

INTERIM RESULTS

The Board of Directors (the "Board") of Golden Harvest Entertainment (Holdings) Limited (the "Company") herein announces the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2002. The unaudited consolidated results have not been audited by the Company's auditors, but have been reviewed by the Company's Audit Committee.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Notes	(Unaudited)	
		Six months ended 31 December	
		2002 HK\$'000	2001 HK\$'000 (Restated)
TURNOVER	2	105,392	137,128
Cost of sales		<u>(50,253)</u>	<u>(69,806)</u>
Gross profit		55,139	67,322
Interest income		149	799
Other revenue		4,905	6,204
Selling and distribution costs		(55,508)	(60,327)
General and administrative expenses		(26,835)	(30,574)
Other operating expenses		(453)	(1,702)
Impairment of film rights		<u>(3,800)</u>	<u>–</u>
LOSS FROM OPERATING ACTIVITIES	2, 3	<u>(26,403)</u>	<u>(18,278)</u>
Impairment of long term investment		(1,000)	–
Finance costs		(312)	(25)
Share of profits less losses of associates		<u>6,439</u>	<u>(4,811)</u>
LOSS BEFORE TAX		<u>(21,276)</u>	<u>(23,114)</u>
Tax	4	<u>(1,342)</u>	<u>(1,377)</u>
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		<u>(22,618)</u>	<u>(24,491)</u>
LOSS PER SHARE	5		
Basic		<u>(2.8 cents)</u>	<u>(3.1 cents)</u>
Diluted		<u>N/A</u>	<u>N/A</u>