	合約負債	113,294	133,929
Accrued wages, salaries, bonus and staff welfare	應計工資、薪金、花紅及員工福利	134,649	113,778
Payables for property, plant and equipment and construction	應付物業、廠房及設備和工程款項	327,685	284,217
Payables on endorsed bills receivables	應付背書應收票據	70,004	116,528
Other accruals	其他應計費用	229,208	214,082
Other levy payables	其他應付徵稅	450,154	370,856
Other payables	其他應付款項	166,081	183,252
Amounts due to other parties	應付其他人士款項	10,442	9,439
		<b>1,501,517</b>	<b>1,426,081</b>

As at 31 December 2019, included in other payables is a balance of RMB63,640,000 (equivalent to HK\$70,004,000 (2018: RMB103,122,000 (equivalent to HK\$116,528,000)) (note 24) which represents bills receivables endorsed to other creditors which do not meet the de-recognition requirements. The corresponding financial assets are included in bills receivables.

Revenue recognised during the year ended 31 December 2019 that was included in the contract liability balance at the beginning of the year amounted to HK\$133,929,000 (2018: HK\$133,286,000). The Group expects to deliver the goods to satisfy the remaining performance obligations of these contract liabilities within one year or less. The Group applied the practical expedient and does not disclose the information relating to the remaining performance obligations that have original durations of one year or less.

於二零一九年十二月三十一日，其他應付款項包括人民幣63,640,000元(相當於70,004,000港元)(二零一八年：人民幣103,122,000元(相當於116,528,000港元)) (附註24)之結餘指已為其他債權人背書之應收票據，該等應收票據並不符合有關取消確認之規定。相應之財務資產已列入應收票據內。

截至二零一九年十二月三十一日止年度收入確認包括於年初計入合約負債餘額133,929,000港元(二零一八年：133,286,000港元)。本集團預期於一年或一年以內交付貨品以履行該等合約負債之剩餘履約責任。本集團採用實用之手法，並未有披露與原期限為一年或一年以內之剩餘履約責任相關之信息。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 31. AMOUNTS DUE TO NON-CONTROLLING INTERESTS OF SUBSIDIARIES

The balance as at 31 December 2019 and 2018 is denominated in RMB and is unsecured, interest-free and repayable on demand.

### 32. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets recognised in the consolidated statement of financial position and their movements during the year are as follows:

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 31. 應付附屬公司非控股權益款項

於二零一九年及二零一八年十二月三十一日之結餘乃以人民幣計值，為無抵押、免息及須按要求償還。

### 32. 遞延稅項資產及負債

年內於綜合財務狀況表確認之遞延稅項資產及其變動如下：

		<b>Deductible temporary differences</b>	
		可扣減暫時差額	
		<b>2019</b>	2018
		二零一九年	二零一八年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
At 1 January	於一月一日	<b>22,752</b>	23,121
Exchange differences	匯兌差異	<b>(1,645)</b>	(1,087)
Credited to profit or loss (note 10)	計入損益(附註10)	<b>34,215</b>	718
At 31 December	於十二月三十一日	<b>55,322</b>	22,752

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 32. DEFERRED TAX ASSETS AND LIABILITIES (continued)

Deferred tax liabilities recognised in the consolidated statement of financial position and their movements during the year are as follows:

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 32. 遞延稅項資產及負債(續)

年內於綜合財務狀況表確認之遞延稅項負債及其變動如下：

		Withholding tax	Property, plant and equipment and mining rights	Mining funds	Total
		預扣稅	物業、廠房及設備以及採礦權	採礦基金	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
				(Note)	
				(附註)	
At 1 January 2018	於二零一八年一月一日	35,309	1,588,154	34,099	1,657,562
Exchange differences	匯兌差異	(2,577)	(71,332)	(2,844)	(76,753)
Charged/(Credited) to profit or loss (note 10)	扣除/(計入)損益 (附註10)	21,542	(24,583)	28,768	25,727
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	<b>54,274</b>	<b>1,492,239</b>	<b>60,023</b>	<b>1,606,536</b>
Exchange differences	匯兌差異	<b>(1,622)</b>	<b>(38,969)</b>	<b>(1,925)</b>	<b>(42,516)</b>
Charged/(Credited) to profit or loss (note 10)	扣除/(計入)損益 (附註10)	<b>5,943</b>	<b>(21,259)</b>	<b>10,799</b>	<b>(4,517)</b>
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>58,595</b>	<b>1,432,011</b>	<b>68,897</b>	<b>1,559,503</b>

Note: Pursuant to changes in certain regulations of the PRC government, the Group is required to set aside the production maintenance fee, safety fund, and other expense of similar nature (collectively the "Mining Funds"). As such amounts are deductible for tax purpose when they are set aside but are expensed for accounting purpose only when they are utilised, a deferred tax liability is recorded for the temporary difference in respect of excess fund set aside for tax purposes.

附註：根據中國政府若干規例之變動，本集團須預留維簡費、安全費及其他具有類似性質之費用（統稱「採礦基金」）。由於該等金額於預留時可予扣稅但就會計而言僅於動用時須予列支，故就稅務而言，在預留多出之費用時會記入暫時差額之遞延稅項負債。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 32. DEFERRED TAX ASSETS AND LIABILITIES (continued)

As at 31 December 2019 and 2018, no deferred tax assets has been recognised in respect of the deductible temporary differences and unused tax losses arising from certain subsidiaries incorporated in Hong Kong and PRC as it is uncertain whether future taxable profit is available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets have not been recognised in respect of the following items:

Deductible temporary differences	可扣減暫時差額
Tax losses	稅項虧損

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 32. 遞延稅項資產及負債(續)

於二零一九年及二零一八年十二月三十一日，因未能肯定有否未來應課稅溢利可用作抵扣可扣減暫時差額及以供動用稅項虧損，故並無就來自於香港和中國註冊成立之若干附屬公司之可扣減暫時差額及未動用稅項虧損確認遞延稅項資產。並無就下列各項確認遞延稅項資產：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		352	564
		515,225	510,405
		<b>515,577</b>	<b>510,969</b>

The Group has tax losses of approximately HK\$94,893,000 (2018: HK\$102,555,000) which shall expire in two to five years (2018: three to five years) and tax losses of approximately HK\$420,332,000 (2018: HK\$407,850,000) are available indefinitely for offsetting against future taxable profits of the companies in which the losses arise.

本集團有約94,893,000港元(二零一八年：102,555,000港元)之稅項虧損將於二至五年(二零一八年：三至五年)內到期，另有可無限期用作抵扣產生虧損之公司之未來應課稅溢利之稅項虧損約420,332,000港元(二零一八年：407,850,000港元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 33. SHARE CAPITAL

### 33. 股本

		Number of shares 股份數目		Amount 金額	
		2019 二零一九年 '000 shares 千股	2018 二零一八年 '000 shares 千股	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Issued and fully paid:</b>	<b>已發行及已繳足：</b>				
At 1 January and 31 December	於一月一日及 十二月三十一日	<b>5,301,837</b>	5,301,837	<b>15,156,959</b>	15,156,959

### 34. RESERVES

### 34. 儲備

#### (a) Statutory reserve

In accordance with the relevant laws and regulations of the PRC, the PRC subsidiaries are required to appropriate 10% of its profit after tax, prepared in accordance with the accounting regulation in the PRC, to the statutory reserve fund until the statutory reserve balance reaches 50% of the registered capital. Such reserve may be used to reduce any losses incurred or for capitalisation as paid-up capital.

#### (b) Other reserves

In accordance with the Notice of the Ministry of Finance and the State Administration of Safety Coal Mine in Liulin Province in May 2005 (Liucaizi [2005] No. 35) and the No. 3 document of the Ministry of Finance in 23 June 2009 (Caikuai [2009] No.8), entities engaged in coal mining are required to provide for production maintenance fee, safety fund and other expense of similar nature at fixed rates on coal production volume. These funds were charged as expenses to cost of production and credited to specific reserves accordingly. At the end of the financial year, the unused funds were reversed against the cost of related production when the Group prepared its financial statements in accordance with HKFRSs.

#### (a) 法定儲備

根據中國相關法律及法規，中國附屬公司須按照中國會計規例編製提撥10%之除稅後溢利至法定儲備基金，直至法定儲備結餘達註冊資本之50%為止。該儲備可用作扣減任何虧損或撥充實繳資本。

#### (b) 其他儲備

根據財政部及國家煤礦安全監察局於二零零五年五月在柳林縣之通知(柳財字[2005]35號)以及財政部於二零零九年六月二十三日發出之《財務部關於印發企業會計準則解釋第3號之通知》(財會[2009]8號)，從事煤礦業務之企業必須以煤炭產量按固定比率計提維簡費、安全費及其他具有類似性質之費用。此等費用計入相關生產成本及專項儲備內。本集團根據香港財務報告準則編製其財務報表時，於財政年度結束時未動用之基金已撥回相關生產成本。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 34. RESERVES (continued)

#### (c) Reserves movement of the Company

		Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	1,164,295	1,164,295
Profit for the year	年度溢利	834,023	834,023
2017 special dividend declared	已宣派之二零一七年特別股息	(334,016)	(334,016)
2017 final dividend approved	已批准之二零一七年末期股息	(381,732)	(381,732)
2018 interim dividend declared	已宣派之二零一八年中中期股息	(440,053)	(440,053)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	<b>842,517</b>	<b>842,517</b>
Profit for the year	年度溢利	<b>972,582</b>	<b>972,582</b>
2018 final dividend approved	已批准之二零一八年末期股息	<b>(450,656)</b>	<b>(450,656)</b>
2019 interim dividend declared	已宣派之二零一九年中中期股息	<b>(450,656)</b>	<b>(450,656)</b>
At 31 December 2019	於二零一九年十二月三十一日	<b>913,787</b>	<b>913,787</b>

### 34. 儲備(續)

#### (c) 本公司之儲備變動

### 35. SHARE OPTION SCHEME

On 25 May 2012, a share option scheme (the "2012 Scheme") was adopted by the shareholders of the Company and the 2012 Scheme became effective on 29 May 2012. No share options have been granted since the adoption of the 2012 Scheme. The maximum number of shares of the Company ("Shares") available for issue upon exercise of all share options which may be granted under the 2012 Scheme is 530,183,784, representing 10% of the Shares in issue as at the date of this annual report.

### 35. 購股權計劃

於二零一二年五月二十五日，本公司股東採納了一項購股權計劃(「二零一二年計劃」)，二零一二年計劃已於二零一二年五月二十九日起生效。自二零一二年計劃採納，本公司並沒有授出任何購股權。倘悉數行使根據二零一二年計劃可能授出之購股權，可發行之本公司股份(「股份」)數目最多為530,183,784股，相等於本年報日期已發行股份的10%。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 35. SHARE OPTION SCHEME (continued)

The 2012 Scheme were designed to reward and provide incentives to, and strengthen the Group's business relationship with the prescribed classes of participants, including but not limited to eligible employees and directors of any member of the Group, who contributed to the development of the Group.

Under the 2012 Scheme, the exercise price of the options is to be determined by the directors and is at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Shares on the date of grant. Each of the grantees of the 2012 Scheme is required to pay HK\$1 as consideration for the grant of share options. An option may generally be exercised during the period commencing on the date of grant and expiring on the date as determined by the directors, but in any event not more than 10 years from the date of grant.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or any of their associates, in excess of in aggregate 0.1% of the Shares in issue (based on the date of grant) and an aggregate value of HK\$5,000,000 (based on the closing price of the Shares at the date of each grant), within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

Details of the principal terms of the 2012 Scheme are disclosed under the heading "Share Option Scheme" in the Directors' report.

No options were exercised, granted or cancelled during 2019 and 2018. No share option was outstanding as at 31 December 2019 and 2018.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 35. 購股權計劃(續)

二零一二年計劃是專為回報及向指定類別之參與者提供獎勵以及加強本集團與彼等之間之業務關係而設。該等指定類別之參與者包括但不限於對本集團發展作出貢獻之本集團任何成員公司之合資格僱員及董事。

按二零一二年計劃，購股權之行使價由董事釐定，不得低於(i)於授出日期在聯交所每日報價表所報之股份收市價；(ii)於緊接授出日期前五個營業日在聯交所每日報價表所報之股份平均收市價；及(iii)於授出日期之股份面值三者之最高者。每名二零一二年計劃之承授人須就獲授購股權支付1港元之代價。購股權一般可由授出日期起至董事釐定之日期為止行使，但在任何情況下概不可超過授出日期起計10年。

向本公司董事、最高行政人員或主要股東或任何彼等之聯繫人士授出購股權，須取得獨立非執行董事之事先批准。此外，在任何12個月期間內向本公司主要股東或任何獨立非執行董事或任何彼等聯繫人士授出購股權佔已發行股份總值超過0.1% (根據授出日期計算) 及總值超過5,000,000港元 (根據於每個授出日期之股份收市價計算) 均須於股東大會上取得股東預先批准。

二零一二年計劃之主要條款之詳情乃於董事會報告「購股權計劃」一節中披露。

於二零一九年及二零一八年內，概無行使、授出及註銷購股權。於二零一九年及二零一八年十二月三十一日，並無尚未行使之購股權。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 36. HOLDING COMPANY'S STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

### 36. 於二零一九年十二月三十一日控股公司之財務狀況表

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備		70	94
Interests in subsidiaries	於附屬公司之權益	37	120,456	120,456
Amounts due from subsidiaries	應收附屬公司款項		12,122,413	13,002,459
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>12,242,939</b>	13,123,009
<b>Current assets</b>	<b>流動資產</b>			
Amounts due from subsidiaries	應收附屬公司款項		2,146,176	901,047
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項		13,696	20,859
Time deposits with original maturity over three months	原存款期超過三個月之定期存款		1,049,501	415,128
Cash and cash equivalents	現金及現金等值物		903,985	1,784,795
<b>Total current assets</b>	<b>流動資產總值</b>		<b>4,113,358</b>	3,121,829
<b>Total assets</b>	<b>資產總值</b>		<b>16,356,297</b>	16,244,838
<b>Current liabilities</b>	<b>流動負債</b>			
Amounts due to subsidiaries	應付附屬公司款項		235,326	208,342
Other payables and accruals	其他應付款項及應計費用		50,225	37,020
<b>Total current liabilities</b>	<b>流動負債總值</b>		<b>285,551</b>	245,362
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>3,827,807</b>	2,876,467
<b>Net assets</b>	<b>資產淨值</b>		<b>16,070,746</b>	15,999,476
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	33	15,156,959	15,156,959
Reserves	儲備	34(c)	913,787	842,517
<b>Total equity</b>	<b>權益總值</b>		<b>16,070,746</b>	15,999,476

The statement of financial position of the Company was approved by the Board of Directors on 26 March 2020 and was signed on its behalf:

本公司之財務狀況表已於二零二零年三月二十六日獲董事會批准並代表簽署：

Ding Rucai  
丁汝才  
Director  
董事

So Kwok Hoo  
蘇國豪  
Director  
董事



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 37. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries at 31 December 2019 are as follows:

### 37. 於附屬公司之權益

主要附屬公司於二零一九年十二月三十一日之詳情如下：

Name 名稱	Place of incorporation and form of legal entity 註冊成立地點及法定實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Effective interest held by the Group 本集團所持實際權益	
				2019 二零一九年	2018 二零一八年
Xingwu <sup>^</sup> 興無 <sup>^</sup>	PRC, limited liability company 中國·有限公司	Mining, production and sales of coal in the PRC 於中國從事開採、生產及銷售煤炭	Registered capital of RMB250,000,000 註冊資本人民幣250,000,000元	88%	88%
Jinjiazhuang <sup>^</sup> 金家莊 <sup>^</sup>	PRC, limited liability company 中國·有限公司	Mining, production and sales of coal in the PRC 於中國從事開採、生產及銷售煤炭	Registered capital of RMB374,000,000 註冊資本人民幣374,000,000元	65%	65%
Zhaiyadi <sup>^</sup> 寨崖底 <sup>^</sup>	PRC, limited liability company 中國·有限公司	Mining, production and sales of coal in the PRC 於中國從事開採、生產及銷售煤炭	Registered capital of RMB800,000,000 註冊資本人民幣800,000,000元	95%	95%
Shanxi Fushan Resources Group Company Limited <sup>^~</sup> 山西福山資源集團有限公司 <sup>^~</sup>	PRC, limited liability company 中國·有限公司	Development and utilisation of energy resources and operation management 開發及使用能源資源以及營運管理	Registered capital of RMB10,000,000 註冊資本人民幣10,000,000元	100%	100%
Jinshan <sup>^</sup> 金山 <sup>^</sup>	PRC, limited liability company 中國·有限公司	Investment holding, production and sales of coal products in the PRC 於中國從事投資控股、生產及銷售煤產品	Registered capital of RMB600,000,000 註冊資本人民幣600,000,000元	67%	67%
Liulin Luenshan Coking Company Limited ("Luenshan") <sup>^</sup> 柳林縣聯山煤化工有限公司(「聯山」) <sup>^</sup>	PRC, limited liability company 中國·有限公司	Production and sales of coal products in the PRC 於中國從事生產及銷售煤產品	Registered capital of RMB330,000,000 註冊資本人民幣330,000,000元	44%	44%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 37. INTERESTS IN SUBSIDIARIES (continued)

### 37. 於附屬公司之權益(續)

Name 名稱	Place of incorporation and form of legal entity 註冊成立地點及法定 實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Effective interest held by the Group 本集團所持實際權益	
				2019 二零一九年	2018 二零一八年
Fu Hui Investments Limited 福輝投資發展有限公司	Hong Kong, limited liability company 香港·有限公司	Administration and investment vehicle of the Group in Hong Kong 為本集團(香港)提供管理及 投資業務	HK\$100 (100 ordinary shares) 100港元(普通股100股)	100%	100%
Fu Hui Jewellery Goldsmith Company Limited 福輝珠寶金行有限公司	Hong Kong, limited liability company 香港·有限公司	Investment vehicle of the Group in Hong Kong 為本集團(香港)提供投資 業務	HK\$2,000,000 (2,000,000 ordinary shares) 2,000,000港元 (普通股2,000,000股)	100%	100%
Thechoice Finance (HK) Limited <sup>a</sup> 興無(香港)有限公司 <sup>a</sup>	Hong Kong, limited liability company 香港·有限公司	Investment holding in Hong Kong 於香港從事投資控股	HK\$1 (1 ordinary share) 1港元(普通股1股)	100%	100%
Worldman Industrial (HK) Limited <sup>a</sup> 金家莊(香港)有限公司 <sup>a</sup>	Hong Kong, limited liability company 香港·有限公司	Investment holding in Hong Kong 於香港從事投資控股	HK\$1 (1 ordinary share) 1港元(普通股1股)	100%	100%
Gumpert Industries (HK) Limited <sup>a</sup> 寨崖底(香港)有限公司 <sup>a</sup>	Hong Kong, limited liability company 香港·有限公司	Investment holding in Hong Kong 於香港從事投資控股	HK\$1 (1 ordinary share) 1港元(普通股1股)	100%	100%
Fushan Resources Group Management Limited <sup>a</sup> 福山資源集團管理有限公司 <sup>a</sup>	Hong Kong, limited liability company 香港·有限公司	Investment holding in Hong Kong 於香港從事投資控股	HK\$1 (1 ordinary share) 1港元(普通股1股)	100%	100%
Shougang Resources (Hong Kong) Limited <sup>a</sup> 首鋼資源(香港)有限公司 <sup>a</sup>	Hong Kong, limited liability company 香港·有限公司	Investment holding in Hong Kong 於香港從事投資控股	HK\$1 (1 ordinary share) 1港元(普通股1股)	100%	100%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 37. INTERESTS IN SUBSIDIARIES (continued)

### 37. 於附屬公司之權益(續)

Name 名稱	Place of incorporation and form of legal entity 註冊成立地點及法定 實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Effective interest held by the Group 本集團所持實際權益	
				2019 二零一九年	2018 二零一八年
Jade Green Investments Holding Limited	BVI, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 於香港從事投資控股	US\$1 (1 ordinary share) 1美元(普通股1股)	100%	100%
Thechoice Finance Limited <sup>^</sup>	BVI, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 於香港從事投資控股	US\$1 (1 ordinary share) 1美元(普通股1股)	100%	100%
Worldman Industrial Limited <sup>^</sup>	BVI, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 於香港從事投資控股	US\$1 (1 ordinary share) 1美元(普通股1股)	100%	100%
Gumpert Industries Limited <sup>^</sup>	BVI, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 於香港從事投資控股	US\$1 (1 ordinary share) 1美元(普通股1股)	100%	100%
Fushan Energy Group Limited 福山能源集團有限公司	BVI, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 於香港從事投資控股	US\$1 (1 ordinary share) 1美元(普通股1股)	100%	100%
Maxease Limited	BVI, limited liability company 英屬處女群島，有限公司	Investment vehicle in Hong Kong 於香港從事投資業務	US\$1 (1 ordinary share) 1美元(普通股1股)	100%	100%
True Plus Limited	BVI, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 於香港從事投資控股	US\$1 (1 ordinary share) 1美元(普通股1股)	100%	100%
Benefit Rich Limited 益富有限公司	Samoa, limited liability company 薩摩亞，有限公司	Investment holding in Hong Kong 於香港從事投資控股	US\$1 (1 ordinary share) 1美元(普通股1股)	100%	100%

<sup>^</sup> These companies are indirectly held by the Company.

\* The English translation is unofficial and for identification purpose only.

~ Incorporated on 26 November 2018.

+ Incorporated on 25 October 2018.

<sup>^</sup> 該等公司由本公司間接持有。

\* 英文譯名並非官方，僅供識別。

~ 於二零一八年十一月二十六日註冊成立。

+ 於二零一八年十月二十五日註冊成立。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 38. NON-CONTROLLING INTERESTS

The following table lists out the information relating to subsidiaries of the Group which have material non-controlling interest ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

#### 2019

NCI percentage	非控股權益比例			
<b>As at 31 December</b>	<b>於十二月三十一日</b>			
Current assets	流動資產			
Non-current assets	非流動資產			
Current liabilities	流動負債			
Non-current liabilities	非流動負債			
Net assets	資產淨值			
Carrying amount of NCI	非控股權益賬面值			
<b>For the year ended 31 December</b>	<b>截至十二月三十一日止年度</b>			
Revenue	收益			
(Loss)/Profit for the year	年度(虧損)/溢利			
Total comprehensive (loss)/income	全面(虧損)/收益總額			
(Loss)/Profit allocated to NCI	分配予非控股權益(虧損)/溢利			
Dividend paid to NCI	派付予非控股權益股息			
Cash flows from operating activities	經營業務之現金流量			
Cash flows from investing activities	投資業務之現金流量			
Cash flows from financing activities	融資業務之現金流量			

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 38. 非控股權益

下表列示有關本集團擁有重大非控股權益(「非控股權益」)之附屬公司之資料。下文呈列之財務資料概要指任何公司間抵銷前金額。

#### 二零一九年

Jinjiashuang 金家莊 HK\$'000 千港元	Xingwu 興無 HK\$'000 千港元	Zhaiyadi 寨崖底 HK\$'000 千港元
35%	12.25%	5%
749,139	1,692,664	1,953,046
5,022,632	4,461,594	4,020,979
2,057,251	1,868,035	1,616,477
433,565	645,272	443,014
3,280,955	3,640,951	3,914,534
987,433	12,793	130,337
1,100,049	2,275,761	2,199,263
(40,598)	662,694	654,235
(107,577)	80,740	28,912
(80,162)	80,605	32,492
-	202,528	25,771
213,306	850,935	965,243
(151,655)	(219,670)	(205,882)
-	(450,589)	(632,797)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 38. NON-CONTROLLING INTERESTS (continued)

### 38. 非控股權益(續)

2018

二零一八年

		Jinjiazhuang 金家莊 HK\$'000 千港元	Xingwu 興無 HK\$'000 千港元	Zhaiyadi 寨崖底 HK\$'000 千港元
NCI percentage As at 31 December	非控股權益比例 於十二月三十一日	35%	12.25%	5%
Current assets	流動資產	614,103	1,845,075	1,904,427
Non-current assets	非流動資產	5,097,676	4,414,782	4,246,528
Current liabilities	流動負債	1,866,510	1,933,858	1,819,520
Non-current liabilities	非流動負債	434,397	669,459	448,407
Net assets	資產淨值	3,410,872	3,656,540	3,883,028
Carrying amount of NCI	非控股權益賬面值	892,494	134,575	127,189
For the year ended 31 December	截至十二月三十一日 止年度			
Revenue	收益	970,916	1,928,867	2,337,691
Profit for the year	年度溢利	13,044	520,546	752,548
Total comprehensive income	全面收益總額	49,692	19,598	32,019
(Loss)/Profit allocated to NCI	分配予非控股權益 (虧損)/溢利	(40,917)	61,393	37,992
Dividend paid to NCI	派付予非控股權益股息	–	117,176	34,729
Cash flows from operating activities	經營業務之現金流量	389,159	560,614	671,201
Cash flows from investing activities	投資業務之現金流量	(504,160)	(247,799)	(155,133)
Cash flows from financing activities	融資業務之現金流量	–	(118,300)	(567,564)

There is a material NCI of 56% (2018: 56%) amounting to HK\$85,476,000 (2018: HK\$87,549,000) in Luenshan during the year. The summarised financial information for Luenshan is not presented above as Luenshan is not yet to commence operations and its cash flows and profit or loss items are minimal to the Group. Luenshan had non-current assets of HK\$255,437,000 (2018: HK\$262,405,000) and net assets of HK\$234,851,000 (2018: HK\$240,774,000) as of 31 December 2019.

於年內，聯山擁有為數85,476,000港元(二零一八年：87,549,000港元)之56%(二零一八年：56%)重大非控股權益。由於聯山尚未開業及其現金流量及損益項目對本集團至為微小，因此聯山之財務資料概要沒有於上文呈列。於二零一九年十二月三十一日，聯山之非流資產為255,437,000港元(二零一八年：262,405,000港元)，淨資產為234,851,000港元(二零一八年：240,774,000港元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 38. NON-CONTROLLING INTERESTS (continued)

There is a material NCI of 33% (2018: 33%) amounting to HK\$148,694,000 (2018: HK\$149,883,000) in Jinshan during the year. The summarised financial information for Jinshan is not presented above as Jinshan commence operations in 2019 and its cash flows and profit or loss items are minimal to the Group. Jinshan had non-current assets of HK\$550,533,000 (2018: HK\$565,424,000) and net assets of HK\$476,994,000 (2018: HK\$482,355,000) as of 31 December 2019.

No dividend was paid by Jinshan and Luenshan to the NCI during the years ended 31 December 2019 and 2018.

### 39. CAPITAL COMMITMENTS

Commitments for the:

- Acquisition of property, plant and equipment
- Exploration and design fees for a potential mining project

下列各項之承擔：

- 購入物業、廠房及設備
- 可能進行之採礦項目之  
勘查及設計費用

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	<b>259,903</b>	194,767
	<b>8,228</b>	8,452
	<b>268,131</b>	203,219

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 38. 非控股權益(續)

於年內，金山擁有為數148,694,000港元(二零一八年：149,883,000港元)之33%(二零一八年：33%)之重大非控股權益。由於金山於二零一九年開業及其現金流量及損益項目對本集團至為微小，因此金山之財務資料概要沒有於上文呈列。於二零一九年十二月三十一日，金山之非流動資產為550,533,000港元(二零一八年：565,424,000港元)，淨資產為476,994,000港元(二零一八年：482,355,000港元)。

於截至二零一九年及二零一八年十二月三十一日止年度內，金山及聯山概無向非控股權益支付股息。

### 39. 資本承擔

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 40. RELATED PARTY TRANSACTIONS

Except as disclosed elsewhere in the consolidated financial statements, the following transactions for the years ended 31 December 2019 and 2018 were carried out with related parties:

- (i) During the year ended 31 December 2019, the Group sold clean coking coal amounted to HK\$1,187,334,000 (2018: HK\$826,384,000) (of which HK\$349,470,000 (2018: HK\$826,384,000) were regarded as connected transactions under the Listing Rules) to Shougang Group Co., Ltd., being Shougang Holding (Hong Kong) Limited (“Shougang Holding”)’s ultimate holding company, and its group companies (collectively referred to as the “Shougang Group”). Shougang Holding is a substantial shareholder of Shougang Concord International Enterprises Company Limited (“Shougang International”). Shougang International is a substantial shareholder of the Company. As at 31 December 2019, amount due from/to the Shougang Group was HK\$381,430,000 (2018: HK\$429,534,000) and HK\$1,595,000 (2018: HK\$4,073,000) respectively.
- (ii) During the year ended 31 December 2019, the Group purchased raw materials amounted to HK\$4,660,000 (2018: HK\$3,698,000) from Shougang Group, of which HK\$1,981,000 (2018: HK\$3,698,000) were connected transactions.
- (iii) During the year ended 31 December 2019, the Group paid rental expenses of HK\$3,756,000 (2018: HK\$3,756,000) to a wholly-owned subsidiary of Shougang Holding, of which HK\$1,033,000 (2018: HK\$1,252,000) were connected transactions. As at 31 December 2019 and 2018, no amounts were outstanding.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 40. 關聯人士交易

除綜合財務報表其他章節另有披露外，截至二零一九年及二零一八年十二月三十一日止年度與關聯人士進行之交易如下：

- (i) 截至二零一九年十二月三十一日止年度內，本集團向首鋼集團有限公司(首鋼控股(香港)有限公司(「首鋼控股」)之最終控股公司)及其集團公司(統稱「首鋼集團」)出售1,187,334,000港元(二零一八年：826,384,000港元)之精焦煤，其中349,470,000港元(二零一八年：826,384,000港元)根據上市規則被視為關連交易。首鋼控股為首長國際企業有限公司(「首長國際」)之主要股東。首長國際為本公司之主要股東。於二零一九年十二月三十一日，應收／付首鋼集團款項分別為381,430,000港元(二零一八年：429,534,000港元)及1,595,000港元(二零一八年：4,073,000港元)。
- (ii) 截至二零一九年十二月三十一日止年度內，本集團向首鋼集團採購材料4,660,000港元(二零一八年：3,698,000港元)，其中1,981,000港元(二零一八年：3,698,000港元)為關連交易。
- (iii) 截至二零一九年十二月三十一日止年度內，本集團向首鋼控股一間全資附屬公司支付租金開支3,756,000港元(二零一八年：3,756,000港元)，其中1,033,000港元(二零一八年：1,252,000港元)為關連交易。於二零一九年及二零一八年十二月三十一日，並無任何款項仍未結清。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 40. RELATED PARTY TRANSACTIONS (continued)

(iv) During the year ended 31 December 2019, the Group paid management and consultancy fees of HK\$3,000,000 (2018: HK\$1,000,000) to Shougang Holding. As at 31 December 2019 and 2018, no amounts were outstanding.

(v) During the year ended 31 December 2019, no management fees and company secretarial service fees (2018: HK\$598,000) was paid by the Group to Shougang International. As at 31 December 2019 and 2018, no amounts were outstanding.

(vi) The compensation payable to key management personnel during the year have been disclosed in note 13.

All the transactions in (i) to (v) were negotiated with related parties on normal commercial terms or in accordance with the agreements governing those transactions.

The transactions in (iv) to (vi) were continuing connected transactions/connected transactions but were exempt from any disclosure and shareholders' approval requirements under the Listing Rules.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 40. 關聯人士交易(續)

(iv) 截至二零一九年十二月三十一日止年度內，本集團向首鋼控股支付管理及顧問費3,000,000港元(二零一八年：1,000,000港元)。於二零一九年及二零一八年十二月三十一日，並無任何款項仍未結清。

(v) 截至二零一九年十二月三十一日止年度內，本集團並無向首長國際支付管理費及公司秘書服務費用(二零一八年：598,000港元)。於二零一九年及二零一八年十二月三十一日，並無任何款項仍未結清。

(vi) 於年內，應付主要管理人員之酬金已於附註13披露。

(i)至(v)中之所有交易均以正常商業條款或根據有關交易之協議與關聯人士協商。

(iv)至(vi)中之交易乃持續關連交易／關連交易，惟該等交易獲豁免根據上市規則予以披露及獲股東批准。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 41. SUMMARY OF FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

Set out below is an overview of the carrying amount and fair value of financial assets and liabilities held by the Group:

### 41. 按類別劃分之財務資產及負債概要

下表呈列本集團所持有財務資產及負債之賬面值及公平值概覽：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Financial assets measured at fair value through other comprehensive income	按公平值計入其他全面收益之財務資產	<b>1,083,903</b>	654,053
Financial assets measured at amortised cost:	按攤銷成本計量之財務資產：		
– Deposits and other receivables	– 按金及其他應收款項	<b>154,967</b>	159,194
		<b>1,238,870</b>	813,247
<b>Current assets</b>	<b>流動資產</b>		
Financial assets measured at amortised cost:	按攤銷成本計量之財務資產：		
– Trade receivables	– 應收貿易賬項	<b>490,613</b>	669,837
– Bills receivables	– 應收票據	<b>1,306,706</b>	1,578,345
– Deposits and other receivables	– 按金及其他應收款項	<b>208,784</b>	245,351
– Other financial asset	– 其他財務資產	<b>232,500</b>	200,000
– Pledged bank deposits	– 已抵押銀行存款	<b>190,605</b>	190,029
– Time deposit with original maturity over three months	– 原存款期超過三個月之定期存款	<b>1,049,501</b>	854,010
– Cash and cash equivalents	– 現金及現金等值物	<b>3,712,383</b>	3,453,325
		<b>7,191,092</b>	7,190,897
<b>Total</b>	<b>總額</b>	<b>8,429,962</b>	8,004,144
<b>Current liabilities</b>	<b>流動負債</b>		
Financial liabilities measured at amortised cost:	按攤銷成本計量之財務負債：		
– Trade and bills payables	– 應付貿易賬項及應付票據	<b>652,566</b>	834,903
– Lease liabilities	– 租賃負債	<b>7,119</b>	–
– Other financial liability	– 其他財務負債	<b>178,200</b>	178,358
– Other payables and accruals	– 其他應付款項及應計費用	<b>803,420</b>	807,518
– Amounts due to non-controlling interests of subsidiaries	– 應付附屬公司非控股權益款項	<b>98,158</b>	72,228
Financial liabilities measured at fair value through profit or loss	按公平值計入損益之財務負債		
– Derivatives financial instruments	– 衍生財務工具	<b>5,117</b>	–
		<b>1,744,580</b>	1,893,007
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Financial liabilities measured at amortised cost:	按攤銷成本計量之財務負債：		
– Lease liabilities	– 租賃負債	<b>20,941</b>	–
		<b>20,941</b>	–
<b>Total</b>	<b>總額</b>	<b>1,765,521</b>	1,893,007

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2019

### 42. EVENTS OCCURRING AFTER THE REPORTING PERIOD

After the outbreak of Coronavirus Disease 2019 (“COVID-19”), a series of precautionary and control measures have been and is expected to be continued to be implemented across the country. Up to the date of this report, the Group was not aware of any material adverse effects on the financial statements as a result of the COVID-19 outbreak. As the World Health Organisation announced COVID-19 outbreak as a pandemic, an economic slowdown or recession is expected which will affect the demand and market price of coking coal. All of these may have a negative impact on the future results of the Group. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group, and the Group shall take proactive measures in response to the impact.

## 綜合財務報表附註(續)

截至二零一九年十二月三十一日止年度

### 42. 報告期後發生之事件

在新型冠狀病毒疾病(「COVID-19」)爆發之後，一系列預防和控制措施已在全國範圍內實施，並預期將繼續實施。截至本報告日期，本集團尚未發現因COVID-19爆發而對財務報表造成任何重大不利影響。鑑於世界衛生組織將COVID-19定性為全球大流行，預期經濟將會放緩或衰退，進而影響焦煤的需求及市場價格，對本集團未來業績可能將會造成負面影響。本集團將會密切關注COVID-19疫情的發展，評估其對本集團財務狀況和經營成果的影響，並將採取措施積極應對。

## FIVE-YEAR FINANCIAL SUMMARY

## 五年財務摘要

The financial information contained in this five-year financial summary does not constitute the Company's statutory annual consolidated financial statements for any of the financial years ended 31 December 2019, 2018, 2017, 2016 and 2015 but is derived from those published audited consolidated financial statements and restated upon the adoption of the new or amended standards and interpretations as appropriate, is set out below. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company has delivered the consolidated financial statements for all four years ended 31 December 2018 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the consolidated financial statements for the year ended 31 December 2019 in due course.

The Company's auditor has reported on these consolidated financial statements for all five years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under either sections 406(2), 407(2) or (3) of the Companies Ordinance.

本五年財務摘要所載有關截至二零一九年、二零一八年、二零一七年、二零一六年及二零一五年十二月三十一日止年度的財務資料並不構成本公司該等年度的法定年度綜合財務報表，但乃源自該等已刊發之經審核綜合財務報表，並於採納新訂或經修訂準則及詮釋(如適用)時重列。根據《公司條例》第436條須就該等法定財務報表披露的其他資料如下：

本公司已根據《公司條例》第662(3)條及附表6第3部向公司註冊處處長提交截至二零一八年十二月三十一日止年度全部四年來的綜合財務報表，並將於適當時間提交截至二零一九年十二月三十一日止年度的綜合財務報表。

本公司的核數師已就該五年度的綜合財務報表提交報告。核數師報告並無保留意見，亦無提述核數師在不就該等報告作保留的情況下以強調的方式促請有關人士注意的任何事項，也沒有載列根據《公司條例》第406(2)、407(2)或(3)條作出的陳述。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Results</b>	<b>業績</b>					
Revenue	收益	<b>3,869,308</b>	3,686,176	3,471,922	1,809,885	1,996,629
Profit/(Loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	<b>1,140,413</b>	1,100,488	1,080,649	111,795	(416,471)
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Total assets	資產總值	<b>21,472,710</b>	21,251,042	21,694,645	19,104,456	20,727,669
Total liabilities	負債總值	<b>(4,426,398)</b>	(4,475,236)	(4,318,962)	(3,438,763)	(3,683,389)
<b>Net assets</b>	<b>資產淨值</b>	<b>17,046,312</b>	16,775,806	17,375,683	15,665,693	17,044,280
Non-controlling interests	非控股權益	<b>(1,364,732)</b>	(1,391,690)	(1,440,871)	(1,146,669)	(1,253,165)
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>15,681,580</b>	15,384,116	15,934,812	14,519,024	15,791,115

## GLOSSARY

## 詞彙

In this annual report, the following expressions shall have the following meanings unless the context indicates otherwise.

在本年報內，除文義另有所指外，下列詞語具有以下涵義。

AGM 2019	the annual general meeting of the Company held on 16 May 2019	二零一九年股東週年大會	本公司已於二零一九年五月十六日舉行之股東週年大會
AGM 2020	The forthcoming annual general meeting of the Company	二零二零年股東週年大會	本公司即將舉行之股東週年大會
Articles	The articles of association of the Company	細則	本公司之章程細則
ASX	Stock Code on the Australian Securities Exchange Limited	ASX	澳洲證券交易所有限公司股份代號
Board	the board of Directors of the Company	董事會	本公司董事會
CG Code	the Corporate Governance Code as set out in Appendix 14 of the Listing Rules	企業管治守則	上市規則附錄十四所載的企業管治守則
Chairman	the chairman of the Board	主席	董事會主席
Company	Shougang Fushan Resources Group Limited (SEHK: 639)	本公司	首鋼福山資源集團有限公司(SEHK: 639)
Company Ordinance	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)	公司條例	香港法例第622章公司條例
Directors	the directors of the Company	董事	本公司董事
Executive Committee	the executive committee of the Board	執行委員會	本公司執行委員會
Executive Director(s)	the executive director(s) of the Company	執行董事	本公司執行董事
Funde Sino Life	Funde Sino Life Insurance Co., Ltd., a substantial shareholder of the Company	富德生命人壽	富德生命人壽保險股份有限公司，本公司主要股東
Group	the Company and its subsidiaries	本集團	本公司及其附屬公司

## GLOSSARY (continued)

## 詞彙(續)

Independent Non-executive Director(s)	the independent non-executive director(s) of the Company	獨立非執行董事	本公司獨立非執行董事
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange	上市規則	聯交所證券上市規則
Nomination Committee	the nomination committee of the Board	提名委員會	本公司提名委員會
Non-executive Director(s)	the non-executive director(s) of the Company	非執行董事	本公司非執行董事
Remuneration Committee	the remuneration committee of the Board	薪酬委員會	本公司薪酬委員會
SEHK	Stock Code on the Stock Exchange	SEHK	聯交所股份代號
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)	證券及期貨條例	證券及期貨條例(香港法例第571章)
Share(s)	ordinary share(s) of the Company	公司股份	本公司之普通股份
Shougang Group	Shougang Group Co., Ltd.*, holding 100% shares of Shougang Holding, was originally the holding company of Shougang International through Shougang Holding, and hence a substantial shareholder of the Company before 9 April 2019	首鋼集團	首鋼集團有限公司持有首鋼控股100%股權，原為首長國際(透過首鋼控股)之控股公司，故於二零一九年四月九日前為本公司之主要股東
Shougang Holding	Shougang Holding (Hong Kong) Limited was originally the holding company of Shougang International, and hence a substantial shareholder of the Company. However, since 9 April 2019, it ceased to be the holding company of Shougang International, and thus no longer a substantial shareholder of the Company from that date	首鋼控股	首鋼控股(香港)有限公司，原為首長國際之控股公司，故原為本公司之主要股東。但自二零一九年四月九日起，由於其不再是首長國際之控股公司，所以由該日起不再屬本公司主要股東

## GLOSSARY (continued)

## 詞彙(續)

Shougang International	Shougang Concord International Enterprises Company Limited (SEHK: 697), a substantial shareholder of the Company	首長國際	首長國際企業有限公司 (SEHK: 697)，為本公司主要股東
Stock Exchange	The Stock Exchange of Hong Kong Limited	聯交所	香港聯合交易所有限公司
substantial shareholder	has the meaning ascribed to it under the Listing Rules	主要股東	具有上市規則賦予之涵義
the year under review	for the year ended 31 December 2019	回顧年度	截至二零一九年十二月三十一日止年度

\* For identification purpose only





**SHOUGANG FUSHAN RESOURCES GROUP LIMITED**

**首鋼福山資源集團有限公司**

Stock Code 股份代號 : 639

