

FINANCIAL RESULTS

The Board of Directors (the "Board") of Benefun International Holdings Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 31 December 2003 together with the comparative figures for the corresponding period in 2002. These interim financial statements have not been audited, but have been reviewed by the Company's audit committee and the auditors, BDO McCabe Lo & Company.

Condensed consolidated income statement

For the six months ended 31 December 2003

(Expressed in Hong Kong dollars)

	Notes	Six months ended	
		31 December 2003 (Unaudited) \$'000	2002 (Unaudited) \$'000 (Restated)
Turnover	2	94,034	81,689
Cost of sales		(58,460)	(48,947)
Gross profit		35,574	32,742
Other revenue	3	3,388	2,803
Distribution costs		(22,397)	(20,518)
Administrative expenses		(13,693)	(12,435)
Operating profit		2,872	2,592
Finance costs	4	(380)	(709)
Profit from ordinary activities before taxation	4	2,492	1,883
Taxation	5	(1,229)	(1,017)
Net profit attributable to shareholders		1,263	866
Earnings per share	7		
Basic		0.12 cent	0.09 cent

The notes on pages 5 to 13 form part of these interim financial statements.