Asia Resources Holdings Limited
亞洲資源控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 899)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2019

The Board of Directors (the "Board") of Asia Resources Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively refer to as the "Group") for the year ended 31 March 2019 together with the comparative figures for the previous financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2019

	Notes	**2019** **HK$'000**	2018 *HK$'000* *(Restated)*
Continuing operations			
Revenue	*4*	**32,760**	–
Cost of sales		**(31,732)**	–
Gross profit		**1,028**	–
Other revenue	*5*	**1,908**	387
Other losses	*6*	**(160)**	(6)
Distribution and selling expenses		**(5,918)**	(16)
Administrative expenses		**(33,121)**	(39,098)
Share of results of associates		**(17,152)**	(7,855)
Provision for impairment loss on other receivables and deposits paid		**(1,087)**	(4,479)
Provision for impairment loss on properties under development		**(66,440)**	(54,399)
Provision for impairment loss on completed properties held for sale		**(72,821)**	–
Gain on disposal of subsidiaries		**638**	11,564
Over-provision of land value added tax		**36,628**	24,117
Finance costs		**(14,314)**	(62,935)

* *For identification purpose only*

	Notes	**2019** *HK$'000*	2018 *HK$'000* *(Restated)*
Loss before taxation	*7*	**(170,811)**	(132,720)
Taxation	*8*	**17,530**	8,576
Loss for the year from continuing operations		**(153,281)**	(124,144)
Loss for the year from discontinued operations	*11*	**(6,112)**	(1,454)
Loss for the year		**(159,393)**	(125,598)
Other comprehensive income, net of tax			
Reclassification adjustments relating to foreign operations disposed during the year		**(9,520)**	–
Share of other comprehensive income of associates		**709**	(77)
Exchange differences on translating foreign operations		**(71,062)**	134,994
Other comprehensive income for the year, net of tax		**(79,873)**	134,917
Total comprehensive income for the year		**(239,266)**	9,319
Loss attributable to:			
Owners of the Company		**(158,640)**	(123,989)
Non-controlling interest		**(753)**	(1,609)
		(159,393)	(125,598)
Total comprehensive income attributable to:			
Owners of the Company		**(239,191)**	10,859
Non-controlling interest		**(75)**	(1,540)
		(239,266)	9,319
		HK$	*HK$*
Loss per share attributable to owners of the Company			
From continuing and discontinued operations			
– Basic and diluted	*9*	**(0.022)**	(0.021)
From continuing operations			
– Basic and diluted	*9*	**(0.021)**	(0.021)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

	Notes	2019 HK$'000	2018 HK$'000
Non-current assets			
Property, plant and equipment		**7,616**	8,216
Intangible assets		**384,875**	374,699
Interests in associates	*12*	**210,517**	226,960
Deposits paid	*14*	**1,150,860**	798,871
		1,753,868	1,408,746
Current assets			
Properties under development	*15*	**292,449**	796,109
Completed properties held for sale	*16*	**370,950**	–
Loan receivables	*13*	**–**	151,501
Prepayments, deposits and other receivables		**168,786**	187,112
Amount due from an associate	*12*	**2,340**	–
Financial assets at fair value through profit or loss		**4,540**	4,867
Income tax prepaid		**248**	–
Bank balances and cash		**127,285**	281,827
		966,598	1,421,416
Assets classified as held for sale		**–**	30,484
		966,598	1,451,900
Current liabilities			
Trade payables	*17*	**81,071**	41,726
Other payables and accruals		**123,909**	173,471
Receipts in advance		**–**	119,282
Contract liabilities		**166,272**	–
Tax payable		**464**	740
Convertible bonds		**–**	234,287
		371,716	569,506
Liabilities directly associated with assets classified as held for sale		**–**	222
		371,716	569,728
Net current assets		**594,882**	882,172
Total assets less current liabilities		**2,348,750**	2,290,918

	2019	2018
	HK$'000	*HK$'000*
Capital and reserves		
Share capital	**76,117**	1,585,923
Reserves	**2,137,491**	559,149
Total equity attributable to owners of the Company	**2,213,608**	2,145,072
Non-controlling interest	**118,690**	109,492
	2,332,298	2,254,564
Non-current liabilities		
Deferred tax liabilities	**16,452**	36,354
	16,452	36,354
	2,348,750	2,290,918

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure requirements of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand ("HK$'000") except when otherwise indicated.

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumption that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. APPLICATION OF THE NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) New and amended Hong Kong Financial Reporting Standards ("HKFRSs") adopted by the Group

The following new and amended standards that may be relevant to the Group's operations have been adopted by the Group for the first time for the financial period beginning on 1 April 2018.

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and related Amendments
Amendments to HKFRS 1	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments to HKFRSs 2014-2016 Cycle
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC) – Int 22	Foreign Exchange Transactions and Advance Consideration

Other than HK(IFRIC) – Int 22, HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15"), the application of the above amended standards which are effective for the financial period beginning on 1 April 2018 did not have material financial effect to the Group for the current and prior periods.

HK(IFRIC) – Int 22 "Foreign Currency Transactions and Advance Consideration"

HK(IFRIC) – Int 22 clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expenses or income (or part of it) on the derecognition of a non-monetary asset or nonmonetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions of each payment or receipt of advance consideration. The interpretation does not have any impact on the Group's consolidated financial statements.

HKFRS 9 "Financial Instruments" and HKFRS 15 "Revenue from Contracts with Customers" and the related amendments

(i) Impact on the consolidated financial statements

As explained below, HKFRS 9 and HKFRS 15 were generally adopted by the Group retrospectively without restating comparative information. As a result of the changes in the Group's accounting policies, certain reclassification and adjustments are therefore not reflected in the restated consolidated statement of financial position on 1 April 2018.

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

Consolidated statement of financial position (extract)	At 31 March 2018 (As originally presented) *HK$'000*	Impact on initial application of HKFRS 9 *HK$'000*	Impact on initial application of HKFRS 15 *HK$'000*	At 1 April 2018 (Restated) *HK$'000*
Current liabilities				
Receipts in advance	119,282	–	(119,282)	–
Contract liabilities	–	–	119,282	119,282

(ii) HKFRS 9 "Financial instruments"

HKFRS 9 replaces HKAS 39 "Financial Instruments: Recognition and Measurement". It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an "ECL model" for the impairment of financial assets.

When adopting HKFRS 9, the Group has applied the standard retrospectively to items that existed at 1 April 2018 in accordance with the transition requirement and also applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of HKFRS 9 in relation to classification, measurement, and impairment are recognised in retained earnings.

Classification and measurement of financial instruments

On 1 April 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS measurement categories including those to be measured at FVTPL and those to be measured at amortised cost.

The Group's financial assets include financial assets at FVTPL, deposits and other receivables (excluding prepayments and prepaid other taxes), and cash and bank balances.

The Group's listed investments were classified as financial assets at FVTPL under both HKAS 39 and HKFRS 9. The accounting for the investments is the same under both HKAS 39 and HKFRS 9.

Under HKFRS 9, the Group's financial liabilities are subsequently measured at amortised cost or fair value through profit or loss. The accounting for the Group's financial liabilities remains largely the same as it was under HKAS 39.

Impairment

The adoption of HKFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets. The incurred loss approach under HKAS 39 was replaced by a forward-looking expected credit loss ("ECL") approach.

HKFRS 9 requires the Group to record a loss allowance for the ECLs on its financial assets not held at fair value through profit or loss. In this respect, the Group measured the ECLs on its financial assets included in prepayments, deposits and other receivables and cash and cash equivalents on a 12-month basis as permitted by the general approach, unless there has been a significant increase in credit risk since initial recognition, in which case the allowance is based on the lifetime ECLs.

The adoption of HKFRS 9 has had no material impact on the impairment provisions on the Group's financial assets.

(iii) HKFRS 15 "Revenue from contract with customers"

HKFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces HKAS 18 "Revenue" and HKAS 11 "Construction contracts" and related interpretations.

The Group has elected to use the cumulative effect transition method, with the cumulative effect of initial application recognised as an adjustment to the opening balance of retained earnings at 1 April 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 18.

The Group is required to deliver goods according to the contract terms, which is expected to be the only performance obligation of the Group. The Group has concluded that revenue from the sale of its products should be recognised at the point in time when control of the products is transferred to the customer, generally on delivery of the products. Therefore, the adoption of HKFRS 15 has had no material impact on these financial statements except for the presentation and disclosures.

Taking into account the changes in accounting policy arising from initial application of HKFRS 15, except for the recognition of contract liabilities, the directors of the Company considered the initial application of HKFRS 15 has no material impact on the timing and amounts of revenue recognised for contracts from property development in the PRC in the respective reporting periods upon its initial adoption.

The amount by each financial statements line items in the current year and year to date by the application of HKAS 18 that were previously in effect before the adoption of HKFRS 15 is as follows:

	At 31 March 2019		
Consolidated statement of financial position (extract)	**Amounts before the adoption of HKFRS 15**	**Effects of the adoption of HKFRS 15**	**Amounts as reported**
	HK$'000	***HK$'000***	***HK$'000***
Receipts in advance	**166,272**	**(166,272)**	**–**
Contract liabilities	**–**	**166,272**	**166,272**

The Group recognises contract liabilities when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. Reclassifications were made as at 1 April 2018 to be consistent with the terminology used under HKFRS 15. Contract liabilities recognised in relation to property development activities were previously presented as advance proceeds received from customers and deposits received. The contract liabilities as at 1 April 2018 was approximately of HK$119,282,000.

(b) Issued but not yet effective HKFRSs

The Group has not early adopted the following new HKFRSs that have been issued but are not yet effective for the financial year ended 31 March 2019:

HKFRS 16	Leases[1]
HKFRS 17	Insurance Contract[4]
HK (IFRIC) – Int 23	Uncertainty over Income Tax Treatments[1]
HKFRS 3 (Amendments)	Definition of a Business[3]
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation[1]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
HKAS 1 and HKAS 8 (Amendments)	Definition of Material[2]
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement[1]
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures[1]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2015-2017 Cycle[1]

1 Effective for annual periods beginning on or after 1 January 2019
2 Effective for annual periods beginning on or after 1 January 2020
3 Effective for business combinations and assets acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
4 Effective for annual periods beginning on or after 1 January 2021
5 No mandatory effective date yet determined but available for adoption

HKFRS 16 "Leases" replaced HKAS 17 and three related Interpretations

Currently the Group classifies leases into operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease, the lessee will recognise a lease liability and a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee would recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases of land and buildings and other assets which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss over the period of the lease.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 on 1 April 2019 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2019. Comparative information will not be restated. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets and not to perform a full review of existing leases and apply HKFRS 16 only to new contracts. Furthermore, the Group plans to use the practical expedient to account for leases for which the lease term ends within 12 months from the date of initial application as short-term lease. As at 31 March 2019, the Group's future minimum lease payments under non-cancellable operating leases amount to HK$6,061,000, which is payable within 5 years after the reporting date.

Upon the initial application of HKFRS 16, the Group plans to measure the rights-of-use assets at an amount equal to the lease liability (subject to certain adjustments).

Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's financial statement from 2019 onwards.

3. SEGMENT INFORMATION

The Group's operating segments are identified on the basis of internal reports which provides information about components of the Group. These information are reported to and received by the chief operating decision maker ("CODM") for the purpose of resource allocation and performance assessment.

The Group has the following continuing operating segments during the year. These segments are managed separately. No operating segments have been aggregated to for the following reportable segments.

(1) For water exploitation operations, the CODM regularly reviews the performance of the water exploitation operations in the PRC. These operations have been aggregated into a single operating segment and named "Water exploitation operations".

(2) For property sales and investment operations, the CODM regularly reviews the performance of the property sales and investment operations. These operations have been classified into a single operating segment and named "Property sales and investment".

(3) For trading of goods operations, the CODM regularly reviews the performance of the trading of goods operation. These operations have been aggregated into a single operating segment and named "Trading of goods".

During the year, investing and financing operation was discontinued, thus it is not separately presented on the following segment analysis.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 31 March

	Continuing Operations									
	Water exploitation operations		Property sales and investment		Trading of goods		Unallocated		Consolidation	
	2019	2018	**2019**	2018	**2019**	2018	**2019**	2018	**2019**	2018
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
								(Restated)		*(Restated)*
Sales to external customers	**–**	–	**–**	–	**32,760**	–	**269**	7,343	**33,029**	7,343
Total revenue	**–**	–	**–**	–	**32,760**	–	**269**	7,343	**33,029**	7,343
Segment results	**(1,915)**	(1,586)	**(117,960)**	(34,375)	**397**	–	**–**	–	**(119,478)**	(35,961)
Other revenue	**3**	3	**115**	220	**–**	–	**1,790**	164	**1,908**	387
Fair value loss on financial assets at fair value through profit or loss	**–**	–	**–**	–	**–**	–	**(327)**	(2,895)	**(327)**	(2,895)
Central administration costs	**–**	–	**–**	–	**–**	–	**(23,659)**	(36,158)	**(23,659)**	(36,158)
(Loss)/gain on disposal of subsidiaries	**–**	–	**–**	–	**–**	–	**(3,901)**	11,564	**(3,901)**	11,564
Share of results of associates	**(17,152)**	(7,855)	**–**	–	**–**	–	**–**	–	**(17,152)**	(7,855)
Finance costs	**–**	–	**–**	–	**–**	–	**(14,314)**	(62,935)	**(14,314)**	(62,935)
Loss before taxation									**(176,923)**	(133,853)
Taxation	**–**	–	**17,553**	9,044	**(23)**	–	**–**	(789)	**17,530**	8,255
Loss for the year									**(159,393)**	(125,598)

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the year.

Segment results represent the profit/(loss) of each segment without allocation of other revenue, fair value change on financial assets at fair value through profit or loss, central administration costs, gain/(loss) on disposal of subsidiaries, share of results of associates, finance costs and taxation. This is the measure reported to the CODM for the purpose of resource allocation and assessment of segment performance.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

	Continuing Operations							
	Water exploration operations		Property sales and investment		Trading of goods		Consolidation	
	2019	2018	**2019**	2018	**2019**	2018	**2019**	2018
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
								(Restated)
ASSETS								
Segment assets	**618,896**	621,512	**1,964,633**	1,771,725	**251**	–	**2,583,780**	2,393,237
Unallocated corporate assets							**136,686**	467,409
							2,720,466	2,860,646
LIABILITIES								
Segment liabilities	**(214)**	(449)	**(342,076)**	(327,383)	**–**	–	**(342,290)**	(327,832)
Unallocated corporate liabilities							**(45,878)**	(278,250)
							(388,168)	(606,082)

For the purposes of assessing segment performance and allocating resources between segments, the directors of the Company monitor the results, assets and liabilities attributable to each reportable segment on the following basis:

All assets are allocated to reportable segments other than unallocated corporate assets (mainly include property, plant and equipment, bank balances and cash that are used by the investment holding companies, other receivables that are receivable by the investment holding companies and assets classified as held for sale).

All liabilities are allocated to reportable segments other than convertible bonds, deferred tax liabilities and unallocated corporate liabilities (mainly include other payables and accruals borne by the investment holding companies).

Other segment information

	Continuing Operations									
	Water exploration operations		Property sales and investment		Trading of goods		Unallocated		Consolidation	
	2019	2018	**2019**	2018	**2019**	2018	**2019**	2018	**2019**	2018
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000* (Restated)	***HK$'000***	*HK$'000*
Additions to property, plant and equipment	**1,041**	633	**72**	–	**–**	–	**759**	360	**1,872**	993
Depreciation of property, plant and equipment	**–**	–	**(931)**	(1,067)	**–**	–	**(692)**	(3,982)	**(1,623)**	(5,049)
Provision for impairment loss on property, plant and equipment	**–**	–	**–**	–	**–**	–	**–**	(1,267)	**–**	(1,267)
Provision for impairment loss on other receivables and deposits paid	**–**	–	**(1,087)**	–	**–**	–	**–**	(4,479)	**(1,087)**	(4,479)
Provision for impairment loss on properties under development	**–**	–	**(66,440)**	(54,399)	**–**	–	**–**	–	**(66,440)**	(54,399)
Provision for impairment loss on completed properties held for sale	**–**	–	**(72,821)**	–	**–**	–	**–**	–	**(72,821)**	–
Over-provision of land value added tax	**–**	–	**36,628**	24,117	**–**	–	**–**	–	**36,628**	24,117

Geographical information

The Group operates in two principal geographical areas – the PRC and Hong Kong.

The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

	Revenue from external customers		Non-current assets	
	2019	2018	**2019**	2018
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
The PRC	**–**	–	**1,753,247**	1,408,281
Hong Kong	**33,029**	7,343	**621**	465
	33,029	7,343	**1,753,868**	1,408,746

Information about major customers

During the year ended 31 March 2019, revenue of HK$32,760,000 was derived from sales of goods to one customer. This customer contributed over 10% of total revenue of the Group during the year ended 31 March 2019.

During the year ended 31 March 2018, revenue of HK$1,544,000 was derived from loan interest income from one customer. This customer contributed over 10% of total revenue of the Group during the year ended 31 March 2018.

4. REVENUE

An analysis of the Group's revenue for the year is as follows:

	2019	2018
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Revenue from contracts with customers		
Sales of goods	**32,760**	–

The performance obligation is satisfied upon delivery of goods. All of the Group's revenue from sale of goods was recognised at the point in time when control of the products was transferred to the customer.

5. OTHER REVENUE

	2019	2018
	HK$'000	*HK$'000*
Continuing operations		
Interest income on bank deposits	**1,681**	175
Dividend income from financial assets at fair value through profit or loss	**26**	21
Sundry	**201**	191
	1,908	387

6. OTHER LOSSES

	2019	2018
	HK$'000	*HK$'000*
Continuing operations		
Loss on disposal of property, plant and equipment	**(160)**	(6)

7. LOSS BEFORE TAXATION

	2019	2018
	HK$'000	*HK$'000*
		(Restated)
The Group's loss before taxation from continuing operations is carried at after (crediting)/charging:		
Directors' emoluments	**3,043**	2,331
Other staff costs	**5,561**	5,516
Other staff's retirement benefits scheme contributions	**667**	514
Total staff costs	**9,271**	8,361
Auditors' remuneration		
– audit services	**960**	1,147
– non-audit services	**756**	2,085
	1,716	3,232
Depreciation of property, plant and equipment	**1,525**	1,712
Amortisation of land use right	**150**	–
Minimum lease payments under operating leases	**2,486**	995
Fair value loss on financial assets at fair value through profit or loss	**327**	2,895
Exchange loss/(gain), net	**174**	(326)

8. TAXATION

Continuing Operations

	2019	2018
	HK$'000	*HK$'000*
		(Restated)
Current tax:		
– Hong Kong Profits Tax	**23**	–
– PRC Enterprise Income Tax	**–**	468
Total current tax expenses	**23**	468
Deferred income tax:		
– Decrease in deferred tax liabilities	**(17,553)**	(9,044)
Credit for the year	**(17,530)**	(8,576)

Hong Kong Profits Tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profit arising in Hong Kong during the year.

Subsidiaries in the PRC are subjected to the PRC Enterprise Income Tax at 25% for the years ended 31 March 2019 and 2018.

In accordance to the tax assessment of Inland Revenue Department of tax losses of approximately HK$102,351,000 (2018: HK$97,143,000) can be carried forward to offset the future taxable profits. No deferred tax asset has been recognised due to the unpredictability of the future profit stream.

The tax credit for the year can be reconciled to the loss before taxation per consolidated statement of profit or loss and other comprehensive income as follows:

	2019	2018
	HK$'000	*HK$'000*
		(Restated)
Loss before taxation (from continuing operations)	**170,811**	132,720
Tax at the Hong Kong Profits Tax rate of 16.5% (2018: 16.5%)	**28,184**	21,899
Tax effect of share of result of associates	**(2,830)**	(1,296)
Tax effect of expenses not deductible for tax purposes	**(21,706)**	(13,070)
Tax effect of income not taxable for tax purposes	**9,294**	480
Tax effect of tax losses not recognised	**(3,388)**	(3,264)
Unrecognised deferred tax arising from temporary difference	**(1,947)**	(184)
Utilisation of tax losses previous not recognised	**105**	1,121
Tax reduction	**20**	–
Tax effect of different tax rates of subsidiaries operating in other jurisdictions	**9,798**	2,890
Tax credit for the year	**17,530**	8,576

9. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY FOR THE YEAR

From continuing and discontinued operations

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	2019	2018
	HK$'000	*HK$'000*
		(Restated)
Loss		
Loss for the year from continuing operations attributable to the owners of the Company	**(152,588)**	(123,621)
Loss for the year from discontinued operations attributable to the owners of the Company	**(6,052)**	(368)
	(158,640)	(123,989)

	2019	2018
	'000 Shares	*'000 Shares*
Number of shares		
Weighted average number of shares for the purpose of basic earnings per share *(Note)*	**7,177,443**	5,990,265

Note:

The basic and diluted loss per share from continuing and discontinued operations are the same for the years ended 31 March 2019 and 2018, as the effect of the share options and convertible notes would be anti-dilutive and were not included in the calculation of diluted loss per share.

From continuing operations

The calculation of basic loss per share from continuing operations attributable to the owners of the Company is based on the following data:

	2019	2018
	HK$'000	*HK$'000*
		(Restated)
Loss for the year from continuing operations attributable to the owners of the Company	**(152,588)**	(123,621)

From discontinued operations

Basic loss per share from discontinued operations is HK$0.084 cents per share (2018 (Restated): HK$0.006 cents), based on the loss for the year from discontinued operations attributable to the owners of the Company of approximately HK$6,052,000 (2018 (Restated): HK$368,000). The denominators used are the same as those detailed above for both basic and diluted loss per share.

The basic and diluted loss per share from discontinued operations are the same for the years ended 31 March 2019, as the effect of the share options and convertible notes would be anti-dilutive and were not included in the calculation of diluted loss per share.

10. DIVIDENDS

The directors did not recommend the payment of any dividend for the year ended 31 March 2019 (2018: Nil).

11. DISCONTINUED OPERATIONS

Refer to the announcement of the Company dated 11 July 2018, having considered the keen market competition and the challenging environment, risks associated with the possible default by the borrowers, decline in lending interest rates, and opportunities for other new and more profitable businesses, management has resolved to cease the operation of its money lending business.

In March 2018, management had the plan to dispose of the Hangzhou properties and iron mining business operated in Indonesia ("Disposal Group"). As the carrying amount of the Disposal Group will be recovered principally through a sale transaction rather than through continuing use, the Group classified the above assets and liabilities as held for sale.

For the year ended 31 March 2019, the results and cash flows of money lending business and the Disposal Group are treated as discontinued operations. The comparative consolidated statement of profit or loss and related notes have been represented as if the operations discontinued during the year have been discontinued at the beginning of the comparative period.

For the years ended 31 March 2019 and 2018, the results and cash flows of the discontinued operations are analysed as follows.

Analysis of discontinued operations

	2019	2018
	HK$'000	*HK$'000*
		(Restated)
Loan interest income	**269**	7,343
Administrative expenses	**(1,788)**	(7,209)
Provision for impairment loss on property, plant and equipment	**–**	(1,267)
Loss on disposal of subsidiaries	**(4,539)**	–
Loss on disposal of property, plant and equipment	**(54)**	–
Loss before taxation	**(6,112)**	(1,133)
Taxation	**–**	(321)
Loss for the year from discontinued operations	**(6,112)**	(1,454)
Loss for the year from discontinued operations attributable to:		
Owners of the Company	**(6,052)**	(369)
Non-controlling interest	**(60)**	(1,085)
	(6,112)	(1,454)
The Group's loss for the year from discontinued operations is carried at after charging:		
Directors' emoluments	**155**	668
Staff costs	**204**	1,066
Staff's retirement benefits scheme contributions	**8**	48
Total staff costs	**367**	1,782
Depreciation of property, plant and equipment	**98**	3,337
Minimum lease payments under operating leases	**874**	1,429
Cash flows from discontinued operations:		
Net cash used in operating activities	**(139)**	(1,113)
Net cash generated from investing activities	**130**	–
Net cash generated from financing activities	**–**	925
Net decrease in cash and cash equivalents	**(9)**	(188)
Effect of foreign exchange rate changes	**–**	5
Net cash outflow	**(9)**	(183)

12. INTERESTS IN ASSOCIATES

	2019	2018
	HK$'000	*HK$'000*
At the beginning of the year	**226,960**	427,228
Addition	**–**	234,892
Disposal	**–**	(427,272)
Share of post-acquisition losses and other comprehensive income during the year, net of dividends received	**(16,443)**	(7,888)
At the end of the year	**210,517**	226,960

	2019	2018
	HK$'000	*HK$'000*
Amount due from an associate	**2,340**	–

Notes:

(a) Amount due from an associate is unsecured, interest-bearing at 10% per annum and repayable within one year.

(b) The Group disposed of 35% equity interests in Shenzhen Zhaosheng Anye Investment Development Company Limited* (深圳招商安業投資發展有限公司) through disposal of 60% and 40% equity interest in a subsidiary, Shenzhen Penghongsheng Industrial Development Limited* (深圳鵬鴻昇實業發展有限公司) on 11 May 2017 and 30 October 2017 respectively.

(c) On 25 April 2017, the Group acquired 20% equity interests in Hong Kong Spring Water Ding Dong Group Company Limited. After the acquisition, Hong Kong Spring Water Ding Dong Group Company Limited and its wholly-owned subsidiary in Guangxi (collectively "Spring Water Ding Dong") become associates of the Group.

(d) The Group completed its annual impairment test for interests in associates, Spring Water Ding Dong by comparing the recoverable amount to the carrying amount as at 31 March 2019 and 2018. The Group has engaged AP Appraisal Limited to carry out a valuation of the interests in associates as at 31 March 2019 and 2018 based on the value in use calculations. This valuation uses cash flow projections based on financial estimates covering a ten-year period.

The key assumptions and discount rate used in the value-in-use calculations are as follows:

	2019	2018
Gross margin (% of revenue)	**59.73%**	59.73%
Operating expenses (% of revenue)	**33.04%**	33.58%
Long term annual growth rate used to extrapolate cash flows	**3%**	3%
Pre-tax discount rate	**13%**	14%

* *For identification purpose only*

Gross margin is the average margin as a percentage of revenue over the ten-year forecast period. It is based on the current sales margin levels with adjustments made to reflect the expected future price adjustments in bottled mineral water product which management does not expect to be able to pass on to customers through price changes.

Operating expenses are the average operating expenses as a percentage of sales volume over the ten-year forecast period. Management forecasts these costs based on the current business structure, adjusting for future products marketing strategies.

The long term growth rate used is the expected annual growth rate of operating cash flows based on the historical experience of management in the wholesale and retail markets of bottled mineral water.

The value assigned to the above assumptions reflect past experience and are consistent with management plans for focusing operations in these markets. The management believes that the assumptions are reasonable achievable.

Details of the Group's associates, which were held indirectly by the Company at the end of reporting period, were as follows:

Name of associates	Form of business and structure	Place of incorporation/ operation	Class of shares/ registered capital held	Proportion of nominal value of paid capital/ registered capital held by the Group		Principal activities
				2019	2018	
Hong Kong Spring Water Ding Dong Group Company Limited	Incorporated	Hong Kong	Ordinary	**20%**	20%	Investment holding and water business
Guangxi Spring Water Ding Dong Beverages Company Limited*	Incorporated	the PRC	Registered	**20%**	20%	Production and sales of bottled water

Summarised financial information in respect of the Group's associates, Spring Water Ding Dong, for the year ended 31 March 2019 (2018: the period from the date of acquisition to 31 March 2018) was set out below which represents amounts shown in the respective financial statements of the associates prepared in accordance with HKFRSs. The associates are accounted for using the equity method in the consolidated financial statements.

* *For identification purpose only*

	Spring Water Ding Dong	
	2019	2018
	HK$'000	*HK$'000*
Current asset	**33,925**	42,172
Non-current asset	**121,515**	160,027
Current liabilities	**210,426**	227,524
Revenue	**17,712**	24,494
Loss for the period	**(85,760)**	(39,274)
Other comprehensive income	**3,544**	(385)
Total comprehensive income	**(82,216)**	(39,659)

Reconciliation of the above summarised financial information to the carrying amount of the interests in associates recognised in the consolidated financial statements.

	Spring Water Ding Dong	
	2019	2018
	HK$'000	*HK$'000*
Net liabilities of the associates as at acquisition date	**(33,841)**	(33,841)
Proportion of the Group's ownership interests in associates	**20%**	20%
Cost of investments in associates		
Unlisted in Hong Kong	**(6,768)**	(6,768)
Valuation adjustment from acquisition	**210,217**	210,217
Goodwill	**31,443**	31,443
Share of post-acquisition losses and other comprehensive income, net of dividends received	**(24,375)**	(7,932)
Carrying amount of the Group's interests in associates	**210,517**	226,960

There is no commitment and contingent liabilities under the associates.

13. LOAN RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Loan receivables	**–**	149,050
Interest receivables	**–**	2,451
	–	151,501

Based on the loan commencement date set out in the relevant contracts, aging analysis of the Group's loan receivables as of each reporting date is as follows:

	2019	2018
	HK$'000	*HK$'000*
0 – 180 days	**–**	151,501
181 – 365 days	**–**	–
	–	151,501

The Group's loan receivables, which arise from the money lending business in Hong Kong, are denominated in Hong Kong dollars. The loan receivables were repaid in accordance with the terms of the loan agreements and all loan receivables are recoverable within one year.

All loan receivables are secured, bear interest and are receivable with fixed terms agreed with customers. The maximum exposure to credit risk at the reporting date is the carrying value of the loan receivables. The aged analysis of the loan receivables that are not individually nor collectively considered to be impaired is as follows:

	2019	2018
	HK$'000	*HK$'000*
Neither past due nor impaired	**–**	–
Less than 90 days past due	**–**	151,501
	–	151,501

As at 31 March 2018, the loan receivables of approximately HK$151,501,000 were past due but not impaired. The overdue amounts were fully settled in April 2018, it indicates that no impairment is needed.

As at 31 March 2018, the effective interest rates on the Group's loan receivables is approximately 5.5% per annum. Interest income of approximately HK$7,343,000 has been recognised in revenue in the consolidated statement of profit or loss and other comprehensive income during the year and receivable on the date of repayment.

14. DEPOSITS PAID

	2019	2018
	HK$'000	*HK$'000*
Deposits for acquisition of investment properties *(note)*	**1,150,860**	798,871

Note:

As at 31 March 2019, deposits paid of approximately HK$292,449,000 (2018: HK$312,489,000) were in relation to three acquisitions of properties in Yantian where the physical possession of the properties has been delivered to the Group. According to the supplementary agreement disclosed in the announcement dated 3 May 2018, the titles of the three properties should be transferred to the Group before 30 December 2018. Nevertheless, according to the announcement dated 19 June 2019, the vendor has still not registered the title of the Properties under the name of the Group. The approval from the PRC government authority for issuing the building ownership certificate remained pending. The Group is now actively negotiating with the vendor on this matter for the possible ways to resolve the same.

As at 31 March 2019, deposit paid of approximately HK$233,959,000 (2018: HK$249,991,000) was in relation to acquisition of properties in Beijing. Details of which were set out in the announcement of the Company dated 28 February 2017.

As at 31 March 2019, deposit paid of approximately HK$624,452,000 (2018: HK$236,391,000) was in relation to acquisition of properties in Shenyang ("Shenyang Properties"). Details of which are set out in the announcement of the Company dated 12 October 2017. In mid-April 2019, the Group received a notice from the vendor that it is anticipated that the vendor would not be able to complete the construction of the Shenyang Properties and deliver the same to the Group in accordance with the agreed terms of the Sale and Purchase Agreement on 12 October 2017. The Vendor proposed to terminate the Sale and Purchase Agreement. On 24 April 2019, after arm's length negotiations between the Vendor and the Group, the parties entered into a termination agreement. Details of which are set out in the announcement of the Company dated 24 April 2019.

15. PROPERTIES UNDER DEVELOPMENT

	2019	2018
	HK$'000	*HK$'000*
Properties under development	**358,956**	853,803
Less: provision for impairment	**(66,507)**	(57,694)
	292,449	796,109

Properties under development are the residential properties located in Beibu District, Jinshitan, Jinzhou New District, Dalian, the PRC under development for sale.

As at 31 March 2019, the balance included land use rights of approximately HK$121,229,000 (2018: HK$216,191,000). Upon completion of the construction, the land use rights would be transferred to completed properties held for sale.

As at 31 March 2018, as the contracted sales proceeds of pre-sale units less their estimated costs of completion is lower than their carrying amounts, provision for impairment was recognised.

During the year ended 31 March 2019, provision for impairment on properties under development of approximately HK$57,694,000 (2018: Nil) were transferred to the provision for impairment on completed properties held for sale (note 16).

For the year ended 31 March 2019, additional provision for impairment was recognised to reflect the decrease of net realisable value of properties under development.

The Group's properties under development at their book values are analysed as follows:

	2019	2018
	HK$'000	*HK$'000*
Located in the PRC, held on:		
Leases of between 10 to 50 years	**292,449**	796,109

As at 31 March 2019, land use right of approximately HK$121,229,000 (2018: HK$129,536,000) was pledged to a bank for a recurring loan granted to a third party. For the details, please refer to note 18.

16. COMPLETED PROPERTIES HELD FOR SALE

	2019	2018
	HK$'000	*HK$'000*
Completed properties held for sale	**497,839**	–
Less: Provision for impairment	**(126,889)**	–
	370,950	–

The completed properties held for sale were located in the PRC under medium-term lease. Completed properties held for sale which are expected to be recovered in more than twelve months after the reporting date are classified under current assets as it is expected to be realised in the Group's normal operating cycle.

During the year ended 31 March 2019, provision for impairment of approximately HK$57,694,000 (2018: Nil) was transferred from properties under development (note 15).

For the year ended 31 March 2019, additional provision for impairment was recognised to reflect the decrease in net realisable value of the completed properties located in Dalian of the PRC.

17. TRADE PAYABLES

	2019	2018
	HK$'000	*HK$'000*
Trade payables	**81,071**	41,726

The following is an ageing analysis of trade payables at the end of the reporting period, based on the contract date or invoice date:

	2019	2018
	HK$'000	*HK$'000*
0 to 90 days	**29,322**	–
91 to 180 days	**–**	294
181 to 365 days	**13,135**	–
Over 365 days	**38,614**	41,432
	81,071	41,726

The trade payables are non-interest bearing, normally settled on terms of one year, and denominated in RMB.

18. CONTINGENT LIABILITIES

As at 31 March 2019, a wholly owned China subsidiary of the Company, 大連創和置地有限公司 ("大連創和") provided corporate guarantees and a pledge of assets to third parties and thus had contingent liabilities amounting to RMB200,000,000 (2018: RMB200,000,000), detailed as follows:

(1) On 17 April 2014, 大連創和 provided a corporate guarantee to 大連銀行第一中心支行 ("大連銀行(一)") for a recurring bank loan of RMB50,000,000 granted to a third party, 大連東潤物資回收有限公司 ("大連東潤"). In 2017, 大連銀行(一) took a legal action against 大連東潤 for the recovery of the aforesaid loan. On 21 December 2017, 遼寧省大連市中級人民法院 (the "Court") ordered 大連東潤 to repay the loan to 大連銀行(一), together with relevant legal cost and interest. Since another independent guarantor of the loan, 大連順浩置業有限公司 ("大連順浩") has pledged its properties to 大連銀行(一) for this loan, it is believed that 大連銀行(一) can fully recover the loan and interest from the sales proceeds of the pledged properties.

(2) On 23 May 2014, 大連創和 provided a corporate guarantee to 大連銀行(一) for a recurring bank loan of RMB50,000,000 granted to a third party, 大連連隆物資有限公司 ("大連連隆"). In 2017, 大連銀行(一) took a legal action against 大連連隆 for the recovery of the aforesaid loan. On 28 December 2017, the Court ordered 大連連隆 to repay the loan to 大連銀行(一), together with relevant legal cost and interest. Since 大連順浩 has pledged its properties to 大連銀行(一) for this loan, it is believed that 大連銀行(一) can fully recover the loan and interest from the sales proceeds of the pledged properties.

(3) On 19 August 2014, 大連創和 provided a corporate guarantee to 大連銀行(一) for a recurring bank loan of RMB50,000,000 granted to a third party, 大連澤琦貿易有限公司 ("大連澤琦"). In 2017, 大連銀行(一) took a legal action against 大連澤琦 for the recovery of the aforesaid loan. On 21 December 2017, the Court ordered 大連澤琦 to repay the loan to 大連銀行(一), together with relevant legal cost and interest. The loan principal of RMB50,000,000 has been repaid by 大連澤琦 on 30 December 2017. Since 大連順浩 has pledged its properties to 大連銀行(一) for this loan, it is believed that 大連銀行(一) can fully recover the outstanding interest from the sales proceeds of the pledged properties.

(4) On 13 July 2015, 大連創和 has pledged a land use right recorded as properties under development (note 15) to provide a guarantee to 大連銀行第三中心支行 ("大連銀行(三)") for a recurring bank loan of RMB50,000,000 granted to a third party, 大連博信高分子材料有限公司 ("大連博信"). In 2017, 大連銀行(三) took a legal action against 大連博信 for the recovery of the aforesaid loan. On 25 January 2018, the Court ordered 大連博信 to repay the loan to 大連銀行(三), together with relevant legal cost and interest.

(5) On 23 November 2015, 大連創和 provided a corporate guarantee to 大連銀行(三) for a recurring bank loan of RMB50,000,000 granted to a third party, 大連鑫海盛建設工程有限公司 ("大連鑫海盛"). In 2017, 大連銀行(三) took a legal action against 大連鑫海盛 for the recovery of the aforesaid loan. On 25 January 2018, the Court ordered 大連鑫海盛 to repay the loan to 大連銀行(三), together with relevant legal cost and interest. Since another independent guarantor of the loan, 創達地產(大連)有限公司 ("創達地產") has pledged its properties to 大連銀行(三) for this loan, it is believed that 大連銀行(三) can fully recover the loan and interest from the sales proceeds of the pledged properties.

Correspondingly, 大連創和 obtained counter-guarantees by 創達地產. 創達地產 undertook any legal disputes and economic losses that may be suffered by 大連創和 in relation to all the aforesaid corporate guarantees and pledge. 創達地產 is a company engaged in property development. Referring to the unaudited management accounts as at 30 April 2019 of 創達地產, it had a net asset value of approximately RMB236,005,000 and thus it should have sufficient assets to cover the above liabilities.

In addition, a loan agreement of RMB245,000,000 has been signed by 大連順浩 with 大連銀行 on 27 December 2017. This loan is still undergoing the loan distribution procedures and is expected to be granted shortly to repay the loans, interests and other costs stated in (1), (2) and (3) and the corporate guarantees provided by 大連創和 will then be released. Another loan is in negotiation between 創達地產 and 大連銀行 to repay the loans, interests and other costs stated in (4) and (5). The corporate guarantees and pledge provided by 大連創和 will be released once this arrangement is reached.

The Directors are closely monitoring the situations and will continue to use their best endeavor to resolve it. The Directors are also assessing the legal position of the Group and may consider taking legal actions if appropriate.

Up to the date of this announcement, the Group did not suffer any loss from the above corporate guarantees and pledge. Having considered the counter-guarantees provided by 創達地產, pledge of valuable properties by 大連順浩 and 創達地產 and subsequent settlement arrangements as stated above, the Directors of the Company believe that the probability of suffering any significant loss by the Group from the above corporate guarantees and pledge is low. As such, no provision for loss is made.

RESULTS OF THE YEAR

For the year ended 31 March 2019, the consolidated revenue of the Group amounted to approximately HK$32,760,000 (2018: Nil) from continuing operations and HK$269,000 (2018: HK$7,343,000) from discontinued operations respectively. Accordingly, the Group's recorded a gross profit of approximately HK$1,297,000 for the year (2018: HK$7,343,000).

The Group recorded a loss attributable to the owners of the Company amounted to approximately HK$158,640,000 for the year ended 31 March 2019 (2018: HK$123,989,000). The increase in loss was mainly due to (i) the impairment losses on properties under development and completed properties held for sale; and (ii) share of losses of associates.

Basic and diluted loss per share from continuing and discontinued operations for the year ended 31 March 2019 was HK$0.022 (2018: HK$0.021).

BUSINESS REVIEW

The Group has continuously focused its effort on our core business the water business, property development and property investment business. For the water mining business in Hunan, the production facilities are currently under construction and expected to commence production in 2020. For the property development business in Dalian, construction of the first phase has been completed and the Group commenced to handover the properties to the buyer from April 2019. Therefore, revenue will be recognised in the coming years. The Group also endeavours to source favourable trading business as to enhance the diversity of our business and increase revenue.

During the year ended 31 March 2019, the Group recorded revenue of approximately HK$32,760,000 (2018: Nil) from continuing operations. The revenue was mainly derived from the general trading business.

Apart from expanding the business, the Group has disposed the non-profitable iron ore mining business in Indonesia. The Group has also ceased the operation of the money lending business in order to reallocate the resources to the core businesses.

Environmental Policies and Performance

The Group is committed to the long term sustainability of the environment and communities in which it operates. As a responsible corporation, the Group has complied with all relevant laws and regulations regarding environmental protection, health and safety, workplace conditions and employment and has adopted effective measures to achieve efficient use of resources, energy saving and waste reduction.

Compliance with Laws and Regulations

During the year ended 31 March 2019, there was no incident of significant non-compliance to any relevant laws and regulations in all material aspects for the Group.

Relationship with Suppliers, Customers and other Stakeholders

During the year ended 31 March 2019, there were no material and significant dispute between the Group and its key stakeholders, including employees, customers, suppliers, banks, regulators and Shareholders. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

MANAGEMENT DISCUSSION AND ANALYSIS

Water Business

Water Production and Sales

Since April 2017, the Group holds 20% equity interests of Hong Kong Spring Water Ding Dong Group Company Limited ("Spring Water Ding Dong"). A wholly-owned subsidiary in Guangxi of Spring Water Ding Dong holds a water procurement permit for production and sales of bottled water and is currently in operation.

During the year, the Group shared losses of associates of approximately HK$17,152,000 (2018: HK$7,855,000), which were mainly due to the depreciation of property, plant and equipment.

Water Mining

Since June 2017, the Group holds 67% equity interests of Good Union (China) Limited and indirectly holds its wholly-owned subsidiary in Hunan which holds a water mining licence for exploitation of spring water. The production facilities in Hunan are currently under construction and are expected to be completed in early to mid of 2020.

During the year, no revenue was derived from this segment and a loss of approximately HK$1,915,000 (2018: HK$1,586,000) was recorded which mainly comprised administrative expenses.

Property Business

Property Development

Dalian Properties

Our indirectly wholly owned China subsidiary, Dalian Chuanghe Landmark Co Ltd.* (大連創和置地有限公司) ("Dalian Chuanghe") continues engaging in the development of urban land for residential purpose in the real estate sector in Dalian and as planned to develop 55 buildings on the said land with 21 buildings in the first phase ("Phase I") and 34 buildings in the second phase ("Phase ll").

Phase l named "Xin Tian Jia Yuan" had been completed in March 2019. There are 21 buildings established in Phase I with total saleable area of approximately 42,540 square metres. including 4 eight-storey apartments (小高層), 9 garden villas (洋房) and 8 garden houses (聯排別墅). As at 31 March 2019, total contracted sales achieved approximately RMB189,310,000 (of which pre-sale deposits of approximately RMB142,138,000 received), and total contracted gross saleable area was around 29,507 square metres. Dalian Chuanghe commenced to handover the properties to buyers from April 2019.

For the Phase II, 34 buildings with approximately 69,000 square metres used as the saleable area. The initiation date expected to be in 2019.

Property Investment

Yantian Properties

(A) The Group entered into an acquisition agreement on 24 June 2014 ("2014 Acquisition Agreement"), a supplemental agreement on 15 April 2015, the second supplemental agreement on 12 July 2016, the third supplemental agreement on 17 May 2017 and the fourth supplemental agreement on 3 May 2018 to purchase the property at a consideration of approximately RMB100,000,000 (equivalent to approximately HK$126,000,000).

* *For identification purpose only*

The property to be acquired represents 46 units of Jinma Creative Industry Park (formerly known as "Kingma Information Logistic Park") which is situated at Depot No. 2, 3rd Road and Shenyan Road Intersect, Inner Logistic Park, Yantian Bonded Area, Yantian District, Shenzhen City, the PRC* (中國深圳市鹽田區鹽田保稅區物流園內三號路與深鹽路交匯處二號堆場) ("Jinma Creative Industry Park") with a total gross floor area of approximately 8,699 square metres.

As at 31 March 2019, the Group had obtained physical possession of the property and totally paid conditionally refundable deposit of RMB90,000,000 in accordance with the terms of payment stated in the sales and purchase agreement. The remaining balance of the consideration of approximately RMB10,000,000 shall be paid within 30 days from the date on which the relevant building ownership certificates have been issued in favour of the purchaser. The vendor shall register the title of the property under the name of the purchaser on or before 31 December 2018 (or such other date as may be mutually agreed).

(B) The Group entered into the second acquisition agreement on 15 May 2015 ("May 2015 Acquisition Agreement"), a supplemental agreement on 12 July 2016, the second supplemental agreement on 17 May 2017 and the third supplemental agreement on 3 May 2018 to further purchase the property at a consideration of approximately RMB65,100,000 (equivalent to approximately HK$81,400,000). The property to be acquired represents 30 units of Jinma Creative Industry Park with a total gross floor area of approximately 5,400 square metres.

As at 31 March 2019, the Group had obtained physical possession of the property and totally paid conditionally refundable deposit of RMB60,000,000 in accordance with the terms of payment stated in the sales and purchase agreement. The remaining balance of the consideration of approximately RMB5,100,000 shall be paid within 30 days from the date on which the property has been registered under the name of the purchaser. The vendor shall register the title of the property under the name of the purchaser on or before 31 December 2018 (or such other date as may be mutually agreed).

* *For identification purpose only*

(C) The Group entered into the third acquisition agreement on 10 November 2015 ("November 2015 Acquisition Agreement"), a supplemental agreement on 17 May 2017 and the second supplemental agreement on 3 May 2018 to further purchase the property at a consideration of approximately RMB101,600,000 (equivalent to approximately HK$122,000,000). The property to be acquired, being a single-storey reinforced concrete building designated for office and storage uses, is the Block 2 of Jinma Creative Industry Park with a total gross floor area of approximately 4,957 square metres.

As at 31 March 2019, the Group had obtained physical possession of the property and totally paid conditionally refundable deposit of RMB100,000,000 in accordance with the terms of payment stated in the sales and purchase agreement. The remaining balance of the consideration of approximately RMB1,600,000 shall be paid within 30 days from the date on which the property has been registered under the name of the purchaser. The vendor shall register the title of the property under the name of the purchaser on or before 31 December 2018 (or such other date as may be mutually agreed).

For Yantian Properties (A), (B) and (C), as at the date of this announcement, the vendor has still not registered the titles of the properties under the name of the Group. The approval from the PRC government authority for issuing the building ownership certificates remained pending. The Company is now actively negotiating with the vendor on this matter for the possible ways to resolve the same.

Zengcheng Properties

Reference is made to the announcements of the Company dated 15 April 2015, 5 June 2015, 27 August 2015, 15 June 2016 and 18 January 2017 in relation to the acquisition of certain properties located in Jinma Waterfront Square* (金馬水岸廣場). Given that the vendor failed to deliver the physical possession of the properties within the timeframe specified in the acquisition agreements, the Group served a termination notice to the vendor on 18 January 2017 and demand the refund of the consideration in the amount of RMB274,000,000 pursuant to the terms and conditions of the acquisition agreements and the payment of an additional sum representing not less than 3% thereof as compensation (details of which were disclosed in the announcement dated 18 January 2017). As at 31 March 2019, the Group had totally received RMB212,000,000 for the refund of the paid consideration and the payment of the compensation. The Group has negotiated with the vendor and expected that the remaining balance of the refund will be received by 31 December 2019, failing which the Group may consider taking legal action against the vendor.

* *For identification purpose only*

Hangzhou Properties (Discontinued Operations)

Reference is made to the announcements of the Company dated 12 July 2018 and 28 September 2018 in relation to the disposal of subsidiaries, which hold the Hangzhou properties. The consideration has been received and the transaction has been completed on 28 September 2018.

Beijing Properties

The Group entered into an acquisition agreement on 28 February 2017 to purchase (a) office premises with a gross floor area of 8,335 square metres and (b) underground car park with a gross floor area of 3,100 square metres located in the Phrase III of the Beijing Convention and Exhibition International Port (Exhibition Centre Ancillary Facilities) Project* (北京會展國際港展館配套設施項目第三期) for a consideration of approximately RMB220,000,000 (subject to adjustment).

As at 31 March 2019, the Group totally paid consideration of RMB200,000,000 in accordance with the terms of payment stated in the sales and purchase agreement. The remaining balance of the consideration of approximately RMB20,000,000 shall be paid upon the pre-sale agreement between the vendor and the purchaser in relation to the sale and purchase of the property having been entered into and the building ownership certificate having been obtained by the purchaser. Currently, the Beijing Properties are under construction and are expected to be completed on or around 31 December 2019.

Shenyang Properties

The Group entered into a sale and purchase agreement on 12 October 2017 to purchase the properties at a total consideration of RMB625,000,000 (subject to adjustment). The properties comprise Floors 7 to 35 of Building T3 situated at 46 Nanjing North Street, Heping District, Shenyang City, Liaoning Province, PRC with a gross floor area of approximately 34,754.58 square metres, while the gross floor area of office is approximately 30,480.96 square metres.

* *For identification purpose only*

As at 31 March 2019, the Group had paid approximately RMB528,764,000 to the vendor, representing approximately 84.6% of the total consideration. In mid-April 2019, the Group received a notice from the vendor that it was anticipated that the vendor would not be able to complete the construction of the properties and deliver the same to the Group in accordance with the agreed terms of the sale and purchase agreement. The vendor also proposed to terminate the sale and purchase agreement. On 24 April 2019, after arm's length negotiations between the vendor and the Group, the parties have mutually agreed to terminate the sale and purchase agreement. The deposits paid shall be refunded together with a monetary compensation of RMB11,250,000 to the Group on or before 24 October 2019.

The Group recorded a loss from property development and investment segment of approximately HK$117,960,000 for the year ended 31 March 2019 (2018: HK$34,375,000). The loss mainly comprised operation and administrative expenses and impairment losses on properties under development and completed properties held for sales located in Dalian.

Iron Ore Mining Business (Discontinued Operations)

Reference is made to the announcements of the Company dated 12 July 2018 and 28 September 2018 in relation to the disposal of subsidiaries, which operate the iron ore mining business in Indonesia. The consideration has been received and the transaction has been completed on 28 September 2018.

Investing and Financing Business

Money Lending Business (Discontinued Operations)

Reference is made to the announcement of the Company dated 11 July 2018. Having considered the keen market competition and the challenging environment, risks associated with the possible default by the borrowers, decline in lending interest rates, and opportunities for other new and more profitable businesses, the Group has ceased the operation of its money lending business.

For the year under review, the money lending business recorded a revenue of approximately HK$269,000 (2018: HK$7,343,000).

SIGNIFICANT INVESTMENTS

As at 31 March 2019, the Group had significant investments in equity securities classified as financial assets at fair value through profit or loss. The details are set out as follows:

Stock code	Name of investee company	Number of shares held as at 31 March 2019	Percentage of shareholdings as at 31 March 2019	Carrying amount as at 31 March 2018	Unrealised fair value loss for the year ended 31 March 2019	Fair value as at 31 March 2019	Percentage of total financial assets at fair value through profit or loss as at 31 March 2019	Percentage of total assets of the Group as at 31 March 2019
				HK$'000	*HK$'000*	*HK$'000*		
640	Infinity Development Holdings Company Limited	1,000,000	0.17%	740	(130)	610	13.44%	0.02%
747	Shenyang Public Utility Holdings Company Limited	13,100,000	2.16%	4,127	(197)	3,930	86.56%	0.14%
				4,867	(327)	4,540	100.00%	0.16%

Brief description of the principal business and the future prospect of the investee companies are set out below:

Name of investee company	Principal business and future prospect
Infinity Development Holdings Company Limited	That company is principally engaged in the manufacturing and sales of adhesives, primers, hardeners, vulcanized shoes adhesive related products used by the footwear manufacturers and acting as the sales agent for adhesive used in the production of electronic products. As disclosed in the interim results announcement of that company for the six months ended 31 March 2019, due to the continual growth in global demand for footwear, more stringent requirement from the manufacturers for the quality of adhesives which will gradually eliminate industry players with less competitiveness, rapid increase in the demand for the use of environmental friendly water based adhesive products by footwear brands and manufacturers, and ongoing diversion of the footwear manufacturing industry to countries or regions with lower costs, the effect of the previous regional deployments of the company is becoming prominent under the swift changes in the market. Moreover, the company has been establishing a good reputation for our premium and quality products and maintaining good strategic relationships with our customers for a number of years. As such, the board of the company expects that the growth of the company's sales will be at a steady pace in 2019. The company will devote necessary resources to further increase its market share if appropriate.
Shenyang Public Utility Holdings Company Limited	That company's principal businesses is construction of infrastructure and development of properties. As disclosed in the annual report of that company for the year ended 31 December 2018, given the pressure of economic downturn in the PRC and the internal adjustment of the company in 2019, the company will adhere to the development objective of making steady progress, continue to maintain its core competitiveness and push ahead the development of existing projects. At the same time, the company will rationalise or reduce the size of underperforming projects and actively seek and attract investment projects that are more in line with the company's strategic objectives with better development prospects, and adjust the proportion of the company's investment in industrial projects and financial business to fully optimise the company's resource allocation. In addition, the board of the company will continue to devote efforts to explore various investment opportunities and enhance the company's market competitiveness both in the good times and bad times with a view to generating more business opportunities for Shareholders. Together we grow and make progress.

The Directors believe that the future performance of the equity securities of companies listed on the Stock Exchange held by the Group will be affected by the overall economic environment, capital market conditions, investor sentiment and the business performance of the investee companies. The Board will continue to look for attractive investment opportunities which can generate better returns to its shareholders.

Save as disclosed above, there were no other significant investments by the Group during the period under review.

DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 March 2019 (2018: Nil).

SHARE CAPITAL

As at 31 March 2019, the total number of issued ordinary shares of the Company was 7,611,690,000 (2018: 6,343,690,000). On 3 August 2018, 1,268,000,000 new ordinary shares were allotted and issued to Mr. Li Yuguo at the subscription price of HK$0.25 per share. Details of the subscription of shares are set out in the announcements of the Company dated 17 April 2018 and 3 August 2018 and the circular of the Company dated 5 June 2018.

2015 CONVERTIBLE BONDS

Reference is made to the announcements of the Company dated 21 May 2015 and 20 August 2015 and the circular of the Company dated 6 July 2015 in relation to the placing of a 3-year 4% coupon convertible bonds due 2018 (at a conversion price of HK$0.72 – subject to adjustment) in the aggregate principal amount of up to HK$432,000,000 (the "2015 CB Placing"). The 2015 CB Placing was completed on 20 August 2015 (the "Convertible Bonds"). The outstanding principal amount of Convertible Bonds as at 31 March 2018 was HK$244,800,000.

On 20 August 2018, the Convertible Bonds were matured and none of the outstanding principal amount of the Convertible Bonds had been converted into shares. The Company had redeemed the outstanding Convertible Bonds in whole at a redemption price equal to 100% of the outstanding principal amount of HK$244,800,000 together with all accrued and unpaid interests thereon and completed all relevant procedures thereafter.

USE OF PROCEEDS FROM SUBSCRIPTION OF SHARES

Subscription of Shares on 3 August 2018

The net proceeds (net of all relevant costs and expenses) from subscription of shares under special mandate on 3 August 2018 were approximately HK$316,500,000. Details of the subscription of shares were set out in the announcements of the Company dated 17 April 2018 and 3 August 2018 and the circular of the Company dated 5 June 2018.

Up to 31 March 2019, the Group had used the net proceeds as follows:

Intended use of net proceeds	Original allocation of net proceeds		Actual use of net proceeds	Actual allocation of net proceeds		Utilisation up to 31 March 2019	Remaining balance of net proceeds as at 31 March 2019
	HK$'million	*% of net proceeds*		*HK$'million*	*% of net proceeds*	*HK$'million*	*HK$'million*
Capital expenditure on the production facilities of Hunan Xintian	56.0	17.7%	Capital expenditure on the production facilities of Hunan Xintian	56.0	17.7%	–	56.0
Potential acquisition of business or companies	213.0	67.3%	Acquisition of Shenyang Properties	213.0	67.3%	213.0	–
Working capital of the Group	47.5	15.0%	Working capital of the Group	47.5	15.0%	–	47.5
	316.5	100.0%		316.5	100.0%	213.0	103.5

Subscription of Shares on 8 August 2017

The net proceeds (net of all relevant costs and expenses) from subscription of shares under general mandate on 8 August 2017 were approximately HK$249,900,000. Details of the subscription of shares were set out in the announcements of the Company dated 7 July 2017 and 8 August 2017.

Up to 31 March 2019, the Group had used the net proceeds as follows:

Intended use of net proceeds	Original allocation of net proceeds		Actual use of net proceeds	Actual allocation of net proceeds		Utilisation up to 31 March 2019	Remaining balance of net proceeds as at 31 March 2019
	HK$'million	*% of net proceeds*		*HK$'million*	*% of net proceeds*	*HK$'million*	*HK$'million*
Acquisition and development of businesses related to natural resources or the products thereof or working capital of the Group	249.9	100.0%	Capital expenditure on the production facilities of Hunan Xintian	7.9	3.2%	7.9	–
			Operating expenses of the Company	12.0	4.8%	12.0	–
			Redemption of convertible bonds	230.0	92.0%	230.0	–
	249.9	100.0%		249.9	100.0%	249.9	–

Subscription of Shares on 16 November 2015

The net proceeds (net of all relevant costs and expenses) from subscription of shares under special mandate on 16 November 2015 were approximately HK$472,600,000. Details of the subscription of shares were set out in the announcements of the Company dated 22 May 2015 and 16 November 2015 and the circular of the Company dated 3 July 2015.

On 23 May 2017, the Board have decided to change the use of the net proceeds that the new allocation of the net proceeds would meet the Group's business and operational needs more effectively in line with the Group's business development. Details of the change in use of proceeds from subscription was set out in the announcement of the Company on 23 May 2017.

Up to 31 March 2019, the Group had used the net proceeds as follows:

Intended use of net proceeds	Original allocation of net proceeds		Actual use of net proceeds	Actual allocation of net proceeds		Utilisation up to 31 March 2019	Remaining balance of net proceeds as at 31 March 2019
	HK$'million	*% of net proceeds*		*HK$'million*	*% of net proceeds*	*HK$'million*	*HK$'million*
Investment in entities engage in exploitation, production and sales of spring water	244.0	51.6%	Redemption of promissory notes for acquisition of Spring Water Ding Dong	244.0	51.6%	244.0	–
Working capital of the Group	23.0	4.9%	Working capital of the Group	23.0	4.9%	23.0	–
Deposited in the bank accounts for intended use	205.6	43.5%	Acquisition of Shenyang Properties	205.6	43.5%	205.6	–
	472.6	100.0%		472.6	100.0%	472.6	–

CAPITAL STRUCTURE

Shareholders' equity increases from approximately HK$2,145,072,000 as at 31 March 2018 to approximately HK$2,213,608,000 as at 31 March 2019.

As at 31 March 2018, the Group had convertible bonds of approximately HK$234,287,000. The convertible bonds was fully redeemed during the year ended 31 March 2019 and there was no other interest bearing debt as at 31 March 2019.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2019, the Group had total assets of approximately HK$2,720,466,000 (2018: HK$2,860,646,000) which was financed by current liabilities of approximately HK$371,716,000 (2018: HK$569,728,000), non-current liabilities of approximately HK$16,452,000 (2018: HK$36,354,000), non-controlling interests of approximately HK$118,690,000 (2018: HK$109,492,000) and shareholders' equity of approximately HK$2,213,608,000 (2018: HK$2,145,072,000).

As at 31 March 2019, the Group's current ratio was approximately 2.6 (2018: 2.55) and gearing ratio was nil (2018: 10.92%).

As at 31 March 2019, except for the capital commitment amounting to approximately HK$307,622,000 (2018: HK$754,344,000), the Group had no other material capital commitment.

At at 31 March 2019, the Group had contingent liabilities amounting to RMB200,000,000 (2018: RMB200,000,000). Details are set out in note 18 to the consolidated financial statements.

MATERIAL DISPOSALS DURING THE YEAR

Disposal of 100% equity interests of China Value Assets Limited and Merit Development Limited

On 12 July 2018, the Company entered into a disposal agreement with a third party in relation to the disposal of 100% equity interests of China Value Assets Limited and Merit Development Limited at the consideration of HK$33,000,000. The disposal had been completed on 28 September 2018. Details of the disposal were disclosed in the announcements dated 12 July 2018 and 28 September 2018.

Disposal of the entire registered capital of 陝西和萬交通能源有限責任公司

On 21 September 2018, the Company entered into a disposal agreement with a third party in relation to the disposal of the entire registered capital of 陝西和萬交通能源有限責任公司 at the consideration of approximately HK$4,820,000. The disposal had been completed on the same date.

Save as disclosed above, there was no other material acquisitions or disposals of the Company during the year under review.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The Group mainly exposes to the RMB, arising from relevant group entities' foreign currency denominated monetary assets and liabilities for the Group's operating activities.

The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures. However, the management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposures should the need arise.

EMPLOYEE AND REMUNERATION POLICY

The Group has a total of approximately 47 (2018: 42) employees in Hong Kong and the PRC as at 31 March 2019. The total cost (staff salaries, directors' emoluments and other staff costs) for the year ended 31 March 2019 amounted to approximately HK$9,638,000 (2018: HK$10,272,000). Remuneration packages are generally structured according to market environment and individual performance. Apart from the mandatory provident fund and statutory retirement benefits, the Group also provides medical benefits and subsidises employees in various training and continuous education programs.

CHARGES ON GROUP ASSETS

Save and except for those disclosed in the notes 15 the consolidated financial statements, as at 31 March 2019, no other assets have been pledged to secure credit facilities.

SUBSEQUENT EVENTS

(a) On 4 April 2019, Beijing Qiaofeng Commercial Trading Company Limited* (北京僑豐商貿有限公司) ("the Purchaser"), a wholly-owned subsidiary of the Company, and Guangxi Spring Water Ding Dong Beverages Company Limited* (廣西泉水叮咚飲品有限公司) ("the Supplier"), an associate of the Company, entered into the agreement pursuant to which the Supplier has agreed to supply and the Purchaser has agreed to procure the Bottled Water Products. Details of which are set out in the announcement of the Company dated 4 April 2019.

(b) In mid-April 2019, Asiaciti Investment Limited (國成投資有限公司) ("the Purchaser"), a wholly-owned subsidiary of the Company, received a notice from 遼寧京豐置業有限公司 ("the Vendor") that it is anticipated that they would not be able to complete the construction of the Shenyang Properties and deliver the same to the Purchaser in accordance with the agreed terms of the sale and purchase agreement on 12 October 2017. The Vendor proposed to terminate the sale and purchase agreement. On 24 April 2019, after arm's length negotiations between the Vendor and the Purchaser, the parties entered into a termination agreement. Details of which are set out in the announcement of the Company dated 24 April 2019.

* *For identification purpose only*

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

During the year ended 31 March 2019, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of maintaining a high standard of corporate governance with an aim to protect the interest of shareholders.

The Company has adopted the Corporate Governance Code contained in Appendix 14 (the "Code") of the Listing Rules. During the year ended 31 March 2019, the Company complied with all applicable provisions of the Code except for the deviation as stated below:

Code Provision A.1.3

Under Code provision A.1.3, notice of at least 14 days should be given for a regular Board meeting to give all directors an opportunity to attend. For all other Board meetings, reasonable notice should be given. Due to the practical reasons, 14 days' advanced notifications have not been given to all meetings of the Board. Reasons have been given in the notifications in respect of those meetings of the Board where it is not practical to give 14 days' advanced notification. The Board will use its best endeavours to give 14 days' advanced notifications of Board meeting to the extent practicable.

Code Provision A.1.8

Under Code provision A.1.8, the Company should arrange appropriate insurance cover in respect of legal action against its directors. The directors' and officers' liability insurance maintained by the Company has expired on 20 May 2018. As the Company has yet to reach an agreement with the insurer regarding the terms and insurance premium of new insurance policy, insurance cover in respect of legal action against the Directors of the Company has not been in place since 21 May 2018. The Company will continue to liaise with the insurer on the same.

Code Provision A.6.7

Under Code provision A.6.7, independent non-executive directors and other non-executive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and develop a balanced understanding of the views of shareholders. Due to other business engagement, an Independent Non-executive Director was unable to attend the annual general meeting of the Company held on 31 August 2018.

CODE ON CORPORATE GOVERNANCE PRACTICES MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules. Having made specific enquiry with all directors, directors confirmed that they had fully complied with the required standard set out in the Model Code throughout the year ended 31 March 2019.

REVIEW OF FINANCIAL STATEMENTS

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2019 have been agreed by the auditors of the Company.

AUDIT COMMITTEE

The Company has established an audit committee in compliance with the Code. The audit committee comprises all independent non-executive directors of the Company. The audit committee has reviewed with management the accounting standards and practices adopted by the Group, and discussed auditing, internal control, risk management and financial reporting matters including the review of interim and annual financial statements.

PUBLICATION OF RESULTS AND ANNUAL REPORT

This results announcement is available for reviewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under "Latest Listed Companies Information" and the website of the Company at www.asiaresources899.com.hk. The annual report will be dispatched to the shareholders and will also be available on these websites.

By order of the Board
Asia Resources Holdings Limited
Li Yuguo
Chairman

Hong Kong, 27 June 2019

As at the date of this announcement, the Board consists of three executive directors, Mr. Li Yuguo, Mr. Liu Yan Chee James and Ms. Guo Yumei, two non-executive directors, Mr. Yang Xiaoqiang and Mr. Huang Yilin; and three independent non-executive directors, Mr. Ba Junyu, Mr. Zhu Xueyi and Mr. Wong Chung Man.