

RESULTS

The Directors of City e-Solutions Limited (the "Company") are pleased to announce the following interim unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2002 together with comparative figures.

CONSOLIDATED PROFIT & LOSS ACCOUNT

For the six months ended 30 June 2002 - unaudited

		Six months ended 30 June	
	Note	2002	2001
		HK\$'000	HK\$'000
Turnover	2	40,459	54,258
Cost of sales		(9,000)	(14,541)
Gross profit		31,459	39,717
Other income/(expenses) (net)		18,313	(22,935)
Administrative expenses	3	(49,267)	(43,960)
Profit/(loss) from operations	2	505	(27,178)
Finance costs	4	—	(8)
Profit/(loss) from ordinary activities before taxation	4	505	(27,186)
Taxation	5	(425)	(6)
Profit/(loss) from ordinary activities after taxation		80	(27,192)
Minority interests		2,895	694
Profit/(loss) attributable to shareholders		2,975	(26,498)
Dividends	6	—	—
Retained profit/(accumulated loss) for the period		2,975	(26,498)
Earnings/(loss) per share	7		
Basic		0.78 cents	(6.92 cents)

The notes on pages 6 to 12 form part of this interim financial report.