

The Board ("Board") of directors ("Directors" and each, a "Director") of China Logistics Group Limited ("the Company") announces that the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2002, together with the comparative figures for the corresponding period in the previous year, were as follows:

## CONDENSED CONSOLIDATED PROFIT & LOSS ACCOUNT

For the six months ended 30 September 2002

	Note	Six months ended 30 September	
		2002 (Unaudited) HK\$'000	2001 (Audited) HK\$'000
Turnover	3	66,287	101,900
Cost of sales		(54,925)	(82,169)
<b>Gross profit</b>		<b>11,362</b>	19,731
Other revenues		286	263
Distribution costs		(1,163)	(2,250)
Administrative expenses		(18,336)	(26,614)
Other operating expenses, net		(6,538)	(58,074)
Impairment loss of intangible assets		–	(428,999)
Provision for CNCC Acquisition		–	(232,620)
Provision for doubtful debts		–	(375,238)
<b>Operating loss</b>	4	<b>(14,389)</b>	(1,103,801)
Finance costs	5	(2,251)	(8,955)
Share of losses of associates		–	(5,552)
<b>Loss before taxation</b>		<b>(16,640)</b>	(1,118,308)
Taxation	6	(40)	(1)
<b>Loss before minority interests</b>		<b>(16,680)</b>	(1,118,309)
Minority interests		(387)	(4,639)
Loss attributable to shareholders		<b>(17,067)</b>	<b>(1,122,948)</b>
<b>Loss per share</b>		<b>HK cent</b>	<b>HK cents</b>
Basic	7	(1.17)	(76.98)
Diluted	7	N/A	N/A