



The board of directors of China Eagle Group Company Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2003 together with the comparative figures for the corresponding period in 2002 as follows:

UNAUDITED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2003

(Expressed in Hong Kong dollars)

	Note	Six months ended 30 September			2002		Total \$'000 restated (Note 7)
		Continuing operations \$'000	Discontinued operation \$'000	Total \$'000	Continuing operations \$'000	Discontinued operation \$'000	
Turnover	2	2,277	6	2,283	3,641	450	4,091
Other revenue		398	-	398	233	-	233
Other net loss		(574)	-	(574)	-	(372)	(372)
Cost of sales		-	(2,674)	(2,674)	(3,117)	(2,329)	(5,446)
Selling and distribution costs		(1,063)	(22)	(1,085)	(308)	(89)	(397)
Administrative expenses		(6,322)	(10)	(6,332)	(7,862)	-	(7,862)
Other operating expenses		(431)	-	(431)	(482)	-	(482)
Loss from operations	2	(5,715)	(2,700)	(8,415)	(7,895)	(2,340)	(10,235)
Finance costs	3	(540)	-	(540)	(504)	-	(504)
Share of profits less losses of associates		1	-	1	(19)	-	(19)
Loss from ordinary activities before taxation	3	(6,254)	(2,700)	(8,954)	(8,418)	(2,340)	(10,758)
Taxation	4	-	-	-	-	-	-
Loss from ordinary activities after taxation		<u>(6,254)</u>	<u>(2,700)</u>	<u>(8,954)</u>	<u>(8,418)</u>	<u>(2,340)</u>	<u>(10,758)</u>
Minority interests				29			-
Loss attributable to shareholders				<u>(8,925)</u>			<u>(10,758)</u>
Loss per share							
Basic	6(a)			<u>(0.46) cents</u>			<u>(0.66) cents</u>
Diluted	6(b)			<u>N/A</u>			<u>N/A</u>

The notes on pages 6 to 18 form part of this interim financial report.