

RESULTS

The Board of Directors (the "Board") of Guorun Holdings Limited (the "Company") is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2003 (the "period") and present the results together with the comparative figures for the same period in 2002. The interim financial statements as set out in this report have been reviewed by the Audit Committee of the Company.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

Six months ended 30 June 2003

	Notes	Unaudited	
		2003 HK\$'000	2002 HK\$'000
TURNOVER		15,619	47,566
Cost of sales		(13,670)	(32,821)
Gross profit		1,949	14,745
Other operating income		55	2,002
Distribution and selling expenses		(360)	(6,209)
Administrative expenses		(7,785)	(19,662)
Other operating expenses		-	(10,896)
LOSS FROM OPERATING ACTIVITIES	3	(6,141)	(20,020)
Finance costs		(56)	(10,223)
Share of results of associates		5,400	(77,022)
Gain on disposal of subsidiaries		-	173
LOSS BEFORE TAX		(797)	(107,092)
Tax	4	-	(52)
LOSS BEFORE MINORITY INTERESTS		(797)	(107,144)
Minority interests		1,700	6,647
NET PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS		903	(100,497)
EARNING/(LOSS) PER SHARE			
- Basic	5	HK 0.03 cents	HK (27.6) cents