

**RESULTS**

The board of directors of Tse Sui Luen Jewellery (International) Limited ("the Company") announces the unaudited consolidated results of the Company and its subsidiaries ("the Group") for the six months ended 31 August 2002. The interim results for the six months ended 31 August 2002 have been reviewed by the Company's audit committee and the auditors.

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE SIX MONTHS ENDED 31 AUGUST 2002 – UNAUDITED**

(Expressed in Hong Kong dollars)

	Note	Six months ended 31 August	
		2002 \$'000	2001 \$'000
<b>Turnover</b>	4	<b>469,990</b>	465,460
Cost of sales		<b>(292,244)</b>	(304,114)
		<b>177,746</b>	161,346
Other revenue	4	<b>8,109</b>	11,392
Selling expenses		<b>(150,582)</b>	(134,685)
Administrative expenses		<b>(36,429)</b>	(37,842)
Other operating expenses		<b>(1,196)</b>	(6,348)
Loss from operations		<b>(2,352)</b>	(6,137)
Finance costs	5	<b>(7,406)</b>	(11,851)
Cost of financial restructuring		<b>(1,205)</b>	(6,141)
Write back of default interest for unpaid dividend of preference shares		<b>6,576</b>	—
(Loss)/gain on disposal and revaluation of properties		<b>(1,806)</b>	3,966
Gain on disposal of associate and investment		<b>414</b>	2,991
Provision for diminution in value of investments in securities		<b>(1,052)</b>	(441)
Provision for other receivables		<b>(3,276)</b>	(2,100)
Share of loss of associate		<b>—</b>	(2)
<b>Loss from ordinary activities before taxation</b>	5	<b>(10,107)</b>	(19,715)
Taxation	6	<b>(456)</b>	(374)
<b>Loss from ordinary activities after taxation</b>		<b>(10,563)</b>	(20,089)
Minority interests		<b>(3,849)</b>	(1,397)
<b>Loss for the period</b>		<b>(14,412)</b>	(21,486)
<b>Dividends</b>	7	<b>(5,665)</b>	(5,618)
<b>Loss per share</b>			
Basic	8	<b>(5) cents</b>	(7) cents

The notes on pages 6 to 15 form part of this interim financial report.

