

**POWER CHIPS PUBLIC
LIMITED COMPANY**

Financial Statements

for the nine months ended 31 December 2001

POWER CHIPS PUBLIC LIMITED COMPANY

PROFIT AND LOSS ACCOUNT

For the nine months ended 31 December 2001

| | 2001 | 2000 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Expenditure | | |
| Administration fees | 32,400 | 32,400 |
| | <u> </u> | <u> </u> |
| Retained loss for the year | (32,400) | (32,400) |
| | <u> </u> | <u> </u> |
| Retained losses brought forward | (176,400) | (133,200) |
| | <u> </u> | <u> </u> |
| Retained losses carried forward | \$ (208,800) | \$ (165,600) |
| | <u> </u> | <u> </u> |

POWER CHIPS PUBLIC LIMITED COMPANY

BALANCE SHEET as at 31 December 2001

| | 2001 | 2000 |
|----------------------------------|---------------------|---------------------|
| | \$ | \$ |
| Current Assets | | |
| Debtors | 1,756,185 | 1,299,238 |
| | <hr/> | <hr/> |
| Total Net Assets | \$ 1,756,185 | \$ 1,299,238 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Capital and Reserves | | |
| Called up Share Capital | 116,343 | 115,127 |
| Share Premium Account | 1,848,642 | 1,349,711 |
| Profit and Loss account | (208,800) | (165,600) |
| | <hr/> | <hr/> |
| Total Shareholders' Funds | \$ 1,756,185 | \$ 1,299,238 |
| | <hr/> <hr/> | <hr/> <hr/> |

POWER CHIPS PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS For the nine months ended 31 December 2001

DEBTORS

| | 2001 \$ | 2000 \$ |
|-----------------------|--------------|--------------|
| Loan to related party | \$ 1,756,185 | \$ 1,299,238 |

Amounts due from the Company's parent company are non-interest bearing, unsecured, and with no fixed terms of repayment

CALLED UP SHARE CAPITAL

| | 2001 \$ | 2000 \$ |
|---|------------|------------|
| Authorised share capital 10,000,000 ordinary shares @ £0.01 each | \$ 160,000 | \$ 160,000 |

| | Number of Shares | Share Capital \$ | Share Premium Account \$ | Total \$ |
|--|---------------------|------------------------|-----------------------------------|--------------|
| Issued share capital At 31 March 1999 | 5,200,000 | 83,200 | – | 83,200 |
| Shares issued during the year | 1,952,319 | 31,237 | 1,060,740 | 1,091,977 |
| At 31 March 2000 | 7,152,319 | 114,437 | 1,060,740 | 1,175,177 |
| Shares issued during the year | 57,648 | 922 | 341,861 | 342,783 |
| At 31 March 2001 | 7,209,967 | 115,359 | 1,402,601 | 1,517,960 |
| Shares issued during the period | 61,493 | 984 | 446,041 | 447,025 |
| At 31 December 2001 | 7,271,460 | \$ 116,343 | \$ 1,848,642 | \$ 1,964,985 |

POWER CHIPS PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS For the nine months ended 31 December 2001

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

| | Share Capital \$ | Share Premium Account \$ | Profit & Loss Account \$ | Total \$ |
|-------------------------------|---------------------|--------------------------------|--------------------------------|---------------------|
| At 31 March 1999 | 83,200 | – | (90,000) | (6,800) |
| Shares issued during the year | 31,237 | 1,060,740 | – | 1,091,977 |
| Loss for the year | – | – | (43,200) | (43,200) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2000 | 114,437 | 1,060,740 | (133,200) | 1,041,977 |
| Shares issued during the year | 922 | 341,861 | – | 342,783 |
| Loss for the year | – | – | (43,200) | (43,200) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2001 | 115,359 | 1,402,601 | (176,400) | 1,341,560 |
| Shares issued during the year | 984 | 446,041 | – | 447,025 |
| Loss for the period | – | – | (32,400) | (32,400) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 December 2001 | \$ 116,343 | \$ 1,848,642 | \$ (208,800) | \$ 1,756,185 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |