

The board of directors (the "Board") of Kiu Hung International Holdings 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 June 2005.

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30 June	
		2005	2004
	<i>Notes</i>	(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
TURNOVER	4	20,299	34,177
Cost of sales		(15,347)	(20,567)
Gross profit		4,952	13,610
Other revenue	4	4,039	995
Distribution costs		(2,671)	(3,177)
Administrative expenses		(8,121)	(8,570)
Other operating expenses		(354)	(604)
OPERATING (LOSS)/PROFIT	5	(2,155)	2,254
Finance costs	6	(2,429)	(1,117)
Share of loss of a jointly controlled entity		(869)	–
Share of results of an associate		(335)	135
(LOSS)/PROFIT BEFORE TAXATION		(5,788)	1,272
Taxation	7	(31)	(27)
(LOSS)/PROFIT FOR THE PERIOD		(5,819)	1,245
INTERIM DIVIDENDS	8	–	–
(LOSS)/EARNING PER SHARE	9		
– Basic		HK(0.26) cent	HK0.06 cent
– Diluted		N/A	N/A
ATTRIBUTABLE TO:			
Equity holders of the Company		(5,819)	1,299
Minority interest		–	(54)
		(5,819)	1,245