



The Board of Directors of Sun Innovation Holdings Limited (the “Company”) presents the unaudited interim financial reports for the six months ended 30 June 2006 of the Company and its subsidiaries (“the Group”) together with the comparative figures in 2005.

**CONDENSED CONSOLIDATED INCOME STATEMENT – UNAUDITED  
FOR THE SIX MONTHS ENDED 30 JUNE 2006**

		<b>Six months ended 30 June</b>	
		<b>2006</b>	<b>2005</b>
	<b>Note</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
Turnover	2	<b>53,712</b>	25,803
Cost of sales		<b>(31,516)</b>	(15,231)
Gross profit		<b>22,196</b>	10,572
Other operating income		<b>923</b>	199
Selling and distribution expenses		<b>(6,121)</b>	(7,414)
Administrative and operating expenses		<b>(28,475)</b>	(22,343)
Fair value loss on investment properties, net		<b>–</b>	(1,320)
Operating loss	3	<b>(11,477)</b>	(20,306)
Finance costs	4	<b>(6,982)</b>	(2,468)
Loss before taxation		<b>(18,459)</b>	(22,774)
Taxation	5	<b>(6)</b>	–
Loss for the period		<b>(18,465)</b>	(22,774)
Attributable to:			
Equity holders of the parent		<b>(18,264)</b>	(22,830)
Minority interests		<b>(201)</b>	56
		<b>(18,465)</b>	(22,774)
Loss per share	6		
– Basic		<b>HK\$0.21</b>	HK\$0.37
– Diluted		<b>HK\$0.21</b>	HK\$0.37