

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 2003.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

		Six months ended 30 September	
	Notes	2003 (unaudited) HK\$'000	2002 (unaudited) HK\$'000
TURNOVER	2	85,339	73,682
Cost of sales		(77,528)	(58,909)
Gross profit		7,811	14,773
Other revenue	3	2,122	1,670
Gain on disposal of subsidiaries		714	6,654
Selling and distribution costs		(5,578)	(5,502)
Administrative expenses		(9,369)	(10,909)
Other operating expenses		(4,263)	(2,114)
(LOSS)/PROFIT FROM OPERATING ACTIVITIES	4	(8,563)	4,572
Finance costs – bank charges and interest		(483)	(157)
(LOSS)/PROFIT AFTER FINANCE COSTS		(9,046)	4,415
Share of profits/(losses) of associates		317	(421)
(LOSS)/PROFIT BEFORE TAX		(8,729)	3,994
Tax	5	–	(10)
(LOSS)/PROFIT BEFORE MINORITY INTERESTS		(8,729)	3,984
Minority interests		(1,376)	(3,288)
NET (LOSS)/PROFIT ATTRIBUTABLE TO SHAREHOLDERS		(10,105)	696
(LOSS)/EARNINGS PER SHARE	6		
Basic		HK(0.057 cent)	HK0.004 cent
Diluted		N/A	N/A