



GOLDEN RESOURCES DEVELOPMENT INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

2002/2003 INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2002

SUMMARY OF INTERIM RESULTS

The Directors of Golden Resources Development International Limited ("the Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries ("the Group") for the six months ended 30th September, 2002 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		For the six months ended 30th September,	
		2002	2001
		(Unaudited)	(Unaudited)
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	3	376,712	574,921
Cost of sales		(236,176)	(416,699)
Gross profit		140,536	158,222
Deficit on revaluation of investments in securities		(11,906)	(11,534)
Other operating income		4,514	8,200
Selling and distribution costs		(15,496)	(22,671)
Administrative expenses		(57,554)	(63,323)
Profit from operations	3, 4	60,094	68,894
Finance costs		(590)	(1,343)
Share of results of associates		(13,963)	61
Profit before taxation		45,541	67,612
Taxation	5	(11,572)	(13,929)
Profit after taxation		33,969	53,683
Minority interests		(244)	1,193
Net profit for the period		33,725	54,876

Dividend	6	19,401	19,228
Interim dividend per share		1.5 cents	1.5 cents
Earnings per share	7		
- Basic		2.6 cents	4.3 cents
- Diluted		2.6 cents	4.2 cents

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30th September, 2002

1. BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with Statement of Standard Accounting Practice ("SSAP") No. 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared under the historical cost convention, as modified for the revaluation of investment properties and investments in securities.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st March, 2002, except that the Group has adopted, for the first time, a number of new and revised SSAPs issued by the Hong Kong Society of Accountants as follows:

SSAP 1 (Revised)	:	Presentation of financial statements
SSAP 11 (Revised)	:	Foreign currency translation
SSAP 15 (Revised)	:	Cash flow statements
SSAP 25 (Revised)	:	Interim financial reporting
SSAP 34	:	Employee benefits

The adoption of these SSAPs has resulted in a change in the format of presentation of the cash flow statement and the statement of changes in equity, but has had no significant effect on the results for the current or prior accounting periods. Accordingly, no prior period adjustment has been required. Certain comparative figures have been reclassified to conform with the current period's presentation.

3. BUSINESS AND GEOGRAPHICAL SEGMENTS

An analysis of the Group's turnover and results by business and geographical segments is as follows:

Business segments

Income statement for the six months ended 30th September, 2002

	Rice operation <i>HK\$'000</i>	Warehouse operation <i>HK\$'000</i>	Securities investment <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Corporate and others <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
TURNOVER							
External sales	327,452	13,960	34,699	601	-	-	376,712
Inter-segment sales	-	7,092	-	-	-	(7,092)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	327,452	21,052	34,699	601	-	(7,092)	376,712
 Inter-segment sales are charged at prevailing market prices.							
RESULT							
Segment results	64,254	4,123	(10,933)	(91)	2,741	-	60,094
Finance costs							(590)
Share of results of associates	(608)		(12,338)	(31)	(986)		(13,963)
							<hr/>
Profit before taxation							45,541
Taxation							(11,572)
							<hr/>
Profit after taxation							33,969
Minority interests							(244)
							<hr/>
Net profit for the period							33,725

Income statement for the six months ended 30th September, 2001

	Rice operation <i>HK\$'000</i>	Warehouse operation <i>HK\$'000</i>	Securities investment <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Corporate and others <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
TURNOVER							
External sales	401,902	16,508	156,148	363	-	-	574,921
Inter-segment sales	-	7,222	-	-	-	(7,222)	-
	-----	-----	-----	-----	-----	-----	-----
Total	401,902	23,730	156,148	363	-	(7,222)	574,921
RESULT							
Segment results	63,139	3,557	(2,025)	(577)	4,800	-	68,894
Finance costs							(1,343)
Share of results of associates (25)			1,533	(195)	(1,252)		61

Profit before taxation							67,612
Taxation							(13,929)

Profit after taxation							53,683
Minority interests							1,193

Net profit for the period							54,876

Inter-segment sales are charged at prevailing market prices.

Geographical segments

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

The following table provides an analysis of the Group's sales by location of markets, irrespective of the origin of the goods/services:

	Turnover by geographical markets For the six months ended 30th September,		Contribution to profit (loss) from operations For the six months ended 30th September,	
	2002	2001	2002	2001
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	321,251	527,930	57,027	69,319
Elsewhere in the PRC	33,339	38,864	1,062	642
Others	22,122	8,127	2,005	(1,067)
	<hr/>	<hr/>	<hr/>	<hr/>
	376,712	574,921		
Profit from operations			60,094	68,894

4. PROFIT FROM OPERATIONS

Profit from operations has been arrived at after charging (crediting):

	For the six months ended 30th September,	
	2002	2001
	<i>HK\$'000</i>	<i>HK\$'000</i>
Depreciation and amortisation	6,530	11,457
Interest income	(3,495)	(6,600)
Dividend income from listed investments in securities	(221)	(332)

5. TAXATION

	For the six months ended 30th September,	
	2002	2001
	<i>HK\$'000</i>	<i>HK\$'000</i>
The charge comprises:		
The Company and subsidiaries		
Hong Kong Profits Tax	11,229	13,508

PRC Tax	14	12
	-----	-----
	11,243	13,520
Deferred tax credit	(46)	(123)
	-----	-----
	11,197	13,397
Share of tax attributable to associates	375	532
	-----	-----
	11,572	13,929

Hong Kong Profits Tax is calculated at 16% of the estimated assessable profit for the period. Provision of taxation for the profits from PRC operations has been made in accordance with the laws of the PRC.

6. DIVIDEND

	For the six months ended 30th September,	
	2002	2001
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interim dividend declared of 1.5 cents per share on 1,292,570,460 shares (2001: 1.5 cents per share on 1,281,881,460 shares)	19,389	19,228
Adjustment of final dividend for prior year resulting from exercise of share options	12	-
	-----	-----
	19,401	19,228

7. EARNINGS PER SHARE

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

	For the six months ended 30th September,	
	2002	2001
	<i>HK\$'000</i>	<i>HK\$'000</i>
Earnings for the purposes of both basic and diluted earnings per share	33,725	54,876
	For the six months ended 30th September,	
	2002	2001
	<i>HK\$'000</i>	<i>HK\$'000</i>

Number of shares:

Weighted average number of ordinary shares for the purpose of basic earnings per share	1,291,491,258	1,281,881,460
Effect of dilutive potential ordinary shares - Options	30,647,520	22,737,887
	-----	-----
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,322,138,778	1,304,619,347

LIQUIDITY AND FINANCIAL RESOURCES

The Group has cash balance of HK\$309 million as at 30th September, 2002. As at 30th September, 2002, the Group has approximately HK\$33 million of bank loans outstanding, representing a decrease of HK\$10 million as compared with the amounts outstanding at 31st March, 2002. With cash and other current assets of HK\$585 million as at 30th September, 2002 as well as available banking facilities, the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

BUSINESS REVIEW AND PROSPECTS

Through the actualization of Total Quality Management System, Golden Resources continues to improve on its product and service standards. The Group is totally committed to customer satisfaction and high product quality. Golden Elephant rice has recently been awarded the "Superbrand" status. This award is a strong endorsement of wide recognition and acceptance of Golden Resources products by the marketplace and consumers. Additionally, our PRC Shantou rice plant has also been awarded the ISO 9001 certification following the attainment of such award by Hong Kong rice plant last year.

With expected high economic growth and increasingly growing middle class in the post-WTO accession, Mainland China offers tremendous opportunities for business developments and expansions. Golden Resources' development strategy is to target on high growth markets and stay focused on our core business. China is a market choice for its rice core business expansion for long term sustainable growth. Golden Resources has been actively expanding its business in China, the Pearl River Delta in particular. The rice business performance in China is encouraging. We believe that this strategic move has not only allowed Golden Resources to solidify its foothold in the China rice market, but also paved a way for the Group to achieve its target of long term sustainable growth.

While Golden Resources continues to maintain its leading position in the Hong Kong rice market with healthy profitability, we remain focused on sharpening the operating efficiencies within the Group. Golden Resources has established itself as a lean and strong company and is capable to respond to challenges instantly and effectively. Hong Kong rice trade will be liberalized in January 2003. With enhancements in operating efficiencies as well as productivity, Golden Resources is well geared to cope with this new market environment.

Golden Resources' financial position continues to be strong with healthy recurrent cash inflow from core business. With strong balance sheet and cash flow, we are in a good position to seek and respond to new opportunities so as to create long term value to our shareholders.

INTERIM DIVIDEND

The Directors have declared an interim dividend of 1.5 cents per share for the year ending 31st March, 2003 (2001/2002: 1.5 cents per share) to shareholders on the Register of Members of the Company on Wednesday, 8th January, 2003.

It is expected that cheques for the interim dividend will be despatched to those entitled thereto on or about Wednesday, 15th January, 2003.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Friday, 3rd January, 2003 to Wednesday, 8th January, 2003, both days inclusive, during which period no transfer of shares will be effected.

In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars in Hong Kong, Standard Registrars Limited, 5/F., Wing On Centre, 111 Connaught Road Central, Hong Kong not later than 4:00 p.m. on Thursday, 2nd January, 2003.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees for the Group is about 480.

Remuneration packages are reviewed by the Group from time to time. In addition to salary payments, other fringe benefits for the staff include retirement benefits schemes and medical insurance scheme, as well as quarters and housing allowances for certain staff. The Group has taken out personal accident insurance for senior staff and the staff who frequently travel overseas on business trips.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial statements for the six months ended 30th September, 2002.

CORPORATE GOVERNANCE

The Company has, throughout any part of the accounting period covered by this interim financial statements, complied with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

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

DISCLOSURE OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

The interim financial statements of the Company for the six months ended 30th September, 2002, containing the information required by paragraphs 46(1) to 46(6) of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), will be published on the website of the Stock Exchange in due course.

On behalf of the Board
Alvin LAM Kwing Wai
Managing Director

Hong Kong, 10th December, 2002

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