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Information Technology

**SYSTEK INFORMATION TECHNOLOGY (HOLDINGS) LIMITED**  
**訊泰科技（控股）有限公司\***

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

**ANNOUNCEMENT**

The Composite Document contains an unaudited condensed consolidated cash flow statement of the Group for the three months and nine months ended 31 December 2002 and an unaudited condensed consolidated balance sheet of the Group as at 31 December 2002.

Reference is made to the announcement (the “**Joint Announcement**”) jointly made by the Company and the Purchaser on 14 May 2003 in relation to, among others, the despatch of the Composite Document. Terms used in this announcement shall have the same meanings as those defined in the Joint Announcement unless the context otherwise require.

The Composite Document contains unaudited condensed consolidated balance sheet of the Group as at 31 December 2002 and cash flow statement of the Group for the three months and nine months ended 31 December 2002 which were not required to be incorporated into the third quarterly report 2002 of the Company published on 10 February 2003. In compliance with Rule 17.10 of the GEM Listing Rules, the Company is required to disclose the unaudited condensed consolidated balance sheet of the Group as at 31 December 2002 and the cash flow statement of the Group for the three months and nine months ended 31 December 2002 together with the comparative unaudited figures for the corresponding period in 2001 prior to despatch of the Composite Document and they are set out below.

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Unaudited	
	Nine months ended	
	31 December	
	2002	2001
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash (outflow) from operating activities	<b>(12,055)</b>	(30,443)
Net cash inflow from returns on investments and servicing of finance	<b>18</b>	871
Hong Kong profits tax refunded	<b>–</b>	–
Net cash inflow from investing activities	<b>401</b>	10,934
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Net decrease in cash and cash equivalents	<b>(11,636)</b>	(18,638)
Effects of foreign exchange rate	<b>–</b>	(326)
Cash and cash equivalents at 1 April	<b>13,600</b>	34,392
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Cash and cash equivalents at 30 September	<b>1,964</b>	15,428
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Analysis of the balances of cash and cash equivalents		
Cash at bank and in hand	<b>1,964</b>	14,830
Deposits with banks	<b>–</b>	598
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	<b>1,964</b>	15,428
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## CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited 31 December 2002 <i>HK\$'000</i>	Unaudited 31 December 2001 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>		
Fixed assets	6,951	9,810
Intangible assets	27,166	29,466
Investment securities	700	5,796
	34,817	45,072
<b>CURRENT ASSETS</b>		
Gross amount due from customers for contracts	7,215	6,186
Inventories	221	169
Accounts receivable	6,175	7,421
Prepayment, deposits and other receivable	2,076	2,385
Tax recoverable	–	1,302
Pledged deposits	100	–
Cash and cash equivalents	1,964	27,584
	17,751	45,047
<b>CURRENT LIABILITIES</b>		
Receipts in advance	1,945	–
Other payables and accruals	8,332	10,864
Tax payable	266	266
	10,543	11,130
<b>NET CURRENT ASSETS</b>	<b>7,208</b>	<b>33,917</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>42,025</b>	<b>78,989</b>
<b>MINORITY INTERESTS</b>	<b>–</b>	<b>1,215</b>
<b>NET ASSETS</b>	<b>42,025</b>	<b>80,204</b>
<b>CAPITAL AND RESERVES</b>		
Share capital	103,638	103,638
Reserves	(61,613)	(23,434)
	<b>42,025</b>	<b>80,204</b>

Hong Kong, 15 May 2003

By Order of the Board

**To Cho Kei**

*Director*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at [www.systemkit.com.hk](http://www.systemkit.com.hk).*

*\* For identification only*