

CHINA INTELLIGENCE INFORMATION SYSTEMS, INC.

Balance Sheet

Quarter ended June 30th 2017

(\$ 000's)

Assets

Current Assets	
Cash and Cash Equivalents	39,002
Short Term Investments-	
Net Receivables	4,577
Inventory	0
Other Current Assets	34,633
Total Current Assets	2,083
Long Term Investments	73,676
Property Plant and Equipment	36,827
Goodwill	
Intangible Assets	
Accumulated Amortization	
Other Assets	698
<u>Deferred Long Term Asset Charges</u>	
Total Assets	236,903

Liabilities

Current Liabilities	78,897
Accounts Payable	118,191
Short Term and Current Long-Term Debt	36,698
Other Current Liabilities0	303
Total Current Liabilities	1,714
Long Term Debt-	0
Other Liabilities -	1,100
Deferred Long Term Liability Charges	
Minority Interest	
<u>Negative Goodwill</u>	
Total Liabilities	236,903

Stockholders' Equity

Misc. Stock Options Warrants	
Redeemable Preferred Stock	
Preferred Stock	
Common Stock	125
Retained Earnings	(23,827)
Treasury Stock	
Capital Surplus	23,463
Other Stockholder Equity	239
<u>Total Stockholder Equity</u>	<u>0</u>
Net Tangible Assets	0

CHINA INTELLIGENCE INFORMATION SYSTEMS, INC.

Income Statement
Year ended June 30th, 2017
(\$ 000's)

Total Revenue	9,578
Cost of Revenue	5,380
Gross Profit	4,198
Operating Expenses	577
Research and Development	4,216
Sales, General and Admin.	561
Non-Recurring Items	
Other	8,680
Other – Written off	1,712
Operating Income/loss	34,902
Income from Continuing Operations	
Add'l Income/Expense Items	2,622
Earnings Before Interest and Tax	189
Interest Expense	(242)
Earnings Before Tax	(13,174)
Income Tax	20
Minority Interest	(8)
Equity Earnings Unconsolidated Subsidiary	(8)
Net Income Cont. Operations	(10,141)
Non-Recurring Events	
Discontinued Operations	
Extraordinary Items	
Effect of Accounting Changes	
PPE Write off	1,378
Bad Debt Expenses	1,614
Other Items	6,762
Net Income	34,515
Preferred Stock and Other Adjustments	(1,666)
Net Income Applicable to Common Shareholders	32,849
Net Tangible Assets	32,849

CHINA INTELLIGENCE INFORMATION SYSTEMS, INC.