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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, 2020**

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, 2020 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31st March, 2020

		2020	2019
	<i>Notes</i>	HK\$'000	HK\$'000
REVENUE	3	1,736,440	1,458,423
Cost of sales		(1,138,832)	(1,015,711)
GROSS PROFIT		597,608	442,712
Net unrealized (loss)/gain on financial assets			
at fair value through profit or loss		(50,068)	3,225
(Deficit)/surplus on revaluation of investment properties		(3,410)	1,780
Net other income	4	19,597	13,218
Selling and distribution costs		(354,037)	(286,406)
Administrative expenses		(180,471)	(165,929)
Interest on lease liabilities		(25,840)	—
PROFIT FROM OPERATIONS		3,379	8,600
Share of results of associates		(5,906)	3,178
(LOSS)/PROFIT BEFORE TAXATION	5	(2,527)	11,778
Taxation	6	(20,020)	(7,492)
(LOSS)/PROFIT FOR THE YEAR		(22,547)	4,286
(Loss)/profit for the year attributable to:			
Shareholders of the Company		(22,652)	4,356
Non-controlling interests		105	(70)
		(22,547)	4,286
(LOSS)/EARNINGS PER SHARE	8		
— Basic		HK(1.3) cents	HK0.3 cents
— Diluted		HK(1.3) cents	HK0.3 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31st March, 2020

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
(LOSS)/PROFIT FOR THE YEAR	(22,547)	4,286
OTHER COMPREHENSIVE LOSS		
Items to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(9,272)	(5,433)
Share of other comprehensive loss of associates	(274)	(2,463)
Other comprehensive loss for the year, net of tax	(9,546)	(7,896)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(32,093)	(3,610)
Total comprehensive loss attributable to:		
Shareholders of the Company	(31,334)	(2,690)
Non-controlling interests	(759)	(920)
	(32,093)	(3,610)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31st March, 2020

	<i>Notes</i>	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		199,669	164,912
Right-of-use assets		293,786	—
Prepaid lease payments		13,453	14,170
Investment properties		159,380	162,790
Interests in associates		175,238	174,926
Financial assets at fair value through profit or loss		16,159	39,691
Intangible asset		22,505	22,505
Rental and related deposits paid		30,121	—
Deposits paid for purchase of properties		6,318	—
Deposit paid for additional interests in financial assets at fair value through profit or loss		—	7,856
		916,629	586,850
CURRENT ASSETS			
Inventories		167,736	173,938
Trade debtors	9	72,336	66,605
Other debtors, deposits and prepayments		46,539	68,044
Financial assets at fair value through profit or loss		215,175	259,209
Tax recoverable		—	798
Cash and cash equivalents		265,039	252,153
		766,825	820,747
CURRENT LIABILITIES			
Trade creditors	10	89,491	72,266
Other creditors and accruals		82,247	74,680
Lease liabilities		102,078	—
Tax liabilities		20,958	—
		294,774	146,946
NET CURRENT ASSETS		472,051	673,801
TOTAL ASSETS LESS CURRENT LIABILITIES		1,388,680	1,260,651
NON-CURRENT LIABILITIES			
Lease liabilities		198,881	—
Deferred tax liabilities		2,410	2,576
		201,291	2,576
		1,187,389	1,258,075
CAPITAL AND RESERVES			
Share capital		169,741	169,741
Reserves		994,578	1,080,151
Shareholders' equity		1,164,319	1,249,892
Non-controlling interests		23,070	8,183
		1,187,389	1,258,075

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2020

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (“HK(IFRIC)-Int”) 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, 2019:

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2015-2017 Cycle
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation
HKFRS 16	Leases
HKAS 19 (Amendments)	Employee Benefits
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments

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 except for HKFRS 16 which will be explained below. Accordingly, no prior period adjustment has been required.

Impacts and changes in accounting policies for application of HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current period. HKFRS 16 superseded HKAS 17 “Leases” and the related interpretations.

As a lessee

On transition, the Group has made the following adjustments upon application of HKFRS 16:

- The Group recognised lease liabilities of HK\$214,137,000 and right-of-use assets of HK\$209,419,000 at 1st April, 2019.
- When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The average incremental borrowing rate applied is 9.8%.

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

Impacts and changes in accounting policies for application of HKFRS 16 “Leases” (Continued)

The reconciliation of lease liabilities as at 1st April, 2019 to the operating leases commitments as at 31st March, 2019 is as follows:

	At 1st April, 2019 HK\$'000
Operating lease commitments disclosed as at 31st March, 2019	289,410
Lease liabilities discounted at relevant incremental borrowing rates	214,282
Less: Recognition exemption – short-term leases	<u>(145)</u>
Lease liabilities as at 1st April, 2019	<u>214,137</u>
Analysed as:	
Current	72,337
Non-current	<u>141,800</u>
	<u>214,137</u>

The carrying amount of right-of-use assets as at 1st April, 2019 comprises the following:

	At 1st April, 2019 HK\$'000
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	<u>209,419</u>
By class:	
Land and buildings	<u>209,419</u>

2. **ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS** (Continued)

Impacts and changes in accounting policies for application of HKFRS 16 “Leases” (Continued)

The following table summarises the impacts of transition to HKFRS 16 on retained earnings at 1st April, 2019.

	Impacts of adopting HKFRS 16 at 1st April, 2019 HK\$'000
Retained earnings	
Depreciation of right-of-use assets from commencement dates upon application of HKFRS 16	115,531
Interest on lease liabilities from commencement dates upon application of HKFRS 16	43,148
<i>Less:</i> Lease expenses of operating leases under HKAS 17 before 1st April, 2019	<u>(143,480)</u>
Net impact as at 1st April, 2019	<u>15,199</u>

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

Impacts and changes in accounting policies for application of HKFRS 16 “Leases” (Continued)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1st April, 2019. Line items that were not affected by the changes have not been included.

Impacts on assets and liabilities as at 1st April, 2019

	Carrying amounts previously reported at 31st March, 2019 <i>HK\$'000</i> (Audited)	Impacts of adopting HKFRS 16 <i>HK\$'000</i>	Carrying amounts under HKFRS 16 at 1st April, 2019 <i>HK\$'000</i> (Restated)
Non-current assets			
Right-of-use assets	—	209,419	209,419
Rental and related deposits paid	—	22,028	22,028
Current assets			
Other debtors, deposits and prepayments	68,044	(32,509)	35,535
Current liabilities			
Lease liabilities	—	72,337	72,337
Non-current liabilities			
Lease liabilities	—	141,800	141,800
Capital and reserves			
Reserves	1,080,151	(15,199)	1,064,952

2. **ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS** (Continued)

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 3 (Amendments)	Definition of a Business ²
HKFRS 7, HKFRS 9 and HKAS 39 (Amendments)	Interest Rate Benchmark Reform ¹
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
HKFRS 16 (Amendments)	COVID-19-Related Rent Concessions ³
HKFRS 17	Insurance Contracts ⁴
HKAS 1 and HKAS 8 (Amendments)	Definition of Material ¹

¹ Effective for annual periods beginning on or after 1st January, 2020

² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1st January, 2020

³ Effective for annual periods beginning on or after 1st June, 2020

⁴ Effective for annual periods beginning on or after 1st January, 2021

⁵ Effective date to be determined

3. SEGMENT INFORMATION

For management purposes, the Group is currently organised into five operating divisions, namely convenience store operation, rice 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:

Convenience store operation	—	operation of convenience stores in Vietnam
Rice operation	—	sourcing, importing, wholesaling, processing, packaging, marketing and distribution of rice
Securities investment	—	investments in equity and debt securities
Property investment	—	property investment and development
Corporate and others	—	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, 2020

	Convenience store operation HK\$'000	Rice operation HK\$'000	Securities investment HK\$'000	Property investment HK\$'000	Corporate and others HK\$'000	Consolidated HK\$'000
REVENUE						
Total sales	879,581	852,512	—	4,347	—	1,736,440
RESULTS						
Segment results	(58,287)	112,473	(17,830)	(33,026)	49	3,379
Share of results of associates	—	(319)	—	734	(6,321)	(5,906)
Loss before taxation						(2,527)
Taxation						(20,020)
Loss for the year						(22,547)
Loss for the year attributable to:						
Shareholders of the Company						(22,652)
Non-controlling interests						105
						(22,547)

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

Segment assets and liabilities as at 31st March, 2020

	Convenience store operation HK\$'000	Rice operation HK\$'000	Securities investment HK\$'000	Property investment HK\$'000	Corporate and others HK\$'000	Consolidated HK\$'000
ASSETS						
Segment assets	598,060	209,733	215,463	217,907	267,053	1,508,216
Interests in associates	—	19,996	—	108,796	46,446	175,238
Consolidated total assets						<u>1,683,454</u>
LIABILITIES						
Segment liabilities	419,104	42,357	—	1,124	10,112	472,697
Unallocated corporate liabilities						<u>23,368</u>
Consolidated total liabilities						<u>496,065</u>

Statement of profit or loss for the year ended 31st March, 2019

	Convenience store operation HK\$'000	Rice operation HK\$'000	Securities investment HK\$'000	Property investment HK\$'000	Corporate and others HK\$'000	Consolidated HK\$'000
REVENUE						
Total sales	684,557	770,069	—	3,797	—	1,458,423
RESULTS						
Segment results	(43,307)	41,366	4,486	4,660	1,395	8,600
Share of results of associates	—	(236)	—	1,885	1,529	3,178
Profit before taxation						11,778
Taxation						<u>(7,492)</u>
Profit for the year						<u>4,286</u>
Profit for the year attributable to:						
Shareholders of the Company						4,356
Non-controlling interests						<u>(70)</u>
						<u>4,286</u>

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

Segment assets and liabilities as at 31st March, 2019

	Convenience store operation HK\$'000	Rice operation HK\$'000	Securities investment HK\$'000	Property investment HK\$'000	Corporate and others HK\$'000	Consolidated HK\$'000
ASSETS						
Segment assets	247,666	223,237	259,812	248,266	252,892	1,231,873
Interests in associates	—	13,888	—	108,575	52,463	174,926
Unallocated corporate assets						798
Consolidated total assets						1,407,597
LIABILITIES						
Segment liabilities	99,261	34,775	—	1,172	11,738	146,946
Unallocated corporate liabilities						2,576
Consolidated total liabilities						149,522

Geographical segments

The Group's operations are located in Vietnam, Hong Kong 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	
	2020	2019
	HK\$'000	HK\$'000
Vietnam	879,581	684,557
Hong Kong	840,373	756,364
Others	16,486	17,502
	1,736,440	1,458,423

4. NET OTHER INCOME

	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest revenue on:		
— Financial assets at fair value through profit or loss	2,809	2,335
— Financial assets measured at amortised costs	2,478	3,073
	5,287	5,408
Dividend from listed financial assets at fair value through profit or loss	1,701	1,330
Net realized (loss)/gain on disposal of financial assets at fair value through profit or loss	(59)	36
Net foreign exchange loss	(3,934)	(1,142)
Net loss on disposal of property, plant and equipment	(1,506)	(1,852)
Other income from convenience store operation	15,964	7,919
Sundry income	2,144	1,519
	19,597	13,218

5. (LOSS)/PROFIT BEFORE TAXATION

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

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Depreciation and amortisation of property, plant and equipment	43,802	37,012
Depreciation of right-of-use assets	81,593	—
Amortisation of prepaid lease payments	513	518
Staff costs	228,360	194,861
Interest on lease liabilities	25,840	—

6. TAXATION

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Current tax:		
Hong Kong	20,092	7,856
Others	38	36
	20,130	7,892
Underprovision/(overprovision) in prior years:		
Hong Kong	56	(1)
Deferred tax:		
Current year's credit	(166)	(399)
Taxation attributable to the Company and its subsidiaries	20,020	7,492

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years, except for the first HK\$2,000,000 of a qualified entity's assessable profit which is calculated at 8.25%, in accordance with the two-tiered profits tax rate regime.

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

7. DIVIDENDS

(a) Dividends attributable to the year:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Interim dividend paid of HK1.1 cents per share on 1,697,406,458 shares (2019: HK1.1 cents per share on 1,697,406,458 shares)	18,671	18,671
Final dividend proposed of HK1.2 cents per share on 1,697,406,458 shares (2019: HK1.2 cents per share on 1,697,406,458 shares)	20,369	20,369
	39,040	39,040

The final dividend of HK1.2 cents per share for the year ended 31st March, 2020 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:

	2020 <i>HK\$'000</i>	2019 <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 1,697,406,458 shares (2019: HK1.2 cents per share on 1,697,406,458 shares)	20,369	20,369
Interim dividend in respect of the current financial year, approved and paid during the year, of HK1.1 cents per share on 1,697,406,458 shares (2019: HK1.1 cents per share on 1,697,406,458 shares)	18,671	18,671
	39,040	39,040

8. (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:

	2020 HK\$'000	2019 HK\$'000
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share	(22,652)	4,356
	2020	2019
Number of shares:		
Weighted average number of shares for the purpose of basic (loss)/earnings per share	1,697,406,458	1,697,406,458
Effect of dilutive potential ordinary shares:		
Share options	—	481,501
Weighted average number of shares for the purpose of diluted (loss)/earnings per share	1,697,406,458	1,697,887,959

Note:

There is no dilutive potential ordinary share for the year ended 31st March, 2020.

Dilutive earnings per share for last year ended 31st March, 2019 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.

9. 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:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Within 30 days	30,128	26,740
31-60 days	33,850	26,035
61-90 days	6,683	11,138
Over 90 days	1,675	2,692
	72,336	66,605

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.

10. TRADE CREDITORS

The following is an aging analysis of trade creditors at the end of the reporting period according to the delivery date:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Within 30 days	86,008	71,349
31-60 days	2,401	392
61-90 days	230	21
Over 90 days	852	504
	89,491	72,266

CHAIRMAN STATEMENT

Building Strong Foundations For Future Growth

Dear Shareholders,

We are delighted to present to you our annual results for the year 2019-2020. In 2019, while the world faced increasing geopolitical tensions, none has proven to be as sudden and impactful as the COVID-19 pandemic, which has hit both the supply and demand sides, simultaneously.

In this COVID-19 era, in light of the challenges, the Group's long-term outlook remains optimistic. In the short-medium term, the Group's strategy is to be more cautious with capital expenditures and to increase our reserves during these uncertain times. The Group will continue to invest in our rice brands and launch innovative products through dedicated research and development in Hong Kong and China.

According to Asian Development Bank, Vietnam will remain one of the fastest growing economies in Southeast Asia. Despite the impact of COVID-19, the Vietnam economy is expected to bounce back up to 6.8 percent growth in 2021. In between these two regions, the Group is attentive to the markets for new opportunities to leverage our existing brand assets and create new value for the Group and shareholders.

The following is a summary of our Group's operations for the fiscal year of 2019 - 2020:

Our Group revenue increased by 19% to HK\$ 1,736 million, compared to HK\$ 1,458 million from last year. The Group maintained robust revenue growth due to strong performance in our rice business and resilient growth in our Circle K convenience store business in Vietnam.

Our rice business revenue increased by 10% to HK\$ 852 million in Hong Kong. As consumers increasingly adopt a healthy and sustainable plant-based diet and lifestyle, rice will continue to be a key and staple feature on their daily menu as it always has in this region and beyond.

With the perpetual Master Franchise License of Circle K convenience store in Vietnam, our Circle K business revenue increased by 28% to HK\$ 880 million, compared to HK\$ 684 million from last year. The slight tapering in growth was partially attributed to COVID-19 pandemic in the first quarter of 2020. As of 31st March 2020, the Group operates 389 stores compared to 318 the previous year, covering 5 major cities in the country.

With a strong cash position of HK\$ 265 million cash on hand and HK\$ 215 million liquid investments as of 31st March 2020, we are confident to deliver another strong performance from our rice business in Hong Kong, China and our Circle K convenience store business in Vietnam.

On behalf of the Board, I would like to express my heartfelt appreciation to all our staff for taking care of the daily needs of our customers and communities, in Hong Kong and Vietnam.

Laurent Lam Kwing Chee
Group Chairman

LIQUIDITY AND FINANCIAL RESOURCES

The Group had cash balance of approximately HK\$265 million as at 31st March, 2020.

With cash and other current assets of approximately HK\$767 million as at 31st March, 2020 as well as available banking facilities, the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

FINAL DIVIDEND

The Directors have resolved to recommend the payment of a final dividend of HK1.2 cents per share (2019: HK1.2 cents per share) for the year ended 31st March, 2020 to the shareholders on the Register of Members of the Company at the close of business on Tuesday, 1st September, 2020. Together with the interim dividend of HK1.1 cents per share paid on Wednesday, 8th January, 2020, the total dividends for the year ended 31st March, 2020 will be HK2.3 cents per share (2019: HK2.3 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 Monday, 14th September, 2020.

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 Thursday, 20th August, 2020 to Wednesday, 26th August, 2020, 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 Wednesday, 19th August, 2020 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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Wednesday, 19th August, 2020.

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 Friday, 28th August, 2020. The Company's shares will be traded ex-entitlement on Monday, 31st August, 2020.

The record date for the entitlement to the final dividend is at 4:30 p.m. (Hong Kong time) on Tuesday, 1st September, 2020. 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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Tuesday, 1st September, 2020. The final dividend will be paid on or about Monday, 14th September, 2020.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees for the Group is about 4,416.

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. Joseph LAM Yuen To, Mr. Michael YU Tat Chi 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, 2020.

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, 2020 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 Wednesday, 26th August, 2020 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, 2020.

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, 2020.

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, 2020.

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 2020 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
Laurent LAM Kwing Chee
Chairman

Hong Kong, 29th June, 2020

As at the date of this announcement, the executive directors of the Company are Mr. Laurent LAM Kwing Chee (Chairman), Mr. Anthony LAM Sai Ho (Vice Chairman and Chief Executive Officer), Madam LAM Sai Mann, Ms. Morna YUEN Mai-tong and Mr. TSANG Siu Hung. The non-executive director of the Company is Mr. Dennis LAM Saihong. The independent non-executive directors of the Company are Mr. Joseph LAM Yuen To, Mr. Michael YU Tat Chi and Mr. Ronald YAN Mou Keung.