

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**GOLDEN RESOURCES DEVELOPMENT INTERNATIONAL LIMITED**

**金源米業國際有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 677)

**DISCLOSEABLE TRANSACTION  
REDEMPTION OF THE INVESTMENT PORTFOLIOS**

**REDEMPTION OF THE INVESTMENT PORTFOLIOS**

The Board announces that Billion Trade redeemed its investment in the GS Portfolio for an aggregate redemption proceeds of approximately HK\$36.0 million in cash on 8 July 2022. On 1 November 2022, Billion Trade redeemed its investment in (1) the GS Portfolio for an aggregate redemption proceeds of approximately HK\$59.79 million in cash and (2) the MS Portfolio for an aggregate redemption proceeds of approximately HK\$55.31 million in cash.

After the Redemptions, the Group ceases to hold any interests in the Investment Portfolios.

**IMPLICATIONS UNDER THE LISTING RULES**

All the applicable percentage ratios of the July GS Redemption were less than 5% and hence the July GS Redemption was exempt from the disclosure requirements under Chapter 14 of the Listing Rules. However, since the July GS Redemption, November GS Redemption and MS Redemption were of similar nature and all conducted within a period of 12 months respectively, the July GS Redemption, November GS Redemption and MS Redemption were aggregated pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios of the Redemptions in aggregate exceeds 5% but is less than 25%, the Redemptions therefore constitute as a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement, but exempt from the circular and Shareholders' approval requirements, under the Listing Rules.

**INTRODUCTION**

The Board announces that Billion Trade redeemed its investment in the GS Portfolio for an aggregate redemption proceeds of approximately HK\$36.0 million in cash on 8 July 2022. On 1 November 2022, Billion Trade redeemed its investment in (1) the GS Portfolio for an aggregate redemption proceeds of approximately HK\$59.79 million in cash and (2) the MS Portfolio for an aggregate redemption proceeds of approximately HK\$55.31 million in cash.

After the Redemptions, the Group ceases to hold any interests in the Investment Portfolios.

## **THE INVESTMENT PORTFOLIOS**

### *The GS Portfolio*

As disclosed in the Annual Report, the GS Portfolio was comprised of cash and cash equivalents, in addition to mutual funds and exchange traded funds invested in fixed income, equities and other investments. The fair value of the GS Portfolio was approximately HK\$102.45 million as of 31 March 2022.

For the year ended 31 March 2022 (i.e. the date the Company's latest audited consolidated financial statements were made up), the Group recorded an unrealised gain attributable to the fair value changes of the GS Portfolio of HK\$1.43 million. The unrealised gain attributable to the fair value changes of the GS Portfolio was HK\$16.90 million for the year ended 31 March 2021. No dividend or interest income was recorded from the GS Portfolio for the year ended 31 March 2022 and 31 March 2021.

### *The MS Portfolio*

As disclosed in the Annual Report, the MS Portfolio was comprised of cash or cash equivalents, fixed income funds, equity funds (in the United States, Europe, Japan, Asia Pacific ex Japan and emerging markets) and alternative strategies (which may, from time to time, include hedge funds, commodities, real estate assets). The fair value of the MS Portfolio was approximately HK\$62.75 million as of 31 March 2022.

For the year ended 31 March 2022, the Group recorded an unrealized loss attributable to the fair value changes of the MS Portfolio of HK\$1.51 million. The unrealised gain attributable to the fair value changes of the MS Portfolio was HK\$14.96 million for the year ended 31 March 2021. No dividend or interest income was recorded from the MS Portfolio for the year ended 31 March 2022 and 31 March 2021.

## **REDEMPTIONS OF THE INVESTMENT PORTFOLIOS**

The Investment Portfolios were redeemed at the relevant redemption prices which are equal to the net asset value of the relevant Investment Portfolios on 8 July and 1 November 2022, respectively. Upon Redemptions, the aggregated proceeds of the GS Redemptions and the MS Redemption were approximately HK\$95.79 million (with proceeds from the July GS Redemption of HK\$36.0 million and proceeds from the November GS Redemption of HK\$59.79 million, respectively) and HK\$55.31 million in cash, respectively.

## **REASONS FOR AND BENEFITS OF THE REDEMPTION**

The GS Portfolio was created by the Group during the year ended 31 March 2013 and the MS Portfolio was created by the Group during the year ended 31 March 2015, at an aggregate investment amount of approximately HK\$69.79 million and HK\$46.54 million, respectively, with the objective of obtaining relatively high returns at low risk while maintaining reasonable liquidity.

In view of the recent volatile market conditions and heightened uncertainties with regard to global central bank policies and economic outlook, the Board considered that it was prudent and necessary to adopt a more cautious investment strategy which required the liquidation of investments in the Investment Portfolios to prevent potential losses and conduct the Redemptions to increase cash reserve of the Group. Furthermore, the Group intends to use the proceeds from the Redemptions for working capital and other business opportunities that may arise in the future.

In view of the above, the Directors are of the view that the value at which the Redemptions were made were fair and reasonable, and the Redemptions were in the interests of the Group and the Shareholders as a whole.

## **FINANCIAL EFFECTS OF THE REDEMPTIONS**

After the Redemptions, the expected amount of loss to be realised for the year ending 31 March 2023, being the difference between the aggregated redemption proceeds and the carrying value as of 31 March 2022 in respect of the Investment Portfolios is HK\$14.10 million (of which HK\$6.66 million and HK\$7.44 million is attributable to the GS Portfolio and the MS Portfolio, respectively). The actual amount of loss to be recorded is subject to the review and audit by the auditors of the Company.

Despite the fact that there is an expected loss of approximately HK\$14.10 million resulting from the Redemptions, the Group would expect to record a net cash inflow of approximately HK\$151.10 million in aggregate upon the Redemptions.

## **INFORMATION OF BILLION TRADE AND THE GROUP**

Billion Trade is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal activity is investment.

The Group is principally engaged in the business of sourcing, importing, wholesaling, processing, packaging, marketing and distribution of rice, convenience store operation, packaging materials operation, securities investment, property investment and investment holding.

## **INFORMATION OF GS MANAGER**

GS Manager is part of Goldman Sachs Group, Inc., a leading global investment bank. GS Manager offers clients a wide range of investment banking services, including underwriting of various types of securities such as equity, bonds and convertible bonds, financial advisory services on mergers and acquisitions and other related services. To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, each of GS Manager and its ultimate beneficial owner(s) is an Independent Third Party.

## **INFORMATION OF MS MANAGER**

MS Manager is part of Morgan Stanley, a leading global investment bank. MS Manager offers a complete range of products and services to clients across the region and globally including investment banking, foreign exchange sales and trading, introductory brokerage, investment management and provision of support services. To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, each of MS Manager and its ultimate beneficial owner(s) is an Independent Third Party.

## **LISTING RULES IMPLICATIONS**

All the applicable percentage ratios of the July GS Redemption were less than 5% and hence the July GS Redemption was exempt from the disclosure requirements under Chapter 14 of the Listing Rules. However, since the July GS Redemption, November GS Redemption and MS Redemption were of similar nature and all conducted within a period of 12 months respectively, the July GS Redemption, November GS Redemption and MS Redemption were aggregated pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios of the Redemptions in aggregate exceeds 5% but is less than 25%, the Redemptions therefore constitute as a discloseable transaction of the Company under

Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement, but exempt from the circular and Shareholders' approval requirements, under the Listing Rules.

## **OTHER IMPORTANT INFORMATION**

The information contained in this announcement related to the amount of loss on Redemptions is only based on the preliminary review of the information currently available to the Company, which has not been audited by the auditors of the Company. The actual amount of loss to be recorded is subject to review and audit by the auditors of the Company.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Annual Report”	annual report of the Company for the year ended 31 March 2022
“Billion Trade”	Billion Trade Development Limited
“Board”	the board of Directors of the Company
“Company”	Golden Resources Development International Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company together with its subsidiaries
“GS Manager”	Goldman Sachs (Asia) L.L.C., a licensed corporation under the SFO, to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) of regulated activities as defined under the SFO
“GS Portfolio”	an investment portfolio managed by the GS Manager based on the global, multi-asset class discretionary separate account strategy of GS Manager
“GS Redemptions”	collectively, the July GS Redemption and November GS Redemption
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Independent Third Party”	person who is not a connected person (as defined in the Listing Rules) of the Company and is a third party independent of and not connected with the Company or its connected persons (as defined in the Listing Rules)
“Investment Portfolios”	collectively, the GS Portfolio and MS Portfolio

“July GS Redemption”	the redemption of GS Portfolio on 8 July 2022
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MS Manager”	Morgan Stanley & Co. International plc, part of Morgan Stanley, a leading global investment bank
“MS Portfolio”	an investment portfolio managed by MS Manager based on a top-down approach that focuses on asset class, region/country, sector, investment’s theme and style selection, as opposed to individual security selection
“MS Redemption”	the redemption of the MS Portfolio on 1 November 2022
“November GS Redemption”	the redemption of GS Portfolio on 1 November 2022
“Redemptions”	collectively, the GS Redemptions and the MS Redemption
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“%”	per cent.

By order of the board of  
**Golden Resources Development International Limited**  
**Laurent LAM Kwing Chee**  
*Chairman*

Hong Kong, 1 November 2022

*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.*