G-Resources Group Limited
國際資源集團有限公司**
(Incorporated in Bermuda with limited liability)
(Stock Code: 1051)

FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 December 2015

HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2015

- **Revenue was USD403.1 million (2014: USD387.6 million)**
- **EBITDA was USD241.5 million (2014: USD219.4 million)**
- **Net profit was USD61.3 million (2014: USD64.5 million)**
- **Proposed a final dividend of HK0.44 cents per share (being over 25% of profit after taxation attributable to shareholders) (2014: HK0.48 cents), and the dividend will be payable in cash with a scrip dividend alternative**

FINANCIAL SUMMARY

	2015	2014
	USD'000	USD'000
Revenue	**403,081**	387,577
EBITDA	**241,498**	219,356
Profit before taxation	**100,920**	86,103
Profit for the year	**61,308**	64,467

CHAIRMAN AND ACTING CHIEF EXECUTIVE OFFICER'S STATEMENT

Dear Shareholders,

I am delighted to report G-Resources' continuing successful operating and financial results for the twelve months ending December 2015.

Gross Revenue was a record USD403 million, EBITDA was USD241 million and Net Profit After Tax was USD61 million. At end December 2015, the Company had a strong balance sheet with USD331 million in cash and investments and no debt.

During 2015，the Company declared and paid its first dividend of HK0.48 cents per share. Based on the full 2015 results, the Board has proposed a final dividend of HK0.44 cents per share in line with its announced Dividend Policy.

In November 2015, the Company announced the sale of its interest in Martabe for a consideration of USD905 million - USD775 million cash at completion and a further USD130 million cash in four years time subject to certain gold price hurdles being met. Shareholders approved the transaction at a Special General Meeting held on 8 March 2016 and completion occurred on 17 March 2016.

After disposal of the Martabe Mine, the Company shall focus on its remaining businesses, namely principal investment business, financial services business and real property business. It is a new era for G-Resources. We shall step up our efforts in searching for suitable investment opportunities for our principal investment business and our real property business. We are not ruling out the possibilities of investing in the mining sector again if we find some good investment opportunities.

In light of the recent market conditions and the expected economic outlook, we anticipate an increase in the number of attractive investment opportunities in the near term and believe that we are well-positioned to take advantage of these, particularly with our cash resources on hand.

I am grateful for all your support and we shall continue to search for opportunities and to work with a view to create value for G-Resources and our shareholders.

Finally I would like to thank our Board and management for their devoted service during the year and I look forward to continuing to work with them to achieve further success for the Company.

G-Resources Group Limited

Chiu Tao

Chairman and Acting Chief Executive Officer

Hong Kong, 23 March 2016

GROUP RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

The Board of Directors (the "Board") of G-Resources Group Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2015 together with the comparative figures for the year ended 31 December 2014.

Consolidated Statement of Profit or Loss

For the year ended 31 December 2015

	NOTES	**2015** **USD'000**	2014 USD'000
Revenue	*4*	**403,081**	387,577
Cost of sales		**(265,771)**	(278,265)
Gross profit		**137,310**	109,312
Other income		**5,861**	2,221
Administrative expenses		**(36,115)**	(30,883)
Fair value changes of held for trading investments		**941**	5,404
Foreign exchange (loss)/gain, net		**(4,817)**	1,811
Finance cost		**(2,260)**	(1,762)
Profit before taxation		**100,920**	86,103
Taxation	*5*	**(39,612)**	(21,636)
Profit for the year	*6*	**61,308**	64,467
Profit for the year attributable to:			
Owners of the Company		**59,423**	62,737
Non-controlling interests		**1,885**	1,730
		61,308	64,467
Earnings per share			
– Basic and diluted (US cent)	*7*	**0.22**	0.24

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2015

	2015	2014
	USD'000	USD'000
Profit for the year	**61,308**	64,467
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss:		
Exchange differences arising on translation	**264**	108
	264	108
Items that may be reclassified subsequently to profit or loss:		
Fair value gain/(loss) on:		
Available-for-sale investments	**5,771**	2,726
Hedging instruments designated in cash flow hedges	**1,082**	(1,082)
Reclassification upon disposal of available-for-sale investments	**(10)**	-
Reclassification upon impairment on available-for-sale investments	**-**	626
	6,843	2,270
Other comprehensive income for the year	**7,107**	2,378
Total comprehensive income for the year	**68,415**	66,845
Total comprehensive income for the year attributable to:		
Owners of the Company	**66,476**	65,169
Non-controlling interests	**1,939**	1,676
	68,415	66,845

Consolidated Statement of Financial Position

At 31 December 2015

		2015	2014
	NOTES	**USD'000**	USD'000
NON-CURRENT ASSETS			
Property, plant and equipment		**734,957**	805,807
Exploration and evaluation assets		**27,316**	19,292
Investment properties		**95,220**	-
Available-for-sale investments	*8*	**175,726**	39,039
Other receivable	*9*	**27,008**	29,438
Inventories		**7,999**	7,780
		1,068,226	901,356
CURRENT ASSETS			
Inventories		**44,773**	47,685
Trade and other receivables	*9*	**29,335**	17,890
Loans receivable	*10*	**72,483**	-
Available-for-sale investments	*8*	**-**	39,419
Held for trading investments		**30,606**	29,216
Convertible bond		**17,044**	-
Derivative component in convertible bond		**744**	-
Pledged bank deposits		**-**	1,543
Bank balances and cash		**106,963**	260,750
		301,948	396,503
CURRENT LIABILITIES			
Trade and other payables	*11*	**28,996**	28,161
Derivative financial liabilities		**-**	1,082
Tax payable		**10,015**	15,559
		39,011	44,802
NET CURRENT ASSETS		**262,937**	351,701
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,331,163**	1,253,057
NON-CURRENT LIABILITIES			
Other payables	*11*	**4,485**	3,925
Deferred tax liabilities		**54,605**	33,982
Provision for mine rehabilitation cost		**20,732**	18,472
		79,822	56,379
		1,251,341	1,196,678

Consolidated Statement of Financial Position (continued)

At 31 December 2015

	NOTES	2015 USD'000	2014 USD'000
CAPITAL AND RESERVES			
Share capital	*12*	**34,246**	34,150
Reserves		**1,193,994**	1,141,216
Equity attributable to owners of the Company		**1,228,240**	1,175,366
Non-controlling interests		**23,101**	21,312
TOTAL EQUITY		**1,251,341**	1,196,678

Consolidated Statement of Cash Flows

For the year ended 31 December 2015

	2015	2014
	USD'000	USD'000
OPERATING ACTIVITIES		
Profit before taxation	**100,920**	86,103
Adjustments for:		
Interest income	**(10,386)**	(5,132)
Amortisation and depreciation	**138,318**	131,491
Loss on disposal of property, plant and equipment	**157**	-
Unvested share options lapsed	**(41)**	(6,852)
Fair value changes of held for trading investments	**(941)**	(5,404)
Fair value of derivative component in convertible bond	**161**	-
Provision for impairment of inventories	**366**	3,981
Provision for impairment of available-for-sale investments	**-**	626
Gain on disposal of available-for-sale investments	**(19)**	-
Finance cost	**2,260**	1,762
Operating cash flows before movements in working capital	**230,795**	206,575
Decrease/(increase) in inventories	**2,694**	(4,780)
Decrease/(increase) in other receivable (non-current portion)	**2,430**	(15,311)
(Increase)/decrease in trade and other receivables	**(10,663)**	45,527
Loans advanced to money lending customers	**(85,386)**	-
Repayment from money lending customers	**12,903**	-
Increase in held for trading investments	**(442)**	(22,395)
Increase in trade and other payables	**2,109**	2,425
Cash generated from operations	**154,440**	212,041
Income taxes paid	**(24,555)**	(14,791)
Net cash from Operating Activities	**129,885**	197,250

Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2015

	2015	2014
	USD'000	USD'000
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(43,534)**	(63,984)
Additions of exploration and evaluation assets	**(8,024)**	(7,952)
Proceed from disposal of property, plant and equipment	**676**	-
Acquisition of property, plant and equipment and other assets and liabilities through acquisition of a subsidiary	**(26,952)**	-
Net cash outflow arising on acquisition of subsidiaries for real property business	**(94,671)**	-
Purchase of available-for-sale investments	**(111,523)**	(67,583)
Proceeds from disposal of available-for-sale investments	**20,138**	-
Purchase of convertible bond	**(17,415)**	-
Interest received	**8,726**	4,064
Decrease/(Increase) in pledged bank deposits	**1,543**	(1,500)
Net cash used in Investing Activities	**(271,036)**	(136,955)
FINANCING ACTIVITIES		
Dividend paid to shareholders	**(13,561)**	-
Dividend paid to a non-controlling shareholder	**(150)**	(250)
Cash used in Financing Activities	**(13,711)**	(250)
Net (decrease)/ increase in cash and cash equivalents	**(154,862)**	60,045
Cash and cash equivalents at beginning of the year	**260,750**	200,575
Effect of foreign exchange rate changes	**1,075**	130
Cash and cash equivalents at end of the year, represented by Bank Balances and Cash	**106,963**	260,750

1. Application of New and Revised Hong Kong Financial Reporting Standards

Adoption of new and revised HKFRSs

In the current year, the Group has applied the following new and revised Hong Kong Accounting Standards ("HKAS"s), Hong Kong Financial Reporting Standards ("HKFRS"s), amendments and interpretations ("Int"s) (hereinafter collectively referred to as "new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time.

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

The application of the amendments to new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior year and/or disclosures set out in the consolidated financial statements.

New and revised HKFRSs issued but not yet effective

At the date of this report, the Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

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

[1] Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted
[2] Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted
[3] Effective for annual periods beginning on or after a date to be determined

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised revision of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' ("FVTOCI") measurement category for certain simple debt instruments.

Key requirements of HKFRS 9:

- All recognised financial assets that are within the scope of *HKAS 39 Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to a financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the application of HKFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities, however, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may affect the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

The directors of the Company do not anticipate that the application of other new and revised HKFRSs will have a material impact on the amounts recognised in the Group's consolidated financial statements.

2. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying the Group's accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Value added tax recoverable (included in other receivables)

Included in other receivable (non-current portion) of USD27,008,000 (2014: USD29,438,000) and other receivables (current portion) of USDnil (2014: USD5,495,000) are value added tax ("VAT") paid by an Indonesian subsidiary of the Group in connection with its purchase of equipment and services from suppliers for the operation and construction of the mine site. According to relevant tax law and regulations in Indonesia, such VAT payment is refundable upon application by the Group, subject to approval by the relevant Indonesian tax authority. The directors are not aware of any non-compliance with the relevant tax laws and are of the opinion that the approval from relevant tax office will be obtained and VAT will be fully refunded.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Ore reserve and resources estimates

Recoverable reserves and resources are based upon interpretations of geological and geophysical models and require assumptions to be made regarding factors such as estimates of future operating performance, future capital requirements, short and long term commodity prices, and short and long term exchange rates. Changes in reported reserves and resources estimates can impact the carrying value of property, plant and equipment, provision for rehabilitation obligations, as well as the amount of depreciation and amortisation recognised.

Estimated impairment on mining properties and plant and equipment

In determining whether there is an impairment of the mining properties and plant and equipment of the Group's gold and silver mine located in the Regency of South Tapanuli, Northern Sumatra, Indonesia (the "Martabe Gold Mine"), management will consider whether there is any objective evidence that indicates the carrying value of these assets are less than the recoverable value. As at 31 December 2015, the carrying amount of mining properties and plant and equipment are USD524,833,000 (2014: USD591,932,000) and USD170,780,000 (2014:USD199,056,000) respectively.

Estimated impairment on exploration and evaluation assets

In determining whether there is an impairment of the exploration and evaluation assets of the Martabe Gold Mine, management is required to assess whether there is any impairment indicator which indicates that there is impairment on the exploration and evaluation assets including (a) the period for which the Indonesian subsidiary has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; (b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Indonesian subsidiary has decided to discontinue such activities in the specific area; (d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale. As at 31 December 2015, the carrying amount of exploration and evaluation assets is USD27,316,000 (2014: USD19,292,000).

Provision for mine rehabilitation cost

Provision for mine rehabilitation cost has been estimated by the directors based on current regulatory requirements and the area affected in drilling and construction activities in the Martabe Gold Mine area estimated by the management and discounted to their present value. Significant changes in the regulatory requirements in relation to such costs will result in changes to the provision amounts from period to period. In addition, the expected timing of cash outflows of such mine rehabilitation cost is estimated based on the expected closure date of the Martabe Gold Mine and is subject to any significant changes to the production plan. As at 31 December 2015, the balance of provision for mine rehabilitation cost was USD20,732,000 (2014: USD18,472,000).

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The fluctuation in the fair value of the assets and liabilities is reported and analysed periodically.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments.

Impairment loss on loans receivable

Management regularly reviews the recoverability of the loans receivable. Appropriate impairment for estimated irrecoverable amount is recognised in profit and loss when there is objective evidence that the amount is not recoverable.

In determining whether allowance for bad and doubtful debts is required, the Group takes into consideration the aged status and likelihood of collection. Specific allowance is only made for the loans receivable that are unlikely to be collected and is recognised on the difference between the carrying amount of loans receivable and the present value of estimated future cash flow discounted using the original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2015, there is no impairment made and the carrying amount of loans receivable is USD72,483,000 (2014: nil).

Estimated impairment on available-for-sale investments

Management reviews the recoverability of the Group's available-for-sale investments with reference to current market environment whenever events or changes in circumstances indicate that the carrying amounts of the assets exceed their corresponding recoverable amounts. Appropriate impairment for estimated irrecoverable amounts are recognised in profit and loss when there is objective evidence that the asset is impaired.

In determining whether impairment on available-for-sale investments is required, the Group takes into consideration the current market environment and the estimates of future cash flows which the Group expects to receive. Impairment is recognised based on the present value of estimated future cash flows. If the market environment/circumstances change significantly, resulting in a decrease in the recoverable amount of these available-for-sale investments, additional impairment loss may be required. As at 31 December 2015, the carrying amount of available-for-sale investments is USD175,726,000 (2014: USD78,458,000).

Fair value of investment properties

Investment properties are carried in the consolidated statement of financial position at 31 December 2015 at their fair value of USD95,220,000 (2014: nil). The fair value was based on valuation of these properties conducted by independent firms of professional valuers using property valuation techniques which involve certain assumptions of market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment properties and corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in measuring the Group's deferred taxation on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

3. Segment Information

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purpose of resource allocation and assessment of segment performance focuses on the nature of their operations and types of products and services provided. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments.

The Group has four (2014: two) operating business units which represent four (2014: two) operating segments, namely, principal investment business, money lending business, real property business and mining business (2014: principal investment business and mining business). In the current year, the Group is actively engaged in investment and securities trading. The interest income and dividend and distribution income earned from financial products is presented as segment revenue under principal investment business segment. Money lending business and real property business are newly commenced during the year ended 31 December 2015.

(a) Segment revenue and results

An analysis of the Group’s revenue and results by operating segment is as follows:

For the year ended 31 December 2015

	Principal investment business USD’000	Money lending business USD’000	Real property business USD’000	Mining business USD’000	Total USD’000
Sale of gold and silver	-	-	-	391,468	391,468
Interest income from financial products	5,720	-	-	-	5,720
Dividend and distribution income from financial products	1,591	-	-	-	1,591
Interest income from money lending business	-	3,647	-	-	3,647
Rental income	-	-	655	-	655
Segment revenue	7,311	3,647	655	391,468	403,081
Segment results	8,732	3,644	611	95,901	108,888
Unallocated corporate expenses					(7,968)
Profit before taxation					100,920

For the year ended 31 December 2014

	Principal investment business USD’000	Mining business USD’000	Total USD’000
Sale of gold and silver	-	384,115	384,115
Interest income from financial products	3,462	-	3,462
Segment revenue	3,462	384,115	387,577
Segment results	9,535	77,502	87,037
Unallocated corporate expenses			(1,032)
Unallocated income			98
Profit before taxation			86,103

Segment results represents the profit earned or generated by each segment without allocation of central administration costs. This is the measure reported to the executive directors of the Company for the purposes of resources allocation and assessment of segment performance.

(b) Segment assets and liabilities

An analysis of the Group's assets and liabilities by operating segment is as follows:

At 31 December 2015

	Principal investment business USD'000	Money lending business USD'000	Real property business USD'000	Mining business USD'000	Total USD'000
ASSETS					
Segment assets	310,427	72,663	96,477	863,478	1,343,045
Unallocated corporate assets					27,129
Total assets					1,370,174
LIABILITIES					
Segment liabilities	2	656	581	115,635	116,874
Unallocated corporate liabilities					1,959
Total liabilities					118,833

At 31 December 2014

	Principal investment business USD'000	Mining business USD'000	Total USD'000
ASSETS			
Segment assets	328,219	969,139	1,297,358
Unallocated corporate assets			501
Total assets			1,297,859
LIABILITIES			
Segment liabilities	3	99,710	99,713
Unallocated corporate liabilities			1,468
Total liabilities			101,181

For the purposes of monitoring segment performances and allocating resources between segments:

- All assets are allocated to operating segment other than certain property, plant and equipment and other receivables.
- All liabilities are allocated to operating segment other than certain other payables.

(c) Other segment information

For the year ended 31 December 2015

	Principal investment business USD'000	Money lending business USD'000	Real property business USD'000	Mining business USD'000	Unallocated USD'000	Total USD'000
Amounts included in the measure of segment profit or loss or segment assets:						
Additions to non-current assets (Note)	-	-	95,227	50,129	26,518	171,874
Additions to available-for-sale investments	111,523	-	-	-	-	111,523
Additions to held for trading investments	959	-	-	-	-	959
Depreciation						
Cost of sales	-	-	-	132,243	-	132,243
Administrative expenses	-	-	-	5,795	280	6,075
Provision for impairment of inventories	-	-	-	366	-	366
Interest income (including interest on bank deposits)	6,585	3,651	-	150	-	10,386

For the year ended 31 December 2014

	Principal investment business USD'000	Mining business USD'000	Unallocated USD'000	Total USD'000
Amounts included in the measure of segment profit or loss or segment assets:				
Additions to non-current assets (Note)	-	65,147	11	65,158
Additions to available-for-sale investments	67,583	-	-	67,583
Additions to held for trading investments	22,395	-	-	22,395
Depreciation				
Cost of sales	-	124,887	-	124,887
Administrative expenses	-	6,596	8	6,604
Provision for impairment of inventories	-	3,981	-	3,981
Provision for impairment of available-for-sale investments	626	-	-	626
Interest income (including interest on bank deposits)	4,575	557	-	5,132

Note: Non-current assets excluded available-for-sale investments (non-current portion), other receivable (non-current portion) and inventories (non-current portion).

(d) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue determined based on the location of goods produced, the location of financial products, the location of money lending business operated and location of properties in the case of rental income, and (ii) information of the non-current assets by the geographical area in which the assets are located are detailed below:

	Segment revenue		Non-current assets excluding financial instruments	
	2015 USD'000	2014 USD'000	**2015 USD'000**	2014 USD'000
Singapore	**5,189**	3,462	-	-
Hong Kong	**6,172**	-	**121,464**	9
Indonesia	**391,468**	384,115	**744,028**	832,870
Others	**252**	-	**-**	-
	403,081	387,577	**865,492**	832,879

Note: Non-current assets excluded available-for-sale investments (non-current portion) and other receivable (non-current portion).

(e) Information about major customers

For the year ended 31 December 2015 and 31 December 2014, an individual customer contributed over 10% of the total revenue with the amount of USD371,994,000 and USD372,029,000 respectively, from the mining business segment.

4. Revenue

The following is an analysis of the Group's revenue from its major products and services:

	2015 USD'000	2014 USD'000
Sales of gold	**351,285**	344,407
Sales of silver	**40,183**	39,708
Interest income from financial products	**5,720**	3,462
Dividend and distribution income from financial products	**1,591**	-
Interest income from money lending business	**3,647**	-
Rental income	**655**	-
	403,081	387,577

5. Taxation

	2015 **USD'000**	2014 USD'000
Current tax		
Hong Kong	**15**	-
Indonesia	**10,802**	8,659
	10,817	8,659
Under-provision in prior years		
Indonesia	**8,172**	-
Deferred tax		
Undistributed profits of subsidiary	**3,313**	2,036
Accelerated tax depreciation	**17,310**	10,941
	20,623	12,977
Taxation for the year	**39,612**	21,636

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Under the relevant tax law, the Corporate Income Tax rate of the Indonesian subsidiary is 25%.

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

Pursuant to the relevant laws and regulations in Indonesia, dividend withholding tax is imposed at a rate of 7.5% on dividend declared in respect of profits earned by Indonesian subsidiary that are received by non-Indonesian resident entities. Dividend withholding tax of approximately USD3,313,000 (2014: USD2,036,000) was recognised as deferred tax expense in the current reporting period.

The taxation for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss as follows:

	2015 **USD'000**	2014 USD'000
Profit before taxation	**101,113**	86,103
Tax at Indonesian Corporate Income Tax rate of 25%	**25,278**	21,526
Tax effect of expenses not deductible for tax purpose	**8,184**	5,494
Tax effect of income not taxable for tax purpose	**(2,096)**	(8,560)
Tax effect of tax losses not recognised	**97**	1,144
Utilisation of tax losses previously not recognised	**(1,318)**	(884)
Effect of different tax rates of group companies operating in other jurisdictions	**(3,072)**	(3,379)
Withholding tax on interest	**2,993**	3,903
Tax credit on withholding tax paid	**(2,153)**	-
Withholding tax on dividend	**214**	356
Deferred tax for undistributed profits of subsidiary	**3,313**	2,036
Under-provision of tax in prior years	**8,172**	-
Taxation for the year	**39,612**	21,636

The domestic tax rate, which is Indonesian Corporate Income Tax rate in the jurisdiction where the operation of the Group is substantially based, is used.

6. Profit for the Year

	2015	2014
	USD'000	USD'000
Profit for the year has been arrived at after charging/(crediting):		
Staff costs		
– Directors' emoluments	**3,377**	3,541
– Other staff costs		
– Cost of sales	**12,194**	14,348
– Administrative expenses	**6,143**	6,800
– Contributions to retirement benefits schemes, excluding directors	**662**	572
– Unvested share options lapsed	**(41)**	(6,852)
Total staff costs	**22,335**	18,409
Auditors' remuneration	**251**	219
Amortisation and depreciation of property, plant and equipment, included in		
– Cost of sales	**132,243**	124,887
– Administrative expenses	**6,075**	6,604
Loss on disposal of property, plant and equipment	**157**	-
Operating lease payments in respect of office premises and warehouse	**633**	632
Provision for impairment of inventories	**366**	3,981
Provision for impairment of available-for-sale investments	**-**	626
Royalties expense	**2,348**	2,111
Other taxes	**3,977**	4,313
Interest income (note 3(c))	**(10,386)**	(5,132)

7. Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2015	2014
	USD'000	USD'000
Profit for the year attributable to owners of the Company, for the purposes of basic and diluted earnings per share	**59,423**	62,737

	Number of shares	
	2015	2014
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**26,520,040,803**	26,490,076,130

The computation of diluted earnings per share does not assume the exercise of the Group's outstanding share options as the exercise price of those options is higher than the average market price for shares for the year ended 31 December 2015 and 2014.

8. Available-For-Sale Investments

	2015	2014
	USD'000	USD'000
Listed debt securities, at fair value		
Senior Notes Due 2015 (Note a)	**-**	9,300
Senior Notes Due 2021 (Note b)	**33,351**	31,608
Senior Notes Due 2020 (Note c)	**24,607**	-
Unlisted securities		
Managed investment funds (Note d)	**45,366**	37,550
Other security investments (Note e)	**42,582**	-
Perpetual securities (Note f)	**29,820**	-
	175,726	78,458
Less: Available-for-sale investments classified as non-current assets	**(175,726)**	(39,039)
Available-for-sale investments classified as current assets	**-**	39,419

Notes:

(a) The balance represents the Group's investment in senior notes with principal amount of USD10,000,000 issued by a company with its shares listed on the Hong Kong Stock Exchange with maturity date of 18 May 2015 (the "Senior Notes Due 2015"). These notes were listed on the Singapore Exchange Securities Trading Limited, carried interest at a fixed rate of 11.75% per annum, payable semi-annually in arrears on 18 May and 18 November of each year, commencing on 18 November 2010.

The Senior Notes Due 2015 might be redeemed anytime under certain conditions before the maturity date in the following circumstances:

(1) At any time prior to 18 May 2013, the Senior Notes Due 2015 issuer might redeem up to 35% of the aggregate principal amount of the Senior Notes Due 2015 at a redemption price equal to 111.75% of the principal amount of the Senior Notes Due 2015 redeemed, plus accrued and unpaid interest, if any, to the redemption date, subject to not less than 30 nor more than 60 days' notice.

(2) At any time prior to 18 May 2013, the Senior Notes Due 2015 issuer might at its option redeem the Senior Notes Due 2015, in whole or in part, at a redemption price equal to 100% of the principal amount of the Senior Notes Due 2015 redeemed, plus the make-whole premium as of, and accrued and unpaid interest, if any, to the redemption date, subject to not less than 30 nor more than 60 days' notice.

(3) At any time on or after 18 May 2013, the Senior Notes Due 2015 issuer might redeem the Senior Notes Due 2015, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, on the Senior Notes Due 2015 redeemed, to the redemption date, if redeemed during the 12-month period commencing on 18 May of any year set forth below:

Period	Redemption Price
2013	105.8750%
2014 and thereafter	102.9375%

The Senior Notes Due 2015 were initially measured at fair value. In the absence of quoted market price in an active market, the fair value measurements are derived from valuation techniques using the discounted cash flow model and the Hull-White term structure model that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). During the year ended 31 December 2014, an increase in fair value of USD2,219,000 was recognised in the investment revaluation reserve. During the year end 31 December 2014, prior to the maturity, the issuer of the Senior Note Due 2015 offered repurchase of Senior Note Due 2015, it was accepted by the Group and was confirmed by the issuer. The cumulative loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss and an impairment loss amounting to USD626,000 was recognised in the profit or loss.

The fair value of the Senior Notes Due 2015 as at 31 December 2014 was determined using the discounted cash flow model and the Hull-White term structure model with the following assumptions:

	2014
Discount rate:	41.02%
Time to maturity:	0.38 year
Mean reverting rate:	0.01735
Volatility:	0.01155

(b) The balance represents the Group's investment in senior notes with principal amount of USD30,000,000 issued by a company with its shares listed on the Hong Kong Stock Exchange with maturity date of 22 January 2021 (the "Senior Notes Due 2021"). These notes are listed on the Singapore Exchange Securities Trading Limited, carry interest at a fixed rate of 8.125% per annum, payable semi-annually in arrears on 22 January and 22 July of each year, commencing on 22 July 2014.

The Senior Notes Due 2021 may be redeemed anytime under certain conditions before the maturity date in the following circumstances:

(1) At any time and from time to time prior to 22 January 2017, the Senior Notes Due 2021 issuer may redeem up to 35% of the aggregate principal amount of the Senior Notes Due 2021 at a redemption price equal to 108.125% of the principal amount of the Senior Notes Due 2021 redeemed, plus accrued and unpaid interest, if any, to the redemption date, provided that at least 65% of the aggregate principal amount of the Senior Notes Due 2021 originally issued on the original issue date remains outstanding after the redemption takes place within 60 days;

(2) At any time prior to 22 January 2018, the Senior Notes Due 2021 issuer may at its option redeem the Senior Notes Due 2021, in whole or in part, at a redemption price equal to 100% of the principal amount of the Senior Notes Due 2021 redeemed, plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date;

(3) At any time on or after 22 January 2018, the Senior Notes Due 2021 issuer may redeem the Senior Notes Due 2021, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, on the Senior Notes Due 2021 redeemed, to the redemption date, if redeemed during the 12-month period commencing on 22 January of any year set forth below:

Period	Redemption Price
2018	104.063%
2019	102.031%
2020 and thereafter	100%

The Senior Notes Due 2021 were initially measured at fair value. In the absence of quoted market price in an active market, the fair value measurements are derived from valuation techniques using the discounted cash flow model and the Hull-White term structure model that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). During the year ended 31 December 2015, an increase in fair value of USD1,745,000 (2014:USD540,000) was recognised in the investment revaluation reserve.

The fair value of the Senior Notes Due 2021 as at 31 December 2015 and 31 December 2014 is determined using the discounted cash flow model and the Hull-White term structure model with the following assumptions:

	2015	2014
Discount rate:	4.416 - 6.097%	6.136 - 7.948%
Time to maturity:	5.066 years	6.066 years
Spread:	6.080%	7.308%
Floating rate:	0.846%	0.363%

(c) During the year ended 31 December 2015, the Group acquired senior notes with principal amount of USD30,000,000 issued by a company with its shares listed on the Hong Kong Stock Exchange with maturity date of 17 February 2020 (the "Senior Notes Due 2020"). These notes are listed on the Singapore Exchange Securities Trading Limited, carry interest at a fixed rate of 12% per annum, payable semi-annually in arrears on 17 February and 17 August of each year, commencing on 17 August 2015. During the year, the Group disposed of 8,000,000 units at an original cost of USD8,000,000, realised and recognised a gain of USD8,000.

The Senior Notes Due 2020 may be redeemed anytime under certain conditions before the maturity date in the following circumstances:

(1) At any time and from time to time prior to 17 February 2017, the Senior Notes Due 2020 issuer may redeem up to 35% of the aggregate principal amount of the Senior Notes Due 2020 at a redemption price equal to 112% of the principal amount of the Senior Notes Due 2020 redeemed, plus accrued and unpaid interest, if any, to the redemption date, provided that at least 65% of the aggregate principal amount of the Senior Notes Due 2020 originally issued on the original issue date remains outstanding after the redemption takes place within 60 days;

(2) At any time prior to 17 February 2018, the Senior Notes Due 2020 issuer may at its option redeem the Senior Notes Due 2020, in whole or in part, at a redemption price equal to 100% of the principal amount of the Senior Notes Due 2020 redeemed, plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date;

(3) At any time on or after 17 February 2018, the Senior Notes Due 2020 issuer may redeem the Senior Notes Due 2020, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, on the Senior Notes Due 2020 redeemed, to the redemption date, if redeemed during the 12-month period commencing on 17 February of any year set forth below:

Period	Redemption Price
2018	106%
2019 and thereafter	103%

The Senior Notes Due 2020 were initially measured at fair value. In the absence of quoted market price in an active market, the fair value measurements are derived from valuation techniques using the discounted cash flow model and the Hull-White term structure model that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). During the year ended 31 December 2015, an increase in fair value of USD1,652,000 was recognised in the investment revaluation reserve.

The fair value of the Senior Notes Due 2020 as at 31 December 2015 is determined using the discounted cash flow model and the Hull-White term structure model with the following assumptions:

	2015
Discount rate:	8.593 – 10.021%
Time to maturity:	4.134 years
Spread:	10.911%
Floating rate:	0.846%

(d) The Group held three unlisted investments funds which are managed by financial institutions investing real estate properties, financial products and unlisted equity investments respectively. The financial products include listed equity shares, straight bonds, convertible bond, REITs, business trusts and derivatives. The fair value of the real estate properties is determined by the market transaction prices of similar properties of the relevant locations. The underlying financial products and unlisted equity investment are valued at quoted market prices in the open market or observable prices of comparable investments, or measured using valuation techniques in which significant input is based on observable market data. During the year ended 31 December 2015, an increase in fair value of USD1,135,000 (2014: a decrease in fair value of USD33,000) is recognised in the other comprehensive income.

(e) The other security investments of the Group includes an investment with the carrying value of USD6,119,000 (2014: nil) which was stated at fair value as at 31 December 2015 through partnership. In the absence of quoted market price in an active market, the fair value measurement is determined by the financial institution using valuation techniques including earnings multiples (based on the budget earnings or historical earnings of the issuer and earnings multiples of comparable listed companies) and discounted cash flows. The valuation may be adjusted for factors such as non-maintainable earnings, tax risk, growth stage and cash traps as deemed necessary by the financial institution.

The remaining investments through direct investment with an aggregate carrying value of USD36,463,000 (2014: nil) represent five other security investments which were stated at cost less impairment loss as the range of reasonable fair value estimates are so significant that the directors are of the opinion that the fair value cannot be measured reliably. As at 31 December 2015, three out of these five other security investments accounted for 93% (2014: nil) of the aggregate carrying value, which the investment portfolio are focused in unlisted equity investments in information technology companies on consumer business and finance industry.

During the year, the Group withdrawn its investment in one of the unlisted securities investments. The cost of investment USD2,000,000 was refund plus gain of USD11,000.

(f) On 29 December 2015, the Group subscribed for 9% perpetual securities (“Perpetual Securities”) with principal amount of USD30,000,000 at a consideration of USD29,700,000. The consideration was settled in cash by the Group. The issuer is a public limited company with its shares listed on the Main Board of the Hong Kong Stock Exchange.

A holder of Perpetual Securities is not entitled to vote at any general meetings of the issuer by reason only of it being a holder of such Perpetual Securities.

Subject to the terms of the Perpetual Securities, the Perpetual Securities confer a right to receive distributions (each a ‘‘Distribution’’) at the applicable rate of distribution (the ‘‘Distribution Rate’’). Distributions will be payable on the Perpetual Securities in USD semi-annually in arrear on each distribution payment date, meaning 29 June and 29 December in each year, starting on (and including) 29 June 2016.

The issuer may, unless a compulsory distribution payment event has occurred, at its sole discretion, elect to defer a Distribution which is otherwise scheduled to be paid on a distribution payment date to the next distribution payment date by giving notice of not more than ten nor less than five business days prior to the relevant distribution payment date. Any such deferred distribution shall constitute ‘‘Arrears of Distribution’’. The issuer may, at its sole discretion, elect to further defer any Arrears of Distribution and is not subject to any limits as to the number of times Distributions and Arrears of Distribution can be deferred. Each amount of Arrears of Distribution shall bear interest at the prevailing Distribution Rate (the amount of such interest, the “Additional Distribution Amount”).

The Securities are perpetual securities in respect of which there is no fixed redemption date and the issuer will only have the right to redeem or purchase them in accordance with the terms of the Perpetual Securities.

The issuer may at its option, at any time, on giving not less than 15 nor more than 30 days’ notice to the holders, redeem the Perpetual Securities in whole or in part only on a date specified for such redemption in such notice (the dates of such redemption, each, a ‘‘Call Date’’).

On expiry of any such notice, the issuer will be bound to redeem the Perpetual Securities on the relevant Call Date at their principal amount together with any Distribution accrued to the date fixed for redemption (including any Arrears of Distribution and any Additional Distribution Amount).

The Perpetual Securities were initially measured at fair value. In the absence of quoted market price in an active market, the fair value measurements are derived from valuation techniques using the discounted cash flow model that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). During the year ended 31 December 2015, an increase in fair value of USD120,000 (2014: nil) was recognised in the investment revaluation reserve.

The fair value of the perpetual securities as at date of subscription and 31 December 2015 is determined using the discounted cash flow model with the following assumptions:

	2015
Discount rate:	11.389%
Expected life:	25 years

9. Trade and Other Receivables

	2015	2014
	USD'000	USD'000
Trade receivables (Note a)	**13,822**	-
Other receivables, net of allowance (Note b)	**42,521**	47,328
Less: Other receivable classified as non-current assets (Note b)	**(27,008)**	(29,438)
Other receivables classified as current assets (Note c)	**29,335**	17,890

Notes:

(a) The Group allows a credit period of less than two weeks for its trade customers. The following is an ageing analysis of trade receivables at the end of the reporting periods which is determined based on the invoice date:

	2015	2014
	USD'000	USD'000
0-14 days	**13,822**	-

(b) As at 31 December 2015, USD27,008,000 (2014: USD29,438,000) and USDnil (2014: USD5,495,000) of VAT paid by an Indonesian subsidiary of the Group, were classified as other receivables under non-current portion and current portion respectively based on the expected time span, in connection with its purchase of equipment and services from suppliers for the operation and construction of the mine site. As at 31 December 2014, USD5,495,000 (2015: nil) was classified as current portion as the Indonesian subsidiary received the refund in February 2015.

(c) An amount of USD3,800,000 (2014: USD3,875,000), which is the consideration of capital injection into PT Agincourt Resources ("PTAR"), due from PT Artha Nugraha Agung ("PTANA") was included in other receivables. The balance will be settled by PTANA through reduction of its share of dividend declared by PTAR.

10. Loans Receivable

	2015	2014
	USD'000	USD'000
Fixed-rate loans receivable, current	**72,483**	-

The range of effective interest rate (which are fixed rates, also equal to contractual interest rates) on the Group's loans receivable is 5% to 18% per annum. The contractual maturity date of loans receivable is entered with customers ranges from two months to one year and are all denominated in HKD.

At 31 December 2015, the Group's fixed-rate loans receivable of USD36,127,000 (2014: nil) carried interest ranging from 14% to 16% (2014: nil) per annum are secured by the shares companies listed on the Hong Kong Stock Exchange. One of the Group's loans receivable of USD19,583,000 (2014: nil) carried interest at 18% per annum is secured by a charge over certain properties in Hong Kong. The remaining loans receivable of USD16,773,000 (2014: nil) carried interest ranging from 5% to 12% (2014: nil) per annum are unsecured. All the loans receivable were due within one year.

Before granting loans to outsiders, the Group uses an internal credit assessment process to assess the potential borrower's credit quality and defines credit limits granted to borrowers. Limits attributed to borrowers are reviewed by the management regularly.

Management believes that no impairment allowance is necessary in respect of the loans receivable as there is no a significant change in credit quality and the balances are still considered fully recoverable.

No loans receivable is past due but not impaired as at 31 December 2015.

11. Trade and Other Payables

	2015	2014
	USD'000	USD'000
Trade payables (Note a)	**3,454**	1,826
Other payables (Note b)	**30,027**	30,260
Trade and other payables	**33,481**	32,086
Less: Other payables classified as non-current liabilities	**(4,485)**	(3,925)
Trade and other payables classified as current liabilities	**28,996**	28,161

Notes:

(a) The following is an analysis of trade payables by age, presented based on the invoice date.

	2015	2014
	USD'000	USD'000
0-60 days	**2,933**	1,299
61-90 days	**64**	71
> 90 days	**457**	456
	3,454	1,826

(b) Included in other payables are USD25,660,000 (2014 : USD19,177,000) and USD1,180,000 (2014 : USD9,588,000) relating to payables by an Indonesian subsidiary of the Group for the operation of the Martabe Gold Mine and to its consultants and contractors in connection with the construction of the Martabe Gold Mine, respectively.

12. Share Capital

	Number of shares	Value USD'000
Authorised:		
Ordinary shares of HKD0.01 each		
At 1 January 2014, 31 December 2014 and 31 December 2015	**60,000,000,000**	76,923
Issued and fully paid:		
Ordinary shares of HKD0.01 each		
At 1 January 2014 and 31 December 2014	**26,490,076,130**	34,150
Issue of shares in lieu of cash dividends *(Note a)*	**74,402,080**	96
At 31 December 2015	**26,564,478,210**	34,246

Note:

(a) On 7 August 2015, the Company issued and allotted 74,402,080 new ordinary shares of HKD0.01 each at an issue price of HKD0.296 per share to the shareholders who elected to receive shares in the Company in lieu of cash for the 2014 Final Dividend pursuant to the scrip dividend scheme announced by the Company on 3 July 2015. Accordingly, USD96,000 (equivalent to HKD744,000) was credited to share capital and USD2,745,000 (equivalent to HKD21,279,000) was credited to share premium.

All the shares issued by the Company during the year ended 31 December 2014 and 2015 rank pari passu with the then existing ordinary shares in all respects.

13. Capital Commitments

At the end of the reporting periods, the Group had the following capital commitments:

	2015 USD'000	2014 USD'000
Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of acquisition of property, plant and equipment	**11,553**	796
Capital expenditure authorised but not contracted for in respect of acquisition of property, plant and equipment	**55,264**	64,423

14. Other Commitments

At the end of the reporting periods, the Group had the following other commitments:

	2015 USD'000	2014 USD'000
Other commitment contracted for but not provided for in the consolidated financial statements in respect of capital contribution in some newly established limited partnership which are recognised as available-for-sales investments	**27,225**	-

15. Litigation

On 10 April 2015, a civil suit has been lodged in the Central Jakarta District Court in which the plaintiff has claimed that he is a descendant and inheritor of King Datu Nalnal Pasaribu's land covering 1 million hectares in Sumatra, Indonesia. The Company's subsidiary, PTAR, is a defendant and other defendants include Indonesia's Ministry of Forestry, Ministry of Energy and Mineral Resources, Ministry of Finance. The plaintiff has claimed damages and compensation from the defendants and to hand over the disputed land to the plaintiff. The Company management has obtained legal advice on this matter. The advice is that PTAR has sufficient legal grounds to challenge the claim and request the court to dismiss the case on the basis that the plaintiff has insufficient legal basis for the claim. The last court hearing was held on 2 February 2016 at the Central Jakarta District Court, where the plaintiff adduced additional evidence to support his argument. The Central Jakarta District Court has decided on 1 March 2016 that it has not have competency to examine and adjudicate the case. The plaintiff was ordered to pay for cost of the case. The Group's obligations in relation to these civil proceedings were discharged upon the disposal of G-Resources Martabe Pty Ltd, the intermediate holding company of PTAR, in March 2016.

16. Events after the Reporting Date

On 3 November 2015, Marlin Enterprise Limited, Marlin Australia Holdings Pty Ltd and Marlin Group Limited (collectively the "Buyer') and the Group entered into a sale and purchase agreement dated 3 November 2015 ("Sale and Purchase Agreement") in respect of the disposal of the entire issue share capital of G-Resources Martabe Pty Ltd and Capital Squad Limited and their respective subsidiaries. The Buyer are ultimately owned as to 61.4% by funds managed by EMR Capital GP1 Limited, which is owned and advised by EMR Capital Advisors Pty Ltd, 20.6% by funds and accounts managed by Farallon. Funds and accounts managed by Farallon own 108,385,200 shares, which equate to approximately 0.4% of the issued share capital of the Company. Also, Mr. Owen L Hegarty, an executive director and vice-chairman of the Company, is also the chairman and a less than 30% shareholder of EMR Capital Advisors Pty Ltd. The completion of the transaction was subject to the satisfaction of conditions precedent under the Sale and Purchase Agreement, including shareholders' approval of the Company. The assets and liabilities of the G-Resources Martabe Pty Ltd, Capital Squad Limited and their subsidiaries were not classified as non-current assets held for sale and the transaction was not accounted as a discontinued operation as at 3 November 2015 and for the year ended 31 December 2015 respectively, after considering the probability of shareholders' not approving of the transaction. Details of the transaction are disclosed in an announcement of the Company dated 23 November 2015 and a circular of the Company dated 18 February 2016. Nevertheless, the transaction was duly passed by the shareholders of the Company at the special general meeting held on 8 March 2016. All the condition precedents set out in the Sale and Purchase Agreement have been satisfied and the transaction was completed on 17 March 2016 and the Group ceased its ownership of Martabe Gold Mine after the date of completion. G-Resources Martabe Pty Ltd, Capital Squad Limited and their subsidiaries collectively were the business units of the mining business of the Group as at 31 December 2015. The segment revenue, segment profits, segment assets and segment liabilities are set out in note 5 to the consolidated financial statements.

DIVIDENDS

In line with the Dividend Policy of the Company announced on 3 December 2013, the Board has proposed a final dividend of HK0.44 cents per share (2014: HK0.48 cents) for the financial year ended 31 December 2015, with an option to receive new fully paid shares in lieu of cash (“Scrip Dividend Scheme”).

The proposed final dividend will be payable to shareholders whose names appear on the register of members of the Company on 20 June 2016. The Scrip Dividend Scheme is conditional upon the passing of the resolution relating to the final dividend by the shareholders of the Company at the forthcoming annual general meeting to be held on Wednesday, 8 June 2016 (“AGM”) and the granting of the listing of and permission to deal in the new shares to be issued under the Scrip Dividend Scheme by the Listing Committee of The Stock Exchange of Hong Kong Limited. On the condition that the proposed final dividend is approved by the shareholders at the AGM, a circular containing details of the Scrip Dividend Scheme and the relevant election form will be despatched to the shareholders of the Company as soon as practicable.

CLOSURE OF REGISTER OF MEMBERS

For ascertaining shareholders’ right to attend and vote at the forthcoming AGM:

Latest time to lodge transfers	4:00 p.m. on 3 June 2016 (Friday)
Closure dates of Register of Members (both days inclusive)	6 June 2016 (Monday) to 8 June 2016 (Wednesday)
Record date	8 June 2016 (Wednesday)
AGM	8 June 2016 (Wednesday)

For ascertaining shareholders’ entitlement to the proposed final dividend#:

Latest time to lodge transfers	4:00 p.m. on 15 June 2016 (Wednesday)
Closure date of Register of Members (both days inclusive)	16 June 2016 (Thursday) to 20 June 2016 (Monday)
Record date	20 June 2016 (Monday)
Proposed final dividend payment date	8 August 2016 (Monday)

(#subject to shareholders’ approval at the AGM)

During the periods of the closure of Register of Members, no share transfers will be registered. For registration, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrars in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square 338 King’s Road, North Point, Hong Kong before the relevant latest time to lodge transfers.

MANAGEMENT DISCUSSION AND ANALYSIS

Operational Review

A. Martabe Gold Mine

Mining and Milling statistics are as follows:

	2015	2014
Tonnes Mined Ore	**4,478,000**	5,157,000
Tonnes Mined Waste	**7,011,000**	8,244,000
Tonnes Milled	**4,220,000**	3,867,000
Gold Head Grade, g/t	**2.76**	2.63
Silver Head Grade, g/t	**28.68**	26.1
Gold Recovery, %	**81.4**	82.8
Silver Recovery, %	**65.2**	68.9
Gold Poured, ounces	**302,449**	275,515
Silver Poured, ounces	**2,534,486**	2,238,076

<u>Mining</u>

Total material movements from Purnama pit during 2015 were 11.5 million tonnes, representing a decrease compared to 2014 of 13.4 million tonnes. This was principally due to a reduction in the mining fleet during the last quarter of 2015. Despite the reduced fleet size in the fourth quarter, increased productivities resulted in 4% higher volumes than budget.

Ore mining volumes were 4.5 million tonnes, a decrease compared to the previous year of 5.2 million tonnes, to better align with mill throughput. Total waste mined for the year was approximately 7 million tonnes. This was all delivered to the Tailings Storage Facility (TSF) embankment, to complete the construction of TSF up to 330mRL. The waste to ore strip ratio was 1.57:1 for the year, which was 4% below plan. At the end of 2015, stockpiles at the ROM were approximately 135,000 tonnes of ore and the low grade stockpile was 2.6 million tonnes.

The Purnama pit has progressed vertically with an even profile from north to south, the elevations being RL355 m to RL412.5 m respectively. A new pit sump has been established in the north of the pit. Artificial ground support (AGS) has been installed at specific locations to mitigate deterioration of pit walls. Additionally a number of improvement projects within the pit were implemented, including construction of shorter hauls, increased direct tipping of ore and corresponding decrease in rehandled material and a greater emphasis on in-pit blending for smoothing of grade and hardness to optimise mill throughput.

During the year a tender process was conducted for a new 5 years mining contract. A joint venture between PT Macmahon Mining Services and PT NKE (Nusa Konstruksi Enjiniring) was awarded for its competitive bid and they mobilised to site during the fourth quarter. They commenced mining on 1 January 2016, bringing an end to the successful five year term of PT LCI (Leighton Contractors Indonesia).

Processing

The processing plant milled 4.2 million tonnes ore in 2015 (2014: 3.9 million tonnes) at an average throughput rate 531 tonnes per hour. 2015 milling run time was 90.7% (2014: 89.6%).

Maintenance improved downtime reporting and established monthly meetings to focus on the top 80% downtime reasons. Improvement projects on high wear areas continued to enable these to last until scheduled mill reline shutdowns.

Improvement programs focussing on SAG mill liner / discharge grates & pulp lifters aimed to reduce unplanned down time for pre-mature liner breakages as well as increasing the mill discharge rate of critical sized material. Start-up issues after SAG relines with material packing between the lifters are being addressed with an alternate lifter configuration.

Implementation of the Manta Cube SAG Mill supervisory control began in December with promising results. This control system takes mill operating constraints into consideration while continuously striving for maximum throughput.

Combined Metallurgy/Production focus on plant operating issues have seen improvements to carbon management and the elution circuit. By avoiding recirculation of fine carbon to the CIL circuit precious metal losses via carbon fines has been minimised. Elution efficiencies have improved from 92% to 96% thus decreasing the gold recirculating back into the circuit with the risk of losses to fines.

Reagent optimisation continued throughout 2015 with improved understanding of cyanide chemistry with relation to copper. Further improvements are being sought with an improved cyanide dosing control system. The Manta Control supervisory control system is being reviewed for this purpose with the aim of optimising cyanide consumption and increasing silver recovery.

Quality Control check on reagents was implemented in 2015 to ensure quality is consistent with supplier specifications.

Formal communication and collaboration between Mining and Processing was established. This has led to improved blending strategies to stabilize mill throughput and feed grades. The Mine to Mill program will be further developed via improved mapping and communication of ore hardness and a collaborative blast fragmentation project.

All-in Sustaining Costs

The all-in sustaining costs ("AISC") for the year ended of December 2015 were USD503 per ounce of gold sold resulting in a reduction of 28.1% from the year ended 31 December 2014 of USD700 per ounce of gold sold.

	2015	2014
	USD	USD
AISC per ounce of gold sold[1]	**503**	700

B. Principal Investment Business

With the volatility of commodities prices and the global investment environment in 2014, the Group in late 2014 announced adopting a strategy to expand its business to include a Principal Investment Business. The goal of which is to identify investment opportunities and to invest in different industries, including mining, to provide better risk weighted return and capital value to the Group.

During the year, the Group, as part of its Principal Investment Business, invested about USD128.9 million in listed and unlisted financial assets such as shares, bonds, other security investments, managed investment funds, convertible bond and perpetual securities. The Group recorded realised and unrealised gain of USD6.7 million and interest income, dividend income and distribution income of USD7.3 million from the financial assets held by the Group.

[1] *AISC is a non-GAAP financial performance measures and is intended to provide additional information only. It does not have any standardised definitions under HKAS and HKFRS, it should not be considered in isolation or as a substitute for measures of performance prepared in accordance with HKAS and HKFRS. Although the World Gold Council has published a standardised definition, other companies may calculate these measures differently.*

As at 31 December 2015, the Group was holding approximately USD224.1 million non-cash financial assets, as follows:

	2015	2014
	USD'000	USD'000
Listed shares	**30,606**	29,216
Listed bonds	**57,958**	40,908
Unlisted managed investment funds	**45,366**	37,550
Unlisted other security investments	**42,582**	-
Perpetual securities	**29,820**	-
Convertible bond	**17,044**	-
Derivative component in convertible bond	**744**	-
Total	**224,120**	107,674

The Company believes that Hong Kong is a leading financial centre in Asia, which will attract business opportunities in the financial services sector.

Accordingly, in late August 2015, the Group entered into an agreement to subscribe, at a consideration of USD17.4 million, for convertible bond issued by Enhanced Financial Services Group Limited ("Enhanced Financial Services"), which subscription was completed on 29 September 2015. Upon conversion of these convertible bond, the Company will hold 75% of shares in Enhanced Financial Services, which has been in operation in Hong Kong since August 2011, and currently holds a licence to engage in type 1 (dealing in securities) regulated activities under the Securities and Futures Ordinance ("SFO") and a money lender's licence under the Money Lenders Ordinance (Cap. 163 of the Laws of Hong Kong). Enhanced Financial Services aims to become a leading financial services group that provides a wide range of financial services to high net worth individuals and institutions and to become the Group's financial services flagship.

As at the date of report, Enhanced Financial Services, through its wholly-owned subsidiary engaged in licensed money lending business under the Money Lenders Ordinance (Cap. 163 of the Laws of Hong Kong), is in the process of undertaking an internal group restructuring, upon the completion of which it is expected that Enhanced Financial Services will, through its wholly-owned subsidiaries, engage in type 1 (dealing in securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO. Thereafter, Enhanced Financial Services will further apply for licenses covering additional regulated activities including type 2 (dealing in futures contracts), type 4 (advising on securities) and type 5 (advising on futures contracts) regulated activities under the SFO. By virtue of the above, Enhanced Financial Services plans to (i) strengthen its underwriting capability, (ii) expand its money lending business and (iii) expand its margin financing business.

Under the SFO, a person (including a corporation) is required to obtain the Securities and Futures Commission's ("SFC") approval in order to become a Substantial Shareholder of a licensed corporation within the meaning of the SFO. The Company received formal approval from SFC on 17 March 2016 and the Company will arrange for the exercise of its right to convert such convertible bond into shares of Enhanced Financial Services. The Company will keep the shareholders of the Company and potential investors informed of any further developments in compliance with the Listing Rules as and when appropriate.

C. Money Lending Business

During the year, a Group's wholly-owned subsidiary received a money lending license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). As at 31 December 2015, the fixed-rate loans receivable was USD72.5 million. The interest income from money lending business is USD3.6 million and the profit is USD3.6 million.

D. Real Property Business

As disclosed in the Company' announcement dated 11 August 2015, in line with its diversification strategy, it had entered into an agreement on 11 August 2015 for the purchase of certain properties through the acquisition of Supreme Racer Limited ("Supreme Racer"). Pursuant to the Supreme Racer Agreement, the properties held under Supreme Racer are three office units and ten car parks located in Wanchai, Hong Kong. The transaction under the Supreme Racer Agreement was completed on 16 October 2015. The rental income earned is USD0.7 million and the profit is USD0.6 million.

Business Review and Results

Below is a summary of the financial information:

	31 December 2015 USD'000	31 December 2014 USD'000
Revenue	**403,081**	387,577
Cost of sales	**(265,771)**	(278,265)
Gross profit	**137,310**	109,312
Administrative expenses	**36,115**	30,883
EBITDA	**241,498**	219,356
Profit before taxation	**100,920**	86,103
Taxation	**(39,612)**	(21,636)
Profit for the year	**61,308**	64,467
Gold sold (ounces)	**302,448**	273,805
Silver sold (ounces)	**2,568,455**	2,118,152
Average gold price achieved (USD)	**1,161**	1,258
Average silver price achieved (USD)	**15.6**	18.8
Mine site production costs	**113,445**	135,942
Staff costs	**12,194**	14,348
Refining and bullion transportation costs	**3,865**	3,548
Inventory movement	**4,024**	(460)
	133,528	153,378
Depreciation	**132,243**	124,887
Total cost of sales	**265,771**	278,265
Royalties	**2,348**	2,111
Other taxes	**3,977**	4,313

For the year ended 31 December 2015, the Group continued its strong operational and financial performances and achieved a net profit after tax of USD61.3 million (2014: USD64.5 million).

Revenue generated for the year ended 31 December 2015 was USD403.1 million mainly from the sale of 302,448 ounces of gold and 2,568,455 ounces of silver at an average selling spot price of USD1,161 per ounce of gold and USD15.6 per ounce of silver. For the year ended 31 December 2014, revenue was USD387.6 million from the sale of 273,805 ounces of gold and 2,118,152 ounces of silver at an average selling spot price of USD1,258 per ounce of gold and USD18.8 per ounce of silver.

The Group's gross profit margin was 34.1% with a gross profit of USD137.3 million as compared to 2014, of 28.2% and USD109.3 million respectively. The gross profit margin increased as compared to 2014 was mainly due to higher gold and silver sales and tonnes milled despite the average gold and silver price decreased by USD97 per ounce and USD2.8 per ounce respectively. In addition, the cost of sales decreased by USD12.5 million to USD265.8 million as compared to 2014 of USD278.3 million.

The administrative expense increased by USD5.2 million which is mainly due to decrease in unvested share options lapsed from USD6.9 million for the year ended 31 December 2014 to USD41,000 for the year ended 31 December 2015.

The taxation expense increased by USD18.0 million from USD21.6 million to USD39.6 million which was mainly due to the under-provision of taxation expense in prior years of USD8.2 million.

The all-in sustaining costs ("AISC") for 2015 were USD503 per ounce of gold sold, resulting in a reduction of 28.1% from 2014 of USD700 per ounce of gold sold. The good cost results are a result of strong project fundamentals including favourable energy costs, the Company's focus on the Martabe Improvement Programme ("MIP") seeking to improve on ounces recovered and to reduce costs so as to increase the margin per ounce of gold produced.

	2015 USD	2014 USD
AISC per ounce sold[2]	**503**	700

2 AISC is a non-GAAP financial performance measures and is intended to provide additional information only. It does not have any standardised definitions under HKAS and HKFRS, it should not be considered in isolation or as a substitute for measures of performance prepared in accordance with HKAS and HKFRS. Although the World Gold Council has published a standardised definition, other companies may calculate these measures differently.

Review of Group Financial Position

	2015	2014
	USD'000	USD'000
Current Assets		
Bank balances and cash	**106,963**	260,750
Held for trading investments	**30,606**	29,216
Available-for-sale investments	**-**	39,419
Inventories	**44,773**	47,685
Loans receivable	**72,483**	-
Convertible bond	**17,044**	-
Others	**30,079**	19,433
Non-current Assets		
Available-for-sale investments	**175,726**	39,039
Others	**892,500**	862,317
Total Assets	**1,370,174**	1,297,859
Other Liabilities	**(118,833)**	(101,181)
Net Assets	**1,251,341**	1,196,678

Total assets were USD1,370.2 million (31 December 2014: USD1,297.9 million) an increase of USD72.3 million which was contributed by the profit from operations. Non-current assets were USD1,068.2 million (31 December 2014: USD901.4 million) an increase of USD166.8 million as the Group invested USD69.6 million in property, plant and equipment, USD111.5 million in available-for-sale investments, USD94.7 million in investment properties, USD17.4 million in convertible bond, these increases offset by amortisation and depreciation charge of USD138.3 million, disposal of available-for-sale investments of USD20.2 million and the remaining reclassification of available-for-sale investment from current assets to non-current assets of USD30.1 million. Current assets were USD301.9 million (31 December 2014: USD396.5 million) a decrease of USD94.6 million mainly due to an increase in non-current assets.

Net Asset Value

As at 31 December 2015, the Group's total net assets amounted to approximately USD1,251.3 million, representing an increase of USD54.6 million as compared to approximately USD1,196.7 million as at 31 December 2014. The increase in net assets was mainly due to the profit for the year of USD61.3 million and set off by the final dividend for the year ended 31 December 2014 of USD16.4 million.

Cash Flow, Liquidity and Financial Resources

CASH FLOW SUMMARY

	For the year ended	
	2015	2014
	USD'000	USD'000
Net cash from Operating Activities	**129,885**	197,250
Net cash used in Investing Activities	**(271,036)**	(136,955)
Net cash used in Financing Activities	**(13,711)**	(250)
Net (decrease)/increase in cash and cash equivalents	**(154,862)**	60,045
Cash and cash equivalents at the beginning of the year	**260,750**	200,575
Effect of foreign exchange rate changes	**1,075**	130
Cash and cash equivalents at the end of the year	**106,963**	260,750

The Group's cash balance at the end of December 2015 was USD107.0 million (31 December 2014: USD260.8 million). The Group generated net cash inflows from operating activities for the year ended 31 December 2015 of USD130.0 million, mainly from the sale of gold and silver in the year. Cash used in investing activities was USD271.0 million as USD111.5 million was invested in available-for-sale investments, USD17.4 million was invested in convertible bond, USD94.7 million was invested in investment properties and USD69.6 million for property, plant and equipment (which included USD11.0 million in near mine exploration and evaluation) and USD8.0 million for regional exploration, which was offset by USD20.1 million from disposal of available-for-sale investments.

Material Acquisitions and Disposals of Subsidiaries and Associated Companies

On 11 August 2015, the Company, through Bevan Global Investments Limited, entered into a sale and purchase agreement dated 11 August 2015 with Aleta Holdings Limited in relation to the acquisition of Supreme Racer Limited ("Supreme Racer"). Supreme Racer through its subsidiaries holds three floors of AXA Centre and ten carparks in Wanchai, Hong Kong. The transaction was completed in October 2015.

On 3 November 2015, the Company, Maxter Investments Limited, Top Gala Development Limited and Agincourt Resources (Singapore) Pte Ltd entered into a sale and purchase agreement dated 3 November 2015 with Marlin Enterprise Limited, Marlin Australia Holdings Pty Ltd and Marlin Group Limited in respect of the disposal of the Company's interest in the Martabe Mine and certain of its subsidiaries. Details of the transaction are disclosed in an announcement of the Company dated 23 November 2015 and a circular of the Company dated 18 February 2016. The transaction was completed on 17 March 2016.

Save as disclosed above, there was no material acquisition or disposal of subsidiaries and associated companies during the year.

Exposure to fluctuations in exchange rates and related hedge

The Group conducted most of its business in United States dollars ("USD"), Australian dollars ("AUD"), Indonesian Rupiah ("IDR") and Hong Kong dollars ("HKD"). The foreign currency exposure of HKD to USD is minimal as HKD is pegged to USD. The Group has exposure to foreign currency risk that is denominated in AUD and IDR.

In 2014, the Group entered into foreign currency forward contracts to sell USD and purchase IDR at a fixed rate in the normal course of business in order to limit its exposure to adverse fluctuations in currency exchange rates. Management will continue to monitor the Group's foreign currency exposure and consider other hedging policies should the need arise.

Business Outlook

The Company completed the disposal of the Martabe Mine and related companies on 17 March 2016. Going forward, the Company shall focus on its remaining businesses, namely, Principal Investment Business, Real Property business, Money Lending Business and Financial Services Business. In light of the recent market conditions and the expected economic outlook, the Company anticipates an increase in the number of attractive investment opportunities in the near term and believe that the Company is well-positioned to take advantage of these, particularly with our cash resources on hand.

Human Resources

As at 31 December 2015, the Group had 19 employees in Hong Kong and 735 employees in Indonesia. Employees are remunerated at a competitive level and are rewarded according to their performance. Our Group's remuneration packages include a medical scheme, group insurance, mandatory provident fund, performance bonus and options for our employees.

According to the new share option scheme adopted by the Company on 18 June 2014, share options may be granted to directors and eligible employees of the Group to subscribe for shares in the Company in accordance with the terms and conditions stipulated therein.

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

During the year ended 31 December 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year ended 31 December 2015, and they all confirmed that they had fully complied with the required standard set out in the Model Code.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the principles and complied with the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 of the Listing Rules for the year ended 31 December 2015, except for the deviation as set out below:

(i) Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term and subject to re-election. The existing independent non-executive directors do not have a specific term of appointment but are subject to retirement by rotation and re-election at the annual general meeting under the Bye-laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company has good corporate governance practices; and

(ii) After the resignation of Mr. Peter Geoffrey Albert as an executive director and chief executive officer ("CEO") of the Company with effect from 1 July 2015, Mr. Chiu Tao became chairman and acting CEO of the Company until an appropriate CEO candidate is found. Under code provision A.2.1, the roles of chairman and CEO should be separated and should not be performed by the same individual. Mr. Chiu Tao, who acts as the chairman and the acting CEO of the Company, is also responsible for the overall business strategy and development and management of the Group. The board of directors will meet regularly to consider major matters affecting the operations of the Group. The board of directors considers that this structure will not impair the balance of power and authority between the board of directors and the management of the Company. The roles of the respective executive directors and senior management, who are in charge of different functions, complement the role of the chairman and the CEO. The board of directors believes that this structure is conducive to strong and consistent leadership which enables the Group to operate efficiently. As such, the structure is beneficial to the Group and the shareholders of the Company as a whole.

AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Company comprises of Dr. Or Ching Fai, Ms. Ma Yin Fan and Mr. Leung Hoi Ying. All of them are independent non-executive directors. The audited consolidated financial statements of the Group for the year ended 31 December 2015 have been reviewed by the audit committee.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my appreciation to the continuous support of our shareholders and dedication of all our staff over the past year.

By Order of the Board
G-Resources Group Limited
Chiu Tao
Chairman and Acting Chief Executive Officer

Hong Kong, 23 March 2016

As at the date of this announcement, the Board comprises:

(i) Mr. Chiu Tao, Mr. Owen L Hegarty, Mr. Ma Xiao, Mr. Wah Wang Kei, Jackie and Mr. Hui Richard Rui as executive directors of the Company; and

(ii) Dr. Or Ching Fai, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive directors of the Company.

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** For identification purpose only*