

The board of directors (the “Board”) of Compass Pacific Holdings Limited (the “Company”) announces the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the “Group”) for the six-months ended 30th June 2004 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30TH JUNE 2004

(Expressed in thousands of Hong Kong dollars except per share amount)

	Note	For the six months ended 30th June	
		2004 (Unaudited)	2003 (Unaudited)
Turnover	2	6,198	10,392
Cost of sales		<u>(5,311)</u>	<u>(8,597)</u>
Gross profit		887	1,795
Other revenues	2	1,196	685
Administrative expenses		<u>(28,451)</u>	<u>(25,845)</u>
Loss from operations		(26,368)	(23,365)
Finance costs		<u>(1)</u>	<u>(3)</u>
Loss before tax	4	(26,369)	(23,368)
Income tax expense	5	<u>–</u>	<u>–</u>
Loss after tax		(26,369)	(23,368)
Minority interests		<u>3,069</u>	<u>289</u>
Loss attributable to shareholders		<u><u>(23,300)</u></u>	<u><u>(23,079)</u></u>
Loss per share	7	<u><u>(1.23) cents</u></u>	<u><u>(1.83) cents</u></u>