

The board of directors (the “Directors”) of China Elegance International Fashion Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2002.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

		Six months ended 30 September	
		2002 (unaudited) HK\$'000	2001 (unaudited) HK\$'000
	<i>Notes</i>		
TURNOVER	2	73,682	55,953
Cost of sales		(58,909)	(42,058)
Gross profit		14,773	13,895
Other revenue	3	1,670	511
Gain on disposal of subsidiaries		6,654	–
Selling and distribution costs		(5,502)	(11,209)
Administrative expenses		(10,909)	(12,965)
Other operating expenses		(2,114)	(6,234)
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	4	4,572	(16,002)
Finance costs – interest on bank loan		(157)	(216)
PROFIT/(LOSS) AFTER FINANCE COSTS		4,415	(16,218)
Share of losses of associates		(421)	(668)
PROFIT/(LOSS) BEFORE TAX		3,994	(16,886)
Tax	5	(10)	–
NET PROFIT/(LOSS) BEFORE MINORITY INTERESTS		3,984	(16,886)
Minority interests		(3,288)	–
NET PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS		696	(16,886)
EARNINGS/(LOSS) PER SHARE	6		
Basic		HK0.004 cent	HK(0.096 cent)
Diluted		N/A	N/A