



數碼香港 DIGITALHONGKONG.COM

annual report 2003

About DIGITALHONGKONG.COM 數碼香港簡介 (stock code 股票編號: 8007)

DIGITALHONGKONG.COM (“Digital HK” or “the Company”) was listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in April 2000. Started as a commerce service provider (CSP) that specialised in the provision of electronic payment outsourcing services for online commerce, Digital HK has strategically positioned itself to integrate both online and offline assets, as well as to engage in selected technology investments and distribution of branded technology products and solutions.

Digital HK and its subsidiaries (“the Group”) now operate the following complementary lines of business:

- provision of Internet and e-commerce enabling solutions
- provision of IT consulting and technical services
- strategic investments in selected technologies and applications with a view to providing total solutions

Digital HK is a subsidiary of Champion Technology Holdings Limited (“Champion Technology”), a communications software development group which is listed on the Main Board of the Stock Exchange.

數碼香港（「本公司」）於二零零零年四月在香港聯合交易所有限公司（「聯交所」）創業板上市。早期定位為商貿服務供應商（CSP），以提供在線商貿電子付款外判服務為主；其後作策略性定位，綜合在線及離線兩方面之業務，並進行選擇性之科技投資，以及分銷品牌科技產品及解決方案。

數碼香港及其附屬公司（「本集團」）現同時經營下列之互補業務：

- 提供互聯網及電子商貿組成方案
- 提供資信科技顧問及技術支援服務
- 策略性投資於合適之科技及應用項目，期望提供全面解決方案

數碼香港為冠軍科技集團有限公司（「冠軍科技」）附屬公司。冠軍科技乃通信軟件開發集團，於聯交所主板上市。

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 may list on GEM with neither a track record of profitability nor any obligation to 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.

創業板為帶有高投資風險的公司提供一個上市的市場。尤其在創業板上市的公司無需有過往盈利記錄，亦無需預測未來盈利。此外，在創業板上市的公司可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。有意投資的人士應了解投資於該等公司的潛在風險，並應審慎周詳考慮後方決定投資。創業板的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投資者。

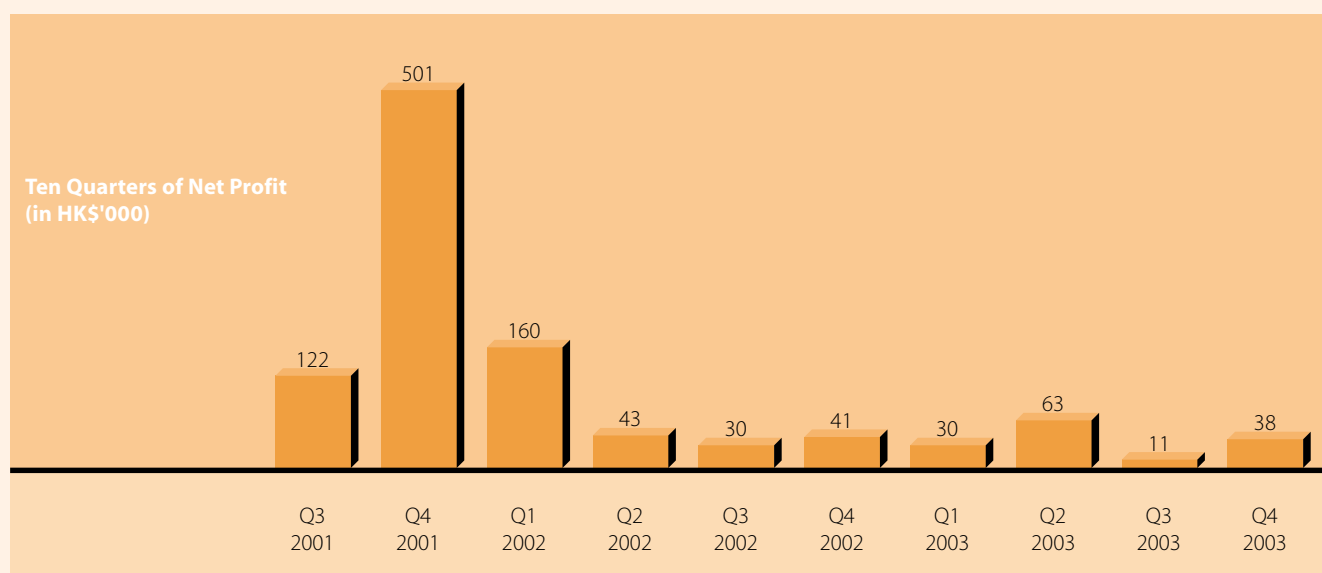
由於在創業板上市公司居於新興性質，在創業板買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

創業板發佈資料的主要方法為在聯交所為創業板而設的互聯網網頁上刊登。上市公司無需在憲報指定報章刊登付款公佈披露資料。因此，有意投資的人士應注意彼等能閱覽創業板網頁，以便取得創業板上市發行人的最新資料。

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Financial Highlights

	2003 HK\$'000	2002 HK\$'000	2001 HK\$'000	2000 HK\$'000
Results (for the year ended 30 June)				
- Turnover	9,642	13,393	10,829	3,213
- Net profit/(loss)	142	274	(3,350)	(9,262)
- Earnings/(Loss) per share - basic (in cents)	0.09	0.18	(2.23)	(7.12)
Financial Position (as at 30 June)				
- Non-current assets	1,810	104	310	515
- Current assets	14,795	16,450	16,058	19,897
- Current liabilities	521	612	700	1,394
- Shareholders' funds	16,084	15,942	15,668	19,018
Financial Ratios (as at 30 June)				
- Current assets/Current liabilities	28	27	23	14
- Assets/Shareholders' funds	1.03	1.04	1.04	1.07
- Sales/Assets	0.58	0.81	0.66	0.16



Corporate Information

Executive directors

Paul KAN Man Lok (Chairman)
John WONG Yuk Lung
Shirley HA Suk Ling

Independent non-executive directors

Francis Gilbert KNIGHT
Billy HO Yiu Ming

Company secretary

Jennifer CHEUNG Mei Ha, solicitor

Qualified accountant

John WONG Yuk Lung, FHKSA, FCPA

Compliance officer

Shirley HA Suk Ling

Authorised representatives

Paul KAN Man Lok
Shirley HA Suk Ling

Audit committee

Billy HO Yiu Ming (Committee Chairman)
Francis Gilbert KNIGHT
John WONG Yuk Lung, FHKSA, FCPA

Registered office

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681GT
George Town
Grand Cayman
Cayman Islands
British West Indies

Head office and principal place of business

Room 1702 One Exchange Square
8 Connaught Place
Hong Kong

Principal Bankers

Standard Chartered Bank
4-4a Des Voeux Road Central
Hong Kong

The Hongkong and Shanghai Banking
Corporation Limited
1 Queen's Road Central
Hong Kong

Bank of China (Hong Kong) Limited
1 Garden Road
Hong Kong

Auditors

Deloitte Touche Tohmatsu
Certified Public Accountants
26th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

Principal share registrar and transfer office

The Harbour Trust Co. Ltd.
P.O. Box 1787
Grand Cayman
Cayman Islands
British West Indies

Hong Kong branch share registrar and transfer office

Secretaries Limited
BEA Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

Company homepage/website

<http://www.digitalhongkong.com>

Stock code on GEM

8007

Chairman's Statement

Dear Shareholders,

The operating environment of the technology sector remained extremely challenging in 2002, and there was industry consolidation across the board. One positive and welcome development has emerged from the shake-up: IT executives have learned to focus on managing their businesses, rather than managing the high expectations of the investment community.

Given the harsh market conditions, which were exacerbated by global economic uncertainties, directors have critically reviewed the Group's operations and business direction. At the same time, extreme diligence was exercised in managing the Group's resources, resulting in the reduction of the number of staff by almost half, and 28% reduction in operating expenses. A number of our activities and operations were scaled down or postponed, as it was against our policy to engage in cut-throat offers in order to win contracts. There was only one motto that we all adhere to while we search for a sustainable business model and redefine our business: *invest only where there is good growth potential and where the board of directors of Digital HK is convinced of an attractive return on investment.*

During the period under review, the Group continued its efforts in pursuing business in relation to e-commerce solutions, and service fees derived from the Group's technical consultation services remained the primary source of our income. We also had some preliminary success in making inroads into the China market, as we were engaged to develop an e-commerce solution targeted at mainland participants. We ended the year with a comfortable cash level, and we were profitable for the second consecutive year as well as for the tenth consecutive quarter. Despite a reduced turnover which reflects the continuing soft demand for IT services, Digital HK was cushioned by the overall lower cost of operations which helped to sustain the Group's profitability, albeit a modest one.

In order to expand our revenue base, Digital HK has been actively exploring new prospective business opportunities and pursuing partnerships to broaden its product offerings. For example, last year we reviewed a number of investment opportunities in education, multimedia, digital library, mobile security, and enterprise mobile solutions. We also met with technology companies from Israel, Canada, UK, Germany, Korea, Hong Kong, and Japan, who approached us to act as their strategic partner and distributor for the Greater China market. Hopefully more definitive collaborative opportunities can be reported in the coming months. The common ingredients of such prospects include one or more of the following: domain expertise with proven technology and solutions; an established brand in a niche market; recurring cash flow; and dedicated management team.

Our senior executives have kept update with global industry trends and maintained close contact with the industry players through active participation in various IT events and forum held in Hong Kong, China, and overseas. We have also contributed to the nurturing of local IT talent through participation in the Mentorship Programme of Hong Kong Science and Technology Parks Corporation, and provided support to a number of similar initiatives.

Outlook

The information technology industry is highly dynamic and fast changing, and the Group must be flexible and versatile in order to respond to such changes. Thankfully we have maintained sufficient momentum in light of an unforgiving market.

I remain optimistic of the IT industry. The Net's power as a business tool has grown from strength to strength. Indeed, the recent resurgence of new listings of Internet-related companies on the Nasdaq is proof that we're only starting to see the real commercial promise of the Internet. The reality remains that those who meet the challenges will be much stronger than their bubble predecessors.

Digital HK will continue its prudent approach in the search for new opportunities for growth in complementary businesses that can generate immediate and reliable cash flow. The objective is to either reduce running costs of operation or move up the value chain by bundling services together to create higher value-added tailored products and solutions for the customers.

China is widely recognised as the world's most dynamic economy today. Digital HK will actively participate in the growth of this market. The recent conclusion of Closer Economic Partnership Arrangement (CEPA) between Hong Kong and China has placed Hong Kong based companies in a particularly favourable position as cross-border trade is enhanced and there will be more IT adoption across the board that will bode well for the future and profit potential of the industry.

Appreciation

I would like to thank the staff of the Group for their consistent dedication, hard work and loyalty through what has been a difficult year for the industry. I would also like to thank my board of directors, particularly the independent directors, for displaying similar fortitude and continuing to provide extremely valuable advice and guidance.

Paul KAN Man Lok

Chairman

23 September 2003

Management Discussion and Analysis

Business Review

The technology sector remained depressed in the year under review. Amidst the Internet meltdown that hit the global markets, Digital HK has proved its agility and nimbleness in adjusting and adapting to a rapidly changing competitive market.

As mentioned in our last annual report, the exuberance and ambitions surrounding the Internet have proved to be wrongly placed. Indeed, more and more people, young and old, as well as businesses, are using the Internet, yet online advertising, commerce, or purchases has failed to pick up to the same extent. At the height of Severe Acute Respiratory Syndrome (SARS) during the second quarter of 2003, students were kept at home as schools were suspended, and people also reduced their out-of-home activities. This led to a brief upshot of online purchases and increased usage of the Internet.

Given the continuing difficult economic situation in Hong Kong and a very competitive market during the period under review, the IT industry has developed and transformed into something quite different from the industry's forecast in 2000. In response, the Group has taken a more conservative approach in rolling out its business objectives than was originally planned. A number of our activities and development plans were scaled down or revised, as described in more details as below:

*Development plan and marketing initiatives on the Group's **Phone-a-Drink™** vending kiosk system have been revised.*

Despite the state-of-art design and integration of wireless Internet technology and micro-payment by cellular phones, as well as publicity by local media and BBCChinese.com as one of the most innovative products, initial market test did not meet with large scale support and the proposed deployment of **Phone-a-Drink™** did not materialise. Building a brand has consumed more resources and taken longer time while market uncertainties persist. The situation in Hong Kong is also quite different from that in Japan and Europe, where consumers are big users of vending kiosks and a wide range of merchandise is available on these mobile kiosks. Without the economy of scale in Hong Kong, even licensing the technology has not proved to be viable under current market conditions.

Yet the basic mobile payment proposition remains strong. There has been a mismatch between the services that consumers say they want and the services that they are actually being offered. The original solution we offered in the initial phase was a bit complicated (open an account, register as a member, remember a password, have a credit card for payment and so on). Where there is a simple mechanism and economic solution, consumers are more prepared to adopt it. The recent sharp reduction in cost in sending SMS by and among the mobile operators in Hong Kong pointed the **Phone-a-Drink™** project to a new direction.

*Project plan for **Video Vision™** has been postponed due to a weak advertising market and the closure of one of our business partners.*

Infrastructure requirements and expenditure for business development and marketing efforts on the Group's innovative out-of-home multimedia advertising display solution, which integrates the Internet, wireless communication and flat panel display technology, were postponed as the retail market remained weak, and advertisers were reluctant to commit to new spending. The decision of one of our business partners to go out of business also disrupted our original plan. Work programme for smart card integration and applications development has also been revised in light of the circumstances.

During the period, we reduced the number of staff by about fifty percent and also cut our operating expenses by 28 percent in line with the level of business activities. As the Group focused its efforts on providing e-commerce enabling solutions and technical consultation services to clients keen to upgrade their website with online transaction capabilities, there was increasing use of third party collaboration and partnerships to economise on resources. Service fees derived from the Group's IT services remained the primary source of income for the Group.

New Projects and Opportunities

The Group has been engaged to provide technical services to a B-to-C (business to consumer) Internet portal specially catered to healthcare and life science. The portal, **ehealthscience.com**, aggregates valuable information on a wide range of health related topics, and is an initiative that took advantage of the community's heightened consciousness of health and awareness of hygiene as a result of the outbreak of SARS. Online purchases of health items are enabled on the portal and Digital HK will receive set-up fees from content providers, provision of ongoing technical services and maintenance, as well as a fee split out of consumer purchases. The project is scheduled to commence in the first half of FY2004.

During the period under review, the Group obtained a contract to develop an e-commerce solution with payment capabilities and security features for deployment in the China market. The beta version of the system is expected to be ready for testing towards end of the year.

The Group also reviewed several investment opportunities in the period under review. Its primary investment objective is to achieve medium-term capital appreciation by investing in unlisted companies mainly in Hong Kong and China. Investments will normally be made in the form of equity-related securities and debt instruments in companies that have a proven track record in the respective fields in which they operate and which the board of directors of Digital HK believes there to be prospects for long-term growth. Where possible, Digital HK would seek to identify investments where there will be synergy between such investments and the other investee companies on the Group's prospect list, and where co-operation between such companies would be of mutual benefit to each other.

Digital HK is still in the early stage of appraising these prospects, and we expect to come up with a more detailed evaluation plan in the coming months.

Financial Performance

Results for the year

The Group recorded its second full year profit since its commencement of operation. Net profit for the year ended 30 June 2003 was HK\$142,000, as compared with the net profit of HK\$274,000 for the previous year. Audited consolidated turnover for the year was HK\$9,642,000, representing a 28 percent decrease compared with HK\$13,393,000 in the last year. For the quarter ended 30 June 2003, turnover was HK\$2,369,000, and net profit was HK\$38,000. It was the tenth consecutive quarter of reported profit for the Group.

The above results reflected the continuing soft demand for IT services amidst a weak economical climate during the period under review. Nevertheless, the Group was able to maintain its momentum by pursuing business in relation to e-commerce solutions despite very tough market conditions. Meanwhile, management maintained stringent control over the Group's operating costs, which totalled HK\$9,536,000, a 28 percent reduction from the previous year. The most significant cost cutting measure was to reduce the number of staff by about fifty percent beginning the first quarter of the financial year. This has resulted in a 39 percent reduction in total staff costs to HK\$2,669,000. General and administrative expenses at HK\$2,362,000 represented savings of 51 percent. Meanwhile, marketing and promotion expenses increased by 36 percent to HK\$1,697,000, compared with HK\$1,250,000 of the previous year, as a result of the increased use of third parties and business partners to promote the Group's services. Overall, the Group had conserved valuable cash resources by scaling back the original development programme in light of rapidly changing market conditions.

Liquidity and Financial Resources

As at 30 June 2003, shareholders' funds of the Group stood at approximately HK\$16.1 million. Current assets amounted to approximately HK\$14.8 million, of which approximately HK\$7.3 million were represented by deposits, bank balances and cash. The Group had no non-current liabilities and its current liabilities amounted to approximately HK\$0.5 million made up mainly of other payables and accrued charges.

The Group did not have any bank borrowings for the year ended 30 June 2003. The Group financed its operations primarily with internally generated cash flow. As at 30 June 2003, the Group did not have any material contingent liabilities nor any charges on its assets. With net current assets of HK\$14.3 million, the Group was in a financially liquid position at the end of the financial year under review. As at 30 June 2003, the Group's gearing ratio, defined as the Group's total borrowings to the shareholders' funds, was nil.

The Group made no acquisitions or disposals of subsidiaries and affiliated companies during the year. As at 30 June 2003, the Group had no capital expenditure (2002: capital expenditure of HK\$0.8 million) contracted for but not provided in the financial statements and capital expenditure of HK\$0.5 million (2002: HK\$1 million) authorised but not contracted for. These commitments are set aside for the acquisition of property, plant and equipment and systems and networks.

The Group's foreign currency exposure is limited and foreign exchange rate fluctuation had no material impact on the Group's results.

It is envisaged that the Group's financial resources are sufficient to provide for expenditure on operations and the development of new software solutions and value-added services based on the current plan. The Directors do not see the need to make any material borrowings or to raise additional capital in the near term. Management will carefully review the market conditions and available opportunities.

Human Resources

As at 30 June 2003, the Group employed 8 full-time staff members (2002: 15), all of whom are based in Hong Kong. Staff costs for the year under review were HK\$2.7 million (2002: HK\$4.4 million). Remuneration includes monthly salaries, performance-linked year-end bonuses, share options, and the retirement benefits under the Mandatory Provident Fund Scheme and other benefits.

The Directors will continue to monitor the staffing requirements in line with the expected level and nature of business activities, and where appropriate, some members of the team will be redeployed to take on other jobs.

Directors and Senior Management Profile

Executive Directors

Paul KAN Man Lok is the Chairman and Executive Director with responsibility for Digital HK's visionary planning and development. He is also the Chairman of both Champion Technology Holdings Limited and Kantone Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange. Mr. Kan holds a Master's degree in Business Administration from the Chinese University of Hong Kong, and brings over 30 years of experience in the computing and telecommunications industries to bear on fully leveraging the e-commerce technology that is a key success factor for business today. As author of the books in The Hong Kong e-Commerce Studies Series published by Digital HK, he has forged a strong link between his IT legacy and the promise of an online-assisted life. Prior to setting up the Champion Technology group in 1987, he was the general manager of Asiadata Limited, a computing services subsidiary of Cable & Wireless PLC.

In civic duties, Mr. Kan has served twice on the Stock Exchange Working Group on Corporate Governance during 1994-1995 and 1999-2000, and was a member of the Listing Committee of the GEM Board for the period 1999-2003. He is currently Chairman for the second successive term of the Hong Kong Information Technology Industry Council; council committee member of the Federation of Hong Kong Industries; and member of Hong Kong Legislative Council Election Committee for the IT sector. Other memberships include the Hong Kong Trade Development Council Electronics and Electrical Appliances Advisory Committee; the Chinese People's Political Consultative Conference of Anhui Province in the PRC; and the Election Committee for the Hong Kong representatives of National People's Congress of China.

Mr. Kan also sits on the board of CLP Holdings Limited as an independent non-executive director.

John WONG Yuk Lung is the Executive Director and Chief Financial Officer. He has extensive financial and management experience in the information technology field, having previously served in various senior positions including Chief Financial Officer of the Champion Technology group between June 1992 and August 1994, and having served in similar capacities for 16 years with the Cable and Wireless Group. He stayed on as advisor to the Champion Technology group after his departure, and rejoined the Group in early 2000. He is a fellow member of the Hong Kong Society of Accountants and the Australian Society of Certified Practising Accountants, and an associate member of the Australian Institute of Banking and Finance.

Shirley HA Suk Ling is responsible for spearheading the Group's business activities including corporate finance and strategic development. She also focuses on building strategic partnerships and alliances for the Group, liaising with government departments, solutions and business partners, different sectors of the business and academic communities in driving the e-revolution.

Prior to joining the Group, she was the Executive Vice President of Corporate Development for Champion Technology which she joined in March 1992, and oversaw the listing and corporate development of three listed companies within Champion Technology group. She holds a Bachelor's degree in Arts from the University of Hong Kong and a Master's degree in Business Administration from the Chinese University of Hong Kong. She is a member of the Advisory Committee of the Division of Computer Studies at the City University of Hong Kong, and Convenor of IDC (International Development and Co-operation) Subcommittee of Information Technology Industry Council of the Federation of Hong Kong Industries. She has been appointed by Hong Kong Science and Technology Parks Corporation as Mentor to its incubatee under the Mentorship Programme.

Independent Non-executive Directors

Billy HO Yiu Ming joined the board of directors in November 2001. He is the senior partner of an accountant firm and has extensive management experience in various industries. He is a chartered certified accountant, and is a fellow member of Hong Kong Society of Accountants, a member of Chartered Institute of Arbitrators, and a fellow member of the Hong Kong Association of the Advancement of Science and Technology. He holds a Master's degree in Business Administration. He is also an independent non-executive director of Jade Dynasty Food Culture Group Limited, whose shares are listed on the Main Board of the Stock Exchange.

Francis Gilbert KNIGHT has been an independent non-executive director since March 2000. Mr. Knight is the Chairman and Managing Director of Asian Security and Investigation Services Limited which is a private company. A fellow of each of the British Institute of Directors and the British Institute of Management, the American Society for Industrial Security and the International Association of Police Chiefs, Mr. Knight has over 20 years' experience in the field of copyright protection, security and commercial investigations, and acts as security adviser to a number of major organisations.

Senior Management

Robert SIA Chun Chung is Vice President, e-Commerce Projects. He oversees the technical management and systems support of the Group's e-Commerce and Internet operations. He holds a Bachelor's degree in Engineering from the University of Hong Kong and a Master of Science degree in Electronic Engineering from the Polytechnic University of Hong Kong. He had been working in the Champion Group since 1995 before joining the Group in July 1999.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the annual general meeting of DIGITALHONGKONG.COM (the "Company") will be held at 3rd Floor, Kantone Centre, 1 Ning Foo Street, Chai Wan, Hong Kong, on 26 November 2003 at 9:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 30 June 2003.
2. To elect directors and to authorise the board of directors to fix their remuneration.
3. To appoint auditors and to authorise the board of directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

"THAT:

- (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period of all the powers 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 might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power 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) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to a Rights Issue or scrip dividend scheme or similar arrangement of the Company or the exercise of the subscription rights under the share option scheme 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 this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes 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 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 law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

"Rights Issue" means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company 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)."

By Order of the Board
Jennifer Cheung Mei Ha
Company Secretary

Hong Kong, 30 September 2003

Principal Office:
Room 1702 One Exchange Square
8 Connaught Place
Hong Kong

Notes:

- (1) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company.
- (2) In order to be valid, the form of proxy must be deposited at the Company's principal office in Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.

Directors' Report 董事會報告

董事謹提呈彼等截至二零零三年六月三十日止年度之年報及經審核財務報告。

主要業務

本公司為一間投資控股公司。其附屬公司之主要業務載於財務報告附註12。

業績

本集團截至二零零三年六月三十日止年度之業績載於第16頁之綜合收益表。

董事不建議派付股息。

財務摘要

本集團截至二零零三年六月三十日止五個年度各年之業績及於一九九九年、二零零零年、二零零一年、二零零二年及二零零三年六月三十日之資產及負債概要載於第33頁。

儲備

本集團及本公司於年內之儲備變動詳情載於財務報告附註18。

物業、廠房與設備

於本年度內，本集團動用了合共約1,000港元增購物業、廠房與設備。有關本集團於年內之物業、廠房與設備之變動詳情載於財務報告附註10。

附屬公司

本公司各附屬公司於二零零三年六月三十日之詳情載於財務報告附註12。

董事

年內及截至本報告刊發日期止，本公司之董事為：

執行董事：

簡文樂先生（主席）
黃玉龍先生
夏淑玲女士

獨立非執行董事：

Francis Gilbert Knight先生
何耀明先生

根據本公司組織細則之規定，Francis Gilbert Knight先生將會告退，並符合資格膺選連任。

The directors present their annual report and the audited financial statements for the year ended 30 June 2003.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 12 to the financial statements.

RESULTS

The results of the Group for the year ended 30 June 2003 are set out in the consolidated income statement on page 16.

The directors do not recommend the payment of a dividend.

FINANCIAL SUMMARY

A summary of the results of the Group for each of the five years ended 30 June 2003 and of the assets and liabilities as at 30 June 1999, 2000, 2001, 2002 and 2003 is set out on page 33.

RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in note 18 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred an aggregate of approximately HK\$1,000 in the acquisition of property, plant and equipment. Details of the movements in property, plant and equipment of the Group during the year are set out in note 10 to the financial statements.

SUBSIDIARIES

Details of the Company's subsidiaries at 30 June 2003 are set out in note 12 to the financial statements.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Mr. Paul Kan Man Lok, Chairman
Mr. John Wong Yuk Lung
Ms. Shirley Ha Suk Ling

Independent non-executive directors:

Mr. Francis Gilbert Knight
Mr. Ho Yiu Ming

In accordance with provisions of the Company's Articles of Association, Mr. Francis Gilbert Knight retires and, being eligible, offers himself for re-election.

董事 (續)

擬於應屆股東周年大會上動議連任之董事概無訂立任何本集團不能於一年內毋須作出補償(法定補償除外)而終止之服務合約。

按本公司之公司組織細則之規定，非執行董事之任期為直至彼等輪席告退之期間。

董事於合約及關連交易之權益

於截至二零零三年六月三十日止年度，本集團曾與冠軍科技集團有限公司(「冠軍」，本公司之最終控股公司)及冠軍科技有限公司(冠軍之附屬公司)進行下文所述之交易。根據香港聯合交易所有限公司(「聯交所」)創業板證券上市規則(「創業板上市規則」)之規定，彼等被視為關連人士。

自冠軍科技有限公司收取之
登記費、年費及技術費
本集團支付予冠軍之行政費用

本公司及冠軍於二零零零年三月二十七日訂立了一項攤分收費協議，據此，冠軍同意採用本集團之付款平台服務。本集團將會按照本集團及冠軍與其附屬公司(本集團除外)所議定之比率，攤分因使用付款平台而收取之交易款項。

獨立非執行董事認為，上述交易乃於日常及正常業務過程中按一般商業條款進行，並符合監管彼等之有關協議之規定，且按公平合理及符合本公司股東整體利益之條款進行。關連交易之詳情載於財務報告附註22中。

除上文所披露者外，本公司董事在本公司、其任何控股公司、同系附屬公司或附屬公司參與訂立，且在本年度結束時或在本年度內任何時間仍然有效之重大合約中，概無直接或間接擁有任何重大權益。

DIRECTORS (Continued)

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The independent non-executive directors have been appointed for a period up to their retirement by rotation as required by the Company's Articles of Association.

DIRECTORS' INTEREST IN CONTRACTS AND CONNECTED TRANSACTIONS

During the year ended 30 June 2003, the Group had the following transactions with Champion Technology Holdings Limited ("Champion", the Company's ultimate holding company) and Champion Technology Limited (a subsidiary of Champion) which are deemed to be connected parties pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "GEM Listing Rules"):

	HK\$'000 千港元
Registration fee, annual fee and technical fee received from Champion Technology Limited	945
Administration fees paid by the Group to Champion	960

The Company and Champion entered into a fee sharing agreement dated 27 March 2000 whereby Champion agrees to employ the payment platform services of the Group. The Group shares the transaction amount received by using the payment platform at a rate to be agreed between the Group and Champion and its subsidiaries (other than the Group).

In the opinion of the independent non-executive directors, the above transactions were carried out in the ordinary and usual course of business under normal commercial terms and are in accordance with the relevant agreements governing them and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole. Details of connected transactions are set out in note 22 to the financial statements.

Save as disclosed above, no contracts of significance to which the Company, any of its holding companies, fellow subsidiaries or subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事於證券之權益或淡倉

於二零零三年六月三十日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置之股東名冊記錄所示，或根據創業板上市規則第5.40條向聯交所另行作出之通知，本公司董事在本公司及其任何相關法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有之權益及淡倉如下：

	Name of director 董事姓名	Capacity 身份	Number of shares 股份數目	Number of warrants 認股權證數目
Securities of the Company 本公司證券	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 1 附註1	–
Securities of Champion 冠軍證券	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 2 附註2	Note 2 附註2
Securities of Kantone Holdings Limited 神通集團有限公司證券 (“Kantone”, a subsidiary of Champion) (「神通」，冠軍之附屬公司)	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 3 附註3	–

附註：

- 117,300,000股由冠軍持有，而2,669,171股則由Lawnside International Limited（「Lawnside」）持有，Lawnside由Lanchester Limited全資擁有。Lanchester Limited乃一間由一項合資格受益人包括簡文樂先生及其家族成員以及冠軍及其附屬公司員工之全權信託所實益擁有之公司。目前，僅簡文樂先生及其家族成員為全權信託受益人。於二零零三年六月三十日，Lawnside擁有冠軍全部權益中約35.8%之權益及因而被視為擁有該等由冠軍擁有之股份權益。根據創業板上市規則，該等股份被歸類為其他權益。
- 237,923,303股及43,910,604份認股權證由Lawnside持有。該等認股權證乃由冠軍發行，並全數將於二零零四年一月十二日屆滿。根據創業板上市規則，該等股份被歸類為其他權益。
- 1,265,940,702股由冠軍持有及399,084,420股由Lawnside持有。根據創業板上市規則，該等股份被歸類為其他權益。

除上文所披露者外，於二零零三年六月三十日，各董事或彼等之聯繫人士概無在本公司或其相關法團（定義見證券及期貨條例第XV部）之證券、相關股份或債券中擁有任何權益或淡倉。

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SECURITIES

At 30 June 2003, the interests and short positions of the directors of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Stock Exchange pursuant to Rule 5.40 of the GEM Listing Rules were as follows:

	Name of director 董事姓名	Capacity 身份	Number of shares 股份數目	Number of warrants 認股權證數目
Securities of the Company 本公司證券	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 1 附註1	–
Securities of Champion 冠軍證券	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 2 附註2	Note 2 附註2
Securities of Kantone Holdings Limited 神通集團有限公司證券 (“Kantone”, a subsidiary of Champion) (「神通」，冠軍之附屬公司)	Mr. Paul Kan Man Lok 簡文樂先生	The person who sets up the discretionary trust and a discretionary object of the trust 乃設立該全權信託的人士及該信託之其中一名受益人	Note 3 附註3	–

Notes:

- 117,300,000 shares were held by Champion and 2,669,171 shares were held by Lawnside International Limited (“Lawnside”). Lawnside is wholly owned by Lanchester Limited which is a company beneficially owned by a discretionary trust, the eligible discretionary objects of which include Mr. Paul Kan Man Lok and his family members and staff of Champion and its subsidiaries. Currently, only Mr. Paul Kan Man Lok and his family members are discretionary objects of the trust. As at 30 June 2003, Lawnside had interests in approximately 35.8% of the entire interest of Champion and was accordingly deemed to have an interest in these shares which were owned by Champion. These are classified as other interests under the GEM Listing Rules.
- 237,923,303 shares and 43,910,604 warrants were held by Lawnside. The warrants issued by Champion will expire on 12 January 2004. These are classified as other interests under the GEM Listing Rules.
- 1,265,940,702 shares were held by Champion and 399,084,420 shares were held by Lawnside. These are classified as other interests under the GEM Listing Rules.

Save as disclosed above, none of the directors or any of their associates had any interest or short position in the securities, underlying shares or debentures of the Company or any of its associated corporations as defined in Part XV of the SFO as at 30 June 2003.

主要股東

於二零零三年六月三十日，除上文「董事於證券之權益或淡倉」所披露之權益外，按本公司根據證券及期貨條例第336條存置之主要股東名冊所示，本公司並無接獲通知有任何人士持有5%或以上之本公司已發行股本。

可換股證券、購股權、認股權證或類似權利

除了本報告所載之購股權計劃外，於二零零三年六月三十日，本公司並無任何尚未行使之可換股證券、購股權、認股權證或類似權利。

購股權及董事購買股份或債券之權利

於二零零零年三月二十七日，本公司採納購股權計劃（「舊有計劃」）。自本公司採納舊有計劃以來並無根據舊有計劃授出購股權。有關舊有計劃之詳情載於財務報告附註17。

於二零零二年十一月二十九日，本公司批准終止舊有計劃，並採納一項將於二零一二年十一月二十八日屆滿之新購股權計劃（「新計劃」），以遵守創業板上市規則第23章之新訂條款。有關新計劃之詳情載於財務報告附註17。

冠軍及看通各自設立一套高級行政人員購股權計劃。據此，冠軍及看通之董事可向董事及僱員授出購股權，主要作為給予其僱員之獎勵，並藉此分別認購冠軍及看通之股份。根據冠軍及看通以往採納之購股權計劃，冠軍及看通授出之購股權可在其董事釐定之期間內隨時行使。所授出之購股權可於授出日期起計十年內行使，而接納日期須不遲於要約日期後21日。購股權股份之認購價乃股份之面值及緊隨授出日期前五個交易日每股收市價平均值之80%（以較高者為準）。冠軍及看通並無向本公司董事授出任何購股權。

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2003, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that, other than the interests disclosed above under directors' interests or short positions in securities, the Company has not been notified of any other interests representing 5% or more of the Company's issued share capital.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Other than the share option scheme as set out in the report, the Company had no outstanding convertible securities, options, warrants or other similar rights as at 30 June 2003 and there was no exercise of convertible securities, options, warrants or similar rights during the year.

SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

On 27 March 2000, the Company adopted the share option scheme (the "Old Scheme"). No share option was granted by the Company under the Old Scheme since its adoption. Particulars of the Old Scheme are set out in note 17 to the financial statements.

On 29 November 2002, the Company approved the termination of the Old Scheme and adopted the new share option scheme (the "New Scheme") which will expire on 28 November 2012 in order to comply with the terms of the new Chapter 23 of the GEM Listing Rules. No share option was granted by the Company under the New Scheme. Particulars of the New Scheme are set out in note 17 to the financial statements.

Champion and Kantone each has an executive share option scheme which enables the directors of Champion and Kantone to grant options to directors and employees, for the primary purpose of providing incentives to their employees, to subscribe for shares in Champion and Kantone respectively. Under the previously adopted share option schemes of Champion and Kantone, the share options granted by Champion and Kantone are exercisable at any time for a period as it may be determined by its directors. Options granted are exercisable within ten years from the date of grants, where the acceptance date should not be later than 21 days after the date of offer. The subscription price of the option shares is the higher of the nominal value of the shares and an amount which is 80% of the average of the closing prices of the shares on the five trading days immediately preceding the date of grant of the options. No share option was granted by Champion and Kantone to directors of the Company.

購股權及董事購買股份或債券之權利
(續)

於二零零二年十一月二十九日，冠軍及看通批准終止以往所採納之購股權計劃，並採納新購股權計劃，以遵守聯交所證券上市規則（「上市規則」）第17章之新訂條款。新購股權計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等為冠軍及看通之業務及營運作出貢獻。根據新購股權計劃，董事可就本公司、其附屬公司或聯屬公司之業務、營運、管理、技術、法律、會計及財務事宜，向任何董事、僱員、顧問、諮詢人或受益人包括上述人士之任何全權信託或由上述人士實益擁有之公司及冠軍與看通之客戶及供應商授予購股權，讓彼等藉此認購冠軍及看通之股份。冠軍及看通所授出之購股權可在其董事釐定之期間內隨時行使。所授出之購股權可於授出日期起計十年內行使，而接納日期須不遲於要約日期後21日。認購價（如本文所述可予調整）乃(i)股份之面值；(ii)於授出日期（必須為營業日）在聯交所每日報價表所報之每股收市價；及(iii)緊隨授出日期前五個營業日在聯交所每日報價表所報之每股收市價之平均值（以較高者為準）。截至二零零三年六月三十日止年度，冠軍及看通並無向本公司董事授出任何購股權。

除上文所述之購股權計劃外，本公司、其任何控股公司、其任何同系附屬公司或附屬公司於年內任何時間概無訂立任何安排，以致本公司之董事可藉購入本公司或任何其他法人團體之股份或債券而獲益，而各董事或彼等之配偶或18歲以下之子女亦無擁有可認購本公司證券之任何權利，亦無於年內行使任何該等權利。

主要客戶及供應商

於本年度內，本集團五大客戶佔本集團營業額約99.8%，而本集團最大客戶則佔總營業額約39.7%。

除上文所披露者外，於截至二零零三年六月三十日止財政年度，概無任何董事、彼等各自之聯繫人士及據董事所知擁有本公司已發行股本5%以上之本公司股東在本集團五大客戶任何一位中擁有任何權益。

截至二零零三年六月三十日止的兩個年度各年，並無任何人士被歸類為本集團供應商。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES
(Continued)

On 29 November 2002, Champion and Kantone approved to terminate the previously adopted share option schemes and to adopt the new share option schemes in order to comply with the terms of the new Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The purpose of the new share option schemes is to attract and retain quality personnel and other persons and to provide incentive to them to contribute to the business and operation of Champion and Kantone. Under the new share option schemes, the directors may grant options to any directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of the Company, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of Champion and Kantone, to subscribe for shares of Champion and Kantone. The share options granted by Champion and Kantone are exercisable at any time for a period as it may be determined by its directors. Options granted are exercisable within ten years from the date of grants, where the acceptance date should not be later than 21 days after the date of offer. The subscription price (subject to adjustment as provided therein) is the higher of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day and (iii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant. No share option under the newly adopted share option schemes was granted by Champion and Kantone to directors of the Company for the year ended 30 June 2003.

Other than the share option schemes as described above, at no time during the year was the Company, any of its holding companies, fellow subsidiaries or subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the directors, or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights during the year.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for about 99.8% of the turnover of the Group and the largest customer of the Group accounted for about 39.7% of the total turnover.

Save as disclosed above, none of the directors, their respective associates and shareholders of the Company (which to the knowledge of the directors own more than 5% of the issued capital of the Company) had any interest in any of the five largest customers of the Group for the financial year ended 30 June 2003.

For each of the two years ended 30 June 2003, no party has been classified as a supplier of the Group.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

優先購股權

本公司之公司組織細則或開曼群島法律概無載有任何有關優先購股權之規定，規定本公司須按比例向現有股東發售新股份。

競爭業務權益

本公司各董事或管理股東（定義見創業板上規規則）概無擁有任何與本集團業務構成競爭或可能構成競爭之業務權益。

公司監管

本公司於年內一直遵守創業板上規規則第5.28至5.39條之董事會慣例及程序。

本公司之審核委員會乃由何耀明先生、Francis Gilbert Knight先生及黃玉龍先生所組成。

年內，審核委員會曾召開四次會議。審核委員會之主要職責為審閱及監督本集團之財務申報程序及內部監控系統。

核數師

有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案將於本公司之股東周年大會上提呈。

代表董事會

主席
簡文樂

二零零三年九月二十三日

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, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

COMPETING INTERESTS

None of the directors nor the management shareholders of the Company (as defined in the GEM Listing Rules) had an interest in a business which competes with the Company or may compete with the business of the Group.

CORPORATE GOVERNANCE

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 during the year.

The Company's audit committee comprised of Messrs. Ho Yiu Ming, Francis Gilbert Knight and John Wong Yuk Lung.

During the year, the audit committee held four meetings. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group.

AUDITORS

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Paul KAN Man Lok
Chairman

23 September 2003

德勤·關黃陳方會計師行

Certified Public Accountants
26/F, Wing On Centre
111 Connaught Road Central
Hong Kong

香港中環干諾道中111號
永安中心26樓

Deloitte Touche Tohmatsu

致數碼香港列位股東

(於開曼群島註冊成立之有限公司)

本核數師行已完成審核載於第16頁至第32頁按照香港普遍採納之會計準則編製之財務報告。

董事及核數師之個別責任

貴公司之董事須負責編製真實及公平之財務報告。在編製該等財務報告時，董事必須貫徹採用合適之會計政策。

本行之責任乃根據審核工作之結果，對該等財務報告作出獨立之意見，並向股東作出報告，除此以外別無其他目的。本行並無就本報告內容向任何其他人士承擔任何責任。

意見之基礎

本行已按照香港會計師公會頒佈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告所載數額及披露事項有關之憑證，亦包括評審董事於編製該等財務報告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充分披露該等會計政策。

本行在策劃及進行審核工作時，均以取得一切本行認為必需之資料及解釋為目標，使本行能獲得充分之憑證，就該等財務報告是否存在重要錯誤陳述，作出合理之確定。在表達意見時，本行亦已衡量該等財務報告所載之資料在整體上是否足夠。本行相信，本行之審核工作已為下列意見建立合理之基礎。

意見

本行認為上述財務報告均真實及公平地反映貴公司及貴集團於二零零三年六月三十日之財務狀況及貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥善編製。

TO THE SHAREHOLDERS OF DIGITALHONGKONG.COM

(incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 16 to 32 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

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 financial statements and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

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 give a true and fair view of the state of affairs of the Company and the Group as at 30 June 2003 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

德勤·關黃陳方會計師行
香港
二零零三年九月二十三日

Deloitte Touche Tohmatsu
Hong Kong
23 September 2003

Consolidated Income Statement 綜合收益表

For the year ended 30 June 2003 截至二零零三年六月三十日止年度

		NOTES 附註	2003 HK\$'000 千港元	2002 HK\$'000 千港元
營業額	Turnover	4	9,642	13,393
其他經營收入	Other operating income	5	36	116
經營成本	Operating costs			
購入技術支出	Acquired technology expensed		(2,808)	(2,807)
一般及行政費用	General and administrative expenses		(2,362)	(4,780)
市場推廣費用	Marketing and promotion expenses		(1,697)	(1,250)
僱員成本	Staff costs		(2,669)	(4,398)
經營溢利	Profit from operations	6	142	274
稅項	Taxation	8	-	-
本年度溢利淨額	Net profit for the year		142	274
每股盈利 – 基本	Earnings per share – basic	9	0.09 cents 仙	0.18 cents 仙

Consolidated Balance Sheet 綜合資產負債表

At 30 June 2003 於二零零三年六月三十日

		NOTES 附註	2003 HK\$'000 千港元	2002 HK\$'000 千港元
非流動資產	Non-current assets			
物業、廠房與設備	Property, plant and equipment	10	23	104
系統及網絡	Systems and networks	11	1,787	–
			1,810	104
流動資產	Current assets			
應收貿易款項	Trade receivables	13	4,455	3,261
按金及預付款項	Deposits and prepayments		1,062	1,232
應收一間同系附屬公司之款項	Amount due from a fellow subsidiary	14	1,951	3,279
存款、銀行結餘及現金	Deposits, bank balances and cash	15	7,327	8,678
			14,795	16,450
流動負債	Current liabilities			
其他應付款項及應計費用	Other payables and accrued charges		521	612
流動資產淨額	Net current assets		14,274	15,838
資產淨額	Net assets		16,084	15,942
資本及儲備	Capital and reserves			
股本	Share capital	16	15,000	15,000
儲備	Reserves	18	1,084	942
股東資金	Shareholders' funds		16,084	15,942

第16至第32頁所載之財務報告已於二零零三年九月二十三日由董事會批核及由下列董事代表簽署：

The financial statements on pages 16 to 32 were approved and authorised for issue by the Board of Directors on 23 September 2003 and are signed on its behalf by:

Paul KAN Man Lok 簡文樂
DIRECTOR 董事

Shirley HA Suk Ling 夏淑玲
DIRECTOR 董事

Balance Sheet 資產負債表

At 30 June 2003 於二零零三年六月三十日

	NOTES 附註	2003 HK\$'000 千港元	2002 HK\$'000 千港元
非流動資產			
於附屬公司之投資	12	2,071	2,071
Non-current assets			
Investments in subsidiaries			
流動資產			
預付款項		63	58
應收附屬公司之款項		11,109	10,095
存款、銀行結餘及現金	15	2,694	3,912
Current assets			
Prepayments			
Amounts due from subsidiaries			
Deposits, bank balances and cash			
流動負債			
其他應付款項及應計費用		451	445
Current liabilities			
Other payables and accrued charges			
流動資產淨額		13,415	13,620
資產淨額		15,486	15,691
Net current assets			
Net assets			
資本及儲備			
股本	16	15,000	15,000
儲備	18	486	691
Capital and reserves			
Share capital			
Reserves			
股東資金		15,486	15,691
Shareholders' funds			

Paul KAN Man Lok 簡文樂
DIRECTOR 董事

Shirley HA Suk Ling 夏淑玲
DIRECTOR 董事

Consolidated Statement of Changes in Equity 綜合股東權益變動表

For the year ended 30 June 2003 截至二零零三年六月三十日止年度

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
年初	At beginning of the year	15,942	15,668
本年度溢利淨額	Net profit for the year	142	274
年終	At end of the year	16,084	15,942

Consolidated Cash Flow Statement 綜合現金流動表

For the year ended 30 June 2003 截至二零零三年六月三十日止年度

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
經營業務所得之現金流量	Cash flows from operating activities		
本年度溢利淨額	Net profit for the year	142	274
調整：	Adjustments for:		
利息收入	Interest income	(34)	(116)
物業、廠房與設備之折舊	Depreciation of property, plant and equipment	82	236
系統及網絡之攤銷	Amortisation of systems and networks	163	-
營運資金變動前之經營業務現金流量	Operating cash flows before movements in working capital	353	394
應收貿易款項之(增加)減少	(Increase) decrease in trade receivables	(1,194)	720
按金及預付款項之增加	Increase in deposits and prepayments	(1,000)	(1,115)
應收一間同系附屬公司之款項			
減少(增加)	Decrease (increase) in amount due from a fellow subsidiary	1,328	(675)
其他應付款項及應計費用減少	Decrease in other payables and accrued charges	(91)	(88)
經營業務所耗之現金淨額	Net cash used in operating activities	(604)	(764)
投資活動所得之現金流量	Cash flows from investing activities		
系統及網絡款項	Payments for systems and networks	(780)	-
購置物業、廠房與設備	Purchase of property, plant and equipment	(1)	(30)
已收利息	Interest received	34	116
投資活動(所耗)所得之現金淨額	Net cash (used in) from investing activities	(747)	86
現金及現金等額之減少淨額	Net decrease in cash and cash equivalents	(1,351)	(678)
年初之現金及現金等額	Cash and cash equivalents at beginning of the year	8,678	9,356
年終之現金及現金等額· 存款·銀行結餘及現金	Cash and cash equivalents at end of the year, represented by deposits, bank balances and cash	7,327	8,678

Notes to the Financial Statements 財務報告附註

For the year ended 30 June 2003 截至二零零三年六月三十日止年度

1. 一般資料

本公司在開曼群島根據開曼群島經修訂公司法註冊成立為獲豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）之創業板（「創業板」）上市，其最終控股公司為冠軍科技集團有限公司（「冠軍」）。冠軍原本為於開曼群島註冊成立之公司，惟其後將註冊地重訂為百慕達，其股份亦於聯交所上市。

本公司為一間投資控股公司，其附屬公司之主要業務已載於附註12。

2. 採納新訂及經修訂會計實務準則

於本年度內，本集團首次採納數項由香港會計師公會頒佈之新訂或經修訂會計實務準則（「會計實務準則」）。採納該等會計實務準則導致綜合現金流動表之呈列方式出現變動，以及引入綜合股東權益變動表，惟對本會計期間或以往會計期間之業績並無造成重大影響。因此，無須作出前期調整。上年度之比較數額因而已予以重列，以達致相符一致之呈列方式。

現金流動表

於本年度內，本集團已採納會計實務準則第15號（經修訂）「現金流動表」。根據會計實務準則第15號（經修訂），現金流量歸類為三個項目——經營業務、投資活動及融資活動，而以往則歸類為五個項目。已收利息以往呈列於獨立項目，現已歸類為投資現金流量。

僱員福利

於本年度內，本集團已採納會計實務準則第34號「僱員福利」，該準則引入僱員福利（包括退休福利計劃）之衡量規則。由於本集團僅參與定額供款退休計劃，故採納會計實務準則第34號對財務報告並無造成任何重大影響。

3. 重要會計政策

財務報告乃根據原始成本準則及按香港普遍採納之會計原則編製。所採納之主要會計政策載述如下：

綜合基準

綜合財務報告包括本公司及其附屬公司截至每年六月三十日止之財務報告。

年內收購或出售之附屬公司之業績由該等公司之收購生效日起，計入綜合收益表內，或計至出售生效日期（如適用）。

本集團內公司間之一切重大交易及結餘已於綜合賬目時對銷。

1. GENERAL

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (Revised) of the Cayman Islands and its shares are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Champion Technology Holdings Limited ("Champion"), a company which was originally incorporated in the Cayman Islands but subsequently re-domiciled to Bermuda, and its shares are also listed on the Stock Exchange.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 12.

2. ADOPTION OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE

In the current year, the Group has adopted for the first time a number of new or revised Statements of Standard Accounting Practice ("SSAP"s) issued by the Hong Kong Society of Accountants. The adoption of these SSAPs has resulted in a change in the format of presentation of the consolidated cash flow statement and the introduction of the consolidated statement of changes in equity, but has had no material effect on the results for the current or prior accounting periods. Accordingly, no prior period adjustment has been required. Comparative amounts for the prior year have therefore been restated to achieve a consistent presentation.

Cash flow statements

In the current year, the Group has adopted SSAP 15 (Revised) "Cash flow statements". Under SSAP 15 (Revised), cash flows are classified under three headings – operating, investing and financing, rather than the previous five headings. Interest received, which was previously presented under a separate heading, is classified as investing cash flows.

Employee benefits

In the current year, the Group has adopted SSAP 34 "Employee benefits", which introduces measurement rules for employee benefits, including retirement benefit schemes. Because the Group participates only in defined contribution retirement schemes, the adoption of SSAP 34 has not had any material impact on the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are set out below:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30 June each year.

The results of the subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances between group companies are eliminated on consolidation.

3. 重要會計政策 (續)

於附屬公司之投資

於附屬公司之投資乃按賬面值列賬，並已減去任何已識別減值虧損，以計入本公司之資產負債表內。本公司按年內已收或應收之股息基準為附屬公司之業績入賬。

收入之確認

服務收入乃於服務已提供時確認。

利息收入乃按時間基準，根據未償還本金額及適用之利率計算而定。

物業、廠房與設備

物業、廠房與設備乃按成本值減除折舊及任何累計減值虧損後列賬。

資產出售或報銷時之收益或虧損乃按銷售所得款項與資產之賬面值之差額釐定，並於收益表內予以確認。

物業、廠房與設備之成本值以直線法折舊，按其估計可使用年期並按以下年率予以撇銷：

電腦系統及設備	20% - 33 $\frac{1}{3}$ %
傢俬及裝置	20%

系統及網絡

系統及網絡乃按成本值減攤銷及任何累計減值虧損列賬。

系統及網絡指本集團於設立系統及網絡時所引致之所有直接成本，包括設備成本、開發成本及分包開支。該等資產僅於符合下列所有情況時方才確認：

- 所設立之資產可予確定（如軟件及新程序）；
- 所設立之資產可能帶來未來經濟利益；及
- 資產之開發成本可合理地計量。

未能符合上述情況之開發成本於產生期間內確認作開支。符合上述情況之系統及網絡按直線法於其估計可用年期（三年）內攤銷。倘若系統及網絡之可收回金額下降至低於其賬面值，則賬面值將予以減少以反映其價值減幅。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in subsidiaries

Investments in subsidiaries are included in the balance sheet of the Company at carrying value, less any identified impairment loss. Results of subsidiaries are accounted for by the Company on the basis of dividends received or receivable during the year.

Revenue recognition

Service income is recognised when the services are rendered.

Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation and any accumulated impairment losses.

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives, using the straight line method, at the following rates per annum:

Computer system and equipment	20% - 33 $\frac{1}{3}$ %
Furniture and fixtures	20%

Systems and networks

Systems and networks are stated at cost less amortisation and any accumulated impairment losses.

Systems and networks represent all direct costs incurred by the Group in setting up systems and networks, including the cost of equipment, development cost and subcontracting expenditure. Such assets are recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Development costs that cannot fulfil the above conditions are recognised as expenses in the period in which they are incurred. Systems and networks that fulfil the above conditions are amortised on a straight line basis over their estimated useful lives of three years. Where the recoverable amount of systems and networks has declined below their carrying amount, the carrying amount is reduced to reflect the decline in value.

3. 重要會計政策 (續)**稅項**

稅項支出乃根據各年度業績計算，並已扣除毋須課稅或不獲寬減稅項之項目計算。由於若干收支項目就稅務目的確認與在財務報告確認之會計期間有所不同，因而產生時差。以負債法計算之時差稅務影響在財務報告上列作遞延稅項，惟僅以可於可預見將來實現之負債或資產為限。

減值

於各結算日，本集團已審閱其資產之賬面值以釐定該等物業是否有任何情況顯示出現減值虧損。倘估計資產之可收回金額將少於其賬面值，則資產之賬面值須減至其可收回金額。減值虧損將即時確認為開支。

倘減值虧損於其後撇銷，資產之賬面值將增加至其經修訂之估計可收回金額，致使已增加之賬面值不會超過假如資產於過往年度並無確認減值虧損下應有之賬面值。減值虧損之撇銷將即時確認為收入。

研究及開發成本

研究費用於支銷之年內列入收益表。開發費用於支銷之年內列入收益表，除非該年度內正進行一項重大計劃，且合理由預期開發成本將透過未來之商業活動得以收回。該等開發成本將由展開商業活動之日起計，按該項計劃之年期遞延及註銷，為期最長五年。

外幣

以外幣進行之交易均按交易日期之概約匯率折算。以外幣訂值之貨幣資產及負債均按結算日之匯率重新折算。滙兌盈虧概撥入收益表中處理。

退休福利成本

定額供款退休計劃之付款於到期支付時作為開支扣除。

4. 營業額及分類資料

營業額乃指成立及提供安全電子付款程序平台服務之已收及應收款項。

本年度並無呈列業務分類分析及地區分類資料分析，此乃由於本集團之營業額及業績貢獻主要來自開發及經營有助促進中華人民共和國（包括香港）網上交易之付款基礎設施。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Taxation**

The charge for taxation is based on the results for the year after adjusting for items which are non-assessable or disallowed. Certain items of income and expense are recognised for tax purposes in a different accounting period from that in which they are recognised in the financial statements. The tax effect of the resulting timing differences, computed using the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or an asset will crystallise in the foreseeable future.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Research and development costs

Research costs are charged to the income statement in the year in which they are incurred. Development costs are charged to the income statement in the year in which they are incurred except where a major project is undertaken and it is reasonably anticipated that development costs will be recovered through future commercial activity. Such development costs are deferred and written off over the life of the project from the date of commencement of commercial operation subject to a maximum of five years.

Foreign currencies

Transactions in foreign currencies are translated at the approximate rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

Retirement benefit costs

Payments to the defined contribution retirement schemes are charged as expenses as they fall due.

4. TURNOVER AND SEGMENT INFORMATION

Turnover represents the amounts received and receivable for services rendered in establishing and providing secured electronic payment processing platform.

No business segment analysis and geographical segment analysis are presented for the years as substantially all the Group's turnover and contribution to results were derived from the business of development and operation of payment infrastructure which facilitates web-enabled transactions in the People's Republic of China including Hong Kong.

5. 其他經營收入

其他經營收入包括利息收入34,000港元
(二零零二年:116,000港元)。

5. OTHER OPERATING INCOME

Included in other operating income is interest income of HK\$34,000 (2002: HK\$116,000).

6. 經營溢利

6. PROFIT FROM OPERATIONS

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
經營溢利已扣除:	Profit from operations has been arrived at after charging:		
核數師酬金	Auditors' remuneration	260	268
系統及網絡之攤銷	Amortisation of systems and networks	163	-
物業、廠房與設備之折舊	Depreciation of property, plant and equipment	82	236
研究及開發成本,包括員工成本 1,003,000港元(二零零二年: 1,527,000港元)	Research and development costs, including staff costs of HK\$1,003,000 (2002: HK\$1,527,000)	4,070	4,814

7. 董事酬金及僱員酬金

7. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
董事酬金	Directors' Emoluments		
獨立非執行董事 袍金	Independent non-executive directors Fees	70	91
執行董事 薪金及其他福利 退休福利計劃供款	Executive directors Salaries and other benefits Retirement benefits scheme contributions	1,216 24	1,233 24
董事酬金總額	Total directors' emoluments	1,310	1,348

三名執行董事於截至二零零三年六月三十日止年度各自已收取之酬金分別為131,000港元(二零零二年:126,000港元)、882,000港元(二零零二年:933,000港元)及227,000港元(二零零二年:198,000港元)。兩名(二零零二年:三名)獨立非執行董事於截至二零零三年六月三十日止年度分別已收取50,000港元(二零零二年:50,000港元)、20,000港元(二零零二年:12,000港元)及無(二零零二年:29,000港元)之董事袍金。並無任何獨立非執行董事於上述兩個年度內收取任何其他酬金。

The three executive directors received individual emoluments for the year ended 30 June 2003 of HK\$131,000 (2002: HK\$126,000), HK\$882,000 (2002: HK\$933,000) and HK\$227,000 (2002: HK\$198,000). The two (2002: three) independent non-executive directors received directors' fees for the year ended 30 June 2003 of HK\$50,000 (2002: HK\$50,000), HK\$20,000 (2002: HK\$12,000) and HK\$nil (2002: HK\$29,000) respectively. No independent non-executive director received other emoluments in both years.

7. 董事酬金及僱員酬金 (續)**僱員酬金**

於本年度內，五名最高薪人士包括兩名董事(二零零二年：一名)，其酬金已分析呈列如上，支付其餘三名(二零零二年：四名)人士之酬金詳情如下：

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
薪金及其他福利	Salaries and other benefits	669	1,737
退休福利計劃供款	Retirement benefits scheme contributions	29	48
		698	1,785
		Number of employees	
		僱員人數	
		2003	2002
僱員之酬金介乎下列範圍：	Emoluments of the employees were within the following band:		
無 – 1,000,000港元	Nil – HK\$1,000,000	3	4

8. 稅項

由於估計兩個年度之應課稅溢利已全數分攤至結轉稅項虧損，故並無就香港利得稅作出撥備。

未確認遞延稅項資產淨額之詳情載於附註19。

9. 每股盈利

每股盈利乃按本年度之溢利淨額142,000港元(二零零二年：274,000港元)及年內已發行股份加權平均數150,000,000(二零零二年：150,000,000)股計算。

由於並無攤薄潛力之普通股，故此並無呈列每股攤薄盈利。

7. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (Continued)**Employees' Emoluments**

During the year, the five highest paid individuals include two directors (2002: one) whose emoluments are reflected in the analysis presented above. The total emoluments paid to the remaining three (2002: four) individuals were as follows:

8. TAXATION

No provision for Hong Kong Profits Tax has been made as the estimated assessable profit for both years was wholly absorbed by tax losses carried forward.

Details of net unrecognised deferred tax asset are set out in note 19.

9. EARNINGS PER SHARE

The calculation of the earnings per share is based on the net profit for the year of HK\$142,000 (2002: HK\$274,000) and on the weighted average of 150,000,000 (2002: 150,000,000) shares in issue throughout the year.

No diluted earnings per share has been presented as there were no dilutive potential ordinary shares in issue.

10. 物業、廠房與設備

10. PROPERTY, PLANT AND EQUIPMENT

		Computer system and equipment 電腦系統及設備 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Total 總額 HK\$'000 千港元
本集團	THE GROUP			
成本	COST			
於二零零二年七月一日	At 1 July 2002	732	6	738
添置	Additions	1	–	1
於二零零三年六月三十日	At 30 June 2003	733	6	739
折舊	DEPRECIATION			
於二零零二年七月一日	At 1 July 2002	633	1	634
本年度撥備	Provided for the year	81	1	82
於二零零三年六月三十日	At 30 June 2003	714	2	716
賬面淨值	NET BOOK VALUES			
於二零零三年六月三十日	At 30 June 2003	19	4	23
於二零零二年六月三十日	At 30 June 2002	99	5	104

於結算日，本公司並無任何物業、廠房與設備。

The Company did not have any property, plant and equipment at the balance sheet date.

11. 系統及網絡

11. SYSTEMS AND NETWORKS

		HK\$'000 千港元
本集團	THE GROUP	
成本值	COST	
年內購入	Acquired during the year	780
轉撥自按金	Transferred from deposits	1,170
年終	At end of the year	1,950
攤銷	AMORTISATION	
本年度撥備數額及年終結餘	Amount provided for the year and balance at end of the year	163
賬面淨值	NET BOOK VALUE	
年終	At end of the year	1,787

系統及網絡包括設立及開發以互聯網為本之知識系統及網絡所引致之所有直接成本。本集團之系統及網絡自投入商業運作日期起按項目估計經濟可用年期（為期最長三年）攤銷。

Systems and networks include all direct costs incurred in the setting up and development of internet based knowledge systems and networks. The Group's systems and networks are amortised over the estimated economic useful lives of the projects from the date of commencement of commercial operations subject to a maximum period of three years.

於結算日，本公司並無任何系統及網絡。

The Company did not have any systems and networks at the balance sheet date.

12. 於附屬公司之投資

12. INVESTMENTS IN SUBSIDIARIES

		THE COMPANY 本公司	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
非上市股份	Unlisted shares	2,071	2,071

於附屬公司之投資之賬面值反映各附屬公司成為本公司成員之日期之基本資產值。

The carrying value of investments in subsidiaries reflects the value of the underlying net assets of the subsidiaries at the time they became members of the Group.

以下為本公司各附屬公司之詳細資料，彼等均於二零零三年六月三十日由本公司直接持有：

Details of the Company's subsidiaries, all of which are held directly by the Company at 30 June 2003, are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及繳足股本	Attributable equity interest of the Group 本集團應佔股本權益	Principal activity 主要業務
DIGITALHONGKONG.COM INC.	British Virgin Islands – limited liability company 英屬處女群島 – 有限責任公司	US\$1 1美元	100%	Provision of an e-Commerce platform for payment process for global business 為全球公司提供電子商貿付款程序平台
DIGITAL COMMERCE LIMITED	Hong Kong 香港	HK\$2 2港元	100%	Development of e-Commerce platform and evaluation of e-Commerce opportunities 開發電子商貿平台及評估電子商貿商機
Digital Hong Kong Limited 數碼香港國際有限公司	Hong Kong 香港	HK\$2 2港元	100%	Provision of an e-Commerce platform for payment process for retail customers and e-malls based in Hong Kong 為香港之零售客戶及電子商場提供電子商貿平台

於本年度結束時及於年內任何時間，各附屬公司概無任何尚未償還之債務證券。

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

13. 應收貿易款項

於結算日之應收貿易款項賬齡分析如下：

0至60日	0 – 60 days
61至120日	61 – 120 days
120日以上	Over 120 days

本集團給予其貿易客戶之平均信貸期為90日至120日。

13. TRADE RECEIVABLES

The aging analysis of trade debtors at the balance sheet date is as follows:

THE GROUP 本集團

2003 HK\$'000 千港元	2002 HK\$'000 千港元
2,308	1,667
2,026	1,594
121	–
4,455	3,261

The Group allows an average credit period ranging from 90 days to 120 days to its trade customers.

14. 應收一間同系附屬公司之款項

該款項乃無抵押且不付息。董事認為，償還之款項乃按照提供予外間之相類似條款。

14. AMOUNT DUE FROM A FELLOW SUBSIDIARY

The amount is unsecured and non-interest bearing. In the opinion of the directors, the amount is repayable under the terms comparable to outsiders.

15. 存款、銀行結餘及現金

附息存款	Interest bearing deposits
銀行結餘及現金	Bank balances and cash

7,327

15. DEPOSITS, BANK BALANCES AND CASH

THE GROUP 本集團

2003 HK\$'000 千港元	2002 HK\$'000 千港元
7,179	3,898
148	4,780
7,327	8,678

THE COMPANY 本公司

2003 HK\$'000 千港元	2002 HK\$'000 千港元
2,678	3,898
16	14
2,694	3,912

16. 股本

法定：
800,000,000股每股面值0.10港元之股份

已發行及繳足：
150,000,000股每股面值0.10港元之股份

於上述兩個年度，本公司之法定、已發行及繳足股本概無變動。

16. SHARE CAPITAL

Authorised:
800,000,000 shares of HK\$0.10 each

Issued and fully paid:
150,000,000 shares of HK\$0.10 each

There were no changes in the Company's authorised, issued and fully paid share capital in both years.

2003 & 2002
HK\$'000
千港元

80,000

15,000

17. 購股權計劃

根據本公司於二零零零年三月二十七日所採納之購股權計劃(「舊有計劃」)，本公司可向本公司或其附屬公司之執行董事及僱員授予購股權，主要作為給予其僱員之獎勵，並藉此讓彼等可無須支付認購價而認購本公司股份。所授出之購股權可在董事釐定之期間內隨時行使，惟該期間不得少於有關購股權發行日期起計三年及超過十年，而接納日期須不遲於要約日期後21日。認購價(如本文所述可予調整)乃(i)股份之面值；(ii)於授出日期(必須為營業日)在聯交所每日報價表所報之每股收市價；及(iii)緊隨授出日期前五個營業日在聯交所每日報價表所報之每股收市價之平均值(以較高者為準)。根據舊有計劃可授出之購股權所涉及之股份最高數目不得超過本公司不時發行之股本10%(惟(i)根據舊有計劃已發行之股份及(ii)舊有計劃於期內涉及(i)所述之股份之已發行額外股份所附按比例之任何權利除外)及授予任何一名僱員之購股權所涉及之股份最高數目不得超過根據舊有計劃可授出之購股權所涉及之股份最高數目之25%。除非以其他方式終止或更改，否則舊有計劃將自採納日期起計十年期間一直生效。由採納舊有計劃之日起，本公司並無根據舊有計劃授出任何購股權。

於二零零二年十一月二十九日，本公司批准終止舊有計劃，並採納一項將於二零一二年十一月二十八日屆滿之新購股權計劃(「新計劃」)，以遵守聯交所創業板證券上市規則第23章之新訂條款。新購股權計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等為本集團之業務及營運作出貢獻。根據新計劃，董事可就本公司、其附屬公司或聯屬公司之業務、營運、管理、技術、法律、會計及財務事宜，向任何董事、僱員、顧問、諮詢人或受益人包括上述人士之任何全權信託或由上述人士實益擁有之公司及冠軍與看通之客戶及供應商授予購股權，讓彼等藉此認購本公司之股份。所授出之購股權可於授出日期起計十年內行使，而接納日期須不遲於要約日期後21日。

17. SHARE OPTION SCHEME

Pursuant to the Company's share option scheme (the "Old Scheme") adopted on 27 March 2000, the Company may grant options to executive directors and employees of the Company or its subsidiaries, for the primary purpose of providing incentives to its employees, to subscribe for shares in the Company without initial payment at a subscription price. Options granted are exercisable at any time during a period as may be determined by the directors, which shall be not less than three years and not more than ten years from the date of issue of the relevant options, where the acceptance date should not be later than 21 days after the date of offer. The subscription price (subject to adjustments as provided therein) is equal to the higher of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant. The maximum number of shares in respect of which options may be granted under the Old Scheme shall not exceed 10% of the share capital of the Company in issue from time to time (except (i) shares issued pursuant to the Old Scheme and (ii) any pro rata entitlements to further shares issued in respect of those shares mentioned in (i) during the period of the Old Scheme) and the maximum number of shares in respect of which options may be granted to any one employee shall not exceed 25% of the maximum number of shares in respect of which options may be granted under the Old Scheme. Unless otherwise terminated or altered, the Old Scheme will remain in force for a period of ten years from the date of adoption. No share option was granted by the Company under the Old Scheme since its adoption.

On 29 November 2002, the Company approved the termination of the Old Scheme and adoption of the new share option scheme (the "New Scheme") which will expire on 28 November 2012 in order to comply with the terms of new Chapter 23 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange. The purpose of the New Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of the Group. Under the New Scheme, the directors may grant options to any eligible persons of the Group, including directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of the Company, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the Group, to subscribe for shares in the Company. Options granted are exercisable within ten years from the date of grant, where the acceptance date should not be later than 21 days after the date of offer.

17. 購股權計劃 (續)

新計劃項下之購股權股份之認購價(如本文所述可予調整)乃(i)股份之面值;(ii)於授出日期(必須為營業日)在聯交所每日報價表所報之每股收市價;及(iii)緊隨授出日期前五個營業日在聯交所每日報價表所報之每股收市價之平均值(以較高者為準)。根據新計劃可授出之購股權所涉及之股份最高數目不得超過本公司於新計劃批准日期發行之股本10%。然而,因行使所有未行使購股權而可發行之最高股份數目不得超過本公司不時發行之股本30%。在未經本公司股東事先批准下,於任何一年授予任何一名個別人士之購股權所涉及之股份最高數目不得超過本公司不時發行之股份1%。本公司自採納新計劃以來並無根據新計劃授予購股權。

18. 儲備

17. SHARE OPTION SCHEME (Continued)

The subscription price (subject to adjustment as provided therein) of the option shares under the New Scheme is equal to the higher of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant. The maximum number of shares in respect of which the options may be granted under the New Scheme shall not exceed 10% of the issued share capital of the Company at the date of approval of the New Scheme. However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue from time to time, without prior approval from the Company's shareholders. No share option under the New Scheme was granted since its adoption.

18. RESERVES

		Special reserve 特別儲備 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
本集團	THE GROUP					
於二零零一年七月一日	At 1 July 2001	–	7,540	8,461	(15,333)	668
本年度溢利淨額	Net profit for the year	–	–	–	274	274
於二零零二年六月三十日 及二零零二年七月一日	At 30 June 2002 and 1 July 2002	–	7,540	8,461	(15,059)	942
本年度溢利淨額	Net profit for the year	–	–	–	142	142
於二零零三年六月三十日	At 30 June 2003	–	7,540	8,461	(14,917)	1,084
本公司	THE COMPANY					
於二零零一年七月一日	At 1 July 2001	1,971	–	8,461	(1,934)	8,498
本年度虧損淨額	Net loss for the year	–	–	–	(7,807)	(7,807)
於二零零二年六月三十日 及二零零二年七月一日	At 30 June 2002 and 1 July 2002	1,971	–	8,461	(9,741)	691
本年度虧損淨額	Net loss for the year	–	–	–	(205)	(205)
於二零零三年六月三十日	At 30 June 2003	1,971	–	8,461	(9,946)	486

18. 儲備 (續)

資本儲備乃指購買代價與本集團於收購日期分佔附屬公司之獨立資產淨值之公平價值之餘額或差額。

特別儲備乃指於本公司收購DIGITALHONGKONG.COM INC.、DIGITAL COMMERCE LIMITED及數碼香港有限公司股份當日，該等公司之基本資產賬面淨值連同所收購之股東貸款7,640,000港元，與就此項收購而發行之本公司股份面值兩者間之差額。根據開曼群島經修訂公司法，特別儲備可供分派之用。

截至二零零三年六月三十日，本公司可分派之儲備約486,000港元（二零零二年：691,000港元）。本公司可撥充股份溢價以向股東派發股息，惟須受本公司之公司組織章程大綱及公司組織細則之條款限制及緊隨於派發股息後，本公司可償還一般業務過程之到期債項，方可作實。遵照本公司之公司組織細則，本公司可撥充溢利、特別儲備及股份溢價派發股息。

19. 未確認遞延稅項資產淨值

年初	At beginning of the year
本年度(扣除)撥回	(Charge) credit for the year
稅率變動所佔部份	Attributable to a change in tax rate
年終	At end of the year

於結算日，未確認遞延稅項資產淨值主要指可供抵銷未來應課稅溢利之稅項虧損之時差所引起之稅務影響及在有關財務報告內扣除之超額會計折舊額與因計算稅項而扣減之折舊免稅額兩者之時差。由於未能確定有關稅項利益將在可見未來變現，故並無確認遞延稅項資產淨值。

於年內或於結算日，本公司並無任何重大未確認遞延稅項。

18. RESERVES (Continued)

The capital reserve represents the excess or shortfall of the purchase consideration over the Group's share of the fair value ascribed to the separable net assets of the subsidiaries at the date of acquisition.

The special reserve represents the difference between the book values of the underlying net assets of DIGITALHONGKONG.COM INC., DIGITAL COMMERCE LIMITED and Digital Hong Kong Limited at the date on which the shares of these companies were acquired by the Company together with the acquisition of a shareholder's loan of HK\$7,640,000, and the nominal amount of the Company's shares issued for the acquisition. The special reserve is available for distribution under the Companies Law (Revised) of the Cayman Islands.

The Company's reserves available for distribution amounted to approximately HK\$486,000 (2002: HK\$691,000) as at 30 June 2003. The share premium of the Company is available for paying dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution of dividend the Company is able to pay its debts as they fall due in ordinary course of business. In accordance with the Company's Articles of Association, dividends can be distributed out of the profits, special reserve and share premium of the Company.

19. NET UNRECOGNISED DEFERRED TAX ASSETS**THE GROUP
本集團**

2003 HK\$'000 千港元	2002 HK\$'000 千港元
2,614	2,558
(16)	56
245	-
2,843	2,614

At the balance sheet date, the net unrecognised deferred tax asset represented principally the tax effect of timing differences attributable to tax losses available to offset future assessable profits and the timing differences attributable to the excess of accounting depreciation charged in the financial statements over depreciation allowances claimed for tax purposes. The net deferred tax asset has not been recognised as it is not certain that the tax benefit will be realised in the foreseeable future.

The Company had no significant unrecognised deferred tax for the year or at the balance sheet date.

20. 資本承擔

20. CAPITAL COMMITMENTS

		THE GROUP 本集團		THE COMPANY 本公司	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元
購置物業、廠房及設備之 已授權但未訂 約資本開支	Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	500	1,000	500	1,000
購置系統及網絡之 已訂約但未在 財務報告中撥備 之資本開支	Capital expenditure in respect of the acquisition of systems and networks contracted for but not provided in the financial statements	-	780	-	-

21. 退休福利計劃

21. RETIREMENT BENEFITS SCHEME

本集團安排於香港之所有合資格僱員參加強制性公積金(「強積金」)計劃。強積金計劃之退休福利成本，即本集團按強積金計劃規則所指定比率之供款，於綜合收益表內扣除。

The Group enrolled all eligible employees in Hong Kong into a mandatory provident fund (the "MPF") scheme. The retirement benefit cost for the MPF scheme charged to the consolidated income statement represents contributions to the MPF scheme by the Group at rates specified in the rules of the MPF scheme.

於年內，退休福利計劃供款(扣除沒收供款：25,821港元(二零零二年：無))為25,493港元(二零零二年：105,364港元)。

During the year, retirement benefits scheme contributions paid, net of forfeited contributions of HK\$25,821 (2002: HK\$nil), amounted to HK\$25,493 (2002: HK\$105,364).

22. 關連人士披露

22. RELATED PARTY DISCLOSURES

年內，本集團曾與關連人士進行下列交易：

During the year, the Group had the following transactions with related parties:

		NOTES 附註	2003 HK\$'000 千港元	2002 HK\$'000 千港元
自一間同系附屬公司收取之 登記費、年費及技術費	Registration fee, annual fee and technical fee received from a fellow subsidiary	(a)	945	6,687
支付予冠軍之行政費用	Administration fees paid to Champion	(b)	960	3,000

附註：

Notes:

- (a) 服務收入乃由本公司董事經參考可供比較之市場價格後釐定。
- (b) 行政費用乃根據本公司及冠軍訂立之管理協議收取，月費為80,000港元(二零零二年：250,000港元)。

- (a) The service income was charged with reference to comparable market prices as determined by the directors of the Company.
- (b) The administration fees were charged at a monthly fee of HK\$80,000 (2002: HK\$250,000) pursuant to a management agreement entered into between the Company and Champion.

有關與一間同系附屬公司之結餘之詳情載於附註14。

Details of the balance with a fellow subsidiary are set out in note 14.

Financial Summary 財務摘要

		Year ended 30 June 截至六月三十日止年度				2003 HK\$'000 千港元
		1999	2000	2001	2002	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
業績	RESULTS					
營業額	Turnover	–	3,213	10,829	13,393	9,642
其他經營收入	Other operating income	–	270	930	116	36
經營成本	Operating costs					
購入技術支出	Acquired technology expensed	–	(4,674)	(3,778)	(2,807)	(2,808)
一般及行政費用	General and administrative expenses	(2,605)	(3,954)	(4,774)	(4,780)	(2,362)
市場推廣及宣傳費用	Marketing and promotion expenses	–	(250)	(2,203)	(1,250)	(1,697)
僱員成本	Staff costs	(4)	(3,867)	(4,354)	(4,398)	(2,669)
本年度(虧損)溢利	(Loss) profit for the year	(2,609)	(9,262)	(3,350)	274	142

		At 30 June 於六月三十日				2003 HK\$'000 千港元
		1999	2000	2001	2002	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
資產及負債	ASSETS AND LIABILITIES					
非流動資產	Non-current assets	107	515	310	104	1,810
流動資產	Current assets	8	19,897	16,058	16,450	14,795
流動負債	Current liabilities	(2,836)	(1,394)	(700)	(612)	(521)
股東資金(虧損)結餘	(Deficiency) balance of shareholders' fund	(2,721)	19,018	15,668	15,942	16,084

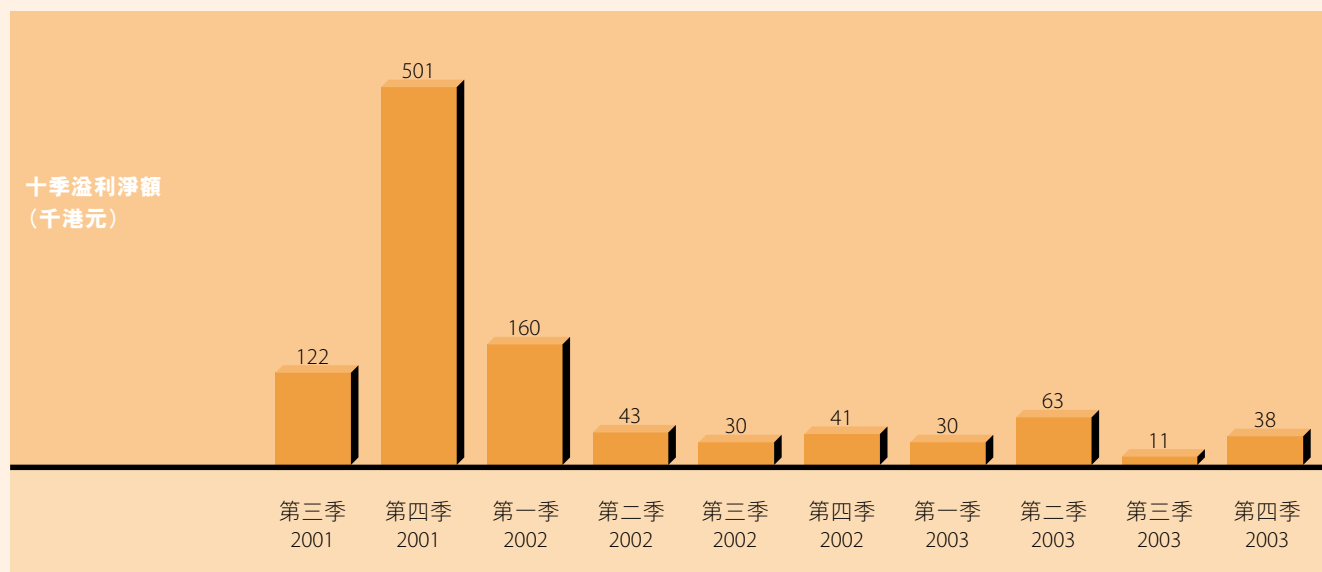
附註:

Notes:

- 截至二零零零年六月三十日止兩個年度各年之業績乃按合併基準編製，猶如緊隨集團重組(見本公司於二零零零年四月五日刊發之招股章程附錄三「公司重組」一段所述)後之集團架構自一九九七年七月一日起已一直存在。
- 於一九九九年六月三十日及二零零零年六月三十日之資產及負債乃摘錄自二零零零年度年報。
- The results for each of the two years ended 30 June 2000 have been prepared on a combined basis as if the group structure immediately after the group reorganisation, as set out in the paragraph headed "Corporate reorganisation" in Appendix III of the prospectus issued by the Company dated 5 April 2000, had been in existence since 1 July 1997.
- The assets and liabilities as at 30 June 1999 and 30 June 2000 have been extracted from the 2000 annual report.

財務撮要

	二零零三年 千港元	二零零二年 千港元	二零零一年 千港元	二零零零年 千港元
業績				
(截至六月三十日止年度)				
— 營業額	9,642	13,393	10,829	3,213
— 溢利／(虧損)淨額	142	274	(3,350)	(9,262)
— 每股盈利／(虧損)				
— 基本(港仙)	0.09	0.18	(2.23)	(7.12)
財務狀況				
(於六月三十日)				
— 非流動資產	1,810	104	310	515
— 流動資產	14,795	16,450	16,058	19,897
— 流動負債	521	612	700	1,394
— 股東資產	16,084	15,942	15,668	19,018
財務比率				
(於六月三十日)				
— 流動資產／流動負債	28	27	23	14
— 資產／股東資金	1.03	1.04	1.04	1.07
— 營業額／資產	0.58	0.81	0.66	0.16



執行董事

簡文樂(主席)
黃玉龍
夏淑玲

獨立非執行董事

Francis Gilbert KNIGHT
何耀明

公司秘書

張美霞

合資格會計師

黃玉龍 FHKSA, FCPA

規章主任

夏淑玲

法定代表

簡文樂
夏淑玲

審核委員會

何耀明(委員會主席)
Francis Gilbert KNIGHT
黃玉龍 FHKSA, FCPA

註冊辦事處

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Grand Cayman
Cayman Islands
British West Indies

總辦事處暨主要營業地點

香港中環
康樂廣場8號
交易廣場1期1702室

主要往來銀行

渣打銀行
香港
德輔道中4-4a號

香港上海滙豐銀行有限公司
香港
皇后大道中1號

中國銀行(香港)有限公司
香港
花園道1號

核數師

德勤•關黃陳方會計師行
執業會計師
香港
干諾道中111號
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主要股份過戶登記處

The Harbour Trust Co. Ltd.
P.O. Box 1787
Grand Cayman
Cayman Islands
British West Indies

股份過戶登記香港分處

秘書商業服務有限公司
香港灣仔
告士打道56號
東亞銀行港灣中心

企業網址

<http://www.digitalhongkong.com>

創業板股票編號

8007

主席報告

致各位股東：

在二零零二年，科技界之營運環境續具挑戰性，海內外均出現行業整固情況。然而，在逆境中卻出現了可喜現象，資信科技行政人員學懂了集中管理公司業務，而不是應付投資界之高度期望。

基於上述之市場因素，再加上全球經濟環境不明朗，董事會經已全面檢討集團之營運及業務方向。同時，集團亦嚴謹運用資源，僱員人數減少約半，而經營成本亦作出調整，下降幅度為28%。由於集團並不主張以割喉方式爭取合約，因此經已把部分業務項目延期或縮小規模。在重整業務策略及訂定一個可持續發展之業務模式時，我們的座右銘是：只投資於擁有良好增長潛力及能令董事會認同可帶來可觀回報之項目。

回顧期內，集團繼續致力開拓電子商貿解決方案相關業務，主要收入來自提供技術顧問服務而收取之費用。在拓展中國市場方面，我們亦開始取得初步成效：集團在期內參與開發一個以中國客戶為主的電子商貿解決方案。於財政年度結束時，集團保持穩健現金狀況，並且連續兩年及連續十個季度取得盈利。營業額雖然受制於持續之資信科技服務需求偏軟而出現放緩，然而由於我們能夠成功調整經營成本，因而有助集團繼續保持微利。

為拓闊收入基礎，集團不斷開拓新的潛在商機，並尋求合作夥伴以提供更廣泛系列之產品及服務。就在去年，我們探討了數項與教育、多媒體、數碼圖書館、流動保安、及企業流動解決方案有關之投資機會。我們也同時接觸多家來自以色列、加拿大、英國、德國、韓國、香港、及日本之科技企業，並進行洽商；該等企業嘗試聯絡我們成為其在大中華市場之策略夥伴及分銷商。集團期望在未來數月能覓得更具體化的合作商機。上述項目之共同元素包括下列一項或多項：領域專業技術且具備實質科技及解決方案、於專門市場擁有品牌、循環現金流動、及專業管理隊伍。

集團之高級行政人員一直均對國際業界趨勢保持敏銳觸覺，並透過積極參與各類於香港、國內及海外舉行之資信科技會議及論壇，與業界保持緊密聯繫。我們也藉著參與香港科技園之科培輔導計劃培育本地資信科技專才，亦同時支持其他類似活動。

展望

資信科技界是高動力及快速轉變之行業，集團因而必須具備高度彈性及多元化實力以回應該等轉變。本人欣然看到在此競爭激烈的市場環境中，我們仍舊保持足夠動力。

本人對資信科技界之前景保持樂觀。互聯網作為商業輔助工具之作用經已愈見強大；事實上，近期互聯網相關企業在納斯達克證券市場(Nasdaq)之新上市活動開始復甦，正印證了互聯網之真正商業潛力方才開始展露。現實情況繼續顯示，目前能夠迎接挑戰的企業將比其在泡沫時代的前任者更強更壯。

數碼香港將繼續以一貫之審慎策略開拓新商機，藉以加強拓展能夠為集團帶來即時及穩定現金流動之互補業務。有關之目標或屬嚴格控制成本，或屬強化我們的增值能力；後者乃透過組合不同服務環節，從而提升產品價值，為客戶帶來度身特設產品及解決方案。

中國被廣泛視為全球現今最具動力的經濟體系，數碼香港將積極參與中國市場之增長。最近中港落實之「更緊密經濟貿易關係安排」令以香港為基地之企業處於特別有利位置，預期將可加強跨境貿易及兩地之資信科技運用，為業界之未來發展及盈利潛力帶來另一佳境。

感謝

在業界過去困難的一年，集團員工一直均盡心盡力，忠誠投入工作，本人謹此表示感謝。同時，本人亦對集團的董事會，尤其是獨立非執行董事的專業意見及悉心指導，深表謝意。

董事會主席
簡文樂

二零零三年九月二十三日

管理層討論及分析

業務回顧

在回顧期內，科技行業持續疲弱，數碼香港在全球互聯網市場放緩之際，即能迅速就千變萬化之市況作出適當調整及適應，顯示其觸覺敏銳且應變靈活。

正如去年之年報所述，人們對互聯網概念之高度期望及雄心壯志，似乎有點錯配。無疑，現時無論老少以至工商機構，均愈來愈多人使用互聯網；然而網上廣告、電子商貿或網上購物卻未能達致同樣之普及性。在二零零三年第二季度之「沙士」（正式名稱為「嚴重急性呼吸系統綜合症」/Severe Acute Respiratory Syndrome (SARS)）高峰期，學生因學校停課而留在家中，而市民也減少外出活動，令網上購物及互聯網的使用率一度上升。

香港經濟持續疲弱，加上市場競爭非常激烈，令資信科技界在近年出現各種演變及發展，目前的情況與業界在二零零零年之預測有所偏差。有鑑於此，集團經已在開展業務計劃時，採取較原先審慎之策略，把一些業務項目縮小規模或發展計劃修正，詳情如下：

Phone-a-Drink™自動售賣系統之開發及市場推廣部署計劃作出修正

Phone-a-Drink™之設計嶄新，整合無線電互聯網科技及流動電話微付款技術，不但吸引本地傳媒作出報導，也獲英國廣播有限公司屬下之BBCChinese.com推選為最具創意產品之一；然而，初步市場反應未如理想。而在經濟疲弱之情況下，建立品牌也需要更多資源及時間。同時，香港的情況也與日本及歐洲大大不同，日本及歐洲之消費者均習慣使用自動售賣機，各種類型之商品均可從自動售賣機購得；由於香港缺乏類似的大規模經濟效益，在目前市況下，就算採用銷售技術特許權之營運模式，相信也非可行之途。

然而，基本之流動付款概念仍然可取。事實上，消費者口說渴望的服務與其真正獲得的服務往往有所不同。我們原先提供的解決方案略見繁複（開戶、登記為會員、記取密碼、需以信用咭付賬等）；倘若能提供更簡單的運作方式及更經濟的解決方案，相信消費者將會更樂意採用。近期，香港的流動通信營運商把短訊服務的收費大幅調低，可望為**Phone-a-Drink™**項目帶來新方向。

影像通(Video Vision™)項目受制於廣告市場疲弱及集團其中一家商業夥伴結業而延遲推出

由於零售市場持續疲弱，廣告客戶普遍暫緩新的宣傳開支，因此集團也順延推出**影像通**，包括項目有關之基建投資以及業務開發與市場推廣支出也受影響。**影像通**乃集團之嶄新戶外多媒體廣告播放解決方案，整合互聯網、無線電通信及平面播放科技。期間，我們其中一家商業夥伴結業，也打擾了原有計劃。基於上述之新發展，集團亦重新整理智能咭之有關整合及應用開發計劃。

在回顧期內，集團按照業務狀況作出相應措施，把員工數目大約減半以及把經營開支調低28%。集團集中資源向積極希望把現有網站提升至能進行網上交易之客戶提供電子商貿解決方案及技術顧問服務；同時，集團亦加強外判部份工作，藉以調節成本。期內，集團之主要收入來自提供資信科技服務而收取費用。

新項目及商機

集團參與為一商業對消費者(B-to-C)健康護理及生命科學入門網站提供技術服務。該入門網站名為**ehealthscience.com**，收集各類與健康知識有關之資信；網站乃基於市民自「沙士」以後對健康及衛生事宜提高認知及關注，因而推出該項目。市民可在該網站以網上購物方式購買健康產品，數碼香港將向內容供應商收取網站建立費用、持續之技術及保養服務費用，以及就客戶之消費進行分賬。項目預計於二零零四年度之上半年開展。

集團期內亦取得新合約，開發以國內市場為目標之電子商貿解決方案，該方案將具備付款及保安功能，有關之系統預計可於年底進行測試。

集團在回顧期內也檢視了數項投資商機。其主要投資目標為透過投資於主要在香港及中國之企業，從而達致中期資本增值。集團一般以股本相關證券及債務安排方式，投資於既在其個別範疇擁有良好往績，而又令董事會相信有長線增長潛力之企業。在可能情況下，數碼香港會尋求可與集團其他準投資項目產生協同增值之投資機會，也期望該等投資項目間之合作可為雙方帶來互惠利益。

數碼香港現時仍就上述項目進行初步研究，期望在未來數月可完成較詳細之評估方案。

財務表現

全年業績

集團自開始營運以來，第二次錄得全年盈利。於截至二零零三年六月三十日止年度，本集團錄得溢利淨額14萬2千港元，去年之比較數字為27萬4千港元；全年之經審核綜合營業額則為964萬2千港元，較去年之比較數字1,339萬3千港元下調28%。於截至二零零三年六月三十日止季度，本集團錄得營業額236萬9千港元及溢利淨額3萬8千港元。此乃本集團連續十季錄得盈利。

集團之業績正反映期內疲弱的經濟，導致市場對資信科技服務之需求偏軟。然而，集團在上述市況下，仍能透過致力開拓電子商貿解決方案相關業務，繼續保持動力。集團之管理層亦能繼續有效控制經營成本，令有關成本較去年下降28%至953萬6千港元。當中最重大之節流行動為於本年度首季開始減少約半數僱員。僱員成本因而下降39%至266萬9千港元。年內，一般及行政費用為236萬2千港元，較去年節省51%。市場推廣費用則因為增加透過業務夥伴推廣集團的服務而上升36%至169萬7千港元，去年同期之比較數字為125萬港元。有鑑於市況轉變快速，本集團已把原有之部份發展項目延期，藉以保留現金儲備。

現金流動性及財務資源

於二零零三年六月三十日，本集團之股東資金約為1,610萬港元；而流動資產則約為1,480萬港元，當中約有730萬港元為存款、銀行結餘及現金；本集團並無非流動負債，而流動負債則約為50萬港元，主要為其他應付款項及應計費用。

截至二零零三年六月三十日止年度，本集團並無任何銀行借貸。本集團主要透過營運所得資金支援日常營運。於二零零三年六月三十日，本集團並無任何重大或然負債及資產抵押。在本回顧期完結時，本集團擁有流動資產淨額1,430萬港元，財政週轉流暢。於二零零三年六月三十日，按本集團總貸款額及股東資金計算，本集團之貸款權益比率為零。

在回顧期內，本集團並無購入或出售附屬及關連公司。於二零零三年六月三十日，本集團並無已簽署合約但未在財務報告中撥備之資本開支（二零零二年：80萬港元）；已批准而仍未簽署合約之資本開支則為50萬港元（二零零二年：100萬港元）。該等資本開支乃預留作購入物業、廠房與設備及系統及網絡。

本集團之外匯風險有限，匯率波動對本集團業績並無重要影響。

本集團認為按照現行之業務計劃，現有之財務資源足夠應付日常營運開支以及開發新軟件及增值方案。董事會預計短期內無需進行重要借貸或籌措額外資本。管理層將小心檢討市況及抓緊潛在商機。

人力資源

於二零零三年六月三十日，本集團之全職僱員數目為8人（二零零二年：15），全部均以香港為工作基地。在回顧年度內，僱員成本為270萬港元（二零零二年：440萬港元）。薪酬包括月薪、與表現相關之年終獎金、購股權、以及強制性公積金等福利。

董事會將繼續按照業務需要而檢視人力資源政策；如有必要，部分僱員將可能會獲委派其他工作。

董事及高層管理人員

執行董事

簡文樂，主席兼執行董事，負責數碼香港的宏觀計劃與發展。彼亦為香港聯合交易所主板上市公司冠軍科技集團有限公司及看通集團有限公司主席。彼持有中文大學工商管理學碩士學位，於電腦及電信業累積逾三十年經驗，這有助全面推行電子商貿科技，也正是當前業務致勝之道。彼亦為香港電子商業研究系列之作者，該系列由數碼香港出版，將彼在資信科技上的經驗及對未來網上生活的構想牢牢地連繫起來。於一九八七年成立冠軍科技集團以前，彼曾任英國大東電報局的電腦附屬公司亞洲電腦有限公司之總經理。

在公職方面，他曾先後兩次參與聯交所之公司管治工作小組（於一九九四年至一九九五年及於一九九九年至二零零零年），亦曾為創業板上市委員會成員（於一九九九年至二零零三年）。彼目前亦為香港工業總會香港資信科技業議會主席、香港工業總會委員會委員及香港立法會選舉委員會資信科技界委員。此外，彼亦為香港貿易發展局電子及電器業諮詢委員會委員、中國安徽省人民政治協商委員會委員、及中華人民共和國香港特別行政區全國人民代表大會代表選舉會議成員。

彼亦獲委任為中電控股有限公司之獨立非執行董事。

黃玉龍，執行董事兼財務總監，在資信科技行業擁有豐富的財務和管理經驗。他曾出任多項高級職位，包括於一九九二年六月至一九九四年八月期間出任冠軍科技集團財務總監，亦曾於香港電訊集團任職類同職位十六年之久。黃先生於離職後仍擔任冠軍科技集團顧問，於二零零零年三月重新加入本集團。彼為香港會計師公會及澳洲會計師公會之資深會員，亦為Australian Institute of Banking and Finance之會員。

夏淑玲，負責驅動本集團業務如企業財務及策略發展，亦為集團尋覓合適企業以建立策略夥伴及聯盟關係，以及就驅動電子改革事宜與各政府部門、解決方案及業務夥伴、及商界及學術界等多方面聯絡。於加入本集團以前，彼於一九九二年三月加入冠軍科技集團出任企業發展執行副總裁，其間統籌冠軍科技集團內三家上市公司之上市及企業發展事宜。彼持有香港大學文學士銜及香港中文大學工商管理碩士銜。目前亦為香港城市大學電腦學系顧問委員會委員，以及香港工業總會資信科技業議會國際發展及合作分組召集人。彼亦獲香港科技園公司委任，成為其科培輔導計劃之輔導顧問。

獨立非執行董事

何耀明，於二零零一年十一月加入董事會，乃一會計師樓之資深合夥人，並在不同行業擁有豐富管理經驗。彼為特許執業會計師，亦是香港會計師公會會員、Chartered Institute of Arbitrators會員、及香港科技協進會資深會員。彼持有工商管理學碩士學位，現時亦為於香港聯合交易所有限公司主板上市之玉皇朝飲食文化集團有限公司之獨立非執行董事。

Francis Gilbert KNIGHT，自二零零零年三月起出任本集團獨立非執行董事。Mr. Knight為私人公司Asian Security and Investigation Services Limited之主席兼董事總經理。彼為British Institute of Directors、British Institute of Management、the American Society for Industrial Security及International Association of Police Chiefs之會員。彼擁有逾二十年版權保障、保安及商業調查經驗，乃多個主要團體之保安顧問。

高層管理人員

余振中，電子商貿項目副總裁，負責監督本集團在電子商貿及互聯網營運方面之技術管理及系統支援。彼持有香港大學工程學學士學位，以及香港理工大學電子工程學碩士學位。彼於一九九九年七月加入本集團之前，自一九九五年起一直效力冠軍集團。

股東周年大會通告

茲通告數碼香港（「本公司」）謹訂於二零零三年十一月二十六日上午九時正假座香港柴灣寧富街一號看通中心三樓舉行股東周年大會，藉以處理下列事項：

1. 省覽截至二零零三年六月三十日止年度之經審核財務報表及董事會與核數師之報告。
2. 選舉董事並授權董事會釐定其酬金。
3. 委聘核數師並授權董事會釐定其酬金。
4. 作為特別事項，考慮及酌情通過下列決議案為普通決議案：

「動議：

- (a) 在(c)分節之限制下，一般及無條件批准本公司董事可於有關期間內行使本公司之一切權力，以配發、發行及處置本公司股本中之新股，以及在需要行使上述權力時作出或授予建議、協議或購股權；
- (b) 根據(a)分節之批准，本公司董事亦獲批准在有關期間內作出或授予可能須於有關期間結束後行使上述權力之建議、協議或購股權；
- (c) 本公司董事依據(a)分節之批准（不論依據購股權或其他方式）配發或有條件或無條件同意配發（惟根據供股或就行使本公司購股權計劃之認購權或以股代息計劃者除外）之股本總面值，不得超過本公司於本決議案通過日期之股本總面值百分之二十；及

(d) 就本決議案而言：

「有關期間」乃指本決議案通過之日至下列較早日期之期間：

- (i) 本公司下屆股東周年大會結束時；
- (ii) 本公司之細則或適用法例規定本公司須舉行下屆股東周年大會期限屆滿之時；與
- (iii) 本決議案所述之授權由本公司股東在股東大會通過普通決議案撤銷或修訂之日；而

「供股」指本公司董事於指定期間內向於指定記錄日期名列本公司股東名冊之股份持有人按當時持股比例發售股份（惟董事可按需要或權宜就零碎股權或香港以外任何地區之法律限制或責任或該等地區任何認可監管機構或證券交易所之規定而取消若干股份持有人在此方面之權利或另作安排）。

承董事會命
公司秘書
張美霞

香港，二零零三年九月三十日

主要辦事處：
香港中環
康樂廣場8號
交易廣場1期1702室

附註：

- (1) 凡有權出席上述通告召開之會議並於會上投票之股東均可委派代表代其出席會議，並於進行表決時代其投票。受委代表毋須為本公司股東。
- (2) 代表委任表格連同授權簽署該表格之授權書或其他授權文件（如有）或經公證人證明之該等授權文件副本最遲須於會議或續會之指定舉行時間48小時前送達本公司之香港主要辦事處，方為有效。

