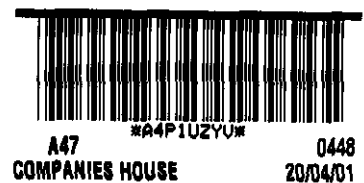


AMENDING

ENTA TECHNOLOGIES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000



ENTA TECHNOLOGIES LIMITED

COMPANY INFORMATION

Directors	Jason Tsai Yueh-Taou Chang Tsai
Secretary	Jason Tsai
Company number	2526028
Registered office	5th Floor 7/10 Chandos Street London W1G 9DQ
Auditors	Simmons Gainsford 7/10 Chandos Street Cavendish Square London W1G 9DQ
Business address	Stafford Park 6 Telford TF3 3AT

ENTA TECHNOLOGIES LIMITED

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ENTA TECHNOLOGIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2000

The directors present their report and financial statements for the year ended 30 September 2000.

Principal activities and review of the business

The principal activity of the company continued to be that of the importation and sale of computers and related products.

The directors consider the trading in the period under review satisfactory having regard to the difficult economic climate. The market continues to be highly competitive, however, the company is able to source products of high quality directly from the Far East and is also the main distributor for many well known computer brand names and thus remain highly competitive.

With the demise of some main competitors, it has given us greater opportunity in capturing additional market share in the distribution sector. The company continues to maintain its financial stability through a policy of prudence cost savings and sound investments.

Despite adverse trading difficulties that have seen some of our competitors disappearing, we however feel optimistic of the future with the benefit of our strength in purchasing power and financial stability.

Results and dividends

The results for the year are set out on page 4.

Directors

The following directors have held office since 1 October 1999:

Jason Tsai
Yueh-Taou Chang Tsai

Directors' interests

The directors' beneficial interests in the shares of the parent company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2000	1 October 1999
Jason Tsai	-	-
Yueh-Taou Chang Tsai	51	51

Jason Tsai is the beneficiary of The JTS Settlement that holds 49 shares of the parent company.

Charitable contributions

During the year the company made charitable donations of £13,300 (1999: £25,110).

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Simmons Gainsford be reappointed as auditors of the company will be put to the Annual General Meeting.

ENTA TECHNOLOGIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2000

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



Jason Tsai

Director

7/3/2001

ENTA TECHNOLOGIES LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF ENTA TECHNOLOGIES LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Simmons Gainsford

Chartered Accountants
Registered Auditor

7th April 2001

7/10 Chandos Street
Cavendish Square
London
W1G 9DQ

ENTA TECHNOLOGIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2000

		Year ended 30.09.00	17 Months ended 30.09.99
	Notes	£	£
Turnover	2	48,703,112	69,716,361
Cost of sales		(45,123,796)	(65,269,706)
Gross profit		3,579,316	4,446,655
Distribution costs		(523,798)	(856,840)
Administrative expenses		(3,415,555)	(3,993,043)
Other operating income		559,574	463,212
Operating profit	3	199,537	59,984
Other interest receivable and similar income		105,199	215,698
Interest payable and similar charges	5	(2,987)	-
Profit on ordinary activities before taxation		301,749	275,682
Tax on profit on ordinary activities	6	(40,133)	(8,692)
Profit on ordinary activities after taxation	16	261,616	266,990

The profit and loss account has been prepared on the basis that all operations are continuing operations.

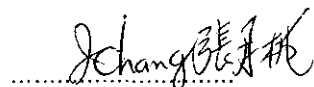
There are no recognised gains and losses other than those passing through the profit and loss account.

ENTA TECHNOLOGIES LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	7	3,227,533		3,212,059	
Investments	8	-		100	
		<u>3,227,533</u>		<u>3,212,159</u>	
Current assets					
Stocks	9	2,146,505		2,902,655	
Debtors	10	5,604,430		8,095,909	
Cash at bank and in hand		1,648,265		1,543,245	
		<u>9,399,200</u>		<u>12,541,809</u>	
Creditors: amounts falling due within one year	11	<u>(7,588,072)</u>		<u>(10,929,257)</u>	
Net current assets		<u>1,811,128</u>		<u>1,612,552</u>	
Total assets less current liabilities		<u>5,038,661</u>		<u>4,824,711</u>	
Creditors: amounts falling due after more than one year	12	<u>(2,769,000)</u>		<u>(2,816,666)</u>	
		<u>2,269,661</u>		<u>2,008,045</u>	
Capital and reserves					
Called up share capital	15	530,000		530,000	
Profit and loss account	16	1,739,661		1,478,045	
Shareholders' funds - equity interests	17	<u>2,269,661</u>		<u>2,008,045</u>	

The financial statements were approved by the Board on 7/3/2001



Yueh-Taou Chang Tsai
Director

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Straight line over forty years
Fixtures, fittings & equipment	20% straight line
Motor vehicles	15% straight line

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.9 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

2 Turnover and profit on ordinary activities before taxation

		Turnover	
		Year ended	17 months ended
		30.09.00	30.09.99
		£	£
Class of business			
Sales of computer		48,640,573	69,755,606
		<u>48,640,573</u>	<u>69,755,606</u>
		Year ended	17 months ended
		30.09.00	30.09.99
		£	£
3 Operating profit			
Operating profit is stated after charging:			
Depreciation of tangible assets		317,600	530,009
Auditors' remuneration		30,822	30,439
and after crediting:			
Government grants		47,666	84,334
		<u>47,666</u>	<u>84,334</u>
		Year ended	17 months ended
		30.09.00	30.09.99
		£	£
4 Other interest receivable and similar income			
Bank interest		105,199	215,617
Other interest		-	81
		<u>105,199</u>	<u>215,698</u>
5 Interest payable		2000	1999
		£	£
Other interest		2,987	-
		<u>2,987</u>	<u>-</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

		Year ended	17 months ended		
6	Taxation	30.09.00	30.09.99		
		£	£		
	U.K. current year taxation				
	U.K. corporation tax at 30% (1999- 30%)	24,000	76,682		
	Deferred taxation	-	(67,990)		
		<hr/>	<hr/>		
		24,000	8,692		
	Prior years				
	U.K. corporation tax	16,133	-		
		<hr/>	<hr/>		
		40,133	8,692		
		<hr/> <hr/>	<hr/> <hr/>		
7	Tangible fixed assets				
		Land and buildings Freehold	Fixtures, fittings & equipment	Motor vehicles	Total
		£	£	£	£
	Cost				
	At 1 October 1999	2,972,097	1,498,559	264,626	4,735,282
	Additions	-	307,440	71,163	378,603
	Disposals	-	-	(53,845)	(53,845)
		<hr/>	<hr/>	<hr/>	<hr/>
	At 30 September 2000	2,972,097	1,805,999	281,944	5,060,040
		<hr/>	<hr/>	<hr/>	<hr/>
	Depreciation				
	At 1 October 1999	317,896	1,070,280	135,048	1,523,224
	On disposals	-	-	(8,317)	(8,317)
	Charge for the year	61,762	221,730	34,108	317,600
		<hr/>	<hr/>	<hr/>	<hr/>
	At 30 September 2000	379,658	1,292,010	160,839	1,832,507
		<hr/>	<hr/>	<hr/>	<hr/>
	Net book value				
	At 30 September 2000	2,592,439	513,989	121,105	3,227,533
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	At 30 September 1999	2,654,201	428,279	129,579	3,212,059
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 October 1999	100
Disposals	(100)
	<hr/>
At 30 September 2000	-
	<hr/>

On the 3rd of July 2000, 100 shares held in Entanet Interational Limited, the companys 100% owned subsidiary, were transferred to Enta UK Limited, the company's parent company.

9 Stocks

	£	£
Finished goods and goods for resale	2,146,505	2,902,655
	<hr/>	<hr/>

Replacement cost of the stocks held at 30th September 2000 is not materially different from the value stated in the accounts.

10 Debtors

	£	£
Trade debtors	5,068,750	7,807,566
Amounts owed by parent and fellow subsidiary undertakings	419,040	194,909
Prepayments and accrued income	116,640	93,434
	<hr/>	<hr/>
	5,604,430	8,095,909
	<hr/>	<hr/>

11 Creditors: amounts falling due within one year

	£	£
Trade creditors	4,808,769	6,861,120
Corporation tax	24,000	83,344
Other taxes and social security costs	400,502	358,473
Directors' current accounts	5,255	23,075
Other creditors	981,421	1,092,705
Accruals and deferred income	1,368,125	2,510,540
	<hr/>	<hr/>
	7,588,072	10,929,257
	<hr/>	<hr/>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

12 Creditors: amounts falling due after more than one year

	£	£
Other loans	2,769,000	2,769,000
Deferred income	-	47,666
	<u>2,769,000</u>	<u>2,816,666</u>
Analysis of loans		
Wholly repayable within five years	3,746,160	3,856,630
	<u>3,746,160</u>	<u>3,856,630</u>
Included in current liabilities	(977,160)	(1,087,630)
	<u>2,769,000</u>	<u>2,769,000</u>

Other loans are unsecured and interest free.

13 Provisions for liabilities and charges

Deferred taxation provided in the financial statements and the amounts not provided are as follows:

	Not provided		Provided	
	2000	1999	2000	1999
	£	£	£	£
Accelerated capital allowances	<u>481,419</u>	<u>324,770</u>	<u>-</u>	<u>-</u>

14 Pension costs

The company contributes to a money purchase scheme for its directors and a defined contribution scheme for other staff. The contributions paid in the year is £21,836 (1999: £50,230).

15 Share capital

	£	£
Authorised		
1,000,000 Ordinary shares of £ 1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
530,000 Ordinary shares of £ 1 each	<u>530,000</u>	<u>530,000</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 1999	1,478,045
Retained profit for the period	261,616
Balance at 30 September 2000	<u>1,739,661</u>

17 Reconciliation of movements in shareholders' funds

	£	£
Profit for the financial year	261,616	266,990
Opening shareholders' funds	2,008,045	1,741,055
Closing shareholders' funds	<u>2,269,661</u>	<u>2,008,045</u>

18 Contingent liabilities

At the balance sheet date the company has contingent liabilities in respect of documentary credits amounting to £7,500,000 (1999: £1,000,000) The credits are guaranteed by way of a fixed charge over all book and other debts to a limit of £2,000,000.

An unlimited multilateral company guarantee was given to the company bankers to secure import facilities of Enta UK Limited and Entanet International Limited where applicable.

19 Directors' emoluments

	Year ended 30.09.00 £	17 months ended 30.09.99 £
Emoluments for qualifying services	41,175	76,000
Company pension contributions to money purchase schemes	11,808	37,159
	<u>52,983</u>	<u>113,159</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

20 Employees

Number of employees

The average number of employees (including directors) during the year was:

	Year ended 30.09.00 Number	17 months ended 30.09.99 Number
Management and administration	39	23
Marketing and sales	32	84
Warehouse and production	26	-
	<u>97</u>	<u>107</u>

Employment costs

	£	£
Wages and salaries	1,471,488	1,741,718
Social security costs	6,250	6,198
Other pension costs	21,836	50,230
	<u>1,499,574</u>	<u>1,798,146</u>

21 Control

Enta Technologies Limited is a wholly owned subsidiary of Enta UK Limited, a company registered in England and Wales.

22 Related party transactions

During the year, the company sold goods for resale of £162,906 to and purchased goods of £110,000 from Entanet International Limited in the ordinary course of business. Also, management charges of £90,000 and storage and rental charges of £200,000 were receivable from Entanet International Limited. The balance owe by Entanet International Limited at the year end amounts to £418,940.