



CHINA VANADIUM
TITANO-MAGNETITE MINING
COMPANY LIMITED
中國鈮鈦磁鐵礦業有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
(Stock Code 股份代號 : 00893)

CONSOLIDATE THE FOUNDATION

with inclusiveness and adaptability

謀定而動 順勢而為

Our Presence 集團版圖



A. Mines 礦

Name 名稱	Location 位置	Area 面積	Type of Resources 資源種類	Resources as at 1 January 2022 (Mt) 於2022年1月1日資源量 (百萬噸)	Average Grade 平均品位	Mining Method 開採方法
A1 Maoling-Yanglongshan Mine 毛嶺—羊龍山鐵礦	Wenchuan County, Sichuan 四川省汶川縣	Exploration area: 11.6 sq.km. (including a mining area of 1.9 sq.km.) 勘探面積：11.6平方公里 (含採礦面積1.9平方公里)	Ordinary magnetite 普通磁鐵礦	54.96 ⁽¹⁾	22.81% TFe 鐵品位22.81%	Underground mining 地下開採
A2 Shigou Gypsum Mine 石溝石膏礦	Hanyuan County, Sichuan 四川省漢源縣	Mining area: 0.1228 sq.km. 採礦面積：0.1228平方公里	Gypsum 石膏	10.37 ⁽²⁾ (Types 331 and 333) (種類331及333)	90.64% Gypsum + Anhydrite 石膏+無水石膏 品位90.64%	Underground mining 地下開採

B. Plant 廠房

Name 名稱	Location 位置	Capacity 產能
B1 Maoling Processing Plant 毛嶺洗選廠	Near the Maoling-Yanglongshan Mine 靠近毛嶺—羊龍山鐵礦	High-grade iron concentrates: 150.0 Ktpa ⁽³⁾ 高品位鐵精礦：150.0千噸/年 ⁽³⁾

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

⁽²⁾ Under the Classification for Resources/Reserves of Solid Fuels and Mineral Commodities (GB/T 17766-1999) 根據固體礦產資源/儲量分類 (GB/T 17766-1999)

⁽³⁾ Under the wet basis 根據濕基基準

We aim to be a

TOP-NOTCH ENTERPRISE

打造一流企業

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CORE VALUE 核心價值

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

VISION 願景

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

MISSION 使命

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

Corporate Information

公司資料

BOARD OF DIRECTORS

Non-executive Director

Mr. Teh Wing Kwan (*Chairman*)

Executive Directors

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

Mr. Hao Xiemin
(*Financial controller*)

Mr. Wang Hu

Independent Non-executive Directors

Mr. Yu Haizong

Mr. Liu Yi

Mr. Wu Wen

AUDIT COMMITTEE

Mr. Yu Haizong (*Chairman*)

Mr. Liu Yi

Mr. Wu Wen

REMUNERATION COMMITTEE

Mr. Liu Yi (*Chairman*)

Mr. Jiang Zhong Ping

Mr. Yu Haizong

NOMINATION COMMITTEE

Mr. Teh Wing Kwan (*Chairman*)

Mr. Jiang Zhong Ping

Mr. Yu Haizong

Mr. Liu Yi

Mr. Wu Wen

COMPANY SECRETARY

Mr. Chong Eng Wee

AUTHORISED REPRESENTATIVES

Mr. Jiang Zhong Ping

Mr. Chong Eng Wee

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two

Times Square

1 Matheson Street

Causeway Bay

Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Suntera (Cayman) Limited

Suite 3204, Unit 2A

Block 3, Building D

P.O. Box 1586

Gardenia Court

Camana Bay

Grand Cayman

KY1-1110

Cayman Islands

董事會 非執行董事

鄭永權先生 (*主席*)

執行董事

蔣中平先生
(*首席執行官*)

郝謝敏先生
(*財務總監*)

王虎先生

獨立非執行董事

余海宗先生

劉毅先生

吳文先生

審核委員會

余海宗先生 (*主席*)

劉毅先生

吳文先生

薪酬委員會

劉毅先生 (*主席*)

蔣中平先生

余海宗先生

提名委員會

鄭永權先生 (*主席*)

蔣中平先生

余海宗先生

劉毅先生

吳文先生

公司秘書

章英偉先生

授權代表

蔣中平先生

章英偉先生

註冊辦事處

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

香港主要 營業地點

香港

銅鑼灣

勿地臣街1號

時代廣場

2座31樓

主要股份登記 及過戶處

Suntera (Cayman)
Limited

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P.O. Box 1586

Gardenia Court

Camana Bay

Grand Cayman

KY1-1110

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity
Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

LEGAL ADVISERS

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

as to Cayman Islands law:
Conyers Dill & Pearman
29th Floor
One Exchange Square
8 Connaught Place
Central
Hong Kong

INVESTOR RELATIONS CONSULTANT

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Wanchai
Hong Kong
Email: ir@chinavtmmining.com

COMPETENT PERSON

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Commercial Building
114-118 Lockhart Road
Wanchai
Hong Kong

WEBSITE

www.chinavtmmining.com

STOCK CODE

00893

SHARE INFORMATION

Board lot size: 1,000

FINANCIAL CALENDAR

1 January to 31 December

香港股份登記 及過戶分處

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

核數師

安永會計師事務所
執業會計師
註冊公眾利益實體
核數師
香港
鰂魚涌
英皇道979號
太古坊一座27樓

法律顧問

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

關於開曼群島法律：
康德明律師事務所
香港
中環
康樂廣場8號
交易廣場第一期
29樓

投資者關係 顧問

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香港
灣仔
告士打道160號
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21樓2102室
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合資格人士

寶萬礦產有限公司
香港
灣仔
駱克道114-118號
嘉洛商業大廈
6樓A室

網站

www.chinavtmmining.com

股份代號

00893

股份資料

每手買賣單位：1,000

財政期間

1月1日至12月31日

Corporate Profile

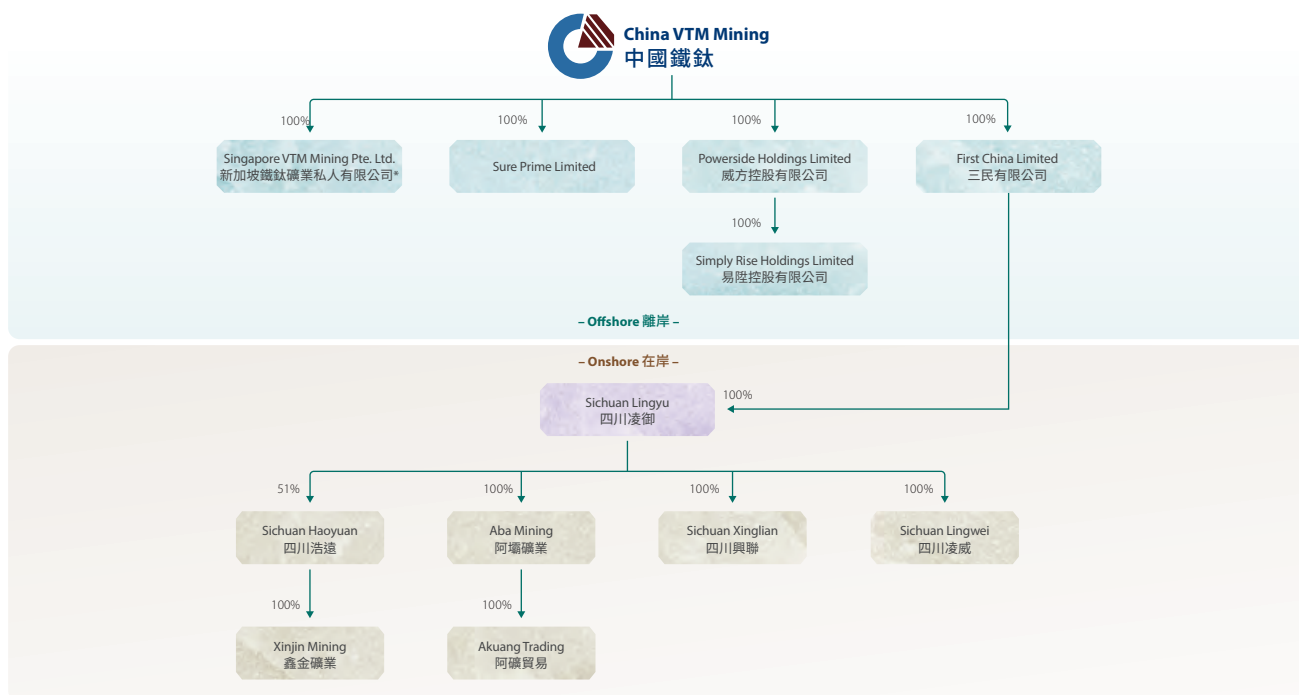
公司簡介

The Company has been listed on the main board of the Hong Kong Stock Exchange since 8 October 2009. During the year ended 31 December 2021, the Group was principally engaged in mining and ore processing, sale of self-produced products, trading of steels, mining facilities management and management of strategic investments. As at 31 December 2021, the Group owned one ordinary iron ore mine (namely the Maoling-Yanglongshan Mine), one gypsum mine (namely the Shigou Gypsum Mine) and one processing plant (namely the Maoling Processing Plant). All mines and processing plant are located in Sichuan, China.

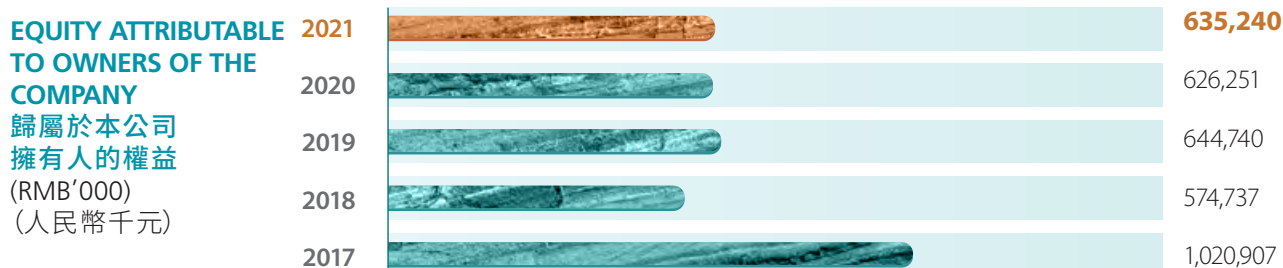
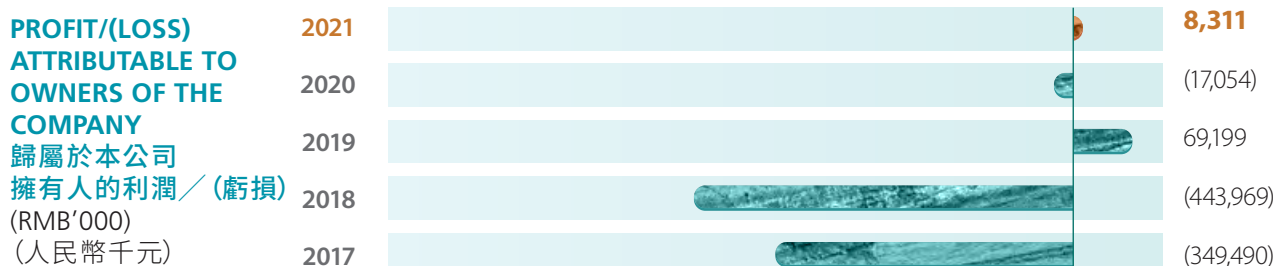
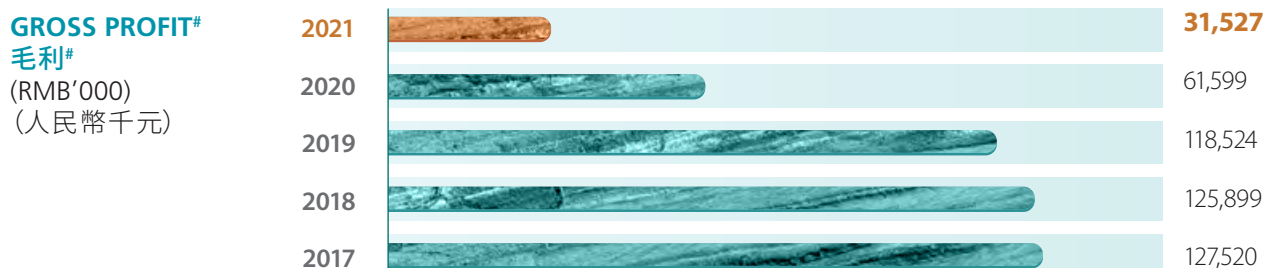
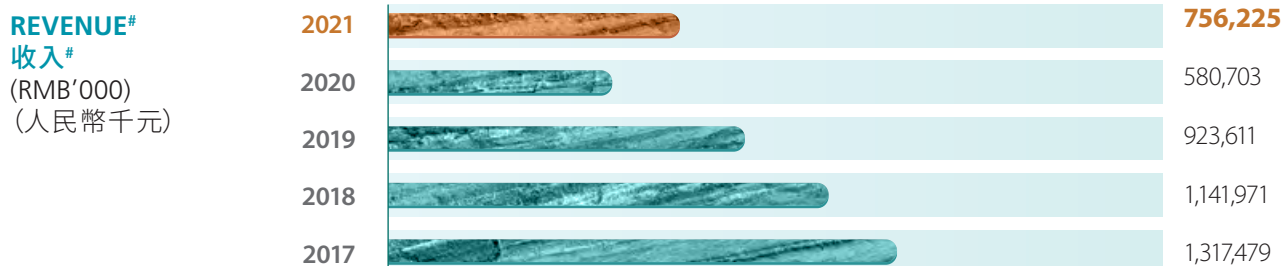
As at 31 December 2021, the total number of Shares of the Company in issue was 2,249,015,410 Shares and the percentage holding of the Company's subsidiaries was as follows:

本公司自2009年10月8日以來一直於香港聯交所主板上市。於截至2021年12月31日止年度，本集團的主要業務為採礦及礦石洗選、銷售自產產品、鋼鐵貿易、礦業設施管理及策略性投資管理。於2021年12月31日，本集團擁有一個普通鐵礦（即毛嶺—羊龍山鐵礦）、一個石膏礦（即石溝石膏礦）及一座洗選廠（即毛嶺洗選廠）。全部鐵礦及洗選廠均位於中國四川省。

於2021年12月31日，本公司的已發行股份總數為2,249,015,410股，而本公司持有子公司的權益百分比如下：



Financial Highlights 財務摘要



Included both Continuing Operations and Discontinued Operations after elimination of intra-group revenue or profit, whichever is applicable.

包括持續經營業務及已終止經營業務，經抵銷集團內公司間收入或利潤（以適用者為準）。

Chairman's Statement 主席報告書



Teh Wing Kwan 鄭永權
Chairman 主席

Dear Shareholders,

As you may have read elsewhere, vaccination drive boosts hope for normalcy and many countries are in a transition stage trying to move from COVID-19 pandemic to endemic. Meanwhile, China remains on high alert on the danger of the virus flare-ups with determined efforts to keep its infection rates relatively low but understandably, the strict implementation of various control measures has dragged normalisation of economic and social activities.

致各位股東：

閣下或有耳聞，廣泛接種疫苗帶來希望，生活可望重回正軌，全球多國亦處於嘗試將COVID-19從大流行轉變為流行病處理的過渡期。另一方面，中國仍對病毒復萌的危機保持警惕，竭力保持相對較低的感染率，惟嚴格實施各種防控措施難免拖慢社會經濟活動正常化的步伐。

Whilst many researchers think the Omicron variant could do less damage than the previous resurgence, the current wave has continued to disrupt supply chain, cause mismatch of supply-and-demand, aggravated labor shortage which could exacerbate global inflation and intensify macroeconomic pressures. At the same time, we have also seen rising geopolitical tensions and simmering social discontent as the situation has become ever more volatile and vulnerable to risk. The global economic recovery thus remains very elusive. The recovery prospects in the near term are rather uncertain and could be uneven.

OVERVIEW

China's GDP growth stabilised at the end of 2021 and monetary policy stance has been eased which aims to offer some calm in such a volatile market condition. The Chinese government has further signalled its willingness to deploy more for fiscal support in its switch and flexible monetary policy for an economy that could slow down amidst China's strict 'zero-Covid' approach, real estate debts crisis and tech crackdown. Against this backdrop, China's GDP in 2022 is expected to decelerate reflecting multiple headwinds ahead.

Apart from the macroeconomic headache, the steel industry in China – from the output, demand to pricing – has since become more complex to analyse. We observed that the steel industry in China seems to be in flux on decarbonisation drive and weak construction sector but accelerating infrastructure spending could help to support overall steel output. We noted that China's annual crude steel production reached a record-high in 2020 but fell in 2021 on stringent production curb as the Chinese government stepped up efforts to reduce emission and alleviate the straining power supply which could see output falling further in 2022 if the caps continue.

At the same time, we all are well aware that steel prices have surged given the post-COVID recovery as supply lagged behind demand but the increased pandemic control could delay meaningful business recovery and will thus cap demand growth. Meanwhile, the iron ore and base metals prices fell as the Chinese government warned the commodities market against excessive speculation and unreasonable hoarding, as reflected in its prices volatility during the year under review.

So, trying to predict how the steel industry will develop and change in this dynamic operating environment is complicated and may not be so straightforward. This complicated environment had an impact on the financial performance of the Group's High-Fe Mines for FY2021.

雖然許多研究員認為，Omicron變種病毒的傷害較以往品種輕微，惟最新一波疫情仍然對供應鏈造成干擾，導致供求失衡，勞工短缺問題惡化，或會令環球通脹升溫，加重宏觀經濟壓力。與此同時，我們亦觀察到，隨着環境越加反覆，風險上升，地緣政治紛爭亦見加劇，社會不滿沸騰。因此，全球經濟復甦動力仍然稍縱即逝。短期復甦前景依然堪憂、崎嶇不平。

概覽

中國GDP增長於2021年底回穩，放寬貨幣政策成為在市況反覆中的定海神針。面對房地產債務危機，中國政府在實施COVID-19「清零」政策及嚴密監控科技行業的同時，亦表示有意改變一貫方針，加大財政支持力度，採用靈活貨幣政策應對有可能減速的經濟。在此背景下，中國2022年的GDP預計將在未來多重阻力下放緩。

除宏觀經濟困境外，中國鋼鐵業不論是生產、需求和價格均越來越難以分析。我們觀察到，中國鋼鐵行業似乎正身處減碳措施與建造業疲弱的風波中，但基建開支增加或可支持整體鋼鐵生產。我們亦注意到，在中國政府嚴控過剩產能、加大減排力度及緩解能源短缺下，中國2021年的粗鋼年產量由2020年的紀錄高位回落，更可能在限制持續下於2022年進一步下跌。

與此同時，我們清楚知道，由於鋼鐵在COVID過後的復甦期中供不應求，故價格急升。然而，防疫措施收緊可能令商業活動延遲反彈，繼而導致需求增長受阻。此外，由於中國政府警告商品市場切勿過份投機、囤積居奇，故鐵礦石及基本金屬價格下滑，可見於回顧年度內價格反覆波動。

因此，鋼鐵行業的發展趨勢及經營環境的動態變化殊不簡單，難以預料。此一複雜多變的環境更令本集團高鐵品位礦場業務2021財政年度的財務表現受到影響。

Chairman's Statement

主席報告書

As previously disclosed, we noted profound changes in the operational risks of our foreign business unit in Australia which continued to exist under the current complex macro environment against a background of the geopolitical flux. In July 2021, we completed the disposal of the Mancala Australia Group and we believe our decision to pull out of the Australian market is timely.

Given the above, we recorded:

- operating profit before income tax, net of corporate expenses, for the High-Fe Mining Operation and trading businesses; and
- net gain on disposal of the loss-making Mancala Australia Group, offset by its net operating losses incurred during the period before completion of its disposal.

The overall profitability was however affected by:

- the clampdown against commodity speculators and market volatility across the industry, which had caused selling price for iron concentrates to fall;
- the disruption of the Maoling Mine operations as a result of (i) a landslide which caused a temporary suspension of production and (ii) a temporary traffic control arrangement at Aba Prefecture which disrupted delivery logistics and the related supply chain; and
- higher tax expenses.

OUTLOOK AND STRATEGIES

In regular times, businesses face situations in varying degrees of uncertainty and they could find ways to adapt from time to time. In trying times, uncertainty can be extreme and we must readjust, stay nimble and agile. Under the condition of this extreme uncertainty, the long-term fundamentals of China's economic growth remain the essence of our focused strategies, reflecting our confidence on the resilience of China's economy amidst challenges posed by the pandemic.

誠如以往所披露，我們注意到澳洲海外業務單元的經營風險出現顯著變化，且於地緣政治瞬息萬變的背景下，在當前複雜的宏觀環境中仍然如是。因此，我們於2021年7月完成出售澳洲曼卡拉集團，相信撤離澳洲市場的決定正合時宜。

有鑑於此，我們錄得：

- 高鐵品位礦場業務及貿易業務所得稅前營運利潤（扣除公司開支）；及
- 出售蒙受虧損的澳洲曼卡拉集團的收益淨額，惟被其於完成出售前期間的營運虧損淨額抵銷。

然而，整體盈利能力亦受到以下情況影響：

- 打擊業內商品投機及市場波動，導致鐵精礦售價下跌；
- (i)發生山體滑坡導致暫時停產；及(ii)阿壩州實施臨時交通管制安排，影響交付物流及相關供應鏈，導致毛嶺鐵礦營運中斷；及
- 稅項開支上升。

前景及戰略

即使身處平常時期，商界亦不時面對一定的不確定性，總能找到方法適應。在艱難時期，不明朗因素尤甚，我們必須重新作出調整，隨時靈活應變。儘管當前環境極為反覆，但我們仍然深信中國經濟將可克服大流行的挑戰，故我們的戰略將繼續聚焦於中國經濟增長的長遠基本因素。

Under such circumstances, we had updated that the Group would:

- expand its production capacity for the less-polluting and higher-margin iron concentrates (with at least 70% TFe) in view of China's sustainable mining practices. This growth initiative will involve some form of capital investments in licensing process, mines exploration, additional environmental compliance, modification and upgrading of existing production facilities and major mining engineering works; and
- segregate the mining facilities management activities from its upstream mining operations in order to sharpen its focus towards developing environmentally responsible practices which could also potentially allow the Group to diversify for additional revenue streams should opportunities arise.

In executing the above strategies, we are mindful of uneven business recovery given the previous major supply chain disruption, but we think the business recovery in China will be meaningful upon re-opening of the local economy at a much larger scale in time to come. More recently, some signs suggest that the supply chain pressures have somewhat moderated, but the continuity of the trends remains to be seen. Meanwhile, risks and signs of resurgence of viral infections amidst China's zero-COVID stance are closely monitored and we will adjust our strategies if required.

THANK YOU

Once again, I must thank our stakeholders, partners, bankers, management, and staff for their support during this challenging time.

Teh Wing Kwan

Chairman

Email: wkteh.cvt@gmail.com or
wkteh@chinavtmmining.com

Hong Kong, 29 March 2022

在此情況下，本集團的最新計劃將為：

- 鑑於中國實行可持續礦業常規，本集團將增加TFe含量最少達70%而污染較少，利潤較高的鐵精礦的產出量。此舉預期將涉及許可核發程序、礦區勘查、額外環境合規、現有生產設施及主要採礦工程改造升級等方面的資本投資；及
- 為更加注重發展環境責任常規，本集團會將礦業設施管理與上游礦業業務分割，使本集團把握機會獲得更多的收益來源。

在執行上述戰略時，我們注意到在早前供應鏈嚴重中斷的情況下，商業復甦將參差不齊。然而，我們認為，隨着中國各地經濟活動於可見將來大規模重啟，中國的商業將顯著恢復。近期若干情況顯示供應鏈壓力已有所緩解，惟趨勢能否持續仍有待觀察。與此同時，中國在COVID-19「清零」政策下密切監察病毒感染個案回升的風險及跡象，我們將在有需要時調整戰略。

致謝

本人謹此再次感謝我們的持份者、業務夥伴、往來銀行、管理層及員工在當前逆境下鼎力支持。

主席

鄭永權

電郵：wkteh.cvt@gmail.com或
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香港，2022年3月29日



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

Management Discussion and Analysis

管理層討論及分析

MARKET REVIEW

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

- With increasing global COVID-19 vaccination rates, the world economy has been recovering progressively but the pace of such recovery has been constrained by the emergence of the Omicron variant and thus could remain uneven.
- In China, with the rigorous implementation of various policies and related control measures to curb the viral spread of COVID-19, infection rates were kept at a low level throughout 2021. Production activities were able to resume and the economy recovered gradually. However, such strict restrictions seem to have delayed supply chain recovery for various industries.
- China's Gross Domestic Product ("GDP") growth for 2021 released by the National Bureau of Statistics of the PRC was 8.1% year-on-year, which was well above the initial target of 6%. As growth slowed progressively in 2021, down from 18.3% in the first quarter of 2021 to 4.0% in the fourth quarter of 2021, the GDP in 2022 is expected to decelerate further reflecting multiple headwinds.
- Steel prices in China surged in May 2021 to over RMB6,760 per tonne as a result of the output reduction combined with the rise in demand during the construction peak season, which subsequently saw a sharp correction to about RMB5,274 per tonne towards the year end following the government interventions and the end of peak seasons of certain industries.
- Steel production suffered throughout 2021 due to falling demand, which saw output continue to fall since April 2021, reaching the lowest point in November 2021 with only 69.3Mt produced, down 22% compared with the same period in 2020.
- To meet emission reduction goals and alleviate the straining power supply, the Chinese government has restricted the production output of high emission and energy-intensive industries from November 2021 to March 2022, affecting the overall output of steel as well as the global supply chain for steel.

市場回顧

於報告期內，本集團注意到以下行業發展及市場統計數據：

- 隨着環球COVID-19疫苗接種率節節上升，全球經濟穩步復甦，惟復甦步伐因Omicron變種病毒的出現而受阻，故此可能仍然步履蹣跚。
- 中國嚴厲推行多項政策及相關管控措施遏止COVID-19病毒傳播，使得感染率在2021年一直維持在較低水平，生產活動得以恢復，經濟逐步復甦。然而，有關嚴格限制看似延後了多個行業的供應鏈復甦。
- 中國國家統計局公佈的中國2021年國內生產總值（「GDP」）按年增長8.1%，遠高於年初的目標6%。增速於2021年逐步放緩，由2021年第一季度的18.3%下滑至2021年第四季度的4.0%，2022年的GDP增速在多重阻力影響下預計將進一步放緩。
- 受惠於減產及建造業旺季帶動需求上升，中國鋼鐵價格於2021年5月急升至每噸超過人民幣6,760元，其後隨着政府干預及某些行業旺季結束在年底急速回落至每噸約人民幣5,274元。
- 由於需求減少，故鋼鐵產量於2021年內一直受壓，自2021年4月起持續下跌，並於2021年11月觸及低位69.3百萬噸，較2020年同期減少22%。
- 為達成減排目標並減輕電力供應緊張的壓力，中國政府於2021年11月至2022年3月期間限制高排放及高能耗行業生產的產出量，影響鋼鐵總體產量以及環球鋼鐵供應鏈。

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- Under output reduction policies, both prices and the supply-and-demand chain for crude iron ore fell from June 2021 to December 2021. The China Iron Ore Price Index (“CIOPI”) compiled by the China Iron and Steel Association showed a continual drop in prices. The crude iron ore price index had been on a downtrend after peaking at 771.62 in mid-June 2021. Similarly, the price level for the 62% TFe iron ore has fallen to about RMB800 per tonne in late 2021 after reaching a high of approximately RMB1,334 per tonne in July 2021.
- The domestic output of crude iron ore experienced a contraction in 2021, but was still higher than the year-on-year output of 2020. The drop in iron ore output during the year was attributed to the lackluster steel demand, rigorous government lockdowns, and power rationing due to coal shortages.
- The Chinese Purchasing Managers’ Index (“PMI”) showed an uneven recovery in the manufacturing sector that it maintained above the threshold of 50.0 for the first eight months of 2021, but slipped below the threshold to 49.6 in September 2021, and rebounded back to 50.3 in December 2021. The PMI of the steel sector recorded an overall negative growth which remained below the threshold of 50.0 throughout the year with a peak at 45.0 in September 2021 but dropped to a new low at 36.6 in November 2021, and bounced back to 38.7 in December 2021.
- China pledged to achieve carbon peaking by 2030 and carbon neutrality by 2060 at the United Nations General Assembly in September 2021 and has subsequently implemented production capacity reduction and output control measures accordingly. In addition, the China Iron and Steel Association introduced five main directions for the steel industry in October 2021 to tackle increasing costs and fluctuating prices, namely, (i) supply-side structural reform, (ii) strengthening of industry supply chains, (iii) adherence to green and low carbon directives and technological innovation, (iv) matching the standards of top domestic and international firms, and (v) accelerated digitalisation.
- The National Development and Reform Commission of the PRC also released the “Implementation Plan for Carbon Dioxide Peaking of the Steel Industry” at the end of 2021. The plan highlighted emission goals and roadmaps for the industry and scientifically analysed emission reduction measures, focusing on reducing at source, rigorous process control, and betterment of end-of-pipe treatment, which aims to foster the transformation to a sustainable economy and society.
- 在減產政策下，2021年6月至2021年12月期間的粗鐵礦石價格及供需鏈雙雙下跌。中國鋼鐵工業協會編纂的中國鐵礦石價格指數顯示價格持續下滑。粗鐵礦石價格指數於2021年6月中觸及高位771.62後一直向下。同樣地，TFe含量62%鐵礦石價格水平由2021年7月的高位每噸約人民幣1,334元回落至2021年底每噸約人民幣800元。
- 2021年國內粗鐵礦石產量收縮，惟按年計算仍高於2020年的產量。年內鐵礦石產量下跌歸咎於鋼鐵需求萎靡、政府嚴格封城以及因煤礦供應短缺而限電。
- 中國採購經理人指數顯示製造業復甦之路崎嶇不平，2021年前八個月的指數企穩於50.0以上水平，惟於2021年9月跌穿分水嶺至49.6，其後於2021年12月反彈至50.3。鋼鐵行業的採購經理人指數整體錄得負增長，全年處於50.0分水嶺以下，高位為2021年9月的45.0，惟於2021年11月回落至36.6的新低，然後於2021年12月回穩至38.7。
- 中國於2021年9月的聯合國大會上承諾於2030年或之前實現碳達峰，並於2060年或之前實現碳中和，其後實施產能產量「雙控」政策。此外，中國鋼鐵工業協會於2021年10月提出鋼鐵行業五大目標，應對成本上漲與價格波動，包括(i)繼續推進供給側結構性改革；(ii)加強產業鏈供應鏈建設；(iii)堅持綠色低碳方向及加大科技創新力度；(iv)對標國內外先進企業；及(v)加快數字化建設。
- 中國國家發展和改革委員會亦於2021年底發佈《中國鋼鐵行業碳達峰實施方案》，行業減排目標、技術路綫、降碳路徑將更科學，突出源頭削減，嚴格過程控制、強化末端治理，直指減污降碳增效，旨在促進經濟社會全面綠色轉型。

BUSINESS AND OPERATIONS REVIEW

Operation and Financial Overview

During the Reporting Period, the Remaining Group reported higher revenue, which increased by 46.4% to approximately RMB714.8 million for FY2021. The Remaining Group recorded higher revenue despite (i) the temporary suspension of the Group's operations at the Maoling Mine during the second half of June 2021 (the "Production Suspension") as a result of a landslide, which caused road closures and disruptions to telecommunication and electricity supply in the affected areas in Wenchuan County and (ii) temporary traffic control arrangements in Aba Prefecture between July and August 2021, which affected supply chain and production operations of the Maoling Mine (the "Temporary Traffic Control Arrangements").

During the Reporting Period:

- production volume fell by approximately 41.4% mainly due to the Production Suspension and the Temporary Traffic Control Arrangements;
- average selling price for high-grade iron concentrates increased by approximately 32.6% mainly driven by the recovery in demand during the construction peak season, but the Chinese government's clampdown against commodity speculators partially offset such increase;
- trading activities increased due to higher steel demand during the Reporting Period as a result of the fiscal stimulus policies in China which saw higher infrastructure spending. The Group's overall purchase and sales volumes of trading activities were approximately 140.2 Kt, representing a rise of 14.4% as compared to FY2020;
- cost of sales increased on the back of higher average steel prices (rising by close to 43%) and higher unit production cost. As a result, the Remaining Group recorded a lower gross profit at approximately RMB24.7 million as compared to RMB46.6 million for FY2020, whereas, gross profit margin fell to 3.5% for FY2021 as compared to 9.5% for FY2020; and
- administrative expenses comprising mainly staff cost and professional services cost fell to approximately RMB19.0 million as compared to RMB30.5 million for FY2020 as a result of costs saving on the back of operational streamlining.

Details of the financial performance of the Group are set out on pages 16 and 17 of this annual report.

業務及營運回顧

營運及財務概覽

報告期內，保留集團的收入上升46.4%至2021財政年度約人民幣714.8百萬元。儘管(i)汶川縣發生山體滑坡，導致受災地區道路封閉以及通訊及電力供應中斷，本集團毛嶺鐵礦的營運因而於2021年6月下旬暫停運作(「停產」)；及(ii)阿壩州於2021年7月至8月實施臨時交通管制安排(「臨時交通管制安排」)，影響毛嶺鐵礦供應鏈及生產營運，保留集團仍錄得收入升幅。

報告期內：

- 產量主要因停產及臨時交通管制安排而下跌約41.4%；
- 高品位鐵精礦平均售價主要受到建築旺季的需求復甦帶動而上升約32.6%，惟中國政府打擊商品投機抵銷了部分升幅；
- 報告期內，中國財政刺激政策推動基建開支，提振鋼鐵需求，貿易活動因而增加。本集團貿易活動的整體買賣量約為140.2千噸，較2020財政年度上升14.4%；
- 鋼鐵平均價格上升(升幅接近43%)及單位生產成本增加令銷售成本上升。因此，保留集團的毛利相比2020財政年度的人民幣46.6百萬元下跌至約人民幣24.7百萬元，而與2020財政年度的9.5%相比，毛利率於2021財政年度下跌至3.5%；及
- 行政開支(主要包括員工成本及專業服務成本)較2020財政年度的人民幣30.5百萬元減少至約人民幣19.0百萬元，乃源於精簡營運導致成本削減。

本集團財務表現的詳情載於本年報第16及17頁。

Business Risks and Uncertainties

The following is a list of principal risks and uncertainties that are of significance, which may bring potential significant impacts to the Group's businesses, results of operations and financial conditions. However, this is non-exhaustive as there may be other risks and uncertainties arising from changes in economic and other conditions over time:

- the macro business environment in which the Group operates is highly dynamic that any adverse change in market conditions for sales of iron concentrates and trading of steel may materially affect the businesses of the Group;
 - unfavourable price fluctuations of iron concentrates, lower-than-expected capacity utilisation rate, negative market sentiment as a result of geopolitical tensions, the COVID-19 pandemic and change in demand may result in re-assessment of intangible assets valuations (in relation to exploration and mining rights), which may have an adverse impact on the Group's financial results due to the resultant impairment losses arising from lower value-in-use and lower economic benefits as may be derived from the related cash-generating units;
 - changes in government policies, laws and regulations in the PRC may affect the Group's operations and/or result in additional compliance costs;
 - additional time and efforts may be required in negotiating with financial institutions for commercially acceptable terms if there is a significant change in credit risk policies; and
 - delay in implementing growth and transformational strategies or deviation from original business and operational strategies, including resources reallocation plans, may affect the Group's operations and financial results.
- 本集團所處的宏觀營商環境非常多變，銷售鐵精礦及鋼鐵貿易的市況如有任何不利變動，或會對本集團業務造成重大影響；
 - 鐵精礦價格出現不利波幅，產能使用率低於預期，地緣政局緊張、COVID-19大流行及需求轉變令市場低迷，可能導致重新評估無形資產估值（有關勘探權及採礦權），或會對本集團的財務業績造成不利影響，原因為使用價值下跌及可能從相關現金產生單位獲得的經濟利益減少導致出現減值虧損；
 - 中國政府政策、法律及法規的轉變或會影響本集團的營運及／或引致額外合規成本；
 - 倘若信貸風險政策大幅更改，則可能需要額外時間及精力與財務機構磋商在商業上可接受的條款；及
 - 延遲實行增長及轉型策略或偏離原定業務及經營策略（包括資源重新分配計劃）或會影響本集團的經營及財務業績。

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FINANCIAL REVIEW

Note: The disposal of the Mancala Australia Group (the "Disposal Group") was completed on 31 July 2021. As such the following Group results comprised the results of the Disposal Group for the 7 months ended 31 July 2021 which are made up of (i) net operating loss of RMB4.1 million and (ii) a one-off gain on the Disposal amounting to RMB10.7 million. The Group has ceased to recognise the financial results of and deconsolidated the Disposal Group as at 31 July 2021.

財務回顧

附註：出售澳洲曼卡拉集團（「出售集團」）一事已於2021年7月31日完成。因此，以下本集團業績包括出售集團截至2021年7月31日止7個月的業績，當中包含(i) 人民幣4.1百萬元的經營虧損淨額及(ii) 人民幣10.7百萬元的出售事項一次性收益。本集團已於2021年7月31日終止確認出售集團的財務業績及終止將出售集團入賬。

		FY2021 2021 財政年度 RMB'000 人民幣千元	FY2020 2020 財政年度 RMB'000 人民幣千元	Variance 變動 %
REMAINING GROUP	保留集團			
Revenue	收入	714,760	488,135	46.4
Cost of sales	銷售成本	<u>(690,098)</u>	<u>(441,548)</u>	56.3
Gross profit	毛利	24,662	46,587	(47.1)
Other income and gain	其他收入及收益	3,888	3,864	0.6
Selling and distribution expenses	銷售及分銷開支	(373)	(4,572)	(91.8)
Administrative expense	行政開支	(19,003)	(30,515)	(37.7)
Other expenses	其他開支	(2,288)	(3,212)	(28.8)
Reversal of impairment losses, net	減值虧損撥回淨額	4,130	1,479	179.2
Finance costs	財務成本	<u>(5,393)</u>	<u>(5,598)</u>	(3.7)
Operating profit before tax from the Remaining Group	保留集團稅前營運利潤	5,623	8,033	(30.0)
Income tax credit/(expense)	所得稅抵免／(開支)	<u>(4,641)</u>	250	NM 無意義
Operating profit after tax from the Remaining Group	保留集團稅後營運利潤	982	8,283	(88.1)
DISPOSAL GROUP	出售集團			
Loss for the year from the Disposal Group	出售集團年內虧損	<u>(4,107)</u>	(32,675)	(87.4)
Net gain on the Disposal	出售事項的收益淨額	<u>10,723</u>	-	N/A 不適用
		<u>6,616</u>	<u>(32,675)</u>	(120.2)
Profit/(Loss) for the year	年內利潤／(虧損)	<u>7,598</u>	<u>(24,392)</u>	(131.1)

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		FY2021	FY2020	Variance
		2021	2020	
		財政年度	財政年度	變動
		RMB'000	RMB'000	%
		人民幣千元	人民幣千元	%
ATTRIBUTABLE TO:	歸屬於：			
Owners of the Company	本公司擁有人	8,311	(17,054)	(148.7)
Non-controlling interests	非控股權益	(713)	(7,388)	(90.3)
		7,598	(24,392)	(131.1)
ATTRIBUTABLE TO:	歸屬於：			
Owners of the Remaining Group	保留集團擁有人	914	9,413	(90.3)
Non-controlling interests	非控股權益	68	(1,130)	(106.0)
		982	8,283	(88.1)
ATTRIBUTABLE TO:	歸屬於：			
Owners of the Disposal Group	出售集團擁有人	7,397	(26,467)	(127.9)
Non-controlling interests	非控股權益	(781)	(6,208)	(87.4)
		6,616	(32,675)	(120.2)

Revenue

Revenue increased to approximately RMB714.8 million for FY2021 (FY2020: RMB488.1 million) due mainly to (i) higher trading activities and (ii) higher average selling price of high-grade iron concentrates, which are mainly attributable to pent-up demand during the first three quarters of 2021, which subsequently subsided as the Chinese government took steps to cool off rising commodity prices amid warnings of a government clampdown against commodity speculators and market volatility.

Cost of Sales

Cost of sales primarily comprises environment compliance cost, incidental costs for resuming the Maoling Mine operations from the Production Suspension, contracting fees for mining and stripping as well as materials, labour, power and other utilities, repair and maintenance, depreciation and amortisation, and trading purchase. Cost of sales increased substantially to approximately RMB690.1 million for FY2021 (FY2020: RMB441.5 million) due mainly to (i) higher cost of purchases for trading as a result of higher average steel prices which rose by close to 43% and (ii) delivery charges of iron concentrates being included as part of the cost of sales in FY2021 following the change in delivery arrangement.

收入

於2021財政年度，收入增加至約人民幣714.8百萬元（2020財政年度：人民幣488.1百萬元），主要源於(i)買賣活動增加，以及(ii)2021年前三季內高品位鐵精礦平均售價主要受積壓需求推動，惟其後在中國政府採取行動為商品價格升勢降溫，警告打擊商品投機及市場波動的情況下回落。

銷售成本

銷售成本主要包括環境合規成本、使毛嶺鐵礦從停產恢復營運的附帶成本、採礦及剝離承包費、材料、人工、能源及其他公用服務、維修及維護、折舊及攤銷以及買賣採購成本。2021財政年度的銷售成本大幅增加至約人民幣690.1百萬元（2020財政年度：人民幣441.5百萬元），主要由於(i)鋼鐵平均價格攀升近43%，導致為買賣而購貨的成本上升，以及(ii)鐵精礦的付運支出於付運安排改變後於2021財政年度計作銷售成本一部分所致。

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Gross Profit and Margin

Gross profit fell to approximately RMB24.7 million for FY2021 (FY2020: RMB46.6 million) due to lower profitability from the High-Fe Mining Operation while the Group's gross profit margin fell to approximately 3.5% for FY2021 (FY2020: 9.5%) which is mainly attributable to falling commodity prices and higher unit production cost for High-Fe Mining Operation.

Other Income and Gain

Other income and gain were RMB3.9 million for FY2021 (FY2020: RMB3.9 million), which comprise mainly proceeds from the sale of mine tailings of RMB2.5 million (FY2020: RMB2.0 million).

Selling and Distribution Expenses

The selling and distribution expenses primarily comprise delivery, logistics, storage and warehousing costs. Selling and distribution expenses fell to approximately RMB0.4 million for FY2021 (FY2020: RMB4.6 million) mainly because delivery charges of iron concentrates in FY2021 were included as part of cost of sales following a change in delivery arrangement, whereas such delivery charges were included as part of the selling and distribution expenses in FY2020.

Administrative Expenses

Administrative expenses, mainly comprising staff related expenses, professional fees and other fixed operating overhead associated with the Production Suspension, fell to approximately RMB19.0 million for FY2021 (FY2020: RMB30.5 million) which is mainly due to (i) cost saving arising from operational streamlining and (ii) the absence of one-off resource taxes of RMB8.7 million which the Group incurred in FY2020.

Other Expenses

Other expenses, which primarily comprise cost of processing mine tailings (which the Group started in April 2020), fell to approximately RMB2.3 million for FY2021 (FY2020: RMB3.2 million).

毛利及毛利率

2021財政年度的毛利因高鐵品位礦場業務盈利能力下降而下跌至約人民幣24.7百萬元（2020財政年度：人民幣46.6百萬元），而本集團2021財政年度的毛利率則下跌至約3.5%（2020財政年度：9.5%），主要是由於商品價格下跌及高鐵品位礦場業務的單位生產成本上升所致。

其他收入及收益

2021財政年度的其他收入及收益為人民幣3.9百萬元（2020財政年度：人民幣3.9百萬元），主要包括出售尾礦的所得款項人民幣2.5百萬元（2020財政年度：人民幣2.0百萬元）。

銷售及分銷開支

銷售及分銷開支主要包括付運、物流、儲存及倉儲成本。於2021財政年度，主要由於交付安排更改後鐵精礦的付運支出計作銷售成本的一部分，而該等付運支出於2020財政年度計作銷售及分銷開支的一部分，故銷售及分銷開支下降至約人民幣0.4百萬元（2020財政年度：人民幣4.6百萬元）。

行政開支

於2021財政年度，行政開支（主要包括員工相關開支、專業費用、與停產有關的其他固定經營間接費用）減少至約人民幣19.0百萬元（2020財政年度：人民幣30.5百萬元），主要源於(i)精簡營運後節省成本及(ii) 2020財政年度本集團產生一次性資源稅人民幣8.7百萬元，而本年度並無此項目。

其他開支

2021財政年度的其他開支（主要包括本集團於2020年4月開展的尾礦加工的成本）減少至約人民幣2.3百萬元（2020財政年度：人民幣3.2百萬元）。

Reversal of Impairment Losses, Net

The management of the Group has updated the key assumptions of the business projection in respect of the cash-generating unit (“CGU”) of the Remaining Group (the “Remaining Group CGU”), which is highly dependent on the estimation of future commodity prices, mining plans, future capital expenditure plans, discount rates and market conditions. As at 31 December 2021, the management of the Group is of the opinion that there is no impairment of the Remaining Group CGU, barring unforeseen circumstances. However, the management of the Group is mindful of the existing market conditions which appear to be highly volatile and unpredictable and will continue to assess the underlying assumptions applicable to its business projections (subject to regular reviews and revisions in relation to impairment tests) if there are factors indicating that the business conditions relating to the Remaining Group CGU may deteriorate to a level which requires accounting impairment as a result of the market forces.

During the Reporting Period, the reversal of impairment loss amounted to approximately RMB4.1 million for FY2021 (FY2020: RMB1.5 million) as a result of subsequent collection of trade receivables.

Finance Costs

Finance costs remain relatively unchanged at approximately RMB5.4 million for FY2021 (FY2020: RMB5.6 million).

Income Tax Credit/(Expense)

The Group recorded an income tax expense of approximately RMB4.6 million for FY2021 (FY2020: income tax credit of RMB0.3 million), due mainly to higher tax expenses for its profitable High-Fe Mining Operation and trading businesses.

Profit/(Loss) Attributable to Owners

Given the above and including the gain from disposal of the Mancala Australia Group amounting to RMB10.7 million, the Group recorded a net profit attributable to owners of approximately RMB8.3 million for FY2021, reversing a net loss attributable to owners of RMB17.1 million for FY2020.

Final Dividend

The Board does not recommend the payment of a final dividend for FY2021 (FY2020: Nil).

減值虧損撥回淨額

本集團管理層已更新有關保留集團的現金產生單位（「保留集團現金產生單位」）的業務預測的關鍵假設。有關預測很大程度上取決於估計未來商品價格、開採計劃、未來資本開支計劃、貼現率及市況。於2021年12月31日，本集團管理層認為，如無不可預見的情況，保留集團現金產生單位並無出現減值。然而，本集團管理層注意到現時市況極為波動且難以預測，而減值測試中的業務預測須定期檢討及修訂，故倘有任何因素顯示與保留集團現金產生單位有關的業務狀況在市場力量下可能惡化，以至於需要將減值入賬時，則將繼續評估適用於該業務預測的相關假設。

於報告期內，2021年財政年度撥回減值虧損約人民幣4.1百萬元（2020財政年度：人民幣1.5百萬元），源於其後收回應收賬款。

財務成本

2021財政年度的財務成本相對持平，維持於約人民幣5.4百萬元（2020財政年度：人民幣5.6百萬元）。

所得稅抵免／（開支）

本集團錄得2021財政年度的所得稅開支約人民幣4.6百萬元（2020財政年度：所得稅抵免人民幣0.3百萬元），主要是由於其高鐵品位礦場業務及貿易業務錄得利潤，稅項開支因而較高所致。

歸屬於擁有人的利潤／（虧損）

有鑑於此，且計及出售澳洲曼卡拉集團的收益人民幣10.7百萬元，本集團於2021財政年度錄得擁有人應佔純利約人民幣8.3百萬元，而2020財政年度則錄得擁有人應佔虧損淨額人民幣17.1百萬元。

末期股息

董事會不建議派付2021財政年度的末期股息（2020財政年度：無）。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND CAPITAL RESOURCES

The following table sets out certain information regarding the Group's consolidated statement of cash flows for FY2021 and FY2020:

		FY2021		FY2020	
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cash and cash equivalents as stated in the consolidated statement of cash flows at beginning of the year	年初於綜合現金流量表列賬的現金及現金等價物		47,173		26,689
Net cash flows from/(used in) operating activities	經營活動產生/(使用)的現金流量淨額	(18,218)		36,842	
Net cash flows used in investing activities	投資活動使用的現金流量淨額	(21,619)		(8,226)	
Net cash flows used in financing activities	融資活動使用的現金流量淨額	(1,603)		(4,692)	
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額		(41,440)		23,924
Effect of foreign exchange rate changes, net	匯率變動影響淨額		703		(3,440)
Cash and cash equivalents as stated in the consolidated statement of cash flows at end of the year	年末於綜合現金流量表列賬的現金及現金等價物		6,436		47,173

流動性及資本資源

下表載列有關本集團2021財政年度及2020財政年度的綜合現金流量表的若干資料：

Net Cash Flows From/(Used In) Operating Activities

The Group's net cash flows used in operating activities were approximately RMB18.2 million for FY2021 (FY2020: from operating activities were RMB36.8 million) after accounting for (i) operating loss before working capital changes of approximately RMB15.3 million (FY2020: RMB25.5 million), (ii) net working capital requirement of approximately RMB21.6 million (FY2020: RMB2.4 million) mainly attributable to an increase in trade receivables which arose from increasingly higher trading activities during the year-end period and (iii) cash used in operating activities of the Mancala Australia Group of approximately RMB7.7 million (FY2020: from operating activities of RMB13.8 million).

經營活動產生/(使用)的現金流量淨額

經計及(i)營運資金變動前經營虧損約人民幣15.3百萬元(2020財政年度:人民幣25.5百萬元)、(ii)營運資金淨需求約人民幣21.6百萬元(2020財政年度:人民幣2.4百萬元)(主要源於年結期內買賣活動不斷增加令應收賬款增加)及(iii)澳洲曼卡拉集團經營活動使用的現金約人民幣7.7百萬元(2020財政年度:經營活動產生的現金人民幣13.8百萬元)後,2021財政年度本集團經營活動使用的現金流量淨額約為人民幣18.2百萬元(2020財政年度:經營活動產生的現金流量淨額為人民幣36.8百萬元)。

Net Cash Flows Used In Investing Activities

The Group's net cash flows used in investing activities were approximately RMB21.6 million for FY2021 (FY2020: RMB8.2 million), due primarily to (i) capital expenditures for the engineering works in preparation for the expansion of the Maoling Mine areas of approximately RMB22.7 million (FY2020: RMB6.4 million), (ii) net proceeds from the disposal of subsidiaries of approximately RMB3.1 million (FY2020: Nil) and (iii) cash used in investing activities of the Mancala Australia Group of approximately RMB1.2 million (FY2020: RMB1.4 million).

Net Cash Flows Used In Financing Activities

The Group's net cash flows used in financing activities were approximately RMB1.6 million for FY2021 (FY2020: RMB4.7 million), due primarily to proceeds from working capital loans and cash used in financing activities of the Mancala Australia Group of approximately RMB2.0 million (FY2020: RMB0.04 million).

FINANCIAL POSITION

Note: Assets and liabilities of the Mancala Australia Group were classified as held for sale as at 31 December 2020 and were subsequently deconsolidated as at 31 July 2021 upon completion of the Disposal. Details of the Discontinued Operations are set out in notes 10 and 31 to the financial statements of this annual report.

Inventories

The Group's inventories, consisting of raw materials, stocks and consumables in relation to High-Fe Mining Operation, were approximately RMB11.9 million as at 31 December 2021 (FY2020: RMB5.8 million), due mainly to (i) raw materials stock for production and (ii) other buffer inventories which have substantially been consumed or sold after the Reporting Period.

Trade and Bills Receivables

The Group's trade and bills receivables increased to approximately RMB203.7 million as at 31 December 2021 (FY2020: RMB181.8 million) on the back of higher revenues. The trade receivables have substantially been collected subsequent to the Reporting Period while the remaining balance falls within the credit period and is expected to be collected before the second quarter of 2022.

Other Receivables

The Group's other receivables fell to approximately RMB4.4 million as at 31 December 2021 (FY2020: RMB4.7 million).

投資活動使用的現金流量淨額

2021財政年度本集團投資活動使用的現金流量淨額約為人民幣21.6百萬元（2020財政年度：人民幣8.2百萬元），主要源於(i)為準備擴展毛嶺鐵礦區域而進行工程的資本支出約人民幣22.7百萬元（2020財政年度：人民幣6.4百萬元）、(ii)出售子公司的所得款項淨額約人民幣3.1百萬元（2020財政年度：零）及(iii)澳洲曼卡拉集團投資活動使用的現金約人民幣1.2百萬元（2020財政年度：人民幣1.4百萬元）。

融資活動使用的現金流量淨額

2021財政年度本集團融資活動使用的現金流量淨額約為人民幣1.6百萬元（2020財政年度：人民幣4.7百萬元），源於營運資金貸款所得款項及澳洲曼卡拉集團融資活動使用的現金約人民幣2.0百萬元（2020財政年度：人民幣0.04百萬元）。

財務狀況

附註：澳洲曼卡拉集團的資產及負債於2020年12月31日分類為持作出售，其後於2021年7月31日出售事項完成時終止綜合入賬。已終止經營業務的詳情載於本年報財務報表附註10及31。

存貨

本集團於2021年12月31日的存貨（包括有關高鐵品位礦場業務的原材料、庫存及消耗品）約為人民幣11.9百萬元（2020財政年度：人民幣5.8百萬元），主要是由於(i)生產所用原材料庫存；及(ii)其他應急存貨（大部分已於報告期後消耗或出售）。

應收賬款及票據

於2021年12月31日，本集團的應收賬款及票據隨收入提高而增加至約人民幣203.7百萬元（2020財政年度：人民幣181.8百萬元）。應收賬款大部分已於報告期後收回，而餘額則處於信貸期內，預期於2022年第二季度前收回。

其他應收款項

於2021年12月31日，本集團的其他應收款項減少至約人民幣4.4百萬元（2020財政年度：人民幣4.7百萬元）。

Assets and Liabilities of a Disposal Group Classified as Held for Sale

The assets and liabilities of a disposal group classified as held for sale as at 31 December 2020 were in relation to the Mancala Australia Group and were subsequently deconsolidated as at 31 July 2021 upon completion of the Disposal.

Trade Payables

The Group's trade payables increased to approximately RMB33.1 million as at 31 December 2021 (FY2020: RMB30.5 million) due mainly to higher cost of purchases for trading as a result of substantially higher average steel prices. Overall creditors turnover days fell to 17 days (FY2020: 40 days) due mainly to early payment to supplier.

Borrowings

Total borrowings of the Group were approximately RMB92.2 million as at 31 December 2021 (FY2020: RMB84.7 million). The increase was due to the additional working capital loan obtained for the Maoling Mine expansion. As at 31 December 2021, all bank loans of the Group were denominated in RMB. Details of the borrowings of the Group are set out in note 25 to the financial statements of this annual report.

Lease Liabilities

The total lease liabilities of the Group were approximately RMB2.7 million (FY2020: RMB7.3 million) which were related to payment obligations in relation to the right-of-use assets that comprised mainly office premises and tailings management facilities. The reduction is due mainly to the lease modification resulting from annual rental reduction of tailing facilities.

分類為持作出售的出售集團的資產及負債

於2020年12月31日分類為持作出售的出售集團的資產及負債乃關於澳洲曼卡拉集團，其後已於2021年7月31日出售事項完成時終止綜合入賬。

應付賬款

於2021年12月31日，本集團的應付賬款增加至約人民幣33.1百萬元（2020財政年度：人民幣30.5百萬元），主要源於平均鋼鐵價格大漲導致為進行買賣而購貨的成本上升。整體應付賬款週轉天數因提早向供應商付款而減少至17天（2020財政年度：40天）。

借貸

於2021年12月31日，本集團的借貸總額約為人民幣92.2百萬元（2020財政年度：人民幣84.7百萬元），因就擴展毛嶺鐵礦取得額外營運資金貸款而增加。於2021年12月31日，本集團所有銀行貸款以人民幣計值。本集團借貸的詳情載於本年報的財務報表附註25。

租賃負債

本集團的租賃負債總額約人民幣2.7百萬元（2020財政年度：人民幣7.3百萬元）與就使用權資產（主要包括辦公室物業及尾礦管理設施）付款的義務有關。租賃負債總額減少主要源於尾礦設施全年租金減少導致租賃修改。

Contingent Liabilities

As at 31 December 2021, the maximum amount of contingent liabilities of the Company was RMB730.0 million, which represented the maximum guaranteed amount under the CVT Guarantees. The CVT Guarantees were provided by the Company prior to the 2019 Disposal to guarantee the indebtedness of the Caitong Group owed to certain banks and an asset management and financial services institution in the PRC (the "Financial Institutions"). Those debts have not been fully repaid and the CVT Guarantees continued after the 2019 Completion. As previously disclosed in the announcements of the Company dated 30 July 2019 and 29 July 2020, respectively, Chengyu Vanadium Titano and Huili Caitong had updated the Company that the Financial Institutions were willing to consider releasing the CVT Guarantees provided that the total outstanding loans with the Financial Institutions were fully repaid. Chengyu Vanadium Titano and Huili Caitong have also undertaken that they would continue to make progressive repayment of the outstanding principal loans as scheduled. As at 31 December 2021, these debts had not been fully repaid and the CVT Guarantees thus continued after the 2019 Completion. Given the continuation of the CVT Guarantees, the Company's obligations under the CVT Guarantees have been counter indemnified by Chengyu Vanadium Titano and such counter indemnity in favour of the Company will continue to be in place and remain effective until the CVT Guarantees are released. Save for the above, as at 31 December 2021, the Group did not have any other contingent liabilities. For further details about the CVT Guarantees and such counter indemnity, please refer to note 33 to the financial statements of this annual report.

Pledge of Assets

The Group's pledge of assets as at 31 December 2021 was related mainly to a short-term bank loan of RMB79.6 million granted by Shanghai Pudong Development Bank Chengdu Branch to Aba Mining, which was secured by (i) mining right of Maoling Mine; (ii) 100% equity of Aba Mining held by Sichuan Lingyu and (iii) a pledged deposit of RMB10,000,000.

或有負債

於2021年12月31日，本公司的最高或有負債金額為人民幣730.0百萬元（即中國鐵鈦擔保下的最高擔保金額）。中國鐵鈦擔保由本公司於進行2019年出售事項前提供，以擔保財通集團結欠中國若干銀行及一間資產管理及金融服務機構（「金融機構」）的債務。於2019年完成後，該等債務尚未全數償還，而中國鐵鈦擔保仍然有效。如本公司較早前日期為2019年7月30日及2020年7月29日的公告所披露，成渝鈦鈷及會理財通已向本公司提供最新資料，金融機構有意考慮解除中國鐵鈦擔保，前提是結欠金融機構的未償還貸款總額會獲全數償還。成渝鈦鈷及會理財通亦已承諾，彼等將繼續如期逐步償還未償還貸款本金。於2021年12月31日，該等債項仍未全數償還，因此，中國鐵鈦擔保於2019年完成後仍然有效。鑑於中國鐵鈦擔保仍然有效，本公司於中國鐵鈦擔保下的義務由成渝鈦鈷作反彌償保證，而以本公司為受益人的反彌償保證亦將存續及仍然有效，直至中國鐵鈦擔保解除為止。除上述者外，於2021年12月31日，本集團並無任何其他或有負債。有關中國鐵鈦擔保及反彌償保證的進一步詳情，請參閱本年報的財務報表附註33。

資產質押

於2021年12月31日，本集團的資產質押主要涉及由上海浦東發展銀行成都分行向阿壩礦業提供的短期銀行貸款人民幣79.6百萬元，以(i)毛嶺鐵礦的採礦權；(ii)四川凌御所持阿壩礦業100%股本權益；及(iii)人民幣10,000,000元的已質押存款作抵押。

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures, and Future Plan for Material Investments of Capital Assets

Except as disclosed elsewhere in this management discussion and analysis (“MD&A”), the audited consolidated financial statements for FY2021 or the announcements of the Company in relation to the Disposal dated 30 June 2021 and 1 August 2021, respectively, there were no other significant investments held and/or committed by the Company, nor were there any other material acquisitions or disposals of subsidiaries, associates and joint ventures during FY2021.

Except as disclosed in this MD&A and the audited financial statements, there were no other material investments or additions of capital assets that were not related to normal operation authorised by the Board as at the date of this report.

Foreign Currency Risk

The Group’s foreign currency exposures arose primarily from the exchange rate movement of foreign currencies, namely, HKD, USD and SGD, against the RMB. HKD, USD and SGD are the functional currencies of respective entities within the Group.

The RMB is not freely convertible. There is a risk that the Chinese government may take actions affecting exchange rates which may have a material adverse effect on the Group’s net assets, earnings and any dividends it declares if such dividend is to be exchanged or converted into foreign currencies.

The Group has not entered into any hedging transactions to manage the potential fluctuation in foreign currencies. The management monitors the Group’s foreign currency exposure and will consider hedging significant foreign currency exposure when the needs arise.

Please refer to note 38 to the financial statements of this annual report of more details of the Group’s foreign currency risk.

重大投資、子公司、聯營公司及合營企業的重大收購及出售以及重大資本資產投資的未來計劃

除本管理層討論及分析其他部分、2021財政年度經審核綜合財務報表或本公司就出售事項所發表日期為2021年6月30日及2021年8月1日的公告所披露者外，於2021財政年度，本公司並無持有及／或承諾進行其他重大投資，亦無進行任何其他子公司、聯營公司及合營企業的重大收購或出售。

除本管理層討論及分析以及經審核財務報表所披露者外，於本報告日期，董事會並無授權在日常業務以外進行其他重大投資或添置資本資產。

外幣風險

本集團的外幣風險主要來自外幣（即港元、美元及新加坡元）兌人民幣的匯率變動。港元、美元及新加坡元乃本集團旗下相關實體的功能貨幣。

人民幣不可自由轉換。中國政府或會採取行動影響匯率，可能會對本集團淨資產、盈利及其宣派的任何股息（倘股息須兌換或換算為外幣）造成重大不利影響。

本集團並無進行任何對沖交易以管理潛在的外幣波動。管理層監察本集團的外幣風險，並將於有需要時考慮對沖重大的外幣風險。

有關本集團外幣風險的更多詳情，請參閱本年報的財務報表附註38。

Interest Rate Risk

The Group's exposure to interest rate risk relates primarily to bank deposits, interest-bearing bank and other borrowings and exchangeable notes (which are subject to fair value interest rate risk).

The Group manages its interest rate exposure arising from all its interest-bearing loans through the use of fixed rates. In addition, the Group has not used any interest rate swaps to hedge against interest rate risk. The Group will constantly monitor the economic situation and its interest rate risk profile, and will consider appropriate hedging measures when the needs arise.

Please refer to note 25 to the financial statement of this annual report for more details of the interest rates and terms of repayment of interest-bearing bank and other borrowings.

Contractual Obligations

The Group had no contractual obligations as at 31 December 2021 and 2020.

Capital Expenditure

The Group's total capital expenditure increased by RMB3.6 million to approximately RMB18.3 million for FY2021 (FY2020: RMB19.8 million, inclusive of RMB14.7 million attributable to the Remaining Group) due to engineering works performed in preparation for the progressive upgrade of the High-Fe Mining Operation.

Gearing Ratio

Gearing ratio is a measure of financial leverage, which is calculated by "net debt" divided by "total equity plus net debt". Net debt is defined as interest-bearing bank and other loans and lease liabilities, net of cash and cash equivalents and it excludes liabilities incurred for working capital purpose. Equity includes equity attributable to owners of the Company and non-controlling interests. As at 31 December 2021, gearing ratio was approximately 8.7% (FY2020: 6.1%).

利率風險

本集團面對的利率風險主要與銀行存款、計息銀行及其他借貸以及可轉換票據（須承受公平值利率風險）有關。

本集團利用固定利率管理全部計息貸款所產生的利率風險。此外，本集團並無利用任何利率掉期對沖利率風險。本集團將持續監察經濟狀況及其利率風險承受取向，並將於有需要時考慮適當的對沖措施。

有關計息銀行及其他借貸的利率及還款條款的更多詳情，請參閱本年報的財務報表附註25。

合約責任

於2021年及2020年12月31日，本集團並無任何合約責任。

資本開支

於2021財政年度，由於高鐵品位礦場業務為準備逐步升級而進行工程作業，故本集團的總資本開支增加人民幣3.6百萬元至約人民幣18.3百萬元（2020財政年度：人民幣19.8百萬元，包括保留集團應佔的人民幣14.7百萬元）。

借貸比率

借貸比率為金融槓桿的計量方式，按「淨債項」除以「總權益加淨債項」計算。淨債項指計息銀行及其他貸款以及租賃負債，減去現金及現金等價物，並不包括就營運資金產生的負債。權益包括歸屬於本公司擁有人的權益及非控股權益。於2021年12月31日，借貸比率約為8.7%（2020財政年度：6.1%）。

**RESOURCE AND RESERVE OF MINES UNDER
THE JORC CODE (2012 EDITION) AS AT
1 JANUARY 2022**

**Resource Summary of the Maoling-Yanglongshan
Mine**

JORC Mineral Resource Category

Properties 礦場	JORC Mineral Resource Category 聯合可採儲量委員會礦產資源類別	Tonnage 噸數 (Mt) (百萬噸)	Grade 品位 TFe (%) (%)	Contained Metal 蘊含金屬 TFe (Kt) (千噸)
Maoling-Yanglongshan Mine 毛嶺—羊龍山鐵礦	Measured (M) 探明	—	—	—
	Indicated (I) 控制	7.72	22.48	1,735.34
	M+I 探明+控制	7.72	22.48	1,735.34
	Inferred 推斷	47.24	22.86	10,799.00
	Total 總計	54.96	22.81	12,534.34

Notes:

- The material assumptions and technical parameters set out in the Company's supplemental announcement dated 13 February 2015 with respect to the Maoling-Yanglongshan Mine continue to apply.
- The mineral resources of the Maoling-Yanglongshan Mine as at 1 January 2022 were estimated by BAW Mineral Partners Limited by depleting the mineral resources consumed throughout 2021 for the Maoling-Yanglongshan Mine.

**聯合可採儲量委員會規則
(2012年版)下各礦場於2022年
1月1日的資源量及儲量**

毛嶺—羊龍山鐵礦的資源量概要

聯合可採儲量委員會礦產資源類別

附註：

- 本公司日期為2015年2月13日的補充公告所載有關毛嶺—羊龍山鐵礦的主要假設及技術參數繼續適用。
- 毛嶺—羊龍山鐵礦於2022年1月1日的礦產資源量由寶萬礦產有限公司透過減去2021年就毛嶺—羊龍山鐵礦所耗礦產資源量估計。

RESOURCE OF MINES UNDER THE CLASSIFICATION FOR RESOURCES/RESERVES OF SOLID FUELS AND MINERAL COMMODITIES (GB/T 17766-1999) AS AT 1 JANUARY 2022

Resource Summary of the Shigou Gypsum Mine

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

EMPLOYEES AND EMOLUMENT POLICIES

As at 31 December 2021, the Group had a total of 127 dedicated full time employees (31 December 2020: 191 employees, inclusive of 138 employees from the Remaining Group), including 4 management staff members, 20 technical staff members, 27 administrative and sales & marketing staff members, and 76 operational staff members. For FY2021, the employee benefit expenses (including Directors' remuneration in the form of fees, salaries and other allowances) were approximately RMB14.4 million (FY2020: RMB28.5 million, inclusive of RMB14.6 million attributable to the Remaining Group).

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

固體礦產資源／儲量分類(GB/T 17766-1999)下各礦場於2022年1月1日的資源量

石溝石膏礦的資源量概要

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

僱員及酬金政策

於2021年12月31日，本集團共有127名全職僱員（2020年12月31日：191名僱員，包括138名保留集團的僱員），包括4名管理人員、20名技術人員、27名行政及銷售與營銷人員以及76名營運人員。2021財政年度的僱員福利開支（包括以袍金、薪金及其他津貼形式發放的董事薪酬）約為人民幣14.4百萬元（2020財政年度：人民幣28.5百萬元，包括保留集團應佔的人民幣14.6百萬元）。

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

OTHER SIGNIFICANT EVENTS

The Disposal

On 30 June 2021, the Company (as vendor) entered into a conditional sale and purchase agreement with PT. Hay Wei (as purchaser) to dispose of 81% equity interest in Mancala Holdings to PT. Hay Wei for a total cash consideration of AUD1.5 million (equivalent to approximately RMB7.3 million). Upon the completion of the Disposal on 31 July 2021, the Mancala Australia Group has ceased to be subsidiaries of the Company.

Please refer to the Company's announcements dated 30 June 2021 and 1 August 2021, respectively, for further details.

The Disruption of the Maoling Mine Operations

The Maoling Mine operations were temporarily suspended in mid-June 2021 due to a landslide that struck Longzhangkou, Xinqiao Village, Wenchuan County, Aba Prefecture, Sichuan. Following the resumption of the Maoling Mine operations in early July 2021, the supply chain and production operations were further disrupted by the Temporary Traffic Control Arrangements in Aba Prefecture which continued until mid-August 2021 even though the Maoling Mine operations had resumed in early July 2021.

Please refer to the Company's announcements dated 21 June 2021 and 2 July 2021, respectively, for further details.

Facilities Management Agreements

On 21 March 2022, Sichuan Lingwei entered into (i) the facility management services framework agreement with Huili Caitong and Xiushuihe Mining (the "Huili FM Agreement") and (ii) the facility management services framework agreement with Yanyuan Xigang (the "Yanyuan FM Agreement", together with the Huili FM Agreement, the "Framework Agreements"). Pursuant to the Framework Agreements, Sichuan Lingwei will provide various facility management services, including operational site routine services and mining engineering support and consultancy services, to the mining camps of Huili Caitong, Xiushuihe Mining and Yanyuan Xigang from 1 April 2022 to 31 December 2022. The annual cap for the transactions contemplated under the Framework Agreements for the year ending 31 December 2022 is RMB12,900,000.

其他重大事項

出售事項

於2021年6月30日，本公司（作為賣方）與PT. Hay Wei（作為買方）訂立有條件買賣協議，向PT. Hay Wei出售開曼曼卡拉的81%股本權益，總現金代價為1.5百萬澳元（相等於約人民幣7.3百萬元）。於2021年7月31日出售事項完成後，澳洲曼卡拉集團不再為本公司的子公司。

進一步詳情請參閱本公司日期為2021年6月30日及2021年8月1日的公告。

毛嶺鐵礦營運中斷

於2021年6月中，四川省阿壩州汶川縣新橋村龍張口受到山體滑坡沖擊，導致毛嶺鐵礦營運中斷。於2021年7月初毛嶺鐵礦恢復營運後，供應鏈及生產營運因阿壩州的臨時交通管制安排而進一步中斷，情況持續至2021年8月中，即使毛嶺鐵礦已於2021年7月初恢復營運。

進一步詳情請參閱本公司日期為2021年6月21日及2021年7月2日的公告。

設施管理協議

於2022年3月21日，四川凌威(i)與會理財通及秀水河礦業訂立設施管理服務框架協議（「會理設施管理服務協議」）及(ii)與鹽源西鋼訂立設施管理服務框架協議（「鹽源設施管理服務協議」，連同會理設施管理服務協議統稱「框架協議」）。根據框架協議，四川凌威將於2022年4月1日至2022年12月31日期間為會理財通、秀水河礦業及鹽源西鋼的礦區提供多項設施管理服務，包括營運現場日常服務以及採礦工程協助及諮詢服務。截至2022年12月31日止年度根據框架協議擬進行的交易的年度上限為人民幣12,900,000元。

As facilities management continues to hold an increasingly important and integral role in other industries and sectors, the Group believes that the services to be provided and management resources to be allocated under the Framework Agreements serve as a base to allow progressive expansion of the level of such relevant expertise (including future investments in relevant skilled personnel and technological support) such that the Group could potentially market its facilities management capabilities, procure additional service contracts, forge partnership with strategic partners so that it could explore more innovative and technology-driven facilities management strategies in managing the entire value chain of the facilities management business for other third party clients as well.

The Relevant Substantial Shareholders collectively hold more than 30% equity interests in Chengyu Vanadium Titano, which in turn wholly owns Huili Caitong. Xiushuihe Mining is in turn a non-wholly owned subsidiary of Huili Caitong. Further, Yanyuan Xigang is ultimately held indirectly as to more than 30% by the Relevant Substantial Shareholders. Accordingly, each of Huili Caitong, Xiushuihe Mining and Yanyuan Xigang is an associate of the Relevant Substantial Shareholders and therefore is a connected person of the Company, and the transactions contemplated under the Framework Agreements constitute continuing connected transactions under Chapter 14A of the Listing Rules.

Please refer to the Company's announcement dated 21 March 2022 for further details.

SUPPLEMENTARY INFORMATION REGARDING THE QUALIFIED OPINION RELATING TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE MANCALA AUSTRALIA GROUP

Ernst & Young, the auditor of the Company (the "Auditor") has rendered a qualified opinion (the "Qualified Opinion") relating to the consolidated financial statements of the Mancala Australia Group, the disposal of which had been completed on 31 July 2021. Please refer to page 97 to 104 for the independent auditor's report.

由於設施管理對其他行業及板塊的重要性有增無減且不可或缺，故本集團相信根據框架協議將提供的服務及將分配的管理資源可為本集團奠定基礎，以逐步提升相關專業知識水平（包括日後投資於相關熟練人員及技術協助），讓本集團有機會營銷其設施管理能力，取得額外服務合約，與戰略夥伴建立夥伴關係，進而探索更多創新及技術主導的設施管理戰略，為其他第三方客戶管理整條設施管理業務價值鏈。

相關主要股東合共持有成渝鈦鈷超過30%股本權益，而成渝鈦鈷則全資擁有會理財通。秀水河礦業為會理財通的非全資子公司。再者，鹽源西鋼由相關主要股東間接最終持有超過30%權益。因此，會理財通、秀水河礦業及源西鋼為相關主要股東的聯繫人，因而為本公司的關連人士，而根據上市規則第十四A章，根據框架協議擬進行的交易構成持續關連交易。

進一步詳情請參閱本公司日期為2022年3月21日的公告。

有關涉及澳洲曼卡拉集團綜合 財務報表的保留意見的補充資料

本公司核數師安永會計師事務所（「核數師」）就澳洲曼卡拉集團（已於2021年7月31日完成出售）的綜合財務報表發出保留意見（「保留意見」）。請參閱獨立核數師報告第97至104頁。

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Set out below is the supplementary information regarding the Qualified Opinion:

(1) Background of the disposal of the Mancala Australia Group

On 31 July 2021, the Company completed the disposal of the Mancala Australia Group through the disposal of 81% equity interest in Mancala Holdings to PT. Hay Wei for a consideration of AUD1.5 million. Upon completion of the disposal of the Mancala Australia Group, the Group could no longer govern and/or exercise control over the Mancala Australia Group's financial and operating policies, which thus did not meet the definition of control in accordance with IFRS 10 Consolidated Financial Statements. Consequently, the Group has deconsolidated the Mancala Australia Group since 31 July 2021. Please refer to notes 10 and 31 to the financial statements for further details.

(2) Management's view on the financial statements of the Mancala Australia Group

The Group recognises that timely and accurate financial reporting is important to the Shareholders. The management of the Company has had ongoing and regular discussions with the Auditor throughout the preparation process of the Group's consolidated financial statements for the year ended 31 December 2021.

The management understands that the Qualified Opinion was issued on the ground that the financial statements of the Mancala Australia Group were consolidated in the Group's audited financial statements based on the unaudited management accounts of the Mancala Australia Group for the period from 1 January 2021 to 31 July 2021 (i.e the date on which the Mancala Australia Group ceased to be part of the Group upon completion of the Disposal) (the "Relevant Period"), and has also considered the following:

以下載列有關保留意見的補充資料：

(1) 出售澳洲曼卡拉集團的背景

於2021年7月31日，本公司完成透過出售開曼曼卡拉的81%股本權益向PT. Hay Wei出售澳洲曼卡拉集團，代價為1.5百萬澳元。於完成出售澳洲曼卡拉集團時，本集團再無法規管及／或控制澳洲曼卡拉集團的財務及營運政策，故按照國際財務報告準則第10號綜合財務報表不再符合控制權的定義。因此，本集團自2021年7月31日起終止將澳洲曼卡拉集團綜合入賬。進一步詳情請參閱財務報表附註10及31。

(2) 管理層對於澳洲曼卡拉集團財務報表的見解

本集團明白，及時準確的財務申報對股東至關重要。本公司的管理層於擬備本集團截至2021年12月31日止年度綜合財務報表的過程中一直定期與核數師進行討論。

管理層理解，發表保留意見的理由是於本集團的經審核財務報表中綜合入賬的澳洲曼卡拉集團財務報表乃以澳洲曼卡拉集團於2021年1月1日至2021年7月31日（即於出售事項完成時澳洲曼卡拉集團不再為本集團一部分的日期）期間（「有關期間」）的未經審核管理賬目為基礎，亦已考慮以下因素：

a) The audit process for the Mancala Australia Group for the Relevant Period has been subjected to administrative delay since the aforesaid loss of management control upon completion of the Disposal on 31 July 2021. In addition, various control measures and travel restrictions triggered by the resurgence of COVID-19 infections in Australia had posed further practical difficulties to the audit process with respect to the Mancala Australia Group as the management and operations of the Mancala Australia Group are based in Australia. There had been COVID-related restrictions for the management of the Company who wanted to travel out of China to Australia for necessary meetings and discussions with the management of the Mancala Australia Group to facilitate the completion of the audit process of the Mancala Australia Group. There were thus hurdles in getting unencumbered assistance from the management of the Mancala Australia Group for giving the Auditor access to all requisite accounting records and relevant supporting documents of the Mancala Australia Group for the Relevant Period, which were kept in Australia. As a result, the Company through its repeated requests and maximum efforts, could only procure the management of the Mancala Australia Group to provide the unaudited management accounts and consolidated financial reporting package of the Mancala Australia Group for the Relevant Period; and the bank statements of the Mancala Australia Group as at 31 July 2021. The Company could not compel the provision of the other information and/or documents requested by the Auditor; and the Company was not in possession of any of the relevant accounting records and supporting documents of the Mancala Australia Group, which were kept in Australia. Given the limited information provided, the Auditor was unable to perform the audit procedures they considered necessary to obtain sufficient and appropriate audit evidence to satisfy themselves for the financial information of the Mancala Australia Group for the Relevant Period.

a) 對澳洲曼卡拉集團有關期間的審計程序因於2021年7月31日出售事項完成後喪失管理控制權而出現行政延誤。此外，由於澳洲曼卡拉集團的管理及運作均以澳洲為基地，故澳洲COVID-19感染個案回升觸發多項防控措施及旅遊限制，亦對澳洲曼卡拉集團審計程序的實行造成進一步困難。COVID相關限制妨礙本公司管理層從中國前往澳洲，從而與澳洲曼卡拉集團的管理層舉行必要會議及討論，並完成對澳洲曼卡拉集團的審計程序的計劃，亦阻礙本公司與澳洲曼卡拉集團管理層通力合作，以協助核數師取得澳洲曼卡拉集團存放於澳洲的所有有關期間必要會計記錄及相關證明文件。結果，本公司在盡最大努力反覆要求下，亦只能安排澳洲曼卡拉集團的管理層提供有關期間的未經審核管理賬目及綜合財務申報檔案，以及澳洲曼卡拉集團於2021年7月31日的銀行結單。本公司無法強迫提供核數師要求的其他資料及／或文件；而本公司亦無管有澳洲曼卡拉集團存放於澳洲的任何相關會計記錄及證明文件。由於所提供的資料有限，故核數師無法進行彼等認為必要的審計程序，以取得足夠適當的憑證，從而信納澳洲曼卡拉集團有關期間的財務資料。

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b) The qualification given in the auditor's report is confined only to the Mancala Australia Group, which had since been isolated and re-classified as Discontinued Operations in the Group's financial statements. Further, such qualification is specifically limited only to the following items as set out in the Group's audited consolidated financial statements:

- the cash flows items in relation to the Discontinued Operations in the consolidated statement of cash flows for the year ended 31 December 2021; and
- the results of the Mancala Australia Group for the period from 1 January 2021 to 31 July 2021 including the carrying amounts of assets and liabilities of the Mancala Australia Group as at 31 July 2021 and the corresponding disclosures as set out in notes 10 and 31 to the financial statements.

c) The Qualified Opinion does not affect the true and fair view of the Group's consolidated financial statements for its Continuing Operations; and the impact of the Qualified Opinion is also considered immaterial given that such opinion does not have any net financial impact on the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and consolidated statement of cash flows, having considered the isolated effects of the subject matter relative to the Group's audited financial statements as a whole.

Given the abovementioned, the management is of the view that it would be operationally practical for the Group to consolidate its audited financial statements based on the management accounts of the Mancala Australia Group without delaying the issuance of the Group's annual report while the COVID-19 related restrictions remained largely in place during the Group's audit process which have hindered the related audit progress for the Mancala Australia Group. Hence, the management is of the view that the subject matter is not pervasive and is immaterial to influence decisions that the primary users of general-purpose financial statements may make on the basis of the consolidated financial statements for its Continuing Operations.

b) 核數師報告有保留的範疇僅涉及澳洲曼卡拉集團，而澳洲曼卡拉集團其後已於本集團的財務報表內區分並重新分類為已終止經營業務。再者，有保留的範疇具體限於下列本集團經審核綜合財務報表所載項目：

- 截至2021年12月31日止年度綜合現金流量表中與已終止經營業務有關的現金流量項目；及
- 澳洲曼卡拉集團於2021年1月1日至2021年7月31日期間的業績（包括澳洲曼卡拉集團資產與負債於2021年7月31日的賬面金額以及財務報表附註10及31所載相應披露資料）。

c) 保留意見不影響本集團綜合財務報表真實而中肯地反映持續經營業務；且經考慮所涉事宜對本集團整體經審核財務報表的影響相對獨立，保留意見對綜合損益及其他全面收益表、綜合財務狀況表及綜合現金流量表並無造成任何淨財務影響，保留意見的影響亦被視為輕微。

有鑑於此，管理層認為，在COVID-19相關限制在本集團審計進行期間大致維持不變，妨礙有關澳洲曼卡拉集團之審計工作的情況下，本集團以澳洲曼卡拉集團的管理賬目為基礎於其綜合財務報表中綜合入賬，避免延遲發表本集團的年報，在運作上實際可行。因此，管理層認為，所涉事宜影響有限，且對於財務報表主要使用者就一般用途基於持續經營業務的綜合財務報表所作決定的影響輕微。

(3) Audit Committee's view

The audit committee of the Company (the "Audit Committee") has been supervising the financial reporting process and held a meeting on 29 March 2022, in which it has considered the explanation made by the Auditor and the management in connection with the audit works for the Mancala Australia Group and the Qualified Opinion in relation to the consolidated financial statements of the Mancala Australia Group. The Audit Committee confirmed that it had independently reviewed, and after due and careful consideration, it agreed with the management's view on the Qualified Opinion for the reasons stated in paragraph headed "Management's view on the financial statements of the Mancala Australia Group".

The Audit Committee also acknowledges the practical difficulties in conducting audit works for the Mancala Australia Group for the reasons stated above, and that the relevant audit procedures required to be performed by the Auditor were in fact hindered or otherwise affected by the administrative delay in having timely communications with the management of the Mancala Australia Group for audit purposes since the completion of the Disposal, which was beyond the Group management's control. The audit process has also been affected by the control measures and travel restrictions triggered by the resurgence of the COVID-19 infections in Australia that it would be impractical to complete the audit for the Mancala Australia Group for the Relevant Period before the reporting timeline for the Group's annual report. More importantly, the Audit Committee concurs with the management's view that the use of unaudited management accounts of the Mancala Australia Group for the Group's financial reporting purpose has not caused any pervasive or material impact to the Group's consolidated financial statements for its Continuing Operations from an overall perspective. The financial statements of the Group presented herein remain a true and fair view, in all material aspect, for its Continuing Operations and the Group's operations, except for the scope relating to the Mancala Australia Group as highlighted in notes 10 and 31 to the financial statements.

(3) 審核委員會的見解

本公司的審核委員會（「審核委員會」）一直監察財務申報程序，並於2022年3月29日舉行會議，考慮核數師及管理層就澳洲曼卡拉集團的審計工作及有關澳洲曼卡拉集團綜合財務報表的保留意見所作解釋。審核委員會確認已獨立進行審閱，並於作出審慎周詳考慮後，同意管理層對於保留意見的見解，理由載於「管理層對於澳洲曼卡拉集團財務報表的見解」段落。

審核委員會亦承認，基於上述理由，對澳洲曼卡拉集團進行審計工作存在實際難處，且核數師須進行的相關審計程序實際上受到自出售事項完成以來，及時就審計目的與澳洲曼卡拉集團管理層溝通的行政延誤阻礙或其他方式的影響，有關行政延誤非本集團管理層可控制。審計程序亦受澳洲COVID-19感染個案回升觸發的多項防控措施及旅遊限制影響，故於本集團年報申報限期前完成就有關期間對澳洲曼卡拉集團的審計工作並不切實可行。而且，審核委員會同意管理層的見解，認為就本集團財務申報目的使用澳洲曼卡拉集團的未經審核管理賬目，從整體角度分析並無對本集團持續經營業務的綜合財務報表產生廣泛或重大的影響。除財務報表附註10及31所強調與澳洲曼卡拉集團有關的範疇外，本集團於本文件中呈列的財務報表仍然在各重要方面真實而中肯地反映了其持續經營業務及本集團的營運。

Management Discussion and Analysis

管理層討論及分析

In spite of the aforesaid, the Audit Committee has required the preparation of unaudited management accounts of the Mancala Australia Group to be in compliance with IAS 1 Presentation of Financial Statements, IFRS 5 Non-current Assets Held for Sale and Discontinued Operations and IFRS 10 Consolidated Financial Statements for purposes of the Group's financial reporting and presentation of the Group's audited financial statements.

Given the above, the Audit Committee does not dispute the Qualified Opinion issued in relation to the Mancala Australia Group for the year ended 31 December 2021.

(4) Impact of the audit qualification

The Auditor concurred with the view of the Company's management. As disclosed in the independent auditor's report from the Auditor, the Qualified Opinion relates specifically to the Mancala Australia Group for the year ended 31 December 2021 only. Given that the Mancala Australia Group will no longer be consolidated in the financial statements of the Group in the year ending 31 December 2022, the issues which gave rise to the Qualified Opinion will not affect the Continuing Operations for the year ending 31 December 2022, save that the consolidated financial statements for the year ended 31 December 2021 and the relevant notes in relation to the Mancala Australia Group will be presented as comparative figures and information therein.

As reiterated, the financial statements of the Group presented herein remain a true and fair view, in all material aspect, for its Continuing Operations and the Group's operations, except for the following:

- the cash flows items in relation to the Discontinued Operations in the consolidated statement of cash flows for the year ended 31 December 2021; and
- the results of the Mancala Australia Group for the period from 1 January 2021 to 31 July 2021 including the carrying amounts of assets and liabilities of the Mancala Australia Group as at 31 July 2021 and the corresponding disclosures as set out in notes 10 and 31 to the financial statements.

儘管如此，審核委員會已要求為本集團的財務申報目的及呈列本集團的經審核財務報表而遵照國際會計準則第1號「呈列財務報表」、國際財務報告準則第5號「持作出售的非流動資產及已終止經營業務」及國際財務報告準則第10號「綜合財務報表」擬備澳洲曼卡拉集團的未經審核管理賬目。

有鑑於此，審核委員會並不否定截至2021年12月31日止年度就澳洲曼卡拉集團發表的保留意見。

(4) 審計有保留的影響

核數師同意本公司管理層的見解。誠如核數師出具的獨立核數師報告所披露，保留意見具體僅涉及截至2021年12月31日止年度的澳洲曼卡拉集團。由於澳洲曼卡拉集團將不再於本集團截至2022年12月31日止年度的財務報表中綜合入賬，故引致保留意見的事項將不會於截至2022年12月31日止年度影響持續經營業務，惟澳洲曼卡拉集團截至2021年12月31日止年度的綜合財務報表及相關附註將於當中呈列為比較數字及資料。

再次重申，除下文所列者外，本文件所呈列的本集團財務報表仍然在各重要方面真實而中肯地反映了其持續經營業務及本集團的營運：

- 截至2021年12月31日止年度綜合現金流量表中與已終止經營業務有關的現金流量項目；及
- 澳洲曼卡拉集團於2021年1月1日至2021年7月31日期間的業績（包括澳洲曼卡拉集團資產與負債於2021年7月31日的賬面金額以及財務報表附註10及31所載相應披露資料）。

Profile of Directors and Senior Management

董事及高級管理層簡介

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Mr. Teh Wing Kwan

Mr. Teh, aged 49, was appointed as the non-executive Director on 26 July 2017 and subsequently appointed as the chairman of the Board on 12 October 2017. Mr. Teh is also the chairman of the nomination committee of the Company.

Mr. Teh, a sophisticated investor, specialises in corporate restructuring, corporate finance, and merger & acquisition. Mr. Teh is currently a substantial shareholder, and an appointed non-independent and non-executive chairman of Livingstone Health Holdings Limited (listed on the Catalist of the SGX-ST and formerly known as Citicodex Ltd.). He is also an appointed advisor of Koda Ltd (listed on the main board of the SGX-ST).

Mr. Teh was the executive chairman and chief executive officer (“CEO”) of Citicodex Ltd (previously listed on the mainboard of the SGX-ST) from July 2018 to February 2021 for which he completed its corporate turnaround plan via a reverse takeover of a multi-disciplinary healthcare services group, Livingstone Health Ltd. Mr. Teh was also the group CEO and managing director of Sapphire Corporation Limited (“Sapphire”) (listed on the main board of the SGX-ST) from October 2013 to December 2017. Under his leadership, Sapphire has undergone a major corporate restructuring exercise and he has transformed Sapphire by acquiring one of the largest privately-owned urban rail transit engineering groups in China. He has also led Sapphire to be the first company listed outside Hong Kong to receive The Listed Enterprise Excellence Awards 2016 from the Hong Kong-based Capital Weekly.

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

主席兼非執行董事

鄭永權先生

鄭先生，四十九歲，於2017年7月26日獲委任為非執行董事，其後於2017年10月12日獲委任為董事會主席。鄭先生亦為本公司提名委員會主席。

鄭先生乃資深投資者，擅長企業重組、企業融資及併購。目前，鄭先生為Livingstone Health Holdings Limited (於新交所凱利板上市，前稱城式企業有限公司*) 的主要股東，並獲委任為非獨立及非執行主席。彼亦獲委任為Koda Ltd (於新交所主板上市) 的顧問。

鄭先生於2018年7月至2021年2月曾任城式企業有限公司* (之前於新交所主板上市) 的執行主席兼行政總裁，透過反收購一個多學科醫療集團Livingstone Health Ltd完成該公司的企業重組計劃。鄭先生於2013年10月至2017年12月亦曾任盛世企業有限公司* (「盛世企業」) (於新交所主板上市) 的集團首席執行官兼總裁。盛世企業在其領導下進行一項重大企業重組活動，透過收購中國其中一間最大私營城市軌道交通工程公司，讓盛世企業轉型。彼亦引領盛世企業成為首間榮獲香港資本壹週傑出上市企業大獎2016的香港境外上市公司。

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

Profile of Directors and Senior Management

董事及高級管理層簡介

Some of Mr. Teh's other investment and corporate portfolios included but are not limited to – In 2002, he advised and completed the restructuring and initial public offering (the "IPO") exercise of Koda Ltd (which was subsequently named one of the best 200 companies under a billion by Forbes Asia in 2006) on the SGX-ST. In 2006, he evaluated and advised a spinoff plan for the proposed IPO application of a foreign-controlled enterprise on the Ho Chi Minh Stock Exchange.

In 2009, he advised and completed the restructuring and listing exercise of one of Asia's foremost liver centres, the Singapore-incorporated Asian Centre For Liver Diseases & Transplantation Limited via a reverse takeover of an ASX-listed fashion design house. Mr. Teh has also previously involved in and advised on other corporate actions including business reorganisation, corporate restructuring, proposed divestments, corporate debts restructuring and cash exit offer for other publicly listed companies, family-owned enterprises and regional asset owners.

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

EXECUTIVE DIRECTORS

Mr. Jiang Zhong Ping

Mr. Jiang, aged 56, has been an executive Director since 28 April 2008 and re-designated as the chief executive officer of the Company since 12 October 2017. Mr. Jiang is also a member of the nomination committee and the remuneration committee of the Company. Mr. Jiang has more than 20 years of experience in production and quality control in the steel industry. Mr. Jiang was a technician, head of quality control department and the chief manager of the audit department of Chuan Wei from August 1989 to April 2008. Mr. Jiang graduated from Chongqing Steel and Iron College* in Chongqing in July 1989 with a college degree in iron and steel rolling.

鄭先生曾參與多項其他投資及企業項目，包括但不限於 – 於2002年，彼提供顧問意見並完成 Koda Ltd 的企業重組及其於新交所的上市計劃，而 Koda Ltd 其後於2006年名列亞洲福布斯收入10億美元以下企業200強。於2006年，彼為一間外資控制企業於胡志明證券交易所的分拆上市計劃進行評估及提供顧問意見。

於2009年，彼透過反收購一間澳交所上市時裝設計公司，完成 Asian Centre For Liver Diseases & Transplantation Limited (於新加坡註冊成立，為亞洲最頂尖肝臟中心之一) 的重組及上市計劃。鄭先生亦曾參與其他企業活動並提供顧問意見，包括為其他上市公司、家族企業及區域資產擁有人進行業務重組、企業重組、建議撤資、企業債務重組及現金退市要約。

鄭先生獲提名競逐2015年及2016年(新加坡)亞太工商行業企業收購專家，以及2017年及2018年亞洲企業卓越與可持續發展大獎領袖類別傑出領袖。鄭先生為英國特許公認會計師公會資深會員、新加坡特許會計師協會的資深特許會計師、香港會計師公會的國際聯繫會員、馬來西亞會計師公會的特許會計師、新加坡董事學會的正式會員以及香港證券及投資學會的學會會員。

執行董事

蔣中平先生

蔣先生，五十六歲，自2008年4月28日起擔任執行董事，自2017年10月12日起調任本公司的首席執行官。蔣先生亦為本公司提名委員會成員及薪酬委員會成員。蔣先生在鋼鐵產業的生產以及質量監管上，擁有超過二十年的相關經驗。在1989年8月至2008年4月期間，蔣先生歷任川威的技術專家、質量監管部主管以及審計部經理。蔣先生在1989年7月畢業於重慶市的重慶鋼鐵專科學校，榮獲鋼鐵軋製專業大專學位。

Mr. Hao Xiemin

Mr. Hao, aged 40, has been an executive Director and the financial controller of the Company since 1 January 2018. Mr. Hao has been the financial manager of the Company since January 2012. Mr. Hao is also a director/supervisor/financial manager of certain key subsidiaries of the Company and is responsible for the financial reporting and management of these subsidiaries. He has 17 years of experience in financial management and has also previously participated in the IPO exercise of the Company, including pre-IPO reorganisation, merger and acquisition, corporate finance matters and operational reorganisation. Prior to joining the Company, Mr. Hao was the financial supervisor of the Panxi Region of the mining branch of Chuan Wei from March 2010 to January 2012, a financial supervisor in each of the financial management department of Chuan Wei from May 2006 to March 2010 and Sichuan Longwei Metal Products Co., Ltd.* from July 2004 to April 2006, respectively. Mr. Hao has professional qualification as an International Certified Management Accountant. Mr. Hao obtained a bachelor's degree in accounting from Southwestern University of Finance and Economics in June 2004.

Mr. Wang Hu

Mr. Wang, aged 42, has been an executive Director since 1 January 2018. Mr. Wang has been the assistant to the then chairman, Mr. Jiang Zhong Ping and is the manager of legal and compliance department of the Company. Mr. Wang is also a director of certain key subsidiaries of the Company and is responsible for legal and compliance matters of these subsidiaries. Mr. Wang has 18 years of experience in legal and compliance matters. Mr. Wang has previously participated in the pre-IPO reorganisation and IPO exercise of the Company, including merger and acquisition. He is responsible for the legal and compliance matters of the Group after the listing of the Company. Prior to joining the Company, Mr. Wang was the supervisor of legal department of Chuan Wei from September 2003 to August 2008 and worked as a client relationship manager in Agricultural Bank of China, Chongqing Changshou branch* from August 2002 to September 2003. Mr. Wang obtained a bachelor's degree in law from Southwest University of Political Science & Law in July 2002 and a master's degree in business administration from Sichuan University in December 2020.

郝謝敏先生

郝先生，四十歲，自2018年1月1日起擔任執行董事兼本公司的財務總監。郝先生自2012年1月起一直為本公司的財務部長。郝先生亦出任本公司若干主要子公司的董事／監事／財務部長並負責該等子公司的財務報告及管理。彼擁有十七年財務管理經驗，曾參與本公司的首次公開發售活動，包括首次公開發售前重組、併購、企業融資事宜及業務重組。於加入本公司前，郝先生於2010年3月至2012年1月為川威旗下礦業分公司攀西地區的財務主管；於2006年5月至2010年3月為川威財務管理部的財務主管；及於2004年7月至2006年4月為四川省龍威金屬製品有限公司財務管理部的財務主管。郝先生擁有國際註冊管理會計師專業資格。郝先生於2004年6月取得西南財經大學會計學士學位。

王虎先生

王先生，四十二歲，自2018年1月1日起擔任執行董事。王先生曾為本公司時任主席蔣中平先生的助理，現時擔任本公司法律與合規部部長。王先生亦為本公司若干主要子公司的董事，負責該等子公司的法律及合規事宜。王先生擁有十八年法律及合規事宜經驗。王先生曾參與本公司首次公開發售前重組及首次公開發售活動，包括併購。彼於本公司上市後負責本集團的法律及合規事宜。於加入本公司前，王先生於2003年9月至2008年8月為川威的法律部主管，並於2002年8月至2003年9月於中國農業銀行重慶市長壽支行任職客戶關係經理。王先生於2002年7月取得西南政法大學法律學士學位，並於2020年12月取得四川大學工商管理碩士學位。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yu Haizong

Mr. Yu, aged 57, has been an independent non-executive Director since 4 September 2009. Mr. Yu is also the chairman of the audit committee and a member of the nomination committee and the remuneration committee of the Company. Mr. Yu was a chartered public accountant in Sichuan Tongde Certified Accountants Firm* (formerly known as Chengdu Xinda Certified Accountants Firm*) from 1994 to 2000, a member of the expert panels of Land and Resources Department of Sichuan Province and Science and Technology Department of Sichuan*. Mr. Yu is a chartered public accountant (non-practicing) in the PRC, a member of the Chartered Public Accountant Further Education Committee of Sichuan Association of Chartered Public Accountants*, and a professor, master and doctoral supervisor of the Accounting Faculty of Southwestern University of Finance and Economics in Chengdu, Sichuan. Mr. Yu is also the dean of the Auditing Department at Southwestern University of Finance and Economics in Chengdu, Sichuan.

Mr. Yu worked in the finance department of Weiyuan Steel Factory* from July 1988 to August 1990. Mr. Yu served as an independent non-executive director of Xinan Huaji Company Limited*, a company listed on the Shenzhen Stock Exchange from 1998 to 2000 and he served as an independent non-executive director of Jinyu Checheng Company Limited* ("Jinyu Checheng"), a company listed on the Shenzhen Stock Exchange, and was also a member of the audit committee and remuneration committee of Jinyu Checheng from May 2004 to June 2010. As a member of the audit committee of Jinyu Checheng, Mr. Yu's duties included reviewing the internal control system and reviewing and analysing financial statements of the company. Mr. Yu was an independent non-executive director and a member of audit committee of Chengdu Tianxing Instruments (Group) Co., Limited*, a company listed on the Shenzhen Stock Exchange, from June 2012 to June 2015. Mr. Yu was an independent non-executive director and a chairman of the audit committee of Royal China International Holdings Limited, a company listed on the Hong Kong Stock Exchange, from February 2017 to September 2018. Mr. Yu was an independent non-executive director of Sichuan Expressway Company Limited ("Sichuan Expressway"), a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, from March 2013 to November 2019. Mr. Yu was also an independent non-executive director of Sichuan Jiuzhou Electric Group Co., Ltd*, a company listed on the Shenzhen Stock Exchange, from May 2013 to October 2020. Currently, Mr. Yu is an independent non-executive director of Chengdu Haoneng Technology Co., Ltd.* and an independent non-executive director of HitGen Inc.,* both companies are listed on the Shanghai Stock Exchange. Mr. Yu is currently an independent non-executive director, the chairman of the nomination committee and a member of the strategic committee of Sichuan Expressway.

獨立非執行董事

余海宗先生

余先生，五十七歲，自2009年9月4日起擔任獨立非執行董事。余先生亦為本公司審核委員會主席、提名委員會成員及薪酬委員會成員。余先生在1994年至2000年是四川同德會計師事務所（前身為成都信達會計師事務所）的註冊會計師，並曾為四川省國土資源廳及四川省科學技術廳的專家小組成員。余先生是中國認證的註冊會計師（非執業）、四川省註冊會計師協會CPA後續教育委員會成員，以及四川成都西南財經大學會計學院的教授、碩士及博士生導師。余先生亦是四川成都西南財經大學審計系系主任。

在1988年7月至1990年8月期間，余先生曾任職於威遠鋼鐵廠財務科。1998年至2000年，余先生出任西南化機股份有限公司的獨立非執行董事，該公司乃一間於深圳證券交易所上市的公司；而在2004年5月至2010年6月，彼則擔任金宇車城股份有限公司（「金宇車城」）的獨立非執行董事及審核委員會和薪酬委員會成員，該公司乃一間於深圳證券交易所上市的公司。作為金宇車城的審核委員會成員，余先生的職責包括檢討內部監管系統，並審閱分析該公司的財務報表。2012年6月至2015年6月，余先生是成都天興儀表股份有限公司（一間於深圳證券交易所上市的公司）的獨立非執行董事及審核委員會成員。2017年2月至2018年9月，余先生曾是皇中國際控股有限公司（一間於香港聯交所上市的公司）的獨立非執行董事兼審核委員會主席。2013年3月至2019年11月，余先生曾是四川成渝高速公路股份有限公司（「四川成渝高速」）（一間於上海證券交易所及香港聯交所上市的公司）的獨立非執行董事。2013年5月至2020年10月，余先生亦曾是四川九洲電器股份有限公司（一間於深圳證券交易所上市的公司）的獨立非執行董事。現時，余先生是成都豪能科技股份有限公司（一間於上海證券交易所上市的公司）的獨立非執行董事及成都先導藥物開發股份有限公司（一間於上海證券交易所上市的公司）的獨立非執行董事。余先生現為四川成渝高速的獨立非執行董事、提名委員會主席及戰略委員會成員。

Profile of Directors and Senior Management 董事及高級管理層簡介

Mr. Yu received a bachelor's degree from Southwestern University of Finance and Economics in Chengdu, Sichuan in economics (accounting) in July 1988, a master's degree in economics (accounting) in December 1992 and a doctoral degree in management (accounting) in March 2002. Through his professional qualification as a chartered public accountant, his education background in accounting and his previous experience as an independent non-executive director of public companies, he meets the criteria for accounting and related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Directors are of the view that Mr. Yu's experience in internal controls and reviewing and analysing audited financial statements of a public company that he gained when he was serving as a member or chairman of the audit committees of various public companies enables him to meet the requirements under Rule 3.10(2) of the Listing Rules.

Mr. Liu Yi

Mr. Liu, aged 59, has been an independent non-executive Director since 4 September 2009. Mr. Liu is also the chairman of the remuneration committee and a member of the audit committee and the nomination committee of the Company. Mr. Liu has been working at Sichuan Metallurgical Design and Research Institute since July 1987, engaging in project consulting, beneficiation process and mining design, feasibility study and relevant engineering design work and specialising in mineral processing engineering. His past experiences in mining design projects include constructing iron concentrate production lines of various capacities and mining operations planning for vanadium-bearing titanomagnetite mines. He is the deputy chief engineer and the chief project designer of the mining engineering institute of Sichuan Metallurgical Design and Research Institute. He is also a Work Safety Expert in Sichuan* appointed by Department of Emergency Management of Sichuan Province. Mr. Liu graduated from the faculty of mining resource engineering of Xi'an Metallurgy and Architecture College*, now known as Xi'an University of Architecture and Technology, in Shaanxi and received a bachelor's degree in engineering in 1987.

余先生在1988年7月榮獲四川成都西南財經大學經濟學(會計學)專業學士學位,1992年12月榮獲經濟學(會計學)碩士學位,2002年3月榮獲管理學(會計學)博士學位。彼擁有註冊會計師的專業資格、會計教育背景及過往作為上市公司獨立非執行董事的經驗,符合上市規則第3.10(2)條規定的會計及有關財務管理專長標準。

董事認為余先生作為多間上市公司的審核委員會成員或主席,在內部監管以及審閱分析上市公司經審核財務報表方面獲得的經驗,使彼符合上市規則第3.10(2)條的規定。

劉毅先生

劉先生,五十九歲,自2009年9月4日起擔任獨立非執行董事。劉先生亦為本公司薪酬委員會主席、審核委員會成員及提名委員會成員。劉先生自1987年7月起任職於四川省冶金設計研究院,從事項目顧問、礦石洗選及採礦設計、可行性研究以及相關工程設計的工作,並專責礦物洗選工程。彼具有採礦設計項目(包括建設具各種產能的鐵精礦生產線及鈾鈦磁鐵礦採礦營運計劃)的經驗。劉先生現任四川省冶金設計研究院副總工程師及首席項目設計師。彼現時亦為獲四川省應急管理廳委聘的四川安全生產專家。劉先生在1987年畢業於陝西省的西安冶金建築學院(現稱為西安建築科技大學)的礦產資源系,並榮獲工程學學士學位。

Profile of Directors and Senior Management 董事及高級管理層簡介

Mr. Wu Wen

Mr. Wu, aged 53, has been an independent non-executive Director since 1 November 2014. Mr. Wu is also a member of the audit committee and the nomination committee of the Company. Mr. Wu is a qualified lawyer in the PRC. Mr. Wu graduated from Peking University School of Law in 1990. Mr. Wu obtained a Juris Doctor degree from Northwestern School of Law of Lewis and Clark College in 1998. Mr. Wu worked as an associate of Sichuan Canway Law Firm from August 1998 to May 2002 and later became a partner from February 2003 to December 2008. Mr. Wu also worked as legal counsel in Kodak (China) Company Limited from May 2002 to December 2002. Mr. Wu practiced law as a partner of Tahota Law Firm from February 2009 to February 2014. Since March 2014, Mr. Wu has been a partner of Zhonglun Law Firm. Mr. Wu is a member of the Chinese Bar Association.

SENIOR MANAGEMENT

Mr. Jiang Zhong Ping

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

Mr. Hao Xiemin

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

Mr. Wang Hu

Mr. Wang is the head of legal and compliance of the Company. Details of his biography are set out above in this section.

吳文先生

吳先生，五十三歲，自2014年11月1日起擔任獨立非執行董事。吳先生亦為本公司審核委員會成員及提名委員會成員。吳先生為中國合資格律師。吳先生於1990年畢業於北京大學法學院。彼於1998年取得Northwestern School of Law of Lewis and Clark College的法律博士學位。吳先生於1998年8月至2002年5月擔任四川康維律師事務所律師，後於2003年2月至2008年12月成為合夥人。於2002年5月至2002年12月，吳先生亦擔任柯達（中國）股份有限公司的法律顧問。於2009年2月至2014年2月，吳先生於泰和泰律師事務所執業，擔任合夥人。由2014年3月至今，吳先生是中倫律師事務所的合夥人。吳先生為中國律師協會會員。

高級管理層

蔣中平先生

蔣先生為本公司的首席執行官，其履歷詳情載於本節上文。

郝謝敏先生

郝先生為本公司財務總監，其履歷詳情載於本節上文。

王虎先生

王先生為本公司法律及合規部部長，其履歷詳情載於本節上文。



Directors' Report
董事會報告書

Directors' Report

董事會報告書

The Directors hereby present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries are mining and ore processing, sale of self-produced products, trading of steels, mining facilities management and management of strategic investments. Details of the Company's subsidiaries as at 31 December 2021 are set out in note 1 to the financial statements of this annual report.

BUSINESS REVIEW

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

PERMITTED INDEMNITY

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

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

RESULTS

The results of the Group for the year ended 31 December 2021 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 105 and 106 of this annual report.

董事謹此提呈其報告書以及本集團截至2021年12月31日止年度的經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，其主要子公司的業務為進行採礦及礦石洗選、銷售自產產品、鋼鐵貿易、採礦設施管理及管理策略性投資。本公司子公司於2021年12月31日的詳情載於本年報財務報表附註1。

業務回顧

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

獲准許的彌償條文

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

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

業績

本集團截至2021年12月31日止年度的業績載於本年報第105及第106頁的綜合損益及其他全面收益表。

DIVIDEND POLICY AND FINAL DIVIDEND

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

The Board does not recommend payment of a final dividend for the year ended 31 December 2021 (FY2020: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 23 June 2022 to Wednesday, 29 June 2022 (both days inclusive) during which no transfer of Shares will be effected. In order to determine the entitlement to attend and vote at the 2022 AGM, all share transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 22 June 2022.

PROPERTY, PLANT AND EQUIPMENT

Additions to property, plant and equipment of the Group for the year ended 31 December 2021 amounted to approximately RMB18.3 million (FY2020: RMB19.8 million, inclusive of RMB14.7 million attributable to the Remaining Group). Details of the movements during the year in the Group's property, plant and equipment are set out in note 13 to the financial statements of this annual report.

SHARE CAPITAL

There was no change in the authorised and issued share capital of the Company during the year ended 31 December 2021. Details of the movements during the year in the issued share capital of the Company are set out in note 27 to the financial statements of this annual report.

股息政策及末期股息

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

董事會不建議派付截至2021年12月31日止年度的末期股息（2020財政年度：無）。

暫停辦理股東登記手續

本公司將於2022年6月23日（星期四）至2022年6月29日（星期三）（包括首尾兩日）暫停辦理股東登記手續，於該期間概不會執行任何股份轉讓。為確定出席2022年股東週年大會及於會上表決的資格，所有股份過戶文件連同相關股票必須不遲於2022年6月22日（星期三）下午4時30分交回本公司的香港股份登記分處香港中央證券登記有限公司（地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖），以辦理登記手續。

物業、廠房及設備

本集團截至2021年12月31日止年度添置的物業、廠房及設備約為人民幣18.3百萬元（2020財政年度：人民幣19.8百萬元，包括保留集團應佔的人民幣14.7百萬元）。本集團物業、廠房及設備於年內的變動詳情載於本年報財務報表附註13。

股本

於截至2021年12月31日止年度，本公司的法定及已發行股本概無變動。本公司已發行股本於年內的變動詳情載於本年報財務報表附註27。

DISTRIBUTABLE RESERVES

Details of the movements during the year ended 31 December 2021 in the reserves of the Group are set out in the consolidated statement of changes in equity on page 109 of this annual report.

As at 31 December 2021, the Company's reserves available for distribution to the Shareholders in accordance with the Articles were RMB1,877.5 million.

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

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

FINANCIAL SUMMARY

A summary of the results, assets, liabilities and non-controlling interests of the Group for the last five financial years is set out on pages 243 to 245 of this annual report.

BANK AND OTHER LOANS

Details of the loans and borrowings of the Group are set out in note 25 to the financial statements of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

For the years ended 31 December 2021 and 2020, sales to the Group's five largest customers accounted for 99.2% and 91.4% of the total revenue of the Group, respectively, and sales to the largest customer accounted for 91.6% and 68.4%, respectively.

可分派儲備

本集團儲備於截至2021年12月31日止年度的變動詳情載於本年報第109頁的綜合股權變動表。

於2021年12月31日，根據細則，本公司可供分派予股東的儲備為人民幣1,877.5百萬元。

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

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

財務摘要

本集團於過去五個財政年度的業績、資產、負債及非控股權益摘要載於本年報第243至第245頁。

銀行及其他貸款

本集團的貸款及借貸詳情載於本年報財務報表附註25。

主要客戶及供應商

截至2021年及2020年12月31日止年度，向本集團五大客戶作出的銷售額分別佔本集團總收入的99.2%及91.4%，而向最大客戶作出的銷售額分別佔91.6%及68.4%。

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

For the years ended 31 December 2021 and 2020, purchases from the Group's five largest suppliers accounted for 97.3% and 81.7% of the total purchases of the Group, respectively, and purchases from the largest supplier accounted for 91.8% and 74.9%, respectively.

None of the Directors or any of their close associates or any Shareholder (which, to the best knowledge of the Directors, owns more than 5.0% of the Company's issued share capital) had any beneficial interest in any of the Group's five largest suppliers or customers.

DIRECTORS

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

Non-executive Director

Mr. Teh Wing Kwan

Executive Directors

Mr. Jiang Zhong Ping

Mr. Hao Xiemin

Mr. Wang Hu

Independent non-executive Directors

Mr. Yu Haizong

Mr. Liu Yi

Mr. Wu Wen

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

In accordance with Articles 84(1) and 84(2) of the Articles, Messrs. Wang Hu, Hao Xiemin and Wu Wen will retire at the 2022 AGM and, being eligible, will offer themselves for re-election at the 2022 AGM.

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

截至2021年及2020年12月31日止年度，向本集團五大供應商作出的購買額分別佔本集團總購買額的97.3%及81.7%，而向最大供應商作出的購買額分別佔91.8%及74.9%。

董事、彼等的任何緊密聯繫人或任何股東（就董事所深知擁有本公司已發行股本5.0%以上者）概無在本集團任何五大供應商或客戶中擁有任何實益權益。

董事

以下為本年度及截至本年報日期的董事：

非執行董事

鄭永權先生

執行董事

蔣中平先生

郝謝敏先生

王虎先生

獨立非執行董事

余海宗先生

劉毅先生

吳文先生

現任董事的履歷詳情載於本年報第35至第40頁「董事及高級管理層簡介」一節。

按照細則第84(1)及84(2)條，王虎先生、郝謝敏先生及吳文先生將於2022年股東週年大會上告退，惟彼等符合資格並願意在2022年股東週年大會上接受重選。

DIRECTORS' SERVICE CONTRACTS

Mr. Jiang Zhong Ping, an executive Director, entered into a service contract with the Company for a term of three years commencing from 12 December 2019. Subsequently on 1 July 2021, Mr. Jiang Zhong Ping and the Company entered into a supplemental agreement to vary the remuneration of Mr. Jiang Zhong Ping for the period commencing from 1 July 2021 and ending on 11 December 2022. Please refer to the section headed "Change in Directors' and Chief Executives' Information" below for more information on the foregoing.

None of the Directors proposed for re-election at the 2022 AGM has entered into any service agreement with the Company which is not terminable within one year without payment of compensation (other than the statutory compensation).

REMUNERATION OF THE DIRECTORS

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

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

EMOLUMENT POLICIES

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

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

Details of the share option schemes are set out under the section headed "Share Options" of this report and note 28 to the financial statements of this annual report.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive Directors are independent in accordance with the guidelines set out in the Listing Rules.

董事的服務合約

執行董事蔣中平先生已與本公司訂立服務合約，任期自2019年12月12日起計為期三年。於2021年7月1日後，蔣中平先生與本公司訂立補充協議，修訂蔣中平先生於2021年7月1日起至2022年12月11日止期間的薪酬。有關前述事宜的更多資料，請參閱下文「董事及最高行政人員資料變動」一節。

擬於2022年股東週年大會上重選連任的董事，概無與本公司訂立任何不能於一年內不作賠償（法定賠償除外）而終止的服務協議。

董事薪酬

董事薪酬按董事職務、職責、表現及本集團業績釐定。

董事薪酬的詳情載於本年報財務報表附註8。

酬金政策

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

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

該等股份期權計劃的詳情載於本報告「股份期權」一節及本年報財務報表附註28。

獨立非執行董事的獨立性

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

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

As at 31 December 2021, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or (c) were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange, are as follows:

Long positions in share options granted by the Company

Number of share options held by the Directors and chief executives of the Company as at 31 December 2021:

Name	Capacity	Number of share options held	Number of underlying Shares	Percentage of the Company's issued share capital
姓名	身份	所持股份期權數目	相關股份數目	佔本公司已發行股本的百分比
Mr. Jiang Zhong Ping 蔣中平先生	Beneficial owner 實益擁有人	8,500,000	8,500,000	0.38%
Mr. Wang Hu 王虎先生	Beneficial owner 實益擁有人	800,000	800,000	0.04%
Mr. Hao Xiemin 郝謝敏先生	Beneficial owner 實益擁有人	100,000	100,000	0.00% #
Mr. Yu Haizong 余海宗先生	Beneficial owner 實益擁有人	100,000	100,000	0.00% #
Mr. Liu Yi 劉毅先生	Beneficial owner 實益擁有人	100,000	100,000	0.00% #

Less than 0.01%

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

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於2021年12月31日，本公司董事及最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所的權益及淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉）；或(b)根據證券及期貨條例第352條須記錄於該條所指登記冊的權益及淡倉；或(c)根據標準守則須知會本公司及香港聯交所的權益及淡倉如下：

於本公司所授出股份期權的好倉

於2021年12月31日，本公司董事及最高行政人員持有的股份期權數目：

Name	Capacity	Number of share options held	Number of underlying Shares	Percentage of the Company's issued share capital
姓名	身份	所持股份期權數目	相關股份數目	佔本公司已發行股本的百分比
Mr. Jiang Zhong Ping 蔣中平先生	Beneficial owner 實益擁有人	8,500,000	8,500,000	0.38%
Mr. Wang Hu 王虎先生	Beneficial owner 實益擁有人	800,000	800,000	0.04%
Mr. Hao Xiemin 郝謝敏先生	Beneficial owner 實益擁有人	100,000	100,000	0.00% #
Mr. Yu Haizong 余海宗先生	Beneficial owner 實益擁有人	100,000	100,000	0.00% #
Mr. Liu Yi 劉毅先生	Beneficial owner 實益擁有人	100,000	100,000	0.00% #

少於0.01%

本公司董事及最高行政人員持有的股份期權詳情於本報告「股份期權」一節披露。

Directors' Report

董事會報告書

Save as disclosed above, as at 31 December 2021, so far as is known to all the Directors and chief executives of the Company, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or (c) were required, pursuant to the Model Code to be notified to the Company and the Hong Kong Stock Exchange.

SHARE OPTIONS

At the 2020 AGM, an ordinary resolution to adopt a new share option scheme (the "2020 Option Scheme") was approved to ensure the continuity of the Company's share option scheme after the expiration of a prior share option scheme on 14 April 2020 (the "2010 Option Scheme"). The 2020 Option Scheme has become effective for a period of 10 years commencing on 16 June 2020. Outstanding share options granted during the life of the 2010 Option Scheme prior to its expiry shall continue to be valid and exercisable in accordance with the terms of the 2010 Option Scheme.

Summary of the 2010 Option Scheme

The purposes of adopting the 2010 Option Scheme are: (i) to broaden the scope of eligible persons to include all substantial Shareholders and any person whom the Board considers to have contributed to the development and growth of the Company; (ii) to provide incentive or reward to eligible persons for their contributions to, and continuing efforts to promote the interests of the Company; and (iii) to enable the Group to recruit and retain high-calibre employees. The eligible persons include directors, chief executives, substantial Shareholders or employees (whether full time or part time) of any member of the Group and any person who the Board considers, at its sole discretion, to have contributed or will contribute to the development and growth of the Group.

除上文所披露者外，於2021年12月31日，就本公司全體董事及最高行政人員所知，本公司董事及最高行政人員概無於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有任何(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所的權益或淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉）；或(b)根據證券及期貨條例第352條須記錄於該條所指登記冊的權益或淡倉；或(c)根據標準守則須知會本公司及香港聯交所的權益或淡倉。

股份期權

由於前股份期權計劃（「2010年期權計劃」）已於2020年4月14日到期屆滿，因此，2020年股東週年大會通過一項普通決議案，以採納新股份期權計劃（「2020年期權計劃」），確保本公司股份期權計劃得以延續。2020年期權計劃已經生效，由2020年6月16日起為期10年。於2010年期權計劃期滿前有效期內授出而尚未行使的股份期權按照2010年期權計劃的條款繼續有效並可予行使。

2010年期權計劃概要

採納2010年期權計劃旨在(i)擴大合資格人士的範圍，以包括所有主要股東及董事會認為曾經對本公司發展及增長作出貢獻的任何人士；(ii)向合資格人士提供獎勵或獎賞，以表彰其對本公司的貢獻及持續努力促進本公司利益；及(iii)讓本集團可招攬及挽留優秀僱員。合資格人士包括本集團任何成員公司的董事、最高行政人員、主要股東或全職或兼職僱員，以及董事會全權酌情認為曾經或將會對本集團發展及增長作出貢獻的任何人士。

The maximum aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2010 Option Scheme and any other share option schemes must not, in aggregate, exceed 30% of the shares of the Company in issue from time to time. The maximum number of Shares issued and to be issued upon exercise of the options granted and to be granted to each eligible person under the 2010 Option Scheme and any other share option schemes shall not in any 12-month period up to the date of grant exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this limit is subject to the Shareholders' approval in a general meeting. The Company had 9,600,000 share options outstanding under the 2010 Option Scheme, which represented 0.43% of the Shares in issue as at the date of this annual report.

Any grant of options to a Director, chief executives or to a substantial Shareholder or any of their respective associates is required to be approved by the independent non-executive Directors (excluding independent non-executive Directors who are the grantees of the options). If any grant of options to a substantial Shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person in the 12 months up to and including the date of the offer of such grant: (i) representing in aggregate over 0.1% of the Shares in issue on the date of the offer; and (ii) having an aggregate value in excess of HKD5.0 million, based on the closing price of the Shares as quoted on the Hong Kong Stock Exchange at the date of grant, such further grant of options is subject to the Shareholders' approval in a general meeting at which all connected persons of the Company shall abstain from voting in favour of the grant at such meeting and other requirements prescribed under the Listing Rules from time to time.

A consideration of HKD1.0 is payable by grantees on acceptance of the offer of the grant of an option. There is no general requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its absolute discretion any such minimum period at the time of grant of any particular option.

悉數行使根據2010年期權計劃及任何其他股份期權計劃授出但並未行使的尚未行使期權後可予發行的最高股份總數，合共不得超過本公司不時已發行股份的30%。於任何截至授出日期的12個月期間內，行使已經及將會向2010年期權計劃及任何其他股份期權計劃下任何一名合資格人士授出的期權後已經發行及將予發行的最高股份數目，不得超過本公司於授出日期已發行股本的1%。進一步授出超過此限額的股份期權須於股東大會上取得股東批准。本公司根據2010年期權計劃共有9,600,000份尚未行使股份期權，佔於本年報日期的已發行股份0.43%。

向董事、最高行政人員或主要股東或彼等各自的聯繫人授出期權，必須經獨立非執行董事（不包括為期權承授人的獨立非執行董事）批准。向主要股東或獨立非執行董事或彼等各自的聯繫人授出任何期權如導致於直至及包括要約日期止12個月內，悉數行使已經及將會向該人士授出的期權後已經及將會發行的股份數目：(i)合共超過要約日期已發行股份0.1%；及(ii)總值超過5,000,000港元（以股份於授出日期在香港聯交所報收市價為基準），則進一步授出期權須於股東大會上取得股東批准，而本公司的全部關連人士須放棄於該會上投票贊成授出期權，並須遵照上市規則不時訂明的其他規定。

承授人接納授出期權的要約時須繳付1.0港元的代價。該計劃並無設有期權於獲行使前所須持有最短期限的一般規定，惟董事會有權按其絕對酌情權在授出任何指定期權時設定最短期限。

Directors' Report

董事會報告書

Upon acceptance, the date of grant of any particular option is deemed to have taken effect from the date on which an offer is made. Any option may be exercised according to the terms of the 2010 Option Scheme and the offer in whole or in part by the grantee (or his/her personal representatives) before its expiry by giving notice in writing to the Company stating that the option is to be exercised and the number of Shares in respect of which it is exercised. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised more than ten years from the date of grant. The 2010 Option Scheme was valid and effective for a period of ten years commencing from the date of approval of the 2010 Option Scheme. The 2010 Option Scheme has expired on 14 April 2020 and no option may be granted thereafter.

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

於接納時，任何特定期權的授出日期會被視為自作出要約的日期起生效。承授人（或其遺產代理人）可於期權到期前根據2010年期權計劃及要約條款向本公司發出通知書，列明即將全部或部分行使期權及行使期權所涉股份數目，以行使股份期權。期權行使期由董事會絕對酌情釐定，惟不得超過授出日期起計十年。2010年期權計劃於自其獲批准當日起計十年期間有效及生效。2010年期權計劃已於2020年4月14日屆滿，其後不得授出任何期權。

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

Details of the share options outstanding as at 31 December 2021 which have been granted under the 2010 Option Scheme are as follows:

已根據2010年期權計劃授出但於2021年12月31日尚未行使的股份期權詳情如下：

Name or category of participant 參與人士姓名或類別	Date of grant 授出日期	Exercise period ⁽¹⁾ 行使期 ⁽¹⁾	Exercise price per share option 每份股份 期權行使價 (HKD) (港元)	Number of share options 股份期權數目		
				Held as at 01.01.2021 於2021年 1月1日持有	Lapsed during the year ⁽²⁾ 年內失效 ⁽²⁾	Held as at 31.12.2021 於2021年 12月31日持有
Directors/chief executives 董事/最高行政人員						
Mr. Jiang Zhong Ping 蔣中平先生	23.05.2011 23.05.2011 15.04.2014 15.04.2014	23.05.2013 to 22.05.2021 23.05.2013至22.05.2021 15.10.2014 to 14.04.2024 15.10.2014至14.04.2024 15.04.2015 to 14.04.2024 15.04.2015至14.04.2024 15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	3.60 1.00 1.00 1.00	5,000,000 4,250,000 2,125,000 2,125,000	(5,000,000) - - -	- 4,250,000 2,125,000 2,125,000
Mr. Wang Hu 王虎先生	23.05.2011 23.05.2011 15.04.2014 15.04.2014	23.05.2013 to 22.05.2021 23.05.2013至22.05.2021 15.10.2014 to 14.04.2024 15.10.2014至14.04.2024 15.04.2015 to 14.04.2024 15.04.2015至14.04.2024 15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	3.60 1.00 1.00 1.00	1,000,000 400,000 200,000 200,000	(1,000,000) - - -	- 400,000 200,000 200,000
Mr. Hao Xiemin 郝謝敏先生	15.04.2014 15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024 15.04.2015 to 14.04.2024 15.04.2015至14.04.2024 15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00 1.00 1.00	50,000 25,000 25,000	- - -	50,000 25,000 25,000
Mr. Yu Haizong 余海宗先生	15.04.2014 15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024 15.04.2015 to 14.04.2024 15.04.2015至14.04.2024 15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00 1.00 1.00	50,000 25,000 25,000	- - -	50,000 25,000 25,000
Mr. Liu Yi 劉毅先生	15.04.2014 15.04.2014	15.10.2014 to 14.04.2024 15.10.2014至14.04.2024 15.04.2015 to 14.04.2024 15.04.2015至14.04.2024 15.10.2015 to 14.04.2024 15.10.2015至14.04.2024	1.00 1.00 1.00	50,000 25,000 25,000	- - -	50,000 25,000 25,000
Total: 總計				15,600,000	(6,000,000)	9,600,000

Notes:

附註：

- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- During the year, 6,000,000 share options granted under the 2010 Option Scheme have lapsed. There were no share options granted, exercised or cancelled during the year.

- 股份期權的歸屬期為由授出日期起至行使期開始為止。
- 年內，根據2010年期權計劃授出的6,000,000份股份期權已失效。年內並無股份期權獲授出、行使或被註銷。

Summary of the 2020 Option Scheme

The purposes of adopting the 2020 Option Scheme are: (i) to provide incentive or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of, the Company; and (ii) to enable the Group to recruit and retain high-calibre employees. The eligible persons include any director(s), chief executive(s) (as defined under the Listing Rules), employee(s) (whether full time or part time) of any member of the Group, and any substantial Shareholder(s) (as defined under the Listing Rules), suppliers, customers, contractors, service providers, agents, advisers, consultants, joint venture partners and business partners, of any member of the Group, who the Board considers, in its sole discretion, to have contributed or will contribute to the development and growth of the Group.

The maximum aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2020 Option Scheme and any other share option schemes must not, in aggregate, exceed 30% of the shares of the Company in issue from time to time. The maximum number of Shares which may be issued upon exercise of all options to be granted under all schemes adopted by the Company, must not in aggregate exceed 224,901,541 Shares, being 10% of the total number of Shares then in issue as at the date of adoption of the 2020 Option Scheme (the "Scheme Mandate Limit"). Options lapsed under the 2020 Option Scheme or any other share option schemes shall not be counted for the purpose of calculating the Scheme Mandate Limit. The maximum number of Shares issued and to be issued upon exercise of the options granted and to be granted to each eligible person under the 2020 Option Scheme and any other share option schemes shall not in any 12-month period up to the date of grant exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this limit is subject to the Shareholders' approval in a general meeting. The Company had 224,901,541 Shares available for issue under the 2020 Option Scheme, which represented 10% of the Shares in issue as at the date of this annual report.

2020年期權計劃概要

採納2020年期權計劃旨在(i)向合資格人士提供獎勵或獎賞，以表彰其對本公司的貢獻及持續努力促進本公司利益；及(ii)讓本集團可招攬及挽留優秀僱員。合資格人士包括本集團任何成員公司的董事、最高行政人員（定義見上市規則）、全職或兼職僱員及任何主要股東（定義見上市規則）、供應商、客戶、承包商、服務供應商、代理人、諮詢人、顧問、合營夥伴及業務夥伴，以及董事會全權酌情認為曾經或將會對本集團發展及增長作出貢獻的任何人士。

悉數行使根據2020年期權計劃及任何其他股份期權計劃授出但並未行使的尚未行使期權後可予發行的最高股份總數，合共不得超過本公司不時已發行股份的30%。悉數行使根據本公司採納的所有計劃授出的所有期權後可予發行的最高股份數目，不得超過224,901,541股股份，即於採納2020年期權計劃日期當時已發行股份總數的10%（「計劃授權限額」）。就計算計劃授權限額而言，根據2020年期權計劃或任何其他股份期權計劃已失效的期權將不會計算在內。於任何截至授出日期的12個月期間內，行使已經及將會向2020年期權計劃及任何其他股份期權計劃下任何一名合資格人士授出的期權後已經發行及將予發行的最高股份數目，不得超過本公司於授出日期已發行股本的1%。進一步授出超過此限額的股份期權須於股東大會上取得股東批准。本公司根據2020年期權計劃共有224,901,541股可供發行股份，佔於本年報日期的已發行股份10%。

Any grant of options to a Director, chief executive or substantial Shareholder or any of their respective associates is required to be approved by the independent non-executive Directors (excluding independent non-executive Directors who are the grantees of the options). If any grant of options to a substantial Shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person in the 12 months up to and including the date of the offer of such grant: (i) representing in aggregate over 0.1% of the Shares in issue on the date of the offer; and (ii) having an aggregate value in excess of HKD5.0 million, based on the closing price of the Shares as quoted on the Hong Kong Stock Exchange at the date of grant, such further grant of options is subject to the Shareholders' approval in a general meeting at which all connected persons of the Company shall abstain from voting in favour of the grant at such meeting and other requirements prescribed under the Listing Rules from time to time.

A consideration of HKD1.0 is payable by grantees on acceptance of the offer of the grant of an option. There is no general requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its absolute discretion any such minimum period at the time of grant of any particular option.

Upon acceptance, the date of grant of any particular option is deemed to have taken effect from the date on which an offer is made. Any option may be exercised according to the terms of the 2020 Option Scheme and the offer in whole or in part by the grantee (or his/her personal representatives) before its expiry by giving notice in writing to the Company stating that the option is to be exercised and the number of Shares in respect of which it is exercised. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised more than ten years from the date of grant. The 2020 Option Scheme is valid and effective for a period of ten years commencing from the date of approval of the 2020 Option Scheme. The 2020 Option Scheme will expire on 15 June 2030 and no option may be granted thereafter.

向董事、最高行政人員或主要股東或彼等各自的聯繫人授出期權，必須經獨立非執行董事（不包括為期權承授人的獨立非執行董事）批准。向主要股東或獨立非執行董事或彼等各自的聯繫人授出任何期權如導致於直至及包括要約日期止12個月內，悉數行使已經及將會向該人士授出的期權後已經及將會發行的股份數目：(i)合共超過要約日期已發行股份0.1%；及(ii)總值超過5,000,000港元（以股份於授出日期在香港聯交所報收市價為基準），則進一步授出期權須於股東大會上取得股東批准，而本公司的全部關連人士須放棄於該會上投票贊成授出期權，並須遵照上市規則不時訂明的其他規定。

承授人接納授出期權的要約時須繳付1.0港元的代價。該計劃並無設有期權於獲行使前所須持有最短期限的一般規定，惟董事會有權按其絕對酌情權在授出任何指定期權時設定最短期限。

於接納時，任何特定期權的授出日期會被視為自作出要約的日期起生效。承授人（或其遺產代理人）可於期權到期前根據2020年期權計劃及要約條款向本公司發出通知書，列明即將全部或部分行使期權及行使期權所涉股份數目，以行使股份期權。期權行使期由董事會絕對酌情釐定，惟不得超過授出日期起計十年。2020年期權計劃於自其獲批准當日起計十年期間有效及生效。2020年期權計劃將於2030年6月15日屆滿，其後不得授出任何期權。

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

No share options have been granted since the adoption of the 2020 Option Scheme at the 2020 AGM.

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

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

自於2020年股東週年大會上採納2020年期權計劃以來，概無授出股份期權。

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

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

To the best knowledge of the Directors or chief executives of the Company, as at 31 December 2021, persons (other than the Directors or chief executives of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

Long positions in Shares:

Name	Notes	Directly beneficially owned	Through parties acting in concert	Held in the capacity of a person having a security interest in Shares	Total	Percentage of the Company's issued share capital
名稱／姓名	附註	直接實益擁有	通過一致行動人士擁有	以擁有股份抵押權益人士的身份持有	總額	佔本公司已發行股本百分比
Trisonic International 合創國際	1, 5 & 6 1、5及6	1,006,754,000	-	-	1,006,754,000	44.76%
Kingston Grand Kingston Grand	1, 2 & 5 1、2及5	-	1,006,754,000	-	1,006,754,000	44.76%
Mr. Wang Jin 王勁先生	1, 5 & 6 1、5及6	-	1,006,754,000	-	1,006,754,000	44.76%
Mr. Yang Xianlu 楊先露先生	5 5	-	1,006,754,000	-	1,006,754,000	44.76%
Mr. Wu Wendong 吳文東先生	5 5	-	1,006,754,000	-	1,006,754,000	44.76%
Mr. Li Hesheng 李和勝先生	1 & 5 1及5	-	1,006,754,000	-	1,006,754,000	44.76%
Mr. Shi Yinjun 石銀君先生	1 & 5 1及5	-	1,006,754,000	-	1,006,754,000	44.76%
Mr. Zhang Yuangui 張遠貴先生	1 & 5 1及5	-	1,006,754,000	-	1,006,754,000	44.76%
Long Sino International Limited Long Sino International Limited	2, 3 & 5 2、3及5	-	1,006,754,000	-	1,006,754,000	44.76%
Mr. Zou Hua 鄒華先生	3, 4 & 5 3、4及5	-	1,006,754,000	-	1,006,754,000	44.76%
Ms. Jiang Hua 姜華女士	4 & 5 4及5	-	1,006,754,000	-	1,006,754,000	44.76%
四川信託有限公司 四川信託有限公司		-	-	614,080,000	614,080,000	27.30%
Erie Investments Limited Erie Investments Limited		202,892,000	-	-	202,892,000	9.02%

主要股東及其他人士於股份及相關股份的權益

就本公司董事或最高行政人員所深知，於2021年12月31日，於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露或於本公司根據證券及期貨條例第336條須存置的登記冊記錄的權益或淡倉的人士（本公司董事或最高行政人員除外）如下：

於股份的好倉：

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Notes:

1. The issued share capital of Trisonic International is held in the following manner: 3.0% by Mr. Li Hesheng, 42.6% by Mr. Wang Jin, 7.2% by Mr. Shi Yinjun, 7.2% by Mr. Zhang Yuangui and 40.0% by Kingston Grand.
2. The issued share capital of Kingston Grand is 100% held by Long Sino International Limited.
3. The issued share capital of Long Sino International Limited is 100% held by Mr. Zou Hua.
4. Ms. Jiang Hua is the spouse of Mr. Zou Hua.
5. As at 31 December 2021, 1,006,754,000 Shares were held by Trisonic International. Since Trisonic International, Kingston Grand, Messrs. Wang Jin, Yang Xianlu, Wu Wendong, Li Hesheng, Shi Yinjun and Zhang Yuangui, Long Sino International Limited, Mr. Zou Hua and Ms. Jiang Hua were parties acting in concert, each of Kingston Grand, Messrs. Wang Jin, Yang Xianlu, Wu Wendong, Li Hesheng, Shi Yinjun and Zhang Yuangui, Long Sino International Limited, Mr. Zou Hua and Ms. Jiang Hua was deemed to be interested in 1,006,754,000 Shares held by Trisonic International.
6. Mr. Wang Jin is a director of Trisonic International.

Save as disclosed above, as at 31 December 2021, the Company had not been notified by any persons (other than the Directors or chief executives of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO.

附註：

1. 合創國際的已發行股本由李和勝先生持有3.0%、由王勁先生持有42.6%、由石銀君先生持有7.2%、由張遠貴先生持有7.2%及由Kingston Grand持有40.0%。
2. Kingston Grand的已發行股本由Long Sino International Limited持有100%。
3. Long Sino International Limited的已發行股本由鄒華先生持有100%。
4. 姜華女士為鄒華先生的配偶。
5. 於2021年12月31日，1,006,754,000股股份由合創國際持有。由於合創國際、Kingston Grand、王勁先生、楊先露先生、吳文東先生、李和勝先生、石銀君先生、張遠貴先生、Long Sino International Limited、鄒華先生及姜華女士為一致行動人士，故Kingston Grand、王勁先生、楊先露先生、吳文東先生、李和勝先生、石銀君先生、張遠貴先生、Long Sino International Limited、鄒華先生及姜華女士各自被視為在合創國際持有的1,006,754,000股股份中擁有權益。
6. 王勁先生為合創國際的董事。

除上文所披露者外，於2021年12月31日，本公司概無獲任何人士（本公司董事或最高行政人員除外）知會於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露或於本公司根據證券及期貨條例第336條須存置的登記冊記錄的權益或淡倉。

DEED OF NON-COMPETITION

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

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

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

MANAGEMENT CONTRACTS

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

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Except for the service contracts and share option schemes as disclosed in this annual report, there were no transactions, arrangements, or contracts of significance in relation to the business of the Group, to which the Company, its parent companies, its subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

不競爭契約

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

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

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

管理合約

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

董事於重大交易、安排或合約中的權益

除本年報所披露的服務合約及股份期權計劃外，本公司、其母公司、其子公司或同系子公司概無訂立於年結日或年內任何時間仍然有效，且就本集團業務而言屬重大，而董事或與董事有關連的實體於當中直接或間接擁有重大權益的任何交易、安排或合約。

CONTRACTS OF SIGNIFICANCE

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

Other than the continuing connected transactions as disclosed in the section headed "Connected Transaction/Non-exempt Continuing Connected Transactions" on pages 58 to 62 of this annual report, no contracts of significance between the Company or any of its subsidiaries and a controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

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

CONNECTED TRANSACTION/NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

On 29 January 2019, Sichuan Lingyu entered into a sale and purchase agreement in respect of the 2019 Disposal at a consideration of RMB550.0 million with Chengyu Vanadium Titano, which was approved by the independent Shareholders at the Shareholders' extraordinary general meeting held on 28 June 2019. Upon the 2019 Completion, the 2019 Disposal Group (i) ceased to be the subsidiaries of the Company and (ii) has since become the subsidiaries of Chengyu Vanadium Titano. As the Relevant Substantial Shareholders collectively hold more than 30% equity interests in Chengyu Vanadium Titano, Chengyu Vanadium Titano is a connected person of the Company pursuant to the Listing Rules, and the 2019 Disposal constituted a connected transaction and very substantial disposal for the Company. Please refer to the announcements of the Company dated 29 January 2019 and 30 July 2019, and the circular of the Company dated 10 June 2019 for details of the 2019 Disposal.

重大合約

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

除本年報第58至62頁「關連交易／不獲豁免持續關連交易」一節所披露的持續關連交易外,本公司或其任何子公司概無與本公司的控股股東(定義見上市規則)或其任何子公司訂立於年結日或年內任何時間仍然有效的任何重大合約。

董事於競爭業務的權益

年內,董事並無於構成本公司競爭業務的任何業務中擁有權益。

關連交易／不獲豁免持續關連交易

於2019年1月29日,四川凌御與成渝鈦鈷就2019年出售事項訂立買賣協議,代價為人民幣550.0百萬元,已經由獨立股東於在2019年6月28日舉行的股東特別大會上批准。於2019年完成時,2019年出售集團(i)不再為本公司的子公司;及(ii)自此成為成渝鈦鈷的子公司。由於相關主要股東合共持有成渝鈦鈷股本權益超過30%,故根據上市規則,成渝鈦鈷為本公司的關連人士,而2019年出售事項構成本公司的關連交易及非常重大出售事項。2019年出售事項的詳情請參閱本公司日期為2019年1月29日及2019年7月30日的公告,以及日期為2019年6月10日的通函。

Immediately upon the 2019 Completion, Chengyu Vanadium Titano became the holding company of the 2019 Disposal Group. Each of the 2019 Disposal Group Companies becomes a connected person (as defined under the Listing Rules) of the Group. Accordingly, after the 2019 Completion, certain existing ongoing transactions between the Group and the 2019 Disposal Group have become continuing connected transactions of the Company and the Company will comply with the annual review and disclosure requirements in respect of the continuing connected transactions under the Listing Rules, details of which are set out below.

Provision of the CVT Guarantees by the Company

Prior to the 2019 Completion, the Company had provided the CVT Guarantees in favour of certain banks and an asset management and financial services institution in the PRC (the "Financial Institutions") in 2014, 2017 and 2018 respectively guaranteeing, inter alia, the indebtedness owing by certain 2019 Disposal Group Companies to these Financial Institutions (including but not limited to the principal, interests, liquidated damages, compensation and other costs and expenses payable by these 2019 Disposal Group Companies) under the facilities granted by these Financial Institutions to these 2019 Disposal Group Companies with the aggregate maximum guaranteed amount of RMB730.0 million. Details of the CVT Guarantees are as follows:

成渝鈦鈦於緊隨2019年完成後成為2019年出售集團的控股公司。2019年出售集團公司各自成為本集團的關連人士(定義見上市規則)。因此,於2019年完成後,本集團現時與2019年出售集團進行的若干持續交易已成為本公司的持續關連交易,而本公司將根據上市規則遵守有關持續關連交易的年度審核及披露規定,詳情載列如下。

本公司提供中國鐵鈦擔保

於2019年完成前,本公司曾分別於2014年、2017年及2018年提供以中國若干銀行及一間資產管理及金融服務機構(「金融機構」)為受益人的中國鐵鈦擔保,擔保(其中包括)若干2019年出售集團公司根據金融機構給予該等2019年出售集團公司的授信結欠金融機構的債務(包括但不限於該等2019年出售集團公司應付的本金、利息、違約金、補償以及其他費用及開支),最高擔保總額為人民幣730.0百萬元。中國鐵鈦擔保的詳情載列如下:

	Date of agreement 協議日期	Borrower 借款人	Lender and beneficiary of the guarantee 貸款人及擔保受益人	Guarantor 擔保人	Maximum guaranteed amount 最高擔保額
1.	11 September 2014 ⁽¹⁾	Huili Caitong ⁽²⁾	China Cinda Asset Management Co., Ltd., Sichuan Branch ⁽¹⁾	the Company	RMB200 million
1.	2014年9月11日 ⁽¹⁾	會理財通 ⁽²⁾	中國信達資產管理股份有限公司四川分公司 ⁽¹⁾	本公司	人民幣200百萬元
2.	20 June 2017	Huili Caitong ⁽²⁾	Industrial and Commercial Bank of China Limited, Liangshan Branch	the Company	RMB100 million
2.	2017年6月20日	會理財通 ⁽²⁾	中國工商銀行股份有限公司涼山分行	本公司	人民幣100百萬元
3.	27 July 2018	Xiushuihe Mining ⁽³⁾	Industrial and Commercial Bank of China Limited, Liangshan Branch	the Company	RMB30 million
3.	2018年7月27日	秀水河礦業 ⁽³⁾	中國工商銀行股份有限公司涼山分行	本公司	人民幣30百萬元
4.	25 August 2017	Huili Caitong ⁽²⁾	China Construction Bank Corporation, Liangshan Branch	the Company	RMB400 million
4.	2017年8月25日	會理財通 ⁽²⁾	中國建設銀行股份有限公司涼山分行	本公司	人民幣400百萬元

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Notes:

1. The guarantee provided by the Company in favour of China Merchant Bank Co., Ltd, Chengdu Branch ("CMB") was created on 11 September 2014. Pursuant to the guarantee dated 11 September 2014 and entered into between the Company and CMB, the Company granted the guarantee in favour of CMB for the indebtedness of Huili Caitong under the credit agreement, which was executed between Huili Caitong and CMB on even date. By a notice of assignment of loan on 6 July 2017, the Company was informed of the assignment by CMB of all its rights in the credit agreement and the guarantee in favour of China Cinda Asset Management Co., Ltd, Sichuan Branch.
2. The Relevant Substantial Shareholders collectively hold more than 30% equity interests in Chengyu Vanadium Titano, which in turn holds 100% of the entire issued share capital of Huili Caitong. Huili Caitong is therefore a connected person of the Company under the Listing Rules.
3. The Relevant Substantial Shareholders collectively hold more than 30% equity interests in Chengyu Vanadium Titano, which in turn holds 100% of the entire issued share capital of Huili Caitong. Xiushuihe Mining is in turn owned as to 95% by Huili Caitong. Xiushuihe Mining is therefore a connected person of the Company under the Listing Rules.

The Company entered into the CVT Guarantees before the 2019 Completion as guarantor, so as to facilitate the 2019 Disposal Group in obtaining credit facilities to meet its working capital requirements. Since these Financial Institutions will only review and process applications for the proposed release of the CVT Guarantees after the 2019 Completion, under the sale and purchase agreement in respect of the 2019 Disposal, each of Huili Caitong and Chengyu Vanadium Titano has undertaken to Sichuan Lingyu that it will procure the release of the CVT Guarantees within one year after the Registration Completion Date (or such other date that may be agreed by the parties in writing). In order to minimise the risk of the Group under the CVT Guarantees pending the completion of the release procedures, Chengyu Vanadium Titano and the Company had on 30 July 2019, entered into a counter indemnity (the "Counter Indemnity") for the provision of counter indemnity by Chengyu Vanadium Titano in favour of the Company in respect of the Group's liabilities and claims under the CVT Guarantees.

附註：

1. 本公司所提供以招商銀行股份有限公司成都分行（「招商銀行」）為受益人的擔保，於2014年9月11日設立。根據本公司與招商銀行所訂立日期為2014年9月11日的擔保，本公司就會理財通與招商銀行於同日簽立的信貸協議下會理財通的債務，以招商銀行為受益人提供擔保。按照2017年7月6日的貸款轉讓通知，本公司獲告知，招商銀行以中國信達資產管理股份有限公司四川分公司為受益人，轉讓招商銀行於信貸協議及擔保的全部權利。
2. 相關主要股東合共持有成渝鈮鈦股本權益超過30%，而成渝鈮鈦持有會理財通全部已發行股本的100%，故會理財通根據上市規則為本公司的關連人士。
3. 相關主要股東合共持有成渝鈮鈦股本權益超過30%，成渝鈮鈦持有會理財通全部已發行股本的100%，而會理財通擁有秀水河礦業權益的95%，因此秀水河礦業根據上市規則為本公司的關連人士。

本公司於2019年完成前已作為擔保人訂立中國鐵鈮鈦擔保，以促成2019年出售集團取得授信應付其營運資金需要。由於金融機構只會於2019年完成後審視並辦理建議解除中國鐵鈮鈦擔保的申請，故根據有關2019年出售事項的買賣協議，會理財通及成渝鈮鈦各自已向四川凌御承諾，其將安排於登記完成日期後一年內（或訂約各方可能書面協定的其他日期）解除中國鐵鈮鈦擔保。為儘量減低本集團在解除程序完成前根據中國鐵鈮鈦擔保所承擔的風險，於2019年7月30日，成渝鈮鈦與本公司訂立反彌償保證，成渝鈮鈦以本公司為受益人就本集團於中國鐵鈮鈦擔保下的責任及申索提供反彌償保證。

According to the Counter Indemnity, Chengyu Vanadium Titano's inventories (including but not limited to structural steels, coals etc.) of approximately RMB767.0 million will be pledged as security for such counter-indemnity. The Counter Indemnity will be effective from the Registration Completion Date to the date of the release of the CVT Guarantees. Upon completion of the release of the CVT Guarantees, the Counter Indemnity will be released contemporaneously.

Other than the continuing connected transactions set out above, in respect of which the disclosure requirements in accordance with Chapter 14A of the Listing Rules have been complied with, no contract of significance has been entered into between the Company or any of its subsidiaries and the substantial Shareholders during the year ended 31 December 2021.

Annual review conducted by the independent non-executive Directors on the non-exempt continuing connected transactions

The independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that such transactions were entered into:

- in the ordinary and usual course of business of the Group;
- on normal commercial terms; and
- in accordance with the relevant agreements governing the relevant transactions on terms that were fair and reasonable and in the interests of the Shareholders as a whole.

Annual review conducted by the auditor of the Company on the non-exempt continuing connected transactions

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with the Hong Kong Standard on Assurance Engagements 3000 "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. The Company's auditor has issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this annual report 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 Hong Kong Stock Exchange.

根據反彌償保證，成渝鈦鈹的存貨（包括但不限於建築用鋼材、煤炭等）約人民幣767.0百萬元將質押作為該反彌償保證的抵押品。反彌償保證將於登記完成日期至中國鐵鈦擔保解除日期期間生效。於完成解除中國鐵鈦擔保時，反彌償保證將同時解除。

除上文所載已遵守上市規則第十四A章的披露規定的持續關連交易外，於截至2021年12月31日止年度，本公司或其任何子公司與主要股東概無訂立任何重大合約。

獨立非執行董事對不獲豁免持續關連交易進行的年度審核

獨立非執行董事已審閱上述持續關連交易，並確認該等交易的訂立乃：

- 於本集團的日常業務中進行；
- 按一般商務條款進行；及
- 根據相關交易的有關協議按公平合理及符合股東整體利益的條款進行。

本公司的核數師對不獲豁免持續關連交易進行的年度審核

本公司的核數師已獲委聘根據香港會計師公會頒佈的香港鑒證業務準則第3000號「審核或審閱歷史財務資料外的鑒證業務」及參照實務說明第740號「根據香港上市規則核數師有關持續關連交易的函件」匯報本集團的持續關連交易。本公司的核數師已按照上市規則第14A.56條，發出無保留意見書，載列彼等關於本集團在本年報披露的持續關連交易的發現及結論。本公司已向香港聯交所提供該核數師函件的副本。

Directors' Report

董事會報告書

The auditor of the Company has reviewed the continuing connected transactions mentioned above and confirmed to the Board that:

- nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board;
- for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the pricing policies of the Group;
- nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- nothing has come to their attention that causes them to believe that the amount of each of the transactions has exceeded its specific amount mentioned above.

The Company confirms that the execution and performance of the specific agreements in respect of above continuing connected transactions during the year ended 31 December 2021 were in compliance with the pricing principles of such continuing connected transactions.

AUDIT COMMITTEE

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

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

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

During the year ended 31 December 2021, the audit committee has reviewed: (i) the audited consolidated financial statements and annual results announcement of the Group for the year ended 31 December 2020 and (ii) the consolidated financial statements and interim results announcement of the Group for the six months ended 30 June 2021; and (iii) the risk management and internal control system of the Group. Details of the risk management and internal control of the Group are set out on pages 87 to 93 of this annual report.

本公司的核數師已審閱上述持續關連交易，並向董事會確認：

- 彼等並無發現任何事宜，令致彼等相信已披露的持續關連交易未經董事會批准；
- 就涉及本集團提供貨品或服務的交易而言，彼等並無發現任何事宜，令致彼等相信該等交易在各重大方面並無按照本集團的定價政策進行；
- 彼等並無發現任何事宜，令致彼等相信該等交易在各重大方面並無按照規管該等交易的相關協議進行；及
- 彼等並無發現任何事宜，令致彼等相信各宗交易的金額超出其上述指定金額。

本公司確認，於截至2021年12月31日止年度就上述持續關連交易簽立及履行的具體協議已符合該等持續關連交易的定價原則。

審核委員會

本公司已遵照企管守則成立審核委員會，並釐定其書面職權範圍。

審核委員會主要負責審閱和監管財務報告程序及內部監控程序。

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

於截至2021年12月31日止年度，審核委員會已審閱：(i)本集團截至2020年12月31日止年度的經審核綜合財務報表及全年業績公告；(ii)本集團截至2021年6月30日止六個月的綜合財務報表及中期業績公告；及(iii)本集團的風險管理及內部監控系統。本集團風險管理及內部監控的詳情載於本年報第87至第93頁。

REMUNERATION COMMITTEE

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

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

NOMINATION COMMITTEE

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

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

PRE-EMPTIVE RIGHTS

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

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries to all the Directors, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the year ended 31 December 2021.

CORPORATE GOVERNANCE

The Company has adopted the CG Code. Throughout the year ended 31 December 2021, the Company has complied with all applicable code provisions as set out in the CG Code with the exception of code provision A.4.1, as further explained in the Corporate Governance Report. The Company will continue to review and monitor its corporate governance practices in order to ensure compliance with the CG Code (including the amendments thereto which came into effect on 1 January 2022).

For details of the Corporate Governance Report, please refer to pages 68 to 96 of this annual report.

薪酬委員會

本公司已遵照企管守則成立薪酬委員會，並釐定其書面職權範圍。

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

提名委員會

本公司已遵照企管守則成立提名委員會，並釐定其書面職權範圍。

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

優先購買權

細則概無有關股份優先購買權的條文。

進行證券交易的標準守則

本公司已採納標準守則，作為董事進行本公司證券交易的行為守則。於向所有董事進行具體查詢後，所有董事已確認，彼等已於截至2021年12月31日止整個年度一直遵守標準守則所載有關交易的規定標準。

企業管治

本公司已採納企管守則。本公司於截至2021年12月31日止年度一直遵守企管守則的所有適用守則條文，惟企業管治報告所述的守則條文A.4.1除外。本公司將繼續檢討及監察其企業管治常規，以確保遵守企管守則（包括其於2022年1月1日生效的修訂）。

有關企業管治報告的詳情，請參閱本年報第68至第96頁。

CHANGE IN DIRECTORS' AND CHIEF EXECUTIVES' INFORMATION

In respect of the service contract entered into by and between the Company and Mr. Jiang Zhong Ping on 12 December 2019, the Company and Mr. Jiang Zhong Ping had on 1 July 2021 entered into a supplemental agreement (the "Supplemental Agreement") to vary the remuneration of Mr. Jiang Zhong Ping for the period commencing from 1 July 2021 and ending on 11 December 2022 under such service contract. Pursuant to the Supplemental Agreement, the remuneration of Mr. Jiang Zhong Ping for the period commencing from 1 July 2021 and ending on 11 December 2022 has been adjusted from RMB150,000 per annum (pro-rated accordingly and payable in RMB and/or HKD equivalents) to RMB1 per annum (pro-rated accordingly and payable in RMB and/or HKD equivalents).

Mr. Yu Haizong was an independent non-executive director of Sichuan Expressway Company Limited ("Sichuan Expressway"), a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, from March 2013 to November 2019. In May 2021, Mr. Yu Haizong was re-appointed and currently remains an independent non-executive director of Sichuan Expressway, the chairman of the nomination committee and a member of the strategic committee of Sichuan Expressway.

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

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

Throughout the year ended 31 December 2021, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken by the Group in the ordinary course of business are set out in note 35 to the financial statements of this annual report. The Company has complied with the applicable requirements under the Listing Rules for those related party transactions which constituted connected transaction/continuing connected transactions under the Listing Rules, as disclosed in the section headed "Connected Transaction/Non-exempt Continuing Connected Transactions" on pages 58 to 62 of this annual report. Save for the abovementioned, other related party transactions as set out in note 35 to the financial statement either did not constitute connected transactions/continuing connected transactions or constituted connected transactions/continuing connected transactions but were exempted from all disclosure and independent shareholders' approval requirements under the Listing Rules.

董事及最高行政人員資料變動

就本公司與蔣中平先生於2019年12月12日訂立的服務合約，本公司與蔣中平先生於2021年7月1日訂立補充協議（「補充協議」），修訂該服務合約中蔣中平先生於由2021年7月1日起至2022年12月11日止期間的薪酬。根據補充協議，蔣中平先生於由2021年7月1日起至2022年12月11日止期間的薪酬由每年人民幣150,000元（按相應比例計算，並以人民幣及／或等值港元支付）調整為每年人民幣1元（按相應比例計算，並以人民幣及／或等值港元支付）。

2013年3月至2019年11月，余海宗先生曾是四川成渝高速公路股份有限公司（「四川成渝高速」，一間於上海證券交易所及香港聯交所上市的公司）的獨立非執行董事。於2021年5月，余海宗先生獲重新委任且現時仍為四川成渝高速的獨立非執行董事、提名委員會主席及戰略委員會成員。

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

購買、出售或贖回本公司上市證券

於截至2021年12月31日止整個年度，本公司或其任何子公司概無購買、出售或贖回本公司任何上市證券。

關聯方交易

本集團於日常業務過程中進行的關聯方交易詳情載於本年報財務報表附註35。誠如本年報第58至第62頁的「關連交易／不獲豁免持續關連交易」一節所披露，本公司已就根據上市規則構成關連交易／持續關連交易的關聯方交易，遵守上市規則下的適用規定。除上文所述者外，根據上市規則，財務報表附註35所載的其他關聯方交易並不構成關連交易／持續關連交易，或構成關連交易／持續關連交易但獲豁免遵守所有披露及獨立股東批准規定。

SUFFICIENCY OF PUBLIC FLOAT

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

RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

(i) Employees

As at 31 December 2021, the Group had a total of 127 dedicated full time employees, representing a decrease of approximately 8.0% as compared to previous year under comparable basis. Almost all of the Group's employees are based in the PRC. The employee turnover rate for the year was approximately 18.9%. The total full time employees included 50 female employees and 77 male employees, of which 20 employees were aged 30 or below, 47 employees were aged between 31 and 40, 48 employees were aged between 41 and 50, and 12 employees were aged 51 or above. Management maintained good communications with the employees and encouraged feedback from them. The proper training programmes were implemented in order to promote employees' career development and progression within the Group. The Group evaluated the employees' performance regularly, and promotions and further training were provided when necessary.

(ii) Suppliers

During the year, the Group's suppliers mainly consisted of mining contractors, transportation contractors, suppliers of production-related materials and trading companies. The Group selected the suppliers based on various criteria, including but not limited to qualifications and reputation. The Group has established a long-term relationship with the major mining contractor for more than 9 years, the transportation contractors for more than 7 years, and both the suppliers of production related materials and trading companies for more than 7 years. The Group has continued to maintain sound business relationships with major suppliers, and no incidents that will adversely affect the Group's product supply have occurred during the year.

公眾持股量充足程度

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

與僱員、供應商及客戶的關係

(i) 僱員

於2021年12月31日，本集團共有127名全職僱員，在可比基礎上較去年減少約8.0%。本集團僱員絕大部分駐於中國。本年度的僱員流失率約為18.9%。全職僱員總數包括50名女性僱員及77名男性僱員，其中20名為30歲或以下，47名介乎31至40歲，48名介乎41至50歲，12名為51歲或以上。管理層與僱員保持良好溝通，並鼓勵僱員提供意見反饋。本集團推行針對性的培訓課程，務求協助僱員在本集團發展事業及晉升。本集團定期評核僱員表現，並於有需要時提拔人才，加強培訓。

(ii) 供應商

年內，本集團的供應商主要包括採礦承包商、運輸承包商、生產相關材料供應商及貿易公司。本集團基於多項準則甄選供應商，包括但不限於資格及聲譽。本集團與主要採礦承包商、運輸承包商以及生產相關材料供應商及貿易公司建立長期關係，分別超過9年、7年及7年。本集團一直與主要供應商維持良好的業務關係，年內並無發生任何對本集團的產品供應構成不利影響的事件。

(iii) Customers

During the year, sales to the Group's five largest customers accounted for 99.2% of the total revenue. The Group maintained good relationships with the customers who required stable supply for these bulk raw materials, such customers being distributors and trading companies. The Group has established long-term relationships with the customers for 6 to 8 years. The trading of steels contributed 92.1% of the total revenue of the Remaining Group.

Please refer to the financial statements of this annual report for more details of the Group's trading terms with its customers as set out in note 19 to the financial statements.

ENVIRONMENTAL POLICY AND PERFORMANCE

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

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

(iii) 客戶

年內，本集團五大客戶的銷售佔總收入的99.2%。本集團與需要獲大宗原料穩定供應的客戶維持良好關係，該等客戶為分銷商及貿易公司。本集團已與客戶建立6至8年長期關係。鋼鐵貿易佔保留集團總收入的92.1%。

有關本集團與客戶的貿易條款的更多詳情，請參閱本年報財務報表附註19。

環境政策及表現

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

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

COMPLIANCE WITH LAWS AND REGULATIONS

The Group and its activities are subject to requirements under various laws. In addition, the Listing Rules also apply to the Company. The relevant PRC laws which had a material implication or impact on the operations of the Group during the year include, among others, the Work Safety Law of the PRC*, Labour Law of the PRC*, Environmental Protection Law of the PRC*, Land Administration Law of the PRC*, Environmental Impact Assessment Law of the PRC*, Mineral Resources Law of the PRC*, Law of the PRC on Safety in Mines*, Law of the PRC on Water and Soil Conservation*, Law of the PRC on Wholly Foreign-Owned Enterprises* and Law of the PRC on Enterprise Income Tax* and the applicable regulations, guidelines and policies issued or promulgated under or in connection with these laws.

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

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

AUDITOR

The Company appointed Ernst & Young as auditor of the Company for the year ended 31 December 2021. A resolution will be proposed for approval by the Shareholders at the 2022 AGM to re-appoint Ernst & Young as auditor of the Company.

On behalf of the Board

Teh Wing Kwan

Chairman

29 March 2022

遵守法律及法規

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

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

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

核數師

本公司委聘安永會計師事務所出任本公司截至2021年12月31日止年度的核數師。有關重新委聘安永會計師事務所為本公司核數師的決議案將於2022年股東週年大會上提呈以取得股東批准。

代表董事會

主席

鄭永權

2022年3月29日

The cover features a light blue background with abstract, overlapping circular shapes. A large white circle on the right contains a circular inset image of a rocky, blue-green landscape. A smaller white circle on the left contains the title text.

**Corporate Governance
Report**
企業管治報告

Corporate Governance Report

企業管治報告

The Company has adopted the CG Code as its own code of corporate governance. The Directors consider that during the year ended 31 December 2021, the Company has complied with the code provisions under the CG Code, except for the then effective code provision A.4.1⁽¹⁾.

The then effective code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. Mr. Teh Wing Kwan, being a non-executive Director, is not appointed for a specific term. This constitutes a deviation from code provision A.4.1. However, as Mr. Teh Wing Kwan's appointment is subject to retirement by rotation and re-election by the Shareholders at the annual general meetings of the Company in accordance with the Articles, the Directors are of the opinion that this meets the objective of the CG Code. Mr. Teh Wing Kwan was re-elected as a non-executive Director at the 2021 AGM.

Save as disclosed above, the Directors are not aware of any other information that reasonably reveals that there is any non-compliance with or deviation from applicable code provisions on corporate governance practices set out in the CG Code by the Company anytime during the Reporting Period. The Company will continue to review and monitor its corporate governance practices in order to ensure compliance with the New CG Code which came into effect on 1 January 2022.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries to all the Directors, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the year ended 31 December 2021.

本公司已採納企管守則作為其本身的企業管治守則。董事認為本公司於截至2021年12月31日止年度一直遵守企管守則的守則條文，惟當時生效的守則條文A.4.1⁽¹⁾除外。

當時生效的企管守則守則條文A.4.1訂明，非執行董事的委任應有指定任期，並須接受重新選舉。非執行董事鄭永權先生的委任並無指定任期。此情況構成偏離守則條文A.4.1。然而，由於按照細則，鄭永權先生的任命須輪席退任，並須於本公司的股東週年大會上接受股東重選，故董事認為此舉符合企管守則的宗旨。鄭永權先生於2021年股東週年大會上獲重選為非執行董事。

除上文所披露者外，董事並不知悉於報告期內任何時間有任何其他資料合理地顯示本公司不符合或偏離企管守則的適用企業管治常規守則條文。本公司將繼續檢討及監察其企業管治常規，以確保遵守於2022年1月1日生效的新企管守則。

董事進行的證券交易

本公司已採納標準守則，作為董事進行本公司證券交易的行為守則。於向所有董事進行具體查詢後，所有董事已確認，彼等於截至2021年12月31日止年度一直遵守標準守則所載有關交易的規定標準。

⁽¹⁾ The CG Code has been amended (the "New CG Code"), which will apply to corporate governance reports for financial year commencing on or after 1 January 2022. The then effective code provision A.4.1 has been deleted from the New CG Code.

⁽¹⁾ 企管守則已修訂（「新企管守則」），將適用於2022年1月1日或之後開始的財政年度的企業管治報告。新企管守則已刪除當時生效的守則條文A.4.1。

BOARD OF DIRECTORS

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

Board member 董事會成員

Non-executive Director

非執行董事

Mr. Teh Wing Kwan
鄭永權先生

Executive Directors

執行董事

Mr. Jiang Zhong Ping
蔣中平先生
Mr. Hao Xiemin
郝謝敏先生
Mr. Wang Hu
王虎先生

Independent non-executive Directors

獨立非執行董事

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

Notes:

C: Chairman
M: Member

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

董事會

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

	Audit committee 審核委員會	Remuneration committee 薪酬委員會	Nomination committee 提名委員會
Mr. Teh Wing Kwan 鄭永權先生	—	—	C
Mr. Jiang Zhong Ping 蔣中平先生	—	M	M
Mr. Hao Xiemin 郝謝敏先生	—	—	—
Mr. Wang Hu 王虎先生	—	—	—
Mr. Yu Haizong 余海宗先生	C	M	M
Mr. Liu Yi 劉毅先生	M	C	M
Mr. Wu Wen 吳文先生	M	—	M

附註：

C：主席
M：成員

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

Mr. Jiang Zhong Ping, an executive Director, entered into a service contract (as supplemented by the Supplemental Agreement) with the Company for a term of three years commencing from 12 December 2019. Each of Mr. Hao Xiemin and Mr. Wang Hu, each being an executive Director, entered into a service contract with the Company for a term of three years commencing from 1 January 2020. The appointment of each of the executive Directors may be terminated in accordance with the terms and conditions of their respective service contracts and/or by either party to the service contract giving to the other party not less than three months' prior notice in writing.

Mr. Yu Haizong and Mr. Liu Yi, each an independent non-executive Director, entered into a new letter of appointment with the Company for a term of three years commencing from 8 October 2020. Mr. Wu Wen, an independent non-executive Director, entered into a new letter of appointment with the Company for a term of three years commencing from 1 November 2020. The appointment of each of the independent non-executive Directors is subject to termination in certain circumstances as stipulated in the relevant letters of appointment.

Mr. Teh Wing Kwan, the chairman and non-executive Director, has entered into a letter of appointment with the Company on 26 July 2017 pursuant to which his appointment is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The appointment of Mr. Teh is terminable by either party to the letter of appointment by giving the other party not less than two months' prior notice in writing.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive Directors are independent in accordance with the guidelines set out in the Listing Rules.

執行董事蔣中平先生已與本公司訂立服務合約（經補充協議補充），任期自2019年12月12日起計為期三年。執行董事郝謝敏先生及王虎先生已各自與本公司訂立服務合約，任期自2020年1月1日起計為期三年。各執行董事的任命可按照相應服務合約的條款或條件及／或由服務合約的任何一方向另一方發出不少於三個月事先書面通知終止。

獨立非執行董事余海宗先生及劉毅先生已各自與本公司訂立新委任書，任期自2020年10月8日起計為期三年。獨立非執行董事吳文先生已與本公司訂立新委任書，任期自2020年11月1日起計為期三年。各獨立非執行董事的任命可於相關委任書所列若干情況下終止。

主席兼非執行董事鄭永權先生已於2017年7月26日與本公司訂立委任書，據此，其任命須按照細則輪席退任，並須於本公司的股東週年大會上接受重選。鄭先生的任命可由委任書的任何一方向另一方發出不少於兩個月事先書面通知終止。

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

Corporate Governance Report 企業管治報告

The key roles of the Board are:

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

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

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

董事會的主要職責為：

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

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

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

During the year, the Company held one general meeting. The following is the attendance record of the meetings held by the Board, audit committee, remuneration committee, nomination committee and the general meeting during the year ended 31 December 2021:

年內，本公司舉行一次股東大會。於截至2021年12月31日止年度舉行的董事會、審核委員會、薪酬委員會、提名委員會及股東大會的出席紀錄如下：

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

DIRECTORS' TRAINING

According to code provision A.6.5 of the CG Code (which is code provision C.1.4 under the New CG Code), all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contributions to the board remain informed and relevant.

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

董事培訓

根據企管守則的守則條文A.6.5（即新企管守則的守則條文C.1.4），所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

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

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

The individual training record of each Director during the year ended 31 December 2021 is set out below:

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

於截至2021年12月31日止年度，各董事的個人培訓記錄載列如下：

	Training received 已接受培訓
Non-executive Director	
非執行董事	
Mr. Teh Wing Kwan 鄭永權先生	(1) and (2) (1)及(2)
Executive Directors	
執行董事	
Mr. Jiang Zhong Ping 蔣中平先生	(1) and (2) (1)及(2)
Mr. Hao Xiemin 郝謝敏先生	(1) and (2) (1)及(2)
Mr. Wang Hu 王虎先生	(1) and (2) (1)及(2)
Independent non-executive Directors	
獨立非執行董事	
Mr. Yu Haizong 余海宗先生	(1) and (2) (1)及(2)
Mr. Liu Yi 劉毅先生	(1) and (2) (1)及(2)
Mr. Wu Wen 吳文先生	(1) and (2) (1)及(2)

Notes:

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

附註：

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

CHAIRMAN AND CHIEF EXECUTIVE

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

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

APPOINTMENT AND RE-ELECTION OF THE DIRECTORS

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

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

主席及首席執行官

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

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

委任及重選董事

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

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

AUDIT COMMITTEE

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

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

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

- reviewed the audited consolidated financial statements and annual results announcement of the Group for the year ended 31 December 2020, and reviewed the consolidated financial statements and interim results announcement of the Group for the six months ended 30 June 2021;
- reviewed the changes in accounting standards and assessed their potential impact on the financial statements;

審核委員會

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

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

年內，審核委員會舉行兩次會議，並曾進行下列主要工作：

- 審閱本集團截至2020年12月31日止年度的經審核綜合財務報表及全年業績公告，並審閱本集團截至2021年6月30日止六個月的綜合財務報表及中期業績公告；
- 審閱會計準則的變動及評估該等準則對財務報表的潛在影響；

- reviewed the Company's external auditor's qualifications, independence and performance;
 - reviewed the Company's external auditor's statutory audit plan, audit scope and engagement letters; and
 - assisted the Board to evaluate on the adequacy and effectiveness of risk management and internal control systems of the Group and financial reporting procedures.
- 審閱本公司外聘核數師的資格、獨立性及表現；
 - 審閱本公司外聘核數師的法定審核計劃、審核範圍及委聘書；及
 - 協助董事會評價本集團風險管理及內部監控系統以及財務申報制度是否充足有效。

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

During the year ended 31 December 2021, the audit committee has reviewed the risk management and internal control systems and the effectiveness of the Company's internal audit function. Details of the risk management and internal control of the Group are set out on pages 87 to 93 of this annual report.

REMUNERATION COMMITTEE

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

The remuneration committee's main functions are:

- to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

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

於截至2021年12月31日止年度，審核委員會已審閱風險管理及內部監控系統以及本公司內部審核功能的成效。本集團風險管理及內部監控的詳情載於本年報第87至第93頁。

薪酬委員會

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

薪酬委員會的主要職能為：

- 就本公司董事及高級管理人員的全體薪酬政策及架構，以及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；

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- to review and approve performance-based remuneration with reference to corporate goals and objectives resolved by the Board from time to time;
 - to determine, with delegated responsibilities, the remuneration packages of individual executive Directors or senior management, which should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
 - to consider the granting of share options to Directors, chief executives, substantial Shareholders or employees of any member of the Group and any person who has contributed or will contribute to the development and growth of the Group pursuant to the share option schemes adopted by the Company;
 - to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
 - to review and approve the interim reports, annual reports, announcements and circulars or any publication of the Company regarding information on the remuneration and service contracts of the Directors prior to approval by the Board.
- 因應董事會不時議決的企業方針及目標而檢討及批准與表現掛鈎的薪酬；
 - 獲轉授責任，釐定個別執行董事或高級管理層成員的薪酬待遇，包括非金錢利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償）；
 - 考慮根據本公司採納的股份期權計劃向本集團任何成員公司的董事、最高行政人員、主要股東或僱員及已經或將會為本集團的發展及增長作出貢獻的任何人士授予股份期權；
 - 確保董事或其任何聯繫人不得參與釐定他自己的薪酬；及
 - 在獲得董事會批准前審閱及批准半年度報告、年度報告、公告及通函或本公司刊發有關董事薪酬及服務合約的資料。

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

- determined the policy for the remuneration of the Directors and reviewed the remuneration packages of the Directors;
 - assessed the performance of the Directors; and
 - considered and approved the terms of the Directors' service agreements.
- 年內，薪酬委員會舉行兩次會議，薪酬委員會成員於會上：
- 制定董事薪酬政策及檢討董事的薪酬待遇；
 - 評核董事的表現；及
 - 考慮及批准董事服務協議的條款。

The remuneration paid/payable to senior management (comprising Directors) for the year ended 31 December 2021 by band is set out below:

於截至2021年12月31日止年度，已付／應付高級管理人員（包括董事）的薪酬範圍載列如下：

Name of Director	Remuneration band	Director's fee	Salaries, allowances and benefits in kind	Share options	Pension scheme contributions	Total
董事姓名	薪酬範圍	董事袍金	薪金、津貼及實物福利	股份期權	退休金計劃供款	合計
		%	%	%	%	%
Non-executive Director						
非執行董事						
Mr. Teh Wing Kwan [#]	HKD1,000,000 – 1,500,000	100	-	-	-	100
鄭永權先生 [#]	1,000,000 – 1,500,000港元					
Executive Directors						
執行董事						
Mr. Jiang Zhong Ping	RMB nil – 200,000	43	49	-	8	100
蔣中平先生	人民幣零 – 200,000元					
Mr. Hao Xiemin	RMB200,000 – 500,000	50	45	-	5	100
郝謝敏先生	人民幣200,000 – 500,000元					
Mr. Wang Hu	RMB200,000 – 500,000	52	43	-	5	100
王虎先生	人民幣200,000 – 500,000元					
Independent non-executive Directors						
獨立非執行董事						
Mr. Yu Haizong	RMB nil – 200,000	100	-	-	-	100
余海宗先生	人民幣零 – 200,000元					
Mr. Liu Yi	RMB nil – 200,000	100	-	-	-	100
劉毅先生	人民幣零 – 200,000元					
Mr. Wu Wen	RMB nil – 200,000	100	-	-	-	100
吳文先生	人民幣零 – 200,000元					

[#] Mr. Teh Wing Kwan received approximately 30% of director's fees during the Reporting Period and has voluntarily deferred the receipt of the remaining outstanding balances payable by the Company and/or its subsidiary.

[#] 鄭永權先生於報告期內收取董事袍金約30%，自願押後收取本公司及／或其子公司應支付的餘下未支付結餘。

NOMINATION COMMITTEE

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

The nomination committee's main functions are:

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

提名委員會

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

提名委員會的主要職能為：

- 至少每年檢討董事會的架構、人數、組成（包括技能、知識及經驗方面）及多元化（包括但不限於性別、年齡、文化及教育背景、種族、技能、知識及經驗方面），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
- 於審慎考慮本公司的提名政策及董事會多元化政策以及與本公司相關的其他因素後，物色具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意見；
- 草擬及制訂提名政策及董事會多元化政策以供董事會考慮及批准；
- 討論提名政策及董事會多元化政策需作出的修訂，並向董事會提出修訂建議，以供董事會考慮及批准；
- 檢討、執行及監察（如適用）提名政策及董事會多元化政策；
- 檢討董事會為執行提名政策及董事會多元化政策而定的可計量目標，並監督達標的進度；
- 參考（其中包括）上市規則所載的因素及提名委員會或董事會視為合適的任何其他因素，評估獨立非執行董事是否屬獨立人士及彼等投放足夠時間於董事會及董事委員會的能力；

- to make recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for the Directors, in particular the chairman and chief executive;
 - to develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship; and
 - to keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the market place.
- 就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出建議；
 - 制訂物色及評估董事人選的資格及評核人選的條件；及
 - 持續檢討組織的領導需要（包括執行及非執行），以確保組織在市場上持續有效競爭的能力。

Board Diversity Policy

The Board Diversity Policy is concerned with achieving sustainable and balanced development and increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In this regard, the nomination committee has considered the measurable objectives set out in the Board Diversity Policy, which are to ensure that candidates of the Board are considered based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on merit and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board. The nomination committee is responsible for reviewing the Board Diversity Policy, as appropriate, to ensure the effectiveness of such policy and will discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

Currently, the Board consists of seven members, including three executive Directors, one non-executive Director and three independent non-executive Directors who are of different ethnicities and with professional experience and qualifications in various aspects, such as steel industry, financial management, law, compliance, accounting and mining. Having regard to the composition of the Board and the measurable objectives, the Company considers that the Board composition is sufficiently diversified in terms of balance of skills and experience, which are desirable for the effective management and sustainable development of the Company.

董事會多元化政策

董事會多元化政策關乎董事會達致可持續均衡發展及日益多元化，作為支持本公司達成策略目標及可持續發展的要素。就此，提名委員會已考慮董事會多元化政策所載的可計量目標，以確保本公司從多元化角度多方面考慮董事會成員候選人，當中包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期，而董事會所有委任均以用人唯才為原則，而在考慮人選時均以客觀條件充分顧及董事會成員多元化的裨益。提名委員會負責審閱董事會多元化政策（如適用），以確保該政策的成效，以及討論可能須要作出的任何修改，並向董事會建議任何有關修改以供考慮及批准。

現時，董事會由七名成員組成，包括三名執行董事、一名非執行董事及三名獨立非執行董事，彼等來自不同種族，擁有多方面的專業經驗及資格，如鋼鐵行業、財務管理、法律、合規、會計及採礦。經考慮董事會的組成及可計量目標，本公司認為董事會成員在技能及經驗上多元程度足夠，適合本公司的有效管理及可持續發展。

Corporate Governance Report 企業管治報告

During the year, the nomination committee held one meeting, at which the members of the nomination committee:

- reviewed the structure, size, composition and diversity of the Directors;
- evaluated the performance and contribution of the retiring Directors; and
- assessed the independence of the retiring independent non-executive Directors.

Nomination Policy

The Nomination Policy applies to the Directors and where applicable, senior management prepared for Board positions under the succession planning of the Company. The Nomination Policy sets out the following key nomination criteria and procedures, among others, as follows:

(1) *Nomination criteria*

In evaluating and selecting any candidate for directorship, the following criteria should be considered:

- (i) character and integrity;
- (ii) qualifications including professional qualifications, skills, knowledge and experience, and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy;
- (iii) any measurable objectives adopted for achieving diversity on the Board;
- (iv) requirement for the Board to have independent non-executive Directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- (v) any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity;

年內，提名委員會舉行一次會議，提名委員會成員曾於會上：

- 檢討董事的架構、人數、組成及多元性；
- 評估退任董事的表現及貢獻；及
- 評核退任獨立非執行董事是否屬獨立人士。

提名政策

提名政策適用於董事，並在適當情況下適用於根據本公司的繼任計劃準備出任董事會職位的高級管理人員。提名政策列出以下主要提名條件及程序（其中包括）：

(1) *提名條件*

於評核及挑選任何董事人選時應考慮以下條件：

- (i) 品格及誠信；
- (ii) 包括專業資格、技能、知識及經驗在內的資格，以及根據董事會多元化政策與本公司業務及公司策略有關的多元化範疇；
- (iii) 為達致董事會多元化採納的任何可計量目標；
- (iv) 根據上市規則董事會成員須包括獨立非執行董事的規定，以及參照上市規則所載的獨立指引，候選人是否被視為屬獨立人士；
- (v) 候選人在資格、技能、經驗、獨立性及性別多元化方面可對董事會作出的任何潛在貢獻；

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| <p>(vi) willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company;</p> | <p>(vi) 投放充份時間履行董事會及／或本公司董事委員會成員的職務的意向及能力；</p> |
| <p>(vii) such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the nomination committee from time to time for nomination of directors and succession planning; and</p> | <p>(vii) 就本公司的業務及繼任計劃而言屬適當的其他觀點；以及（如適用）董事會及／或提名委員會不時就董事提名及繼任計劃可能採納及／或修訂的其他觀點；及</p> |
| <p>(viii) such other factors set out in terms of reference of the nomination committee.</p> | <p>(viii) 提名委員會職權範圍所載其他因素。</p> |

(2) Nomination procedures

- (a) *Appointment of new Directors*
- (i) The nomination committee identifies individual(s) suitably qualified to become Board members based on its assessment on the character, biographical information and other relevant details of such individual(s), having due regard to the Nomination Policy and the Board Diversity Policy, and assesses the independence of the proposed independent non-executive Director(s) as appropriate;
- (ii) If the nomination committee has identified more than one individual who are suitably qualified for directorship based on the above assessment, the nomination committee should rank them by order of preference based on the needs of the Company and reference check of each individual (where applicable);
- (iii) The nomination committee makes recommendation(s) to the Board;
- (iv) The Board considers the individual(s) recommended by the nomination committee, having due regard to the assessment of the nomination committee, the Nomination Policy and the Board Diversity Policy;

(2) 提名程序

- (a) *委任新董事*
- (i) 提名委員會根據其對一名（或多名）個人的品格、履歷及其他相關詳細資料的評價，於考慮提名政策及董事會多元化政策後，物色具備合適資格出任董事會成員的相關人士，並評估建議獨立非執行董事（如適用）是否屬獨立人士；
- (ii) 倘提名委員會已根據上述評估物色超過一名具備合適資格出任董事的人士，則提名委員會應根據本公司的需要及對每名人士的覆核審查（如適用），將該等人士按優次排序；
- (iii) 提名委員會向董事會提出建議；
- (iv) 董事會於審慎考慮提名委員會的評估、提名政策及董事會多元化政策後，考慮提名委員會推薦的人士；

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| <p>(v) The Board confirms the appointment of the individual(s) as Director(s) or recommends the individual(s) to stand for election at a general meeting. Individual(s) appointed by the Board to fill a casual vacancy or as an addition to the Board will be subject to re-election by the Shareholders in accordance with the Articles; and</p> <p>(vi) The Shareholders approve the election of individual(s), who stand(s) for election at general meeting, as Director(s).</p> | <p>(v) 董事會確認委任有關人士為董事或推薦有關人士於股東大會上參選。獲董事會委任填補臨時空缺或新增董事會成員的有關人士須按照細則接受股東重選；及</p> <p>(vi) 股東批准推選於股東大會上參選的人士為董事。</p> |
| <p>(b) <i>Re-appointment of retiring Directors</i></p> | |
| <p>(i) The nomination committee considers each retiring Director based on its review of each retiring Director's overall contribution, services to the Company, and the level of participation and performance on the Board, having due regard to the Nomination Policy and the Board Diversity Policy, and assesses the independence of each retiring independent non-executive Director;</p> <p>(ii) The nomination committee makes recommendation(s) to the Board;</p> <p>(iii) The Board considers each retiring Director recommended by the nomination committee, having due regard to the nomination committee's review of each retiring Director, the Nomination Policy and the Board Diversity Policy;</p> <p>(iv) The Board recommends the retiring Director(s) to stand for re-election at the annual general meeting in accordance with the Articles; and</p> <p>(v) The Shareholders approve the re-election of Director(s) at the annual general meeting.</p> | <p>(b) <i>重新委任退任董事</i></p> <p>(i) 提名委員會於審慎考慮提名政策及董事會多元化政策後，根據其對每名退任董事的整體貢獻、於本公司的服務年資以及在董事會的參與程度及表現考慮每名退任董事，以及評估每名退任的獨立非執行董事是否屬獨立人士；</p> <p>(ii) 提名委員會向董事會提出建議；</p> <p>(iii) 董事會於審慎考慮提名委員會對每名退任董事的審視、提名政策及董事會多元化政策後，考慮提名委員會推薦的每名退任董事；</p> <p>(iv) 董事會按照細則於股東週年大會上推薦退任董事接受重選；及</p> <p>(v) 股東於股東週年大會上批准重選董事。</p> |

The Board shall have the ultimate responsibility for all matters relating to the selection and appointment of Directors. Where the Board proposes a resolution to elect or re-elect a candidate as Director at a general meeting, the relevant information of the candidate will be disclosed in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or other applicable laws and regulations.

董事會應對有關挑選及委任董事的所有事宜負有最終責任。倘董事會於股東大會上提呈決議案選舉或重選一名候選人為董事，則候選人的相關資料將按照上市規則及／或其他適用法例及法規，於連同相關股東大會通告向股東發出的通函及／或說明函件內披露。

(3) Principles considered by the nomination committee

In carrying out its responsibilities, the nomination committee should give adequate consideration to the following principles:

- (a) in relation to Board composition – the Board should have a balance of skills, experience, diversity of gender and diversity of perspectives appropriate to the Company's business. It should ensure that changes to its composition can be managed without undue disruption. It should include a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board, which can effectively enhance decision making capability of the Board. Non-executive Directors should be of sufficient calibre and number for their views to carry weight; and
- (b) in relation to appointments, re-election and removal – there should be a formal, considered and transparent procedure for the appointment of new Directors. There should be plans in place for orderly succession for appointments. All Directors should be subject to re-election at regular intervals. The Company must explain the reasons for the resignation or removal of any Director.

(4) Regular review

The nomination committee will conduct regular reviews on the structure, size and composition of the Board, the Board Diversity Policy, and the Nomination Policy and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and business needs.

(3) 提名委員會考慮的原則

提名委員會於履行職責時應充份考慮以下原則：

- (a) 關於董事會成員組合 – 董事會應因應本公司的業務在技能、經驗、性別多元化及觀點多元化方面有適當平衡，應確保董事會成員組合的任何變動不會產生不當干擾。董事會應包含平衡的執行及非執行董事（包括獨立非執行董事）成員人數，使董事會具備穩健的獨立元素，能有效提升董事會的決策能力。非執行董事應有足夠的資格及人數，使其見解充份有力；及
- (b) 關於委任、重選及罷免 – 委任新董事應有一個正規、審慎而具透明度的程序。繼任應設有有序計劃。所有董事應定期接受重選。本公司必須解釋任何董事辭任或罷免任何董事的理由。

(4) 定期檢討

提名委員會將定期檢討董事會的架構、人數及組成、董事會多元化政策及提名政策，並（如適用）就完善本公司的公司策略及業務需要提供有關董事會變動的推薦建議。

CORPORATE GOVERNANCE FUNCTION

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

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

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

AUDITOR'S REMUNERATION

For the year ended 31 December 2021, the remuneration paid/payable in relation to assurance services (excluding out-of-pocket expenses and value added tax) by the Group to the Company's external auditor, Ernst & Young, is approximately RMB2,130,000.

企業管治職能

董事會負責履行下列企業管治職能的責任：

- 制定及檢討本公司的企業管治政策及常規，並提出建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察僱員及董事的操守守則及合規手冊（如有）；及
- 檢討本公司遵守企管守則的情況及在《企業管治報告》內的披露。

年內，董事會舉行四次會議，於會上考慮並討論（其中包括）本公司有關企業管治及遵守法律和監管規例、董事培訓和持續專業發展以及本公司遵守企管守則的政策及慣例。

核數師酬金

截至2021年12月31日止年度，本集團就鑒證服務已付／應付本公司外聘核數師安永會計師事務所的酬金（不包括代付開支及增值稅）約為人民幣2,130,000元。

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

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

As at 31 December 2021, the Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the financial statements of the Company on a going-concern basis.

RISK MANAGEMENT AND INTERNAL CONTROL

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

The Group established an independent internal audit function which directly reports to the audit committee. The internal audit personnel will attend the audit committee meetings and report on internal audit matters annually. If there is any material internal control defect, the internal audit personnel directly reports to the audit committee without limitation. Further, the Group appointed an international advisory firm as an external advisor in August 2020 to provide internal control services under a two-year rotation plan based on a risk-based methodology.

董事及核數師就財務報表須承擔的責任及持續經營聲明

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

於2021年12月31日，董事並不知悉與可能對本公司持續經營能力產生重大疑慮的事件或狀況有關的重大不明朗因素。因此，董事已按持續經營基準編製本公司的財務報表。

風險管理及內部監控

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

本集團已設立獨立的內部審核機構，直接向審核委員會報告。內部審核人員將每年出席審核委員會會議，報告內部審核事宜。如發現任何重大內部監控缺失，內部審核人員可不受限制地直接向審核委員會報告。此外，本集團已於2020年8月委任一間國際顧問公司為本集團的外部顧問，以根據風險法及為期兩年的循環審核計劃提供內部監控服務。

Corporate Governance Report 企業管治報告

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

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

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

- the Company has established a sensitive information disclosure policy, which specified the information disclosure process, the confidentiality requirements of the undisclosed sensitive information, and the confidentiality obligations of the employees of the Group;
- the access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality;
- confidentiality agreements are in place when the Group enters into significant negotiations;

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

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

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

- 本公司已制定敏感資料披露政策，訂明資料披露過程、不披露敏感資料的保密規定及本集團僱員的保密義務；
- 資料按必要基準僅限於有限數目的僱員接觸。管有內幕消息的僱員全面了解彼等的保密義務；
- 本集團於進行重大磋商時會訂立保密協議；

- the executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors;
 - the service contracts of the Directors, senior management and the employees of the Group specify the confidentiality clauses; and
 - the legal advisors of the Company regularly provide relevant training to the Board and senior management.
- 於與媒體、分析師或投資者等外部人士聯繫時，執行董事獲指派為代表本公司的發言人；
 - 董事、本集團高級管理人員及僱員的服務合約訂有保密條文；及
 - 本公司的法律顧問定期向董事會及高級管理人員提供相關培訓。

Risk Management

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

The compliance department of the Group periodically collected risk information and conducted risk evaluation through questionnaires, workshops, management meetings, which were reported to senior management in a timely manner. In 2021, based on the Group's production and business conditions, the compliance department of the Group summarised a total of 75 risk factors, categorised as strategic risk, operational risk, compliance risk and financial risk. The management scored the risk factors based on their understanding, production and operational experience and determined the risk mitigation and internal control measures to address the risks. The identified top five risks for the year ended 31 December 2021 are as below:

風險管理

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

本集團的合規部門定期蒐集風險資訊，透過問卷、專題討論、管理層會議進行風險評估，並適時向高級管理層匯報。於2021年，本集團的合規部門基於本集團的生產及業務狀況，概括出合共75項風險因素，分類為策略風險、營運風險、合規風險及財務風險。管理層根據其認知、生產及營運經驗，對內使用因素作出評分，決定減輕風險及內部監控措施，處理有關風險。截至2021年12月31日止年度已識別的五大風險如下：

Corporate Governance Report

企業管治報告

S/N 編號	Risk title 風險條目	Description 描述
1	Investment risk 投資風險	<p>New investments, both locally and overseas, can be made in the form of a new setup, acquisition of an existing business or a joint venture. Such investments carry a risk of failure. Overseas investments and investments in joint ventures inherently carry a higher risk of failure due to: (i) a lack of visibility and knowledge of the business nature and market; and (ii) high dependency on the counterparty which may or may not deliver on its responsibilities.</p> <p>本集團可於國內外以成立新公司、收購現有公司或合營企業的形式進行新投資，而當中存在投資失利的風險。海外投資及投資於合營企業本身存在較高的投資失利風險，原因在於：(i)缺乏對業務性質及市場的遠見及認識；及(ii)相當倚賴對手方，而其可能會或可能不會履行其責任。</p> <p>In addition to the initial capital, the Group may need to continuously support the new investments by extending financial resources such as loans or corporate guarantees. 除初步資本外，本集團可能需要持續透過增加貸款或公司擔保等財務資源支援新投資。</p> <p>Investment may also fail due to poor execution of the original investment plan by local partners or inadequate monitoring. Failed investments may have an adverse impact on the financial performance of the Group. 此外，投資或會因當地合作夥伴對原投資計劃執行不力或監管不力而失利，這或會對本集團的財務表現造成不利影響。</p>
2	Environmental risk 環境風險	<p>The Group is principally engaged in mining, ore processing, sale of self-produced products, trading of steels, mining facilities management and management of strategic investments. The Group owns and operates one iron ore mine, one gypsum mine and one processing plant in Sichuan, China.</p> <p>本集團的主要業務為採礦、礦石洗選、銷售自產產品、鋼鐵貿易、礦業設施管理及策略性投資管理。本集團於中國四川省擁有及經營一個鐵礦石礦場、一個石膏礦場及一座洗選廠。</p> <p>Mining and related processing operations are susceptible to incidents of environmental pollution arising from accidents, non-compliance with internal procedures and external environmental regulations. Should there be an incident of pollution that causes severe damage to the environment, human casualties and/or fatalities, the Group's operations and reputation may be adversely impacted by legal actions initiated by third parties and regulatory actions such as penalties and production stoppages. 採礦及相關洗選營運容易出現由事故引致的環境污染、未能符合內部程序及外部環境規例等事件。倘發生污染造成嚴重環境損害、人員傷亡事故，則本集團的營運及聲譽可能會因第三方提起的法律行動及監管行動（如罰款及停產）而受到不利影響。</p>

S/N 編號	Risk title 風險條目	Description 描述
3	Industry adjustment risk 行業調整風險	<p>The mining industry is relatively sensitive to changes in macroeconomic conditions, industry structure, government policies and environmental regulations. Failure to adapt to changes could adversely impact the Group's business and financial performance.</p> <p>採礦業對宏觀經濟狀況、行業結構、政府政策及環境規例的轉變相對敏感。未能應對轉變或會對本集團的業務及財務表現造成不利影響。</p>
4	Funding risk 資金風險	<p>Due to the capital-intensive nature of the Group's business, the Group incurs substantial capital expenditure to expand its investment and mining processing plants. Accordingly, the Group is exposed to the risk of inadequate fundings and difficulties in financing these capital expenditures.</p> <p>鑑於本集團業務屬資本密集型，本集團加大投資及擴充採礦洗選廠時會產生龐大資本開支。因此，本集團面對資金不足及難以為資本開支提供資金的風險。</p> <p>Raising funds to ensure the robust cycle of working capital is vital. Given the moderating economic growth in China and mounting debts at the macro level, the financial institutions in China may tighten the lending policies and adopt more prudent measures in approving and renewing loans. Failure to obtain new financing or refinancing on a timely basis, or at all, may cause the Group to deviate from its original strategies, which in turn limit its expansion and consequently affect the Group's competitiveness, hence affecting the Group's financial performance.</p> <p>為確保營運資金周轉暢順，籌集資金至關重要。鑑於中國經濟增長放緩及宏觀層面債務增加，中國的金融機構或會收緊借貸政策，審批及重續貸款時亦可能採取更審慎的措施。未能適時獲得甚至未能獲得新融資或再融資，或會導致本集團偏離原有策略，繼而限制擴張，影響本集團的競爭能力以至財務表現。</p>
5	Budget management risk 預算管理風險	<p>The Group generates net cash flow from sales of self-produced products, trading steels, and making payments for items such as purchase of inventory, payments for payroll, operating overheads, and finance charges. Significant cash outflows such as large capital expenditure or acquisitions may be made from time to time.</p> <p>本集團自銷售自產產品、鋼鐵貿易產生淨現金流，並就購買存貨、支付薪資、間接經營開支及財務支出等項目付款，亦可能不時因大額資本開支或收購而產生龐大現金流出。</p> <p>Failure to allocate resources efficiently and implement an adequate budget for existing and expansion plans may lead to a depletion of cash balances, affecting the Group's ability to stay competitive in its industry which may in turn affect its ability to operate as a going concern.</p> <p>未能為現時及擴張計劃有效分配資源及實行足夠預算或會使現金結餘耗盡，影響本集團維持行業競爭力的能力，可能進而影響本集團以持續基準經營的能力。</p>

Internal Control

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

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

- control environment: including code of conduct and other practices regarding acceptable business practice or expected standards of ethical and moral behaviours, management of conflict of interest, authority and responsibility, and legal and regulatory compliance;
- risk assessment: including objective management, risk assessment and management, and compliance management;
- control activities: including sales, trade receivables and collection, procurement, trade payables and payment, production and costing, human resources and payroll, assets management, treasury, financial reporting, and information technology general controls;
- information and communication: including forecasting and budgeting, internal and external communication, confidentiality and data protection; and
- monitoring activities: including internal audit function, and reporting of internal control defects.

內部監控

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

內部監控系統乃為保障本集團資產安全及維護適當的會計記錄、適當授權執行及遵守相關法律及法規而設。董事會已循三個範疇建立及評核相關內部監控系統，涵蓋企業管治與制度、業務及會計程序以及信息系統控制。在董事會監督下，管理層已按照全美反舞弊性財務報告委員會發起組織（Committee of Sponsoring Organisations of the Treadway Commission）的內部監控綜合框架設立內部監控及風險管理系統。該框架的主要特色如下：

- 控制環境：包括行為守則及其他關於可接納商業慣例或預期道德及操守行為標準的常規、利益衝突管理、權責、法律及監管合規；
- 風險評估：包括目標管理、風險評估及管理以及合規管理；
- 控制活動：包括銷售、應收賬款及收款、採購、應付賬款及付款、生產及成本計算、人力資源及薪資、資產管理、資金管理、財務報告、資訊科技的一般控制；
- 信息與溝通：包括預測及預算、內部及外部溝通、保密及數據保護；及
- 監察活動：包括內部審核機構、內部監控缺失匯報。

In 2021, the internal audit function of the Group, with the assistance of a professional service firm, performed an annual review on the adequacy and effectiveness of the above internal control system. The main work procedures included policy review, interview with key process owners, and sample testing. As a result of the annual review, 9 issues were identified, and the Group has requested the responsible departments to take remedial action in a timely manner. The internal audit function, together with professional service firm, reported the results of the annual review to the audit committee. The Board, through the audit committee, reviewed the work of the internal audit function. The Board has adopted the recommendations set out in the internal audit report. The Group believed that a proper internal control system was established and executed, and no significant area of concern which might affect the Shareholders was found.

The Board conducts a review of the Group's risk management and internal control systems at least once a year. The Group's risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. For the year ended 31 December 2021, the Board, through the audit committee, has reviewed the adequacy and effectiveness of the systems of risk management and internal control (including financial, operational and compliance controls), and was of the view that the Group complied with the CG Code on risk management and internal control and concluded that the risk management and internal control systems were effective and adequate, and such controls effectively mitigated the risks that might have an impact on the Group in achieving its strategic objectives.

COMPANY SECRETARY

Mr. Chong Eng Wee was appointed as a joint Company Secretary on 30 December 2019 and has become the sole Company Secretary as of 1 April 2020, and his primary contact person of the Company is Mr. Wang Hu, an executive Director. In accordance with Rule 3.29 of the Listing Rules, Mr. Chong has taken no less than 15 hours of relevant professional training during the Reporting Period.

於2021年，在一間專業服務公司的協助下，本集團的內部審核機構已就上述內部監控系統是否足夠及有效進行年度檢討。主要工作程序包括政策審閱、訪問主要程序負責人及抽樣測試等。因應年度檢討，本集團已識別出9個事項，並要求負責部門適時採取補救行動。內部審核機構與該專業服務公司共同向審核委員會匯報年度檢討結果。董事會亦透過審核委員會檢討內部審核機構的工作。董事會已採納內部審核報告所載的推薦建議。本集團相信已建立及執行妥善的內部監控系統，並無發現可能影響股東的重大疑慮。

董事會每年最少檢討本集團的風險管理及內部監控系統一次。本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，僅能提供不存在重大錯誤陳述或虧損的合理而非絕對保證。於截至2021年12月31日止年度，董事會已透過審核委員會檢討風險管理及內部監控(包括財務監控、運作監控及合規監控)系統是否足夠及有效，並認為本集團已遵守風險管理及內部監控的企管守則，總結風險管理及內部監控系統屬有效及充分；能有效減低可能影響本集團達成其策略目標的風險。

公司秘書

章英偉先生於2019年12月30日獲委任為聯席公司秘書，並於2020年4月1日成為唯一公司秘書，其於本公司的主要聯絡人為執行董事王虎先生。按照上市規則第3.29條，章先生已於報告期內接受不少於15小時的相關專業培訓。

SHAREHOLDERS' RIGHTS

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

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

Procedures for shareholders to put enquiries to the Board

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

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

In 2021, the Company continued to communicate with Shareholders, investors and analysts in an open and transparent manner through various channels. Timely disclosure of corporate information and necessary data for valuation purpose has been fully provided so as to help the capital market understand the investment value of the Company. The main communication channels with the Shareholders include:

股東權利

召開股東特別大會及於股東大會上提呈建議的程序

根據細則第58條，於遞呈要求日期持有不少於本公司繳足股本（賦有本公司股東大會上投票權）十分之一的股東（「要求人」）有權透過向董事會或公司秘書發出書面要求（「要求」），要求董事會召開股東特別大會，以處理有關要求中指明的任何事項。要求應交回本公司的香港主要營業地點。股東特別大會應於遞呈要求後兩個月內舉行。倘遞呈要求後二十一日內，董事會未有召開股東特別大會，則要求人可自行於僅一個地點（將為主要會議地點（定義見細則））召開實體會議，而要求人因董事會未有召開大會而合理產生的所有開支應由本公司向要求人償付。

股東向董事會提出查詢的程序

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

與股東及投資者的溝通

於2021年，本公司繼續透過多種渠道以開誠佈公的態度與股東、投資者及分析師溝通。本公司已全面提供適時的公司資料披露及必要估值數據，旨在幫助資本市場了解本公司的投資價值。與股東的主要溝通渠道包括：

Constitutional documents

A copy of the memorandum and articles of association of the Company is available on the Hong Kong Stock Exchange's website (www.hkexnews.hk) and the Company's website. There has been no change in the Company's constitutional documents during the Reporting Period.

Annual general meetings

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

Annual reports, interim reports, announcements and circulars

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

The chairman of the Board also encourages Shareholders and investors to write to him directly if they wish to. He has included his email address in the section headed "Chairman's Statement" on page 9 of this annual report.

憲章文件

本公司組織章程大綱及細則可於香港聯交所網站(www.hkexnews.hk)及本公司網站查閱。本公司憲章文件於報告期內概無任何改動。

股東週年大會

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

年報、中期報告、公告及通函

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

董事會主席亦鼓勵股東及投資者直接向其表達意見。彼已於本年報的第9頁「主席報告書」一節載列其電郵地址。

The Company's website

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

Investor contacts and enquiries

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

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

本公司網站

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

投資者聯絡及查詢

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

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



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To the shareholders of
China Vanadium Titano-Magnetite Mining Company Limited
(Incorporated in the Cayman Islands with limited liability)

Qualified opinion

We have audited the consolidated financial statements of China Vanadium Titano-Magnetite Mining Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 105 to 242, which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致中國鈮鈦磁鐵礦業有限公司
(於開曼群島註冊成立的有限公司)
列位股東

保留意見

本核數師(以下簡稱「我們」)已審計列載於第105至242頁的中國鈮鈦磁鐵礦業有限公司(「貴公司」)及其子公司(「貴集團」)的綜合財務報表,此綜合財務報表包括於2021年12月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合股權變動表和綜合現金流量表,以及財務報表附註,包括主要會計政策概要。

我們認為,除本報告中「*保留意見的基礎*」一節所述事宜的潛在影響外,隨附的綜合財務報表已根據國際會計準則理事會頒布的《國際財務報告準則》真實而中肯地反映了貴集團於2021年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

Independent auditor's report

獨立核數師報告

Basis for qualified opinion

As disclosed in notes 10 and 31 to the consolidated financial statements, the Group completed the disposal of its 81% equity interest in Mancala Holdings Limited and its subsidiaries (together as the "Disposal Group") on 31 July 2021, the date on which the Disposal Group ceased to be subsidiaries of the Group. The principal activities of the Disposal Group were mainly specialised mining services in Australia, which were presented as a discontinued operation. The cash used in operating activities, investing activities and financing activities of discontinued operations for the period from 1 January 2021 to the date of disposal of RMB7,715,000, RMB1,228,000, and RMB1,987,000, respectively, and the net inflow of cash in respect of the disposal of subsidiaries of RMB3,111,000 were disclosed in the consolidated statement of cash flows (the "Cash Flows from the discontinued operations"). The corresponding disclosures of the Disposal Group are set out in notes 10 and 31 to the consolidated financial statements.

As a result of the disposal, we have not been able to gain access to the accounting records of the Disposal Group. Accordingly, we were unable to perform audit procedures that we consider necessary to obtain sufficient and appropriate audit evidence to satisfy ourselves for the financial information of the Disposal Group for the period from 1 January 2021 to the date of disposal (the "Financial Information of the Disposal Group"). Consequently, we were unable to determine whether any adjustments might be necessary in respect of the Financial Information of the Disposal Group disclosed in the consolidated financial statements for the year ended 31 December 2021. Any adjustments found necessary may have a consequential effect on the Cash Flows from the discontinued operations disclosed in the consolidated statement of cash flows for the year ended 31 December 2021 and the figures and information disclosed in notes 10 and 31 to the consolidated financial statements.

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

保留意見的基礎

誠如綜合財務報表附註10及31所披露，於2021年7月31日（即Mancala Holdings Limited及其子公司（統稱「出售集團」）不再為 貴集團子公司之日）， 貴集團完成出售於出售集團之81%股本權益。出售集團的主要活動主要為於澳洲提供專業開採服務，有關業務已呈列為已終止經營業務。已終止經營業務經營活動、投資活動及融資活動於2021年1月1日至出售日期期間使用的現金分別為人民幣7,715,000元、人民幣1,228,000元及人民幣1,987,000元，而有關出售子公司的現金流入淨額人民幣3,111,000元已於綜合現金流量表披露（「已終止經營業務的現金流量」）。出售集團的相應披露載於綜合財務報表附註10及31。

由於進行出售事項，故我們無法取得出售集團的會計紀錄。因此，我們無法進行我們認為必要的審計程序，以獲取充足及適當的審計憑證讓 我們信納出售集團於2021年1月1日至出售日期期間的財務資料（「出售集團的財務資料」）。故此，我們無法釐定是否需就截至2021年12月31日止年度的綜合財務報表所披露出售集團的財務資料作出任何調整。任何被視為需要作出的調整或會對截至2021年12月31日止年度的綜合現金流量表有關已終止經營業務的現金流量的披露以及綜合財務報表附註10及31所披露的數字及資料造成影響。

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

Key audit matters

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

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的，我們不會對這些事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。

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

Independent auditor's report

獨立核數師報告

Key audit matter

關鍵審計事項

Impairment of non-current assets

非流動資產減值

In accordance with IFRSs, the Group assesses at the end of each reporting period whether there are any indications of impairment for its non-current assets. If such indicator of impairment exists, an estimate of the recoverable amount is performed. The Group has a significant amount of non-current assets, including property, plant and equipment, other intangible asset and right-of-use assets. Based on the existing market conditions in the iron ore industry and gypsum ore industry, impairment indicators were identified for the Group's material non-current assets.

按照國際財務報告準則，貴集團於各報告期末評估其非流動資產有否任何減值跡象。如減值跡象存在，則會進行可收回金額估計。貴集團擁有大額非流動資產，包括物業、廠房及設備、其他無形資產及使用權資產。基於目前鐵礦石行業及石膏礦石行業的市場情況，貴集團的重大非流動資產存在減值跡象。

Accordingly, management performed the impairment assessment based on the discounted cash flows expected to be derived from the cash-generating units ("CGU"). There was no impairment of assets during the year. The assessment of the recoverable amounts involved significant estimation uncertainty, subjective assumptions and application of significant judgement, in relation to recoverable reserves, commodity prices, the discount rate, budgeted gross margin and production volumes.

因此，管理層基於預期來自有關現金產生單位的貼現現金流量進行減值評估。年內並無資產減值。可收回金額的評估涉及重大的估計不確定性，運用主觀假設和重大判斷，涉及可採儲量、商品價格、貼現率、預算毛利率和產量。

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

貴集團關於該等非流動資產減值的披露載列於財務報表附註10。

How our audit addressed the key audit matter

該關鍵審計事項在我們的審計中是如何應對的

Our audit procedures included the following:

我們的審計程序包括以下各項：

- We tested the impairment model selected for each CGU based on our understanding of the methodology and checked its mathematical accuracy;
- 我們基於對方法的理解，測試就每個現金產生單位挑選的減值模型，並檢查其在數學上的準確性；
- We compared key market-derived estimates, including commodity prices, against external data. We performed sensitivity analyses on the forecasts prepared by management;
- 針對與市場相關的關鍵估計（包括商品價格），我們將其與外部數據進行對比。我們已就管理層編製的預測進行敏感度分析；
- We compared key operational estimates in the models to source data and publicly available information, including the forward market price of iron ore and gypsum;
- 我們比較模型中與經營相關的關鍵估計與數據來源及可公開獲得的資料，包括鐵礦石和石膏遠期市場價格；
- We involved our valuation specialists to assist us in evaluating the key valuation parameters such as the discount rate calculation applied and the valuation model used; and
- 我們邀請內部評估專家協助我們評估多項關鍵估值參數，例如所應用的貼現率計算及所使用的估值模型；及
- We also assessed the adequacy of the related disclosures in the notes to financial statements.
- 我們亦已評估財務報表附註中的相關披露是否足夠。

Other information included in the Annual Report

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

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

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

Responsibilities of the directors for the consolidated financial statements

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

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

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

年報內的其他信息

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

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

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

董事就綜合財務報表須承擔的責任

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

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

審核委員會協助貴公司董事履行職責，監督貴集團的財務報告過程。

Independent auditor's report

獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

核數師就審計綜合財務報表承擔的責任

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

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

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

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

Independent auditor's report 獨立核數師報告

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

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

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

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

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及為消除對獨立性的威脅所採取的行動或防範措施（若適用）。

Independent auditor's report

獨立核數師報告

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

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

Ernst & Young

Certified Public Accountants

Hong Kong

29 March 2022

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

出具本獨立核數師報告的審計項目合夥人是黎志光。

安永會計師事務所

執業會計師

香港

2022年3月29日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

Year ended 31 December 2021
截至2021年12月31日止年度

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
CONTINUING OPERATIONS	持續經營業務			
REVENUE	收入	4, 5	714,760	488,135
Cost of sales	銷售成本		(690,098)	(441,548)
Gross profit	毛利		24,662	46,587
Other income and gain	其他收入及收益	5	3,888	3,864
Selling and distribution expenses	銷售及分銷開支		(373)	(4,572)
Administrative expenses	行政開支		(19,003)	(30,515)
Other expenses	其他開支		(2,288)	(3,212)
Reversal of impairment losses on trade receivables, net	應收賬款減值虧損撥回淨額	7	4,130	1,479
Finance costs	財務成本	6	(5,393)	(5,598)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	持續經營業務稅前利潤	7	5,623	8,033
Income tax credit/(expense)	所得稅抵免/(開支)	9	(4,641)	250
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務年內利潤		982	8,283
DISCONTINUED OPERATIONS	已終止經營業務			
Profit/(loss) for the year from discontinued operations	已終止經營業務年內利潤/(虧損)	10	6,616	(32,675)
PROFIT/(LOSS) FOR THE YEAR	年內利潤/(虧損)		7,598	(24,392)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

Year ended 31 December 2021
截至2021年12月31日止年度

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益／(虧損)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	可於往後期間重新分類至損益的其他全面收益／(虧損)：			
Exchange differences on translation of foreign operations	換算海外業務產生的匯兌差額		<u>840</u>	<u>(1,770)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	年內全面收益／(虧損)總額		<u>8,438</u>	<u>(26,162)</u>
Profit/(loss) attributable to:	利潤／(虧損)歸屬於：			
Owners of the Company	本公司擁有人		<u>8,311</u>	(17,054)
Non-controlling interests	非控股權益		<u>(713)</u>	<u>(7,338)</u>
			<u>7,598</u>	<u>(24,392)</u>
Total comprehensive income/(loss) attributable to:	全面收益／(虧損)總額歸屬於：			
Owners of the Company	本公司擁有人		<u>8,989</u>	(18,489)
Non-controlling interests	非控股權益		<u>(551)</u>	<u>(7,673)</u>
			<u>8,438</u>	<u>(26,162)</u>
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY:	歸屬於本公司普通股股權持有人的每股股份盈利／(虧損)：			
Basic and diluted	基本及攤薄			
– For profit/(loss) for the year	一年內利潤／(虧損)	12	<u>RMB人民幣0.004元</u>	<u>RMB人民幣(0.008)元</u>
– For profit from continuing operations	一持續經營業務利潤	12	<u>RMB人民幣0.0004元</u>	<u>RMB人民幣0.004元</u>

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2021
於2021年12月31日

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	166,289	155,431
Right-of-use assets	使用權資產	15	1,032	6,909
Intangible assets	無形資產	14	735,021	735,603
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	16	886	966
Deferred tax assets	遞延稅項資產	17	12,208	14,824
Total non-current assets	非流動資產總值		915,436	913,733
CURRENT ASSETS	流動資產			
Inventories	存貨	18	11,900	5,814
Trade and bills receivables	應收賬款及票據	19	203,655	181,760
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	16	4,433	4,693
Due from related parties	應收關聯方款項	20	9,728	8,929
Pledged deposits	已質押存款	21	10,026	328
Cash and cash equivalents	現金及現金等價物	21	6,436	32,645
Assets of the Disposal Group classified as held for sale	分類為持作出售的出售集團的資產	10	–	77,730
Total current assets	流動資產總值		246,178	311,899
CURRENT LIABILITIES	流動負債			
Trade payables	應付賬款	22	33,077	30,493
Contract liabilities	合約負債	23	6,166	2,277
Other payables and accruals	其他應付款項及應計款項	24	59,993	63,254
Interest-bearing bank and other borrowings	計息銀行及其他借貸	25	17,580	84,735
Due to related parties	應付關聯方款項	20	5,389	3,868
Lease liabilities	租賃負債	15	2,305	3,945
Tax payable	應付稅款		9,052	11,266
Liabilities directly associated with the assets classified as held for sale	與分類為持作出售的資產直接相關的負債	10	–	84,990
Total current liabilities	流動負債總額		133,562	284,828
NET CURRENT ASSETS	流動資產淨值		112,616	27,071
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		1,028,052	940,804

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2021

於2021年12月31日

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
NON-CURRENT LIABILITIES	非流動負債			
Due to related parties	應付關聯方款項	20	7,680	7,680
Lease liabilities	租賃負債	15	400	3,318
Interest-bearing bank and other borrowings	計息銀行及其他借貸	25	74,612	–
Provision for rehabilitation	復原撥備	26	14,523	13,654
Other payables	其他應付款項	24	700	700
Total non-current liabilities	非流動負債總額		97,915	25,352
Net assets	資產淨值		930,137	915,452
EQUITY	權益			
Equity attributable to owners of the Company	歸屬於本公司擁有人的權益			
Issued capital	已發行股本	27	197,889	197,889
Reserves	儲備	29	437,351	428,362
Non-controlling interests	非控股權益		635,240	626,251
			294,897	289,201
Total equity	權益總額		930,137	915,452

Jiang Zhong Ping 蔣中平
Director 董事

Hao Xiemin 郝謝敏
Director 董事

Consolidated Statement of Changes in Equity

綜合股權變動表

Year ended 31 December 2021
截至2021年12月31日止年度

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

		Issued capital	Share premium account	Statutory reserves	Safety fund surplus reserve	Contributed surplus	Share option reserve	Difference arising from acquisition of non-controlling interests	Capital reserve	Exchange fluctuation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		note 27	note 29(a)	note 29(b)	note 29(d)	note 29(c)	note 29(e)	note 29(f)	note 29(f)	note 29(f)	note 29(f)	note 29(f)	note 29(f)	note 29(f)
		附註27	附註29(a)	附註29(b)	附註29(d)	附註29(c)	附註28/ 附註29(e)	附註29(f)	附註29(f)	附註29(f)	附註29(f)	附註29(f)	附註29(f)	附註29(f)
At 1 January 2020	於2020年1月1日	197,889	1,877,488	220,176	191,974	87,238	24,569	(852,820)	186,200	1,296	(1,289,270)	644,740	296,874	941,614
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	-	(17,054)	(17,054)	(7,338)	(24,392)
Other comprehensive loss for the year:	年內其他全面虧損:													
Exchange differences related to foreign operations	有關海外經營業務的匯兌差額	-	-	-	-	-	-	-	-	(1,435)	-	(1,435)	(335)	(1,770)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	-	-	-	(1,435)	(17,054)	(18,489)	(7,673)	(26,162)
Utilisation of safety fund surplus reserve	動用安全基金專項儲備	-	-	-	(4,498)	-	-	-	-	-	4,498	-	-	-
Provision for safety fund surplus reserve	提供安全基金專項儲備	-	-	-	4,271	-	-	-	-	-	(4,271)	-	-	-
Transfer of share option reserve upon the expiry of share options	於股份期屆滿時轉撥股份期儲備	-	-	-	-	-	(9,643)	-	-	-	9,643	-	-	-
At 31 December 2020	於2020年12月31日	197,889	1,877,488*	220,176*	191,747*	87,238*	14,926*	(852,820)*	186,200*	(139)*	(1,296,454)*	626,251	289,201	915,452
At 1 January 2021	於2021年1月1日	197,889	1,877,488	220,176	191,747	87,238	14,926	(852,820)	186,200	(139)	(1,296,454)	626,251	289,201	915,452
Profit/(loss) for the year	年內利潤/(虧損)	-	-	-	-	-	-	-	-	-	8,311	8,311	(713)	7,598
Other comprehensive income for the year:	年內其他全面收益:													
Exchange differences related to foreign operations	有關海外經營業務的匯兌差額	-	-	-	-	-	-	-	-	678	-	678	162	840
Total comprehensive income/(loss) for the year	年內全面收益/(虧損) 總額	-	-	-	-	-	-	-	-	678	8,311	8,989	(551)	8,438
Utilisation of safety fund surplus reserve	動用安全基金專項儲備	-	-	-	(2,562)	-	-	-	-	-	2,562	-	-	-
Provision for safety fund surplus reserve	提供安全基金專項儲備	-	-	-	2,802	-	-	-	-	-	(2,802)	-	-	-
Transfer from retained profits	轉自留存利潤	-	-	609	-	-	-	-	-	-	(609)	-	-	-
Disposal of subsidiaries (note 31)	出售子公司(附註31)	-	-	-	-	-	-	-	-	-	-	-	6,247	6,247
Transfer of share option reserve upon the expiry of share options	於股份期屆滿時轉撥股份期儲備	-	-	-	-	-	(5,805)	-	-	-	5,805	-	-	-
At 31 December 2021	於2021年12月31日	197,889	1,877,488*	220,785*	191,987*	87,238*	9,121*	(852,820)*	186,200*	539*	(1,283,187)*	635,240	294,897	930,137

* These reserve accounts comprise the consolidated reserves of RMB437,351,000 (2020: RMB428,362,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內的綜合儲備人民幣437,351,000元(2020年: 人民幣428,362,000元)。

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2021
截至2021年12月31日止年度

	Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元 (Re-presented) (經重列)
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動的現金流量		
Profit/(loss) before tax:	稅前利潤／(虧損)：		
From continuing operations	持續經營業務	5,623	8,033
Adjustments for:	就下列各項作出的調整：		
Finance costs	財務成本	5,393	5,598
Bank interest income	銀行利息收入	(16)	(8)
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目收益	(5)	–
Gain on debt restructuring	債務重組收益	(809)	–
Losses relating to lease termination	有關終止租賃的虧損	16	–
Reversal of impairment losses on trade receivables, net	應收賬款減值虧損撥回淨額	(4,130)	(1,479)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,151	9,748
Depreciation of right-of-use assets	使用權資產折舊	1,503	2,499
Amortisation of intangible assets	無形資產攤銷	582	1,063
		15,308	25,454
Decrease/(increase) in trade and bills receivables	應收賬款及票據減少／(增加)	(22,749)	8,330
Decrease/(increase) in inventories	存貨減少／(增加)	(6,086)	4,050
Decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產減少	408	285
Increase in amounts due from related parties	應收關聯方款項增加	–	(3,989)
Increase/(decrease) in trade payables	應付賬款增加／(減少)	2,584	(10,302)
Increase/(decrease) in other payables and accruals	其他應付款項及應計款項增加／(減少)	366	(3,082)
Increase in contract liabilities	合約負債增加	3,889	2,277
Cash generated from/(used in) operations	經營產生／(使用)的現金	(6,280)	23,023
Interest received	已收利息	16	8
Income tax paid	已付所得稅	(4,239)	–
		(10,503)	23,031

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2021

截至2021年12月31日止年度

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元 (Re-presented) (經重列)
Discontinued operations	已終止經營業務	10	<u>(7,715)</u>	<u>13,811</u>
Net cash flows from/(used in) operating activities	經營活動產生/(使用)的現金流量淨額		<u>(18,218)</u>	<u>36,842</u>
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動的現金流量			
Purchase of items of property, plant and equipment	購置物業、廠房及設備項目		(22,706)	(6,447)
Purchase of intangible assets	購買無形資產		–	(75)
Increase in pledged deposits	已質押存款增加		–	(328)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項		3	–
Increase in amounts due from a related party	應收一名關聯方款項增加		(799)	–
Disposal of subsidiaries	出售子公司	31	<u>3,111</u>	<u>–</u>
			<u>(20,391)</u>	<u>(6,850)</u>
Discontinued operations	已終止經營業務	10	<u>(1,228)</u>	<u>(1,376)</u>
Net cash flows used in investing activities	投資活動使用的現金流量淨額		<u>(21,619)</u>	<u>(8,226)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動的現金流量			
Proceeds from bank and other borrowings	銀行及其他借貸所得款項		12,885	6,394
Repayment of bank and other borrowings	償還銀行及其他借貸		(2)	(4,155)
Increase in pledged deposits	已質押存款增加		(9,698)	–
Principal portion of lease payments	租賃款本金部分		(225)	(1,983)
Interest portion of lease payments	租賃款利息部分		(198)	(330)
Interest paid	已付利息		(3,899)	(4,465)
Increase/(decrease) in an amount due to a related party	應付一名關聯方款項增加/(減少)		<u>1,521</u>	<u>(113)</u>
			<u>384</u>	<u>(4,652)</u>

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2021
截至2021年12月31日止年度

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元 (Re-presented) (經重列)
Discontinued operations	已終止經營業務	10	(1,987)	(40)
Net cash flows used in financing activities	融資活動使用的現金流量 淨額		(1,603)	(4,692)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物 增加／(減少) 淨額		(41,440)	23,924
Cash and cash equivalents at beginning of year	年初的現金及現金等價物		47,173	26,689
Effect of foreign exchange rate changes, net	匯率變動影響淨額		703	(3,440)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終的現金及現金等價物		6,436	47,173
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Cash and bank balances	現金及銀行結餘	21	16,462	32,973
Less: pledged deposits	減：已質押存款	21	(10,026)	(328)
Cash and cash equivalent as stated in the consolidated statement of financial position	於綜合財務狀況表內列賬的 現金及現金等價物		6,436	32,645
Cash and cash equivalents attributable to discontinued operations	歸屬於已終止經營業務的 現金及現金等價物	10	–	14,528
Cash and cash equivalents as stated in the statement of cash flows	於現金流量表內列賬的現金 及現金等價物		6,436	47,173

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財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

1. CORPORATE AND GROUP INFORMATION

China Vanadium Titano-Magnetite Mining Company Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 28 April 2008 under the Companies Law. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is located at 31/F, Tower Two Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

During the year ended 31 December 2021, the Company and its subsidiaries (together, the “Group”) were principally engaged in the following principal activities:

- sale of self-produced products
- trading of steels

In the opinion of the directors of the Company (the “Directors”), Trisonic International Limited (“Trisonic International”), a company incorporated in Hong Kong, is the parent and the ultimate holding company of the Company.

1. 公司及集團資料

中國鈦磁鐵礦業有限公司（「本公司」）於2008年4月28日在開曼群島根據公司法註冊成立為一間獲豁免有限公司。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的香港主要營業地點位於香港銅鑼灣勿地臣街1號時代廣場2座31樓。

於截至2021年12月31日止年度內，本公司及其子公司（統稱「本集團」）主要從事以下主要業務：

- 銷售自產產品
- 鋼鐵買賣

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

Notes to the Financial Statements

財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

1. CORPORATE AND GROUP INFORMATION

(Continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Company name	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued share/ registered share capital 已發行股份/ 註冊股本	Percentage of equity interests attributable to the Company 歸屬於本公司的 股本權益百分比 %	Principal activities 主要業務
<i>Directly held:</i> 直接持有：				
Powerside Holdings Limited	BVI	USD1	100	Investment holding 投資控股
威方控股有限公司	英屬處女群島	1美元		
First China Limited	Hong Kong	HKD2	100	Investment holding 投資控股
三民有限公司	香港	2港元		
Sure Prime Limited	BVI	USD1	100	Investment holding 投資控股
Sure Prime Limited	英屬處女群島	1美元		
Singapore VTM Mining Pte. Ltd.	Singapore	SGD10,000	100	Investment holding 投資控股
Singapore VTM Mining Pte. Ltd.	新加坡	10,000新加坡元		
<i>Indirectly held:</i> 間接持有：				
Simply Rise Holdings Limited	Hong Kong	HKD1	100	Investment holding 投資控股
易陞控股有限公司	香港	1港元		
Sichuan Lingyu Investment Group Co., Ltd. ("Sichuan Lingyu") ^(a)	PRC	HKD850,000,000	100	Product trading and investment holding 產品貿易及投資控股
四川省凌御投資集團有限公司 (「四川凌御」) ^(a)	中國	850,000,000港元		

1. 公司及集團資料(續)

有關子公司的資料

本公司各主要子公司的詳情如下：

1. CORPORATE AND GROUP INFORMATION

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

1. 公司及集團資料 (續)

有關子公司的資料 (續)

Company name 公司名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued share/ registered share capital 已發行股份/ 註冊股本	Percentage of equity interests attributable to the Company 歸屬於本公司的 股本權益百分比 %	Principal activities 主要業務
Aba Mining Co., Ltd. ("Aba Mining") ^(b)	PRC	RMB20,000,000	100	Iron ore mining, iron ore beneficiation and sale of self- produced products
阿壩礦業有限公司 (「阿壩礦業」) ^(b)	中國	人民幣20,000,000元		鐵礦石開採、 鐵礦石洗選及 銷售自產產品
Huili County Akuang Trading Co., Ltd. ("Akuang Trading") ^(b)	PRC	RMB20,000,000	100	Iron ore beneficiation and sale of iron concentrates
會理縣阿壩貿易有限公司 (「阿壩貿易」) ^(b)	中國	人民幣20,000,000元		鐵礦石洗選及 銷售鐵精礦
Sichuan Xinglian Mining and Technology Construction Co., Ltd. ^(b)	PRC	RMB1,000,000	100	Mining and construction consulting
四川省興聯礦產技術工程有限公司 ^(b)	中國	人民幣1,000,000元		開採及 工程諮詢

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財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

1. CORPORATE AND GROUP INFORMATION

(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料 (續)

有關子公司的資料 (續)

Company name 公司名稱	Place of incorporation/ registration/ and business 註冊成立/ 註冊及營業地點	Issued share/ registered share capital 已發行股份/ 註冊股本	Percentage of equity interests attributable to the Company 歸屬於本公司的 股本權益百分比 %	Principal activities 主要業務
Sichuan Haoyuan New Material Co., Ltd. ("Sichuan Haoyuan") ^(b)	PRC	RMB20,000,000	51	Gypsum ore beneficiation and sale of self-produced products
四川省浩遠新材料有限公司 (「四川浩遠」) ^(b)	中國	人民幣20,000,000元		石膏礦石洗選及銷售自產產品
Hanyuan County Xinjin Mining Co., Ltd. ^(b)	PRC	RMB1,150,000	51	Gypsum ore mining, gypsum ore beneficiation and sale of self-produced products
漢源縣鑫金礦業有限公司 ^(b)	中國	人民幣1,150,000元		石膏礦石開採、石膏礦石洗選及銷售自產產品
Sichuan Lingwei Property Service Co., Ltd. ^(b)	PRC	RMB10,000,000	100	Estate management, sales of equipment and materials, lease of real estate
四川省凌威物業服務有限公司 ^(b)	中國	人民幣10,000,000元		房地產管理、銷售設備及材料、房地產租賃

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

- (a) Sichuan Lingyu is registered as a wholly-foreign-owned enterprise under PRC law.
- (b) These subsidiaries are registered as domestic enterprises under PRC law.
- (c) On 30 June 2021, the Company entered into a sales and purchase agreement with PT. Hay Wei Feng Yuan Mining (a company incorporated in Indonesia, the "Purchaser") to dispose of an 81% equity interest in Mancala Holdings Limited and its subsidiaries (the "Disposal Group") (the "Disposal") at a consideration of AUD1,500,000 (equivalent to approximately RMB7,300,000). The Disposal was completed on 31 July 2021. Upon the completion of the Disposal, the Disposal Group (i) ceased to be the subsidiaries of the Company and (ii) has become the subsidiaries of the Purchaser.

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

1. 公司及集團資料 (續)**有關子公司的資料 (續)**

- (a) 四川凌御根據中國法律註冊為外商獨資企業。
- (b) 此等子公司根據中國法律註冊為境內企業。
- (c) 於2021年6月30日，本公司與PT. Hay Wei Feng Yuan Mining (一間於印尼註冊成立的公司，「買方」) 訂立一份買賣協議，以出售Mancala Holdings Limited及其子公司(「出售集團」) 81%股本權益(「出售事項」)，代價為1,500,000澳元(相等於約人民幣7,300,000元)。出售事項於2021年7月31日完成。於出售事項完成後，出售集團(i)不再為本公司的子公司及(ii)成為買方的子公司。

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

Notes to the Financial Statements

財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. Assets of the Disposal Group classified as held for sale and assets classified as held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in notes 2.4 and 10 to the financial statements. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2021. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

2.1 編製基準

本財務報表乃按照國際會計準則理事會頒佈的國際財務報告準則（包括所有國際財務報告準則、國際會計準則及詮釋）、香港公認會計原則及香港《公司條例》的披露規定編製。除按公平值計量而其變動計入損益的金融資產按公平值計量外，本財務報表乃根據歷史成本慣例編製。分類為持作出售的出售集團的資產及分類為持作出售的資產按賬面金額與公平值減出售成本兩者的較低者列賬，進一步闡釋見財務報表附註2.4及10。除非另有註明，否則本財務報表以人民幣呈列，且所有金額已調整至最接近的千位數。

綜合入賬基準

綜合財務報表包括本公司及其子公司截至2021年12月31日止年度的財務報表。子公司為本公司直接或間接控制的實體。當本集團因參與投資實體的業務而可享有或有權獲得可變回報，並有能力透過對投資實體的權力（即賦予本集團目前指示投資實體相關活動的能力的現有權利）影響該等回報時，本集團即擁有控制權。

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

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

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

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

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

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

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

2.1 編製基準 (續)**綜合入賬基準 (續)**

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

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

子公司的財務報表乃就與本公司相同的報告期採納一致的會計政策編製。子公司的業績由本集團取得控制權之日起綜合入賬，並將繼續綜合入賬直至有關控制權終止之日。

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

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

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

Notes to the Financial Statements

財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to IFRS 9, *Interest Rate Benchmark Reform*
IAS 39, IFRS 7, *– Phase 2*
IFRS 4 and IFRS 16

Amendment to IFRS 16 *COVID-19-Related Rent Concessions beyond 30 June 2021*
(early adopted)

The nature and the impact of the revised IFRSs are described below:

- (a) Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate ("RFR"). The amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.

2.2 會計政策及披露的變更

本集團已就本年度的財務報表首次採納下列經修訂國際財務報告準則。

國際財務報告準則 第9號、國際會計 準則第39號、國際 財務報告準則第7號、 國際財務報告準則 第4號及國際財務 報告準則第16號 修訂本	<i>利率基準改革 – 第2 階段</i>
國際財務報告準則 第16號修訂本	<i>2021年6月30日後的 COVID-19相關 租金寬減 (提早採納)</i>

經修訂國際財務報告準則的性質及影響述說如下：

- (a) 國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號修訂本處理先前修訂本未解決以替代無風險利率取代現有利率基準時影響財務報告的問題。該等修訂本提供可行權宜方法，容許當將用於釐定金融資產及負債合約現金流的基準的變動入賬時，在無需調整金融資產及負債賬面金額的情況下更新實際利率，前提是該變動乃利率基準改革的直接後果，且釐定合約現金流的新基準於經濟層面等同於緊接變動前的先前基準。此外，該等修訂本允許作出利率基準改革所要求對沖指定及對沖文件的更改，而無需中斷對沖關係。於過渡期間可能產生的任何收益或虧損乃依據國際財務報告準則第9號的正常規定處理，以計量及確認對沖無效性。於無風險利率被指定為風險組成部分時，該等修訂本亦暫時寬免實體須符合可單獨識別的規定。倘實體合理地預期無風險利率風險組成部分於未來24個月內將可單獨識別，則有關寬免允許實體於指定對沖後假設實體已符合可單獨識別的規定。再者，該等修訂本規定實體披露其他資料，讓財務報表使用者能了解利率基準改革對實體金融工具及風險管理策略的影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

The Group had certain interest-bearing bank loans denominated in RMB based on the China Loan Prime Rate as at 31 December 2021. The Group expects that the China Loan Prime Rate will continue to exist and the interest rate benchmark reform has not had an impact on the Group's China Loan Prime Rate-based borrowings. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply the above-mentioned practical expedient upon the modification of these borrowings when the "economically equivalent" criterion is met and expects that no significant modification gain or loss will arise as a result of applying the amendments to these changes.

- (b) Amendment to IFRS 16 issued in March 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic by 12 months. Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. Earlier application is permitted.

The Group has early adopted the amendment on 1 January 2021. However, the Group has not received COVID-19-related rent concessions and plans to apply the practical expedient when it becomes applicable within the allowed period of application.

2.2 會計政策及披露的變更 (續)

(a) (續)

於2021年12月31日，本集團擁有多筆基於中國貸款最優惠利率以人民幣計值的計息銀行貸款。本集團預期，中國貸款最優惠利率將繼續存在，而利率基準改革未有對本集團以中國貸款最優惠利率為基礎的借貸造成影響。倘該等借貸的利率於未來期間由無風險利率取代，則本集團將於修改有關借貸及符合「經濟層面等同」標準時應用上述可行權宜方法，並預期對該等變動應用修訂本不會產生重大修改收益或虧損。

- (b) 於2021年3月頒佈的國際財務報告準則第16號修訂本將為承租人提供的可行權宜方法延長12個月，可選擇不就COVID-19大流行直接引起的租金寬減應用租賃修改入賬方式。因此，該可行權宜方法在符合應用可行權宜方法的其他條件的情況下適用於僅寬減原到期日為2022年6月30日或之前的租賃的租金寬減。該修訂本於2021年4月1日或之後開始的年度期間追溯生效，初始應用該修訂本的任何累積影響確認為對當前會計期間期初留存利潤結餘的調整，並允許提早應用。

本集團已於2021年1月1日提早採納該修訂本。然而，本集團未收到COVID-19相關租金寬減，並計劃於可行權宜方法可在獲准應用期應用時應用該可行權宜方法。

Notes to the Financial Statements

財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

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

Amendments to IFRS 3	<i>Reference to the Conceptual Framework¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
IFRS 17	<i>Insurance Contracts²</i>
Amendments to IFRS 17	<i>Insurance Contracts^{2,4}</i>
Amendments to IFRS 17	<i>Initial Application of IFRS 17 and IFRS 9 - Comparative Information²</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current²</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies²</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates²</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction²</i>
Amendments to IAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use¹</i>
Amendments to IAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract¹</i>
Annual Improvements to IFRSs 2018-2020	Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41 ¹

2.3 已頒佈但尚未生效的國際財務報告準則

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

國際財務報告準則第3號修訂本	對概念框架的提述 ¹
國際財務報告準則第10號及國際會計準則第28號修訂本	投資者與其聯營公司或合營企業之間資產出售或出資 ³
國際財務報告準則第17號	保險合約 ²
國際財務報告準則第17號修訂本	保險合約 ^{2,4}
國際財務報告準則第17號修訂本	初始應用國際財務報告準則第17號及國際財務報告準則第9號—比較資料 ²
國際會計準則第1號修訂本	將負債分類為流動或非流動 ²
國際會計準則第1號及國際財務報告準則實務聲明第2號修訂本	會計政策披露 ²
國際會計準則第8號修訂本	會計估計的定義 ²
國際會計準則第12號修訂本	與單一交易所產生資產及負債有關的遞延稅項 ²
國際會計準則第16號修訂本	物業、廠房及設備：作擬定用途前的所得款項 ¹
國際會計準則第37號修訂本	虧損合約—履行合約的成本 ¹
國際財務報告準則2018年至2020年的準則年度改進	國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號隨附的說明範例及國際會計準則第41號修訂本 ¹

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

(Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2022
- ² Effective for annual periods beginning on or after 1 January 2023
- ³ No mandatory effective date yet determined but available for adoption
- ⁴ As a consequence of the amendments to IFRS 17 issued in June 2020, IFRS 4 was amended to extend the temporary exemption that permits insurers to apply IAS 39 rather than IFRS 9 for annual periods beginning before 1 January 2023

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

Amendments to IFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in March 2018 without significantly changing its requirements. The amendments also add to IFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 if they were incurred separately rather than assumed in a business combination, an entity applying IFRS 3 should refer to IAS 37 or IFRIC 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

- ¹ 於2022年1月1日或之後開始的年度期間生效
- ² 於2023年1月1日或之後開始的年度期間生效
- ³ 尚未釐定強制生效日期但可供採納
- ⁴ 因應於2020年6月對國際財務報告準則第17號頒佈的修訂本，國際財務報告準則第4號已作修訂，以延長臨時豁免，允許保險人就2023年1月1日前開始的年度期間應用國際會計準則第39號而非國際財務報告準則第9號

預期適用於本集團的國際財務報告準則的進一步資料載述於下文。

國際財務報告準則第3號修訂本旨在以於2018年3月所頒佈對「財務報告概念框架」的提述取代先前對「編製及呈列財務報表的框架」的提述，而無需大幅改變其規定。該等修訂本亦在國際財務報告準則第3號就實體釐定資產或負債的構成參考概念框架所用的確認原則增設一項例外情況。該例外情況訂明，對於可能屬於國際會計準則第37號或國際財務報告詮釋委員會第21號範圍內的負債及或然負債而言，倘該等負債乃單獨產生，而非於業務合併中承擔，則應用國際財務報告準則第3號的實體應分別參考國際會計準則第37號或國際財務報告詮釋委員會第21號，而非概念框架。再者，該等修訂本釐清於收購日期不符合確認資格的或然資產。本集團預期按前瞻性基準自2022年1月1日起採納該等修訂本。由於該等修訂本按前瞻性基準應用於收購日期為首次應用日期或之後的業務合併，故本集團不會於過渡日期受該等修訂本影響。

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

(Continued)

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際財務報告準則第10號及國際會計準則第28號修訂本處理國際財務報告準則第10號規定與國際會計準則第28號規定之間處理投資者與其聯營公司或合營企業之間出售或注入資產時的不一致情況。該等修訂本要求在投資者與其聯營公司或合營企業之間出售或注入資產構成一項業務時確認下游交易所引致之全部收益或虧損。當交易涉及不構成業務的資產時，交易所產生的收益或虧損於投資者的損益內確認，惟以不關聯投資者於該聯營公司或合營企業中的權益為限。該等修訂本按前瞻性基準應用。國際會計準則理事會已於2015年12月移除國際財務報告準則第10號及國際會計準則第28號修訂本的原有強制生效日期，並將於完成對聯營公司及合營企業會計法進行更廣泛的檢討後釐定新的強制生效日期。然而，該等修訂本現時可供採納。

國際會計準則第1號「將負債分類為流動或非流動」修訂本釐清將負債分類為流動或非流動的規定。該等修訂本列明，倘實體延遲清償負債的權利受限於其符合特定條件，則該實體在報告期末符合條件的情況下，有權於該日延遲清償負債。負債的分類不受實體行使權利延遲清償負債的可能性影響。該等修訂本亦釐清被視為清償負債的情況。該等修訂本於2023年1月1日或之後開始的年度期間生效，並應追溯應用，且允許提早應用。預期該等修訂本對本集團的財務報表並無任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

(Continued)

Amendments to IAS 1 *Disclosure of Accounting Policies* require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. Amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted. Since the guidance provided in the amendments to IFRS Practice Statement 2 is non-mandatory, an effective date for these amendments is not necessary. The Group is currently assessing the impact of the amendments on the Group's accounting policy disclosures.

Amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際會計準則第1號「會計政策披露」修訂本要求實體披露其重大會計政策資料，而非其重大會計政策。倘會計政策資料與實體財務報表所載其他資料一併考慮時，可合理地預期將會影響一般用途財務報表主要使用者基於該等財務報表所作的決定，則該等政策資料屬重大。國際財務報告準則實務聲明第2號修訂本就如何將重大的概念應用於會計政策披露提供非強制指引。國際會計準則第1號修訂本於2023年1月1日或之後開始的年度期間生效，並允許提早應用。由於國際財務報告準則實務聲明第2號的修訂本所提供的指引並非強制，故無需就該等修訂訂下生效日期。本集團現正評估該等修訂對本集團會計政策披露的影響。

國際會計準則第8號修訂本釐清會計估計變動與會計政策變動的區別。按定義，會計估計乃財務報表中存在計量不確定因素的貨幣金額。該等修訂本亦釐清實體如何使用計量技術及輸入數據作出會計估計。該等修訂本於2023年1月1日或之後開始的年度報告期間生效，並適用於在該期間開始之時或之後出現的會計政策變動及會計估計變動，且允許提早應用。預期該等修訂本對本集團的財務報表並無任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

(Continued)

Amendments to IAS 12 narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset and a deferred tax liability for temporary differences arising from these transactions. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and shall be applied to transactions related to leases and decommissioning obligations at the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to the opening balance of retained profits or other component of equity as appropriate at that date. In addition, the amendments shall be applied prospectively to transactions other than leases and decommissioning obligations. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際會計準則第12號修訂本收窄初始確認例外情況的範圍，使其不再適用於產生相等應課稅及可扣減暫時差額的交易，例如租賃及廢棄處置義務。因此，實體須要就該等交易所產生的暫時差額確認遞延稅項資產及遞延稅項負債。該等修訂本於2023年1月1日或之後開始的年度報告期間生效，並須於所呈列最早比較期間開始時應用於與租賃及廢棄處置義務相關的交易，任何累積影響於該日確認為留存利潤或權益其他組成部分（如適用）期初結餘的調整。此外，該等修訂本將按前瞻性基準應用於租賃及廢棄處置義務以外的交易，並允許提早應用。預期該等修訂本對本集團的財務報表並無任何重大影響。

國際會計準則第16號修訂本禁止實體從物業、廠房及設備項目的成本中扣除該資產在達致管理層預定可運作狀態（包括位置與狀況）期間所產生項目的任何出售所得款項。取而代之，實體於損益內確認該等項目的出售所得款項及成本。該等修訂本於2022年1月1日或之後開始的年度期間生效，並僅應對實體首次應用該等修訂本的財務報表所呈列最早期間開始之時或之後可供使用的物業、廠房及設備項目追溯應用，且允許提早應用。預期該等修訂本對本集團的財務報表並無任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

(Continued)

Amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous under IAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際會計準則第37號修訂本釐清，就根據國際會計準則第37號評估合約是否屬虧損合約而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的遞增成本（例如直接勞工及材料）及與履行該合約直接相關的其他成本分配（例如分配履行合約所用物業、廠房及設備項目的折舊支出以及合約管理及監督成本）。一般及行政成本與合約並無直接關連，除非合約訂明可向對手方收取，否則不包括在內。該等修訂本於2022年1月1日或之後開始的年度期間生效，並適用於實體首次應用該等修訂本的年度報告期開始時尚未履行全部責任的合約，且允許提早應用。初始應用該等修訂本的任何累積影響將於初始應用日期確認為年初權益的調整，而無須重列比較資料。預期該等修訂本對本集團的財務報表並無任何重大影響。

Notes to the Financial Statements

財務報表附註

Year ended 31 December 2021

截至2021年12月31日止年度

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

(Continued)

Annual Improvements to IFRSs 2018-2020 sets out amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- IFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.
- IFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

「國際財務報告準則2018年至2020年的年度改進」載列國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號隨附的說明範例及國際會計準則第41號修訂本。預期適用於本集團的修訂本詳述如下：

- 國際財務報告準則第9號「金融工具」：釐清實體於評估新訂或經修改金融負債條款是否與原金融負債條款有實質差異時所包含的費用。該等費用僅包括借款人與貸款人之間已支付或收取的費用，包括借款人或貸款人代表對方支付或收取的費用。實體對其首次應用有關修訂本的年度報告期開始之時或之後經修改或交換的金融負債應用該修訂本。該修訂本於2022年1月1日或之後開始的年度期間生效，並允許提早應用。預期該修訂本對本集團的財務報表並無任何重大影響。
- 國際財務報告準則第16號「租賃」：刪除國際財務報告準則第16號隨附的說明範例13中有關租賃物業裝修的出租人付款說明。此準則消除於應用國際財務報告準則第16號時有關處理租賃優惠的潛在困惑。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fair value measurement

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 主要會計政策概要

公平值計量

於各報告期末，本集團按公平值計量其按公平值計量而其變動計入損益的金融資產。公平值乃於計量日期市場參與者之間在有序交易出售資產可收或轉讓負債應付的價格。公平值計量所建基的前題是資產出售或負債轉讓的交易乃於資產或負債的主要市場或（如無主要市場）最有利的市場進行。主要或最有利市場必須為本集團可達的市場。資產或負債的公平值計量會使用市場參與者在為資產或負債定價時所用的假設，並假設市場參與者會為其最佳經濟利益行事。

非金融資產的公平值計量會考慮市場參與者從使用資產的最有利及最佳用途，或向將以最有利及最佳用途使用資產的另一名市場參與者出售資產而產生經濟利益的能力。

本集團會視情況，就計量公平值可得的數據多寡採納合適的估值技術，盡量使用相關可觀察輸入數據，並盡量減少使用不可觀察輸入數據。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要 (續)

公平值計量 (續)

於財務報表計量或披露公平值的所有資產及負債基於對公平值計量整體而言屬重大的最下層輸入數據，按下文所述的公平值層級分類：

- 第1層 – 基於相同資產或負債在活躍市場的報價值 (未經調整)
- 第2層 – 基於對公平值計量而言屬重大的最下層輸入數據屬直接或間接可觀察的估值技術
- 第3層 – 基於對公平值計量而言屬重大的最下層輸入數據屬不可觀察的估值技術

就於財務報表按經常性基準確認的資產及負債而言，本集團會於各報告期末重新評估分類方法 (基於對公平值計量整體而言屬重大的最下層輸入數據)，以釐定各層級間有否出現轉移。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets and non-current assets classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use ("VIU") and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

2.4 主要會計政策概要 (續)

非金融資產減值

倘若出現減值跡象或當有需要對資產（存貨、遞延稅項資產、金融資產及分類為持作出售的非流動資產除外）進行年度減值測試，本集團會估計該資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值與其公平值減出售成本的較高者，並就個別資產釐定，除非資產並無產生在很大程度上可獨立於其他資產或資產類別的現金流入，在此情況下，則釐定資產所屬現金產生單位的可收回金額。於測試現金產生單位的減值時，企業資產（如總部大樓）若能按合理一致的基準分配，則部分賬面金額會被分配至個別現金產生單位，否則會被分配至最小的現金產生單位組別。

減值虧損僅於資產賬面金額超逾可收回金額時確認。於評估使用價值時，估計未來現金流量以可反映現時市場對貨幣時間價值及資產特定風險的評估的稅前貼現率貼現至現值。減值虧損於產生當期在損益內與減值資產功能一致的開支類別中扣除。

本集團於各報告期末評估有否跡象顯示過往已確認的減值虧損不再存在或有所減少。若出現上述跡象，則估計可收回金額。資產（商譽除外）過往已確認的減值虧損僅於釐定資產可收回金額所用的估計有變時撥回，惟金額不會超過假設過往年度並無就該項資產確認減值虧損而應釐定的賬面金額（已扣除任何折舊／攤銷）。減值虧損的撥回於產生當期計入損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

2.4 主要會計政策概要 (續)

關聯方

下列各方被視為與本集團有關連：

- (a) 該方為一名個人或該名個人的近親，而該名個人
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

- (b) 倘該方為實體，並符合下列任何條件：
 - (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體的母公司、子公司或同系子公司的聯營公司或合營企業）；
 - (iii) 該實體與本集團均為同一第三方的合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale, it is not depreciated and in accordance with IFRS 5, as further explained in the accounting policy for "Non-current assets held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 主要會計政策概要 (續)

關聯方 (續)

(b) (續)

- (v) 該實體為本集團或與本集團有關連的實體就僱員利益設立的離職後福利計劃；
- (vi) 該實體受(a)所識別人士控制或共同控制；
- (vii) (a)(i)所識別人士對實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員；及
- (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

物業、廠房及設備與折舊

物業、廠房及設備（在建工程除外）按成本減累計折舊及任何減值虧損入賬。當物業、廠房及設備項目被分類為持作出售時，按照國際財務報告準則第5號，該項目不作折舊，進一步解釋見「持作出售的非流動資產」的會計政策。物業、廠房及設備項目的成本包括其購買價及任何使資產達致擬定用途運作狀況及地點而直接應計的成本。

物業、廠房及設備項目投入運作後產生的開支，例如維修保養開支，一般於產生期間自損益扣除。倘達到確認標準，則重大檢查的開支會於資產賬面金額中資本化作為替換。倘須定期替換物業、廠房及設備的主要部分，則本集團會將該等部分確認為有特定可使用年期的個別資產，並計提相應折舊。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Depreciation of items of property, plant and equipment, other than mining infrastructure, is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

Buildings	5-20 years
Plant and machinery	5-20 years
Office equipment	3-10 years
Motor vehicles	5-10 years

Depreciation of mining infrastructure is calculated using the units-of-production (“UOP”) method to depreciate the cost of the assets in proportion to the extraction of the proved and probable mineral reserves. The remaining estimated useful life of the mining infrastructure at the end of the reporting period ranging with 14 years are determined in accordance with the production plans of the entities concerned and the proved and probable reserves of mines using the UOP method.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 主要會計政策概要 (續)

物業、廠房及設備與折舊 (續)

物業、廠房及設備項目(採礦基建除外)的折舊乃於各項物業、廠房及設備項目的估計可使用年期內以直線法將其成本撇銷至剩餘價值計算得出。物業、廠房及設備的估計可使用年期如下：

樓宇	5至20年
廠房及機器	5至20年
辦公室設備	3至10年
汽車	5至10年

採礦基建的折舊以其生產單位按證實及概略礦產儲量開採比例撇銷資產成本的方法計算得出。採礦基建於報告期末的餘下估計可使用年期為14年，按照與有關實體的生產計劃及按生產單位方法計算的證實及概略儲量釐定。

倘若物業、廠房及設備項目的部分的可使用年期不同，則該項目的成本按合理基準分配至各部分，而各部分將獨立計算折舊。剩餘價值、可使用年期及折舊方法至少會於各財政年度末審閱，並作出適當調整。

經初始確認的物業、廠房及設備項目(包括任何主要部分)於出售或預期日後使用或出售不會有任何經濟利益時終止確認。出售或棄用收益或虧損指有關資產的出售所得款項淨額與賬面金額的差額，於終止確認資產的年度在損益內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Construction in progress represents items of property, plant and equipment under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowing funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

2.4 主要會計政策概要 (續)

物業、廠房及設備與折舊 (續)

在建工程指正在建設的物業、廠房及設備項目，按成本減任何減值虧損入賬而不作折舊。成本包括施工期間的工程直接成本及相關借貸資金的資本化借貸成本。在建工程於落成可用時獲重新分類至物業、廠房及設備的適當類別。

持作出售的非流動資產及出售組別

非流動資產及出售組別如將主要透過出售交易而非持續使用收回賬面金額，則分類為持作出售。在此情況下，資產或出售組別必須僅按出售該等資產或出售組別的一般及慣用條款可即時以其現況出售，且其出售的可能性必須極高。子公司所有分類為出售組別的資產及負債會重新分類為持作出售，而不論本集團於出售後有否保留於前子公司的非控股權益。

分類為持作出售的非流動資產及出售組別（金融資產除外）按賬面金額與公平值減出售成本兩者的較低者計量。分類為持作出售的物業、廠房及設備以及無形資產不作折舊或攤銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Brand name

Brand name is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 10 years.

Mining rights

Mining rights are stated at cost less accumulated amortisation and any impairment losses. Mining rights include the cost of acquiring mining licences, exploration and evaluation costs transferred from exploration rights and assets upon determination that an exploration property is capable of commercial production, and the cost of acquiring interests in the mining reserves of existing mining properties. The mining rights are amortised over the estimated useful lives of the mines, in accordance with the production plans of the entities concerned and the proved and probable reserves of the mines using the UOP method. Mining rights are written off to profit or loss if the mining property is abandoned.

Exploration rights and assets

Exploration rights are stated at cost less accumulated amortisation and any impairment losses, and exploration assets are stated at cost less any impairment losses. Exploration rights and assets include the cost of acquiring exploration rights, topographical and geological surveys, exploratory drilling, sampling and trenching and activities in relation to commercial and technical feasibility studies, and deferred amortisation and depreciation charges in respect of assets consumed during the exploration activities.

2.4 主要會計政策概要 (續)

無形資產 (商譽除外)

個別收購的無形資產於初始確認時按成本計量。於業務合併收購的無形資產的成本乃該資產於收購日期的公平值。無形資產的可使用年期評估為有限或無限。可使用年期有限的無形資產隨後於可使用經濟年內攤銷，並評估是否有跡象顯示無形資產可能出現減值。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度末審閱。

品牌名稱

品牌名稱按成本減任何減值虧損列賬，並於其估計可使用年期（10年）按直線法攤銷。

採礦權

採礦權按成本減累計攤銷及任何減值虧損列賬。採礦權包括收購採礦許可證的成本，於釐定勘探物業具備商業生產能力時轉自勘探權及資產的勘探及評估成本，以及收購現有採礦物業的採礦儲量權益的成本。採礦權按照與有關實體的生產計劃及按生產單位方法計算的證實及概略儲量，於礦場的估計可使用年期攤銷。倘若放棄採礦物業，則採礦權在損益內撇銷。

勘探權及資產

勘探權按成本減累計攤銷及任何減值虧損列賬，而勘探資產則按成本減去減值虧損列賬。勘探權及資產包括收購勘探權、地質及地理勘測、勘探鑽孔、抽樣及挖掘及與商業及技術上可行性研究有關的活動的成本，及於勘探活動所耗用資產的遞延攤銷及折舊開銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill) (Continued)

Exploration rights and assets (Continued)

Exploration rights are amortised over the term of rights. Equipment used in exploration is depreciated over its useful life, or, if dedicated to a particular exploration project, over the life of the project on the straight-line basis, whichever is shorter. Amortisation and depreciation are included, in the first instance, in exploration rights and assets and are transferred to mining rights when it can be reasonably ascertained that an exploration property is capable of commercial production.

Exploration and evaluation costs include expenditure incurred to secure further mineralisation in existing ore bodies as well as in new areas of interest. Expenditure incurred prior to acquiring legal rights to explore an area is written off as incurred.

Exploration rights and assets shall be assessed for impairment when facts and circumstances indicate that the carrying amount may exceed its recoverable amount. An impairment test is performed if any of the following indicators are present:

- (a) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- (b) substantial expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- (c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or
- (d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

2.4 主要會計政策概要 (續)

無形資產 (商譽除外) (續)

勘探權及資產 (續)

勘探權按權利期限攤銷。勘探所使用設備以直線法按其可使用年期計算折舊，或倘屬特定勘探項目的專項設備，則按該項目年期中計算折舊（以較短者為準）。攤銷及折舊先行計入勘探權及資產內，並當可合理確定勘探物業可進行商業生產時，轉至採礦權。

勘探及評估成本包括確定現有礦體以及在新權益區域進一步礦化所產生的開支。於獲得合法權利前對一個區域進行的勘探而產生的開支將於產生時撇銷。

勘探權及資產於顯示賬面金額可能超逾其可收回金額的事實及情況出現時進行減值評估。減值測試將於出現下列任何跡象時進行：

- (a) 實體於特定區域的勘探權的期間已經或將於近期屆滿，並預期不會續期；
- (b) 對進一步勘探及評估特定區域礦產資源的大量開支既無預算，亦無規劃；
- (c) 於特定區域勘探及評估礦產資源並無發現商業上有利的礦產資源數量，故實體已決定終止於特定區域的該等活動；或
- (d) 充分數據表明，儘管於特定區域的開發可能會繼續進行，但勘探及評估資產的賬面金額不可能於成功開發或銷售中全面收回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

(Continued)

Exploration rights and assets (Continued)

An impairment loss is recognised for the amount by which the exploration rights and assets' carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration rights and assets' fair value less costs of disposal and their VIU. For the purpose of assessing impairment, the exploration rights and assets subject to testing are grouped with existing cash-generating units of production fields that are located in the same geographical region.

When it can be reasonably ascertained that an exploration property is capable of commercial production, exploration and evaluation costs capitalised are transferred to either mining infrastructure or mining rights and depreciated/amortised using the UOP method based on the proved and probable mineral reserves. Exploration rights and assets are written off to profit or loss if the exploration property is abandoned.

Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.4 主要會計政策概要 (續)

無形資產 (商譽除外) (續)

勘探權及資產 (續)

本集團就勘探權及資產的賬面金額超逾其可收回金額的差額確認減值虧損。可收回金額為勘探權及資產的公平值減出售成本及其使用價值兩者的較高者。就評估減值而言，須作測試的勘探權及資產與位於同一地區的礦產區內現有的現金產生單位屬同一組別。

當可合理地確定勘探物業可進行商業生產時，已撥充資本的勘探及評估成本將轉撥至採礦基建或採礦權，並利用基於證實及概略礦產儲量的生產單位方法折舊／攤銷。倘若摒除勘探物業，則會於損益撇銷勘探權及資產。

租賃

本集團於一份合約開始時評估該合約是否屬於或包含租賃。倘一份合約讓渡於某段時間使用已識別資產的控制權以交換代價，則該合約即屬於或包含租賃。

本集團作為承租人

除短期租賃及低價值資產租賃外，本集團為所有租賃應用單一確認及計量方法。本集團確認租賃負債（支付租賃款的責任）及使用權資產（使用相關資產的權利）。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Office premises	1 to 2 years
Plant and machinery	1 to 2 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

2.4 主要會計政策概要 (續)

租賃 (續)

本集團作為承租人 (續)

(a) 使用權資產

使用權資產於租賃開始日期 (即相關資產可供使用的日期) 確認。使用權資產按成本減任何累計折舊及任何減值虧損計量, 並就重新計量租賃負債作出調整。使用權資產的成本包括已確認的租賃負債金額、已產生的初始直接成本及於開始日期或之前作出的租賃款減任何已收租賃優惠。使用權資產於資產租期與估計可使用年期的較短者按直線基準折舊如下:

辦公室物業	1至2年
廠房及機器	1至2年

倘租賃資產擁有權於租期末或之前轉歸本集團或成本反映購買選擇權的行使, 則使用資產的估計可使用年期計算折舊。

(b) 租賃負債

租賃負債於租賃開始日期按租期內將作出的租賃款現值確認。租賃款包括定額款項 (含實質定額款項) 減任何應收租賃優惠、取決於某一指數或利率的可變租賃款以及預期根據剩餘價值擔保支付的金額。租賃款亦包括本集團合理確定將行使的購買選擇權的行使價, 如租期反映本集團行使終止租賃選擇權, 則同時包括有關終止租賃的罰款。不取決於任何指數或利率的可變租賃款在出現觸發付款的事件或條件的期間內確認為開支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(b) Lease liabilities (Continued)

In calculating the present value of lease payments, the Group uses its IBR at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

2.4 主要會計政策概要 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債 (續)

於計算租賃款的現值時，由於租賃內含利率無法輕易確定，故本集團應用租賃開始日期的遞增借貸利率計算。於開始日期後，租賃負債金額增加以反映利息增長，減少以反映所作出的租賃款。此外，倘出現修訂、租期變動、租賃款變動（例如由指數或利率變動引起的未來租賃款變動）或購買相關資產的評估變動，則重新計量租賃負債的賬面金額。

(c) 短期租賃及低價值資產租賃

本集團就機器及設備的短期租賃（即租期由開始日期起計12個月或以下，且不含購買選擇權的租賃）應用短期租賃確認豁免。此外，本集團亦就被視為低價值的辦公室設備及手提電腦租賃應用低價值資產租賃確認豁免。

短期租賃及低價值資產租賃的租賃款於租期內以直線基準確認為開支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

2.4 主要會計政策概要 (續)

投資及其他金融資產

初始確認及計量

金融資產於初始確認時分類為其後按攤銷成本計量及按公平值計量而其變動計入損益。

金融資產於初始確認時的分類取決於金融資產的合約現金流特徵及本集團管理該等金融資產的業務模型。除並無重大融資組成部分或本集團已就其應用可行權宜方法（不調整重大融資組成部分的影響）的應收賬款外，本集團初始按公平值加上（倘屬並非按公平值計量而其變動計入損益的金融資產）交易成本計量金融資產。並無重大融資組成部分或本集團已就其應用可行權宜方法的應收賬款按照下文「收入確認」所載的政策根據國際財務報告準則第15號釐定的交易價格計量。

為使金融資產按攤銷成本或以按公平值計量而其變動計入其他全面收益的方式分類及計量，需產生就未償還本金的「純粹本息付款」的現金流。附有非純粹本息付款現金流的金融資產不論所用業務模型均以按公平值計量而其變動計入損益的方式分類及計量。

本集團管理金融資產的業務模型指本集團如何管理其金融資產以產生現金流。業務模型確定現金流是否來自收集合約現金流、出售金融資產，或兩者兼有。按攤銷成本分類及計量的金融資產於為收取合約現金流而持有金融資產的業務模型內持有，而以按公平值計量而其變動計入其他全面收益的方式分類及計量的金融資產則於兼為收取合約現金流及出售而持有的業務模型內持有。並非於上述業務模型內持有的金融資產以按公平值計量而其變動計入損益的方式分類及計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.4 主要會計政策概要 (續)

投資及其他金融資產 (續)

初始確認及計量 (續)

金融資產的所有常規買賣乃於交易日 (即本集團承諾購買或出售該資產的日期) 確認。常規買賣為於市場規例或慣例普遍確立的期間內須交付資產的金融資產買賣。

其後計量

金融資產的其後計量取決於其如下分類：

按攤銷成本計量的金融資產 (債務工具)

按攤銷成本計量的金融資產其後利用實際利率法計量，並須作出減值。當資產被終止確認、修改或出現減值時，收益及虧損會於損益確認。

按公平值計量而其變動計入其他全面收益的金融資產 (債務工具)

就按公平值計量而其變動計入其他全面收益的債務投資而言，利息收入、重新換算貨幣以及減值虧損或撥回會於損益表確認，並按與按攤銷成本計量的金融資產相同的方式計算。其餘公平值變動於其他全面收益確認。於終止確認時，於其他全面收益確認的累計公平值變動將撥回損益表。

按公平值計量而其變動計入損益的金融資產

按公平值計量而其變動計入損益的金融資產於財務狀況表按公平值列賬，而公平值變動淨額於損益確認。

該類別包括本集團並無不可撤銷地選擇以按公平值計量而其變動計入其他全面收益的方式分類的衍生工具及股本投資。當派息權確立、與股息相關的經濟利益有可能流入本集團及股息金額能可靠地計量時，分類為按公平值計量而其變動計入損益的金融資產的股本投資的股息亦於損益確認為其他收入。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2.4 主要會計政策概要 (續)

終止確認金融資產

金融資產(或倘適用,一項金融資產的一部分或一組同類金融資產的一部分)主要在下列情況下終止確認(即從本集團的綜合財務狀況表中移除):

- 自資產收取現金流量的權利已屆滿;或
- 本集團已轉讓自資產收取現金流量的權利,或已根據一項「轉付」安排承擔責任,在無重大延誤情況下,將所得現金流量全數付予第三方;及(a)本集團已轉讓資產的絕大部分風險及回報;或(b)本集團並無轉讓或保留資產的絕大部分風險及回報,但已轉讓資產的控制權。

當本集團已轉讓其自一項資產收取現金流量的權利或已訂立轉付安排時,本集團會評估是否及在多大程度上保留該資產所有權的風險及回報。當其並無轉讓或保留該資產的絕大部分風險及回報,亦無轉讓該資產的控制權時,本集團會於其繼續參與該已轉讓資產的範圍內確認該資產。於該情況下,本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團保留的權利及義務的基準計量。

以對所轉讓資產的擔保形式進行的持續參與按資產原賬面金額或本集團可能被要求償還的代價最高金額兩者(以較低者為準)計量。

金融資產減值

本集團就所有並非以按公平值計量而其變動計入損益的方式持有的債務工具確認預期信用損失備抵。預期信用損失以按照合約到期的合約現金流與本集團預期收取的所有現金流兩者的差額為基準,並按與原實際利率相若的利率貼現。預期現金流將包括出售所持抵押品或構成合約條款組成部分的其他增信安排的現金流。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- (i) significant financial difficulties of the debtor;

2.4 主要會計政策概要 (續)

金融資產減值 (續)

一般方法

預期信用損失分兩個階段確認。就自初始確認以來信貸風險並無大幅增加的信貸敞口而言，本集團會為未來12個月內可能發生的違約事件所產生的信用損失（12個月預期信用損失）計提預期信用損失撥備。就自初始確認以來信貸風險大幅增加的信貸敞口而言，本集團須就預期於敞口餘下年期產生的信用損失計提虧損撥備，而不論違約的時間（全期預期信用損失）。

於各報告日期，本集團會評估金融工具的信貸風險自初始確認以來有否大幅增加。當進行此評估時，本集團會比較該金融工具於報告日期及於初始確認日期出現的違約風險，並會考慮無須花費過多成本或精力即可獲得的合理而具理據支持的資料，包括歷史及前瞻性資料。

本集團認為，當合約款項逾期超過90天時，金融資產即已違約。然而，於若干情況下，在並無計及本集團持有的任何增信安排前，本集團亦可於內部或外部資料顯示本集團不大可能悉數收取尚未償還合約金額時將金融資產視作違約。倘無法合理地預期收回合約現金流，則撇銷金融資產。

於各報告日期，本集團評估金融資產有否出現信貸減值。當發生一項或多項對金融資產估計未來現金流有不利影響的事件時，金融資產即出現信貸減值。

金融資產出現信貸減值的證據包括以下可觀察事件：

- (i) 債務人出現嚴重財務困難；

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

- (ii) a breach of contract, such as a default or delinquency in interest or principal payments; or
- (iii) likelihood that the borrower will enter into bankruptcy or other financial reorganization emerges.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

- Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 主要會計政策概要 (續)

金融資產減值 (續)

一般方法 (續)

- (ii) 違反合約，如欠繳或拖欠利息或本金付款；或
- (iii) 借款人很有可能將告破產或進行其他財務重組。

按攤銷成本計量的金融資產須根據一般方法作出減值，並於隨後計量預期信用損失的階段內分類，惟下文所詳述應用簡化方法的應收賬款除外。

- 階段1 – 自初始確認以來信貸風險並無大幅增加、且虧損備抵按等於12個月預期信用損失的金額計量的金融工具
- 階段2 – 自初始確認以來信貸風險大幅增加但並非出現信貸減值的金融資產、且虧損備抵按等於全期預期信用損失的金額計量的金融工具
- 階段3 – 於報告日期出現信貸減值（但並非購買或原生的信貸減值）、且虧損備抵按等於全期預期信用損失的金額計量的金融資產

簡化方法

就不含重大融資組成部分的應收賬款及合約資產而言，或當本集團應用可行權宜方法不調整重大融資組成部分的影響時，本集團應用簡化方法計算預期信用損失。根據簡化方法，本集團並無追蹤信貸風險的變動，而是基於各報告日期的全期預期信用損失確認虧損備抵。本集團已設立建基於歷史信用損失經驗的撥備矩陣，並就債務人及經濟環境特定的前瞻性因素作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Simplified approach (Continued)

For trade receivables and contract assets that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings and payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables, amounts due to related parties and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of loans and borrowings and payables is as follows:

Financial liabilities at amortised cost

After initial recognition, loans and borrowings and other payables are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

2.4 主要會計政策概要 (續)

金融資產減值 (續)

簡化方法 (續)

就包含重大融資組成部分的應收賬款及合約資產以及應收租賃而言，本集團根據上述政策選擇採納簡化方法計量預信用損失作為其會計政策。

金融負債

初始確認及計量

金融負債於初始確認時分類為貸款及借貸以及應付款項。

所有金融負債初始按公平值確認，而如屬貸款及借貸以及應付款項，則扣除直接應佔交易成本。

本集團的金融負債包括應付賬款、其他應付款項、應付關聯方款項以及計息銀行及其他借貸。

其後計量

貸款及借貸以及應付款項的其後計量如下：

按攤銷成本的金融負債

於初始確認後，貸款及借貸以及其他應付款項隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認或按實際利率法進行攤銷程序時，其收益及虧損在損益確認。

攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入損益內的財務成本。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (Continued)

Subsequent measurement (Continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4 主要會計政策概要 (續)

金融負債 (續)

其後計量 (續)

財務擔保合約

本集團發行的財務擔保合約指要求根據債務工具條款，在特定債務人未能於款項到期時支付款項而令持有人產生虧損的情況下，支付款項以償付持有人的合約。財務擔保合約初始按公平值確認為負債，並就發出擔保的直接應佔交易成本作出調整。於初始確認後，本集團以：(i)根據「金融資產減值」所載根據政策釐定的預期信貸虧損備抵；及(ii)初始確認金額減(如適用)所確認累計收入金額(以較高者為準)計量財務擔保合約。

終止確認金融負債

金融負債於負債項下責任被解除或撤銷或屆滿時終止確認。

當一項現有金融負債被來自同一貸款方且大部分條款均有差別的一項金融負債所取代，或現有負債的條款被大幅修改時，此種置換或修改被視作終止確認原有負債並確認新負債處理，而兩者的賬面金額差額於損益確認。

抵銷金融工具

倘有現時可強制執行的法律權力以抵銷已確認金額，且有意按淨額基準結算或同時變現資產及結清負債，則金融資產與金融負債會互相對銷，而有關淨額在財務狀況表內呈報。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of finished goods, comprises direct materials, direct labour and an appropriate proportion of fixed and variable overhead costs, including depreciation and amortisation incurred in converting materials into finished goods, based on the normal production capacity. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in statement of profit or loss.

2.4 主要會計政策概要 (續)

存貨

存貨按成本與可變現淨值兩者中的較低者列賬。成本按加權平均法計算，若是成品，則包括直接物料成本、直接勞動成本及固定及浮動間接成本中的適當部分，包括將物料轉為成品時產生的折舊及攤銷（基於正常產能計算）。可變現淨值基於估計售價扣除完成及出售時預期產生的成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、活期存款及可隨時轉換為已知數額現金、價值變動風險極微及一般自購入後三個月內到期的短期高流動性投資。

就綜合財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金與存放銀行現金（包括有期存款）。

撥備

當因過往事件導致現有債務（法定或推定）及日後可能需要有資源流出以償還債務時，本集團會確認撥備，但必須能可靠估計有關債務金額。

當貼現的影響重大時，本集團會確認的撥備金額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而產生的貼現現值增額，列作財務成本計入損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions (Continued)

Provisions for the Group's obligations for rehabilitation are based on estimates of required expenditure at the mines in accordance with the rules and regulations of the PRC. The obligation generally arises when the asset is installed or the ground environment is disturbed at the production location. The Group estimates its liabilities for final rehabilitation and mine closure based upon detailed calculations of the amount and timing of the future cash expenditure to perform the required work. Spending estimates are escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. When the liability is initially recognised, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining infrastructure.

Over time, the discounted liability is increased for the change in the present value based on the appropriate discount rate. The periodic unwinding of the discount is recognised within finance costs in profit or loss. The asset is depreciated using the UOP method over its expected life and the liability is accreted to the projected expenditure date. Additional disturbances or changes in estimates (such as mine plan revisions, changes in estimated costs, or changes in timing of the performance of reclamation activities) will be recognised as additions or charges to the corresponding assets and rehabilitation liabilities when they occur at the appropriate discount rate.

2.4 主要會計政策概要 (續)

撥備 (續)

本集團為履行復原責任作出的撥備乃基於對按照中國的規則及規例所規定的礦場開支而作出的估計。責任一般於資產獲得安置於生產地點或生產地點的場地環境受到干擾時產生。本集團估計其最後復原與礦場關閉的責任乃依據為進行規定工作的未來現金開支的金額與進度的詳細計算。開支估計因通貨膨脹而逐步擴大，然後以貼現率貼現，此反映貨幣的時間價值與僅限於負債的風險的現時市場評估，以使撥備金額反映預期用於履行責任的開支現值。當該負債被初始確認時，估計成本的現值透過相關採礦基建的賬面金額上升撥充資本。

貼現負債會隨時間就現值基於適當貼現率的變動而增加。定期撥回貼現於損益的財務成本一項中確認。資產利用生產單位方法於其預期年期折舊，並調升負債至預計開支日期。當估計發生額外干擾或更改（如採礦計劃修訂，估計成本改變，或進行復原活動的時間改變）時，估計中的額外干擾或更改將會按適當貼現率確認為對相應資產及復原負債的增加或扣減。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要 (續)

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅於損益外確認，不論是於其他全面收益確認或直接於股權確認。

即期稅項資產及負債乃基於報告期末已頒佈或實際上已頒佈的稅率（及稅法），並考慮本集團業務所在國家的現有詮釋及慣例，按預期自稅務機構退回或付予稅務機構的金額計算。

遞延稅項採納負債法就於報告期末資產及負債的稅基與兩者用作財務報告的賬面金額之間的所有暫時差額計提撥備。

本集團就所有應課稅暫時差額確認遞延稅項負債，惟下列情況除外：

- 遞延稅項負債乃因在初次確認一項並非業務合併的交易中的商譽、資產或負債而產生，並於交易時並不影響會計利潤或應課稅利潤或虧損；及
- 就與於子公司的投資有關的應課稅暫時差額而言，暫時差額的撥回時間為可控制，而該等暫時差額於可見將來可能不會撥回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.4 主要會計政策概要 (續)

所得稅 (續)

本集團就所有可扣稅暫時差額以及未動用稅項抵免及任何未動用稅項虧損的結轉確認遞延稅項資產，但以將有應課稅利潤以動用可扣稅暫時差額、未動用稅項抵免及未動用稅項虧損的結轉以作對銷為限，惟下列情況除外：

- 與可扣稅暫時差額有關的遞延稅項資產乃因初次確認在一項並非業務合併的交易中的資產或負債而產生，並於交易時並不影響會計利潤或應課稅利潤或虧損；及
- 就與於子公司的投資有關的可扣稅暫時差額而言，遞延稅項資產僅於暫時差額於可見將來有可能撥回以及將有應課稅利潤以動用暫時差額以作對銷的情況下，方予確認。

於各報告期末審閱遞延稅項資產的賬面金額，並在不再可能有足夠應課稅利潤以動用全部或部分遞延稅項資產時，相應扣減該賬面金額。未確認的遞延稅項資產會於各報告期末重新評估，並在可能有足夠應課稅利潤以收回全部或部分遞延稅項資產時確認。

遞延稅項資產及負債按預期適用於變現資產或清還負債期間的稅率，基於報告期末已頒佈或實際上已頒佈的稅率（及稅法）計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) Income tax (Continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2.4 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產與遞延稅項負債於及僅於以下情況下抵銷：本集團具有在法律上可強制執行的權利將即期稅項資產與即期稅項負債抵銷，遞延稅項資產及遞延稅項負債與同一稅務機關徵收的所得稅有關，當中涉及同一應課稅實體，或有意於每個預期結算或收回重大數額遞延稅項負債或資產的未來期間按淨額基準結算即期稅項負債與資產或同時變現資產及結算負債的不同應課稅實體。

政府補助

政府補助於可合理地確定將會收取補助及將符合所有附帶條件時按公平值確認。補助如涉及開支項目，則會於對應其擬補助的成本支銷的期間內有系統地確認為收入。

補助如與資產有關，則公平值會計入遞延收入賬內，從資產的賬面金額扣除及透過扣減的折舊開支而轉撥至損益。

收入確認

客戶合約收入

客戶合約收入於貨品或服務的控制權轉讓予客戶時，按能反映本集團預期有權就該等貨品或服務所換取的代價金額確認。

當合約中的代價包含可變金額時，代價金額按本集團就向客戶轉讓貨品或服務而有權獲得的金額估計。可變代價於合約開始時估計並受到限制，直至與可變代價相關的不確定因素得到解決時，確認的累計收入金額極有可能不會發生重大收益撥回為止。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

Sale of industrial products

Revenue from the sale of industrial products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Rendering of services

Revenue from the rendering of specialised mining services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the specialised mining services. Revenue from the rendering of consultancy management service is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

2.4 主要會計政策概要 (續)

收入確認 (續)

客戶合約收入 (續)

當合約包含融資組成部分，而該融資組成部分為客戶提供超過一年的貨品或服務轉讓融資的重大利益時，收入按應收款項的現值計量，並利用將於本集團與客戶在合約開始時的單獨融資交易中反映的貼現率貼現。當合約包含融資組成部分，而該融資組成部分為本集團提供超過一年的重大財務利益時，根據合約確認的收入包括根據實際利率法在合約負債上加算的利息開支。就客戶付款至轉讓承諾貨品或服務的期限為一年或以下的合約而言，交易價格利用國際財務報告準則第15號中的可行權宜方法，不會就重大融資組成部分的影響作出調整。

銷售工業產品

來自銷售工業產品的收入於資產控制權轉移至客戶的時間點（一般為交付貨品時）確認。

提供服務

提供專業開採服務的收入隨時間確認，當中使用輸入法計量完全履行服務的進度，原因為本集團的表現創造或增強客戶在資產創建或增強時控制的資產。輸入法基於實際發生的成本相對履行專業開採服務的估計總成本的比例確認收入。提供顧問管理服務的收入於編定期間按直線基準確認，原因為客戶同步取得及消耗由本集團提供的利益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.4 主要會計政策概要 (續)

收入確認 (續)

其他收入

利息收入利用實際利率法以應計基準確認，所用利率為於金融工具預期年期或更短期間（如適用）內將估計未來現金收款確切貼現至金融資產賬面淨額的利率。

合約資產

合約資產為就已向客戶轉移的貨品或服務換取代價的權利。倘本集團藉於客戶支付代價或款項到期前向客戶轉移貨品或服務履約，則就附帶條件的已賺取代價確認合約資產。合約資產須進行減值評估，詳情載於金融資產減值的會計政策內。

合約負債

當於本集團轉移相關貨品或服務前客戶已支付款項或款項已到期（以較早者為準）時，本集團會確認合約負債。合約負債於本集團履約（即向客戶轉移相關貨品或服務的控制權）時確認為收入。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in note 11 to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including Directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 28 to the financial statements.

2.4 主要會計政策概要 (續)

借貸成本

本集團將直接屬於購買、建築或生產合資格資產(即需要一段長時間方可用作擬定用途或出售的資產)的借貸成本撥充資本,作為該等資產的部分成本。當資產大致上已預備妥當可用作擬定用途或出售時,本集團終止將借貸成本撥充資本。於特別借貸用作合資格資產開支前的暫時投資所賺取的投資收入,會由資本化借貸成本中減除。所有其他借貸成本會於產生期間支銷。借貸成本包括實體就借取資金產生的利息及其他成本。

股息

末期股息於其在股東大會上獲股東批准時確認為負債。建議末期股息於財務報表附註11披露。

因本公司組織章程大綱及細則授權董事宣派中期股息,故中期股息同時獲建議及宣派。因此,中期股息於建議及宣派後隨即確認為負債。

以股份為基礎的付款

本公司設有一項股份期權計劃,旨在向對本集團業務成功有所貢獻的合資格參與人提供獎勵及獎賞。本集團僱員(包括董事)按以股份為基礎的付款形式收取薪酬,以提供服務作為獲得股本工具(「股權結算交易」)的代價。

與僱員進行股權結算交易的成本參照股本工具於授出當日的公平值計量。公平值由外聘估值師採納二項模式計算,其進一步詳情載於財務報表附註28。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 主要會計政策概要 (續)

以股份為基礎的付款 (續)

股權結算交易成本連同股權的相應增加於服務條件達成期間在僱員福利開支確認。於各報告期末至歸屬日期就股權結算交易所確認的累計開支，反映已屆滿的歸屬期及本集團就將最終歸屬股本工具數目作出的最佳估計。期內扣自或計入損益的數額指期初及期終確認的累計開支變動。

於釐定獎勵於授出日期的公平值時不會考慮服務及非市場表現條件，但會評估達成該等條件的可能性，作為本集團對最終歸屬的權益工具數量的最佳估計。市場表現條件反映於授出日期的公平值內。獎勵所附帶但並無相關服務要求的任何其他條件會視為非歸屬條件。除非另有服務及／或表現條件，否則非歸屬條件反映於獎勵的公平值內，並即時支銷獎勵。

對於因並未符合非市場表現及／或服務條件而最終並無歸屬的獎勵，本集團不會確認開支。倘獎勵包括市場或非歸屬條件，則不論市場或非歸屬條件是否達成，交易亦會視為歸屬處理，惟所有其他表現及／或服務條件須已達成。

倘股權結算獎勵的條款有所修訂，假若已符合獎勵原訂條款，所確認開支最少須達到猶如條款並無任何修訂的水平。此外，倘按修訂日期計量，任何修訂導致以股份為基礎的付款的公平值總額有所增加，或對僱員帶來其他利益，則就該等修訂確認開支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

The employees of the subsidiaries in Mainland China are required to participate in a defined central pension scheme managed by the local municipal government of the areas in Mainland China in which they operate. These subsidiaries are required to contribute a certain percentage of the relevant part of the payroll of these employees to the central pension scheme. The Group has no obligation for the payment of retirement benefits beyond the annual contributions. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

In addition to the above, the Group also participates in a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the MPF Scheme for its employee in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund.

The subsidiary that was incorporated and operates in Singapore is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan).

2.4 主要會計政策概要 (續)

以股份為基礎的付款 (續)

倘股權結算獎勵被取消，則會被視為於取消當日已歸屬處理，並須就有關獎勵即時確認任何尚未確認的開支。此包括未能達成本集團或僱員控制範圍內非歸屬條件的任何獎勵。然而，倘有新獎勵取代已取消的獎勵，並於授出當日指定為取代獎勵，則已取消的獎勵及新獎勵將被視為根據前段所述原有獎勵的修訂。

尚未行使期權的攤薄影響已反映於計算每股盈利時的額外股份攤薄。

其他僱員福利

退休金計劃

於中國內地的子公司的僱員需參與由該等子公司經營所在中國內地地區的地方市政府經營的定額中央退休金計劃。該等子公司需將該等僱員薪金有關部分的若干百分比供款予該中央退休金計劃。本集團並無義務支付超出年度供款以外的退休福利。該等供款於其按照中央退休金計劃規則成為應付款時於損益扣除。

除上述者外，本集團亦為其香港僱員參與指定供款強制性公積金退休福利計劃（「強積金計劃」）項下的強積金計劃。供款按照強積金計劃規則，基於僱員基礎薪金的若干百分比計算，並於應付時自損益扣除。強積金計劃資產與本集團資產獨立持有，由一個獨立管理基金持有。

於新加坡註冊成立及經營的子公司有義務向獨立管理基金（如新加坡中央公積金，一項由政府管理的指定供款退休福利計劃）供款。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other employee benefits (Continued)

Pension schemes (Continued)

The subsidiaries that were incorporated and operate in Australia pay fixed contributions in relation to several state plans and insurances for individual employees on a mandatory and contractual basis.

Save as disclosed, the Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Housing fund

Contributions to a defined contribution housing fund administered by the Public Accumulation Funds Administration Centre in Mainland China are charged to profit or loss as incurred.

Foreign currencies

These financial statements are presented in RMB, which is the functional currency of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 主要會計政策概要 (續)

其他僱員福利 (續)

退休金計劃 (續)

於澳洲註冊成立及經營的子公司按強制或合約方式為個別僱員向若干國營計劃及保險作出定額供款。

除所披露者外，本集團並無法定或推定責任支付其定額供款以外的供款，而定額供款乃於獲得相關僱員服務的期間內確認為開支。

住房公積金

屬於由中國內地公積金管理中心管理的指定供款住房公積金的供款於產生時於損益扣除。

外幣

本財務報表以人民幣呈列，而人民幣為本公司的功能貨幣。本集團內的實體各自決定其功能貨幣，各實體的財務報表項目均以所定功能貨幣計量。本集團實體入賬的外幣交易初始按交易日通行的有關功能貨幣的匯率入賬。以外幣為計價單位的貨幣資產及負債，按有關功能貨幣於報告期末的匯率進行換算。因結算或換算貨幣項目而產生的差額於損益確認。

按歷史成本計量、以外幣列賬的非貨幣項目，採納初始交易日期的匯率換算。按公平值計量、以外幣列賬的非貨幣項目，採納計量公平值日期的匯率換算。換算按公平值計量的非貨幣項目而產生的收益或虧損，按確認該項目的公平值變動的收益或虧損一致的方法處理（即公平值收益或虧損於其他全面收益或損益確認的項目的換算差額亦分別於其他全面收益或損益確認）。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2.4 主要會計政策概要 (續)

外幣 (續)

為於終止確認有關預收預付代價的非貨幣資產或非貨幣負債時釐定初始確認相關資產、開支或收入所用的匯率，初始交易日期為本集團初始確認預收預付代價所產生非貨幣資產或非貨幣負債之日。倘有多筆預繳或預收款項，則本集團會就每筆預付或預收代價釐定交易日期。

若干海外子公司的功能貨幣為人民幣以外的貨幣。於報告期末，該等實體的資產及負債按報告期末通行的匯率換算為人民幣，而損益則按與交易日期所通行者相若的匯率換算為人民幣。

所產生的匯兌差額於其他全面收益確認並於匯兌波動儲備累計。於海外業務出售時，與該特定海外業務有關的其他全面收益部分於損益確認。

3. 重大會計判斷及估計

本集團財務報表的編製需要管理層作出影響收入、開支、資產及負債呈報金額及相關披露以及或有負債的披露的判斷、估計及假設。該等假設及估計固有的不明朗因素可導致未來須對受影響資產或負債的賬面金額進行重大調整。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued) Judgement

(a) Revenue recognition

The Group applies judgements in determining whether it is principally involved in the trading of steels. The Group concludes that it acts as a principal and recognises revenue in the gross amount as the Group is able to control steels before transferring to the customers and has discretion in establishing the price for steels.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

(a) Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

3. 重大會計判斷及估計 (續)

判斷

(a) 收入確認

本集團於釐定是否主要參與鋼材買賣時會運用判斷。本集團的結論為，由於其有能力於鋼材轉移至客戶前控制鋼材，且可酌情設定鋼材的價格，故其乃以主事人身份行事，並以總額確認收入。

估計不明朗因素

涉及未來的主要假設及於報告期末估計不明朗因素的其他主要來源（前述因素均擁有導致下個財政年度的資產及負債賬面金額出現大幅調整的重大風險）討論如下：

(a) 應收賬款預期信用損失撥備

本集團利用撥備矩陣計算應收賬款的預期信用損失。撥備率乃基於多個具有類似虧損模式的客戶分部組別（即按客戶類別及評級劃分）的逾期天數釐定。

撥備矩陣初始以本集團觀察所得的歷史違約率為基礎。本集團將校準矩陣，以利用前瞻性資料調整歷史信用損失經驗。舉例而言，倘預測經濟狀況（即國內生產總值）預期於來年轉差，導致違約宗數上升，則會調整歷史違約率。於各報告日期，本集團會更新其觀察所得的歷史違約率，並分析前瞻性估計的變動。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

(a) Provision for expected credit losses on trade receivables (Continued)

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 19 to the financial statements.

(b) PRC corporate income tax ("PRC CIT")

The Group's operating subsidiaries in Mainland China are subject to PRC CIT. As a result of the fact that certain matters relating to PRC CIT have not been confirmed by the relevant local tax authorities, objective estimates based on currently enacted tax laws, regulations and other related policies are required in determining the provision for PRC CIT to be made. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact the income tax expense and tax provision in the period in which the differences realise. The carrying amount of PRC CIT payable as at 31 December 2021 was RMB9,052,000 (31 December 2020: RMB11,266,000).

3. 重大會計判斷及估計 (續)

估計不明朗因素 (續)

(a) 應收賬款預期信用損失撥備 (續)

對觀察所得的歷史違約率、預測經濟狀況及預期信用損失三者之相互關係的評估屬重大估計。預期信用損失的金額易受狀況變動及預測經濟狀況影響。本集團的歷史信用損失經驗及對經濟狀況的預測亦未必能反映客戶日後的實際違約情況。有關預期信用損失對本集團應收賬款的資料於財務報表附註19披露。

(b) 中國企業所得稅

本集團的中國內地營運子公司須繳納中國企業所得稅。由於當地相關稅務機構尚未確認有關中國企業所得稅的若干事件，故需要基於對目前制定的稅務法律、法規及其他相關政策的客觀估計釐定中國企業所得稅撥備。倘該等事件的最後稅項不同於最初記錄的金額，則差額將影響於差額實現期間的所得稅開支及稅項撥備。於2021年12月31日，應付中國企業所得稅的賬面金額為人民幣9,052,000元（2020年12月31日：人民幣11,266,000元）。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

(c) Useful lives of property, plant and equipment

The Group estimates useful lives and related depreciation charges for its items of property, plant and equipment, other than mining infrastructure for which the depreciation is calculated on the UOP method. This estimate is based on the historical experience of the actual useful lives of items of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and actions of its competitors. Management will increase the depreciation charge where useful lives are less than previously estimated, or it will record an impairment provision for technically obsolete assets that have been abandoned.

(d) Mine reserves

Engineering estimates of the Group's mine reserves are inherently imprecise and represent only approximate amounts because of the significant judgements involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated mine reserves can be designated as "proved" and "probable". Proved and probable mine reserve estimates are updated at regular intervals taking into account recent production and technical information about each mine. In addition, as prices and cost levels change from year to year, the estimate of proved and probable mine reserves also changes. This change is considered a change in estimates for accounting purposes and is reflected on a prospective basis in both depreciation and amortisation rates calculated on the UOP method and the time period for discounting the rehabilitation provision. Changes in the estimate of mine reserves are also taken into account in impairment assessments of non-current assets.

3. 重大會計判斷及估計 (續)

估計不明朗因素 (續)

(c) 物業、廠房及設備的可使用年期

本集團估計其物業、廠房及設備項目(按生產單位法計算折舊的採礦基建除外)的可使用年期及相關折舊費用。該估計乃基於類似性質及功能的物業、廠房及設備項目的實際可使用年期的過往經驗釐定，並可能因技術創新及產業競爭者間的行為而有重大改變。倘可使用年期少於先前的估計年期，則管理層將增加折舊費用，或將記錄已報廢的過時技術資產減值撥備。

(d) 礦場儲量

鑑於編製本集團礦場儲量的技術估計涉及重要判斷，這些資料存在固有不精確性，並僅屬於相若數額。在估計礦場儲量可確定為「證實」及「概略」儲量之前，本公司需要遵從若干有關技術標準的權威性指引。證實及概略礦場儲量的估計定期更新，並考慮各個礦場最近的生產及技術資料。此外，由於價格及成本水平逐年變更，因此，證實及概略礦場儲量的估計亦會出現變動。就會計目的而言，該等變動視為估計變更，並按未來適用法反映在未來根據生產單位方法計算得出的折舊及攤銷比率及貼現復原撥備的時間中。礦場儲量估計的變動亦計入非流動資產的減值評估。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

(e) Exploration rights and assets

The application of the Group's accounting policy for exploration rights and assets requires estimation in determining whether it is likely that future economic benefits will result either from future exploitation or sale or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of mine reserves is itself an estimation process with varying degrees of uncertainty depending on sub-classification. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in profit or loss in the period when the new information becomes available. The carrying amount of exploration rights and assets as at 31 December 2021 was RMB65,991,000 (31 December 2020: RMB65,991,000). Further details are given in note 14 to the financial statements.

(f) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated cost to be incurred to completion and disposal. These estimates are based on the current market condition and the historical experience of selling products of a similar nature. It could change significantly as a result of changes in downstream industries that consume the Group's products. Management reassesses these estimates at the end of each reporting period. The carrying amount of inventories as at 31 December 2021 was RMB11,900,000 (31 December 2020: RMB5,814,000). Further details are given in note 18 to the financial statements.

3. 重大會計判斷及估計 (續)

估計不明朗因素 (續)

(e) 勘探權及資產

於對勘探權及資產應用本集團的會計政策時，需要對未來開採或銷售是否可能帶來未來經濟利益，或者活動是否未達到足以對是否存在儲量作出合理評估的階段的活動的決定作出估計。釐定礦場儲量本身即為估計程序，視乎細分類別而涉及不同程度的不明朗因素。倘獲得新資料，則所作出的估計及假設可能改變。倘於開支撥充資本後獲得資料顯示開支不大可能收回，則撥充資本的金額於獲得新資料期內的損益中撇銷。於2021年12月31日，勘探權及資產的賬面金額為人民幣65,991,000元（2020年12月31日：人民幣65,991,000元）。進一步詳情載於財務報表附註14。

(f) 存貨的可變現淨值

存貨的可變現淨值乃於日常業務過程中的估計售價，扣除估計完成成本及出售成本。該等估計乃基於現有市況及銷售同類性質產品的歷史經驗為基準進行，並可因耗用本集團產品的下游行業變動而顯著改變。管理層於各報告期末重新評估有關估計。於2021年12月31日，存貨的賬面金額為人民幣11,900,000元（2020年12月31日：人民幣5,814,000元）。進一步詳情載於財務報表附註18。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

(g) Provision for rehabilitation

Provision for rehabilitation is based on estimates of future expenditures incurred by management to undertake rehabilitation and restoration work which were discounted at a rate of 6.27% as at 31 December 2021 (31 December 2020: 6.27%) reflecting the term and nature of the obligations to their present values. Significant estimates and assumptions are made in determining the provision for rehabilitation as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases and changes in the discount rate. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at the end of the reporting period represents management's best estimate of the present value of the future rehabilitation costs required. Changes to estimated future costs are recognised in the consolidated statement of financial position by adjusting the rehabilitation asset and liability. The carrying amount of provision for rehabilitation as at 31 December 2021 was RMB14,523,000 (31 December 2020: RMB13,654,000). Further details are contained in note 26 to the financial statements.

3. 重大會計判斷及估計 (續)

估計不明朗因素 (續)

(g) 復原撥備

復原撥備乃基於管理層所承擔以進行復原及修復工作產生的未來開支估計，其按2021年12月31日的比率6.27%（2020年12月31日：6.27%）貼現至現值，以反映責任的年期及性質。重大估計及假設乃用以決定復原撥備而作出，因為多項因素均會影響最終應付負債。該等因素包括復原活動的範圍及成本、技術變動、監管變動、成本上升及貼現率變動的估計。該等不明朗因素可能導致將來實際開支與現時的撥備金額有所不同。報告期末的撥備指管理層對未來所需復原成本現值的最佳估計。估計未來成本變動透過調整復原活動的資產及負債而於綜合財務狀況表中確認。於2021年12月31日，復原撥備的賬面金額為人民幣14,523,000元（2020年12月31日：人民幣13,654,000元）。進一步詳情載於財務報表附註26。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

(h) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the tax losses can be utilised. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the deferred tax assets recorded at the end of the reporting period could be impacted. The gross amount of deferred tax assets recognised as at 31 December 2021 was RMB12,208,000 (31 December 2020: RMB14,824,000). The amounts of unrecognised tax losses and unrecognised deductible temporary differences as at 31 December 2021 were RMB408,363,000 (31 December 2020: RMB1,051,268,000) and RMB115,431,000 (31 December 2020: RMB119,234,000), respectively. Further details are contained in note 17 to the financial statements.

Additionally, future changes in tax laws and regulations in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions on taxable income in future periods.

3. 重大會計判斷及估計 (續)

估計不明朗因素 (續)

(h) 遞延稅項資產

本集團就所有可扣稅暫時差額及未動用稅項虧損確認遞延稅項資產，但須以將有應課稅利潤以動用可扣稅暫時差額及稅項虧損以作對銷為限。未來應課稅收入的估計乃基於營運的預測現金流量及各司法權區的現有稅法應用作出。如未來現金流量及應課稅收入與估計有重大差異，則本集團變現於報告期末錄得的遞延稅項資產的能力會受到影響。於2021年12月31日，已確認遞延稅項資產總額為人民幣12,208,000元（2020年12月31日：人民幣14,824,000元）。於2021年12月31日的未確認稅項虧損及未確認可扣稅暫時差額金額分別為人民幣408,363,000元（2020年12月31日：人民幣1,051,268,000元）及人民幣115,431,000元（2020年12月31日：人民幣119,234,000元）。進一步詳情載於財務報表附註17。

此外，本集團營運所在的司法權區的稅務法律及規例的未來變動可限制本集團於未來期間就應課稅收入獲得稅項減免的能力。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

(i) Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Definite life non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Based on the existing market conditions, impairment indicators were identified for the Group's main mining cash-generating units, other pre-development stage mining rights, and exploration rights and assets. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its VIU. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When VIU calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

3. 重大會計判斷及估計 (續)

估計不明朗因素 (續)

(i) 非金融資產 (商譽除外) 的減值

本集團會於各報告期末評估所有非金融資產 (包括使用權資產) 是否有任何減值跡象。具有有限年期的非金融資產於有跡象表明其賬面金額可能無法收回時進行減值測試。基於現行市況，本集團的主要採礦現金產生單位、其他尚未開發的採礦權以及勘探權及資產存在減值跡象。當資產或現金產生單位的賬面值超過其可收回金額時則存在減值，可收回金額為其公平值減銷售成本及其使用價值的較高者。公平值減銷售成本乃基於類似資產的公平交易的有約束力銷售交易或可觀察市價減出售資產的增量成本的可用數據計算。於計算使用價值時，管理層須估計資產或現金產生單位的預期未來現金流量，並選用合適的貼現率，以計算現金流量的現值。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

(j) Leases – Estimating the IBR

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

3. 重大會計判斷及估計 (續)

估計不明朗因素 (續)

(j) 租賃－估計遞增借貸利率

本集團不能可靠地釐定租賃內含利率，因此使用遞增借貸利率計量租賃負債。遞增借貸利率乃本集團於相類經濟環境下，為取得與使用權資產價值相若的資產，按相若條款及擔保借入必要資金應支付的利率。因此，遞增借貸利率反映本集團「應支付」的內容；當並無可供觀察的利率（例如就並無訂立融資交易的子公司而言）時，或有需要為反映租賃條款及條件而作出調整時（例如當租賃並非按子公司的功能貨幣計算時），須作出估計。本集團使用可觀察輸入值（例如市場利率）（如有）估計遞增借貸利率，並須作出若干實體特定估計（例如子公司的獨立信貸評級）。

Notes to the Financial Statements

財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their services and products and has three (2020: three) reportable operating segments as follows:

- (a) the high-Fe mining operation segment comprises the operation of sale of self-produced high-grade iron concentrates within the range of 65% TFe to 72% TFe and the provision of consultancy and management services;
- (b) the trading segment comprises the operation of sale of traded products;
- (c) the corporate and others segment comprises the provision of facilities management services for the mining operations and the non-operating activities supporting the Group which include the central functions such as the functional costs that have not been allocated to the other segments.

The Directors monitor the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that other income and gain, other expenses, non-lease-related finance costs and fair value losses on financial assets at fair value through profit or loss are excluded from such measurement.

Segment assets exclude deferred tax assets, pledged deposits and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings and tax payable as these liabilities are managed on a group basis.

4. 經營分部資料

本集團基於業務單位的服務及產品劃分為該等單位進行管理，三個（2020年：三個）可呈報經營分部如下：

- (a) 高鐵品位採礦業務分部包括銷售TFe含量介乎65%至72%的自產高品位鐵精礦業務以及提供顧問及管理服務；
- (b) 買賣分部包括銷售貿易產品業務；
- (c) 企業及其他分部包括為採礦業務及支援本集團的非經營活動提供設施管理服務，包括總部職能（如未有分配至其他分部的功能性成本）。

董事分開監察本集團各經營分部的業績，以就資源分配及表現評估作出決策。分部表現基於可呈報分部利潤／虧損評估，而可呈報分部利潤／虧損乃計量持續經營業務的經調整稅前利潤／虧損的基準。除於計量時剔除其他收入及收益、其他開支、非租賃相關財務成本及按公平值計量而其變動計入損益的金融資產的公平值虧損外，經調整稅前利潤／虧損的計量方式與本集團稅前利潤／虧損的計量方式一致。

由於遞延稅項資產、已質押存款以及現金及現金等價物按集團基準管理，故分部資產不包括該等資產。

由於計息銀行及其他借貸以及應付稅款按集團基準管理，故分部負債不包括該等負債。

4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2021

4. 經營分部資料(續)

截至2021年12月31日止年度

		High-Fe mining operation 高鐵品位 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue	分部收入				
Sales to external customers	向外部客戶作出的銷售	56,776	657,984	-	714,760
Intersegment sales	分部間銷售	-	-	512	512
		56,776	657,984	512	715,272
<i>Reconciliation:</i>	<i>對賬:</i>				
Elimination of intersegment sales	抵銷分部間銷售				(512)
Revenue from continuing operations	持續經營業務收入				714,760
Segment results	分部業績	6,584	11,376	(8,742)	9,218
<i>Reconciliation:</i>	<i>對賬:</i>				
Other income and gain	其他收入及收益				3,888
Other expense	其他開支				(2,288)
Finance costs (other than interest on lease liabilities)	財務成本(不包括租賃負債的利息)				(5,195)
Profit before tax from continuing operations	持續經營業務稅前利潤				5,623
Segment assets	分部資產	369,412	204,263	735,289	1,308,964
<i>Reconciliation:</i>	<i>對賬:</i>				
Elimination of intersegment receivables	抵銷分部間應收款項				(176,020)
Deferred tax assets	遞延稅項資產				12,208
Cash and cash equivalents	現金及現金等價物				6,436
Pledged deposits	已質押存款				10,026
Total assets	資產總值				1,161,614

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截至2021年12月31日止年度

4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2021 (Continued)

Segment liabilities	分部負債
Elimination of intersegment payables	抵銷分部間應付款項
Interest-bearing bank and other borrowings	計息銀行及其他借貸
Tax payable	應付稅款
Total liabilities	負債總額
Other segment information	其他分部資料
Reversal of impairment losses on trade receivables, net (note 7)	應收賬款減值虧損撥回淨額(附註7)
Depreciation and amortisation	折舊及攤銷
Capital expenditure*(note 13)	資本開支*(附註13)

* Capital expenditure consists of additions to property, plant and equipment.

4. 經營分部資料(續)

截至2021年12月31日止年度(續)

High-Fe mining operation 高鐵品位採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
67,713	170,387	68,153	306,253
			(176,020)
			92,192
			9,052
			<u>231,477</u>
(327)	(3,803)	-	(4,130)
8,731	6	499	9,236
18,157	-	109	<u>18,266</u>

* 資本開支包括添置物業、廠房及設備。

4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2020

4. 經營分部資料(續)

截至2020年12月31日止年度

		High-Fe mining operation 高鐵品位 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue	分部收入				
Sales to external customers	向外部客戶作出的銷售	87,079	401,056	-	488,135
Revenue from continuing operations	持續經營業務收入				488,135
Segment results	分部業績	17,454	8,750	(13,555)	12,649
<i>Reconciliation:</i>	<i>對賬:</i>				
Other income	其他收入				3,864
Other expense	其他開支				(3,212)
Finance costs (other than interest on lease liabilities)	財務成本(不包括租賃 負債的利息)				(5,268)
Profit before tax from continuing operations	持續經營業務稅前 利潤				8,033
Segment assets	分部資產	342,802	169,684	723,016	1,235,502
<i>Reconciliation:</i>	<i>對賬:</i>				
Elimination of intersegment receivables	抵銷分部間應收款項				(135,397)
Deferred tax assets	遞延稅項資產				14,824
Cash and cash equivalents	現金及現金等價物				32,645
Pledged deposits	已質押存款				328
Assets related to the Disposal Group	有關出售集團的資產				77,730
Total assets	資產總值				1,225,632

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財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2020

		High-Fe mining operation 高鐵品位 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment liabilities	分部負債	61,550	143,161	59,875	264,586
Elimination of intersegment payables	抵銷分部間應付款項				(135,397)
Interest-bearing bank and other borrowings	計息銀行及其他借貸				84,735
Tax payable	應付稅款				11,266
Liabilities related to the Disposal Group	有關出售集團的負債				84,990
Total liabilities	負債總額				310,180
Other segment information	其他分部資料				
Provision for/(reversal of) impairment losses on trade receivables, net (note 7)	應收賬款減值虧損撥備／(撥回)淨額(附註7)	170	(1,649)	–	(1,479)
Depreciation and amortisation	折舊及攤銷	12,557	–	753	13,310
Capital expenditure*(note 13)	資本開支*(附註13)	12,494	–	2,206	14,700

* Capital expenditure consists of additions to property, plant and equipment.

4. 經營分部資料(續)

截至2020年12月31日止年度

* 資本開支包括添置物業、廠房及設備。

4. OPERATING SEGMENT INFORMATION*(Continued)***Entity-wide disclosures****Geographical information****(a) Revenue from external customers**

The following table sets out information about the geographical locations of the Group's revenue from external customers during the year. The geographical locations of customers are determined based on the locations designated by the customers at which the goods were delivered or services were rendered.

(b) Non-current assets

Mainland China	中國內地
Singapore	新加坡
Hong Kong	香港

The non-current asset information of continuing operations above is based on the locations of the assets and excludes prepayments, other receivables and other assets and deferred tax assets.

4. 經營分部資料 (續)**實體整體披露****地域資料****(a) 來自外部客戶的收入**

下表載列年內本集團來自外部客戶收入的地域資料。客戶的所在地乃基於客戶指定交付貨品或提供服務的地點釐定。

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
714,760	488,135

(b) 非流動資產

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
901,979	897,183
363	587
–	173
902,342	897,943

上述持續經營業務的非流動資產資料以資產的所在地為基礎，且不包括預付款項、其他應收款項及其他資產以及遞延稅項資產。

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財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

4. OPERATING SEGMENT INFORMATION

(Continued)

Entity-wide disclosures (Continued)

Information about major customers

Revenue from each of the major customers, which amounted to 10% or more of the total revenue, is set out below:

Customer A	客戶甲
Customer B	客戶乙

* Less than 10%

4. 經營分部資料 (續)

實體整體披露 (續)

主要客戶資料

來自佔總收入10%或以上的各主要客戶的收入載列如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
657,984	400,777
—*	72,907

* 少於10%

5. REVENUE, OTHER INCOME AND GAIN

An analysis of revenue is as follows:

<i>Revenue from contracts with customers</i>	客戶合約收入
Sale of industrial products:	銷售工業產品：
High-grade iron concentrates	高品位鐵精礦
Steels	鋼鐵
Rendering of consultancy and management services	提供顧問及管理服務

2021 2021年		2020 2020年	
RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
56,776	7.9	78,966	16.2
657,984	92.1	401,056	82.2
—	—	8,113	1.6
714,760	100.0	488,135	100.0

5. 收入、其他收入及收益

收入分析如下：

5. REVENUE, OTHER INCOME AND GAIN

(Continued)

Revenue from contracts with customers

(a) Disaggregated revenue information

For the year ended 31 December 2021

5. 收入、其他收入及收益 (續)

客戶合約收入

(a) 已拆分收入資料

截至2021年12月31日止年度

Segments	分部	High-Fe mining operation 高鐵品位 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Types of goods or services	貨品或服務類別				
High-grade iron concentrates	高品位鐵精礦	56,776	–	–	56,776
Trading of steels	鋼鐵貿易	–	657,984	–	657,984
		<u>56,776</u>	<u>657,984</u>	<u>–</u>	<u>714,760</u>
Geographical market	地域市場				
Mainland China	中國內地	56,776	657,984	–	714,760
		<u>56,776</u>	<u>657,984</u>	<u>–</u>	<u>714,760</u>
Time of revenue recognition	收入確認時間				
Goods transferred at a point in time	於某一時間點轉讓的貨品	56,776	657,984	–	714,760
		<u>56,776</u>	<u>657,984</u>	<u>–</u>	<u>714,760</u>

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財務報表附註

Year ended 31 December 2021

截至2021年12月31日止年度

5. REVENUE, OTHER INCOME AND GAIN

(Continued)

Revenue from contracts with customers

(Continued)

(a) Disaggregated revenue information (Continued)

For the year ended 31 December 2020

Segments	分部	High-Fe mining operation 高鐵品位 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Types of goods or services	貨品或服務類別				
High-grade iron concentrates	高品位鐵精礦	78,966	–	–	78,966
Trading of steels	鋼鐵貿易	–	401,056	–	401,056
Rendering of consultancy and management services	提供顧問及管理服務	8,113	–	–	8,113
		<u>87,079</u>	<u>401,056</u>	<u>–</u>	<u>488,135</u>
Geographical market	地域市場				
Mainland China	中國內地	<u>87,079</u>	<u>401,056</u>	<u>–</u>	<u>488,135</u>
Time of revenue recognition	收入確認時間				
Goods transferred at a point in time	於某一時間點轉讓的貨品	78,966	401,056	–	480,022
Services transferred over time	隨時間轉讓的服務	8,113	–	–	8,113
		<u>87,079</u>	<u>401,056</u>	<u>–</u>	<u>488,135</u>

5. 收入、其他收入及收益 (續)

客戶合約收入 (續)

(a) 已拆分收入資料 (續)

截至2020年12月31日止年度

5. REVENUE, OTHER INCOME AND GAIN

(Continued)

Revenue from contracts with customers

(Continued)(a) Disaggregated revenue information *(Continued)*

For the year ended 31 December 2021

5. 收入、其他收入及收益 (續)

客戶合約收入 (續)

(a) 已拆分收入資料 (續)

截至2021年12月31日止年度

Segments	分部	High-Fe mining operation 高鐵品位 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約收入				
External customers	外部客戶	56,776	657,984	-	714,760
Intersegment sales	分部間銷售	-	-	512	512
		<u>56,776</u>	<u>657,984</u>	<u>512</u>	<u>715,272</u>
Intersegment adjustments and eliminations	分部間調整及抵銷	-	-	(512)	(512)
		<u>-</u>	<u>-</u>	<u>(512)</u>	<u>(512)</u>
Total revenue from contracts with external customers	外部客戶合約收入總額	<u>56,776</u>	<u>657,984</u>	<u>-</u>	<u>714,760</u>

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財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

5. REVENUE, OTHER INCOME AND GAIN

(Continued)

Revenue from contracts with customers

(Continued)

(a) Disaggregated revenue information (Continued)

For the year ended 31 December 2020

Segments	分部	High-Fe mining operation 高鐵品位 採礦業務 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from contracts with external customers	外部客戶合約收入	87,079	401,056	-	488,135

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of industrial products

The performance obligation is satisfied upon delivery of the industrial products and payment is generally due within 120 days from delivery. There were no remaining performance obligations unsatisfied or partially satisfied as at 31 December 2020 and 31 December 2021.

Consultancy and management services

The performance obligation is satisfied over time as services are rendered. Consultancy and management service contracts are for periods of one year or more, and are billed based on the time incurred. There were no remaining performance obligations unsatisfied or partially satisfied as at 31 December 2020 and 31 December 2021.

5. 收入、其他收入及收益 (續)

客戶合約收入 (續)

(a) 已拆分收入資料 (續)

截至2020年12月31日止年度

Trading 買賣 RMB'000 人民幣千元	Corporate and others 企業及其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
401,056	-	488,135

(b) 履約責任

有關本集團履約責任的資料概述如下：

銷售工業產品

於交付工業產品後即達成履約責任，款項一般於由交付起計120天內到期。於2020年12月31日及2021年12月31日，並無餘下履約責任尚未達成或僅部分達成。

顧問及管理服務

履約責任乃於服務提供時隨時間達成，顧問及管理服務合約為期一年或以上，根據發生時間開具發票。於2020年12月31日及2021年12月31日，並無餘下履約責任尚未達成或僅部分達成。

5. REVENUE, OTHER INCOME AND GAIN*(Continued)***Revenue from contracts with customers***(Continued)*

An analysis of other income and gain is as follows:

Other income	其他收入
Bank interest income	銀行利息收入
Government grants	政府補助
Sale of raw materials	原材料銷售
Miscellaneous	其他
Gain	收益
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的收益
Total other income and gain	其他收入及收益總額

Note:

- (a) There were no unfulfilled conditions or contingencies relating to these government grants.

6. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

Interest on bank and other borrowings	銀行及其他借貸的利息
Interest on lease liabilities (note 15(c))	租賃負債的利息 (附註15(c))
Unwinding of discount on provision (note 26)	撥備貼現值撥回 (附註26)

5. 收入、其他收入及收益 (續)**客戶合約收入 (續)**

其他收入及收益分析如下：

Note 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
(a)	16	8
	173	967
	2,505	2,002
	1,177	887
	3,871	3,864
	17	-
	3,888	3,864

附註：

- (a) 概無有關該等政府補助的未達成條件或非預期事項。

6. 財務成本

持續經營業務財務成本分析如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
4,326	4,461
198	330
869	807
5,393	5,598

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7. PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

The Group's profit before tax from continuing operations was arrived at after charging/(crediting):

7. 持續經營業務稅前利潤

本集團的持續經營業務稅前利潤乃於扣除／(計入)下列各項後達致：

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Cost of inventories sold	已售出存貨成本		690,098	441,548
Employee benefit expenses (including Directors' and chief executive's remuneration (note 8)):	僱員福利開支(包括董事及最高行政人員薪酬(附註8)):			
Wages and salaries	工資及薪金		11,830	12,594
Welfare and other benefits	福利及其他利益		1,122	957
Pension scheme contributions – Defined contribution fund	退休金計劃供款 – 界定供款基金		1,177	735
Housing fund – Defined contribution fund	住房公積金 – 界定供款基金		286	308
Total employee benefit expenses	僱員福利開支總額		14,415	14,594
Depreciation of property, plant and equipment	物業、廠房及設備折舊	13	7,151	9,748
Depreciation of right-of-use assets	使用權資產折舊	15(a)	1,503	2,499
Amortisation of intangible assets	無形資產攤銷	14	582	1,063
Depreciation and amortisation expenses	折舊及攤銷開支		9,236	13,310
Reversal of impairment losses on trade receivables, net	應收賬款減值虧損撥回淨額	19	(4,130)	(1,479)
Lease payments not included in the measurement of lease liabilities	並無計入租賃負債計量的租賃款	15(c)	99	614
Auditor's remuneration	核數師酬金		2,130	1,980

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("HKSE"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

Fees	袍金
Other emoluments:	其他酬金：
Salaries, allowances and benefits in kind	薪金、津貼及實物利益
Pension scheme contributions	退休金計劃供款
– Defined contribution fund	– 界定供款基金

Notes:

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

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

There were no other emoluments payable to the independent non-executive directors during the year (2020: nil).

8. 董事及最高行政人員薪酬以及最高薪酬的五名僱員

根據香港聯合交易所有限公司（「港交所」）證券上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及公司（披露董事利益資料）規例第2部披露本年度董事及最高行政人員的薪酬如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
<u>2,091</u>	<u>2,223</u>
<u>347</u>	<u>427</u>
<u>45</u>	<u>45</u>
<u>392</u>	<u>472</u>
<u>2,483</u>	<u>2,695</u>

附註：

(a) 獨立非執行董事

年內已付獨立非執行董事的袍金如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
<u>150</u>	<u>150</u>
<u>150</u>	<u>150</u>
<u>150</u>	<u>150</u>
<u>450</u>	<u>450</u>

年內並無應付獨立非執行董事的其他酬金（2020年：無）。

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

Notes: (Continued)

(b) Executive directors, non-executive director and the chief executive

		Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total
		袍金	薪金、津貼及實物利益	退休金計劃供款	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
2021	2021年				
Executive directors	執行董事				
Mr. Jiang Zhong Ping*	蔣中平先生*	75	86	15	176
Mr. Hao Xiemin	郝謝敏先生	150	136	15	301
Mr. Wang Hu	王虎先生	150	125	15	290
		<u>375</u>	<u>347</u>	<u>45</u>	<u>767</u>
Non-executive director	非執行董事				
Mr. Teh Wing Kwan	鄭永權先生	1,266	-	-	1,266
		<u>1,641</u>	<u>347</u>	<u>45</u>	<u>2,033</u>
		Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total
		袍金	薪金、津貼及實物利益	退休金計劃供款	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
2020	2020年				
Executive directors	執行董事				
Mr. Jiang Zhong Ping*	蔣中平先生*	150	125	15	290
Mr. Hao Xiemin	郝謝敏先生	150	152	15	317
Mr. Wang Hu	王虎先生	150	150	15	315
		<u>450</u>	<u>427</u>	<u>45</u>	<u>922</u>
Non-executive director	非執行董事				
Mr. Teh Wing Kwan	鄭永權先生	1,323	-	-	1,323
		<u>1,773</u>	<u>427</u>	<u>45</u>	<u>2,245</u>

* Mr. Jiang Zhong Ping was re-designated from the chairman of the board of the Company and the acting chief executive officer to executive director and the chief executive officer on 12 October 2017.

8. 董事及最高行政人員薪酬以及最高薪酬的五名僱員 (續)

附註：(續)

(b) 執行董事、非執行董事及最高行政人員

* 蔣中平先生於2017年10月12日由本公司董事會主席兼代理首席執行官調任執行董事兼首席執行官。

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

Notes: (Continued)

(c) Five highest paid employees

The five highest paid employees during the year include four directors (2020: one). Details of directors' remuneration are set out above. Details of the remuneration for the year of the remaining one (2020: four) highest paid employee who is neither a director nor chief executive of the Company are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物利益
Pension scheme contributions – Defined contribution fund	退休金計劃供款 — 界定供款基金

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

Nil to HKD1,000,000	0至1,000,000港元
HKD1,000,001 to HKD1,500,000	1,000,001港元至1,500,000港元
HKD1,500,001 to HKD2,000,000	1,500,001港元至2,000,000港元

8. 董事及最高行政人員薪酬以及最高薪酬的五名僱員 (續)

附註：(續)

(c) 最高薪酬的五名僱員

年內最高薪酬的五名僱員包括四名（2020年：一名）董事。董事的薪酬詳情載列於上文。本年度餘下一名（2020年：四名）既非董事亦非本公司最高行政人員的最高薪酬僱員的薪酬詳情如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
509	3,458
44	302
553	3,760

薪酬在以下範圍內的最高薪酬僱員（非董事及非最高行政人員）的數目如下：

Number of employees 僱員數目	
2021 2021年	2020 2020年
1	2
Nil 無	1
Nil 無	1
1	4

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9. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group was not subject to any income tax in the Cayman Islands and the BVI during the two years ended 31 December 2021 and 2020.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the two years ended 31 December 2021 and 2020.

The provision for the PRC CIT is based on the respective PRC CIT rates applicable to the subsidiaries located in Mainland China as determined in accordance with the relevant income tax rules and regulations of Mainland China for the year.

All subsidiaries domiciled in the PRC (the "PRC subsidiaries") were subject to the PRC CIT rate of 25% during the year ended 31 December 2021. Pursuant to the income tax rules and regulations in Australia, the companies located in Australia which were the Group's subsidiaries before the Disposal are liable to Australia corporate income tax at a rate of 30% on the assessable profits generated for the year. Pursuant to the income tax rules and regulations in Singapore, the Group's subsidiary located in Singapore is liable to Singapore corporate income tax at a rate of 17% on the assessable profits generated for the year.

The major components of income tax charge/(credit) are as follows:

Current – Singapore	即期—新加坡
Charge for the year	年內支出
Current – Mainland China	即期—中國內地
Charge for the year	年內支出
Deferred (note 17)	遞延 (附註17)
Total tax charge/(credit) for the year from continuing operations	持續經營業務年內稅項支出／(抵免) 總額
Total tax charge for the year from discontinued operations (note 10)	已終止經營業務年內稅項支出總額 (附註10)

9. 所得稅

根據開曼群島及英屬處女群島的規則及規例，本集團無須就截至2021年及2020年12月31日止兩個年度繳納開曼群島及英屬處女群島所得稅。

由於本集團於截至2021年及2020年12月31日止兩個年度並無源於香港或於香港賺取的應課稅利潤，故未有就香港利得稅作出撥備。

就中國企業所得稅作出的撥備乃按照本年度中國內地的相關所得稅規則及規定，基於適用於中國內地子公司的個別中國企業所得稅稅率釐定。

所有中國註冊子公司（「中國子公司」）於截至2021年12月31日止年度內須按25%的中國企業所得稅稅率納稅。根據澳洲的所得稅規則及規例，於出售事項進行前為本集團子公司的澳洲公司須就年內產生的應課稅利潤按30%的稅率繳納澳洲企業所得稅。根據新加坡的所得稅規則及規例，本集團位於新加坡的子公司須就年內產生的應課稅利潤按17%的稅率繳納新加坡企業所得稅。

所得稅支出／(抵免) 的主要組成部分如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
5	3
2,020	1,788
2,616	(2,041)
4,641	(250)
—	—
4,641	(250)

9. INCOME TAX (Continued)

A reconciliation of the tax charge/(credit) applicable to profit/(loss) before tax at the applicable tax rate for the companies within the Group to the tax charge/(credit) at the effective tax rate is as follows:

Profit before tax from continuing operations	持續經營業務稅前利潤	
Profit/(loss) before tax from discontinued operations	已終止經營業務稅前利潤／(虧損)	
Tax at the respective statutory tax rates:	按相應法定稅率計算的稅款：	
– Mainland China subsidiaries, at 25%	– 中國內地子公司，25%	
– Australia subsidiaries, at 30%	– 澳洲子公司，30%	
– the Company and its Hong Kong subsidiaries, at 16.5%	– 本公司及其香港子公司，16.5%	
– Singapore subsidiary, at 17%	– 新加坡子公司，17%	
Expenses not deductible for tax	不可扣稅開支	(a)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	
Reversal of deferred tax assets recognised in the prior years	撥回於過往年度確認的遞延稅項資產	
Tax effect of deductible temporary differences not recognised	未確認可扣減暫時差額的稅務影響	
Income not subject to tax	無須課稅收入	
Tax losses utilised from the prior year	動用過往年度的稅項虧損	
Tax charge/(credit) at the Group's effective tax rate	按本集團實際稅率計算的稅項支出／(抵免)	
Tax charge/(credit) from continuing operations at the effective tax rate	按實際稅率計算的持續經營業務稅項支出／(抵免)	
Tax charge from discontinued operations at the effective tax rate	按實際稅率計算的已終止經營業務稅項支出	

9. 所得稅 (續)

按適用於本集團旗下公司的稅前利潤／(虧損)的適用稅率計算的稅項支出／(抵免)與按實際稅率計算的稅項支出／(抵免)對賬如下：

Note 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
	5,623	8,033
	6,616	(32,675)
	12,239	(24,642)
	2,699	4,048
	(1,232)	(9,802)
	924	(1,359)
	(8)	13
(a)	3,619	2,237
	1,312	10,308
	2,051	–
	(951)	(412)
	(1,769)	–
	(2,004)	(5,283)
	4,641	(250)
	4,641	(250)
	–	–

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9. INCOME TAX (Continued)

Note:

- (a) Expenses not deductible for tax for the years ended 31 December 2021 and 2020 mainly consist of administrative expenses incurred by offshore companies. These expenses are not expected to be deductible for tax.

10. DISCONTINUED OPERATIONS

The Disposal Group is mainly engaged in specialised mining services in Australia. As mentioned in note 1(c) to the financial statements, the Disposal Group was disposed of on 31 July 2021. With the completion of the Disposal, the gain on disposal of the discontinued operations and the related income tax are presented in the profit or loss from the discontinued operations.

As a result of loss of management control upon completion of the Disposal on 31 July 2021, the Group could no longer govern and/or exercise control over the Disposal Group's financial and operating policies. Accordingly, the unaudited management accounts of the Disposal Group for the period from 1 January 2021 to the date of the Disposal on 31 July 2021 were used to prepare the consolidated financial statements of the Group.

The results of the discontinued operations for the period from 1 January 2021 to the date of the Disposal and the year ended 31 December 2020 are presented below:

9. 所得稅 (續)

附註：

- (a) 截至2021年及2020年12月31日止年度的不可扣稅開支主要包括離岸公司產生的行政開支。此等開支預期不可扣稅。

10. 已終止經營業務

出售集團主要於澳洲從事專業開採服務。誠如財務報表附註1(c)所述，出售集團已於2021年7月31日出售。隨着出售事項完成，出售已終止經營業務的收益及相關所得稅乃於已終止經營業務的損益呈列。

由於在2021年7月31日出售事項完成後失去管理控制權，故本集團再無法規管及／或控制出售集團之財務及營運政策。因此，於編製本集團的綜合財務報表時，已使用出售集團於2021年1月1日至2021年7月31日出售事項日期期間的未經審核管理賬目。

已終止經營業務於2021年1月1日至出售事項日期期間及截至2020年12月31日止年度的業績呈列如下：

10. DISCONTINUED OPERATIONS (Continued)

10. 已終止經營業務(續)

		Notes 附註	Period from 1 January 2021 to 31 July 2021 2021年1月1日至 2021年7月31日 期間 RMB'000 人民幣千元 (unaudited) (未經審核)	Year ended 31 December 2020 截至2020年 12月31日止年度 RMB'000 人民幣千元
REVENUE	收入		41,465	92,568
Cost of sales	銷售成本		(34,600)	(77,556)
Gross profit	毛利		6,865	15,012
Other income and gain	其他收入及收益		1,596	3,700
Administrative expenses	行政開支		(12,693)	(21,600)
Other expenses	其他開支		561	–
Impairment losses on property, plant and equipment	物業、廠房及設備減值 虧損		–	(17,209)
Impairment losses on other intangible assets	其他無形資產減值虧損		–	(120)
Impairment losses on right-of-use assets	使用權資產減值虧損		–	(452)
Impairment losses on assets classified as held for sale	分類為持作出售的資產 減值虧損		–	(11,584)
Finance costs	財務成本		(436)	(422)
Loss before tax from the discontinued operations	已終止經營業務稅前 虧損		(4,107)	(32,675)
Gain on disposal of the discontinued operations	出售已終止經營業務的 收益	31	10,723	–
Profit/(loss) before tax from discontinued operations	已終止經營業務稅前 利潤／(虧損)		6,616	(32,675)
Income tax expense	所得稅開支	9	–	–
PROFIT/(LOSS) FOR THE PERIOD FROM THE DISCONTINUED OPERATIONS	已終止經營業務期內 利潤／(虧損)		6,616	(32,675)

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10. DISCONTINUED OPERATIONS (Continued)

The major classes of assets and liabilities of the Disposal Group as at 31 July 2021 and 31 December 2020 are as follows:

10. 已終止經營業務(續)

出售集團於2021年7月31日及2020年12月31日的主要資產及負債類別如下：

		31 July 2021 2021年7月31日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2020 2020年12月31日 RMB'000 人民幣千元
ASSETS	資產		
Property, plant and equipment	物業、廠房及設備	21,824	20,819
Right-of-use assets	使用權資產	1,078	547
Inventories	存貨	11,639	12,704
Trade receivables	應收賬款	5,113	796
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	3,611	5,290
Contract assets	合約資產	1,911	5,260
Cash and cash equivalents	現金及現金等價物	3,598	14,528
Assets classified as held for sale	分類為持作出售的資產	16,415	17,786
Assets of the Disposal Group classified as held for sale	分類為持作出售的出售集團的資產	65,189	77,730
LIABILITIES	負債		
Trade payables	應付賬款	13,871	22,544
Other payables and accruals	其他應付款項及應計款項	36,067	32,358
Interest-bearing bank and other borrowings	計息銀行及其他借貸	15,663	17,660
Due to related parties	應付關聯方款項	8,991	11,772
Lease liability	租賃負債	858	656
Liabilities directly associated with the assets classified as held for sale	與分類為持作出售的資產直接相關的負債	75,450	84,990
Net liabilities directly associated with the Disposal Group	與出售集團直接相關的淨負債	(10,261)	(7,260)

10. DISCONTINUED OPERATIONS (Continued)

The net cash flows incurred by the Disposal Group for the period from 1 January 2021 to the date of the Disposal and the year ended 31 December 2020 are as follows:

Operating activities	經營活動
Investing activities	投資活動
Financing activities	融資活動
Net cash inflow/(outflow)	現金流入／(流出) 淨額
Earnings/(loss) per share:	每股盈利／(虧損)：
Basic and diluted, from the discontinued operations	基本及攤薄，來自已終止經營業務

The calculations of basic and diluted earnings/(loss) per share from the discontinued operations are based on:

Profit/(loss) attributable to ordinary equity holders of the parent from the discontinued operations	歸屬於母公司普通股股權持有人的已終止經營業務利潤／(虧損)
Weighted average number of ordinary shares used in the basic and diluted earnings/(loss) per share calculation (note 27)	用於計算每股基本及攤薄盈利／(虧損)的普通股加權平均數(附註27)

10. 已終止經營業務 (續)

出售集團於2021年1月1日至出售事項日期期間及截至2020年12月31日止年度產生的現金流量淨額如下：

Period from 1 January 2021 to 31 July 2021 2021年1月1日至 2021年7月31日 期間 RMB'000 人民幣千元 (unaudited) (未經審核)	Year ended 31 December 2020 截至2020年 12月31日止 年度 RMB'000 人民幣千元
(7,715)	13,811
(1,228)	(1,376)
(1,987)	(40)
(10,930)	12,395
RMB人民幣0.003元	RMB人民幣(0.012)元

計算已終止經營業務每股基本及攤薄盈利／(虧損)時乃以下列項目為基礎：

2021 2021年 (unaudited) (未經審核)	2020 2020年
RMB人民幣 7,397,000元	RMB人民幣 (26,467,000)元
2,249,015,410	2,249,015,410

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11. DIVIDEND

At a meeting of the Directors held on 29 March 2022, the Directors did not recommend a final dividend for the year ended 31 December 2021 (2020: nil).

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit/(loss) for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 2,249,015,410 (2020: 2,249,015,410) in issue during the year ended 31 December 2021.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the years ended 31 December 2021 and 2020 in respect of a dilution as the exercise prices of the Company's outstanding share options were higher than the average market prices for the Company's shares during the current and prior years.

11. 股息

於2022年3月29日舉行的董事會會議上，董事不建議派付截至2021年12月31日止年度的末期股息（2020年：無）。

12. 歸屬於本公司普通股股權持有人的每股盈利／（虧損）

每股基本盈利乃基於歸屬於本公司普通股股權持有人的年內利潤／（虧損）及截至2021年12月31日止年度內已發行普通股加權平均數2,249,015,410股（2020年：2,249,015,410股）計算。

由於在截至2021年及2020年12月31日止年度，本公司尚未行使的股份期權的行使價高於本公司股份的平均市價，故並無就本年度及過往年度呈列的每股股份基本盈利／（虧損）金額作出任何攤薄調整。

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Buildings	Plant and machinery	Office equipment	Motor vehicles	Mining infrastructure	Construction in progress ("CIP")	Total
		樓宇	廠房及機器	辦公室設備	機動車輛	採礦基建	在建工程	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2021	2021年12月31日							
Cost:	成本：							
At 1 January 2021	於2021年1月1日	40,439	31,184	613	2,403	139,871	42,958	257,468
Additions from continuing operations (note 4)	持續經營業務添置 (附註4)	339	581	21	345	15	16,965	18,266
Transferred from CIP	轉自在建工程	634	3,112	-	-	-	(3,746)	-
Disposals	出售	-	(1,774)	-	(1,202)	-	-	(2,976)
At 31 December 2021	於2021年12月31日	<u>41,412</u>	<u>33,103</u>	<u>634</u>	<u>1,546</u>	<u>139,886</u>	<u>56,177</u>	<u>272,758</u>
Accumulated depreciation and impairment:	累計折舊及減值：							
At 1 January 2021	於2021年1月1日	22,376	19,728	427	2,196	55,822	1,488	102,037
Provided for the year from continuing operations (note 7)	年內計提的持續經營業務撥備 (附註7)	1,583	1,413	55	97	4,003	-	7,151
Disposals	出售	-	(1,583)	-	(1,136)	-	-	(2,719)
At 31 December 2021	於2021年12月31日	<u>23,959</u>	<u>19,558</u>	<u>482</u>	<u>1,157</u>	<u>59,825</u>	<u>1,488</u>	<u>106,469</u>
Net carrying amount:	賬面淨額：							
At 1 January 2021	於2021年1月1日	<u>18,063</u>	<u>11,456</u>	<u>186</u>	<u>207</u>	<u>84,049</u>	<u>41,470</u>	<u>155,431</u>
At 31 December 2021	於2021年12月31日	<u>17,453</u>	<u>13,545</u>	<u>152</u>	<u>389</u>	<u>80,061</u>	<u>54,689</u>	<u>166,289</u>

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13. PROPERTY, PLANT AND EQUIPMENT (Continued)

13. 物業、廠房及設備 (續)

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 機動車輛 RMB'000 人民幣千元	Mining infrastructure 採礦基建 RMB'000 人民幣千元	Construction in progress ("CIP") 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
31 December 2020	2020年12月31日							
Cost:	成本：							
At 1 January 2020	於2020年1月1日	40,352	70,243	1,327	2,663	135,454	38,578	288,617
Additions from continuing operations (note 4)	持續經營業務添置 (附註4)	-	851	16	-	4,417	9,416	14,700
Additions from discontinued operations	已終止經營業務添置	-	339	32	700	-	3,989	5,060
Transferred from CIP	轉自在建工程	87	4,913	-	90	-	(5,090)	-
Disposals in discontinued operations	已終止經營業務出售	-	(3,627)	-	-	-	-	(3,627)
Transferred from assets held for sale	轉自持作出售資產	-	9,322	-	-	-	-	9,322
Cost included in discontinued operations	計入已終止經營業務的成本	-	(51,936)	(781)	(1,057)	-	(4,069)	(57,843)
Exchange realignment	匯兌調整	-	1,079	19	7	-	134	1,239
		<u>40,439</u>	<u>31,184</u>	<u>613</u>	<u>2,403</u>	<u>139,871</u>	<u>42,958</u>	<u>257,468</u>
At 31 December 2020	於2020年12月31日							
Accumulated depreciation and impairment:	累計折舊及減值：							
At 1 January 2020	於2020年1月1日	20,838	21,714	735	2,193	49,745	2,543	97,768
Provided for the year from continuing operations (note 7)	年內計提的持續經營業務 撥備 (附註7)	1,538	2,011	45	77	6,077	-	9,748
Provided for the year from discontinued operations	年內計提的已終止經營 業務撥備	-	10,401	87	140	-	-	10,628
Impairment recognised during the year from discontinued operations (note 10(a))	年內確認的已終止經營 業務減值 (附註10(a))	-	17,209	-	-	-	-	17,209
Disposals	出售	-	(3,543)	-	-	-	-	(3,543)
Transferred from assets held for sale	轉自持作出售資產	-	6,915	-	-	-	-	6,915
Depreciation and impairment included in discontinued operations	計入已終止經營業務的 折舊及減值	-	(35,271)	(451)	(218)	-	(1,084)	(37,024)
Exchange realignment	匯兌調整	-	292	11	4	-	29	336
		<u>22,376</u>	<u>19,728</u>	<u>427</u>	<u>2,196</u>	<u>55,822</u>	<u>1,488</u>	<u>102,037</u>
At 31 December 2020	於2020年12月31日							
Net carrying amount:	賬面淨額：							
At 1 January 2020	於2020年1月1日	<u>19,514</u>	<u>48,529</u>	<u>592</u>	<u>470</u>	<u>85,709</u>	<u>36,035</u>	<u>190,849</u>
At 31 December 2020	於2020年12月31日	<u>18,063</u>	<u>11,456</u>	<u>186</u>	<u>207</u>	<u>84,049</u>	<u>41,470</u>	<u>155,431</u>

In accordance with the Group's accounting policies, each asset or CGU is evaluated annually at 31 December or biannually at 30 June to determine whether there are any indications of impairment. If any such indications of impairment exist, a formal estimate of the recoverable amount is made.

本集團按照其會計政策每年於12月31日或每半年於6月30日評估各資產或現金產生單位，以釐定是否有任何減值跡象。倘出現任何有關減值跡象，則作出正式可收回金額估計。

14. INTANGIBLE ASSETS

14. 無形資產

31 December 2021	2021年12月31日
Cost:	成本：
At 1 January and 31 December 2021	於2021年1月1日及12月31日
Accumulated amortisation and impairment:	累計攤銷及減值：
At 1 January 2021 Amortisation provided during the year (note 7)	於2021年1月1日 年內計提的攤銷撥備 (附註7)
At 31 December 2021	於2021年12月31日
Net carrying amount:	賬面淨額：
At 1 January 2021	於2021年1月1日
At 31 December 2021	於2021年12月31日

Mining rights 採礦權 RMB'000 人民幣千元	Exploration rights and assets 探礦權及資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<u>800,295</u>	<u>65,991</u>	<u>866,286</u>
130,683	–	130,683
<u>582</u>	–	<u>582</u>
<u>131,265</u>	–	<u>131,265</u>
<u>669,612</u>	<u>65,991</u>	<u>735,603</u>
<u>669,030</u>	<u>65,991</u>	<u>735,021</u>

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14. INTANGIBLE ASSETS (Continued)

14. 無形資產 (續)

		Mining rights 採礦權 RMB'000 人民幣千元	Exploration rights and assets 探礦權及資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
31 December 2020	2020年12月31日			
Cost:	成本：			
At 1 January and 31 December 2020	於2020年1月1日及12月31日	800,295	65,991	866,286
Accumulated amortisation and impairment:	累計攤銷及減值：			
At 1 January 2020	於2020年1月1日	129,620	-	129,620
Amortisation provided during the year (note 7)	年內計提的攤銷撥備 (附註7)	1,063	-	1,063
At 31 December 2020	於2020年12月31日	130,683	-	130,683
Net carrying amount:	賬面淨額：			
At 1 January 2020	於2020年1月1日	670,675	65,991	736,666
At 31 December 2020	於2020年12月31日	669,612	65,991	735,603

As at 31 December 2021, the mining rights of Maoling Mine with a net carrying amount of RMB19,321,000 (31 December 2020: RMB19,903,000) were pledged to secure the Group's bank loans (note 25(a)).

於2021年12月31日，賬面淨額為人民幣19,321,000元（2020年12月31日：人民幣19,903,000元）的毛嶺鐵礦採礦權已作質押，作為本集團銀行貸款的擔保（附註25(a)）。

15. LEASES**The Group as a lessee**

The Group has lease contracts for office premises and various items of plant and machinery used in its operations. During the reporting period, the Group entered into certain long-term lease contracts for items of plant and machinery. Lump sum payments were made upfront to acquire the leased office premises with lease periods of 3 years, and no ongoing payments will be made under the terms of these leases. Leases of office premises have lease term between 1 and 2 years. Leases of plant and machinery generally have lease term between 1 and 2 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

As at 1 January 2021	於2021年1月1日
Lease modification	租賃修改
Lease termination	租賃終止
Exchange realignment	匯兌調整
Depreciation charged in continuing operations (note 7)	已扣除的持續經營業務折舊 (附註7)
As at 31 December 2021	於2021年12月31日

15. 租賃**本集團作為承租人**

本集團就業務所用多個辦公室物業以及不同廠房及機器項目訂立租賃合約。於報告期內，本集團就廠房及機器項目訂立若干長期租賃合約。本集團已就取得租期為3年的租賃辦公室物業支付一筆過前期款項，且根據該等租賃的條款不會持續付款。辦公室物業租賃的租期介乎1至2年。廠房及機器租賃的租期一般為1至2年。一般而言，本集團不可將租賃資產轉讓及分租予本集團以外人士。

(a) 使用權資產

本集團使用權資產的賬面金額及年內變動如下：

Office premises 辦公室物業 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
572	6,337	6,909
-	(4,196)	(4,196)
(153)	-	(153)
(25)	-	(25)
(380)	(1,123)	(1,503)
14	1,018	1,032

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15. LEASES (Continued) The Group as a lessee (Continued) (a) Right-of-use assets (Continued)

15. 租賃 (續) 本集團作為承租人 (續) (a) 使用權資產 (續)

		Office premises 辦公室物業 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 1 January 2020	於2020年1月1日	2,725	453	3,178
Additions from continuing operations	持續經營業務添置	-	8,066	8,066
COVID-19-related rent concessions from lessors in continuing operations	出租人授予持續經營業務的COVID-19相關租金寬減	(232)	-	(232)
COVID-19-related rent concessions from lessors in discontinued operations	出租人授予已終止經營業務的COVID-19相關租金寬減	(22)	-	(22)
Depreciation charged in continuing operations (note 7)	已扣除的持續經營業務折舊 (附註7)	(769)	(1,730)	(2,499)
Depreciation charged in discontinued operations	已扣除的已終止經營業務折舊	(583)	-	(583)
Impairment recognised in discontinued operations (note 10)	已確認的已終止經營業務減值 (附註10)	-	(452)	(452)
Assets included in discontinued operations (note 10)	計入已終止經營業務的資產 (附註10)	(547)	-	(547)
As at 31 December 2020	於2020年12月31日	<u>572</u>	<u>6,337</u>	<u>6,909</u>

15. LEASES (Continued)**The Group as a lessee (Continued)****(b) Lease liabilities**

The carrying amount of lease liabilities and the movements during the year are as follows:

		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Carrying amount at 1 January	於1月1日的賬面金額	7,263	2,629
New leases from continuing operations (note 32(b))	持續經營業務新租賃 (附註32(b))	-	8,066
Accretion of interest recognised during the year from continuing operations (note 6)	年內確認的持續經營業務 應計利息(附註6)	198	330
Accretion of interest recognised during the year from discontinued operations	年內確認的已終止經營業務 應計利息	-	23
COVID-19-related rent concessions from lessors of continuing operations	出租人授予持續經營 業務的COVID-19 相關租金寬減	-	(232)
COVID-19-related rent concessions from lessors of discontinued operations	出租人授予已終止經營 業務的COVID-19 相關租金寬減	-	(22)
Lease modification	租賃修改	(4,196)	-
Lease termination	租賃終止	(137)	-
Payments from continuing operations	持續經營業務付款	(423)	(2,313)
Payments from discontinued operations	已終止經營業務付款	-	(562)
Liabilities directly associated with assets included in discontinued operations (note 10)	與計入已終止經營業務的 資產直接相關的負債 (附註10)	-	(656)
Carrying amount at 31 December	於12月31日的賬面金額	2,705	7,263
Analysed into:	分析為：		
Current portion	流動部分	2,305	3,945
Non-current portion	非流動部分	400	3,318

15. 租賃(續)**本集團作為承租人(續)****(b) 租賃負債**

租賃負債的賬面金額及年內變動如下：

	2021	2020
	2021年	2020年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Carrying amount at 1 January	7,263	2,629
New leases from continuing operations (note 32(b))	-	8,066
Accretion of interest recognised during the year from continuing operations (note 6)	198	330
Accretion of interest recognised during the year from discontinued operations	-	23
COVID-19-related rent concessions from lessors of continuing operations	-	(232)
COVID-19-related rent concessions from lessors of discontinued operations	-	(22)
Lease modification	(4,196)	-
Lease termination	(137)	-
Payments from continuing operations	(423)	(2,313)
Payments from discontinued operations	-	(562)
Liabilities directly associated with assets included in discontinued operations (note 10)	-	(656)
Carrying amount at 31 December	2,705	7,263
Analysed into:		
Current portion	2,305	3,945
Non-current portion	400	3,318

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15. LEASES (Continued)

The Group as a lessee (Continued)

(b) Lease liabilities (Continued)

The maturity analysis of lease liabilities is disclosed in note 38 to the financial statements. The Group has applied the practical expedient to all eligible rent concessions granted by the lessors for leases of certain plant and equipment during the year.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

Interest on lease liabilities	租賃負債的利息
– from continuing operations (note 6)	– 持續經營業務 (附註6)
– from discontinued operations	– 已終止經營業務
Depreciation charge of right-of-use assets	使用權資產的折舊支出
– from continuing operations (note 15(a))	– 持續經營業務 (附註15(a))
– from discontinued operations	– 已終止經營業務
Losses relating to lease termination	租賃終止的虧損
Expense relating to short-term leases (included in administrative expenses) (note7)	與短期租賃有關的開支 (計入行政開支) (附註7)
Total amount recognised in profit or loss	於損益確認的總額

(d) The total cash outflow for leases is disclosed in note 32(c) to the financial statements.

15. 租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債 (續)

租賃負債的到期狀況分析於財務報表附註38披露。本集團已於年內在出租人就若干廠房及設備租賃所授予的所有合資格租金寬減時採用可行權宜方法。

(c) 就租賃於損益確認的金額如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
198	330
–	23
1,503	2,499
–	583
16	–
99	614
1,816	4,049

(d) 租賃的現金流出淨總額於財務報表附註32(c)披露。

16. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

16. 預付款項、其他應收款項及其他資產

		Note 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
<i>Current portion:</i>	<i>流動部分：</i>			
Prepayments consisting of:	預付款項包括：			
Purchase of raw materials	購買原材料		120	705
Utilities	公用服務		191	220
Prepayment for the maintenance of a road	道路維護預付款項		47	47
Other prepayments	其他預付款項		1,254	1,208
Other receivables consisting of:	其他應收款項包括：			
Deductible value added tax input	可扣減進項增值稅		1,122	1,708
Other receivables	其他應收款項		2,303	1,409
			5,037	5,297
Impairment allowance	減值備抵	(a)	(604)	(604)
			4,433	4,693
<i>Non-current portion:</i>	<i>非流動部分：</i>			
Prepayment for the maintenance of a road	道路維護預付款項		484	538
Long-term deposit	長期押金		402	428
			886	966
			5,319	5,659

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16. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (Continued)

Note:

- (a) The movements in the loss allowance for impairment of financial assets included in prepayments, other receivables and other assets are as follows:

At beginning of year	於年初
Amount written off as uncollectible	撇銷不可收回金額
At end of year	於年終

Where applicable, impairment analysis is performed at each reporting date by considering expected credit losses, which are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The loss rate applied as at 31 December 2021 ranged 0.0% to 100.0% (31 December 2020: 0.0% to 100.0%).

16. 預付款項、其他應收款項及其他資產 (續)

附註：

- (a) 計入預付款項、其他應收款項及其他資產的金融資產的減值虧損備抵變動如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
604	606
—	(2)
604	604

在適用情況下，本集團會於各報告日期透過考慮預期信用損失進行減值分析，而預期信用損失乃參照本集團的歷史虧損紀錄應用虧損率方法估計。本集團會調整虧損率，以反映當前狀況及對未來經濟狀況的預測（如適用）。於2021年12月31日，所應用的虧損率介乎0.0%至100.0%（2020年12月31日：0.0%至100.0%）。

17. DEFERRED TAX

The movements in deferred tax assets during the year are as follows:

		Losses available for offsetting against taxable profits	Excess tax depreciation over book value of fixed assets	Provision for rehabilitation	Provision for impairment	Others	Total
		可供抵銷應課稅利潤的虧損	固定資產的稅項折舊超出賬面值的差額	復原撥備	減值撥備	其他	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2020	於2020年1月1日	3,799	5,640	331	2,275	738	12,783
Deferred tax credited/ (charged) to profit or loss during the year from continuing operations (note 9)	年內在損益入賬/ (扣除)的持續經營業務遞延稅項(附註9)	1,981	(339)	348	(40)	91	2,041
Deferred tax assets at 31 December 2020	於2020年12月31日的遞延稅項資產	5,780	5,301	679	2,235	829	14,824
At 1 January 2021	於2021年1月1日	5,780	5,301	679	2,235	829	14,824
Deferred tax credited/ (charged) to profit or loss during the year from continuing operations (note 9)	年內在損益入賬/ (扣除)的持續經營業務遞延稅項(附註9)	(2,491)	(430)	352	(33)	(14)	(2,616)
Deferred tax assets at 31 December 2021	於2021年12月31日的遞延稅項資產	3,289	4,871	1,031	2,202	815	12,208

As at 31 December 2021, the Group has tax losses arising from Mainland China of RMB408,363,000 (31 December 2020: RMB1,051,268,000) that would expire in one to five years and other deductible temporary differences of RMB115,431,000 (31 December 2020: RMB119,234,000) that were available for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as it is not considered probable that taxable profits will be available against which they can be utilised.

17. 遞延稅項

遞延稅項資產於年內的變動如下：

於2021年12月31日，本集團有源自中國內地、將於一至五年內到期的稅項虧損人民幣408,363,000元（2020年12月31日：人民幣1,051,268,000元）及其他可扣減暫時差額人民幣115,431,000元（2020年12月31日：人民幣119,234,000元），可用以抵銷未來應課稅利潤。由於本集團認為不大可能有應課稅利潤可用以抵銷稅項虧損及可扣減暫時差額，故並無就上述虧損及可扣減暫時差額確認遞延稅項資產。

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17. DEFERRED TAX (Continued)

Deferred tax assets related to the PRC subsidiaries have been provided at the enacted corporate income tax rate of 25%.

Pursuant to the income tax rules and regulations of the PRC, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement has been effective from 1 January 2008 and applied to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The withholding tax rate for the Group is 10%.

As at 31 December 2021, no deferred tax liability has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the Directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future.

18. INVENTORIES

Raw materials	原材料
Spare parts and consumables	後備配件及消耗品
Finished goods	成品
Provision for inventories	存貨撥備

17. 遞延稅項 (續)

與中國子公司有關的遞延稅項資產已按25%的已頒佈企業所得稅稅率計提。

根據中國有關所得稅的法規及條例，對宣派予在中國內地成立的外資企業中的外國投資者的股息徵收10%的預扣稅。該規定已由2008年1月1日起生效，並適用於2007年12月31日後的盈利。倘若中國內地與外國投資者所在司法權區之間存在稅務協定，可能會運用較低的預扣稅率。對本集團而言，預扣稅率為10%。

於2021年12月31日，就本集團於中國內地成立的子公司須繳納預扣稅的未匯款盈利而言，概無確認與該等應付預扣稅有關的遞延稅項負債。董事認為，該等子公司不大可能於可見將來分派該等盈利。

18. 存貨

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
5,569	3,549
2,447	2,236
3,911	56
11,927	5,841
(27)	(27)
11,900	5,814

19. TRADE AND BILLS RECEIVABLES

Trade receivables	應收賬款
Impairment	減值
Trade receivables, net of impairment	應收賬款，已扣除減值
Bills receivable	應收票據

The Group's trading terms with its customers are mainly on credit. During the year, the Group granted credit terms ranging from two months to six months to its customers for the sale of self-produced products and a credit term of six months to its trading customers. Trade receivables are non-interest-bearing and unsecured.

An ageing analysis of the trade receivables as at the end of each reporting period, based on the date of revenue recognised and net of loss allowance, is as follows:

Within 3 months	3個月內
3 to 6 months	3至6個月

19. 應收賬款及票據

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
208,279	187,702
(7,204)	(11,334)
201,075	176,368
2,580	5,392
203,655	181,760

本集團與客戶的貿易條款主要為除賬形式。本集團年內給予自產產品銷售的客戶兩至六個月的信用期，並給予買賣客戶六個月的信用期。應收賬款為不計息及無抵押。

於各報告期末，基於收入確認日期，應收賬款(已扣除虧損備抵)的賬齡分析如下：

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
137,059	176,368
64,016	-
201,075	176,368

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19. TRADE AND BILLS RECEIVABLES (Continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

At beginning of year	於年初
Reversal of impairment losses, net (note 7)	減值虧損撥回淨額(附註7)
At end of year	於年終

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type and rating). The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due and are not subject to enforcement activity.

19. 應收賬款及票據(續)

應收賬款減值虧損備抵的變動如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
11,334	12,813
(4,130)	(1,479)
<u>7,204</u>	<u>11,334</u>

於各報告日期，本集團利用撥備矩陣計量預期信用損失，以進行減值分析。撥備率乃基於多個具有類似虧損模式的客戶分部組別(即按客戶類別及評級劃分)的逾期天數釐定。計算方法反映概率加權結果及於報告日期可獲得有關過往事件、當前狀況及對未來經濟狀況的預測的合理而具理據支持資料。一般而言，應收賬款如逾期及不受強制執行活動所限，則會撇銷。

19. TRADE AND BILLS RECEIVABLES (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2021

Expected credit loss rate	預期信用損失率
Gross carrying amount (RMB'000)	賬面總額 (人民幣千元)
Expected credit losses (RMB'000)	預期信用損失 (人民幣千元)

As at 31 December 2020

Expected credit loss rate	預期信用損失率
Gross carrying amount (RMB'000)	賬面總額 (人民幣千元)
Expected credit losses (RMB'000)	預期信用損失 (人民幣千元)

19. 應收賬款及票據 (續)

下文載列利用撥備矩陣得出本集團應收賬款面對的信貸風險的資料：

於2021年12月31日

Current 即期	Past due 逾期	Total 總計
–	100%	3.5%
201,075	7,204	208,279
–	7,204	7,204

於2020年12月31日

Current 即期	Past due 逾期	Total 總計
2.3%	100%	6%
180,498	7,204	187,702
4,130	7,204	11,334

19. TRADE AND BILLS RECEIVABLES (Continued) Transferred financial assets that are derecognised in their entirety

As at 31 December 2021, the Group endorsed certain bills receivable accepted by banks in the PRC to certain of its suppliers in order to settle the trade payables to these suppliers with a carrying amount in aggregate of RMB44,440,000 (31 December 2020: RMB178,896,316) (referred to as the "Derecognised Bills"). The Derecognised Bills have a maturity term from one to seven months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the "Continuing Involvement"). In the opinion of the Directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated advances on discounting and trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their face amounts. In the opinion of the Directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

No gains or losses were recognised from the Continuing Involvement, both during the year and cumulatively. The endorsement of bills receivable has been made evenly throughout the year.

19. 應收賬款及票據(續) 整項終止確認的已轉讓金融資產

於2021年12月31日，本集團向若干供應商批註經中國的銀行接納的若干應收票據，以清償賬面總額為人民幣44,440,000元（2020年12月31日：人民幣178,896,316元）的應付該等供應商賬款（「終止確認票據」）。於報告期末，終止確認票據為期一至七個月。按照中國票據法，倘中國的銀行違約，則終止確認票據持有人有權向本集團提出追討（「持續性參與」）。董事認為，本集團已將終止確認票據的絕大部分風險及回報轉移，因此已取消確認終止確認票據及相關貼現墊款及應付賬款的全部賬面金額。本集團因對終止確認票據的持續性參與及因購回該等終止確認票據的未貼現現金流而承受損失的最高風險相等於其面額。董事認為，本集團對終止確認票據的持續性參與的公平值不大。

概無就持續性參與確認年內及累計收益或虧損。應收票據的批註於整個年度均等地作出。

20. BALANCES WITH RELATED PARTIES

20. 與關聯方的結餘

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
<i>Due from a related party:</i>				
Trade receivables				
	– Huili County Caitong Iron and Titanium Co., Ltd (“Huili Caitong”)	(i)	8,929	8,929
Non-trade in nature				
	– Huili Caitong	(ii)	799	–
			9,728	8,929
<i>Due to related parties:</i>				
Non-trade in nature				
	– Sichuan Chuanwei Group Co., Ltd. (“Chuan Wei”)	(v)	1,996	1,736
	– Trisonic International	(iii)	3,393	2,132
Dividend payable				
	– Huili Caitong	(iv)	7,680	7,680
			13,069	11,548
Analysed into:				
	Current portion		5,389	3,868
	Non-current portion		7,680	7,680

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20. BALANCES WITH RELATED PARTIES

(Continued)

Notes:

- (i) The balance due from Huili Caitong as at 31 December 2021 and 2020 represented trade receivables on the rendering of consultancy and management services provided by the Group.
- (ii) The balance due from Huili Caitong as at 31 December 2021 represented the advances granted to Huili Caitong, which was collectible on demand.
- (iii) The balance due to Trisonic International as at 31 December 2021 and 2020 mainly represented an interest-free loan granted by Trisonic International, which was repayable on demand.
- (iv) These dividends were proposed and declared before the completion of the disposal of Huili Caitong and were payable to Huili Caitong.
- (v) Chuan Wei is ultimately controlled by the same beneficial owners. The balances due to Chuan Wei as at 31 December 2021 and 2020 mainly comprised staff remuneration paid by Chuan Wei on behalf of Sichuan Lingyu and Aba Mining.

20. 與關聯方的結餘 (續)

附註：

- (i) 於2021年及2020年12月31日應收會理財通結餘指本集團提供顧問及管理服務的應收賬款。
- (ii) 於2021年12月31日應收會理財通結餘指授予會理財通的墊款，須應要求收回。
- (iii) 於2021年及2020年12月31日應付合創國際結餘主要指合創國際提供的一筆免息貸款，須應要求償還。
- (iv) 此等股息乃於完成出售會理財通前建議及宣派，並應付會理財通。
- (v) 川威由相同的實益擁有人最終控制。於2021年及2020年12月31日應付川威的結餘主要包括川威代表四川凌御及阿壩礦業支付的員工薪酬。

21. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

Cash and bank balances	現金及銀行結餘
Less: pledged time deposits for:	減：就以下項目質押的
	有期存款：
Issue of bills payable	發行應付票據
Other payables	其他應付款項
Bank loans	銀行貸款
Cash and cash equivalents	現金及現金等價物

Notes:

- (a) As at 31 December 2020, deposits amounting to RMB303,000 were restricted to secure the Group's other payables to a construction supplier.
- (b) As at 31 December 2021, deposits amounting to RMB10,000,000 were restricted to secure the Group's bank loan granted by Shanghai Pudong Development Bank.

The Group's cash and bank balances are denominated in RMB at the end of each reporting period, except for the following:

Cash and bank balances denominated in:	以下列貨幣計值的現金及銀行結餘：
HKD	港元
USD	美元
SGD	新加坡元

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

21. 現金及現金等價物以及已質押存款

Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
	16,462	32,973
	26	25
(a)	–	303
(b)	10,000	–
	10,026	328
	6,436	32,645

附註：

- (a) 於2020年12月31日，為數人民幣303,000元的存款受限制用作本集團應付一間建築供應商的其他款項的抵押。
- (b) 於2021年12月31日，為數人民幣10,000,000元的存款受限制用作上海浦東發展銀行授予本集團的銀行貸款的抵押。

本集團的現金及銀行結餘於各報告期末以人民幣計值，惟下列款項除外：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
473	614
31	36
590	101

人民幣不可自由兌換為其他貨幣，然而，根據中國外匯管理條例及結匯、售匯及付匯管理規定，本集團獲批准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

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21. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS (Continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

22. TRADE PAYABLES

An ageing analysis of the trade payables of the Group as at the end of the reporting period, based on the invoice date or issuance date, where appropriate, is as follows:

Within 180 days	180天內
181 to 365 days	181至365天
1 to 2 years	1至2年
2 to 3 years	2至3年
Over 3 years	超過3年

Trade payables of the Group are non-interest-bearing and are normally settled within 180 days.

21. 現金及現金等價物以及已質押存款(續)

銀行現金按基於每日銀行存款利率計算的浮動利率計息。銀行結餘及有期存款存放於近期並無違約紀錄且信譽可靠的銀行。

22. 應付賬款

於報告期末，本集團應付賬款基於發票日期或發出日期(如適用)的賬齡分析如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
23,303	24,664
2,115	1,001
3,814	766
189	203
3,656	3,859
33,077	30,493

本集團的應付賬款為不計息，通常於180天內結算。

23. CONTRACT LIABILITIES

Short-term advances received from customers	已收客戶短期墊款
Sale of self-produced high-grade iron concentrates from continuing operations	持續經營業務銷售自產高品位鐵精礦

The movement of contract liabilities in continuing operations for the years ended on 31 December 2021 and 2020 was mainly due to the increase in short-term advances received from customers in relation to the sale of self-produced high-grade iron concentrate at the end of the year.

Changes in contract liabilities during the reporting periods are as follows:

23. 合約負債

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元

6,166	2,277
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截至2021年及2020年12月31日止年度持續經營業務的合約負債變動主要源於年末就銷售自產高品位鐵精礦已收客戶的短期墊款增加。

合約負債於報告期內的變動如下：

At 1 January	於1月1日	2,277	5,820
Revenue recognised that was included in the contract liabilities at the beginning of year	計入年初合約負債的已確認收入		
– from continued operations	–來自持續經營業務	(2,277)	–
– from discontinued operations	–來自已終止經營業務	–	(5,820)
Increase due to cash received, excluding amounts recognised as revenue during the year	因已收現金而增加，不包括年內確認為收入的款項	6,166	2,277
At 31 December	於12月31日	6,166	2,277

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元

2,277	5,820
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(2,277)	–
–	(5,820)

6,166	2,277
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6,166	2,277
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24. OTHER PAYABLES AND ACCRUALS

24. 其他應付款項及應計款項

		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
<i>Current portion:</i>	<i>流動部分：</i>		
Payables related to:	關於下列項目的應付款項：		
Construction in progress	在建工程	19,778	24,217
Taxes other than income tax	除所得稅外的稅項	6,636	8,586
Exploration and evaluation assets	探礦及評估資產	8,418	8,922
Payroll and welfare payable	應付薪資及福利	7,868	10,307
Consultancy and professional fees	諮詢及專業費	2,358	2,141
Deposits received	已收押金	4	4
Accrued government surcharges	應計政府附加費	4,529	4,529
Accrued interest expenses	應計利息開支	534	107
Other payables	其他應付款項	9,868	4,441
		59,993	63,254
<i>Non-current portion:</i>	<i>非流動部分：</i>		
Other payables	其他應付款項	700	700
		700	700
		60,693	63,954

25. INTEREST-BEARING BANK AND OTHER BORROWINGS

25. 計息銀行及其他借貸

		Notes 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Bank loans – Secured	銀行貸款—有抵押	(a)	79,612	79,615
Other borrowings – Secured	其他借貸—有抵押	(b)	–	5,120
Other borrowings – Unsecured	其他借貸—無抵押	(c)	12,580	–
			92,192	84,735
Analysed into:	分析為：			
<i>Bank loans repayable:</i>	<i>應於下列期間償還的 銀行貸款：</i>			
Within one year or on demand	一年內或應要求		5,000	79,615
In the second year	第二年		74,612	–
			79,612	79,615
<i>Other borrowings repayable:</i>	<i>應於下列期間償還的 其他借貸：</i>			
Within one year or on demand	一年內或應要求		12,580	5,120
Total bank and other borrowings	銀行及其他借貸總額		92,192	84,735
Balances classified as current liabilities	分類為流動負債的結餘		(17,580)	(84,735)
Balances classified as non-current liabilities	分類為非流動負債的結餘		74,612	–
			4.35%	4.35%
			6.50%-8.00%	5.51%

2021
2021年
(Effective interest rate)
(實際利率)

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25. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

Notes:

(a) As at 31 December 2021 the Group's bank loans of RMB79,612,000 (31 December 2020: RMB79,615,000) are secured by:

- (i) Mining rights of Maoling Mine;
- (ii) 100% equity of Aba Mining held by Sichuan Lingyu; and
- (iii) A pledged deposit of RMB10,000,000.

In addition, Akuang Trading and Sichuan Lingyu have guaranteed the bank loans up to RMB79,612,000 (2020: RMB79,615,000) as at 31 December 2021 and 31 December 2020.

(b) The balance as at 31 December 2020 mainly represented the short-term loan granted by a third party to Aba Mining at the annual interest rate of 5.51%. The loan was secured by bills receivable of RMB5,120,000 and repaid on 29 April 2021.

(c) The balance as at 31 December 2021 mainly consists of short-term loans granted by a third party to Aba Mining at the annual interest rates ranging from 6.50% to 8.00%. These loans were unsecured with repayment terms ranging from five months to twelve months.

25. 計息銀行及其他借貸 (續)

附註：

(a) 於2021年12月31日，本集團人民幣79,612,000元（2020年12月31日：人民幣79,615,000元）的銀行貸款以下列項目作抵押：

- (i) 毛嶺鐵礦的採礦權；
- (ii) 四川凌御所持阿壩礦業100%股本權益；及
- (iii) 人民幣10,000,000元的已質押存款。

此外，於2021年12月31日及2020年12月31日，阿壩貿易及四川凌御為最多人民幣79,612,000元（2020年：人民幣79,615,000元）的銀行貸款提供擔保。

(b) 於2020年12月31日的結餘主要指由一名第三方向阿壩礦業授出的短期貸款，年利率為5.51%。該筆貸款以人民幣5,120,000元的應收票據作抵押，已於2021年4月29日償還。

(c) 於2021年12月31日的結餘主要包括由一名第三方向阿壩礦業授出的短期貸款，年利率為6.50%至8.00%。該等貸款為無抵押，還款期介乎五個月至十二個月。

26. PROVISION FOR REHABILITATION

At beginning of year	於年初
Unwinding of discount (note 6)	貼現回撥 (附註6)
At end of year	於年終

26. 復原撥備

2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
13,654	12,847
869	807
14,523	13,654

27. SHARE CAPITAL

Number of ordinary shares	普通股數目
Authorised ordinary shares of HKD0.1	每股面值0.1港元的法定普通股
Issued and fully paid ordinary shares of HKD0.1	每股面值0.1港元的已發行及繳足普通股
Amounts	金額
Issued and fully paid ordinary shares of HKD0.1	每股面值0.1港元的已發行及繳足普通股

27. 股本

2021	2020
2021年	2020年
10,000,000,000	10,000,000,000
2,249,015,410	2,249,015,410
2021	2020
2021年	2020年
RMB'000	RMB'000
人民幣千元	人民幣千元
197,889	197,889

A summary of movements in the Company's share capital is as follows:

本公司股本變動概要如下：

	Number of shares in issue	Issued capital
	已發行股份數目	已發行股本
		RMB'000
		人民幣千元
As at 1 January 2021 and 31 December 2021	於2021年1月1日及2021年12月31日	
	<u>2,249,015,410</u>	<u>197,889</u>

28. SHARE OPTION SCHEMES 2010 Option Scheme

On 15 April 2010, the Company adopted a share option scheme (the “2010 Option Scheme”). Eligible participants of the 2010 Option Scheme include Directors, chief executives, substantial shareholders or employees (whether full time or part time) of any member of the Group and any persons whom the board of the Company considers, in its sole discretion, have contributed or will contribute to the development and growth of the Group.

The 2010 Option Scheme will remain in force for 10 years from that date, unless otherwise cancelled or amended.

The maximum number of the Company’s shares in respect of which options may be granted under the 2010 Option Scheme and any other schemes of the Company shall not, in aggregate, exceed 207,500,000 shares, being 10% of the total number of shares of the Company in issue on the adoption date of the 2010 Option Scheme. The maximum number of shares issued and which may fall to be issued upon exercise of the options granted and to be granted under the 2010 Option Scheme to each eligible participant in the 2010 Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue as at the date of grant. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

Share options granted to Directors, chief executives, substantial shareholders or any of their respective associates are subject to approval by the independent non-executive directors (excluding the independent non-executive directors who are the grantees of the options). In addition, any grant of share options to substantial shareholders or independent non-executive directors or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue on the date of offer with an aggregate value (based on the closing price of the Company’s shares quoted on the HKSE at the date of grant) in excess of HKD5 million made within any 12-month period from the date of grant (inclusive) would be subject to shareholders’ approval in a general meeting.

28. 股份期權計劃 2010年期權計劃

於2010年4月15日，本公司採納一項股份期權計劃（「2010年期權計劃」）。2010年期權計劃的合資格參與人士包括本集團任何成員公司的董事、最高行政人員、主要股東或全職或兼職僱員，以及本公司董事會全權酌情認為曾經或將會對本集團的發展及增長作出貢獻的任何人士。

除非另行註銷或修訂，否則2010年期權計劃將於由該日起計10年內一直有效。

根據2010年期權計劃及本公司任何其他計劃，可能授出的期權涉及的本公司股份最高數目合共不得超過207,500,000股，即於2010年期權計劃採納日期本公司已發行股份總數的10%。根據2010年期權計劃，於任何12個月期間內向2010年期權計劃下各合資格參與人士授出及將授出的期權獲行使時已發行及可能須予發行的股份最高數目以佔於授出日期本公司已發行股份的1%為限。進一步授出超過該上限的股份期權須待股東於股東大會上批准。

向董事、最高行政人員、主要股東或彼等各自任何聯繫人授出股份期權前，須取得獨立非執行董事（不包括屬期權承授人的獨立非執行董事）批准。此外，如於授出日期（包括當日）起計任何12個月期間內授予主要股東或獨立非執行董事或彼等各自任何聯繫人的任何股份期權超逾於要約日期本公司已發行股份的0.1%，以及總值（基於港交所所報本公司股份於授出日期的收市價計算）超逾5百萬港元，則須在股東大會上取得股東批准。

28. SHARE OPTION SCHEMES (Continued)**2010 Option Scheme (Continued)**

The offer of a grant of share options may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HKD1 in total by the grantee. The exercise period of the share options granted is determinable by the Directors that no option may be exercised more than 10 years from the date of grant.

The exercise price of share options is determinable by the board of Directors, but may not be less than the highest of (i) the nominal value of shares of the Company; (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of grant of the share options; and (iii) the HKSE closing price of the Company's shares on the date of grant of the share options.

2020 Option Scheme

On 16 June 2020, the Company adopted a share option scheme (the "2020 Option Scheme"). Eligible participants of the 2020 Option Scheme include Directors, chief executives, substantial shareholders or employees (whether full time or part time) of any member of the Group and any persons whom the board of Directors considers, in its sole discretion, have contributed or will contribute to the development and growth of the Group. The 2020 Option Scheme will remain in force for 10 years from that date, unless otherwise cancelled or amended.

As at 31 December 2021, no share options have been granted to any eligible participants since the adoption of the 2020 Option Scheme.

28. 股份期權計劃 (續)**2010年期權計劃 (續)**

授出股份期權的要約可於由要約日期起計28日內接納，承授人接納股份期權時須支付合共1港元的象徵式代價。所授出股份期權的行使期由董事釐定，惟期權概不得於授出日期滿10年後行使。

股份期權的行使價由董事會釐定，惟不得低於下列各項中的最高者：(i)本公司股份面值；(ii)本公司股份於緊接授出股份期權日期前五個交易日的平均收市價；及(iii)本公司股份於授出股份期權日期的港交所收市價。

2020年期權計劃

於2020年6月16日，本公司採納一項股份期權計劃（「2020年期權計劃」）。2020年期權計劃的合資格參與人士包括本集團任何成員公司的董事、最高行政人員、主要股東或全職或兼職僱員，以及董事會全權酌情認為曾經或將會對本集團的發展及增長作出貢獻的任何人士。除非另行註銷或修訂，否則2020年期權計劃將於由該日起計10年內仍然有效。

於2021年12月31日，自採納2020年期權計劃以來，概無向任何合資格參與人士授出任何股份期權。

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28. SHARE OPTION SCHEMES (Continued)

2020 Option Scheme (Continued)

The following share options were outstanding under the 2010 Option Scheme during the year:

As at 1 January 2021	於2021年1月1日
– 2010 Option Scheme	– 2010年期權計劃
Expired during the year	年內屆滿
– 2010 Option Scheme	– 2010年期權計劃
As at 31 December 2021	於2021年12月31日

Notes:

- (a) The share options outstanding as at 1 January 2021 represented share options granted under the 2010 Option Scheme by the Company on 23 May 2011 and 15 April 2014 at the exercise prices of HKD3.60 and HKD1.00 per share, respectively.
- (b) The following share options under the 2010 Option Scheme expired upon the expiry of the exercise period:

Number of options	Exercise price per share
期權數目	每股行使價
'000	HKD
千份	港元
6,000	3.60

28. 股份期權計劃 (續)

2020年期權計劃 (續)

於年內根據2010年期權計劃尚未行使的股份期權如下：

Notes	Weighted average exercise price HKD per share	Number of options '000
附註	加權平均行使價每股港元	期權數目千份
(a)	2.00	15,600
(b)	3.60	(6,000)
	<u>1.00</u>	<u>9,600</u>

附註：

- (a) 於2021年1月1日尚未行使的股份期權指本公司於2011年5月23日及2014年4月15日根據2010年期權計劃分別按行使價每股3.60港元及1.00港元授出的股份期權。
- (b) 2010年期權計劃下於行使期屆滿時屆滿的股份期權如下：

Exercise period
行使期
23 May 2013 to 22 May 2021
2013年5月23日至2021年5月22日

28. SHARE OPTION SCHEMES (Continued)**2020 Option Scheme (Continued)**

The exercise prices and exercise periods of the share options outstanding as at 31 December 2021 and 2020 are as follows:

31 December 2021

Number of options	Exercise price per share	Exercise period
期權數目	每股行使價	行使期
'000 千份	HKD 港元	
4,800	1.00	15 October 2014 to 14 April 2024 2014年10月15日至2024年4月14日
2,400	1.00	15 April 2015 to 14 April 2024 2015年4月15日至2024年4月14日
2,400	1.00	15 October 2015 to 14 April 2024 2015年10月15日至2024年4月14日
9,600		

2021年12月31日

31 December 2020

Number of options	Exercise price per share	Exercise period
期權數目	每股行使價	行使期
'000 千份	HKD 港元	
6,000	3.60	23 May 2013 to 22 May 2021 2013年5月23日至2021年5月22日
4,800	1.00	15 October 2014 to 14 April 2024 2014年10月15日至2024年4月14日
2,400	1.00	15 April 2015 to 14 April 2024 2015年4月15日至2024年4月14日
2,400	1.00	15 October 2015 to 14 April 2024 2015年10月15日至2024年4月14日
15,600		

2020年12月31日

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28. SHARE OPTION SCHEMES (Continued)

The Group had 9,600,000 share options exercisable as at 31 December 2021 (31 December 2020: 15,600,000) and the weighted average exercise price was HKD1.00 per share (31 December 2020: HKD2.00).

The Group did not recognise any share option expense during the year (2020: nil).

The fair values of equity-settled share options granted were estimated and valued by independent professional valuers as at the dates of grant, using the binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the major inputs to the model used:

Dividend yield (%)	股息率(%)	2.17
Expected volatility (%)	預期波幅(%)	49.47
Risk-free interest rate (%)	無風險利率(%)	2.270

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At 31 December 2021, the Company had 9,600,000 share options outstanding under the 2010 Option Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 9,600,000 additional ordinary shares of the Company and additional share capital of HKD960,000 and share premium of HKD8,640,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 9,600,000 share options outstanding, which represented approximately 0.43% of the Company's shares in issue as at that date.

28. 股份期權計劃(續)

於2021年12月31日，本集團有9,600,000份(2020年12月31日：15,600,000份)股份期權可予行使，而加權平均行使價為每股1.00港元(2020年12月31日：2.00港元)。

年內，本集團並無確認任何股份期權開支(2020年：無)。

授出的股權結算股份期權的公平值已於授出日期由獨立專業估值師以二項模式估計及估值，當中已考慮授出期權的條款及條件。下表列出該模式所用的主要輸入值：

Equity-settled share options granted on 於下列日期授出的股權結算股份期權

15 April
2014
2014年
4月15日

預期波幅反映歷史波幅乃未來趨勢指標的假設，不一定為實際結果。

計量公平值時概無計及已授出期權的其他特質。

於2021年12月31日，本公司根據2010年期權計劃有9,600,000份尚未行使股份期權。根據本公司現時資本架構，悉數行使尚未行使股份期權將導致額外發行9,600,000股本公司普通股以及產生額外股本960,000港元及股份溢價8,640,000港元(未扣除發行開支)。

於該等財務報表獲批准之日，本公司有9,600,000份尚未行使股份期權，相當於該日的本公司已發行股份約0.43%。

29. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity in the financial statements.

(a) Share premium account

The application of the share premium account is governed by the Companies Law of the Cayman Islands. Under the constitutional documents and the Companies Law of the Cayman Islands, the share premium is distributable as dividend on the condition that the Company is able to pay its debts when they fall due in the ordinary course of business at the time the proposed dividend is to be paid.

(b) Statutory reserve fund

In accordance with the Company Law of the PRC and the respective articles of association of the PRC subsidiaries, each of the PRC subsidiaries other than Sichuan Lingyu is required to allocate 10% of its profits after tax, as determined in accordance with the PRC Generally Accepted Accounting Principles ("PRC GAAP"), to the statutory surplus reserve (the "SSR") until such reserve reaches 50% of its registered capital.

As Sichuan Lingyu is a wholly-foreign-owned enterprise, according to the Rules for the Implementation of Foreign-funded Enterprise Law of the PRC and the articles of association of Sichuan Lingyu, Sichuan Lingyu is required to allocate 10% of its profit after tax in accordance with PRC GAAP to the statutory reserve fund (the "SRF") until such reserve reaches 50% of its registered capital.

The SSR and the SRF are non-distributable except in the event of liquidation and subject to certain restrictions set out in the relevant PRC regulations. They can be used to offset accumulated losses or capitalised as paid-up capital.

29. 儲備

本集團於本年度及過往年度的儲備金額及其變動於財務報表的綜合股權變動表呈列。

(a) 股份溢價賬

股份溢價賬的應用受開曼群島公司法監管。根據組織章程文件及開曼群島公司法，在派付擬派股息時，本公司能夠於其於日常業務過程中的債項到期時支付該等債項的情況下，股份溢價可作為股息分派。

(b) 法定儲備金

按照中國公司法及中國子公司各自的公司章程細則，各中國子公司（四川凌御除外）須分配其按照中國公認會計原則釐定的稅後利潤的10%至法定盈餘公積金，直至該公積金達至其註冊資本的50%為止。

由於四川凌御為一間外商獨資企業，根據中國外資企業法實施細則及四川凌御的公司章程細則，四川凌御須按照中國公認會計原則分配其10%稅後利潤至法定儲備金，直至該儲備金達至其註冊資本的50%為止。

除清盤外，法定盈餘公積金及法定儲備金均不可用作分派，並受到若干相關中國法規所限制。法定盈餘公積金及法定儲備金可用作抵銷累計虧損或被資本化為繳足資本。

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29. RESERVES (Continued)

(c) Contributed surplus

The contributed surplus represented the difference between the nominal value of the Company's shares issued in exchange of or consideration paid for subsidiaries acquired and the aggregate amount of the nominal value for the paid-up capital of these subsidiaries attributable to the owners of the Company for business combinations under common control.

(d) Safety fund surplus reserve

Pursuant to a Notice regarding Safety Production Expenditure jointly issued by the Ministry of Finance and the State Administration of Work Safety of the PRC in February 2012, the Group is required to establish a safety fund surplus reserve based on the volume of mineral ore extracted. The safety fund can only be transferred to retained earnings to offset safety related expenses as and when they are incurred, including expenses related to safety protection facilities and equipment improvement and maintenance as well as safety production inspection, appraisal, consultation and training.

(e) Share option reserve

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained earnings should the related options expire. As at 31 December 2021, the expired share options due to resignation and the expiry of the exercise period amounted to RMB5,805,000 (31 December 2020: RMB9,643,000), which was transferred to retained profits.

(f) Capital reserve

The capital reserve represented the Group's capital injection to subsidiaries by way of transfer from retained profits in 2012.

29. 儲備 (續)

(c) 實繳盈餘

實繳盈餘指本公司用以交換所收購子公司或為此支付代價而發行的本公司股份面值與就共同控制下的業務合併而言歸屬於本公司擁有人的該等子公司的繳足資本面值總金額之間的差額。

(d) 安全基金專項儲備

根據中國財政部及國家安全生產監督管理總局於2012年2月聯合頒佈的一則關於安全生產費的通知，本集團須基於所開採礦量成立安全基金專項儲備。安全基金只可當及於安全相關開支產生時轉撥至留存盈利以抵銷相關開支，包括與保安設施及設備提升及維護以及安全生產檢查、評估、諮詢及培訓有關的開支。

(e) 股份期權儲備

股份期權儲備包括已授出但尚未行使的股份期權的公平值，進一步闡述見財務報表附註2.4有關以股份為基礎的付款的會計政策。該款項將於相關期權獲行使時轉撥至股份溢價賬，或在相關期權屆滿的情況下轉撥至留存盈利。於2021年12月31日，因辭任及行使期屆滿而屆滿的股份期權為人民幣5,805,000元（2020年12月31日：人民幣9,643,000元），已轉撥至留存利潤。

(f) 資本公積

資本公積指本集團於2012年透過從留存利潤轉撥而向子公司作出的注資。

30. PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiary that has material non-controlling interests are set out below:

Percentage of equity interest held by non-controlling interests: Sichuan Haoyuan	非控股權益所持股本權益的百分比： 四川浩遠
Total comprehensive income/(loss) for the year allocated to non-controlling interests: Sichuan Haoyuan	分配至非控股權益的年內全面收益／(虧損)總額： 四川浩遠
Accumulated balances of non-controlling interests at the reporting date: Sichuan Haoyuan	於報告日期的非控股權益累計結餘： 四川浩遠

The following tables illustrate the summarised financial information of the above subsidiary.

Other income and gain	其他收入及收益
Other expenses	其他開支
Total comprehensive income/(loss) for the year	年內全面收益／(虧損)總額
Current assets	流動資產
Non-current assets	非流動資產
Current liabilities	流動負債
Net cash flows used in operating activities	經營活動使用的現金流量淨額
Net cash flows from investing activities	投資活動所得的現金流量淨額
Net cash flows from/(used in) financing activities	融資活動所得／(使用)的現金流量淨額
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額

30. 擁有重大非控股權益的非全資子公司

擁有重大非控股權益的本集團子公司的詳情載列如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
49%	49%
68	(1,127)
294,895	294,827

下表說明以上子公司的概要財務資料。

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
810	-
(672)	(2,300)
138	(2,300)
1,588	1,707
659,788	659,824
(59,549)	(59,843)
(311)	(1,129)
753	-
(444)	1,123
(2)	(6)

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31. DISPOSAL OF SUBSIDIARIES

31. 出售子公司

NET LIABILITIES DISPOSED OF:

Property, plant and equipment
Right-of-use assets
Inventories
Trade and bills receivables
Contract assets
Prepayments, other receivables and other assets
Cash and cash equivalents
Assets classified as held for sale
Trade payables
Other payables and accruals
Interest-bearing bank and other borrowings
Due to related parties
Lease liabilities

Add:

Non-controlling interests derecognised on completion of the Disposal
Other costs attributable to the Disposal
Gain on disposal of subsidiaries

Satisfied by:

Cash

所出售淨負債：

物業、廠房及設備
使用權資產
存貨
應收賬款及票據
合約資產
預付款項、其他應收款項及其他資產
現金及現金等價物
分類為持作出售的資產
應付賬款
其他應付款項及應計款項
計息銀行及其他借貸
應付關聯方款項
租賃負債

加：

於出售事項完成時終止確認的非控股權益
出售事項應佔其他成本
出售子公司的收益

償付方式：

現金

31 July
2021
2021年
7月31日
RMB'000
人民幣千元
(unaudited)
(未經審核)

21,824

1,078

11,639

5,113

1,911

3,611

3,598

16,415

(13,871)

(36,067)

(15,663)

(8,991)

(858)

(10,261)

6,247

591

10,723

7,300

7,300

31. DISPOSAL OF SUBSIDIARIES (Continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

Cash consideration	現金代價	
Cash and bank balances disposed of	所出售現金及銀行結餘	
Other costs attributable to the Disposal	出售事項應佔其他成本	
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	有關出售子公司的現金及現金等價物流入淨額	

31. 出售子公司 (續)

有關出售子公司的現金及現金等價物流入淨額分析如下：

RMB'000
人民幣千元
7,300
(3,598)
(591)
3,111

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**(a) Major non-cash transactions**

During the year ended 31 December 2021, the Group had a non-cash decrease to right-of-use assets and lease liabilities of RMB4,196,000 and RMB4,196,000 in respect of the lease modification for plant and machinery and a non-cash decrease to right-of-use assets and lease liabilities of RMB153,000 and RMB137,000 in respect of the lease termination for office premises.

During the year ended 31 December 2021, the Group had a decrease of bills receivable and trade payables of RMB5,120,000 in respect of the payment satisfied by bills receivable.

During the year ended 31 December 2020, the Group had a non-cash addition to right-of-use assets and lease liabilities of RMB8,066,000 in respect of lease modification for office premises.

32. 綜合現金流量表附註**(a) 主要非現金交易**

於截至2021年12月31日止年度，本集團有關廠房及機器租賃修改的使用權資產及租賃負債非現金減少分別為人民幣4,196,000元及人民幣4,196,000元，而有關辦公室物業租賃終止的使用權資產及租賃負債非現金減少分別為人民幣153,000元及人民幣137,000元。

於截至2021年12月31日止年度，本集團有關以應收票據償付的款項的應收票據及應付賬款減少人民幣5,120,000元。

於截至2020年12月31日止年度，本集團有關辦公室物業租賃修改的使用權資產及租賃負債非現金添置為人民幣8,066,000元。

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32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Changes in liabilities arising from financing activities

Year ended 31 December 2021

At 1 January 2021	於2021年1月1日
Changes from financing cash flows	融資現金流量變動
Interest expense	利息開支
Payment satisfied by bills receivable	以應收票據償付的款項
Lease termination	租賃終止
Lease modifications	租賃修改
At 31 December 2021	於2021年12月31日

32. 綜合現金流量表附註 (續)

(b) 融資活動所產生負債的變動

截至2021年12月31日止年度

Bank and other borrowings	Interest payable	Amount due to a related party	Lease liabilities
銀行及其他借貸	應付利息	一名關聯方款項	租賃負債
RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元	人民幣千元
84,735	107	11,548	7,263
12,577	(3,899)	1,521	(423)
-	4,326	-	198
(5,120)	-	-	-
-	-	-	(137)
-	-	-	(4,196)
92,192	534	13,069	2,705

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Changes in liabilities arising from financing activities (Continued)

Year ended 31 December 2020

		Bank and other loans	Interest payable	Amount due to a related party provision 應付 一名關聯方 款項撥備	Lease liabilities 租賃負債
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	99,247	111	40,638	2,629
Changes from financing cash flows	融資現金流量變動	3,174	(4,864)	(127)	(2,875)
New lease (note 15(b))	新租賃 (附註15(b))	-	-	-	8,066
Derecognised as a result of COVID-19-related rent concessions	因COVID-19相關租金寬減而終止確認	-	-	-	(254)
Interest expense	利息開支	-	4,860	-	353
Increase from reclassification as a result of disposal of subsidiaries	因出售子公司導致重新分類而增加	-	-	(17,201)	-
Foreign exchange movement	外匯變動	(26)	-	10	-
Liabilities included in the Disposal Group	計入出售集團的負債	(17,660)	-	(11,772)	(656)
At 31 December 2020	於2020年12月31日	<u>84,735</u>	<u>107</u>	<u>11,548</u>	<u>7,263</u>

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

Within operating activities	於經營活動內
Within financing activities	於融資活動內

32. 綜合現金流量表附註 (續)

(b) 融資活動所產生負債的變動 (續)

截至2020年12月31日止年度

		Bank and other loans	Interest payable	Amount due to a related party provision 應付 一名關聯方 款項撥備	Lease liabilities 租賃負債
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	99,247	111	40,638	2,629
Changes from financing cash flows	融資現金流量變動	3,174	(4,864)	(127)	(2,875)
New lease (note 15(b))	新租賃 (附註15(b))	-	-	-	8,066
Derecognised as a result of COVID-19-related rent concessions	因COVID-19相關租金寬減而終止確認	-	-	-	(254)
Interest expense	利息開支	-	4,860	-	353
Increase from reclassification as a result of disposal of subsidiaries	因出售子公司導致重新分類而增加	-	-	(17,201)	-
Foreign exchange movement	外匯變動	(26)	-	10	-
Liabilities included in the Disposal Group	計入出售集團的負債	(17,660)	-	(11,772)	(656)
At 31 December 2020	於2020年12月31日	<u>84,735</u>	<u>107</u>	<u>11,548</u>	<u>7,263</u>

(c) 租賃的現金流出總額

計入現金流量表的租賃現金流出總額如下：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
99	614
<u>695</u>	<u>2,875</u>
<u>794</u>	<u>3,489</u>

33. FINANCIAL GUARANTEE CONTRACT

As mentioned in the Company's annual financial statements for the year ended 31 December 2019, the Company entered into a sales and purchase agreement with Chengyu Vanadium Titano Technology Ltd. ("Chengyu Vanadium Titano") on 29 January 2019 in respect of the disposal of Huili Caitong and its subsidiaries (the "Huili Caitong Group") with the consideration of RMB550,000,000. Upon the completion of the disposal on 30 July 2019, the Huili Caitong Group (i) has ceased to be the subsidiaries of the Company and (ii) has become subsidiaries of Chengyu Vanadium Titano.

As at 31 December 2021, the maximum amount of the guarantees given by the Company in favour of the Huili Caitong Group, was RMB730,000,000 (31 December 2020: RMB730,000,000) (the "CVT Guarantees"). The CVT Guarantees were provided by the Company prior to the disposal of the Huili Caitong Group to guarantee the indebtedness of the Huili Caitong Group owed to certain banks and an asset management and financial services institution in the PRC. The indebtedness has not been repaid and the CVT Guarantees continued as at 31 December 2021. The Company's obligations under the CVT Guarantees have been counter-indemnified by Chengyu Vanadium Titano. Details about the CVT Guarantees and the counter-indemnity are included in notes 35(b)(i) and (ii) to the financial statements.

The CVT Guarantees are measured at the higher of the ECL allowance and the amount initially recognised less the cumulative amount of income recognised. The ECL allowance is measured by estimating the cash shortfalls, which are based on the expected payments to reimburse certain banks and an asset management and financial services institution for a credit loss that it incurs less any amounts that the Group expects to receive from Huili Caitong Group. The amount initially recognised representing the fair value at initial recognition of CVT Guarantees was not significant. During the year ended 31 December 2021, no ECL allowance should be recognised as a provision during the year ended 31 December 2021 (2020: nil).

The credit exposure of CVT Guarantees is classified as stage 1. During the year, there were no transfers between stages (2020: nil).

33. 財務擔保合約

誠如本公司截至2019年12月31日止年度的全年財務報表所述，本公司於2019年1月29日與成渝鈦鈷科技有限公司（「成渝鈦鈷」）訂立一份買賣協議，內容有關出售會理財通及其子公司（「會理財通集團」），代價為人民幣550,000,000元。於2019年7月30日出售完成後，會理財通集團(i)不再為本公司的子公司及(ii)成為成渝鈦鈷的子公司。

於2021年12月31日，本公司以會理財通集團為受益人作出的擔保的最高金額為人民幣730,000,000元（2020年12月31日：人民幣730,000,000元）（「中國鐵鈦擔保」）。中國鐵鈦擔保由本公司於出售會理財通集團前提供，以擔保會理財通集團結欠中國若干銀行及一間資產管理及金融服務機構的債務。於2021年12月31日，該等債務仍未償還，而中國鐵鈦擔保仍然有效。本公司於中國鐵鈦擔保下的義務由成渝鈦鈷作反彌償保證。有關中國鐵鈦擔保及反彌償保證的詳情載於財務報表附註35(b)(i)及(ii)。

中國鐵鈦擔保乃按預期信用損失備抵與初始確認金額減所確認收入累積金額兩者的較高者計量。預期信用損失備抵乃藉估計現金不足之數計量，而估計現金不足之數乃基於為付還若干銀行以及一間資產管理及金融服務機構產生的信用損失預期支付的款項減本集團預期從會理財通集團收取的任何金額。初始確認的金額（相當於初始確認中國鐵鈦擔保時的公平值）並不重大。於截至2021年12月31日止年度，並無預期信用損失備抵應確認為撥備（2020年：無）。

中國鐵鈦擔保的信貸敞口分類為階段1。年內並無階段之間的轉撥（2020年：無）。

34. CAPITAL COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

Contracted, but not provided for:	已訂約，但未撥備：
– Acquisition of mining rights	– 收購採礦權

35. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

Revenue generated from the rendering of consultancy and management services to Huili Caitong	向會理財通提供顧問及管理服務所產生的收入
--	----------------------

Note:

- (i) Huili Caitong and Trisonic International are ultimately controlled by the same beneficial owners. The Group has entered into a three-year consultancy and management service contract with Huili Caitong from 1 January 2018 to 31 December 2020 at a yearly fixed fee of RMB8,600,000. In arriving at the above service fee, the Group has considered a third party quotation for providing similar services and negotiated on an arm's length basis.

34. 資本承擔

本集團於報告期末有以下資本承擔：

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
837	1,736

35. 關聯方交易

(a) 除本財務報表其他部分已詳列的交易外，本集團於年內與關聯方進行以下交易：

Note 附註	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
(i)	–	8,113

附註：

- (i) 會理財通及合創國際由同一實益擁有人最終控制。本集團已與會理財通訂立一份三年期的顧問及管理服務合約，年期為2018年1月1日至2020年12月31日，年度固定費用為人民幣8,600,000元。於達致上述服務費用時，本集團已考慮提供相類服務的第三方報價，並按公平基準磋商。

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35. RELATED PARTY TRANSACTIONS (Continued)

(b) Other transactions with related parties

- (i) Prior to the completion of the disposal of Huili Caitong Group, the Company provided the CVT Guarantees in favour of the Huili Caitong Group with the aggregate maximum guaranteed amount of RMB730,000,000. The principal terms of the CVT Guarantees are set out as follows:

Borrower 借款人	Lender and beneficiary of the guarantee 貸款人及擔保受益人	Guarantor 擔保人	Maximum guaranteed amount 最高擔保額 RMB'000 人民幣千元
Huili Caitong 會理財通	China Cinda Asset Management Co., Ltd, Sichuan Branch 中國信達資產管理股份 有限公司四川分公司	the Company 本公司	200,000
Huili Caitong 會理財通	Industrial and Commercial Bank of China Limited, Liangshan Branch 中國工商銀行股份有限公司 涼山分行	the Company 本公司	100,000
Xiushuihe Mining 秀水河礦業	Industrial and Commercial Bank of China Limited, Liangshan Branch 中國工商銀行股份有限公司 涼山分行	the Company 本公司	30,000
Huili Caitong 會理財通	China Construction Bank Corporation, Liangshan Branch 中國建設銀行股份有限公司 涼山分行	the Company 本公司	400,000
			730,000

35. 關聯方交易 (續)

(b) 與關聯方的其他交易

- (i) 於完成出售會理財通集團前，本公司以會理財通集團為受益人作出中國鐵鈦擔保，最高擔保總額為人民幣730,000,000元。中國鐵鈦擔保的主要條款載列如下：

35. RELATED PARTY TRANSACTIONS (Continued)**(b) Other transactions with related parties (Continued)**

- (ii) Chengyu Vanadium Titano and Trisonic International are ultimately controlled by the same beneficial owners. A counter-indemnity has been entered into between Chengyu Vanadium Titano and the Company for the respective period from 30 July 2019 to the date of the release of the CVT Guarantees, details of which are specified in note 35(b)(i). Chengyu Vanadium Titano's inventories (including, but not limited to, structural steels and coals) with the aggregate amount of approximately RMB1,067,000,000 have been pledged as security for such counter-indemnity at 31 December 2021 (31 December 2020: RMB1,067,000,000).

(c) Outstanding balances with related parties

Details of the Group's balances with its related parties as at the end of the reporting period are disclosed in note 20 to the financial statements.

(d) Compensation of key management personnel of the Group

Details of Directors' and the chief executive's emoluments, including compensation of key management personnel, are set out in note 8 to the financial statements.

35. 關聯方交易 (續)**(b) 與關聯方的其他交易 (續)**

- (ii) 成渝鈮鈦及合創國際由同一實益擁有人最終控制。成渝鈮鈦與本公司訂立反彌償保證，年期由2019年7月30日起至中國鐵鈦擔保解除當日為止（詳情載於附註35(b)(i)）。於2021年12月31日，成渝鈮鈦總額約人民幣1,067,000,000元（2020年12月31日：人民幣1,067,000,000元）的存貨（包括但不限於建築用鋼材及煤炭）已質押作為該反彌償保證的抵押。

(c) 尚未收回與關聯方的結餘

於報告期末本集團與其關聯方結餘的詳情於財務報表附註20披露。

(d) 本集團主要管理人員的補償

有關董事及最高行政人員酬金（包括主要管理人員的補償）的詳情載於財務報表附註8。

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36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

<i>Financial assets at amortised cost</i>	按攤銷成本計量的金融資產
Trade receivables	應收賬款
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產
Due from related parties	應收關聯方款項
Pledged deposits	已質押存款
Cash and cash equivalents	現金及現金等價物

<i>Financial assets at fair value through other comprehensive income</i>	按公平值計量而其變動計入損益的金融資產
Bills receivable	應收票據

Financial liabilities

<i>Financial liabilities at amortised cost</i>	按攤銷成本計量的金融負債
Trade payables	應付賬款
Other payables and accruals	其他應付款項及應計款項
Due to related parties	應付關聯方款項
Interest-bearing bank and other borrowings	計息銀行及其他借貸
Lease liabilities	租賃負債

36. 按類別劃分的金融工具

各類金融工具於報告期末的賬面金額如下：

金融資產

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
201,075	176,368
2,101	1,233
9,728	8,929
10,026	328
6,436	32,645
229,366	219,503
2,580	5,392
231,946	224,895

金融負債

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
33,077	30,493
41,660	40,532
13,069	11,548
92,192	84,735
2,705	7,263
182,703	174,571

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial instruments reasonably approximate to fair values are as explained below:

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, amounts due from related parties, trade payables, financial liabilities included in other payables, interest-bearing bank and other borrowings and amounts due to related parties approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's corporate finance team headed by the group finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the financial controller and the audit committee. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the financial controller. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of financial assets at fair value through profit or loss is based on valuation techniques. The model incorporates unobservable inputs of the recovery rate. The carrying amount of financial assets at fair value through profit or loss is the same as its fair value.

The fair value measurement hierarchy of the Group's financial assets at fair value through profit or loss measured at fair value required significant unobservable inputs (Level 3) as at 31 December 2021 and 2020. An increase in the recovery rate would result in the increase in the fair value of exchangeable notes. The fair value measurement hierarchy of the Group's assets held for sale measured at fair value was derived from quoted prices in markets that were not active (Level 2) as at 31 December 2021 and 2020.

37. 金融工具公平值及公平值架構

本集團金融工具的賬面金額與公平值合理地相若，闡述如下：

管理層評定現金及現金等價物、已質押存款、應收賬款及票據、計入預付款項、其他應收款項及其他資產的金融資產、應收關聯方款項、應付賬款、計入其他應付款項的金融負債、計息銀行及其他借貸以及應付關聯方款項的公平值主要因短期到期而與賬面金額相若。

本集團由集團財務經理領導的公司財務團隊負責制定金融工具公平值計量的政策及程序。公司財務團隊直接向財務總監及審核委員會匯報。公司財務團隊於各報告日期分析金融工具價值變動，並決定估值所使用的主要輸入值。估值經財務總監審閱及批准。公司財務團隊與審核委員會就中期及年度財務申報每年兩次討論估值過程及結果。

金融資產及負債的公平值按工具於自願交易雙方的現行交易（而非強逼或清盤銷售）中可交換的金額計入。估計公平值時已使用以下方法及假設：

按公平值計量而其變動計入損益的金融資產的公平值基於估值技術計量。模型包含收回率的不可觀察輸入值。按公平值計量而其變動計入損益的金融資產的賬面金額與公平值相同。

於2021年及2020年12月31日，本集團按公平值計量的按公平值計量而其變動計入損益的金融資產的公平值計量架構需要重大不可觀察輸入值（第3層）。收回率上升會導致可轉換票據的公平值上升。於2021年及2020年12月31日，本集團按公平值計量的持作出售資產的公平值計量架構根據非活躍市場的報價（第2層）得出。

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The financial assets of the Group mainly include cash and bank balances, pledged deposits, trade and bills receivables, financial assets at fair value through profit or loss, financial assets included in prepayments, other receivables and other assets and amounts due from related parties, which arise directly from its operations. Financial liabilities of the Group mainly include financial liabilities included in other payables and accruals, trade payables, amounts due to related parties and interest-bearing bank and other borrowings.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management is carried out by the finance department which is led by the Group's executive directors. The Group's finance department identifies and evaluates financial risks in close co-operation with the Group's operating units. The main risks arising from the Group's financial instruments are liquidity risk, interest rate risk, credit risk and foreign currency risk.

The Group's financial risk management policy is to ensure that adequate resources are available to manage the above risks and to create value for its shareholders. The Directors regularly review these risks and they are summarised below.

Liquidity risk

The Group monitors its exposure to a shortage of funds by considering the maturity of both its financial liabilities and financial assets and projected cash flows from operations.

As at 31 December 2021, the Group had net current assets of RMB112,616,000 (31 December 2020: RMB27,071,000).

Regarding 2021 and thereafter, the liquidity of the Group is primarily dependent on its ability to maintain adequate cash flows from operations and successfully renew its interest-bearing bank and other borrowings to meet its debt obligations as they fall due.

37. 金融工具公平值及公平值架構 (續)

本集團的金融資產主要包括經營業務直接產生的現金及銀行結餘、已質押存款、應收賬款及票據、按公平值計量而其變動計入損益的金融資產、計入預付款項、其他應收款項及其他資產的金融資產以及應收關聯方款項。本集團的金融負債主要包括計入其他應付款項及應計款項的金融負債、應付賬款、應付關聯方款項以及計息銀行及其他借貸。

38. 財務風險管理目標及政策

財務部在本集團執行董事的領導下進行風險管理。本集團財務部與本集團營運部門緊密合作，負責識別及評估財務風險。本集團金融工具所產生的主要風險包括流動性風險、利率風險、信貸風險及外幣風險。

本集團的財務風險管理政策旨在確保有足夠資源管理上述風險，並為股東創造價值。董事定期檢討該等風險，現概述如下。

流動性風險

本集團透過考慮其金融負債及金融資產的期限和預期經營所得現金流量，監察其須面對的資金短缺風險。

於2021年12月31日，本集團有流動資產淨值人民幣112,616,000元（2020年12月31日：人民幣27,071,000元）。

至於2021年及其後，本集團的流動性主要取決於其能否從業務營運中維持足夠的現金流，以及能否成功續新其計息銀行及其他借貸以履行其到期債務責任。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		2021 2021年				
		On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
		按要求	少於3個月	3至12個月	1至5年	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	5,534	5,006	11,111	74,835	96,486
Trade payables	應付賬款	33,077	–	–	–	33,077
Other payables and accruals	其他應付款項及應計款項	34,683	–	6,277	700	41,660
Lease liabilities	租賃負債	–	54	2,390	406	2,850
Due to related parties	應付關聯方款項	5,389	–	–	7,680	13,069
		78,683	5060	19,778	83,621	187,142
		2020 2020年				
		On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
		按要求	少於3個月	3至12個月	1至5年	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	–	854	99,002	–	99,856
Trade payables	應付賬款	30,493	–	–	–	30,493
Other payables and accruals	其他應付款項及應計款項	39,832	–	–	700	40,532
Lease liabilities	租賃負債	–	929	2,619	4,163	7,711
Due to related parties	應付關聯方款項	3,868	–	–	7,680	11,548
		74,193	1,783	101,621	12,543	190,140

38. 財務風險管理目標及政策 (續)

流動性風險 (續)

於報告期末，本集團金融負債基於合約未貼現付款的期限如下：

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Interest rate risk

The Group's exposure to interest rate risk relates primarily to the Group's bank deposits, interest-bearing bank and other borrowings and exchangeable notes (which are subject to fair value interest rate risk). The interest rates and terms of repayment of interest-bearing bank and other borrowings are disclosed in note 25 to the financial statements.

The Group manages its cash flow interest rate risk exposure arising from all of its interest-bearing loans through the use of fixed rates. In addition, the Group has not used any interest rate swaps to hedge against interest rate risk.

Credit risk

Substantial amounts of the Group's cash and cash equivalents and pledged deposits are held in major reputable financial institutions located in Mainland China, Hong Kong and Australia, which management believes are of high credit quality. The credit risk of the Group's other financial assets, which comprise trade and bills receivables, other receivables and amounts due from related parties, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Group has no other financial assets which carry significant exposure to credit risk.

As disclosed in note 4 to the financial statements, the Group sells most of the products to a small number of customers. As a result, it faces a high level of concentration of credit risk. The Group manages this risk by offering a six-month credit term to its customers for the sale of self-produced products and its trading customers because market conditions remained weak. The Group maintains strict control over its outstanding receivables and senior management regularly reviews the overdue balances. In addition, the Group's exposure to credit risk is also influenced by the individual characteristics of each customer and default risk of the industry in which customers operate. During the year, the Group generated its revenue mainly from the sale of iron products and the trading of steels to the steel producers and distributors that purchase the Group's products and resell them to steel producers. In addition, the Group also generated revenue from the rendering of specialised mining services and consultancy and management service to other customers. In this regard, the Group is exposed to the concentration of credit risk in the steel and iron industries.

38. 財務風險管理目標及政策 (續) 利率風險

本集團面對的利率風險主要與本集團銀行存款、計息銀行及其他借貸及可轉換票據(須面對公平值利率風險)有關。計息銀行及其他借貸的利率及還款條款於財務報表附註25披露。

本集團利用固定利率管理全部計息貸款所產生的現金流量利率風險。此外，本集團並無利用任何利率掉期對沖利率風險。

信貸風險

本集團絕大部分的現金及現金等價物及已質押存款存放於中國內地、香港及澳洲聲譽良好的主要金融機構。管理層相信該等機構擁有良好的信貸質素。本集團其他金融資產(包括應收賬款及票據、其他應收款項及應收關聯方款項)的信貸風險由於交易對手拖欠款項而產生，而所面對的最高風險相等於該等工具的賬面金額。本集團並無其他金融資產須面對重大信貸風險。

誠如財務報表附註4所披露，本集團向少數客戶銷售大部分產品，故信貸風險甚為集中。鑑於市況持續低迷，為管理此風險，本集團為銷售自產產品的客戶及貿易客戶提供六個月的信用期。本集團維持對尚未收回應收款項的嚴格控制，並由高級管理層定期審閱逾期餘款。此外，本集團須承受的信貸風險亦受每名客戶的個別特性及客戶經營行業的違約風險所影響。年內，本集團的收入主要來自向鋼鐵生產商以及購買本集團產品並轉售予鋼鐵生產商的分銷商銷售鐵產品以及進行鋼鐵貿易。此外，本集團的收入亦來自向其他客戶提供專業開採服務以及顧問及管理服務。就此，本集團面對的信貸風險集中於鋼鐵及鐵行業。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Credit risk (Continued)

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2021

38. 財務風險管理目標及政策

(續)

信貸風險 (續)

最高風險及年結階段

下表顯示基於本集團信貸政策的信貸質素及最高信貸風險，主要基於逾期資料（除非其他資料可在無須花費過多成本或精力的情況下獲得），以及於12月31日的年結階段分類。所呈列金額為金融資產賬面總額。

於2021年12月31日

		12-month ECLs 12個月預期信用損失	Life time ECLs 全期預期信用損失			
		Stage 1 階段1 RMB'000 人民幣千元	Stage 2 階段2 RMB'000 人民幣千元	Stage 3 階段3 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills receivables*	應收賬款及票據*	-	-	-	210,859	210,859
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產					
- Normal**	- 正常**	2,101	-	-	-	2,101
- Doubtful**	- 成疑**	-	-	604	-	604
Cash and cash equivalents	現金及現金等價物					
- Not yet past due	- 未逾期	6,436	-	-	-	6,436
Pledged deposits	已質押存款	10,026	-	-	-	10,026
		18,563	-	604	210,859	230,026

* For trade and bill receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the financial statements.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

* 就本集團應用減值簡化方法的應收賬款及票據而言，基於撥備矩陣的資料於財務報表附註19披露。

** 當計入預付款項、其他應收款項及其他資產的金融資產未逾期，且並無資料顯示金融資產的信貸風險自初始確認以來大幅增加時，金融資產的信貸質素被視為「正常」；否則金融資產的信貸質素被視為「成疑」。

Notes to the Financial Statements

財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

As at 31 December 2020

		12-month ECLs 12個月預期 信用損失		Life time ECLs 全期預期信用損失		Total 總計 RMB'000 人民幣千元
		Stage 1 階段1 RMB'000 人民幣千元	Stage 2 階段2 RMB'000 人民幣千元	Stage 3 階段3 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	
Trade and bills receivables*	應收賬款及票據*	-	-	-	193,094	193,094
Financial assets included in prepayments, other receivables and other assets	計入預付款項、 其他應收款項及 其他資產的 金融資產					
- Normal**	- 正常**	1,233	-	-	-	1,233
- Doubtful**	- 成疑**	-	-	604	-	604
Cash and cash equivalents	現金及現金等價物					
- Not yet past due	- 未逾期	32,645	-	-	-	32,645
Pledged deposits	已質押存款	328	-	-	-	328
		<u>34,206</u>	<u>-</u>	<u>604</u>	<u>193,094</u>	<u>227,904</u>

* For trade and bill receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the financial statements.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

38. 財務風險管理目標及政策 (續)

信貸風險 (續)

最高風險及年結階段 (續)

於2020年12月31日

* 就本集團應用減值簡化方法的應收賬款及票據而言，基於撥備矩陣的資料於財務報表附註19披露。

** 當計入預付款項、其他應收款項及其他資產的金融資產未逾期，且並無資料顯示金融資產的信貸風險自初始確認以來大幅增加時，金融資產的信貸質素被視為「正常」；否則金融資產的信貸質素被視為「成疑」。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. Approximately 5% (2020: 16%) of the Group's sales were denominated in currencies other than the functional currencies of the operating units making the sale, whilst approximately 5% (2020: 15%) of costs were denominated in the units' functional currencies, mainly from the discontinued operations.

The Group's foreign currency exposures arise primarily from the exchange rate movement of foreign currencies, namely HKD, USD and SGD, against the RMB, HKD, USD and SGD are the functional currencies of the respective entities within the Group.

The Group does not enter into any hedging transactions to manage the potential fluctuation in foreign currencies. Management monitors the Group's foreign currency exposure and will consider hedging significant foreign currency exposure when the needs arise.

The following table demonstrates the sensitivity to a 5.0% change in RMB against HKD, USD and SGD, respectively. The 5.0% is the rate used when reporting currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in the foreign currency rates. The sensitivity analyses of the Group's exposure to foreign currency risk at the end of each reporting period have been determined based on the adjustment of translation of the monetary assets and liabilities at the end of each reporting period for a 5.0% change in RMB against HKD, USD and SGD, respectively, with all other variables held constant, of the Group's profit before tax for the year ended 31 December 2021 (due to changes in the fair value of cash and cash equivalents and financial assets at fair value through profit or loss denominated in HKD, USD and SGD):

38. 財務風險管理目標及政策 (續) 外幣風險

本集團面對交易貨幣風險，乃源自經營單位以其功能貨幣以外貨幣進行的買賣。本集團約5%（2020年：16%）的銷售額以經營單位進行銷售的功能貨幣以外貨幣計值，而約5%（2020年：15%）的成本以單位的功能貨幣計值，主要來自已終止經營業務。

本集團面對的外幣風險主要源自外幣（即港元、美元及新加坡元）兌人民幣的匯率變動。港元、美元及新加坡元為本集團旗下各實體的功能貨幣。

本集團並無進行任何對沖交易以管理潛在的外幣波動。管理層監察本集團的外幣風險，並將於有需要時考慮對沖重大的外幣風險。

下表說明對人民幣分別兌港元、美元及新加坡元出現5.0%變動的敏感度。5.0%乃內部向主要管理人員匯報貨幣風險時採納的比率，並為管理層對外幣匯率合理可能變動的評估。對本集團於各報告期末的外幣風險的敏感度分析，乃基於在所有其他變數維持不變下，就於各報告期末換算貨幣資產及負債，對本集團截至2021年12月31日止年度的稅前利潤作出人民幣分別兌港元、美元及新加坡元出現5.0%變動的調整（源於按港元、美元及新加坡元計值的現金及現金等價物以及按公平值計量而其變動計入損益的金融資產的公平值變動）得出：

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) Foreign currency risk (Continued)

Increase/(decrease) in profit before tax	稅前利潤增加／(減少)
If RMB strengthens against HKD, USD and SGD	倘人民幣兌港元、美元及新加坡元轉強
If RMB weakens against HKD, USD and SGD	倘人民幣兌港元、美元及新加坡元轉弱

The Group does not consider that it has any significant exposure to the risk of fluctuation in the exchange rates between HKD/USD/SGD and RMB as a reasonable possible change of 5% in RMB against HKD/USD/SGD would have no significant financial impact on the Group's profit or loss.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or raise new capital from its investors. No changes were made in the objectives, policies or processes for managing financial risk during the year.

The Group will minimise the capital expenditure and renew or extend its short-term loans as part of capital management. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Group's policy is to keep the gearing ratio between 20% and 40% over the long term. Net debt is defined as interest-bearing bank and other borrowings and lease liabilities, net of cash and cash equivalents and it excludes liabilities incurred for working capital purposes. Equity includes equity attributable to the owners of the Company and non-controlling interest. As at 31 December 2021, the gearing ratio was 8.7% (2020: 6.1%).

38. 財務風險管理目標及政策 (續) 外幣風險 (續)

2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
(55)	(764)
55	764

由於人民幣兌港元／美元／新加坡元的合理可能變動5%將不會對本集團的損益有任何重大財務影響，故本集團認為其並無面臨港元／美元／新加坡元兌人民幣的重大匯率波動風險。

資本管理

本集團資本管理的主要目的為保障本集團持續經營的能力及維持良好的資本比率，以支持其業務及盡量提高股東價值。

本集團管理其資本結構，並因應經濟狀況變化調整該架構。為維持或調整資本架構，本集團或會調整向股東派付的股息或向其投資者募集新資本。年內並無對管理財務風險的目標、政策或程序作出任何變動。

本集團將盡量減少資本開支並重續或延長其短期貸款作為資本管理一部分。本集團以借貸比率監控其資本，該比率為債務淨額除以權益總額再加債務淨額。本集團的政策為將借貸比率長期維持於20%至40%之間。債務淨額被界定為計息銀行及其他借貸以及租賃負債，扣除現金及現金等價物，且並不包括就營運資金用途而產生的負債。權益包括歸屬於本公司擁有人的權益及非控股權益。於2021年12月31日，借貸比率為8.7% (2020年：6.1%)。

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

39. 本公司的財務狀況表

於報告期末本公司財務狀況表的資料如下：

		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產		
Office equipment	辦公室設備	–	6
Right-of-use assets	使用權資產	–	167
Investments in subsidiaries	於子公司的投資	549,216	539,130
Total non-current assets	非流動資產總值	549,216	539,303
CURRENT ASSETS	流動資產		
Dividend receivable	應收股息	17,156	17,157
Due from subsidiaries	應收子公司款項	138,522	140,618
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	214	75
Cash and cash equivalents	現金及現金等價物	491	540
Total current assets	流動資產總值	156,383	158,390
CURRENT LIABILITIES	流動負債		
Due to subsidiaries	應付子公司款項	58,262	60,391
Due to the holding company	應付控股公司款項	3,393	2,132
Lease liability	租賃負債	–	178
Other payables and accruals	其他應付款項及應計款項	8,704	8,741
Total current liabilities	流動負債總額	70,359	71,442
NET CURRENT ASSETS	流動資產淨值	86,024	86,948
Net assets	資產淨值	635,240	626,251
EQUITY	權益		
Issued capital	已發行股本	197,889	197,889
Reserves (note)	儲備 (附註)	437,351	428,362
Total equity	權益總額	635,240	626,251

Notes to the Financial Statements

財務報表附註

Year ended 31 December 2021
截至2021年12月31日止年度

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

The movements of the Company's reserves are as follows:

		Share premium account	Share option reserve	Accumulated losses	Total
		股份溢價賬	股份期權儲備	累計虧損	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2020	於2020年1月1日	1,877,488	24,569	(1,455,206)	446,851
Transfer of share option reserve upon the expiry of share options	於股份期權屆滿時轉撥股份期權儲備	-	(9,643)	9,643	-
Total comprehensive loss for the year	年內全面虧損總額	-	-	(18,489)	(18,489)
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	1,877,488	14,926	(1,464,052)	428,362
Transfer of share option reserve upon the expiry of share options	於股份期權屆滿時轉撥股份期權儲備	-	(5,805)	5,805	-
Total comprehensive income for the year	年內全面收益總額	-	-	8,989	8,989
At 31 December 2021	於2021年12月31日	1,877,488	9,121	(1,449,258)	437,351

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained profits should the related options expire.

40. COMPARATIVE AMOUNTS

Certain comparative amounts in the preceding year's consolidated financial statements have been re-presented to conform with current year's presentation.

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 29 March 2022.

39. 本公司的財務狀況表 (續)

附註：

本公司儲備的變動如下：

股份期權儲備包括已授出但尚未行使的股份期權的公平值，進一步闡述見財務報表附註2.4有關以股份為基礎的付款的會計政策。該款項將於相關期權獲行使時轉撥至股份溢價賬，或在相關期權屆滿的情況下轉撥至留存利潤。

40. 比較金額

前一年度綜合財務報表內的若干比較數字已重列，以符合本年度的呈列方式。

41. 批准財務報表

董事會於2022年3月29日批准及授權刊發財務報表。

Five-Year Financial Summary

五年財務摘要

SUMMARY OF FINANCIAL INFORMATION

A summary of the results, assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

Results

財務資料摘要

下文載列本集團過去五個財政年度的業績、資產、負債及非控股權益摘要，乃摘錄自己公佈的經審核財務報表。

業績

		For the year ended 31 December				
		截至12月31日止年度				
	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Re-presented) (經重列)	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元 (Re-presented) (經重列)	
CONTINUING OPERATIONS	持續經營業務					
REVENUE	收入	714,760	488,135	517,637	684,750	877,183
Cost of sales	銷售成本	(690,098)	(441,548)	(477,107)	(634,210)	(861,611)
Gross profit	毛利	24,662	46,587	40,530	50,540	15,572
Other income and gains	其他收入及收益	3,888	3,864	409	602	1,353
Selling and distribution expenses	銷售及分銷開支	(373)	(4,572)	(9,194)	(11,284)	(15,123)
Administrative expenses	行政開支	(19,033)	(30,515)	(22,034)	(34,746)	(15,931)
Other expenses	其他開支	(2,288)	(3,212)	(417)	(2,256)	(8,123)
Impairment losses on goodwill	商譽減值虧損	-	-	-	-	-
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	-	-	-	(1,071)	-
Impairment losses on intangible assets	無形資產減值虧損	-	-	-	-	(64,884)
Impairment losses on other intangible asset	其他無形資產減值虧損	-	-	-	-	-
Reversal of/(provision for) impairment losses on trade receivables, net	應收賬款減值虧損撥回/(撥備)淨額	4,130	1,479	8,844	9,898	(10,521)
Impairment losses on financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產減值虧損	-	-	(604)	(23)	-
Impairment losses on assets held for sale	持作出售資產減值虧損	-	-	-	(1,469)	(4,525)
Fair value losses on financial assets at fair value through profit or loss	按公平值計量而其變動計入損益的金融資產的公平值虧損	-	-	-	-	(109,617)
Finance costs	融資成本	(5,393)	(5,598)	(3,139)	(8,343)	(5,282)
Share of losses of an associate	分佔一間聯營公司的虧損	-	-	-	-	(9,458)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	持續經營業務稅前利潤/(虧損)	5,623	8,033	14,395	1,848	(226,539)
Income tax credit/(expense)	所得稅抵免/(開支)	(4,641)	250	(6,091)	2,808	4,076
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務年內利潤/(虧損)	982	8,283	8,304	4,656	(222,463)
DISCONTINUED OPERATIONS	已終止經營業務					
Loss for the year from discontinued operations	已終止經營業務年內虧損	(4,107)	(32,675)	(100,914)	(453,907)	(167,158)
Gain on disposal of discontinued operations	出售已終止經營業務的收益	10,723	-	152,997	-	-
PROFIT/(LOSS) FOR THE YEAR	年內利潤/(虧損)	7,598	(24,392)	60,387	(449,251)	(389,621)

Five-Year Financial Summary 五年財務摘要

		For the year ended 31 December 截至12月31日止年度				
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Re-presented) (經重列)	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元 (Re-presented) (經重列)
OTHER COMPREHENSIVE INCOME/(LOSS):	其他全面收益/(虧損):					
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	可於往後期間重新分類至損益的其他全面收益/(虧損):					
Exchange differences on translation of foreign operations	換算海外業務產生的匯兌差額	840	(1,770)	743	989	(140)
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE YEAR	年內全面利潤/(虧損)總額	8,438	(26,162)	61,130	(448,262)	(389,761)
Profit/(Loss) attributable to:	利潤/(虧損)歸屬於:					
Owners of the Company	本公司擁有人	8,311	(17,054)	69,199	(443,969)	(349,490)
Non-controlling interests	非控股權益	(713)	(7,338)	(8,812)	(5,282)	(40,131)
		7,598	(24,392)	60,387	(449,251)	(389,621)
Total comprehensive income/(loss) attributable to:	全面收益/(虧損)總額歸屬於:					
Owners of the Company	本公司擁有人	8,989	(18,489)	69,800	(443,161)	(349,603)
Non-controlling interests	非控股權益	(551)	(7,673)	(8,670)	(5,101)	(40,158)
		8,438	(26,162)	61,130	(448,262)	(389,761)
Basic and diluted earnings/(loss) per Share attributable to ordinary equity holders of the Company: (RMB)	歸屬於本公司普通股股權持有人的每股股份基本及攤薄盈利/(虧損): (人民幣元)					
- continuing operations	- 持續經營業務	-#	-#	-#	-#	(0.08)
- discontinued operations	- 已終止經營業務	-#	(0.01)	0.03	(0.20)	(0.08)
Total	總計	-#	(0.01)	0.03	(0.20)	(0.16)

Less than RMB0.01

少於人民幣0.01元

Assets, Liabilities and Non-controlling Interests

資產、負債及非控股權益

		As at 31 December				
		於12月31日				
		2021	2020	2019	2018	2017
		2021年	2020年	2019年	2018年	2017年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Non-current assets	非流動資產	915,436	913,733	944,738	923,027	2,100,096
Current assets	流動資產	246,178	311,899	325,194	1,522,820	935,779
Non-current liabilities	非流動負債	(97,915)	(25,352)	(15,071)	(19,133)	(347,513)
Current liabilities	流動負債	(133,562)	(284,828)	(313,247)	(1,533,018)	(1,343,257)
Total equity	權益總額	930,137	915,452	941,614	893,696	1,345,105
Non-controlling interests	非控股權益	(294,897)	(289,201)	(296,874)	(318,959)	(324,198)
Equity attributable to owners of the Company	歸屬於本公司持有人的權益	635,240	626,251	644,740	574,737	1,020,907

Glossary

詞彙

“2019 Completion” 「2019年完成」	指	Completion of the 2019 Disposal on 30 July 2019 於2019年7月30日完成2019年出售事項
“2019 Disposal” 「2019年出售事項」	指	the sale transaction of the Caitong Group from Sichuan Lingyu to Chengyu Vanadium Titano which was entered into on 29 January 2019 and completed on 30 July 2019 於2019年1月29日訂立並於2019年7月30日完成由四川凌御向成渝鈦出售財通集團的交易
“2019 Disposal Group” 「2019年出售集團」	指	refers to the Caitong Group 財通集團
“2021 AGM” 「2021年股東週年大會」	指	the Shareholders’ annual general meeting held on 29 June 2021 於2021年6月29日舉行的股東週年大會
“2022 AGM” 「2022年股東週年大會」	指	the Shareholders’ annual general meeting to be held on 29 June 2022 將於2022年6月29日舉行的股東週年大會
“Aba Mining” 「阿壩礦業」	指	Aba Mining Co., Ltd.*, a limited liability company established in the PRC on 27 February 2004 and an indirect wholly-owned subsidiary of the Company 阿壩礦業有限公司，一間於2004年2月27日在中國成立的有限責任公司，為本公司的間接全資子公司
“Aba Prefecture” 「阿壩州」	指	Aba Tibetan and Qiang Autonomous Prefecture 阿壩藏族羌族自治州
“Akuang Trading” 「阿礦貿易」	指	Huili County Akuang Trading Co., Ltd.*, a limited liability company established in the PRC on 13 June 2012 and an indirect wholly-owned subsidiary of the Company 會理縣阿礦貿易有限公司，一間於2012年6月13日在中國成立的有限責任公司，為本公司的間接全資子公司
“Anhydrite” 「無水石膏」	指	an anhydrous sulfate mineral with the chemical formula CaSO_4 一種無水硫酸鹽礦物，化學式為 CaSO_4
“Articles” 「細則」	指	the articles of association of the Company, adopted on 4 September 2009 and as amended from time to time 本公司於2009年9月4日採納並經不時修訂的組織章程細則

<p>“AUD” 「澳元」</p>	<p>指</p>	<p>the lawful currency of the Commonwealth of Australia 澳大利亞聯邦法定貨幣</p>
<p>“Board” 「董事會」</p>	<p>指</p>	<p>the board of Directors 董事會</p>
<p>“BVI” 「英屬處女群島」</p>	<p>指</p>	<p>The British Virgin Islands 英屬處女群島</p>
<p>“Caitong Group” 「財通集團」</p>	<p>指</p>	<p>refers to Huili Caitong and its subsidiaries, namely Xiushuihe Mining and Panzhihua Yixingda, which engage in sale of self-produced low-grade iron concentrates within the range of 53% TFe to 55% TFe and has been disposed on 30 July 2019 會理財通及其子公司（即秀水河礦業及攀枝花易興達），從事銷售TFe含量介乎53%至55%的自產低品位鐵精礦的業務，已於2019年7月30日出售</p>
<p>“CG Code” 「企管守則」</p>	<p>指</p>	<p>in the context of this annual report, refers to the Corporate Governance Code set out in Appendix 14 to the Listing Rules that is applicable to the Corporate Governance Report for the Reporting Period, unless otherwise specified 除非另有指明，否則就本年報而言為上市規則附錄十四所載適用於報告期的企業管治報告的企業管治守則</p>
<p>“Chengyu Vanadium Titano” 「成渝鈦鈦」</p>	<p>指</p>	<p>Chengyu Vanadium Titano Technology Ltd.*, formerly known as Weiyuan Steel Co., Ltd.*, a sino-foreign equity joint venture established in the PRC on 3 April 2001 and a connected person to the Group 成渝鈦鈦科技有限公司（前稱威遠鋼鐵有限公司），一間於2001年4月3日在中國成立的中外合資經營企業，為本集團的關連人士</p>
<p>“China”, “Mainland China” or “PRC” 「中國」或「中國內地」</p>	<p>指</p>	<p>the People’s Republic of China excluding, for the purpose of this annual report, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan 中華人民共和國，就本年報而言，不包括香港、中國澳門特別行政區及台灣</p>
<p>“China VTM Mining”, “Company”, “our”, “us” or “we” 「中國鐵鈦」、「本公司」或「我們」</p>	<p>指</p>	<p>China Vanadium Titano-Magnetite Mining Company Limited, a limited liability company incorporated in the Cayman Islands on 28 April 2008 中國鈦鈦磁鐵礦業有限公司，一間於2008年4月28日在開曼群島註冊成立的有限公司</p>
<p>“Chuan Wei” 「川威」</p>	<p>指</p>	<p>Sichuan Chuanwei Group Co., Ltd.*, a limited liability company established in the PRC on 29 March 1998 and a connected person to the Group 四川省川威集團有限公司，一間於1998年3月29日在中國成立的有限責任公司，為本集團的關連人士</p>
<p>“close associates” 「緊密聯繫人」</p>	<p>指</p>	<p>has the meaning ascribed thereto in the Listing Rules 具上市規則所賦予的涵義</p>

Glossary

詞彙

“Companies Law” 「公司法」	指	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands 開曼群島法例第22章公司法（1961年法例3，經綜合及修訂）
“connected person(s)” 「關連人士」	指	has the meaning ascribed thereto in the Listing Rules 具上市規則所賦予的涵義
“Continuing Operations” 「持續經營業務」	指	operations of the Remaining Group 保留集團的業務
“Controlling Shareholder(s)” 「控股股東」	指	has the meaning ascribed thereto in the Listing Rules and in the context of this annual report, refers to Trisonic International, Kingston Grand, Messrs. Wang Jin, Shi Yinjun, Yang Xianlu, Wu Wendong, Zhang Yuangui and Li Hesheng 具上市規則所賦予的涵義，就本年報而言，指合創國際、Kingston Grand、王勁先生、石銀君先生、楊先露先生、吳文東先生、張遠貴先生及李和勝先生
“CVT Guarantees” 「中國鐵鈦擔保」	指	guarantees given by the Company in favour of the Caitong Group guaranteeing, inter alia, the indebtedness owing by any company(ies) in the Caitong Group to certain banks and an asset management and financial services institution in the PRC with maximum guaranteed amount of RMB730.0 million 本公司以財通集團為受益人作出的擔保，擔保（其中包括）財通集團內任何公司結欠中國若干銀行以及一間資產管理及金融服務機構的債務，最高擔保金額為人民幣730.0百萬元
“Director(s)” 「董事」	指	director(s) of the Company or any one of them 本公司任何一名或多名董事
“Discontinued Operations” 「已終止經營業務」	指	operations of the Mancala Australia Group, which has been disposed on 31 July 2021 澳洲曼卡拉集團的業務，已於2021年7月31日出售
“Disposal” 「出售事項」	指	the sale transaction of the Mancala Australia Group through the disposal of 81% equity interest in Mancala Holdings from the Company to PT. Hay Wei, which was entered into on 30 June 2021 and completed on 31 July 2021 透過本公司向PT. Hay Wei出售開曼曼卡拉的81%股本權益進行澳洲曼卡拉集團的銷售交易，乃2021年6月30日訂立並於2021年7月31日完成
“Disposal Group” or “Mancala Australia Group” 「出售集團」或「澳洲曼卡拉集團」	指	refers to the Mancala Holdings and its subsidiaries, which was disposed and deconsolidated as at 31 July 2021, upon completion of the Disposal 開曼曼卡拉及其子公司，於2021年7月31日出售事項完成時售出並終止綜合入賬

“Exploration Result(s)”		exploration results(s) include(s) data and information generated by mineral exploration programmes that might be of use to investors but which do not form part of a declaration of mineral resources or ore reserves
「勘查結果」	指	勘查結果包括勘探工作中產生的、可供投資者使用但不作為礦產資源量或礦石儲量正式報告部分的數據和信息
“Fe”		chemical symbol of iron element
「Fe」	指	鐵元素的化學符號
“FY2020”		financial year ended and/or as at 31 December 2020, as applicable
「2020財政年度」	指	截至2020年12月31日止財政年度及／或於2020年12月31日（如適用）
“FY2021”		financial year ended and/or as at 31 December 2021, as applicable
「2021財政年度」	指	截至2021年12月31日止財政年度及／或於2021年12月31日（如適用）
“Group”		the Company and its subsidiaries
「本集團」	指	本公司及其子公司
“gypsum”		a soft hydrous sulfate mineral with the chemical formula $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$
「石膏」	指	一種軟質含水硫酸鹽礦物，化學式為 $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$
“High Fe Mines”		Maoling-Yanglongshan Mines and Maoling Processing Plant
「高鐵品位礦場」	指	毛嶺—羊龍山鐵礦及毛嶺洗選廠
“High-Fe Mining Operation”		refers to operation of sale of self-produced high-grade iron concentrates within the range of 65% TFe to 72% TFe
「高鐵品位礦場業務」	指	銷售TFe含量介乎65%至72%的自產高品位鐵精礦的業務
“Hong Kong”		the Hong Kong Special Administrative Region of the PRC
「香港」	指	中國香港特別行政區
“HKD”		the lawful currency of Hong Kong
「港元」	指	香港法定貨幣
“Hong Kong Stock Exchange”		The Stock Exchange of Hong Kong Limited
「香港聯交所」	指	香港聯合交易所有限公司
“Huili Caitong”		Huili County Caitong Iron and Titanium Co., Ltd.*, established in the PRC on 7 July 1998 and has been a foreign equity joint venture in the PRC since 29 December 2010, an indirect wholly-owned subsidiary of the Company till 30 July 2019
「會理財通」	指	會理縣財通鐵鈦有限責任公司，於1998年7月7日在中國成立，自2010年12月29日起成為中國的外商合資經營企業，直至2019年7月30日為止為本公司的間接全資子公司

Glossary

詞彙

“IFRSs”		International Financial Reporting Standards, which comprise standards and interpretations approved by the International Accounting Standards Board and the International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect
「國際財務報告準則」	指	國際財務報告準則，包括仍然生效由國際會計準則理事會批准的準則及詮釋，以及由國際會計準則委員會批准的國際會計準則及常務詮釋委員會詮釋
“Indicated”		part of a mineral resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit
「控制」	指	礦產資源中有關份量、品位（或質量）、密度、形狀及實體特性均能準確估量的部分，以便運用具充足詳情的修訂因素，支持礦場的生產規劃及進行礦床經濟可行性評估
“Inferred”		part of a mineral resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes
「推斷」	指	礦產資源中有關份量及品位（或質量）可根據有限度的地質證據和採樣估量的部分。地質證據足以假設（但非核實）地質及品位（或質量）的連續性。該估量是根據在露頭、槽探、礦坑、礦內巷道及鑽孔等地點以適當技術收集的勘探、採樣及測試信息作出
“iron”		a silvery-white, lustrous, malleable, ductile, magnetic or magnetisable, metallic element occurring abundantly in combined forms, notably in hematite, limonite, magnetite, and taconite, and used in alloyed in a wide range of important structural materials
「鐵」	指	一種銀白色的、有光澤、有韌性、可延展、有磁性或可被磁化的金屬元素，以化合物形式大量存在，主要有赤鐵礦、褐鐵礦、磁鐵礦及角岩，在許多種重要結構材料中用於合金中
“iron concentrate(s)”		concentrate(s) whose main mineral content (by value) is iron
「鐵精礦」	指	主要礦物成份（按價值）為鐵的精礦

“iron ore(s)” 「鐵礦石」	指	compounds of iron and oxygen (iron oxides) mixed with impurities (gangue); it is a mineral which when heated in the presence of a reductant will yield metallic iron 混合雜質 (脈石) 的鐵與氧混合物 (氧化鐵)；是一種與還原劑一起加熱時會成為金屬鐵的礦物
“iron pellet(s)” 「球團礦」	指	a round hardened clump of iron-rich material suitable for application in blast furnaces 適用於高爐的圓球狀硬化物料，含鐵量高
“JORC Code (2012 Edition)” 「聯合可採儲量委員會規則 (2012年版)」	指	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia in 1989 and revised and updated in 1992, 1996, 1999, 2004 and 2012, that sets out minimum standards, recommendations and guidelines for public reporting 由澳大利西亞礦冶學會、澳洲地質學家協會及澳洲礦物委員會所組成的聯合可採儲量委員會於1989年編製，並於1992年、1996年、1999年、2004年及2012年修訂及更新的澳大利西亞礦產勘探結果、礦產資源量及可採儲量的報告規則，載列就向公眾申報而言的最低標準、建議及指引
“Kingston Grand” 「Kingston Grand」	指	Kingston Grand Limited, a company incorporated in the British Virgin Islands on 20 February 2007, holder of 40% of the issued share capital of Trisonic International Kingston Grand Limited，一間於2007年2月20日在英屬處女群島註冊成立的公司，持有合創國際40%的已發行股本
“km.” 「公里」	指	kilometre(s), a metric unit measure of distance 公里，量度距離的十進制單位
“Kt” 「千噸」	指	thousand tonnes 千噸
“Ktpa” 「千噸／年」	指	thousand tonnes per annum 每年千噸
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange 香港聯交所證券上市規則
“Mancala Holdings” 「開曼曼卡拉」	指	Mancala Holdings Limited, a company incorporated in the Cayman Islands which was directly owned as to 81% by the Company immediately before the Disposal Mancala Holdings Limited，一間於開曼群島註冊成立的公司，緊接出售事項進行前由本公司直接擁有81%權益

Glossary

詞彙

“Maoling Extended Exploration Area”		formerly an independent exploration region with an area of 2.83 sq.km. covered under the extended exploration permit of the Maoling Mine (covering 1.9 sq.km. of the mining area of the Maoling Mine), and has been consolidated with the Yanglongshan Mine since September 2012 to form the Maoling-Yanglongshan Mine
「毛嶺延伸勘查區域」	指	原為毛嶺鐵礦延伸勘查許可證所覆蓋面積為2.83平方公里(覆蓋1.9平方公里的毛嶺鐵礦採礦面積)的獨立勘查區域,自2012年9月起與羊龍山鐵礦合併成為毛嶺—羊龍山鐵礦
“Maoling Mine”		an ordinary magnetite mine located in Wenchuan County, Sichuan, with a mining area of 1.9 sq.km.
「毛嶺鐵礦」	指	一個位於四川汶川縣的普通磁鐵礦,採礦面積為1.9平方公里
“Maoling Processing Plant”		the ore processing plant located near the Maoling-Yanglongshan Mine and operated by Aba Mining
「毛嶺洗選廠」	指	位於毛嶺—羊龍山鐵礦附近的礦石洗選廠,由阿壩礦業經營
“Maoling-Yanglongshan Mine”		an exploration region with a total area of 11.6 sq.km. covered under the exploration permit of the Maoling-Yanglongshan Mine (the mining area covered is owned by the Maoling Mine), formed from the combination of the Maoling Extended Exploration Area and the Yanglongshan Mine since September 2012 and operated by Aba Mining
「毛嶺—羊龍山鐵礦」	指	由毛嶺—羊龍山鐵礦勘查許可證所覆蓋總面積為11.6平方公里的勘查區域,由毛嶺延伸勘查區域與羊龍山鐵礦自2012年9月起合併而成,所覆蓋的採礦範圍由毛嶺鐵礦擁有,並由阿壩礦業經營
“Measured”		part of a mineral resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of modifying factors to support detailed mine planning and final evaluation of the economic viability of the deposit
「探明」	指	礦產資源中有關份量、品位(或質量)、密度、形狀及實體特性均能準確估量的部分,以便運用修訂因素,支持礦場的詳盡礦區規劃及進行礦床最終經濟可行性評估
“mining right(s)”		the right(s) to mine mineral resources and obtain mineral products in areas where mining activities are licensed
「採礦權」	指	於獲發執照進行開採活動範圍內開採礦產資源及取得礦產品的權利
“Model Code”		Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
「標準守則」	指	上市規則附錄十所載的上市發行人董事進行證券交易的標準守則
“Mt”		million tonnes
「百萬噸」	指	百萬噸

“NM”		not meaningful. For the purpose of this annual report, the Board has taken the view that percentage change of more than 1,000% is not meaningful
「無意義」	指	無意義。就本年報而言，董事會認為超過1,000%的百分比變動並無意義
“N/A”		not applicable
「不適用」	指	不適用
“ore processing”		the process which in general refers to the extraction of usable portions of ores by using physical and chemical extraction methods
「礦石洗選」	指	利用物理及化學方式提取礦石中有用部分的廣義工序
“Panxi Region”		a region in Sichuan located at southwest of Chengdu reaching from Panzhihua to Xichang
「攀西地區」	指	四川的一個地區，位於成都市西南方，由攀枝花至西昌之間的地區組成
“Panzhihua Yixingda”		Panzhihua Yixingda Industrail Trading Co., Ltd.*, a limited liability company established in the PRC on 9 July 2009 and an indirect wholly-owned subsidiary of the Company till 30 July 2019
「攀枝花易興達」	指	攀枝花易興達工貿有限責任公司，一間於2009年7月9日在中國成立的有限責任公司，直至2019年7月30日為止為本公司的間接全資子公司
“PT. Hay Wei”		PT. Hay Wei Feng Yuan Mining, a company incorporated in Indonesia and the purchaser of the Mancala Australia Group under the Disposal
「PT. Hay Wei」	指	PT. Hay Wei Feng Yuan Mining，一間於印尼註冊成立的公司，為出售事項中澳洲曼卡拉集團的買方
“Registration Completion Date”		date of completion of requisite change of registration at the local Administration for Industry & Commerce in relation to the transfer of the entire interest in Huili Caitong upon completion of the 2019 Disposal and the date of issue of the updated business licence of Huili Caitong
「登記完成日期」	指	於2019年出售事項完成後就轉讓會理財通全部權益向地方工商行政管理局辦理必要登記變更手續的完成日期及發出會理財通最新營業執照的日期
“Relevant Substantial Shareholders”		Mr. Wang Jin, Mr. Shi Yinjun, Mr. Zhang Yuangui, Mr. Li Hesheng and Mr. Wu Wendong, parties acting in concert and some of the substantial Shareholders
「相關主要股東」	指	王勁先生、石銀君先生、張遠貴先生、李和勝先生及吳文東先生，為一致行動的人士及部分主要股東
“Remaining Group”		the Company and its subsidiaries as at the date of this annual report
「保留集團」	指	於本年報日期的本公司及其子公司
“RMB”		the lawful currency of the PRC
「人民幣」	指	中國法定貨幣

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詞彙

“Reporting Period” 「報告期」	指	the year ended 31 December 2021 截至2021年12月31日止年度
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time 香港法例第571章證券及期貨條例(經不時修訂、增補或以其他方式修改)
“SGX-ST” 「新交所」	指	Singapore Exchange and Securities Trading Limited 新加坡證券交易所有限公司
“Share(s)” 「股份」	指	ordinary share(s) in the share capital of the Company, with a nominal value of HKD0.1 each 本公司股本中的普通股，每股面值0.1港元
“Shareholder(s)” 「股東」	指	holder(s) of the Share(s) 股份持有人
“Shigou Gypsum Mine” 「石溝石膏礦」	指	Shigou gypsum mine located at Hanyuan County, Ya’an City, Sichuan, with a mining area of 0.1228 sq.km. 位於四川雅安市漢源縣的石溝石膏礦，採礦面積為0.1228平方公里
“Sichuan” 「四川」	指	the Sichuan province of the PRC 中國四川省
“Sichuan Haoyuan” 「四川浩遠」	指	Sichuan Haoyuan New Materials Co., Ltd.*, a limited liability company established in the PRC on 18 July 2011 and a subsidiary of the Company, in which the Company indirectly owns 51% equity interest 四川省浩遠新材料有限公司，一間於2011年7月18日在中國成立的有限責任公司，為本公司的子公司，由本公司間接擁有51%股本權益
“Sichuan Lingwei” 「四川凌威」	指	Sichuan Lingwei Property Service Co., Ltd.*, a limited liability company established in the PRC on 7 July 2021 and an indirect wholly-owned subsidiary of the Company 四川省凌威物業服務有限公司，一間於2021年7月7日在中國成立的有限責任公司，為本公司的間接全資子公司
“Sichuan Lingyu” 「四川凌御」	指	Sichuan Lingyu Investment Group Co., Ltd.*, a limited liability company established in the PRC on 9 June 2010 and an indirect wholly-owned subsidiary of the Company 四川省凌御投資集團有限公司，一間於2010年6月9日在中國成立的有限責任公司，為本公司的間接全資子公司

“Sichuan Xinglian”		Sichuan Xinglian Mining and Technology Construction Co., Ltd.*, a limited liability company established in the PRC on 23 June 2011 and an indirect wholly-owned subsidiary of the Company
「四川興聯」	指	四川省興聯礦產技術工程有限公司，一間於2011年6月23日在中國成立的有限責任公司，為本公司的間接全資子公司
“SGD”		the lawful currency of the Republic of Singapore
「新加坡元」	指	新加坡共和國法定貨幣
“sq.km.”		square kilometres
「平方公里」	指	18 平方公里
“TFe”		the symbol for denoting total iron
「TFe」	指	表示全鐵的符號
“Trisonic International”		Trisonic International Limited, a company incorporated in Hong Kong on 19 July 2006 and a Controlling Shareholder
「合創國際」	指	合創國際有限公司，一間於2006年7月19日在香港註冊成立的公司，為控股股東
“Type 331”		measured intrinsic economic resources (Type 331) as defined in the Classification for Resources/Reserves of Solid Fuels and Mineral Commodities
「種類331」	指	《固體礦產資源／儲量分類》所界定的探明的內蘊經濟資源量（種類331）
“Type 333”		inferred intrinsic economic resources (Type 333) as defined in the Classification for Resources/Reserves of Solid Fuels and Mineral Commodities
「種類333」	指	《固體礦產資源／儲量分類》所界定的推斷的內蘊經濟資源量（種類333）
“USD”		the lawful currency of the United States of America
「美元」	指	美利堅合眾國法定貨幣
“Weixi Guangfa”		Weixi Guangfa Iron Ore Development Company Limited*, a limited liability company established in the PRC on 10 June 2005
「維西廣發」	指	維西廣發鐵礦開發有限公司，一間於2005年6月10日在中國成立的有限責任公司
“Wenchuan County”		Wenchuan County, Aba Prefecture, Sichuan Province
「汶川縣」	指	四川省阿壩州汶川縣
“Xinjin Mining”		Hanyuan County Xinjin Mining Co., Ltd.*, a limited liability company established in the PRC on 29 September 2010 and a subsidiary of the Company, in which the Company indirectly owns 51% equity interest
「鑫金礦業」	指	漢源縣鑫金礦業有限公司，一間於2010年9月29日在中國成立的有限責任公司，為本公司的子公司，由本公司間接擁有51%股本權益

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“Xiushuihe Mining”		Huili County Xiushuihe Mining Co., Ltd.*, a limited liability company established in the PRC on 26 June 2007, an indirect subsidiary of the Company that owned 95.0% equity interest through Huili Caitong till 30 July 2019
「秀水河礦業」	指	會理縣秀水河礦業有限公司，一間於2007年6月26日在中國成立的有限責任公司，直至2019年7月30日為止為本公司透過會理財通擁有95.0%股本權益的間接子公司
“Yanglongshan Mine”		an ordinary magnetite mine located in Wenchuan County, Sichuan, formerly an independent exploration region with an area of 8.79 sq.km. covered under the exploration permit of the Yanglongshan Mine, and has been consolidated as the Maoling-Yanglongshan Mine with the original Maoling Extended Exploration Area since September 2012
「羊龍山鐵礦」	指	一個位於四川汶川縣的普通磁鐵礦，原為由羊龍山鐵礦勘查許可證所覆蓋面積為8.79平方公里的獨立勘查區域，自2012年9月起與原來的毛嶺延伸勘查區域合併為毛嶺—羊龍山鐵礦
“Yanyuan Xigang”		Yanyuan Xigang Clean Coal Co., Ltd.*, a limited liability company established in the PRC
「鹽源西鋼」	指	鹽源西鋼精煤有限責任公司，一間於中國成立的有限責任公司
“Yanyuan Xiwei”		Yanyuan County Xiwei Mining Company Limited*, a limited liability company established in the PRC on 7 December 2007
「鹽源西威」	指	鹽源縣西威礦業有限責任公司，一間於2007年12月7日在中國成立的有限責任公司

* For identification purpose only

* 僅供識別



CHINA VANADIUM
TITANO-MAGNETITE MINING
COMPANY LIMITED
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