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## **Techwayson Holdings Limited**

**德維森控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 2330)

### **THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31ST MARCH 2004**

#### **HIGHLIGHTS**

- For the nine months ended 31st March 2004, the Group has recorded a turnover of approximately RMB295,940,000, representing a 177.3% increase as compared to the same period of last year. The substantial increase in turnover is due to the contribution from distribution and OEM business. Distribution business represents the sales of automation products from international manufacturers such as Rockwell and Siemens. For OEM business, the Group has entered into contracts of approximately USD19.3 million (approximately RMB160 million) with an enterprise in Korea for the provision of (i) advanced train control system and (ii) video control card on monitor and control system.
- For the nine months ended 31st March 2004, profit attributable to shareholders was approximately RMB12,589,000, representing a 24.2% decrease as compared to approximately RMB16,611,000 for the corresponding period of last year.
- The gross profit margin for the nine months ended 31st March 2004 decreased to approximately 12.8% from approximately 35.7% of the corresponding period of last year. The decrease in gross profit margin was mainly due to the change of sales mix in which the proportion of sales on distribution and OEM business, which has a lower profit margin than the sales from contracting works, increased tremendously as compared to corresponding period of last year.
- The announcement is made on a voluntary basis pursuant to Rule 13.09 of the Listing Rules.

The Board of Directors of Techwayson Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the nine months ended 31st March 2004 together with the comparative figures for the corresponding period in the preceding year. The announcement is made on a voluntary basis pursuant to Rule 13.09 of the Listing Rules.

## CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	For the nine months ended	
	31st March	
	2004	2003
	RMB'000	RMB'000
Turnover	295,940	106,717
Materials and equipment	(257,989)	(68,611)
	<u>37,951</u>	<u>38,106</u>
Other revenue	569	24
Staff costs	(6,727)	(4,940)
Amortisation of software development cost	(3,709)	(3,709)
Depreciation of equipment and furniture	(787)	(591)
Provision for product warranty costs	–	(17)
Other operating expenses	(9,328)	(9,750)
	<u>17,969</u>	<u>19,123</u>
Finance cost	(2,060)	(449)
	<u>15,909</u>	<u>18,674</u>
Profit before taxation	15,909	18,674
Taxation	(3,320)	(2,063)
	<u>12,589</u>	<u>16,611</u>
Profit attributable to shareholders	<u>12,589</u>	<u>16,611</u>
Earnings per share		
– Basic	<u>RMB3.60 cents</u>	<u>RMB4.75 cents</u>

The unaudited consolidated results of the Group for the nine months ended 31st March 2004 have been prepared in accordance with accounting principles generally accepted in Hong Kong, and the same accounting policies adopted by the Group in the interim report for the period ended 31st December 2003.

As at the date of this announcement, the Board comprises executive directors: Mr. XIONG Jian Rui, Mr. SHI Simon Hao, Mr. TUNG Fai, Mr. CHEN Ying Feng and Mr. LIM Ka Thiam; non-executive director: Mr. LIN Gong Shi; and independent non-executive directors: Mr. Wee Soon Chiang and Mr. Wong Kam Kau.

By Order of the Board  
**XIONG Jian Rui**  
Chairman

Hong Kong, 28th June, 2004

\* For identification purpose only

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