

PROSTEN
Technology

Prosten Technology Holdings Limited (長達科技控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)



Annual Report 1999/2000 年報

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “EXCHANGE”)

香港聯合交易所有限公司（「聯交所」）創業板市場（「創業板」）的特色

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies list on GEM with neither track record of profitability nor any obligation forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

創業板是為可能帶有高投資風險的公司而設立的一個市場。尤為重要者，在創業板上市的公司毋須有過往盈利記錄，亦毋須預測未來溢利能力。此外，在創業板上市的公司亦可能因其新興性質及該等公司經營業務的行業或國家而帶有風險。有意投資者應了解投資該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的風險較高，加上具備其他特色，表示創業板較適合專業及其他經驗豐富的投資者。

由於創業板上市公司新興的性質所然，在創業板買賣的證券可能會較於主板買賣的證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

創業板發佈資料的主要途徑為在聯交所為創業板而設的互聯網網頁上刊登。上市公司一般毋須在憲報指定報章發表付款公佈。因此，有意投資者應注意，彼等應瀏覽創業板網頁，以取得創業板上市發行人的最新資料。

CONTENTS

目錄

| | |
|--------------------------------------|----|
| Corporate Information | 2 |
| Chairman's Statement | 4 |
| Review of Operations and Prospects | 5 |
| Directors and Senior Management | 9 |
| Report of the Directors | 12 |
| Report of the Auditors | 29 |
| Consolidated Profit and Loss Account | 31 |
| Consolidated Balance Sheet | 32 |
| Consolidated Cash Flow Statement | 33 |
| Balance Sheet | 34 |
| Notes to the Financial Statements | 35 |
| Notice of Annual General Meeting | 74 |
| 公司資料 | 2 |
| 主席報告書 | 4 |
| 業務回顧及展望 | 5 |
| 董事及高層管理人員 | 9 |
| 董事會報告書 | 12 |
| 核數師報告書 | 29 |
| 綜合損益帳 | 31 |
| 綜合資產負債表 | 32 |
| 綜合現金流量表 | 33 |
| 資產負債表 | 34 |
| 財務報表附註 | 35 |
| 股東週年大會通告 | 74 |

Executive directors

Mr. Yip Seng Mun (*Chairman*)
 Mr. Yip Heon Ping
 Mr. Yip Heon Wai
 Mr. Yip Heon Keung
 Ms. Chan Fu Kuen, Gladys
 Mr. Jonathan Wu

Independent non-executive directors

Mr. James T. Siano
 Mr. Au Shing Kwok

Registered office

Zephyr House
 Mary Street
 George Town
 Grand Cayman
 British West Indies

Head office and principal place of business

Units 906-910
 Dah Sing Financial Centre
 108 Gloucester Road
 Hong Kong

Company homepage/website

<http://www.prosten.com>

Qualified accountant

Mr. Kwok Chi Shan, AHKSA

Compliance officer

Mr. Yip Heon Keung

Authorised representatives

Mr. Yip Heon Keung
 Ms. Chan Fu Kuen, Gladys

Company secretary

Chan Yim Kum, ICSA, HKICS

Principal banker

CITIC Ka Wah Bank Limited
 40th Floor, COSCO Tower
 183 Queen's Road Central
 Hong Kong

Auditors

Ernst & Young
Certified Public Accountants
 15th Floor
 Hutchison House
 10 Harcourt Road
 Central
 Hong Kong

執行董事

葉醒民先生 (主席)
 葉向平先生
 葉向維先生
 葉向強先生
 陳富娟女士
 吳道存先生

獨立非執行董事

James T. Siano先生
 區承國先生

註冊辦事處

Zephyr House
 Mary Street
 Georg Town
 Grand Cayman
 British West Indies

總辦事處及主要營業地點

香港
 告士打道108號
 大新金融中心
 906-910室

本公司網頁／網址

<http://www.prosten.com>

合資格會計師

郭子山先生, AHKSA

規章主任

葉向強先生

法定代表

葉向強先生
 陳富娟女士

公司秘書

陳艷琴, ICSA, HKICS

主要往來銀行

中信嘉華銀行有限公司
 香港
 皇后大道中183號
 中遠大廈40樓

核數師

安永會計師事務所
執業會計師
 香港
 中環
 夏慤道10號
 和記大廈15樓

Legal advisers*as to Hong Kong law:*

Chiu & Partners
41st Floor, Jardine House
1 Connaught Place
Hong Kong

as to PRC law:

Guangzhou Foreign Economic Law Office
15th Floor, Chengyue Plaza
448 Dongfeng Zhong Road
Guangzhou
The PRC

as to Cayman Islands law:

Conyers Dill & Pearman, Cayman
Zephyr House
Mary Sheet
George Town
Grand Cayman
Cayman Islands
British West Indies

Principal share registrar and transfer office

Bank of Butterfield International
(Cayman) Limited
Butterfield House, Fort Street
P.O. Box 705, George Town
Grand Cayman
Cayman Islands
British West Indies

Hong Kong branch share registrar and transfer office

Tengis Limited
Room 1601, Hutchison House
10 Harcourt Road
Central
Hong Kong

Sponsor

DBS Asia Capital Limited
26th floor, CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

法律顧問

香港法律:

趙不渝 馬國強律師事務所
香港
康樂廣場1號
怡和大廈41樓

中國法律:

廣州市對外經濟律師事務所
中國
廣州市
東風中路448號
成悅大廈15樓

開曼群島法律:

Conyers Dill & Pearman, Cayman
Zephyr House
Mary Street
George Town
Grand Cayman
Cayman Islands
British West Indies

股份登記及過戶總處

Bank of Butterfield International
(Cayman) Limited
Butterfield House, Fort Street
P.O. Box 705, George Town
Grand Cayman
Cayman Islands
British West Indies

香港股份登記及過戶分處

登捷時有限公司
香港
中環
夏慤道10號
和記大廈1601室

保薦人

新加坡發展亞洲有限公司
香港
中環
添美道1號
中信大廈26樓

I am glad to present Prosten Technology Holdings Limited's first financial results following its listing on the Growth Enterprise Market of the Stock Exchange of Hong Kong on 28 March 2000. The Group's performance for the year ended 31 March 2000 was encouraging, recording 28% and 114% increase in sales and net profit, respectively. The buoyant telecommunication market in the PRC was one of the key contributors to the performance. However, most important of all, the management's strategic repositioning of the Group's business a few years ago has paved the way for the good result in the financial year under review.

Looking ahead, I am optimistic about the Group's performance. In view of growing e-commerce activities and usage of Internet services, the market for the Group core businesses should continue to expand. Having been operating in the PRC information technology market for more than a decade and having established good relationships with its customers and technology providers, the Group is well placed to take on any new business opportunities. The Group has a very strong financial position after it raised approximately HK\$388 million in its new issue in March 2000. This will provide sufficient resources for the Group to implement its future expansion strategies.

Finally, I must take this opportunity to thank the management team whose dedication and efforts have made the listing a tremendous success and contributed to the outstanding financial results.

Yip Seng Mun

Chairman

Hong Kong
29 June 2000

本人欣然提呈長達科技控股有限公司於二零零零年三月二十八日在香港聯交所創業板市場上市後之首份財務業績。本集團於截至二零零零年三月三十一日止年度之表現令人鼓舞，銷售額及毛利分別錄得28%及114%之增長。中國電訊市場之興旺乃業績之其中一個重要貢獻來源。然而，更重要的是，管理人員於數年前重訂本集團業務策略，為回顧財政年度取得優異業績奠下基礎。

展望未來，本人對本集團之表現相當樂觀。鑑於電子商貿活動及互聯網服務之使用日趨頻繁，本集團主要業務之市場將可繼續擴展。基於本集團已於中國資訊科技市場營運超過十年，並已跟其客戶及技術供應商建立了良好關係，本集團正處於有利位置，可抓緊任何新湧現之商機。本集團於二零零零年三月發售新股時籌集了約388,000,000港元，財務狀況因而非常穩固。此將為本集團提供充足資源，以實行其未來擴展策略。

最後，本人謹藉此機會向管理人員致以深切謝意，彼等盡心盡力之服務令上市活動取得空前成功，並帶來優異之財務業績。

葉醒民

主席

香港
二零零零年六月二十九日

During the period under review, the Group has achieved significant growth in its revenues and net profit. This is mainly attributable to favourable developments in the PRC telecommunication market and the Group's strategy to focus on higher value-added broadband network businesses.

Owing to increased demand for e-commerce and Internet services, a number of local telecommunication authorities in the PRC implemented programs to expand their network capacity, in particular on the broadband side. As a result, the Group's broadband data network and Internet backbone business registered a 24% growth in sales.

In addition, the Group found that customers were more willing to invest in e-commerce applications and pay consultants for Internet solutions than before. The directors believe that this is partly due to the rapid increase in the number of Internet service provider and Internet content provider in PRC. Also there were more enterprises realized the importance of a successful e-commerce strategy to their future business prospects. The Group was able to capitalize on these opportunities as it started to re-position itself and develop its Internet Management System (including user management, user authentication, billing and settlement, statistics and network management) three years ago. Therefore its revenues derived from application software and e-commerce/IT consultancy services recorded increases by 33% and thirteen times, respectively in the financial year under review.

The Company obtained net proceeds of approximately HK\$363 million from the new issue of shares by way of placing. As the proceeds was received just before the balance sheet date, no proceeds was applied for the intended uses during the period and all the above net proceeds were placed on short term deposits with financial institutions in Hong Kong at the balance sheet date. However, approximately HK\$7 million was set aside for the acquisition of hardware and software for setting up a broadband ISP in Hong Kong.

於回顧期內，本集團之收入及純利錄得強勁增長，此主要歸因於國內電訊市場發展理想及本集團專注於高增值寬頻網絡業務之策略。

鑑於電子商貿及互聯網服務需求日增，多個國內電訊機關實施計劃，以擴充彼等之網絡（特別是寬頻網絡）之容量。因此，本集團寬頻數據網絡及互聯網主幹線業務之銷售額錄得24%之增長。

本集團亦發現，客戶較從前更樂意投資於電子商貿應用程式及聘請互聯網解決方案顧問。董事相信，形成此情況之部份原因為國內互聯網服務供應商及互聯網內容供應商數目急劇增加。此外，更多企業明白到成功的電子商貿策略，對彼等未來業務前景之重要性。自本集團開始重整業務，並於三年前開發互聯網管理系統（包括使用者管理、使用者身份確認、收費及付款、數據及網絡管理）以來，其已能抓緊該等機會。因此，於回顧財政年度，來自應用軟件及電子商貿／資訊科技顧問服務之收入分別獲得33%及十三倍之增長。

本公司透過配售發行新股獲得之款項淨額為約363,000,000港元。由於有關款項僅於結算日前收到，因此於期內有關款項並未用於原定用途。於結算日，上述款項淨額全數存放於香港金融機構作短期定期存款。然而，已撥出約7,000,000港元，為建設於香港設立之寬頻互聯網服務供應商購入硬件及軟件。

BUSINESS OBJECTIVES AND FUTURE PLANS AND PROSPECTS**業務目標、未來計劃及展望****ACTUAL RESULTS****實際結果****Broadband data networks and Internet backbone solutions****寬頻數據網絡及互聯網主幹線解決方案**

- | | | |
|----|--|---|
| 1. | Final testing of the application launching stage of Phase II of the Yunan ATM/FR broadband network project. 雲南ATM/FR寬頻網絡項目第二期應用系統投產階段之最後測試。 | Final testing completed 最後測試已完成 |
| 2. | Final testing of the Hainan government's online project of combining the "163" and "169" Internet networks. 海南省政府有關合併「163」及「169」互聯網網絡網上項目之最後測試。 | Final testing completed 最後測試已完成 |
| 3. | Bid for tender for development of e-commerce site under the "179" project from a provincial PTA under MII. 投標開發信息產業部轄下省郵電管理部門「179」項目轄下之電子商貿網址。 | Tender submitted and results to be known soon 已投標及結果即將公佈 |

Applications software development**應用軟件開發**

- | | | |
|----|--|---|
| 1. | Prepare for the completion of the development of network monitoring system which is an extended function of the IMS. 準備完成網絡監督系統開發，該系統乃一項延伸IMS之功能。 | Preparation work completed 準備工作已完成 |
| 2. | Prepare for the completion and delivery of the IMS tailored for Hainan province. 準備完成及傳送專為海南省而設之IMS。 | IMS delivered satisfactorily IMS傳送效果滿意 |
| 3. | Finalise the trial run of the Internet Classified System 完成互聯網分類系統之試行運作。 | Trial run finalised 完成試行運作 |

e-commerce solutions and related IT consultancy services**電子商貿解決方案及與資訊科技相關之諮詢服務**

- | | | |
|----|--|--|
| 1. | Finalise feasibility study on the integration of the IMS for the future "179" project. 完成未來「179」項目之IMS整合之可行性研究。 | Study finalised and results satisfactorily 研究已完成，結果令人滿意 |
|----|--|--|

Broadband ISP**寬頻互聯網服務供應商**

- | | | |
|----|---|---|
| 1. | Commence order and purchase hardware for the proposed broadband ISP to be set up in Hong Kong. 開始為建議於香港設立之寬頻互聯網服務供應商訂貨及購入硬件。 | Order placed / hardware installed 已訂貨/安裝硬件 |
|----|---|---|

BUSINESS OBJECTIVES AND FUTURE PLANS AND PROSPECTS**業務目標、未來計劃及展望****Sales and marketing****銷售及市場推廣**

1. Identify premises for establishment of representative office in Kunming, Yunnan province for development of the south-western and southern market (including Sichuan) of China.

於雲南省物色設立昆明代辦處之物業，以拓展中國西南及華南市場（包括四川）。

2. Identify appropriate office premises in Hong Kong to be leased for installation of equipment in connection with the Group's launching of broadband ISP services, which premises will also be used as the Group's functional headquarters in Hong Kong.

於香港物色將租用之合適辦公室，裝置本集團推出寬頻互聯網服務供應商服務之有關設備，所租用之物業亦將作為本集團設於香港之營運總部。

3. Identify additional premises or renovate existing premises in Beijing to accommodate additional sales and marketing staff to be employed.

於北京物色額外物業或裝修現有物業，以安置將予增聘之銷售及市場推廣員工。

Resources employment and administration**資源運用及管理**

1. Recruit additional technical staff for developing applications software in Guangzhou.

增聘技術人員於廣州開發應用軟件。

2. Recruit additional staff to carry out marketing and quality control functions.

增聘員工擔當市場推廣及品質控制職務。

3. Install demonstration laboratory in Guangzhou office to illustrate to customers the operation of e-commerce related software on the IBM platforms.

於廣州辦事處設立示範實驗室，向客戶示範IBM平台電子商貿相關軟件之運作。

4. Strengthen the administration and finance functions in Hong Kong by recruiting additional experienced accounting staff.

增聘資深會計人員，加強香港方面之行政及財務事務。

ACTUAL RESULTS**實際結果**

Representative office premises have been leased

已租用代辦處物業

Hong Kong office has been leased and installation completed

已租用香港辦事處及已完成裝置工作

Just signed agreement to lease

只簽訂了租賃協議

Already recruited

已作招聘

Already recruited

已作招聘

Demonstration laboratory already installed

已設立示範實驗室

CFO and more accounting staff already on board

已聘用財務總監及更多會計員工

PROSPECTS

Apart from the rapid growth in the number of Internet users in the PRC, China's accession to the WTO is expected to speed up enterprises' e-commerce activities. Also, the restructuring of the China Telecommunication group last year, resulting in the establishment of several new telecommunication entities in the PRC, are expected to create additional telecommunication network demand. All these macro developments are favourable to the Group's business environment.

The Group has already been a leading broadband data network solutions provider in the PRC and will continue to expand to capture more market share. It believes that e-commerce application softwares and IT consulting services will be fast growing business sectors in the industry and it will commit more resources in an attempt to capitalize on the growth.

Since the Group's listing in March 2000, it has already recruited more than 30 staff with most of them in the marketing and technical departments, on top of existing 120 members. In addition, more offices including Nanjing and Wuhan have been set up in the PRC to expand its sales network. In order to strengthen its technical expertise, the Group has been negotiating with several internationally reputable technology providers and intends to team up with them to develop business in the PRC.

Baring unforeseen circumstances, the Group expects to achieve better revenues in the coming financial year than that of last year.

展望

除了國內互聯網使用者人數激增外，預期中國加入世貿亦可加促企業之電子商貿活動。此外，去年中國電訊集團進行重組，引至多個新電訊公司在中國成立，預期此亦會進一步增加電訊網絡之需求。上述各項宏觀發展情況均有利於本集團之業務環境。

本集團為國內數一數二之寬頻數據網絡解決方案之供應商，其將會繼續擴充，以爭取更大之市場佔有率。本集團相信，電子商貿應用軟件及資訊科技顧問服務將為此行業之高速發展業務範疇，而本集團將會投放更多資源，以從有關發展中受惠。

除了現有之120名僱員外，自二零零零年三月上市以來，本集團已招聘了超過30名員工，而該等員工大多受聘於市場推廣及技術部門。此外，本集團亦於國內，包括南京及武漢等地成立了辦事處，以擴展其分銷網絡。為了加強專業技術，本集團正與多個世界知名之技術供應商進行磋商，並打算與彼等合作共同開發國內業務。

除不可預見之情況外，本集團預期下一個財政年度之收入將較本年度更理想。

Executive Directors

Mr. Yip Seng Mun, aged 69, is a founder and the Chairman of the Group. He is responsible for formulating the overall business strategy and plans of the Group. Mr. Yip worked for Cable & Wireless HKT for about 20 years and was one of the senior executives in its PRC operations. Mr. Yip is the father of Mr. Yip Heon Ping, Mr. Yip Heon Wai and Mr. Yip Heon Keung.

Mr. Yip Heon Ping, aged 42, is an executive Director and the General Manager of the Group in charge of the Group's overall management function. He holds a bachelor's degree in electrical engineering from Iowa State University, USA. He worked for Hewlett Packard for more than 10 years before joining the Group in December 1992. Mr. Yip is a son of Mr. Yip Seng Mun and a brother of Mr. Yip Heon Wai and Mr. Yip Heon Keung.

Mr. Yip Heon Wai, aged 39, is a founder and the Managing Director of the Group in charge of the overall corporate strategies and business development of the Group. He holds a bachelor's degree in applied computer science from Illinois State University, USA. He joined the Group in 1990 and has more than 12 years of experience in the information technology industry. Mr. Yip is a son of Mr. Yip Seng Mun, the spouse of Ms. Chan Fu Kuen, Gladys and a brother of Mr. Yip Heon Ping and Mr. Yip Heon Keung.

Mr. Yip Heon Keung, aged 31, is an executive Director of the Group in charge of strategic alliances with vendors and business partners. He holds a bachelor's degree in electrical engineering from the University Wisconsin-Madison, USA. Before joining the Group, he worked in a software-consulting firm as a consultant in the USA. He has more than seven years' experience in the information technology industry and he has been with the Group since October 1996. Mr. Yip is a son of Mr. Yip Seng Mun and a brother of Mr. Yip Heon Ping and Mr. Yip Heon Wai.

Ms. Chan Fu Kuen, Gladys, aged 37, is an executive Director of the Company in charge of finance and administration. She holds a bachelor's degree in science and a master degree in business administration, both from Illinois State University, US. She has more than six years' experience in systems development in the banking and telecommunications industry and six years of experience in finance and administration. She has been with the Group since June 1993. Ms. Chan is the spouse of Mr. Yip Heon Wai.

執行董事

葉醒民先生，69歲，本公司主席及為本集團創辦人之一。彼負責制定本集團之整體業務策略及計劃。葉先生曾於香港電訊任職約20年，為其中國業務高級行政人員。葉先生為葉向平先生、葉向維先生及葉向強先生之父親。

葉向平先生，42歲，本公司執行董事兼總經理，負責本集團之整體銷售及市場推廣事宜。彼持有美國愛阿華州立大學電機工程學士學位。葉先生於一九九二年十二月加入本集團，之前曾任職惠普集團逾10年。葉先生為葉醒民先生之兒子以及葉向維先生及葉向強先生之兄弟。

葉向維先生，39歲，本公司之創辦人兼董事總經理，負責制定本集團之整體企業策略及業務發展。彼持有美國伊利諾斯州立大學科學學士學位。葉先生於一九九零年加入本集團，在資訊科技界累積逾12年經驗。葉先生為葉醒民先生之兒子、陳富娟女士之丈夫以及葉向平先生及葉向強先生之兄弟。

葉向強先生，31歲，本公司執行董事，負責與賣家及業務夥伴建立策略性聯盟。彼持有美國威斯康辛－麥迪遜大學電機工程學士學位。葉先生在加入本集團前，曾於美國一間軟件顧問公司出任顧問一職。葉先生於資訊科技界累積逾7年經驗，於一九九六年十月加入本集團。葉先生為葉醒民先生之兒子以及葉向平先生及葉向維先生之兄弟。

陳富娟女士，37歲，本公司執行董事，負責財務及行政管理。彼持有美國伊利諾斯州立大學科學學士學位及工商管理碩士學位。彼於銀行及電訊界之系統開發方面累積逾6年經驗，並擁有6年財務及行政經驗。彼於一九九三年六月加入本集團。陳女士為葉向維先生之妻子。

Executive Directors (continued)

Mr. Jonathan Wu, aged 40, is an executive Director of the Company and is responsible for managing the technology and services division of the Group. He is also responsible for the overall technology planning of the PRC operations. He holds a bachelor's degree in mathematics and philosophy from the National University of Singapore. He has over 17 years of experience in the information technology industry in Asia and the US, during which period he worked for IBM for about 12 years performing primarily IT consulting services. Mr. Wu joined the Group in October 1998.

Independent non-executive Directors

Mr. James T. Siano, aged 40, was appointed as a non-executive Director in March 2000. He holds a master's degree in business administration from Pace University located in the US. He is the president and the chief executive officer of Montblanc Pacific Distributors Ltd. which is the Asia Pacific regional headquarters for the *Montblanc* brand. Previously, Mr. Siano was the managing director of Swatch Group of Switzerland (Hong Kong) Ltd. Mr. Siano has 19 of years' experience in sales, marketing and finance, including nine years in Hong Kong.

Mr. Au Sbing Kwok, aged 59, was appointed as a non-executive Director in March 2000. He obtained a diploma in electrical engineering from Royal Melbourne Institute of Technology (Australia) and has been a chartered engineer since 1980. He has been a member of Institute of Engineers (Australia) since 1969. He works as a building services consulting engineer and has been involved in the design and project management of building services for a number of major buildings in Hong Kong, the PRC and overseas.

執行董事 (續)

吳道存先生，40歲，本公司執行董事，負責管理本集團之科技及服務部。彼亦負責策劃中國業務之整體技術。彼持有新加坡國立大學數學及哲學學士學位。彼在亞洲及美國資訊科技界累積逾17年經驗，期間約12年任職於IBM，專責提供顧問服務。胡先生於一九九八年十月加入本集團。

獨立非執行董事

James T. Siano先生，40歲，於二零零零年三月獲委任為非執行董事，持有美國Pace University工商管理碩士學位。彼現時出任Montblanc Pacific Distributors Ltd.總裁及主要行政人員。該公司為Montblanc品牌之亞太區總部。過往，Siano先生曾擔任Swatch Group of Switzerland (Hong Kong) Ltd.之董事總經理，擁有十九年從事銷售、市場推廣及金融之經驗，當中包括於香港所累積之九年經驗。

區承國先生，59歲，於二零零零年三月獲委任為非執行董事。區先生持有澳洲皇家墨爾本科技學院 (Royal Melbourne Institute of Technology) 頒授之電力工程文憑，於一九八零年成為特許工程師。彼早於一九六九年成為澳洲Institute of Engineers之會員，擔任樓宇服務顧問工程師，並曾為中港及海外多幢主要樓宇從事樓宇服務之設計及項目管理。

Senior Management

Mr. Jacky Chiu is the Chief Financial Officer of the Group and is in charge of the Group's overall financial matters. Jacky holds a master's degree in business from the United Kingdom and a master's degree in finance from Australia. He has been in the securities and investment banking industry for 13 years and hold senior positions in a locally-listed company and international investment banks.

Dr. Clement Lau is the Vice President of the company responsible for e-commerce solutions. Dr. Lau holds a Ph.D. from Canada and has had over 10 years' experience in the IT industry. Dr. Lau has over 9 years' experience in the Asia market having worked for Cray Research and Platform Computing before joining the Group in May 2000.

Mr. Tung Man Chi, David is the Director of Product Development of the Group responsible for the development of Internet/Intranet based applications and products. He is also responsible for the infrastructure design and implementation of projects in the telecommunications and utilities sectors. He holds a bachelor's degree in computer science from the United Kingdom and is a chartered engineer and a member of The Institution of Electrical Engineers, United Kingdom. Prior to joining the Group in February 2000, David worked for Cable and Wireless HKT Limited for 12 years.

Mr. Kwok Chi Shan is the Qualified Accountant of the Group and is in charge of the accounting department of the Group. He holds a master of science degree in financial economics from the United Kingdom and is a fellow member of The Chartered Association of Certified Accountants and an associate member of Hong Kong Society of Accountants. He has over 11 years' experience in accounting and finance.

Ms. Chan Yim Kum is the Company Secretary of the Group and is in charge of the Group's overall company secretarial and administrative issues. She holds a bachelor's degree (honours) in business administration from the United Kingdom and is a member of the Institute of Chartered Secretaries and Administration and the Hong Kong Institute of Company Secretaries. She has more than 10 years' experience in corporate administration.

高層管理人員

招偉祺先生是本集團財務總監，負責本集團整體財務事宜。彼於英國取得商業管理碩士學位及於澳洲取得財務碩士學位。彼於證券及投資銀行業擁有十三年經驗，亦曾於本地上市公司及國際投資銀行出任高級職位。

劉宇泰博士是本集團副總裁，負責電子商貿事務。劉先生於加拿大取得博士學位，在資訊科技業擁有逾十年經驗。劉先生於二零零零年五月加入本集團前，亦曾服務Cray Research及Platform Computing，在亞洲市場擁有逾九年經驗。

董民志先生是本集團產品發展總監，負責開發以互聯網／內聯網為基礎之應用及產品。彼亦負責電訊及公用事業項目的基建設計及執行事宜，彼於英國取得電腦科學學士學位，亦為執業工程師兼英國電機工程師學會會員。於二零零零年二月加入本集團前，曾於香港電訊有限公司服務十二年。

郭子山先生是本集團合資格會計師，主管本集團會計部。彼持有財務經濟學理碩士學位，亦為英國公認會計師公會資深會員及香港會計師公會會員。彼於會計及財務方面擁有逾十一年豐富經驗。

陳艷琴小姐是本集團公司秘書，主理本集團整體公司秘書及行政事務，彼於英國持有商業行政學（榮譽）學士學位，亦為英國公認秘書及行政學會及香港公司秘書學會會員。陳小姐於集團行政方面擁有逾十年經驗。

The directors herein present their first annual report and the audited financial statements of the Company and the Group, for the period from 22 November 1999 (date of incorporation of the Company) to 31 March 2000.

GROUP REORGANISATION

The Company was incorporated in the Cayman Islands on 22 November 1999 as an exempted company with limited liability under the Companies Law (1998 Revision) of the Cayman Islands. Pursuant to a reorganisation scheme to rationalise the Group structure in preparation for the listing of the Company's shares on the Growth Enterprise Market ("GEM") operated by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the Group on 7 March 2000 (the "Reorganisation"). Further details of the Reorganisation, together with details of the subsidiaries acquired pursuant thereto, are set out in notes 1, 15 and 21 to the financial statements and in the Company's prospectus dated 21 March 2000.

The shares of the Company began trading on the GEM of the Stock Exchange on 28 March 2000.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 15 to the financial statements. There were no changes in the nature of the Group's principal activities during the period.

董事會謹此提呈本公司及本集團由一九九九年十一月二十二日(本公司註冊成立日期)至二零零零年三月三十一日止期間之首份年報及經審核財務報表。

集團重組

本公司於一九九九年十一月二十二日根據開曼群島公司法(一九九八年修訂本),在開曼群島註冊成為獲豁免有限公司。根據一項精簡本集團架構以籌備本公司股份在香港聯合交易所有限公司(「聯交所」)創業板市場(「創業板」)上市之重組計劃(「重組」),本公司於二零零零年三月七日成為本集團之控股公司。重組之詳情,連同據此收購附屬公司之詳情,載於財務報表附註1、15及21,以及本公司於二零零零年三月二十一日刊發之售股章程。

本公司股份於二零零零年三月二十八日在聯交所創業板開始買賣。

主要業務

本公司之主要業務為投資控股。各附屬公司之主要業務詳情載於財務報表附註15。期內,本集團之主要業務性質並無任何改變。

SEGMENTAL INFORMATION

An analysis of the Group's turnover and contribution to profit from operating activities by principal activity for the period ended 31 March 2000 is as follows:

分類資料

截至二零零零年三月三十一日止期間，本集團按主要業務劃分之營業額及經營業務溢利貢獻如下：

| | | Consolidated | | Pro forma combined | |
|---|-------------------------|--|-------|--|--------|
| | | For the period from | | For the year ended | |
| | | 22 November 1999 | | 31 March 2000 | |
| | | to 31 March 2000 | | 31 March 2000 | |
| | | Turnover | | Turnover | |
| | | Contribution to profit from operating activities | | Contribution to profit from operating activities | |
| | | 營業額 | | 營業額 | |
| | | 溢利貢獻 | | 溢利貢獻 | |
| | | HK\$'000 | | HK\$'000 | |
| | | 千港元 | | 千港元 | |
| | | 綜合 | | 備考合併 | |
| | | 一九九九年 | | 截至 | |
| | | 十一月二十二日至 | | 二零零零年 | |
| | | 二零零零年 | | 三月三十一日 | |
| | | 三月三十一日 | | 止年度 | |
| | | 止期間 | | 止年度 | |
| | | 營業額 | | 營業額 | |
| | | 溢利貢獻 | | 溢利貢獻 | |
| | | HK\$'000 | | HK\$'000 | |
| | | 千港元 | | 千港元 | |
| By principal activity: | 按主要業務劃分: | | | | |
| Provision of broadband data networks and Internet backbone solutions | 提供寬頻數據網絡及互聯網主幹線解決方案 | 11,264 | 1,281 | 193,726 | 25,291 |
| Provision of applications software | 提供應用軟件 | - | - | 5,160 | 4,327 |
| Provision of e-commerce solutions and related IT consultancy services | 提供電子商貿解決方案及與資訊科技有關之諮詢服務 | 2,717 | 2,549 | 7,880 | 4,797 |
| | | 13,981 | 3,830 | 206,766 | 34,415 |

SEGMENTAL INFORMATION (continued)

分類資料 (續)

| | | Consolidated | | Pro forma combined | |
|--|--------------------|---|--------------|--|--------------|
| | | For the period from 22 November 1999 to 31 March 2000 | | For the year ended 31 March 2000 | |
| | | Contribution to profit from operating Turnover | | Contribution to profit from operating Turnover | |
| | | activities | | activities | |
| | | 綜合 | | 備考合併 | |
| | | 一九九九年 十一月二十二日至 二零零零年 三月三十一日 止期間 | | 截至 二零零零年 三月三十一日 止年度 | |
| | | 營業額 | 經營業務 溢利貢獻 | 營業額 | 經營業務 溢利貢獻 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| By geographical area: | 按地域劃分: | | | | |
| People's Republic of China (“PRC”): | 中華人民共和國 (「中國」): | | | | |
| Hong Kong | 香港 | 2,717 | 2,549 | 2,717 | 2,212 |
| Elsewhere | 其他地區 | 11,264 | 1,281 | 204,049 | 32,203 |
| | | 13,981 | 3,830 | 206,766 | 34,415 |

The basis of presentation of the Group's turnover and contribution to profit from operating activities for the period from 22 November 1999 to 31 March 2000 and the Group's pro forma combined turnover and contribution to profit from operating activities for the year ended 31 March 2000 is set out in note 1 to the financial statements.

本集團由一九九九年十一月二十二日至二零零零年三月三十一日止期間之營業額及經營業務溢利貢獻之呈報基準及本集團於截至二零零零年三月三十一日止年度之備考合併營業額及經營業務溢利貢獻之呈報基準載於財務報表附註1。

RESULTS AND DIVIDENDS

The Group's profit for the period ended 31 March 2000 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 31 to 73.

Prosten Technology Co. Limited, a subsidiary of the Company, paid a special dividend of HK\$20,000,000 on 1 June 1999 to its then shareholders prior to the Reorganisation and the listing of the Company's shares on the GEM of the Stock Exchange.

The directors do not recommend the payment of a final dividend in respect of the period.

SUMMARY FINANCIAL INFORMATION

The Company was incorporated in the Cayman Islands on 22 November 1999 and became the ultimate holding company of the companies now comprising the Group as a result of the Reorganisation which became effective on 7 March 2000. Accordingly, the only balance sheet of the Group that has been prepared is that set out in the financial statements on page 32.

To ensure consistency of presentation and for comparison purposes, the pro forma combined results for the three years ended 31 March 2000 presented below include the results of the Company and its subsidiaries with effect from 1 April 1997 or since their respective dates of incorporation/establishment, where this is a shorter period, on the basis that the current group structure had been in existence throughout the said period.

業績及股息

本集團截至二零零零年三月三十一日止期間之溢利及本公司與本集團在該日之財務狀況載於第31至第73頁之財務報表內。

本公司之附屬公司長達科技有限公司在重組及本公司股份在聯交所創業板上市前，曾於一九九九年六月一日派發特別股息20,000,000港元予其當時之股東。

董事會不建議就本期間派發末期股息。

財務資料摘要

本公司於一九九九年十一月二十二日在開曼群島註冊成立，並於二零零零年三月七日重組後，成為本集團現時各成員公司之最終控股公司。因此，本集團僅編制了載於第32頁之財務報表之資產負債表。

為使呈報方式更為一致，在假設現行集團架構於下述期間已存在之基準下，下述截至二零零零年三月三十一日止三個年度之備考合併業績包括本公司及其附屬公司自一九九七年四月一日或自彼等各自之註冊成立/成立日期以來（以較短者為準）之業績，以供參考之用。

SUMMARY FINANCIAL INFORMATION*(continued)***財務資料摘要 (續)****Pro forma combined results**

備考合併業績

| | | Year ended 31 March 截至三月三十一日止年度 | | |
|---|------------------|---|-----------------|-----------------|
| | | 2000 | 1999 | 1998 |
| | | 二零零零年 | 一九九九年 | 一九九八年 |
| | | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | | 千港元 | 千港元 | 千港元 |
| TURNOVER | 營業額 | 206,766 | 161,133 | 119,018 |
| PROFIT BEFORE TAX | 除稅前溢利 | 34,415 | 17,496 | 8,455 |
| Tax | 稅項 | (2,179) | (2,492) | (1,725) |
| NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS | 股東應佔日常 業務所得純利 | 32,236 | 15,004 | 6,730 |

FIXED ASSETS

Details of movements in the fixed assets of the Group during the period are set out in note 14 to the financial statements.

固定資產

本集團固定資產於期內之變動詳情載於財務報表附註14。

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in note 15 to the financial statements.

附屬公司

本公司各附屬公司之詳情載於財務報表附註15。

BORROWINGS

Details of the borrowings of the Group are set out in notes 18 and 19 to the financial statements.

借貸

本集團之借貸詳情載於財務報表附註18及19。

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital during the period, together with reasons therefor, and details of the Company's share option scheme are set out in note 21 to the financial statements.

股本及購股權

本公司股本於期內之變動詳情及原因，以及本公司購股權計劃之詳情載於財務報表附註21。

RESERVES

Details of movements in the reserves of the Company and the Group during the period are set out in note 22 to the financial statements.

DISTRIBUTABLE RESERVES

At 31 March 2000, the Company's reserves available for distribution, calculated in accordance with the Companies Law (1998 Revision) of the Cayman Islands, amounted to HK\$338,987,000. This includes the Company's share premium account, in the amount of HK\$339,275,000 at 31 March 2000, which may also be distributed in the form of fully paid bonus shares.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Other than in connection with the Company's initial public offering by way of placement, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period.

MAJOR CUSTOMERS AND SUPPLIERS

On a pro forma combined basis, in the year under review, sales to the Group's five largest customers accounted for 72% of the total sales for the year and sales to the largest customer included therein amounted to 24%. Purchases from the Group's five largest suppliers accounted for 85% of the total purchases for the year and purchases from the largest supplier included therein amounted to 47%.

儲備

本公司及本集團之儲備於期內之變動詳情載於財務報表附註22。

可供分派儲備

於二零零零年三月三十一日，根據開曼群島公司法（一九九八年修訂本）計算，本公司可供分派之儲備為338,987,000港元，此包括本公司之股份溢價帳（於二零零零年三月三十一日之數額為339,275,000港元），其亦可供以繳足紅股之方式分派。

優先購買權

本公司之組織章程細則或開曼群島（本公司註冊成立之司法管轄區）法例並無載有優先購買權條文，以規定本公司須按比例基準向現有股東發售新股份。

購回、贖回或出售上市證券

除了與本公司透過配售形式初次公開招股有關之證券外，期內本公司或其任何附屬公司概無購回、贖回或出售本公司任何上市證券。

主要客戶及供應商

按備考合併基準計算，於回顧年內，本集團五大客戶之銷售額佔本年度總銷售額72%，其中最大客戶之銷售額佔24%。本集團五大供應商之採額額佔本年度總採購額85%，其中最大供應商之採購額佔47%。

MAJOR CUSTOMERS AND SUPPLIERS*(continued)*

To the best knowledge of the directors, neither the directors, their associates, nor any shareholders who owned more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the year.

DIRECTORS

The directors of the Company since 22 November 1999 and at the date of this annual report were as follows:

Executive directors:

- Mr. Yip Seng Mun
(appointed on 22 November 1999)
- Mr. Yip Heon Ping
(appointed on 22 November 1999)
- Mr. Yip Heon Wai
(appointed on 22 November 1999)
- Mr. Yip Heon Keung
(appointed on 22 November 1999)
- Ms. Chan Fu Kuen, Gladys
(appointed on 22 November 1999)
- Mr. Jonathan Wu
(appointed on 22 November 1999)

Independent non-executive directors:

- Mr. James T. Siano
(appointed on 7 March 2000)
- Mr. Au Shing Kwok
(appointed on 7 March 2000)

In accordance with Articles 111 and 112 of the Company's Articles of Association, all directors will retire, and being eligible, offer themselves for re-election at the forthcoming annual general meeting. The independent non-executive directors are not appointed for specific terms but are subject to retirement by rotation in accordance with the Company's Articles of Association.

主要客戶及供應商 (續)

據董事所知，各董事、彼等之聯繫人士或擁有本公司已發行股本逾5%之股東於年內在本集團五大客戶或供應商中概無擁有任何實益權益。

董事

自一九九九年十一月二十二日起至本年報刊發日期止，本公司之董事如下：

執行董事：

- 葉醒民先生
(於一九九九年十一月二十二日獲委任)
- 葉向平先生
(於一九九九年十一月二十二日獲委任)
- 葉向維先生
(於一九九九年十一月二十二日獲委任)
- 葉向強先生
(於一九九九年十一月二十二日獲委任)
- 陳富娟女士
(於一九九九年十一月二十二日獲委任)
- 吳道存先生
(於一九九九年十一月二十二日獲委任)

獨立非執行董事：

- James T. Siano先生
(於二零零零年三月七日獲委任)
- 區承國先生
(於二零零零年三月七日獲委任)

按照本公司之公司組織章程細則第111及第112條，所有董事將任滿告退，惟彼等將於即將舉行之股東週年大會上膺選連任。獨立非執行董事並無指定任期，惟彼等須根據本公司之公司組織章程細則輪席告退。

DIRECTORS AND SENIOR MANAGEMENT BIOGRAPHIES

Biographical details of the directors of the Company and of the senior management of the Group are set out on pages 9 to 11 of the annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive directors has entered into a service contract with the Company for an initial term of three years commencing from 1 March 2000 which will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Such notice shall not expire until after the fixed term.

Apart from the foregoing, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a significant beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries, its holding company, or any of its fellow subsidiaries was a party during the period.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group are set out in note 5 to the financial statements.

董事及高級管理人員之履歷

本公司董事及本集團高級管理人員之履歷詳載於本年報第9至第11頁。

董事之服務合約

各董事已各自與本公司訂立服務合約，年期由二零零零年三月一日起計，初步為期三年。此後持續有效，直至任何一方向另一方發出不少於三個月之書面通知為止，惟通知期不得跨越固定年期。

除上文所述者外，擬於即將舉行之股東週年大會上膺選連任之董事與本公司概無訂立任何服務合約（惟不包括本公司可於一年內免付賠償（法定賠償除外）予以終止之合約）。

董事之合約權益

期內，董事概無於任何由本公司或其任何附屬公司、其控股公司、或其任何同集團附屬公司訂立，且對本集團之業務屬重大之合約中直接或間接擁有重大實益權益。

關連人士交易

本集團關連人士交易之詳情載於財務報表附註5。

DIRECTORS' REMUNERATION AND THE FIVE HIGHEST PAID INDIVIDUALS

董事酬金及五位最高薪酬人士

| | | Consolidated | | |
|----------------------------------|-----------|--------------|--------------------|------------|
| | | For the | Pro forma combined | |
| | | period from | For the | For the |
| | | 22 November | year ended | year ended |
| | | 1999 to | 31 March | 31 March |
| | | 2000 | 2000 | 1999 |
| | | 綜合 | 備考合併 | |
| | | 一九九九年 | 截至 | 一九九九年 |
| | | 十一月 | 二零零零年 | 三月三十一日 |
| | | 二十二日至 | 三月三十一日 | 三月三十一日 |
| | | 二零零零年 | 止年度 | 止年度 |
| | | 三月三十一日 | 止年度 | 止年度 |
| | | 止期間 | 止年度 | 止年度 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| Fees: | 袍金: | | | |
| Executive directors | 執行董事 | - | - | - |
| Independent | 獨立非執行董事 | | | |
| non-executive directors | | - | - | - |
| Other emoluments of | 執行董事之 | | | |
| executive directors: | 其他酬金: | | | |
| Basic salaries, other allowances | 基本薪金、其他津貼 | | | |
| and benefits in kind | 及實物利益 | 335 | 2,098 | 1,201 |
| Discretionary bonus | 酌定花紅 | - | 310 | - |
| | | 335 | 2,408 | 1,201 |

On a pro form combined basis, there were six executive directors receiving individual emoluments of approximately HK\$404,000 (1999: HK\$429,000), HK\$50,000 (1999: Nil), HK\$329,000 (1999: HK\$176,000), HK\$333,000 (1999: Nil), HK\$331,000 (1999: HK\$286,000) and HK\$961,000 (1999: HK\$310,000) for the year ended 31 March 2000.

按備考合併基準計算，截至二零零零年三月三十一日止年度共有六位執行董事收取個人酬金，彼等之酬金數額為約404,000港元（一九九九年：429,000港元）、50,000港元（一九九九年：零港元）、329,000港元（一九九九年：176,000港元）、333,000港元（一九九九年：零港元）、331,000港元（一九九九年：286,000港元）及961,000港元（一九九九年：310,000港元）。

During the period, no emoluments were paid by the Group to the independent non-executive directors.

期內，本集團並無向獨立非執行董事支付任何酬金。

DIRECTORS' REMUNERATION AND THE FIVE HIGHEST PAID INDIVIDUALS (continued)**董事酬金及五位最高薪酬人士** (續)

The number of directors whose remuneration fell within the following bands is as follows:

介乎以下酬金組別之董事人數如下：

| | Consolidated | | |
|----------------------|--|---|----------------------------------|
| | For the period from 22 November 1999 to 31 March 2000 | Pro forma combined | |
| | | For the year ended 31 March 2000 | For the year ended 31 March 1999 |
| | 綜合 | 備考合併 | |
| | 一九九九年十一月二十二日至二零零零年三月三十一日止期間 | 截至二零零零年三月三十一日止年度 | 截至一九九九年三月三十一日止年度 |
| | <i>Number of directors</i> | <i>Number of directors</i> | <i>Number of directors</i> |
| | 董事人數 | 董事人數 | 董事人數 |
| Nil to HK\$1,000,000 | 零至1,000,000港元 | 8 | 8 |
| | | | 6 |

There was no arrangement under which a director waived or agreed to waive any remuneration during the period.

期內並無訂立任何安排，以致董事可藉此放棄或同意放棄任何酬金。

During the period, no emoluments were paid by the Group to the directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

期內，本集團並無向董事支付任何酬金作為鼓勵加盟或就加盟本集團而給予之獎金或離職補償。

The five highest paid individuals included 3 directors during the period, whose remuneration are set out above.

期內，五位最高薪酬人士包括3位董事，其薪酬詳情已載於上文。

DIRECTORS' REMUNERATION AND THE FIVE HIGHEST PAID INDIVIDUALS (continued)

The emoluments and designated band of the remaining 2 highest paid, non-director individuals during the period are as follows:

董事酬金及五位最高薪酬人士 (續)

期內其餘2位最高薪酬人士(非董事)之酬金及酬金組別如下:

| | Consolidated | Pro forma combined | | |
|---|---------------------|---------------------------|-------------------|--------------|
| | For the | For the | For the | |
| | period from | year ended | year ended | |
| | 22 November | 31 March | 31 March | |
| | 1999 to | 2000 | 1999 | |
| | 2000 | 2000 | 1999 | |
| | 綜合 | 備考合併 | | |
| | 一九九九年 | 截至 | 截至 | |
| | 十一月 | 二零零零年 | 一九九九年 | |
| | 二十二日至 | 三月三十一日 | 三月三十一日 | |
| | 二零零零年 | 止年度 | 止年度 | |
| | 三月三十一日 | 止年度 | 止年度 | |
| | 止期間 | 止年度 | 止年度 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | |
| | 千港元 | 千港元 | 千港元 | |
| Basic salaries, other allowances and benefits in kind | 基本薪金、其他津貼及實物利益 | 118 | 899 | 1,701 |
| Discretionary bonus | 酌定花紅 | - | - | 634 |
| | | 118 | 899 | 2,335 |

The remuneration of the non-director, highest paid employees during the period fell within the range of Nil to HK\$1,000,000.

所有非董事之酬金及最高薪酬僱員於期內之薪酬介乎零港元至1,000,000港元。

The Group does not have a pension scheme for either its directors or its employees in Hong Kong. In the opinion of the directors of the Company, the Group had no significant obligations for long service payments to its employees pursuant to the requirements under the Employment Ordinance, Chapter 57 of the Laws of Hong Kong, at 31 March 2000.

本集團並無為香港之董事或僱員設立退休金計劃。本公司董事認為，根據香港法例第57章僱傭條例之規定，本公司於二零零零年三月三十一日並無向僱員支付長期服務金之重大承擔。

DIRECTORS' INTERESTS IN SHARE CAPITAL

At 31 March 2000, the interests of the directors and their associates in the share capital of the Company or its associated corporations, as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"), were as follows:

董事於股本中之權益

於二零零零年三月三十一日，按本公司根據證券（披露權益）條例（「披露權益條例」）第29條存置之登記冊所示，董事及彼等之聯繫人士於本公司或其相聯法團股本中擁有之權益如下：

| Name of director | Notes | Number of issued ordinary shares of HK\$0.10 each in the Company held and nature of interest | | | | Total |
|--------------------|-----------|---|-----------------------------------|-----------|-------------|-------------|
| | | Personal | Family | Corporate | Other | |
| | 附註 | 個人 | 所持本公司每股面值0.10港元之 已發行普通股數目及權益性質 | | | 總數 |
| | | | 家族 | 公司 | 其他 | |
| Mr. Yip Heon Ping | 葉向平先生 (1) | - | - | - | 404,280,619 | 404,280,619 |
| Mr. Yip Seng Mun | 葉醒民先生 (2) | - | - | - | 404,280,619 | 404,280,619 |
| Mr. Yip Heon Wai | 葉向維先生 (2) | - | - | - | 404,280,619 | 404,280,619 |
| Mr. Yip Heon Keung | 葉向強先生 (2) | - | - | - | 404,280,619 | 404,280,619 |

Notes:

- (1) These shares are held by Greenford Company Limited, Century Technology Holding Limited and Bakersfield Global Corporation as trustees of The Greenford Unit Trust, The Century Unit Trust and The Bakersfield Unit Trust, respectively, all the units of which are held by HSBC International Trustee Limited as trustee of The New Millennium Trust, a discretionary family trust established with Mr. Yip Heon Ping as the discretionary object for the time being.
- (2) Mr. Yip Seng Mun, Mr. Yip Heon Ping, Mr. Yip Heon Wai and Mr. Yip Heon Keung belong to the same family and are together entitled to control the composition of a majority of the board of directors of the Company. By virtue of the association with Mr. Yip Heon Ping, each of Mr. Yip Seng Mun, Mr. Yip Heon Wai and Mr. Yip Heon Keung has also declared his interests in the Company.

附註:

- (1) 該等股份由Greenford Company Limited、Century Technology Holding Limited及Bakersfield Global Corporation以The Greenford Unit Trust、The Century Unit Trust及The Bakersfield Unit Trust之受託人身份持有，所有單位均由HSBC International Trustee Limited以The New Millennium Trust之受託人身份持有，而The New Millennium Trust乃於當時以葉向平先生為全權託管對象而設之家族全權信託。
- (2) 葉醒民先生、葉向平先生、葉向維先生及葉向強先生屬同一家族，可共同控制本公司董事會之大多數席位。鑑於葉醒民先生、葉向維先生及葉向強先生各自與葉向平先生有關聯，彼等已各自披露本身之股份權益。

Save as disclosed above, at 31 March 2000, none of the directors or their associates had any personal, family, corporate or other interest in the issued share capital of the Company or any of its associated corporations, as defined in the SDI Ordinance.

除上文所披露者外，於二零零零年三月三十一日，各董事及彼等之聯繫人士概無於本公司或其任何相聯法團（定義見披露權益條例）之已發行股本中擁有之任何個人、家族、公司或其他權益。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Under the terms of a share option scheme (the "Scheme") adopted by the Company on 7 March 2000, the board of directors is authorised, at its absolute discretion, to grant options to employees, including executive directors of the Company or any of its subsidiaries, to subscribe for shares in the Company. Further details of the share option scheme are set out in note 21 to the financial statements. The Scheme became effective upon the listing of the Company's shares on the GEM of the Stock Exchange on 28 March 2000. No options had been granted to any director or employee under the Scheme up to the balance sheet date.

Apart from the foregoing, and other than in connection with the Reorganisation in preparation for the Company's initial public offering by way of placement, at no time during the period was the Company or any of its subsidiaries, its holding company, or any of its fellow subsidiaries a party to any arrangement to enable the Company's directors, their respective spouse, or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

董事購買股份或債券之權利

根據本公司於二零零零年三月七日採納之購股權計劃（「該計劃」）之條款，董事會獲授權可絕對酌情向僱員（包括本公司或其任何附屬公司之執行董事）授出購股權，以認購本公司股份。購股權計劃之詳情載於財務報表附註21。該計劃在本公司股份於二零零零年三月二十八日在聯交所創業板上市後即告生效。截至結算日為止，本集團並無根據該計劃向任何董事或僱員授出任何購股權。

除上文所述者外及除了為本公司透過配售形式初次公開招股作準備而進行之重組外，本公司及其任何附屬公司、其控股公司、或其任何同集團附屬公司於期內任何時間概無訂立可使本公司董事、彼等各自之配偶或18歲以下子女因購入本公司或任何其他法人團體之股份或債券而受惠之任何安排。

SUBSTANTIAL SHAREHOLDERS

At 31 March 2000, the following interest of 10% or more in the issued share capital of the Company recorded in the register of interests pursuant to Section 16(1) of the SDI Ordinance:

| Name 名稱 | Number of shares 股份數目 |
|--|--------------------------|
| Greenford Company Limited | 155,931,035 |
| Century Technology Holding Limited | 155,931,035 |
| Bakersfield Global Corporation | 92,418,549 |
| HSBC International Trustee Limited (Notes 1 and 2) (附註1及2) | 404,660,619 |

Notes:

- (1) Out of the 404,660,619 shares, an aggregate of 404,280,619 shares are held through Greenford Company Limited, Century Technology Holding Limited and Bakersfield Global Corporation as trustees of the Greenford Unit Trust, The Century Unit Trust and The Bakersfield Unit Trust, respectively, all the units of which are held by HSBC International Trustee Limited as trustee of The New Millennium Trust, a discretionary trust established with Mr. Yip Heon Ping as the discretionary object for the time being.
- (2) HSBC International Trustee Limited is a wholly owned subsidiary within the HSBC Group in which HSBC Investment Bank Holdings B.V., HSBC Holdings B.V., HSBC Finance (Netherlands) and HSBC Holdings plc are members and have reported their deemed interests in the shares as disclosed by HSBC International Trustee Limited.

Save as disclosed above, no persons, other than the directors of the Company, whose interests are set out above, had registered an interest in the share capital of the Company that was required to be recorded under Section 16(1) of the SDI Ordinance.

主要股東

於二零零零年三月三十一日，下列本公司已發行股本10%或以上之權益根據披露權益條例第16(1)條記錄於權益登記冊內：

| Name 名稱 | Number of shares 股份數目 |
|--|--------------------------|
| Greenford Company Limited | 155,931,035 |
| Century Technology Holding Limited | 155,931,035 |
| Bakersfield Global Corporation | 92,418,549 |
| HSBC International Trustee Limited (Notes 1 and 2) (附註1及2) | 404,660,619 |

附註：

- (1) 在404,660,619股股份當中，其中合共404,280,619股股份由Greenford Company Limited、Century Technology Holding Limited及Bakersfield Global Corporation分別以The Greenford Unit Trust, The Century Unit Trust及The Bakersfield Unit Trust之受託人身份持有。所有有關單位均由HSBC International Trustee Limited以The New Millennium Trust之受託人身份持有。The New Millennium Trust為一項當時以葉向平先生為全權託管對象而設之全權信託。
- (2) HSBC International Trustee Limited為HSBC Group之全資附屬公司。據HSBC International Trustee Limited所透露，HSBC Group之成員公司包括HSBC Investment Bank Holdings B.V.、HSBC Holdings B.V.、HSBC Finance (Netherlands)及HSBC Holdings plc，而彼等已呈報於股份之權益。

除上文所披露者外及除上文列明權益詳情之本公司董事外，概無任何人士擁有本公司之股本權益，而須根據披露權益條例第16(1)條記錄於權益冊內。

PENSION SCHEME AND COSTS

The Group does not provide any provident fund or other similar pension scheme for its employees in Hong Kong. Employees in the PRC are enrolled in the mandatory central pension scheme operated by the PRC government. Details of the pension scheme of the Group and the employer's pension costs charged to the profit and loss account for the period are set out in notes 4 and 7 to the financial statements, respectively.

THE YEAR 2000 ISSUE

The Year 2000 problem arose primarily because computer data storage was expensive in the past and, consequently, most system engineers tended to use only two digits to represent the period in databases so as to save storage space. As technology advanced, the production cost of data storage space decreased and hence the more recently developed products in the market are typically fully Year 2000 compliant. The Group's sale of computer hardware and software products are made according to specifications which are agreed to by the customers. Where the need has arisen, the Group has upgraded its products so that they are Year 2000 compliant. The Group has not encountered any difficulty in providing upgrade services to its customers. The Group is not responsible for products that it distributes which are not Year 2000 compliant if the customers did not specify that they be so. In any event, because the warranty of products is provided by the Group's suppliers, if the products distributed by the Group fail to be Year 2000 compliant, the Group will not assume any risk in this respect and it should be protected by a back-to-back indemnity from its suppliers who will be responsible for the potential liabilities.

退休金計劃及成本

本公司並無為其香港僱員提供任何公積金或其他類似退休金計劃。中國僱員已登記參與由中國政府營辦之強制中央退休金計劃。本集團退休金計劃之詳情及僱主於期內在損益帳中支銷之退休金成本分別載於財務報表附註4及7。

公元二千年規格問題

公元二千年規格問題產生之主要原因為過往電腦數據儲存費用昂貴，因此大部份系統工程師於數據庫中大多僅以兩位數記錄年份，以節省儲存空間。由於科技進步，電腦數據儲存空間之生產成本下降，因此市場上近期開發之產品一般均能全面符合公元二千年規格。本集團所銷售之電腦硬件及軟件產品均依據客戶認可之規格生產。本集團已按實際需要提升其產品，使之能符合公元二千年規格。在提供產品升級服務時，本集團從無遇上任何困難。倘客戶並無指明產品必須可順利過渡公元二千年，本集團毋須為由其分銷但未能符合公元二千年規格之產品負上任何責任。由於產品之保用乃由本集團之供應商提供，因此倘本集團分銷之產品未能順利過渡公元二千年，本集團將毋須就此承擔任何風險，且將受供應商提供之對銷彌償保障，而供應商則須為有關潛在責任負責。

THE YEAR 2000 ISSUE (continued)

The Group's internal computer systems are primarily used for office automation only and do not contain mission critical applications. Therefore any Year 2000 problems would have had only a minimal impact on the Group's operations. The Group conducted an assessment on its internal computer systems and confirmed that its internal computer systems were Year 2000 compliant.

The Group co-ordinated a Year 2000 contingency plan which mainly included the saving of back-up copies of all computer files and the maintenance of a systematic filing of hard copies of relevant documents. The Group had not experienced any major Year 2000 problems at the date of this report.

SPONSORS' INTERESTS

As updated and notified by the Company's sponsor, DBS Asia Capital Limited ("DBS"), as at 31 March 2000 and 29 June 2000, respectively, neither DBS nor its directors nor employees, had any interest in the share capital of the Company.

Pursuant to the agreement dated 21 March 2000 entered with the Company, DBS received, and will receive, fees for acting as the Company's retained sponsor for the period from 1 April 2000 to 31 March 2002.

公元二千年規格問題 (續)

本集團之內部電腦系統主要僅供辦公室自動化之用及並無載入任何重要工作應用程序，因此，倘公元二千年規格問題發生，其只會對本集團之運作構成極微之影響。本集團已對其內部電腦系統進行評估，並確認其內部電腦系統均符合公元二千年規格。

此外，本集團亦已制訂了一套公元二千年緊急應變計劃，主要包括複製所有電腦檔案以作後備，並維持相關文件硬拷貝之系統化存檔。於本報告日期，本集團並無遇上任何重大之公元二千年規格問題。

保薦人權益

根據本公司之保薦人新加坡發展亞洲融資有限公司（「新加坡發展亞洲」）所更新及通知之資料，於二零零零年三月三十一日及二零零零年六月二十九日，新加坡發展亞洲、其董事及僱員概無在本公司股本中擁有任何權益。

根據新加坡發展亞洲與本公司於二零零零年三月二十一日訂立之協議，新加坡發展亞洲已就及將就其於二零零零年四月一日至二零零二年三月三十一日期間留任為本公司保薦人而收取費用。

AUDIT COMMITTEE

The Company set up an Audit Committee (the “Committee”) on 7 March 2000 with written terms of reference for the purpose of reviewing and providing supervision over of the financial reporting process and internal control of the Group. The Committee comprises two independent non-executive directors. The Group’s financial statements for the period ended 31 March 2000 have been reviewed by the Committee, who were of the opinion that such statements complied with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures had been made.

AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Yip Seng Mun
Chairman

Hong Kong
29 June 2000

審核委員會

本公司已於二零零零年三月七日成立一個具有明確職權及職責範圍之審核委員會（「該委員會」），旨在檢討及監察本集團財務申報程序及內部控制。該委員會由兩名獨立非執行董事組成。本集團截至二零零零年三月三十一日止期間之財務報表已經由該委員會審核。該委員會認為財務報表符合適用之會計準則及聯交所與法定要求，且已披露足夠資料。

核數師

安永會計師事務所任滿告退，本公司將於即將舉行之股東週年大會上提呈決議案，以續聘其為本公司之核數師。

代表董事會

主席
葉麗民

香港
二零零零年六月二十九日



To the members

PROSTEN TECHNOLOGY HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 31 to 73 which have been prepared in accordance with the basis of presentation as set out in note 1 to the financial statements.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently. 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 Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes an 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 and the Group's circumstances, consistently applied and adequately disclosed.



致長達科技控股有限公司
(於開曼群島註冊成立之有限公司)
列位股東

本核數師已完成審核刊於第31頁至第73頁根據財務報表附註1所載之呈報基準編制之財務報表。

董事與核數師之個別責任

貴公司之董事須負責編制真實與公平之財務報表。在編制該等真實與公平之財務報表時，董事必須貫徹採用合適之會計政策。本核數師之責任乃根據審核工作之結果，對該等財務報表作出獨立之意見，並向股東作出報告。

意見之基礎

本核數師乃按照香港會計師公會頒布之核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評估董事於編制該等財務報表時所作之重大估計及判斷、所釐定之會計政策是否適合 貴公司及 貴集團之具體情況，以及是否貫徹運用並作出足夠之披露。

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 as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion the financial statements, prepared on the basis set out in note 1 to the financial statements, give a true and fair view, in all material respects, of the state of affairs of the Company and of the Group as at 31 March 2000 and of the consolidated profit and cash flows of the Group for the period from 22 November 1999 (date of incorporation of the Company) to 31 March 2000 and of the pro forma combined profit of the Group for the year ended 31 March 2000 and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants

Hong Kong

29 June 2000

本核數師在策劃及進行審核工作時，均以取得一切本核數師所認為必需之資料及解釋為目標，以使本核數師能獲得充份之憑證，就以該等財務報表是否存有重要錯誤陳述，作出合理之確定。在作出意見時，本核數師亦已衡量該等財務報表所載之資料在整體上是否足夠。本核數師相信，所作之審核工作已為核數意見建立合理之基礎。

意見

本核數師認為，上述根據財務報表附註1所載基準編制之財務報表在所有重大方面均真實與公平地反映貴公司及貴集團於二零零零年三月三十一日之財務狀況、貴集團於一九九九年十一月二十二日（貴公司註冊成立日期）至二零零零年三月三十一日止期間之綜合溢利與現金流量及貴集團截至二零零零年三月三十一日止年度之備考合併溢利，並已按照香港公司條例之披露要求妥善編制。

安永會計師事務所

執業會計師

香港

二零零零年六月二十九日

Consolidated Profit and Loss Account

Period from 22 November 1999
(date of incorporation of the Company) to 31 March 2000

綜合損益帳

一九九九年十一月二十二日
(本公司註冊成立日期) 至二零零零年三月三十一日
止期間

| | | | Consolidated 綜合 | Pro forma combined 備考合併 | |
|--|--------------------|---------------------|--------------------------------|------------------------------------|-------------------------------|
| | | | For the period from | (Note 1) (附註1) | |
| | | | 22 November | For the year ended | For the year ended |
| | | | 1999 to 31 March | 31 March | 31 March |
| | | | 一九九九年 十一月二十二日 | 2000 截至 | 1999 截至 |
| | | | 至二零零零年 三月三十一日 | 二零零零年 三月三十一日 | 一九九九年 三月三十一日 |
| | | | 止期間 | 止年度 | 止年度 |
| | | <i>Notes 附註</i> | <i>HK\$'000 千港元</i> | <i>HK\$'000 千港元</i> | <i>HK\$'000 千港元</i> |
| TURNOVER | 營業額 | 6 | 13,981 | 206,766 | 161,133 |
| Cost of sales | 銷售成本 | | (7,983) | (141,296) | (118,729) |
| Gross profit | 毛利 | | 5,998 | 65,470 | 42,404 |
| Other revenue | 其他收入 | | 471 | 1,210 | 529 |
| Distribution costs | 分銷成本 | | (244) | (2,923) | (3,112) |
| Administrative expenses | 行政開支 | | (2,334) | (28,597) | (21,504) |
| PROFIT FROM OPERATING ACTIVITIES | 經營業務 溢利 | 7 | 3,891 | 35,160 | 18,317 |
| Finance costs | 財務費用 | 8 | (61) | (745) | (821) |
| PROFIT BEFORE TAX | 除稅前溢利 | | 3,830 | 34,415 | 17,496 |
| Tax | 稅項 | 10 | (410) | (2,179) | (2,492) |
| NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS | 股東應佔 日常業務 純利 | 11 | 3,420 | 32,236 | 15,004 |
| Dividends | 股息 | 12 | - | (20,000) | (13,000) |
| RETAINED PROFIT FOR THE PERIOD | 期內保留 溢利 | 22 | 3,420 | 12,236 | 2,004 |
| EARNINGS PER SHARE Basic | 每股盈利 基本 | 13 | HK1.3 cents | HK7.6 cents | HK3.5 cents |

Other than the net profit for the period attributable to shareholders, the Group had no recognised gains or losses. Accordingly, a Consolidated Statement of Recognised Gains and Losses is not presented in the financial statements.

除了期間股東應佔純利外，本集團並無任何已確認盈虧，因此，財務報表並無呈列綜合確認盈虧報表。

Consolidated Balance Sheet

31 March 2000

綜合資產負債表

二零零零年三月三十一日

| | | | Consolidated 綜合 2000 二零零零年 | Pro forma combined (Note 1) 備考合併 (附註1) 1999 一九九九年 |
|--|----------------------|-------------|-------------------------------------|---|
| | | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Fixed assets | 固定資產 | 14 | 11,614 | 1,355 |
| CURRENT ASSETS | 流動資產 | | | |
| Inventories | 存貨 | 16 | 2,645 | 1,333 |
| Trade receivables | 應收帳款 | | 60,777 | 19,914 |
| Bills receivable | 應收票據 | | 3,829 | 26,913 |
| Prepayments, deposits and other receivables | 預付款項、訂金 及其他應收款項 | | 3,974 | 1,984 |
| Tax recoverable | 可退回稅項 | | 27 | 97 |
| Due from a director | 董事結欠 | 17 | - | 17,158 |
| Pledged time deposits | 有抵押定期存款 | | 10,766 | 2,193 |
| Cash and bank balances | 現金及銀行結餘 | | 371,248 | 16,910 |
| | | | 453,266 | 86,502 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Trade payables | 應付帳款 | | 42,101 | 35,854 |
| Bills payable | 應付票據 | | 16,735 | 20,966 |
| Tax payable | 應付稅項 | | 2,569 | 1,038 |
| Accrued liabilities, deposits received and other payables | 應計負債、已收訂金 及其他應付款項 | | 9,198 | 5,156 |
| Interest-bearing bank loan, secured | 有抵押有息銀行貸款 | 18 | - | 7,488 |
| Finance lease payables | 應付融資租賃 | 19 | - | 164 |
| | | | 70,603 | 70,666 |
| NET CURRENT ASSETS | 流動資產淨值 | | 382,663 | 15,836 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總值減 流動負債 | | 394,277 | 17,191 |
| NON-CURRENT LIABILITY | 非流動負債 | | | |
| Deferred tax | 遞延稅項 | 20 | 457 | 102 |
| | | | 393,820 | 17,089 |
| CAPITAL AND RESERVES | 資本及儲備 | | | |
| Share capital | 股本 | 21 | 51,125 | 10,845 |
| Reserves | 儲備 | 22 | 342,695 | 6,244 |
| | | | 393,820 | 17,089 |

Yip Heon Wai 葉向維
Director 董事

Yip Heon Keung 葉向強
Director 董事

Consolidated Cash Flow Statement

Period from 22 November 1999
(date of incorporation of the Company) to 31 March 2000

綜合現金流量表

一九九九年十一月二十二日
(本公司註冊成立日期) 至二零零零年三月三十一日
止期間

| | | Notes 附註 | HK\$'000 千港元 |
|--|--------------------------|-------------|-----------------|
| NET CASH INFLOW FROM OPERATING ACTIVITIES | 經營業務所得 現金流入淨額 | 23(a) | 1,731 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | 投資回報及融資費用 所得回報 | | |
| Interest received | 已收利息 | | 471 |
| Interest paid | 已付利息 | | (61) |
| Net cash inflow from returns on investments and servicing of finance | 投資及財務安排 所得回報之 流入淨額 | | 410 |
| TAX | 稅項 | | — |
| INVESTING ACTIVITIES | 投資業務 | | |
| Acquisition of subsidiaries | 收購附屬公司 | 23(c) | 13,366 |
| Net cash inflow from investing activities | 投資業務所得 現金流入淨額 | | 13,366 |
| NET CASH INFLOW BEFORE FINANCING ACTIVITIES | 融資前之現金 流入淨額 | | 15,507 |
| FINANCING ACTIVITIES | 融資活動 | | |
| Proceeds from issue of share capital | 發行股本 所得款項 | 23(b) | 388,125 |
| Share issue expenses | 發行股份之開支 | 23(b) | (21,618) |
| Net cash inflow from financing activities | 融資活動之 現金流入淨額 | | 366,507 |
| INCREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等 值物之增加 | | 382,014 |
| Cash and cash equivalents at beginning of period | 期初之現金及 現金等值物 | | — |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 期終之現金 及現金 等值物 | | 382,014 |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | 現金及現金等 值物結餘 分析 | | |
| Cash and bank balances | 現金及銀行結餘 | | 382,014 |
| | | | 382,014 |

Balance Sheet

31 March 2000

資產負債表

二零零零年三月三十一日

| | | <i>Notes</i> | <i>HK\$'000</i> |
|---|-----------------|--------------|-----------------|
| | | 附註 | 千港元 |
| NON-CURRENT ASSETS | 非流動資產 | | |
| Interests in subsidiaries | 於附屬公司之權益 | 15 | 393,899 |
| CURRENT ASSET | 流動資產 | | |
| Cash and bank balances | 現金及銀行結餘 | | 65 |
| CURRENT LIABILITIES | 流動負債 | | |
| Accrued liabilities and other payables | 應計負債及其他 應收款項 | | 3,852 |
| NET CURRENT LIABILITIES | 流動負債淨額 | | (3,787) |
| | | | 390,112 |
| CAPITAL AND RESERVES | 資本及儲備 | | |
| Share capital | 股本 | 21 | 51,125 |
| Reserves | 儲備 | 22 | 338,987 |
| | | | 390,112 |

Yip Heon Wai

Director

葉向維

董事

Yip Heon Keung

Director

葉向強

董事

1. GROUP REORGANISATION AND BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The Company was incorporated in the Cayman Islands on 22 November 1999 as an exempted company with limited liability under the Companies Law (1998 Revision) of the Cayman Islands. Pursuant to a reorganisation scheme to rationalise the structure of the Group in preparation for the public listing of its shares in March 2000 (the “Reorganisation”), the Company became the holding company of the companies now comprising the Group (as detailed in note 15) on 7 March 2000. This was accomplished by acquiring the entire issued share capital of Prosten (BVI) Limited (“Prosten (BVI)”) in consideration of and in exchange for the Company’s allotted and issued share capital. Further details of the Reorganisation and of the subsidiaries acquired pursuant thereto are set out in notes 21 and 15 to the financial statements, respectively, and in the Company’s prospectus dated 21 March 2000.

The Group’s financial statements are presented using the following bases:

- i. The consolidated profit and loss account includes the results of the Company for the period from 22 November 1999 (date of incorporation of the Company) to 31 March 2000 and the post-acquisition results of its subsidiaries for the period from 7 March 2000 (date of completion of the Reorganisation) to 31 March 2000, in accordance with the new Hong Kong Statement of Standard Accounting Practice (“HKSSAP”) 27 “Accounting for group reconstructions”, as referred to in note 3.

1. 集團重組及財務報表之呈報基準

本公司於一九九九年十一月二十二日根據開曼群島公司法（一九九八年修訂本），在開曼群島註冊成為獲豁免有限公司。根據一項精簡本集團架構以籌備本公司股份於二零零零年三月公開上市重組計劃（「重組」），本公司於二零零零年三月七日成為本集團現時各成員公司（詳見附註15）之控股公司。此舉乃透過收購 Prosten (BVI) Limited（「Prosten (BVI)」）全部已發行股本完成，代價及交換條件為本公司之已配發及發行股本。重組之詳情，連同據此收購附屬公司之詳情，分別載於財務報表附註21及15，以及本公司於二零零零年三月二十一日刊發之售股章程。

本集團之財務報表按下列基準呈列：

- i. 根據附註3所載新頒布之香港會計實務準則（「會計準則」）第27號「集團重組之會計方法」之規定，綜合損益帳包括本公司由一九九九年十一月二十二日（本公司之註冊成立日期）至二零零零年三月三十一日止期間之業績及其附屬公司由二零零零年三月七日（重組完成日期）至二零零零年三月三十一日止期間之收購後業績。

1. GROUP REORGANISATION AND BASIS OF PRESENTATION OF FINANCIAL STATEMENTS*(continued)*

- ii. For information purposes, the pro forma combined profit and loss accounts for the two years ended 31 March 2000 include the results of the Company and its subsidiaries with effect from 1 April 1998 or since their respective dates of incorporation/establishment, where this is a shorter period, on a combined basis as if the current Group structure had been in existence throughout the two years ended 31 March 2000.
- iii. The consolidated balance sheet as at 31 March 2000 is prepared based on the current Group structure which was in place at that date, and for information purposes the comparative amounts for 31 March 1999 have been prepared on a combined basis as if the current Group structure had been in place at that date.
- iv. The consolidated cash flow statement of the Group includes the cash flows of the Company for the period from 22 November 1999 (date of incorporation of the Company) to 31 March 2000 and the post-acquisition cash flows of its subsidiaries for the period from 7 March 2000 (date of completion of the Reorganisation) to 31 March 2000. A comparative consolidated cash flow statement is not presented because the Group did not exist at that date.

1. 集團重組及財務報表之呈報基準 (續)

- ii. 截至二零零零年三月三十一日止兩個年度之備考合併損益帳包括本公司及其附屬公司自一九九八年四月一日起或自彼等各自註冊成立日期以來(以較短者為準)之業績僅供參考之用,並假設集團之現行架構於截至二零零零年三月三十一日止兩個年度已一直存在及按合併基準而編制。
- iii. 於二零零零年三月三十一日之綜合資產負債表乃按本集團之現行架構於該日已存在之基準而編制,而一九九九年三月三十一日之比較數字乃僅供參考之用,其按本集團之現行架構於該日已存在及按合併基準而編制。
- iv. 本集團之綜合現金流量表包括本公司由一九九九年十一月二十二日(本公司之註冊成立日期)至二零零零年三月三十一日止期間之現金流量及其附屬公司由二零零零年三月七日(重組完成日期)至二零零零年三月三十一日止期間之收購後現金流量。由於本集團於該日並不存在,因此並無呈列可供比較之綜合現金流量表。

1. GROUP REORGANISATION AND BASIS OF PRESENTATION OF FINANCIAL STATEMENTS*(continued)*

Although the reorganised Group structure did not legally exist until 7 March 2000, the directors consider that it is appropriate to present pro forma combined profit and loss accounts and a pro forma combined balance sheet on the bases as set out in notes (ii) & (iii) above since the principal activities of the Group were carried out by those subsidiaries summarised in note 15 prior to, and after the completion of the Reorganisation.

The Company was incorporated on 22 November 1999, accordingly no comparative amounts for 1999 have been presented for the Company's balance sheet.

2. CORPORATE INFORMATION

During the period, the Group was involved in the provision of broadband data networks and Internet backbone solutions, applications software, e-commerce solutions and related IT consultancy services.

3. IMPACT OF REVISED AND NEW HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE ("SSAPs")

Since the issue of the Company's prospectus on 21 March 2000, the following SSAPs have been adopted for the first time in the preparation of the current period's consolidated financial statements, together with a summary of their major effects.

- HKSSAP 1: Presentation of financial statements
- HKSSAP 27: Accounting for group reconstructions

1. 集團重組及財務報表之呈報基準 (續)

儘管本集團之重組架構於二零零零年三月七日方合法存在，然而由於本集團之主要業務在重組完成前後一直由附註15概述之各家附屬公司進行，因此董事認為按上文附註(ii)及(iii)所載之基準呈列備考合併損益帳及備考合併資產負債表為適當之做法。

由於本公司於一九九九年十一月二十二日註冊成立，因此本公司之資產負債表未能呈列一九九九年之數字以資比較。

2. 公司資料

期內，本集團之業務為提供寬頻數據網絡兼互聯網主幹線解決方案、應用軟件、電子商貿解決方案及與資訊科技有關之諮詢服務。

3. 經修訂及新頒布香港會計實務準則（「會計準則」）之影響

下文列載自本公司於二零零零年三月二十一日刊發售股章程以來，本集團在編制本期間之綜合財務報表時首次採用之會計準則，以及彼等之主要影響概要：

- 會計準則第1號：財務報表之呈報方式
- 會計準則第27號：集團重組之會計方法

3. IMPACT OF REVISED AND NEW HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”) (continued)

HKSSAP 1 prescribes the basis for the presentation of financial statements and sets out guidelines for their structure and minimum requirements for the content thereof. The formats of the profit and loss account and the balance sheets as set out on pages 31, 32 and 34, respectively, have been revised in accordance with the HKSSAP. Additional disclosures as required are included in the supporting notes thereto.

HKSSAP 27 specifies the conditions whereby a group reconstruction should be accounted for using the merger basis of accounting or in other circumstances using the acquisition method of accounting. For these financial statements, as further explained in the accounting policy note below, acquisition accounting has been adopted as the basis of consolidation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

3. 經修訂及新頒布香港會計實務準則（「會計準則」）之影響（續）

會計準則第1號訂明財務報表之呈報基準，並列明有關其結構及內容最低要求之準則。損益帳及資產負債表（分別載於第31、第32及第34頁）之格式已按照會計準則之規定作出修訂。規定須予以披露之額外資料載於財務報表之補充附註。

會計準則第27號訂明應以合併會計基準或以收購會計處理方法處理集團重組之各種情況。就該等財務報表而言，收購會計處理方法獲採納為綜合基準。

4. 重要會計政策概要

編制基準

該等財務報表乃根據香港普遍採納之會計原則香港會計準則及香港公司條例之披露規定而編制。該等財務報表乃根據原始成本準則擬備。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation

The consolidated financial statements include the financial statements for the period ended 31 March 2000. The results of subsidiaries acquired or disposed of during the period are consolidated from or to their effective dates of acquisition or disposal, respectively.

All significant intercompany transactions and balances within the Group have been eliminated on consolidation.

Subsidiaries

A subsidiary is a company in which the Company, directly or indirectly, controls more than half of its voting power or issued share capital, or controls the composition of its board of directors.

Interests in subsidiaries are stated at cost unless, in the opinion of the directors, there have been permanent diminutions in values, when they are written down to values determined by the directors.

Goodwill

Goodwill arising on the consolidation of subsidiaries represents the excess purchase consideration paid over the fair values ascribed to the net underlying assets acquired and is eliminated against reserves in the period of acquisition.

On the disposal of subsidiaries, the relevant portion of attributable goodwill previously eliminated against reserves is written back and included in the calculation of the gain or loss on disposal.

4. 重要會計政策概要 (續)

綜合基準

綜合財務報表包括截至二零零零年三月三十一日止期間之財務報表。期內購入或出售之附屬公司之業績由該等公司之實際收購日起，計入綜合財務報表內或計至實際出售日期。

所有集團內公司間之重大交易及結餘，均在綜合時對銷。

附屬公司

附屬公司乃指本公司直接或間接控制其表決權或已發行股本超過一半或控制其董事會組成之公司。

附屬公司之權益乃按成本值列帳，惟倘董事認為存在永久減值之情況，則撇減至董事釐定之價值。

商譽

合併附屬公司時所產生之商譽乃指所付之代價超出所獲得之淨資產之公平價值之數，並於進行收購之有關期間在儲備內撇銷。

在出售附屬公司時，先前於儲備內撇銷之應佔商譽金額予以撥回，及在計算出售所得溢利或虧損時須包括在內。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Revenue recognition**

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) on the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) installation, system development and system design service income, when the relevant services have been rendered; and
- (c) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable.

4. 重要會計政策概要 (續)**收入確認**

收入乃於本集團可能獲得有關經濟利益而該收入可準確計算時予以確認，基準如下：

- (a) 貨品銷售於其擁有權之重大風險及回報已歸買方時確認，且本集團並無保留通常與擁有權有關之管理權或已售貨品之有效控制權；
- (b) 安裝、系統開發及系統設計服務之收入，於提供服務後確認；及
- (c) 利息收入按時間比例基準經計及尚存本金及適用實際利率後確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

Depreciation is calculated on the straight-line basis to write off the cost of each asset over its estimated useful life. The principal annual rates used for this purpose are as follows:

| | |
|------------------------|---|
| Leasehold improvements | 30% or over the lease terms, whichever is shorter |
| Office equipment | 30% |
| Computer equipment | 30% |
| Furniture and fixtures | 20% |
| Motor vehicles | 30% |

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account is the difference between the net sales proceeds and the carrying amount of the relevant asset.

4. 重要會計政策概要 (續)

固定資產及折舊

固定資產乃按成本值減累積折舊入帳。資產成本包括其購買價及將資產達至運作之狀況及送抵作其計劃用途之位置而產生之任何直接應佔成本。固定資產開始運作後，維修及保養等應計支出通常於產生期間於損益帳中扣除。若在可清楚顯示該等支出引致未來使用固定資產時帶來之經濟利益增加之情況下，該等支出則會資本化，作為該資產之額外成本。

折舊乃按各資產之估計可用年期，以直線法撇銷其成本值計算。就此採用之主要年利率如下：

| | |
|---------|---------------------|
| 租賃物業裝修 | 30% 或按租賃年期 (以較短者為準) |
| 辦公室設備 | 30% |
| 電腦設備 | 30% |
| 傢俬及固定裝置 | 20% |
| 汽車 | 30% |

於損益帳中所確認因出售或廢棄固定資產而引致之任何損益，乃出售有關資產所得款項淨值與其帳面值之差額。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Leased assets**

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and is recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in fixed assets and are depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the profit and loss account so as to provide a constant periodic rate of charge over the lease terms.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Rentals applicable to such operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

Inventories

Inventories are stated at the lower of cost and net realisable value after making due allowances for obsolete and slow moving items. Cost is determined on a first-in, first-out basis. Net realisable value is based on the estimated selling prices less any estimated costs to be incurred on disposal.

4. 重要會計政策概要 (續)**租賃資產**

融資租約乃將資產所有權(法定業權除外)之所有收益及風險轉移至本集團之租賃。融資租約訂立後,租賃資產之成本按最低租賃付款額之現值撥作資本,並連同有關承擔(不包括利息費用)入帳,以反映購置資產及融資費用。按撥作成本之融資租約持有之資產列為固定資產,並於租賃年期或估計可使用年期(以較短者為準)內攤銷。該等租約之融資費用計入損益帳,務求按租賃期計出固定之周期扣除率。

經營租約

經營租約乃指出租方承擔絕大部份資產回報及風險之租約,該等經營租約之租金於租賃期內以直線法計入損益帳內。

存貨

存貨按成本值及可變現淨值兩者中之較低者入帳,而入帳之存貨已撇除過時及滯銷存貨。成本值按先進先出基準釐定。可變現淨值按估計售價減售出前產生之任何估計成本計算。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Deferred tax**

Deferred tax is provided, using the liability method, on all significant timing differences to the extent that it is probable that the liability will crystallise in the foreseeable future. A deferred tax asset is not recognised until its realisation is assured beyond reasonable doubt.

Foreign currencies

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable rates of exchange ruling at that date. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of overseas subsidiaries are translated to Hong Kong dollars at the applicable rates of exchange ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

Pension costs

The Group has joined a mandatory central pension scheme organised by the PRC government for its PRC employees, the assets of which are held separately from those of the Group. Contributions made are based on a percentage of the eligible employees' salaries and are charged to the profit and loss account as they become payable, in accordance with the rules of the scheme. The employers' contributions vest fully once they are made.

4. 重要會計政策概要 (續)**遞延稅項**

遞延稅項乃按負債法就重大時差提撥準備，惟以可見將來該等遞延項目之稅務影響中預計可能出現者為限。遞延稅項資產於能毫無疑問地確定其出現時方予以確認。

外幣

外幣交易按交易日適用之匯率折算記錄，於結算日以外幣結算之貨幣資產及負債按該日適用之匯率折算。匯兌差額撥入損益帳內處理。

於綜合帳目時，海外附屬公司之財務報表乃以結算日之適用匯率折算為港元。所產生之匯兌差額撥入匯率波動儲備。

退休金成本

本集團已為其中國僱員登記加入由中國政府營辦之強制中央退休金計劃，該計劃之資產與本集團之資產分開持有。根據該計劃之規定，供款額乃按員工薪酬之某一百分比計算，並於應付當天在損益帳中扣除。僱員可於僱主悉數支付供款後，悉數享有有關供款。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Cash equivalents

Cash equivalents represent short term highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance.

5. RELATED PARTY TRANSACTIONS

The Group had the following material transactions with related parties during the period:

- (i) Certain banking facilities of one of the Company's subsidiaries were secured by a property owned by Mr. Yip Heon Wai ("Mr. Dennis Yip") and Ms. Chan Fu Kuen, Gladys ("Ms. Gladys Chan") and joint and several guarantees executed by them. Mr. Dennis Yip and Ms. Gladys Chan are directors of the Company.
- (ii) The Group incurred a bank interest expense for a bank loan drawn on behalf of Mr. Dennis Yip and Ms. Gladys Chan at no consideration under certain banking facilities referred to in (i) above.

4. 重要會計政策概要 (續)

關連人士

倘其中一方有能力直接或間接控制另一方，或於另一方之財務及業務決策方面具有重大影響力，則雙方被視為有關連。所受之控制或重大影響相同之人士被視為關連人士。關連人士可以是個人或公司實體。

現金等值物

現金等值物乃指於三個月內到期，並可隨時轉換為已知金額現金之短期變現能力高之投資，減去自借貸日期起計須於三個月內償還之銀行墊款。

5. 關連人士交易

期內，本集團曾與關連人士進行下列重大交易：

- (i) 本公司其中一家附屬公司之若干銀行融資乃由葉向維先生（「葉先生」）陳富娟女士（「陳女士」）所擁有之一項物業，以及彼等共同及個別簽訂之擔保作為抵押。葉先生與陳女士均為本公司董事。
- (ii) 本集團就上文第(i)段所述之若干銀行融資以無償方式代表葉先生及陳女士提取之銀行貸款而產生利息支出。

5. RELATED PARTY TRANSACTIONS (continued)

The above security and personal guarantees were released when the corresponding bank loan was repaid prior to the listing of the Company's shares on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

6. TURNOVER AND REVENUE

Turnover represents the net invoiced value of goods sold, after allowance for returns and trade discounts, business tax, where applicable, and services rendered. All significant intra-Group transactions have been eliminated on consolidation.

An analysis of turnover and revenue is as follows:

5. 關連人士交易 (續)

當有關銀行貸款於本公司股份在香港聯合交易所有限公司(「聯交所」)創業板市場(「創業板」)上市前獲全數償還後,上述抵押及個人擔保亦獲解除。

6. 營業額及收入

營業額指已出售貨品及所提供服務經扣除退貨、折扣、營業稅(倘適用)後之發票淨值。所有集團內公司間之重大交易已於綜合時對銷。

營業額及收入之分析如下:

| | | Group | | |
|-------------------------------------|-----------|---------------------|---------------------------|-------------------|
| | | 本集團 | | |
| | | Consolidated | Pro forma combined | |
| | | 綜合 | 備考合併 | |
| | | For the | (Note 1) | |
| | | period from | (附註1) | |
| | | 22 November | | |
| | | 1999 to | For the | For the |
| | | 31 March | year ended | year ended |
| | | 2000 | 31 March | 31 March |
| | | 一九九九年 | 2000 | 1999 |
| | | 十一月二十二日 | 截至 | 截至 |
| | | 至二零零零年 | 二零零零年 | 一九九九年 |
| | | 三月三十一日 | 三月三十一日 | 三月三十一日 |
| | | 止期間 | 止年度 | 止年度 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| Sale of goods and services rendered | 貨品銷售及提供服務 | 13,981 | 206,766 | 161,133 |
| Turnover | 營業額 | 13,981 | 206,766 | 161,133 |
| Interest income | 利息收入 | 471 | 1,130 | 417 |
| Revenue | 收入 | 14,452 | 207,896 | 161,550 |

7. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging/(crediting):

7. 經營業務溢利

本集團之經營業務溢利經扣除/(計入)下列各項後得出:

| | | Group | | |
|---|----------------------------|---------------------|---------------------------|-------------------|
| | | 本集團 | | |
| | | Consolidated | Pro forma combined | |
| | | 綜合 | 備考合併 | |
| | | For the | (Note 1) | |
| | | period from | (附註 1) | |
| | | 22 November | | |
| | | 1999 to | For the | For the |
| | | 31 March | year ended | year ended |
| | | 2000 | 31 March | 31 March |
| | | 一九九九年 | 2000 | 1999 |
| | | 十一月二十二日 | 截至 | 截至 |
| | | 至二零零零年 | 二零零零年 | 一九九九年 |
| | | 三月三十一日 | 三月三十一日 | 三月三十一日 |
| | | 止期間 | 止年度 | 止年度 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| Depreciation: | 折舊: | | | |
| Owned fixed assets | 自置固定資產 | 72 | 534 | 1,003 |
| Leased fixed assets | 租賃固定資產 | - | 80 | 241 |
| | | 72 | 614 | 1,244 |
| Operating lease rentals in respect of land and buildings | 有關土地及樓宇之經營租賃租金 | 222 | 2,668 | 2,743 |
| Auditors' remuneration | 核數師酬金 | 83 | 838 | 128 |
| Staff costs (excluding pension contribution and directors' remuneration (note 9)) | 員工成本 (不包括退休金供款及董事酬金 (附註9)) | 760 | 10,723 | 9,023 |
| Pension contributions | 退休金供款 | 11 | 410 | 20 |
| Gain on disposal of fixed assets, net | 出售固定資產所得收益淨額 | - | - | (80) |

8. FINANCE COSTS

8. 財務開支

| | Consolidated 綜合 For the period from 22 November 1999 to 31 March 2000 一九九九年 十一月二十二日 至二零零零年 三月三十一日 止期間 HK\$'000 千港元 | Group 本集團 Pro forma combined 備考合併 (Note 1) (附註1) | | |
|--|--|--|--|-----|
| | | For the year ended 31 March 2000 截至 二零零零年 三月三十一日 止年度 HK\$'000 千港元 | For the year ended 31 March 1999 截至 一九九九年 三月三十一日 止年度 HK\$'000 千港元 | |
| Interest on bank loan wholly repayable within five years | 須於五年內全數償還之銀行貸款之利息 | 61 | 716 | 785 |
| Interest on finance leases | 融資租賃利息 | — | 29 | 36 |
| | | 61 | 745 | 821 |

The above interest on a bank loan was incurred in respect of a bank loan drawn by the Group on behalf of Mr. Dennis Yip and Ms. Gladys Chan, as referred to in note 5 above.

上述銀行貸款利息乃就本集團代表葉先生及陳女士提取之銀行貸款而產生(詳見上文附註5)。

9. DIRECTORS' REMUNERATION

Directors' remuneration, disclosed pursuant to the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and Section 161 of the Companies Ordinance, is as follows:

9. 董事酬金

以下為根據聯交所創業板證券上市規則及公司條例第161條之規定披露董事酬金之詳情：

| | | Group | | |
|---|----------------|---------------------|---------------------------|-------------------|
| | | 本集團 | | |
| | | Consolidated | Pro forma combined | |
| | | 綜合 | 備考合併 | |
| | | For the | (Note 1) | |
| | | period from | (附註1) | |
| | | 22 November | For the | For the |
| | | 1999 to | year ended | year ended |
| | | 31 March | 31 March | 31 March |
| | | 2000 | 2000 | 1999 |
| | | 一九九九年 | 截至 | 截至 |
| | | 十一月二十二日 | 二零零零年 | 一九九九年 |
| | | 至二零零零年 | 三月三十一日 | 三月三十一日 |
| | | 止期間 | 止年度 | 止年度 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| Fees | 袍金 | - | - | - |
| Other emoluments: | 其他酬金: | | | |
| Basic salaries, other allowances and benefits in kind | 基本薪金、其他津貼及實物利益 | 335 | 2,098 | 1,201 |
| Discretionary bonus | 酌定花紅 | - | 310 | - |
| | | 335 | 2,408 | 1,201 |

The above remuneration does not include the interest expense for a bank loan drawn on behalf of Mr. Dennis Yip and Ms. Gladys Chan under certain banking facilities, as referred to in note 5 above.

上述酬金並不包括本集團就上文附註5所述之若干銀行融資代表葉先生及陳女士提取之銀行貸款而產生之利息支出。

10. TAX

10. 稅項

| | | Group | | |
|------------------------|-------------|---------------------|---------------------------|-------------------|
| | | 本集團 | | |
| | | Consolidated | Pro forma combined | |
| | | 綜合 | 備考合併 | |
| | | For the | (Note 1) | |
| | | period from | (附註1) | |
| | | 22 November | | |
| | | 1999 to | For the | For the |
| | | 31 March | year ended | year ended |
| | | 2000 | 31 March | 31 March |
| | | 一九九九年 | 2000 | 1999 |
| | | 十一月二十二日 | 截至 | 截至 |
| | | 至二零零零年 | 二零零零年 | 一九九九年 |
| | | 三月三十一日 | 三月三十一日 | 三月三十一日 |
| | | 止期間 | 止年度 | 止年度 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| Group: | 本集團: | | | |
| Hong Kong | 香港 | - | 984 | 1,447 |
| Elsewhere | 其他地區 | 55 | 840 | 797 |
| | | 55 | 1,824 | 2,244 |
| Underprovision in | 往年撥備 | | | |
| prior years | 不足 | - | - | 248 |
| Deferred tax – note 20 | 遞延稅項 – 附註20 | 355 | 355 | - |
| Tax charge for the | 期間/年內之 | | | |
| period/year | 稅項支出 | 410 | 2,179 | 2,492 |

Hong Kong profits tax has been provided at the rate of 16% (1999: 16%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. Tax recoverable represents provisional tax paid in excess of the estimated tax liability of the Group.

期內香港利得稅乃按源自香港之估計應課稅溢利以16% (一九九九年: 16%) 之稅率計算撥備。其他地區之應課稅溢利乃根據本集團經營業務所在之國家當地之現行法例、詮釋及實例按當地現行稅率計算撥備。可退回稅項指超出本集團估計稅項負擔之已付暫繳稅。

11. NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net loss from ordinary activities attributable to shareholders dealt with in the financial statements of the Company for the period from 22 November 1999 (date of incorporation of the Company) to 31 March 2000 was HK\$288,000.

12. DIVIDENDS

No dividend has been paid or declared by the Company since the date of its incorporation.

11. 股東應佔日常業務虧損

於一九九九年十一月二十二日(本公司註冊成立日期)至二零零零年三月三十一日止期間在財務報表入帳處理之股東應佔日常業務虧損為288,000港元。

12. 股息

本公司自註冊成立日期以來並無支付或宣派任何股息。

| | Consolidated 綜合 | Group 本集團 | |
|---|--------------------------------------|-----------------------------------|-------------------|
| | | Pro forma combined 備考合併 | |
| | For the period from | (Note 1) (附註1) | |
| | 22 November | For the | For the |
| | 1999 to | year ended | year ended |
| | 31 March | 31 March | 31 March |
| | 2000 | 2000 | 1999 |
| | 一九九九年 | 截至 | 截至 |
| | 十一月二十二日 | 二零零零年 | 一九九九年 |
| | 至二零零零年 | 三月三十一日 | 三月三十一日 |
| | 止期間 | 止年度 | 止年度 |
| | HK\$'000 | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 | 千港元 |
| Dividends paid by the Company's subsidiaries to their then shareholders prior to the listing of the Company | 本公司附屬公司於本公司上市前派付予彼等當時之股東之股息 | — | 13,000 |
| | | 20,000 | 13,000 |
| | | 20,000 | 13,000 |

13. EARNINGS PER SHARE (continued)

The weighted average number of shares used to calculate both the consolidated earnings per share for the period from 22 November 1999 to 31 March 2000 and the pro forma earnings per share for the year ended 31 March 2000 include the pro forma issued share capital of the Company, comprising 1,000,000 shares issued on incorporation of the Company, 1,000,000 shares issued as part of the consideration for the acquisition of the entire issued share capital of Prosten (BVI), the capitalisation issue of 423,000,000 shares as further described in note 21 and the 86,250,000 shares issued during the public listing.

The calculation of the pro forma earnings per share for the year ended 31 March 1999 is based on the pro forma combined profit attributable to shareholders of the Company of HK\$15,004,000 and on the pro forma weighted average number of shares in issue of 425,000,000 during the year.

Diluted earnings per share for the period and year ended 31 March 2000 and year ended 31 March 1999 have not been calculated because no diluting events existed during these years.

13. 每股盈利 (續)

用以計算由一九九九年十一月二十二日至二零零零年三月三十一日止期間之綜合每股盈利及截至二零零零年三月三十一日止年度之備考每股盈利之股份加權平均數包括本公司之備考已發行股本(包括本公司於註冊成立日期發行之1,000,000股股份)、發行作為收購Prosten (BVI) 全部已發行股本部份代價之1,000,000股股份、423,000,000股資本化發行股份(詳見附註21)及於公開上市時發行之86,250,000股股份。

截至一九九九年三月三十一日止年度之備考每股盈利乃按本公司股東應佔備考合併溢利15,004,000港元及年內已發行股份之備考加權平均數425,000,000股計算。

並無計算期內、截至二零零零年三月三十一日止年度及截至一九九九年三月三十一日止年度之經攤薄每股盈利，因為在該等年度並無發生具攤薄影響之事宜。

14. FIXED ASSETS

14. 固定資產

| Group | | 本集團 | | | |
|---|--------------------------|-------------------------------------|---|-------------------------|-----------------|
| | | Leasehold improvements 租賃物業裝修 | Office and computer equipment, furniture and fixtures 辦公室與電腦 設備、傢俬 與固定裝置 | Motor vehicles 汽車 | Total 合計 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Cost: | 成本值: | | | | |
| Arising on acquisition of subsidiaries | 收購附屬公司 所得 | 38 | 11,513 | 135 | 11,686 |
| At 31 March 2000 | 於二零零零年 三月三十一日 | 38 | 11,513 | 135 | 11,686 |
| Accumulated depreciation: | 累計折舊: | | | | |
| Provided during the period | 本期間撥備 | 23 | 46 | 3 | 72 |
| At 31 March 2000 | 於二零零零年 三月三十一日 | 23 | 46 | 3 | 72 |
| Net book value: | 帳面淨值: | | | | |
| At 31 March 2000 | 於二零零零年 三月三十一日 | 15 | 11,467 | 132 | 11,614 |

The net book value of the fixed assets of the Group held under finance leases was nil as at 31 March 2000.

於二零零零年三月三十一日，本集團根據融資租賃持有之固定資產之帳面淨值為零港元。

15. INTERESTS IN SUBSIDIARIES

15. 於附屬公司之權益

| Company | 本公司 | 2000 二零零零年 HK\$'000 千港元 |
|--------------------------|----------|----------------------------------|
| Unlisted shares, at cost | 非上市股份之成本 | 27,445 |
| Due from a subsidiary | 應收附屬公司款項 | 366,454 |
| | | 393,899 |

The amount due from a subsidiary is unsecured, interest-free and has no fixed terms of repayment.

附屬公司所欠之款項並無抵押及免利息，且無固定還款期。

Particulars of the subsidiaries are as follows:

附屬公司之詳情載列如下：

| Company 公司 | Place of incorporation/ establishment and operations 註冊／成立 及營運地點 | Paid-up/ registered share capital 已繳／註冊股本 | Attributable equity interest 應佔股權百分比 | Principal activities 主要業務 |
|---------------|---|--|--|------------------------------|
|---------------|---|--|--|------------------------------|

Held directly:
直接持有：

| | | | | |
|-----------------------|----------------------------------|------------------------|------|----------------------------|
| Prosten (BVI) Limited | British Virgin Islands 英屬處女群島 | US\$21,025 21,025美元 | 100% | Investment holding 投資控股 |
|-----------------------|----------------------------------|------------------------|------|----------------------------|

Held indirectly:
間接持有：

| | | | | |
|--|-----------------|---|------|--|
| Prosten Technology Co. Limited 長達科技有限公司 | Hong Kong 香港 | Ordinary HK\$1,000,000 普通股 1,000,000港元 | 100% | Trading of computer equipment, software development, system integration and system development consulting 買賣電腦設備、軟件開發、系統整合及系統開發諮詢 |
|--|-----------------|---|------|--|

19. FINANCE LEASE PAYABLES

There were obligations under finance leases at the balance sheet date as follows:

19. 融資租賃應付款項

於結算日，融資租賃承擔包括下列各項：

| | | Group | |
|---|--------------|---------------------|-----------------------------------|
| | | 本集團 | |
| | | | Pro forma combined (Note 1) |
| | | Consolidated | 備考合併 (附註1) |
| | | 綜合 | |
| | | 2000 | 1999 |
| | | 二零零零年 | 一九九九年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Amounts payable: | 須於下述期間償還之金額： | | |
| Within one year | 一年內 | — | 193 |
| Total minimum finance lease payments | 最低融資租賃付款總額 | — | 193 |
| Future finance charges | 未來租賃支出 | — | (29) |
| Total net finance lease payables | 融資租賃應付淨額總數 | — | 164 |
| Portion classified as current liabilities | 列作流動負債部份 | — | (164) |
| Non-current portion | 非流動部份 | — | — |

20. DEFERRED TAX

The principal component of the Group's deferred tax liabilities comprised mainly of accelerated capital allowances. The Group and the Company did not have any significant unprovided deferred tax liabilities at the balance sheet date.

20. 遞延稅項

本集團遞延稅項負債之主要部份包括提前折舊免稅額。於結算日，本集團及本公司並無任何重大未撥備之遞延稅項負債。

| | | Consolidated | Pro forma combined (Note 1) 備考合併 (附註1) |
|---|----------------|---------------------|--|
| | | 綜合 | |
| | | 2000 | 1999 |
| | | 二零零零年 | 一九九九年 |
| | | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | | 千港元 | 千港元 |
| Balance at beginning of period/year | 期初／ 年初結餘 | - | 102 |
| Arising on acquisition of subsidiaries | 收購附屬 公司所得 | 102 | - |
| Charge for the period/year (note 10) | 期間或年度支出 (附註10) | 355 | - |
| At 31 March | 於三月三十一日 | 457 | 102 |

21. SHARE CAPITAL

21. 股本

Shares

股份

| | | 2000 二零零零年 HK\$'000 千港元 |
|---------------------------------------|-----------------------------|----------------------------------|
| <i>Authorised:</i> | 法定股本: | |
| 2,500,000,000 shares of HK\$0.10 each | 2,500,000,000股每股面值0.10港元之股份 | 250,000 |
| <i>Issued and fully paid:</i> | 已發行及繳足股本: | |
| 511,250,000 shares of HK\$0.10 each | 511,250,000股每股面值0.10港元之股份 | 51,125 |

The following changes in the Company's authorised and issued share capital took place during the period from 22 November 1999 (date of incorporation of the Company) to 31 March 2000:

於一九九九年十一月二十二日(本公司註冊成立日期)至二零零零年三月三十一日止期間,本公司之法定及已發行股本出現下列變動:

- (a) On incorporation, the authorised share capital of the Company was HK\$100,000 divided into 1,000,000 shares of HK\$0.10 each. 999,999 shares were allotted and issued nil paid and 1 share was allotted and issued at par on 22 November 1999.
- (b) On 7 March 2000, the authorised share capital of the Company was increased from HK\$100,000 to HK\$200,000 by the creation of a further 1,000,000 shares of HK\$0.10 each. On the same day, the authorised share capital of the Company was further increased from HK\$200,000 to HK\$250,000,000 by the creation of a further 2,498,000,000 shares of HK\$0.10 each.

- (a) 於註冊成立日期,本公司之法定股本為100,000港元,分為1,000,000股每股面值0.10港元之股份。於一九九九年十一月二十二日,999,999股股份以未繳股款方式配發及發行,而餘下1股股份則按面值配發及發行。
- (b) 於二零零零年三月七日,藉額外增設1,000,000股每股面值0.10港元之股份,本公司之法定股本由100,000港元增至200,000港元。同日,藉再增設2,498,000,000股每股面值0.10港元之股份,本公司之法定股本由200,000港元增至250,000,000港元。

21. SHARE CAPITAL (continued)

- (c) On 7 March 2000, as part of the Reorganisation described in note 1, the Company (i) allotted and issued an aggregate of 1,000,000 new shares of HK\$0.10 each credited as fully paid at par and (ii) credited as fully paid at par an aggregate of the 999,999 shares allotted and issued nil paid as set out in (a) above, in consideration and in exchange for the acquisition of the entire issued share capital of Prosten (BVI). The excess of the fair value of the shares of Prosten (BVI), determined on the basis of the consolidated net assets of Prosten (BVI) at that date, over the nominal value of the Company's shares issued in exchange therefor, amounting to HK\$27,245,000, was credited to the Company's share premium account as detailed in note 22 to the financial statements.
- (d) On 7 March 2000, a total of 423,000,000 shares of HK\$0.10 each were allotted as fully paid at par to the holders of the shares on the register of members of the Company in proportion to their respective shareholdings at the close of business on that date by way of capitalisation of the sum of HK\$42,300,000 standing to the credit of the share premium account of the Company, conditional on the share premium account being credited as a result of the new share issue by way of placement on 24 March 2000.
- (e) On 24 March 2000, 75,000,000 shares of HK\$0.10 each were issued at HK\$4.50 each to the public by way of placement for a total cash consideration, before expenses, of HK\$337,500,000.

21. 股本 (續)

- (c) 於二零零零年三月七日，作為附註1所述之重組之其中一部份，本公司(i)按面值配發及發行合共1,000,000股每股面值0.10港元之入帳列作繳足新股份；及(ii)以未繳股款方式配發及發行999,999股股份，作為收購Prosten (BVI)全部已發行股本之收購代價及交換條件(詳見上文(a)段)。根據Prosten (BVI)於該日之綜合資產淨值釐定Prosten (BVI)股份之公平價值與本公司為了上述目的而發行之股份之面值所得差額為27,245,000港元，已計入財務報表附註22所載本公司之股份溢價帳中。
- (d) 於二零零零年三月七日，透過將列入本公司股份溢價帳之42,300,000港元撥作資本，就名列股東名冊之股東於該日營業時間結束時之持股量，按面向彼等配發合共423,000,000股每股面值0.10港元之繳足股份，惟須待本公司於二零零零年三月二十四日透過配售向公眾人士發售新股而列入股份溢價帳後方可作實。
- (e) 於二零零零年三月二十四日，透過配售，按每股4.50港元之價格向公眾人士發行75,000,000股股份，未計開支前之總現金代價為337,500,000港元。

21. SHARE CAPITAL (continued)

- (f) On 24 March 2000, pursuant to the over-allotment arrangement, the Company further issued 11,250,000 shares of HK\$0.10 each at HK\$4.50 each for a total cash consideration, before expenses, of HK\$50,625,000.

A summary of the above movements in the issued share capital of the Company is as follows:

21. 股本 (續)

- (f) 於二零零零年四月二十四日，根據超額配發安排，本公司按每股4.50港元之價格，額外發行11,250,000股每股面值0.10港元之股份，未計開支前之總現金代價為50,625,000港元。

上述本公司已發行股本之變動概述如下：

| | | Number of shares issued 已發行股份數目 | Par value 面值 HK\$'000 千港元 |
|---|---|---------------------------------------|------------------------------------|
| Share allotted and issued at par on incorporation | 於註冊成立日期按面值配發及發行之股份 | 1 | - |
| Shares allotted and issued nil paid on incorporation and subsequently credited as fully paid at par for the acquisition of the entire issued share capital of Prosten (BVI) | 於註冊成立日期以未繳股款形式配發及發行及於其後因收購Prosten (BVI)全部已發行股本而按面值入帳列作繳足之股份 | 999,999 | 100 |
| Shares issued as consideration for the acquisition of the entire issued share capital of Prosten (BVI) | 發行作為收購Prosten (BVI) 全部已發行股本代價之股份 | 1,000,000 | 100 |
| Shares issued and credited as fully paid conditional on the share premium account of the Company being credited as a result of the subsequent share placement | 待本公司股份溢價帳因股份配售而入帳後發行並入帳列作悉數繳足之股份 | 423,000,000 | - |
| New issue to public by way of placement | 透過配售向公眾人士發售新股 | 75,000,000 | 7,500 |
| Shares issued on over-allotment | 根據超額配發安排而發行之股份 | 11,250,000 | 1,125 |
| Capitalisation of the share premium account as set out above | 上文所載股份溢價帳資本化 | - | 42,300 |
| Share capital as at 31 March 2000 | 於二零零零年三月三十一日之股本 | 511,250,000 | 51,125 |

21. SHARE CAPITAL (continued)

The comparative Company share capital as at 31 March 1999 as shown on the pro forma combined balance sheet represented the aggregate nominal value of the share capital of the Company's subsidiaries as at that date.

Share options

Under the terms of the share option scheme (the "Scheme") adopted by the Company on 7 March 2000, conditional upon the listing of the Company's shares, the directors of the Company are authorised at their absolute discretion, to invite any employee, including any executive director of the Company or any of its subsidiaries, to take up options to subscribe for shares of the Company. The subscription price will be determined by the directors, but may not be less than the highest of the closing price of the shares on the GEM of the Stock Exchange on the date of the grant of the option or the average of the closing price of the shares on the GEM of the Stock Exchange for the five trading days immediately preceding the date of the offer of grant of the option or the nominal value of the shares. The maximum number of shares in respect of which options may be granted under the share option scheme may not exceed, in nominal amount, 10% of the issued share capital of the Company from time-to-time which have been duly allotted and issued. The Scheme became effective for a period of ten years commencing on the listing of the Company's shares. Further details of the Scheme are noted in the Company's prospectus dated 21 March 2000. No share options had been allotted under the Scheme as at 31 March 2000.

21. 股本 (續)

備考合併資產負債表所示本公司於一九九九年三月三十一日之股本之比較數字為本公司各附屬公司於該日之股本總面值。

購股權

根據本公司於二零零零年三月七日採納之購股權計劃(「該計劃」)之條款,待本公司股份上市後,本公司董事獲授權可絕對酌情邀請任何僱員(包括本公司或其任何附屬公司之任何執行董事)接納可認購本公司股份之購股權。認購價將由董事決定,惟不得低於股份在購股權授出日期於聯交所創業板錄得之收市價或股份於購股權授出日期前五個交易日在聯交所創業板錄得之平均收市價或股份之面值(以較高者為準)。根據購股權計劃授出之購股權可認購之股份數目最多不可超過本公司不時正式配發及發行之已發行股本面值10%。該計劃之有效期由本公司股份上市之日起計,為期十年。該計劃之詳情載於本公司於二零零零年三月二十一日刊發之售股章程。於二零零零年三月三十一日,本公司並無根據該計劃授出任何購股權。

22. RESERVES

22. 儲備

| Group | 本集團 | | | |
|---|--|---|---|--------------------------------|
| | | Share premium account 股份溢價帳 HK\$'000 千港元 | Retained earnings 保留溢利 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
| Issue of shares (note 21) | 發行股份 (附註21) | 379,500 | - | 379,500 |
| Capitalisation issue of shares (note 21) | 資本化發行 股份 (附註21) | (42,300) | - | (42,300) |
| Shares issued as consideration for the acquisition of the entire issued share capital of Prosten (BVI) (note 21) | 發行作為收購 Prosten (BVI)全部 已發行股本代價 之股份 (附註21) | (200) | - | (200) |
| Arising on acquisition of subsidiaries (note 21) | 收購附屬公司 所得 (附註21) | 27,445 | - | 27,445 |
| Share issue expenses | 發行股份費用 | (25,170) | - | (25,170) |
| Net profit for the period | 期內純利 | - | 3,420 | 3,420 |
| At 31 March 2000 | 於二零零零年 三月三十一日 | 339,275 | 3,420 | 342,695 |

22. RESERVES (continued)

22. 儲備 (續)

| Company 本公司 | Share premium account 股份溢價帳 HK\$'000 千港元 | Accumulated loss 累計虧損 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|--|---|--|--------------------------------|
| Shares issued as consideration for the acquisition of the entire issued share capital of Prosten (BVI) (note 21) | 發行作為收購 Prosten (BVI)全部已發行股本代價之股份 (附註21) (200) | - | (200) |
| Arising on acquisition of subsidiaries (note 21) | 收購附屬公司所得 (附註21) 27,445 | - | 27,445 |
| Issue of shares (note 21) | 發行股份 (附註21) 379,500 | - | 379,500 |
| Capitalisation issue of shares (note 21) | 資本化發行股份 (附註21) (42,300) | - | (42,300) |
| Share issue expenses | 發行股份費用 (25,170) | - | (25,170) |
| Loss for the period | 期內虧損 - | (288) | (288) |
| At 31 March 2000 | 於二零零零年三月三十一日 | 339,275 | (288) |
| | | 338,987 | |

(a) The share premium account of the Company includes (i) shares issued at premium and (ii) the difference between the nominal value of the shares of the Company issued in exchange for the issued share capital of the subsidiaries and the value of the underlying net assets of the subsidiaries at the date they were acquired by the Company. Under the Companies Law (1998 Revision) of the Cayman Islands, the share premium account is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(a) 本公司之股份溢價帳包括(i) 按溢價發行之股份;及(ii) 本公司就交換附屬公司之已發行股本而發行股份之面值超逾附屬公司於本公司進行收購之日之相關資產淨值兩者之差額。根據開曼群島公司法(一九九八年修訂本), 股份溢價可供分派予本公司之股東, 惟於建議分派股息後, 本公司必須能於日常業務中償項期時償還債項。

22. RESERVES (continued)

- (b) At 31 March 2000, in the opinion of the directors, the reserves of the Company available for distribution to shareholders amounted to HK\$338,987,000, subject to the restrictions stated in note 22(a) above.

22. 儲備 (續)

- (b) 於二零零零年三月三十一日，董事認為本公司可供分派予股東之儲備為338,987,000港元，惟須受上文附註22(a)段所述之限制。

23. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

- (a) **Reconciliation of profit from operating activities to net cash inflow from operating activities**

23. 綜合現金流量表附註

- (a) **經營業務溢利與經營業務之現金流入淨額之對帳表**

| | | Period from 22 November 1999 (date of incorporation of the Company) to 31 March 2000 一九九九年十一月 二十二日(本公司 註冊成立日期)至 二零零零年三月 三十一日止期間 |
|---|----------------------------|--|
| | | HK\$ '000 千港元 |
| Profit from operating activities | 經營業務溢利 | 3,891 |
| Interest income | 利息收入 | (471) |
| Depreciation | 折舊 | 72 |
| Increase in trade receivables | 應收帳款增加 | (11,743) |
| Decrease in bills receivable | 應收票據減少 | 189 |
| Decrease in prepayments, deposits and other receivables | 預付款項、訂金及 其他應收款項減少 | 8,935 |
| Decrease in amount due from a director | 董事結欠減少 | 1,621 |
| Increase in trade payables | 應付帳款增加 | 3,670 |
| Increase in bills payable | 應付票據增加 | 471 |
| Decrease in accrued liabilities, deposits received and other payables | 應計負債、 已收訂金及其他 應付款項減少 | (4,904) |
| Net cash inflow from operating activities | 經營業務之現金 流入淨額 | 1,731 |

23. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

23. 綜合現金流量表附註 (續)

(b) Analysis of changes in financing during the period

(b) 期內之融資變動分析

| | | Share capital and share premium 股本及股份溢價 HK\$'000 千港元 | Interest- bearing bank loan 有息銀行貸款 HK\$'000 千港元 |
|--|---------------------|--|---|
| Proceeds from shares issued on initial public offering | 根據初次公開招股發行股份所得收益 | 388,125 | - |
| Arising on acquisition of subsidiaries | 收購附屬公司所得 | 27,445 | 7,266 |
| Share issue expenses | 發行股份費用 | (25,170) | - |
| Settled by the director | 董事償還款項 | - | (7,266) |
| At 31 March 2000 | 於二零零零年三月三十一日 | 390,400 | - |

23. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued) 23. 綜合現金流量表附註 (續)

(c) Acquisition of subsidiaries

(c) 收購附屬公司

| | | 2000 |
|--|-----------------------------------|----------|
| | | 二零零零年 |
| | | HK\$'000 |
| | | 千港元 |
| Net assets acquired: | 購入資產淨值: | |
| Fixed assets | 固定資產 | 11,686 |
| Inventories | 存貨 | 2,645 |
| Trade receivables | 應收帳款 | 49,034 |
| Bills receivable | 應收票據 | 4,018 |
| Prepayments, deposits and other receivables | 預付款項、訂金及 其他應收款項 | 12,909 |
| Tax recoverable | 可退回稅項 | 27 |
| Due from a director | 董事結欠 | 8,887 |
| Cash and bank balances | 現金及銀行結餘 | 13,366 |
| Trade payables, accrued liabilities, deposits received and other payables | 應付帳款、應計負債、 已收訂金及 其他應付 款項 | (48,981) |
| Bills payable | 應付票據 | (16,264) |
| Tax payable | 應付稅項 | (2,514) |
| Interest-bearing bank loan, secured | 有抵押有息銀行貸款 | (7,266) |
| Deferred tax | 遞延稅項 | (102) |
| | | 27,445 |
| Share premium (note 22) | 股份溢價 (附註22) | (27,245) |
| | | 200 |
| Satisfied by: | 支付方式: | |
| Issue of shares | 發行股份 | 200 |

23. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(c) Acquisition of subsidiaries (continued)

Analysis of the net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries:

| | | 2000 二零零零年 HK\$'000 千港元 |
|---|------------------------|----------------------------------|
| Cash and bank balances acquired | 所得現金及銀行結餘 | 13,366 |
| Net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries | 與收購附屬公司有關之現金及現金等值物流入淨額 | 13,366 |

The subsidiaries acquired during the period contributed HK\$1,731,000 to the Group's net operating cash inflow and received HK\$410,000 in respect of the net returns on investments and servicing of finance.

(d) Major non-cash transactions

(i) The consideration for the purchase of subsidiaries during the period was settled by the issuing of the Company's shares. Further details of the acquisition are set out in note (c) above.

(ii) During the period, the balance due from a director was fully settled by way of repayment of a bank loan by the director, as detailed in note 5 above.

23. 綜合現金流量表附註 (續)

(c) 收購附屬公司 (續)

與收購附屬公司有關之現金及現金等值物流入淨額分析:

2000
二零零零年
HK\$'000
千港元

| | | |
|---|------------------------|--------|
| Cash and bank balances acquired | 所得現金及銀行結餘 | 13,366 |
| Net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries | 與收購附屬公司有關之現金及現金等值物流入淨額 | 13,366 |

期內收購之附屬公司為本集團帶來1,731,000港元之經營業務現金流入及為投資回報淨額與融資成本帶來410,000港元。

(d) 主要非現金交易

(i) 期內收購附屬公司之代價以發行本公司股份之方式支付,有關詳情載於上文附註(c)。

(ii) 期內,董事結欠已由有關董事透過償還銀行貸款之方式全數繳清(詳見上文附註5)。

24. BANKING FACILITIES

As at 31 March 2000, the Group's banking facilities were secured by fixed deposits in the aggregate amount of HK\$10,766,000 and corporate guarantees given by the Company and certain subsidiaries of the Company.

At 31 March 2000, the banking facilities utilised by the Group amounted to approximately HK\$23,088,000.

25. COMMITMENTS**24. 銀行融資**

於二零零零年三月三十一日，本集團之銀行融資由總額為10,766,000港元之定期存款及由本公司與本公司若干附屬公司提供之擔保作抵押。

於二零零零年三月三十一日，本集團已動用之銀行融資合共約23,088,000港元。

25. 承擔

| | | Group | |
|--|-------------------------------|--------------------------------|----------|
| | | 本集團 | |
| | | Pro forma combined (Note 1) | |
| | | 備考合併 (附註1) | |
| | | Consolidated | |
| | | 綜合 | |
| | | 2000 | 1999 |
| | | 二零零零年 | 一九九九年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Annual commitments payable in the following year under non-cancellable operating leases in respect of land and buildings expiring: | 根據不可註銷土地及樓宇經營租約之應付年度承在下列期間屆滿: | | |
| Within one year | 一年內 | 1,201 | 403 |
| In the second to fifth years, inclusive | 第二至第五年 (包括首尾兩年) | 894 | 1,313 |
| | | 2,095 | 1,716 |

The Company had no commitments at the balance sheet date.

於結算日，本公司並無任何承擔。

26. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities at the balance sheet date.

The Company has given corporate guarantees in favour of certain banks to the extent of HK\$15,480,000 in respect of banking facilities granted to certain subsidiaries of the Company.

27. LITIGATION

A wholly-owned subsidiary of the Company has been involved in certain claims filed by suppliers for the alleged breach of contractual duties. After reviewing the merits of the claims with legal counsel, the directors believe that adequate provision for any liability which might arise therefrom has already been made in the financial statements.

28. ULTIMATE HOLDING COMPANY

In the opinion of the directors, the ultimate holding company of the Company at the balance sheet date was The New Millennium Trust through its ultimate beneficial shareholding in Greenford Company Limited, Century Technology Holding Limited and Bakersfield Global Corporation.

29. POST BALANCE SHEET EVENT

On 29 May 2000, 21,633,000 share options were offered to executive directors and certain employees of the Group under the Company's share option scheme as detailed in note 21 above. The options are exercisable at HK\$1.52 per share prior to 28 May 2010.

30. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on 29 June 2000.

26. 或然負債

於結算日，本公司並無任何重大或然負債。

本公司就授予本公司若干附屬公司之銀行融資而向若干銀行提供15,480,000港元之公司擔保。

27. 訴訟

本公司其中一家全資附屬公司被供應商就違反合約責任申索賠償。與律師研究案情後，董事認為本公司已於財務報表中就可能由此引起之負債作出足夠之撥備。

28. 最終控股公司

董事認為，由於The New Millennium Trust持有Greenford Company Limited、Century Technology Holding Limited及Bakersfield Global Corporation之最終實益股權，因此於結算日The New Millennium Trust為本公司之最終控股公司。

29. 結算日後事項

於二零零零年五月二十九日，根據本公司之購股權計劃（詳見上文附註21），本集團向執行董事及若干僱員建議授出合共21,633,000股購股權。該等購股權可在二零一零年五月二十八日前按每股1.52港元之價格行使。

30. 財務報表之核准

董事會於二零零零年六月二十九日核准財務報表。

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the members of Prosten Technology Holdings Limited (the “Company”) will be held at Coral Room, 3/F., Furama Hotel Hong Kong, One Connaught Road Central, Hong Kong on Friday, 28 July 2000 at 10:30 a.m. for the following purposes:

1. To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and of the Auditors for the period from 22 November 1999 (date of incorporation of the Company) to 31 March 2000;
2. To re-elect Directors and to authorise the Board to fix the Directors’ remuneration;
3. To re-appoint Auditors and to authorise the Board to fix their remuneration;
4. To consider as Special Business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase ordinary shares in the capital of the Company on the Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

茲通告長達科技控股有限公司（「本公司」）就下列事項將於二零零零年七月二十八日星期五上午十時三十分假座香港中環干諾道中一號香港富麗華酒店三樓珊瑚廳舉行股東週年大會：

1. 省覽由一九九九年十一月二十二日（本公司註冊成立日期）至二零零零年三月三十一日止期間之經審核綜合財務報表及董事會與核數師之報告書；
2. 重選董事並授權董事會釐定董事酬金；
3. 續聘核數師並授權董事會釐定核數師酬金；
4. 作為特別事項，考慮及酌情通過（不論有否修訂）以下決議案為普通決議案：

「動議

- (a) 在本決議案(b)段之規限下，依據所有適用法例及香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）或任何其他證券交易所不時修訂之證券上市規則，一般及無條件批准本公司董事於有關期間（定義如下）行使本公司一切權力以購買本公司股本中之普通股，而該等股份乃於聯交所創業板或本公司證券於證券及期貨事務監察委員會可能就此認可之任何其他證券交易所上市；

- (b) the total nominal amount of shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
- (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by Ordinary Resolution of the shareholders in general meetings; or
 - (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held.”;
5. To consider as Special Business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:
- “THAT**
- (a) Subject to the following provisions of this Resolution, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers
- (b) 根據上文(a)段之批准將予購入之股份面值總額不得超過本公司於本決議案獲通過之日已發行股本之面值總額10%，而上述批准須受此限制；
- (c) 就本決議案而言，「有關期間」指本決議案通過之日起至下列三者中之較早日期止之期間：
- (i) 本公司下屆股東週年大會結束時；
 - (ii) 本公司股東於股東大會上通過普通決議案撤銷或更改根據本決議案授出之權力之日；或
 - (iii) 本公司之組織章程細則或任何適用法例規定本公司須召開下屆股東週年大會之期限屆滿時。」；
5. 作為特別事項，考慮及酌情通過（不論有否修訂）以下決議案為普通決議案：
- 「動議**
- (a) 在本決議案下列條文之規限下，根據香港聯合交易所有限公司創業板證券上市規則，一般及無條件批准本公司董事於有關期間（定義如下）行使本公

of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this Resolution shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise); or by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong); or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares in

司一切權力以配發、發行及處理本公司股本中之額外股份，並作出或授出需要或可能需要行使該等權力之售股建議、協議及購股權；

- (b) 本決議案(a)段所述之批准將不包括授予本公司董事之任何其他授權，並授權本公司董事於有關期間作出或授出需要或可能需要有關期間內或結束後行使該等權力之售股建議、協議及購股權；
- (c) 本公司董事根據本決議案(a)段所述之批准而配發或同意有條件或無條件將予配發（不論是根據購股權或其他原因而配發）之股本面值總額不得超過本公司於本決議案獲通過之日已發行股本之面值總額20%，惟根據(i)於指定記錄日期向股東按其當時之持股比例提呈發售股份之供股（惟董事有權就零碎股權或就顧及香港以外任何地區之有關法例或任何認可監管機構或任何證券交易所之規定而產生之任何限制或責任而作出其認為必要或恰當之取消權利或其他安排）；或(ii)當時採納之任何購股權計劃或類似安排以向本公司及/或其任何附屬公司之人員及/或僱員授出或發行股份或購入本公司股本中股

the capital of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

(i) the conclusion of the next Annual General Meeting of the Company;

(ii) the revocation or variation of the authority given under this Resolution by Ordinary Resolution of the shareholders in general meetings; or

(iii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held.”; and

6. To consider as Special Business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** the general mandate granted to the Directors of the Company pursuant to Resolution 5 above and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers,

份之權利；或(iii)本公司之組織章程細則以任何以股代息或類似安排配發股份以代替股份之全部或部分股息除外，而上述批准須受此限制；及

(d) 就本決議案而言，「有關期間」指本決議案通過之日起至下列三者中之較早日期止之期間：

(i) 本公司下屆股東週年大會結束時；

(ii) 本公司股東於股東大會上通過普通決議案撤銷或更改根據本決議案授出之權力之日；或

(iii) 本公司之組織章程細則或任何適用法例規定本公司須召開下屆股東週年大會之期限屆滿時。」；及

6. 作為特別事項，考慮及酌情通過（不論有否修訂）以下決議案為普通決議案：

「**動議**藉本公司董事獲授一般授權以行使本公司權力購入該等股份以來所購回本公司股本中股份之面值總額，

agreements and options which might require the exercise of such powers be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company since the granting of a general mandate to the Directors of the Company to exercise the powers of the Company to purchase such shares, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”

By Order of the Board

Chan Yim Kum

Company Secretary

Hong Kong, 29 June 2000

Notes:

- (a) The Register of Members of the Company will be closed from Monday, 24 July 2000 to Friday, 28 July 2000, both days inclusive, during which period no transfer of shares can be registered. In order to qualify for attending the Meeting convened by the above notice, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tengis Limited at 4th Floor Hutchison House, 10 Harcourt Road, Central, Hong Kong not later than 4:00 p.m. on Friday, 21 July 2000.
- (b) A member of the Company entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

擴大董事根據上文第5項決議案所獲授之一般授權，可於當時行使本公司權力配發股份及作出或授出需要或可能需要行使該等權力之售股建議、協議及購股權，惟此數額不得超過本公司於本決議案獲通過之日已發行股本之面值總額10%。」

承董事會命

公司秘書

陳艷琴

香港，二零零零年六月二十九日

附註：

- (a) 本公司將於二零零零年七月二十四日（星期一）起至二零零零年七月二十八日（星期五）止（首尾兩天包括在內）期間暫停辦理股份過戶登記手續。為確保合資格出席上述通告所召開之大會，所有過戶文件連同有關股票，最遲須於二零零零年七月二十一日（星期五）下午四時前一併交回本公司之香港股份過戶登記分處登捷時有限公司，地址為香港中環夏慤道10號和記大廈4樓。
- (b) 凡有權出席大會及投票之本公司股東，均有權委派一位或多位代表出席及代其投票。受委代表毋須為本公司股東。如委派之代表超過一位，則須註明每位受委代表所代表之股份數目及類別。

- (c) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notorially certified copy of such power or authority, must be lodged with the Company's Branch Share Registrar in Hong Kong, Tengis Limited at 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong not less than 48 hours before the time fixed for holding the Meeting.
- (c) 代表委任表格及經簽署之授權書或其他授權文件（如有）或經公證人簽署證明之有關授權書或授權文件之副本，最遲須於大會指定舉行時間前四十八小時交回本公司之香港股份過戶登記分處登捷時有限公司，地址為香港中環夏慤道10號和記大廈4樓。
- (d) An explanatory statement setting out further information regarding Resolutions 4 to 6 above will be despatched to members with the 2000 Annual Report.
- (d) 一份載有關於上文第4至第6項決議案進一步資料之說明函件，將連同二零零零年度年報寄予各股東。