

FIRST QUARTERLY REPORT 2003 二零零三年第一季度業績報告

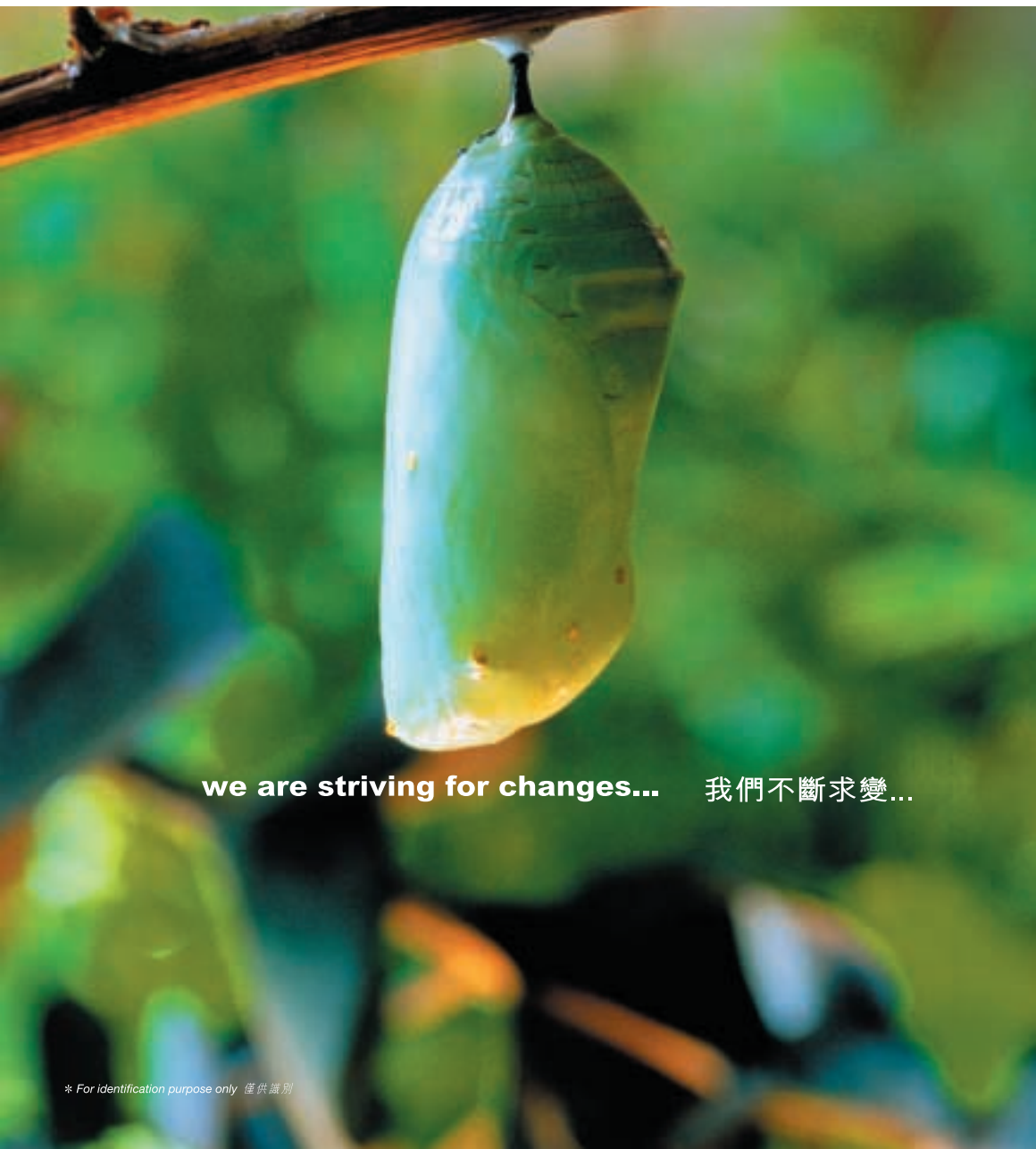


PROSTEN TECHNOLOGY HOLDINGS LIMITED

(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)



we are striving for changes... 我們不斷求變...

* For identification purpose only 僅供識別

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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 announcement 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.

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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

創業板是為可能帶有高投資風險之公司而設立之一個市場。尤為重要的是，在創業板上市之公司毋須有過往盈利記錄，亦毋須預測未來溢利能力。此外，在創業板上市之公司亦可能因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資者應了解投資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之投資者。

由於創業板上市公司新興之性質，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。

創業板發佈資料之主要途徑為在聯交所為創業板而設之互聯網網頁上刊登。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之最新資料。

聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並表明不會就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

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，各董事（「董事」）對本報告共同及個別承擔全部責任。本公司各董事在作出一切合理查詢後確認，就彼等所知及確信：(i)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；(ii)並無遺漏任何其他事實，致令本報告的內容有所誤導；及(iii)本報告所表達之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

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| <ul style="list-style-type: none">• Turnover of the Group for the three months ended 30 June 2003 amounted to approximately HK\$13,543,000, representing an increase of approximately 151% as compared with the same period of previous year. | <ul style="list-style-type: none">• 本集團截至二零零三年六月三十日止三個月之營業額約13,543,000港元，較去年同期上升約151%。 |
| <ul style="list-style-type: none">• Net loss attributable to shareholders for the three months ended 30 June 2003 amounted to approximately HK\$10,415,000. | <ul style="list-style-type: none">• 截至二零零三年六月三十日止三個月之股東應佔虧損淨額約10,415,000港元。 |
| <ul style="list-style-type: none">• The Directors do not recommend the payment of an interim dividend for the three months ended 30 June 2003. | <ul style="list-style-type: none">• 董事不建議就截至二零零三年六月三十日止三個月派發中期股息。 |

UNAUDITED CONSOLIDATED RESULTS

未經審核綜合業績

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 three months ended 30 June 2003 together with the unaudited comparative figures for the corresponding period in 2002 as follows:

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」)截至二零零三年六月三十日止三個月之未經審核綜合業績，連同二零零二年同期之未經審核比較數字如下：

		Three months ended 30 June 截至六月三十日止三個月		
		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元	
Notes 附註				
TURNOVER	營業額	2	13,543	5,390
Cost of sales	銷售成本		(9,078)	(3,264)
Gross profit	毛利		4,465	2,126
Other revenue	其他收益		224	494
Selling and distribution costs	銷售及分銷成本		(3,491)	(6,257)
General and administrative expenses	一般及行政開支		(11,054)	(12,133)
Other operating expenses	其他經營開支		(386)	(1,381)
LOSS FROM OPERATING ACTIVITIES	經營業務虧損		(10,242)	(17,151)
Finance costs	財務費用		(5)	(36)
LOSS BEFORE TAX	除稅前虧損		(10,247)	(17,187)
Tax	稅項	3	(168)	(3)
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務虧損淨額		(10,415)	(17,190)
LOSS PER SHARE Basic	每股虧損 基本	4	(HK2 cents) (2 港仙)	(HK3.4 cents) (3.4 港仙)

Notes:

附註：

1. Basis of presentation

The Group's unaudited consolidated results have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants. They have been prepared under the historical cost convention except for the re-measurement of short term investments.

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

2. Turnover

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

3. Tax

Hong Kong	香港
Elsewhere	其他地區

Hong Kong profits tax has not been provided as the Group did not generate any assessable profits arising in Hong Kong for the three months ended 30 June 2003 (2002: 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.

There was no significant unprovided deferred taxation for the period.

1. 編製基準

本集團之未經審核綜合業績乃根據香港公認會計原則而編製，符合香港會計師公會頒佈之會計準則規定。該等財務報表乃根據原始成本準則編製，惟重新計算短期投資除外。

未經審核綜合業績已經本公司審核委員會審閱。

2. 營業額

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。

3. 稅項

Three months ended	
30 June	
截至六月三十日止三個月	
2003	2002
HK\$'000	HK\$'000
二零零三年	二零零二年
千港元	千港元
Hong Kong	
Elsewhere	
-	-
168	3
168	3

由於本集團於截至二零零三年六月三十日止三個月內沒有錄得香港應課稅溢利，故期內並無作出香港利得稅之撥備(二零零二年：無)。其他地區應課稅溢利之稅項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。

本期間內並無重大未撥備之遞延稅項。

4. Loss per share

The calculation of basic loss per share for the three months ended 30 June 2003 is based on the unaudited net loss attributable to shareholders of HK\$10,415,000 (2002: net loss of HK\$17,190,000) and on the weighted average number of 511,250,000 ordinary shares (2002: 511,250,000 ordinary shares) in issue throughout the period.

Diluted loss per share amount for the three months ended 30 June 2003 and 2002 have not been shown as the share options and warrants outstanding had an anti-dilutive effect on the basic loss per share for the periods.

4. 每股虧損

截至二零零三年六月三十日止三個月之每股基本虧損乃按期內之未經審核股東應佔虧損淨額10,415,000港元（二零零二年：虧損淨額17,190,000港元）及期內已發行普通股之加權平均股數511,250,000股（二零零二年：511,250,000股普通股）計算。

截至二零零三年及二零零二年六月三十日止三個月之每股攤薄虧損金額並沒有列出，因未行使之購股權及認股權證對期內之每股基本虧損有反攤薄影響。

5. Reserves

5. 儲備

		Share premium account 股份溢價賬 HK\$'000 千港元	Exchange fluctuation reserve 匯兌 波動儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2002	於二零零二年四月一日	339,275	95	(160,833)	178,537
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	-	(14)	-	(14)
Net loss for the period	期內虧損淨額	-	-	(17,190)	(17,190)
At 30 June 2002	於二零零二年六月三十日	339,275	81	(178,023)	161,333
At 1 April 2003	於二零零三年四月一日	339,275	112	(271,371)	68,016
Net loss for the period	期內虧損淨額	-	-	(10,415)	(10,415)
At 30 June 2003	於二零零三年六月三十日	339,275	112	(281,786)	57,601

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the three months ended 30 June 2003 (2002: Nil).

FINANCIAL REVIEW

During the three months ended 30 June 2003, the Group's turnover was approximately HK\$13,543,000, representing a 151% increase when comparing with the previous corresponding period. The increase in turnover was mainly attributable to the successful realignment of the Group's strategy to meet market demands.

Although the Group's gross profit margin decreased slightly from 39% to 33%, its total gross profit increased 110% to approximately HK\$4,465,000. The Group continued maintaining a high gross profit margin from its application software and service revenue which tend to have a higher profit margin.

The Group recorded a net loss attributable to shareholders of approximately HK\$10,415,000 for the three months ended 30 June 2003, which nevertheless represents an improvement of 39% when compared with the loss of approximately HK\$17,190,000 recorded in the prior corresponding period.

The improvement was mainly due to two reasons. One is that the Group launched a large-scale restructuring program in 2002 and the overall operating expenses had been reduced. The benefits derived from the restructuring were fully reflected in the review period. Another reason is that the management continued to implement cost controls on various cost centers in order to monitor their performances. As a result, the Group's selling and distribution costs, general and administrative expenses and other operating expenses for this quarter dropped by 44%, 9% and 72% respectively, as compared with the amounts recorded in the same quarter of 2002. The Group will continue to implement stringent cost controls with the aim of further reducing its overall operating expenses.

中期股息

董事不建議就截至二零零三年六月三十日止三個月派發中期股息（二零零二年：無）。

財務回顧

本集團截至二零零三年六月三十日止三個月之營業額約為13,543,000港元，較去年同期上升151%。營業額上升主要是由於成功重新調整本集團之策略，以迎合市場需求。

儘管本集團之毛利率由39%輕微下跌至33%，其毛利總額上升110%至約4,465,000港元。本集團應用軟件及服務收入之毛利率繼續維持於高水平，該等業務一般有較高之邊際利潤。

截至二零零三年六月三十日止三個月，本集團錄得股東應佔虧損約10,415,000港元，但較去年同期錄得虧損約17,190,000港元已顯著改善39%。

業績改善主要由於兩項原因。其一是本集團於二零零二年推行大規模之重組計劃，減低整體營運開支。重組產生之利益於回顧期間內已全面顯現。另一原因是管理層繼續實施各成本中心之成本控制，以監察其表現。因此，本集團於本季之銷售及分銷成本、一般及行政開支以及其他經營開支，與二零零二年同季錄得之數額相比，分別下降44%、9%及72%。本集團將繼續實施嚴謹之成本控制，以達致進一步減低整體營運開支之目標。

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2003, the Group's total shareholders' funds amounted to HK\$108,725,000 as compared with HK\$212,458,000 as at 30 June 2002. The Group had net current assets of HK\$98,458,000 as compared with HK\$147,137,000 as at 30 June 2002. The Group's liquidity remained sound with a current ratio of 4.7 as at 30 June 2003 (30 June 2002: 6.1).

The Group maintained a healthy cash position with cash and cash equivalent plus other liquid funds amounted to HK\$83,061,000 as at 30 June 2003 (30 June 2002: HK\$124,000,000). With these healthy financial positions, the Directors believe that the Group has adequate working capital for its operation in the coming year. The Group's gearing ratio, as a ratio of total borrowings to shareholders' fund was 0% as at 30 June 2003 (30 June 2002: 1%).

BUSINESS REVIEW AND OUTLOOK

For the three months ended 30 June 2003, the Group recorded a turnover of HK\$13,543,000, representing a 151% increase when comparing with that of the prior corresponding period. The Group also achieved gross profit margin of 33% for this quarter. Through effective cost controls, it successfully reduced its aggregate selling and distribution costs, general and administrative expenses and other operating expenses further by 24% compared with the amount recorded in the same quarter of last year. Consequently, its net loss from ordinary activities improved by 39%. The Group still maintained a healthy cash position with cash and cash balances of approximately HK\$83,061,000 as at 30 June 2003.

流動資金及財政資源

於二零零三年六月三十日，本集團之股東資金總額為108,725,000港元，於二零零二年六月三十日為212,458,000港元。本集團之流動資產淨額為98,458,000港元，於二零零二年六月三十日為147,137,000港元。本集團於二零零三年六月三十日之流動資金狀況維持穩健，流動比率為4.7（二零零二年六月三十日：6.1）。

本集團維持穩健之現金狀況，於二零零三年六月三十日之現金及現金等值物加其他速動資金達83,061,000港元（二零零二年六月三十日：124,000,000港元）。憑藉上述健全之財務狀況，董事相信本集團有充裕之營運資金，以應付來年之業務營運。本集團於二零零三年六月三十日之資產與負債比率（總借貸與股東資金比率）為0%（二零零二年六月三十日：1%）。

業務回顧與前瞻

截至二零零三年六月三十日止三個月，本集團錄得營業額13,543,000港元，與上年度同期相比，增加151%，而本季之毛利率為33%。透過有效之成本控制，本集團成功減低總銷售及分銷成本、一般及行政開支及其他經營開支，與上年度同季錄得之數額相比進一步下降24%，本集團之一般業務虧損淨額因而縮小39%。於二零零三年六月三十日，本集團仍維持穩健之現金水平，現金及現金結餘約為83,061,000港元。

Leveraging on extensive project management experience in large scaled network infrastructure projects and technological know-how, the Group was awarded the ATM (asynchronous transfer mode) network upgrade and expansion contracts by Ningxia Telecom and Ningbo Telecom.

The Group has gained recognitions in providing wireless solutions through its past success in offering such services to Jiangxi Mobile, Hebei Mobile, etc. Adding to its customer list is Beijing Mobile by which the Group was granted a Wireless LAN project. In addition, the Group's efforts in adding new features to its kiNETic™ BillCare 4.0 reaped its reward. Hunan Railcom, Guandong Railcom and Guizhou Railcom all had engaged the Group to provide billing solution upgrade based on kiNETic™ BillCare 4.0 to improve their serviceability and efficiency.

The Group continued its growth momentum in winning numerous service contracts. To name a few, the Group partnered with CISCO to provide data maintenance services for China Construction Bank, was selected by Yunan Telecom to continue providing remote and onsite network maintenance services, and was awarded by China Construction Bank to provide DWDM (dense wavelength division multiplexing) networking equipment maintenance services to its Central Data Center in Beijing.

The Group continued to expand into the Mobile Value Added Service ("MVAS") market place via aggressive marketing and dedicated sales, marketing and technical teams. Several profit-sharing cooperation agreements on MVAS had been concluded between the Group and telecom service providers across the China region. Recently, Guangdong China Construction Bank and the Group have planned to jointly launch wireless banking services in Guangzhou to expand the former customer reach and value-added wireless banking services.

本集團憑藉其大規模網絡基建項目之管理經驗及技術知識，獲批寧廈電信及寧波電信之ATM(異步傳輸模式)網絡提升及擴展合約。

透過以往向江西移動及河北移動等提供服務的成功經驗，本集團在無線解決方案方面之成就已獲得認同。除此以外，本集團並取得北京移動之Wireless LAN項目，再增添一名新客戶。本集團在其kiNETic™ BillCare 4.0加入新功能，此方面之努力已獲得回報，湖南鐵通、廣東鐵通及貴州鐵通均已聘請本集團在kiNETic™ BillCare 4.0之基礎上，把計費解決方案升級，以改善彼等之服務並提高效率。

本集團業務保持增長動力，期內奪得多項服務合約，其中包括與思科合夥為中國建設銀行提供數據維護服務，獲雲南電信委任繼續提供遠程及實地網絡維護服務，以及獲中國建設銀行批予合約，承辦北京中央數據中心之DWDM(高密度波長分隔多路傳輸)網絡設備維護服務。

本集團透過積極市場推廣，以及其竭誠之銷售、市場推廣及技術人員，繼續拓展流動增值服務市場。本集團已與中國各地區之電信服務供應商訂立多項流動增值服務利潤分成合作協議。近期，廣東省中國建設銀行與本集團計劃合力在廣州市推出流動銀行服務，以擴展現有客戶層面，提供更廣泛之增值流動銀行服務。

In product development, the Group plans to launch an intelligence chatbot, which is an intelligent agent (an artificial intelligent software application), that interacts with users through SMS, WAP, instant messaging or the web. It is the first Chinese language interactive agent designed for the mobile market. A user can “chat” with the chatbot in either Chinese or English. The chatbot responds much like a real human and has a unique personality. In addition to fostering entertaining conversations, the chatbot can deliver information such as news, weather conditions, sports to the users through casual conversations. The chatbot can also play numerous conversation-based interactive games and can deliver personalized advertising messages to the users. Going forward, the Group will continue to concentrate on its core competence and with the aim of returning to profitability as its first priority.

在產品開發方面，本集團計劃推出一項智能聊天系統，可作為智能媒介（一項人工智能軟件應用系統），透過SMS、WAP、即時信息或互聯網向使用者提供互動功能。此為首項專為流動市場而設之中文互動媒介，使用者可以中文或英文與聊天系統「聊天」，聊天系統如真人般作出回應，並具有獨特個性。除娛樂性質之對話外，聊天系統可通過閑談，向使用者提供新聞、天氣概況、運動等方面之資訊。聊天系統亦可進行多種對話形式之互動遊戲，以及提供專為使用者而設之廣告宣傳信息。展望未來，本集團將繼續專注發展其技術專長，而首要目標是使本集團能轉虧為盈。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES AND DEBENTURES

董事及行政總裁於股份及相關
股份及債權證中之權益及淡倉

As at 30 June 2003, the interests and short positions of the Directors and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Exchange") pursuant to Rule 5.40 of the GEM Listing Rules were as follows:

於二零零三年六月三十日，按本公司根據證券及期貨條例第352條存置之登記冊所示，或按根據創業板上市規則第5.40條向本公司及香港聯合交易所有限公司作出之通知，董事及行政總裁於本公司及其相聯法團（按證券及期貨條例第XV部之定義）之股份、相關股份及債權證中之權益及淡倉如下：

Long positions in shares

於股份之長倉

Name of Director 董事姓名	Company/name of associated corporation 公司／相聯 法團名稱	Capacity 權益類別	Number and class of securities (Note 1) 證券數目 及類別 (附註1)	Percentage of issued share capital 佔已發行股本 百分比
Mr. Yip Heon Ping 葉向平先生	The Company 公司	An object of a discretionary trust (Note 2) 全權信託之 託管對象 (附註2)	404,280,619 shares (L) 404,280,619股股份(L)	79.08%
Mr. Yip Seng Mun 葉醒民先生	The Company 公司	Interest of corporation controlled by director (Note 3) 由董事控制之 法團之權益 (附註3)	248,349,584 shares (L) 248,349,584股股份(L)	48.58%
Mr. Clement Lau 劉宇泰先生	The Company 公司	Interest of corporation controlled by director (Note 4) 由董事控制之 法團之權益 (附註4)	20,719,381 shares (L) 20,719,381股股份(L)	4.05%

Notes:

- (1) The letter "L" stands for long position.
- (2) These shares were 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 were held by Cititrust (Cayman) 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.
- (3) These shares were held by Century Technology Holding Limited and Bakersfield Global Corporation and were beneficially owned by Mr. Yip Seng Mun.
- (4) The 20,719,381 shares were held by First League Investments Limited, a company of which Mr. Clement Lau was a director and held 40% of its equity interest.

附註：

- (1) 「L」字母代表長倉。
- (2) 該等股份由 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，其所有單位均由 Cititrust (Cayman) 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。
- (3) 該等股份由 Century Technology Holding Limited 及 Bakersfield Global Corporation 持有，並由葉醒民先生作實益擁有。
- (4) 此 20,719,381 股股份乃由 First League Investments Limited 所持有，劉宇泰先生乃 First League Investments Limited 之董事，持有其 40% 之股本權益。

Long positions in underlying shares

於相關股份之長倉

(a) Warrants of the Company ("2004 Warrants")

(a) 本公司認股權證（「二零零四年認股權證」）

Name of Director 董事姓名	Company/name of associated corporation 公司／相聯 法團名稱	Capacity 權益類別	Number and class of underlying shares (Note 1) 相關股份數目 及類別 (附註1)
Mr. Clement Lau 劉宇泰先生	The Company 公司	Interest of corporation controlled by director (Note 2) 由董事控制之 法團之權益 (附註2)	9,983,750 (L)
		Interest of spouse (Note 2) 配偶之權益 (附註2)	23,850 (L)

Notes:

附註：

(1) The letter "L" stands for long position.

(1) 「L」字母代表長倉。

(2) On 5 January 2001, a bonus issue of 2004 Warrants was implemented whereby each of the 2004 Warrants will entitle the registered holder to subscribe for one share of the Company at a subscription price of HK\$1.43 per share, payable in cash and subject to adjustment, during the period from 9 January 2001 to 8 January 2004.

(2) 於二零零一年一月五日，本公司派送二零零四年認股權證，據此，每份二零零四年認股權證之登記持有人有權於二零零一年一月九日至二零零四年一月八日期間按每股1.43港元（可予調整）之認購價以現金認購一股本公司股份。

As at 30 June 2003, 9,983,750 units of the 2004 Warrants were held by First League Investments Limited, a company of which Mr. Clement Lau was a director and held 40% of its equity interest. In addition, Mr. Clement Lau and his wife also held an aggregate of 23,850 units of the 2004 Warrants as at 30 June 2003.

於二零零三年六月三十日，9,983,750個單位之二零零四年認股權證由First League Investments Limited（劉宇泰先生乃該公司董事並持有其40%股本權益）所持有。此外，於二零零三年六月三十日，劉宇泰先生及其妻子亦合共持有23,850個單位之二零零四年認股權證。

(b) 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 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").

Pursuant to 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 (the "EGM"), 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 shares of the Company at the higher of (i) the closing price of shares of the Company on the GEM as stated in the Exchange's daily quotation sheet

(b) 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」）。

根據於二零零一年七月二十七日召開之股東週年大會，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（「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，將無舊計劃下之其他購股權再授出，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新計劃下之合資格參與者授出購股權，以認購本公司股份，認購價為(i)於要約發出日期聯交所每日報價單上所列本公司股份在創業板之收市價；或(ii)

on the date of the offer of grant; or (ii) the average closing price of the shares of the Company on the 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.

The maximum number of securities 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 scheme of the Group must not in aggregate exceed 30% of the relevant class of securities of the Company in issue from time to time.

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 EGM.

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.

During the three months ended 30 June 2003, no options were granted or exercised, a total of 260,000 and 340,000 share options were lapsed under the Old Scheme and the New Scheme, respectively, following the resignation of certain employees of the Group. As at 30 June 2003, the Company had 29,915,000 and 16,410,000 share options outstanding under the Old Scheme and the New Scheme, respectively.

緊接要約發出日期前五個交易日聯交所每日報價單上所列本公司股份在創業板之平均收市價；及(iii)股份面值(以較高者為準)。接納購股權之要約之期限為要約日期起21日。接納購股權時須支付象徵式代價1港元。

因根據新計劃及本集團之其他購股權計劃所授出及將予行使之所有尚未獲行使之購股權獲行使而將予配發及發行之證券最高數目，必須合共不超過不時已發行之本公司有關類別證券之30%。

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特別大會舉行日期之本公司已發行股份之10%。

根據有關購股權計劃之條款，已授出購股權之行使期限可由董事予以釐定，於若干歸屬期間後開始，及無論在任何情況下最遲須於授出購股權之各有關日期起計十年屆滿，惟須受提前終止之規定所規限。

於截至二零零三年六月三十日止三個月期間，並無任何購股權獲授出或行使，舊計劃及新計劃下分別合共260,000及340,000份購股權於本集團若干僱員辭任後失效。於二零零三年六月三十日，根據舊計劃及新計劃，本公司分別有29,915,000及16,410,000份尚未行之購股權。

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

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 options re-granted on 22 August 2001 at exercise price of HK\$0.40 per share 於二零零一年 八月二十二日 重授之購股權 數目(行使價為 每股0.40港元)	Number of share options as at 1 April 2003 and 30 June 2003 於二零零三年 四月一日及 二零零三年 六月三十日 之購股權數目	Exercise period of share options 購股權之行使期限
Mr. Yip Seng Mun 葉醒民先生	6,000,000	6,000,000	22 August 2001 to 21 August 2011 二零零一年 八月二十二日至 二零一一年 八月二十一日
Mr. Yip Heon Ping 葉向平先生	6,300,000	6,300,000	22 August 2001 to 21 August 2011 二零零一年 八月二十二日至 二零一一年 八月二十一日
Mr. Yip Heon Wai 葉向維先生	5,300,000	5,300,000	22 August 2001 to 21 August 2011 二零零一年 八月二十二日至 二零一一年 八月二十一日
Mr. Yip Heon Keung 葉向強先生	5,300,000	5,300,000	22 August 2001 to 21 August 2011 二零零一年 八月二十二日至 二零一一年 八月二十一日
Mr. Clement Lau 劉宇泰先生	1,600,000	1,600,000	22 August 2001 to 21 August 2011 二零零一年 八月二十二日至 二零一一年 八月二十一日

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 options granted on 22 May 2002 at exercise price of HK\$0.26 per share 於二零零二年 五月二十二日 獲授之購股權 數目（行使價為 每股0.26港元）	Number of share options as at 1 April 2003 and 30 June 2003 於二零零三年 四月一日及 二零零三年 六月三十日 之購股權數目	Exercise period of share options 購股權之行使期限
Mr. Au Shing Kwok 區承國先生	500,000	500,000	22 May 2002 to 21 May 2012 二零零二年 五月二十二日至 二零一二年 五月三十一日

Save as disclosed above, as at 30 June 2003, none of the Directors or their associates as well as the chief executives had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to the minimum standards of dealing by Directors of the Company as referred to in Rule 5.40 of the GEM Listing Rules.

除上文所披露者外，於二零零三年六月三十日，董事或彼等之聯繫人士及行政總裁概無於本公司及其相聯法團（按證券及期貨條例第XV部之定義）之股份、相關股份及債權證中擁有任何權益或淡倉，須記錄於根據證券及期貨條例第352條保存之登記冊內，或根據創業板上市規則第5.40條所述之公司董事買賣最低標準須知會本公司及聯交所。

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2003, the following persons (other than the Directors and chief executives of the Company) had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

主要股東

於二零零三年六月三十日，下列人士（董事或本公司行政總裁除外）擁有並記錄於根據證券及期貨條例第336條保存之登記冊內之本公司股份及相關股份之權益或淡倉如下：

Name of Shareholder 股東名稱	Notes 附註	Interest in ordinary shares (Note 6) 二零零四年 認股權證 普通股權益 (附註6)	Interest in underlying shares for 2004 Warrants (Note 6) 佔已 發行股本 相關股份權益 (附註6)	Percentage of issued share capital 百分比
Greenford Company Limited	(1)	155,931,035(L)	—	30.50%
Century Technology Holding Limited	(2)	155,931,035(L)	—	30.50%
Bakersfield Global Corporation	(3)	92,418,549(L)	—	18.08%
Cititrust (Cayman) Limited	(4)	404,280,619(L)	—	79.08%
First League Investments Limited	(5)	20,719,381(L)	9,983,750(L)	6.01%
Ms. Leung Chan Yuet Fu 梁陳月富女士	(5)	<u>20,719,381(L)</u>	<u>9,983,750(L)</u>	<u>6.01%</u>

Notes:

附註：

- | | |
|---|---|
| (1) The entire issued share capital of Greenford Company Limited is beneficially owned by Mr. Yip Heon Ping, a director of the Company. | (1) Greenford Company Limited全部已發行股本由本公司董事葉向平先生實益擁有。 |
| (2) The entire issued share capital of Century Technology Holding Limited is beneficially owned by Mr. Yip Seng Mun, a director of the Company. | (2) Century Technology Holding Limited全部已發行股本由本公司董事葉醒民先生實益擁有。 |
| (3) The entire issued share capital of Bakersfield Global Corporation is beneficially owned by Mr. Yip Seng Mun, a director of the Company. | (3) Bakersfield Global Corporation全部已發行股本由本公司董事葉醒民先生實益擁有。 |

(4) 404,280,619 shares were held through Greenford Company Limited, Century Technology Holdings Limited and Bakersfield Global Corporation as trustee of The Greenford Unit Trust, The Century Unit Trust and The Bakersfield Unit Trust, respectively, all of the units of which were held by Cititrust (Cayman) 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. Cititrust (Cayman) Limited is a wholly-owned subsidiary of Citibank Overseas Investment Corporation which in turn is owned by Citibank N.A.

(5) 40% of issued share capital of First League Investments Limited ("First League") is beneficially owned by Mr. Clement Lau., a director of the Company. 60% of issued share capital of First League is beneficially owned by Ms. Leung Chan Yuet Fu, who is therefore deemed to be interested in the 20,719,381 shares and 9,983,750 units of the 2004 Warrants held by First League, respectively.

(6) The word "L" denotes long position.

Save as disclosed above, as at 30 June 2003, there was no person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

(4) 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Cititrust (Cayman) 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。Cititrust (Cayman) Limited為Citibank Overseas Investment Corporation之全資附屬公司，而Citibank Overseas Investment Corporation又為Citibank N.A.所擁有。

(5) First League Investments Limited (「First League」)已發行股本之40%由本公司董事劉宇泰先生實益擁有。First League已發行股本之60%由梁陳月富女士實益擁有，其因而被視為於First League持有之20,719,381股股份及9,983,750單位二零零四年認股權證中擁有權益。

(6) 「L」字母代表長倉。

除上文所披露者外，於二零零三年六月三十日，概無任何人士（董事或本公司行政總裁除外）擁有本公司股份及相關股份之權益或淡倉，而須記錄於根據證券及期貨條例第336條保存之登記冊內。

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or their respective associates (as defined under the GEM Listing Rules) had any interest in a business which competes or may compete with the business of the Group.

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

During the three months ended 30 June 2003, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

BOARD PRACTICES AND PROCEDURES

The Company has complied with the Board Practices and Procedures as set out in Rules 5.28 to 5.39 of the GEM Listing Rules throughout the reporting period.

MISCELLANEOUS

As mentioned in the Company's previous results announcements and related reports, since September 2002, several claims for certain entitlements in respect of the employment of Mr. Clement Lau ("Mr. Lau"), the non-executive director of the Company, with Prosten Technology Co. Limited ("Prosten (HK)"), a wholly owned subsidiary of the Company, have been instigated by Mr. Lau against Prosten (HK) at the Labour Tribunal. On 2 July 2003, an order was granted by the Labour Tribunal to transfer such claims to the District Court for trial. Up to the date of this report, such claims have not been settled or tried by the District Court.

競爭權益

本公司各董事或管理層股東或彼等各自之聯繫人士(定義見創業板上市規則)並無擁有任何與本集團業務競爭或可能構成競爭之業務權益。

購買、出售或贖回本公司上市證券

於截至二零零三年六月三十日止三個月內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

董事會常規及程序

本公司於整個申報期間一直遵守創業板上市規則第5.28至5.39條所載之董事會常規及程序。

其他事項

如本公司之前之業績公佈及相關報告所述，自二零零二年九月以來，本公司非執行董事劉宇泰先生(「劉先生」)就受僱於本公司全資附屬公司長達科技有限公司(「長達香港」)享有之若干權益，在勞資審裁處對長達香港提出多項申索。於二零零三年七月二日，勞資審裁處頒令，把該等申索轉交區域法院審理。直至本報告日期，該等申索尚未解決或尚未由區域法院審理。

AUDIT COMMITTEE

The Company established an audit committee (the "Committee") on 7 March 2000 with written terms of reference in compliance with the GEM Listing Rules. The Committee comprises two independent non-executive Directors of the Company, namely Messrs. James T. Siano and Au Shing Kwok. The primary duties of the Committee are to review and supervise the financial reporting process and internal controls of the Group. The Committee has reviewed the draft of this report and has provided advice and comments thereon.

By Order of the Board

Yip Seng Mun

Chairman

Hong Kong, 11 August 2003

審核委員會

本公司已於二零零零年三月七日根據創業板上市規則成立一個具有書面職權範圍之審核委員會（「該委員會」）。該委員會由 James T. Siano 先生及區承國先生兩位本公司獨立非執行董事組成。該委員會之主要職責為檢討及監察本集團之財務申報程序及內部控制。該委員會已審閱本報告之草稿並已就此提出意見。

承董事會命

葉醒民

主席

香港，二零零三年八月十一日

FIRST QUARTERLY REPORT 2003 二零零三年第一季度業績報告



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)

A close-up photograph of a monarch butterfly emerging from its yellow and green chrysalis. The butterfly's wings are orange with black veins and spots. It is hanging from a dark brown twig against a blurred green background.

to cross into new horizon. 為達更高層次。

* For identification purpose only 僅供識別