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, 2006

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, 2006 as follows:

CONSOLIDATED INCOME STATEMENT

	Notes	**2006** *HK$'000*	2005 *HK$'000* (As restated)
TURNOVER	*3*	**654,111**	731,575
Cost of sales		**(454,169)**	(522,893)
GROSS PROFIT		**199,942**	208,682
Net unrealised gain/(loss) on financial assets at fair value through profit or loss/investments in securities		**19,098**	(62,906)
Surplus on revaluation of investment properties		**4,270**	3,600
Other income	*4*	**31,375**	20,575
Selling and distribution costs		**(30,034)**	(36,143)
Administrative expenses		**(101,477)**	(99,669)
Impairment loss recognised on available-for-sale investments/investments in securities		**(21,000)**	(5,207)
Write-back of provision for receivables		**—**	11,772
Gain on disposal of investments in securities		**—**	3,551
PROFIT FROM OPERATIONS	*3,5*	**102,174**	44,255
Finance costs		**(126)**	(635)
Share of results of associates		**(1,774)**	(5,848)
Gain/(loss) on disposal of associates		**12,093**	(2,465)
Amortisation of goodwill of an associate		**—**	(474)
Loss on partial disposal of an associate		**—**	(19,210)
PROFIT BEFORE TAXATION		**112,367**	15,623
Taxation	*6*	**(21,376)**	(19,155)
PROFIT/(LOSS) FOR THE YEAR		**90,991**	(3,532)
Attributable to:			
Shareholders of the Company		**88,998**	(6,280)
Minority interests		**1,993**	2,748
		90,991	(3,532)
DIVIDENDS	*7*	**32,672**	32,666
EARNINGS/(LOSS) PER SHARE	*8*		
— Basic		**HK6.8 cents**	HK(0.5) cents
— Diluted		**HK6.7 cents**	N/A

CONSOLIDATED BALANCE SHEET

	Notes	2006 *HK$'000*	2005 *HK$'000* (As restated)
NON-CURRENT ASSETS			
Property, plant and equipment		**92,707**	87,091
Investment properties		**47,900**	43,630
Interests in associates		**163,751**	93,376
Available-for-sale investments		**143,048**	—
Investments in securities		**—**	12,448
Advances to investee companies		**—**	42,812
Prepaid lease payments		**20,370**	20,463
		467,776	299,820
CURRENT ASSETS			
Inventories		**63,583**	64,332
Trade debtors	*9*	**50,498**	52,262
Other debtors, deposits and prepayments		**124,062**	133,375
Financial assets at fair value through profit or loss		**107,642**	—
Investments in securities		**—**	195,371
Cash and cash equivalents		**217,710**	224,411
		563,495	669,751
CURRENT LIABILITIES			
Trade creditors	*10*	**4,713**	7,227
Other creditors and accruals		**39,765**	54,649
Tax liabilities		**28,679**	24,324
Bank loans		**14,679**	22,226
		87,836	108,426
NET CURRENT ASSETS		**475,659**	561,325
TOTAL ASSETS LESS CURRENT LIABILITIES		**943,435**	861,145
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**2,103**	2,105
Advances from minority shareholders		**11,238**	11,858
		13,341	13,963
		930,094	847,182
CAPITAL AND RESERVES			
Share capital		**130,691**	130,691
Reserves		**787,135**	707,089
Shareholders' equity		**917,826**	837,780
Minority interests		**12,268**	9,402
		930,094	847,182

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March, 2006

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

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are effective for accounting periods beginning on or after 1st January, 2005 and adopted by the Group with effect from 1st April, 2005. The application of the new HKFRSs has resulted in changes to the Group's accounting policies. Summary of the changes in accounting policies which have significant impacts on the Group's financial statements are summarized as follows:

Owner-occupied Leasehold Interest in Land (HKAS 17 "Leases")

In prior years, owner-occupied leasehold land and buildings were included in property, plant and equipment and stated at cost less accumulated depreciation, amortization and impairment loss. Certain of the Group's leasehold land and buildings had taken advantage of the transitional relief provided by the predecessor of HKFRSs, the Statement of Standard Accounting Practice ("SSAP") No.17 "Property, Plant and Equipment" issued by HKICPA, to state at their revalued amounts less accumulated depreciation and amortisation. Surplus arising from revaluation of these land and buildings was credited to the land and buildings revaluation reserve.

In the current year, the Group has applied HKAS 17 retrospectively. Under HKAS 17, the land and buildings elements of leasehold land and buildings are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which cases, the entire leases are generally treated as finance leases. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. This change in accounting policy has been applied retrospectively *(see Note 2 for the financial impact)*. Alternatively, where the allocation between the land and buildings elements cannot be made reliably, the leasehold interests in land continue to be accounted for as property, plant and equipment.

Investment Properties (HKAS 40 "Investment Property")

In prior years, investment properties were stated at open market value, with revaluation surplus or deficit credited or charged to investment property revaluation reserve unless the balance on this reserve was insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the investment property revaluation reserve was charged to the income statement. Where a decrease had previously been charged to the income statement and revaluation increase subsequently arose, that increase was credited to the income statement to the extent of the decrease previously charged.

In the current year, the Group has adopted HKAS 40. In accordance with the fair value model under HKAS 40, all investment properties are stated at fair value with gains or losses arising from changes in fair value to be recognised directly in the income statement for the year in which they arise.

The adoption of HKAS 40 has no effect on the Group's results for the current or prior accounting years as the Group's investment properties had net revaluation deficits which had been dealt with in the income statement for the year in which they arose. Accordingly, no prior period adjustment has been required.

Deferred Taxes related to Investment Properties (HKAS-INT 21 "Income Taxes — recovery of revalued non-depreciable assets")

In prior years, deferred tax consequences in respect of revalued investment properties were assessed on the basis of the tax consequences that would follow from recoveries of the carrying amounts of the properties through sale in accordance with the former SSAP Interpretation.

In the current year, the Group has applied HKAS Interpretation 21 which removes the presumption that the carrying amounts of investment properties are to be recovered through sale. Accordingly, the deferred tax consequences of the investment properties are now assessed on the basis that reflects the tax consequences that would follow from the manners in which the Group expects to recover the properties at each balance sheet date. In the absence of any specific transitional provisions in HKAS Interpretation 21, this change in accounting policy has been applied retrospectively *(see Note 2 for the financial impact)*.

Business Combinations

Goodwill (HKFRS 3 "Business Combinations" and HKAS 21 "The Effects of Changes in Foreign Exchange Rates")

In prior years, goodwill arising from acquisitions prior to 1st April, 2001 was held in reserve, and goodwill arising from acquisitions after 1st April, 2001 was capitalised and amortised on a straight-line basis over its estimated useful life.

In the current year, the Group has applied the relevant transitional provisions in HKFRS 3. Goodwill previously recognised in reserve has been transferred to the Group's retained earnings on 1st April, 2005. With respect to goodwill previously capitalised on the balance sheet, the Group has discontinued amortising such goodwill from 1st April, 2005 onwards and goodwill will be tested for impairment at least annually. Goodwill arising from acquisitions after 1st April, 2005 is measured at cost less accumulated impairment losses, if any, after initial recognition. As a result of this change in accounting policy, no amortisation of goodwill has been charged in the current year. This new accounting policy has been applied prospectively *(see Note 2 for the financial impact)*.

In the current year, the Group has also applied HKAS 21 which requires goodwill to be treated as assets and liabilities of the foreign operation and translated at closing rate at each balance sheet date. In prior years, goodwill arising from acquisitions of foreign operations was reported at historical rate at each balance sheet date. In accordance with the relevant transitional provisions in HKAS 21, goodwill arising from acquisitions prior to 1st April, 2005 is treated as a non-monetary foreign currency item of the Group. Accordingly, no prior period adjustment has been required.

Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill") (HKFRS 3 "Business Combinations")

In prior years, negative goodwill arising from acquisitions prior to 1st April, 2001 was held in reserve, and negative goodwill arising from acquisitions after 1st April, 2001 was presented as a deduction from assets and released to income based on an analysis of the circumstances from which the balance resulted.

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition ("discount on acquisition") is recognised immediately in the income statement in the year in which the acquisition takes place. In accordance with the relevant transitional provisions in HKFRS 3, the Group has derecognised and transferred all negative goodwill balances to the Group's retained earnings on 1st April, 2005 *(see Note 2 for the financial impact)*.

Financial Instruments (HKAS 32 "Financial Instruments: Disclosure and Presentation" and HKAS 39 "Financial Instruments: Recognition and Measurement")

In the current year, the Group has applied HKAS 32 and the relevant transitional provisions in HKAS 39 with respect to classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

In prior years, the Group classified and measured its debt and equity securities as "investment securities" or "other investments" in accordance with former SSAP 24. "Investment securities" were stated at cost less impairment losses, if any, while "other investments" were measured at fair value, with unrealised gains or losses included in the income statement for the year.

With effect from 1st April, 2005, the Group classifies and measures its debt and equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit or loss", "available-for-sale investments", "loans and receivables", or "held-to-maturity financial assets". The classification depends on the purposes for which the assets are acquired. "Financial assets at fair value through profit or loss" and "available-for-sale investments" are carried at fair value, with changes in fair values recognised in the income statement and equity respectively. "Loans and receivables" and "held-to-maturity financial assets" are measured at amortised cost using the effective interest method. In accordance with HKAS 39 which does not permit retrospective application, no comparative figures have been restated *(see Note 2 for the financial impact on current year's profit)*.

Share-based Payments (HKFRS 2 "Share-based Payments")

In the current year, the Group has applied HKFRS 2 which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares ("equity-settled transactions"), or in exchange for other assets equivalent in value to a given number of shares or rights over shares ("cash-settled transactions"). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of Directors' and employees' share options of the Company determined at the date of grant of the share options over the vesting period. Prior to the application of HKFRS 2, the Group did not recognise the financial effect of these share options until they were exercised.

The Group has applied HKFRS 2 to share options granted on or after 1st April, 2005, if any. In accordance with the relevant transitional provisions under HKFRS 2, the Group has not applied HKFRS 2 to share options granted before 1st April, 2005 as all of these share options were granted before 7th November, 2002. This new accounting policy has no financial impact on the Group for the current or prior years.

Changes in presentation of financial statements

Minority Interests (HKAS 1 "Presentation of Financial Statements" and HKAS 27 "Consolidated and Separate Financial Statements")

In prior years, minority interests were presented in the consolidated balance sheet separately from liabilities and as a deduction from net assets. Profit or loss shared by minority interests was separately presented in the consolidated income statement as a deduction before arriving at the profit attributable to shareholders.

In the current year, in order to comply with HKAS 1 and HKAS 27, minority interests are presented in the consolidated balance sheet as an element of total equity, separately from the equity attributable to the shareholders of the Company. Profit or loss shared by minority interests is presented on the face of the consolidated income statement as an allocation of the attributable results between the minority interests and shareholders of the Company. Comparative figures for the presentation of minority interests in the consolidated balance sheet and consolidated income statement have been restated accordingly.

Share of associates' taxation (HKAS 1 "Presentation of Financial Statements")

In prior years, share of associates' taxation was presented as a component of taxation in the income statement. Upon adoption of HKAS 1, share of associates' taxation is deducted from share of results of associates as presented in the income statement. Comparative figures for taxation and share of results of associates as presented in the income statement have been restated accordingly.

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

The financial effects of the adoption of the new and revised HKFRSs, as described in Note 1, to the Group's consolidated income statement and consolidated balance sheet are summarised as follows:

(a) Effects on consolidated income statement for the current and prior year

	Effect of adoption of new and revised HKFRSs				
	HKAS 16 and 17 *HK$'000*	HKAS-INT 21 *HK$'000*	HKFRS 3 *HK$'000*	HKAS 32 and 39 *HK$'000*	Total *HK$'000*
For the year ended 31st March, 2006					
Decrease in net unrealised gain on available-for-sale investments	—	—	—	(21,074)	(21,074)
Decrease in administrative expenses	2,375	—	—	—	2,375
Decrease in amortisation of goodwill of associates	—	—	1,873	—	1,873
(Increase)/decrease in taxation	(408)	101	—	—	(307)
Net increase/(decrease) in profit for the year	1,967	101	1,873	(21,074)	(17,133)
Attributable to:					
Shareholders of the Company	1,967	56	1,873	(21,074)	(17,178)
Minority interests	—	45	—	—	45
	1,967	101	1,873	(21,074)	(17,133)
Increase/(decrease) in basic earnings per share (cents)	0.2	—	0.1	(1.6)	(1.3)
Increase/(decrease) in diluted earnings per share (cents)	0.2	—	0.1	(1.6)	(1.3)

	Effect of adoption of new and revised HKFRSs				
	HKAS 16 and 17	HKAS-INT 21	HKFRS 3	HKAS 32 and 39	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
For the year ended 31st March, 2005					
Decrease in administrative expenses	2,375	—	—	—	2,375
(Increase)/decrease in taxation	(408)	168	—	—	(240)
Net decrease in loss for the year	1,967	168	—	—	2,135
Attributable to:					
Shareholders of the Company	1,967	93	—	—	2,060
Minority interests	—	75	—	—	75
	1,967	168	—	—	2,135
Decrease in basic loss per share (cents)	0.1	—	—	—	0.1
Decrease in diluted loss per share (cents)	N/A	N/A	N/A	N/A	N/A

(b) Effects on consolidated balance sheet for the current year and prior year

	Effect of adoption of new and revised HKFRSs				
	HKAS 16 and 17	**HKAS-INT 21**	**HKFRS 3**	**HKAS 32 and 39**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
As at 31st March, 2006					
Increase/(decrease) in assets					
Property, plant and equipment	**(72,694)**	**—**	**—**	**—**	**(72,694)**
Interests in associates	**—**	**—**	**1,873**	**—**	**1,873**
Available-for-sale investments	**—**	**—**	**—**	**143,048**	**143,048**
Investments in securities	**—**	**—**	**—**	**(233,091)**	**(233,091)**
Advances to investee companies	**—**	**—**	**—**	**(17,599)**	**(17,599)**
Prepaid lease payments	**20,370**	**—**	**—**	**—**	**20,370**
Financial assets at fair value through profit or loss	**—**	**—**	**—**	**107,642**	**107,642**
	(52,324)	**—**	**1,873**	**—**	**(50,451)**
Decrease in liabilities					
Deferred tax liabilities	**8,830**	**483**	**—**	**—**	**9,313**
	(43,494)	**483**	**1,873**	**—**	**(41,138)**
Increase/(decrease) in equity					
Goodwill reserve	**—**	**—**	**4,167**	**—**	**4,167**
Land and buildings revaluation reserve	**(67,976)**	**—**	**—**	**—**	**(67,976)**
Investments revaluation reserve	**—**	**—**	**—**	**21,074**	**21,074**
Retained earnings	**24,482**	**266**	**(2,294)**	**(21,074)**	**1,380**
	(43,494)	**266**	**1,873**	**—**	**(41,355)**
Minority interests	**—**	**217**	**—**	**—**	**217**
	(43,494)	**483**	**1,873**	**—**	**(41,138)**

	Effect of adoption of new and revised HKFRSs				
	HKAS 16 and 17 *HK$'000*	HKAS-INT 21 *HK$'000*	HKFRS 3 *HK$'000*	HKAS 32 and 39 *HK$'000*	Total *HK$'000*
As at 31st March, 2005					
Increase/(decrease) in assets					
Property, plant and equipment	(75,162)	—	—	—	(75,162)
Prepaid lease payments	20,463	—	—	—	20,463
	(54,699)	—	—	—	(54,699)
Decrease in liabilities					
Deferred tax liabilities	9,238	382	—	—	9,620
	(45,461)	382	—	—	(45,079)
Increase/(decrease) in equity					
Land and buildings revaluation reserve	(67,976)	—	—	—	(67,976)
Retained earnings	22,515	210	—	—	22,725
	(45,461)	210	—	—	(45,251)
Minority interests	—	172	—	—	172
	(45,461)	382	—	—	(45,079)

3. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

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

Segment information about these businesses is presented below:

Income statement for the year ended 31st March, 2006

	Rice operation *HK$'000*	Securities investment *HK$'000*	Property investment *HK$'000*	Corporate and others *HK$'000*	Consolidated *HK$'000*
TURNOVER					
External sales	**589,537**	**62,121**	**2,453**	**—**	**654,111**
RESULT					
Segment results	**65,369**	**18,318**	**5,423**	**13,064**	**102,174**
Finance costs					**(126)**
Share of results of associates	**(3,343)**	**—**	**(1,074)**	**2,643**	**(1,774)**
Gain/(loss) on disposal of associates	**—**	**—**	**(1,701)**	**13,794**	**12,093**
Profit before taxation					**112,367**
Taxation					**(21,376)**
Profit for the year					**90,991**
Attributable to:					
Shareholders of the Company					**88,998**
Minority interests					**1,993**
					90,991

Income statement for the year ended 31st March, 2005, as restated

	Rice operation *HK$'000*	Securities investment *HK$'000*	Property investment *HK$'000*	Corporate and others *HK$'000*	Consolidated *HK$'000*
TURNOVER					
External sales	683,301	46,020	2,254	—	731,575
RESULT					
Segment results	86,551	(66,316)	19,483	4,537	44,255
Finance costs					(635)
Share of results of associates	(4,885)	—	(920)	(43)	(5,848)
Loss on disposal of an associate	—	—	(2,465)	—	(2,465)
Amortisation of goodwill of an associate	—	—	(474)	—	(474)
Loss on partial disposal of an associate	—	—	—	(19,210)	(19,210)
Profit before taxation					15,623
Taxation					(19,155)
Loss for the year					(3,532)
Attributable to:					
Shareholders of the Company					(6,280)
Minority interests					2,748
					(3,532)

Geographical segments

The Group's operations are located in Hong Kong, elsewhere in the People's Republic of China (the "PRC") 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:

	Turnover by geographical markets	
	2006	2005
	HK$'000	*HK$'000*
Hong Kong	**571,493**	620,904
Elsewhere in the PRC	**77,768**	100,005
Others	**4,850**	10,666
	654,111	731,575

4. OTHER INCOME

	THE GROUP	
	2006	2005
	HK$'000	*HK$'000*
Interest income on:		
— Bank deposits	**5,816**	2,284
— Available-for-sale investments and financial assets at fair value through profit or loss/investments in securities	**9,053**	4,931
— Others	**7,797**	5,572
	22,666	12,787
Dividend from available-for-sale investments/investments in securities:		
— Listed investments	**1,670**	1,750
— Unlisted investment	**20**	—
Gain on disposal of available-for-sale investments	**5,314**	—
Gain on disposal of property, plant and equipment	**125**	—
Sundry income	**1,580**	3,919
Release of negative goodwill arising from acquisition of a subsidiary	**—**	579
Gain on disposal of an investment property	**—**	890
Gain on disposal of a subsidiary	**—**	9
Net foreign exchange gains	**—**	641
	31,375	20,575

5. PROFIT FROM OPERATIONS

The Group's profit from operations has been arrived at after charging:

	2006	2005
	HK$'000	*HK$'000*
		(As restated)
Depreciation and amortisation of property, plant and equipment	**8,918**	8,704
Amortisation of prepaid lease payments	**496**	494

6. TAXATION

	THE GROUP	
	2006	2005
	HK$'000	*HK$'000*
		(As restated)
Current tax:		
Hong Kong	**20,768**	19,131
Other regions in the PRC	**182**	53
	20,950	19,184
Under/(over)provision in prior years:		
Hong Kong	**455**	(25)
Other regions in the PRC	**(27)**	37
	428	12
Deferred tax	**(2)**	(41)
Taxation attributable to the Company and its subsidiaries	**21,376**	19,155

Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profit for the year.

Taxation arising in other regions in the PRC is calculated in accordance with the relevant laws of the PRC.

Share of associates' taxation for the year of HK$544,000 (2005: HK$419,000) is included in share of results of associates for the year.

7. DIVIDENDS

(a) Dividends attributable to the year:

	2006 *HK$'000*	2005 *HK$'000*
Interim dividend paid of 1.25 cents per share on 1,306,906,460 shares (2005: 1.25 cents per share on 1,306,026,460 shares)	**16,336**	16,325
Final dividend proposed of 1.25 cents per share on 1,306,906,460 shares (2005: 1.25 cents per share on 1,306,906,460 shares)	**16,336**	16,336
Adjustment of final dividend for prior year resulting from exercise of share options	**—**	5
	32,672	32,666

The final dividend of 1.25 cents per share for the year ended 31st March, 2006 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 balance sheet date has not been recognised as a liability at the balance sheet date.

(b) Dividends approved and paid during the year:

	2006 *HK$'000*	2005 *HK$'000*
Final dividend in respect of the previous financial year, approved and paid during the year, of 1.25 cents per share on 1,306,906,460 shares (2005: 1.25 cents per share on 1,302,301,460 shares)	**16,336**	16,279
Interim dividend in respect of the current financial year, approved and paid during the year, of 1.25 cents per share on 1,306,906,460 shares (2005: 1.25 cents per share on 1,306,026,460 shares)	**16,336**	16,325
	32,672	32,604

8. EARNINGS/(LOSS) PER SHARE

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

	2006	2005
	HK$'000	*HK$'000*
		(As restated)
Earnings/(loss) for the purposes of both basic and diluted earnings/(loss) per share	**88,998**	(6,280)

	2006	2005
Number of shares:		
Weighted average number of shares for the purpose of basic earnings/(loss) per share	**1,306,906,460**	1,303,882,638
Effect of dilutive potential shares — Options	**15,503,217**	
Weighted average number of shares for the purpose of diluted earnings per share	**1,322,409,677**	

Diluted loss per share for last year had not been presented as the conversion of potential ordinary shares to ordinary shares would have anti-dilutive effect to the basic loss per share.

The effects of the adoption of the new and revised HKFRSs, as described in Note 1, to both basic and diluted earnings/(loss) per share are summarised as follows:

	Impact on basic earnings/(loss) per share		**Impact on diluted earnings/(loss) per share**	
	2006	2005	**2006**	2005
	cents	*cents*	***cents***	*cents*
Amount before adjustments	**8.1**	(0.6)	**8.0**	N/A
Adjustments arising from adoption of the new and revised HKFRSs *(see note 2)*	**(1.3)**	0.1	**(1.3)**	N/A
As reported/restated	**6.8**	(0.5)	**6.7**	N/A

9. TRADE DEBTORS

The Group allows an average credit period of 30 – 60 days to its trade customers. The following is an aged analysis of trade debtors at the balance sheet date:

	THE GROUP	
	2006	2005
	HK$'000	*HK$'000*
Within 30 days	**25,406**	28,696
31-60 days	**8,883**	15,253
61-90 days	**7,633**	4,933
Over 90 days	**8,576**	3,380
	50,498	52,262

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

10. TRADE CREDITORS

The following is an aged analysis of trade creditors at the balance sheet date:

	THE GROUP	
	2006	2005
	HK$'000	*HK$'000*
Within 30 days	**362**	2,435
31-60 days	**565**	1,477
61-90 days	**253**	202
Over 90 days	**3,533**	3,113
	4,713	7,227

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

LIQUIDITY AND FINANCIAL RESOURCES

The Group has cash balance of HK$217 million and bank loans of HK$15 million as at 31st March, 2006. With cash and other current assets of HK$563 million as at 31st March, 2006 as well as available banking facilities, the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

FOREIGN EXCHANGE RISK MANAGEMENT

The exposure to foreign currency of the Group mainly arose from the net cash flow and the net working capital translation of its PRC, Thailand and Malaysia subsidiaries and associates. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant currency exposure should the need arise.

BUSINESS REVIEW AND PROSPECTS

For the year under review, Hong Kong rice core business performed satisfactorily as targeted. Since the second half of the financial year 2005/2006, price competition in the retail rice market has become intensified. The price competition persists since then and there is no sign of abating in the coming financial year. It has put pressure on all rice operators and inevitably the performance of the Group's retail rice business. In anticipation of this fierce price competition, we would expect the operating environment of retail rice market will be challenging.

To protect and preserve our market presence in the retail market, we continue to implement effective marketing initiatives and promotional campaigns so as to maintain our market share. At the same time, the Group has been actively expanding its market presence in the institutional rice market. We have stepped up aggressive marketing initiatives to stretch the distribution networks and broaden the customer spectrum. Internally, we continue to improve our operational efficiency and productivity so as to enhance the competitive advantages of the Group in the Hong Kong rice business.

With the Group's dedication to product excellence, we won numerous awards in recognition of our high quality products and services. Our core brand, Golden Elephant Brand was awarded "Hong Kong Top Brand Mark" by the Chinese Manufacturers' Association of Hong Kong and the "Platinum Winner of Trusted Brands 2006" by Readers' Digest. In addition, the Group was acknowledged as "Caring Company" by the Hong Kong Council of Social Service in recognition of our participation in community services. With the renowned international accreditation of "HACCP" and "ISO9001" on food safety and monitoring system, Golden Resources is committed to strive for producing quality and healthy food.

The performance of our mainland China rice business continued to be in line with our expectation. Our mainland China rice business, with an expanding client base in the Pearl River Delta, is ready to take a further step to penetrate into the Greater China market. We expect our China rice business will continue to grow as planned and we are committed in tapping the huge potential of this fast growing market.

Together with the Group's net cash position of HK$217 million and its strong balance sheet, the Group is well positioned to exploit any investment opportunities of exceptional value. In addition, Golden Resources will continue to pursue a balance growth investment portfolio that will yield a sustainable investment return to the Group.

FINAL DIVIDEND

The Directors have resolved to recommend payment of a final dividend of 1.25 cents per share (2005: 1.25 cents per share) for the year ended 31st March, 2006 to shareholders on the Register of Members of the Company on Wednesday, 30th August, 2006. Together with the interim dividend of 1.25 cents per share paid on Friday, 13th January, 2006, the total dividends for the year will be 2.5 cents per share (2005: 2.5 cents per share).

Subject to the approval of shareholders at the forthcoming Annual General Meeting, the dividend warrants will be dispatched to shareholders on or about Wednesday, 6th September, 2006.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Thursday, 24th August, 2006 to Wednesday, 30th August, 2006, both days inclusive, during which period no transfer of shares will be effected.

In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars in Hong Kong, Standard Registrars Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on Wednesday, 23rd August, 2006.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees for the Group is about 403.

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.

REVIEW OF AUDITED FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed the audited consolidated financial statements of the Group for the year ended 31st March, 2006.

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, 30th August, 2006 at 11:00 a.m.

CORPORATE GOVERNANCE PRACTICES

On 1st January, 2005, the Code of Best Practice was replaced by the Code of Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company adopted all the code provisions in the Code as its own code on corporate governance practices. The Company has complied with the Code throughout the financial year ended 31st March, 2006, except for the following deviations:

- Code provision A.4.1 of the Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. None of the existing independent non-executive directors of the Company is appointed for a specific term. However, in accordance with the Company's Bye-Laws, at each annual general meeting, one-third of the directors shall retire from office by rotation and become eligible for re-election. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

- Under the first part of code provision E.1.2 of the Code, the Chairman of the board of directors of the Company (the "Board") should attend the annual general meeting and arrange for the Chairman of the audit, remuneration and nomination committees (as appropriate) or in the absence of the Chairman of such committees, another member of the committee or failing this his duly appointed delegate, to be available to answer questions at the annual general meeting.

The Chairman of the Board was not able to attend the annual general meeting of the Company held on 30th August, 2005 (the "Meeting") as he had another business engagement. The Managing Director of the Company, who took the chair of the Meeting, and other members of the Board together with majority of members of the audit committee attended the Meeting. The Company considers that the members of the Board and the audit committee who attended the Meeting were already of sufficient calibre and number for answering questions at the Meeting.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of all Directors, all Directors confirmed they have complied with the required standard set out in the Model Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares during the year.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITE OF THE STOCK EXCHANGE OF HONG KONG LIMITED

The annual report of the Company containing all the information required by the Listing Rules will be published on the website of The Stock Exchange of Hong Kong Limited in due course.

By Order of the Board
Golden Resources Development International Limited
David LAM Kwing Chan
Chairman

Hong Kong, 13th July, 2006

As at the date of this announcement, the executive directors of the Company are Mr. David LAM Kwing Chan (Chairman), Mr. Alvin LAM Kwing Wai (Managing Director), Madam Rosita YUEN LAM Kit Woo, Mr. Laurent LAM Kwing Chee and Mr. TSANG Siu Hung. The independent non-executive directors of the Company are Mr. Leo CHAN Fai Yue and Mr. John WONG Yik Chung.

Please also refer to the published version of this announcement in The Standard.