

UNAUDITED INTERIM RESULTS

The Board of Directors (the “Directors”) of Peking Apparel International Group Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2004 (the “period”), together with the comparative figures for the corresponding period in 2003 as follows. These condensed consolidated interim financial statements have not been audited but have been reviewed by the Company’s Audit Committee.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

		For the six months ended 30 September	
		2004	2003
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
	<i>Notes</i>		
TURNOVER	2	78,109	49,724
Cost of sales		(59,105)	(37,938)
Gross profit		19,004	11,786
Other revenue		341	411
Selling and distribution costs		(2,884)	(2,206)
Administrative expenses		(8,828)	(5,749)
PROFIT FROM OPERATING ACTIVITIES	4	7,633	4,242
Finance costs	5	(127)	(212)
PROFIT BEFORE TAX		7,506	4,030
Tax	6	(22)	–
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		7,484	4,030
INTERIM DIVIDEND	7	1,902	–
EARNINGS PER SHARE – BASIC	8	2.36 cents	1.27 cents