



太陽國際資源有限公司
SUN INTERNATIONAL RESOURCES LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8029)

**THIRD QUARTERLY RESULTS ANNOUNCEMENT
FOR THE NINE MONTHS ENDED 31 DECEMBER 2015**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE
STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached other than companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of posting and on the designed website of this Company at <http://www.sun8029.com/>.

FINANCIAL SUMMARY (UNAUDITED)

- Turnover of the Group was approximately HK\$77,264,000 for the nine months ended 31 December 2015, representing a decrease of approximately 33% from the corresponding period in the previous fiscal year.
- For the nine months ended 31 December 2015, gross profit of the Group was approximately HK\$46,380,000 as compared to the gross profit approximately HK\$82,301,000 from the corresponding period in the previous fiscal year.
- Loss attributable to shareholders of the Group for the nine months ended 31 December 2015 amounted to approximately HK\$64,527,000 as compared to loss of approximately HK\$94,447,000 from the corresponding period in the previous fiscal year.
- The Directors do not recommend the payment of an interim dividend for the nine months ended 31 December 2015 (2014: Nil).

CONSOLIDATED THIRD QUARTERLY RESULTS FOR 2015 (UNAUDITED)

The board of Directors (the “Board”) of the Company hereby announces the unaudited consolidated results of the Group for the three months and nine months ended 31 December 2015, together with the comparative unaudited figures for the corresponding period in 2014 were as follows:

Condensed Consolidated Statement of Comprehensive Income

For the three months and nine months ended 31 December 2015

| | Notes | For the three months ended 31 December | | For the nine months ended 31 December | |
|---|-------|---|--------------|--|---------------|
| | | 2015 HK\$ | 2014 HK\$ | 2015 HK\$ | 2014 HK\$ |
| Revenue | 2 | 25,811,901 | 42,576,459 | 77,264,186 | 115,116,333 |
| Direct cost | | (7,776,485) | (461,260) | (30,883,708) | (32,815,254) |
| Gross profit | | 18,035,416 | 42,115,199 | 46,380,478 | 82,301,079 |
| Other operating income | | 2,539,827 | 13,860,560 | 10,232,683 | 31,168,410 |
| (Loss)/Gain on disposal of subsidiary | | (92) | 25,159,049 | (92) | 690,686 |
| Administrative expenses | | (4,183,604) | (69,567,470) | (106,899,910) | (188,439,943) |
| Share of losses of associates | | (7,597) | (27,539) | (38,889) | (227,550) |
| Finance costs | | (6,241,469) | (5,247,699) | (14,478,592) | (18,843,258) |
| Profit/(Loss) before taxation | 3 | 10,142,481 | 6,292,100 | (64,804,322) | (93,350,576) |
| Income tax expense | 4 | – | 713,305 | (313,563) | 712,553 |
| Profit/(Loss) for the period | | 10,142,481 | 7,005,405 | (65,117,885) | (92,638,023) |
| Other comprehensive (loss)/income: | | | | | |
| Dividend paid to non-controlling interests | | – | – | – | (2,260,000) |
| Currency translation differences | | (9,701,621) | 33,049,541 | 8,879,466 | 28,428,584 |
| Other comprehensive (loss)/income for the period | | (9,701,621) | 33,049,541 | 8,879,466 | 26,168,584 |
| Total comprehensive income/(loss) for the period | | 440,860 | 40,054,946 | (56,238,419) | (66,469,439) |
| Profit/(Loss) attributable to: | | | | | |
| Equity holders of the company | | 10,332,161 | (1,893,690) | (64,526,539) | (94,447,067) |
| Non-controlling interests | | (189,680) | 8,899,095 | (591,346) | 1,809,044 |
| | | 10,142,481 | 7,005,405 | (65,117,885) | (92,638,023) |

| | <i>Notes</i> | For the three months ended 31 December | | For the nine months ended 31 December | |
|---|--------------|---|-------------|--|--------------|
| | | 2015 | 2014 | 2015 | 2014 |
| | | <i>HK\$</i> | <i>HK\$</i> | <i>HK\$</i> | <i>HK\$</i> |
| Total comprehensive income/ (loss) for the period attributable to: | | | | | |
| Equity holders of the company | | 630,540 | 32,742,127 | (55,647,073) | (71,216,363) |
| Non-controlling interests | | (189,680) | 7,312,819 | (591,346) | 4,746,924 |
| | | 440,860 | 40,054,946 | (56,238,419) | (66,469,439) |
| Dividend | 5 | – | – | – | – |
| Earnings per share | 6 | | | | |
| Basic (HK cents per share) | | 0.74 | (0.27) | (4.64) | (13.58) |
| Diluted (HK cents per share) | | 0.74 | (0.27) | (4.64) | (13.58) |

Condensed Consolidated Statement of Changes in Equity

For the nine months ended 31 December 2014

| | Attributable to equity holders of the Company | | | | | | | Non - Controlling Interests HK\$ | Total HK\$ | |
|--|---|--------------------------|--|---------------------------|------------------------------------|--|---------------------------------------|---|---------------|-------------------|
| | Share Capital HK\$ | Share Premium HK\$ | Capital Redemption Reserve HK\$ | Merger Deficit HK\$ | Share Option Reserve HK\$ | Exchange Translation Reserve HK\$ | Accumulated Profits/(Loss) HK\$ | | | Sub-total HK\$ |
| At 1 April 2014 (Audited) | 55,656,000 | 775,075,169 | 254,600 | 369,866 | 38,254,919 | (3,665,018) | (269,628,531) | 596,317,005 | (14,793,863) | 581,523,142 |
| Loss for the nine months ended 31 December 2014 | - | - | - | - | - | - | (94,447,067) | (94,447,067) | 1,809,044 | (92,638,023) |
| Redemption of convertible notes | - | - | - | - | - | - | - | - | - | - |
| Other comprehensive income: Dividend paid to non-controlling interests | - | - | - | - | - | - | - | - | (2,260,000) | (2,260,000) |
| Currency translation differences | - | - | - | - | - | 2,364,465 | - | 2,364,465 | 4,746,924 | 7,111,389 |
| Total comprehensive loss for the nine months ended 31 December 2014 | - | - | - | - | - | 2,364,465 | (94,447,067) | (92,082,602) | 4,295,968 | (87,786,634) |
| At 31 December 2014 (Unaudited) | 55,656,000 | 775,075,169 | 254,600 | 369,866 | 38,254,919 | (1,300,553) | (364,075,598) | 504,234,403 | (10,497,895) | 493,736,508 |

Condensed Consolidated Statement of Changes in Equity

For the nine months ended 31 December 2015

| | Attributable to equity holders of the Company | | | | | | | Non - Controlling Interests HK\$ | Total HK\$ | |
|--|---|--------------------------|--|---------------------------|------------------------------------|--|---------------------------------------|---|---------------|-------------------|
| | Share Capital HK\$ | Share Premium HK\$ | Capital Redemption Reserve HK\$ | Merger Deficit HK\$ | Share Option Reserve HK\$ | Exchange Translation Reserve HK\$ | Accumulated Profits/(Loss) HK\$ | | | Sub-total HK\$ |
| At 1 April 2015 (Audited) | 55,656,000 | 775,075,169 | 254,600 | 369,866 | 46,554,612 | (15,804,934) | (697,533,828) | 164,571,485 | 13,114,995 | 177,686,480 |
| Loss for the nine months ended 31 December 2015 | - | - | - | - | - | - | (64,526,539) | (64,526,539) | (591,346) | (65,117,885) |
| Other comprehensive income: Currency translation differences | - | - | - | - | - | 8,879,466 | - | 8,879,466 | - | 8,879,466 |
| Total comprehensive loss for the nine months ended 31 December 2015 | - | - | - | - | - | 8,879,466 | (64,526,539) | (55,647,073) | (591,346) | (56,238,419) |
| At 31 December 2015 (Unaudited) | 55,656,000 | 775,075,169 | 254,600 | 369,866 | 46,554,612 | (6,925,468) | (762,060,367) | 108,924,412 | 12,523,649 | 121,448,061 |

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS

1. BASIS OF PREPARATION

The unaudited consolidated results have been prepared in accordance with the Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the GEM Listing Rules.

The unaudited consolidated results have been prepared under the historical cost convention except for certain properties and certain financial instruments, which are measured at fair values.

The accounting policies used in preparing the unaudited consolidated results are consistent with those used in the Group's annual financial statements for the year ended 31 March 2015.

The unaudited consolidated results of the Group for the nine months ended 31 December 2015 are unaudited but have been reviewed by the Company's Audit Committee.

2. REVENUE

Revenue represents the net amounts received and receivable from services provided by the Group to outside customers and is analysed as follows:

| | For the three months ended 31 December | | For the nine months ended 31 December | |
|--|---|-------------------|--|--------------------|
| | 2015 HK\$ | 2014 HK\$ | 2015 HK\$ | 2014 HK\$ |
| Equine services | 18,821,901 | 31,521,459 | 54,464,186 | 64,710,614 |
| Computer software solution and service | 6,390,000 | 11,055,000 | 22,200,000 | 46,260,226 |
| Hotel services | – | – | – | 4,145,493 |
| Money lending interest | 600,000 | – | 600,000 | – |
| | <u>25,811,901</u> | <u>42,576,459</u> | <u>77,264,186</u> | <u>115,116,333</u> |

3. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging (crediting):

| | For the three months ended 31 December | | For the nine months ended 31 December | |
|--|---|-----------------------------|--|-----------------------------|
| | 2015 HK\$ (Unaudited) | 2014 HK\$ (Unaudited) | 2015 HK\$ (Unaudited) | 2014 HK\$ (Unaudited) |
| Employee benefits expense including those of directors | | | | |
| – wages, salaries and others | 9,132,532 | 10,274,340 | 29,423,955 | 29,651,986 |
| Interest on debenture | 5,972,712 | 4,767,699 | 13,835,836 | 5,964,959 |
| Interest on long-term borrowing | – | – | – | 4,248,299 |
| Depreciation for property, plant and equipment | | | | |
| – owned assets | 2,134,946 | 54,787 | 6,404,640 | 5,844,847 |
| Interest income | 171,043 | 66,377 | 342,726 | 387,720 |

4. INCOME TAX EXPENSE

Hong Kong and overseas profits tax has been provided at the rate of 16.5% (2014: 16.5%) and at the rates of taxation prevailing in the country in which the Group operates respectively.

| | For the three months ended 31 December | | For the nine months ended 31 December | |
|-------------------------|---|-----------------------------|--|-----------------------------|
| | 2015 HK\$ (Unaudited) | 2014 HK\$ (Unaudited) | 2015 HK\$ (Unaudited) | 2014 HK\$ (Unaudited) |
| Deferred taxation | – | (753,305) | – | (753,305) |
| Current income tax | | | | |
| – Hong Kong profits tax | – | 40,000 | (313,563) | 40,000 |
| – Overseas taxation | – | – | – | 752 |
| | – | (713,305) | (313,563) | (712,553) |

5. DIVIDEND

The Directors do not recommend the payment of an interim dividend for the nine months ended 31 December 2015 (2014: Nil).

6. EARNINGS PER SHARE

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

| | For the three months ended 31 December | | For the nine months ended 31 December | |
|--|---|-----------------------------|--|-----------------------------|
| | 2015 HK\$ (Unaudited) | 2014 HK\$ (Unaudited) | 2015 HK\$ (Unaudited) | 2014 HK\$ (Unaudited) |
| Profit attributable to equity holders of the Company for the purpose of basic and diluted earnings per share | 10,332,161 | (1,893,690) | (64,526,539) | (94,447,067) |
| | Number of shares | | Number of shares | |
| | 2015 (Unaudited) | 2014 (Unaudited) | 2015 (Unaudited) | 2014 (Unaudited) |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | 1,391,400,000 | 695,700,000 | 1,391,400,000 | 695,700,000 |
| Effect of dilutive potential ordinary shares: share options | — | — | — | — |
| Weighted average number of ordinary shares for the purpose of diluted earnings per share | 1,391,400,000 | 695,700,000 | 1,391,400,000 | 695,700,000 |

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Financial Performance

The Group recorded a turnover of approximately HK\$77,264,000 for the nine months ended 31 December 2015, representing a decrease of 33% when compared to the corresponding period in the last fiscal year. The decrease was mainly due to the revenue generated from computer service and hotel service businesses.

The direct cost was decreased to approximately HK\$30,884,000 from approximately HK\$32,815,000 compared with the same period of last year. The decrease in gross profit margin was mainly due to decrease in turnover from computer services and hotel services businesses.

Administrative expenses were recorded a decrease of 43% to approximately HK\$106,900,000 compared to approximately HK\$188,440,000 in 2014.

The profit after taxation for the three months period ended 31 December 2015 recorded as approximately HK\$10,142,000 as compared with profit of approximately HK\$7,005,000 for the same period of last year.

The loss attributable to equity holders of the Company for the nine months ended 31 December 2015 was approximately HK\$64,527,000 as compared to net loss of HK\$94,447,000 from the corresponding period in the previous fiscal year. The decrease was mainly due to the disposal of subsidiaries of hotel service and mining service businesses and decrease in financial cost during the reporting period.

Business Review

During the reporting period, the Group has taken steps for market research on the current demand and expectation of online game customers. The related sales and promotion advertising activities has been adopted through internet and other medium platform. However the revenue generated from the computer software solution and services experienced significant reduction as the Group's sales generated from gaming software solutions services were below expectation.

By the acquisition of assets of Eliza Park Pty. Limited by Eliza Park International Pty. Limited in August 2013, the Group had entered into the horse trading and stud business in Australia. As the demand for race horses has covered quickly since 2008, due to the resuming economies, latest development of horse racing business particularly in Asia and the increasing prize sums for races in Australia, the Group would contribute to a great extent by offering its clientele a total range of thoroughbred related services, including breeding, rearing, sales, agistment, spelling, education, administration advice and training.

Prospects

The major business activities of the Group include equine service and computer service during the period. The Group continues to operate and allocate resources to information technology service and equine service business as they can provide stable income to the group.

The board has been actively seeking opportunities to diversify the business scope and broaden the revenue base of the Group.

Liquidity and Financial Resources

As of 31 December 2015, the Group's net assets decreased by approximately HK\$56,238,000 from net assets of approximately HK\$177,686,000 as at 31 March 2015 to approximately HK\$121,448,000 as at 31 December 2015. The cash and bank balances as at 31 December 2015 was approximately HK\$79,648,000, representing an increase of approximately 58% when compared with the balance as at 31 March 2015. The increase was mainly due to improvement of credit control of trade receivable during the reporting period. During the nine months ended 31 December 2015, the Group's operation was mainly financed by the internal financial resources of the Group.

Charges on Group Assets

As at 31 December 2015, no plant and equipment of the Group was held under finance lease (2014: Nil).

Contingent Liabilities

As at 31 December 2015, the Group had no contingent liabilities.

Foreign Exchange Exposure

The income and expenditure of the Group were denominated in Hong Kong dollars and Australian Dollars, the impact of foreign exchange exposure of the Group were considered minimal. Hence, no hedging or arrangements to reduce the currency risk have been implemented.

Employee Information

The total number of employees was 102 as at 31 December 2015 (2014: 106), and the total remuneration for the nine months ended 31 December 2015 was approximately HK\$29,424,000 (2014: HK\$29,652,000). The Group's remuneration policy for senior executives is basically performance-linked. Staff benefits, including medical coverage and mandatory provident fund, are also provided to employees where appropriate. Discretionary bonus is linked to performance of the individual specific to each case. The Group may offer options to reward employees who make significant contributions and to retain key staff pursuant to the share option scheme of the Group. The remuneration policy of the Group is reviewed and approved by the Remuneration Committee as well as by the Board.

SHARE SUBDIVISION

On 27 July 2015, the Company subdivided each (1) existing issued and unissued Share of HK\$0.08 in the capital of the Company into two (2) Subdivided Shares of HK\$0.04 each.

Accordingly, the authorised share capital of the Company is HK\$1,600,000,000 divided into 40,000,000,000 Subdivided Shares, of which 1,391,400,000 Subdivided Shares have been in issue and fully paid or credited as fully paid.

The number of shares to be issued upon exercise of the outstanding share options and the corresponding exercise price have also been adjusted accordingly.

EVENTS AFTER REPORTING PERIOD

Major and Connected Transactions relating to Acquisition of Entire Issued Shares in Sun International Securities Limited and Sun International Asset Management Limited

On 19 August 2015, the Company and a party connected with the substantial shareholder of the Company (the “Vendor”) entered into the Acquisition Agreement pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell the entire interests of Sun International Securities Limited (“Target A”) and Sun International Asset Management Limited (“Target B”), at the Consideration of HK\$147,300,000. The Company has recently obtained written approval from the SFC in relation to the application and the Purchaser and the Vendor entered into a supplemental agreement on 29 January 2016 to extend the Long Stop Date to 29 February 2016, or such later date as the Vendor and the Purchaser may agree in writing, for the purpose of taking additional time to meet the requirement precedent to the Acquisition Agreement. Details of this transaction are disclosed in the Company’s announcement dated 29 January 2016.

DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS IN SHARE CAPITAL

As at 31 December 2015, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as required, pursuant to Rules 5.46 to 5.66 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(1) Long positions in the shares of the Company

Ordinary share of HK\$0.04 each of the Company

| Name of Director | Nature of interests | Number of ordinary shares held | Capacity | Percentage of issued shares |
|-------------------|---------------------|--------------------------------|--------------------------------------|-----------------------------|
| Mr. Chau Cheok Wa | Corporate (Note) | 656,928,290 | Interest of a controlled corporation | 47.14% |

Note: These ordinary shares are held by First Cheer Holdings Limited. First Cheer Holdings Limited is beneficially owned as to 50% by Mr. Chau Cheok Wa and as to 50% by Mr. Cheng Ting Kong.

(2) Long positions in the underlying shares of the Company

Pursuant to the new share option scheme adopted by the Company on 5 December 2006 (the “New Scheme”), several Directors in the capacity as beneficial owner were granted share options to subscribe for shares of the Company, details of which as at 31 December 2015 were as follows:

| Name of Director | Date of grant | Number of share options | Exercised during the period | Share option lapsed | Exercise price of share options HK\$ | Exercise period from | Exercise period until | Number of options outstanding as at 31 December 2015 |
|---------------------------|---------------|-------------------------|-----------------------------|---------------------|---|----------------------|-----------------------|--|
| Mr. Chau Cheok Wa | 25/11/2010 | 1,251,250 | – | – | 1.12 | 25/11/2010 | 24/11/2020 | 1,251,250 |
| Ms. Cheng Mei Ching | 9/2/2010 | 11,492,308 | – | – | 0.65 | 9/2/2010 | 8/2/2020 | 11,492,308 |
| | 25/11/2010 | 12,581,250 | – | – | 1.12 | 25/11/2010 | 24/11/2020 | 12,581,250 |
| | 10/9/2014 | 1,391,400 | – | – | 0.315 | 10/9/2014 | 9/9/2024 | 1,391,400 |
| Mr. Lee Chi Shing, Caesar | 19/8/2008 | 11,509,880 | – | – | 0.83 | 19/08/2008 | 18/08/2018 | 11,509,880 |
| | 9/2/2010 | 11,492,308 | – | – | 0.65 | 9/2/2010 | 8/2/2020 | 11,492,308 |
| | 25/11/2010 | 12,581,250 | – | – | 1.12 | 25/11/2010 | 24/11/2020 | 12,581,250 |
| | 10/9/2014 | 13,914,000 | – | – | 0.315 | 10/9/2014 | 9/9/2024 | 13,914,000 |
| Mr. Lui Man Wah | 10/9/2014 | 13,914,000 | – | – | 0.315 | 10/9/2014 | 9/9/2024 | 13,914,000 |

Save as disclosed above, during the nine months ended 31 December 2015, none of the Directors or their respective associates was granted share option to subscribe for shares of the Company and nor had exercised such rights.

Save as disclosed above, during the nine months ended 31 December 2015, none of the Directors or chief executive of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.66 of the GEM Listing Rules.

DETAILS OF SHARE OPTIONS GRANTED BY THE COMPANY

Under the terms of the New Scheme adopted by the Company on 5 December 2006, the board of Directors is authorized, at its absolute discretion, to grant options to employee (including any executive and non-executive director), proposed employee, consultant, adviser, agent, contractor, customer or supplier of any member of the Group, to subscribe for shares in the Company.

The operation of the old share option scheme was terminated on 5 December 2006, upon the approval of shareholders at the extraordinary general meeting held on 5 December 2006. Under the old share option scheme, no share option was outstanding as at 31 December 2015 and no share option was granted or exercised during the nine months ended 31 December 2015.

As at 31 December 2015, details of share options outstanding were as follows:

| Date of grant | Number of share options | | | | Exercise period of share options | Exercise price of share options HK\$ |
|---------------|-------------------------|--------------------------|-----------------------------|---------------------|----------------------------------|--------------------------------------|
| | At 1 April 2015 | Adjusted at 27 July 2015 | Exercised during the period | At 31 December 2015 | | |
| 13/08/2007 | 12,056,364 | 24,112,728 | – | 24,112,728 | 13/8/2007 to 12/8/2017 | 0.55 |
| 17/08/2007 | 6,646,154 | 13,292,308 | – | 13,292,308 | 17/8/2007 to 16/8/2017 | 0.52 |
| 21/08/2007 | 6,624,000 | 13,248,000 | – | 13,248,000 | 21/08/2007 to 20/08/2017 | 0.50 |
| 19/08/2008 | 45,620,603 | 91,241,206 | – | 91,241,206 | 19/08/2008 to 18/08/2018 | 0.83 |
| 27/08/2008 | 3,314,286 | 6,628,572 | – | 6,628,572 | 27/08/2008 to 26/08/2018 | 0.84 |
| 16/12/2009 | 34,122,222 | 68,244,444 | – | 68,244,444 | 16/12/2009 to 15/12/2019 | 0.54 |
| 09/02/2010 | 11,492,308 | 22,984,616 | – | 22,984,616 | 09/02/2010 to 08/02/2020 | 0.65 |
| 25/11/2010 | 32,704,375 | 65,408,750 | – | 65,408,750 | 25/11/2010 to 24/11/2020 | 1.12 |
| 07/12/2010 | 6,317,857 | 12,635,714 | – | 12,635,714 | 07/12/2010 to 06/12/2020 | 1.26 |
| 10/09/2014 | 14,609,700 | 29,219,400 | – | 29,219,400 | 10/09/2014 to 09/09/2024 | 0.32 |
| | <u>173,507,869</u> | <u>347,015,738</u> | <u>–</u> | <u>347,015,738</u> | | |

DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed above, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or other body corporate granted to any Directors or their respective associates, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the Directors, their respective associates to acquire such rights in any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance to which the Group was a party and in which a Director of the Company or any of its subsidiaries had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

SUBSTANTIAL SHAREHOLDERS AND DISCLOSURE UNDER SFO

So far as is known to any Directors or chief executives of the Company, as at 31 December 2015, the following person or corporations had equity interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of Part XV of the SFO and/or were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company:

Long positions in the shares of the Company

Ordinary share of HK\$0.04 each of the Company

| Name of Shareholders | Nature of interests | Number of ordinary shares held | Capacity | Percentage of issued shares |
|--|---------------------|--------------------------------|--------------------------------------|-----------------------------|
| First Cheer Holdings Limited (Note 1) | Corporate | 654,677,040 | Beneficial owner | 47.05% |
| Cheng Ting Kong (Note 1) | Corporate | 654,677,040 | Interest of a controlled corporation | 47.05% |
| Chau Cheek Wa (Note 1) | Corporate | 654,677,040 | Interest of a controlled corporation | 47.05% |
| Raywell Holdings Limited (Note 2) | Corporate | 135,430,000 | Beneficial owner | 9.73% |
| Yeung Hak Kan (Note 2) | Corporate | 135,430,000 | Interest of a controlled corporation | 9.73% |

Notes:

1. First Cheer Holdings Limited is beneficially owned as to 50% by Mr. Cheng Ting Kong and as to 50% by Mr. Chau Cheok Wa. Accordingly, both Mr. Cheng Ting Kong and Mr. Chau Cheok Wa are deemed under the SFO to be interested in the 654,677,040 shares beneficially owned by First Cheer Holdings Limited.
2. Raywell Holdings Limited is wholly and beneficially owned by Mr. Yeung Hak Kan. Accordingly, Mr. Yeung Hak Kan is deemed under the SFO to be interested in the 135,430,000 shares beneficially owned by Raywell Holdings Limited.

Save as disclosed above, as at 31 December 2015, the Company was not notified of any other relevant interests or short positions in the shares or underlying shares in the Company as recorded in the register required to be kept by the Company under section 336 of Part XV of the SFO.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, the management shareholders or the substantial shareholders of the Company, or any of their respective associates (as defined in the GEM Listing Rules), has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

AUDIT COMMITTEE

The Company set up an audit committee ("Audit Committee") on 29 November 2000 with written terms of reference in compliance with the GEM Listing Rules for the purpose of reviewing and providing supervision over the financial reporting process and internal controls of the Group. During the period under review, the Audit Committee comprised three members, Mr. Tou Kin Chuen, Mr. Chan Tin Lup, Trevor and Mr. Wang Zhigang, all of them are independent non-executive Directors and Mr. Tou Kin Chuen was appointed as the chairman of the Audit Committee. The results for the nine months ended 31 December 2015 were reviewed by the Audit Committee.

REMUNERATION COMMITTEE

According to the Code on Corporate Governance Practices, the Company established its remuneration committee ("Remuneration Committee") on 18 March 2005. During the period under review, the Remuneration Committee comprised three members, Mr. Tou Kin Chuen, Mr. Chan Tin Lup, Trevor and Mr. Wang Zhigang, all of them are independent non-executive Directors and Mr. Chan Tin Lup, Trevor was appointed as the Chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Group's policy and structure in relation to the remuneration of Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period under review.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices under Appendix 15 to the GEM Listing Rules throughout the nine months ended 31 December 2015.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the period under review, the Company continued to adopt a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Cheng Ting Kong, Ms. Cheng Mei Ching, Mr. Lui Man Wah and Mr. Luk Wai Keung and three independent non-executive Directors, namely, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Wang Zhigang.

By order of the Board
Sun International Resources Limited
Cheng Ting Kong
Chairman

Hong Kong, 3 February 2016