



INNO-TECH HOLDINGS LIMITED

匯創控股有限公司*

(incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

ANNUAL REPORT
03/04 年報

INNO-TECH

**INTELLIGENT
COMMUNITY
FOR MODERN
DAY LIVING**

**智能社區
時尚生活**



* For identification purposes only
僅供識別

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

香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）之特色

創業板為帶有高投資風險之公司提供上市之市場。尤其在創業板上市之公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市之公司可因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資之人士應瞭解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富投資者。

由於創業板上市之公司屬於新興性質，在創業板買賣之證券可能會較於聯交所主板買賣之證券承受較大市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

創業板發布資料之主要方法為在聯交所為創業板而設之互聯網網頁刊登。上市公司毋須在憲報指定報章刊登付款公布披露資料。因此，有意投資人士應注意彼等須瀏覽創業板網頁，以便取得創業板上市發行人之最新資料。

聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部份內容而產生或因依據該等內容而引致之任何損失承擔任何責任。

本文件乃遵照聯交所創業板證券上市規則（「創業板上市規則」）之規定而提供有關 Inno-Tech Holdings Limited（匯創控股有限公司）之資料，Inno-Tech Holdings Limited（匯創控股有限公司）各董事願共同及個別對本報告承擔全部責任。各董事經作出一切合理查詢後，確認就彼等所深知及確信：(i) 本文件所載資料在各重大方面均屬準確及完整，且無誤導成分；(ii) 本文件並無遺漏任何其他事宜致使其所載任何聲明產生誤導；及(iii) 本文件內表達之一切意見乃經審慎周詳考慮後始行作出，並以公平合理之基準和假設為依據。

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CORPORATE INFORMATION

公 司 資 料

BOARD OF DIRECTORS

Ms. Wong Yuen Yee (*Chairman*)
Mr. Wong Kwok Sing (*Deputy Chairman*)
Mr. Wong Yao Wing, Robert
Mr. Lam Shiu San
Mr. Wong Tak Leung, Charles *
Ms. Wu Wai Yee, Annis *

* Independent non-executive Directors

HONORABLE CHAIRMAN

Ms. Chen Po Sum M.B.E.

COMPLIANCE OFFICER

Mr. Wong Yao Wing, Robert

AUTHORISED REPRESENTATIVES

Mr. Wong Yao Wing, Robert
Ms. Wong Yuen Yee

COMPANY SECRETARY

Mr. Li Kar Fai, Peter, AHKSA, FCCA

QUALIFIED ACCOUNTANT

Mr. Li Kar Fai, Peter, AHKSA, FCCA

AUDIT COMMITTEE MEMBERS

Mr. Wong Tak Leung, Charles
Ms. Wu Wai Yee, Annis

AUDITORS

KPMG

LEGAL ADVISERS TO THE COMPANY

Morrison & Foerster

PRINCIPAL BANKERS

HSB NordBank Hong Kong Branch
Equitable PCI BANK, INC.

董事會

黃婉兒女士 (主席)
黃國聲先生 (副主席)
黃祐榮先生
林兆榮先生
王德良先生*
胡惠儀女士*

* 獨立非執行董事

榮譽主席

陳葆心女士 太平紳士

法規主任

黃祐榮先生

法定代表

黃祐榮先生
黃婉兒女士

公司秘書

李嘉輝先生 · AHKSA, FCCA

合資格會計師

李嘉輝先生 · AHKSA, FCCA

審核委員會成員

王德良先生
胡惠儀女士

核數師

畢馬威會計師事務所

本公司之法律顧問

美富律師事務所

主要往來銀行

德國北方銀行香港分處
建南銀行

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 2303
Tung Wai Commercial Building
109-111 Gloucester Road
Wan Chai
Hong Kong

COMPANY WEBSITE

<http://www.it-holdings.com>

Note: Information contained in this website does not form part of this annual report.

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

The Bank of Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Rooms 1901-5
19th Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

GEM STOCK CODE

8202

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
灣仔
告士打道109-111號
東惠商業大廈
2303室

公司網址

<http://www.it-holdings.com>

附註：載於此網站之資料並非為本年報之一部份。

主要股份過戶登記處

The Bank of Bermuda Limited
6 Front Street
Hamilton HM 11
Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心19樓
1901-5室

創業板股份代號

8202

CHAIRMAN'S STATEMENT

主席報告

TO OUR SHAREHOLDERS

On behalf of the board of Directors (the "Board") of Inno-Tech Holdings Limited (the "Company"), I am pleased to present to you the audited consolidated financial statements of the Company and its subsidiaries (together the "Group") for the year ended 31 March 2004.

The Group's business continued to grow steadily during the years under review against all odds. During the year, turnover surged 18.65% to HK\$30.44 million. However, due to increase in cost of sales, net profit decreased by 42.83% to HK\$4.32 million. Basic earnings per share were 0.9 cents.

The Board does not recommend payment of a final dividend for the year ended 31 March 2004.

BUSINESS REVIEW

The financial year 2003 was difficult and challenging. The business of the Group which very much depends on the continuous growth and prosperity of the property market in The People's Republic of China (the "PRC") (which for the purpose of this document does not include Hong Kong, Macau Special Administrative Region and Taiwan) has been affected by severe acute respiratory syndrome ("SARS") that swept through the PRC and Hong Kong during the first half of 2003. With the gradual recovery of the economy in the region in the third quarter of 2003 and the extension of the application of the i-Panel into the medical field during the year, the Group has been able to achieve satisfactory results amidst all adverse factors.

In 2003, we launched i-Panel version 3.0 and the initial responses from the market were promising. We have now finalized the design phase of i-Panel version 4.0, and were undergoing further research and development of i-Panel version 4.0 to enrich its features to integrate with home automation and security system's control panel features. In line with our business objective in

致本集團股東

本人謹代表 Inno-Tech Holdings Limited (匯創控股有限公司) (「本公司」) 董事會 (「董事會」) 欣然向閣下提呈本公司及其附屬公司 (統稱「本集團」) 截至二零零四年三月三十一日止年度之經審核綜合財務報表。

於本年度，本集團在不利之經營環境下業務繼續穩步增長。於本年度內，營業額急升 18.65% 至 30,440,000 港元。然而，由於銷售成本上漲，溢利淨額減少 42.83% 至 4,320,000 港元，每股基本盈利為 0.9 港仙。

董事不建議派發截至二零零四年三月三十一日止年度之末期股息。

業務回顧

二零零三年財政年度乃艱苦經營且充滿挑戰的一年。本集團業務極之依賴中華人民共和國 (「中國」) (就本文件而言，不包括香港、澳門特別行政區及台灣) 的地產市場持續增長及興旺。惟中國地產市場於二零零三年上半年備受波及中國及香港之嚴重急性呼吸系統綜合症 (「非典型肺炎」) 沖擊。可喜的是，隨著亞洲區內之經濟在二零零三年第三季度漸見起色，加上於本年度內 i-Panel 之應用已擴展至醫療領域，致使本集團在各種不利因素下仍能獲得令人滿意之業績。

於二零零三年，本集團推出之 i-Panel 3.0 版初步獲得不俗的市場反應。而 i-Panel 4.0 版的設計階段經已完成，本集團現正就 i-Panel 4.0 版進行進一步研究及開發工作，以豐富其功能至結合家居自動及保安系統控制台之功能。配合本集團在銷售及推廣方面之

sales and marketing, we have formed an alliance with a home automation developer by becoming a sales agent of its products. Selling of home automation products through our existing networks not only generate additional revenue, but also enable us to explore different market opportunities to expand the application of the i-Panel and the software into other sectors of the economy. It is hope that the sale of home automation products will provide a platform for marketing the enriched i-Panel version 4.0 with home automation and security system's control panel features.

As part of the programme to expand our business by catering for the different needs of different sectors of the community, we have expanded into the medical filed during the year 2003. In the last quarter of 2003, the Group formed a company with United Premier Medical Group Limited ("UPMG") in which the Group has a 49% interest, to provide consultancy, training and management services for the very important person ("VIP") units of medical specialties and medical centers in the PRC. The collaboration would enable the i-Panel and its software solutions, especially its interactive functionality, to reach a broader market base. Hospitals in Shanghai and Guangzhou, the PRC will be among the first to deploy i-Panel and its related software solutions.

BUSINESS OUTLOOK

Although the year 2004 will continue to be a tough year, with the continuous economic recovery in Hong Kong and the first sign of success of the recent measures introduced by the central government to cool down various sectors of the overheated economy in the PRC, we are confident of the macro environment in the year ahead. We expect the higher interest rate sentiment in the United States of America ("US") and the surging crude oil price to have only a mild impact on the PRC economy. On the whole, we are optimistic about the future business environment.

業務目標，本集團已與一家家居自動化發展商組成聯盟，據此本集團成為其產品之銷售代理。透過本集團現有的網絡銷售家居自動產品不僅為本集團帶來額外收入，更有助本集團在不同市場尋找商機，以擴展i-Panel之應用及軟件至其他領域。期望藉著銷售家居自動化產品，可為本集團提供平台，以推廣藉結合家居自動及保安控制台功能而豐富了內容的i-Panel 4.0版。

作為擴展本集團業務以配合社區內各行業之不同需要的計劃一部份，本集團於二零零三年已擴展業務至醫療界別。於二零零三年最後一季，本集團與United Premier Medical Group Limited ("UPMG")成立一間公司。本集團擁有該公司之49%權益，並負責為中國之專科醫院及醫療中心內之頭等病房之運作提供顧問、培訓及管理服務。此項合作有利i-Panel產品及其軟件解決方案的發展，特別是就其互動功能而言，因有助擴闊其市場基礎。上海及廣州市之醫院將會是其中首批採用i-Panel及其相關軟件解決方案之中國醫院。

業務展望

雖然二零零四年將仍為艱苦經營的一年，然而，隨著香港經濟持續復甦，加上中央政府最近專為冷卻過熱的中國經濟下的多個行業而實施之措施首見成效，本集團對於來年的宏觀經濟環境充滿信心。本集團預期美利堅合眾國（「美國」）瀰漫加息的壓力及原油價格上漲，對中國經濟之影響將僅屬輕微。整體而言，吾等對未來的經營環境感到樂觀。

CHAIRMAN'S STATEMENT

主席報告

As a software application solutions provider, we will continue to focus on the provision of intranet design for residential communities and e-property management software application consulting services based on the application of the i-Panel and its integrated hardware and software in the PRC. As the same time we will continue with the strategy of expanding into other fields through the application of existing skillset, technical know-how and the i-Panel. This has fitted into our strategy of expanding businesses and customer bases to reduce the risk of concentration. The lesson learned from the SARS epidemic has demonstrated the truth of the strategy.

The arrangement with UPMG has helped the Group to make a debut into the medical application software market in the PRC. It is anticipated that the collaboration would bear fruit and bring in revenues in the new financial year.

Last but not least, I would like to express my thanks to the Board, the management and all other colleagues for their hard work and the contribution over the year. And, to our shareholders and business partners I would like to give them my heartfelt appreciation for their unrelentant support.

Wong Yuen Yee

Chairman

30 June 2004

作為軟件應用方案供應商，本集團將專注於透過在中國提供住宅區內聯網設計，以及憑藉應用i-Panel及其整合軟硬件提供及電子物業管理應用軟件諮詢服務。與此同時，本集團將繼續透過運用現有技術裝備、技術專業知識及i-Panel擴展其業務至其他領域。此項策略正好配合本集團透過擴充業務及擴大客戶基礎，從而減低業務過份集中之風險的策略。非典型肺炎疫症所帶來的教訓足以反映採取此策略乃明智之舉。

本集團與UPMG之間的安排為本集團提供機會在中國醫療應用軟件市場嶄露頭角。預期是項合作於新財政年度將得見成果，並將為本集團帶來收入。

最後，本人謹向董事會、管理層及所有其他同事所作出之努力及貢獻致以衷心謝意，並感激本集團股東及業務伙伴對本集團一直以來之支持。

主席

黃婉兒

二零零四年六月三十日

FINANCIAL SUMMARY

財務概要

Audited consolidated income statement for the years ended
31 March:

截至三月三十一日止各年度之經審核
綜合損益表：

		Year ended 31 March			
		截至三月三十一日止年度			
		2004	2003	2002	2001
		二零零四年	二零零三年	二零零二年	二零零一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Turnover	營業額	30,440	25,655	19,461	1,252
Cost of services	銷售成本	(7,031)	(4,278)	(2,161)	(287)
Other revenue	其他收入	23,409	21,377	17,300	965
Research and development expenses	研究及開發 開支	139	115	1	42
Marketing and promotion expenses	市場推廣及宣傳 開支	(94)	(492)	(240)	(1,347)
Administrative expenses	行政開支	(4,226)	(2,957)	(1,013)	(1,380)
		(11,259)	(8,205)	(3,059)	(2,941)
Profit/(loss) from operations	經營溢利／(虧損)	7,969	9,838	12,989	(4,661)
Profit/(loss) attributable to shareholders	股東應佔溢利／ (虧損)	4,324	7,563	10,882	(3,908)
Earning/(loss) per share – Basic	每股盈利／(虧損) — 基本	0.9cents仙	1.69cents仙	2.83cents仙	(1.02)cents仙

FINANCIAL SUMMARY

財 務 概 要

Audited consolidated net assets as at:
於該日之經審核綜合資產淨額：

		Year ended 31 March 截至三月三十一日止年度			
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Total assets	總資產	101,616	52,514	18,589	1,460
Total liabilities	總負債	(65,086)	(21,250)	(6,031)	(1,394)
Shareholders' funds	股東資金	36,530	31,264	12,558	66
Non-current assets	非流動資產	28,794	16,122	2,104	1,114
Current assets	流動資產	72,822	36,392	16,485	346
Current liabilities	流動負債	(51,104)	(19,087)	(5,712)	(1,394)
Non-current liabilities	非流動負債	(13,982)	(2,163)	(319)	—

MANAGEMENT DISCUSSION AND ANALYSIS

管 理 層 討 論 及 分 析

FINANCIAL REVIEW

The Group recorded a net profit of approximately HK\$4.32 million for the year ended 31 March 2004 (2003: HK\$7.56million), representing basic earnings per share of 0.9 HK cents (2003: 1.69HK cents).

For the year ended 31 March 2004, the Group's audited consolidated turnover amounted to approximately HK\$30.44 million (2003: HK\$25.66million). The Directors consider such performance was satisfactory despite the global economic downturn. Taking into account the difficult start of the financial year when the economy of the PRC and Hong Kong, where the Group generated most of its revenue were still affected by SARS, the Directors consider the performance of the Group for the year 2003 as satisfactory.

BUSINESS REVIEW

During the year under review, most of the Group's revenue is generated as a software application solutions provider which mainly engaged in the provision of intranet design for residential communities and e-property management software application consulting services based on the application of the i-Panel and its integrated hardware and software in the PRC.

2003 was a tough year for the Group. The weak economic environment endured, together with the outbreak of the SARS which nearly covered half of the year under review and the subsequently unfavourable consumption atmosphere had an adverse effect on the property developers who have delayed to launch the property projects which in return affect on the Group's overall revenue.

Despite the difficulties, we are committed to enhance our software solutions and expand our client base. The growth in sales was attributable to the vigorous promotion and marketing effort launched in past 2 years. This resulted in a 42.92% increase in sales and marketing expenses.

財務回顧

截至二零零四年三月三十一日止年度，本集團錄得溢利淨額約4,320,000港元（二零零三年：7,560,000港元），即每股基本盈利0.9港仙（二零零三年：1.69港仙）。

截至二零零四年三月三十一日止年度，本集團之經審核綜合營業額約為30,440,000港元（二零零三年：25,660,000港元）。董事認為，在全球經濟衰退之環境下，表現令人滿意。計及本財政年度剛開始時之困境，當時本集團大部份收入之來源地－中國及香港仍受非典型肺炎疫情困擾，董事對本集團二零零三年年度之表現感到滿意。

業務回顧

於回顧年度，本集團大部份收入均來自其作為軟件應用解決方案供應商，主要從事於透過在中國提供住宅區內聯網設計，以及憑藉應用i-Panel及其整合軟硬件提供電子物業管理軟件應用諮詢服務。

二零零三年對本集團而言誠屬艱苦經營的一年。經濟環境持續不振，加上非典型肺炎疫情爆發並幾乎持續至半個回顧年度，以及隨之而來的低迷消費意欲，均為地產發展商帶來不利影響，致使該等發展商延遲開展地產項目，進而影響本集團之整體收入。

儘管面對以上種種困難，本集團仍致力提升其軟件解決方案及擴大客戶基礎。營業額增長主要有賴於過去兩年內積極展開的市場推廣及宣傳攻勢，致使銷售及市場推廣開支增加42.92%。

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Development and sales of software solutions was one of the Group's main sources of revenues. Our informational technology professionals tailor-made software solutions to serve client's unique requirements, among which intelligent medical and health care solutions were most promising. In addition, i-Panel 3.0 has been launched and has received satisfactory reception from the market; thanks to uninterrupted enhancement of its features in align with the trend of the electronic market. The development of i-Panel 4.0 is now undergoing enhancements in its features for interaction with home automation and security system.

On the front of consumer electronics, the Group has made its foray in home automation by being a sales agent for ApBus, a home intelligent automation and security control panel system developed in Hong Kong and manufactured in China. ApBus is a home intelligent product that integrates diversified applications, such as computer, Internet, telecom and remote access. It can be used as the small area network or local area network ("LAN") in various industries: construction industry, storage, schools, banks, hospitals and hotels. The business is however in its early stage.

To further enhance our business development in the PRC, the Group has opened a representative office in Guangzhou, the PRC. More resources will be put into research and development to enrich i-Panel's features and functionalities. We believe that the development of home automation intelligent solutions for ApBus will provide a platform for expansion of our business to household consumers and for marketing the enhanced featured i-Panel 4.0 version. As ApBus complements i-Panel in features and functionalities, its existing clientele can be leveraged on for business development. The Board is optimistic about its future prospect. In spite of the business opportunities, the Group will also exert stringent cost control to improve the profit margin.

開發及銷售軟件解決方案乃本集團其中一個主要收入來源。本集團之資訊科技專業人員為客戶度身訂造軟件解決方案，以配合客戶之獨特要求。其中智能醫療及保健護理解決方案最有成功的潛力。此外，i-Panel 3.0版經已推出，而市場反應不俗，其成功主要有賴本集團從不間斷地提升其功能，而不斷改良亦正是電子產品市場的大趨勢。i-Panel 4.0版已完成開發，本集團正就其進行功能提升，使其可結合家居自動及保安系統功能。

在電子消費品方面，本集團憑藉作為ApBus（乃一套香港開發中國生產之家居智能自動及保安控制台系統）之銷售代理，成功在家居自動化方面突圍而出。ApBus乃結合多元化應用方案，例如電腦、互聯網、電訊及遠程連結等功能之家居智能產品。ApBus亦可作為多種行業，包括建造業、存倉、學校、銀行、醫院及酒店之小型區域網絡或地方網絡（「LAN」）。然而，此項業務仍處於初期階段。

為進一步加強本集團之中國業務發展，本集團已於中國廣州市開設代表辦事處。亦將會投入了更多資源於研究及開發於提升i-Panel之特質及功能。吾等相信為ApBus開發家居智能解決方案將為本集團提供平台，以擴展本集團業務至家居消費者及推廣加強功能的i-Panel 4.0版。由於ApBus與i-Panel於特質及功能上可兼容，本集團可借助ApBus之現有客戶擴展本身的業務。董事會對本集團的未來業務前景感到樂觀。儘管已尋獲商機，本集團亦將嚴格控制成本以改善毛利率。

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In the 4th quarter of 2003, the Group formed a company with UPMG for the provision of consultancy, training and management services for the operation of specialty/boutique hospitals and medical centres and VIP units in hospitals in the PRC. Currently, there is one VIP unit in Guangzhou, the PRC under the company and the company is expected to launch 4 additional units in PRC during the fiscal year of 2004/2005.

To cope with the rapid market development, the Group established two associates to serve the niche markets in the provision of software application consulting services to meet the application requirements of schools, institutions and hotels; and to meet the application requirements of architects, construction team for real properties, interior decorates and residents of housing estates respectively.

PROSPECTS

The Group's major market, the PRC, is poised for continually strong economic development in the coming year. The PRC has set a target of 7% for 2004's economic growth, but the first-quarter increase to almost 9.8%. A research report predicts the PRC's economy in the second quarter would basically keep in pace with that in the first quarter and the GDP growth for the first half of year would top to 9%. In particular, the property value added services sector will continue to be our growth engine.

The Group will strengthen its products and services through internal product development as well as continuing partner with high quality home automatic solution providers. We will also continue to work closely with leading property agents and property developers in China to market our products as well as our services.

於二零零三年第四季度，本集團與UPMG成立了一間公司，為中國之專科／私家醫院及醫療中心以及醫院內之頭等病房之運作提供顧問、培訓及管理服務。目前，該公司於中國廣州市設有一間頭等病房，而該公司預計將於二零零四／二零零五財政年度額外設立四間頭等病房。

為應付市場的急速發展，本集團成立了兩間聯營公司，藉以在瞬息萬變的市場把握商機，為學校、機構及酒店提供軟件應用諮詢服務，以迎合此等客戶對應用方面的需求；同時切合工程師、物業建築隊伍、室內裝修及屋苑住戶對應用方面的需求。

前景

本集團之主要市場中國勢將在來年持續取得強勁的經濟增長。中國已就二零零四年訂下7%經濟增長之目標，惟首季之經濟增長已達至約9.8%。一項研究報告預言中國的第二季經濟增長幅度基本上將與首季同步，而上半年之國內生產總值增長更有可能達至9%。其中尤以地產增值服務範疇將繼續作為本集團之增長源動力。

本集團將透過內部產品開發及繼續與高質素之家居自動解決方案供應商組成合作夥伴，以提升其產品及服務質素。本集團亦將繼續與中國各大物業代理及地產發展商緊密合作，以推廣本集團的產品及服務。

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As announced in 2003, the Group is exploring expansion into areas with high growth potentials. Special emphasis will be placed on the associate with UPMG on the VIP units in the hospitals of the PRC in the year ahead.

The healthcare services in the PRC are insufficient as compared to the Western counterparts. Currently, the PRC government is still responsible for providing healthcare services to the ample population. Most of the hospitals are operating in deficit and the quality of services offered is low. Therefore, the public, state-owned hospitals are eager to cooperate with the Western-based hospital management, technology and expertise health service provider to develop a new source of income as well as to meet the demand of ever increasing wealthy and educated populations in the affluent cities in the PRC.

The year 2004 promises to be a year with tremendous opportunities for the Group. The Group has successfully expanded the application of its software solutions into the medical and education markets last year. With strong momentum in the operations, and equally strong momentum of the PRC market particularly in the medical field, we can look forward to further expansions in the coming year.

Liquidity and financial resources

The Group is financially healthy in terms of its liquidity and net debt position. As at 31 March 2004, the net current assets of the Group were approximately HK\$21,718,000 (2003: HK\$17,305,000). Out of the current assets as at 31 March 2004, approximately HK\$33,053,000 (2003: HK\$11,476,000) were cash and bank balances. The current ratio of the Group as at 31 March 2004 and 31 March 2003 were 142% and 191% respectively. Despite a decrease in the ratio, the Group's liquidity position is considered satisfactory in maintaining its daily business operation. As at 31 March 2004, bank overdrafts and short term bank borrowings and

如本集團於二零零三年所作出的公佈，本集團正尋求擴展至具高增長潛力之範疇。而在來年，由本集團與UPMG成立之聯營公司在中國開辦之醫院頭等病房將會成為本集團之業務重心。

中國之醫療保健服務較諸西方國家乃相對貧乏。目前，中國政府仍負責為龐大人口提供醫療保健服務。大部份醫院均出現經營虧損，而所提供服務之質素亦較差。因此，公立國營醫院均希望與以提供西式醫院管理、科技及專業知識之醫療服務供應商合作，以開拓新的收入來源及切合中國富庶城市內愈趨富有及擁高學歷之人口的需求。

二零零四年對本集團而言將為商機無限的一年。本集團去年成功擴展軟件解決方案的應用至醫療及教育領域。隨著本集團的營運正處強勢發展，適逢中國市場尤其是醫療範疇亦正蓄勢待發，預期本集團於來年定可進一步擴展業務。

流動資金及財務資源

就流動資金及負債淨額水平而言，本集團財政穩健。於二零零四年三月三十一日，本集團之流動資產淨額約為21,718,000港元（二零零三年：17,305,000港元）。於二零零四年三月三十一日之流動資產中，約33,053,000港元（二零零三年：11,476,000港元）為現金及銀行結餘。本集團於二零零四年三月三十一日及二零零三年三月三十一日之流動比率分別為142%及191%。儘管本集團之流動比率下降，在保持其日常

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convertible bonds in aggregate amounted to approximately HK\$44,994,000 (2003: HK\$13,753,000). Net debt (i.e. total bank borrowings and convertible bond less cash and cash equivalent and pledged deposits) as at 31 March 2004 is approximately HK\$11,941,000 (2003: HK\$2,277,000) and accordingly net debt gearing ratio (i.e. net debt/net assets) as at 31 March 2004 and 31 March 2003 were 32.7% and 7.3% respectively.

Capital structure

On 24 September 2003, the Group had successfully placed HK\$8,000,000 redeemable convertible notes due on 24 September 2006. Details of convertible notes have been disclosed in the Company's circular to shareholders dated 29 September 2003.

In October 2003, the Group repurchased 4,300,000 shares of the Company which represented approximately 0.89% of the issued share capital of the Company at the time of the repurchase and approximately 0.9% of the diminished issued share capital of the Company.

In February 2004, certain employees and consultants of the Group exercised the Post-IPO Share Option to subscribe for a total of 14,250,000 shares of the Company, those shares represented approximately 3.26% of the issued share capital of the Company at the time of the new allotment and approximately 3.16% of the enlarged issued share capital of the Company.

業務營運之情況下。本集團之流動資金水平理想。於二零零四年三月三十一日，銀行透支及短期銀行借貸及可換股債券合共約為44,994,000港元（二零零三年：13,753,000港元）。於二零零四年三月三十一日之負債淨額（即銀行借貸總額及可換股債券減現金及現金等價物及有抵押存款）約為11,941,000港元（二零零三年：2,277,000港元），因此，於二零零四年三月三十一日及二零零三年三月三十一日之負債淨額比率（即負債淨額除以資產淨額）分別為32.7%及7.3%。

資本架構

於二零零三年九月二十四日，本集團成功配售總值8,000,000港元之可贖回可換股票據，該等可換股票據於二零零六年九月二十四日到期。有關可換股票據之詳情已於本公司在二零零三年九月二十九日向股東發出之通函內披露。

於二零零三年十月，本集團購回4,300,000股本公司股份，佔本公司於進行該購回事宜時之已發行股本約0.89%及佔本公司經削減之已發行股本約0.9%。

於二零零四年二月，本集團若干僱員及顧問行使首次公開售股後認股權，以認購合共14,250,000股本公司股份，該等股份佔本公司於進行新配售時之已發行股本約3.26%及佔本公司經擴大之已發行股本約3.16%。

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Foreign currency risk

During the year ended 31 March 2004, the majority of the Group's income and expenses was denominated in Hong Kong dollar while an insignificant portion of expenses was denominated in Renminbi or US dollar.

Up to 31 March 2004, there were no borrowings denominated in foreign currency. The management of the Company is of the opinion that the Group has insignificant exposure to interest rate risk and foreign exchange risk. As a result, the Group had not used any financial instruments for hedging against fluctuation in interest rate nor foreign exchange for the year ended 31 March 2004.

Material acquisitions and disposals during the year and future plans for material investments

There were no material acquisitions and disposals of investments by the Group during the year ended 31 March 2004. The Group will continue to look for possibilities of forming alliances or any investment opportunities with strategic partners.

Employee information

The total number of employees (including Directors) was 14 as at 31 March 2004 (2003: 13), and the total remuneration for the year ended 31 March 2004 was approximately HK\$6.13 million (2003: HK\$7.48 million). Other benefits provided by the Group to the employees include medical coverage and share options.

The Group did not experience any significant labour disputes during the year under review which led to the disruption of its normal business operations. The Directors consider the Group's relationship with its employees to be good.

外匯風險

於截至二零零四年三月三十一日止年度，本集團之大部份收入及開支均以港元列值，而僅有一小部份開支以人民幣或美元列值。

直至二零零四年三月三十一日，並無以外幣列值之借貸。本公司管理層認為本集團所面對之利率風險及外匯風險屬微不足道。因此，本集團於截至二零零四年三月三十一日止年度並無運用任何財務工具以對沖利率及外匯波動帶來之影響。

本年度重大收購事項及出售事項及未來重大投資計劃

截至二零零四年三月三十一日止年度，本集團並無進行任何重大投資收購事項及出售事項。本集團將繼續物色與若干策略性夥伴達成聯盟或進行任何投資之機會。

僱員資料

於二零零四年三月三十一日之僱員（包括董事）總數為14人（二零零三年：13人），而截至二零零四年三月三十一日止年度之酬金總額約為6,130,000港元（二零零三年：7,480,000港元）。本集團向僱員提供之其他福利包括醫療保險及購股權。

於回顧年度，本集團並無任何重大勞資糾紛，致使嚴重防礙其日常業務運作。董事認為本集團與其員工之間維持著良好關係。

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Charges on Group's assets

Bank deposits of HK\$20,170,000 (2003: HK\$10,000,000) as at 31 March 2004 have been pledged against banking facilities granted to the Group.

Contingent liabilities

Up to the date of this annual report, no significant contingent liabilities were noted by the Directors.

Segmental information

The Group's turnover and operating profit are entirely derived from the design of residential intranet and software application design, development and installation services rendered in Hong Kong. Accordingly, the Directors' consider the analyses by business and geographical segments are not required.

Dividend

No interim dividend has been proposed during the year (2003: Nil) and the Directors do not recommend payment of a final dividend for the year ended 31 March 2004 (2003: Nil)

集團資產抵押

於二零零四年三月三十一日，為數20,170,000港元（二零零三年：10,000,000港元）之銀行存款已抵押予銀行以為本集團提供一般銀行融資。

或然負債

截至本年報刊發日期，董事並無辨識任何重大或然負債。

分類資料

本集團之營業額及經營溢利全部均來自於香港提供之住宅內聯網設計及軟件應用設計、開發及安裝服務，因此，董事認為毋須按業務及地區分類進行分析。

股息

本公司並無於本年度內建議派發中期股息（二零零三年：零），而董事不建議派發截至二零零四年三月三十一日止年度之末期股息（二零零三年：零）。

PROGRESS WHEN COMPARED AGAINST BUSINESS OBJECTIVES

進度與業務目標之比較

There were no material deviations from the intended use of net proceeds for the year ended 31 March 2004 as disclosed in the interim report of the Company 2003 and the prospectus of the Company dated 30 July 2002 ("Prospectus").

The directors of the Company presently do not anticipate any material deviation from the intended use of the net proceeds as disclosed in the interim report of the Company 2003 and the Prospectus.

To the extent that the net proceeds are not immediately applied for the above purposes, it is the present intention of the directors to maintain such net proceeds from the initial public offering as short term deposits with the financial institutions in Hong Kong until such time as they are required.

PROGRESS WHEN COMPARED AGAINST BUSINESS OBJECTIVES

For the period from 1 April 2003 to 30 September 2003:

For the comparison of the business objectives set out in the Prospectus with the actual business progress from 1 April 2003 to 30 September 2003, please refer to the Company's interim report dated 11 November 2003.

在本公司之二零零三年中期報告及本公司於二零零二年七月三十日刊發之售股章程所披露截至二零零四年三月三十一日止年度所得款項淨額之擬定用途並無受到重大偏離。

本公司董事目前預期在動用所得款項淨額時，將不會重大偏離在本公司之二零零三年中期報告及售股章程所披露之所得款項淨額之擬定用途。

鑑於所得款項淨額並未即時應用於上述之用途，董事目前有意在直至有需要動用該等首次公開售股所得款項淨額之前，將該等款項淨額存放於香港金融機構作為短期存款。

進度與業務目標之比較

二零零三年四月一日至二零零三年九月三十日止期間：

至於售股章程所載之業務目標與二零零三年四月一日至二零零三年九月三十日之實際業務進度之比較，請參照本公司於二零零三年十一月十一日刊發之中期報告。

PROGRESS WHEN COMPARED AGAINST BUSINESS OBJECTIVES

進度與業務目標之比較

For the period from 1 October 2003 to 31 March 2004:

Business objective as stated in the Prospectus for the period from 1 October 2003 to 31 March 2004

售股章程所載二零零三年十月一日至二零零四年三月三十一日止期間之業務目標

1. Data operating centre:

數據運作中心：

- lease additional rack space of approximately 18 sq.ft. from data centre in Hong Kong to locate the Group's equipment;
額外租賃香港數據中心空間(約18平方呎)以存置本集團的設備；
- continue to upgrade and purchase additional networking equipment, servers, data storage and back-up devices and server software licenses; and
繼續提升及添置網絡設備、伺服器、數據儲存及支援裝置與伺服器軟件許可權；及
- pay for the hardware and software maintenance and supporting fee.
支付軟硬件保養及支援費用。

二零零三年十月一日至二零零四年三月三十一日止期間：

Actual business progress for the period from 1

October 2003 to 31 March 2004

二零零三年十月一日至二零零四年三月三十一日止期間之實際業務進度

1. Data operating centre:

數據運作中心：

- Existing rack space is sufficient for the Group's operation for the coming year. The management then decided to minimise the Group's resources and utilise it in a more effective manner;
現有之空間足以應付本集團來年之營運需要，因此管理層決定減少撥付本集團之資源於此範疇，以便更有效地運用該等資源；
- Upgraded content management system and purchase development framework;
已提升內容管理系統及購買開發框架；
- No hardware and software maintenance and supporting fee had been paid during the period.
於本年度內並無支付軟硬件保養及支援費用。

PROGRESS WHEN COMPARED AGAINST BUSINESS OBJECTIVES

進度與業務目標之比較

Business objective as stated in the Prospectus for the period from 1 October 2003 to 31 March 2004

售股章程所載二零零三年十月一日至二零零四年三月三十一日止期間之業務目標

2. i-Panel design and prototyping:

i-Panel設計及原型開發：

- continue to design the latest version i-Panel with additional features;
繼續設計最新版本i-Panel，加入額外功能；
- enhance the additional features for the i-Panel version 4.0; and
加強i-Panel 4.0版的額外功能；及
- commence to design version 5.0 i-Panel which support to be used in public area within the property complex.
著手設計i-Panel 5.0版，增添支援物業內公眾範圍專用的功能。

Actual business progress for the period from 1

October 2003 to 31 March 2004

二零零三年十月一日至二零零四年三月三十一日止期間之實際業務進度

2. i-Panel design and prototyping:

i-Panel設計及原型開發：

- both board design and outlook design for i-Panel version 4.0 is completed;
i-Panel 4.0版之圖板設計及外觀設計均已完成；
- started to enhance the additional features for the i-Panel version 4.0 in order to integrate with ApBus solution; and
著手提升i-Panel 4.0版之額外功能，以便與ApBus解決方案整合；及
- withhold the design of i-Panel version 5.0 till 3rd quarter of 2004 as i-panel version 3.0 was gradually reach its growth life cycle and i-panel version 4.0 is undergoing an design enhancement.

暫停設計i-Panel 5.0版直至二零零四年第三季度，原因是i-Panel 3.0版逐漸達至其增長週期，而i-Panel 4.0版則正進行設計上的提升。

PROGRESS WHEN COMPARED AGAINST BUSINESS OBJECTIVES

進度與業務目標之比較

Business objective as stated in the Prospectus for the period from 1 October 2003 to 31 March 2004

售股章程所載二零零三年十月一日至二零零四年三月三十一日止期間之業務目標

3. Research and development and software development:

研發及軟件開發：

- revise and upgrade e-commerce and ERP application module to meet the identified markets; 改良及提升電子商貿及企業資源規劃應用模組以迎合選定市場的需要；
- identify business partners to promote their services and products through the e-property management software; and 物色業務夥伴，透過電子物業管理系統宣傳其服務及產品；及
- continue to seek for suitable hardware and network equipment compatible with the Group's e-property management software. 繼續尋找與本集團之電子物業管理軟件兼容的合適硬件及網絡設備。

Actual business progress for the period from 1

October 2003 to 31 March 2004

二零零三年十月一日至二零零四年三月三十一日止期間之實際業務進度

3. Research and development and software development:

研發及軟件開發：

- revised and upgraded e-commerce and ERP application module to meet the identified markets of education, medical markets; 改良及提升電子商業及企業資源規劃應用模組以迎合教育及醫療之選定市場的需要；
- identified ApBus as business partner to promote Group's services and products along with ApBus solutions which in return increase our client base; and 已物色ApBus作為業務夥伴，藉著推廣ApBus解決方案的同時推廣本集團之服務及產品，以擴大本集團之客戶基礎；及
- continued to seek for suitable hardware and network equipment compatible with the Group's e-property management and medical management software. 繼續尋找與本集團的電子物業管理及醫療管理軟件兼容的合適硬件及網絡設備。

PROGRESS WHEN COMPARED AGAINST BUSINESS OBJECTIVES

進度與業務目標之比較

Business objective as stated in the

Prospectus for the period from 1

October 2003 to 31 March 2004

售股章程所載二零零三年十月一日至

二零零四年三月三十一日止期間之業務目標

Actual business progress

for the period from 1

October 2003 to 31 March 2004

二零零三年十月一日至二零零四年

三月三十一日止期間之實際業務進度

4. Sales and marketing:

銷售及市場推廣：

- continue to seek for suitable information providers to enriching the content of the customers' Residential Intranet;
繼續尋找合適的資訊供應商以豐富客戶的住戶內聯網內容；
- continue to conduct market promotion and campaign to promote the Group's business;
繼續籌辦市場推廣及宣傳活動以推廣本集團之業務；
- continue to organise one symposium or promotional events in major cities in the PRC;
繼續於中國之主要城市籌辦座談會或宣傳活動；
- expect to serve an addition of 40,000 household units in the PRC; and
預期為中國額外40,000個住宅單位提供服務；及
- formulate marketing strategy to promote the technical know-how and products to other identified markets.

制定市場策略，以向其他選定市場宣傳技術專業知識及產品。

4. Sales and marketing:

銷售及市場推廣：

- Still seeking for suitable information providers to enriching the content of the customers' Residential Intranet;
仍在物色合適的資訊供應商以豐富客戶的住戶內聯網內容；
- conducted various market promotion and campaign to promote the Group's business in Beijing and Guangzhou;
於北京及廣州市舉行多項宣傳活動，以推廣本集團之業務；
- organised two private seminars in Beijing;
於北京籌辦兩場私人講座；
- negotiating with two property developers in Beijing and Fujian with expectation that to serve 30,000 household units; and
與北京及福建兩間地產發展商進行磋商，預期為30,000個住宅單位提供服務；
- explored the opportunities in the medical software application market in the PRC and company with UPMG as to facilitate the early penetration into the medical management software market.

尋求中國醫療軟件應用市場的商機，並與UPMG成立公司，務求把握先機進入醫療管理軟件市場。

PROGRESS WHEN COMPARED AGAINST BUSINESS OBJECTIVES

進度與業務目標之比較

Use of proceeds from the Company's initial public offering

Details of the use of proceeds from the Company's initial public offerings for the period from 1 April 2003 to 31 March 2004 are set out as follows:

本公司首次公開售股之所得款項用途

於二零零三年四月一日至二零零四年三月三十一日止期間本公司首次公開售股之所得款項用途詳情載列如下：

For the 12 months ended 31 March 2004
截至二零零四年三月三十一日止十二個月

		Business Plan as stated in the prospectus 售股章程所載之業務計劃涉及之金額 HK\$ million 百萬港元	Actual 實際金額 HK\$ million 百萬港元	Variance 改變幅度 HK\$ million 百萬港元	Remarks 附註
Data operating centre	數據運作中心	1.00	0.55	(0.45)	Existing capital of rack space is sufficient during the year. No new rack space is leased during the year. 本年度內為租賃空間而設之現存資金充裕。於本年度內並無租賃新空間。
i-panel design and prototyping	i-Panel設計及原型開發	1.00	1.25	+0.25	Additional capital resources were required for enhancement of the additional features for the i-Panel version 4.0. 需要額外資金以提升i-Panel 4.0版的額外功能。
Research and development and software development	研發及軟件開發	1.50	1.90	+0.40	Additional capital resources were required for initial modification and enhancement of the Group's existing applications catered for the medical and educational fields. 需要額外資金以作初步改良及提升本集團之現有應用程式以迎合醫療及教育領域之需要。
Sales and marketing	銷售及市場推廣	2.10	1.90	(0.20)	Postponed all symposium and promotional events during the first nine months of the year under review. 於回顧年度首九個月內延遲所有座談會及宣傳活動。
Total:	總計：	5.60	5.60		

HONORABLE CHAIRMAN

Ms. Chen Po Sum, aged 73, is the honorable chairman of the Group, she is appointed by the Group on 15 November 2002 and she does not involve in management and operation function of the Group but with the objective of further promoting the Group's image. Ms. Chen possess extensive experience in the local security market and holds various position in local companies and governing bodies such as she is the chairman of Wai Pak Po Company Limited and the Institute of Securities Dealers Limited. She was also a member of Election Committee (financial Services Sector) for the First Legislative Council of Hong Kong Special Administrative Region and she is an non-executive director of for several public companies listed on the Stock Exchange of Hong Kong.

EXECUTIVE DIRECTORS

Ms. Wong Yuen Yee, aged 42, is one of the founders of the Group. Ms. Wong is the chairman and an executive Director. Ms. Wong is the sister of Mr. Wong Kwok Sing, who is the chief operation officer and executive Director. Ms. Wong is responsible for formulating and monitoring the Group's overall strategic plan and development. Ms. Wong graduated from University of Hong Kong with a bachelor of social sciences degree in 1984 and a master degree in business administration in 1993. Ms. Wong has over 15 years of experience in property development and management in both the PRC and Hong Kong. She worked as a general manager in HyComm Wireless Limited (formerly known as Plotio Holdings Limited) for the period from 1985 to 1991. She was the executive director and board consultant of Soundwill Holdings Limited in Hong Kong for the periods from 1993 to 1997 and from 1997 to 1998 respectively. She was appointed as the director of Land First Holdings Limited for the period from 1998 to 1999.

榮譽主席

陳葆心女士，73歲，本集團之榮譽主席，彼於二零零二年十一月十五日獲本集團委任，並無參與本集團之管理及營運工作，但擁有進一步推廣本集團形象之目標。陳女士擁有本地證券市場之豐富經驗，並擔任本地公司及監管機構多項職務，例如威德葆有限公司主席及證券商協會有限公司主席。彼亦為香港特別行政區第一屆立法會選舉委員會（金融服務界功能界別）之成員，以及多間香港聯交所上市公司之非執行董事。

執行董事

黃婉兒女士，42歲，本集團創辦人之一及主席兼執行董事，乃營運總監兼執行董事黃國聲先生之胞姊。黃女士負責制定及監控本集團之整體策略規劃及發展。黃女士畢業於香港大學，分別於一九八四年及一九九三年獲頒社會科學學士學位及工商管理碩士學位，於中國及香港物業發展及管理方面擁有逾十五年經驗。彼於一九八五年至一九九一年期間任職華脈無線通信有限公司（前稱百利好集團有限公司）董事總經理，另分別於一九九三年至一九九七年及一九九七年至一九九八年期間擔任香港金朝陽集團有限公司之執行董事及董事會顧問，並於一九九八年至一九九九年期間獲宜地控股有限公司委任為董事。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及管理高層履歷

Mr. Wong Kwok Sing, aged 40, is one of the founders of the Group. Mr. Wong is the chief operation officer, vice chairman and executive Director. Mr. Wong is responsible for the Group's daily operation and customer services, and sale and marketing activities for promoting the Group's products and services. Mr. Wong graduated from Shue Yan College with a high diploma in business administration in 1986. Mr. Wong has about 16 years of experience in the IT industry and extensive experience in marketing, research and business development in the Asia Pacific Region. Prior to joining the Group, Mr. Wong was the executive officer of Bell Technology Ltd. with principal duties relating to system design, computer networking, Internet services and computer products trading for the period from 1989 to 1998. He was the sales supervisor of Caripac Ltd. in 1988 with main responsibility regarding system design and Smart Home solution. In addition, he played a major role in business development, particularly in the PRC market, whilst working with Bell Technology Ltd. and Caripac Ltd.. Mr. Wong was one of the founders of the portal "www.b66.com" in 1996. Mr. Wong is the brother of Ms. Wong Yuen Yee, who is the chairman and an executive Director.

Mr. Wong Yao Wing, Robert, aged 46, is the chief executive officer and an executive Director. Mr. Wong Yao Wing, Robert is also the compliance officer of the Company. Mr. Wong Yao Wing, Robert is responsible for the Group's corporate management and strategic planning for the Group's overall business. He graduated from University of Hong Kong with a master degree in business administration in 1993. Mr. Wong Yao Wing, Robert has over 20 years of experience in the field of information technology and eight years of experience in lecturing at the Polytechnic University, and has also been working in commercial sectors for over 10 years as senior management. He also has ample knowledge of software development and project management in various industries and has acquired substantial business and

黃國聲先生，40歲，本集團創辦人之一及營運總監、副主席兼執行董事，負責本集團日常業務及客戶服務，以及推廣本集團產品及服務之銷售及市場推廣活動。黃先生於一九八六年畢業於樹仁學院，獲頒工商管理高級文憑。黃先生於資訊科技業累積約十六年經驗，並於亞太區市場推廣、調查及業務發展方面擁有豐富經驗。於加盟本集團前，彼曾於一九八九年至一九九八年間擔任貝爾科技有限公司之執行主任，主要負責系統設計、電腦網絡、互聯網服務及電腦產品貿易。彼亦曾於一九八八年任職佳駿有限公司銷售主管，專責系統設計及聰明家居方案。此外，彼於任職貝爾科技有限公司及佳駿有限公司期間積極參與業務發展工作，尤其是中國市場方面。黃先生於一九九六年創辦「www.b66.com」入門網站（彼為創辦人之一）。黃先生乃主席兼執行董事黃婉兒女士之胞弟。

黃祐榮先生，46歲，行政總監、執行董事兼本公司法規主管，負責本集團之公司管理及本集團整體業務之策略規劃。彼於一九九三年畢業於香港大學，獲頒工商管理碩士學位，於資訊科技範疇擁有超過二十年經驗，曾於香港理工大學授課八年，並曾於商界出任管理高層職位超過十年。彼於多個行業的軟件開發及項目管理擁有豐富知識，亦於電訊、互聯網、電子商貿及網絡方面累積廣泛商業及技術知識。在加入本集團前，黃祐榮先生為HealthAnswers Asia Pte Ltd.之總裁及顯良系統有限公司與Expert System Solution Ltd.之創辦人兼董事

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董 事 及 管 理 高 層 履 歷

technical knowledge in telecommunication, Internet, e-commerce and networking. Prior to joining the Group, Mr. Wong Yao Wing, Robert was the president of HealthAnswers Asia Pte Ltd., and the founder and managing director of Expert System Co., Ltd. and Expert System Solution Ltd.. Mr. Wong Yao Wing, Robert joined the Group in January 2001.

Mr. Lam Shiu San, aged 31, is the chief technology officer and an executive Director. He is responsible for monitoring the hardware and software development of the Group. He is also in charge of all the technical issue of the Group's projects. Prior to joining the Group, Mr. Lam was the technical director of NetTrend Computer for the period from 1997 to 2000 and was the technical manager of Bell Technology Limited for the period from 1993 to 1997. He has approximately 10 years' experience in software development, network infrastructure design, system administration and portal site development. He was also one of the founders of the portal www.b66.com. Mr. Lam holds a Certificate of Computer and Communication Engineering and a Microsoft Certificated Professional + Internet and is a Microsoft Certificated Systems Engineer. Mr. Lam joined the Group in July 2000.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Wu Wai Yee, Annis, aged 48, is an independent non-executive Director. Ms. Wu is the director of Annis Wu & Associates Limited which engages in financial advisory services. She has over 13 years of experience in banking, financial consulting and auditing with foreign banks, local regulatory body and international accounting firms, such as Pricewaterhouse, ABN AMBRO Bank and the Securities and Futures Commission. Ms. Wu holds a higher diploma in accountancy and is an associate member of the Hong Kong Society of Accountants. She was appointed as an independent non-executive Director in November 2001.

總經理。黃祐榮先生於二零零一年一月加盟本集團。

林兆榮先生，31歲，技術總監兼執行董事，負責監控本集團軟硬件開發，亦主管本集團項目所有技術事宜。加入本集團前，林先生曾於一九九七年至二零零零年間任職NetTrend Computer技術董事，及於一九九三年至一九九七年間擔任貝爾科技有限公司之技術經理。彼於軟件開發、網絡基建設計、系統管理及入門網站開發方面擁有約十年經驗，亦為入門網站「www.b66.com」創辦人之一。林先生持有電腦及通訊工程證書及Microsoft Certificated Professional + Internet證書，並為微軟認可系統工程師。彼於二零零零年七月加盟本集團。

獨立非執行董事

胡惠儀女士，48歲，獨立非執行董事。胡女士為Annis Wu & Associates Limited之董事，該公司從事財務顧問服務業務。彼於外國銀行、本地監管機構與國際會計公司如羅兵咸永道會計師事務所、荷蘭銀行及證券及期貨事務監察委員會累積逾十三年銀行、財務諮詢及核數經驗。胡女士持有會計高級文憑，並為香港會計師公會會員。彼於二零零一年十一月獲委任為獨立非執行董事。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及管理高層履歷

Mr. Wong Tak Leung, Charles, aged 54, is an independent non-executive Director. Mr. Wong graduated from Hong Kong University in 1972 with a bachelor degree of Science and became a Solicitor of the Supreme Court of Hong Kong in 1976, a solicitor of the Supreme Court of England & Wales in 1978, Barrister & Solicitor of the Supreme Court of Victoria, Australia in 1983, a Notary Public since 1987, Advocate & Solicitor of Supreme Court of Republic of Singapore in 1990. Mr. Wong is currently a partner of Messrs. Lo, Wong & Tsui, Solicitors and a non-executive director of Soundwill Holdings Limited. Mr. Wong is a Temporary Deputy Registrar of the High Court and he is also an Assistant Chief Commissioner of the Scout Association of Hong Kong.

SENIOR MANAGEMENT

Mr. Chow Kam Wing, aged 45, is the consultant of the Group. Mr. Chow graduated from Murdoch University in Perth, Australia with a master degree in business for the administration. He also completed a master degree programme in project management from Curtin University of Technology in Australia. Mr. Chow has about 17 years of experience in property development, project management, design and construction industry, and extensive experience in business development in Asia Pacific region, in particular the PRC and Taiwan. He is one of the founders and co-owner of PCIM Design and Contracting Limited and C.P. Designs Limited. Mr. Chow joined the Group in July 2000.

Ms. Wong Yuen Man, Alice, aged 38, is the director of human resources and communications of the Group. Ms. Wong is the sister of Ms. Wong Yuen Yee, who is the chairman and an executive Director. She is responsible for human resources, administration and external communications. Ms. Wong graduated from Indiana State University in Indiana, US with a bachelor degree in public relations. She has approximately 10 years of experience in the field of communications and human resources. Ms. Wong has worked for nine years

王德良先生，54歲，獨立非執行董事。王先生於一九七二年取得香港大學理學士學位，一九七六年成為香港最高法院律師，一九七八年獲得英格蘭及威爾斯最高法院律師資格，一九八三年獲得澳洲維多利亞省最高法院大律師及律師資格，自一九八七年起擔任公證人，並於一九九零年成為新加坡共和國最高法院之代訟人及律師。王先生現為盧王徐律師事務所之合夥人及金朝陽集團有限公司之非執行董事。王先生亦為高等法院暫委副司法常務官及香港童軍總會助理香港總監。

管理高層

周錦榮先生，45歲，本集團諮詢顧問。周先生畢業於澳洲柏斯 Murdoch University，獲頒工商管理碩士學位，並完成澳洲 Curtin University of Technology 項目管理碩士學位課程。周先生於物業發展、項目管理、設計及建築業擁有約十七年經驗，並於亞太區業務發展方面擁有豐富經驗，特別是中國及台灣。彼為 PCIM Design and Contracting Limited 及 C.P. Designs Limited 創辦人之一兼共同擁有人。周先生於二零零零年七月加盟本集團。

黃婉雯女士，38歲，本集團人力資源及傳訊總監，乃主席兼執行董事黃婉兒女士之胞妹。彼負責人力資源、行政及對外傳訊。黃女士畢業於美國印第安那州 Indiana State University，獲頒公共關係學士學位，於傳訊及人力資源方面擁有約十年經驗。彼曾於駐香港美國總領事館任職九年，曾分別處理一九九七年及一九九八年美國國務卿及克林頓總統訪港事宜。在

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董 事 及 管 理 高 層 履 歷

with American Consulate General in Hong Kong and has handled the visit of US Secretary of State and President Clinton in 1997 and 1998 respectively. Prior to joining the Group, she worked for Adler Planetarium in Chicago, US. Ms. Wong joined the Group in September 2000.

Mr. Li Kar Fai, Peter, aged 39, is the qualified accountant and company secretary of the Group. He is responsible for the financial control, accounting and general administration of the Group. Mr. Li graduated from City University of Hong Kong (formerly City Polytechnic of Hong Kong) with a bachelor degree in accountancy. He is an associate member of the Hong Kong Society of Accountants and a fellow member of the Association of Chartered Certified Accountants. Prior to joining the Group in February 2002, he worked for Pricewaterhouse (name changed to PricewaterhouseCoopers), an international accounting and audit firm, for eight years and Asia Aluminum Holdings Limited whose securities are listed on the Stock Exchange as a financial controller and company secretary for four years.

加入本集團前，彼任職於美國芝加哥艾德勒天文館(Adler Planetarium)。黃女士於二零零零年九月加盟本集團。

李嘉輝先生，39歲，本集團合資格會計師兼公司秘書，負責本集團之財務監控、會計及一般行政。李先生畢業於香港城市大學(前稱香港城市理工學院)，獲頒會計學士學位。彼為香港會計師公會會員，並為英國公認會計師公會資深會員。於二零零二年二月加入本集團前，彼曾於國際會計及核數公司羅兵咸會計師事務所(現稱羅兵咸永道會計師事務所)工作八年，及於證券在聯交所上市之亞洲鋁業集團有限公司任職財務總監兼公司秘書四年。

REPORT OF THE DIRECTORS

董事會報告

The Directors are pleased to submit their report together with the audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries are set out in note 13 to the financial statements.

There were no significant changes in the nature of the Company's principal activities during the year.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2004 are set out on page 45 of the annual report.

No interim dividend has been proposed by the Company during the year and the Directors do not recommend the payment of a final dividend in respect of the year ended 31 March 2004.

FIXED ASSETS

Details of movements in fixed assets of the Group are set out in note 11 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company are set out in note 25 to the financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company are set out in note 26 to the financial statements.

CONNECTED TRANSACTIONS

Related party transactions entered by the Group during the year ended 31 March 2004, which do not constitute connected transactions under the GEM Listing Rules are disclosed in note 28 to the financial statements.

董事欣然提呈董事會報告連同本公司及其附屬公司（「本集團」）截至二零零四年三月三十一日止年度之經審核財務報表。

主要業務

本公司為一家投資控股公司。其附屬公司之主要業務載於財務報表附註13。

本集團之主要業務性質於本年度並無任何重大變動。

業績及股息

本集團截至二零零四年三月三十一日止年度之業績載於本年報第45頁。

本公司並無建議於本年度內派發中期股息，而董事不建議派發截至二零零四年三月三十一日止年度之末期股息。

固定資產

本集團固定資產之變動詳情載於財務報表附註11。

股本

本公司股本之變動詳情載於財務報表附註25。

儲備

本集團及本公司儲備之變動詳情載於財務報表附註26。

關連方交易

於截至二零零四年三月三十一日止年度內，本集團曾訂立而並不構成屬根據創業板上市規則規定之關連交易之關連方交易於財務報表附註28中披露。

REPORT OF THE DIRECTORS

董事會報告

On 18 December 2003, the Company and UPMG entered in an agreement for the formation of an associated company ("JV Company"), under which the Company held as to 49% to the JV Company and UPMG held as to 51% to the JV Company. Details of the formation of the associate had been disclosed in the Company's announcement dated 18 December 2003.

The Directors (including the independent non-executive Directors) confirmed that the above connected transaction was contracted on normal commercial terms in the ordinary course of business of the Group and that the terms of agreements are fair and reasonable so far as the independent shareholders of the Company are concerned.

DIRECTORS

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

Executive Directors:

Ms. Wong Yuen Yee
Mr. Wong Kwok Sing
Mr. Wong Yao Wing, Robert
Mr. Lam Shiu San

Independent non-executive Directors:

Ms. Wu Wai Yee, Annis
Mr. Wong Tak Leung, Charles (appointed on 9 Feb 2004)
Ms. Chow Wai Man, Grace (resigned on 9 Feb 2004)

In accordance with Bye-law 86 and 87 of the Company's Bye-laws, Mr. Wong Kwok Sing and Mr. Wong Tak Leung, Charles, Annis will retire at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

於二零零三年十二月十八日，本公司與UPMG訂立協議以成立聯營公司（「合營公司」），據此，本公司持有合營公司之49%權益，而UPMG則持有合營公司之51%權益。組成聯營公司之詳情已於二零零三年十二月十八日由本公司刊發之公佈內披露。

董事（包括獨立非執行董事）確認，上述關連交易乃按正常商業條款，於本集團日常業務過程中訂立，而就有關本公司之獨立股東而言，協議之條款乃屬公平合理。

董事

年內及在本報告刊發日期在任之董事如下：

執行董事：

黃婉兒女士
黃國聲先生
黃祐榮先生
林兆樂先生

獨立非執行董事：

胡惠儀女士
王德良先生（於二零零四年
二月九日獲委任）
周偉敏女士（於二零零四年
二月九日辭任）

根據本公司之細則第86及第87條之規定，黃國聲先生及王德良先生將於應屆股東週年大會上退任，並願膺選連任。

DIRECTORS' SERVICE CONTRACTS

The term of office of each Director, including the independent non-executive Directors, is the period up to his retirement by rotation in accordance with the Bye-laws of the Company.

Each of the executive Directors has entered into a service agreement with the Company commencing from 1 April 2002 for an initial fixed term of 2 years as disclosed on page 195 of the Prospectus years, which will continue thereafter for such further term (if any) unless terminated by either party by three months' prior written notice. As at 31 March 2004, none of these service contracts had been terminated by either party.

Save as disclosed, none of the Directors has entered into any service agreements with any member of the Group.

INTERESTS OF THE DIRECTORS OR CHIEF EXECUTIVES IN THE SHARE CAPITAL OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2004, the interests (including interests in shares and short positions) of the Directors or chief executives in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO") which were notified to the Company and the Stock Exchange pursuant to: (a) Divisions 7 and 8 of part XV of the SFO (including interests and short positions which each of them is taken or deemed to have taken under such provisions of the SFO); or (b) which were required pursuant to section 352 of the SFO to be entered in the register referred to in that section; or (c) were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange, were as follows:

董事之服務合約

各董事(包括獨立非執行董事)之任期為直至根據本公司之細則規定須輪值退任為止。

各執行董事已與本公司訂立服務協議，自二零零二年四月一日開始，初步固定任期為兩年(如售股章程第195頁所披露)，其後除非任何一方發出三個月之事前書面通知，否則將會續約(如有)。於二零零四年三月三十一日，概無任何一方終止該等服務合約。

除所披露者外，董事概無與本集團任何成員公司訂立任何服務協議。

董事或行政總裁於本公司及其聯營公司股本之權益

於二零零四年三月三十一日，董事、或行政總裁於本公司及其聯營公司(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份中擁有：(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益(包括於股份及淡倉之權益)(包括彼等各自根據證券及期貨條例之該等規定而被視作或當作持有之權益及淡倉)；或(b)根據證券及期貨條例第352條規定存置之登記冊記錄之權益；或(c)根據創業板上市規則第5.48至第5.67條有關董事進行證券交易之規定而須知會本公司及聯交所之權益如下：

REPORT OF THE DIRECTORS

董事會報告

a. Long positions in shares

a. 於股份之好倉

Name of Director	Number of ordinary shares held				Approximate percentage of shareholdings
	Personal Interests	Family Interests	Corporate Interests	Other Interests	
董事姓名	個人權益	家族權益	公司權益	其他權益	概約百分比
Ms. Wong Yuen Yee (note 1) 黃婉兒女士 (附註1)	—	—	54,317,256	—	11.09%
Mr. Wong Kwok Sing (note 1) 黃國聲先生 (附註1)	—	—	54,317,256	—	11.09%
Mr. Wong Yao Wing, Robert (note 1) 黃祐榮先生 (附註1)	—	—	54,317,256	—	11.09%
Mr. Lam Shiu San (note 1) 林兆榮先生 (附註1)	—	—	12,287,302	—	2.51%
Ms. Wu Wai Yee (note 2) 胡惠儀女士 (附註2)	—	—	3,600,000	—	0.73%

Notes:

附註：

- Each of Ms. Wong Yuen Yee, Mr. Wong Kwok Sing, Mr. Wong Yao Wing and Mr. Lam Shiu San respectively owns such shares through Multiturn Trading Limited, which is beneficially owned by Ms. Wong Yuen Yee, Mr. Wong Kwok Sing, Mr. Wong Yao Wing, Robert, Mr. Lam Shiu San and Mr. Chow Kam Wing as to 30.9%, 30.9%, 30.9%, 6.99% and 0.31% respectively.
- Wingly Group Ltd. owns 3,600,000 shares and is owned by Ms. Wu Wai Yee, Annis, an independent non-executive Director, and Ms. To Po Yim in equal shares. Each of Ms. Wu Wai Yee, Annis and Ms. To Po Yim is deemed to be interested in 3,600,000 shares, representing approximately 0.73% interests in the Company under the SFO.

- 黃婉兒女士、黃國聲先生、黃祐榮先生及林兆榮先生各自透過 Multiturn Trading Limited 擁有該等股份，而 Multiturn Trading Limited 分別由黃婉兒女士、黃國聲先生、黃祐榮先生、林兆榮先生及周錦榮先生實益擁有 30.9%、30.9%、30.9%、6.99% 及 0.31% 權益。
- Wingly Group Ltd. 擁有 3,600,000 股股份，該公司由獨立非執行董事胡惠儀女士及杜寶賢女士按同等比例擁有。根據證券及期貨條例，胡惠儀女士及杜寶賢女士各自被視為於 3,600,000 股股份中擁有權益，佔本公司約 0.73% 權益。

b. Long positions in the underlying shares of equity derivatives

Pursuant to the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme adopted by the Company on 5 July 2002, certain Directors and senior management of the Company were granted share options to subscribe for shares, details of which as at 31 March 2004 were as follows:

b. 於股份衍生工具相關股份之好倉

根據本公司於二零零二年七月五日採納之首次公開售股前購股權計劃及首次公開售股後購股權計劃，本公司若干董事及管理高層獲授予可認購股份之購股權，有關購股權於二零零四年三月三十一日之詳情如下：

Name of Directors 董事姓名	Nature of Interest 權益性質	Number and description of equity derivatives 股份衍生工具之數目及資料	Number of underlying ordinary shares 相關普通股股份數目
Ms. Wong Yuen Yee 黃婉兒女士	Personal 個人	Pre-IPO Share Option to subscribe for 48,000,000 Shares in aggregation pursuant to the Pre-IPO Share Option Scheme 根據首次公開售股前購股權計劃可認購合共48,000,000股股份之首次公開售股前購股權	4,800,000
Mr. Wong Kwok Sing 黃國聲先生	Personal 個人		4,800,000
Mr. Wong Yao Wing, Robert 黃祐榮先生	Personal 個人		4,800,000
Mr. Lam Shiu San 林兆榮先生	Personal 個人		4,800,000
Ms. Wong Yuen Yee 黃婉兒女士	Personal 個人	Post-IPO Share Option to Share Option Scheme subscribe for 47,570,000 Shares in aggregation pursuant to the Post-IPO Share Option Scheme 根據首次公開售股後購股權計劃可認購合共47,570,000股股份之首次公開售股後購股權	4,757,000
Mr. Wong Kwok Sing 黃國聲先生	Personal 個人		4,757,000
Mr. Wong Yao Wing, Robert 黃祐榮先生	Personal 個人		4,757,000
Mr. Lam Shiu San 林兆榮先生	Personal 個人		4,757,000

REPORT OF THE DIRECTORS

董事會報告

Name of senior management of the Company 本公司 管理高層姓名	Nature of Interest 權益性質	Number and description of equity derivatives 股份衍生工具 之數目及資料	Number of underlying ordinary shares 相關普通股 股份數目
Mr. Chow Kam Wing 周錦榮先生	Personal 個人	Pre-IPO Share Option to subscribe for 48,000,000 Shares in aggregation pursuant to the Pre-IPO Share Option Scheme 根據首次公開售股前購股權計劃可認購合共48,000,000股股份之首次公開售股前購股權	4,800,000
Ms. Wong Yuen Man, Alice 黃婉雯女士	Personal 個人		4,800,000
Ms. Wong Yuen Man, Alice 黃婉雯女士	Personal 個人	Post-IPO Share Option to subscribe for 47,570,000 Shares in aggregation pursuant to the Pre-IPO Share Option Scheme 根據首次公開售股後購股權計劃可認購合共47,570,000股股份之首次公開售股後購股權	4,757,000

No option granted under the Pre-IPO and Post-IPO Share Option Scheme were cancelled or lapsed since the date of grant.

根無根據首次公開售股前購股權計劃及根據首次公開售股後購股權計劃授出之購股權自授出日期以來曾註銷或失效。

c. Short positions in shares

No short positions of the Directors and the chief executives of the Company in the shares of the Company and their associated corporations were recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.40 of the GEM Listing Rules.

d. Short positions in the underlying shares of equity derivatives

No short positions of the Directors and the chief executives of the Company in the underlying shares of the equity derivatives of the Company and their associated corporations were recorded in the registered or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.40 of the GEM Listing Rules.

Save as disclosed above, as at 31 March 2004, none of the Directors or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations, which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or recorded in the register kept by the Company pursuant to Section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

c. 於股份之淡倉

概無董事及本公司之行政總裁於本公司及其聯營公司之股份中之淡倉須根據創業板上市規則第5.40條記錄於登記冊或另行通知本公司及聯交所。

d. 於股份衍生工具相關股份之淡倉

概無董事及本公司行政總裁於本公司及其聯營公司之股份衍生工具之相關股份中之淡倉須根據創業板上市規則第5.40條記錄於登記冊或另行通知本公司及聯交所。

除上文所披露者外，於二零零四年三月三十一日，董事或彼等之聯繫人士概無於本公司或其任何聯營公司之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益或淡倉，或根據證券及期貨條例第352條規定存置之登記冊記錄之任何權益或淡倉，或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

INTERESTS DISCLOSEABLE UNDER THE SECURITIES AND FUTURE ORDINANCE AND SUBSTANTIAL SHAREHOLDERS

As at 31 March 2004, so far is known to the Directors, the following persons (other than the Directors or chief executive of the Company) had an interest and/or a short position in the shares and/or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of part XV of the SFO and/or required to be entered in the register maintained by the Company pursuant to Section 336 of SFO and/or were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Group.

a. Long positions in shares

Name 名稱	Number of shares 股份數目	Percentage of shareholdings 持股百分比
Multiturn Trading Limited (Note 1) (附註1)	175,784,000	35.87%
Rexy Investment Limited (Note 2) (附註2)	57,600,000	11.76%
Plotio Limited (Note 2) (附註2)	57,600,000	11.76%
HyComm Wireless Limited (Note 2) 華脈無線通信有限公司 (附註2)	57,600,000	11.76%

Notes:

- Multiturn Trading Limited is beneficially owned by Ms. Wong Yuen Yee, Mr. Wong Kwok Sing, Mr. Wong Yao Wing, Robert, Mr. Lam Shiu San and Mr. Chow Kam Wing as to 30.9%, 30.9%, 30.9%, 6.99% and 0.31% respectively.
- Rexy Investment Limited is a wholly-owned subsidiary of Plotio Limited, which is wholly-owned by HyComm Wireless Limited, a company listed on the Main Board of the Stock Exchange.

根據證券及期貨條例須予披露之權益及主要股東

於二零零四年三月三十一日，就董事所知，下列人士（不包括董事或本公司行政總裁）持有須根據證券及期貨條例第XV部第2及第3分部之規定須向本公司及聯交所披露之股份及／或相關股份之權益及／或淡倉，及／或須記錄於本公司根據證券及期貨條例第336條規定存置之登記冊之股份及／或相關股份之權益及／或淡倉，及／或直接或間接擁有附帶可於所有情況下在本集團任何成員公司股東大會上投票之權利之任何類別股本面值5%或以上權益。

a. 於股份之好倉

Number of shares 股份數目	Percentage of shareholdings 持股百分比
175,784,000	35.87%
57,600,000	11.76%
57,600,000	11.76%
57,600,000	11.76%

附註：

- Multiturn Trading Limited由黃婉兒女士、黃國聲先生、黃祐榮先生、林兆樂先生及周錦榮先生分別實益擁有30.9%、30.9%、30.9%、6.99%及0.31%權益。
- Rexy Investment Limited為Plotio Limited之全資附屬公司，而Plotio Limited為華脈無線通信有限公司之全資附屬公司。華脈無線通信有限公司於聯交所主板上市。

b. Long positions in the underlying shares of equity derivatives **b. 於股份衍生工具相關股份之好倉**

Name 名稱	Nature of Interest 權益性質	Number and description of equity derivatives 股份衍生工具之數目及資料	Number of underlying ordinary shares 相關普通股股份數目
Multiturn Trading Limited	Corporate company 公司	Pre-IPO Share Option to subscribe for 48,000,000 shares in aggregation pursuant to the Pre-IPO Share Option Scheme. 根據首次公開售股前購股權計劃可認購合共48,000,000股股份之首次公開售股前購股權	24,000,000
Multiturn Trading Limited	Corporate company 公司	Post-IPO Share Option to subscribe for 47,570,000 shares in aggregation pursuant to the Post-IPO Share Option Scheme. 根據首次公開售股後購股權計劃可認購合共47,570,000股股份之首次公開售股後購股權	19,028,000

Notes:

附註：

- | | |
|--|--|
| <p>1. Multiturn Trading Limited is beneficially owned by Ms. Wong Yuen Yee, Mr. Wong Kwok Sing, Mr. Wong Yao Wing, Robert, Mr. Lam Shiu San and Mr. Chow Kam Wing as to 30.9%, 30.9%, 30.9%, 6.99% and 0.31% respectively. Pursuant to the Pre-IPO Share Option Scheme, each of them was granted 4,800,000 shares.</p> | <p>1. Multiturn Trading Limited由黃婉兒女士、黃國聲先生、黃祐榮先生、林兆榮先生及周錦榮先生分別實益擁有30.9%、30.9%、30.9%、6.99%及0.31%權益。根據首次公開售股前購股權計劃，彼等各自獲授予4,800,000股股份。</p> |
| <p>2. No option granted under the Pre-IPO and Post-IPO Share Option Scheme was cancelled or lapsed since the date of the respective grants.</p> | <p>2. 概無根據首次公開售股前購股權計劃及首次公開售股後購股權計劃授出之購股權自授出日期以來曾註銷或失效。</p> |

c. Short positions in shares

No short positions of other persons and substantial shareholders in the shares of the Company were recorded in the register.

d. Short positions in the underlying shares of equity derivatives

No short positions of other persons and substantial shareholders in the underlying shares of equity derivatives of the Company were recorded in the register.

Save as disclosed above, as at 31 March 2004, there was no person (other than the Directors or chief executive of the Company) so far as known to any of the Directors, who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

On 8 October 2003 and 9 October 2003, the Company repurchased 2,000,000 shares at HK\$0.140 per share and 2,300,000 shares at HK\$0.148 per share respectively.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2004.

c. 於股份之淡倉

概無其他人士及主要股東於本公司之股份中之淡倉須記錄於登記冊。

d. 於股份衍生工具相關股份之淡倉

概無其他人士及主要股東於本公司之股份衍生工具之相關股份中之淡倉須記錄於登記冊。

除上文所披露者外，於二零零四年三月三十一日，就任何董事所知，概無任何人士（不包括董事或本公司行政總裁）持有須根據證券及期貨條例第XV部第2及第3分部之規定須向本公司披露之股份或相關股份之任何權益或淡倉，或直接或間接擁有附帶可於所有情況下在本集團任何其他成員公司股東大會上投票之權利之任何類別股本面值5%或以上權益。

購買、出售或贖回本公司之上市證券

於二零零三年十月八日及二零零三年十月九日，本公司分別按每股0.140港元之價格贖回2,000,000股股份及按每股0.148港元之價格贖回2,300,000股股份。

除上文所披露者外，本公司或其他任何附屬公司概無於截至二零零四年三月三十一日止年度購買、出售或贖回任何本公司上市證券。

MAJOR CUSTOMERS AND SUPPLIER

The information in respect of the Group's turnover and purchases attributable to the major customers and suppliers respectively during the year is as follows:

主要客戶及供應商

本年度內，主要客戶及供應商分別應佔之本集團營業額及採購額資料如下：

		Percentage of the Group's 佔本集團總額之百分比	
		Turnover 營業額	Purchases 採購額
The largest customer	最大客戶	12.5%	
Five largest customers in aggregate	五大客戶(總額)	46.2%	
The largest supplier	最大供應商		34%
Five largest suppliers in aggregate	五大供應商(總額)		79%

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers respectively.

本公司董事或其任何聯繫人士或任何股東(據董事所知擁有本公司已發行股本5%以上者)概無於本集團之五大客戶及供應商擁有任何實益權益。

MANDATORY PROVIDENT FUND SCHEME

Details of the mandatory provident fund scheme are set out in note 22 to the financial statements.

強制性公積金計劃

強制性公積金計劃之詳情載於財務報表附註22。

SUBSIDIARIES

Details of the Company's subsidiaries at 31 March 2004 are set out in note 13 to the financial statements.

附屬公司

本公司附屬公司於二零零四年三月三十一日之詳情載於財務報表附註13。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and senior management of the Group are set out on page 22 to 26 of this annual report.

董事及管理高層履歷

本集團董事及高級管理層之履歷詳情載於本年報第22至26頁。

EMOLUMENTS OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the Directors' emoluments and of the five highest paid individuals in the Group are set out in note 7 to the financial statements.

董事及五名最高薪人士之酬金

本集團董事及五名最高薪人士之酬金詳情載於財務報表附註7。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance, to which the Company or any of its subsidiaries was a party and in which a Director had a material interest subsisted at the end of the year or at any time during the year.

SHARE OPTIONS

(a) PRE-IPO SHARE OPTION SCHEME

Pursuant to the Pre-IPO Share Option Scheme, the principal terms of which were set out in the prospectus of the Company dated 30 July 2002 (the "Prospectus"), there were 48,000,000 share options granted to the grantees. Details of the pre-IPO share options granted to certain Directors are as follows:

Name of Director	Date of grant	No. of shares granted	Number of shares exercisable	Number of share options outstanding as at 31 March 2004 於二零零四年三月三十一日尚未行使之購股權數目	Exercise price per Share 每股股份行使價	Exercise period 行使期
董事姓名	授出日期	授出股份數目	可行使股份數目	購股權數目	每股股份行使價	行使期
Wong Yuen Yee	5 July 2002	4,800,000	3,600,000	4,800,000	HK\$0.14	5 July 2002 to 4 July 2012
黃婉兒	二零零二年七月五日				0.14港元	二零零二年七月五日至二零一二年七月四日
Wong Kwok Sing	5 July 2002	4,800,000	3,600,000	4,800,000	HK\$0.14	5 July 2002 to 4 July 2012
黃國聲	二零零二年七月五日				0.14港元	二零零二年七月五日至二零一二年七月四日
Wong Yao Wing, Robert	5 July 2002	4,800,000	3,600,000	4,800,000	HK\$0.14	5 July 2002 to 4 July 2012
黃祐榮	二零零二年七月五日				0.14港元	二零零二年七月五日至二零一二年七月四日
Lam Shiu San	5 July 2002	4,800,000	3,600,000	4,800,000	HK\$0.14	5 July 2002 to 4 July 2012
林兆榮	二零零二年七月五日				0.14港元	二零零二年七月五日至二零一二年七月四日

A total number of 48,000,000 options were granted to the grantees (including staffs and Directors) on 5 July 2002 under the Pre-IPO Share Option Scheme. Up to 31 March 2004, no options under the Pre-IPO Share Option Scheme have been exercised.

董事於重大合約之權益

本公司董事概無於由本公司或任何附屬公司訂立而於本年度終結時或年內任何時間存在之任何重大合約中擁有重大權益。

購股權

(a) 首次公開售股前購股權計劃

根據首次公開售股前購股權計劃（主要條款載於二零零二年七月三十日刊發之本公司售股章程（「售股章程」）），本公司向承授人授出48,000,000份購股權。授予若干董事之首次公開售股前購股權之詳情如下：

於二零零二年七月五日，根據首次公開售股前購股權計劃，合共有48,000,000份購股權授予承授人（包括員工及董事）。截至二零零四年三月三十一日為止，概無首次公開售股前購股權計劃項下購股權獲行使。

(b) POST-IPO SHARE OPTION SCHEME

Pursuant to a written resolution passed at the sole shareholder of the Company on 5 July 2002, the Company conditionally adopted the share option scheme, the principal terms of which are set out in the section head "Share Option Schemes" on Appendix IV of the Prospectus. Up to 31 March 2004, there were 47,570,000 share options granted to the grantees and up to 31 March 2004, there were 14,250,000 shares under the post-IPO Share Option Scheme have been exercised.

Details of the post-IPO share options granted to certain Directors are as follows:

(b) 首次公開售股後購股權計劃

根據本公司唯一股東於二零零二年七月五日通過之書面決議案，本公司有條件採納購股權計劃，其主要條款載於售股章程附錄四「購股權計劃」一節。截至二零零四年三月三十一日為止，本公司授予承授人47,570,000份購股權及截至二零零四年三月三十一日止，根據首次公開售股後購股權計劃獲行使而須發行之股份為14,250,000股。

授予若干董事之首次公開售股後購股權之詳情如下：

Name of Director	Date of grant	No. of shares granted	Number of shares exercisable	Number of share options outstanding as at 31 March 2004 於二零零四年三月三十一日尚未行使之購股權數目	Exercise price per Share 每股股份行使價	Exercise period
董事姓名	授出日期	授出股份數目	可行使股份數目			行使期
Wong Yuen Yee	6 Jan 2004	4,757,000	4,757,000	4,757,000	HK\$0.11	6 Jan 2004 to 5 Jan 2014
黃婉兒	二零零四年一月六日				0.11港元	二零零四年一月六日至二零零四年一月五日
Wong Kwok Sing	6 Jan 2004	4,757,000	4,757,000	4,757,000	HK\$0.11	6 Jan 2004 to 5 Jan 2014
黃國聲	二零零四年一月六日				0.11港元	二零零四年一月六日至二零零四年一月五日
Wong Yao Wing, Robert	6 Jan 2004	4,757,000	4,757,000	4,757,000	HK\$0.11	6 Jan 2004 to 5 Jan 2014
黃祐榮	二零零四年一月六日				0.11港元	二零零四年一月六日至二零零四年一月五日
Lam Shiu San	6 Jan 2004	4,757,000	4,757,000	4,757,000	HK\$0.11	6 Jan 2004 to 5 Jan 2014
林兆榮	二零零四年一月六日				0.11港元	二零零四年一月六日至二零零四年一月五日

REPORT OF THE DIRECTORS

董事會報告

Save as disclosed under the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme, as at 31 March 2004, neither the Company nor any of its subsidiaries was a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities, including debentures, of the Company or any other body corporate, and none of the directors and chief executive of the Company 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 right.

COMPLIANCE WITH RULES 5.34 TO 5.45 OF THE GEM LISTING RULES

The Company has complied throughout the year ended 31 March 2004 the minimum standards of good practice concerning the general management responsibilities of the Board as set out in Rules 5.34 to 5.45 of the GEM Listing Rules.

CONVERTIBLE SECURITIES

Apart from the share option schemes, details of which are set out above in the section headed "Share Options", the Company had placed a HK\$8,000,000, 7.5% redeemable convertible notes on 24 September 2003 and the convertible notes is due on 24 September 2006. Details of the convertible notes have been disclosed in the Company's circular to shareholders dated 29 September 2003. There had been no exercise of the convertible notes during the year ended 31 March 2004.

SPONSOR'S INTEREST

As updated and notified by the Company's sponsor, Hantec Capital Limited (the "Sponsor"), as at 31 March 2004, neither the Sponsor, nor any of its respective directors, employees or associates (as referred to in Note 3 to Rules 6.35 of the GEM Listing Rules) had any interests in any class of securities of the Company or any member of the Group, or any rights to subscribe for or to nominate persons to subscribe for the securities of the Company or any member of the Group.

除「首次公開售股前購股權計劃」及「首次公開售股後購股權計劃」所披露者外，於二零零四年三月三十一日，本公司及其任何附屬公司概無參與任何安排，致使本公司董事可透過購買本公司或其任何其他法人團體之股份或債務證券（包括債券）而獲益，亦無任何本公司董事及行政總裁或彼等之配偶或十八歲以下之子女擁有認購本公司證券之任何權利或已行使任何該等權利。

遵守創業板上市規則第5.34至5.45條

本公司於截至二零零四年三月三十一日止年度內一直遵守創業板上市規則第5.34至5.45條所載列有關董事會一般管理職責的良好行為準則。

可換股證券

除購股權計劃（有關詳情載於上文「購股權」一節）外，本公司於二零零三年九月二十四日配售總值8,000,000港元息率7.5厘之可贖回可換股票據，該等可換股票據於二零零六年九月二十四日到期。可換股票據之詳情已於本公司於二零零三年九月二十九日致股東之通函內披露。於截至二零零四年三月三十一日止年度內並無可換股票據獲行使。

保薦人權益

據本公司保薦人亨達融資有限公司（「保薦人」）最新通知，於二零零四年三月三十一日，保薦人或其各自之董事、僱員或聯繫人士（參照創業板上市規則第6.35條附註3）並無於本公司或本集團任何成員公司任何類別證券中擁有任何權益，亦無擁有可認購或指派他人認購本公司或本集團任何成員公司證券之任何權利。

REPORT OF THE DIRECTORS

董事會報告

Pursuant to the sponsor agreement dated 29 July 2002 entered into between the Company and the Sponsor, the Sponsor is entitled to receive a fee for acting as the Company's retained sponsor for the period from 12 August 2002 to 31 March 2005.

COMPETING INTERESTS

None of the directors or the management shareholders or any of their respective associates (as defined in the GEM Listing Rules) of the Company had an interest in a business which causes or may cause any significant competition with the business of the Group.

AUDIT COMMITTEE

The Company established an audit committee on 5 July 2002 with the written terms of reference in compliance with rules 5.28, 5.29 and 5.30 of the GEM Listing Rules. The audit committee currently comprises Ms. Wu Wai Yee, Annis and Mr. Wong Tak Leung, Charles, who are the independent non-executive Directors. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Group. The audit committee has met four times during the period as to approve quarterly reports, interim report as well as the annual report of the Company.

AUDITORS

A resolution to re-appoint the retiring auditors, Messrs KPMG, is to be proposed at the forthcoming annual general meeting..

ON BEHALF OF THE BOARD

Inno-Tech Holdings Limited

Wong Yuen Yee

Chairman

Hong Kong, 30 June 2004

根據本公司與保薦人於二零零二年七月二十九日訂立之保薦人協議，保薦人有權收取於二零零二年八月十二日至二零零五年三月三十一日期間擔任本公司之保薦人之費用。

競爭權益

董事或本公司管理層股東或彼等各自之聯繫人士(定義見創業板上市規則)概無於對本集團業務構成或可能構成重大競爭之業務中擁有權益。

審核委員會

本公司於二零零二年七月五日成立審核委員會，並按照創業板上市規則第5.28、5.29及5.30條書面訂明職權範圍。審核委員會現由本公司獨立非執行董事胡惠儀女士及王德良先生組成。審核委員會之職責乃審核並監察本集團之財務申報程序及內部監控制度。本期間內，審核委員會舉行四次會議，以批准本公司之季度報告、中期報告及年報。

核數師

本公司將於應屆股東週年大會上提呈決議案重聘退任核數師畢馬威會計師事務所。

代表董事會

匯創控股有限公司

主席

黃婉兒

香港，二零零四年六月三十日

Auditors' report to the shareholders of Inno-Tech Holdings Limited

(Incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 45 to 102 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, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

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, in accordance with section 90 of the Bermuda Companies Act 1981, 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

核數師報告

致Inno-Tech Holdings Limited

(匯創控股有限公司)

(於百慕達註冊成立之有限公司)

全體股東

本核數師(以下簡稱「我們」)已完成審核第45至第102頁所載按照香港公認會計原則編製之財務報表。

董事及核數師各自之責任

貴公司董事須編製真實和公平之財務報表。在編製該等真實和公平之財務報表時，董事必須貫徹採用適當之會計政策，作出審慎而合理之判斷及估計，及說明任何重大偏離適用會計準則之理由。

我們的責任是根據我們審核工作的結果，對該等財務報表提供獨立意見，並根據百慕達一九八一年公司法第90條僅向股東報告。除此以外，我們不會就本報告之內容向任何其他人士負責上或承擔任何責任。

意見之基礎

我們是按照香港會計師公會所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表所載數額及披露事項有關之憑證，亦包括評估董事於編製財務報表時所作之主要估計及判斷，所釐定之會計政策是否適合 貴公司及 貴集團之具體情況，及有否貫徹應用並足夠披露該等會計政策。

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.

Fundamental uncertainty

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the ability of the Company and the Group to continue as going concerns. As set out in note 2(b) to the financial statements, the Group is dependent upon the ongoing support of its banks to ensure that adequate bank borrowing facilities are available to meet the Group's future working capital and financing requirements. The directors believe that continued bank support will be forthcoming and the Group is able to continue as a going concern after taking into account a financial support undertaking received from the management shareholders. Accordingly, the financial statements have been prepared on a going concern basis notwithstanding the Group's deficit of cash and cash equivalents as at 31 March 2004. The financial statements do not include any adjustments that would be necessary should bank support not be continued. We consider that the fundamental uncertainty has been adequately accounted for and disclosed in the financial statements and our opinion is not qualified in this respect.

我們在策劃及進行審核工作時，均以取得一切我們認為必需之資料及解釋為目標，以便獲得充份憑證，就該等財務報表是否存有重大錯誤陳述，作出合理之確定。在作出意見時，我們亦已衡量該等財務報表所載之資料在整體上是否足夠。我們相信，我們之審核工作已為下列意見提供合理之基礎。

基本不肯定因素

由於不肯定 貴公司和 貴集團業務是否能產生充足的資金以於日後履行義務，故我們在提供意見時，已衡量財務報表所披露有關 貴公司和 貴集團是否能按照持續經營基準繼續營運的內容是否足夠。誠如財務報表附註2(b)所載， 貴集團需依賴往來銀行持續給予支持，以確保獲得充足的銀行備用信貸來滿足 貴集團日後的營運資金和融資需求。儘管 貴集團於二零零四年三月三十一日錄得現金和現金等價物虧損，但是董事相信可以繼續得到銀行的支持，故已按照持續經營基準編製財務報表。財務報表並不包括如不再獲得銀行支持而須作出的任何調整。我們認為，財務報表已充分計及和披露此基本不肯定因素，故我們在這方面並無保留意見。

AUDITORS' REPORT

核 數 報 告 書

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2004 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants

Hong Kong, 30 June 2004

意見

我們認為，上述之財務報表均真實和公平地反映 貴公司及 貴集團於二零零四年三月三十一日之財務狀況及 貴集團截至該日止年度之溢利及現金流量，並按照香港普遍採納的會計準則及香港《公司條例》之披露規定適當地編製。

畢馬威會計師事務所

執業會計師

香港，二零零四年六月三十日

CONSOLIDATED INCOME STATEMENT

綜合損益表

for the year ended 31 March 2004
截至二零零四年三月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元列示)

		Note 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Turnover	營業額	3	30,440	25,655
Cost of services	服務成本		(7,031)	(4,278)
			23,409	21,377
Other revenue	其他收入	4	139	115
Research and development expenses	研究及開發開支		(94)	(492)
Marketing and promotion expenses	市場推廣及宣傳開支		(4,226)	(2,957)
Administrative expenses	行政開支		(11,259)	(8,205)
Profit from operations	經營溢利		7,969	9,838
Finance costs	財務費用	5(a)	(2,173)	(431)
Share of profits less losses of associates	應佔聯營公司之 盈利減虧損		287	—
Profit from ordinary activities before taxation	除稅前正常 業務溢利	5	6,083	9,407
Income tax	稅項	6	(1,759)	(1,844)
Profit attributable to shareholders	股東應佔溢利	8	4,324	7,563
Earnings per share	每股盈利			
– Basis	– 基本	10	0.90 cents 仙	1.69 cents仙
– Diluted	– 攤薄	10	0.86 cents 仙	1.64 cents仙

The notes on pages 53 to 102 form part of these financial statements.

第53至第102頁之附註為本財務報表之一部份。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

at 31 March 2004

於二零零四年三月三十一日

(Expressed in Hong Kong dollars)

(以港元列示)

	Note	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
	附註		
Non-current assets	非流動資產		
Fixed assets	固定資產	11	4,592
Intangible assets	無形資產	12	18,107
Interest in associates	於聯營公司之權益	14	6,095
Interest in jointly controlled entity	於合營公司之權益	15	-
		28,794	16,122
Current assets	流動資產		
Inventories	存貨	16	18,377
Accounts receivable	應收賬款	17	7,600
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		9,442
Amounts due from customers	應收客戶款項		4,340
Amounts due from associates	應收聯營公司款項		4
Amount due from a jointly controlled entity	應收合營公司款項		6
Amount due from a related party	應收關連人士款項		-
Pledged deposits	有抵押存款	18	20,170
Cash and cash equivalents	現金及現金等價物	19	12,883
		72,822	36,392
Current liabilities	流動負債		
Bank loans and overdrafts	銀行貸款及透支	20	34,744
Bills payable	應付票據		2,432
Accrued expenses and other payables	預提費用及其他應付款項		4,508
Amounts due to directors	應付董事款項		602
Amounts due to related parties	應付關連人士款項		934
Obligations under finance leases	融資租賃承擔	21	6,627
Current taxation	本期稅項	23	1,257
		51,104	19,087
Net current assets	流動資產淨額	21,718	17,305
Total assets less current liabilities	總資產減流動負債	50,512	33,427

CONSOLIDATED BALANCE SHEET

綜合資產負債表

at 31 March 2004
於二零零四年三月三十一日
(Expressed in Hong Kong dollars)
(以港元列示)

		Note 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Non-current liability	非流動負債			
Bank loans	銀行貸款	20	2,250	—
Convertible bonds	可換股債券	24	8,220	—
Deferred taxation	遞延稅項	23	3,512	2,163
			13,982	2,163
NET ASSETS	資產淨額		36,530	31,264
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	25	4,900	4,800
Reserves	儲備	26	31,630	26,464
			36,530	31,264

Approved and authorised for issue by the board of directors on 30 June 2004.

於二零零四年六月三十日獲董事批准及授權刊發。

The notes on pages 53 to 102 form part of these financial statements.

第53至第102頁之附註為本財務報表之一部份。

BALANCE SHEET

資 產 負 債 表

at 31 March 2004

於二零零四年三月三十一日

(Expressed in Hong Kong dollars)

(以港元列示)

	Note 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	附屬公司投資 13	5,925	5,925
Investments in associates	聯營公司投資 14	978	—
		6,903	5,925
Current assets	流動資產		
Prepayments and other receivables	預付款項及其他應收款項	1,499	1
Amounts due from subsidiaries	應收附屬公司款項	24,109	17,809
Cash and cash equivalents	現金及現金等價物 19	10,015	10
		35,623	17,820
Current liabilities	流動負債		
Bank loans and overdrafts	銀行貸款及透支 20	12,717	—
Accrued expenses and other payables	預提費用及其他應付款項	1,074	120
Amounts due to subsidiaries	應付附屬公司款項	—	3,209
Amounts due to directors	應付董事款項	525	250
		14,316	3,579
Net current assets	流動資產淨額	21,307	14,241
Total assets less current liabilities	總資產減流動負債	28,210	20,166
Non-current liabilities	非流動負債		
Bank loans	銀行貸款 20	2,250	—
Convertible bonds	可換股價券 24	8,220	—
		10,470	—
NET ASSETS	資產淨額	17,740	20,166

BALANCE SHEET

資 產 負 債 表

at 31 March 2004
於二零零四年三月三十一日
(Expressed in Hong Kong dollars)
(以港元列示)

		Note 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	25	4,900	4,800
Reserves	儲備	26	12,840	15,366
			17,740	20,166

Approved and authorised for issue by the board of directors on 30 June 2004.

於二零零四年六月三十日獲董事批准及授權刊發。

The notes on pages 53 to 102 form part of these financial statements.

第53至第102頁之附註為本財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合股權變動報表

for the year ended 31 March 2004
截至二零零四年三月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元列示)

	Note 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Shareholders' equity at 1 April	於四月一日之股東權益	31,264	12,558
Net profit for the year	期內溢利淨額	4,324	7,563
Dividend approved during the year prior to listing	本年度上市前批准之 股息 9	-	(4,000)
Contributed surplus arising from reorganisation	重組產生之繳入 盈餘	-	(191)
Shares issued under share option scheme	根據購股權計劃發行股份 25, 26	1,568	-
Shares repurchased	回購股份 25, 26	(626)	-
Net shares issued	發行新股份 25	-	4,800
Elimination in reorganisation	重組時撇銷 25	-	(109)
Net shares premium received	已收股份溢價淨額 26	-	10,643
Movements in shareholders' equity arising from capital transactions with shareholders	與股東進行股本 交易時產生之 股東權益增加淨額	942	15,334
Shareholders' equity at 31 March	於三月三十一日之 股東權益	36,530	31,264

The notes on pages 53 to 102 form part of these financial statements.

第53至第102頁之附註為本財務報表之一部份。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

for the year ended 31 March 2004
截至二零零四年三月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元列示)

	Note 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Operating activities	經營業務		
Profit from ordinary activities before taxation	除稅前正常業務溢利	6,083	9,407
Adjustments for:	就以下項目作出調整：		
– Depreciation and amortisation	– 折舊及攤銷	5,165	1,957
– Share of profits less losses of associates	– 應佔聯營公司之盈利減虧損	(287)	–
– Interest income	– 利息收入	(139)	(63)
– Finance costs	– 財務費用	2,173	431
Operating profit before changes in working capital	未計營運資金變動前之經營溢利	12,995	11,732
Increase in inventories	存貨增加	(5,709)	(1,700)
Decrease/(increase) in accounts receivable	應用賬款減少／（增加）	6,448	(6,238)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(2,534)	(3,588)
Increase in amounts due from customers	應收客戶款項增加	(2,280)	(2,060)
Increase in amounts due to directors	應付董事款項增加	299	303
Increase in amounts due from associates	應收聯營公司款項增加	(4)	–
Increase in amount due from a jointly controlled entity	應收合營公司款項增加	(6)	–
Decrease/(increase) in amount due from a related party	應收關連人士款項減少／（增加）	200	(26)
Increase in amounts due to related parties	應付關連人士款項增加	760	–
Increase in bills payable accrued expenses and other payables	應付票據、預提費用及其他應付款項增加	3,240	147
Cash generated from/(used in) operations	經營產生／（使用）	13,409	(1,430)
Hong Kong Profits Tax paid	已繳香港利得稅	–	–
Net cash from/(used in) operating activities	經營業務產生／（使用）之現金淨額	13,409	(1,430)
Investing activities	投資業務		
Interest received	已收利息	139	63
Increase in pledged deposits	有抵押存款增加	(16,670)	(6,500)
Maturity of pledged deposits	到期之有抵押存款	6,500	–
Payment for purchase of fixed assets	購置固定資產之款項	(3,558)	(1,914)
Payment for purchase of intangible assets	購置無形資產之款項	(8,184)	(14,061)
Payment for investments of associates	投資聯營公司之款項	(5,898)	–
Net cash used in investing activities	投資活動使用之現金淨額	(27,671)	(22,412)

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

for the year ended 31 March 2004
截至二零零四年三月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元列示)

	Note 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Financing activities	融資活動		
Capital element of finance lease rentals paid	已付融資租賃租金資本部份	(4,341)	—
Payment for repurchases of shares	支付回購股份費用	(626)	—
Net proceeds from issuance of new shares	發行新股份之所得款項淨額	—	15,143
Interest paid	已付利息	(1,821)	(431)
Proceeds from issuance of convertible bonds	發行可換股債券所得款項	8,000	—
Proceeds from new bank loans	新銀行貸款之所得款項	14,032	11,900
Repayment of bank loans	償還銀行貸款	(11,755)	(145)
Dividend paid to equity owners prior to listing	支付於上市前的 股權擁有人之股息	—	(1,500)
Proceeds from shares issued under share option scheme	根據購股權計劃發行 股份所得款項	1,568	—
Interest element of finance lease rentals paid	已付融資租賃租金利息 部份	(352)	—
Net cash generated from financing	融資產生之現金淨額	4,705	24,967
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物增加/ (減少)淨額	(9,557)	1,125
Cash and cash equivalents at 1 April	於四月一日之現金 及現金等價物	(522)	(1,647)
Cash and cash equivalents at 31 March	於三月三十一日之現金 及現金等價物	(10,079)	(522)

Non-cash transaction

During the year, the Group entered into hire purchase contracts in respect of fixed assets and inventories with a total capital value at the inception of the contracts of \$2,560,000 and HK\$8,408,000 respectively (2003: \$Nil).

非現金交易

於年內，本集團就固定資產及存貨訂立租賃合約，該等合約起初之總資本值分別為2,560,000港元及8,408,000港元(二零零三年：零)。

The notes on pages 53 to 102 form part of these financial statements.

第53至第102頁之附註為本財務報表之一部份。

NOTES ON THE FINANCIAL STATEMENTS

財務報表附註

At 31 March 2004
於二零零四年三月三十一日
(Expressed in Hong Kong dollars)
(以港元列示)

1. BACKGROUND OF THE COMPANY

The Company was incorporated in Bermuda on 19 November 2001 as an exempted company with limited liability under the Companies Act of Bermuda. The Company acts as an investment holding company and the Group is principally engaged in the design of residential intranet and the provision of e-property management software application consulting and related services.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which includes all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Society of Accountants, accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

These financial statements also comply with the applicable disclosure provisions of the Listing Rules of the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation

The Group's business activities are conducted in the context of a developing and changing services sector which is characterised by continuously changing customer demand patterns and rapid technological developments. The Group's results would be adversely affected should the group be unable to successfully anticipate customer demand accurately; manage its product transitions and inventory levels; and distribute its products and services quickly in response to customer demand.

1. 本公司之背景

本公司於二零零一年十一月十九日在百慕達根據百慕達公司法註冊成立為獲豁免有限公司。本公司為一家投資控股公司，而本集團則主要從事設計住戶內聯網及提供電子物業管理應用軟件諮詢及相關服務之業務。

2. 主要會計政策

(a) 遵例聲明

本財務報表乃根據香港會計師公會發出之所有適用香港財務申報準則（包括所有適用會計實務準則及詮釋）、香港公認會計原則及香港公司條例之披露規定編製。

本財務報表同時符合香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市規則之適用披露規定。以下為本集團採納之主要會計政策之概要。

(b) 編製基準

本集團業務屬於發展迅速、瞬息萬變的服務行業，而這行業的客戶需求模式不斷變化，技術發展一日千里。假如本集團無法確預計客戶需求，妥善管理產品過度安排和存貨水平，以及在產品與服務供應方面迅速回應客戶需求，便可能對經營業績造成負面影響。

NOTES ON THE FINANCIAL STATEMENTS

財 務 報 表 附 註

At 31 March 2004

於二零零四年三月三十一日

(Expressed in Hong Kong dollars)

(以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Basis of preparation (Continued)

Additionally, the Group's dependence on several IT solution suppliers, exposes the Group to potential product quality issues that could affect the reliability and performance of the Group's products and solutions.

The Group has banking facilities of short-term bank loans and bank overdraft totalling HK\$47 million, provided by several banks, which were utilised to the extent of approximately HK\$37 million at 31 March 2004. The directors have assessed the sufficiency of the existing banking overdraft facilities for the purpose of meeting the Group's future working capital and other financing requirements. The directors believe that these facilities are sufficient and will be extended by the Group's banks for the foreseeable future.

The financial statements have been prepared on a going concern basis, the validity of which depends upon the Group's ability to secure additional contracts after completion of the current contracts at acceptable operating margin, and sufficient cash being generated from the operations; and the future financing requirements of the Group and the availability of sufficient bank facilities to meet the requirements. The directors are of the opinion that the Group are able to continue as a going concern and to meet the obligations as and when they fall due after taking into account a financial support undertaking received from the management shareholders.

2. 主要會計政策 (續)

(b) 編製基準 (續)

此外，由於本集團需依賴多家信息技術解決方案供應商，故或需面對產品質量方面的潛在問題，以致產品和解決方案的可靠性與表現備受影響。

本集團已獲多家銀行提供銀行備用信貸(包括短期銀行貸款和銀行透支)合共港幣4,700萬元。於二零零四年三月三十一日，其中約港幣3,700萬元已予動用。董事已評估現有的銀行透支額是否足以應付本集團日後的營運資金需求和其他融資需要。董事相信，上述信貸額度足夠，並會在可見將來獲本集團的往來銀行提供。

財務報表是按照持續經營基準編製；這個基準是否合理，取決於本集團是否能夠在完成現有合約後，再以合理的利潤水平取得新合約；業務是否能產生充足的現金；以及本集團日後的融資需要和是否有足夠的銀行備用信貸來滿足這些需要。經考慮管理層股東所承諾提供之財政支援，本集團董事認為，本集團有能力持續經營及履行責任。

NOTES ON THE FINANCIAL STATEMENTS

財務報表附註

At 31 March 2004
於二零零四年三月三十一日
(Expressed in Hong Kong dollars)
(以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of preparation (Continued)

The measurement basis used in the preparation of the financial statements is historical cost.

(c) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31 March of each year together with the Group's share of the results for the year of its associates and jointly controlled entities.

(d) Subsidiaries and controlled enterprises

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half the voting power, or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, or govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a controlled subsidiary is consolidated into the consolidated financial statements.

Intra-group balances and transactions, and any unrealised profits arising from inter-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2. 主要會計政策 (續)

(b) 編製基準 (續)

本財務報表是以歷史成本作為編製基準。

(c) 綜合基準

綜合財務報表包括本公司及其所有附屬公司截至每年三月三十一日之財務報表，以及本集團應佔其聯營公司及合營公司於本年度之業績。

(d) 附屬公司及控制實體

根據香港公司條例，附屬公司為本集團直接或間接持有其超過一半已發行股本，或控制超過一半投票權或控制其董事會組成之公司。倘本公司有權直接或間接支配附屬公司之財務及經營政策，藉以從其業務中獲得利益，則附屬公司被視為受本公司控制。

於受控制附屬公司之投資均列入綜合財務報表中合併計算。

集團內部結餘及交易，以及任何因進行集團內部交易而產生之任何未變現溢利，均於編製綜合財務報表時全數對銷。集團內部交易所引致未變現虧損之對銷方式與未變現收益相同，惟僅以並無出現減值之情況為限。

NOTES ON THE FINANCIAL STATEMENTS

財 務 報 表 附 註

At 31 March 2004

於二零零四年三月三十一日

(Expressed in Hong Kong dollars)

(以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Subsidiaries and controlled enterprises (Continued)

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 2(i)).

(e) Associates and jointly controlled entities

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or Company and other parties, where the contractual arrangement established that the Group or Company and one or more of the other parties share joint control over the economic activity of the entity.

An investment in an associate or a jointly controlled entity is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's or the jointly controlled entity's net assets. The consolidated income statement reflects the Group's share of the post-acquisition results of the associates and jointly controlled entities for the year. When the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

2. 主要會計政策 (續)

(d) 附屬公司及控制實體 (續)

在本公司之資產負債表中，於附屬公司之投資按成本扣除減值虧損（見附註2(i)）後列賬。

(e) 聯營公司及合營公司

聯營公司是指本集團或本公司可以對其管理層發揮重大影響力之實體，包括參與其財務及經營決策，但不是控制或聯合控制管理層。

合營公司乃一間由本集團或本公司與其他人士按一項合約性安排而經營之公司，而在該項合約性安排下，本集團或本公司與一名或多名其他人士對該公司之經濟活動共同行使控制權。

於聯營公司或合營公司之投資是按權益法記入綜合財務報表，並且先以成本入賬，然後就本集團佔該聯營公司或合營公司淨資產在收購後之變動作出調整。綜合收入表反映出年內本集團所佔聯營公司或合營公司於收購後之業績。倘本集團應佔之虧損超過該聯營公司之賬面值，則賬面值會撇減至零，而除非本集團已產生有關該聯營公司之責任，否則不會繼續確認進一步虧損。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Associates and jointly controlled entities (Continued)

Unrealised profits and losses resulting from transactions between the Group and its associates and jointly controlled entities are eliminated to the extent of the Group's interest in the associate or jointly controlled entity, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the income statement.

In the Company's balance sheet, its investments in associates and jointly controlled entities are stated at cost less impairment losses (see note 2(i)).

(f) Fixed assets

(i) Valuation

Fixed assets are stated in the balance sheets at cost less accumulated depreciation and impairment losses (see note 2(i)).

Subsequent expenditure relating to a fixed assets that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

2. 主要會計政策 (續)

(e) 聯營公司及合營公司 (續)

本集團與聯營公司及合營公司之間交易所產生之未變現損益，均按本集團於聯營公司或合營公司所佔之權益比率抵銷；但假如未變現虧損顯示已轉讓資產出現減值，則這些未變現虧損會即時在損益表內確認。

於本公司之資產負債表內，其於聯營公司及合營公司之投資均按成本值減減值虧損列賬（見附註2(i)）。

(f) 固定資產

(i) 估值

固定資產乃按成本減累計折舊及減值虧損（見附註2(i)）後列入資產負債表。

日後就固定資產（已入賬確認）而引致之支出，將在超出現有資產原先評估之表現水平之未來經濟效益可能流向本集團時，加入該項資產之賬面值。所有其他日後出現之開支均於出現支出之期間內確認為支出。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Fixed assets (Continued)

(ii) Depreciation

Leasehold improvements are depreciated on a straight-line basis over the remaining term of the lease.

Depreciation is calculated to write off the cost of other fixed assets over their estimated useful lives on a straight-line basis as follows:

Furniture and fixtures	傢俬及裝置
Equipment	設備

(iii) Disposals

Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of retirement or disposal.

(g) Intangible assets

(i) Valuation

Intangible assets that are acquired by the Group are stated in the balance sheets at cost less accumulated amortisation and impairment losses (see note 2(i)).

2. 主要會計政策 (續)

(f) 固定資產 (續)

(ii) 折舊

租賃物業裝修乃按剩餘租賃期以直線基準折舊。

其他固定資產之折舊乃按其估計可使用年期以直線基準撇銷其成本計算如下：

5 years	5年
5 years	5年

(iii) 出售

報廢或出售固定資產所產生之損益以估計出售所得款項淨額與該資產賬面值兩者間之差額釐定，並於報廢或出售資產當日在損益賬中確認。

(g) 無形資產

(i) 估值

本集團所收購之無形資產乃按成本減累計攤銷及減值虧損(見附註2(i))後列入資產負債表。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Intangible assets (Continued)

Subsequent expenditure on an intangible asset after its purchase or its completion is recognised as an expense when it is incurred unless it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured and attributed to the asset reliably. If these conditions are met, the subsequent expenditure is added to the cost of the intangible asset.

(ii) Amortisation

Amortisation of intangible assets is charged to the income statement on a straight-line basis over the assets' estimated useful lives as follows:

Computer software

電腦軟件

(h) Leased assets

Leases of assets under which the lessee assumes substantially all the risks and benefits of ownership are classified as finance leases. Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases.

2. 主要會計政策 (續)

(g) 無形資產 (續)

日後於購買或完成無形資產而引致之支出於出現時確認為支出，除非此項支出可能將致使資產產生超出其原先評估之表現水平，而此項支出能可靠地計算及計入資產，則作別論。倘能符合該等條件，日後引致之開支會計入無形資產之成本。

(ii) 攤銷

無形資產之攤銷乃按資產之估計可使用年期以直線基準計入損益賬如下：

5 years

5年

(h) 租賃資產

由承租人承擔所有權之絕大部份相關風險及報酬之資產租賃，歸類為融資租賃。出租人並未轉讓所有權之全部相關風險及報酬之資產租賃，則歸類為經營租賃。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Leased assets (Continued)

Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in fixed assets and inventories and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets in equal annual amounts over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset as set out in note 2(f). Finance charges implicit in the lease payments are charged to the income statement over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are written off as an expense of the accounting period in which they are incurred.

Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term.

2. 主要會計政策 (續)

(h) 租賃資產 (續)

以融資租賃購入之資產如屬本集團以融資租賃獲得資產使用權之情況，便會將相當於租賃資產公允價值或最低租賃付款額之現值（如為較低之數額）列為固定資產，而存貨及相應負債（不計融資費用）則列為融資租賃承擔。折舊是在相關之租賃期或資產之可使用年限（如本公司或本集團很可能取得資產之所有權）內，以每年等額沖銷其成本計提；有關之可使用年期載列於附註2(f)。租賃付款內含之融資費用會計入租賃期內之綜合損益表，使每個會計期間之融資費用與負債餘額之比率大致相同。或有租金在其產生之會計期間作為開支撇銷。

經營租賃費用

如屬本集團透過經營租賃使用資產之情況，則根據租賃作出之付款會在租賃期所涵蓋之會計期間內，以等額在收入表扣除。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the fixed assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- investments in subsidiaries, associates and joint ventures;
- fixed assets; and
- intangible assets.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount.

- (i) *Calculation of recoverable amount*
The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for

2. 主要會計政策 (續)

(i) 資產減值

董事於每個結算日審閱內部及外來信息，以確定固定資產有否出現減值，或以往已確認之減值虧損是否不再存在或可能已減少：

- 於附屬公司、聯營公司及合營企業之投資；
- 固定資產；及
- 無形資產。

倘存有上述任何跡象，則估計有關資產之可收回金額。無論任何時候當資產之賬面值超過其可收回金額，均須於收入報表內確認減值虧損。

- (i) *計算可收回金額*
資產之可收回金額為其售價淨額或使用價值（以較高者為準）。在評估使用價值時，估計未來現金流量乃採用稅前折讓率（足以反映有關資產獨有之貨幣時間價值及風險之現行市場評估）折讓至其現值。倘資產所產

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Impairment of assets (Continued)

the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

(ii) *Reversals of impairment losses*

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

(j) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2. 主要會計政策 (續)

(i) 資產減值 (續)

生之現金流入基本上不獨立於其他資產所產生之現金流入，則以能獨立產生現金流入之最小資產類別(即現金產生單位)釐定可收回數額。

(ii) *減值虧損撥回*

倘用於釐定可收回金額之估計數據出現變更，減值虧損須予以撥回。所撥回之減值虧損僅以資產在以往年度並無確認減值虧損之情況下所釐定之賬面值為限。所撥回之減值虧損乃於確認撥回之年度計入損益賬。

(j) 存貨

存貨按成本或可變現淨值兩者中之較低者入賬。

成本值按先進先出法計算，包括一切購買成本、改裝成本及將存貨運送至現有地點及狀況所需之其他成本。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Inventories (Continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(k) Service contracts

The accounting policy for contract revenue is set out in note 2(q).

Service contracts in progress at the balance sheet date are recorded in the balance sheet at the net amount of costs incurred plus recognised profits less recognised losses and progress billings, and are presented in the balance sheet as the "Amounts due from customers" (as an asset) or "Amounts due to customers" (as a liability). Progress billings not yet paid by the customers are included in the balance sheet under accounts receivable.

2. 主要會計政策 (續)

(j) 存貨 (續)

可變現淨值指日常業務過程中之估計售價減預期完成成本及預期達致出售所需之成本。

當出售存貨時，該等存貨之賬面值於確認相關收益之期間確認為開支。將存貨撇減至可變現淨值之數額及存貨之所有虧損均於撇銷或虧損出現之期間確認為開支。因可變現淨值增加而撥回存貨撇減之數額確認為於撥回之期間列作開支之存貨減少。

(k) 服務合約

有關合約收入之會計政策載於附註2(q)。

於結算日仍在進行中之服務合約乃按所產生之成本淨額加已確認溢利減已確認虧損及按進度開出之賬單涉及之金額於資產負債表記錄，並於資產負債表呈列為「應收客戶款項」（作為一項資產）或為「應付客戶款項」（作為一項負債）。客戶尚未支付之按進度開出賬單於資產負債表「應收賬款」項下列賬。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statements.

(m) Retirement benefits

- (i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group.
- (ii) Contributions to Mandatory Provident Fund Scheme as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance are recognised as an expense in the consolidated income statement as incurred.

2. 主要會計政策 (續)

(l) 現金及現金等價物

現金及現金等價物指銀行結餘及現金、銀行及其他財務機構之活期存款及短期流通性高之投資，而該等投資隨時可兌換成可知數額之現金且無重大變值風險，並為購入後三個月內到期之投資項目。銀行透支須按需要時償還，並構成本集團現金管理之整體部份，亦包括在綜合現金流量表內之現金及現金等價物。

(m) 退休福利

- (i) 薪金、年度花紅、有薪年假、假期旅遊津貼及本集團之非貨幣福利成本在本集團僱員提供相關服務之年度計算。
- (ii) 本公司按香港強制性公積金計劃條例規定向強積金計劃作出之供款，在其產生時於綜合損益表列作開支。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Retirement benefits (Continued)

- (iii) When the Group grants to employees options to acquire shares in the Company at nominal consideration, no employee benefit cost or obligation is recognised at the date of grant. When such options are exercised, shareholders' equity is increased by the amount of the proceeds received.

(n) Income tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

2. 主要會計政策 (續)

(m) 退休福利 (續)

- (iii) 倘本集團以象徵式代價授予僱員認股權，以購入本公司股份，授予當日不會確認任何僱員福利費用或債務。於該等購股權獲行使時，股東權益會按已收所得款項增加。

(n) 所得稅

- (i) 本年度所得稅包括本期稅項及遞延稅項資產及負債之變動。本期稅項及遞延稅項資產及負債之變動均在損益表內確認，惟其與直接確認為股東權益項目有關者，則確認為股東權益。
- (ii) 本期稅項乃根據已執行或於結算日已實質執行之稅率，按本年度應課稅收入以及過往年度應付稅項之任何調整而計算預期應付稅項。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Income tax (Continued)

- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when

2. 主要會計政策 (續)

(n) 所得稅 (續)

- (iii) 遞延稅項資產及負債乃分別由可扣減及應課稅暫時差異產生。暫時差異乃指資產及負債於財務申報上之賬面值與該等資產及負債之稅基間之差異。遞延稅項資產亦可由未動用之可扣減虧損及未動用之稅款抵減而產生。

除若干有限之例外情況外，所有遞延稅項負債及遞延稅項資產（只限於可能獲得可利用該遞延稅項資產來扣減之未來應課稅溢利）均會確認。支持確認由可扣減暫時差異所產生遞延稅項資產之未來應課稅溢利包括因撥回目前存在之應課稅暫時差異而產生的數額；惟該等撥回之差異必須與同一稅務當局及同一應稅實體有關，並預期在可扣減暫時差異預期撥回之同一期

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Income tax (Continued)

determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

2. 主要會計政策 (續)

(n) 所得稅 (續)

間或遞延稅項資產所產生可扣減虧損可撥回或結轉期間內撥回。於決定目前存在之應課稅暫時差異是否足以支持確認由未可扣減虧損及未動用之稅款抵減所產生之遞延稅項資產時，亦會採用同一準則，即差異是否與同一稅務當局及同一應稅實體有關，並是否預期於可使用可扣減虧損及未動用之稅款抵減撥回之同一期間內撥回。

已確認遞延稅項數額乃按照資產及負債賬面值之預期實現或清償方式，根據已執行或於結算日已實質執行之稅率量度。遞延稅項資產及負債均不貼現計算。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Income tax (Continued)

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

- (iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

2. 主要會計政策 (續)

(n) 所得稅 (續)

本集團會於每個結算日評估遞延稅項資產之賬面值。倘預期不再可能獲得足夠之應課稅溢利以利用相關之稅務利益，則該遞延稅項資產之賬面值將會調低。倘日後有足夠可供利用之應課稅溢利，則任何有關減額乃會轉回。

因分派股息而產生之額外所得稅，於確認支付有關股息之負債時確認入賬。

- (iv) 本期及遞延稅項結餘及其變動額乃分開列示，並且不予抵銷。本期及遞延稅項資產僅會在本公司或本集團有法定行使權以現期稅項資產抵銷現期稅項負債，並且符合以下附帶條件之情況下，才可分別抵銷現期及遞延稅項負債：

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Income tax (Continued)

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2. 主要會計政策 (續)

(n) 所得稅 (續)

- 倘為本期稅項資產及負債，則本公司或本集團將按淨額基準結算，或同時變現該資產並清償該負債；或
- 倘為遞延稅項資產及負債，則該等資產及負債乃與同一稅務當局就以下其中一項徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，於預期有重大數額之遞延稅項負債需予清償或遞延稅項資產可予收回之每個日後期間，按淨額基準變現現期稅項資產及清償現期稅項負債，或同時變現該資產及清償該負債。

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Company or Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(p) Convertible bonds

Convertible bonds are regarded as a debt obligation until conversion into equity occurs. The finance charge recognised in the income statement in respect of the convertible bonds includes a provision for the premium payable in the event of redemption rather than conversion of the convertible bonds which are outstanding at the balance sheet date. The provision is made on a straight-line basis over the life of the bonds.

2. 主要會計政策 (續)

(o) 撥備及或然負債

倘本公司或本集團因過去事項須承擔法定義務或推定義務，而履行該義務很可能需要付出經濟效益及能可靠地估計有關金額時，則為未確定時間或金額之負債計提準備。如果貨幣時間價值重大，準備會以履行義務預期所需支出的現值列賬。

倘不可能有需要付出經濟效益，或其數額未能可靠地估計，除非付出之可能性極低，否則須披露該義務為或然負債。潛在義務之存在僅能以一個或數個未來事項之發生或不發生來證實，除非付出經濟效益之可能性極低，亦同時披露為或然負債。

(p) 可換股債券

可換股債券乃列作債項承擔直至其獲兌換成股份為止。於損益表中確認之可換股債券之財務支出，包括就贖回而非兌換在結算日尚未償還之可換股債券時須予支付之溢價而作出之準備。該項準備乃以直線法在可換股債券之有效期間內提撥。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the income statement as follows:

(i) *Residential intranet and software application design services*

Revenue arising from the provision of residential intranet and software application design services is recognised when the underlying services are rendered, which is estimated by apportionment over the expected duration of each engagement, and the outcome of the contract can be estimated with reasonable certainty.

(ii) *Interest income*

Interest income from bank deposits is accrued on a time-apportioned basis by reference to the principal outstanding and the rate applicable.

(r) Research and development costs

Research and development costs comprise all costs that are directly attributable to research and development activities or that can be allocated on a reasonable basis to such activities. Research costs are recognised as an expense in the period in which they are incurred. Development costs are recognised as an expense in the period in which they are incurred unless their recovery from closely related revenue or cost savings is probable. Such development costs are deferred and written off over the

2. 主要會計政策 (續)

(q) 收入確認

收入是在經濟效益可能會流入本集團，以及能夠可靠地計算收入及成本（倘適用）時，根據下列方法在損益賬內確認：

(i) 住宅內聯網及軟件應用設計服務

提供住宅內聯網及軟件應用設計服務所產生之收入於提供有關服務時（收入按每項委託之預期時間內分配估計）而合約收入可合理地估計時確認。

(ii) 利息收入

銀行存款之利息收入以時間比例按未提取之本金額及有關利率計算。

(r) 研究及開發成本

研究及開發成本包括所有直接應用於研究及開發活動之成本或在合理基礎上分配予該等活動之成本。研究成本乃於出現之期間內確認為支出。開發成本乃於出現之期間內確認為支出，除非可以密切有關之收入或成本節省收回開發成本，則作別論。該等開發成本於有關項目自

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2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(r) Research and development costs (Continued)

life of the relevant projects from the date of commencement of commercial operations subject to a maximum of five years.

(s) Borrowing costs

Borrowing costs are expensed in the income statement in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

(t) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date.

Exchange gains and losses are dealt with in the income statement.

The results of subsidiaries outside Hong Kong are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

2. 主要會計政策 (續)

(r) 研究及開發成本 (續)

商業營運開始日期起計之期間(最多為五年)內遞延及撇銷。

(s) 借貸成本

借貸成本於產生之期間於損益賬確認為開支，惟倘借貸成本因與收購、建造或生產資產直接有關而予以資本化而資產需要相當長時間方可投入擬定用途或出售，則不會於損益賬確認為開支。

(t) 外幣換算

年內之外幣交易按交易當日之匯率換算為港幣。以外幣為單位之貨幣資產及負債按結算日之匯率換算為港幣。

匯兌損益均計入損益表。

於香港以外地區經營業務之附屬公司之業績均按年內平均匯率換算為港幣，資產負債表項目則均按結算日之匯率換算為港幣。所產生之匯兌差額均列作儲備變動處理。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

3. TURNOVER

The Company acts as an investment holding company and the Group is principally engaged in the design of residential intranet and the provision of e-property management software application consulting and related services. Turnover represents the amounts received and receivable for the provision of residential intranet and software application design services.

The Group's turnover and operating profit are entirely derived from the design of residential intranet and software application design and development services rendered in Hong Kong. Accordingly, the directors consider the analyses by business and geographical segments are not required.

4. OTHER REVENUE

2. 主要會計政策 (續)

(u) 關連方

就本報告而言，倘本集團能夠直接或間接控制另一方或對另一方之財務及經營決策發揮重大之影響力，或另一方能夠直接或間接控制本集團或對本集團之財務及經營決策發揮重大之影響力，或本集團與另一方均受到共同控制或共同重大影響，有關人士即被視為本集團之關連方。關連方可為個別人士或其他實體。

3. 營業額

本公司為一家投資控股公司，而本集團則主要從事設計住戶內聯網及提供電子物業管理應用軟件諮詢及相關服務之業務。營業額指就提供住戶內聯網及應用軟件設計服務所收取及應收取之款項。

本集團之所有營業額及經營溢利均取自於香港之住戶內聯網設計，以及軟件應用設計及開發服務。因此，董事認為，毋須按業務及地區分類作出分析。

4. 其他收入

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Interest income	139	63
Sundry income	—	52
	139	115

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5. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION

Profit from ordinary activities before taxation is arrived at after charging:

5. 除稅前正常業務溢利

除稅前正常業務溢利已扣除下列各項：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
(a) Finance costs:	財務費用：		
Interest on bank advances and other borrowings wholly repayable within five years	須於五年內悉數償還之銀行借款及其他借貸利息	1,289	431
Interest on convertible bonds	可換股債券利息	532	—
Finance charges on obligations under finance leases	融資租賃承擔之財務支出	352	—
		2,173	431
(b) Staff costs:	員工成本：		
Contributions to defined contribution plan	定額供款計劃供款	126	108
Salaries, wages and other benefits	薪金、薪酬及其他福利	6,002	7,370
		6,128	7,478
Average number of employees	平均僱員人數	14	13
(c) Other items:	其他項目：		
Cost of inventories sold	已售存貨成本	900	—
Auditors' remuneration	核數師酬金	580	500
Amortisation of intangible assets	無形資產攤銷	4,232	1,706
Depreciation	折舊	933	251
Operating lease charges in respect of	經營租賃開支：		
— office premises	— 辦公室物業	625	306

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6. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation in the consolidated income statement represents:

6. 綜合損益表之所得稅

(a) 綜合損益表之稅項指：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Current tax – Provision for Hong Kong Profits Tax	本期稅項		
Tax for the year	本年度稅項	315	—
Under-provision in respect of prior years	以前年度少提撥備	5	—
		320	—
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差異之衍生及撥回	1,349	1,814
Effect of increase in tax rate on deferred tax balances at 1 April	於四月一日稅率上升對遞延稅項結餘之影響	—	30
		1,349	1,844
Share of associates' taxation	分佔聯營公司之稅項	90	—
		1,759	1,844

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6. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

6. 綜合損益表之所得稅(續)

(b) 稅項開支與按適用稅率計算之會計溢利間之調節表：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Profit before tax	除稅前溢利	6,083	9,407
Notional tax on profit before tax, calculated at 17.5% (2003: 17.5%)	按稅率17.5%計算之稅項 (二零零三年：17.5%)	1,065	1,661
Tax effect of non-deductible expenses	不可扣稅支出之稅務影響	690	157
Tax effect of non-taxable revenue	非課稅收入之稅務影響	(41)	(4)
Tax effect of unused tax losses not recognised	未確認之稅務虧損影響	40	—
Effect on opening deferred tax balances resulting from an increase in tax rate during the year	稅率上升對期初遞延稅項結存之影響	—	30
Under-provision in prior years	以前年度少提撥備	5	—
Actual tax expense	本年度稅項開支	1,759	1,844

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7. DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Fees	袍金	350	250
Basis salaries, allowances and other benefits	基本薪金、津貼及其他福利	3,600	4,060
Discretionary bonuses	酌情花紅	30	800
Retirement benefits	退休福利	48	50
		4,028	5,160
Number of directors	董事人數	7	7

Emoluments of each of the seven directors amounted to approximately HK\$972,000, HK\$972,000, HK\$972,000, HK\$762,000, HK\$175,000, HK\$175,000 and HK\$Nil for the year ended 31 March 2004 and approximately HK\$1,252,000, HK\$1,252,000, HK\$1,172,000, HK\$992,000, HK\$242,000, HK\$125,000 and HK\$125,000 for the year ended 31 March 2003.

Included in the directors' remuneration were fees of HK\$175,000 paid or payable to each of two independent non-executive directors during the years ended 31 March 2004 and HK\$125,000 for the year ended 31 March 2003.

7. 董事及管理高層之酬金

根據香港公司條例第161條披露之董事酬金如下：

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
袍金	350	250
基本薪金、津貼及其他福利	3,600	4,060
酌情花紅	30	800
退休福利	48	50
	4,028	5,160
董事人數	7	7

截至二零零四年三月三十一日止年度，七名董事之酬金分別約為972,000港元、972,000港元、972,000港元、762,000港元、175,000港元、175,000港元及零港元，而截至二零零三年三月三十一日止年度，彼等之酬金則分別約為1,252,000港元、1,252,000港元、1,172,000港元、992,000港元、242,000港元、125,000港元及125,000港元。

董事酬金包括於截至二零零四年三月三十一日止年度分別已付或應付予兩位獨立非執行董事之袍金175,000港元，以及於截至二零零三年三月三十一日止年度之125,000港元。

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7. DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

(Continued)

The aggregate of the emoluments in respect of the five highest paid individuals (including directors) is as follows:

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Basis salaries, allowances and other benefits	基本薪金、津貼及 其他福利	3,895	4,060
Discretionary bonuses	酌情花紅	55	800
Retirement benefits	退休福利	48	50
		3,998	4,910

During the year, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. No directors have waived or agreed to waive any emoluments during the year.

8. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The consolidated profit attributable to shareholders includes a loss of \$3,368,000 (2003: \$902,000) which has been dealt with in the financial statements of the Company.

7. 董事及管理高層之酬金 (續)

五名最高薪人士(包括董事)之酬金總額如下：

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
	3,895	4,060
	55	800
	48	50
	3,998	4,910

本年度內，本集團概無向五名最高薪人士支付任何酬金，作為招攬加入本集團或於加入本集團時之獎金或離職補償。概無董事於本年度內放棄或同意放棄收取任何酬金。

8. 股東應佔溢利

股東應佔綜合溢利包括虧損3,368,000元(二零零三年：902,000元)已於本公司之損益表處理。

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9. DIVIDEND

Dividend attributable to the previous financial year, approved during the year prior to listing:

Final dividend in respect of the previous financial year, approved during the year of HK\$Nil (2003: HK\$286) per share

上個財政年度但於本年度批准之末期股息每股零港元 (二零零三年：286港元)

9. 股息

上個財政年度但於本年度上市前批准之股息：

2004	2003
二零零四年	二零零三年
HK\$'000	HK\$'000
千港元	千港元

— 4,000

10. EARNING PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year ended 31 March 2004 is based on the profit attributable to shareholders of HK\$4,324,000 (2003: HK\$7,563,000) and on the weighted average of 481,412,500 (2003: 448,000,000) ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of HK\$4,324,000 (2003: HK\$7,563,000) and the weighted average number of ordinary shares of 503,712,643 (2003: 461,753,582) shares after adjusting for the effects of all dilutive potential ordinary shares under the Company's share option scheme.

10. 每股盈利

(a) 每股基本盈利

截至二零零四年三月三十一日止年度之每股基本盈利乃按股東應佔溢利4,324,000港元(二零零三年：7,563,000港元)及年內已發行普通股之加權平均股數481,412,500股(二零零三年：448,000,000股)計算。

(b) 每股攤薄盈利

每股攤薄盈利乃按普通股股東應佔溢利4,324,000港元(二零零三年：7,563,000港元)及經根據本公司之購股權計劃調整所有潛在攤薄普通股之影響後之普通股之加權平均股數503,712,643股(二零零三年：461,753,582股)計算。截至二零零三年三月三十一日止年度，並無任何已發行潛在攤薄普通股。

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10. EARNING PER SHARE (Continued)

(b) Diluted earnings per share (Continued)

The convertible bonds are anti-dilutive and therefore ignored in calculating diluted earnings per share.

(c) Reconciliation

10. 每股盈利 (續)

(b) 每股攤薄盈利 (續)

可換股債券具反攤薄作用，因此並無於計算每股攤薄盈利時計入。

(c) 對賬

		2004 二零零四年 Number of shares 股份數目	2003 二零零三年 Number of shares 股份數目
Weighted average number of ordinary shares used in calculating basic earnings per share	計算每股基本盈利時使用之普通股之加權平均股數	481,412,500	448,000,000
Deemed issue of ordinary shares for no consideration	視作按零代價發行普通股	22,300,143	13,753,582
Weighted average number of ordinary shares used in calculating diluted earnings per share	計算每股攤薄盈利時使用之普通股之加權平均股數	503,712,643	461,753,582

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11. FIXED ASSETS

The Group

11. 固定資產

本集團

		Leasehold improvements 租賃 物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及 裝置 HK\$'000 千港元	Equipment 設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost:	成本：				
At 1 April 2003	於二零零三年 四月一日	353	274	1,703	2,330
Additions	添置	—	4	3,554	3,558
At 31 March 2004	於二零零四年 三月三十一日	353	278	5,257	5,888
Accumulated depreciation:	累計折舊：				
At 1 April 2003	於二零零三年 四月一日	15	87	261	363
Charge for the year	年內支出	176	55	702	933
At 31 March 2004	於二零零四年 三月三十一日	191	142	963	1,296
Net book value:	賬面淨值：				
At 31 March 2004	於二零零四年 三月三十一日	162	136	4,294	4,592
At 31 March 2003	於二零零三年 三月三十一日	338	187	1,442	1,967

The Group leases equipment under finance lease expiring from one to three years. At the end of the lease term, the Group has the option to purchase the fixed assets at a price deemed to be a bargain purchase option. None of the leases includes contingent rentals.

本集團根據融資租賃租入設備，並於一至三年到期。於租期完結後，本集團可選擇以視為優惠之購買價購買該等固定資產。租賃概無包括或然租金。

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12. INTANGIBLE ASSETS

The Group

		Computer software 電腦軟件 HK\$'000 千港元
<i>Cost:</i>	<i>成本：</i>	
At 1 April 2003	於二零零三年四月一日	16,061
Additions	添置	8,184
At 31 March 2004	於二零零四年三月三十一日	24,245
<i>Accumulated amortisation:</i>	<i>累計攤銷：</i>	
At 1 April 2003	於二零零三年四月一日	1,906
Charge for the year	年內支出	4,232
At 31 March 2004	於二零零四年三月三十一日	6,138
<i>Net book value:</i>	<i>賬面淨值：</i>	
At 31 March 2004	於二零零四年三月三十一日	18,107
At 31 March 2003	於二零零三年三月三十一日	14,155

The amortisation of intangible assets for the year is included in "cost of services" in the consolidated income statement.

本年度之無形資產攤銷計入綜合損益表之「服務成本」內。

13. INVESTMENTS IN SUBSIDIARIES

13. 附屬公司之投資

The Company 本公司

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	5,925	5,925

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13. INVESTMENTS IN SUBSIDIARIES

(Continued)

The following list contains the particulars of subsidiaries which affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

13. 附屬公司之投資 (續)

下表包括對本集團之業績、資產或負債有所影響之附屬公司之詳情。除非另有註明，否則所持股份類別為普通股。

Name of company 公司名稱	Place of incorporation 註冊成立地點	Percentage of equity 股權百分比			Particulars of issued/registered capital 已發行／登記股本	Principal activity and place of operations 主要業務及經營地點
		Group's effective holding 本集團之實際持股量	held by the Company 由本公司持有	held by subsidiary 由附屬公司持有		
Cyberliving Holdings Limited 現代數碼控股有限公司	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	100%	100%	—	14,000 shares of US\$1 each 14,000股每股面值1美元之股份	Investment holding in Hong Kong 投資控股，香港
Cyberliving (Hong Kong) Co Limited 現代數碼(香港)有限公司	Hong Kong 香港	100%	—	100%	4 shares of HK\$1 each 4股每股面值1港元之股份	Leasing of office premises 租賃辦公室物業
Cyberinfo Management Limited 現代數碼管理有限公司	Hong Kong 香港	100%	—	100%	6 shares of HK\$1 each 6股每股面值1港元之股份	Provision of management and maintenance of network services 提供網絡服務管理及保養
Ying Wai Trading Limited	BVI 英屬處女群島	100%	—	100%	1 share of US\$1 each 1股每股面值1美元之股份	Investment holding in Hong Kong 投資控股，香港

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13. INVESTMENTS IN SUBSIDIARIES

(Continued)

13. 附屬公司之投資 (續)

Name of company	Place of incorporation	Percentage of equity			Particulars of issued/registered capital	Principal activity and place of operations
		Group's effective holding	held by the Company	held by subsidiary		
公司名稱	註冊成立地點	本集團之實際持股量	由本公司持有	由附屬公司持有	已發行／登記股本	主要業務及經營地點
Leading Pro Trading Limited	BVI	100%	—	100%	1 share of US\$1 each	Investment holding in Hong Kong
	英屬處女群島				1股每股面值1美元之股份	投資控股，香港
Cyberworks Technology Limited	Hong Kong	100%	—	100%	4 shares of HK\$1 each	Provision of systems design and integration services
現代數碼網絡有限公司	香港				4股每股面值1港元之股份	提供系統設計及整合服務
Cyberweb Services Limited	Hong Kong	100%	—	100%	4 shares of HK\$1 each	Provision of e-commerce services
現代數碼服務有限公司	香港				4股每股面值1港元之股份	提供電子商貿服務
New Conqueror Holdings Limited	BVI	100%	—	100%	1 share of US\$1 each	Investment holdings in the People's Republic of China (the "PRC")
	英屬處女群島				1股每股面值1美元之股份	投資控股，中華人民共和國 (「中國」)

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13. INVESTMENTS IN SUBSIDIARIES (Continued)

13. 附屬公司之投資 (續)

Name of company 公司名稱	Place of incorporation 註冊成立地點	Percentage of equity 股權百分比			Particulars of issued/ registered capital 已發行／登記股本	Principal activity and place of operations 主要業務及經營地點
		Group's effective holding 本集團之實際持股量	held by the Company 由本公司持有	held by subsidiary 由附屬公司持有		
華鹿光通信 (深圳) 有限公司*	The PRC 中國	100%	—	100%	RMB7,500,000 人民幣 7,500,000元	Development, production and sale of optical fibre transmission devices in the PRC 開發、生產及銷售光纖傳輸裝置

* Wholly owned foreign enterprise established in the PRC not audited by KPMG

* 於中國成立之全外資企業，並非由畢馬威會計師事務所審核

14. INTEREST IN ASSOCIATES

14. 於聯營公司之權益

		The Group 本集團		The Company 本公司	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	—	—	978	—
Share of net assets	攤佔資產淨額	6,095	—	—	—
		6,095	—	978	—

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14. INTEREST IN ASSOCIATES (Continued)

Details of the Group's interest in associates are as follows:

14. 於聯營公司之權益 (續)

本集團於聯營公司之權益詳情載列如下：

Name of company 公司名稱	Place of incorporation 註冊成立地點	Percentage of equity 股權百分比			Particulars of issued/registered capital 已發行／登記股本	Principal activity and place of operations 主要業務及經營地點
		Group's effective holding 本集團之實際持股量	held by the Company 由本公司持有	held by subsidiary 由附屬公司持有		
Grace Pond Limited*	Hong Kong	49%	—	49%	1,000 shares of HK\$1 each	Provision of software application consultancy services
	香港				1,000股每股面值1港元之股份	提供軟件應用諮詢服務
General Win Limited*	Hong Kong	49%	—	49%	1,000 shares of HK\$1 each	Provision of software application consultancy services
	香港				1,000股每股面值1港元之股份	提供軟件應用諮詢服務
Pro-Innvoative Holdings Limited*	BVI	49%	49%	—	1,000 shares of US\$1 each	Investment holding in Hong Kong
	英屬處女群島				1,000股每股面值1美元之股份	投資控股，香港

* Companies not audited by KPMG

* 該等公司並非由畢馬威會計師事務所審核

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15. INTEREST IN JOINTLY CONTROLLED ENTITY

15. 於合營公司之權益

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	—	—
Share of net assets	攤佔資產淨額	—	—
		—	—

Details of the Group's interest in a jointly controlled entity are as follows:

本集團於合營公司之權益詳情載列如下：

		Percentage of equity 股權百分比			Particulars of issued/ registered capital 已發行／ 登記股本	Principal activity and place of operations 主要業務及 經營地點
Name of company 公司名稱	Place of incorporation 註冊成立地點	Group's effective holding 本集團之 實際持股量	held by the Company 由本公司 持有	held by subsidiary 由附屬公司 持有		
Molecular Diagnosis Limited*	BVI 英屬處女群島	50%	—	50%	2 shares of US\$1 each 2股每股面值 1美元之股份	Investment holding in Hong Kong 投資控股，香港

* Company not audited by KPMG

* 該等公司並非由畢馬威會計師事務所審核

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16. INVENTORIES

16. 存貨

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Finished goods	製成品	16,396	—
Spares and consumables	備用品及消耗品	1,981	1,700
		18,377	1,700

The Group leases inventories under finance lease expiring from one to three years. At the end of the lease term, the Group has the option to purchase the inventories at a price deemed to be a bargain purchase option. None of the leases includes contingent rentals. Sales of the inventories under finance leases are subject to prior consent of the lessors.

本集團根據融資租約租賃存貨，租約為期一至三年。租約屆滿時，本集團可選擇按被視為折讓購買選擇權之價格購買該等存貨。該等租約概不包括或然租金。根據融資租賃轉售存貨須事先取得融資提供者之同意。

All inventories are stated at cost. As at 31 March 2004, there were inventories of HK\$8,408,000 held under finance lessors.

所有存貨乃按成本值列賬。於二零零四年三月三十一日，根據融資租賃持有之存貨總值達8,408,000港元。

17. ACCOUNTS RECEIVABLE

Customers are generally granted with credit terms of one to three months. An ageing analysis of the accounts receivable (net of provisions for bad and doubtful debts) is as follows:

17. 應收賬款

本集團一般給予客戶一至三個月信貸期。應收賬款(扣除呆壞賬撥備)賬齡分析如下：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Current	即期	—	3,000
Aged over 1 month but less than 3 months	超過一個月 但少於三個月	6,120	5,263
Aged over 3 months	超過三個月	1,480	5,785
		7,600	14,048

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18. PLEDGED DEPOSITS

Bank deposits of HK\$20,170,000 (2003: HK\$10,000,000) as at 31 March 2004 were pledged against certain banking facilities granted to the Group.

18. 有抵押存款

於二零零四年三月三十一日為數20,170,000港元(二零零三年: 10,000,000港元)之銀行存款已就本集團獲授之銀行融資抵押。

19. CASH AND CASH EQUIVALENTS

19. 現金及現金等價物

		The Group		The Company	
		本集團		本公司	
		2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Deposits with banks and other financial institutions	銀行及其他財務機構之存款	—	39	—	—
Cash at bank and in hand	銀行結餘及現金	12,883	1,437	10,015	10
Cash and cash equivalents in the balance sheet	列於資產負債表之現金及現金等價物	12,883	1,476	10,015	10
Bank overdrafts (note 20)	銀行透支(附註20)	(22,962)	(1,998)	(11,967)	—
Cash and cash equivalents consolidated cash flow statement	列於綜合現金流量表之現金及現金等價物	(10,079)	(522)	(1,952)	10

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20. BANK LOANS AND OVERDRAFTS

At 31 March 2004, the bank loans and overdrafts were repayable as follows:

20. 銀行貸款及透支

於二零零四年三月三十一日，
銀行貸款及透支應償還情況如下：

		The Group		The Company	
		本集團		本公司	
		2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Within 1 year or on demand	於一年內按要求償還	34,744	13,753	12,717	—
After 1 year but within 2 years	一年後但兩年內	1,500	—	1,500	—
After 2 years but within 5 years	兩年後但五年內	750	—	750	—
		2,250	—	2,250	—
		36,994	13,753	14,967	—

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20. BANK LOANS AND OVERDRAFTS

(Continued)

At 31 March 2004, the bank loans and overdrafts were secured as follows:

20. 銀行貸款及透支(續)

於二零零四年三月三十一日，
銀行貸款及透支之抵押情況如下：

		The Group		The Company	
		本集團		本公司	
		2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Secured bank overdrafts	有抵押銀行透支				
(note 19)	(附註19)	22,962	1,998	11,967	-
Bank loans	銀行貸款				
- secured	- 有抵押	14,032	11,000	3,000	-
- unsecured	- 無抵押	-	755	-	-
		36,994	13,753	14,967	-

The banking overdraft facility and the bank loans are secured by time deposits of HK\$20,170,000 as at 31 March 2004 (2003: HK\$10,000,000).

The directors, Wong Yuen Yee, Wong Yao Wing and Wong Kwok Sing have provided personal guarantee for bank loan and overdraft facilities to the extent of HK\$22,027,000 granted to the Group (2003: HK\$13,753,000).

於二零零四年三月三十一日，
銀行透支融資及銀行貸款乃以
定期存款20,170,000港元作抵
押(二零零三年：10,000,000
港元)。

黃婉兒、黃祐榮及黃國聲(均
為董事)已就本集團獲授之銀
行貸款及透支備用額達
22,027,000港元(二零零三
年：13,753,000港元)提供個
人擔保。

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21. OBLIGATIONS UNDER FINANCE LEASES

21. 融資租賃承擔

		The Group 本集團					
		2004 二零零四年			2003 二零零三年		
		Present value of the minimum lease payments 最低租賃 付款額 貼現值 HK\$'000 千港元	Interest expense relating to future periods 日後期間 利息支出 HK\$'000 千港元	Total minimum lease payments 最低租賃 付款額 總數 HK\$'000 千港元	Present value of the minimum lease payments 最低租賃 付款額 貼現值 HK\$'000 千港元	Interest expense relating to future periods 日後期間 利息支出 HK\$'000 千港元	Total minimum lease payments 最低租賃 付款額 總數 HK\$'000 千港元
Within 1 year	1年內	4,133	301	4,434	-	-	-
After 1 year but within 2 years	1年後但 兩年內	1,979	103	2,082	-	-	-
After 2 years but within 5 years	兩年後但 5年內	515	5	520	-	-	-
		2,494	108	2,602	-	-	-
		6,627	409	7,036	-	-	-

Lease obligations as at 31 March 2004 are secured by fixed assets and inventories with net book value of HK\$2,320,000 and HK\$8,408,000, respectively.

於二零零四年三月三十一日之租賃承擔以固定資產及存貨（賬面淨值分別為2,320,000港元及8,408,000港元）作抵押。

Under the finance lease agreements, the leased assets are required to be situated in Hong Kong or other specified locations. During the year, certain leased assets have been moved to locations not permissible in the agreements, which constitutes a breach of the terms and conditions under the agreement. Consequently, the lessors have the rights to demand early repayment of the lease obligation. In the circumstance, the finance lease obligations have been classified as current liabilities in the financial statements.

根據融資租賃協議，租賃資產須位於香港或其他特定地區。於本年度，若干租賃資產已遷移至未為安排所准許之地區，因而對安排下之條款及條件構成違反。因此，租賃人有權要求提早支付租賃承擔。在此情況下，融資租賃承擔於財務報表內分類為流動負債。

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22. RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. The Group participates in a Mandatory Provident Fund ("MPF"), managed by independently approved MPF trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the scheme vest immediately.

22. 退休福利

本集團根據香港強制性公積金計劃條例為香港僱傭條例所屬司法權區內聘用之僱員營辦強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立信託人管理之定額供款退休計劃。本集團參與強制性公積金(「強積金」)，強積金由獨立認可強積金信託人管理。根據強積金計劃，僱主及其僱員分別須按僱員有關收入之5%供款，上限為每月有關收入20,000港元。計劃之供款一旦作出即歸於僱員所有。

23. INCOME TAX IN THE BALANCE SHEET

(a) **Current taxation in the balance sheet represents:**

23. 在資產負債表之所得稅

(a) 在資產負債表之本期稅項指：

		The Group	
		本集團	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		千港元	千港元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備	315	—
Balance of Profits Tax provision relating to prior years	過往年度之利得稅結餘	942	937
		1,257	937

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23. INCOME TAX IN THE BALANCE SHEET

(Continued)

(b) Deferred tax assets and liabilities recognised:

The Group

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

23. 在資產負債表之所得稅

(續)

(b) 已確認之遞延稅項資產及負債：

本集團

於本年度，已於綜合資產負債表內確認之遞延稅項(資產)/負債之成分如下：

		Depreciation allowances in excess of related depreciation 超逾有關折舊之稅項折舊 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<i>Deferred tax arising from:</i>	<i>遞延稅項產生自：</i>			
At 1 April 2002	於二零零二年四月一日	319	–	319
Charged/(credited) to consolidated income statement	於綜合損益表內扣除/(計入)	2,340	(496)	1,844
At 31 March 2003	於二零零三年三月三十一日	2,659	(496)	2,163
At 1 April 2003	於二零零三年四月一日	2,659	(496)	2,163
Charged to consolidated income statement	於綜合損益表內扣除	853	496	1,349
At 31 March 2004	於二零零四年三月三十一日	3,512	–	3,512

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24. CONVERTIBLE BONDS

On 24 September 2003, the Company issued 3-year HK\$8 million convertible bonds bearing interest at 7.5% per annum. Holders of the bonds have the option to convert the bonds into ordinary shares of the Company of HK\$0.01 each at a conversion price of HK\$0.2, subject to adjustments in accordance with the terms in the instrument constituting the convertible bonds, at any time six months after 24 September 2003 up to the maturity date, 24 September 2006. Unless previously redeemed and cancelled, the bonds will be redeemed at 116.5% of its principal amount on the maturity date. The redemption obligation is accrued over the bond period, and amounted HK\$220,000 as at 31 March, 2004. During the year, none of the convertible bond holders exercised their rights of conversion into the Company's ordinary shares.

24. 可換股債券

於二零零三年九月二十四日，本公司發行三年期價值8,000,000港元之可換股債券，年息為7.5厘。債券之持有人可選擇於二零零三年九月二十四日之後至到期日二零零六年九月二十四日止六個月期間隨時將債券按0.2港元之換股價兌換為每股面值0.01港元之本公司普通股，惟須根據構成可換股債券之工具之條款作出調整。除非已於過往贖回及註銷，否則該等債券將於到期日按其本金總額之116.5%贖回。贖回責任在整個債券期間累計，於二零零四年三月三十一日之總值為220,000港元。於本年度，可換股債券之持有人概無行使彼等權利，將該等債券兌換成本公司之普通股。

25. SHARE CAPITAL

The following is a summary of movements in the authorised and issued share capital of the Company:

25. 股本

以下為本公司之法定及已發行股本之變動詳情概要：

		2004 二零零四年		2003 二零零三年	
		No. of shares 股份數目 (‘000) (千股)	Amount 總額 HK\$‘000 千港元	No. of shares 股份數目 (‘000) (千股)	Amount 總額 HK\$‘000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元 之普通股	10,000,000	100,000	10,000,000	100,000
Issued and fully paid:	已發行及繳足：				
At 1 April	於四月一日	480,000	4,800	14	109
Shares issued under share option scheme	根據購股權計劃 發行股份	14,250	143	-	-
Shares repurchased	回購股份	(4,300)	(43)	-	-
Capital elimination on consolidation	綜合賬目時 撤銷股本	-	-	(14)	(109)
Issuance of shares	發行股份	-	-	30,000	300
Capitalisation issue	資本化發行	-	-	354,000	3,540
Issuance of shares for placement	就配售發行	-	-	84,000	840
Issuance of shares for public offer	就公開發售發行股份	-	-	12,000	120
At 31 March	於三月三十一日	489,950	4,900	480,000	4,800

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25. SHARE CAPITAL (Continued)

During the year, the Company repurchased certain its outstanding shares listed on the Stock Exchange of Hong Kong Limited as follows:

Month/year	月/年	Number of shares repurchased 購回股份 數目	Average price paid per share 已付每股 平均價 HK\$ 港元	Aggregate price paid 已付累計 價格 HK\$ 港元
October 2003	二零零三年十月	2,000,000	0.140	284,019
October 2003	二零零三年十月	2,300,000	0.148	341,640
				625,659

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. Pursuant to the Bermuda Companies Act, an amount equivalent to the par value of the shares cancelled of HK\$43,000 was transferred from the retained profits to the capital redemption reserve (note 26). The premium paid on the repurchase of the shares of HK\$583,000 was charged to retained profits (note 26).

Share option schemes

The Company adopted a share option schemes on 5 July 2002 whereby any employees (whether or not full-time or part-time) and any consultant or adviser who, at the sole discretion of the board, subject to the terms of the share option scheme, contributed to the Group, may be granted options to subscribe for shares in the Company.

The maximum number of shares in respect of which options may be granted under the schemes must not exceed 10% of the shares in issue.

25. 股本 (續)

於本年度，本公司購回若干其本身已發行於香港聯合交易所有限公司上市之股份情況如下：

已購回之股份已註銷，並於本公司之已發行股本中相應削減該等股份之賬面值。根據開曼群島公司法，相對於已註銷股份面值之款額43,000港元已自保留溢利轉撥至股本贖回儲備（附註26）。購回股份之已付溢價583,000港元已於保留溢利（附註26）內扣除。

購股權計劃

本公司於二零零二年七月五日有條件採納一項購股權計劃，據此，任何僱員（不論全職或兼職）及任何諮詢顧問或顧問（在購股權計劃之條款下，由董事會全權酌情認為對本集團作出貢獻者）均可獲授購股權以認購本公司股份。

根據該計劃授出之購股權可認購之股份數目，最多不得超過已發行股份之10%。

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25. SHARE CAPITAL (Continued)

(i) Pre-IPO Share Option Scheme

Pursuant to the Pre-IPO option scheme adopted by the Company on 5 July 2002 (the "Pre-IPO Share Option Scheme"), the principal terms of which were set out in the Prospectus, options were granted to the grantees to subscribe for shares in the Company.

(ii) Post-IPO Share Option Scheme

Pursuant to a written resolution passed at the sole shareholder of the Company on 5 July 2002, the Company adopted the Post-IPO share option scheme, the principal terms of which are set out in the section headed "Share Option Schemes" in Appendix IV of the Prospectus. Options were granted by the Company under the Post-IPO Share Option Scheme on 6 January 2004.

On 6 January 2004, options were exercised to subscribe 14,250,000 shares in the Company at a consideration of HK\$1,567,500, of which HK\$142,500 was credited to share capital and the balance of HK\$1,425,000 was credited to the share premium account (note 26).

25. 股本 (續)

(i) 首次公開售股前購股權計劃

根據本公司於二零零二年七月五日採納的首次公開售股前購股權計劃（「首次公開售股前購股權計劃」）（其主要條款載於售股章程），本公司向承授人授出購股權以認購本公司股份。

(ii) 首次公開售股後購股權計劃

根據本公司的唯一股東於二零零二年七月五日通過的書面決議案，本公司有條件採納首次公開售股後購股權計劃，其主要條款載於售股章程附錄四「購股權計劃」一節。於二零零四年一月六日，本公司根據首次公開售股後購股權計劃授出購股權。

於二零零四年一月六日，購股權獲行使以認購 14,250,000 股份，涉及之代價為 1,567,500 港元，其中 142,500 港元計入股本，餘額則計入股份溢價賬（附註 26）。

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26. RESERVES

(a) The Group

26. 儲備

(a) 本集團

		Share premium	Contributed surplus	Capital redemption reserve	Retained profits	Total
		股份溢價	繳入盈餘	股本贖回儲備	保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 April 2002	於二零零二年四月一日	–	5,816	–	6,633	12,449
Premium arising from the public offer and placement of shares	公開發售及配售股份而產生溢價	25,920	–	–	–	25,920
Capitalisation issue	資本化發行	(3,540)	–	–	–	(3,540)
Shares issuance expenses	股份發行開支	(11,737)	–	–	–	(11,737)
Elimination on reorganisation	因重組對銷	–	(5,816)	–	–	(5,816)
Arising from the reorganisation	因重組產生	–	5,625	–	–	5,625
Profit for the year	本年度溢利	–	–	–	7,563	7,563
Dividend approved during the year prior to listing	本年度批准上市前之股息	–	–	–	(4,000)	(4,000)
At 31 March 2003	於二零零三年三月三十一日	10,643	5,625	–	10,196	26,464
At 1 April 2003	於二零零三年四月一日	10,643	5,625	–	10,196	26,464
Shares issued under share option scheme (note 25)	根據購股權計劃發行股份(附註25)	1,425	–	–	–	1,425
Purchase of own shares (note 25)	購回本身之股份(附註25)	–	–	–	–	–
– premium paid	– 已付溢價	–	–	–	(583)	(583)
– transfer between reserves	– 各儲備間之轉撥	–	–	43	(43)	–
Profit for the year	本年度溢利	–	–	–	4,324	4,324
At 31 March 2004	於二零零四年三月三十一日	12,068	5,625	43	13,894	31,630

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26. RESERVES (Continued)

(a) The Group (Continued)

Included in retained profits is an amount of HK\$197,000 (2003: HK\$Nil), being retained profits attributable to associates and jointly controlled entity.

The application of the share premium account is governed by Bye-Law 140(A) of the Company's Bye-Law and the Companies Act 1981 of Bermuda ("Companies Act").

(b) The Company

26. 儲備 (續)

(a) 本集團 (續)

保留溢利項下已計入款額197,000港元(二零零三年：零)，該筆款項乃聯營公司及合營公司之應佔款項。

股份溢價賬之應用受到本公司之細則第140(A)條及百慕達一九八一年公司法(「公司法」)監管。

(b) 本公司

		Capital				Total
		Share premium	Contributed surplus	redemption reserve	Accumulated losses	
		股份溢價	繳入盈餘	股本贖回儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Premium arising from the public offer and placement of shares	公開發售及配售股份而產生溢價	25,920	-	-	-	25,920
Capitalisation issue	資本化發行	(3,540)	-	-	-	(3,540)
Shares issuance expenses	股份發行開支	(11,737)	-	-	-	(11,737)
Arising from the reorganisation	因重組產生	-	5,625	-	-	5,625
Loss for the year	本年度虧損	-	-	-	(902)	(902)
At 31 March 2003	於二零零三年三月三十一日	10,643	5,625	-	(902)	15,366
At 1 April 2003	於二零零三年四月一日	10,643	5,625	-	(902)	15,366
Shares issued under share option scheme	根據購股權計劃發行股份	1,425	-	-	-	1,425
Purchase of own shares	購回本身之股份	-	-	-	-	-
- premium paid	- 已付溢價	-	-	-	(583)	(583)
- transfer between reserves	- 各儲備間之轉撥	-	-	43	(43)	-
Loss for the year	本年度虧損	-	-	-	(3,368)	(3,368)
At 31 March 2004	於二零零四年三月三十一日	12,068	5,625	43	(4,896)	12,840

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27. COMMITMENTS

(i) Operating leases commitments

The Group had total future minimum lease payments under non-cancellable operating leases in respect of office premises as follows:

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Within 1 year 一年內	378	483

The Group leases a number of properties under operating leases. The leases typically run for an initial period of one year, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

本集團根據經營租約租賃多項物業。租約一般初步為期一年，租約屆滿時有權重訂租約並重新議定所有條款。該等租約並無包括或然租金。

(ii) Capital commitments

Capital commitments outstanding at 31 March 2004 not provided for in the financial statements of the Company were as follows:

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Contracted for: 已訂約：		
Acquisition of equipment 購買設備	2,341	11,534
Investment in a subsidiary 附屬公司之投資	7,075	—
	9,416	11,534

27. 承擔

(i) 經營租約承擔

本集團就辦公室物業訂立之不可撤銷經營租約之日後最低租賃款項總額如下：

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Within 1 year 一年內	378	483

本集團根據經營租約租賃多項物業。租約一般初步為期一年，租約屆滿時有權重訂租約並重新議定所有條款。該等租約並無包括或然租金。

(ii) 資本承擔

於二零零四年三月三十一日尚未償還而並未於本集團之財務報表撥備之資本承擔如下：

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Contracted for: 已訂約：		
Acquisition of equipment 購買設備	2,341	11,534
Investment in a subsidiary 附屬公司之投資	7,075	—
	9,416	11,534

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28. RELATED PARTY TRANSACTIONS

The following represents a summary of material transactions during the year between the Group and related parties identified by the directors:

28. 關連方交易

本集團與董事所識別之關連方於本年度內進行之重大交易概要如下：

			2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Design fee received	已收設計費		-	900
Consultancy fee paid	已付顧問費	(i)	720	560
Salaries paid	已付薪金	(ii)	240	-
Operating expenses paid	已付營運開支	(iii)	793	512

Notes:

- (i) Consultancy fee paid to Mr Chow Kam Wing, a director of a subsidiary, for the provision of advisory services over software development.
- (ii) Salaries paid to Ms Chen Po Sum, the honorable chairman of the Group, for promoting the Group's image.
- (iii) The directors, Ms Wong Yuen Tu and Mr. Wong Kwok Sing paid certain operating expenses on behalf of the Group.

The directors of the Company are of the opinion that the above transactions with related parties were conducted on normal commercial terms and in the ordinary course of business.

附註：

- (i) 顧問費乃就獲提供軟件開發之顧問服務支付予周錦榮先生（一家附屬公司之董事）。
- (ii) 薪金乃就推廣本集團形象支付予陳葆心女士（本集團榮譽主席）。
- (iii) 黃婉兒女士及黃國聲先生（均為董事）代表本集團支付營運開支。

本公司董事認為，與關連方訂立之上述交易乃於日常業務過程中按正常商業條款進行。

NOTES ON THE FINANCIAL STATEMENTS

財 務 報 表 附 註

At 31 March 2004

於二零零四年三月三十一日

(Expressed in Hong Kong dollars)

(以港元列示)

29. CHANGES IN ACCOUNTING POLICIES

In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1 April 2003, in order to comply with the Statement of Standard Accounting Practice 12 (revised) issued by the Hong Kong Society of Accountants, the Group adopted a new policy for deferred tax as set out in note 2(n). There is no significant effect on the Group's net profit and the Group's and the Company's net assets for the years presented as a result of the adoption of this accounting policy.

29. 會計政策變動

於過往年度，遞延稅項負債乃按負債法，就以會計及稅務處理收入及開支時產生之重大時差而於可見未來產生引致對稅項之影響而作出撥備。遞延稅項資產須待有合理理由相信其變現得到保證，方會予以確認。為符合香港會計師公會頒佈於二零零三年四月一日生效之會計實務準則第12號（經修訂）之規定，本集團已就遞延稅項採納新會計政策（載於附註2(n)）。採納此項會計政策對所列示之本集團各年之溢利淨額以及本集團及本公司之資產淨額並無重大影響。



INNO-TECH

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