

The board of directors (the “Board”) of Four Seas Mercantile Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated balance sheet as at 30 September 2001 of the Company and its subsidiaries (the “Group”) and the unaudited condensed consolidated profit and loss account and unaudited condensed consolidated cash flow statement for the six months ended 30 September 2001 as follows:

## CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

		Six months ended 30 September	
		2001 Unaudited HK\$'000	2000 Unaudited HK\$'000
	Notes		
TURNOVER	2	570,998	534,737
Cost of sales		<u>(396,020)</u>	<u>(362,278)</u>
Gross profit		174,978	172,459
Other revenue	3	3,909	5,854
Selling and distribution expenses		(94,179)	(104,085)
Administrative expenses		(44,532)	(38,302)
Other operating expenses		<u>(1,568)</u>	<u>(1,145)</u>
PROFIT FROM OPERATING ACTIVITIES	2 & 4	38,608	34,781
Finance costs		(4,325)	(5,976)
Share of profits less losses of associates		<u>5,584</u>	<u>4,517</u>
PROFIT BEFORE TAX		39,867	33,322
Tax	5	<u>(6,577)</u>	<u>(6,257)</u>
PROFIT BEFORE MINORITY INTERESTS		33,290	27,065
Minority interests		<u>380</u>	<u>853</u>
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		<u>33,670</u>	<u>27,918</u>
DIVIDENDS	6	<u>7,991</u>	<u>118,673</u>
EARNINGS PER SHARE – Basic	7	<u>8.4 cents</u>	<u>7.5 cents</u>