

UNAUDITED INTERIM FINANCIAL REPORT

The Board of Directors (the "Board") of First Dragoncom Agro-Strategy Holdings Ltd. (the "Company") is pleased to announce the unaudited interim financial report of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2003. The condensed consolidated profit and loss account, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement of the Group for the six months ended 30 June 2003 and the condensed consolidated balance sheet of the Group as at 30 June 2003, all unaudited, along with selected explanatory notes, are set out below.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the six months ended 30 June 2003

		Six months ended 30 June	
	Note	2003 HK\$'000	2002 HK\$'000
TURNOVER	2	50,448	41,594
Cost of sales		(32,751)	(38,375)
		17,697	3,219
Other revenue and gains		2,471	2,148
Profit on disposal of operating subsidiaries		–	15,846
Staff costs		(1,415)	(1,500)
Depreciation and amortisation expenses		(2,423)	(2,345)
Other operating expenses		(5,611)	(6,741)
PROFIT FROM OPERATING ACTIVITIES	3	10,719	10,627
Finance costs		(14)	(913)
Profit on partial disposal of associates		–	2,027
Share of profits and losses of associates		–	(1,140)
PROFIT BEFORE TAX		10,705	10,601
Tax	4	–	(56)
PROFIT BEFORE MINORITY INTERESTS		10,705	10,545
Minority interests		(4,633)	–
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		6,072	10,545
EARNINGS PER SHARE	6		
– Basic		0.36 cents	0.81 cents
– Diluted		0.34 cents	0.81 cents