

The Board of Directors of Neo-China Group (Holdings) Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 31 October 2004, together with the comparative figures for the corresponding period in the previous year.

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 31 OCTOBER 2004**

	Notes	Six months ended	
		31.10.2004 (Unaudited) HK\$'000	31.10.2003 (Unaudited) HK\$'000
Turnover	3	593,562	–
Cost of sales		(478,268)	–
Gross profit		115,294	–
Other revenue		91	756
Selling expenses		(3,198)	–
Administrative expenses		(7,114)	(3,889)
Other operating expenses		(10,550)	(14,103)
Profit (loss) from operations	4	94,523	(17,236)
Finance costs		(5)	(719)
Gain on disposal of subsidiaries		100,967	41,389
Gain on disposal of an associate		–	18,000
Share of losses of associates		(1,254)	(5,684)
Profit before taxation		194,231	35,750
Taxation	5	(23,759)	(44)
Profit after taxation		170,472	35,706
Minority interests		(47,911)	472
Net profit for the period		122,561	36,178
Earnings per share	7		
Basic		5.90 cents	2.09 cents
Diluted		N/A	N/A