



**IR Resources Limited**  
**同仁資源有限公司**

(Incorporated in Bermuda with Limited Liability)  
(Stock Code: 8186)

The background of the entire page is a photograph of large, vibrant green leaves, likely from a tree, set against a clear blue sky with some light clouds. The leaves are in sharp focus, showing their intricate vein patterns.

**2019**  
**Third Quarterly**  
**Report**

## CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the board (the “Board”) of directors (the “Directors”) of IR Resources Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and beliefs, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this report misleading.*

## SUMMARY

- Revenue of the Company and its subsidiaries (the “Group”) for the nine months ended 30 September 2019 (the “Reporting Period”) amounted to HK\$20.5 million. (2018: HK\$20.2 million).
- Consolidated loss and loss attributable to ordinary equity holders of the Company for the Reporting Period amounted to HK\$15.0 million (2018: HK\$29.5 million) and HK\$14.1 million (2018: HK\$27.6 million).
- The basic and diluted loss per ordinary share (the “Share”) attributable to ordinary equity holders of the Company for the Reporting Period was HK11.94 cents (2018: HK26.58 cents (restated)).
- The Board does not recommend the payment of any dividend for the Reporting Period (2018: Nil).

## UNAUDITED THIRD QUARTERLY RESULTS

The Board would like to present the unaudited condensed consolidated results (the “Results”) of the Group for the three months and the nine months ended 30 September 2019, together with the unaudited comparative figures for the corresponding periods in 2018, as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2019 HK\$'000	2018 HK\$'000	2019 HK\$'000	2018 HK\$'000
<b>Revenue</b>	2	<b>6,879</b>	7,756	<b>20,506</b>	20,175
Cost of sales		<b>(5,849)</b>	(6,443)	<b>(17,508)</b>	(16,017)
Gross profit		<b>1,030</b>	1,313	<b>2,998</b>	4,158
Other income and gains		<b>(243)</b>	1,017	<b>1,521</b>	1,412
Administrative expenses		<b>(6,546)</b>	(6,432)	<b>(17,855)</b>	(28,062)
Net loss on equity investment at fair value through profit or loss	4	<b>(25)</b>	(468)	<b>(297)</b>	(1,134)
Loss on disposal of debt investment at fair value through other comprehensive income		–	17	–	(512)
Finance costs	3	<b>(358)</b>	(909)	<b>(1,067)</b>	(2,780)
Share of results of associates		<b>(8)</b>	237	<b>155</b>	(2,107)
<b>Loss before tax</b>		<b>(6,150)</b>	(5,225)	<b>(14,545)</b>	(29,025)
Income tax expenses	5	<b>(148)</b>	(170)	<b>(442)</b>	(444)
<b>LOSS FOR THE PERIOD</b>		<b>(6,298)</b>	(5,395)	<b>(14,987)</b>	(29,469)
<b>Loss attributable to:</b>					
Ordinary equity holders of the Company		<b>(5,580)</b>	(5,537)	<b>(14,138)</b>	(27,622)
Non-controlling interests		<b>(718)</b>	142	<b>(849)</b>	(1,847)
		<b>(6,298)</b>	(5,395)	<b>(14,987)</b>	(29,469)
		<b>2019 HK Cents</b>	2018 HK Cents (Restated)	<b>2019 HK Cents</b>	2018 HK Cents (Restated)
<b>Loss per Share attributable to the ordinary equity holders of the Company</b>	6				
Basic		<b>(4.22)</b>	(5.33)	<b>(11.94)</b>	(26.58)
Diluted		<b>(4.22)</b>	(5.33)	<b>(11.94)</b>	(26.58)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the three months ended 30 September		For the nine months ended 30 September	
	2019 HK\$'000	2018 HK\$'000	2019 HK\$'000	2018 HK\$'000
<b>LOSS FOR THE PERIOD</b>	<b>(6,298)</b>	(5,395)	<b>(14,987)</b>	(29,469)
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</b>				
Revaluation of unlisted equity investment at fair value through other comprehensive income (non-recycling)	–	(1,889)	<b>226</b>	(3,381)
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>				
Release of fair value reserve relating to debt investment at fair value through other comprehensive income (recycling)	–	(582)	–	(291)
Exchange differences on translation of foreign operations	<b>1</b>	20	<b>(1)</b>	114
Less: Income tax effect	–	–	–	–
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>1</b>	(2,451)	<b>225</b>	(3,558)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(6,297)</b>	(7,846)	<b>(14,762)</b>	(33,027)
<b>Attributable to:</b>				
Ordinary equity holders of the Company	<b>(5,579)</b>	(7,988)	<b>(13,913)</b>	(31,180)
Non-controlling interests	<b>(718)</b>	142	<b>(849)</b>	(1,847)
	<b>(6,297)</b>	(7,846)	<b>(14,762)</b>	(33,027)

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 1. BASIS OF PREPARATION

The Results have been prepared in accordance with Hong Kong Financial Reporting Standards (which include all Hong Kong Financial Reporting Standards (“HKFRS”), Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants), accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the GEM Listing Rules.

The Results have also been prepared under the historical cost basis, except for equity investment at fair value through other comprehensive income and equity investment at fair value through profit or loss which are stated at fair value. The principal accounting policies used in the preparation of the Results are consistent with those applied in the Company’s annual report for the year ended 31 December 2018, except for the adoption of new and revised HKFRSs that affect the Group and has been adopted for the first time in the current period’s unaudited condensed consolidated financial information.

### 2. REVENUE

Revenue recognised during the periods is analysed as follows:

	For the three months ended 30 September		For the nine months ended 30 September	
	2019 HK\$'000	2018 HK\$'000	2019 HK\$'000	2018 HK\$'000
<i>Revenue from contracts with customers</i>				
Sales of wood and agricultural products	6,755	7,435	20,296	18,595
Brokerage commission income	–	21	–	58
Interest income from margin financing	–	243	–	720
Loan interest income	124	57	210	85
Related service fee income from provision of financial information services	–	–	–	717
	<b>6,879</b>	7,756	<b>20,506</b>	20,175

**Disaggregated Revenue Information**

	For the three months ended 30 September		For the nine months ended 30 September	
	2019 HK\$'000	2018 HK\$'000	2019 HK\$'000	2018 HK\$'000
<i>Timing of revenue recognition</i>				
Goods transferred at a point of time	6,755	7,435	20,296	18,595
Loan interest income over time	124	57	210	85
Services transferred over time	–	264	–	1,495
Total revenue from contracts with customers	6,879	7,756	20,506	20,175

**3. FINANCE COSTS**

	For the three months ended 30 September		For the nine months ended 30 September	
	2019 HK\$'000	2018 HK\$'000	2019 HK\$'000	2018 HK\$'000
Interest on loan from a financial institution	172	172	509	509
Interest on other borrowing	177	148	530	464
Imputed interest on convertible bond	–	589	–	1,807
Interest expense on lease liabilities	9	–	28	–
	358	909	1,067	2,780

**4. NET LOSS ON EQUITY INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS**

For the Reporting Period, the Group did not record any realized loss from disposal of listed securities (2018: Nil) but recorded an unrealised loss arising from change in fair value of the listed securities of HK\$297,000 (2018: HK\$1,134,000) based on the market value of the listed securities as at 30 September 2019. The Group did not receive any dividend from its listed investments during the Reporting Period.

## 5. INCOME TAX EXPENSES

### (a) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated at the rate of 16.5% on the estimated profits arising in Hong Kong.

### (b) PRC Enterprise Income Tax

Under the Enterprise Income Tax Law of the People's Republic of China (the "PRC"), the enterprise income tax is calculated at a rate of 25%.

### (c) Cambodia Corporate Income Tax

Under the Law of Taxation of the Kingdom of Cambodia ("Cambodia"), the corporate income tax is calculated at a rate of 20%.

### (d) Deferred Taxation

No provision for deferred taxation is deemed necessary as the Group does not have any material deductible or taxable temporary differences for the three months and nine months ended 30 September 2019.

## 6. LOSS PER SHARE

The calculations of the basic and diluted loss per Share for the three months and the nine months ended 30 September 2019 are based on the loss attributable to ordinary equity holders of the Company being HK\$5.6 million (2018: HK\$5.5 million) and HK\$14.1 million (2018: HK\$27.6 million) divided by the weighted average number of 132,128,276 (2018: 103,907,652 (restated)) Shares and 118,440,426 (2018: 103,907,652 (restated)) Shares for the three months and the nine months ended 30 September 2019 respectively.

No adjustment has been made to the basic loss per Share amounts presented for the three months and the nine months ended 30 September 2019 and 2018 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per Share amounts presented.

## 7. DIVIDENDS

The Directors do not recommend the payment of any dividend for the Reporting Period (2018: Nil).

## 8. COMPARATIVE FIGURES

Certain comparative figures and items have been adjusted and reclassified to conform with the current period's presentation.



## 9. RESERVES

	Attributable to ordinary equity holders of the Company										
	Share premium	Share award scheme reserve	Contribution Surplus	Other reserve	Share option reserve	Fair value reserve (non-recycling)	Exchange reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
At 1 January 2019 (audited)	265,213	-	-	(9,889)	4,930	(3,847)	(548)	(276,331)	(20,472)	(92)	(20,564)
Loss for the period	-	-	-	-	-	-	-	(14,138)	(14,138)	(849)	(14,987)
Revaluation of unlisted equity investment at fair value through other comprehensive income (non-recycling)	-	-	-	-	-	226	-	-	226	-	226
Release of fair value reserve relating to unlisted equity investment at fair value through other comprehensive income (non-recycling)	-	-	-	-	-	3,621	-	(3,621)	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	-	(1)	-	(1)	-	(1)
Total comprehensive income for the period	-	-	-	-	-	3,847	(1)	(17,759)	(13,913)	(849)	(14,762)
Cancellation of share options	-	-	-	-	(739)	-	-	739	-	-	-
Issue of shares under share award scheme	17,793	(18,001)	-	-	-	-	-	-	(208)	-	(208)
Capital Reorganisation (Note)											
- Capital reduction	-	-	48,626	-	-	-	-	-	48,626	-	48,626
- Reduction of share premium	(265,213)	-	265,213	-	-	-	-	-	-	-	-
- Set-off contribution surplus against accumulated losses	-	-	(313,839)	-	-	-	-	313,839	-	-	-
At 30 September 2019 (unaudited)	17,793	(18,001)	-	(9,889)	4,191	-	(549)	20,488	14,033	(941)	13,092

Note: At the special general meeting held on 2 July 2019, the shareholders of the Company approved the capital reorganisation (the "Capital Reorganisation") which involved: (a) the reduction of issued share capital of the Company by cancelling the paid up capital of the Company to the extent of HK\$0.39 on each existing Share such that the par value of each existing Share will be reduced from HK\$0.40 to HK\$0.01; (b) the reduction of authorised share capital of the Company such that the par value of all its Shares will be reduced from HK\$0.40 to HK\$0.01 which will result in the authorised share capital of the Company being reduced from HK\$200,000,000 divided into 500,000,000 existing Shares of par value of HK\$0.40 each to HK\$5,000,000 divided into 500,000,000 new Shares of par value of HK\$0.01 each; (c) the increase in the authorised share capital from HK\$5,000,000 divided into 500,000,000 new Shares to HK\$200,000,000 divided into 20,000,000,000 new Shares; (d) the transfer of the credit balance arising from such reduction to the contribution surplus account of the Company; and (e) the set-off of credit balance in contribution surplus account against accumulated losses of the Company.

## Attributable to ordinary equity holders of the Company

	Share award		Equity component			Available-for-sale investment		Fair value reserve		Exchange		Accumulated losses		Non-controlling interests		Total
	Share premium	scheme reserve	Other reserve	Share option reserve	convertible bond	revaluation reserve	Fair value reserve (recycling)	(non-recycling)	reserve	reserve	Sub-total	interests				
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
At 1 January 2018 (audited)	265,213	-	(9,889)	4,930	3,931	291	-	-	(668)	(242,288)	21,520	7,304	28,824			
Loss for the period	-	-	-	-	-	-	-	-	-	(27,622)	(27,622)	(1,847)	(29,469)			
Reclassification upon initial application of HKFRS 9	-	-	-	-	-	(291)	291	-	-	-	-	-	-			
Revaluation upon initial application of HKFRS 9	-	-	-	-	-	-	-	8,345	-	-	8,345	-	8,345			
Revaluation of unlisted equity investment at fair value through other comprehensive income (non-recycling)	-	-	-	-	-	-	-	(11,726)	-	-	(11,726)	-	(11,726)			
Release of fair value reserve relating to debt investment at fair value through other comprehensive income (recycling)	-	-	-	-	-	-	(291)	-	-	-	(291)	-	(291)			
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	114	-	114	-	114			
Total comprehensive income for the period	-	-	-	-	-	(291)	-	(3,381)	114	(27,622)	(31,180)	(1,847)	(33,027)			
Issue of share award scheme	-	(14,502)	-	-	-	-	-	-	-	-	(14,502)	-	(14,502)			
At 30 September 2018 (unaudited)	265,213	(14,502)	(9,889)	4,930	3,931	-	-	(3,381)	(554)	(269,910)	(24,162)	5,457	(18,705)			

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL AND BUSINESS REVIEW

The Group is principally engaged in (i) the forestry and agricultural business; (ii) the financial services business; (iii) the cultural business; and (iv) the logistics business.

Revenue of the Group for the Reporting Period amounted to HK\$20.5 million (2018: HK\$20.2 million). The consolidated loss attributable to the ordinary equity holders of the Company for the Reporting Period amounted to HK\$14.1 million (2018: HK\$27.6 million). The decrease in loss for the Reporting Period was mainly attributable to the decrease in administrative expenses and finance costs. The basic and diluted loss per Share attributable to the ordinary equity holders of the Company for the Reporting Period was HK11.94 cents (2018: HK26.58 cents (restated)).

The Group mainly operates in Hong Kong, Southeast Asia and the PRC and is exposed to foreign exchange risk. The Group does not have a foreign currency hedging policy but it continuously monitors its foreign exchange exposure and applies appropriate measures if necessary. The Group's businesses are also subjected to a number of risks including the weather conditions, natural hazards, illegal loggings and the price fluctuations of wood and agricultural products.

### PROSPECTS

The Company anticipates that the escalating Sino-United States conflicts will continue to adversely affect China and worldwide economy, and, together with the current social events in Hong Kong, there will also be a negative impact on the sentiment of the Hong Kong financial market. The forestry and agricultural business will remain difficult and continue to be affected by the stringent administrative policies of the Cambodian government and continue to be the subject of the environmental protection and forestland preservation concern. In view of the challenges ahead, the Company will cautiously monitor the operating environment of its business segments and keep abreast of the investment opportunities available, particularly those with growth potential and/or can collaborate with the businesses of the Group.

### EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the Reporting Period, the Group did not have any material events.

### CAPITAL COMMITMENTS

The Group did not have any material commitments during the Reporting Period.

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2019, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Name of Directors	Capacity of interest	Number of Shares held	Number of underlying Shares held (Note 1)	Percentage of shareholding in the Company (Note 2)
Mr. Chan Ching Hang	Beneficial owner	–	1,039,076	0.72%
Mr. Hong Bingxian	Beneficial owner	–	103,907	0.07%
Ms. Pang King Sze, Rufina	Beneficial owner	–	103,907	0.07%
Mr. Kenneth Hung (Note 3)	Beneficial owner	–	103,907	0.07%

*Notes:*

1. Represents the share options granted to the Directors under the Share Option Scheme.
2. Based on 145,440,151 Shares in issue as of 30 September 2019.
3. Mr. Kenneth Hung resigned as an independent non-executive Director on 10 April 2019.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Save as disclosed above, as at 30 September 2019, no other Directors or the chief executive of the Company or their associates had any interests or rights to subscribe for any securities of the Company or any of its associated corporations as defined in the SFO.

At no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company or any of their respective associates, including spouses or children under eighteen years of age, to acquire benefits by means of the acquisition of Shares in or debentures of the Company or any other body corporate.

## INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 September 2019, so far as is known to any of the Directors or the chief executive of the Company, the following persons (other than a Director and the chief executive of the Company as disclosed above) had interest in the Shares or underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, who is interested in 5% or more of any class of share capital carrying rights to vote at general meetings of the Company.

Name of shareholders	Capacity of interest	Number of Shares held	Number of underlying Shares held	Percentage of shareholding in the Company <i>(Note)</i>
Mega Trillion International Corporation	Corporate owner	20,775,000	–	14.28%
Bank of Communications Trustee Limited	Trustee	20,757,500	–	14.27%
Million Pacific Holdings Corporation	Corporate owner	20,387,701	–	14.02%

Note: Based on 145,440,151 Shares in issue as of 30 September 2019.

## SHARE OPTION SCHEME

Pursuant to the share option scheme approved by the shareholders of the Company on 10 June 2011, the Company may grant options to eligible participants to subscribe for the Shares (the principal terms are set out in the Company's circular dated 27 April 2011).

Details of the movement in and balance of the share options granted under the share option scheme of the Company during the Reporting Period and as at 30 September 2019 are as follows:

Grantee	Date of grant	Exercise period	Exercise price per Share (Note 1)	Number of share options				At 30 September 2019	% of shareholding in the Company (Note 3)
				As 1 January 2019 (Note 1)	Granted during the period	Exercised during the period	Cancelled during the period		
Directors	10-11-2017	10-11-2017 to 9-11-2019	HK\$0.792	1,350,797 (Note 2)	-	-	-	1,350,797	0.93%
Employees	10-11-2017	10-11-2017 to 9-11-2019	HK\$0.792	2,078,152	-	-	-	2,078,152	1.43%
	13-11-2017	13-11-2017 to 12-11-2019	HK\$0.792	519,538	-	-	-	519,538	0.36%
Consultants	10-11-2017	10-11-2017 to 9-11-2019	HK\$0.792	6,234,455	-	-	(1,558,614)	4,675,841	3.21%
	13-11-2017	13-11-2017 to 12-11-2019	HK\$0.792	207,816	-	-	-	207,816	0.14%
				10,390,758	-	-	(1,558,614)	8,832,144	6.07%

### Notes:

- The exercise price and number of share options were adjusted pursuant to the share consolidation with effect from 17 May 2019 on the basis that every eight shares of the Company's issued and unissued existing shares with par value of HK\$0.05 each were consolidated into one share with par value of HK\$0.4 each (the "Share Consolidation") and the Capital Reorganisation.

2. Details of the options granted to the Directors are as follows:

<b>Name of Directors</b>	<b>Capacity of Interest</b>	<b>Number of Shares held</b>	<b>Number of underlying Shares held</b>	<b>Percentage of shareholding in the Company</b>
				<i>(Note 3)</i>
Mr. Chan Ching Hang	Beneficial owner	–	1,039,076	0.72%
Mr. Hong Bingxian	Beneficial owner	–	103,907	0.07%
Ms. Pang King Sze, Rufina	Beneficial owner	–	103,907	0.07%
Mr. Kenneth Hung <i>(Note 4)</i>	Beneficial owner	–	103,907	0.07%
		–	1,350,797	0.93%

3. Based on 145,440,151 Shares in issue as of 30 September 2019.

4. Mr. Kenneth Hung resigned as an independent non-executive Director on 10 April 2019.

In accordance with the terms of the share option scheme, the options granted in 2017 have been vested as at the date of grant. The closing price of the Shares immediately before the date on which the share options were granted was HK\$0.792 (adjusted by Share Consolidation).

The fair value of the share options granted as at 10 and 13 November 2017 is determined to be HK\$0.4744 and HK\$0.4768 (adjusted by Share Consolidation) respectively using the Trinomial Option Pricing Model with the expected volatility based on the historical share price volatility over the past 3 months. The variables and assumptions used in computing the fair value of the share options as at 10 and 13 November 2017 are based on the Directors' best estimate. The value of an option may vary with different variables of certain subjective assumptions.

## **DIRECTORS' INTEREST IN CONTRACTS**

No contract, commitment or agreement of significance in relation to the Company's business, to which the Company or any of its subsidiaries was a party and in which any of the Directors had a material interest, either directly or indirectly, subsisted during the Reporting Period.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

## **COMPETING INTERESTS**

None of the Directors or the substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) has engaged in any businesses that compete or may compete with the businesses of the Group or has any other conflicts of interests with the Group during the Reporting Period.

## **COMPLIANCE WITH CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms not less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has made enquiry to all Directors and each of them has confirmed that he/she has complied with the required standard of dealings and its code of conduct concerning securities transactions by the Directors during the Reporting Period.

## **CORPORATE GOVERNANCE**

During the Reporting Period, the Company has complied with the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules, except for the office of the chief executive officer of the Company is vacated. The Board will continue to review the current structure of the Board from time to time and should candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post as appropriate.



## AUDIT COMMITTEE

As at the date of this report, the audit committee of the Board (the “Audit Committee”) comprises three members, all being independent non-executive Directors. The chairperson of the Audit Committee is Ms. Pang King Sze, Rufina and the other members are Mr. Cheung Yin Keung and Mr. Hong Bingxian. The Audit Committee’s primary duties include ensuring the Group’s financial statements, annual and interim reports, and the independent auditor’s report present a true and balanced assessment of the Group’s financial position; reviewing the Group’s financial controls, internal controls and risk management systems; and reviewing the Group’s financial and accounting policies and practices. The Audit Committee is provided with sufficient resources to enable it to discharge its duties.

## APPROVAL OF THE THIRD QUARTERLY REPORT 2019

The Audit Committee has reviewed this quarterly report for the Reporting Period and was of the opinion that the preparation of this quarterly report is complied with applicable accounting standards, the GEM Listing Rules and that adequate disclosures had been made.

By order of the Board  
**IR RESOURCES LIMITED**  
**Chan Ching Hang**  
*Chairman of the Board*

Hong Kong, 13 November 2019