

CONDENSED CONSOLIDATED INCOME STATEMENT

for the six months ended 30 June 2005 – unaudited

(Expressed in Hong Kong dollars)

| | Note | Six months ended 30 June | |
|--|------|---------------------------------|---------------------------------|
| | | 2005 HK\$'000 (unaudited) | 2004 HK\$'000 (unaudited) |
| Turnover | 4 | 67,048 | 58,330 |
| Cost of sales/services | | (51,770) | (45,418) |
| | | 15,278 | 12,912 |
| Other revenue | | 244 | 592 |
| Other income, net | | 436 | 2,581 |
| Distribution costs | | (3,043) | (3,652) |
| Administrative expenses | | (18,829) | (21,152) |
| Other operating expenses | | (405) | (111) |
| Loss from operations | | (6,319) | (8,830) |
| Finance costs | | (761) | (691) |
| Share of profits less losses of associates | | (2,161) | (5,122) |
| Loss from ordinary activities before taxation | 5 | (9,241) | (14,643) |
| Taxation | 6 | – | – |
| Loss attributable to shareholders | | (9,241) | (14,643) |
| Loss per share | 7 | (0.48) | (0.76) |
| Basic – HK cents | | (0.48) | (0.76) |

The notes on pages 5 to 20 form part of this interim financial report.