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GOLDEN RESOURCES DEVELOPMENT INTERNATIONAL LIMITED

金源米業國際有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 677)

**ANNOUNCEMENT OF RESULTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

SUMMARY OF RESULTS

The Directors of Golden Resources Development International Limited (the “Company”) are pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st March, 2016 as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31st March, 2016**

	<i>Notes</i>	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
REVENUE	3	1,013,784	1,014,003
Cost of sales		(698,408)	(700,776)
		315,376	313,227
GROSS PROFIT			
Net unrealized (loss)/gain on financial assets at fair value through profit or loss		(28,352)	17,683
(Deficit)/surplus on revaluation of investment properties		(3,180)	6,643
Net other (loss)/income	4	(13,672)	37,043
Selling and distribution costs		(119,110)	(88,136)
Administrative expenses		(149,921)	(149,629)
Impairment loss on available-for-sale investments	5	(54,931)	(12,484)
Write-back of impairment loss on loan receivable		18,541	—
		(35,249)	124,347
(LOSS)/PROFIT FROM OPERATIONS			
Finance costs		(125)	(116)
Share of results of associates		5,541	6,346
Gain on disposal of an associate classified as asset held for sale		—	35,350
		(29,833)	165,927
(LOSS)/PROFIT BEFORE TAXATION	6		
Taxation	7	(17,313)	(22,995)
		(47,146)	142,932
		(47,146)	142,932
(Loss)/profit attributable to:			
Shareholders of the Company		(45,762)	143,016
Non-controlling interests		(1,384)	(84)
		(47,146)	142,932
		(47,146)	142,932
		(47,146)	142,932
(LOSS)/EARNINGS PER SHARE	9		
— Basic		HK(2.7) cents	HK8.5 cents
— Diluted		HK(2.7) cents	HK8.5 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31st March, 2016

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
(LOSS)/PROFIT FOR THE YEAR	(47,146)	142,932
OTHER COMPREHENSIVE LOSS		
Items to be reclassified to profit or loss in subsequent periods:		
Deficit on revaluation of available-for-sale investments	(27)	(35)
Exchange differences on translation of foreign operations	(5,058)	(1,038)
Share of other comprehensive loss of associates	(5,723)	(3,325)
Other comprehensive loss for the year, net of tax	(10,808)	(4,398)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	(57,954)	138,534
Total comprehensive (loss)/income attributable to:		
Shareholders of the Company	(55,570)	138,648
Non-controlling interests	(2,384)	(114)
	(57,954)	138,534

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31st March, 2016

	<i>Notes</i>	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		106,747	94,972
Investment properties		79,760	82,940
Intangible asset		23,904	25,303
Interests in associates		152,302	153,025
Available-for-sale investments		31,626	31,653
Prepaid lease payments		16,086	16,781
		410,425	404,674
CURRENT ASSETS			
Inventories		139,361	160,526
Trade debtors	<i>10</i>	91,863	96,304
Other debtors, deposits and prepayments		62,755	52,537
Available-for-sale investments		15,072	83,021
Financial assets at fair value through profit or loss		375,649	453,660
Derivative financial instruments		2,549	—
Cash and cash equivalents		258,755	177,813
		946,004	1,023,861
CURRENT LIABILITIES			
Trade creditors	<i>11</i>	36,716	16,890
Other creditors and accruals		35,137	28,068
Bank loans		7,755	7,755
Tax liabilities		22,707	24,134
		102,315	76,847
NET CURRENT ASSETS		843,689	947,014
TOTAL ASSETS LESS CURRENT LIABILITIES		1,254,114	1,351,688
NON-CURRENT LIABILITIES			
Deferred tax liabilities		1,783	1,864
		1,252,331	1,349,824
CAPITAL AND RESERVES			
Share capital		169,441	169,141
Reserves		1,066,477	1,161,832
Shareholders' equity		1,235,918	1,330,973
Non-controlling interests		16,413	18,851
		1,252,331	1,349,824

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March, 2016

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Hong Kong Companies Ordinance.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted the following new or revised standards and amendments (the “new HKFRSs”) issued by the HKICPA, which are or have become effective for the Group’s financial year beginning on 1st April, 2015:

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2010-2012 Cycle
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2011-2013 Cycle
HKAS 19 (Amendments)	Defined Benefit Plans: Employee Contributions

The adoption of the new HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new HKFRSs that have been issued but are not yet effective. The Directors of the Company anticipate that the application of these new HKFRSs will have no material impact on the results and the financial position of the Group.

HKFRS 9	Financial Instruments ²
HKFRS 14	Regulatory Deferral Accounts ¹
HKFRS 15 (Amendments)	Revenue from Contracts with Customers ²
HKFRS 16	Leases ³
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2012-2014 Cycle ¹
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment Entities: Applying the Consolidation Exception ¹
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
HKFRS 11 (Amendments)	Accounting for Acquisition of Interests in Joint Operations ¹
HKAS 1 (Amendments)	Disclosure Initiative ¹
HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer Plants ¹
HKAS 16 and HKAS 38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation ¹
HKAS 27 (Amendments)	Equity Method in Separate Financial Statements ¹

¹ Effective for annual periods beginning on or after 1st January, 2016, with earlier application permitted

² Effective for annual periods beginning on or after 1st January, 2018, with earlier application permitted

³ Effective for annual periods beginning on or after 1st January, 2019, with earlier application permitted

⁴ The original effective date has been deferred to a date yet to be determined

3. SEGMENT INFORMATION

For management purposes, the Group is currently organised into five operating divisions, namely rice operation, convenience store operation, securities investment, property investment and corporate and others. These divisions are the basis on which the Group reports its operating segment information.

Principal activities are as follows:

Rice operation	—	sourcing, importing, wholesaling, processing, packaging, marketing and distribution of rice
Convenience store operation	—	operation of convenience stores in Vietnam
Securities investment	—	investments in equity and debt securities
Property investment	—	property investment and development
Corporate and others	—	operation of restaurants, corporate income and expenses and other investments

An analysis of the Group's segment information by operating segments is as follows:

Operating segments

Statement of profit or loss for the year ended 31st March, 2016

	Rice operation HK\$'000	Convenience store operation HK\$'000	Securities investment HK\$'000	Property investment HK\$'000	Corporate and others HK\$'000	Total HK\$'000	Inter- segment elimination HK\$'000	Consolidated HK\$'000
REVENUE								
External sales	809,921	199,527	—	2,498	1,838	1,013,784	—	1,013,784
Inter-segment sales	5	—	—	—	—	5	(5)	—
Total sales	809,926	199,527	—	2,498	1,838	1,013,789	(5)	1,013,784
RESULT								
Segment results	97,446	(43,658)	(104,828)	(2,676)	18,467			(35,249)
Finance costs								(125)
Share of results of associates	(106)	—	—	(557)	6,204			5,541
Loss before taxation								(29,833)
Taxation								(17,313)
Loss for the year								(47,146)
Loss attributable to:								
Shareholders of the Company								(45,762)
Non-controlling interests								(1,384)
								(47,146)

3. SEGMENT INFORMATION (Continued)
Operating segments (Continued)

Segment assets and liabilities as at 31st March, 2016

	Rice operation HK\$'000	Convenience store operation HK\$'000	Securities investment HK\$'000	Property investment HK\$'000	Corporate and others HK\$'000	Consolidated HK\$'000
ASSETS						
Segment assets	258,483	108,593	396,693	163,081	277,277	1,204,127
Interests in associates	12,920	—	—	85,703	53,679	152,302
Consolidated total assets						<u>1,356,429</u>
LIABILITIES						
Segment liabilities	32,724	35,813	1	572	2,743	71,853
Unallocated corporate liabilities						32,245
Consolidated total liabilities						<u>104,098</u>

Statement of profit or loss for the year ended 31st March, 2015

	Rice operation HK\$'000	Convenience store operation HK\$'000	Securities investment HK\$'000	Property investment HK\$'000	Corporate and others HK\$'000	Total HK\$'000	Inter- segment elimination HK\$'000	Consolidated HK\$'000
REVENUE								
External sales	881,822	113,391	—	2,574	16,216	1,014,003	—	1,014,003
Inter-segment sales	98	—	—	—	—	98	(98)	—
Total sales	881,920	113,391	—	2,574	16,216	1,014,101	(98)	1,014,003
RESULT								
Segment results	120,307	(37,081)	36,034	7,095	(2,008)			124,347
Finance costs								(116)
Share of results of associates	(50)	—	—	1,469	4,927			6,346
Gain on disposal of an associate classified as asset held for sale	—	—	—	—	35,350			35,350
Profit before taxation								165,927
Taxation								(22,995)
Profit for the year								<u>142,932</u>
Profit attributable to:								
Shareholders of the Company								143,016
Non-controlling interests								(84)
								<u>142,932</u>

3. SEGMENT INFORMATION (Continued)
Operating segments (Continued)

Segment assets and liabilities as at 31st March, 2015

	Rice operation <i>HK\$'000</i>	Convenience store operation <i>HK\$'000</i>	Securities investment <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Corporate and others <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
ASSETS						
Segment assets	293,703	81,092	543,379	156,387	200,949	1,275,510
Interests in associates	13,576	—	—	90,594	48,855	<u>153,025</u>
Consolidated total assets						<u>1,428,535</u>
LIABILITIES						
Segment liabilities	26,386	14,975	2	619	2,976	44,958
Unallocated corporate liabilities						<u>33,753</u>
Consolidated total liabilities						<u>78,711</u>

Geographical segments

The Group's operations are located in Hong Kong, elsewhere in the PRC, Vietnam and other regions.

The following table provides an analysis of the Group's sales by location of markets, irrespective of the origin of the goods/services:

	Revenue by geographical markets	
	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Hong Kong	728,019	796,506
Elsewhere in the PRC	72,470	89,520
Vietnam	199,527	113,391
Others	13,768	14,586
	1,013,784	1,014,003

4. NET OTHER (LOSS)/INCOME

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Interest income on:		
— Financial assets at fair value through profit or loss	6,166	10,361
— Financial assets not designated as at fair value through profit or loss	3,062	8,858
	9,228	19,219
Dividend from:		
— Listed available-for-sale investments	143	106
— Unlisted available-for-sale investments	—	308
— Listed financial assets at fair value through profit or loss	3,761	3,591
	3,904	4,005
Net realized gain on disposals of financial assets at fair value through profit or loss	174	4,067
Net realized (loss)/gain on derivative financial instruments	(32,953)	10,415
Net unrealized gain on derivative financial instruments	2,549	—
Net (loss)/gain on disposal of property, plant and equipment	(478)	540
Net foreign exchange loss	(1,996)	(4,271)
Sundry income	5,900	3,068
	(13,672)	37,043

5. IMPAIRMENT LOSS ON AVAILABLE-FOR-SALE INVESTMENTS

The Group invested in several unlisted securities in China amounted to HK\$67,415,000 which were classified under available-for-sale investments (“Unlisted Securities”). The Unlisted Securities defaulted payment on respective maturity dates. Legal proceedings have been taken for the recovery of the Unlisted Securities. After having assessed the recoverability, the Directors of the Group made full impairment on the Unlisted Securities. Impairment loss of HK\$12,484,000 was already charged to the consolidated statement of profit or loss for last year ended 31st March, 2015. Impairment loss for the remaining balance of HK\$54,931,000 was charged to the consolidated statement of profit or loss for current year ended 31st March, 2016.

6. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Depreciation and amortisation of property, plant and equipment	19,060	15,472
Amortisation of prepaid lease payments	529	533
Amortisation of intangible asset	1,399	1,400
Interests on bank loans wholly repayable within five years	125	113
Interests on other loans	—	3
	125	116

7. TAXATION

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Current tax:		
Hong Kong	16,829	20,706
Other regions in the PRC	66	1,617
	16,895	22,323
Underprovision/(overprovision) in prior years:		
Hong Kong	538	61
Other regions in the PRC	(39)	498
	499	559
Deferred tax:		
Current year's (credit)/charge	(81)	113
Taxation attributable to the Company and its subsidiaries	17,313	22,995

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

8. DIVIDENDS

(a) Dividends attributable to the year:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Interim dividend paid of HK1.2 cents per share on 1,694,406,458 shares (2015: HK1.2 cents per share on 1,691,406,458 shares)	20,333	20,297
Final dividend proposed of HK1.2 cents per share on 1,694,406,458 shares (2015: HK1.2 cents per share on 1,694,406,458 shares)	20,333	20,333
	40,666	40,630

The final dividend of HK1.2 cents per share for the year ended 31st March, 2016 has been proposed by the Directors and is subject to approval by the shareholders at the forthcoming annual general meeting. This final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Dividends approved and paid during the year:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of HK1.2 cents per share on 1,694,406,458 shares (2015: HK1.2 cents per share on 1,686,906,458 shares)	20,333	20,243
Interim dividend in respect of the current financial year, approved and paid during the year, of HK1.2 cents per share on 1,694,406,458 shares (2015: HK1.2 cents per share on 1,691,406,458 shares)	20,333	20,297
	40,666	40,540

9. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to the shareholders of the Company is based on the following data:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share	(45,762)	143,016
	2016	2015
Number of shares:		
Weighted average number of shares for the purpose of basic (loss)/earnings per share	1,694,133,234	1,688,348,924
Effect of dilutive potential ordinary shares:		
Share options	—	1,931,412
Weighted average number of shares for the purpose of diluted (loss)/earnings per share	1,694,133,234	1,690,280,336

Note:

The basic loss per share and diluted loss per share are the same for the year ended 31st March, 2016. The effect of any incremental shares from the assumed exercise of the Company's share options outstanding as at 31st March, 2016 would be anti-dilutive and was not included in the calculation of diluted loss per share.

Diluted earnings per share for last year ended 31st March, 2015 was calculated by adjusting the weighted average number of ordinary shares to assume conversion of all dilutive potential ordinary shares. There was no significant dilutive effect for last year.

10. TRADE DEBTORS

The Group allows an average credit period of 30-60 days to its trade customers. The following is an aging analysis of trade debtors at the end of the reporting period according to the delivery date:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Within 30 days	47,419	50,834
31-60 days	29,130	29,870
61-90 days	12,673	11,245
Over 90 days	2,641	4,355
	91,863	96,304

The Directors consider that the carrying amounts of trade debtors approximate their fair values.

The Group assesses the credit status and imposes credit limits for potential new customers in accordance with the Group's credit policy. The credit limits are closely monitored and subject to periodic reviews.

11. TRADE CREDITORS

The following is an aging analysis of trade creditors at the end of the reporting period:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Within 30 days	34,213	15,059
31-60 days	2,277	1,811
61-90 days	174	1
Over 90 days	52	19
	36,716	16,890

The Directors consider that the carrying amounts of trade creditors approximate their fair values.

LIQUIDITY AND FINANCIAL RESOURCES

The Group had cash balance of approximately HK\$258 million and outstanding bank loans amounted to approximately HK\$7 million as at 31st March, 2016.

With cash and other current assets of approximately HK\$946 million as at 31st March, 2016 as well as available banking facilities, the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

BUSINESS REVIEW AND PROSPECTS

For the year under review, the Group recorded a net loss of HK\$45,762,000 when compared with a net profit of HK\$143,016,000 for the last financial year. Such loss was mainly attributable to the absence of one-off gain on the disposal of an associate of approximately HK\$35,350,000 in last financial year; the loss of HK\$58,582,000 on financial assets at fair value through profit or loss and derivative financial instruments under the current substantial downturn in the global investment markets; and the impairment loss on available-for-sale investments to the extent of approximately HK\$54,931,000, arising from the default of repayments by the investment funds in China. Legal proceedings have been taken for the recovery of the above-mentioned investment funds. The Board considers that such impairment loss does not have a material impact on the cash flow position and does not affect the core business of the Group which remains sound and healthy.

In Hong Kong, the rice market remains challenging and tough, with keen competition amongst major players. To preserve our leading position in the rice market, we have been proactively launching effective marketing initiatives to promote the products, deepen market penetration, and widen our customer base. To strengthen our core competencies, we have implemented stringent cost control at all levels of the operation. We have also invested in automation processes to reduce labour costs, while strengthening and improving the production process to enhance productivity. We are confident that the performance of our core rice business will improve and deliver a sustainable healthy business growth.

In Mainland China, the operating environment of our rice business was difficult and tough. With severe market competition and rising operating costs, our China rice operation recorded an operating loss. We anticipate that our China rice operation will continue to be challenging and tough.

In Vietnam, our Circle K convenience store business has been progressing well in line with expectations. Vietnam tourist arrivals saw a double digit year-on-year growth. With the increase in tourist spending, together with strong retail market sentiment, we achieved a strong double digit growth in comparable store sales. We are aggressively expanding our store network to strengthen our market position dominance so as to expedite the reach of the critical mass. Apart from Ho Chi Minh City, we have opened new stores in Hanoi since the beginning of the financial year. The sales were overwhelming and encouraging. With high growth potential, we have put more efforts to expand store network in Hanoi. Further expansion into other key cities is also in the plan. We continue to develop and uplift the store format to pursue excellent customer service. We strive to enhance our competitive advantages by widening the product spectrum, enriching product category, strengthening global procurement and launching aggressive merchandising plans. The Hot-Food-Eat-In food service counters are enthusiastically developed and expanded as the way to differentiate us with our competitors. We have also built a customer loyalty and reward program to retain existing customers and attract new ones. We have initiated proactive online marketing in the social media platforms to appeal to social media group so as to connect and communicate with the current and potential customers. Our 4Fs (Fresh, Friendly, Fast and Full) customer service commitment is strengthened to deliver total customer satisfaction and to develop a customer centric culture. Our CSL (Caring, Sharing and Learning) employee engagement program is playing an important role for

instilling the employee with senses of commitment and dedication to the company so as to nurture the employee to take pride to work with us. We envision Circle K to be the most preferred convenience store brand in Vietnam and the “Neighbourhood Store” wherever with our presence.

As of 31st March, 2016, the Group had net cash and bank balances of HK\$258 million. With the strong balance sheet and cash position, the Group is well poised to capture favourable business investment opportunities and to diversify our operations so as to generate stable and satisfactory long-term returns for the shareholders.

Looking forward, we remain focused on the core rice business development to deliver long-term sustainable growth. We continue our expansion in the Vietnam Circle K convenience store business and believe that it will deliver a strong and profitable income stream for the Group. With the steady cash inflow generated from the core rice business, together with disciplined financial management, the Group is well placed to sustain long term business growth. We are confident on the Group’s long term growth prospects.

FINAL DIVIDEND

The Directors have resolved to recommend the payment of a final dividend of HK1.2 cents per share (2015: HK1.2 cents per share) for the year ended 31st March, 2016 to the shareholders on the Register of Members of the Company at the close of business on Thursday, 1st September, 2016. Together with the interim dividend of HK1.2 cents per share paid on Wednesday, 13th January, 2016, the total dividends for the year ended 31st March, 2016 will be HK2.4 cents per share (2015: HK2.4 cents per share).

Subject to the approval of shareholders at the forthcoming annual general meeting, the final dividend will be paid to the shareholders on or about Thursday, 15th September, 2016.

CLOSURE OF REGISTER OF MEMBERS FOR THE ENTITLEMENT TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING

For the purpose of determining the entitlement of the shareholders to attend and vote at the forthcoming annual general meeting, the Register of Members of the Company will be closed from Monday, 22nd August, 2016 to Friday, 26th August, 2016, both days inclusive, during which period no transfer of shares of the Company will be registered. Shareholders whose names appear on the Register of Members of the Company at the close of business on Friday, 19th August, 2016 will be entitled to attend and vote at the forthcoming annual general meeting. All transfers of shares accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Standard Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 19th August, 2016.

LAST DAY FOR TRADING AND RECORD DATE FOR THE ENTITLEMENT TO FINAL DIVIDEND

The last day for trading in the Company's shares with entitlement to the final dividend will be on Tuesday, 30th August, 2016. The Company's shares will be traded ex-entitlement on Wednesday, 31st August, 2016.

The record date for the entitlement to the final dividend is at 4:30 p.m. on Thursday, 1st September, 2016. In order to qualify for the final dividend, if approved, all transfers of shares accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Standard Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 1st September, 2016. The final dividend will be paid on or about Thursday, 15th September, 2016.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees for the Group is about 1,780.

Remuneration packages are reviewed by the Group from time to time. In addition to salary payments, other fringe benefits for the staff include retirement benefits schemes and medical insurance scheme, as well as quarters and housing allowances for certain staff. The Group has taken out personal accident insurance for senior staff and the staff who frequently travel overseas on business trips.

AUDIT COMMITTEE

The audit committee comprising three independent non-executive directors, Mr. Michael YU Tat Chi, Mr. Joseph LAM Yuen To and Mr. Ronald YAN Mou Keung, has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited financial statements of the Group for the year ended 31st March, 2016.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the preliminary announcement of the Group's results for the year ended 31st March, 2016 have been agreed by the Group's auditor, HLM CPA Limited ("the Auditor"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by the Auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by the Auditor on the preliminary announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at Conference Room, 11th Floor, Golden Resources Centre, 2-12 Cheung Tat Road, Tsing Yi Island, New Territories, Hong Kong on Friday, 26th August, 2016 at 11:30 a.m.

CORPORATE GOVERNANCE PRACTICES

The Company adopted all the code provisions in the Corporate Governance Code and Corporate Governance Report (the “Code”) as set out in Appendix 14 to the Listing Rules as its own code on corporate governance. The Company has complied with the Code throughout the year ended 31st March, 2016 except the following deviation:

Code provision E.1.2 of the Code stipulates that the Chairman of the Board should attend the Annual General Meetings. Mr. Alvin Leslie LAM Kwing Wai, the Chairman of the Board and the Nomination Committee, was unable to attend the Annual General Meeting of the Company held on 28th August, 2015 (“the Meeting”) due to his other personal engagements. Mr. Laurent LAM Kwing Chee, the Vice Chairman of the Board, took the chair of the Meeting and other members of the Board (including the Chairman and members of the Audit Committee and Remuneration Committee and members of the Nomination Committee) were present to answer questions from shareholders at the Meeting.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by Directors. All Directors have confirmed, following specific enquiry by the Company, that they fully complied with the required standard as set out in the Model Code throughout the year ended 31st March, 2016.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed shares for the year ended 31st March, 2016.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement is published on the website of Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk) and the website of the Company (www.grdil.com). The 2016 annual report containing all the information required by the Listing Rules will be dispatched to the Company’s shareholders and will be published on the aforementioned websites in due course.

On behalf of the Board
Golden Resources Development International Limited
Alvin Leslie LAM Kwing Wai
Chairman

Hong Kong, 30th June, 2016

As at the date of this announcement, the executive directors of the Company are Mr. Alvin Leslie LAM Kwing Wai (Chairman), Mr. Laurent LAM Kwing Chee (Vice Chairman), Mr. Anthony LAM Sai Ho (Managing Director), Madam LAM Kit Woo, Madam LAM Sai Mann and Mr. TSANG Siu Hung. The independent non-executive directors of the Company are Mr. Michael YU Tat Chi, Mr. Joseph LAM Yuen To and Mr. Ronald YAN Mou Keung.