

The Board of Directors (the "Board") of K.P.I. Company Limited (the "Company") is pleased to present the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2002 together with the comparative figures for the six months ended 30 June 2001 as follows:

### **Condensed Consolidated Profit and Loss Account**

For the six months ended 30 June 2002

		<b>For the six months ended 30 June</b>	
		<b>2002</b>	2001
		<b>(Unaudited)</b>	(Unaudited)
	Note	<b>HK\$'000</b>	HK\$'000
TURNOVER	2	<b>70,816</b>	1,094,005
Cost of sales		<b>(70,315)</b>	(1,079,775)
Gross profit		<b>501</b>	14,230
Other revenues		<b>3,887</b>	8,535
Administrative expenses		<b>(8,569)</b>	(14,266)
Other operating expenses		<b>(14,329)</b>	(46,656)
LOSS FROM OPERATING ACTIVITIES	3	<b>(18,510)</b>	(38,157)
Finance costs	4	<b>(12)</b>	(3,091)
Share of profits less losses of:			
An associate		<b>82</b>	563
Jointly-controlled entities		<b>(926)</b>	(6,326)
LOSS BEFORE TAX		<b>(19,366)</b>	(47,011)
Tax	5	<b>(39)</b>	(94)
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		<b>(19,405)</b>	(47,105)
LOSS PER SHARE (HK CENTS)			
– Basic	7	<b>(3.44)</b>	(8.35)
– Diluted		<b>N/A</b>	N/A