

The directors of Magnum International Holdings Limited (the "Company") herein present the unaudited consolidated financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30th June 2005 together with the comparative figures as follows:

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Notes	Unaudited Six months ended 30th June	
		2005 HK\$	2004 HK\$
TURNOVER	3	3,627,190	4,267,645
Other revenue and gains		85,651	1,370,876
Administrative expenses		(6,620,656)	(6,180,182)
Other operating expenses		(1,551,171)	(1,535,966)
Changes on investment held for trading		452,593	(635,355)
Provision for doubtful debts		(700,440)	(197,132)
Finance costs	7	(3,207,213)	(3,161,869)
LOSS BEFORE TAX	6	(7,914,046)	(6,071,983)
Tax	8	—	—
LOSS FOR THE PERIOD		(7,914,046)	(6,071,983)
ATTRIBUTABLE TO: Equity holders of the parent		(7,914,046)	(6,071,983)
LOSS PER SHARE			
Basic	9	(1.29 cents)	(0.99 cent)
Diluted		N/A	N/A
INTERIM DIVIDEND	10	Nil	Nil