

PROFIT AND LOSS ACCOUNT (For the six months ended 30 June 2003)

The Directors of The HSBC China Fund Limited present the following unaudited interim results of the Company for the six months ended 30 June 2003:-

	Notes	Six months ended 30 June 2003 (unaudited) US\$	2002 (unaudited) US\$
GROSS REVENUE			
Interest income		16,593	22,293
Realised losses from sale of listed securities		–	(5,130)
		<u>16,593</u>	<u>17,163</u>
EXPENSES			
Investment manager's fee		(65,932)	(66,216)
Other operating expenses, net		(160,296)	(114,401)
		<u>(226,228)</u>	<u>(180,617)</u>
LOSS BEFORE TAX	4	(209,635)	(163,454)
TAX	5	–	87,260
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		<u>(209,635)</u>	<u>(76,194)</u>
LOSS PER SHARE	7	(0.0086)	(0.0031)
SPECIAL INTERIM DIVIDEND PER SHARE	6	0.1429	–
OTHER TRANSFER TO RESERVES			
Capital redemption reserve		–	10