

Balance Sheets

TECHWAYSON HOLDINGS LIMITED / AS AT 30 JUNE 2003

| | Note | The Group | | The Company | |
|--|------|-----------------|-----------------|-----------------|-----------------|
| | | 2003 RMB'000 | 2002 RMB'000 | 2003 RMB'000 | 2002 RMB'000 |
| NON-CURRENT ASSETS | | | | | |
| Fixed assets | 11 | 2,550 | 2,990 | – | – |
| Property under development | 12 | 68,291 | 11,886 | – | – |
| Software development costs | 13 | 18,746 | 23,691 | – | – |
| Investments in securities | 14 | 35,616 | 51,940 | – | – |
| Investment in subsidiaries | 15 | – | – | 114,904 | 132,711 |
| Total non-current assets | | 125,203 | 90,507 | 114,904 | 132,711 |
| CURRENT ASSETS | | | | | |
| Inventories | 16 | 11,979 | 1,594 | – | – |
| Prepayments, deposits and other current assets | | 49,185 | 1,328 | – | – |
| Pledged time deposits | | 6,834 | – | – | – |
| Trade receivables | 17 | 67,330 | 49,552 | – | – |
| Cash and bank deposits | | 73,066 | 70,547 | 30 | 30 |
| Total current assets | | 208,394 | 123,021 | 30 | 30 |
| CURRENT LIABILITIES | | | | | |
| Due to subsidiaries | 15 | – | – | (10,373) | (363) |
| Trade payables | 18 | (35,863) | (7,341) | – | – |
| Bills payable, secured | 18 | (51,416) | – | – | – |
| Accruals and other payables | | (5,803) | (9,282) | (622) | (3,690) |
| Warranty provision | 19 | (27) | (84) | – | – |
| Receipts in advance | | (6,006) | (775) | – | – |
| Loans payable – current portion | 20 | (3,578) | (3,578) | (3,578) | (3,578) |
| Short term loans payable | 21 | (32,000) | (2,000) | – | – |
| Taxation payable | | (3,934) | (2,737) | – | – |
| Total current liabilities | | (138,627) | (25,797) | (14,573) | (7,631) |
| NET CURRENT ASSETS/(LIABILITIES) | | 69,767 | 97,224 | (14,543) | (7,601) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 194,970 | 187,731 | 100,361 | 125,110 |
| NON-CURRENT LIABILITIES | | | | | |
| Loans payable | 20 | (13,118) | (15,502) | (13,118) | (15,502) |
| NET ASSETS | | 181,852 | 172,229 | 87,243 | 109,608 |
| Representing: | | | | | |
| SHARE CAPITAL | 22 | 37,100 | 37,100 | 37,100 | 37,100 |
| RESERVES | 24 | 144,752 | 135,129 | 50,143 | 72,508 |
| SHAREHOLDERS' EQUITY | | 181,852 | 172,229 | 87,243 | 109,608 |

Approved by the Board of Directors on 19 September 2003.

DR. SZE KWAN
Director

MR. TUNG FAI
Director