



THE QUAYPOINT CORPORATION LIMITED

紀翰集團有限公司*

(Formerly known as Techwayson Holdings Limited 德維森控股有限公司*)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2330)

CLARIFICATIONS CONCERNING THE PUBLISHED UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2005

This announcement is made to clarify certain information contained in the published unaudited consolidated interim results of the Company for the six months ended 31 December 2005.

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended at the request of the Company since 16 March 2006 and will continue to be suspended until further notice.

Reference is made to the interim results announcement (the "Announcement"), interim report (the "Report") and the short-form teletext (the "Teletext") in respect of the unaudited consolidated financial statements for the six months ended 31 December 2005 (collectively "Published Interim Results") of The Quaypoint Corporation Limited (formerly known as Techwayson Holdings Limited) (the "Company").

The Board of Directors (the "Directors") of the Company announces that, during the course of the preparation of the audited financial statements for the year ended 30 June 2006, the Company discovered certain inadvertent accounting related errors concerning the calculation of sales and purchases for the six months ended 31 December 2005. The Directors would like to inform the Company's shareholders and investing public of the errors together with a brief explanation of the causes for, and the impact of, the errors. The errors were an isolated and inadvertent accounting calculation error which resulted in misstatements of the Group's unaudited turnover and cost of sales as stated in the Published Interim Results of the Company.

The content of the aforesaid inadvertent errors are as follows:

- 1) due to a booking error, the Purchase Returns of RMB8,927,000 was wrongly booked as Sales, therefore both the Turnover and Cost of Sales were overstated by such amount;
- 2) due to a booking error, the Sales Returns of RMB17,882,000 was wrongly booked as Purchases, therefore both the Turnover and Cost of Sales were overstated by such amount; and
- 3) due to the omission of inter-company transaction elimination, the Sales and Purchases were overstated by RMB1,210,000 and therefore both the Turnover and Cost of Sales were overstated by such amount.

Accordingly, the Published Interim Results should be restated in the following manner:

- A) The published Turnover of RMB132,469,000 should be restated as RMB104,450,000 by deducting the figures shown in items 1) to 3) above; and
- B) The published Cost of Sales of RMB127,727,000 should be restated as RMB99,708,000 by deducting the figures shown in items 1) to 3) above.

The Unaudited Condensed Consolidated Income Statement with restated figures and previously published figures for the six months ended 31 December 2005 together with the comparative figures of the corresponding period of year 2004 are as follows:

	For the 6 months ended 31 December		
	Properly Restated 2005 RMB'000	Previously Published 2005 RMB'000	2004 RMB'000
Turnover	104,450	132,469	99,493
Cost of sales	(99,708)	(127,727)	(82,431)
	4,742	4,742	17,062
Other revenue	3,092	3,092	521
Staff costs	(2,932)	(2,932)	(4,297)
Amortisation of lease prepayments	(20)	(20)	-
Amortisation of deferred software development costs	-	-	(2,300)
Depreciation of equipment and furniture	(636)	(636)	(739)
Other operating expenses	(3,797)	(3,797)	(5,721)
Profit from operations	449	449	4,526
Impairment loss on available-for-sale investment	(11,559)	(11,559)	-
Finance cost	(4,492)	(4,492)	(4,592)
Loss before taxation	(15,602)	(15,602)	(66)
Income tax	2,172	2,172	(1,220)
Loss attributable to shareholders	(13,430)	(13,430)	(1,286)
	RMB cents	RMB cents	RMB cents
Loss per share – basic	(3.84)	(3.84)	(0.37)
– diluted	N/A	N/A	N/A

Accordingly and save as disclosed above, the unaudited figure of Turnover for the six months ended 31 December 2005 as shown in the Teletext and the following sections of the Announcement and Report should be restated as RMB104,450,000 instead of RMB132,469,000, representing an increase of 4.98% instead of 33.14% when compared with the same period of year 2004:

- “Business Segment” (note 2 of the Announcement and note 4 of the Report)
- “Geographical Segment” (note 2 of the Announcement and note 4 of the Report)
- “Turnover and Other Revenue” (note 3 of the Announcement and note 3 of the Report)
- “Business Review” (under Management Discussion and Analysis Section of the Announcement and the Report)

For ease of reference, the “Loss attributable to shareholders” under the “Financial Review” in the Announcement and the Report is restated as follows:

“For the six months ended 31 December 2005, the Group has recorded an unaudited turnover of RMB104,450,000, representing 4.98% increase when compared with the corresponding period of year 2004. Loss attributable to shareholders and loss per share of RMB13,430,000 and RMB3.84 cents respectively, represented an increase of RMB12,144,000 and RMB3.47 cents respectively when compared with the corresponding period of last year.”

The Published Interim Results were not reviewed by the Company’s then auditors. After making reasonable enquiries, the Directors believe that the aforesaid errors were due to an isolated and inadvertent mistake. The Directors hereby confirm that, save for the identified items that are restated as set out above, the gross profit, net loss, cash position and net asset value of the Group have not been affected.

The Directors consider that an appropriate remedial action is to restate the unaudited income statement for the six months ended 31 December 2005 of the Company. To ensure that similar errors or incidents will not occur in the future, the Directors will engage the services of the Company’s external auditors to review the unaudited interim results of the Company in the future. The Directors wish to apologize for the errors.

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended at the request of the Company since 16 March 2006 and will remain suspended until further notice.

By order of the Board
Chan Siu Chu, Debby
Executive Director and CEO

Hong Kong, 6 October 2006

As at the date of this announcement, the Board of Directors of the Company comprises four Executive Directors, namely Dr. SZE Kwan, Mr. SIEK Fui, Ms. CHAN Siu Chu, Debby and Mr. LIU Ping, one Non-executive Director, Mr. Gerard MCMAHON, and five Independent Non-executive Directors, namely Mr. WEE Soon Chiang, Henny, Mr. WONG Kam Kau, Eddie, Mr. HUI Hung, Stephen, Mr. LAU Sai Chung and Mr. NG Kwok Chu, Winfield.

* For identification purpose only

Please also refer to the published version of this announcement in The Standard.