

PROSTEN

PROSTEN TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

長達科技控股有限公司\*

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 8026

THIRD QUARTERLY REPORT 2008

二零零八年第三季度業績報告

\* For identification purpose only 僅供識別

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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 trade on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

## 香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板之定位，乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富之投資者。

由於創業板上市公司新興之性質所然，在創業板買賣之證券可能會較於主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

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本報告乃遵照聯交所之創業板證券上市規則(「創業板上市規則」)提供有關長達科技控股有限公司(「本公司」)之資料，本公司各董事(「董事」)對本公佈共同及個別承擔全部責任。各董事在作出一切合理查詢後確認，就彼等所知及確信：(1)本報告所載資料在各主要方面均為準確及完整，及並無誤導成分；(2)並無遺漏任何其他事實，致令本報告的內容有所誤導；及(3)本報告所表達之一切意見乃經審慎周詳考慮後始行作出，並以公平合理之基準與假設為基礎。

## HIGHLIGHTS

## 摘要

- Profit attributable to equity holders of the Company for the nine months ended 31 December 2008 achieved HK\$28,499,000, representing an increase by HK\$22,043,000 or 341% as compared to the corresponding period of 2007.
- The Group achieved revenue of HK\$91,943,000 for the nine months ended 31 December 2008, representing a 145% growth as compared to the corresponding period in the previous financial year.
- The Group attained gross profit of HK\$77,989,000 for the nine months ended 31 December 2008, representing an increase by HK\$44,721,000 or 134% compared with the same period of last year.
- Excluding the impact of fair value gain on convertible bonds which amounted to HK\$4,522,000, the profit attributable to equity holders of the Company for the nine months ended 31 December 2008 would have been shown as HK\$23,977,000.
- The Board does not recommend the payment of any interim dividend for the nine months ended 31 December 2008.
- 截至二零零八年十二月三十一日止九個月，本公司權益持有人應佔溢利達**28,499,000**港元，較二零零七年同期增加**22,043,000**港元或**341%**。
- 截至二零零八年十二月三十一日止九個月，本集團之收益達**91,943,000**港元，較上一個財政年度同期增長**145%**。
- 截至二零零八年十二月三十一日止九個月，本集團之毛利達**77,989,000**港元，較去年同期增加**44,721,000**港元或**134%**。
- 倘扣除可換股債券之公平價值收益**4,522,000**港元之影響，截至二零零八年十二月三十一日止九個月，本公司權益持有人應佔溢利為**23,977,000**港元。
- 董事會不建議就截至二零零八年十二月三十一日止九個月派發任何中期股息。

## UNAUDITED CONSOLIDATED RESULTS

The board of Directors (the “Board”) of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the nine months and three months ended 31 December 2008 together with the unaudited comparative figures for the corresponding periods in 2007 as follows:

## 未經審核綜合業績

本公司董事會(「董事會」)謹此宣佈，本公司及其附屬公司(「本集團」)截至二零零八年十二月三十一日止九個月及三個月之未經審核綜合業績，連同二零零七年同期之未經審核比較數字如下：

		Nine months ended		Three months ended		
		31 December		31 December		
		截至十二月三十一日止九個月		截至十二月三十一日止三個月		
		2008	2007	2008	2007	
Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	二零零八年	二零零七年	二零零八年	二零零七年	二零零七年	
附註	千港元	千港元	千港元	千港元	千港元	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
Revenue	收益	2	91,943	37,586	25,018	21,705
Cost of sales	銷售成本		(13,954)	(4,318)	(4,620)	(2,188)
<b>Gross profit</b>	<b>毛利</b>		<b>77,989</b>	<b>33,268</b>	<b>20,398</b>	<b>19,517</b>
Other income and gains	其他收入及收益		1,416	1,243	598	89
Selling expenses	銷售開支		(17,956)	(4,871)	(7,620)	(2,181)
Administrative expenses	行政開支		(26,887)	(16,276)	(8,761)	(6,126)
Other expenses	其他開支		(5,834)	(2,484)	(3,223)	(1,296)
Fair value gain/(loss) on derivative component of convertible bonds	可換股債券衍生工具部份之公平價值收益/(虧損)		4,522	(3,431)	6,878	12,164
Finance costs	財務費用		(3)	(1,238)	(3)	(641)
<b>Profit before tax</b>	<b>除稅前溢利</b>		<b>33,247</b>	<b>6,211</b>	<b>8,267</b>	<b>21,526</b>
Tax	稅項	3	(4,748)	245	1,957	66
<b>Profit for the period attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔期內溢利</b>		<b>28,499</b>	<b>6,456</b>	<b>10,224</b>	<b>21,592</b>
Earnings per share attributable to equity holders of the Company	本公司權益持有人應佔每股盈利	4				
Basic	基本		HK4.8 cents港仙	HK1.1 cents港仙	HK1.7 cents港仙	HK3.6 cents港仙
Diluted	攤薄		HK3.7 cents港仙	HK1.0 cents港仙	HK0.5 cents港仙	HK1.5 cents港仙

Notes:

## 1. Basis of Preparation

The Group's unaudited consolidated results have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the GEM Listing Rules and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for an investment property, derivative financial instruments and equity investments, which have been measured at fair value. The unaudited consolidated results are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

The principal accounting policies applied in the preparation of the unaudited consolidated results are consistent with those adopted in the preparation of the annual consolidated financial statements of the Group for the year ended 31 March 2008.

In the current period, the Group has adopted a number of new and revised HKFRSs, which are effective for accounting periods beginning on or after 1 January 2008. The adoption of these new HKFRSs had no material effect on the results or financial position of the Group for the current and/or prior accounting periods. Accordingly, no prior period adjustment has been required.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective, in the unaudited consolidated results. The directors of the Company anticipate that the application of these new and revised HKFRSs should not have any significant impact on the Group's results of operations and financial position.

The unaudited consolidated results have been reviewed by the audit committee of the Company.

## 2. Revenue

Revenue, which is also the Group's turnover, represents for the value of services rendered after business tax during the period.

附註：

## 1. 編製基準

本集團之未經審核綜合業績乃根據由香港會計師公會頒佈之香港財務申報準則(「香港財務申報準則」)(包括所有香港財務申報準則、香港會計準則及詮釋)、香港普遍採納之會計原則及創業板上市規則和香港公司條例適用之披露規定而編製。該等未經審核綜合業績乃根據歷史成本慣例編製，惟一項投資物業、衍生金融工具及權益投資以公平價值列賬。除另有指明外，未經審核綜合業績以港元呈列，所有金額均調整至最接近千位數。

編製未經審核綜合業績採用之主要會計政策，乃與編製本集團截至二零零八年三月三十一日止年度之全年綜合財務報表所採納者貫徹一致。

於本期間，本集團採納多項新訂及經修訂香港財務申報準則。該等準則於二零零八年一月一日或之後開始之會計期間起生效。採納此等新香港財務申報準則對本集團於本期及／或過往會計期間之業績或財務狀況並無重大影響。因此，毋須作出過往期間調整。

本集團並無在未經審核綜合業績中應用已經頒佈但尚未生效之新訂及經修訂香港財務申報準則。本公司董事預期，應用此等新訂及經修訂香港財務申報準則不會對本集團之經營業績及財務狀況造成任何重大影響。

未經審核綜合業績已由本公司之審核委員會審閱。

## 2. 收益

收益即本集團之營業額，指期內經扣除營業稅後所提供服務之價值。

### 3. Tax

Hong Kong profits tax has not been provided as the Group did not generate any assessable profits in Hong Kong for the nine months and three months ended 31 December 2008 (2007: Nil). 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.

### 3. 稅項

由於本集團於截至二零零八年十二月三十一日止九個月及三個月內沒有錄得香港應課稅溢利(二零零七年：無)，故期內並無作出香港利得稅之撥備。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、詮釋及慣例按當地現行稅率計算撥備。

		Nine months ended 31 December		Three months ended 31 December	
		截至十二月三十一日止九個月 2008	2007	截至十二月三十一日止三個月 2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零零八年	二零零七年	二零零八年	二零零七年
		千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Current – Elsewhere	即期—其他地區				
Charge for the period	期內支出	4,431	6	6	6
Overprovision in prior years/period	以往年度／期間 過度撥備	(2,463)	(251)	(2,463)	(72)
Deferred	遞延	2,780	-	500	-
Total tax expenses/(credit) for the period	期內稅項開支／ (抵免)總額	<u>4,748</u>	<u>(245)</u>	<u>(1,957)</u>	<u>(66)</u>

### 4. Earnings per Share Attributable to Equity Holders of the Company

The calculation of basic and diluted earnings per share attributable to equity holders of the Company for the nine months and three months ended 31 December 2008 and 2007 are based on the following data:

### 4. 本公司權益持有人應佔每股盈利

截至二零零八年及二零零七年十二月三十一日止九個月及三個月之本公司權益持有人應佔每股基本及攤薄盈利按以下數據計算：

## 4. Earnings per Share Attributable to Equity Holders of the Company (continued)

## 4. 本公司權益持有人應佔每股盈利(續)

	Nine months ended 31 December		Three months ended 31 December		
	截至十二月三十一日止九個月 2008	2007	截至十二月三十一日止三個月 2008	2007	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	二零零八年	二零零七年	二零零八年	二零零七年	
	千港元	千港元	千港元	千港元	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
<b>Earnings</b>	<b>盈利</b>				
Earnings for the purpose of basic earnings per share, being profit for the period attributable to equity holders of the Company	就每股基本盈利而言之盈利，即本公司權益持有人應佔期內溢利	28,499	6,456	10,224	21,592
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：				
Imputed interest of convertible bonds	可換股債券之義利	-	N/A 不適用	-	641
Fair value gain on derivative component of convertible bonds	可換股債券衍生工具部分之公平價值收益	(4,522)	N/A 不適用	(6,878)	(12,164)
Earnings for the purpose of diluted earnings per share	就每股攤薄盈利而言之盈利	23,977	6,456	3,346	10,069
<b>Number of shares</b>	<b>股份數目</b>				
Weighted average number of ordinary shares for the purpose of basic earnings per share	就每股基本盈利而言之加權平均普通股數目	597,507,727	594,740,818	597,675,000	596,775,000
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：				
Share options	購股權	13,066,603	31,882,341	5,650,979	34,861,295
Convertible bonds	可換股債券	30,000,000	N/A 不適用	30,000,000	30,000,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	就每股攤薄盈利而言之加權平均普通股數目	640,574,330	626,623,159	633,325,979	661,636,295



4. Earnings per Share Attributable to Equity Holders of the Company (continued)

The calculation of diluted earnings per share amount for the nine months ended 31 December 2007 has not included the potential effect of the deemed conversion of the convertible bonds into ordinary shares during the period as it has an anti-dilutive effect on the basic earnings per share amount for the period.

4. 本公司權益持有人應佔每股盈利(續)

截至二零零七年十二月三十一日止九個月之每股攤薄盈利之計算並無包括於期內視作兌換可換股債券為普通股之潛在影響，原因為其對期內每股基本盈利具有反攤薄影響。

5. Reserves

5. 儲備

		Share premium account	Statutory reserve fund	Foreign currency translation reserve	Share option reserve	Accumulated losses	Total
		股份溢價賬	法定儲備基金	外幣匯兌儲備	購股權儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2008 (Audited)	於二零零八年四月一日(經審核)	348,808	53	5,436	2,533	(379,222)	(22,392)
Exchange differences arising on consolidation of overseas subsidiaries	綜合海外附屬公司賬目而產生之匯兌差額	-	-	2,129	-	-	2,129
Total income and expense recognised directly in equity	於權益直接確認之收入及開支總額	-	-	2,129	-	-	2,129
Profit for the period	期內溢利	-	-	-	-	28,499	28,499
Total income and expense for the period	期內收入及開支總額	-	-	2,129	-	28,499	30,628
Issue of shares	發行股份	126	-	-	-	-	126
Equity-settled share option arrangements	以權益結算之購股權安排	-	-	-	3,459	-	3,459
At 31 December 2008 (Unaudited)	於二零零八年十二月三十一日(未經審核)	<u>348,934</u>	<u>53</u>	<u>7,565</u>	<u>5,992</u>	<u>(350,723)</u>	<u>11,821</u>
At 1 April 2007 (Audited)	於二零零七年四月一日(經審核)	348,159	53	1,926	1,204	(405,936)	(54,594)
Exchange differences arising on consolidation of overseas subsidiaries	綜合海外附屬公司賬目而產生之匯兌差額	-	-	1,131	-	-	1,131
Total income and expense recognised directly in equity	於權益直接確認之收入及開支總額	-	-	1,131	-	-	1,131
Profit for the period	期內溢利	-	-	-	-	6,456	6,456
Total income and expense for the period	期內收入及開支總額	-	-	1,131	-	6,456	7,587
Issue of shares	發行股份	628	-	-	-	-	628
Equity-settled share option arrangements	以權益結算之購股權安排	-	-	-	2,013	-	2,013
Transfer of share option reserve upon the lapse of share options	購股權失效後轉撥購股權儲備	-	-	-	(172)	172	-
At 31 December 2007 (Unaudited)	於二零零七年十二月三十一日(未經審核)	<u>348,787</u>	<u>53</u>	<u>3,057</u>	<u>3,045</u>	<u>(399,308)</u>	<u>(44,366)</u>



## INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the nine months ended 31 December 2008 (2007: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

For the nine months ended 31 December 2008, the Group achieved revenue of HK\$91,943,000, representing 145% growth as compared to the corresponding period of last year. The Group's revenue for the three months ended 31 December 2008 was increased by 15% to HK\$25,018,000 compared to the same period in 2007.

The Group attained gross profit of HK\$77,989,000 during the nine-month period under review, representing an increase by HK\$44,721,000 or 134% compared with the same period of last year. The gross profit margins for the nine months and three months ended 31 December 2008 were maintained at the relatively high level of 85% and 82% respectively.

The Group's overall operating expenses (including selling expenses, administrative expenses, other expenses and finance costs but excluding imputed interest on convertible bonds) amounted to HK\$50,680,000, increased by 114% compared with the corresponding period last year. Compared to the last quarter, the overall operating expenses for the three months ended 31 December 2008 increased by 13% to HK\$19,607,000. This was mainly due to an increase in marketing and promotional activities after the Beijing 2008 Olympic Games.

The profit attributable to equity holders of the Company for the nine months ended 31 December 2008 amounted to HK\$28,499,000, an improvement of HK\$22,043,000 versus last year.

## 中期股息

董事會不建議就截至二零零八年十二月三十一日止九個月派發任何中期股息(二零零七年：無)。

## 管理層討論及分析

### 財務回顧

截至二零零八年十二月三十一日止九個月，本集團之收益達91,943,000港元，較去年同期增加145%。本集團截至二零零八年十二月三十一日止三個月之收益較二零零七年同期增加15%至25,018,000港元。

於九個月回顧期間，本集團之毛利達到77,989,000港元，較去年同期增加44,721,000港元或134%。截至二零零八年十二月三十一日止九個月及三個月之毛利率繼續維持於相對較高水平，分別為85%及82%。

本集團整體經營開支(包括銷售開支、行政開支、其他開支及財務費用，但不包括可換股債券之名義利息)為50,680,000港元，較去年同期增加114%。與上季相比，截至二零零八年十二月三十一日止三個月之整體經營開支增加13%至19,607,000港元。此乃主要由於在北京2008奧運會後增加市場營銷及推廣活動所致。

截至二零零八年十二月三十一日止九個月，本公司之權益持有人應佔溢利達28,499,000港元，較去年增加22,043,000港元。

During the period under review, one of the Company's principal subsidiaries operating in Mainland China was adjudicated as a "High and New Technology Enterprise" by the PRC tax and other governmental authorities, such qualification is valid for three years. Under the New PRC Corporate Income Tax Law which became effective from 1 January 2008, a "High and New Technology Enterprise" is subject to a preferential tax rate of 15%, therefore, the subsidiary enjoys the preferential tax rate of 15% for the period from 1 January 2008 to 31 December 2010.

#### Financial Position, Liquidity, Financial Resources and Gearing Ratio

The total equity of the Group as at 31 December 2008 was HK\$71,588,000 (31 December 2007: HK\$15,311,000). The Group had net current assets of HK\$52,947,000 (31 December 2007: HK\$43,010,000). The Group's current ratio, as a ratio of current assets to current liabilities, was approximately 1.9 as at 31 December 2008 (31 December 2007: 4.1). The Group had cash and cash equivalents of HK\$72,871,000 as at 31 December 2008 (31 December 2007: HK\$18,266,000).

For the nine-month period under review, the Group financed its operations mainly with its revenue from operations. The Group adheres to a prudent cash and financial management policy. In order to achieve better costs control and minimize costs of funds, the Group's treasure activities are centralized and the cash is generally placed on deposits, mostly denominated in Renminbi and Hong Kong dollars. As at 31 December 2008, the gearing ratio of the Group, as a ratio of total borrowings to total equity, was 57% (31 December 2007: 218%).

於回顧期間，本公司其中一間於中國大陸經營之主要附屬公司獲中國稅務及其他政府機關認定為「高新技術企業」，有關資格之有效期為三年。根據於二零零八年一月一日起生效之新中國企業所得稅法，「高新技術企業」須按15%之優惠稅率繳稅，因此，該附屬公司於二零零八年一月一日至二零一零年十二月三十一日期間可享有15%之優惠稅率。

#### 財政狀況、流動資金、財政資源及資本與負債比率

於二零零八年十二月三十一日，本集團之權益總額為71,588,000港元(二零零七年十二月三十一日：15,311,000港元)。本集團之流動資產淨額為52,947,000港元(二零零七年十二月三十一日：43,010,000港元)。於二零零八年十二月三十一日，本集團之流動比率(流動資產與流動負債之比率)約為1.9(二零零七年十二月三十一日：4.1)。於二零零八年十二月三十一日，本集團之現金及現金等值物為72,871,000港元(二零零七年十二月三十一日：18,266,000港元)。

於九個月回顧期間，本集團主要以經營收益為其營運提供資金。本集團採取審慎之現金及財政管理政策。為求能夠更有效控制成本及盡量降低資金成本，本集團之財資活動均為中央管理，而現金一般會以存款方式存放，並且大部分以人民幣及港元為計算單位。於二零零八年十二月三十一日，本集團之資本與負債比率(總借貸與權益總額之比率)為57%(二零零七年十二月三十一日：218%)。

## Capital Structure

The shares of the Company were listed on GEM on 28 March 2000. There was no change of the Company's capital structure during the period under review. In connection with the convertible bonds outstanding as at the date of the period under review, the latest position is set out as follows.

### *Issue of Convertible Bonds*

Pursuant to a convertible bonds subscription agreement dated 30 April 2007 ("Subscription Agreement"), the Company issued in June 2007 certain five-year HK\$28,800,000 zero-coupon convertible bonds ("Convertible Bonds") (which may be converted into shares to be allotted and issued under general mandate) to a subscriber which is an existing shareholder of the Company. The Convertible Bonds may, upon exercise of the conversion rights attaching to them, be converted into new shares at the conversion price initially of HK\$0.96 per share (subject to adjustment) at any time during the five years commencing from the date of first issue of the Convertible Bonds (the "Convertible Bonds Subscription"). If the holder(s) of the Convertible Bonds exercise the conversion rights attached to the Convertible Bonds in full at the initial conversion price of HK\$0.96 per share, a total of 30,000,000 shares will be issued, representing about 5.02% of the issued share capital of the Company as at 31 December 2008 before exercise of the conversion rights and representing approximately 4.78% of the issued share capital of the Company as enlarged by such issue.

## 資本架構

本公司股份於二零零零年三月二十八日在創業板上市。本公司於回顧期內概無任何資本架構變動。就於回顧期日期尚未兌換之可換股債券而言，其最新情況載列如下。

### *發行可換股債券*

根據二零零七年四月三十日之可換股債券認購協議（「認購協議」），本公司於二零零七年六月向一名認購人（為本公司之現有股東）發行若干五年期價值28,800,000港元之零息可換股債券（「可換股債券」）（可轉換為根據一般授權分配及發行的股份）。由緊隨可換股債券首度發行日期之日起計五年內，可換股債券可行使其附帶換股權隨時按初步換股價每股0.96港元（可予調整）兌換為新股份（「可換股債券認購事項」）。倘可換股債券之持有人以初步換股價每股0.96港元全面行使可換股債券附有之換股權，合共30,000,000股股份將獲發行，佔本公司於行使換股權前於二零零八年十二月三十一日之已發行股本約5.02%及本公司經該發行而擴大之已發行股本約4.78%。

The net proceeds from the issue of the Convertible Bonds was approximately HK\$28,500,000. The Convertible Bonds Subscription was completed on 6 June 2007. The conversion rights attached to the Convertible Bonds had not been exercised during the period under review. Under the Subscription Agreement, the Company agreed to (among other things) procure payment of trade receivables payable by a trade debtor to a subsidiary of the Company prior to completion of the Convertible Bonds Subscription. The Company, Tallmany Enterprises Limited (“Tallmany”) and China Broadband Capital Partners, L.P. subsequently purported to extend the date of performance of the said obligation to a later date which fell within the financial year ended 31 March 2008 (“Revised Date”). The said obligation was not fulfilled before the Revised Date. On 1 December 2008, the Company received from Tallmany a written demand for early redemption of the Convertible Bonds at the redemption amount equal to 125% of the principal amount of the total outstanding Convertible Bonds (“CB Redemption Demand”) on the basis of alleged breaches of relevant terms of the Subscription Agreement. The Company was also notified by Uniright Group Limited (“Uniright”), a substantial shareholder of the Company, of its receipt on 1 December 2008 of a written demand (“EB Redemption Demand”) from Tallmany, requesting Uniright to redeem the five-year HK\$30,000,000 zero-coupon exchangeable bonds (“Exchangeable Bonds”) at the redemption amount equal to 125% of the principal amount of the total outstanding Exchangeable Bonds. As at the date of this report, the total outstanding principal amount of the Convertible Bonds was HK\$28,800,000. The Convertible Bonds have been recorded as current liabilities and the 25% premium over the principal amount of the Convertible Bonds was accounted for in the unaudited consolidated balance sheet as at 31 December 2008.

However, the Company is seeking ongoing legal advice regarding the CB Redemption Demand. Up to the date of this report, the Company has not yet reached a decision on a substantive response to the CB Redemption Demand. The Company has not received any notice or information from Uniright as to whether or not it would redeem the Exchangeable Bonds or any part of them or how it would deal with or respond to the EB Redemption Demand.

發行可換股債券之所得款項淨額約為28,500,000港元。可換股債券認購事項已於二零零七年六月六日完成。於回顧期內，可換股債券附屬之換股權尚未行使。根據認購協議，本公司同意(其中包括)於可換股債券認購事項完成前由一名賬款債務人向本公司一間附屬公司支付應收賬款。本公司、Tallmany Enterprises Limited (「Tallmany」)及China Broadband Capital Partners, L.P.繼而同意將上述責任之履行日期推延至截至二零零八年三月三十一日止財政年度內之某一日(「修訂日」)。於修訂日之前，上述責任尚未履行。於二零零八年十二月一日，本公司收到Tallmany之書面通知，聲稱基於已違反認購協議有關條款，要求按相等於尚未行使可換股債券之本金額125%之贖回金額提前贖回可換股債券(「要求贖回可換股債券通知」)。本公司亦獲本公司主要股東Uniright Group Limited (「Uniright」)通知其已於二零零八年十二月一日收到Tallmany發出之書面通知(「要求贖回可轉換債券通知」)，該通知要求Uniright按相等於全部尚未行使之可轉換債券之本金額125%之贖回金額贖回五年期價值30,000,000港元之零息可轉換債券(「可轉換債券」)。於本報告日期，尚未行使之可換股債券之本金總額為28,800,000港元。可換股債券已於二零零八年十二月三十一日之未經審核綜合資產負債表中以流動負債記錄，而可換股債券本金額之25%溢價亦於該報表中列賬。

然而，本公司正就要求贖回可換股債券通知繼續尋求法律意見。截至本報告日期，本公司尚未對要求贖回可換股債券通知之實質回應作出決定。本公司尚未收到Uniright有關其會否贖回全部或部分可轉換債券或其如何處理或回應要求贖回可換股債券通知之任何通知或資料。

## Business Review and Outlook

For the nine months ended 31 December 2008, the Group achieved revenue of HK\$91,943,000, representing an increase of 145% as compared to the corresponding period of last year. Profit for the period reached HK\$28,499,000, representing a growth of HK\$22,043,000 from the corresponding period of last year. These growth momentums indicated an improvement of the Group's operation during the period under review.

By reviewing the performance of the Group in the third quarter, the major achievements were as follows:

1. **User experience.** Improvement of user experience remains a key focus of the Group. With the launching of the upgraded search engine, the performance of the Group's music search services were notably enhanced, and the growth in major indicators such as the average usage per user and the rate of successful search were showed in this quarter.
2. **Data mining.** After nearly six months of research and development efforts, the new data mining based sales model not only has achieved satisfactory trial results, but also has been applied to daily marketing and resulted in an obvious improvement of sales in certain provinces which have applied it.
3. **Development of new products.** The Group continued to develop new products during the period and has secured a contract with a telecom operator to provide a SMS interactive service system based on the Group's patented search engine technology. By providing the system, mobile users can enjoy intelligent electronic self-services, process account information enquiry, mobile value added services, mobile service packages and bonus points redemption, etc. Leveraging on development of new products, the Group continued to make a new breakthrough in its business.

## 業務回顧及展望

截至二零零八年十二月三十一日止九個月期間，本集團之收益達到91,943,000港元，較去年同期增加145%。期內溢利高達28,499,000港元，較去年同期增加22,043,000港元。此增長表示於本回顧期間，本集團經營狀況有所改善。

回顧本集團第三季度的業務表現，主要有以下幾方面：

1. **用戶體驗。**用戶體驗的提升始終是本集團關注的重點。搜索引擎升級版的推出，使本集團之音樂搜索服務表現明顯提升，用戶平均使用次數和搜索成功率等主要指標均於本季內有增長。
2. **數據挖掘。**以數據挖掘為基礎的新型營銷模式，經過近六個月的研發，該模式不僅獲得完善的測試效果，並已經成功應用於日常推廣，在某些已應用該模式的省份，對營銷之提升效果也十分明顯。
3. **新產品開發。**本集團期內不斷開發新產品，並與一電訊運營商正式簽約，提供基於本集團已獲取專利之搜索引擎技術的短信互動服務系統。就該系統，手機用戶能享用智能化的電子自助服務，辦理賬務查詢、手機增值服務、話費套餐及積分兌換等服務。藉著新產品之開發，不斷為本集團的業務帶來新突破。

4. *Business opportunities with new operators.* The Group actively focuses on new development of the PRC telecommunication industry after its restructuring and negotiates with new operators with a view of capturing business opportunities.

With the global economic downturn in 2009, it is expected that the growth of telecommunication industry in China will slow down, and its relevant business policies will be adjusted. The Group will further increase its income from its core business through development of new channels. Amongst which, “STK card” and “products embedded in mobile phones” channels have the potential to bring sustainable revenue growth to the Group. In addition, the Group will also expand the scope of cooperation with China Mobile, including promotion of SMS interactive service system throughout China. In the aspect of new operators, the Group will endeavor to secure new cooperations in respect of music business in the next financial year, so as to build a solid foundation for future business growth.

To cope with the current economic crisis, the Group's strategy is to ensure stable cash flow, continue its cost control efforts and expand its business channels, so as to increase its ability to endure risks. While stabilizing its existing operations, the Group will also seek for business opportunities and develop more new markets.

4. *新運營商合作商機。*本集團繼續積極關注中國電信行業重組後的新發展，並把握與新運營商洽談業務合作的商機。

二零零九年全球經濟前景低迷，預計中國電訊行業之增長幅度會放緩，其相關業務政策也會相應調整。本集團將透過拓展新渠道，進一步提高主營業務收入。其中「STK卡」和「終端內置」渠道有望為本集團帶來持續的收入增長。另外，本集團亦計劃拓寬與中國移動的合作領域，包括在全國範圍推廣短信互動服務系統業務。在新運營商方面，本集團力爭在下個財政年度內達成音樂業務方面的合作，為未來的業務增長打下基礎。

在應對經濟危機方面，本集團的策略是保障現金流穩定，繼續控制開支及拓寬業務渠道，以增強抗風險能力。在現有業務保持穩定的同時，本集團會迅速尋找商機，開發更多新的市場。

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2008, the interests or short positions of the Directors and chief executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the code of conduct regarding securities transactions by Directors adopted by the Company, to be notified to the Company and the Exchange, were as follows:

### Long positions in the ordinary shares of the Company

Name of Director 董事姓名	Notes 附註	Capacity and nature of interest 身份及 權益性質	Number of ordinary shares 普通股 股份數目	Percentage of the Company's issued share capital Note (3) 佔本公司 已發行股本 百分比 附註(3)
Mr. Yip Heon Wai 葉向維先生	(1)	Interest of a controlled corporation 一間受控制公司之權益	100,000,000	16.73%
Mr. Yip Heon Keung 葉向強先生	(2)	Interest of controlled corporations 受控制公司之權益	404,280,619	67.64%

Notes:

(1) These shares are held by Uniright Group Limited ("Uniright") and its entire issued share capital is held by Mr. Yip Heon Wai and Mr. Yip Heon Keung in equal shares. By virtue of the SFO, Mr. Yip Heon Wai is deemed to be interested in 100,000,000 shares of the Company held by Uniright.

## 董事於股份、相關股份及債券之權益及淡倉

於二零零八年十二月三十一日，董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例相關條文彼等被當作或視為擁有之權益或淡倉)，或須記錄於本公司根據證券及期貨條例第352條備存之登記冊內之權益及淡倉，或根據本公司所採納有關董事進行證券交易之行為守則須知會本公司及聯交所之權益及淡倉如下：

### 於本公司普通股之好倉

Name of Director 董事姓名	Notes 附註	Capacity and nature of interest 身份及 權益性質	Number of ordinary shares 普通股 股份數目	Percentage of the Company's issued share capital Note (3) 佔本公司 已發行股本 百分比 附註(3)
Mr. Yip Heon Wai 葉向維先生	(1)	Interest of a controlled corporation 一間受控制公司之權益	100,000,000	16.73%
Mr. Yip Heon Keung 葉向強先生	(2)	Interest of controlled corporations 受控制公司之權益	404,280,619	67.64%

附註：

(1) 該等股份由Uniright Group Limited (「Uniright」)持有，其全部已發行股本由葉向維先生及葉向強先生等額持有。根據證券及期貨條例，葉向維先生被視為於Uniright所持有本公司100,000,000股股份中擁有權益。



- (2) Among these shares, an aggregate of 304,280,619 shares are held through Greenford Company (PTC) Limited, Century Technology Holding (PTC) Limited and Bakersfield Global (PTC) 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 Ace Central Group (PTC) Limited ("Ace Central") as the trustee of The New Millennium Trust, a discretionary family trust and Mr. Yip Heon Keung is the sole director and sole shareholder of Ace Central. 100,000,000 shares are held by Uniright and its entire issued capital is held by Mr. Yip Heon Wai and Mr. Yip Heon Keung in equal shares. By virtue of the SFO, Mr. Yip Heon Keung is deemed to be interested in 304,280,619 shares of the Company held by Ace Central and 100,000,000 shares of the Company held by Uniright, respectively.
- (2) 於該等股份中，合共304,280,619股股份由Greenford Company (PTC) Limited、Century Technology Holding (PTC) Limited及Bakersfield Global (PTC) 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，該等信託之所有單位均由Ace Central Group (PTC) Limited (「Ace Central」)以The New Millennium Trust (一項全權家族信託)之受託人身份持有，而葉向強先生為Ace Central之唯一董事及唯一股東。100,000,000股股份由Uniright持有，其全部已發行股本由葉向維先生及葉向強先生等額持有。根據證券及期貨條例，葉向強先生被視為分別於Ace Central所持本公司304,280,619股股份及Uniright所持本公司100,000,000股股份中擁有權益。
- (3) Based on 597,675,000 shares in issue as at 31 December 2008.
- (3) 根據於二零零八年十二月三十一日已發行597,675,000股股份計算。

### Long positions in underlying shares of the Company

#### Share Options

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants include the Company's Directors and employees of the Group. Under the terms of the share option scheme adopted by the Company on 7 March 2000, the Board was authorised, at its absolute discretion, to grant options to the Company's Directors and employees of the Group, to take up options to subscribe for ordinary shares of the Company. The share option scheme became effective for a period of 10 years commencing on the listing of the Company's shares on the GEM of the Exchange on 28 March 2000 (the "Old Scheme").

### 於本公司相關股份之好倉

#### 購股權

本公司設有一項購股權計劃，旨在鼓勵及獎勵對本集團之成功經營作出貢獻之合資格參與者。合資格參與者包括本公司董事及本集團僱員。根據本公司於二零零零年三月七日所採納之購股權計劃條款，董事會獲授權全權酌情決定向本公司董事及本集團僱員授出購股權，以接納購股權認購本公司普通股股份。購股權計劃於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時開始生效，為期10年(「舊計劃」)。

At the annual general meeting held on 27 July 2001, ordinary resolutions were passed by the shareholders to approve the cancellation and the re-grant of the share options under the Old Scheme.

At the extraordinary general meeting of the Company held on 9 April 2002, ordinary resolutions to approve the termination of the Old Scheme and the adoption of a new share option scheme (the “New Scheme”) were duly passed by the shareholders. Upon termination of the Old Scheme, no further options will be granted thereunder but in all other respects, the provisions of the Old Scheme shall remain in force and all options granted prior to such termination shall continue to be valid and exercisable in accordance therewith. The New Scheme became effective for a period of 10 years commencing on 23 April 2002. Under the New Scheme, the Directors may, at their sole discretion, grant to any eligible participants under the New Scheme options to subscribe for ordinary shares of the Company at the highest of (i) the closing price of shares of the Company on GEM as stated in the Exchange’s daily quotation sheet on the date of the offer of grant; or (ii) the average closing price of the shares of the Company on GEM as stated in the Exchange’s daily quotation sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the share. The offer of a grant of options may be accepted within 21 days from the date of the offer. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

At the annual general meeting of the Company held on 25 July 2006 (the “AGM”), an ordinary resolution was passed by the shareholders to approve the refreshing of the 10% general limit on the grant of share options under the New Scheme.

The total number of shares which may be allotted and issued upon exercise of all options to be granted under the New Scheme is an amount equivalent to 10% of the shares of the Company in issue as at the date of the AGM.

在於二零零一年七月二十七日召開之股東週年大會上，股東通過普通決議案，批准取消及重新授出舊計劃下之購股權。

在本公司於二零零二年四月九日召開之股東特別大會上，股東正式通過普通決議案，批准終止舊計劃及採納一項新購股權計劃（「新計劃」）。於舊計劃終止後，將不再根據舊計劃授出購股權，惟舊計劃之條文於所有其他方面仍然有效，且於終止前授出之所有購股權將持續有效及可據其條款予以行使。新計劃自二零零二年四月二十三日開始生效，為期10年。根據新計劃，董事可全權酌情決定向任何合資格參與者授出購股權，以按(i)於要約授出日期聯交所每日報價表上所列本公司股份在創業板之收市價；或(ii)緊接要約授出日期前五個交易日聯交所每日報價表上所列本公司股份在創業板之平均收市價；及(iii)股份面值之價格（以最高者為準），認購本公司之普通股。接納授出購股權要約之期限為要約日期起計21日內。接納購股權時須支付象徵式代價1港元。

在本公司於二零零六年七月二十五日召開之股東週年大會（「股東週年大會」）上，股東通過一項普通決議案，批准更新根據新計劃授出購股權之10%一般上限。

因根據新計劃將授出之所有購股權獲行使而可配發及發行之股份總數，其數目相等於截至股東週年大會舉行日期之本公司已發行股份之10%。

The maximum number of shares to be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option schemes of the Group must not in aggregate exceed 30% of the relevant class of shares of the Company in issue from time to time.

In accordance with the terms of the relevant share option schemes, the exercise period of the options granted is determinable by the Directors, and commences after certain vesting period and ends in any event not later than 10 years from the respective date when the share options are granted, subject to the provisions for early termination thereof.

As at 31 December 2008, the Company had outstanding options to subscribe for up to 25,365,000 shares and 36,630,000 shares under the Old Scheme and the New Scheme, respectively.

The following Directors were granted share options under the Old Scheme to subscribe for shares of the Company, details of which are as follows:

因根據新計劃及本集團任何其他購股權計劃所授出及尚未獲行使之所有購股權獲行使而將予配發及發行之股份最高數目，必須合共不超過不時已發行之本公司有關類別證券之30%。

根據有關購股權計劃之條款，已授出購股權之行使期限由董事釐定，並於若干歸屬期後開始，及在任何情況下最遲須於各有關授出購股權日期起計10年屆滿，惟須受提前終止之條文所規限。

於二零零八年十二月三十一日，根據舊計劃及新計劃，本公司分別有可認購最多25,365,000股及36,630,000股股份之尚未行使購股權。

以下董事根據舊計劃獲授購股權以認購本公司股份，詳情如下：

Name of Director 董事姓名	Number of share options 購股權數目				At 31 December 2008 於二零零八年 十二月三十一日	Date of share options re-granted 購股權 重授日期	Exercise period of share options re-granted 重授購股權 之行使期限	Exercise price of share options re-granted 重授購股權 之行使價 HK\$ per share 港元(每股)
	At 1 April 2008 於二零零八年 四月一日	Exercised during the period 期內行使	Transferred during the period 期內轉撥	Lapsed during the period 期內失效				
Mr. Yip Heon Wai <sup>†</sup> 葉向維先生 <sup>†</sup>	5,300,000	-	-	-	5,300,000	22 August 2001 二零零一年 八月二十二日	22 August 2001 to 21 August 2011 二零零一年 八月二十二日至 二零一一年 八月三十一日	0.40
Mr. Yip Heon Keung 葉向強先生	5,300,000	-	-	-	5,300,000	22 August 2001 二零零一年 八月二十二日	22 August 2001 to 21 August 2011 二零零一年 八月二十二日至 二零一一年 八月三十一日	0.40

The following Director was granted share options under the New Scheme to subscribe for shares of the Company, details of which are as follows:

以下董事根據新計劃獲授購股權以認購本公司股份，詳情如下：

Name of Director 董事姓名	Number of share options 購股權數目				At 31 December 2008 於二零零八年 十二月三十一日	Date of share options granted 購股權 授出日期	Exercise period of share options granted 授出購股權 之行使期限	Exercise price of share options granted 授出購股權 之行使價 HK\$ per share 港元(每股)
	At 1 April 2008 於二零零八年 四月一日	Exercised during the period 期內行使	Transferred during the period 期內轉撥	Lapsed during the period 期內失效				
Mr. Guan Ming Jie <sup>#</sup> 官明杰先生 <sup>#</sup>	-	-	5,000,000	-	5,000,000	3 April 2008 二零零八年 四月三日	3 April 2008 to 2 April 2018 二零零八年 四月三日至 二零一八年 四月二日	0.41

<sup>#</sup> In addition to the options to subscribe for up to 5,300,000 shares personally held by Mr. Yip Heon Wai, he is also deemed to be interested in the share options held by his spouse (in her capacity as an employee of the Company) to subscribe for 4,300,000 shares of the Company at an exercise price of HK\$0.40 per share within the meaning of Part XV of the SFO, and whose exercise period is from 22 August 2001 to 21 August 2011.

<sup>#</sup> 葉向維先生除個人持有可認購最多5,300,000股股份之購股權外，亦被視為擁有其配偶(以本公司僱員身份)所持購股權之權益，可根據證券及期貨條例第XV部按每股0.40港元之行使價認購本公司4,300,000股股份。該等購股權之行使期為二零零一年八月二十二日至二零一一年八月二十一日止。

<sup>\*\*</sup> Mr. Guan Ming Jie was appointed as a Director of the Company on 16 September 2008. Pursuant to the New Scheme, he is also entitled to the share options granted to him on 3 April 2008 to subscribe for 5,000,000 shares of the Company at an exercise price of HK\$0.41 per share in his capacity as an employee of the Group.

<sup>\*\*</sup> 官明杰先生於二零零八年九月十六日獲委任為本公司董事。根據新計劃，彼仍有權以本集團僱員之身份享有於二零零八年四月三日授予彼之購股權，按每股0.41港元之行使價認購本公司5,000,000股股份。

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2008, shareholders (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### Interests or short positions in the ordinary shares or underlying shares of the Company

## 主要股東之權益及淡倉

於二零零八年十二月三十一日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或須記錄於本公司根據證券及期貨條例第336條備存之登記冊內之本公司股份或相關股份之權益或淡倉之股東（本公司董事或主要行政人員除外）如下：

### 於本公司普通股或相關股份之權益或淡倉

Name of shareholder 股東名稱	Notes 附註	Capacity and nature of interest 身份及 權益性質	Number of ordinary shares or underlying shares Note (11) 普通股 或相關 股份數目 附註(11)	Percentage of the Company's issued share capital Note (12) 佔本公司 已發行股本 百分比 附註(12)
Greenford Company (PTC) Limited	(1)	Directly beneficially owned 直接實益擁有	122,597,702 (L)	20.51%
Century Technology Holding (PTC) Limited	(2)	Directly beneficially owned 直接實益擁有	122,597,701 (L)	20.51%
Bakersfield Global (PTC) Corporation	(3)	Directly beneficially owned 直接實益擁有	59,085,216 (L)	9.89%
Ace Central Group (PTC) Limited (as trustee of The New Millennium Trust) (以The New Millennium Trust 之受託人身份)	(4)	Trustee of a discretionary family trust & through controlled corporations 全權家族信託之受託人及 透過受控制公司	304,280,619 (L)	50.91%
Mr. Yip Heon Ping 葉向平先生	(1), (4) & (5)	Object of a discretionary family trust & through a controlled corporation 全權家族信託之託管對象及 透過一間受控制公司	310,580,619 (L)	51.96%

Name of shareholder 股東名稱	Notes 附註	Capacity and nature of interest 身份及 權益性質	Number of ordinary shares or underlying shares	Percentage of the Company's issued share capital
			Note (11) 普通股 或相關 股份數目 附註(11)	Note (12) 佔本公司 已發行股本 百分比 附註(12)
Mr. Yip Seng Mun 葉醒民先生	(2), (3), (4) & (6)	Founder of a discretionary family trust, beneficially owned & through controlled corporations 全權家族信託之 創辦人、實益擁有及 透過受控制公司	310,280,619 (L)	51.91%
Knicks Capital Inc.	(7)	Directly beneficially owned 直接實益擁有	50,925,000 (L)	8.52%
Mr. Zhang Xingsheng 張醒生先生	(7)	Interest of a controlled corporation 一間受控制公司權益	50,925,000 (L)	8.52%
Unright Group Limited	(8) & (10)	Directly beneficially owned 直接實益擁有	100,000,000 (L) 57,142,857 (S)	16.73% 9.56%
Tallmany Enterprises Limited	(9) & (10)	Directly beneficially owned 直接實益擁有	244,742,857 (L)	40.95%

## Notes:

附註：

- |   |   |
|---|---|
| <p>1. Greenford Company (PTC) Limited is a company incorporated in the British Virgin Islands and its entire issued share capital is held by Mr. Yip Heon Ping, a former Director of the Company.</p>                       | <p>1. Greenford Company (PTC) Limited 為一間於英屬處女群島註冊成立之公司，其全部已發行股本由本公司前任董事葉向平先生持有。</p>            |
| <p>2. Century Technology Holding (PTC) Limited is a company incorporated in the British Virgin Islands and its entire issued share capital is beneficially owned by Mr. Yip Seng Mun, a former Director of the Company.</p> | <p>2. Century Technology Holding (PTC) Limited 為一間於英屬處女群島註冊成立之公司，其全部已發行股本由本公司前任董事葉醒民先生實益擁有。</p> |
| <p>3. Bakersfield Global (PTC) Corporation is a company incorporated in the British Virgin Islands and its entire issued share capital is beneficially owned by Mr. Yip Seng Mun, a former Director of the Company.</p>     | <p>3. Bakersfield Global (PTC) Corporation 為一間於英屬處女群島註冊成立之公司，其全部已發行股本由本公司前任董事葉醒民先生實益擁有。</p>     |

4. An aggregate of 304,280,619 shares are held through Greenford Company (PTC) Limited, Century Technology (PTC) Holding Limited and Bakersfield Global (PTC) 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 Ace Central Group (PTC) Limited as the trustee of The New Millennium Trust, a discretionary family trust established with Mr. Yip Seng Mun as the founder and Mr. Yip Heon Ping as one of the discretionary objects for the time being. Both of them are the former Directors of the Company.

Mr. Yip Heon Keung, a Director of the Company, is the sole director and sole shareholder of Ace Central Group (PTC) Limited.

5. By virtue of the SFO, Mr. Yip Heon Ping is deemed to be interested in 304,280,619 shares of the Company as one of the discretionary objects of The New Millennium Trust. In addition, he is also entitled to his share options to subscribe for 6,300,000 shares of the Company in his capacity as an employee of the Group.
6. By virtue of the SFO, Mr. Yip Seng Mun is deemed to be interested in 304,280,619 shares of the Company as the founder of The New Millennium Trust and personally interested in 2,000,000 shares of the Company. In addition, he is also entitled to his share options to subscribe for 4,000,000 shares of the Company in his capacity as an employee of the Group.
7. Knicks Capital Inc. is a company incorporated in the British Virgin Islands and its entire issued share capital is held by Mr. Zhang Xingsheng.
8. Uniright Group Limited (“Uniright”) is a company incorporated in the British Virgin Islands and its entire issued share capital is held by Mr. Yip Heon Wai and Mr. Yip Heon Keung in equal shares, both are the Directors of the Company.
9. Tallmany Enterprises Limited (“Tallmany”) is a company incorporated in the British Virgin Islands and currently holds 30,000,000 shares of the Company. It is a wholly owned subsidiary of China Broadband Capital Partners, L.P., a fund established in the Cayman Island as an exempted limited partnership (the “Fund”). CBC Partners, L.P. (“CBC Partners”) holds approximately 1.01% of the issued share capital of the Fund, which in turn is ultimately wholly owned by Dr. Edward Tian indirectly. Dr. Xu Zhiming, a Director of the Company, is the sole director of Tallmany.

4. 合共304,280,619股股份由Greenford Company (PTC) Limited、Century Technology (PTC) Holding Limited及Bakersfield Global (PTC) 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。該等信託之所有單位均由Ace Central Group (PTC) Limited以The New Millennium Trust之受託人身份持有，而The New Millennium Trust為一項當時以葉醒民先生為創辦人及以葉向平先生為其中一名全權託管對象而設之全權家族信託。兩者均為本公司之前任董事。

本公司董事葉向強先生為Ace Central Group (PTC) Limited之唯一董事及唯一股東。

5. 根據證券及期貨條例，作為The New Millennium Trust其中一名全權託管對象，葉向平先生亦被視為擁有本公司304,280,619股股份之權益。此外，彼亦以本集團僱員之身份享有可認購本公司6,300,000股股份之購股權。
6. 根據證券及期貨條例，作為The New Millennium Trust之創辦人，葉醒民先生亦被視為擁有本公司304,280,619股股份之權益及擁有本公司2,000,000股股份之個人權益。此外，彼亦以本集團僱員之身份享有可認購本公司4,000,000股股份之購股權。
7. Knicks Capital Inc. 為一間於英屬處女群島註冊成立之公司，其全部已發行股本由張醒生先生持有。
8. Uniright Group Limited (「Uniright」) 為一間於英屬處女群島註冊成立之公司，其全部已發行股本由葉向維先生及葉向強先生等額持有，兩者均為本公司之董事。
9. Tallmany Enterprises Limited (「Tallmany」) 為一間於英屬處女群島註冊成立之公司及目前持有本公司30,000,000股股份。這是一間於開曼群島成立為獲豁免有限責任合夥企業之基金China Broadband Capital Partners, L.P. (「該基金」) 之全資附屬公司。CBC Partners, L.P. (「CBC Partners」) 持有該基金已發行股本約1.01%，而CBC Partners最終由田溯寧博士間接全資擁有。本公司董事許志明博士為Tallmany之唯一董事。



10. Tallmany is also the holder of the convertible bonds ("Convertible Bonds") issued by the Company on 6 June 2007. If the convertible rights attached to the Convertible Bonds are exercised in full at the initial conversion price of HK\$0.96 per share, Tallmany will become interested in a total of 30,000,000 shares of the Company. If the convertible rights attached to the Convertible Bonds are exercised in full at the adjusted conversion price of HK\$0.50 per share, Tallmany will become interested in a total of 57,600,000 shares of the Company.

Simultaneously, Tallmany is also the holder of the zero-coupon exchangeable bonds in the principal amount of HK\$30,000,000 due 2012 ("Exchangeable Bonds") issued by Uniright on 6 June 2007. If the exchange rights attached to the Exchangeable Bonds are exercised in full at the initial exchange price of HK\$1.00 per share, a total of 30,000,000 shares of the Company will be transferred by Uniright to Tallmany. If the exchange rights attached to the Exchangeable Bonds are exercised in full at the adjusted exchange price of HK\$0.525 per share, a total of 57,142,857 shares of the Company will be transferred by Uniright to Tallmany.

It was agreed between the parties to the Exchangeable Bonds subscription agreement ("EB Subscription Agreement") that at completion, Uniright, as a chargor, shall deliver to Tallmany, as a chargee, a duly executed share charge in respect of the charging of 100,000,000 ordinary shares of the Company ("Shares") by Uniright in favor of Tallmany ("Share Charge"). On 6 June 2007, being the completion date of the EB Subscription Agreement, Uniright executed and delivered the Share Charge to Tallmany. Subject to the terms and conditions set out therein, Uniright pledged 100,000,000 Shares to Tallmany as the collateral created by the Share Charge.

11. The letter "L" denotes long position in the ordinary shares of the Company. The letter "S" denotes short position in the underlying shares of the Company.
12. Based on 597,675,000 shares in issue as at 31 December 2008.

Save as disclosed above, as at 31 December 2008, the Company has not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

10. Tallmany亦是本公司於二零零七年六月六日發行之可換股債券(「可換股債券」)之持有人。倘可換股債券附有之換股權按初步之換股價每股0.96港元獲全數行使，Tallmany將擁有合共30,000,000股本公司股份之權益。倘可換股債券附有之換股權按經調整換股價每股0.50港元獲全數行使，Tallmany將擁有合共57,600,000股本公司股份之權益。

與此同時，Tallmany亦是Uniright於二零零七年六月六日發行之二零一二年到期本金額為30,000,000港元之零息可轉換債券(「可轉換債券」)之持有人。倘可轉換債券附有之轉換權按初步轉換價每股1.00港元獲全數行使，Uniright將向Tallmany轉讓合共30,000,000股本公司股份。倘可轉換債券附有之轉換權按經調整轉換價每股0.525港元獲全數行使，Uniright將向Tallmany轉讓合共57,142,857股本公司股份。

可轉換債券認購協議(「可轉換債券認購協議」)之訂約方協定於完成時，作為抵押人之Uniright將向作為承押人之Tallmany交付就Uniright向Tallmany抵押本公司100,000,000股普通股(「股份」)而正式簽立之股份押證(「股份押證」)。於二零零七年六月六日，即可轉換債券認購協議之完成日期，Uniright向Tallmany簽立及交付股份押證。在股份押證所載條款及條件規限下，Uniright向Tallmany抵押100,000,000股股份作為該股份押證之抵押品。

11. 「L」字母代表於公司普通股之好倉。「S」字母代表於本公司相關股份之淡倉。
12. 根據於二零零八年十二月三十一日已發行597,675,000股股份計算。

除上文所披露者外，於二零零八年十二月三十一日，本公司並無獲知會任何人士(本公司董事或主要行政人員除外)擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或須記錄於本公司根據證券及期貨條例第336條備存之登記冊內之本公司股份或相關股份之權益或淡倉。

## COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or their respective associates (as defined under the GEM Listing Rules) have any interests in a business which competes or may compete with the business of the Group, or has any other conflict of interest with the Group during the period under review.

## PURCHASE, REDEMPTION OR SALE OF THE COMPANY'S LISTED SECURITIES

During the nine months ended 31 December 2008, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities.

## CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions set out in the Code on Corporate Governance Practices as contained in Appendix 15 of the GEM Listing Rules ("Code on CG Practices") throughout the period under review.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. In response to specific enquiry made by the Company, each of the Directors gave confirmation that he/she complied with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the nine months ended 31 December 2008.

## AUDIT COMMITTEE

The Company established an audit committee ("Audit Committee") on 7 March 2000 and has formulated and from time to time amended its written terms of reference in accordance with the provisions set out in the Code on CG Practices. The terms of reference of the Audit Committee are available on the Company's website.

## 競爭權益

於回顧期內，各董事或本公司之管理層股東或彼等各自之聯繫人士(定義見創業板上規規則)於與本集團業務構成競爭或可能構成競爭或與本集團有任何其他利益衝突之業務中，概無擁有任何權益。

## 購買、贖回或出售本公司之上市證券

於截至二零零八年十二月三十一日止九個月內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

## 企業管治常規

於回顧期內，本公司一直遵守創業板上規規則附錄十五所載之企業管治常規守則(「企業管治常規守則」)之所有守則條文。

## 董事進行之證券交易

本公司已採納一套有關董事進行證券交易之行為守則，其條款之嚴格程度不遜於創業板上規規則第5.48條至5.67條所載之交易必守標準。經本公司作出特定查詢後，各董事均確認，其於截至二零零八年十二月三十一日止九個月整段期間，已一直遵守交易必守標準及董事進行證券交易之行為守則。

## 審核委員會

本公司已於二零零零年三月七日成立審核委員會(「審核委員會」)，並已根據企業管治常規守則之守則條文制訂及不時修訂其書面職權範圍。審核委員會之職權範圍在本公司網址可供查閱。

As at the date of this report, the Audit Committee comprises three independent non-executive Directors of the Company, namely Mr. James T. Siano (Chairman of the Audit Committee), Ms. Tse Yuet Ling, Justine and Ms. Lai May Lun.

The primary duties of the Audit Committee include the review and supervision of the Group's financial reporting system and internal control procedures, review of the Group's financial information and review of the relationship with the auditors of the Company.

The Audit Committee has reviewed the draft of this report and has provided advice and comments thereon.

## REMUNERATION COMMITTEE

In accordance with the Code on CG Practices, the Company established its remuneration committee ("Remuneration Committee") on 17 June 2005 with written terms of reference. The terms of reference of the Remuneration Committee are available on the Company's website.

The Remuneration Committee comprises two independent non-executive Directors of the Company, namely Ms. Tse Yuet Ling, Justine (Chairman of the Remuneration Committee), Ms. Lai May Lun and one executive Director, Mr. Yip Heon Keung.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

By Order of the Board  
Yip Heon Wai  
Chairman

Hong Kong, 9 February 2009

於本報告日期，審核委員會由本公司三位獨立非執行董事James T. Siano先生(審核委員會主席)、謝月玲女士及黎美倫女士組成。

審核委員會之主要職權包括審核及監察本集團之財務申報制度及內部控制程序、審閱本集團之財務資料，及檢討與本公司核數師之關係。

審核委員會已審閱本報告之草擬本，並就此提供意見及評論。

## 薪酬委員會

根據企業管治常規守則之規定，本公司已於二零零五年六月十七日成立薪酬委員會(「薪酬委員會」)，並書面制定其職權範圍。薪酬委員會之職權範圍在本公司網址可供查閱。

薪酬委員會由本公司兩名獨立非執行董事謝月玲女士(薪酬委員會主席)、黎美倫女士，以及一名執行董事葉向強先生組成。

薪酬委員會之主要職責包括就本公司所有董事及高級管理層之薪酬政策及架構向董事會提供建議，以及經參考董事會不時議決之企業目標及目的後，審閱所有執行董事及高級管理層之特定薪酬計劃。

承董事會命  
主席  
葉向維

香港，二零零九年二月九日



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