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Techwayson Holdings Limited
德維森控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

FIRST QUARTERLY RESULTS
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2003

HIGHLIGHTS

- For the three months ended 30 September 2003, the Group has recorded a turnover of approximately RMB67,664,000 representing a 718% increase as compared to the same period last year. The substantial increase in turnover is due to the contribution from distribution and OEM businesses. In the corresponding period last year, the Group started its distribution business to sell automation products of international manufacturers such as Rockwell, Omron and Siemens. During the period under review, our investment in developing distribution business has brought in fruitful return. For OEM business, the Group has entered into a contract of approximately USD12 million (approximately RMB100 million) for the provision of advanced train control system to an enterprise in Korea. Out of the contract, RMB41 million has recognized as turnover during the period under review.
- For the three months ended 30 September 2003, profit attributable to shareholders increased by approximately RMB200,000 to approximately RMB3,311,000, representing a 6% increase as compared with the corresponding year in 2002. Such increase was primarily due to the growth of distribution and OEM businesses.
- During the period under review, the Company has continued adopting flexible marketing strategy in developing distribution and OEM businesses. Barring unforeseen circumstances, the Company is optimistic about the market and the Company's performance in the first half of the financial year.
- The announcement is made on a voluntary basis pursuant to paragraph 2 of the Listing Agreement.

The Board of Directors (the "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 three months ended 30 September 2003 together with the comparative figures for the corresponding period in the preceding year. The announcement is made on a voluntary basis pursuant to paragraph 2 of the Listing Agreement.

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the three months ended
30 September

2003 2002
RMB'000 RMB'000

| | | |
|---|----------------------|---------------|
| Turnover | 67,664 | 8,270 |
| Materials and equipment | (57,619) | (349) |
| | 10,045 | 7,921 |
| Other revenue | 23 | 6 |
| Staff costs | (2,221) | (1,352) |
| Depreciation of equipment and furniture | (238) | (209) |
| Provision for product warranty costs | – | (8) |
| Other operating expenses | (2,669) | (2,649) |
| Profit from operations | 4,940 | 3,709 |
| Finance cost | (709) | (209) |
| Profit before taxation | 4,231 | 3,500 |
| Taxation | (920) | (389) |
| Profit attributable to shareholders | 3,311 | 3,111 |
| Earnings per share | | |
| – Basic | RMB0.95 cents | RMB0.89 cents |

By Order of the Board
SZE Kwan
Chairman

Hong Kong, 10 December, 2003

* *For identification purpose only*

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